



Statistics Department
Economic Policy
Directorate

BUSINESS EXPECTATIONS **SURVEY REPORT**

April 2025



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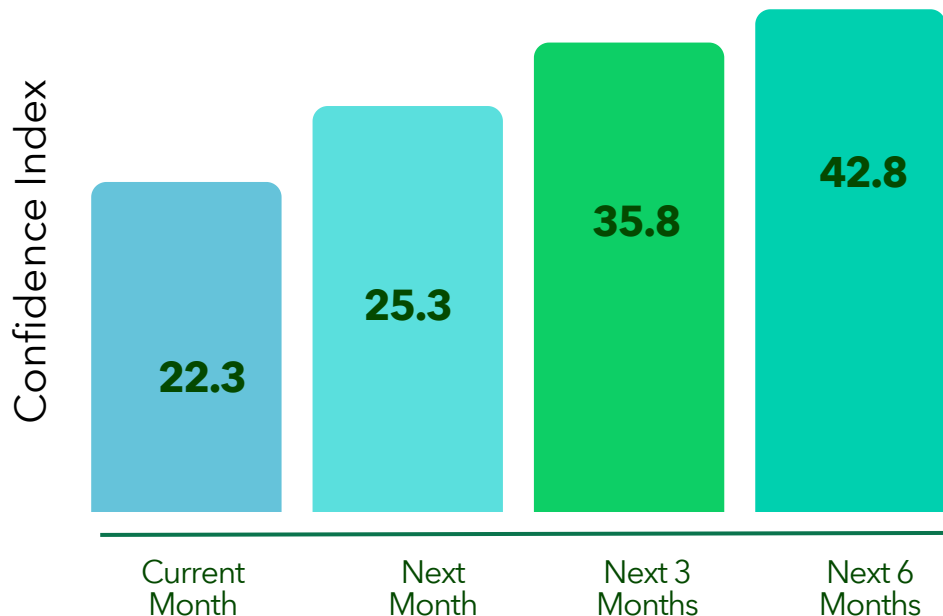




Business Expectations Survey **SUMMARY**

Across all time frames, the positive trajectory of the Confidence Index (CI) a measure of overall business sentiment, reflects a broad-based optimism among respondent firms regarding the macroeconomic outlook. This sentiment appears to be driven by favourable expectations surrounding the exchange rate, suggesting that exchange rate stability remains a key driver of private sector confidence.

Overall Business Outlook on the Macroeconomy



- ➔ All the sectors expressed optimism about the macroeconomy in April 2025, with the Agriculture Sector recording the highest confidence.
- ➔ The Mining & Quarrying; Electricity, Gas & Water Supply Sector indicated the highest expansion plan for May 2025.
- ➔ Respondent firms expect the Naira to appreciate across the review periods.



Top Three Business Constraints



High Interest
Rate **75.4**



Insecurity **74.8**



High /
Multiple Taxes **74.5**

- The Construction sector recorded the highest capacity utilisation in the current month.
- Respondent firms were optimistic that the volume of business activity in May, July and October 2025 would be favorable.
- All sectors reported a positive outlook for employment and expansion for all the periods under review.
- Despite the prevailing optimism, firms identified significant operational challenges, primarily high interest rates, insecurity, high taxes, which could potentially moderate future growth.



Business Outlook by Broad Sector

All the sectors expressed optimism on the business outlook of the macroeconomy.

