



Statistics Department  
Economic Policy  
Directorate

# BUSINESS EXPECTATIONS **SURVEY REPORT**

June 2025



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# EXECUTIVE 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 is mostly driven by favourable expectations on the volume of business activity across the review periods.

The following are the highlights of the June 2025 survey:

- All the sectors expressed optimism about the macroeconomy in June 2025, with the Industry Sector recording the highest confidence.
- The Mining & Quarrying; Electricity, Gas & Water Supply Sector indicated the highest expansion plan for July 2025.
- Respondent firms expect the Naira to appreciate across the review periods.
- The Agriculture sector recorded the highest capacity utilisation in the current month.
- Respondent firms were optimistic that the volume of business activity in July, September and December 2025 would be favourable.
- 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 to include: high interest rates, insecurity and insufficient power supply, which could potentially moderate future growth.



## Overall Business Outlook on The Macroeconomy

- The Confidence Index stood at 20.7 index points in the current month, reflecting the optimism of respondents regarding the Macroeconomy.
- This optimistic trend is projected to persist over the next six months, steadying at 41.3 index points.

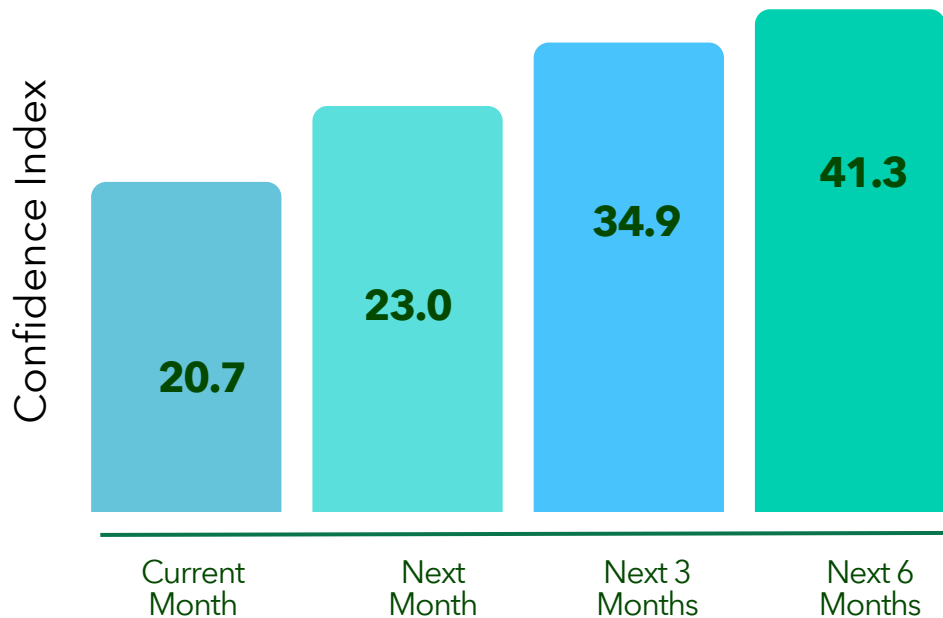


Fig 1: Overall Business Outlook on the Macroeconomy



## Business Outlook by Broad Sector

- All the sectors expressed optimism on the business outlook of the macroeconomy in the current month with the Industry sector leading at 23.1 index points.
- The optimistic trend is expected to continue into the next six months with the confidence index of the Industry and Agriculture sectors more than doubling in the next six months, 48.3 and 42.8 index points, respectively. The Services sector also recorded improved levels of optimism across different time periods.

