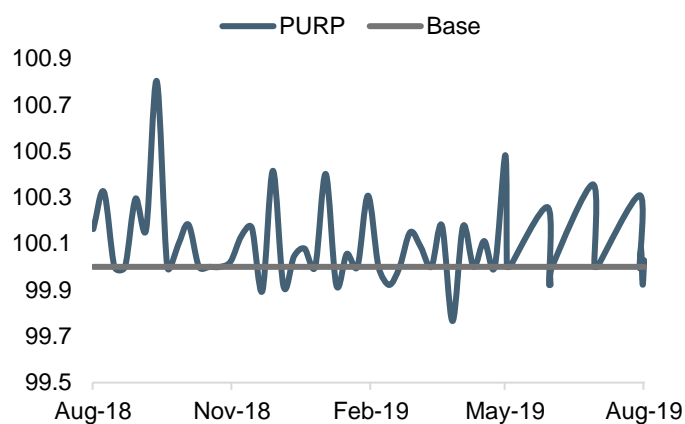


## The PENTAD – Urban Retail Price Tracker

### The PURP Index



Source: ARM Research

	Commodity	Consumer	Cement	Brewery	Oil
Weightings	30%	30%	10%	20%	10%
Price change (MoM)	0.43%	0.00%	0.00%	0.20%	-0.03%
Standard deviation of prices	7	0	0	6	4

To determine how retail prices have moved on average, we fashioned out a Pentad Urban Retail Price Index (PURP) which adopts April 1st to April 8th as a base period. The PURP index accords 30% weightings apiece to consumer and commodities prices, 20% weighting to the brewery basket with a further 20% distributed evenly between cement and cooking gas prices.

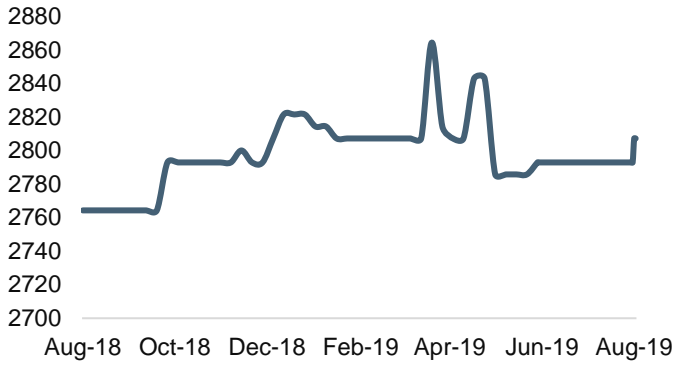
Across the sectors, price evolution is monitored on a weekly basis while we adopt 0.6%, 0.0%, and -0.6% as indicators for volume expansion from prior week, no change in volumes, and week on week output contraction (respectively) in a manner slightly akin to CBN's PMI methodology.

### Price pressure brew up

- Retail prices ended the month of August on a higher note with our Urban Retail Price Tracker – the PURP index – recording a modest increase of **0.33% MoM** to 113.1 pts (vs **0.28% MoM** in July). Price increases were more evident in the commodities and brewers baskets.
- In the **consumer basket**, following increased competition from cheaper imported brands hinged on FX availability, movement in prices were largely muted. Consequently the sub-index showed no change over the month.
- Elsewhere, prices in the **brewery basket** printed slightly higher (+0.20% MoM), largely reflecting increased price of some value brands. Particularly, relative to the prior month, prices of *Trophy* and *Satzenbrau* were 0.83% and 0.85% higher respectively.
- Prices in the **commodities basket** advanced over the month (+**0.43% MoM**, July: **+0.46% MoM**) largely reflecting a partial closure of the Seme border. Accordingly, prices of both *rice* and *vegetable oil* expanded by 0.53% MoM and 0.54% MoM respectively. Meanwhile, average price of *palm oil* (+0.09% MoM) printed slightly higher over the month, reflecting a shortage across different markets in line with its seasonal trend.
- Prices in the **oil & gas sector** witnessed a slight moderation of **0.03% MoM** over August, largely on the back of reduction in average price of *cooking gas*. To buttress, *cooking gas* price continued to trend lower for four consecutive months spurred by adequate supply across the state.
- In the month of August, **Cement prices** printed flat with, Wholesale and Retail prices settling at ₦2,550 and ₦2,750 respectively.

