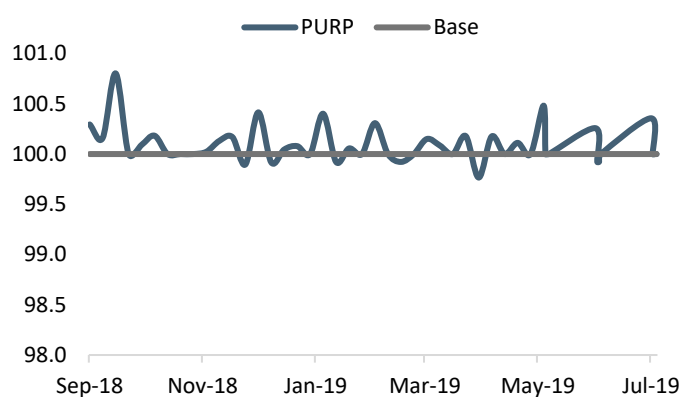


## The PENTAD – Urban Retail Price Tracker

### The PURP Index



Source: ARM Research

	Commodity	Consumer	Cement	Brewery	Oil
Weightings	30%	30%	10%	20%	10%
Price change (MoM)	0.46%	3.38%	2.0%	1.96%	0.94%
Standard deviation of prices	22	1	27	67	89

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.

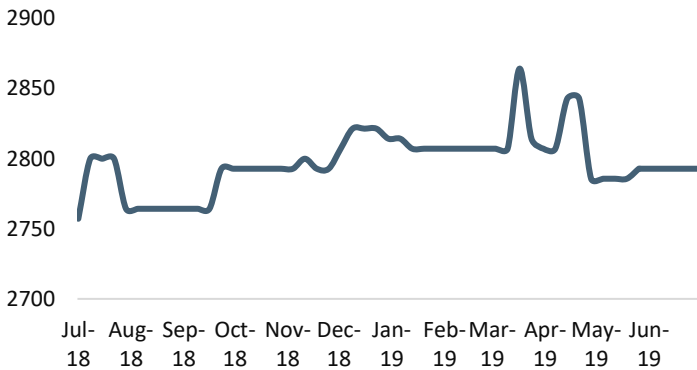
Across the sectors, price evolution is monitored on a weekly basis while we adopt 0.6%, 0.0%, and -0.6% as indicators for volume expansion from prior week, no change in volumes, and week on week output contraction (respectively) in a manner slightly akin to CBN's PMI methodology.

### Price pressure lingers

- Retail prices ended the month of July on a higher note with our Urban Retail Price Tracker – the PURP index – recording a modest increase of **0.28% MoM** to 113.1 pts (vs **0.16% MoM** in June). Price increases were more evident in the commodities, cement and oil & gas baskets.
- In the **consumer basket**, average prices ended the month lower, moderating by **2.03% MoM**. The lower price largely reflected declines in the price of *Dangote Sugar* (-16%) and *Knorr* (-7.9%). These outweighed increases in *Golden morn* and *Golden penny sugar*.
- Elsewhere, prices in the **brewery basket** printed flat with muted increases observed across several beer brands.
- Prices in the **commodities basket** ticked higher over the month (**+0.46% MoM**, June: **+0.15% MoM**) largely reflecting increased price of *crude palm oil*. Notably, after moderating for three consecutive months, price of *crude palm oil* advanced higher by +2.0% MoM, reflecting a shortage across different markets in line with its seasonal trend. Elsewhere, price movement across both *rice* and *vegetable oil* was largely muted, ending the month at same prices compared to the previous month.
- Prices in the **oil & gas sector** witnessed a slight moderation of **0.94% MoM** over July, largely on the back of reduction in average price of *cooking gas*. To buttress, *cooking gas* price continued to trend lower for three consecutive months spurred by adequate supply across the state.
- In the month of July, **Cement prices** advanced higher by **1.9% MoM** with, Wholesale and Retail prices printing at ₦2,550 and ₦2,750 respectively.

