

REPORT ON RETAIL PRICE INDICES OF SELECTED CONSUMER ITEMS IN LAGOS AREA DURING THE SECOND QUARTER OF 1988

1. Movement of Price Indices

Retail prices of selected consumer items in the Lagos area continued to rise during the second quarter of 1988. The trend which began since the beginning of the year largely reflects the impact of the poor agricultural harvest in 1987, and the reflationary policy stance of the federal government.

The all item price index was 1223.1 (November 1975 = 100), representing increases of 15.8 and 36.1 percent over the levels in the first quarter of 1988, and second quarter of 1987 respectively. All the indices contributed to the record increase in the aggregate index (See Table 1).

At 1407.8, the food index recorded increases of 16.1 and 44.0 percent vis-a-vis the levels in the preceding quarter and corresponding quarter of 1987. Despite the significant aggregate increase of 34.0 percent in the price index of staples over the level in the first quarter of 1988, mild increases of 6.9, 4.2 and 1.3 percent were recorded in the price indices of meat fish & eggs, oils & fats and vegetables fruits & nuts respectively. The sharp increases noticed in the prices of white gari (126.6 percent) white grain maize (125.0 percent), coloured gari (177.2 percent), brown beans (83.8 percent) millet (79.7 percent) and yam flour (78.5 percent) over the levels a year ago, resulted mainly from the added demand of these produce by the industrial consumers.

The price index of beverages & drinks was 823.9, representing increases of 8.6 and 32.5 percent over the first quarter of 1988 and the second quarter of 1987 respectively. Apart from the price of Tea which fell by 1.7 percent and that of soft drinks which stagnated relative to the preceding quarter, the increases in the prices of other items contributed to the increase of 8.6 per cent recorded over the level in the first quarter of 1988.

Other items in which significant price increases were also recorded include inter alia: tobacco (20.3 per cent), fuel and light (15.4 per cent), and clothing (6.0 per cent). While the price increase in fuel and light was influenced by increases in the prices of firewood and charcoal the celebration of various festivals in the quarter became the major contributory factor for the price increase in clothing.

2. Inter-Market Price Variations¹

A mixed pattern of intermarket price variations was observed among the markets sampled in the Lagos area during the quarter. For instance, a medium-sized tuber of yam cost an average of ₦5.65 at Alayabiagba market compared with ₦5.88 and ₦6.75 for the same weight at Aguda and Sangrouse markets.

Gari which has been quite scarce in recent times remained the cheapest at Oyingbo market where a 2.00 kg measure of either the yellow or white brand was sold for ₦6.38. The price of this commodity remained highest at Itafaji where the unit of measure was sold for ₦8.00. The 2.8kg of imported rice was ₦15.75 at Alayabiagba market while the same measure was sold for ₦17.00 at Ereko market. However, the same measure was most expensive at Sangrouse market where it cost ₦17.88. A 2.5kg measure of brown beans was sold for ₦21.50 at Itafaji market, compared with

₦16.50 at Ereko and Tejuoso markets respectively. At Festac market, the 2.6kg unit of yellow maize cost ₦7.00 while the same unit of measurement attracted ₦9.00 and ₦9.40 respectively at Itafaji, and Ereko markets. The price of fresh beef was found to be expensive in all the markets surveyed. At Lawanson market, 1kg cost ₦13.80, while the measure was relatively cheaper at Sabo market, where it cost ₦13.00. The price of a medium-sized life fowl attracted ₦19.00 at Ikeja market, compared with ₦14.50 at Awolowo market. A bottle of palm oil — an equivalent of 72 cl. was sold for ₦3.20, ₦2.70 and ₦3.02 respectively at Sabo, Jankara and Aguda markets. Also a 72 cl. of ground nut oil at Alayabiagba market cost ₦3.80 while at Ereko and Itafaji markets the same measure cost ₦4.25 and ₦4.50 respectively. In the quarter under review, prices of green vegetables were basically uniform in all the markets sampled. Other items which maintained fairly uniform prices include crates of soft drinks, orange fruits and pawpaw.

