Fighting Hunger Worldwide

JUNE 2017 ISSUE 39

WFP UGANDA

Monthly Market Monitor

HIGHLIGHTS

KARAMOJA

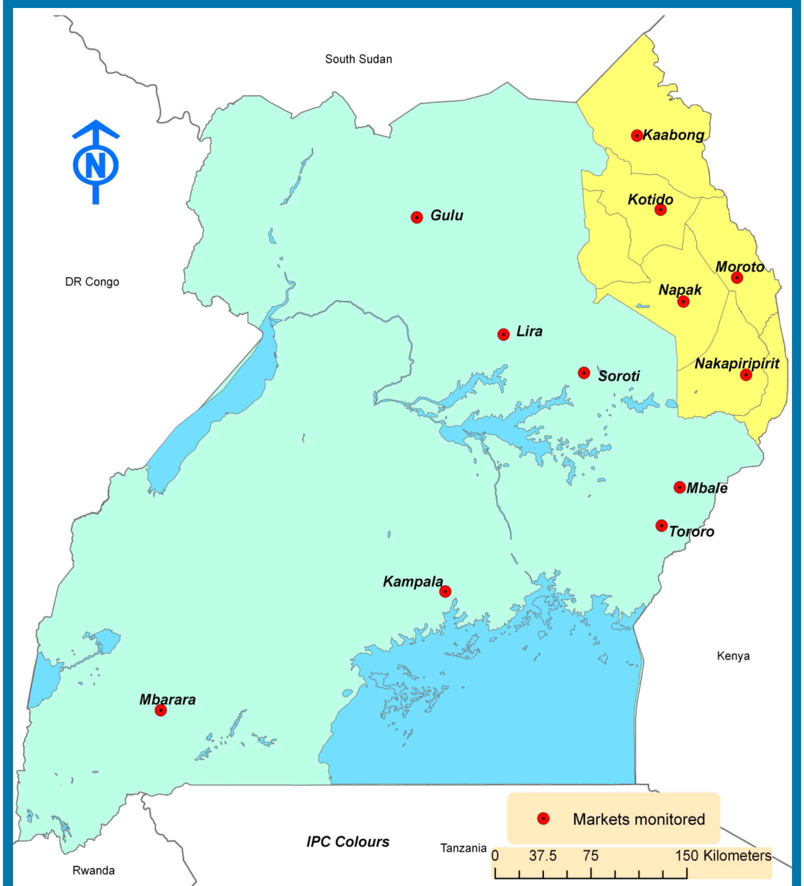
- In June, **the average retail price for beans and maize grain in Karamoja reduced by 17-4 percent respectively compared to May**, due to increased supplies on the markets. However, in Kotido, **the price for maize grain and sorghum remained above May average by 42-40 percent** respectively due to scarcity;
- Compared to June 2016, **average retail price for maize grain and sorghum continue to be high by 23-19 percent respectively, but more significantly in Kotido, Abim and Moroto**. Similarly, **sorghum and maize grain average remained above the long term average (2013-2016) by 43-39 percent respectively**;
- There was an **improvement in the terms of trade for goats and casual labor wage rate against maize grain compared to May**, following a decline in the average price for maize grain during the month.

REST OF THE COUNTRY

- In June, **the overall average retail prices for maize grain and sorghum was relatively stable compared to May**. However, **the average price for beans reduced by 12 percent,** due to increased supplies on the markets following an ongoing June-to-July first season harvest;
- Compared to June 2016, **the average price for maize grain and sorghum remained significantly above by 77-37 percent respectively**, due to low supplies. The increase was more significant in Soroti, Gulu and Kampala;
- Prices for maize grain and beans are expected to continue declining, but gradually due to the replenishment of markets from the June-to-July first season harvest.

The Uganda Market Price Update is produced by the Analysis, Monitoring and Evaluation (AME) Unit of the World Food Programme Uganda on a monthly basis. Price data collected by staff at WFP Sub offices in Moroto, Kotido, Kaabong and Nakapiripirit is analyzed along with price data from Gulu, Kampala, Mbarara, Soroti, Tororo, Lira and Mbale. The update is divided into four sections; Karamoja markets, Price trends over one year, Other Markets and table on Price changes.