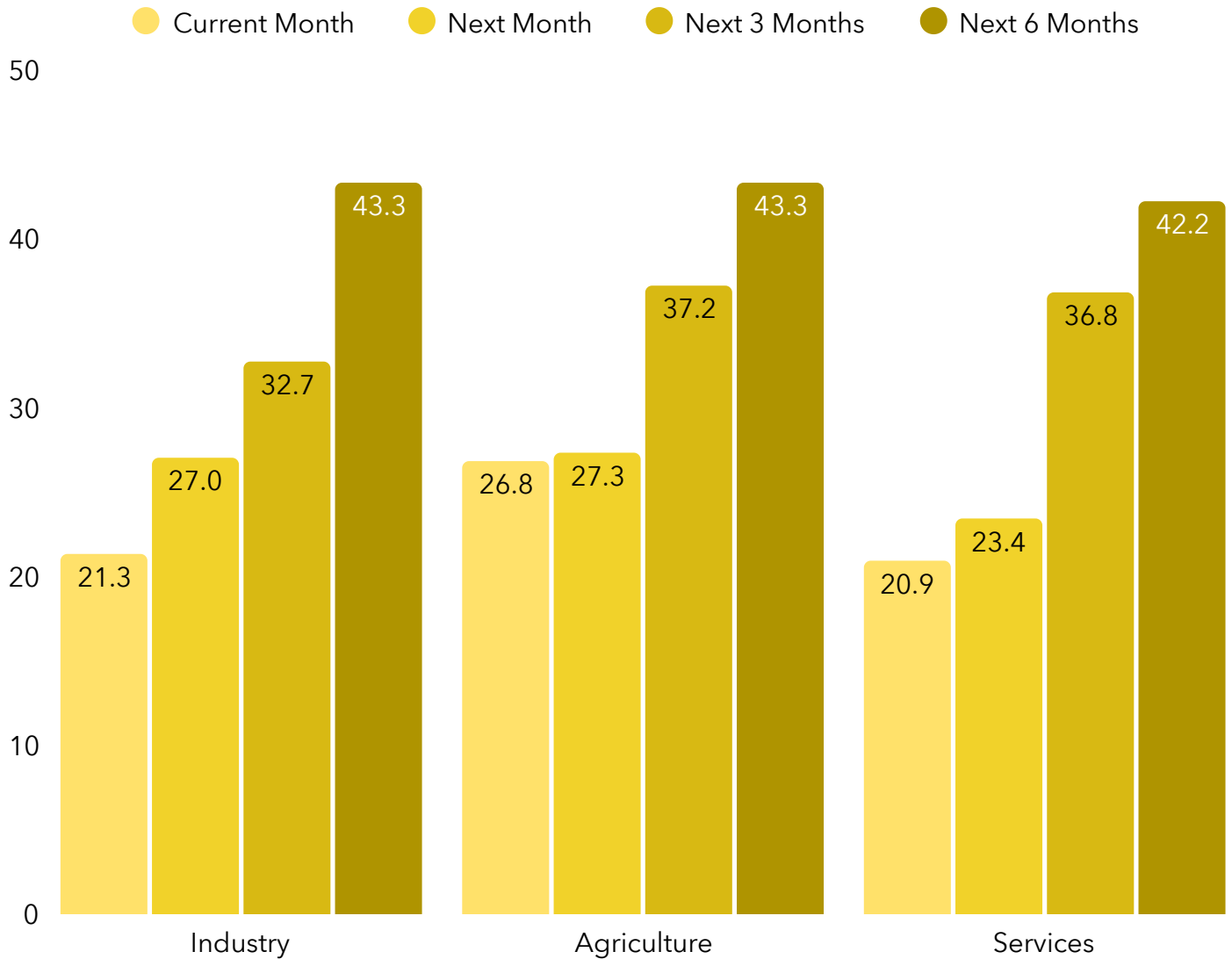


Fig 1: Sectoral Business Outlook on the Macroeconomy



Business Confidence Index by Sector

All Sectors expressed optimism on own operations in the review month.

