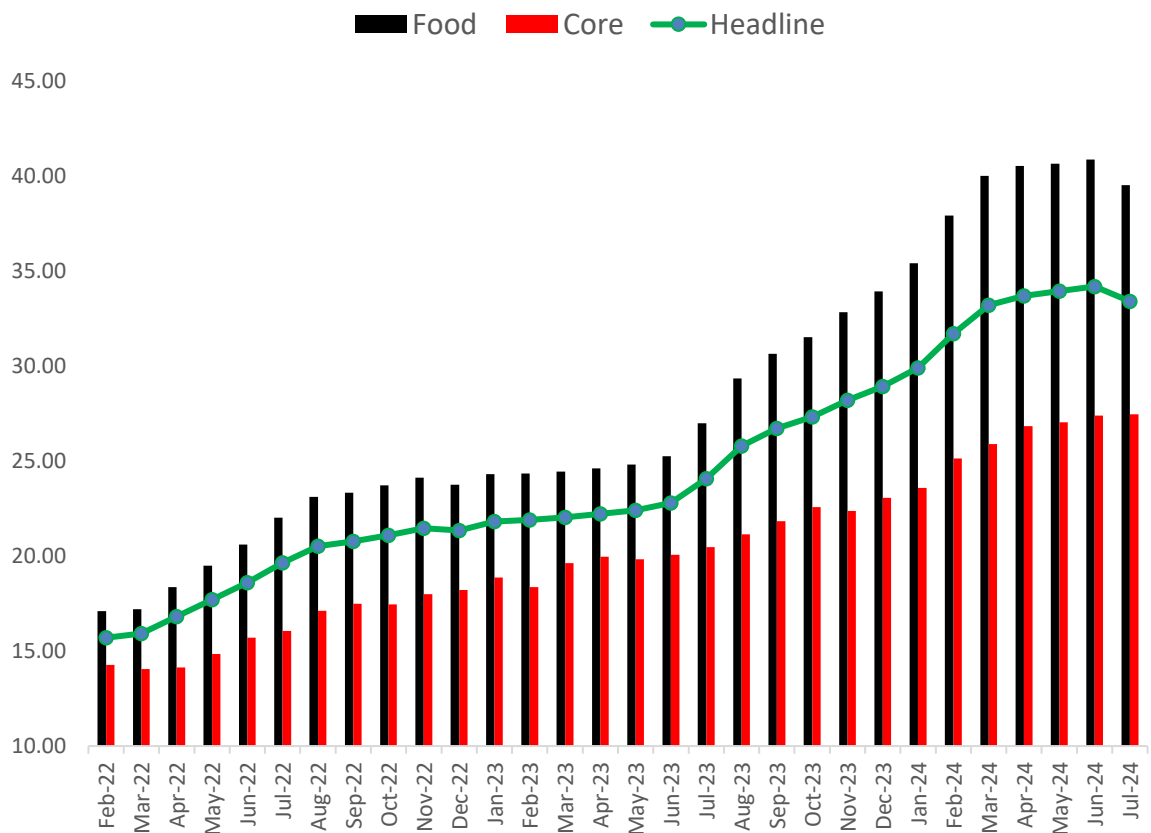


Nigeria's inflation rate drops for the first-time in 19 months, at 33.40% in July

Headline inflation eased to 33.40% in July 2024; 79bps lower than 34.19% recorded in June 2024, as reported by the National Bureau of Statistics (NBS). On a monthly basis, inflation stood at 2.28% which was lower when compared to the figure for June 2024 which was 2.31%.

Food prices continue to be the major driver of inflation as food inflation rose to 39.53% in July 2024 on a year-on-year basis; which was 1255bps higher compared to the rate recorded in July 2023 (26.98%). 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 27.47% in July 2024 on a year-on-year basis; up 600bps when compared to the 20.47% recorded in July 2023. [Read more](#)



OUTLOOK

The recent moderation in headline inflation offers some hope, the situation remains complex and fraught with risks. We expect the CBN to maintain its current monetary policy stance at its next meeting, given that the significant rate hikes have already tightened monetary conditions considerably. We expect the inflation rate to remain elevated but at a slower rate of growth, driven by recent government policies.

DISCLAIMER:

This report by SCM Capital Limited is for information purposes only. While opinions and estimates therein have been carefully prepared, the company and its employees do not guarantee the complete accuracy of the information contained herewith as information was also gathered from various sources believed to be reliable and accurate at the time of this report. We do not take responsibility therefore for any loss arising from the use of the information.



Investment Banking | Advisory Services

Asset Management | Research

Contact

+234- 01 280 2226-8

info@scmcapitalng.com