Markets Monitored & Analyzed by WFP Unit



Source: WFP Uganda AME

For further information please contact the AME unit WFP Uganda

WFP
wfp.org

Siddharth KRISHNASWAMY
Analysis Monitoring & Evaluation, Head.
siddharth.krishnaswamy@wfp.org,

Hamidu TUSIIME
Food Security & Market Analyst
hamidu.tusiime@wfp.org

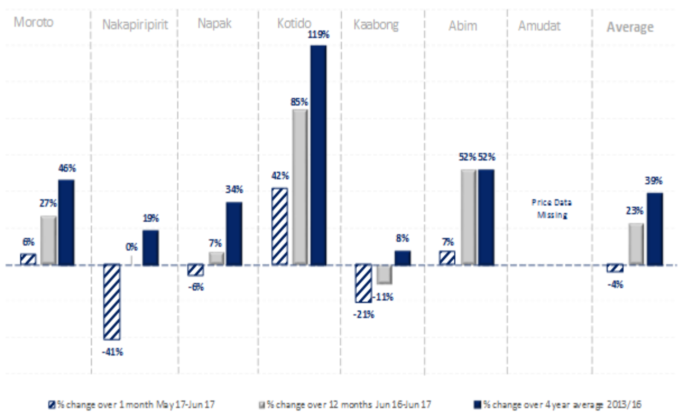
Nathan LOWANYANG
Programme Assistant
nathan.lowanyang@wfp.org

Published on: 31/07/2017

SECTION ONE: KARAMOJA SUB-REGION

CEREALS

Figure 1. Maize grain retail price changes Jun–2017

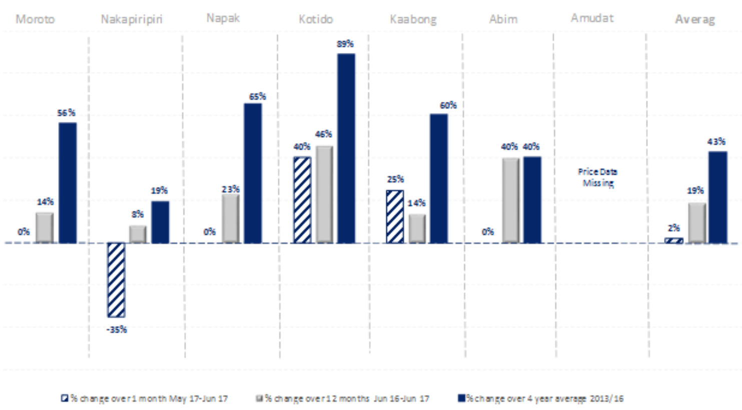


The average price for maize grain in Karamoja slightly reduced by 4 percent in June compared to May, but more significantly in Nakapiripirit (41%) and Kaabong (21%) due to increased supplies on the markets following the start of the green harvest. However, the average price for maize grain in Kotido remained above May average by 42%.

In June, the average price was above 2016 average levels by 23 percent across Karamoja. Nakapiripirit (85%), Abim (52%) and Moroto (27%) observed the highest increase, due to scarcity following significantly below average harvest in 2016 across the country.

Compared to the long term average (2013-2016), the overall average price was high by 39 percent, but more so in Kotido, Abim and Moroto by 119%, 52% and 46% respectively.

Figure 2. Sorghum grain retail price changes Jun-2017



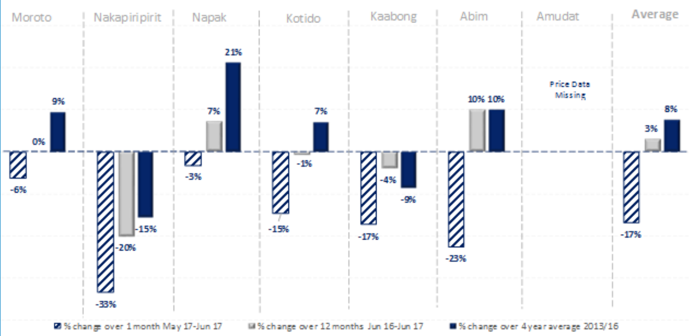
Compared to May, the average price for sorghum was relatively stable, with no observed change in Moroto, Napak and Abim. However, while the average price remained well above May average in Kotido and Kaabong by 40% and 25% respectively, Nakapiripirit observed a significant decrease by 35% due to increased supplies.