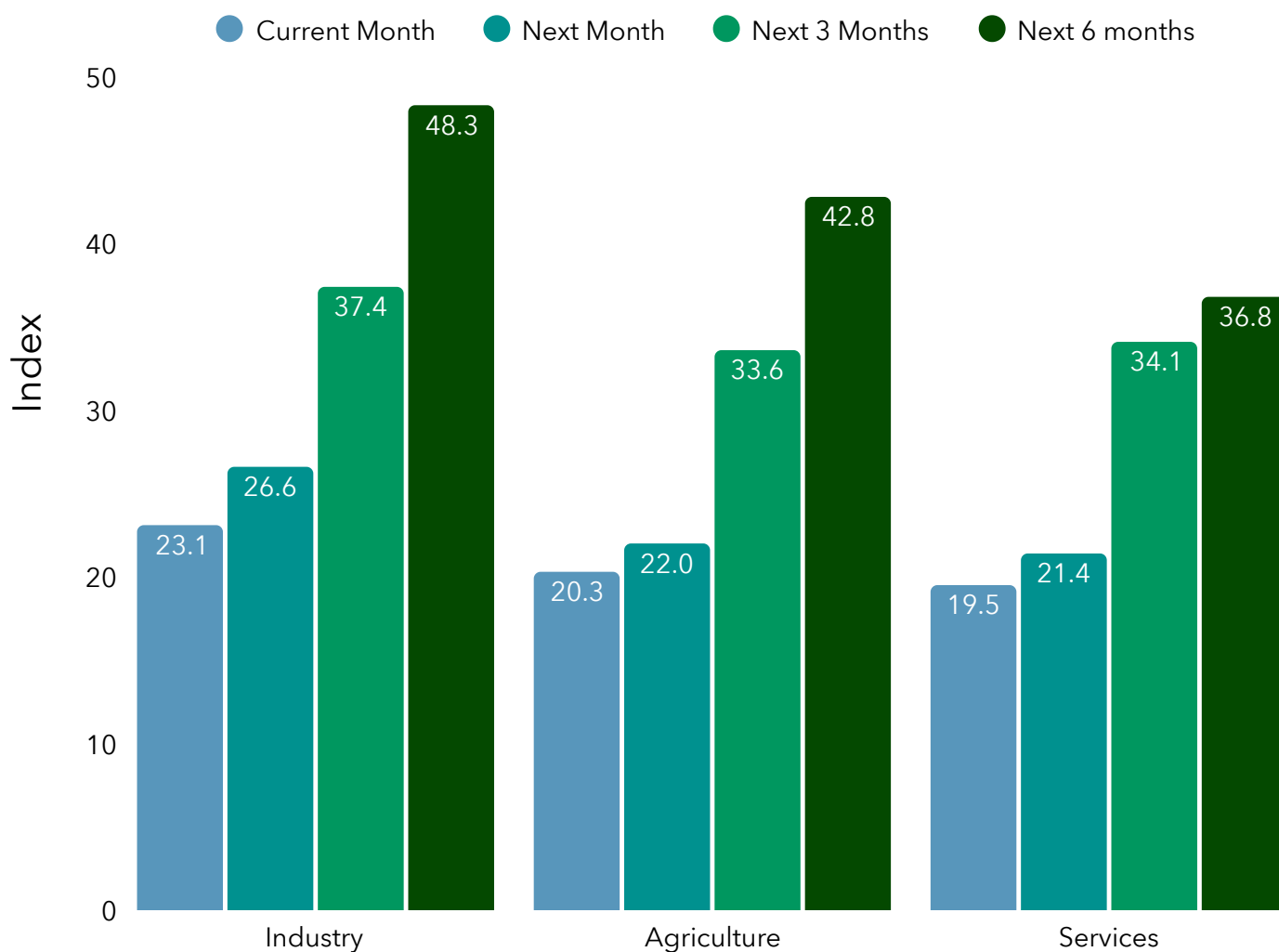
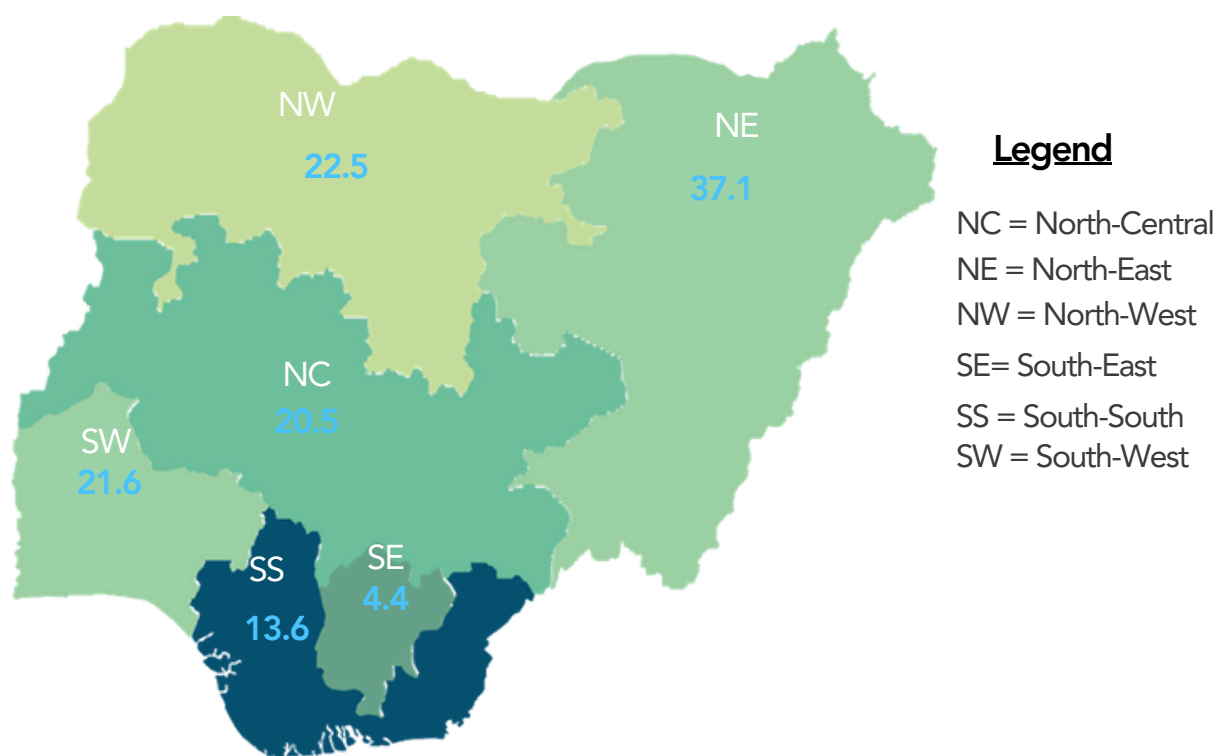


