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DEVELOPMENTS IN THE RETAIL PRICES OF SELECTED CONSUMER ITEMS IN LAGOS AREA DURING THE SECOND QUARTER OF 1989

The results obtained from the price surveys of selected consumer items in the Lagos Area during the second quarter of 1989, indicated an upward movement in the prices of most of the items sampled. While some items recorded modest price declines below the level in the first quarter of 1989, these declines were not enough to offset the increases noticed in all the component price indices. Most of the traders interviewed during the surveys attributed the increase in prices mainly to rising costs of production inputs, and transportation as well as excess demand pressures on agricultural commodities.

Aggregate price index in the second quarter of 1989 was 2051.4 representing respective increases of 22.3 and 67.7 percent over the levels in the preceding quarter and the corresponding period of 1988. All the component price indices reflected significant increases over the levels in the first quarter of 1989 and the second quarter of 1988. This led to the sharp increases in the over-all price indices relative to the levels in the first quarter of 1989 and the second quarter of 1988. While the price indices of food, beverages & drinks recorded respective increases of 25.8 and 3.0 percent over their levels a quarter earlier, other component indices of tobacco, fuel & light, and clothing, also exhibited similar increases of 25.2, 6.5, 32.1 per cent respectively over the same level. Compared with their corresponding levels in 1988, substantial increases of 68.2, 62.5, 163.2, 13.0 and 53.5 were also noticed in the respective price indices of all these components: food, beverages & drinks, tobacco, fuel & light, and clothing. (See Table 1).

Sharp increases featured in the prices of almost all the food items sampled during the review quarter, leading to upward movements in the price indices of staples (23.4), meat, fish & eggs (31.3), oils & fats (6.9) and vegetables, fruits & nuts (18.6) (See Tables 1 & 2).

The increase of 23.4 per cent in the price index of staples during the review period arose from the increases of 37.3, 35.9, 30.5, 20.4 and 19.7 percent in the prices of essential items like yam tuber, gari (coloured and white) and beans (white and brown). Other staples whose prices also rose above the levels in the preceding quarter were plantain (41.4 percent), yam flour (5.7 per cent) and local rice (1.7 percent). In contrast to this development, few items in the category of staples recorded declines to moderate the price increases noticed in the review quarter. These, among others, included millet (8.8 percent), yellow maize (2.2 percent), Uncle Ben's rice (0.5 percent) and white maize (0.6 percent). Compared with the second quarter of 1988, all staples recorded substantial price increases ranging from 6.4 to 130.1 percent.

Similarly, all the items classified under meat, fish & eggs also exceeded their price levels a quarter earlier. While the prices of fowl (life), fish (fresh), pork and beef (fresh) rose sharply by 47.4, 42.7, 36.3 and 32.0 percent during the quarter respectively, other items like stock fish, eggs and corn beef also recorded increases of 29.1, 19.6 and 16.0 percent respectively above their price levels in the preceding quarter. Sharp increases ranging from 32.2 to 119.4 per-

cent were also noticed in the prices of all items classified under meat, fish & eggs vis-a-vis the levels in the corresponding quarter of 1988. Similar upward movement in prices also featured in the prices of some categorized items under oils & fats and vegetables, fruits & nuts when compared with their levels a quarter ago and the second quarter of 1988 (See Table 2).

The price index of beverages & drinks was 1338.7 showing increases of 3.0 and 62.5 percent over the levels in the preceding quarter and the corresponding period of 1988. Out of the 16 units of items sampled in this category only dubonnet wine, guinness stout and SMA – baby food indicated price declines of 9.1, 5.7 and 2.0 per cent respectively below the levels in the preceding quarter. In contrast, salt and star beer exhibited sharp price increases of 107.0 and 55.5 percent respectively over their price levels in the earlier quarter. Increases of 34.6, 25.9 and 24.0 were also noticed in the prices of Bird's custard, ovaltine and palm wine during the quarter. Compared with the price levels in the corresponding quarter of 1988, all the sampled manufactured commodities reflected substantial price increases ranging from 15.9 percent to 139.8 percent.

The price index of tobacco at 1371 also showed increases of 25.2 and 163.2 percent relative to the levels in the preceding quarter and the corresponding quarter of 1988. Similar increases were also noticed in the price indices of fuel & light and clothing during the period under review (See Tables 1 & 2 and chart).

