

# Nigerian Capital Importation

---

#  
#  
#

*SUMMARY REPORT:*

*update*

*QUARTER TWO 2015*

Update: This report is an update of the one previously published to include Business Type and State of Destination. Capital Importation by Country of Origin is still outstanding and will be updated when ready.

#

**NATIONAL BUREAU OF STATISTICS**

3<sup>RD</sup> SEPTEMBER 2015

#

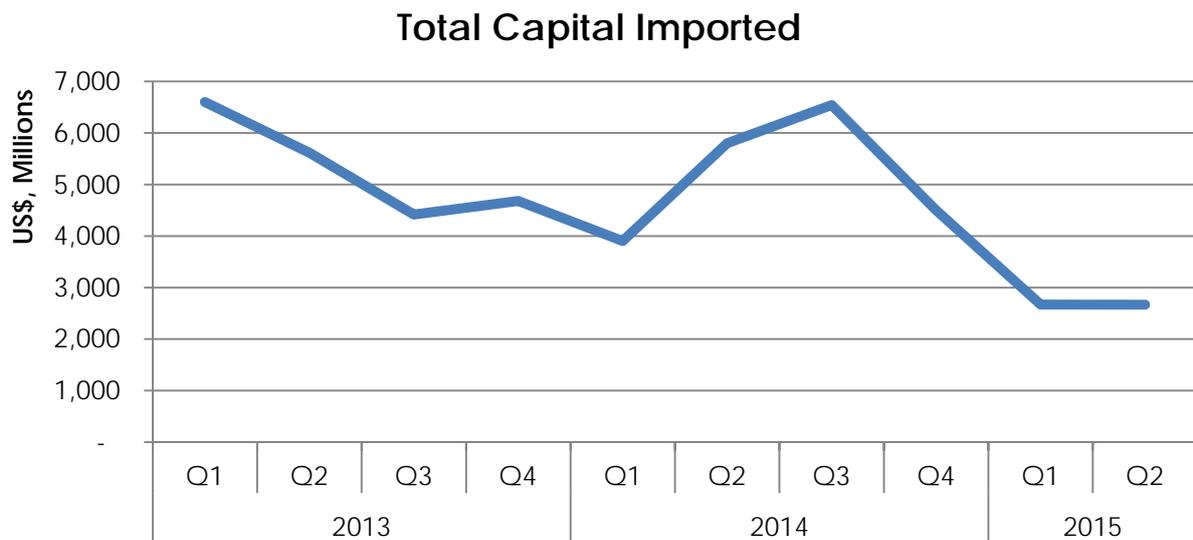
1

# 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



#

**FIG 1: TOTAL VALUE OF CAPITAL IMPORTATION BY QUARTER**

At \$2,666.36 million, the value of capital imported to Nigeria in the second quarter of 2015 represented a marginal drop of \$5.24 million or just 0.20% quarter on quarter. Capital importation thus remained relatively unchanged from the \$2,671.59 million recorded in the opening quarter of 2015, suggesting that this new, lower level will be maintained as long as an uncertain

#

economic environment remains. Year on year, second quarter capital imported was \$3,137.53 million or 54.06% lower than the \$5,803.89 million imported in quarter two of 2014.

