

Inflation accelerated to 15.69% in April, as Middle East tensions continued to intensify

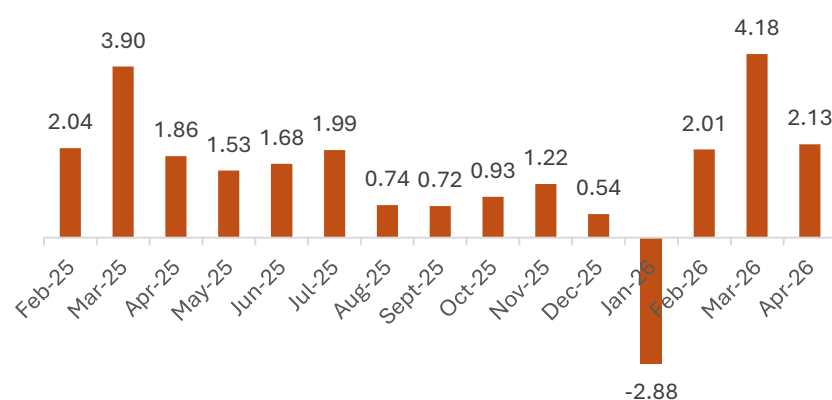
Key Highlights on Inflation figure in April 2026

- Nigeria's headline inflation increased to 15.69% year-on-year in April 2026, from 15.38% in March, marking the second consecutive monthly increase in the annual inflation rate.
- Month-on-month inflation, however, declined in line with our expectation to 2.13%, from 4.18% in March, suggesting that while inflationary pressures remained elevated, the pace of price acceleration moderated during the month.
- Food inflation remained elevated, with food prices increasing by 16.06% year-on-year, driven by higher prices of key commodities such as millet whole grain, yam flour, beef, garri, yam tuber, fresh pepper, beans, fresh tomatoes, wheat grain, guinea corn, plantain and carrots, according to NBS data.
- Core inflation also moderated on a month-on-month basis to 1.03%, from 4.03% in March. However, the annual core inflation rate remained elevated at 15.86%, indicating that inflationary pressures remain broad-based beyond food and continue to reflect lingering energy-related cost pressures.

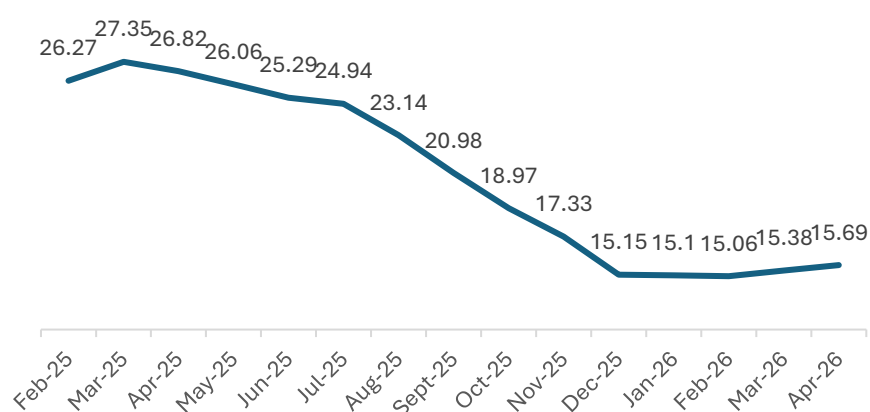
Top six (6) drivers of March month on month inflation decline

Category	March CPI	April CPI	MoM change
Energy	128.9	139.2	+7.99%
Farm produce	131.6	139.5	+6.00%
Education service	128.9	135.2	+4.89%
Imported food	122.1	127.4	+4.34%
Information and Communication	125.1	130.2	+4.08%
Housing (Rent)	142.4	147.6	+3.65%

Inflation trend MoM (%)



Nigeria Inflationary trend (%)



Analysts' Projections and Interpretation

FMDA's April inflation forecast achieved an accuracy rate of approximately 95 percent, with headline inflation settling at 15.69 percent, compared with the FMDA projection of 16.42 percent.

Despite the moderation in month-on-month inflation, energy-related pressures remained elevated following the escalation of the US-Iran conflict.

According to NMDPRA data, average PMS prices increased by 9.44 percent in April, sustaining pressure on transportation and production costs.

Imported food inflation also remained significant during the month despite naira appreciation, reflecting higher global prices of key staples such as millet, maize and rice.

Farm produce inflation remained elevated, driven by higher prices of commodities such as millet whole grain, yam flour, yam tuber, fresh pepper, beans, fresh tomatoes, wheat grain, guinea corn, plantain and carrots, according to NBS data.

Going Forward

Going forward, inflationary pressures are expected to remain elevated in the near term, depending on the progress and sustainability of the ceasefire agreement in the Middle East.

Any renewed escalation in the US-Iran conflict could sustain upward pressure on global energy prices and transportation costs, with further pass-through to domestic inflation.

However, sustained exchange rate stability and moderation in fuel prices could help ease part of the inflationary pressure in the coming months.