




COMMODITIES UPDATE



April 30th, 2024

Burning Economic Issues

- Brent slipped 0.56% (\$89.00pb) as signs of a truce in the Gaza emerged- **Bloomberg**
- Petrol scarcity heightened as PMS hits N1500 per liter at the black market
 - Inter City transport fare up 50-67%
- Commodity prices pushed up on spiking logistic costs
 - Beans (Bag)  11% (N100,000), Tomatoes  43% (N50,000), Rice (Bag)  15% (N75,000),
- Naira depreciates by 5.11% to N1,370/\$ at the forex market as summer demand pressure persists
- Nigeria plans a \$10bn diaspora fund to shore up external reserves- **Bloomberg**
- Cocoa plunged 15.95% (\$8,904.00/mt) as rains in West Africa boost mid-crop prospects– **Reuters**
- Nigeria Stock market lost 0.19% to close at 97,962.24pts as investors switch their assets to less risky ones
 - Cumulative loss in April is 6.46% or N3.7trn

The Downers



Impact

- A decrease in oil prices will reduce foreign earnings and deplete the external reserve
- The depreciation of the naira will increase import costs and exacerbate the cost of living
- Fuel scarcity will increase the cost of transportation and logistics, thereby worsen inflation

The Goodies



- A rise in LNG prices will raise government revenue and improve Nigeria's trade balance
- Cocoa prices above \$10,000 will increase government revenue and boost the income of cocoa farmers
- \$10bn will stabilize the foreign exchange and reduce pressure on the naira




farmers

Domestic Commodities Price Movement

Commodities	Previous Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Garri (50kg) Yellow	N32,000	N30,000	15.63	↓	N16,000	N37,000
Rice (50kg) long grain	N95,000	N75,000	7.37	↓	N33,000	N95,000
Flour (50kg)	N64,000	N59,000	7.81	↓	N28,500	N64,000
Beans (Oloyin)(50kg)	N80,000	N100,000	12.5	↑	N30,000	N90,000
Cement (50kg)	N9,500	N7,500	21.05	↓	N4,200	N9,500
Tomatoes (Basket)	N35,000	N50,000	16.67	↑	N15,000	N110,000
Pepper (big bag)	N100,000	N110,000	17.65	↑	N15,000	N100,000
Onions (bag)	N47,000	N40,000	27.69	↓	N25,000	N140,000
Plantain Bunch	N3,500	N4,500	28.57	↑		

Domestic Commodities Price Movement

Relatively Elastic Products

Commodities	Previous Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Palm Oil (5l) 	N5,500	N5,000	9.09	↓	N22,000	N37,500
Semovita (10kg)	N12,700	N12,200	3.94	↓	N6,700	N12,700
New Yam (3 tubers) 	N7,500	N10,500	40.00	↑	N3,000	N12,000
Sugar (50kg) 	N85,000	N80,000	5.88	↓	N31,000	N85,000
Wheat flour (10kg)	N12,700	N12,700	0.00	↔	N4,800	N12,700
Eggs (1 crate)	N4,500	N4,000	11.11	↓	N1,800	N4,500

Consumer Goods – Current price



Goods	Street price	Supermarket price	% difference
Pepsi (50cl)	N350	N350	0%
Heineken beer (60cl)	N1000	N1200	-3.17%
Bread Loaf	N1600	N1200	-20%
Indomie (1 carton)	N10,200	N8,200	9.80%
Gala (big size)	N250	N250	0%



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Stock Market

- NSE ASI  0.19% to close at 97,962.24pts on April 29th, 2024.

	Share Prices (₦)		Daily % Change (April 24th)		YTD (% Change)
Nestle	900.00		24.75		18.18
Honeywell	3.54		39.49		6.63
Flour Mills	30.5		35.11		7.72
Cadbury	19.00		34.48		0.00
Dangote Sugar	48.00		40.00		15.79
Unilever	14.30		28.86		3.38
Ikeja Hotels	7.26		5.71		21.00



Oil Markets Today

COMMODITY	DAILY CHANGE April 29th – April 30th	YTD	CURRENT PRICE
BRENT	↓ 0.56%	↑ 14.01%	\$89.00pb
WTI	↓ 0.38%	↑ 15.63%	\$83.53pb
NATURAL GAS	↑ 2.44%	↓ 21.83%	\$1.97/MMBtu



Oil Prices



- Brent down by 0.56% to \$89.00pb
- WTI dropped by 0.38% to \$83.53pb
- Oil prices lost on Israel-Hamas peace talks with prospects of de-escalating Middle East tension

Outlook – Oil Prices

- Oil prices are likely to slip in the near term on Israel-Hamas peace talks, de-escalating tension in the Middle East



Agricultural Commodities

Wheat



Dropped 1.61% to \$612.25.00/bushel, due to ample supply in India

Corn



Lost marginally 0.28% to \$448.75/bushel, driven by favourable weather conditions in Brazil

Cocoa



Plunged 15.95% to \$8,904.00/mt, on prospects of a better mid crop in West Africa

Sugar



Rose by 2.10% to \$19.49/pound, due to a forecast in the drop of Brazilian sugar

Outlook – Agricultural Prices



GRAINS

- Grain prices will increase in the near term on favourable weather conditions in Brazil and ample supply in India

SOFTS

- Cocoa prices is expected to be bearish in the near term as rain in key cocoa producers begin
- In the near term, the price of sugar will rise on lower sugar production in Brazil

