

BURNING ECONOMIC ISSUES



- Azura IPP deploys 450MW full capacity to national grid

- Business confidence index improves to 24.5points in Mar'18- *CBN*



- Brent price down 1.71% to \$71.73pb



- Power output up 19.1% to 3,902MWh/h



- Naira flat at N363/\$



Good News



- Business confidence index up 68.97% to 24.5points



Bad News



- Brent price down 1.71%
- In spite of Azura, average power output remains below 4,000 MWh/h

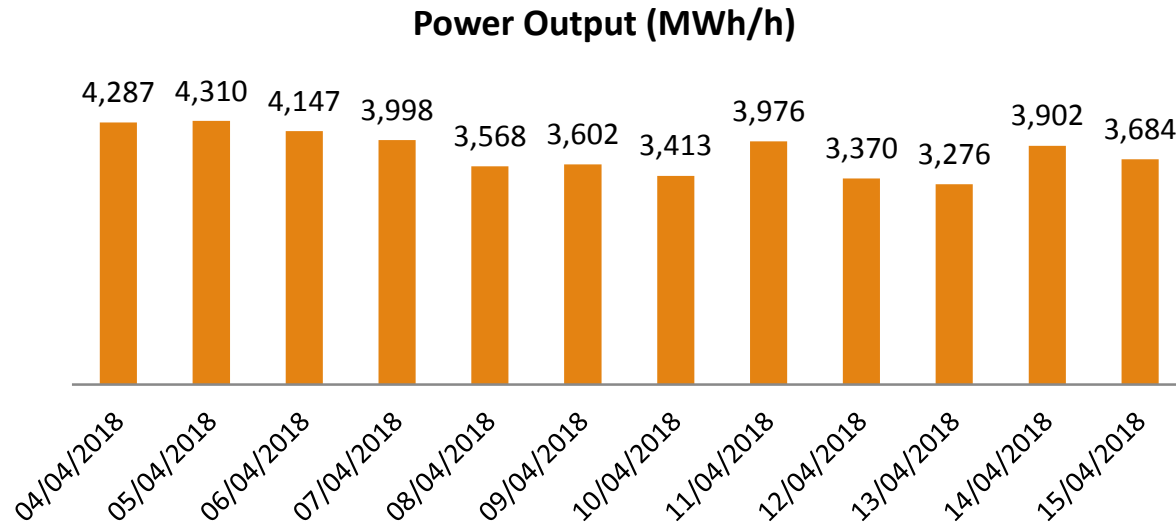
POWER GENERATION ANALYSIS & IMPACT



April 15th, average power output was 3,684MWh/hour (down 217MWh/h)

•Total gas constraint was 1,156.5MWh/h; Grid constraint was 624.9MWh/h; Water constraint was 95MW

•Naira equivalent of power loss: N0.90bn (annualised at N328.5bn)





State	Temperature
Kano	40°C
Lagos	31°C
Abuja	34°C

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) 	N10,000	N10,000	↔	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

COMMODITY IN FOCUS COFFEE

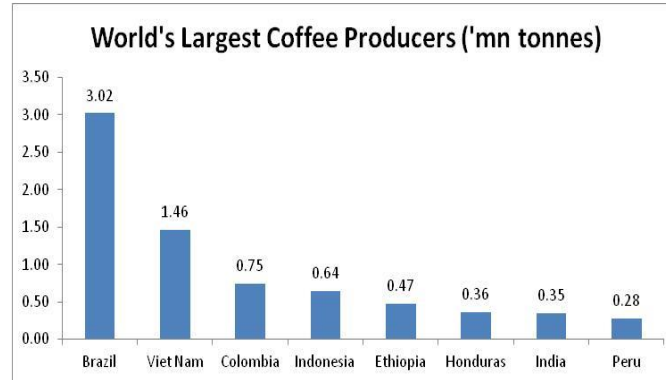
- **Total global production (2016):** 9.34mn tonnes (\$23.1bn), increase 3.78%

