

# COMMODITIES UPDATE



October 3<sup>rd</sup>, 2024

# Burning Economic Issues

- Naira appreciates by 0.77% to N1,687.00/\$ in the parallel market
- The price of diesel increased by 2.56% to N1,200/litre
- Brent futures rose by 1.23% (\$74.81pb) on prospects of wider Middle East war –**Reuters**
- Nigeria's PMI declined to 49.8 in September from 49.9 in August- **Stanbic IBTC**
- Cocoa gained 0.60% (\$7,081.00/mt) as Cote d'Ivoire raises cocoa farmgate price above Ghana's –**Bloomberg**
- Domestic commodity prices are falling due to the harvest season and the import duty waiver
  - Pepper (Bag) ↓ 37.5% (50,000), Flour (50kg) ↓ 7.14% (N65,000), Palm oil (5 litres) ↓ 12.50 % (N7,000), Onions (Bag) ↓ 20.69% (N115,000), Rice (50kg) ↓ 8.33% (N110,000)



## The Downers



## Impact

- A decline in Nigeria's PMI will weigh on economic confidence and investment in the country

## The Goodies












- An increase in oil prices will raise oil revenue and improve the external reserves.
- A rise in cocoa price will increase foreign exchange earnings and improve farmer's income
- A fall in price of commodities will help reduce cost of living crisis and impact food inflation

# Domestic Commodities Price Movement

Commodities	Previous Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Garri (50kg) Yellow	N45,000	N40,000	11.11	↓	N16,000	N50,000
Rice (50kg) long grain	N120,000	N110,000	8.33	↓	N33,000	N95,000
Flour (50kg)	N70,000	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)	N60,000	N22,000	0.00	↔	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) 	N8,000	N7,000	12.50		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	N12,800	2.4		N4,800	N13,000
Eggs (1 crate)	N5,500	N6,000	9.09		N1,800	N5,500