## 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.

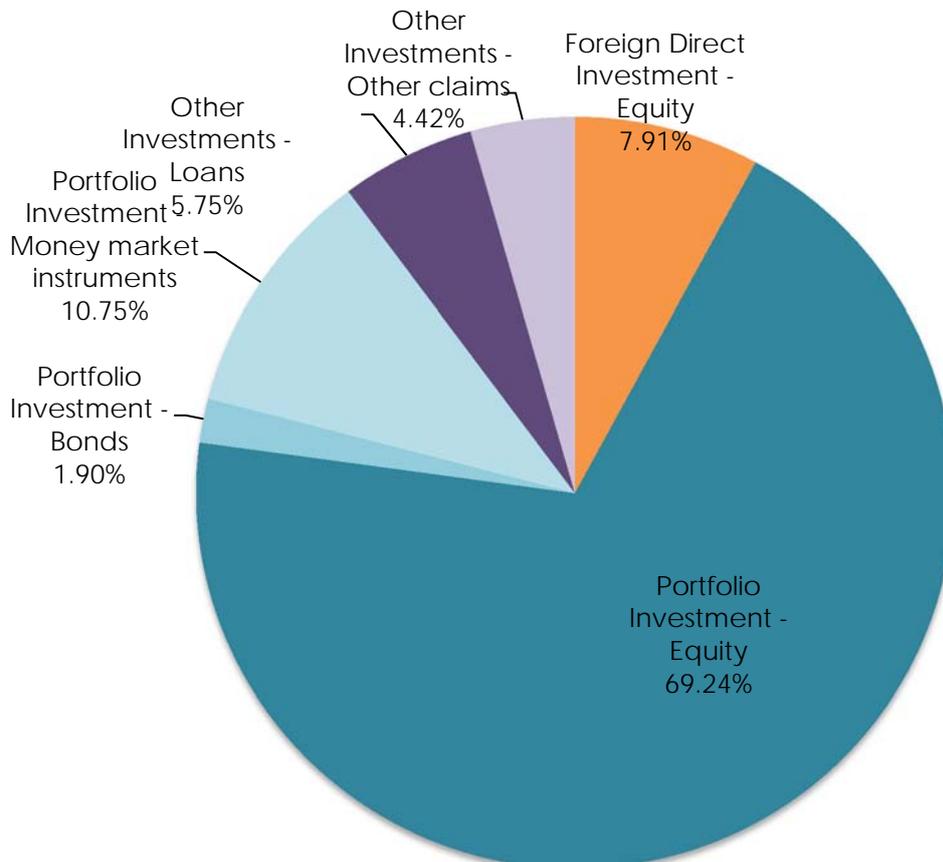
Portfolio Investment remained the largest of all investment types, totaling \$2,183.15 million in Q2 of 2015, representing 81.88% of all capital imported. This was \$322.50 million or 17.33% greater than the \$1,860.65 million Portfolio Investment recorded in the opening quarter of 2015, when it represented 69.65% of the total. Nonetheless, year on year, the decline remained large at \$2,733.99 million or 55.60%.

Within portfolio investment, the key driver of the quarterly growth observed was Equity, which at 84.56% of portfolio investment, increased by \$706.70 million or 62.02% from the preceding quarter. Growth in Money Market Instruments further contributed, increasing by \$270.39 million or 1,674.78% from \$16.14 million in Q1 to \$286.53 million in Q2 of 2015. The remaining component, Bonds, declined on a quarterly basis, \$654.58 million or 92.83%, so that its share of total Portfolio investment declined from 26.39% to just 2.31%. Year on year, all subsectors declined, with Equity suffering the greatest losses, down by \$2,029.27 million or 52.36%, accounting for 74.22% of the overall decline.

Other Investments, at \$272.07 million, represented 15.58% of total Capital Imported, and held the second largest capital inflows by investment type. Other investments was mainly comprised of Loans, which at \$153.23 million

represented 56.23% of the total, and Other Claims, which at \$117.85 million represented 43.32% of the total. Currency Deposits held the remaining \$0.99 million or 0.36%, whilst Trade Credits recorded zero.