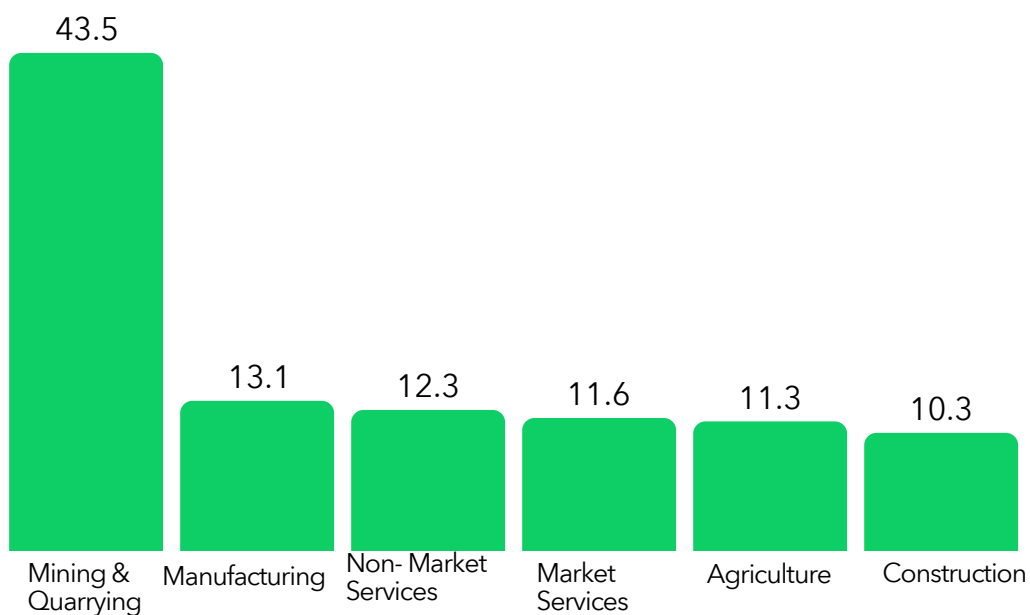


Fig 2: Business Confidence Index on Own Operations by Sector



Business Confidence on Own Operation (National)

The outlook of respondents on Volume of Total Order, Volume of Business Activity, and the Financial Condition Index were positive in the review month.

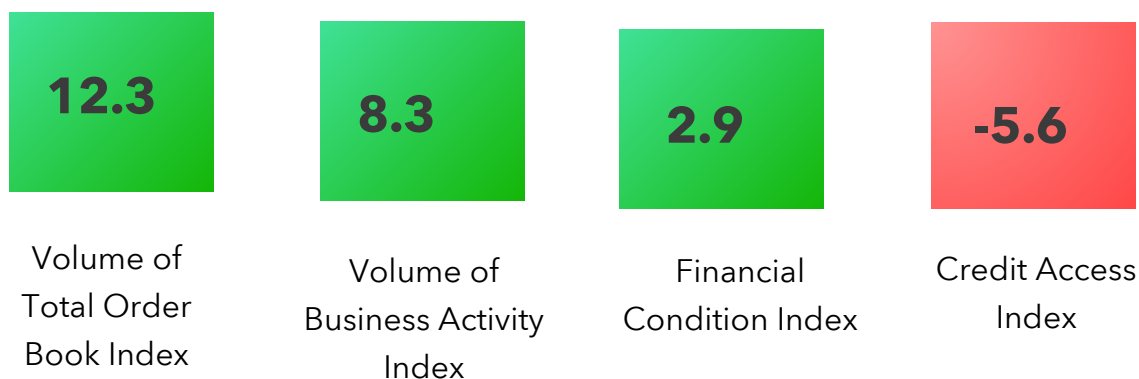


Fig 3: Business Confidence Index by Selected Indices

Volume of Business Activity

Respondents expressed optimism on volume of business activity for the next month and subsequent periods under review.

