

BURNING ECONOMIC ISSUES



- Brent up 0.66% to \$75.20pb in spite of President Trump's tweets

- Retail diesel price spikes 5% to N210-220/litre



- Cocoa rallies to 18-month high amid concerns of tightening global supply



- Ivory Coast to incentivise investors in cocoa value chain



- Gross external reserves hits \$47.93bn – 13 months of import cover

- IEFX window attracts \$45bn in 12 months



Good News



- Saudi Arabia & Russia agree on maintaining output cuts
- Higher oil price is positive for external account stability
- External reserves at \$47.93bn means a more stable naira



Bad News



- Higher diesel price is negative for PPI & CPI

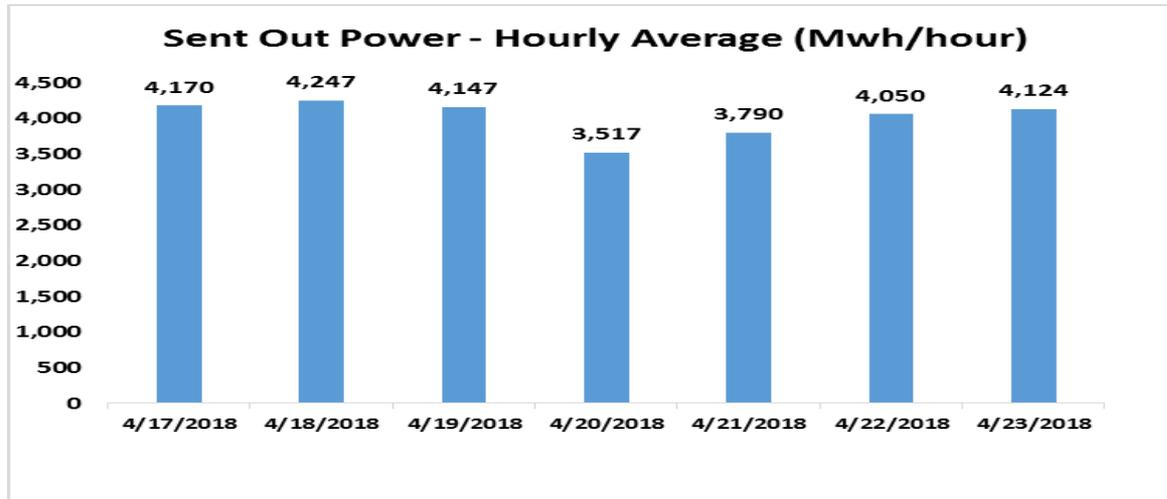
POWER GENERATION ANALYSIS & IMPACT



April 23rd - average power output was 4,124MWh/hour (up 74.66MWh/h)

•Total gas constraint was 1,178MWh/h; Grid constraint was 1,046.8MWh/h; Water constraint was 190MW

•Naira equivalent of power loss: N1.14bn (annualised at N423.4bn)



State	Temperature
Kano	39°C
Lagos	29°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 - CITRUS



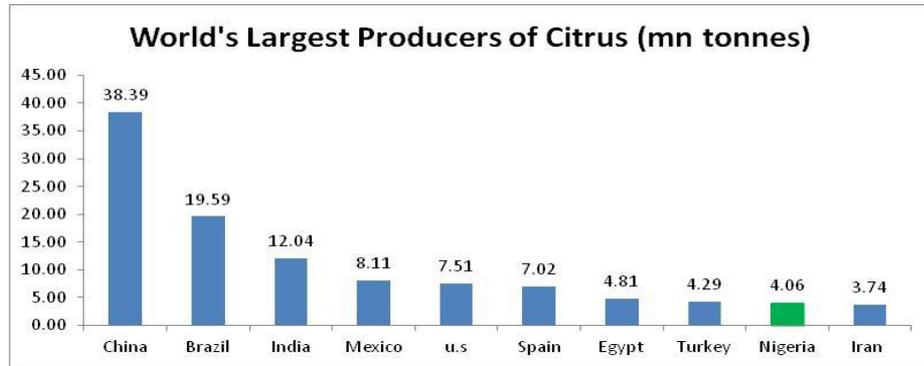
- **Components:** orange, lemon, lime, grape

