

Nigerian Capital Importation

SUMMARY REPORT:
QUARTER FOUR 2014

NATIONAL BUREAU OF STATISTICS
11TH MARCH 2014

Capital Importation Data

The data on Capital Importation used in this report was obtained from the Central Bank of Nigeria (CBN). The data is compiled using information on Banking transactions, gathered through Electronic Financial Analysis and Surveillance System (e-FASS) software, which enables the automatic reporting of all banking transactions to CBN. E-FASS follows WTO classification systems and covers all registered financial institutions in Nigeria, thus complying with international standards as well as being highly comprehensive. E-FASS data is supplemented by that from customs, through the analysis of declaration forms for physical capital imported. Data is therefore inclusive of both imported physical capital, such as that of plants and machinery, as well as financial capital importation.

NOTE: Data is subject to revisions within the quarter subsequent to its release. Finalised data and reports updated accordingly and published online.

Summary: Total Capital Importation

Capital worth a total of \$4,499.74 million was imported to Nigeria in the fourth quarter of 2014, bucking the upward trend that had been observed throughout the preceding quarters of 2014 (See Figure 1). A sharp decline of \$2,042.84 million or 31.22% was recorded from the value of \$6,542.58 million that was recorded in the preceding quarter, which represented the peak value for the year. Despite this, the closing quarter of the year 2014 was still greater than the \$3,904.55 million of capital imported in the opening quarter, by \$595.18 million or 15.24%.

Total capital imported in the year of 2014 summed to \$20,750.76 million, lower by \$576.61 million or 2.66% from the \$21,318.38 million that was imported in 2013. The annual decline was primarily due to the reduction in the value of capital imported in the fourth quarter of 2014, which was expected, as investor confidence is low during the build up to a Presidential election, which in Nigeria was scheduled to hold in February of 2015.

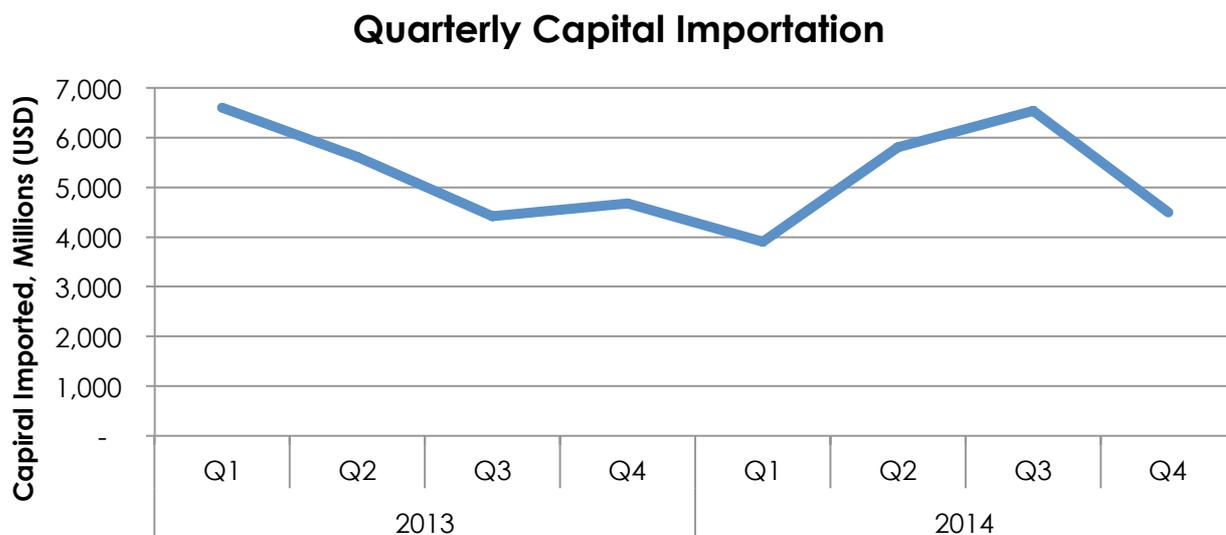


FIG 1: TOTAL VALUE OF CAPITAL IMPORTATION BY QUARTER

Capital Importation by Investment Type

Capital Importation can be divided into three main investment types: Foreign Direct Investment (FDI), Portfolio Investment and Other Investments, each comprising various subsectors.

