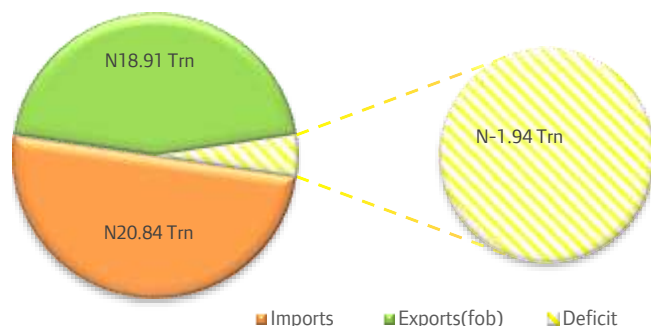


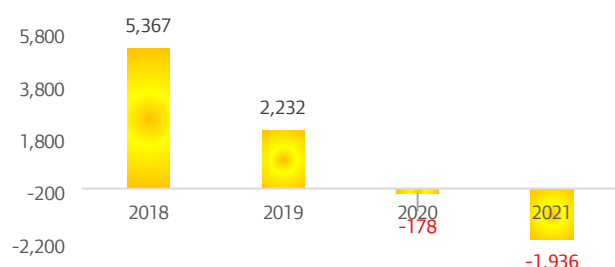


Nigeria's Merchandize Trade: 2021

2021 Mechandize Trade



Evolution of Merchandize Trade Balance in N 'Bn



%age Change in Major Exports

Export Category	FY 2021	FY 2020	Y-o-Y Change
Crude Oil (N' Bn)	14,410.77	9,444.66	53%
Other Oil products (N' Bn)	2,355.93	1,644.63	43%
Manufactured goods (N' Bn)	984.56	960.82	2%
Raw materials (N' Bn)	505.86	118.87	326%
Agricultural goods (N' Bn)	504.89	321.54	57%

%age Change in Major Imports

Import Category	FY 2021	FY 2020	Y-o-Y Change
Manufactured goods (N' Bn)	10,384.17	7,191.62	44%
Other Oil products (N' Bn)	6,453.93	2,893.48	123%
Agricultural goods (N' Bn)	1,966.89	1,145.12	72%
Raw materials (N' Bn)	1,926.63	1,397.14	38%
Solid Minerals (N' Bn)	113.36	73.55	54%

2021 Balance of Trade by Region

	Africa	America	Europe	Asia	Oceania
Exports	2,413	2,470	7,476	6,387	161
Imports	551	2,101	8,358	9,687	147
Surplus/(Deficit)	1,862	370	(882)	(3,300)	14

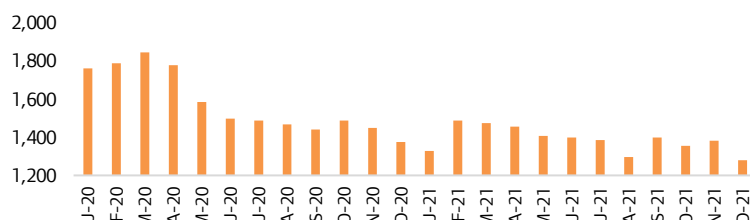
Sources: National Bureau of Statistics, Cowry Research

Nigeria's Trade Deficit Rises by 986% to N1.94 trillion as Exports Shrank in 2021...

Freshly released data on foreign trade statistics by the National Bureau of Statistics (NBS) showed that total merchandise trade rose by 58% to N39.75 trillion in 2021 (from N25.22trillion printed in 2020) as imports of mineral products, Boilers, machinery & parts, Products of the chemical & allied industries, Vehicles, aircraft & parts etc., Vegetable products, Plastic, rubber & articles and Base metals & articles rose significantly in the review year. Total merchandise imports which rose by 64% to N20.84 trillion exceeded total merchandise exports which grew by 51% to N18.91 trillion. Hence, Nigeria's merchandise trade deficit widened to N1.94 trillion in 2021 from N0.18 trillion registered in 2020.

The Worsened trade deficit arose from poor performance of crude oil exports as Nigeria could not take advantage of the strong recovery in the crude oil price due to relatively lower domestic crude oil output since the 2020 pandemic year.

Nigeria's Daily Crude Oil Production '000 bpd



Sources: Opec, Cowry Research

On the other hand, demand for imported manufactured goods, other oil products, agricultural goods and raw materials spiked in 2021 as economic activities resumed post pandemic. The increased import bill in Naira terms was also reflective of worsening foreign exchange rate – Naira shed 8.75% to close at N414.34/USD.

Regionally, Nigeria's balance of trade was mixed; recording a trade deficit with Europe and Asia, while reporting a trade surplus with Africa, America and Oceania.

In the light of recent reports of protracted crude oil theft in the country as well as the repercussions for crude oil export receipts and foreign exchange rate, we expect to see sustained upward pressure on import cost and sustained trade deficit in the near to medium term. Unless government arrests the debilitating trend, there is a strong probability of a much higher national debt (both the public and private), worsened inflation and lower economic productivity.

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