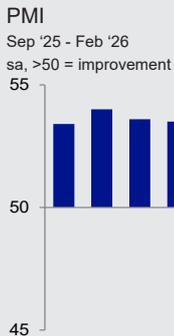


Stanbic IBTC Bank Nigeria PMI®

New orders return to growth as selling price inflation eases to lowest in over six years

53.2

NIGERIA PMI
FEB '26



Marked rise in business activity amid renewed order growth

Slowest increase in output prices since January 2020

Employment up for ninth month running

The Nigerian private sector returned to growth in February, following a muted start to 2026. A renewed rise in new orders fed through to an accelerated increase in business activity. Employment, input buying and inventories were also up midway through the opening quarter of the year.

Meanwhile, an improvement in the strength of the currency helped lead to an easing of inflationary pressures, with both purchase costs and output prices rising at the slowest rates in just over six years.

The headline figure derived from the survey is the Purchasing Managers' Index™ (PMI®). Readings above 50.0 signal an improvement in business conditions on the previous month, while readings below 50.0 show a deterioration.

After dipping below the 50.0 no-change mark in January, the headline PMI recovered from the reading of 49.7 to 53.2 in February. As such, the

latest data pointed to a solid monthly improvement in the health of the private sector. Except for January's blip, business conditions have improved continuously since December 2024.

New orders returned to growth in February, with anecdotal evidence pointing to improving customer demand and better product affordability.

The rise in new business, higher customer numbers and new product offerings helped lead to a rejuvenation in growth of output, which increased markedly and at the fastest pace in four months. All four monitored sectors saw activity rise as wholesale & retail posted a renewed expansion.

Higher new orders led firms to expand their staffing levels again, and at the fastest pace since last October. Employment has now increased in nine consecutive months.

Despite sustained job creation, however, backlogs of work increased

Stanbic IBTC Bank Nigeria PMI
sa, >50 = improvement since previous month



Contents

- Overview and comment
- Output and demand
- Business expectations
- Employment and capacity
- Purchasing and inventories
- Prices
- International PMI
- Survey methodology
- Further information

at the fastest pace since May 2020. Panellists linked rising outstanding business to delayed client payments, shortages of staff and materials, and power supply issues.

A desire to keep up with order requirements meant that companies expanded their purchasing activity and inventory holdings markedly in February. Suppliers' delivery times continued to shorten, however, amid prompt payments and improved traffic conditions.

A stronger currency led to a marked easing in the pace of purchase cost inflation in February. The latest rise in purchase prices was the weakest

in just over six years. Where inflation was recorded, panellists linked this to higher prices for animal feed and raw materials. Meanwhile, cost-of-living payments to workers meant that staff costs continued to rise.

With the rate of purchase cost inflation softening, firms also raised their output prices at a much weaker pace. Here too, the rate of inflation was the weakest since January 2020.

Advertising efforts and business expansion plans were central to positive expectations for output over the next 12 months. Sentiment picked up in February, but remained relatively muted.

