

NESG-Stanbic IBTC **Business Confidence Monitor**

One Year On, Nigeria's Business
Environment Shows Signs of Improvement



Table of Contents:



Executive Summary



BCM Framework



Nigeria's Business Conditions in September 2025



How the Sectors Fared in September 2025

Agriculture Sector

Manufacturing Sector

Non-Manufacturing Industries

Services Sector

Trade Sector



Future Business Expectations

**Business
Confidence Monitor**
One Year On, Nigeria's Business Environment
Shows Signs of Improvement

Executive Summary

The Business Confidence Monitor (BCM) is a survey-based report which presents qualitative information on the current business sentiment within the Nigerian economy and gauges expectations about overall economic activities in the short term. All results are anchored on business managers' assessment of current performance and optimism on key leading economic and business indicators such as investment, prices, demand conditions, and employment, among others.

Key Findings

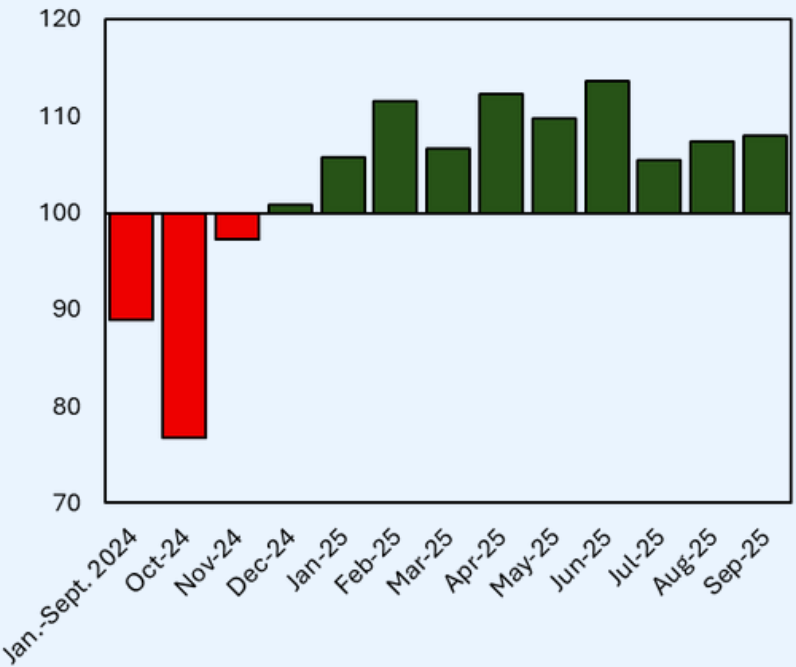
Current Business Performance (September 2025):

- September 2025 marks the 12-month cycle of tracking business performance by the BCM. In the month, BCM showed Nigeria's business performance showed slight improvement from August 2025.
- The Current Business Performance Index rose to 107.9 points in September, up 0.6 from August 2025. Also, year-to-date (January to September) business performance is 20.0 index points higher compared to the same period in 2024.
- Key constraints on business growth in the month were limited financing, followed by poor power supply, high rental costs, unclear policies, and insecurity.

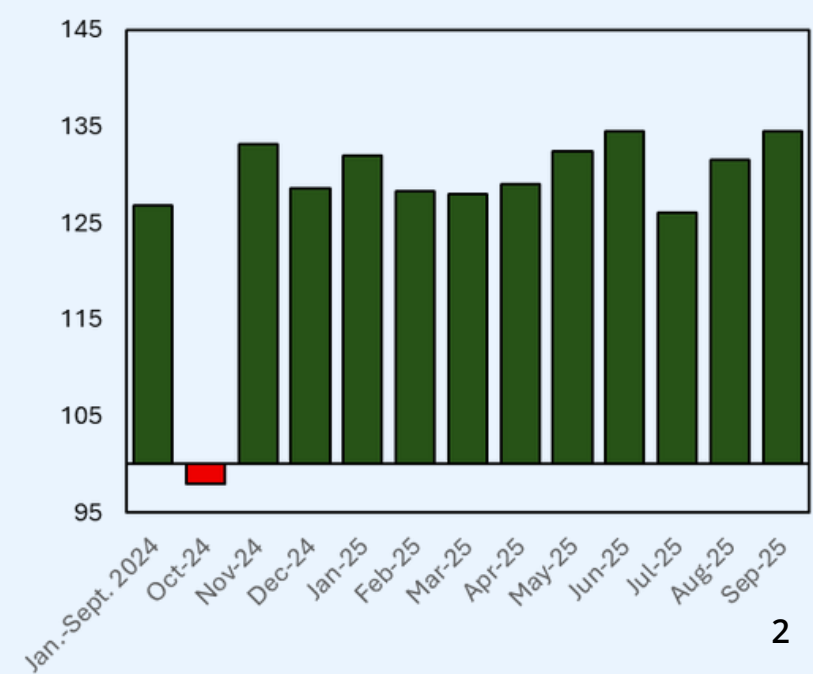
Future Expectations (Next One to Three months):

- The Future Business Expectation Index recorded an increase to 134.5 points in September 2025, from 131.5 points in August 2025, indicating an improved optimism about future business conditions.
- The improved outlook is driven by anticipated gains in the overall business environment, including expectations for an improved business situation, higher operating profits, a rise in production levels, increased cash flow, improved supply orders, and stronger demand conditions.
- Across sectors, the Trade sector reflects the highest level of optimism, while the Services sector shows the lowest confidence in future performance.