Despite still making up the largest portion of total capital imported, Portfolio Investment, at a value of \$2,003.10 million declined by \$3,124.65 million or 60.94% from its quarter three value of \$7,127.75 million. Its subsequent share of total capital imported therefore declined from 78.38% in quarter three of 2014, to just 44.52% in quarter four. Year on year, this represented a decline of a lesser \$1,392.66 million or 41.01%, from the quarter four 2013 total of \$3,395.76 million, which was 72.54% of total capital imported.

The decline in portfolio investment was mainly driven by declines in the value of equity, which at \$1,542.08 million in quarter four of 2014, had declined by \$2,228.30 million or 59.10% from the preceding quarter and by \$1,177.10 million or 43.29% year on year.

However, Portfolio investment was the only of the three broad categories to exhibit a decline. FDI increased from a value of \$544.50 million in quarter three of 2014, by \$224.35 million or 41.20% to reach \$768.86 million in quarter four. This continued the observed steady rise in FDI capital imported throughout 2014, representing year on year growth of \$647.04 million or 531.14%.

Other Investments also saw a sharp rise in the value of capital imported; from the \$865.24 million recorded in Q3 of 2014, it increased by \$861.66 million or 99.59% to its quarter four value of \$1,726.91 million. Year on year, this was an increase of \$563.10 million or 48.38%. The main driver of this growth was a rise in the subcategory of Other Claims, which increased by \$820.59 million or 159.24%, from \$515.31 million in quarter three of 2014 to \$1,335.91 million in quarter four.

Capital Importation by Investment Type, Q4 2014

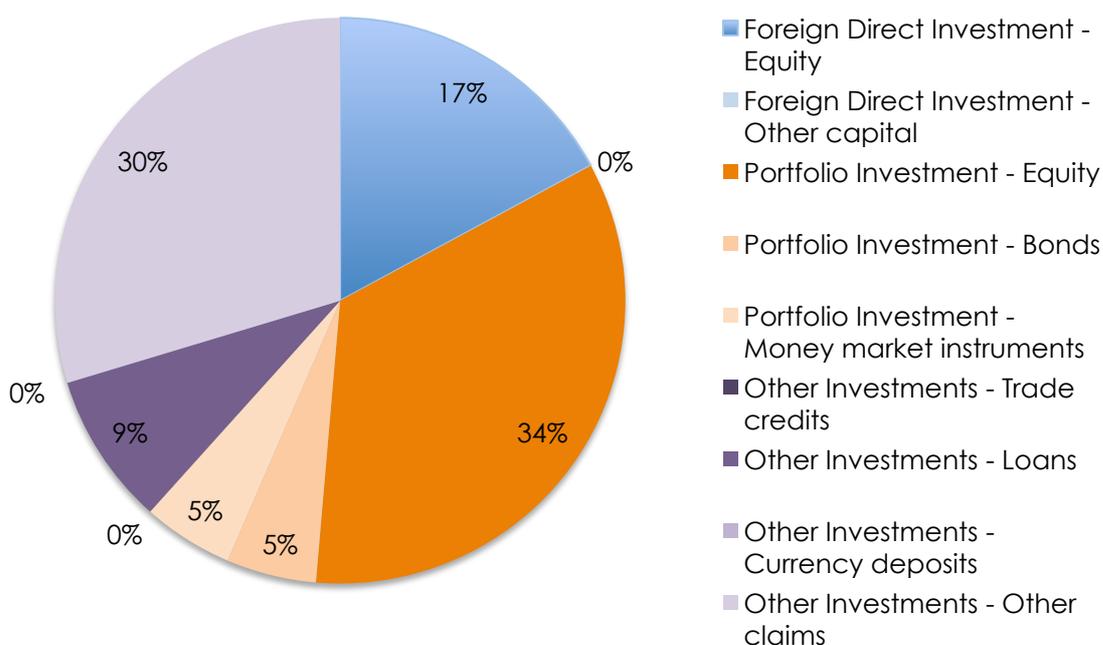


FIG 2: QUARTER FOUR 2014 CAPITAL IMPORTATION BY INVESTMENT TYPE

Within the FDI category, the increase was driven by equity, under which \$767.83 million was recorded in the fourth quarter, up by \$223.62 million or 41.09% from the \$544.21 million recorded in the quarter preceding, and growing by \$653.89 million or 573.87% year on year.

