

INFLATION

WATCH

APRIL 2022



RIISING GLOBAL COMMODITY PRICES STEERED NIGERIA'S INFLATION TO 16.82% IN APRIL 2022

Nigeria's Consumer Price Index (CPI) for April 2022 printed significantly higher at 16.82% Y-o-Y (an 8-month high), up from 15.82% Y-o-Y in March (Bloomberg Consensus estimate +16.40%). Core and Food inflation remained elevated at 14.18% and 18.37% Y-o-Y respectively, compared to 13.91% and 17.20% Y-o-Y, the previous month, due to surging global commodity prices and FX shortage.

Please see below an overview of April's inflation numbers:

On a monthly basis, the headline index grew by 1.76% (a marginal increase of 2bps from 1.74% recorded in March 2022).

The core and food sub-indices rose to 1.22% and 2.00%, M-o-M, up 0.98% and 1.99% in March 2022.

The urban inflation rate increased to 17.35% Y-o-Y (vs 16.44% Y-o-Y printed in March 2022).

The rural inflation rate advanced to 16.32% Y-o-Y (vs 15.42% Y-o-Y recorded in March 2022).

In recent times, major central banks around the world have increased their benchmark interest rates to curb mounting global inflationary pressures. It will be interesting to see if Nigeria's Monetary Policy Committee will follow suit at next week's meeting, following this leap in CPI numbers, or if the usual accommodative stance will be maintained.

Inflation Rate

