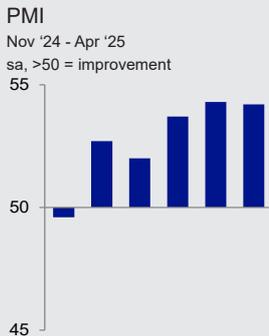


Stanbic IBTC Bank Nigeria PMI®

Output growth hits 15-month high in April

54.2

NIGERIA PMI
APR '25



Faster rise in output amid strong new order growth

Backlogs increase despite higher employment and purchasing

Inflationary pressures tick higher

The start of the second quarter of 2025 saw a further improvement in business conditions among Nigerian companies amid strengthening customer demand and growth of output. In response, firms ramped up their purchasing activity and took on extra staff, but this expansion of capacity was not sufficient to prevent a build-up of backlogs of work. Meanwhile, inflationary pressures ticked up from March but remained muted relative to the picture in 2024.

The headline figure derived from the survey is the Purchasing Managers' Index™ (PMI®). Readings above 50.0 signal an improvement in business conditions on the previous month, while readings below 50.0 show a deterioration.

The headline PMI posted above the 50.0 no-change mark for the fifth consecutive month in April. At 54.2, the PMI was broadly in line with the 54.3 posted in March and pointed to a solid monthly improvement in business

conditions.

Output increased at a sharp and accelerated pace in April, with the rate of expansion the most pronounced since January 2024. All four broad sectors saw business activity rise, with the sharpest growth in services.

Higher new orders and increased customer numbers were among the factors mentioned by respondents as having supported growth of output. New orders rose sharply as demand conditions strengthened, with the pace of expansion little-changed from that seen in March.

In line with the picture for output, employment increased for the fifth consecutive month in April as firms responded to greater workloads and made efforts to complete orders on time. Although modest, the pace of job creation was at an eight-month high.

A desire to keep on top of orders was also behind a rapid increase in

Stanbic IBTC Bank Nigeria PMI
sa, >50 = improvement since previous month



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- Business expectations
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- Purchasing and inventories
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purchasing activity, with the pace of growth quickening to the fastest since February 2022. Stocks of purchases were also accumulated during the month.

Despite efforts to complete orders in a timely manner, companies saw backlogs of work increase in April. The accumulation was the first in 11 months, albeit modest. High costs for materials in some cases meant that firms weren't always able to secure the necessary inputs for projects, while other respondents mentioned that power outages had caused delays.

Purchase costs continued to rise

sharply amid higher raw material prices and currency weakness. The pace of inflation was faster than in March, albeit still one of the slowest over the past two years. Staff costs rose at a solid pace.

The pass-through of higher input costs to customers meant that output prices also increased, with inflation here too slightly stronger than in March.

Companies remained optimistic that output will rise over the coming year, but sentiment dipped for the third consecutive month. Confidence often reflected business expansion and investment plans.

Comment

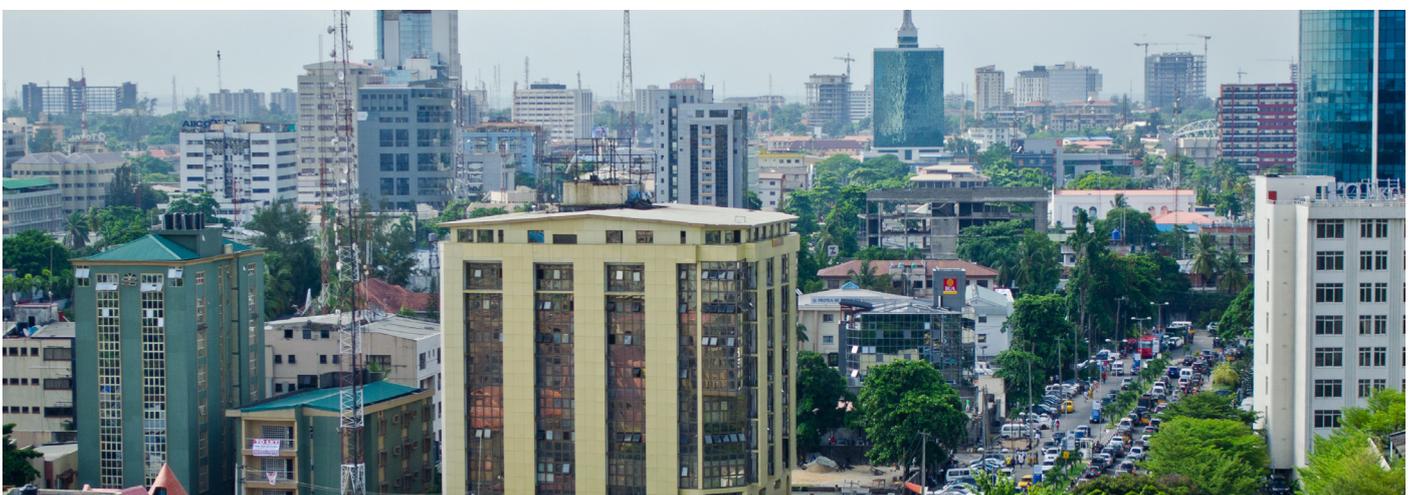
Muyiwa Oni, Head of Equity Research West Africa at Stanbic IBTC Bank commented:

