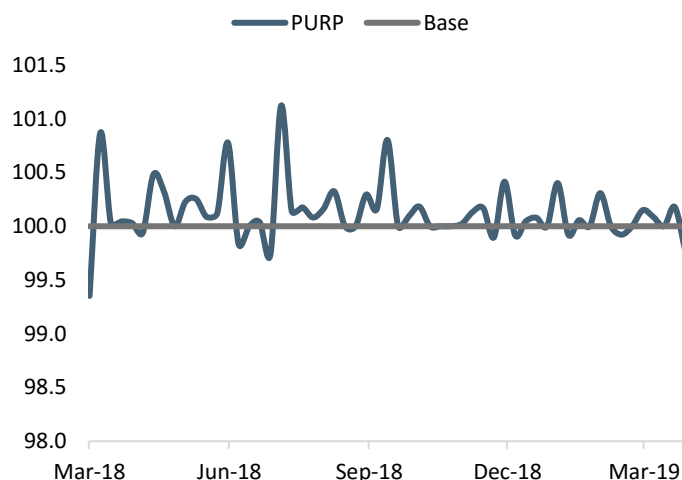


## The PENTAD – Urban Retail Price Tracker

### Price pressures on a hushed note

#### The PURP Index



Source: ARM Research

	Commodity	Consumer	Cement	Brewery	Oil
Weightings	30%	30%	10%	20%	10%
Price change (MoM)	0.16%	-0.09%	0.0%	0.46%	0.47%
Standard deviation of prices	0	1	0	22	24

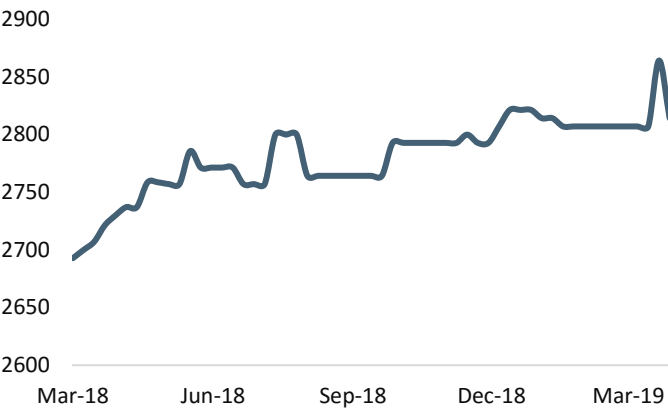
To determine how retail prices have moved on average, we fashioned out a Pentad Urban Retail Price Index (PURP) which adopts April 1st to April 8th as a base period. The PURP index accords 30% weightings apiece to consumer and commodities prices, 20% weighting to the brewery basket with a further 20%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

- Our Urban Retail Price Tracker – the PURP index – recorded a modest increase of **0.20% MoM** to 111.8 pts in March (vs **0.28% MoM** in February). Prices were relatively muted across board, with just slight increases in the brewery and commodities basket.
- In the **consumer basket**, average prices moderated **0.09% MoM**, driven by a moderation in the price of *Knorr* – down by 0.8% MoM to ₦677. On the flipside, prices for other products in this basket remained flat in the month.
- Prices in the **brewery basket** inched slightly higher by **0.46% MoM** following increases in price of *Star* (+0.77% MoM), *Satzenbrau* (+0.43% MoM) and *Guinness* (+0.43% MoM).
- Average price in the **commodities basket** recorded a slower pace of increase over March with prices rising by **0.16% MoM (February: +0.44% MoM)**. Prices of *vegetable oil* and *rice* were higher by 0.96% MoM and 0.54% MoM respectively. Elsewhere, *Palm Oil* prices continued to decline over the month (-1.74% MoM) following improved harvest and supply to the market. It is worthy to note that palm oil prices are usually at the lowest point in the year during the months of March and April due to harvest season. However, palm oil prices were 2.8% higher YoY in March.
- Prices in the **oil & gas sector** witnessed an uptick of **0.47% MoM** over March largely on the back of higher lubricants price.
- Prices in the **cement sector** stayed flat over the month, printing at a retail price of ₦2600/ bag while wholesale price averaged ₦2400/bag putting at a 8% premium to retail prices.

