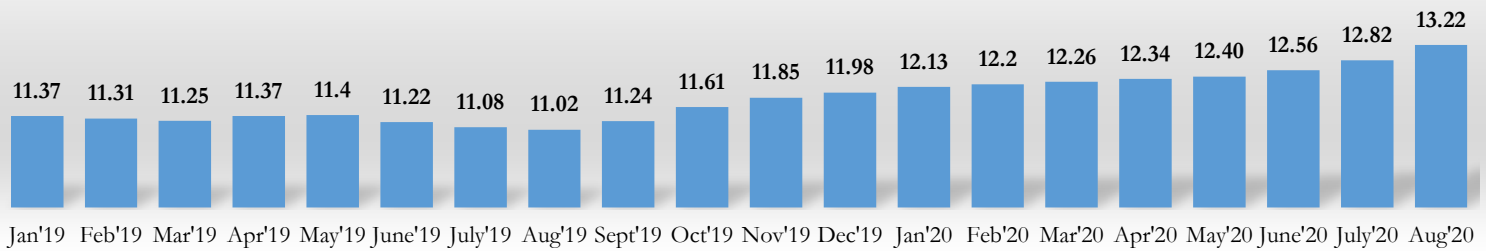




Inflation is the rate at which the general level of prices for goods and services is rising and, consequently, the purchasing power of currency is falling when not matched by an increase in the real wage rate.

This edition of the Statistical News contains the revised Consumer Price Index (CPI) based on Nigeria Living Standard Survey (NLSS) 2003/2004. The consumption expenditure data were re-valued to November 2009, which is the base period for the revised CPI. The survey methodology generates 3774 all items indices for all states and the Federal Capital Territory (FCT).

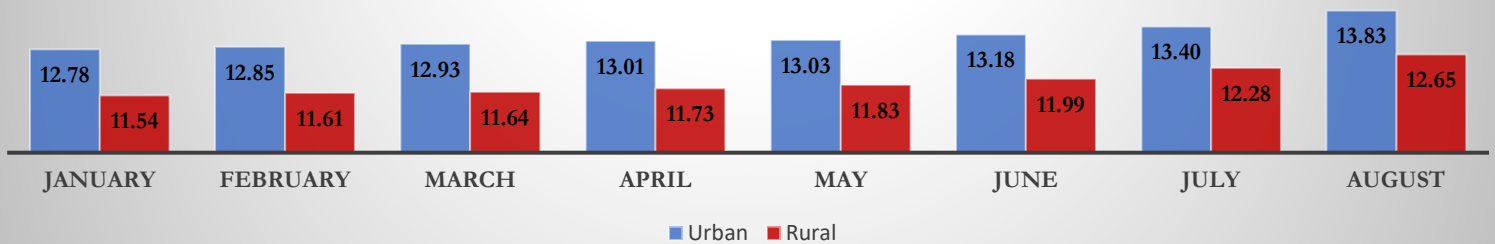
Inflation (%)



Source: National Bureau of Statistics (NBS), Kairos Capital

The CPI which measures inflation increased by 13.22% (year-on-year) in August 2020. This is 0.40% points higher than the rate recorded in July 2020 (12.82%). On month-on-month basis, the Headline index increased by 1.34% in August 2020. This is 0.09% higher than the rate recorded in July 2020 (1.25%). According to the report, the rise in the food index was caused by increases in prices of Bread and cereals, Potatoes, Yam and other tubers, Meat, Fish, Fruits, Oils and fats and Vegetables.

Urban and Rural Inflation Rate YoY (%)

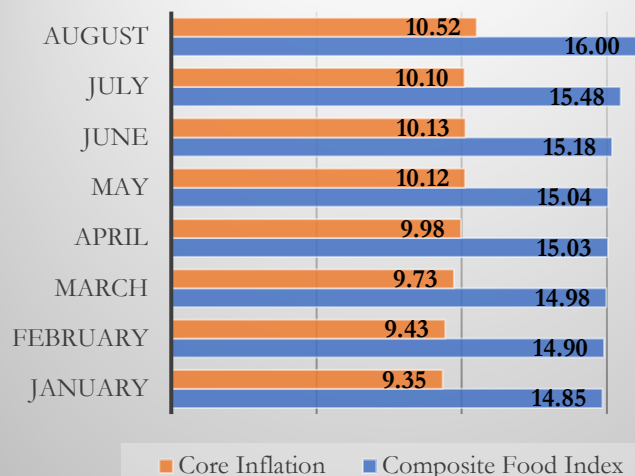


Source: National Bureau of Statistics (NBS), Kairos Capital

The composite food index rose by 16% in August 2020 compared to 15.48% in July 2020; increased by 1.67% on month-on-month basis in August 2020, up by 0.15bps from 1.52% recorded in July 2020. This rise in the food index was caused by increases in prices of Bread and cereals, Potatoes, Yam and other tubers, Meat, Fish, Fruits, Oils and fats and Vegetables.

The "All items less farm produce" or Core inflation, which excludes the prices of volatile agricultural produce stood at 10.52% in August 2020, up by 0.42% when compared with 10.10% recorded in July 2020. The highest increases were recorded in prices of Passenger transport by air, Hospital services, Medical services, Pharmaceutical products, Maintenance and repair of personal transport equipment, Vehicle spare parts, Motor cars, Passenger transport by road, Miscellaneous services relating to the dwelling, Repair of furniture and Paramedical services.

Composite Food Index and Core Inflation Rate YoY (%)



Source: National Bureau of Statistics (NBS), Kairos Capital

State Profiles

States with the Highest All Items YoY Inflation

	State	Inflation (%)
1	Kogi	17.29
2	Bauchi	15.77
3	Sokoto	14.89
4	Ebonyi	14.71
5	Yobe	17.71

5 States with the Lowest All Items YoY Inflation

	State	Inflation (%)
1	Adamawa	10.96
2	Abuja	11.17
3	Kwara	11.22
4	Lagos	11.45
5	Imo	11.51

5 States with the Highest Food YoY Inflation

	State	Inflation(%)
1	Kogi	22.03
2	Kwara	19.11
3	Edo	17.95
4	Delta	17.84
5	Sokoto	17.76

5 States with the Lowest Food YoY Inflation

	State	Inflation (%)
1	Bauchi	13.42
2	Kano	13.99
3	Gombe	14.33
4	Lagos	14.35
5	Taraba	14.66

Source: National Bureau of Statistics (NBS). Kairos Capital

In August 2020, Kogi state recorded the highest year-on-year core inflation rate of 17.29% followed by Bauchi state with 15.77% Sokoto state, which recorded a 14.89% inflation rate. Meanwhile the states with the lowest rise in inflation rate were Adamawa (10.96%), Abuja (11.17%), and Kwara state with 11.22%.

Kogi state also recorded the highest year-on-year food inflation rate of 22.03%, followed by Kwara with 19.11% and Edo, which recorded 17.95%. On the other hand, Bauchi state recorded the slowest rise in food inflation, having recorded a 13.42% increase, followed by Kano state with 13.99 and Gombe state with 14.33%.