"Nigeria's private sector business activity maintained its positive momentum into the start of the second quarter of the year as the PMI settled at 54.2 in April – broadly in line with 54.3 recorded in March. This latest improvement in business activity was primarily due to improved customer demand amid softening inflationary pressures, helping to support higher new orders. Accordingly, all the four monitored sectors posted an improvement in business activity with the most significant improvement seen in the Services sector. In line with this improvement, the employment level increased for the fifth consecutive month, although the pace of increase was modest this time.

Elsewhere, inflationary pressures continue to soften relative to 2024 as factors that significantly drove prices upward last year have moderated so far this year in term of impacts. Nonetheless, inflation increased in April compared to March, exacerbated by the impact of local currency depreciation and higher

energy costs. Indeed, overall input prices increased across all the four monitored sectors with the Manufacturing sector witnessing the strongest inflationary pressures of the month. The pass through of the higher input costs to customers meant that output price inflation also quickened in April but remained among the weakest in the past two years.

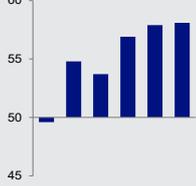
Nigeria's business conditions started Q2:25 on a positive note, and we expect this trend to be maintained, albeit relatively slower than witnessed in Q1:25. This is as the local currency is expected to depreciate in Q2:25 compared to Q1:25 amid the lingering global uncertainties. This could also lead to slightly higher inflation rate than seen in Q1:25 but still expected to remain softer compared to the 2024 average. Nonetheless, interest rates are likely to be lower this year amid moderate inflationary pressures, thereby helping to support economic growth over the medium term. Overall, we still maintain our expectation that the Nigerian economy is likely to grow by 3.5% y/y in real terms in 2025 relative to 3.4% y/y growth in 2024."



Output and demand

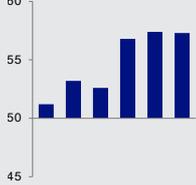
Output Index

Nov '24 - Apr '25
sa, >50 = growth



New Orders Index

Nov '24 - Apr '25
sa, >50 = growth



Output

Companies in Nigeria increased their business activity for the fifth consecutive month in April. Moreover, the latest expansion was sharp and the fastest since January 2024. Panellists reported higher new orders and improved customer numbers, with a recent softening of inflationary pressures also helping to support growth. All four monitored sectors posted a rise in activity, led by services.

New orders

Greater requests from customers amid improving demand resulted in a further expansion of new orders in April. The increase at the start of the second quarter was sharp and broadly in line with that seen in March. Agriculture recorded the strongest rise in new orders, with the weakest in wholesale & retail.

Output Index

sa, >50 = growth since previous month



New Orders Index

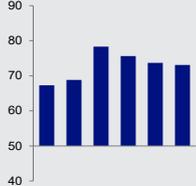
sa, >50 = growth since previous month



Business expectations

Future Output Index

Nov '24 - Apr '25
>50 = growth expected



Nigerian companies remained optimistic that output will increase over the coming year, but the level of positive sentiment eased for the third consecutive month to the weakest in 2025 so far. More than 46% of respondents predicted a rise in activity, with optimism linked to plans for investment in stocks and new branches, as well as general efforts to expand.

Future Output Index

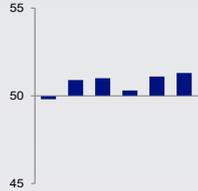
>50 = growth expected over next 12 months



Employment and capacity

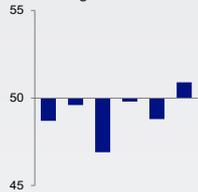
Employment Index

Nov '24 - Apr '25
sa, >50 = growth



Backlogs of Work Index

Nov '24 - Apr '25
sa, >50 = growth



Employment

As has been the case in each month since December 2024, employment rose in the Nigerian private sector in April. Although modest, the pace of job creation quickened to an eight-month high. According to respondents, the latest increase in employment reflected greater workloads and efforts to complete jobs in a timely manner. Employment rose across all four broad sectors covered by the survey.