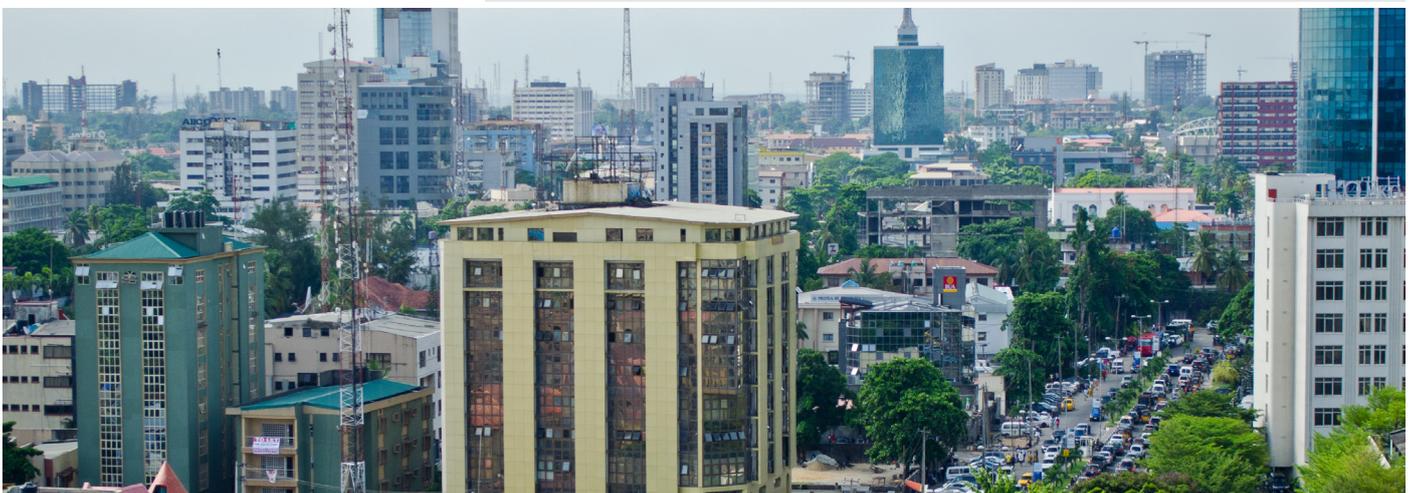
Comment

Muyiwa Oni, Head of Equity Research West Africa at Stanbic IBTC Bank commented:

"After the dip seen in January, Nigerian private sector returned to growth, with the headline PMI settling higher at 53.2 points in February from 49.7 in January. This was in line with higher customer demand, which drove higher new product offerings at competitive pricing. Accordingly, output (55.8 vs January: 50.2) regained momentum in February while new orders (55.5 vs January: 49.9) also increased markedly in the month. Notably, the wholesale & retail sector, which had dipped in January, returned to growth, thereby ensuring that all the four monitored sectors by the survey increased in February. Elsewhere, local currency appreciation helped to support softer input and output prices in February, as the naira has been trading below 1400 against the USD consistently since 29 January. Strengthening external account, higher offshore FX flows, and improvement in remittances continue to support higher FX supplies with the CBN also stepping in by buying USD in the FX market to moderate

the pace of local currency appreciation.

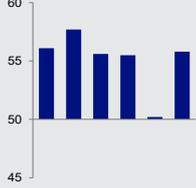
The Nigerian economy is on track to grow by 3.86% y/y in Q1:26 and we still see real GDP growth at 4.1% y/y in 2026. The government has been visible in infrastructure, livestock development, easing trade constraints, and attracting investments in oil & gas and manufacturing. Aside from that, the Dangote refinery is expected to continue to have forward-linkage impact on other sectors of the economy. Additionally, likely lower interest rates in line with lower inflation and exchange rate stabilization should support private consumption and business investments in 2026. Because of these factors, we see more sectors contributing to real GDP growth rate in 2026 compared to 2025, likely translating to an improvement in the quality of lives of the citizens compared to the last two years when the citizens witnessed the full negative impact of the government's flagship reforms."



Output and demand

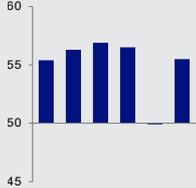
Output Index

Sep '25 - Feb '26
sa, >50 = growth



New Orders Index

Sep '25 - Feb '26
sa, >50 = growth



Output

The rate of growth in output among Nigerian companies regained momentum in February, after having eased in January. Business activity was up markedly, and to the largest degree in four months. Output has risen continuously since the end of 2024. Panellists often reported higher customer numbers, with new product offerings and competitive pricing also helping to support growth.

A rebound in wholesale & retail activity meant that all four monitored sectors recorded a rise in February.

