



THE ALMIGHTY POWER OF DIESEL



Price down from

N1,700

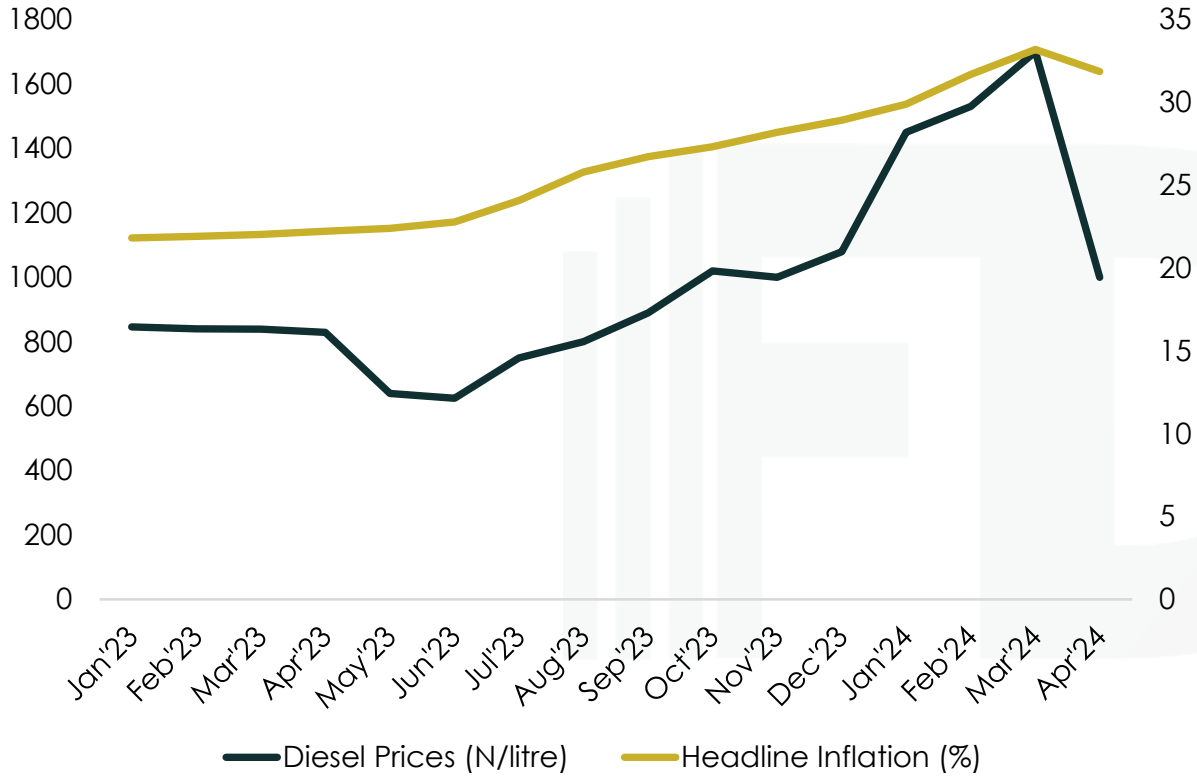


To

N1,000

WHY DID DIESEL PRICE FALL

Diesel Prices (N/litre) & Inflation (%)



PEAK IN 2023

N1,700

JANUARY 2024

N1,450

APRIL 2024

N1,000

DIESEL PRICE DETERMINANTS

Global price of oil



Up 5% in 2 months at \$86.54pb

Cost of refining



Distribution cost of diesel



Power grid collapse

The national grid has collapsed 5 times this year



IT'S TIME TO
CARE
ABOUT
YOUR SALT

Refined, Iodized & Purified



CHOOSE QUALITY, CHOOSE DANGOTE SALT

www.nasconplc.com

COMMODITIES AFFECTED

Bread



1 Loaf

Current Price: N1,600
May 2024: N1,200

- ***Diesel accounts for 25% of the cost of production for bakeries***
- ***Lower diesel prices would reduce the prices of bread***

Yam



1 Tuber

Current Price: N3,500
May 2024: N2,700

- ***Lower diesel prices would drive logistics cost downwards***
- ***Food prices like yam is expected to decline***

Tomato



1 Basket

Current Price: N35,000
May 2024: N25,000

- ***Lower diesel prices would reduce transport cost and post harvest losses of commodities such as tomatoes***

IMPACT ON THE ECONOMY

Increased GDP growth

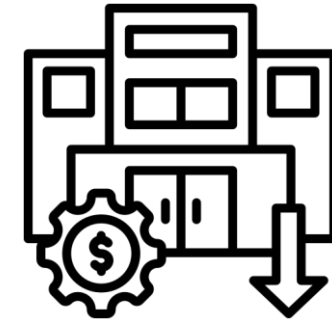


GDP will grow from 2.7% to 3.5%

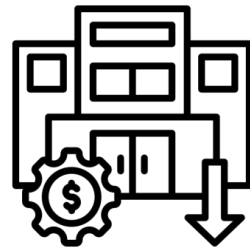
Exchange rate appreciation



Lower operating cost for firms



Higher Profit Margin



Higher salaries



Lower Inflation rate



Inflation to ease by 1.33%

Improved productivity to boost profit margins

THE PEOPLE ARE ASKING

- Will the price of diesel fall below N1,000 ?
- Is it sustainable ?
- Is this window dressing or for real ?

REQUIREMENTS

Oil price remains below
\$90pb



Exchange rate stabilizes
between N950-N1,000 band





**THANK
YOU**