

# Nigeria's CPI Report

January 2026



## Nigeria's Headline Inflation Moderates to 15.1% in January Ahead of MPC Meeting

The January 2026 Consumer Price Index (CPI) released by the National Bureau of Statistics (NBS) shows sustained disinflationary trend as the headline inflation stood at 15.10%, a modest 5bps decline from 15.15% recorded in December 2025. The decline was largely driven by slowing food prices which stood at 8.9%, representing a 195bps decline compared to the previous month.

Recall that the NBS implemented a methodological adjustment to the CPI figures by adopting a 12-month index reference period. An approach that was necessary to avoid an artificial spike in the December 2025 year-on-year inflation rate that would have resulted from the base effect. By using the 12-month average, the NBS smoothed out extreme monthly price changes and produced a more stable and realistic measure of inflation. This adjustment also led to the technical recalibration of already published 2025 series.

Deflationary trend was seen on a month-on-month basis across all items, food, all items less farm produce as well as the core basket (all items less farm produce and energy). The core component was influenced by reduction in energy sub-indices which can be tied to relatively stable PMS prices following Dangote Refinery's price reduction with most outlets selling PMS at a retail price of N739 per litre.

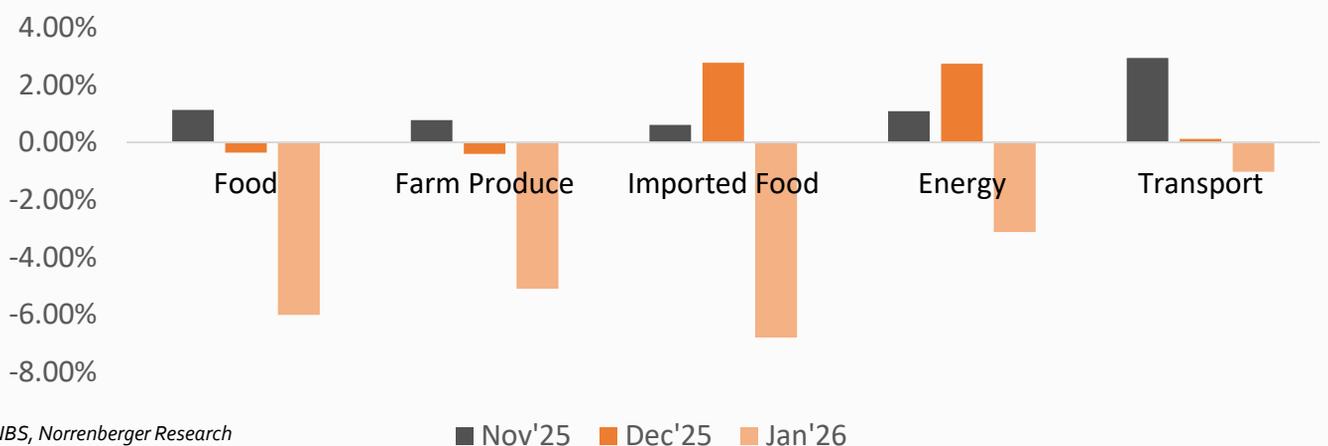
Additionally, in January 2026, the naira appreciated in the official window, averaging N1,416.47/\$ in the official window (Dec'25: N1,452.48/\$). The pass-through effect of these improved macro indices is seen in the decline of transportation and imported food inflation.

### Headline vs. Monthly Inflation Rate



NBS, Norrenberger Research

### Month-on-month Inflation for Sub-indices



NBS, Norrenberger Research



Urban inflation rose to 15.36% year-on-year in the period under review with a month-on-month deflation of 2.72% indicating easing short-term price pressures following earlier increases.

Urban Inflation

15.36%



Whereas rural inflation slowed further to 14.44% year-on-year with prices declining month-on-month by 3.29% compared to 0.55% contraction in the prior month.

