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NATIONAL BUREAU OF STATISTICS

Consumer Price Index
OCTOBER 2023

(BASE PERIOD NOVEMBER 2009 = 100)

Report Date: November 2023

Data Source: National Bureau of Statistics (NBS)

CONTENT

BRIEF METHODOLOGY

The CPI measures the average change over time in the prices of goods and services consumed by people for day-to-day living. The construction of the CPI combines economic theory, sampling, and other statistical techniques using data from other surveys to produce a weighted measure of average price changes in the Nigerian economy. The weighting occurs to capture the importance of the selected commodities in the entire index. The production of the CPI requires the skills of economists, statisticians, computer scientists, data collectors, and others.

Key in the construction of the price index is the selection of the market basket of goods and services. Every month, 10,534 informants spread across the country provide price data for the computation of the CPI. The market items currently comprise 740 goods and services regularly priced. The first stage in the calculation of the CPI is the collection of prices on each item (740 goods and services) from outlets in each sector (rural or urban) for each state. Prices are then averaged for each item per sector across the state. The next step is to use the average price to calculate the basic index for each commodity: The current year price of each commodity is compared with a base year's price to obtain a relative price.

Next, we use the Laspeyres formula to compute an aggregated index for each class (which has a multitude of commodities that have similar consumption purposes): Here the sum of the product of weights (obtained from the expenditure survey) and relative prices for each item is divided by the sum of the weight of the items in that class, and the result multiplied by 100 gives the required index number. This index number is still classified according to the urban and rural sectors for each of the 36 states

and the FCT. This yields 85 classes then 48 groups which are then reclassified into 12 Divisions to derive:

1. The Country Composite Index

2. The Urban National Index

3. The Rural National Index

4. The Combined Urban and Rural State Composite Index

The survey methodology generates 3774 all-items indices for all states and the FCT.

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 May 2003 and September 1985-based indices are being continued using factors derived from the new CPI. These indices will yield the same price change for any commodity group contained in all the series.

A new sub-index Imported Food Index- is available in the revised CPI.

Note: The urban and rural indices were weighted with the ratio of their populations to the national i.e., 0.455 and 0.545 respectively to compute the composite indices at the 12 Classification of Individual Consumption by Purpose (COICOP) functions and all-items levels. This may cause a variance between a recalculated all items index using the weights and the All-Items index published because the weights were computed only from the consumption expenditure survey result.

The following breakdown highlights a non-exhaustive list of the components of the current CPI:

| FOOD AND NON-ALCOHOLIC BEVERAGES | Food | Bread and Cereals | Meat | Fish | Soft Drinks |

| ALCOHOLIC BEVERAGES, TOBACCO AND KOLA | Spirits | Wine | Tobacco | Nacotics |

| CLOTHING AND FOOTWEAR | Garments | Shoes and other Footwears | Repair and hire of Footwear | Clothing Materials, other articles of Clothing | Cleaning, Repair and Hire of Clothing |

HOUSING, WATER, ELECTRICITY AND GAS

Actual and imputed rentals for housing	Water supply	Liquid fuel	Electricity	Gas

FURNISHINGS, HOUSEHOLD EQUIPMENT

Furniture and furnishings	Household textiles	Repair of household appliances	Carpets and other floor coverings	Non-durable household goods

HEALTH

Pharmaceutical products	Medical services	Dental services	Hospital services	Paramedical services

TRANSPORT

Motor cars	Motor cycles	Passenger transport by air	Passenger transport by road	Passenger transport by sea and inland waterways

COMMUNICATION

Postal services	Telephone and telefax equipment	Telephone and telefax services

RECREATION AND CULTURE

Photographic development	Musical instrument	Recreational and sporting services	Games of chance	Audio-visual, photographic and information processing equipment

EDUCATION

Books & stationery

RESTAURANTS AND HOTELS

Accommodation services	Catering services

MISCELLANEOUS GOODS AND SERVICES

Hairdressing salons and personal grooming establishments	Jewellery, clocks and watches	Appliances, articles and products for personal care	Insurance	Other services

In October 2023, the headline inflation rate increased to 27.33% relative to the September 2023 headline inflation rate which was 26.72%. Looking at the movement, the October 2023 headline inflation rate showed an increase of 0.61% points when compared to the September 2023 headline inflation rate.

