



July¹ 2017

HIGHLIGHTS

- **Inflation:** June 2017 witnessed year-on-year overall inflation rate of 362 percent and a food inflation rate of 358 percent.
- **Exchange rate:** Compared to May 2017, the exchange rate in parallel and official market remained stable in June. The exchange rate of SSP to the USD in parallel market stood at SSP 153 and at SSP 116.92 in the official market. In the past 12 months, the official exchange rate increased from SSP 37.90 to SSP 116.92 (208 percent) per US Dollar, while the parallel exchange rate increased from SSP 37.90 to SSP 153 (304 percent).
- **Cereal prices:** Staple food commodity prices continued to increase in most markets across the country. Compared to the previous month, the retail price of white sorghum has increased seasonally in the range of 9 to 20 percent in Northern Bahr el Ghazal, Unity, Upper Nile and Lakes states. Likewise, white maize grain in Eastern Equatoria has increased by 15 percent. In Juba, prices have shown stability and some decline from the previous month. Depreciation of the local currency and dependence on imports have caused very high increase in prices compared to a year ago.
- **Field bean prices:** Compared to the previous month, a high increase in field bean prices was observed in Bentiu (146 percent), Aweil (75 percent), Yida (45 percent), and Agok (30 percent); while it has increased between 8 to 21 percent in Konyokonyo, Bunj, Rumbek and Bor markets. In markets across the country, the price of field beans increased by more than 200 percent compared to one year ago, except in Yida where it increased by 30 percent.
- **Terms of Trade:** Compared to May 2017, the stability of daily wage and increased cereal prices have led the terms of trade to deteriorate in Aweil (6 percent) and Torit (10 percent) whilst the terms of trade has improved in Juba (55 percent) due to increased wages and decline in food prices.
- **Outlook:** With the peak of the lean season approaching, the prices of staple food commodities are likely to remain at elevated levels, thus making most households vulnerable to food insecurity.

¹ The analysis is based on prices data of June 2017

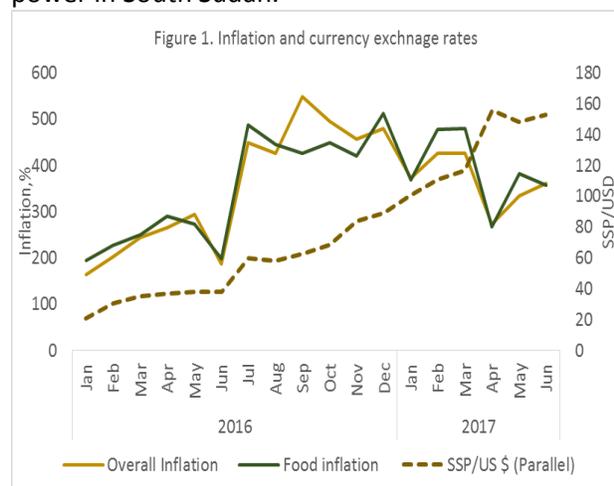
Photos: WFP/Ryan McDonald (left) and WFP/George Fominyen (right)

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SOUTH SUDAN MONTHLY MARKET PRICE MONITORING

The inflation rate remains high, while SSP shows some stability in exchange rate

June 2017 witnessed a year-on-year overall inflation rate² of 362 percent and a food inflation rate of 358 percent. This means prices are more than four and half times higher as compared to a year ago. With no commensurate increase in income, such a hyper-inflation has led to serious deterioration in the households' purchasing power in South Sudan.



Source: NBS and BSS

Compared to May 2017, the South Sudanese Pound has remained relatively stable. In June 2017, the average exchange rate of US Dollar to SSP stood at 153 and 116.92 in the parallel and official markets respectively, as compared to 148 and 116.46 respectively in the previous month. Despite some stability in the past two months, there has been a significant depreciation of the SSP in the past one year. During the last 12 months, the official exchange rate dropped from SSP 37.90 to SSP 116.92 (208 percent) per US Dollar, while the parallel exchange rate drifted from SSP 37.90 to SSP 153 (304 percent) per US Dollar.

