






# BURNING ECONOMIC ISSUES



-  • U.S Fed increases interest rates by 25bps to 1.75%p.a. as expected
-  • Nigeria stalls on free trade agreement
-  • Senate clears MPC nominees
-  • CBN disburses N500bn non-oil export facility (NESF)
-  • Brent oil up 0.22% to \$69.40pb on geopolitical tensions
- On-grid power output up by 5.5% to 4,030MWh/h



## Good News



- Sustained oil price supportive of fiscal stability
- NESF should help expedite development of non-oil export sector
- Diesel price at N195/litre is inflation moderating



## Bad News



- U.S Fed hike could trigger capital outflows from Nigeria
- Potentially stronger U.S dollar means oil price pressure

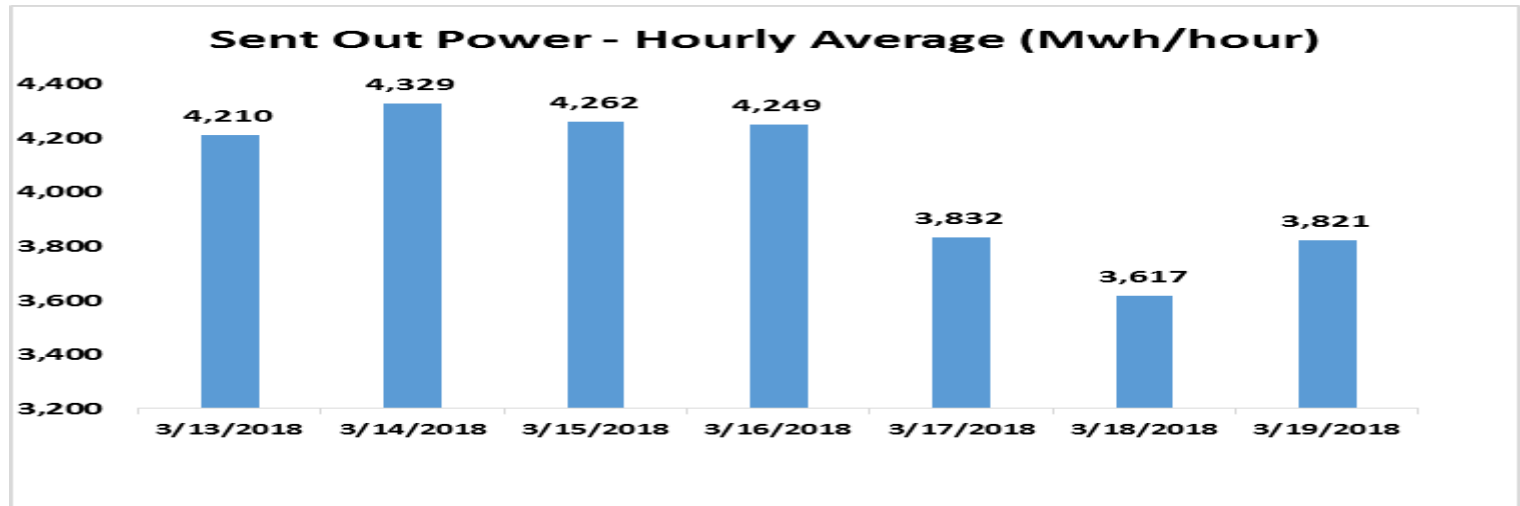
# POWER GENERATION ANALYSIS & IMPACT



March 20<sup>th</sup>: Average power output was 4,030MWh/hour (up 209MWh/h)

- Total gas constraint was 1,987.5MWh/h; Grid constraint was 36.8MWh/h; Water constraint was 0MW







- Naira equivalent of power loss: N0.97bn (annualised at N354.05bn)



# 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) 	N3,000	N3,000	↔	N1,800	N3,500
	New Yam (small tuber) 	N400	N400	↔	N400	N900
	Tomatoes (50kg) 	N8,500	N8,500	↔	N8,000	N28,000
Price Inelastic	Garri (50kg) (Yellow) 	N7,000	N7,000	↔	N7,000	N16,000
	Rice (50kg) 	N13,000	N13,000	↔	N13,000	N22,000
	Flour (50kg) 	N9,500	N9,500	↔	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) 	N2,550	N2,550	↔	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

# STOCK MARKET

- NSE ASI  0.33% to 41,633.79pts on March 22<sup>nd</sup>
- Consumer goods sub index  0.39% to 969.88pts

	Share Prices (₹)	Daily % Change ( Mar 21 – Mar 22)	YTD (%)
Nestle	1,350.00	 -	 11.31
Honeywell	2.38	 4.80	 26.19
Flourmill	37.50	 0.13	 28.62
Cadbury	13.25	 4.75	 12.32
NB	127.90	 1.51	 3.63
Dangote Sugar	20.50	 1.44	 16.75
Unilever	55.65	 -	 48.29



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# OIL PRICES

- Brent crude  0.22% to \$69.40pb
- OPEC reaffirmed its commitment to tighten global supply
- Heightened geopolitical tensions between Saudi Arabia and Iran also propped up prices





# OIL MARKETS TODAY

COMMODITY	DAILY CHANGE 21 Mar – 22 Mar	YTD	CURRENT PRICE
<b>O I L</b>			
BRENT	 0.22%	 0.93%	\$69.40pb
WTI	 2.13%	 2.16%	\$64.38pb
NATURAL GAS	 0.04%	 7.52%	\$2.676MBtu

# AGRIC COMMODITIES

## Wheat



• Wheat futures down 0.27% to \$180.70/tonne

• Favourable U.S weather condition is boosting supply

## Corn



• Corn futures down 0.19% to \$157.00/tonne

• On technical selling

## Cocoa



• Cocoa prices down slightly by 0.04% to \$2,557/MT

• Driven by stronger U.S dollar

## Sugar



• Sugar prices down 0.32% to \$0.1266/pound

• Sugar fundamentals point to large supplies in 2018

# OUTLOOK – OIL PRICES



- Stronger U.S dollar from likely U.S rate hike would adversely affect the demand for oil
- U.S. shale production would continue to weigh on the market
- Oil expected to trade between \$63pb-\$66pb

# OUTLOOK – AGRIC PRICES

## Grains

- Growing U.S and Russian output to keep prices depressed



## SUGAR

- Declining demand and ample global supply will continue to weigh on prices

## COCOA

- Outlook bullish on declining West African production

## Softs