# Retail price sub-index

## Brewery Sector



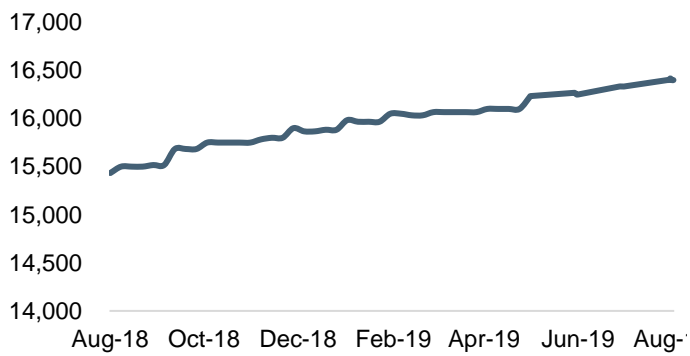
Source: ARM Research

## Consumer Sector



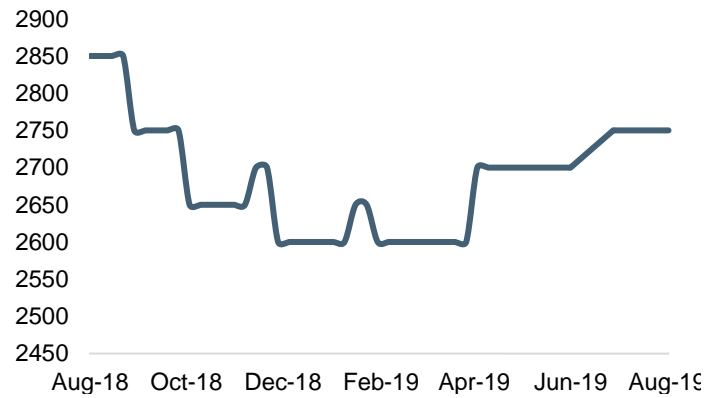
Source: ARM Research

## Commodity Sector



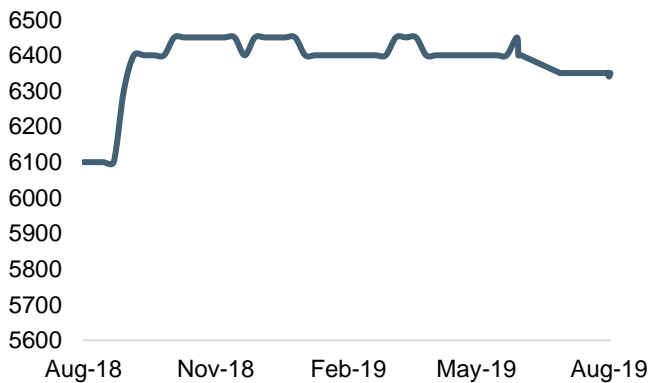
Source: ARM Research

## Cement Sector



Source: ARM Research

## Oil & Gas Sector



Source: ARM Research

## Retail price trends

	Aug-19	Jul-19	Jun-19	Q2 19	Q1 19	Q4 18	Q3 18
<b>Breweries</b>							
<b>Star (N/crate)</b>	<b>2600</b>	<b>2600</b>	<b>2600</b>	<b>2608.333</b>	<b>2607</b>	<b>2563</b>	<b>2533</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>-0.95%</i>	<i>0.06%</i>	<i>1.69%</i>	<i>1.22%</i>	<i>-2.35%</i>
<b>Gulder (N/crate)</b>	<b>2700</b>	<b>2700</b>	<b>2700</b>	<b>2675</b>	<b>2603</b>	<b>2600</b>	<b>2596</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.77%</i>	<i>2.75%</i>	<i>0.13%</i>	<i>0.16%</i>	<i>0.74%</i>
<b>Malta Guinness (N/crate)</b>	<b>2800</b>	<b>2800</b>	<b>2800</b>	<b>2833.333</b>	<b>2907</b>	<b>2900</b>	<b>2846</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.39%</i>	<i>-2.52%</i>	<i>0.23%</i>	<i>1.90%</i>	<i>0.59%</i>
<b>Goldberg (N/crate)</b>	<b>2500</b>	<b>2500</b>	<b>2500</b>	<b>2500</b>	<b>2503</b>	<b>2514</b>	<b>2433</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>-0.13%</i>	<i>-0.43%</i>	<i>3.32%</i>	<i>6.18%</i>
<b>Satzenbrau (N/crate)</b>	<b>2370</b>	<b>2350</b>	<b>2350</b>	<b>2316.667</b>	<b>2312</b>	<b>2313</b>	<b>2273</b>
<i>MoM/QoQ change</i>	<i>0.85%</i>	<i>0.00%</i>	<i>0.40%</i>	<i>0.22%</i>	<i>-0.07%</i>	<i>1.76%</i>	<i>-4.45%</i>
<b>Guinness (N/crate)</b>	<b>4200</b>	<b>4200</b>	<b>4200</b>	<b>4216.667</b>	<b>4207</b>	<b>4200</b>	<b>4292</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.29%</i>	<i>0.24%</i>	<i>0.16%</i>	<i>-2.14%</i>	<i>-1.79%</i>
<b>Trophy (N/crate)</b>	<b>2420</b>	<b>2400</b>	<b>2400</b>	<b>2458</b>	<b>2550</b>	<b>2510</b>	<b>2449</b>
<i>MoM/QoQ change</i>	<i>0.83%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>-3.59%</i>	<i>1.59%</i>	<i>2.48%</i>	<i>7.26%</i>
<b>Consumers</b>							
<b>Close up (N/160g)</b>	<b>295</b>	<b>295</b>	<b>298</b>	<b>305</b>	<b>320</b>	<b>286</b>	<b>280</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>-0.84%</i>	<i>0.00%</i>	<i>-4.69%</i>	<i>11.82%</i>	<i>2.26%</i>	<i>-2.21%</i>
<b>Maggi (N/400g)</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>507</b>	<b>509</b>	<b>537</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>4.17%</i>	<i>-1.45%</i>	<i>-0.36%</i>	<i>-5.18%</i>	<i>0.53%</i>
<b>Milo (N/500g)</b>	<b>890</b>	<b>890</b>	<b>950</b>	<b>954</b>	<b>958</b>	<b>988</b>	<b>919</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>-6.32%</i>	<i>-4.28%</i>	<i>-0.40%</i>	<i>-2.99%</i>	<i>7.49%</i>	<i>-12.85%</i>
<b>Blueband (N/250g)</b>	<b>315</b>	<b>315</b>	<b>315</b>	<b>309</b>	<b>298</b>	<b>285</b>	<b>292</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.80%</i>	<i>3.86%</i>	<i>4.36%</i>	<i>-2.21%</i>	<i>-33.49%</i>
<b>Omo (N/400g)</b>	<b>345</b>	<b>345</b>	<b>355</b>	<b>363</b>	<b>380</b>	<b>382</b>	<b>393</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>-2.82%</i>	<i>0.00%</i>	<i>-4.39%</i>	<i>-0.44%</i>	<i>-2.97%</i>	<i>-5.41%</i>
<b>Lipton (N/100 tea bags)</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>228</b>	<b>216</b>	<b>217</b>	<b>202</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>5.87%</i>	<i>-0.50%</i>	<i>7.13%</i>	<i>-15.52%</i>
<b>Dangote Salt (N/250g)</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>42</b>	<b>45</b>	<b>45</b>	<b>45</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>-7.41%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>-1.82%</i>
<b>Dangote Sugar (N/500g)</b>	<b>200</b>	<b>200</b>	<b>240</b>	<b>239</b>	<b>237</b>	<b>221</b>	<b>231</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>-16.67%</i>	<i>0.00%</i>	<i>0.84%</i>	<i>7.34%</i>	<i>-4.55%</i>	<i>-7.77%</i>
<b>Dettol (N/70g - pack of 6)</b>	<b>1140</b>	<b>1140</b>	<b>1170</b>	<b>1098</b>	<b>919</b>	<b>816</b>	<b>746</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>-2.56%</i>	<i>0.00%</i>	<i>19.48%</i>	<i>12.65%</i>	<i>9.27%</i>	<i>18.94%</i>
<b>Goldenmorn (N/500g)</b>	<b>820</b>	<b>820</b>	<b>783</b>	<b>772</b>	<b>785</b>	<b>812</b>	<b>837</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>4.79%</i>	<i>0.00%</i>	<i>-1.66%</i>	<i>-3.32%</i>	<i>-2.99%</i>	<i>14.61%</i>
<b>Golden penny sugar (N/500g)</b>	<b>230</b>	<b>230</b>	<b>195</b>	<b>217</b>	<b>245</b>	<b>241</b>	<b>239</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>17.95%</i>	<i>-7.14%</i>	<i>-11.56%</i>	<i>1.87%</i>	<i>0.63%</i>	<i>-2.78%</i>

