CENTRAL BANK OF NIGERIA ECONOMIC REPORT

Fourth Quarter 2025

ABOUT THE REPORT

The Central Bank of Nigeria (CBN) Economic Report present developments in the Nigeria economy, for dissemination to the public. The Report provides insights on current developments in the real, fiscal, financial, and external sectors of the Nigerian economy, as well as global development that impact the domestic economy. In addition, it reflects the policy initiatives of the CBN in pursuit of its mandate.

The Report is targeted at a wide range of readers, including economists, policymakers, financial analysts in government and private sectors, and the public. Free download of the Report, including current and past issues can be obtained from the CBN website: www.cbn.gov.ng. All inquiries concerning the Report should be directed to the Director, Research Department, Central Bank of Nigeria, P.M.B. 187, Garki, Abuja, Nigeria.

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Content

ABOUT THE REPORT i
SUMMARY 1
1.0 GLOBAL ECONOMIC DEVELOPMENTS 2
1.1 Global Economic Activity 2
1.2 Global Inflation 4
1.3 Global Financial Markets 5
1.3.1 Global Financial Conditions 5
1.4 Global Commodity Markets 7
1.5 Monetary Policy Stance 10
2.0 DOMESTIC ECONOMIC DEVELOPMENTS 12
2.1 Real Sector Developments 12
2.1.1 Sectoral Performance 13
2.1.2 Inflation 18
2.2 Fiscal Developments Sector 20
2.2.1 Federation Account Operations 20
2.3 Monetary and Financial Developments 25
2.3.1 Monetary Developments 25
2.3.2 Sectoral Utilisation of Credit 27
2.3.3 Financial Developments 29
2.4 External Sector Developments 38
2.4.1 Current and Capital Account 38
2.4.2 Financial Account 43
2.4.3 External Debt 43
2.4.4 International Investment Position (IIP) 44
2.4.5 External Reserves 44
2.4.6 Foreign Exchange Flows through the Economy 45
2.4.7 Exchange Rate Movement 46
3.0 ECONOMIC OUTLOOK 48
3.1 Global Outlook 48
3.2 Domestic Outlook 48

This document is for CBN internal consumption

Tables

Table 1: Global Composite Purchasing Managers' Index (PMI)..... 2
Table 2: Selected Agricultural Export Commodities Q22025 10
Table 3: Central Bank Policy Rates (per cent) 11
Table 4: Industrial, Manufacturing, Mining Production Indices..... 14
Table 5: Index of Electricity Production 14
Table 7: Federation Revenue and Distribution (₦ Billion)..... 21
Table 8: Money and Credit Growth over preceding December (%) 27
Table 9: Sectoral Credit Allocation..... 28
Table 10: Nigerian Exchange Limited Sectoral Indices..... 34
Table 11: Listings, De-listings, and Suspensions on the Nigerian Exchange Limited..... 36
Table 12: Services Payment (US$ Billion)..... 40
Table 13: Services Receipts (US$ Billion)..... 41
Table 14: Selected EMEs Currency Rates to the US dollar 47

Figures

Figure 1: PMIs in Selected Advanced Economies 3
Figure 2: PMI in Selected Emerging Markets and Developing Economies 4
Figure 3: Inflation in Selected Advanced Economies (per cent) 4
Figure 4: Inflation in Selected EMDEs (per cent)..... 5
Figure 5: Growth Rate of Key Global Stocks (per cent) 6
Figure 6: 10-year Government Bond Yields for Selected Countries.. 7
Figure 7: Total Global Crude Supply and Demand 8
Figure 8: Quarterly Crude Oil Prices (US$ pb) 8
Figure 9: Price Changes in Selected Metals (per cent)..... 9
Figure 10: Real GDP Growth Rate (y-o-y) 12
Figure 11: Sectoral Growth Rate of Real GDP, Q22022- Q22025 .. 13
Figure 12: Top selected subsectors with their contribution to GDP Growth and their Growth Rates (%) in Q42025..... 15
Figure 13: Nigeria's Crude Oil Production and OPEC Quota (mbpd) 15
Figure 14: Gas Production, Utilisation and Flared, (mmscf) 16
Figure 15: Headline, Food and Core Inflation (y-o-y)..... 18
Figure 16: Inflation Momentum 18
Figure 17: Headline Inflation across States in Q42025..... 19
Figure 18: Federally Collected Revenue (₦ Billion) 20
Figure 19: Contribution to Federation Revenue..... 21

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Figure 20: Top Five Recipients of Federation Allocation in Q42025 22
Figure 21: Bottom-Five Recipients of Federation Allocation in Q42025 (₦Billion) 22
Figure 22: FGN External and Domestic Debt Compositions (₦ Billion) 23
Figure 23: Domestic Debt Stock by Instrument, End-Sept. 2025 ... 24
Figure 24: External Debt Stock, End-Sept. 2025 24
Figure 25: Developments in Reserve Money and Money Multiplier 25
Figure 26: Growth in Reserve Money Growth 26
Figure 27: Consumer Credit Outstanding 28
Figure 28: Average Banking System Liquidity (₦ Trillion) 29
Figure 29: Value of Transactions at the Standing Facility Windows 30
Figure 30: Open Market Operations (₦ Trillion) 30
Figure 31: Primary Market NTBs (₦ Trillion) 31
Figure 32: Primary Market Auctions of FGN Bonds (₦ Trillion) 31
Figure 33: Developments in Short-term Interest Rates 32
Figure 34: Average Term Deposit and Lending Rates 32
Figure 35: Aggregate Market Capitalisation and All-Share Index .. 33
Figure 36: Quarter-on-Quarter Changes in Sectoral Indices 34
Figure 37: Volume and Value of Traded Securities 35
Figure 38: Key Financial Soundness Indicators 37
Figure 39: Current Account Balance (US$ Billion) 38
Figure 40: Classification of Imports 39
Figure 41: Share of Service Out-Payments 40
Figure 42: Share of Services Receipts 41
Figure 43: Primary Income Balance 42
Figure 44: Secondary Income Balance (US$ Billion) 42
Figure 45: External Reserves and Months of Import Cover 44
Figure 46: Foreign Exchange Transactions through the Economy . 45
Figure 47: Turnover in the NFEM 46
Figure 48: Selected EMEs Currency Values to the US dollar 47

Box Information

Box 1: Prices of Monitored Domestic Agricultural Commodities ... 17

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SUMMARY

The global economy sustained its resilience in the fourth quarter of 2025, as the global composite purchasing managers' index (PMI) remained above the 50.00 threshold. The expansion was attributed, largely, to strong demand in the services sector. The pace of economic activity was, however, faster in advanced economies than in emerging markets & developing economies. Global inflation continued to decline on the back of easing energy prices and favourable weather conditions. Widespread monetary policy easing, associated with global disinflation, continued to steer bullish sentiments in various financial markets.

The domestic economy grew by 4.23 per cent in Q42025, compared with 3.13 per cent in Q3, reflecting strong performances in both the oil and non-oil sectors. Headline inflation continued to decline in Q42025, underpinned by lower petrol prices, stable exchange rate, and improved food supply. On the fiscal front, federation earnings dropped by 27.67 per cent in Q4. Regardless, allocations to the three tiers of government were slightly higher, enabled by drawn down on fiscal buffers. At end-September 2025, the consolidated public debt stood at 35.55 per cent of GDP, below the national debt ceiling and the IMF-prescribed threshold for Market-Access Countries.

Expansion in money supply moderated in the review quarter, in response to a tight monetary policy stance. The Bank's liquidity management operations resulted in a net withdrawal of liquidity in the review period, with money market rates firmly anchored within the policy corridor. The banking sector remained resilient and stable, as financial soundness indicators broadly aligned with prudential thresholds, except for non-performing loans (NPLs). The capital market sustained a bullish posture, supported by continued investor confidence and positive corporate earnings.

The external sector was broadly resilient, with surplus in the current account. The financial account was in a net lending position, compared with a net borrowing position in Q32025. At US$45.75 billion, the external reserves could cover 8.36 months of imports of goods and services. The naira continued to strengthen, averaging ₦1,451.47/US$ in Q4, compared with ₦1,521.11/US$ in Q3.

1.0 GLOBAL ECONOMIC DEVELOPMENTS

The global economy sustained its buoyancy in Q42025 with robust demand supporting continued expansion in both the services and manufacturing sectors. Inflation moderated during the review period, with notable differences in trend across regions. Thus, monetary policy stance eased in most economies. Equity markets sustained its bullish run in most economies, propelled, largely, by tech & AI-driven stocks, and rising prices of precious metals.

1.1 Global Economic Activity

Global Economic Activity

Global economic activity continued to expand in Q42025, on account of a resilient services sector. The global composite PMI stood at 52.53, compared with 52.60 in Q3. While the manufacturing PMI slowed to 50.60, from 50.90, owing to reduction in new orders, the services sector PMI strengthened to 53.33, from 51.53, buoyed by growth in business, and financial activities.

Table 1: Global Composite Purchasing Managers' Index (PMI)

	Q42024	Q32025	Q42025
Composite (Output)	**52.43**	**52.60**	**52.53**
Manufacturing	**49.67**	**50.90**	**50.60**
Services (Business Activity)	**53.33**	**51.53**	**53.33**

Source: JP Morgan

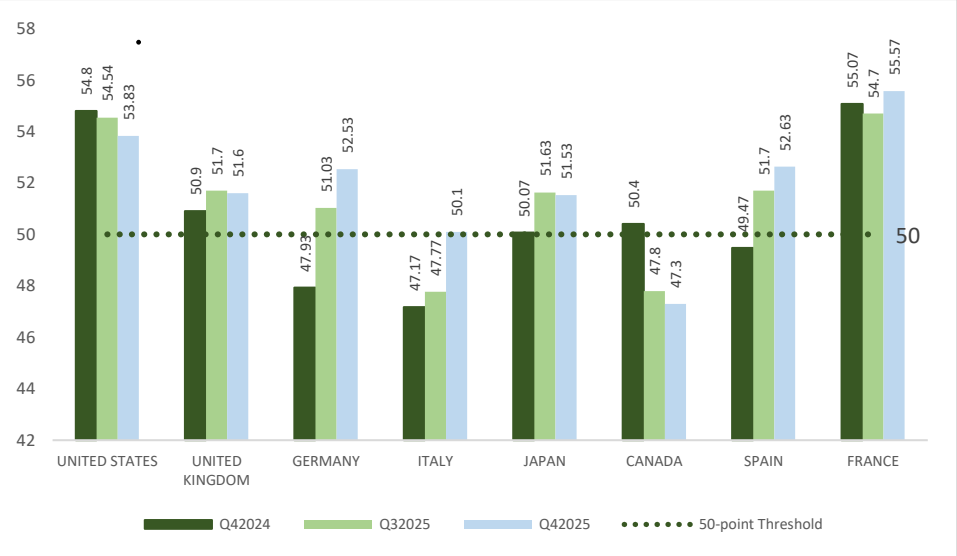
Economic Activity in Advanced Economies

PMI across AEs indicated stronger economic activity in Q42025. In the eurozone, business activity strengthened. Germany's PMI rose to 52.53, from 51.03 in the preceding quarter, supported by faster services expansion and increased new businesses. PMI in France and Italy improved to 50.10 and 52.63, respectively, from 47.77 and 51.70 in Q3 2025, driven by broader gains in new orders across both services and manufacturing, alongside resilient domestic demand and modest export growth. In Spain, the PMI increased to 55.57, from 54.70 in Q3 2025, spurred by strong demand and sustained momentum in the services sector.

PMI in the US and UK moderated, but remained in expansion region, at 53.83 and 51.60, respectively, compared with 54.54 and 51.70 in the preceding quarter. The development reflected stronger manufacturing and services output, amid lower employment. In Japan, PMI slowed to 51.53, from 51.63, owing to weakened services sector.

In contrast, Canada's PMI contracted further to 47.30, from 47.80 in the preceding quarter, reflecting weaker output and softer demand in services and manufacturing.

Figure 1: PMIs in Selected Advanced Economies



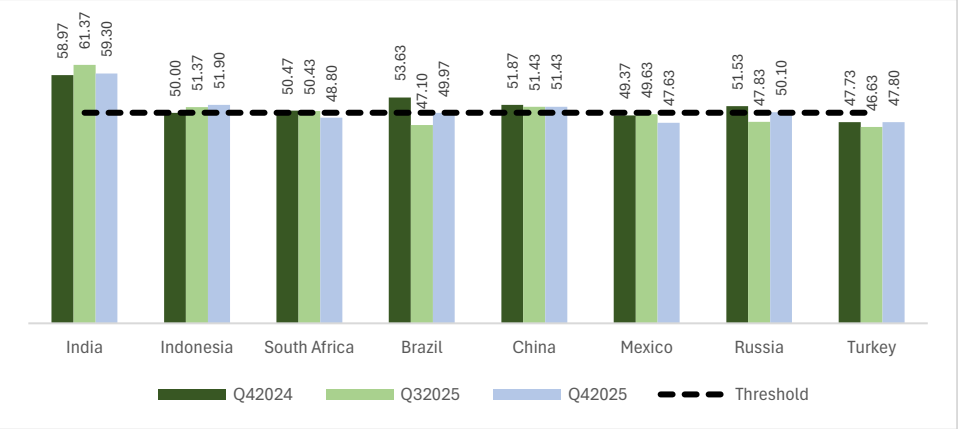
Source: JP Morgan

Economic activity in EMDEs

Economic activity varied across EMDEs in Q4 2025, with improvement in some economies and continued demand and cost pressures in others. In Indonesia, PMI rose to 51.90, compared with 51.37 in Q3 2025, buoyed by higher output and new orders. PMI in Russia rebounded to 50.10, relative to 47.83 in Q3 2025, following improvement in services sector. The PMI remained in contraction region in Turkey and Brazil, at 47.80 and 49.97, respectively, compared with 46.63 and 47.10 in the preceding quarter. The slower contraction reflected improved consumer demand.

In India, PMI expanded at a slower pace to 59.30, from 61.37 in Q3 2025, indicating a lower growth across manufacturing and services, constrained by a decline in new orders and employment. In Mexico, PMI contracted further to 47.63, from 49.37 in the preceding quarter, due, mainly, to continued weakness in output and new orders. In South Africa, the PMI fell into the contraction region, at 48.80, from 50.43, owing to weak demand and new orders. China's PMI was stable at 51.43, reflecting steady services and manufacturing sectors.

Figure 2: PMI in Selected Emerging Markets and Developing Economies



Source: JP Morgan.
Note: South Africa, Turkey, Indonesia and Mexico PMIs data were based on manufacturing PMI.

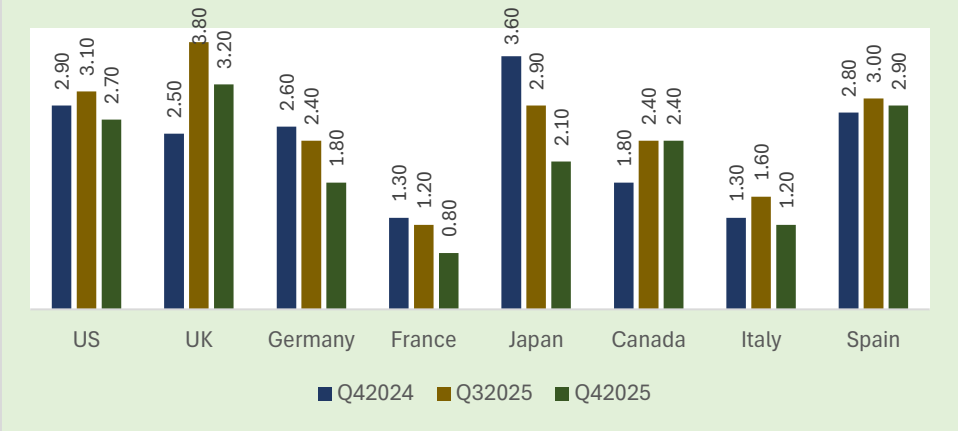
1.2 Global Inflation

Inflation eased in many economies during the review period. Inflation moderated across major advanced economies, owing to lower energy and food costs. In the US, inflation declined to 2.70 per cent, from 3.10 per cent, owing, largely, to softer energy prices. Similarly, lower food and energy prices reduced inflation in Japan and the UK to 2.10 and 3.40 per cent, respectively, from 2.90 and 3.80 per cent.

Global Inflation

Inflation across euro area moderated in Q42025, due, largely, to easing energy price pressures. In Germany, inflation declined to 1.80 per cent, from 2.40 per cent and eased from 1.20 per cent to 0.80 per cent in France, as energy prices declined. A similar trend was recorded in Italy and Spain, with price pressures slowing to 1.20 and 2.90 per cent, respectively, from 1.60 and 3.00 per cent in Q3. However, inflation in Canada was unchanged at 2.40 per cent, as lower gasoline prices offset higher food prices.