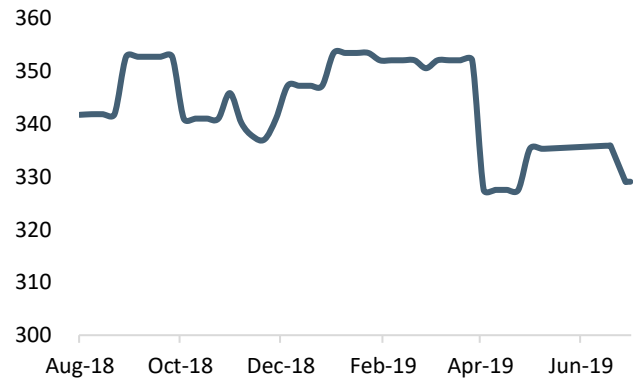
# Retail price sub-index

## Brewery Sector



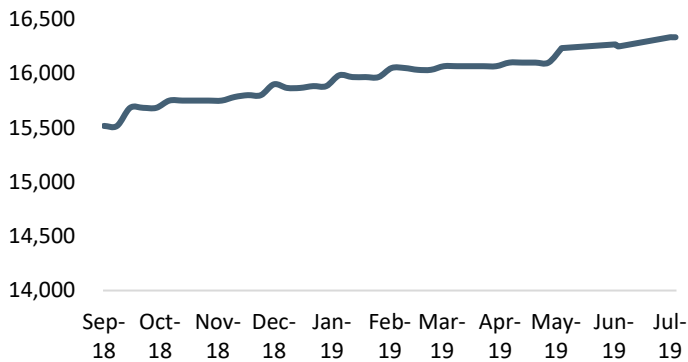
Source: ARM Research

## Consumer Sector



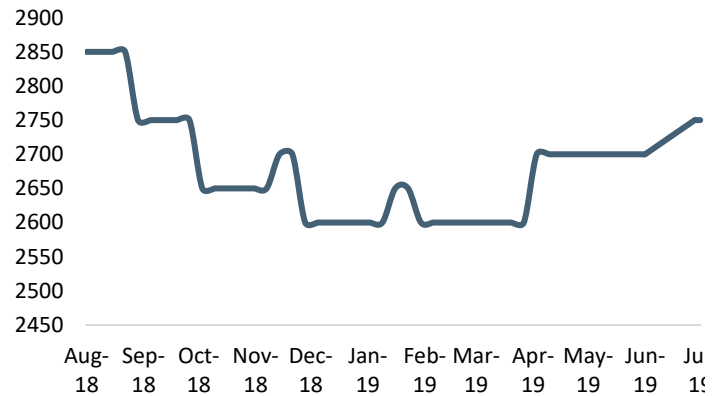
Source: ARM Research

## Commodity Sector



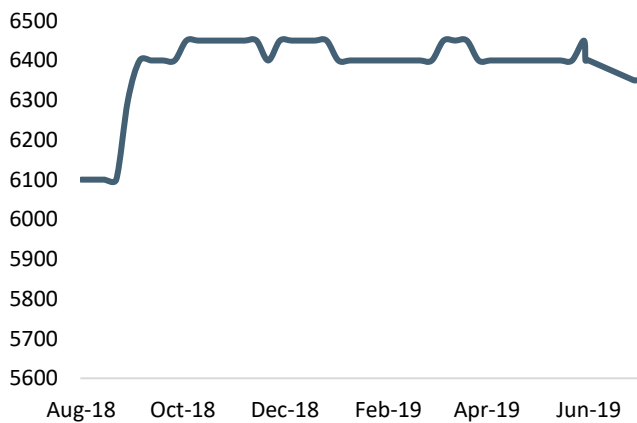
Source: ARM Research

## Cement Sector



Source: ARM Research

## Oil & Gas Sector



Source: ARM Research

## Retail price trends

	Jul-19	Jun-19	May-19	Q2 19	Q1 19	Q4 18	Q3 18
<b>Breweries (₹)</b>							
<b>Star (N/crate)</b>	<b>2600</b>	<b>2800</b>	<b>2600</b>	<b>2608.333</b>	<b>2607</b>	<b>2563</b>	<b>2533</b>
<i>MoM/QoQ change</i>	-7.14%	7.69%	-0.95%	0.06%	1.69%	1.22%	-2.35%
<b>Gulder (N/crate)</b>	<b>2700</b>	<b>2500</b>	<b>2700</b>	<b>2675</b>	<b>2603</b>	<b>2600</b>	<b>2596</b>
<i>MoM/QoQ change</i>	8.00%	-7.41%	0.77%	2.75%	0.13%	0.16%	0.74%
<b>Malta Guinness (N/crate)</b>	<b>2800</b>	<b>2350</b>	<b>2800</b>	<b>2833.333</b>	<b>2907</b>	<b>2900</b>	<b>2846</b>
<i>MoM/QoQ change</i>	19.15%	-16.07%	0.39%	-2.52%	0.23%	1.90%	0.59%
<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>	0.00%	0.00%	0.00%	-0.13%	-0.43%	3.32%	6.18%
<b>Satzenbrau (N/crate)</b>	<b>2350</b>	<b>2350</b>	<b>2300</b>	<b>2316.667</b>	<b>2312</b>	<b>2313</b>	<b>2273</b>
<i>MoM/QoQ change</i>	0.00%	2.17%	0.40%	0.22%	-0.07%	1.76%	-4.45%
<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>	0.00%	0.00%	0.29%	0.24%	0.16%	-2.14%	-1.79%
<b>Trophy (N/crate)</b>	<b>2400</b>	<b>2400</b>	<b>2400</b>	<b>2458</b>	<b>2550</b>	<b>2510</b>	<b>2449</b>
<i>MoM/QoQ change</i>	0.00%	0.00%	0.00%	-3.59%	1.59%	2.48%	7.26%

