

Overview:

The Nigerian agricultural export sector plays a significant role in diversifying the country's economy and generating foreign exchange. To better understand the performance and trends within this sector, this analysis focused on a comprehensive review of Nigeria’s agricultural exports based on various aspects such as profitability, export destinations, transportation modes, and key products. Through examining details like unit price, profit per unit, export value, and profit margin, the aim is to uncover factors that contribute to profitability, and optimal export destinations.

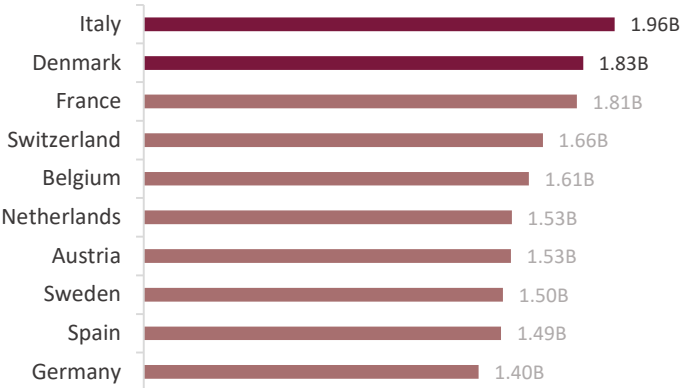
About Dataset:

This dataset offers an examination of agricultural exports in Nigeria, covering from 2020 to 2023. It includes daily data on the number of exportations that occurred, the destination for all such exports, the ports that facilitated the exports, the value of the exports, the profit generated from each export, the company that made the produce, mode of transportation. This data was downloaded for the sole purpose of the DataTribe spreadsheet challenge.

Link: <https://drive.usercontent.google.com/u/o/uc?id=1ZVoNDIVqKF541jRuKREKIWEjtc55cZAm&export=download>

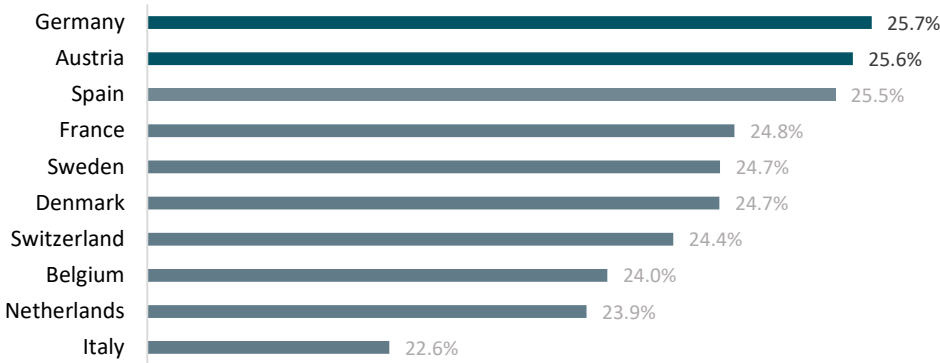
Total Export Value	Total Units Exported	Total Profit	Average Profit	Profit Margin	Total Country
₦ 16,317,664,478.57	536,804	₦ 3,288,449,155.39	₦ 3,288,449.16	20.2%	10
(16 Billion+)		(3 Billion+)	(3 Million+)		

Destination countries by total export value (in Billion naira)



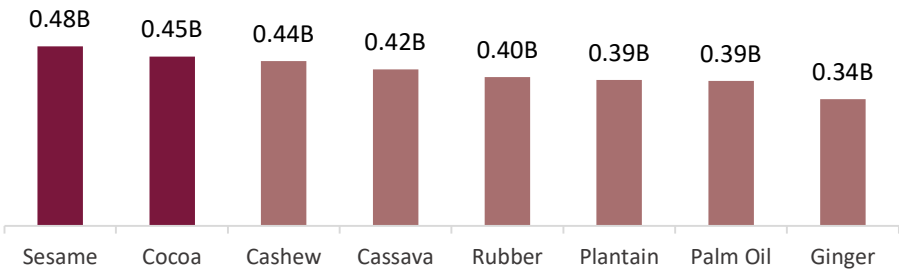
Italy tops the export destinations with ₦1.96 billion, highlighting her importance as a key export destination, with other European countries like Denmark (₦1.83B) and France (₦1.81B), generally contributing significantly to the total export value. This suggests a relatively balanced distribution among the top destinations, with no extreme disparities.

