

# BURNING ECONOMIC ISSUES



- MPC meets first time in 5 months

- China imposes fresh tariffs on \$3bn worth of US imports



- Aluminium, pork, fruits and nuts targeted by the Chinese



- Global stock markets plunge into correction



- PMI increases from 54.7 to 59.4 in March (FBN Quest)

- Senate passes PIGB

- Brent oil up 0.65% to \$68.08pb on lower US drilling activity



## Good News



- Nigeria could benefit from escalating US-China trade dispute
- Manufacturing sector expands for 12<sup>th</sup> consecutive month in Nigeria



- NSE up 8.53% (N1.38trn) in Q1'18
- On-grid power output up slightly to 4,102MWh/h



- Diesel price at N195/litre

## Bad News

- Ripple effect of trade war could affect global trade war & NSE

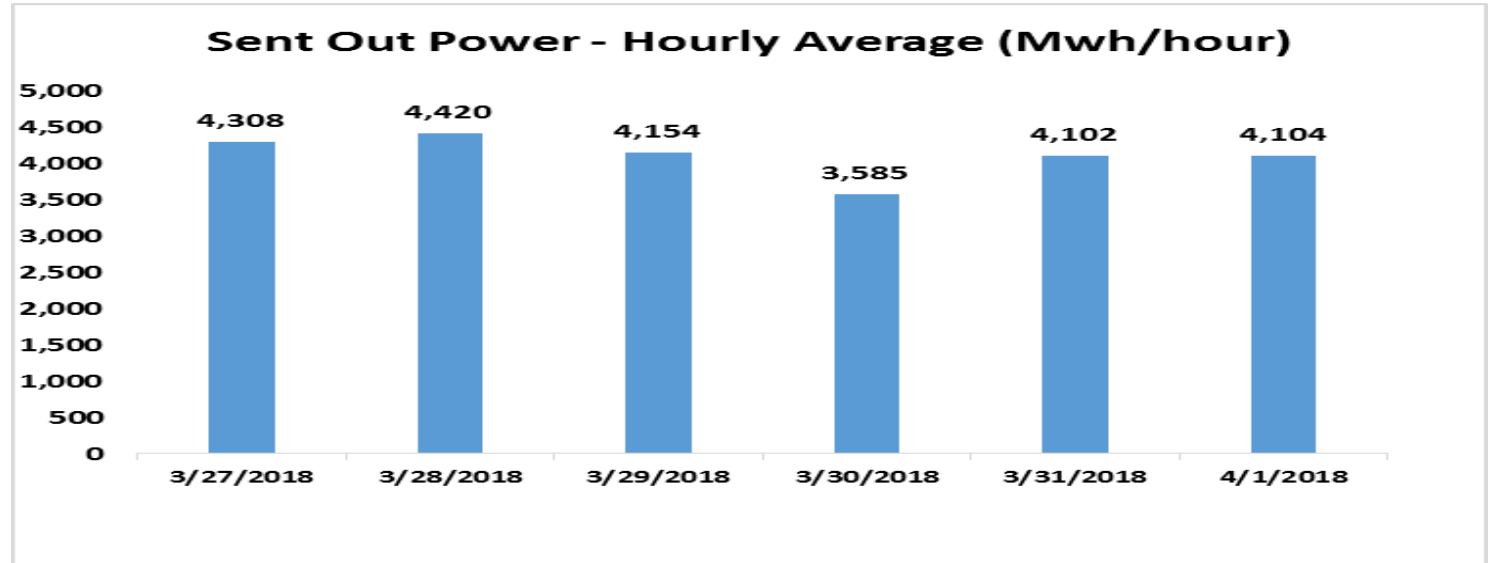
# POWER GENERATION ANALYSIS & IMPACT



April 01<sup>st</sup>: Average power output was 4,104MWh/hour (up 2MWh/h)

- Total gas constraint was 1,837MWh/h; Grid constraint was 262.1MWh/h; Water constraint was 0MW











- Naira equivalent of power loss: N1.01bn (annualised at N368.65bn)



# 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) 	N14,000	N14,000	↔	N6,000	N25,000
	Semolina(10kg) 	N2,800	N3,000	↓	N1,800	N3,500
	Old Yam(large tuber) 	N1,300	N1,000	↑	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) 	N15,000	N15,500	↓	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) 	N30,000	N30,000	↔	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  1.56% to 40,855.64pts on April 02<sup>nd</sup>
- Consumer goods sub index  0.61% to 972.25pts

	Share Prices (₹)	Daily % Change ( Mar 29 – Apr 02)	YTD (%)
Nestle	1,380.00	 -	 11.31
Honeywell	2.42	 1.68	 26.19
Flourmill	37.65	 0.53	 28.62
Cadbury	14.00	 9.39	 12.32
NB	127.20	 1.01	 3.63
Dangote Sugar	21.00	 -	 16.75
Unilever	55.65	 5.00	 48.29



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# OIL PRICES

- Brent crude  0.65% to \$68.08pb
- OPEC reaffirmed its commitment to tighten global supply
- US oilrig count down 7 to 797 last week
- Rising tensions between US and China weighed on market





# OIL MARKETS TODAY

COMMODITY	DAILY CHANGE 01 Apr – 02 Apr	YTD	CURRENT PRICE
<b>O I L</b>			
BRENT	 0.65%	 0.93%	\$68.08pb
WTI	 0.45%	 2.16%	\$63.46pb
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 up by 1.1% to \$2,557/MT

• Driven by strong global demand for chocolate

## Sugar



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

• Sugar fundamentals point to large supplies in 2018

# OUTLOOK – OIL PRICES



- Possibility of US imposing sanctions on Iran to provide underlying support for market in near term
- Oil expected to trade between \$68pb-\$71pb

# 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

- Declining West African production to continue to support market

## Softs

