



# NIGERIA

September 2017-ISSUE 8

## Borno and Yobe States Market Monitoring Report

### Highlights

- The price of maize has either decreased or stabilized in most markets in Yobe and some markets in Borno State when compared to the previous month or the past three months. Price stability or decline for local rice and peanuts is also reflective of the seasonal grain prospects or the arrival of newly harvested grains in local markets.
- Compared to last month, the price of red beans increased by 5%-19% in Abba Ganaram, Kasuwan Shanu, Tashan Bama, Monday market and Bullumkutu markets in Borno state, while in Yobe monitored markets the price of this staple decreased significantly by 20 percent due to the recent harvest of the crop in that state.
- The price of imported rice also decreased or remained stable across all WFP monitored markets in Borno and Yobe. Abba Ganaram and Bullumkutu markets had the highest decrease of 10% to 14%.
- The prices of maize flour decreased across monitored markets in Yobe and Borno state, except in few markets in Damaturu, Kasuwan Shanu and Baga road markets where the month on month prices increased by 16.%, 7.5% and 6.7% respectively.
- Findings from WFP's large scale market assessment in August 2017 show that markets in Borno, Yobe and Adamawa could handle a 25 percent increase in demand. However, most markets can neither handle a 50 percent or 100 percent increase in demand. Therefore, scale-up of CBT interventions should be gradual.

