

# BURNING ECONOMIC ISSUES



- Naira remains weak at N370/\$
- CBN sustains supply in forex market - \$464m



- Stock market loses 3.43% (N650bn) last week & 0.91% on Monday

- 42trn e-payment transactions in 6months



- On-grid power output down 184mw



- Shortfall between invoiced and paid amount between NBET & Discos (N28.2bn)
- Oil price up marginally to \$52pb
- Nigeria's oil production in July up at 1.75mbpd



## Good News



- Diesel price flat at N160/ltr
- President likely to fast track PIB and other initiatives



## Bad News



- Naira weakness continues in spite of forex supply
- Food prices flat despite August break

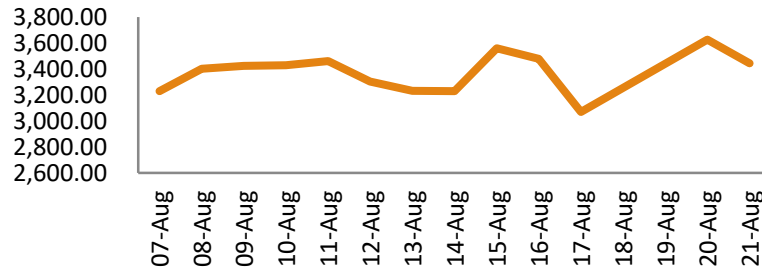


# POWER GENERATION ANALYSIS & IMPACT



- August 21<sup>st</sup> : Average power output was 3,442MWh/hour (down 184MWh/h)
- Gas constraint was 550MW; frequency management constraint due to loss of DisCo feeders was 3241MW
- Estimated loss: N1,819bn (annualised at N663.9bn /\$1.65bn)
- NBET- Discos received 91.68% of energy generated with a shortfall of N28.2bn in payment in May
- Top payments- from Abuja, Ikeja, Ibadan and Yola discos
- Bottom payments – Kano, Kaduna and Jos

**Power Generated (on Grid)  
MW/h**



	Invoice	Payment	Shortfall
Discos to NBET	N40.7bn	N12.7bn	N28.2bn
Payment to Gencos	N44.4bn	N12.7bn	N32bn

# DOMESTIC COMMODITY PRICE MOVEMENT

Price Elastic

Price Inelastic



Commodities	CURRENT PRICES (LAGOS)			Lagos Price	
	CURRENT PRICES	PREVIOUS PRICES	% CHANGE	1 year Low	1 year High
Palm Oil (25L) 	N12,500	N12,500	↔	N6,000	N25,000
Semolina (10kg) 	N3,200	N3,200	↔	N2,300	N3,500
Old Yam (large tuber) 	N1,400	N1,500	↔	N600	N1,500
Tomatoes (50kg) 	N24,000	N24,000	↔	N8,000	N28,000
Garri (50kg) 	N27,000	N27,000	↔	N8,000	N32,000
Rice (50kg) 	N17,000	N18,500	↔	N13,500	N22,000
Flour (50kg) 	N10,500	N10,500	↔	N8,500	N11,000
Sugar (50kg) 	N19,500	N18,500	↔	N8,000	N20,000
Beans (Oloyin) (50kg) 	N19,000	N19,000	↔	N9,000	N26,000
Cement (50kg) 	N2,700	N2,700	↔	N1,400	N2,700















# CONSUMER GOODS – CURRENT PRICE LAGOS

GOODS	Street price	Supermarket price	% difference
Pepsi (50cl)	N100	N100	0%
Beer (60cl)	N250	N280	-10.71%
Bread Loaf	N350	N400	-12.5%
Indomie (1 carton)	N1,900	N2,250	-15.5%
Gala (75g)	N50	N50	0%

Domestic prices remain flat

# STOCK MARKET

- NSE ASI  0.91% to 36,584.44pts
- Consumer goods sub index  0.73% to 959.15pts

	Share Prices (₹)	Daily Change ( Aug 17 – Aug 21)	YTD (%)
Nestle	1200	 1.64%	 48.1
Honeywell	2.1	 4.48%	 61.5
Flourmill	31	 14.39%	 67.6
Cadbury	12.07	 0.17%	 17.2
NB	183.5	 0.81%	 23.9
Dangote Sugar	12.78	 0.16%	 79.7
Unilever	46	 1.12%	 31.4



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# OIL PRICES



- Brent crude  0.66% to \$52pb
- Oil price trades above \$52pb on the closure of the second largest refinery in the US, Texas refinery
- U.S. crude stock piles are still high despite fall in rig count by 5 to 763 rigs
- Global supply glut remains a threat to prices



# OIL MARKETS TODAY

COMMODITY	WEEKLY CHANGE 17 August – 21 August	YTD	CURRENT PRICE
<b>O I L</b>			
BRENT	 0.66%	 7.23%	\$52pb
WTI	 0.62%	 9.64%	\$48.21pb
NATURAL GAS	 0.82%	 21.91%	\$2.90MMBtu

# AGRIC COMMODITIES

## Wheat



•Wheat futures up 0.40% to \$4.42/bushel

•As threat to US spring crops linger

## Corn



•Corn futures down 0.34% to \$3.63/bushel

•Falls to 7-week low on easing of dry weather fears

## Cocoa



•Cocoa prices down 0.16% to \$1,866/mt

•Technical buying and selling

## Sugar



•Sugar prices up 1.88% to \$0.1354pound

•Fresh buying due to the festive season in India and restricted supply

# OUTLOOK – OIL PRICES



- US shale output expected to decline as energy firms reduce drilling
- Oil price to remain slightly above \$52pb

# OUTLOOK – AGRIC PRICES

## Grains

- Expectations of favorable weather forecast to put pressure on prices



## SUGAR



## Softs

- Prices to trade bearish as supply glut persists

## COCOA

- Growing supplies continue to decrease prices