# Retail price sub-index

## Brewery Sector



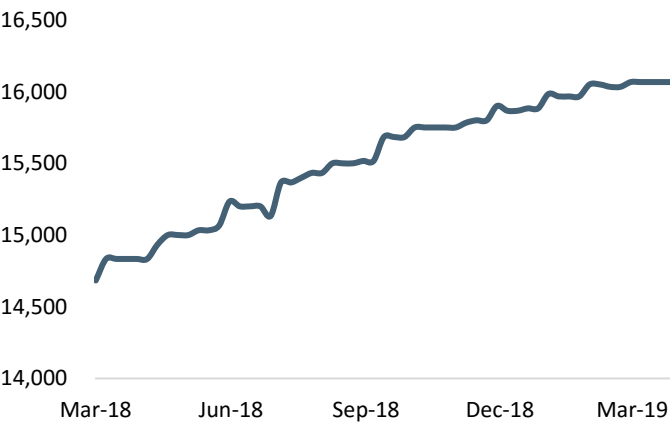
Source: ARM Research

## Consumer Sector



Source: ARM Research

## Commodity Sector



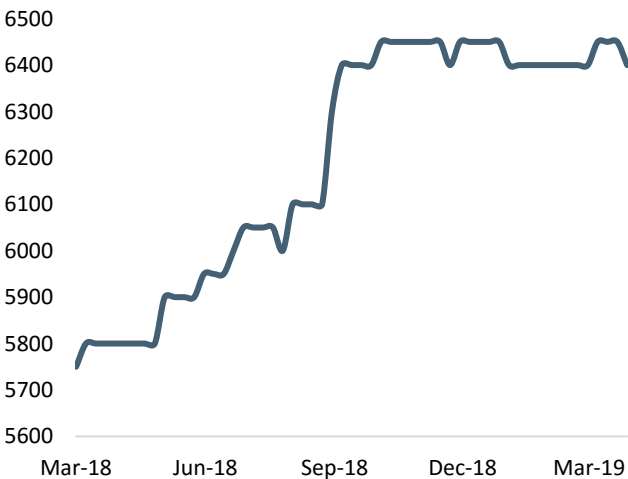
Source: ARM Research

## Cement Sector



Source: ARM Research

## Oil & Gas Sector



Source: ARM Research

# Retail price trends

## Breweries

	Mar-19	Feb-19	Jan-19	Q1 19	Q4 18	Q3 18
<b>Star (N/crate)</b>	<b>2620</b>	<b>2600</b>	<b>2600</b>	<b>2607</b>	<b>2563</b>	<b>2533</b>
<i>MoM/QoQ change</i>	<i>0.77%</i>	<i>0.00%</i>	<i>0.39%</i>	<i>1.69%</i>	<i>1.22%</i>	<i>-2.35%</i>
<b>Gulder (N/crate)</b>	<b>2610</b>	<b>2600</b>	<b>2900</b>	<b>2603</b>	<b>2600</b>	<b>2596</b>
<i>MoM/QoQ change</i>	<i>0.38%</i>	<i>-10.34%</i>	<i>0.00%</i>	<i>0.13%</i>	<i>0.16%</i>	<i>0.74%</i>
<b>Malta Guinness (N/crate)</b>	<b>2920</b>	<b>2900</b>	<b>2500</b>	<b>2907</b>	<b>2900</b>	<b>2846</b>
<i>MoM/QoQ change</i>	<i>0.69%</i>	<i>16.00%</i>	<i>0.00%</i>	<i>0.23%</i>	<i>1.90%</i>	<i>0.59%</i>
<b>Goldberg (N/crate)</b>	<b>2510</b>	<b>2500</b>	<b>2325</b>	<b>2503</b>	<b>2514</b>	<b>2433</b>
<i>MoM/QoQ change</i>	<i>0.40%</i>	<i>7.53%</i>	<i>-1.19%</i>	<i>-0.43%</i>	<i>3.32%</i>	<i>6.18%</i>
<b>Satzenbrau (N/crate)</b>	<b>2310</b>	<b>2300</b>	<b>4200</b>	<b>2312</b>	<b>2313</b>	<b>2273</b>
<i>MoM/QoQ change</i>	<i>0.43%</i>	<i>-0.43%</i>	<i>-0.64%</i>	<i>-0.07%</i>	<i>1.76%</i>	<i>-4.45%</i>
<b>Guinness (N/crate)</b>	<b>4220</b>	<b>4200</b>	<b>4200</b>	<b>4207</b>	<b>4200</b>	<b>4292</b>
<i>MoM/QoQ change</i>	<i>0.48%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.16%</i>	<i>-2.14%</i>	<i>-1.79%</i>
<b>Trophy (N/crate)</b>	<b>2550</b>	<b>2550</b>	<b>2550</b>	<b>2550</b>	<b>2510</b>	<b>2449</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.79%</i>	<i>1.59%</i>	<i>2.48%</i>	<i>7.26%</i>

