# COMODITIES UPDATE





## Burning Economic Issues

- Dangote refinery further reduced the ex-depot price of PMS by 3.47% to N835/litre
- Brent futures climbed 0.64% (\$66.27pb) on hopes of potential U.S.-China talks-*Bloomberg*
- Naira appreciated by 0.31% to N1,612/\$ (parallel market)
- Cocoa prices dipped by 0.28% (\$7,904.00/mt) due to weak demand- *Reuters*
- FAAC declined for the third consecutive month, falling by 5.95% to N1.58trn in March
- Domestic commodity prices are mixed amid renewed inflationary pressures
  - Beans (50 kg) 5.88% (N80,000), Rice (50kg) (N85,000), Tomatoes (Basket) 16.67% (N70,000), Pepper (Bag)

↓21.74% (N180,000), Onions (Bag) ↓8.33% (N110,000)



#### **The Downers**



#### Impact

#### The Goodies



- A decline in Nigeria's oil production will reduce export earnings, weaken the naira and fuel inflation
- A fall in cocoa prices is expected to lower Nigeria's non-oil export revenues and reduce the income of cocoa farmers

• An increase in oil prices will boost Nigeria's oil revenue. However, oil prices falling below the budget benchmark will widen Nigeria's fiscal deficit.



### Domestic Commodities Price Movement

| Commodities            | Previous<br>Month<br>Prices | Current<br>Prices | %<br>change | Directional<br>Change | Year Low | Year High |
|------------------------|-----------------------------|-------------------|-------------|-----------------------|----------|-----------|
| Garri (50kg) Yellow    | N33,000                     | N32,000           | 3.03        | ₽                     | N16,000  | N50,000   |
| Rice (50kg) long grain | N85,000                     | N85,000           | 0.00        | $\Leftrightarrow$     | N33,000  | N140,000  |
| Flour (50kg)           | N60,000                     | N65,000           | 8.33        |                       | N28,500  | N70,000   |
| Beans (Oloyin)(50kg)   | N85,000                     | N80,000           | 5.88        | <b>↓</b>              | N30,000  | N180,000  |
| Cement (50kg)          | N9,700                      | N10,500           | 8.25        |                       | N4,200   | N9,500    |
| Tomatoes (Basket)      | N60,000                     | N70,000           | 16.67       |                       | N15,000  | N150,000  |
| Pepper (big bag)       | N230,000                    | N180,000          | 21.74       | •                     | N15,000  | N160,000  |
| Onions (bag)           | N120,000                    | N110,000          | 8.33        |                       | N25,000  | N240,000  |
| Vegetable oil (5L)     | N19,000                     | N19,000           | 0.00        | $\Leftrightarrow$     | N23,000  | N22,000   |

ERIVATIVE

### Domestic Commodities Price Movement

#### **Relatively Elastic Products**

| Commodities        | Previo<br>us<br>Month<br>Prices | Current<br>Prices | % change | Directional<br>Change | Year Low | Year High |
|--------------------|---------------------------------|-------------------|----------|-----------------------|----------|-----------|
| Palm Oil (51)      | N12,000                         | N10,000           | 16.67    | +                     | N22,000  | N37,500   |
| Semovita (10kg)    | N16,000                         | N15,000           | 6.25     | ➡                     | N6,700   | N16,500   |
| New Yam (3 tubers) | N12,000                         | N9,000            | 25.00    | +                     | N3,000   | N12,000   |
| Sugar (50kg)       | N81,000                         | N80,000           | 1.23     | ➡                     | N31,000  | N85,000   |
| Wheat flour (10kg) | N12,600                         | N13,000           | 3.17     |                       | 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<br>price | % difference |
|----------------------|--------------|----------------------|--------------|
| Pepsi (50cl)         | N450         | N500                 | 0%           |
| Heineken beer (60cl) | N1000        | N1200                | -3.17%       |
| Bread Loaf           | N2500        | N2500                | -20%         |
| Indomie (1 carton)   | N9,600       | N9,800               | 1.3%         |
| Gala (big size)      | N250         | N250                 | 0%           |







