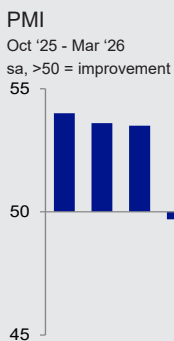


Stanbic IBTC Bank Nigeria PMI[®]

New order growth sustained in March, but higher fuel costs lead to surge in prices

51.9

NIGERIA PMI
MAR '26



New business up markedly

Slower rise in output

Selling price inflation at 15-month high amid rising fuel costs

Growth slowed in the Nigerian private sector at the end of the first quarter of the year as higher fuel costs led to a steep intensification of inflationary pressures. Output growth was only modest, but underlying demand reportedly remained resilient, leading to a further sharp rise in new orders. In turn, firms continued to expand their employment and purchasing activity.

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.

The headline PMI posted 51.9 in March, down from 53.2 in February but still above the 50.0 no-change mark and therefore signalling an improvement in the health of the private sector during the month. Business conditions have strengthened in 15 of the past 16 months.

Reports of greater customer requests amid improving underlying demand, as well as the impact of new product launches, led to a further marked increase in new orders, the second in as many months. The rate of growth was only slightly softer than that seen in February.

The rate of expansion in business activity slowed more markedly, however, and was only modest overall. A number of firms continued to raise output in response to higher new orders, but others suggested that rising fuel costs had limited growth.

Activity increased in agriculture and wholesale & retail, but decreased in manufacturing and services.

The aforementioned rise in fuel costs had a stark impact on rates of inflation in the Nigerian private sector during March. Purchase costs increased at the fastest pace in 15 months, while selling prices were also raised to the largest extent since December 2024

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



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- Output and demand
- Business expectations
- Employment and capacity
- Purchasing and inventories
- Prices
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in response. Selling price inflation accelerated sharply across all four monitored sectors.

Employment increased for the tenth month running, albeit slightly and at a slower pace than in February. Meanwhile, the rate of staff cost inflation also eased and was at a four-month low.

The need to respond to rising new orders and expected increases in workloads in the coming months encouraged companies to expand their purchasing activity and stocks of inputs in March. The rise in input buying was marked, but inventory accumulation was only modest.

Prompt payments for purchased items meant that suppliers' lead times continued to shorten, but some firms reported that higher fuel costs had impacted delivery schedules.

Meanwhile, shortages of staff and materials, price increases and power supply issues contributed to a further accumulation of outstanding business, albeit one that was only marginal.

Companies remained optimistic that output will increase over the coming year, with confidence reflecting plans to invest in business expansions and boost promotional efforts. That said, sentiment eased to a four-month low.

Comment

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

"While higher fuel costs and power supply issues contributed to a slowdown in the growth of Nigeria's private sector activity, underlying demand remains strong. This is reflected in an increase in customer demand and the associated impact of new product launches, both of which supported an improvement in new orders. Businesses also remained optimistic about increases in future output amid their plans to invest in business expansions and boost promotional efforts. Nonetheless, input prices rose markedly at the sharpest pace since January 2025, with all four monitored sectors seeing sharper rates of inflation.

The PMI numbers in Q1:26 are consistent with an estimated 3.99% y/y GDP growth for the quarter after also accounting for crude oil sector's performance. We now see the Nigerian economy growing by 4.22% y/y in 2026, from 3.87% y/y in 2025, with the oil sector growth slowing to 3.01% y/y (vs 2025: 8.50% y/y), as we now expect crude oil production (including condensates) to

average 1.70m bpd, from 1.64m bpd in 2025. We estimate the non-oil sector's growth at 4.24% y/y in 2026, from 3.71% y/y in 2025, likely driven primarily by services, which we see growing by 5.64% y/y in 2026 (vs 2025: 4.14% y/y). The government's continuous investment attraction across oil & gas, solid minerals, electricity, agriculture and general manufacturing should continue to support sentiment on production activity.

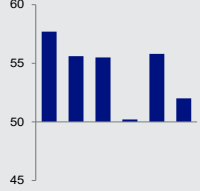
The government's infrastructure drive should keep supporting the attractiveness of the construction, real estate and cement sectors. In addition, we expect electioneering activity to support improvement in media & advertising, logistics, transportation, hospitality, security services, and communications activities — as these are the direct beneficiaries of election-related spending. Nonetheless, the ongoing tensions in the Middle East pose a downside risk to the growth outlook as higher inflation emanating from sustained increase in fuel prices may lead to higher-for-longer interest rates. This may influence a slowdown in demand conditions should the tensions continue to escalate."