The average price for sorghum across Karamoja continued to be above 2016 price levels by 19 percent, more significantly in Kotido (46%), Abim (40%) and Napak (23%) due to scarcity on the markets and the depletion of household stocks from the previous harvest.

Similarly, the average price continue to be above the long term average (2013-2016) across all districts, and mainly in Kotido (89%), Napak (65%) and Kaabong (60%).

BEANS

Figure 3. Beans retail price changes Jun– 2017



The average price for beans has continued to decrease across Karamoja, with an observed decrease by 17 percent in June compared to May. The highest decrease was seen in Nakapiripirit, Abim and Kaabong by 33-23-17 percent respectively due to increased supplies on markets following the June-to-July first season harvest across the country.

Compared to last year, average price was slightly above by 3% in the region. Price remained above 2016 average in Abim (10%) and Napak (7%), due to below average harvest in 2016. However, there was a significant price decrease in Nakapiripirit (20%).

Average price remained above the long term average (2013-2016) in Napak and Abim by 21-10 percent respectively. However, Nakapiripirit observed a price decrease by 16% due to increased supplies.

GOATS

Table 1: Goats retail price changes for Jun- 2017

Market	Current (Jun 2017)	% Change from:		
		May-17	Jun-16	Av 2013-16
Moroto	70,000	0.0%	-50.0%	-35.3%
Nakapiripirit	80,000	19%	-5.9%	-3%
Napak	40,000	-43%	-72.4%	-66.3%
Kotido	68,750	6%	-2.5%	-9%
Kaabong	110,000	15.8%	20.5%	28%
Abim	65,000	-15%	-19.3%	-19.3%
Amudat				
Average	72,292	**-0.3%**	**-27.2%**	**-20%**

The average price for goats remained stable in June compared to May. The price was well below May average in Napak (43%) and Abim (15%) due to increased supplies on the market following a delayed in the green harvest in some areas, forcing households to sell animals to buy food. However, the average price was high by 19% and 16% in Nakapiripirit and Kaabong respectively. Typically, households in Karamoja increase livestock sales during the lean season to meet their food needs, therefore, with the start of the green harvest, livestock prices are expected to increase.

In June, the average price for goats remain below last year and the long term (2013-2016) average by 27% and 20% respectively. The decrease was observed in nearly all districts, but mainly in Napak, Moroto, and Abim due to increased supplies on the market as pastoral households increasingly sell animals to meet their food needs, since the harvest in 2016 was below average.

LABOR

Table 2: Changes in Daily Wage Rates Jun-2017

Market	Current (Jun 2017)	% Change from:		
		May-17	Jun-16	Av 2013-16
Moroto	5,000	0%	0%	0%
Nakapiripirit	3,000	0.0%	20%	4.3%
Napak	3,500	0%	-30%	-24.3%
Kotido	2,000	-20%	0.0%	-12.3%
Kaabong	5,000	0%	0%	42.9%
Abim	3,000	0%	0%	0%
Amudat				
Average	3,583	-2.3%	2%	7.7%

In June, there was no observed change in the average labor wage rate in all districts except Kotido, where the wage rate reduced by 20% compared to May, following a seasonal decline in agricultural related activities in the region.

Compared to last year, the average labor wage rate reduced in Napak by 30 percent.

However, the labor wage rate remained above the long term average (2013-2016) by 8 percent, and more significantly in Kaabong (43).

