

BURNING ECONOMIC ISSUES



- Oil price down 1.07% to \$56.34pb

- Cement price jumps 8% to N2700



- IMF warns against excessive foreign borrowing



- Naira flat at N363/\$ and N475/£



- Diesel retail price rises to N200/ltr

ECONOMIC NEWS



Good News



- OPEC's determined to curb excess supplies

Bad News



- High diesel price will stoke inflation



- Cement price up to N2,700 per bag

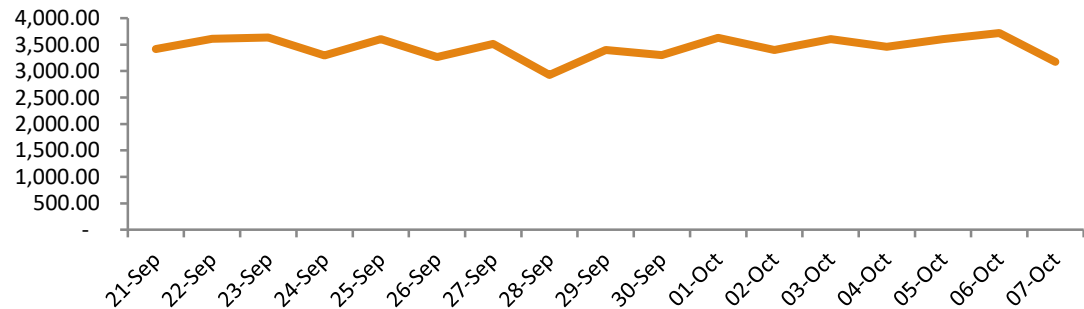


POWER GENERATION ANALYSIS & IMPACT



- October 8th: Average power output sent was 3486MWh/hour (up 312MWh/h)
- Gas constraint was 302.4MW; frequency management constraint due to loss of DisCo feeders was 2169.6MW
- Estimated loss: N1.187bn (annualised at N433.25bn /\$1.21bn)
- DisCos' inability to pick load is the largest constraint to improved service delivery

Power Generated (on grid) MW/hr







DOMESTIC COMMODITY PRICE MOVEMENT

Price Elastic

Price Inelastic

CURRENT PRICES (LAGOS)

Lagos Price

Commodities	CURRENT PRICES (LAGOS)			Lagos Price	
	CURRENT PRICES	PREVIOUS PRICES	DIRECTIONAL CHANGE	1 year Low	1 year High
Palm Oil (25L) 	N12,000	N12,000	↔	N6,000	N25,000
Semolina(10kg) 	N3,200	N3,200	↔	N2,300	N3,500
New Yam(small tuber) 	N650	N650	↔	N650	N900
Tomatoes (50kg) 	N8,000	N8,000	↔	N8,000	N28,000
Garri (50kg) 	N10,500	N10,500	↔	N8,000	N16,000
Rice (50kg) 	N15,000	N15,000	↔	N13,500	N22,000
Flour (50kg) 	N11,000	N11,000	↔	N8,500	N11,000
Sugar (50kg) 	N16,000	N16,000	↔	N8,000	N20,000
Beans (Oloyin) (100kg) 	N32,000	N32,000	↔	N12,000	34,000
Cement (50kg) 	N2,700	N2,500	↑	N1,400	N2,700



Relatively Static















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 (big size)	N100	N100	0%

Domestic prices remain flat

STOCK MARKET

- NSE ASI  0.22% to 36,732.24pts
- Consumer goods sub index  0.61% to 933.24pts

	Share Prices (₹)	Daily % Change (Oct 11 – Oct 12)	YTD (%)
Nestle	1240.00	 6.88	 48.8
Honeywell	2.01	 0.33	 46.2
Flourmill	29.71	 0.51	 48.2
Cadbury	10.50	 0.10	 17.3
NB	165.08	 1.08	 14.9
Dangote Sugar	13.85	 0.20	 92.3
Unilever	44.00	 0.50	 18.0



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OIL PRICES



- Brent crude  1.07% to \$56.34pb
- EIA reported a 2.8mb drawdown in U.S. crude Inventories
- Refineries in Texas recover from hurricane-related shutdowns
- De facto OPEC leader - Saudi Arabia determined to reduce monthly crude exports
- On expectations that market rebalancing is underway

OIL MARKETS TODAY

COMMODITY	WEEKLY CHANGE 10 Oct – 11 Oct	YTD	CURRENT PRICE
O I L			
BRENT	 1.07%	 0.86%	\$56.34pb
WTI	 1.93%	 6.35%	\$50.31pb
NATURAL GAS	 1.04%	 21.51%	\$2.92MBtu

AGRIC COMMODITIES

Wheat



•Wheat futures down 0.17% to \$4.34/bushel

•Rainfall in parts of Ukraine and Russia expected to improve crop condition

Corn



•Corn futures down 0.36% to \$3.48/bushel

•Analysts expect USDA report to raise its estimates of U.S. Corn yield and production

Cocoa



•Cocoa prices up 1.81% to \$2,082/mt

•Due to threats of pest and diseases on Ivory Coast's output.

Sugar



•Sugar prices up 0.71% to \$0.1427/pound

•Following the downward revision of India's output forecast

OUTLOOK – OIL PRICES



- Oil prices expected to maintain upward trend
- Supply & demand gap is expected to narrow further in coming months
- Amid a surge in global demand growth
- OPEC's Secretary-General seeks U.S. shale producers cooperation to help cut excess global supplies

OUTLOOK – AGRIC PRICES

Grains

- Markets await the release of the USDA crop report
- Prices expected to trade lower on forecasts of rising inventories and weak demand



SUGAR

Softs

- Demand from bulk consumers will drive price movement

COCOA

- Prices will trade slightly higher due to lower than expected cocoa deliveries in Ivory Coast