Output and demand

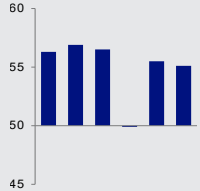
Output Index

Oct '25 - Mar '26
sa, >50 = growth



New Orders Index

Oct '25 - Mar '26
sa, >50 = growth



Output

Although business activity in Nigeria's private sector continued to rise in March, the rate of expansion eased from that seen in February and was only modest. Where growth was recorded, firms reported sustained increases in new orders. On the other hand, some respondents noted the negative impact of higher fuel costs. Output has now risen in each of the past 16 months.

Activity increased in the agriculture and wholesale & retail sectors, but decreased in manufacturing and services.

New orders

New orders increased markedly again in March, with the pace of expansion only slightly softer than that seen in February. Respondents signalled greater customer requests amid sustained improvements in underlying demand. The provision of new products also supported growth, according to panellists.

Output Index

sa, >50 = growth since previous month



New Orders Index

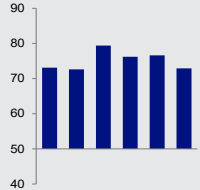
sa, >50 = growth since previous month



Business expectations

Future Output Index

Oct '25 - Mar '26
>50 = growth expected



Nigerian companies remained optimistic that output will increase over the next 12 months, but sentiment eased in March to the weakest since November 2025. Around 46% of firms predicted growth of activity, linked to plans to invest in business expansions and enhance promotional activity.

Future Output Index

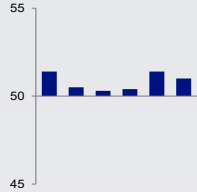
>50 = growth expected over next 12 months



Employment and capacity

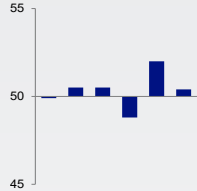
Employment Index

Oct '25 - Mar '26
sa, >50 = growth



Backlogs of Work Index

Oct '25 - Mar '26
sa, >50 = growth



Employment

March data signalled a further rise in employment at Nigerian firms, extending the current sequence of job creation to ten months. The pace of increase remained modest, however, and was slightly weaker than that seen in the previous survey period.

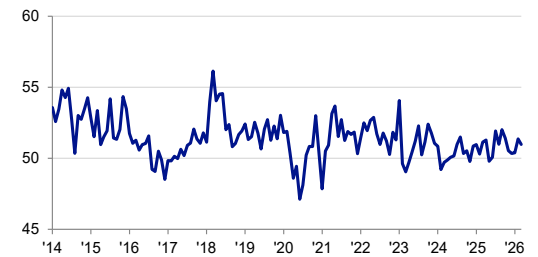
Workforce numbers increased across all four monitored sectors, led by wholesale & retail.

Backlogs of work

A range of factors contributed to another monthly rise in backlogs of work in the Nigerian private sector, including shortages of staff and materials, higher prices and power supply issues. Outstanding business has now increased in four of the past five months, although the latest accumulation was only marginal.