<b>Knorr (N/400g)</b>	<b>650</b>	<b>650</b>	<b>670</b>	<b>665</b>	<b>669</b>	<b>664</b>	<b>660</b>
<i>MoM/QoQ change</i>	0.00%	-2.99%	3.88%	-0.53%	0.69%	0.65%	4.21%
<b>Golden penny pasta (N/500g)</b>	<b>225</b>	<b>225</b>	<b>225</b>	<b>228</b>	<b>213</b>	<b>180</b>	<b>180</b>
<i>MoM/QoQ change</i>	0.00%	0.00%	-2.17%	7.03%	18.52%	0.00%	-16.92%
<b>Honey well pasta (N/500g)</b>	<b>200</b>	<b>200</b>	<b>220</b>	<b>220</b>	<b>213</b>	<b>196</b>	<b>195</b>
<i>MoM/QoQ change</i>	0.00%	-9.09%	0.00%	3.13%	8.66%	0.68%	-4.10%
<b>Dangote pasta (N/500g)</b>	<b>185</b>	<b>185</b>	<b>200</b>	<b>200</b>	<b>210</b>	<b>193</b>	<b>180</b>
<i>MoM/QoQ change</i>	0.00%	-7.50%	0.00%	-4.76%	8.62%	7.41%	-10.74%
<b>Golden penny noodles (N/70g)</b>	<b>50</b>	<b>50</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>
<i>MoM/QoQ change</i>	0.00%	11.11%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Indomie noodles (N/70g)</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
<i>MoM/QoQ change</i>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Honeywell noodles (N/70g)</b>	<b>40</b>	<b>40</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>
<i>MoM/QoQ change</i>	0.00%	14.29%	0.00%	0.00%	0.00%	0.00%	-22.22%
<b>Premier soap (N/70g)</b>	<b>60</b>	<b>60</b>	<b>90</b>	<b>90</b>			
<i>MoM/QoQ change</i>	0.00%	-33.33%	0.00%				
<b>Supreme soap (N/65g)</b>	<b>55</b>	<b>55</b>	<b>70</b>	<b>70</b>			
<i>MoM/QoQ change</i>	0.00%	-21.43%	0.00%				
<b>Imperial leather soap (N/75g)</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>89</b>			
<i>MoM/QoQ change</i>	0.00%	0.00%	0.00%				
<b>Morning fresh (N/1L)</b>	<b>630</b>	<b>630</b>	<b>620</b>	<b>605</b>			
<i>MoM/QoQ change</i>	0.00%	1.61%	3.33%				

