






Domestic Commodity Prices Stable – Retail Prices

Commodity		Current Prices LAGOS	Current Prices KANO	Current Prices ONITSHA
Cement (50kg)		N1,700	N1,900	N1,800
Cassava (Garri) (50kg)		N8,000	N8,400	N8,400
Maize (50kg)		N8,200	N8,000	N8,400
Flour (50kg)		N8,800	N9,100	N9,000
Sugar (50kg)		N9,000	N9,200	N9,250
Rice (50kg)		N16,000	N16,500	N16,700
Palm Oil (30L)		N9,600	N9,300	N9,000
Beans (100kg)		N27,000	N27,200	N27,100
Semovita (10kg)		N1,800	N1,900	N1,900
Pasta		N2,600	N2,750	N2,700

•Average price increase was 10%

•Elastic goods remained flat while prices of more inelastic goods increased

Domestic Commodity Prices Stable – Wholesale

Commodity	Current Prices LAGOS – Mile 12	Current Prices KANO - Dawanau	Current Prices ENUGU - Ogbete
Cassava (Garri) (60kg) 	N11,600	N6,000	N7,000
Maize (100kg) 	N9,400	N8,700	N9,000
Rice (50kg) 	N13,500	N16,500	N16,700
Palm Oil (25L) 	N6,500	N9,300	N9,000
Beans (100kg) 	N19,250	N17,167	N19,000

Source: Novus Agro

Petrol propelling food prices persist



- Headline inflation in April spiked to 13.7%
- Driven mostly by imported items such as kerosene, PMS & spare parts
 - With the exception of higher electricity tariffs
- Core index and Food index increased from 12.2% and 12.8% to 13.4% and 13.2% respectively
- Core index largely affected by the lingering fuel scarcity which caused average price of petrol to increase to N163/l in April from N132/l in March
- Food index affected by off season effects which usually occurs between April and June

Petrol propelling food prices persist



- Upward pump price adjustment to N135-N145/liter expected to reflect in the prices of domestic commodities
- Transport cost have increased significantly since its implementation
- The degree of change in prices will be determined by their elasticity of demand
- Stockpiling ahead of union strike expected to stoke inflation further
 - Supply shortages combined with a temporary surge in demand of food will heighten prices
- Diesel prices have remained between N130 – N135 per liter

Stock Market

- Investors appetite on the rise as FG resumes disbursement of 2016 budget funds

	Share Prices (₦)	W-O-W (12 May – 16 May)	Y-T-D (Jan - Date)
Nestle	722.00	6.18% ↑	-16.00% ↓
Guinness	99.75	5.22% ↑	-21.30% ↓
Honeywell	1.66	-1.19% ↓	-18.00% ↓
Flourmill	23.00	1.86% ↑	10.60% ↑
Cadbury	17.24	10.23% ↑	0.50% ↑
NB	123.00	1.65% ↑	-9.60% ↓
Dangote Sugar	6.00	1.69% ↑	-0.50% ↓

Oil Price Movement



- Brent crude  1.85% to \$48.97pb
- WTI  2.18% to \$47.72pb
- Trading at six-month highs, Goldman report projects a deficit due to production outages in Nigeria and Canada
- Massive wildfires in Canada's oil-rich Alberta Province have resulted in an estimated 1.6 million barrels per day (bpd)
- Niger Delta militant attacks have resulted in a 40% decline in Nigeria's crude oil production



FOR LEASE

MARIYA COURT

Location: 2B, Probyn Close, Ikoyi, Lagos

Amenities:

1. All rooms fitted with new air conditioners
2. Intercom system
3. Equipped kitchen with electrical cooker/oven, fridge, deep freezer and washing/drying machine.

Other Facilities:

1. Gym, squash court, steam bath, sauna, swimming pool with bar and barbeque stand
2. 24hrs power supply
3. 24hrs security/CCTV/Alarm system
4. 24hrs Technician on duty
5. Fully equipped play area for children



RHAMA GARDEN

Location: 28, Gerard Road, Ikoyi, Lagos

Amenities:

1. All rooms fitted with new air conditioners
2. Intercom system
3. Equipped kitchen with electrical cooker/oven, fridge, deep freezer and washing/drying machine.

Other Facilities:

1. Gym, squash court, steam bath, sauna, swimming pool with bar and barbeque stand
2. 24hrs power supply
3. 24hrs security/CCTV/Alarm system
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Oil Price Movement



- Supply shortfalls have totalled 3.75mbpd wiping glut which slashed prices from \$115/pb in 2014
- This prompted the bank to raise its price forecast to \$50pb for H1'16 from initial estimate of \$45
- US oil production has contracted to 8.8 million barrels per day (pbd)
- 8.4% below 2015 peaks, as low oil prices crippled production

Oil Markets today

COMMODITY	WEEKLY CHANGE 12 May – 16 May 2016	YTD	CURRENT PRICE
O I L			
BRENT	1.85% 	31.57% 	\$48.97pb
WTI	2.18% 	29.82% 	\$47.72pb
L N G			
NATURAL GAS	6.06% 	-12.92% 	\$2.03MMBtu

Agric Commodities

Wheat



Wheat futures up 1.34% to \$4.74/bushel

- Export sales data revealed a 65% increase in sales due to lower US export prices

Corn



Corn prices up by 1.29%, closing at \$3.94/bushel

- Corn futures gained on expectations of higher demand due to higher crude prices

Cocoa



Cocoa prices down 3.08% to \$2,927/mt

- Cocoa exported from Ivory Coast were rejected due to small bean sizes

Sugar



Sugar futures down 0.53% at \$0.1689/pound

- Sugar deficit forecast in Brazil declined by 29% as millers shift towards sugar in place of ethanol

Outlook

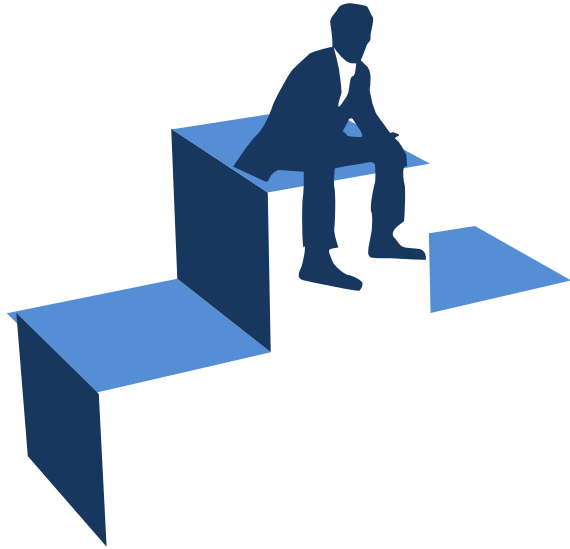
OIL



- Prices to remain bullish in the short term due to supply outages – Nigeria, Venezuela and Canada
- Threat of supply glut remains as OPEC crude production increased in April to 32.44mbpd
 - Increased production in Iraq and Iran outweighed shortfalls
 - Inventory buffer may prevent full price recovery as markets remain concerned over sustainability of outages



Outlook



Grains → •Wet weather conditions in the southern plains suggests bullish outlook for wheat

•Bearish outlook for corn futures due to surpluses in major exporting countries

Soft → •**Sugar** – Global supply deficit to widen to 7.3million tons as dry weather hurts crops in Thailand - *Kingsman*

•**Cocoa** – Bearish outlook for cocoa futures as traders anticipate robust production from major growing regions
