

COWRY RESEARCH ANALYSTS'

FLASHNOTE:

NIGERIA'S H1 2025 TRADE STATISTICS



Cowry Research

FX Stability Holds Line as Nigeria's Trade Balance Strengthens to N12.64tn in H1 2025....

According to the latest report by the National Bureau of Statistics (NBS), Nigeria's foreign trade performance showed remarkable resilience in the first half of 2025, with total merchandise trade rising by 12.88% year-on-year to N74.06 trillion, up from N65.61 trillion in the corresponding period of 2024.

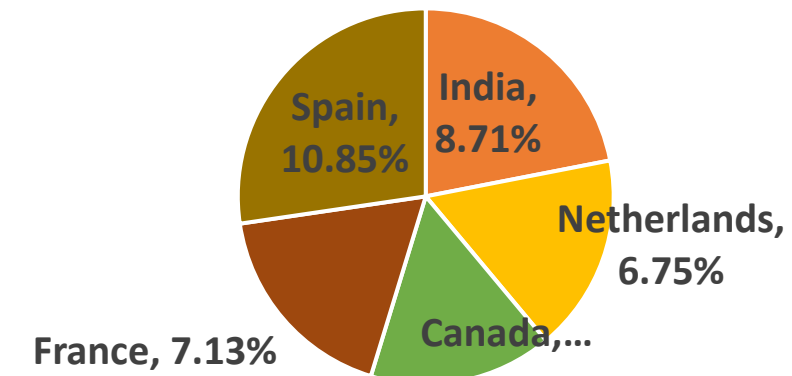
Exports remained firmly ahead of imports, with total export trade reaching N43.35 trillion compared to imports of N30.71 trillion. This gave the country a positive trade balance of N12.64 trillion in H1 2025, a significant 54.63% improvement from the N8.17 trillion recorded in the same period last year.

The wider surplus reflects a two-pronged trend: a slowdown in import activity on the back of elevated foreign exchange costs and government reforms that continue to discourage excessive import dependence, and stronger momentum in exports driven by both oil and non-oil receipts.

Import growth was modest at 6.94% year-on-year in the first half of the year, largely due to a drop in the value of non-oil imports, while export performance benefitted from higher earnings across crude oil, petroleum derivatives, and non-oil products.

Sequentially, the economy maintained strong trade momentum in the second quarter of the year. Total trade rose to N38.04 trillion in Q2 2025, representing a 20.05% increase from N31.68 trillion in the same quarter of 2024, and 5.59% higher than the N36.02 trillion recorded in the first quarter of this year.

Top 5 Export Trade Partners (Q2 2025)



Exports accounted for 59.81% of total trade at N22.75 trillion, reflecting a 28.43% year-on-year jump and a 10.45% rise compared to Q1 2025. Crude oil remained the backbone of external trade with a value of N11.97 trillion, making up 52.60% of total exports, while non-crude exports stood at N10.78 trillion or 47.40%. Within this segment, non-oil products contributed N3.05 trillion, equivalent to 13.39% of exports.

Imports were more subdued, declining by 0.90% quarter-on-quarter to N15.29 trillion, even though they remained 9.43% higher than a year earlier. Consequently, the trade balance for the quarter stood at N7.46 trillion, representing a 44.31% increase over the preceding quarter, consolidating Nigeria's positive external trade position.

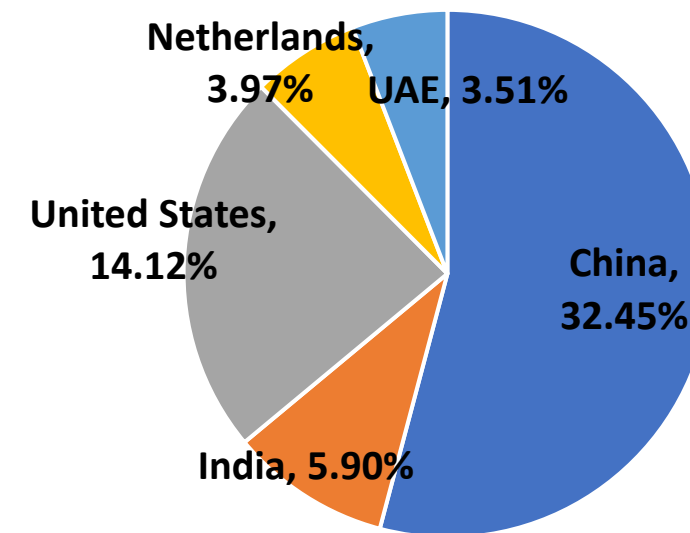
A closer look at import composition shows that mineral fuels remained the largest category, valued at N4.43 trillion or 28.95% of total imports. Machinery and transport equipment followed closely with N4.34 trillion or 28.38%, while chemicals and related products accounted for N2.46 trillion or 16.10%.

