

Burning Economic Issues

- Consumer Confidence drops 9% in Q3-NOI
- Stock market loses 2.3% on Wednesday
- External reserves declines \$3.17bn since September (\$42.46bn)
- Brent falls sharply to a 2-month low (\$75.74pb)

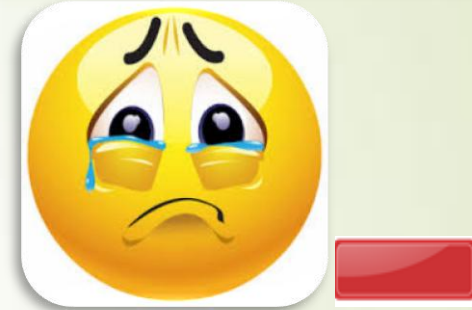
Impact

The Goodies



- Power output rises above 4,000MWh/hour
- Lower oil price will reduce subsidy level (now at \$3.85bn)

The Downers



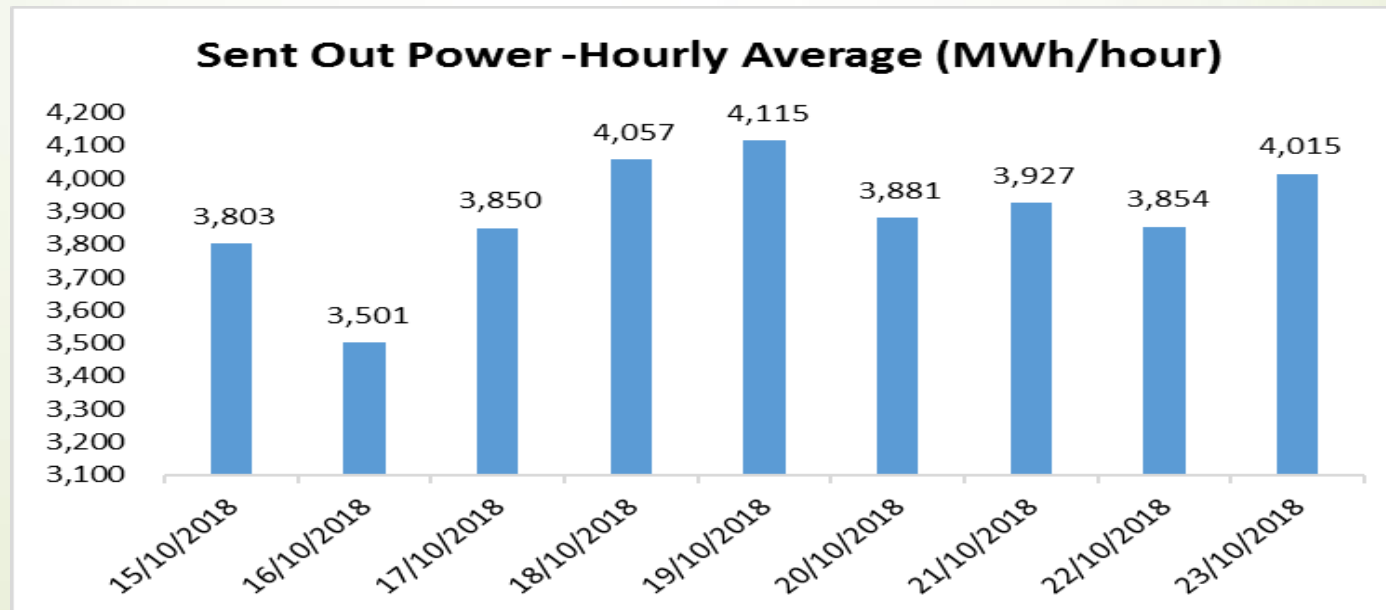
- Consumer confidence falls as purchasing power shrinks
- Sharply lower oil price could push fiscal deficit above 2% of GDP

Power Sector

October 23rd





State	Temperature
Abuja	28°C
Kano	32°C
Lagos	29°C

- Average power output: 4,015MW/h (up by 160.4MW/h)
- Gas constraint stood at 1,200MW while grid constraint was at 2,452.9MW. No water constraint
- Naira equivalent of power loss: N1.75billion (annualized at N638.75billion)









