



Strong Merchandise Trade Growth in Q2 2012:

Rising exports and declining imports result in a favorable trade balance

Total Merchandise Trade

In the Second Quarter of 2012, the value of Nigeria's total **merchandise trade** amounted to N7,307.2 billion, an increase of N685.1 billion or 10.3% over levels reported in the First Quarter of the year. The increase was as a result of the increase in the value of exports by N928.9 billion or 18.7% during the quarter. Further comparison with the second quarter of the previous year revealed that the value of the nation's total merchandise trade increased by N408.0 billion or 5.9%. A combination of declining imports and rising exports (arising from positive developments in both oil and non-oil exports) resulted in a trade **balance** surplus on both year-on-year and quarter-on-quarter bases¹. For the first half of the year, the value of trade stood at N13,929.2 billion compared to N13,224.4 billion recorded in the same period of the preceding year, an increase of N704.8 billion or 5.3%.

¹Second Quarter crude oil export figures are provisional.



Imports Classified by Standard International Trade Classification and Country of Origin.

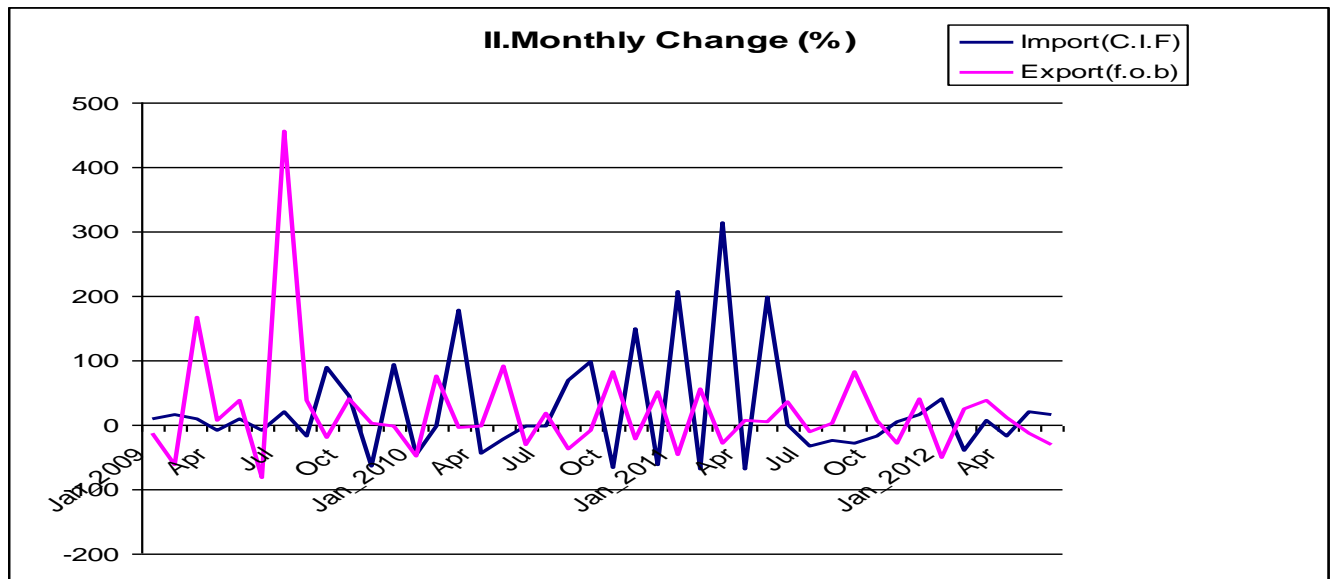
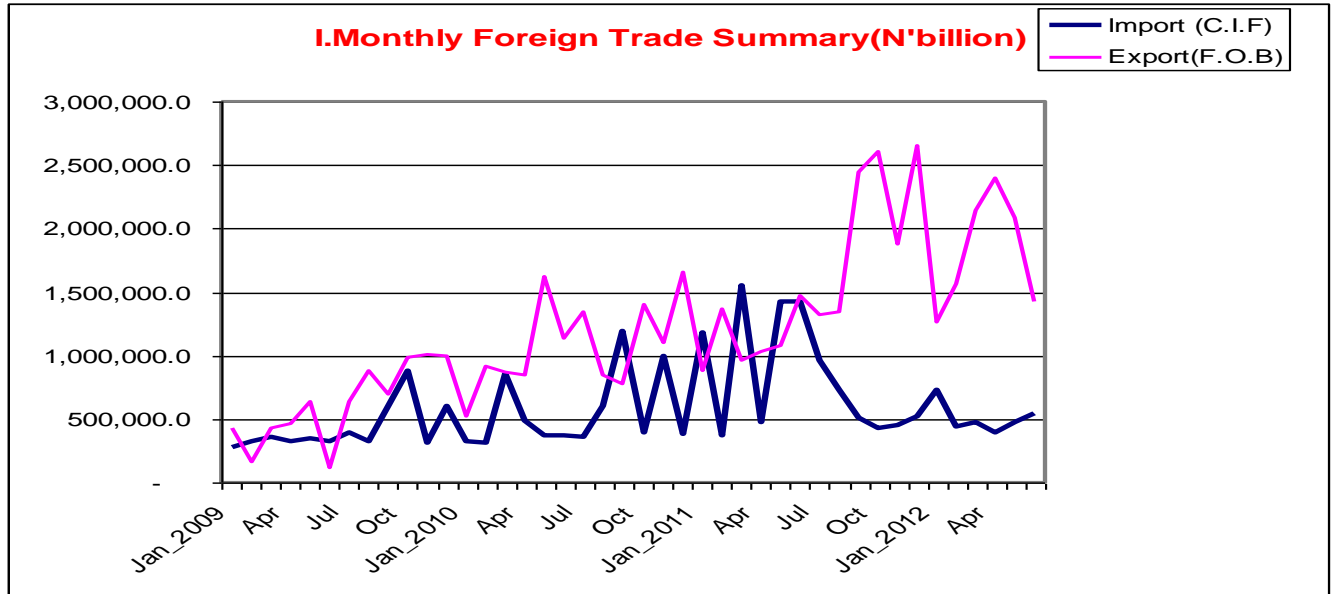
The value of total **Imports** for the Second Quarter of 2012, stood at N1,408.5 billion, a decrease of 14.8% or N243.8 billion from N1,652.3 billion recorded in the previous quarter. Further comparison with the second quarter of the previous year revealed a sharp fall in the value of imports by N1,916.9 billion or 57.6% less than the value (N3,325.3 billion) recorded in the second quarter 2011. This was as a result in declines in all categories of the classification by imports according to the SITC except for "Beverages and Tobacco" and "Commodities not elsewhere classified" sections. The value of imports in the first half of the year stood at N3,060.7 billion compared to N6,432.9 billion recorded in the corresponding part of the previous year, a decline of N3,372.2 billion or 52.4%.

