

NATIONAL BUREAU OF STATISTICS (NBS)

HIGHLIGHTS

OF

CONSUMER PRICE INDEX (CPI) REBASING

FEBRUARY 2025

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Note:

More detailed reports and time series can be obtained from the official website:

<https://www.nigerianstat.gov.ng/>

1.0 INTRODUCTION

Price level is a crucial macroeconomic variable that influences household, firm, and government objectives. Changes in price levels impact household utility, firm profitability, and government revenue, while also affecting economic growth, employment, trade balance, and other macroeconomic variables. Monitoring the movement of prices within the economy is essential for fiscal and monetary policy formulation. The Consumer Price Index (CPI) is the primary tool used to track price changes in an economy. It measures the changes in the general price level of household-consumed goods and services compared to a base year, set at an index value of 100. The year-on-year percentage change in the CPI is referred to as the headline inflation rate, which is computed and reported monthly by the National Bureau of Statistics (NBS).

Over time, the consumption pattern of households and firms within the economy changes, which must be reflected in the CPI computations. Also, the base year to which current prices are being compared to arrive at the CPI needs to be brought as close as possible to the current period, to ensure that the CPI reflects the current inflationary pressure. Updating the weight and price reference periods is known as rebasing. This is a routine exercise that is conventionally done every 5 years by National Statistical Offices (NSOs) across the world, in the case of Nigeria, by the NBS.

2.0 METHODOLOGY

The Rebased Consumer Price Index (CPI) utilized household expenditure data from surveys and administrative sources to derive the new weights for the consumer basket of goods and services. The survey data was gathered through structured questionnaires or interviews, including sources like the 2023 Nigeria Living Standards Survey (NLSS) and the 2024 Survey of Rare Items. Administrative data collected from secondary sources such as the Central Bank of Nigeria (CBN), the National Insurance Commission (NAICOM), and NBS National Accounts and Trade Statistics Divisions were used to supplement the field surveys. The household expenditure data used for the weighting were purely monetary, meaning it excluded own production and gifted items. For CPI compilation for inflation measurement, the expenditure data used must be purely monetary.

To maintain the data quality of the surveys and data collection, the fieldwork was conducted exclusively using Computer-Assisted Personal Interviewing (CAPI) devices. Trainers, State Officers, and Zonal Controllers closely supervised the whole process. Data was transmitted in real-time to the NBS server, where Data Editors reviewed and verified all completed assignments.

The new weights were calculated as the proportion of household expenditures on specific goods and services relative to total consumption. The CPI reflects the impact of price changes on the cost of a representative basket, with more significant expenditures having a greater influence on overall inflation. The overall Consumer Price Index (CPI) is not directly calculated from individual product prices. Instead, products are grouped based on their use or similarity into Divisions, Groups, Classes, Subclasses, and Items. According to the Classification of Individual Consumption According to Purpose (COICOP) version 2018, there are 13 Divisions used for CPI computation.

Based on consumption patterns from expenditure surveys, NBS has created 45 Groups, 100 Classes, 164 Subclasses, and 242 item-level observations for which price indices are tracked. Price data is collected monthly using CAPI, and the index is computed using the Modified Laspeyres method (Young Index).

3.0 THE COVERAGE AND STRUCTURE OF CPI IN NIGERIA

In Nigeria, the National Bureau of Statistics (NBS) recently rebased the CPI to replace outgoing reference periods (2009). Rebasing aligns the price and weight reference periods with the current economic environment, ensuring methodological accuracy, updating the composition of the goods and services basket, revising item weights, and incorporating necessary improvements.

Since consumption patterns evolve, the CPI basket is updated regularly, including the addition of new items. The weight reference period is now 2023, and the price reference period (Base year) is 2024. The updated CPI covers 934 product varieties classified into 13 divisions under the COICOP 2018 framework.

The CPI framework includes indices such as the Urban National Index, Rural National Index, Headline Index, Food Index, Core Index, Imported Food Index, Goods Index, Services Index, Energy Index, All Items Less Farm Produce Index, and Farm Produce Index. This system ensures accurate price tracking across different sectors and regions, supporting economic analysis and policy formulation.

4.0 KEY FINDINGS

4.1 Structural Changes

Table 1: Structural Changes Between the Old and New Methodology

ACTIONS	OLD	NEW
Number of products in the basket	740 varieties of product	934 varieties of product
Classification (COICOP)	1999 version (12 Divisions)	2018 version (13 Divisions)
Data Collection	Paper Questionnaire	Digitized Questionnaire
Price Reference period	2009	2024
Relative index	Long term relative	Short term relative
Elementary Index	Dutot	Jevon
Weighted Index formula	Lowe index	Young index

- Though both long term relative and short-term relative give the same results, short term relative enables products and outlets substitution.
- The Jevon elementary Index is preferred to Dutot, because it passes all four economic criteria which are Transitivity, Reversibility, Commensurability and Proportionality.
- The Young Index does not require a price update of the weights reference period to the price reference period.