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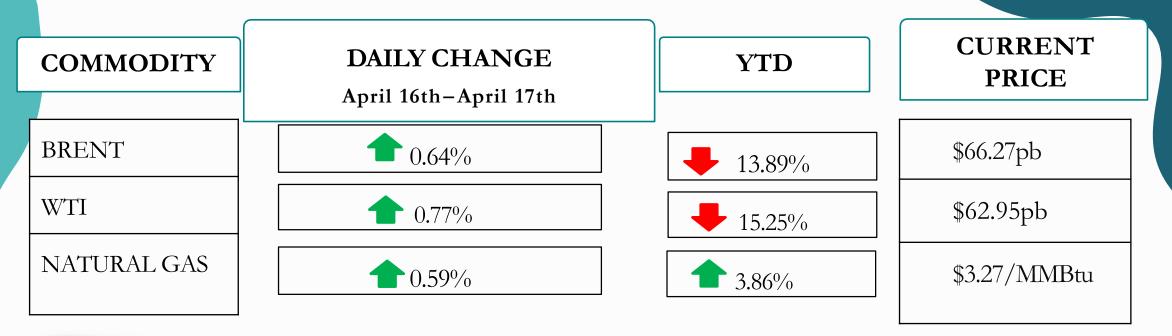
#### Stock Market

NSE ASI - 0.68% to close at 103,851.88pts on April 16th, 2025.

|                  | Share Pric<br>( <del>N</del> ) | es                | Daily % Char<br>(April 16th) | nge | YTD (%<br>Change) |
|------------------|--------------------------------|-------------------|------------------------------|-----|-------------------|
| Nestle           | 1000.00                        | 1                 | 0.00                         |     | 11.43             |
| Honeywell        | 12.60                          | ➡                 | 1.46                         |     | 75.14             |
| Flour Mills      | 81.50                          | $\Leftrightarrow$ | 0.00                         | 1   | 0.00              |
| Cadbury          | 24.90                          | $\Leftrightarrow$ | 0.00                         | 1   | 6.98              |
| Dangote<br>Sugar | 34.70                          | ➡                 | 0.00                         | ₽   | 12.98             |
| Unilever         | 38.45                          | $\Leftrightarrow$ | 2.12                         | 1   | 6.94              |
| Ikeja Hotels     | 10.30                          | $\Leftrightarrow$ | 9.92                         | +   | 10.93             |



### Oil Markets Today









### Oil Prices

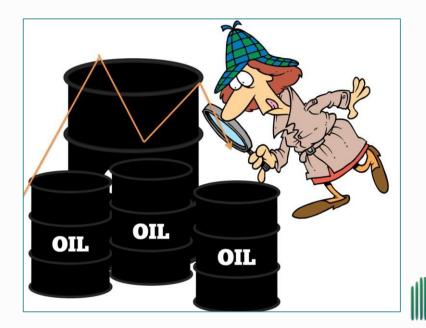
- Brent Rose by 0.64% to \$66.27pb
- WTI climbed 0.77% to \$62.95pb
- •Oil prices gained on potential China-U.S. talks





#### Outlook – Oil Prices

• Oil prices are likely to be bearish as OPEC+ plans to increase output by 411,000 barrels per day and Trump's retaliatory tariff



### Agricultural Commodities





#### Cocoa



Sugar

SUGAR

Rose 1.917% to \$562.50/bushel as EU soft wheat export declines by 35% Gained 0.97% to \$494.25/bushel on strong demand for U.S. corn.

Fell by 0.28% to \$7,904.00/mt on weaker cocoa demand Edged higher by 0.46% to \$17.49/pound despite prospects for improved global supplies.



# Outlook – Agricultural Prices

#### GRAINS

Grain prices are expected to be bullish due to increase in global demand and adverse weather in Brazil and the US

#### 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