Further increase in fuel prices

In June, the price of petrol has increased in almost all of the monitored markets, compared to the previous month. These include Rumbek

(12 percent), Yida (17 percent), Bor (19 percent), Bunj (20 percent) and the highest increase was in Wau (47 percent). Likewise, diesel price increased in Rumbek, Wau, Mingkaman, Yida and Bor markets. However, fuel prices were stable in Aweil and Mingkaman. Compared to one year ago (June 2016), prices have increased by more than 150 percent across all monitored markets. In Juba, the fuel was still available at official rate, despite the irregularity of supply and a long queue at gas stations. A liter of fuel in parallel market in Juba sold at SSP 167 for diesel (8 times the official rate) and at SSP 130 for petrol (6 times the official rate).

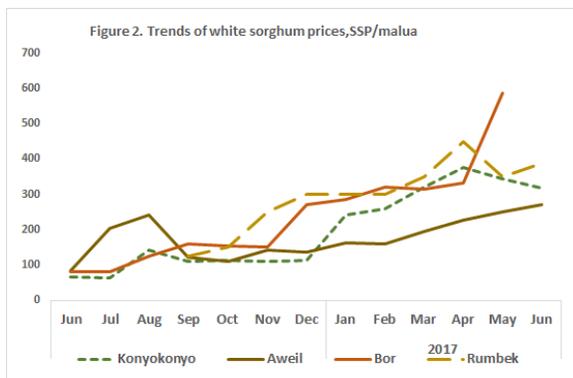
Staple food prices continued to increase in most areas while Juba witnessed drop in prices

Staple food commodities in Juba showed stability and some drop in their prices compared to May 2017. The observed price behavior is likely due to the introduction of subsidized food commodities by Ramciel, a company established by the government. In other markets, prices have increased across the country, except in few markets which registered decline in prices of one or two staple commodities (see Annex 1).

Compared to May 2017, the retail price of the main staple, white sorghum, has increased seasonally in the range of 9 to 20 percent in monitored markets of Northern Bahr el Ghazal, Unity, Upper Nile and Lakes states. Similarly, white maize grain in Eastern Equatoria has increased by 15 percent. The prices of other food commodities such as maize flour and wheat flour have also increased in most monitored markets. The exceptions were in Rumbek, Mingkaman and Benitu where prices have decreased in the range of 6 to 13 percent for wheat flour and 10 to 25 percent for maize flour.

² The national Bureau of Statistics compute the inflation rate based on Juba and Wau prices data.

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Source: WFP

Given the huge depreciation of the currency and dependence on imports for most of the staple food, the prices have increased significantly compared to one year ago. Prices have increased between 133 to 384 percent for white sorghum; 136 to 484 percent for white maize grain; 187 to 611 for maize flour and 173 to 457 percent for wheat flour.

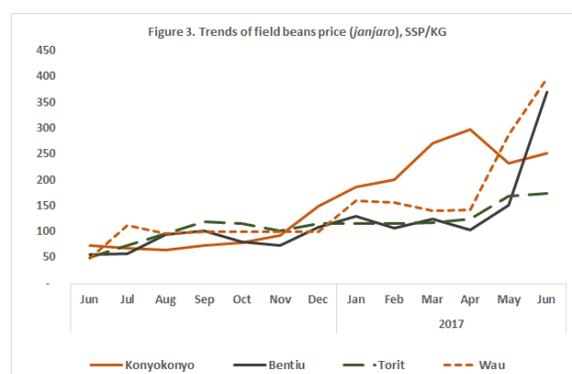
High increase in field bean prices while vegetable oil showed mixed trends

Field beans (*janjaro*) is the most commonly consumed pulse in South Sudan. It is mainly imported from Uganda. In June 2017, the retail price of field bean has increased in markets across the country. Compared to the previous month, the highest increase was in Bentiu (146 percent), followed by Aweil (75 percent), Yida (45 percent), Wau (38 percent), and Agok (30 percent). The corresponding price increases were in the range of 8 to 21 percent in Konyokonyo, Bunj, Rumbek and Bor markets. Compared to one year ago (June 2016), the price of field beans increased by more than 200 percent in markets across the country, except in Yida where it increased by 30 percent. The distribution of humanitarian food to refugees in Yida could be the reason for the relatively lower increase in prices in this market.

