

COMMODITIES UPDATE



June 15, 2023

Burning Economic Issues

- CBN introduces a willing buyer, willing seller model; adopts a single exchange rate window,
 - Naira trades at N664.04/\$ at the official window, appreciated by 1.86% to N751/\$ (parallel market)
- US Fed keeps policy rates unchanged at 5%–5.25% in June 2023
- Brent up 0.18% (\$73.33pb) driven by prospects of improved demand from China– **Reuters**
- LNG fell 0.85% (\$2.32/mmbtu) as weak demand offset the extension of supply outages in Norway– **Bloomberg**
- Cocoa futures rose 0.47% (\$3,199.00/mt) on growing concern over adverse weather in Ivory Coast– **Reuters**
 - Cocoa prices rise in Nigeria's Ondo and Abia States
 - Cameroon steps up efforts to stop smuggling of cocoa beans to Nigeria
- In the last two trading days, the NGX has gained 7.12% to close at 59,985.10pts on positive policy reforms by the new administration

The Downers



Impact

- The decline in LNG prices would worsen Nigeria's trade balance and fiscal crisis.

The Goodies







- The exchange rate unification will bolster investors confidence and increase forex supply in the near term
- The rise in Brent price to \$73.33pb will allow Nigeria to reach its estimated export earnings of \$57.17 billion by the end of 2023.
- Rising cocoa prices will raise cocoa export earnings to \$800 million and farmers' income.

Domestic Commodities Price Movement

Commodities	Previous Month Prices	Current Prices	Directional Change	Year Low	Year High
Garri (50kg) Yellow	N28,000	N19,000	↓	N16,000	N28,000
Rice (50kg) short grain	N35,000	N33,000	↓	N33,000	N40,000
Flour (50kg)	N28,500	N28,500	↔	N28,500	N29,000
Beans (Oloyin)(50kg)	N30,000	N35,000	↑	N30,000	N56,000
Cement (50kg)	N4,300	N4,200	↓	N4,200	N4,300
Tomatoes (50kg)	N40,000	N55,000	↑	N15,000	N55,000
Pepper (bag)	N20,000	N20,000	↔	N15,000	N20,000
Onions (bag)	N28,000	N28,000	↔	N25,000	N35,000

Domestic Commodities Price Movement

Relatively Elastic Products

Commodities	Previous Month Prices	Current Prices	Directional Change	Year Low	Year High
Palm Oil (25l) 	N22,500	N29,000	↑	N22,000	N34,000
Semovita (10kg) 	N6,800	N6,800	↔	N6,700	N6,800
New Yam (medium size) 	N2,000	N3,500	↑	N1,500	N3,500
Sugar (50kg) 	N35,000	N42,000	↑	N31,000	N42,000

Driving World-Class Enterprise...

DANGOTE

MOST ADMIRABLE AFRICAN BRAND
2018 - 2020 **#1**

BRAND AFRICA: 100
BRAND LEADERSHIP SA

TOP 50 BRANDS NIGERIA

DANGOTE GROUP

MOST VALUABLE BRAND IN NIGERIA **#1**

2018 - 2019

2018 ✓
2019 ✓
2020 ✓



Touching the Lives of the People, Empowering Africa.

[f](#) [t](#) [@DangoteGroup](#) www.dangote.com

Cement | Sugar | Salt | Rice | Oil & Gas | Fertilizer | Petrochemicals | Automotive | Polysacks | Logistics | Real Estate | Maritime | Mining | Energy | Infrastructure



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	0.0%
Indomie (1 carton)	N4,000	N4,100	-2.50%
Gala (big size)	N100	N100	0%





Stock Market

NSE ASI  3.13% to close at 59,985.10pts on June 14th 2023

	Share Prices (₦)		Daily % Change (June 14 th)		YTD (% Change)
Nestle	1,250.00		0.00		13.64
Honeywell	3.35		0.00		43.16
Flour Mills	35.00		5.74		23.24
Cadbury	18.80		8.67		57.98
Dangote Sugar	25.30		20.48		57.63
Unilever	15.10		0.00		30.17
Ikeja Hotels	3.01		14.45		186.67



Oil Markets Today

COMMODITY	DAILY CHANGE June 14 th – June 15 th	YTD	CURRENT PRICE
BRENT	↑ 0.18%	↓ 12.92%	\$73.33pb
WTI	↑ 0.32%	↓ 12.47%	\$68.49pb
NATURAL GAS	↓ 0.85%	↓ 48.10%	\$2.32MMBtu



Oil Prices



- Brent up 0.18% to \$73.33pb
- WTI rose 0.32% to \$68.49pb
- Oil prices gained as investors expects an halt in rate hike by the US Federal Reserve.

Agricultural Commodities

Wheat



Down 0.35% to \$634.00/bushel, despite lingering fears about the Black Sea export corridor.

Corn



Dropped 0.73% to \$547.25/bushel, driven by moderate demand for US corn.

Cocoa



Rose 0.47% to \$3,199.00/mt, as floods in Ivory Coast heightened concerns about tight supplies..

Sugar



Gained 0.12% to \$24.80/pound, despite strong production in the major producing region of Brazil.

*770

Start now. Dial *770#



Contact Us: trueserve@fidelitybank.ng



Fidelity Bank Plc



www.fidelitybank.ng

Outlook – Oil Prices

- Oil prices are likely to remain elevated as owing to bullish demand outlook by IEA and OPEC.



Outlook – Agricultural Prices



GRAINS

- The prices of grains are expected to rise in the near term owing to renewed fears over the Black Sea export deal.

SOFTS

- Cocoa prices will sustain trade above \$3,000 as global supply concerns lingers
- Sugar prices will begin to uptick due to dry weather in Asian countries.

