



Burning Economic Issues

- Inflation eases to 11-month low of 11.22% in June
- Brent up 0.16% to \$66.59pb, production up to 1.86mbpd
- Power down to 3,411Mhw/hr – below 4,000Mhw/hr threshold
- Retail price of diesel flat at N230-235/ltr
- Naira trading at N360/\$ (parallel market)



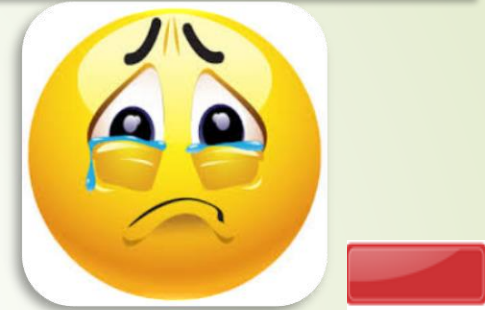
Impact

The Goodies



- Falling inflation gives MPC room to lower interest rates
- Brent up 6.7% to \$66.59pb in the last 2 weeks
- Production up 7.51% to 4-year high of 1.86mbpd

The Downers



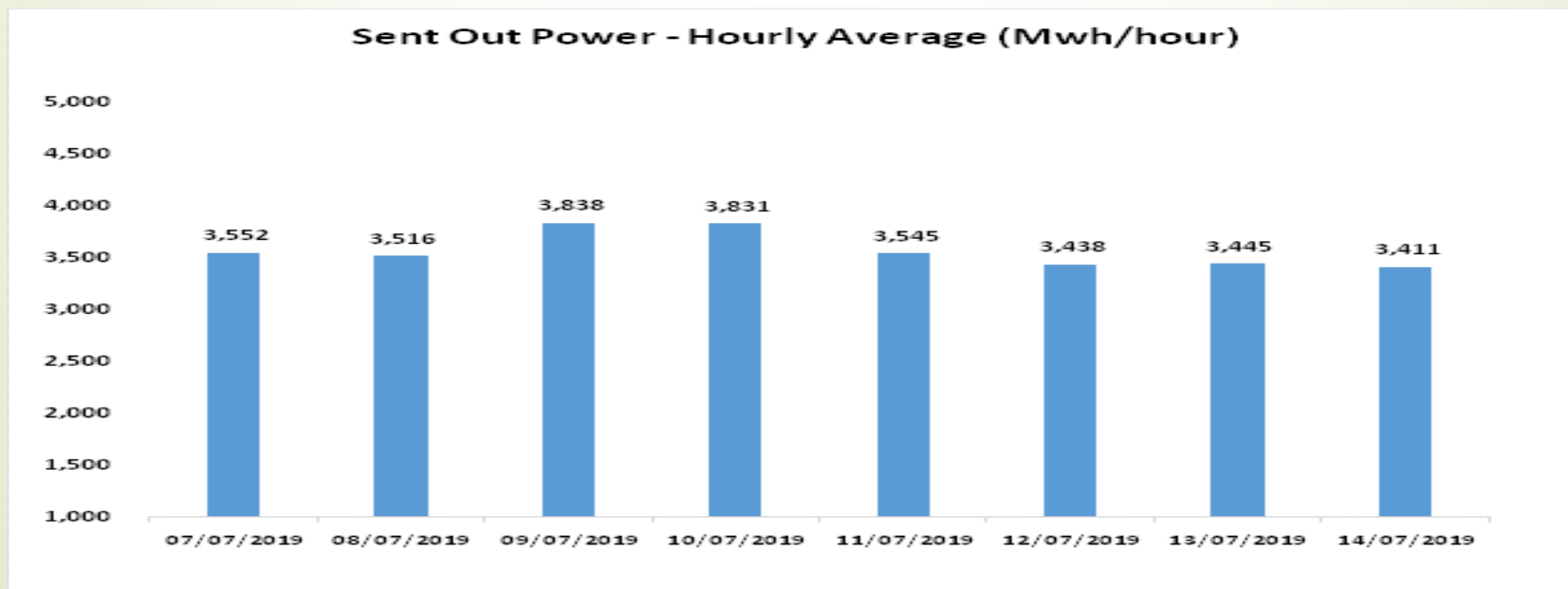
- Power supply below 4,000MW/h for over three weeks
- LNG down by 18% ytd
- Chinese growth slows as tariff wars hurt

Power Sector

July 14th





State	Temperature(noon-time)
Abuja	27°C
Kano	32°C
Lagos	28°C

- Average power output: 3,411 MW/h (down by 34MW/h)
- Affected stations: Egbin (220MWh/hr↓), Olorunsogo (379.5MWh/hour ↓).
- Gas constraints stood at 1,787.5MWh/h, Grid constraint was 3,094.3MWh/h
- Naira equivalent of power loss: N2.343billion (annualized at N854.1billion)

