Regionally, Asia dominated as Nigeria's largest source of imports at N7.65 trillion, representing 50.03% of the total, with Europe contributing N3.84 trillion or 25.15%, and America N2.91 trillion or 19.05%. China remained Nigeria's top import partner with goods worth N4.96 trillion, accounting for 32.45% of total imports, followed by the United States with N2.16 trillion or 14.12%.

On the export side, mineral products were overwhelmingly dominant, contributing N19.87 trillion or 87.34% of total export earnings. This was followed by prepared foodstuffs, beverages, spirits and tobacco valued at N725.90 billion or 3.19%, and products of the chemical and allied industries at N633.03 billion or 2.78%. Europe was the largest regional export destination with goods worth N8.69 trillion, or 38.19% of total exports, ahead of Asia with N7.42 trillion or 32.62%, and America with N3.66 trillion or 16.07%.

Exports to Africa were valued at N2.97 trillion or 13.04%, with ECOWAS countries taking a substantial share of N1.93 trillion or 64.99% of intra-African trade. Spain emerged as Nigeria's largest export partner in the quarter under review with goods valued at N2.47 trillion or 10.85% of total exports, followed by India at N1.98 trillion, France at N1.62 trillion, The Netherlands at N1.54 trillion, and Canada at N1.43 trillion. Together, these five countries accounted for nearly 40% of Nigeria's export trade.

Top 5 Import Trade Partners (Q2 2025)

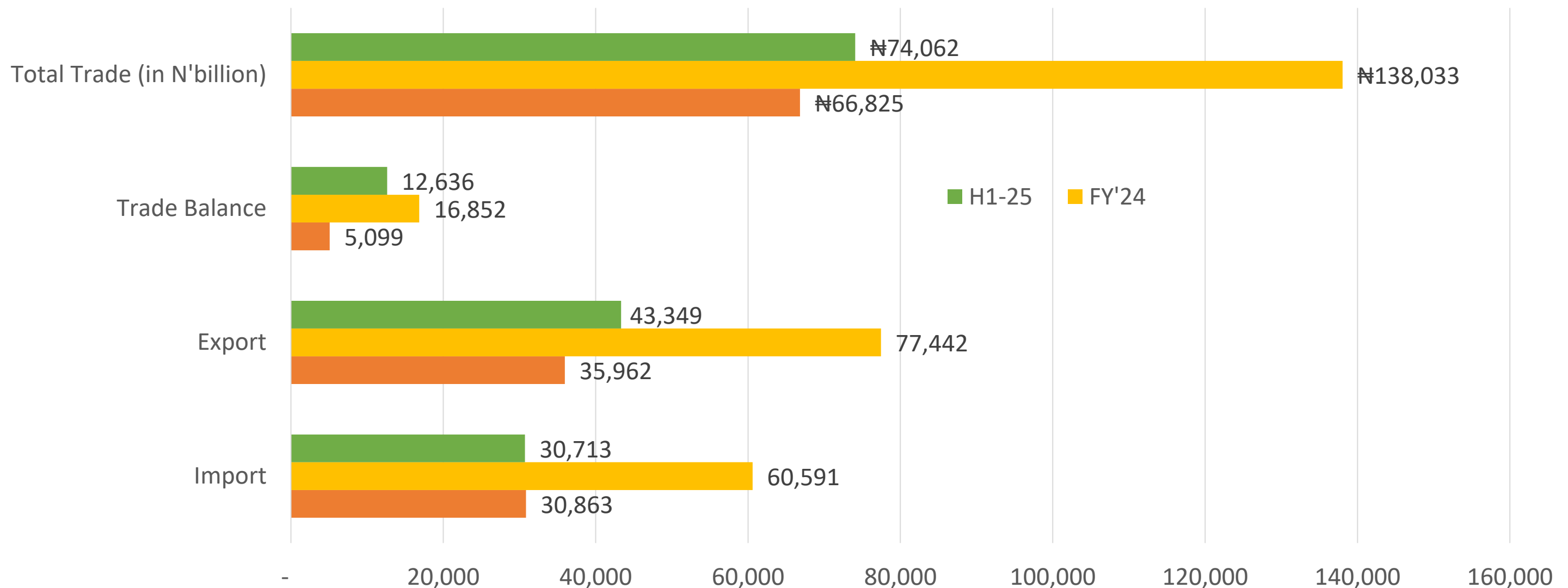


The sectoral breakdown underscores both opportunities and vulnerabilities in the country's external trade. Agricultural exports, though up 29.03% year-on-year at N1.26 trillion, declined sharply by 26.28% from the previous quarter, while raw material exports jumped 114.73% year-on-year to N819.72 billion but fell 21.53% compared to Q1 2025.

