



# TERMS OF TRADE BULLETIN

## ALL PRODUCTS TERMS OF TRADE INDEX



### HIGHLIGHTS:

- The TOT index is the ratio of Export Prices Index to Import Prices Index using January 2007 as the Base period
- In the Third quarter of 2015, Nigeria recorded favourable trade positions in all the months
- The product groups: “Footwear, headgear, umbrellas, sunshades, whips etc.”; “Raw hides and skins, leather, furskins etc.; saddlery”; “Wood and articles of wood, wood charcoal and articles”; and “Vegetable products” contributed most to the positive trade positions in the review period
- The country recorded the most unfavourable trade positions in the “Products of the chemical and allied industries”; “Boilers, machinery and chemical appliances; parts thereof” and “Vehicles, aircraft and parts thereof; vessels etc.” product groups

Conceptually, Terms of Trade (TOT) is defined as the ratio of a country’s export prices to her import prices. It shows the quantity of import goods the country can purchase per unit of export goods. It is common practice to multiply this ratio by 100, in which case the TOT is expressed as percentage. If the ratio is above 100, the TOT is said to be favourable implying that the country can buy more imports for a given level of exports. Otherwise, the TOT is considered unfavourable. This quarterly report analyses the monthly movements in Nigeria’s TOT indices during the current, preceding and corresponding quarters.

Nigeria’s all products TOT index for July, August and September 2015 stood at 106.01, 104.07 and 105.01, respectively. These indices showed favourable TOT for all the months of the quarter, indicating that Nigeria used 6.01, 4.07 and 5.01 percent less of her exports to obtain the same level of imports in the respective months under review (Table 1, Figure 1).

Available statistics revealed that the product groups that contributed most to the positive trade positions during the review period were the: “Footwear, headgear, umbrellas, sunshades, whips etc.”, “Raw hides and skins, leather, furskins etc.; saddlery”, “Wood and articles of wood, wood charcoal and articles”, and “Vegetable products” (Table 2).

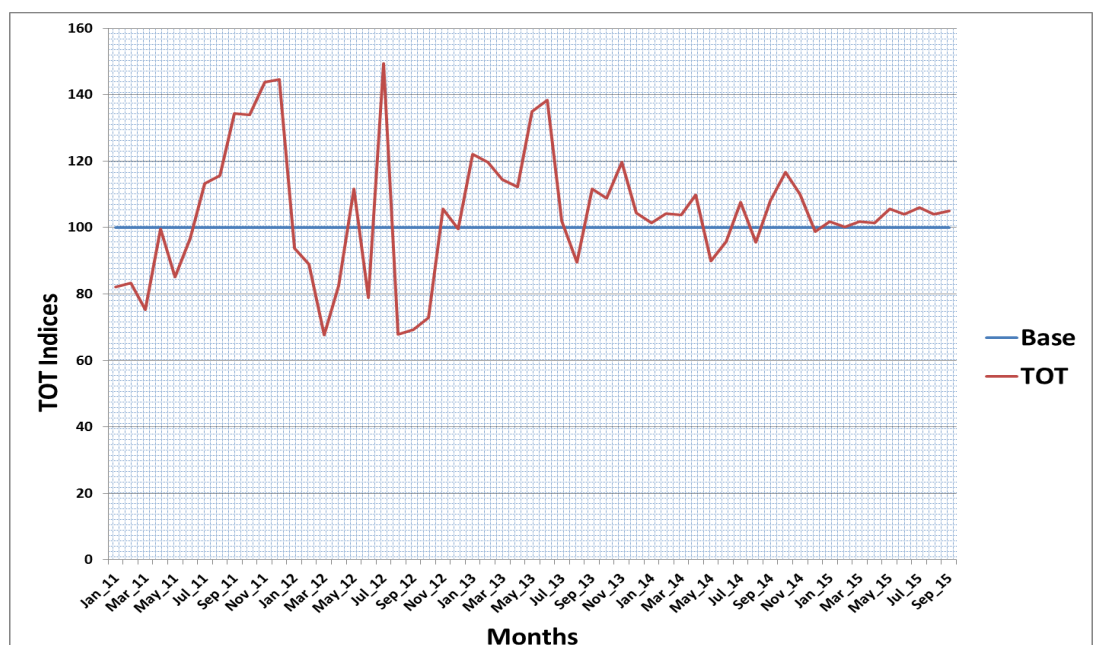
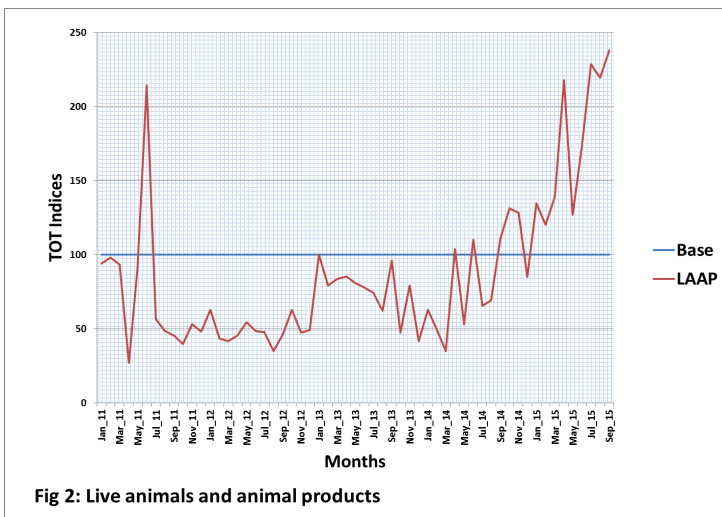