Domestic Commodities Price Movement

Relatively Elastic Products

Commodities		Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Palm Oil (25l)		N9, 000	N9,000	↔	N6,000	N25,000
Semovita (10kg)		N3,000	N3,000	↔	N1,800	N3,500
Old Yam (medium size)		N1,300	N1,200	↑	N400	N1,900
Sugar (50kg)		N14,900	N14,900	↔	N8,000	N20,000

Domestic Commodities Price Movement

Relatively Inelastic Products

Commodities	Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Garri (50kg) Yellow 	N6,250	N6,500		N6,150	N16,000
Rice (50kg) 	N16,000	N15,000		N13,000	N22,000
Flour (50kg) 	N11,500	N11,000		N8,500	N11,500
Beans (Oloyin)(50kg) 	N17,000	N19,000		N12,000	N34,000
Cement (50kg) 	N2,550	N2,550		N1,400	N2,700
Tomatoes (50kg) 	N20,000	N18,000		N6,000	N20,000
Pepper (bag) 	N8,500	N8,000		N5,000	N15,000

- Most commodity prices increased due to impact of planting season

WIN BIG!

IN THE
DANGOTE

BAG OF GOODIES

CONSUMER PROMO



43
GAC SALOON CARS
TO BE WON

OVER
21 Million
POSSIBLE
WINNERS

42.5R
CASH PRIZE PER YEAR
SCRATCH CARD 50 = 1kg

OVER
₱200M
CASH PRIZE

OVER
300,000
FOODIE PACKS

550
REFRIGERATORS

24
MOTOR BIKES

24
TRICYCLES

400
TELEVISIONS

HOW TO WIN

- Buy any promotional bag of Dangote cement.
- Pick out the scratch card inserted.
- Scratch and stand a chance of winning any of the following items that is revealed on the card
- Saloon Car (star prize), Motorcycles, Tricycles, TV Sets, Fridge, Dangote pack of goodies and Airtime (across all mobile networks)
- Redemption of the gift items will be at our Depots, Regional Offices and specially selected Customer Outlets in areas that are distant from our depot and offices.

Promo runs from July 1st - Sept 30th, 2019



*TERMS AND CONDITIONS APPLY
*ALL DANGOTE STAFF, FAMILIES, THIRD PARTY AGENTS AND THEIR STAFF ARE EXEMPTED FROM THIS PROMO
Customer Care Helpline: 01-460643, 08152093122, 08152093152, 08152093153 and 08152093133
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build with peace of mind

Approved by National Lottery Regulatory Commission (NLRC) Approved by the Consumer Protection Council

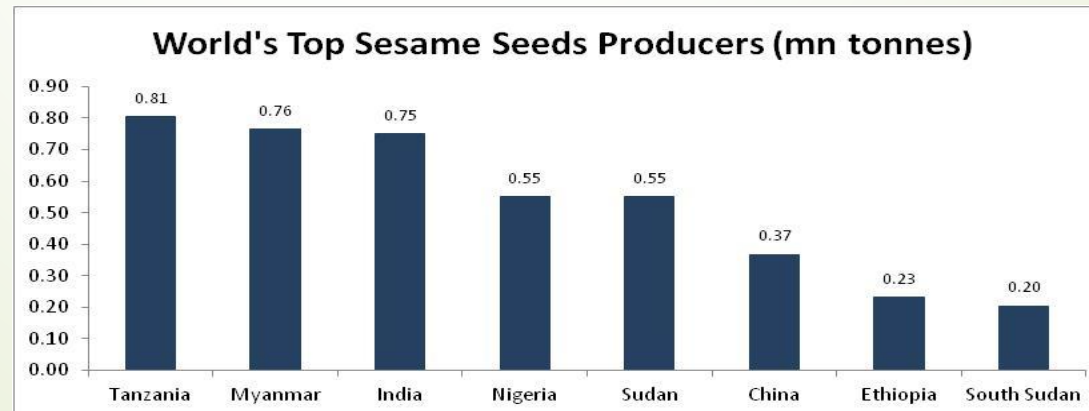


Consumer Goods – Current price

Goods	Street price	Supermarket price	% difference
Pepsi (50cl)	N100	N100	0%
Heineken beer (60cl)	N300	N330	-10.00%
Bread Loaf	N350	N400	-12.5%
Indomie (1 carton)	N2,000	N2,300	-15.0%
Gala (big size)	N100	N100	0%