NESG-Stanbic IBTC's Current Business Performance Index



NESG-Stanbic IBTC's Future Business Expectation Index



BCM Framework

The NESG-Stanbic IBTC BCM combines leading qualitative indicators on Production, Investment, Export, Demand Conditions, Prices, Employment, and the General Business Situation to gauge the overall business optimism of the Nigerian economy.

The target respondents for the Business Confidence Survey (BCS) are business establishments operating in Nigeria that have been engaged in economic activities since the beginning of 2023. The survey is administered to senior managers and business executives.

The Contextual Definition

For the report, we define business confidence as a pool of economic indicators that measure the current business condition and the extent of optimism or pessimism that business managers feel about the general state of the Nigerian economy as it affects key business decisions within three months.

Data Source

The data set for constructing NESG-Stanbic IBTC's BCM indices is generated from various qualitative responses reported in the BCS. The BCS, a monthly survey conducted

by NESG, gathers information on various variables across different economic activities from owners and managers of businesses operating in Nigeria.

The survey was conducted in Lagos, Kano, and Abuja to provide the key information that turns the NESG-Stanbic IBTC BCM into a representative monthly measure of managers' confidence in the Nigerian business environment.

Rescaling of Results & Interpretation

The BCM results have been revised or updated to have an origin of 100 as cut-off points for distinguishing performance. For current business performance, index points below 100 are considered "Contraction", and above 100 are "Expansion". In the same vein, index points below 100 are considered "Pessimism", and above 100 are "Optimism" for the future business expectation.

Results from previous editions have been updated to ensure accuracy in tracking historical trends.

Economic Sectors Covered in the Report

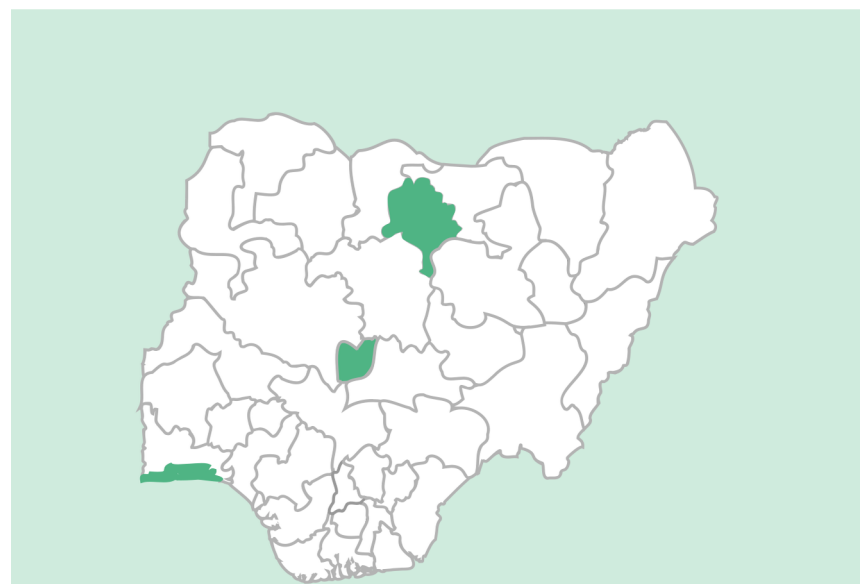
Trade: Wholesale Trade | Retail Trade

Manufacturing: Food, Beverage, and Tobacco | Textile, Apparel, and Footwear | Cement | Chemical and Pharmaceutical Products | Plastic and Rubber products | Wood and Wood Products | Pulp, Paper and Paper Products | Non-Metallic Products | Electrical and Electronics | Basic metal, Iron and Steel | Motor vehicles & assembly | Other Manufacturing

Non-Manufacturing Industries: Crude Petroleum | Natural Gas | Oil and Gas Services | Construction

