CSEA
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Nigeria’s Terms of Trade Increase by 0.05 Percentage Points in Q1 2025

According to the National Bureau of Statistics' (NBS) Commodity Price Index report, Nigeria’s All-Commodity Terms of Trade for January, February, and March 2025 stood at 101.32%, 101.15%, and 101.37%, respectively. The All-Commodity Group Terms of Trade decreased by 0.18 percentage points in February and increased by 0.23 percentage points in March, resulting in a 0.05 percentage point increase in the first quarter of 2025. The report also showed that the All-Commodity Group Import Index for Q1 2025 decreased on average by 0.26 percentage points, driven by reduced import prices for goods, such as the products of the chemical and allied industries, raw hides and skins, and leather and fur skins, among others. However, the All-Commodity Group Export Price Index decreased on average by 0.21 percentage points, driven by price reductions in the export prices of plastic and rubber products, wood and articles of wood, and animal and vegetable fat oils. This means that Nigeria earned less from exports in this category. The report also indicated that while prices for both imports and exports fell, import prices were relatively lower than export prices, resulting in the modest improvement recorded in the Terms of Trade. The slight increase of 0.05 percentage points in Q1 2025 implies only minimal improvement and suggests that Nigeria’s external trade remains highly sensitive to price shifts in key commodities. Furthermore, the reduction in export prices for plastics, rubber, and wood, among others, reveals vulnerabilities in the Nigerian non-oil export base and implies reduced foreign exchange earnings from these sectors, which may set back diversification goals. Therefore, the government should prioritise adding value to exports and developing downstream industries that would stabilise export earnings and reduce susceptibility to global price shocks.

IMF Revises Nigeria’s Growth Rate, up by 0.4 Percentage Points in July 2025

The International Monetary Fund (IMF), in its July World Economic Outlook Update report, revised Nigeria’s economic output projections for 2025 to 3.4%. This is a 0.4 percentage point increase from the 3.0% recorded in April's outlook. Nigeria is also expected to maintain a steady growth rate, as projections for 2026 stand at 3.2%, an increase of 0.5 percentage points from the 2.7% recorded in April’s outlook. Despite the improved outlook, Nigeria’s projected growth rate remains below the regional average for Sub-Saharan Africa, which is projected to expand to 4.0% in 2025 and to 4.3% in 2026. However, the improved projections could have resulted from a generally improved global outlook; global growth was projected at 3.0% in 2025, up by 0.2 percentage points from the forecast in the previous report of April 2025, and 0.1 percentage points higher at 3.1% in 2026. The improved global projections were due to several factors, including the weakening of the US dollar and lower-than-expected US tariffs, which made borrowing and trading in US dollars easier. These projections reveal that for Nigeria, growth is positive but remains modest, and a growth rate below the regional average means that Nigeria risks falling behind other African countries in attracting investments. Furthermore, the improved global growth projection does not signify strength and implies that Nigeria could still be vulnerable to global shocks. Therefore, there is a need to strengthen domestic growth by boosting investments in productive sectors, such as manufacturing, agriculture, and digital services, while also prioritising structural reforms that enhance competitiveness, attract private investment, and reduce overreliance on external conditions.

NGX All-Share Index Depreciates by 0.50%, Closes at 140,295.50 Points

In the week ending August 29, 2025, the Nigerian Exchange Group (NGX) reported that the NGX All-Share Index (ASI) depreciated by 0.50% to close at 140,295.50 points, while market capitalisation fell by 0.49% to ₦88.769 trillion. The decline reflects cautious investor sentiment amid persistent macroeconomic uncertainties, particularly inflationary pressures, interest rate adjustments, and foreign exchange volatility. All sectoral indices closed lower, except the NGX AFR Dividend Yield Index, which appreciated by 0.94%, signalling investors’ preference for dividend-paying stocks. Meanwhile, the NGX ASeM Index closed flat, reflecting limited activity in the segment. The market’s bearish trend highlights risk aversion among investors, even as bargain-hunting in undervalued equities provided intermittent support. Looking ahead, performance will be shaped by upcoming corporate earnings, policy directions from monetary authorities, and macroeconomic data releases. Sustained volatility is expected, although dividend-focused and defensive stocks may continue to attract investor interest. The bearish performance reflects cautious investor sentiment amid persistent inflation, interest rate adjustments, and exchange rate volatility, which continue to dampen risk appetite. The preference for dividend-yielding equities suggests that investors are shifting toward defensive strategies in search of stability. To restore confidence and deepen participation, policy interventions should prioritise stabilising the foreign exchange market, ensuring consistency in monetary policy, and strengthening investor protection frameworks. Clear fiscal and structural reforms are also critical in reducing market volatility and attracting long-term capital inflows.

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 $Million)	249.53	NA
External Debt (FGN & States- N’Trillion)	69.23	56.02
Domestic Debt (FGN + States & FCT N’Trillion)	68.89	61.58
Manufacturing Capacity Utilization (%)	60.70	61.90
Imports (N’Billion)	14.67	16.56
Exports (N’Billion)	20.48	20.01
Total trade (N’Billion)	35.16	36.60
Total trade (N’Billion)	5.81	3.42
Trade balance (N’Billion)	13.40	13.78
Crude oil Export (N’Billion)	7.08	6.23
Non-Crude Oil Export (N’Billion)	2.50	2.84
Monthly Indicators	May 25’	June 25’
Headline Inflation (%)	22.97	22.22
Food Sub-Index (%)	21.14	21.97
Core Sub-Index (%)	22.28	22.76
External Reserves (End Period) (US$ Billion)	38.45	37.21
Official Rate Approx. (N/US$)	1,586.2	1549.8
BDC Rate Approx. (N/US$)	NA	NA
Manufacturing PMI	51.60	51.4
Non-Manufacturing PMI	51.70	51.3
Average Crude Oil Price (US$/Barrel)	65.90	73.50
Petrol (PMS-N/litre)	1,027.76	1,037.66
Diesel (AGO -N/Litre)	1,758.26	1,813.81
Kerosene (HHK -N/Litre)	2,175.29	2,192.63
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	8,167.43	8,323.95
MPR (%)	27.50	27.50
CRR of Deposit Money Banks (%)	50.00	50.00
T-Bill Rate (%)	19.07	17.90
Savings Deposit Rate (%)	7.53	7.52
Prime Lending Rate (%)	18.01	18.19
Maximum Lending Rate (%)	29.84	29.51
Narrow Money (N’Trillion)	40.38	39.92
Broad Money (N’Trillion)	119.01	117.50
Net Domestic Credit (N’Trillion)	102.90	99.86
Credit to the Government (Net) (N’Trillion)	25.07	23.73
Credit to the Private Sector (N’Trillion)	77.83	76.13
Currency in Circulation (N’Trillion)	5.01	5.0
FAAC (N’Trillion)	1.66	1.82

NA: Not Available

1. Nigeria's Terms of Trade Increase by 0.05 Percentage Points in Q1 2025 report from:
https://doclib.ngxgroup.com/market_data-site/other-market-information-site/Week Market Report/Weekly Market Report for the Week Ended 29-08-2025.pdf

2. IMF Revises Nigeria's Growth Rate, up by 0.4 Percentage Points in July 2025 report from:
https://microdata.nigerianstat.gov.ng/index.php/catalog/167

3 Nigeria's Foreign Reserves Reach $41 Billion, Highest in 44 Months Retrieve From;
https://doclib.ngxgroup.com/market_data-site/other-market-information-site/Week Market Report/Weekly Market Report for the Week Ended 29-08-2025.pdf