Fig 1: All Products Terms of Trade

**PRODUCT GROUP TERMS OF TRADE INDICES**

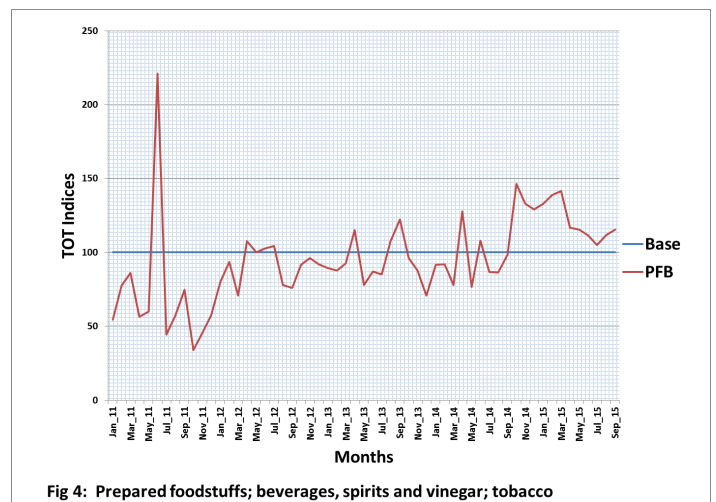
**Live animals; animal products**

In Q3, 2015, the trade indices for “live animals; animal products” were 228.74, 219.37 and 237.80 for the months of July, August and September, respectively. These show favourable trade positions of 128.74, 119.37 and 137.80 percent for the months, respectively. Similar positions were recorded in the months of the preceding quarter and the corresponding quarter of 2014 except for July and August 2014 when unfavourable trade positions were recorded ( Table 2, Figure 2).



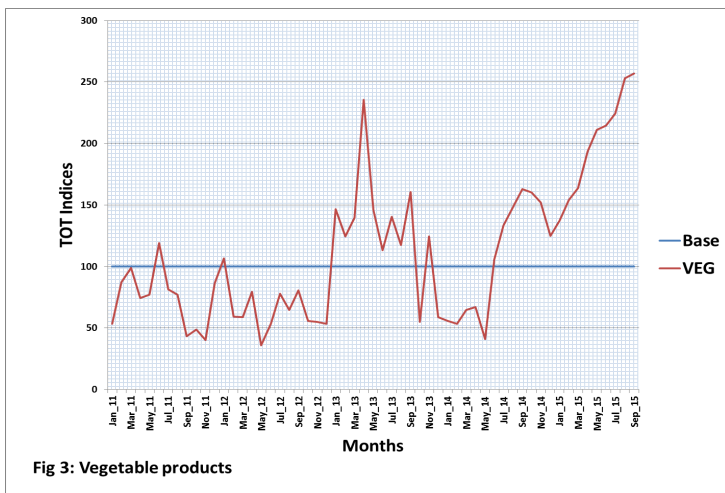
**Prepared foodstuffs; beverages, spirits and vinegar; tobacco**

The trade indices recorded by this product group in July, August and September 2015 stood at 105.08, 111.97 and 115.38 percent, respectively, indicating favourable trade positions of 5.08, 11.97 and 15.38. Also, all the months in the preceding quarter recorded favourable TOT. However, the months in the corresponding quarter of 2014 showed unfavourable trade positions (Table 2, Figure 4).



