Central Bank of Nigeria

2025

ANNUAL REPORT &
STATEMENT OF ACCOUNTS

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Contact
Central Bank of Nigeria
Corporate Head Office
33 Tafawa Balewa Way
Central Business District
P.M.B. 0187
Garki, Abuja

www.cbn.gov.ng
+234 (0) 700 225 5226

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STATEMENT BY THE GOVERNOR

I am pleased to present the 2025 Annual Report and Statement of Accounts of the Central Bank of Nigeria. In the review year, the Bank remained focused on curbing inflation, strengthening the financial sector, and stabilising the naira to firmly position the economy on a path toward sustainable growth. Major milestones achieved in 2025 were the stability and increased predictability of the exchange rate, and the moderation in inflation. The progress reflected renewed confidence in the policy measures introduced to restore stability in the foreign exchange market and the effectiveness of the Bank's monetary policy decisions. Building on this momentum, the Bank launched the Nigerian Foreign Exchange (FX) Code and continued the implementation of the Electronic Foreign Exchange Matching System (EFEMS), to promote ethical practices and professionalism within the Nigerian foreign exchange market.

In addition, the Bank introduced the Non-Resident Bank Verification Number (NRBVN) platform, an innovative digital gateway that allows Nigerians in the diaspora to obtain a BVN remotely. Furthermore, to deepen and develop the noninterest financial markets, the Bank formalised the Nigerian NonInterest Financial Institutions' Master Repurchase Agreement (NNMRA), which enabled the commencement of auctions for CBN NonInterest AssetBacked Securities (CNIABS) and the CBN NonInterest Note (CNIN). As part of our commitment to enhance the resilience and stability of the banking sector, the Bank emphasised the need for effective succession planning and issued clear requirements for the appointment of successors to the managing directors in Domestic Systemically Important Banks (DSIBs).

In 2025, global economic conditions were shaped by lingering trade frictions, monetary policy easing, advances in artificial intelligence, continued geopolitical tensions and elevated policy uncertainty. Global economic growth was 3.30 per cent, same as in 2024, as slower expansion in advanced economies was offset by stronger performance in emerging markets and developing economies. Global inflation eased to 4.20 per cent, driven by lower energy and food prices, and the lagged effect of the tight monetary policy stance.

The Nigerian economy expanded by 3.87 per cent in 2025 compared with 3.38 per cent in 2024, supported by broad-based reforms that strengthened both the oil and non-oil sectors, and aided macroeconomic stability. Headline inflation fell sharply to 15.15 per cent in December 2025, its lowest level since November 2020. Bold reforms in the foreign exchange market significantly boosted external inflows and stabilised the naira, with external reserves rising to US$45.01 billion, reflecting sustained market confidence and improved external conditions. With macroeconomic conditions stabilising in 2025, the Bank adjusted key monetary policy parameters to further support the economy, including the reduction of the MPR to 27.00 per cent, and the introduction of CRR for non-TSA public sector deposits.

Following the effective and efficient regulatory oversight, the banking sector remained safe, sound and resilient during the review period. To preserve the gains achieved in financial system stability, the Bank will continue to strengthen risk-management frameworks, corporate governance, and ethical conduct across the sector. The ongoing recapitalisation of banks, bureaux de change and finance companies, would further position the financial system to support the country's long-term economic objectives and facilitate the attainment of a US$1 trillion economy.

Current reforms have strengthened Nigeria's international standing, as evidenced by improved ratings from global agencies including Fitch, Standard & Poor's, and Moody's, and the successful exit from the FATF Grey list during the review period. These milestones are critical for restoring investor confidence and enhancing prospects for sustainable economic growth amid rising global uncertainties.

Nigeria's economic outlook for 2026 remains positive, with GDP growth projected at 4.49 per cent. This optimism is supported by enhanced foreign exchange market reforms, banking sector recapitalisation, gradual easing of monetary policy stance and the implementation of the Nigeria Tax Reform Acts, 2025 which is expected to boost government revenue profile and improve fiscal conditions. In 2026, the Bank will continue to prioritise price stability, support output growth, pursue measures to attract foreign investment, sustain foreign exchange market stability, reinforce financial system soundness, and strengthen fiscal-monetary policy coordination.

The Bank's achievements in 2025 would not have been possible without the continued support of President Bola Ahmed Tinubu, GCFR. This is much appreciated. I also thank the distinguished leadership and members of the National Assembly, Honourable Ministers of the Federal Republic, and the Presidency for their cooperation. I want to use this medium to commend the Board, Management, and staff of the Bank for their support, ingenuity, and diligent service, which contributed immensely to the various successes recorded by the Bank during the year. I thank our development partners, the organised private sector, and other stakeholders, for their strategic partnership through the year 2025. We look forward to a stable and prosperous economy in 2026.

Olayemi Cardoso
Governor,
Central Bank of Nigeria.

EXECUTIVE SUMMARY

This Report examines global and domestic developments and policy actions that shaped the Nigerian economy in 2025. The first section outlines the leadership, mandate operations, and corporate activities of the Central Bank of Nigeria (CBN) and presents the Bank's financial statements, while the second part assesses global and domestic economic developments.

Part One – Activities and Operations of the Bank

The Bank continued to prioritise price stability through policy rate adjustments, FX market reforms, liquidity operations, macroprudential activities, and moral suasion. At its first meeting in 2025, the Monetary Policy Committee (MPC) retained the policy rate at 27.50 per cent, the policy corridor (+500/–100 basis points (bps) around the MPR), liquidity ratio (30.00%), and the cash reserve ratios for commercial (50.00%) and merchant (16.00%) banks. Policy parameters remained unchanged until the September MPC meeting, when the policy rate was reduced by 50 basis points to 27.00 per cent, signalling the start of a cautious easing cycle. At the same meeting, the policy corridor was adjusted to +250/–250 bps, the Cash Reserve Ratio (CRR) for commercial banks was reduced to 45.00 per cent, and a 75.00 per cent CRR was introduced for non-TSA public sector deposits. At the November MPC, all policy parameters were maintained except the policy corridor, which was adjusted to +50/–450 bps. Market interest rates remained anchored on the policy corridor, reflecting liquidity conditions, lower funding pressure, and moderating inflation.

Consistent with its objective of a safe, sound, and resilient financial system, the Bank introduced and revised a range of existing policy guidelines to strengthen supervision and macroprudential oversight. This included the discontinuation of the COVID-19 regulatory forbearance to banks by end-June 2025, ongoing recapitalisation exercise, governance and leadership succession planning, among others. Risk-based examinations and stress test scenarios conducted in the review period broadly reaffirmed the health, stability, and resilience of the Nigerian financial system.

Furthermore, the Bank recorded significant milestones in the payment ecosystem in 2025, as cross-border infrastructure and transactions increased, owing to new initiatives to expand diaspora financial access, and enhanced operations of the Pan-African Payment and Settlement System (PAPSS). Following the implementation of critical AML/CFT/CPF reforms, the country made remarkable progress in anti-money laundering compliance, culminating in its exit from the FATF Grey List in October 2025. This achievement significantly strengthened Nigeria's financial integrity and its global risk profile.

The Bank also undertook various initiatives to improve operational efficiency, strengthen compliance, and foster engagements. As part of efforts to strengthen corporate governance & Environmental, Social and Governance (ESG) principles, mitigate financial crime, and improve market conduct, the Bank established a Compliance Department in 2025. Accordingly, the Enterprise Risk Management (ERM) Framework of the Bank was revised to reinforce operational resilience, while foundational activities for ISO 22301 Business Continuity Management System (BCMS) certification were completed, affirming the Bank's risk readiness. Engagements with stakeholders were also sustained, as the Bank continued to be socially responsible.

Part Two - Macroeconomic Developments

The Global Economy

The global economy remained stable in 2025, despite heightened uncertainties. Although output growth was sustained at 3.30 per cent, the pace was uneven across regions. In advanced economies (AEs) growth slowed to 1.70 per cent, from 1.80 per cent, driven, predominantly, by softer demand. Growth momentum was, however, stronger in developing and emerging market economies (EMDEs), on the back of sustained policy support, with output expanding by 4.40 per cent, compared with 4.30 per cent in 2024.

Global inflation decelerated to 4.20 per cent, owing to lower energy & food prices, and the lagged effect of monetary tightening. In AEs, inflation declined, marginally to 2.50 per cent from 2.60 per cent in 2024. The deceleration was, however, faster among EMDEs, as inflation eased to 5.20 per cent from 7.90 per cent. Many economies lowered rates in 2025, in response to softer inflation numbers and in pursuit of dual mandates. The global fiscal policy landscape was, however, characterised by elevated debt levels and rising defence spending.

Global financial conditions in the review period were shaped by geopolitics and developments in major economies. Stock markets were largely bullish, underscoring strong corporate earnings and shift in policy expectations. The prices of global commodities generally softened, with the average spot price of the Bonny Light (34.9° API) declining to US$70.93 per barrel (pb), from US$82.56 pb in 2024, reflecting oversupply in the crude oil market.

The Domestic Economy

The domestic economy expanded by 3.87 per cent in 2025, an improvement over the 3.38 per cent recorded in 2024. The broad-based growth followed gains from the continuing implementation of a cocktail of reforms in key sectors and the rebasing of the economy to accommodate emerging subsectors.

Headline inflation declined to 15.15 per cent in December 2025, from 34.80 per cent at the end of the preceding year, due to the combined effects of monetary policy tightening, exchange rate stability and revision of the methodology for computing the consumer price index (CPI). The revised methodology updated consumption weights in the CPI basket, thereby ensuring a more accurate reflection of current household expenditure patterns.

Fiscal health showed signs of improvement in 2025, with 33.67 per cent growth in federation receipts. This followed increased oil and non-oil revenue inflows. Accordingly, allocations to the three tiers of government improved, strengthening fiscal sustainability. Tax effort, measured as a ratio of tax revenue to GDP, rose to 7.15 per cent in 2025, from 5.41 per cent in 2024, driven by the substantial growth in petroleum profit tax, value added tax, and corporate income tax. At end-September 2025, public debt stock rose to ₦153,292.48 billion (35.55% of GDP) but remained below the national ceiling of 60.00 per cent and the 70.00 per cent threshold recommended for Market-Access Countries (MACs).

Monetary policy in 2025 remained focused on achieving price stability, relying on orthodox instruments. Although monetary policy was largely restrictive in 2025, an easing cycle was initiated at the September MPC, as disinflation persisted. Consistent with the Bank's policy posture, expansion in reserve and broad money moderated to 15.60 and 15.16 per cent, respectively, compared with growths of 32.09 and 16.42 per cent in 2024. The increase in broad money was influenced by the rise in net domestic assets and the decline in net foreign assets, reflecting in part, stability in the FX market and increased economic activity. Consumer credit outstanding fell by 19.89 per cent, reflecting the reduction in personal loans in the review period. The financial sector remained robust, stable and resilient, even under mild and moderate scenarios of sustained adverse economic conditions.

The Nigerian capital market was bullish in 2025, supported by robust corporate earnings and positive investor sentiment. The all-share index (ASI) rose by 51.19 per cent to 155,613.03 surpassing the 150,000 mark, underscoring strong fundamentals and market depth. Market capitalisation grew by 37.01 per cent to ₦149.74 trillion, buoyed by sustained risk-on sentiment and strong corporate earnings optimism.

The external sector remained buoyant, with an overall balance of payments surplus of US$4.23 billion (1.45% of GDP), compared with US$6.83 billion (2.71% of GDP) in 2024. This was supported by the current and capital account, which recorded a surplus of US$14.04 billion (4.82% of GDP). The financial account, was, however, in a lower net lending position of US$1.69 billion (0.58% of GDP), compared with US$9.65 billion (3.83% of GDP) in 2024, owing largely to withdrawal of foreign currency and deposit holdings by residents. Nonetheless, capital flow into the economy increased by 93.71 per cent to US$23.40 billion in 2025, from US$12.08 billion, owing to competitive returns in the domestic financial market and gains from ongoing reforms in the FX market, including the launch of the FX Code, which contributed to renewed investor confidence.

Nigeria's international investment position recorded a higher net borrowing position, buoyed majorly by increased FDI liabilities. While the stock of financial assets rose to US$125.58 billion from US$116.73 billion, net financial liability stood at US$90.15 billion, compared with US$82.69 billion in 2024. The stock of external reserves strengthened to US$45.75 billion and could finance 8.77 months of import for goods and services or 13.33 months for goods only. Sustained reforms in the FX market continued to foster stability and price discovery in the market, with the naira strengthening to ₦1,435.76/US$ at the end of the year, relative to ₦1,535.82/US$ at end 2024. On annual basis, the exchange rate averaged ₦1,518.38/US$ in 2025, compared with ₦1,478.97/US$ in 2024.

PART ONE:
Activities of the Bank

"… the Central Bank of Nigeria is fully committed to ensuring price stability and financial system sustainability. We will stand by Nigeria and Nigerians. Our actions will be fully guided by the principles of transparency, responsibility, and a deep commitment to Nigeria's progress."

Olayemi Cardoso
Governor, Central Bank of Nigeria

1.0 LEADERSHIP

CBN STRATEGY

Mission

To ENSURE monetary, price, and financial system stability as a catalyst for inclusive growth and sustainable economic development.

Vision

To be a trusted and respected Central Bank, promoting confidence in the economy.

STRATEGY 2024–2028

The Bank's 2024–2028 Corporate Strategy remained the overarching framework for ensuring monetary and financial stability. The strategy is anchored on five pillars:

- Price Stability & Monetary Policy Effectiveness
- Robust & Resilient Financial System
- Governance, Compliance & Advisory to Government
- Excellence in Central Banking Operations
- Impact-Focused High-Performance Organisation

Mid-term review of the corporate strategy in 2025 expanded the strategic objectives to 20 from 17 to strengthen focus across the five pillars.

Governor's Strategic Focus

> The Central Bank of Nigeria is committed to achieving monetary and price stability. This is not just a technical objective, but it has real-life implications for the well-being of our citizens. Through targeted policies, transparent market operations, and coordination between monetary and fiscal authorities, we can ensure a more stable exchange rate, control inflation, and create an enabling environment for businesses and individuals to thrive.

Olayemi Cardoso
Governor
Central Bank of Nigeria

KEY HIGHLIGHTS

Monetary and price stability

- Pursue the attainment of price stability, foster sustainable economic growth, and stabilise the exchange rate, returning to orthodox and market-based instruments.
- Ensure a conducive environment to safeguard livelihoods and businesses.

Strengthen the banking system to support growth

- Reinforce resilience of the banking system to shocks, as well as support the aspiration to grow the Nigerian economy to a trillion dollar.

Human capital development

- Advance the welfare of Nigerians, through policies that support access to education, health, and shelter, as well as engender inclusivity

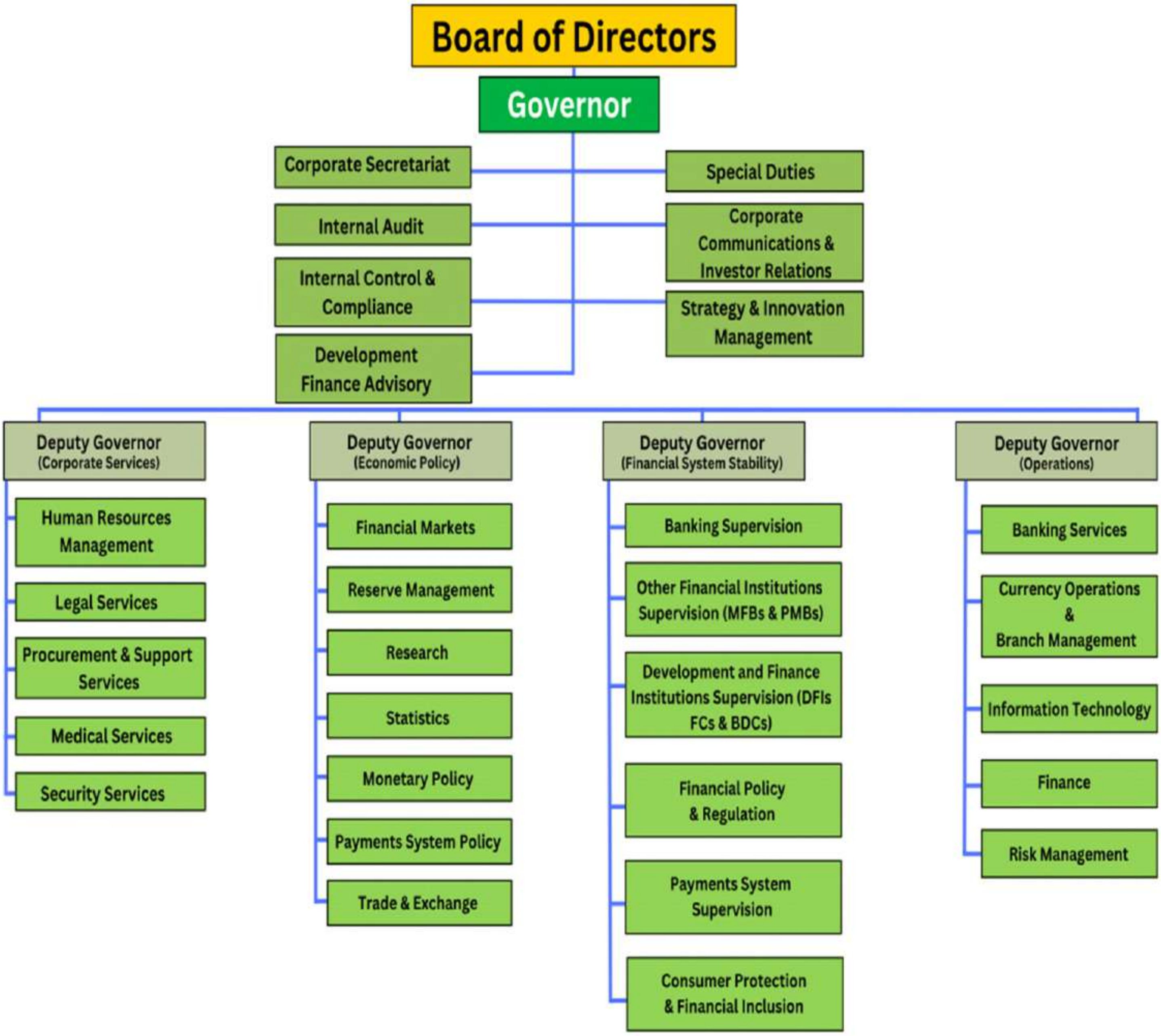
Building a better Central Bank

- Focus on compliance
- Prioritise corporate governance and strengthen regulations

Collaboration with stakeholders

- Collaborate with other critical stakeholders in the economy to pursue policies that would create an enabling environment for sustainable growth and development.

GOVERNANCE STRUCTURE



GOVERNORS' PROFILES

Mr. Olayemi Cardoso

Governor and Chairman, Board of Directors

Prior to his appointment as the Governor of the Central Bank of Nigeria in October 2023, Mr. Olayemi Cardoso spent over 29 years in commercial banking, culminating in his tenure as Chairman of Citibank Nigeria Ltd, a subsidiary of the world's leading global bank and the oldest international bank in Nigeria, from 2010 to 2022. Between 1990 and 1997, he was an Executive Director at the Citizens International Bank Limited and Principal Partner at FBC Associates Limited from 1997 to 1999.

Cardoso served as Commissioner for Economic Planning and Budget, Lagos State Government, from 1999 to 2005. In that capacity, he implemented the blueprint which catalysed economic development in the State and championed reforms, pioneering state-of-the-art analytical and consultative mechanisms for improving governance.

During his banking and public sector career, he served as Chairman of the Lagos Economic Summit Group (2020-2021) and the Africa Venture Philanthropy Alliance (AVPA), 2014 – 2020. He also served as a member of the Economic Advisory Council of the Federal Republic of Nigeria (2015 – 2019) and Cities Alliance Think Tank (2015 – 2018). Other private sector positions held by Cardoso during his career include: Board membership of Chevron Oil Plc (2005 – 2008); Nigerian National Advisory Board for Impact Investing; Lagos Business School; Institution of the Annual State Economic Summit; Johnson Products; and DRASA Health Trust.

Cardoso graduated from the University of Aston in Birmingham, United Kingdom, in 1980 with a Bachelor of Science in Managerial and Administrative Studies (Concentration in Finance and Accounting) and subsequently pursued his master's in public administration and management (Concentration in Economics and Finance) from Harvard University, Massachusetts, United States of America in 2005. Mr. Cardoso was conferred with a Doctorate in Business Administration (DBA) (honoris causa) by the University of Aston in Birmingham, 2017 in recognition of his outstanding achievements in the private and public sectors. He is also a Fellow of the Chartered Institute of Stockbrokers.

Dr. Bala M. Bello, MON

Deputy Governor, Operations

Dr. Bala Bello has over two decades of experience in the financial sector and was appointed Deputy Governor in October 2023. Prior to his appointment at the Bank, he held Executive positions at the Nigerian Export-Import Bank, Apricot Investments Limited and Sigma (Access) Pensions Limited. He has degrees from Ahmadu Bello University and prestigious certifications from Harvard, Wharton and Richard Ivey Business Schools, as well as Stanford Graduate Business School and New York institute of Finance. He started his career at Guaranty Trust Bank Plc and later excelled as a Financial Analyst at the Securities and Exchange Commission. He also co-founded and led various firms in project finance and investment. He has been honoured with awards for his dedication to peace and service and has received honorary doctorates. He is a recipient of the prestigious National Honours Award as a Member of the Order of the Niger (MON). His leadership and contributions continue to drive the development of the financial sector in Nigeria and beyond.

Dr. Muhammad Sani Abdullahi

Deputy Governor, Economic Policy

Dr. Muhammad Sani Abdullahi was appointed Deputy Governor in October 2023. He holds degrees from Ahmadu Bello University, the University of Manchester and the University of Reading, along with certifications in sustainable development and anti-corruption. Abdullahi has held key positions in the Kaduna State government, including Commissioner for Economic Planning & Budget and Chief of Staff, where he spearheaded policy design and implementation. His career extends to the private sector, specialising in credit and risk management, as well as international development roles, including advising the UN Secretary-General and serving on the World Bank Expert Advisory Council. Earlier in his career, he contributed to economic policy formulation and management of development programmes, including the Millennium Development Goals. He has also worked with organisations such as Athal Consulting, the Carter Centre, and the National Democratic Institute.

Mr. Philip Ikeazor

Deputy Governor, Financial System Stability

Mr. Philip Ikeazor is the Deputy Governor, Financial System Stability at the Central Bank of Nigeria with over 30 years experience in financial services. He currently serves as Chairman of Nigeria Inter-Bank Settlement System Plc and Financial institutions Training Centre.

He previously served as the Chief Executive Officer of Keystone Bank Limited and Ecobank Kenya Limited, Executive Director at Union Bank Nigeria, Independent Non-Executive Directors at Greenwich Merchant Bank, Director at Greenwich Registrars & Data Solutions Ltd, and held board positions at Union Bank UK Plc, Orient Bank Uganda and International Crops Research Institute for the Semi-Arid Tropics (ICRISAT).

He holds a BSc in Economics from University of Buckingham and is a Fellow of the Institute of Chartered Accountants of Nigeria, the Chartered Institute of Bankers on Nigeria, and the Chartered Institute of Taxation of Nigeria.

Ms. Emem Usoro

Deputy Governor, Corporate Services

Ms. Emem Usoro is an internationally certified organisational leader with over 27 years of experience in the financial services industry. She is renowned for her expertise in fiscal and monetary policy development, strategy implementation, and board and executive management advisory. Emem possesses diverse skills which include: strategic negotiation, conflict resolution, diversity management, and emotional intelligence. Ms. Usoro has undergone extensive executive education, including programmes at prestigious institutions such as Wharton University and Harvard Business School. Prior to her appointment as Deputy Governor at the Central Bank of Nigeria in October 2023, she served as Executive Director at United Bank for Africa PLC, managing a large portfolio and leading transformative initiatives across multiple regions. Throughout her career, Emem has demonstrated a commitment to professional development and holds memberships in esteemed organisations such as the Chartered Institute of Bankers of Nigeria. She has also held various board appointments, showcasing her influence and leadership within the industry. Emem's interests extend beyond her professional endeavours, encompassing networking, technology, voluntary service, and mentoring.

2.0 MANDATE OPERATIONS

2.1 MONETARY POLICY

The Monetary Policy Committee (MPC) of the Bank met to assess domestic and global economic developments and determine policy actions needed to maintain macroeconomic stability. Decisions reflected the Committee's cautious inclination to attain price and exchange rate stability amid global uncertainties. Monetary policy stance was largely tight during the year.

MONETARY POLICY ENVIRONMENT

Priorities of Monetary Policy

- Inflation Control
- Exchange Rate Stability
- Financial System Resilience
- Growth-Inflation Balance
- Global Risk Management

Drivers

- Persistent high inflation
- FX market conditions
- Increased fiscal deficits
- Prevalence of Excess liquidity
- Geopolitical tensions & global monetary tightening

Instruments of Monetary Policy

In 2025, Open Market Operations (OMO) remained the major instrument for liquidity management complemented by:

- Cash Reserve Ratio (CRR) - to rein in excess liquidity
- Liquidity Ratio (LR) - to guarantee short term liquidity
- Discount Window Operations - emergency liquidity facility
- Foreign Exchange Market Interventions - managing volatility
- Moral Suasion - guidance & signalling to market participants

Policy Outcomes (2025)

Some of the outcomes of the CBN monetary policy actions in 2025 are:

- Stabilised naira and boosted foreign reserves
- Reduced inflation pressures and stabilised consumer prices
- Consistent measures signalled commitment to macroeconomic stability
- Risk mitigation against global conflict shocks

MONETARY POLICY COMMITTEE (MPC) DECISIONS IN 2025

February 19 & 20, 2025 (Communiqué No. 156)
- ✓ Retained the MPR at 27.50 per cent
- ✓ Retained standing facilities corridor at +500 and -100 basis points around the MPR
- ✓ Retained CRR at 50 per cent (DMB) and 16 per cent (Merchant Banks)
- ✓ Retained Liquidity Ratio at 30.0 per cent

May 19 & 20, 2025 (Communiqué No. 157)
- ✓ Retained the MPR at 27.50 per cent
- ✓ Retained standing facilities corridor at +500 and -100 basis points around the MPR
- ✓ Retained CRR at 50 per cent (DMB) and 16 per cent (Merchant Banks)
- ✓ Retained Liquidity Ratio at 30.0 per cent

July 21 & 22, 2025 (Communiqué No. 158)
- ✓ Retained the MPR at 27.50 per cent
- ✓ Retained Standing Facilities corridor at +500 and -100 basis points around the MPR
- ✓ Retained CRR at 50 per cent (DMB) and 16 per cent (Merchant Banks)
- ✓ Retained Liquidity Ratio at 30.0 per cent

September 22 & 23, 2025 (Communiqué No. 159)
- ✓ Reduced MPR to 27.00 per cent
- ✓ Adjusted standing facilities corridor to +250/-250 basis points
- ✓ Adjusted CRR: 45 pe cent (DMB), 16 per cent (Merchant Banks), 75 per cent (non-TSA public sector)
- ✓ Retained Liquidity Ratio at 30.0 per cent

November 24 & 25, 2025 (Communiqué No. 160)
- ✓ Retained MPR at 27.00 per cent
- ✓ Adjusted the standing facilities corridor to +50/-450 basis points around the MPR
- ✓ Retained CRR: 45 per cent (DMB), 16 per cent (Merchant Banks), 75 per cent (non-TSA public sector)
- ✓ Retained Liquidity Ratio at 30.0 per cent

2.1.1 Liquidity Management

Liquidity management was anchored on maintaining optimal banking system liquidity to support the Bank's price stability mandate. The banking system liquidity conditions in 2025 were shaped by maturities/redemptions of FGN and CBN securities, coupon repayments and statutory disbursements by the FGN. During the review period, the Bank deployed several liquidity management instruments, including open market operations, discount window activities, prudential measures, and moral suasion. To mitigate the impact of monthly FAAC allocation, the Bank introduced a 75.00 per cent non-TSA CRR requirement. This supported short-term market rates in line with policy objectives throughout the year. The issuance of FGN bonds and Nigerian Treasury Bills further enhanced liquidity absorption and contributed to moderating short-term interest rate movements in support of policy goals. Liquidity conditions, in 2025, reflected a more stable environment, particularly in the second half of the year when policy stance was eased slightly. The effects of ongoing reforms and improved confidence in the markets further stabilised liquidity conditions.

2.1.2 Monetary Operations

Monetary operations were underpinned by the Bank's mandate of ensuring price and monetary stability. As inflation witnessed a downward trend, the Monetary Policy Rate (MPR) was adjusted downward from 27.50 per cent to 27.00 per cent in November 2025, signalling a modest easing. To guide short-term rate movements, the shift in policy stance was accompanied by multiple changes in the corridor around the MPR, ranging from +500/-100 basis points in May 2025, +250/-250 basis points in September 2025, and +50/–450 basis points in November 2025. The Cash Reserve Ratio (CRR) for commercial banks was reduced to 45.0 per cent, with a 75.0 per cent CRR introduced for non-TSA public sector deposits in September 2025, while the 16.00 per cent CRR for merchant banks, and 30.00 per cent liquidity ratio were retained throughout the year.

2.1.2.1 Open Market Operations

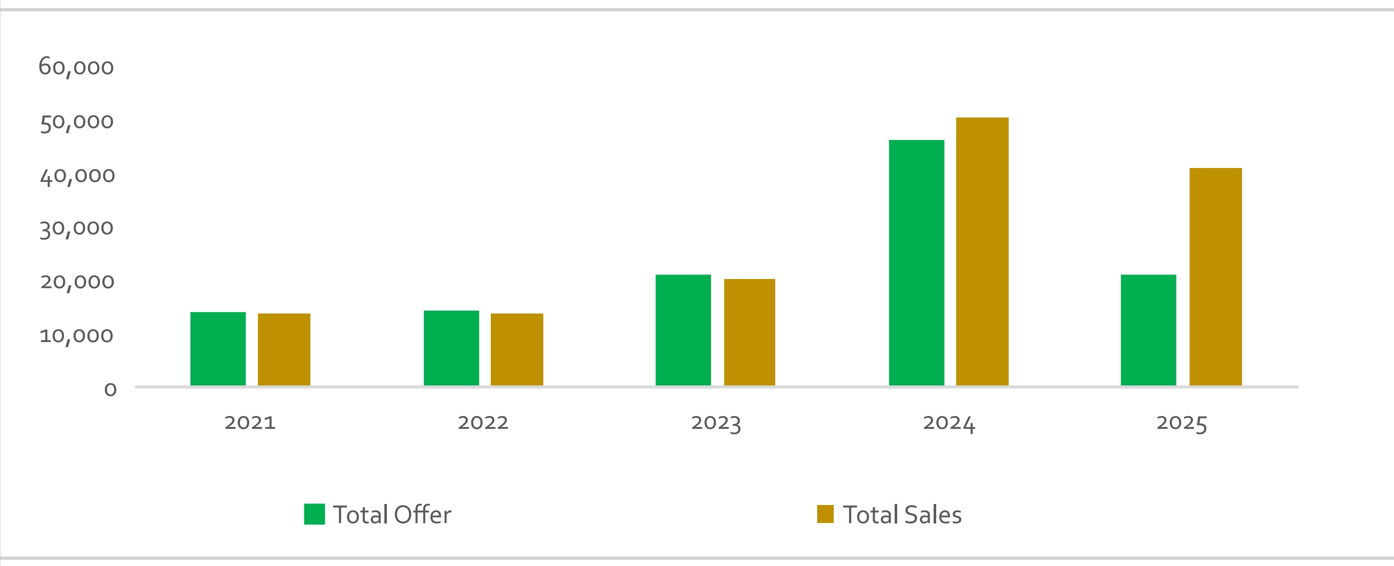
Open Market Operations remained a key instrument for liquidity management in 2025. OMO bills issuance stood at ₦40,900.23 billion, representing a decline of 18.58 per cent compared with ₦50,232.72 billion in 2024. OMO activity was relatively stronger in the earlier part of the year, with moderation occurring gradually as liquidity conditions improved. The moderation in OMO bills issuances reflected improved liquidity conditions and evolving operational dynamics in the Bank's liquidity management framework during the year.

2.1.2.2 Discount Window Operations

At the discount window, the CBN standing facilities remained important liquidity management tools in 2025, providing eligible banking institutions with a platform to address temporary liquidity shortages and surplus positions. The standing facilities recorded significant shifts during the year, characterised by increased placements at the standing deposit facility (SDF) and reduced borrowing at the lending window, reflecting improved liquidity conditions in the interbank market. During the year, there was higher recourse by banks to SDF than the standing lending facility (SLF).

Average daily placements at the SDF rose to ₦1,359.33 billion, across 247 transaction days, a substantial increase compared with ₦153.87 billion across 248 transaction days in 2024. Average daily interest payments on SDF increased to ₦1.36 billion from ₦0.15 billion in 2024, reflecting the higher utilisation of the facility during the period.

Figure 2.1.1: OMO Offer and Sales (₦ Billion)



Source: Central Bank of Nigeria

In contrast, utilisation of the SLF declined markedly in 2025. Average daily SLF requests, including Intraday Liquidity Facility conversions, declined to ₦426.90 billion across 162 transaction days, compared with ₦541.13 billion across 240 transaction days in 2024. Similarly, average daily interest charged on SLF declined to ₦0.55 billion during the period, from ₦0.66 billion in 2024. These developments reflected reduced funding pressure in the interbank market and lower recourse to the lending facility window of the Bank in 2025.

2.1.2.3 Interest Rate Developments

Interest rates moderated in 2025, influenced by improved liquidity levels, reduced funding pressure, easing inflation, and the Bank's cautiously hawkish monetary policy stance. The open repurchase rate (OPR) declined to 22.50 per cent, from 27.30 per cent in 2024. Similarly, the NIBOR-Call and NIBOR 30-day rates trended downward during the year to 22.83 and 23.54 per cent, respectively. The decline reflected improved liquidity conditions and stronger confidence in the interbank market. These developments were also consistent with the Bank's liquidity management operations, which helped anchor money market rates within the policy corridor.

2.1.2.4 Non-interest Banking Operations

In 2025, non-interest banking contributed to the maintenance of adequate liquidity in the financial system and further strengthened the market for Shari'ah-compliant financial products.

i. CBN Safe Custody Account

During the review period, two deposits were made into the CBN Safe Custody Account (CSCA), amounting to ₦70.00 billion, compared with 21 deposits totalling ₦241.50 billion in 2024. Daily transactions ranged between ₦30.00 billion to ₦40.00 billion, compared with ₦1.50 billion to ₦25.00 billion in 2024. The decline in the volume of transactions in the CSCA window reflected increased participation by Non-interest Financial Institutions (NIFIs) in the interbank market as well as the availability of alternative Shari'ah-compliant investment opportunities.

ii. CBN Non-Interet Notes

No transactions were conducted in the CBN Non-Interest Notes (CNIN) window during the review period.

iii. Intra-day Facility

There were no transactions at the Intra-day Facility (IDF) window in 2025, like the position recorded in 2024.

Table 2.1.1: End-Period Money Market Rates

	IBCR	OPR/OBB	NIBOR CALL	NIBOR 30	MPR
2021	0.00	9.47	14.00	9.63	11.50
2022	0.00	10.74	10.00	11.50	16.50
2023	0.00	15.54	16.00	16.25	18.75
2024	0.00	27.30	28.29	29.16	27.50
2025	0.00	22.50	22.83	23.54	27.00

Source: Central Bank of Nigeria.
Note: IBCR-Interbank Call Rate, NIBOR- Nigeria Inter-Bank Offered Rate,
OPR – Open Repurchase Rate, MPR- Monetary Policy Rate. OBB was used for 2021-2024, and OPR for 2025

iv. Funding for Liquidity Facility

During the review period, transactions under the Funding for Liquidity Facility (FfLF) amounted to ₦129.71 billion, with a daily average of ₦10.81 billion over 12 transaction days. An administrative fee of ₦20.00 million was charged, determined as a discretionary fee consistent with the prevailing monetary policy stance.

Conversely, in 2024, transactions under the facility totalled ₦80.51 billion, with a daily average of ₦1.07 billion across 75 transaction days. The administrative fee charged during the period was ₦5.00 million.

v. CBN Non-Interest Special Bills

No transactions were recorded in CBN Non-Interest Special Bills (CNI-SB) during the review period.

vii. CBN Non-Interest Asset-Backed Securities

The first auction of CBN Non-Interest Asset-Backed Securities (CNI-ABS) was conducted in June 2025, with an offering of ₦15.00 billion each for the 21-day and 28-day tenors. Total subscriptions amounted to ₦0.80 billion and ₦0.70 billion, respectively, with full allotment at a return rate of 4.28 per cent per annum. Only two of the five eligible Non- Interest Banks (NIBs) participated in the auction, due largely to lower return relative to alternative Shari'ah-compliant investment instruments.

viii. Nigerian Non-Interest Financial Institutions' Master Repurchase Agreement (NNMRA)

To further support liquidity management in the non-interest segment of the financial market and enhance the tradability of eligible non-interest instruments, the Bank introduced the Nigerian Non-Interest Financial Institutions' Master Repurchase Agreement (NNMRA) during the review period. The agreement provides a standardised legal and operational framework for conducting Shari'ah-compliant repurchase transactions among Non-interest Financial Institutions (NIFIs), thereby facilitating short-term liquidity management using eligible non-interest financial instruments as collateral.

The framework complements existing non-interest liquidity management instruments, including CBN Non-Interest Asset-Backed Securities (CNI-ABS), by providing an avenue for participating institutions to mobilise liquidity against such instruments in the interbank market. The initiative is expected to enhance liquidity redistribution among participating institutions, deepen activity in the non-interest interbank market, and support the effective transmission of monetary policy in the non-interest financial system. The introduction of the framework underscored the Bank's continued efforts to strengthen market infrastructure and promote the development of the non-interest financial market.

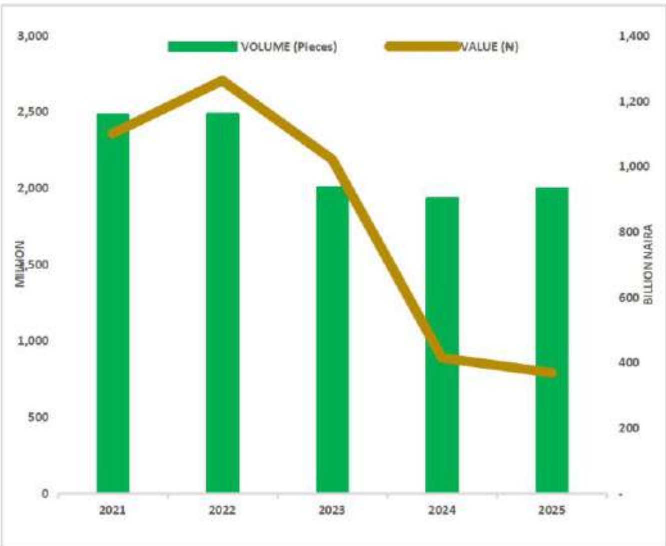
2.2 CURRENCY MANAGEMENT

2.2.1 Production of Legal Tender Currency

The Bank approved a currency indent of 5,706.8 million pieces across the various denominations for 2025. This represented an increase of 20.5 per cent, from the 4,737.5 million pieces, approved in 2024. Of this amount, the NSPM Plc was allocated 2.0 billion pieces (35.0%), while foreign High Security Printers (HSPs) were alloted the balance of 65 per cent.

As of 31st December 2025, the NSPM Plc delivered 1,239.24 million pieces (62.0%) with a face value of ₦368.83 billion, leaving 760.76 million pieces (38.0 percent) outstanding. Foreign printers completed the delivery of 2,206 million pieces across the ₦1,000, ₦500, and ₦200 denominations. The delivery of the supplementary 1,500 million pieces awarded in November 2025 remained in progress as at year-end.

Figure 2.2.1: Volume and Value of Currency Indent

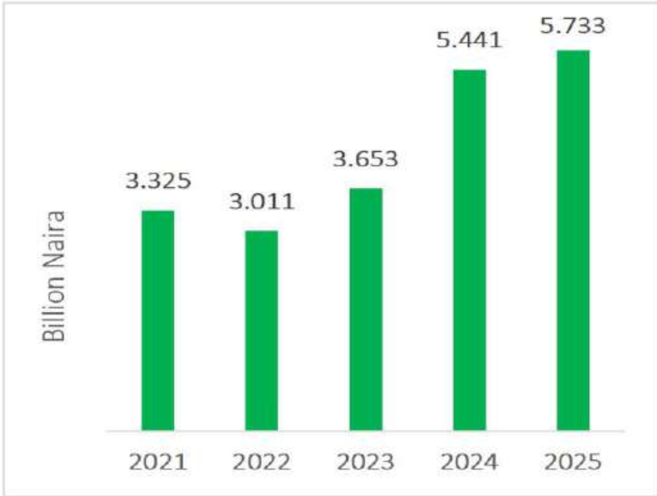


Source: Central Bank of Nigeria

2.2.2 Currency In Circulation

The Currency in Circulation (CIC) stood at ₦5.73 trillion in 2025, compared with ₦5.44 trillion in 2024, reflecting the increased pace of economic activity and rising demand for cash.

Figure 2.2.2: Value of Currency-In-Circulation



Source: Central Bank of Nigeria

2.2.3 Forensic Currency Laboratory

The Bank's Forensic Currency Laboratory continued to conduct currency-centric forensic investigative and assessment services. The laboratory facilitates the probe and adjudication of suspected counterfeit banknotes and the examination of mutilated banknotes.

2.2.4 Sustainable Banknote Disposal

The Bank continued to dispose banknotes in an environmentally sustainable manner, thereby preventing wastage and avoiding pollution. Consistent with its sustainability principles, the Bank sustained engagement with the off-takers (Recyclers) for the purchase and evacuation of banknote wastes for recycling into plastic consumer items via manure, egg crates, and charcoal briquettes etc.

2.2.5 Cash Management Initiatives

The Bank undertook several initiatives to optimise the currency supply chain and improve public confidence in the integrity of the naira. These included:

i. Implementation of Public Sensitisation Programmes on Proper Naira Handling. The Bank conducted nationwide sensitisation campaigns through roadshows and market storms, to enhance public awareness on the proper handling and preservation of naira banknotes.

ii. **Nationwide Banknote Performance Evaluation.** A comprehensive evaluation of banknote performance was carried out across the six geopolitical zones. The assessment provided data on the fitness, durability, and security features of the lower denomination polymer notes, to guide strategic decisions on issuance and circulation.

ii. **Mystery Shopping and Sanction.** The Bank, in furtherance of its effort to reinforce accountability in the sector, conducted periodic mystery shopping operations to assess DMB compliance with currency management guidelines. The DMBs in breach were sanctioned for observed violations.

2.2.6 Enhanced Collaboration with Stakeholders:

To drive a more efficient, private sector-led approach to cash management, a Technical Committee, consisting of members from the CBN, the Association of Licensed Cash Managers of Nigeria (ALCMAN), the Committee of Heads of Bank Operations (CHBO), and Office of the National Security Adviser (NSA) was inaugurated in 2025. The Committee is focused on improving the efficiency of cash processing and cash-in-transit (CIT) operations nationwide.

2.2.7 Advancement in Currency Processing Activities

The Bank sustained activities to improve the efficiency of currency processing.

i. The Bank, at end-2025, operated 22 Banknote Processing System (BPS) 1000 machines across 11 Branches.

ii. A total of 24 "BPS M7" machines were installed in 12 processing branches in the review period.

iii. The deployment of online reporting tools in Branches equipped with "BPS M7" machines progressed during the year. These tools were designed to deliver real-time, online reporting capabilities that strengthen the monitoring, oversight, and overall efficiency of machine operations. A pilot implementation of the system commenced in December 2025, marking a significant step toward enhancing operational transparency and data-driven decision-making across the Bank's currency processing activities.

iv. Additionally, to decongest the Bank's currency vault, Management approved the disposal of demonetised coins in line with international best practices.

2.3 FOREIGN EXCHANGE MANAGEMENT

2.3.1 Foreign Exchange Market and Management

Several policy measures were implemented to enhance efficiency & transparency, boost foreign exchange inflows, promote price discovery and stabilise the naira. The Bank sustained the "Willing Buyer - Willing Seller" principle in the conduct of foreign exchange transactions. Authorised dealers were also required to quote and display exchange rates at their currency exchange kiosk.

To strengthen governance and accountability in the country's FX market, the Nigeria Foreign Exchange Code (FX Code) was launched in January 2025. The Code is based on six core principles — ethics, governance, execution, information sharing, risk management, and confirmation and settlement — consistent with global best practices. The principles are aimed at ensuring fair pricing, integrity, and proper oversight across transactions.

The Non-resident Bank Verification Number (NRBVN) was launched in May 2025 to allow Nigerians living abroad and other non-resident individuals with financial interests in Nigeria obtain a BVN without physical presence in the country. The policy aimed to improve the integrity of Nigeria's financial system, curb illicit financial flows, and strengthen links between the diaspora and the domestic economy.

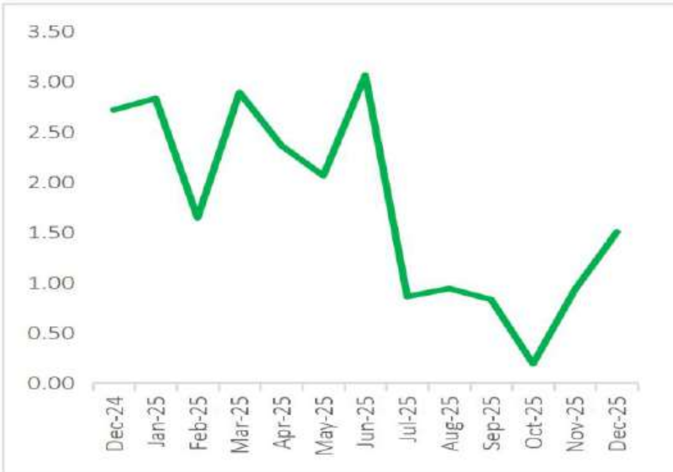
The Bank also introduced the Non-Resident Nigeria Ordinary Account (NRNOA) and Non-Resident Nigerian Investment Account (NRNIA) targeted at Nigerians in diaspora. The NRNOA enables Non-resident Nigerians to remit their foreign earnings to Nigeria as well as manage funds in both foreign and local currencies, while the NRNIA enables non-residents to invest in assets in Nigeria in either foreign currency or local currency. Account holders may maintain both a foreign currency account and a local currency account to facilitate transactions and participate in diverse investment opportunities.

To further boost liquidity in the FX market, existing BDCs were granted permission, in 2024, to purchase up to US$25,000 weekly from authorised dealers, with an initial deadline of 31 January 2025. The temporary access to the NFEM was extended by the Bank to 30 May 2025.

The operations of the Pan-African Payment and Settlement System (PAPSS) were enhanced with the review of documentation requirements for eligible transactions. The review, which aimed to guide activities of importers and exporters using the system, included:

1. approval for basic documentation to be provided by customers to authorised dealer banks for transactions below US$2,000 (individual) and US$5,000 (corporate);
2. that all requirements stipulated in CBN FX Manual and other extant circulars remain applicable for transactions above US$2000 (individuals) and US$5000 (corporate);
3. applicants were responsible for ensuring that allregulatory documents were provided for proper clearance of goods;
4. authorised dealer banks were allowed to source for FX for the settlement of PAPSS transactions through the NFEM (without recourse to the CBN);
5. all exports proceeds repatriated under PAPSS were to be certified by the respective processing banks.

Figure 2.3.1: Supply of Foreign Exchange (US$



Source:Central Bank of Nigeria

2.3.2 Foreign Exchange Flows

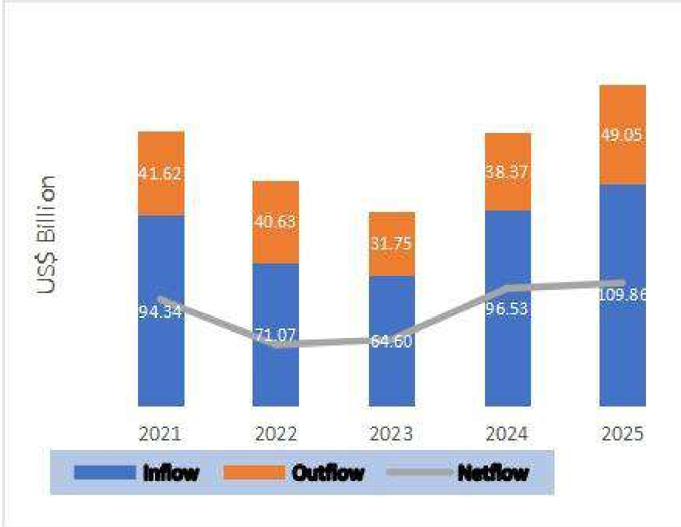
The economy recorded an increase in net foreign exchange inflow, driven by autonomous inflows in the review period. Aggregate FX inflow into the economy at US$109.86 billion in 2025, rose by 13.81 per cent, from US$96.53 billion in 2024. The development was attributed, largely, to increase in inflow through autonomous sources. Aggregate FX outflow, at US$49.05 billion, rose by 27.83 per cent, from US$38.37 billion, mainly, due to increased outflow through autonomous sources. Overall, the economy recorded a higher net inflow of US$60.81 billion, from US$58.16 billion in 2024.

FX inflow through the Bank decreased by 2.08 per cent to US$39.32 billion and accounted for 35.8 per cent of total inflow. The decrease was mainly due to lower receipts from government debt and FX swaps. Foreign exchange inflow through autonomous sources, which accounted for 64.21 per cent of total FX inflow, rose by 25.12 per cent to US$70.54 billion in 2025, from US$56.38 billion. The growth was primarily due to increase in non-oil export receipts and over-the-counter (OTC) purchases, particularly capital importation.

Outflow through the Bank constituted 66.86 per cent, while outflow through autonomous channels accounted for the balance. A breakdown showed that, outflow through the Bank increased by 1.74 per cent to US$32.79 billion, from US$32.23 billion. Similarly, outflow through autonomous channels rose by 164.84 per cent to US$16.26 billion, relative to the level in 2024.

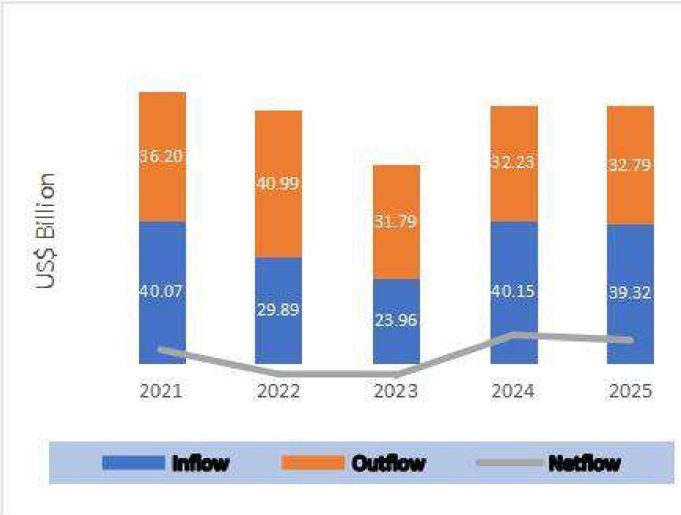
A net inflow of US$54.28 billion was recorded through autonomous sources, compared with US$50.24 billion in 2024. Similarly, the Bank recorded a net inflow of US$6.52 billion.

Figure 2.3.2: Foreign Exchange Flows through the Economy



Source: Central Bank of Nigeria

Figure 2.3.3: Foreign Exchange Flows through the CBN

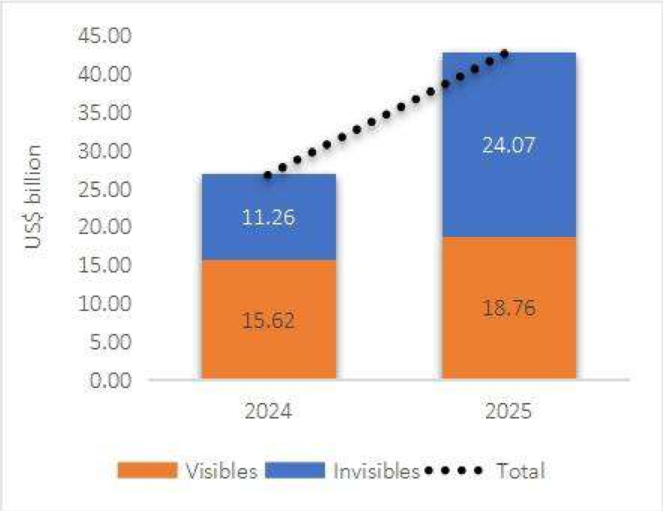


Source: Central Bank of Nigeria

2.3.3 Sectoral Utilisation of Foreign Exchange

Aggregate utilisation of FX by economic sectors rose, driven by higher invisible imports. Foreign exchange utilisation increased by 59.36 per cent to US$42.83 billion, from US$26.88 billion in 2024. A disaggregation showed that US$18.76 billion (43.80%) of the total FX was utilised for visible import, relative to US$15.62 billion in 2024. Of the FX utilised in total visible import, industrial sector import was dominant at 42.11 per cent. This was followed by oil sector (25.91%), manufactured products (15.64%), food products (10.51%), transport sector (3.78%), mineral sector (1.04%), and agricultural sector (1.00%).

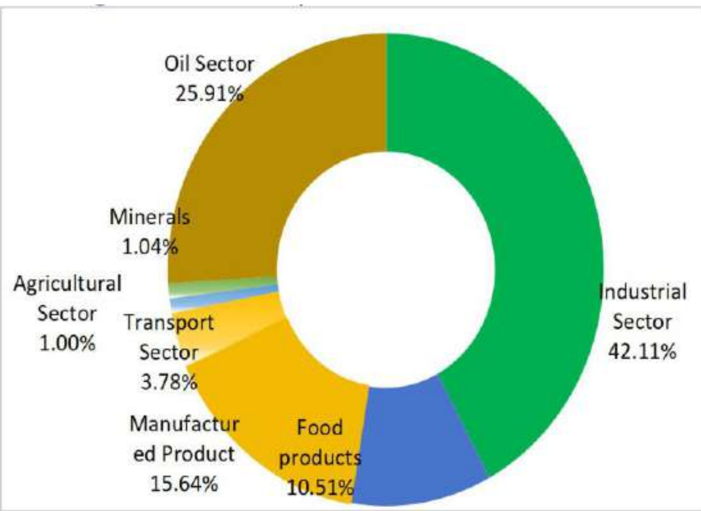
Figure 2.3.4: Sectoral Utilisation of Foreign Exchange



Source: Central Bank of Nigeria

A further analysis showed that the amount utilised for oil sector import rose by 114.91 per cent to US$4.86 billion. Utilisation for manufactured products rose by 61.70 per cent to US$2.93 billion, while transport sector increased by 52.17 per cent to US$0.71 billion, and agricultural sector by 20.71 per cent to US$0.19 billion. However, the amount utilised for industrial sector decreased by 0.76 per cent to US$7.90 billion, while utilisation for food products and minerals decreased by 22.01 and 54.85 per cent, to US$1.97 billion, and US$0.19 billion, respectively, relative to the levels in 2024.

Figure 2.3.5: Sectoral Utilisation of Foreign Exchange for Visible Import in 2025



Source: Central Bank of Nigeria

Foreign exchange utilisation for invisible transactions at US$24.07 billion or 56.20 per cent of the total, increased by 113.83 per cent, compared with US$11.26 billion in 2024. The amount utilised for financial and transport services rose by 125.25 and 41.46 per cent to US$22.18 billion and US$0.57 billion, respectively. Furthermore, amount utilised for tourism & travel related services stood at US$3.72 billion, business services at US$1.15 billion, and health-related & social services at US$0.03 billion. However, utilisation for communication services declined by 62.82 per cent to US$0.70 billion. Education declined by 18.39 per cent to US$0.53 billion, and other services by 40.23 per cent to US$0.01 billion.

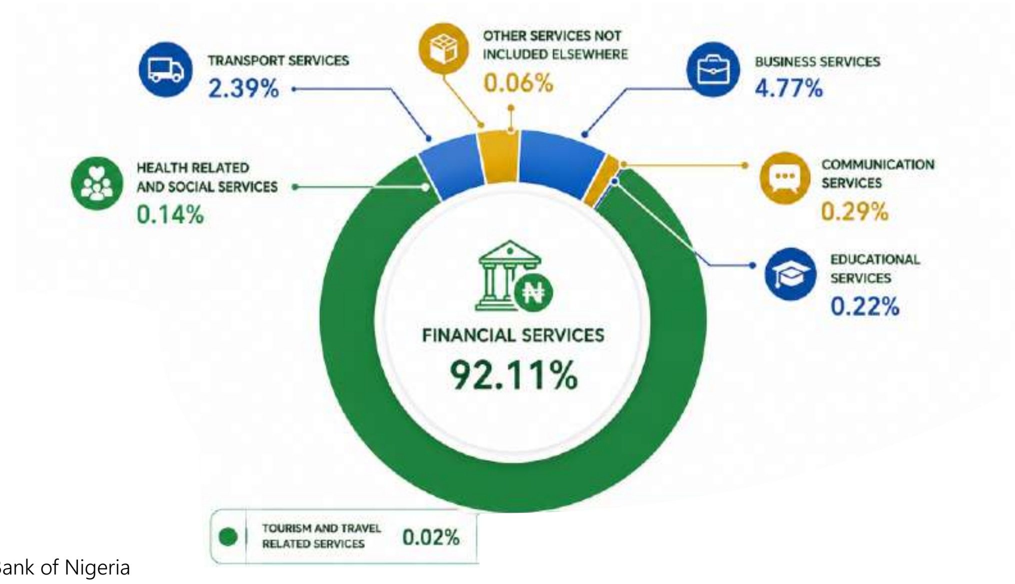
In terms of share, financial services constituted 92.12 per cent of the total invisible import. This was followed by business services (4.77%), transport services (2.39%), communication services (0.29%), educational services (0.22%), and other services accounted for the balance.

2.3.4 Foreign Exchange Reserves and Management

The stock of external reserves was adequate, as it exceeded the international benchmark of three months of import cover. External reserves rose by 13.85 per cent to US$45.75 billion at end-December 2025, compared with the level at end-December 2024. The accretion was attributed, largely, to crude oil-related taxes, third-party receipts and FX purchases.

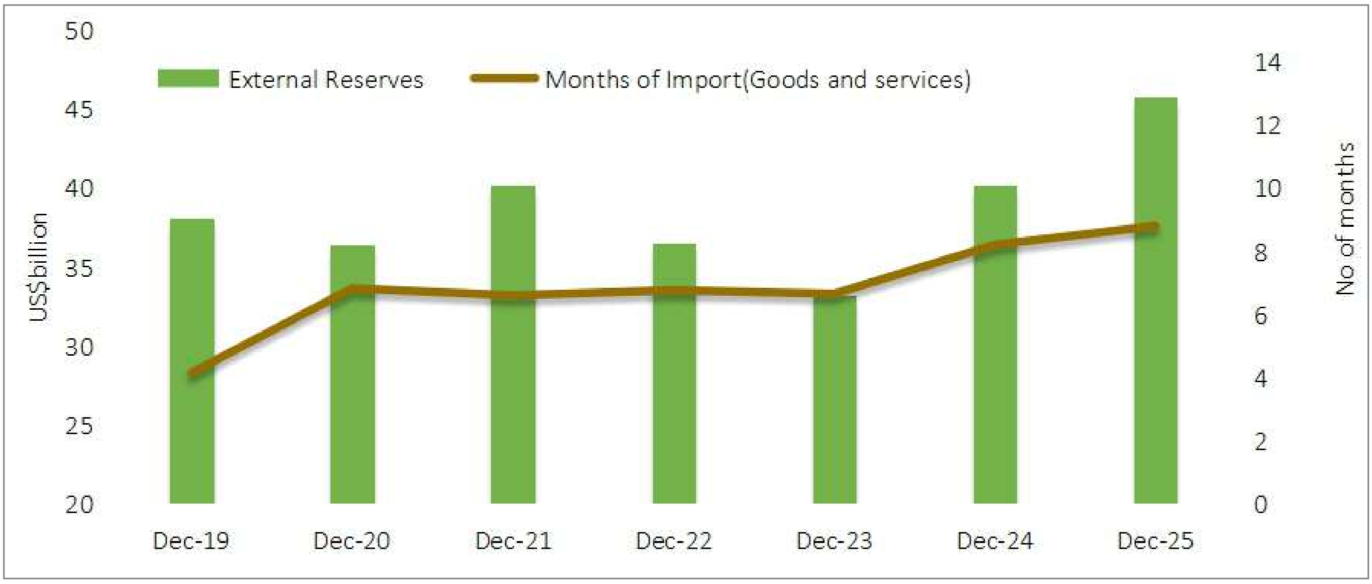
An assessment of external reserves broadly indicated adequacy. The level of reserves could finance 8.77 months of import for goods and services or 13.33 months for goods only, above the 3.0 months international benchmark. In terms of external reserves to the money supply (M3), the ratio, at 54.31 per cent, was above the international benchmark of 20.00 per cent. Based on the Greenspan-Guidotti measure, the ratio of external reserves to short-term liabilities, was 103.81 per cent, above the benchmark of 100.00 per cent.

Figure 2.3.6: Sectoral Utilisation of Foreign Exchange for Invisible Imports in 2025



Source: Central Bank of Nigeria

Figure 2.3.7: Gross External Reserves Position and Months of Import Cover



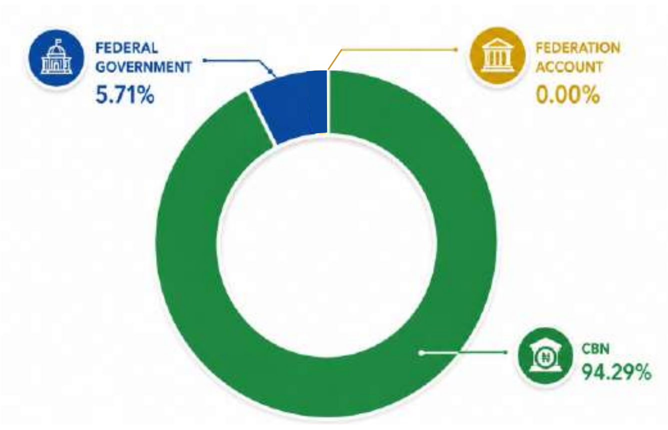
Source: Central Bank of Nigeria

A breakdown of external reserves by ownership at the end of December 2025 revealed that the CBN owned US$43.14 billion (94.29%), the Federal Government owned US$2.61 billion (5.71%), while the Federation owned the balance.

A portion of the nation's foreign reserves was allocated to external asset managers under the External Asset Management Programme. The objectives of this initiative included enhancing returns, diversifying the portfolio, facilitating knowledge transfer, and providing access to research insights from asset managers.

Funds under the programme consisted of sub-portfolios measured against specified benchmarks. The US Treasury Bonds Portfolio was benchmarked against the Bank of America Merrill Lynch 1–3-year US Treasury Index, while the Global Government Bonds Short-Duration Portfolio was assessed against the Bank of America Merrill Lynch Global Government Bond G7 1–3 Year Index, (ex-Italy). Similarly, the ICBC Asset Management Portfolio was measured against the FTSE Dim Sum Offshore CNY Bond Index, and the Mortgage-Backed Securities (MBS) Portfolio was benchmarked against the Barclays US MBS Index.

Figure 2.3.8: Holdings of External Reserves in 2025



Source: Central Bank of Nigeria

2.4 SURVEILLANCE OF FINANCIAL INSTITUTIONS

The Bank sustained its risk-based approach in the supervision and surveillance activities of the banking sector, to promote a safe, stable, and sound financial system. During the review period, the Bank implemented several measures to safeguard the banking system. These included an increase in the minimum capital requirement for banks, standardisation of reporting regulations for foreign currency exposures, adjustments to the Cash Reserve Requirement Framework and applicable rates, and a decrease in the minimum Loan to Deposit Ratio requirement. In its supervisory activities, the Bank conducted offsite appraisals of banks' periodic returns, regular onsite assessment (routine examinations and special investigations), and issuance of relevant guidelines to banks. In carrying out these crucial functions, the Bank relied on the provisions of the CBN Act 2007, and the Banks & Other Financial Institutions Act (BOFIA) 2020.

2.4.1 Banking Supervision

The implementation of the Basel III in Nigeria, which began in September 2021 with the issuance of guidelines and a parallel run in November 2021 continued. Since inception, the CBN has issued key regulatory guidelines covering capital adequacy, the liqu Liquidity Coverage Ratio (LCR), the leverage ratio, large exposures, and the Internal Liquidity Adequacy Assessment Process (ILAAP). These measures are designed to strengthen banks' capital frameworks, introduce robust liquidity standards, and enhance overall risk management practices.

At end-December 2025, the Bank continued the parallel run phase and the updating of its Basel II guidance notes on Credit Risk, Market Risk, Operational Risk, and Pillar III disclosure requirements. These updates, together with revised reporting templates, are being aligned with Basel 3.1 (Basel 3 finalisation), while incorporating local regulatory considerations. In addition, new guidelines were introduced on Counterparty Credit Risk (CCR), the Countercyclical Capital Buffer (CCB2), and the Net Stable Funding Ratio (NSFR).

The overarching objective of the finalisation process is to restore credibility in risk weighted asset (RWA) calculations, ensuring greater consistency and comparability across institutions, without materially increasing overall capital requirements. The CBN has set a target to complete the full transition to Basel III by end-2027.

2.4.2 Credit Risk Management System and Private Credit Bureaux

The Credit Risk Management System (CRMS) of the Bank continued to operate as the central and authoritative repository of credit information within the financial system. By providing more reliable borrower profiles and strengthening the quality of credit data available to regulated institutions, the system reinforced prudent lending practices and enhanced supervisory oversight across the industry.

Furthermore, the CRMS promoted greater transparency in the credit market by improving the flow and integrity of shared credit information across institutions. Its continued application as a core supervisory tool supported more effective monitoring of credit exposures, reduced information asymmetry, and contributed to the Bank's broader objective of fostering sound credit-risk management and safeguarding financial system stability.

2.4.3 Prudential Review and Examination

The financial sector in 2025 remained sound and stable, as key financial soundness indicators were within regulatory thresholds. The industry capital adequacy ratio (CAR) stood at 12.35 per cent at end-December 2025, reflecting the impact of strong risk-weighted asset growth associated with increased banking activity and intermediation. The observed moderation, compared with 15.25 per cent in December 2024 and 13.13 per cent in December 2023, underscored the expanding loan portfolio of banks and the associated risks. Looking ahead, CAR is expected to strengthen significantly, driven by ongoing bank recapitalisation efforts aimed at meeting the new minimum capital requirements. These recapitalisation initiatives will enhance banks' capacity to support business operations, deepen financial intermediation, and contribute meaningfully to the attainment of the US$1 trillion economy target. All banks are required to comply with the revised minimum capital thresholds by 31 March 2026. On balance, the recapitalisation programme is expected to further reinforce the resilience of the banking sector against external and domestic shocks, promote financial system stability, and ensure that banks maintain a robust capital base to absorb losses while effectively supporting Nigeria's economic growth and development.

The industry Liquidity Ratio (LR) stood at 60.27 per cent at end-December 2025, reflecting a notable improvement from 48.57 per cent and 39.98 per cent in 2024 and at end-December 2023, respectively. Year-on-Year (y-o-y), the LR increased by 11.70 percentage points above the level at end-December 2024, driven by the continued buildup of liquid assets relative to current liabilities, demonstrating the sector's strengthened capacity to meet short-term obligations. The minimum regulatory liquidity ratio remained 30, 20 and 10 per cent, respectively, for commercial, merchant, and non-interest banks. At end-December 2025, only one bank fell below the minimum LR, down from five a year earlier, underscoring continued improvements in industry-wide liquidity management.. These developments reinforce the resilience of the banking sector and its ability to support financial intermediation and economic growth.