About one third of the monitored markets experienced decline in the price of cooking oil,

ranging from 6 to 15 percent in one month. These markets are Yida, Konyokonyo, Bentiu and Wau. On the other hand, markets of Bunj, Rumbek and Aweil experienced price increases, ranging from 6 to 24 percent compared to the previous month.

Compared to a year ago, all the monitored markets experienced price increases of cooking oil, in the range of 128 to 510 percent. The scarcity and depreciation of local currency mainly contributed to the observed excessive price increases of imported food commodities.



Source: WFP

Terms of Trade: Purchasing Power

Wage to sorghum: The increase in cereal prices and the unchanged daily wage rates in Aweil and Torit have contributed to the deterioration of TOT in June by 6 percent and 10 percent, respectively compared to the previous month. In Juba, increased daily wage has coincided with a decline in cereal price that led the TOT to improve by 55 percent. Compared to one year ago, In June, TOT has deteriorated in Aweil by 11 percent and in Torit by 24 percent while the TOT improved by 14 percent in Juba. In June, the daily wage of unskilled labor fetched 0.9 malua of sorghum in Juba, 0.64 malua of sorghum in Aweil and 1.11 malua of maize grain in Torit.

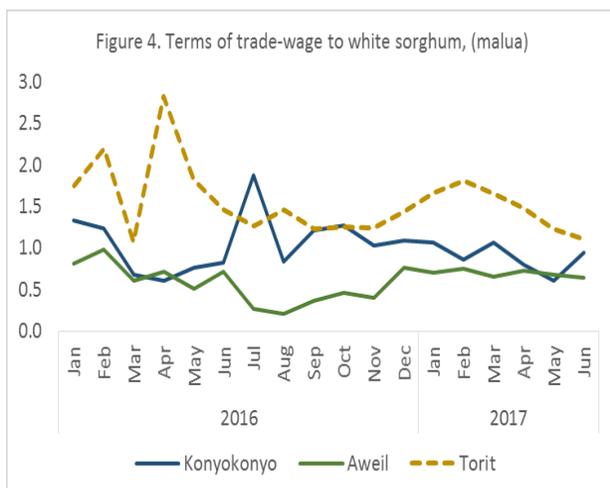
Livestock to cereal: One medium size goat fetched white sorghum equivalent to 11.36 malua in Aweil, 7.7 malua in Rumbek and 8.44

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malua of white maize in Torit. In Mingkaman, Wau and Yida, the TOT was 12 malua, 9 malua and 16 malua of white sorghum, respectively. In June, the purchasing power of livestock dependent households has deteriorated in Rumbek (32 percent), Torit (14 percent) and Mingkaman (29 percent) as compared to one month ago. On the other hand, TOT has improved slightly in Wau (5 percent) and Yida (6 percent) markets. Compared to one year ago (June 2016), the TOT has decreased in Rumbek (74 percent) whilst it has improved in Aweil (35 percent).

Food Security Outlook

As the peak lean season approaches, the prices of staple food commodities are expected to remain at elevated levels. Furthermore, with the continued economic crisis and the supply constraints due to insecurity and the likelihood of road impassability during this rainy season, prices of food commodities are likely to rise further, thus exposing most households, particularly those with poor purchasing power, to food insecurity.



Source: WFP

SOUTH SUDAN MONTHLY MARKET PRICE MONITORING

ANNEX: Commodity prices by market and trend of price changes (June 2017)

