Fighting Hunger Worldwide

JULY 2017 ISSUE 40

WFP UGANDA

Monthly Market Monitor

HIGHLIGHTS

KARAMOJA

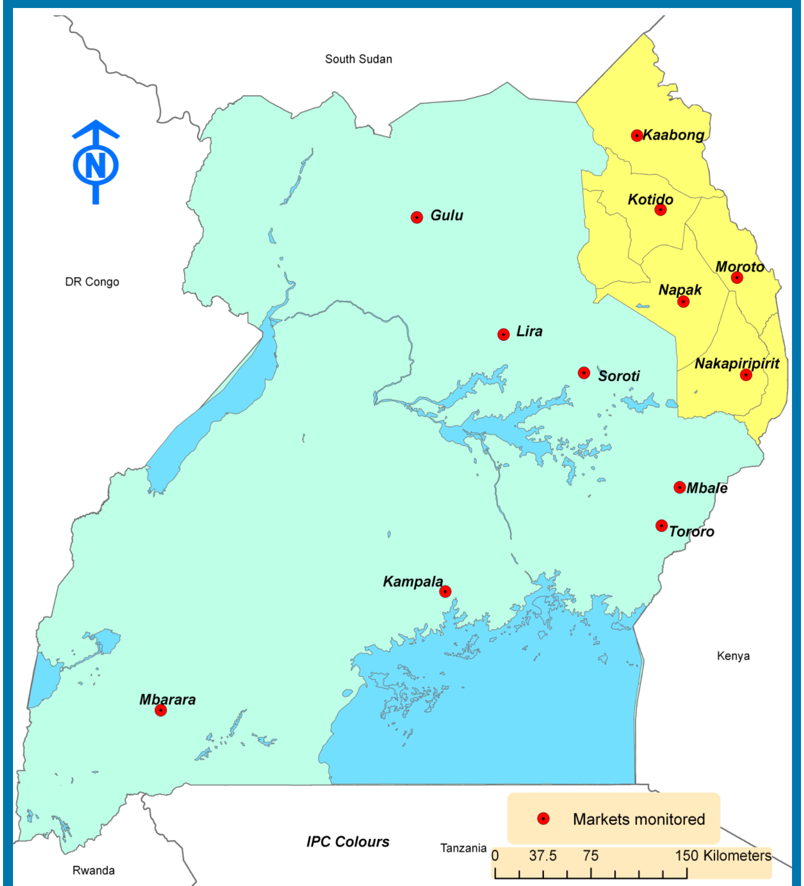
- **Average prices for maize grain and beans were below June levels by 10-3 percent respectively**, due to improved supplies on markets. **Sorghum average price remained above June levels by 9 percent, and mainly in Moroto (62%)** driven by scarcity and increased demand from households selling local brew (‘*Ekweete*’);
- **Food prices across the region in July remained above 2016 levels**, following below average harvest in 2016. **Maize grain, sorghum and beans prices were higher by 12-26-4 percent respectively**;
- **The terms of trade for goats against maize grain continue to improve**, benefiting pastoral households. **The purchasing power for casual laborers was relatively stable**, compared to June and 2016 levels;
- Average prices for staple foods are following seasonal trends, and are likely to remain stable or marginally decline in August and September.

REST OF THE COUNTRY

- Compared to June, **the average price for maize grain and beans declined by 16-3 percent respectively, and mainly in Soroti due to June-to-July** first season harvest. Average price for sorghum remained above June levels by 8 percent;
- **Average prices for staple foods continue to be higher than 2016 levels. Maize grain, sorghum and beans increased by 23-45-5 percent respectively**, due to the below harvest in 2016, reducing supplies on the markets;
- **Prices for maize grain and beans are expected to continue declining**, but will start rising in September due to high demand domestically and at the regional level.

