

BURNING ECONOMIC ISSUES



- CBN increases forex intervention to record levels - *\$120mn per week*

- \$40,000 a week per BDC



- Causing unprecedented naira scarcity - Interbank rates rose sharply to 300%



- Naira appreciated to N405/\$ but expected to appreciate further this week



- Power supply down to 3521MW on April 16th

- Wholesale price of diesel down to N200 per litre after a brief rally to N205

- No change in retail prices as manufacturers trying to maximise retail margins

ECONOMIC NEWS



Good news



- Dollar supply in forex market sharply higher
- Economic activity increasing including inventories – PMI
- World Bank agrees to fund PSRIP



Bad news



- Power supply 12% lower than target at 3500MW
- Naira resistant to supply pressure at N410/\$
- Manufacturers stubbornly refuse to lower retail prices



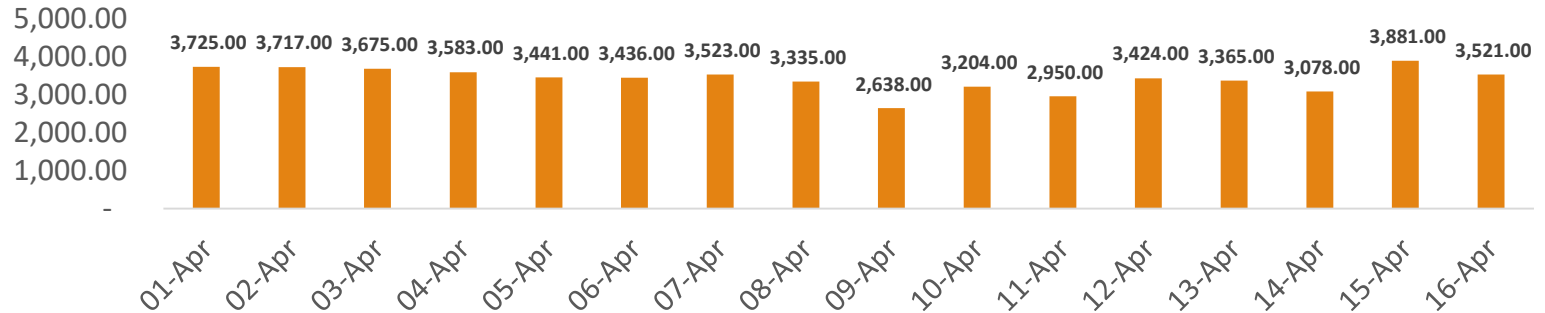
POWER GENERATION ANALYSIS & IMPACT



April 16th: On grid power output was 3521MWh/hour (down 361MWh/h)

- Total Power constraints: 2,247MW, attributed to gas and high frequency constraints
- Estimated loss: N1.158bn (annualised at N416.88bn /\$1.04bn)
- Jebba restored its 4 turbines, previously out due to mechanical issues
- Nationwide average diesel price declined from 249/l in Feb to N235/l in Mar

Average Power Sent Out (MW/h)



DOMESTIC COMMODITY PRICE MOVEMENT

Price Elastic

Price Inelastic



Commodities	CURRENT PRICES			Lagos Price	
	LAGOS	KANO	ONITSHA	1 year Low	1 year High
Palm Oil (25L) 	↔ N13, 000	N15,000	N10,000	N6,000	N25,000
Semolina(10kg) 	↔ N3,100	N3,150	N3,120	N2,300	N3,100
Maize (50kg) 	↔ N13,250	N13,350	N13,450	N9,000	N13,250
Tomatoes (50kg) 	↔ N11,000	N9,800	N12,000	N8,000	N11,500
Garri (50kg) 	↔ N13,000	N15,200	N15,500	N8,000	N15,000
Rice (50kg) 	↔ N16,600	N16,000	N18,200	N16,000	N22,000
Flour (50kg) 	↔ N10,500	N10,500	N11,000	N8,500	N11,000
Sugar (50kg) 	↔ N20,000	N19,500	N19,800	N8,000	N20,000
Beans (50kg) 	↔ N16,000	N16,700	N17,300	N9,000	N22,500
Cement (50kg) 	↔ N2,300	N2,300	N2,400	N1,400	N2,300















CONSUMER GOODS – CURRENT PRICE LAGOS

GOODS	Lagos price	Jumia price	% difference
Coke (50cl)	N150	N150	0%
Beer (60cl)	N250	N235	6%
Bread Loaf	N350	N400	12.5%
Semovita (10kg)	N3,700	N3,650	1.35%
Indomie (1 carton)	N2,350	N2,400	2.08%
Gala (75g)	N70	N70	0%

- Average online prices is 4.67% higher than market stalls
- Expect prices of some consumables to slide slightly
- Due to stronger naira from CBN FX policy

STOCK MARKET

- NSE ASI  0.05% (25,510.01) pts
- Consumer goods sub index  0.12% (622.83)

	Share Prices (₹)	W-O-W (12 -13 Apr)	YTD (%)
Nestle	750		 7.40%
Honeywell	1.08		 16.9%
Flourmill	17.99		 2.70%
Cadbury	9.46		 8.10%
NB	123	 0.40	 16.90%
Dangote Sugar	6		 1.80%
Unilever	33.25		 5.00%



Every meal starts with us



• Salt (Refined and Iodized) • Seasoning (Cubes and Tablets) • Tomato Paste • Vegetable Oil


www.nasconplc.com









Available nationwide.

OIL PRICES



- Brent crude  by 1.13% to \$55.26pb
- Oil prices fell on rising number of active US rig count
- US oil rig count rose for the 13th consecutive week to 683
 - The highest in two years
- US oil production gains and future of OPEC's cut creating uncertainty in the market

OIL MARKETS TODAY

COMMODITY	WEEKLY CHANGE 12 Apr – 13 Apr	Y-O-Y	CURRENT PRICE
O I L			
BRENT	 1.13%	 2.75%	\$55.26pb
WTI	 1.17%	 2.16%	\$52.56pb
NATURAL GAS	 2.22%	 15.05%	\$3.16MMBtu

AGRIC COMMODITIES

Wheat



•Wheat futures down by 1.43% to \$4.37/bushel

• Futures slipped on reduced offtake and ample stocks

Corn



•Corn futures down by 1.07% to \$3.74/bushel

• U.S. corn crop seeded was up 3 %, matching the five-year average-*USDA*

Cocoa



•Cocoa prices down by 1.06% to \$1,895/mt

•Bearish movement sustained as strong supply continues to filter through, and demand remains weak

Sugar



•Sugar prices up by 1.54% to \$0.1683/pound

• Prices up on rising demand amid tight supplies

OUTLOOK – OIL PRICES



- Global oil prices continues to be challenged by a steady rise in US oil production
- Markets anticipates US crude inventory data
- OPEC extension of output curb still in view
- This will provide an underlying support for oil prices

OUTLOOK – AGRIC PRICES

Grains

- Losses will be limited by delays in planting in the United States



SUGAR



Softs

- Weather conditions in South America to support price

COCOA

- Supply-demand dynamics to weigh on prices