COMMODITES UPDATE





Burning Economic Issues



- Brent edged higher 0.35% (\$83.87pb) due to an unexpected decline in U.S. crude inventories **Bloomberg**
- LNG climbed 2.13% (\$2.25/MMBtu) driven by a surge in demand- *Nasdaq*
- Cocoa gained 2.61% (\$8,835.00/mt) due to supply shortages in Ivory Coast and Ghana- *Bloomberg*
- Naira depreciated by 0.37% to N1,421.06/\$ at the official market
- Nigeria stock market lost marginally to close at 98,223.97pts in anticipation of higher inflation numbers
- Domestic commodity prices surged on spiking logistic costs
 - Garri (Bag) 12.5% (N40,000), Beans (Bag) 15% (N50,000), Onions (Bag) 17.5% (N55,000)





The Downers





The Goodies



• The depreciation of the naira will increase the cost of imports and exacerbate inflationary pressures

- •An increase in oil prices will expand foreign earnings and improve the external reserve
- •A rise in cocoa price will increase foreign earnings of non export and improve the profit of cocoa farmers



Domestic Commodities Price Movement

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Commodities	Previous	Curren	$^{0}\!/_{0}$	Directional	Year Low	Year High
	Month	t	change	Change		
	Prices	Prices	onunge			
	FIICES	FIICES				
Garri (50kg) Yellow	N30,000	N40,000	33.33		N16,000	N37,000
				•	·	·
Rice (50kg) long grain	N95,000	N75,000	21.05		N33,000	N95,000
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Flour (50kg)	N64,000	N59,000	7.81		N28,500	N64,000
Tiour (song)	1401,000	1,32,000	7.01		1420,500	1401,000
D (01 :) (501)	> 14.00,000	NIOT 000	F 00	•	N 120 000	N 100 000
Beans (Oloyin)(50kg)	N100,000	N95,000	5.00		N30,000	N90,000
Composit (FO1-a)	NIO 500	NI7 500	21.05	_	NI4 200	NIO 500
Cement (50kg)	N9,500	N7,500	21.05	1	N4,200	N9,500
Tomatoos (Paslant)	N125 000	NIE0 000	12.05		N115 000	N1110 000
Tomatoes (Basket)	N35,000	N50,000	42.85		N15,000	N110,000
				-		
Pepper (big bag)	N100,000	N110,000	10.00	A	N15,000	N100,000
				•		
Onions (bag)	N40,000	N55,000	37.5		N25,000	N140,000
Plantain Bunch	N3,500	N4,500	28.57			
	·	·				

Domestic Commodities Price Movement

Relatively Elastic Products

Commodities	Previo us Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Palm Oil (51)	N5,500	N5,000	9.09	1	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	1	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	\Leftrightarrow	N4,800	N12,700
Eggs (1 crate)	N4,500	N4,000	11.11	1	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%	











Stock Market

NSE ASI — 0.005% to close at 98,223.97pts on May 8th, 2024.

	Share Price (N)	es	Daily % Change (May 8th)	YTD (% Change)
Nestle	900.00	\Leftrightarrow	24.75	18.18
Honeywell	3.54	\Leftrightarrow	39.49	1 6.63
Flour Mills	30.5	\Leftrightarrow	35.11	7.72
Cadbury	19.00	\Leftrightarrow	34.48	0.00
Dangote Sugar	48.00	\Leftrightarrow	40.00	15.79
Unilever	14.30	1	28.86	3.38
Ikeja Hotels	7.26	\Leftrightarrow	5.71	1 21.00



Oil Markets Today

COMMODITY

DAILY CHANGE
May 8th - May 9th

YTD

CURRENT PRICE

BRENT

WTI

NATURAL GAS

0.35%

0.41%

2.13%

5.94%

7.46%

10.71%

\$83.87pb

\$79.31pb

\$2.25/MMBtu







Oil Prices

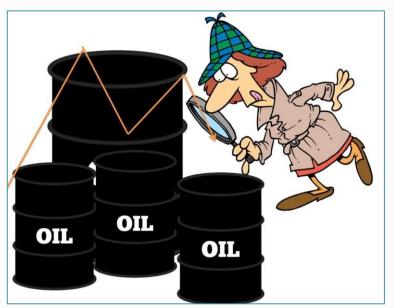


- Brent down by 0.99% to \$82.34pb
- WTI lost by 0.96% to \$77.63pb
- Oil prices fell due to a rise in U.S. crude and fuel inventories



Outlook — Oil Prices

Oil prices are likely to rise in the near term as Middle East tension heightened





Agricultural Commodities

Wheat



Dropped 1.24% to \$634.75.00/bushel, as Russia reduced their export duty by 1.7%

Corn



Lost 0.59% to \$464.25/bushel, driven by improved weather condition in Brazil

Cocoa



Rose 2.61% to \$8,835.00/mt, on supply shortage from Ivory Coast and Ghana

Sugar



Fell by 1.95% to \$19.56/pound, due to improved output in Indian



Outlook – Agricultural Prices



GRAINS

• Grain prices will decrease in the near term on decreased export duty from Russia and improved supplies from key producers

SOFTS

- Cocoa prices is expected remain bullish on supply shortages
- In the near term, the price of sugar will rise on tight supply from Russia