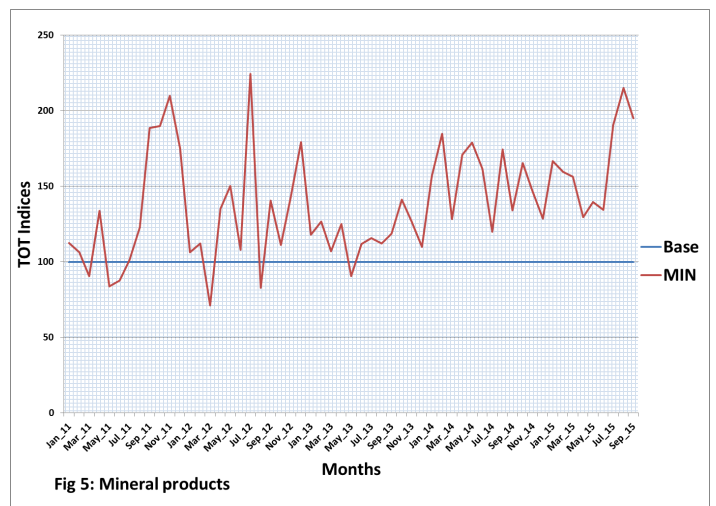
**Vegetable products**

The group recorded trade indices of 224.15, 253.23 and 257.13 during the months under review, implying favourable trade positions of 124.15, 153.23 and 157.13 percent in July, August and September 2015, respectively. Similarly, all the months in the preceding quarter and corresponding quarter of 2014 recorded favourable TOT (Table 2, Figure 3).



**Mineral products**

Mineral products recorded TOT indices of 190.37, 215.03 and 194.88 for the months of July, August and September 2015, respectively. These indicate favourable trade positions of 90.37, 115.03 and 94.88 percent for the months, respectively. Similar positions were also observed in all the months of the preceding quarter and the corresponding quarter of 2014 (Table 2, Figure 5).



**Products of the chemical and allied industries**

The monthly trade indices for the group in the Third quarter of 2015 were 71.08, 70.58 and 77.68 for July, August and September, respectively. These indicate unfavourable TOT for this product group for the period under review. Similar positions were recorded in all the months observed in the preceding quarter and the corresponding quarter in 2014 (Table 2, Figure 6).

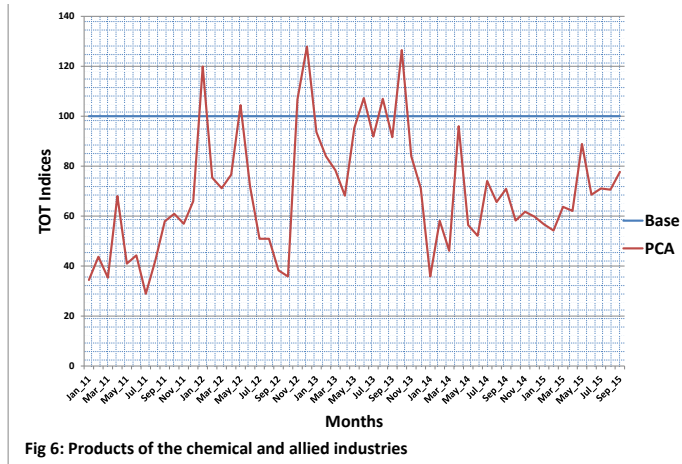


Fig 6: Products of the chemical and allied industries

**Plastic, rubber and articles thereof**

The trade indices for “Plastic, rubber and articles thereof” stood at 144.25, 142.35 and 144.88 in the months under review, representing favourable trade positions of 44.25, 42.35 and 44.88 percent for the months of July, August and September 2015, respectively. Similarly, in the preceding quarter and the corresponding quarter of 2014 all the months recorded favourable trade positions except August 2014 (Table 2, Figure 7).

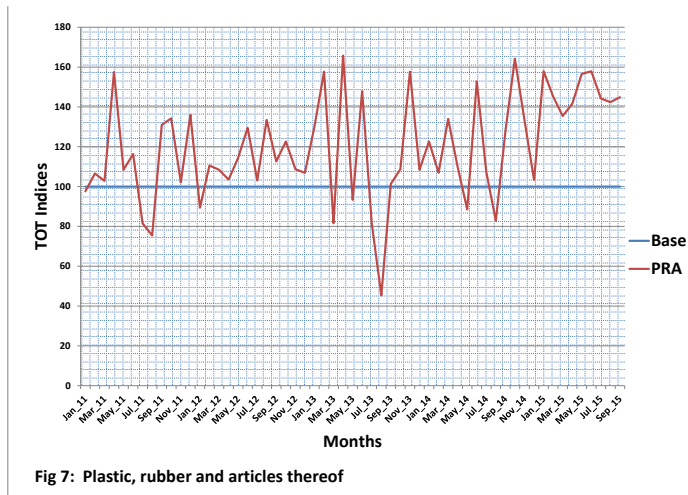


Fig 7: Plastic, rubber and articles thereof

**Raw hides and skins, leather, furskins etc.; saddlery**

This product group recorded TOT indices of 307.44, 281.60 and 321.14 in July, August and September 2015, signifying favourable trade positions of 207.44, 181.60 and 221.14, respectively. Similarly, favourable trade positions were recorded in the months of the preceding quarter and the corresponding quarter of 2014 except in August 2014 (Table 2, Figure 8).

