# BURNING ECONOMIC ISSUES





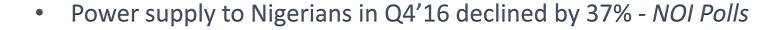




• FG to roll out \$300mn Diaspora Bond in March



Gross external reserves level rose by \$400mn in three days to \$26.6bn





• Nigeria oil union suspends three-day nationwide strike after talks



Inventory costs hit N100mn - MAN



### DOMESTIC COMMODITY PRICES



•FDC projects December inflation to slow to 18.3%



Base year effects largely responsible for the decline





Kerosene woes spreading



•Still trading within the band of N350/I - N400/I



Parallel market rate depreciates to N492/\$

•IFEM remains flat at N305/\$



# **DOMESTIC COMMODITY PRICES**

	CURRENT PRICES			Lagos Price	
Commodities	LAGOS	KANO	ONITSHA	1 year Low	1 year High
Palm Oil (25L)	<b>★</b> N16,500	N16,800	N16,200	N6,000	N17,000
Semolina(10kg)	<b>★</b> N3,100	N3,150	N3,120	N2,300	N3,100
Maize (50kg)	₩ N13,250	N13,350	N13,450	N9,000	N13,250
Tomatoes (50kg)	<b>⇔</b> N8,000	N7,800	N8,000	N8,000	N9,000
Garri (50kg)	◆ N15,000	N15,200	N15,500	N8,000	N15,000
Rice (50kg)	<b>₹</b> N19,000	N17,400	N20,200	N12,000	N25,000
Flour (50kg)	<b>₩</b> N11,000	N11,000	N11,000	N8,500	N11,000
Sugar (50kg)	<b>⇔</b> N19,000	N19,500	N19,800	N8,000	N19,000
Beans (50kg)	➡ N18,000	N17,700	N18,300	N9,000	N22,500
Cement (50kg)	<b>⋘</b> N2,300	N2,300	N2,400	N1,400	N2,300



## **CONSUMER GOODS**

GOODS	Current Price – Lagos		
Coke (60cl)	N100		
Beer (60cl)	N250		
Bread Loaf	N350		
Semovita (10kg)	N3,700		
Indomie (1 carton)	N2,350		
Gala	<b>←</b> N70		



### STOCK MARKET

- •NSE ASI **1** 0.15% (26,385.80)
- •Market volatility to remain until results are released

	Share Prices (₦)	W-O-W (09 Jan – 11 Jan)	YTD (%)
Nestle	809	0.12%	0.10% 🐥
Honeywell	1.24	3.88% 棏	0.8% 棏
Flourmill	18.30	0.22% 🖊	0.30% 棏
Cadbury	9.49	5.09% 棏	7.80% 棏
NB	142.00	-	4.0% 棏
Dangote Sugar	6.07	1.14% 👢	0.7% 👢



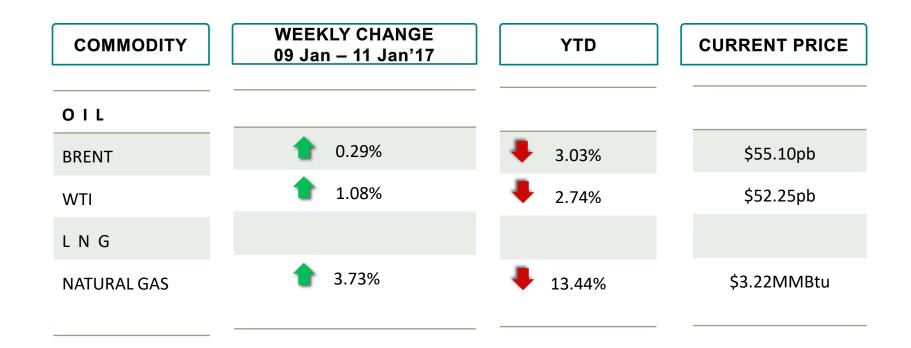


## OIL PRICES



- Brent crude **1** by 0.29% to \$55.10pb
- Oil prices gained on weaker dollar
- Gains were capped by concerns over rising production in Libya and Iran
- US inventory increased by 4.1mb, significantly higher than analysts' expectation of 1.6mb build-up

## OIL MARKETS TODAY





## **AGRIC COMMODITIES**

#### Wheat



- •Wheat futures down 2.03% to \$4.19/bushel
- •Due to crop-friendly weather in northern hemisphere of the US

#### Corn



- •Corn futures down 0.77% to \$3.57/bushel
- •Traders took positions ahead of the release of U.S. Agriculture Department supply and demand reports

#### Cocoa



#### Sugar



- •Cocoa prices down 2.68% to \$2,127/mt
- •Expectations of a bumper crop harvest in Ivory Coast weighed on cocoa futures
- •Sugar prices up 0.68% to \$20.56/pound
- •Increasing demand from bulk consumers and lower production estimates



### OUTLOOK - OIL PRICES



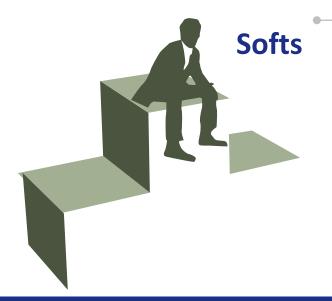
- Bearish outlook for oil prices as OPEC strategy may prove counterproductive
- Libya has tripled production in the last 6 months, threatening OPEC plans
- Iran has moved approx. 13.2mb of oil from floating storage in the past 2 months
- EIA expects crude production in the US to increase by 110,000bpd to 9mbpd



### OUTLOOK - AGRIC PRICES

**Grains** 

Improved weather conditions will weigh on grain prices



### **SUGAR**

Prices expected to trade higher on strong demand from bulk consumers

### **COCOA**

Cocoa futures to slide on expectation of improved port arrivals at Ivory Coast