# Consumer Goods – Current price

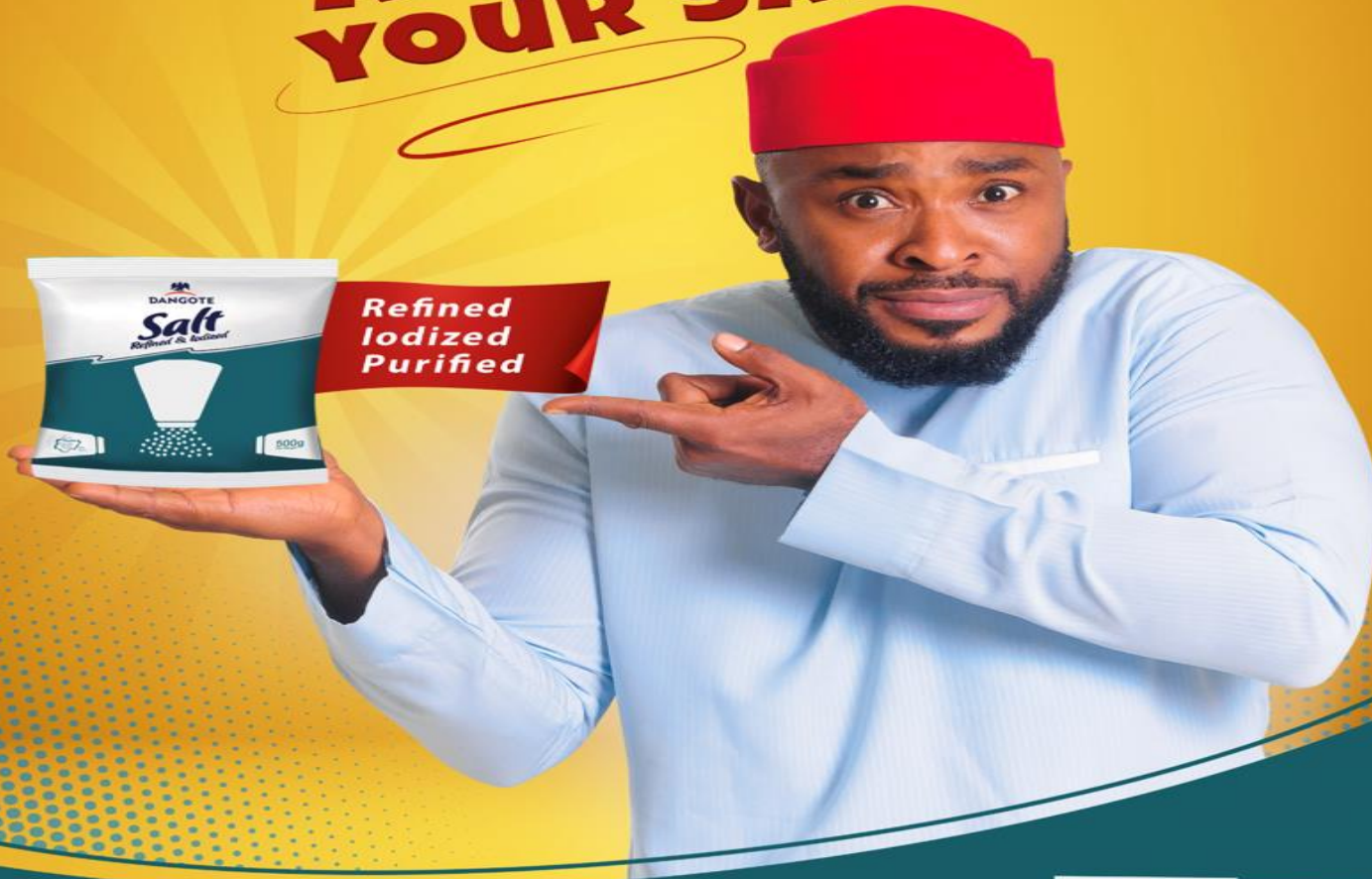


Goods	Street price	Supermarket price	% difference
Pepsi (50cl)	N350	N350	0%
Heineken beer (60cl)	N1000	N1200	-3.17%
Bread Loaf	N1600	N1200	-20%
Indomie (1 carton)	N7,600	N8,000	1.3%
Gala (big size)	N250	N250	0%





IT'S TIME TO  
**CARE**  
ABOUT  
YOUR SALT



DANGOTE  
**Salt**  
*Refined & Iodized*


Choose Quality, Choose Dangote Salt

















[www.nasconplc.com](http://www.nasconplc.com)



# Stock Market

NSE ASI  0.33% to close at 98,232.39pts on October 2nd, 2024.

	Share Prices (₦)		Daily % Change (October 2nd)		YTD (% Change)
Nestle	890.00		0.00		19.09
Honeywell	4.63		5.12		39.46
Flour Mills	50.40		9.81		67.62
Cadbury	19.7		0.00		3.68
Dangote Sugar	35.40		0.28		37.89
Unilever	19.00		0.00		28.38
Ikeja Hotels	7.00		0.00		16.69





# Oil Markets Today

COMMODITY	DAILY CHANGE October 2nd – October 3rd	YTD	CURRENT PRICE
BRENT	↑ 1.23%	↓ 2.55%	\$74.81pb
WTI	↑ 134%	↓ 0.12%	\$71.54pb
NATURAL GAS	↑ 1.00%	↑ 17.06%	\$2.92/MMBtu



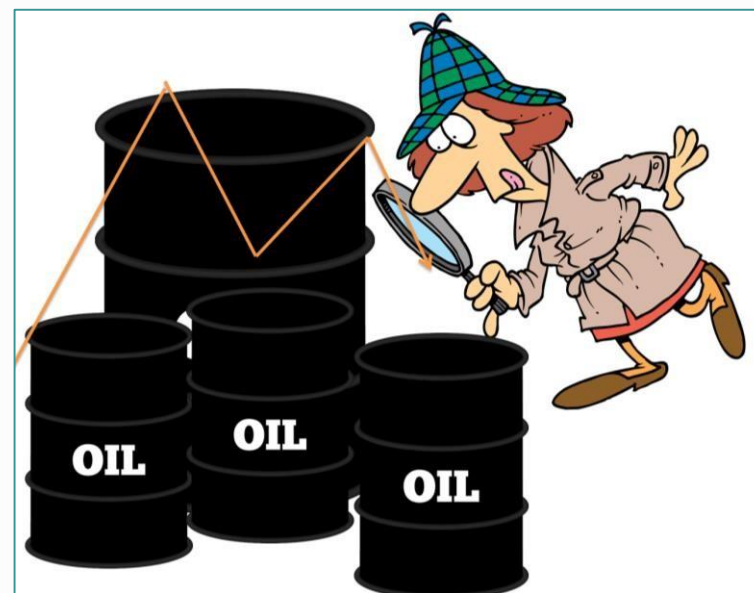
# Oil Prices



- Brent rose by 1.23% to \$74.81pb
- WTI up by 1.34% to \$71.54pb
- Oil prices gained on fears over Middle East supply disruptions

# Outlook – Oil Prices

- Oil prices are likely to remain below \$75pb in the near term due to weak demand in China



# Agricultural Commodities

## Wheat



Rose by 1.84% to \$610.00/bushel on worries over potential global supply disruptions and increasing demand

## Corn



Gained 0.18% to \$417.25/bushel, supported by war concerns in the Middle East

## Cocoa



Edged up by 0.68% to \$7,081.00/mt, as Cote d'Ivoire raises cocoa prices above Ghana

## Sugar



Up by 0.30% to \$23.04/pound due to supply shortages from Brazil

# 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

