





BURNING ECONOMIC ISSUES



-  • MPC maintains status quo on monetary parameters
- Cocoa price surges to \$2,465/MT, 21% above 2017 average
-  • Naira up 0.05% to N360.15/\$ (IEFX window), flat at N362/\$ (parallel market)
-  • Average power level in Q1'18 was 3,884MWh/h
-  • Brent oil up 0.25% to \$68.19pb
- LNG increases by 0.15% to \$2,771/mmbtu



Good News



- Naira maintains its strength
- On-grid power output up 1.2% to 4,199MWh/h
- Diesel price flat at N195/litre in Lagos, national average – N210/litre



Bad News



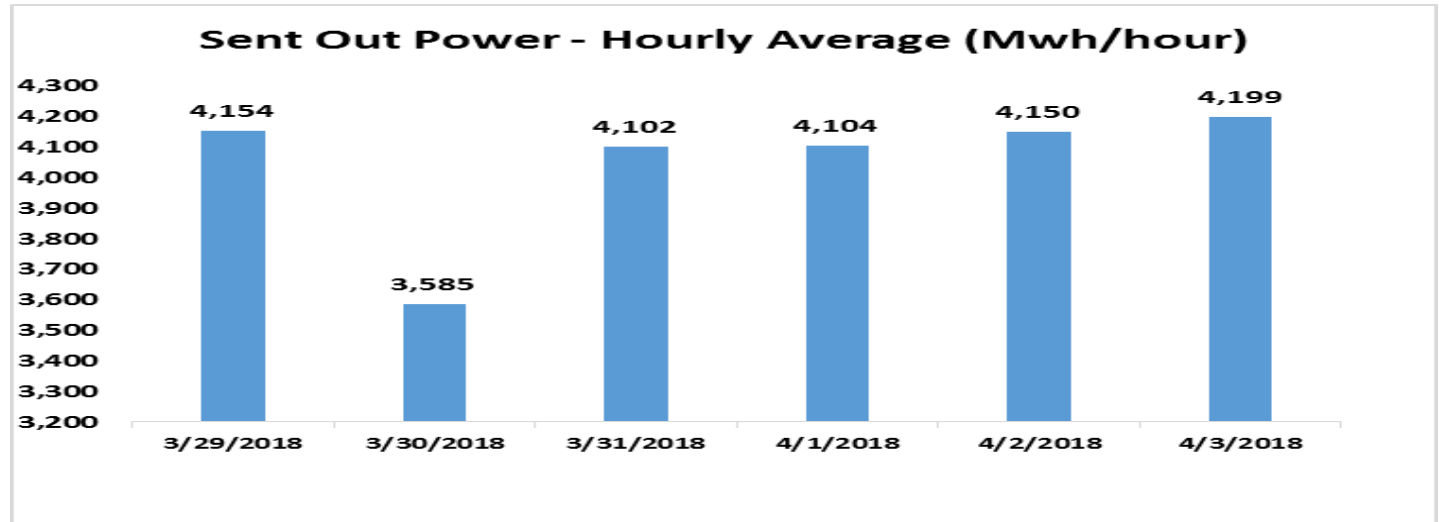
- Emerging market currencies and stocks likely to come under pressure from US-China trade escalation. Global trade estimated at \$21trn

POWER GENERATION ANALYSIS & IMPACT



April 03rd: Average power output was 4,199MWh/hour (up 49.33MWh/h)









- Total gas constraint was 1,716MWh/h; Grid constraint was 0MWh/h; Water constraint was 190MW
- Naira equivalent of power loss: N0.93bn (annualised at N339.45bn)



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) 	N3,000	N3,000	↔	N1,800	N3,500
	Old Yam (large tuber) 	N1,300	N1,300	↔	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	N15,000	↔	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) 	N30,000	N30,000	↔	N12,000	N34,000
	Cement (50kg) 	N2,550	N2,550	↔	N1,400	N2,700