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

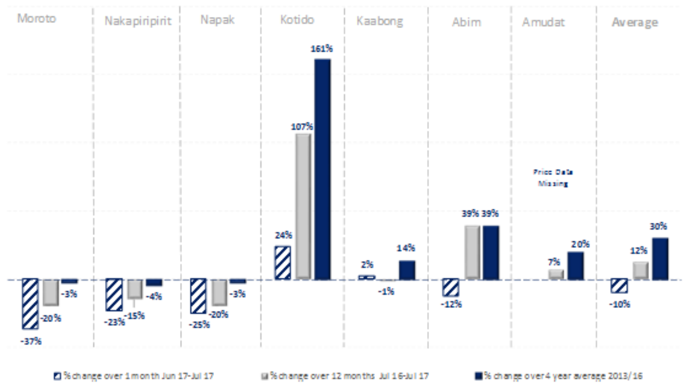
Nathan LOWANYANG
Programme Assistant
nathan.lowanyang@wfp.org

Published on: 31/08/2017

SECTION ONE: KARAMOJA SUB-REGION

CEREALS

Figure 1. Maize grain retail price changes Jul–2017

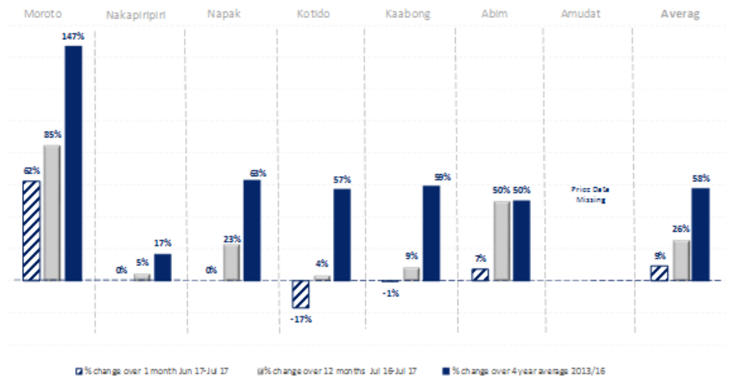


In July, the overall average price was lower by 10% compared to June, depicting a steady decrease. Moroto, Napak, and Nakapiripirit observed a significant decrease by 37-25-23 percent respectively, due to increased supplies following the start of the harvest. However, the average price increased by 24% in Kotido, possibly due to low supplies on the market.

Compared to July 2016, the average price for maize grain remained above by 12%, and more significantly in Kotido and Abim, due to tight supplies on the market. However, the price in Moroto, Napak and Nakapiripirit was below 2016 levels by 20-20-15 percent respectively.

Similarly, the overall average price for maize grain continued to be above the long term (2013-2016) average by 30%, and more so in Kotido, Abim and Kaabong.

Figure 2. Sorghum grain retail price changes Jul-2017



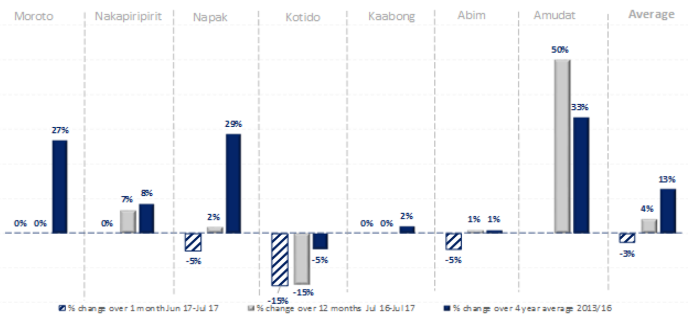
Generally, the average price for sorghum was above June levels by 9%, with an increase by 62% in Moroto, driven by low supplies on the market and high demand from households engaged in brewing local beer *('Ekweete')* to earn income. In Kotido, the price decreased by 17%, due to improved supplies on markets, mainly from Northern Uganda, following June-July first season harvest.

The average price for sorghum remained above 2016 average by 26%, and significantly in Moroto, Abim, and Napak by 85-50-23 percent respectively, due to scarcity on the market.

Compared to the long term (2013-2016) average, the price continue to be significantly higher, increasing by 58%. The price increase was significant across all districts, but mainly in Moroto.

BEANS

Figure 3. Beans retail price changes Jul– 2017



The average price for beans is following a seasonal trend, with a decrease by 3 percent across Karamoja. While there was no observed change in the price in Moroto, Nakapiripirit and Kaabong, the price in Kotido was below June levels by 15 percent, due to replenishment of markets from the ongoing harvest, improving household stocks.

