CSEA
CENTRE FOR THE STUDY OF THE ECONOMIES OF AFRICA

Weekly Snapshot

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Consumers Express Deep Pessimism in June 2025

The Central Bank of Nigeria's (CBN) June 2025 Household Expectations survey report revealed a slight increase in consumer pessimism in June 2025, with the overall index deteriorating from -12.9 in the preceding month to -13.2 index points in the month under review, signalling deepened pessimism among Nigerian households. The survey revealed a uniformly negative outlook across all three key dimensions assessed: economic conditions (-11.6 index points), family financial situation (-22.3 index points), and family income (-5.9 index points). However, while pessimism lingered into July (-3.6 index points), the outlook for September (3.8 index points) and December (12.2 index points) signals tentative optimism, hinting at expectations of gradual improvement as the year progresses. The household's perception index for prices improved in June (-23.0 index points) when compared to May 2025 (-26.7 index points), indicating a widespread belief that prices are easing; however, they remain relatively high. The report emphasised the urgency of targeted interventions to stabilise the economy and rebuild consumer confidence, including effective inflation management, which has far-reaching implications for business expectations, operational costs, and employment. In addition, strategic support is needed for micro, small, and medium enterprises (MSMEs) to lower production costs, enhance supply chain efficiency, and ultimately ease inflationary pressures.

Credit Availability Improves in Q2 2025

The Central Bank of Nigeria's (CBN) Credit Conditions Survey report for Q2 2025 indicated that the supply of credit increased for secured lending, unsecured lending, and corporate lending, with their respective indices at 0.5, 6.6, and 15.7 points. In terms of credit demand, the survey found that demand for secured (9.6 points) and corporate lending (21.1 points) increased, while demand for unsecured lending (-2.2 points) decreased. The increase in corporate lending demand was primarily driven by inventory finance, as noted by the report. Lenders reported higher default rates for secured, unsecured, and corporate lending. The overall loan spreads on both secured and unsecured lending rates to households widened relative to the Monetary Policy Rate (MPR). However, for corporate lending, the lending rate spreads relative to MPR for all lending types narrowed in the review quarter. Despite improved credit access, the report revealed a concerning rise in default rates across all lending categories, particularly corporate loans and small businesses, signalling growing financial vulnerabilities among households and enterprises. Thus, there is a critical need for policies promoting affordable credit facilities and more efficient loan distribution frameworks. Such measures would enhance household liquidity and improve credit access, ultimately supporting economic resilience in the face of elevated credit risks and financial strain on borrowers.

Nigeria Surpasses OPEC's Oil Production Quota in June 2025

The Organisation of Petroleum Exporting Countries (OPEC) July 2025 Monthly Oil Market report showed a 3.58% increase in Nigeria's average daily crude oil production, rising from 1.453 million barrels per day (bpd) in May to 1.505 million bpd in June, based on direct communication data. Despite this improvement, Nigeria's output remains significantly below its ambitious 2025 target of 2.06 million bpd, falliing short by nearly 27%. This gap shows ongoing systemic challenges undermining the country's oil sector, including underinvestment and oil theft, which continue to suppress production capacity. Although the Nigerian government does not influence oil price fluctuations, as they are determined in the global market, it retains some control over domestic production levels. Hence, to scale up oil production, the government must strengthen enforcement against oil theft by imposing stricter penalties, improving security, and fostering enhanced collaboration with affected local communities. Furthermore, attracting new investment requires a more stable macroeconomic environment, which can be achieved through numerous measures, including stable exchange rate management. These measures can boost investments, facilitate the modernisation of Nigeria's oil infrastructure, improve operational efficiency, and help the country realise its full production potential in the oil sector.

ECONOMIC SNAPSHOT		
Quarterly Indicators	'24Q3	'24Q4
GDP Growth Rate (%)	3.46	3.84
Oil GDP Growth Rate (%)	5.17	1.48
Non-oil GDP Growth Rate (%)	3.37	3.96
Unemployment Rate (%)	NA	NA
Foreign Direct Investment (US $ Million)	103.82	NA
Portfolio Investment (US $Millions)	88.31	NA
Other Investment (US $Million)	249.53	NA
External Debt (FGN & States- N'Trillion)	69.23	56.02
Domestic Debt (FGN + States & FCT N'Trillion)	68.89	61.58
Manufacturing Capacity Utilization (%)	60.70	61.90
Imports (N'Billion)	14.67	16.56
Exports (N'Billion)	20.48	20.01
Total trade (N'Billion)	35.16	36.60
Total trade (N'Billion)	5.81	3.42
Trade balance (N'Billion)	13.40	13.78
Crude oil Export (N'Billion)	7.08	6.23
Non-Crude Oil Export (N'Billion)	2.50	2.84
Monthly Indicators	April 25'	May 25'
Headline Inflation (%)	23.71	22.97
Food Sub-Index (%)	21.26	21.14
Core Sub-Index (%)	23.39	22.28
External Reserves (End Period) (US$ Billion)	37.93	38.45
Official Rate Approx. (N/US$)	1,599.4	1,586.2
BDC Rate Approx. (N/US$)	481.21	NA
Manufacturing PMI	51.80	51.60
Non-Manufacturing PMI	51.80	51.70
Average Crude Oil Price (US$/Barrel)	69.07	65.90
Petrol (PMS-N/litre)	1,239.93	1,027.76
Diesel (AGO -N/Litre)	1,722.45	1,758.26
Kerosene (HHK -N/Litre)	2,219.69	2,175.29
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	7,885.60	8,167.43
MPR (%)	27.50	27.50
CRR of Deposit Money Banks (%)	50.00	50.00
T-Bill Rate (%)	NA	NA
Savings Deposit Rate (%)	NA	NA
Prime Lending Rate (%)	NA	NA
Maximum Lending Rate (%)	NA	NA
Narrow Money (N'Trillion)	41.01	40.38
Broad Money (N'Trillion)	119.08	119.01
Net Domestic Credit (N'Trillion)	101.46	102.90
Credit to the Government (Net) (N'Trillion)	23.55	25.07
Credit to the Private Sector (N'Trillion)	77.91	77.91
Currency in Circulation (N'Trillion)	5.01	5.01
FAAC (N'Trillion)	1.68	1.66

NA: Not Available

1. Consumers Express Deep Pessimism in June 2025 report from:
https://www.cbn.gov.ng/Out/2025/STD/June 2025 HHs.pdf
2. Credit Availability Improves in Q2 2025 report from:
https://www.cbn.gov.ng/Out/2025/STD/Q2 2025 Credit Conditions Survey Report.pdf
3 Nigeria Surpasses OPEC's Oil Production Quota in June 2025 Retrieve From;
https://www.cbn.gov.ng/Out/2025/STD/JUNE 2025 BUSINESS EXPECTATIONS SURVEY REPORT.pdf