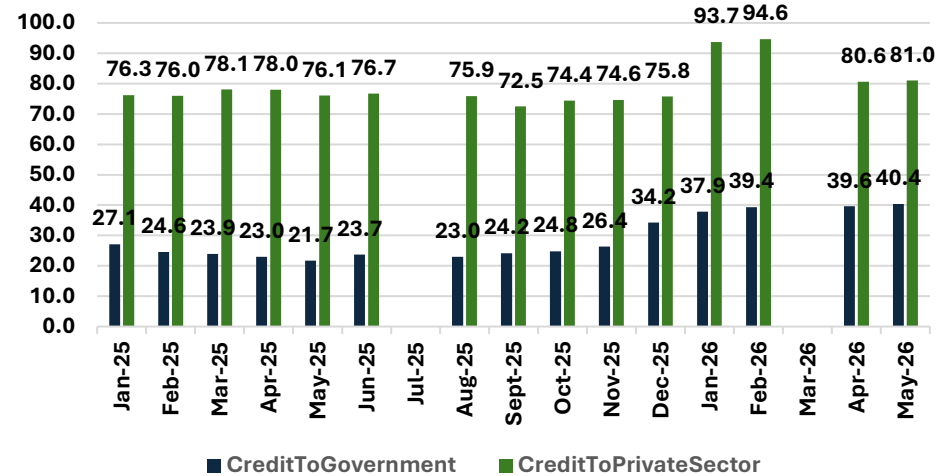


Nigeria's Money supply increased to N129.21 trillion in May, driven largely by foreign currency inflow

Key Highlights on Money Supply, Credit, and Liquidity Indicators

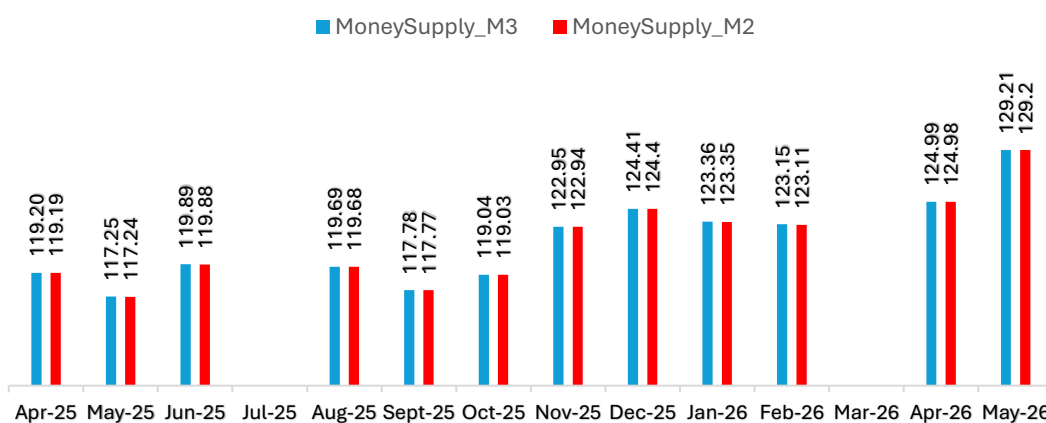
- Money Supply (M3) increased by 3.38% m/m to N129.21 trillion in May (April: N124.99 trillion), driven largely by foreign currency inflow.
- Money Supply (M2) increased by 3.38% m/m to N129.20 trillion, from N124.98 trillion in April.
- Net Foreign Assets (NFA) increased by 12.23% to N26.95 trillion, from N24.01 trillion, suggesting improved foreign currency inflows.
- Net Domestic Assets (NDA) increased by 1.28% to N102.26 trillion, from N100.97 trillion in April.
- Credit to Government increased by 1.97% to N40.38 trillion, reflecting continued public-sector borrowing.
- Private Sector Credit increased marginally by 0.57% to N81.04 trillion, suggesting modest growth in lending activity.
- Currency Outside Banks (COB) increased by 2.15% to N5.19 trillion, from N5.08 trillion in April.
- Currency in Circulation (CIC) increased by 0.77% to N5.69 trillion, from N5.65 trillion in April.
- Bank Reserves declined by 2.43% to N33.76 trillion, from N34.60 trillion in April.
- Base Money declined by 1.98% to N39.45 trillion, from N40.25 trillion in April.

Net Domestic Credit (N'Trillion)

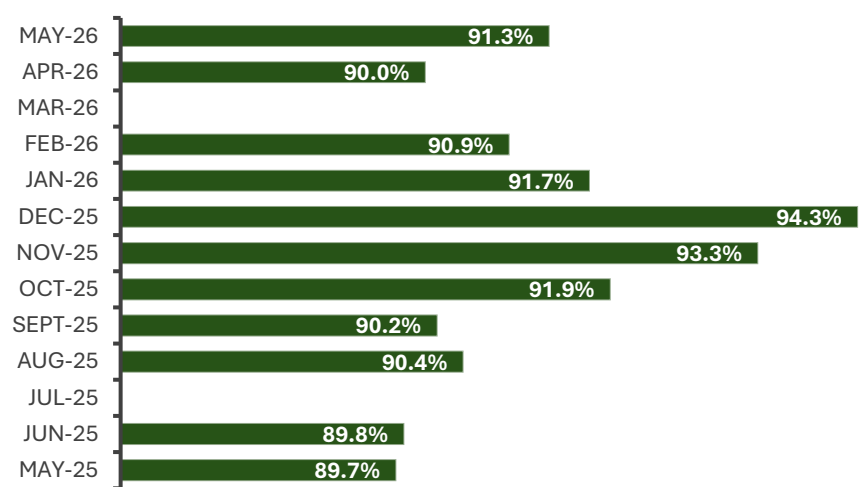


Period	Net Foreign Assets	Net Domestic Assets
November '25	N37.38 trn ▲	N85.57 trn ▲
December '25	N31.51 trn ▼	N92.90 ▲
January '26	N27.09 trn ▼	N96.86 ▲
February '26	N25.57 trn ▼	N97.55 ▲
April '26	N24.01 trn ▼	N100.97 ▲
May '26	N26.95 trn ▲	N102.26 ▲

TREND OF MONEY SUPPLY IN 2026 (N'TRILLION)



Money outside of Banks (%)



Analyst's Note

Improved money supply in May was largely driven by stronger foreign currency inflows, as reflected in the 12.23% increase in Net Foreign Assets (NFA). This suggests that the country's earnings from external engagements improved during the month. The increase may partly reflect higher oil export receipts supported by elevated crude oil prices during the US-Iran conflict, alongside other autonomous inflows into the economy. Meanwhile, the reduction of the Monetary Policy Rate (MPR) in late February 2026 did not translate into a significant increase in private sector borrowing, despite expectations that lower interest rates would stimulate credit demand. This highlights the fact that borrowing decisions are influenced by factors beyond interest rates alone. Global uncertainties, including the disruption of key shipping routes during the US-Iran conflict, have increased freight costs and production expenses for manufacturers. Rising input costs, supply chain disruptions, and uncertainty over future demand may have encouraged businesses to postpone expansion plans and limit new borrowing commitments. Consequently, private sector credit grew by only 0.57% in May, suggesting that firms remain cautious despite the gradual easing of monetary policy.