

# BURNING ECONOMIC ISSUES



- Dangote Cement opens new plant in Congo Brazaville

- Operates in 17 African countries

- Nigeria's annual cement production estimated at 31 million metric tonnes



- AfDB pledges to support FG in improving aviation sector



- Oil price down 0.25% to \$63.16pb

- External reserves up to \$34.9bn\* - highest level in 3 years

# ECONOMIC NEWS



## Good News



- Sustained oil prices and external reserves accretion
- Domestic commodity prices benefiting from bountiful harvest
- Airline promos & price war, LOS-LHR-LOS now N300,000



## Bad News

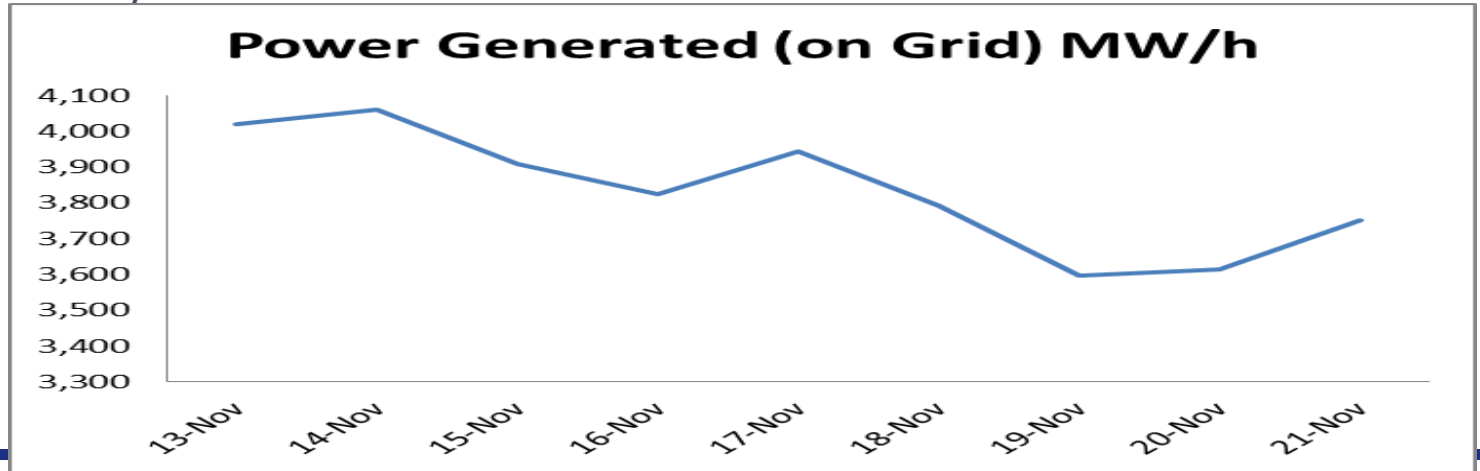


- On-grid power has dropped markedly since last week
- Apapa road congestion causing traders to switch from sea freight to air freight



# POWER GENERATION ANALYSIS & IMPACT











- November 21<sup>st</sup>: Average power output sent was 3,753MWh/hour (up 139MWh/h)
- Gas constraint was 1.352MW; frequency management constraint due to loss of DisCo feeders was 317MW, water management constraint was 150MW
- Estimated loss: N1.04bn (annualised at N379.6bn /\$1.05bn)
- Shiroro Hydro has commenced water management measures to ensure dry season efficiency



# DOMESTIC COMMODITY PRICE MOVEMENT

Price Elastic

Price Inelastic



		CURRENT PRICES (LAGOS)			Lagos Price	
Commodities		CURRENT PRICES	PREVIOUS PRICES	DIRECTIONAL CHANGE	1 year Low	1 year High
Price Elastic	Palm Oil (25L) 	N13,000	N13,000	↔	N6,000	N25,000
	Semolina(10kg) 	N1,800	N1,800	↔	N1,800	N3,500
	New Yam(small tuber) 	N400	N650	↓	N400	N900
	Tomatoes (50kg) 	N8,000	N8,000	↔	N8,000	N28,000
Price Inelastic	Garri (50kg) 	N10,500	N10,500	↔	N8,000	N16,000
	Rice (50kg) 	N15,000	N15,000	↔	N13,500	N22,000
	Flour (50kg) 	N9,600	N10,000	↓	N8,500	N11,000
	Sugar (50kg) 	N16,000	N16,000	↔	N8,000	N20,000
	Beans (Oloyin) (100kg) 	N28,000	N28,000	↔	N12,000	N34,000
	Cement (50kg) 	N2,500	N2,500	↔	N1,400	N2,700















# CONSUMER GOODS – CURRENT PRICE LAGOS

GOODS	Street price	Supermarket price	% difference
Pepsi (50cl)	N100	N90	-10%
Beer (60cl)	N250	N280	-10.71%
Bread Loaf	N350	N400	-12.5%
Indomie (1 carton)	N1,900	N2,100	-15.5%
Gala (big size)	N100	N100	0%

Domestic prices remain flat

# STOCK MARKET

- NSE ASI  0.22% to 36,688.75pts
- Consumer goods sub index  0.35% to 894.10 pts

	Share Prices (₹)	Daily % Change 22 Nov -23 Nov		YTD (%)
Nestle	1,301.90		0.15	 55.15
Honeywell	1.90		5.00	 50.46
Flourmill	32.10		1.90	 89.23
Cadbury	11.78		3.33	 5.14
NB	130.00			 0.30
Dangote Sugar	15.80		2.46	 150.14
Unilever	40.02		0.18	 11.00




odized) • Seasoning (Cubes and Tablets) • Tomato Paste • Vegetable Oil

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Available nationwide.







# OIL PRICES

- Brent crude  0.25% to \$63.16pb
- On speculation about Russia's willingness to support an extension of the output deal





# OIL MARKETS TODAY

COMMODITY	WEEKLY CHANGE 22 Nov - 23Nov	YTD	CURRENT PRICE
<b>O I L</b>			
BRENT	 0.25%	 11.83%	\$63.16pb
WTI	 0.33%	 5.85%	\$57.63pb
NATURAL GAS	 0.32%	 15.86%	\$3.16MBtu

# AGRIC COMMODITIES

## Wheat



•Wheat futures down 0.35% to \$4.25/bushel

•Prices under pressure due to improved crop conditions in the U.S

## Corn



•Corn futures down 0.22% to \$3.47/bushel

•Expectations of higher corn yields weighed on prices

## Cocoa



•Cocoa prices up 1.45% to \$2,054/mt

•Ivory Coast's production is expected to drop 12% by year end

## Sugar



•Sugar prices down 0.14% to \$0.1470/pound

•Partly driven by forecasts of lower production in 2018.

# OUTLOOK – OIL PRICES



- Prices likely to remain above \$60pb in the near term
- Signals from OPEC about a possible extension of the output deal will influence prices next week

# OUTLOOK – AGRIC PRICES

## Grains

- Bumper U.S harvest to keep prices bearish



## SUGAR

- Prices will be determined by supply/demand dynamics

## COCOA

- Lower production forecasts in Ivory Coast will continue to support prices



## Softs