	Jul-19	Jun-19	May-19	Q2 19	Q1 19	Q4 18	Q3 18
<b>Consumers (₹)</b>							
<b>Close up (N/160g)</b>	<b>295</b>	<b>298</b>	<b>298</b>	<b>305</b>	<b>320</b>	<b>286</b>	<b>280</b>
<i>MoM/QoQ change</i>	-0.84%	0.00%	-7.03%	-4.69%	11.82%	2.26%	-2.21%
<b>Maggi (N/400g)</b>	<b>500</b>	<b>500</b>	<b>480</b>	<b>500</b>	<b>507</b>	<b>509</b>	<b>537</b>
<i>MoM/QoQ change</i>	0.00%	4.17%	-7.69%	-1.45%	-0.36%	-5.18%	0.53%
<b>Milo (N/500g)</b>	<b>890</b>	<b>950</b>	<b>993</b>	<b>954</b>	<b>958</b>	<b>988</b>	<b>919</b>
<i>MoM/QoQ change</i>	-6.32%	-4.28%	7.88%	-0.40%	-2.99%	7.49%	-12.85%
<b>Blueband (N/250g)</b>	<b>315</b>	<b>315</b>	<b>313</b>	<b>309</b>	<b>298</b>	<b>285</b>	<b>292</b>
<i>MoM/QoQ change</i>	0.00%	0.80%	4.17%	3.86%	4.36%	-2.21%	-33.49%
<b>Omo (N/400g)</b>	<b>345</b>	<b>355</b>	<b>355</b>	<b>363</b>	<b>380</b>	<b>382</b>	<b>393</b>
<i>MoM/QoQ change</i>	-2.82%	0.00%	-6.58%	-4.39%	-0.44%	-2.97%	-5.41%
<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>	0.00%	0.00%	2.22%	5.87%	-0.50%	7.13%	-15.52%
<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>	0.00%	0.00%	-11.11%	-7.41%	0.00%	0.00%	-1.82%
<b>Dangote Sugar (N/500g)</b>	<b>200</b>	<b>240</b>	<b>240</b>	<b>239</b>	<b>237</b>	<b>221</b>	<b>231</b>
<i>MoM/QoQ change</i>	-16.67%	0.00%	1.27%	0.84%	7.34%	-4.55%	-7.77%
<b>Dettol (N/70g - pack of 6)</b>	<b>1140</b>	<b>1170</b>	<b>1170</b>	<b>1098</b>	<b>919</b>	<b>816</b>	<b>746</b>
<i>MoM/QoQ change</i>	-2.56%	0.00%	22.77%	19.48%	12.65%	9.27%	18.94%
<b>Goldenmorn (N/500g)</b>	<b>820</b>	<b>783</b>	<b>783</b>	<b>772</b>	<b>785</b>	<b>812</b>	<b>837</b>
<i>MoM/QoQ change</i>	4.79%	0.00%	4.33%	-1.66%	-3.32%	-2.99%	14.61%
<b>Golden penny sugar (N/500g)</b>	<b>230</b>	<b>195</b>	<b>210</b>	<b>217</b>	<b>245</b>	<b>241</b>	<b>239</b>
<i>MoM/QoQ change</i>	17.95%	-7.14%	-14.29%	-11.56%	1.87%	0.63%	-2.78%

<b>Knorr (N/400g)</b>	<b>650</b>	<b>670</b>	<b>645</b>	<b>665</b>	<b>669</b>	<b>664</b>	<b>660</b>
<i>MoM/QoQ change</i>	-2.99%	3.88%	-5.29%	-0.53%	0.69%	0.65%	4.21%
<b>Golden penny pasta (N/500g)</b>	<b>225</b>	<b>225</b>	<b>230</b>	<b>228</b>	<b>213</b>	<b>180</b>	<b>180</b>
<i>MoM/QoQ change</i>	0.00%	-2.17%	0.00%	7.03%	18.52%	0.00%	-16.92%
<b>Honey well pasta (N/500g)</b>	<b>200</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>213</b>	<b>196</b>	<b>195</b>
<i>MoM/QoQ change</i>	-9.09%	0.00%	0.00%	3.13%	8.66%	0.68%	-4.10%
<b>Dangote pasta (N/500g)</b>	<b>185</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>210</b>	<b>193</b>	<b>180</b>
<i>MoM/QoQ change</i>	-7.50%	0.00%	0.00%	-4.76%	8.62%	7.41%	-10.74%
<b>Golden penny noodles (N/70g)</b>	<b>50</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>
<i>MoM/QoQ change</i>	11.11%	0.00%	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>35</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>
<i>MoM/QoQ change</i>	14.29%	0.00%	0.00%	0.00%	0.00%	0.00%	-22.22%
<b>Premier soap (N/70g)</b>	<b>60</b>	<b>90</b>	<b>90</b>	<b>90</b>			
<i>MoM/QoQ change</i>	-33.33%	0.00%	0.00%				
<b>Supreme soap (N/65g)</b>	<b>55</b>	<b>70</b>	<b>70</b>	<b>70</b>			
<i>MoM/QoQ change</i>	-21.43%	0.00%	0.00%				
<b>Imperial leather soap (N/75g)</b>	<b>90</b>	<b>90</b>	<b>88</b>	<b>89</b>			
<i>MoM/QoQ change</i>	0.00%	2.86%	-2.78%				
<b>Morning fresh (N/1L)</b>	<b>630</b>	<b>620</b>	<b>595</b>	<b>605</b>			
<i>MoM/QoQ change</i>	1.61%	4.20%	-0.83%				

