



# Burning Economic Issues



- IMF cuts 2019 global growth forecast to 3% on trade war fears
- Leaves Nigeria's 2019 growth forecast at 2.3%
- Pound surges to \$1.2832/GBP owing to optimism about a Brexit deal
- Brent trading in a range of \$58-\$59pb
- External reserves heading towards \$40bn (now at \$41.04bn)
- National price of diesel down 0.5% (month-on-month) to N227.92/litre
- In Lagos retail price is lower at 3.91% (N219/litre)



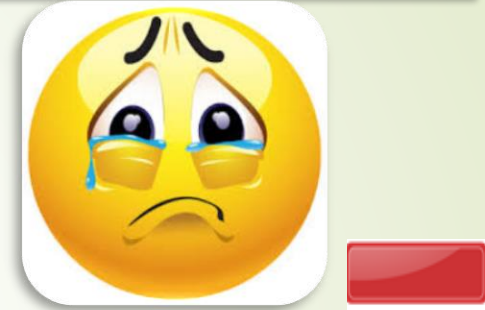
# Impact

## The Goodies



- Nigeria's 2019 growth rate forecast remains unchanged at 2.3%
- Average growth rate so far in 2019: 2.02%

## The Downers



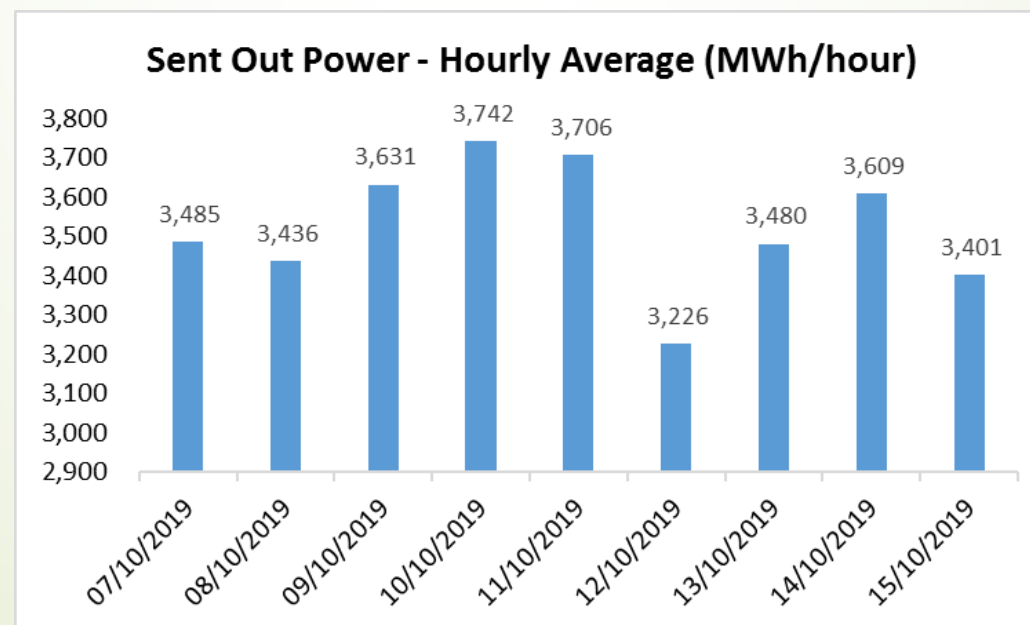
- IMF's global outlook stoking recession fears
- Brent still trading below \$60pb

# Power Sector

October 15<sup>th</sup>









- Average power output: 3,401MW/h (down by 207.83 MW/h)
- Gas constraints stood at 1,677.5MWh/hr, Grid constraint was 2,401.9MWh/hr. There was no water constraint
- Naira equivalent of power loss: N2.01billion (annualized at N733.65billion)
- CBN set to become largest creditor to the power sector – N1.695trillion

State	Temperature(noon-time)
Abuja	25°C
Kano	29°C
Lagos	27°C



# 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		N9,000	N10,000
Semovita (10kg)		N2,800	N2,900		N2,800	N3,000
New Yam (medium size)		N600	N700		N400	N1,900
Sugar (50kg)		N13,500	N14,900		N13,000	N15,000



# Domestic Commodities Price Movement

## Relatively Inelastic Products

- Christmas purchases & border closure putting pressure on food prices
- Logistics cost are up again (bad roads)

Commodities		Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Garri (50kg) Yellow		N6,850	N6,250	↑	N6,150	N6,850
Rice (50kg)		N24,000	N18,000	↑	N14,000	N24,000
Flour (50kg)		N11,500	N11,500	↔	N10,000	N11,500
Beans (Oloyin)(50kg)		N15,000	N17,000	↓	N14,000	N25,500
Cement (50kg)		N2,600	N2,550	↑	N1,600	N2,700
Tomatoes (50kg)		N10,000	N14,000	↓	N6,000	N20,000
Pepper (bag)		N9,000	N10,000	↓	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**  
CHECK INSIDE FOR YOUR  
SCRATCH CARD 50-1kg

