# COMMODITES UPDATE



March 4<sup>th</sup>, 2025



### Burning Economic Issues



- February headline inflation to decline to 32.11% from 33.35% in January using old methodology- *FDC*
- Brent futures lost 0.92% (\$70.96pb) as OPEC+ plans to revive output- *Bloomberg*
- NNPC reduces petrol pump price to N860/litre
  - Dangote absorbs N16bn PMS loss as the refinery sets to refund N65/litre to marketers for overpriced petrol
- Nigeria's PMI increased to 53.7 points in February from 52.0 points in January *Stanbic IBTC*
- Naira gained 0.20% to N1,507/\$ (parallel market) as the U.S. dollar fell against a basket of currencies
- Cocoa prices plunged 6.65% (\$8,517.00/mt) after ICCO forecasts a surplus in the 2024/25 season *Reuters*
- Domestic commodity prices are mixed due to increased supply and off-season effects



#### **The Downers**





#### **The Goodies**



- •A decline in oil prices will reduce oil revenue and increase government deficit
- •A fall in cocoa price will lower Nigeria's export revenue and shrink farmers income

Nigeria's PMI expanding to 53.7 will boost investors confidence



### Domestic Commodities Price Movement

Commodities	Previous	Current	0/0	Directional	Year Low	Year High
	Month	Prices	change	Change		
	Prices					
Garri (50kg) Yellow	N35,000	N34,000	2.86	1	N16,000	N50,000
Rice (50kg) long grain	N95,000	N90,000	5.26	•	N33,000	N140,000
Flour (50kg)	N65,000	N60,000	7.69	1	N28,500	N70,000
Beans (Oloyin)(50kg)	N100,000	N95,000	5.26	•	N30,000	N180,000
Cement (50kg)	N8,400	N9,700	15.48	1	N4,200	N9,500
Tomatoes (Basket)	N30,000	N40,000	33.33	1	N15,000	N150,000
Pepper (big bag)	N80,000	N120,000	50.00	1	N15,000	N160,000
Onions (bag)	N100,000	N90,000	10.00	•	N25,000	N240,000
Vegetable oil (5L)	N19,500	N19,500	15.22	$\qquad \Longleftrightarrow \qquad$	N23,000	N22,000

### Domestic Commodities Price Movement

#### Relatively Elastic Products

Commodities	Previo us Month Prices	Current Prices	% change	Directional Change	Year Low	Year High
Palm Oil (51)	N9,500	N12,000	26.32	1	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	1	N3,000	N12,000
Sugar (50kg)	N85,000	N81,000	4.71	•	N31,000	N85,000
Wheat flour (10kg)	N12,600	N12,600	0.00		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	% difference
		price	
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%





# Dangote Sugar has a NEW LOOK



### **Same Great Quality!**







### Stock Market

NSE ASI 0.34% to close at 107,455.13pts on March 3rd, 2025.

	Share Pric ( <del>N</del> )	es	Daily % Chan (March 3rd)	ge	YTD (% Change)
Nestle	975.00	$\Leftrightarrow$	0.00	1	11.43
Honeywell	13.00	-	5.11	1	87.86
Flour Mills	81.50	$\Leftrightarrow$	0.00	1	146.60
Cadbury	26.30	$\Leftrightarrow$	0.00		22.33
Dangote Sugar	40.00	$\Leftrightarrow$	0.00	$\Leftrightarrow$	0.00
Unilever	39.45	$\Leftrightarrow$	0.00	1	9.58
Ikeja Hotels	10.90	-	9.92	-	11.74



### Oil Markets Today

#### **COMMODITY**

#### **DAILY CHANGE**

March 3rd – March 4th

YTD

CURRENT PRICE

**BRENT** 

WTI

NATURAL GAS



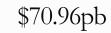












\$67.83pb

\$4.07/MMBtu







### Oil Prices

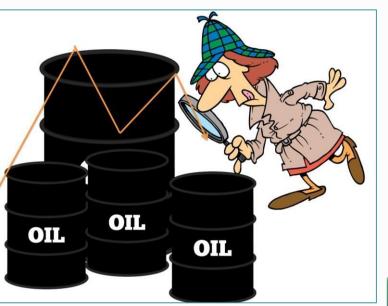
- Brent fell by 0.92% to \$70.96pb
- WTI up 0.79% to \$67.83pb
- Oil prices lost as OPEC+ plans to revive output





### Outlook — Oil Prices

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





### Agricultural Commodities

#### Wheat



Rose by 0.31% to \$557.50/bushel due to weaker dollar and concerns over crop conditions in the US and Black Sea region

#### Corn



Down 0.48% to \$467.25/bushel on growing supply concerns in the U.S. as farmers increase acreage

#### Cocoa



Lost 6.65% to \$8,517.00/mt driven by improved supply prospect in West Africa countries and increased inventories

#### Sugar



Slipped 0.97% to \$18.34/pound due to subdued Brazilian Real and imminent expiration of front month contract



# 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