Capital Importation by Business Type

Shares continue to hold the largest share of capital imported by business type, with inflows of \$1,934.32 million in Q4 of 2014, representing 42.99% of the total. Nonetheless, this was a sharp decline of \$2,589.54 million or 57.24% from the preceding quarter, in which it represented 69.14% of the total. Year on year, the decline was still large, at \$1,112.35 million or 36.51%, causing a subsequent decline in its share of the total of 22.09% points, from the 65.08% it represented in Q4 of 2013.

The decline in the value of capital imported for shares was partially compensated by the influx in capital imported for the Telecommunications business. From the quarter three value of \$27.07 million, in which it represented just 0.41% of total capital imported, it increased sharply by \$742.85 million or 2,744.53%. Year on year, growth was \$414.44 million or 116.59%. Representing both the largest absolute and the largest percentage increase from the preceding quarter, the \$769.92 million imported represented 17.11% of the total for the quarter.

Despite exhibiting a decline in the value of capital imported in the fourth quarter of 2014, at \$566.06 million or 12.58% of the total, the third largest contributor to capital importation was Financing. Capital imported for Financing declined by \$507.77 million or 47.29% from the previous quarter; its share of the total declining by 3.83% points from its Q3 value of 16.41%. From the \$858.12 million recorded in quarter four of 2013, this was a decline of \$292.06 million or 34.04%. Nonetheless, from the opening low of \$345.28 million

recorded in Q1 of 2014, the closing value of capital imported for Financing for the year was still \$220.78 million or 63.94% higher, continuing the volatile trend observed over the preceding year.

As fourth largest, Manufacturing/Production capital stood at a value of \$366.92 million, maintaining its higher level of inflows realized in the latter half of the year. Although it increased by a marginal \$1.82 million or 0.50% from the preceding quarter, its share of the total increased from 5.58% in quarter three of 2014, to 8.15% in quarter four. From the value recorded in the corresponding quarter of 2013 however, the increase has been stark. In Q4 of 2013, just \$32.98 million was imported for the purpose of Manufacturing/Production, which represented 0.70% of the total. In the corresponding quarter of 2014, this figure had increased over ten-fold, by \$333.94 million or 1012.59%.

