



Burning Economic Issues



- US Fed cuts interest rates by 25bps to 1.75%p.a-2%p.a
- As MPC meets to decide monetary policy stance
- CBN intensifies cashless policy & inclusion
- Oil price falls to normal after Saudi rupture – Brent up 1.13%

to \$64.68pb



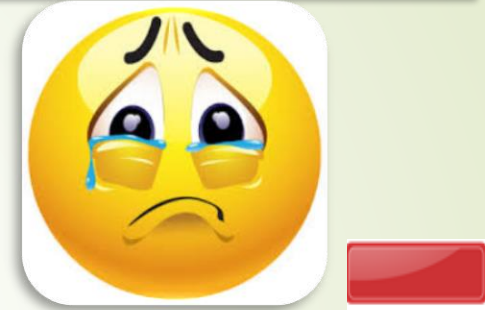
Impact

The Goodies



- Fed rate cut reduces risk of global recession
- Cashless policy would incentivize use of electronic payments

The Downers



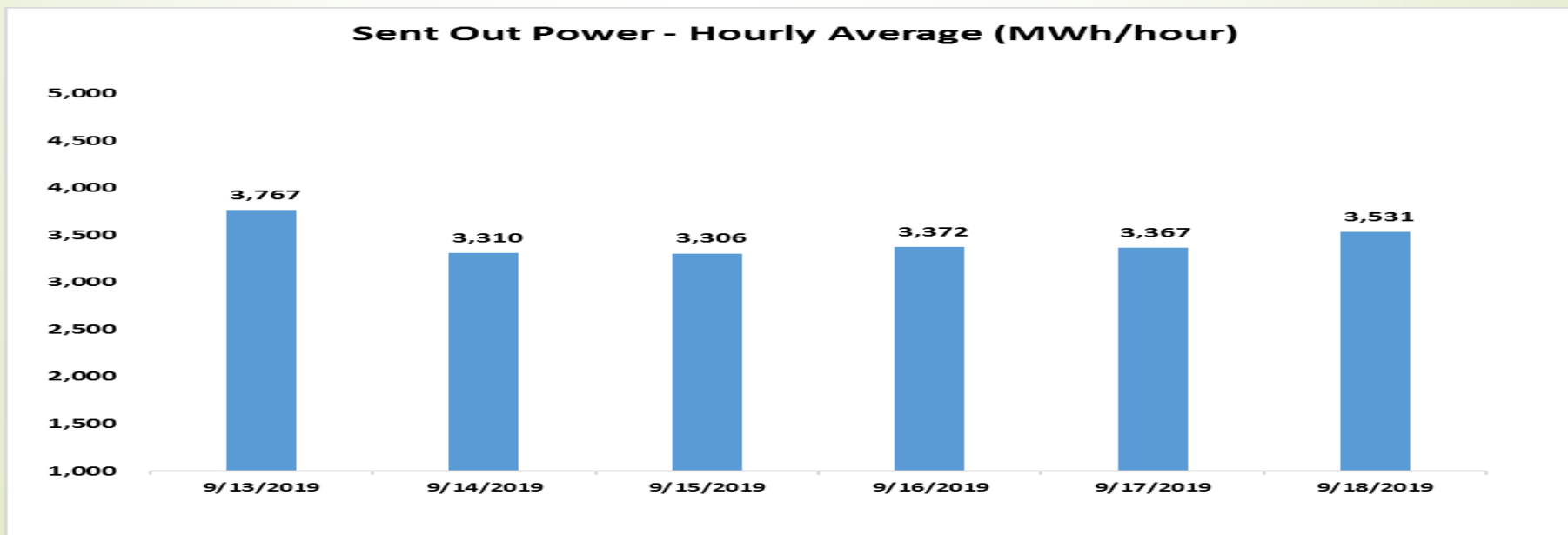
- On-grid power output has been below 4,000MWh/hr since July

Power Sector

September 18th





State	Temperature(noon-time)
Abuja	26°C
Kano	28°C
Lagos	27°C

- Average power output: 3,531 MW/h (up by 163.15 MW/h)
- Stations with the highest output: Delta (365.68Wh/hr) and Imovbor (155.15MWh/hr)
- Gas constraints stood at 1,128.5Wh/h, Grid constraint was 2,463MWh/h. There was no water constraint
- Naira equivalent of power loss: N1.80billion (annualized at N657billion)










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)		N2,900	N3,000	↓	N1,800	N3,500
New Yam (medium size)		N600	N700	↓	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 	N6,250	N6,250	↔	N6,150	N16,000
Rice (50kg) 	N18,000	N16,000	↑	N13,000	N22,000
Flour (50kg) 	N11,500	N11,500	↔	N8,500	N11,500
Beans (Oloyin)(50kg) 	N17,000	N17,000	↔	N12,000	N34,000
Cement (50kg) 	N2,550	N2,550	↔	N1,400	N2,700
Tomatoes (50kg) 	N14,000	N12,000	↑	N6,000	N20,000
Pepper (bag) 	N10,000	N8,000	↑	N5,000	N15,000

WIN BIG!

IN THE
DANGOTE

BAG OF GOODIES

CONSUMER PROMO



43
GAC SALOON CARS
TO BE WON

OVER
21 Million
POSSIBLE
WINNERS

42.5R
CASH PRIZE PER YEAR
SCRATCH CARD 50-1kg

OVER
₱200M
CASH PRIZE

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AIRTIME ACROSS ALL MAJOR MOBILE NETWORKS

OVER
300,000
FOODIE PACKS

550
REFRIGERATORS

24
MOTOR BIKES

24
TRICYCLES

400
TELEVISIONS

HOW TO WIN

- Buy any promotional bag of Dangote cement.
- Pick out the scratch card inserted.
- Scratch and stand a chance of winning any of the following items that is revealed on the card
- Saloon Car (star prize), Motorcycles, Tricycles, TV Sets, Fridge, Dangote pack of goodies and Airtime (across all mobile networks)
- Redemption of the gift items will be at our Depots, Regional Offices and specially selected Customer Outlets in areas that are distant from our depot and offices.