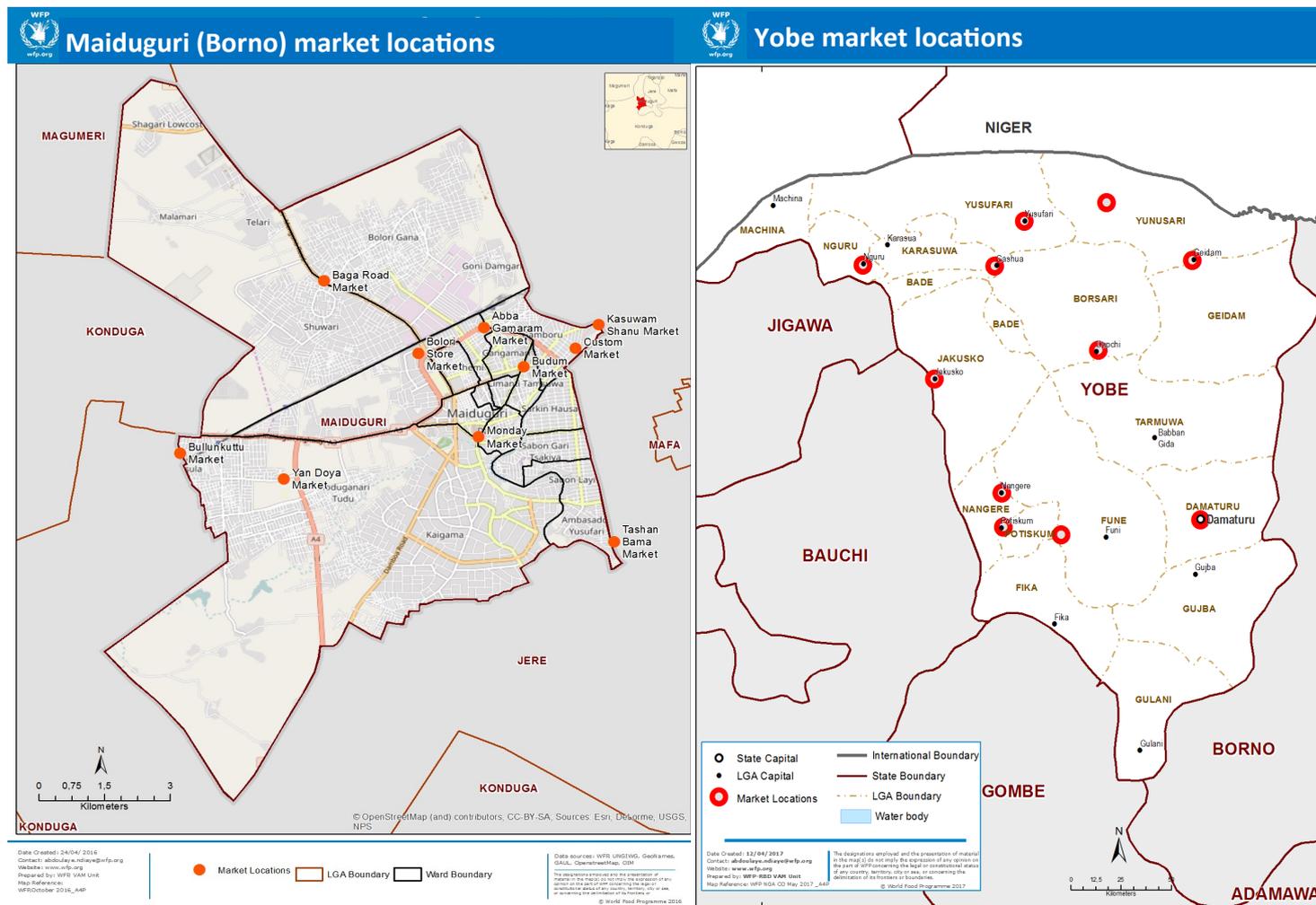
### Introduction

The humanitarian community is responding to the needs of populations affected by the protracted conflict in north-eastern Nigeria by deploying a range of in-kind, cash or voucher transfer mechanisms.

In view of this, WFP undertakes biweekly monitoring of food commodity prices in Borno and Yobe to give a synopsis of the changes in prices of commodity on a month-to-month basis and changes within 3 months. The Market bulletin gives a snapshot of the prices of food commodities across 11 Markets in Yobe and 8 markets in Borno.

In Borno State, the monitored markets include Monday market, Abbaganaram, Budum, Kasuwan Shanu, Bullumkutu, Baga Road, Tashan Bama, Custom market. In Yobe State on the other hand, Damaturu, Bursari, Fune, Potiskum, Jakusko, Geidam, Yunusari, Yusufari, Bade, Nguru, Nangere markets are monitored (Figure 1).

Figure 1 Market price monitoring locations in Borno and Yobe States



### Food basket monitoring

The Survival Minimum Expenditure Basket (calculated for 2,100 kcal/per person) for a family of 5 people decreased by 3 percent from 17,500 Naira in July 2017 to 16,918.65 Naira in September 2017 in MMC and Jere, hence a change in the transfer from NGN 17,500 to a value of 17,000 is recommended. In September, the SMEB decreased slightly by 2 percent in Damaturu and by 6 percent, in Bade while it increased slightly by 5 percent in Jakusko. Therefore, the transfer values these three locations is recommended to be NGN17,500, NGN, 22,000 and NGN 24,500 respectively.

Table 1: Transfer value calculated for 5 household members in Maiduguri markets for one month

Food Item	HOUSEHOLD SIZE		5		kg/HH/month	Price/kg- Naira (MPM)	Price/HH/month - Naira
	gms/da y/pp	Kc/day/pp	gms/HH/d ay	gms/HH/month			
Rice	150	540	750	22,500	22.50	450	10,125
Millet	0		0	0	0.00		0
Maize	250	913	1250	37,500	37.50	180	6,750
Beans	75	255	375	11,250	11.25	350	3,938
Palm oil	10	88	50	1,500	1.50	400	600
Groundnut	15	85	75	2,250	2.25	320	720
Sugar	10	39	50	1,500	1.50	480	720
G/nut oil/Veg Oil	20	177	100	3,000	3.00	374	1,122
Salt	5	0	25	750	0.75	100	75
Onion	8	3	40	1,200	1.20	100	120
<b>Total</b>		<b>2,100</b>					<b>N 24,169.50</b>
Cost food basket at 70%:	70%	<b>1,470</b>					<b>N 16,918.65</b>
<b>Per capita based on 70% transfer value</b>							<b>N 3,383.73</b>