New orders

In line with the picture for business activity, new orders increased markedly in February. Improved customer demand and the greater affordability of products were the main factors supporting the rise, which was the fifteenth in the past 16 months.

Output Index

sa, >50 = growth since previous month



New Orders Index

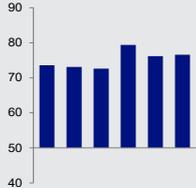
sa, >50 = growth since previous month



Business expectations

Future Output Index

Sep '25 - Feb '26
>50 = growth expected



Business confidence ticked higher in February, although remained relatively muted. More than 53% of respondents predicted a rise in output over the next 12 months. A number of firms plan to use advertising to help attract new customers, while others pointed to efforts to expand their operations.

Future Output Index

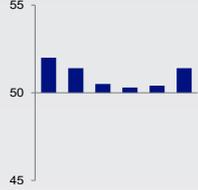
>50 = growth expected over next 12 months



Employment and capacity

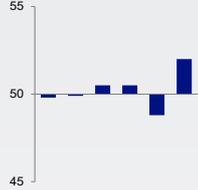
Employment Index

Sep '25 - Feb '26
sa, >50 = growth



Backlogs of Work Index

Sep '25 - Feb '26
sa, >50 = growth



Employment

A renewed rise in new orders encouraged companies in Nigeria to expand their workforce numbers again in February. Employment has now risen in each of the past nine months. The latest increase was modest, but the most marked since October last year. For the first time in four months, each of the broad categories covered by the report saw staffing levels rise.

Backlogs of work

Nigerian companies registered a rise in backlogs of work during February, the third in the past four months. Moreover, the rate of accumulation was the sharpest since May 2020. Anecdotal evidence pointed to a range of factors leading to the rise in backlogs, including delayed payments by customers, staff shortages, material supply issues and power outages.