Domestic Commodities Price Movement

Relatively Elastic Goods

Commodities		Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Palm Oil (25l)		N10,000	N10,000	↔	N6,000	N25,000
Semovita (10kg)		N2,850	N2,850	↔	N1,800	N3,500
New Yam (medium size)		N400	N400	↔	N400	N1,900
Sugar (50kg)		N14,900	N14,900	↔	N8,000	N20,000

Domestic Commodities Price Movement

Relatively Inelastic Goods

Commodities	Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Garri (50kg) Yellow 	N6,500	N6,500	↔	N7,000	N16,000
Rice (50kg) 	N16,000	N15,500	↑	N13,000	N22,000
Flour (50kg) 	N11,100	N11,100	↔	N8,500	N11,000
Beans (Oloyin)(50kg) 	N27,000	N25,500	↑	N12,000	N34,000
Cement (50kg) 	N2,550	N2,550	↔	N1,400	N2,700
Tomatoes (50kg) 	N12,000	N10,000	↑	N8,000	N20,000

- Most domestic commodities have increased relative to the previous month
- Domestic price of flour to increase by N250 to N11,350 in October

Consumer Goods – Current price

Goods	Street price	Supermarket price	% difference
Pepsi (50cl)	N120	N100	20%
Beer (60cl)	N260	N300	-15.30%
Bread Loaf	N350	N400	-12.5%
Indomie (1 carton)	N1,900	N2,100	-15.5%
Gala (big size)	N100	N100	0%

Domestic food prices remain flat

Introducing...



**BEST VALUE
FOR MONEY
BY FAR**

**UP TO 50%
STRONGER
AFTER 1 DAY**



**THE KING
OF CEMENT**
IDEAL FOR ALL
BLOCK & CONCRETE
APPLICATIONS

















www.dangote.com facebook.com/dangoteindustries [@dangotegroup](https://twitter.com/dangotegroup)



Stock Market

- NSE ASI  2.37% to 32,403.60 on October 24th
- Consumer goods sub index  1.20% to 741.60pts

	Share Prices (₹)	Daily % Change (October 23 rd - 24 th)	YTD (% Change)
Nestle	1,370	 2.14	 11.95
Honeywell	1.20	 -	 42.86
Flour Mills	19.65	 4.15	 32.24
Cadbury	9.50	 3.83	 39.37
NB	88.1	 0.46	 34.69
Dangote Sugar	14.55	 0.34	 27.25
Unilever	43.00	 5.81	 4.88

Oil Prices

- Brent crude down 0.56% to \$75.74pb
- Following Saudi Arabia's pledge to play 'responsible role' in energy markets
- South Korea's crude imports from Iran fall to zero ahead of November sanctions
- US crude inventories up 2.4% to 418.4 million barrels in the week ending October 19



Oil Markets Today

COMMODITY	DAILY CHANGE October 19 th – October 22 nd	YTD	CURRENT PRICE
BRENT	↓ 0.56%	↑ 13.26%	\$75.74pb
WTI	↓ 0.57%	↑ 9.96%	\$66.44pb
NATURAL GAS	↑ 0.60%	↑ 8.14%	\$3.19MBtu

Agricultural Commodities

Wheat



- Wheat prices down 0.20% to \$5.08/bushel
- In expectation of Argentina's entry into the global wheat market

Corn



- Corn prices declined by 0.27% to \$3.69/bushel
- Pick up in US harvest

Cocoa



- Cocoa prices decreased by 0.23% to \$2,187/MT
- On the back of increased deliveries into Ivory Coast's ports

Sugar



- Sugar prices declined by 0.36% to 0.1376/pound
- As sugar consumption in India drops

OUTLOOK – Oil Prices



- Oil prices to trade within the \$72-75pb range in the coming weeks
- As the implementation date for the Iranian sanctions draws close

OUTLOOK – Agricultural Prices

GRAINS

- Argentina's entry into global wheat market may push prices down

SOFTS

Sugar

- India's plan to launch its second relief package towards the sugar industry could depress prices

Cocoa

- Increased supply from Ivory Coast would likely have a negative impact on global prices