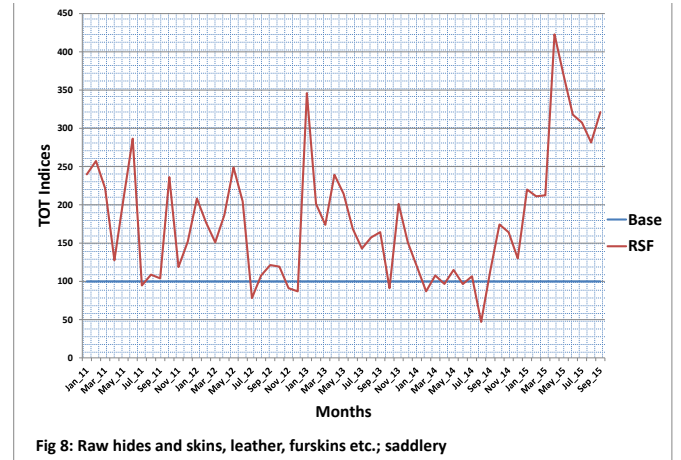


Fig 8: Raw hides and skins, leather, furskins etc.; saddlery

**Wood and articles of wood, wood charcoal and articles**

The trade indices for the “Wood and articles of wood, wood charcoal and articles” group stood at 224.74, 270.15 and 247.14 for the months of July, August and September 2015, respectively. These show favourable TOT in the review period. Similar positions were recorded in the months of the preceding quarter. However, the corresponding quarter of 2014 recorded unfavourable trade positions (Table 2, Figure 9).

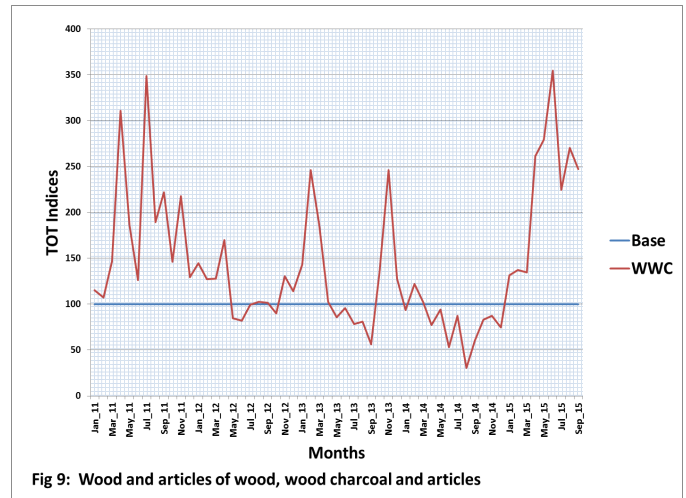


Fig 9: Wood and articles of wood, wood charcoal and articles

**Paper making material; paper and paperboard, articles**

During the review period, this product group recorded trade indices of 87.72, 95.77 and 94.52 showing unfavourable trade positions for the months of July, August and September, respectively. Similar developments were recorded in the months of the preceding quarter and the corresponding quarter of 2014 (Table 2, Figure 10).

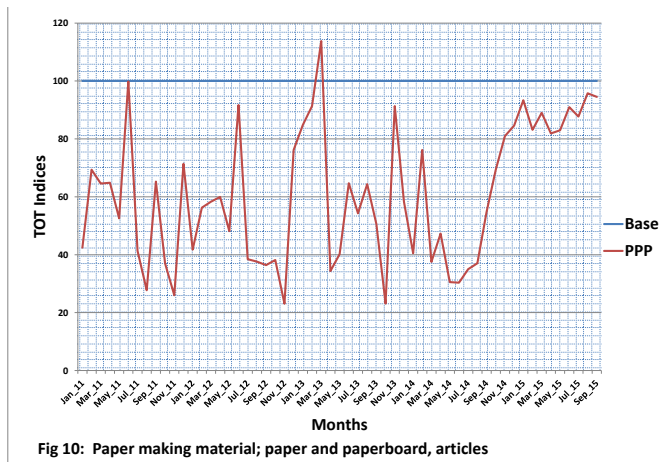


Fig 10: Paper making material; paper and paperboard, articles

**Footwear, headgear, umbrellas, sunshades, whips etc.**

This product group recorded trade indices of 281.74, 337.71 and 324.64 for the months of July, August and September 2015, respectively. These represent favourable trade positions of 181.74, 237.71 and 224.64 percent, respectively for the months under review. Also, all the months in the preceding quarter and the corresponding quarter of 2014 recorded favourable TOT positions (Table 2, Figure 12).

