

# Burning Economic Issues

- Brent down to \$41.93pb on massive price discounts from Saudi Arabia to Asia, US
- International flights resume and forex demand jumps
- Naira crashes to N445/\$ at parallel market
- Petrol price up, transport fares remain flat
- Floods wash away 25% of Nigeria's rice harvest

## The Downers



- Brent down 7.40% to \$41.93pb in the last week
- Naira crashes at parallel market (N445/\$)
- Stock market down (-0.09%)
- Price of rice to spike as supply falls

## Impact

## The Goodies



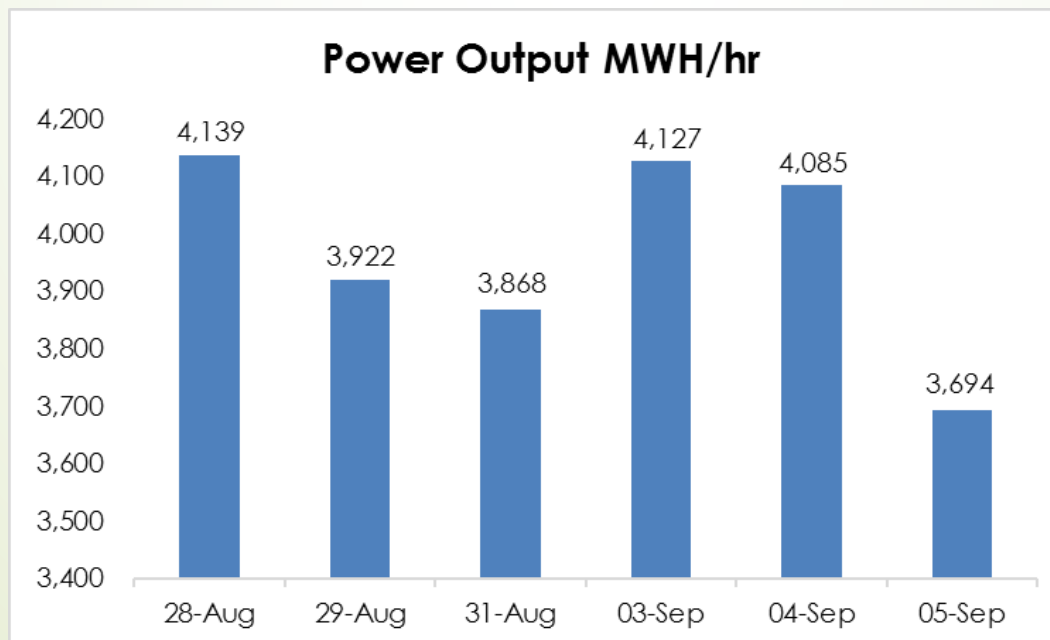
- Economic activities increasing again
- FGN tries to douse labour tension
- External reserves up (\$35.68bn)

# Power Sector

September 5<sup>th</sup>





State	Temperature(noon-time)
Abuja	23 <sup>0</sup> C
Kano	23 <sup>0</sup> C
Lagos	26 <sup>0</sup> C

- Average power output: 3,694MWH/hr (down 391.53MWH/hr)
- Gas constraints stood at 2,618MWh/hr, Grid constraint was 1,418.5MWh/hr and there was no water constraint
- Naira equivalent of power loss: N1.938billion (annualized at N709.31billion)



# Domestic Commodities Price Movement

## Relatively Elastic Products

Commodities		Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Palm Oil (25l)		N12,500	N12,500	↔	N9,000	N12,500
Semovita (10kg)		N3,400	N3,400	↔	N2,800	N3,400
New Yam (medium size)		N1,000	N1,000	↔	N400	N2,000
Sugar (50kg)		N20,000	N17,500	↑	N13,000	N23,000








- Exchange rate pass through effect on flour and other imported commodities
- Price of rice to spike in coming months

# Every Taste Maker's Delight



# Domestic Commodities Price Movement

## Relatively Inelastic Products















Commodities	Current Prices	Previous Month Prices	Directional Change	1-Year Low	1-Year High
Garri (50kg) Yellow 	N13,500	N12,950	↑	N6,150	N15,000
Rice (50kg) 	N28,000	N28,000	↔	N14,000	N28,000
Flour (50kg) 	N13,000	N12,700	↑	N10,000	N13,000
Beans (Oloyin)(50kg) 	N18,000	N18,000	↔	N14,000	N25,500
Cement (50kg) 	N2,600	N2,600	↔	N1,600	N2,700
Tomatoes (50kg) 	N35,000	N20,000	↑	N6,000	N35,000
Pepper (bag) 	N15,000	N16,000	↓	N5,000	N16,000

# 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%

# Stock Market

- NSE ASI  0.09% to 25,582.23pts on September 7<sup>th</sup>
- Consumer goods sub index:  0.36% at 431.80pts

	Share Prices (₦)		Daily % Change (September 4 <sup>th</sup> – September 7 <sup>th</sup> )		YTD (% Change)
Nestle	1,175		-		20.06
Honeywell	0.90		6.25		9.09
Flour Mills	19.0		-		3.55
Cadbury	7.75		-		26.54
Dangote Sugar	12.05		3.60		11.40
Unilever	15.00		-		31.82
Ikeja Hotels	0.84		-		25.00



# Oil Markets Today

COMMODITY	DAILY CHANGE September 4 <sup>th</sup> – September 7 <sup>th</sup>	YTD	CURRENT PRICE
BRENT	↓ 0.73%	↓ 36.47%	\$41.93pb
WTI	↓ 0.75%	↓ 36.10%	\$39.02pb
NATURAL GAS	↓ 1.70%	↑ 15.98%	\$2.54MMBtu

# Oil Prices



- Brent down 0.73% to \$41.93pb
  - WTI down 0.75% to \$39.02pb
- On strengthened US dollar
- Saudi Arabia cuts oil prices for October crude sales to Asia & US
  - In response to signs of wavering fuel demand
- US active oil rigs up to 181 in one week – Baker Hughes

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# Agricultural Commodities

## Wheat



- Wheat prices up by 0.88% to \$544.50/bushel
- Buoyed by high demand from Saudi Arabia

## Corn



- Corn prices climbed by 0.64% to \$356.50 /bushel
- In spite of increased rainfall in the east coast of the US

## Cocoa



- Cocoa prices increased by 0.40% to \$2,486.00/mt
- Despite commencement of new cocoa season in Cameroon

## Sugar



- Sugar prices rose by 0.08% to \$12.59/pound
- On strong Chinese demand

# OUTLOOK – Oil Prices



- Brent likely to trade between \$42 – \$43pb
- Owing to increased OPEC+ supply amid weak global demand

# OUTLOOK – Agricultural Prices

## GRAINS

- Strong Russian exports to push down prices
- US weather conditions to suppress corn prices

## SOFTS

### Sugar

- Prices to trend upward on increased global demand

### Cocoa

- Higher output prospects in Cameroon to lower prices