The industry non-performing loans (NPLs) ratio stood at 7.51 per cent in December 2025 from 4.50 per cent in December 2024 and 4.07 per cent in December 2023, was above the prudential threshold of 5.0 per cent. The increase reflected banks post-forebearance adjustments marking a return to standard credit risk recognition and greater transparency.

2.4.4 Financial Crimes Surveillance/Anti-Draft Policies

The Bank advanced draft reforms to strengthen consumer protection and regulatory clarity by introducing a harmonised framework for authorised push payment fraud and approving the development of an HTML-based online CBN Rulebook to digitise, and consolidate regulations in line with international best practices. The Bank exposed the Draft Guidelines for Handling Authorised Push Payment (APP) Fraud to the industry for comments. The primary objective of the Guidelines is to introduce a standardised framework for addressing APP fraud, where consumers are deceived into authorising payments to fraudsters. Key provisions of the Draft Guidelines include the establishment of early-warning mechanisms, customer redress processes, liability allocation between sending and receiving institutions, minimum due-diligence standards, and mandatory fraud-reporting protocols. Prior to 2025, responses to APP fraud were largely institution-specific and reactive, with no harmonised regulatory framework governing liability, consumer redress, or reporting standards. The shift was driven by rising incidence of digital and instant payment fraud and need to enhance consumer protection and confidence in the payment system.

The Committee of Governors (CoG) approved the development of an HTML-based online Rulebook for the Central Bank of Nigeria. The initiative entails a fundamental rework of all regulatory policies and digitisation of same. The objective is to improve regulatory clarity, promote consistency in interpretation and application, and enhance accessibility for both regulators and regulated entities. The project is still ongoing. Prior to 2025, regulatory policies, guidelines, and circulars were issued and administered primarily as standalone documents, without a single consolidated repository. The approval of the HTML-based Rulebook in 2025 reflects the Bank's objective of aligning the structure, organisation, and accessibility of its regulatory framework through a unified digital platform, in line with international best practices and global trends toward digital, consolidated, and rule-based regulation.

2.4.5 Routine, Special and Target Examinations

The Bank continued to promote a safe, stable, and sound financial system using a risk-based supervisory approach. The Joint CBN and NDIC Risk Assets Assessment Examination of all banks was conducted in February 2025 to assess the quality of banks' assets and determine the adequacy of loan loss provisions necessary for approving their 2024 annual financial statements. Between August and September 2025, the Joint CBN/NDIC Risk-Based Examination covered on 17 banks with Composite Risk Ratings (CRR) of "Moderate" and "Low," and three financial holding companies base on their ratings as of 30 June, 2025.

Additionally, the Risk-Based Examination of the three credit bureaux was conducted within the review period. Routine examinations of some Nigerian banks' foreign subsidiaries were also carried out in collaboration with the host supervisors.

During the year, targeted monitoring of banks' compliance with Examiners' recommendations was also performed as directed by Management.

A routine foreign exchange (FX) examination was also conducted on the 34 authorised dealers to ascertain compliance with extant rules and regulations of FX operations, evaluate utilisation of FX for eligible transactions, and analyse FX flows from major sources. The examination covered the period 1 April 2024 to 31 March 2025. Key findings revealed that while authorised dealers were broadly compliant, some infractions were observed, and appropriate penalties were recommended.

The Credit Assessment and Analysis System (CAAS) for appraising credits during onsite examinations Risk-Based Supervision (RBS) and Risk Assets Examination (RAE), was upgraded in 2025 to an enterprise version, which had a robust reporting feature, higher processing speed and capacity to process large data sets with over one million records. The upgrade also enhanced business logic for objective classifications of credits. It was used in the 2025 Risk-Based Examination and Risk Assets Examination.

The Bank successfully deployed an end-to-end automated approval workflow for the clearance of bank employees, as well as the appointment and promotion of senior management staff and board members, on Monday, 6 October, 2025, via the CBN Licensing and Other Requests Approval Portal (LARP). This deployment has significantly enhanced operational efficiency, reduced processing timelines, improved transparency, and strengthened governance oversight in supervisory approvals.

2.4.6 Cross-Border Supervisory Activities

In 2025, supervisory oversight of cross-border banking subsidiaries and branches of Nigerian banks was sustained. This was implemented through offsite and onsite supervisory activities, as well as exchange of information on senior management and board appointments. The Bank also participated in regional meetings of College of Supervisors of the West African Monetary Zone (CSWAMZ), Committee of Bank Supervisors of West and Central Africa (CBSWCA), Community of African Banking Supervisors (CABS), Association of African Central Banks (AACB), among others. At the meeting, the integration of regional payments systems to reduce cost of remittances, recognition of artificial intelligence as a tool for effective supervision, adoption of model act for banks and other financial holding companies, etc, were discussed. By end of 2025, Nigerian banks had 56 cross-border subsidiaries and 61 offshore affiliates, including five representative offices.

2.4.6.1 Subsidiaries of Foreign Banks in Nigeria

The number of foreign banks subsidiaries operating in Nigeria and representative offices, remained unchanged in 2025 at 5 and 12, respectively.

2.4.6.2 Onsite Reviews of Cross-Border Banking Subsidiaries

A full-scope routine onsite examination of 10 cross-border institutions was conducted in 2025, using the RBS approach. The examination provided the Bank with updated risk profiles of the subsidiaries. The reports of the examinations contained appropriate recommendations to address issues of supervisory concern.

2.4.6.3 Collaboration with Other Supervisors

The Bank intensified its supervisory cooperation arrangements with home and host regulators through participation in regional and international meetings of bank and financial supervisors to share supervisory information, exchange knowledge and ideas, and articulate strategies to promote the effectiveness of banking supervision within the region. During the year, the Bank participated in major international and regional supervisory activities.

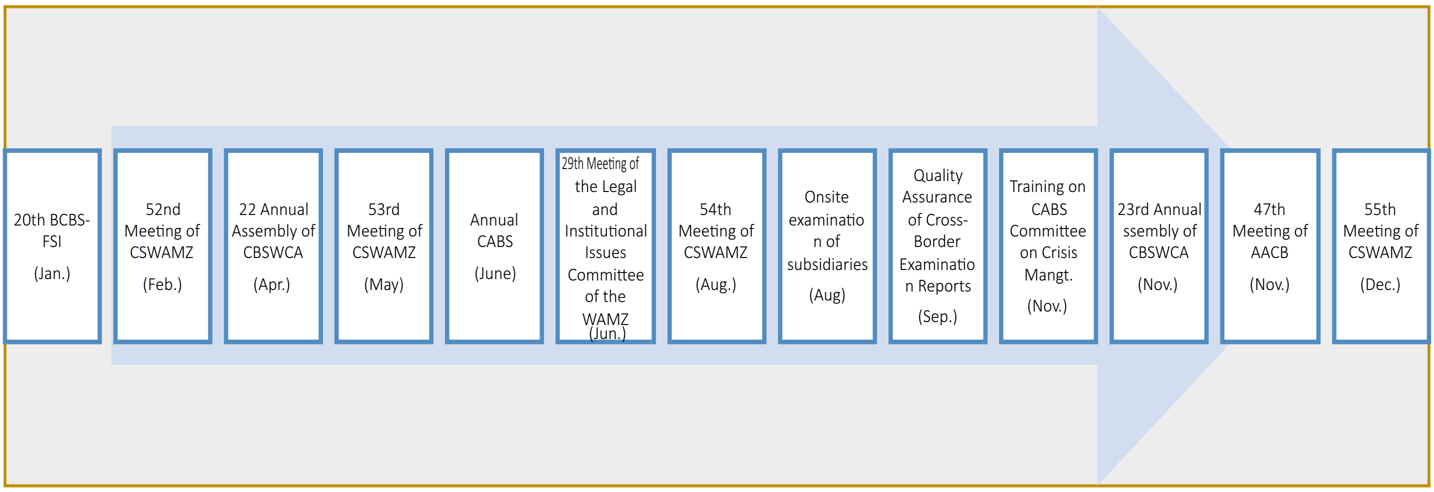
2.4.7 Foreign Exchange Monitoring/ Examination

The routine examination of the 34 authorised dealers in the foreign exchange market, comprising 29 commercial banks and five merchant banks, was conducted between April and May 2025. The examination was aimed at ascertaing compliance with rules and regulations of foreign exchange operations, evaluate the utilisation of foreign exchange for eligible transactions, and conduct a trend analysis of foreign exchange flows from major sources. The examination covered foreign exchange operations for the period April 2024 to March 2025. Key findings revealed some infractions, and appropriate penalties were recommended.

Table 2.4.1: International and Regional Supervisory Activities

Meeting	Date	Venue	Objective/Theme	Issues and Actionable Decisions
20th BCBS-FSI High-Level Meeting for Africa on Strengthening Financial Sector Supervision	16 – 17 January 2025	Cape Town, South Africa	Strategies for strengthening Financial Sector Supervision in the region	i. Implement Crisis Management and Banking Resolution Frameworks ii. Strengthen AML/CFT and Cybersecurity surveillance iii. AACB to commence the publication of Financial Stability Report for Africa
Statutory Meeting of the College of Supervisors of the West African Monetary Zone (CSWAMZ)	5 – 10 February 2025	Free Town, Sierra Leone	Provides a common platform for banking supervisors in the West African Monetary Zone (WAMZ) to share supervisory information, exchange knowledge, ideas and articulate strategies to promote effective supervision of banks, especially as it relates to cross border banking and financial groups operating in the zone.	i Cross -border supervision issues, including examinations, ii. Basel standards implementation, ECL impairment models, and iii. Capacity building for supervisors.
Meeting of Committee of Bank Supervisors of West and Central Africa (CBSWCA)	3-4 April 2025	Libreville, Gabon	The meeting reviewed the activities and programs of the Committee as well as it plan for 2025 and macroeconomic, financi and banking sector developments in member countries	Implementation of a platform for disseminating regulatory frameworks and data on the banking systems of CBSWCA member countries.
Statutory Meeting of the College of Supervisors of the West African Monetary Zone (CSWAMZ)	28 – 30 May 2025	Virtual	It provides a common platform for banking supervisory authorities in the West African Monetary Zone (WAMZ) to share supervisory information, exchange knowledge, deas and articulate strategies to promote the effective supervision of banks, especially as it relates to cross border banking and financial groups operating in the zone.	i. Implement strategies to resolve challenges in the banking sectors, including high levels of non - performing loans ii. Compliance with regulatory standards iii. The need for sector modernization through technological improvements and new banking laws.
29th Meeting of the Legal and Institutional Issues Committee of the West African Monetary Zone	16 – 19 June 2025	Accra, Ghana	Resolution Specialist/Expert reviewed the draft Revised Model Act which will be presented at the next WAMZ Statutory Meeting	Draft Model Act to be presented at the next WAMZ Statutory Meetings
Conference and Meeting of the Community of African Banking Supervisors (CABS)	23 – 24 June 2025	Balaclava, Mauritius	Information exchange on banking supervision, peer review, and reflecting on relevant global practices.	i. Basel core principes for effective banking supervision, ii. Sustainable Finance Taxonomies, iii. Digitalization of financial services, iv. Geopolitical fragmentation. v. Multilateral MoU for information sharing, vi. CABS Crisis Management Framework vii. FinTech license passporting in Africa
Expert Committee Meeting for the Development and Implementation of Basel Framework in the WAMZ	23 – 27 June 2025	Accra, Ghana	Drafted Model Pillar II Basel II/III Framework for the West African Monetary Zone (WAMZ)	Draft framework to be submitted to the Committee of Governors through the Technical Committee for approval

Meeting	Date	Venue	Objective/Theme	Issues and Actionable Decisions
54th Meeting of the College of Supervisors of the West African Monetary Zone (CSWAMZ)	4 – 6, August, 2025	Virtual	Provides a common platform for banking supervisory authorities in the West African Monetary Zone (WAMZ) to share supervisory information, exchange knowledge, ideas and articulate strategies to promote the effective supervision of banks, especially as it relates to cross border banking and financial groups operating in the zone.	i. Adoption of Sup Tech and RegTech by member countries. ii. Revision of Risk-Based Supervision Framework iii. Implementation of Basel II and III Basel Core Principles self-assessment iv. Adoption of Model Act for Banks and Other Financial Holding Companies v. Regulatory Frameworks for Sustainable Banking Principles and Climate-related Financial Risk.
Meeting of Committee of Bank Supervisors of West and Central Africa (CBSWCA)	10 – 12 November 2025	Abuja, Nigeria	To review the activities and programs of the Committee.	i. Adaptation of regulators to a technology-driven landscape ii. Recognition of Artificial Intelligence as a tool capable of transforming supervision iii. Setting up of a working group on Artificial Intelligence by the Committee
Training for CABS Committee on Crisis Management	10 November 2025	Abuja, Nigeria	Aimed at exchanging views on banking supervision, learning from peers, reflecting on relevant global practice and voicing the concerns of the African continent.	i. The use of artificial intelligence in banking supervision ii. Regional collaboration for shared knowledge, uniform standards and ethical AI adoption.
47th Annual Meetings of the Association of African Central Banks (AACB)	23 – 28 November 2025	Yaoundé, Cameroon	The meeting focused on strengthening Africa's financial infrastructure, ensuring budgetary stability, and enhancing regional integration	iii. Strengthening financial independence and funding through development partners iv. Integration of regional payments systems to reduce cost of remittances. v. Implementation of the African Monetary Institute (AMI) vi. Adoption of revised AACB Statute.
55th Meeting of the College of Supervisors of the West African Monetary Zone (CSWAMZ) .	8 – 12 December 2025	Accra, Ghana (Virtual)	It provides a common platform for banking supervisory authorities in the West African Monetary Zone (WAMZ) to share supervisory information, exchange knowledge, ideas and articulate strategies to promote the effective supervision of banks, especially as it relates to cross border banking and financial groups operating in the zone	i. Development of a comprehensive dashboard for MOUs established with other supervisory authorities ii. Technical assistance from Afritac West 2 to support member countries in building ECL challenger models.



Recent reforms and developments have significantly impacted the Nigerian Autonomous Foreign Exchange Market . These initiatives were aimed at enhancing transparency, strengthening governance, and improving overall market efficiency.

2.4.7.1 The Nigerian Foreign Exchange (FX) Code

This initiative introduced a unified ethical and operational standard for all FX market participants. It enhanced transparency, reduced manipulation, improved market discipline, and reinforced confidence across the ecosystem by aligning practices with global standards.

2.4.7.2 Full liberalisation and Market-driven Exchange Rate Regime.

The CBN adopted a single, market-determined rate by removing multiple FX windows and easing administrative controls. This improved price discovery and attracted foreign investors, supported exporter participation, stabilised the naira, and contributed to macroeconomic adjustment; and

2.4.7.3 Consolidation of FX windows.

All FX windows were harmonised into one framework, simplifying FX access, improving market clarity, and limiting arbitrage opportunities.

2.4.8 Domestic Systemically Important Banks

In accordance with the Framework for the Regulation and Supervision of Domestic Systemically Important Banks (D-SIBs), five banks maintained their designation as D-SIBs for the period under review. These banks continued to be subjected to enhanced supervision of their activities in view of the significant impact the failure of any of the institutions could have on the overall financial system.

At end-December 2025, five D-SIBs accounted for 57.19 per cent (N94.87 trillion) of the industry's total assets of N165.89 trillion. The D-SIBs also accounted for 58.44 per cent (N64.39 trillion) of total industry deposits of N110.19 trillion and 57.37 per cent (N33.48 trillion) of the aggregate industry credit of N58.36 trillion. The D-SIBs remained compliant with prudential requirements. Efforts aimed at enhancing the regulatory and supervisory framework for D-SIBs to ensure the sustained safety and soundness of the financial system remained at the forefront of the Bank's regulatory activities.

2.4.8.1 Circulars to All Domestic Systemically Important Banks

The Bank issued targeted circulars to strengthen governance, clarify regulatory requirements, update pricing and cash-management frameworks, and enhance payment system efficiency.

i. The Bank issued a circular to all D-SIBs on the appointment and announcement of successors to Managing Directors, aimed at strengthening governance through transparent succession planning, timely communication of leadership changes, and seamless leadership transitions. Prior to 2025, succession matters were handled on a case-by-case basis, the 2025 Circular introduced a structured, system-wide approach, driven by the systemic importance of D-SIBs, the need to mitigate leadership transition risks, governance concerns identified through supervisory processes, and alignment with international best practices on executive succession.

ii. The Bank issued a Circular in 2025, following the issuance of the Guidelines on the Management of Dormant Accounts, Unclaimed Balances, and Other Financial Assets in 2024, to address stakeholder concerns regarding potential infringements on privacy and data protection rights under the Nigeria Data Protection Act (NDPA), 2023. The

Circular clarified the regulatory and legal basis for the processing and disclosure of customer information under the Guidelines. In comparison with 2024, where regulatory efforts focused on implementation, the 2025 intervention shifted towards providing clarification, driven by increased industry requests, heightened awareness of NDPA obligations, and the need to prevent inconsistent practices and compliance uncertainty.

iii. The Bank issued a Circular in February 2025 to all banks and other financial institutions reviewing Automated Teller Machine (ATM) transaction fees in response to rising service delivery costs and the need to improve efficiency and sustain ATM services. The Circular revised fees for "not-on-us" withdrawals, introduced a surcharge for "not-on-us" withdrawals at offsite ATM locations, and discontinued the three free monthly withdrawals for remote on-us transactions. In comparison with 2024, where ATM fees were largely guided by existing provisions of the CBN Guide to Bank Charges with limited cost-based adjustments, the 2025 Circular constituted a targeted policy intervention to align ATM pricing with prevailing operational realities. The development was driven by rising ATM deployment and maintenance costs, the need to incentivise infrastructure investment, promote pricing transparency, and ensure the efficiency and sustainability of ATM service provision.

iv. The Bank issued a Circular on December 2, 2025, on Revised Cash-Related Policies to banks, other financial institutions, and the public in response to evolving cash-management challenges. The policy aimed to moderate the rising cost of cash management, address security and operational risks from excessive cash usage, and strengthen safeguards against money laundering and other illicit financial activities. It streamlined cash-handling rules by removing the cumulative deposit limit and related excess-deposit fees, standardising weekly withdrawal limits across all channels, discontinuing special cash-withdrawal authorisations, harmonising withdrawal charges, and clarifying reporting requirements and applicable exemptions. Compared with 2024, when cash regulation was fragmented across multiple standalone circulars, the 2025 Circular consolidated policies to ensure consistent application across the financial ecosystem. The key drivers included rising operational, logistical, and security costs of cash handling, concerns over illicit activities linked to large-value cash transactions, alignment with broader monetary policy, financial stability and payment-system reforms, and the gradual shift towards electronic payment channels.

v. The Bank issued a Circular in December 2025 to all banks and other financial institutions to facilitate the seamless use of foreign payment cards in Nigeria, aiming to improve access to funds, enhance convenience and security, and deliver a better user experience for tourists, Nigerian returnees, and other foreign card users. The Circular required acceptance of international cards across ATMs, POS, and online channels, system availability, compliance with card scheme standards, transaction monitoring, multi-factor authentication, strengthened KYC and AML controls, timely resolution of complaints, reinforced rules on exchange-rate transparency, local-currency settlement, chargebacks, and merchant oversight. In comparison with 2024, where foreign card usage was addressed mainly through general provisions, the 2025 Circular introduced a comprehensive framework focused on reliability, consumer protection, and user experience, driven by the need to harness foreign exchange inflows and enhance system confidence and compliance with international standards.

2.4.9 Macroprudential Surveillance and Regulation

The Bank sustained the use of appropriate macroprudential instruments to identify, assess, and mitigate risks and vulnerabilities in the financial system.

2.4.9.1 Banking Industry Liquidity and Solvency Stress Tests

Liquidity and solvency positions of the banking industry remained robust when subjected to mild and moderate scenarios of sustained adverse economic conditions but could be vulnerable under the severe scenario. The Bank conducted top-down banking industry stress tests on 34 commercial and merchant banks during the review period to assess their resilience to systemic risks. The result indicated that the banking industry remained safe, sound, and resilient under mild to moderate scenarios of sustained economic and financial stress. However, under the severe and prolonged stress scenario, the industry exhibited vulnerabilities.

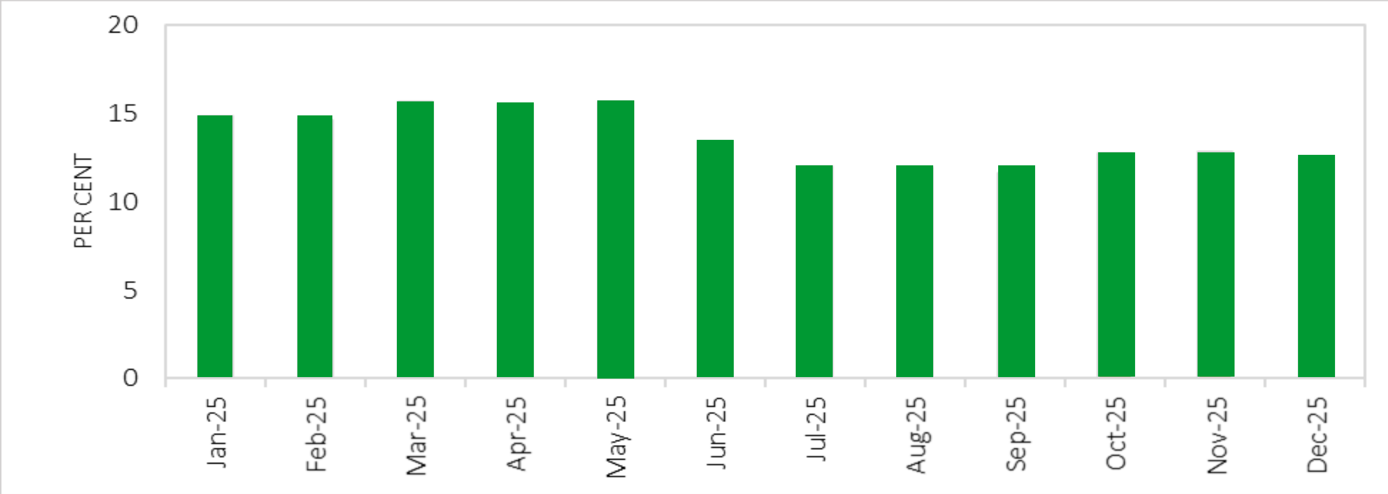
i. Liquidity Stress Test

The liquidity stress test as of end 2025 revealed that, the industry liquidity ratio (LR) would decline to 40.31 per cent from the baseline of 60.27 per cent but remain above the 30.00 per cent threshold. Further simulation results indicated that the liquidity ratio (LR) would fall to 30.53 per cent and 25.73 per cent, under a 3-day and 4-day run, respectively. The results indicated that although the banking industry maintained adequate liquidity buffers under short-term stress, the adequacy of these buffers diminished under more severe and prolonged withdrawal pressures and the system became vulnerable.

ii. Sector Concentration Risk

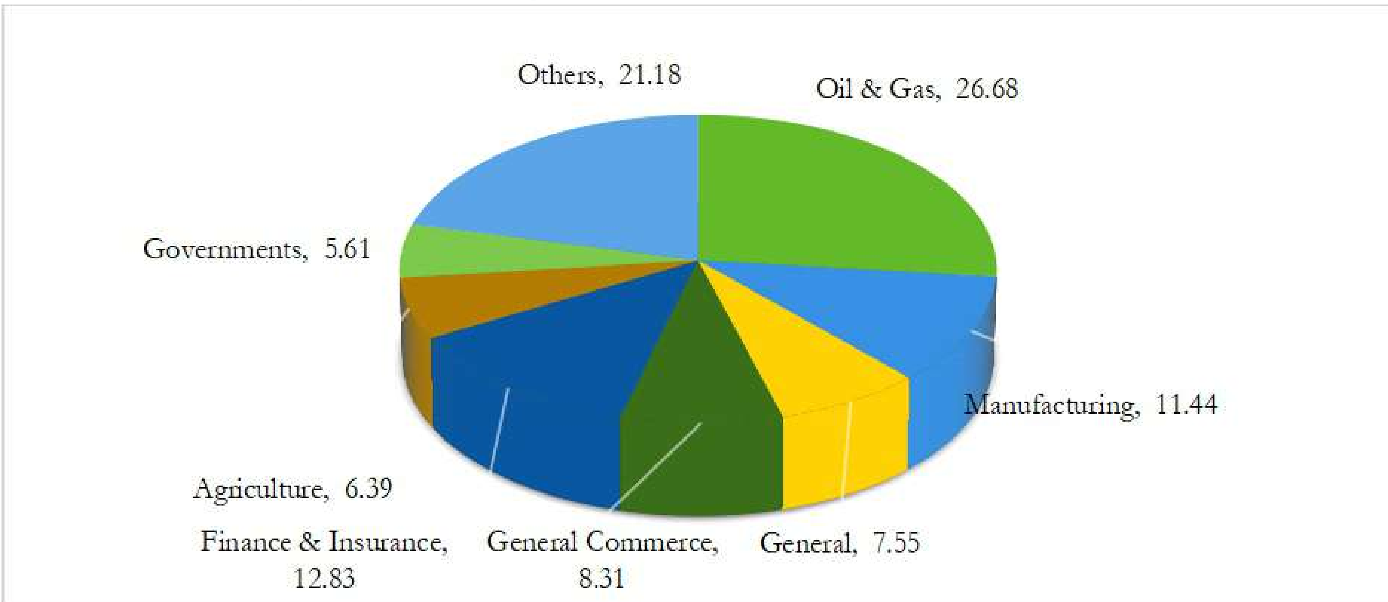
In the review period, the banking sector remained stable but carried structural concentration risk that could amplify solvency pressures in adverse conditions. A breakdown of the banking industry's total credit by sector indicated that oil and gas accounted for the largest share of 26.68 per cent. This was followed by Others (21.18%), finance & insurance (12.83%), manufacturing (11.44%), general commerce (8.31%), general (7.55%), agriculture (6.39%), and government (5.61%)..

Figure 2.4.1: Banking Industry CAR



Source: Central Bank of Nigeria

Figure 2.4.2: Credit Exposure by Sector (per cent)



Source: Central Bank of Nigeria

iii. Credit Default Stress Test on CAR

Credit default stress test indicated that the CAR remained above the regulatory minimum under moderate credit-risk shocks, for NPL below 50.00 per cent. At the severe shock scenario of 50.00 per cent NPL, the CAR fell below the minimum threshold, highlighting the importance of sustained supervisory vigilance and sound capital planning by the banks.

iv. Multi-factor Stress Tests: Credit, Interest & Exchange Rates Shocks

The multi-factor stress tests for credit, interest rate and exchange rate showed that the banking industry liquidity was generally resilient to the impact of the simulated shocks, but solvency was significantly impacted under all three scenarios (mild, moderate and severe), reflecting the fragile level of industry CAR at 12.35 per cent.

The result of the LR test indicated marginal declines to 57.11 per cent (for the moderate scenario) and 56.35 per cent (for the severe scenario) from a baseline of 60.27 per cent. This remained well above the 30.00 per cent prudential threshold. The outcome underscored the robust liquidity buffers within the banking system, and the capacity to absorb shocks without compromising intermediation.

Table 2.4.3: Credit Default Shocks on Banking Industry CAR

Shocks	December 2024 CAR (%)	December 2025 CAR (%)
Baseline	15.19	12.35
10% increase in NPLs	14.91	12.02
15% increase in NPLs	14.76	11.68
20% increase in NPLs	14.62	11.35
30% increase in NPLs	14.32	10.66
50% increase in NPLs	13.73	8.91

Source: Central Bank of Nigeria

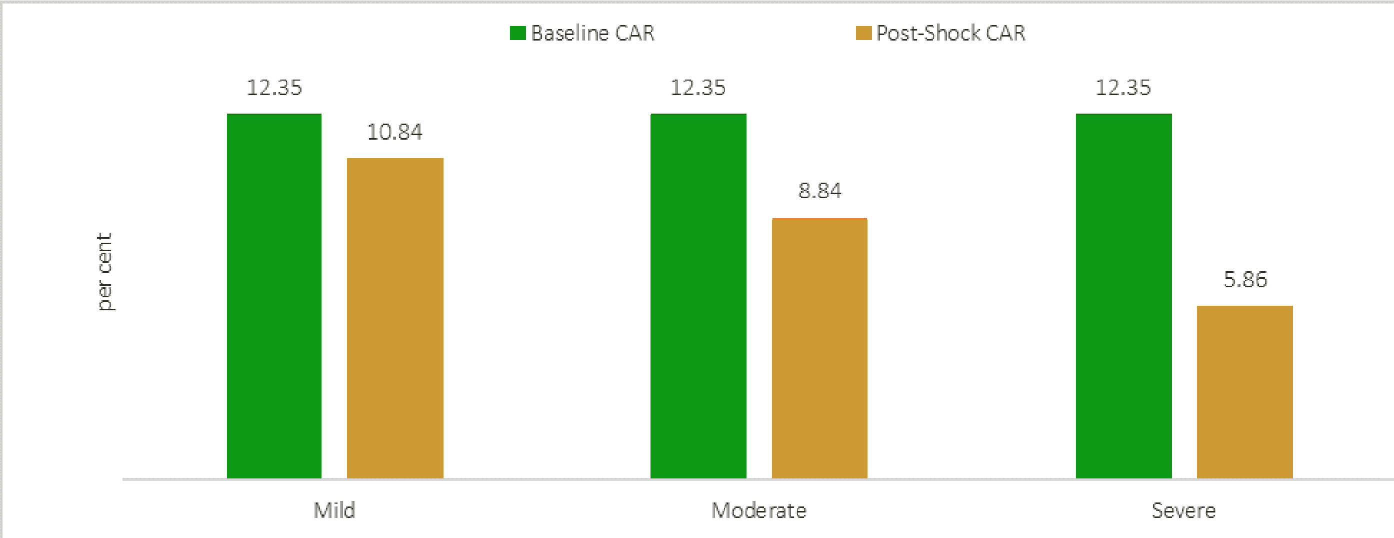
Figure 2.4.3: Multi-factor Stress Tests on CAR and LR

Source: Central Bank of Nigeria

v. Climate Risk Stress Test

A stress test was conducted for climate risk, which could crystalise through environmental shocks (such as floods, droughts, and wildfire outbreaks), and transition risks (shifts toward greener technologies, evolving production methods, and efforts to reduce carbon emissions).

Figure 2.4.4 : Climate Stress Test – Impact on CAR (per cent)



Source: Central Bank of Nigeria

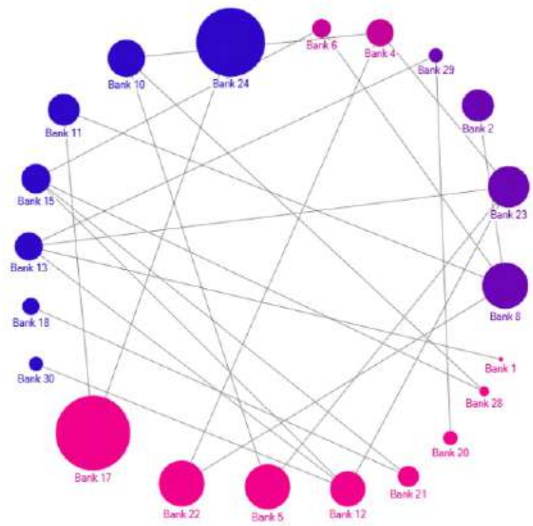
The stress-test results showed that, although banks remain operationally sound, climate-related shocks have the potential to weaken solvency positions to varying degrees. This underscores the importance of embedding climate-risk considerations into risk-governance frameworks, capital-planning processes, and supervisory practices to safeguard long-term financial system resilience.

vi. Contagion Risk Analysis

Contagion risk assessment based on interbank placements and takings indicated a notable decline in system-wide interconnectedness, as total interbank exposures fell to ₦709.06 billion in 2025 from ₦2.05 trillion in the corresponding period of December 2024. This contraction reflected reduced contagion risk in a more contained network structure withinin the banking system.

Further analysis showed that interbank activities remained concentrated, with ten banks accounting for 96.46 per cent of total placements and eight banks responsible for 94.10 per cent of total takings. Notwithstanding this concentration, the fully collateralised nature of all placements helped mitigate the potential for spillover effects. The pattern of exposures does not suggest significant threats to financial system stability in the period under review.

Figure 2.4.5: Network Analysis Based on Interbank Exposures



Source: Central Bank of Nigeria

2.4.1 Non-Interest Banking Activities

In 2025, the Bank sustained engagements with key multilateral bodies to strengthen the non-interest finance ecosystem, as it hosted the 35th meeting of the International Islamic Liquidity Management (IILM) Governing Board and the CBN–IILM two-day training workshop in Abuja. A major highlight of these engagements was the signing of a Memorandum of Understanding (MoU) between the IILM and Jaiz Bank Plc, that made the bank a primary dealer on IILM instruments and granted it access to Shari'ah-compliant international liquidity management instruments with strong credit quality.

This would enhance the bank's operation, strengthen its balance sheet and boost liquidity management within the non-interest banking subsector.

The Bank also maintained active participation in the Executive Committee and Council meetings of the Islamic Financial Services Board (IFSB), as well as the Governing Board and Executive Committee sessions of the IILM. In addition, the Bank participated and contributed to the activities of the technical working groups of both multilateral institutions. These engagements would promote and deepen Nigeria's Islamic finance industry, mitigate systemic risks through robust regulatory frameworks, effective liquidity management instruments, and enhance the resilience of the broader financial system.

2.4.11 The Asset Management Corporation of Nigeria (AMCON)

The Asset Management Corporation of Nigeria (AMCON) continued to execute its statutory mandate in 2025. Its total assets, net of impairment, decreased to ₦1,289.82 billion in 2025, compared with ₦1,836.34 billion in 2024, representing a decline of 29.76 per cent. This decrease was primarily driven by the treatment of the accruals from the banking sector resolution sinking fund in 2024, which was recorded under receivables due to delays in applying the accruals from the sinking fund towards the repayment of the CBN Loan Notes. Conversely, the 2025 sinking fund accruals were not recognised as receivables, since the obligation was settled prior to the finalisation of AMCON's 2025 Financial Statements.

During the review period, AMCON recovered ₦113.04 billion in cash and investment income from treasury operations of ₦39.29 billion. By end of 2025, cumulative recoveries stood at ₦2,535.85 billion; comprising cash repayments of ₦1,031.42 billion, other collections of ₦1,178.85 billion, (including asset forfeitures of ₦128.90 billion), and other recoveries of ₦196.68 billion.

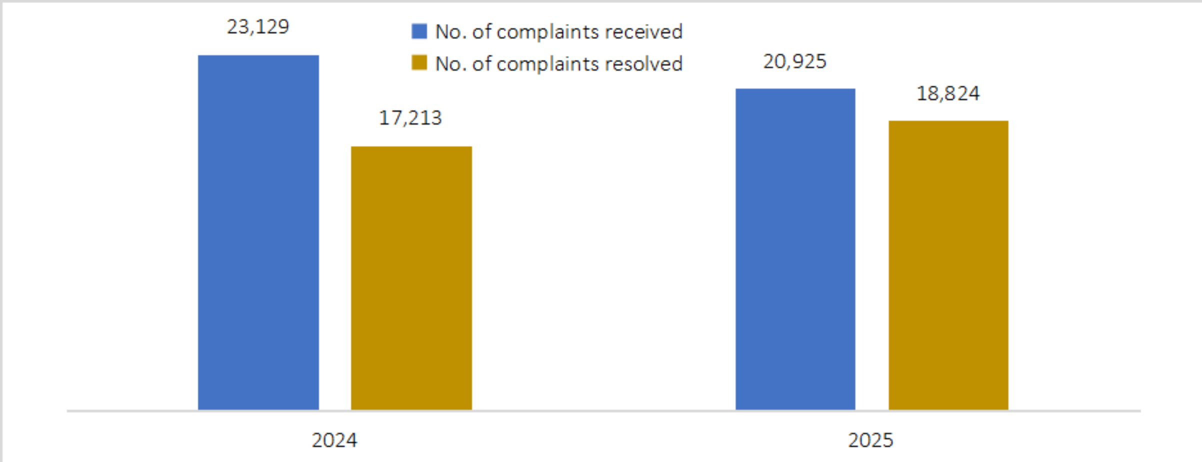
2.4.12 Complaints Management

The Bank received a total of 23,129 complaints from consumers of financial services in 2025, a rise of 10.53 per cent, above the 20,925 in 2024. The trend reflected increased awareness and improved confidence in the Bank's consumer complaint resolution process. A total of 18,824 complaints were resolved, indicating a 9.36 per cent increase over the 17,213 complaints resolved in 2024.

Total claims in local currency increased to ₦40.61 billion, from ₦17.13 billion in 2024. Foreign currency claims also rose reaching US$344.2 million, compared with US$1.06 million in the preceding year. Based on the resolved complaints, the sums of ₦19.12 billion and US$329.3 million were refunded in 2025, compared with ₦9.66 billion and US$0.67 million in 2024. During the review period, the Bank imposed 11 penalties on financial institutions totalling ₦1.26 billion, for infractions ranging from regulatory breaches and failure to respond to regulatory queries.

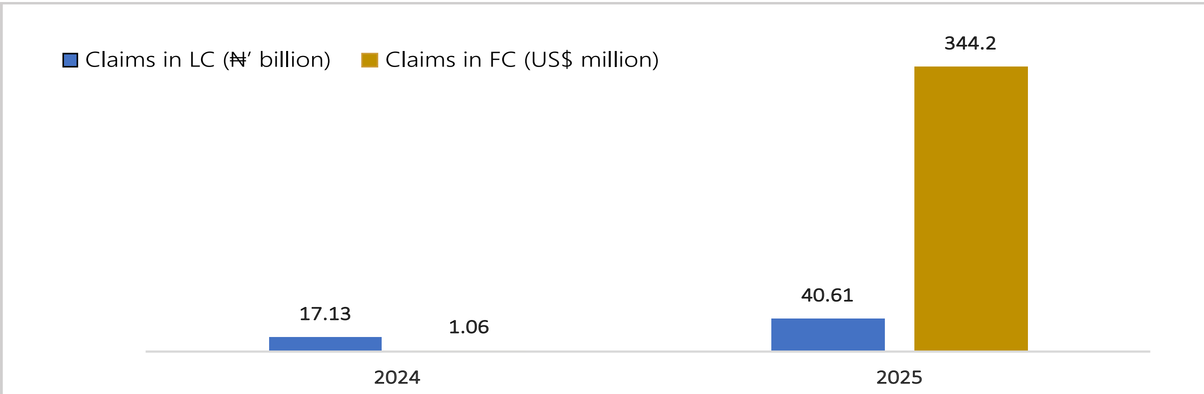
In addition, the Bank imposed 21 penalties on financial institutions to the tune of N430.00 million, for infractions ranging from delays in resolving customer complaints to failure to comply with the Bank's directives.

Figure 2.4.6: Numbers of complaints received and resolved



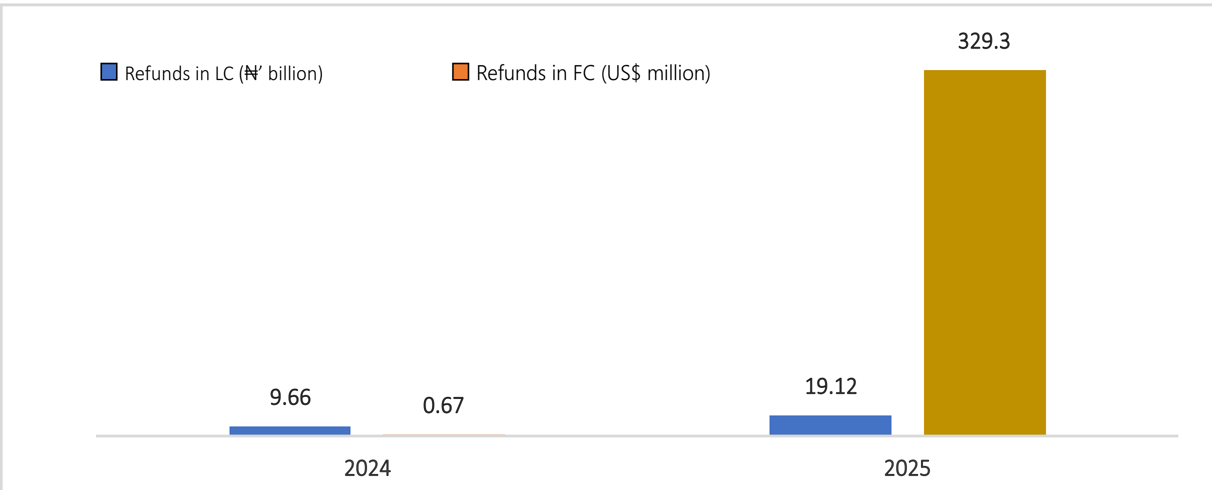
Source: Central Bank of Nigeria

Figure 2.4.7: Total Claims



Source: Central Bank of Nigeria.
Note: LC and FC stand for local and foreign currencies

Figure 2.4.8: Total Refunds



Source: Central Bank of Nigeria

2.4.13 Consumer Education and Financial Literacy

The Bank intensified efforts to advance financial inclusion and promote prudent financial decision-making through structured financial literacy and consumer awareness interventions. The focus was on equipping citizens with the knowledge and confidence to navigate financial products and services effectively, while strengthening awareness of consumer rights, protections, and responsibilities. Major initiatives implemented during the period included:

i. Financial Literacy Training for Faith-Based Organisations

To deepen grassroots engagement and promote financial literacy and inclusion, the Bank conducted a Faith-Based Train-the-Trainer Programme for members of the Nasrul-Lahi-L-Fatih Society (NASFAT) in Lagos, from 22–25 April 2025. The programme engaged 47 participants aged 18 and above, 62.00 per cent of whom were women. The participants were expected to act as multipliers within their faith-based communities, thereby enhancing responsible financial behaviour and community resilience.

ii. Workshop for African Film Finance Forum

The Bank partnered with the African Film Finance Forum (AFFF) to deliver a financial literacy workshop for young people in the creative industry on 16 September 2025, while also showcasing the SabiMONI platform. The event attracted over 250 participants including filmmakers, content creators, and performing artists. It also provided an opportunity to promote financial inclusion initiatives and highlight the practical value of SabiMONI in strengthening financial literacy among Nigerian youths.

iii. The SabiMONI E-learning Platform

The SabiMONI e-learning platform is a digital financial education initiative offering accessible, self-paced learning across Nigeria, through 15 financial literacy modules and a teaching methodology component. Organised into four cohorts, namely; certified financial literacy trainer (CFLT), national peer group educator programme (NAPGEP), Shared Agent Network Expansion Facility (SANEF), and the basic financial literacy course, it serves both individual learners and trainers, expanding reach beyond traditional classrooms and strengthening a nationwide network of financial literacy advocates. Total enrolment stood at 13,045 in 2025, reflecting growing uptake and the platform's contribution to responsible financial behaviour and financial inclusion in Nigeria.

iii. Global Money Week

The 13th edition of Global Money Week (GMW) was held on 17–23 March 2025, with the theme "Think Before You Follow, Wise Money Tomorrow". The 2025 edition focused on navigating digital finance, finfluencers, AI-driven services, and behavioural risks such as social media influence and herd mentality , while promoting critical thinking and responsible money management. Reinforcing its commitment to youth-focused financial education and inclusion, the Bank partnered with the Bankers' Committee, other stakeholders, and Junior Achievement Nigeria, to deliver nationwide activities. These included school mentoring sessions, a financial literacy fair, an educational visit to the Nigerian Exchange Group, and a quiz competition.

iv. World Savings Day

The 101st edition of the World Savings Day (WSD) was held on 31 October 2025, with the theme "This Is Not A Savings Account, It's Far Greater Than This". The celebration aimed to reposition savings as a deliberate pathway to financial stability beyond merely holding funds in an account. The Bank, working with the Bankers' Committee, strategic partners, and Junior Achievement Nigeria, delivered school mentoring and youth-focused engagements, reaching 8,767 participants (55% female, 45% male).

v. Consumer Education Outreach

The Bank held a targeted consumer education and engagement sessions in Lagos, Ogun, Kano, Kaduna, Anambra, Akwa-Ibom, Enugu, and Cross-River states, aimed at strengthening public awareness and trust in the financial system. The outreach focused on educating consumers about their rights and responsibilities, complaint channels and resolution timelines, as well as practical steps to prevent fraud and scams, including identifying red flags and protecting personal information. The sessions provided an interactive platform for addressing concerns and clarify regulatory protections, reaching over 10,000 consumers.

2.4.14 Financial Inclusion Activities

In 2025, the Bank made significant progress on financial inclusion. The progress was driven by improvements in digital and physical financial infrastructure, and targeted reforms for women and vulnerable segments. Extensive collaboration across regulatory agencies and ecosystem partners, contributed to the following achievements:

- Deployment of agents nationwide. Over 135,000 new agents were onboarded in 2025, growing the total number by 7.00 per cent relative to the preceding year. Cumulatively, the number of agents deployed nationwide stood at 2,087,818 at the end of 2025.
- Leveraging the Women's Financial Inclusion Dashboard (WFID). During the period under review, the Bank relied on WFID data to track women's financial inclusion and inform policy decisions. The dashboard enabled visibility into women's financial behaviour across age groups, regions, and transaction channels. The data in the dashboard revealed that women's share of BVNlinked accounts stood at 42.00 per cent. Additionally, women conducted 30.00 per cent of total transactions and accounted for 23.00 per cent of transaction value. These underscored the need for continued efforts to drive women's financial inclusion.
- **Other key milestones**

  i. Strengthened focus on gender inclusion through the implementation of the Women Entrepreneur Finance Initiative (WeFi) Code, with over 90 financial institutions participating. The Bank conducted conducted a baseline survey in collaboration with technical experts to establish a data baseline and monitor commitments by financial institutions.

  ii. Significant enhancements in digital financial services, especially through CBN–NCC collaboration on efraud mitigation and USSD optimisation.

  iii. Strong momentum in the review and refresh of the National Financial Inclusion Strategy (NFIS), transitioning from NFIS 3.0 to NFIS 4.0 with contributions from eight thematic subgroups.

2.5 BANKING AND PAYMENTS SYSTEM

The Bank continued to strengthen oversight and enforcement of compliance to bolster the resilience of the payments ecosystem, while promoting digital financial inclusion.

2.5.1 Payments System Policies

The Bank continued to implement its strategic roadmap in advancing the Nigerian payments system. New guidelines were issued to enhance interoperability, efficiency, and safety of the payment system infrastructure. The Bank issued circulars on cash-out limits for agent banking transactions, and directives to payment service providers (PSPs) on connectivity to payment terminal service aggregators (PTSAs).

2.5.1.1 Payments System Infrastructure

BVN developments in 2025 underscored sustained financial inclusion, improved compliance, and strengthened integrity of the BVN system. Enrolment on the BVN platform increased to 67.82 million, from 64.40 million in 2024, reflecting continued growth in customer onboarding. The number of bank accounts linked with BVN rose to 368.92 million, from 297.29 million, while active bank accounts increased to 339.26 million from 311.60 million. Fraud-related BVNs on the watchlist rose to 13,117 compared with 9,476 in the preceding period. This highlighted improvement in fraud monitoring and resolution. BVNs classified as deceased on the watchlist increased to 28,754 from 21,118.

i. Treasury Single Account (TSA) Enhancement

As part of initiatives under the TSA Enhancement Project, the Bank continued the integration of MDAs with its e-payment Application Programming Interface (API) solution to enhance service delivery. The solution enabled the integration of MDAs' enterprise resource planning software with the Bank's core banking application. The API supports several key functions, including third-party and MDA-to-MDA payment transmission, payment batch processing, account balance checks, viewing and downloading account statements, and providing payment status feedback and reports.

The integration of Nigerian National Petroleum Company Limited (NNPCL) Enterprise Resource Planning solution with the API was to facilitate end-to-end processing of local and offshore payment instructions, account statement generation and enquiries by NNPCL and its subsidiaries.

Table 2.5.1: BVN Statistics (₦ millions)

	End-Dec. 2024	End-Dec. 2025
BVN enrolment	64,380,497	67,820,433
Accounts linked	297,286,819	368,919,736
Active Accounts	311,649,156	339,263,420
BVN on		
Fraudulent	*9,476*	*13,117*
Deceased	*21,118*	*28,754*

Source: Nigeria Inter Bank Settlement System (NIBSS) Plc.

o incorporate feedback from users and improve user experience, the Bank undertook significant enhancements of the CBN Internet Banking application. The update was aimed at making the application more efficient, aligning with the Bank's commitment to excellent banking services for its customers

ii. Cheque Truncation System

The Bank in collaboration with Nigeria Interbank Settlement System (NIBSS) conducted its annual cheque truncation training to strengthen users' proficiency in operating the iTeller machine and managing the cheque clearing process. The training equipped participants with requisite knowledge on the new security features on cheques and the functionalities of the newly acquired iTeller machines, thereby enhancing the overall efficiency and effectiveness of the clearing system.

2.5.1.2 Regulation and Supervision

Onsite assessments of 84 institutions were carried out during the review period. The assessments were carried out to appraise operational resilience and compliance status of the institutions with relevant regulations. Majority of the institutions were compliant, while a few contravened transactions limits. Appropriate supervisory actions, including imposition of financial sanctions, were taken.

i. ISO 20022 Messaging Standard

The Bank migrated to ISO 20022 MX messaging from legacy SWIFT MT messaging, in line with new global financial messaging standards and the Bank's strategic initiative of delivering excellence in central banking operations.

The migration was executed using a phased implementation approach, supported by extensive testing, stakeholder engagement and coordination. The successful migration enhanced data quality, transaction transparency, and straight-through processing, while strengthening compliance monitoring, reconciliation efficiency, and interoperability with international financial institutions.

The milestone reinforces the Bank's commitment of leveraging technology to enhance its financial infrastructure, aligning with international best practices, and strengthening operational resilience. The Bank is now well positioned to leverage the richer data capabilities of ISO 20022 to support analytics, oversight, and future payment system enhancements.

ii. Geo-Tagging/Geo-Fencing of POS Terminals and Migration to ISO 20022

In the review period, the Bank released a circular directing the geo-tagging and geo-fencing of point-of-sale (PoS) terminals issued in Nigeria. The directive aimed to curb the misuse of terminals outside the approved use.

The circular also required that all terminals remain operational only within a radius of 10 meters of the tagged location. The goal is to ensure improved KYC, cybersecurity, fraud reduction and curtail the use of terminals outside the business premises for which they were signed up.

The circular further mandated compliance with ISO 20022 standard for payments messaging by all operators in the banking and payments system. The ISO 20022 modernised financial communications by providing structured data, higher interoperability, and improved automation. It also enabled faster cross-border payments, enhanced regulatory compliance, and reduced error-prone manual processes common in legacy systems.

iii. CBN Internet Banking Application View-Only Access

As part of ongoing efforts to improve service delivery to Ministries, Departments, and Agencies (MDAs), the Bank implemented a view-only access window on the CBN Internet Banking (CIB) platform. The feature is designed for MDAs that are yet to receive full authorisation for onboarding onto the CIB platform and enables them to independently view account balances and generate bank statements in real-time, thereby improving access to financial information and operational efficiency.

iv. Capacity Building and Stakeholder Engagement on TSA Reconciliation

In line with the Bank's capacity-building efforts and commitment to strengthening public financial management, the Bank organised a 4-day workshop on the Reconciliation of Treasury Single Account (TSA) inflows for Ministries, Departments, and Agencies (MDAs).

The workshop was designed to enhance the technical capacity of MDAs in reconciling TSA collections, improve understanding of end-to-end revenue flows, The workshop was designed to enhance the technical capacity of MDAs in reconciling TSA collections, improve understanding of end-to-end revenue flows, and promote timely resolution of reconciliation variances. This has strengthened stakeholder collaboration and reinforced transparency in the management of government revenues.

v. Nigeria Cheque Standard and Nigeria Cheque Printers Accreditation Scheme Version 2.0.

The Bank conducted both accreditation and compliance exercises for cheque printers and personalisers during the review period, in line with the provisions of the Nigeria Cheque Standards (NCS) and Nigeria Cheque Printers Accreditation Scheme (NICPAS) Version 2.0. The licenses of two existing cheque printers namely; Kas Art Services Ltd and Marvelous Mike Press Ltd were renewed, while compliance visits were conducted to Superflux International Ltd, Tripple Gee and Yaliam Press. At end-2025, the number of licensed accredited cheque personalisers stood at six, namely; Zenith bank, First bank, Ecobank, Wema bank, Keystone bank and Providus bank.

The Bank continued the automation of the accreditation process for cheque printers and personalisers, aimed at increasing productivity and effectiveness, reducing turnaround time for processing requests/applications and optimising the flow of information between processing officers and applicants.

vi. Unclaimed Balances Trust Fund·

In line with the provisions of the 2024 revised Guidelines on the Management of Dormant Accounts, Unclaimed Balances, and Other Financial Assets in Banks and Other Financial Institutions in Nigeria, banks continued to remit funds into the designated pool accounts. The balances in the pool accounts stood at N17.63 billion, US$0.15 billion, £1.47 million, and €0.66 million at the end of 2025. The ongoing compliance remained critical in mitigating risks associated with dormant funds, as regular remittances ensured that unclaimed balances were centrally monitored and effectively managed.

To further enable financial institutions maintain comprehensive records of remitted funds and submit returns, the Unclaimed Balances Trust Fund (UBTF) Reporting Portal was launched in 2025. Going forward banks were directed to move the submission of their returns (historical and future) from the CBN Licensing and Reporting Portal (LARP) to the UBTF reporting portal. By end-2025, 16 banks had migrated their data to the UBTF portal.

Additional functionalities, including a verified reclaim-request module and a public search feature were developed in the review period and scheduled for implementation in 2026. The search tool will enable members of the public to view basic, non-sensitive information (such as customer names) related to unclaimed balances, while ensuring that confidential details remain protected.

vii. Licence Renewal

During the review period, 68 operating licences of payments service providers were renewed to enhance operational integrity in the ecosystem. Varying tenures of licences were granted to the institutions, based on examiners' rating of the operational readiness and general compliance status.

2.5.2 Trends in the Payments System

During the period under review, the Bank continued to promote the adoption of electronic payments (e-payments) through innovative payment system initiatives and financial literacy schemes. Accordingly, e-payments recorded increases in both volume and value of transactions.

2.5.2.1 Retail Payments System

Analysis of retail payments showed notable changes between 2024 and 2025. The volume of e-payments transactions increased by 2.62 per cent to 47,879.73

Table 2.5.2: Licensed PSPs

Licence type	Count
1. Mobile Money Operators	8
2. Switching and Processing	7
3. Payment Solution Services	10
4. Payment Solution Service Providers	31
5. Payment Solution Service Providers & Payment Terminal Service Provider	4
6. Payment Terminal Service Provider	10
7. Super Agent	10
8. Payment Terminal Service Provider & Super Agent	4
Grand Total	**84**

Source: Central Bank of Nigeria

million in 2025, compared with 2024. The value of transactions also rose by 26.07 per cent to ₦3,458.77 trillion. The increases reflected user preferences, adoption of digital channels, growth in e-commerce, and infrastructure improvements.

A breakdown of volume of transactions by channels showed that ATM recorded the highest rise of 61.94 per cent to 1,655.51 million. This was followed by 20.89 per cent rise in USSD to 669.55 million, and 19.78 per cent increase in PoS use to 15,661.61 million. Decreases were, however, recorded in the volume of transactions through the mobile app, internet/web, and direct debits.

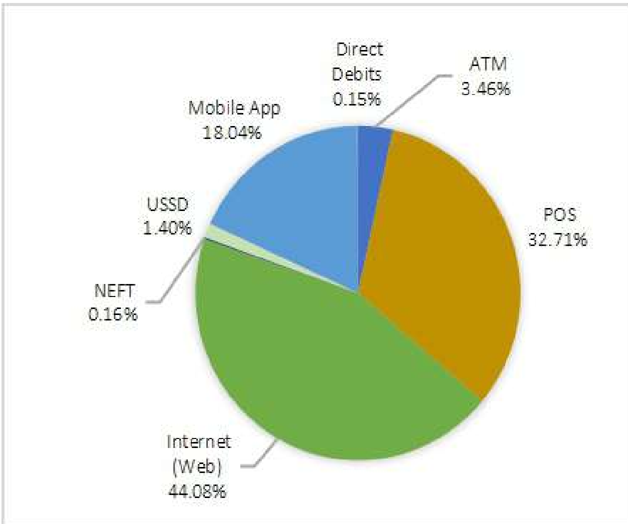
2.5.2.2 Mobile Money Operations

In 2025, the volume and value of payment services offered by MMOs through their agent touchpoints and innovative technology continued to increase. The volume of transactions rose to 28,741.83 million, from 17,337.97 million in 2024. Similarly, the value of transactions increased to ₦372.14 trillion, from ₦205.31 trillion. These developments were attributed to the increased onboarding of agents, advancements in digital financial solutions, and collaborations with relevant stakeholders.

2.5.2.3 Cheque Transactions

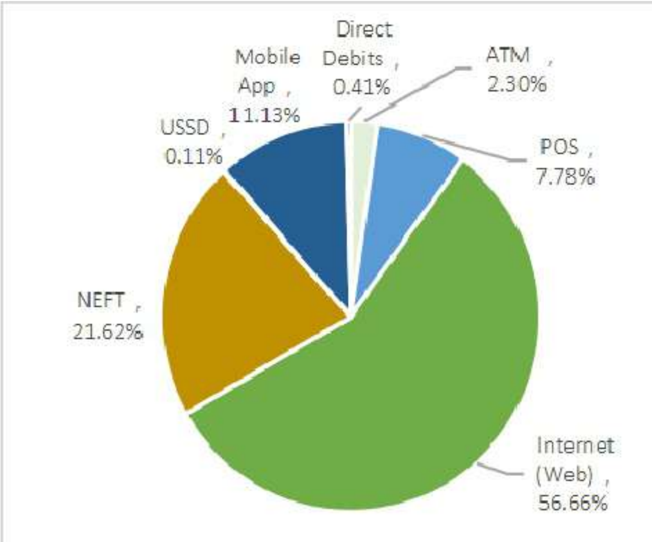
The continued shift towards faster and more convenient digital payment channels resulted in lower cheque transactions. Accordingly, the value of cheque transactions fell by 49.78 per cent to ₦1,837.13 billion in 2025 from ₦3,658.14 billion in 2024, while the volume of transactions declined by 57.79 per cent to 1.49 million from 3.53 million. To align with modern payment expectations, e-cheque and QR code functionalities were being developed by the Bank in collaboration with NIBSS.

Figure 2.5. 1: Volume of Retail e-Payments Transactions in 2025



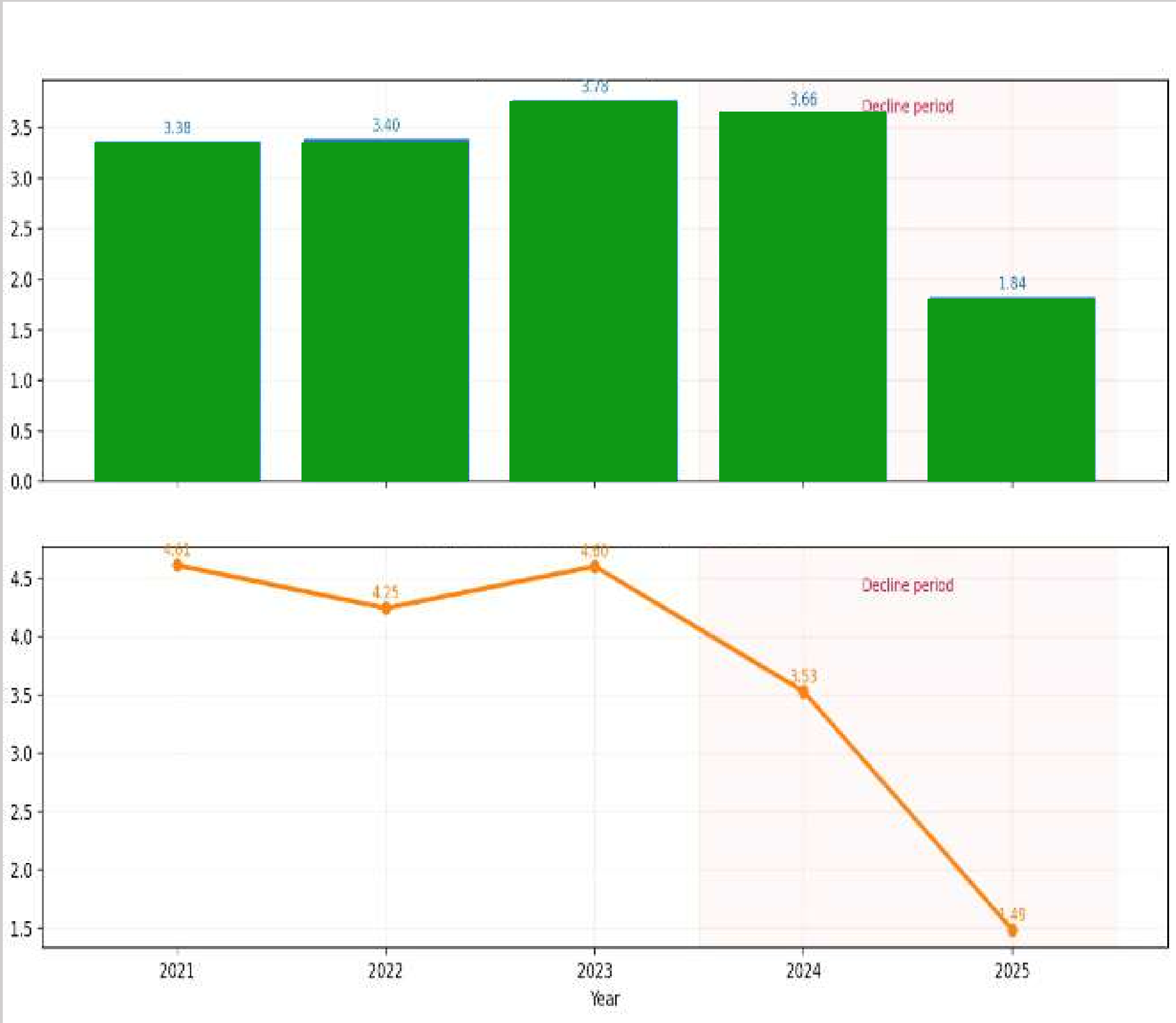
Source: Central Bank of Nigeria

Figure 2.5.2: Value of e-Payments Transactions in 2025



Source: Central Bank of Nigeria

Figure 2.5.3: Value and volume of cheque transactions



Source: Central Bank of Nigeria

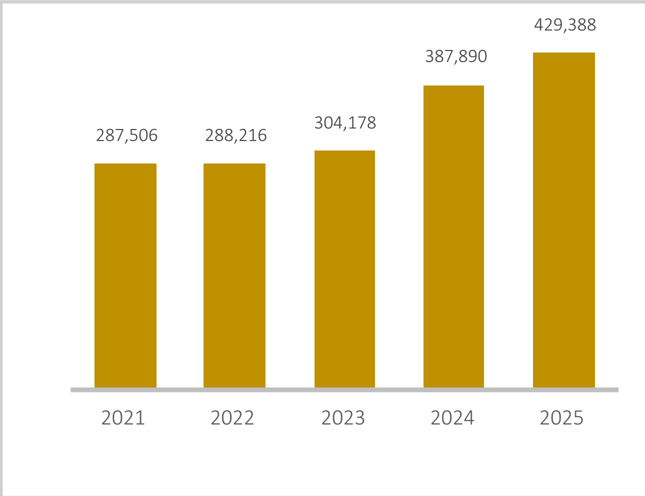
2.5.2.4 Wholesale Payments System

- **Real Time Gross Settlement (RTGS)**

Wholesale payments transactions increased in volume and value in the review period. The volume of inter-bank funds transfers through the RTGS system rose by 10.70 per cent to 429,388 from 387,890. The value of transactions also grew significantly by 107.39 per cent to ₦454,601.67 billion from ₦219,202.32 billion. This was due to increased processing of large value transactions arising from improved economic activities.

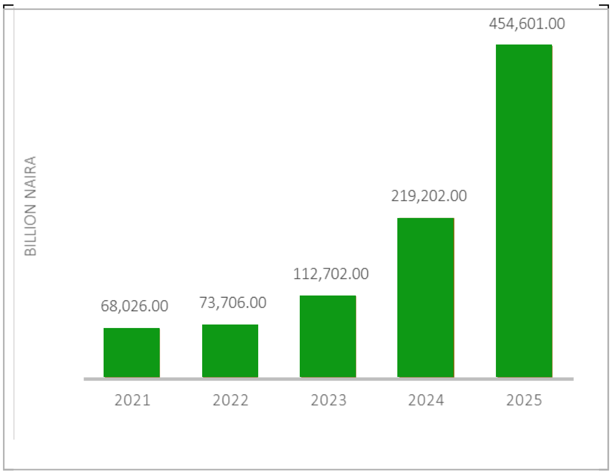
The Bank continued to support efficient clearing and settlement within the payments system. The settlement banks-maintained settlement accounts and participated directly in clearing and settlement activities, while non-settlement banks participated indirectly through designated settlement institutions. In the review period, Globus Bank was approved as a settlement bank, increasing the number of settlement banks to 17.

Figure 2.5.4: Volume of Interbank RTGS Transactions



Source: Central Bank of Nigeria

Figure 2.5. 5: Value of Interbank RTGS Transactions



Source: Central Bank of Nigeria

Table 2.5.3: List of Settlement and Non-Settlement Banks 2025

Settlement Banks		Non-Settlement Banks	
1.	Access Bank	1	Citibank
2.	Central Bank of Nigeria	2	Unity Bank
3.	Ecobank	3	Polaris Bank
4.	First Bank of Nigeria	4	Sterling Bank
5.	Fidelity Bank	5	Keystone Bank
6.	First City Monument Bank	6	Providus Bank
7.	Globus Bank	7	Nova Bank
8.	Guaranty Trust Bank	8	Titan Trust Bank
9.	Polaris Bank	9	Parallex Bank
10.	Premium Trust Bank	10	Lotus Bank
11.	Stanbic IBTC Bank	11	Signature Bank
12.	Standard Chartered Bank	12	Optimus Bank
13.	Taj Bank	13	Jaiz Bank
14.	Union Bank	14	Sun Trust Bank
15.	United Bank for Africa	15	The Alternative Bank
16.	Wema Bank	16	Alpha Morgan Bank
17.	Zenith Bank	17	Tatum Bank
		18	Summit Bank

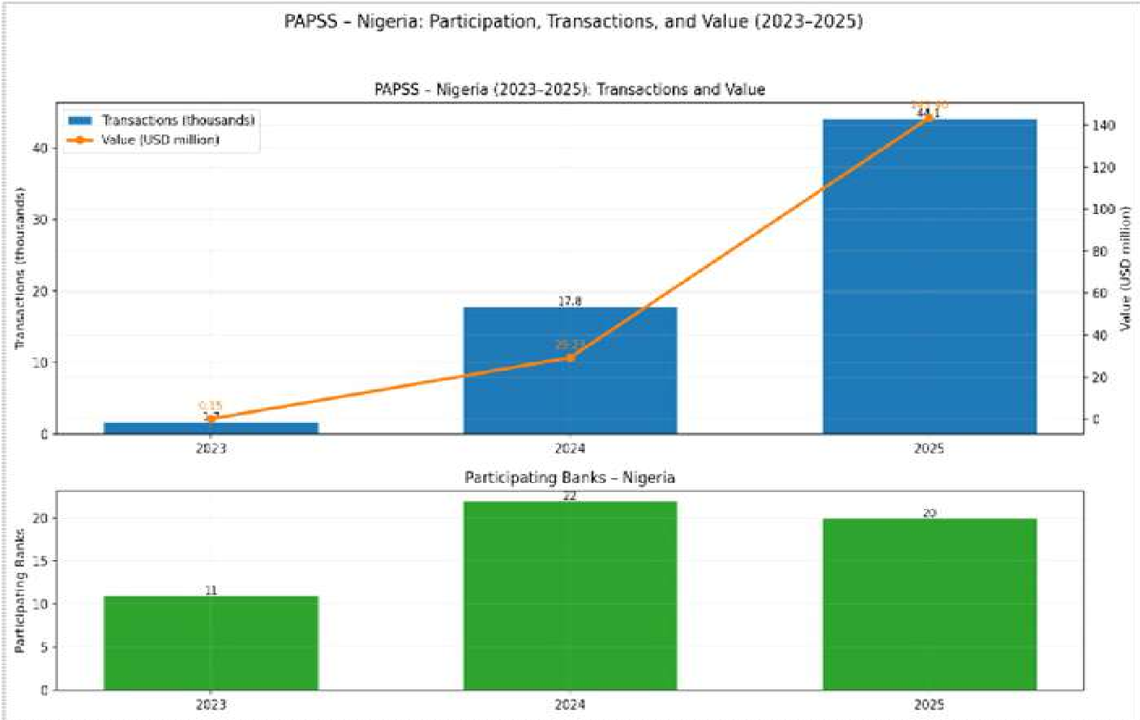
Source: Central Bank of Nigeria

2.5.2.5 Pan-African Payment and Settlement System (PAPSS)

The Pan-African Payment and Settlement System (PAPSS) continued to streamline cross-border transactions across African markets by reducing the cost and complexity of foreign-exchange conversions. It eased the pressure on current accounts, reduced the demand for foreign exchange liquidity, and supported financial inclusion and economic growth through intra-African trade.