Major Commodity		SSP	Price Change (%)						Major Commodity		SSP	Price Change (%)								
			June	1M	3M	1Y	1M	3M				1Y	June	1M	3M	1Y	1M	3M	1Y	
Konyokonyo	White Sorghum	317	-8	-1	384	▼	▶	▲	Yida	White Sorghum	186	13	50	338	▲	▲	▲			
	White Maize (Grain)	383	-1	21	484	▶	▲	▲		Rice	372	28	133	520	▲	▲	▲			
	Field Beans (Janjaro)	251	8	-7	245	▲	▶	▲		Vegetable oil	370	-6	28	335	▼	▲	▲			
	Maize flour	143	-3	33	218	▶	▲	▲		Wheat flour	195	5	63		▶	▲				
	Wheat Flour	137	2	15	173	▶	▲	▲		Bor	Field Beans (Janjaro)	300	21	70	400	▲	▲	▲		
	Vegetable oil	200	-11	-39	176	▼	▼	▲			Wheat Flour	195	1	77	457	▶	▲	▲		
	Rice	250	-4	3	471	▶	▶	▲			Vegetable oil	300	-2	33	400	▶	▲	▲		
	TOT (wage to sorghum)	1	55	-11	14	▲	▼	▶		Rice	200	4	17	194	▶	▲	▲			
Agok	White sorghum(Grain)	203	10	21	209	▲	▲	▲	Wunrok	White sorghum 9Grain)	243	-10	27		▼	▲				
	Field Beans (Janjaro)	371	30	84	411	▲	▲	▲		Wheat flour	150	12	36		▲	▲				
	Vegetable oil	264	1	-1	265	▶	▶	▲		Vegetable oil	320	-9	62		▼	▲				
	Rice	269	14	30	514	▲	▲	▲	Mingkaman	Maize flour	180	-25	4	300	▼	▶	▲			
white sorghum(Grain)	150	11	50	133	▲	▲	▲	Field Beans (Janjaro)		250	-5	61	456	▶	▲	▲				
Field Beans (Janjaro)	200	10	28	264	▲	▲	▲	TOT (Goat to sorghum)		9	-29	0	0	▼	▶	▶				
Rumbek	White Sorghum	388	11	11	675	▲	▲	▲	Torit	White Maize(Grain)	450	15	80	445	▲	▲	▲			
	White Maize(Grain)	363	-9	4	625	▼	▶	▲		Field Beans (Janjaro)	173	3	47	240	▶	▲	▲			
	Field Beans (Janjaro)	230	15	15	379	▲	▲	▲		Wheat Flour	116	-2		232	▶		▲			
	Wheat Flour	338	125	181		▲	▲			Vegetable oil	244	-3	22	219	▶	▲	▲			
	Vegetable oil	234	17	-7	368	▲	▶	▲		Maize flour	160	13	58	611	▲	▲	▲			
TOT (Goat to sorghum)	8	-32	-23	-74	▼	▼	▼	TOT (Goat to maize grain)	8	-14			▼							
Aweil	White Sorghum	272	9	39	225	▲	▲	▲	Units of measurement											
	Field Beans (Janjaro)	320	75	92	276	▲	▲	▲	White sorghum							3.5kg				
	Wheat Flour	172	27	34	394	▲	▲	▲	White maize							3.5kg				
	Vegetable oil	174	24	74	128	▲	▲	▲	Cassava							3.5kg				
	Rice	218	9	63	445	▲	▲	▲	Maize flour							kg				
Bentiu	Field Beans (Janjaro)	371	146	197	575	▲	▲	▲	Field beans/Groundnuts							kg				
	Wheat Flour	243	-13	64	311	▼	▲	▲	Rice							kg				
	Vegetable oil	450		58	510		▲	▲	Wheat flour							KG				
	white sorghum (Grain)	203	20	50	218	▲	▲	▲	Vegetable oil							L				
Wau	White Sorghum	313	4	30	268	▶	▲	▲	TOT							# of malwa per goat or daily wage				
	White Maize(Grain)	338	2	56	242	▶	▲	▲												
	Field Beans (Janjaro)	398	38	184	715	▲	▲	▲												
	Vegetable oil	155	-15	-25	210	▼	▼	▲												
	Diesel	200	14	37	525	▲	▲	▲												
	Petrol	220	47	39	198	▲	▲	▲												
		▲ Price increases above normal						▶ Normal price changes						▼ Price decreases below normal						
Price fluctuation is considered normal if the price change is 5% within one month, 10% within 3 months and 20% within one year																				