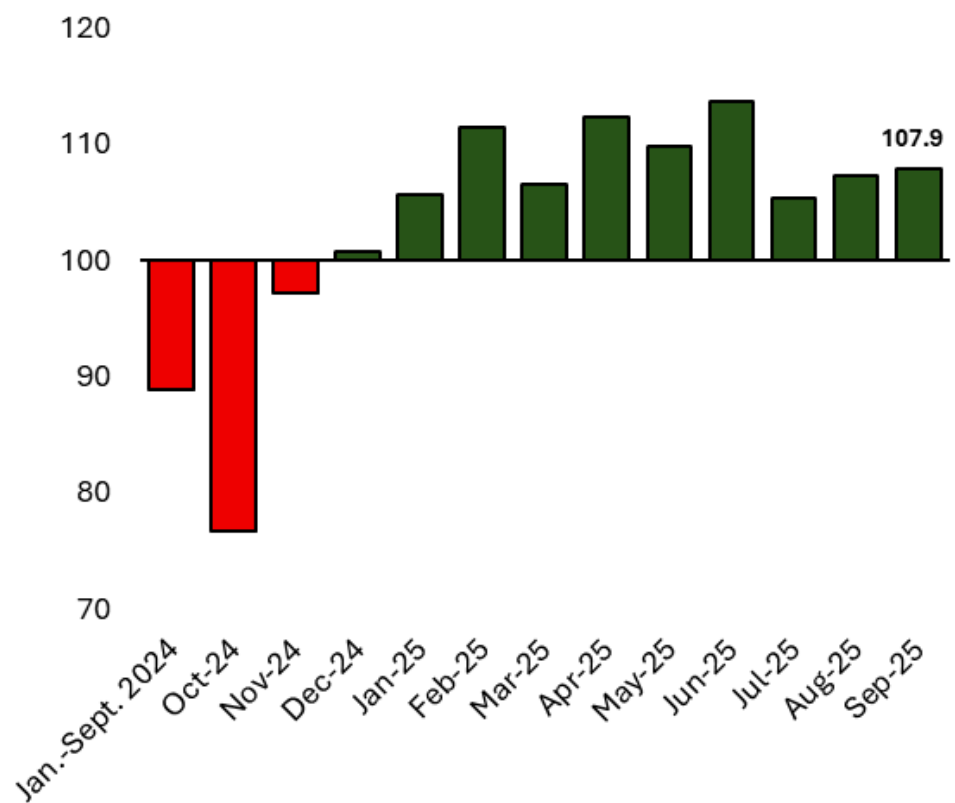
Agriculture: Crop Production | Livestock | Agro-Allied | Forestry | Fishing

Services: Telecomms & Information Services | Broadcasting | Financial Institutions | Real Estate | Professional, Scientific and Technical Services



Business Conditions in September 2025

NESG-Stanbic IBTC's Current Business Performance Index



In September 2025, businesses in Nigeria sustained a positive trajectory, with the Current Business Performance remaining in the expansion region since December 2024. The NESG–Stanbic IBTC Business Confidence Monitor (BCM) reported a marginal rise to 107.9 points, up from 107.3 in August 2025. This improvement reflects a combination of sectoral dynamics, notably a rebound in Agriculture, supported by the harvest season, and steady activity in the Services sector.

A sectoral review confirmed that all five broader economic activities stayed in the expansion zone. Agriculture posted the strongest recovery, rising sharply to 107.3 from a contractionary 95.6 in August, while Non-manufacturing (114.5), Trade (107.6), and Manufacturing (102.5) all expanded, albeit at a slower pace compared to August.

		Jan.-Sept. 2024	Oct. 2024	Nov. 2024	Dec. 2024	Jan. 2025	Feb. 2025	Mar. 2025	Apr. 2025	May 2025	Jun. 2025	Jul. 2025	Aug. 2025	Sept. 2025
Sectoral Business Condition Indices	Manufacturing	93.9	71.3	96.4	97.6	99.3	110.3	108.3	108.8	114.4	123.6	98.0	106.2	102.5
	Non-manufacturing	94.8	71.8	96.4	105.8	95.4	110.2	119.2	123.6	122.2	120.7	112.6	116.2	114.5
	Services	97.4	93.8	97.9	96.5	98.6	107.1	105.5	106.5	104.5	106.3	101.9	103.7	108.5
	Trade	86.8	76.6	100.3	94.4	99.2	121.5	100.5	125.1	114.1	121.0	103.2	114.1	107.6
	Agriculture	77.8	69.5	101.2	113.9	110.9	102.7	97.6	107.0	98.2	108.9	107.0	95.6	107.3
Business Condition Sub-Index Pillars	General Business Situation	117.6	76.8	127.9	123.1	144.8	158.3	147.7	172.5	166.6	166.7	137.4	152.4	160.3
	Production	85.3	78.7	110.2	117.8	123.7	142.1	129.2	144.6	140.1	143.1	117.9	126.6	125.8
	Demand Condition	70.3	73.4	105.4	117.3	125.4	132.1	92.5	127.3	119.1	129.4	98.6	121.8	122.9
	Investment	127.9	64.6	91.0	68.5	72.5	60.5	86.7	85.0	74.4	56.3	79.3	61.4	76.1
	Export	86.7	87.4	95.5	106.7	102.1	104.7	97.6	106.2	103.1	102.3	98.9	98.1	95.8
	Cost of Doing Business	147.6	175.2	151.5	150.3	147.6	147.2	148.3	151.8	138.5	142.8	123.2	127.0	62.6
	Operating Profit	104.0	77.0	102.9	113.5	116.1	119.0	119.2	129.4	108.3	129.0	107.3	117.7	114.7
	Financial Results	98.7	86.5	90.8	99.0	119.4	146.1	72.9	155.4	136.4	141.4	117.6	141.7	132.2
	Supply Order	69.5	78.0	105.0	105.1	101.4	133.9	116.0	154.9	135.3	134.2	111.3	116.3	99.5
	Trade Stockpiling	53.3	91.1	103.0	101.7	102.6	175.0	113.2	132.5	133.0	175.0	98.0	175.0	157.5
	Access to Credit	78.9	62.0	100.8	108.2	132.0	124.8	118.3	124.0	125.0	128.8	123.6	115.5	122.9
	Cash Flow	99.0	84.4	109.0	118.9	118.4	130.6	120.8	130.5	126.0	126.2	115.2	118.8	128.7
	Prices	73.9	109.3	68.0	69.1	73.4	76.2	94.8	83.4	81.9	70.7	93.0	84.0	76.7
	Employment	96.0	82.7	117.9	120.7	118.0	126.3	117.9	137.6	130.9	127.2	111.9	114.9	114.9

N:B Cost of doing business has an inverse interpretation to the index notations.