The number of Nigerian banks participating in PAPSS was 20, relative to 22 in 2024. The value and volume of transactions settled on PAPSS for Nigerian participants increased significantly to US$143.40 million and 44,088 transactions, respectively, compared with US$29.23 million and 17,808 transactions in 2024.

Figure 2.5.6: PAPSS transaction value and volume



Source: Central Bank of Nigeria

2.5.2.6 Risks to the Payments System

Risks observed in the payments system in 2025 include the following:

i. Systemic risk: Growing links between banks and fintechs through shared payment infrastructure mean that a single or systemic failure of payment service provider (PSP) could rapidly spread through the financial system. Despite the push for payments system integration, about 50.00 per cent of fintech stakeholders continued to rate system-wide interoperability as poor, primarily due to the lack of universal APIs and data-sharing standards.

ii. Dominance of few systemically important payment service (SIPS) providers: Failure of SIPs can disrupt smooth functioning of the system, by triggering a "domino effect", where insolvency or operational glitches in one PSP spreads to others.

iii. Losses due to fraud: Significant losses were incurred by PSPs with weak fraud monitoring systems. Digital payment fraud in Nigeria stood at ₦25.85 billion in 2025. Though this was lower than ₦52.26 billion in the preceding year, it represented a substantial loss for PSPs. The lower losses in 2025 reflected improvements in monitoring, BVN-NIN integration, and tighter controls.

iv. Cyber threats: PSPs face the risk of huge financial losses due to cyber security weaknesses. Banking and fintech institutions remained prime targets for ransomware, data leaks, and credential theft. Cyber threats in Nigeria are no longer random cybercrimes, but increasingly targeted, organised, and identity-driven campaigns.

v. Activities of unlicensed entities: Users of unlicensed PSPs are not covered by regulatory protection that comes with effective oversight and supervision. Unlicenced payment companies are gateways for money laundering which could undermine regulatory efforts and corrode public trust.

Table 2.5.4: Volume and Value of Electronic Payments

Payment Channels	Volume of Transactions (Million)			Value of Transactions (=N= Trillion)		
	2023	2024	2025	2023	2024	2025
ATM	1012.28	1,022.31	1,655.51	28.21	29.12	89.83
POS	9,847.26	13,075.33	15,661.61	110.35	223.27	303.87
Internet (Web)	21,753.93	23,737.58	21,106.86	1,097.13	1,880.68	2,212.98
NEFT	93.11	87.14	78.02	646.34	686.05	844.25
USSD	630.6	553.84	669.55	4.84	4.42	4.13
Mobile App	5,259.48	8,022.38	8,637.94	219.8	392.71	434.58
Direct Debits	133.58	157.39	69.82	21.42	23.31	16.09
Total Retail Payments	38,730.24	46,655.97	47,879.30	2,128.09	3,239.57	3,905.73
RTGS	0.3	0.39	0.43	112.7	219.2	454.6
Total e-payments	38,730.54	46,656.36	47,879.73	2,240.79	3,458.77	4,360.33
Cheques	16.05	14.36	14.03	15.52	19	20.78
MMOs	10,774.80	17,337.97	28,741.83	97.16	205.31	372.14

Source: Central Bank of Nigeria

2.6 DEVELOPMENTAL FUNCTIONS

2.6.1 CBN Interventions

The Bank continued to withdraw from direct development finance intervention and remained focused on its monetary and price stability mandate as well as advisory roles that support economic growth. The Bank sustained its recovery of outstanding loans in the review period. Repayment was ₦752.85 billion in 2025, compared with ₦756.72 billion in 2024. A breakdown by sectors indicated that manufacturing/Industry accounted for the highest repayment of ₦472.49 billion (62.76%), followed by services with N140.53 billion (18.67%), and energy/infrastructure with N65.10 billion (8.65%). The agriculture, MSMEs, health, and export sectors made up the balance.

2.6.2 National Collateral Registry

At end-December 2025, the number of financial institutions that registered on the National Collateral Registry (NCR) portal stood at 47, compared with the revised figure of 48 recorded in 2024, reflecting a decrease of 2.0 per cent. Cumulatively, it increased by 5.8 per cent to 880, relative to the preceding year's level of 832.

A breakdown indicated that 27 commercial and non-interest banks, 678 microfinance banks (MFBs), four merchant banks, five development finance institutions (DFIs), 80 non-bank financial institutions (NBFIs), 79 finance companies (FCs) and seven primary mortgage banks (PMBs) were registered on the platform.

In addition, a total of 97 financial institutions were active on the NCR portal at end-December 2025, compared with 74 in 2024. Cumulatively, a breakdown of the number of active financial institutions by category showed that there were: 30 commercial and non-interest banks; 146 microfinance banks (MFBs); two merchant banks; four development finance institutions (DFIs); 18 non-bank financial institutions (NBFIs); 75 finance houses (FHs) and one primary mortgage bank.

n terms of number of nancingstatements registered to perfect security interest in movable assets, there were 85,473 in 2025, compared with 76,031 in 2024, indicating a slight increase of 12.4 per cent.

Table 2.6. 1: Classification of Registered Financial Institutions

S/N	Creditor Type	2024	2025	Cumulative (2016 -2025)
1	Commercial and Non -Interest Banks	1	-	27
2	Microfinance Banks	29	23	678
3	Merchant Banks	-	-	4
4	Development Finance Institutions	-	-	5
5	Finance Houses	9	12	79
6	Non -Bank Financial Institution	8	12	80
7	Primary Mortgage Banks	1	-	7
TOTAL		48	47	880

Source: National Collateral Registry

Table 2.6.2: Number of Active Financial Institutions by Category

S/N	Creditor Type	2024	2025	Cumulative (2016-2025)
1	Commercial & Non - Interest Banks	11	12	30
2	Microfinance Banks	40	43	146
3	Merchant Banks	-	-	2
4	Development Finance Institutions	1	1	4
5	Finance Houses	21	28	75
6	Non -Bank Financial Institution	1	14	18
7	Primary Mortgage Banks	-	-	1
Total		74	97	276

Source: National Collateral Registry

The value of credit perfected on the Collateral Registry in naira increased to ₦2.38 trillion in 2025 from ₦1.57 trillion in 2024. Cumulatively, the value of financing statement on the Collateral Registry stood at ₦24.78 trillion.

In terms of foreign currency, the value of credit perfected on the Collateral Registry in USA dollar grew from US$227.83 million in 2024 to US$401.43 million in 2025. Cumulatively, it stood at US$4,281.98 million. The value of credit perfected on the Collateral Registry in euros stood at €6.02 million in 2025, while there was no value recorded in 2024. Cumulatively, it stood at €18.95 million.

Table 2.6.3: Number of Financing Statements

Borrowers Type	2024	2025	Cumulative (2016 - 2025)
Individual	66,630	73,970	480,734
Large Business	612	2,731	6,656
Medium Business	4,970	5,970	25,177
Micro Business	394	375	3,562
Small Business	3,425	2,427	17,805
Total	76,031	85,4731	533,934

Source: National Collateral Registry

Table 2.6.4: Value of Financing Statements in million

Borrowers Type	Naira			US$			Euros		
	2024	2025	Cum. (2016-2025)		2025	Cum. (2016-2025)	2024	2025	Cum. (2016-2025)
Individual	409,833.98	1,095,313.40	10,486,829.28	0.10	0.27	45.83	-	-	-
Large Business	712,066.51	907,102.37	9,987,831.72	182.28	371.03	3,833.57	-	6.02	12.18
Medium Business	346,124.88	278,675.81	3,888,847.38	45.45	29.53	248.92	-	-	6.70
Micro Business	35,753.34	15,354.74	72,820.75	-	-	0.55	-	-	-
Small Business	61,251.16	84,759.52	338,811.24	139,064,639.00-	0.61	153.10	-	-	0.07
Total	1,565,029.88	2,381,205.83	24,775,140.37	227.83	401.43	4,281.98	-	6.02	18.95

Source: National Collateral Registry

3.0 CORPORATE ACTIVITIES

In 2025, the Bank advanced its mandate by reinforcing security, legal, and operational frameworks through strategic investments in technology, risk governance, and capacity development. It undertook a comprehensive review of regulations to harmonise market conduct, strengthen consumer protection, and enhance systemic resilience. Active supervision of corporate governance, ESG practices, and board effectiveness further promoted sustainability and financial stability. These measures, coupled with transparent communication, including the publication of its accounts, underscored the Bank's commitment to accountability, stakeholder engagement, and institutional credibility.

3.1 ADMINISTRATION

3.1.1 Developments within the Board

Three new members, Professor Melvin Ayogu, Mr. Shamseldeen B. Ogunjimi, and Mr. Raymond Omenka Omachi were appointed to the Board in 2025. There was also an exit of three members, Mrs. Oluwatoyin Madein and Mrs. Lydia Shehu Jafiya, who both retired from the civil service, and Alhaji Ado Wanka, who passed away on 2 May 2025.

The Board of Directors held five regular meetings and two emergency meetings, while the Committee of Governors convened 15 regular meetings and two emergency meetings. The Audit and Financial System Stability Committees held three regular meetings each. The Board Risk Management Committee held five regular meetings and one emergency meeting, while the Finance & General-Purpose Committee held six regular meetings. The Governance, Nomination & Remuneration Committee also held six regular meetings and two emergency meetings.

Table 3.1.1: Board of Directors

	Member	Designation	
1	Olayemi Cardoso	Governor	Chairman
2	Muhammad S. Abdullahi	Deputy Governor (Economic Policy)	Member
3	Bala M. Bello	Deputy Governor (Operations)	Member
4	Emem Usoro	Deputy Governor (Corporate Services)	Member
5	Philip Ikeazor	Deputy Governor (Financial System Stability)	Member
6	Raymond O. Omachi	Non-Executive Director	Member
7	Melvin D. Ayogu	Non-Executive Director	Member
8	Murtala S. Sagagi	Non-Executive Director	Member
9	Muslimat O. Aliyu	Non-Executive Director	Member
10	Robert Agbede	Non-Executive Director	Member
11	Shamseldeen B. Ogunjimi	Non-Executive Director	Member
12	Rashida J. Monguno	Secretary to the Board	Secretary

Source: Central Bank of Nigeria

Table 3.1.2: Board of Directors' Meetings & Attendance

S/N	Name	Attendance
1	Olayemi Cardoso	5 of 5
2	Muhammad S. Abdullahi	4 of 5
3	Bala M. Bello	5 of 5
4	Emem Usoro	5 of 5
5	Philip Ikeazor	5 of 5
6	Ado Yakubu Wanka	1 of 5
7	Lydia Shehu Jafiya	1 of 5
8	Melvin D. Ayogu	3 of 5
9	Murtala Sabo Sagagi	5 of 5
10	Muslimat Olanike Aliyu	4 of 5
11	Oluwatoyin Madein	1 of 5
12	Robert Agbede	5 of 5
13	Shamseldeen B. Ogunjimi	4 of 5

Source:: Central Bank of Nigeria

Note: Two emergency meetings were held with all members in attendance, except Professor Melvin Ayogu, Mrs. Oluwatoyin Madein and Mr. Ado Yakubu Wanka (deceased) that attended once.

Table 3.1.3: Committee of Governors' Meetings and Attendance

S/N	Member	Attendance
1	Olayemi Cardoso	15 of 15
2	Muhammad S. Abdullahi	12 of 15
3	Bala M. Bello	11 of 15
4	Emem Usoro	14 of 15
5	Philip Ikeazor	11 of 15

Source: Central Bank of Nigeria

Note:Two emergency meetings were held with all members in attendance, bringing the total number of meetings to 17.

MONETARY POLICY COMMITTEE

3.1.2 The Monetary Policy Committee (MPC)

In 2025, the Monetary Policy Committee (MPC) met five times, in February, May, July, September and November, to assess domestic and global economic developments and determine policy actions needed to maintain macroeconomic stability. The Committee maintained a tight monetary policy stance, until September when it eased slightly.

At the February meeting, the Committee retained all policy parameters. The Monetary Policy Rate (MPR) was 27.50 per cent with the corridor at +500/–100 basis points. The Cash Reserve Ratio (CRR) was 50 per cent for commercial banks and 16 per cent for merchant banks, while the Liquidity Ratio was 30 per cent. The decision reflected the Committee's cautious inclination amid persistent inflation pressure even as the foreign exchange market showed stability.

The cautious approach continued in the May and July meetings, as all parameters were retained. There was, however, a shift in the September meeting, where the monetary policy stance was eased slightly in response to sustained disinflation observed over five consecutive months and improved macroeconomic fundamentals. The Committee reduced the MPR by 50 basis points to 27.00 per cent and adjusted the corridor to +250/–250 basis points. It also lowered the CRR for commercial banks from 50.00 per cent to 45.00 per cent, retained 16.00 per cent for merchant banks, and introduced a 75.00 per cent CRR on nonTSA public sector deposits to strengthen liquidity management. At the November meeting, the MPC retained all parameters except for the corridor that was adjusted to +50/–450 basis points. s adjusted to +50/–450 basis points.

Table 3.1.4: Monetary Policy Committee's Meetings and Attendance

S/N	Name	Attendance
1	Olayemi Cardoso	5 out of 5
2	Bala M. Bello	5 out of 5
3	Muhammad S. Abdullahi	5 out of 5
4	Emem Usoro	5 out of 5
5	Philip Ikeazor	5 out of 5
6	Murtala S. Sagagi	5 out of 5
7	Jafiya L. Shehu	5 out of 5
8	Lamido A. Yuguda	5 out of 5
9	Bandele A. G. Amoo	5 out of 5
10	Aloysius U. Ordu	5 out of 5
11	Mustapha Akinkunmi	5 out of 5
12	Aku P. Odinkemelu	5 out of 5

Source: Central Bank of Nigeria

3.1.3 Information Technology

In 2025, the Bank carried out strategic investments in digital platforms, infrastructure modernisation, cybersecurity, and workforce capability development, to strengthen operational resilience, governance structures, and service delivery. The Bank transitioned from isolated pilot initiatives to enterprise-wide solutions, reinforcing technology as a core enabler of institutional efficiency and sustainable operations across the Bank.

During the year, the DocFlow was deployed Bank-wide, following a pilot phase, to further automate processes and improve operational integrity. The DocFlow is an enterprise document workflow system deployed to digitalise the management of approvals, correspondences, and internal workflows. The platform has significantly reduced approval cycle time, strengthened governance through standardised workflows and enabled comprehensive audit trails. The solution also enhanced transparency and accountability across business units, while contributing to cost optimisation and environmental sustainability through reduced reliance on paper-based processes. The ministries, departments and agencies (MDAs) Naira Payment Solution was also deployed. The solution is designed to automate, streamline and secure the payments and cash withdrawal processes for MDAs, reducing reliance on manual, paper-based & risky cash transactions, and provide real-time visibility of approval processes.

Major upgrades, including the deployment of IBM Power10 servers and Oracle Exadata platforms, resulted in improved performance and stability for mission critical enterprise systems, enabling the Bank to accommodate increasing workload, reduce system latency, and minimise cost, while maintaining full data sovereignty.

In line with international best practices in information security management, the Bank continued to prioritise cybersecurity and operational resilience in 2025. To this end, the Bank successfully achieved recertification to ISO 27001, transitioning to the 2022 standard with zero nonconformities. A full Disaster Recovery live run was also conducted, validating the effectiveness of the Bank's business continuity and recovery arrangements. The exercise confirmed the resilience of critical systems and infrastructure, reinforcing the Bank's preparedness to sustain operations in the event of major disruptions.

Furthermore, the Bank successfully deployed an Identity and Access Management (IAM) solution, which was developed in-house, underscoring growing capacity to design and deliver strategic enterprise systems. The solution strengthened access controls, enhanced identity governance, and improved auditability across the Bank's technology environment. The security event monitoring and automated incidence response tool, SIEM-SOAR, was also deployed to enable effective response to security related incidences.

As part of its broader digital transformation agenda, the Bank advanced its adoption of emerging technologies, with artificial intelligence (AI) as a central focus. It conducted structured awareness programmes, pilot implementations, and controlled trials of Microsoft Copilot, enabling AI driven productivity within secured and well governed environments. Agent AI use cases were explored, laying the foundation for future operational and analytical applications.

3.1.4 Library Operations

The number of walk-in visits and active users of the Bank's 27 libraries was 46,170 in 2025, representing an increase of 6.14 per cent relative to 2024. A total of 669,773 active users visited the library online catalogue compared with 7,547 users in the preceding year. This was attributed to search engine optimisation and increased sensitisation programmes carried out by the library during the year.

In the year under review, the CBN Digital Commons recorded a total of 201,673 downloads made by 4,648 institutions, across 201 countries, compared with 162,523 downloads by 2,587 institutions, across 197 countries in 2024. This represented a 24.00 per cent increase in the number of downloads, 79.00 per cent increase in the number of institutions and 2.00 per cent increase in the number of countries that accessed the Bank's publications. This was attributed to search engine optimisation, increased visibility of CBN publications in the Digital Commons repository, and the successful conduct of the e-Library Roadshow.

The Bank continued to provide access to electronic books and journals, covering economics, finance, business and banking, through Springer, Elsevier ScienceDirect, EBSCOhost, the IMF e-Library, and the World Bank Open Knowledge Repository (OKR). The following databases were also available: EBSCOhost and Journal Storage (JSTOR). The data and statistical sources provided by the library were the IMF Data and World Bank Open Data. The volume of print resources increased slightly by 480 to 176,263 reflecting the Bank's rising preference for e-resources.

3.1.5 Legal Services

The Bank continued to strengthen its legal and operational framework to achieve its mandate. In 2025, the Bank undertook a sensitisation initiative for staff to further strengthen internal governance and control processes with respect to contractual relationships with vendors and standardised the template for Service Level Agreements (SLAs). The initiative would enhance efficiency by ensuring a quick turnaround time.

In 2025, the Bank was involved in 1,763 cases at various stages of trial within and outside the country, of which 159 were handled by in-house counsels. A total number of 98 new cases (the bulk of which were Garnishee) were served on the Bank within the period under review.

A breakdown of the pending cases indicated that two were in foreign courts, while the remaining 1,761 cases were in various courts across the country. A further breakdown showed that 825 were garnishee proceedings, while 249 were matters challenging the exercise of statutory powers of the CBN.

A total of 432 cases were the subject of a wide range of other issues. These included bank-customer disputes, fall-out from some earlier banking sector reforms, staff related disputes, breach of contract, and matters related to the Freedom of Information Act.

3.1.6 Security Services

In 2025, the Bank further strengthened its security framework through purposeful investments in technology, capacity development, and proactive operational strategies. The investments led to significant advancements in protecting staff, property, and critical operations. This was achieved by reinforcing intelligence driven strategies through capacity building initiatives and strategic engagements with security stakeholders to mitigate threats.

Key achievements during the review period included the enhancement of security posture through the adoption of advanced technologies, including the deployment of SmartGate access control system to additional 20 branches. Installation of a security observation tower in Awka branch, and four baggage scanners & walk through metal detectors at the Head Office were completed in 2025, to strengthen screening and threat detection capabilities to improve access management and overall security efficiency.

Furthermore, to enhance the safe storage, management, and accountability of ammunition issued to security personnel, a secure and compliant Armoury facility was commissioned during the review period. Modular shelters were installed at the Head Office to accommodate security personnel on protection duties to enhance their operational efficiency. Back-up power systems were also installed to support the Key Watcher Management System and CCTV infrastructure across branches, ensuring uninterrupted 24/7 surveillance. To promote professionalism and operational preparedness, specialised training was conducted for security personnel, aides, agents, and domestic staff attached to the Bank's Management.

3.1.7 Internal Audit

In 2025, a total of 190 audit exercise detailing 61 departmental audits, 52 processes covering various process units in the Bank and audits and 77 branch audits were conducted. Additionally, non-calendared spot checks were carried out on the processes of five business units.

To strengthen capacity for better service delivery, in-house training sessions were conducted for internal auditors on the TeamMate and the Interactive Data Extraction and Analysis (IDEA) audit software applications. Additionally, outstation classroom training programmes for internal auditors were carried out.

3.1.8 Risk Management

The Bank reinforced its risk governance framework and operational resilience through targeted initiatives across enterprise risk management, business continuity, cyber security, and risk culture development.

The Enterprise Risk Management (ERM) Framework and related risk policies were reviewed in line with evolving regulatory expectations and emerging risks. The revised framework enhances consistency in risk identification, assessment, monitoring, and reporting across all business units. Subsequently, Risk Control SelfAssessments (RCSAs) were completed for 66 business units (29 departments and 37 branches). The exercise aimed to improve oversight of operational risk exposures and targeted control strengthening interventions.

Furthermore, the ISO 22301 Business Continuity Management System (BCMS) certification process continued as the Bank completed several foundational activities, including:

- updating Business Continuity Plans (BCPs) across all business units to reflect current operational realities.
- expanding internal certification capacity, raising the number of ISO 22301–certified staff to 60.
- conducting an enterprise-wide continuity simulation exercise to assess recovery readiness and identify improvement areas.
- completing a comprehensive safety assessment of the head office to enhance physical, environmental, and occupational safety.

To deepen risk ownership, improve risk identification, and reporting capabilities, the Bank continued its annual risk awareness campaign, onboarded risk champions, and undertook risk capacity building programmes.

In addition, the 2025 Vulnerability Assessment and Penetration Test (VAPT) was successfully executed with Deloitte & Touche as an independent assessor. The exercise strengthened the Bank's cyber resilience and contributed to safeguarding the broader financial system.

The Bank also continued its oversight in monitoring risk related to the Bank Verification Number (BVN). Consequently, 3,728 BVNs were placed on watchlist across various categories, 6,964 BVNs were added to the deceased list. A total of 3,992 BVNs were removed from the watchlist, with over 90 per cent linked to customers who benefited from a system

3.1.9 Ethics, Anti-Corruption and Governance

To strengthen its oversight on non-prudential and emerging risks, the Bank established the Compliance Department in 2025. This represented a significant structural step in the Bank's efforts to consolidate and embed regulatory effectiveness within existing supervisory frameworks, clarify institutional responsibilities, and ensure focused oversight.

The Department assumed supervisory responsibility for Financial Crime (AML/CFT/CPF), Market Conduct (disclosure practices, complaints management frameworks, and advertising standards), Enterprise Security (cybersecurity, data protection, and third-party risk management), and Corporate Governance and Environmental, Social & Governance (ESG) (board effectiveness and ESG oversight) in CBN-regulated entities.

To strengthen supervisory effectiveness, Corrective Action Plans (CAPs) were introduced as a structured supervisory tool requiring financial institutions to conduct root-cause analyses, design detailed remediation measures, and secure supervisory approval prior to implementation. In parallel, the Bank began issuing forward-looking Industry Advisories, designed to clarify regulatory expectations and highlight emerging risks in a proactive and preventive manner. Together, these measures reflect a deliberate shift towards tools that enforce compliance while building institutional resilience.

3.1.10 Financial Crime Supervision

During the year, the Bank intensified supervisory activities across regulated institutions, with a particular focus on strengthening institutional compliance with AML/CFT/CPF regulations. Risk-based AML/CFT/CPF examinations were conducted across banks, international money transfer operators (IMTOs), and payment service providers (PSPs), including cross-border subsidiaries of Nigerian banking groups. Examination findings were formally communicated through supervisory letters, and institutions were required to undertake root-cause analyses and submit Corrective Action Plans (CAPs) for approval.

In collaboration with the Nigerian Financial Intelligence Unit (NFIU), the Bank organised series of targeted retreats and workshops for compliance officers on measures to address priority vulnerabilities. Key themes included improving the quality and timeliness of suspicious transactions and activity reports (STRs/SARs), enhancing compliance with beneficial ownership requirements, strengthening sanctions screening and asset-freezing measures, and reinforcing board accountability for financial crime risk oversight. Sector-specific modules also examined higher-risk predicate offences, including corruption, fraud, cyber-enabled fraud, and illicit oil-related activity.

The outputs of these engagements are already informing supervisory refinements and shaping institution-specific remedial programmes. On 24 October, 2025, Nigeria exited the FATF grey list, after successfully implementing its recommended action plan to strengthen its AML/CFT/CPF framework.

In addition, the Bank strengthened inter-agency collaboration with the NFIU, the Economic and Financial Crimes Commission (EFCC), and other domestic regulators to ensure a unified supervisory response to identified threats. Overall, these measures signal a continued strengthening of the supervisory posture across the AML/CFT/CPF ecosystem.

3.1.11 Market Conduct

To harmonise regulations guiding market conduct, the Bank, in 2025, commenced a comprehensive assessment of the regulatory framework governing financial institutions. The assessment revealed fragmentation across existing regulatory instruments, misalignment with emerging international standards, and challenges in applying consistent supervisory expectations in an increasingly digital financial landscape. Consequently, the Bank commenced actions aimed at consolidating the marketconduct framework including harmonising circulars, directives, and guidance notes into a single and coherent structure. The development of the framework benefitted from extensive stakeholder engagement to ensure clarity, relevance, and enforceability..

To reinforce marketconduct discipline and strengthen consumer protection across the financial system, the Bank initiated a comprehensive gap analysis of employee-related regulatory approval processes. The exercise benchmarked current procedures against international practices and contributed to the design of a more robust and accountable regulatory mechanism.

The Bank also intensified efforts to improve advertising and promotional standards within the financial sector. A thematic review revealed varying levels of compliance with core disclosure, transparency, and fair marketing requirements. Consequently, directives were issued that all advertisements be factual, balanced, and non misleading, while prohibiting exaggerated claims, comparative or demarketing statements, inducement-based promotions, and references to unaudited financial information.

To strengthen governance and accountability, institutions were directed to provide advance notification for all advertisements, including creative materials and evidence of internal compliance clearance. Furthermore, they were mandated to withdraw all noncompliant materials and submit a leadership level attestation within 30 days affirming adherence to applicable laws, regulations, and internal governance processes.

Collectively, these measures underscore the Bank's commitment to strengthen market integrity, promote responsible business conduct, and safeStandards. guard consumer trust in the financial system.

3.1.12 Enterprise Security

To strengthen non-prudential oversight through off-site surveillance, targeted supervisory engagements, and maturity benchmarking across key control domains, the Bank sustained system-wide supervision of cybersecurity and technology risk across regulated financial institutions.

Furthermore, to ensure remediation assurance and accountability and close identified breach exposures, the Bank issued targeted security advisories and enforced corrective action plans. Institutions submitted time-bound remediation plans, while senior management and board attention to technology and cyber risk was elevated to support resilience and preparedness across the financial system.

3.1.13 Corporate Governance and ESG

The Bank maintained active supervision of board effectiveness and ESG implementation, to strengthen governance and sustainability practices in the financial sector. The measures supported systemic risk mitigation, enhanced financial stability, and improved stakeholder protection.

To enhance transparency, accountability, and ethical standards, the Bank reviewed and approved amended Board and Board Committee Charters for affected banks. The Bank also reviewed board annual evaluation reports and quarterly regulatory returns to monitor compliance with corporate governance and whistleblowing requirements.

To ensure consistency with Nigeria's enhanced Nationally Determined Contributions (NDCs) and the Climate Change Act, 2021, the Bank reviewed the Nigeria Sustainable Banking Principles during the period. The revised framework reflected national development priorities and aligned with international commitments, including the Paris Climate Agreement and the IFRS Foundation Sustainability Disclosure.

3.1.14 Medical Services

The Bank continued to ensure a healthy and productive workforce in 2025, with increased use of in-house clinical facilities, which resulted in significant cost savings. During the review period, a total of 178,672 patients accessed the Bank's medical facilities across the country. A total of 508 successful surgeries were conducted across four specialties – obstetrics, ENT, general surgery, and urology. The Bank also operationalised the neonatal intensive care unit, providing advanced interventions such as exchange blood transfusion and non-invasive respiratory support. A dedicated Well-Child Clinic also commenced, offering specialised services for sickle cell anaemia patients and neonates with special care needs. Labour and delivery services also improved, supported by enhanced neonatal screening for congenital anomalies. To eliminate medical scheme abuses and enhance operational efficiency, a patient verification system was piloted in Abuja.

In furtherance to improving overall workplace fitness and reducing health risks, the Project Fit Phase 2, targeted at reducing cardiovascular risk, was deployed. Also, health sensitisation programmes on breast cancer, sudden death, drug and alcohol-free workplace policy, mental health, ergonomics, and musculoskeletal health were carried out. Additionally, the Healthy Lifestyle Programme was conducted with overall attendance of 70.00 per cent for executives and 57.60 per cent for other staff. Executive medical screening in the period covered 405 executives and 1,521 staff working in hazardous environments were screened.

During the review period, the Bank embarked on several physical projects to enhance medical infrastructure. These included the relocation of dispensaries into individualised cubicles to enhance patient privacy, creation of distinct active stores for pharmacy and nursing consumables, expansion of the Health Information Management Office, and relocation of nursing stations to improve triage and reduce waiting times. Additional projects included completion of an ANC/Immunisation Suite and multipurpose hall, expansion of chemical pathology and phlebotomy facilities, and activation of ward access control systems.

3.1.15 Training

In 2025, the Bank recorded measurable progress in advancing its learning and development agenda through the implementation of a range of strategic capability building initiatives as key strategic enabler of workforce effectiveness, organisational performance, and long term institutional sustainability. These interventions were directed at strengthening internal training capacity, institutionalising knowledge transfer, expanding structured and competency based learning across critical functional areas, and promoting a culture of continuous learning in support of the Bank's strategic objectives.

A key focus during the year was the implementation of the Internal Train the Trainer Programme, which was designed to professionalise internal training delivery and enhance the quality and consistency of learning interventions across the Bank. The programme was driven by subject matter experts across Directorates with core competencies in adult learning principles, instructional design, facilitation methodologies, and learner assessment. By systematically building internal training capability, the initiative supports the Bank's objective of developing a sustainable, high quality, and internally driven learning ecosystem aligned with the CBN Strategic Plan (2024–2028).

To complement learning implementation and reporting, the learning management system (LMS) was upgraded to strengthen learning administration and operational efficiency. The enhanced system streamlined course enrolment, training administration & reporting processes, improved user experience, and supported more effective monitoring of learning participation and outcomes.

The Bank through its International Training Institute (ITI) hosted two specialised training programmes delivered in collaboration with the US Federal Reserve, with participation drawn from staff of African central banks and relevant Ministries, Departments, and Agencies. These programmes reinforced the Bank's role as a regional hub for central banking capacity development and knowledge exchange.

In addition, the ITI commenced the process of accreditation by the Accrediting Council for Continuing Education and Training (ACCET), representing a strategic step toward strengthening institutional standards andinternational recognition. The Institute also expanded its programme portfolio with the launch of a dedicated Environmental, Social, and Governance (ESG) programme area, reflecting the growing importance of sustainability related competencies in central banking and financial sector oversight.

3.2 COMMUNICATION AND COMMUNITY ENGAGEMENTS

3.2.1 Communication

In 2025, the Bank reinforced its commitment to transparent, consistent, and strategic communication as a key instrument for strengthening stakeholder engagement and institutional credibility. This was implemented through a mix of Chatham House–style dialogues, focus group discussions, structured stakeholder forums, and sustained informal engagements with the media, policymakers, market operators, and other critical stakeholders. Within the year, the Bank achieved strong visibility, recording an estimated 576.8 million reach and 88.5 thousand mentions, underscoring its capacity to communicate major policy actions and technical reforms effectively.

A central priority in 2025 was ensuring the clear, timely, and impactful dissemination of monetary policy decisions and reforms. The Bank supported this objective with targeted post-MPC media briefings, stakeholderoundtables, and strengthened digital dissemination. Communication performance assessments for the year reflected strong clarity (89%: A grade) and timeliness (74%: B- grade), reinforcing the credibility of policy messaging and the consistency of institutional narratives, particularly around reforms, reserves, inflation dynamics, and exchange-rate transparency.

Beyond monetary policy, the Bank led strategic engagements on critical national and financial system stability issues, foreign exchange management, central bank independence, and consumer protection, to deepen understanding and sustain confidence in its policy direction. Building on the gains in the MPC Communiqué readability index recorded in 2024, which improved from 56.50 per cent in March to 59.90 per cent in December, the Bank sustained efforts in 2025 to improve accessibility of policy communication.

Institutional engagement was further strengthened through governance and accountability interfaces. The Governor and members of Senior Management appeared 42 times before the National Assembly to deepen inter-institutional collaboration and policy alignment. The Bank also coordinated high-level retreats, oversight visits, and stakeholder engagement programmes to reinforce policy priorities and strengthen shared understanding across key constituencies.

Furthermore, following the comprehensive in-house redesign of its corporate website in 2024, the Bank focused on consolidating and optimising the interface in 2025, while instituting stronger content monitoring, gate-keeping, and evaluation processes. These measures improved the reliability, timeliness, and accessibility of online information, enhanced navigation and user experience, and reinforced the website's role as a responsive, secure, and user-centric communication platform.

3.2.2 Community Engagements

As part of its Corporate Social Responsibility (CSR), the Bank carried out several activities across strategic focal areas through its Head Office in Abuja and 37 Branch Offices. The target areas were in health & wellbeing, education & research, environment, climate action & disaster relief, community (economic) development, women & youth development, sports development, and digital inclusion.

4.0 HIGHLIGHTS OF THE 2025 AUDITED FINANCIAL STATEMENTS

The audited consolidated and separate financial statements of the CBN for the year ended 31st December 2025 indicated that the total income for the Group and Bank was ₦9.86 trillion and ₦9.76 trillion, respectively.

The Bank and the Group recorded a surplus of ₦86.81 billion and ₦108.13 billion in 2025, compared with the surplus of ₦165.69 billion for the Bank and ₦38.84 billion for the Group in 2024.

In accordance with the provisions of Section 22(1) and (2) of the Fiscal Responsibility Act (FRA), 2007, the sum of ₦69.45 billion (80% of 2025 operating surplus) was due to the Federal Government, while the balance accrued to general reserve.

The value of the Group and the Bank's balance sheet increased in 2025 as total assets increased by 18% to ₦138.86 trillion for the Group and ₦138.66 trillion for the Bank. The assets position reflected an increase in external reserves (11.9%) and other assets (299.7%). The increase in total assets was compensated for on the liabilities side by a rise in the CBN instruments issued (100.7%), while the paid-up capital and reserves of the Bank stood at ₦599.24 billion. .

PART TWO:
Economic Report

" We will collaborate with stakeholders and formulate policies that create an enabling environment for sustained economic growth and development".

Olayemi Cardoso
Governor, Central Bank of Nigeria

5.0 THE GLOBAL ECONOMY

5.1 Global Output

The global economy remained resilient in 2025, despite rising geopolitical tensions and elevated policy uncertainty. Global output growth was 3.30 per cent in 2025, unchanged from 2024, supported by easing monetary policy in some jurisdictions, and investment momentum, particularly in technology-related sectors. The growth reflected the continued resilience of the global economy amid headwinds from policy uncertainty and lingering trade frictions.

5.1.1 Advanced Economies

Economic Growth in advanced economies (AEs) moderated slightly in 2025, reflecting softer performance in some major economies. Output growth in AEs slowed to 1.70 per cent, from 1.80 per cent in 2024. In the US, output growth slowed to 2.10 per cent, from 2.80 per cent in 2024, reflecting weaker net external demand and a moderation in domestic consumption.

In Canada, growth decelerated to 1.50 per cent, from 2.00 per cent in 2024, due to weaker domestic demand as macroeconomic policy remained focused on disinflation.

In the UK, however, output growth improved to 1.40 per cent, from 1.10 per cent in 2024, supported by services activity and improved business confidence. Japan recorded a rebound, with growth rising to 1.10 per cent, from -0.20 per cent in 2024, reflecting improved domestic conditions.

Output growth in the euro area also strengthened to 1.40 per cent, from 0.90 per cent in 2024, reflecting a gradual recovery in consumption and improved financial conditions. Within the bloc, Germany returned to growth of 0.20 per cent, from a contraction of -0.50 per cent in 2024, indicative of improved financial conditions and domestic demand. Growth in France, however, moderated to 0.80 per cent, from 1.10 per cent in the preceding year, and Italy slowed to 0.50 per cent, from 0.70 per cent, due to weaker domestic demand conditions.

Table 5.1. 1 : Changes in World Output and Prices (per cent)

Country	Growth		Inflation	
	2024	2025	2024	2025
Global	3.30	3.30	5.80	4.10
Advanced Economies (AEs)	1.80	1.70	2.60	2.50
US	2.80	2.10	2.96	2.69
Canada	2.00	1.50	1.81	2.61
Euro Area	0.90	1.40	2.37	2.13
Germany	-0.50	0.20	2.25	2.17
Italy	0.70	0.50	1.13	1.67
France	1.10	0.80	2.46	0.93
UK	1.10	1.40	2.53	3.38
Japan	-0.20	1.10	2.74	3.20
Emerging Market & Developing Economies (EMDEs)	4.30	4.40	7.90	5.20
Russia	4.30	0.60	8.43	8.72
China	5.00	5.00	0.05	0.24
India	6.50	7.30	4.98	2.21
Brazil	3.40	2.50	4.37	5.02
Sub-Saharan Africa (SSA)	4.10	4.40	21.8	13.90
Nigeria	4.10	4.20	29.92	23.33
South Africa	0.50	1.30	5.90	4.40
Kenya	4.70	4.80	4.53	4.08
Ghana	5.70	4.00	22.93	14..58

Source: Refinitiv Eikon, IMF WEO, January 2026

5.1.2 Emerging Market and Developing Economies

Economic growth in Emerging Market and Developing Economies (EMDEs) gained momentum in 2025, amid persistent geopolitical tensions. Growth in EMDEs increased to 4.40 per cent, from 4.30 per cent in 2024. In China, output growth at 5.00 per cent was unchanged from 2024, reflecting policy support that helped offset structural headwinds, including weak domestic demand in key sectors. Growth accelerated in India to 7.30 per cent, from 6.50 per cent in 2024, attributed to strong momentum and improved activity. Brazil's output growth moderated to 2.50 per cent, from 3.40 per cent in 2024, occasioned by softer domestic demand conditions. In Russia, growth slowed sharply to 0.60 per cent, from 4.30 per cent in 2024, due to high interest rates, labour shortages, and constrained capacity utilisation.

Growth in Sub-Saharan Africa (SSA) strengthened to 4.40 per cent, from 4.10 per cent in 2024, supported by ongoing macroeconomic stabilisation and reform efforts in key economies. Output growth in Kenya edged to 4.80 per cent, from 4.70 per cent in 2024. Similarly, growth in South Africa improved to 1.30 per cent, from 0.50 per cent in 2024.

5.2 Global Inflation

Global inflation continued to decline in 2025, due to a fall in energy and food prices and the lagged effect of monetary tightening. Inflation declined marginally in AEs to 2.50 per cent, from 2.60 per cent in 2024, as disinflationary effects from tighter financial conditions continued to transmit through to prices. Inflation in the US eased to 2.69 per cent, from 2.96 per cent in 2024. In the euro area, inflation declined to 2.13 per cent, from 2.37 per cent, following declining energy prices. Within the bloc, inflation moderated in France and Germany but rose in Italy.

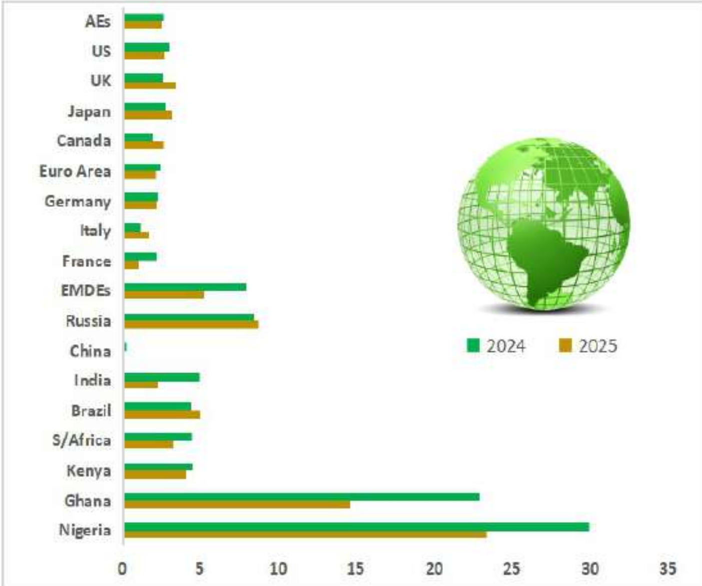
Japan and UK recorded higher inflation rates of 3.20 and 3.38 per cent, respectively, compared with 2.74 and 2.53 per cent in 2024. The price acceleration was due to hikes in the costs of energy, utility and labour.

Inflation in EMDEs declined significantly to 5.20 per cent, from 7.90 per cent in 2024, reflecting improved food supply, continued impact of monetary tightening and relative exchange rate stability. In India, inflation decelerated to 2.23 per cent, from 4.95 per cent in the preceding year, due to moderation in food prices. China recorded further moderation to 0.05 per cent, from 0.24per cent, as domestic demand remained weak amid high industrial capacity.

Inflation, however, rose in Russia and Brazil to 8.72 and 5.02 per cent, respectively, from 8.43 and 4.37 per cent, in 2024. The rise in Brazil was attributed to increase in prices of services and administered goods, while capacity constraints and cross-border trade restrictions fuelled inflation in Russia.

IIn Sub-Saharan Africa, inflation declined to 13.90 per cent, from 21.80 per cent in 2024, following fiscal support, improved food supply, and easing supply chain disruptions. Inflation moderated in South Africa and Ghana to 3.22 and 14.58 per cent, respectively, from 4.41 and 22.93 per cent in 2024, attributed to stronger local currencies and lower energy prices.

Figure 5.2. 1: Inflation in Selected Countries (per cent)



Source: Refinitiv Eikon

5.3 GLOBAL FINANCIAL MARKETS

Global financial conditions were generally positive in 2025, with significant variations across jurisdictions reflecting differences in macroeconomic fundamentals and policy paths. Equity market returns were broadly positive, driven by resilient company earnings amid shifting monetary policy expectations.

5.3.1 Equities and Bonds Markets

The performance of global equity markets was bullish, supported by strong corporate earnings and accommodative monetary policy. However, performance varied across advanced and emerging economies, reflecting differences in macroeconomic conditions, currency dynamics, and sectoral composition.

In AEs, equities remained generally buoyant, albeit moderate, compared with the strong rallies in the preceding year. In the US, the S&P 500 and NASDAQ gained 16.39 and 20.17 per cent, respectively, supported by large-cap technology & AI-related firms, corporate earnings, and relatively stable macroeconomic conditions. Similarly, the Dow Jones industrial average grew by 12.95 per cent.

In the UK, the FTSE 100 grew by 21.51 per cent, driven largely by gains in energy, financial, and multinational consumer-facing firms, supported by stable commodity prices and external demand. Japan's Nikkei 225 and TOPIX grew by 26.18 and 22.41 per cent, respectively, reflecting strong corporate earnings in export-oriented manufacturing and technology sectors, aided by enhanced external demand.

Across the euro area, the performance of the equities market was broadly positive. The EURO STOXX index grew by 18.29 per cent, owing to gains in financial, industrial, and energy stocks, amid improving earnings and relatively attractive valuations, compared with US equities. Germany's DAX gained 23.01 per cent, benefiting from resilient demand for industrial goods and automotive exports. Similarly, Italy's FTSE MIB grew by 31.47 per cent, driven, primarily by robust banking sector profitability, improved asset quality, and sustained dividend distributions, alongside strength in defence and industrial stocks. The France CAC-40 rose by 10.42 per cent on account of strong performance in luxury goods, banking, and industrial conglomerates.

Equity market performance was also positive across EMDEs, albeit susceptible to capital flows, currency movements, and domestic policy developments. In China, the Shenzhen Stock Exchange (SE) index gained 29.30 per cent, supported by targeted policy stimulus, regulatory adjustments aimed at stabilising capital markets, and gradual recovery in technology and manufacturing sectors. The Indian BSE Sensex grew by 9.06 per cent, underpinned by strong domestic institutional investor participation, resilient corporate earnings and stable macroeconomic conditions.

In Mexico, the S&P/BMV IPC recorded a growth of 29.88 per cent, owing to accommodative monetary conditions, currency stability, and improved investor sentiment. In South Africa, the JSE All Share Index rose by 37.74 per cent, driven primarily by strong performance in mining stocks.

The trajectory of sovereign bond yields varied across AEs and EMDEs in 2025, reflecting differences in inflation trends, monetary policy adjustments, fiscal positions, and risk premia. In the US, the 10-year bond yield declined by 0.42 percentage point to 4.15 per cent, reflecting moderating inflation and expectations regarding the Federal Reserve's policy stance. In the UK, bond yields fell by 1.22 percentage points, due to expectation of continued monetary policy easing by the Bank of England.

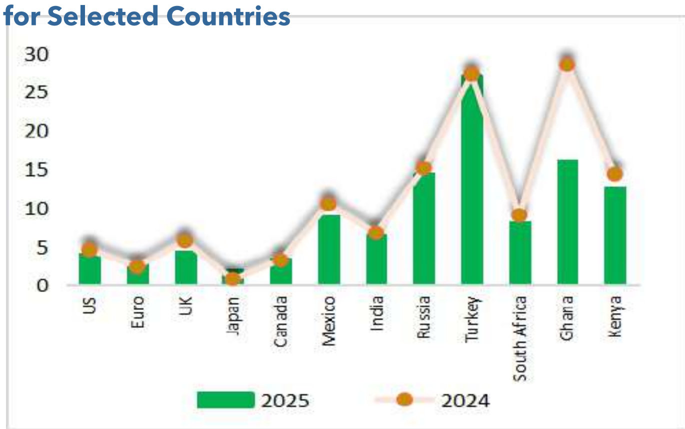
Conversely, Canada recorded a modest increase of 0.20 percentage point to 3.44 per cent, largely aligned with North American rate dynamics. Yields in the broader euro area also increased by 0.50 percentage point to 2.86 per cent, reflecting upward adjustments in term premia amid fiscal expansion and elevated bond supply across parts of the region. The 10-year bond yield in Spain rose by 0.23 percentage point to 3.29 per cent, reflecting tighter euro area financial conditions and shifting market expectations regarding the pace of monetary policy easing by the ECB. In Germany, the 10-year bond yield increased by 0.42 percentage point to 2.86 per cent, reflecting its benchmark status and sensitivity to evolving ECB policy expectations. Similarly, bond yield in France edged up by 0.30 percentage point to 3.61 per cent, driven by comparable monetary policy repricing and moderate fiscal concerns, although movements remained contained relative to historical volatility.

However, bond yield in Italy recorded a negligible decline of 0.01 percentage point to 3.51 per cent, suggesting relative stability in sovereign risk perception.

Figure 5.3.1: Key Global Stock Indices

Source: Refinitiv Eikon

Figure 5.3.2: 10-year Government Bond Yields for Selected Countries



Source: Refinitiv Eikon

In the EMDEs, movements in yields on 10-year sovereign bonds largely reflected changing sovereign risk perceptions, domestic inflation conditions, and relative currency stability. In Mexico, the 10-year yield declined by 1.50 percentage points to 8.96 per cent, consistent with improved inflation dynamics and monetary easing expectations. Similarly, in India, yield reduced by 0.17 percentage point to 6.59 per cent, due to stable macroeconomic fundamentals and contained inflation pressures.

Bond yield in South Africa recorded a decline of 0.83 percentage point to 8.21 per cent, reflecting easing inflation and improved investor sentiment toward domestic fiscal reforms. Yields in Indonesia also fell by 0.94 percentage point supported by contained inflation and sustained foreign portfolio inflows. In Kenya, yields declined by 1.70 percentage points, indicating partial repricing of sovereign risk amid improving fiscal and external positions.

In Ghana, the yield dropped sharply by 12.30 percentage points to 16.20 per cent, suggesting substantial improvement in sovereign risk perception, associated with reforms aimed at debt restructuring and macroeconomic stability.

Similarly, 10-year sovereign bond yields in Russia and Turkey declined by 0.67 and 0.10 percentage points, respectively, to 14.44 and 27.16 per cent. The decline in Russia was due to higher taxation and a rebound in oil prices, while a shift towards more orthodox economic policies, the initiation of monetary easing cycle, and changing investor sentiment accounted for the decline in Turkey.

5.3.2 Currency Market

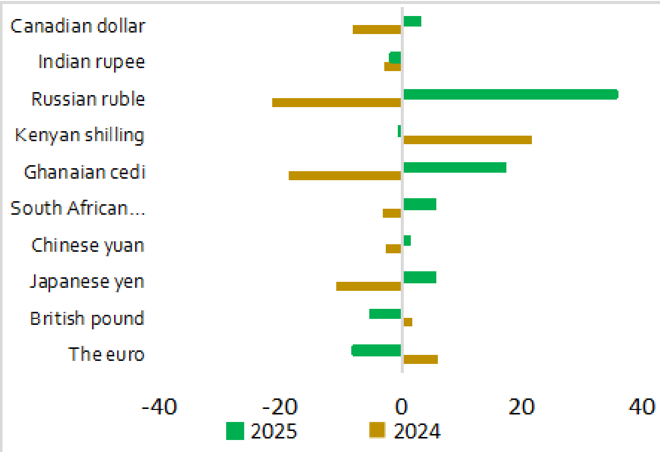
Most currencies recorded mixed performances against the US dollar in 2025. The euro and British pound depreciated against the US dollar by 7.96 and 21.36 per cent, respectively, due to renewed strengthening of the US dollar amid global investor demand for dollar-denominated assets. However, the Japanese yen and the Canadian dollar appreciated against the US dollar by 5.56 and 3.08 per cent, respectively, due to a renewed confidence in Japan's economic outlook, and relatively stable Canadian economic conditions.

Among the EMDEs, the Chinese yuan and the Russian ruble strengthened by 1.45 and 35.49 per cent, respectively. The appreciation in China was driven by strong export performance and large foreign exchange inflows and, in Russia, by tight monetary policy stance and reduced foreign currency demand.

Other currencies that appreciated included the South African rand (5.52%), and the Ghanaian cedi (17.19%).

In Kenya, however, lower FX receipts and higher capital outflows resulted in a 0.14 per cent weakening of the shilling. The Indian rupee depreciated by 1.81 per cent, due to widening trade deficit.

Figure 5.3.3: Exchange Rates of Selected Countries (YTD%)



Source: Refinitiv Eikon

5.4 GLOBAL COMMODITY PRICES AND DEMAND

5.4.1 Agricultural Prices

The prices of the monitored global agricultural commodities declined in 2025 compared with the preceding year, reflecting the combined effects of evolving macroeconomic conditions, improved supply, and weaker demand. The all-commodities price index declined by 2.10 per cent to 142.95 in 2025 from 146.01 in 2024, indicating a modest moderation in overall agricultural commodity prices.

The decline in the index was driven by the fall in the prices of groundnuts, cotton, soya beans, and wheat. Groundnut prices dropped sharply by 24.68 per cent and soya beans by 10.41 per cent, reflecting improved global supply conditions and substitution effects among oil seed crops. In addition, cotton prices fell due to weaker global demand, particularly from textile-producing economies, following tepid growth. The decline in the price of wheat was attributed, largely, to improved harvests and easing supply concerns after earlier disruptions linked to the Russia-Ukraine conflict.

Conversely, the prices of coffee, cocoa, palm oil and rubber increased during the review period relative to the preceding year. The increase was driven, largely, by persistent supply shortages, owing to adverse weather conditions, amid strong global demand.

5.4.2 Crude Oil Prices

Following global oversupply from non-OPEC members, especially in the United States, Canada, and Brazil, and a decline in global demand, which offset the effect of sanctions on Russia, Iran, and Venezuela, as well as the geopolitical tensions in the Middle East, the average spot price of Nigeria's reference crude, the Bonny Light (34.9^0 API) declined, compared to 2024.

The average spot price of the commodity declined by 14.09 per cent to US$70.93 per barrel (pb) in 2025, from US$82.56 pb in the preceding year. On a year-on-year basis, average crude oil prices of most months in 2025 were lower than the corresponding months in the preceding year.

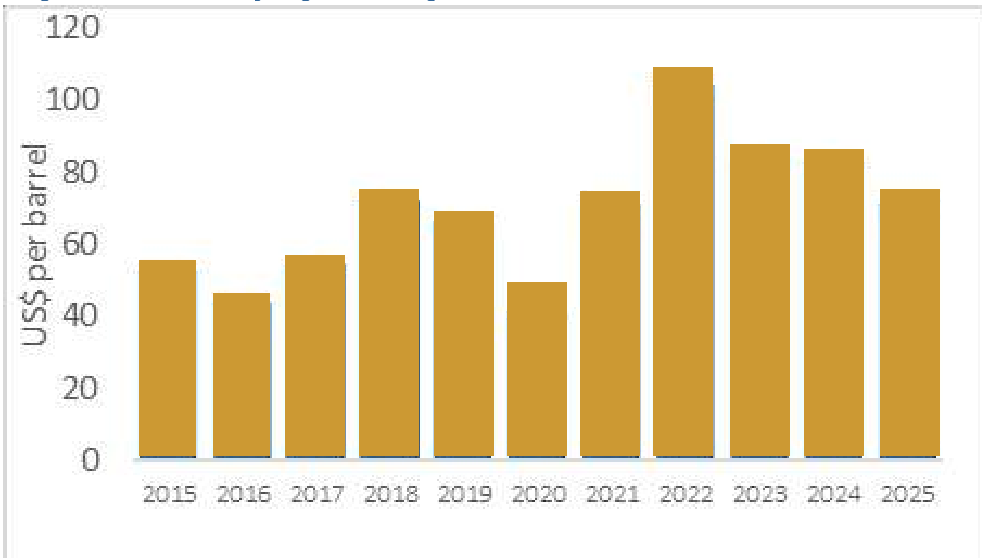
The average prices of UK Brent crude, Forcados and West Texas Intermediate exhibited similar trends as Bonny Light, at US$69.88, US$72.28 and US$66.06 pb, respectively, and were lower than the corresponding levels in 2024. Furthermore, the average price of the OPEC Reference Basket of twelve crude streams was US$69.55 pb, representing a decrease of 12.94 per cent, compared with the price in the preceding year.

Table 5.4. 1: Price Index of Selected Agricultural Export Commodities (Dollar Based) (Jan.2010=100)

Commodity	2021	2022	2023	2024	2025	% Change (3) & (5)	(4) & (5)
	1	2	3	4	5	6	7
All Commodities	**117.36**	**135.89**	**125.22**	**146.01**	**142.95**	**14.15**	**-2.10**
Cocoa	68.84	67.88	93.07	207.93	221.22	137.69	6.39
Cotton	130.73	167.89	122.77	111.96	100.02	-18.54	-10.67
Coffee	128.22	147.92	170.02	285.7	314.56	85.01	10.1
Wheat	156.69	213.71	169.21	133.54	120.95	-28.52	-9.43
Rubber	55.28	50.81	45.53	57.74	58.24	27.94	0.87
Groundnut	129.32	130.4	157.32	149.14	112.33	-28.6	-24.68
Palm Oil	136.07	153.57	106.69	115.95	121.19	13.6	4.53
Soya Beans	133.76	154.95	137.17	106.11	95.06	-30.7	-10.41

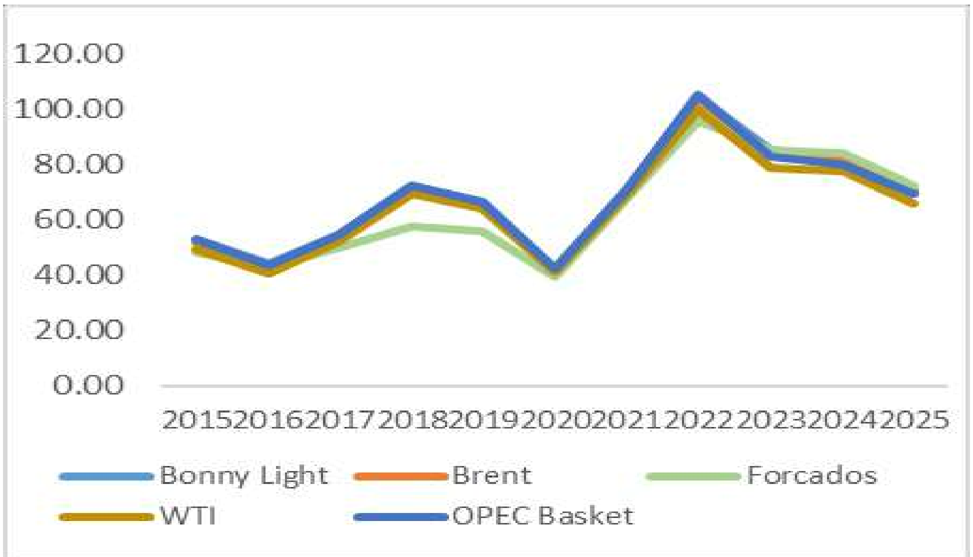
Sources: Computed based on data obtained from the World Bank

Figure 5.4.1: Bonny Light Average Prices, 2015-2025



Source: Refinitiv Eikon (Thomson Reuters)

Figure 5.4.2: Average Monthly Crude Oil Prices, 2015-2025 (US$ per barrel)



Source: Refinitiv Eikon (Thomson Reuters)

5.4.3 Global Crude Oil Supply and Demand

Global crude oil supply increased in 2025, as higher output from both non-OPEC and OPEC+ producers supported continued market expansion. Total global crude oil supply rose by 3.60 per cent, averaging 106.28 million barrels per day (mbpd) in 2025, from 102.59 mbpd in 2024. The growth was driven by improved production from the United States, Brazil, Canada, and other non-OPEC producers. Specifically, enhanced productivity and improved capacity utilisation in North and Latin America, and some OPEC+ members, underpinned the rise, as voluntary cuts were partially eased.

Following continued implementation of the Declaration of Cooperation (DoC) by OPEC and its allies, total OPEC crude oil supply remained stable in 2025, as voluntary production adjustments were balanced against prevailing market demand conditions and inventory considerations. Based on International Energy Agency (IEA) estimates, total OPEC liquids supply averaged 33.79 million barrels per day (mbpd) in 2025, representing a marginal increase of 4.58 per cent, from 32.31 mbpd in 2024.

Specifically, OPEC crude oil production rose by 4.67 per cent, averaging 27.99 mbpd in 2025, from 27.60 mbpd in 2024. The remaining component of OPEC supply, comprising Natural Gas Liquids (NGLs) and condensates, averaged approximately 5.80 mbpd, compared with 5.40 mbpd in the preceding year, reflecting an increase of 7.41 per cent. The moderate growth in NGLs output was due to enhanced production of associated gas and improved processing capacity, particularly among Middle Eastern producers.

Global crude oil demand rose to an average of 103.97 mbpd, compared with 102.77 mbpd in 2024. Demand from OECD countries increased modestly to 45.84 mbpd, while non-OECD demand accounted for the balance of 58.07 mbpd. The rise in world crude oil demand was led largely by non-OECD countries, especially in Asia (including China, India, and other emerging markets), where the expanding use of fuel for transportation and industrial activity supported stronger consumption. By contrast, OECD demand showed relatively weak growth, reflecting slower economic expansion and structural shifts in energy usage.

5.4.4 Precious metal prices

The development in prices of precious metals was shaped by heightened geopolitical uncertainty, expectations of lower real interest rates, and stronger investment and portfolio-diversification demand. Specifically, the average prices of gold rose by 44.18 per cent to US$3,444.85 per ounce in 2025 from US$2,389.23 in 2024, on account of continued purchases by central banks.

Similarly, there were price rises for silver (42.01%), platinum (34.65%) and palladium (17.33%) to US$40.17, US$1,282.60 and US$1,149.80 per ounce, respectively, in 2025. The rise in price was due to increased industrial demand for manufacturing, automotive catalysts, and clean energy technologies. These factors, together with supply constraints and periods of U.S. dollar weakness, sustained the upward movement in precious metal prices.

5.5 MONETARY POLICY STANCE

Monetary policy normalisation continued in 2025, as many central banks lowered policy rates in response to sustained disinflation trend. Policy rates declined in the US by 75 basis points (bps) to 3.75 per cent, and in the UK by 100 bps to 3.75 per cent. The rate cuts reflected moderation in inflation pressures and softened labour market conditions in both countries. Similarly, the European Central Bank cut policy rate by 100 bps to 2.15 per cent, as inflation stabilised around the 2.00 per cent target.

In the EMDEs, the People's Bank of China assumed a cautious stance, cutting policy rate by 10 bps to 3.00 per cent to stimulate demand. The Central Bank of Egypt and the South African Reserve Bank reduced policy rates by 725 and 100 bps, to 20.00 and 6.75 per cent, respectively, due to improved inflation outlook. Similarly, the Reserve Bank of India and Bank of Indonesia eased policy rate by 125 bps apiece, to 5.25 and 4.75 per cent, respectively, to support growth. In Russia and Brazil, easing inflationary pressures necessitated policy rate cuts to 16.00 and 15.00 per cent, respectively, from 21.00 and 12.25 per cent in

Table 5.5. 1: Monetary Policy Rates of Selected Countries (per cent)

Country	2023	2024	2025
United States	5.50	4.50	3.75
Euro Area	4.50	3.15	2.15
United Kingdom	5.25	4.75	3.75
China	3.45	3.10	3.00
Russia	16.00	21.00	16.00
India	6.50	6.50	5.25
Brazil	11.75	12.25	15.00
Indonesia	6.00	6.00	4.75
South Africa	8.25	7.75	6.75
Egypt	19.25	27.25	20.00

Source: Various Central Banks' websites

5.6 FISCAL POLICY MEASURES

The global fiscal landscape was marked by elevated public debt, with increasing defence spending and aging populations, putting additional strain on public finances. Key observations regarding the global fiscal policy environment include, reciprocal tariffs, diminishing foreign aid, and increased defence spending - particularly in Europe; persistent fiscal deficits leading to high and rising global public debt levels; and elevated fiscal risk due to policy uncertainty and trade tensions.

6.0 REAL DOMESTIC ECONOMY

The domestic economy recorded a stronger expansion in 2025, driven by improved performance in both the oil and non-oil sectors. Real GDP rose by 3.87 per cent (year-on-year) to ₦221.55 trillion, compared with 3.38 per cent (₦213.29 trillion) in 2024. Consumer prices eased in 2025, due to improved domestic supply conditions, the lagged effect of monetary tightening, a relatively stable exchange rate and the statistical effect of the 2024 CPI rebasing. As a result, headline inflation fell from 34.80 per cent in December 2024 to 15.15 per cent by end-2025.

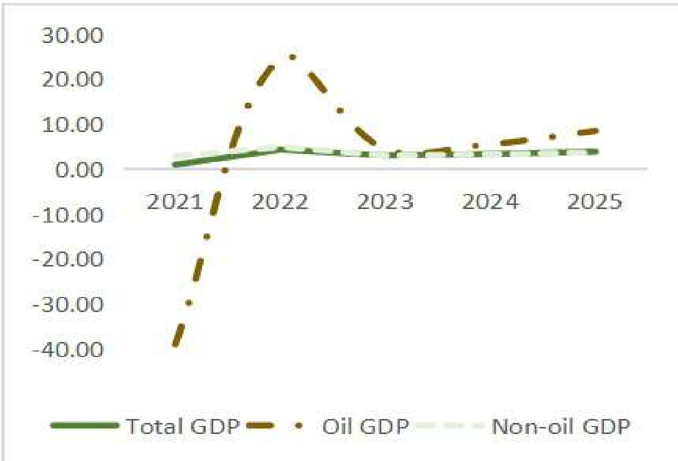
6.1 DOMESTIC OUTPUT

The economy expanded faster in 2025 due to growth in both oil and non-oil activities that followed the continued implementation of various reforms by the government. Major reforms were sustained during the year, while the government initiated new programmes to further support economic expansion. Initiatives such as the expansion of Special Agro-Processing Zones aimed at improving food production and the establishment of the National Credit Guarantee Company bolstered economic growth. Tax credits for manufacturing, and investments in renewable energy and infrastructure also supported growth.

The oil sector supported overall growth, owing to increased oil output. This was attributed to improved security conditions around oil facilities and the revival of dormant fields through increased investments. The oil sector grew by 8.50 per cent, from 5.54 per cent in 2024, contributing 0.29 percentage point to the GDP growth in 2025.

The non-oil sector grew by 3.71 per cent relative to 3.31 per cent in 2024. This reflected the intensified efforts by the government and the private sector to boost the performance of the non-oil sub-sector.

Figure 6.1. 1: GDP Growth Rate (percent)



Source: National Bureau of Statistics

Table 6.1.1: Sectoral Contribution to the Growth Rate of Real GDP (percentage points)

Activity sector	2021	2022	2023	2024	2025
Agriculture	1.0	0.7	0.3	0.4	0.8
Crop Production	*0.8*	*0.4*	*0.7*	*0.5*	*0.7*
Industry	-1.6	1.6	0.6	0.4	0.7
Crude Petroleum	*-1.7*	*0.6*	*0.1*	*0.1*	*0.2*
Construction	*-0.6*	*0.4*	*0.1*	*0.1*	*0.2*
Service	1.5	2.0	2.0	2.4	2.3
Trade	*0.2*	*0.4*	*0.3*	*0.3*	*0.3*
Information and Communications	*0.1*	*0.3*	*0.2*	*0.5*	*0.6*
Non-Oil GDP	**2.8**	**3.7**	**3.0**	**3.3**	**3.7**
Total (GDP)	**1.0**	**4.3**	**3.0**	**3.3**	**3.8**

Source: National Bureau of Statistics

6.1.1 Sectoral Performance

6.1.1.1 Agriculture

The agriculture sector grew by 2.92 per cent to N61.04 trillion in 2025, compared with the 1.19 per cent growth in the preceding year. The development was due to increased security in food-producing areas and improved access to farm inputs. The sector accounted for 27.55 per cent of GDP and contributed 0.81 percentage point to overall growth.

A sub-sectoral breakdown showed that forestry recorded the highest growth rate of 3.77 per cent in 2025, from 2.53 per cent in 2024. The increased momentum was due to continued afforestation efforts and the introduction of forest guards to boost security. The performance of the subsector was also influenced by demand for domestic construction activities, industrial raw materials and fuelwood.

Crop production and fisheries grew by 3.75 and 1.39 per cent, respectively, from 2.91 and 0.61 per cent. The performance of the crop production subsector followed favourable weather conditions, increased investment in irrigation and farm mechanisation, and improved security. The performance of the fishery subsector was enhanced by the intensified effort of the Federal Government Nigeria (FGN) to bring down input costs.

