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NIGERIA'S EXTERNAL TRADE IN THE FIRST QUARTER OF 1966

Nigeria's external trade recorded a marked improvement in the first quarter of 1966 over the positions attained in the comparable periods of the past six years. This improvement was maintained in each of the three months of the quarter. There was thus a trade surplus of £4.8 million during the quarter in contrast to deficits of £6.0 million and £8.9 million in the first quarters of 1964 and 1965, respectively (see Table 1).

The trade surplus achieved during the quarter was a result of a £7.9 million (or 13 per cent) increase in exports and a £5.8 million (or 8 per cent) decline in imports compared with their aggregate values in the first quarter of 1965.

Both imports and exports were running at a monthly average of £22 million and £23 million respectively compared with £23 million and £20 million in the corresponding period of 1965.

TABLE 1
NIGERIA'S EXTERNAL TRADE
January-March
(£'s millions)

Items	1963	1964	1965	1966*
Imports (c.i.f.)	47.7	60.1	70.8	65.0
Exports and re-exports (f.o.b.)	45.9	54.1	61.9	69.8
Balance of trade	- 1.8	- 6.0	- 8.9	+ 4.8

* Provisional.

Source: Office of Statistics.

TABLE 2
NIGERIA'S IMPORTS BY S.I.T.C. SECTIONS
January-March

S.I.T.C. SECTIONS	£'s millions			Percentage of Total		
	1964	1965	1966*	1964	1965	1966*
Food	5.3	5.5	5.5	8.8	7.8	8.5
Beverages and tobacco	0.7	0.4	0.4	1.2	0.6	0.6
Crude materials	0.9	1.6	1.5	1.5	2.3	2.3
Mineral fuels	4.1	4.4	1.1	6.8	6.2	1.7
Animal and vegetable oil	—	0.1	0.1	—	0.1	0.2
Chemicals	4.3	5.6	5.1	7.2	7.9	7.8
Manufactured goods	22.3	23.8	21.8	37.1	33.6	33.5
Machinery and transport equipment	15.0	23.3	24.2	24.9	32.9	37.2
Miscellaneous manufactured goods	6.8	5.5	4.8	11.3	7.8	7.4
Miscellaneous transactions	0.7	0.6	0.5	1.2	0.8	0.8
TOTAL	60.1	70.8	65.0	100.0	100.0	100.0

* Provisional.

— Negligible.

Source: Office of Statistics.

Imports

The significant features of imports during the quarter compared with the corresponding period of 1965 were a marked reduction in the values of mineral fuels and manufactured goods and a rise in the value of machinery and transport equipment (see Table 2). The imports of mineral fuels declined by 75 per cent from the level of last year as the local refinery has started to supply, since the end of last year, various grades of mineral fuel which were hitherto imported. The absolute and relative decline in the imports of manufactured goods (mostly consumer goods) is attributable to the increased availability of local substitutes. Increased inflow of private foreign investment and a greater utilization of official external loans were evident from the rise in the imports of machinery and transport equipment (mostly capital goods). A classification of imports by major groups (see Table 3) shows that the imports of consumer goods declined both absolutely and relatively while those of capital goods and raw materials increased.

Exports

There was a decline in the total value of agricultural exports during the quarter compared with the corresponding period of 1965 (see Table 4). Exports of agricultural produce amounted to £38.3 million (or 54.9 per cent of total export receipts) compared with £39.2 million (or 63.3 per cent) in the corresponding period of 1965. Apart from cocoa which recorded an increase of £1.3 million (owing to a rise in quantity and an improvement in prices), no other commodity within this group showed any substantial increase. The export values of groundnuts and raw cotton declined substantially owing mainly to the diversion of some of these commodities to local industries.

The largest contribution to the improvement in export receipts during the quarter, compared with the corresponding period of 1965, was made by minerals and mineral products whose value rose by £5.6 million compared with an increase of £7.9 million in the total export receipts. Crude petroleum exports alone accounted for £5.3 million out of the £7.9 million increase.

TABLE 3
IMPORTS BY MAJOR GROUPS
January-March

End users

	£'s millions			Percentage of Total		
	1964	1965	1966 *	1964	1965	1966 *
<i>Consumer Goods</i>	31.0	33.4	24.0	51.6	47.2	36.9
Non-durables	26.1	27.5	19.4	43.4	38.8	29.8
Durables	4.9	5.9	4.6	8.2	8.4	7.1
<i>Capital Goods and Raw Materials</i>	28.3	36.7	40.5	47.1	51.8	62.3
Capital goods	13.8	21.6	23.9	23.0	30.5	36.8
Raw materials	14.5	15.1	16.6	24.1	21.3	25.5
<i>Miscellaneous</i>	0.8	0.7	0.5	1.3	1.0	0.8
TOTAL	60.1	70.8	65.0	100.0	100.0	100.0

* Provisional.