- **Total global production (2016):** 146.43mn tonnes, 1.07% increase over 2015

- **World's top producers:**  China,  Brazil,  India

- **World's top consumers:**  China,  Colombia  India

- **Uses:** citrus juice, dietary supplements, traditional medicine

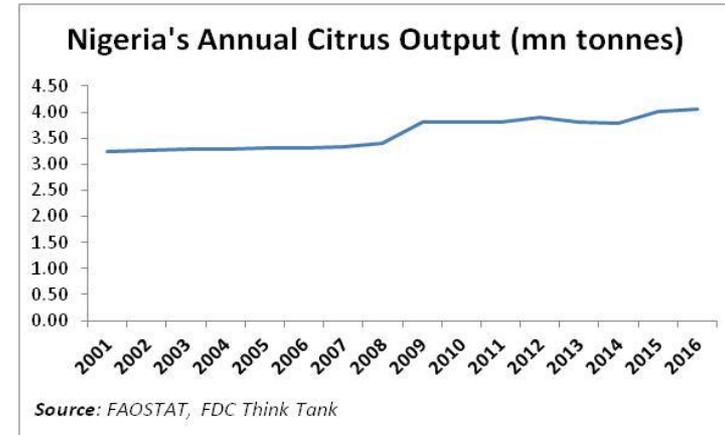


- **Total citrus output (2016):** 4.06mn tonnes (approximately 2.8% of global)

- **Rank:** Global- 9th, SSA- 1st

- **Average annual output growth rate (2001-2016) :** 1.45%

- **Total domestic citrus demand:** estimated at 4mn tonnes



- Nigeria's output remains well below potential despite its relatively robust position in SSA

- **Potential output:** About 8mn tonnes

- **Major producing states:** Benue, Nassarawa, Kogi, Ogun, Oyo



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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

New excise duty to increase price of beer by 5%

STOCK MARKET

- NSE ASI  0.10% to 40,802.78pts on April 24th
- Consumer goods sub index  0.72% to 962.01pts

	Share Prices (₹)	Daily % Change (Apr 23 – Apr 24)	YTD (%)
Nestle	1,493.60	 5.00	 3.58
Honeywell	2.83	 5.99	 26.00
Flourmill	33.60	 0.15	 27.75
Cadbury	14.50	 -	 7.47
NB	125.00	 3.62	 9.90
Dangote Sugar	21.00	 2.19	 10.25
Unilever	53.00	 -	 34.15

OIL PRICES

- Brent crude  0.66% to \$75.20pb
- Combination of supply disruptions and strong global demand
- U.S drillers added 5 new rigs last week, bringing total to 820
- This is the highest level since March 2015
- U.S oil production also increased to 10.54 million bpd last week



OIL MARKETS TODAY

COMMODITY	DAILY CHANGE 23 Apr – 24 Apr	YTD	CURRENT PRICE
O I L			
BRENT	 0.66%	 9.52%	\$75.20pb
WTI	 0.86%	 12.68%	\$69.23pb
NATURAL GAS	 1.72%	 5.69%	\$2.78MBtu

AGRIC COMMODITIES

Wheat



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

• Owing to concerns of sub-optimal weather in key US planting regions

Corn



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

• Due to lower US corn yields

Cocoa



• Cocoa prices up 0.48% to \$2,742/mt

• Due to combination of strong global demand and declining supply

Sugar



• Sugar fell 0.34% to \$0.1186/pound

• Due to concerns of tepid global demand

OUTLOOK – OIL PRICES



- Oil expected to trade between \$73pb-\$76pb this week
- Increasing US shale production likely to reverse upward trajectory
- US due to announce decision on sanctions against Iran on May 12

OUTLOOK – AGRIC PRICES

Grains

- Favorable weather conditions would boost supply



SUGAR

- Weakening market fundamentals would underpin bearish sentiment

Softs

COCOA

- Drought-like conditions in West African producing countries likely to constrain production and boost supplies

