



- Brent dips 0.56% to \$71.44pb
- Shell lifts force majeure on Nigeria's Bonny Light crude



- FPI outflows from stock market jumps 125% to \$428.9mn in May - NSE



- China's economy slows to 6.7% in Q2



- On-grid power down 6.3% to 3,520MWh/hour
- Naira appreciates to N360/\$ at parallel market



Good News



- Force majeure lifting means higher production in July
- Naira appreciates by 0.27% to N360/\$
- Diesel retail price flat at N207/litre



Bad News

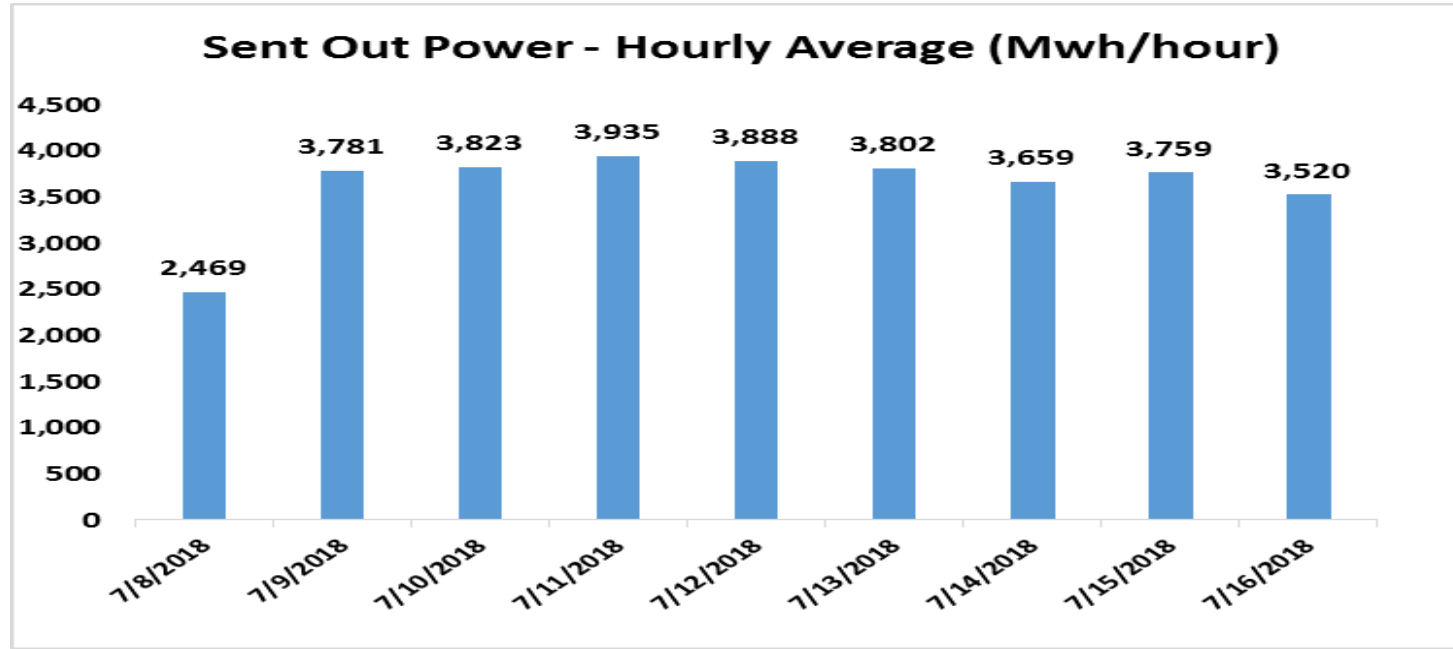


- Brent at a 3-month low
- Slowdown in China – Nigeria's largest trading partner
- Power output remains below 4,000MW/hr despite heavy rainfall
- FPI outflows likely to increase as election uncertainty heightens

POWER GENERATION ANALYSIS & IMPACT



- July 16th: Average power output at 3,520MWh (down 238.88MWh/h)
- Total gas constraint was 1,392MW; Grid constraint was 1,797.4MW; Water constraint was 320MWh/h
- Naira equivalent of power loss: N1.69bn (annualised at N616.85bn)












State	Temperature
Kano	31°C (+2°C)
Lagos	28°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
Price Elastic	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
Price Inelastic	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