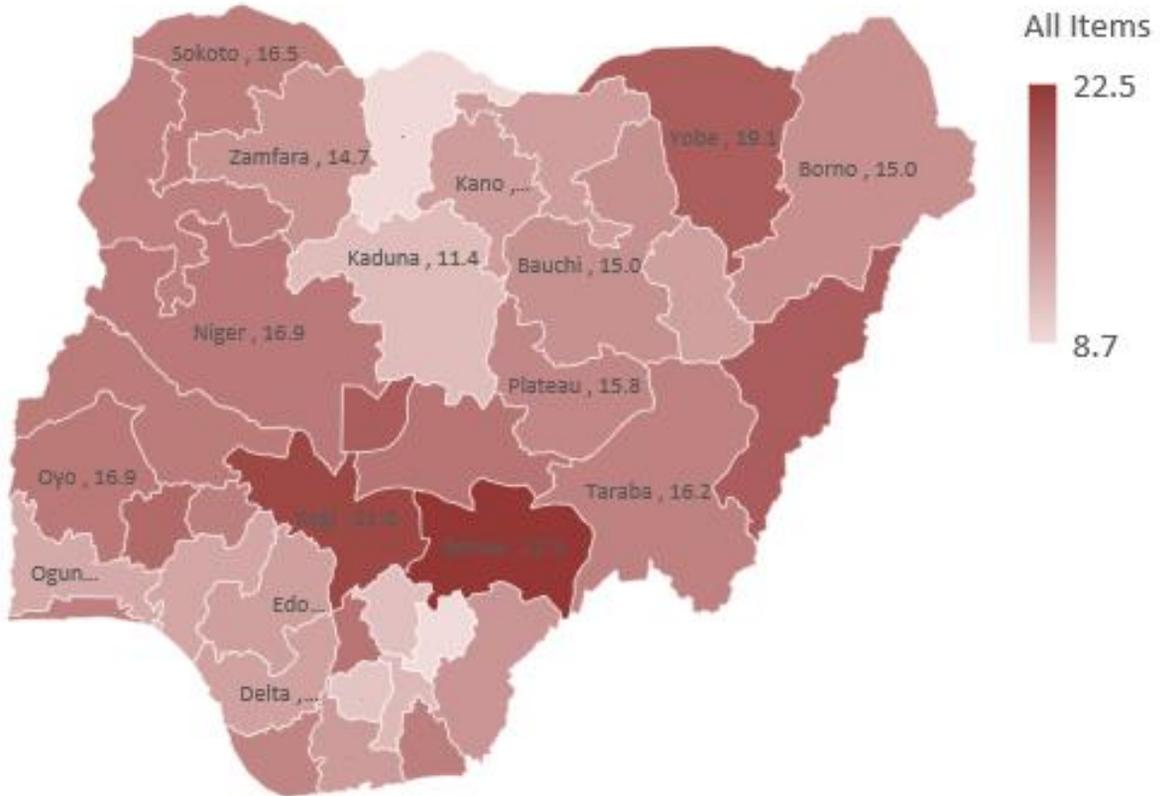
Rural Inflation

14.44%



## Inflation By States

### Headline Inflation



All Items

22.5

8.7

NBS, Norrenberger Research

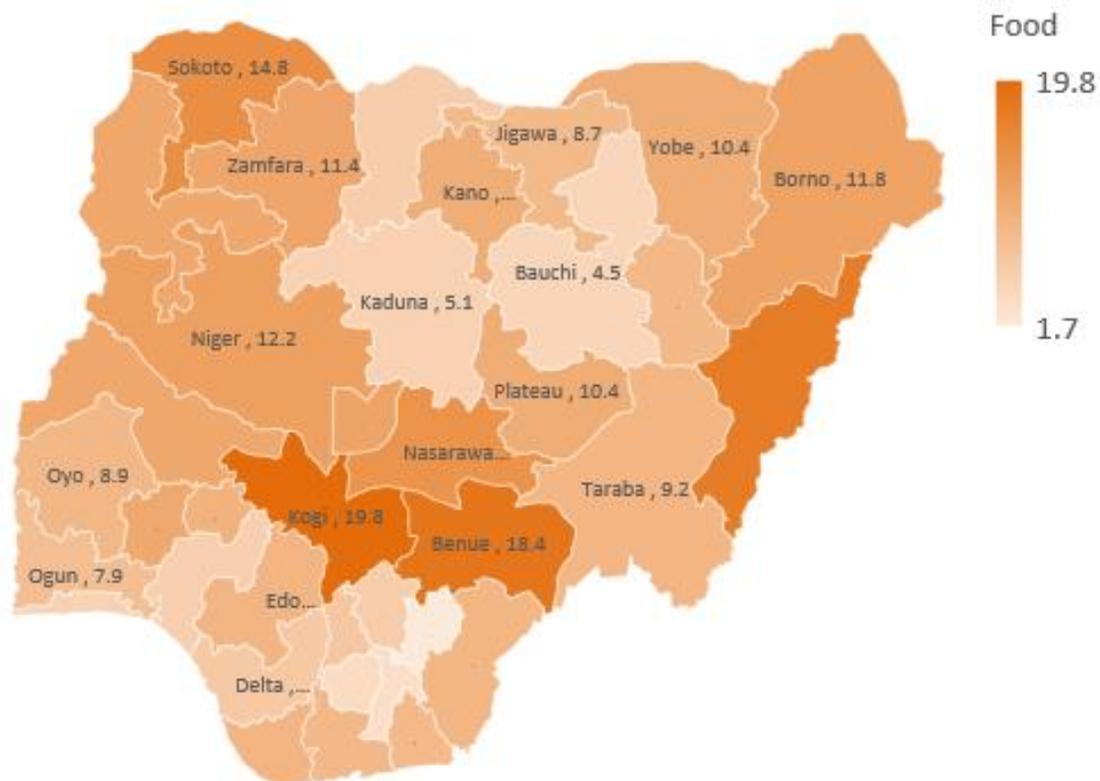
At the subnational level, inflationary dynamics remain uneven, underscoring persistent regional disparities in price pressures across the country. The North Central zone continues to feature prominently among states with the highest inflation readings. Benue (22.5%) and Kogi (21.0%) recorded the highest headline inflation rates, reflecting broad-based increases across food, transportation, and energy-related components.

