



- Brent oil lost 0.86% to \$78.18pb

- Domestic oil & condensate production rises to 1.86mbpd



- Rig count drops 7% to 13 in June



- NNPC signs \$3.7bn agreement for 7 gas projects



- On-grid power jumps 55% to 3,781MWh/hour- after touching record low

- Diesel price spikes to N230/liter



Good News



- Increased oil & condensate production = higher dollar revenue
- \$3.7bn gas investments by IOCs is good for power



Bad News

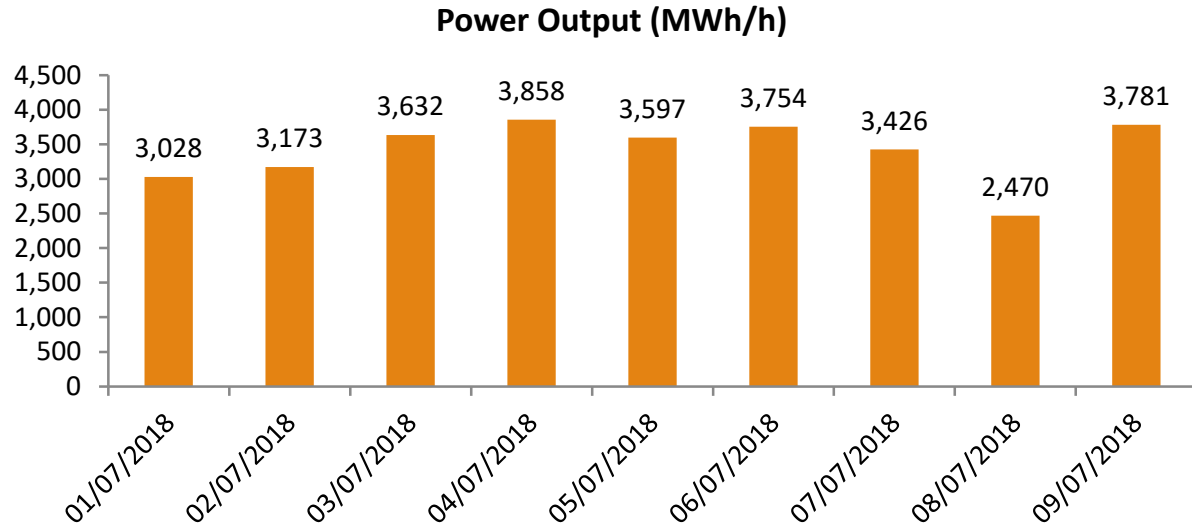


- Price of flour up N600 to N11,100 per bag
- Diesel price up 4.5% to N230 /liter
- Domestic price of rice and palm oil increases
- Rig count drops 7% to 13 in June

POWER GENERATION ANALYSIS & IMPACT



- July 9th: Average power output at 3,781MWh (up 1,311MWh/h)
- Total gas constraint was 1,928MW; Grid constraint was 1332MW; Water constraint was 320MWh/h
- Naira equivalent of power loss: N1.72bn (annualised at N627.80bn)













State	Temperature
Kano	31°C (-3°C)
Lagos	29°C (-1°C)
Abuja	28°C (-1°C)

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) 	N12,500	N10,000	↑	N6,000	N25,000
	Semovita (10kg) 	N2,900	N2,900	↔	N1,800	N3,500
	Old Yam (large tuber) 	N1,900	N1,900	↔	N400	N1,900
	Tomatoes (50kg) 	N20,000	N20,000	↔	N8,000	N20,000
Price Inelastic	Garri (50kg) (Yellow) 	N7,500	N7,500	↔	N7,000	N16,000
	Rice (50kg) 	N16,000	N15,500	↑	N13,000	N22,000
	Flour (50kg) 	N11,000	N10,500	↑	N8,500	N11,000
	Sugar (50kg) 	N14,900	N14,900	↔	N8,000	N20,000
	Beans (Oloyin) (50kg) 	N27,000	N27,000	↔	N12,000	N34,000
	Cement (50kg) 	N2,550	N2,550	↔	N1,400	N2,700

CONSUMER GOODS – CURRENT PRICE LAGOS

GOODS	Street price	Supermarket price	% difference
Pepsi (50cl)	N120	N100	20%
Beer (60cl)	N260	N300	-15.30%
Bread Loaf	N350	N400	-12.5%
Indomie (1 carton)	N1,900	N2,100	-15.5%
Gala (big size)	N100	N100	0%