Figure 3: Inflation in Selected Advanced Economies (per cent)

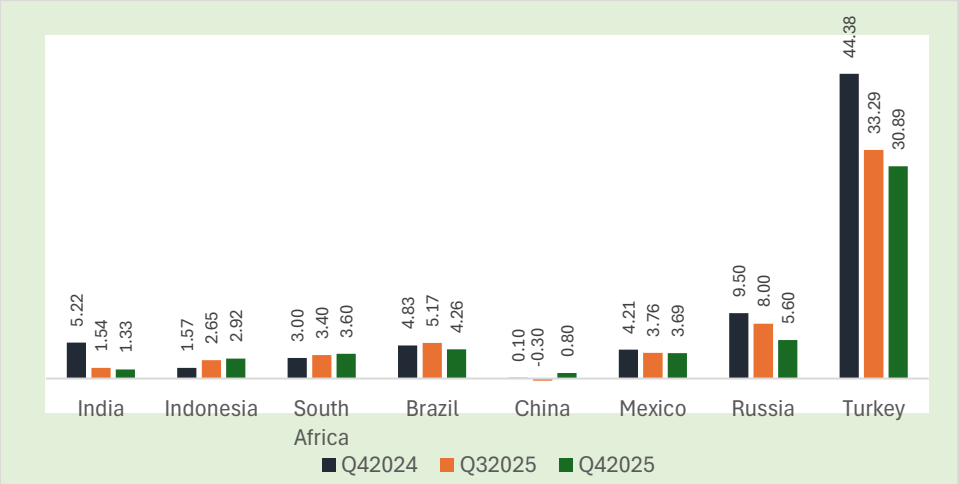


Source: Reuters

Inflation in EMDEs varied, owing to domestic structural conditions. In India inflation declined to 1.33 per cent in Q4 2025, from 1.54 per cent, bolstered by improved weather conditions which improved agricultural output. In Brazil, inflation moderated to 4.26 from 5.17 per cent in Q3 2025, reflecting softer food prices. Inflation in Mexico also declined to 3.69 per cent from 3.76 per cent, owing to easing cost of services. Tight monetary conditions and easing domestic demand resulted in decline in Russia's inflation to 5.60 per cent, from 8.00 per cent in Q3 2025. Similarly, Turkey's inflation moderated to 30.89 per cent, from 33.29 per cent in the preceding quarter, on account of softer housing and transport costs.

In contrast, inflation accelerated in Indonesia and China, rising to 2.92 and 0.80 per cent, respectively, from 2.65 per cent and -0.3 per cent, driven by higher food prices. Inflation in South Africa also ticked up to 3.60 per cent, from 3.40 per cent, underpinned by higher housing & utilities costs and food prices.

Figure 4: Inflation in Selected EMDEs (per cent)



Source: Reuters

1.3 Global Financial Markets

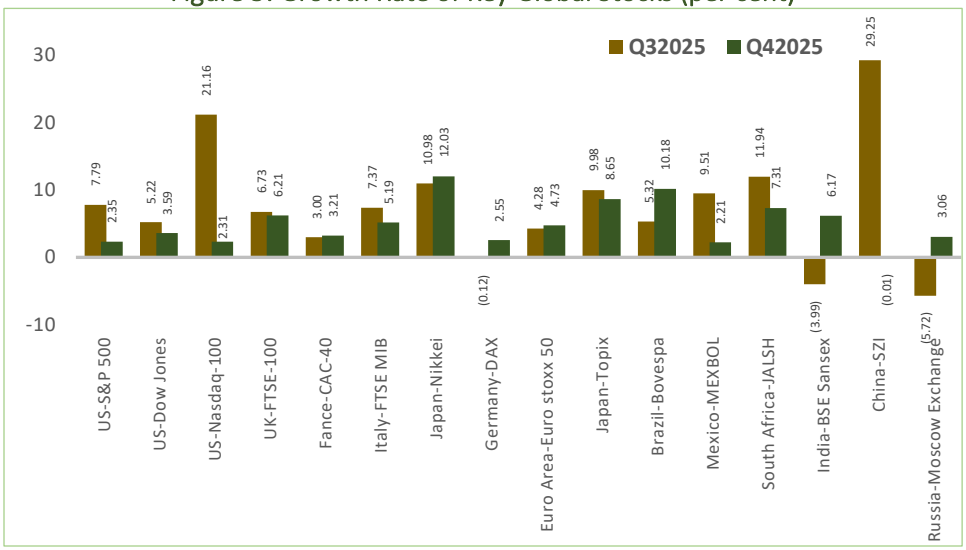
1.3.1 Global Financial Conditions

Equities market sustained bullish run in most economies, propelled, largely, by tech and AI-driven stocks, and rising prices of precious metals. Stocks across AEs recorded positive returns in Q42025, supported by AI-related technology stocks. In the US, the NASDAQ 100 and S&P 500 gained 2.31 and 2.35 per cent, respectively, driven by the easing tariff tension and continued interest rate-cutting cycle. The NIKKEI and TOPIX indices rallied in Japan by 12.03 and 8.65 per cent, respectively, as expectations of strong growth in generative AI and defence spending supported related stocks. Similarly, the UK FTSE 100 appreciated by 6.21 per cent, driven by a weaker pound, stronger demand, and higher commodity prices. The Italian FTSE MIB and Euro STOXX 50 also rose by 5.19 and 4.73 per

cent, respectively, driven by easing monetary policy stance. Similarly, the French CAC 40 and German DAX, appreciated by 3.21 and 0.12 per cent, respectively, owing to stable employment in the services sector.

Equities rose in most EMDEs in Q42025. The JALSH in South Africa appreciated by 7.31 per cent, due to rising precious metals prices and an interest rate cut. The Brazilian BOVESPA and Mexican MEXBOL gained 10.18 and 2.21 per cent, respectively. Russian MOEX and Indian BSE SENSEX, rose by 3.07 and 6.17 per cent, respectively, on improved macroeconomic conditions. The Chinese SZI, however, depreciated by 0.01 per cent, due to concerns around a fragile property market.

Figure 5: Growth Rate of Key Global Stocks (per cent)



Source: Reuters Refinitiv Eikon & MarketWatch

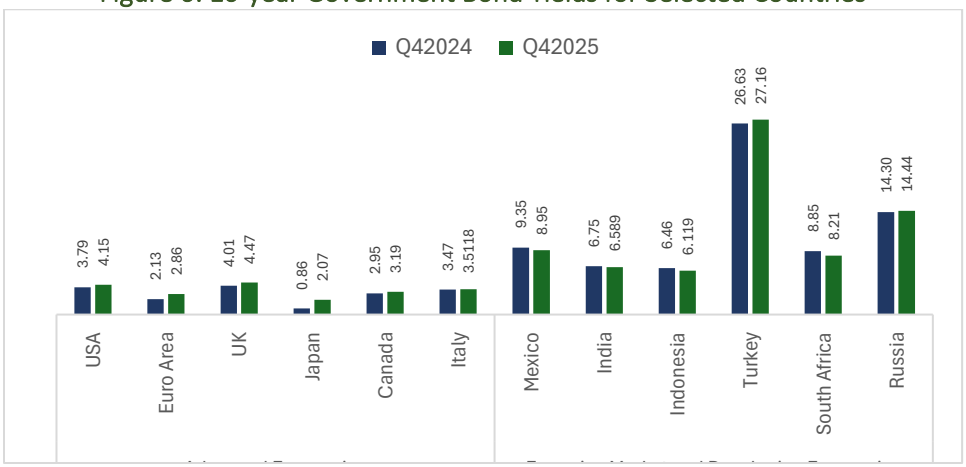
Yields on 10-year government bonds were mixed across major economies, reflecting differing inflation dynamics and policy expectations. The 10-year bond yield in the Euro area rose to 2.86 per cent, from 2.71 per cent in the preceding quarter, supported by the announcement of greater-than-expected fiscal headroom and a reduced borrowing requirement for the year. Similarly, yields on Japan's 10-year bond increased to 2.07 per cent, from 1.65 per cent in Q32025. In the US and Canada, yields remained unchanged at 4.15 and 3.19 per cent, respectively, due to stable inflation and economic growth. In the UK, however, yields on 10-year bond fell to 4.47 per cent, from 4.70 per cent in Q32025, due to easing inflation and anticipation of further rate cuts. In Italy yield declined to 3.51 per cent from 3.56 per cent in Q32025, due to a lower-than-target inflation.

Rising inflation risk elevated yield to 8.95 per cent from 8.59 per cent in Mexico. Mild liquidity pressures and stable policy expectations in India increased yield to 6.59 per cent, compared with 6.57 per cent in the preceding quarter. Yield,

however, declined in Russia to 14.44 per cent, from 14.81 per cent in the preceding quarter, due to moderation in inflation and the Bank of Russia's key rate cuts.

In South Africa, yield fell to 8.21 per cent, from 9.18 per cent in the preceding quarter, as investors price in lower inflation expectations and the new 3 per cent target. Yield declined in Turkey and Indonesia to 27.16 and 6.12 per cent, respectively, from 29.27 and 6.34 per cent in the preceding quarter, largely reflecting easing inflation expectations and monetary policy accommodation in Turkey, while stronger investor demand and anticipated policy support dampened yield in Indonesia.

Figure 6: 10-year Government Bond Yields for Selected Countries



Source: Reuters Refinitiv Eikon & Trading Economics

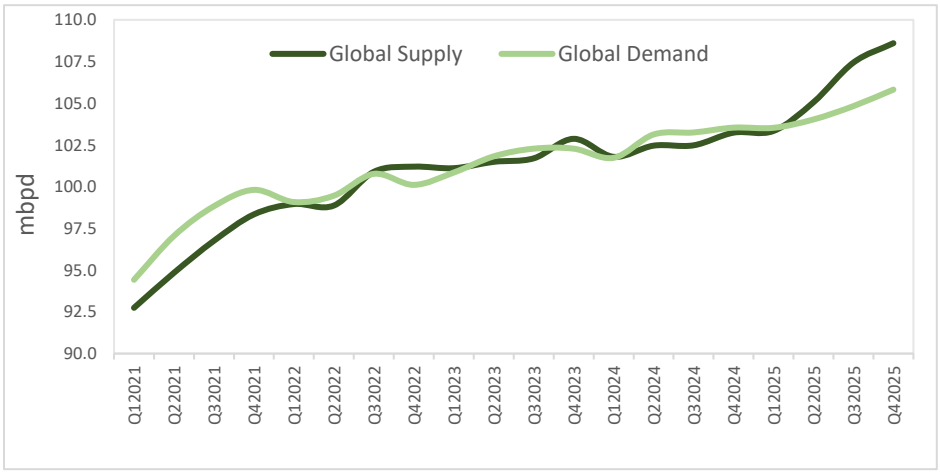
1.4 Global Commodity Markets

Global crude oil supply continued to outpace demand, due to increased non-OPEC production growth amid OPEC+ supply cut. Global crude oil supply, including Natural Gas Liquids (NGLs), rose by 1.08 per cent to 108.60 million barrels per day (mbpd), from 107.44 mbpd in the preceding quarter. The increase was driven mainly by higher production in non-OPEC countries, which expanded by 1.89 per cent to 74.90 mbpd from 73.51 mbpd, reflecting increased output in the US, Brazil, Canada, and Guyana. The development was partly offset by voluntary production cuts among some OPEC+ members, as their supply declined by 0.65 per cent to 33.70 mbpd from 33.92 mbpd in the preceding quarter.

World Crude Supply and Demand

Global crude oil demand, including NGLs, increased by 0.94 per cent to 105.82 mbpd, from 104.83 mbpd in Q32025, driven by higher demand in both OECD and non-OECD countries. Non-OECD demand rose by 0.80 per cent to 59.08 mbpd from 58.61 mbpd, due to improved economic activity in China and other Asian countries. Demand in OECD countries also rose by 1.13 per cent to 46.74 mbpd, from 46.22 mbpd in Q32025.

Figure 7: Total Global Crude Supply and Demand

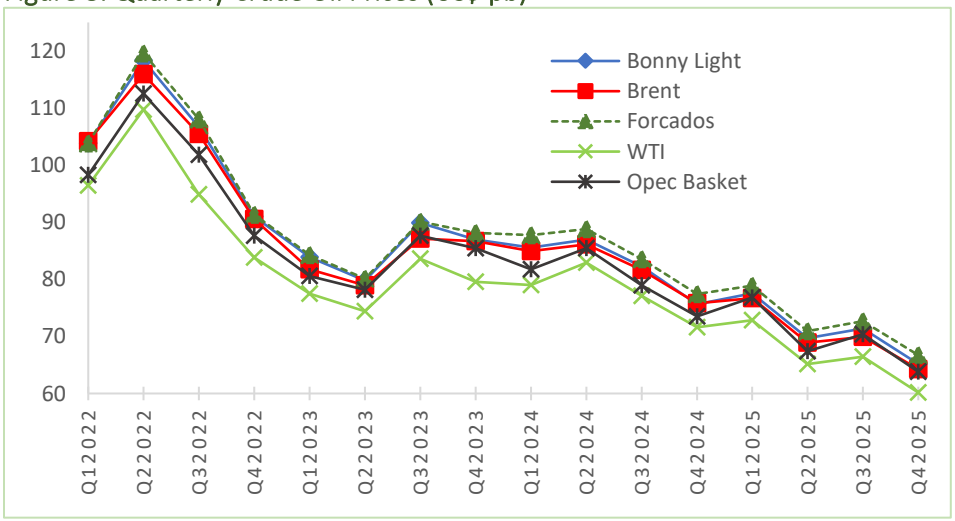


Source: Energy Information Administration (EIA)

Crude Oil Prices

Crude oil spot prices declined, largely, reflecting increased global oil supply and a stronger US dollar. The average spot price of Nigeria's reference crude, the Bonny Light (34.9° API), fell by 8.7 per cent to US$65.18 per barrel (pb) in Q42025, from US$71.36 pb in the preceding quarter. The prices of Brent (US$64.27 pb), Forcados (US$66.73 pb), WTI (US$60.17 pb), and the OPEC Reference Basket (US$63.81 pb) all exhibited similar trends.

Figure 8: Quarterly Crude Oil Prices (US$ pb)

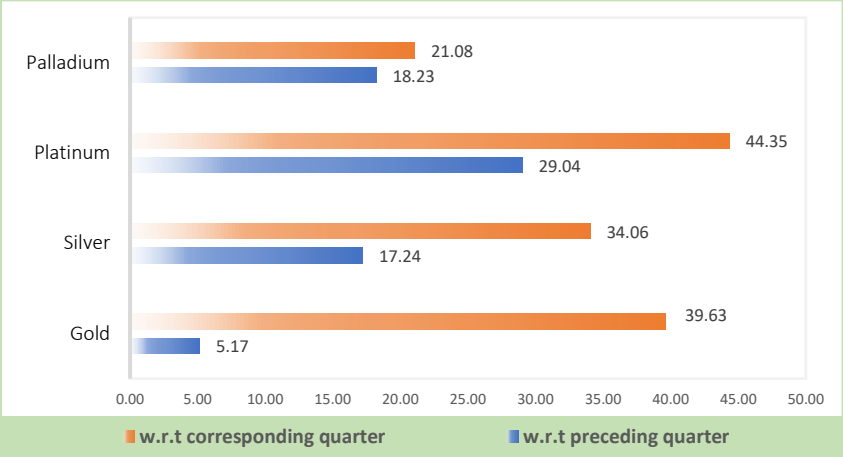


Source: Refinitiv Eikon (Reuters)

Other Mineral Commodities

Stronger industrial and investment demand, expectations of lower real interest rates, and geopolitical risks contributed to increase in the average spot prices of precious metals. The average spot prices of gold rose by 20.01 per cent to US$ 4,151.74 per ounce. Higher prices were also recorded for silver (39.06%) to US$55.18, platinum (22.0%) to US$1690.33, and palladium (25.9%) to US$1473.35 per ounce, compared with the levels in the preceding quarter. The development was underpinned by strong demand for safe-haven assets, portfolio-diversification, expectations of lower real interest rates and sustained geopolitical risks.

Figure 9: Price Changes in Selected Metals (per cent)



Source: Refinitiv Eikon (Reuters)

Agricultural Commodity Prices

The price indices of most selected global agricultural commodities declined in Q42025, reflecting lower demand and improved supply. Accordingly, the all-commodity price index declined by 2.78 per cent to 130.67, from 134.40, indicating a moderation in global agricultural commodity prices during the review period. The decline was largely on account of the decrease in the prices of cocoa, cotton, groundnut, and palm oil, reflecting improved supply conditions and weaker demand across key markets.

However, the prices of coffee, soya beans, wheat, and rubber increased during the period. The price increases were attributable to sustained global demand.

Table 2: Selected Agricultural Export Commodities Q22025 (in dollars; Jan. 2010=100)					
Commodity	Q42024	Q32025	Q42025	% Change	
				(1) & (3)	(2) & (3)
	1	2	3	4	5
All Commodities	***154.33***	***134.40***	***130.67***	***-15.34***	***-2.78***
Cocoa	235.22	208.03	158.51	-32.61	-23.80
Cotton	105.48	101.36	96.98	-8.06	-4.32
Coffee	325.65	274.72	295.16	-9.36	7.44
Wheat	129.03	115.95	119.20	-7.62	2.80
Rubber	65.15	56.30	56.63	-13.06	0.60
Groundnut	137.90	103.53	99.79	-27.64	-3.61
Palm Oil	137.83	121.93	120.43	-12.62	-1.23
Soya Beans	98.42	93.38	98.62	0.20	5.61

Sources: World Bank

1.5 Monetary Policy Stance

Monetary policy stance eased in most economies during the review period as disinflation continued. The Fed cut the funds rate to 3.50–3.75 from 4.00–4.25 per cent, following moderation in inflation and a softened labour market condition. Policy rate was reduced to 2.25 per cent, from 2.50 per cent by the Bank of Canada, as inflation remained close to the 2.00 per cent target. Following continued disinflation, weaker economic activity, and softening labour market conditions, the Bank of England eased its repo rate to 3.75 per cent, from 4.00 per cent. The European Central Bank (ECB) retained the policy rate at 2.15, as inflation stabilised around the target. Bank of Japan, however, hike the policy rate to 0.75 per cent, from 0.50 per cent to keep inflation within the target.

