COMMODITES UPDATE





Burning Economic Issues



- Headline inflation projected to increase modestly by 0.14% to 34.09% in June- *FDC*
- Inflation may be approaching a point of inflection and likely to taper in the next few months
- Government suspends duties and tariffs on rice, wheat and maize
- New minimum wage could be a spoiler
- Pomestic commodity prices are mixed on planting season effect
 - Flour (N59,000), Garri 4.26% (45,000), Beans 57% (150,000), Onions (N90,000)
- Diesel price flattened at N1220/litre
- Petrol shortages could exacerbate inflationary pressures



The Downers





Impact

The Goodies



- •A moderate rise in inflation suggests that the monetary policies are starting to take effect
- •Federal government measures to lower food prices will help to reduce food costs and lower inflationary pressures



Domestic Commodities Price Movement

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Commodities	Previous	Curren	$^{0}\!/_{\!0}$	Directional	Year Low	Year High
	Month	t	change	Change		
	Prices	Prices		Simile		
	FIICES	Files				
Garri (50kg) Yellow	N47,000	N45,000	4.26		N16,000	N50,000
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Rice (50kg) long grain	N85,000	N82,000	3.53		N33,000	N95,000
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Flour (50kg)	N59,000	N59,000	0.00	4.5	N28,500	N64,000
Tiour (song)	1437,000	1432,000	0.00		1120,500	1401,000
D (01 :) (501)	> 10 5 000	> 14 50 000	57.00	•	N 120,000	N 14 00 000
Beans (Oloyin)(50kg)	N95,000	N150,000	57.89		N30,000	N100,000
Composit (F01-a)	NIO 500	NI7 500	21.05	_	NI4 200	NIO 500
Cement (50kg)	N9,500	N7,500	21.05		N4,200	N9,500
Tomatoos (Paslant)	N1110 000	N140,000	27.27		N115 000	N1150 000
Tomatoes (Basket)	N110,000	1\140,000	Z		N15,000	N150,000
Pepper (big bag)	N140,000	N160,000	12.5		N15,000	N140,000
Onions (bag)	N90,000	N90,000	0.00		N25,000	N140,000
Plantain Bunch	N6,500	N7,000	7.69			

Domestic Commodities Price Movement

Relatively Elastic Products

Commodities	Previo us Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Palm Oil (5l)	N5,000	N6,000	20.00	1	N22,000	N37,500
Semovita (10kg)	N12,800	N12,000	6.25	•	N6,700	N12,700
New Yam (3 tubers)	N7,500	N10,500	40.00	1	N3,000	N12,000
Sugar (50kg)	N80,000	N78,000	2.5	1	N31,000	N85,000
Wheat flour (10kg)	N15,000	N13,000	13.33	1	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)	N7,800	N7,500	3.85%
Gala (big size)	N250	N250	0%





Dangote Sugar has a NEW LOOK



Same Great Quality!







Stock Market

	Share Price (₩)	es	Daily % Chang (July 8th)	ge	YTD (% Change)
Nestle	920.00	\Leftrightarrow	0.00	-	16.36
Honeywell	3.45		3.21	1	3.92
Flour Mills	43.75	\Leftrightarrow	0.00	1	32.38
Cadbury	16.60	\Leftrightarrow	0.00	-	12.63
Dangote Sugar	40.20	\Leftrightarrow	0.00	•	28.95
Unilever	17.45		0.00	1	17.91
Ikeja Hotels	6.25	•	9.42	1	4.17



Oil Markets Today

COMMODITY

DAILY CHANGE
July 3rd – July 4th

YTD

CURRENT PRICE

BRENT

WTI

NATURAL GAS

0.64%

- 0.77%

2.11%

10.64%

14.23%

5.95%

\$85.99pb

\$82.52pb

\$2.37/MMBtu







Oil Prices

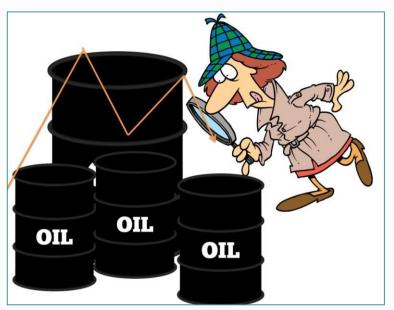


- Brent down by 0.64% to \$85.99pb
- WTI decreased by 0.77% to \$82.52pb
- Oil prices lost on hopes of a ceasefire deal in Gaza as supply worries ease.



Outlook — Oil Prices

• Oil prices are likely to remain bullish in the near term on summer demand





Agricultural Commodities

Wheat



Plunged 3.77% to \$568.25/bushel due to cheap exports from Russia

Corn



Down 2.95% to \$411.50/bushel, on expectations that dry and hot weather will enable good U.S. harvesting progress

Cocoa



Gained 0.75% to \$7,909.00/mt, on favourable weather conditions in Ivory Coast

Sugar



Lost by 1.09% to \$19.92/pound, attributed by a below average rain Brazil and India



Outlook – Agricultural Prices



GRAINS

• Grain prices is expected to be bearish in the near term driven by ample supplies in the U.S., Russia and India

SOFTS

- Cocoa prices is expected to remain bullish in the near term, owing to lower production in top growing production, Ivory Coast and Ghana
- In the near term, the price of sugar will be bearish due to unfavourable weather conditions in Brazil and India