## Commodities

	<b>Aug-19</b>	<b>Jul-19</b>	<b>Jun-19</b>	<b>Q2 19</b>	<b>Q1 19</b>	<b>Q4 18</b>	<b>Q3 18</b>
<i>Crude palm oil</i>	<b>11510</b>	<b>11500</b>	<b>11275</b>	<b>11291.67</b>	<b>11433.33</b>	<b>11358</b>	<b>11325</b>
<i>MoM/QoQ change</i>	0.09%	2.00%	-1.10%	-1.24%	0.66%	0.29%	-34.86%
<i>Vegetable oil</i>	<b>18700</b>	<b>18600</b>	<b>18600</b>	<b>18466.67</b>	<b>18241.67</b>	<b>17798</b>	<b>17633</b>
<i>MoM/QoQ change</i>	0.54%	0.00%	1.09%	1.23%	2.49%	0.94%	1.43%
<i>Rice</i>	<b>19000</b>	<b>18900</b>	<b>18900</b>	<b>18833.33</b>	<b>18404.17</b>	<b>18257</b>	<b>17532</b>
<i>MoM/QoQ change</i>	0.53%	0.00%	0.00%	2.33%	0.81%	4.13%	3.07%
<i>Banga oil - Okomu (N/2L)</i>	<b>2900</b>	<b>2900</b>	<b>2900</b>	<b>2900</b>			
<i>MoM/QoQ change</i>	0.00%	0.00%					
<i>Golden penny oil (N/2.75L)</i>	<b>2095</b>	<b>2095</b>	<b>2095</b>	<b>2095</b>			
<i>MoM/QoQ change</i>	0.00%	0.00%					
<i>Mamador oil (N/2.5L)</i>	<b>2280</b>	<b>2280</b>	<b>2280</b>				
<i>MoM/QoQ change</i>	0.00%	0.00%					
<i>Power oil (2.5L)</i>	<b>2110</b>	<b>2110</b>	<b>2095</b>	<b>2110</b>			
<i>MoM/QoQ change</i>	0.00%	0.72%					

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## Cement (N/50kg)

*MoM/QoQ change*

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<b>Aug-19</b>	<b>Jul-19</b>	<b>Jun-19</b>	<b>Q2 19</b>	<b>Q1 19</b>	<b>Q4 18</b>	<b>Q3 18</b>
<b>2750</b>	<b>2850</b>	<b>2850</b>	<b>2854</b>	<b>2817</b>	<b>2853</b>	<b>2866</b>
-3.51%	0.00%	-1.30%	1.33%	-1.29%	-0.45%	

## Oil & Gas

*Cooking gas (N/12.5kg)*

*MoM/QoQ change*

*Lubricants (N/4L)*

*MoM/QoQ change*

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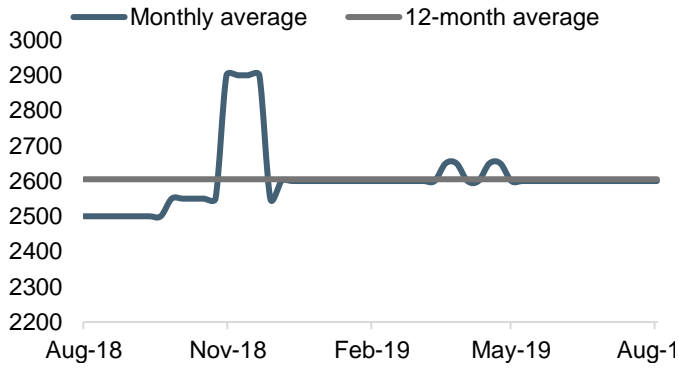
<b>Aug-19</b>	<b>Jul-19</b>	<b>Jun-19</b>	<b>Q2 19</b>	<b>Q1 19</b>	<b>Q4 18</b>	<b>Q3 18</b>
<b>3996</b>	<b>4000</b>	<b>4100</b>	<b>4166.667</b>	<b>4200</b>	<b>4283</b>	<b>3853</b>
-0.10%	-2.44%	-2.38%	-0.79%	-1.95%	11.16%	8.65%
<b>8700</b>	<b>8700</b>	<b>8725</b>	<b>8641.7</b>	<b>8625.0</b>	<b>8608.3</b>	<b>8491.7</b>
0.00%	-0.29%	1.45%	0.19%	0.19%	1.37%	3.05%

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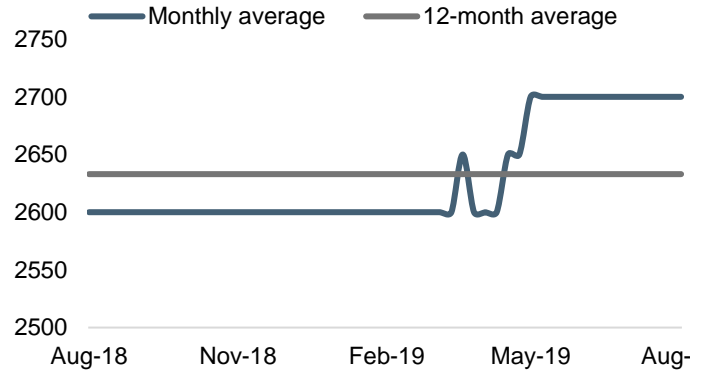
# Retail price trends

