

Nigeria's Inflation Hits 24.23% in March – MPC Faces Tough Choices Ahead

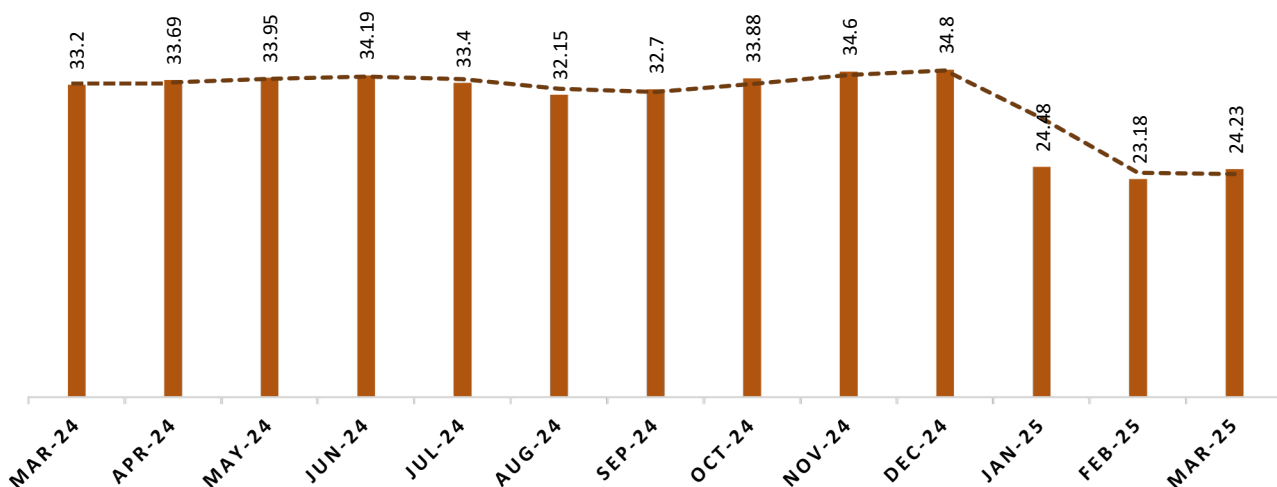
CPI March 2025

Headline Inflation	24.23%	📈
Food Inflation	21.79%	📉
Core Inflation	24.43%	📈
Urban Inflation	26.12%	📈
Rural Inflation	20.89%	📈

Summary

- Nigeria's headline inflation has accelerated to **24.23%** in March 2025, from **23.18%** in February, signaling increased erosion of consumer purchasing power. This trend was fueled by persistent upward pressure on food prices and underlying macroeconomic weaknesses.
- Core inflation is also on an upward trend, reaching **24.43%** year-on-year in March 2025, which indicates entrenched inflationary pressures across a diversified range of goods and services. This complicates the Central Bank's ability to implement accommodative monetary policies.
- For investors, this inflationary environment presents challenges and opportunities. The MPC's response to these pressures, particularly concerning interest rates and currency management, will be critical to market stability and investor confidence.

Figure 1: YOY Inflation Rate



Source: NBS, CertariResearch

- The MPC which is to meet on the 19th of May 2025 will have a tough choice to either maintain or increase the rate.