**Table 2: Transfer value calculated for 5 household members in Yobe markets for one month**

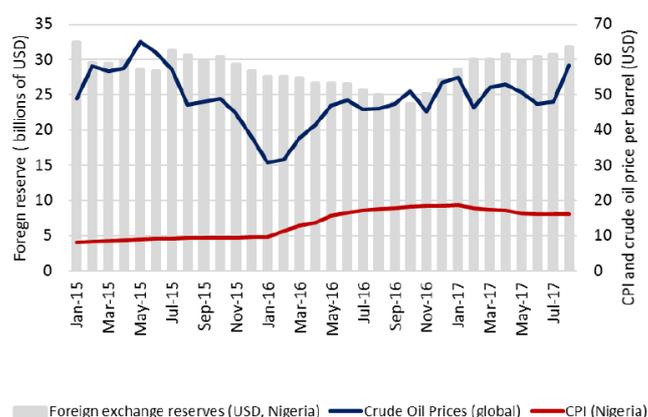
HOUSEHOLD SIZE			5				
Food Item	gms/day/pp	Kc/day/pp	gms/HH/day	gms/HH/month	kg/HH/month	Price/kg- Naira (MPM)	Price/HH/month - Naira
Rice	150	540	750	22,500	22.50	440	9,900
Millet	0		0	0	0.00		0
Maize	250	913	1250	37,500	37.50	200	7,500
Beans	75	255	375	11,250	11.25	320	3,600
Palm oil	10	88	50	1,500	1.50	600	900
Groundnut	15	85	75	2,250	2.25	300	675
Sugar	10	39	50	1,500	1.50	440	660
G/nut oil/Veg Oil	20	177	100	3,000	3.00	563	1,688
Salt	5	0	25	750	0.75	160	120
Onion	8	3	40	1,200	1.20	100	120
<b>Total</b>		<b>2,100</b>					<b>N 25,162.50</b>
Cost food basket at 70%:	70%	<b>1,470</b>					<b>N 17,613.75</b>
<b>Per capita based on 70% transfer value</b>							<b>N 3,522.75</b>

### Exchange Rate

Foreign exchange reserves in Nigeria are seen to have improved more recently (Figure 2), the CBN has sustained its direct intervention with introduction of bi-weekly foreign exchange in the FOREX market, thereby strengthening the value of the Nigerian naira (NGN). The NGN traded on the parallel market at a relatively stronger rate throughout July and August 2017, at about NGN 365.00 to US\$1, further narrowing the gap between the official inter-bank exchange rate and the parallel Bureau-De-Change (BDC) rate. The Naira strengthened by 26 percent compared to its January 2017 value (Figure 3).

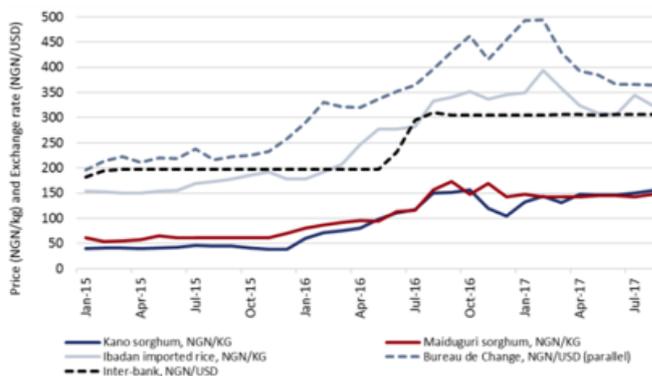
The gap between the official inter-bank exchange rate and the parallel Bureau-de-Change rate has gradually continued to be narrowed in the last 3 months, with relative stability in the prices of imported staples, this is signifying a gradual recovery of the economy from recession. On-going early harvests have also impacted general food prices (Figure 3).