TERMS OF TRADE

The major sources of income in Karamoja are from casual labour and the sale of goats. The table below shows the latest trend of purchasing power of labour and goats averaged

Description	Jun-17	May-17	Jun-16
Kg of maize/goat	48	43	71
Kg of maize/day's wage	2.5	1.9	2.9

There was an improvement in the terms of trade for both goats and labor wage rate against maize grain in June compared to May. Earnings from the sale of a medium size goat would purchase more maize grain by 5 kilograms compared to May, whereas daily labor wage earnings would buy more by 600 grams, signaling an improvement in the purchasing power for both pastoral households and casual laborers. This is attributed to a decline in the average prices for maize grain in June.

However, compared to June 2016, the terms of trade for goats and labor wage rate against maize grain deteriorated, and more significantly for goats, due to a significant decrease in the average price for goats.

SUMMARY BY DISTRICT

MOROTO

Average price for maize grain in June increased by 7 percent, due to low supplies on the market. Similarly, maize and sorghum average prices remained above 2016 and the long term (2013-2016) average.

NAKAPIRIPIRIT

In June, there was a significant reduction in the average price for Maize grain, sorghum and beans by 41-35-33 percent respectively compared to May, showing replenishment of markets from the ongoing green harvest in Karamoja and the June-to-July first season harvest across the country.

NAPAK

Whereas the average price for maize grain and beans reduced by 6-3 percent respectively in June compared to May, due to improved supplies on the markets, there was no observed change in the price for sorghum. However, average prices for all commodities continue to be above last year and the long term (2013-2016) average, due to below average harvest across the country in 2016.

KOTIDO

In June, average price for maize grain and sorghum was well above May average by 42-46 percent respectively due to scarcity on the markets. Price for beans reduced by 15 percent due to increased supplies on the markets. However, compared to 2016 and the long term (2013-2016) average, the average price for maize grain and sorghum continued to be high.

KAABONG

Compared to May, the average price for maize grain and beans in June reduced by 21-17 percent respectively due to the replenishment of household stocks from the ongoing green harvest in some parts of the district. Price for sorghum remained high by 25 percent. Similarly, maize grain and beans average prices were below 2016 average by 11-4 percent respectively.

ABIM

While the average price for maize grain remained above May average by 7 percent, the price for beans was below by 23 percent, due to increased supplies on the market. However, prices for maize grain, sorghum and beans continue to be above 2016 and the long term (2013-2016) average following below average harvest last season.

AMUDAT

(No price data for June).