CONSUMER GOODS – CURRENT PRICE LAGOS

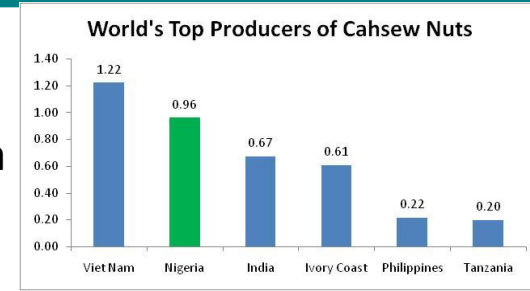
GOODS	Street price	Supermarket price	% difference
Pepsi (50cl)	N120	N100	20%
Beer (60cl)	N250	N280	-10.71%
Bread Loaf	N350	N400	-12.5%
Indomie (1 carton)	N1,900	N2,100	-15.5%
Gala (big size)	N100	N100	0%

Domestic prices remain flat

COMMODITY IN FOCUS - CASHEW NUTS

















- **Total global production (2016): 4.9mn tonnes**
- **World's top producers: Vietnam, Nigeria, India**
- **World's top consumers: EU, USA, India, China**
- **Nigeria's output (2016): 960,000 tonnes (20% of global)**
- **Nigeria's potential output: 2mn tonnes**
- **Producing states – FCT, Kaduna, Abia, Oyo, Enugu, Imo**
- **Uses: Biscuits, confectionery, cashew nut oil**
- **Highly nutritious, low cholesterol**



STOCK MARKET

- NSE ASI  0.31% to 40,875.69pts on April 05th
- Consumer goods sub index  0.83% to 961.69pts

	Share Prices (₹)	Daily % Change (Apr 04 – Apr 05)		YTD (%)
Nestle	1,380.00		-	 11.31
Honeywell	2.30		-	 26.19
Flourmill	37.65		-	 28.62
Cadbury	14.00		-	 12.32
NB	128.30		0.54	 3.63
Dangote Sugar	20.75		1.19	 16.75
Unilever	55.65		-	 48.29



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OIL PRICES

- Brent crude  0.25% to \$68.19pb
- OPEC production fell to an 11-month low in February
- Expectations of lower U.S crude inventories
- Signs of higher production from Russia capped gains
- Global financial market turmoil also weighed on market



OIL MARKETS TODAY

COMMODITY	DAILY CHANGE 04 Apr – 05 Apr	YTD	CURRENT PRICE
O I L			
BRENT	 0.25%	 2.85%	\$68.19pb
WTI	 0.03%	 2.16%	\$63.35pb
NATURAL GAS	 0.15%	 7.52%	\$2.771MBtu

AGRIC COMMODITIES

Wheat



•Wheat futures down 0.1% to \$180.7/tonne

•Heavy rains threaten global supply

Corn



•Corn futures up 1.93% to \$157.00/tonne

•Corn gains mirror trend in the wheat market

Cocoa



•Cocoa prices up 0.12% to \$1,911/mt

•Supported by Brazilian real's appreciation against the dollar

Sugar



•Sugar prices up 0.07% to \$0.1266/pound

•On higher import duties in India

OUTLOOK – OIL PRICES

- Falling OPEC production likely to support the market in the near term
- Oil expected to trade between \$65pb-\$68pb



OUTLOOK – AGRIC PRICES

Grains

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



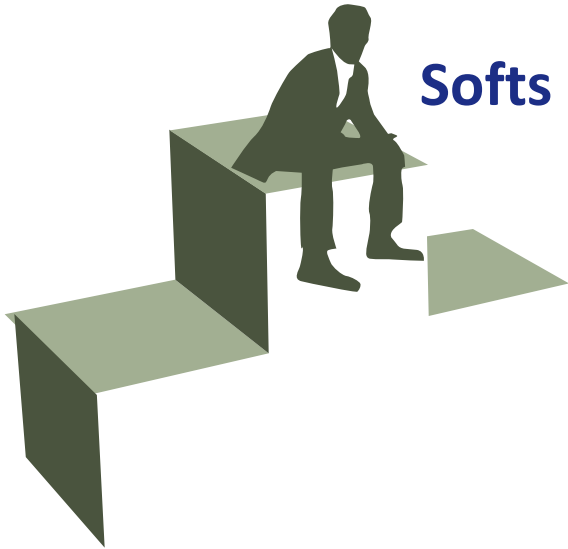
SUGAR

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

COCOA

- Declining West African production to continue to support market

Softs



OUTLOOK – AGRIC PRICES

Grains

- Bullish prices on dry weather in Canada and the US midwest region



SUGAR

Softs

- Concerns of ample global supply will continue to depress prices

COCOA

- Improved weather conditions in Ivory Coast to dissuade bullish sentiments