Domestic food prices remain flat in spite of inflation decline

COMMODITY IN FOCUS - TIN



- **Total global production (2017):** 302,500 tonnes (\$6.1bn)
- Global output increased by 4.8% over 2016
- Global tin price jumped 12% to \$20,061/tonne in 2017

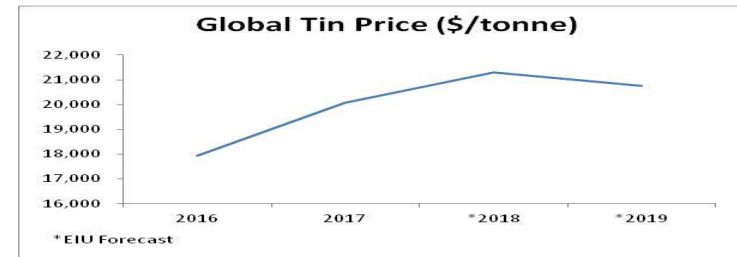
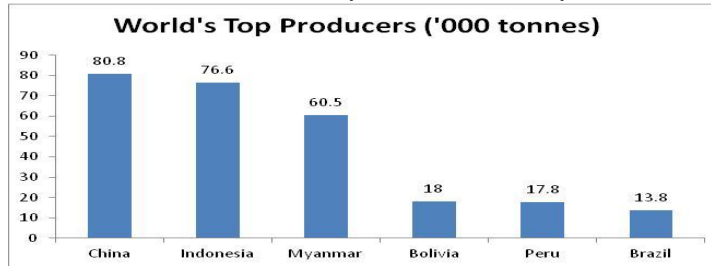


• **World's top producers:**  China,  Indonesia,  Myanmar

• **World's top consumers:**  China,  Europe,  U.S



• **Uses:** automobile, food cans, electronics, mobile phones, toothpaste





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TIN PRODUCTION IN NIGERIA

- **Total output:** Estimated at 3,000 tonnes (\$60.2mn) - approx. 1% of global
- Output represents 5.77% of total reserves (52,000 tonnes)
- **Rank:** Global – 12th, SSA- 3rd
- **Major producing states:** Plateau, Oyo, Bauchi, Kwara
- **Tin mining company:** Multiverse
- Used by packaging companies such as Avon Crowncaps

STOCK MARKET

- NSE ASI  0.6% to 37,421 on July 10th
- Consumer goods sub index  0.40% to 890.20







	Share Prices (₹)	Daily % Change (July 9 th - July 10 th)	YTD (%)
Nestle	1,500.00	 -	 3.60
Honey Flour	2.00	 3.38	 4.76
Flour Mills	31.00	 1.59	 6.70
Cadbury	12.30	 -	 21.51
NB	110	 0.99	 18.46
Dangote Sugar	17.50	 1.69	 12.5
Unilever	51.7	 0.29	 26.10

OIL PRICES



- Brent oil lost 0.86% to \$78.18pb
- As Saudi Arabia targets \$70pb
- Uptick in US rig count
- Losses were capped by shutdown of Shell-operated oilfield in Norway, as workers begin strike
- Continued output disruptions in Canada and Libya
- US crude inventories at 3.5yr low
- Sanctions on Iran could create a supply gap

OIL MARKETS TODAY

COMMODITY	DAILY CHANGE July 10 th - 11 th	YTD	CURRENT PRICE
BRENT	 0.86%	 16.93%	\$78.18pb
WTI	 0.58%	 21.91%	\$73.68pb
NATURAL GAS	 0.03%	 5.76%	\$2.78MBtu

AGRIC COMMODITIES

Wheat



•Wheat down 1.53% to \$5.00/bushel

•On expected increase in Mexican production

Corn



•Corn declined 0.99% to \$3.50/bushel

•As US tariffs on China weigh on corn market, affecting demand

Cocoa



•Cocoa prices increased by 0.49% to \$2,455/MT

•Dry weather in West African producing countries, reducing main crop yields

Sugar



•Sugar prices flat at \$0.1140/pound

•As outlook for global demand remains dim

OUTLOOK – OIL PRICES



- Canada's Syncrude to resume operations by July-end
- Investors concerned over US-China trade war
- WTI could soon be included in setting price of Brent crude
- US to have 20% LNG market share by 2023- IEA

OUTLOOK – AGRIC PRICES

Grains

- Expected drought in the US would affect yield and push up prices

SUGAR

- Lower-than-expected sugar quota for Indian millers, could support prices in the short term

COCOA

- Heavier rains in West Africa would favour crop growth and support bearish movement in the market

Softs