Furthermore, on a year-on-year basis, the headline inflation rate was 6.24% points higher compared to the rate recorded in October 2022, which was (21.09%). This shows that the headline inflation rate (year-on-year basis) increased in October 2023 when compared to the same month in the preceding year (i.e., October 2022).

The contributions of items on the Divisional level to the increase in the Headline index are presented thus:

Divisional Level	Contribution YoY (%)
Food & Non-Alcoholic Beverages	14.16
Housing, Water, Electricity. Gas & Other Fuel	4.57
Clothing & Footwear	2.09
Transport	1.78
Furnishings & Household Equipment & Maintenance.	1.37
Education	1.08
Health.	0.82
Miscellaneous Goods & Services	0.45
Restaurant & Hotels	0.33
Alcoholic Beverage, Tobacco & Kola	0.30
Recreation & Culture.	0.19
Communication	0.19

However, on a month-on-month basis, the headline inflation rate in October 2023 was 1.73%, which was 0.37% lower than the rate recorded in September 2023 (2.10%). This means that in October 2023, the rate of increase in the average price level is less than the rate of increase in the average price level in September 2023.

The contributions of items on the Divisional level to the increase in the Headline index on a Month-over-Month are presented thus:

Divisional Level	Contribution MoM (%)
Food & Non-Alcoholic Beverages	0.90
Housing, Water, Electricity. Gas & Other Fuel	0.29
Clothing & Footwear	0.13
Transport	0.11
Furnishings & Household Equipment & Maintenance	0.09
Education	0.07
Health.	0.05
Miscellaneous Goods & Services	0.03
Restaurant & Hotels	0.02
Alcoholic Beverage, Tobacco & Kola	0.02
Recreation & Culture	0.01
Communication	0.01

The percentage change in the average CPI for the twelve months ending October 2023 over the average of the CPI for the previous twelve-month period was 23.44%, showing a 5.57% increase compared to 17.86% recorded in October 2022.

URBAN INFLATION

On a year-on-year basis, in October 2023, the Urban inflation rate was 29.29%, this was 7.66% points higher compared to the 21.63% recorded in October 2022. On a month-on-month basis, the Urban inflation rate was 1.81% in October 2023, this was 0.43% points lower compared to September 2023 (2.24%). The corresponding twelve-month average for the Urban inflation rate was 24.76% in October 2023. This was 6.38% points higher compared to the 18.38% reported in October 2022..

RURAL INFLATION

The Rural inflation rate in October 2023 was 25.58% on a year-on-year basis; this was 5.01% higher compared to the 20.57% recorded in October 2022. On a month-on-month basis, the Rural inflation rate in October 2023 was 1.67%, declined by 0.29% points compared to September 2023 (1.96%). The corresponding twelve-month average for the Rural inflation rate in October 2023 was 22.23%. This was 4.85% higher compared to the 17.38% recorded in October 2022.

HEADLINE CPI IN OCTOBER 2023 ROSE BY

27.33%

YEAR-ON-YEAR
(FROM 21.09% IN OCTOBER 2022)

1.73%

MONTH-ON-MONTH
(FROM 2.10% IN SEPTEMBER 2023)