	<b>Jul-19</b>	<b>Jun-19</b>	<b>May-19</b>	<b>Q2 19</b>	<b>Q1 19</b>	<b>Q4 18</b>	<b>Q3 18</b>
<b>Commodities (₦)</b>							
<b>Crude palm oil</b>	<b>11500</b>	11275	11400	11292	11433	11358	11325
<i>MoM/QoQ change</i>	<b>2.00%</b>	-1.10%	1.79%	-1.24%	0.66%	0.29%	-34.86%
<b>Vegetable oil</b>	<b>18600</b>	18600	18400	18467	18242	17798	17633
<i>MoM/QoQ change</i>	<b>0.00%</b>	1.09%	0.00%	1.23%	2.49%	0.94%	1.43%
<b>Rice</b>	<b>18900</b>	18900	18900	18833	18404	18257	17532
<i>MoM/QoQ change</i>	<b>0.00%</b>	0.00%	1.07%	2.33%	0.81%	4.13%	3.07%
<b>Banga oil - Okomu (N/2L)</b>	<b>2900</b>	2900	2900	2900			
<i>MoM/QoQ change</i>	<b>0.00%</b>	0.00%					
<b>Golden penny oil (N/2.75L)</b>	<b>2095</b>	2095	2095	2095			
<i>MoM/QoQ change</i>	<b>0.00%</b>	0.00%					
<b>Mamador oil (N/2.5L)</b>	<b>2280</b>	2280	2280				
<i>MoM/QoQ change</i>	<b>0.00%</b>	0.00%					
<b>Power oil (2.5L)</b>	<b>2110</b>	2110	2095	2110			
<i>MoM/QoQ change</i>	<b>0.00%</b>	0.72%					

**Cement (N/50kg)***MoM/QoQ change*

<b>Jul-19</b>	<b>Jun-19</b>	<b>May-19</b>	<b>Q2 19</b>	<b>Q1 19</b>	<b>Q4 18</b>	<b>Q3 18</b>
<b>2850</b>	<b>2850</b>	<b>2887.5</b>	<b>2854</b>	<b>2817</b>	<b>2853</b>	<b>2866</b>
0.00%	-1.30%	2.21%	1.33%	-1.29%	-0.45%	

**Cement (₦/50kg)***MoM/QoQ change*

<b>Jul-19</b>	<b>Jun-19</b>	<b>May-19</b>	<b>Q2 19</b>	<b>Q1 19</b>	<b>Q4 18</b>	<b>Q3 18</b>
<b>2850</b>	<b>2850</b>	<b>2887.5</b>	<b>2854</b>	<b>2817</b>	<b>2853</b>	<b>2866</b>
0.00%	-1.30%	2.21%	1.33%	-1.29%	-0.45%	

**Oil & Gas****Cooking gas (N/12.5kg)***MoM/QoQ change*

<b>Jul-19</b>	<b>Jun-19</b>	<b>May-19</b>	<b>Q2 19</b>	<b>Q1 19</b>	<b>Q4 18</b>	<b>Q3 18</b>
<b>4000</b>	<b>4100</b>	<b>4200</b>	<b>4166.667</b>	<b>4200</b>	<b>4283</b>	<b>3853</b>
-2.44%	-2.38%	0.00%	-0.79%	-1.95%	11.16%	8.65%

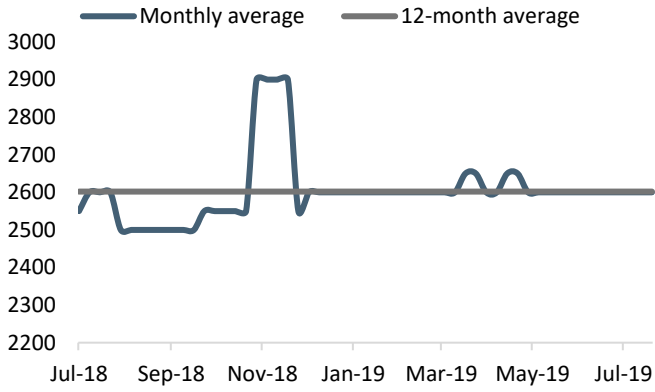
**Lubricants (N/4L)***MoM/QoQ change*

<b>8700</b>	<b>8725</b>	<b>8600</b>	<b>8641.7</b>	<b>8625.0</b>	<b>8608.3</b>	<b>8491.7</b>
-0.29%	1.45%	0.00%	0.19%	0.19%	1.37%	3.05%

