

Stanbic IBTC Bank Nigeria PMI[®]

Business activity continues to rise, but higher fuel costs limit growth

Key findings

New orders increase solidly in April

Output price inflation at 16-month high amid rising fuel costs

Firms continue to build inventories

The Nigerian private sector remained in growth territory at the start of the second quarter of the year as customer numbers and market demand continued to strengthen. That said, the impacts of higher fuel costs as a result of the war in the Middle East were felt again, pushing up prices and reportedly limiting expansions in new orders and business 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 ticked up to 52.4 in April from 51.9 in March, above the 50.0 no-change mark for the third month running and signalling a solid strengthening in the health of the private sector. The rate of improvement was slightly greater than that seen in the previous survey period.

Improving demand conditions meant that new orders continued to rise, albeit with the rate of growth softening amid inflationary pressures.

Business activity also increased, and at a solid pace that was slightly faster than that seen in March. Here too, however, companies mentioned that rising prices had limited the pace of growth.

Activity rose in three of the four monitored sectors, the exception being services.

Anecdotal evidence suggested that prices were often driven higher by increased fuel costs due to the war in the Middle East. Purchase prices increased rapidly, with the rate of inflation little-changed from March's 15-month high. Meanwhile, staff costs rose modestly as companies in some cases increased pay to help workers deal with higher transportation fares.

The pass through of increased input costs to customers resulted in a further sharp rise in output prices, with the rate of inflation quickening to the fastest since December 2024.

Companies took on extra staff in April in response to rising workloads, but the rate of job creation was only marginal and

Stanbic IBTC Bank Nigeria PMI

sa, >50 = improvement since previous month



Sources: Stanbic IBTC Bank, S&P Global PMI.
Data were collected 9-28 April 2026.

Comment

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

"The health of Nigeria's private sector improved in April – remaining above the 50-points growth threshold for the third consecutive month – as new orders increased in line with higher customer numbers and rising demand even as price pressures remain prevalent. Accordingly, the headline PMI increased to 52.4 points in April from 51.9 points seen in March. Despite the improvement in new orders, we understand that lingering inflationary pressures limited the pace of expansion. Notably, companies increased their selling prices in April to the highest level since December 2024 in response to rising fuel and raw material costs. Staff costs also increased modestly as some companies increased their staff pay so as to help them with increasing transportation fares. Business expectations also improved in April compared to March as businesses plan to expand their operations through the opening of new branches, stock building, and entry into new markets.

"The improved start of the second quarter of the year by Nigerian businesses continue to support our view of improved growth expectations in 2026 relative to 2025. Hence, we still maintain our expectation that the Nigerian economy is likely to grow by 4.22% y/y in 2026, from 3.87% y/y 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. However, the oil sector's growth is likely to moderate 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."

the softest in three months.

Some firms reported that staff shortages had been behind the latest accumulation of backlogs of work, while others cited customer payment delays and issues securing raw materials. Outstanding business increased for the third consecutive month in April.

Further efforts were made to secure materials, with purchasing activity increasing for the seventeenth month running in April. Stocks of purchases also rose amid improving customer demand, and at a marked pace that was the sharpest in five months.

Where companies placed orders for materials, they often made sure to pay on time in order to secure deliveries. As a result, supplier lead times shortened again, albeit to the least extent in 2026 so far.

Business sentiment ticked higher in April, with companies often citing plans to expand operations. Half of all respondents predicted that their output will increase over the next 12 months.

Contact

Muyiwa Oni
Head Equity Research, West Africa
Stanbic IBTC Bank
T: +234 (1) 422 8667
muyiwa_oni@stanbicibtc.com

Rita Akao
Corporate Communications
Stanbic IBTC Bank
T: +234 806 8127 714
rita.akao@stanbicibtc.com

Andrew Harker
Economics Director
S&P Global Market Intelligence
T: +44 134 432 8196
andrew.harker@spglobal.com

Kriti Khurana
Corporate Communications
S&P Global Market Intelligence
T: +91 971 101 7186
kritikhurana@spglobal.com
press.mi@spglobal.com

If you prefer not to receive news releases from S&P Global, please email press.mi@spglobal.com. To read our privacy policy, click [here](#).

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.

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. www.spglobal.com/marketintelligence/en/mi/products/pmi

Disclaimer

Please note that the Stanbic IBTC Bank Nigeria PMI should not be taken as a substitute for official statistics, but may be used in conjunction with them.

Stanbic IBTC Bank Nigeria ("Stanbic IBTC") has issued and is responsible for production of this publication. This publication should be regarded as being for information only and should not be considered as an offer or solicitation to sell, buy or subscribe to any financial instruments, securities or any derivative instrument, or any other rights pertaining thereto (together, "investments"). Stanbic IBTC does not express any opinion as to the present or future value or price of any investments referred to in this publication. This publication may not be reproduced without the consent of Stanbic IBTC.

The information contained in this publication has been compiled from sources believed to be reliable, but, neither Stanbic IBTC, nor any of its directors, officers, or employees accepts liability for any loss arising from the use hereof or makes any representations as to its accuracy and completeness. The information contained in this publication is valid as at the date of this publication. This information is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the matters discussed herein.

This publication does not constitute investment advice and has been prepared without regard to individual financial circumstances, objectives or particular needs of recipients. Readers should seek their own financial, tax, legal, regulatory and other advice regarding the appropriateness or otherwise of investing in any investments or pursuing any investment strategies. Investec operates exclusively on an execution only basis.

An investment in any of the investments discussed in this publication may result in some or all of the money invested being lost. Past performance is not a reliable guide to future performance. To the extent that this publication is deemed to contain any forecasts as to the performance of any investments, the reader is warned that forecasts are not a reliable indicator of future performance. The value of any investments can fall as well as rise. Foreign currency denominated investments are subject to fluctuations in exchange rates that may have a positive or adverse effect on the value, price or income of such investments. Certain transactions, including those involving futures, options and other derivative instruments, can give rise to substantial risk and are not suitable for all investors.

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("Data") contained herein, any errors, inaccuracies, omissions or delays in the Data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the Data. Purchasing Managers' Index™ and PMI® are either trade marks or registered trade marks of S&P Global Inc or licensed to S&P Global Inc and/or its affiliates.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.