CSEA
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Nigeria Spends Over $2.01 Billion on External Debt Servicing Between January and April 2025

The Central Bank of Nigeria's (CBN) Nigerian Treasury Bills (NTB) issuance calendar for the third quarter of 2025 revealed that the Federal Government plans to raise ₦1.76 billion through NTB auctions in response to a total of ₦1.98 billion in maturing obligations over the period. This planned borrowing is a step towards the ongoing efforts to manage liquidity and refinance short-term debt amid fiscal pressures. The issuance programme is spread across the 91-day, 182-day, and 364-day tenures, with the 364-day instrument accounting for the bulk of the offer at ₦1.19 billion, signalling a preference for locking in longer-term funds at prevailing interest rates. The 91-day and 182-day instruments are expected to raise ₦340 million and ₦230 million, respectively. According to the auction calendar, active issuances are concentrated in July and August, with relatively fewer maturities and offerings scheduled for September. This borrowing plan continues a trend of leveraging the domestic money market to manage the government's short-term funding needs while maintaining investor confidence through regular auctions. However, while it provides temporary fiscal relief, it also highlights structural fiscal challenges, including the rising cost of debt servicing and limited revenue growth. To improve long-term fiscal sustainability, there is a growing need to complement these short-term borrowing efforts with broader public finance reforms. Key areas include enhancing non-oil revenue mobilisation, rationalising recurrent expenditure, and deepening the domestic debt market to include longer-term instruments that reduce refinancing risks and promote macroeconomic stability.

Business Performance Improves in Nigeria in June 2025

Business performance in Nigeria recorded anothe positive streak in June 2025, marking six consecutiv months of expansion, according to the NESG-Stanbi IBTC Business Confidence Index Monitor (BCM) report The Business Performance Index for June 2025 stood a 113.6 points, representing a 3.8-point increase from th 109.8 points recorded in May 2025. Sectorally, stron business growth was recorded in the manufacturin industry, which reached 123.6 points; the non manufacturing sector stood at 120.7, while the trade inde was 121.0 in June 2025. The agricultural and service sectors also recorded slight expansion, reaching 108. and 106.3 points, respectively. However, the non manufacturing sector declined slightly to 120.7 points i June, from 122.2 points in May 2025. The decline may b attributed to reduced credit availability, rising inventorie due to weak demand, and unfavourable exchange rates with imported inflation driving up production costs. Th overall improved business performance outlook is drive by expectations of a better business environment stronger demand conditions, and increased profitability Despite the positive momentum, structural challenge continuosly hinder broader business growth. To sustai the improvements, the government must maintain a mor stable exchange rate regime to reduce uncertainties an lower input costs. Targeted efforts are also necessar needed to stimulate demand and ease financin conditions, particularly for small and medium-size enterprises (SMEs).

Crude Oil Price Increase by 9.60% in June 2025

According to the Organisation of Petroleum Exporting Countries' (OPEC) monthly report released in July 2025, the OPEC Reference Basket (ORB) value increased significantly by $6.11 (9.60%), rising from $63.62 per barrel in May 2025 to $69.73 per barrel in June 2025. Similarly, ICE Brent rose by $5.79 month-on-month, from $64.01 in May 2025 to $69.80 in June 2025, while the Nigerian Bonny Light increased by 11.1% ($7.18), climbing to $71.73 in June 2025 from $64.55 in May 2025. The surge in global crude oil prices is attributed to growing disruptions in oil-exporting regions, as escalating tensions in the Middle East have likely heightened market volatility, contributing to the price increase. A rise in crude oil prices typically translates into higher oil revenue earnings for Nigeria, boosting the country's foreign exchange inflows and strengthening its foreign exchange reserves. However, Nigeria's heavy dependence on crude oil revenues is unreliable, evident from the country's experience with crude oil price volatility and its attendant consequences on the economy. The government should implement targeted reforms to stimulate the production and export of non-oil sector goods, which would, in turn, enhance the country's non-oil revenue. Apart from this, the government should channel excess oil revenues into a stability fund to cushion the economy against potential shocks from future price declines. Efforts should be intensified to promote domestic refining of Nigeria's crude oil and to enhance non-oil revenue generation through improved tax compliance and administrative reforms.

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 $Million)	249.53	NA
External Debt (FGN & States- N'Trillion)	69.23	56.02
Domestic Debt (FGN + States & FCT N'Trillion)	68.89	61.58
Manufacturing Capacity Utilization (%)	60.70	61.90
Imports (N'Billion)	14.67	16.56
Exports (N'Billion)	20.48	20.01
Total trade (N'Billion)	35.16	36.60
Total trade (N'Billion)	5.81	3.42
Trade balance (N'Billion)	13.40	13.78
Crude oil Export (N'Billion)	7.08	6.23
Non-Crude Oil Export (N'Billion)	2.50	2.84
Monthly Indicators	March 25'	April 25'
Headline Inflation (%)	23.71	23.71
Food Sub-Index (%)	39.93	21.26
Core Sub-Index (%)	28.75	23.39
External Reserves (End Period) (US$ Billion)	38.38	37.93
Official Rate Approx. (N/US$)	1,538.2	1,599.4
BDC Rate Approx. (N/US$)	481.60	481.21
Manufacturing PMI	51.50	51.80
Non-Manufacturing PMI	51.50	51.80
Average Crude Oil Price (US$/Barrel)	74.55	NA
Petrol (PMS-N/litre)	1,245.80	1,239.93
Diesel (AGO -N/Litre)	1,599.30	1,722.45
Kerosene (HHK -N/Litre)	2,113.34	2,219.69
Liquefied Petroleum Gas (Cooking Gas) (N/5Kg)	7,322.49	7,885.60
MPR (%)	27.50	27.50
CRR of Deposit Money Banks (%)	50.00	50.00
T-Bill Rate (%)	17.41	NA
Savings Deposit Rate (%)	7.50	NA
Prime Lending Rate (%)	17.96	NA
Maximum Lending Rate (%)	30.19	NA
Narrow Money (N'Trillion)	38.55	41.01
Broad Money (N'Trillion)	114.20	119.08
Net Domestic Credit (N'Trillion)	102.13	101.46
Credit to the Government (Net) (N'Trillion)	25.86	23.55
Credit to the Private Sector (N'Trillion)	76.27	77.91
Currency in Circulation (N'Trillion)	5.00	5.01
FAAC (N'Trillion)	NA	1.68

NA: Not Available

1. Nigeria Spends Over $2.01 Billion on External Debt Servicing Between January and April 2025 report from:https://www.cbn.gov.ng/IntOps/payments.html

2. Business Performance Improves in Nigeria in June 2025 report from: https://doclib.ngxgroup.com/market_data-site/other-market-information-site/Week Market Report/Weekly Summary Statistics for the Week Ended%E2%80%AF18-07-2025.pdf

3 CBN Reaffirms Banking Sector Stability, Introduces Transitional Measures for Select Banks Retrieve Fromhttps://www.cbn.gov.ng/Out/2025/CCD/CBN Press Release 170625 (Dividends).pdf;