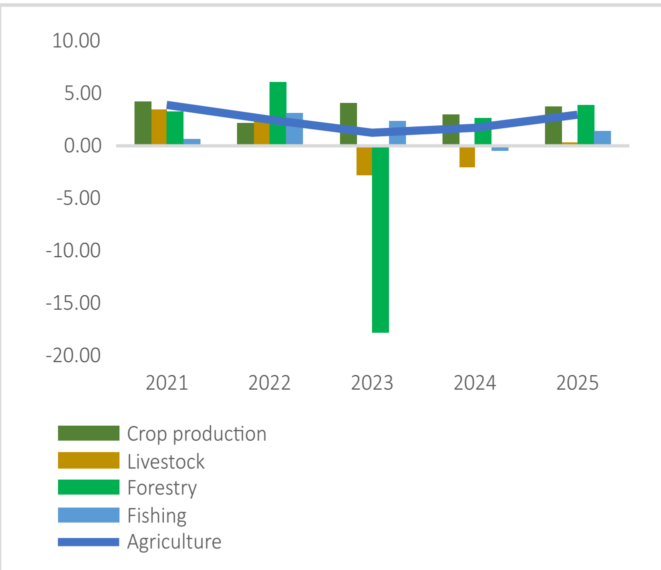
In addition, the livestock subsector rebounded, expanding by 0.08 per cent, after contracting by 2.14 per cent in 2024. The livestock subsector benefited from rising household demand and renewed efforts of the Federal Government to promote ranching activities.

Table 6.1. 2: Agricultural Production

Item	2021	2022	2023	2024	2025	2024 % Change	2025 % Change
Agricultural Production Index (2023=100)	1	2	3	4	5	5 & 3	5 & 4
Aggregate	47.25	55.08	100	110.82	116.57	16.57	5.18
Crop Production	63.89	75.01	100	108.82	113.21	13.21	4.03
Livestock	10.4	12.11	100	114.61	118.59	18.59	3.47
Forestry	6.11	7.18	100	108.76	133.17	33.17	22.44
Fishing	61.07	62.91	100	122.22	134.75	34.75	10.25

Source: National Bureau of Statistics

Figure 6.1.2: Agriculture Sector Performance (per cent)



Source: National Bureau of Statistics.

i. Index of Agricultural Production

The agricultural production index rose by 5.18 per cent to 116.57 (2023=100) in 2025 from 110.82 points in 2024. The increase was attributed to the 22.44 per cent growth in forestry, 3.47 per cent in livestock, 10.25 per cent in fishery and 4.03 per cent in crop production subsectors. This followed sustained government policy support, favourable weather conditions, increased investments, and improved agricultural practices.

The Federal Government, in collaboration with the African Development Bank (AfDB) and other partners, committed US$538 million to the first phase of the Special Agro-Industrial Processing Zones (SAPZ) in 2025. The initiative was aimed at transforming rural areas into zones of prosperity, reducing food imports, lowering post-harvest losses, and creating jobs for women and youth by moving from raw commodity exports to processing.

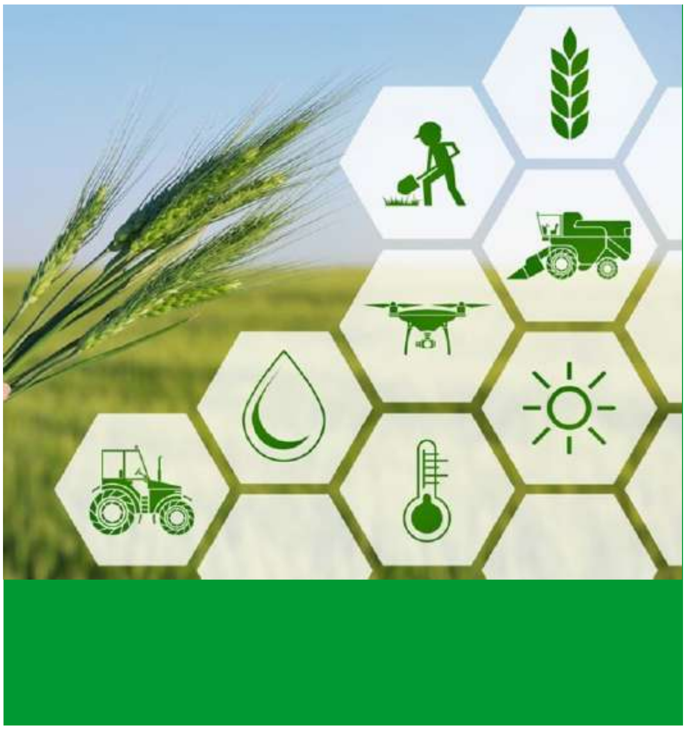
Additionally, the National Agricultural Development Fund (NADF), in partnership with Mastercard Foundation and IDH, launched a Cassava empowerment programme targeting 45,000 young women. The initiative supported out-grower schemes, improved access to finance and guaranteed markets, aligning with Nigeria's food security and import-substitution objectives. It commenced with 12,000 beneficiaries in Oyo State.

The World Bank in collaboration with the Federal Ministry of Environment and State governments under the Agro-Climatic Resilience in Semi-Arid Landscapes (ACReSAL) project supported over 10,000 rural farmers, mainly women, through a US$250,000 revolving loan for climate-smart agriculture in Doma and Toto LGAs in Nasarawa State. The project also expanded access to mechanisation through subsidised tractors and improved irrigation, using solar-powered boreholes and rainwater harvesting systems.

The National Economic Council (NEC) approved the rollout of locally produced solar-powered irrigation pumps nationwide for the 2025 dry-season farming cycle. The initiative aims to lower production costs, improve food security, and support sustainability, complemented by measures on farmer insurance, concessional financing, and agricultural value addition.

The Federal Government unveiled the Livestock Investment Master Plan in 2025 to reposition the livestock sub-sector for increased output. The plan would mobilise private capital, technology, and managerial efficiency to address structural deficiencies, modernise value chains, and unlock productivity gains in the livestock industry using a Public-Private Partnership (PPP) driven approach.

In a similar development, the Federal Government adopted a PPP arrangement to rehabilitate 38 moribund livestock facilities across the six geopolitical zones. These included milk collection centres, breeding and multiplication centres, pig progeny facilities, and tanneries.



6.1.1.2 Industry

The growth momentum of the industry sector increased in 2025, driven by exchange rate stability, energy sector reforms and improved investor confidence. The sector benefitted from coordinated efforts by the government and international organisations to strengthen the country's manufacturing and energy subsectors, and diversify the economy. The industry sector grew by 4.57 per cent to N37.18 trillion, relative to 2.81 per cent in the preceding period. The growth momentum in the industry sector was underpinned by improvements in manufacturing and a moderate expansion in crude oil & gas production. Growth was further bolstered by enhanced electricity supply and increased capacity utilisation of the Dangote Refinery, as reflected in the positive performance of the oil refining subsector. Thus, the year-on-year Index of Industrial Production (IIP) increased by 4.34 per cent to 87.84 in 2025, from 84.19 in 2024.

Figure 6.1.3: Index of Industrial Production, (2010=100)

Source: CBN Staff estimates

i. Mining and Quarrying

The mining and quarrying subsector grew by 9.67 per cent, compared with 5.24 per cent in 2024. The development mirrored the improved performance of crude petroleum, metal ores, and quarrying-related activities. Quarrying and other minerals recorded an impressive growth of 36.13 per cent, reversing the 26.77 per cent contraction recorded in 2024. The performance was on account of improved crude oil output, and government efforts to revitalise the solid minerals sector, including the unveiling of a 5-year Energy Transition and Critical Minerals Roadmap (2025-2030). The FGN also intensified efforts to crack down on illegal mining through improved collaboration with security agencies, leading to the repossession of more than 90 illegally-owned mining sites.

The establishment and operationalisation of the Nigerian Solid Minerals Company gave further impetus to the subsector. The company aims to further unlock investment, promote value addition, and reduce government direct involvement in the financing of mining operations.

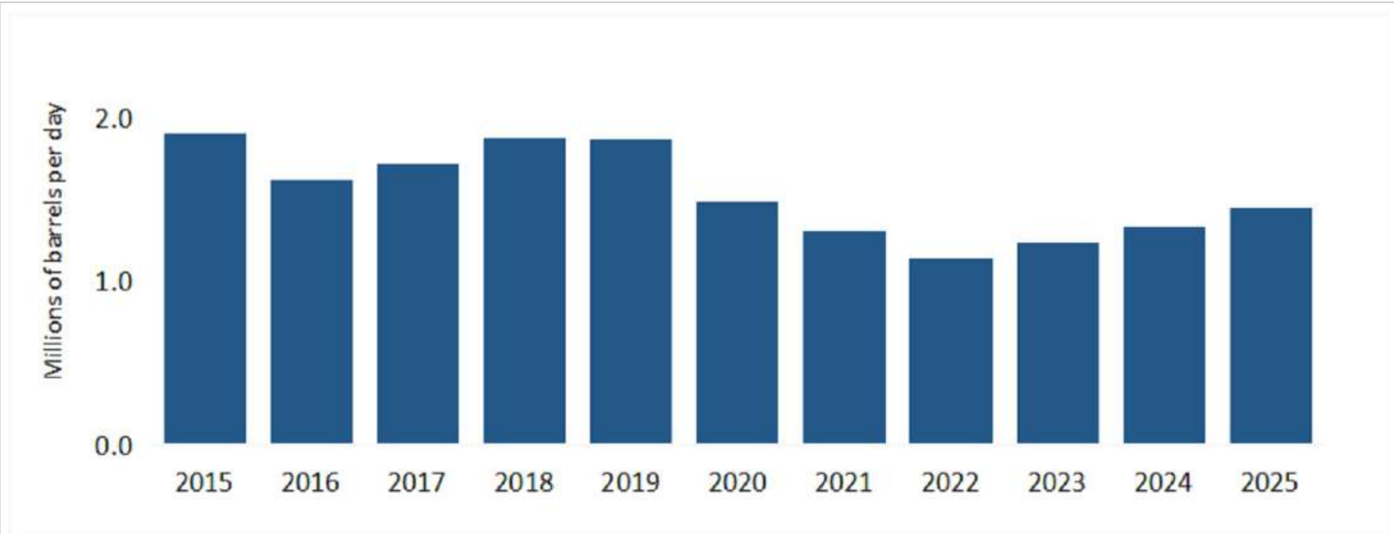
The FGN strengthened its multicountry cooperation in the solid minerals sector by joining the Africa Minerals Strategy Group (AMSG), affirming its commitment to Africandriven exploration, industrialisation and critical mineral security. It expanded partnerships with Australia, Saudi Arabia, South Africa and China to boost geological capacity, mineral exploration, mining governance, lithium beneficiation and EV manufacturing..

Oil and Gas

(a). Crude Oil

The average crude oil production, excluding condensates, was 1.45 million barrels per day (mbpd), approximately 530.35 million barrels (mb) per annum. This represented a rise of 8.21 per cent, above the average production of 1.34 mbpd or a total annual production of 492.34 mb in 2024. Additionally, the launch of the Obodo crude blend further supported the increase in overall production. Nigeria's crude oil production, however, was below the monthly OPEC production quota of 1.58 mbpd for 2025.

Figure 6.1.4: Average Crude Oil Production

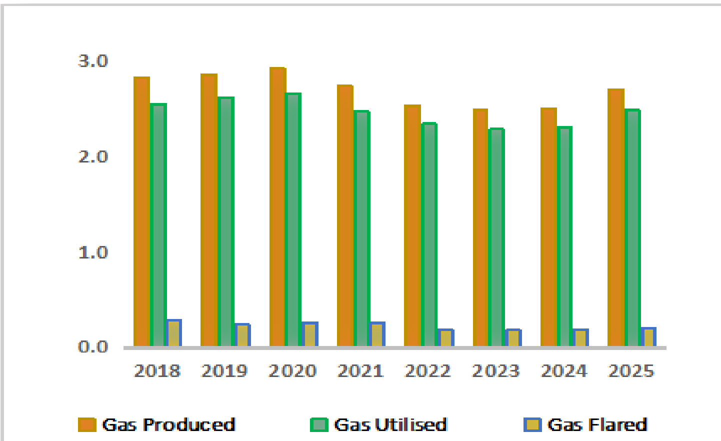


Source: Refinitiv Eikon (Thomson Reuters)

(b). Gas Production and Utilisation

Gas production rose by 7.96 per cent to 2.71 billion cubic feet (bcf), from 2.51 bcf in 2024, following the completion of Assa North-Ohaji South (ANOH) and Sapele gas plants. Similarly, gas utilisation increased to 2.49 bcf from 2.31 bcf on account of rising domestic demand and expanding market for CNG.

Figure 6.1. 5: Gas Subsector Performance (billion mscf)



Source: NUPRC Annual Gas Production Report

ii. Manufacturing

The manufacturing subsector was resilient, following targeted government initiatives, including the Nigeria First policy, and the launch of expanded MSME clinics, and improved macroeconomic environment. The subsector grew by 1.43 per cent in 2025 compared with 1.20 per cent in the preceding year. The growth was driven by the oil refining subsector, which grew by 14.08 per cent (as Dangote refinery operated at over 80% capacity). This was followed by cement (4.64%), chemical & pharmaceutical products (4.11%), and food, beverage & tobacco (2.49%). Other subsectors that grew were electrical & electronics (1.23%), pulp, paper & paper products (0.50%), and plastic & rubber products (0.10%), among others.

The subsector also benefitted from easing inflationary pressures and relative stability in the exchange rate, which improved cost planning, business and consumer confidence. Reduced volatility in input prices, improved access to locally sourced raw materials, and gradual recovery in domestic demand further contributed to the expansion in manufacturing output, although structural constraints continued to temper growth.

The performance of the manufacturing subsector in 2025 reflected efforts to grow the sector through the Nigeria First Policy. The policy prioritised local content for increased utilisation of domestic inputs and greater self-reliance in investment, production, and consumption decisions.

Furthermore, the FGN established industrial hubs in Lagos, Ogun, Kano, and Abia states, in line with its industrialisation agenda under the Industrial Revolution Work Group (IRWG). The initiative leveraged regional comparative advantages to stimulate industrial activity, enhance value-chain development, and generate employment.

Similarly, the FGN launched a grant programme under the Expanded National MSME Clinics, providing non-repayable grants of ₦250,000 to outstanding MSMEs. The programme supported local enterprises, enhanced productivity, and promoted inclusive economic growth.

To support the subsector, the FGN, under the National Poverty Reduction with Growth Strategy (NPRGS), launched a programme to empower Nigerian youths with digital and technical skills in areas such as web development, cybersecurity, and solar installation. The initiative provided participants with training and essential digital tools to enhance employability, foster entrepreneurship, and support inclusive growth, particularly in underserved communities.

The Nigeria Liquified Natural Gas (NLNG) Limited, in partnership with the Bank of Industry (BOI), also launched a ₦1.00 billion MSME fund to support economic development in its host communities. The initiative provided financial assistance and capacity-building to support local vendors and businesses across all 110 host communities, offering loans at a capproved a concessional interest rate of 9.00 per cent.

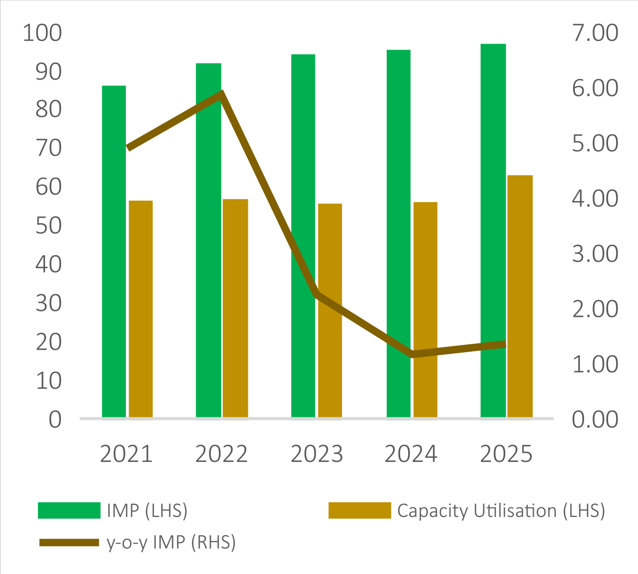
The African Development Bank (AfDB) approved a US$100.00 million loan to expand access to finance for youth and women-led small and medium enterprises under the Nigeria Youth Entrepreneurship Investment Bank (YEIB) initiative. The YEIB is an ecosystem anchor which brings together financial and non-financial stakeholders to support youth entrepreneurship in the manufacturing subsector and foster economic growth.

Building on its broader industrial development agenda, the FGN partnered with the United Nations Industrial Development Organisation (UNIDO) and launched a US$175.00 million Programme for Country Partnership (PCP) aimed at repositioning Nigeria's industrial sector, particularly manufacturing. The programme was designed to strengthen industrial capacity, accelerate technological advancement, and support environmentally sustainable industrial growth.

Index of Manufacturing Production

The Index of Manufacturing Production (IMP) rose to 96.36 (2019=100), indicating an increase of 1.41 per cent relative to the level in 2024. The average manufacturing capacity utilisation increased by an estimated 6.93 percentage points to 62.63 per cent in 2025, signalling improved factory throughput and strengthening of the industrial base.

Figure 6.1. 6: Index of Manufacturing Production



Source: CBN Staff estimat

Table 6.1. 3. Refinery Capacity Utilisation in 2025

S/N	Name of Refinery	Nameplate Capacity (Barrels per day)	Average Capacity Utilisation
1	Dangote Petroleum Refinery and Petrochemicals FZE	650,000	540,735
2	OPAC Refineries	10,000	No Production
3	Waltersmith Refinery and Petrochemical Company Limited	5,000	3,166
4	Duport Midstream Company Limited	2,500	No Production
5	Edo Refinery and Petrochemical Company Limited	1,000	914
6	Aradel Refinery	11,000	6,853
7	Port Harcourt Refinery Company Limited	210,000	No Production
8	Warri Refinery and Petrochemical Company Limited	125,000	No Production
9	Kaduna Refinery and Petrochemical Company Limited	110,000	No Production
	Total	**1,124,500**	**551,668**

Source: Nigerian Midstream and Downstream Petroleum Regulatory Authority

Refinery Operations

In 2025, the total installed refining capacity was 1.12 million barrels per day (bpd), with an average operational capacity of 551,668 bpd, representing 49.06 per cent. Refining activity was largely driven by private-sector operators, led by the Dangote Petroleum Refinery, which achieved an average capacity utilisation of 540,735 bpd, or 83.19 per cent of its 650,000-bpd capacity. Operational modular refineries, including Edo, Waltersmith, and Aradel, also recorded moderate-to-high-capacity utilisation, while others, including the government-owned refineries, reported no production.

iii. Energy

■ Power

Growth momentum increased significantly in the electricity, gas, steam, & air conditioning subsector, as higher electricity generation and consumption supported a growth of 8.45 per cent compared with 0.56 per cent in 2024. The subsector benefitted from the commissioning of an 80 megawatts (MW) unit at the Kainji Hydropower Plant and the completion of the Sokoto Power Plant, a 38 MW state-owned Independent Power Project, which provided additional baseload capacity and improved supply conditions. Furthermore, the decentralisation of electricity regulation and market operations, as provided under the Electricity Act 2023, gained traction, with several states, particularly Lagos and Enugu, establishing independent electricity regulatory commissions and state-level electricity markets, thereby improving operational efficiency.

■ Electricity Generation

Electricity generation further increased following the higher efficiency in the generation infrastructure. Data from the Nigerian Electricity Regulatory Commission (NERC) showed that average grid electricity generation increased by 10.09 per cent to an estimated 4,477.44 MW/h from 4,067.18 MW/h in 2024.

■ Electricity Consumption

Average grid electricity consumption in 2025 rose by 7.17 per cent to an estimated 4,226.43 MW/h from 3,943.61 MW/h. Energy loss decreased to 7.54 per cent from 7.90 per cent in 2024. The higher consumption was attributable to gains from enhanced metering, improvement in supply conditions, and stronger sector governance. In addition, the gradual transition to cost-reflective tariffs for selected consumer bands supported improved revenue recovery, thereby strengthening the capacity of market participants to deliver electricity more reliably.

Investments under the Presidential Power Initiative (PPI) continued to strengthen the transmission network and improve system reliability, as additions to wheeling capacity and upgrades to substations and transformers enhanced the grid's ability to evacuate generated power. Specifically, the energisation of two newly installed power transformers in Birnin Kebbi Transmission substation resulted in the distribution of an additional 120MW of bulk power across Sokoto and Kebbi states. These developments collectively increased electricity availability and off-take across residential, commercial, and industrial segments.

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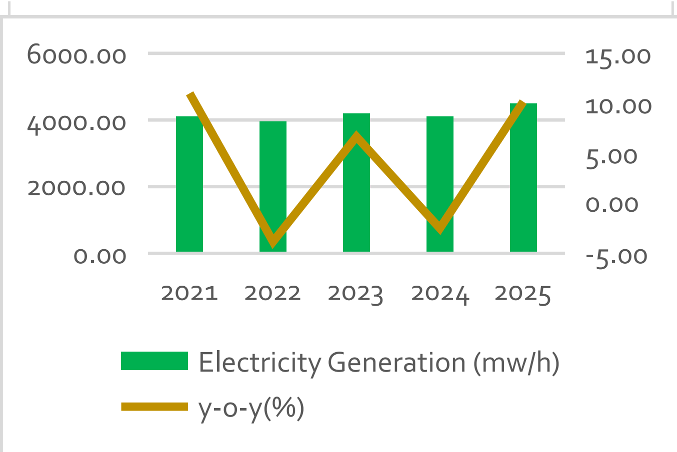
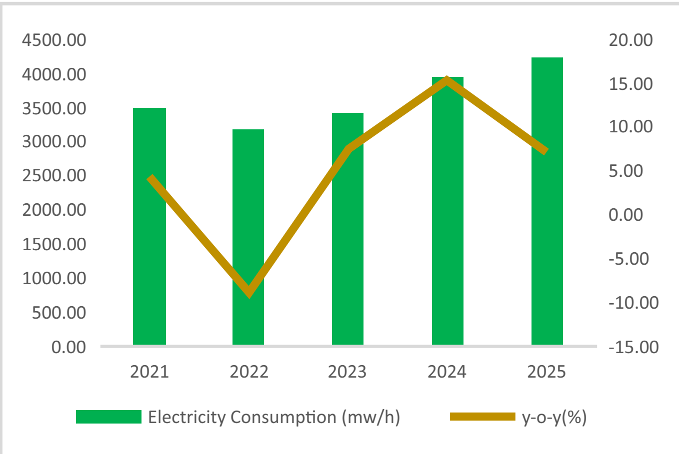
Figure 6.1.7: Electricity Power Generation



Source: Nigerian Electricity Regulatory Commission

Figure 6.1. 8: Electricity Consumption, (MW/h)



Source: Nigerian Electricity Regulatory Commission

iv. Construction

The construction sub-sector grew by 5.53 per cent to ₦8.85 trillion in 2025, compared with a growth of 4.16 per cent in 2024. Accordingly, the subsector contributed 0.22 percentage point to GDP growth. The performance was driven by increased financing and higher demand for housing in the subsector. Sustained investments by government and the private sector in infrastructure, supported growth in the subsector.

v. Housing and Urban Development

In 2025, the Federal Ministry of Housing and Urban Development advanced the implementation of the Renewed Hope Cities and Estates Programme, with sustained construction activity across some locations nationwide. Ongoing projects were in Abuja i(FCT), Lagos, Kano, Ogun, Oyo, Delta, Rivers, Enugu, Anambra, Imo, Katsina, Sokoto, Benue, and Nasarawa states, among others. The programme continued to promote inclusive and affordable housing, targeting low- and middle-income households. Increased housing construction contributed modestly to real estate and construction sector output, while helping to ease housing supply pressures in major urban centres.

Land and housing sector reforms were deepened with the digitisation of land registries, improved transparency in land transactions, and faster processing of titles & development approvals in selected states. These reforms reduced administrative bottlenecks, enhanced investor confidence, and strengthened private-sector participation in housing delivery.

vi. Water Supply, Sewage & Waste Management

The water supply, sewage, and waste management subsector grew by 10.01 per cent to ₦0.58 trillion, compared with 8.60 per cent in the preceding year, resulting in a 0.02 percentage point contribution to total GDP growth. This was due to increasing demand and access to water supply, following infrastructural development and improving waste collection, recycling, and processing practices.

6.1.1.3 Services

The services sector recorded growth on account of expansion in finance & insurance, information & communication technology, and trade-related activities, supported by the sustained effort of government reforms in the non-oil sector. As a result, the sector grew by 4.14 per cent to ₦123.32 trillion in 2025, compared with 4.43 per cent in the preceding year. It also remained the dominant sector, accounting for 55.66 per cent of real GDP in 2025. The sector sustained its strong performance owing to enhance performance of the financial services subsector, the continued integration of ICT into business and household activities, as well as the inclusion of new service-related activities following the recent GDP rebasing exercise by the NBS.

i. Financial and Insurance

The financial and insurance subsector grew by 14.54 per cent to ₦6.58 trillion in 2025, compared with 2.95 per cent in the preceding year. Similarly, the subsector contributed 0.39 percentage point to overall growth. The development reflected benefits from the ongoing bank recapitalisation exercise and potential gains from the 2025 Nigerian Insurance Industry Reform Law, which repealed the 2003 Insurance Act. The 2025 Insurance Industry Reform Law introduced higher capital requirements, strengthened risk-based supervision, enhanced consumer protection and digital operational mandates to improve industry stability and penetration.

ii. Information, Communication and Digital Economy.

The information, communication and digital economy subsector grew by 6.85 per cent in 2025, contributing 0.67 percentage point to total GDP growth, reflecting expanded telecom activity and higher service uptake amid rising operating costs.

Active telecommunications subscriptions increased by 8.92 per cent to 179.64 million in 2025, from 164.93 million in 2024. Consequently, teledensity rose to 81.84 per cent, compared with 73.74 per cent in the preceding year. Broadband penetration also improved to 50.58 per cent, up from 44.43 per cent in 2024.

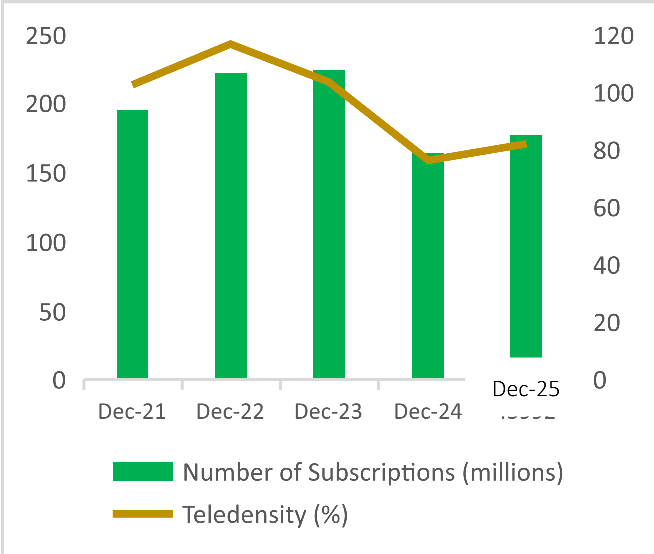
The improved performance was, largely, driven by continued network expansion, increased data subscripntions, wider adoption of digital services, and sustained investment in telecom infrastructure. These developments were supported by rising demand for digital financial services, e-commerce, remote work, and online content, which strengthened the subsector's contribution to overall economic activity.

iii. Health

The health sector grew by 2.46 per cent in 2025, compared with 2.96 per cent in the preceding year. Despite slower growth, the sector experienced a renewed policy focus aimed at strengthening system coordination, financing, and service delivery.

Accordingly, the FGN advanced the Health Sector Renewal Investment Initiative, designed to harmonise federal and state-level health interventions while improving accountability. A major governance shift was the requirement for states to align their health plans with national priorities under a results-based framework. Similarly, the National Health Insurance Authority (NHIA) expanded coverage, particularly targeting vulnerable populations such as pregnant women and children under five. While coverage remained relatively low by global standards, 2025 marked measurable progress compared to previous years.

Figure 6.1.9: Active Telephony Subscriptions and Teledensity



Source: Nigeria Communications Commission

iv. Education

The education subsector grew by 2.35 per cent to ₦1.53 trillion, compared with 2.00 per cent growth in 2024, due to increased investment in educational infrastructure. Additionally, growth was supported by the Tertiary Institution Staff Support Fund (TISSF), which enabled academic and non-academic staff of tertiary institutions to access up to ₦10.00 million for welfare enhancement and professional development.

To boost educational opportunities, create jobs, and enhance socio-economic development in the Niger Delta, the FGN approved the establishment of the Federal University of Environment and Technology (FUET) in Rivers State. To strengthen technological, vocational and entrepreneurial training, and equip students with essential skills for economic growth and national development, the FGN approved the establishment of the Bola Ahmed Tinubu Federal Polytechnic in Gwarinpa, Federal Capital Territory (FCT). The FGN also approved the upgrade of federal colleges of education to degree awarding institutions in line with the Dual Mandate Policy of the Federal Colleges of Education Act, 2023.

Furthermore, the FGN created the TRCN Digital Portal to serve as a centralised and secure repository for Nigerian teachers, enable verification of teachers' certificates, and provide real-time access to professional development opportunities. The portal would also strengthen accountability and improve overall standards of the sub-sector.

v. Transport

The transport subsector grew by 16.92 per cent and contributed 0.11 per cent to GDP growth in 2025, on account of increased public and private investments, especially in road transport. There was sustained focus on large-scale infrastructure projects to enhance connectivity, reduce logistics costs, and support economic growth. The flagship Lagos–Calabar Coastal Highway project advanced significantly, with early sections constructed and commissioned.

The FGN initiated the US$16.00 billion Lagos-Abuja Super High-Speed Train project, a 500-kilometer double-gauge rail line. In addition, the construction of the Abuja Light Rail project, the Kano-Maradi Rail Line project and the Kano-Kaduna Rail Line (as part of the Lagos-Kano Standard Gauge Railway) by the FGN progressed in 2025.

To connect densely populated urban areas and reduce dependence on road transport, the Lagos state government continued to enhance the train and bus systems, with progress on the Green Line Rail Project and expansion in the Bus Rapid Transit (BRT). The BRT systems were modernised to incorporate electronic ticketing and fleet tracking technologies to improve efficiency and transparency..

vi. Environment

Environmental governance in 2025 was strengthened through the activities of the National Council on Environment (NCE), which facilitated coordination between federal and state governments. Policy discussions focused on climate adaptation, biodiversity conservation, and pollution control. Nigeria recorded notable progress in climate-related initiatives during the year. For instance, the Gas Flare Commercialisation Programme advanced with permits issued to multiple firms, with the aim to reduce routine gas flaring, lower greenhouse gas emissions, and convert waste gas into economic value. Besides, renewable energy development expanded through investments in solar mini-grids, particularly for rural and underserved communities. These initiatives supported Nigeria's broader energy transition and climate commitments.

6.1.2 Employment and Job Creation Initiatives

The FGN continued to promote employment opportunities through partnerships with stakeholders and the launching of various skill acquisition programmes. As part of its ongoing efforts to tackle rising unemployment, the FGN, with support from the International Labour Organisation and development partners, launched the revised National Employment Policy (NEP) 2025 to strengthen Nigeria's labour-market framework. The policy addresses emerging labour-market dynamics by aligning with digital transformation, green and blue economy opportunities, creative industries, and remote work, while enhancing public employment services, institutional coordination, and labour-market information systems. It underscores a renewed national commitment to promoting decent work, reducing unemployment and underemployment, and advancing sustainable and accountable labour-market governance.

The FGN also launched the Youth Farmers Enrollment Portal. The initiative, designed for individuals aged 18 to 35, was developed in partnership with the Nigerian Youth Economic Engagement and De-Radicalisation Programme (NIYEEDEP) to create economic opportunities and strengthen the agricultural sector.

In similar vein, the FGN launched the Labour Employment and Empowerment Programme (LEEP) to address unemployment by equipping jobseekers with critical skills and entrepreneurial opportunities. The programme targets the creation of 2.5 million incremental jobs, while bridging skill gaps and fostering entrepreneurship through structured training, mentorship, and certification.

6.1.3 Social Interventions

In the renewed effort to mitigate poverty and stimulate economic growth across Nigeria's 8,809 political wards, the FGN approved a nationwide grassroots-focused initiative titled the Renewed Hope Ward Development Programme (RHWDP). The programme seeks to strengthen rural development through coordinated interventions aimed at enhancing the local economy, providing job opportunities, alleviating poverty and improving food security. The RHWDP prominently aims to assist a minimum of 1,000 economically active residents in each ward to stimulate local production and strengthen business activities.

To foster entrepreneurship, financial inclusion, and economic growth, the FGN launched the Youth Credit Initiative under the Nigerian Consumer Credit Corporation (CREDICORP). The initiative would enable Nigerian youths to access up to ₦200,000 single-digit interest loan. The programme, with a ₦9.00 billion take-off fund for the first phase, would have National Youth Service Corps (NYSC) members as first set of beneficiaries.

6.2 CONSUMER PRICES

Consumer prices moderated significantly in 2025, driven by improved domestic supply conditions, easing food and core price pressures, and the statistical effect of the 2024 CPI rebasing. Following the rebasing by the NBS in December 2024, inflation was recalibrated to reflect updated household consumption patterns and a new base year. This methodological revision rendered direct comparison with pre-rebased figures inappropriate. Accordingly, inflation which was 34.80 per cent in December 2024 declined to 27.61 per cent in January 2025 and further to 15.15 per cent by end of 2025. The deceleration was further supported by the lagged effects of monetary policy tightening, and relative stability in exchange rate.

6.2.1 Headline Inflation

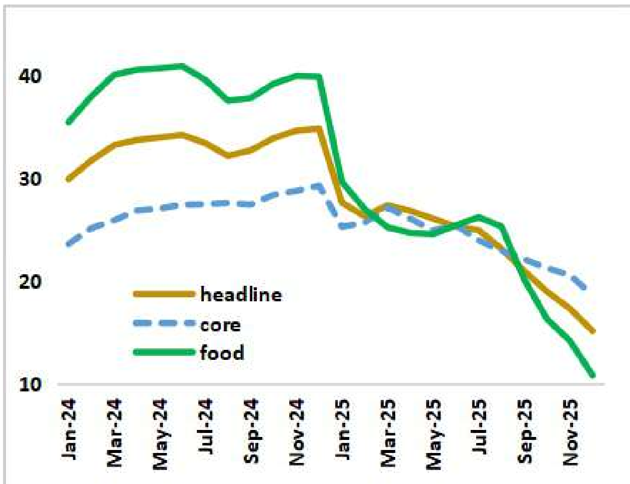
Headline inflation (year-on-year) declined to 15.15 per cent at end-2025 from 27.61 per cent in January 2025, indicating a consistent moderation in price pressures over the period. The decline reflected improved domestic supply, and the easing of cost pressures across food and core items. While the disinflation trend suggested improvement in macroeconomic conditions, inflation remained higher-than-desired, highlighting the need for continued coordination of policy measures to address supply-side constraints and anchor expectations.

Inflation momentum slowed at the end of the year, attributed to relative stability in the exchange rate, increased supply of food staples, lower energy prices and reduced logistics costs. The slowing momentum could suggest that inflation would decelerate further in the succeeding period.

6.2.2 Food Inflation

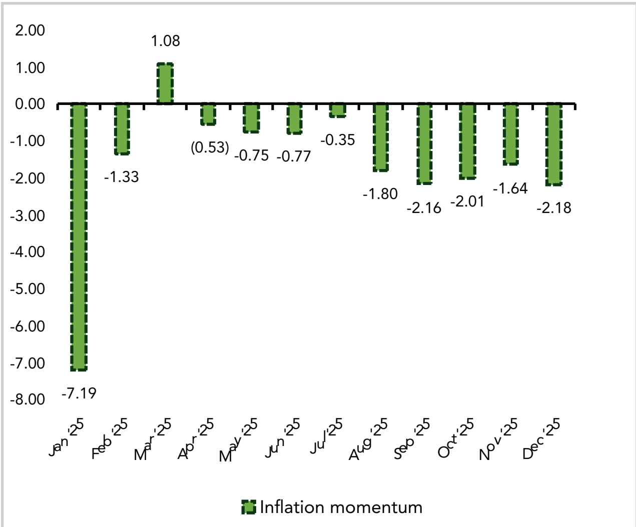
Food inflation declined to 10.84 per cent in December 2025 from 29.63 per cent in January 2025 and 39.84 per cent in December 2024. The moderation was driven by increased food supply on account of releases from the national strategic grain reserves. This was further influenced by higher import of staples that accompanied the suspension of import tariffs on basic food items. Increased agricultural output, following favourable weather, bumper harvests, lower logistics, costs and improved distribution networks, also contributed to dampening food inflation.

Figure 6.2.1: Inflation (per cent)



Source: National Bureau of Statistics

Figure 6.2. 2: Inflation Momentum (percentage points)



Source: National Bureau of Statistics

6.2.3 Core Inflation

Core inflation declined to 18.63 per cent in December 2025 from 25.27 per cent in January 2025 and 29.28 per cent in December 2024, reflecting a broad-based moderation in the prices of non-food and non-fuel items. The decline was supported by sustained monetary policy tightening, exchange rate stability, and improved productivity in the industry and services sectors. Lower transportation and logistics costs, following the reduction in PMS prices, also contributed to easing price pressures. Nevertheless, core inflation was higher-than-desired, due to continued infrastructure constraints.

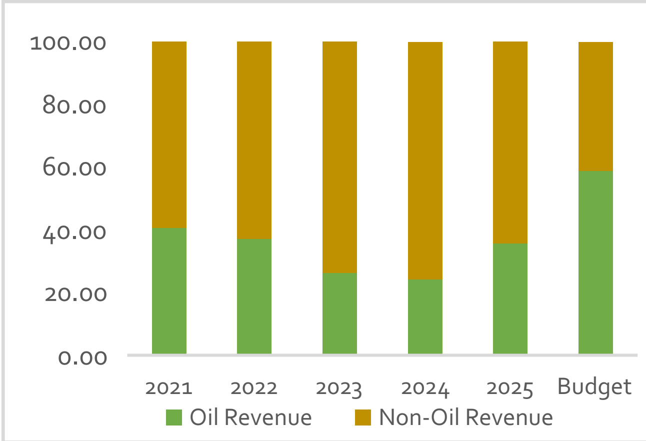
7.0 FISCAL SECTOR DEVELOPMENTS

The fiscal policy thrust in 2025 centred on sustaining economic reforms, prioritising infrastructure and security, strengthening social investments, and expanding non-oil revenue to enhance fiscal sustainability. Provisional federally collected revenue rose to ₦36,081.13 billion, representing a 33.67 per cent increase year-on-year, driven by higher oil and non-oil receipts. After statutory deductions and additional draw down from non-oil and oil excess revenues, a net distributable balance of ₦21,944.29 billion was shared among the three tiers of government, with ₦1,591.06 billion allocated to oil-producing states as the 13% Derivation Fund. At end-September 2025, public debt stock was ₦153,292.48 billion (35.55% of GDP) and remained below the national threshold of 60.00 per cent and the 70.00 per cent threshold for Market-Access Countries (MACs).

7.1 FEDERATION REVENUE

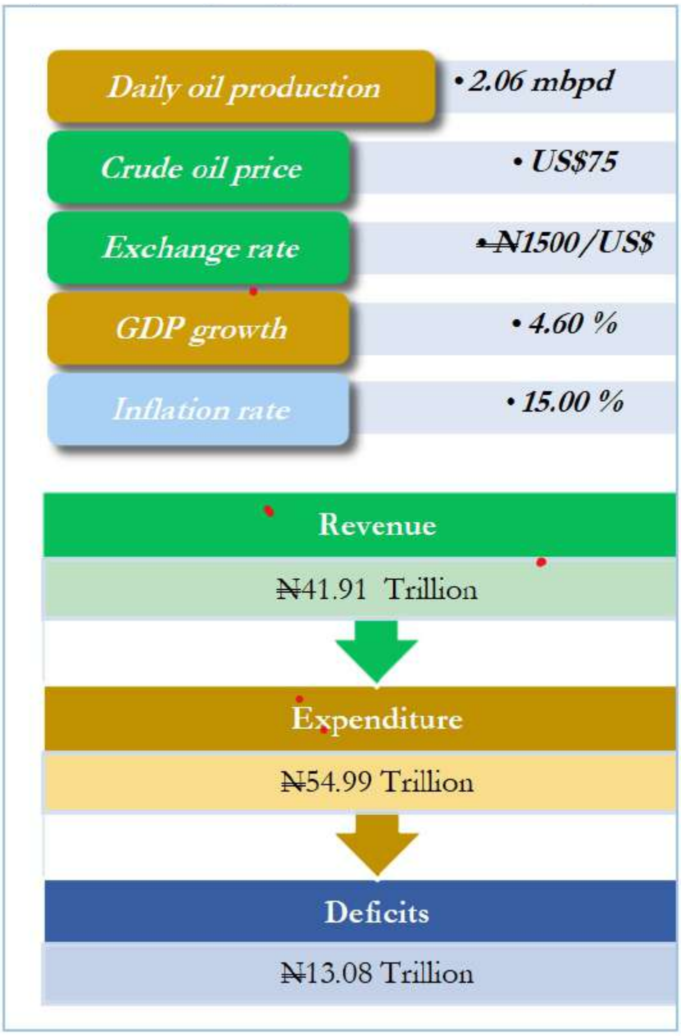
Revenue to the Federation Account improved significantly in 2025, underpinned by enhanced non-oil tax collections and improved oil receipts. Nonetheless, overall performance fell short of the budgetary projections. At ₦36,081.13 billion (8.00% of GDP), provisional gross federally collected revenue increased by 33.67 per cent above the level in the preceding period. Of the total federation revenue, non-oil revenue contributed 64.71 per cent, while oil receipts accounted for the balance of 35.29 per cent. The overall performance was bolstered, majorly, by higher receipts from value added tax (VAT), corporate tax, and petroleum profit tax (PPT) & royalties

Figure 7.1.1 : Structure of Federation Revenue (per cent)



Source: Federal Ministry of Finance, Federal Ministry of Budget and Economic Planning, and Office of the Accountant General of the Federation.

Figure 7.1.2: Key Budget Parameters and Projections



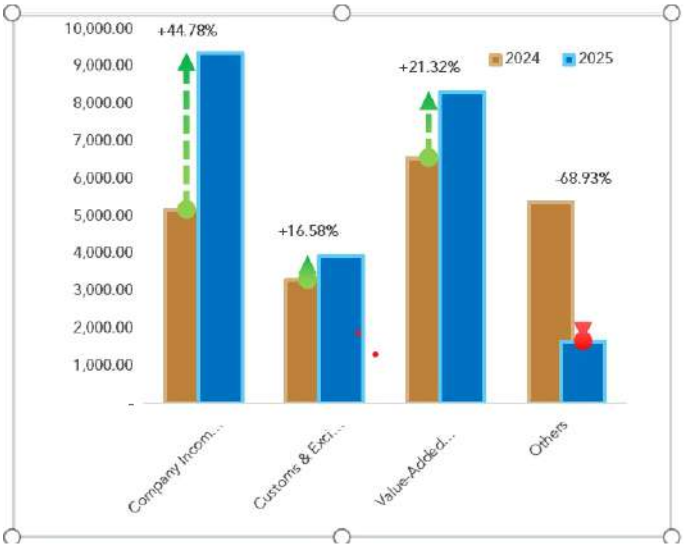
Source: 2025 Appropriation Act

7.1.1 Drivers of Federally Collected Revenue

7.1.1.1 Non-oil Revenue

Improved tax receipts and sustained economic growth contributed to the performance of non-oil revenue. Non-oil revenue, at ₦23,348.57 billion (5.42% of GDP), surpassed collections in 2024 by 14.35 per cent. The performance was driven by increased corporate tax and stronger VAT collections, reflecting the impact of comprehensive administrative reforms, the digitalisation of tax processes, and strengthened enforcement efforts by the Nigeria Revenue Service (NRS).

Figure 7.1.3: Performance of Non-oil Revenue components

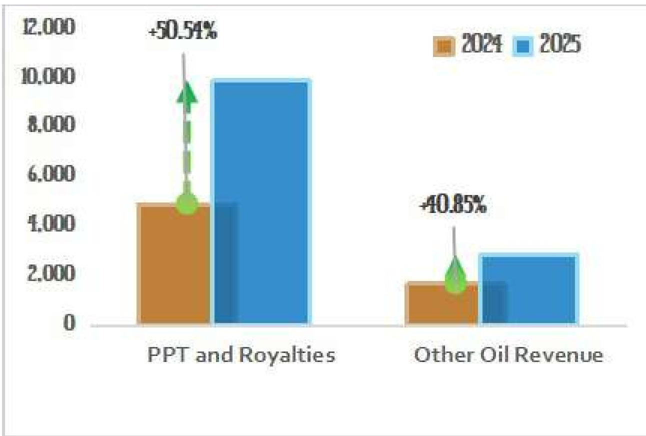


Source: Federal Ministry of Finance, Federal Ministry of Budget and Economic Planning, and Office of the Accountant General of the Federation.

7.1.1.2 Oil Revenue

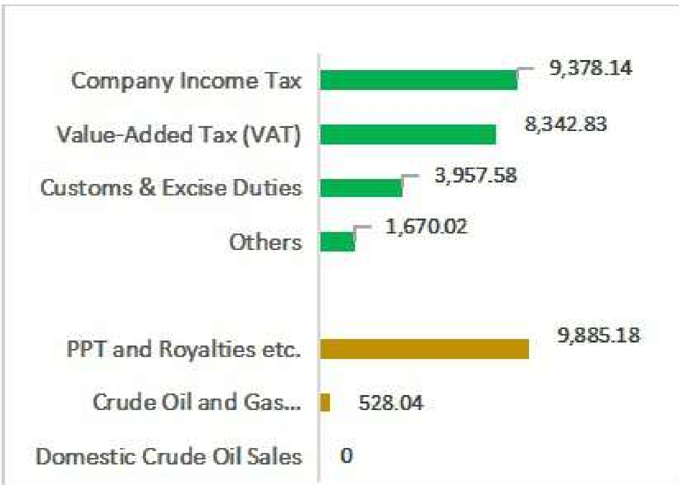
Oil receipts surged during the review period, driven mainly by higher remittances from the Nigerian National Petroleum Company Limited (NNPCL). At ₦12,732.56 billion (2.80% of GDP), oil receipt was 93.69 per cent higher than the level in the preceding year. The increase was attributed, largely to higher Petroleum Profit Tax receipts.

Figure 7.1.4: Performance of Oil Revenue components (per cent)



Source: Federal Ministry of Finance, Federal Ministry of Budget and Economic Planning, and Office of the Accountant General of the Federation.
Note: Other Oil Revenue comprises crude oil and gas exports, domestic crude oil and gas sales, CIT upstream and dividends by NLNG and signature bonus

Figure 7.1.5: Components of Revenue in 2025 (₦ billion)



Source: Federal Ministry of Finance, Federal Ministry of Budget and Economic Planning, and Office of the Accountant General of the Federation.
Note: Other Oil Revenue include signature bonus, CIT upstream, rent, penalty for gas flared and miscellaneous oil revenue.

Table 7.1. 1: Federally Collected Revenue and Distribution (N Billion)

	2021	2022	2023	2024	2025	Budget
Federation Revenue (Gross)	10,755.40	12,655.27	15,448.32	26,992.47	36,081.13	78,077.16
Oil	4,358.27	4,710.70	4,047.20	6,573.68	12,732.56	46,020.43
Crude Oil & Gas Exports	34.53	-	22.73	97.82	528.04	0
PPT & Royalties	3,070.84	4,212.76	3,242.71	4,889.59	9,885.18	38,135.82
Domestic Crude Oil/Gas Sales	1,129.46	403.69	57.10	-	-	1,960.77
Others	123.44	94.25	724.66	1,586.27	2,319.34	5,923.84
Non-oil	6,397.11	7,944.57	11,401.12	20,418.79	23,348.57	32,056.73
Corporate Tax	1,783.10	2,640.70	3,896.48	5,178.38	9,378.14	9,329.76
Customs & Excise Duties	1,297.96	1,687.65	1,907.43	3,301.22	3,957.58	6,197.34
Value-Added Tax (VAT)	2,042.95	2,462.26	3,397.32	6,564.30	8,342.83	7,501.60
Independent Revenue of Fed. Govt.	1,190.08	1,118.80	1,988.18	5,134.47	1,170.42	5,261.70
*Others**	81.97	35.16	211.72	240.41	499.6	3,766.33
Total Deductions/Transfers**	3,379.95	4,434.64	7,745.53	18,021.91	15,783.11	10,871.80
Federally Collected Revenue *Less Deductions & Transfers*	5,474.64	5,927.77	4,546.53	8,970.56	20,298.02	67,205.36
Plus:						
Additional Revenue	375.66	516.07	2,424.60	6,288.45	1,646.27	228.85
Excess Oil Revenue	0	0	0	200	100	0
Excess Non-Oil Revenue	279.86	325.30	169.45	446.99	808.73	228.85
Exchange Gain	95.80	190.77	2,255.15	5,641.46	737.54	0
Total Distributed Balance	7,751.10	8,736.69	10,570.21	15,259.01	21,944.29	67,434.21
Federal Government	3,127.56	3,412.85	3,977.20	4,856.99	7,571.61	32,819.55
State Governments	2,392.12	2,747.72	3,427.12	5,244.29	7,384.85	13,053.91
Local Governments	1,776.79	2,033.29	2,524.17	3,810.40	5,396.76	14,925.13
13% Derivation	454.58	542.83	641.73	1,347.33	1,591.06	6,635.62

Source: Office of the Accountant-General of the Federation, Federal Ministry of Finance, Ministry of Budget and National Planning and Central Bank of Nigeria Staff Estimates.

Note: * Includes Education Tax, Customs Special Levies (Federation Account), National Technology Development Fund, Customs Special Levies, Solid Mineral & Other Mining revenue, and other non-regular earnings.

** Deductions include cost of revenue collections and JVC cash calls, while transfers entail provisions for FGN Independent revenue and other non-Federation revenue.

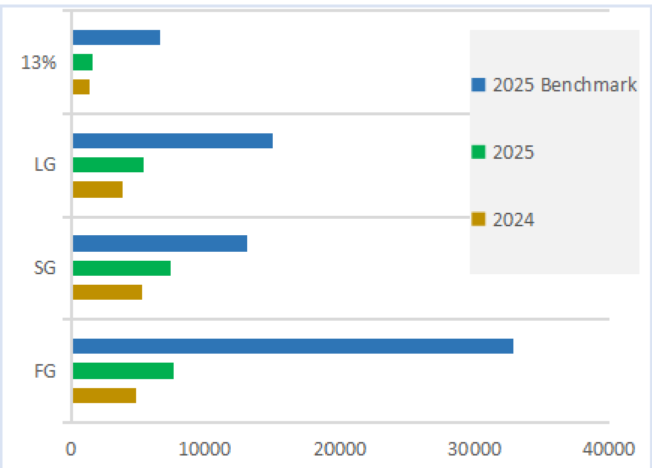
7.1.2 Distribution of Federation Revenue

The sum of ₦15,783.11 billion was deducted from the federally collected revenue of ₦36,081.13 billion, as statutory deductions, leaving a net balance of ₦20,298.02 billion. The sum of ₦808.73 billion from excess non-oil revenue, ₦737.54 billion from exchange gain, and ₦100.00 billion from excess oil revenue, were added. Accordingly, the total net distributable balance to the three tiers of government amounted to ₦21,944.29 billion.

7.1.2.1 Allocation to the Three Tiers of Government

Disbursements to the three tiers of government rose to ₦21,944.29 billion in 2025, from ₦15,259.01 billion in 2024. The sums of ₦7,571.61 billion, ₦7,384.85 billion, and ₦5,396.76 billion, respectively, were allocated to the Federal, State, and Local governments. The balance of ₦1,591.06 billion was distributed among the oil-producing states as 13% Derivation Fund.

Figure 7.1.6 Distribution to federating units (₦ billion)



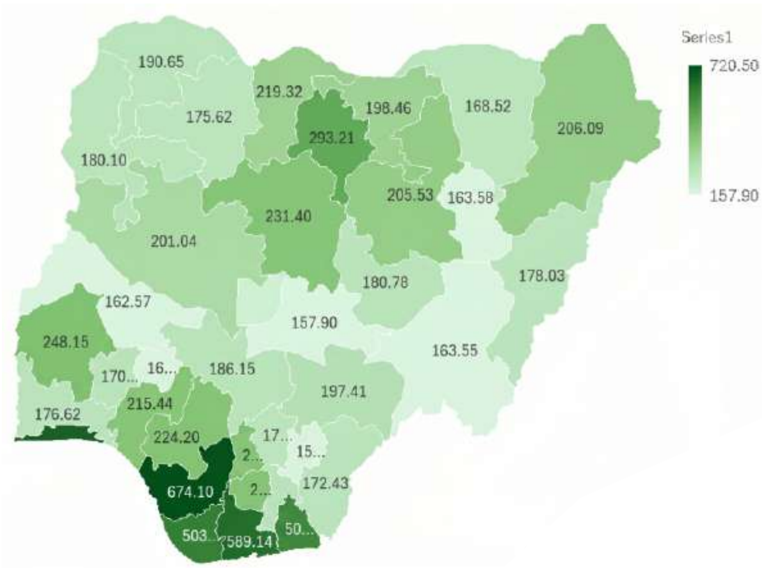
Source: Federal Ministry of Finance, Federal Ministry of Budget and Economic Planning, and Office of the Accountant General of the Federation.

7.2 SUB-NATIONAL GOVERNMENTS

7.2.1 Allocation To State Governments

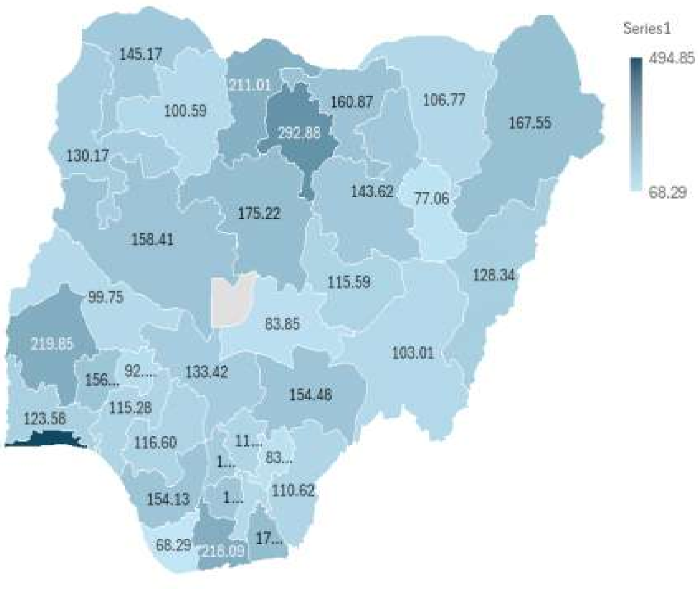
The sum of ₦7,384.85 billion was allocated to state governments, representing a 28.98 per cent increase compared with the amount in 2024. The sum of ₦5,369.76 billion was allocated to local governments in 2025, representing a 29.40 per cent increase compared with the amount in 2024.

Figure 7.2.1: State Governments Allocation Heatmap



Source: Based on data from Federal Ministry of Finance and Office of the Accountant General of the Federation

Figure 7.2.2: Local Governments Allocation Heatmap



Source: Based on data from Federal Ministry of Finance and Office of the Accountant General of the Federation

Distribution of federation revenue to states in 2025 revealed significant disparities, with Lagos State receiving the highest gross allocation of ₦720.50 billion reflecting its large population, robust economic activity, and internally generated revenue capacity, while Nasarawa State, with a smaller population and less diversified economy, received the least gross allocation of ₦163.63 billion.

The breakdown of federation revenue allocation to local governments in 2025 revealed notable disparities, with local governments in Lagos State receiving the highest gross allocation of ₦494.85 billion, largely due to the state's dense population, extensive economic activity, and significant contribution to national revenue. In contrast, local governments in Bayelsa State received the least gross allocation of ₦68.29 billion, reflecting its smaller population size, limited economic base, and narrower scope of internally generated revenue.

Table 7.2.1 : Top & Bottom five States by FAAC Allocation in 2025.

Top 5	₦ Billion
Lagos	720.50
Delta	674.10
Akwa-Ibom	589.14
Rivers	508.40
Bayelsa	503.53
Bottom 5	**₦ Billion**
Taraba	163.55
Gombe	162.57
Ebonyi	160.00
Ekiti	158.56
Nasarawa	157.90
Average & Range	**₦ Billion**
Average	249.32
Range	562.61

Source: Based on data from Federal Ministry of Finance and Office of the Accountant General of the Federation

Table 7.2.2 : Top & Bottom five States by FAAC Allocation to Local Government in 2025.

Top 5	₦ Billion
Lagos	494.85
Kano	292.88
Oyo	219.85
Katsina	218.09
Rivers	211.01
Bottom 5	**₦ Billion**
Zamfara	83.85
Ekiti	83.23
Ebonyi	78.08
Nasarawa	77.06
Bayelsa	68.29
Average & Range	**₦ Billion**
Average	145.86
Range	**426.56**

Source: Based on data from Federal Ministry of Finance and Office of the Accountant General of the Federation

7.3 TAX ANALYSIS

7.3.1 Tax-Revenue Ratio

The tax-to-revenue ratio improved significantly, reflecting broader revenue diversification efforts.

At ₦32,063.33 billion, taxes accounted for 88.87 per cent of total revenue in 2025, compared with 74.74 per cent in 2024, and was slightly above the budgeted 83.16 per cent. The development reflected enhanced tax administration, stronger compliance, and broad-based gains across major tax categories.

Income tax receipts rose sharply to ₦19,263.32 billion in 2025, accounting for 53.39 per cent of total revenue, compared with 37.39 per cent (₦10,067.97 billion) in 2024. While the share of consumption tax in total revenue declined to 23.12 per cent in 2025 from 24.32 per cent in 2024, the contribution of trade tax also fell to 10.97% from 12.23 per cent, with higher contributions from other taxes underscoring stronger revenue diversification. Conversely, with a receipt of ₦4,017.80 billion in 2025, non-tax revenue ratio declined to 11.14 per cent, from 25.26 per cent (₦6,818.57 billion) in 2024.

Table 7.3.1 : Tax and Non-tax Revenue (₦ billion)

	2023	2024	2025	Budget
Total revenue	15,448.32	26,992.47	36,081.13	78,077.16
Non-Tax	2,792.66	6,818.57	4,017.80	13,146.31
Tax	12,655.66	20,173.90	32,063.33	64,930.85
Income tax	7,139.19	10,067.97	19,263.32	47,465.58
PPT	3,242.71	4,889.59	9,885.18	38,135.82
CIT	3,896.48	5,178.38	9,378.14	9,329.76
Consumption tax	3,397.32	6,564.30	8,342.83	7,501.60
Trade tax	1,907.43	3,301.22	3,957.58	6,197.34
Other Taxes	211.72	240.41	499.60	3,766.33
% Share in Total Revenue:				
Non-Tax	18.08	25.26	11.14	16.84
Tax	81.92	74.74	88.87	83.16
Income tax	46.21	37.30	53.39	60.79
Consump.tax	21.99	24.32	23.12	9.61
Trade tax	12.35	12.23	10.97	7.94
Other Taxes	1.37	0.89	1.38	4.82

Source: Based on data from Federal Ministry of Finance and Office of the Accountant General of the Federation
Note: PPT includes royalties, thus overstating its contribution. Other taxes includes education tax.

Non-oil taxes remained the dominant component of the tax structure, contributing 69.17 per cent of total tax revenue in 2025. However, this represents a decline from the 75.76 per cent recorded in 2024. In 2025, non-oil tax revenue grew by 45.11 per cent to ₦22,178.15 billion, up from ₦15,284.31 billion in 2024, reflecting broad-based improvements across its major tax components. Corporate and consumption taxes were the primary contributors to non-oil taxes, with shares of 42.29 and 37.62 per cent, respectively. The increase in corporate tax was driven by improved corporate profitability, enhanced compliance, and strengthened tax administration, while expansion in VAT collections and nominal consumption growth supported the increase in consumption tax. The share of trade taxes declined to 17.84 per cent.

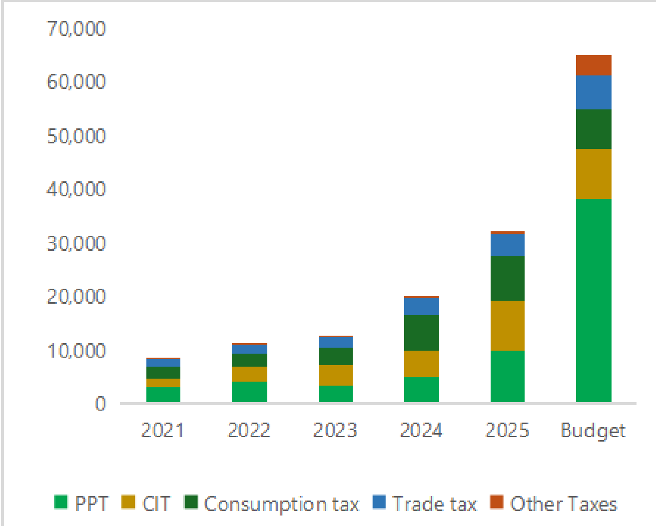
Table 7.3.2 : Oil Tax and Non-oil Tax Revenue (N billion)

	2023	2024	2025	Budget
Total Tax Rev.	12,655.66	20,173.90	32,063.33	64,930.85
Oil Tax	3,242.71	4,889.59	9,885.18	38,135.82
PPT	3,242.71	4,889.59	9,885.18	38,135.82
Non- Oil Tax	9,412.95	15,284.31	22,178.15	26,795.03
Consumption tax	3,397.32	6,564.30	8,342.83	7,501.60
CIT	3,896.48	5,178.38	9,378.14	9,329.76
Trade tax	1,907.43	3,301.22	3,957.58	6,197.34
Other Taxes	211.72	240.41	499.6	3,766.33
% Share in Tax Revenue:				
Oil Tax	25.62	24.24	30.83	48.8
Non-oil Tax	74.38	75.76	69.17	51.2
% Share in GDP:				
Tax revenue	5.5	5.41	7.15	14.48
Oil Tax	1.41	1.31	2.2	8.5
Non-oil tax	4.09	4.1	4.95	5.97

Source: Based on data from Federal Ministry of Finance and Office of the Accountant General of the Federation

The ratio of oil taxes to total tax revenue increased to 30.83 per cent in 2025, from 24.24 per cent in 2024, signalling a renewed, though still moderate, reliance on oil-related fiscal revenues. Oil tax collections rose significantly by 102.17 per cent to ₦9,885.18 billion in 2025, from ₦4,889.59 billion in 2024, driven entirely by higher PPT inflows, reflecting improved crude oil production, and exchange rate effects.

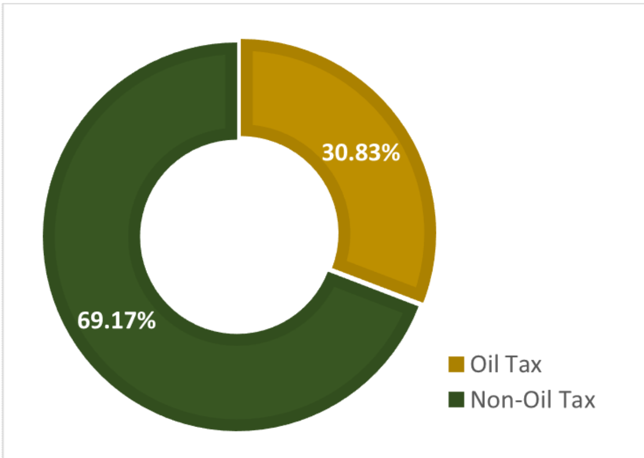
Figure 7.3.1: Composition of Tax Revenue



Sources: Based on data from Federal Ministry of Finance and Office of the Accountant General of the Federation

However, the share of non-oil taxes declined to 69.17 per cent from 75.76 per cent in the preceding year, reflecting a modest shift in the tax composition toward oil-related sources.

Figure 7.3. 2: Oil & Non-oil Taxes % of Total Taxes, 2025



Source: Based on data from Federal Ministry of Finance and Office of the Accountant General of the Federation

7.3.2 Tax To GDP Ratio

The ratio of tax revenue to GDP rose to 7.15 per cent in 2025, from 5.41 per cent in 2024, but was below the budget benchmark of 14.48 per cent. The rise in tax revenue relative to the size of the economy indicated enhanced fiscal capacity. Higher collections from both oil and non-oil sources, improved tax administration, and favourable nominal revenue growth contributed the recorded improvement. Effective January 2026, the implementation of the new tax law aimed at broadening the tax base, improving compliance, and enhancing efficiency in revenue collection, would further boost tax revenue and support fiscal sustainability.

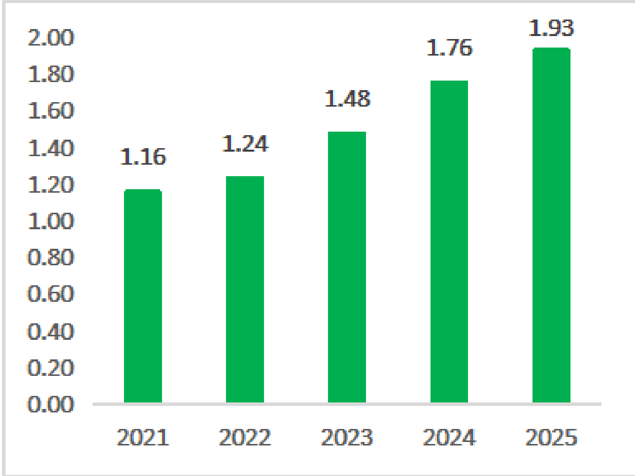
Oil tax-to-GDP ratio increased to 2.20 per cent in 2025, from 1.31 per cent in 2024, reflecting a recovery in oil-related receipts driven by improved crude oil production and exchange rate valuation. Similarly, non-oil tax-to-GDP ratio improved to 4.95 per cent in 2025, from 4.10 per cent in 2024, indicating continued strengthening of non-oil revenue mobilisation and gradual expansion of the tax base. The increase reflected improved performance in key non-oil taxes, particularly VAT, corporate tax, and customs-related revenues, supported by enhanced compliance, and digitalisation of tax administration.

7.3.3 VAT Analysis

7.3.3.1 VAT to GDP Ratio

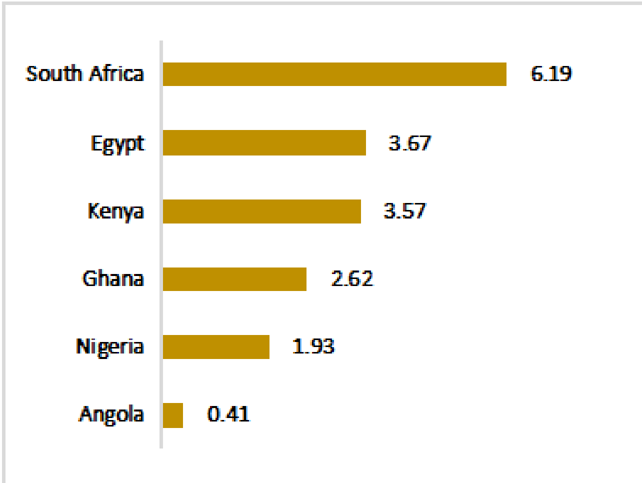
Nigeria's VAT-to-GDP ratio improved modestly in 2025. The VAT-to-GDP ratio rose to 1.86 per cent from 1.76 per cent in 2024, reflecting slight improvement in consumption-based revenue mobilisation. Despite the improvement, the VAT-to-GDP ratio remained comparatively low, relative to selected countries. Sustained efforts to deepen the non-oil revenue base, expand taxable consumption coverage, and enhance administrative efficiency in VAT collection would further strengthen the VAT-to-GDP ratio.