Fig 2: Sectoral Business Outlook on the Macroeconomy

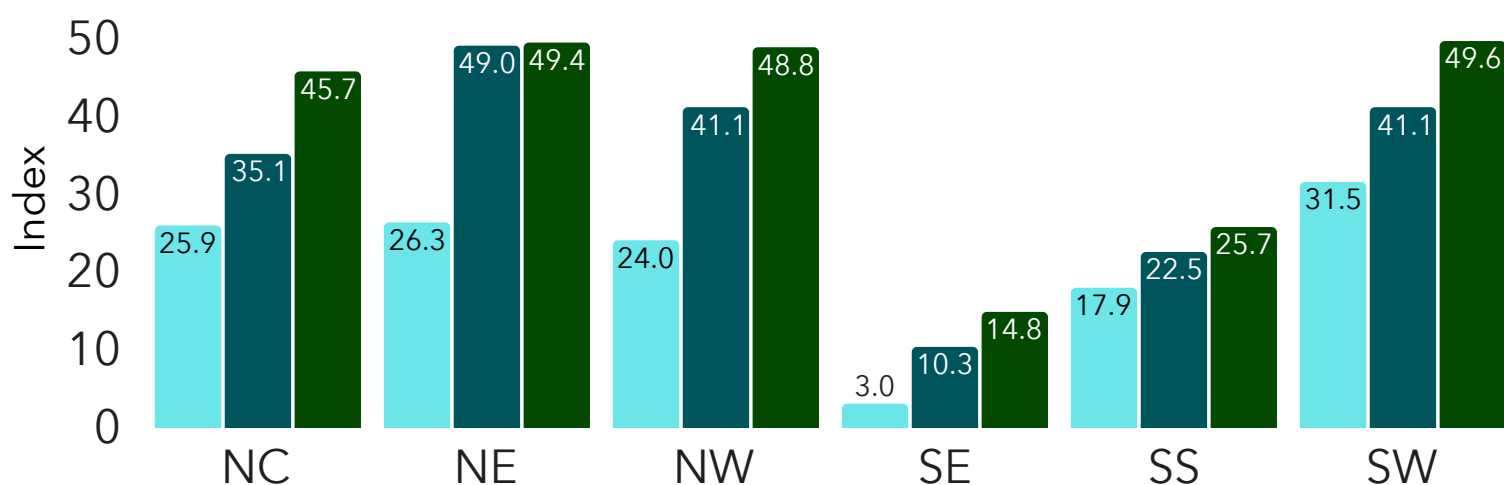


## Macroeconomic Outlook By Region

- The positive outlook on the macroeconomy in the current month is influenced by the views of respondents from all regions.
- This optimism was highest in the North- East region at 37.1 index points and lowest in the South- East region at 4.4 index points. The low level of optimism in the South-East could be attributed mainly to the sentiments surrounding high interest rates. (Table 2, section 15 in the appendix).



Next Month      Next 3 Months      Next 6 Months





## ● Business Confidence Index by Sector

All Sectors expressed optimism on own operations in the review month with the Construction sector leading with 15.4 index points.