Backlogs of work

April data pointed to an accumulation of backlogs of work for the first time in almost a year. Some respondents indicated that high costs for materials meant that they had not been able to secure the necessary inputs to complete projects, while others reported power supply issues.

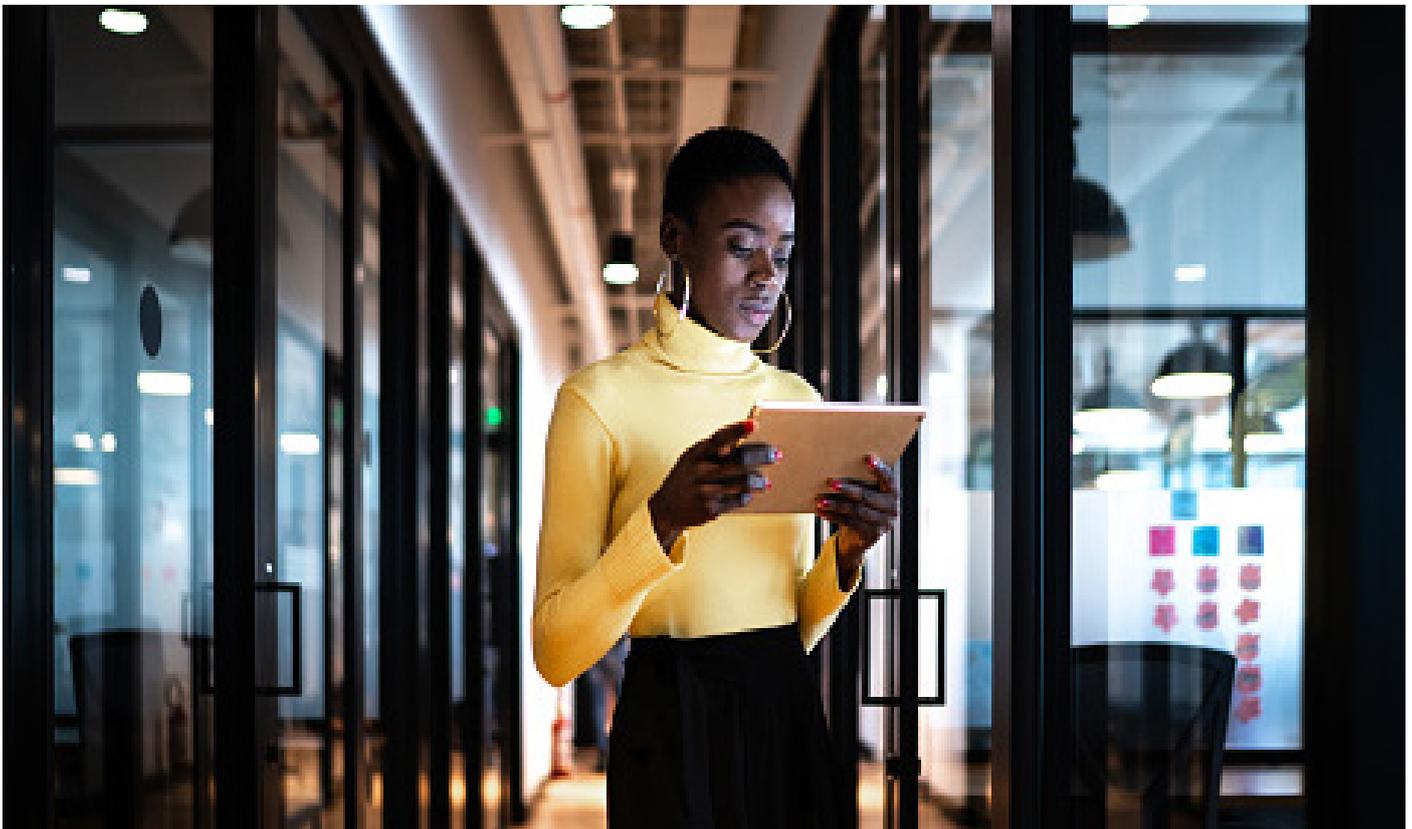
Employment Index

sa, >50 = growth since previous month



Backlogs of Work Index

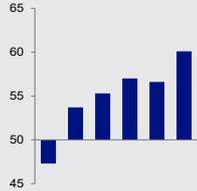
sa, >50 = growth since previous month



Purchasing and inventories

Quantity of Purchases Index

Nov '24 - Apr '25
sa, >50 = growth



Quantity of purchases

Nigerian companies increased their purchasing activity rapidly during April, with the pace of expansion quickening to the steepest since February 2022. A desire to keep on top of orders and meet client requests in a punctual manner at a time of strong inflows of new business was reportedly behind the latest expansion of input buying.

