

# BURNING ECONOMIC ISSUES



- IMF reiterates Nigeria's growth projection at 2.1% in 2018
- IMF warns about global debt levels



- Soda brands in fierce competition for market share



- Consumer confidence drops to -6.4% in Q1'18 – CBN



- Power output up 12.51% to 4,145MWh/h, 2.85% above March's average (4,030MW)
- Brent price up 2.47% to \$73.35pb
- Naira flat at N363/\$



## Good News



- Power output climbs above 4,000MWh/h again
- Brent at \$73.35pb is revenue positive and naira supportive- for now



## Bad News



- Consumer confidence down 23points to -6.4points in Q1'18
- Religious crisis in Abuja/Kaduna could threaten agriculture
- Nigeria's rig count down 25% to 12 in March

# POWER GENERATION ANALYSIS & IMPACT

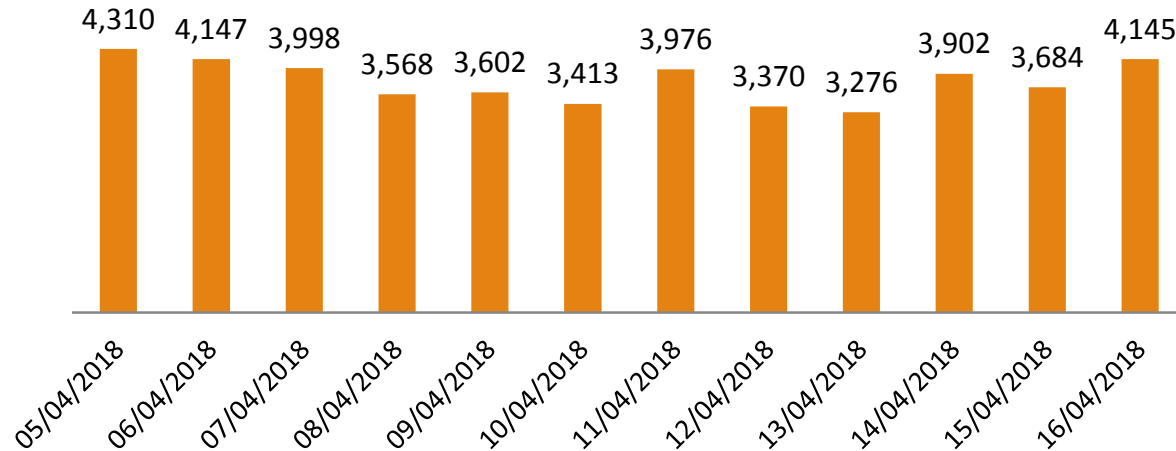


April 17<sup>th</sup>, average power output was 4,170MWh/hour (up 25.7MWh/h)

•Total gas constraint was 992MWh/h; Grid constraint was 654.1MWh/h; Water constraint was 190MW

•Naira equivalent of power loss: N881mn (annualised at N321.6bn)

Power Output (MWh/h)










State	Temperature
Kano	29°C (-11°C)
Lagos	28°C (-3°C)
Abuja	34°C (-8°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















# 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  0.04% to 40,772.26pts on April 18<sup>th</sup>
- Consumer goods sub index  0.40% to 962.76pts

	Share Prices (₹)	Daily % Change ( Apr 17 – Apr 18)	YTD (%)
Nestle	1,422.50	 -	 8.58
Honeywell	2.52	 0.40	 20.00
Flourmill	37.00	 -	 27.59
Cadbury	14.50	 -	 7.47
NB	126.00	 0.71	 6.60
Dangote Sugar	22.05	 0.23	 10.25
Unilever	55.00	 -	 34.15



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# OIL PRICES

- Brent crude  2.47% to \$73.35pb
- A decline in US crude stockpiles by 1.05mn barrels to 428mn barrels
- Supply risks in the Middle East , economic crisis in Venezuela and healthy oil demand further support prices





# OIL MARKETS TODAY

COMMODITY	DAILY CHANGE 17 Apr – 18 Apr	YTD	CURRENT PRICE
<b>O I L</b>			
BRENT	 2.47%	 9.69%	\$73.35pb
WTI	 2.56%	 12.91%	\$68.22pb
NATURAL GAS	 1.72%	 5.69%	\$2.78MBtu

# AGRIC COMMODITIES

## Wheat



• Wheat futures up 0.47% to \$4.84/bushel

• Concerns over condition of US crops due to adverse weather

## Corn



• Corn futures gained 0.06% to \$3.89/bushel

• US corn planting below market expectations

## Cocoa



• Cocoa prices down 0.18% to \$2,699/mt

• Due to investor profit taking activities

## Sugar



• Sugar advanced 0.34% to \$0.1186/pound

• Despite projections of a robust India sugar supply

# OUTLOOK – OIL PRICES



- Oil expected to trade between \$71pb-\$73pb this week
- Renewed US sanctions against Iran to push up prices
- Lower than expected OPEC production due to economic crisis in Venezuela to bolster prices
- US shale production may 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

