



## March Inflation

### Disinflation Stalls as Price Pressures Reemerge

#### Highlights

- As predicted, Nigeria's inflation reversed its 11-month disinflation trend in March 2026, with headline inflation rising by 32bps to 15.38%, driven by renewed global energy shocks following the escalation in geopolitical tensions that pushed Brent crude above \$100/bbl, alongside a simultaneous depreciation of the naira that intensified imported inflation pressures.
- Month-on-month headline and food inflation accelerated sharply to 4.18% and 4.17% (vs. 2.01% in February), reflecting broad-based price pressures from rising logistics costs and imported inflation, amplified by a 55% increase in Dangote refinery's ex-depot PMS price to ₦1,200 in March (from ₦774 in February), which significantly raised transportation and distribution costs across the economy.
- Insecurity attacks intensified across key food-producing states, rising to 176 conflict-related incidents in March from 136 in February, according to Eons Intelligence. Combined with persistent oil shocks from the unresolved U.S.–Iran conflict, food prices are likely to remain on an upward trend alongside headline inflation in the near term.

↑ **15.38%**  
MoM: +4.18%  
Headline Inflation Rate  
(Mar 2026)

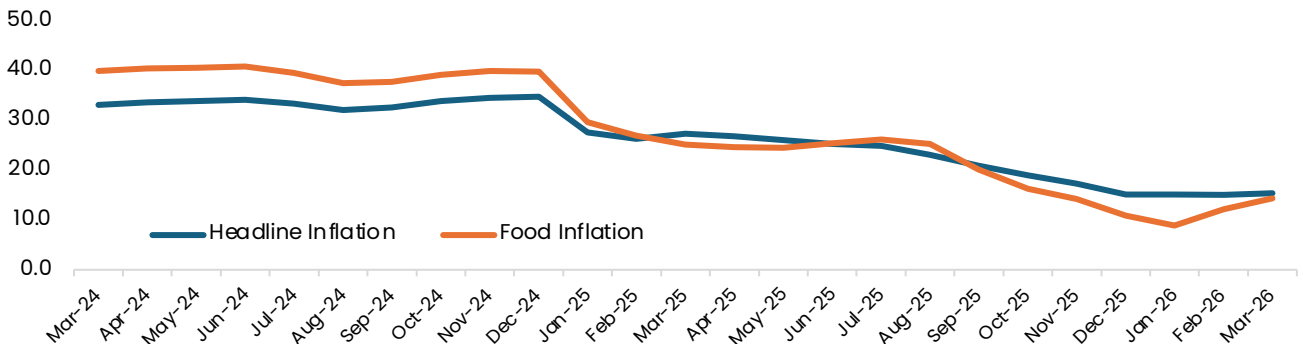
↑ **16.21%**  
MoM: 4.03%  
Core Inflation Rate  
(Mar 2026)

↑ **14.31%**  
MoM: 4.17%  
Food Inflation Rate  
(Mar 2026)

↑ **17.22%**  
MoM: 6.73%  
Rural Inflation Rate  
(Mar 2026)

↑ **14.64%**  
MoM: 3.16%  
Urban Inflation Rate  
(Mar 2026)

#### CPI Trend (%)



Source: Team Analysis, CBN, NBS

Date: 18/03/2026

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## March Inflation: State Focus

South South Region Food Inflation Rose above 20%

### Highlights

- Bayelsa recorded the highest year-on-year All-items inflation rate at 27.37%, followed by Sokoto (26.03%) and Bauchi (23.67%), reflecting persistent supply-side and structural pressures. Conversely, Osun (5.25%), Kano (9.85%), and Kaduna (10.38%) recorded the slowest rise in headline inflation, indicating relatively more stable price conditions.
- On MoM basis, Zamfara (10.77%), Bauchi (9.37%), and Sokoto (9.05%) recorded the highest increases, while Lagos (1.54%), Akwa Ibom (1.80%), and Rivers (1.89%) saw the slowest price growth.
- For food inflation, Bayelsa (33.35%), Sokoto (28.02%), and Adamawa (21.67%) recorded the highest year-on-year increases, while Kano (4.29%), Oyo (4.86%), and Katsina (7.48%) recorded the slowest rise, leveraging their nearness to farmlands.
- North West and South West had the slowest inflation growth, staying below 15% for both Food and All-item Inflation while South South had the highest growth for both Food and All-Item Inflation.



**Osun**

**5.25%**

**MoM: Lagos**  
**1.54%**

Lowest All Item  
Inflation Rate by State  
(Feb 2026)



**Kano**

**4.29%**

**MoM: Katsina**  
**0.09%**

Lowest Food Inflation  
Rate by State  
(Feb 2026)



**Bayelsa**

**27.37%**

**MoM: Zamfara**  
**10.77%**

Highest All Item  
Inflation Rate by State  
(Feb 2026)



**Bayelsa**

**33.35%**

**MoM: Sokoto**  
**11.78%**

Highest Food Inflation  
Rate by State  
(Feb 2026)

### INFLATION BY REGION

### FOOD

### ALL ITEMS

South-West

12.7%

12.6%

South-East

14.5%

15.7%

South-South

21.6%

19.4%

North-West

12.9%

13.7%

North-East

18%

19.7%

North-Central

15.7%

19.4%

Source: Team Analysis, CBN, NBS.



## March Inflation: State Focus

Disinflation Stalls as **Price** Pressures Reemerge

### Commentary

Nigeria's disinflation trend reversed in March 2026, marking the first increase in headline inflation after 11 consecutive months of moderation. Headline inflation rose by 32bps to 15.38%, signaling a potential turning point in the inflation trajectory as the impact of earlier base effects and CPI rebasing continues to fade, while renewed global energy shocks and exchange-rate pressures began transmitting more strongly into domestic prices.