CPI (%) HEADLINE 12-MONTH SERIES

21.09	21.47	21.34	21.82	21.91	22.04	22.22	22.41	22.79	24.08	25.80	26.72	27.33
Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23
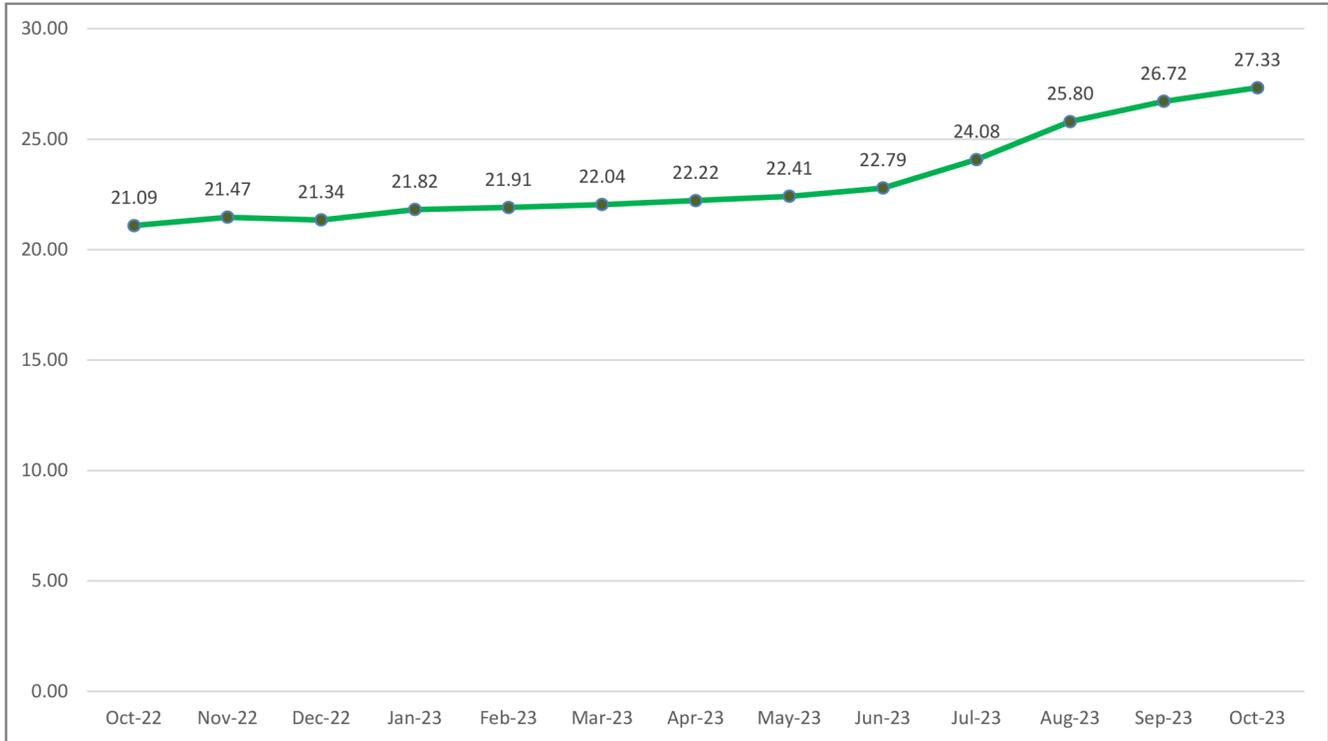
The CPI (Consumer Price Index) measures the average change over time in prices of goods and services consumed by people for day-to-day living i.e, it measures the inflation rate

URBAN

29.29%

YEAR-ON-YEAR
(FROM 21.63% IN OCTOBER 2022)

1.81%

MONTH-ON-MONTH
**(FROM 2.24% IN SEPTEMBER 2023)**

URBAN AND RURAL INDEX

RURAL

25.58%

YEAR-ON-YEAR
(FROM 20.57% IN OCTOBER 2022)

1.67%

MONTH-ON-MONTH
(FROM 1.96% IN SEPTEMBER 2023)

1. Inflation: Composite Year-on Change (%)

Legend: Food ◆ | All Items less Farm Produce & Energy | All Items

Y-axis: 0, 5, 10, 15, 20, 25, 30, 35

X-axis: October, November, December, January, February, March, April, May, June, July, August, September, October
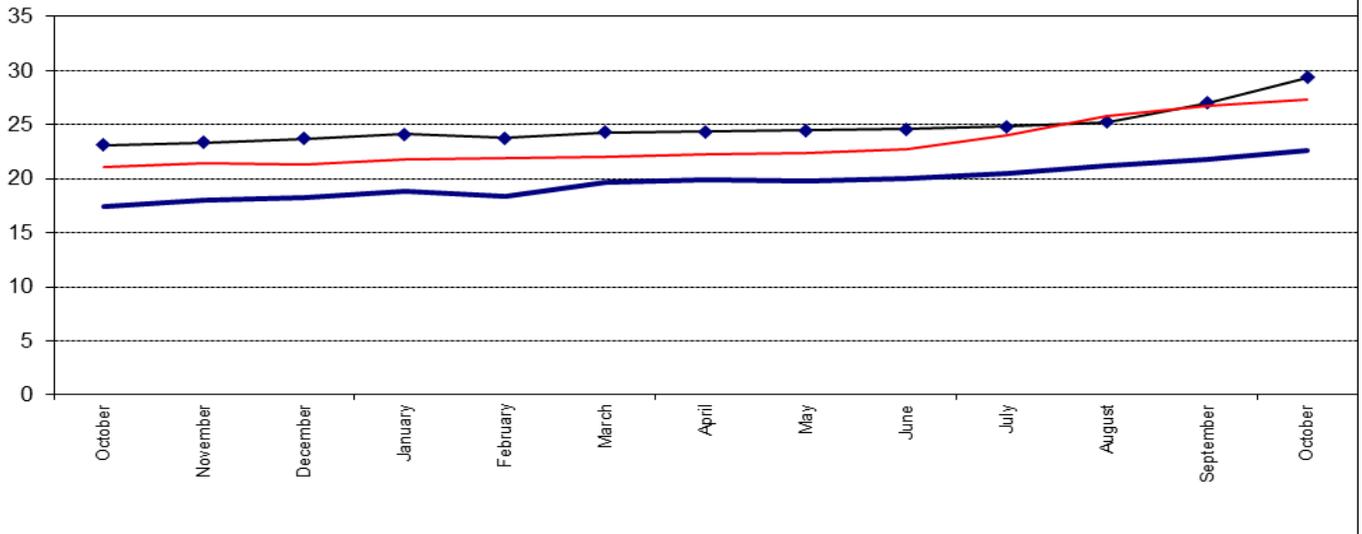
2. Inflation: Composite 12-Month Average Change (%)