Key BCM sub-indices, such as investment, exports, access to credit, and prices, registered marginal gains relative to August 2025, pointing to improving sentiment in capital formation and external trade. Importantly, recent improvements in cost of doing business and input prices suggest a gradual moderation of inflationary pressures on firms. However, this positive trend remains fragile, as financing constraints, erratic electricity supply, high commercial property costs, unclear policy signals, and persistent insecurity continue to undermine business confidence and investment appetite.

Agriculture

NESG-Stanbic IBTC's Agriculture Business Performance Index



After recording a contraction in August 2025, the NESG–Stanbic IBTC Business Confidence Monitor (BCM) Index for the Agriculture sector rebounded in September, rising to 107.3 points from 95.6. This turnaround was mainly supported by improvements in Crop Production and Forestry, which had previously been in the contraction region.

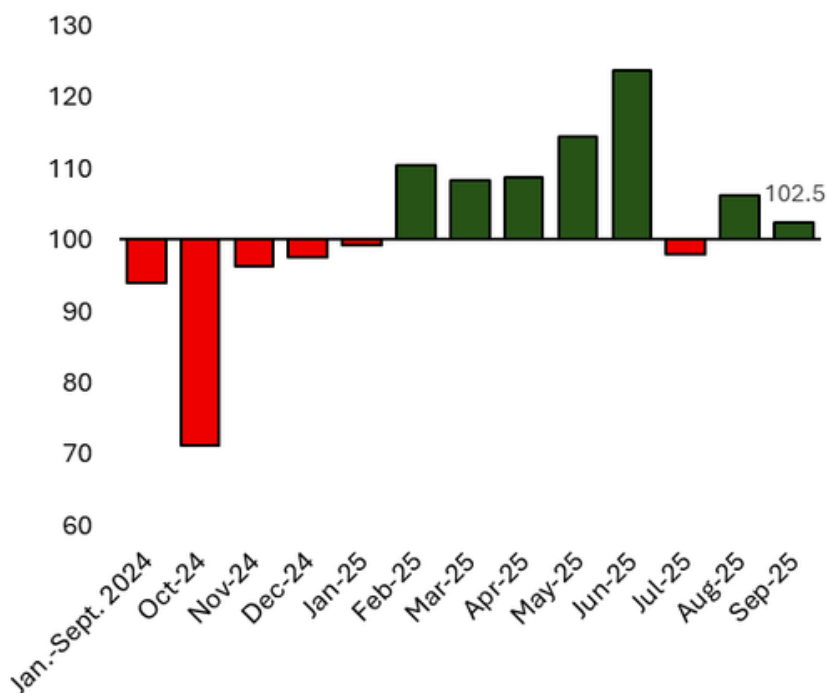
The sector's recovery is linked to multiple factors, including bumper harvests that spurred expansion in crop production, favourable rainfall patterns that boosted output, and government input support programmes. Positive economic momentum also played a role, with prospects of easing inflation and a relatively stable exchange rate reinforcing business confidence.

A breakdown in performance across the five agricultural sub-sectors showed broad-based improvements. Crop Production and Forestry shifted from contraction into recovery, while Livestock, Fishing, and Agro-Allied activities continued to expand when compared with August 2025, signalling resilience across the sector.

At a broader level, however, businesses in Agriculture continue to grapple with high rental costs, insecurity, limited financing, excessive taxation, poor infrastructure, rising input costs, raw material shortages, and staffing challenges. Collectively, these structural constraints undermine performance, despite the sector's recovery in the period under review.

