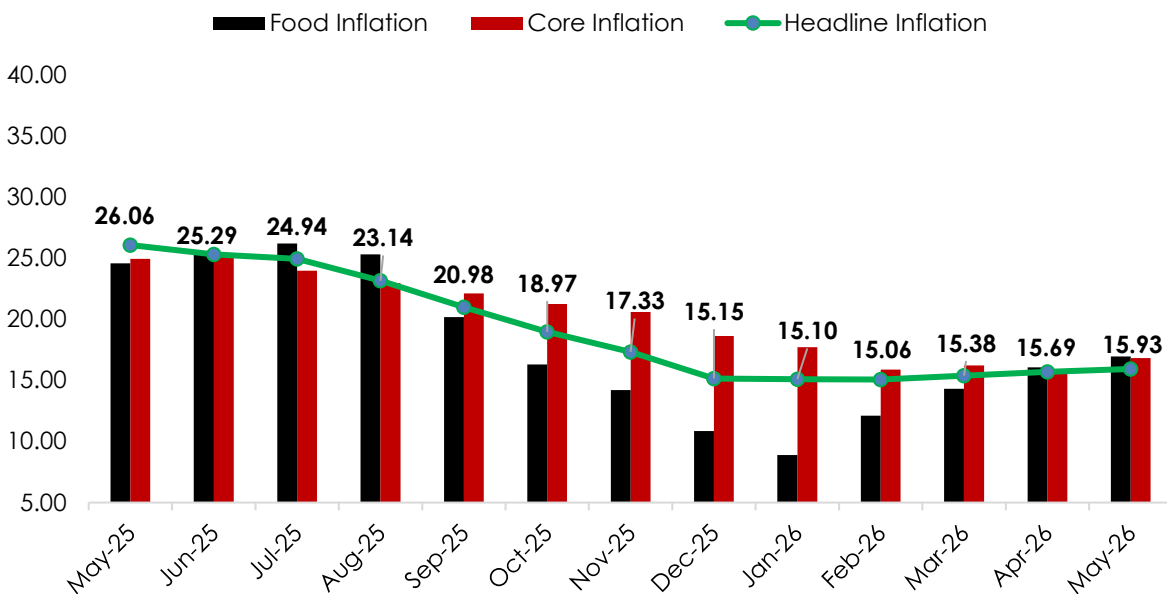


Headline Inflation Rises to 15.93% in May

Headline inflation rose to 15.93% in May 2026 from 15.69% in April 2026, indicating a modest rise of 24bps. On a year-on-year basis, inflation declined by 1,013bps from the 26.06% recorded in May 2025, on broad-based policy support and strong impact of base effect. On a month-on-month basis, headline inflation moderated to 1.75%, a 39bps decrease from the 2.13% recorded in April 2026, reflecting a slowdown in the monthly pace of price increases across key economic segments relative to the preceding month.

Food inflation increased to 16.96% year-on-year, compared to 24.55% in May 2025. On a month-on-month basis, food inflation stood at 2.98%, representing a 65bps moderation from the 3.63% recorded in April 2026. The monthly outturn was driven by changes in the average prices of products such as fresh onions, maize, egusi, water yam, cassava flour, crayfish, fresh pepper, fresh tomatoes, wheat grain, cassava tuber, plantain, among others.

Core inflation, which excludes volatile agricultural produce and energy, stood at 16.82% year-on-year, compared with 24.92% in May 2025. On a month-on-month basis, core inflation advanced to 1.94%, indicating a 92bps increase from the 1.03% recorded in April 2026. This indicates a significant reversal of immediate price pressures across non-food components, particularly as service-sector and urban distribution costs experienced renewed short-term momentum. [Read more](#)



OUTLOOK

Headline inflation is projected to stabilize in June 2026, supported by fiscal policy measures, improving supply-side conditions, and the easing of geopolitical tensions following the US-Iran agreement, which is expected to support moderation in global energy prices. Stable food prices, easing energy shock effects, and lower PMS prices should help reduce transportation and distribution costs, while the pass-through effect of earlier oil price shocks continues to weaken. However, upside risks remain from rising fertilizer costs and lingering uncertainty surrounding the Strait of Hormuz, which could disrupt global energy markets and renew pressure on domestic food and logistics costs.

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