In most EMDEs, monetary policy stance was accommodative in Q42025 to stimulate demand, following easing inflation. The Reserve Bank of India reduced the repo rate to 5.25 per cent, from 5.50 per cent, to stimulate growth. The Reserve Bank of South Africa and Bank of Mexico cut rates to 6.75 and 7.00 per cent, respectively, in the review period, due to improved inflation outlook. The Bank of Russia lowered policy rate to 16.00 per cent, from 17.00 per cent, as inflation pressure eased. Similarly, Turkish central bank lowered policy rate to 38.00 per cent, from 40.50 per cent in the preceding quarter to stimulate demand.

Policy rate was unchanged in Indonesia (4.75%), China (3.00%) and Brazil (15.00%) reflecting a cautious policy approach to balance growth and inflation amid evolving domestic conditions and external uncertainties.

Table 3: Central Bank Policy Rates (per cent)

Country	Q42024	Q12025	Q22025	Q32025	Q42025
US	4.25-4.50	4.25-4.50	4.25-4.50	4.00-4.25	3.50–3.75
Canada	3.25	2.75	2.75	2.50	2.25
Euro Area	3.15	2.65	2.15	2.15	2.15
UK	4.75	4.50	4.25	4.00	3.75
Japan	0.25	0.50	0.50	0.50	0.75
Brazil	12.25	14.25	15.00	15.00	15.00
Russia	21.00	21.00	20.00	17.00	16.00
India	6.50	6.25	5.50	5.50	5.25
China	3.10	3.10	3.00	3.00	3.00
South Africa	7.75	7.75	7.25	7.00	6.75
Mexico	10.00	9.00	8.00	7.50	7.00
Indonesia	5.75	5.75	5.50	4.75	4.75
Turkey	45.00	42.50	46.00	40.50	38.00

Source: Various Central Banks' websites, Trading Economics.

2.0 DOMESTIC ECONOMIC DEVELOPMENTS

2.1 Real Sector Developments

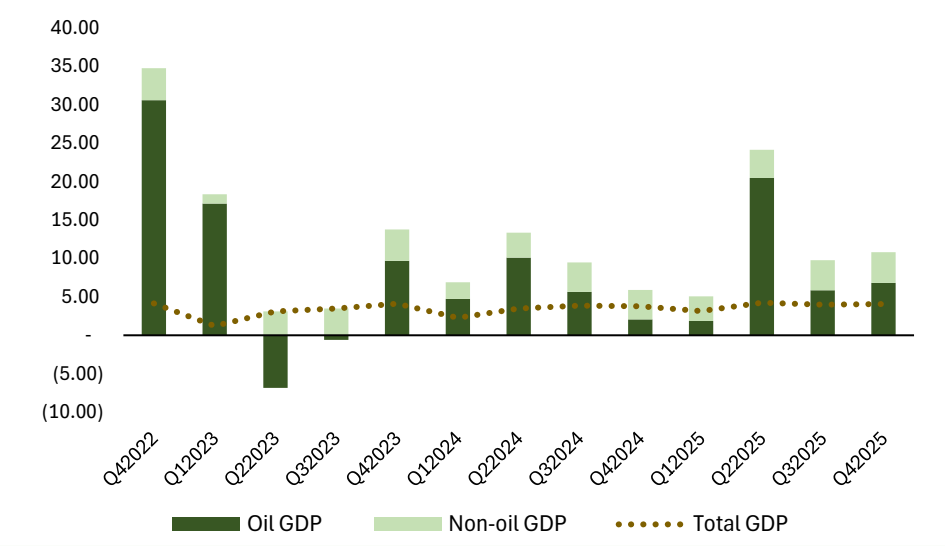
Summary

The domestic economy sustained its growth momentum in Q42025, reflected in broad-based sectoral growth, even as improved food supply continued to dampen inflation.

Output growth

Growth quickened in Q42025, supported by increased activities in both the oil and non-oil sectors. The real GDP expanded by 4.07 per cent (y-o-y), from 3.98 per cent in the preceding quarter, and 3.76 per cent in the corresponding quarter of 2024. The oil sector grew by 6.79 per cent, compared with 5.84 and 2.08 per cent in the preceding and corresponding quarters, reflecting the impact of increased investment in the sector. In the non-oil sector, output grew by 3.99 per cent in Q42025, compared with 3.91 and 3.80 per cent in the preceding and corresponding quarters, respectively. Strong activities in the agricultural and services sectors, including food production, information and communication technology (ICT), real estate and trade, underpinned non-oil sector growth.

Figure 10: Real GDP Growth Rate (y-o-y)

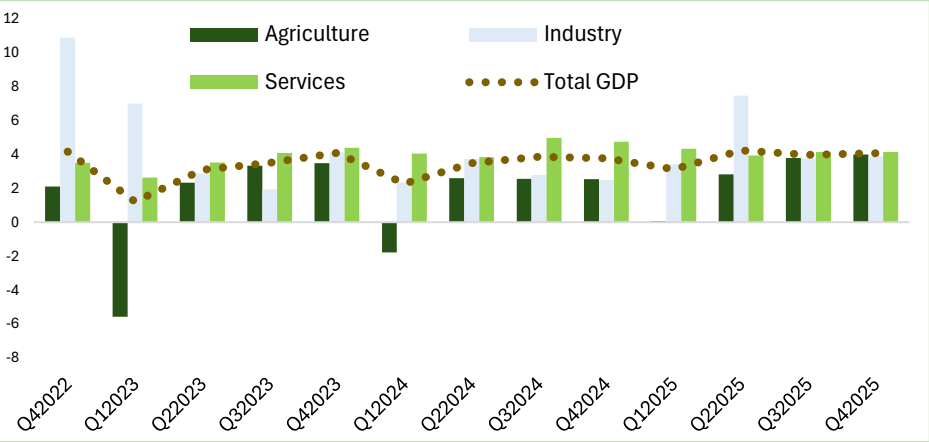


Source: National Bureau of Statistic

2.1.1 Sectoral Performance

Sectoral output growths in Q42025 were positive and broad-based. The agriculture sector improved to 4.00 per cent, from 3.79 and 2.54 per cent in Q32025 and Q42024, respectively. The stronger growth was, largely, driven by increased crop production and higher productivity.

Figure 11: Sectoral Growth Rate of Real GDP, Q22022- Q22025



Source: National Bureau of Statistics

The services sector maintained a steady growth trajectory, expanding by 4.15 per cent, the same as in the preceding quarter, but below the 4.75 per cent recorded in Q42024. Within the services sector, ICT led growth at 7.55 per cent and contributed 0.70 percentage point to overall output growth. The performance of the subsector was buoyed by increased investment in IT infrastructure and higher active internet subscribers and teledensity. The pace of real estate activity also increased, with growth of 3.43 per cent and contribution of 0.50 percentage point to overall GDP. Strong diaspora interest, increased adoption of smart home technologies, and public investment in affordable housing and infrastructure development, impacted real estate performance in the period under review.

The finance & insurance subsector expanded by 8.30 per cent, and contributed 0.20 per cent. The growth reflected higher income, accruals from digital services, and gains from the ongoing banking sector recapitalisation programmes. Trading activity also improved, recording a 2.00 per cent expansion and a 0.34 percentage point contribution to total GDP.

Improving macroeconomic conditions, following greater stability in general prices and the exchange rate, supported the 3.88 per cent growth in the industry sector, compared with 3.77 and 2.49 per cent in Q32025 and Q42024, respectively. Industrial output was further boosted by increased manufacturing activity, following improved electricity supply and increased seasonal demand linked to end-of-year-festivities. Strong performance in the mining subsector, following

sustained investments in the oil industry, also contributed industry output. The indices of industrial manufacturing, and mining production also indicated year-on-year expansions, corroborating the positive industrial output data.

Table 4: Industrial, Manufacturing, Mining Production Indices

Index	Q42024	Q12025	Q22025	Q32025	Q42025
IIP	89.63	97.95	85.83	74.66	92.94
IMANP	99.66	114.47	86.75	83.21	100.79
IMINP	69.64	68.06	71.06	54.17	75.83
y-o-y percentage change					
IIP	1.38	2.77	8.01	2.08	3.69
IMANP	1.28	1.69	1.6	1.01	1.13
IMINP	3.15	2.97	20.86	3.46	8.89

Source: Central Bank of Nigeria
Note: IIP refers to index of industrial production, IMANP refers to index of manufacturing production and IMINP refers to the index of mining production.

Index of electricity production

The electricity subsector improved, due to increased stability in the national grid, following the rehabilitation of transmission and distribution lines, and improved gas supply to thermal power plants. Thus, the index of electricity production rose by 5.17 per cent, y-o-y, from 4.92 per cent in Q32025.

Table 5: Index of Electricity Production

Period	IEP	Y-on-Y Change
Q42024	131.79	-5.19
Q12025	141.24	14.61
Q22025	201.32	11.24
Q32025	120.34	4.92
Q42025	138..60	5.17

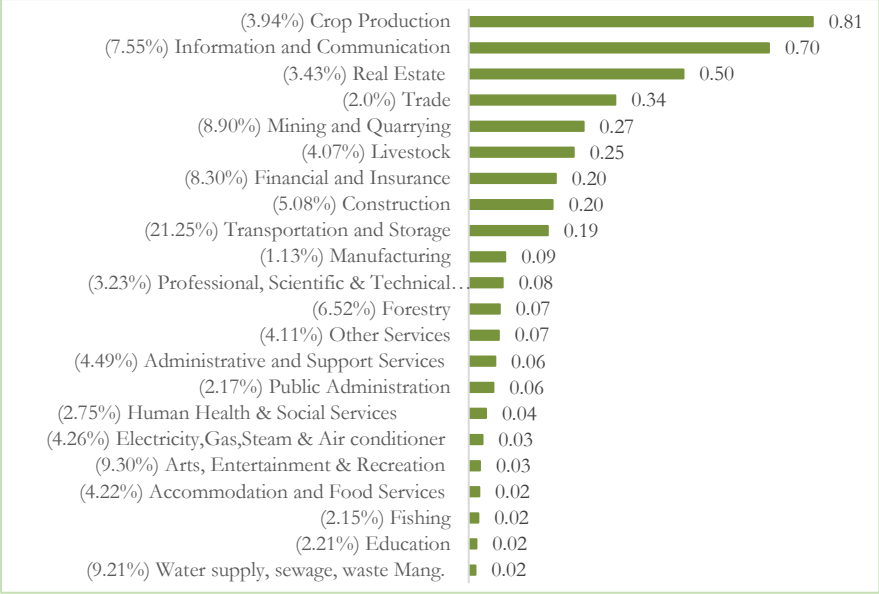
Source: Central Bank of Nigeria
Note: IEP refers to index of electricity production

Electricity Generation/ Consumption

The average estimated electricity generation rose by 0.76 per cent to 4,969.29 MW/h from 4,953.45 MW/h in Q3 2025. Electricity consumption also increased by 0.14 per cent to 4,423.65 MW/h, over the same period, from 4,417.28 MW/h in Q32025.

Other subsectors under the industrial sector also recorded growths during the review period. The electricity, gas, steam & air conditioner, grew by 4.26 per cent, just as the water supply, sewage, & waste management subsectors expanded by 9.21 per cent. The construction subsector grew by 5.08 per cent, from 5.57 per cent in the preceding quarter.

Figure 12: Top selected subsectors with their contribution to GDP Growth and their Growth Rates (%) in Q42025

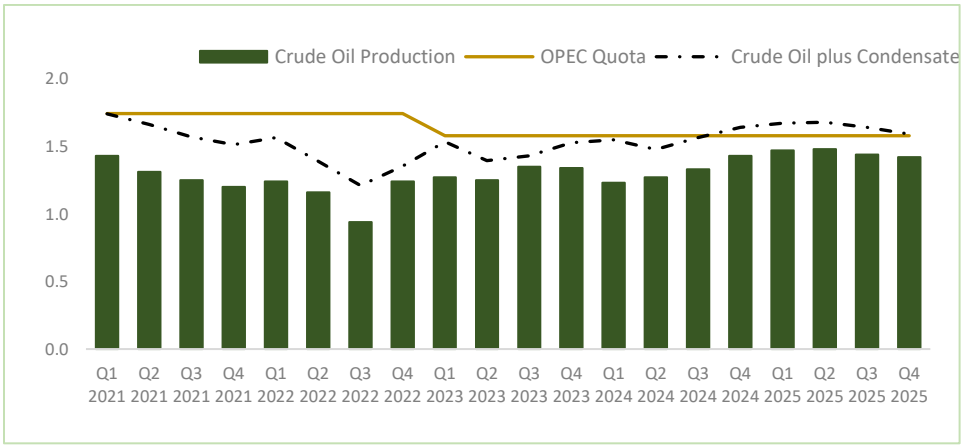


Source: National Bureau of Statistics

Crude Oil Production and Export

Nigeria's crude oil output fell in Q42025, due mainly to operational issues. Crude oil output, excluding condensates, declined by 1.39 per cent to 1.42 mbpd in Q42025, compared with 1.44 mbpd in the preceding quarter. Lower output at major terminals, arising from temporary production shut-ins arising from ageing infrastructure, caused the decline. Production was also below the approved OPEC quota of 1.50 mbpd. Total crude production, including blended and unblended condensates, declined by 3.67 per cent to 1.58 mbpd, relative to Q32025.

Figure 13: Nigeria's Crude Oil Production and OPEC Quota (mbpd)

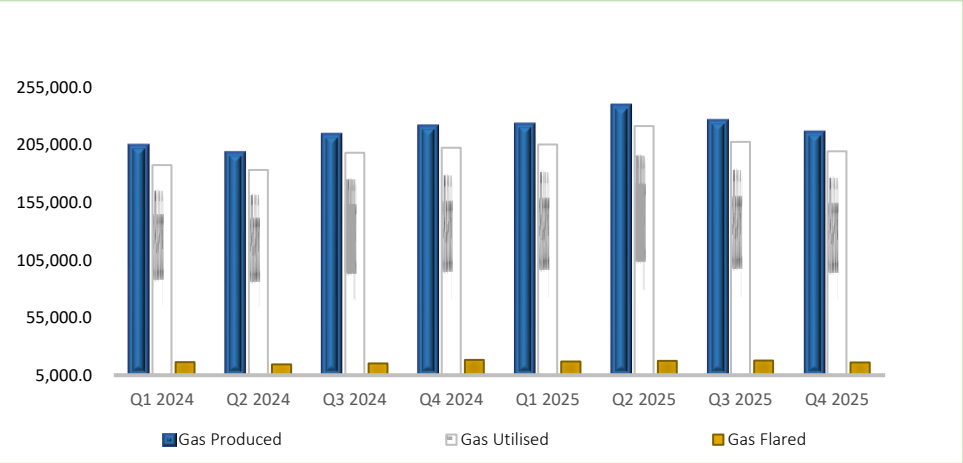


Source: Nigerian Upstream Petroleum Regulatory Commission (NUPRC)

Domestic gas production

Gas production dropped in Q42025, pulled mainly by decline in associated gas output, linked to lower crude production. Total gas production (associated and non-associated gas) averaged 215,380.51 million standard cubic feet (mmscf) in Q42025, compared with 225,405.34 mmscf in the preceding quarter, representing a decline of 4.45 per cent. Associated gas production declined by 22.87 per cent to 101,163.16 mmscf in Q42025, compared with 131,167.68 mmscf in the preceding quarter, reflecting lower crude oil output. However, non-associated gas production rose by 21.20 per cent to 114,217.35 mmscf, compared with 94,237.66 mmscf in the preceding quarter.

Figure 14: Gas Production, Utilisation and Flared, (mmscf)



Source: NUPRC Annual Gas Production Report.

Box 1: Prices of Monitored Domestic Agricultural Commodities

Estimated prices of some monitored agricultural commodities declined in Q42025 compared with the preceding quarter, owing to improved supply conditions. The price decrease ranged from 0.66 per cent for onion bulb to 21.27 per cent for gari (white), indicating improved availability across major markets. However, the prices of palm oil and groundnut oil increased, driven by sustained demand pressures.

