

COMMODITIES UPDATE



October 29th, 2024

Burning Economic Issues



- Brent futures plunged 5.50% (\$71.87pb) as Israel limits Iran's strikes to military targets- **Bloomberg**
- Naira depreciated by 0.29% to (N1,747/\$) at the parallel market
- Nigeria signs a naira-funding deal with IFC to cut currency risks- **Bloomberg**
- Cocoa rose by 0.59% (\$6,347.00/mt) due to concerns of heavy rains in Ivory Coast– **Reuters**
- The Nigerian stock market lost 0.74%, closing at 98,708.90pts, while market cap fell to ₦59.81 trn
- Domestic commodity prices are experiencing mixed trends, due to seasonal factors and delays in the implementation of duty waivers
 - Pepper (Bag) ↓ 20% (N40,000), Onions (Bag) ↑ 30.43% (N150,000), Rice (50kg) ↑ 7.14% (N140,000), Sugar (50kg) ↑ 2.41% (N85,000)



The Downers



- Nigeria's oil export earnings in Q2'24 stood at 74.98%. A fall in oil prices will reduce oil revenue and result to balance deficit

Impact

The Goodies






- Cocoa contributes 1.38% of exported goods in Q2'24. A rise in cocoa price will increase foreign exchange inflows and could strengthen the naira

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	N130,000	N140,000	8.33	↑	N33,000	N140,000
Flour (50kg)	N70,000	N65,000	7.14	↓	N28,500	N70,000
Beans (Oloyin)(50kg)	N180,000	N160,000	20	↓	N30,000	N180,000
Cement (50kg)	N9,500	N7,500	21.05	↓	N4,200	N9,500
Tomatoes (Basket)	N27,000	N25,000	7.41	↓	N15,000	N150,000
Pepper (big bag)	N50,000	N40,000	20.00	↓	N15,000	N160,000
Onions (bag)	N115,000	N150,000	30.43	↑	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) 	N83,000	N85,000	2.41	↑	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 facebook.com/dangotesugarmfny

[@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  0.74% to close at 98,708.90pts on October 28th, 2024.

	Share Prices (₹)		Daily % Change (October 28th)		YTD (% Change)
Nestle	885.00		1.72		19.55
Honeywell	4.65		1.09		40.06
Flour Mills	62.00		0.00		87.59
Cadbury	18.2		0.00		4.21
Dangote Sugar	34.00		3.00		40.35
Unilever	19.00		0.00		28.38
Ikeja Hotels	7.70		4.29		21.67



Oil Markets Today

COMMODITY	DAILY CHANGE October 29th – October 30th	YTD	CURRENT PRICE
BRENT	↓ 5.50%	↓ 7.53%	\$71.87pb
WTI	↓ 5.82%	↓ 6.42%	\$67.60pb
NATURAL GAS	↓ 7.85%	↓ 6.35%	\$2.36/MMBtu



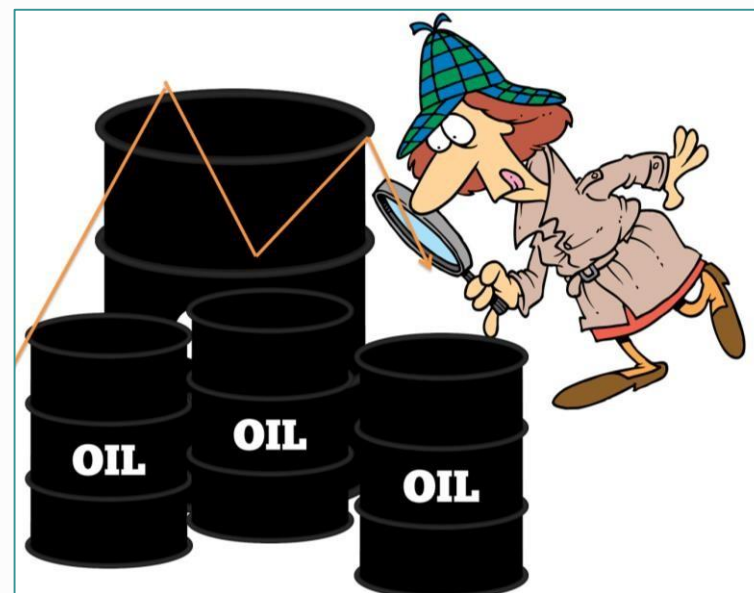
Oil Prices



- Brent plunged 5.50% to \$71.87pb
- WTI plummeted by 5.82% to \$67.60pb
- Oil prices lost as Israel avoid targeting Iran's oil infrastructure, easing concerns of supply disruptions

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



Down by 0.97% to \$563.50/bushel due to improved crop yield in Canada.

Corn



Dipped 0.24% to \$414.25/bushel driven by strong supplies

Cocoa



Gained 0.59% to \$6,347.00/mt, due to concerns of heavy rains in Ivory Coast

Sugar



Lost 1.22% to \$21.87/pound due to a stronger-than – expected sugar production in Brazil in the first half of October

Outlook – Agricultural Prices



GRAINS

- Grain prices are expected to decline due to higher production in Canada

SOFTS

- Cocoa prices are likely to be bearish on improved crop yield in Ivory Coast
- The price of sugar will remain elevated in the coming weeks due to a stronger-than-expected sugar production in Brazil in the first half of October