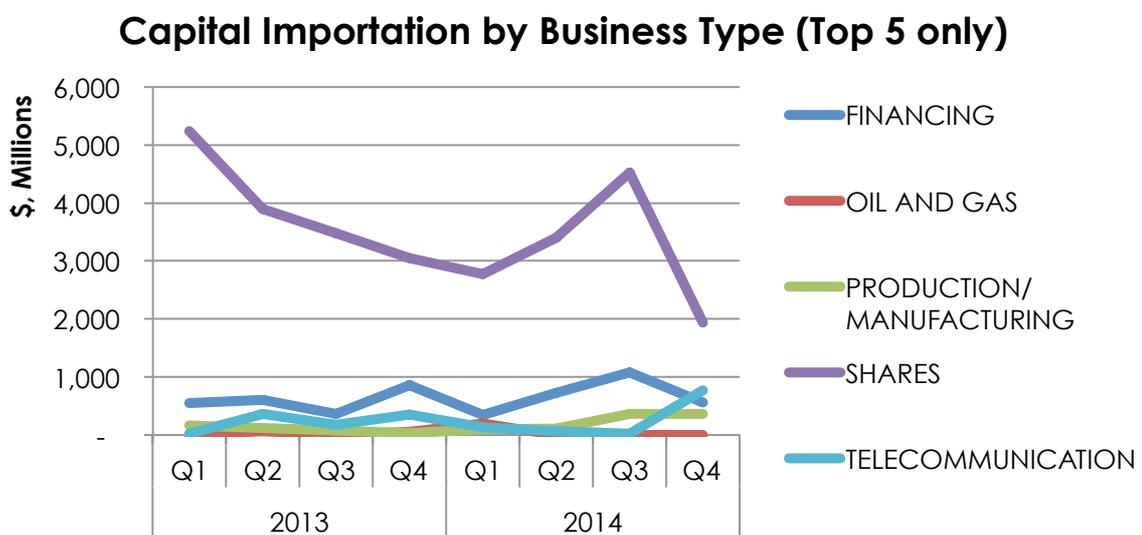


FIG 3: QUARTERLY CAPITAL IMPORTATION BY BUSINESS TYPE

Capital Importation by Country of Origin

The source of the greatest value of capital imported to Nigeria continues to be the United Kingdom, with \$1,945.81 million imported in the fourth quarter of 2014, representing 43.21% of the total. Nonetheless, this represented a continuation of the decline seen since the second quarter, of \$939.77 million or 32.57% from the quarter three value of \$2,885.59 million. The portion of the total subsequently declined by 0.86% points.

Marginal declines were also observed in Nigeria's second largest source of capital, the United States. From its 2014 peak of \$1,128.70 million, it declined by \$54.62 million or 4.84% to \$1,074.08 million in quarter four. Nevertheless, its share of the total increased quarter on quarter, by 6.62% points to a fourth quarter value of 23.87%. Year on year, the value of capital imported from the United States remained relatively similar, declining by \$44.5 million or 3.98% and retaining 23.89% of the total, a marginal 0.02% points more than the following year.

Capital Imported by Country of Origin (Top Eight in Q4, 2014 Only)

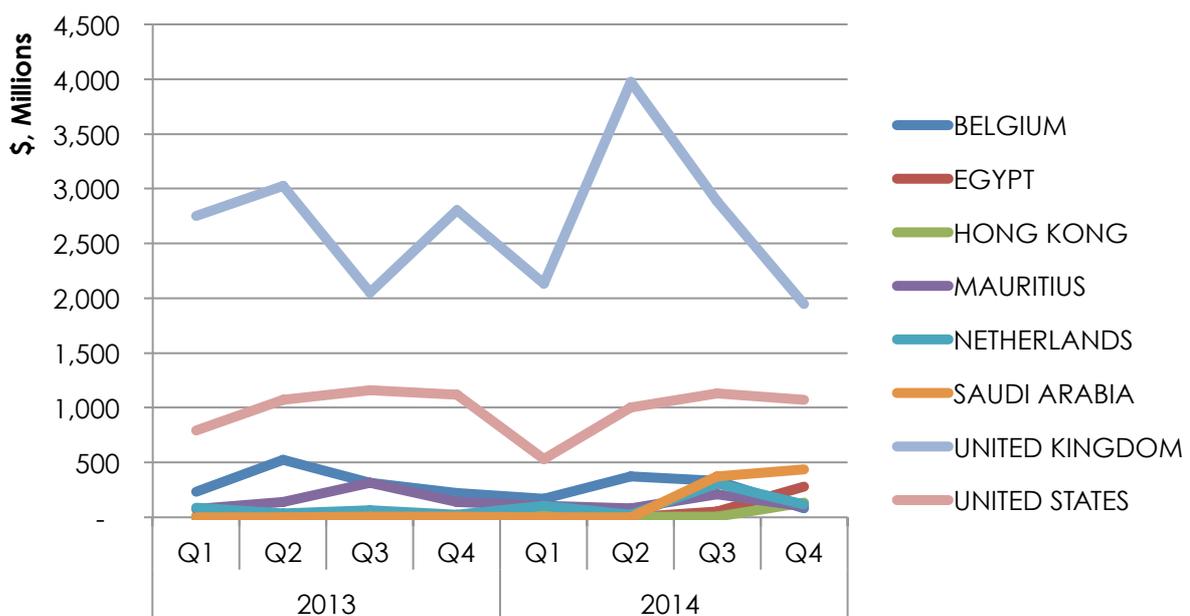


FIG 4: CAPITAL IMPORTED BY COUNTRY OF ORIGIN IN Q4 OF 2014 (TOP EIGHT ONLY)

Saudi Arabia provided the third largest source of capital inflows to Nigeria. After seeing a sharp increase in imports in quarter three to \$375.00 million, there was a further rise of \$60.52 million or 16.14% to reach 435.53 million in quarter four. This increased its share of the total from 5.73% in quarter three to 9.68% in quarter four. Year on year growth remained exceptionally high, with an increase of \$428.39 million or 6,006.82% from the \$7.13 million imported just one year previous.