Prices of Selected Domestic Agricultural Commodities in Q42025

Food Items		2024Q4/a	2025Q3/b	2025Q4/b	% Change	% Change
	Unit	1	2	3	(1) & (3)	(2) & (3)
Agric eggs medium size	1kg	*2790.83*	*6077.41*	*5970.14*	*113.92*	*-1.77*
Beans: brown, sold loose	"	*2673.59*	*1994.28*	*1716.82*	*-35.79*	*-13.91*
Beans: white black eye, sold loose	"	*2489.69*	*1769.79*	*1549.25*	*-37.77*	*-12.46*
Gari white, sold loose	"	*1196.07*	*1020.98*	*803.87*	*-32.79*	*-21.27*
Gari yellow, sold loose	"	*1291.42*	*1107.28*	*887.18*	*-31.30*	*-19.88*
Groundnut oil: 1 bottle, specify bottle	"	*3140.82*	*3268.21*	*3323.82*	*5.83*	*1.70*
Irish potato	"	*1776.91*	*1779.05*	*1515.42*	*-14.72*	*-14.82*
Maize grain white, sold loose	"	*1129.50*	*1002.18*	*881.80*	*-21.93*	*-12.01*
Onion bulb	"	*1729.11*	*1394.01*	*1384.81*	*-19.91*	*-0.66*
Palm oil: 1 bottle, specify bottle	"	*2398.71*	*2530.35*	*2550.79*	*6.34*	*0.81*
Rice local, sold loose	"	*1949.68*	*2186.35*	*1888.65*	*-3.13*	*-13.62*
Rice, imported high quality, sold loose	"	*2493.74*	*2339.10*	*2203.40*	*-11.64*	*-5.80*
Sweet potato	"	*923.85*	*921.72*	*819.71*	*-11.27*	*-11.07*
Tomato	"	*1463.89*	*1311.11*	*1260.93*	*-13.86*	*-3.83*
Vegetable oil: 1 bottle, specify bottle	"	*3076.35*	*3289.28*	*3187.07*	*3.60*	*-3.11*
Wheat flour: prepackaged (Golden Penny)	2kg	*3812.90*	*3992.64*	*3727.68*	*-2.24*	*-6.64*
Yam tuber	1kg	*1815.83*	*2207.67*	*1992.69*	*9.74*	*-9.74*

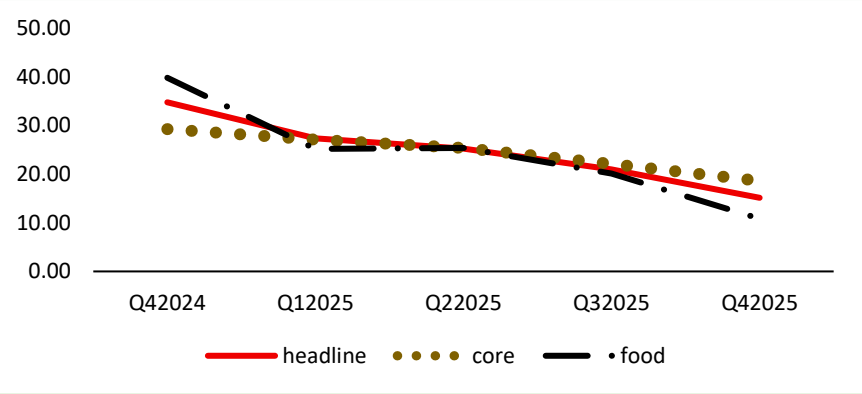
Sources: (a) National Bureau of Statistics (b) Staff Estimates

2.1.2 Inflation

Inflation continued to moderate in Q42025, following lower PMS prices, improved food supply, and sustained exchange rate stability. Headline inflation (y-o-y) declined to 15.15 per cent in Q42025, compared with 20.98 per cent in the preceding quarter[1]. The moderation was attributed, largely, to the stability in the foreign exchange market, and lower energy costs. Furthermore, increased food supply, especially grains and tubers, further eased the pressure on aggregate prices.

Headline Inflation

Figure 15: Headline, Food and Core Inflation (y-o-y)

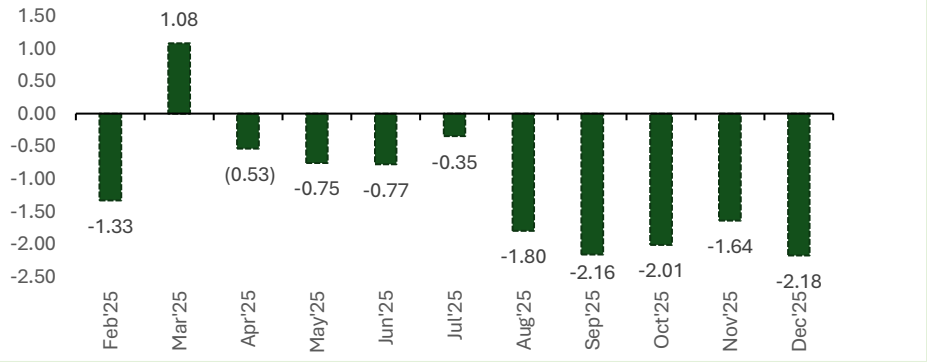


Source: National Bureau of Statistics

Inflation Momentum

Analysis of momentum indicated that inflation decelerated at a faster pace of 2.18 percentage points in Q42025, compared with 2.16 percentage points in the preceding quarter, reflecting the lagged effect of the Bank's contractionary policy stance.

Figure 16: Inflation Momentum



Source: Central Bank of Nigeria and National Bureau of Statistics

[1] In line with international best practice, as set out in the Consumer Price Index (CPI) Manual of the International Monetary Fund (IMF) and the ECOWAS Harmonised CPI Manual, which emphasise index reference period maximisation, the December 2025 inflation rate was computed by the National Bureau of Statistics, using the average prices of full year 2024 as the base period (set to 100), against a single month (December 2024). Consequently, the inflation estimates for January to November 2025 were revised.

Core Inflation

Core inflation moderated to 18.63 per cent from 22.11 per cent in the preceding quarter, attributed to foreign exchange market reforms and tight monetary policy stance.

Food Inflation

Food inflation (y-o-y) also eased to 10.84 per cent, from 20.16 per cent in Q32025, due to increased food supply. Also, the moderation in average PMS pump price to N815/litre in December 2025 from N890/litre in the preceding quarter, lowered transport and logistic costs.

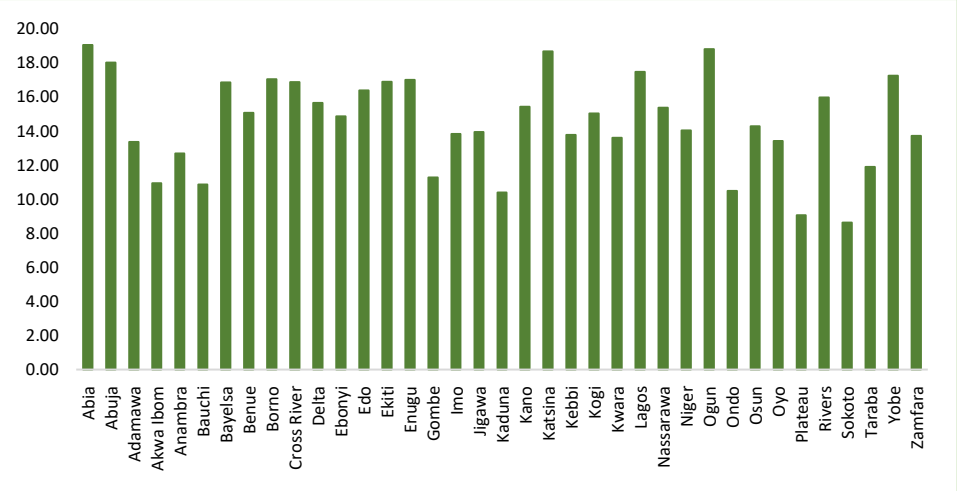
Urban/Rural Inflation

Urban inflation declined to 14.85 per cent, from 17.50 per cent in the preceding quarter, while rural inflation fell to 14.56 per cent, from 18.26 per cent. The decline in both measures was driven by increased supply of food staples and sustained stability in the foreign exchange market.

State Level Inflation

Headline inflation varied across states and the FCT Abuja. Inflation was highest in Abia (19.03%), Ogun (18.80%) and Katsina (18.66%) states; but the lowest in Sokoto (8.61%), Plateau (9.05%) and Kaduna (10.38%) states, accordingly.

Figure 17: Headline Inflation across States in Q42025



Source: National Bureau of Statistics

2.2 Fiscal Developments Sector

Summary

Federally collected revenue fell by 27.67 per cent from the level in the preceding quarter, reflecting a 38.68 per cent decline in non-oil revenue. Despite the shortfall, allocations to the three tiers of government increased by 0.58 per cent, owing to lower statutory deductions. At end-September 2025, consolidated public debt outstanding stood at ₦153.29 trillion (35.55% of GDP), remaining below the national ceiling and IMF benchmark for Market-Access Countries of 60.00 and 70.00 per cent of GDP, respectively.

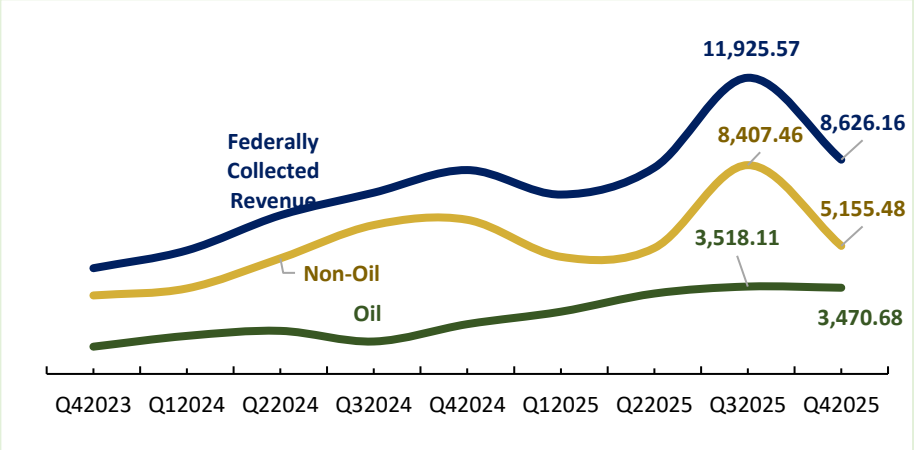
2.2.1 Federation Account Operations

Federation Revenue

Gross federation earnings declined relative to the preceding quarter, primarily due to lower revenue from non-oil sources. Provisional data showed that inflow into the Federation Account fell to ₦8.63 trillion, a 27.67 per cent decline from the level in Q32025, weighed by lower non-oil receipts, notably corporate tax. Regardless, non-oil revenue remained dominant, accounting for 59.77 per cent of gross federation revenue, while oil revenue constituted the balance.

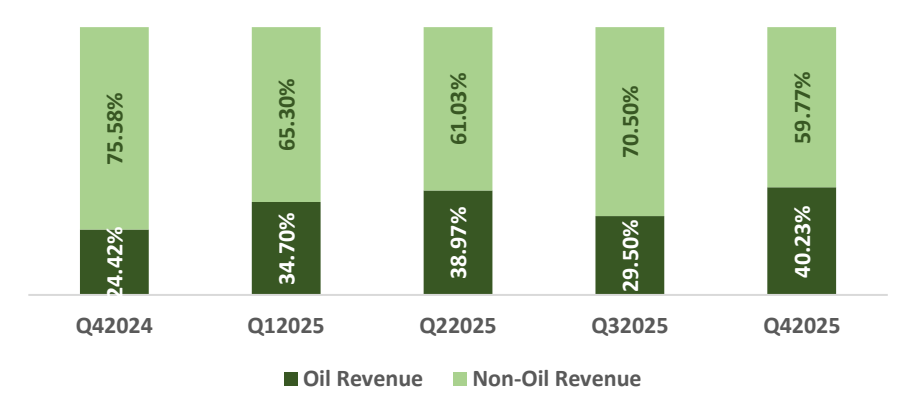
At ₦3.47 trillion, oil revenue fell by 1.35 per cent, relative to the level in Q32025, dragged by lower receipts from petroleum profit tax and other oil revenue sources. Similarly, non-oil revenue declined to ₦5.15 trillion, representing a 38.68 per cent fall below the level in the preceding quarter. The decline was attributed to lower collections of corporate tax reflecting seasonality of tax return filing by companies.

Figure 18: Federally Collected Revenue (₦ Billion)



Source: Office of the Accountant General of the Federation and Federal Ministry of Finance

Figure 19: Contribution to Federation Revenue



Source: Office of the Accountant General of the Federation and Federal Ministry of Finance

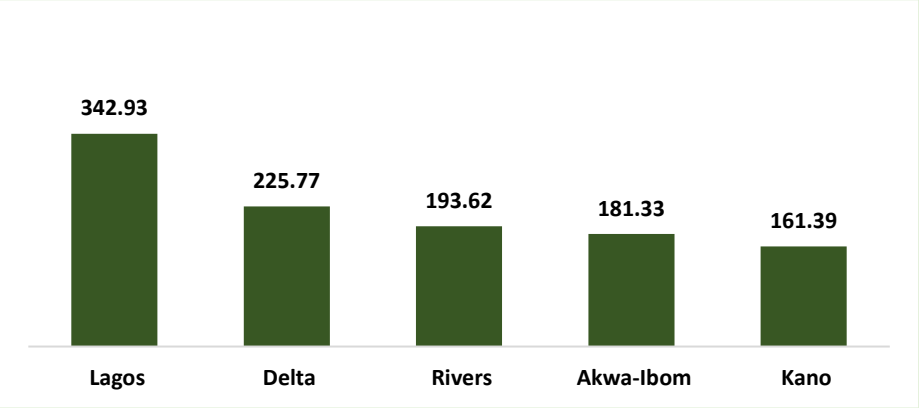
Table 6: Federation Revenue and Distribution (₦ Billion)

	Q42024	Q32025	Q42025	*Budget
Federally Collected Revenue	**8,209.29**	**11,925.57**	**8,626.15**	**19,519.29**
Oil	**2,004.31**	**3,518.11**	**3,470.67**	**11,505.11**
Crude Oil & Gas Exports	*42.41*	*145.32*	*169.81*	*0.00*
PPT	*578.74*	*843.26*	*827.30*	*6,101.41*
Royalties	*1,138.46*	*1,869.61*	*2,076.13*	*3,432.55*
Domestic Crude Oil/Gas Sales	*0.00*	*0.00*	*0.00*	*490.19*
Others	*244.70*	*659.92*	*397.43*	*1,480.96*
Non-oil	**6,204.98**	**8,407.46**	**5,155.48**	**8,014.18**
Corporate Tax	*1,268.81*	*4,931.94*	*1,552.70*	*2,332.44*
Customs & Excise Duties	*934.43*	*990.53*	*1,006.56*	*1,549.34*
Value-Added Tax (VAT)	*1,880.94*	*2,088.72*	*2,155.50*	*1,875.40*
Independent Revenue of Fed. Govt.	*2,059.29*	*284.25*	*284.83*	*1,315.42*
Others**	**61.51**	**112.02**	**155.89**	**941.58**
Total Deductions/Transfers	**6,078.37**	**6,153.18**	**2,638.71**	**2,717.94**
Federally Collected Revenue Less Deductions & Transfers***	**2,130.92**	**5,772.39**	**5,987.44**	**16,801.35**
plus:				
Additional Revenue	**1,785.32**	**318.98**	**139.20**	**57.21**
Excess Crude Revenue	*200*	*100*	*0.00*	*0.00*
Non-oil Excess Revenue/ EMTL	*49.53*	*99.10*	*139.20*	*57.21*
Exchange Gain	*1,535.79*	*119.88*	*0.00*	*0.00*
Total Distributed Balance	**3,916.24**	**6,091.37**	**6,126.64**	**16,858.56**
Federal Government	**1,265.78**	**2,215.27**	**2,216.88**	**8,204.89**
Statutory	*1,019.75*	*1,923.52*	*1,921.57*	*7,944.28*
VAT	*246.03*	*291.75*	*295.31*	*260.61*
State Government	**1,358.32**	**1,990.16**	**2,018.02**	**3,263.48**
Statutory	*538.23*	*1,017.65*	*1,033.65*	*2,394.79*
VAT	*820.09*	*972.51*	*984.37*	*868.69*
13% Derivation	***304.89***	***424.13***	***410.71***	***1,658.91***
Local Government	**987.25**	**1,461.81**	**1,481.03**	**3,731.28**
Statutory	*413.19*	*781.05*	*791.97*	*3,123.20*
VAT	*574.06*	*680.76*	*689.06*	*608.08*

Source: Office of the Accountant General of the Federation.
Note* Includes Education Tax, Customs Special Levies (Federation Account), National Information Technology Development Fund, Customs Special Levies, Solid Minerals & Other Mining revenue, and other non-regular earnings. **Deductions include cost of revenue collections and JVC cash calls, while transfers entail provisions for FGN Independent revenue and other non-federation revenue. /1 Provisional.

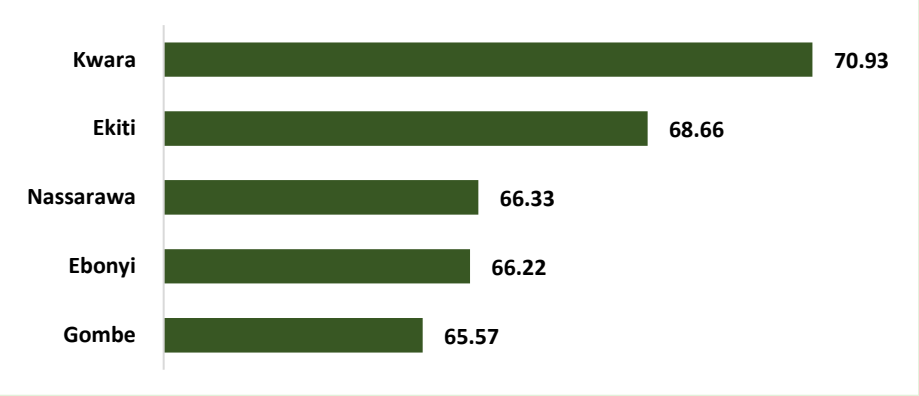
Of the ₦8.63 trillion in federally collected revenue, ₦6.13 trillion was shared among the three tiers of government after accounting for statutory deductions and transfers. The Federal, state, and local governments received ₦2.22 trillion, ₦2.02 trillion and ₦1.48 trillion, respectively, while the balance of ₦0.41 trillion was allocated to the 13% derivation fund for oil-producing states. Net disbursement was 0.58 per cent higher than in the preceding quarter.