Factors accounting for the intermarket price variations were market locations, accessibility, unabridged trading activities and the rising transportation costs, as a result of the sharp increases in the prices of motor vehicles and spare parts.

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¹ Some items sold with local measures like Olodo, cigarette cup, beer bottle, etc have been converted to standard units such as kilograms.

**SUMMARY OF RETAIL PRICE INDICES OF SELECTED CONSUMER
ITEMS IN LAGOS AREA FOR 2ND QUARTER 1988
(NOVEMBER 1975 = 100)**

Table 1

Component	2nd Quarter	1st Quarter	2nd Quarter	Percentage change between	
	1987 (1)	1988 (2)	1988 (3)	(1) & (2) (4)	(2) & (3) (5)
A. Food	977.7	1212.2	1407.8	44.0	16.1
(i) Staples	735.0	1010.7	1354.4	84.3	34.0
(ii) Meat, Fish & Eggs	1329.8	1556.7	1663.7	25.1	6.9
(iii) Oils & Fats	521.1	760.5	792.8	52.1	4.2
(iv) Veg, Fruits & Nuts	898.8	957.0	969.6	7.9	1.3
B. Bev. & Drinks	621.7	758.5	823.9	32.5	8.6
C. Tobacco	444.7	433.0	521.1	17.2	20.3
D. Fuel & Light	533.3	619.4	714.8	34.0	15.4
E. Clothing	1424.3	1508.3	1598.1	12.2	6.0
All Items	899.0	1055.9	1223.1	36.1	15.8

**RETAIL PRICE INDICES OF SELECTED CONSUMER
ITEMS IN LAGOS AREA FOR 2ND QUARTER 1988
(NOVEMBER 1975 = 100)**

Table 2

Component	2nd Quarter	1st Quarter	2nd Quarter	Percentage Change between	
	1987 (1)	1988 (2)	1988 (3)	(1) & (3) (4)	(2) & (3) (5)
A. Food	977.7	1212.2	1407.8	44.0	16.1
(i) Staples	735.0	1010.7	1354.4	84.3	34.0
Yam Tuber	571.0	658.9	990.8	73.5	50.4
Gari: coloured	727.8	1160.3	1580.8	117.2	36.2
Gari: white	736.5	1150.8	1668.7	126.6	45.0
Rice - Uncle Ben's	758.4	966.6	1107.5	46.0	14.6
Rice - Local	690.7	868.4	1005.6	45.6	15.8
Beans - Brown	694.2	1046.9	1275.8	83.8	21.9
Beans - White	682.3	1031.9	1201.4	76.1	16.4
Yam - flour	518.0	651.5	924.4	78.5	41.9
Millet	622.2	820.6	1118.1	79.7	36.3
Maize - Yellow Grain	759.3	963.5	1342.8	76.8	39.4
Maize - White Grain	588.6	990.4	1324.5	125.0	33.7
Plantain	1149.3	1104.5	1351.7	17.6	22.4
(ii) Meat, Fish & Eggs	1329.8	1556.7	1663.7	25.1	6.9
Beef - fresh	1718.0	2026.1	2149.1	25.1	6.1
Pork - fresh	1432.5	1842.3	1944.6	35.7	5.6
Fowl - life	931.1	1062.7	1169.3	25.6	10.0
Fish - fresh	833.7	963.8	1207.5	44.8	25.3
Fish - dried	731.1	902.0	832.4	13.9	-7.7
Ground nut	632.4	750.3	721.7	14.1	-3.8
B. Bev. & Drinks	621.7	758.5	823.9	32.5	8.6
Ovaltine	875.1	979.5	1129.0	29.0	15.3
Bournvita	779.1	875.1	920.4	18.1	5.2
Tea	779.2	746.9	734.4	-5.7	-1.7
Coffee Nescafe	1281.7	1386.7	1476.5	15.2	6.5
Milk - Peak	1076.4	1255.3	1297.6	20.5	3.4
Baby food - SMA	1157.6	992.5	1060.5	-8.4	6.9
Bird's Custard	853.9	996.4	1347.3	57.8	35.2
Nido	-	-	-	-	-
St. Louis Sugar	389.0	433.1	473.4	21.7	9.3
Tate & Lyle Sugar	251.7	318.0	354.3	40.8	11.4
Salt	1200.0	1233.3	1286.7	7.2	4.3
Dubonnet Wine	699.0	710.9	742.8	6.3	4.5
Palm Wine	544.7	720.0	818.7	50.3	13.7
Star Beer	345.2	354.3	394.6	14.3	11.4
Harp Beer	316.7	368.8	409.1	29.2	10.9
Stout - Guinness	583.0	617.0	660.6	13.3	7.1
Fanta	517.1	524.0	524.0	1.3	0.0
Coca - Cola	517.1	524.0	524.0	1.3	0.0
C. Tobacco	444.7	433.0	521.1	17.2	20.3
Target	464.9	476.9	531.8	14.4	11.5
Gold Leaf	674.1	588.9	788.9	17.0	34.0
Benson & Hedges	1494.7	1468.3	1609.3	7.3	9.6