Figure 7.3.3: VAT-to-GDP Ratio



Source: Based on data from Federal Ministry of Finance and Office of the Accountant General of the Federation

Figure 7.3.4: Comparative VAT-to-GDP Ratio



Source: International Monetary Fund

7.3.3.2 VAT Consumption Efficiency

An analysis of VAT revenue indicated improved C-efficiency of 0.55 in 2025, from 0.51 in 2024, reflecting gradual progress in consumption tax mobilisation. The ratio surpassed the Sub-Saharan Africa and world averages of 0.39 and 0.51, respectively.

Box Information: Nigerian Tax Reform Acts 2025

The Nigerian Tax Reform Acts 2025, signed on 26 June 2025, is the outcome of Nigeria's recent tax reforms. It introduces the most comprehensive restructuring of the country's tax and revenue system in decades by simplifying the tax framework, widening the tax base, modernising administration, enhancing compliance, and improving coordination among federal, state, and local governments. The Act comprises four major laws:

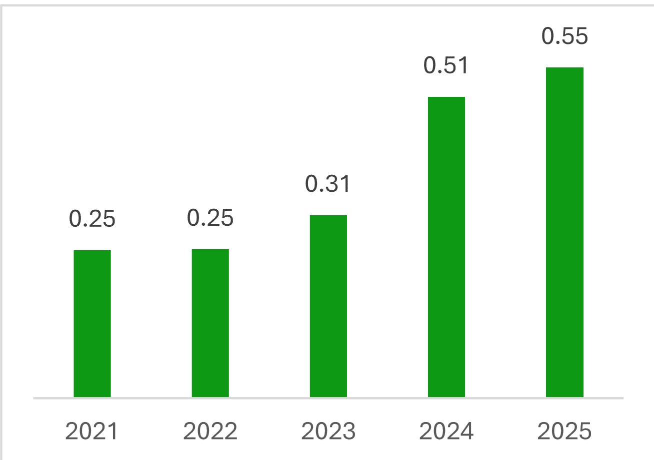
The Nigeria Tax Act consolidates multiple federal tax laws into one modern code. It revises corporate tax rates, expands capital gains tax to cover digital assets, makes personal income tax more progressive, and extends VAT to digital and non-resident suppliers. It also introduces a fossil-fuel surcharge and new incentives for priority-sector investments.

The Nigeria Revenue Service (Establishment) Act replaces the former Federal Inland Revenue Service (FIRS) with the Nigeria Revenue Service (NRS), which becomes the main federal tax authority. It is responsible for managing the national taxpayer database, supporting subnational tax agencies, and enforcing compliance through stronger powers, including direct revenue recovery from defaulting MDAs.

The Nigeria Tax Administration Act standardises tax procedures nationwide. It clearly allocates responsibilities: the NRS handles corporate taxes, VAT, petroleum taxes, and non-resident taxation, while states retain personal income tax for residents. It also mandates TINs for all taxpayers, expands reporting requirements for banks and digital service providers, strengthens audits and penalties, and enhances taxpayer rights through advance rulings and dispute-resolution mechanisms.

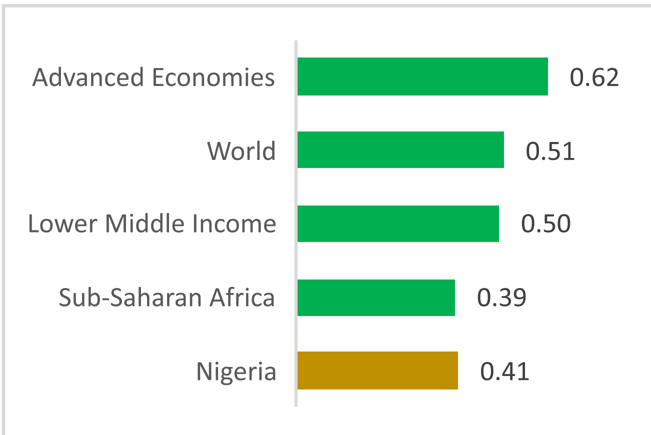
Finally, the Joint Revenue Board (Establishment) Act establishes the Joint Revenue Board (JRB) as the national platform for harmonising tax policy and resolving intergovernmental disputes. It maintains a unified taxpayer database, supports policy coordination, publishes tax expenditure reports, and oversees capacity building. It also establishes the Tax Appeal Tribunal and the Office of the Tax Ombud to strengthen taxpayer protection.

Figure 7.3.5: C-Efficiency Ratio for VAT



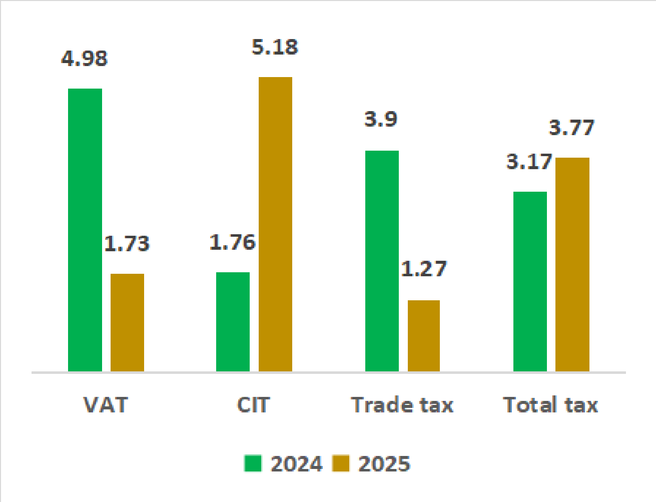
Source: Based on data from Office of the Accountant General of the Federation and the National Bureau of Statistics

Figure 7.3.6: C-Efficiency Ratio Across Regions



Source: Staff estimates and the IMF

Figure 7.3.7: Trend of Tax Buoyancy



Source: Based on data from Federal Ministry of Finance and Office of the Accountant General of the Federation

Effective implementation of the 2025 Nigerian Tax Reform Acts, by broadening the tax base and deepening the integration of informal economic activities, would enhance VAT C-efficiency.

7.3.4 Tax Buoyancy Analysis

The buoyancy of the various taxes in 2025 reflected varying responsiveness of tax revenues to economic activity. Value Added Tax (VAT) buoyancy moderated significantly to 1.73 in 2025, from 4.98 in 2024, indicating a more sustainable, near-proportional growth in VAT collections relative to GDP.

Table 7.3. 3: Tax Buoyancy Ratio

Tax Revenue Category	Buoyancy	
	2024	2025
VAT	4.98	1.73
CIT	1.76	5.18
Trade tax	3.90	1.27
Total tax	3.17	3.77

Source: Based on data from Federal Ministry of Finance and Office of the Accountant General of the Federation

Trade tax buoyancy also moderated significantly to 1.27 in 2025, compared with 3.90 in 2024. Although remaining above 1, the reduction reflects the impact of exchangerate pass-through on import, tightening foreign exchange conditions, and exemptions aimed at supporting domestic production. These dynamics collectively shows the sensitivity of trade-related taxes to GDP movements, consistent with a more constrained external trade environment.

In contrast, corporate tax buoyancy rose sharply to 5.18 in 2025, from 1.76 in 2024, suggesting an elevated responsiveness of corporate tax to economic activity, which may raise concerns about its sustainability, possibly reflecting inflationary effects and higher profits in certain key sectors.

Overall tax buoyancy increased to 3.77 in 2025 from 3.17 in 2024, indicating that aggregate tax revenues continued to grow more than proportionately with nominal GDP. The sustained buoyancy underscores improvements in revenue mobilisation, administrative efficiency, and enhanced digitalisation efforts. Nonetheless, the large contribution of corporate tax to the overall elasticity also highlights the sensitivity of Nigeria's revenue system to sectoral fluctuations and macroeconomic shocks.

Sustaining buoyancy above unity over the medium term would require targeted reforms, including broadening the tax base, deepening digital integration across the tax administration system, and strengthening policy coherence to minimise reliance on cyclical or non-structural revenue drivers. These measures are critical for improving revenue stability, enhancing fiscal resilience, and supporting long-term economic planning.

7.4 PUBLIC DEBT STRATEGY AND SUSTAINABILITY

7.4.1 Total Public Debt

Public debt rose but remained below the 60.0 and 70.0 per cent of GDP thresholds for national and Market-Access Countries (MACs), respectively. Total public debt outstanding, consisting of Federal and State governments' debt obligations, at end-December 2025, stood at ₦159,276.07 billion (36.94% of the GDP) and represented an increase of 10.10 per cent above the level at end-December 2024. The rise was attributed to new borrowings. As at end-December 2025, the consolidated debt stock of the Federal Government stood at N154,915.60 billion, representing 35.93 per cent of GDP, while State governments' domestic debt accounted for the balance of ₦4,360.47 billion.

7.4.2 Federal Government Debt Profile

7.4.2.1 Debt Strategy

The FGN's borrowing operations over the period were in line with the Medium-Term Debt Strategy (MTDS) 2024–2027, with a focus on maintaining a sustainable debt portfolio through compliance with established borrowing limits, a balanced domestic–external debt composition, extended debt maturities, and prudent management of cost and refinancing risks.

7.4.2.2 FGN Debt Stock and Composition

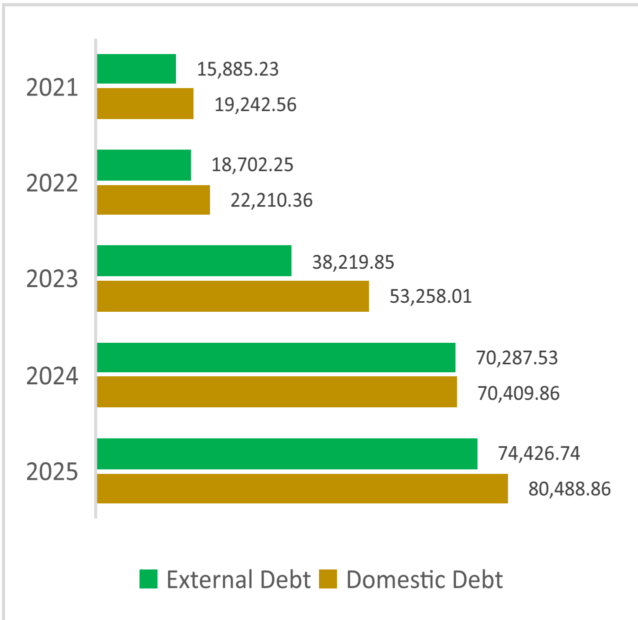
The FGN debt mix was in line with the 2024-2027 MTDS, with domestic debt amounting to ₦80,488.87 billion (51.96%) and external debt at ₦74,426.74 billion (48.04%). Within the domestic debt portfolio, FGN Bonds remained the largest component, accounting for 79.06 per cent of the total. Treasury Bills followed at 17.21 per cent, while Promissory Notes and FGN Sukuk contributed 1.92 and 1.48 per cent, respectively, with other instruments making up the balance.

Table 7.4.1 : Total Public Debt (₦ Billion)

Type	2021	2022	2023	2024	2025
External Debt	15.89	18.70	38.22	70.29	74.43
Of which:					
FGN	13.88	16.70	34.07	62.92	66.27
States & FCT	1.97	2.00	4.15	7.37	8.16
Domestic Debt	23.70	27.55	59.12	74.38	84.85
Of Which					
FGN	19.24	22.21	53.26	70.41	80.49
States & FCT	4.46	5.34	5.86	3.97	4.36
Total	39.56	42.25	97.34	144.67	159.28

Source: Debt Management Office.

Figure 7.4. 1: Composition of FGN Debt Stock (₦ billion)



Source: Debt Management Office

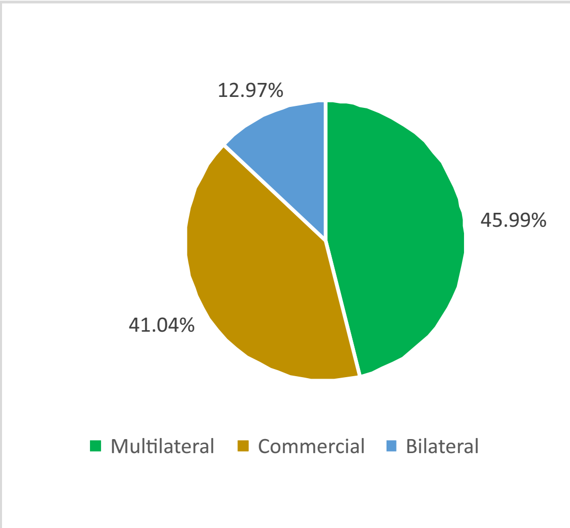
Table 7.4. 2: Revised MTDS Targets

Indicator	Targets 2020-2023	Targets 2024-2027
Fiscal Sustainability: Total Public Debt as % of the GDP	Max. 40%	Max. 60%
Portfolio Composition: Domestic: External Debt Mix	Max.70: Min.30	Max55: Min.45
Refinancing Risk: Average Tenor of Debt Portfolio	Min. 10 years	Min. 10 years
Long-Term: Short-Term Domestic Debt Mix	Min.75: Max.25	Min.75: Max.25

Source: MTDS 2024-2027, Debt Management Office

Analysis of the composition of external debt indicated that Multilateral, Commercial and Bilateral loans accounted for 45.99, 41.04 and 12.97 per cent, respectively.

Figure 7.4.2: Composition of External Debt

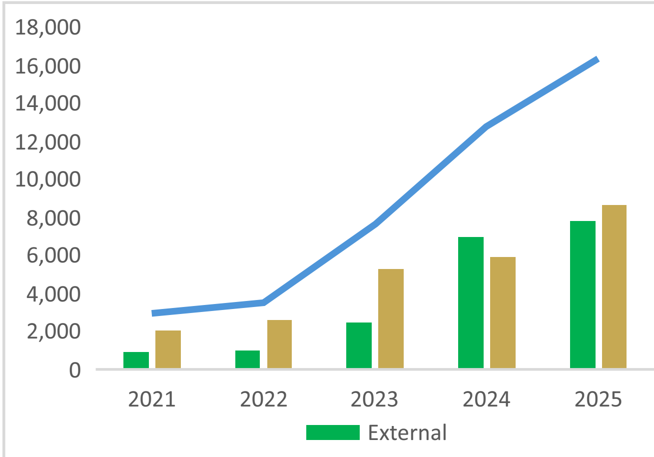


Source: Debt Management Office

7.4.2.3 Debt Service

The consolidated debt service payments of the Federal Government for 2025, was N16,370.94 billion. The sum of N8,607.15 billion was paid to domestic creditors, while external creditors received N7,763.79 billion.

Figure 7.4. 3: Breakdown of Total Debt Service (₦ Billion)



Source: Debt Management Office

8.0 FINANCIAL SECTOR DEVELOPMENTS

8.1 INSTITUTIONAL GROWTH & DEVELOPMENTS

The number of licensed financial institutions under the Bank's regulatory purview increased to 2,655 at end-December 2025 from 2,636 at end-December 2024. The licensed institutions comprised 30 commercial banks (of which, five are subsidiaries of non-operating holding companies), four non-interest banks, six merchant banks, 28 PMBs; 856 MFBs; 133 FCs; eight DFIs; five PSBs; 1,578 BDCs; and seven Financial Holding Companies (FHCs).

Out of the 40 banks (commercial, non-interest, and merchant banks), seven had international authorisation, while 25 and eight banks had national and regional authorisations, respectively. The number of bank branches stood at 4,625 at end-December 2025.

Table 8.1.1: Number of Licenced Financial Institutions

S/N	Type of Institutions	Number of Institution end-December, 2024	Number of Institutions end-December, 2025	Newly Licensed Institutions
1	Commercial Banks	29	30	1
2	Non-interest Banks	4	4	0
3	Microfinance Banks	842	856	14
4	Merchant Banks	6	6	0
5	Primary Mortgage Institutions	30	28	0
6	Finance Companies	128	133	5
7	Development Finance Institutions	7	8	1
8	Payment Services Banks	5	5	0
9	Bureau de Change	1,578	1,578	0
10	Financial Holding Companies	7	7	0
	Total	**2,636**	**2,655**	**21**

Source: Central Bank of Nigeria

The number of offshore subsidiaries of Nigerian banks rose to 56 at end-December 2025. The number of representative offices and international branches stood at five and one, respectively.

8.1.1 Institutional Savings

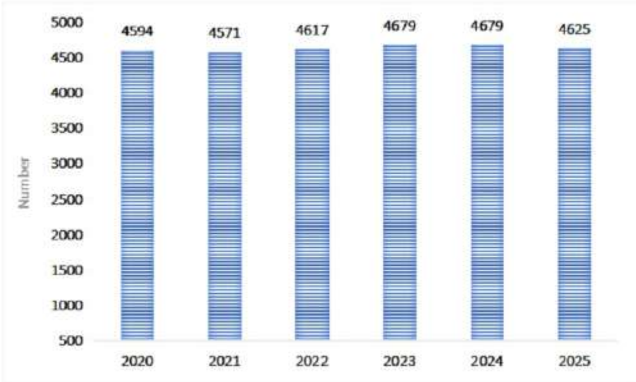
The rise in institutional savings enhanced productivity and capital formation to drive economic growth in the short-to-medium term. Aggregate institutional savings increased by 10.66 per cent to ₦82,078.25 billion compared with ₦74,171.94 billion in 2024. The rise in savings was on account of increased marginal propensity to save among economic agents, buoyed by higher interest rates and lower inflation, as well as improved confidence in the banking system. In contrast, the ratio of institutional savings to GDP declined to 19.04 per cent from 20.34 per cent in 2024.

Further analysis showed that commercial, merchant, and non-interest banks remained the dominant depository institutions in the financial system, accounting for 92.44 per cent of total institutional savings. Other savings institutions, namely; life insurance companies, pension fund custodians, and the Nigeria Social Insurance Trust Fund (NSITF), accounted for the balance of 7.56 per cent.

8.2 MONETARY AND CREDIT DEVELOPMENTS

In the early part of 2025, the Bank largely sustained a restrictive monetary policy stance. However, in September, policy was recalibrated towards accommodation to balance the objective of price stability with the need to support economic growth. Consequently, growth in the monetary base and broad money (M3) remained moderate relative to previous years, consistent with efforts to contain excess liquidity in the system.. Concurrently, the pace of credit expansion to the private sector moderated, while remaining sufficient to support economic activity.

Figure 8.1. 1: Banks' Branch Network



Source: Central Bank of Nigeria

8.2.1 Monetary Base

The monetary base grew at a slower pace, on account of deceleration in both liabilities to other depository corporations (ODCs) and currency in circulation (CIC). The growth in monetary base slowed to 15.60 per cent, from 32.09 per cent in 2024. The development was due to the 17.64 and 5.36 per cent moderation in both liabilities to ODCs and CIC, respectively, relative to 29.17 and 48.94 per cent growth in the preceding year. Consequently, the growth in required reserves moderated at 8.25 per cent in 2025, relative to 28.44 per cent in 2024. The reduced growth in CIC was driven by a slower increase in currency outside depository corporations (CODCs) by 4.62 per cent relative to 49.25 per cent in the preceding year.

8.2.2 Broad Money Supply

Broad money supply (M3) grew at a slower pace, driven by the increase in net domestic assets (NDA) and a fall in net foreign assets (NFA). Net domestic assets (NDA) rose by 15.16 per cent to ₦93,735.39 billion, compared with a growth of 16.42 per cent in the preceding year. The development was due, largely, to the moderate increase in domestic claims, which grew by 4.42 per cent, relative to 9.45 per cent in 2024.

The moderation in domestic claims was attributed to the contraction in claims on other sectors by 3.18 per cent, as net claims on the central government grew by 26.25 per cent. Claims on other sectors was influenced by the lagged effect of the tight monetary policy stance of the Bank. While claims on public nonfinancial corporations, and claims on the private sector declined by 4.18 and 4.53 per cent, respectively, claims on state and local government grew by 6.00 per cent.

Net foreign assets (NFA) declined by 1.42 per cent to ₦31,505.76 billion, from ₦31,961.02 billion in 2024. This was due, largely, to the 4.22 per cent increase in liabilities to nonresidents, following relative stability in the FX market

The expansion in NDA wholly drove the growth of the broad money supply (M3) in the review period. Resultantly, M3 grew by 10.49 per cent to ₦125,241.15 billion, compared with 43.03 per cent in 2024. The growth in M3, albeit at a slower pace, exceeded the 2025 indicative target of 8.12 per cent, reflecting strong liquidity control over the review period.

On the liability side, the growth in M3 was driven by the 11.05 per cent expansion in transferable deposits, and 10.65 per cent in other deposits. This was supported by the 4.62 per cent rise in CODCs. Narrow money (M1) grew at a slower pace, by 10.20 per cent to ₦42,774.62 billion in 2025, compared with 28.86 per cent in 2024. The development reflected the impact of the various monetary policy measures aimed at tackling inflation pressures.

Table 8.2.1: Monetary Base (N billion)

	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25
Monetary base	*13,295.15*	*16,032.96*	*24,735.52*	*32,672.83*	*37,768.59*
Currency-in-Circulation	*3,325.16*	*3,012.06*	*3,653.30*	*5,441.16*	*5,732.86*
Liabilities to ODCs	*9,969.99*	*13,020.91*	*21,082.21*	*27,231.67*	*32,035.73*
Monetary base Growth (%)	**1.43**	**20.59**	**54.28**	**32.09**	**15.60**

Source: Central Bank of Nigeria

Table 8.2.2 : Growth in Monetary Assets and Liabilities (percent)

Item	Dec 2021	Dec 2022	Dec 2023	Dec 2024	Dec 2025
Net Foreign Assets	4.2	-58.9	143.0	242.3	-1.4
Net Domestic Assets	21.9	37.8	44.6	16.4	15.2
Domestic Claims	*17.8*	*35.6*	*45.3*	*9.5*	*4.4*
Net Claims on Central Government	*20.4*	*71.2*	*41.6*	*-19.1*	*26.3*
Claims on Other Sectors	*16.8*	*21.5*	*47.4*	*24.8*	*-3.2*
Claims on Other Financial Corporations	*-5.3*	*18.3*	*47.8*	*15.1*	*-0.7*
Claims on State and Local Government	*20.6*	*42.0*	*18.5*	*-2.7*	*6.0*
Claims on Public Nonfinancial Corporations	*3.4*	*316.6*	*-4.7*	*18.1*	*-4.2*
Claims on Private Sector	*26.8*	*10.5*	*57.8*	*31.3*	*-4.5*
Broad Money Liabilities	*14.2*	*17.4*	*51.9*	*43.0*	*10.5*
Currency Outside Depository Corporations	*17.7*	*-12.6*	*33.7*	*49.3*	*4.6*
Transferable Deposits	*13.3*	*20.2*	*46.8*	*26.2*	*11.1*
Other Deposits	*20.0*	*17.7*	*56.9*	*53.0*	*10.7*
of which Foreign Currency Deposit	*37.4*	*19.6*	*104.3*	*85.9*	*-1.4*
Total Deposits	*17.5*	*18.6*	*53.2*	*49.1*	*10.7*
Deposits In National Currency	*13.3*	*18.4*	*40.1*	*85.9*	*-1.4*
Securities Other Than Shares	*-99.9*	*100.0*	*7.0*	*-95.9*	*-44.5*
Monetary Base	*1.4*	*20.6*	*54.3*	*32.1*	*15.6*
Currency-in-Circulation	*14.3*	*-9.4*	*21.3*	*48.9*	*5.4*
Liabilities to Other Depository Corporations	*-2.3*	*30.6*	*61.9*	*29.2*	*17.6*
M1	*14.0*	*14.9*	*45.2*	*28.9*	*10.2*
M2	*17.5*	*16.5*	*52.2*	*43.8*	*10.5*
M3	*14.2*	*17.4*	*51.9*	*43.0*	*10.5*

Source: Central Bank of Nigeria
Note: Numbers for December 2025 are provisional

8.2.2.1 Drivers of Growth in Broad Money

Domestic claims sustained its positive contribution to M3 growth in 2025, albeit, at a slower pace. Domestic claims contributed 4.10 percentage points to the expansion in M3 in 2025, lower than the 11.45 percentage points in the preceding year. The moderation, largely, reflected a contraction in claims on other sectors, which exerted a negative contribution of 2.19 percentage points, in contrast to the positive contribution of 19.54 percentage points in 2024. By contrast, net claims on the central government and claims on state & local government contributed 6.29 and 0.22 percentage points, respectively, reversing the negative contributions of 8.08 and 0.14 percentage points in 2024, thereby providing positive impetus to the developments in domestic claims in 2025. Overall, NDA, at 10.89 percentage points, wholly contributed to the developments in M3 on the assets side, as NFA dampened M3 growth by 0.40 percentage points.

Table 8.2. 3: Contribution to the Growth in M3 (percentage point)

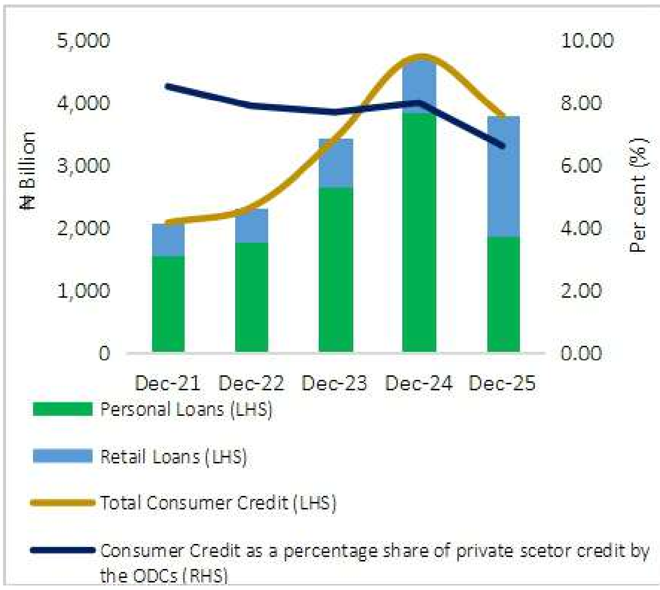
Item	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25
Net Foreign Assets	*0.97*	*-12.40*	*10.53*	*28.54*	*-0.40*
Net Domestic Assets	*16.22*	*29.82*	*41.33*	*14.49*	*10.89*
Domestic Claims	*18.96*	*39.07*	*57.41*	*11.45*	*4.10*
Net Claims on Central Government	*6.03*	*22.16*	*18.89*	*-8.08*	*6.29*
Claims on Other Sectors	*12.93*	*16.90*	*38.52*	*19.54*	*-2.19*
Claims on Other Financial Corporations	*-1.14*	*3.25*	*8.54*	*2.69*	*-0.09*
Claims on State and Local Government	*1.10*	*2.36*	*1.26*	*-0.14*	*0.22*
Claims on Public Nonfinancial Corporations	*0.07*	*5.71*	*-0.30*	*0.73*	*-0.14*
Claims on Private Sector	*12.91*	*5.59*	*29.03*	*16.33*	*-2.17*
Monetary Assets	*14.24*	*17.42*	*51.86*	*43.03*	*10.49*
Currency Outside Depository Corporations	*1.14*	*-0.83*	*1.66*	*2.13*	*0.21*
Transferable Deposits	*4.56*	*6.88*	*16.31*	*8.83*	*3.29*
Other Deposits	*11.30*	*10.49*	*33.84*	*32.57*	*7.00*
of which Foreign Currency Deposit	*5.86*	*3.69*	*20.04*	*22.22*	*-0.48*
Total Deposits	*15.86*	*17.37*	*50.15*	*41.41*	*10.28*
Deposits in National Currency	*10.00*	*13.68*	*30.11*	*18.92*	*10.76*
Securities Other than Shares	*-2.76*	*0.88*	*0.05*	*-0.51*	*-0.01*
Monetary Liabilities	*14.24*	*17.42*	*51.86*	*43.03*	*10.49*

Source: Central Bank of Nigeria
Note: Numbers for December 2025 are provisional

8.2.3 Consumer Credit

Consumer credit outstanding moderated, in response to the dynamic interest rate environment. Consumer credit outstanding fell by 19.89 per cent to ₦3,783.40 billion in 2025, from ₦4,722.93 billion in the preceding period. The fall was the first since December 2019. By desegregation, the decline of 115.46 per cent in personal loans to ₦1,847.89 billion drove the decrease in consumer credit. Conversely, retail loans increased by 63.77 per cent to ₦1,935.51 billion and dominated the consumer credit outstanding for the first time in a long period. Retail loans accounted for 51.16 per cent, while personal loans constituted the balance. As a share of credit to the private sector by ODCs, consumer credit outstanding fell to 6.60 per cent in 2025, compared with 7.98 per cent in 2024.

Figure 8.2.1: Consumer Credit

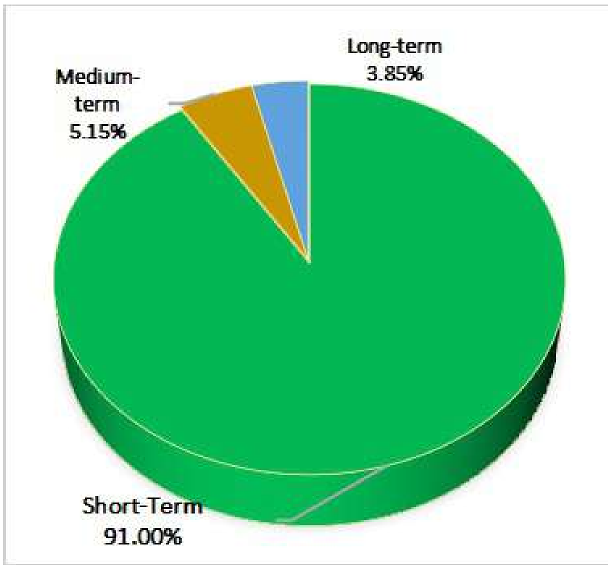


Source: Central Bank of Nigeria

8.2.4 Maturity Structure of ODCs Deposit Liabilities and Loans & Advances.

Short-term deposits and loans & advances dominated the ODCs' portfolio. Deposit liabilities, with maturity of one year and below, increased marginally by 0.91 percentage points to 91.00 per cent in 2025, from 90.09 per cent. Similarly, medium-term deposit liabilities rose by 2.52 percentage points to 5.15 per cent, relative to the level in 2024. Long-term deposit liabilities, however, fell to 3.85 per cent, from 7.28 per cent.

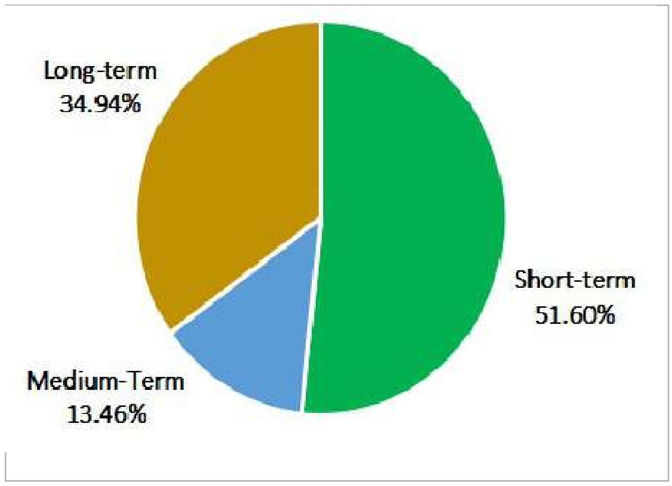
Figure 8.2.2: Maturity Structure of DMB's Deposit Liabilities at end-December 2025



Source: Central Bank of Nigeria

On the assets side, short-term credit sustained dominance, accounting for 51.60 per cent, but fell short of the preceding period's share by 7.71 percentage points. This underlined banks' preference for short-term loans & advances to match short-term deposit liabilities. Medium-term credit decreased slightly by 0.11 percentage points to 13.46 per cent in 2025, from the level in 2024. The long-term portfolio, on the contrary, rose by 7.82 percentage points, constituting 34.94 per cent of the total share.

Figure 8.2.3: Maturity Structure of DMBs' Loans and Advances at end-December 2025



Source: Central Bank of Nigeria

8.2.5 Sectoral Distribution of Credit

Services sector remained the major recipient of credit during the period. Credit utilisation by sectors of the economy grew marginally by 0.52 per cent to ₦57,314.44 billion in 2025, from ₦57,019.89 billion in the preceding period. A disaggregation of the share of credit to the private sector indicated that the services and agriculture sectors accounted for 57.00 and 6.30 per cent, respectively, up from 55.21 and 4.82 per cent in the preceding period. The share of industry sector in total credit decreased to 36.71 per cent, relative to 39.97 per cent in 2024.

8.2.6 Financial Sector Development Indicators

The financial sector maintained stability and resilience, despite tight monetary conditions. Banking system assets rose by 6.0 per cent to ₦329,291.94 billion, relative to the level in 2024, accounting for the ratio to GDP of 74.6 per cent, indicating the robust size of the banking sector. The ratio of M3 to GDP moderated to 28.4 per cent, from 42.0 per cent in the preceding year, reflecting the sustained tight monetary stance. The ratio of claims on 'other' sectors (COS) to GDP and claims on the private sector (CPS) to GDP decreased to 17.1 and 11.7 per cent, from 29.0 and 20.2 per cent in 2024, respectively. Also, the ratio of currency outside depository corporations (CODC) to broad money supply, moderated slightly to 4.3 per cent, from 4.5 per in 2024.

Table 8.2.4: Share in Outstanding Credit to the Private Sector (per cent)

Item	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25
Agriculture	**5.98**	**6.16**	**5.06**	**4.82**	**6.30**
Industry	**36.27**	**41.01**	**42.17**	**39.97**	**36.71**
of which: Construction	*4.39*	*3.96*	*4.08*	*3.98*	*3.99*
Services	**36.72**	**52.84**	**52.76**	**55.21**	**57.00**
of which: Trade/General Commerce	*7.01*	*7.52*	*7.97*	*7.66*	*8.02*

Source: Central Bank of Nigeria

Table 8.2.5: Financial Sector Development Indicators

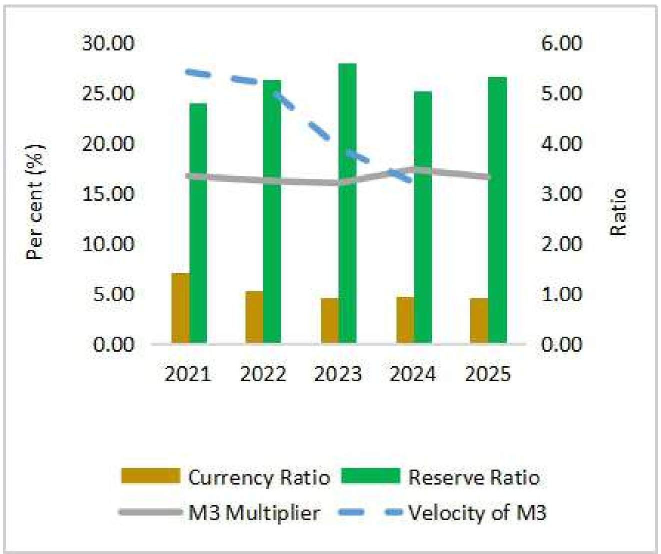
Item	2021	2022	2023	2024	2025
M3/GDP	25.6	26.2	34.5	42.0	28.4
CIC/M3	7.5	5.8	4.6	4.8	1.3
CODC/GDP	1.7	1.3	1.5	1.9	1.2
OD/GDP	15.2	15.6	21.2	27.7	18.7
NDC/GDP	28.1	33.2	41.8	39.1	24.9
COS/GDP	20.1	21.3	27.2	29.0	17.1
CPS/GDP	13.7	13.2	18.0	20.2	11.7
Banking System's Assets/GDP	68.1	71.0	99.4	115.4	74.6
CODC/M3	6.6	4.9	4.3	4.5	4.3

Source: Central Bank of Nigeria

8.2.7 Money Multiplier and Velocity of Money

Broad money multiplier declined to 3.32, from 3.47 in 2024, indicating a slower credit creation by ODCs. Similarly, the currency ratio fell slightly by 0.26 percentage point to 4.47, while the reserve ratio increased to 26.73 from 25.17, reflecting the liquidity condition in 2025. The velocity of broad money increased to 3.53, from 3.22 in 2024.

Figure 8.2.4: Money Multiplier, Currency Ratio and Reserve Ratio

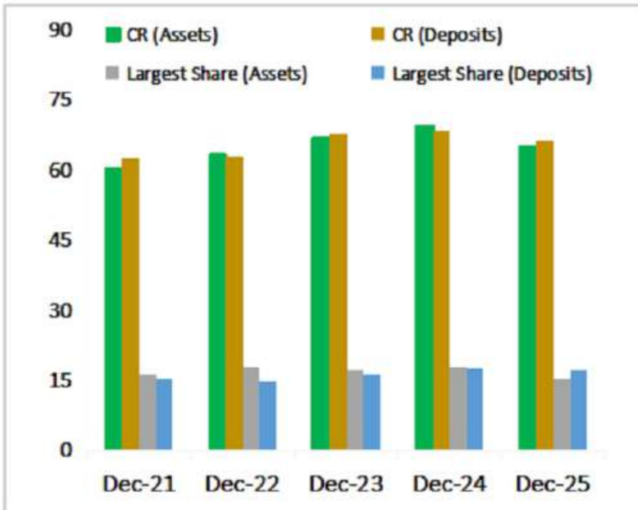


Source: Central Bank of Nigeria

8.2.8 Market Structure of the Banking Industry

The concentration ratios of the six largest banks (CR6) in deposits and assets stood at 66.12 and 64.97 per cent, respectively. The share of the largest bank in deposits and assets decreased to 17.12 and 15.38 per cent, respectively, from 17.56 and 17.75 per cent in 2024. The sum of the percentage share for the next seven to 10 banks in deposits and assets accounted for 14.29 and 15.34 per cent, respectively. The share of total deposits and assets of the next 23 banks ranged from 0.08 to 3.98 per cent in deposits and 0.08 to 15.38 per cent in assets, compared with 0.10 to 4.30 per cent in deposits and 0.12 to 4.25 per cent in assets in 2024.

Figure 8.2. 5: Market Concentration Ratios of Banks (per cent)



Source: Central Bank of Nigeria

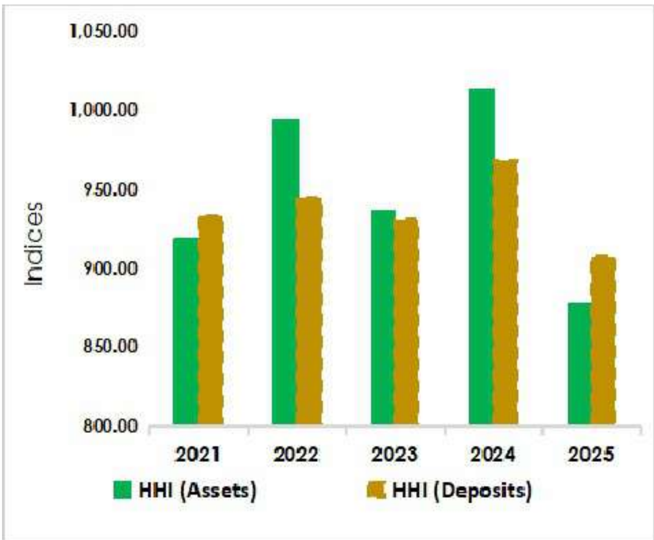
Table 8.2. 6: Currency and Reserve Ratios, Multiplier and Velocity

Item	2021	2022	2023	2024	2025
Currency Ratio	7.08	5.22	4.55	4.74	4.47
Reserve Ratio	24.02	26.45	27.96	25.17	26.73
M3 Multiplier	3.34	3.25	3.20	3.47	3.32
Velocity of M3	5.42	5.20	3.91	3.22	3.53

Source: Central Bank of Nigeria

The Herfindahl Hirschman Index (HHI) for deposits and assets stood at 907.38 and 876.90 in 2025, compared with 968.58 and 1,012.92 in 2024, respectively. The values of HHI for deposits and assets indicated that the banking industry remained competitive.

Figure 8.2.6: Herfindahl Hirschman Index (HHI)



Source: Central Bank of Nigeria

The HHI, on a scale of 0 to 10,000, measures market concentration which indicates the degree of competition among firms within an industry. It is used to determine if an industry is competitive or dominated by a few, or even a single firm.

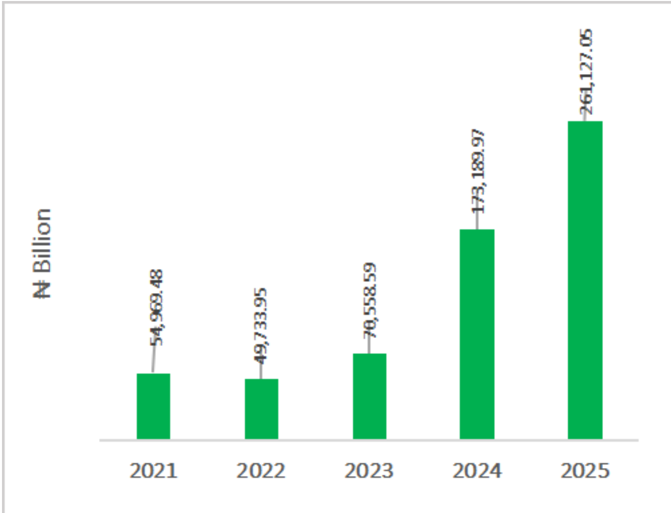
8.3 MONEY MARKET DEVELOPMENTS

8.3.1 Interbank Market Transactions

Interbank market transactions in 2025 were supported by improved system liquidity and stronger confidence among market participants. Total transactions in the interbank funds market increased to ₦261,127.05 billion in 2025, compared with ₦173,189.97 billion in 2024. The increase was driven largely by higher unsecured transactions and greater utilisation of tenored transactions, as market confidence strengthened during the year.

The OPR segment accounted for more than 99.02 per cent of total market activity during the year. Interbank call and tenored placements, though accounting for 0.98 per cent, recorded an increase of 50.77 per cent in 2025, as market participants exhibited greater willingness to engage counterparties in the preceding period. The sharp increase was, driven, largely, by tighter liquidity conditions resulting from the Bank's contractionary monetary policy stance, coupled with enhanced market depth and participation.

Figure 8.3.1: Value of Interbank Funds Market Transactions



Source: Central Bank of Nigeria

8.3.2 Primary Market Activities

8.3.2.1 Nigerian Treasury Bills

Primary market activity for Nigerian Treasury Bills (NTBs) increased in 2025, reflecting higher fiscal borrowing. Total NTB allotment rose to ₦15,195.14 billion, from ₦13,400.57 billion. Similarly, total subscriptions increased to ₦36,303.56 billion, compared with ₦30,128.92 billion recorded in the preceding year, consistent with higher issuance volumes and easing yields during the period. Repayments also increased, reflecting the maturity profile of instruments during the year. Overall, NTB activity remained broadly aligned with increased fiscal financing needs and improved liquidity conditions in the market.

Structure of Allotment of Nigerian Treasury Bills

The structure of NTB allotments in 2025 highlighted the dominant role of other depository corporations (ODCs), which accounted for 88.02 per cent of total allotment during the year. The ODCs share included those held on behalf of foreign investors. Mandate customers and internal funds accounted for the remaining 11.98 per cent, reflecting continued institutional participation in the NTB market. The outstanding stock of NTBs maintained its upward trajectory, increasing to ₦13,867.78 billion in 2025, from ₦12,251.12 billion in 2024. The rise reflected the issuance and repayment pattern during the year, alongside sustained demand for risk-free short-term instruments.

Figure 8.3.4: NTBs Outstanding by Holders, 2025

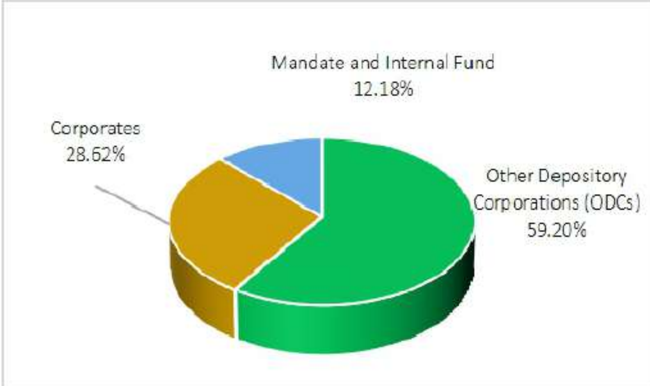
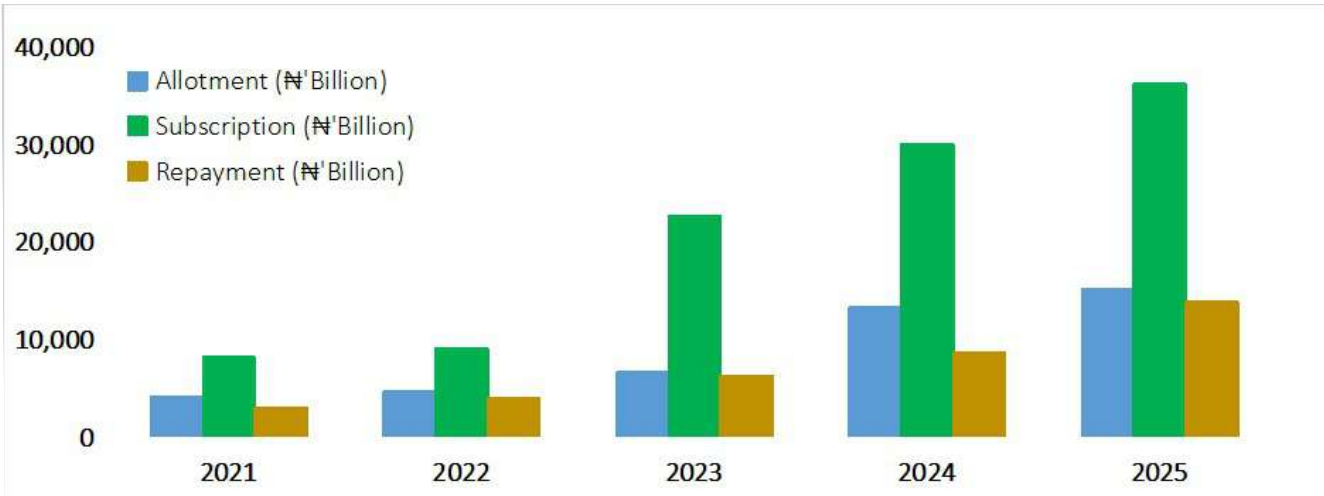
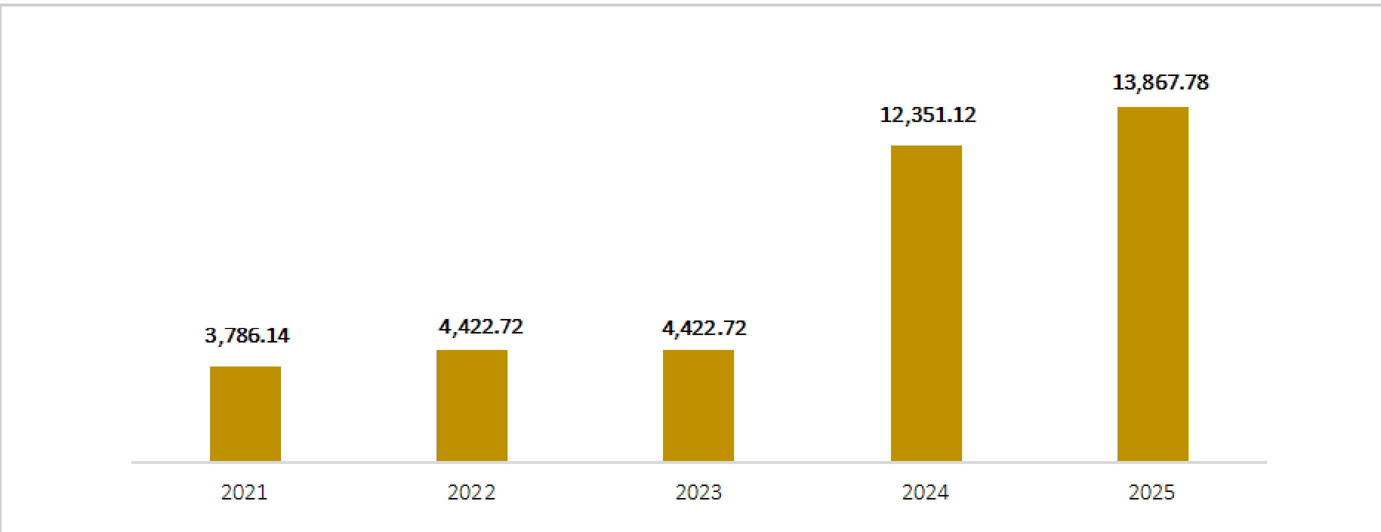


Figure 8.3. 2: NTB transactions



Source: Central Bank of Nigeria

Figure 8.3.3: NTBs Outstanding (₦ billion)



Source: Central Bank of Nigeria

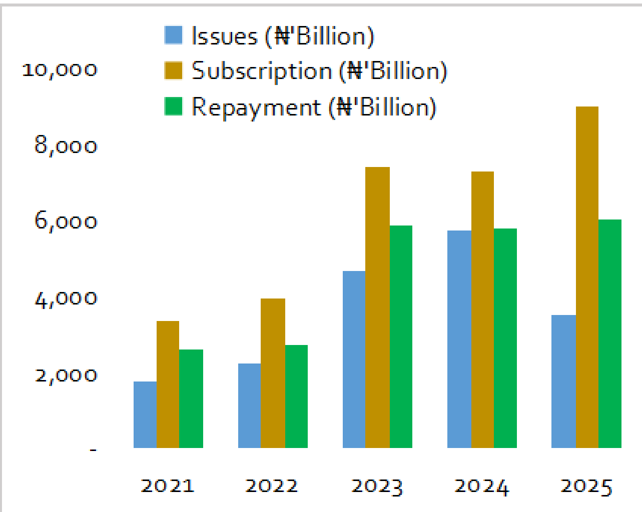
8.3.3 Over-the-Counter Transactions in NTBs and FGN Bonds

Over the counter (OTC) transactions in NTBs, moderated over the review period, but increased for FGN Bonds. OTC transactions in NTBs declined by ₦22,662.04 billion to ₦64,506.00 billion in 2025. Conversely, OTC transactions in FGN Bonds increased to ₦56,075.00 billion in 2025, indicating a rise of ₦33,703.44 billion or 150.65 per cent above ₦22,371.56 billion recorded in 2024.

8.3.4 FGN Bonds

Activity in the FGN Bonds market moderated in 2025 relative to the preceding year. Total FGN Bonds outstanding stood at ₦58,025.88 billion in 2025 compared with ₦60,645.22 billion in 2024. FGN Bonds offered during the year declined to ₦3,510.00 billion, from ₦5,670.00 billion in 2024. Despite the lower offer volume, total public subscription increased to ₦9,015.35 billion, up from ₦7,091.60 billion recorded in 2024, reflecting sustained investor appetite for government securities. Similarly, total allotments rose to ₦6,022.68 billion compared with ₦5,706.57 billion in the preceding year. The stop rate band narrowed to 15.69–22.60 per cent in 2025 (midpoint:19.15 per cent) from 15.00–22.00 per cent in 2024 (midpoint: 18.50 per cent), reflecting evolving yield expectations and liquidity conditions in the domestic financial markets.

Figure 8.3.5: FGN Bonds Auctions (₦ Billion)



Source: Central Bank of Nigeria

8.3.5 FGN Savings Bonds

Activity in the FGN Savings Bonds market increased in 2025 relative to the preceding year. Total offers and allotments amounted to ₦48.21 billion, in 2025, compared with ₦44.55 billion recorded in 2024, reflecting increase in issuances during the year. Consequently, the outstanding stock of FGN Savings Bonds rose to ₦104.32 billion, from ₦72.87 billion in 2024, supported by sustained participation from retail investors. The development underscored the continued relevance of savings bonds in promoting retail participation in the bond market and advancing financial

8.3.6 FGN Green Bonds

During the review period, a total of ₦47.36 billion in FGN Green Bonds was issued. The issuance reflected the Federal Government's continued commitment to sustainable and climate aligned financing frameworks. Consequently, the outstanding stock of FGN Green Bonds increased to ₦62.36 billion in 2025, from ₦15.00 billion in 2024, reflecting the additional issuance during the year.

8.3.7 FGN Sukuk

The Federal Government issued ₦300.00 billion Sukuk in 2025 to support the financing of road infrastructure across the country. The Sukuk was structured as a Forward Ijarah instrument, with a rental rate of 19.75 per cent per annum and a maturity date of May 2032. Consequently, the outstanding stock of Sukuk increased to ₦1,292.56 billion in 2025, from ₦992.56 billion in 2024, reflecting the additional issuance during the year.

8.3.8 FGN Promissory Note

The outstanding stock of promissory notes declined to ₦1,542.60 billion in 2025, from ₦1,659.23 billion in 2024. The decline reflected maturities and the gradual winding down of legacy debt under the promissory note programme. The reduction underscored the commitment of the FGN to fulfil outstanding obligations.

8.4 DEVELOPMENTS IN OTHER FINANCIAL INSTITUTIONS

The Bank continued to implement measures to ensure financial stability, operational resilience and effective risk management for development and finance institutions (D&FIs), including finance companies (FCs), and bureaux de change (BDCs). Surveillance activities focused on regulatory compliance and risk-based supervision (RBS) through routine and target examinations, and enforcing prudential guidelines to mitigate systemic risks.

During the review period, the Bank issued operating licences to five new FCs and 82 BDCs. Two BDCs were authorised under the Tier 1 licence category, while 80 BDCs were granted Tier 2 licences, in line with the extant regulatory framework stipulating new minimum capital requirement of ₦2.00 billion for Tier 1 and ₦500.00 million for Tier 2.

The number of Development Finance Institutions (DFIs) rose to nine during the review period, following the licensing of the Nigerian Consumer Credit Corporation and National Credit Guarantee Company.

There were 127 FCs in operation at year-end 2025, compared with 122 in 2024. The number of operating BDCs reduced from 1,629 to 82 after the 30 June 2025 deadline, for existing BDCs to recapitalise. Consequently, the total number of D&FIs at year-end 2025 stood at 218 compared with 1,758 in 2024.

Table 8.4.1: Total Number of Institutions

	2024	2025
Finance Companies	122	127
Development Finance Institutions	7	9
Bureaux De Change	1,629	82
Total Number of Institutions	1,758	218

Source: Central Bank of Nigeria

8.4.1 Examination of Development and Finance Institutions

During the review period, the Bank conducted on-site examination of D&FIs to assess soundness, regulatory compliance and risk management practices. A total of 31 institutions were examined, namely; 24 FCs and seven DFIs. Target examinations were conducted on seven unsound and insolvent FCs to assess their capital levels. Routine hybrid examinations were conducted on seven other FCs, while routine risk assets examinations were carried out on the remaining 10 FCs. Routine Risk-Based Supervision (RBS) examination and post-examination monitoring were conducted on the DFIs. None of the examined institution's license was revoked.

Key findings indicated improved risk management in institutions that had previously undergone corrective supervision. The examinations also revealed poor asset quality in some institutions. Institutions with weak controls were sanctioned and directed to implement remedial actions within specified timelines. The composite risk rating (CRR) for the seven DFIs examined indicated that two were low, one moderate, and four high. The capital of three DFIs were rated strong and four were weak, while earnings of two DFIs were rated acceptable, three were rated 'needs improvement' and two were weak.

8.4.2 Developments & Finance Institutions Activities

Development and Finance Institutions remained instrumental in financial inclusion and economic development, providing essential financial services to small, and medium-sized enterprises (SMEs) and agriculture.

8.4.2.1 Aggregate Financial Indicators

The DFIs and FCs recorded growth in total assets, total borrowings, shareholders' funds, and billion in 2025, from ₦997.12 billion and ₦197.43 billion in 2024, respectively. Also, net loans & advances grew by 14.91 per cent to ₦3,045.62 billion, from ₦2,650.46 billion.

The increase in share capital and reserves by 3.25 and 71.47 per cent, respectively, accounted for the increase in shareholders' funds by 34.46 per cent to ₦1,118.44 billion in 2025. Deposits and borrowings also increased by 17.59 and 4.36 per cent to ₦927.24 billion and ₦6,067.38 billion, respectively, from ₦788.54 billion and ₦5,813.96 billion.

8.4.2.2 Development Finance Institutions

Performance of DFIs in 2025 was mixed, with strong credit expansion and mandate delivery in some institutions, and weak asset-quality, governance, and capitalisation in others. Sector-wide engagements emphasised regulatory reforms, improved CRMS data quality, digital infrastructure, consumer protection, and enhanced environmental sustainability. DFIs were required to strengthen climate-finance capabilities, adopt sustainability frameworks, and deepen transparency. On recapitalisation, significant fiscal provisions were made for the Federal Mortgage Bank of Nigeria (FMBN) and the Nigerian Export-Import Bank (NEXIM), while progress was slower for Bank of Agriculture (BOA). The Infrastructure Bank (TIB) advanced its recapitalisation through private-sector participation.

i. Financial Performance of DFIs

The total assets of DFIs grew by 3.62 per cent to ₦8,905.06 billion in 2025, from ₦8,593.85 billion. The development was, mainly, due to the 75.70 per cent increase in placements to ₦1,569.49 billion. Loans & advances increased by 10.75 per cent to ₦2,481.12 billion from ₦2,240.28 billion in 2024. Shareholders' funds grew by 29.33 per cent to ₦981.95 billion in 2025, from ₦759.28 billion, on account of the 65.72 per cent increase in reserves. However, paid-up capital reduced by 1.97 per cent to ₦400.22 billion from ₦408.24 billion. Deposits rose by 17.59 per cent to ₦827.24 billion. Similarly, borrowings and 'due to other banks' increased by 1.27 and 245.47 per cent to ₦5,439.96 billion and ₦308.35 billion in 2025.

ii. Investible Funds of DFIs

Investible funds available to the DFIs in 2025 amounted to ₦1,472.13 billion. The funds were sourced mainly from increases in reserves, deposits, and 'due to other banks' by ₦230.70 billion, ₦138.70 billion and ₦219.09 billion, respectively. The funds were utilised mainly for additional placements (₦676.22 billion), loans & advances (₦240.84 billion), and other assets (₦193.33 billion).

iii. Prudential Analysis of DFIs

Off-site analysis of DFIs statutory returns revealed that the adjusted capital reduced to ₦478.13 billion from ₦686.78 billion. Similarly, capital adequacy ratio (CAR) fell, relative to the regulatory minimum of 10.00 per cent. The decline was due to negative capital in two DFIs. The non-performing loan (NPL) ratio stood at 20.27 per cent in 2025, relative to 18.24 per cent in 2024 and the regulatory threshold of a maximum of 5.00 per cent.

Table 8.4.2: Financial Position of DFIs

	2024 ₦ Million	2025 ₦ Million	Variance ₦ Million	 %
Assets				
Cash & Bank Balances	*189,350*	*122,824*	*-66,526*	*-35.13*
Placements	*893,276*	*1,569,494*	*676,218*	*75.7*
Investments	*5,071,834*	*4,322,793*	*-749,041*	*-14.77*
Net Loans & Advances	*2,240,280*	*2,481,118*	*240,838*	*10.75*
Other Assets	*102,918*	*296,243*	*193,325*	*187.84*
Fixed Assets	*96,190*	*112,592*	*16,402*	*17.05*
Total Assets	**8,593,848**	**8,905,064**	**11,216**	**3.62**
Financed By:		-	-	
Paid-up Capital	408,245	400,216	-8,029	-1.97
Reserves	351,038	581,735	230,697	65.72
Shareholders' funds	**759,283**	**981,951**	**222,668**	**29.33**
Deposits	788,537	927,240	138,703	17.59
Borrowings	5,371,896	5,439,961	68,065	1.27
Due to Other Banks	89,256	308,351	219,095	245.47
Other Liabilities	1,519,045	1,182,479	-336,566	-22.16
Long-term Liabilities	65,831	65,082	-749	-1.14
Total Capital & Liabilities	**8,593,848**	**8,905,064**	**311,216**	**3.62**

Source: Central Bank of Nigeria

Table 8.4.3: DFIs' Sources and Application of Funds in 2025

Description	Source ₦ Million	Application ₦Million
Cash and Bank Balances	66,526	-
Placements	-	676,218
Investments	749,041	-
Net Loans and Advances	-	240,838
Other Assets	-	193,325
Fixed Assets	-	16,402
Paid-up Capital	-	8,029
Reserves	230,697	-
Deposits	138,703	-
Total Borrowings	68,065	-
Due to other banks	219,095	-
Other Liabilities	-	336,566
Long Term Loans Liabilities	-	749
Total	**1,472,127**	**1,472,127**

Source: Central Bank of Nigeria

8.4.2.3 Finance Companies

The FC subsector recorded several notable operational and regulatory developments during the review period. In addition to revising the Finance Company Guidelines, the Bank sustained initiatives to strengthen regulatory clarity, enhance operational efficiency, and promote market discipline. Key achievements included progress on the Factoring Business Guidelines, with the establishment of a committee to develop a regulatory framework that would support factoring as an MSME-financing tool. The Bank also commenced the standardisation of company names across the subsector to eliminate mischaracterisation. Accordingly, FCs are now required to adopt the suffix 'Finance Company Limited or Plc', a requirement incorporated into the revised Guidelines.

Operational efficiency improved through the continued onboarding of FCs to the CRMS and the Global Standing Instruction (GSI) platform. Furthermore, the industry recorded growth in balance-sheet size partly driven by the increased adoption of fintech solutions in credit origination, customer onboarding, and digital loan servicing.

Table 8.4.4: FCs' Sources and Application of Funds in 2025

Description	Source ₦ Million	Application ₦ Million
Cash and Bank Balances	-	-
Placements	-	-
Investments	22,920	
Net Loans and Advances	-	116,412
Other Assets	-	43,277
Fixed Assets	-	154,318
Paid-up Capital	-	39,565
Reserves	-	3,465
Deposits	22,690	-
Total Borrowings	41,302	-
Due to other banks	185,355	-
Other Liabilities	2,886	-
Long Term Loans Liabilities	133496	-
Total	382,843	382,843

Source: Central Bank of Nigeria

Table 8.4. 5 : Development Finance Institutions Consolidated Balance Sheet

	2021	2022	2023	2024	Share of Total	2025	Share of Total	Variance	Change
	₦ Million	₦ Million	₦ Million	₦ Million	%	₦ Million	%	₦ Million	%
Cash & Bank Balances	966	45,347	22,968	189,350	2.20	122,824	1.38	(66,526)	-35.13
Placements	428,810	540,252	907,154	893,276	10.39	1,569,494	17.62	676,218	75.70
Investments	909,039	1,437,983	2,333,270	5,071,834	59.02	4,322,793	48.54	(749,041)	-14.77
Net Loans & Advances	1,585,391	1,614,042	2,009,501	2,240,280	26.07	2,481,118	27.86	240,838	10.75
Other Assets	67,872	60,135	85,498	102,918	1.20	296,243	3.33	193,325	187.84
Fixed Assets	62,248	76,724	95,364	96,190	1.12	112,592	1.26	16,402	17.05
Total Assets	**3,054,326**	**3,774,483**	**5,453,755**	**8,593,848**	**100.00**	**8,905,064**	**100.00**	**311,216**	**3.62**
Financed By:						-			
Paid-up Capital	238,781	238,868	398,244	408,245	4.75	400,216	4.49	(8,029)	-1.97
Reserves	214,459	246,935	365,243	351,038	4.08	581,735	6.53	230,697	65.72
Shareholders' funds	**453,240**	**485,803**	**763,487**	**759,283**	**8.84**	**981,951**	**11.03**	**222,668**	**29.33**
Deposits	514,849	600,087	707,995	788,537	9.18	927,240	10.41	138,703	17.59
Borrowings	1,582,321	2,259,312	3,201,193	5,371,896	62.51	5,439,961	61.09	68,065	1.27
Due to Other Banks	11,415	1,467	1,215	89,256	1.04	308,351	3.46	219,095	245.47
Other Liabilities	438,597	372,582	712,997	1,519,045	17.68	1,182,479	13.28	(336,566)	-22.16
Long-term Liabilities	53,904	55,232	66,868	65,831	0.77	65,082	0.73	(749)	-1.14
Total Capital & Liabilities	**3,054,326**	**3,774,483**	**5,453,755**	**8,593,848**	**100.00**	**8,905,064**	**100.00**	**311,216**	**3.62**

Source: Central Bank of Nigeria

Table 8.4.6: Finance Companies Consolidated Balance Sheet

	2021	2022	2023	2024	Share of Total	2025	Share of Total	Variance	Change
	₦ Million	₦ Million	₦ Million	₦ Million	%	₦ Million	%	₦ Million	%
Cash & Bank Balances	29694	30406	43439	50,172	6.59	73,092	6.41	22,920	45.68
Placements	41,887	49,617	71,684	103,840	13.65	220,252	19.31	116,412	112.11
Investments	19,757	14,385	27,351	50,146	6.59	93,423	8.19	43,277	86.30
Net Loans & Advances	166,976	204,413	288,945	410,179	53.91	564,497	49.48	154,318	37.62
Other Assets	58,151	70,244	77,180	94,523	12.42	134,088	11.75	39,565	41.86
Fixed Assets	46,151	47,839	47,832	51,969	6.83	55,434	4.86	3,465	6.67
Total Assets	362,616	416,904	556,431	760,829	100.00	1,140,786	100.00	379,957	49.94
Financed By:									
Paid-up Capital	25,654	25,654	33,269	42,955	5.65	65,645	5.75	22,690	52.82
Reserves	15,186	15,186	21,362	29,546	3.88	70,848	6.21	41,302	139.79
Shareholders' funds	40,840	40,840	54,631	72,501	9.53	136,493	11.96	63,992	88.26
Long Term Liabilities	1,852	1,852	1,595	3,983	0.52	1,097	0.10	-2,886	-72.46
Total Borrowings	237,548	237,548	341,287	442,063	58.10	627,418	55.00	185,355	41.93
Other Liabilities	82,376	136,664	158,918	242,282	31.84	375,778	32.94	133,496	55.10
TOTAL	362,616	416,904	556,431	760,829	100.00	1,140,786	100.00	379,957	49.94

Source: Central Bank of Nigeria

Table 8.4.7: Development Finance Institutions Consolidated Balance Sheet

	2021	2022	2023	2024	Share of Total	2025	Share of Total	Variance	Change
	₦ Million	₦ Million	₦ Million	₦ Million	%	₦ Million	%	₦ Million	%
Cash & Bank Balances	30,660	75,753	66,407	239,522	2.56	195,916	1.95	(43,606)	-18.21
Placements	470,697	589,869	978,838	997,116	10.66	1,789,746	17.82	792,630	79.49
Investments	928,796	1,452,368	2,360,621	5,121,980	54.75	4,416,216	43.96	(705,764)	-13.78
Net Loans & Advances	1,752,367	1,818,455	2,298,446	2,650,459	28.33	3,045,615	30.32	395,156	14.91
Other Assets	126,023	130,379	162,678	197,441	2.11	430,331	4.28	232,890	117.95
Fixed Assets	108,399	124,563	143,196	148,159	1.58	168,026	1.67	19,867	13.41
Total Assets	3,416,942	4,191,387	6,010,186	9,354,677	100.00	10,045,850	100.00	691,173	7.39
Financed By:									
Paid-up Capital	-	-	-	-	-	-	-	-	-
Reserves	264,435	264,522	431,513	451,200	4.82	465,861	4.64	14,661	3.25
Shareholders' funds	229,645	262,121	386,605	380,584	4.07	652,583	6.50	271,999	71.47
Deposits	494,080	526,643	818,118	831,784	8.89	1,118,444	11.13	286,660	34.46
Borrowings	514,849	600,087	707,995	788,537	8.43	927,240	9.23	138,703	17.59
Due to Other Banks	1,819,869	2,496,860	3,542,480	5,813,959	62.15	6,067,379	60.40	253,420	4.36
Other Liabilities	11,415	1,467	1,215	89,256	0.95	308,351	3.07	219,095	245.47
Long-term Liabilities	520,973	509,246	871,915	1,761,327	18.83	1,558,257	15.51	(203,070)	-11.53
Total Capital & Liabilities	55,756	57,084	68,463	69,814	0.75	66,179	0.66	(3,635)	-5.21
Total Capital & Liabilities	3,416,942	4,191,387	6,010,186	9,354,677	100.00	10,045,850	100.00	691,173	7.39

Source: Central Bank of Nigeria

i. Financial Performance of Fcs

Total assets of the FCs increased by 49.94 per cent to ₦1,140.79 billion in 2025, from ₦760.83 billion in 2024. The increase was mainly attributed to growth in net loans & advances, placements and investments. Net loans & advances rose by 37.62 per cent to ₦564.50 billion, from ₦410.18 billion. Placements and investments increased to ₦220.25 billion and ₦93.42 billion, from ₦103.84 billion and ₦50.15 billion, respectively. Similarly, other assets increased by 41.86 per cent to ₦134.09 billion, from ₦94.52 billion.

