

BURNING ECONOMIC ISSUES



- Nigeria's purchasing managers index expands to 64.8 in October
- Nigeria jumps 24 places to 145th on the 2017 Ease of Doing Business Index



- U.S Fed holds rates steady, signals December hike on track



- President Trump nominates Jerome Powell as next Fed Chair



- Wheat price up 0.17% to \$4.37/bushel, up 4% YTD
- Brent oil price up 0.17% to \$60.59pb
- CBN injects another \$195mn into the forex market

ECONOMIC NEWS



Good News



- High PMI numbers confirm inventory build up for Xmas
- Ease of doing business will boost investor confidence



Bad News



- Power output down sharply 497MWh/h to 3,409MWh/hour
- Constraints mainly gas

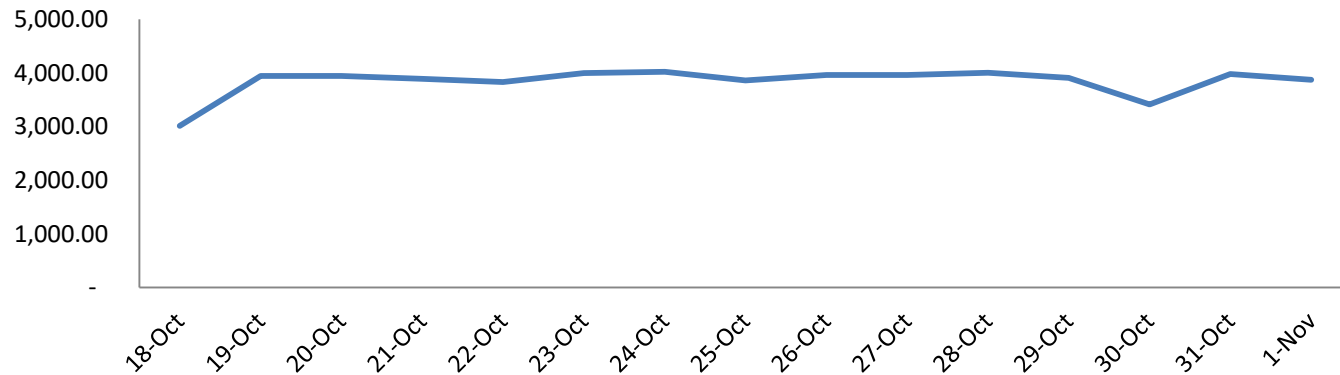


POWER GENERATION ANALYSIS & IMPACT



- November 01st : Average power output sent was 3,871.92MWh/hour (down 107MWh/h)
- Gas constraint was 1,305.5MW; frequency management constraint due to loss of DisCo feeders was 1,220.50MW
- Estimated loss: N1.21bn (annualised at N441.65bn /\$1.22bn)

Power Generated (on Grid) MW/h



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) 	N14,000	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) 	N10,000	N10,000	↔	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	N2,700	↔	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  0.03% to 36,887.15pts
- Consumer goods sub index  1.21% to 907.68pts

	Share Prices (₹)	Daily % Change (Nov 01 – Nov 02)	YTD (%)
Nestle	1,250		 48.1
Honeywell	2.10	 0.48	 52.3
Flourmill	33.69	 4.92	 62.2
Cadbury	10.11		 0.01
NB	145.23	 3.18	 8.70
Dangote Sugar	15.50	 1.84	 104.7
Unilever	40.00	 2.44	 25.7



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OIL PRICES



- Brent crude  0.17% to \$60.59pb
- Lower OPEC production in October and improved compliance to OPEC-led production deal
- Optimism that output deal will be extended continues to support the market

OIL MARKETS TODAY

COMMODITY	WEEKLY CHANGE 01 Nov – 02 Nov	YTD	CURRENT PRICE
O I L			
BRENT	 0.17%	 2.90%	\$60.59pb
WTI	 0.04%	 2.07%	\$54.32pb
NATURAL GAS	 0.07%	 19.65%	\$2.99MBtu

AGRIC COMMODITIES

Wheat



•Wheat futures up 0.17% to \$4.37/bushel

•Prices up on bad weather conditions in U.S Midwest region

Corn



•Corn futures up 0.43% to \$3.52/bushel

Due to US harvest delays

Cocoa



•Cocoa prices down 1.88% to \$2,084/mt

•Prices down on concerns of oversupply

Sugar



•Sugar prices up 2.88% to \$0.1428pound

•Due to a reduction in Brazil's sugar production

OUTLOOK – OIL PRICES



- Brent Oil likely to remain above \$60pb in the near term
- Optimism about production deal extension to influence prices positively

OUTLOOK – AGRIC PRICES

Grains

- Grain prices to trade bullish temporarily on harvest slowdown

● —————→
SUGAR

Softs

- Expectations of declining production to boost prices further

COCOA

- Prices expected to trade bearish on global supply glut