Figure 20: Top Five Recipients of Federation Allocation in Q42025 (₦ Billion)



Source: Office of the Accountant General of the Federation and Federal Ministry of Finance

Figure 21: Bottom-Five Recipients of Federation Allocation in Q42025 (₦Billion)



Source: Office of the Accountant General of the Federation and Federal Ministry of Finance

Revenue allocation to subnational governments revealed that Lagos State was the highest recipient, followed by Delta, Rivers, Akwa Ibom, and Kano. On the other hand, Kwara, Ekiti, Nasarawa, Ebonyi and Gombe received the lowest allocations in that order. The variation in allocation was attributed to differences in the scale of economic activity, population, and resource endowment, among other indices.

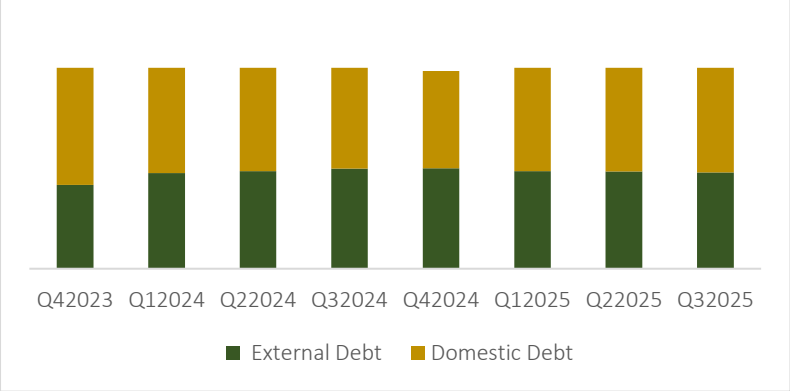
Public Debt

The consolidated public debt stock remained below the national ceiling and the IMF benchmark for Market-Access Countries of 60.00 and 70.00 per cent of GDP, respectively. At end-September 2025, consolidated public debt outstanding stood at ₦153.29 trillion (35.55% of GDP), indicating a 0.59 per cent increase compared with the level at end-June 2025. A breakdown showed that domestic debt accounted for 53.37 per cent, while external debt constituted 46.63 per cent, with the FGN owing ₦149.29 trillion (97.39%), and state governments, the balance.

A disaggregation of the FGN debt showed that domestic debt was ₦77.81 trillion, constituting 52.12 per cent, while external debt constituted ₦71.48 trillion (47.88%). FGN domestic debt was dominated by FGN bonds (79.67%), followed by the Nigerian Treasury Bills (16.30%), promissory notes (2.17%), and FGN Sukuk (1.66%). Others constituted the balance[2]. Of the external debt stock, multilateral debt accounted for 48.31 per cent, while commercial and bilateral loans constituted 38.72 and 12.97 per cent, respectively.

Debt service at end-September 2025 rose by 121.49 per cent to ₦6.94 trillion, from ₦3.13 trillion at end-June 2025, owing to higher interest and amortisation payments that had fallen due. A breakdown showed that domestic debt service constituted 28.94 per cent, while external debt service accounted for 71.06 per cent.

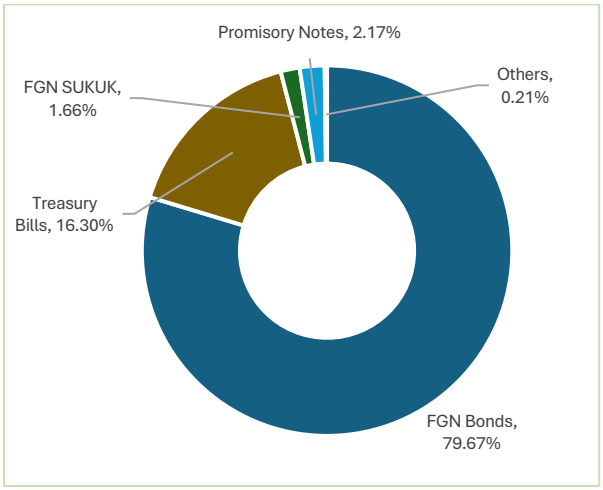
Figure 22: FGN External and Domestic Debt Compositions (₦ Billion)



Source: Debt Management Office

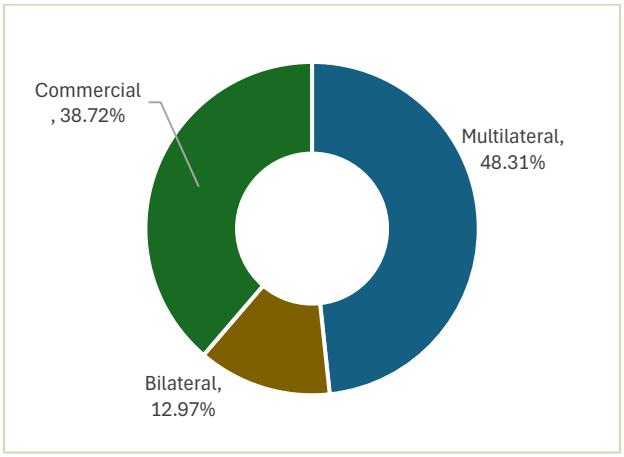
[2] Includes treasury bonds (0.00%), green bond (0.02%) and special FGN savings bond (0.07%).

Figure 23: Domestic Debt Stock by Instrument, End-Sept. 2025



Source: Debt Management Office

Figure 24: External Debt Stock, End-Sept. 2025



Source: Debt Management Office

2.3 Monetary and Financial Developments

Money supply grew in the review period, as rise in credit to key sectors boosted domestic claims. In the fixed-income market, relatively high yields and higher banking system liquidity spurred activity. The improved liquidity in the banking system was reflected in the decline of key money market rates, which oscillated within the policy corridor. The banking system remained stable and resilient, as key prudential indicators remained within regulatory thresholds, except for non-performing loans (NPLs). The capital market maintained its bullish trajectory, buoyed by robust corporate earnings, sustained investor confidence, and continued institutional inflows.

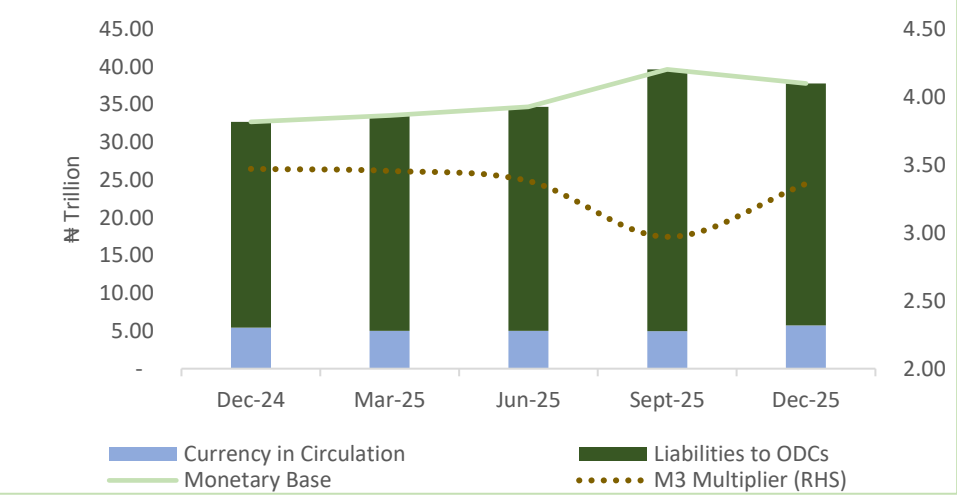
Summary

2.3.1 Monetary Developments

Reserve Money

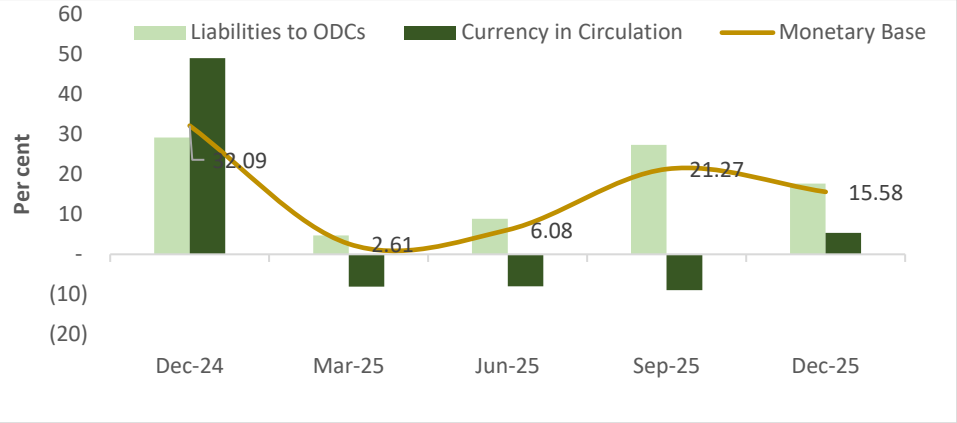
The Monetary base expanded in Q42025, buoyed by the rise in liabilities to Other Depository Corporations (ODCs). Relative to the level at end-December 2024, the monetary base grew by 15.58 per cent to ₦37.76 trillion, compared with the 21.27 per cent growth at end-September 2025. The growth in monetary base was underpinned by a 17.63 per cent rise in liabilities to ODCs to ₦32.03 trillion, complemented by a 5.36 per cent increase in currency-in-circulation (CIC) to ₦5.73 trillion. At this level, the monetary base exceeded the benchmark of ₦36.78 trillion by ₦0.98 trillion (2.66%).

Figure 25: Developments in Reserve Money and Money Multiplier



Source: Central Bank of Nigeria

Figure 26: Growth in Reserve Money



Source: Central Bank of Nigeria

Money supply

Broad money (M3) grew by 11.87 per cent, driven, entirely, by the 17.87 per cent increase in net domestic assets (NDA), which contributed 12.83 percentage points to overall growth in M3. Net foreign assets (NFA), however, contracted by 3.39 per cent and slowed M3 growth by 0.96 percentage point. The contraction in NFA was due to the 4.93 per cent rise in liabilities to non-residents which outweighed the 1.94 per cent growth in claims on non-residents.

Currency outside depository corporations (CODCs), transferable deposits and other deposits were the drivers of growth in M3 on the liabilities side. CODCs grew by 4.62 per cent, contributing 0.21 percentage points to M3 growth, while transferable deposits and other deposits grew by 14.82 and 11.06 per cent, respectively and contributed 4.40 and 7.27 percentage points to M3 growth. Conversely, securities-other-than-shares, fell by 44.47 per cent, reducing M3 growth by 0.01 percentage point. The rise in CODCs reflected increased cash demand, driven by end-of-year festivities.

Table 7: Money and Credit Growth over preceding December (%)

Monetary Aggregates	Dec-24	Sep-25	Dec-2025	2025 Target	Contribution to M3 Growth (Dec-25)
Net Foreign Assets	**242.25**	**30.35**	**-3.39**	**52.9**	**-0.96**
Claims on Non-residents	78.95	10.63	1.94	-	1.52
Liabilities to Non-residents	41.14	-0.45	4.93	-	2.48
Net Domestic Assets	**16.42**	**-6.48**	**17.87**	**-9.47**	**12.83**
Domestic Claims	**9.45**	**-8.08**	**25.33**	**15.52**	**23.5**
Net Claims on Central Government	**-19.1**	**-10.99**	**38.5**	**8.81**	**9.22**
Claims on Central Government	-5.9	-2.82	5.99	-	2.79
Liabilities to Central Government	13.83	5.85	-28.51	-	-6.43
Claims on Other Sectors	**24.76**	**-7.08**	**20.75**	**17.86**	**14.29**
Claims on Other Financial Corporations	15.1	-8.16	5.18	-	0.73
Claims on State and Local Government	-2.67	-1.94	6.18	-	0.22
Claims on Public Nonfinancial Corporations	18.1	13.85	468.19	-	15.51
Claims on Private Sector	31.27	-8.59	-4.53	-	-2.17
Total Monetary Assets (M_3)	**43.03**	**3.91**	**11.87**	**8.12**	**11.87**
Currency Outside Depository Corporations	49.25	-12.88	4.62	-	0.21
Transferable Deposits	26.23	2.83	14.82	-	4.4
Narrow Money (M_1)	**28.86**	**0.76**	**13.47**	**8.12**	**4.61**
Other Deposits	53	5.56	11.06	-	7.27
Broad Money (M_2)	**43.77**	**3.91**	**11.88**	**8.12**	**11.88**
Securities Other than Shares	-95.87	-46.56	-44.47	-	-0.01

Source: Central Bank of Nigeria.

Note: The numbers for June 2025 are provisional.

2.3.2 Sectoral Utilisation of Credit

Sectoral Credit Utilisation

Total credit to the economy by ODCs increased slightly by 0.49 per cent to ₦57.32 trillion, from ₦57.04 trillion in Q42025, reflecting easing credit conditions. Credit to the agriculture and services sectors increased by 12.81 and 3.06 per cent, to ₦3.61 trillion and ₦32.67 trillion, respectively, compared with the levels in the preceding quarter. Further analysis indicated that the services sector accounted for the largest share of credit, at 57.00 per cent, followed by industry (36.70%) and agriculture (6.30%).

Table 8: Sectoral Credit Allocation

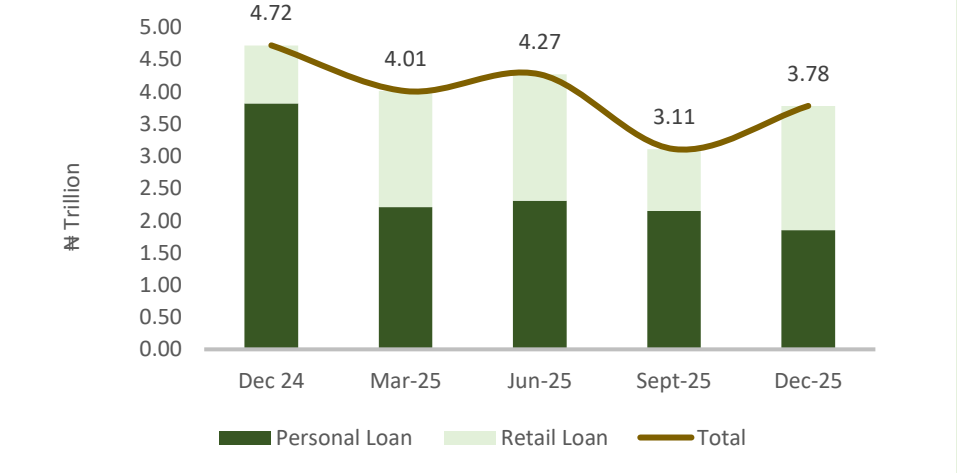
Sectors	Credit Allocation (₦ Trillion)			Share in Total (%)		
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25
Agriculture	**2.85**	**3.20**	**3.61**	**4.81**	**5.61**	**6.30**
Industry	**23.67**	**22.14**	**21.04**	**39.98**	**38.81**	**36.70**
Manufacturing	*8.53*	*7.09*	*6.61*	*14.41*	*12.43*	*11.53*
Services	**11.61**	**11.77**	**10.59**	**19.61**	**20.63**	**18.48**
Finance, Insurance & Capital Market	*32.69*	*31.70*	*32.67*	*55.21*	*55.58*	*57.00*
Trade/General Commerce	*7.75*	*8.92*	*9.24*	*13.09*	*15.64*	*16.12*
TOTAL	**4.54**	**4.85**	**4.59**	**7.67**	**8.50**	**8.01**

Source: Central Bank of Nigeria

Consumer Credit

Consumer credit outstanding increased by 21.54 per cent to ₦3.78 trillion, from ₦3.11 trillion in the preceding quarter, as easing credit conditions and uptick activities during the festive season boosted retail loans by 101.04 per cent, to ₦1.93 trillion. In terms of share, retail loans accounted for 51.10 per cent while personal loans constituted the balance of total consumer credit outstanding.

Figure 27: Consumer Credit Outstanding



Source: Central Bank of Nigeria

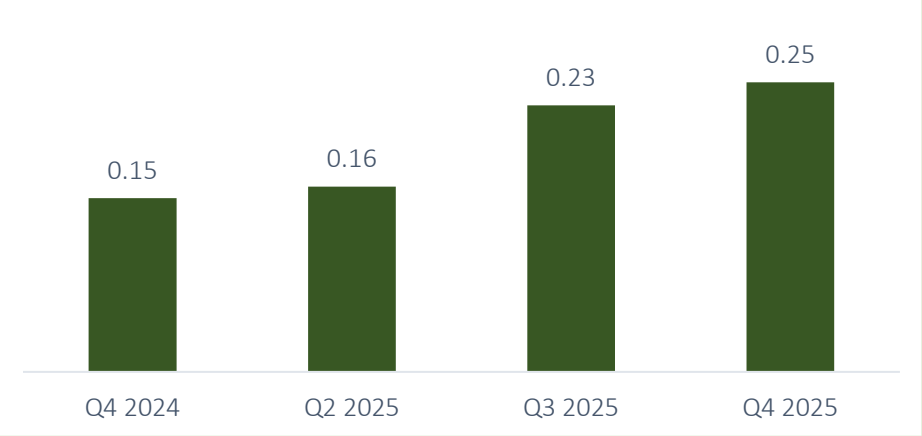
2.3.3 Financial Developments

2.3.3.1 Money Market Development

Industry Liquidity Condition

Liquidity in the banking system rose in Q42025, largely driven by increased fiscal injections, including coupon payments on FGN bond, Nigerian Treasury Bills (NTBs), and fiscal disbursements to the three-tiers of government. Daily average liquidity in the banking system rose by 8.70 per cent to ₦0.25 trillion, from ₦0.23 trillion in Q32025, buoyed by the 1.49 per cent increase in fiscal injections to ₦6.13 trillion.