Adamawa and the FCT both posted headline inflation of 19.2%, albeit driven by differing structural factors. In Adamawa, inflationary pressures were largely food-driven, while in the FCT, non-food components, particularly housing and services, played a more significant role.

Similarly, elevated inflation in Yobe (19.1%) highlights the impact of insecurity, logistics bottlenecks, and elevated distribution costs in sustaining price pressures. Southern states such as Osun (18.1%), Anambra (17.3%), and Oyo (16.9%) also recorded relatively high inflation, reinforcing the view that price pressures remain broad-based across both northern and southern regions.

At the lower end of the spectrum, states including Imo (10.6%), Katsina (8.9%), and Ebonyi (8.7%) recorded comparatively subdued headline inflation, suggesting relatively moderate price pressures in parts of the South-East and select northern states. Food inflation trends largely mirror the headline pattern.

## Food Inflation



NBS, Norrenberger Research

### Bottom line

The Monetary Policy Committee (MPC) of the CBN is scheduled to hold its first meeting of the year on 23rd and 24th February 2026, where it will deliberate on whether to adjust the benchmark interest rate or maintain its current policy stance. At its previous meeting, the Committee adopted a cautious, wait-and-see approach, retaining the Monetary Policy Rate (MPR) at 27% despite early signs of easing inflationary pressures.

Since that meeting, macroeconomic conditions have evolved modestly in favour of policy easing. Headline inflation has continued to moderate, with a more pronounced deceleration in the food component, reflecting improving supply conditions and relative stability in key staples. The exchange rate has also remained largely stable, with mild appreciations recorded, particularly at the official window, supported by improved FX liquidity and sustained foreign portfolio inflows.

Nonetheless, potential downside risks persist. The recent decline in international crude oil prices could weigh on export earnings and, by extension, foreign exchange supply. However, the impact of softer oil receipts may be partly mitigated by continued solid inflows from foreign portfolio investors (FPIs) and resilient diaspora remittances, which have helped support external reserves and market confidence.

Despite the improving inflation and exchange rate dynamics, we do not anticipate an aggressive shift in monetary direction. The CBN is likely to remain measured in its approach, allowing the cumulative impact of previous rate hikes to further permeate the economy while preserving yield attractiveness to foreign investors. Maintaining relatively elevated domestic interest rates remains important in anchoring capital inflows and sustaining exchange rate stability.

On balance, we expect a modest policy recalibration, with a 50–100bps reduction in the MPR at the upcoming meeting, reflecting improving inflation conditions while maintaining overall macroeconomic stability.



# norrenberger



## Head Office

11 Volta Street,  
Off Thames Street,  
Ministers Hill, Maitama,  
Abuja, Nigeria.



+234 700 066 7736

✉ [research@norrenberger.com](mailto:research@norrenberger.com)



## Lagos Office

2B, Bayo Kuku Road,  
Off Alfred Rewane Road,  
Ikoyi,  
Lagos, Nigeria.

+234 916 032 4627

🌐 [www.norrenberger.com](http://www.norrenberger.com)



## Port Harcourt Office

10, Evo Road,  
GRA II, Port Harcourt,  
Rivers State, Nigeria.

+234 700 066 7736

🌐 [f](https://www.facebook.com/norrenberger) [@norrenberger](https://www.instagram.com/norrenberger)



## Kano Office

17, Magajin Rumfa Road,  
Nassarawa GRA,  
Kano State,  
Nigeria.

+234 700 066 7736

## RESEARCH TEAM

### Samuel Oyekanmi

[samuel.oyekanmi@norrenberger.com](mailto:samuel.oyekanmi@norrenberger.com)

### Abigael Kazeem

[abigael.kazeem@norrenberger.com](mailto:abigael.kazeem@norrenberger.com)

### Damilola Odesanya

[damilola.odesanya@norrenberger.com](mailto:damilola.odesanya@norrenberger.com)

### Uyomi Eya

[uyomi.eya@norrenberger.com](mailto:uyomi.eya@norrenberger.com)

**Disclaimer:** Whilst proper and reasonable care has been taken in preparation and accuracy of the facts and figures presented in this report, no responsibility or liability is accepted by Norrenberger Financial Group or its employees for any error, omission or opinion expressed herein. This report is not an investment research or a research recommendation and should not be regarded as such. The information provided herein is by no means intended to provide sufficient basis on which to make an investment decision.