4.2 Old and New Weighting Structure

Table 2: Weighting Structure

COICOP	DIVISIONAL NAME	OLD CPI WEIGHTS 2009 (%)	NEW CPI WEIGHTS 2024 (%)
01	Food And Non-Alcoholic Beverages	51.8	40.0
02	Alcoholic Beverages, Tobacco, and Narcotics	1.1	0.4
03	Clothing and Footwear	7.7	5.0
04	Housing, Water, Electricity, Gas and Other Fuels	16.7	8.4
05	Furnishings, Household Equipment, and Routine Household Maintenance	5.0	3.0
06	Health	3.0	6.1
07	Transport	6.5	10.7
08	Information and Communication	0.7	3.3
09	Recreation, Sport and Culture	0.7	0.3
10	Education Services	3.9	6.2
11	Restaurants and Accommodation Services	1.2	12.9
12	Insurance and Financial Services	0	0.5
13	Personal Care, Social Protection, and Miscellaneous Goods and Services	1.7	3.3
		100	100

- In the new CPI weights based on the COICOP 2018 Version, meals away from home are excluded from Division 01. It is now in Division 11.
- Expenditures on students' housing and accommodation across all levels of education are also included in Division 11, based on the new classification method.
- The above points explain why there are significant differences between the old and new weights in Divisions 01 and 11.
- Inputted rent is excluded from Division 4 in the new weighting structure.

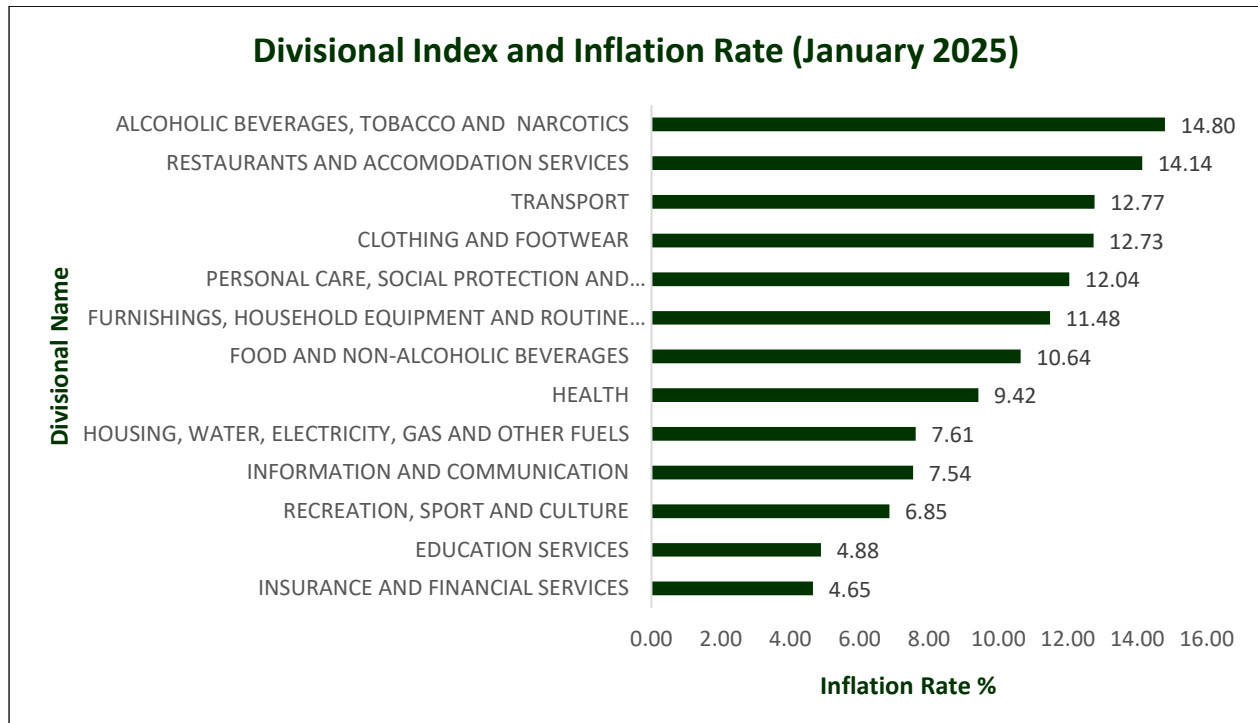
4.3 The Rebased CPI Results

Table 3: Divisional Indices and Inflation Rates (January 2025) (Base Period: 2024=100)