Promo runs from July 1st - Sept 30th, 2019



*TERMS AND CONDITIONS APPLY
*ALL DANGOTE STAFF, FAMILIES, THIRD PARTY AGENTS AND THEIR STAFF ARE EXEMPTED FROM THIS PROMO
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build with peace of mind

Approved by National Lottery Regulatory Commission (NLRC) Approved by the Consumer Protection Council



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%

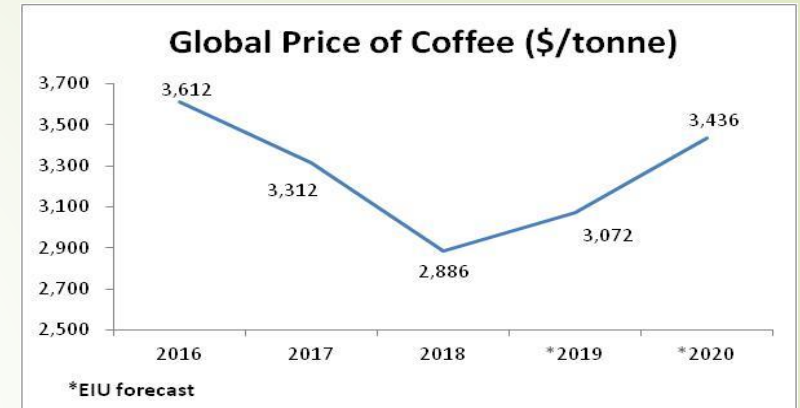
Commodity in Focus - Coffee

- Total global production (2017/18): Estimated at 9.52mn tonnes (\$27.5bn)



- World's top producers: Brazil, Vietnam, Mexico

- World's top consumers: U.S, Germany, Brazil



- Global price of coffee has declined cumulatively by 20% since 2016 to \$2,886/tonne

- EIU expects price to rise 6.4% in 2019/20 on lower production from Brazil.

- Use: mainly for coffee beverage, ice cream.

- Other uses: skin care, hair beauty, insect repellent, deodorization, nocturnal reading

- Drawback – Excessive consumption increases risk of cardiovascular diseases

















Coffee Production in Nigeria

- Total output: 1,900 tonnes (\$5.48mn), 0.02% of global
- Rank: Global- 52nd, SSA- 18th
- SSA's largest producers are mostly Eastern African countries- Ethiopia, Uganda, Kenya
- Nigeria's potential output: 5,000 tonnes
- Major producing states: Kwara, Bauchi, Osun
- Users: Nestlé (Nescafé), Richmond Coffee
- Nestlé Plc's PAT (Q1'19)= N12.19bn, ↑49% y/y
- Share price = N1,200

Stock Market

- NSE ASI  0.13% to 27,646.15pts on September 19th
- Consumer goods sub index:  0.62% at 523.12pts

	Share Prices (₦)	Daily % Change (September 18 th -19 th)	YTD (% Change)
Nestle	1,212	 -	 15.82
Honeywell	1.03	 3.00	 22.66
Flour Mills	13.5	 -	 41.56
Cadbury	9.3	 -	 7.00
Dangote Sugar	10.65	 7.65	 35.30
Unilever	28.90	 -	 20.41
Ikeja Hotels	1.18	 0.65	 6.54

Oil Markets Today

COMMODITY	DAILY CHANGE September 18 th -19 th	YTD	CURRENT PRICE
BRENT	↑ 1.13%	↑ 16.59%	\$64.68pb
WTI	↓ 0.05%	↑ 27.22%	\$58.38pb
NATURAL GAS	↑ 0.17%	↓ 11.90%	\$2.68MBtu



4 Years
45 Warehouses
13 States



100,000 Farmers
40,000 Youth & Women



100,000 MT
Grains & Seeds



\$30M Traded
\$5M Input Loans

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Oil Prices

- Brent up 1.13% to \$64.68pb but has lost nearly 10% in the last 2 days
- Driven by:
 - Saudi Arabia's pronouncement that it would restore its lost production before the end of September
 - However, the US plans to increase sanctions on Iran, which could cripple the country's oil exports further



Agricultural Commodities

Wheat



- Wheat prices declined by 0.41% to \$480.25/bushel
- Depressed by lower Chinese imports.

Corn



- Corn prices down 0.34% to \$361.50/bushel
- Due to ample global supply

Cocoa



- Cocoa prices increased by 0.22% to \$2,292/mt
- Despite favourable weather conditions in Ivory Coast.

Sugar



- Sugar prices rose by 0.28% to \$10.91/pound
- Driven by strong global demand

OUTLOOK – Oil Prices



- Saudi's oil output would be restored soon, which would weigh on the market
- Nonetheless, heightened tensions in Middle East would moderate the losses
- Brent likely to trade between \$63pb-\$68pb in the near term

OUTLOOK – Agricultural Prices

GRAINS

- Wheat prices to fall further on bumper global harvests

Sugar

- Combination of strong global supply and weak demand will weaken sugar prices further in the near term

Cocoa

- Expectations of higher production from Ivory Coast would weigh on prices

SOFTS