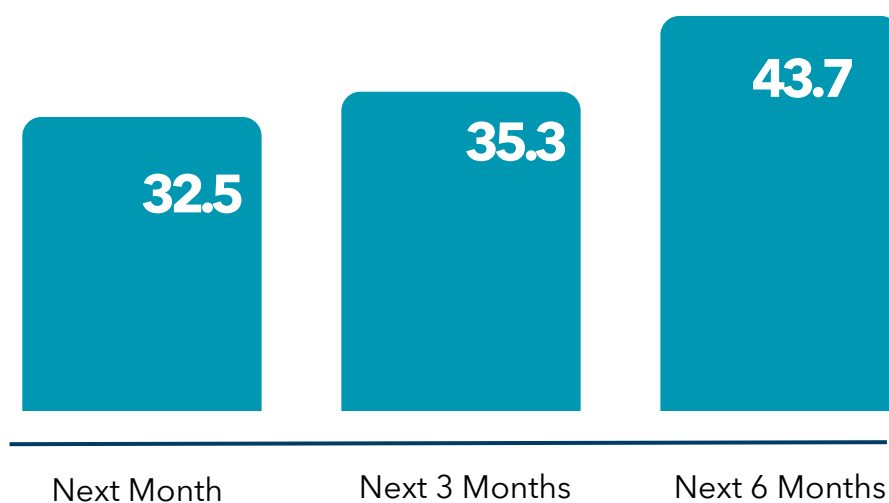


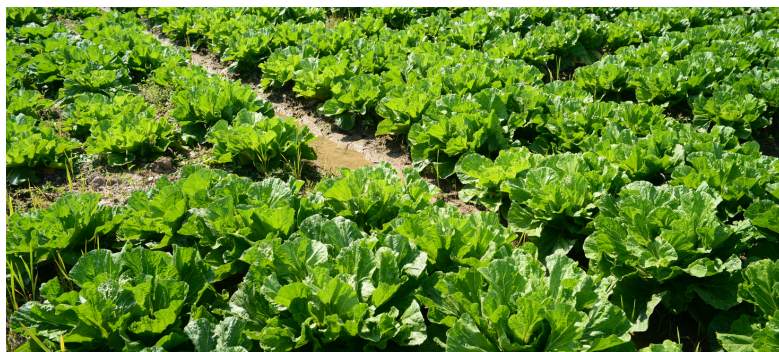
Fig 4: Business Confidence Index on Volume of Business Activity: Next Month, Next 3 months & Next 6 Months



Employment and Expansion Plan

In line with the expected business expansion, businesses anticipate hiring more workers in May 2025.

Analysis of the Sectors showed that the Construction sector had the highest prospect for employment while Mining & Quarrying sector had the highest prospect for expansion in May 2025.