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Table 1

**SUMMARY OF RETAIL PRICE INDICES OF SELECTED CONSUMER ITEMS IN LAGOS AREA FOR
SECOND QUARTER 1989 (NOVEMBER 1975 = 100)**

Component	2nd Quarter	1st Quarter	2nd Quarter	Percentage Change Between	
	1988 (1)	1989 (2)	1989 (3)	(1) & (3) (4)	(2) & (3) (5)
A. FOOD	1,407.8	1,882.7	2,368.4	68.2	25.8
(i) Staples	1,354.4	1,903.5	2,349.0	73.4	23.4
(ii) Meat, Fish & Eggs	1,663.7	2,055.8	2,698.7	62.2	31.3
(iii) Oils & Fats	792.8	1,501.9	1,604.9	102.4	6.9
(iv) Veg, Fruits & Nuts	969.6	1,340.4	1,589.5	63.9	18.6
B. Bev. & Drinks	823.9	1,299.6	1,338.7	62.5	3.0
C. Tobacco	521.1	1,095.4	1,371.7	163.2	25.2
D. Fuel & Light	714.8	758.4	807.6	13.0	6.5
E. Clothing	1,598.1	1,857.1	2,452.4	53.5	32.1
All Items	1,223.1	1,678.0	2,051.4	67.7	22.3

Table 2

**RETAIL PRICE INDICES OF SELECTED CONSUMER ITEMS IN LAGOS AREA FOR SECOND QUARTER
1989 (NOVEMBER 1975 = 100)**

Component	2nd Quarter	1st Quarter	2nd Quarter	Percentage Change Between	
	1988 (1)	1989 (2)	1989 (3)	(1) & (3) (4)	(2) & (3) (5)
A. FOOD	1,407.8	1,882.7	2,368.4	68.2	25.8
(i) STAPLES	1,354.4	1,903.5	2,349.0	73.4	23.4
Yam Tuber	990.8	1,122.8	1,541.1	55.5	37.3
Gari: Coloured	1,580.8	1,937.2	2,632.5	66.5	35.9
Gari: White	1,668.7	1,904.0	2,484.9	48.9	30.5
Rice - Uncle Ben's	1,107.5	2,559.7	2,547.9	130.1	-0.5
Rice - Local	1,005.6	1,800.3	1,830.7	82.1	1.7
Beans - Brown	1,275.8	1,132.0	1,357.1	6.4	19.9
Beans - White	1,201.4	1,131.3	1,361.6	13.3	20.4
Yam - flour	924.4	1,425.0	1,506.8	63.0	5.7
Millet	1,118.1	1,716.9	1,565.9	40.1	-8.8
Maize - Yellow Grain	1,342.8	1,758.0	1,719.4	28.0	-2.2
Maize - White Grain	1,324.5	1,716.0	1,706.4	28.8	-0.6
Plantain	1,351.7	1,868.3	2,642.0	95.5	41.4
(ii) MEAT, FISH & EGGS	1,663.7	2,055.8	2,698.7	62.2	31.3
Beef - Fresh	2,149.1	2,550.0	3,367.0	56.7	32.0
Pork - Fresh	1,944.6	2,363.3	3,221.4	65.7	36.3
Fowl - Life	1,169.3	1,598.4	2,355.5	101.4	47.4
Fish - Fresh	1,207.5	1,158.1	1,652.7	36.9	42.7
Fish - Dried	832.4	1,230.6	1,609.7	93.4	30.8
Stock Fish	958.0	1,608.7	2,077.5	116.9	29.1
Corned Beef	2,198.4	2,505.2	2,905.4	32.2	16.0
Sardine	855.5	1,582.1	1,877.2	119.4	18.7
Eggs (1 doz)	1,038.6	1,587.9	1,899.3	82.9	19.6
(iii) OILS & FATS	792.8	1,501.9	1,604.9	102.4	6.9
Palm Oil	881.6	1,618.6	1,753.0	98.8	8.3
Groundnut Oil	564.0	1,182.4	1,179.9	109.2	-0.2
Margarine	826.4	1,690.9	2,001.4	142.2	18.4
(iv) VEG. FRUITS & NUTS	969.6	1,340.4	1,589.5	63.9	18.6
Okro	1,462.7	1,865.1	1,682.2	15.0	-9.8
Efo	1,926.7	2,506.7	2,386.7	23.9	-4.8
Ewedu	916.6	1,296.7	1,170.0	27.6	-9.8
Pumpkin	1,376.2	1,900.0	1,819.0	32.2	-4.3
Pepper - Jos Dried	770.6	902.6	1,361.8	76.7	50.9
Pepper Fresh	2,095.6	2,126.2	2,438.7	16.4	14.7
Mellon Seeds	861.1	1,210.0	1,366.9	58.7	13.0
Tomato Fresh	665.0	614.0	1,182.8	77.9	92.6
Tomato Tinned	1,019.2	2,054.2	2,535.1	148.8	23.4
Onion	129.8	318.6	305.9	135.7	-4.0
Pawpaw	1,038.5	1,240.3	1,339.1	28.9	8.0
Orange	2,229.0	1,942.7	2,719.8	22.0	40.0
Pine Apple	696.7	910.0	963.3	38.3	5.9
Grape Fruit	818.2	775.8	987.7	20.7	27.3