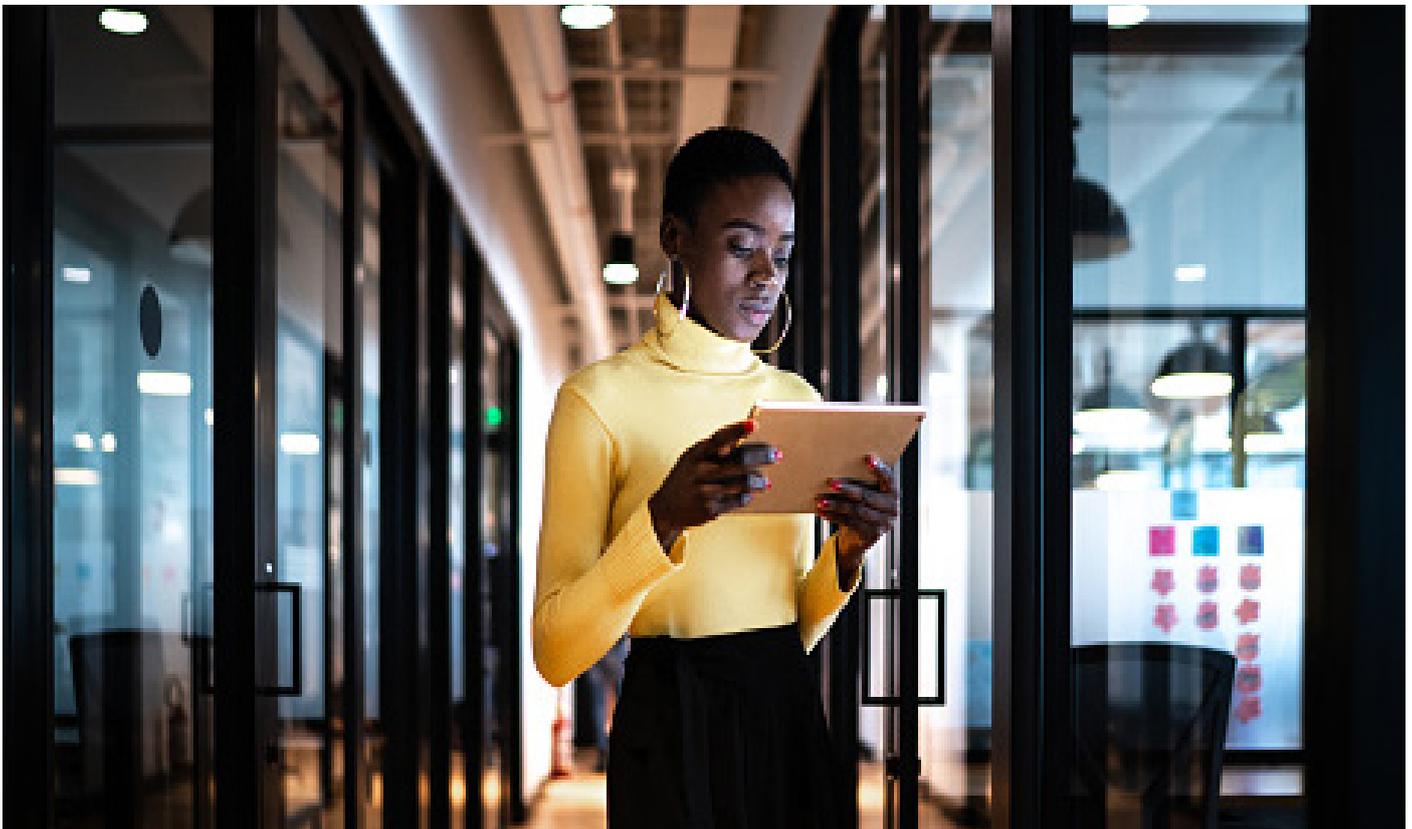
Employment Index

sa, >50 = growth since previous month



Backlogs of Work Index

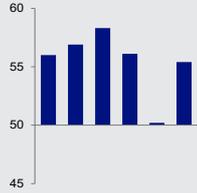
sa, >50 = growth since previous month



Purchasing and inventories

Quantity of Purchases Index

Sep '25 - Feb '26
sa, >50 = growth



Quantity of purchases

Purchasing activity rose for the fifteenth month running in February, and at a marked pace. According to respondents, the main factor leading to the increase in input buying was an improvement in customer demand.

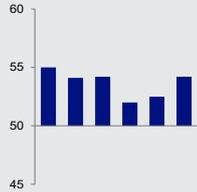
Quantity of Purchases Index

sa, >50 = growth since previous month



Suppliers' Delivery Times Index

Sep '25 - Feb '26
sa, >50 = faster times

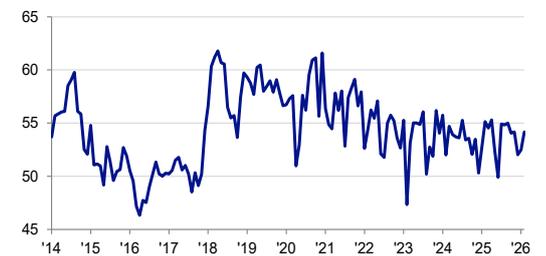


Suppliers' delivery times

Despite the marked rise in purchasing activity, prompt payments for orders and improved traffic conditions meant that suppliers' delivery times shortened again in February. Vendor performance has now improved in each of the past eight months. The latest shortening of lead times was the most pronounced since last November.

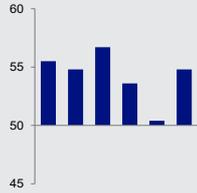
Suppliers' Delivery Times Index

sa, >50 = faster times since previous month



Stocks of Purchases Index

Sep '25 - Feb '26
sa, >50 = growth



Stocks of purchases

Higher customer demand and the need to keep up with both current and future business requirements meant that firms expanded their stocks of inputs midway through the opening quarter of the year. Inventories rose solidly, and to the largest extent in three months.