- **World's top producers:**  Brazil,  Vietnam,  Colombia,  Indonesia

- **World's top consumers:**  Finland,  Sweden,  Iceland

- **Uses:** mainly coffee beverage. Also used for hair product, insect repellent

- **Global coffee prices** slid 2.5% in March to \$1.12/Pound



COFFEE PRODUCTION IN NIGERIA

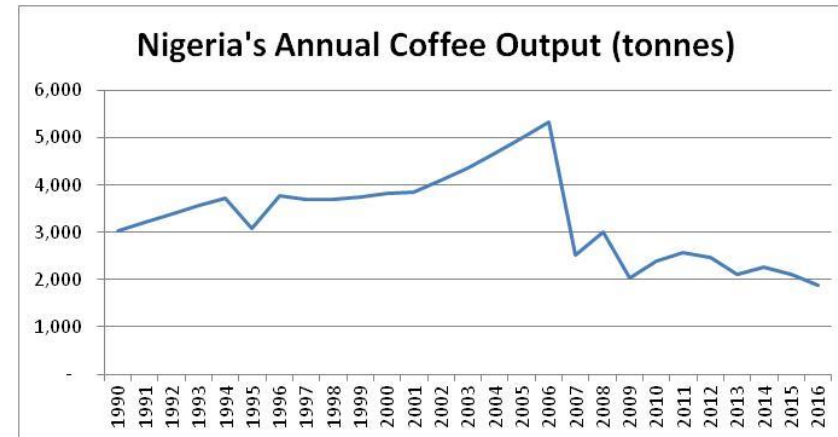
Total output: 1,880 tonnes (\$4.64mn), 0.02% of global

Rank: Global- 52nd, SSA- 17th

Total demand: approximately 850tonnes

Potential output: 5,000 tonnes

Major producing states: Kwara, Bauchi, Osun



COFFEE PRODUCTION IN NIGERIA

Listed users: Nestle

Coffee Products: Nescafe, Nespresso, Nescafe 3 in 1

Nestle FY'17 revenue up 34% to N244.15bn

Profit after Tax (PAT) up 326% to N33.72bn

Dividend yield = 3.01%

Free cash flow =  81% to N10.52bn

Nestle also produces Milo, Maggi, Golden Morn, Cerelac, Nido, Pure Life



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

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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  0.97% to 40,533.37pts on April 16th
- Consumer goods sub index  0.01% to 960.86pts







	Share Prices (₹)	Daily % Change (Apr 13 – Apr 16)	YTD (%)
Nestle	1,410.00	 1.81	 9.38
Honeywell	2.51	 1.62	 19.25
Flourmill	37.00	 -	 27.59
Cadbury	14.50	 -	 7.47
NB	126.00	 3.08	 6.60
Dangote Sugar	22.25	 -	 11.25
Unilever	54.00	 4.85	 31.71

OIL PRICES

- Brent crude  1.71% to \$71.34pb
- An increase in US drilling activity weighed on prices
- Despite air strikes in Syria over the weekend
 - 105 missiles were launched on Saturday by the US, France & Britain



OIL MARKETS TODAY

COMMODITY	DAILY CHANGE 13 Apr – 14 Apr	YTD	CURRENT PRICE
O I L			
BRENT	 1.71%	 6.68%	\$71.34pb
WTI	 1.65%	 9.70%	\$66.28pb
NATURAL GAS	 0.40%	 6.87%	\$2.75MBtu

AGRIC COMMODITIES

Wheat



- Wheat futures up 1.02% to \$4.84/bushel
- Improved weather conditions in the US growing regions

Corn



- Corn futures down 0.44% to \$3.92/bushel
- Rain forecast across US plains

Cocoa



- Cocoa prices gained 0.12% to \$2,579/mt
- Robust global demand

Sugar



- Sugar dipped 0.41% to \$0.1215/pound
- Due to softer demand on health consciousness

OUTLOOK – OIL PRICES



- Oil expected to trade between \$69pb-\$71pb this week
- Tensions in Syria to wane
- Rise in US drilling activity to undermine gains

OUTLOOK – AGRIC PRICES

Grains

- Favorable weather conditions would boost supply



SUGAR

- Lower demand growth expected due to growing health concerns

Softs

COCOA

- Favourable weather in West African producing countries