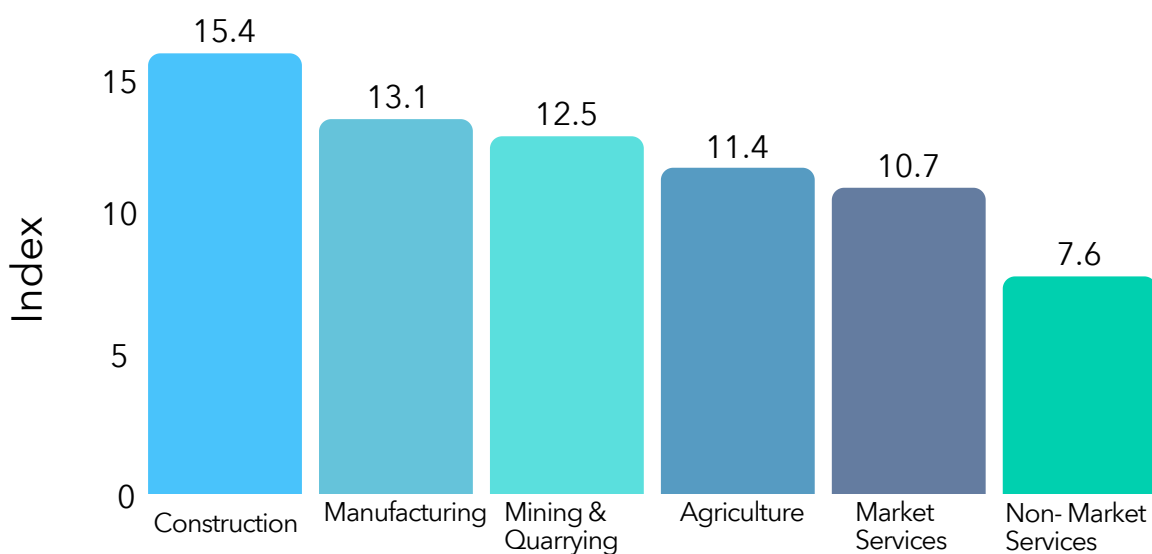


Fig 3: Business Confidence Index on Own Operations by Sector



## Business Confidence Index by Selected Indices

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

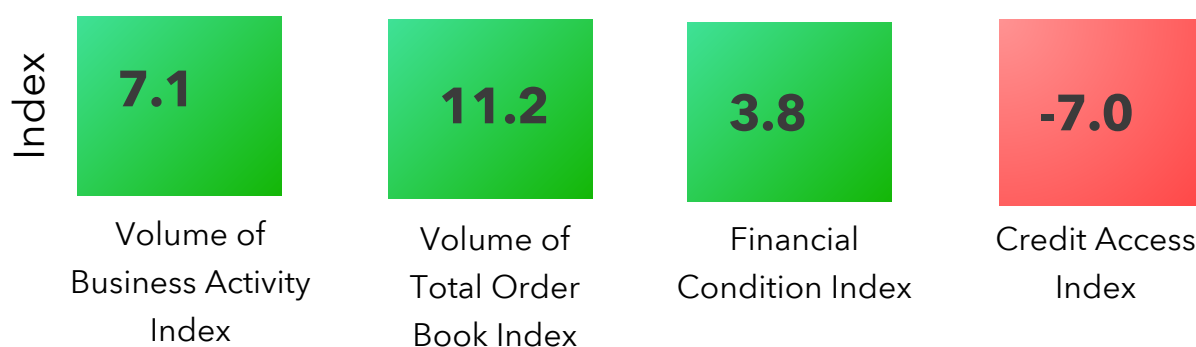


Fig 4 : Business Confidence Index on Own Operations by Selected Indices

## Volume of Business Activity

Respondents expressed optimism on volume of business activity for next month and subsequent periods under review, signalling potential growth in economic activities.