Figure 28: Average Banking System Liquidity (₦ Trillion)

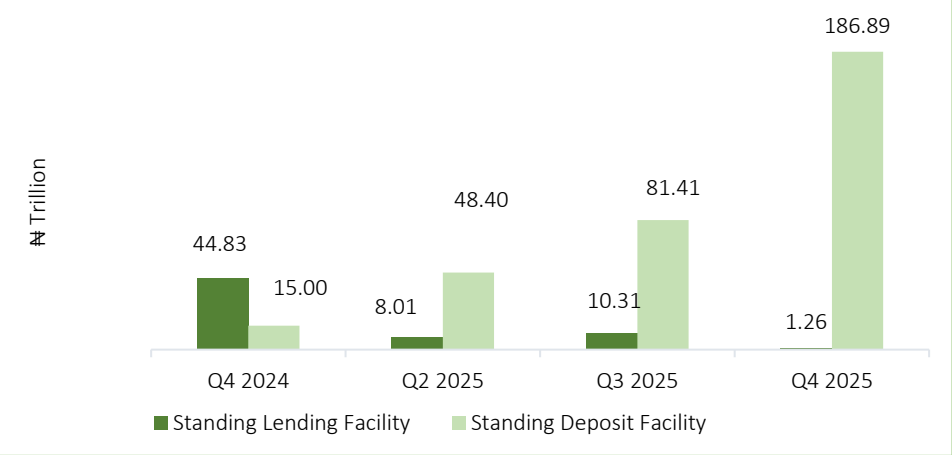


Source: Central Bank of Nigeria

At the standing facility windows, higher activities were recorded at the standing deposits facility (SDF) window, while activities at the standing lending facility (SLF) window reduced. Placements at the SDF window rose by 129.57 per cent to ₦186.89 trillion, with a daily average of ₦2.97 trillion. Conversely, requests at the SLF window declined by 87.78 per cent to ₦1.26 trillion, with a daily average of ₦0.05 trillion.

At its November 2025 meeting, the Monetary Policy Committee (MPC) maintained the MPR at 27.00 per cent and adjusted the policy corridor to +50/-450 basis points from +250/-250 basis points. Thus, the SLF and SDF rates stood at 27.50 per cent (MPR+0.5%) and 22.50 per cent (MPR-4.5%), respectively. Additionally, the interest rate on converted Intra-day Lending Facility (ILF) transactions to SLF was increased to 32.50 per cent (MPR+5.5%).

Figure 29: Value of Transactions at the Standing Facility Windows

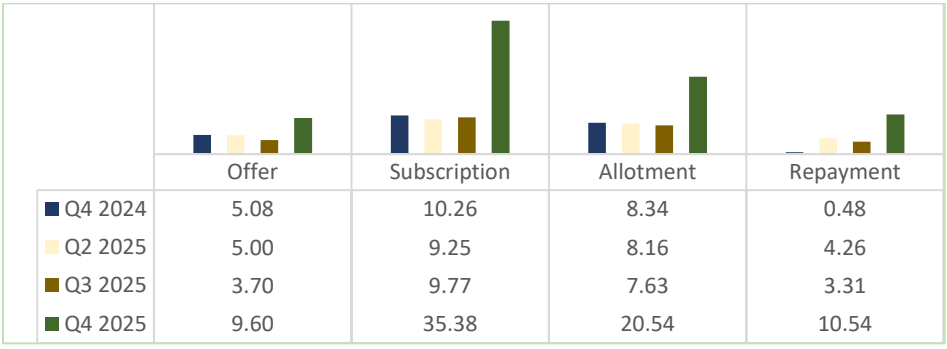


Source: Central Bank of Nigeria

OMO Operations

Open Market Operations (OMO) bills issued in the review quarter rose, as the Bank remained proactive in its liquidity management operations. The total amount of CBN bills offered, subscribed, and allotted were ₦9.60 trillion, ₦35.58 trillion, and ₦20.54 trillion (tenors: 46 to 252 days), compared with ₦3.70 trillion, ₦9.77 trillion, and ₦7.63 trillion, respectively (tenors: 83 to 363 days) in the preceding quarter. The bid rates averaged 21.00 (±3.99) per cent, while the stop rates averaged 20.59 (±1.25) per cent. Matured CBN bills repaid was ₦10.54 trillion, resulting in a net withdrawal of ₦10.00 trillion.

Figure 30: Open Market Operations (₦ Trillion)

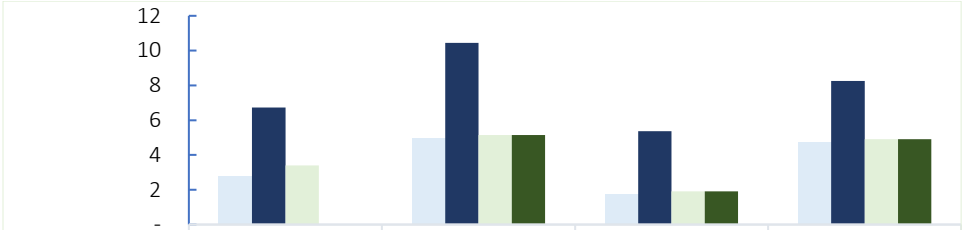


	Offer	Subscription	Allotment	Repayment
Q4 2024	5.08	10.26	8.34	0.48
Q2 2025	5.00	9.25	8.16	4.26
Q3 2025	3.70	9.77	7.63	3.31
Q4 2025	9.60	35.38	20.54	10.54

Source: Central Bank of Nigeria

NTBs and FGN bonds issuances increased in the review period in line with the debt and cash management programme of the FGN. Total NTBs (91-, 182- and 364-day tenors) offered, subscribed, and allotted were ₦4.72 trillion, ₦8.26 trillion, and ₦4.90 trillion, respectively, compared with ₦1.76 trillion, ₦5.37 trillion, and ₦1.90 trillion, in the preceding quarter. The average stop rate increased slightly to 16.47(±1.47) per cent, from 16.35(±1.35) per cent in Q32025.

Figure 31: Primary Market NTBs (₦ Trillion)

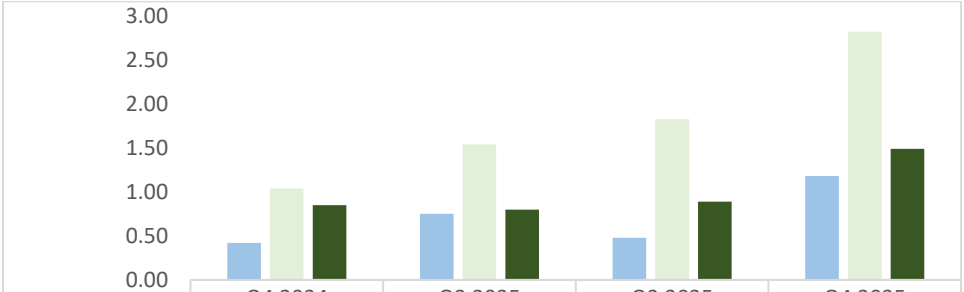


	Q4 2024	Q2 2025	Q3 2025	Q4 2025
Offer	2.77	4.95	1.76	4.72
Subscription	6.73	10.45	5.37	8.26
Allotment	3.39	5.15	1.9	4.90
Repayment	0.00	5.15	1.9	4.90

Source: Central Bank of Nigeria

A higher quantum of FGN bonds (5-year and 7-year tranches) were offered during the quarter under review, with the term to maturity ranging from 4 years, 8 months to 6 years, 8 months. The total amount offered, subscribed, and allotted stood at ₦1.18 trillion, ₦2.82 trillion, and ₦1.49 trillion, respectively, compared with ₦0.48 trillion, ₦1.83 trillion, and ₦0.89 trillion in Q32025. The average bid and marginal rates were 16.51(±2.01) and 16.56(±0.73) per cent, respectively, compared with 17.25(±4.75) and 16.85(±1.16) per cent, in the preceding quarter.

Figure 32: Primary Market Auctions of FGN Bonds (₦ Trillion)



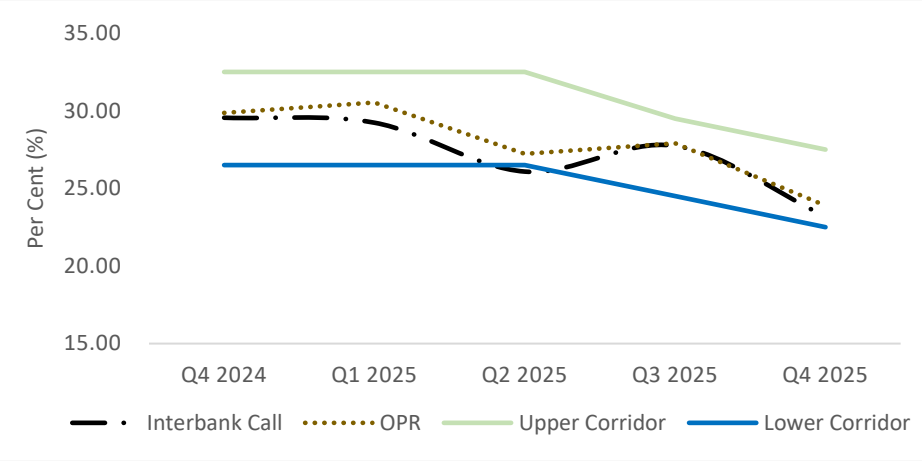
	Q4 2024	Q2 2025	Q3 2025	Q4 2025
Offer	0.42	0.75	0.48	1.18
Subscription	1.04	1.54	1.83	2.82
Allotment	0.85	0.8	0.89	1.49

Source: Central Bank of Nigeria

Interest Rate Developments

In the Money market, rates were lower, reflecting the prevailing liquidity conditions. Average interbank call rate (23.19%) and open repo (OPR) rate (23.89%) declined by 4.55 and 4.01 percentage points, respectively, compared with the levels in Q32025.

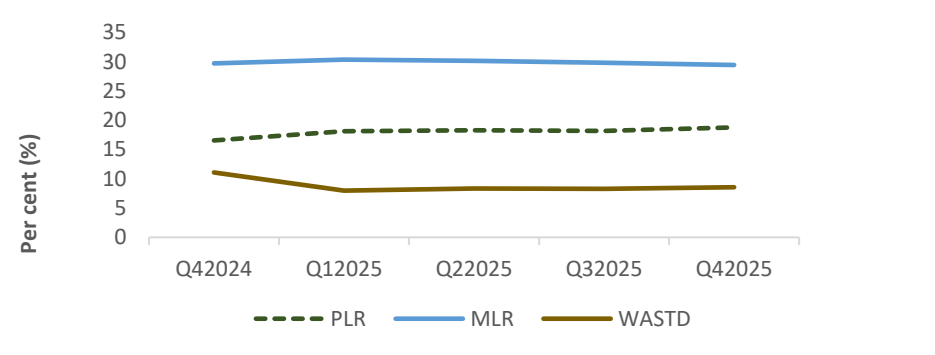
Figure 33: Developments in Short-term Interest Rates



Source: Central Bank of Nigeria
Note: OPR = Open Repo rate which used to be Open Buy Back (OBB) rate

The trajectories of average lending and deposit rates were divergent in the review quarter, as maximum lending rate (MLR) increased by 0.09 percentage point to 29.52 per cent. The average prime lending rate (PLR), however, declined by 0.17 percentage point to 18.60 per cent. The weighted average savings & time/term deposit (WASTD) rate declined by 0.09 percentage point to 8.44 per cent from the level in the preceding quarter. Thus, the spread between the maximum lending rate and the WASTD rate increased slightly to 21.08 percentage points, from 20.90 percentage points in the preceding quarter.

Figure 34: Average Term Deposit and Lending Rates



Source: Central Bank of Nigeria.
Note: PLR= Prime lending rate; MXLR= Maximum lending rate; WATD= Weighted Average term deposit rate.

2.3.3.2 Capital Market Developments

Market Capitalisation

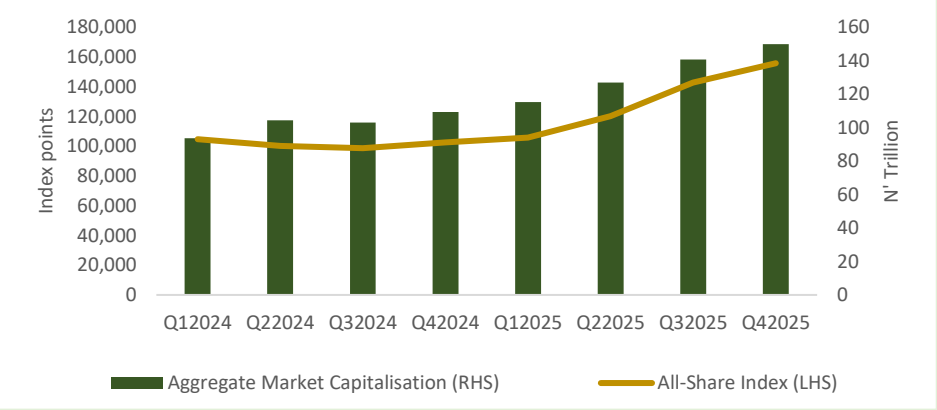
The Nigerian capital market maintained a bullish momentum in Q42025, propelled by sentiment, underpinned by strong corporate earnings. Stable macroeconomic indicators and positive domestic outlook boosted investor sentiment. Consequently, aggregate market capitalisation rose by 6.52 per cent to ₦149.74 trillion from ₦140.57 trillion in Q32025.

The equities segment appreciated by 9.71 per cent to ₦99.18 trillion from ₦90.40 trillion in Q32025, reflecting strong buy-side activity and sustained investor confidence. Similarly, the fixed income market posted a modest gain of 0.73 per cent to ₦50.51 trillion, while the Exchange Traded Funds (ETFs) surged by 59.36 per cent to ₦0.05 trillion, underscoring increasing market diversification and growing appetite for alternative asset classes. Asset class distribution remained skewed toward equities, which accounted for 66.24 per cent of total market capitalisation, while fixed income and ETFs comprised 33.73 per cent and 0.03 per cent, respectively.

NGX All- Share Index

The All-Share Index (ASI) advanced by 9.04 per cent to 155,613.03, up from 142,710.48 in the preceding quarter, bringing the quarter-to-date (QTD) and year-to-date (YTD) gains to 8.84 and 50.82 per cent, respectively. The ASI rally was driven by sustained institutional investors, strategic accumulation in large-cap equities, and portfolio rebalancing toward growth-oriented stocks. The momentum was underpinned by stable macroeconomic fundamentals, reinforced by rising investor confidence.

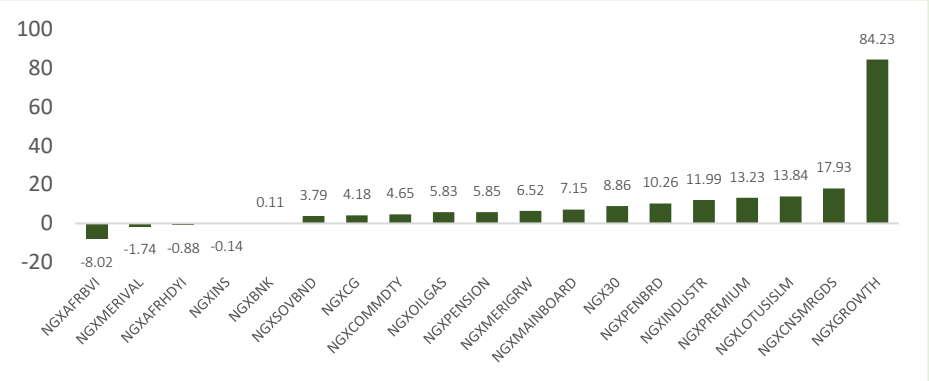
Figure 35: Aggregate Market Capitalisation and All-Share Index



Source: Nigerian Exchange (NGX) Limited

Sectoral indices across the equities market were largely bullish in Q42025, reflecting sustained momentum and strong investor participation across key sectors. Market breadth remained positive, with advancers outpacing decliners, underscoring robust market sentiment. NGXGROWTH led the rally, rising by 84.23 per cent, followed by NGXCNSMRGDS and NGXLOTUSISLM, which increased by 17.93 and 13.84 per cent, respectively, over the level in the preceding quarter. Conversely, NGXAFRBVI recorded the biggest loss, declining by 8.02 per cent. Similar declines were recorded for NGXMERIVAL (1.74%), NGXAFRHDYI (0.88%), and NGXINS (0.14%).

