



# JUNE INFLATION



**NIGERIA'S HEADLINE  
INFLATION FALLS TO  
22.22% IN JUNE -  
LOWEST LEVEL IN  
2025**

# 2025

July 16

# Nigeria's Headline Inflation Falls to **22.22%** in June - Lowest Level in 2025

The inflation report released by the National Bureau of Statistics (NBS) today revealed that the annual headline inflation eased by 0.75% to 22.22% from 22.97% in May. The drop was largely driven by base effects, continued FX stability, and minimal volatility in energy prices. While headline inflation declined, other inflation indices moved in the opposite direction – increased.

Food inflation increased by 0.83% to 21.97% from 21.14% in May. The increase can be attributed to the rate of growth in the average prices of green peas (dried), pepper (fresh), and shrimps (white dried), crayfish, meat

(fresh), tomatoes (fresh), plantain flour, ground pepper, etc.

In the same vein, core inflation (inflation less seasonalities), increased by 0.48% to 22.76% from 22.28% in May.

## Data breakdown

### Month-on-month inflation

Month-on-month inflation rose by 0.15% to 1.68% (annualized at 21.94%) in June, up from 1.53% in May. The major contributing factors include a reduction in PMS price, a relative exchange rate, and a reduction in money supply growth.

▲ **21.97%**

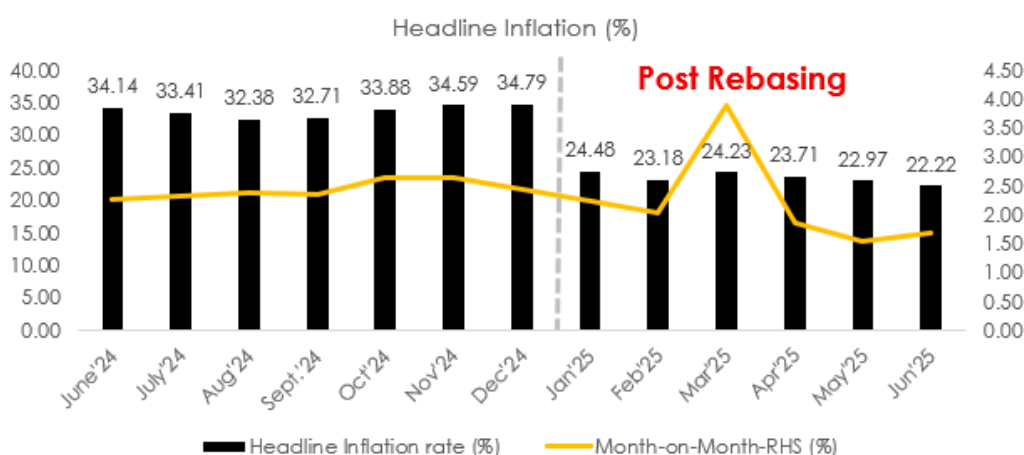
**Food inflation rate for Nigeria**

▼ **22.22%**

**Headline inflation rate for Nigeria**

▲ **22.76%**

**Core inflation rate for Nigeria**



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### Month-on-month food inflation

There is an upward trend in monthly food inflation, as it increased from 2.19% in May to 3.25% in June. This rise was attributed mainly to flooding in Mokwa and escalating insecurity in major agricultural belts, such as Benue and Kwara, which disrupted food supply chains and led to a fresh round of upward pressure on market prices.

### Month-on-month core inflation

Month-on-month core inflation fell by 1.36% to 2.46% from 1.1% in June 2025, driven by lower energy and logistics costs.

### Rural & Urban inflation

On a year-on-year basis, in June 2025, the Urban inflation rate declined further to 22.72% from 23.14%. On a monthly basis, the Urban inflation rate rose by 0.71% to 2.11% from 1.40 % in May. However, Rural inflation declined to 20.85% from 22.70% and on a monthly basis, the Rural inflation rate declined by 1.2% to 0.63%, from 1.83% in May. The disparity is largely

driven by FX stability, base effects, and energy price spikes in urban areas, while early harvests, seasonal supply normalization, lower festive pressure, and weaker demand have helped ease inflation in rural areas.

### Global Inflation Vs. Nigeria's Inflation – Possible rate cut

In most advanced economies, inflation is beginning to rise again due to tariff hikes and market speculation, increasing the likelihood of higher global interest rates. In contrast, Nigeria has recorded a decline in inflation for three consecutive months, setting the stage for the MPC to consider a 25bps rate cut at its next meeting – the first in five years. Nevertheless, the interest rate differential will remain significantly high at 5.28%.



OUTLOOK

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