Manufacturing

NESG-Stanbic IBTC's Manufacturing Business Performance Index



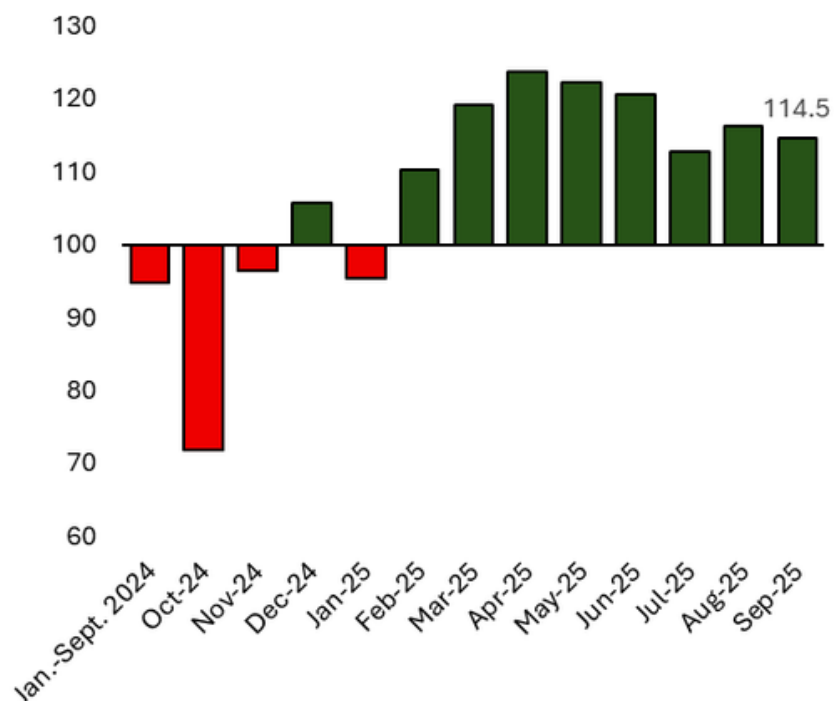
	Jan.-Sept. 2024	Oct. 2024	Nov. 2024	Dec. 2024	Jan. 2025	Feb. 2025	Mar. 2025	Apr. 2025	May 2025	Jun. 2025	Jul. 2025	Aug. 2025	Sept. 2025
Food, Beverage & Tobacco	87.4	60.5	92.1	108.1	108.7	119.8	115.0	111.5	124.3	125.7	93.2	104.4	99.8
Textile, Apparel & Footwear	97.1	85.8	98.3	72.5	72.3	97.3	96.9	105.9	100.3	129.4	95.8	109.4	118.1
Cement	100.0	100.0	120.0	90.0	102.9	98.4	100.0	102.1	100.0	111.8	111.1	101.8	79.3
Chemical & Pharm. Products	114.0	82.1	91.4	89.3	98.1	104.0	113.8	120.9	137.5	126.1	130.6	129.2	135.1
Plastic & Rubber products	98.0	85.0	121.2	104.4	89.6	113.0	111.2	116.4	119.3	128.0	119.3	124.8	105.4
Wood and Wood Products	106.9	47.9	64.2	89.4	116.0	101.0	109.1	103.6	96.5	126.1	94.9	101.8	97.5
Pulp, Paper & Paper Products	109.8	63.0	35.2	99.2	100.5	99.5	100.4	101.6	97.3	103.9	98.9	118.6	114.5
Non-Metallic Products	100.0	105.8	105.8	107.5	108.8	100.8	109.4	100.0	102.2	109.0	95.2	98.5	94.8
Electrical & Electronics	80.4	32.3	75.9	54.0	101.1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Basic metals, Iron & Steel	105.8	78.1	85.7	103.6	106.4	112.1	90.7	91.7	105.6	103.6	97.9	99.1	101.1
Motor vehicles & Assembly	90.0	65.0	73.8	73.3	62.9	95.0	98.9	102.1	104.3	94.6	100.0	87.5	100.0
Other Manufacturing	120.2	97.1	97.5	110.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

At the sub-sectoral level, Food, Beverage and Tobacco, Cement, Plastic and Rubber Products, Wood and Wood Products, Non-Metallic Products, and Pulp, Paper and Paper Products all posted declines, slipping into contraction in September. Given that these sub-sectors collectively account for over 75 percent of Nigeria's manufacturing output, their weaker performance in the month largely explains the sector's slowed momentum.

Importantly, manufacturing businesses continue to struggle with high taxation, limited finance, raw material shortages, inadequate electricity, high rents, insecurity, weak infrastructure, and rising costs, all of which collectively undermine expansion, growth, competitiveness, and profitability across the Manufacturing sector.

Non-manufacturing

NESG-Stanbic IBTC's Non-manufacturing Business Performance Index



		Jan.- Sept. 2024	Oct. 2024	Nov. 2024	Dec. 2024	Jan. 2025	Feb. 2025	Mar. 2025	Apr. 2025	May 2025	Jun. 2025	Jul. 2025	Aug. 2025	Sept. 2025
Non-manufacturing Sub-Sector Indices	Construction	122.9	76.0	96.8	108.3	104.8	112.2	117.3	121.7	139.1	117.1	120.0	119.4	121.8
	Crude Petroleum	105.0	91.3	78.2	95.6	100.0	102.1	125.7	100.0	115.0	100.0	100.0	100.0	100.0
	Natural Gas	66.4	90.7	105.8	99.2	105.7	114.8	128.2	121.4	118.2	112.9	123.6	115.8	111.3
	Oil & Gas Services	95.4	33.3	102.7	120.1	75.3	113.4	107.8	128.7	125.9	133.8	99.1	117.4	115.0
	Others	104.2	56.6	111.5	113.0	92.7	104.1	97.8	111.2	106.0	98.4	101.1	97.3	104.4

