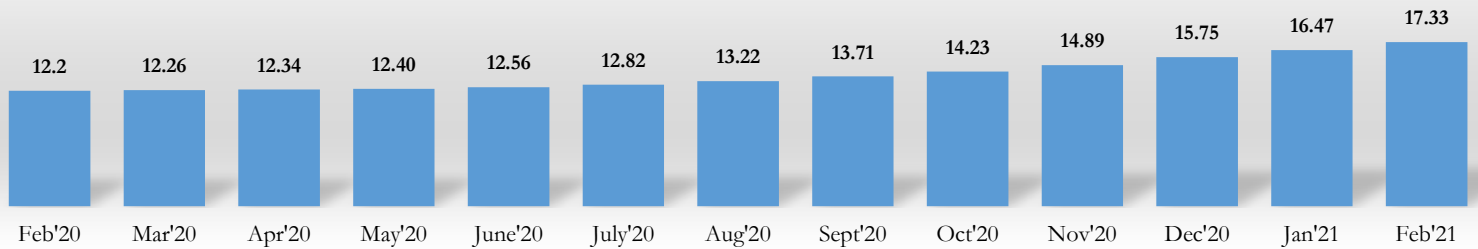




Inflation is the rate at which the general level of prices for goods and services continue to rise and consequently, the purchasing power of currency continue falling when not matched by an increase in the real wage rate.

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).

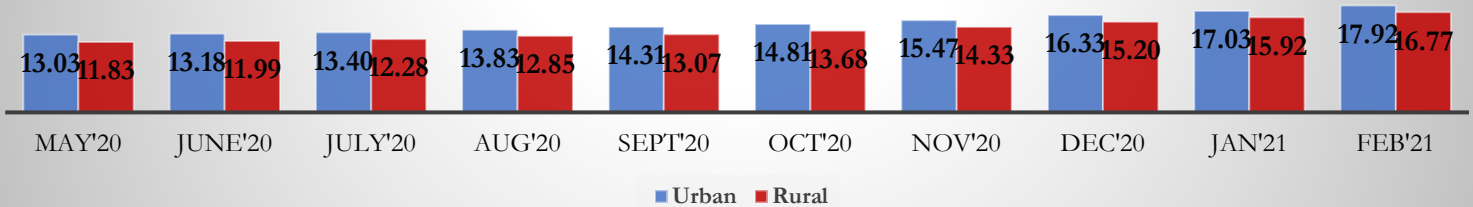
Inflation (%)



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

According to the CPI Report for February 2021 released by the National Bureau of Statistics (NBS), the CPI which measures inflation increased by 17.33% (year-on-year) in February 2021. This is 0.786% points higher than the rate recorded in January 2021 (16.41%). On month-on-month basis, the Headline index increased by 1.54% in February 2021. This is 0.05% points higher than the rate recorded in January 2021 (1.49%).

Urban and Rural Inflation Rate YoY (%)

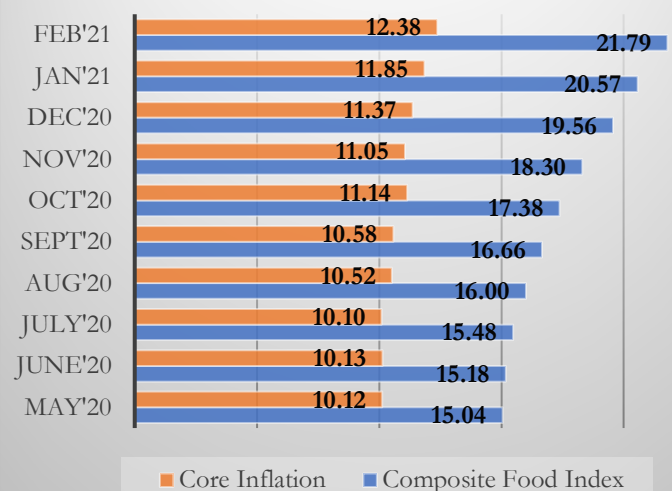


Source: NBS, Kairos Capital Research

The composite food index rose by 21.79% in February 2021 compared to 20.57% in January 2021; Food sub index increased by 1.89% on month-on-month basis in February 2021, up by 0.06bps from 1.83% recorded in January 2021. This rise in the food index was caused by increases in prices of Bread and cereals, Potatoes, Yam and other tubers, Meat, Food Products, Fruits, Vegetable, Fish and Oils and Fats.

The "All items less farm produce" or Core inflation, which excludes the prices of volatile agricultural produce stood at 12.38% in February 2021, up by 0.53% when compared with 11.85% recorded in January 2021. The highest increases were recorded in prices of Passenger transport by air, Medical services, Miscellaneous services relating to dwelling, Hospital services, Passenger transport by road, Pharmaceutical products, Paramedical services, Repair of furniture, Vehicle spare parts, Maintenance and repair of personal transport equipment, Motor cars, Dental services and Hairdressing salons and personal.

Composite Food Index and Core Inflation Rate YoY (%)



Source: NBS, Kairos Capital Research

State Profiles

States with the Highest All Items YoY Inflation

	State	Inflation Rate
1	Kogi	24.73%
2	Bauchi	22.92%
3	Ebonyi	20.45%
4	Sokoto	20.15%
5	Kebbi	19.96%

5 States with the Lowest All Items YoY Inflation

	State	Inflation Rate
1	Cross River	12.97%
2	Kwara	14.25%
3	Enugu	14.78%
4	Abia	14.91%
5	Abuja	15.24%

5 States with the Highest Food YoY Inflation

	State	Inflation Rate
1	Kogi	30.47%
2	Ebonyi	25.73%
3	Sokoto	25.68%
4	Ekiti	23.82%
5	Ogun	23.32%

5 States with the Lowest Food YoY Inflation

	State	Inflation Rate
1	Akwa Ibom	18.70%
2	Bauchi	18.74%
3	Gombe	19.32%
4	Abuja	19.63%
5	Abia	19.65%

Source: NBS, Kairos Capital Research

All Items Inflation Rate: In February 2021, Kogi State recorded the highest year-on-year all items inflation rate of 24.73% followed by Bauchi State with 22.92%, and Ebonyi State which recorded a 20.45% inflation rate. Meanwhile the States with the lowest rise in inflation rate were Cross River State with 12.97%, Kwara State with 14.25%, and Enugu State with 14.78%.

Food Inflation Rate: In February 2021, Kogi State recorded the highest year-on-year food inflation rate of 30.47%, followed by Ebonyi State with 25.73% and Sokoto State, which recorded 25.68%. On the other hand, Akwa Ibom State recorded the lowest rise in food inflation, having recorded a 18.70%, followed by Bauchi with 18.74% and Gombe State with 19.32%.