Legend: Food ◆ | All Items less Farm Produce & Energy

Y-axis: 0, 5, 10, 15, 20, 25, 30

X-axis: October, November, December, January, February, March, April, May, June, July, August, September, October

3. Inflation -Composite All Items (%)

Legend: Year-on Rate — 12-Month Average

4. Inflation -Urban All Items (%)

Legend: Year-on Rate — 12-Month Average

5. Inflation -Rural All Items (%)

Legend: Year-on-Year
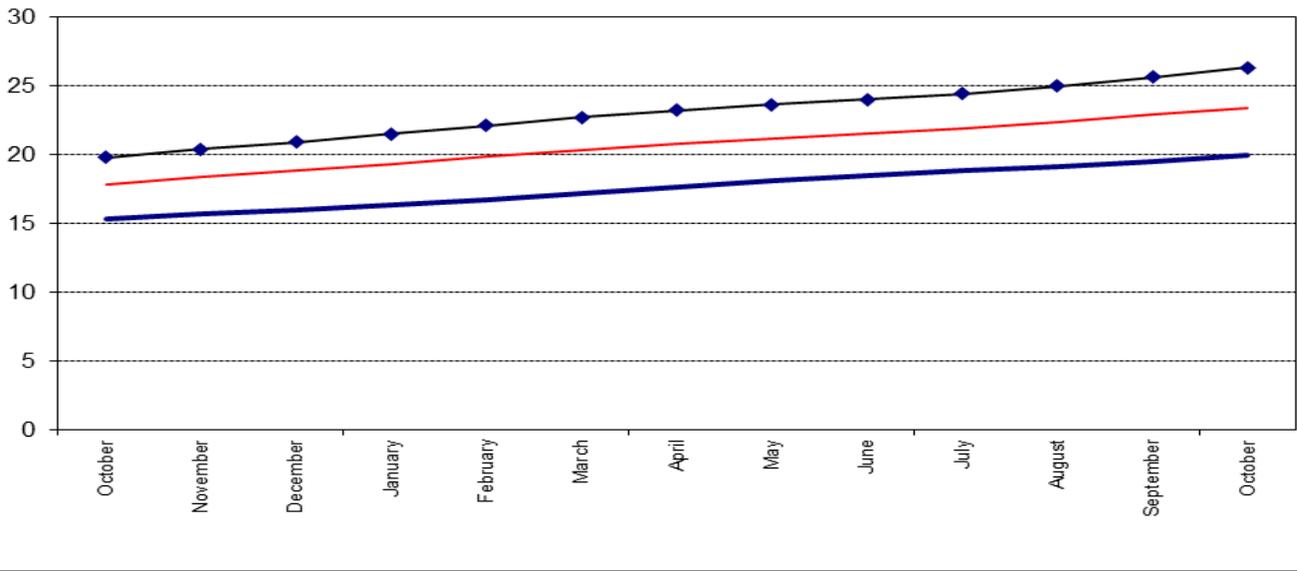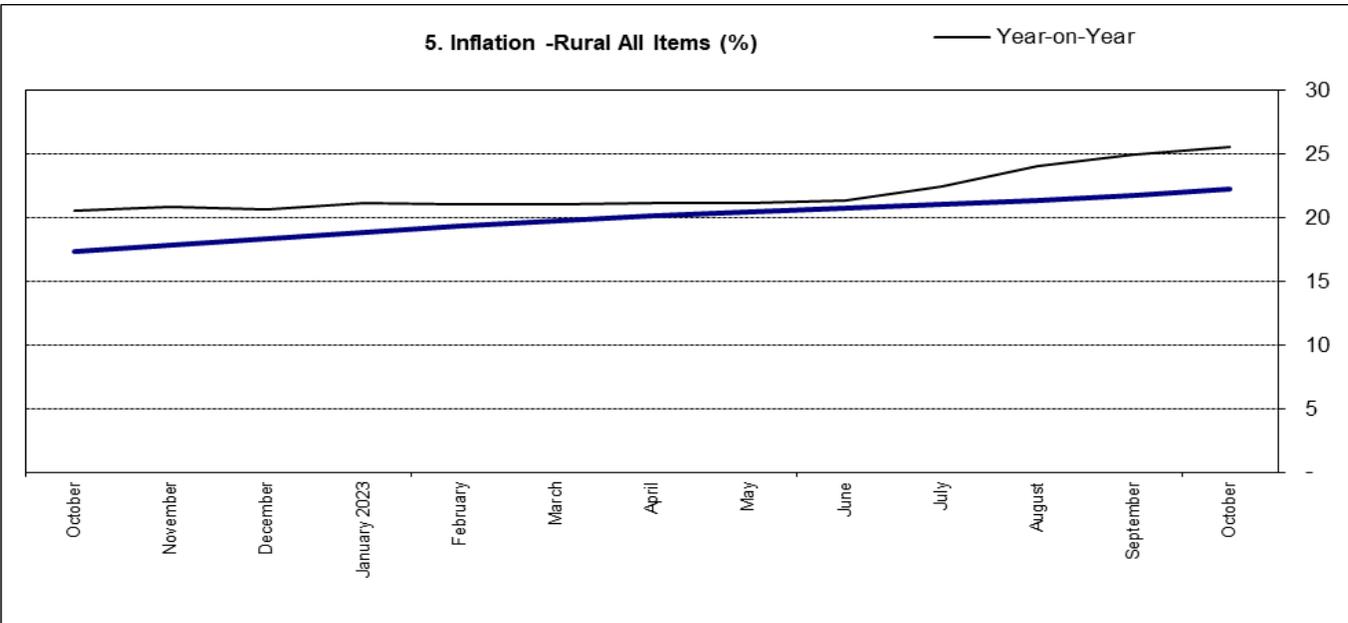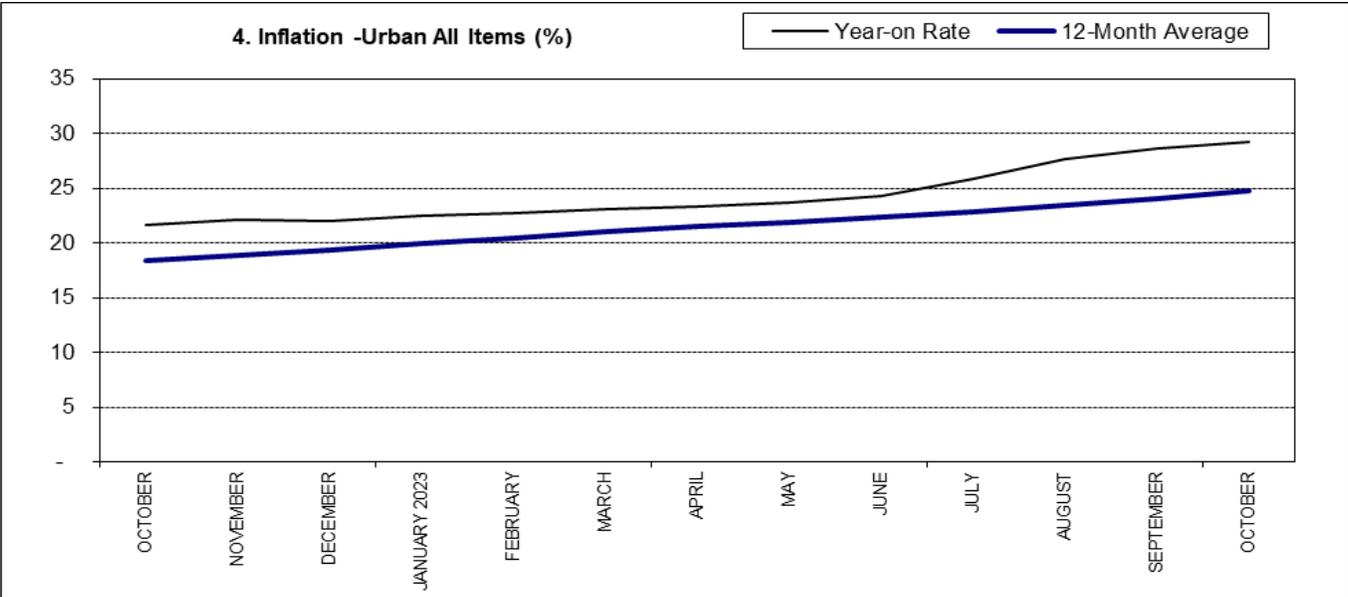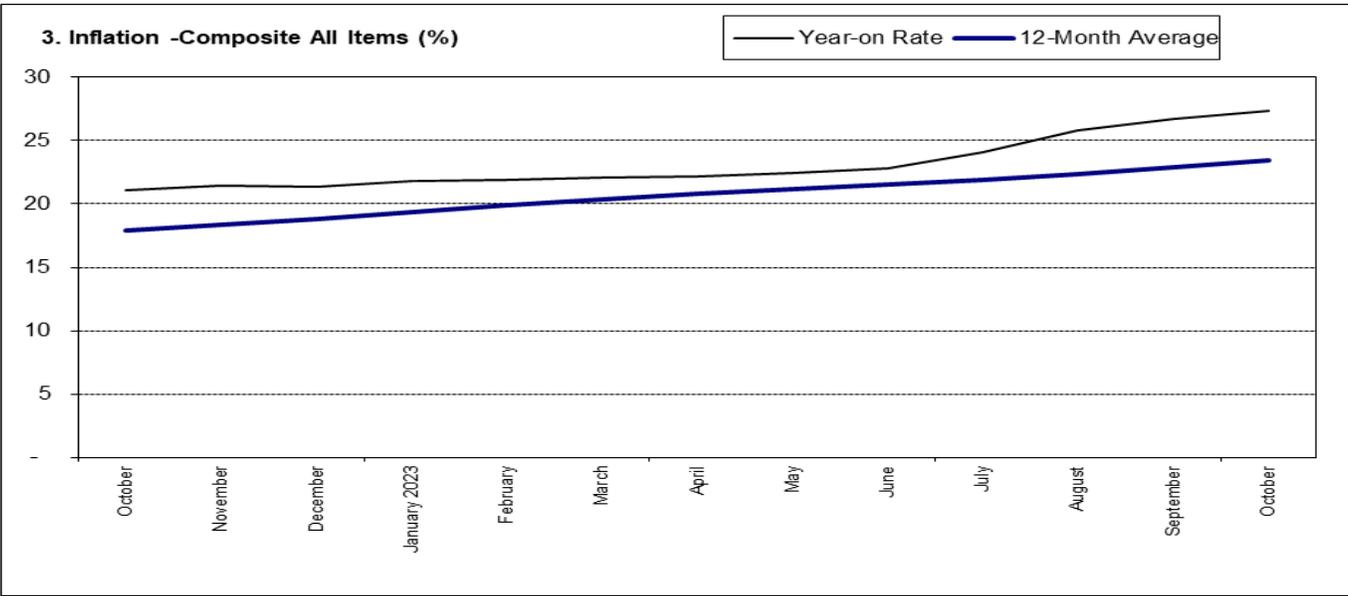
The Food inflation rate in October 2023 was 31.52% on a year-on-year basis, which was 7.80% points higher compared to the rate recorded in October 2022 (23.72%). The rise in Food inflation on a year-on-year basis was caused by increases in prices of Bread and cereals, Oil and fat, Potatoes, Yam and other Tubers, Fish, Fruit, Meat, Vegetables and Milk, Cheese and Eggs.