## Brewery products

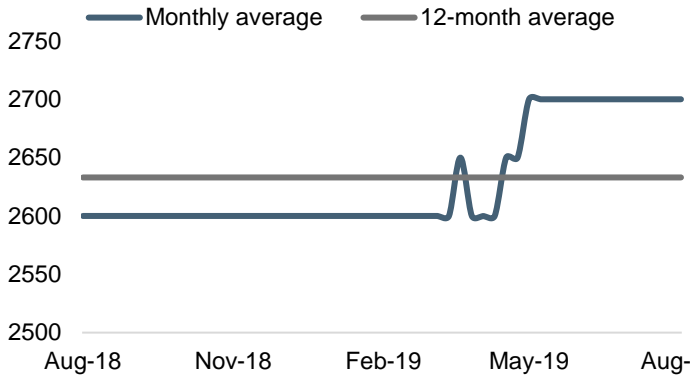
### Star – ₦ per crate



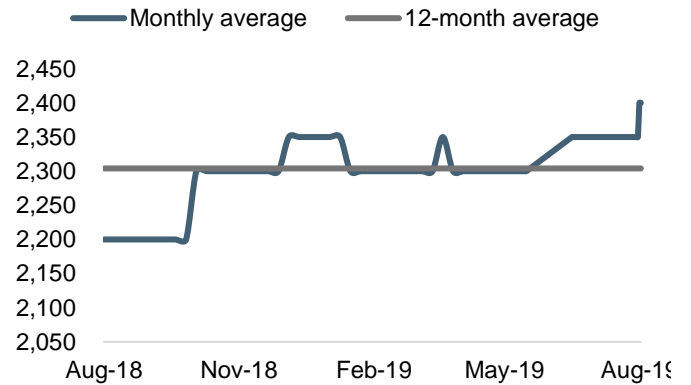
### Goldberg – ₦ per crate



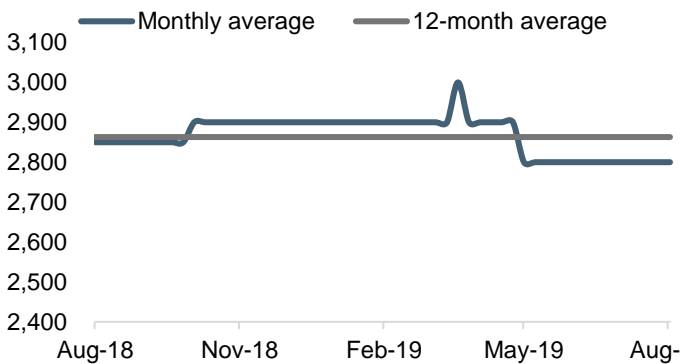
### Gulder – ₦ per crate



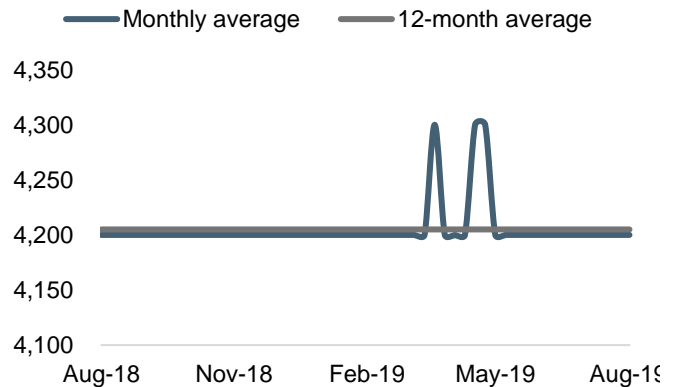
### Satzenbrau – ₦ per crate



### Malta Guinness – ₦ per crate

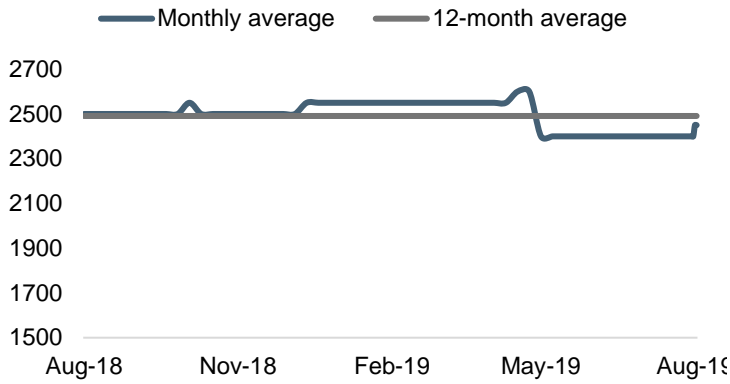


### Guinness – ₦ per crate

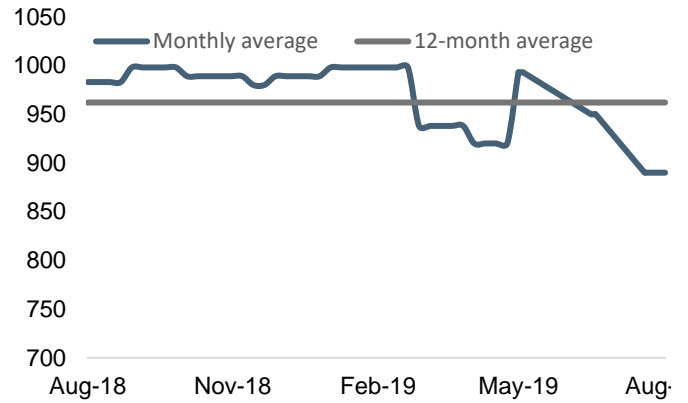


# Retail price trends

**Trophy – ₦ per crate**

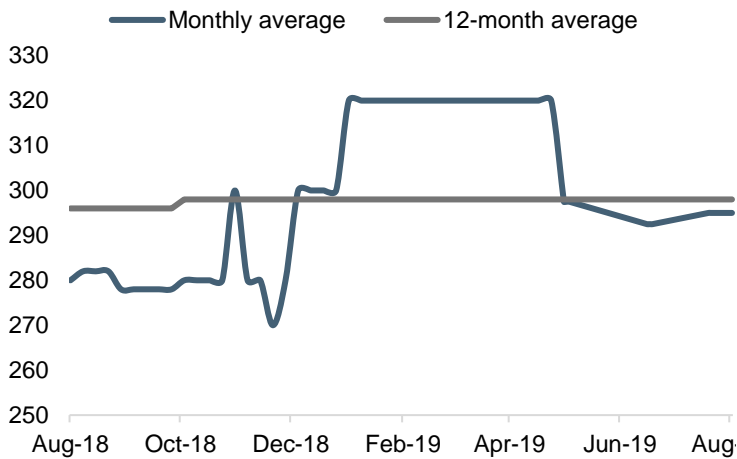


**Milo – ₦ per 500g**

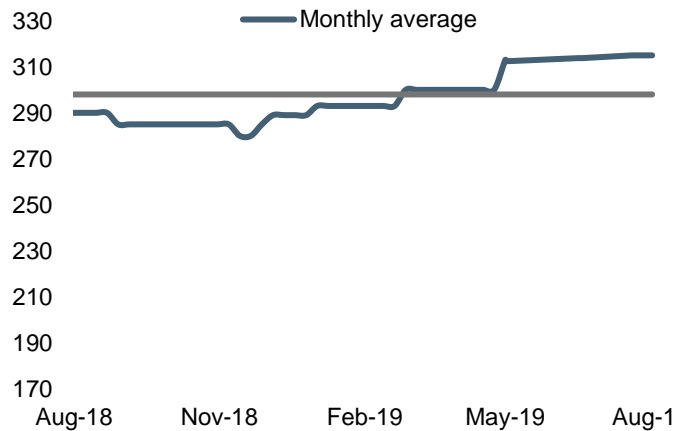