Shareholders' funds increased by 88.26 per cent to ₦136.49 billion, due to the 52.82 and 139.79 per cent increase in paid-up capital and reserves to ₦465.65 billion and ₦70.85 billion, respectively. Similarly, borrowings and other liabilities rose to ₦627.42 billion and ₦375.78 billion, from ₦442.06 billion and ₦242.28 billion, respectively.

■ Investible Funds of FCs

Investible funds available to FCs in 2025 amounted to ₦382.84 billion. The funds were sourced mainly from increases in borrowings and other liabilities by ₦185.36 billion and ₦133.50 billion, respectively. The funds were utilised mainly to increase net loans and advances, placements and investments by ₦154.32 billion, ₦116.41 billion and ₦43.28 billion, respectively.

■ Prudential Analysis of Fcs

Analysis of statutory returns showed that average CAR of FCs stood at 14.42 per cent in 2025, relative to 9.86 per cent in 2024, and the minimum regulatory benchmark of 12.50 per cent. The rise was attributed to the increase in shareholders' funds during the period. The NPL ratio declined to 5.44 per cent in 2025, from 9.17 per cent in 2024, reflecting improvement in asset quality, following enhanced loan recovery efforts.

8.4.2.4 Bureaux De Change

During the review period, the Bank granted final licences to 82 BDCs to commence operations effective 27 November 2025. In line with the extant regulatory framework, two BDCs satisfied the new minimum capital requirement of ₦2.00 billion for Tier 1, while 80 met the ₦500.00 million required for the Tier 2 licence category.

Accordingly, only BDCs listed on the Bank's official website were authorised to operate from the effective date. BDCs operating without a valid licence were liable under Section 57(1) of the Banks and Other Financial Institutions Act (BOFIA) 2020. The general public was advised to refrain from transacting with unlicensed foreign exchange operators.

The recapitalisation would strengthen the operational capacity and resilience of BDCs. Given the fewer number of licensed operators, it would also enhance regulatory oversight, transparency, market discipline, and the orderly conduct of foreign exchange transactions. Further to the Regulatory and Supervisory Guidelines for Bureaux De Change Operations in Nigeria, 2024, and the ongoing transition to the new BDC regulatory structure, the Bank approved the waiver of the 2025 licence renewal fee. BDCs that had already paid the 2025 fee would be refunded.

8.4.2.5 Microfinance Banks

Total assets of MFBs rose on account of increased placements, investments and balances with banks. Total assets of MFBs increased to ₦5,914.96 billion at end-December 2025 from ₦3,156.42 billion at end-December 2024, reflecting a growth of 87.39 per cent. The increase was due, mainly to the rise in bank balances, placements and other investments (treasury bills and money market instruments) by 86.00 per cent, 125.69 per cent and 123.36 per cent to ₦868.15 billion, ₦1,294.06 billion and ₦500.60 billion, at end-December 2025, compared with ₦466.75 billion, ₦573.38 billion and ₦224.12 billion, at end-December 2024, respectively. Other assets increased by 69.38 per cent to ₦888.12 billion in 2025, compared with ₦524.34 billion in 2024.

Shareholders' funds rose by 60.63 per cent to N402.92 billion at end-December 2025 from N250.84 billion at end-December 2024 due, mainly, to capital injection and reserves accretion. Other liabilities increased to ₦1,504.84 billion at end-December 2025 from ₦551.91 billion at end-December 2024, reflecting a growth of 172.66 per cent.

Deposits, the major sources of fund for the subsector, increased by 73.92 per cent to ₦3,847.86 billion in 2025 from ₦2,212.43 billion in 2024. The increase was due to faster deployment of technology by fintech enabled MFBs. The deposits were utilised mainly to create loans and other investment activities.

Off-site analysis of MFB statutory returns for 2025 revealed that the industry CAR and LR of the subsector were 10.31 and 63.40 per cent, above the benchmarks of 10.0 and 20.0 per cent, respectively. However, the average PAR, at 17.99 per cent, exceeded the regulatory ceiling of 5.0 per cent.

Table 8.4.8: Balance Sheet of MFBs

	2024 ₦ billion	2025 ₦ billion	% Change
Cash	*14.42*	*4.82*	*-66.54*
Balances with Banks	*466.75*	*868.15*	*86.00*
Placements	*573.38*	*1,294.06*	*125.69*
Investments	*224.12*	*500.60*	*123.36*
Net Loans and Advances	*1,066.87*	*1,988.82*	*86.42*
Other Assts	*524.34*	*888.12*	*69.38*
Fixed Assets	*286.54*	*370.38*	*29.26*
Total Assets	**3,156.42**	**5,914.96**	**87.39**
Financed By:			
Paid-up-Capital	*176.77*	*272.47*	*54.13*
Reserves	*74.07*	*130.46*	*76.13*
*Shareholder's Fund**	*250.84*	*402.92*	*60.63*
Deposits	*2,212.43*	*3,847.86*	*73.92*
Takings from Other Banks	*63.96*	*67.74*	*5.91*
Other Liabilities	*551.91*	*1,504.84*	*172.66*
Long Term Loans/On-lending	*77.28*	*91.59*	*18.52*
Total Liabilities	**3,156.42**	**5,914.96**	**87.39**
FSIs (%)	**2024**	**2025**	**Benchmark**
CAR	11.44	10.31	10.0[1]
LR	53.00	63.40	20.0[2]
PAR	17.24	17.99	5.0[3]

Source: Central Bank of Nigeria

Note : Shareholders' fund*, not included in the determination of total

8.4.2.6 Primary Mortgage Banks

The total assets of primary mortgage banks (PMBs) increased, due largely, to increase in interbank placements, short-term investments, and cash reserve requirements. Total assets increased by 15.16 per cent to N718.65 billion in 2025, from N624.06 billion in 2024. The growth was mainly attributed to increases in placements with banks by 91.71 per cent to ₦229.32 billion, compared with ₦119.62 billion. Fixed assets and other assets also grew by 12.35 and 7.35 per cent, respectively, to ₦30.63 billion and ₦82.34 billion.

Net loans decreased by 4.75 per cent to ₦292.91 billion at end-December 2025 from ₦307.51 billion. The decrease was attributed to licence revocation of two PMBs. Also, balances with banks and short-term investments decreased by 29.94 and 17.23 per cent to ₦18.57 billion and ₦18.52 billion at end-December 2025 from ₦26.51 billion and ₦22.38 billion at end-December 2024.

Shareholders' funds unimpaired by losses, increased by 146.42 per cent to ₦141.96 billion at end December 2025 from ₦57.61 billion at end-December 2024. This increase was attributed to revocation of licences of two PMBs with negative shareholders fund during the period of review. Other liabilities decreased to N68.81 billion from N211.92 billion at end-December 2024.

Total deposits and long-term borrowings stood at ₦290.42 billion and ₦215.20 billion, respectively, compared with ₦252.07 billion and ₦74.44 billion at end-December 2024. The funds were used mainly to finance placement with banks.

The CAR of the PMB subsector increased to 35.87 per cent in 2025 from 15.12 per cent. This remained above the regulatory benchmark of 10.00 per cent, reflecting an increase in shareholders' funds. Also, average LR increased to 91.39 per cent, compared with 56.28 per cent, and was above the regulatory benchmark of 20.00 per cent. The sub-sector's NPL ratio averaged 24.40 per cent and was below the regulatory benchmark of 30.0 per cent.

8.5 CAPITAL MARKET DEVELOPMENTS

Activities in the Nigerian capital market were shaped by global and domestic macroeconomic dynamics. Interest rate differential and global financial conditions impacted the flow of foreign capital. On the domestic scene, monetary policy stance influenced portfolio switching. The performance of the capital market was underpinned by strategic policies and regulations that boosted investor confidence, improved long-term capital formation, and increased market depth.

8.5.1 Policy, Regulation, and Institutional Environment

- The Securities and Exchange Commission (SEC) in a bid to safeguard investors and market participants, recorded the following milestones
- presidential assent to the Investments and Securities Act (ISA) 2025. The Act broadens regulatory coverage, strengthens enforcement, enhances investor protection, and brings forward-looking asset classes under a coherent and modern supervisory framework;
- upgrade of Nigeria's sovereign credit rating by major international rating agencies;
- Nigeria's exit from the FATF grey list, which reflected stronger coordination between fiscal and monetary authorities, bolstered investor confidence;
- the approval of the ₦500.00 billion Climate Funding SPV, the ₦200.00 billion Elektron Finance Bond, and ₦753.00 billion commercial paper raised across multiple sectors for resource mobilisation and sustainable

Table 8.4. 9 : Balance Sheet of PMBs

	2024 ₦ billion	2025 ₦ billion	% change
Cash	*1.39*	*1.24*	*-10.48*
Cash Reserve Requirement	*3.00*	*3.82*	*27.22*
Balances with Banks	*26.51*	*18.75*	*-29.94*
Placement in Banks	*119.62*	*229.32*	*91.71*
Investments/Non-current Assets Held for Sale	*34.71*	*35.99*	*3.68*
Short Term Investments	*22.38*	*18.52*	*-17.23*
Investment in Quoted Shares	*5.00*	*5.31*	*6.15*
Net Loans and Advances	*307.51*	*292.91*	*-4.75*
Other Assets	*76.70*	*82.34*	*7.35*
Fixed Assets	*27.26*	*30.63*	*12.35*
Total Assets	**624.06**	**718.65**	**15.16**
Financed By Paid-up Capital	*97.97*	*90.58*	*-7.55*
Reserves	*-40.36*	*51.39*	*227.33*
*Shareholders' Fund**	*57.61*	*141.96*	*146.42*
Deposits	*252.07*	*290.42*	*15.21*
Due to Banks/Others	*28.01*	*2.25*	*-91.98*
Other Liabilities	*211.92*	*68.81*	*-67.53*
Long-term borrowings/NHF	*74.44*	*215.20*	*189.10*
Total Liabilities	**624.06**	**718..65**	**15.16**
FSIs	**2024**	**2025**	**Benchmark**
CAR	15.12	35.87	10.00
LR	56.28	91.39	20.00
NPL	21.80	24.40	30.00

Source: Central Bank of Nigeria
Note: Shareholders' fund*, not included in the determination of total.

- the transition of settlement cycle for equities to T+2 from T+3. This aligned equities with existing settlement practices for fixed income and commodities. The Commission also signalled plans for future migration to T+1 and T+0 settlement;
- collaboration with the Nigerian Educational Research and Development Council to integrate capital market studies into the national secondary school curriculum and conduct nationwide teacher training programme;
- knowledge-sharing and policy dialogues on non-interest capital market regulation, and contribution to the 7th African International Conference on Islamic Finance;
- collaboration with the Senate Committee on Capital Market and Institutions for a Municipal Bond and Sukuk Summit scheduled for Q12026;
- expansion of digitalisation of its regulatory processes, with electronic receipt and processing of registration applications to commence in Q12026; and
- sustained efforts to strengthen corporate governance reporting through a proposed Harmonised Corporate Governance Reporting Template, reducing duplication

8.5.2 The Nigerian Exchange Group

The Nigerian Exchange Group sustained efforts to facilitate capital mobilisation, boost new listings, and support the ongoing banking sector recapitalisation exercise. The Group also launched an Impact Board to drive sustainable finance aligned with the Sustainable Development Goals (SDGs). These measures would reinforce commitment to high professional standard, ethical conduct, and strategic performance in the capital market.

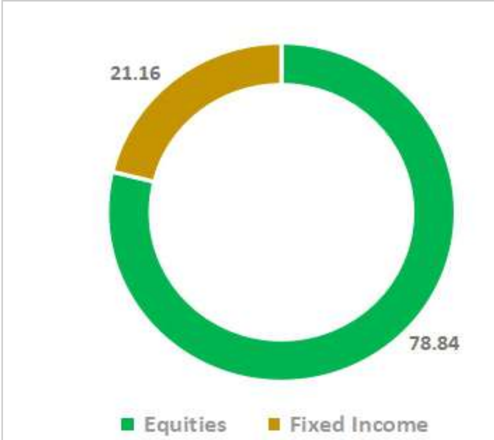
8.5.2.1 The Secondary Market

Robust corporate earnings and positive investor sentiment spurred activity in the Nigerian capital market, resulting in a bullish performance in 2025. The all-share index (ASI) surpassed the 150,000-index point milestone, underscoring strong fundamentals and market depth. The rally was catalysed by stronger macro-fundamentals, reinforced by market reforms that enhanced price discovery and boosted valuations across key sectors of the Exchange.

8.5.2.2 The New Issues Market

Activities in the primary segment of the Nigerian capital market moderated in 2025, as issuances through private placements, rights offerings, and public offerings slowed on account of subdued performance of non-financial corporates. Activities in the primary market declined in 2025. A total of 28 new equity issuances, valued at ₦1,927.60 billion were recorded in the review period, compared with 42 offerings worth ₦3,652.97 billion in 2024. New issuances included 12 right issues valued at ₦909.73 billion, four public offerings worth ₦499.29 billion, and 12 private placements valued at ₦518.58 billion. In the debt segment of the primary market, nine corporate bonds and two sub-national bonds worth ₦517.21 billion were newly issued compared with three corporate bonds valued at ₦59.82 billion in 2024.

Figure 8.5.1 Composition of New Issues by Segments in 2025



Source: SEC & NGX Limited

The NGX All-Share Index exhibited significant bullish momentum in 2025, propelled by sustained capital appreciation across the banking, consumer goods and industrials counters. The NGX-ASI advanced by 51.19 per cent to 155,613.03 index points in 2025 from 102,926.40 index points in 2024. The rally was attributed to improved liquidity conditions, stronger valuations across key sectors, and improved outlook of the domestic economy.

Sectoral analysis illustrated broad-based gains across all sub-indices, except the NGX oil & gas index which declined by 1.54 per cent relative to the preceding year. The NGX growth index emerged as the top performer, posting a robust gain of 257.81 per cent, underpinned by strong corporate earnings and heightened investor appetite for value stocks. This was followed by the NGX consumer goods index, which advanced by 129.57 per cent, following improved domestic production of fast-moving consumer staples on account of reform gains in the manufacturing sector .

The NGX alternative securities market (ASeM) index was delisted, due to a non-fulfillment of migration mandates to the NGX growth board. The contraction in the SME-focused segment of the ASeM was, however, offset by the launch of the NGX commodities index (NGXCOMMDTY), a development aimed at broadening the Exchange's value proposition and offering investors more diversified exposure.

Table 8.5.1: Nigerian Exchange Group Sectoral Indices

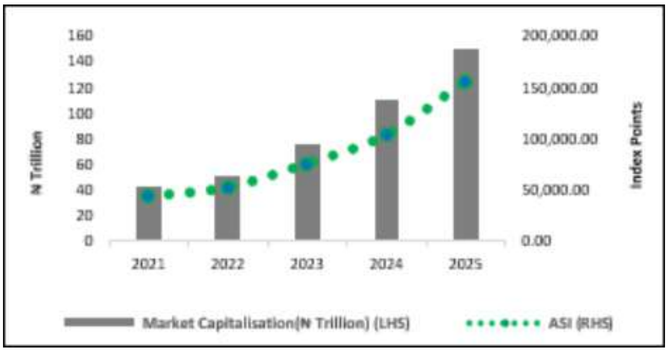
NGX Indices	2024	2025	Change (%)
NGXGROWTH	7,762.86	27,776.22	257.81
NGXCNSMRGDS	1,731.67	3,975.48	129.57
NGXLOTUSISLM	6,955.89	13,498.59	94.06
NGXINS	718.00	1,189.32	65.64
NGXMERIGRW	6,490.69	10,468.25	61.28
NGXPENBRD	1,826.89	2,917.84	59.72
NGXPREMIUM	9,719.75	15,493.19	59.40
NGXINDUSTR	3,572.17	5,676.48	58.91
NGXPENSION	4,521.13	7,118.07	57.44
NGXMAINBOARD	4,988.79	7,529.36	50.93
NGXCG	2,814.39	4,207.07	49.48
NGX30	3,811.94	5,672.72	48.81
NGXBNK	1,084.52	1,515.85	39.77
NGXAFRHDYI	16,642.63	21,981.77	32.08
NGXAFRBVI	2,467.38	3,243.63	31.46
NGXMERIVAL	10,375.32	13,129.52	26.55
NGXSOVBND	601.54	682.15	13.40
NGXOILGAS	2,712.06	2,670.24	-1.54

Source: SEC & NGX Limited

8.5.2.4 Market Capitalisation

Market capitalisation expanded in 2025, buoyed by sustained risk-on sentiment and strong corporate earnings optimism. The aggregate market capitalisation grew by 37.01 per cent to ₦149.74 trillion compared with ₦109.29 trillion in 2024, reflecting robust demand for equities, bonds, and exchange-traded funds (ETFs). A disaggregation of the components of aggregate market capitalisation indicated that the equities stood at ₦99.18 trillion (66.24%), bonds at ₦50.51 trillion (33.73%), and ETFs at ₦0.05 trillion (0.03%).

Figure 8.5.2: Market Capitalisation and NGX Value Index



Source: NGX Limited

i. Equities Segment

At the equities segment, market capitalisation of 128-listed firms rose by 58.00 per cent to ₦99.18 trillion in 2025 from ₦62.77 trillion in 2024. Four banks accounted for 10.29 per cent of the top twenty most capitalised stocks and 4.45 per cent of aggregate market capitalisation.

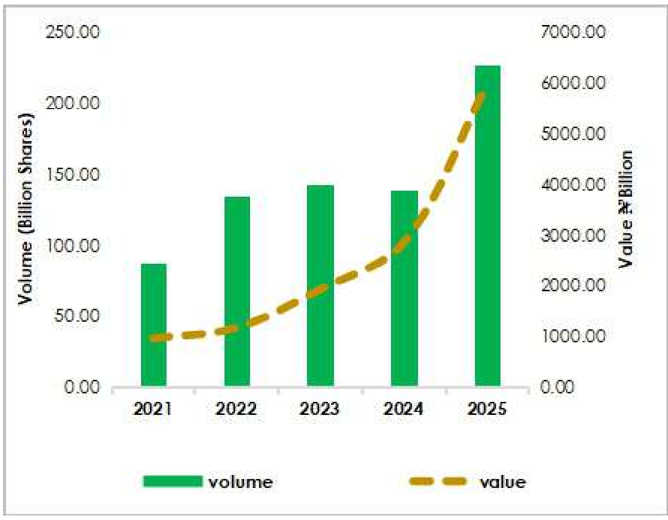
ii. Bonds Segment

The market capitalisation of the 150 listed bonds rose by 8.69 per cent to ₦50.51 trillion in 2025, compared with ₦46.47 trillion in 2024. The bond segment comprised FGN Bonds (₦49.32 trillion), sub-national and supra-national bonds (₦0.30 trillion), and corporate bonds/debentures (₦0.89 trillion).

iii. Exchange Traded Funds

Exchange Traded Funds (ETF) at ₦0.04 trillion rose by 33.33 per cent in 2025, compared with ₦0.03 trillion in the preceding period. The number of ETFs were 12, same as in 2024. Total volume and value of traded securities were 226.01 billion shares and ₦5,960.04 billion, respectively, in 5,374,593 deals. The development compared with 138.38 billion shares, valued at ₦2,838.96 billion, respectively, in 2,379,862 deals, in 2024. This represented an increase of 63.33 per cent in volume, and 109.94 per cent in value. Equities accounted for 99.93 per cent of the turnover volume, and 99.79 per cent of value of traded securities in 2025.

Figure 8.5.3: Volume and Value of Equity Transactions on the NGX

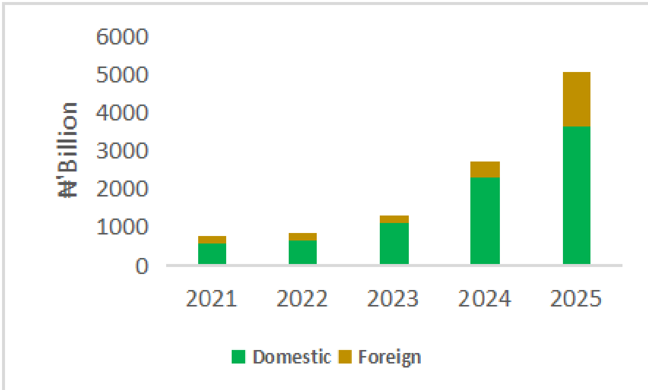


Source: NGX Limited

8.5.2.5 Market Participation

Market analysis indicated that domestic investors remained the dominant source of portfolio investment in 2025. Total inflows on the NGX surged by 87.06 per cent to ₦5,055.53 billion from ₦2,702.65 billion in 2024, driven by strong growth in both domestic and foreign participation. Domestic and foreign inflows increased by 58.34 per cent to ₦3,651.27 billion, and 254.23 per cent to ₦1,404.26 billion, respectively. Domestic investors remained the dominant source of inflows, contributing 72.23 per cent of the total, while foreign investors accounted for 27.77 per cent. The increase in total inflows on the NGX indicated sustained market confidence occasioned by reform gains and a favourable macroeconomic landscape.

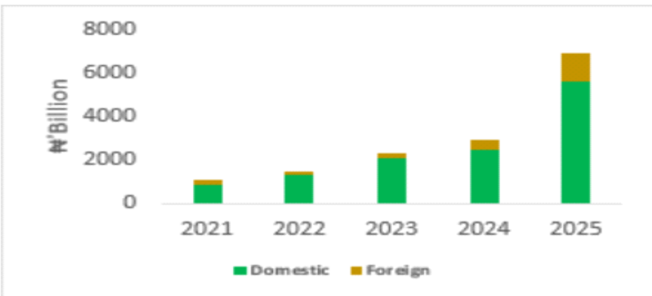
Figure 8.5.4: Total Inflow on the NGX



Source: NGX Limited

Total outflows on the NGX rose by 138.06 per cent to ₦6,866.68 billion compared with ₦2,884.32 billion in 2024, driven primarily by domestic investor activity. Domestic outflows increased by 131.55 per cent to ₦5,623.47 billion. Similarly, foreign outflows grew by 172.85 per cent to ₦1,243.21 billion. Domestic investors sustained dominance of total outflows in 2025, with 81.89 per cent share, while foreign investors accounted for 18.11 per cent.

Figure 8.5.5 Total Outflow on the NGX



Source: NGX Limited

8.6 SECTORAL FINANCIAL FLOWS: FROM-WHOM-TO-WHOM

The net financial transactions in deposits, loans and debt securities showed a mixed movement across different sectors of the economy in the review period. The movement was largely influenced by increased liquidity in the banking system, monetary policy tightening, and weak credit demand.

8.6.1 Stock of Deposits

Total stock of deposits rose by ₦7,737.88 billion (3.26%) to ₦244,839.46 billion in 2025, compared with ₦237,101.58 billion in 2024. The development was attributed to the surge in banks deposits with the CBN, due to high liquidity in the banking system. The CBN stock of deposits with banks outside Nigeria increased by ₦2,301.60 billion (6.09%) to ₦40,120.60 billion, from ₦37,818.96 billion in 2024, indicating a rise in both foreign currency and transferable deposits included in the official reserves. Similarly, deposit liabilities of the CBN from other depository corporations (ODCs) increased by ₦4,808.82 billion (17.55%) to ₦32,208.94 billion, due, mainly, to excess liquidity in the banking system, and the rise in the CRR. Deposits of 'other residents' (ORs) with ODCs increased by ₦13,298.34 billion (32.42%) to ₦54,320.93 billion from ₦41,022.58 billion in 2024. The increase was driven by higher deposit rates, and precautionary savings arising from economic uncertainty.

8.6.2 Stock of Loans

The total stock of loan assets declined by N18,945.53 billion (15.93%) to ₦100,017.20 billion in 2025, as tight monetary conditions impacted credit demand. The stock of CBN loan assets with the ODCs decreased by ₦9,884.93 billion (73.39%) to ₦3,583.59 billion, due to excess liquidity in the banking system and tight monetary policy stance, reducing the need by banks to borrow from the CBN. The CBN holding of loan assets with the Central Government (CG) declined by N942.76 billion (18.02%) to N4,289.92 billion, reflecting a reduction in direct lending to the government. Similarly, the CBN stock of loan

liabilities with the rest of the world (RoW) declined .

Figure 8.6. 1: Sectoral Stock of Deposits in 2025 (₦ billion)

End-December 2025										
Taker										
Sector	CBN	ODCs	OFCs	NPB	NPV	CG	SLG	ORS	ROW	Assets
CBN									40,120.60	40,120.60
ODCs	32,208.94								20,212.10	52,421.04
OFCs	2,745.49	2,221.81							100.35	5,067.65
NPB	6,616.13	92.15								6,708.28
NPV	0.22	54,086.12								54,086.34
CG	16,019.74	398.88								16,418.62
SLG	77.18	3,809.06	13.33							3,899.56
ORS	1.50	54,320.93	881.73							55,204.15
ROW	5,828.40	5,084.83								10,913.23
Liabilities	63,497.39	120,013.76	895.06	-	-	-	-	-	60,433.05	244,839.46
End-December 2024										
Taker										
Sector	CBN	ODCs	OFCs	NPB	NPV	CG	SLG	ORS	ROW	Assets
CBN									37,818.96	37,818.96
ODCs	27,400.12	-	6.91						24,910.04	52,317.07
OFCs	4,421.43	1,602.94							263.92	6,288.29
NPB	6,668.99	45.87								6,714.85
NPV	0.20	56,080.49								56,080.69
CG	21,188.70	253.72	3.17							21,445.59
SLG	21.66	2,112.07								2,133.73
ORS	1.14	41,022.58	788.93							41,812.65
ROW	6,081.51	6,408.24								12,489.75
Liabilities	65,783.75	107,325.90	799.01						62,992.92	237,101.58

(Placer)

Source: Central Bank of Nigeria

Figure 8.6. 2: Sectoral Flows in Deposits in 2025 (₦ billion)

End-December 2025										
Taker										
Sector	CBN	ODCs	OFCs	NPB	NPV	CG	SLG	ORS	ROW	Assets
CBN	-	-	-	-	-	-	-	-	2,301.64	2,301.64
ODCs	4,808.82		-6.91	-	-	-	-	-	-4,697.95	103.97
OFCs	-1,675.94	618.87	-	-	-	-	-	-	-163.57	-1,220.64
NPB	-52.86	46.28	-	-	-	-	-	-	-	-6.58
NPV	0.02	-1,994.37	-	-	-	-	-	-	-	-1,994.35
CG	-5,168.96	145.16	10.16	-	-	-	-	-	-	-5,026.97
SLG	55.52	1,696.98		-	-	-	-	-	-	1,765.84
ORS	0.36	13,298.35	92.80	-	-	-	-	-	-	13,391.50
ROW	-253.11	-1,323.41		-	-	-	-	-	-	-1,576.52
Liabilities	-2,286.16	12,487.87	96.05	-	-	-	-	-	-2,564.88	7,737.88

(Placer)

Source: Central Bank of Nigeria

Figure 8.6. 3: Sectoral Stock of Loans in 2025 (N billion)

End-December 2025										
Borrower										
Sector	CBN	ODCs	OFCs	NPB	NPV	CG	SLG	ORS	ROW	Assets
CBN		2,831.52	2,061.86	6.16		4,287.85	991.39	143.13	0.42	10,322.32
ODCs			11.78	855.13	35,030.22	22.40	2,465.50	14,080.60	96.96	52,562.59
OFCs		1,418.33			2,674.18	64.71	2.65	879.62	3.76	5,043.25
NPB										-
NPV		615.48	328.71							944.20
CG		866.15	1,294.64							2,160.79
SLG			1.70							1.70
ORS		611.21	237.59							848.81
ROW	12,571.23	3,360.27	4,347.92							20,279.43
Liabilities	12,571.23	9,702.96	8,284.21	861.29	37,704.40	4,374.96	3,459.55	15,103.35	101.14	92,163.08
End-December 2024										
Borrowers										
Sector	CBN	ODCs	OFCs	NPB	NPV	CG	SLG	ORS	ROW	Assets
CBN	-	13,468.51	1,367.92	0.08		5,232.68	1,234.54	127.02	0.57	21,431.31
ODCs		-	3.63	1,065.80	35,291.06	71.46	1,863.33	14,984.95	334.03	53,614.26
OFCs		3,138.41	-		2,391.42	63.18	3.17	681.35	2.88	6,480.41
NPB				-	-	-	-	-	-	-
NPV		657.85	176.73	-	-	-	-	-	-	834.58
CG		1,086.97	1,224.05	-	-	-	-	-	-	2,311.02
SLG			4.14	-	-	-	-	-	-	4.14
ORS		605.61	153.06	-	-	-	-	-	-	758.67
ROW	13,370.44	7,589.43	4,541.80	-	-	-	-	-	-	25,501.67
Liabilities	13,370.44	26,546.78	7,471.33	1,065.88	37,882.48	5,367.32	3,101.04	15,793.32	337.48	110,936.07

(Lender)

Source: Central Bank of Nigeria

by ₦1,189.30 billion (8.89%) to ₦12,181.15 billion reflecting the resettlement of external loan obligations by the CBN, and the decline in CBN's liabilities to non resident financial corporations.

8.6.3 Stock of Debt Securities

The stock of debt securities grew by ₦22,127.52 billion (14.47%) to ₦175,463.95 billion in 2025, compared with ₦153,283.34 billion in 2024, attributable to increased borrowing activities by the government to finance the budget deficit, and the shift towards debt securities instead of loans, due to attractive yield. Claims on CG by the CBN in terms of debt securities decreased by ₦348.58 billion (1.30%) to ₦26,395.00 billion in 2025, compared with ₦26,743.58 billion in 2024. The development reflects a contraction in domestic claims on FGN, due to the reduction in ways and means advances.

The CBN holdings of debt securities of foreign entities decreased by N303.62 billion (1.85%) to N16,083.02 billion, from N16,386.64 billion, owing to decrease in foreign investment inflows and portfolio rebalancing. NPV holdings of debt securities issued by the ODCs fell by N7.71 billion (42.20%) to N10.56 billion, from N18.27 billion, as high interest rates on government securities made investments in treasury bills and FGN bonds more attractive. However, the ODCs increased their holdings of debt securities issued by the CG by N2,239 billion (12.50%) to N20,147.30 billion in 2025, from N17,907.48 billion in 2024.

Figure 8.6.4: Sectoral Net Transactions in Loans in 2025 (N billion)

End-December 2025

Borrower

Lender / Sector	CBN	ODCs	OFCs	NPB	NPV	CG	SLG	OFS	ROW	Assets
CBN	-	-10,637.00	695.94	6.08	-	-944.83	-246.14	16.11	-0.15	-11,108.99
ODCs	-	-	8.15	-210.67	-280.84	-49.06	602.17	-904.35	-257.07	-1,051.68
OFCs	-	-1,720.09	-	-	82.76	1.53	-0.52	198.27	0.88	-1,457.16
NPB	-	-	-	-	-	-	-	-	-	-
NPV	-	-42.37	151.98	-	-	-	-	-	-	109.62
CG	-	-220.82	70.59	-	-	-	-	-	-	-150.23
SLG	-	-	-2.44	-	-	-	-	-	-	-2.44
OFS	-	5.60	84.53	-	-	-	-	-	-	90.13
ROW	-79.21	-4,229.16	-193.88	-	-	-	-	-	-	-5,222.25
Liabilities	-79.21	-16,843.82	812.88	-204.59	-178.08	-992.36	356.51	-689.97	-236.34	-18,772.99

Source: Central Bank of Nigeria

Figure 8.6.5: Sectoral Stock of Debt Securities at End-December 2025 (₦ billion)

End-December 2025

Issuer

Subscriber / Sector	CBN	ODG	OFG	NPB	NPV	CG	SLG	OFS	ROW	Assets
CBN		-	5,736.84	4,408.10		26,448.04			16,118.53	52,711.51
ODG	24,922.79		1,385.42		1,078.01	20,147.31	332.81	45.48	3,339.59	51,251.41
OFG	300.62				2,262.27	24,147.96	370.48		80.46	27,251.79
NPB										-
NPV		10.55	931.57							942.12
CG			24.36							24.36
SLG										-
OFS										-
ROW	33,602.74	73.75								33,676.49
Liabilities	58,916.15	84.31	8,098.83	4,408.10	3,340.28	70,725.31	703.29	45.48	19,538.58	165,857.88

End-December 2024

Issuer

Subscriber / Sector	CBN	ODG	OFG	NPB	NPV	CG	SLG	OFS	ROW	Assets
CBN	-	-	6,082.35	2,402.35		26,746.58			16,386.64	51,615.38
ODG	12,932.46	-	1,298.77		718.84	17,907.48	548.67	35.19	2,539.75	35,981.14
OFG	424.87		-		2,308.98	17,196.50	250.86		149.20	20,332.41
NPB				-	-	-	-	-	-	-
NPV		18.27	920.19	-	-	-	-	-	-	938.46
CG			24.36	-	-	-	-	-	-	24.36
SLG				-	-	-	-	-	-	-
OFS				-	-	-	-	-	-	-
ROW	24,836.02	15.24		-	-	-	-	-	-	34,851.26
Liabilities	38,193.34	33.51	8,326.10	2,402.35	3,022.82	61,844.56	799.53	35.19	19,075.59	153,733.21

Source: Central Bank of Nigeria

Figure 8.6.6: Sectoral Net Flows in Debt Securities at End-December 2025 (₦ billion)

End-December 2025

Issuer

Subscriber / Sector	CBN	ODCs	OFCs	NPB	NPV	CG	SLG	OFS	ROW	Assets
CBN	-	-	-325.74	2,005.52	-	-315.54	-	-	-268.11	1,096.13
ODCs	11,990.34	-	86.65	-	339.17	2,239.83	-215.86	10.29	799.84	15,270.26
OFCs	-34.25	-	-	-	-41.72	6,954.46	119.62	-	-68.75	6,929.38
NPB	-	-	-	-	-	-	-	-	-	-
NPV	-	-7.71	11.37	-	-	-	-	-	-	3.66
CG	-	-	0.00	-	-	-	-	-	-	0.00
SLG	-	-	-	-	-	-	-	-	-	-
OFS	-	-	-	-	-	-	-	-	-	-
ROW	8,766.72	58.52	-	-	-	-	-	-	-	8,825.23
Liabilities	20,722.81	50.80	-227.72	2,005.52	317.46	8,878.75	-96.24	10.29	462.99	32,124.67

Source: Central Bank of Nigeria

Note: Negative sign indicates draw down of debt securities, while positive sign indicates accretion.

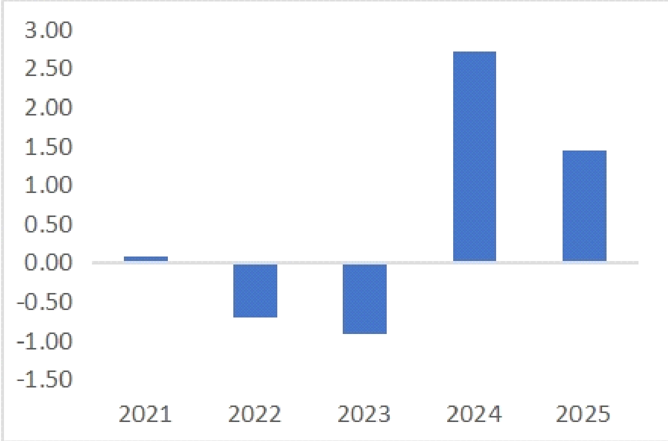
9.0 EXTERNAL SECTOR DEVELOPMENTS

Nigeria's external sector performance in 2025 was shaped by both global and domestic developments. Globally, rising demand alongside easing crude oil prices, persistent geopolitical tensions, and heightened trade frictions influenced the performance of trade and capital flows. On the domestic front, FX market conditions and the sustained recovery in crude oil production, increased domestic refining capacity, together with resilient remittance inflows supported the positive performance of the sector and contributed to improved foreign exchange liquidity. Consequently, both the overall balance of payments and the current account sustained their surplus positions in the review period. In addition, the financial account recorded a net borrowing position resulting from significant inflow of foreign capital. The stock of external reserves rose to US$45.75 billion in 2025 and could finance 8.77 months of import for goods and services. Developments in the FX market were characterised by relative stability throughout the year, indicative of improved market confidence and reduced uncertainty.

9.1 BALANCE OF PAYMENTS

An overall balance of payments surplus of US$4.23 billion (1.45% of GDP) was recorded in 2025, compared with US$6.83 billion (2.71% of GDP) in 2024. The current and capital account recorded a lower surplus of US$14.04 billion (4.82% of GDP), compared with US$19.03 billion (7.55% of GDP) in 2024, largely reflecting increased services and income payments. The financial account posted a net borrowing position of US$1.69 billion (0.58% of GDP), in contrast to the net lending position of US$9.65 billion (3.83% of GDP) in 2024. The development was driven mainly by sustained foreign investment inflow.

Figure 9.1.1: Balance of Payments (% of GDP)



Source : Central Bank of Nigeria

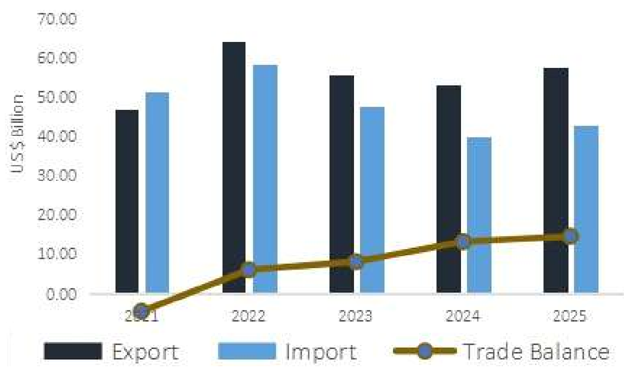
9.1.1 The Current and Capital Account

The current and capital account posted a lower surplus in 2025, owing, majorly, to higher services and primary income payments. The surplus declined to US$14.04 billion (4.82% of GDP), from US$19.03 billion (7.55% of GDP) in 2024.

9.1.1.1 The Goods Account

The goods account posted a higher trade surplus, driven by increased export earnings from both oil and nonoil. A trade surplus of US$14.51 billion (4.98% of GDP) was recorded, relative to US$13.17 billion (5.23% of GDP) in 2024. The improvement was largely attributed to robust growth in exports, with oil and non-oil exports increasing by 24.78 and 5.86 per cent, respectively.

Figure 9.1.2: Value of Import, Export and Trade Balance



Source: Central Bank of Nigeria

Import (Cost, Insurance, and Freight)

Merchandise import increased in the review period, influenced by higher importation of non-oil products. Import (unadjusted for balance of payments) rose to US$47.28 billion, from US$43.71 billion in 2024. Importation of non-oil products increased to US$33.04 billion, relative to US$28.96 billion in 2024, while petroleum products import decreased to US$14.24 billion, from US$14.75 billion in 2024. In terms of share, non-oil import remained dominant, accounting for 69.88 per cent of total import, while oil import accounted for the balance.

A breakdown of non-oil import based on activity sectors showed that the industrial sector accounted for 42.11 per cent of total import, followed by oil sector with 25.91 per cent. Manufactured products and food products accounted for 15.64 and 10.51 per cent, respectively. The transport, minerals and agricultural sectors accounted for 3.78, 1.04, and 1.00 per cent, respectively.

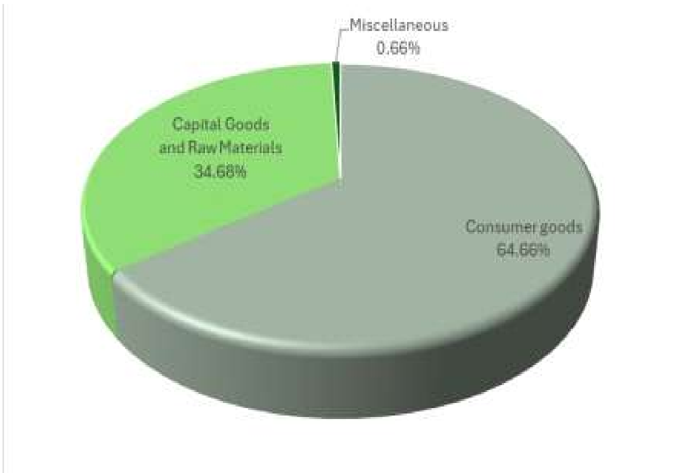
Import by Major Groups

The value of import by major groups increased by 8.17 per cent to US$47.28 billion in 2025, compared with US$43.71 billion in 2024. A breakdown showed that importation of consumer goods rose by 3.94 per cent to US$30.57 billion, relative to the value in 2024. Within the category, import of durable goods increased marginally to US$24.83 billion, compared with US$24.34 billion in 2024. The growth was mainly attributed to higher imports of products of chemical and allied industries, and plastics, rubber, & related articles. Non-durable goods, at US$5.74 billion, increased by 13.21 per cent, relative to US$5.07 billion in the preceding year. The rise in import of consumer non-durable goods was largely driven by increased purchases of vegetable products and live animal products.

Import of capital goods and raw materials increased by 19.99 per cent to US$16.39 billion, from US$13.66 billion in 2024. A disaggregation revealed that importation of capital goods, with a value of US$12.91 billion rose by 20.54 per cent, compared with US$10.71 billion in 2024. The increased import of capital goods was majorly influenced by the rise in the importation of boilers, machinery & chemical appliances; and vehicles, aircraft and parts. Similarly, import of raw materials, at US$3.48 billion, increased by 18.37 per cent, relative to US$2.94 billion, in the preceding year.

Miscellaneous import declined by 51.56 per cent to US$0.31 billion in the review period. The decline was solely attributed to the fall in the importation of arms and ammunition, parts thereof. Analysis of import by share indicated the dominance of consumer goods with 64.66 per cent, of which durable and non-durable goods accounted for 52.2 and 12.14 per cent, respectively. Capital goods (27.32%) and raw materials (7.36%) categories accounted for 34.68 per cent, while the miscellaneous category accounted for the balance of 0.66 per cent.

Figure 9.1.3: Import by Major Groups

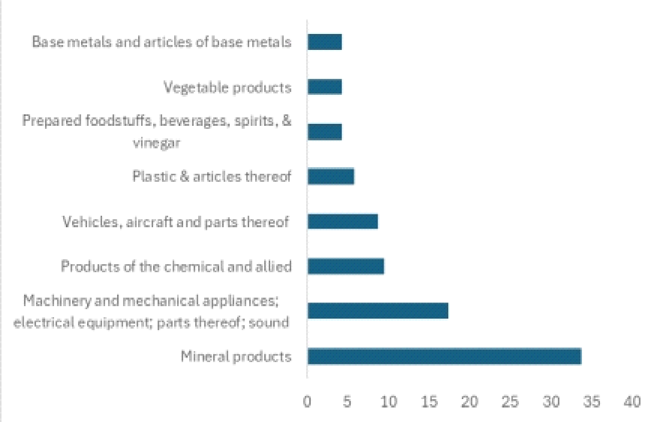


Source: Central Bank of Nigeria

Import by the Harmonised System (HS) Section

Analysis of import by HS classification indicated that mineral products (including petroleum products) was US$15.94 billion or 33.73 per cent of the total import. This was followed by machinery and mechanical appliances; eelectrical equipment, parts thereof, sound category with a value of US$8.26 (17.47%). Products of the chemical and allied, valued at US$4.54 billion (9.59%) of the total. Vehicles, aircraft and parts thereof at US$4.15 billion (8.79%); plastic & articles thereof, US$2.78 billion (5.87%); prepared foodstuffs, beverages, spirits, & vinegar, and vegetable products US$2.05 billion (4.34%) apiece; and Base metals and articles of base metals, US$2.04 billion (4.32%). Other categories of import accounted for the balance.

Figure 9.1.4: Import by HS Classification (per cent)



Source: Central Bank of Nigeria

Non-oil Imports by Country of Origin

Analysis of the direction of non-oil import revealed that China remained the major source with a share of 43.56 per cent of the total, followed by the US and India with shares of 7.48 and 7.39 per cent, respectively. Further analysis showed that import from Brazil accounted for 3.28 per cent of total non-oil import; Germany (2.77%), United Arab Emirates (2.00%) and the United Kingdom (1.71%). Import from the Republic of Korea constituted 1.69 per cent, France (1.64%), Indonesia (1.49%), Turkey (1.45%), Spain (1.44%), Italy (1.32%), Japan (1.28%), and Saudi Arabia (1.25%). Import from other countries accounted for the balance.

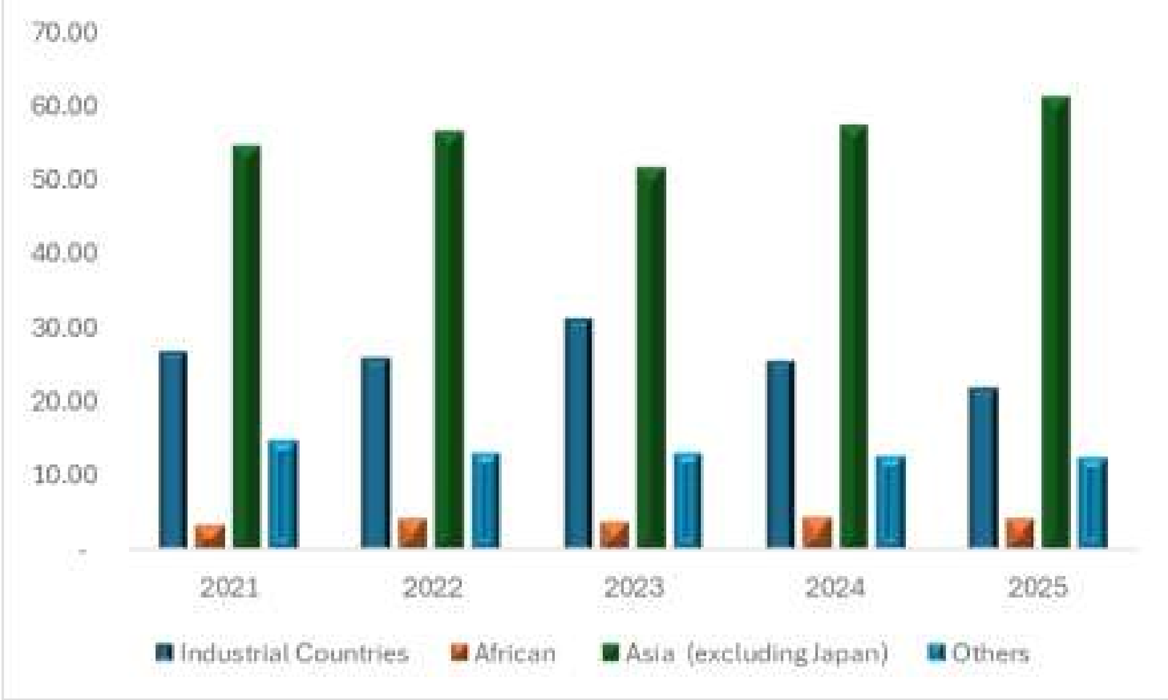
Analysis of non-oil import by group showed that import from Asia (excluding Japan) dominated with a share of 61.11 per cent, an increase of 3.81 percentage points from the level in 2024. This was followed by the share of industrialised countries at 21.95 per cent, indicating a decrease of 3.57 percentage points below the level in the preceding year. The share of import from African countries decreased by 0.06 percentage points to 4.37per cent, from the level in 2024. The share of "other countries" as a group also decreased to 12.58 per cent, relative to 12.75 per cent in 2025 per cent, from the level in 2024.

ii. Export (Free on Board)

Aggregate export earnings increased on account of higher non-crude oil commodity prices, improved global demand, and the commencement of refined petroleum products export. Aggregate export earnings increased by 8.53 per cent to US$57.49 billion (19.75% of GDP), relative to US$52.97 billion (21.02% of GDP) in 2024. In terms of composition, crude oil, gas and refined petroleum products export remained dominant, accounting for 83.79 per cent of total export receipts, of which crude oil contributed 4.86 per cent, gas 18.28 per cent and refined petroleum products, 10.66 per cent. Non-oil export accounted for the balance of 16.21 per cent. A disaggregation indicated that receipts from crude oil, gas and refined petroleum products exports rose by 6.78 per cent to US$48.17 billion (16.55% of the GDP), compared with US$45.51 billion (18.06% of the GDP) in 2024.

Further disaggregation showed that crude oil export receipts fell to US$31.54 billion from US$36.85 billion in 2024, due, largely, to the decline in crude oil prices relative to the preceding year. Receipts from gas export however, increased by 21.36 per cent to US$10.51 billion or 3.61 per cent of GDP, from US$8.66 billion, equivalent to 3.44 per cent of GDP. The growth was driven by increased gas production and strong global demand. Nigeria exported refined petroleum products worth US$6.13 billion in 2025, on account of the operations of the Dangote refinery.

Figure 9.1.5: Non-oil import by Region (percentage share of total)



Source: Central Bank of Nigeria

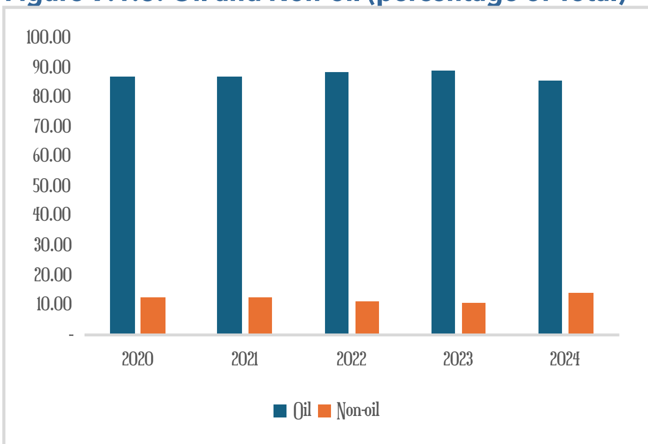
Non-oil export receipts also recorded notable growth, increasing by 24.79 per cent to US$9.31 billion (3.20% of GDP), from US$7.46 billion (2.96% of GDP) in 2024. The growth was on account of higher receipts from export of agricultural products and re-exports.

Crude Oil Exports

Crude oil export earnings fell by 14.41 per cent to US$31.54 billion, relative to US$36.85 billion in 2024, reflecting lower international crude oil prices arising from a global supply glut in the review period. On a country-by-country basis, Spain was the largest importer of Nigeria's crude oil, followed by France, India, Canada, the Netherlands, Indonesia, Italy, the US, South Africa and Côte d'Ivoire.

By continent, Europe remained the major destination for Nigeria's crude oil export, accounting for US$14.67 billion or 46.51 per cent of the total export value. Within the region, Spain ranked highest with US$3.30 billion, accounting for 10.46 per cent of the total. This was followed by France at US$3.24 billion (10.27%); the Netherlands at US$2.70 billion (8.56%); Italy at US$2.37 billion (7.51%); and Germany at US$0.70 billion (2.22%). Other countries in the group accounted for the balance. Export to Asia followed, with a value of US$6.93 billion (21.97%).

Figure 9.1.6: Oil and Non-oil (percentage of Total)

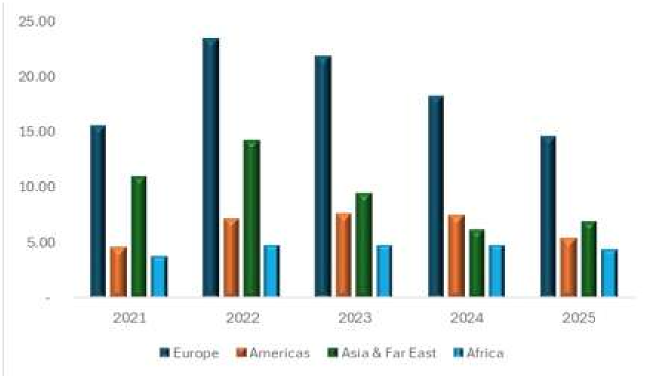


Source: Central Bank of Nigeria

In the group, India's import of Nigeria's crude oil was US$2.84 billion (9.00%). This was followed by Indonesia, with a value of US$2.46 billion (7.80%). Other countries in the group accounted for the balance. Export to North America was US$4.66 billion, accounting for 14.77 per cent. Canada and the US imported Nigeria's crude worth US$2.76 billion (8.75%) and US$1.90 billion (6.02%), respectively. Export to South America was US$0.76 billion (2.41%), with export to Peru, Uruguay and Brazil accounting for 1.33, 0.89, and 0.19 per cent, respectively.

Nigeria realised US$4.39 billion from the export of crude oil to Africa, representing 13.92 per cent of the total crude export. Export to South Africa was the highest, with a value of US$1.57 billion (4.98%), followed by Côte d'Ivoire at US$1.31 billion (4.15%) and Senegal, at US$0.75 billion (2.38%).

Figure 9.1.7: Direction of Crude Oil Export



Source: Central Bank of Nigeria

Non-oil Exports

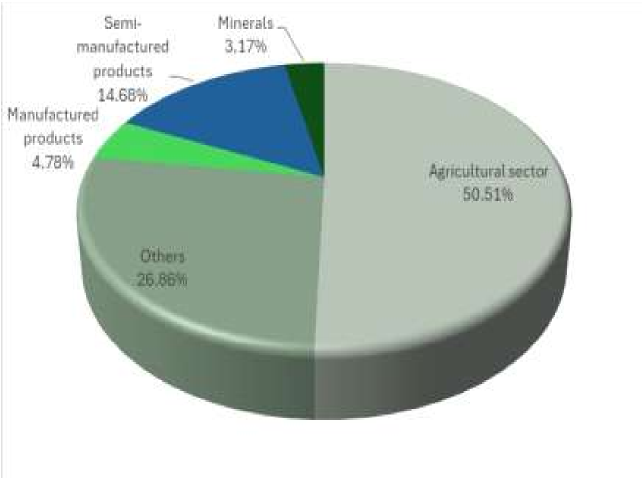
Proceeds from non-oil export rose, attributed to improved global demand and higher commodity prices. Non-oil export receipts increased by 24.79 per cent to US$9.31 billion (3.20% of GDP), from US$7.46 billion (2.96% of GDP) in 2024. A disaggregation showed that non-oil export receipts grew by 23.36 per cent to US$8.22 billion, compared with US$6.61 billion in 2024. Similarly, receipts from electricity export (to Niger, Togo and Benin Republic) rose by 33.33 per cent to US$0.24 billion, relative to US$0.18 billion in the preceding year. Re-exports also increased to US$0.86 billion, from US$0.68 billion in 2024.

Analysis of non-oil export by products indicates that cocoa beans remained the leading export product, with a value of US$2.84 billion (30.50% of total), an increase of 30.28 per cent above the level in 2024. The increase reflected higher global cocoa prices, stemming from severe supply disruptions in major producing countries, notably Côte d'Ivoire and Ghana. Similarly, the export value of urea increased to US$1.67 billion (17.95%) from US$1.11 billion in 2024, while cashew nuts rose to US$0.78 billion (8.35%) from US$0.39 billion in 2024.

Receipts from the export of cocoa products increased to US$0.55 billion (5.87%) from US$0.39 billion. Sesame seeds at US$0.44 billion (4.69%) increased by 15.79 per cent relative to the level in the preceding period. Receipts from the export of electricity also increased to US$0.24 billion (2.53%) and that of fertiliser rose significantly to US$0.19 billion (2.06%). The value of copper export rose to US$0.15 billion (1.57%) from US$0.06 billion in 2024. Proceeds from the export of tobacco increased to US$0.10 billion (1.05%) from US$0.07 billion. The value of aluminium export, however, fell to US$0.24 billion (2.56%) from US$0.29 billion in 2024. Other products accounted for the balance.

A disaggregation by sector revealed that the agricultural sector remained the leading non-oil export sector with an export value of US$4.70 billion (50.51%), compared with US$3.68 billion in 2024. The development reflected the positive effect of government policies in the sector. Receipts from "other" sector rose to US$2.50 billion (26.86%) from US$1.62 billion in the preceding period. Semi-manufactured products increased to US$1.37 billion (14.68%) from US$1.10 billion in 2024, while manufactured products rose to US$0.44 billion (4.78%) from US$0.42 billion. Receipts from the export of mineral products, however, fell to US$0.30 billion (3.17%) from US$0.65 billion in 2024.

Figure 9.1.8: Non-oil Export by Sectors



Source: Central Bank of Nigeria

Non-oil Exports to ECOWAS Sub-region

Non-oil export to the ECOWAS sub-region rose by 9.68 per cent to US$0.34 billion, from US$0.31 billion in 2024. Export to Ghana was the highest with US$0.11 billion (33.65%). This was followed by: Côte d'Ivoire, US$0.06 billion (18.92%); Togo, US$0.05 billion (14.45%), Burkina Faso US$0.04 billion (11.25%); Niger, US$0.03 billion (7.58%); Senegal, US$0.02 billion (5.57%) and Benin, US$0.01 billion (2.78%).

Export to Mali accounted for 1.45 per cent of total exports to the sub-region, followed by Guinea (1.04%), Sierra Leone (0.93%), Liberia (0.88%), The Gambia (0.73%), and Guinea Bissau (0.72%). The dominant export products to the sub-region were urea, cocoa, plastics, rubber, plastic footwear, soaps & detergents, and polybags.

Activities of the Top 100 Non-oil Exporters

Aggregate receipts from the top 100 non-oil exporters increased by 15.04 per cent to US$5.43 billion, from US$4.72 billion in 2024. This constituted 58.32 per cent of total non-oil export receipts.

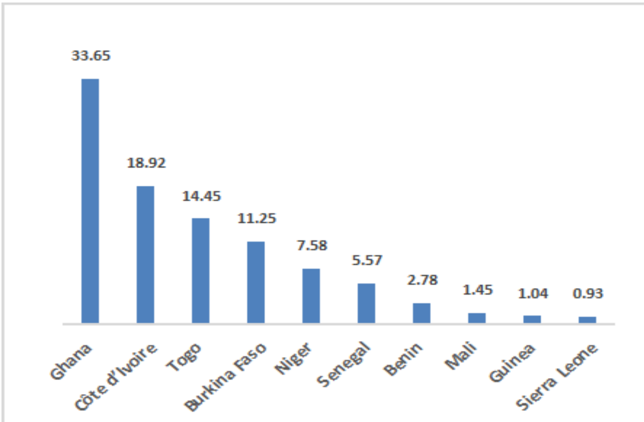
A breakdown showed that Indorama Eleme Fertiliser and Chemical Ltd maintained the first position with proceeds of US$0.80 billion, accounting for 14.73 per cent of the total, from the export of granular urea in bulk to Côte d'Ivoire, Brazil, Canada, USA, Senegal, Benin, Cameroon, and Argentina. Dangote Fertiliser Limited ranked second with proceeds of US$0.51 billion (9.43%), from the export of fertilisers to the United States and Brazil. Starlink Global and Ideal Limited ranked third with US$0.49 billion (9.05%), from the export of raw cocoa beans, raw cashew nuts, shea nuts, and sesame seeds to Malaysia. Sunbeth Global Concept Limited ranked fourth with an export value of US$0.33 billion (6.15%) from the export of raw cocoa beans and cashew nuts to the US, Europe and Asia. Outspan Nigeria Limited ranked fifth with US$0.32 billion (5.90%), from the export of cotton lint, sesame seeds, cocoa beans and dry ginger to The Netherlands, Germany, France, USA, Italy, and Spain.

Tulip Cocoa Processing Limited ranked sixth with US$0.31 billion (5.71%) from the export of cocoa cake, pure prime pressed and cocoa butter to The Netherlands, Mexico and Spain. Segilola Resources Operating Limited ranked seventh with US$0.23 billion (4.16%), from the export of gold to Australia and Saudi Arabia. Olatunde Int'l Limited ranked eighth with US$0.20 billion (3.76%), from the export of raw cocoa beans to Spain, The Netherlands, and Belgium.

Metal Recycling Industries Limited ranked ninth with proceeds of US$0.14 billion (2.63%), from the export of aluminium to Saudi Arabia. In the tenth place was Agro Traders Limited with US$0.13 billion (2.36%), from the export of cocoa beans and cocoa products to The Netherlands.

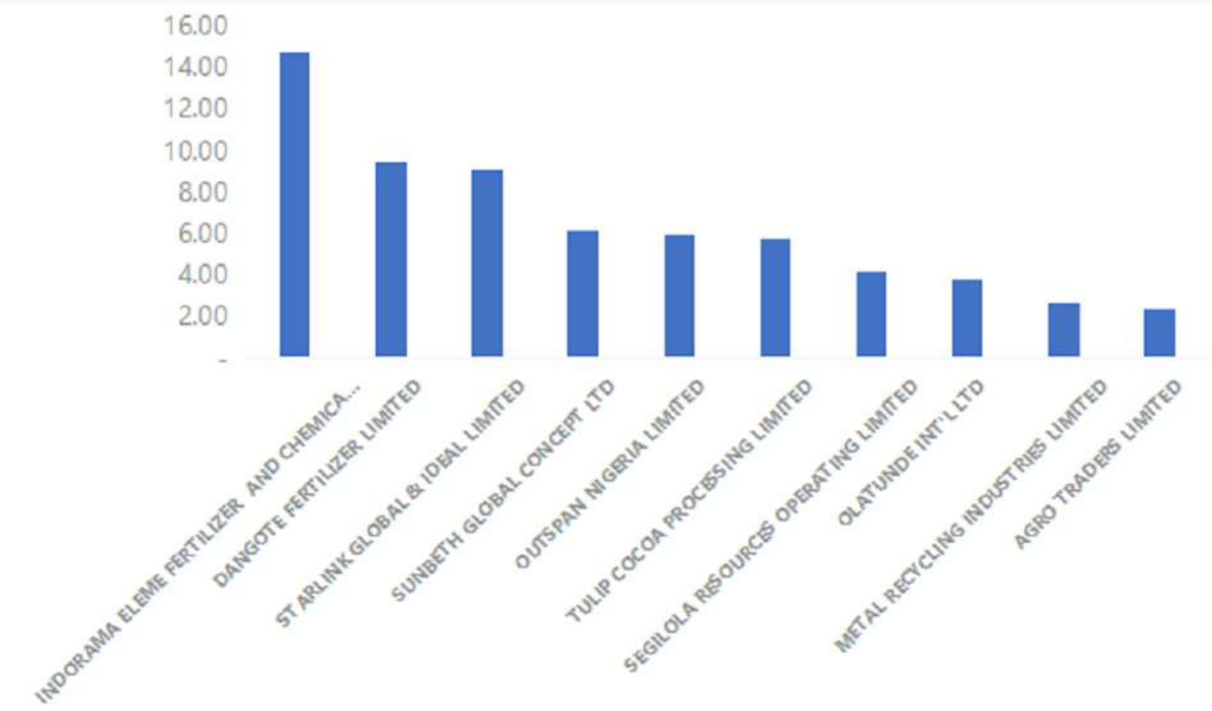
In the 98th position was Guinness Nigeria Plc, with export value of US$0.04 billion (0.09%) from the export of alcoholic & non-alcoholic beverages. Agrocomm Global Trading Limited and Nestle Nigeria PLC were at the 99th and 100th positions, with shares of 0.09 per cent apiece. The proceeds were from the sale of cashew seeds & dried cashew nuts and food products, respectively.

Figure 9.1.9: Non-oil Export to the ECOWAS Sub-Region (per cent)



Source: Central Bank of Nigeria

Figure 9.1.10: Top 10 Non-oil Exporters (Percentage share in Total)



Source Central Bank of Nigeria

9.1.1.2 Services Account

The deficit in the services account widened, driven largely by higher payment for travels. The deficit widened by 9.13 per cent to US$14.58 billion (5.01% of GDP), from US$13.36 billion (3.65% of GDP) in 2024. The development was due to higher payments particularly for travels and transportation services.

Aggregate services receipts increased by 10.72 per cent to US$5.06 billion, compared with the level in 2024. Of the total, receipts from transport services, rose by 5.45 per cent to US$2.32 billion, relative to US$2.20 billion in 2024. Similarly, travel services receipts rose to US$0.62 billion from US$0.30 billion in the preceding year. Insurance and pension services also increased to US$0.17 billion from US$0.15 billion in 2024. Receipts from other business services increased by 22.22 per cent to US$0.11 billion, relative to US$0.09 billion in 2024.

Receipts from financial services however, decreased to US$0.98 billion, compared with US$1.15 billion in 2024. Telecommunication, computer and information services receipts also decreased to US$0.11 billion from US$0.18 billion in 2024.

In terms of share of total services receipts, transportation services accounted for the highest share of 45.84 per cent, followed by travel services, government and insurance services with 12.25, 9.88, and 3.35 per cent, respectively. Receipts from telecommunications and other business services accounted for 2.17 per cent apiece, while financial services accounted for 1.97 per cent.

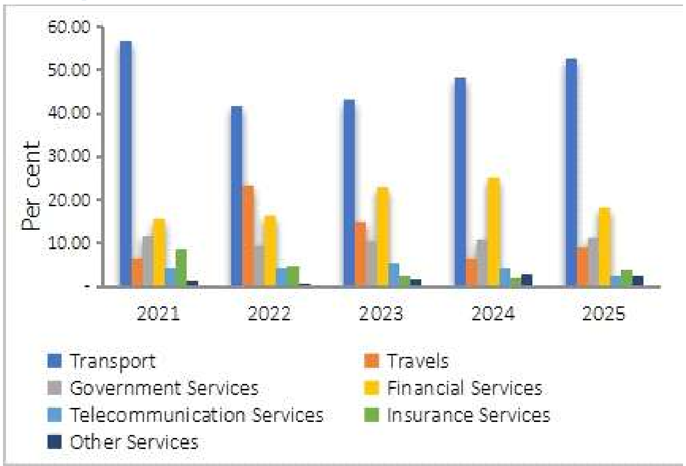
Payments for international services increased by 9.54 per cent to US$19.64 billion, from US$17.93 billion in 2024, owing to a higher demand for international services, particularly travels.

A disaggregation showed that payment in respect of travel services increased by 32.16 per cent to US$6.00 billion from US$4.54 billion in 2024, due largely to the increase in payments for personal travels. Payments for transport services increased by 3.60 per cent to US$6.62 billion relative to the level in 2024. Payments for insurance & pension services increased by 50.70 per cent to US$1.07 billion. Similarly, payments for government services rose by 11.11 per cent to US$0.70 billion from US$0.63 billion in 2024.

However, payments for other business services declined by 1.81 per cent to US$3.80 billion. Similarly, payment for financial and telecommunications services decreased by 22.08 and 24.24 per cent to US$0.60 billion and US$0.50 billion, respectively.

In terms of share in total payments, transportation services constituted 33.70 per cent and travel services, 30.54 per cent. Payments for other business services constituted 19.34 per cent; insurance services (5.44%); government services (3.56%); financial services (3.05%); telecommunication services (2.54%), while other categories of services accounted for the balance.