Unexpectedly, Egypt ranked fourth. With inflows of \$282.13 million in quarter four, it showed a rise of \$231.13 million or 453.19% from the preceding quarter, and \$279.10 million or 9,222.17% from that of the preceding year. Its share of the total subsequently rose from a negligible 0.06% in quarter four of 2013, to 6.27% in the same quarter of the following year.

Notable is the continued decline in the contribution of capital from Belgium. In the fourth quarter of 2014 Belgium was the source of \$79.96 million or 1.78% of the total, a decline of \$253.07 million or 75.99% from the third quarter total of \$333.03 million, or 5.09% of the total. From the corresponding quarter of 2013, it is a decline of \$142.01 or 63.98%, reducing the share of the total by 2.96% from 4.74% and a ranking of third largest contributing country, to eighth just one year later.

Capital Importation by Country, Amount in US\$ and Percentage Share of Total

	Q 4, 2014	Q 3, 2014	Q4, 2013
1	UK \$1,945.81 million (43.24%)	UK \$2,885.59 million (44.10%)	UK \$2,805.67 million (59.93%)
2	USA \$1,074.08 million (23.87%)	USA \$1,128.70 million (17.25%)	USA 1,118.58 million (23.89%)

3	Saudi Arabia \$435.53 million (9.68%)	Qatar \$575.02 million (8.79%)	Belgium \$221.97 million (4.74%)
4	Egypt \$282.13 million (6.27%)	Saudi Arabia \$375.00 million (5.73%)	Mauritius \$142.43 million (3.04%)
5	Hong Kong \$132.95 million (2.95%)	Belgium \$333.03 million (5.09%)	Germany \$113.97 million (2.43%)
6	Netherlands \$116.65 million (2.59%)	Netherlands \$307.22 million (4.70%)	South Africa \$54.79 million (1.17%)
7	Mauritius \$99.08 million (2.20%)	Mauritius \$210.37 million (3.22%)	Singapore \$42.19 million (0.90%)
8	Belgium \$79.96 million (1.78%)	South Africa \$124.64 million (1.91%)	France \$35.01 million (0.75%)

TABLE 1: CAPITAL IMPORTATION COUNTRY OF ORIGIN AND AMOUNT IN US\$, RANKED BY PERCENTAGE CONTRIBUTION TO TOTAL CAPITAL IMPORTED

Appendix

A. Capital Importation By Investment Type

	2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Foreign Direct Investment - Equity	541,311,665	400,803,020	194,631,523	113,948,654	490,392,317	461,583,819	544,209,859	767,827,454
Foreign Direct Investment - Other capital	20,108,801	108,040	647,841	7,870,684	300,000	11,406,443	293,833	1,028,589
Portfolio Investment - Equity	4,930,550,373	3,934,211,290	3,532,526,447	2,719,286,944	2,260,360,730	3,875,352,408	3,770,371,471	1,542,076,344
Portfolio Investment - Bonds	599,419,154	150,737,079	31,635,953	427,645,555	482,492,749	731,744,999	1,000,277,264	229,480,090
Portfolio Investment - Money market instruments	220,537,329	402,552,865	171,315,832	248,830,153	126,337,579	310,037,249	357,098,670	231,544,919
Other Investments - Trade credits	-	-	-	-	14,700,000	1,370,109	5,082,881	877,053
Other Investments - Loans	286,267,422	690,610,080	239,691,885	920,520,060	436,406,010	236,990,195	349,928,333	391,001,205
Other Investments - Currency deposits	1,733,975	-	-	2,475,000	-	-	-	-
Other Investments - Other claims	643,392	38,639,249	248,304,262	240,810,814	93,564,591	175,403,387	515,314,648	1,335,905,392