0

Contraction

100

Expansion

200

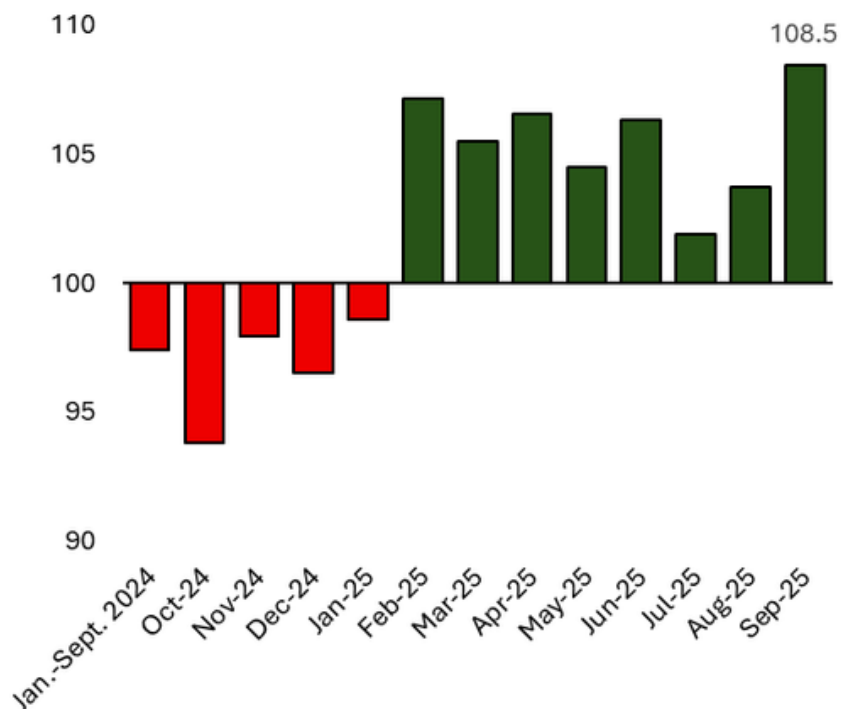
In line with the prevailing momentum of general business conditions in Nigeria, the Non-manufacturing sector recorded a slight slowdown in performance, with the BCM index falling to 114.5 points from 116.2 in August 2025. This month's performance resumes the trend of reduced business activity in the sector after the initial break in August.

Heightening levels of business constraints placed many non-Manufacturing firms in difficult conditions, with insecurity emerging as one of the most pressing challenges.

Despite a recovery in other Non-manufacturing sub-sectors, sectoral performance showed a slowdown in many sub-sectors. Apart from Construction, which expanded slightly, other sub-sectors witnessed a decline in activity compared with August, with some non-manufacturing slipping into contraction. Structural headwinds, including insecurity, poor infrastructure, high rents, limited finance, multiple taxation, and rising costs, collectively undermine business expansion, profitability, and competitiveness.

Services

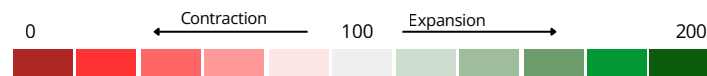
NESG-Stanbic IBTC's Services Business Performance Index



Services Sub-Sector Indices

Broadcasting
Financial Institutions
Real Estate
Professional, Scientific & Technical Services
Telecomm. & Info. Services
Other Services

Jan.-Sept. 2024	Oct. 2024	Nov. 2024	Dec. 2024	Jan. 2025	Feb. 2025	Mar. 2025	Apr. 2025	May 2025	Jun. 2025	Jul. 2025	Aug. 2025	Sept. 2025
60.4	65.7	90.8	80.0	69.7	127.9	124.5	123.6	109.6	126.1	103.2	104.3	131.1
149.7	93.4	97.3	104.0	137.8	129.1	120.5	121.9	139.5	121.5	120.2	133.5	139.8
106.7	70.1	79.7	75.1	118.7	123.6	124.5	135.8	107.6	124.4	108.6	118.2	130.2
79.4	78.7	90.4	130.7	94.1	117.3	111.7	121.0	130.6	119.7	123.7	107.7	118.1
80.9	91.3	95.9	99.1	106.1	111.5	60.5	118.8	102.8	99.3	69.5	130.2	106.5
132.8	109.5	106.6	52.1	114.3	100.0	100.0	100.0	100.0	100.0	100.0	104.3	100.0

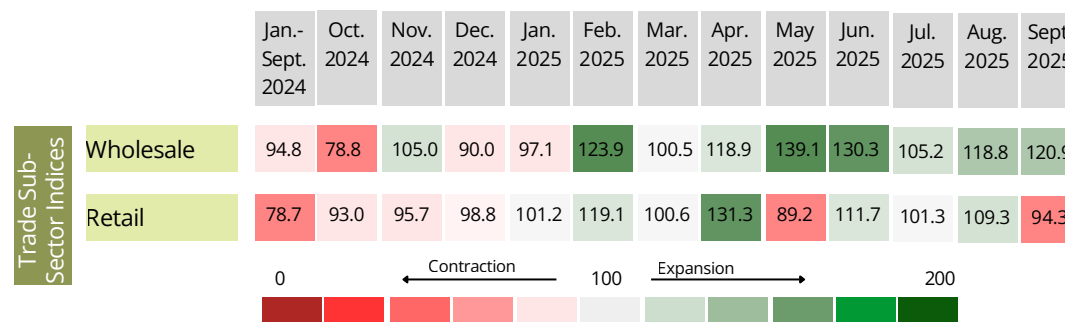
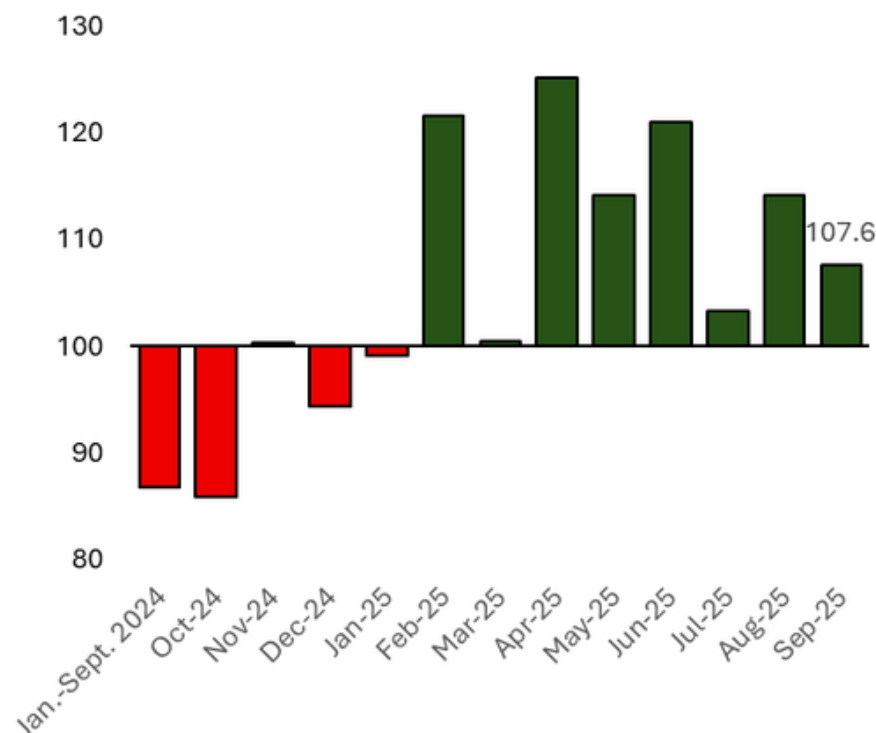