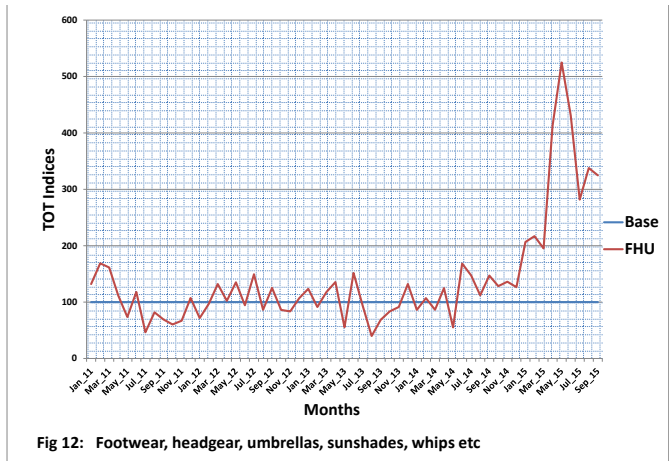


Fig 12: Footwear, headgear, umbrellas, sunshades, whips etc

**Textiles and textile articles**

The TOT indices for the “Textiles and textile articles” group in the months of July, August and September 2015 were 134.62, 125.74 and 127.41, respectively. These signify favourable TOT in the months under review. Similar trends were observed in the preceding quarter and the corresponding quarter of 2014, respectively (Table 2, Figure 11).

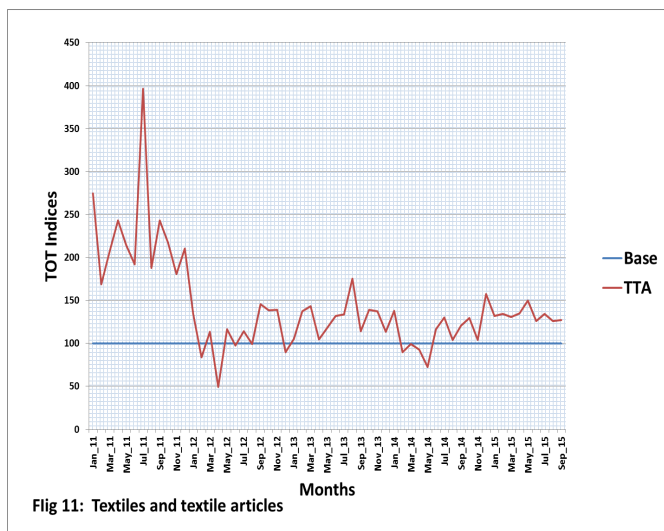


Fig 11: Textiles and textile articles

**Articles of stone, plaster, cement, asbestos, mica and ceramic**

At 94.46, 99.57 and 95.23, this product group recorded unfavourable TOT indices in July, August and September 2015, respectively. Similar trends were observed in the preceding quarter and the corresponding quarter of 2014, respectively (Table 2, Figure 13).

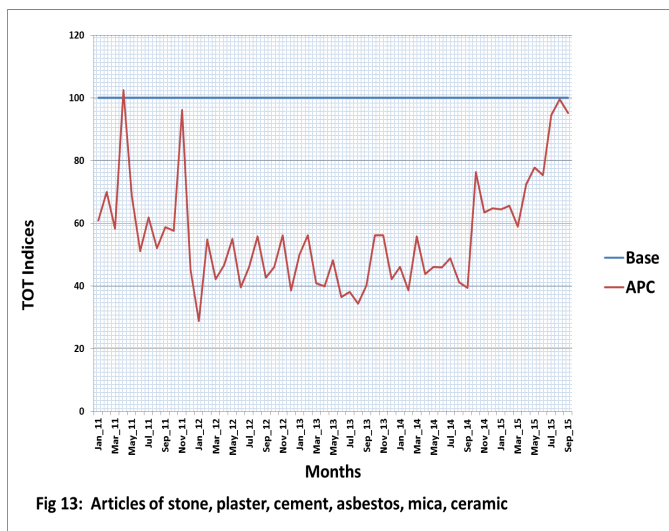


Fig 13: Articles of stone, plaster, cement, asbestos, mica, ceramic

**Pearls, precious and semi-precious stones, precious metals**

The TOT indices for the “Pearls, precious and semi-precious stones, precious metals” product group in the months of July, August and September 2015 stood at 101.72, 86.07 and 91.67, respectively. This showed unfavourable trade positions of 13.93 and 8.33 per cent in August and September, respectively. However, favourable trade positions were recorded in all the months of the preceding quarter and the corresponding quarter of 2014 (Table 2, Figure 14).

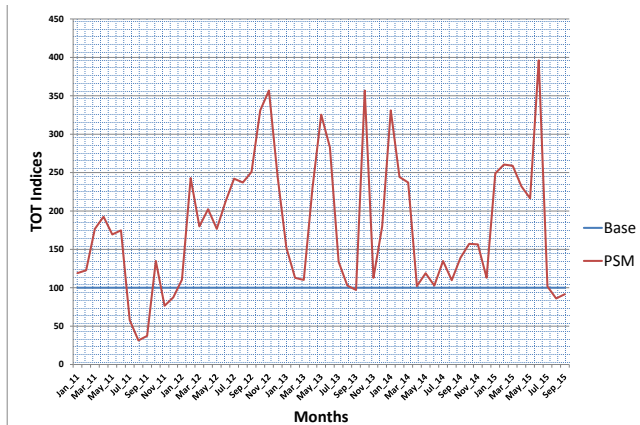


Fig 14: Pearls, precious and semi-precious stones, precious metals

**Boilers, machinery and chemical appliances; parts thereof**

The TOT indices for this product group were unfavourable in all the months of Third quarter 2015 with trade indices of 83.32, 94.27 and 85.53 in July, August and September, respectively. Similarly, the preceding quarter and the corresponding quarter of 2014 also recorded unfavourable TOT in all the months (Table 2, Figure 16).