Destination countries by average profit margin of products



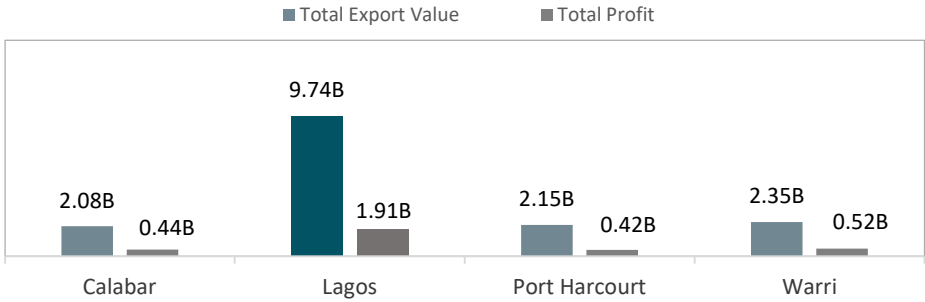
This reveals that average profit margins across the export countries are relatively consistent, ranging from approximately 23% in Italy to 26% in Austria and Germany. Most countries, including the Netherlands, Belgium, Switzerland, Denmark, Sweden, France, and Spain, cluster within the 24-25% range, indicating stable profitability levels across these regions.

Total Profit generated by each product (In billions)



This shows key agricultural export profits, with Sesame leading at ₦477.49 million, followed by Cocoa (₦450.35 million) and Cashew (₦438.62 million). Ginger ranks lowest at ₦336.62 million, contributing 10.2% of the total.

Total export value and total profit by export port (in billion naira)

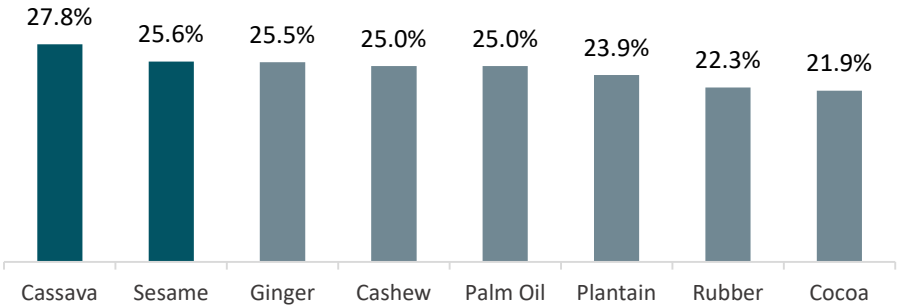


Lagos generates the highest total export value of ₦9.74 billion, contributing ₦1.91 billion in total profit, the largest share among the regions.

Warri follows with ₦2.35 billion in export value and a total profit of ₦516.81 million, reflecting strong performance.

This shows a strong export sector, with Lagos being the dominant contributor in both export value and profit.

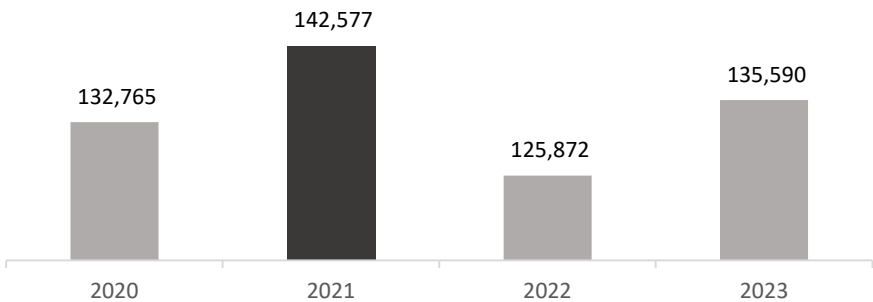
Average profit margin of exported products



