



Burning Economic Issues



- FAAC up 3.8% to N741.84bn in September
 - US Fed raises interest rate by 25bps
 - Flooding disaster pushes up commodity prices (rice, beans and tomatoes)
 - Power output up marginally to 3,508MW/h
 - Brent up 1.08% to \$82.22pb
- Gross external reserves declines further to \$44.46bn



Impact



- Rapprochement as CBN offers MTN an olive branch
- Skye bank depositors safe



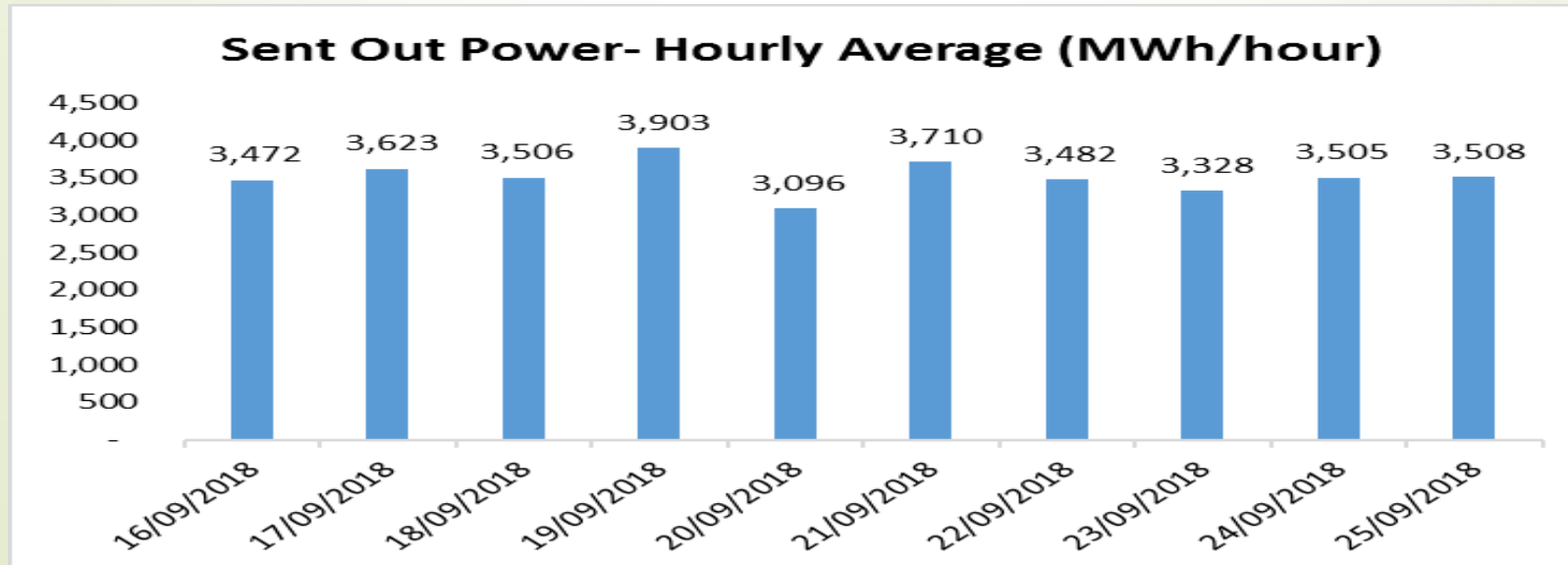
- External reserves depletion has intensified to \$44.53bn
- Stock market down again as confidence dips

Power Sector

September 25th





State	Temperature
Abuja	29°C
Kano	33°C
Lagos	27°C

- Average power output: 3,508MW/h (up by 3.12MW/h)
- Gas constraint stood at 887.5MW while grid constraint was at 2,237.6MW. No water constraint
- Naira equivalent of power loss: N1.55billion (annualized at N565.75billion)









Domestic Commodities Price Movement

Relatively Elastic Goods

Commodities		Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Palm Oil (25l)		N10,000	N10,000	↔	N6,000	N25,000
Semovita (10kg)		N2,850	N2,900	↓	N1,800	N3,500
Old Yam (large tuber)		N1,900	N1,900	↔	N400	N1,900
Sugar (50kg)		N14,900	N14,900	↔	N8,000	N20,000

Domestic Commodities Price Movement

Relatively Inelastic Goods

Commodities	Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Garri (50kg) Yellow 	N6,500	N6,500	↔	N7,000	N16,000
Rice (50kg) 	N16,000	N15,500	↑	N13,000	N22,000
Flour (50kg) 	N11,100	N11,100	↔	N8,500	N11,000
Beans (Oloyin)(50kg) 	N27,000	N25,500	↑	N12,000	N34,000
Cement (50kg) 	N2,550	N2,550	↔	N1,400	N2,700
Tomatoes (50kg) 	N12,000	N10,000	↑	N8,000	N20,000

- Most domestic commodities have increased relative to the previous month
- Domestic price of flour to increase by N250 to N11,350 in October

Consumer Goods – Current price

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

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Stock Market

- NSE ASI  0.46% to 32,963.27 on September 26th
- Consumer goods sub index  0.10% to 780.51pts







	Share Prices (₹)	Daily % Change (Sept 25 th -26 th)	YTD (% Change)
Nestle	1,495	 -	 3.92
Honeywell	1.47	 0.68	 30.00
Flour Mills	19.65	 1.75	 32.24
Cadbury	9.20	 -	 41.29
NB	90.10	 0.11	 33.21
Dangote Sugar	14.60	 -	 27.0
Unilever	45.00	 -	 9.76

Oil Prices

- Brent crude up 1.08% to \$82.22pb
- Driven by an increase in US crude inventories to 400 million barrels last week
- Trump reiterated his support of lower oil prices at the UN General Assembly



Oil Markets Today

COMMODITY	DAILY CHANGE September 25 th – September 26 th	YTD	CURRENT PRICE
BRENT	 1.08%	 22.95%	\$82.22pb
WTI	 1.23%	 19.91%	\$72.45pb
NATURAL GAS	 1.98%	 2.37%	\$3.02MBtu

Agricultural Commodities

Wheat



•Wheat prices up by 0.67% to \$5.24/bushel

•Driven by unfavourable weather in producing countries- Australia and Russia

Corn



•Corn prices up by 0.07% to \$3.64/bushel

•Owing to robust global demand

Cocoa



• Cocoa prices increased by 0.41% to \$2,204/MT

•Despite Ghana's plans to boost cocoa output

Sugar



• Sugar prices fell by 1.08% to 0.1103/pound

• Amidst larger than expected unsold stock

OUTLOOK – Oil Prices



- Brent to trade between \$80-82pb this week
- An increase in US benchmark interest rate and a boost in Libya's output may taper price gains

OUTLOOK – Agricultural Prices

GRAINS

- Disease and flooding affecting US output may likely depress prices

SOFTS

Sugar

- The approval of Indian incentives for 2018/2019 exports to push prices down

Cocoa

- Increase in Ghanaian output by approximately 1 million tonnes is negative for global prices