### Capital Importation by Investment Type, Q2 2015



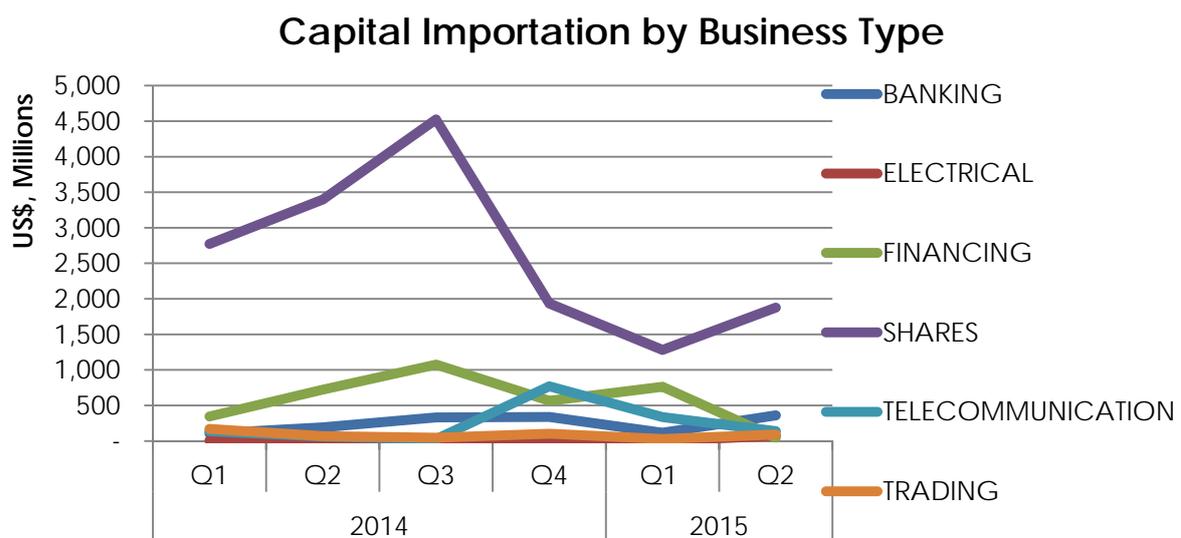
**FIG 2: QUARTER TWO 2015 CAPITAL IMPORTATION BY INVESTMENT TYPE#**

Other investments declined by \$144.27 million or 34.65% from the preceding quarter, driven solely by declines in Loans, which were lower by 231.60 million or 60.18%; Other Claims were up \$86.34 million or 274.03%. Year on year, declines in Other Investments were similar, at \$141.69 million or 34.24%, although this time were driven by both Loans, which were lower by \$83.76 million or 35.34%, and by Other claims, which were lower by \$57.55 million or 32.81%.

FDI was the smallest of the Investment Types in Q2 of 2015, representing \$211.14 million or 14.77% of the total. It remains comprised mostly of Equity, at \$211.01 million or 99.94% of the total, whilst Other Capital holds the remaining \$0.13 million. Declines were observed both on a quarterly basis and annual basis, of \$183.47 million or 46.49% and \$261.85 million or 55.36% respectively.

## Capital Importation by Business Type

Quarter two saw a slight recovery in the value of capital imported for Shares, increasing by \$596.59 million or 46.58% from its Q1 value to reach \$1,877.26 million. Year on year, this was still a decline of \$1,518.96 million or 44.73%, which can be attributed to the overall decline in capital inflows over the period.