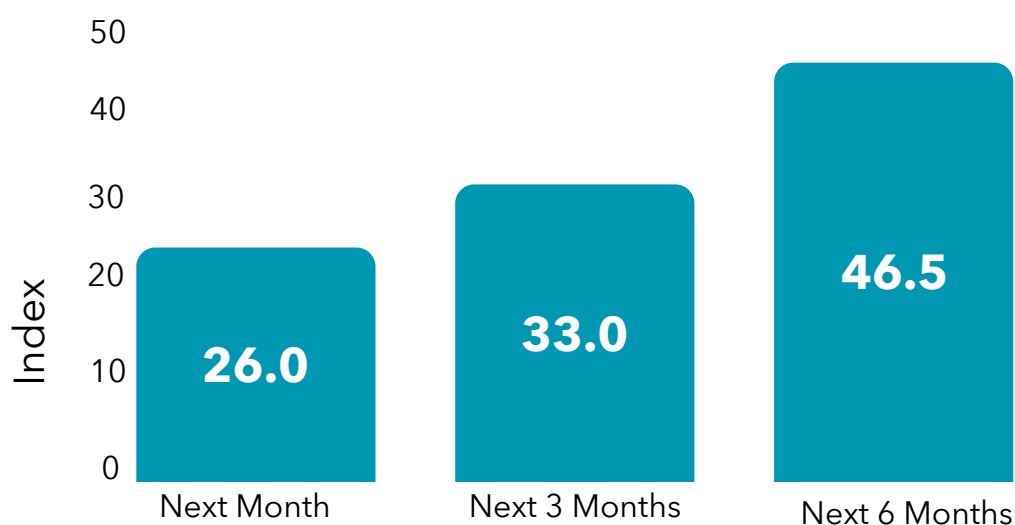


Fig 5: Business Confidence Index on Volume of Business Activity





## ● Employment and Expansion Plan

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

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

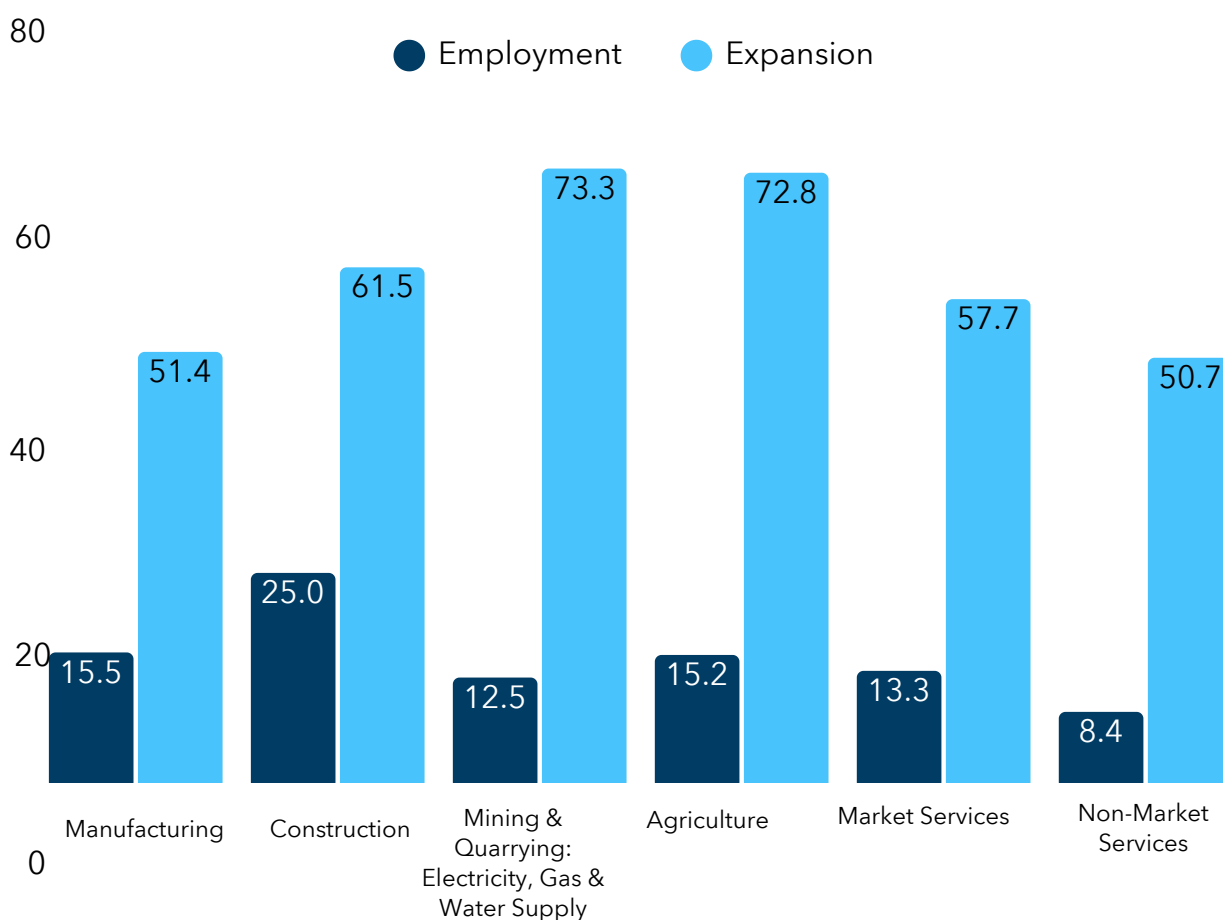
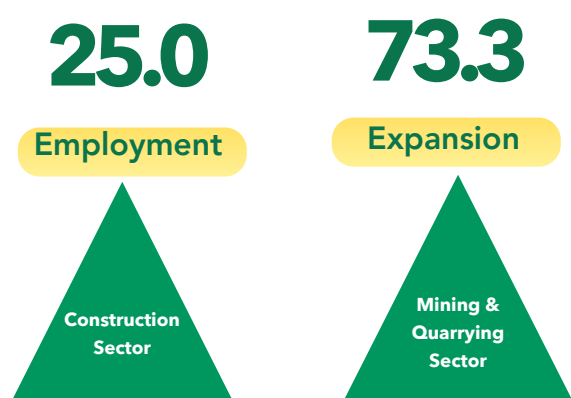
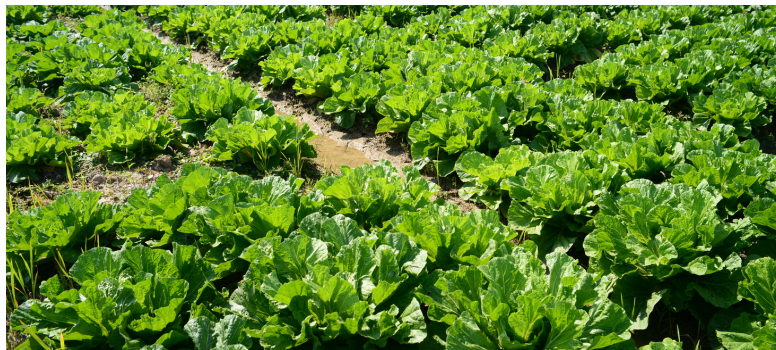


