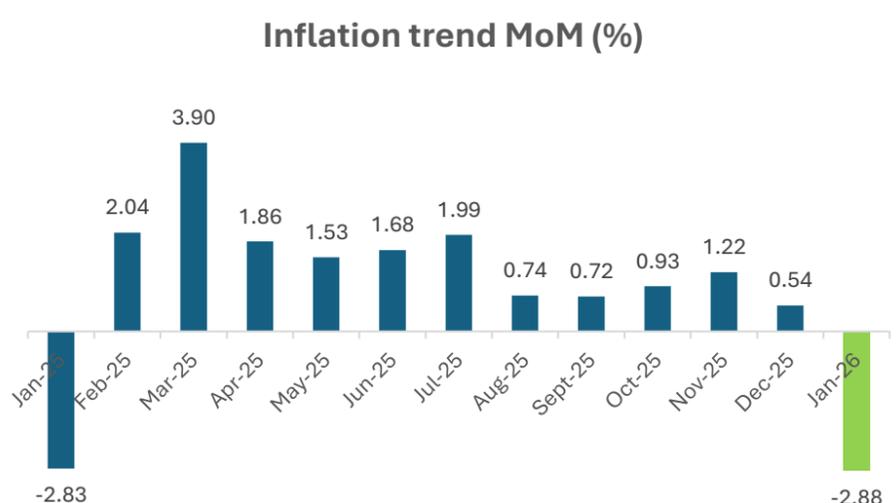
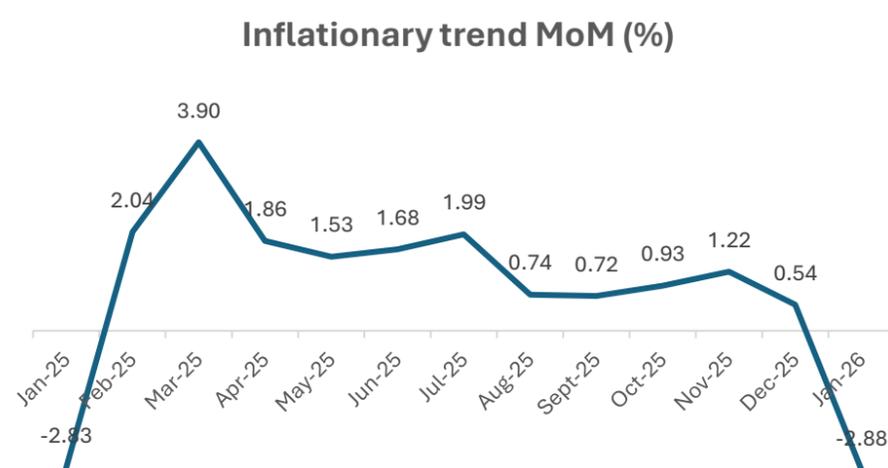


**Inflation eased further to 15.10% in January, supported decline in food inflation at 8.89%, its lowest since August 2011.**

### Key Highlights on Inflation figure in January 2026

- Headline inflation eased slightly to 15.10 percent year-on-year in January, down from 15.15 percent in December.
- On a month-on-month basis, inflation rose by a negative 2.88 percent in January, significantly less than 0.54 percent recorded in December 2025.
- This means prices actually fell by 2.88 percent between December and January.
- Food inflation fell by 6.02 percent in January, signaling fall in prices in farm produce.
- Core inflation also fell to 17.72 from 18.63%, showing that Inflation is slowing structurally, not temporarily.



### Analysts' Projections and Interpretation

January inflation came in lower than earlier expectations, largely reflecting strong base effects and a significant month-on-month decline in prices. Prior to the release, our analysis showed that for inflation to continue its downward year-on-year trend from December, month-on-month inflation would need to decline sharply by around 3 percent. In line with this expectation, headline inflation fell by 2.88 percent month-on-month in January, confirming a broad-based easing in price pressures.

Despite an increase in global food prices, as reported in the World Bank's Pink Sheet, imported food inflation declined by 1.69 percent month-on-month, supported by the appreciation of the naira, which strengthened by an average of 2.47 percent in January.

The stronger exchange rate helped reduce the domestic cost of imported food items, offsetting external price pressures. Similarly, although global energy prices rose during the month, with the World Bank energy index increasing by nearly 12 percent in January, domestic energy inflation declined by 5.10 percent month-on-month, reflecting exchange-rate gains and earlier declines in domestic fuel prices. This easing in energy costs contributed to contained transport inflation, further reinforcing the decline in overall inflation.

### Going Forward

Given the significant month-on-month decline recorded in January, inflation dynamics are expected to become more stable in the coming months, with reduced distortions from base effects. The normalization of the CPI series and easing price pressures across key components suggest that inflation will follow a more predictable downward path.

Based on prevailing trends, including moderating food prices, contained energy costs, and exchange-rate stability, headline inflation is expected to decline further in February, reinforcing the ongoing disinflation process.

### Top six (6) drivers of January month on month inflation decline

#### Recreation, Sport And Culture



December CPI: 116.9  
January CPI: 108.5  
MoM change: -7.17%

#### Imported Food



December CPI: 128.7  
January CPI: 120.0  
MoM change: -6.81%

#### Farm produce



December CPI: 127.8  
January CPI: 121.3  
MoM change: -5.10%

#### Energy



December CPI: 125.0  
January CPI: 121.1  
MoM change: -3.13%

#### Information & Communication



December CPI: 126.5  
January CPI: 123.6  
MoM change: -2.26%

#### Transport



December CPI: 133.9  
January CPI: 132.5  
MoM change: -1.02%