Stocks of Purchases Index

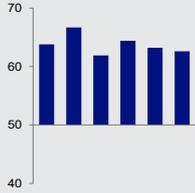
sa, >50 = growth since previous month



Prices

Input Prices Index

Sep '25 - Feb '26
sa, >50 = inflation

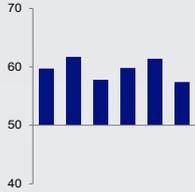


Input prices

The pace of overall input cost inflation eased to a three-month low in February amid weaker increases in both purchase prices and staff costs. Manufacturing posted the sharpest pace of cost inflation in February, with the slowest in wholesale & retail.

Purchase Prices Index

Sep '25 - Feb '26
sa, >50 = inflation

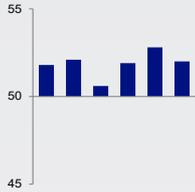


Purchase prices

Although purchase prices continued to rise at a marked pace in February, the rate of inflation was the slowest in just over six years. While some firms reported higher costs for animal feed and raw materials, others indicated that an appreciation of the naira had helped lead to a softening of inflation.

Staff Costs Index

Sep '25 - Feb '26
sa, >50 = inflation

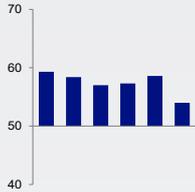


Staff costs

The need to help staff deal with a high cost of living meant that Nigerian companies increased pay again during February. As a result, staff costs were up, extending the current trend which began in January 2021. The latest rise was modest and softer than that seen previously.

Output Prices Index

Sep '25 - Feb '26
sa, >50 = inflation



Output prices

The pace of output price inflation slowed sharply in February, easing to the weakest since January 2020. Some firms reported that they had offered discounts to customers to try and secure new business, helped in this regard by a softening of cost pressures. Charges still increased solidly, however, amid the pass-through of higher input prices to clients.

Input Prices Index

sa, >50 = inflation since previous month



Purchase Prices Index

sa, >50 = inflation since previous month



Staff Costs Index

sa, >50 = inflation since previous month



Output Prices Index

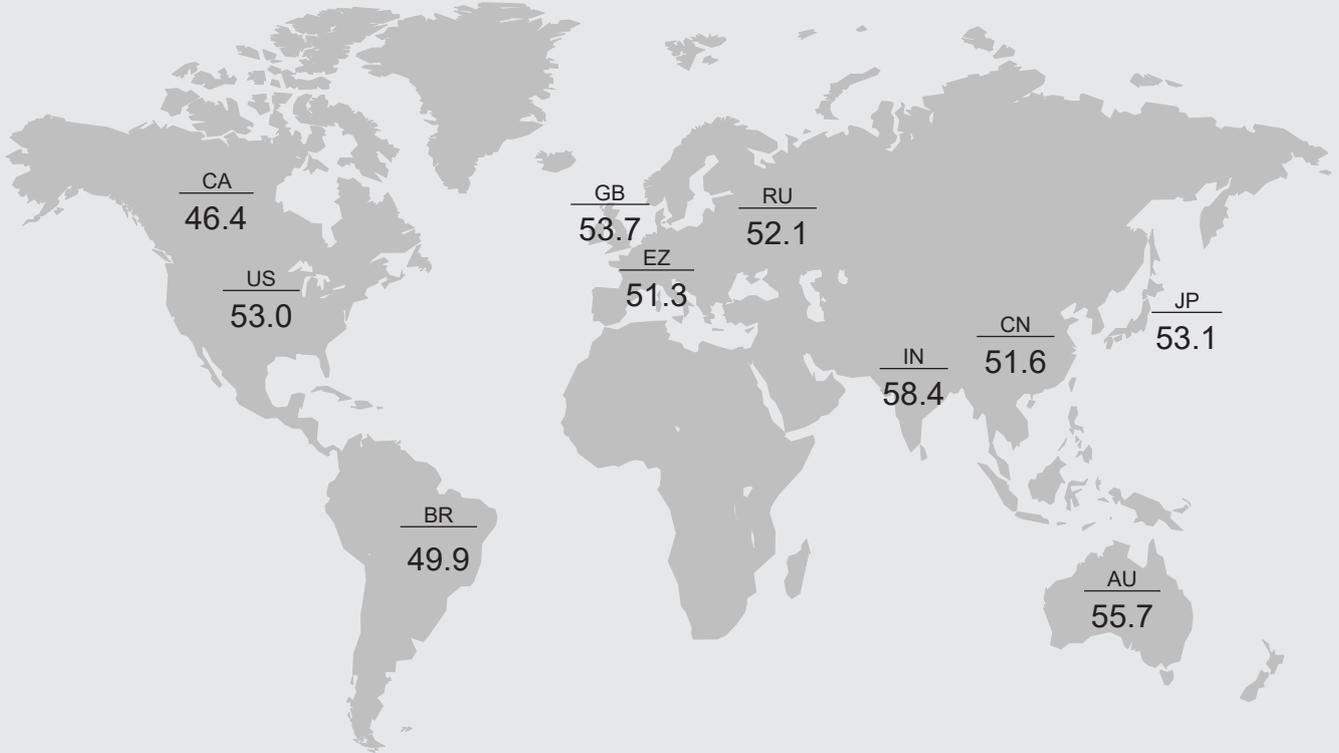
sa, >50 = inflation since previous month