27.6

Employment

76.5

Expansion

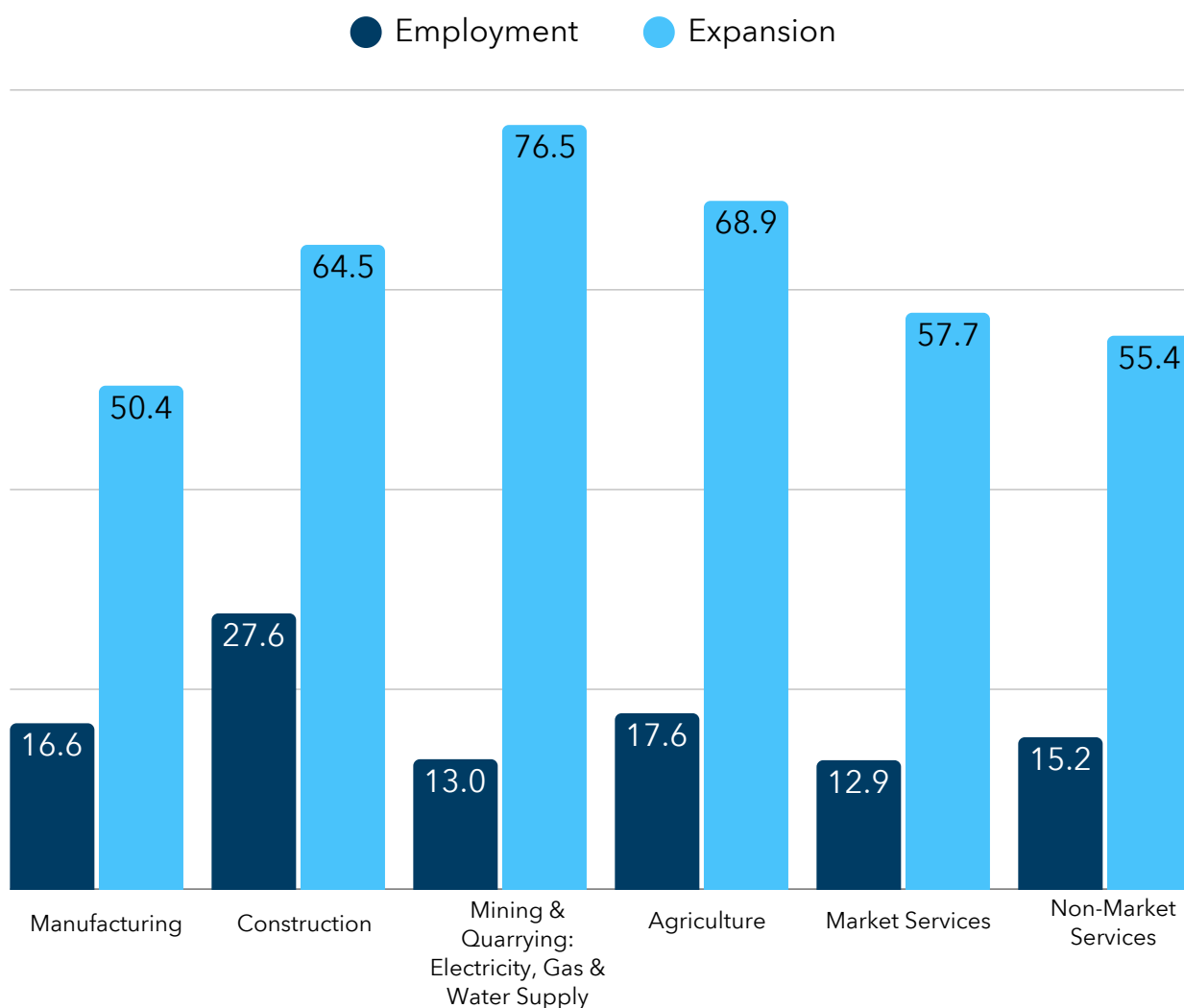


Fig 5: Employment and Expansion Outlook Index on Own Operations by Sector



Business Constraints

Respondents identified High interest rate, Insufficient power supply, High taxes, Insecurity, Financial problems and High bank charges as top business constraints in March 2025.

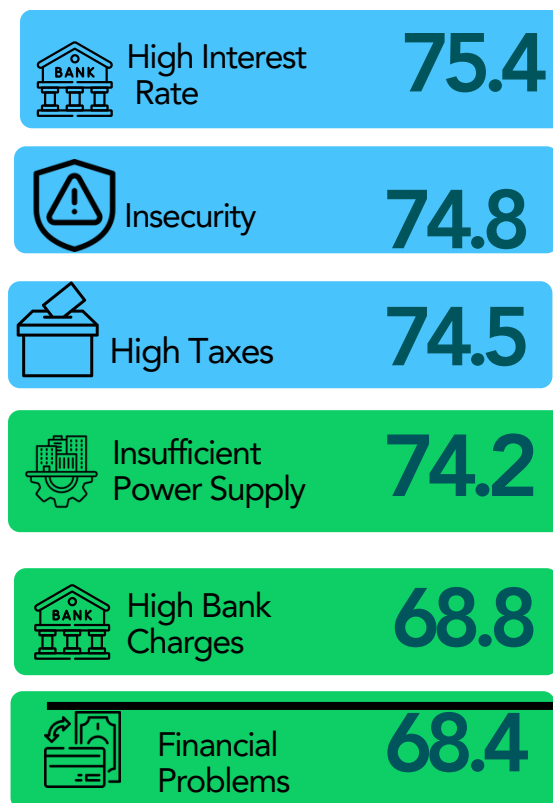


Fig 6: Business Constraints



Expectations on Exchange Rate and Borrowing Rate

Respondents expect the Naira to US Dollar exchange rate to appreciate across the review periods. They also anticipate an increase in the borrowing rate during the same period.