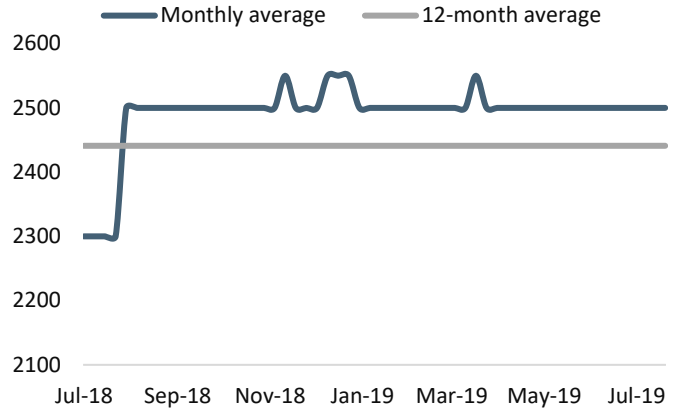
# Retail price trends

## Brewery products

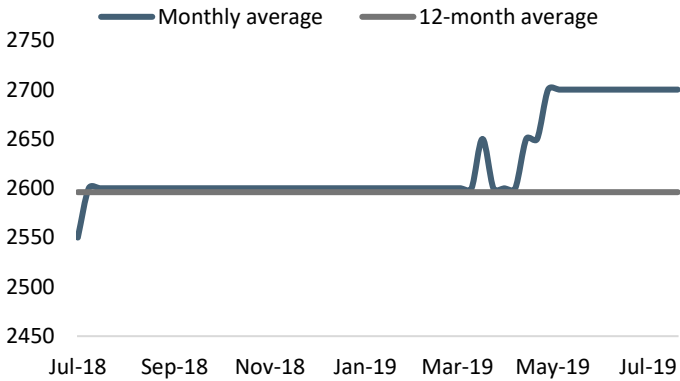
### Star – ₦ per crate



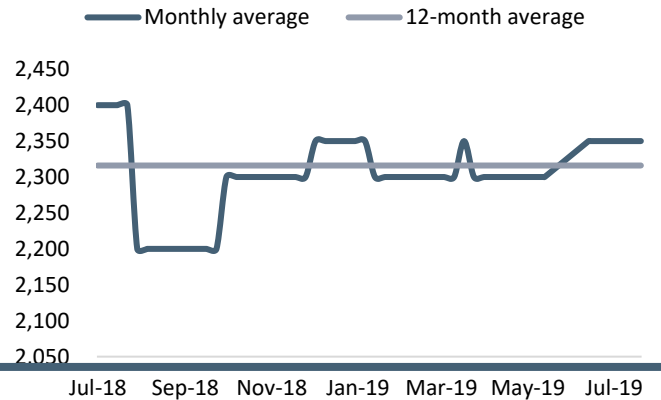
### Goldberg – ₦ per crate



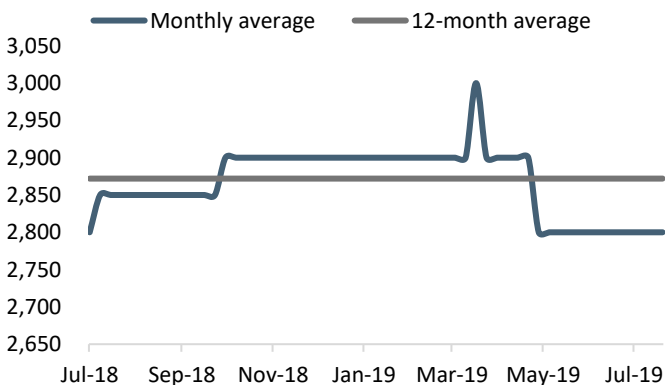
### Gulder – ₦ per crate



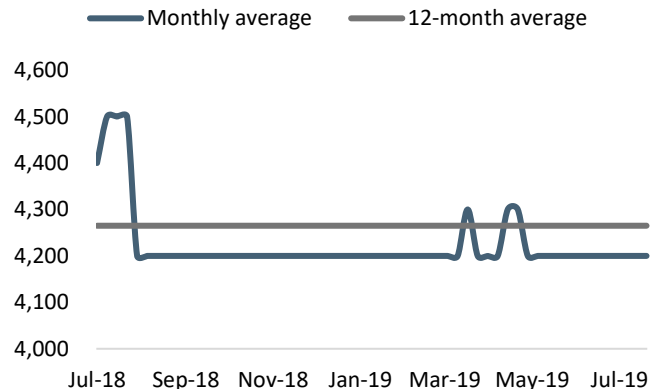
### Satzenbrau – ₦ per crate



### Malta Guinness – ₦ per crate

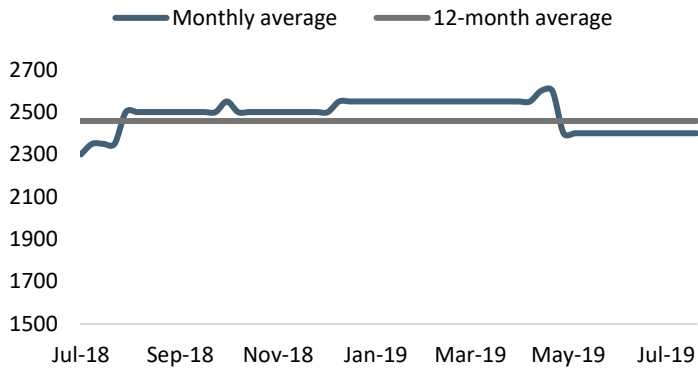


### Guinness – ₦ per crate

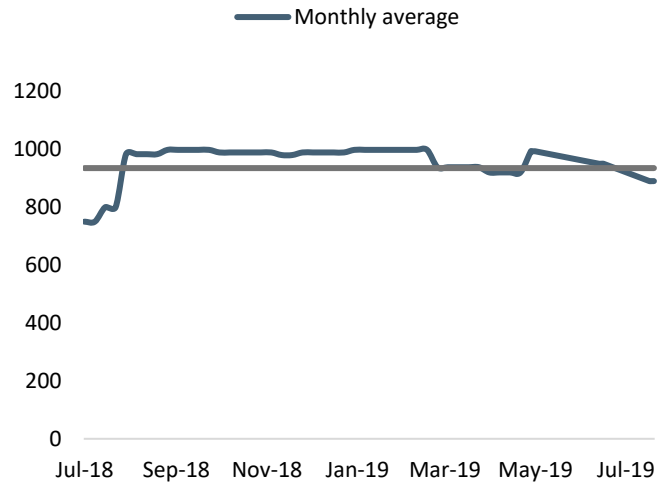


# Retail price trends

**Trophy – ₦ per crate**

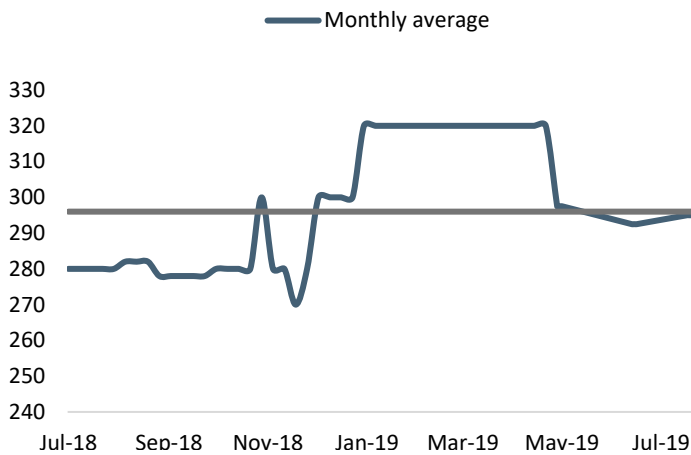