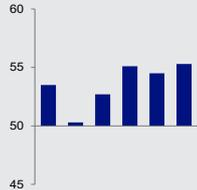
Quantity of Purchases Index

sa, >50 = growth since previous month



Suppliers' Delivery Times Index

Nov '24 - Apr '25
sa, >50 = faster times



Suppliers' delivery times

Continuing the trend which began in March 2023, suppliers' delivery times shortened in April. Moreover, the latest improvement in vendor performance was marked and the most pronounced since July last year. Good payment and arrangements with suppliers, plus quiet road conditions were among the factors behind quicker deliveries.

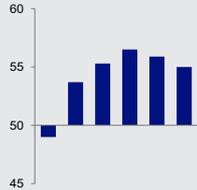
Suppliers' Delivery Times Index

sa, >50 = faster times since previous month



Stocks of Purchases Index

Nov '24 - Apr '25
sa, >50 = growth



Stocks of purchases

Growth of purchasing activity amid rising customer demand resulted in a further accumulation of stocks of purchases in April. Inventories have increased in five consecutive months. The latest rise was marked, albeit the slowest since last December.

Stocks of Purchases Index

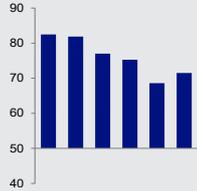
sa, >50 = growth since previous month



Prices

Input Prices Index

Nov '24 - Apr '25
sa, >50 = inflation



Input prices

The pace of overall input cost inflation was sharp in April and ticked up from that seen in March, but remained weaker than seen on average during 2024. Steep increases in overall input prices were seen across all four monitored sectors, with the strongest inflation in manufacturing.

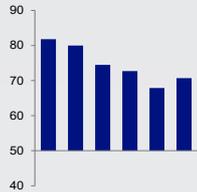
Input Prices Index

sa, >50 = inflation since previous month



Purchase Prices Index

Nov '24 - Apr '25
sa, >50 = inflation



Purchase prices

Higher raw material costs, exacerbated by currency weakness, meant that purchase prices increased markedly again at the start of the second quarter of the year. Around 36% of respondents posted a rise in purchase prices during the month, as the pace of inflation ticked up from March.

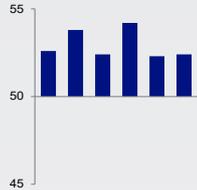
Purchase Prices Index

sa, >50 = inflation since previous month



Staff Costs Index

Nov '24 - Apr '25
sa, >50 = inflation



Staff costs

April data pointed to a further solid rise in staff costs, with the pace of inflation little-changed from the previous survey period. Higher living costs, efforts to motivate staff and wage increases in order to keep hold of workers all contributed to the latest rise in labour expenses, according to respondents.

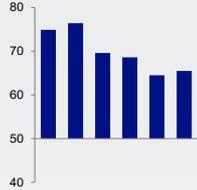
Staff Costs Index

sa, >50 = inflation since previous month



Output Prices Index

Nov '24 - Apr '25
sa, >50 = inflation



Output prices

Although the pace of output price inflation quickened slightly in April, it remained among the weakest in the past two years. Anecdotal evidence suggested that the rise in charges reflected the pass through of higher input costs to customers. Wholesale & retail registered the fastest rise in selling prices of the four monitored sectors.

