

Trade	0.50
Others	3.12
Total	3.78

Source: FOS, Abuja, January 1998.

The GDP is also presented by expenditure showing the final demand by its component, as shown in Table 5 below. In 1997, the household consumption had a 82.58% in GDP, while it was 84.07% in the previous years, based on series figures. Increase in stocks share accounted for 0.01% in 1997. Gross fixed capital formation increased from 5.78% in 1996 to 6% share in 1997.

Table: 5 Gross Capital formation to GDP Ratio 1994 -1997

Year	percentage
1994	9.39
1995	5.85
1996	5.96
1997	6.21

Source: FOS, Abuja, January 1998.

The share of exports of goods and services from 25.490% in 1996 to 26.71% showed and increased in 1997. The share of imports of goods and services also increased marginally from 20.54% in 1996 to 20.69% in 1997 (FOS, 1988). The analysis of GDP by expenditure, thus explains for example, the progress of capital formation due to investment policies and the nexus between export and import occasioned by external trade policy.

INFLATION

There cannot be a thorough analysis of current economic situation without an understanding of price movements. Price movements indicate the presence of demand shifts or changes in supply availability. The movements in the market conditions are reflected more quickly in changing price quotations than in sales or production statistics. Therefore, the consumer price index (CPI) is an indicator of economic performance whose growth rate measures the rate of inflation. This index was stable in the 1960s even during the war period. CPI was 7.5 in 1963, roused to 9.1 in 1969, and by 1980, 1988, 1994, and 1996 (October) it had risen to 42.5, 181.2, 1087.9 and 2,571.1 respectively.

The period 1960-1969 experienced an average inflation rate of 3.85 as opposed