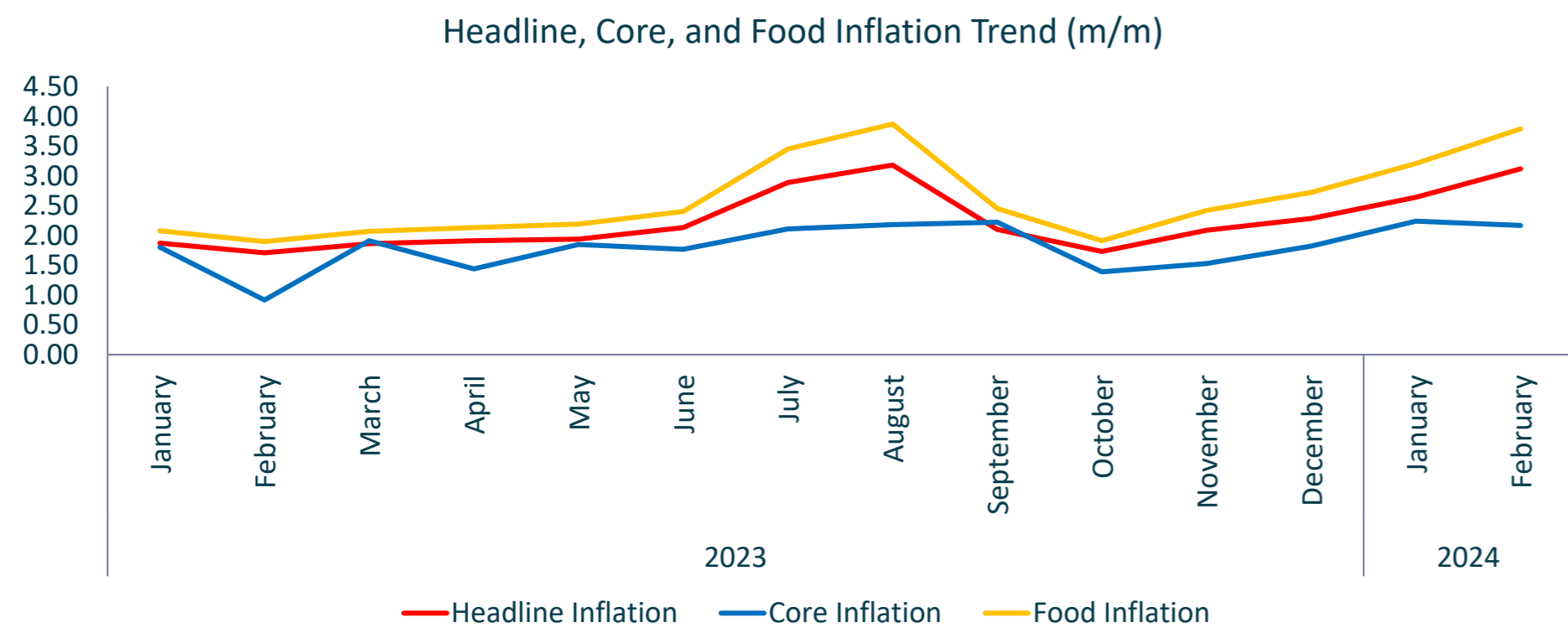
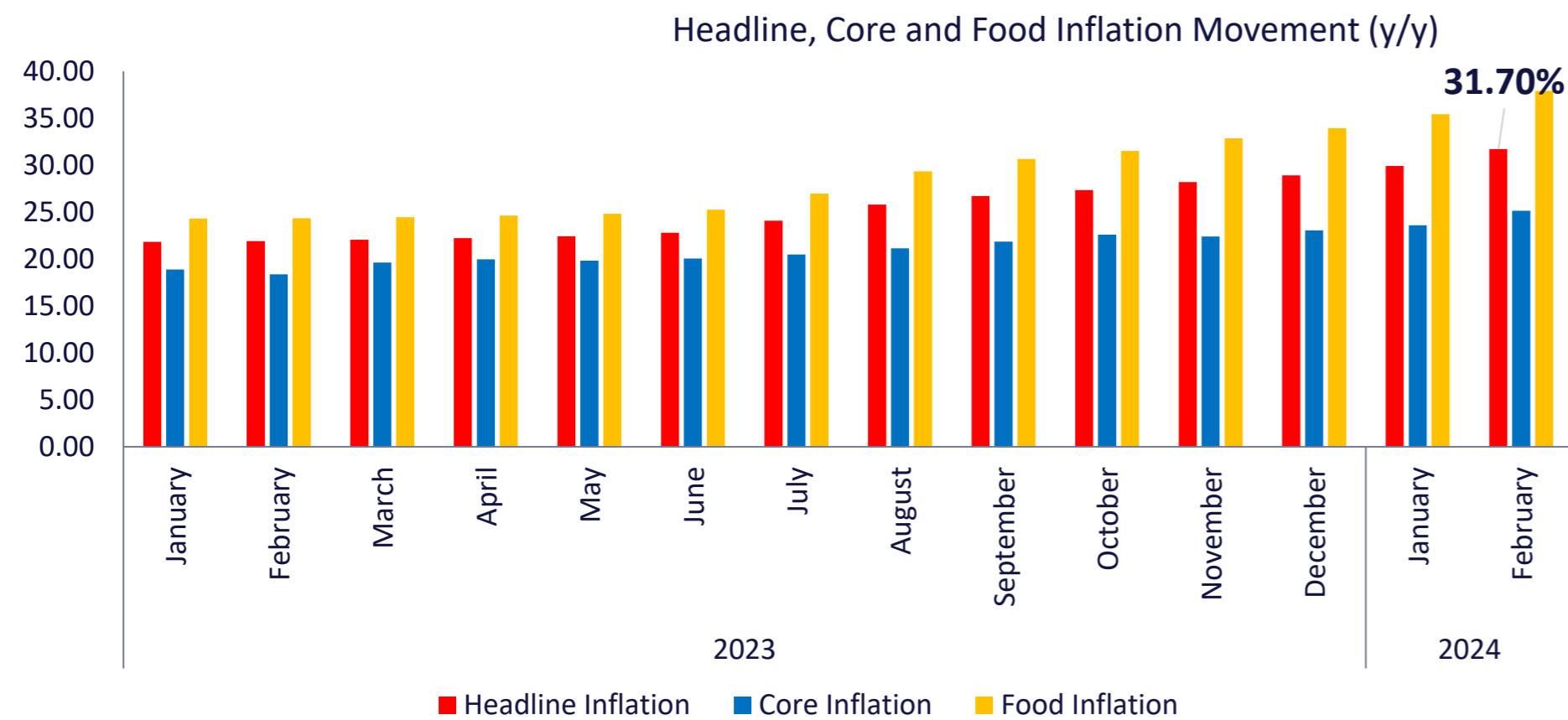


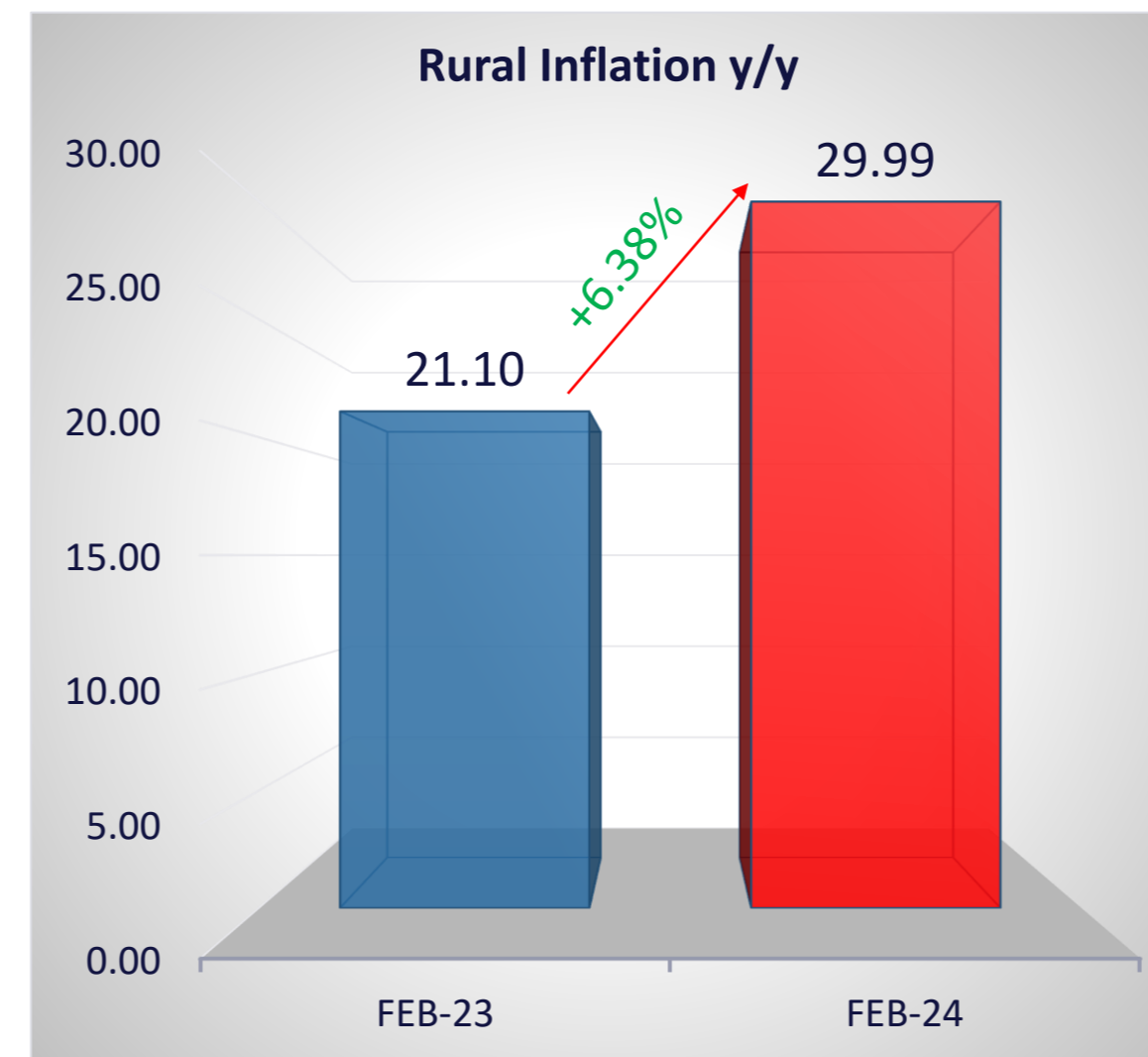
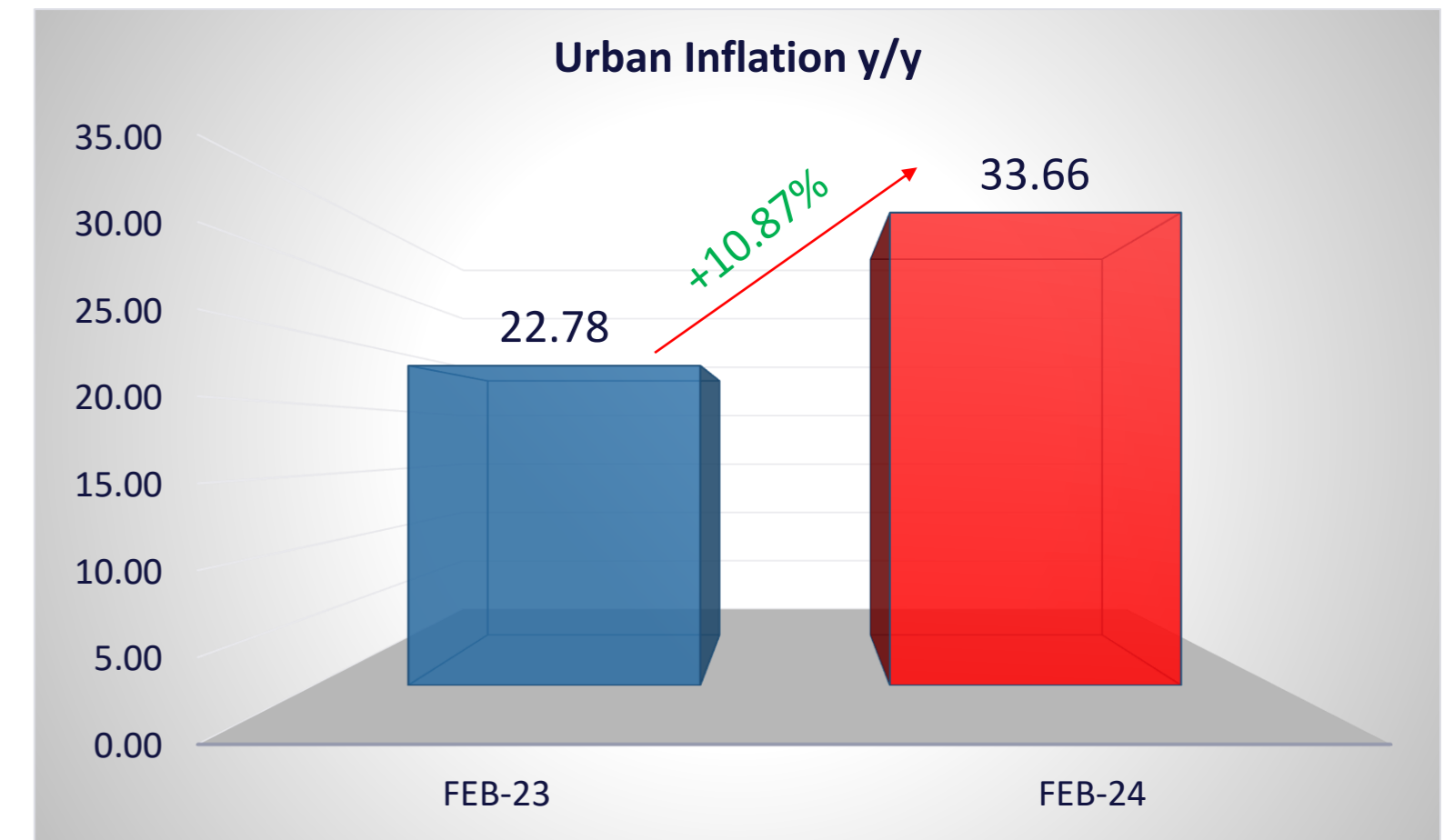
INFLATION REPORT FEBRUARY 2024

Headline Inflation Soars to 31.70% in February 2024



- The Food inflation soared by 37.92% y/y, which was +13.57% higher when compared to 24.35% recorded in February 2023. The Core Inflation rate also increased to 25.13% y/y in February 2024, which was up by +6.76% in comparison to 18.37% recorded in February 2023.

- Headline inflation rate in February 2024 stood at 31.70% year-on-year, from 29.90% in January 2024, representing an increase of +1.80%, while it surged by 9.79% when compared to the 21.91% recorded in February 2023.
- The growth in the Headline rate was influenced by increase in the y/y Food Price and Core inflation rate (a sub-component of the Headline index).



Our Review

- Headline Inflation continues to grow since January 2023, which was further triggered by the removal of fuel subsidies, and the floating of the naira. In February, 2024, the CBN held its first monetary policy meeting since 2023, raising the interest rate by 400 basis points to 22.75% from 18.75%.
- This can be regarded as a difficult but necessary decision by the Apex bank to check the high-flying inflation. However, Nigeria inflation rate continued to rise because of the volatile exchange rate. Conclusively, we expect a further rise of about 32.50% in headline inflation in March.