Output Prices Index

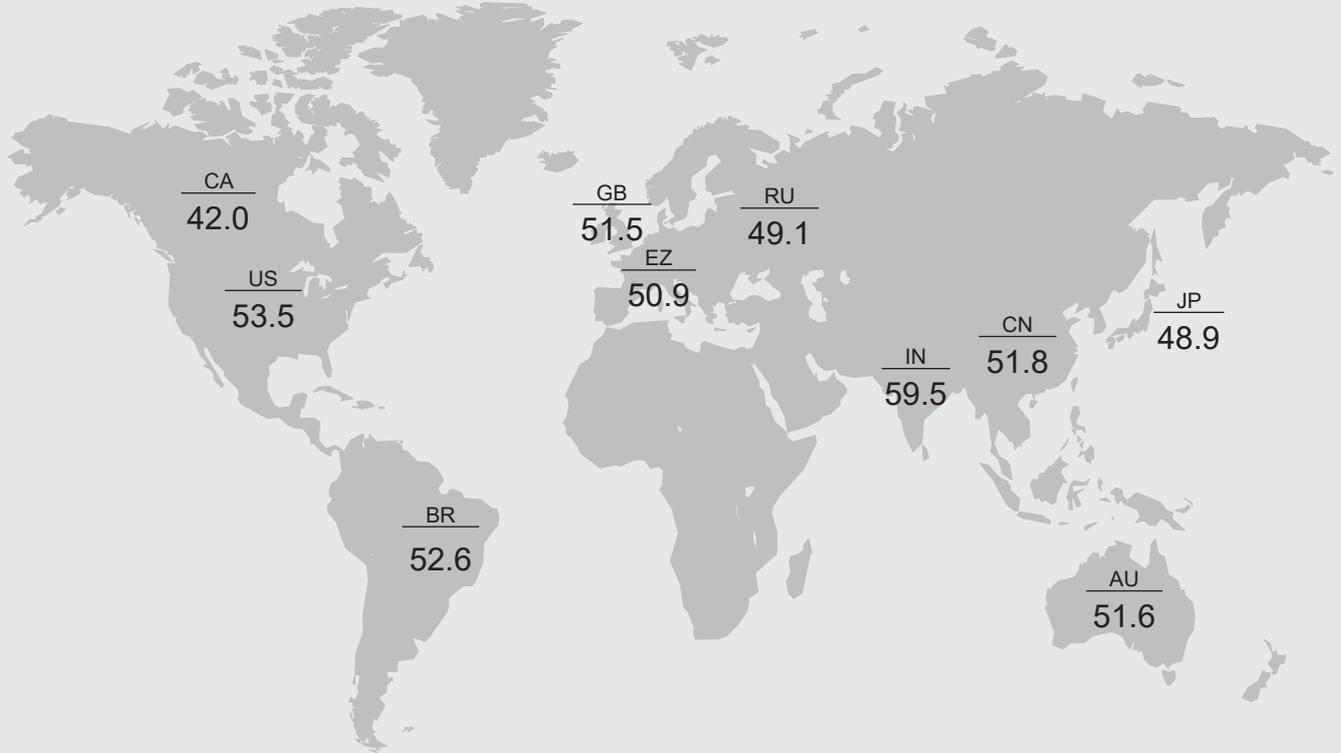
sa, >50 = inflation since previous month



