

COMMODITIES UPDATE



February 4th, 2025

Burning Economic Issues

- Brent futures slipped 0.91% (\$75.27pb) after China retaliates against U.S. tariffs - **Bloomberg**
 - OPEC+ agreed to stick to its policy of gradually raising oil output starting from April
- Naira depreciated by 0.31% to N1,615/\$ (parallel market)
- Dangote refinery cuts PMS ex-depot price by 6.32% to N890/litre, reflecting lower global oil prices
 - PMS price remains unchanged at N970/litre despite the ex-depot price reduction
- Trump warns BRICS against replacing the U.S. dollar, vows to sanction South Africa over expropriation law
- Cocoa gained 0.75% (\$10,936.00/mt) due to a decline in the British pounds against the dollar - **Nasdaq**
- Domestic commodity prices are falling due to seasonal factors and weak demand
 - Garri (Bag) ↓ (N38,000), Beans (Bag) ↔ (N100,000), Rice (50kg) ↓ 4.76%% (N100,000), Onions (Bag) ↓ 40.91% (N130,000), Sugar (Bag) ↓ 4.71% (N81,000)

The Downers



- A drop in oil prices will reduce Nigeria's oil revenue and deplete the foreign reserves

Impact

The Goodies












- Falling commodity prices will mitigate inflationary pressures and lower the cost of living
- Higher cocoa prices will boost non-oil export earnings and increase cocoa farmer's earnings

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	N105,000	N100,000	4.76	↓	N33,000	N140,000
Flour (50kg)	N65,000	N65,000	0.00	↔	N28,500	N70,000
Beans (Oloyin)(50kg)	N100,000	N100,000	0.00	↔	N30,000	N180,000
Cement (50kg)	N8,400	N9,700	15.48	↑	N4,200	N9,500
Tomatoes (Basket)	N35,000	N25,000	28.57	↓	N15,000	N150,000
Pepper (big bag)	N35,000	N42,000	20.00	↑	N15,000	N160,000
Onions (bag)	N220,000	N130,000	40.91	↓	N25,000	N240,000
Vegetable oil (5L)	N23,000	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) 	N11,000	N9,500	13.64		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) 	N85,000	N81,000	4.71		N31,000	N85,000
Wheat flour (10kg)	N14,500	N12,600	13.10		N4,800	N14,500
Eggs (1 crate)	N6,000	N6,500	8.33		N1,800	N6,500

