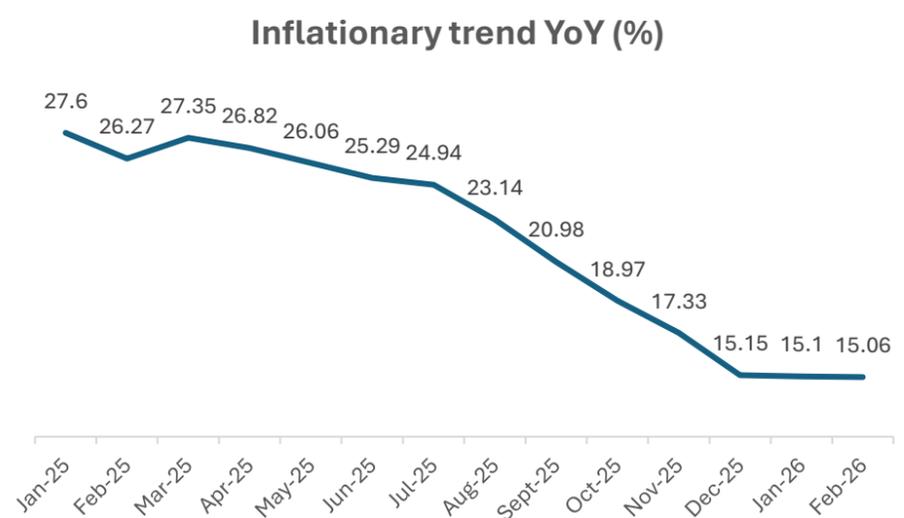
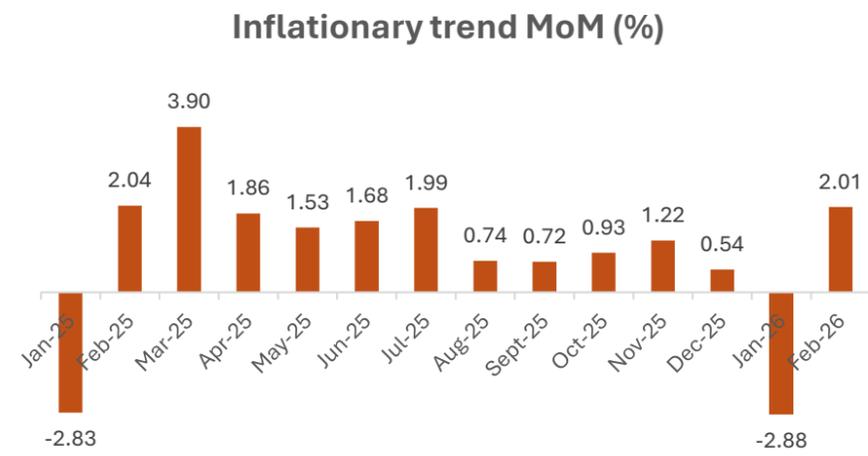


Inflation eased marginally to 15.06% in February, as food inflation rebounded to double digits.

Key Highlights on Inflation figure in February 2026

- Nigeria's headline inflation moderated slightly to 15.06% year-on-year in February 2026, from 15.10% in January, indicating that the broader disinflation trend remains intact.
- However, month-on-month inflation rose sharply to 2.01%, reversing the -2.88% decline recorded in January, largely driven by a strong rebound in food prices.
- Food inflation increased by 4.69% month-on-month, pushing the annual food inflation rate to 12.12%.
- Core inflation also rose moderately by 0.89% month-on-month, with the annual core rate settling at 15.88%.
- The major drivers of the month-on-month increase were Food and Non-Alcoholic Beverages (+5.08%), Farm Produce (+3.74%), Housing (Rent) Index (+3.04%), and Goods (+2.78%), indicating renewed price pressures across key consumption components.
- Overall, while the year-on-year figure suggests that inflation is still gradually moderating, the strong rebound in month-on-month food prices indicates that near-term price pressures remain elevated, particularly within food-related components.



Top six (6) drivers of February month on month inflation decline

Food and Non-Alcoholic Beverages



January CPI: 119.2
February CPI: 125.3
MoM change: +5.08%

Housing (Rent)



January CPI: 132.1
February CPI: 136.1
MoM change: +3.04%

Goods



January CPI: 123.0
February CPI: 126.4
MoM change: +2.78%

Restaurant and Accommodation services



January CPI: 136.1
February CPI: 137.6
MoM change: +1.12%

Recreation, Sport And Culture



January CPI: 108.5
February CPI: 109.4
MoM change: +0.81%

Transport



January CPI: 133.6
February CPI: 134.7
MoM change: +5.08%

Analysts' Projections and Interpretation

Headline inflation in February came in higher than analysts' expectations, with the year-on-year rate settling at 15.06 percent, compared with the FMDA projection of 13.47 percent.

The deviation from forecast largely reflects a strong rebound in month-on-month inflation, which rose to 2.01 percent, reversing the sharp -2.88 percent decline recorded in January.

The increase was primarily driven by food price pressures, with food inflation rising by 4.69 percent month-on-month, reflecting higher prices across key food staples including beans, cassava products, yam derivatives, crayfish and other protein-related items, according to the NBS food inflation breakdown and World Bank market survey data.

In addition, housing costs and goods prices also contributed to the upward movement in consumer prices, as reflected in increases in the Housing (Rent) Index (+3.04%) and Goods (+2.78%) during the month.

Going Forward

Going forward, while the year-on-year inflation rate continues to benefit from favourable base effects, the strong rebound in month-on-month inflation suggests that underlying price pressures remain present, particularly within food-related components even before the recent geopolitical tensions. The ongoing conflict between Iran and the United States has also increased global inflation expectations due to rising energy prices. However, the pass-through to domestic inflation may be gradual. Nonetheless, we expect inflation to slow further in March as the base effect continues to support the disinflation trend.