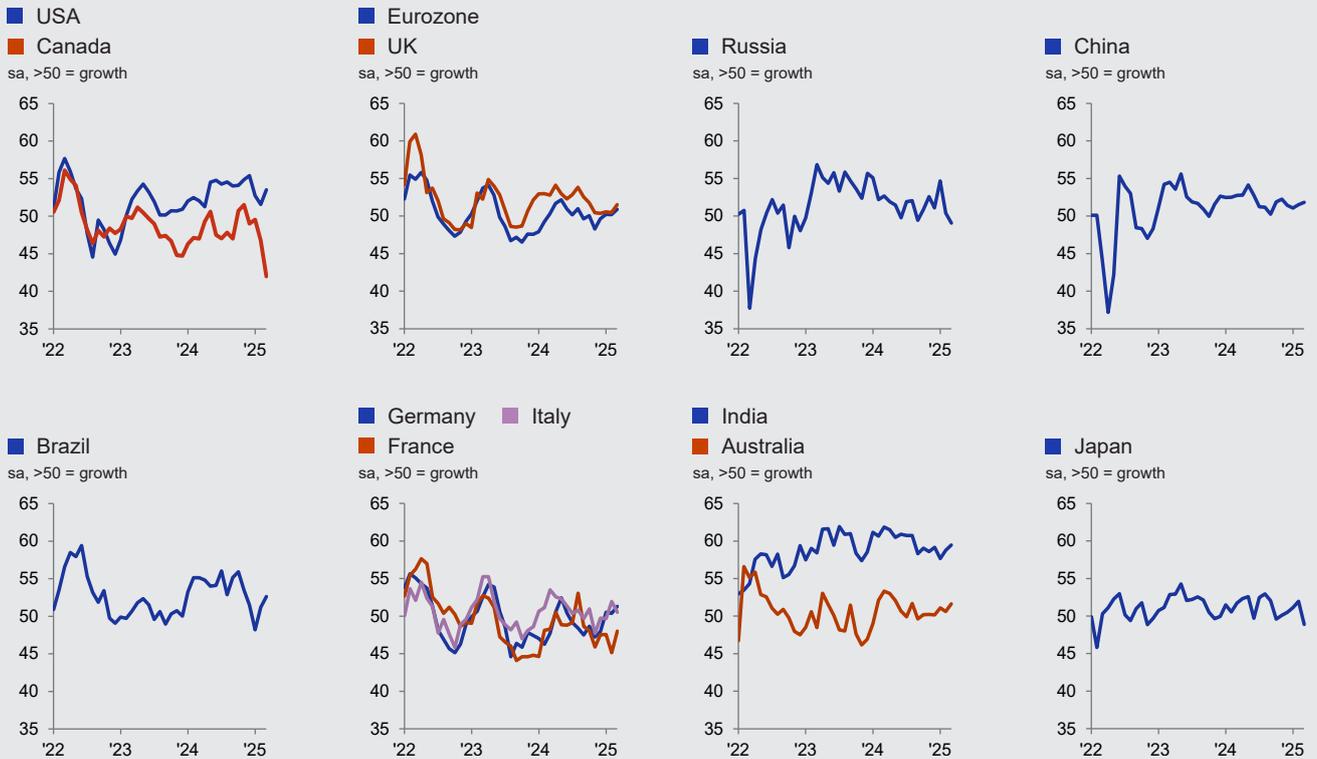
International PMI

Composite Output Index, Mar '25
sa, >50 = growth since previous month

The Composite Output Index is a GDP-weighted average of the Manufacturing Output Index and the Services Business Activity Index.



Composite Output Index



Survey methodology

The Stanbic IBTC Bank Nigeria PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 400 private sector companies. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. The sectors covered by the survey include agriculture, mining, manufacturing, construction, wholesale, retail and services. Data were first collected January 2014.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact economics@spglobal.com.

Survey dates

Data were collected 09-28 April 2025.

Survey questions

Private sector

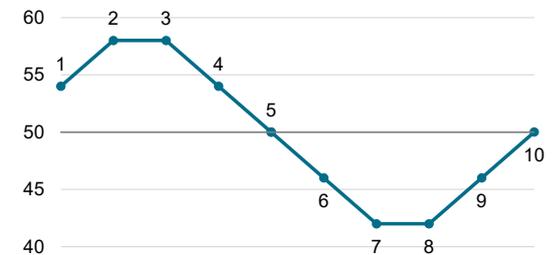
Output	Suppliers' Delivery Times
New Orders	Stocks Of Purchases
New Export Orders	Input Prices
Future Output	Purchase Prices
Employment	Staff Costs
Backlogs Of Work	Output Prices
Quantity Of Purchases	

Index calculation

$$\% \text{ "Higher"} + (\% \text{ "No change"})/2$$

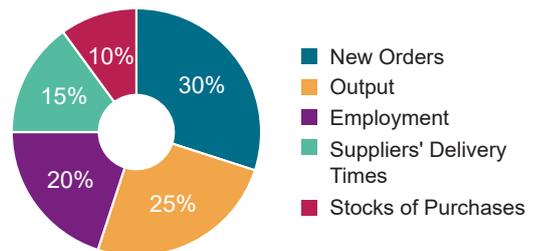
Index interpretation

50.0 = no change since previous month



- | | |
|--------------------------|----------------------------|
| 1 Growth | 6 Decline, from no change |
| 2 Growth, faster rate | 7 Decline, faster rate |
| 3 Growth, same rate | 8 Decline, same rate |
| 4 Growth, slower rate | 9 Decline, slower rate |
| 5 No change, from growth | 10 No change, from decline |

PMI component weights



Sector coverage

PMI data include responses from companies operating in sectors classified according to the following ISIC Rev.4 codes:

A Agriculture, Forestry and Fishing	K Financial and Insurance Activities
B Mining and Quarrying	M Professional, Scientific and Technical Activities
C Manufacturing	N Administrative and Support Service Activities
F Construction	P Education*
G Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	Q Human Health and Social Work Activities*
H Transportation and Storage	R Arts, Entertainment and Recreation
I Accommodation and Food Service Activities	S Other Service Activities
J Information and Communication	

*Private sector

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About PMI

Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends.

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