



NIGERIA

ECONOMIC

UPDATE

**Weekly
Snapshot**

Nigeria’s Total Public Debt Hit ₦166.79 Trillion in Q2 2026

According to Nigeria’s Domestic and Foreign Debt Q2 2026 [report](#) by the National Bureau of Statistics (NBS), Nigeria’s public debt stock reached ₦166.79 trillion (US\$120.93 billion), up from ₦159.35 trillion (US\$114.95 billion) in Q1 2026, representing a quarter-on-quarter growth of 4.67%. Total external debt stood at ₦75.20 trillion, while total domestic debt was ₦91.59 trillion. Furthermore, domestic debt accounted for 54.91% of total public debt, compared with 45.09% for external debt. At the state level, Lagos recorded the highest domestic debt in Q2 2026 at ₦1.20 trillion, followed by Delta (₦369.30 billion), while Jigawa (₦1.04 billion) had the lowest, followed by Ondo (₦6.16 billion). The continued increase in public debt, particularly the larger share of domestic debt, calls for stronger fiscal discipline and more prudent borrowing decisions. The government should ensure that borrowing is directed towards productive investments with clear economic returns and measurable outcomes, while strengthening fiscal planning to align borrowing with the capacity to meet future debt obligations. At the state level, governments with high domestic debt should strengthen debt management and prioritise expenditures that support economic activity and revenue generation. Greater coordination in public debt management and closer monitoring of borrowing at both the federal and state levels would also help contain further debt accumulation and support debt sustainability.

NGX Market Performance Weakens as Trading Activity Falls

According to the Nigerian Exchange (NGX) weekly [report](#) for 2nd October 2026, the NGX All-Share Index (ASI) declined by 0.52% to close at 250,808.27, while market capitalisation stood at ₦162.843 trillion, a 0.50% decline for the week. Most indices also declined, except the NGX Main Board (0.08%), NGX Insurance (0.61%), NGX Oil & Gas (0.05%) and NGX Growth (1.85%), which recorded gains, while the NGX Commodity Index remained unchanged. Similarly, trading activity also fell, with 3.166 billion shares worth ₦155.023 billion traded in 206,662 deals, compared with 4.689 billion shares valued at ₦240.824 billion in 261,198 deals the previous week. The financial services industry led trading activity with 1.944 billion shares worth ₦77.733 billion, accounting for 61.41% and 50.14% of total equity turnover volume and value, respectively. The investment and ICT industries followed with 409.484 million and 231.705 million shares, respectively. The decline in the ASI and trading activity indicates weaker market performance and participation during the week. To support market recovery, regulators should strengthen measures that encourage greater investor participation and trading activity, including improving access to market information and investment opportunities by ensuring transparency. This would help increase demand for equities, strengthen liquidity, and support market performance. Government should also provide a stable policy environment to ensure investor confidence in the market, as they are sure their investments are safe.

FAAC Allocates ₦4.50 Trillion to the Three Tiers of Government in July 2026

According to the [Federation Account Allocation Committee \(FAAC\)](#), a total sum of ₦4.50 trillion was disbursed to the Federal, State, and Local Governments in July 2026 from revenue generated in June 2026. The amount comprised ₦3.45 trillion from the Statutory Account, ₦799.75 billion from Value Added Tax (VAT), and ₦250 billion in augmented funds. From the total allocation, the Federal Government received ₦1.06 trillion, States received ₦905.01 billion, and Local Governments received ₦642.89 billion, while ₦197.61 billion was shared among oil-producing states as 13% derivation revenue. The Nigeria Revenue Service (NRS) and Nigerian Upstream Petroleum Regulatory Commission (NUPRC) received ₦108.83 billion and ₦51.91 billion, respectively, as the cost of revenue collection. Further revenue allocation breakdowns revealed that the federal government received ₦868.78 billion in its consolidated revenue account, ₦18.62 billion as share of derivation and ecology, ₦9.31 billion as stabilisation fund, ₦31.29 billion for the development of natural resources, and ₦27.94 billion for the Federal Capital Territory (FCT), Abuja. The composition of the distributable revenue highlights the importance of strengthening the main revenue sources that support federation allocations. Fiscal authorities should strengthen revenue mobilisation by improving compliance and collection efficiency, particularly for VAT and statutory revenue, to enhance the sustainability of federation allocations across the three tiers of government.

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	July 26'	Aug 26'
Headline Inflation (%)	15.43	15.39
Food Sub-Index (%)	5.56	1.02
Core Sub-Index (%)	0.15	-0.06
External Reserves (End Period) (US\$ Billion)	51.92	53.81
Official Rate Approx. (N/US\$)	1,368.22	1,332.93
BDC Rate Approx. (N/US\$)	1,388	1,405
Manufacturing PMI	49.2	50.8
Non-Manufacturing PMI	51.1	53.3
Average Crude Oil Price (US\$/Barrel)	84.81	94.64
Petrol (PMS-N/litre)	NA	NA
Diesel (AGO -N/Litre)	NA	NA
Kerosene (HHK -N/Litre)	NA	NA
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	NA	NA
MPR (%)	26.50	26.50
CRR of Deposit Money Banks (%)	45	45
T-Bill Rate (%)	17.70	17.59
Savings Deposit Rate (%)	7.36	7.46
Prime Lending Rate (%)	19.06	17.86
Maximum Lending Rate (%)	33.16	29.20
Narrow Money (N'Trillion)	43.70	43.26
Broad Money (N'Trillion)	138.77	139.37
Net Domestic Credit (N'Trillion)	117.35	117.25
Credit to the Government (Net) (N'Trillion)	33.92	32.70
Credit to the Private Sector (N'Trillion)	83.43	84.56
Currency in Circulation (N'Trillion)	5.38	5.44
FAAC (N'Trillion)	3.007	2.338

1. Nigeria's Total Public Debt Hit ~~₦~~166.79 Trillion in Q2 2026 report from:
<https://us.list-manage.com/NoCpWw94ya?e=b33425ee7d&c2id=9b14ab365bdbd3bd5fb1a33f4309c460>
2. NGX Market Performance Weakens as Trading Activity Falls report from:
https://us.list-manage.com/10oN_k84r4W?e=b33425ee7d&c2id=9b14ab365bdbd3bd5fb1a33f4309c460
3. FAAC Allocates ~~₦~~4.50 Trillion to the Three Tiers of Government in July 2026 report from:
<https://www.cbn.gov.ng/Out/2026/STD/JULY%20PMI%20REPORT%20FINAL.pdf>