## Consumers

	Mar-19	Feb-19	Jan-19	Q1 19	Q4 18	Q3 18
<b>Close up (N/160g)</b>	<b>320</b>	<b>320</b>	<b>320</b>	<b>320</b>	<b>286</b>	<b>280</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>8.11%</i>	<i>7.59%</i>	<i>-10.57%</i>	<i>-2.21%</i>
<b>Maggi (N/400g)</b>	<b>508</b>	<b>508</b>	<b>506</b>	<b>507</b>	<b>509</b>	<b>537</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.40%</i>	<i>-0.78%</i>	<i>-2.12%</i>	<i>0.36%</i>	<i>5.47%</i>
<b>Milo (N/500g)</b>	<b>938</b>	<b>938</b>	<b>998</b>	<b>958</b>	<b>988</b>	<b>919</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>-6.01%</i>	<i>0.91%</i>	<i>-15.16%</i>	<i>3.08%</i>	<i>-6.97%</i>
<b>Blueband (N/250g)</b>	<b>300</b>	<b>300</b>	<b>293</b>	<b>298</b>	<b>285</b>	<b>292</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>2.39%</i>	<i>1.67%</i>	<i>-31.54%</i>	<i>-4.18%</i>	<i>2.26%</i>
<b>Omo (N/400g)</b>	<b>380</b>	<b>380</b>	<b>380</b>	<b>380</b>	<b>382</b>	<b>393</b>
<i>MoM/QoQ change</i>	<i>0.0%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>-7.32%</i>	<i>0.44%</i>	<i>3.06%</i>
<b>Lipton (N/100 tea bags)</b>	<b>205</b>	<b>205</b>	<b>237</b>	<b>216</b>	<b>217</b>	<b>202</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>-13.50%</i>	<i>8.22%</i>	<i>-6.91%</i>	<i>0.50%</i>	<i>-6.65%</i>
<b>Dangote Salt (N/250g)</b>	<b>45</b>	<b>45</b>	<b>45</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>-22.30%</i>	<i>0.00%</i>	<i>0.00%</i>
<b>Dangote Sugar (N/500g)</b>	<b>237</b>	<b>237</b>	<b>237</b>	<b>237</b>	<b>221</b>	<b>231</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>5.61%</i>	<i>-6.75%</i>	<i>-6.84%</i>	<i>4.77%</i>
<b>Dettol (N/70g - pack of 6)</b>	<b>953</b>	<b>953</b>	<b>850</b>	<b>919</b>	<b>816</b>	<b>231</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>12.12%</i>	<i>3.79%</i>	<i>46.71%</i>	<i>-11.23%</i>	<i>-71.63%</i>
<b>Goldenmorn (N/500g)</b>	<b>750</b>	<b>750</b>	<b>854</b>	<b>785</b>	<b>812</b>	<b>837</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>-12.18%</i>	<i>3.57%</i>	<i>16.53%</i>	<i>3.43%</i>	<i>3.09%</i>
<b>Golden penny sugar (N/500g)</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>245</b>	<b>241</b>	<b>239</b>
<i>MoM/QoQ change</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.41%</i>	<i>-17.99%</i>	<i>0.63%</i>	<i>-0.62%</i>
<b>Knorr (N/400g)</b>	<b>671.6</b>	<b>677</b>	<b>658</b>	<b>669</b>	<b>664</b>	<b>660</b>

	Mar-19	Feb-19	Jan-19	Q1 19	Q4 18	Q3 18
<i>MoM/QoQ change</i>	-0.80%	2.89%	-0.36%	-5.52%	0.65%	-0.65%
<b>Golden penny pasta (N/500g)</b>	<b>230</b>	<b>230</b>	<b>180</b>	<b>213</b>	<b>180</b>	<b>180</b>
<i>MoM/QoQ change</i>	0.00%	27.78%	0.00%	-17.15%	-15.63%	0.00%
<b>Honey well pasta (N/500g)</b>	<b>220</b>	<b>220</b>	<b>200</b>	<b>213</b>	<b>196</b>	<b>195</b>
<i>MoM/QoQ change</i>	0.00%	0.00%	0.50%	0.04%	-7.97%	-0.68%
<b>Dangote pasta (N/500g)</b>	<b>200</b>	<b>200</b>	<b>230</b>	<b>210</b>	<b>193</b>	<b>180</b>
<i>MoM/QoQ change</i>	0.00%	-13.04%	4.55%	-4.15%	-7.94%	-6.90%
<b>Golden penny noodles (N/70g)</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>
<i>MoM/QoQ change</i>	0.00%	0.00%	0.00%	-10.00%	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>
<i>MoM/QoQ change</i>	0.00%	0.00%	0.00%	-	0.00%	0.00%
<b>Honeywell noodles (N/70g)</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>
<i>MoM/QoQ change</i>	0.00%	0.00%	0.00%	-22.22%	0.00%	0.00%

	Mar-19	Feb-19	Jan-19	Q1 19	Q4 18	Q3 18
<b>Commodities</b>						
<b>Crude palm oil</b>	<b>11300</b>	<b>11500</b>	<b>11500</b>	<b>11433.33</b>	<b>11358</b>	<b>11325</b>
<i>MoM/QoQ change</i>	-1.74%	0.00%	0.88%	0.66%	0.29%	5.12%
<b>Vegetable oil</b>	<b>18400</b>	<b>18225</b>	<b>18100</b>	<b>18241.67</b>	<b>17798</b>	<b>17633</b>
<i>MoM/QoQ change</i>	0.96%	0.69%	1.00%	2.49%	0.94%	1.43%
<b>Rice</b>	<b>18500</b>	<b>18400</b>	<b>18312.5</b>	<b>18404.17</b>	<b>18257</b>	<b>17533</b>
<i>MoM/QoQ change</i>	0.54%	0.48%	-0.04%	0.81%	4.13%	3.08%