**FIG 3: QUARTER TWO 2015 CAPITAL IMPORTATION BY BUSINESS TYPE#**

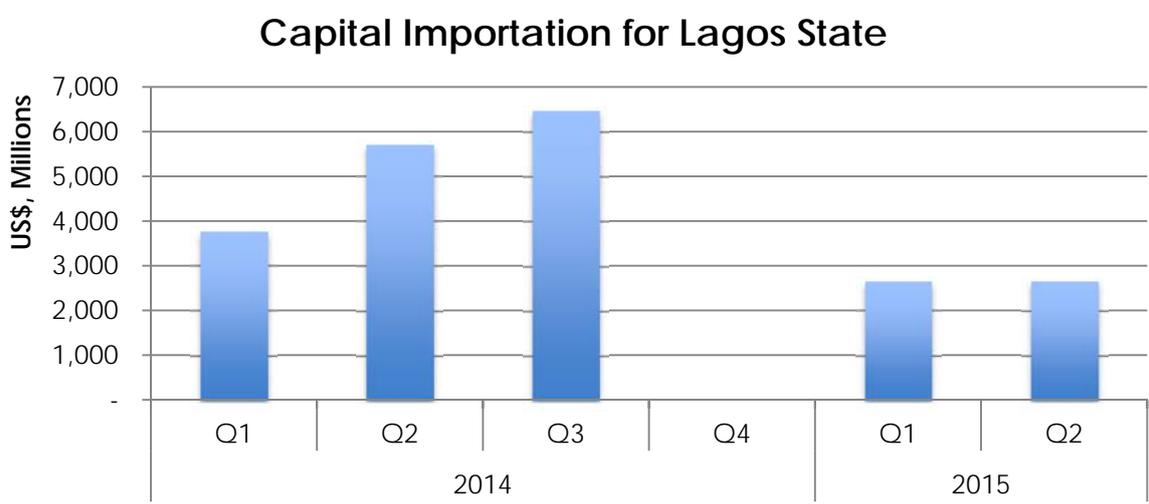
Banking overtook Financing as the business drawing the second greatest value of capital imported, increasing by \$246.02 million or 214.14% from Q1 inflows to reach the greatest value recorded since Q2 2013, of \$360.92 million or 13.54% of the total, up from the 4.30% it represented in Q1. From Q2 of 2014, inflows were greater by \$169.81 million or 88.86%. Financing, on the other hand, saw the greatest absolute declines in inflows of all Business categories, down \$716.95 million or 93.90% quarter on quarter, reaching its

lowest value in the series. Its share of the total dropped from 28.58% in Q1 of 2015 to just 1.75% in Q2. Year on year, Financing inflows declined by \$676.60 million or 93.56%.

Despite continuing the steady decline from its Q4 2014 peak of \$769.92 million, this time by \$198.47 million or 58.92% from the preceding quarter, capital imported for Telecommunications remained the third greatest source of inflows, representing 5.19% of the total. Year on year, it was still greater by \$76.74 million or 124.46%.

The greatest increase in inflows however, came from capital for Electrical Businesses, which was greater by \$72.52 million or 8,689.26% in Q2, up from \$0.83 million in Q1 of 2015 to reach \$73.39 million or 2.75% of the total. Year on year, this was a rise of a marginally lower \$71.59 million or 3,994.55%.

## Capital Importation by State of Destination



**FIG 4: CAPITAL IMPORTATION BY STATE OF DESTINATION#**

As was the case with every quarter of review, Lagos was the destination of over 99% of all capital imported, making it the primary driver of capital importation in Nigeria. In Q2 of 2015, this ratio was even greater, with the

\$2,663.78 million capital imported representing 99.90% of the total. Inflows to Lagos grew on a quarterly basis by more than the overall total, at \$17.78 million or 0.67% in Q2. Year on year, inflows were down by \$3,043.76 million or 53.33%, similar to the overall decline in capital imported.

Every other State with positive capital importation saw a decline in the quarter of review. The greatest absolute quarterly decline was observed in Akwa Ibom, of \$10.96 million or 95.68% in Q2, so that inflows were reduced to just \$0.50 million in Q2, from \$11.45 million in Q1. Year on year, the State's declines were less sharp, at \$164.94 million or 24.99%.

Abuja also saw a continuation in the drying up inflows, with the administrative capital importing just \$1.27 million, down \$0.22 million or 14.66% from the preceding quarter and by \$2.71 million or 68.12% from Q2 of last year.

#  
#

# Appendix

## A. Capital Importation By Investment Type

#

	2013				2014				2015	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
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	394,555,199	211,005,704
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	50,940	129,940
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	1,139,382,662	1,846,078,400
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	705,118,077	50,537,040
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	16,144,604	286,531,094
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	384,834,757	153,234,628
Other Investments - Currency deposits	1,733,975	-	-	2,475,000	-	-	-	-	-	989,990
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	31,508,251	117,848,781
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	2,671,594,490	2,666,355,577