B. Capital Importation By Business Type

	2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
AGRICULTURE	17,101,912	318,269	40,100,000	24,850,000	15,075,000	219,090	833,867	8,194,000
BANKING	142,844,058	378,827,384	55,646,601	94,483,167	104,933,488	191,102,837	330,987,255	337,164,574
BREWING	17,150,733	15,636,969	3,819,423	755,160	-	-	-	-
CONSTRUCTION	19,062,815	4,332,640	22,291,628	2,029,114	10,630,095	4,617,424	4,879,701	35,562,029
CONSULTANCY	1,020,000	967,160	508,990	12,808,204	2,814,121	6,963,022	7,743,661	8,912,042
DRILLING	6,241,703	44,321	209,574	57,731	9,062	1,008,230	39,240,634	1,004,418
ELECTRICAL	1,496,020	1,621,469	4,459,397	3,360,460	5,953,890	1,792,317	5,840,000	2,435,000
FINANCING	553,137,702	606,952,771	357,561,401	858,118,891	345,278,850	723,143,858	1,073,828,554	566,057,378
FISHING	5,079,286	-	-	-	449,965	-	100,000	-
IT SERVICES	1,161,000	2,519,928	9,999,950	16,699,885	2,499,990	2,569,965	1,649,980	3,250,633
MARKETING	33,000	874,732	169,000	2,360,000	64,200	-	33,100	-
OIL AND GAS	3,517,526	70,827,930	1,623,920	53,651,240	201,136,358	3,830,811	3,158,514	46,459
PRODUCTION/MANUFACTURING	169,435,830	116,330,583	72,587,079	32,979,337	104,073,481	107,877,988	365,102,712	366,923,933
SERVICING	360,593,483	145,523,943	105,631,725	19,219,783	32,363,643	53,580,539	110,487,275	354,876,563
SHARES	5,244,373,004	3,897,495,551	3,476,695,278	3,046,672,142	2,773,356,940	3,396,227,044	4,523,861,728	1,934,324,836
HOTELS	20,000,000	92,550	77,610	-	573,615	531,839	1,336,494	8,825,861
TELECOMMUNICATION	20,024,958	357,794,774	180,307,504	355,474,809	135,683,167	61,657,369	27,066,619	769,918,095
TANNING	-	-	-	-	-	-	-	-
TRADING	18,299,081	17,500,650	86,937,865	157,319,455	169,353,739	68,107,871	46,426,865	101,716,924
TRANSPORT	-	-	126,800	548,487	304,370	1,635,100	-	528,300
WEAVING	-	-	-	-	-	-	-	-
OTHER						1,179,023,304		-
TOTAL	6,600,572,112	5,617,661,624	4,418,753,744	4,681,387,863	3,904,553,976	5,803,888,609	6,542,576,959	4,499,741,045

C. Capital Importation by Country of Origin

	2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
AFGHANISTAN	-	-	-	-	-	-	-	-
ALBANIA	-	-	-	-	-	-	-	-
ANDORRA	-	-	-	-	-	-	-	-
ANGUILLA	-	-	-	-	-	-	-	-
ANTIGUA AND BARBUDA	-	14,979	-	-	-	-	-	-
ARMENIA	-	-	-	-	-	20,232,685	-	-
AUSTRALIA	132,765	17,225	8,725	-	1,117,788	-	-	2,599,975
AUSTRIA	-	-	-	270,140	-	-	-	-
BAHAMAS	2,250,000	-	-	-	-	-	-	-
BAHRAIN	-	759,793	-	-	-	-	578,993	-
BANGLADESH	-	-	-	-	-	-	-	-
BARBADOS	-	-	-	-	-	-	-	-
BELGIUM	233,292,230	523,450,049	314,586,907	221,967,792	167,400,808	373,687,000	333,033,663	79,962,231
BELIZE	-	-	-	-	-	-	-	-
BENIN	-	-	-	-	-	-	-	-
BERMUDA	1,850,000	-	499,990	-	221,581	113,668	7,072,287	-
BHUTAN	-	-	-	-	-	-	-	-
BOTSWANA	-	-	-	-	-	-	-	-
BOUVET ISLAND	-	-	-	-	-	-	-	-
BRAZIL	-	-	1,000,000	-	-	750,000	-	-
BRITISH INDIAN OCEAN TERRITORY	-	-	-	-	-	-	-	-
BRITISH VIRGIN ISLANDS	10,301,742	9,051,944	12,585,898	7,403,559	3,779,000	2,357,635	18,117,965	20,834,966
BURKINA FASO	-	-	-	-	-	-	-	-
CAMEROON	-	-	-	-	-	-	-	-