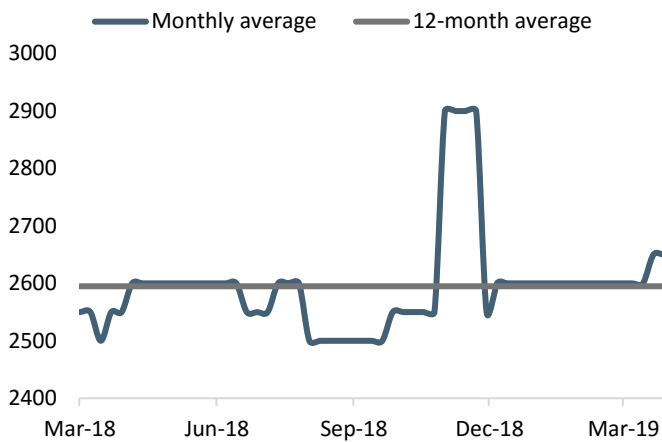
	Mar-19	Feb-19	Jan-19	Q1 19	Q4 18	Q3 18
<b>Cement (₦/50kg)</b>	<b>2600</b>	<b>2600</b>	<b>2625</b>	<b>2607.692</b>	<b>2638</b>	<b>2812</b>
<i>MoM/QoQ change</i>	0.00%	-0.95%	0.96%	-1.17%	-6.16%	-1.48%

	Mar-19	Feb-19	Jan-19	Q1 19	Q4 18	Q3 18
<b>Oil &amp; Gas</b>						
<b>Cooking gas (N/12.5kg)</b>	<b>4200</b>	<b>4200</b>	<b>4200</b>	<b>4200</b>	<b>4285</b>	<b>3877</b>
<i>MoM/QoQ change</i>	0.00%	0.00%	-2.33%	-1.97%	10.52%	9.09%
<b>Lubricants (N/4L)</b>	<b>8675</b>	<b>8600</b>	<b>8600</b>			
<i>MoM/QoQ change</i>	0.87%	0.00%	0.00%			