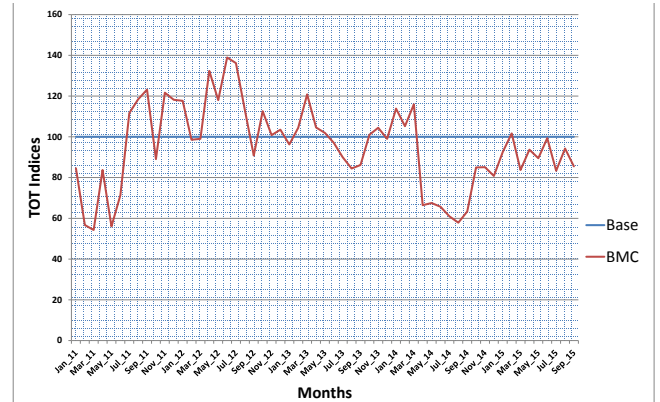


Fig 16: Boilers, machinery and chemical appliances; parts thereof

**Base metals and articles of base metals**

In July, August and September 2015, the “Base metals and articles of base metals” group recorded TOT indices of 171.27, 169.34 and 187.23, respectively. These indicate favourable TOT in all the months under review. Similarly, all the months in the preceding quarter also recorded favourable TOT, contrary to the months in the corresponding quarter of 2014 which showed unfavourable trade positions (Table 2, Figure 15).

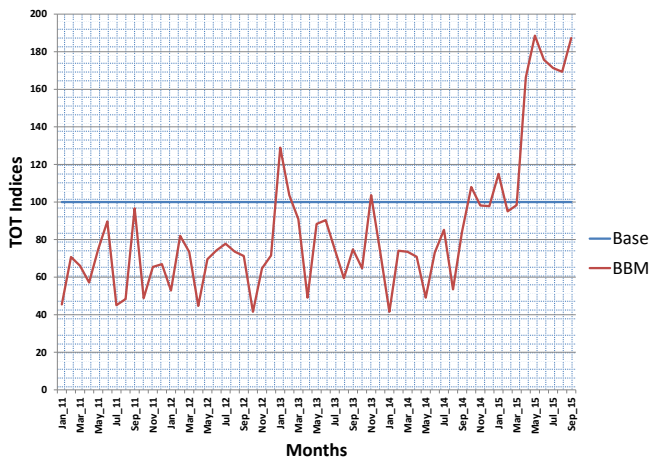


Fig 15: Base metals and articles of base metals

**Vehicles, aircrafts and parts thereof; vessels, etc**

This product group recorded TOT indices of 90.50, 89.25 and 92.19 in July, August and September 2015, respectively. These indicate unfavourable TOT for all the months. Similar trends were also observed in the preceding quarter and the corresponding quarter of 2014 with the exception of July 2014 which recorded favourable TOT (Table 2, Figure 17).

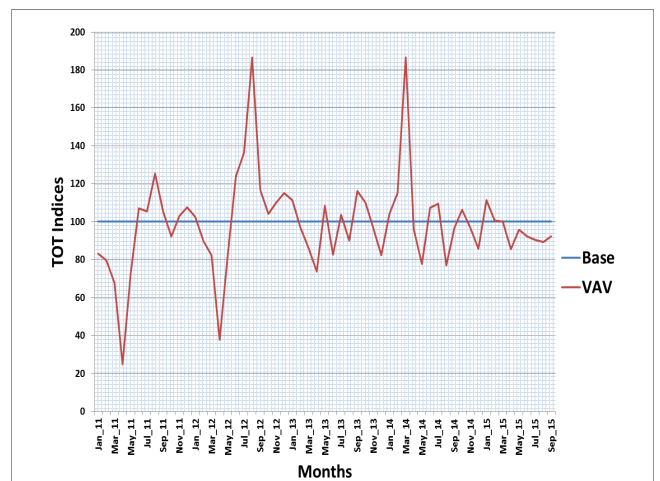


Fig 17: Vehicles, aircraft and parts thereof; vessels etc

Miscellaneous manufactured articles

The “Miscellaneous manufactured articles” product group recorded favourable TOT indices of 115.40 and 111.72 in the months of July and August, respectively and unfavourable TOT in September 2015. However, favourable trade positions were recorded during the preceding quarter while unfavourable trade position were observed in the corresponding quarter of 2014 (Table 2, Figure 18).