## Consumer products

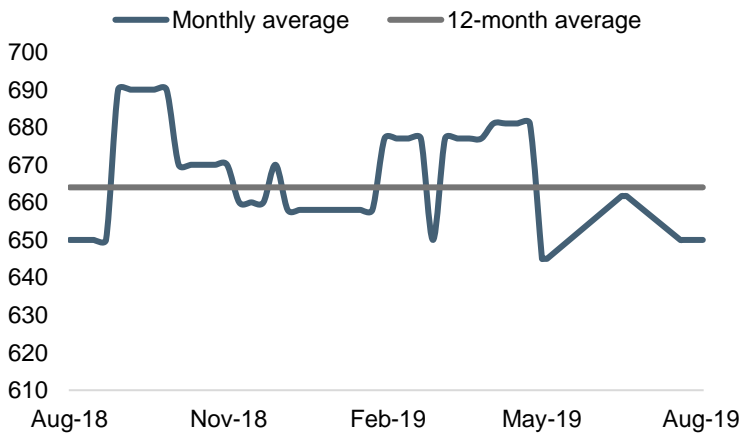
**Close up – ₦ per 240g**



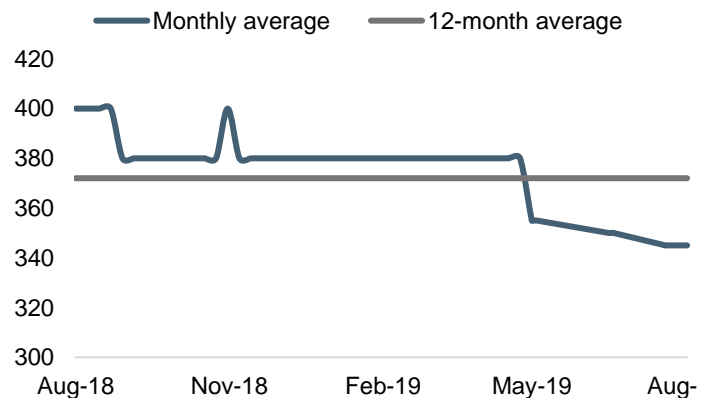
**Blue band – ₦ per 250g**



**Maggi – ₦ per 100 cubes**

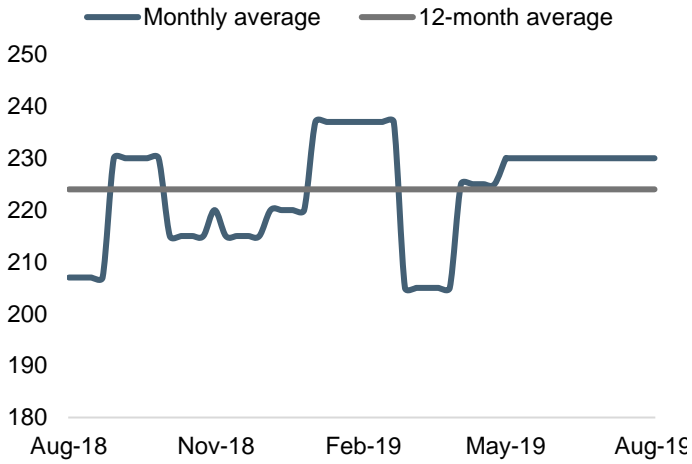


**Omo – ₦ per 400g**

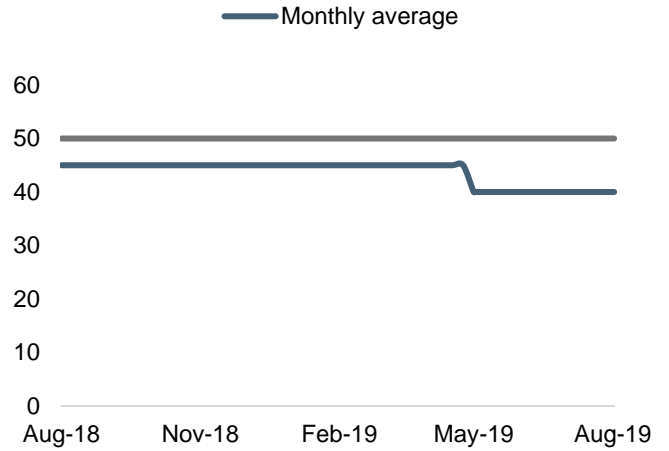


# Retail price trends

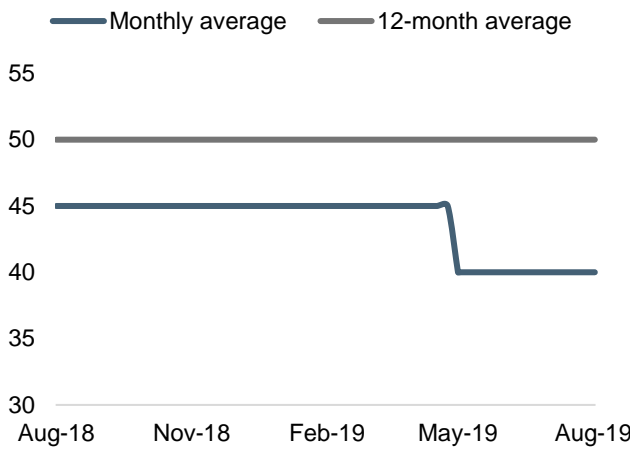
### Lipton – ₦ per 25 tea bag



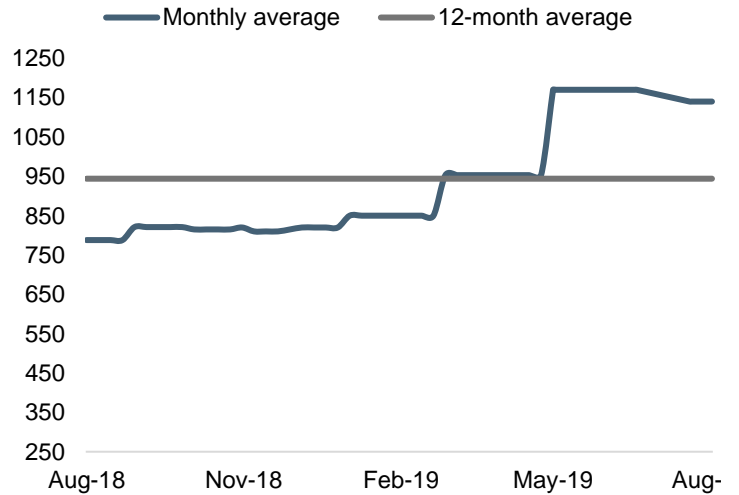
### Dangote salt – ₦ per 250g



### Dangote sugar – ₦ per 250g



### Dettol – ₦ per 70g

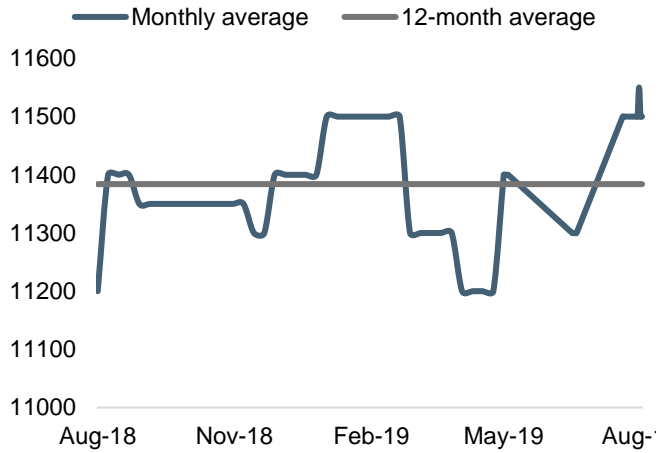