Table 2 (Cont'd)

Component	2nd Quarter 1988 (1)	1st Quarter 1989 (2)	2nd Quarter 1989 (3)	Percentage Change Between	
				(1) & (3) (4)	(2) & (3) (5)
Groundnut	721.7	1,200.5	1,622.0	124.7	35.1
B. BEV. & DRINKS	823.9	1,299.6	1,338.7	62.5	3.0
Ovaltine	1,129.0	1,813.6	2,282.6	102.2	25.9
Bournvita	920.4	1,238.8	1,522.4	65.4	22.9
Tea	734.4	826.0	851.1	15.9	3.0
Coffee Nescafe	1,476.5	2,885.9	3,179.3	115.3	10.2
Milk - Peak	1,297.6	2,422.8	2,887.8	122.5	19.2
Baby Food - SMA	1,060.5	2,499.6	2,448.9	130.9	-2.0
Bird's Custard	1,347.3	1,956.0	2,632.2	95.4	34.6
Nido	-	-	-	-	-
St. Louis Sugar	473.4	1,110.1	1,135.3	139.8	2.3
Tate & Lyle Sugar	-	-	-	-	-
Salt	1,286.7	1,420.0	2,940.0	128.5	107.0
Dubonnet Wine	742.8	1,303.4	1,184.8	59.5	-9.1
Palm Wine	818.7	810.7	1,005.3	22.8	24.0
Star Beer	394.6	408.7	635.4	61.0	55.5
Harp Beer	409.1	617.2	649.9	58.9	5.3
Stout - Guinness	660.6	949.1	895.4	35.5	-5.7
Fanta	524.0	844.6	1,034.1	97.3	22.4
Coca-Cola	524.0	841.1	1,034.1	97.3	22.9
C. TOBACCO	521.1	1,095.4	1,371.7	163.2	25.2
Target	531.8	617.6	1,218.1	129.1	97.2
Gold Leaf	788.9	2,255.9	2,505.6	217.6	11.1
Benson & Hedges	-	-	-	-	-
D. FUEL & LIGHT	714.8	758.4	807.6	13.0	6.5
Firewood	882.3	907.5	974.0	10.4	7.3
Charcoal	612.4	831.1	816.8	33.4	-1.7
Kerosine	305.9	363.2	380.4	24.4	4.7
E. CLOTHING	1,598.1	1,857.1	2,452.4	53.5	32.1
Standard Baft	1,830.6	2,031.9	2,843.9	55.4	40.0
Shirting	1,332.1	1,726.0	2,163.7	62.4	25.4
White Drill	1,582.5	1,894.4	2,471.4	56.2	30.5
Khaki Drill	1,539.7	1,766.6	2,214.2	43.8	25.3
Sleeveless Singlets	961.9	1,350.4	1,500.7	56.0	11.1
All Items	1,223.1	1,678.0	2,051.4	67.7	22.3

**RETAIL PRICE INDICES OF SELECTED CONSUMER ITEMS IN LAGOS AREA
SECOND QUARTER 1987 – SECOND QUARTER 1989 (NOV. 1975 = 100)**