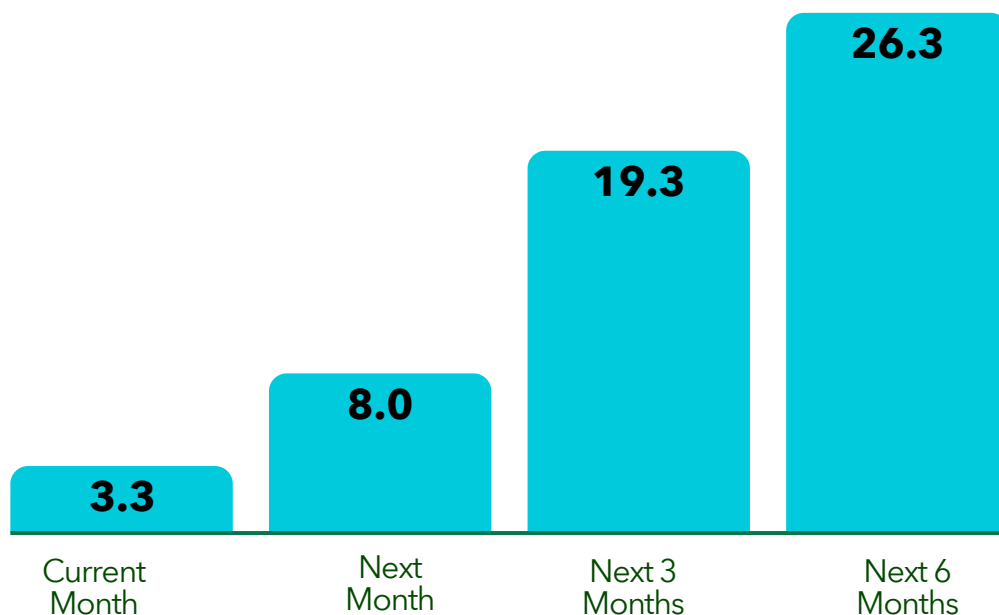


Fig 7: Expectations on Exchange rate

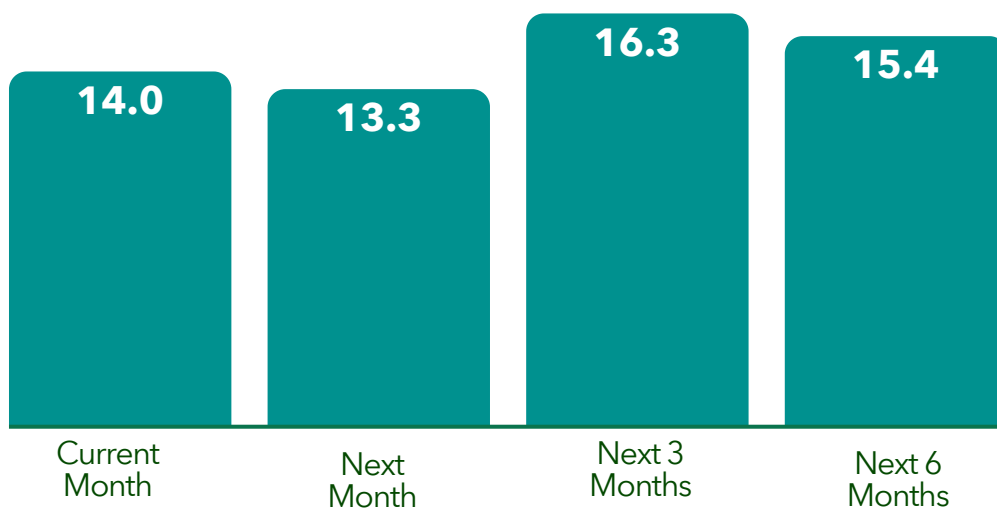
