

Inflation eased further to 15.15% in December, bringing the 2025 annual average inflation rate to 23.33%.

Key Highlights on Inflation figure in November 2025

- Headline inflation eased to 15.15 percent year-on-year in December, down from 17.33 percent in November under the rebased CPI series.
- On a month-on-month basis, inflation rose by 0.54 percent in December, less than half of the 1.22 percent recorded in November, confirming that underlying price pressures continued to ease despite seasonal demand.
- Importantly, the December inflation figure reflects a rescaling adjustment by the National Bureau of Statistics (NBS) following the CPI rebasing.
- Under the initial rebased series, December 2024 was normalised to an index of 100, which would have created an unusually low base for year-on-year comparison.
- Without this rescaling, December 2025 inflation could have appeared to spike mechanically to around 30 percent, purely due to arithmetic base effects rather than actual price developments.
- The adjustment therefore ensures continuity and comparability across the inflation series.
- While prices are still increasing, they are rising at a slower pace, reinforcing the view that inflationary pressure eased till the end of 2025.

Top six (6) drivers of December month on month inflation rise

Imported Food



November CPI: 125.3
December CPI: 128.7
MoM change: +2.77%

Energy



November CPI: 121.7
December CPI: 125.0
MoM change: +2.74%

Recreation, sport and culture



November CPI: 114.4
December CPI: 116.9
MoM change: +2.14%

Housing (Rent)



November CPI: 129.9
December CPI: 131.1
MoM change: +0.95%

Education Services



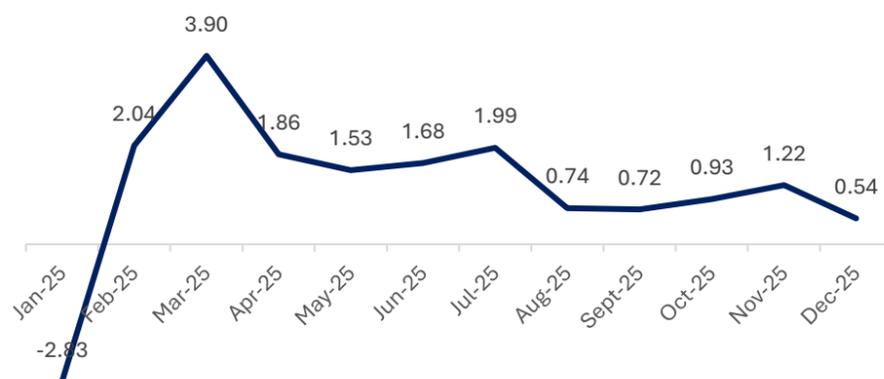
November CPI: 127.5
December CPI: 128.2
MoM change: +0.55%

Restaurants and accommodation services

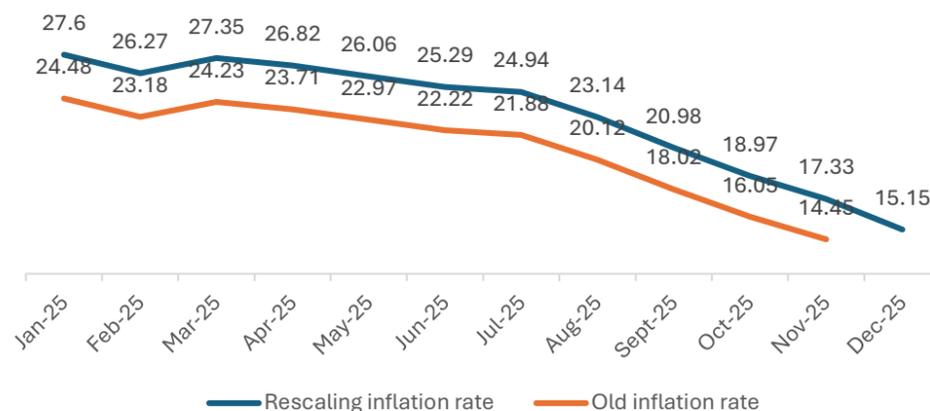


November CPI: 135.6
December CPI: 136.2
MoM change: +0.41%

Inflation trend MoM (%)



Nigeria Inflation Trend: Rebasing vs Rescaled CPI (2025) (%)



Imported food emerges as a key driver of December Inflation

Despite relative stability in the exchange rate in December 2025, imported food prices emerged as a key driver of inflation. Imported food inflation increased by 2.77 percent month-on-month, making it the fastest-rising component in December.

One factor behind this increase was a marginal uptick in global food prices, with the global food price index rising from 109.0 in November to 109.5 in December. Price increases were concentrated in grains, particularly rice and maize, which recorded seasonal price pressures during the period.

Going Forward

With the CPI rebasing and subsequent index rescaling completed, future inflation prints are expected to be free of additional realignment or normalisation adjustments, allowing headline inflation to better reflect underlying price dynamics. This should support a more predictable and interpretable inflation environment for policymakers, economists, and market participants in 2025.