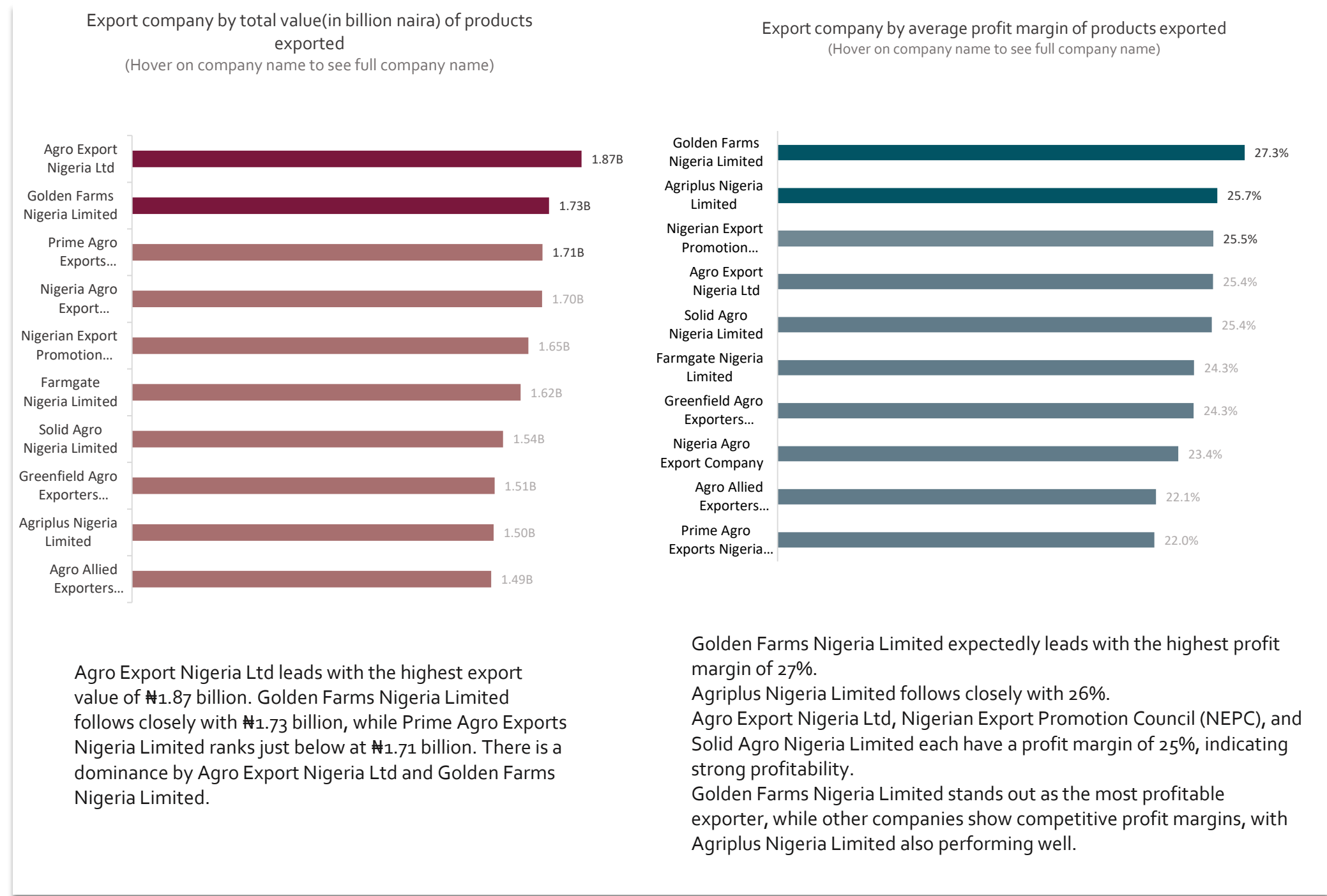
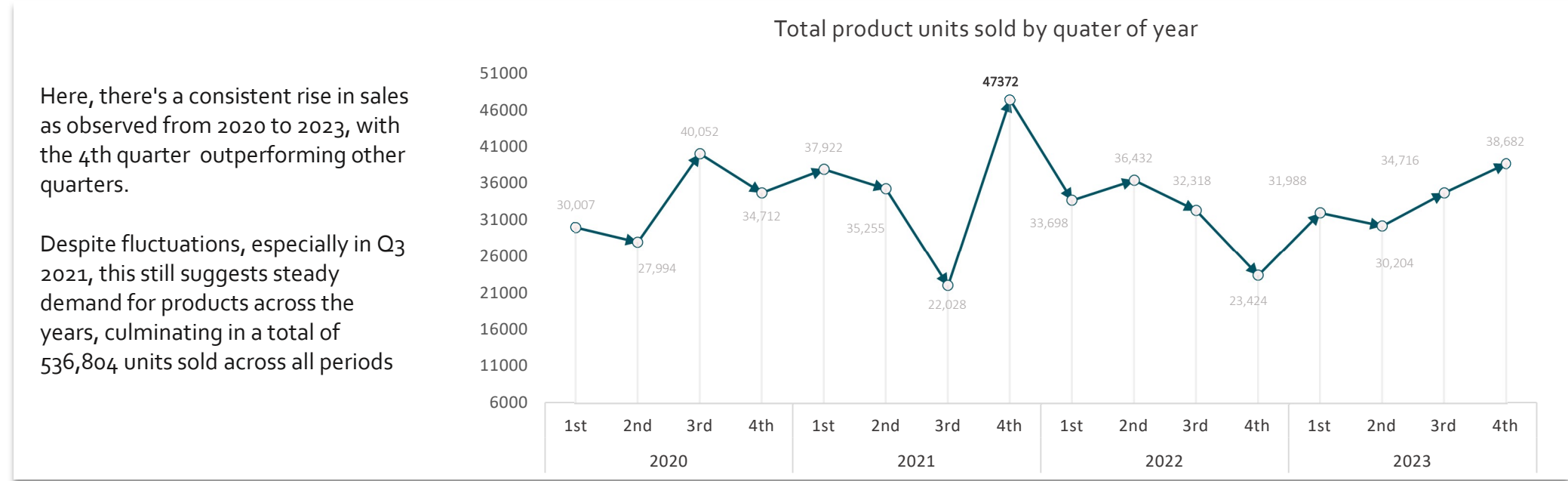
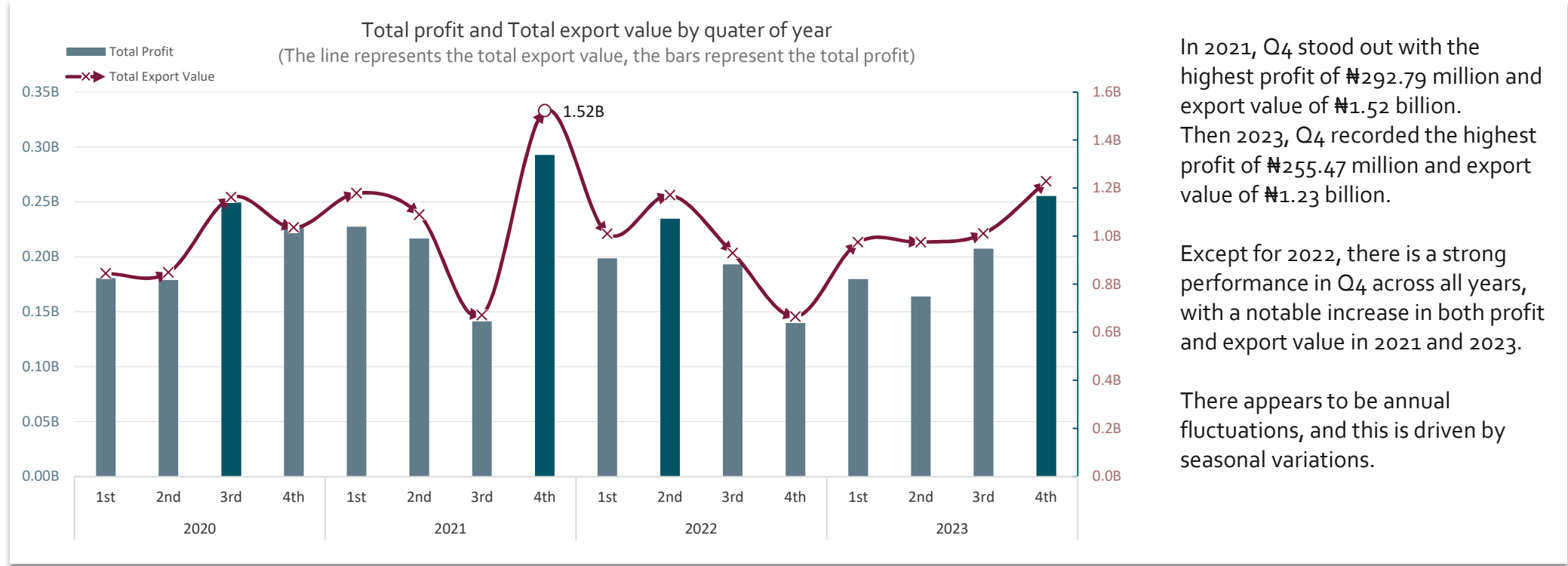
Cassava leads with the highest profit margin of approx. 28%. Sesame follows closely at 26%, etc.