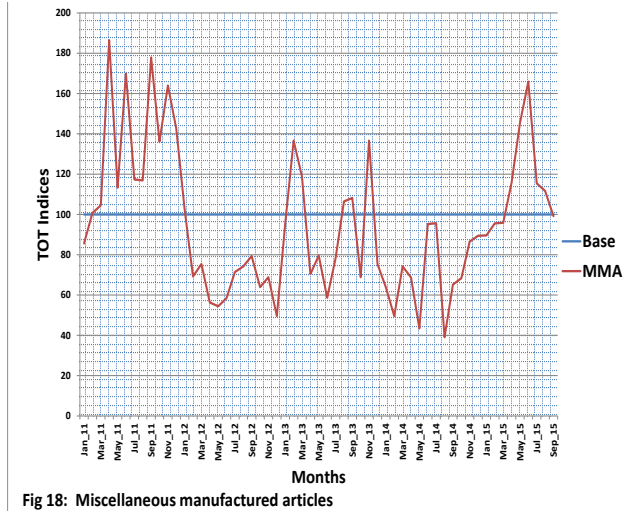


Fig 18: Miscellaneous manufactured articles

Table 1: Terms of Trade (TOT) Indices

Year	Month	TOT INDEX	DIRECTION OF TRADE
2013	Apr	112.28	12.28
	May	134.84	34.84
	Jun	138.39	38.39
	Jul	101.90	1.90
	Aug	89.47	-10.53
	Sep	111.60	11.60
	Oct	108.82	8.82
	Nov	119.66	19.66
	Dec	104.34	4.34
2014	Jan	101.39	1.39
	Feb	104.22	4.22
	Mar	103.75	3.75
	Apr	109.82	9.82
	May	89.86	-10.14
	Jun	95.76	-4.24
	Jul	107.58	7.58
	Aug	95.49	-4.51
	Sep	107.96	7.96
	Oct	116.67	16.67
	Nov	110.12	10.12
	Dec	98.79	-1.21
2015	Jan	101.90	1.90
	Feb	107.05	7.05
	Mar	101.79	1.79
	Apr	101.37	1.37
	May	105.62	5.62
	Jun	103.92	3.92
	Jul	106.01	6.01
	Aug	104.07	4.07
	Sep	105.01	5.01

