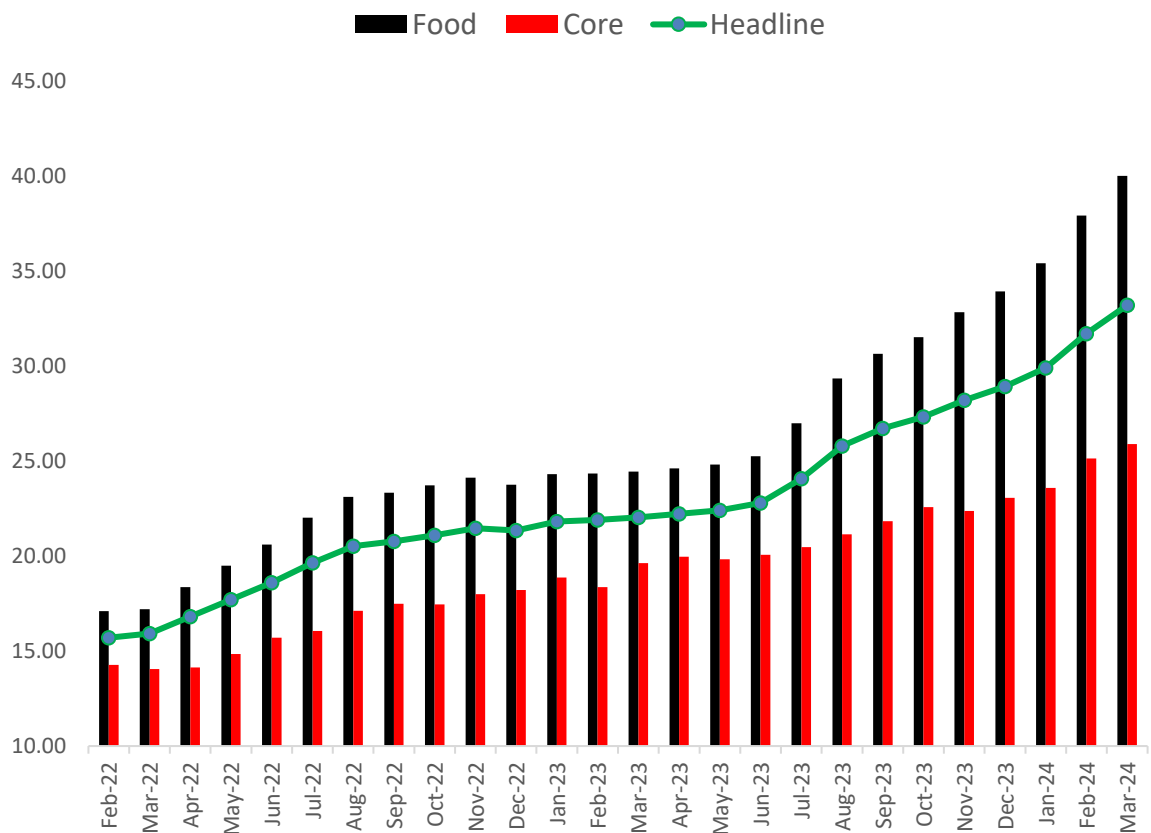


Nigeria's Inflation Rate Hits 33.20% Despite Naira Rebound in March 2024

Headline inflation rose to 33.20% in March 2024; 150bps higher than 31.70% recorded in February 2024, as reported by the National Bureau of Statistics (NBS). On a monthly basis, inflation stood at 3.02% which was lower when compared to the figure for February 2024 which was 3.12%.

Food prices continue to be the major driver of inflation as food inflation rose to 40.01% in March 2024 on a year-on-year basis; which was 1,556 bps higher compared to the rate recorded in March 2023 (24.45%). The rise in the food inflation was caused by increase in prices of Oil and fat, Bread and cereals, Potatoes, Yam and other tubers, Fish, Fruit, Meat, Vegetables, Milk, Cheers, and Eggs Product etc.

Core inflation, which excludes the prices of volatile agricultural produce and energy stood at 25.90% in March 2024 on a year-on-year basis; up 626bps when compared to the 19.63% recorded in March 2023. [Read more](#)



OUTLOOK

As harvest time approaches and customs duties decrease, we expect a potential easing of pressures on food inflation. Moreover, the projected recovery of the Naira, coupled with the anticipated positive impact of the Dangote refinery, may further contribute to stabilizing food prices despite the lingering effects of the Israel-Iran conflict and the recent surge in electricity tariffs.

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