

BURNING ECONOMIC ISSUES



- Nigeria's non-oil exports jump 55% in 9M'17 to \$1.26bn
- Oil production at risk from new Niger Delta militant threat



- Brent oil down 0.21% to \$69.72pb



- FG disburses N1.2trn for 2017 capital projects



- On grid power output up 2% to 4,011MWh/hr
- Naira flat at N364/\$ at parallel market



Bad News



- Non-oil exports still a meagre 3% of total exports
- Avengers threat could reverse growth trajectory and forex stability
- Resurging shale output could undermine oil price in 2018
- Renewed suicide bombing could impede agriculture output



Good News

- Diesel price flat at N205/litre
- Power back above 4,000MWh/hr

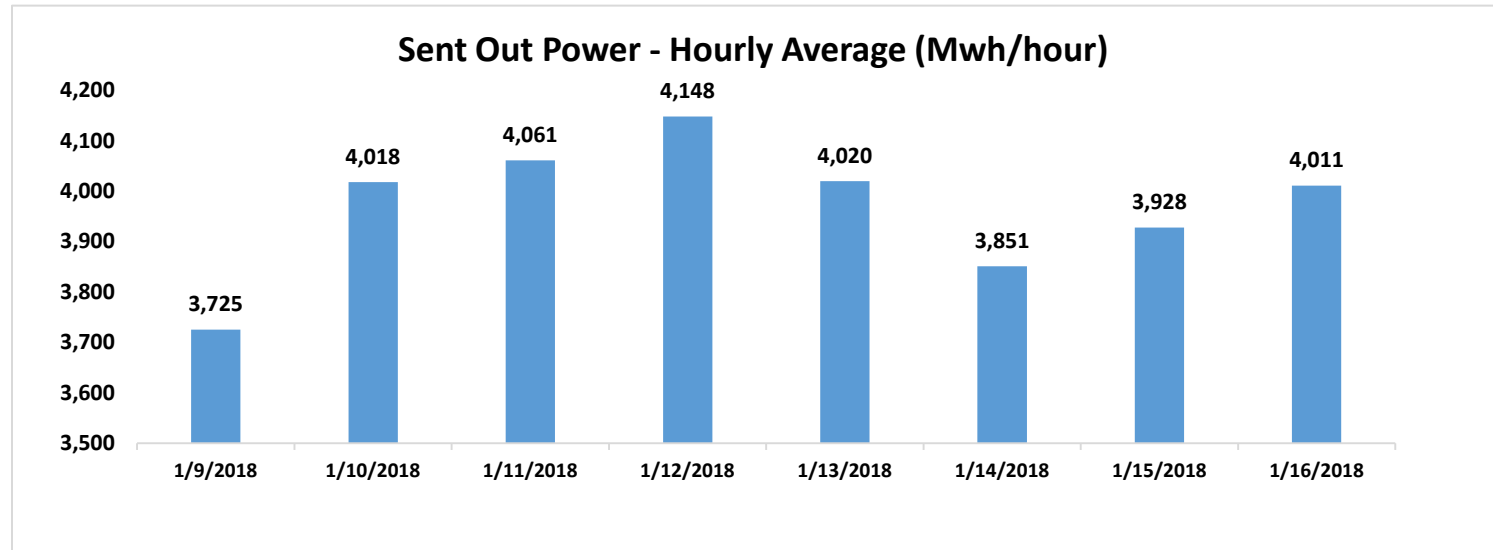


POWER GENERATION ANALYSIS & IMPACT



January 16th : Average power output sent was 4,011MWh/hour (Up 82.75MWh/h)


- Total gas constraint was 1,891.5MWh/h; line constraint was 0MW, frequency management constraints was 210MW, water management constraint was 290MW
- Naira equivalent of power loss: N1.15bn (annualised at N419.75bn)



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	N400	↔	N400	N900
	Tomatoes (50kg) 	N8,000	N8,000	↔	N8,000	N28,000
Price Inelastic	Garri (50kg) (Yellow) 	N7,000	N7,000	↔	N7,000	N16,000
	Rice (50kg) 	N13,400	N13,400	↔	N13,400	N22,000
	Flour (50kg) 	N10,500	N10,500	↔	N8,500	N11,000
	Sugar (50kg) 	N16,000	N16,000	↔	N8,000	N20,000
	Beans (Oloyin) (50kg) 	N27,000	N27,000	↔	N12,000	N34,000
	Cement (50kg) 	N2,650	N2,650	↔	N1,400	N2,700

CONSUMER GOODS – CURRENT PRICE LAGOS

GOODS	Street price	Supermarket price	% difference
Pepsi (50cl)	N120	N100	-20%
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



Every meal starts with us



• Salt (Refined and Iodized) • Seasoning (Cubes and Tablets) • Tomato Paste • Vegetable Oil















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STOCK MARKET

- NSE ASI  0.08% to 44,848.74pts
- Consumer goods sub index  1.12% to 1,042.74pts







	Share Prices (₹)	Daily % Change (Jan 17 – Jan 18)	YTD (%)
Nestle	1,500	 1.35	 6.04
Honeywell	3.17	 3.94	 32.55
Flourmill	30.00	 -	 15.17
Cadbury	15.85	 3.53	 8.49
NB	142.00	 2.72	 8.23
Dangote Sugar	20.75	 1.19	 13.98
Unilever	45.00	 4.30	 8.18

OIL PRICES

- Brent crude ↓ 0.21% to \$69.72pb
- Investors took profit from recent gains
- U.S dollar has also recovered from a 3-year low
- Strong demand and tightening supply continues to support market



OIL MARKETS TODAY

COMMODITY	WEEKLY CHANGE 17 Jan - 18 Jan	YTD	CURRENT PRICE
O I L			
BRENT	 0.21%	 3.53%	\$69.72pb
WTI	 0.08%	 5.06%	\$64.25pb
NATURAL GAS	 0.68%	 0.42%	\$2.94MBtu

AGRIC COMMODITIES

Wheat



•Wheat futures up 0.2% to \$4.33/bushel

•Driven by higher South Africa wheat imports in December 2017

Corn



•Corn futures up 0.13% to \$3.51/bushel

•Extreme weather conditions in the U.S have affected crop outlook

Cocoa



•Cocoa prices down 1.47% to \$1,927/mt

•Concerns of falling demand after Nestlé sold its chocolate unit

Sugar



•Sugar prices down 0.27% to \$0.1477/ pound

•Driven by a stronger U.S dollar

OUTLOOK – OIL PRICES



- Resurging U.S shale output is likely to limit further gains
- Analysts expect Brent oil to trade within \$65pb-\$75pb throughout

2018

OUTLOOK – AGRIC PRICES

Grains

- Grain prices likely to be underpinned by expectations of lower U.S grain output in 2018



SUGAR

- Falling demand for sugary products is likely to depress prices

COCOA

- Positive outlook for West Africa's cocoa production

Softs