OVER  
**₦200M**  
CASH PRIZE



OVER  
**300,000**  
GOODIE PACKS

### 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.



**550**  
REFRIGERATORS



**24**  
MOTOR BIKES

**24**  
TRICYCLES



**400**  
TELEVISIONS



Promo runs from July 1st - Oct 31st, 2019

\*TERMS AND CONDITIONS APPLY  
\*ALL DANGOTE STAFF, FAMILIES, THIRD PARTY AGENTS AND THEIR STAFF ARE EXEMPTED FROM THIS PROMO  
Customer Care Helpline: 01-460643, 08152093122, 08152093152, 08152093153 and 08152093133  
email: customercare@dangote.com | www.dangote.com

www.dangote.com @dangotegroup



build with peace of mind

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



# 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%



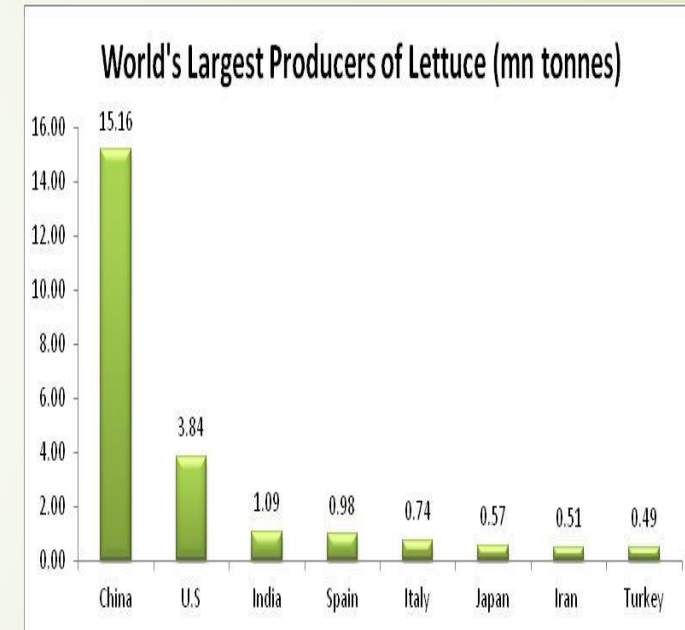
# Commodity in Focus - Lettuce

- Planting to harvest cycle: 60-100 days
- Annual global production: Estimated = 27 million tonnes (\$76.85

billion)

- World's top producers: China, U.S., India
- World's top consumers: China, U.S., India
- Uses: Vegetable salad, mixed veg. in fried rice, cooked vegetables

- Rich in vitamins and minerals
- Highly perishable



Source: FAOSTAT, FDC Think Tank

















# Lettuce Production in Nigeria

- Nigeria's annual lettuce output less than 200,000 tonnes
- Can be grown across most states
- Price varies depending on size and source
- Ranges between N300-N700 for the local type
- Imported variant more expensive than local
- Costs about N600 for medium size
- Likely to be one of the commodities affected by the border closure
- Its perishable feature reduces its export potential
- Users: Restaurants, hotels and fast food chains



# Stock Market

- NSE ASI  0.16% to 26,472.20pts on October 16<sup>th</sup>
- Consumer goods sub index:  0.22% at 512.64pts

	Share Prices (₦)	Daily % Change (October 15 <sup>th</sup> - October 16 <sup>th</sup> )	YTD (% Change)
Nestle	1,220	 0.40	 17.85
Honeywell	0.99		 22.66
Flour Mills	14.75		 36.15
Cadbury	9.85		 1.50
Dangote Sugar	10.20		 33.11
Unilever	26.70		 27.84
Ikeja Hotels	1.18		 22.88

# Oil Markets Today

COMMODITY	DAILY CHANGE October 16 <sup>th</sup> – 17 <sup>th</sup>	YTD	CURRENT PRICE
BRENT	↓ 0.88%	↑ 9.48%	\$58.90pb
WTI	↓ 0.99%	↑ 16.34%	\$52.83pb
NATURAL GAS	↓ 0.64%	↓ 21.77%	\$2.30MBtu

# Oil Prices

- Brent down 0.88% to \$58.90pb
- Uncertainty over US/China trade war casting a shadow on global economy
- Market awaits US oil inventory report by EIA







# GROW YOUR EXPORT BUSINESS WITH FIDELITY

Visit any of our  
branches today for:

- Ready Market Access
- Enhanced Capacity
- Financing.



**We Are Fidelity. We Keep Our Word**

Contact Us: +234 (1) 448-5252

[true.serve@fidelitybank.ng](mailto:true.serve@fidelitybank.ng)



**Fidelity Bank Plc**  
INC 10.0022

FOLLOW US:     

[www.fidelitybank.ng](http://www.fidelitybank.ng)



# Agricultural Commodities

## Wheat



- Wheat prices down by 0.25% to \$505.75/bushel
- Driven by strong US wheat supplies

## Corn



- Corn prices down by 0.70% to \$390.50/bushel
- In spite of falling corn harvests in the U.S.

## Cocoa



- Cocoa prices increased by 2.98% to \$2,522/mt
- On account of unfavourable weather conditions in Ivory Coast.

## Sugar



- Sugar prices rose by 0.56% to \$12.59/pound
- Despite expectations of increased Indian supply

# OUTLOOK – Oil Prices



- Brent likely to trade between \$58pb-\$60pb in the coming days
- Prices would be driven by release of the EIA report

# OUTLOOK – Agricultural Prices

## GRAINS

- Lower than expected US harvest could push up grain prices in the near term

## Sugar

## SOFTS

Increased global demand is expected to further push up prices

## Cocoa

Lower global supply is expected to keep prices elevated.

This is positive for Nigeria's export earnings