

Burning Economic Issues



- US Fed keeps rate at 2.25% - 2.50% pa
- Airtel Nigeria begins listing process on NSE
- Brent crude up by 3.88% to \$64.22pb
- External reserves decreases to \$45.10bn
- Naira depreciates 0.28% to N362/\$- parallel market
 - In spite forex intervention of \$210mn



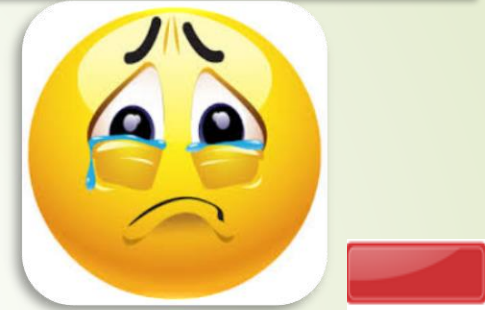
Impact

The Goodies



- Airtel to list on NSE
 - Would help boost market cap
 - Help expand its infrastructure
- Power supply above 4,000MW/h

The Downers






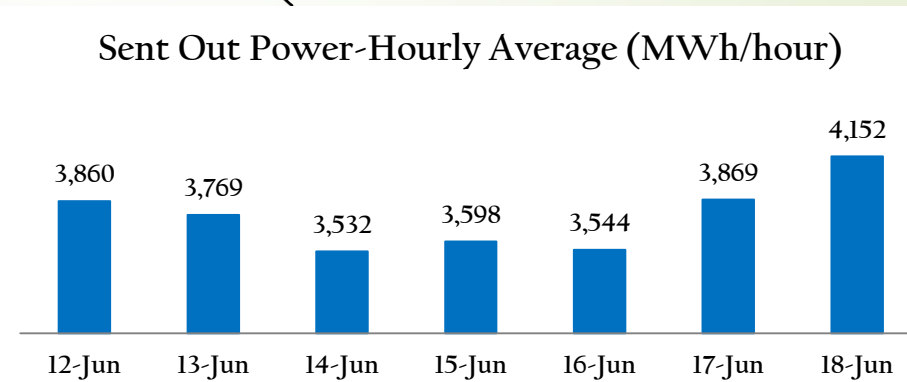
- Oil price down 14.08% in 12months(\$64.22pb)
- LNG price crashes 26% YTD
- Naira has lost 0.28% (N362/\$)

Power Sector

June 18th





State	Temperature(noon-time)
Abuja	24°C
Kano	26°C
Lagos	26°C

- Average power output: 4,152 MWh/h (up by 282.61MWh/h)
- Affected stations: Delta (381.92MWh/hr ) , Egbin (422.85MWh/hr ) , Afam (288.37.98MWh/hour ) .
- Gas constraint stood at 1,770.5MWh/h, Grid constraint was 808MWh/h and Water was 270MWh/h
- Naira equivalent of power loss: N1.367billion (annualized at N498.96billion)



Domestic Commodities Price Movement

Relatively Elastic Products

Commodities		Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Palm Oil (25l)		N9, 000	N9,000	↔	N6,000	N25,000
Semovita (10kg)		N3,000	N3,000	↔	N1,800	N3,500
Old Yam (medium size)		N1,200	N900	↑	N400	N1,900
Sugar (50kg)		N14,900	N14,900	↔	N8,000	N20,000

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Domestic Commodities Price Movement

Relatively Inelastic Products

Commodities	Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Garri (50kg) Yellow 	N6,500	N6,250	↑	N6,150	N16,000
Rice (50kg) 	N15,000	N17,000	↓	N13,000	N22,000
Flour (50kg) 	N11,500	N11,000	↑	N8,500	N11,500
Beans (Oloyin)(50kg) 	N19,000	N18,000	↑	N12,000	N34,000
Cement (50kg) 	N2,550	N2,550	↔	N1,400	N2,700
Tomatoes (50kg) 	N18,000	N13,000	↑	N6,000	N20,000
Pepper (bag) 	N8,000	N7,000	↑	N5,000	N15,000



- Most commodity prices increased due to impact of planting season















Consumer Goods – Current price

Goods	Street price	Supermarket price	% difference
Pepsi (50cl)	N100	N100	0%
Heineken beer (60cl)	N300	N330	-10.00%
Bread Loaf	N350	N400	-12.5%
Indomie (1 carton)	N2,000	N2,300	-15.0%
Gala (big size)	N100	N100	0%

Domestic food prices remain flat

Stock Market

- NSE ASI  0.02% to 29,765.31pts on June 20th
- Consumer goods sub index:  0.44% at 608.01pts

	Share Prices (₦)	Daily % Change (June 19 th – 20 th)	YTD (% Change)
Nestle	1,400	 -	 5.72
Honeywell	1.05	 0.96	 17.97
Flour Mills	14.00	 -	 39.39
Cadbury	10.85	 0.91	 8.50
Dangote Sugar	12.45	 3.75	 18.36
Unilever	31	 -	 16.22
Ikeja Hotels	1.31	 -	 14.38

Oil Markets Today

COMMODITY	DAILY CHANGE June 19 th – 20 th	YTD	CURRENT PRICE
BRENT	↑ 3.88%	↑ 19.37%	\$64.22pb
WTI	↑ 5.59%	↑ 25.02%	\$56.77pb
NATURAL GAS	↓ 3.94%	↓ 25.51%	\$2.19MBtu



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Women



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Oil Prices

- Brent up by 3.88% to \$64.22pb
- Due to:
- US military drone shot down by Iran forces
- Possible US-China trade war settlement
- OPEC meeting date decided for July 1-2



Agricultural Commodities

Wheat



- Wheat prices down 0.84% to \$531/bushel
- Driven by favourable supply outlook

Corn



- Corn prices decreased by 0.45% to \$460.75/bushel
- Despite a delay in planting season

Cocoa



- Cocoa prices down 0.20% to \$2,495/MT
- Despite supply cut by Ghana and Ivory Coast

Sugar



- Sugar prices fell 0.39% to 12.78/pound
- Despite expectation of a global deficit

OUTLOOK – Oil Prices (In the next one week)



Oil prices to recover next week due to:

- Possibility of output cut extension at OPEC's next meeting
- Possible resolution from US-China after its meeting
- Prices to hover between \$63-\$65pb

OUTLOOK – Agricultural Prices

GRAINS

- Adverse weather conditions to increase prices



SOFTS

Sugar

- Lower global supplies likely to weigh on prices

Cocoa

- Prices to rise in the near term due to sale suspension by Ghana and Ivory Coast