COICOP	DESCRIPTION	WEIGHT	INDEX	Inflation Rate %
01	Food And Non-Alcoholic Beverages	40.02	110.64	10.64
02	Alcoholic Beverages, Tobacco, and Narcotics	0.37	114.80	14.80
03	Clothing And Footwear	5.04	112.73	12.73
04	Housing, Water, Electricity, Gas and Other Fuels	8.42	107.61	7.61
05	Furnishings, Household Equipment, and Routine Household Maintenance	2.96	111.48	11.48
06	Health	6.06	109.42	9.42
07	Transport	10.66	112.77	12.77
08	Information and Communication	3.29	107.54	7.54
09	Recreation, Sport and Culture	0.31	106.85	6.85
10	Education Services	6.20	104.88	4.88
11	Restaurants and Accommodation Services	12.92	114.14	14.14
12	Insurance and Financial Services	0.47	104.65	4.65
13	Personal Care, Social Protection, and Miscellaneous Goods and Services	3.29	112.04	12.04

Table 3 above shows each division's index and its associated divisional inflation rate compared to the base year 2024=100.

Graphical Representation



4.4 Rebased Headline Index

Table 4: All Items Index (Base Period: 2024=100)

MONTH/YEAR	HEADLINE INDEX	YEAR-ON-YEAR HEADLINE INFLATION RATE
January 2024	88.9	24.48%
December 2024	100.00 (Base Year Index)	
January 2025	110.68	

The rebased All Items index in January 2025 was 110.68, while the Headline inflation rate on a year-on-year basis stood at 24.48% in January 2025. This means that the general prices of goods and services in Nigeria increased by 24.48% compared to January 2024.

4.5 Rebased Food Index

Table 5: Food Index January 2025 (Base Period: 2024=100)

MONTH/YEAR	INDEX	YEAR-ON-YEAR FOOD INFLATION RATE
January 2024	87.5	26.08%
December 2024	100.00 (Base Year Index)	
January 2025	110.33	

The rebased Food Index in January 2025 was 110.33, while the Food Inflation rate on a year-on-year basis stood at 26.08% in January 2025. This means that the general prices of Food items in Nigeria increased by 26.08% compared to January 2024.

4.6 Rebased All items less Farm Produce and Energy (Core) Index

Table 6: Core Index January 2025 (Base Period: 2024=100)

MONTH/YEAR	INDEX	YEAR-ON-YEAR CORE INFLATION RATE
January 2024	90.4	22.59%
December 2024	100.00 (Base Year Index)	
January 2025	110.87	

The rebased Core Index in January 2025 was 110.87, while the Core Inflation rate on a year-on-year basis stood at 22.59% in January 2025. This means that the general prices of Core items in Nigeria increased by 22.59% compared to January 2024.

4.7 Rebased Urban All-Items Index

Table 7: Urban Index January 2025 (Base Period: 2024=100)

MONTH/YEAR	INDEX	YEAR-ON-YEAR URBAN INFLATION RATE
January 2024	88.2	26.09%
December 2024	100.00 (Base Year Index)	
January 2025	111.19	

The rebased Urban all-items Index in January 2025 was 111.19, while the Urban inflation rate on a year-on-year basis stood at 26.09% in January 2025. This means that the general prices of goods and services in Urban areas increased by 26.09% compared to January 2024.

4.8 Rebased Rural All-Items Index

Table 8: Rural Index January 2025 (Base Period: 2024=100)

MONTH/YEAR	INDEX	YEAR-ON-YEAR RURAL INFLATION RATE
January 2024	89.6	22.15%
December 2024	100.00 (Base Year Index)	
January 2025	109.47	

The rebased Rural all-items index in January 2025 was 109.47, while the Rural inflation rate on a year-on-year basis stood at 22.15% in January 2025. This means that the general prices of goods and services in Rural areas increased by 22.15% compared to January 2024.

4.9 Newly Introduced Special Indices

Table 9: Special Indices and their Inflation Rates January 2025 (Base Period: 2024=100)

DESCRIPTION	INDEX	INFLATION RATE%
Farm Produce	110.50	10.50
All Items Less Farm Produce	110.70	10.70
Energy	108.91	8.91
Core Index (All Items Less Farm Produce and Energy)	110.87	10.87
Services	110.41	10.41
Goods	110.79	10.79
Imported Food	111.47	11.47

Table 9 shows the Special Indices and their inflation rates compared to the base year 2024=100.