**Milo – ₦ per 500g**

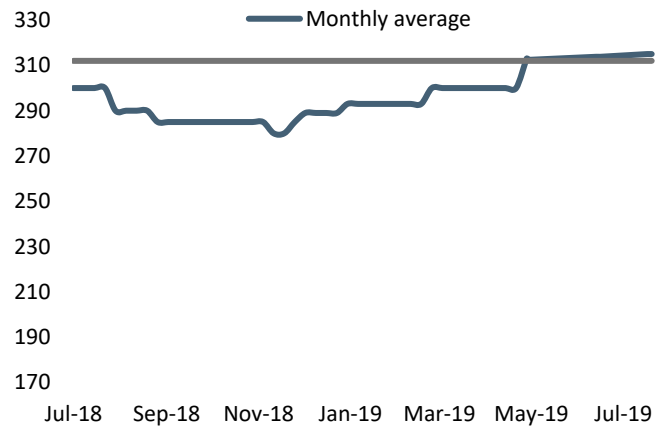


## Consumer products

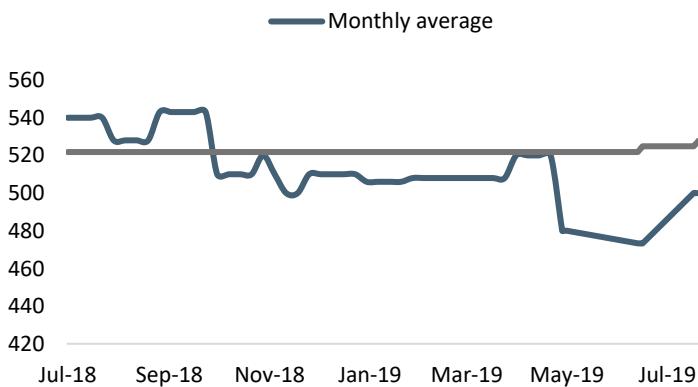
**Close up – ₦ per 240g**



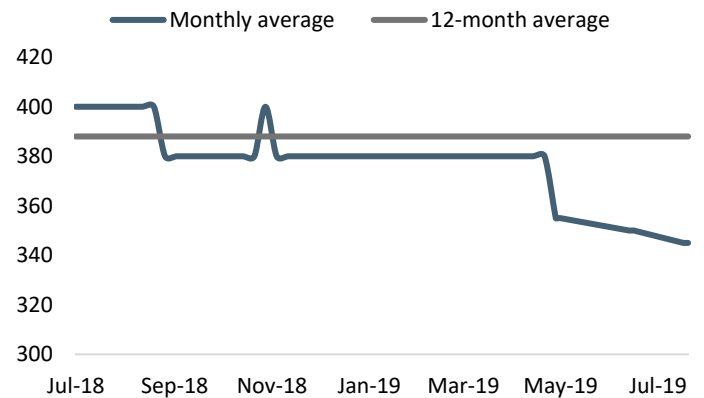
**Blue band – ₦ per 250g**



**Maggi – ₦ per 100 cubes**

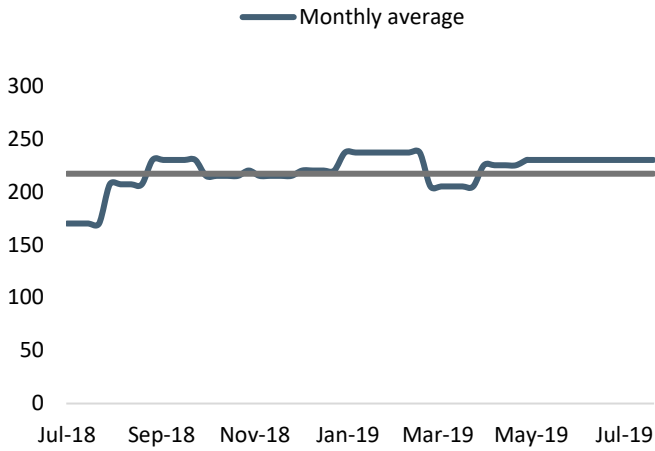


**Omo – ₦ per 400g**

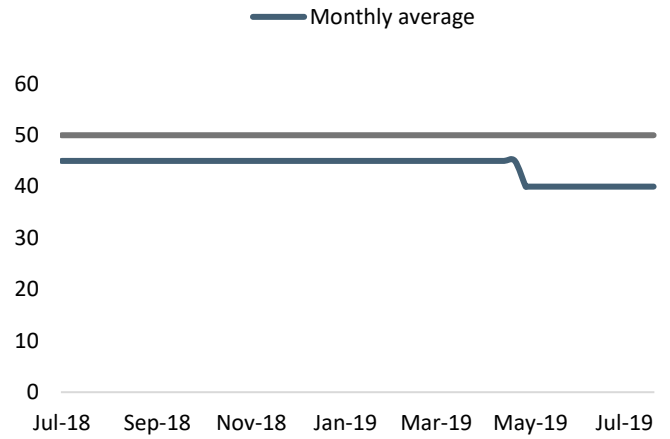


# Retail price trends

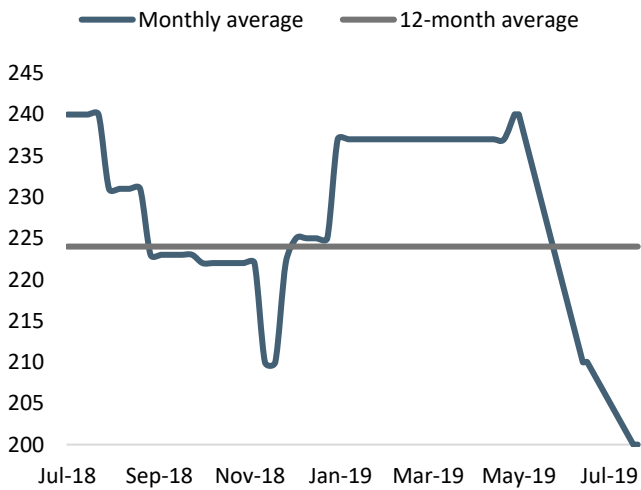
**Lipton – ₦ per 25 tea bag**



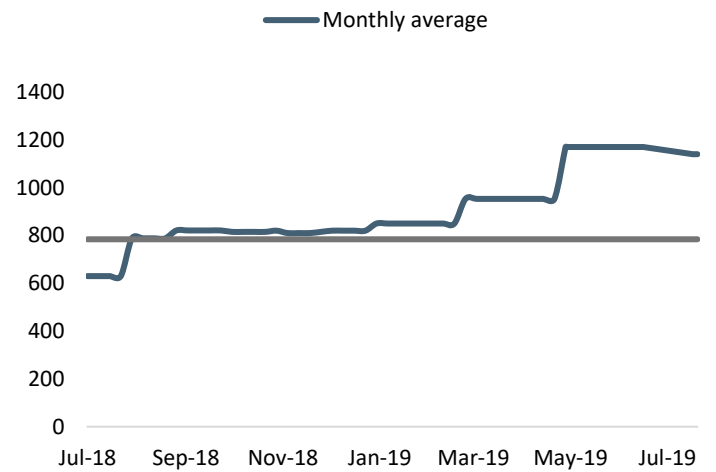