The sharp rise in month-on-month inflation to 4.18% further reinforces this shift, reflecting a broad-based acceleration in price levels driven primarily by cost-pushed factors such as energy-related pass-through effects (higher transport costs), insecurity attacks, and post harvest scarcity. This is reflective in the 55% increase in Dangote Refinery's ex-depot PMS price to N1,200 in March from N774 in February significantly raised logistics and distribution costs across the economy. Insecurity attacks intensified across key food producing states, rising to 176 conflict related incidents in March from 136 in February, according to Eons Intelligence, disrupting agricultural activity and tightening food supply conditions.

Inflationary pressures were also more pronounced in rural areas, where month on month inflation surged to 6.73%, reflecting persistent distribution inefficiencies and greater exposure to insecurity related supply disruptions.

March inflation figures suggests that Nigeria may be entering a new phase of inflation dynamics, potentially prompting monetary tightening stance to contain exposure to global risk. We expect inflation to remain elevated in April as energy cost pressures from global shocks persist. However, the Federal Government's recent reduction in import duties on key commodities, including rice and vehicles effective from July 1, 2026, introduces a potential disinflationary channel over the medium to long term by lowering the landing cost of imported goods

### April Outlook

#### Headwinds

- Higher global oil prices due to Iran conflict raise PMS, transport, and logistics costs.
- Persistent insecurity disrupting food supply chains
- Fading base effects weakening disinflation momentum

#### Tailwinds

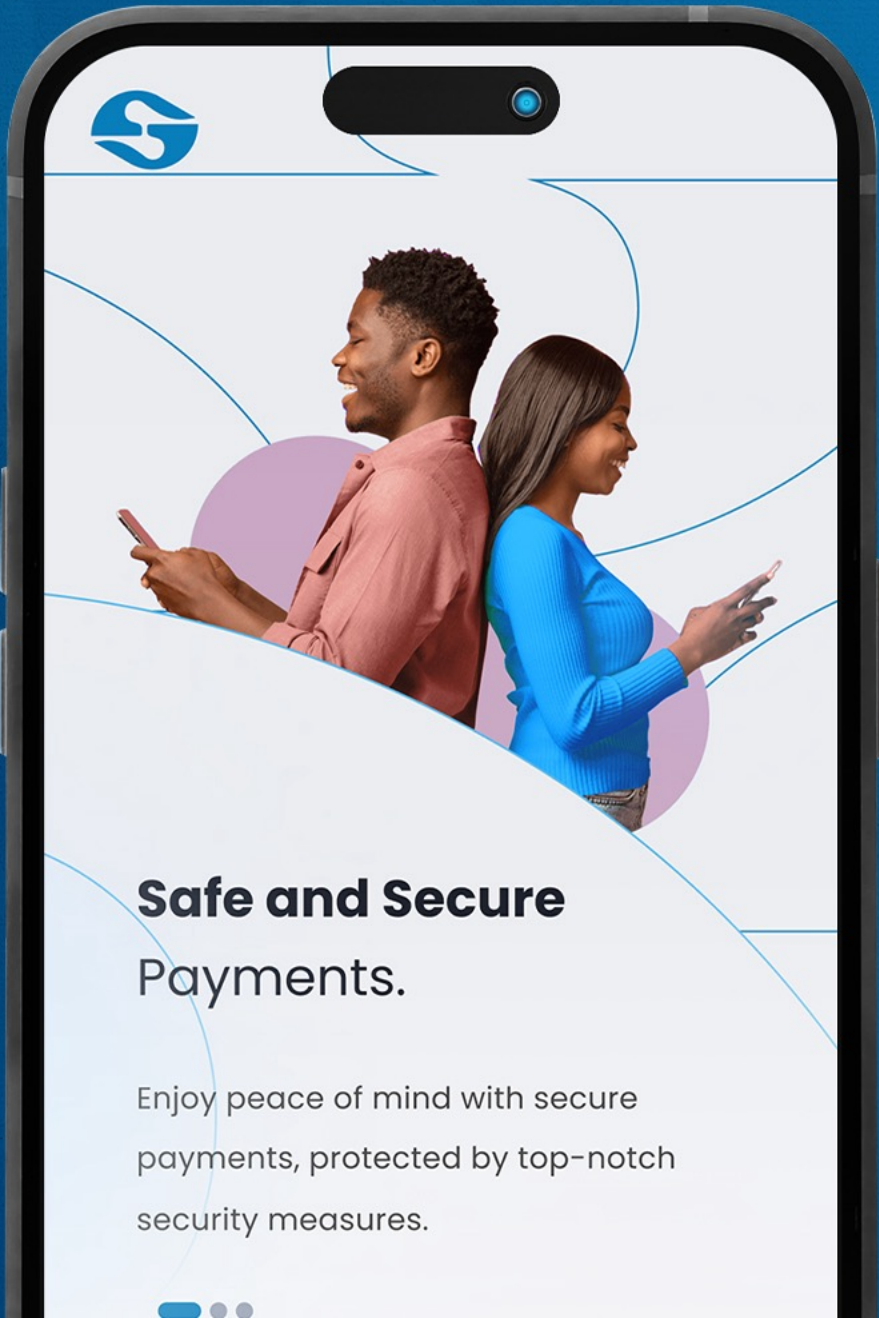
- Stronger oil prices may improve Nigeria's FX earnings and external liquidity position.
- Reduction in import duties on key commodities (rice, vehicles, palm oil, sugar) to lower landing costs for imported goods
- Gradual improvement in domestic food supply conditions
- Robust Foreign Reserves

Source: Team Analysis, CBN, NBS.

Date: 15/04/2026

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