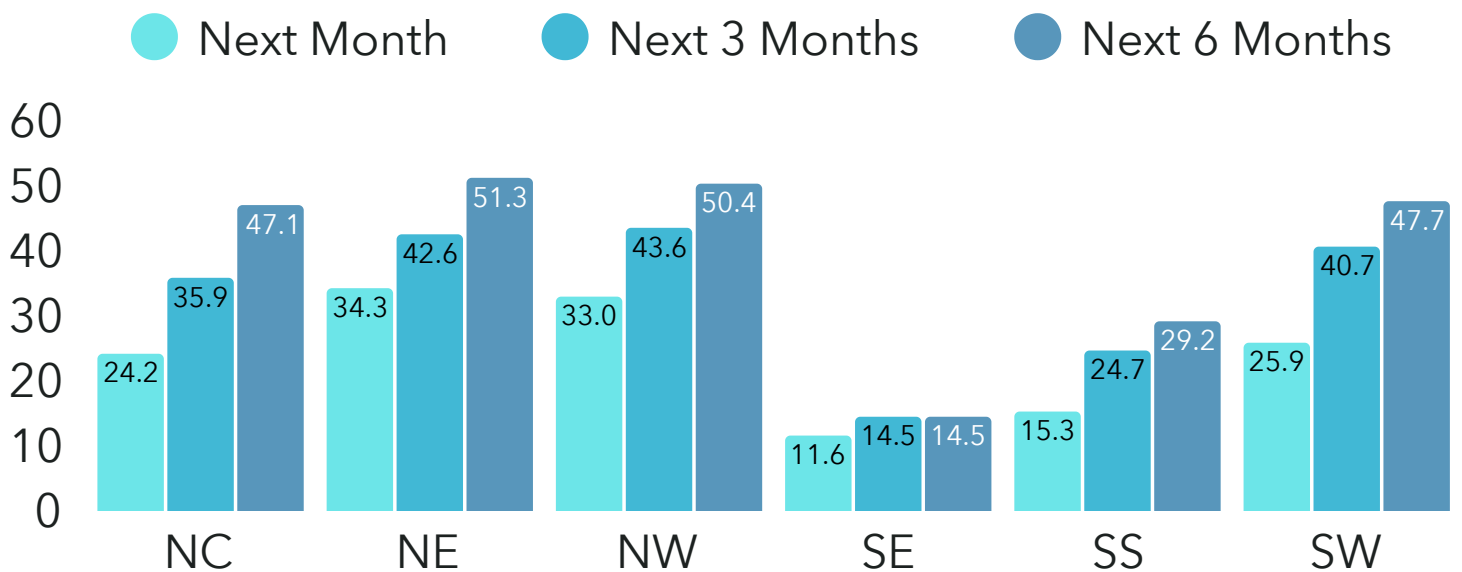
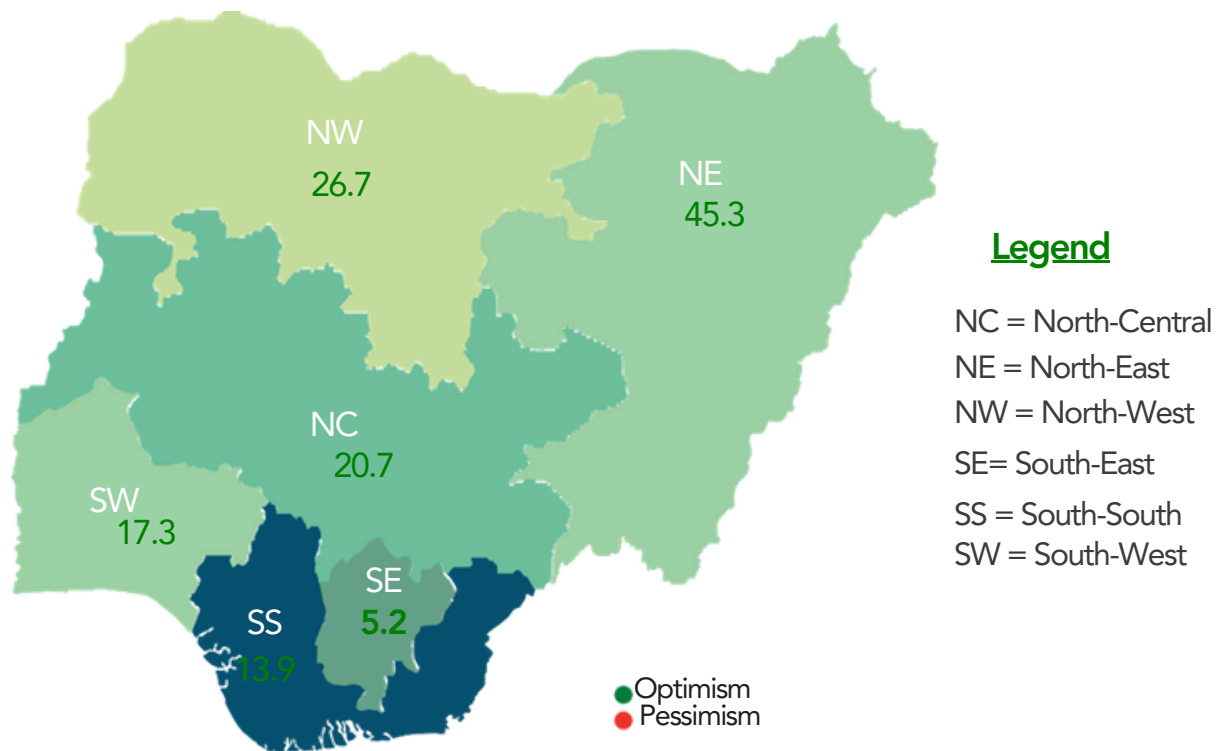


