



NIGERIA

ECONOMIC

UPDATE

**Weekly
Snapshot**

BOI's ₦250 Billion Series 1 Bond Closes Oversubscribed

A [press release](#) from the Bank of Industry (BOI) on 17 August 2026 confirmed the successful debut in Nigeria's domestic capital markets, with its ₦250 billion Series 1 Fixed Rate Bond oversubscribed. Issued through BOI Financing SPV Plc under the Bank's US\$1 billion Multi-Currency Instruments Programme, the transaction achieved robust price discovery, amid strong institutional investor appetite. BOI's Managing Director/CEO highlighted that the outcome demonstrates the domestic market's ability to support development financing at scale and described the investor response as a vote of confidence in both BOI and Nigeria's capacity to mobilise long-term capital for productive investment. To sustain this momentum, BOI should prioritise the swift deployment of proceeds toward high-impact industrial projects with clearly defined metrics for job creation and value-chain development, while publishing quarterly disbursement and impact reports to maintain investor confidence. Concurrently, the Bank should deepen its engagement with domestic institutional investors including pension funds, insurers, and asset managers through targeted and structured product offerings. This approach will broaden the investor base, lower future funding costs for development finance, and establish a more durable foundation for mobilising domestic savings for long-term development initiatives.

Fuel Subsidy Reforms Generates ₦15.8 trillion for the Federation

According to a [briefing](#) by the Honourable Minister of Finance and Coordinating Minister of the Economy on 19 August 2026, fuel subsidy reforms generated ₦15.8 trillion for the Federation between June 2023 and December 2025. Of this, the federal government received ₦5.4 trillion and ₦10.4 trillion shared with states and local governments. The federal government also recorded ₦3.1 trillion in incremental independent revenue, largely remittances from government-owned entities, and ₦11.9 trillion in incremental borrowing. In total, the federal government's incremental resources over the review period amounted to ₦20.4 trillion, with the fund used to partly finance incremental expenses of ₦30.64 trillion. Put differently, of the ₦20.4 trillion, 58 percent came from borrowing, 27 percent from subsidy savings, and 15 percent from other revenue. The brief noted that the financing mix is evidence of improved public finance. While the reforms have expanded fiscal space, the notable reliance on borrowing presents debt-servicing risks and may constrain future development spending. Sustaining credibility requires transparent tracking of reform proceeds, including quarterly, project-level disclosures on subsidy-reform proceeds to strengthen accountability. In addition, the government should prioritise high-multiplier infrastructure and human-capital spending while restraining non-essential recurrent expenditures. The household-level effects of subsidy removal remain pronounced, highlighting the imperative that these fiscal gains translate into targeted social support and relief measures for vulnerable households.

Naira Shows Stability, Remains Resilient Amid Global Tension

The Nigerian Foreign Exchange Market (NFEM) rates [data](#) show that the Naira remained relatively stable throughout August 2026, trading within a narrow band of ₦1,343 to ₦1,366 per US dollar, with an average of ₦1,356.69 as of 24 August. This stability is noteworthy given ongoing Middle East tensions that have disrupted global value chains, demonstrating that the Naira has weathered external shocks and exhibited considerable resilience. The Naira reached its strongest point on 18 August at ₦1,343.32, marking its best performance since 16 April, when it last traded at ₦1,342.30. This exchange rate stability mirrors the similarly tight trading range observed in July 2026 (₦1,366–₦1,380), a period that coincided with improved price stability. The National Bureau of Statistics (NBS), in its July 2026 Consumer Price Index [report](#) confirmed this trend, with headline inflation declining to 15.43% in July from 15.91% in June. A stable exchange rate yields significant macroeconomic benefits beyond inflation control. It reduces uncertainty, which lowers borrowing costs, encourages investment and trade, and supports sustainable growth and employment while reinforcing macroeconomic resilience against external shocks. To build on these gains, policymakers should prioritise measures that expand foreign exchange supply by boosting export capacity and attracting stable capital inflows. Strategic actions should include targeted investments in export-enabling infrastructure including roads, ports, and storage facilities, sustained support for domestic manufacturing to lower import dependence, and greater transparency in foreign exchange market operations to ensure reliable access to foreign currency.

ECONOMIC SNAPSHOT		
Quarterly Indicators	'25Q4	'26Q1
GDP Growth Rate (%)	4.07	3.89
Oil GDP Growth Rate (%)	6.79	9.31
Non-oil GDP Growth Rate (%)	3.99	3.94
Unemployment Rate (%)	NA	NA
Foreign Direct Investment (US \$ Million)	357.8	135.1
Portfolio Investment (US \$Millions)	5,486.03	9,862.34
Other Investment (US \$Million)	599.65	374.48
External Debt (FGN & States- N'Trillion)	74,426,735	NA
Domestic Debt (FGN + States & FCT N'Trillion)	84,849,333	NA
Manufacturing Capacity Utilization (%)	NA	NA
Imports (N'Billion)	17.25	13.62
Exports (N'Billion)	18.96	21.17
Total trade (N'Billion)	36.21	34.79
Trade balance (N'Billion)	1.71	7.55
Crude oil Export (N'Billion)	9.702	NA
Non-Crude Oil Export (N'Billion)	9.26	NA
Non-Oils Export (N'Billion)	3.145	NA
Monthly Indicators	April 26'	May 26'
Headline Inflation (%)	15.69	15.93
Food Sub-Index (%)	3.63	2.98
Core Sub-Index (%)	1.03	1.94
External Reserves (End Period) (US\$ Billion)	48.36	49.58
Official Rate Approx. (N/US\$)	1,374.94	1,373.25
BDC Rate Approx. (N/US\$)	1,474	1,373
Manufacturing PMI	52.4	54.1
Non-Manufacturing PMI	48.8	49.3
Average Crude Oil Price (US\$/Barrel)	108.79	114.55
Petrol (PMS-N/litre)	1,531.93	NA
Diesel (AGO -N/Litre)	2,474.69	NA
Kerosene (HHK -N/Litre)	2,976.94	NA
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	8,706.93	NA
MPR (%)	26.50	26.50
CRR of Deposit Money Banks (%)	45	45
T-Bill Rate (%)	15.95	15.95
Savings Deposit Rate (%)	7.34	7.24
Prime Lending Rate (%)	18.87	19.10
Maximum Lending Rate (%)	35.17	34.78
Narrow Money (N'Trillion)	44.62	43.76
Broad Money (N'Trillion)	124.99	129.21
Net Domestic Credit (N'Trillion)	120.18	121.42
Credit to the Government (Net) (N'Trillion)	39.60	40.38
Credit to the Private Sector (N'Trillion)	80.59	81.04
Currency in Circulation (N'Trillion)	5.65	5.69
FAAC (N'Trillion)	2.63	NA

1. BOI's ₦250 Billion Series 1 Bond Closes Oversubscribed report from:

<https://www.nuprc.gov.ng/media/news/f89a978eca733d8947ae6c48>

2. Fuel Subsidy Reforms Generates ₦15.8 trillion for the Federation report from:

<https://microdata.nigerianstat.gov.ng/index.php/catalog/154>

3. Naira Shows Stability, Remains Resilient Amid Global Tension report from:

<https://www.boi.ng/boi-250-billion-series-1-bond-issuance/>