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Revenue Performance Strengthens as FAAC Shares ₦2.1 Trillion in September 2025

According to the Federation Account Allocation Committee (FAAC), a total sum of ₦2.103 trillion from a gross revenue of ₦3.054 trillion was shared among the Federal, State, and Local Government Councils as federation allocation for September 2025. From the total distributable amount, the Federal Government received ₦711.314 billion, the States got ₦727.170 billion, the Local Government Councils received ₦529.954 billion, and oil-producing states received ₦134.956 billion as 13% derivation revenue. Furthermore, ₦116.149 billion was deducted as the cost of collection and ₦835.005 billion for transfers, interventions, and refunds.Revenue performance showed a mixed trend across major components. Value Added Tax (VAT) increased by ₦150.011 billion, from ₦722.619 billion in August to ₦872.630 billion in September, while gross statutory revenue fell by ₦710.134 billion from ₦2.838 trillion in August to ₦2.128 trillion in September. Similarly, Electronic Money Transfer Levy (EMTL) collections stood at ₦53.838 billion. Gains were recorded in VAT, import duties, and EMTL, while CIT, CET levies, oil and gas royalties, and excise duties experienced declines. The overall increase in distributable revenue reflects stronger non-oil tax collection and improved electronic transaction volumes.To improve overall revenue performance, fiscal authorities must diversify revenue sources, improve compliance, and close leakages across statutory revenue channels, with technology playing a significant role in driving these efforts.

Business Confidence Rises in September 2025 Amid Improved Economic Stability

According to the September 2025 Busine Expectations Survey report by the Central Bank Nigeria (CBN), business confidence strengthen across all sectors, reflecting sustained optimism abo macroeconomic conditions and improving poli stability. The overall confidence index for Septemb 2025 stood at 31.5 points, up from 28.9 points in Augu 2025, indicating strong optimism among firr nationwide. All sectors expressed a positive outlook f the economy, with the services sector leading at 32 index points, followed by the agriculture and indust sectors at 30.6 and 30.0 index points, respectively.Tl agriculture sector recorded the highest capac utilisation, and the mining sector reported the highe expansion plans. Non-market services firms had tl highest employment expectations for October 202 indicating improved business activity across key sector While respondents' firms expected the naira appreciate in the coming months, they also projected favourable volume of business activity in October 202 December 2025, and March 2026. Over the next s months, overall optimism is expected to reach 51.8 ind points, reflecting growing confidence in the econom recovery.Despite the prevailing optimism, business continued to face key challenges. The top thr constraints identified were high bank charges (70.8% high taxes (70.8%), and poor infrastructure (70.7%), of which weigh on business performance a profitability.To sustain current momentum, policymake must address this structural constraint by ensuri affordable borrowing or improved access to financ rationalising tax regimes, and investing in infrastructu to enhance productivity and competitiveness acro sectors.

HIMF Revises Nigeria's Projected GDP Growth to 3.9% in ctober 2025

The International Monetary Fund, in its October 2025 World Economic Outlook report, revised Nigeria's GDP growth projections to 3.9% in 2025 and 4.2% in 2026. These figures represent increases of 0.5 and 1.0 percentage points, respectively, from the previously projected 3.4% and 3.2% in July 2025. These upward revisions reflect improving economic conditions, including increased oil production, stronger investor confidence, and a supportive fiscal stance. The improved outlook for 2025 and 2026 is also attributed to reduced uncertainty and the limited impact of U.S. tariffs on Nigeria, given the country's relatively low exposure to volatile global trade dynamics. While Nigeria's growth forecast was revised upward, the growth forecast for Sub-Saharan Africa is expected to remain unchanged at 4.1% in 2025, rising modestly by 0.3 percentage points to 4.4% in 2026. Despite steady economic conditions, the outlook remains fragile, with risks tilted to the downside. For Nigeria, the revised growth forecast indicates strengthening macroeconomic stability, but the economy remains heavily reliant on oil revenues, making it vulnerable to price fluctuations and production shocks. To ensure sustainable growth, the government must reduce dependence on oil by investing in other sectors such as manufacturing, agriculture, and services. In addition, targeted reforms that enhance government transparency and ensure regulatory consistency are essential to boost investor confidence.

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. Revenue Performance Strengthens as FAAC Shares ₦2.1 Trillion in September 2025 report from:
https://finance.gov.ng/fg-states-lgcs-share-n2-103-trillion-from-a-gross-total-of-n3-054-trillion-for-the-month-of-september-2025/

2. Business Confidence Rises in September 2025 Amid Improved Economic Stability report from:
https://www.cbn.gov.ng/Out/2025/STD/SEPTEMBER 2025 BUSINESS EXPECTATIONS SURVEY REPORT1.pdf

3 IMF Revises Nigeria's Projected GDP Growth to 3.9% in October 2025 report from
https://www.imf.org/en/-/media/files/publications/weo/2025/october/english/text.pdf