**Figure 2.** Nigerian foreign reserves, global fuel price trends and inflation (January 2015 to August 2017)



Source: Central Bank of Nigeria (CBN) and National Bureau of Statistics (NBS), 2017

**Figure 3.** Evolution of the exchange rate (NGN/USD) & staple food prices (NGN/Kg) for January 2015 to August 2017



Source: Central Bank of Nigeria (CBN) and FEWS NET

Market	Commodity	Current price	% Change in current price		Degree of change	
			1 Month	3 Months	1 Month	3 Months
Monday market	Peanuts (1.25 Kg)	400	0.0%	-5.9%	→	→
	Maize flour (1.25 Kg)	215	2.4%	7.5%	→	→
	Onion (Grams)	115	15.0%	15.0%	↑	↑
	Palm oil (Litre)	400	-23.8%	-5.9%	↓	→
	Red beans (1.25 Kg)	500	11.1%	5.3%	↑	→
	Imported rice (1.25 Kg)	575	-2.0%	-4.2%	→	→
	Local rice (1.25 Kg)	430	7.5%	-4.4%	↑	→
	Vegetable oil (Litre)	360	-14.3%	-15.3%	↓	↓
	Sorghum (1.25 Kg)	225	12.5%	-4.3%	↑	→
Abba Ganaram	Peanuts (Kg)	400	3.4%	-5.9%	→	→
	Maize flour (Kg)	200	-14.9%	-31.0%	↓	↓
	Onion (Grams)	100	0.0%	0.0%	→	→
	Palm oil (Litre)	400	-4.8%	3.9%	→	→
	Red beans (Kg)	500	11.1%	11.1%	↑	↑
	Imported rice (Kg)	500	-14.8%	-16.7%	↓	↓
	Local rice (Kg)	420	-6.7%	-7.7%	↓	→
	Vegetable oil (Litre)	400	-23.1%	-5.9%	↓	→
	Sorghum (1.25 Kg)	200	-9.1%	-14.9%	↓	↓
Baga Road market	Peanuts (Kg)	400	0.0%	-9.1%	→	→
	Maize flour (Kg)	240	6.7%	0.0%	↑	→
	Onion (Grams)	85	-15.0%	-32.0%	↓	↓
	Palm oil (Litre)	392	-11.0%	-5.6%	↓	→
	Red beans (Kg)	490	-2.0%	6.5%	→	→
	Imported rice (Kg)	550	-8.3%	-6.8%	↓	→
	Local rice (Kg)	450	0.0%	0.0%	→	→
	Vegetable oil (Litre)	367	-32.7%	-10.6%	↓	↓
	Sorghum (1.25 Kg)	223	6.3%	-2.9%	↑	→
Budum market	Peanuts (Kg)	400	-11.1%	0.0%	↓	→
	Maize flour (Kg)	240	4.3%	20.0%	→	↑
	Onion (Grams)	115	9.5%	15.0%	↑	↑
	Palm oil (Litre)	400	-15.8%	-4.8%	↓	→
	Red beans (Kg)	490	-2.0%	16.7%	→	↑
	Imported rice (Kg)	525	10.5%	-9.5%	↑	→
	Local rice (Kg)	410	-3.5%	-2.4%	→	→
	Vegetable oil (Litre)	400	-21.6%	-9.1%	↓	→
	Sorghum (1.25 Kg)	225	12.5%	-4.3%	↑	→