**Dangote salt – ₦ per 250g**



**Dangote sugar – ₦ per 250g**



**Dettol – ₦ per 70g**

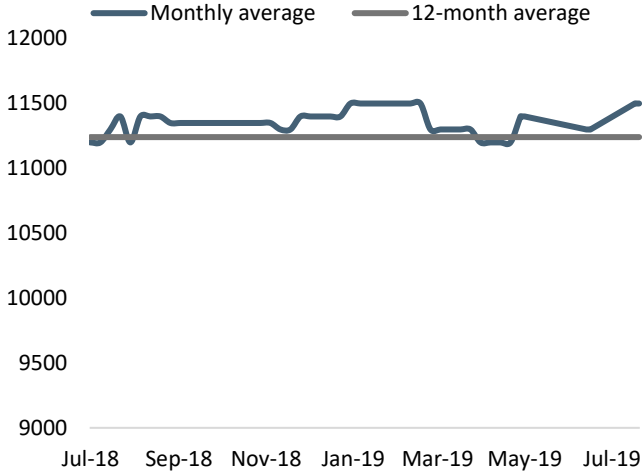




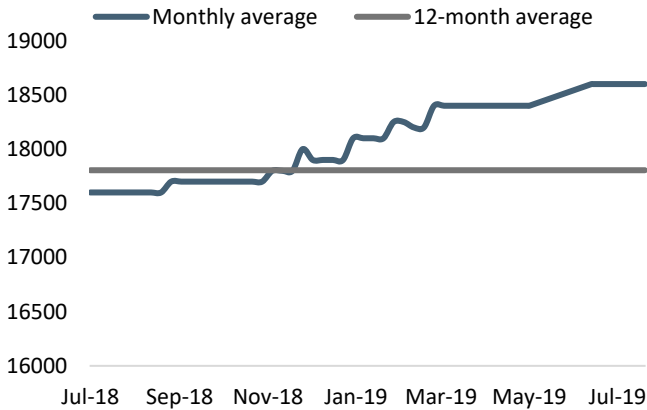
# Retail price trends

## Commodity products

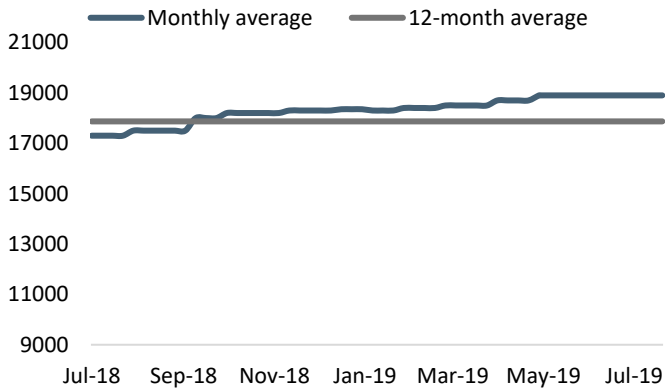
### Crude palm oil – ₦ per 25kg gallon



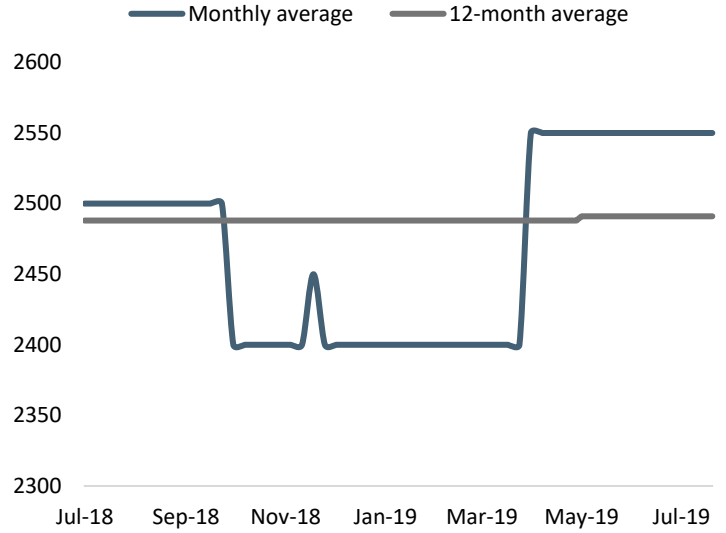
### Vegetable oil – ₦ per 20kg gallon



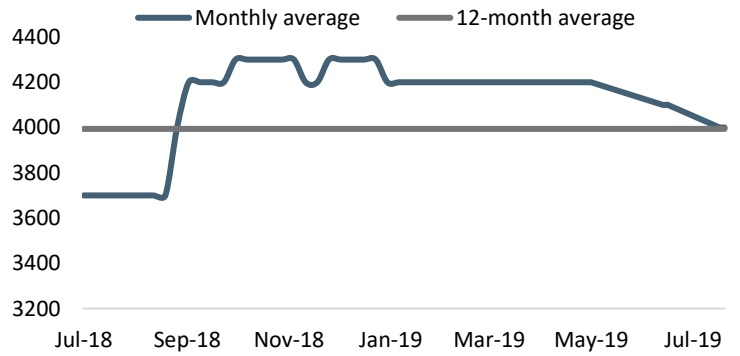
### Rice – ₦ per 50kg



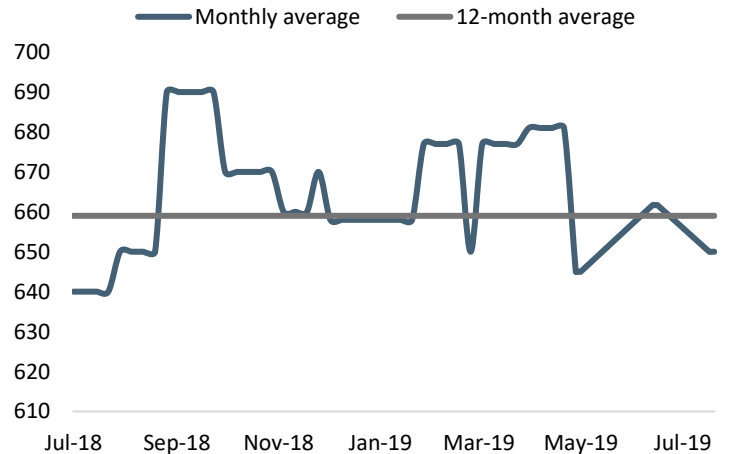
### Cement – ₦ per 50kg bag



### Cooking gas – ₦ per 12.5kg



### 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>	<b>73.96</b>	41.4	78.65%	<b>BUY</b>
<b>Nigeria Breweries</b>	<b>75.82</b>	50	51.64%	<b>BUY</b>
<b>Nestle</b>	<b>1447.39</b>	1270	13.97%	<b>BUY</b>
<b>Unilever</b>	<b>31.95</b>	32	-0.16%	<b>SELL</b>
<b>Dangote Sugar</b>	<b>15.67</b>	10.10	55.15%	<b>BUY</b>
<b>Dangote Cement</b>	<b>248.14</b>	165	50.39%	<b>BUY</b>
<b>Lafarge</b>	<b>18.07</b>	14.35	25.92%	<b>BUY</b>
<b>CCNN</b>	<b>22.87</b>	14	63.36%	<b>BUY</b>
<b>Seplat</b>	<b>782.15</b>	490.00	59.62%	<b>BUY</b>
<b>Okomu</b>	<b>75.60</b>	52.00	45.38%	<b>BUY</b>
<b>Presco</b>	<b>51.90</b>	44.8	15.85%	<b>BUY</b>