



**TABLE 1: Description and source of data**

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| --- | --- | --- | --- |
| Variable | Full Name | Description | Source |
| OILP | Brent Oil Price | UK Brent Oil Price in US dollar per barrel | CBN Statistical Database |
| GDP | Nominal GDP | Nigeria GDP in billion Naira | WDI |
| INV | Investment Expenditure | INV proxied with gross fixed capital formation in billion naira. | WDI |
| EXPORT | Value of Nigeria’s Export | Value of Nigeria’s Export in local currency units. | WDI |
| IMPORT | Value of Nigeria’s Import | Value of Nigeria’s Import in local currency units. | WDI |
| INFR | Annual Inflation rate | Year-on-year inflation rate for Nigeria in Percentage | CBN Statistical Database |
| EXR | Official Exchange rate | CBN Official Exchange rate in N/$ |  |

**TABLE 2: ADF Unit Root Test Result**

|  |  |  |  |
| --- | --- | --- | --- |
| VARIABLES | ADF Unit Root Test | | Order of Integration |
| Level | First Difference |
| OILP | 0.4829 | 0.0000 | I(1) |
| GDP | 0.8631 | 0.0063 | I(1) |
| INV | 0.5775 | 0.0212 | I(1) |
| EXPORT | 0.8459 | 0.0000 | I(1) |
| IMPORT | 0.8355 | 0.0000 | I(1) |
| INFR | 0.0479 | 0.0000 | I(0) and I(1) |
| EXR | 0.9908 | 0.0004 | I(1) |

**TABLE 3: Long-Term Coefficients Matrix from the Impulse Response Functions**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | OILP | GDP | INV | EXPORT | IMPORT | INFR | EXR |
| OILP | 0.081337\*  (0.01095) |  |  |  |  |  |  |
| GDP | -0.001811\*  (0.00251) | 0.025425  (0.00281) |  |  |  |  |  |
| INV | -0.001254\*  (0.00461) | 0.006079\* (0.00541) | 0.017234\*  (0.00057) |  |  |  |  |
| EXPORT | 0.011995\*  (0.00482) | 0.003008\*  (0.00479) | 0.003469\* (0.00734) | 0.030165\*  (0.00490) |  |  |  |
| IMPORT | -0.013779\*  (0.00967) | 0.026271\* (0.00986) | 0.027520\*  (0.01464) | -0.00659\*  (0.00996) | 0.058328\* (0.01098) |  |  |
| INFR | -0.261602  (0.36604) | 1.355869  (0.41148) | -0.252729 (0.54763) | 0.189645  (0.36340) | 0.403300  (0.40032) | 2.588019  (0.28832) |  |
| EXR | -2.063221  (0.40360) | -1.092578 (0.46349) | -0.133241  (0.59353) | 1.281365  (0.40889) | -0.791061  (0.38628) | 0.209183  (0.45092) | 3.372851 (0.45052) |

**GRAPH 1: Graphical Representation of the Impulse Response Functions**

**TABLE 4: Serial Correlation and Heteroscedasticity Test Result**

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| Autocorrelation LM Test | | | White Heteroscedasticity Test | |
| Lags | LM-Stat | Prob | Chisq | 1109.993 |
| 1 | 67.78668 | 0.0389 | Df | 1176 |
| 2 | 100.8054 | 0.0000 | Prob | 0.9152 |
| 3 | 23.55737 | 0.9992 |  |  |