



Burning Economic Issues



- OPEC agrees to an output extension for 9 months
- Brent oil down 0.26% to \$64.89pb
- US & China agree to suspend tariffs in Osaka
- Nigeria's PMI declines into contraction territory - 49.9 in June
- Naira flat at N360/\$ (parallel market)
- Unemployment data release date postponed



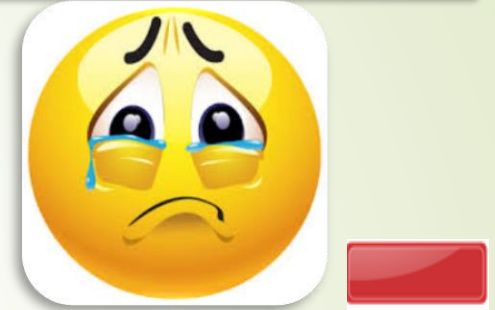
Impact

The Goodies



- Extension of OPEC+ production cut deal is expected to boost oil prices slightly

The Downers



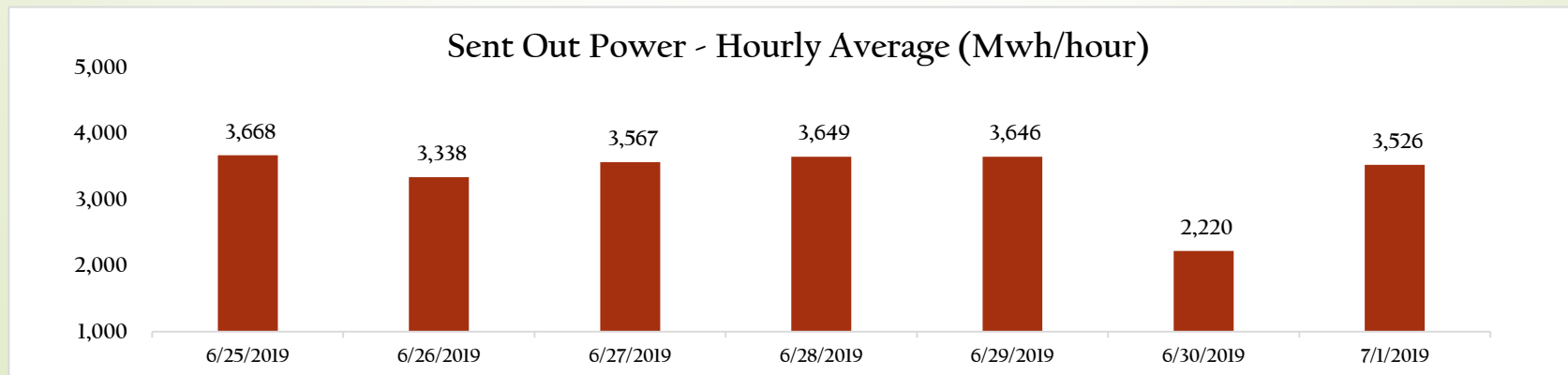
- OPEC no longer price leader
- PMI falls into contraction territory
 - Means Q2 GDP may fall in tandem

Power Sector

July 01st





| State | Temperature(noon-time) |
|-------|------------------------|
| Abuja | 26°C |
| Kano | 33°C |
| Lagos | 27°C |

- Average power output: 3,526 MW/h (up by 1,306MW/h)
- Stations with the lowest output: Egbn ST2-5(60.23MW/h), Sapele (46.05MW/h), Delta (36.16MW/h)
- Gas constraint stood at 1,993MWh/h, Grid constraint was 1,496MWh/h. There was no water constraint.
- Naira equivalent of power loss: N1.68billion (annualized at N613.02billion)



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) |  | N1,300 | N1,200 | ↑ | N400 | N1,900 |
| Sugar (50kg) |  | N14,900 | N14,900 | ↔ | N8,000 | N20,000 |

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)



Domestic Commodities Price Movement

Relatively Inelastic Products

| Commodities | Current Prices | Previous Month Prices | Directional Change | 1-Year Low | 1-Year High |
|--------------------------------------------------------------------------------------------------------|----------------|-----------------------|---------------------------------------------------------------------------------------|------------|-------------|
| Garri (50kg) Yellow  | N6,250 | N6,500 |  | N6,150 | N16,000 |
| Rice (50kg)  | N16,000 | N15,000 |  | N13,000 | N22,000 |
| Flour (50kg)  | N11,500 | N11,000 |  | N8,500 | N11,500 |
| Beans (Oloyin)(50kg)  | N17,000 | N19,000 |  | N12,000 | N34,000 |
| Cement (50kg)  | N2,550 | N2,550 |  | N1,400 | N2,700 |
| Tomatoes (50kg)  | N20,000 | N18,000 |  | N6,000 | N20,000 |
| Pepper (bag)  | N8,500 | N8,000 |  | 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  0.74% to 29,395.14pts on July 2nd
- Consumer goods sub index:  2.14% at 598.87pts

| | Share Prices (₦) | Daily % Change (July 01 st -02 nd) | YTD (% Change) |
|---------------|---------------------|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| Nestle | 1,342 |  3.24 |  10.09 |
| Honeywell | 1.01 |  1.00 |  18.53 |
| Flour Mills | 13.75 |  - |  39.39 |
| Cadbury | 10.70 |  1.90 |  4.60 |
| Dangote Sugar | 11.50 |  5.73 |  31.37 |
| Unilever | 33 |  - |  13.51 |
| Ikeja Hotels | 1.30 |  - |  15.03 |



We are building a
tech-enabled agriculture ecosystem,
where agricultural risks are efficiently measured,
managed, and priced.



Extensive and
digitised data
capture



Access to financial
services for 1 million
farmers



BVN Capturing and
land mapping for
farmers



Over 100 outreach
officers and
aggregators

Oil Markets Today

| COMMODITY | DAILY CHANGE July 01 st – 02 nd | YTD | CURRENT PRICE |
|-------------|----------------------------------------------------------|----------|------------------|
| BRENT | ↓ 0.26% | ↑ 25.69% | \$64.89pb |
| WTI | ↓ 0.30% | ↑ 32.30% | \$59.42pb |
| NATURAL GAS | ↑ 0.11% | ↓ 22.11% | \$2.31MBtu |

Oil Prices

- Brent down 0.26% to \$64.89pb
- This was in spite of OPEC decision to extend to the output cut deal till March 2020
- Investors remain concerned about the outlook for global oil demand



Agricultural Commodities

Wheat



• Wheat prices up 0.32% to \$528.25/bushel

• Due to lower US production

Corn



• Corn prices declined by 0.52% to \$453.70/bushel

• Due to improved US weather conditions

Cocoa



• Cocoa prices down 1.14% to \$2,425/MT

• Driven by robust global supply

Sugar



• Sugar prices slid 1.25% to \$12.62/pound

• Owing to strong global supply

OUTLOOK – Oil Prices



- OPEC's production cut agreement is expected to be extended for 6-9 months
- This would boost oil prices slightly
- Brent likely to trade between \$66pb-\$70pb in July

OUTLOOK – Agricultural Prices

GRAINS

- Planting delays in the US would continue to support grain prices in the near term

SOFTS

Sugar

- Ample global supply is expected to depress prices this week

Cocoa

- Unfavorable weather conditions in Ivory Coast and Ghana could push prices up