Commodity in Focus - Sesame Seeds

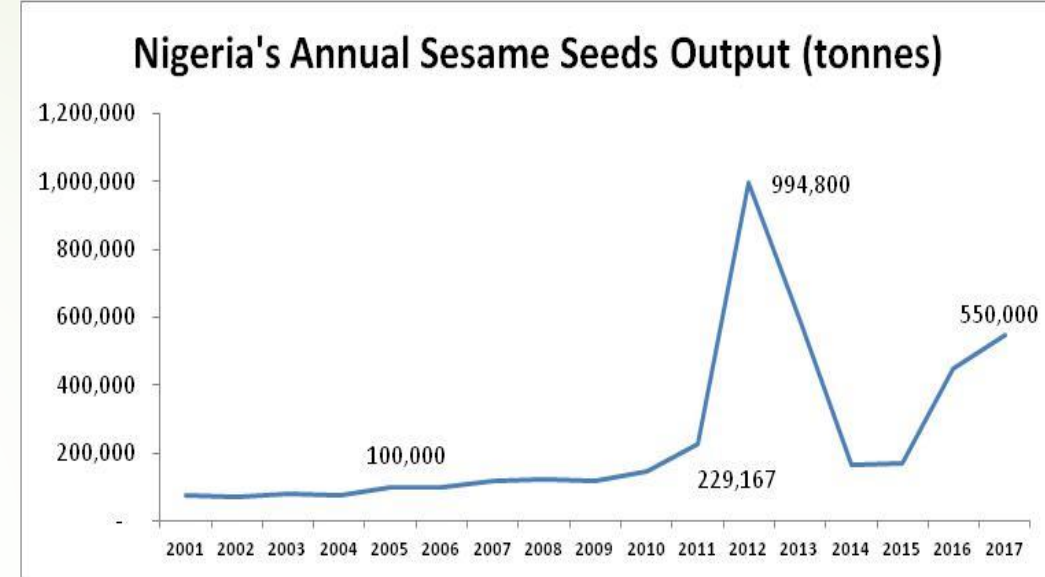
- Total global production (2017): Estimated at 5.53mn tonnes (\$4.15bn)
- Global output fell sharply by 9.5% compared to 2016
- Global price of sesame seeds increased in 2018 and is now trading at a range of \$1,550-\$1,650/tonne
- World's top producers: Tanzania, Myanmar, India
- World's top consumers: Tanzania, China, Sudan
- Uses: sesame oil, sesame flour, pastry garnishing, sushi, salad



Source: FAOSTAT, FDC Think Tank



Sesame Seeds Production in Nigeria















- **Nigeria's production:** estimated at 550,000 tonnes (\$413mn)
- 9.95% of total global output
- **Rank:** largest in SSA & 4th largest in the world
- **Potential output:** Approx. 1mn tonnes
- Mainly produced for exports to Japan, China and Turkey – major ingredient in cooking oil
- Export earnings from sesame seeds in excess of \$200mn
- Produced mainly in 9 states: Jigawa, Benue, Nassarawa, Yobe, Kano, Gombe, Plateau, Katsina, Kogi
- Pastoral conflicts in major producing states weighing on output



Source: FAOSTAT, FDC Think Tank

Stock Market

- NSE ASI  0.79% to 28,341.03pts on July 15th
- Consumer goods sub index:  0.16% at 575.32pts

	Share Prices (₦)	Daily % Change (July 12 th –15 th)	YTD (% Change)
Nestle	1,228	 0.24	 17.30
Honeywell	1.00	 -	 21.88
Flour Mills	16.2	 -	 29.87
Cadbury	11.05	 -	 19.5
Dangote Sugar	10.35	 2.36	 32.13
Unilever	33	 -	 10.81
Ikeja Hotels	1.37	 -	 1.96

Oil Markets Today

COMMODITY	DAILY CHANGE July 15 th – 16 th	YTD	CURRENT PRICE
BRENT	↑ 0.16%	↑ 23.77%	\$66.59pb
WTI	↓ 0.03%	↑ 31.16%	\$60.48pb
NATURAL GAS	↓ 0.83%	↓ 18.70%	\$2.39MBtu



4 Years
45 Warehouses
13 States



100,000 Farmers
40,000 Youth & Women



100,000 MT
Grains & Seeds



\$30M Traded
\$5M Input Loans

...building an alternative asset class.



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Oil Prices

- Brent up by 0.16% to \$66.59pb
- Driven by:
 - Production shut-ins in the Gulf of Mexico
 - Growing US/Iran tensions



Agricultural Commodities

Wheat



• Wheat price up 1.1% to \$195.83/MT

• On expectations of weak global supply in the 2019/2020 season.

Corn



• Corn prices rose by 0.93% to \$185.40/tonne

• On the back of adverse weather conditions in North America

Cocoa



• Cocoa prices rose by 0.48% to \$2,503/MT

• Supported by strong global demand

Sugar



• Sugar prices inched down by 0.65% to \$12.30/pound

• Depressed by increased Indian exports

OUTLOOK – Oil Prices



- Brent likely to trade between \$65pb-\$67pb
- Slowest Chinese GDP growth in 27 years to add to concerns of a slowdown in global economic growth
- OPEC's output cut extension to moderate losses

OUTLOOK – Agricultural Prices

GRAINS

- Easing concerns about US production to push down prices in the coming weeks

SOFTS

Sugar

- Prices to trend upward due to lower sugar output from Thailand

Cocoa

- Agreement by Ghana and Ivory Coast on minimum floor price to bolster prices