

Burning Economic Issues



- Capital inflows into Nigeria dropped 25% in Q4 2018
- January oil production up 3%, rig count up 36%
- January inflation data to be released Friday
- Fastest growing sectors- agriculture, ICT
- Also recorded an increase in capital inflows



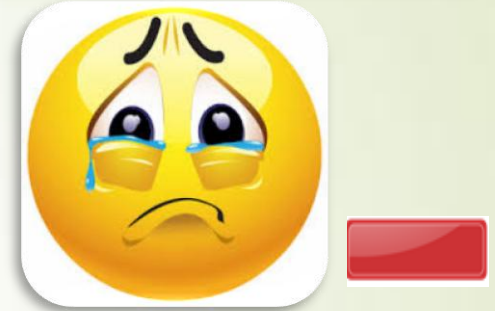
Impact

The Goodies



- Brent above \$65pb (\$65. 59pb)
- OPEC production cuts propping up oil prices

The Downers



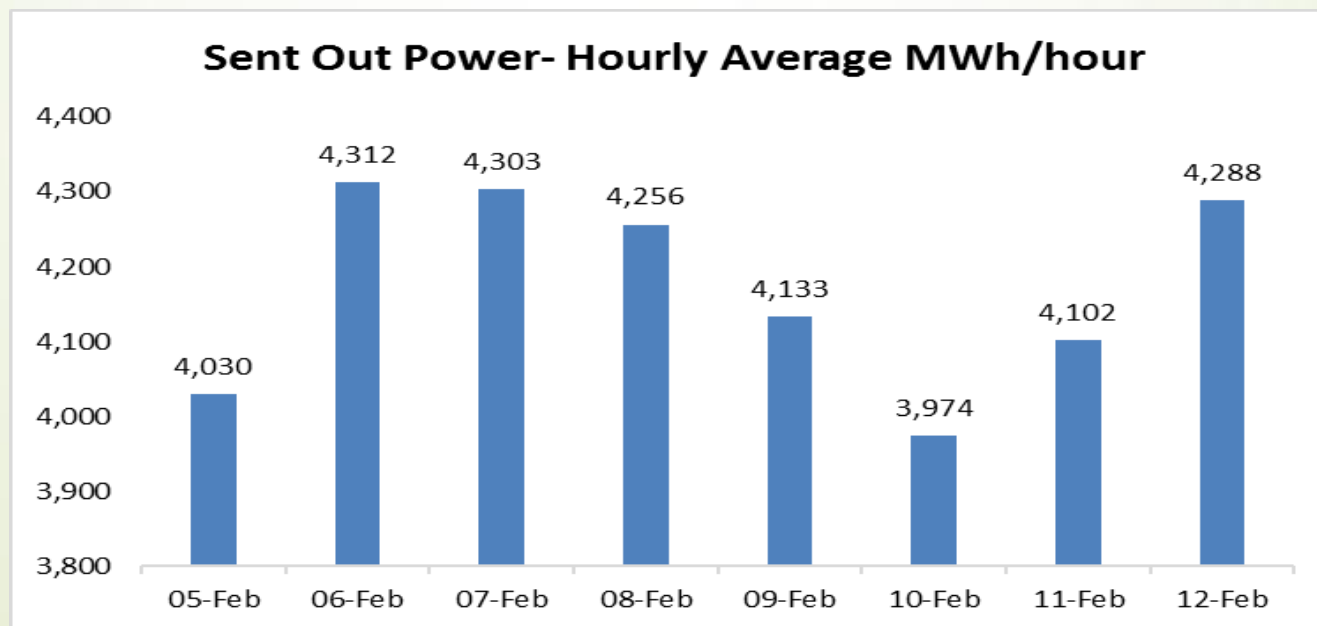
- Sectors with the highest decline in capital inflows- telecoms, banking, construction

Power Sector

February 12th





State	Temperature(noon-time)
Abuja	36°C
Kano	30°C
Lagos	32°C

- Average power output: 4,288MWh/h (up by 186.63MWh/h)
- Gas constraint stood at 1,153.5MWh/h, grid constraint at 1,193.8MWh/h and water constraint at 300MWh/h
- Naira equivalent of power loss: N1.29billion (annualized at N470.85billion)










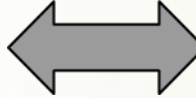

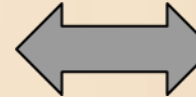




Domestic Commodities Price Movement

Relatively Elastic Products

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)		N2,800	N2,800	↔	N1,800	N3,500
New Yam (medium size)		N700	N500	↑	N400	N1,900
Sugar (50kg)		N14,900	N14,900	↔	N8,000	N20,000

Domestic Commodities Price Movement

Relatively Inelastic Products

Commodities	Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Garri (50kg) Yellow 	N7,150	N6,850		N6,500	N16,000
Rice (50kg) 	N14,000	N15,000		N13,000	N22,000
Flour (50kg) 	N11,000	N11,000		N8,500	N11,100
Beans (Oloyin)(50kg) 	N20,000	N20,000		N12,000	N34,000
Cement (50kg) 	N2,550	N2,550		N1,400	N2,700
Tomatoes (50kg) 	N6,000	N6,500		N6,000	N20,000
Pepper (bag) 	N5,000	N5,000		N5,000	N15,000

- Mixed movement in domestic commodity prices

Consumer Goods – Current price

Goods	Street price	Supermarket price	% difference
Pepsi (50cl)	N100	N100	0%
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  0.15% to 32,413.92pts on February 13th
- Consumer goods sub index:  0.89% to 764.18pts

	Share Prices (₦)	Daily % Change (February 12 th – 13 th)	YTD (% Change)
Nestle	1,590	 -	 7.07
Honeywell	1.30	 0.76	 1.56
Flour Mills	21.20	 -	 8.23
Cadbury	11.50	 -	 15.00
Dangote Sugar	15.00	 -	 1.64
Unilever	44.00	 10.00	 18.92
Ikeja Hotels	1.65	 -	 7.84
Newrest ASL	6.45	 -	 18.35

Oil Markets Today

COMMODITY	DAILY CHANGE February 14 th – 15 th	YTD	CURRENT PRICE
BRENT	 1.58%	 21.91%	\$65.59pb
WTI	 1.75%	 21.91%	\$55.36pb
NATURAL GAS	 1.63%	 10.88%	\$2.62MBtu

Oil Prices

- Brent crude up 1.58% to \$65.59pb
- As Saudi Arabia pledges to deepen output cuts
- Output to fall below 10mbpd in March- Minister Khalid Al-Falih
- Rising US crude output (+1.45mbpd in 2019) would limit price gains



Agricultural Commodities

Wheat



• Wheat prices down by 0.19% to \$5.21/bushel

• Despite expectations of higher demand for US supplies

Corn



• Corn prices declined by 0.07% to \$3.78/bushel

• Amidst expectations of US-China trade negotiations

Cocoa



• Cocoa prices up by 0.22% to \$2,270/MT

• Driven by unfavourable weather conditions in Ivory Coast

Sugar



• Sugar prices increased by 1.36% to 0.1266/pound

• On expectations of lower global supply

OUTLOOK – Oil Prices



- Reactions and adjustments of the oil market to increased output cuts from Saudi Arabia would drive prices
- Brent to trade within the range of \$62-\$64pb in the short term

OUTLOOK – Agricultural Prices

GRAINS

- Higher demand for US wheat output is expected to push up prices

SOFTS

Sugar

- Reduced supply in the 2019/2020 season expected to result in increased prices

Cocoa

- Unfavourable weather in Ivory Coast would lead to an increase in global prices. This is positive for Nigeria's export revenue