

# BURNING ECONOMIC ISSUES



- U.S Fed leaves interest rates unchanged at 1.25%-1.5%p.a.
- FBN Quest's PMI slows to 54.6 in January from 68.7



- Key FMCG companies post stellar results



- Brent oil up 0.07% to \$68.94pb

- Naira flat at N364/\$ at parallel market



- On grid power output up 2% to 4,006MWh/hr
- Diesel price declines 0.25% to N195/litre



## Good News



- Corporate earnings surge 111%
- On-grid power back above 4,000MWh/hour
- Retail diesel price down to N195/litre



## Bad News



- PMI shrinks to 54.6

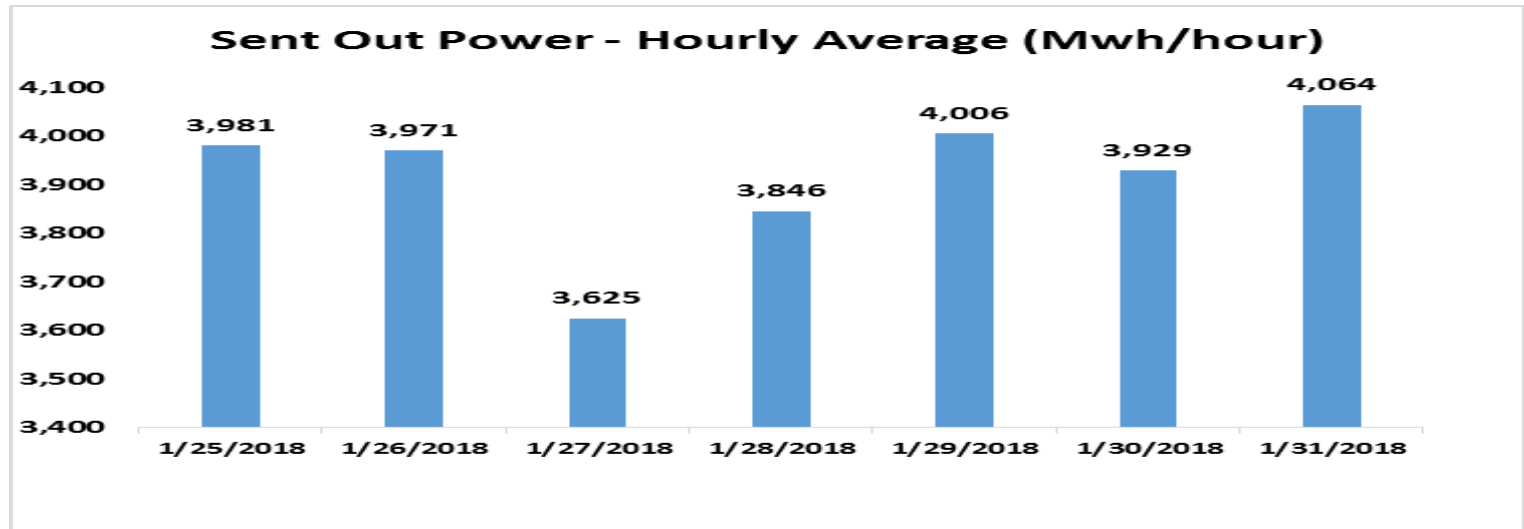


# POWER GENERATION ANALYSIS & IMPACT



January 31<sup>st</sup>: Average power output was 4,064MWh/hour (Up 135MWh/h)


- Total gas constraint was 1,954MWh/h; transmission constraints was 115MW, frequency management constraints was 327MW, water management constraint was 290MW
- Naira equivalent of power loss: N1.29bn (annualised at N470.85bn)



# 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  0.26% to 44,460.18pts,
- Consumer goods sub index  0.41% to 1,028.58pts

	Share Prices (₹)	Daily % Change ( Jan 31 – Feb 01)	YTD (%)
Nestle	1,470	 -	 7.21
Honeywell	3.03	 0.33	 39.52
Flourmill	34.00	 0.15	 3.29
Cadbury	15.90	 0.3	 0.97
NB	146.90	 0.07	 9.70
Dangote Sugar	20.60	 1.90	 0.38
Unilever	46.75	 5.06	 12.20







# OIL PRICES

- Brent crude  0.07% to \$68.94pb
- Driven by build-up in U.S inventories
- Higher non-OPEC production also weighed on market





# OIL MARKETS TODAY

COMMODITY	DAILY CHANGE 31 Jan – 01 Feb	YTD	CURRENT PRICE
<b>O I L</b>			
BRENT	 0.07%	 5.88%	\$68.94pb
WTI	 0.19%	 9.79%	\$64.85pb
NATURAL GAS	 0.65%	 17.97%	\$3.35MBtu

# AGRIC COMMODITIES

## Wheat



↑ •Wheat futures up 0.47%  
to \$4.25/bushel

•Unfavourable weather is  
constraining U.S supply

## Corn



↑ •Corn futures up 0.28%  
to \$3.52/bushel

•On technical selling

## Cocoa



↑ •Cocoa prices up 0.62%  
to \$1,941/mt

•Increased global  
demand and fear of  
disease outbreak in  
Nigeria is boosting  
prices

## Sugar



↓ •Sugar prices down 0.15%  
to \$0.1317/ pound

•Despite concerns of  
ample supply

# OUTLOOK – OIL PRICES



- Oil expected to trade between \$68pb-\$70pb this week
- Resurging non-OPEC output would limit further price gains

# OUTLOOK – AGRIC PRICES

## Grains

- Unfavourable weather conditions threaten U.S output outlook



## SUGAR

- Sugar fundamentals point to an oversupplied market in 2018

## COCOA

- Concerns of a pest outbreak in West Africa likely to support prices

## Softs