Solid mineral exports posted steady growth of 32.02% year-on-year to N77.31 billion, while manufactured goods exports surged 67.18% year-on-year and more than doubled quarter-on-quarter to N803.81 billion. Crude oil exports, however, slipped by 5.10% year-on-year to N11.97 trillion and by 7.63% compared to the first quarter, reflecting softer oil market conditions. Offsetting this, exports of other oil products surged by 146.24% year-on-year and 72.92% quarter-on-quarter to N7.74 trillion.

On the import side, agricultural goods rose 32.60% year-on-year to N1.18 trillion, while manufactured goods climbed 41.36% to N7.88 trillion. Raw material imports also increased year-on-year by 16.06% to N1.72 trillion, even as solid mineral imports fell by 26.60% to N70.88 billion. Oil product imports declined steeply by more than half to N2.79 trillion, underscoring the effect of higher domestic refining activity and policy shifts in the downstream sector.

Nigeria's Total Merchandise Trade (n'bn)



Source: National Bureau of Statistics, Cowry Research

For Cowry Research, we think Nigeria's trade story will continue to be shaped by a mix of global commodity swings and domestic FX policy. From the report, Nigeria's foreign trade performance in the first half of 2025 reflects both the benefits of resilient export receipts and the moderating effect of policy-induced import compression. The sustained trade surplus strengthens the external sector and provides support for foreign exchange liquidity at a time of heightened pressure on reserves.

We note that oil receipts weakened by 11.30% year on year to N24.92 trillion in H1 2025, despite the rise in the average Bonny Light prices to \$77.52 per barrel, while non-oil exports such as cocoa and sesame seeds benefitted from stronger global demand. Yet, the heavy reliance on crude oil and mineral exports continues to underscore structural vulnerabilities, highlighting the urgent need to deepen non-oil export diversification in order to build a more resilient trade base in the face of global volatility.

On the other hand, imports have stayed muted, weighed down by elevated FX costs in the first half of the year. That said, recent signs of FX market stability — with reduced volatility and more predictable rate pricing — suggest that import activity could stage a gradual rebound in the quarters ahead.

Consequently, while the current trade surplus offers a welcome buffer for external stability, Nigeria's heavy dependence on oil leaves the outlook vulnerable to price shocks, and prolonged import weakness could squeeze manufacturers. The real test will be how policymakers and investors translate today's surpluses into lasting diversification and a stronger manufacturing base.

CONTACT US**HEAD OFFICE**

Plot 1319, Karimu Kotun Street,
Victoria Island
Lagos
Website: www.cowryasset.com
Email: research@cowryasset.com

ABUJA OFFICE

Statement Suites Hotel D03 (3rd Floor), Plot 1002,
1st Avenue, Off Ahmadu Bello Way
Central Business District,
Abuja
Website: www.cowryasset.com
Email: research@cowryasset.com

PORT HARCOURT OFFICE

UPDC Complex, 26 Aba Road,
Port-Harcourt
River State
Website: www.cowryasset.com
Email: research@cowryasset.com

RESEARCH TEAM**CHARLES ABUEDE**

Cabuede@cowryasset.com

TAIWO LUPO

Tlupo@cowryasset.com

TOMIWA JIMOH

Tjimoh@cowryasset.com

www.cowryasset.com

www.twitter.com/cowryassetmgt

www.facebook.com/cowryasset

Disclaimer

This report is produced by the *Research Desk* of Cowry Asset Management Limited (COWRY) as a guideline for Clients that intend to invest in securities on the basis of their own investment decision without relying completely on the information contained herein. The opinion contained herein is for information purposes only and does not constitute any offer or solicitation to enter into any trading transaction. While care has been taken in preparing this document, no responsibility or liability whatsoever is accepted by any member of COWRY for errors, omission of facts, and any direct or consequential loss arising from the use of this report or its contents.