Fig 6: Employment and Expansion Outlook Index on Own Operations by Sector



## Business Constraints

- Respondents identified High interest rate (75.6), Insecurity (75.2) and Insufficient power supply (74.3) as the top three business constraints in June 2025, highlighting concerns around factors that directly impact operational stability and profitability.
- At the bottom of the top ten were unfavourable political climate (62.5) and poor infrastructure (62.4).
- This suggests that business constraints are more focused on economic and financial risks than political challenges in the review period.

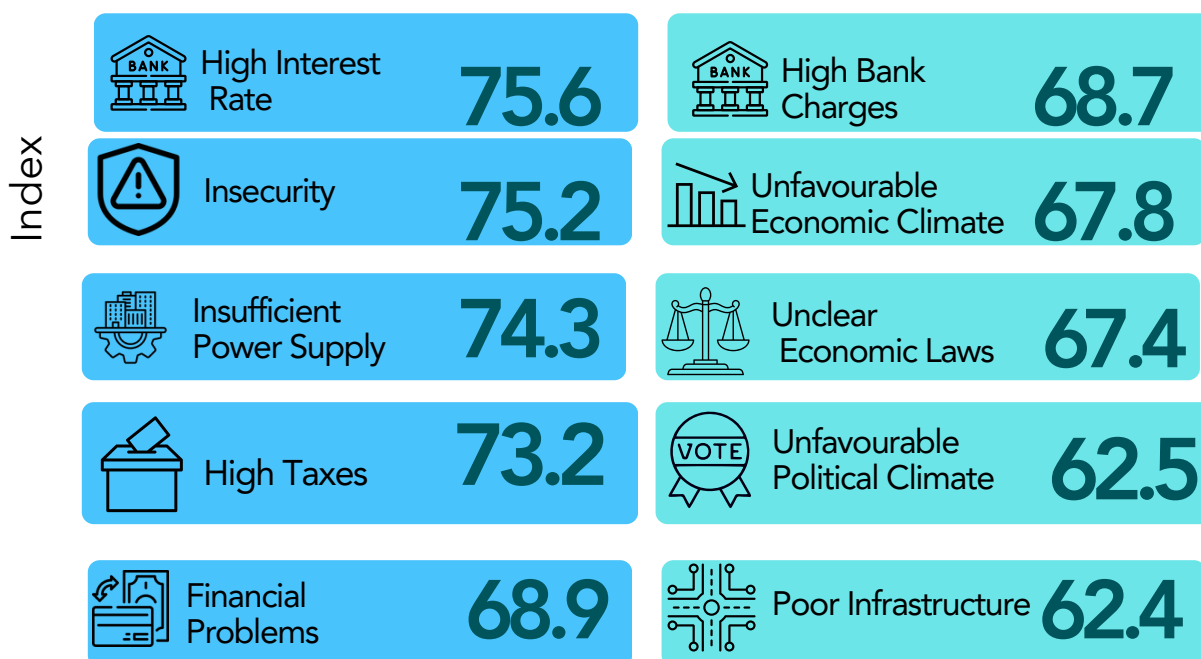


Fig 7: Business Constraints



## Expectations on Exchange Rate and Borrowing Rate

Respondents expect the Naira to US Dollar exchange rate to appreciate across the review periods, as indicated by a positive index. They also anticipated an increase in the borrowing rate during the same periods.

