

BURNING ECONOMIC ISSUES



- NLNG to raise \$7bn to finance Train 7
- Nigeria set to sign Africa Free Trade Agreement-Buhari



- Brent dips 0.34% to \$74.24pb



- On-grid power rises to 3,935MWh/hour
- External reserves slips to \$47.70bn



- Naira flat at N361/\$, depreciates at IE window to N362.25/\$
- Inflation release date postponed to July 23rd
- Nigerian Breweries to issue N8bn commercial papers



Good News



- Train 7 will boost LNG export earnings by 14%
- Power output back up on restored grid
- Naira remains flat at N361/\$
- Diesel price crashes to N207/liter



Bad News

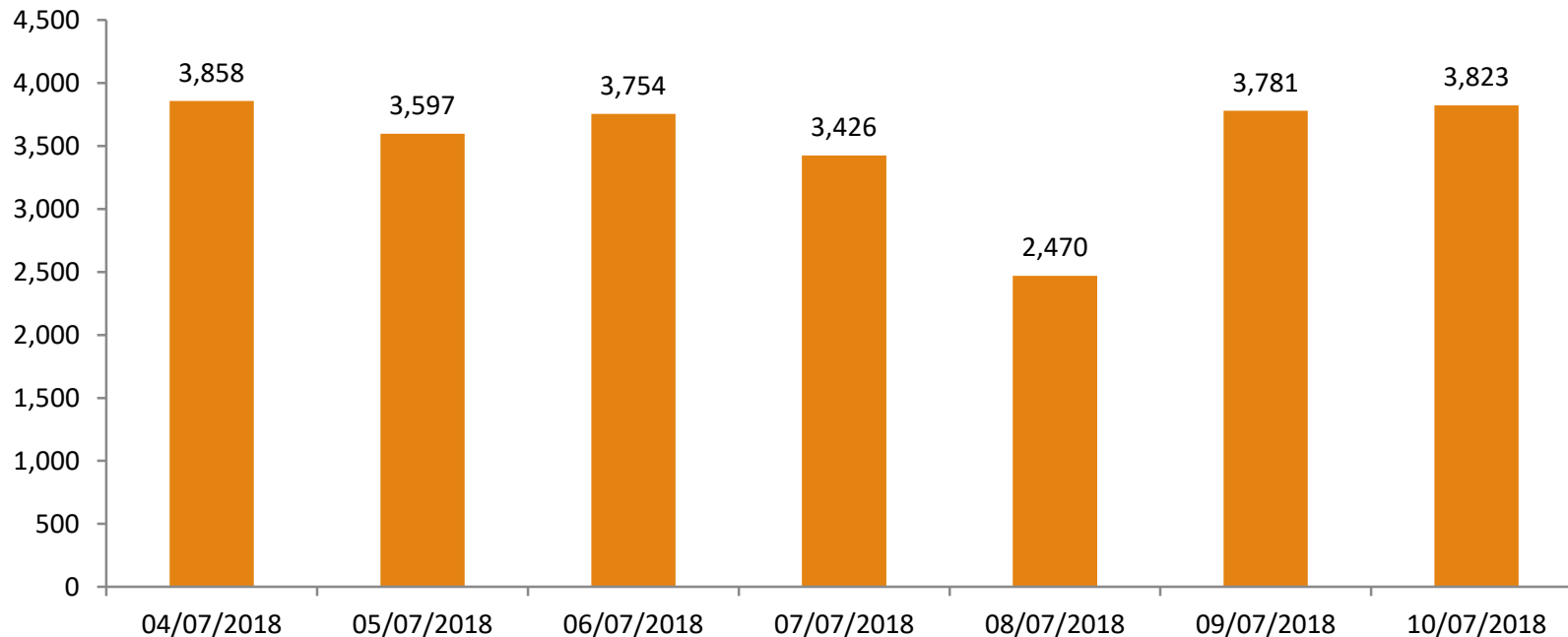
- Delay in inflation data is disruptive to analysts' MPC forecasts

POWER GENERATION ANALYSIS & IMPACT



- July 11th: Average power output at 3,935MWh (up 111.85MWh/h)
- Total gas constraint was 2,046MW; Grid constraint was 998MW; Water constraint was 240MWh/h
- Naira equivalent of power loss: N1.58bn (annualised at N575.61bn)

Power Output (MWh/h)



State	Temperature
Kano	33°C (+2°C)
Lagos	29°C (+0°C)
Abuja	29°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
Palm Oil (25L) 	N12,500	N12,500	↔	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
Garri (50kg) (Yellow) 	N7,500	N7,500	↔	N7,000	N16,000
Rice (50kg) 	N16,000	N16,000	↔	N13,000	N22,000
Flour (50kg) 	N11,000	N11,000	↔	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



Every meal starts with us



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















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STOCK MARKET

- NSE ASI  0.07% to 37,226.44 on July 12th
- Consumer goods sub index  0.07% to 886.72







	Share Prices (₹)	Daily % Change (July 11 th - July 12 th)	YTD (%)
Nestle	1,500.00	 -	 3.60
Honey Flour	1.91	 6.37	 9.04
Flour Mills	30.5	 0.81	 5.17
Cadbury	12.30	 -	 21.51
NB	110.2	 0.72	 18.31
Dangote Sugar	17	 2.86	 15
Unilever	51.85	 0.29	 26.46

OIL PRICES



- Brent oil dipped 0.34% to \$74.87pb
 - After declining sharply to \$73.5pb- 4 week low
 - Compared to last week's average of \$77.75pb
- As China's trade surplus with US reached record high in June, intensifying trade-war tensions
- Earlier-than-expected resumption in Libyan exports
- EIA reports US crude stockpiles decreased by 12.6 million barrels

OIL MARKETS TODAY

COMMODITY	DAILY CHANGE July 12 th - 13 th	YTD	CURRENT PRICE
BRENT	 0.34%	 11.02%	\$74.24pb
WTI	 0.04%	 16.45	\$70.36pb
NATURAL GAS	 0.04%	 5.08%	\$2.80MBtu

AGRIC COMMODITIES

Wheat



•Wheat increased by 1.22% to \$4.78/bushel

•Weak harvest prospects in Europe

Corn



•Corn went up 0.85% to \$3.56/bushel

• As China-US trade war dampens demand

Cocoa



•Cocoa prices declined by 0.84% to \$2,480/MT

• Expected boost in Ghanaian output

Sugar



•Sugar prices fell 1.33% to \$0.1140/pound

•As outlook for global demand remains dim

OUTLOOK – OIL PRICES



- US allies are expected to align with Trump's request to halt oil trade with Iran and Venezuela
- US oil exports to India doubles, compared to a year ago
- Russia and Saudi Arabia may be able to bridge output gap

OUTLOOK – AGRIC PRICES

Grains

Favourable weather condition is good for grains supply, but bad for prices



Softs

SUGAR

- Quota system in India would restrict current bearish trends being driven by subdued global demand.

COCOA

- Ghana is planning massive investments in cocoa industry to take advantage of the new crop season.

