

# Domestic Commodity Prices

Commodities		Current Prices LAGOS	Current Prices KANO	Current Prices ONITSHA
<b>Price Elastic</b>				
Palm Oil (25L)	↔	N10,500	N10,800	N10,000
Semolina (10kg)	↔	N1,800	N1,850	N1,820
Maize (50kg)	↔	N12,800	N12,500	N12,700
Tomatoes (50kg)	↔	N8,000	N7,800	N8,000
<b>Price Inelastic</b>				
Cassava (Garri) (50kg)	↔	N9,500	N9,400	N9,400
Flour (50kg)	↔	N10,000	N10,000	N10,200
Rice (50kg)	↔	N19,000	N18,500	N18,800
Cement (50kg)	↔	N1,600	N1,700	N1,650
Beans (50kg)	↔	N25,500	N25,000	N26,000
Sugar (50kg)	↔	N14,500	N14,600	N14,950

# Domestic Commodities Market



- Domestic commodity prices flat as Nigerians adjust to persistent increase in prices of goods and services



- 97% of respondents acknowledged the negative impact of economic realities on wellbeing – *NOI polls*



- Naira depreciated to N317.50/\$ at the interbank while depreciating to an all time low of N351/\$ in intraday trading

















- Appreciated in the parallel market to N394/\$

- CBN to sell to BDCs at a weekly limit of \$30,000



# Stock Market

- Weak performance amongst FMCG stocks
- Market sentiments driving direction of prices

	Share Prices (₦)	W-O-W (08 Aug – 10 Aug)	Y-T-D (Jan - Date)
Nestle	825.00	0.61% 	-4.10% 
Guinness	95.00	- 	-21.10% 
Honeywell	1.44	-5.26% 	-25.90% 
Flourmill	19.82	-0.90% 	-4.70% 
Cadbury	13.90	- 	-19.00% 
NB	132.95	-2.27% 	-2.20% 
Dangote Sugar	6.67	-4.44% 	10.60% 

# Oil Prices



- Brent crude ↓ 3.37% to \$43.86pb
- WTI ↓ 3.53% to \$41.05pb
- US crude stockpiles and refined product increased by 2.5mb
- Saudi Arabia's production rises to record high levels despite supply glut
- Increased to 10.67mbpd in July from 10.31mbpd



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# Oil Markets Today

COMMODITY	WEEKLY CHANGE 08 Aug – 10 Aug 2016	YTD	CURRENT PRICE
<b>O I L</b>			
BRENT	-3.37% ↓	17.84% ↑	\$43.86pb
WTI	-3.53% ↓	12.89% ↑	\$41.50pb
<b>L N G</b>			
NATURAL GAS	-7.30% ↓	9.91% ↑	\$2.56MMBtu

# Agric Commodities Down

## Wheat



Wheat futures up by 5.55% at \$4.42/bushel

- Dry weather in France and Ukraine hurting wheat yields

## Corn



Corn futures down by 0.37% to \$3.34/bushel

- Prices weakened on expectations of higher supplies

## Cocoa



Cocoa prices up by 1.00% to \$3,005/mt

- Cocoa rose on disappointing supplies from Ivory Coast

## Sugar



Sugar prices down 4.63% to \$0.1964/pound

- Decline was triggered by ample stocks in the spot market

# Outlook



- Seasonal demand expected to fade as autumn approaches
- Prices may touch record lows after the season
- Market sceptical about OPEC meeting in late September
- The battle for market share continues to increase supply in the market
- Prolonged period of low oil prices will impair national coffers



# Outlook

## Grains

- European shortages will continue to provide a support for wheat prices
- US corn production expected to overwhelm demand from livestock and ethanol producers

## Soft

### SUGAR

- Deficit expected to increase to 6 million in 2016/2017 season

### COCOA

- Bullish outlook for cocoa as unsatisfactory output from Ivory Cocoa inflates deficit

