








# COMMODITIES UPDATE



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

# Burning Economic Issues

- Headline inflation projected to increase to 34.68% in November- **FDC**
- Dangote refinery lowers PMS price to N970/litre, market price remains sticky at N1,065/litre, and diesel price is N1,150/litre
- Brent futures dropped 0.46% (\$71.81pb) due to persistent concerns over a looming supply glut- **Bloomberg**
- Cocoa gained 3.69% (\$10,207.00/mt) hits 7-month high as West Africa's crop outlook worsens- **Bloomberg**
- Naira depreciated by 1.22% to N1,640/\$ (parallel market)
- Domestic commodity prices are mixed due to consumers' resistance
  - Rice (Bag)  10% (N110,000), Beans (Bag)  14.29% (N120,000), Garri (Bag)  5.41% (N35,000), Tomatoes (Basket)  (N40,000), Onions (Bag)  33.33% (N260,000), Flour  (N65,000), Vegetable  35.29% (N23,000)



## The Downers



## Impact

- Oil exports account for 65.44% of Nigeria's total export in Q3'24. A decline in oil prices will reduce Nigeria's foreign earnings and deplete its external reserves

## The Goodies






- LNG contributes 10.29% of total exports in Q3'24. An increase in LNG prices will raise Nigeria's export earnings and improve the foreign reserve
- A rise in cocoa prices above \$10,000/mt will increase non-oil exports earnings, and cocoa export earnings which accounts for 1.83% of total exports in Q3'24.

# Domestic Commodities Price Movement

Commodities	Previous Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Garri (50kg) Yellow	N37,000	N35,000	5.41	↓	N16,000	N50,000
Rice (50kg) long grain	N100,000	N110,000	10.00	↑	N33,000	N140,000
Flour (50kg)	N65,000	N65,000	0.00	↔	N28,500	N70,000
Beans (Oloyin)(50kg)	N140,000	N120,000	14.29	↓	N30,000	N180,000
Cement (50kg)	N7,400	N8,400	13.51	↑	N4,200	N9,500
Tomatoes (Basket)	N40,000	N40,000	0.00	↔	N15,000	N150,000
Pepper (big bag)	N40,000	N70,000	75.00	↑	N15,000	N160,000
Onions (bag)	N180,000	N240,000	33.33	↑	N25,000	N240,000
Vegetable oil (5L)	N17,000	N23,000	35.29	↑	N23,000	

# 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	N11,000	57.14	↑	N22,000	N37,500
Semovita (10kg)	N16,500	N16,000	3.03	↓	N6,700	N16,500
New Yam (3 tubers) 	N10,500	N10,500	0.00	↔	N3,000	N12,000
Sugar (50kg) 	N85,000	N85,000	0.00	↔	N31,000	N85,000
Wheat flour (10kg)	N11,500	N14,500	26.09	↑	N4,800	N13,000
Eggs (1 crate)	N6,000	N6,500	8.33	↑	N1,800	N6,500

# 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%



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# Stock Market

NSE ASI  0.11% to close at 98,107.52pts on December 9th, 2024.

	Share Prices (₦)		Daily % Change (December 9th)		YTD (% Change)
Nestle	850.00		0.00		22.73
Honeywell	5.00		0.40		50.00
Flour Mills	81.50		0.00		146.60
Cadbury	21.30		0.00		12.11
Dangote Sugar	35.15		0.29		38.33
Unilever	26.65		0.00		80.07
Ikeja Hotels	8.00		0.00		33.33





# Oil Markets Today

COMMODITY	DAILY CHANGE December 9th – December 10th	YTD	CURRENT PRICE
BRENT	↓ 0.46%	↓ 7.45%	\$71.81pb
WTI	↓ 0.54%	↓ 5.73%	\$68.00pb
NATURAL GAS	↑ 5.36%	↑ 28.57%	\$3.24/MMBtu



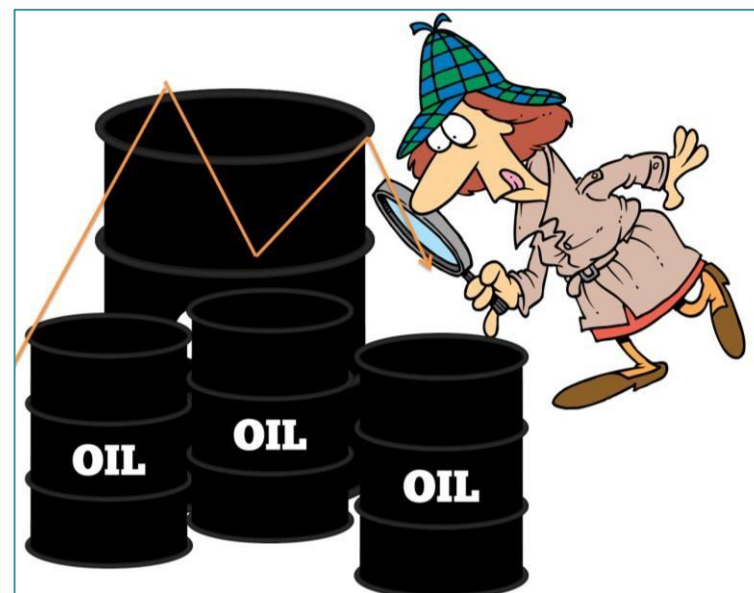
# Oil Prices



- Brent rose 0.46% to \$71.81pb
- WTI climbed 0.54% to \$68.00pb
- Oil prices fall over concerns of supply glut

# Outlook – Oil Prices

- Oil prices are likely to remain bearish on demand concerns and supply glut



# Agricultural Commodities

## Wheat



Rose by 1.12% to \$563.50/bushel on expectations that Russia shipment may slow

## Corn



Gained 0.17% to \$440.75/bushel due to expectations of stocks reduction in USDA demand and supply update

## Cocoa



Climbed 3.69% to \$10,207.00/mt, as West Africa's crop prospect worsens

## Sugar



Down 0.69% to \$21.66/pound driven by a weakening Brazil real against the dollar

# Outlook – Agricultural Prices



## GRAINS

- Grain prices are expected to be bullish due to unfavourable weather in the U.S.

## 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