Figure 36: Quarter-on-Quarter Changes in Sectoral Indices



Source: Nigeria Exchange (NGX) Limited

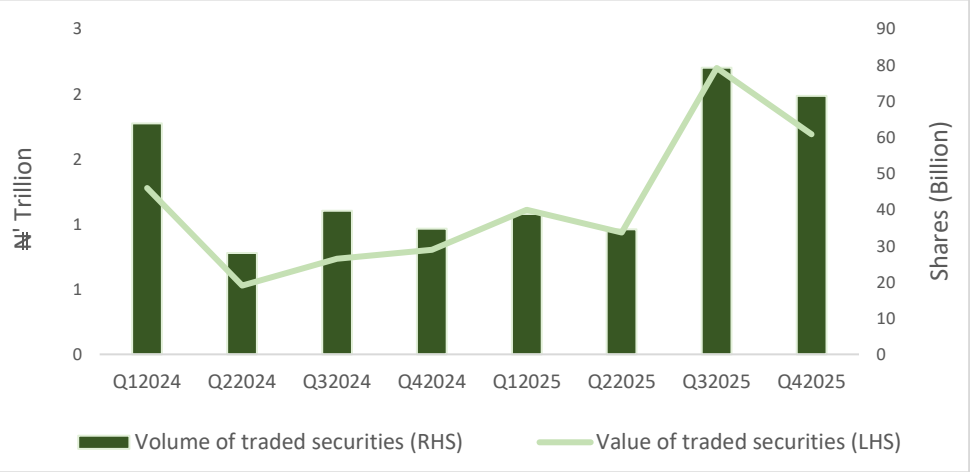
Table 9: Nigerian Exchange Limited Sectoral Indices

Sectoral Indices	Q4 2025	Q3 2025	Change (%)
NGXAFRBVI	3,243.63	3,526.63	-8.02
NGXMERIVAL	13,129.52	13,361.63	-1.74
NGXAFRHDYI	21,981.77	22,176.23	-0.88
NGXINS	1,189.32	1,191.04	-0.14
NGXBNK	1,515.85	1,514.11	0.11
NGXSOVBND	682.15	657.27	3.79
NGXCG	4,207.07	4,038.18	4.18
NGXCOMMDTY	1,173.90	1,121.70	4.65
NGXOILGAS	2,670.24	2,523.05	5.83
NGXPENSION	7,118.07	6,724.36	5.85
NGXMERIGRW	10,468.25	9,827.09	6.52
NGXMAINBOARD	7,529.36	7,026.94	7.15
NGX30	5,672.72	5,211.19	8.86
NGXPENBRD	2,917.84	2,646.28	10.26
NGXINDUSTR	5,676.48	5,068.68	11.99
NGXPREMIUM	15,493.19	13,682.97	13.23
NGXLOTUSISLM	13,498.59	11,858.00	13.84
NGXCNSMRGDS	3,975.48	3,370.91	17.93
NGXGROWTH	27,776.22	15,077.11	84.23
NGXAFRBVI	3,243.63	3,526.63	-8.02

Source: Nigerian Exchange (NGX) Limited

Trading activity on the Exchange moderated as transaction value contracted by 23.18 per cent to ₦1.69 trillion. Market turnover declined, as trade volume dropped by 9.81 per cent to 71.47 billion shares. The total number of deals fell by 13.05 per cent to 1,661,188. The moderation reflected concentration in few high-value stocks, as mid- and small-cap stocks experienced less trading activity. Despite the slowdown, bullish sentiment prevailed, underpinned by resilient investor confidence and strong buy-side flows.

Figure 37: Volume and Value of Traded Securities



Source: Nigerian Exchange (NGX) Limited

In the review quarter, the Exchange recorded 30 securities listings, comprising 13 new issues and 14 supplementary offerings. Trading in the shares of two listed companies was suspended, while one company was delisted for failing to meet migration requirements to the NGX Growth Board, following the closure of the ASeM Board. Overall, listings exceeded the 13 recorded in the preceding quarter.

Table 10: Listings, De-listings, and Suspensions on the Nigerian Exchange Limited

Company/Security	Shares Units/Price	Remarks
14.401% FGS AUG 2027	573,312 units	New listing
15.401% FGS AUG 2028	2,743,086 units	New listing
15.541% FGS SEP 2027	631,762 units	New listing
16.541% FGS SEP 2028	2,416,417 units	New listing
14.062% FGS OCT 2027	779,047 units	New listing
15.062% FGS OCT 2028	3,185,695 units	New listing
17.95% FGN JUN 2032	850,435,659 units	New listing
17.945% FGN AUG 2030	133,803,360 units	New listing
Elektron Finance SPV Plc	4,640,000 units	New listing
Ministry of Finance Incorporated (MOFI) Real Estate		
Investment Fund	1,000,000,000 units	New listing
TAJ Sukuk Issuance Programme SPV Plc	57,029,771 units	New listing
13.565% FGS NOV 2027	958,416 units	New listing
14.565% FGS NOV 2028	2,874,664 units	New listing
Wema Bank Plc	14,143,244,747 Ordinary Shares of 50 Kobo each	Supplementary listing
VFD Group Plc	5,067,396,400 ordinary shares of 50 Kobo each at ₦10.00 per share	Supplementary listing
Trans-Nationwide Express Plc	498,150,077 ordinary shares of 50 Kobo each at ₦1.05 per share	Supplementary listing
Wema Bank Plc	4,545,454,542 Ordinary Shares of 50 Kobo each at ₦11.00 per Share	Supplementary listing
The Initiates Plc	177,996,310 ordinary shares of 50 Kobo each at ₦7.00 per share	Supplementary listing
Presco Plc	166,666,667 ordinary shares of 50 Kobo each at ₦1,420.00 per share	Supplementary listing
Chams Holding Company Plc	1,955,910,000 Ordinary Shares of 50 Kobo each at	
₦1.87 per Share	Supplementary listing	
Chapel Hill Denham Nigeria Infrastructure Debt Fund (NIDF)	243,424 Units	Supplementary listing
Ecobank Transnational Incorporated:	5,381,656,222 Ordinary Shares of $0.025 each	Supplementary listing
Industrial and Medical Gases Plc	181,621,214 Ordinary Shares of 50 Kobo each	Supplementary listing
Champion Breweries Plc	994,221,766 ordinary shares of 50 Kobo each at ₦16.00 per share	Supplementary listing

Source: Nigerian Exchange (NGX) Limited

Notes: FGN = Federal Government of Nigeria; Plc = Public Limited Liability Company; N/A = Not available.

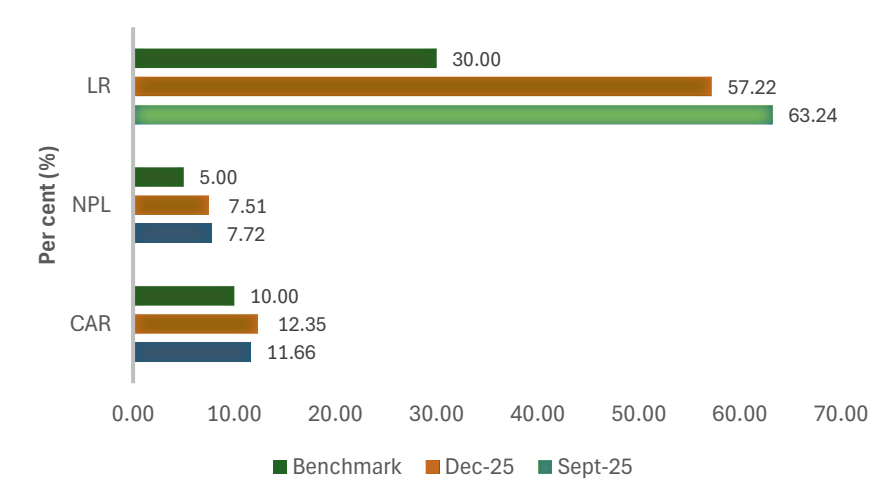
2.3.3.3 Financial Soundness Indicators

The banking sector remained resilient and stable, as shown by key financial soundness indicators, which remained broadly aligned with prudential thresholds, except for non-performing loans (NPLs). The industry liquidity ratio (LR) stood at 57.22 per cent, significantly above the regulatory minimum of 30.00 per cent, reflecting ample liquidity buffers and increased capacity of banks to meet short-term obligations and support financial intermediation.

The capital adequacy ratio (CAR) strengthened to 12.35 per cent, above the regulatory threshold of 10.00 per cent and the 11.66 per cent recorded in the preceding quarter. This indicated enhanced solvency and capacity to absorb credit and market shocks, underscoring the positive impact of the ongoing recapitalisation of banks.

Asset quality improved slightly as the non-performing loan (NPL) ratio declined by 0.21 percentage point to 7.51 per cent but remained above the prudential benchmark of 5.00 per cent.

Figure 38: Key Financial Soundness Indicators



Source: Central Bank of Nigeria

2.4 External Sector Developments

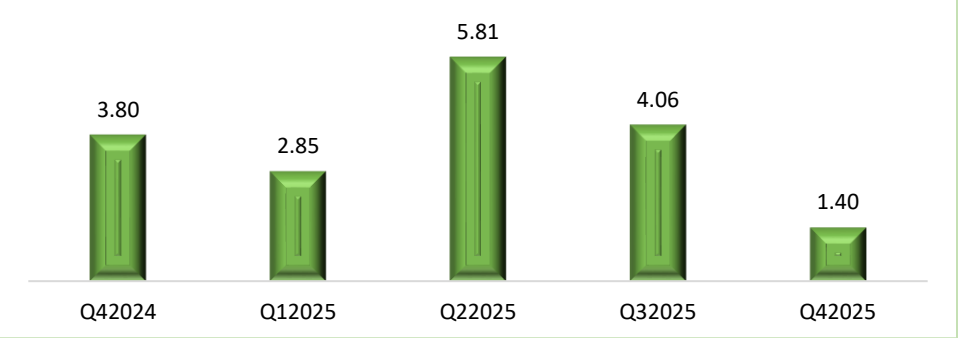
Summary

The performance of the external sector in Q42025 was shaped by global policy uncertainty and energy price dynamics. Rising trade tensions, following additional U.S. tariff measures, disrupted global supply chains, weakened trade, and dampened cross-border investment flows. Despite the headwinds, Nigeria's external sector remained broadly resilient, as reflected in a stronger naira excange rate and surpluses in both the overall and current account balances. The financial account was in a net lending position, compared with a net borrowing position in the preceding period. At US$45.75 billion, the external reserves could cover 8.36 months of imports of goods and services, exceeding the 3 months of imports international benchmark.

2.4.1 Current and Capital Account

The current and capital account sustained a surplus position, albeit lower than the preceding quarter due to moderation in trade surplus and higher deficit in the primary income account. The surplus in the current and capital account moderated to US$1.40 billion (1.61% of GDP), compared with US$4.06 billion (5.28% of GDP) in the preceding quarter.

Figure 39: Current Account Balance (US$ Billion)



Source: Central Bank of Nigeria

Export Performance

Merchandise export earnings declined due to lower export receipts particularly from crude oil. Aggregate export earnings declined by 12.74 per cent to US$13.36 billion, from US$15.31 billion in Q32025. A breakdown showed that export earnings from crude oil, natural gas, and refined petroleum products declined by 16.31 per cent to US$10.98 billion, compared with the level in the preceding period. The development was attributed to the decline in global oil price and lower domestic crude oil production. Conversely, non-oil export earnings increased to US$2.38 billion from US$2.19 billion in Q32025, reflecting higher receipts from agricultural and raw material exports.

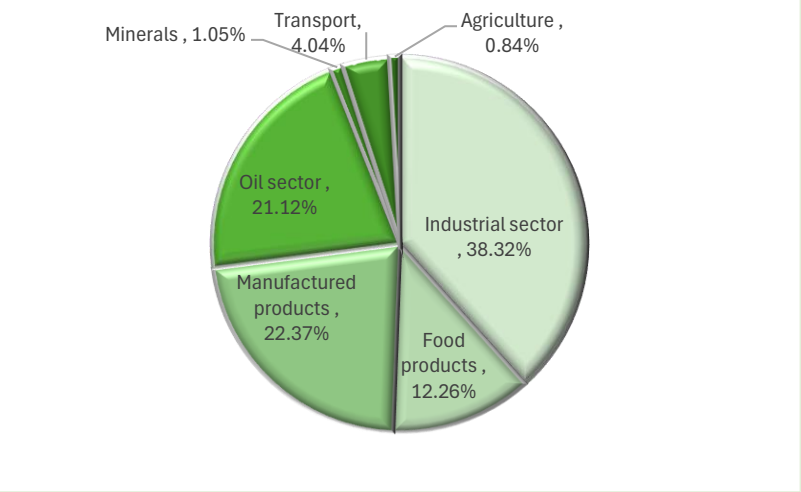
Crude oil, gas and refined petroleum products exports continued to dominate merchandise export, accounting for 82.17 per cent of total earnings, with non-oil export accounting for the balance.

Merchandise Import

Stronger non-oil products demand resulted in higher merchandise import bills. Merchandise import rose to US$11.59 billion, from US$10.77 billion in the preceding quarter. A disaggregation indicated that importation of non-oil products increased to US$8.77 billion from US$7.02 billion, reflecting seasonal demand for raw materials and machinery in line with strengthening economic activity. Conversely, import of petroleum products fell to US$2.82 billion, from US$3.76 billion, due to increased domestic refining capacity. By share, non-oil imports continued to dominate merchandise imports, accounting for 75.64 per cent of the total, while oil imports constituted the balance.

A sectoral decomposition of merchandise imports by foreign exchange utilisation showed that the industrial sector, mainly raw materials and machinery, accounted for the largest share (38.32%), followed by manufactured products (22.37%), oil sector (21.12%), food products (12.26%), transport (4.04%), minerals (1.05%), and agriculture (0.84%).

Figure 40: Classification of Imports



Source: Central Bank of Nigeria

Services

Lower payments for travel services moderated the deficit in the services account. The deficit in the services account fell to US$3.32 billion, from US$3.95 billion in the preceding quarter. Total payments for services declined by 9.23 per cent to US$4.82 billion in Q42025, driven largely by the decrease in payments for travel services to US$1.23 billion from US$1.81 billion in the preceding quarter.

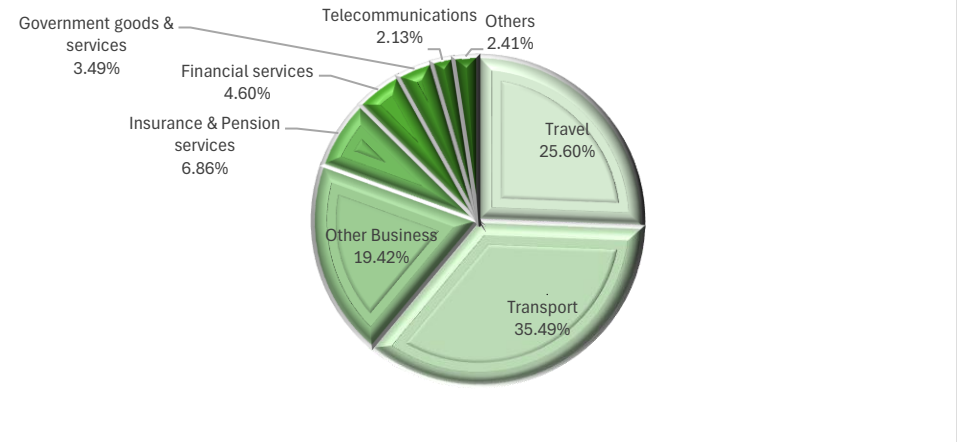
Table 11: Services Payment (US$ Billion)

S/N	Services Type	Q42025_p	Q32025	Q42024
1	Transport	1.71	1.67	1.71
2	Travel	1.23	1.81	1.23
3	Insurance and Pensions	0.33	0.31	0.33
4	Financial	0.22	0.18	0.22
5	Telecommunication	0.10	0.14	0.10
6	Other business	0.94	0.90	0.94
7	Personal, cultural and recreational	0.03	0.01	0.03
8	Government goods and services	0.17	0.20	0.17

Source: Central Bank of Nigeria

Transportation services accounted for the largest share of total services payments at 35.49 per cent, followed by travels (25.60), other business services (19.42%), and insurance & pension services (6.86%). Financial services accounted for 4.60 per cent, while government and telecommunications services constituted 3.49 and 2.13 per cent, respectively. Other categories of services made up the balance.

Figure 41: Share of Service Out-Payments



Source: Central Bank of Nigeria.

Receipts from the export of services increased by 11.03 per cent to US$1.51 billion, attributed largely to higher receipts from travel and financial services. Earnings from travels rose to US$0.23 billion from US$0.18 billion in Q32025, with financial services rising by 26.67 per cent to US$0.38 billion.

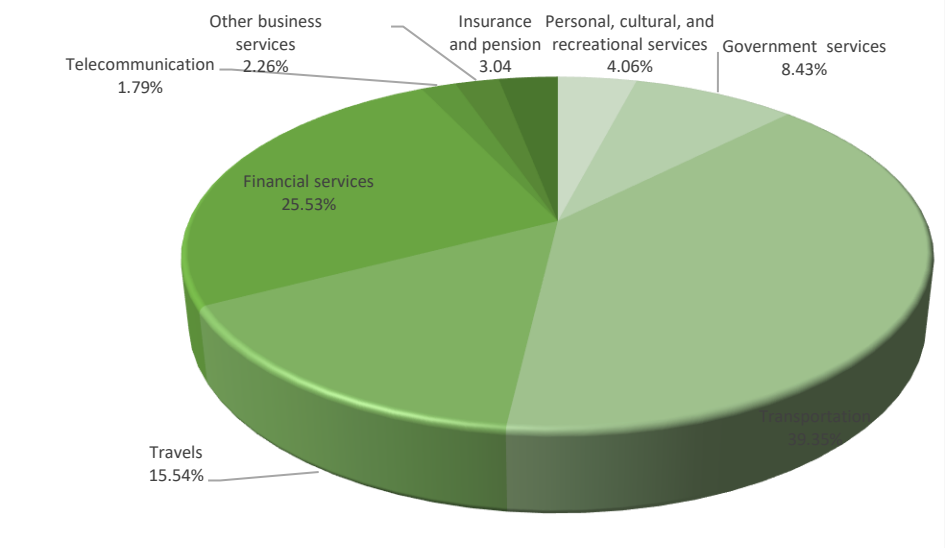
Table 12: Services Receipts (US$ Billion)

S/N	Services Type	Q42025_p	Q32025	Q42024
1	Transport	0.59	0.60	0.59
2	Travel	0.23	0.18	0.23
3	Insurance and Pensions	0.05	0.04	0.05
4	Financial	0.38	0.30	0.38
5	Telecommunication	0.03	0.02	0.03
6	Other business	0.03	0.03	0.03
7	Personal, cultural and recreational	0.06	0.05	0.06
8	Government goods and services	0.12	0.13	0.13

Source: Central Bank of Nigeria

A disaggregation of services receipts showed that transport accounted for the largest share at 39.35 per cent, followed by financial (25.53%), travels (15.54), government goods & services (8.43%), Personal, cultural, & recreational services (4.06%), insurance & pension (3.04%), and other business services (2.26%). Telecommunications accounts for 1.79 per cent.