On a month-on-month basis, the Food inflation rate in October 2023 was 1.91% this was 0.54% lower compared to the rate recorded in September 2023 (2.45%). The decline in Food inflation on a month-over-month basis was caused by the decline in the rate of increase in the average prices of Fruits, Oil and fat, Coffee, Tea and Cocoa, Bread and Cereals.

The average annual rate of Food inflation for the twelve months ending October 2023 over the previous twelve-month average was 26.33%, which was a 6.50% points increase from the average annual rate of change recorded in October 2022 (19.83%).

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FOOD SUB-INDEX IN OCTOBER 2023 ROSE BY

31.52%

YEAR-ON-YEAR

(FROM 23.72% IN OCTOBER 2022)

1.91%

MONTH-ON-MONTH

(FROM 2.45% IN SEPTEMBER 2023)

CORE SUB-INDEX IN OCTOBER 2023 ROSE BY

22.58%

YEAR-ON-YEAR

(FROM 17.46% IN OCTOBER 2022)

1.39%

MONTH-ON-MONTH

(FROM 2.22% IN SEPTEMBER 2023)

Before now, "all items less farm produces" is referred to as the Core inflation. This was because the prices of items that constitute energy were regulated by the government e.g, Petroleum Motor Spirit (PMS). Due to the deregulation of the sector and the removal of the fuel subsidy, all the items that constitute energy are now determined by market forces and hence their prices are termed volatiles. Therefore, Core inflation is referred to as all items index less farm produces and energy.

The "All items less farm produces and energy" or Core inflation, which excludes the prices of volatile agricultural produces and energy stood at 22.58% in October 2023 on a year-on-year basis; an increase of 5.12% when compared to the 17.46% recorded in October 2022. The highest increases were recorded in prices of Passenger Transport by Road, Medical Services, Passenger Transport by Air, Actual and Imputed Rentals for Housing, Pharmaceutical products etc. On a month-on-month basis, the Core Inflation rate was 1.39% in October 2023 compared to September 2023 which stood at 2.22%, this shows a decline of 0.83%. The average twelve-month annual inflation rate ending October 2023 was 19.98%; this was 4.60% points higher than the rate recorded for the twelve-month average ending October 2022 (15.38%).

In analysing price movements under this section, it should be noted that CPI is weighted by consumption expenditure patterns which differ across States and locations. Accordingly, the weight assigned to a particular Food or Non-Food item may differ from State to State making interstate comparisons of consumption baskets inadvisable and potentially misleading.

All Items Inflation

In October 2023, the All-Items inflation rate on a Year-on-Year basis was highest in Kogi (34.20%), Rivers (31.44%), Lagos (31.23%), while Borno (20.06%), Jigawa (23.52%) and Sokoto (24.47%) recorded the slowest rise in Headline inflation on Year-on-Year basis. On a Month-on-Month basis, however, October 2023 recorded the highest increases in Yobe (3.72%), Jigawa (2.85%), Sokoto (2.84%), while Kogi (1.01%), Edo (1.05%) and Kwara (1.18%) recorded the slowest rise on Month-on-Month inflation.

Food Inflation

In October 2023, Food inflation on a Year-on-Year basis was highest in Kogi (41.74%), Kwara (38.48%) and Lagos (37.37%), while Borno (24.41%), Kebbi (24.90%) and Jigawa (25.10%) recorded the slowest rise in Food inflation on a Year-on-Year basis. On a Month-on-Month basis, however, October 2023 Food inflation was highest in Yobe (5.35%), Sokoto (3.68%) and Jigawa (3.45%), while Edo (0.95%), Katsina (1.03%) and Rivers (1.10%) recorded the slowest rise in inflation on Month-on-Month basis.