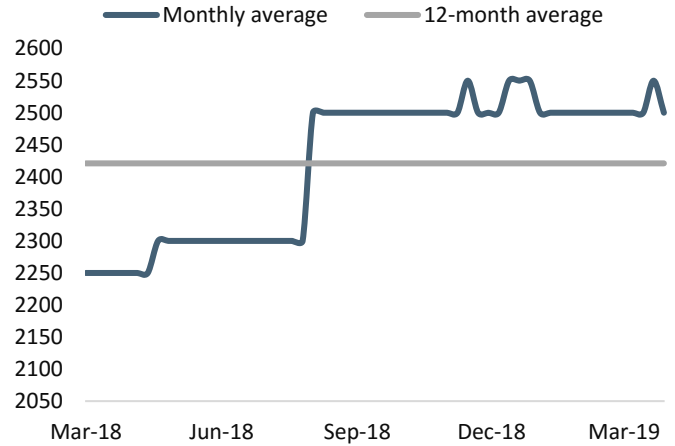
# Retail price trends

## Brewery products

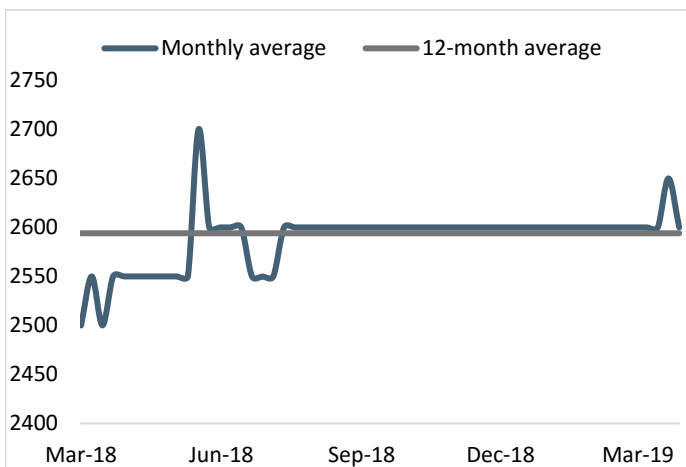
Star – ₦ per crate



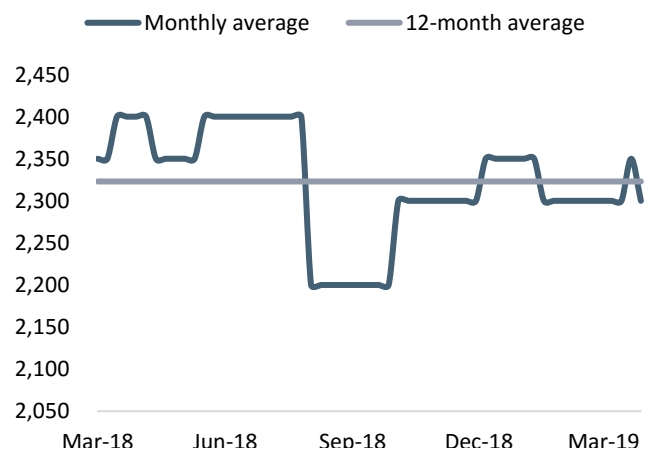
Goldberg – ₦ per crate



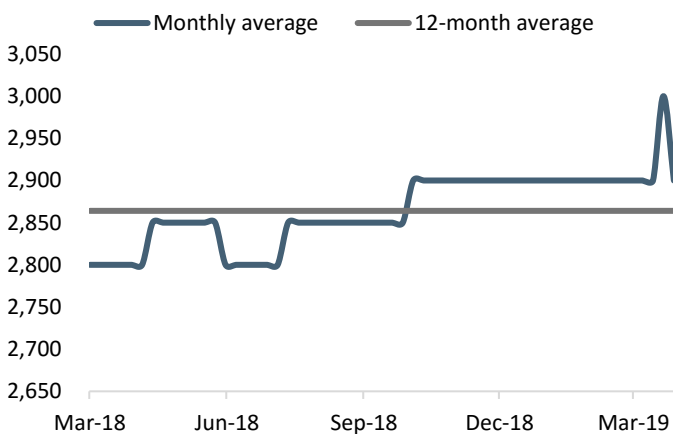
Gulder – ₦ per crate



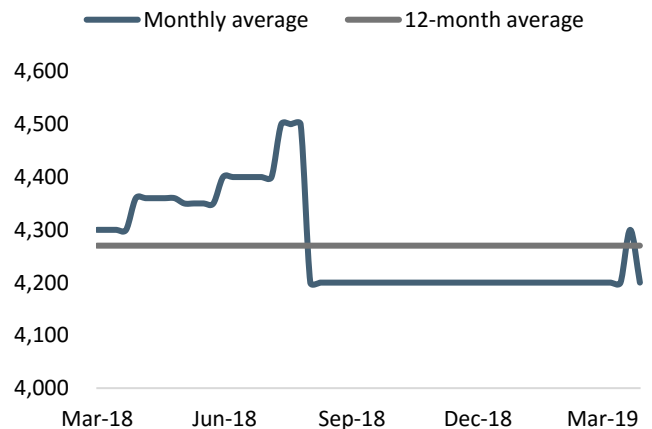
Satzenbrau – ₦ per crate



Malta Guinness – ₦ per crate

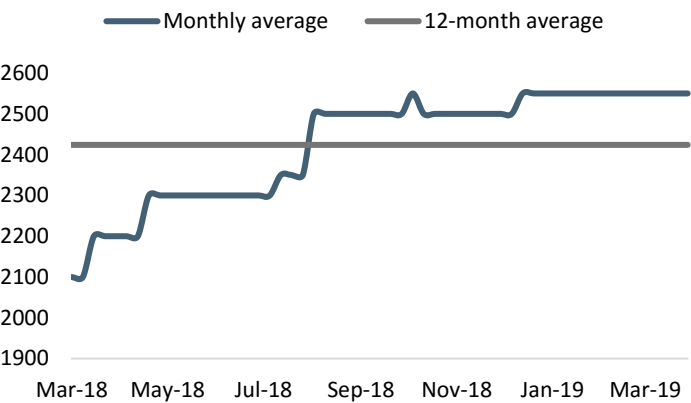


Guinness – ₦ per crate

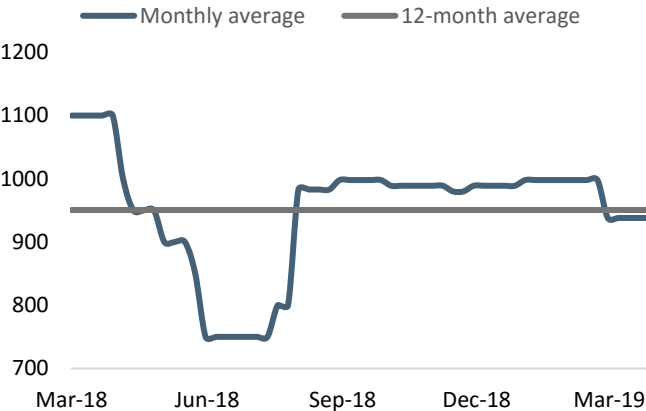


# Retail price trends

**Trophy – ₦ per crate**

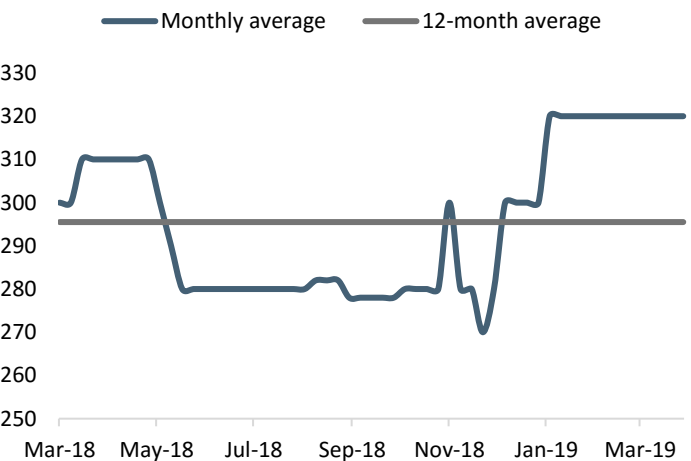


