



- Senate passes 2018 budget increases expenditure by 6% to N9.12trn (\$25.3bn)

- Oil benchmark increased by 10% to \$50.5pb from \$45pb



- Brent crude price up by 0.18% to \$79.42pb



- Nigerian Railway rehabilitation contract of \$6bn awarded to the Chinese



- CBN sells \$210mn, Naira flat at N363/\$

- Power output up 7.8% to 4,154MWh/hour



Good News



- 2018 budget expenditure 6% higher than proposed
- Lower inflation may force a rate cut next week



Bad News



- Diesel retail price back up to N210-N220/liter
- External reserves may have hit a ceiling of \$47.85bn
- Forcados pipeline shut, reducing oil exports by \$250,000bpd

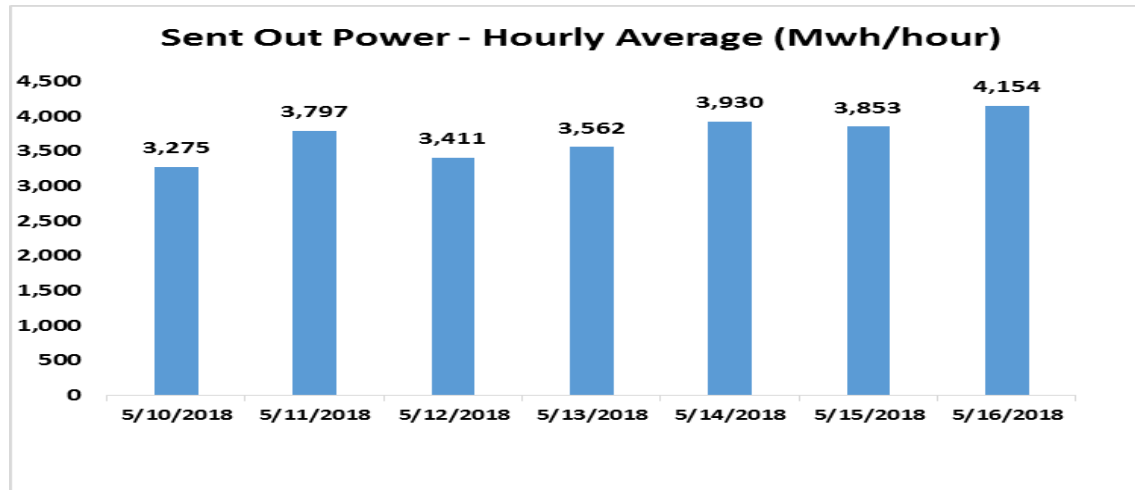
POWER GENERATION ANALYSIS & IMPACT



May 16th: Average power output at 4,154MWh/hour (up 301MWh/h)

•Total gas constraint was 2,751MWh/h; Grid constraint was 1,014MWh/h; Water constraint was 95MW

•Naira equivalent of power loss: N1.85bn (annualised at N675.25bn)













State	Temperature
Kano	37°C (+1°C)
Lagos	30°C (-1°C)
Abuja	34°C (+1°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) 	N10,000	N10,000	↔	N6,000	N25,000
	Semolina (10kg) 	N3,000	N3,000	↔	N1,800	N3,500
	Old Yam (large tuber) 	N1,700	N1,700	↔	N400	N1,700
	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) 	N15,500	N15,500	↔	N13,000	N22,000
	Flour (50kg) 	N10,000	N10,000	↔	N8,500	N11,000
	Sugar (50kg) 	N14,900	N14,900	↔	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



Every meal starts with us





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















www.nasconplc.com




Available nationwide.

STOCK MARKET

- NSE ASI  0.83% to 40,615.41pts on May 17
- Consumer goods sub index  1.10% to 978.18pts







	Share Prices (₹)	Daily % Change (May 16 – May 17)	YTD (%)
Nestle	1,600.00	 -	 0.73
Honeywell	2.61	 1.56	 23.8
Flourmill	34.70	 0.86	 22.41
Cadbury	13.00	 -	 16.08
NB	123.30	 3.45	 5.32
Dangote Sugar	18.55	 2.37	 5.00
Unilever	52.35	 -	 28.05

OIL PRICES

- Brent crude  0.18% to \$79.42pb
- Lower US crude oil inventories
- IEA projects lower demand for oil in H2'18
- Investor profit taking and stronger US dollar also weighed on market
- Prospects of lower production from Iran and Venezuela offset losses



OIL MARKETS TODAY

COMMODITY	DAILY CHANGE 16 May – 17 May	YTD	CURRENT PRICE
O I L			
BRENT	 0.18%	 13.22%	\$79.42pb
WTI	 0.23%	 16.19%	\$71.20pb
NATURAL GAS	 0.36	 6.77%	\$2.82MBtu

AGRIC COMMODITIES

Wheat



•Wheat futures down 1.81% to \$5.17/bushel

•On forecast of lower US crop output

Corn



•Corn futures up 0.30% to \$4.07/bushel

•USDA expects demand for US corn to increase in H2'18.

Cocoa



•Cocoa prices gained 2.44% to \$2,842/mt

•On expectations of a further decline in global supply

Sugar



•Sugar dipped 0.17% to \$0.1149/pound

• Driven by increasing supply in India

OUTLOOK – OIL PRICES



- Prices to remain above \$75pb
- Prospects of lower production from Iran amid new sanctions would provide support
- Outcome of OPEC bi-annual meeting in June likely to influence direction of prices

OUTLOOK – AGRIC PRICES

Grains

- Forecast for strong demand likely to push up prices



SUGAR

- Weakening fundamentals underpin bearish outlook

COCOA

- Prospects of a global supply deficit in 2018 & 2019 will continue to support prices

Softs