Figure 42: Share of Services Receipts



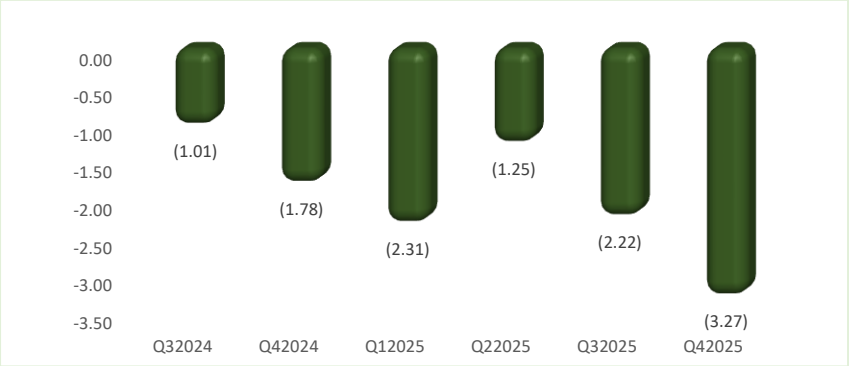
Source: Central Bank of Nigeria.

Primary Income

The deficit in the primary income account widened, reflecting increased dividend and interest claims by non-residents. The deficit increased to US$3.27 billion, from US$2.22 billion in the preceding quarter. A disaggregated analysis indicated that the deficit in the investment income sub-account widened to US$3.49 billion, from US$2.45 billion in Q32025, driven by higher dividend claims, reinvested earnings and interest payments. The compensation of employees sub-account maintained

a surplus position, though slightly lower at US$0.22 billion, relative to US$0.23 billion in the preceding quarter.

Figure 43: Primary Income Balance

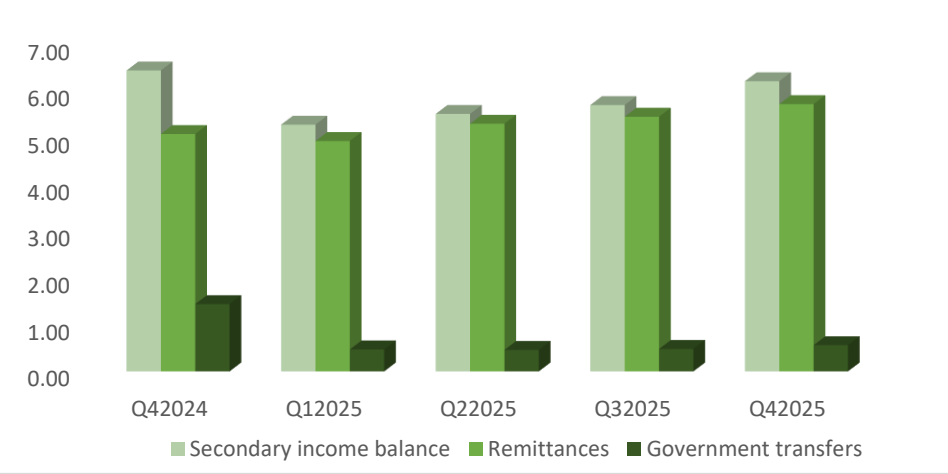


Source: Central Bank of Nigeria.

Secondary Income

The secondary income account recorded a higher surplus, driven by increased inflow of diaspora remittances. Inflow of diaspora remittances increased to US$5.72 billion, from US$5.45 billion, reinforcing the surplus in the secondary income account to US$6.21 billion, from US$5.70 billion in Q32025.

Figure 44: Secondary Income Balance (US$ Billion)



Source: Central Bank of Nigeria.

2.4.2 Financial Account

Financial Account Developments

The financial account recorded a net borrowing position due to higher portfolio investment liabilities, reflecting strengthening macroeconomic fundamentals. A net incurrence of financial liabilities of US$1.96 billion was recorded, compared with US$0.79 billion in Q32025.

Net Incurrence of Liability

At US$4.77 billion, the economy recorded a lower net incurrence of financial liabilities, compared with US$5.51 billion in the preceding quarter, due to the decline in the inflow of direct investment equities. A disaggregation showed that direct investment liabilities fell to US$1.11 billion from US$1.46 billion in the preceding quarter. However, portfolio investment liabilities rose significantly to US$5.27 billion, from US$2.51 billion in Q32025, owing to higher inflow for the purchase of short-term debt securities. Repayment of short-term loan liabilities by the central bank resulted in US$1.68 billion reduction in other investment liabilities as against an inflow of US$1.55 billion in the preceding quarter.

Net Acquisition of Assets

A lower net acquisition of financial assets of US$2.81 billion was recorded, compared with US$4.73 billion in the preceding quarter, following a decline in the purchase of portfolio investment assets to US$0.17 billion, from US$0.89 billion in Q32025. The development was attributed to lower purchases of equities, as interest rates declined in most economies. Higher acquisition of direct investment assets was recorded at US$0.67 billion, compared with US$0.07 billion in the preceding quarter, reflecting increased reinvested earnings. 'Other investment' assets recorded a lower disposal of US$0.77 billion, relative to US$0.84 billion in the preceding quarter.

2.4.3 External Debt

External Debt

Nigeria's external debt stock at end-December 2025 stood at US$51.85 billion, representing 14.93 per cent of GDP. Analysis by composition showed that multilateral loans, comprising obligations to institutions such as the World Bank Group, the International Monetary Fund (IMF), and the African Development Bank (AfDB) Group, amounted to US$23.85 billion, constituting 45.99 per cent. Commercial borrowings (Eurobonds), accounted for US$18.55 billion (or 35.77%), while bilateral loans from sovereign sources amounted to US$6.72 billion, representing 12.97 per cent. Syndicated and other loans amounted to US$2.73 billion (5.27%).

Total external debt service payment for Q4 2025 was US$1.80 billion. A breakdown indicated that principal repayments amounted to US$1.36 billion, representing 75.56 per cent. Interest payments constituted US$0.42 billion (23.33%), while other charges accounted for the balance. Further analysis indicated that debt servicing was majorly on commercial loans, with principal payments amounting to US$1.12 billion (62.22% of total principal payments). Debt service payments to

multilateral creditors stood at US$0.20 billion (11.11%), while principal payments on bilateral debt obligations accounted for the remaining balance.

2.4.4 International Investment Position (IIP)

International Investment Position

The international investment position posted a higher net financial liability of US$90.15 billion. The stock of financial assets rose to US$125.58 billion, from US$122.40 billion in the preceding quarter, driven mainly by the accretion to reserve assets. The stock of direct investment rose by 3.79 per cent to US$18.53 billion, while the stock of portfolio investment assets increased by 3.12 per cent to US$5.55 billion, compared with the levels in the preceding quarter. Reserve assets rose to US$45.75 billion, from US$42.77 billion in Q32025. Conversely, 'other investment' assets fell to US$55.49 billion, from US$56.21 billion in the preceding quarter.

The stock of financial liabilities increased to US$215.73 billion, from US$208.31 billion in the preceding quarter, mainly on account of a 13.73 per cent increase in the stock of portfolio investment liabilities to US$50.12 billion. Direct investment liabilities increased to US$92.89 billion, from US$90.54 billion in the preceding quarter. Other investment liabilities on the other hand declined to US$72.50 billion, from US$73.55 billion in the preceding quarter.

2.4.5 External Reserves

International Reserves

The external reserves remained robust, and adequately above the 3-month benchmark of import cover. The external reserves stood at US$45.75 billion in Q42025, compared with US$42.77 billion in the preceding quarter. At that level, reserves could cover 8.36 months of imports for goods and services.

Figure 45: External Reserves and Months of Import Cover



Source: Central Bank of Nigeria

Reserves Structure & Composition

Analysis of external reserves by ownership showed that the CBN and the FGN held US$43.14 billion and US$2.61 billion, respectively, while the Federation owned the balance. A disaggregation indicated the continued dominance of the US dollar (US$36.82 billion or 80.48%), followed by Special Drawing Rights (US$4.31 billion or 9.42%), Chinese yuan (US$3.48 billion or 7.61%), the euro (US$0.82 billion or 1.78%), and the British pound (US$0.32 billion or 0.71%). Other currencies accounted for the balance.

2.4.6 Foreign Exchange Flows through the Economy

The economy recorded a net foreign exchange inflow in the review period. The economy recorded a net foreign exchange inflow of US$15.19 billion, from US$16.63 billion in the preceding quarter. Aggregate foreign exchange inflow increased by 4.93 per cent to US$27.67 billion, from US$26.37 billion. Foreign exchange outflow, at US$12.48 billion, rose by 28.13 per cent, compared with US$9.74 billion in the preceding quarter.

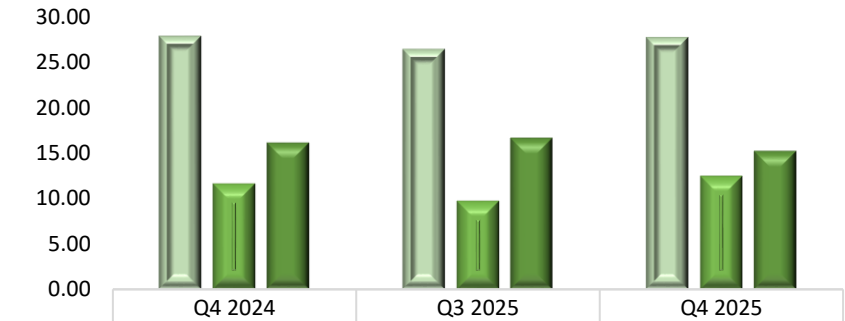
Foreign exchange inflows through the Bank increased by 2.12 per cent to US$10.60 billion, from US$10.38 billion, while autonomous inflows rose by 6.75 per cent to US$17.07 billion, from US$15.99 billion in the preceding quarter.

Outflows through the Bank rose by 36.47 per cent to US$7.11 billion, while outflow through autonomous sources increased by 18.54 per cent to US$5.37 billion, from US$4.53 billion in the preceding quarter.

Average Turnover

Consequently, the autonomous sources recorded a higher net inflow of US$11.71 billion, compared with US$11.46 billion in the preceding quarter. A net inflow of US$3.48 billion was recorded through the Bank, compared with a net inflow of US$5.17 billion in Q32025.

Figure 46: Foreign Exchange Transactions through the Economy (US$ Billion)



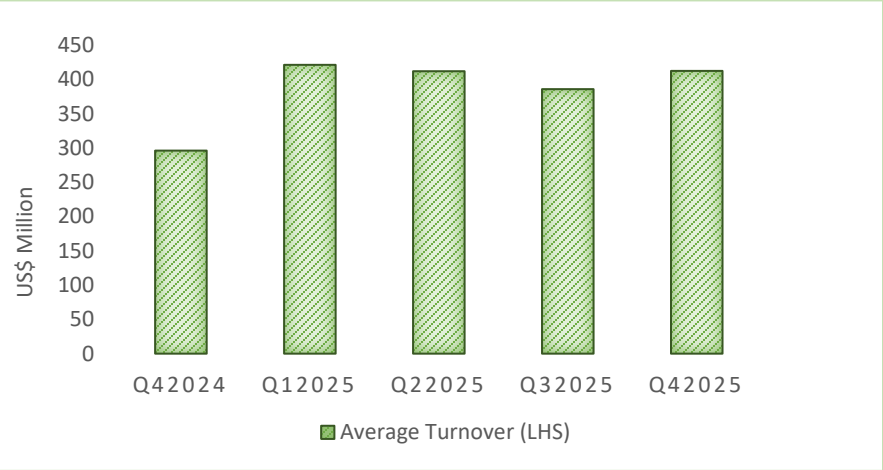
	Q4 2024	Q3 2025	Q4 2025
Inflow	27.81	26.37	27.67
Outflow	11.64	9.74	12.48
Netflow	16.12	16.63	15.19

Source: Central Bank of Nigeria

Foreign Exchange Flows

The average daily turnover at the Nigerian Foreign Exchange Market (NFEM) increased by 6.81 per cent to US$412.47 million, from US$386.18 million in Q32025.

Figure 47: Turnover in the NFEM



Source: Central Bank of Nigeria.

2.4.7 Exchange Rate Movement

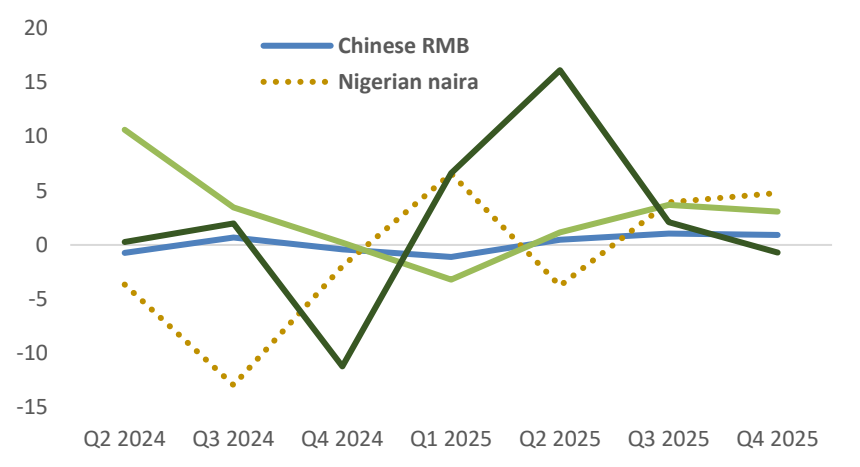
Average Exchange Rate

The average exchange rate of the naira per US dollar at the NFEM was ₦1,451.47/US$, compared with ₦1,521.11/US$ in Q32025, representing a 4.78 per cent appreciation during the review period. Similarly, the end-period NFEM rate appreciated by 2.76 per cent to ₦1,435.76/US$ in Q42025.

Emerging Market Currencies

The Chinese renminbi and South African rand appreciated by 0.93 per cent and 3.09 per cent, respectively, in Q42025, compared with the preceding quarter. The appreciation in these economies was due mainly to improved investor sentiment, supportive domestic policies, and favourable external conditions, including stronger capital inflows and commodity prices. In contrast, The Russian ruble depreciated by 0.71 per cent in the quarter under review following heightened geopolitical risks, external pressures, and weaker investor confidence during the quarter.

Figure 48: Selected EMEs Currency Values to the US dollar



Sources: Central Bank of Nigeria & Reuters

Table 13: Selected EMEs Currency Rates to the US dollar

Period	Chinese RMB/US$	Nigerian naira/US$	South African rand/US$	Russian ruble/US$
Q42024	7.21	1,384.12	18.57	90.78
Q32025	7.16	1,521.11	17.64	79.30
Q42025	7.09	1,451.47	17.11	79.8

Sources: Central Bank of Nigeria & Reuters

3.0 ECONOMIC OUTLOOK

3.1 Global Outlook

The global economy is expected to expand to 3.30 in 2026, up from 3.00 in 2025, driven by investment in tech, policy support, and accommodative monetary policy. Advanced economies are anticipated to grow at 1.80 per cent, compared with 1.70 per cent in 2025, while emerging markets and developing economies would expand by 4.20 per cent, compared with 4.40 per cent. Rising geopolitical tension remain a critical downside risk to the outlook. Global inflation is projected to decelerate further to 3.80 per cent in 2026 from an estimated 4.10 per cent in 2025, driven largely by disinflation in the US. Fragile global peace, with potential negative impact on the global supply chain and commodity prices, could undermine the outlook.

3.2 Domestic Outlook

Nigerian economy is projected to remain resilient in near-term, supported by improvement in both the oil and non-oil sectors. The outlook is on account of continued gains from broad-based structural reforms of the government, aimed at improving the business environment, increasing capital flows and government revenue, and stability in the exchange rate. Continued improvements in security across oil-producing regions are expected to increase crude oil output, while the easing monetary policy stance by the Bank is expected to add impetus to the trajectory. However, risks to the outlook include security challenges, elevated input cost, and external shocks.

Domestic inflation is expected to moderate further in the medium term. The inflation outlook is predicated on continued stability in the foreign exchange and energy markets, the lagged effect of previous rate hikes, improved security conditions across major agricultural zones, and greater policy coordination. Nevertheless, potential risks including exchange rate pressures, rising energy costs and external shocks remain.