In July, the overall average price for beans was slightly higher by 4 percent compared to the same period in 2016. The price in Amudat was significantly above 2016 average by half (50%), due to scarcity following below average harvest in 2016.

Similarly, the average price for beans remained above the long term (2013-2016) average by 13 percent, and mainly in Amudat, Napak, and Moroto. In Kotido, there was a slight decrease by 5 percent.

GOATS

Table 1: Goats retail price changes for Jul- 2017

Market	Current (Jul 2017)	% Change from:		
		Jun-17	Jul-16	Av 2013-16
Moroto	70,000	0.0%	-50.0%	-47.2%
Nakapiripirit	87,500	9%	4.5%	1%
Napak	70,000	75%	-56.3%	-47.7%
Kotido	88,750	29%	13.3%	21%
Kaabong	110,000	0.0%	17.3%	17%
Abim	72,500	12%	-9.9%	-9.9%
Amudat	142,500		72.7%	72.7%
Average	**91,607**	**26.7%**	**-10.8%**	**-6%**

Average prices for goats across major livestock markets have continued to increase, driven by low supplies on the market following an ongoing harvest and improved animal body condition. Price increase was more significant in Napak and Kotido. Prices depict an increasing trend, pushed by available food stocks at household level as pastoral households increasingly reduce the sale of animals.

Compared to 2016, average price for goats was lower by 11 percent, but more significantly in Napak and Moroto. However, prices in Amudat and Kaabong remained above 2016 average levels. Scarcity on the market, and improvement in the animal body conditions caused an increase in prices.

The price compared to the long term (2013-2016) average remained fairly stable, but remained slightly lower. The average price was lower in Moroto, Napak and Abim.

LABOR

Table 2: Changes in Daily Wage Rates Jul-2017

Market	Current (Jul 2017)	% Change from:		
		Jun-17	Jul-16	Av 2013-16
Moroto	5,000	0%	0%	0%
Nakapiripirit	3,000	0.0%	50%	9.1%
Napak	5,000	43%	0%	1.3%
Kotido	1,875	-6%	-6.3%	-16.1%
Kaabong	5,000	0%	0%	25.0%
Abim	3,000	0%	0%	0%
Amudat				
Average	3,813	6.4%	11%	11.6%

Average labor wage rate was above June levels by 6%, but mainly in Napak, due to the start of the harvest, triggering an increase in demand for agricultural labor.

The labor wage rate remain above 2016 and the long term (2013-2016) average by 11-12 percent respectively. In Nakapiripirit, the wage rates were higher, and lower in Kotido.

The labor wage rates are likely to remain stable or decline slightly through September, driven by reducing agricultural related activities.

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 across the seven districts in Karamoja.

Description	Jul-17	Jun-17	Jul-16
Kg of maize/goat	67	48	77
Kg of maize/day's wage	2.6	2.5	2.6

A steady increase in the average price for goats across major livestock markets in Karamoja, coupled with the declining prices for maize grain improved the purchasing power for pastoral households.

Earnings from the sale of a goat would purchase 67 kilograms of maize grain, up from 48 kilograms in June. However, the terms of trade for goats against maize grain remained below 2016 levels.

The terms of trade for labor wage rate against maize grain was relatively stable, due to the reducing average prices for maize following the replenishment of markets across Karamoja from the ongoing harvest in the region, and the June-to-July first season harvest across the country.

SUMMARY BY DISTRICT

MOROTO

Average price for maize reduced by 37% compared to June, beans price remained stable due to improved supplies. Sorghum price was above June levels by 62%, due to scarcity and increased demand from Households engaged in making local beer to earn incomes. Similarly, sorghum price continue to be higher than 2016 and the long term (2013-2016) average.

NAKAPIRIPIRIT

While the price for maize grain was below June levels by 23%, there was no observed change in the average retail price for sorghum and beans following the start of the harvest, replenishing household stocks. Price for sorghum remain significantly higher than 2016 and the long term (2013-2016) average.

