

BURNING ECONOMIC ISSUES



- FAAC shared in April: N466.93bn

- External reserves crosses \$31bn - CBN Governor



- Naira strengthens at the new window to close at N380/\$



- N388/\$ at the parallel market

- Oil price increases marginally by 0.43% to \$51.82pb on lower than expected US output



- Average power from the grid down 269MWh/h to 3720MWh/hour

- Wholesale diesel price sharply lower at N190 per litre

ECONOMIC NEWS



Good news



- Parallel market rate appreciates to N388/\$
- External reserves at \$31bn is naira positive
- Lower diesel price reduces operational cost for manufacturers



Bad news



- Oil production falls to 1.5mbpd in March from 1.6mbpd in February
- Retail prices still sticky



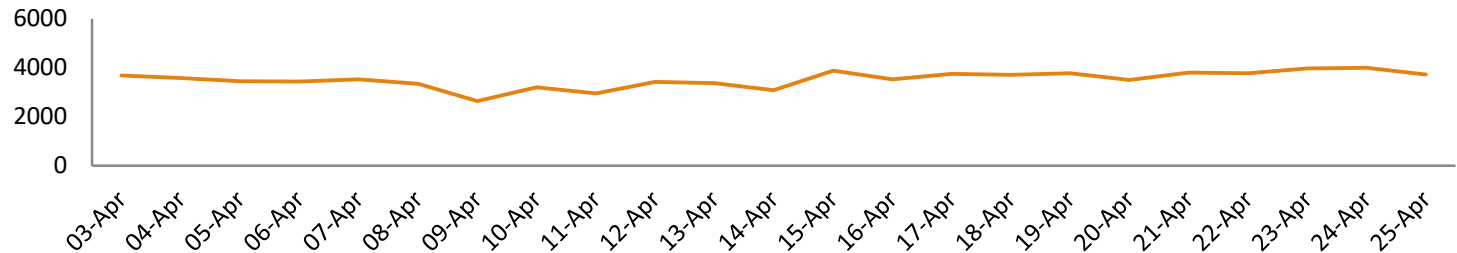
POWER GENERATION ANALYSIS & IMPACT



April 25th: On grid power output was 3720MWh/hour (down 269MWh/h)

- Total Power constraints: 2,163MW due to gas and line constraints
- Estimated loss: N1,038bn (annualised at N373.68bn /\$0.93bn)
- System collapse in the early hours of 26th April
- Despite increasing gas supply , due to grid constraints, power sent out remains limited

Average Power Sent Out (MWh/hour)



DOMESTIC COMMODITY PRICE MOVEMENT

Price Elastic

Price Inelastic



		CURRENT PRICES			Lagos Price	
Commodities		LAGOS	KANO	ONITSHA	1 year Low	1 year High
Price Elastic	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
Price Inelastic	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  0.77% (25,620.94) pts
- Consumer goods sub index  0.22% (616.59)

	Share Prices (₹)	W-O-W (24 Apr - 26 Apr)	YTD (%)
Nestle	713.5	 4.90%	 11.9%
Honeywell	1.12	 4.67%	 17.7%
Flourmill	18		 2.70%
Cadbury	8.84	 4.95%	 14.1%
NB	123.14	 0.52%	 16.8%
Dangote Sugar	6.16	 1.32%	 0.8%
Unilever	35.5		 1.4%



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OIL PRICES



- Brent crude  by 0.43% to \$51.82pb
- Marginal increase driven by lower than expected US crude stock at 897,000 barrels
- Oil price under pressure with rising US crude production
- OPEC's oil production at 31.9mbpd remains close to record high levels

OIL MARKETS TODAY

COMMODITY	WEEKLY CHANGE 24 Apr – 26 Apr	Y-O-Y	CURRENT PRICE
O I L			
BRENT	 0.43%	 8.80%	\$51.82pb
WTI	 0.79%	 7.63%	\$49.62pb
NATURAL GAS	 0.99%	 18.28%	\$3.04MMBtu

AGRIC COMMODITIES

Wheat



↑ •Wheat futures up by 2.16% to \$4.28/bushel

• Due to concerns about snow in Canadian Prairies

Corn



↑ •Corn futures up by 1.68% to \$3.72/bushel

• Driven by unfavorable weather conditions in the US

Cocoa



↑ •Cocoa prices up by 3.30% to \$1,878/mt

• Due to cheap cocoa futures spurring demand

Sugar



↓ •Sugar prices down by 0.80% to \$0.1619/pound

• Driven by increasing supply of sugar through bumper crops

OUTLOOK – OIL PRICES



- Bearish outlook for oil due to unrelenting US supply
- US increasing oil production will continue to set the tone for oil price
- Russian oil production expected to increase to the highest in 30 years

OUTLOOK – AGRIC PRICES

Grains

- Supply expected to fall due to unfavourable weather conditions



SUGAR



Softs

- Subsidies for sugar producers expected to dampen prices further

COCOA

- Prices will remain under pressure from huge global supply from Ivory Coast