

# COMMODITIES UPDATE



October 10<sup>th</sup>, 2024

# Burning Economic Issues

- NNPCCL hikes fuel pump prices by 15% to N1,030/litre
- Nigeria's headline inflation projected to increase to 32.37% for the month of September- **FDC**
- Naira falls marginally to N1,689.00/\$ in the parallel market
- Brent futures rise 0.60% (\$77.04pb) on US storm and fears of Israel-Iran conflict– **Reuters**
- Cocoa gained 4.11% (\$7,340.00/mt) as heavy rain disrupts harvest and slows cocoa arrival in Ivory Coast-**Reuters**
- Domestic commodity prices are mixed, driven by harvest season and as import duty waiver goods begin to arrive
  - Onions (Bag) ↓ 26.09% (115,000), Palm oil (5 litres) ↔ 7.14% (N7,000), Pepper (Bag) ↓ 37.5% (N50,000), Flour (Bag) ↔ 22.72% (N27,000) Rice (50kg) ↔ (N120,000)



## The Downers



## Impact

- A further increase in fuel pump price will impact marginally on transportation fare and food prices

## The Goodies






- Nigeria oil export earnings in Q2'24 stood at 74.98%. A rise in oil prices will increase oil export earnings and aid the external reserves accumulation
- An increase in cocoa price will increase non-oil exports earnings and improves farmers income

# Domestic Commodities Price Movement

Commodities	Previous Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Garri (50kg) Yellow	N40,000	N38,000	5.00	↓	N16,000	N50,000
Rice (50kg) long grain	N120,000	N120,000	0.00	↔	N33,000	N120,000
Flour (50kg)	N65,000	N65,000	7.14	↔	N28,500	N64,000
Beans (Oloyin)(50kg)	N150,000	N180,000	20	↑	N30,000	N180,000
Cement (50kg)	N9,500	N7,500	21.05	↓	N4,200	N9,500
Tomatoes (Basket)	N22,000	N27,000	22.72	↑	N15,000	N150,000
Pepper (big bag)	N80,000	N50,000	37.5	↓	N15,000	N160,000
Onions (bag)	N145,000	N115,000	26.09	↓	N25,000	N140,000
Plantain Bunch	N7,000	N5,500	21.43	↓		

# Domestic Commodities Price Movement

## Relatively Elastic Products

Commodities	Previous Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Palm Oil (5l) 	N7,000	N7,000	0.00	↔	N22,000	N37,500
Semovita (10kg)	N16,500	N16,500	0.00	↔	N6,700	N16,500
New Yam (3 tubers) 	N10,500	N10,500	0.00	↔	N3,000	N12,000
Sugar (50kg) 	N80,000	N83,000	3.75	↑	N31,000	N85,000
Wheat flour (10kg)	N12,500	N11,500	8.00	↓	N4,800	N13,000
Eggs (1 crate)	N5,500	N6,000	9.09	↑	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)	N7,600	N8,000	1.3%
Gala (big size)	N250	N250	0%





# Dangote Sugar has a **NEW LOOK**



## Same Great Quality!


















[www.dangotesugar.com.ng](http://www.dangotesugar.com.ng) [facebook.com/dangotesugarmfory](https://facebook.com/dangotesugarmfory)

[@dangote\\_sugar](https://twitter.com/dangote_sugar) [dangotesugar](https://instagram.com/dangotesugar) [Dangote Sugar Refinery Plc](https://www.linkedin.com/company/dangote-sugar-refinery-plc) [+DangotesugarNG](https://plus.google.com/+DangotesugarNG)



# Stock Market

NSE ASI  0.10% to close at 97,487.14pts on October 9th, 2024.

	Share Prices (₦)		Daily % Change (October 9th)		YTD (% Change)
Nestle	890.00		0.00		19.09
Honeywell	4.35		6.45		31.02
Flour Mills	62.05		0.24		87.75
Cadbury	18.2		0.00		4.21
Dangote Sugar	32.00		5.88		43.86
Unilever	19.00		2.56		28.38
Ikeja Hotels	7.00		0.00		16.67





# Oil Markets Today

COMMODITY	DAILY CHANGE October 9th – October 10th	YTD	CURRENT PRICE
BRENT	↑ 1.98%	↑ 1.98%	\$77.04pb
WTI	↑ 1.84%	↓ 1.36%	\$73.71pb
NATURAL GAS	↓ 2.74%	↑ 5.56%	\$2.66/MMBtu



# Oil Prices



- Brent rose by 0.60% to \$77.04pb
- WTI down by 0.64% to \$73.71pb
- Oil prices gained due to US storm and fears of Israel-Iran conflict

# Outlook – Oil Prices

- Oil prices are likely to remain bullish in the near term due to concerns of an escalating conflict in the Middle East



# Agricultural Commodities

## Wheat



Rose by 0.38% to \$597.00/bushel due to increase in global demand

## Corn



Gained 0.12% to \$421.25/bushel, on growing demand

## Cocoa



Increased by 4.11% to \$7,340.00/mt, as heavy rain disrupts harvests in Ivory Coast

## Sugar



Down by 2.74% to \$22.38/pound due to forecasts of an increase in German sugar production for 2024/25 season

# Outlook – Agricultural Prices



## GRAINS

- Grain prices are expected to adopt a bearish trend due to bumper harvest of autumn grain in China

## SOFTS

- Cocoa prices are likely to remain bullish as constraints in Ivory Coast's production persists
- The price of sugar will remain elevated in the coming weeks on lower crop yields in Brazil due to the drought and wildfire, supported by global supply concern