NAPAK

In July, the price for sorghum remained stable compared to June. Average price for maize grain and beans reduced by 25-5 percent respectively, due to improved supplies. Prices for maize grain and beans are expected to remain fairly stable or decline marginally in August and September. While sorghum prices continue to be above 2016 and the long term (2013-2016) average, prices for maize were below.

KOTIDO

The price for maize grain increased by 24% in July compared to June, due to scarcity. However, prices for sorghum and beans decreased by 17-15 percent respectively due to the replenishment of markets from the June-to-July first season harvest across the country. Generally, prices continue to be significantly above 2016 and the long term (2013-2016) average.

KAABONG

Average prices for maize, sorghum and beans were relatively stable compared to June, driven by improved supplies on markets. Generally, prices for staple foods remain higher than the long term (2013-2016) average.

ABIM

The average prices for maize grain and sorghum in July were fairly stable due to the replenishment of markets from the ongoing harvest, but remained above 2016 and the long term (2013-2016) levels due to below average harvest in 2016. The price for beans declined slightly by 5 percent, due to replenishment of household stocks.

AMUDAT

In July, prices for maize grain and beans continue to be higher than 2016 and the long term (2013-2016) average, driven by scarcity on the market following below average harvest across the country in 2016.

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

Figure 4. Maize Grain Price Trends

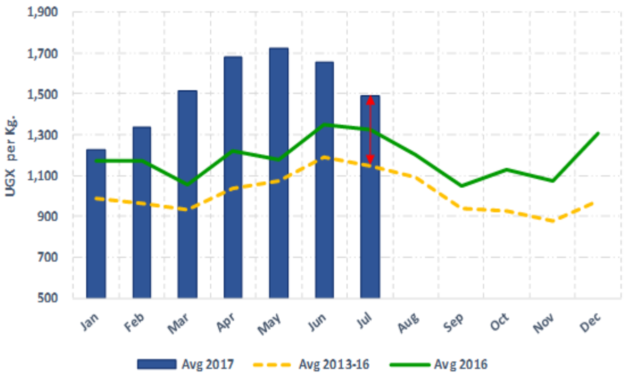


Figure 7. Maize Flour Price Trends

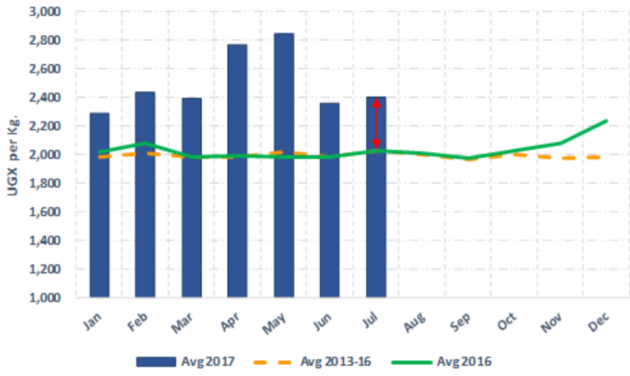


Figure 5. Sorghum Grain Price Trends

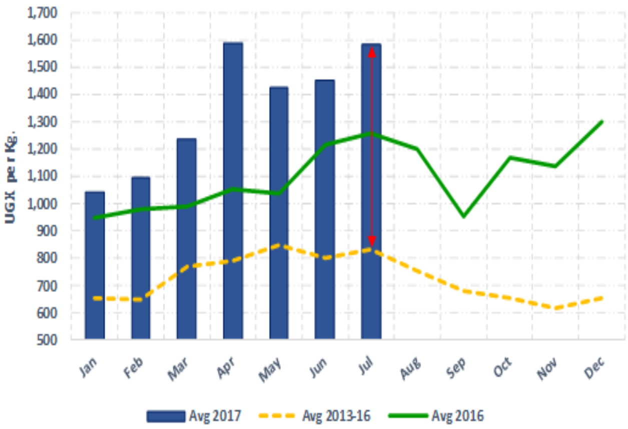


Figure 8. Terms of Trade Goats vs Maize grain

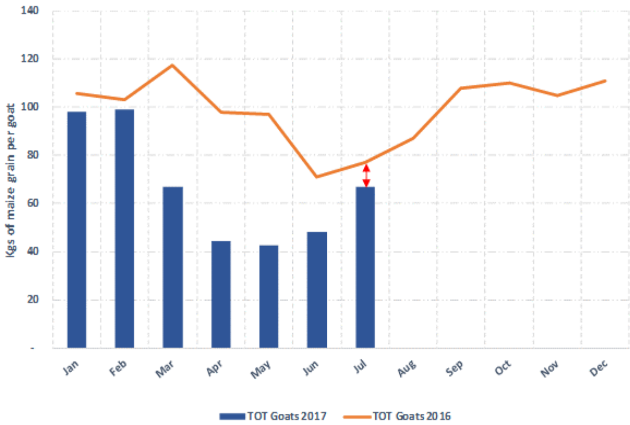


Figure 6. Beans Price Trends

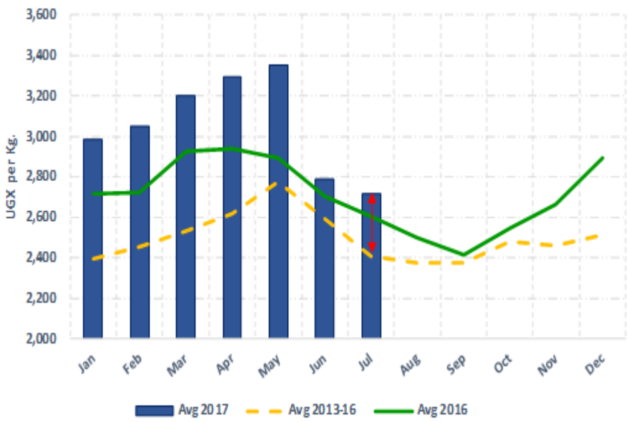


Figure 9. Terms of Trade Labour vs Maize grain

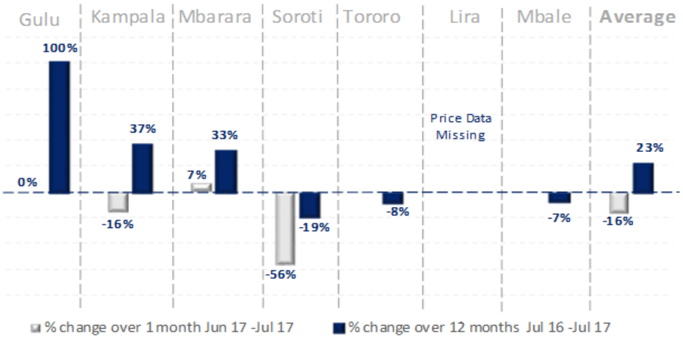
All data provided until this point has been sourced from WFP ProMIS

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

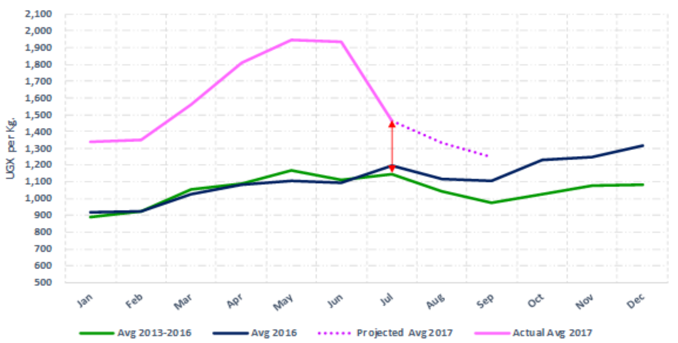
Fig. 10: Maize Grain Retail Price Changes Jul-2017



In July, maize grain average price across the country was below June average by 16 percent due to improved supplies following the June-July first season harvest. Price reduction was more significant in Soroti (56%).

The average price remain above 2016 average by 23 percent, with the highest price increase observed in Gulu, Kampala and Mbarara driven by increased demand, both towns are heavily populated.