**Milo – ₦ per 500g**

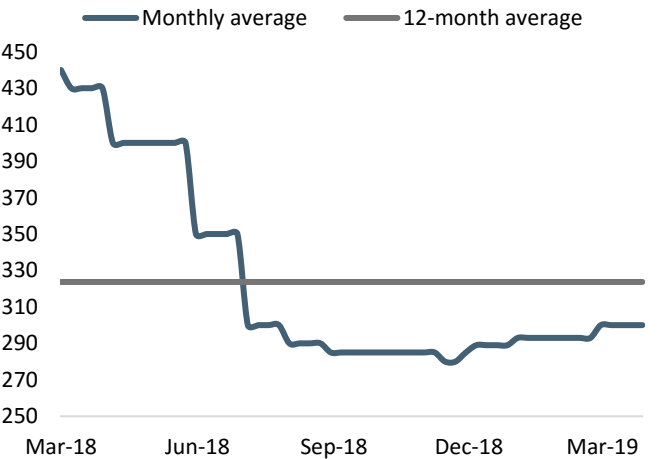


## Consumer products

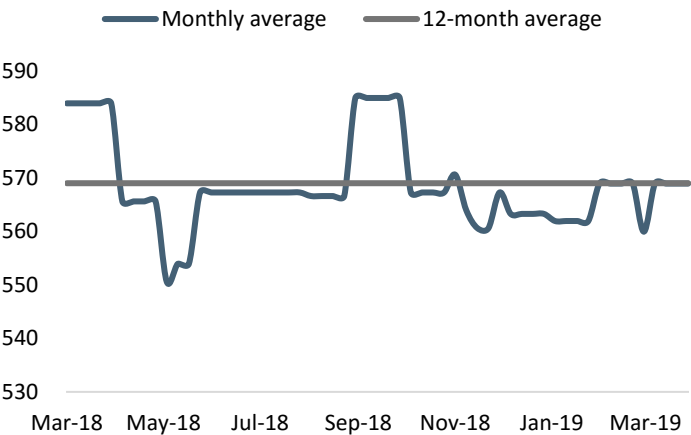
**Close up – ₦ per 240g**



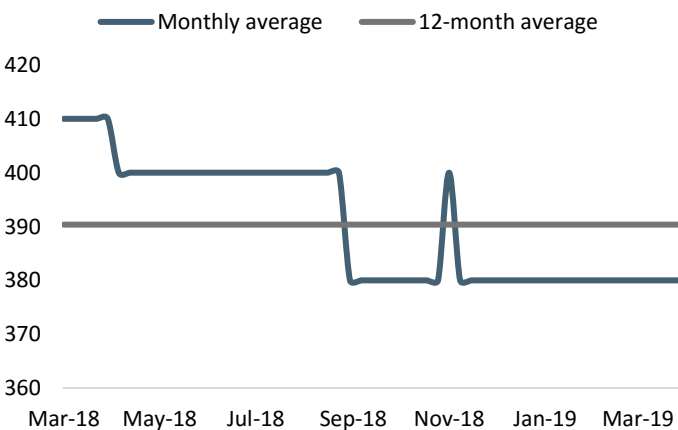
**Blue band – ₦ per 250g**



**Maggi – ₦ per 100 cubes**

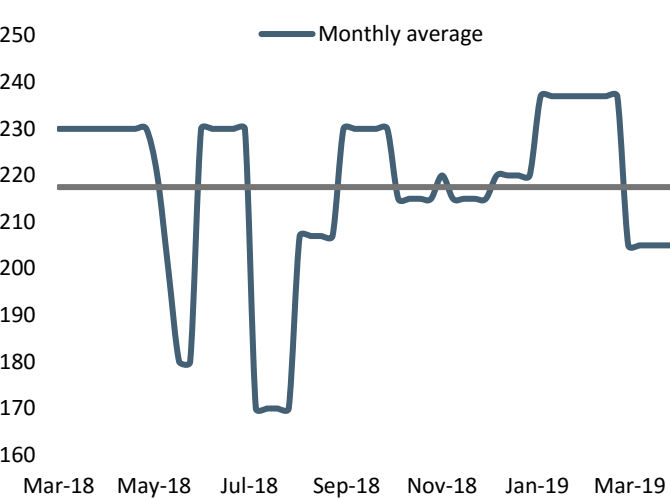


**Omo – ₦ per 400g**

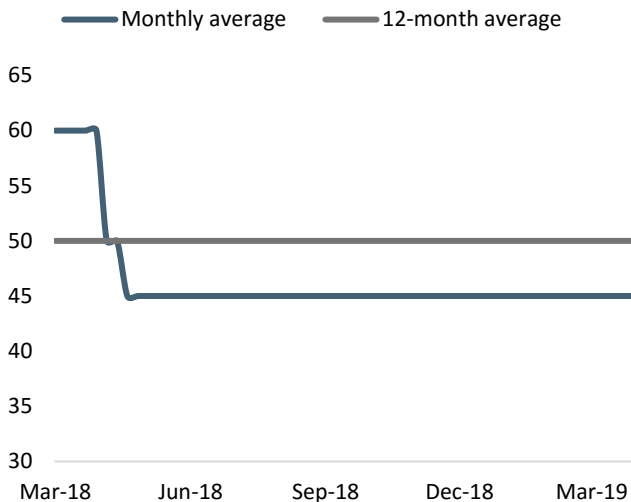


# Retail price trends

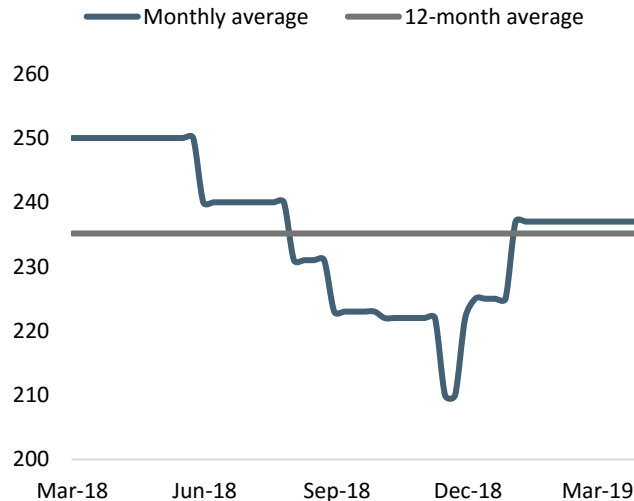
Lipton – ₦ per 25 tea bag



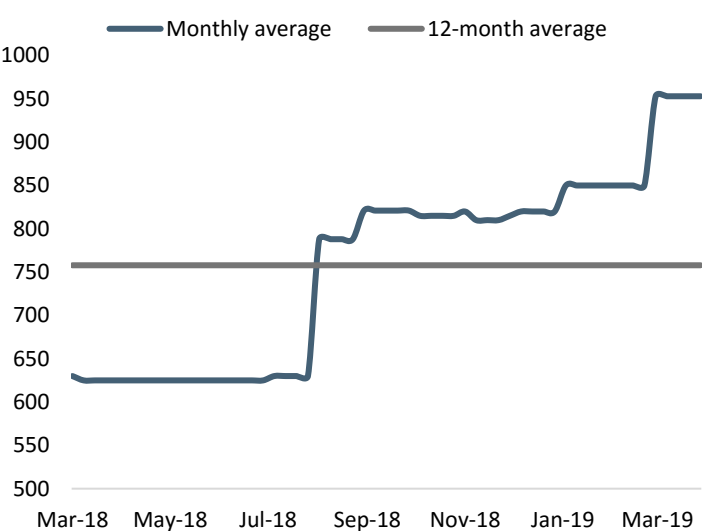
Dangote salt – ₦ per 250g



Dangote sugar – ₦ per 250g



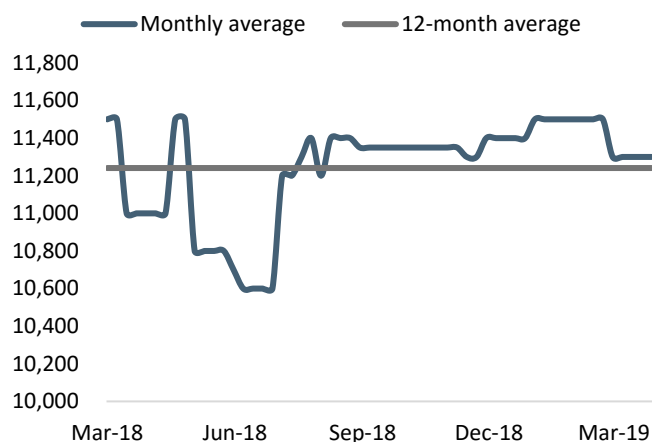
Dettol – ₦ per 70g