Table 2: Product Group Terms of Trade Indices

All Products (SITC) Terms of Trade, Jan, 2007 as base month

Year	Month	Live animals; animal products	Vegetable products	Prepared foodstuffs; beverages; tobacco	Mineral products	Products of the chemical and allied industries	Plastic, rubber and articles thereof	Raw hides and skins	Wood and articles of wood	Paper and articles of paper	Textiles and textile articles	Footwear, headgear, umbrellas, sunshades, whips etc.	Articles of stone, plaster, cement, ceramic	Metals, precious and semi-precious stones, precious metal	Base metals and articles of base metals	Boilers, machinery and chemical appliances, electrical	Vehicles, aircraft and parts thereof; vessels etc.	Miscellaneous manufactured articles	All Products Terms of Trade, Jan, 2007 as base month
2013	Jan_13	100.09	146.78	89.34	118.10	93.65	130.23	346.12	143.10	84.82	105.12	123.45	49.94	152.17	128.93	96.24	111.37	95.32	122.06
	Feb_13	79.26	124.59	87.70	126.67	84.01	157.72	201.21	246.24	91.35	137.47	91.32	56.16	112.89	103.64	104.44	96.79	136.64	119.66
	Mar_13	83.60	139.49	92.49	106.90	78.39	81.56	173.82	186.58	113.78	143.41	117.52	40.86	110.19	90.85	120.87	86.19	118.84	114.38
	Apr_13	85.46	235.53	115.00	124.89	68.19	165.73	239.32	102.74	34.36	104.48	135.48	39.85	229.98	49.09	104.65	73.90	70.40	112.28
	May_13	81.04	146.02	77.91	90.65	95.39	93.33	214.39	85.68	40.20	118.36	55.37	48.19	325.41	88.33	101.91	108.36	79.62	134.84
	Jun_13	78.00	113.12	87.13	111.87	107.27	147.94	168.69	95.92	64.69	132.05	151.69	36.44	282.82	90.32	97.10	82.70	58.64	138.39
	Jul_13	74.33	140.35	85.05	115.69	91.89	81.52	142.87	78.53	54.28	133.57	94.48	38.09	133.84	74.70	89.99	103.46	78.02	101.90
	Aug_13	62.32	117.50	107.43	112.12	106.95	45.33	157.37	81.02	64.38	175.49	39.88	34.34	102.83	59.48	84.48	90.10	106.45	89.47
	Sep_13	96.13	160.51	122.17	118.44	91.58	101.34	164.38	56.04	50.58	114.25	68.58	40.28	97.19	74.77	86.15	116.34	108.16	111.60
	Oct_13	47.43	54.93	96.14	141.20	126.47	108.67	91.06	135.72	23.10	139.21	83.52	56.25	356.79	64.65	101.05	109.94	68.84	108.82
	Nov_13	79.26	124.59	87.70	126.67	84.01	157.72	201.21	246.24	91.35	137.47	91.32	56.16	112.89	103.64	104.44	96.79	136.64	119.66
	Dec_13	41.53	58.81	70.82	109.85	71.22	108.45	151.07	127.51	58.32	113.73	132.01	42.15	179.84	73.42	99.00	82.25	75.41	104.34
2014	Jan_14	62.71	55.68	91.63	156.62	35.86	122.62	119.17	93.70	40.49	138.21	86.13	46.05	331.03	41.55	113.89	104.14	63.89	101.39
	Feb_14	49.01	53.56	92.03	184.58	58.13	106.89	86.96	121.77	76.20	89.68	106.95	38.61	244.26	74.02	105.24	115.06	49.57	104.22
	Mar_14	34.84	64.69	78.03	128.32	46.15	133.95	107.69	102.78	37.55	99.04	86.39	55.81	237.09	73.52	116.00	186.67	74.24	103.75
	Apr_14	103.70	67.14	127.92	170.67	96.02	109.88	96.61	77.27	47.28	92.82	124.83	43.80	102.20	70.86	66.43	95.91	68.72	109.82
	May_14	52.97	41.00	76.78	178.99	56.42	88.52	114.99	94.02	30.56	72.43	55.25	46.09	118.87	49.04	67.52	77.83	43.39	89.86
	Jun_14	110.30	106.02	107.76	161.33	52.14	152.82	96.47	53.24	30.33	116.45	168.40	45.93	102.88	73.10	65.66	107.38	95.26	95.76
	Jul_14	65.48	133.57	86.73	119.79	74.05	107.47	106.66	87.49	35.02	130.39	147.32	48.82	134.84	85.20	60.95	109.43	95.65	107.58
	Aug_14	69.27	147.90	86.47	174.43	65.62	82.82	46.93	30.41	37.05	103.97	111.90	41.27	109.76	53.52	57.89	77.07	39.05	95.49
	Sep_14	110.50	162.81	98.49	134.11	70.90	127.75	113.88	60.31	54.72	120.73	147.02	39.42	138.90	84.26	63.36	96.98	65.18	107.96
	Oct_14	131.30	160.26	146.27	165.33	58.22	164.21	174.38	83.31	69.32	129.50	128.22	76.32	157.28	108.02	84.95	106.24	68.35	116.67
	Nov_14	128.36	151.98	132.99	146.54	61.76	133.41	164.21	87.31	80.98	104.17	136.23	63.46	156.42	98.14	85.13	96.84	86.53	110.12
	Dec_14	85.11	124.94	129.13	128.53	59.75	103.31	129.91	74.47	84.60	157.36	126.48	64.74	112.96	97.79	80.81	85.94	89.43	98.79
2015	Jan_15	134.57	137.31	132.96	166.62	56.71	157.91	220.07	131.53	93.35	132.25	206.51	64.39	249.03	114.97	92.59	111.50	89.63	101.90
	Feb_15	120.08	153.85	138.75	159.41	54.27	145.27	211.13	137.17	83.13	134.60	216.82	65.60	260.52	94.99	101.70	100.53	95.57	100.20
	Mar_15	139.16	163.77	141.39	156.23	63.70	135.45	212.53	134.38	88.99	131.01	195.17	59.02	258.79	98.36	83.75	99.98	95.88	101.79
	Apr_15	217.96	193.49	116.57	129.49	62.06	141.58	422.88	261.23	81.91	135.02	412.54	72.51	232.04	166.33	93.72	85.55	115.60	101.37
	May_15	127.07	211.10	115.40	139.40	88.90	156.53	369.12	278.96	82.97	149.53	524.86	77.87	216.37	188.51	89.52	95.80	145.42	105.62
	Jun_15	172.47	214.73	111.45	134.23	68.55	157.91	317.84	354.47	90.97	126.04	431.18	75.30	396.18	175.72	99.38	92.30	165.88	103.92
	Jul_15	228.74	224.15	105.08	190.37	71.08	144.25	307.44	224.74	87.72	134.62	281.74	94.46	101.72	171.27	83.32	90.50	115.40	106.01
	Aug_15	219.37	253.23	111.97	215.03	70.58	142.35	281.60	270.15	95.77	125.74	337.71	99.57	86.07	169.34	94.27	89.25	111.72	104.07
	Sep_15	237.80	257.13	115.38	194.88	77.68	144.88	321.14	247.14	94.52	127.41	324.64	95.23	91.67	187.23	85.53	92.19	99.18	105.01