Consumer Goods – Current price



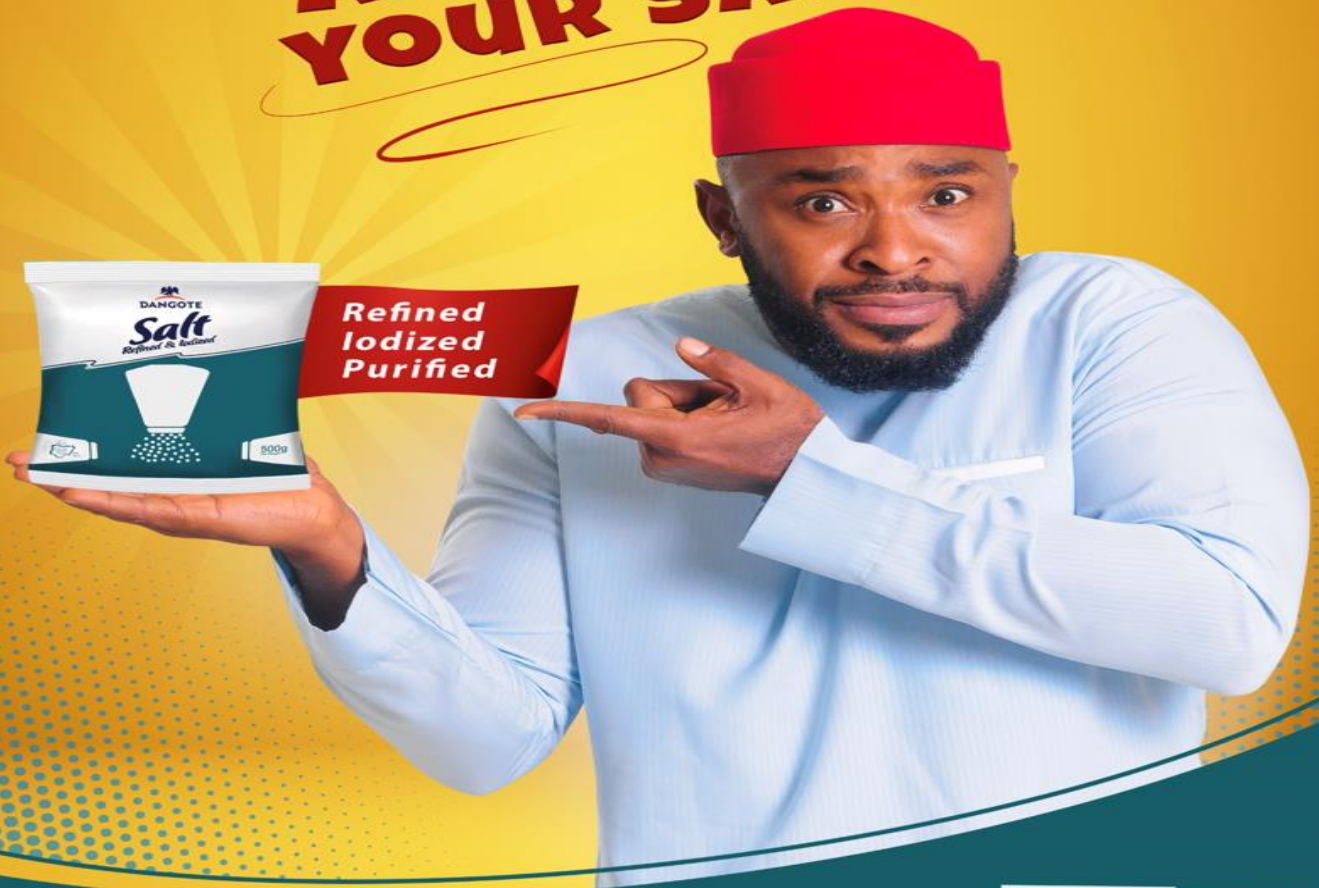
Goods	Street price	Supermarket price	% difference
Pepsi (50cl)	N450	N500	0%
Heineken beer (60cl)	N1000	N1200	-3.17%
Bread Loaf	N1600	N1200	-20%
Indomie (1 carton)	N9,600	N9,800	1.3%
Gala (big size)	N250	N250	0%



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Stock Market

NSE ASI  0.13% to close at 104,630.30pts on February 3rd, 2025.

	Share Prices (₦)		Daily % Change (February 3rd)		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 3rd – February 4th	YTD	CURRENT PRICE
BRENT	↓ 0.91%	↑ 9.27%	\$75.27pb
WTI	↓ 1.65%	↑ 10.58%	\$71.95pb
NATURAL GAS	↑ 8.48%	↑ 11.29%	\$3.30/MMBtu



Oil Prices



- Brent down 0.91% to \$75.29pb
- WTI fell 1.65% to \$71.95pb
- Oil prices lost as U.S. tariffs on Mexico were paused for a month

Outlook – Oil Prices

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



Agricultural Commodities

Wheat



Rose by 0.18% to \$560.00/bushel due to potential impact of U.S. tariffs on Canada, China, and Mexico

Corn



Climbed 1.24% to \$476.00/bushel driven by unfavourable weather conditions in Argentina and lower output

Cocoa



Jumped 0.75% to \$10,936.00/mt on West African crop concerns

Sugar



Gained 0.98% to \$19.16/pound due to expected drop in Brazil production

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