Nigeria's Services sector recorded stronger business momentum in September 2025, despite persistent economic headwinds weighing on performance. The NESG-Stanbic IBTC Services Business Confidence Monitor (BCM) rose to 108.5 index points from 103.7 in August 2025. This improvement was largely supported by relative gains in key sub-sectors and a favourable macroeconomic environment, particularly moderating inflation and exchange rate stability.

Although the majority of Services sub-sectors remained in the expansion region, only four posted modest growth compared with August 2025. Telecommunications and Other Services slowed, while other sub-sectors recorded business expansion. With conditions still fragile, urgent policy measures are required to stabilise the economy, enhance infrastructure, strengthen security, and ease access to financing to reinforce the sector's resilience and boost national growth.

Trade

NESG-Stanbic IBTC's Trade Business Performance Index



The NESG–Stanbic IBTC Trade Index reflected a slowdown in September 2025, falling to 107.6 index points, a decline of 6.5 points from the previous month’s performance. Although Nigeria’s broader economy remains relatively stable, the trade sector continues to grapple with persistent bottlenecks. Insecurity across key markets, frequent supply chain disruptions, and enduring structural challenges have emerged as formidable barriers that weigh heavily on trade operations and limit the sector’s growth potential. These issues combined created the observed slowdown in overall trade performance.

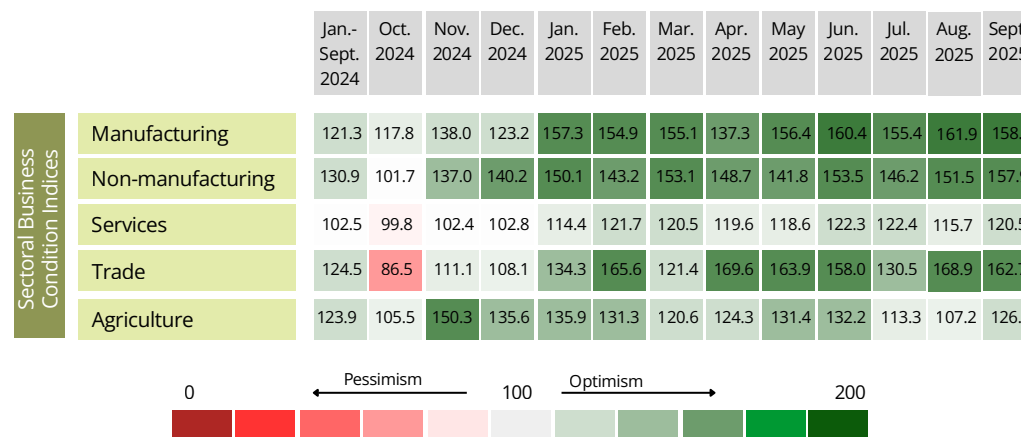
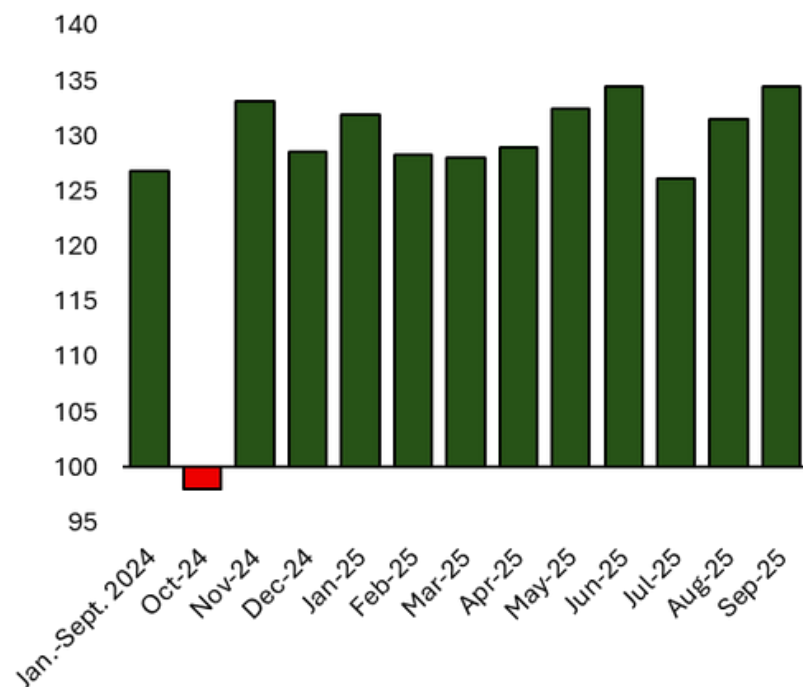
At the sub-sectoral level, the Wholesale segment managed to sustain expansion during the month, supported by relatively stronger trading volumes and access to suppliers. However, Retail businesses contracted compared with August 2025, underscoring the fragility of