CANADA	-	-	191,328	34,980	-	-	-	-
CAYMAN ISLANDS	850,702	22,361,430	7,183,983	-	49,980	6,740,000	-	4,993,663
CHINA	35,015,473	45,734,890	5,042,830	5,170	109,716,892	4,613,896	785,217	1,770,394
CONGO	-	-	-	-	-	-	-	-
COTE D-IVOIRE	-	-	-	-	-	-	-	-
CYPRUS	4,320,435	11,157,819	6,181,698	9,381,628	330,382	1,029,702	1,644,354	2,719,707
DENMARK	-	147,965	398,405	176,465	-	-	-	40,000
EGYPT	-	-	-	3,026,406	540,399	1,419,789	51,000,000	282,126,720
FINLAND	-	-	-	-	-	-	-	-
FRANCE	6,200,727	12,877,386	13,233,950	35,013,416	33,574,689	89,751,546	74,397,066	45,123,467
GABON	-	-	-	-	-	-	-	1,000
GAMBIA	-	-	-	-	-	-	-	-
GEORGIA	-	-	-	-	-	-	-	-
GERMANY	23,707,200	19,799,568	157,026,950	113,966,047	95,269,403	5,886,798	12,745,789	74,982,426
GHANA	-	-	100,470	650,000	19,950	-	69,993	-
GIBRALTAR	-	-	2,322	-	-	-	-	-
GREECE	-	-	-	-	1,244,197	-	-	5,000,000
GUADELOUPE	-	-	-	-	-	-	-	-
HONG KONG	10,876,123	3,864,239	45,711,000	16,007,350	9,909,143	4,179,478	8,247,765	132,951,198
HUNGARY	-	-	-	-	-	-	6,985,550	-
ICELAND	-	-	-	-	-	-	-	-
INDIA	154,953	2,967,756	11,578,888	1,202,840	2,017,559	533,841	2,412,199	1,698,980
INDONESIA	-	30,000	-	15,000	-	-	-	-
IRELAND	37,478	8,096	4,585	17,307	114,867	991,298	30,081	19,834
ISLE OF MAN	114,021,237	102,860,521	26,498,646	10,999,993	98,877,820	14,381,812	10,639,795	19,958,642
ISRAEL	-	-	-	-	-	-	-	-
ITALY	46,271	12,890	-	-	90,357	91,607	161,192	-
JAPAN	10,000	318,269	8,990	20,000	3,051	8,060	1,190	637,352
JORDAN	-	-	-	-	-	-	-	-

KENYA	289,810	549,958	-	-	230,002	546,196	546,999	-
KOREA, REPUBLIC OF	-	-	-	-	-	-	-	600,000
KUWAIT	222,000	-	-	-	-	-	-	-
LATVIA	-	-	-	499,844	925,000	2,224,689	-	-
LEBANON	7,099,975	7,189,435	24,354,450	8,686,842	3,287,700	27,814,979	8,829,630	1,999,817
LIBERIA	-	-	-	2,968	4,975	-	5,450	-
LIBYA	-	-	-	-	-	-	-	-
LIECHTENSTEIN	1,443,984	-	-	-	-	-	-	-
LUXEMBOURG	9,257,804	2,078,000	37,583,553	10,443,033	19,841,518	17,231,496	22,754,182	16,484,542
MALAYSIA	-	-	-	-	1,185,726	2,999,955	-	-
MALTA	-	-	-	-	-	-	1,116,645	-
MAURITANIA	-	-	-	124,960	-	-	2,363,037	877,053
MAURITIUS	74,775,460	140,978,396	315,559,467	142,429,506	103,286,999	79,335,487	210,369,968	99,081,974
MEXICO	-	-	-	-	-	-	-	-
MOROCCO	-	-	1,000,000	2,500	-	-	-	-
NAMIBIA	-	-	-	-	-	-	-	-
NETHERLANDS	88,990,539	36,616,426	66,602,833	25,251,719	107,790,466	21,924,039	307,217,680	116,646,611
NETHERLANDS ANTILLES	-	-	-	-	-	-	-	2,364,396
NIGER	4,200,000	1,227,154	-	-	5,987,461	-	-	-
NIUE	-	-	-	-	-	-	-	-
NORWAY	-	-	-	-	-	-	-	383,873
OMAN	-	-	24,970	-	-	-	-	-
PANAMA	1,388,273	-	229,965	-	100,000,000	-	245,000	1,002,535
PHILIPPINES	-	-	-	-	-	-	-	-
PITCAIRN	-	70,000,000	-	-	200,000,000	-	-	-
POLAND	-	-	199,968	-	-	-	-	-
PORTUGAL	191,100	-	-	-	-	69,975	-	-
PUERTO RICO	-	-	-	-	-	-	-	-
QATAR	-	-	-	-	-	-	575,023,460	12,063,572

