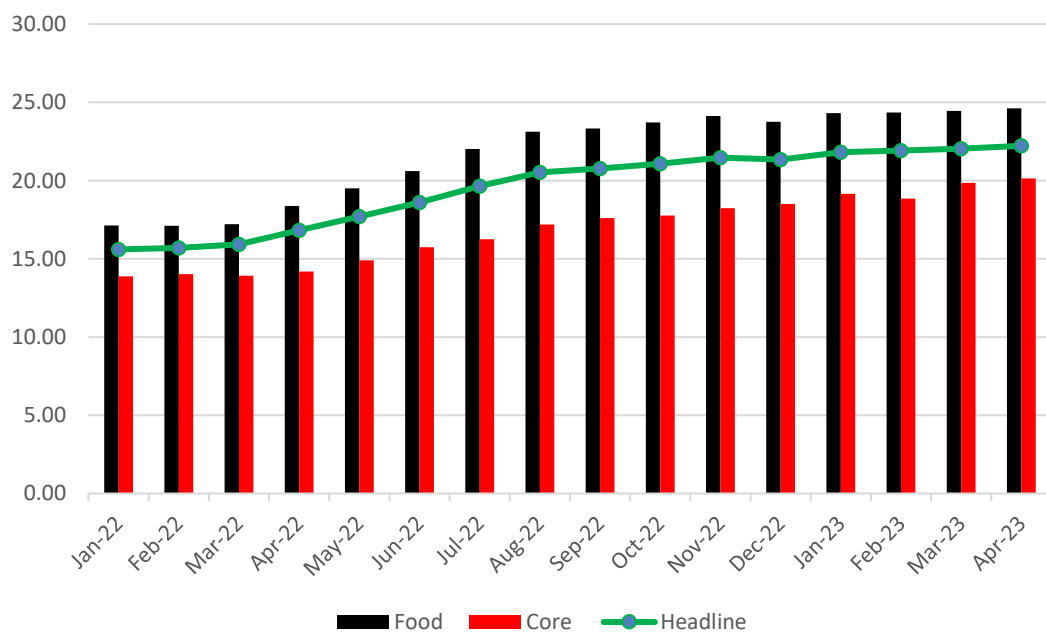


Inflation rate rose to 22.22% in April 2023, the highest rate in 17 years.

Despite the sustained measures of multiple interest rate hikes by the central bank to tame the rising inflation rate, it continues to rise. Between May of last year and March of this year, the CBN raised the Monetary Policy Rate (MPR) by 650 basis points from 11.5% to 18%. The CPI rose to 22.22% in April 2023 compared to 22.04% in March 2023 released by the National Bureau of Statistics (NBS). The rate increased by 18 basis points when compared to March 2023 headline inflation rate.

The food inflation rate in April 2023 was 24.61% on a year-on-year basis; which was 6.24% points higher compared to the rate recorded in April 2022 (18.37%). The rise in the food inflation was caused by increases in prices of Bread and cereals, Oil and fat, Potatoes, Yam and other tubers, Fish, Food Product etc.,.

Core inflation, which excludes the prices of volatile agricultural produce stood at 20.14% in April 2023 on a year-on-year basis; up 5.96% when compared to the 14.18% recorded in April 2022. [Read more](#)



OUTLOOK

The monetary policymakers have been closely watching the inflation rate, and April's figures could lead them to do what they had signaled in January's meeting: inflation continues to reign upward, the MPC will always hike rates to tame the pressure on citizens while they assess the economic impact of the higher borrowing costs. If the US debt ceiling is not raised in time, the US nation would default on its debt, a scenario that could ignite a global economic crisis.

We expect coming month's inflation to continue its upward trend.

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