Fighting Hunger Worldwide

SECTION TWO: KARAMOJA PRICES TRENDS JUNE 2017 AGAINST 2016 & AVG 2013-16

Figure 4. Maize Grain Price Trends

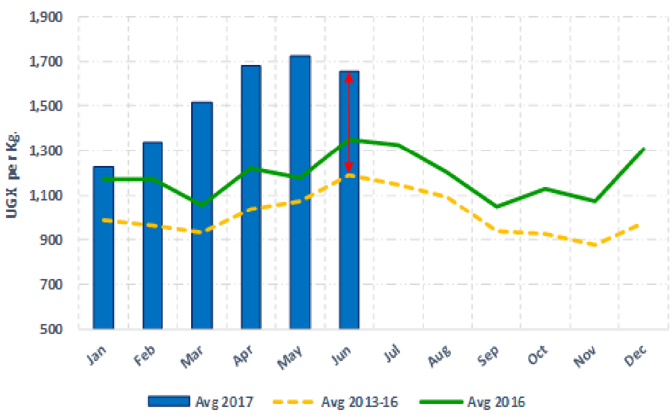


Figure 7. Maize Flour Price Trends

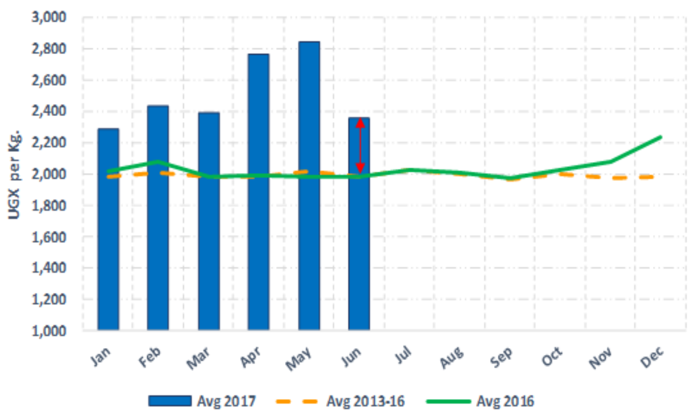


Figure 5. Sorghum Grain Price Trends

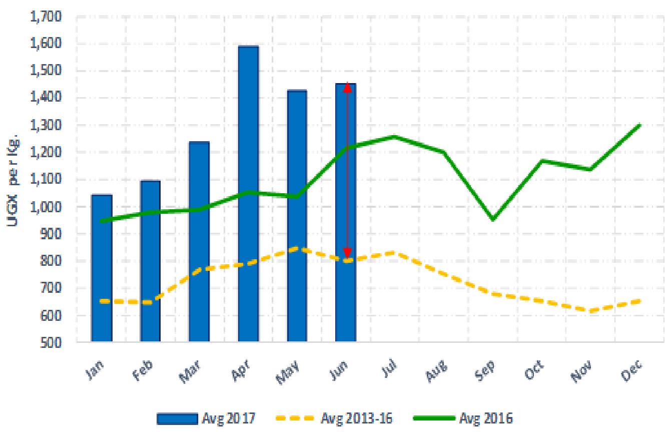


Figure 8. Terms of Trade Goats vs Maize grain

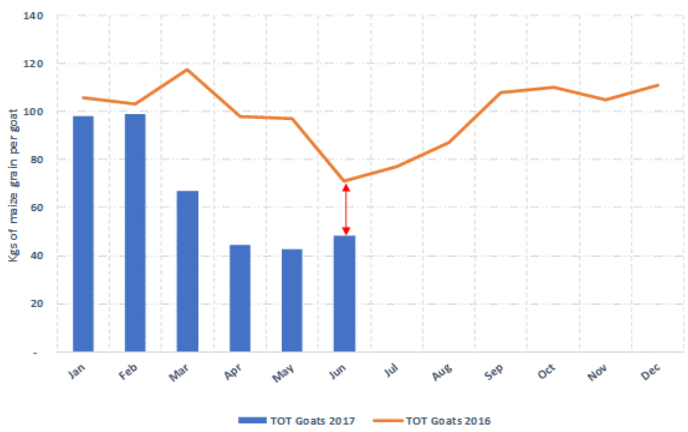


Figure 6. Beans Price Trends

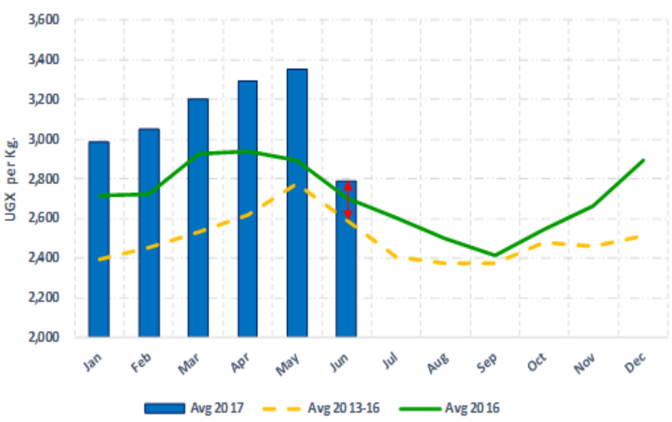
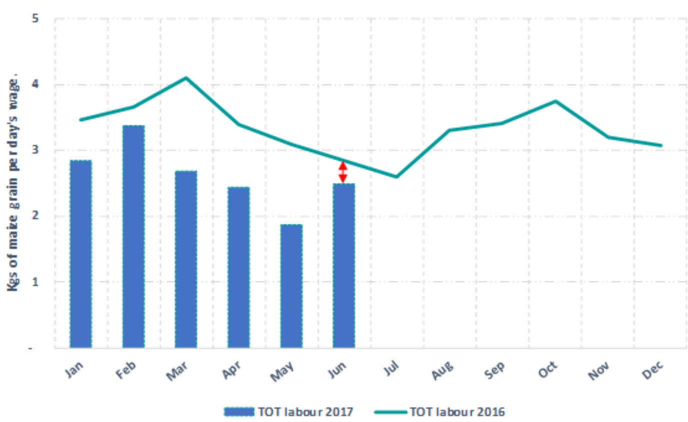


