COMMODITES UPDATE





Burning Economic Issues



- Naira slips to (N1,600.00/\$) at the parallel market after RDAS
- Brent down 0.69% (\$81.73pb) as OPEC lowers 2024 demand growth forecast- *Reuters*
- Nigeria's oil production increased by 2.34% to 1.31 mbpd in July- *OPEC*
- Cocoa plunged by 5.94% (\$6,951/mt) as Ghana targets 800,000 tons of cocoa in the 2024/25 season for main crop- *Reuters*
- LNG rose 2.94% (\$2.21/MMBtu) due to expectations of further declines in the large inventory surplus-**WSJ**
- Domestic commodity prices mixed as markets return to normal after protests
 - Flour (50kg) 5.08% (N62,000), Semovita (10kg) 37.5% (N16,500), Sugar (50kg) 3.75% (N83,000), Eggs (1Crate) 10% (N5,500) Pepper 57.14% (N60,000)



The Downers





- •A decrease in oil prices will lower oil revenue and deplete external reserves
- •A fall in cocoa prices will decrease non-export revenue and profits for cocoa farmers

The Goodies







Domestic Commodities Price Movement

Commodities	Previous	Curren	0/0	Directional	Year Low	Year High
	Month	t	change	Change		8
	Prices	Prices	C			
Garri (50kg) Yellow	N45,000	N46,000	2.22	1	N16,000	N50,000
Rice (50kg) long grain	N82,000	N85,000	3.66	1	N33,000	N95,000
Flour (50kg)	N59,000	N62,000	5.08	1	N28,500	N64,000
Beans (Oloyin)(50kg)	N150,000	N150,000	0.00	\Leftrightarrow	N30,000	N100,000
Cement (50kg)	N9,500	N7,500	21.05	1	N4,200	N9,500
Tomatoes (Basket)	N95,000	N60,000	36.84	•	N15,000	N150,000
Pepper (big bag)	N140,000	N60,000	57.14	•	N15,000	N160,000
Onions (bag)	N90,000	N115,000	26.32	1	N25,000	N140,000
Plantain Bunch	N6,500	N7,000	7.69	1		

Domestic Commodities Price Movement

Relatively Elastic Products

Commodities	Previo us Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Palm Oil (5l)	N6,000	N8,000	33.33		N22,000	N37,500
Semovita (10kg)	N12,000	N16,500	37.5		N6,700	N16,500
New Yam (3 tubers)	N18,000	N10,500	41.67	1	N3,000	N12,000
Sugar (50kg)	N80,000	N83,000	3.75	1	N31,000	N85,000
Wheat flour (10kg)	N13,000	N12,500	3.85	1	N4,800	N13,000
Eggs (1 crate)	N5,000	N5,500	4.00	1	N1,800	N5,500



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)	N7,500	N7,600	1.3%
Gala (big size)	N250	N250	0%





Dangote Sugar has a NEW LOOK



Same Great Quality!







Stock Market

NSE ASI 0.72% to close at 97,098.98pts on August 12th, 2024.

	Share Price (N)	es	Daily % Chan (August 12th)	ge	YTD (% Change)
Nestle	815.00	\Leftrightarrow	0.00	-	25.91
Honeywell	4.02	1	0.50	1	21.08
Flour Mills	44.80	\Leftrightarrow	1.36	1	35.55
Cadbury	20.10	\Leftrightarrow	0.00	1	5.79
Dangote Sugar	40.35	\Leftrightarrow	9.95	•	29.21
Unilever	19.40	-	0.00	1	31.08
Ikeja Hotels	7.00	\Leftrightarrow	2.94	1	16.67



Oil Markets Today

COMMODITY

DAILY CHANGE
August 12th - August 13th

YTD

CURRENT PRICE

BRENT

WTI

NATURAL GAS

- 0.69%

- 0.57%

1 0.94%

1.75%

1.07%

22.62%

\$81.73pb

\$79.60pb

\$2.21/MMBtu







Oil Prices

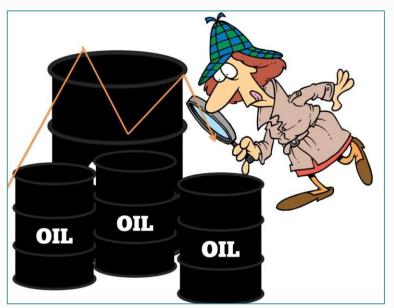


- Brent rose by 0.69% to \$81.73pb
- WTI climbed by 0.57% to \$79.60pb
- Oil prices lost as OPEC lowers 2024 demand growth forecast



Outlook — Oil Prices

• Oil prices are likely to be bullish in the near term on fears of escalating Middle East tensions





Agricultural Commodities

Wheat



Plunged 2.35% to \$529.75/bushel as Ukraine ramps up wheat shipment despite Russian attack

Corn



Lost 0.68% to \$402.50/bushel on rising expectation of increased U.S. output and a bountiful global supply

Cocoa



Down 5.94% to \$6,951.00/mt, as Ghana COCOBOD says its confident of producing 800,000 tons of cocoa in 2024/25 season

Sugar



Fell by 0.22% to \$18.44/pound attributed to weak demand in India



Outlook – Agricultural Prices



GRAINS

• Grain prices is expected to be bearish in the near term due to forecasts of strong US spring wheat yield and cheap prices offered by Ukraine

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 favourable weather conditions in Brazil and India, supported by weak demand in India.