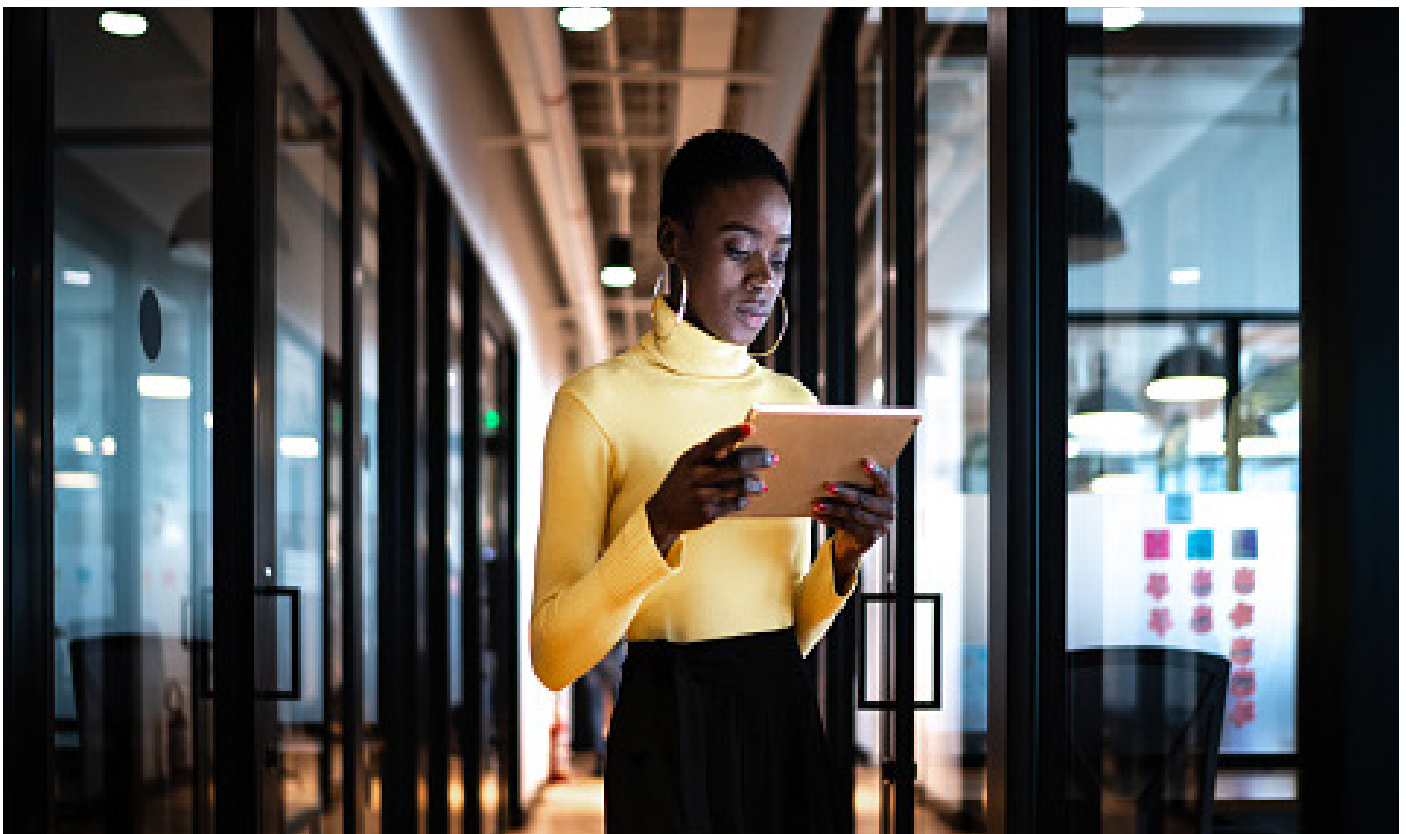
Employment Index

sa, >50 = growth since previous month



Backlogs of Work Index

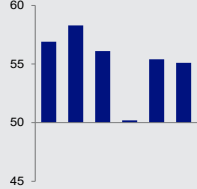
sa, >50 = growth since previous month



Purchasing and inventories

Quantity of Purchases Index

Oct '25 - Mar '26
sa, >50 = growth



Quantity of purchases

As has been the case in each month since December 2024, Nigerian companies increased their purchasing activity in March. Respondents linked higher input buying to rising current workloads and expected demand improvements in the months ahead. Purchasing expanded sharply, and at a pace that was only slightly weaker than that seen in February.

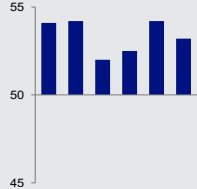
Quantity of Purchases Index

sa, >50 = growth since previous month



Suppliers' Delivery Times Index

Oct '25 - Mar '26
sa, >50 = faster times



Suppliers' delivery times

Suppliers' delivery times shortened again in March, often due to prompt payments for orders but also in part reflecting improved road conditions. The latest shortening of lead times was the ninth in as many months. The improvement was solid but slightly weaker than in February as higher fuel costs impacted deliveries in some cases.

