



Inflation is the rate at which the general level of prices for goods and services continue to rise and consequently, the purchasing power of currency continue falling when not matched by an increase in the real wage rate

This edition of the Statistical News contains the revised Consumer Price Index (CPI) based on Nigeria Living Standard Survey (NLSS) 2003/2004. The consumption expenditure data were re-valued to November 2009, which is the base period for the revised CPI. The survey methodology generates 3774 all items indices for all States and the Federal Capital Territory (FCT).

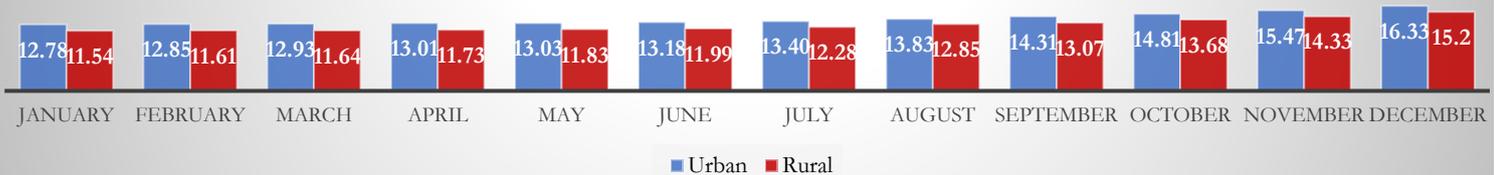
Inflation (%)



Source: National Bureau of Statistics (NBS), Kairos Capital

According to the CPI Report for December 2020 released by the National Bureau of Statistics (NBS), the CPI which measures inflation increased by 15.75% (year-on-year) in December 2020. This is 0.86% points higher than the rate recorded in November 2020 (14.89%). On month-on-month basis, the Headline index increased by 1.61% in December 2020. This is 0.01% points higher than the rate recorded in November 2020 (1.60%).

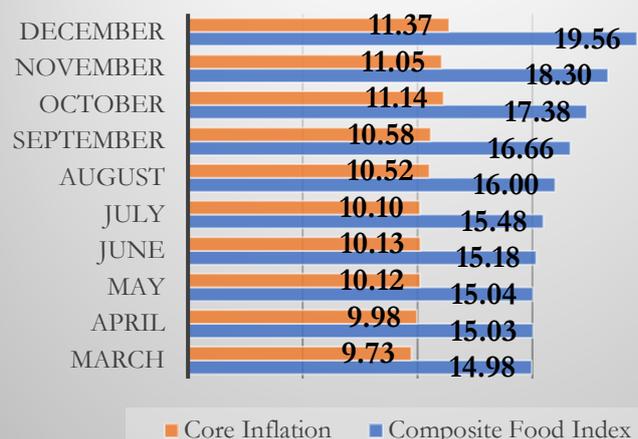
2020 Urban and Rural Inflation Rate YoY (%)



Source: NBS, Kairos Capital Research

The composite food index rose by 19.56% in December 2020 compared to 18.30% in November 2020; increased by 2.05% on month-on-month basis in December 2020, up by 0.01bps from 2.04% recorded in November 2020. This rise in the food index was caused by increases in prices of Bread and Cereals, Potatoes, Yam and other tubers, Meat, Fruits, Vegetable, Fish and Oils and fats. The "All items less farm produce" or Core inflation, which excludes the prices of volatile agricultural produce stood at 11.37% in December 2020, up by 0.32% when compared with 11.05% recorded in November 2020. The highest increases were recorded in prices of Passenger transport by air, Medical services, Hospital services, Shoes and other footwear, Passenger transport by road, Miscellaneous services relating to the dwelling, Hairdressing salons and personal grooming establishments, Repair of furniture, Vehicle spare parts, Pharmaceutical products, Motor cars, Maintenance and repair of personal transport equipment,

2020 Composite Food Index and Core Inflation Rate YoY (%)



Source: NBS, Kairos Capital Research

State Profiles

States with the Highest All Items YoY Inflation

	State	Inflation Rate
1	Bauchi	19.85%
2	Kogi	18.40%
3	Edo	18.15%
4	Zamfara	17.94%
5	Sokoto	17.60%

5 States with the Lowest All Items YoY Inflation

	State	Inflation Rate
1	Abia	13.30%
2	Kwara	13.91%
3	Lagos	14.05%
4	Enugu	14.25%
5	Ekiti	14.29%

5 States with the Highest Food YoY Inflation

	State	Inflation Rate
1	Edo	24.14%
2	Kogi	23.14%
3	Sokoto	22.24%
4	Kwara	22.12%
5	Zamfara	21.73%

5 States with the Lowest Food YoY Inflation

	State	Inflation Rate
1	Nasarawa	15.71%
2	Abia	16.04%
3	Bauchi	16.53%
4	Gombe	16.92%
5	Adamawa	17.69%

Source: NBS, Kairos Capital Research

All Items Inflation Rate: In December 2020, Bauchi State recorded the highest year-on-year all items inflation rate of 19.85% followed by Kogi State with 18.40%, and Edo State which recorded a 18.15% inflation rate. Meanwhile the States with the lowest rise in inflation rate were Abia State (13.30%), Kwara State (13.91%), and Lagos State with 14.05%.

Food Inflation Rate: In December 2020, Edo State recorded the highest year-on-year food inflation rate of 24.14%, followed by Kogi State with 23.14% and Sokoto State, which recorded 22.24%. On the other hand, Nasarawa State recorded the slowest rise in food inflation, having recorded a 15.71% increase, followed by Abia State with 16.04% and Bauchi State with 16.53%.