Table 2 (Cont'd)

Component	2nd Quarter	1st Quarter	2nd Quarter	Percentage Change Between	
	1987 (1)	1988 (2)	1988 (3)	(1) & (3) (4)	(2) & (3) (5)
Stock fish	737.0	870.0	958.0	30.0	10.1
Corned Beef	2262.9	2148.7	2198.4	-2.9	2.3
Sardine	770.0	752.5	855.5	11.1	13.7
Eggs	830.3	967.4	1038.6	25.1	7.4
(iii) Oils & Fats	521.1	760.5	792.8	52.1	4.2
Palm Oil	542.6	844.4	881.6	62.5	4.4
Groundnut Oil	414.8	534.3	564.0	36.0	5.6
Margarine	935.7	871.8	826.4	-11.7	-5.2
(iv) Veg. Fruits & Nuts	898.8	957.0	969.6	7.9	1.3
Okro	1446.4	1375.7	1462.7	1.1	6.4
Efo	1813.3	1840.0	1926.7	6.3	4.7
Ewedu	880.0	903.3	916.6	4.2	1.5
Pumpkin	1257.2	1376.2	1376.2	9.5	0.0
Pepper - Jos dried	1013.4	907.9	770.9	-24.0	-15.1
Pepper fresh	1905.6	1770.0	2095.6	10.0	18.3
Melon Seeds	760.2	795.7	861.1	13.3	8.2
Tomato fresh	554.6	502.7	665.0	19.9	32.3
Tomato Tinned	504.0	998.9	1019.2	102.2	2.0
Onion	150.9	187.4	129.8	-14.0	-30.7
Pawpaw	782.6	1001.6	1038.5	32.7	3.7
Orange	1758.7	1656.4	2229.0	26.7	34.6
Pine Apple	-	711.7	696.7	-	-2.1
Grape fruit	-	806.1	818.2	-	1.5
D. Fuel & Light	533.3	619.4	714.8	34.0	15.4
Firewood	661.5	745.8	882.3	33.4	18.3
Charcoal	523.0	547.3	612.4	17.1	11.9
Kerosine	282.4	309.8	305.9	8.3	-1.3
E. Clothing	1424.3	1508.3	1598.1	12.2	6.0
Standard Baft	1688.6	1720.4	1830.6	8.4	6.4
Shirting	1170.3	1227.2	1332.1	13.8	8.5
White Drill	1313.7	1508.2	1582.5	20.5	4.9
Khaki Drill	1356.7	1437.6	1539.7	13.5	7.1
Sleeveless Singlets	857.8	946.8	961.9	12.1	1.6

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