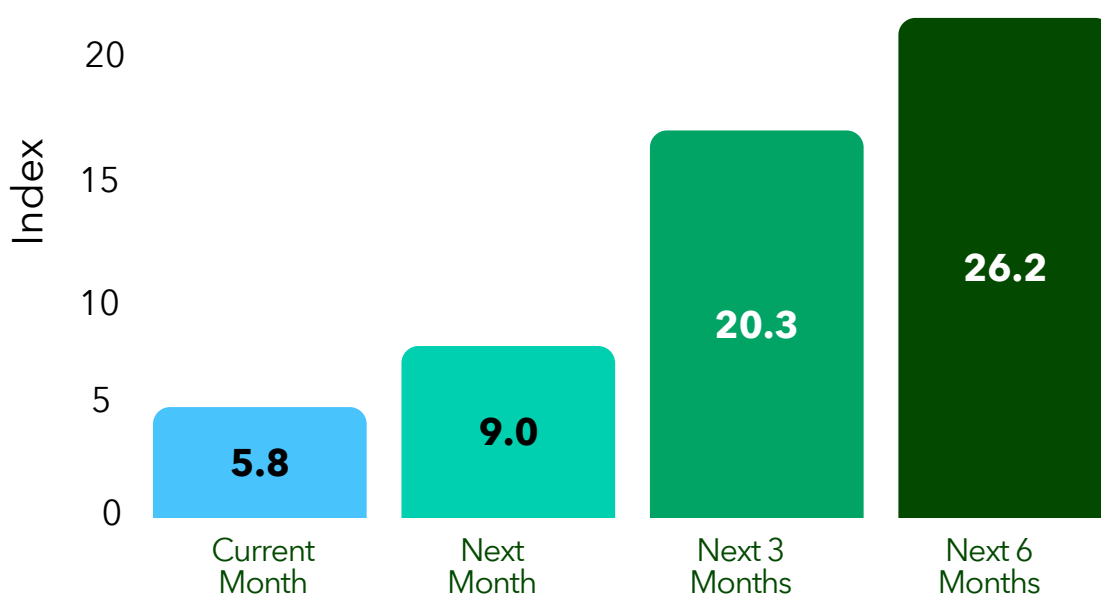


Fig 8: Expectations on Exchange rate

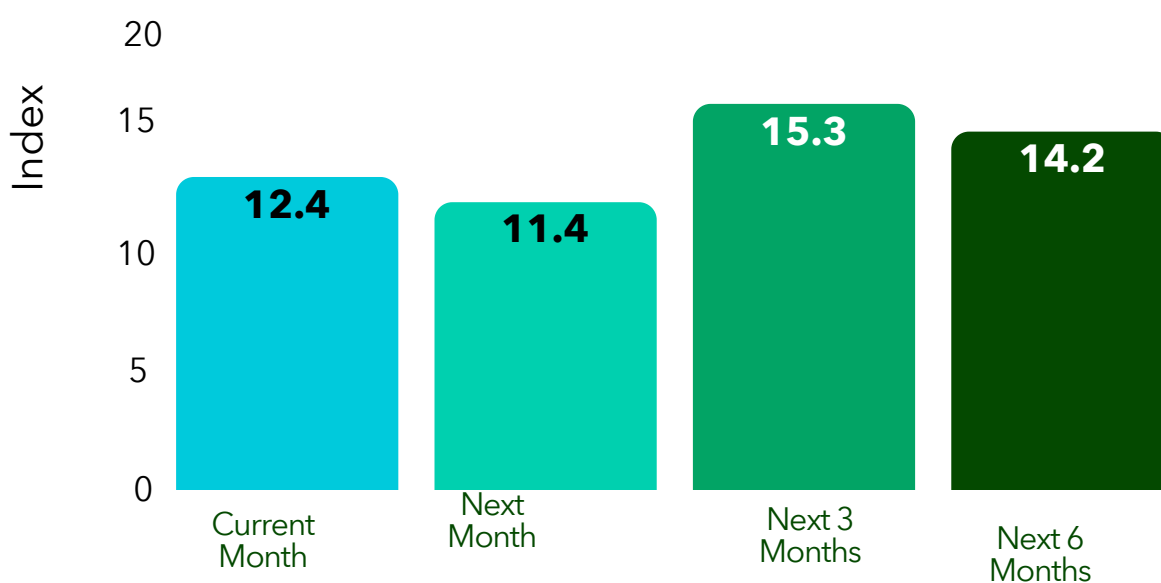


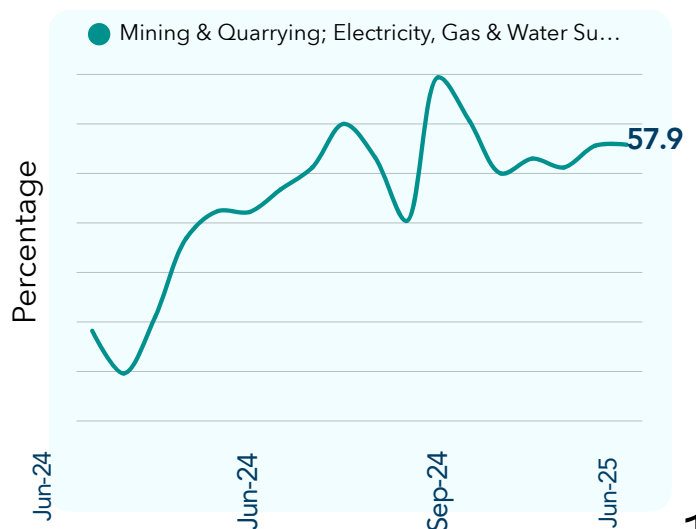
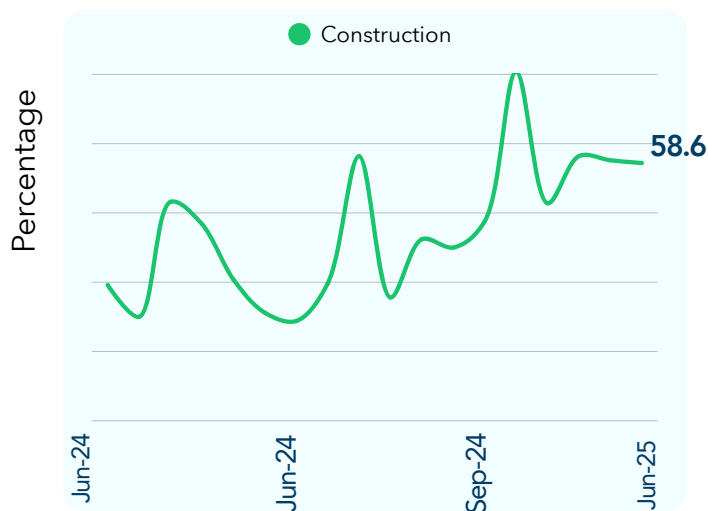
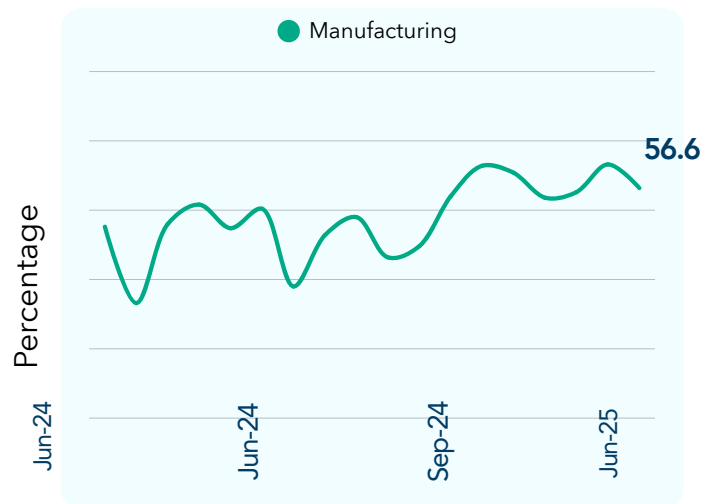
Fig 9: Expectations on Borrowing Rate



## Average Capacity Utilization

**58.2%**  
**Average**

Average capacity utilization across the sectors stood at 58.2% in June 2025, a slight decrease from 58.7% recorded in May 2025. This suggests a slight dip in resource use across surveyed firms.





## ● Data and Method

The Business Expectations Survey (BES) is a monthly survey of leading firms drawn from updated Business Establishment frame 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 June 2025 Business Expectations Survey (BES) was conducted from June 16 to 20, 2025 with a sample size of 1,900 business enterprises across Nigeria. The survey achieved a response rate of 98.1%, 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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