

COMMODITIES UPDATE



February 20th, 2025

Burning Economic Issues

- Naira appreciates sharply and temporary to N1,514/\$
- Nigeria's oil production up 1.54 mbpd in January
- Brent futures rose 1.07% (\$76.65pb) on supply uncertainties from Russia and OPEC+ – **Bloomberg**
 - Higher than the benchmark
- MPC to announce monetary policy rate and stance today. Nigeria's treasury bill stop rates declined by about 100bps
- Cocoa prices dipped 0.57% (\$10,431.00/mt) despite West African cocoa crop concerns - **Reuters**
- Domestic commodity prices are mixed inspite of planting season shortages
 - Beans (Bag) ↓ 4.76% (N100,000), Onions (Bag) ↓ 9.09% (N100,000), Tomatoes (Basket) ↓ 16.67% (N30,000), Pepper (Bag) ↑ 33.33% (N80,000), Rice (50kg) ↔ (N100,000)
 - Fasting to commence in March, leading to higher demand for fruits and vegetables

The Downers



- Cocoa now trading at 17% below its peak of \$12,565/mt will have a negative impact of \$300-\$400m on export earnings

Impact

The Goodies






- Oil price above the benchmark of \$75pb will reduce deficit
- A status quo decision will keep rates steady and the cost of borrowing down

Domestic Commodities Price Movement

Commodities	Previous Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Garri (50kg) Yellow	N36,000	N35,000	2.77	↓	N16,000	N50,000
Rice (50kg) long grain	N100,000	N100,000	0.00	↔	N33,000	N140,000
Flour (50kg)	N65,000	N65,000	0.00	↔	N28,500	N70,000
Beans (Oloyin)(50kg)	N105,000	N100,000	4.76	↓	N30,000	N180,000
Cement (50kg)	N8,400	N9,700	15.48	↑	N4,200	N9,500
Tomatoes (Basket)	N35,000	N30,000	16.67	↓	N15,000	N150,000
Pepper (big bag)	N60,000	N80,000	33.33	↑	N15,000	N160,000
Onions (bag)	N110,000	N100,000	9.09	↓	N25,000	N240,000
Vegetable oil (5L)	N19,500	N19,500	15.22	↔	N23,000	N22,000

Domestic Commodities Price Movement

Relatively Elastic Products

Commodities	Previous Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Palm Oil (5l) 	N9,500	N12,000	26.32	↑	N22,000	N37,500
Semovita (10kg)	N16,500	N16,000	3.03	↓	N6,700	N16,500
New Yam (3 tubers) 	N10,500	N12,000	14.29	↑	N3,000	N12,000
Sugar (50kg) 	N85,000	N81,000	4.71	↓	N31,000	N85,000
Wheat flour (10kg)	N12,600	N14,000	11.11	↑	N4,800	N14,500
Eggs (1 crate)	N6,500	N6,000	7.69	↓	N1,800	N6,500

Consumer Goods – Current price



Goods	Street price	Supermarket price	% difference
Pepsi (50cl)	N450	N500	0%
Heineken beer (60cl)	N1000	N1200	-3.17%
Bread Loaf	N1600	N1200	-20%
Indomie (1 carton)	N9,600	N9,800	1.3%
Gala (big size)	N250	N250	0%



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Stock Market

NSE ASI  0.87% to close at 108,609.51pts on February 19th, 2025.

	Share Prices (₦)		Daily % Change (February 19th)		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 February 19th – February 20th	YTD	CURRENT PRICE
BRENT	↑ 1.07%	↑ 0.31%	\$76.65pb
WTI	↑ 1.39%	↓ 1.13%	\$72.85pb
NATURAL GAS	↑ 6.06%	↓ 0.55%	\$4.25/MMBtu



Oil Prices



- Brent rose 1.07% to \$76.65pb
- WTI up 1.39% to \$72.85pb
- Oil prices gained on supply uncertainties from Russia and OPEC+

Outlook – Oil Prices

- Oil prices are likely to remain bearish on expectation of supply boost



Agricultural Commodities

Wheat



Down by 0.89% to \$612.25/bushel due to profit taking and technical selling

Corn



Gained 0.10% to \$516.25/bushel on strong US export demand

Cocoa



Lost 0.57% to \$10,431.00/mt pressured by signs of weakening demand

Sugar



Increased 1.51% to \$19.45/pound on lower Indian sugar production and strong Brazilian Real

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