TABLE 4
NIGERIA'S EXPORTS OF MAJOR COMMODITIES BY ECONOMIC SECTORS
January-March

	Quantity ('000 tons)			£'s millions			Percentage of Total		
	1964	1965	1966*	1964	1965	1966*	1964	1965	1966*
<i>Agricultural (Including Forest) Products ..</i>	—	—	—	39.5	39.2	38.3	72.9	63.3	54.9
Cocoa	58.4	45.5	91.3	13.0	8.8	10.1	24.0	14.2	14.5
Groundnuts	142.8	183.0	113.2	8.9	10.8	8.6	16.5	17.4	12.3
Groundnut oil	17.9	24.2	24.3	1.7	2.9	2.2	3.1	4.7	3.2
Groundnut cake	38.1	41.2	26.5	1.2	1.6	0.9	2.2	2.6	1.3
Palm-kernels	80.9	87.9	91.6	4.6	5.2	5.8	8.5	8.4	8.3
Palm-oil	22.8	30.6	39.3	1.9	2.7	3.5	3.5	4.4	5.0
Natural rubber	18.5	18.3	21.4	3.2	3.1	3.5	5.9	5.0	5.0
Raw cotton	5.6	4.3	2.1	1.3	1.0	0.5	2.4	1.6	0.7
Timber	—	—	—	2.5	2.0	2.0	4.6	3.2	2.9
Hides and skins	1.9	2.0	2.0	1.2	1.1	1.2	2.2	1.8	1.7
<i>Minerals and Mineral Products</i>	—	—	—	8.5	17.4	23.0	15.7	28.2	32.9
Crude petroleum	1,037	2,510	3,920	5.7	13.9	19.2	10.5	22.5	27.5
Tin metal	2.7	2.8	3.0	2.8	3.5	3.8	5.2	5.7	5.4
<i>Manufactures and Semi-Manufactures ..</i>	—	—	—	0.7	0.6	0.7	1.3	1.0	1.0
<i>Other Exports</i>	—	—	—	4.3	3.5	6.0	7.9	5.7	8.6
<i>Total Domestic Exports</i>	—	—	—	53.0	60.7	68.0	98.0	98.2	97.4
<i>Re-Exports</i>	—	—	—	1.1	1.2	1.8	2.0	1.8	2.6
TOTAL EXPORTS	—	—	—	54.1	61.9	69.8	100.0	100.0	100.0

* Provisional.

Source: Office of Statistics.

TABLE 5
DIRECTION OF EXTERNAL TRADE
January - March*

	IMPORTS						EXPORTS†						Balance of Trade (£'s millions)		
	£'s millions			Percentage of Total			£'s millions			Percentage of Total					
	1964	1965	1966	1964	1965	1966	1964	1965	1966	1964	1965	1966	1964	1965	1966
<i>Commonwealth Countries</i>	22.6	26.0	24.4	37.6	36.7	37.5	22.1	26.7	29.6	40.9	43.1	42.4	- 0.5	+ 0.7	+ 5.2
<i>United Kingdom</i>	20.6	23.9	20.1	34.3	33.8	30.9	19.9	25.3	27.5	36.8	40.9	39.4	- 0.7	+ 1.4	+ 7.4
<i>Other Commonwealth countries</i> ‡	2.0	2.1	4.3	3.3	2.9	6.6	2.2	1.4	2.1	4.1	2.2	3.0	+ 0.2	- 0.7	- 2.2
<i>The E.E.C.</i>	13.3	18.8	18.8	22.1	26.5	28.9	21.3	20.2	21.5	39.4	32.6	30.8	+ 8.0	+ 1.4	+ 2.7
<i>West Germany</i>	4.9	7.5	8.9	8.2	10.6	13.7	8.7	6.6	6.4	16.1	10.7	9.2	+ 3.8	- 0.9	- 2.5
<i>Italy</i>	3.0	4.2	3.3	5.0	5.9	5.1	2.8	2.5	2.9	5.2	4.0	4.2	- 0.2	- 1.7	- 0.4
<i>France</i>	2.0	3.4	3.4	3.3	4.8	5.2	1.9	3.2	3.8	3.5	5.2	5.4	- 0.1	- 0.2	+ 0.4
<i>Belgium and Luxemburg</i>	0.8	0.8	0.8	1.3	1.1	1.2	1.2	1.1	0.7	2.2	1.8	1.0	+ 0.4	+ 0.3	- 0.1
<i>Netherlands</i>	2.6	2.9	2.4	4.3	4.1	3.7	6.7	6.8	7.7	12.4	10.9	11.0	+ 4.1	+ 3.9	+ 5.3
<i>United States</i>	4.3	4.4	7.7	7.2	6.2	11.9	3.8	3.1	7.3	7.0	5.0	10.5	- 0.5	- 1.3	- 0.4
<i>Japan</i>	8.5	8.3	4.8	14.1	11.7	7.4	0.6	0.7	0.8	1.1	1.1	1.1	- 7.9	- 7.6	- 4.0
<i>Hong Kong</i>	1.4	1.4	0.3	2.3	2.0	0.5	0.1	0.02	0.03	0.2	0.03	0.04	- 1.3	- 1.4	- 0.3
<i>Eastern Europe</i>	2.1	2.3	1.9	3.5	3.3	2.9	1.4	4.8	1.4	2.6	7.8	2.0	- 0.7	+ 2.5	- 0.5
<i>Others</i>	7.9	9.6	7.1	13.2	13.6	10.9	4.8	6.4	9.2	8.8	10.4	13.2	- 3.1	- 3.2	+ 2.1
TOTAL	60.1	70.8	65.0	100.0	100.0	100.0	54.1	61.9	69.8	100.0	100.0	100.0	- 6.0	- 8.9	+ 4.8

Source: Office of Statistics.

* Data for 1966 are provisional.

† Including Re-exports.

‡ Excluding Hong Kong.