These figures highlight the profitability of different agricultural commodities, with Cassava offering the highest return, while Rubber and Cocoa present opportunities for margin improvement.

Total exported product units by year



2021 recorded the highest units sold at 142,577. 2020 saw 132,765 units sold, followed by 2023 with 135,590 units. There was a notable dip in 2022.



Conclusion:

The analysis of Nigeria’s agricultural export sector provides valuable insights into its performance and profitability, shedding light on both opportunities and areas for improvement. Key findings from this review include:

Nigeria's agricultural exports are dominated by profitable products such as Sesame and Cocoa, with Sesame leading in total profit, followed closely by Cocoa, Cashew, and Cassava. The average profit margins across exporters show consistent profitability, with Golden Farms Nigeria Limited achieving the highest margin of 27%.

Lagos stands out as the highest contributor to export value, generating the largest share of ₦9.74 billion, while Warri and Port Harcourt also make substantial contributions. This highlights the geographic concentration of export activity, with Lagos being a critical hub for agricultural exports.

Over the four years examined, the total number of units sold reached 536,804, with notable fluctuations in sales volumes across the years and quarters. The 4th quarter consistently recorded the highest sales, emphasizing the potential for strategic focus on this period to maximize exports. The top exporters such as Agro Export Nigeria Ltd and Golden Farms Nigeria Limited contribute significantly to both export value and profitability. With total export values exceeding ₦1.5 billion for many of the top exporters, the data indicates a strong but competitive market, where exporters like Agro Export Nigeria Ltd and Prime Agro Exports Nigeria Limited consistently lead in terms of revenue. ...

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Profit margins vary across exporters, with Golden Farms Nigeria Limited recording the highest at 27%. Exporters with higher margins, such as Agriplus Nigeria Limited and Agro Export Nigeria Ltd, likely benefit from more efficient operations or higher-value products in the export market. Companies with lower margins, like Prime Agro Exports Nigeria Limited and Agro Allied Exporters Nigeria Limited, may need to focus on improving cost efficiency or diversifying their export portfolios.

The profitability of the agricultural export sector can be further enhanced by promoting high-margin products like Sesame and Cocoa, while supporting exporters with lower profit margins through policy and market access improvements. Focusing on regions like Lagos and Warri can help capitalize on existing infrastructure and export networks, while other regions could benefit from targeted development strategies to enhance export potential.

The consistent performance of the 4th quarter in terms of units sold suggests that seasonal factors and market demand in the final quarter could be leveraged to optimize sales and export strategies. In conclusion, Nigeria’s agricultural export sector is a critical component of its economy, with significant opportunities for growth. By focusing on profitability improvements, optimizing export channels, and supporting high-performing regions and companies, Nigeria can further enhance its position in the global agricultural export market.