Figure 9.1.11: Percentage Share of Services Receipts



Source: Central Bank of Nigeria

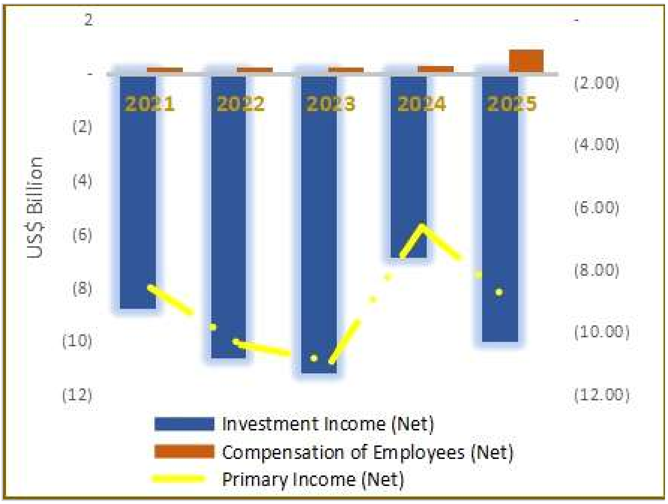
9.1.1.3 The Primary Income Account

The deficit in the primary income account widened, owing mainly to higher claims on dividends and interests by non-resident investors.. The primary income account posted a deficit of US$9.09 billion (3.12% of GDP) in 2025, relative to US$5.65 billion (2.24% of GDP) in 2024.

The deficit in the investment income sub-account widened significantly to US$10.01 billion from US$5.92 billion in 2024, due to higher dividend and interest claims. A disaggregation showed that payment of dividends on direct investments increased to US$3.83 billion from US$3.19 billion owing to higher returns on investments. Similarly, interest payments on portfolio investment rose to US$4.95 billion, from US$3.48 billion in 2024, due to a significant increase in interest payments on short-term debt securities. Also, interest payments on other investment, particularly loans, increased by 38.30 per cent to US$3.02 billion in 2025 from US$2.18 billion in 2024,

Dividend receipts by residents increased to US$0.31 billion from US$0.27 billion in 2024. Interest receipts on portfolio investment also increased to US$0.25 billion from US$0.10 billion in 2024, while interest receipts on other investment rose to US$0.39 billion from US$0.33 billion in 2024. The compensation of employees' sub-account maintained a surplus position, increasing to US$0.92 billion in 2025, from US$0.27 billion in 2024.

Figure 9.1. 12: Primary Income Account (US$ Billion)

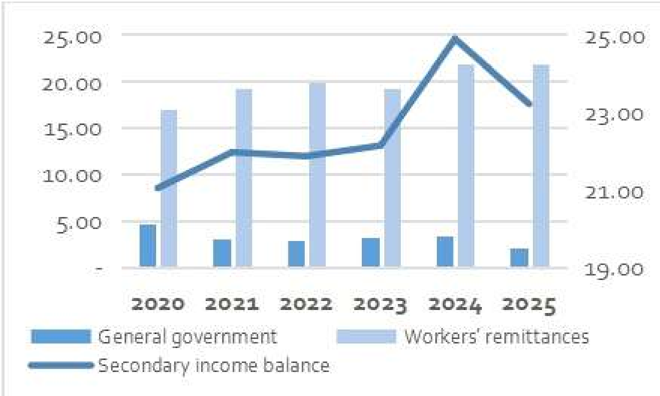


Source: Central Bank of Nigeria

9.1.1.4 The Secondary Income Account

The surplus position in the secondary income account moderated, primarily driven by lower general government transfer receipts. The secondary income account surplus fell to US$23.20 billion (7.97% of GDP), compared with US$24.88 billion (9.87% of GDP) in 2024. The decline was due to the 38.60 per cent fall in government transfer (aid and grants) receipts to US$2.07 billion, relative to US$3.37 billion in 2024. Personal transfers, particularly diaspora remittances was US$21.81 billion, same as the level in 2024.

Figure 9.1. 13: Secondary Income Account

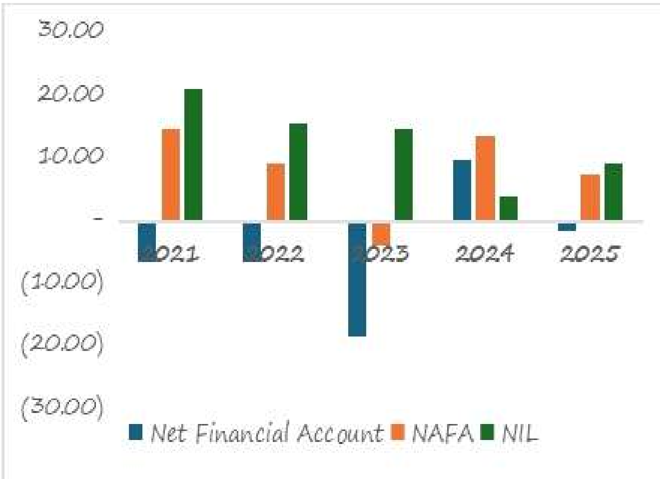


Source: Central Bank of Nigeria

9.1.2 The Financial Account

The financial account recorded a net borrowing position in 2025, reflecting sustained capital inflow, particularly the improvement in FDI. A net borrowing position of US$1.69 billion (0.58% of GDP) was recorded, against a net lending position of US$9.62 billion (3.83% of GDP) in 2024.

Figure 9.1.14: Financial Account



Source: Central Bank of Nigeria
Note: Net Acquisition of Foreign Assets (NAFA), Net Incurrence of Liability (NIL

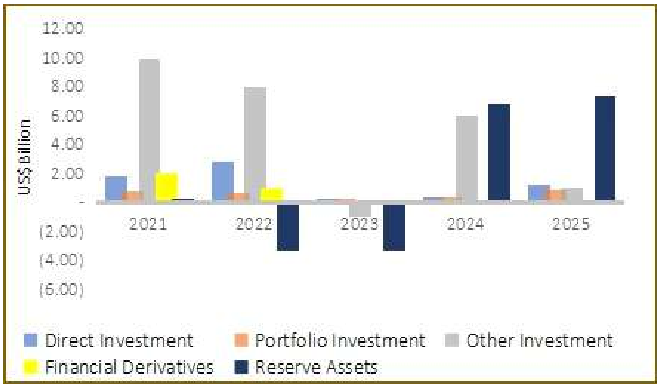
9.1.3.1 Acquisition of Financial Assets

A lower net acquisition of foreign financial assets worth US$7.39 billion (2.54% of GDP) was recorded, compared with US$13.59 billion (6.50% of GDP) in 2024. The development was driven primarily by decreased holdings of foreign currency and deposits of the private sector and lower accretion to external reserves. A disaggregation showed that acquisition of other investment assets declined to US$0.95 billion from US$6.04 billion in 2024, driven by a reduction in foreign currency holdings by residents. Loans (particularly short-term loans by deposit-taking corporations) worth US$0.49 billion was repaid in 2025, compared with US$0.51 billion in 2024.

Foreign Direct Investment (FDI) assets rose to US$1.19 billion in 2025, from US$0.41 billion in 2024, attributed to the higher reinvested earnings by residents. Foreign portfolio investment assets worth US$0.91 billion was acquired in 2025, compared with US$0.32 billion in 2024, on account of higher purchase of fixed-income debt securities by banks.

External reserve assets recorded a lower accretion of US$4.23 billion in 2025, compared with US$6.83 billion in 2024, following the settlement of balance of payments

Figure 9.1.15: Financial Assets



Source: Central Bank of Nigeria

9.1.3.2 Incurrence of Financial Liabilities

Aggregate foreign financial liabilities increased to US$9.08 billion (3.12% of GDP) from US$3.93 billion (1.56% of GDP) in 2024. The development reflected the higher inflow of direct investment liabilities, particularly, reinvested earnings, and sustained inflow of portfolio.

A disaggregation showed that the inflow of FDI rose significantly to US$4.01 billion, from US$0.41 billion in 2024. The development reflected the significant increase in reinvested earnings to US$2.90 billion, from US$0.45 billion in 2024. Inflow for the purchase of equities, however, fell to US$1.22 billion, from US$1.49 billion in 2024.

Inflow of portfolio investment liabilities fell to US$8.04 billion, from US$15.55 billion in 2024, following the reduction in the purchase of central bank short-term securities. Inflow for the purchase of equity also fell to US$0.84 billion, from US$1.92 billion in 2024. Similarly, inflow from the purchase of debt securities fell to US$7.20 billion, relative to US$13.63 billion in 2024, following the decline in the purchase of fixed income securities.

Other investment liabilities reduced by US$3.08 billion, compared with US$13.09 billion in 2024, driven, largely, by a decline in short term loan liabilities of deposit taking corporations.

Figure 9.1.16: Financial Liabilities

Source: Central Bank of Nigeria

9.1.3.3 External Debt

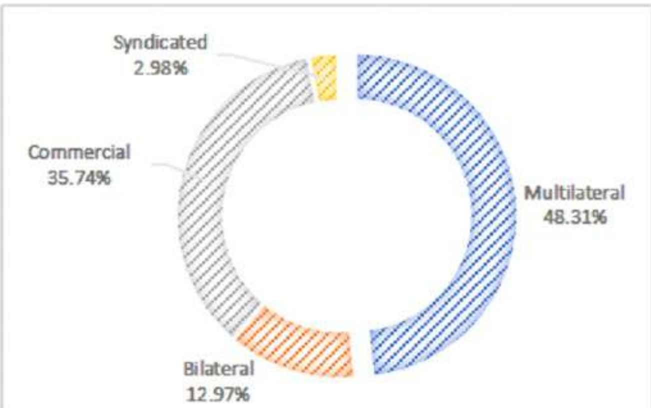
Public external debt rose by 5.85 per cent to US$48.46 billion (16.6% of GDP) at end September 2025, compared with US$45.78 billion (24.41% of GDP) recorded at end December 2024. The increase was driven, largely, by incurrence of additional multilateral loans.

Analysis by composition showed that multilateral borrowing, mainly from the World Bank Group, and the African Development Bank, increased to US$23.41 billion (48.31% of total), from US$22.32 billion (48.75% of total). Bilateral loans, mainly from the China EXIM Bank, increased to US$6.29 billion (12.97% of total), compared with US$6.09 billion (13.30% of total) in 2024. Furthermore, syndicated loans, which constituted 2.98 per cent of total external debt, increased to US$1.45 billion from US$0.05 billion (0.12% of total). Loans from commercial sources, in the form of Eurobond, however, was US$17.32 billion, same as in 2024.

Figure 9.1.17: External Debt Stock (US$ Billion)

Source: Debt Management Office

Figure 9.1.18: Composition of External Debt Stock



Source: Central Bank of Nigeria

9.1.3.4 Capital Importation and Outflow

i. Capital Importation by Nature of Investment

Capital inflow increased by 93.71 per cent to US$23.40 billion in 2025, from US$12.08 billion in 2024, owing to gains from ongoing reforms in the FX market, particularly the renewed investor confidence, coupled with competitive returns in the domestic financial market. A disaggregation by type of investment showed that portfolio investment, at US$19.86 billion, accounted for the largest share of 84.85 per cent. Of this amount, the purchase of money market instruments amounted to US$13.94 billion (59.58%); bonds, US$4.89 billion (20.91%); and equity, US$1.02 billion (4.37%).

Inflow of other investment stood at US$2.62 billion (11.20% of total), of which loans amounted to US$2.55 billion (10.91%). 'Other claims' was US$0.04 billion (0.18%), while trade credits was US$0.02 billion (0.08%). Currency and deposits, at US$0.01 billion, constituted 0.02 per cent. Furthermore, FDI inflow, dominated wholly by FDI equity, at US$0.92 billion constituted 3.95 per cent of total capital inflow.

ii. Capital Importation by Country of Origin

Analysis of capital importation by country of origin indicated that the United Kingdom was the dominant source, with a value of US$12.31 billion (52.59% of total). This was followed by the US at US$3.07 billion (13.11%), the Republic of South Africa, US$2.84 billion (12.12%); and Mauritius, US$1.86 billion (7.93%); while other countries accounted for the balance.

iii. Capital Importation by Sector

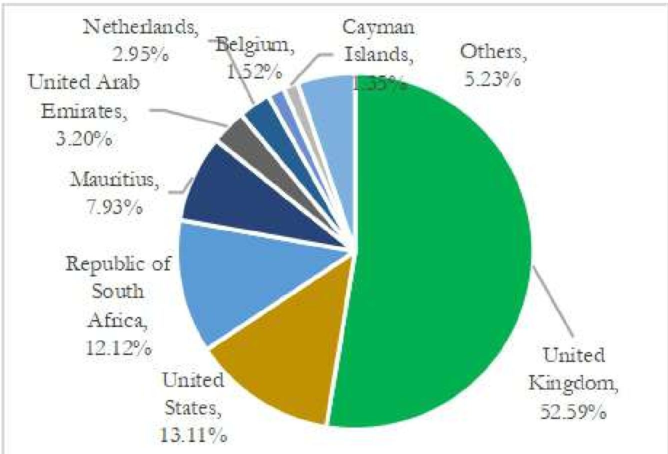
A disaggregation of capital inflow by economic sectors showed that banking and financing sectors dominated receipts, accounting for 87.29 per cent of total receipts. The banking sector received the highest share of 58.25 per cent (US$13.63 billion), while the financing sector accounted for 29.04 per cent (US$6.80 billion). Other sectors made up the balance.

Table 9.1.1: Capital Importation (US$ Million)

Nature of Capital	2021	2022	2023	2024	2025
FDI – Equity	686.7	496.7	377.30	736.99	869.35
FDI - Other capital	0.6	5.2	51.0	9.15	54.66
Sub -Total	**687.3**	**501.9**	**377.35**	**746.14**	**924.01**
Portfolio Investment – Equity	209	56.6	246.53	413.14	1,023.65
Portfolio Investment – Bonds	564.1	980.3	474.08	998.99	4,892.64
Portfolio Investment - Money Market Instruments	2,387.40	1,452.60	428.90	6,819.02	13,942.65
Sub – Total	**3,160.50**	**2,489.50**	**1,149.50**	**8,231.15**	**19,858.94**
Other Investments - Trade Credits	0.2	3.0	-	-	19.50
Other Investments - Loans	2.399.6	2,323.40	2,306.36	3,025.11	2,554.10
Other Investments - Currency Deposits	0.7	9.3	1.91	0.30	5.00
Other Investments - Other Claims	263.1	95.0	65.85	80.61	41.94
Sub – Total	**2,663.60**	**2,430.70**	**2,374.12**	**3,105.74**	**2,620.54**
TOTAL	**6,511.40**	**5,422.10**	**3,900.97**	**12,083.04**	**23,403.49**

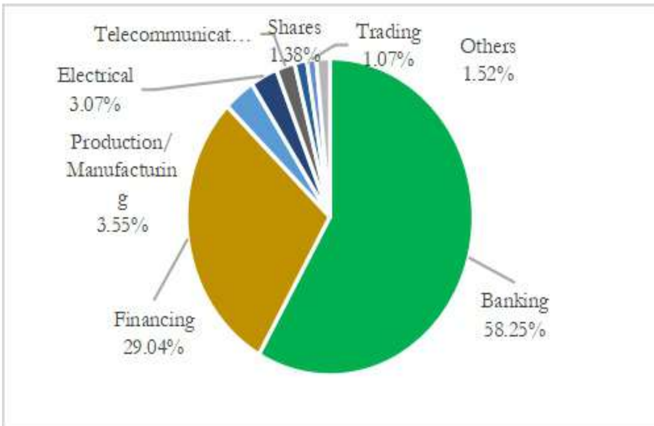
Sources: Central Bank of Nigeria

Figure 9.1.19: Capital Importation by Country of Origin



Source: Centrral Bank of Nigeria

Figure 9.1. 20: Capital Importation by Sector



Source: Centrral Bank of Nigeria

iv. Capital Importation by Destination

In terms of the destination of capital, Lagos State ranked highest, with an inflow of US$16.77 billion, constituting 71.65 per cent of the total. This was followed by the Federal Capital Territory (FCT) at US$6.59 billion (28.16%). Other states accounted for the balance.

v. Capital Outflow

Aggregate capital outflow rose to US$21.12 billion, from US$9.89 billion in 2024. Capital transfers rose to US$13.70 billion (64.87% of total), relative to US$5.21 billion in 2024. Repayment of loans increased to US$6.07 billion (28.74%), compared with US$3.10 billion in 2024. Repatriation of dividends rose by 83.56 per cent to US$1.34 billion (6.34%), relative to the level in the preceding period, while 'others' accounted for the balance.

Figure 9.1.21: Capital Importation by States 2025

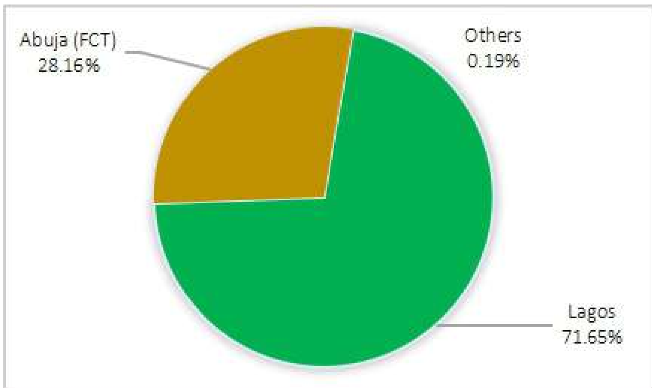
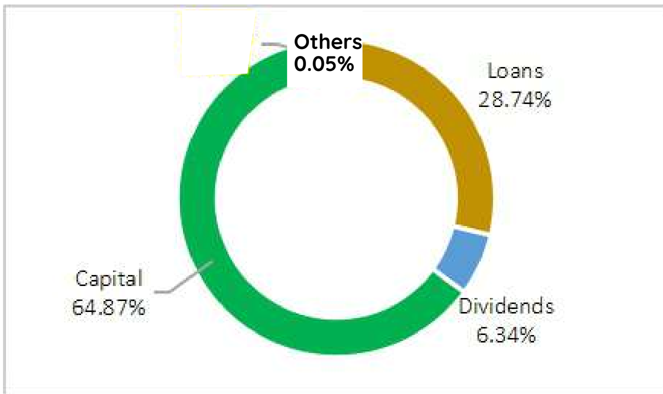


Figure 9.1.22: Capital Outflow 2025



9.2 THE INTERNATIONAL INVESTMENT POSITION

Nigeria's international investment recorded a higher net borrowing position in 2025, buoyed majorly by higher FDI liabilities. Consequently, the net financial liability stood at US$90.15 billion in 2025, compared with US$82.69 billion in 2024.

The stock of financial assets increased to US$125.58 billion in 2025, from US$116.73 billion in 2024. The asset composition was dominated by other investment, accounting for 44.19 per cent of the total. This was followed by reserve assets at 36.43 per cent, direct investment at 14.76 per cent, portfolio investment at 4.42 per cent, and financial derivatives at 0.20 per cent.

A disaggregation showed that the stock of foreign direct investment assets increased by 5.49 per cent to US$18.53 billion, from the level in 2024, reflecting the higher acquisition of FDI equity by residents. Similarly, the stock of portfolio investment assets rose by 19.55 per cent to US$5.55 billion in 2025, compared with the level in 2024, driven by increased investment in debt securities by resident banks.

The stock of other investment assets increased to US$55.49 billion in 2025, compared with US$54.20 billion in 2024. A breakdown indicated that foreign currency and deposits rose to US$52.26 billion in 2025, from US$51.92 billion in the preceding year, reflecting largely increased foreign currency and deposits holdings by the private sector. In contrast, the stock of loans declined to US$0.07 billion, from US$0.22 billion in 2024, attributed to the repayment of short-term loans by deposit-taking corporations. Trade credits and advances to non-residents increased to US$2.00 billion in 2025, from US$1.90 billion in 2024.

The stock of external reserve assets rose by 13.85 per cent to US$45.75 billion in 2025, from US$40.19 billion in 2024. The increase was driven largely by higher inflow from crude oil-related taxes and third-party receipts. In addition, the stock of financial derivatives increased to US$0.26 billion in 2025, from US$0.13 billion in 2024.

The stock of financial liabilities increased to US$215.73 billion in 2025, from US$199.42 billion in 2024. The composition of liabilities shows that direct investment liabilities constituted 43.06 per cent, followed by other investment with a share of 33.61 per cent, portfolio investment liabilities (23.23%) and financial derivatives (0.10%).

A further breakdown showed that the stock of direct investment liabilities increased to US$92.89 billion, from US$86.16 billion. Further disaggregation indicated that the stock of direct investment equity rose by 12.30 per cent to US$55.06 billion, from US$49.03 billion in 2024. The stock of FDI debt instruments, also rose to US$37.83 billion, from US$37.13 billion in 2024.

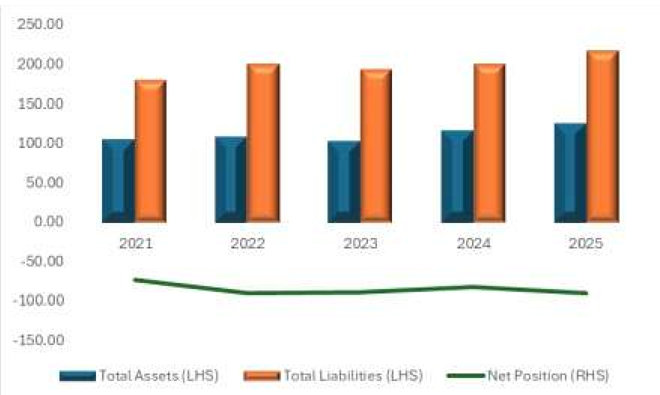
The stock of portfolio investment liabilities rose to US$50.12 billion, compared with US$40.07 billion in 2024. The development reflected the 24.45 per cent rise in investment in debt securities to US$45.45 billion, from the level in the preceding period. Portfolio investment equities increased to US$4.67 billion, from US$3.55 billion, owing to the higher purchase of equities, following favourable returns in the domestic financial market.

Other investment liabilities decreased to US$72.50 billion from US$73.09 billion in 2024, mainly on account of loan repayments by deposit taking corporations. The aggregate loan liabilities declined to US$54.41 billion, from US$55.30 billion. The stock of currency & deposits fell to US$3.56 billion, from US$4.19 billion in 2024.

9.3 EXCHANGE RATE MOVEMENTS

Exchange rate remained relatively stable in the period under review, influenced by reforms in the FX market. The average exchange rate at the NFEM was ₦1,518.38/US$ in 2025, compared with ₦1,478.97/US$ in 2024. The end-period exchange rate stood at ₦1,435.76/US$, a 6.97 per cent appreciation, relative to ₦1,535.82/US$ at end 2024. The initial shock associated with reform measures continued to wane, fostering a more stable exchange rate environment in the latter part of the year. This followed continued price discovery and improved efficiency of the foreign exchange market.

Figure 9.2.23: International Investment Position



9.3.1 The Nominal and Real Effective Exchange Rates (December 2024= 100)

The average 19-currency nominal effective exchange rate (NEER) index increased to 100.71 in 2025, from 97.46 in 2024, indicating nominal currency appreciation relative to major trading partners. The average real effective exchange rate (REER) index was 84.12 in 2025, from 95.27 in the preceding period. The average REER was 88.46 in January 2025 and 77.77 in December 2025.

Figure 9.3.24: Nominal and Real Effective Exchange Rate (December 2024= 100)

Source: Central Bank of Nigeria

Table 9.3.1: Nominal and Real Effective Exchange Rate Indices (December 2024= 100)

	2024		2025 1/		Percentage Change	
	Monthly index	Annual average index	Monthly index	Annual average index	Monthly index	Annual average index
NEER	100.00	97.46	97.74	100.71	-2.26	3.33
REER	100.00	95.27	77.77	84.12	-22.23	-11.70

Source: Central Bank of Nigeria
Note: 1 Revised

10.0 INTERNATIONAL MEETINGS

10.1 REGIONAL MEETINGS

Meeting	Date	Venue	Objective / Themes	Issues & Actionable Decisions
End-of-Year Statutory Meetings (WAMA, WAMI, WAIFEM)	5–14 February 2025	Freetown, Sierra Leone	Assess progress of WAMZ work programme, review ECOWAS Single Currency Programme, and consideration of the 56th Technical Committee Report	• Reviewed monetary integration progress, • Identified gaps in convergence, and • Recommended measures to strengthen coordination among ECOWAS institutions.
Joint Multilateral Surveillance Mission to Nigeria (ECOWAS, WAMA, WAMI)	6–14 May 2025	Abuja, Nigeria	Assess macroeconomic developments, convergence status (end-Dec 2024), projections for 2025, medium-term outlook, and policy harmonisation progress under EMCP	• Highlighted Nigeria's convergence challenges, • Recommended stronger policy harmonisation, and • Adjusted medium-term outlook
West African Economic Summit	20–21 June 2025	Abuja, Nigeria	Theme: 'Unlocking Trade and Investment Opportunities in the Region' Accelerate regional economic integration, foster partnerships, enhance investment policies, and promote socio-cultural diplomacy	• Nigeria–Benin signed a bilateral agreement urging an end to the export of unprocessed minerals, • Ghana advocated for attention to a single trade currency, and an end to dependence on foreign aid, and • WTO pushed for reduced intra-African trade costs
Mid-Year Statutory Meetings (WAMA, WAMI, WAIFEM)	4–18 August 2025	Virtual	Assess progress of WAMZ work programme, review ECOWAS Single Currency Programme, and consideration of the 56th Technical Committee Report	• Reviewed convergence progress, • Strengthened ECOWAS monetary cooperation, and • Noted virtual coordination challenges.

10.2: INTERNATIONAL MEETINGS

Meeting	Date	Venue	Objective / Themes	Issues & Actionable Decisions
G20 Finance Ministers & Central Bank Governors Meeting	26–27 February 2025	Cape Town, South Africa	Theme: 'Solidarity, Equality, and Sustainability'. Deliberate on economic inclusion, debt sustainability, and climate finance	• Climate finance disagreements, • Trade protectionism concerns, and • Debt challenges acknowledged.
All-Governors' Meeting & Special Roundtable (African Governors, BIS)	1 March 2025	Cape Town, South Africa	Debate on AI in central banking (copilot vs autonomous agents)	• Agreed that AI should augment, not replace professionals, • Underscored the need for AI talent retention in central banks, and • Recommended innovation hubs.
IMF–World Bank Spring Meetings	21–24 April 2025	Washington D.C., USA	Debt restructuring, climate finance, and strengthening of international financial architecture, engaged in Africa-focused sessions and bilateral meetings with investors & rating agencies	• Reinforced Nigeria's financial inclusion agenda, • Discussed FX reforms, • Strengthened investor confidence, and • Nigeria advocated for debt relief and fairer representation.
Afreximbank Annual Meetings	25–27 June 2025	Abuja, Nigeria	Theme: 'Building the Future on Decades of Resilience' Discuss trade transformation, investment, and prosperity in Africa	• Reinforced Afreximbank's resilience, • Advocated for trade integration in Africa, and • Promoted investment opportunities.
IMF–World Bank Annual Meetings	13–18 October 2025	Washington D.C., USA	Assessed macroeconomic stability, structural reforms, and financial sector development	• Nigeria's GDP growth forecast upgraded to 4.4%, • Highlighted risks to trade due to policy uncertainty, capital flow volatility, and

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Appendix

CENTRAL BANK OF NIGERIA
SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

CENTRAL BANK OF NIGERIA
SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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CENTRAL BANK OF NIGERIA
CORPORATE INFORMATION

Directors

Mr. Olayemi Cardoso	- Governor
Dr. Bala M. Bello, *MON* *	- Deputy Governor (Operations Directorate)
Dr. Muhammad Sani Abdullahi	- Deputy Governor (Economic Policy Directorate)
Mr. Philip Ikeazor	- Deputy Governor (Financial System Stability Directorate)
Ms. Emem Usoro	- Deputy Governor (Corporate Services Directorate)
Mrs Lydia Shehu Jafiya	- Non-Executive Director
Mr. Ado Yakubu Wanka **	- Non-Executive Director
Mrs Muslimat Olanike Aliyu	- Non-Executive Director
Prof. Murtala Sabo Sagagi	- Non-Executive Director
Mr. Robert Agbede	- Non-Executive Director
Mrs Oluwatoyin Sakirat Madein	- Non-Executive Director
Prof. Melvin Damian Ayogu ***	- Non-Executive Director

* Exited - March 11, 2026
** Deceased - May 2, 2025
*** Appointed as Non-Executive Director - March 25, 2025

Corporate Secretary

Mrs. Rashida J. Monguno
Central Bank of Nigeria Abuja
FRC/2024/PRO/NBA/004/393619

Auditors

Ernst & Young
UBA House, 10th & 13th Floors
57 Marina Road Lagos

www.ey.com/ng

KPMG Professional
Services KPMG Tower
Bishop Aboyade Cole Street
Victoria Island Lagos
www.kpmg.com/ng

Head Office
Central Bank of Nigeria
Plot 33, Abubakar Tafawa Balewa Way
Central Business District
Cadastral Zone Abuja
Federal Capital Territory Nigeria

CENTRAL BANK OF NIGERIA

REPORT OF THE BOARD OF DIRECTORS

Introduction

We present the state of affairs of the Central Bank of Nigeria (the 'Bank') and its subsidiaries (together the 'Group') as at 31 December 2025. These summary financial statements are derived from the full financial statements, the results and cash flows of the Group and the Bank in accordance with the accounting policies set out on pages 155 to 179 which are derived from the Central Bank of Nigeria's Financial Reporting Manual as approved by the Board and the Financial Reporting Council of Nigeria (FRCN) as it affects Central Bank of Nigeria operations, the Central Bank of Nigeria Act, 2007 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

Results

The Group and Bank's profit for the year ended 31 December 2025 was ₦136,438 million and ₦86,811 million, respectively (2024: ₦38,838 million and ₦165,694 million, respectively). In line with the provisions of the Fiscal Responsibility Act 2011, 20% of the profit of the Bank will be credited to retained earnings while the balance will be paid to the Federal Government of Nigeria.

Corporate Governance

The Board of Directors is the highest policy making organ of the Bank and decisions of the Board are taken in consonance with submissions from various Board Committees and Departmental Directors.

The business and governance of the Bank are carried out by them in compliance with Section 6 of the CBN Act, 2007.

The Board of Directors held 7 meetings between January and December 2025, while the Committee of Governors had held 17 meetings within the same period.

The Committees of the Board are:

1. Committee of Governors
2. Finance and General Purpose Committee
3. Audit Committee
4. Governance, Nomination and Remuneration Committee
5. Board Risk Management Committee
6. Financial Systems Stability Committee

Apart from the Committee of Governors which is the Executive Management of the Bank, the composition of the other committees include the right mix of both the executive and non- executive Directors for effective and good corporate governance.

A centralised integrated risk management co-ordination function is performed by the Risk Management Department (RMD). The role of the RMD is to develop, maintain and promote an appropriate risk management policy, framework, approach and culture, methodologies, processes and support systems.

The consolidated and separate financial statements were approved and authorized for issue by the Board of Directors on 26 February 2026.

The Bank, as required by the Financial Reporting Council of Nigeria (FRCN), has carried out an assessment of Internal Control Over Financial Reporting (ICFR) which was certified by the Joint Auditors to be effective for the current reporting period.

CENTRAL BANK OF NIGERIA

REPORT OF THE BOARD OF DIRECTORS-Continued

The RMD is also responsible for coordinating and facilitating an integrated and uniform compliance management process in the group; advancing and facilitating specialised operational risk management processes, including business continuity, occupational health and safety and information security.

The Internal Audit Department of the Bank provides independent objective assurance of the adequacy and effectiveness of control, risk management and governance process of the Group.

Ethics Management

The Bank, as the Central Bank of Nigeria, is an institution of integrity which maintains the highest ethical standards. The executive management of the Bank is aware of this core value and expectation and commits itself to creating a working environment that encourages and facilitates honesty, integrity and ethical behaviour.

The Bank is committed to equality, meritocracy and international best practices.

Rashida J. Monguno
FRC/2024/PRO/NBA/004/393619
Corporate Secretary
26 February 2026.

CENTRAL BANK OF NIGERIA

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE SUMMARY AND CONSOLIDATED SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

In accordance with the provisions of the Central Bank of Nigeria Act (CBN Act), 2007, the Board of Directors is responsible for the preparation of the summary consolidated and separate financial statements which are prepared, in all material respects in accordance with the accounting policies set out on pages 155 to 179 which are derived from the Central Bank of Nigeria's Financial Reporting Manual as approved by the Board and the Financial Reporting Council of Nigeria (FRCN) as it affects Central Bank of Nigeria operations, the CBN Act of 2007 and the Financial Reporting Council of Nigeria Act,
2011 (as amended).

The responsibilities include ensuring that:

i the Central Bank of Nigeria keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Bank and its subsidiaries which are in all material respects in accordance with the accounting principles set out on pages 155 to 179 which are derived from the Central Bank of Nigeria's Financial Reporting Manual as issued by the Financial Reporting Council of Nigeria (FRCN) as it affects Central Bank of Nigeria operations, the relevant provisions of the Central Bank of Nigeria Act No. 7, 2007 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

ii appropriate and adequate internal controls are established to safeguard its assets and to prevent and detect fraud and other irregularities;

iii the Central Bank of Nigeria prepares its summary consolidated and separate financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are applied; and

iv it is appropriate for the summary consolidated and separate financial statements to be prepared on a going concern basis.

The Board of Directors accept responsibility for the summary consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates derived from the Central Bank of Nigeria's Financial Reporting Manual as approved by the Board and the Financial Reporting Council of Nigeria (FRCN), the relevant provisions of the Central Bank of Nigeria Act No. 7, 2007 as it affect CBN operations and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

CENTRAL BANK OF NIGERIA

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE SUMMARY AND CONSOLIDATED SEPARATE FINANCIAL STATEMENTS-CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2025

The Board of Directors are of the opinion that the summary consolidated and separate financial statements are prepared in all material respects, in accordance with the Financial Reporting Manual, as approved by the Board and the Financial Reporting Council of NIgeria (FRCN) as it affects Central Bank of Nigeria operations, the relevant provisions of the Central Bank of Nigeria Act No. 7, 2007 and the Financial Reporting Council of Nigeria Act, 2011 (as amended) to reflect the state of the financial affairs of the Central Bank of Nigeria ("the Bank") together with its subsidiaries ("the Group") as at 31 December 2025, and of its financial performance and cash flows for the year ended 31 December 2025.

The Board of Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the summary consolidated and separate financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Board of Directors to indicate that the Group and Bank will not remain a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Board of Directors by:

Governor: **Mr. Olayemi Cardoso**
FRC Number: FRC/2013/CISN/00000002200
Date: 26 February 2026

Deputy Governor:
(Economic Policy Directorate) **Mr. Muhammad Sani Abdullahi**
FRC Number: FRC/2024/PRO/DIR/003/139369
Date: 26 February 2026

CENTRAL BANK OF NIGERIA
CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
FOR THE YEAR ENDED 31 DECEMBER 2025

To comply with the assessment requirements of the Financial Reporting Council Guidance on Management Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria, I hereby make the following statements regarding the internal control over financial reporting of Central Bank of Nigeria for the year ended 31 December 2025.

I, Mr. Olayemi Cardoso, certify that:

1 I have reviewed this management assessment on internal control over financial reporting of Central Bank of Nigeria;

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the consolidated and separate financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Bank as of, and for, the periods presented in this report;

4 The Bank's other certifying officer and I:

i. are responsible for establishing and maintaining internal controls;

ii. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Bank, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

iii. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

iv. have evaluated the effectiveness of the Bank's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

5 The Bank's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Bank's auditors and the Audit Committee of the Bank's Board of Directors:

i. that there are no significant deficiencies or material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Bank's ability to record, process, summarize and report financial information; and

ii. any fraud, whether or not material, that involves management or other employees who have a significant role in the Bank's internal control system.

6 The Bank's other certifying officer and I have identified in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation.

Governor:	**Mr. Olayemi Cardoso**
FRC Number:	FRC/2013/CISN/00000002200
Date:	26 February 2026

CENTRAL BANK OF NIGERIA
CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
FOR THE YEAR ENDED 31 DECEMBER 2025

To comply with the assessment requirements of the Financial Reporting Council Guidance on Management Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria, I hereby make the following statements regarding the internal control over financial reporting of Central Bank of Nigeria for the year ended 31 December 2025.

I, Mr. Muhammad Sani Abdullahi, certify that:

1 I have reviewed this management assessment on internal control over financial reporting of Central Bank of Nigeria;

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the consolidated and separate financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Bank as of, and for, the periods presented in this report;

4 The Bank's other certifying officer and I:

i. are responsible for establishing and maintaining internal controls;

ii. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Bank, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

iii. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

iv. have evaluated the effectiveness of the Bank's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

5 The Bank's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Bank's auditors and the Audit Committee of the Bank's Board of Directors:

i. that there are no significant deficiencies or material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Bank's ability to record, process, summarize and report financial information; and

ii. any fraud, whether or not material, that involves management or other employees who have a significant role in the Bank's internal control system.

6 The Bank's other certifying officer and I have identified in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation.

Deputy Governor: (Economic Policy Directorate)	**Mr. Muhammad Sani Abdullahi**
FRC Number:	FRC/2024/PRO/DIR/003/139369
Date:	26 February 2026

CENTRAL BANK OF NIGERIA

MANAGEMENT'S ASSESSMENT OF, AND REPORT ON, INTERNAL CONTROL OVER FINANCIAL REPORTING

FOR THE YEAR ENDED 31 DECEMBER 2025

The Management of the Central Bank of Nigeria ("the Bank") is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Financial Reporting Council of Nigeria Act, 2011 (as amended).

The Management of the Central Bank of Nigeria assessed the effectiveness of the internal control over financial reporting of the Group as of 31 December 2025 using the criteria set forth in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and in accordance with the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

As of 31 December 2025, the Management of the Central Bank of Nigeria did not identify any material weakness in its assessment of internal control over financial reporting.

As a result, Management has concluded that, as of 31 December 2025, the Group's internal control over financial reporting was effective.

The Bank's independent joint auditors, Ernst & Young and KPMG Professional Services, who audited the financial statements, issued an unmodified conclusion on the effectiveness of the Group's internal control over financial reporting as of 31 December 2025 based on the limited assurance engagement performed by them. Ernst & Young and KPMG Professional Services' limited assurance report appears on pages 145 - 146 of the consolidated and separate financial statements.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect the Group's internal control over financial reporting.

Governor:	**Mr. Olayemi Cardoso**
FRC Number:	FRC/2013/CISN/00000002200
Date:	26 February 2026
Deputy Governor: (Economic Policy Directorate)	**Mr. Muhammad Sani Abdullahi**
FRC Number:	FRC/2024/PRO/DIR/003/139369
Date:	26 February 2026

INDEPENDENT JOINT AUDITORS REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

TO THE MEMBERS OF CENTRAL BANK OF NIGERIA

Opinion

The summary consolidated and separate financial statements, which comprise the summary consolidated and separate statements of financial position as at 31 December 2025, the summary consolidated and separate statements of profit or loss, the summary consolidated and separate statements of other comprehensive income, the summary consolidated and separate statements of changes in equity, and the summary consolidated and separate statements of cash flows and key notes and disclosures for the year ended are derived from the audited consolidated and separate financial statements (the “audited financial statements") of Central Bank of Nigeria ("the Bank") and its subsidiary companies (together the “Group”) for the year ended 31 December 2025.

In our opinion, the accompanying summary consolidated and separate financial statements prepared in accordance with the Bank’s framework for preparation, presentation and publication of the summary financial statements as approved by the Committee of Governors (COG) are consistent, in all material respects, with the audited consolidated and separate financial statements prepared in accordance with the accounting policies set out in the Central Bank of Nigeria Financial Reporting Manual 2025, together with the applicable provisions of the Central Bank of Nigeria Act No. 7, 2007 and the Financial Reporting Council of Nigeria Act, 2011 (as amended).

Summary consolidated and separate financial statements

The summary consolidated and separate financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), the Central Bank of Nigeria Financial Reporting Manual (2025), the relevant provisions of the Central Bank of Nigeria Act No. 7, 2007 and the Financial Reporting Council of Nigeria Act, 2011 (as amended) applied in the preparation of the audited consolidated and separate financial statements of the Group and the Bank. Reading the summary separate financial statements and the joint auditors’ report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the joint auditors’ report thereon.

The audited consolidated and separate financial statements and our report thereon

We expressed an unmodified opinion with emphasis of matters on non-compliance with Section 38 of the CBN Act and basis of accounting on the audited consolidated and separate financial statements in our report thereon dated **June 2026**. The audited consolidated and separate financial statements and the summary consolidated, and separate financial statements do not reflect the effects of events that occurred subsequent to that date our report on the audited consolidated and separate financial statements. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period.

KPMG

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INDEPENDENT JOINT AUDITORS REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

TO THE MEMBERS OF CENTRAL BANK OF NIGERIA- Continued

Directors' responsibility for the summary financial statements

The Directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the Bank's framework for preparation, presentation and publication of the summary financial statements as approved by the Committee of Governors (COG).

Auditors' responsibility

Our responsibility is to express an opinion on whether the summary consolidated, and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with the International Standard on Auditing (ISA) 810 (Revised) Engagements to Report on Summary Financial Statements.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Bank's internal control over financial reporting as of 31 December 2025.

The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated June 2026. That report is included in the annual report.

Abiodun Akinnusi
FRC/2021/PRO/ICAN/004/00000023386
For: Ernst & Young
08 June 2026
Lagos, Nigeria

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0129813

Akinyemi Ashade
FRC/2013/PRO/ICAN/004/00000000786
For: KPMG Professional Services
Chartered Accountants
08 June 2026
Lagos, Nigeria

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0356397

CENTRAL BANK OF NIGERIA
SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2025

		Group		Bank	
		2025	2024	2025	2024
	Notes	₦'million	₦'million	₦'million	₦'million
Interest and similar income calculated using the effective interest method	3a	4,178,824	4,301,155	4,115,157	4,205,119
Other interest and similar income	3b	2,384,801	801,261	2,384,801	801,261
Interest and similar expense calculated using the effective interest method	4	(6,361,132)	(4,979,504)	(6,318,883)	(4,898,991)
Net interest income		**202,493**	**122,912**	**181,075**	**107,389**
Fees and commission income	5	195,794	167,021	195,362	166,683
Net fair value (loss)/gain on financial instruments	6	(4,222)	1,890,429	(4,222)	2,787,757
Other operating income	7	3,058,650	12,921,097	3,064,658	12,176,777
Total operating Income		**3,452,714**	**15,101,460**	**3,436,873**	**15,238,606**
Credit loss (expense)/reversal	12	(718,093)	(44,624)	(723,610)	5,785
Loss on settled derivatives	13	(21,555)	(13,882,932)	(21,555)	(13,882,932)
Net operating income		**2,713,066**	**1,173,904**	**2,691,708**	**1,361,459**
Personnel expenses	9	(416,255)	(608,546)	(402,759)	(595,895)
Depreciation of property, equipment and right-of-use assets	23	(56,411)	(39,643)	(51,648)	(34,091)
Amortisation of intangible assets	22	(6,537)	(2,605)	(6,516)	(2,283)
Currency issue expenses	10	(464,126)	(238,647)	(579,207)	(315,182)
Other operating expenses	11	(1,662,059)	(312,669)	(1,564,768)	(248,314)
Total operating expenses		**(2,605,387)**	**(1,202,110)**	**(2,604,898)**	**(1,195,765)**
Operating profit/(loss)		**107,679**	**(28,206)**	**86,811**	**165,694**
Share of profit of equity accounted investees net of tax		37,098	72,891	-	-
Profit before tax		**144,777**	**44,685**	**86,811**	**165,694**
Income tax expense	14a	(8,339)	(5,847)	-	-
Profit for the year		**136,438**	**38,838**	**86,811**	**165,694**
Attributable to:					
Equity holder of the Bank		135,612	38,352	86,811	165,694
Non-controlling interests		826	486	-	-
		136,438	**38,838**	**86,811**	**165,694**

The accompanying summarized notes form an integral part of these summary consolidated and separate financial statements.

CENTRAL BANK OF NIGERIA
SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

		Group		Bank	
		2025	2024	2025	2024
	Notes	₦'million	₦'million	₦'million	₦'million
Profit for the year		**136,438**	**38,838**	**86,811**	**165,694**
Other comprehensive income					
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):					
Debt instruments at fair value through other comprehensive income (FVOCI): Net change in fair value during the year at FVOCI	8	16	8	16	8
Transfer of fair value reserve of monetary gold designated at FVOCI		-	(729,168)	-	(729,168)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		**16**	**(729,160)**	**16**	**(729,160)**
Other comprehensive income that will not to be reclassified to profit or loss in subsequent periods (net of tax):					
Re-measurement (loss)/gain on defined benefit plans	27	(146,385)	43,124	(146,385)	43,124
Transfer of foreign exchange translation reserves to profit or loss		-	(719,463)	-	-
Revaluation surplus on property and equipment	23	2,642	498,724	-	498,724
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods		**(143,743)**	**(177,615)**	**(146,385)**	**541,848**
Other comprehensive income/(loss) for the year, net of tax		**(143,727)**	**(906,775)**	**(146,369)**	**(187,312)**
Total comprehensive profit / (loss) for the year		**(7,289)**	**(867,938)**	**(59,558)**	**(21,618)**
Attributable to:					
Equity holder of the Bank		(8,115)	(868,424)	(59,558)	(21,618)
Non-controlling interests		826	486	-	-
		(7,289)	**(867,938)**	**(59,558)**	**(21,618)**

The accompanying summarized notes form an integral part of these summary consolidated and separate financial statements.

CENTRAL BANK OF NIGERIA
SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

		Group		Bank	
		2025	2024	2025	2024
	Notes	₦'million	₦'million	₦'million	₦'million
Assets					
Cash and bank balances	15b	50,157	34,718	-	-
External reserves	15	61,236,809	54,725,393	61,236,809	54,725,393
IMF Holdings of Special Drawing Rights	16a	6,186,617	6,361,158	6,186,617	6,361,158
Loans and receivables	17	8,121,759	10,961,101	11,224,983	11,976,864
Investment securities:					
-Debt instruments at fair value through other comprehensive income	18a	5,177	5,300	5,177	5,300
Financial assets at fair value through profit or loss	18	3,926,445	3,928,988	3,926,445	3,928,988
-Debt instruments at amortised costs	18b	33,429,699	29,873,454	30,668,699	29,197,132
Investments in subsidiaries	19	-	-	46,101	46,101
Investments in associates	20	391,291	358,232	196,125	193,785
Quota in International Monetary Fund (IMF)	16b	4,827,970	4,916,019	4,827,970	4,916,019
Other assets	21	19,275,630	5,045,249	18,998,218	4,753,478
Property and equipment and right-of-use assets	23	1,378,564	1,388,554	1,322,170	1,334,470
Intangible assets	22	25,487	4,439	25,318	4,262
Total assets		**138,855,605**	**117,602,605**	**138,664,632**	**117,442,950**
Liabilities					
Bank notes and coins in circulation	26	5,731,915	5,440,215	5,731,915	5,440,215
Deposits	24	53,110,751	52,384,044	53,139,844	52,395,275
Central Bank of Nigeria Instruments issued	25	48,702,807	24,270,332	48,702,807	24,270,332
IMF allocation of Special Drawing Rights	16d	7,922,834	8,067,325	7,922,834	8,067,325
IMF related liabilities	16c	4,933,352	5,069,362	4,933,352	5,069,362
Employee benefit liabilities	27	212,277	79,228	206,090	80,403
Current tax liabilities	14b	13,208	9,259	-	-
Deferred tax liabilities	14c	9,752	10,179	-	-
Other liabilities	28	17,209,567	21,198,300	17,356,749	21,331,509
Provision	28b	71,804	60,285	71,804	60,285
Total liabilities		**137,918,267**	**116,588,529**	**138,065,395**	**116,714,706**
Equity					
Share capital	29a	5,000	5,000	5,000	5,000
Accumulated profit/(loss)	29d	187,099	(524,585)	(135,671)	(798,553)
Fair value reserve	29b	5,737	797,626	8,888	800,777
Revaluation reserve	29c	723,662	721,020	721,020	721,020
Equity attributable to equity holders of the Bank		**921,497**	**999,061**	**599,237**	**728,244**
Non-controlling interests		15,841	15,015	-	-
Total equity		**937,338**	**1,014,076**	**599,237**	**728,244**
Total liabilities and equity		**138,855,605**	**117,602,605**	**138,664,632**	**117,442,950**

The consolidated and separate financial statements were approved and authorised for issue by the Board of Directors on 26 February 2026.

	Mr. Olayemi Cardoso FRC/2013/CISN/00000002200	**Governor**
	Mr. Muhammad Sani Abdullahi FRC/2024/PRO/DIR/003/139369	**Deputy Governor, Economic Policy Directorate**
	Mr. Rabiu Musa FRC/2023/PRO/ICAN/005/263564	**Director, Finance Department**

The accompanying summarized notes form an integral part of these summary consolidated and separate financial statements.

CENTRAL BANK OF NIGERIA
SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

GROUP
For the year ended 31 December 2025

	Notes	Attributable to the equity holder of the Bank							
		Share capital ₦'million	Accumulated profit/(loss) ₦'million	Fair value reserve ₦'million	Foreign currency translation reserve ₦'million	Revaluation reserve ₦'million	Total ₦'million	Non-controlling interests ₦'million	Total equity ₦'million
As at 1 January 2025		**5,000**	**(524,585)**	**797,626**	**-**	**721,020**	**999,061**	**15,015**	**1,014,076**
Profit for the year		-	135,612	-	-	-	**135,612**	826	**136,438**
Other comprehensive income:									
Net change in fair value of debt instruments measured at FVOCI	8	-	-	16	-	-	**16**	-	**16**
Re-measurement gain on defined benefit plans	27	-	(146,385)	-	-	-	**(146,385)**	-	**(146,385)**
Transfer of fair value reserve on unquoted equity investment previously carried at FVOCI to retained earnings		-	791,905	(791,905)	-	-	**-**	-	**-**
Revaluation surplus on property and equipment	23	-	-	-	-	2,642	**2,642**	-	**2,642**
Total comprehensive income		-	**781,132**	**(791,889)**	**-**	**2,642**	**(8,115)**	**826**	**(7,289)**
Transactions with owners									
Contribution and distribution:									
Federal Government of Nigeria		-	(69,449)	-	-	-	**(69,449)**	-	**(69,449)**
As at 31 December 2025		**5,000**	**187,099**	**5,737**	**-**	**723,662**	**921,497**	**15,841**	**937,338**

The accompanying summarized notes form an integral part of these summary consolidated and separate financial statements.

CENTRAL BANK OF NIGERIA
SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

GROUP

For the year ended 31 December 2024

		Attributable to the equity holder of the Bank							
	Notes	Share capital ₦'million	Accumulated loss ₦'million	Fair value reserve ₦'million	Foreign currency translation reserve ₦'million	Revaluation reserve ₦'million	Total ₦'million	Non-controlling interests ₦'million	Total equity ₦'million
As at 1 January 2024		**5,000**	**(474,270)**	**1,527,551**	**719,463**	**222,296**	**2,000,041**	**14,529**	**2,014,570**
Profit for the year		-	**38,352**	-	-	-	**38,352**	**486**	**38,838**
Other comprehensive income/(loss):									
Net change in fair value of debt instruments measured at FVOCI	8	-	-	8	-	-	8	-	**8**
Re-measurement gain on defined benefit plans	27	-	43,124	-	-	-	43,124	-	**43,124**
Transfer of fair value reserve of monetary gold designated at FVOCI to profit or loss		-	-	(729,168)	-	-	(729,168)	-	**(729,168)**
Transfer of foreign exchange translation reserves to profit or loss		-	-	-	(719,463)	-	(719,463)	-	**(719,463)**
Revaluation surplus on property and equipment	23	-	-	-	-	498,724	498,724	-	**498,724**
Total comprehensive income/(loss)		-	**81,476**	**(729,160)**	**(719,463)**	**498,724**	**(868,424)**	**486**	**(867,938)**
Transactions with owners									
Transfer of equity investee share of OCI at FVOCI		-	765	(765)	-	-	-	-	-
Contribution and distribution: Federal Government of Nigeria		-	(132,555)	-	-	-	**(132,555)**	-	**(132,555)**
As at 31 December 2024		**5,000**	**(524,585)**	**797,626**	-	**721,020**	**999,061**	**15,015**	**1,014,075**

The accompanying summarized notes form an integral part of these summary consolidated and separate financial statements

CENTRAL BANK OF NIGERIA
SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY- Continued
FOR THE YEAR ENDED 31 DECEMBER 2025

BANK
For the year ended 31 December 2025

	Notes	Share capital ₦'million	Accumulated profit/(loss) ₦'million	Fair value reserve ₦'million	Revaluation reserve ₦'million	Total equity ₦'million
As at 1 January 2025		**5,000**	**(798,553)**	**800,777**	**721,020**	**728,244**
Profit for the year		-	86,811	-	-	**86,811**
Other comprehensive income:						
Net change in fair value of debt instruments measured at FVOCI	8	-	-	16	-	**16**
Remeasurement loss on defined benefit plans	27	-	(146,385)	-	-	**(146,385)**
Transfer of fair value reserve on unquoted equity investment previously carried at FVOCI to retained earnings		-	791,905	(791,905)	-	**-**
Total comprehensive income		**-**	**732,331**	**(791,889)**	**-**	**(59,558)**
Transactions with owners						
Contribution and distribution to Federal Government of Nigeria		-	(69,449)	-	-	**(69,449)**
As at 31 December 2025		**5,000**	**(135,671)**	**8,888**	**721,020**	**599,237**

The accompanying summarized notes form an integral part of these summary consolidated and separate financial statements.

CENTRAL BANK OF NIGERIA
SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY- Continued
FOR THE YEAR ENDED 31 DECEMBER 2025

BANK
For the year ended 31 December 2024

		Share capital ₦'million	Accumulated loss ₦'million	Fair value reserve ₦'million	Revaluation reserve ₦'million	Total equity ₦'million
As at 1 January 2024		**5,000**	**(874,815)**	**1,529,937**	**222,296**	**882,418**
Profit for the year		-	165,694	-	-	**165,694**
Other comprehensive income:						
Net change in fair value of debt instruments measured at FVOCI	8	-	-	8	-	**8**
Remeasurement gain on defined benefit plans net of tax	27	-	43,124	-	-	**43,124**
Transfer of fair value reserve of monetary gold designated at FVOCI to profit or loss		-	-	(729,168)	-	**(729,168)**
Revaluation surplus on property and equipment	23	-	-	-	498,724	**498,724**
Total comprehensive loss		**-**	**208,818**	**(729,160)**	**498,724**	**(21,618)**
Transactions with owners						
Contribution and distribution Federal Government of Nigeria		-	(132,555)	-	-	(132,555)
As at 31 December 2024		**5,000**	**(798,553)**	**800,777**	**721,020**	**728,244**

The accompanying summarized notes form an integral part of these summary consolidated and separate financial statements.

CENTRAL BANK OF NIGERIA
SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

		Group		Bank	
		2025	2024	2025	2024
	Notes	₦'million	₦'million	₦'million	₦'million
Cash flows from operating activities					
Cash generated from operating activities	30	**7,951,874**	**6,472,627**	**6,577,118**	**6,531,984**
Income tax paid	14b	(4,879)	(4,260)	-	-
Employee benefit paid		(60,159)	(80,083)	(67,296)	(78,465)
Net cash flows generated from operating activities		**7,886,835**	**6,388,284**	**6,509,822**	**6,453,519**
Cash flows from investing activities					
Dividends received from equity accounted investees	7	-	-	6,351	1,651
Dividends received	7	72,068	69,420	72,068	69,420
Redemption of investment securities		4,804,979	2,507,212	4,547,505	2,507,212
Purchase of investment securities		(6,987,339)	(6,037,584)	(5,381,880)	(6,007,284)
Purchase of Intangible assets	22	(23,036)	(3,600)	(22,946)	(3,406)
Acquisition of additional interest in associate		(2,340)	(28)	(2,340)	(28)
Purchase of property, plant and equipment	23	(52,051)	(75,867)	(44,978)	(74,062)
Proceeds from sale of property, plant and equipment		1,910	2,202	1,908	359
Net cash flows used in investing activities		**(2,185,808)**	**(3,538,245)**	**(824,311)**	**(3,506,137)**
Cash flows from financing activities					
Surplus paid to the Federal Government of Nigeria		(132,555)	-	(132,555)	-
Net cash flows used in financing activities		**(132,555)**	**-**	**(132,555)**	**-**
Net increase in cash and cash equivalents		5,568,472	2,850,039	5,552,956	2,947,381
Effect of exchange rate fluctuations on cash and cash equivalents held	7	1,070,576	10,661,031	1,070,653	10,640,116
Cash and cash equivalents at 1 January		30,832,085	17,321,015	30,797,367	17,209,870
Cash and cash equivalents at 31 December	15b	**37,471,133**	**30,832,085**	**37,420,976**	**30,797,367**

The accompanying summarized notes form an integral part of these summary consolidated and separate financial statements.

CENTRAL BANK OF NIGERIA
NOTES TO THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
(All amounts are in millions of Naira, unless otherwise stated)

1. General information

1.1 Corporate information

The Central Bank of Nigeria ("CBN" or "the Bank") is the apex regulatory authority of the banking system in Nigeria. It was established by the Central Bank of Nigeria Act of 1958, as repealed by the Central Bank of Nigeria Act No. 7 of 2007 (CBN Act). It commenced operation on 1 July 1959.

The consolidated and separate financial statements of the Group for the year ended 31 December 2025 comprises the Bank and its subsidiaries (together referred to as the "Group").

The Bank is wholly owned by the Federal Government of Nigeria and is a Government Business Entity (GBE). The principal objectives of the Bank are to:

- Ensure monetary and price stability;
- Issue legal tender currency in Nigeria;
- Maintain external reserves to safeguard the international value of the legal tender currency;
- Promote monetary stability and a sound financial system in Nigeria; and
- Act as banker and provide economic and financial advice to the Federal Government of Nigeria.

The Bank is incorporated and domiciled in Nigeria. Its head office is at Plot 33, Abubakar Tafawa Balewa Way, Central Business District, Abuja.

The subsidiaries' businesses are as follows:

i. Nigerian Security Printing and Minting Plc (NSPMC)

The Bank holds 89.52% of the share capital of Nigerian Security Printing and Minting Plc while Bureau of Public Enterprise and DE LA RUE of UK have 9.61% and 0.87% shares, respectively. The subsidiary is involved in the production of Nigerian currency notes and coins together with security documents and products for other businesses. The principal objectives of the subsidiary are:

- Production of Nigerian currency notes and coins together with security documents & products for other business.

- Manufacture and importation of printing ink and the provision of technical services.

The Bank holds controlling interest of 53.71% (equivalent to 89.52% of a 60% ownership) in Tawada Limited.
Tawada Limited is considered an indirect subsidiary of the Bank due to the Bank's 89.52% effective ownership in Nigerian Security Printing and Minting Plc, which holds a 60% ownership stake in Tawada Limited. The principal activity of Tawada Limited is the manufacture of inks used in the production of bank notes.

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1.1 Corporate information-continued

ii. Nigeria Incentive-Based Risk-Sharing System for Agricultural Lending Plc (NIRSAL)

The Bank holds 100% of the share capital in Nigeria Incentive-Based Risk-Sharing System for Agricultural Lending Plc (NIRSAL). The subsidiary was set up by the CBN to spark agricultural industrialization process through increased production and processing of the greater part of the farm produce/output in the country to boost economic earnings across the value chain.

iii. Nigerian Electricity Supply Industry Stabilization Strategy Limited (NESI)

The Bank holds 99.99% of the share capital in Nigerian Electricity Supply Industry Stabilization Strategy Limited (NESI). The subsidiary is involved in the promotion of long-term sustainability and efficiency of the Nigeria Electricity Supply Industry through the initiation and encouragement of programmes and the creation of mechanisms and processes fundamental to the growth and

iv. Infrastructure Corporation of Nigeria Limited (InfraCorp)

The Bank holds 70% of the share capital in Infrastructure Corporation of Nigeria Limited (InfraCorp). The subsidiary was established to harness opportunities for infrastructure development in Nigeria by originating, structuring, executing, and managing end-to-end bankable projects, managed by reputable and highly experienced infrastructure asset managers and in partnership with public and private sector participants.

The summary consolidated and separate financial statements of Central Bank of Nigeria and its subsidiaries (collectively, the Group) for the year ended 31 December 2025 were approved and authorised for issue by the Board of Directors on 26 February 2026.

The summary consolidated and separate financial statements cover the financial year from 1 January 2025 to 31 December 2025, with comparative information for the year ended 31 December 2024.

1.2 Presentation of consolidated and separate financial statements

The Group presents its consolidated and separate statement of financial position broadly in order of liquidity. An analysis regarding recovery or settlement within 12 months after the consolidated statement of financial position date (current) and more than 12 months after the consolidated statement of financial position date (non–current) are presented in the respective notes for assets and liabilities.

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not offset in the income statement unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Group.

Investment in subsidiaries are carried at cost less impairment in the Bank's separate financial statements.

1.3 Functional and presentation currency

The consolidated and separate financial statements are presented in naira and all values are rounded to the nearest million (N'm), except when otherwise indicated.

CENTRAL BANK OF NIGERIA
NOTES TO THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
(All amounts are in millions of Naira, unless otherwise stated)

2 Basis of preparation

The summary consolidated and separate financial statements have been prepared in accordance with the CBN Financial Reporting Manual as approved by the Board and the Financial Reporting Council of Nigeria (FRCN). The material accounting policies applied in the preparation of the consolidated and separate financial statements are set out below.

The Manual does not apply to the subsidiaries or associates and was applied by the Bank in the financial year beginning 1 January 2025. The prior year financial statements were prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and the FRC Guideline, as such, the numbers are not comparable.

The preparation of the consolidated and separate financial statements in conformity with policies derived from the Financial Reporting Manual requires the use of certain significant accounting estimates and judgements. It also requires management to exercise its judgement in the process of applying these policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in Note 2.1.31.

2.1 Material accounting policies

2.1.1 Basis of measurement

The summary consolidated and separate financial statements have been prepared on a historical cost basis, except for:

- debt instruments at fair value through other comprehensive income and equity instruments at fair value through profit or loss;
- gold that have been measured at fair value through profit or loss;
- land and building carried at the revalued amount using the revaluation model; and
- net defined benefit liabilities using the projected unit method.

2.1.2 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations under the acquisition method when the acquired set of activities and assets meet the definition of a business and control is transferred to the Group (see 2.1.2 (ii)). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in profit or loss immediately.

CENTRAL BANK OF NIGERIA
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FOR THE YEAR ENDED 31 DECEMBER 2025
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2.1 Material accounting policies - continued

2.1.2 Basis of consolidation - continued

(ii) Subsidiaries

Subsidiaries' are entities controlled by the Group. The Group 'controls' an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to bring it's accounting policies into line with the Group's accounting policies.

(iii) Transactions eliminated on Consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(iv) Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Reclassifies the parent's share of components previously recognised in OCI to income Statement or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.
- Recognises any surplus or deficit in profit or loss

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2.1 Material accounting policies - continued

2.1.2 Basis of consolidation - continued

(v) Non-controlling interests

Non-controlling interest are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.
Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2.1.3 Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost which includes transaction costs. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.
Dividend received or receivable from associates are recognised as a reduction in the carrying value of the Group investment carrying value.

The income statement reflects the Group's share of the results of operations of the associate . Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

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2.1 Material accounting policies - continued

2.1.4 Recognition of income and expenses

(a) The effective interest rate method

Interest income is recorded using the effective interest rate (EIR) method for all debt instruments measured at amortised cost and interest bearing financial assets measured at fair value through other comprehensive income (FVOCI).

The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

(b) Interest and similar income and expense

Net interest income comprises interest income and interest expense calculated using both the effective interest method. These are disclosed separately on the face of the income statement for both interest income and interest expense to provide symmetrical and comparable information.

In its Interest income/expense calculated using the effective interest method, the Group only includes interest on those financial instruments that are set out in Note 2.1.4a above.

Other interest income/expense includes interest on all financial assets/liabilities measured at FVTPL, using the contractual interest rate. Interest income/expense on all trading financial assets/liabilities is recognised as a part of the fair value change in net trading income. The Group calculates interest income on financial assets, other than those considered credit-impaired, by applying the EIR to the gross carrying amount of the financial asset.

When a financial asset becomes credit-impaired and is therefore regarded as 'Stage 3' (as set out in Note 2.1.10), the Group calculates interest income by applying the EIR to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis and recognise reversal from the improvement in the profit or loss.

(c) Fees and commission income

Fees and commission income that are integral to the effective interest rate on a financial asset are included in the measurement of the effective interest rate (see 2.1.4a above). Other fees and commission income, including foreign exchange earnings, Bureau de Change registration and commissions are recognised as the related services are performed.
If a loan commitment is not expected to result in the draw-down of a loan, then the related loan commitment fees are recognised on a straight-line basis over the commitment period.

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2.1 Material accounting policies - continued

2.1.4 Recognition of income and expenses-continued

(d) Dividend income

This is recognised when the Group's right to receive the payment is established, which is generally when the shareholders of the investee approve and declare the dividend.

(e) Foreign exchange revaluation gains or losses

These are gains and losses arising on settlement and translation of monetary assets and liabilities denominated in foreign currencies at the functional currency's spot rate of exchange at the reporting date. These gains or losses are classified into realized and unrealized. The realized gains or losses are recognized in the income statement.

Unrealized foreign exchange gains/loss are recognised in Statement of Financial Position through the Derivative and Foreign Exchange Revaluation Account (DFERA) (for gold, derivative instruments and foreign currency denominated monetary assets and liabilities) and receivable from FGN (for IMF related monetary assets and liabilities).

The monetary assets and liabilities include financial assets within the external reserves, foreign currencies deposits received and held on behalf of third parties, etc. (see note 15 & 24).

(f) Agency income

Agency income is recognised when such income is earned by the Group. Agency income is recognised within 'other operating income' in the income statement.

(g) Other operating expenses

All other operating expenses are recognised at cost when incurred.

2.1.5 Income taxes

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to tax payable or receivable in respect of previous years.

The Bank is not subject to tax in respect of its functions under the Central Bank of Nigeria Act 2007. The Bank is exempted from the payment of tax under the Companies Income Tax Act, Cap C21, LFN 2004 (as amended).

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

2.1 Material accounting policies - continued

2.1.6 Foreign currency

(a) Foreign operations

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporing date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the year, adjusted for effective interest, impairment and payments during the year, and the amortised cost in the foreign currency translated at the spot exchange rate at the end of the year.

Non-monetary assets and liabilties that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

(b) Foreign currency transactions

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

2.1.7 Financial instruments – initial recognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.1.7.1 Date of recognition

Financial assets and liabilities, except for loans and advances to customers, deposits, IMF related liabilities and other liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans and advances to customer are recognised when funds are transferred to the customers' accounts. The Group recognises deposits, IMF related liabilities and other liabilities when funds are transferred to the Group.

2.1.7.2 Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in Note 2.1.7.4. Financial instruments are initially measured at their fair value (as defined in Note 2.1.21), and, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of the financial instruments at initial recognition differs from the transaction price, the Bank accounts for the Day 1 profit or loss.

2.1 Material accounting policies - continued

2.1.7 Financial instruments – initial recognition-continued

2.1.7.3 Measurement categories of financial assets and liabilities

The Group classifies all its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost.
- Fair value through other comprehensive income (FVOCI).
- Fair value through profit or loss (FVTPL).

The Group classifies and measures its trading portfolio at FVTPL. The Group may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial liabilities, other than loan commitments and financial guarantees, are measured at amortised cost or at FVTPL and derivative instruments or the fair value designation is applied.

2.1.7.4 Financial assets and liabilities

2.1.7.4.1 Loans and receivables and Financial investments at amortised cost

The Group only measures Loans and receivables and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

a Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors.

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2.1 Material accounting policies - continued

2.1.7 Financial instruments – initial recognition-continued

2.1.7.4 Financial assets and liabilities-continued

b The SPPI test

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk.

Trade receivables

Trade receivables are measured at amortised cost, using the effective interest method, less accumulated impairment losses.

2.1.7.5 Derivatives recorded at fair value through profit or loss

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at a future date.

The Group enters into derivative transactions with various counterparties. These include forward, futures and swaps forex derivatives.

