

# Stanbic IBTC Bank Nigeria PMI<sup>®</sup>

## Output growth hits six-month high in October

### Key findings

Faster rise in activity amid marked new order growth

Selling prices increase at second-slowest pace since April 2020

Modest job creation recorded

October data pointed to improved growth momentum in the Nigerian private sector, with both output and new orders increasing at sharper rates than in September. In turn, companies took on extra staff and expanded their purchasing activity. The pace of input cost inflation remained subdued relative to the picture over recent years, while output prices increased at the second-slowest pace for five-and-a-half years.

The headline figure derived from the survey is the Purchasing Managers' Index™ (PMI<sup>®</sup>). 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 rose to 54.0 in October from 53.4 in September, signalling a solid monthly improvement in the health of the private sector and one that was more pronounced than in the previous survey period. Business conditions have now strengthened in 11 consecutive months.

Output growth hit a six-month high in October, with panellists highlighting the positive impact of rising new orders and the introduction of new products. Business activity increased across all four broad sectors, with growth fastest in manufacturing.

The launch of new products also helped to drive up customer numbers in October, thereby feeding through to rising new orders. A recent softening of inflationary pressures also reportedly helped to boost demand.

Although companies continued to increase their selling prices at a marked pace in response to higher input costs, the latest rise in charges was the second-slowest for five-and-a-half years, quicker only than that seen in August.

The rate of input cost inflation ticked higher, however, amid faster increases in both purchase prices and staff costs. That said, the increase in input prices was still muted compared to those seen in 2023 and 2024.

Rising new orders encouraged firms to take on extra staff in October, the fifth month running in which this has been the

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sa, >50 = improvement since previous month



Sources: Stanbic IBTC Bank, S&P Global PMI.  
Data were collected 9-29 October 2025.

### Comment

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

*"Business activity started the last quarter of 2025 on a strong note, with the headline PMI printing higher at 54.0 points in October compared to 53.4 points in September. This was on account of higher output and new orders growth. Notably, continued softening of price pressures and launch of new products by companies helped to drive higher new orders (56.3 points vs September: 55.4 points) and this in turn, supported output (57.7 points vs September: 56.1 points) growth to its highest level since April. Output increased across all the four sectors covered by the survey, led by manufacturing. Elsewhere, input costs increased in October but were still much weaker than levels seen in 2023 and 2024. However, the opposite was true for output prices, which rose at the second-slowest pace in five-and-a-half years, just ahead of August.*

*Headline inflation softened to 18.02% y/y in September, and we expect price moderation towards 15.84% - 16.22% y/y in October and 14.25% - 14.62% y/y in November. This is because we see food prices moderating further in the coming months in line with the ongoing main harvest season which is expected to ensure food prices remain at their seasonal low level until December, when gradual depletion of household stocks will commence. Simultaneously, non-food inflation should be pressured in October amid higher fuel prices relative to September, understandably due to supply constraints and production glitches at the Dangote refinery which contributes 30.0% - 40.0% of domestic petrol supplies. Nonetheless, the lingering local currency stability and appreciation should help provide some succour to non-food inflation in the near term.*

*Lower inflation, stabilizing exchange rate, and anticipation of further rate cuts ahead should support improvement in real sector activity over the medium term. Accordingly, we see the Nigerian economy growing by 4.0% in 2025. Both Manufacturing and Services are likely to see higher growth in 2025 compared to 2024 levels, based on the results from the PMI surveys so far this year."*

case. The rate of job creation was only modest, however, and softer than seen in September.

Higher employment helped firms to keep on top of workloads, but power outages and payment delays from clients led to build-ups in backlogs elsewhere. On balance, outstanding business was broadly unchanged in October.

Both purchasing activity and stocks of inputs increased as companies responded to higher new orders and the prospect of further expansions in the months ahead. Meanwhile, suppliers' delivery times continued to shorten.

Although strategies around marketing and exporting supported confidence in the year-ahead outlook for business activity, sentiment dropped for the fourth month running in October and was the lowest since May. Around 46% of respondents predicted a rise in output over the next 12 months.

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### Survey methodology

The Stanbic IBTC Bank Nigeria PMI<sup>®</sup> 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<sup>™</sup> (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](mailto:economics@spglobal.com).

### About PMI

Purchasing Managers' Index<sup>™</sup> (PMI<sup>®</sup>) 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](http://www.spglobal.com/marketintelligence/en/mi/products/pmi)

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