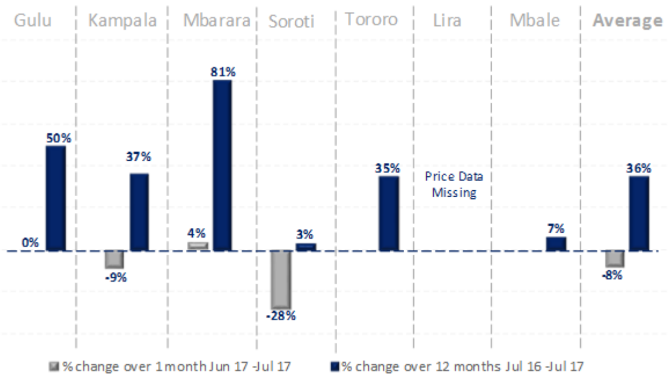
Fig. 11: Maize Grain Price Trend & Projection: Sep-2017



Source: WFP AME Projections

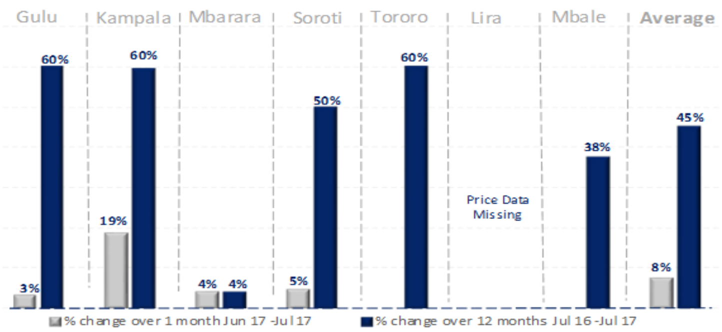
Maize grain price across major markets in the country are expected to follow seasonal trends and decline and/or remain relatively stable in August through September.

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



Compared to June, maize flour retail price across the country was below by 8 percent due to improved supplies on the market. However, the price remained above 2016 levels, mainly in Mbarara, Gulu and Kampala by 81-50-37 percent restively.

Fig. 13: Sorghum Retail Price Changes Jul-2017

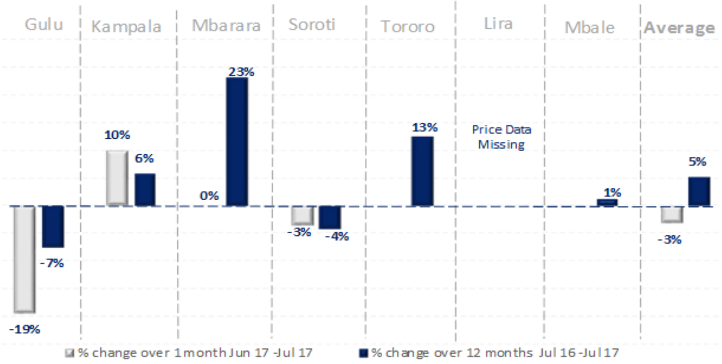


Sorghum price continue to be above June price levels across all markets in the country, mainly in Kampala, partly due to high demand and low supplies on the markets.

The average price for sorghum remains higher than 2016 levels by 45 percent. Tororo, Gulu and Kampala had the highest price increase due to the below average harvest across the country in 2016 following a prolonged dry spell, reducing supplies on the market.

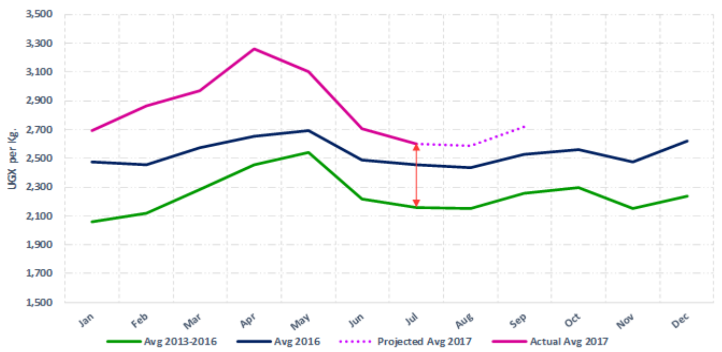
BEANS

Fig. 14: Beans Retail Price Changes Jul-2017



Beans prices have continued to decline, with a marginal decrease across the country compared to June, decreasing by 19% in Gulu. In Kampala, the price remained above June average by 10%, partly due to increased demand. Average price was fairly stable, but remain above 2016 levels, more so in Mbarara and Tororo.