4.10 State Indices

Table 10: State Indices January 2025 (Base Period: 2024=100)

STATE	Dec-24	ALL ITEMS								
		ALL ITEMS	FOOD	CORE	FARM PRODUCE	LESS FARM PRODUCE	GOODS	ENERGY	SERVICES	IMPORTED FOOD
		Jan-25								
Abia	100	115.38	115.21	115.99	114.21	115.74	112.91	112.20	119.39	116.97
FCT	100	107.04	106.69	106.37	107.43	106.91	107.33	111.75	106.67	107.46
Adamawa	100	106.19	103.52	107.04	103.48	107.20	106.59	110.14	105.30	106.29
Akwa Ibom	100	107.11	106.94	107.23	106.97	107.16	108.43	106.75	104.86	113.23
Anambra	100	110.00	110.72	110.42	110.94	109.75	109.96	104.49	110.04	110.72
Bauchi	100	110.06	112.79	108.66	111.82	108.99	111.19	113.79	106.87	112.48
Benue	100	104.91	102.50	105.84	102.91	105.58	104.52	100.49	105.47	103.58
Borno	100	112.52	110.49	113.52	112.56	112.50	111.11	102.72	115.89	109.01
Cross River	100	110.03	110.40	109.92	111.49	109.56	111.39	104.73	106.90	113.33
Delta	100	110.97	112.19	110.99	111.49	110.83	111.33	109.23	110.27	116.17
Edo	100	111.29	109.02	113.16	108.99	111.87	110.04	103.42	113.09	111.15
Enugu	100	114.69	114.40	115.58	114.80	114.65	114.25	107.39	115.33	119.80
Imo	100	117.77	116.80	117.85	117.96	117.70	118.28	116.01	116.99	118.01
Jigawa	100	111.20	110.76	111.08	110.42	111.57	111.84	118.61	109.44	111.86
Kaduna	100	114.82	113.83	114.76	113.47	115.27	114.90	120.30	114.69	114.41
Kano	100	112.51	112.34	110.77	112.97	112.26	112.38	124.16	112.89	112.61
Katsina	100	115.99	113.61	116.59	114.79	116.63	115.02	116.94	118.05	114.48
Kebbi	100	108.04	107.86	108.79	107.52	108.41	108.45	103.41	106.80	108.61
Kogi	100	102.33	99.92	102.90	100.73	102.98	101.40	103.78	103.89	96.04
Kwara	100	109.28	108.95	109.05	108.81	109.45	109.58	112.34	108.78	109.37
Lagos	100	111.16	111.22	111.69	111.45	111.09	111.15	103.67	111.18	113.21
Niger	100	108.08	106.24	109.11	106.35	109.10	107.64	108.90	109.17	106.73
Ogun	100	111.26	111.84	111.68	112.03	111.05	111.52	104.59	110.78	116.87
Ondo	100	111.73	115.20	111.09	114.19	110.99	114.25	110.09	108.02	114.82
Osun	100	107.70	108.71	106.27	109.61	105.52	104.00	97.41	111.17	108.96
Oyo	100	109.50	112.07	109.07	113.56	108.40	112.18	101.93	105.33	111.70
Plateau	100	109.50	108.17	110.23	108.18	110.31	109.19	111.07	110.15	107.38
Rivers	100	113.84	112.27	114.35	112.17	114.41	114.35	115.21	113.12	117.21
Sokoto	100	105.77	102.99	107.47	102.50	107.68	104.52	111.69	109.12	103.06
Taraba	100	109.44	111.89	108.13	111.60	108.35	110.48	112.05	106.03	112.29
Yobe	100	106.40	105.49	106.90	105.57	106.89	106.72	106.77	105.71	103.71
Bayelsa	100	106.99	109.46	106.68	109.79	106.16	109.55	99.49	102.24	104.71
Ekiti	100	109.95	108.92	109.68	110.62	109.75	111.88	110.39	107.55	108.38
Ebonyi	100	116.13	116.88	116.57	117.10	115.78	115.86	105.71	116.76	115.62
Gombe	100	108.95	109.97	108.27	109.81	108.61	108.98	113.81	108.86	105.10
Nasarawa	100	107.73	105.47	109.34	105.57	109.56	107.19	114.18	109.60	105.78
Zamfara	100	113.82	111.81	114.66	111.99	114.86	113.32	116.75	114.72	115.11

5.0 Conclusion

The rebased CPI produces estimates that reflect the current inflationary pressure and consumption pattern of people living in Nigeria. With the reviewed CPI basket and adaptation of enhanced methods of compilation and computation, the CPI figures provide the needed information for the government, firms, and households to make informed decisions on matters related to price levels and changes in prices.