#  
#  
#  
#  
#  
#

#  
#

## B. Capital Importation By Business Type

	2013				2014				2015	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
AGRICULTURE	17,101,912	318,269	40,100,000	24,850,000	15,075,000	219,090	833,867	8,194,000	2,675,000	50,000
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	114,891,518	360,915,797
BREWING	17,150,733	15,636,969	3,819,423	755,160	-	-	-	-	0	-
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	4,301,976	3,238,196
CONSULTANCY	1,020,000	967,160	508,990	12,808,204	2,814,121	6,963,022	7,743,661	8,912,042	703,174	99,960
DRILLING	6,241,703	44,321	209,574	57,731	9,062	1,008,230	39,240,634	1,004,418	1,008,698	5,925
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	834,965	73,387,272
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	763,490,877	46,544,167
FISHING	5,079,286	-	-	-	449,965	-	100,000	-	0	-
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	1,396,764	5,746,004
MARKETING	33,000	874,732	169,000	2,360,000	64,200	-	33,100	-	0	-
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	9,473,213	4,864,327
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	118,360,795	51,195,497
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	6,285,057	12,833,239
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	1,280,670,093	1,877,263,017
HOTELS	20,000,000	92,550	77,610	-	573,615	531,839	1,336,494	8,825,861	0	-
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	336,867,340	138,398,625
TANNING	-	-	-	-	-	-	-	-	0	-
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	28,536,687	91,573,621
TRANSPORT	-	-	126,800	548,487	304,370	1,635,100	-	528,300	2,098,333	239,930
WEAVING	-	-	-	-	-	-	-	-	0	-
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	2,671,594,489.54	2,666,355,577

#  
#  
#  
#

## C. Capital Importation By State

	2013				2014				2015	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
ABIA							9,710,919		-	-
ABUJA (F C T)	4,688,896	54,785,049	27,743,243	32,381,777	88,319,474	3,974,128	349,900		1,484,444	1,266,847
ADAMAWA	-	-	-	-	-	-	-		-	-
AKWA IBOM	-	2,000,000	1,552,113	249,990	937,268	659,936	3,668,859		11,450,000	495,000
ANAMBRA	3,143,984	-	619,645	109,965	-	30,046,631	16,940		-	-
BAUCHI	-	-	-	-	-	-	77,955		-	-
BENUE	-	-	-	-	-	-	-		-	-
BORNO	13,000,000	-	-	-	-	-	-		-	-
CROSS RIVER	10,960,000	-	15,600,000	-	-	-	-		900,000	-
DELTA	234,028	350,000	149,965	-	2,224,160	-	50,000,000		-	-
EBONYI	-	-	-	-	-	-	-		-	-
EDO	4,434,972	-	5,970,000	1,889,076	-	-	-		8,129,013	-
ENUGU	29,993,063	23,731	11,624,916	2,834,306	50,384,062	54,682,656	1,641,392		223,698	211,559
IMO	-	-	-	-	-	-	-		-	-
KADUNA	56,960	168,480	-	3,074,831	1,579,399	1,513,396	8,100		-	-
KANO	709,905	599,970	283,826	1,081,770	-	524,966	-		-	-
KATSINA	-	-	-	-	-	-	-		-	-
KOGI	2,149,815	-	-	-	-	-	289,800		1,772,000	-
KWARA	381,990	-	-	-	-	-	-		-	-
LAGOS	6,524,730,428	5,558,515,448	4,351,046,110	4,587,967,505	3,758,068,266	5,707,542,930	6,471,529,904		2,646,001,566	2,663,782,171
NIGER	-	-	-	-	-	-	-		-	-
OGUN	3,564,574	654,946	1,060,525	5,010,582	346,397	954,489	2,208,226		133,770	600,000
ONDO	-	-	-	-	-	-	-		-	-
OSUN	-	-	-	-	-	-	125,000		-	-
OYO	1,173,498	500,000	2,103,401	41,303,061	794,950	3,989,477	-		-	-
RIVERS	1,350,000	-	1,000,000	5,485,000	1,900,000	-	2,949,965		1,500,000	-
SOKOTO	-	-	-	-	-	-	-		-	-
YOBE	-	64,000	-	-	-	-	-		-	-
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		2,671,594,490	2,666,355,577

#

#