Figure 9. Terms of Trade Labour vs Maize grain



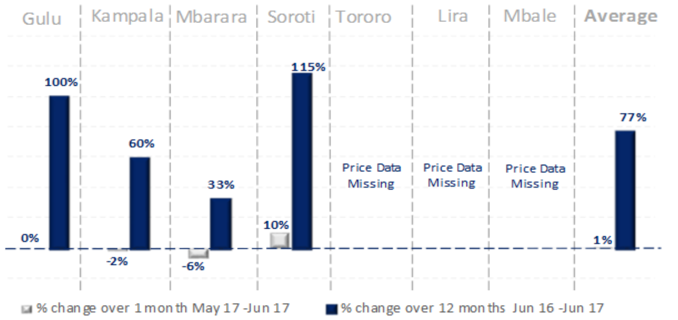
All data provided until this point has been sourced from WFP ProMIS

SECTION THREE: KAMPALA, WESTERN, NORTHERN AND EASTERN UGANDA

This section provides a snapshot of the price fluctuations and projections of beans and maize grain for selected markets in various regions of the country. Price data is collected by WFP staff at Sub offices in their respective areas of operation. The primary criteria for selecting the markets included in the analysis is their trade influence in food commodities in their respective regions and the relative consistency of data for the selected food commodities. More markets will be included in the analysis as we improve on the consistency of our data collection.

CEREALS

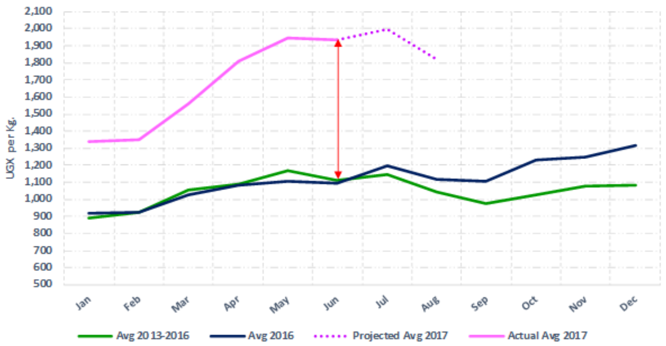
Fig. 10: Maize Grain Retail Price Changes Jun-2017



Compared to May, there was no observed change in the overall average retail price for maize grain in June across the country. However, the average price was above May average by 10 percent in Soroti, due to scarcity on the markets.

The average price continued to be significantly above 2016 average by 77 percent, mainly in Soroti (115%), Gulu (100%) and Kampala (60%), due to scarcity following below average harvest in 2016 across the country the country.

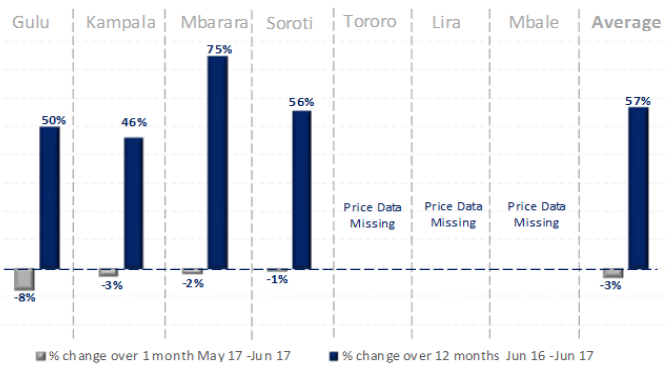
Fig. 11: Maize Grain Price Trend & Projection: Jun-2017