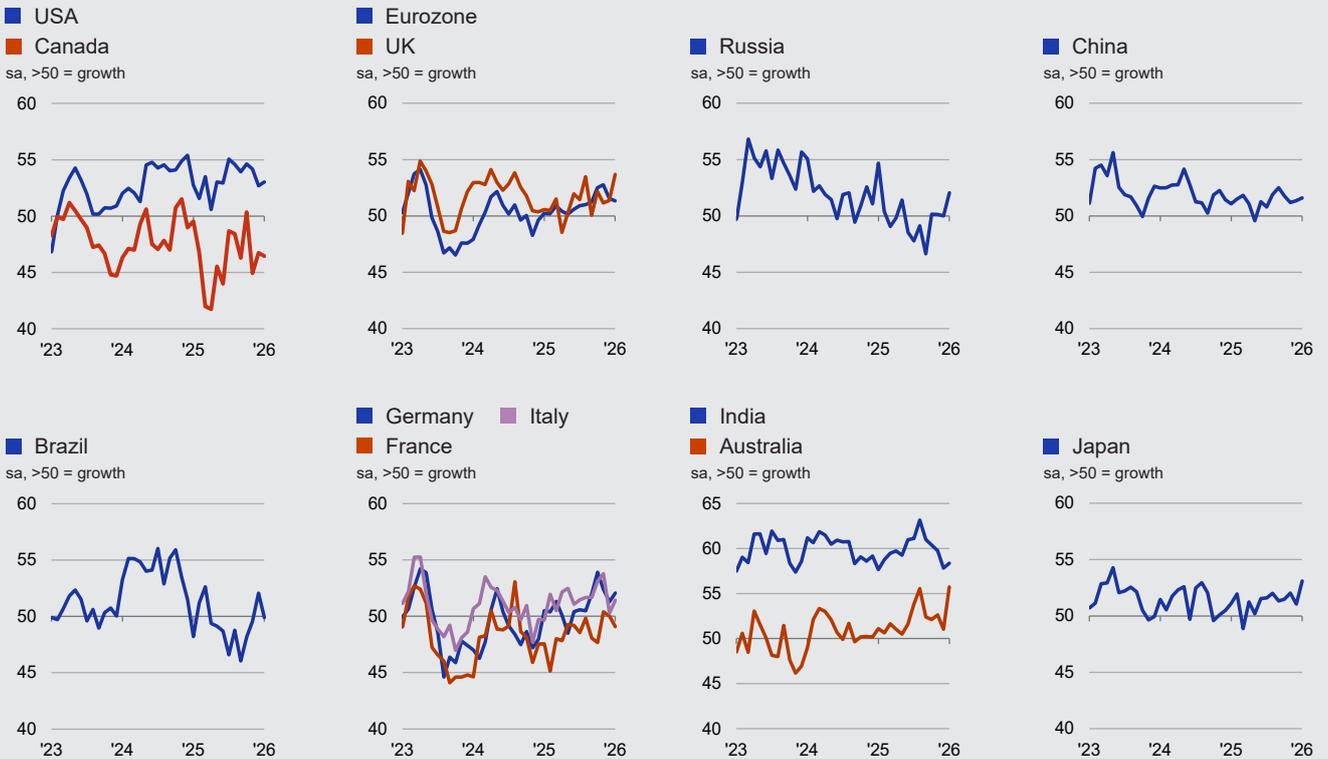
International PMI

Composite Output Index, Jan '26
sa, >50 = growth since previous month

The Composite Output Index is a GDP-weighted average of the Manufacturing Output Index and the Services Business Activity Index.



Composite Output Index



Survey methodology

The Stanbic IBTC Bank Nigeria PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 400 private sector companies. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. The sectors covered by the survey include agriculture, mining, manufacturing, construction, wholesale, retail and services. Data were first collected January 2014.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact economics@spglobal.com.

Survey dates

Data were collected 10-25 February 2026.

Survey questions

Private sector

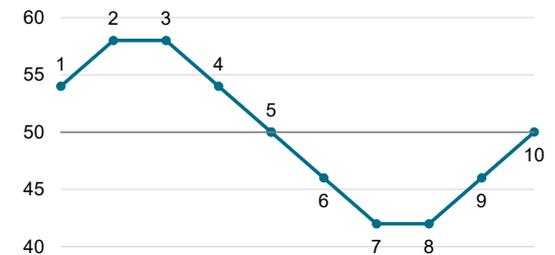
Output	Suppliers' Delivery Times
New Orders	Stocks Of Purchases
New Export Orders	Input Prices
Future Output	Purchase Prices
Employment	Staff Costs
Backlogs Of Work	Output Prices
Quantity Of Purchases	

Index calculation

$$\% \text{ "Higher" } + (\% \text{ "No change" }) / 2$$

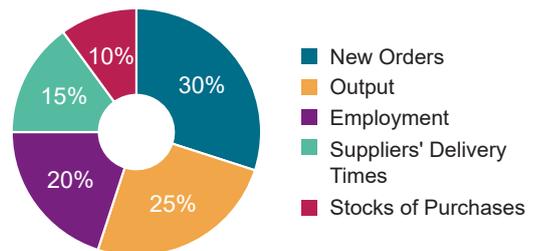
Index interpretation

50.0 = no change since previous month



- | | |
|--------------------------|----------------------------|
| 1 Growth | 6 Decline, from no change |
| 2 Growth, faster rate | 7 Decline, faster rate |
| 3 Growth, same rate | 8 Decline, same rate |
| 4 Growth, slower rate | 9 Decline, slower rate |
| 5 No change, from growth | 10 No change, from decline |

PMI component weights



Sector coverage

PMI data include responses from companies operating in sectors classified according to the following ISIC Rev.4 codes:

A Agriculture, Forestry and Fishing	K Financial and Insurance Activities
B Mining and Quarrying	M Professional, Scientific and Technical Activities
C Manufacturing	N Administrative and Support Service Activities
F Construction	P Education*
G Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	Q Human Health and Social Work Activities*
H Transportation and Storage	R Arts, Entertainment and Recreation
I Accommodation and Food Service Activities	S Other Service Activities
J Information and Communication	

*Private sector

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About PMI

Purchasing Managers' Index[™] (PMI[®]) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends.
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