

## COMPOSITIES UPDATE April 11, 2023



## Burning Economic Issues



- Brent up 0.18% (\$84.86pb) on expectations of increased demand from emerging markets -*Reuters*
- LNG prices fell 0.37% (\$2.16/bushel) due to reduced demand from Asia and high gas inventories in

Europe- *Bloomberg* 

Sugar prices rose 0.13% (\$23.21/Pound) owing to lower production in India amid rising demand- *Reuters* 

Impairment on the N1.4trn Anchor Borrowers' Program hit 75.6%

This month, the naira has appreciated by 0.27% to N743/\$ due to the subdued demand for the US dollar

Month-to-date, the NGX has lost 2.28% to close at 52,994.13pts on April 6th



#### The Downers

#### Impact

- Higher sugar prices will increase Nigeria's import bill as well as the risk of imported inflation.
- A fall in LNG price will reduce export earnings and increase fiscal deficit.

# The Goodies

- The 0.18% increase in oil prices will help boost the country's oil earnings and increase fiscal revenue.
- The appreciation of the naira will reduce inflationary pressures in the country.



#### Domestic Commodities Price Movement

Commodities	Previous Month Prices	Current Prices	Directional Change
Garri (50kg) Yellow	N20,000	N20,000	$ \Longleftrightarrow $
Rice (50kg) short grain	N40,000	N38,000	↓
Flour (50kg)	N29,000	N29,000	$ \Longleftrightarrow $
Beans (Oloyin)(50kg)	N56,000	N38,000	
Cement (50kg)	N4,300	N4,300	$ \Longleftrightarrow $
Tomatoes (50kg)	N19,000	N25,000	
Pepper (bag)	N15,000	N20,000	
Onions (bag)	N32,000	N25,000	

• Food prices will begin to rise due to increased cash in circulation.



#### Domestic Commodities Price Movement

#### Relatively Elastic Products

Commodities	Previous Month Prices	Current Prices	Directional Change	1-Year Low	1-Year High
Palm Oil (251)	N18,000	N18,000	$ \Longleftrightarrow $	N9,000	N27,500
Semovita (10kg)	N6,800	N6,800	$ \Longleftrightarrow $	N2,800	N6,800
New Yam (medium size)	N1,800	N1,500	<b>I</b>	N400	N2,000
Sugar (50kg)	N35,000	N35,000	$ \Longleftrightarrow $	N13,000	N35,000



#### **Driving World-Class Enterprise...**





## Consumer Goods – Current price

Goods	Street price	Supermarket price	% difference
Pepsi (50cl)	N200	N200	0%
Heineken beer (60cl)	N600	N630	-5.00%
Bread Loaf	N900	N900	-00.0%
Indomie (1 carton)	N4,000	N4,100	-2.50%
Gala (big size)	N100	N100	] 0%







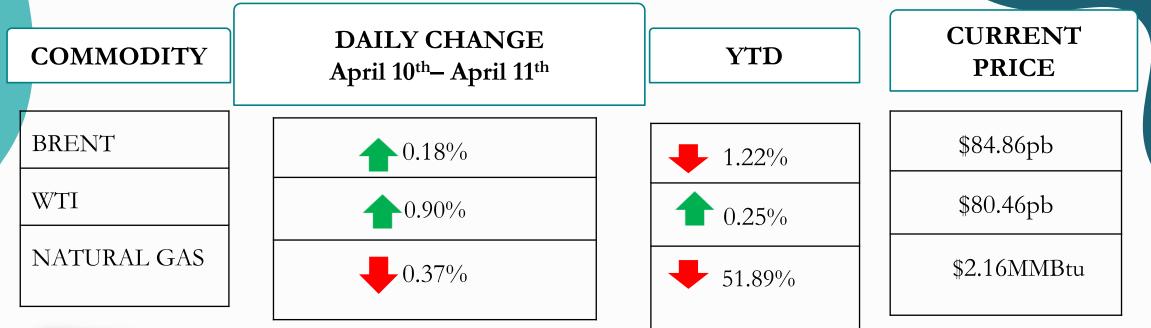
## Stock Market

#### NSE ASI -0.05% to close at 52,994.13pts on April 6<sup>th</sup> 2023

	Share Price (₦)	2S	Daily % Change (April 6 <sup>th</sup> )	YTD (% Change)
Nestle	1080.30	$\Leftrightarrow$	0.00	1.79
Honeywell	2.20	$\Leftrightarrow$	0.00	5.98
Flour Mills	29.50	$\Leftrightarrow$	0.00	3.87
Cadbury	11.30	$\Leftrightarrow$	0.00	5.04
Dangote Sugar	17.00	➡	2.86	<b>1</b> 5.92
Unilever	13.05	$\Leftrightarrow$	0.00	12.50
Ikeja Hotels	1.19	$\leftrightarrow$	0.00	13.33



## Oil Markets Today









## Oil Prices



- Brent rose 0.18% to \$84.86pb
- WTI up 0.90% to \$80.46pb

•Oil prices gained on expectations of an increase in demand from emerging countries.



## Agricultural Commodities









Rose 0.37% to \$678.00/bushel, on renewed supply concerns spurred by Russia's threat to reduce grain supply. Rose 0.78% to \$648.50/bushel, despite an improved weather outlook in the US

Dropped 0.14% to \$2,866.00/mt, against tight global supply Increased 0.13% to \$23.21/Pound, driven by lower output in India and rising demand.





#### **FUNDS MANAGEMENT**

#### **INVESTMENT BANKING**

#### FINANCIAL ADVISORY



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#### Abuja Branch

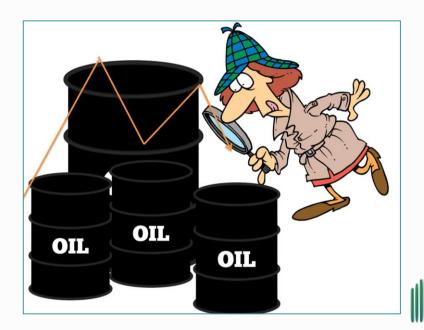
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#### Outlook — Oil Prices

Oil prices are expected to keep rising in the near term as OPEC's recent output cut

spurs supply concerns.





## Outlook – Agricultural Prices

#### **GRAINS**

- Wheat prices are expected to fall as the weather outlook in the US improves.
- Corn prices will remain high as supply concerns persists

## **SOFTS** • Cocoa prices will begin a downward trend, driven by improved supply prospects in Ivory Coast.

Sugar prices would surge further due to lower production in India