The Bank has applied the accounting policies derived from the CBN Financial Reporting Manual as approved by the Board and the Financial Reporting Council of Nigeria (FRCN) and had disclosed as part of contingent liabilities/assets the sales and purchases of forward, futures and swaps forex derivatives in pursuance of monetary policy implementation, price stability and or management of the Naira exchange rate. The forwards and swaps are not marked to market. Forward and spot purchases and sales shall be recognized on-balance-sheet at the respective settlement date and recognized off-balance-sheet from the trade date to the settlement date at the spot rate of the transactions.
Derivatives recognized in other foreign securities are measured at fair value through profit or loss.

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2.1 Material accounting policies - continued

2.1.7 Financial instruments – initial recognition-continued

2.1.7.6 Financial assets or financial liabilities at fair value through profit or loss

The Group classifies financial assets or financial liabilities as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets and liabilities are recorded and measured in the statement of financial position at fair value. Net fair value gains or losses on financial instruments are recognised in other operating income. Interest and dividend income or expense is recorded in other operating income according to the terms of the contract, or when the right to payment has been established.

2.1.7.7 Debt instruments at FVOCI

The Group applies the new category of debt instruments measured at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets
- The contractual terms of the financial asset meet the SPPI test.

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.
Interest income and foreign exchange gains and losses are recognised in profit or loss.

2.1.7.8 Equity instruments at FVTPL

The Bank shall measure investments in equity instruments at FVTPL. However, the Bank may make an irrevocable election at initial recognition to recognise particular equity investments at FVOCI. Where the Bank has elected to present the fair value changes in OCI, there shall be no subsequent reclassification to profit or loss. The Bank shall not recycle previously recognised fair value gains or losses in fair value reserve relating to equity instruments to profit or loss. When the equity instrument is disposed, any fair value gains or losses in OCI shall be transferred to retained earnings.

Where the Bank has recognised such equity instrument at FVOCI, the associated gains and losses (including any related foreign exchange component), with the exception of dividends received, are recognised in OCI. Dividends from such investments shall be recognised in profit or loss when the right to receive payment is probable and can be measured reliably, unless the dividend clearly represents a recovery of part of the cost of the investment.

Gains and losses on equity investments at FVTPL are included in the net gain/(loss) on financial instruments at fair value through profit or loss line in the statement of profit or loss.

2.1.7.9 Debt issued and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

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2.1 Material accounting policies - continued

2.1.7 Financial instruments – initial recognition-continued

2.1.7.10 Financial guarantees, and undrawn loan commitments

The Group issues financial guarantees and loan commitments.

Financial guarantees are initially recognised in the financial statements (within provisions) at fair value, being the premium received. Subsequent to initial recognition, the Group’s liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the income statement, and an ECL provision is recognised appropriately.
Undrawn loan commitments are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. Similar to financial guarantee contracts, these contracts are in the scope of the ECL requirements.

2.1.8 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets after their initial recognition except where there is a change in the Group's business model, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line.

Financial liabilities are never reclassified.

2.1.9 Derecognition of financial assets and liabilities

2.1.9.1 Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired.

The Group transfers a financial asset if, and only if, either:
- The Group has transferred its contractual rights to receive cash flows from the financial asset

Or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass–through’ arrangement

2.1.9.2 Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

2.1 Material accounting policies - continued

2.1.9 Derecognition of financial assets and liabilities - continued

2.1.9.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.1.10 Impairment of financial assets

Overview of the ECL principles

The Group records the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitment and financial guarantee contract, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination.

The 12month ECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group groups its loans and financial investment into Stage 1, Stage 2 and Stage 3, as described below:

• Stage 1: When loans or financial investment are first recognised, the Group recognises an allowance based on 12months ECLs. Stage 1 loans or financial investment also include facilities where the credit risk has improved and the loans or financial investment has been reclassified from Stage 2.

• Stage 2: When a loan or financial investment has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 loans or financial investment also include facilities, where the credit risk has improved and the loans or financial investment has been reclassified from Stage 3.

• Stage 3: Loans or financial investment considered credit-impaired.The Group records an allowance for the LTECLs.

2.1 Material accounting policies - continued

2.1.11 The calculation of ECLs

The Group calculates ECLs based on three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:
• PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

• EAD: The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, and accrued interest from missed payments.

• LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Group considers three scenarios (a base case, an upturn and downturn). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans or financial investment are expected to be recovered, including the probability that the loans or financial investment will cure and the amount that might be received from selling the asset.
The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Bank has the legal right to call it earlier.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The mechanics of the ECL method are summarized below:

• Stage 1: The 12months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

• Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the Lifetime ECLs.

• Stage 3: For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these financial instruments. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Loan commitments: When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the four scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. The ECL for loan commitments is recognised within other liabilities.

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2.1 Material accounting policies - continued

2.1.11 The calculation of ECLs - continued

Financial guarantee contracts: The Group's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the income statement, and the ECL provision. For this purpose, the Group estimates ECLs based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. The shortfalls are discounted by the risk-adjusted interest rate relevant to the exposure. The calculation is made using a probability-weighting of the four scenarios. The ECLs related to financial guarantee contracts are recognised within other liabilities.

2.1.12 Forward looking information

In its ECL models, the Group relies on a broad range of forward looking information as economic inputs, such as:

- Federal reserves
- Crude oil price

2.1.13 Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value.

2.1.14 Collateral valuation

To mitigate its credit risk, the Group uses collateral where possible, including cash, securities, guarantees, receivables, inventories, other credit enhancements.

2.1.15 Write-offs

Financial assets are written off either partially or in their entirety only when the Bank has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

2.1.16 Cash and cash equivalents

Cash and cash equivalents as referred to in the statement of cash flows comprise, deposit held at call with banks, other short term highly liquid investment, bank overdraft, cash portion of investments in foreign securities, bank balances with foreign banks, sundry currencies and travellers' cheques and time deposits which are readily convertible into cash with a maturity of three months or less.

2.1.17 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.1 Material accounting policies - continued

2.1.17 Leases - continued

Group as a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates consideration in the contract to each lease component on the basis of its relative standalone price. However, for leases of branches and office premises the Group has elected not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at commencement. The asset is initially measured at cost, including the lease liability, pre-commencement payments, direct costs and estimated dismantling costs for premises improvements.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or asset's useful life and adjusted for impairments or lease liability remeasurements.

Lease liabilities are initially measured at the present value of lease payments, discounted using either the interest rate implicit in the lease or the Group's incremental borrowing rate—typically the latter. This rate reflects external borrowings, lease terms, asset type, and credit risk.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases (i.e. low value assets).

2.1.18 Property, equipment and right-of-use assets

Recognition and measurement

Plant, equipment, furniture, computers, laboratory equipment, and vehicles are measured at cost less accumulated depreciation and impairment. Changes in useful lives are treated as changes in accounting estimates.

Land is carried at fair value, while buildings are measured at fair value less depreciation and impairment. Valuations are conducted every 2–3 years to reflect fair value.

Revaluation surpluses are recognised in other comprehensive income (OCI) and credited to equity. Revaluation deficits are recognised in profit or loss, unless offset by prior surpluses. On disposal, any revaluation surplus is transferred to retained earnings.

Right-of-use assets are presented together with property and equipment in the statement of financial position. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and useful life.

Subsequent costs

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

2.1 Material accounting policies - continued

2.1.18 Property, equipment and right-of-use assets-continued

Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Land is not depreciated.

The estimated useful lives of property and equipment for the current and comparative periods are as follows:

Asset category	**Useful life (years)**
Buildings:	
- Central air conditioners	25
- Lifts	25
- Buildings	50
Motor vehicles:	
- Buses	8
- Cars/SUVs	5
- Lorries	10
Plant and equipment:	
- Air conditioners, generators and water pumps	7
- Currency processing machines	7
Plant and machinery	5
Furniture's and fittings	5
Computer equipment	3
Laboratory equipment	5
Right-of-use assets	Shorter of lease term and useful life

The Group commences depreciation when the asset is available for use. Land is not depreciated.

Capital work-in-progress is not depreciated as these assets are not yet available for use. They are disclosed when reclassified during the year.

Derecognition

An item of property and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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2.1 Material accounting policies - continued

2.1.19 Intangible assets

Amortisation is recognised in the income statement and reviewed annually for changes in useful life or consumption pattern. Assets are tested for impairment when indicators arise or annually during development. Intangible assets are derecognised when disposed of or when no future benefits are expected. Gains or losses on derecognition are recorded in profit or loss.

The annual amortisation rate generally in use for the current and comparative year is as follows:

	%
• Computer software	33⅓

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development
- The ability to use the intangible asset generated

2.1.20 External reserves

The Group maintains a reserve of external assets consisting of Gold, Convertible currencies, Other foreign securities and International Monetary Fund (IMF) reserve tranche.

Monetary Gold

Gold reserves include monetary gold in the Statement of Financial Position at the prevailing closing spot market price as at reporting date. Changes in fair value of Gold relating to price changes are recognized in the Statement of Profit or Loss. Foreign exchange gains and losses from conversion of gold from USD to the functional currency of the Bank (Nigerian Naira (₦)) at each reporting date is recognized in the Statement of Financial Position as other asset (DFERA).

Convertible currencies

These are time deposits and balances with foreign banks and other foreign securities where the currency is freely convertible and in such currency, notes, coins and money at call.

Other foreign securities

These are securities of any country outside Nigeria whose currency is freely convertible and the securities shall mature in a period not exceeding five years from the date of acquisition.

These securities are further analysed into internally managed fund and externally managed fund. Internally managed fund is classified as amortised cost due to the intention and ability of the Group to hold them to maturity while the externally managed fund is classified as fair value through profit or loss.

All external reserve balances at year end are translated into Naira.

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2.1 Material accounting policies - continued

2.1.21 Fair value measurement

The Group measures financial instruments, such as investment in financial instruments classified as FVOCI and investments in financial instruments classified as FVTPL at each reporting date. Fair value related disclosures for financial instruments and non-financial instruments that are measured at fair value or where fair values are disclosed are, summarised in the related notes.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2 — Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.1.22 Other assets

Other assets are generally defined as claims held against other entities for the future receipt of money and payment for services to be enjoyed in future. The other assets in the consolidated and separate financial statements include the following:

(a) *Prepayments*

Prepayments are payments made in advance for services to be enjoyed in future. The amount is initially capitalized in the reporting period in which the payment is made and subsequently amortised over the period in which the service is to be enjoyed.

(b) *Derivative and Foreign Exchange Revaluation Account (DFERA)*

Derivative and Foreign Exchange Revaluation Account accumulate gains and losses arising from foreign exchange translations relating to gold, derivative instruments on settlement date for non-recurring macro-economic event, and foreign exchange translation gains or losses on foreign currency denominated monetary assets and liabilities at reporting period (except for IMF related monetary assets and liabilities).

The Bank recognises DFERA as an asset or liability in the statement of financial position depending on the direction of the movement in exchange rates.

The Bank conducts an annual assessment of the financial impact of all the items that are recognised in DFERA (i.e. exchange gains or losses on gold, derivative instruments on settlement date for non-recurring macroeconomic events, and foreign exchange translation gains or losses on foreign currency denominated monetary assets and liabilities at reporting period).

Subsequent to the initial application of this manual, the outcome of this assessment are submitted to the FRCN annually, for regulatory oversight and concurrence.

(c) *Deferred Liquidity Management Costs*

Liquidity management costs are expenses (i.e. interest expense on open market operations) incurred by the Bank in order to manage liquidity and implement monetary policy. Deferred liquidity management costs relate to the portion of these expenses that are not recognized in the statement of profit or loss in the current period but deferred and recognized in future periods.

CBN recognises the deferred liquidity management costs as an asset in the financial statements. After initial recognition, the deferred liquidity management costs is amortised for a period up to four years.

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2.1 Material accounting policies - continued

2.1.23 Employee benefits

(a) Defined contribution pension plan

The group operates a defined contribution pension plan in accordance with the Pension Reform Act. Under the plan, the employee contributes 8% of basic salary, housing and transport allowances and CBN contributes 15% on the same basis. Pension remittances are made to various Pension Fund Administrators (PFAs) on behalf of the Bank's staff on a monthly basis. CBN has no further payment obligations once the contributions have been paid. Contribution payable is recorded as an expense under 'personnel expenses'. Unpaid contributions are recorded as a liability.

(b) Defined benefit schemes

The Group also operates defined benefit plans which include pension scheme (for pensioners who resigned before 30 June 2011 and those who had not reached pensionable age), gratuity scheme and post-retirement medical benefits. The defined benefit pension scheme is funded which requires contributions to be made to a separately administered fund.
The Group provides post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The liability recognised in the statement of financial position in respect of the defined benefit scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Group) and the return on plan assets (excluding net interest), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through Other comprehensive income in the period in which they occur. Re-measurements are not reclassified to income statement in subsequent periods.

Past service costs are recognised in income statement on the earlier of:
• The date of the plan amendment or curtailment, and
• The date that the Group recognises restructuring-related costs
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset at the beginning of the year. The Group recognises the following changes in the net defined benefit obligation under 'personnel cost' in income statement:
• Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
• Net interest expense or income

(c) Other long term employment benefits

These are all employee benefits other than post employment benefits and termination benefits which includes long service awards.
The amount recognised as the liability is the net total at the end of the reporting period of the present value of the defined benefit obligation and fair value of planned assets. The net total of the service cost and net interest are recognised in the income statement. The remeasurement of the defined benefit liability are recognised in the statement of comprehensive income.

2.1 Material accounting policies - continued

2.1.24 Employee benefits-continued

(d) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.1.25 Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as other operating expenses.

2.1.26 International Monetary Fund (IMF) Related Transactions

The Group, on behalf of the Federal Government of Nigeria, manages assets and liabilities in respect of Special Drawing Rights (SDRs) with the International Monetary Fund (IMF). Exchange gains and losses arising from translation of SDRs at period ends are treated in accordance with note 2.1.6 above.

The Bank presents the holdings and allocations of the IMF SDR as an asset and liability respectively on the statement of financial position. These have been accounted for as financial instruments. The holdings of the IMF SDR are classified as financial asset measured at amortised cost while the allocations of SDR are classified as financial liabilities at amortised cost.

(a) Holdings of Special Drawing Rights (SDRs)

The value of holdings from the IMF changes on the basis of foreign exchange transactions between the member countries. In addition, its value is affected by interests earned and paid as well as remuneration on the Bank claims in the IMF. SDR are presented at their nominal value plus interest accruing on SDR holdings and remuneration receivable, minus assessment fees and charges.

(b) Allocations of Special Drawing Rights (SDRs)

The allocation of SDRs takes the form of a counter account to IMF claims which are recorded based on their nominal value and presented in the statement of financial position as a liability.

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2.1 Material accounting policies - continued

2.1.26 International Monetary Fund (IMF) Related Transactions-continued

(c) IMF related liabilities

IMF related liabilities represent other payables owed by the Bank to the General Resources Account of IMF. These are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Interest is computed on the outstanding balance and it's capitalised.

(d) Quota in IMF

The quota in International Monetary Fund (IMF) is the reserve tranche held with the IMF by member states. The quota is treated as non-interest bearing instrument with no stated maturity. These are recognised initially at fair value and subsequently measured at amortised cost.

2.1.27 Bank notes and coins in circulation

Notes and coins issued are measured at cost as this liability does not have a fixed maturity date. The Bank notes and coins in circulation represent the nominal value of all bank notes, coins and digital currencies (eNaira) held by the public and banks, including recalled, still exchangeable bank notes from previous series.

2.1.28 Currency issue expense

Currency issue expenses relates to expenses incurred in relation to the printing, minting, processing, distribution and disposal of banknotes, coins and digital currency. This is recognised at cost when incurred.

2.1.29 Statutory transfer to the Federal Government of Nigeria

In accordance with Section 22(1) and (2) of the Fiscal Responsibility Act (FRA) 2007, the Group makes an annual statutory transfer representing eighty percent of the operating surplus of the Bank for the year to the Federal Government of Nigeria not later than one (1) month following the deadline for the publication of the financial statements of the Group. The operating surplus of the Bank is the remaining sum from its income and other receipts after meeting all expenditures as approved by the Board of Directors. The transfer is presented in the statement of changes in equity of the Bank.

2.1.30 Central Bank of Nigeria Instruments

CBN instruments comprise Open Market Operation Bills and Promissory notes.

These instruments represent short term debt instruments of the Group issued to commercial banks as a liquidity management tool or to licensed commercial banks assuming net liabilities under the Purchase and Assumption distress resolution programme for banks which could not meet the minimum capital requirement for licensed banks. They are recognised at amortised cost.

Interests expense on these instruments are recognised in the statements of profit or loss using the effective interest rate method.

In the case of a change in economic cycle, and where the additional liquidity management expenditure is 30% or more than the reported prior year amount, the interest expense shall not be recognized in the statement of profit or loss but deferred and recognized in the Statement of Financial Position as other assets and amortized for a period up to four years.

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2.1 Material accounting policies - continued

2.1.31 Material accounting judgments, estimates and assumptions

2.1.31.1 *Judgements*

In applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the summary financial statements:

Investment in subsidiaries and associates classification

The Group has a number of equity investments. It assessed the extent to which it has control or significant influence over those investees. The process of determining the existence of control or significant influence over the investees is an area that required the exercise of judgement. Some of the investees were set up by specific legislation, hence required judgement to be exercised in determining whether the Group had control or significant influence over the investee entities.

The Group determined that its investments in Nigeria Deposit Insurance Corporation (NDIC) are ordinary investments of the Group although the Group owns 60%. The Group cannot exert control or significant influence on the relevant activities as it has no power to appoint the board members.

The Group's investment in AMCON of 50% is held on behalf of the Federal Government of Nigeria in capacity as Banker to Federal Government of Nigeria. The Group also determined that its investments in Nigeria Interbank Settlement System (NIBSS), FMDQ-OTC Plc, Bank of Industry (BOI), Bank of Agriculture (BOA), National Economic Reconstruction Fund (NERFUND) , Nigeria Commodity Exchange (NCX), Nigerian Export Import Bank (NEXIM), Agricultural Credit Guarantee Scheme Fund (ACGSF) and Nirsal Microfinance Bank are associates of the Group, although the Group owns a 7.59%, 15.40%, 49.60%, 14.00%, 3.60%, 59.70%, 50.00%, 40.00%, and 15.00% respectively in the investees. The Group has significant influence over NIBSS, FMDQ-OTC, BOI, BOA, NERFUND and NCX through its representation on the board of directors.

2.1.31.2 *Estimates and assumptions*

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques such as the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The financial instruments that fall under this category are equity instrument with significant unobservable inputs.

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2.1 Material accounting policies - continued

2.1.31 Material accounting judgments, estimates and assumptions - continued

2.1.31.2 *Estimates and assumptions-continued*

Impairment losses on financial assets

Impairment losses on financial assets - Financial Reporting Manual

Financial assets that have low credit risk shall be assessed for 12-months expected credit loss and for such financial assets, the practical expedient approach under the ECL model have been considered. Based on the unique nature of the Bank's role, there is a rebuttable presumption that ECL on sovereign loans, receivables from Federal Government and its agencies and sovereign securities held by CBN is zero.

Financial assets other than trade receivables and sovereign securities

The measurement of impairment losses under the Financial Reporting Manual across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

• The Bank's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
• The segmentation of financial assets when their ECL is assessed on a collective basis
• Development of ECL models, including the various formulas and the choice of inputs

• Determination of associations between macroeconomic scenarios and, economic inputs, such as ,prime lending rate ,unemployment rate, inflation rate and crude oil prices, and the effect on PDs, EADs and LGDs
• Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

Financial assets other than trade receivables and sovereign securities

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).
The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

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2.1 Material accounting policies - continued

2.1.31 Material accounting judgments, estimates and assumptions - continued

2.1.31.2 *Estimates and assumptions-continued*

Defined benefit plans

The cost of the defined benefit pension plan, long service awards, gratuity scheme and post-employment medical benefits and the present value of these defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Depreciation and carrying value of property and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

Revaluation of property, plant and equipment

The Group measures the land and buildings at revalued amounts, with changes in fair value being recognised in OCI. The land and buildings were valued by reference to transactions involving properties of a similar nature, location and condition. The Group did not revalue its land and building in the current year because valuations are performed every 2 - 3 years with sufficient frequency to ensure that the carrying amount of the revalued property does not differ materially from its fair value (the Group engaged an independent valuation specialist to assess fair values as at 31 December 2024).

Recognition and measurement of contingencies (litigations): Key assumptions about the likelihood and magnitude of an outflow of resources

The Group is involved in various litigations and arbitration both in Nigeria and in other jurisdictions, arising in the ordinary course of operations.

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. However, when the Group is of the opinion that disclosing these estimates on a case-by-case basis would prejudice their outcome, then the Group does not include detailed, case-specific disclosers in its financial statements.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

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		Group		Bank	
3	**Interest income**	**2025**	**2024**	**2025**	**2024**
3a	**Interest and similar income calculated using the effective interest method**	**N'million**	**N'million**	**N'million**	**N'million**
	Analysis by type:				
	Loans and receivables (Note 3a(i))	523,344	578,741	493,777	519,426
	Asset Management Corporation of Nigeria (AMCON)	222,381	253,348	222,381	253,348
	Federal Government Securities	2,214,047	2,461,978	2,187,375	2,435,853
	Time deposits and money placements	956,190	762,551	945,519	751,964
	Other foreign securities	262,862	244,537	266,105	244,528
		4,178,824	**4,301,155**	**4,115,157**	**4,205,119**

3a(i) Included in interest income on loans and receivables is interest income on Overdraft facility granted to the Federal Government amounting to Nil in the current year (2024: N3.1 billion).

		Group		Bank	
3b	**Other interest and similar income**	**2025**	**2024**	**2025**	**2024**
		N'million	**N'million**	**N'million**	**N'million**
	Net interest income on swap contracts	1,785,231	309,906	1,785,231	309,906
	Other foreign securities classified as FVTPL	599,570	491,355	599,570	491,355
		2,384,801	801,261	2,384,801	801,261
	Total interest and similar income	**6,563,625**	**5,102,416**	**6,499,958**	**5,006,380**

		Group		Bank	
		2025	**2024**	**2025**	**2024**
4	**Interest and similar expense calculated using the effective interest method:**	**N'million**	**N'million**	**N'million**	**N'million**
	Central Bank of Nigeria instruments issued	5,275,355	4,482,721	5,275,355	4,482,721
	Interest on securities lending	708,729	378,563	708,729	378,563
	Deposits	332,729	36,581	332,729	36,581
	Interest expense on lease liabilities	112	-	112	-
	Commitment and service charge on Nigerian Mortgage Refinance Company Loan	1,958	1,126	1,958	1,126
	Treasury Bonds	19,839	20,050	-	-
	Debenture	22,410	60,463	-	-
		6,361,132	**4,979,504**	**6,318,883**	**4,898,991**

		Group		Bank	
5	**Fees and commission income**	**2025**	**2024**	**2025**	**2024**
		N'million	**N'million**	**N'million**	**N'million**
	Foreign exchange earnings	171,476	145,134	171,476	145,134
	Fees	11,234	5,629	10,802	5,291
	Commissions	13,084	16,258	13,084	16,258
		195,794	**167,021**	**195,362**	**166,683**

		Group		Bank	
6	**Net fair value (loss)/gain on financial instruments**	**2025**	**2024**	**2025**	**2024**
		N'million	**N'million**	**N'million**	**N'million**
	Net fair value (loss)/gain on financial assets at FVTPL	(4,222)	1,890,429	(4,222)	2,787,757
		(4,222)	**1,890,429**	**(4,222)**	**2,787,757**

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		Group		Bank	
		2025	2024	2025	2024
7	**Other operating income**	**N'million**	**N'million**	**N'million**	**N'million**
	Fair value gains on Gold Bullion	1,794,875	684,159	1,794,875	684,159
	Net unrealised gains on foreign exchange revaluation	1,070,576	11,281,101	1,070,653	11,260,184
	Recycling of foreign exchange translation reserves	-	719,463	-	-
	Dividend income	72,068	69,420	78,419	71,071
	Other income	121,131	166,954	120,711	161,363
		3,058,650	**12,921,097**	**3,064,658**	**12,176,777**

8 Net change in fair value during the year of financial assets at FVOCI

The below shows the net change in fair value during the year recorded in other comprehensive income;

	Group		Bank	
	2025	2024	2025	2024
	N'million	**N'million**	**N'million**	**N'million**
Debt instruments at FVOCI	16	8	16	8
	16	**8**	**16**	**8**

		Group		Bank	
		2025	2024	2025	2024
9	**Personnel expenses**	**N'million**	**N'million**	**N'million**	**N'million**
	Other staff expenses	87,127	306,627	86,267	305,523
	Other staff allowances	226,070	191,947	225,970	191,819
	Defined benefit plan expenses	28,209	36,577	28,209	36,577
	Wages and salaries	56,233	55,616	43,924	44,488
	Pension costs – Defined contribution plan	18,615	17,779	18,389	17,489
		416,255	**608,546**	**402,759**	**595,896**

		Group		Bank	
		2025	2024	2025	2024
10	**Currency issue expenses**	**N'million**	**N'million**	**N'million**	**N'million**
	Currency issue expenses	464,126	238,647	579,207	315,182
		464,126	**238,647**	**579,207**	**315,182**

Currency issue expenses relate to expenses incurred in relation to the printing, processing, distribution and disposal of currency notes.

		Group		Bank	
		2025	2024	2025	2024
11	**Other operating expenses**	**N'million**	**N'million**	**N'million**	**N'million**
	Administrative expenses	230,621	152,735	217,363	144,823
	Monetary and financial stability expenses	1,243,152	-	1,243,152	-
	Banking sector resolution sinking cost fund	50,000	50,000	50,000	50,000
	Intervention activities expenses	238	8,671	238	8,671
	Cost of sales	81,155	53,956	-	-
	Repairs and maintenance	37,011	21,534	36,867	21,458
	Bank charges	1,887	1,748	1,876	1,723
	Professional fees	11,973	7,140	10,944	6,835
	Directors' related expenses	1,970	2,233	432	310
	Audit fees	1,013	1,012	960	960
	Donations	1,859	392	1,859	392
	OTC FX futures transaction fee expense	1,077	12,685	1,077	12,685
	Technical assistance expense	102	70	-	-
	Loss on sale of property, plant and equipment	-	493	-	458
		1,662,059	**312,669**	**1,564,768**	**248,314**

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12 Credit loss expense/(reversal)

The table below shows the ECL charges and writeback on financial instruments other than trade receivables for the year recorded in the profit or
31 December 2025

Group	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
External reserves	(17,474)	-	-	(17,474)
Loans and receivables	57,259	39	658,732	716,030
Debt instruments measured at amortised cost	(5,476)	-	-	(5,476)
Total credit loss expense	**34,309**	**39**	**658,732**	**693,080**

The below shows the ECL charges on other assets and trade receivables for the year recorded in the profit or loss.

Other assets	25,013
Trade receivables	-
Total credit loss expenses	**718,093**

31 December 2024

Group	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
External reserves	(9,922)	-	-	(9,922)
Loans and receivables	50,205	4,438	453,379	508,022
Debt instruments measured at amortised cost	66,640	-	-	66,640
Total credit loss expense	**106,923**	**4,438**	**453,379**	**564,740**

The below shows the ECL expense on trade receivables for the year recorded in profit or loss.

Other assets	(493,414)
Trade receivables (Note 17)	(6,022)
Total credit loss expense	**44,624**

31 December 2025
Bank

	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
External reserves	(17,433)	-	-	(17,433)
Loans and receivables	57,259	39	658,736	716,030
Debt instruments measured at amortised cost	-	-	-	-
Total credit loss expense	**39,826**	**39**	**658,736**	**698,597**

The below shows the ECL expense on other assets for the year recorded in profit or loss

Other assets	25,013
Total credit loss reversal	**723,610**

31 December 2024

Bank

	Stage 1	Stage 2	Stage 3	Total
	N'million	N'million	N'million	N'million
External reserves	(9,922)	-	-	(9,922)
Loans and receivables	50,205	4,438	446,039	500,688
Debt instruments measured at amortised cost	(3,137)	-	-	(3,137)
Total credit loss expense	**37,146**	**4,438**	**446,039**	**487,629**

The below shows the ECL expense on trade receivables for the year recorded in profit or loss

Other assets	(493,414)
Total credit loss expenses	**(5,785)**

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13 Loss on settled derivatives

This represents realized loss on derivative transactions that were settled by the Bank during the year. These transactions include foreign currency futures, forwards and swaps with counterparties.

	Group		Bank	
	2025	**2024**	**2025**	**2024**
	N'million	**N'million**	**N'million**	**N'million**
Net realised loss on derivative instruments				
- Swaps	3,880	9,635,063	3,880	9,635,063
- Spot	17,675	-	17,675	-
- Forwards	-	1,528,837	-	1,528,837
- Futures	-	2,719,032	-	2,719,032
	21,555	**13,882,932**	**21,555**	**13,882,932**

14 Taxation

14a Income tax expense

Bank

The Bank is not subject to tax in respect of its functions under the Central Bank of Nigeria Act. CBN is exempted from the payment of income tax under the Companies Income Tax Act. 2004. The Group's tax expense arose from its subsidiaries.

Group

	Group		Bank	
	2025	**2024**	**2025**	**2024**
Current income tax	**N'million**	**N'million**	**N'million**	**N'million**
Income tax	8,828	5,781	-	-
Tertiary education tax	-	428	-	-
Under provision in prior years	-	496	-	-
	8,828	**6,705**	-	-
Deferred tax				
Relating to origination and reversal of temporary differences (Note 14c)	(489)	(858)	-	-
Income tax expense reported in the income statement	**8,339**	**5,847**	-	-

14b Current tax liabilities

The movement in tax at the end of the year is as follows:

	Group		Bank	
	2025	**2024**	**2025**	**2024**
	N'million	**N'million**	**N'million**	**N'million**
At 1 January	9,259	6,814	-	-
Payments during the year	(4,879)	(4,260)	-	-
Under provision in prior years	-	496	-	-
Income tax expense	8,828	5,781	-	-
Tertiary education tax	-	428	-	-
At 31 December	**13,208**	**9,259**	-	-

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14c Deferred tax liabilities

Reconciliation of deferred tax liabilities

	Group		Bank	
	2025	**2024**	**2025**	**2024**
	N'million	**N'million**	**N'million**	**N'million**
At 1 January	10,179	10,455	-	-
Tax expense during the period	(489)	(858)	-	-
Tax (credit) during the period recognised in OCI	62	582	-	-
As 31 December	**9,752**	**10,179**	-	-

		Group		Bank	
		2025	**2024**	**2025**	**2024**
15	**External reserves**	**N'million**	**N'million**	**N'million**	**N'million**
	Convertible currencies (Note 15a)	56,961,934	51,954,738	56,961,934	51,954,738
	International Monetary Fund Reserve tranche	23	23	23	23
	Gold Bullion	4,274,852	2,770,632	4,274,852	2,770,632
		61,236,809	**54,725,393**	**61,236,809**	**54,725,393**

The Gold bullion is monetary gold which consist of 689,318.06 troy ounces of gold at the indicative market price of USD4,319.37 per ounce (2024: 687,402 troy ounces at USD2,624.39 per ounce).

Maturity analysis

	Group		Bank	
	2025	**2024**	**2025**	**2024**
	N'million	**N'million**	**N'million**	**N'million**
Current	37,420,976	30,797,367	37,420,976	30,797,367
Non-current	23,815,833	23,928,026	23,815,833	23,928,026
	61,236,809	**54,725,393**	**61,236,809**	**54,725,393**

		Group		Bank	
		2025	**2024**	**2025**	**2024**
15a	**Convertible currencies comprise:**	**N'million**	**N'million**	**N'million**	**N'million**
	-Time deposits and money placements	26,991,627	22,977,214	26,991,627	22,977,214
	-Other foreign securities	20,274,193	21,342,625	20,274,193	21,342,625
	-Current accounts with foreign Banks	8,676,769	6,808,931	8,676,769	6,808,931
	-Domiciliary accounts	563,373	409,223	563,373	409,223
	-Sundry currencies	466,437	444,643	466,437	444,643
		56,972,399	**51,982,636**	**56,972,399**	**51,982,636**
	Less: Allowance for expected credit losses	(10,465)	(27,898)	(10,465)	(27,898)
		56,961,934	**51,954,738**	**56,961,934**	**51,954,738**

15b Cash and cash equivalent

	Group		Bank	
	2025	**2024**	**2025**	**2024**
	N'million	**N'million**	**N'million**	**N'million**
Cash at bank (local)	50,159	30,484	-	-
Cash at bank (foreign)	-	4,277	-	-
Cash and bank balances	**50,159**	**34,761**	-	-
Less: Allowance for expected credit losses	(2)	(43)	-	-
	50,157	**34,718**	-	-

Cash and cash equivalents comprise time deposits, balances with foreign banks and sundry currency balances.
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

	Group		Bank	
	2025	**2024**	**2025**	**2024**
	N'million	**N'million**	**N'million**	**N'million**
Time deposits and money placements	26,991,627	22,977,214	26,991,627	22,977,214
Current accounts with foreign banks	8,676,769	6,808,931	8,676,769	6,808,931
Domiciliary accounts	563,373	409,223	563,373	409,223
Cash at bank (local and foreign)	50,157	34,718	-	-
Other foreign securities - short term deposits	722,770	157,356	722,770	157,356
Sundry currencies	466,437	444,643	466,437	444,643
	37,471,133	**30,832,085**	**37,420,976**	**30,797,367**

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16 International Monetary Fund (IMF) related balances - continued

The Central Bank of Nigeria is the fiscal and depository agent of the Federal Republic of Nigeria for transactions with the International Monetary Fund (IMF). Special Drawing Rights (SDR) are issued by the International Monetary Fund (IMF) to member countries and represent allocations available to these member countries in managing and meeting their sovereign payment obligations. Financial resources availed to Nigeria by the Fund are channeled through the Bank. The Bank presents the holdings and allocations of the IMF SDR as an asset and liability, respectively, in the statement of financial position. Repayment of the IMF loans as well as charges is the responsibility of the Bank. The SDR balances in IMF accounts are translated into Naira and any unrealized gains or losses are netted off in Other assets. The IMF calculates the daily value of the SDR in terms of the United States of America (US) Dollars by reference to a valuation basket of four currencies (USD, GBP, Euro & Japanese Yen).

		Group		Bank	
		2025	2024	2025	2024
		N'million	N'million	N'million	N'million
16a	**IMF Holdings of Special Drawing Rights**	**6,186,617**	**6,361,158**	**6,186,617**	**6,361,158**
	At 1 January	6,361,158	3,946,929	6,361,158	3,946,929
	Interest earned during the year	195,474	267,640	195,474	267,640
	Interest charged during the year	(240,255)	(456,583)	(240,255)	(456,583)
	RFI loan repayment	(10,800)	(263)	(10,800)	(263)
	Exchange (loss)/gains	(118,961)	2,603,435	(118,961)	2,603,435
	At 31 December	**6,186,617**	**6,361,158**	**6,186,617**	**6,361,158**

Maturity analysis

	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Current	6,186,617	6,361,158	6,186,617	6,361,158
	6,186,617	**6,361,158**	**6,186,617**	**6,361,158**

		2025	2024	2025	2024
		N'million	N'million	N'million	N'million
16b	**Quota in International Monetary Fund**	**4,827,970**	**4,916,019**	**4,827,970**	**4,916,019**
	At 1 January	4,916,019	2,961,816	4,916,019	2,961,816
	Exchange (loss)/gain	(88,049)	1,954,203	(88,049)	1,954,203
	At 31 December	**4,827,970**	**4,916,019**	**4,827,970**	**4,916,019**

Maturity analysis

	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Non-current	4,827,970	4,916,019	4,827,970	4,916,019
	4,827,970	**4,916,019**	**4,827,970**	**4,916,019**

The quota in International Monetary Fund is the reserve tranche held with the IMF by member states. It represents non-interest bearing instrument.

		2025	2024	2025	2024
		N'million	N'million	N'million	N'million
16c	**IMF related liabilities**	**4,933,352**	**5,069,362**	**4,933,352**	**5,069,362**
	At 1 January	5,069,362	2,524,968	5,069,362	2,524,968
	Exchange losses	939,342	2,544,394	939,342	2,544,394
	RFI Repayment	(1,075,352)	-	(1,075,352)	-
	At 31 December	**4,933,352**	**5,069,362**	**4,933,352**	**5,069,362**

Maturity analysis

	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Current	4,933,352	5,069,362	4,933,352	5,069,362
	4,933,352	**5,069,362**	**4,933,352**	**5,069,362**

IMF related liabilities represent other payables owed by the Federal Government of Nigeria (FGN) to the General Resources Account of IMF.

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		2025 N'million	2024 N'million	2025 N'million	2024 N'million
16d	**IMF allocation of Special Drawing Rights**	**7,922,834**	**8,067,325**	**7,922,834**	**8,067,325**
	At 1 January	8,067,325	4,863,236	8,067,325	4,863,236
	Exchange (gains)/losses	(144,491)	3,204,089	(144,491)	3,204,089
	At 31 December	**7,922,834**	**8,067,325**	**7,922,834**	**8,067,325**

Maturity analysis

	2025 N'million	2024 N'million	2025 N'million	2024 N'million
Current	7,922,834	8,067,325	7,922,834	8,067,325
	7,922,834	**8,067,325**	**7,922,834**	**8,067,325**

		Group		Bank	
		2025 N'million	2024 N'million	2025 N'million	2024 N'million
17	**Loans and receivables**				
	Asset Management Corporation of Nigeria (AMCON) Notes	2,709,291	4,135,685	2,709,291	4,135,685
	Overdraft due from FGN	2,976,922	3,268,025	2,976,922	3,268,025
	CBN Standing Lending Facility (SLF)	-	386,904	-	386,904
	Long term loans	2,599,324	2,721,717	2,599,324	2,721,717
	Bank of Industry Debenture (BOI)	53,918	52,055	53,918	52,055
	Bank of Industry Loan (BOI)	700,194	500,194	700,194	500,194
	Real Sector Support Facility (RSSF)	34,209	60,730	34,209	60,730
	Nigerian Mortgage Refinance Company	37,599	36,855	37,599	36,855
	Other Loans	482,099	530,655	116,189	116,187
	Nigerian Treasury Bonds	423	423	423	423
	NESI Stabilization Strategy Limited Debenture	-	-	2,897,705	802,918
	NESI Stabilization Strategy Limited loan	-	-	326,072	368,371
	NESI NBET Payment Assurance Facility	38,940	44,954	38,940	44,954
	Loans to Deposit Money Banks on Commercial Agricultural Credit Scheme	40,396	58,453	40,396	58,453
	Micro Small and Medium Entreprise loans	436,745	442,730	436,745	442,730
	Nigeria Incentive-Based Risk-Sharing System for Agricultural Lending Debenture (NIRSAL)	-	-	270,105	269,380
	Staff Loans	69,579	65,644	65,417	65,194
	6% Perpetual Debentures in Nigerian Export Import Bank (NEXIM)	1,246	1,246	1,246	1,246
	Advances to Federal Mortgage Bank of Nigeria	9	9	9	9
	Export Development Facility	140,433	139,621	140,433	139,621
	Non Oil Export Facility	3,884	8,071	3,884	8,071
	Anchor Borrowers' Programme	306,856	311,903	292,515	296,830
	Accelerated Agricultural Development	113	990	113	990
	Nigerian Youth Investment Fund	154	112	154	112
		10,632,334	**12,766,976**	**13,741,803**	**13,777,654**
	Less: Allowance for ECL	(2,524,154)	(1,808,124)	(2,516,820)	(1,800,790)
		8,108,180	**10,958,852**	**11,224,983**	**11,976,864**
	Trade receivables	13,579	2,249	-	-
	Less: Allowance for ECL	-	-	-	-
		13,579	**2,249**	**-**	**-**
		8,121,759	**10,961,101**	**11,224,983**	**11,976,864**

Maturity analysis

	Group		Bank	
	2025 N'million	2024 N'million	2025 N'million	2024 N'million
Current	2,976,922	3,268,025	4,265,494	4,555,373
Non-current	5,144,837	7,693,076	6,959,489	7,421,506
	8,121,759	**10,961,101**	**11,224,983**	**11,976,864**

	Group	
Impairment allowance on Trade receivables	2025 N'million	2024 N'million
As at 1 January	-	6,022
Reversals for the year (Note 12)	-	(6,022)
As at 31 December	**-**	**-**

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		Group 2025	2024	Bank 2025	2024
18	**Financial assets measured at FVTPL**				
	Equities				
	Nigeria Deposit Insurance Corporation (NDIC)	645,347	457,951	645,347	457,951
	International Islamic Liquidity Management Corporation of Malaysia (IILMC)	44,779	37,928	44,779	37,928
	Africa Finance Corporation (AFC)	2,403,972	2,512,518	2,403,972	2,512,518
	African Export Import Bank (Afrexim)	832,347	920,591	832,347	920,591
	Total equities	**3,926,445**	**3,928,988**	**3,926,445**	**3,928,988**

		Group 2025 N'million	2024 N'million	Bank 2025 N'million	2024 N'million
18a	**Debt instruments measured at FVOCI**				
	Government debt securities				
	Nigerian Treasury Bills-FVOCI	5,177	5,300	5,177	5,300
	Total debt instruments measured at FVOCI	**5,177**	**5,300**	**5,177**	**5,300**

	Group 2025 N'million	2024 N'million	Bank 2025 N'million	2024 N'million
Maturity analysis				
Current	5,177	5,300	5,177	5,300
	5,177	**5,300**	**5,177**	**5,300**

		Group 2025 N'million	2024 N'million	Bank 2025 N'million	2024 N'million
18b	**Debt instruments at amortised cost**				
	Government debt securities				
	Asset Management Corporation of Nigeria (AMCON) Bonds	1,220,457	1,202,440	1,220,457	1,202,440
	FGN Bonds	29,557,499	28,116,303	29,334,555	27,892,528
	Nigerian Treasury Bills	117,011	106,199	113,687	102,164
	MOFI RIN Financial Asset	2,057,534	-	-	-
		32,952,501	**29,424,942**	**30,668,699**	**29,197,132**
	Other debt securities				
	Corporate Bonds	463,038	440,628	-	-
	Other amortised cost securities	336	334	-	-
	Agricultural Value Chains Investment	13,040	11,605	-	-
	Fixed deposit	8,307	6,547	-	-
	Promissory notes	44,416	47,679	-	-
		33,481,638	**29,931,735**	**30,668,699**	**29,197,132**
	Less: Allowance for ECL	(51,939)	(58,281)	-	-
	Total debt instruments at amortised cost	**33,429,699**	**29,873,454**	**30,668,699**	**29,197,132**

	Group 2025 N'million	2024 N'million	Bank 2025 N'million	2024 N'million
Maturity analysis				
Current	3,277,991	488,546	113,687	102,164
Non-current	29,674,510	29,384,908	29,448,242	29,094,968
	32,952,501	**29,873,454**	**29,561,929**	**29,197,132**

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		Group		Bank	
		2025	**2024**	**2025**	**2024**
19	**Investments in subsidiaries**	**N'million**	**N'million**	**N'million**	**N'million**
	Nigerian Security Printing and Minting Plc. (NSPM)	-	-	42,891	42,891
	Nigeria Incentive-Based Risk-Sharing System for Agricultural Lending Plc (NIRSAL)	-	-	2,500	2,500
	NESI Stabilization Strategy Limited (NESI)	-	-	10	10
	Infrastructure Corporation of Nigeria (INFRACORP)	-	-	700	700
	Total investments	-	-	**46,101**	**46,101**

Maturity analysis

	2025	2024
	N'million	**N'million**
Current	-	-
Non-current	46,101	46,101
	46,101	**46,101**

			Group		Bank	
		Percentage shareholding	**2025**	**2024**	**2025**	**2024**
20	**Investments in associates**		**N'million**	**N'million**	**N'million**	**N'million**
	Nigerian Export Import Bank (NEXIM)	50%	53,553	48,778	25,000	25,000
	Bank of Industry (BOI)	49.6%	289,372	271,243	152,031	152,031
	Bank of Agriculture (BOA)	14.0%	588	-	4,027	4,027
	Agricultural Credit Guarantee Scheme Fund (ACGSF)	40.0%	24,277	20,759	16,384	16,384
	Nigeria Commodity Exchange (NCX)	59.7%	189	189	597	597
	National Economic Reconstruction Fund (NERFUND)	3.6%	-	-	100	100
	FMDQ-OTC Security Exchange	15.4%	17,751	14,333	100	100
	Nigeria Inter-Bank Settlement System (NIBSS)	3.7%	5,561	2,930	2,421	81
			391,291	**358,232**	**200,660**	**198,320**
	Less: Impairment allowance		-	-	(4,535)	(4,535)
			391,291	**358,232**	**196,125**	**193,785**

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		Group		Bank	
		Group		Bank	
		2025	2024	2025	2024
21	**Other assets**	**N'million**	**N'million**	**N'million**	**N'million**
	Financial assets:				
	Rapid financing instrument - IMF	-	1,229,005	-	1,229,005
	Other sundry receivables	3,643,752	1,538,270	3,643,752	1,538,270
	Due from Agricultural Credit Guarantee Scheme Fund	576	262	576	262
	Derivative and Foreign Exchange Revaluation Account (DFERA)	13,712,659	-	13,712,659	-
	Receivables from Federal Government of Nigeria	844,094	1,860,452	844,094	1,860,452
	Investment in debenture	186,914	186,914	-	-
	Other receivables	102,873	126,733	35,580	60,221
	Margin assets on OTC foreign exchange futures	37,471	131,356	37,471	131,356
		18,528,339	5,072,992	18,274,132	4,819,566
	Less: Allowance for expected credit losses*	(202,287)	(250,803)	(202,287)	(250,803)
		18,326,052	**4,822,189**	**18,071,845**	**4,568,763**
	Non-financial assets:				
	Account receivables	715,676	-	715,676	-
	Prepaid staff expenses	55,195	53,715	55,195	53,715
	Prepayments	34,620	9,235	32,417	7,915
	Deposit for shares	123,754	124,085	123,085	123,085
	Inventories	20,332	36,025	-	-
		949,578	**223,060**	**926,373**	**184,715**
	Total other assets	**19,275,630**	**5,045,249**	**18,998,218**	**4,753,478**

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22 Intangible assets

	Group			Bank		
	Computer software N'million	Software under development N'million	Total N'million	Computer software N'million	Software under development N'million	Total N'million
At 1 January 2024	**36,141**	**461**	**36,602**	**34,917**	**461**	**35,378**
Additions	3,473	127	**3,600**	3,406	-	**3,406**
Reclassification	127	(127)	**-**	-	-	**-**
At 31 December 2024	**39,741**	**461**	**40,202**	**38,323**	**461**	**38,784**
At 1 January 2025	39,741	461	**40,202**	38,323	461	**38,784**
Additions	348	22,688	**23,036**	310	22,636	**22,946**
Transfer from PPE	4,626	-	**4,626**	4,626	-	**4,626**
Reclassification	176	(176)	**-**	176	(176)	**-**
At 31 December 2025	**44,891**	**22,973**	**67,864**	**43,435**	**22,921**	**66,356**
Accumulated amortisation						
At 1 January 2024	**33,158**	-	**33,158**	32,239	-	**32,239**
Amortisation	2,605	-	**2,605**	2,283	-	**2,283**
At 31 December 2024	**35,763**	**-**	**35,763**	**34,522**	**-**	**34,522**
At 1 January 2025	35,763	-	**35,763**	34,522	-	**34,522**
Amortisation	6,537	-	**6,537**	6,516	-	**6,516**
At 31 December 2025	**42,377**	**-**	**42,377**	**41,038**	**-**	**41,038**
Net book value						
At 31 December 2025	**2,514**	**22,973**	**25,487**	**2,397**	**22,921**	**25,318**
At 31 December 2024	**3,978**	**461**	**4,439**	**3,801**	**461**	**4,262**
At 1 January 2024	**2,983**	**461**	**3,444**	**2,678**	**461**	**3,139**

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23 Property and equipment and right-of-use assets

Group	Land	Building	Plant, machinery and equipment	Furniture and fittings	Computer equipment	Motor vehicles	Capital work in progress	Right-of-use assets: Buildings and other premises	Total
Cost or valuation	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million
At 1 January 2024	7,657	564,503	186,308	22,144	27,910	44,498	217,806	1,752	1,072,577
Additions	510	5,707	7,341	2,297	6,390	6,837	46,784	-	75,867
Reclassifications	-	(143)	8,091	-	(56)	718	(8,610)	-	(0)
Revaluation surplus (note 23c)	9,669	489,055	-	-	-	-	-	-	498,724
Disposals/write-off	-	(22,849)	(49)	(108)	(1,631)	(1,284)	(696)	(122)	(26,738)
Revaluation adjustment on depreciation	-	(28,394)	-	-	-	-	-	-	(28,394)
At 31 December 2024	**17,836**	**1,007,880**	**201,691**	**24,333**	**32,613**	**50,769**	**255,284**	**1,631**	**1,592,038**
At 1 January 2025	17,836	1,007,880	201,691	24,333	32,613	50,769	255,284	1,631	1,592,038
Additions	7	3,933	7,482	3,361	3,421	15,202	18,646	904	52,956
Reclassifications	-	28,110	37,163	392	-	421	(66,086)	-	-
Transfer to intangible assets	-	-	-	-	-	-	(4,626)	-	(4,626)
Disposals/write-off	-	-	(1,837)	(144)	(981)	(296)	-	(1,631)	(4,889)
At 31 December 2025	**17,843**	**1,039,923**	**244,499**	**27,942**	**35,053**	**66,096**	**203,218**	**904**	**1,635,479**

	Land	Building	Plant, machinery and equipment	Furniture and fittings	Computer equipment	Motor vehicles	Capital work in progress	Buildings and other premises	Total
Accumulated depreciation and impairment									
At 1 January 2024	-	48,199	107,597	15,710	18,746	24,608	-	1,419	216,279
Depreciation charged for the year	-	9,805	16,319	2,149	5,852	5,187	-	333	39,643
Revaluation adjustment on depreciation	-	(28,394)	-	-	-	-	-	-	(28,394)
Disposals/write-off	-	(22,849)	(26)	(25)	(139)	(882)	-	(122)	(24,043)
At 31 December 2024	-	**6,761**	**123,890**	**17,833**	**24,460**	**28,913**	-	**1,630**	**203,484**
At 1 January 2025	-	6,761	123,890	17,833	24,460	28,913	-	1,630	203,485
Depreciation charged for the year	-	21,520	20,353	2,016	5,513	6,893	-	113	56,409
Disposals/write-off	-	-	(263)	(135)	(737)	(215)	-	(1,629)	(2,979)
At 31 December 2025	-	**28,281**	**143,979**	**19,714**	**29,236**	**35,591**	-	**114**	**256,914**
Net book value									
At 31 December 2025	**17,843**	**1,011,642**	**100,520**	**8,227**	**5,817**	**30,505**	**203,218**	**790**	**1,378,564**
At 31 December 2024	**17,836**	**1,001,118**	**77,801**	**6,501**	**8,154**	**21,857**	**255,284**	-	**1,388,554**
At 1 January 2024	**7,657**	**516,304**	**78,711**	**6,435**	**9,163**	**19,890**	**217,806**	**333**	**856,298**

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23 Property and equipment and right-of-use assets - continued

Bank	Land	Building	Plant and equipment	Furniture and fittings	Computer equipment	Motor vehicles	Capital work in progress	Right-of-use assets: Buildings and other premises	Total
Cost or valuation	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million
At 1 January 2024	7,527	550,472	104,744	16,556	24,340	40,250	214,610	1,629	**960,128**
Additions	510	5,606	5,972	2,297	6,390	6,502	46,784	-	**74,062**
Reclassifications	-	(143)	8,091	-	(56)	718	(8,610)	-	**-**
Revaluation surplus	9,669	489,055	-	-	-	-	-	-	**498,724**
Revaluation adjustment on depreciation	-	(28,394)	-	-	-	-	-	-	**(28,394)**
Disposals/write-offs	-	(22,849)	(39)	(98)	(165)	(1,200)	(334)	-	**(24,685)**
At 31 December 2024	**17,706**	**993,748**	**118,768**	**18,755**	**30,511**	**46,269**	**252,450**	**1,629**	**1,479,836**
At 1 January 2025	17,706	993,748	118,768	18,755	30,511	46,269	252,450	1,629	**1,479,836**
Additions	7	3,894	7,459	2,806	1,426	12,506	16,880	904	**45,882**
Reclassifications	-	28,110	34,391	392	-	421	(63,314)	-	**-**
Transfer to intangible assets	-	-	-	-	-	-	(4,626)	-	**(4,626)**
Disposals/write-offs	-	-	(1,837)	(144)	(981)	(296)	-	(1,629)	**(4,887)**
At 31 December 2025	**17,713**	**1,025,752**	**158,781**	**21,809**	**30,956**	**58,900**	**201,390**	**904**	**1,516,205**

Bank	Land	Building	Plant and equipment	Furniture and fittings	Computer equipment	Motor vehicles	Capital work in progress	Buildings and other premises	Total
Accumulated depreciation and impairment									
At 1 January 2024	-	41,778	68,950	13,076	16,864	21,571	-	1,299	**163,537**
Depreciation charged for the year	-	9,464	12,373	1,365	5,775	4,784	-	330	**34,091**
Revaluation adjustment on depreciation	-	(28,393)	-	-	-	-	-	-	**(28,393)**
Disposals/write-off	-	(22,849)	(25)	(25)	(139)	(832)	-	-	**(23,869)**
At 31 December 2024	**-**	**-**	**81,298**	**14,416**	**22,500**	**25,524**	**-**	**1,629**	**145,366**
At 1 January 2025	-	-	81,298	14,416	22,500	25,524	-	1,629	**145,366**
Depreciation charged for the year	-	21,266	16,218	1,687	5,520	6,844	-	113	**51,648**
Disposals/write-off	-	-	(263)	(135)	(737)	(215)	-	(1,629)	**(2,979)**
At 31 December 2025	**-**	**21,266**	**97,253**	**15,968**	**27,283**	**32,153**	**-**	**113**	**194,036**
Net book value									
At 31 December 2025	**17,713**	**1,004,486**	**61,528**	**5,842**	**3,673**	**26,747**	**201,390**	**791**	**1,322,170**
At 31 December 2024	**17,706**	**993,748**	**37,470**	**4,340**	**8,012**	**20,745**	**252,450**	**-**	**1,334,470**
At 1 January 2024	**7,527**	**508,694**	**35,794**	**3,480**	**7,476**	**18,679**	**214,610**	**330**	**796,591**

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		Group		Bank	
		2025	**2024**	**2025**	**2024**
		N'million	**N'million**	**N'million**	**N'million**
24	**Deposits**				
	Government deposits:				
	- Capital and settlement accounts	12,891,016	14,625,697	12,920,109	14,625,697
	- Domiciliary accounts	6,594,966	8,830,825	6,594,966	8,830,825
	Other accounts	1,005,760	1,434,029	1,005,760	1,434,029
	Financial Institutions:				
	- Current and settlement accounts	3,873,319	954,904	3,873,319	966,135
	- Banks' reserve accounts	28,342,786	26,202,907	28,342,786	26,202,907
	- Special intervention reserve	402,904	335,682	402,904	335,682
		53,110,751	**52,384,044**	**53,139,844**	**52,395,275**

		Group		Bank	
		2025	**2024**	**2025**	**2024**
25	**Central Bank of Nigeria Instruments issued**	**N'million**	**N'million**	**N'million**	**N'million**
	Open Market Operations - Central Bank of Nigeria Bills	48,702,807	24,270,332	48,702,807	24,270,332
		48,702,807	**24,270,332**	**48,702,807**	**24,270,332**
	At 1 January	24,270,332	17,395,038	24,270,332	17,395,038
	Issued during the year	74,337,660	50,773,108	74,337,660	50,773,108
	Redemption during the year	(41,560,213)	(32,013,072)	(41,560,213)	(32,013,072)
	Deferred interest and cost	(8,344,972)	(11,884,743)	(8,344,972)	(11,884,743)
	At 31 December	**48,702,807**	**24,270,332**	**48,702,807**	**24,270,332**

		Group		Bank	
		2025	**2024**	**2025**	**2024**
26	**Bank notes and coins in circulation**				
		N'million	**N'million**	**N'million**	**N'million**
	Notes	5,712,345	5,420,575	5,712,345	5,420,575
	Coins	1,255	1,325	1,255	1,325
	eNaira	18,315	18,315	18,315	18,315
		5,731,915	**5,440,215**	**5,731,915**	**5,440,215**

Maturity analysis

	2025	2024	2025	2024
	N'million	**N'million**	**N'million**	**N'million**
Current	5,731,915	5,440,215	5,731,915	5,440,215
	5,731,915	**5,440,215**	**5,731,915**	**5,440,215**

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27 Employee benefits

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Defined benefit liabilities:				
Defined benefit pension scheme	(50,953)	(61,966)	(50,953)	(61,966)
Post-employment gratuity scheme	248,116	140,762	240,324	140,740
Long service awards	12,186	1,714	12,059	1,628
Defined contribution liabilities	2,928	(1,283)	4,660	-
Liability in the statement of financial position	**212,277**	**79,228**	**206,090**	**80,403**

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Net benefit expenses recognised in income statement:				
Defined benefit pension scheme	(13,946)	(6,940)	(13,946)	(6,940)
Post-employment gratuity scheme	30,551	44,159	30,551	44,159
Long service awards	11,604	(642)	11,604	(642)
Total defined benefit expenses	**28,209**	**36,577**	**28,209**	**36,577**
Defined contribution expense	18,615	17,779	18,389	17,489
	46,824	**54,356**	**46,598**	**54,066**
Remeasurement losses in other comprehensive income:				
Defined benefit pension scheme	(24,989)	10,209	(24,989)	10,209
Post-employment gratuity scheme	(121,396)	32,915	(121,396)	32,915
	(146,385)	**43,124**	**(146,385)**	**43,124**

The amount recognized in the income statement under personnel expenses includes current service cost, interest cost and expected return on plan assets and past service costs. Remeasurement gains or losses on defined benefit schemes are recognized in other comprehensive income.

28 Other liabilities

	Group		Bank	
	2025	2024	2025	2024
	N'million	N'million	N'million	N'million
Treasury related payables	1,597,615	1,288,750	1,597,615	1,288,750
Due to International Development Association (IDA)	275,926	291,567	275,926	291,567
Securities lending	12,562,870	12,670,495	12,562,870	12,670,495
Foreign currency forward	103,694	2,847,695	103,694	2,847,695
Sundry payables	2,441,821	3,419,311	2,629,614	3,591,711
Surplus payable to Federal	69,748	132,855	69,748	132,855
Accrued charges	116,414	152,425	116,414	152,425
Deposit for shares	3,392	4,529	-	-
Trade payables	30,053	26,288	-	-
Anchor Borrower Programme	-	600	-	-
Rural Finance (RUFIN) Fund	6,782	7,662	-	-
IBRD - SME loan	51	51	51	51
Banking sector resolution	3	355,583	3	355,583
Deferred income	385	112	-	-
Lease liabilities	814	377	814	377
	17,209,567	**21,198,300**	**17,356,749**	**21,331,509**
Maturity analysis	**N'million**	**N'million**	**N'million**	**N'million**
Current	16,933,641	21,193,659	17,080,823	21,331,509
Non-current	275,926	4,641	275,926	-
	17,209,567	**21,198,300**	**17,356,749**	**21,331,509**

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		Group		Bank	
28b	**Provision**	**2025**	**2024**	**2025**	**2024**
		N'million	**N'million**	**N'million**	**N'million**
	PAYE claims provision	57,321	45,802	57,321	45,802
	Litigation claims provision	14,483	14,483	14,483	14,483
		71,804	**60,285**	**71,804**	**60,285**

		Group		Bank	
29	**Equity**	**2025**	**2024**	**2025**	**2024**
29a	**Share Capital**	**N'million**	**N'million**	**N'million**	**N'million**
	Authorized shares				
	Ordinary share of N1 each	100,000	100,000	100,000	100,000
	Issued and fully paid up:	**N'million**	**N'million**	**N'million**	**N'million**
	Ordinary share of N1 each	5,000	5,000	5,000	5,000

The Federal Government of Nigeria is the sole subscriber to the paid up capital of the Bank and its holding is not transferable in whole or in part nor is it subject to any encumbrance.

The issued shares are not the same as the authorized shares because they are not fully subscribed to by the Federal Government of Nigeria. The requirement of CAMA is not applicable to the Bank.

		Group		Bank	
29b	**Fair value reserve**	**2025**	**2024**	**2025**	**2024**
		N'million	**N'million**	**N'million**	**N'million**
	As at 1 January	797,626	1,527,551	800,777	1,529,937
	Net change in fair value of debt instruments measured at FVOCI	16	8	16	8
	Transfer of fair value reserve on unquoted equity investment previously carried at FVOCI to retained earnings	(791,905)	-	(791,905)	-
	Transfer of fair value reserve of monetary gold designated at FVOCI to profit or loss	-	(729,168)	-	(729,168)
	Transfer of equity investee share of OCI at FVOCI	-	(765)	-	-
		5,737	**797,626**	**8,888**	**800,777**

The fair value reserve comprises the cumulative change in the fair value of equity, and debt instruments classified at fair value through other comprehensive income (FVOCI).

		Group		Bank	
29c	**Revaluation reserve**	**2025**	**2024**	**2025**	**2024**
		N'million	**N'million**	**N'million**	**N'million**
	As at 1 January	721,020	222,296	721,020	222,296
	Revaluation surplus (Note 23)	2,642	498,724	-	498,724
		723,662	**721,020**	**721,020**	**721,020**

The revaluation reserve comprises the cumulative change in the revaluation of property and equipment.

		Group		Bank	
29d	**Accumulated loss**	**2025**	**2024**	**2025**	**2024**
		N'million	**N'million**	**N'million**	**N'million**
	As at 1 January	(524,585)	(474,270)	(798,553)	(874,815)
	Profit for the year	135,612	38,352	86,811	165,694
	Remeasurement gain/(loss) on defined benefit plans net of tax (Note 27)	(146,385)	43,124	(146,385)	43,124
	Transfer of fair value reserve on unquoted equity investment previously carried at FVOCI to retained earnings	791,905	-	791,905	-
	Transfer of equity investee share of OCI at FVOCI	-	765	-	-
	Surplus payable to FGN	(69,449)	(132,555)	(69,449)	(132,555)
		187,098	**(524,585)**	**(135,671)**	**(798,553)**

Retained earnings represents accumulated profits or losses less statutory transfers to the Federal Government of Nigeria. Statutory transfer is 80% of profit for the year.

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30	Cash generated from operating activities		Group		Bank	
			2025	2024	2025	2024
		Notes	N'million	N'million	N'million	N'million
	Profit before tax		**144,777**	**44,685**	**86,811**	**165,694**
	Adjustments for non cash items:					
	Depreciation of property and equipment	23	56,411	39,643	51,648	34,091
	Amortisation of intangible assets	22	6,537	2,605	6,516	2,283
	Net loss on disposal of property and equipment	11	-	493	-	458
	Credit loss expense/(reversal)	12	718,093	44,624	723,610	(5,785)
	Net unrealised gains on foreign exchange revaluation	7	(1,070,576)	(11,281,101)	(1,070,653)	(11,260,184)
	Share of profit of associates		(37,098)	(72,891)	-	-
	Defined benefit expense	27	46,824	54,356	46,598	54,066
	Interest on lease liabilities	4	112	-	112	-
	Recycling of foreign exchange translation reserves	7	-	(719,463)	-	-
	Transfer of fair value reserve on unquoted equity investment previously carried at FVOCI to retained earnings		(791,905)	-	(791,905)	-
	Fair value gain on gold bullion	7	(1,794,875)	(684,159)	(1,794,875)	(684,159)
	Fair value (gain)/loss on equity instrument		2,674	(1,816,852)	2,666	(2,714,181)
			(2,719,026)	**(14,388,061)**	**(2,739,473)**	**(14,407,719)**
	Change in operating assets and liabilities:					
	Decrease in loans and receivables		2,123,312	3,629,240	35,851	3,644,675
	Decrease/(increase) in external reserves		1,210,151	(10,574,066)	1,210,151	(10,574,066)
	Decrease in other assets		(14,181,864)	1,514,194	(13,480,548)	1,536,236
	Increase in deposits		726,707	14,203,419	744,569	14,170,334
	Increase in Central Bank of Nigeria Instruments		24,432,475	6,875,294	24,432,475	6,875,294
	Decrease in Bank notes and coins in circulation		291,700	1,787,851	291,700	1,787,851
	Decrease in other liabilities		(3,931,581)	3,424,757	(3,917,608)	3,499,378
			10,670,900	**20,860,689**	**9,316,591**	**20,939,702**
	Cash generated from operating activities		**7,951,874**	**6,472,627**	**6,577,118**	**6,531,984**

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31 Contingent liabilities and commitments

To meet the financial needs of customers, the Bank enters into various irrevocable commitments and contingent liabilities including financial guarantees. Even though these obligations may not be recognised in the consolidated and separate statements of financial position, they do contain credit risk and are therefore part of the overall risk of the Group.

32 Related party transactions

Central Bank of Nigeria is wholly-owned and controlled by the Federal Government of Nigeria (FGN).

The Federal Government of Nigeria also controls the Ministry of Finance Incorporated, other Government Ministries, Departments and Agencies (MDAs), Nigeria Securities, Printing and Minting Plc (NSPM), Nigeria Incentive-Based Risk-Sharing System for Agricultural Lending Plc (NIRSAL) and NESI Stabilization Strategy Limited (NESI). These entities (in addition to the key management personnel of the Bank) are related parties to the Central Bank of Nigeria.

(i) Advances to the Federal Government of Nigeria

The transactions with the Federal government and fellow subsidiaries (under control of the Federal Government) are exempted from the related party disclosure requirement due to their nature. However material transactions and balances are disclosed.

	Group	
	2025	**2024**
	N'million	**N'million**
At 1 January	3,268,025	7,947,591
Securitization of asset	-	(2,288,903)
Repayment	(291,103)	(2,390,663)
At 31 December	**2,976,922**	**3,268,025**

(ii) Directors compensation

The Bank's Directors comprises of the Governor, the 4 Deputy Governors and 6 Non Executive Directors of the Bank.

The compensation paid or payable to key management for employee services is shown below:

	Group	
	2025	**2024**
	N'million	**N'million**
Salaries and other short-term employee benefits	1,402	1,332
Post-employment pension and medical benefits	1,514	1,514
Total	**2,916**	**2,846**

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33 Events after the reporting date

There were no events after the reporting date which could have had a material effect on the financial statements which have not been adjusted for, or disclosed in, the financial statements.On 1 January 2026, the Federal Government of Nigeria commenced the implementation of four new tax reform laws, including the Nigeria Tax Act (NTA), the Nigeria Tax Administration Act (NTAA), the Nigeria Revenue Service Act (NRSA), and the Joint Revenue Board Act (JRBA).

The new tax regime was enacted in 2025 with an officially announced effective date of 1 January 2026, providing a transition period for taxpayers and regulators to align with the revised fiscal framework.

As the effective date of these reforms falls after the Group's reporting date of 31st December 2025, the enactment represents a non adjusting event. The new laws do not provide evidence of conditions that existed as at the reporting date, and therefore no adjustments have been made to the carrying amounts of assets and liabilities in these financial statements.

However, the reforms are expected to significantly influence the Group's future tax computations, including potential impacts on:

- corporate income tax obligations due to revised thresholds and rates;
- deferred tax assets and liabilities arising from changes to taxable income definitions and exemptions; and
- compliance processes under the newly established Nigeria Revenue Service structure.

Management will assess and recognize the financial effects of these changes in the period in which the new laws become effective.

There were no other events after the reporting date which could have had a material effect on the financial statements which have not been adjusted for, or disclosed in, the financial statements.

34 Non-Audit Services

During the year, the auditors Mssrs KPMG and Ernst & Young performed the following non-audit services for the Bank:

		Fee N'm	
Service provided	**Firm**	**2025**	**2024**
Internal Control over Financial Reporting	KPMG	50	50
Internal Control over Financial Reporting	EY	50	50
Total fees for non-audit services		**100**	**100**

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