Source: WFP AME Projections

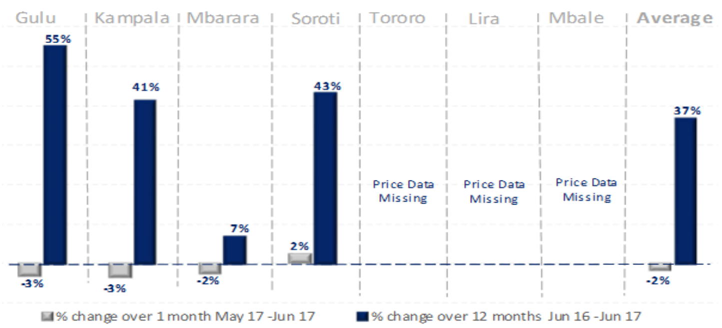
The price for maize grain is expected to remain relatively stable in July, but will start declining in August following an ongoing Jun-to-July harvest.

Fig. 12: Maize flour retail price changes Jun-2017



Average price for maize flour slightly reduced by 4 percent in June compared to May, but more so in Gulu (8%). Compared to 2016, the price was well above by 57 percent, and more significantly in Mbarara, Soroti and Gulu by 75-56-50 percent respectively, due to increased demand.

Fig. 13: Sorghum Retail Price Changes Jun-2017

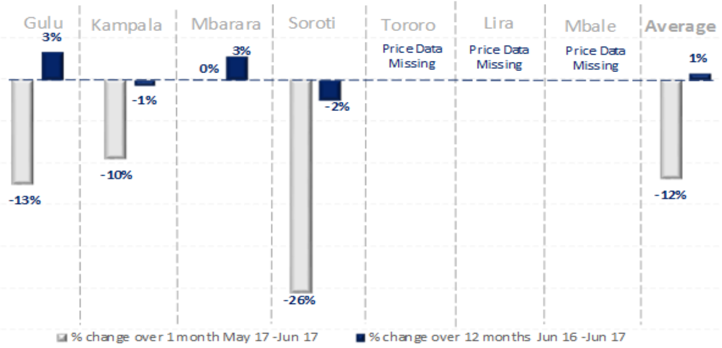


In June, the overall average retail price for sorghum was relatively stable, with minor changes across most markets in the country. A slight decrease was observed in Gulu, Kampala and Soroti by 3-3-2 percent respectively, due to the ongoing June-to-July harvest.

However, the price remained significantly higher than last year average by 37 percent. The highest increase was observed in Gulu (55%), Soroti (43%) and Kampala (41%), this is attributed to below average harvest in 2016, lowering supplies on the market.

BEANS

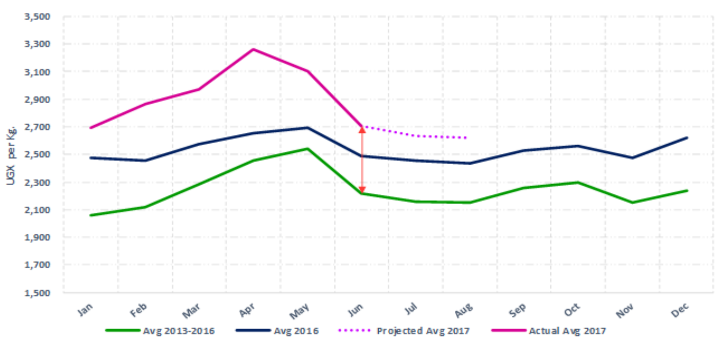
Fig. 14: Beans Retail Price Changes Jun-2017



In June, the overall average price for beans decreased by 12 percent compared to May, and mainly in Soroti (26%), and Gulu (13%) due to increasing supplies on the markets.

Compared to last year, the average retail price was relatively stable in the country with minor changes across all markets.