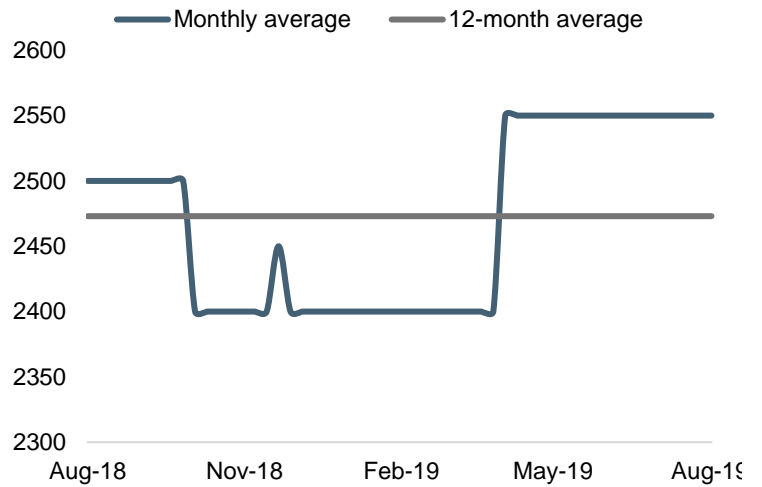
# Retail price trends

## Commodity products

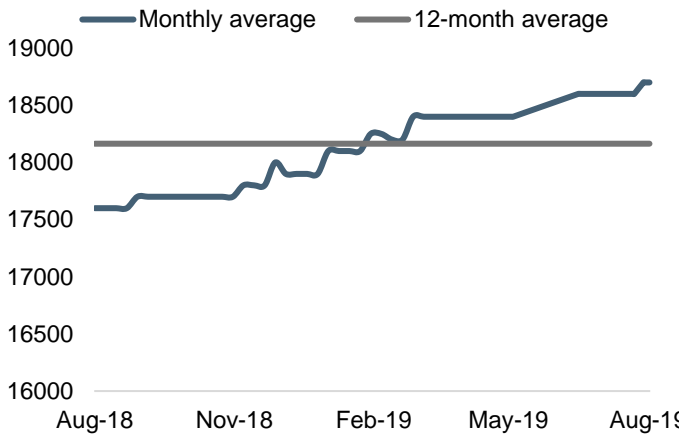
### Crude palm oil – ₦ per 25kg gallon



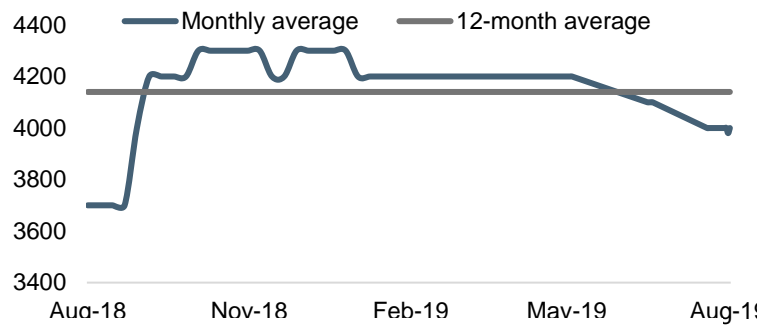
### Cement – ₦ per 50kg bag



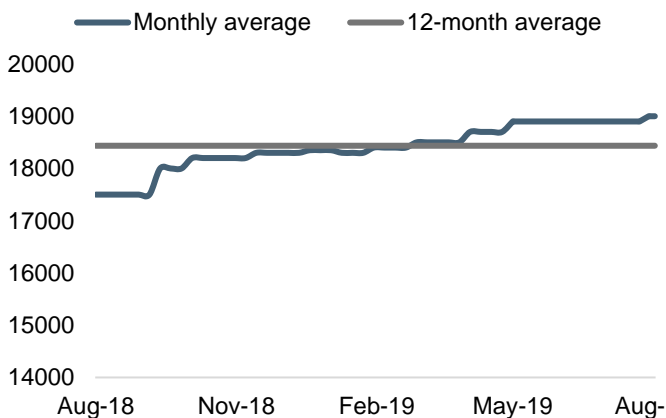
### Vegetable oil – ₦ per 20kg gallon



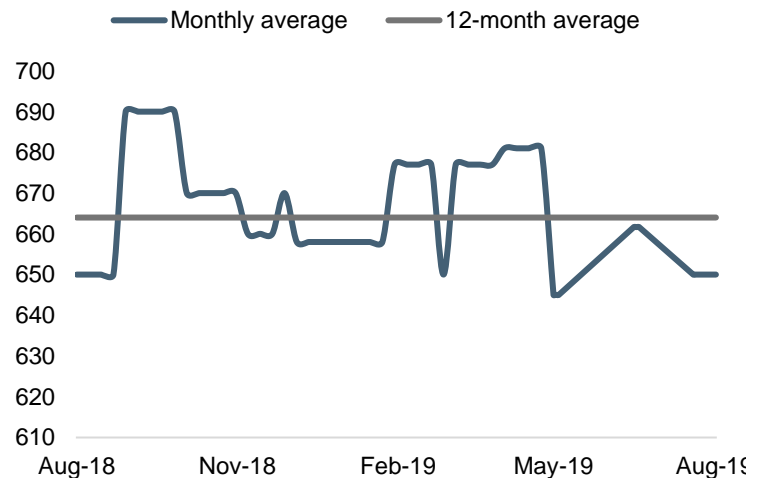
### Cooking gas – ₦ per 12.5kg



### Rice – ₦ per 50kg



### Knorr – ₦ per 100 cubes



## Valuation of Coverage companies

	<b>FVE (₦)</b>	<b>Market Price (₦)</b>	<b>Upside (Downside)</b>	<b>Recommendation</b>
<b>Guinness</b>	43.63	37.3	16.97%	<b>OVERWEIGHT</b>
<b>Nigeria Breweries</b>	75.82	50.55	49.99%	<b>STRONG BUY</b>
<b>Nestle</b>	1447.39	1136	27.41%	<b>STRONG BUY</b>
<b>Unilever</b>	31.95	29.3	9.04%	<b>NEUTRAL</b>
<b>Dangote Sugar</b>	15.67	8.5	84.35%	<b>BUY</b>
<b>Dangote Cement</b>	235.66*	155.7	NA	<b>UR</b>
<b>Lafarge</b>	20.88*	14.5	NA	<b>UR</b>
<b>CCNN</b>	19.16*	17.4	NA	<b>UR</b>
<b>Seplat</b>	828.9	426	94.58%	<b>STRONG BUY</b>
<b>Okomu</b>	75.6	44.15	71.23%	<b>BUY</b>
<b>Presco</b>	51.9	44.8	15.85%	<b>NEUTRAL</b>

\*last communicated FVE

FVE means Fair Value Estimate

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