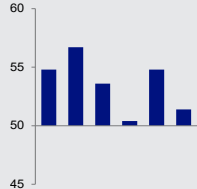
Suppliers' Delivery Times Index

sa, >50 = faster times since previous month



Stocks of Purchases Index

Oct '25 - Mar '26
sa, >50 = growth

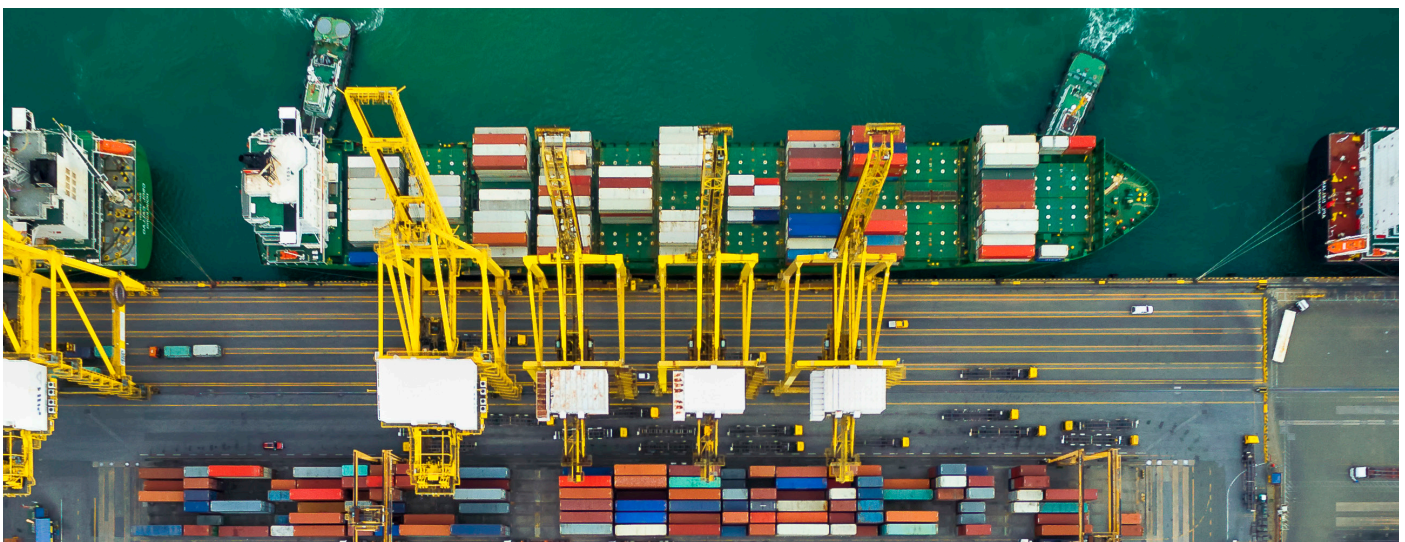


Stocks of purchases

Stocks of purchases were raised in March, in line with the need to support current and future order requirements. Inventories accumulated for the sixteenth successive month, albeit at a pace that was only modest and weaker than that seen in February.

Stocks of Purchases Index

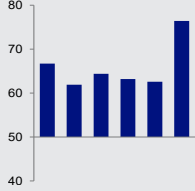
sa, >50 = growth since previous month



Prices

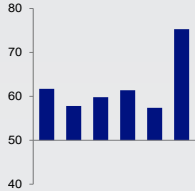
Input Prices Index

Oct '25 - Mar '26
sa, >50 = inflation



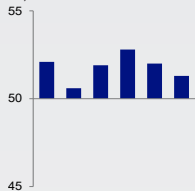
Purchase Prices Index

Oct '25 - Mar '26
sa, >50 = inflation



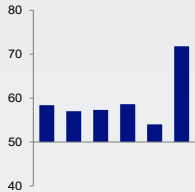
Staff Costs Index

Oct '25 - Mar '26
sa, >50 = inflation



Output Prices Index

Oct '25 - Mar '26
sa, >50 = inflation



Input prices

The end of the opening quarter of the year saw a marked acceleration in the rate of overall input cost inflation, with input prices rising at the sharpest pace since January 2025. Underlying data showed that the acceleration was due to much higher purchase prices as staff costs rose at a slower pace over the month.

All four sectors saw a quicker pace of inflation, with manufacturing posting the fastest rise.

Purchase prices

Purchase costs increased rapidly in March, often reflecting rising fuel prices. Just under half of all respondents signalled higher purchase costs during the month as the rate of inflation quickened to a 15-month high.

Agriculture and manufacturing registered the sharpest increases in purchase prices.

Staff costs

In contrast to the picture for purchase prices, the pace of staff cost inflation eased to a four-month low in March and was only modest. Those respondents that reported a rise mentioned that pay had been increased in response to higher living costs, particularly those linked to transportation.

Output prices

The steep increase in input costs was reflected in a much sharper rise in selling prices, one that was the most pronounced in 15 months. Close to 42% of panellists reported a rise in charges, with less than 1% lowering selling prices. Rates of output price inflation accelerated sharply across all four monitored sectors.