REPUBLIC OF SOUTH AFRICA	50,825,243	311,782,316	43,933,638	54,788,717	63,634,415	56,842,546	124,636,119	33,122,813
ROMANIA	-	-	-	-	-	-	-	-
RUSSIAN FEDERATION	-	-	-	-	-	-	-	-
RWANDA	-	-	-	-	-	-	-	-
SAINT KITTS AND NEVIS	-	-	-	-	-	-	-	-
SAO TOME & PRINCIPE	-	-	-	-	-	-	-	-
SAUDI ARABIA	1,399,980	2,899,960	4,206,183	7,131,789	-	1,371,406	375,003,311	435,525,648
SENEGAL	-	56,980	-	-	-	-	-	-
SEYCHELLES	-	-	-	-	-	62,500	62,500	79,826
SIERRA LEONE	-	-	-	-	-	-	-	-
SINGAPORE	45,050,330	24,868,451	46,693,971	42,194,256	29,438,730	18,868,447	25,776,007	39,990,014
SLOVAKIA	-	-	-	-	-	-	-	-
SLOVENIA	-	-	-	-	-	-	-	-
SPAIN	170,055	92,315	-	-	-	70,000	199,067	-
SRI LANKA	-	-	-	-	-	-	-	-
SWAZILAND	-	-	-	-	-	-	-	-
SWEDEN	1,635,956	1,460,208	1,752,692	4,505,894	12,124,595	4,175,149	12,112,487	30,886,193
SWITZERLAND	2,313,230,027	153,959,958	52,301,165	21,910,741	60,468,155	60,565,888	23,591,517	10,784,790
SYRIAN ARAB REPUBLIC	-	-	-	-	-	-	-	-
TAIWAN, PROVINCE OF CHINA	-	-	62,800	-	-	-	-	-
THAILAND	-	-	-	-	649,975	-	2,403,982	-
TOGO	-	670,990	-	10,000,000	-	-	-	-
TOKELAU	10,000	-	-	-	-	-	-	-
TUNISIA	-	-	-	-	-	-	-	-
TURKEY	-	64,930	255,025	840,417	252,580	9,935	-	-
UGANDA	-	-	-	-	-	1,440,000	-	-
UNITED ARAB EMIRATES	9,353,495	7,453,606	12,488,005	7,449,757	5,725,323	5,029,106	308,062,903	2,288,510
UNITED KINGDOM	2,752,565,419	3,025,619,646	2,051,515,669	2,805,674,366	2,133,216,860	3,973,345,213	2,885,585,559	1,945,812,648
UNITED REPUBLIC OF TANZANIA	-	-	-	59,876	-	-	50,000	-

UNITED STATES	795,405,327	1,074,408,078	1,158,143,826	1,118,582,585	531,725,630	1,002,916,090	1,128,698,358	1,074,075,715
UNITED STATES VIRGIN ISLANDS	-	-	-	-	-	-	-	-
URUGUAY	-	-	-	-	-	-	-	-
VIETNAM	-	-	-	-	-	26,700	-	-
ZAMBIA	-	250,000	-	650,000	500,000	250,000	-	249,960
ZIMBABWE	-	-	-	-	-	-	-	-
TOTAL	6,600,572,112	5,617,661,624	4,418,753,744	4,681,387,863	3,904,553,976	5,803,888,609	6,542,576,959	4,499,741,045