Fig 8: Expectations on Borrowing Rate



Macroeconomic Outlook By Region

The positive outlook on the macroeconomy in the current month is influenced by the views of respondents from all regions.





Average Capacity Utilization

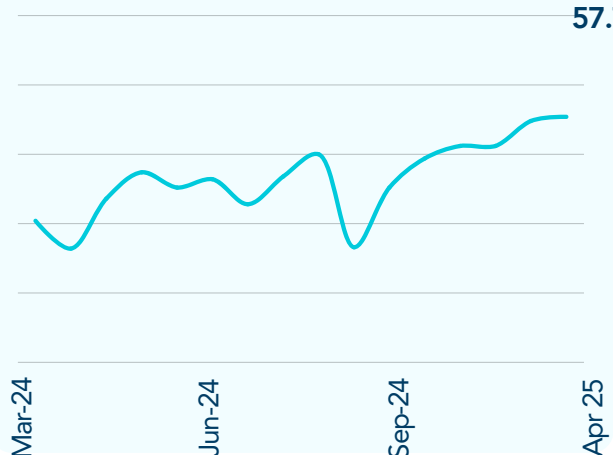
56.9%
Average

Average capacity utilization across the sectors stood at 56.9% in April 2025, a slight increase from 56.5% recorded in March 2025. This suggests a marginal improvement in resource use across surveyed firms.



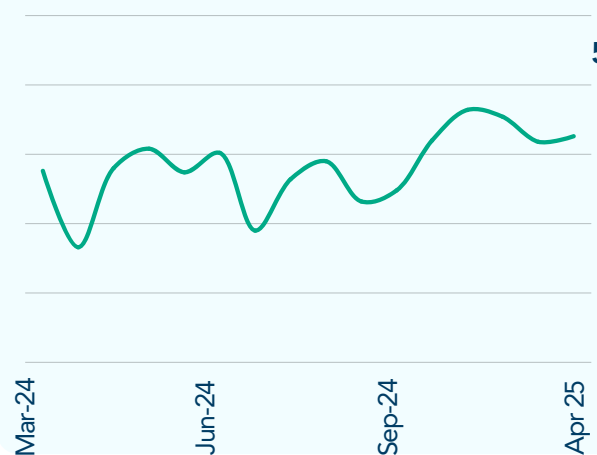
● Agriculture

57.7



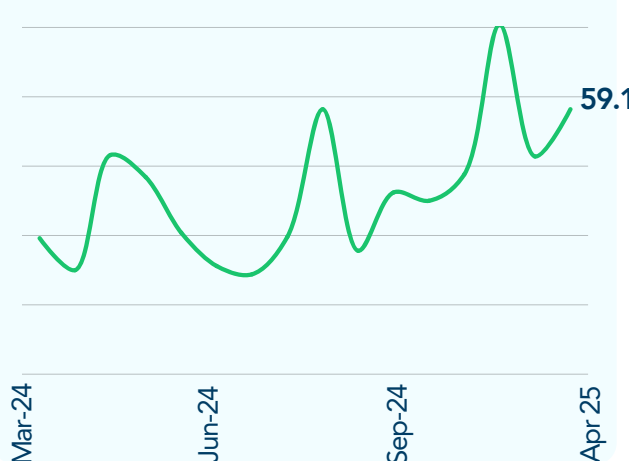
● Manufacturing

56.3



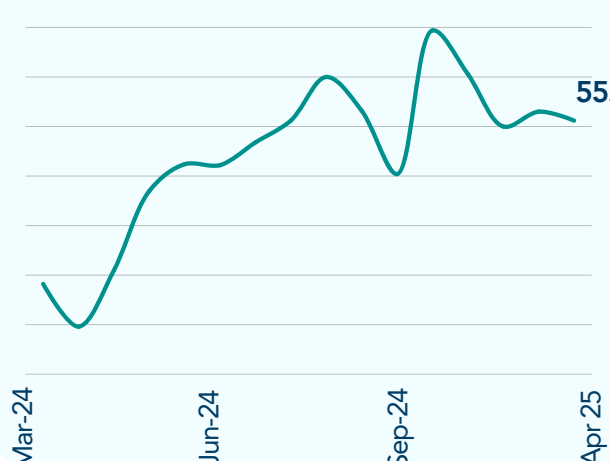
● Construction

59.1



● Mining & Quarrying; Electricity, Gas & Water S...

55.6





Data and Method

The Business Expectations Survey (BES) is a monthly survey of leading firms drawn from Business Establishment updated frames of Central Bank of Nigeria and the National Bureau of Statistics. The BES result provides advance indication of change in the overall business activity in the economy.

The April 2025 Business Expectations Survey (BES) was conducted from April 7 to 11, 2025 with a sample size of 1,900 business enterprises across Nigeria. The survey achieved a response rate of 98.6%, covering three key sectors: Industry, Services, and Agriculture.

Disclaimer

The BES report provides the views of the respondents and does not in any way represent the view of the Central Bank of Nigeria. As such, the CBN cannot be held liable for any action taken based on the responses provided in this survey.

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