COMMODITY IN FOCUS - PLANTAIN

Planting/yield lag: 9-12months

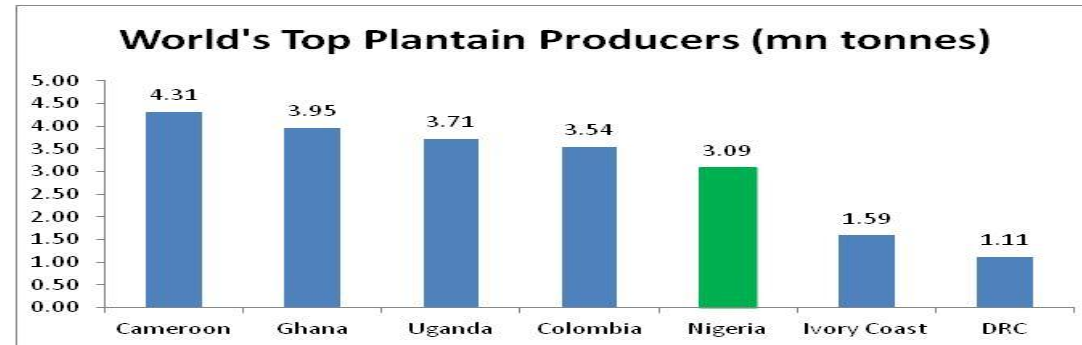
Total global (2016): 35.1mn tonnes

African producers dominate global market share (over 51%)

World's top producers: Cameroon, Ghana, Uganda

World's top Importers: U.S, Saudi Arabia, South Africa

Uses: boiled, roasted, flour, chips, wine, beer



Source: FAOSTAT, FDC Think Tank



PLANTAIN PRODUCTION IN NIGERIA

Nigeria's total production: 3.09mn tonnes (c.9% of global)

Potential : 6.5mn tonnes

Rank in global production: 5th

Major producing states: Edo, Ondo, Delta and Ogun

Ample arable land for output expansion

Growing appetite for plantain chips across the country due to improved packaging

A branch of plantain costs N300-N450 in Nigeria



Every meal starts with us



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

www.nasconplc.com



Available nationwide.















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

STOCK MARKET

- NSE ASI  0.81% to 36,963.70 on July 17th
- Consumer goods sub index  1.18% to 886.72

	Share Prices (₦)	Daily % Change (July 16 th - July 17 th)	YTD (%)
Nestle	1,527.00	 -	 3.60
Honey Flour	1.94	 1.02	 9.04
Flour Mills	30.00	 0.33	 5.17
Cadbury	11.15	 -	 21.51
NB	108.50	 1.36	 18.31
Dangote Sugar	17.95	 2.57	 15
Unilever	51.85	 -	 26.46







OIL PRICES



- Brent oil fell 0.56% to \$71.44pb
- On higher OPEC production
- OPEC's production rose to a 4-year high of 31.87mbpd in June
- Weak economic data from China also put pressure on prices
- President Trump is also mulling the release of the US Strategic Petroleum

Reserves to combat higher US gasoline prices

OIL MARKETS TODAY

COMMODITY	DAILY CHANGE July 16 th - 17 th	YTD	CURRENT PRICE
BRENT	 0.56%	 8.02%	\$71.44pb
WTI	 0.48%	 16.45	\$67.72pb
NATURAL GAS	 0.73%	 4.21%	\$2.77MBtu

AGRIC COMMODITIES

Wheat



↑ •Wheat increased by 1.35% to \$4.87/bushel

•A heat wave in Northern Europe has reduced output

Corn



↑ •Corn went up 1.24% to \$3.61/bushel

• Increased prospects of a weak harvest following unfavorable weather conditions in Germany

Cocoa



↑ •Cocoa prices up by 1.13% to \$2,513/MT

• In response to poor weather conditions in West Africa

Sugar



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

•On weak sugar demand

OUTLOOK – OIL PRICES



- OPEC members are likely to increase production
- In line with the group's agreement in June
- IEA expects oil demand to rise significantly in H2'18
- Prices likely to trade around \$74pb-\$77pb this week

Grains

Unfavourable weather conditions in Europe will continue to push up prices



Softs

SUGAR

- Weak market fundamentals likely to depress prices further

COCOA

- Higher production from West Africa to keep prices around current levels