Fig. 15: Beans Price Trend & Projection: Aug-2017



Source: WFP AME Projections

The average retail price for beans is expected to decrease or remain relatively stable all through July to August.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: Jun 2017			Current Price(Ushs.)	Price change (%)			
Region	District/Market	Major Commodities		1 M	1 Y	1 M	1 Y
Karamoja	Moroto	Maize grain (per Kg)	1,900	6%	27%	↑	↑
		Sorghum (per Kg)	1,600	0%	14%	↔	↔
		Beans (per Kg)	3,000	-6%	0%	↓	↔
		Medium size goat	70,000	0%	-50%	↔	↓
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	1,300	-41%	0%	↓	↔
		Sorghum (per Kg)	1,100	-35%	8%	↓	↔
		Beans (per Kg)	2,000	-33%	-20%	↓	↓
		Medium size goat	80,000	19%	-6%	↑	↔
		Daily labour wage	3,000	0%	20%	↔	↑
	Napak	Maize grain (per Kg)	1,600	-6%	7%	↓	↔
		Sorghum (per Kg)	1,600	0%	23%	↔	↑
		Beans (per Kg)	3,000	-3%	7%	↔	↔
		Medium size goat	40,000	-43%	-72%	↓	↓
		Daily labour wage	3,500	0%	-30%	↔	↓
	Kotido	Maize grain (per Kg)	2,175	42%	85%	↑	↑
		Sorghum (per Kg)	1,750	40%	46%	↑	↑
		Beans (per Kg)	2,975	-15%	-1%	↓	↔
		Medium size goat	68,750	6%	-2%	↑	↔
		Daily labour wage	2,000	-20%	0%	↓	↔
	Kaabong	Maize grain (per Kg)	1,126	-21%	-11%	↓	↔
		Sorghum (per Kg)	1,261	25%	14%	↑	↔
		Beans (per Kg)	3,000	-17%	-4%	↓	↔
		Medium size goat	110,000	16%	21%	↑	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Abim	Maize grain (per Kg)	1,825	7%	52%	↑	↑
		Sorghum (per Kg)	1,400	0%	40%	↔	↑
		Beans (per Kg)	2,750	-23%	10%	↓	↔
		Medium size goat	65,000	-15%	-19%	↓	↓
		Daily labour wage	3,000	0%	0%	↔	↔
	Amudat	Maize grain (per Kg)					
		Sorghum (per Kg)					
		Beans (per Kg)					
		Medium size goat					
		Daily labour wage					
Central	Kampala/Owino	Maize grain (per Kg)	2,117	-2%	60%	↔	↑
		Maize flour (per Kg)	2,867	-3%	46%	↔	↑
		Sorghum (per Kg)	2,825	-3%	41%	↔	↑
		Beans (per Kg)	2,500	-10%	-1%	↓	↔
Western	Mbarara	Maize grain (per Kg)	1,425	-6%	33%	↓	↑
		Maize flour (per Kg)	3,500	-2%	75%	↔	↑
		Sorghum (per Kg)	3,000	-2%	7%	↔	↔
		Beans (per Kg)	2,800	0%	3%	↔	↔
Eastern	Tororo	Maize grain (per Kg)					
		Maize flour (per Kg)					
		Sorghum (per Kg)					
		Beans (per Kg)					
	Mbale	Maize grain (per Kg)					
		Maize flour (per Kg)					
		Sorghum (per Kg)					
		Beans (per Kg)					
Northern	Gulu	Maize grain (per Kg)	2,000	0%	100%	↔	↑
		Maize flour (per Kg)	3,000	-8%	50%		↑
		Sorghum (per Kg)	1,550	-3%	55%	↔	↑
		Beans (per Kg)	3,100	-13%	3%	↓	↔
	Soroti	Maize grain (per Kg)	2,200	10%	115%	↑	↑
		Maize flour (per Kg)	2,767	-1%	56%	↔	↑
		Sorghum (per Kg)	1,433	2%	43%	↔	↑
		Beans (per Kg)	2,417	-26%	-2%	↓	↔
	Lira	Maize grain (per Kg)					
		Maize flour (per Kg)					
		Sorghum (per Kg)					
		Beans (per Kg)					

Remark:
↑ Price increase above normal price fluctuation
↔ Normal Price fluctuation
↓ Price increase below normal price fluctuation

Price fluctuation is considered normal if the price change is within 5% for 1 month and within 15% for 1

1 M= May 2017 compared to Jun 2017 1 Y= Jun 2016 compared to Jun 2017