Input Prices Index

sa, >50 = inflation since previous month



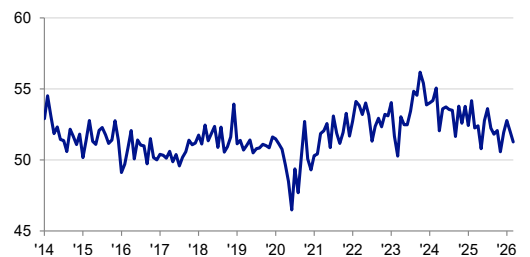
Purchase Prices Index

sa, >50 = inflation since previous month



Staff Costs Index

sa, >50 = inflation since previous month



Output Prices Index

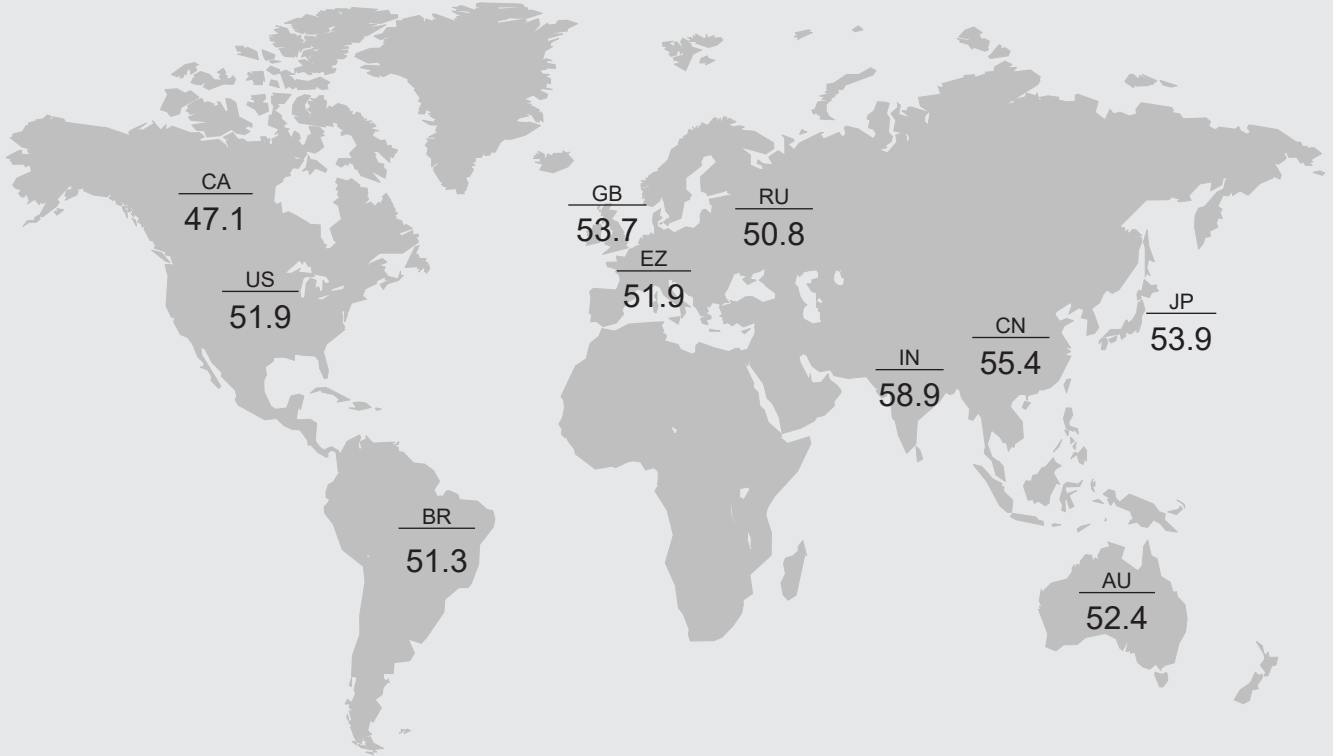
sa, >50 = inflation since previous month



International PMI

Composite Output Index, Feb '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 12-27 March 2026.

Survey questions

Private sector

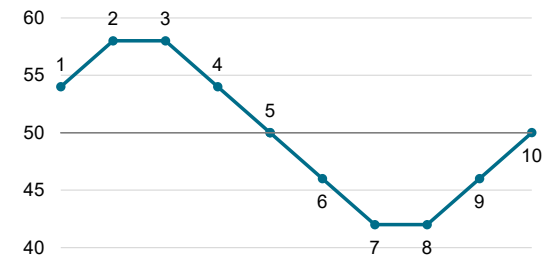
Output	Suppliers' Delivery Times
New Orders	Stocks Of Purchases
New Export Orders	Input Prices
Future Output	Purchase Prices
Employment	Staff Costs
Backlogs Of Work	Output Prices
Quantity Of Purchases	

Index calculation

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

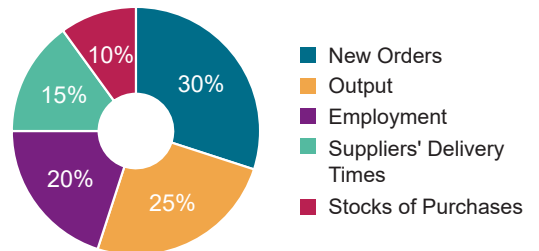
Index interpretation

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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