consumer demand and the vulnerability of small traders to rising operational pressures. Retail trade is particularly sensitive to inflationary trends, logistics challenges, and security concerns, which often translate into higher costs for both businesses and consumers.

Trading activities, especially in the Retail sub-sector, face multiple headwinds that significantly undermine growth, expansion, and profitability. These include multiple taxation regimes imposed by different tiers of government, limited access to affordable financing, poor and inadequate infrastructure, and recurrent shortages of critical supplies. Such shortages are further exacerbated by insecurity in distribution corridors and rising import costs, which delay the movement of goods and weaken overall sectoral competitiveness.

Future Business Expectations

NESG-Stanbic IBTC's Future Business Expectation Index



To assess near-term performance expectations of Nigerian businesses, the NESG–Stanbic IBTC Future Business Expectation Index offers key insights into prevailing optimism and pessimism over the next one to three months. In September 2025, the index stood at 134.5 points, indicating a stronger outlook compared with 131.5 points in August 2025.

Across the sectors, Trade recorded the highest optimism at 162.7 points, followed by Manufacturing (158.4), Non-manufacturing (157.9), and Agriculture (126.9). Services, at 120.5 points, reflected the weakest expectation of improved conditions. However, sentiment moderated across all sectors compared to the previous month, highlighting cautious optimism amid persistent macroeconomic headwinds.

Despite the moderation, overall optimism is still anchored on factors such as seasonal economic activity, ongoing policy measures, relative exchange rate stability, infrastructure investments, and the gradual recovery in consumer demand. These elements continue to reinforce measured confidence across major sectors, particularly Agriculture, Retail Trade, Non-manufacturing, and Services.

As these supportive undercurrents deepen, businesses remain strategically positioned to harness emerging opportunities while adapting to potentially more favourable market dynamics and evolving policy conditions, thereby sustaining resilience and growth momentum in the months ahead.

ABOUT THE NESG

The NESG is an independent, non-partisan, non-sectarian organisation committed to fostering open and continuous dialogue on Nigeria's economic development. The NESG strives to forge a mutual understanding between leaders of thought to explore, discover and support initiatives to improve Nigeria's economic policies, institutions and management.

Our views and positions on issues are disseminated through electronic and print media, seminars, public lectures, policy dialogues, workshops, specific high-level interactive public-private sessions and special presentations to the executive and legislative arms of government.

📍 THE SUMMIT HOUSE

6, Oba Elegushi Street,
Off Oba Adeyinka Oyekan Avenue,
Ikoyi, Lagos.
P.M.B 71347, Victoria Island, Lagos

🌐 www.nesgroup.org
✉ info@nesgroup.org
☎ +234-01-295 2849

🐦     officialNESG

📍 ABUJA LIAISON OFFICE

4th Floor, Unity Bank Tower,
Beside Reinsurnace building
Plot 785, Herbert Macaulay Way,
Central Business District, Abuja

ABOUT STANBIC IBTC

Stanbic IBTC Bank, a member of the Standard Bank Group, is a leading financial services institution in Nigeria. Established in 1989, it provides a wide range of banking solutions including personal, business, and corporate banking services. The bank is renowned for its innovative digital banking platforms, investment options, wealth management services, and corporate financing solutions.

Stanbic IBTC is also a significant player in Nigeria's capital markets, offering asset management and pension fund administration. With a strong commitment to customer satisfaction and financial inclusion, the bank continues to support the economic development of Nigeria and West Africa.

📍 HEADQUARTERS:

Stanbic IBTC Towers, Walter Carrington Crescent, Victoria Island,
Lagos State, Nigeria

🌐 <https://www.stanbicibtcbank.com>
✉ CustomerCareNigeria@stanbicibtc.com
☎ 0700 909 909 909

🐦     StanbicIBTC

For a deeper conversation, collaboration and additional information with respect to this Report, please contact the following:

DR. OLUSEGUN OMISAKIN

Chief Economist & Director of Research and
Development
olusegun.omisakin@nesgroup.org

MUYIWA ONI

Regional Head of Equity Research for West Africa at
Standard Bank Group
muyiwa.oni@stanbicibtc.com

DR. SHAKIRUDEEN TAIWO

Economist
shakirudeen.taiwo@nesgroup.org