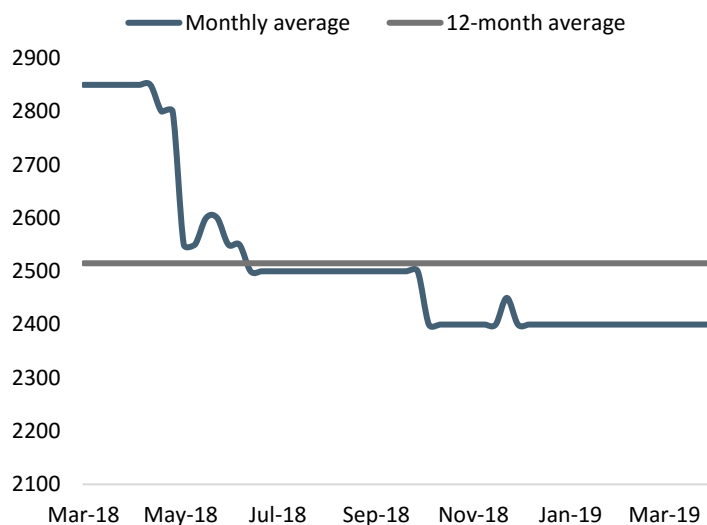
# Retail price trends

## Commodity products

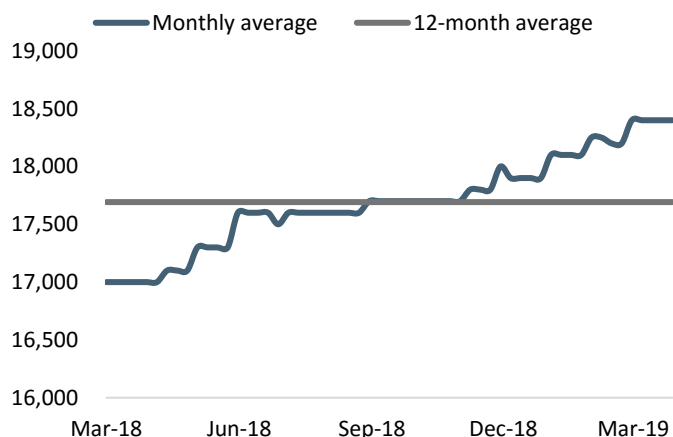
### Crude palm oil – ₦ per 25kg gallon



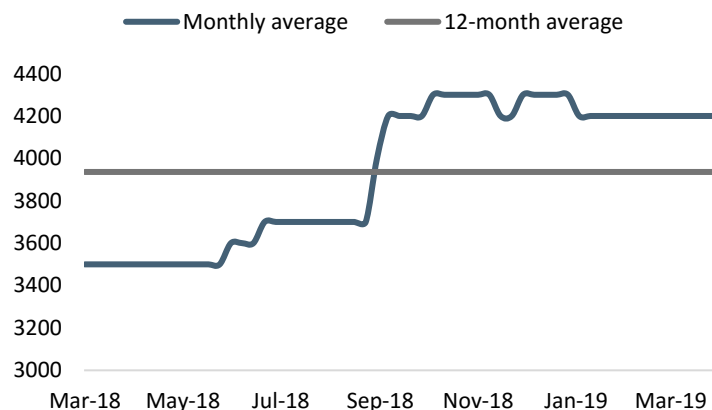
### Cement – ₦ per 50kg bag



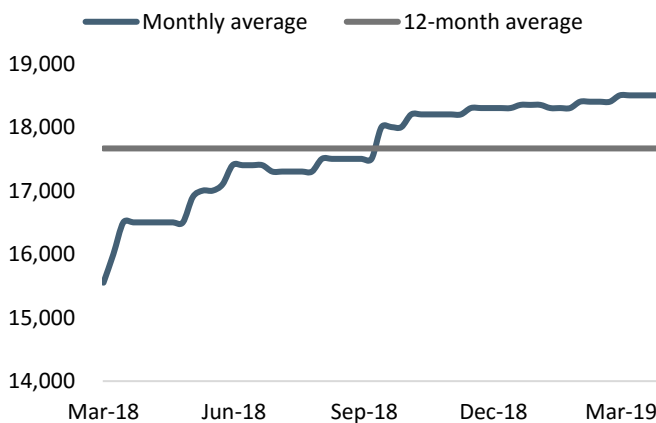
### Vegetable oil – ₦ per 20kg gallon



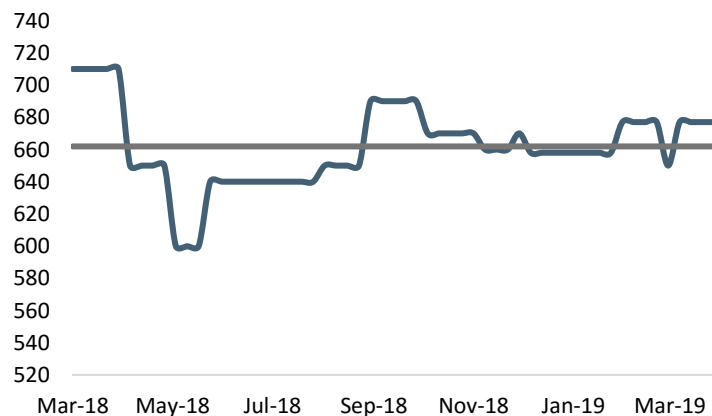
### Cooking gas – ₦ per 12.5kg



### Rice – ₦ per 50kg



### Knorr – ₦ per 100 cubes





## Valuation of Coverage companies

	FVE (₦)	Market Price (₦)	Upside (Downside)	Recommendation
<b>Guinness</b>	77.31	62.45	23.80%	<b>STRONG BUY</b>
<b>Nigeria Breweries</b>	75.82	60	26.37%	<b>STRONG BUY</b>
<b>Nestle</b>	1411.29	1450	-2.67%	<b>UNDERWEIGHT</b>
<b>Unilever</b>	49.19	35	40.54%	<b>BUY</b>
<b>Dangote Sugar</b>	14.44	13.75	5.02%	<b>NEUTRAL</b>
<b>Dangote Cement</b>	253.03	189	33.88%	<b>STRONG BUY</b>
<b>Lafarge</b>	18.07	11.55	56.45%	<b>BUY</b>
<b>CCNN</b>	16.68	16.2	2.96%	<b>SELL</b>
<b>Forte Oil</b>	34.35	27.4	25.36%	<b>BUY</b>
<b>MRS</b>	39.2	20.85	88.01%	<b>BUY</b>
<b>Total</b>	244.28	196	24.63%	<b>STRONG BUY</b>
<b>Seplat</b>	975.27	590	65.30%	<b>STRONG BUY</b>
<b>Okomu</b>	97.75	80	22.19%	<b>STRONG BUY</b>
<b>Presco</b>	67.47	62.75	7.52%	<b>NEUTRAL</b>