Imports by sections (Table 2) revealed that Boilers Machinery and Appliances accounted for the largest share of imports with N302.6 billion or 21.5% of total imports. Other major imports into Nigeria during the period include Vegetable Products with N242.2 billion or 17.2%, Vehicle aircraft and Parts with N179.0 billion or 12.7%, Base metals and Articles of Base Metal with N136.8 billion or 9.7% and products of the Chemical and Allied Industries with N126.7 billion or 9.0% respectively. Nigeria's imports by country of origin revealed, that China, United States, Brazil, India and Germany took the first five positions in terms of trading partners with N286.2 billion, N180.8 billion, N159.2 billion, N142.5 billion and N57.9 billion respectively. Over the first half of this year Imports by region (Table 4) showed that Asia ranked first with N1175.9 billion or 38.4%. This was followed by other economic regions such as Europe contributing N879.7 billion or 28.7% and The Americas contributing N805.3 billion or 26.3%, of the total imports during the period under review. Africa contributed N113.7 or 3.7% of the total imports of which ECOWAS contributed N19.4 billion or 17% of the total imports from Africa.

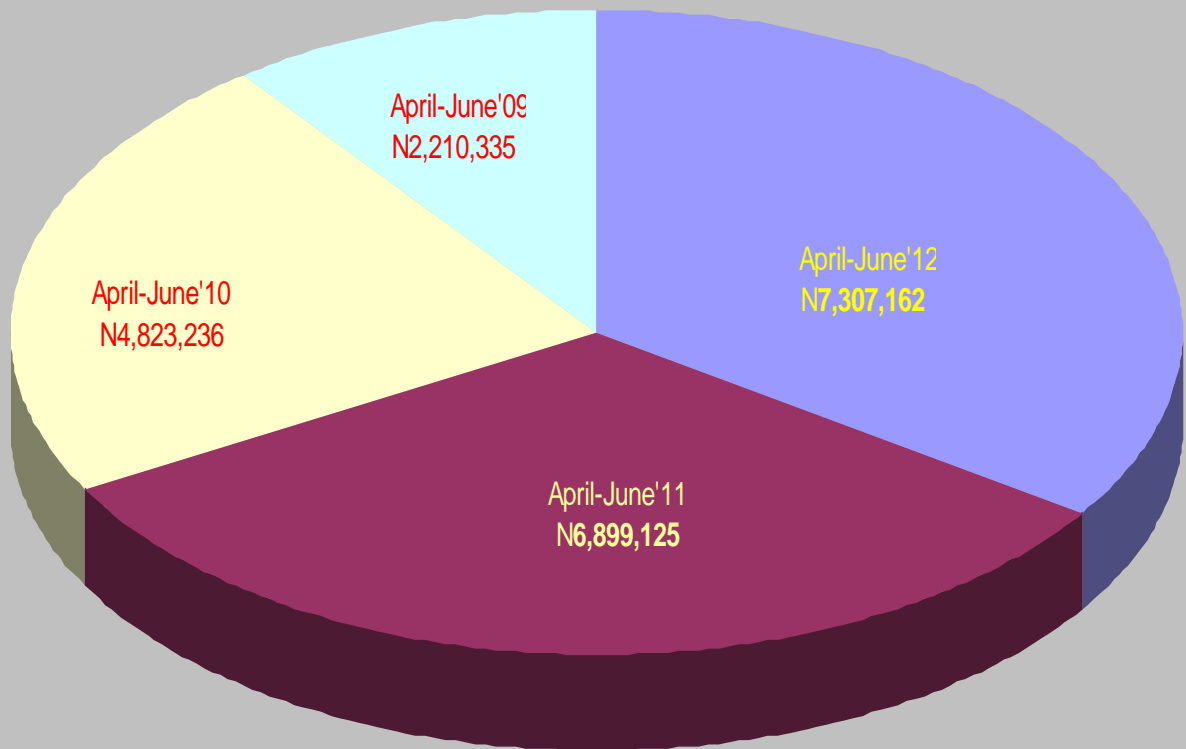
Exports Classified by Standard International Trade Classification and Country of Destination