ALL ITEMS INFLATION

YEAR-ON-YEAR

HIGHEST RISE IN

KOGI	34.20%
RIVERS	31.44%
LAGOS	31.23%

SLOWEST RISE IN

BORNO	20.06%
JIGAWA	23.52%
SOKOTO	24.47%

MONTH-ON-MONTH

HIGHEST RISE IN

YOBE	3.72%
JIGAWA	2.85%
SOKOTO	2.84%

SLOWEST RISE IN

KOGI	1.01%
EDO	1.05%
KWARA	1.18%

FOOD INFLATION

YEAR-ON-YEAR

HIGHEST RISE IN

KOGI	►	41.74%
KWARA	►	38.48%
LAGOS	►	37.37%

SLOWEST RISE IN

BORNO	►	24.41%
KEBBI	►	24.90%
JIGAWA	►	25.10%

MONTH-ON-MONTH

HIGHEST RISE IN

YOBE	►	5.35%
SOKOTO	►	3.68%
JIGAWA	►	3.45%

SLOWEST RISE IN

EDO	►	0.95%
KATSINA	►	1.03%
RIVERS	►	1.10%

Table 5 Combined Urban And Rural State Consumer Price Index (Base Period: November 2009 = 100)									
	Oct-22		Sep-23		Oct-23		MoM		YoY	
State	Food	All Items	Food	All Items	Food	All Items	Food	All Items	Food	All Items
Abia	565.2	485.2	744.2	617.6	758.3	627.2	1.89	1.56	34.16	29.27
Abuja	564.8	472.6	719.0	581.6	730.5	592.5	1.59	1.87	29.33	25.36
Adamawa	552.0	464.8	688.8	574.6	701.1	583.5	1.79	1.56	27.02	25.54
Akwa Ibom	572.4	481.9	770.3	618.9	784.1	630.1	1.79	1.80	36.98	30.74
Anambra	560.3	498.7	721.4	626.9	735.9	637.0	2.02	1.61	31.35	27.73
Bauchi	498.7	572.9	626.9	716.5	637.0	733.9	1.61	2.43	27.73	28.10
Bayelsa	583.2	493.9	767.5	629.8	776.9	637.3	1.22	1.19	33.22	29.03
Benue	574.4	482.7	737.1	592.0	755.3	602.6	2.47	1.80	31.49	24.86
Borno	562.9	456.9	688.7	542.1	700.3	548.6	1.68	1.20	24.41	20.06
Cross River	583.3	447.7	751.3	554.9	768.1	565.2	2.23	1.85	31.68	26.23
Delta	573.8	456.7	771.0	576.8	785.4	584.6	1.86	1.35	36.87	28.03
Ebonyi	601.7	502.4	792.1	639.5	808.4	649.4	2.06	1.55	34.35	29.27
Edo	579.3	497.0	758.8	620.0	765.9	626.5	0.95	1.05	32.22	26.06
Ekiti	579.3	449.2	768.7	554.2	792.1	568.9	3.04	2.64	36.73	26.65
Enugu	582.0	456.8	763.8	567.7	778.5	579.2	1.92	2.02	33.75	26.79
Gombe	568.1	490.5	722.8	614.9	733.9	624.7	1.54	1.60	29.19	27.35
Imo	584.7	441.2	766.1	550.2	782.2	558.3	2.09	1.46	33.78	26.54
Jigawa	554.1	492.8	670.1	591.8	693.2	608.7	3.45	2.85	25.10	23.52
Kaduna	567.4	500.6	725.5	624.4	740.2	638.4	2.02	2.23	30.46	27.52
Kano	576.1	500.0	723.9	622.3	732.0	631.0	1.11	1.39	27.06	26.20
Katsina	549.7	441.1	691.5	542.7	698.7	549.4	1.03	1.23	27.09	24.56
Kebbi	585.1	527.6	714.4	643.9	730.8	656.8	2.30	2.00	24.90	24.48
Kogi	644.6	548.4	903.4	728.6	913.7	735.9	1.14	1.01	41.74	34.20
Kwara	623.2	561.6	848.6	711.8	863.0	720.2	1.70	1.18	38.48	28.23
Lagos	593.5	505.3	803.1	651.8	815.2	663.1	1.51	1.73	37.37	31.23
Nassarawa	565.1	492.2	706.6	605.0	726.0	618.8	2.75	2.29	28.48	25.72
Niger	567.2	500.1	717.6	620.7	733.5	632.8	2.22	1.96	29.31	26.55
Ogun	594.4	518.8	766.7	651.5	781.0	662.5	1.87	1.67	31.39	27.70
Ondo	592.8	508.0	778.5	646.0	792.5	657.3	1.79	1.75	33.68	29.40
Osun	573.9	481.3	752.7	601.9	770.8	614.2	2.40	2.03	34.31	27.62
Oyo	575.7	511.7	756.4	656.7	777.5	671.4	2.79	2.24	35.07	31.21
Plateau	562.6	496.3	717.2	618.2	728.7	626.8	1.60	1.40	29.53	26.29
Rivers	576.9	488.3	781.0	633.9	789.6	641.8	1.10	1.25	36.85	31.44
Sokoto	569.0	488.8	689.0	591.6	714.3	608.4	3.68	2.84	25.54	24.47
Taraba	559.1	470.1	708.6	582.6	724.3	593.1	2.22	1.80	29.56	26.16
Yobe	575.8	503.3	701.2	611.4	738.7	634.2	5.35	3.72	28.28	25.99
Zamfara	564.7	498.4	717.1	622.7	729.3	633.1	1.70	1.67	29.14	27.02

Note: Indices may not be used for inter-state price comparison because market baskets differ from state to state

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