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



Source: WFP AME Projections

The average price for beans across the country is expected to remain fairly stable and/or marginally decline in July through August.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: Jul 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)	1,200	-37%	-20%	↓	↓
		Sorghum (per Kg)	2,590	62%	85%	↑	↑
		Beans (per Kg)	3,000	0%	0%	↔	↔
		Medium size goat	70,000	0%	-50%	↔	↓
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	1,000	-23%	-15%	↓	↓
		Sorghum (per Kg)	1,100	0%	5%	↔	↔
		Beans (per Kg)	2,000	0%	7%	↔	↔
		Medium size goat	87,500	9%	4%	↔	↔
		Daily labour wage	3,000	0%	50%	↔	↑
	Napak	Maize grain (per Kg)	1,200	-25%	-20%	↓	↓
		Sorghum (per Kg)	1,600	0%	23%	↔	↑
		Beans (per Kg)	2,850	-5%	2%	↓	↔
		Medium size goat	70,000	75%	-56%	↑	↓
		Daily labour wage	5,000	43%	0%	↑	↔
	Kotido	Maize grain (per Kg)	2,687	24%	107%	↑	↔
		Sorghum (per Kg)	1,450	-17%	4%	↓	↔
		Beans (per Kg)	2,525	-15%	-15%	↓	↓
		Medium size goat	88,750	29%	13%	↑	↔
		Daily labour wage	1,875	-6%	-6%	↓	↔
	Kaabong	Maize grain (per Kg)	1,149	2%	-1%	↔	↔
		Sorghum (per Kg)	1,250	-1%	9%	↔	↔
		Beans (per Kg)	3,000	0%	0%	↔	↔
		Medium size goat	110,000	0%	17%	↔	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Abim	Maize grain (per Kg)	1,600	-12%	39%	↓	↑
		Sorghum (per Kg)	1,500	7%	50%	↑	↑
		Beans (per Kg)	2,625	-5%	1%	↓	↔
		Medium size goat	72,500	12%	-10%	↑	↔
		Daily labour wage	3,000	0%	0%	↔	↔
	Amudat	Maize grain (per Kg)	1,600		7%		↔
		Sorghum (per Kg)					
		Beans (per Kg)	3,000		50%		↑
		Medium size goat	142,500		73%		↑
		Daily labour wage					
Central	Kampala/Owino	Maize grain (per Kg)	1,783	-16%	37%	↓	↑
		Maize flour (per Kg)	2,617	-9%	37%	↓	↑
		Sorghum (per Kg)	3,350	19%	60%	↑	↑
		Beans (per Kg)	2,750	10%	6%	↑	↔
Western	Mbarara	Maize grain (per Kg)	1,525	7%	33%	↔	↑
		Maize flour (per Kg)	3,625	4%	81%	↔	↑
		Sorghum (per Kg)	3,125	4%	4%	↔	↔
		Beans (per Kg)	2,800	0%	23%	↔	↑
Eastern	Tororo	Maize grain (per Kg)	1,100		-8%		↔
		Maize flour (per Kg)	2,300		35%		↑
		Sorghum (per Kg)	1,600		60%		↑
		Beans (per Kg)	2,700		13%		↔
	Mbale	Maize grain (per Kg)	1,400		-7%		↔
		Maize flour (per Kg)	2,133		7%		↔
		Sorghum (per Kg)	1,650		38%		↑
		Beans (per Kg)	2,533		1%		↔
Northern	Gulu	Maize grain (per Kg)	2,000	0%	100%	↔	↑
		Maize flour (per Kg)	3,000	0%	50%	↔	↑
		Sorghum (per Kg)	1,600	3%	60%	↔	↑
		Beans (per Kg)	2,500	-19%	-7%	↓	↔
	Soroti	Maize grain (per Kg)	967	-56%	-19%	↓	↓
		Maize flour (per Kg)	2,000	-28%	3%	↓	↔
		Sorghum (per Kg)	1,500	5%	50%		↑
		Beans (per Kg)	2,333	-3%	-4%	↔	↔
	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 year.

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