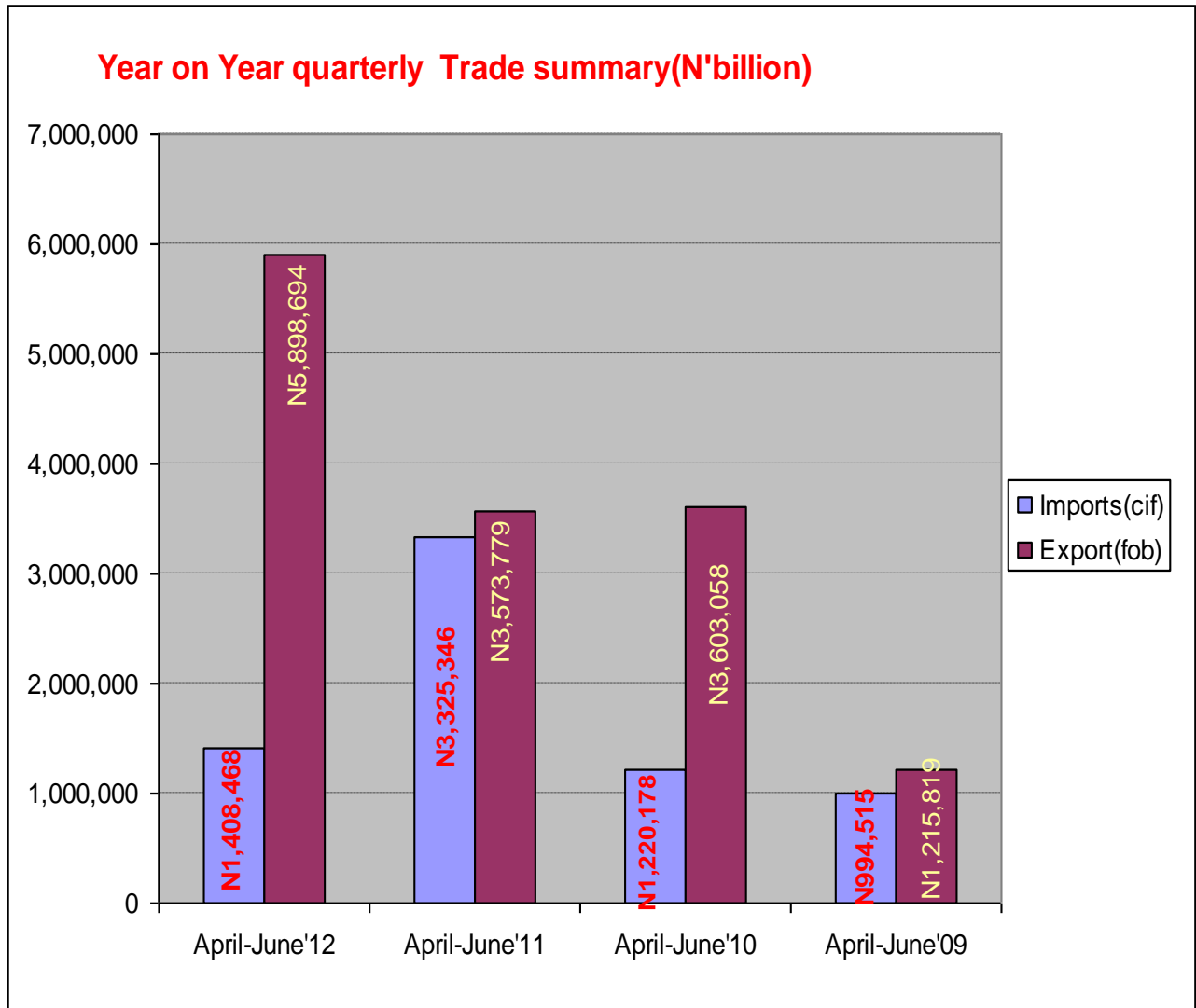
The value of total exports stood at N5,898.7 billion in the second quarter 2012, an increase of N928.9 billion or 18.7% from the N4,969.7 billion recorded in the first quarter 2012. This was as a result of an increase in the value of both **Crude oil** and **Non crude oil exports**. **Crude oil** exports increased by 1.5% to N3,771.6 billion quarter-on-quarter, while Non-Crude oil exports increased by 69.7% to N2127.1 billion during the period. Further comparison with the second quarter of the previous year revealed an increase in exports of N2,324.9 or 65.1% driven by Non-Crude oil exports in particular. Exports by sections (Table 3) showed that Mineral Products took the lead with N4,610.3 billion or 78.2% of the nation's exports, followed by Plastic Rubber and Articles with N679.9 billion or 11.5%, Prepared Foodstuffs and Beverages with N407.2 billion or 6.9%, and Vegetable products with N53.7 billion or 0.9% respectively. With respect to export by Country of destination, United States ranked first, followed by India, Brazil,

United Kingdom and Italy in that order with N1,437.2 billion, N695.1 billion, N477.9 billion, N473.1 billion and N332.1 billion respectively. Export by region in the first half of the year revealed that America recorded a value of N3,943.8 billion or 36.3% of exports. This was followed by Europe with N3676.4 billion or 33.8% and Asia with N2,124.6 billion or 19.6% respectively. ECOWAS contributed N313 billion or 39% of the total trade from Africa.



Year on Year quarterly Trade summary(N'billion)





Methodology

The National Bureau of Statistics publishes this Trade statistics report quarterly. Trade statistics compilation by NBS is largely from secondary data sources.

Data Sources:

The Nigerian Customs through the Nigeria Integrated Customs Information System, Cobalt International Plc (on export commodities), Nigerian National Petroleum Corporation and various oil companies in the upstream and downstream sectors of the oil industry, Nigerian Ports, Petroleum Products Price Regulatory Agency, Central Bank of Nigeria.

Validation & Quality Assurance:

After collecting data from the above sources, it is verified for outliers, Data validation is undertaken through a sample of the various Nigerian Customs outposts in Nigeria. Equally, regular visits are paid to the various outposts of Cobalt International for export validation using the extensive NBs field network. Weight harmonization is carried out through the various entry posts of imports and exports in Nigeria.

Processing/Analysis:

Data processing is done using the Global Eurotrace software and the processed data is banked in the trade database. We use the Standard International Trade Classification (SITC) to categorize trade items.