COMMODITIES UPDATE





Burning Economic Issues

FDC projects Nigeria's headline inflation to climb to 25.47% in August 2023, the highest

recorded level of inflation in 18 years.

- Diesel price in the country spiked by 23.6% to N890/litre in September
- Naira flat at the parallel market at N920/\$ and appreciates to N800.89/\$ at the I & E window
- Brent up 0.32% (\$88.91pb) on expectations of tighter OPEC+ supply *Reuter*s
- LNG plunged 4.30% (\$2.65/MMBtu) despite supply risks in Europe *Bloomberg*
- Nigeria to set up a solid minerals corporation to attract investment *Reuters*
- Soybean exporters in Togo request support from banks amidst sector's slowdown- WSJ



The Downers

- A drop in the global price of LNG will lower Nigeria's fiscal revenue and trade balance
- The higher price of diesel in the country will further stoke inflationary pressures and reduce consumer spending
- A rise in Nigeria's inflation rate will worsen the cost of living crisis

Impact





- An increase of 0.32% in the global oil market will have a positive impact on Nigeria's oil revenue and foreign exchange reserves.
- Higher level of investment in the country would boost economic growth and reduce fiscal deficit.



Domestic Commodities Price Movement

Commodities	Previous Month Prices	Current Prices	Directional Change	Year Low	Year High	
Garri (50kg) Yellow	N19,000	N19,000	$ \Longleftrightarrow $	N16,000	N28,000	
Rice (50kg) short grain	N55,000	N60,000	1	N33,000	N60,000	
Flour (50kg)	N35,000	N38,000		N28,500	N38,000	
Beans (Oloyin)(50kg)	N36,000	N38,000		N30,000	N56,000	
Cement (50kg)	N4,700	N5,500		N4,200	N5,500	
Tomatoes (50kg)	N65,000	N40,000	•	N15,000	N110,000	
Pepper (bag)	N40,000	N35,000	-	N15,000	N65,000	
Onions (bag)	N55,000	N45,000		N25,000	N55,000	



Domestic Commodities Price Movement

Relatively Elastic Products

Commodities	Previous Month Prices	Current Prices	Directional Change	Year Low	Year High
Palm Oil (25l)	N22,500	N31,000	1	N22,000	N37,500
Semovita (10kg)	N7,200	N8,000		N6,700	N8,000
New Yam (3 tubers)	N10,500	N12,000		N3,000	N12,000
Sugar (50kg)	N42,000	N42,000		N31,000	N42,000



Consumer Goods – Current price

Goods	Street price	Supermarket price	% difference
Pepsi (50cl)	N250	N250	0%
Heineken beer (60cl)	N630	N650	-3.17%
Bread Loaf	N1000	N1000	0%
Indomie (1 carton)	N4,300	N4,300	0%
Gala (big size)	N150	N150	0%





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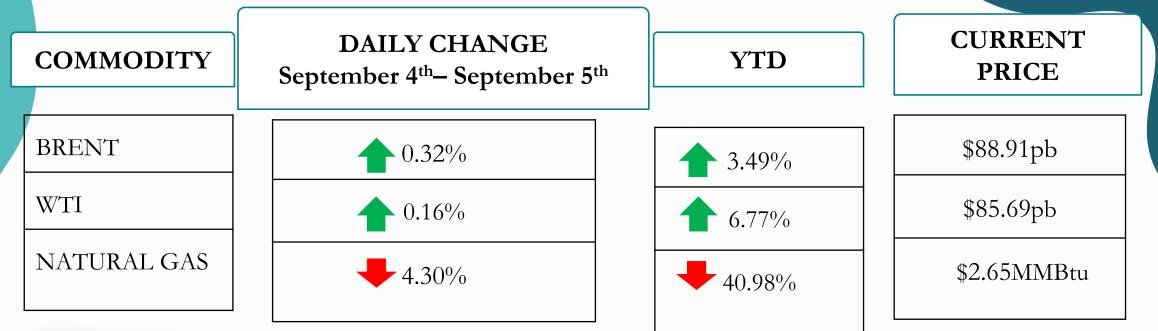
Stock Market

NSE ASI \uparrow 0.96% to close at 68,279.14 pts on September 4th 2023 .

	Share Prices (₦)	Daily % Change (September 4 th)	YTD (% Change)
Nestle	1,100.00	0.00	0.00
Honeywell	3.25	1.56	36.80
Flour Mills	32.60	0.00	14.80
Cadbury	13.80	0.00	16.00
Dangote Sugar	66.55	10.00	227.00
Unilever	13.75	1.85	16.4
Ikeja Hotels	3.10	3.33	186.00



Oil Markets Today









Oil Prices

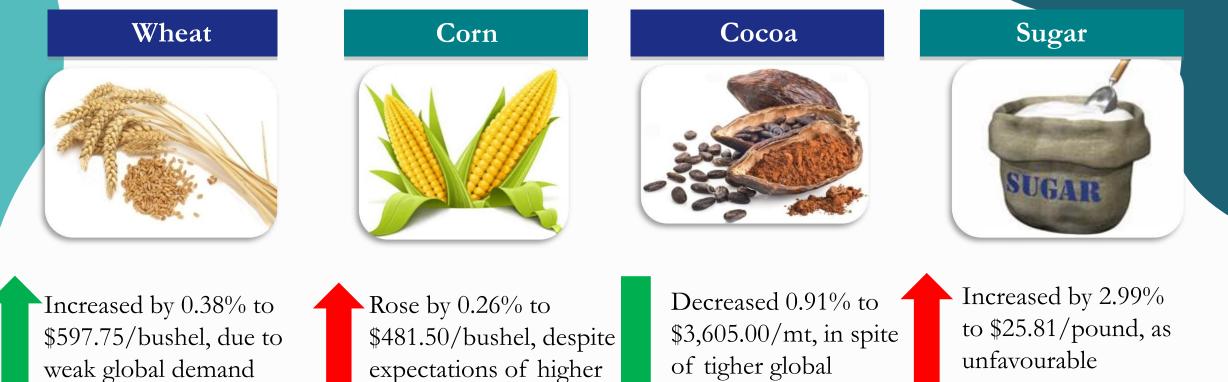


- Brent up 0.32% to \$88.91pb
- WTI up 0.16 to \$85.69pb

Oil prices rose marginally owing to a tight supply outlook from major producers.



Agricultural Commodities



expectations of higher crop yields from the US of tigher global supply.

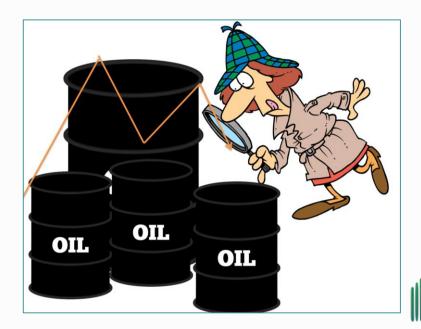
unfavourable weather conditions dampen supply outlook.



Outlook – Oil Prices

Oil prices are expected to remain bullish in the near term owing to prospects of a

further supply cut by OPEC+.





Outlook – Agricultural Prices

GRAINS

- Wheat prices will taper due to reduced consumption and an increase in supply.
- Corn prices would sustain an upward trend as dry weather conditions in the US dampen the supply outlook.
- **SOFTS** Cocoa prices will likely remain bullish, driven by global supply deficit.
 - Sugar price would increase further due to lower output driven by bad weather conditions in India.



