

# BURNING ECONOMIC ISSUES



- Fuel scarcity resurfaces in Lagos, big time
- Brent oil up 0.55% to \$69.39pb



- CBN to maintain status quo till February?



- Naira slides 0.27% to N365/\$, at parallel market, on supply shortages



- On grid power output up 5.26% to 3,682MWh/hr
- Diesel price flat at N205/litre



## Good News



- Oil & gas sector reform moves closer to reality with the passage of PIGB
- Commodity prices flat despite fuel scarcity



## Bad News



- Fuel queues back in Lagos



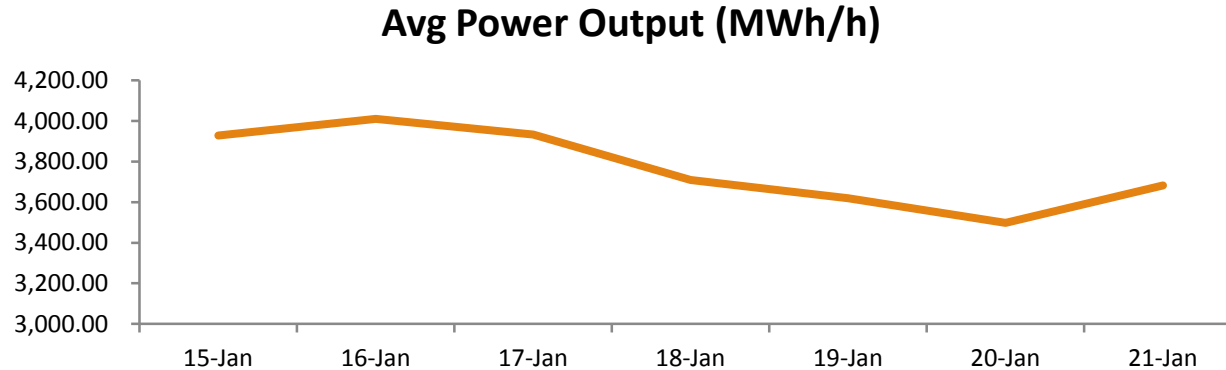
- January inflation may spike

# POWER GENERATION ANALYSIS & IMPACT



January 21<sup>st</sup>: Average power output sent was 3,682MWh/hour (Up 183.97MWh/h)










- Total gas constraint was 1,715MWh/h; transmission constraints was 343MW, frequency management constraints was 293MW, water management constraint was 290MW
- Naira equivalent of power loss: N1.27bn (annualised at N463.55bn)



# DOMESTIC COMMODITY PRICE MOVEMENT

Price Elastic

Price Inelastic

		CURRENT PRICES (LAGOS)			Lagos Price	
Commodities		CURRENT PRICES	PREVIOUS PRICES	DIRECTIONAL CHANGE	1 year Low	1 year High
Price Elastic	Palm Oil (25L) 	N13,000	N13,000	↔	N6,000	N25,000
	Semolina (10kg) 	N1,800	N1,800	↔	N1,800	N3,500
	New Yam (small tuber) 	N400	N400	↔	N400	N900
	Tomatoes (50kg) 	N8,000	N8,000	↔	N8,000	N28,000
Price Inelastic	Garri (50kg) (Yellow) 	N7,000	N7,000	↔	N7,000	N16,000
	Rice (50kg) 	N13,400	N13,400	↔	N13,400	N22,000
	Flour (50kg) 	N10,500	N10,500	↔	N8,500	N11,000
	Sugar (50kg) 	N16,000	N16,000	↔	N8,000	N20,000
	Beans (Oloyin) (50kg) 	N27,000	N27,000	↔	N12,000	N34,000
	Cement (50kg) 	N2,650	N2,650	↔	N1,400	N2,700

# CONSUMER GOODS – CURRENT PRICE LAGOS

GOODS	Street price	Supermarket price	% difference
Pepsi (50cl)	N120	N100	-20%
Beer (60cl)	N250	N280	-10.71%
Bread Loaf	N350	N400	-12.5%
Indomie (1 carton)	N1,900	N2,100	-15.5%
Gala (big size)	N100	N100	0%

Domestic prices remain flat



Every meal starts with us



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















[www.nasconplc.com](http://www.nasconplc.com)




Available nationwide.

# STOCK MARKET

- NSE ASI  0.40% to 44,912.53pts
- Consumer goods sub index  0.44% to 1,027.76pts

	Share Prices (₹)	Daily % Change ( Jan 19 – Jan 22)		YTD (%)
Nestle	1,500		1.35	 6.04
Honeywell	3.17		3.94	 32.55
Flourmill	30.00		-	 15.17
Cadbury	15.85		3.53	 8.49
NB	142.00		2.72	 8.23
Dangote Sugar	20.75		1.19	 13.98
Unilever	45.00		4.30	 8.18







# OIL PRICES

- Brent crude  0.55% to \$69.39pb
- Comments from Opec defacto leader, Saudi Arabia, suggests that cooperation may continue beyond 2018
- Oil producers met in Oman to discuss compliance & review progress
- Increase dampened by higher Libyan output





# OIL MARKETS TODAY

COMMODITY	WEEKLY CHANGE 22 Jan – 23 Jan	YTD	CURRENT PRICE
<b>O I L</b>			
BRENT	 0.17%	 3.77%	\$68.49pb
WTI	 0.14%	 4.73%	\$63.28pb
NATURAL GAS	 0.94%	 8.81%	\$3.21MBtu

# AGRIC COMMODITIES

## Wheat



↑ •Wheat futures up 0.71% to \$4.26/bushel

•Driven by tighter global supply, as a winter storm hits US Central plains

## Corn



↑ •Corn futures up 0.85% to \$3.54/bushel

•Extreme weather conditions in the US continue to affect crop outlook

## Cocoa



↑ •Cocoa prices up 0.41% to \$1,939/mt

•Increased demand from Euro countries. Cocoa processing up 3%

## Sugar



↓ •Sugar prices down 0.3% to \$0.1321/ pound

•Driven by increased competition among millers

# OUTLOOK – OIL PRICES



- Saudi Arabia Rep says producers could cooperate beyond 2018
- Prices expected to stay above \$68pb this week

# OUTLOOK – AGRIC PRICES

## Grains

- EIA expects wheat prices to stabilize, as supply reaches the lowest level in almost 10 years



## SUGAR

- Falling demand for sugary products is likely to depress prices

## COCOA

- Increased cocoa processing will push up demand and price in the weeks leading up to Valentine's Day

## Softs