Market	Current price	% Change in current price		Degree of change	
		1 Month	3 Months	1 Month	3 Months
Bullumkutu market	400	6.7%	2.6%	→	↑
	210	-4.5%	20.0%	↓	↓
	100	17.6%	0.0%	↓	→
	390	-4.9%	4.0%	↑	→
	500	5.3%	5.3%	↑	↑
	600	4.3%	4.3%	→	→
	435	0.0%	0.0%	→	→
	375	-38.5%	-13.8%	↓	↓
	225	0.0%	-8.2%	→	→
Custom market	425	7.6%	16.4%	↑	↑
	210	-2.3%	16.7%	→	↑
	90	-10.0%	-10.0%	↓	→
	390	5.4%	4.0%	↑	→
	475	0.0%	13.1%	→	↑
	550	-4.3%	0.0%	→	→
	445	-1.1%	4.7%	→	→
	373	-31.0%	-19.0%	↓	↓
	220	10.0%	-8.3%	↑	→
Kasuwan Shanu	475	35.7%	11.8%	↑	↑
	215	7.5%	22.9%	↑	↑
	115	-4.2%	15.0%	→	↑
	415	10.7%	-2.4%	↑	→
	525	28.0%	10.5%	↑	↑
	575	19.8%	-4.2%	↑	→
	465	31.0%	3.3%	↑	→
	415	-4.2%	-7.8%	→	→
	225	9.8%	-10.0%	↑	→
Tashan Bama	400	0.0%	0.0%	→	→
	230	-31.3%	21.1%	↓	↑
	100	0.0%	0.0%	→	→
	400	-11.1%	0.0%	↓	→
	550	10.0%	22.2%	↑	↑
	600	0.0%	-4.0%	→	→
	450	0.0%	0.0%	→	→
	400	-16.7%	-11.1%	↓	↓
	230	4.5%	-8.0%	→	↓

 Price increase above normal price fluctuation  
 Normal Price Fluctuation  
 Price decrease below normal price fluctuation

Prices in Naira

Price fluctuation is considered normal if price change is within 5% for 1 month or within 10% for 3 months



## Yobe Markets Monitoring Update

Market	Commodity	Current price	% Change in current price		Degree of change	
			1 Month	3 Months	1 Month	3 Months
Potiskum	Peanuts (1.25 Kg)	350	1.4%	-17.6%	↓	↓
	Maize flour (1.25 Kg)	150	-26.8%	-33.3%	↓	↓
	Onion (Grams)	50	11.1%	0.0%	↑	→
	Palm oil (Litre)	600	0.0%	20.0%	→	↑
	Red beans (1.25 Kg)	400	-18.4%	-5.9%	↓	→
	Imported rice (1.25 Kg)	550	2.3%	4.8%	→	→
	Local rice (1.25 Kg)	425	0.0%	0.0%	→	→
	Vegetable oil (Litre)	600	-7.7%	-7.7%	↓	→
	Yam (1 tuber)	450	-37.9%	80.0%	↓	↑
Damaturu	Peanuts (Kg)	350	-12.5%	0.0%	↓	→
	Maize flour (Kg)	250	16.3%	11.1%	↑	↑
	Onion (Grams)	50	-23.1%	0.0%	↓	→
	Palm oil (Litre)	800	23.1%	23.1%	↑	↑
	Red beans (Kg)	400	-18.4%	0.0%	↓	→
	Imported rice (Kg)	550	-4.3%	-8.3%	→	→
	Local rice (Kg)	400	-3.6%	-11.1%	→	↓
	Vegetable oil (Litre)	750	7.1%	7.1%	↑	→
	Yam (1 tuber)	450	-40.0%	38.5%	↓	↑
Yusufari	Peanuts (Kg)	350	-9.1%	0.0%	↓	→
	Maize flour (Kg)	175	-22.2%	-22.2%	↓	↓
	Onion (Grams)	40	-27.3%	-20.0%	↓	↓
	Palm oil (Litre)	700	5.3%	7.7%	↑	→
	Red beans (Kg)	350	-26.3%	-10.3%	↓	↓
	Imported rice (Kg)	500	-11.1%	-9.1%	↓	→
	Local rice (Kg)	400	3.2%	-5.9%	→	→
	Vegetable oil (Litre)	650	-7.1%	-7.1%	↓	→
	Yam (1 tuber)	500	-37.5%	42.9%	↓	↑

- Price increase above normal price fluctuation
- Normal Price Fluctuation
- Price decrease below normal price fluctuation

Prices in Naira

## September 2017

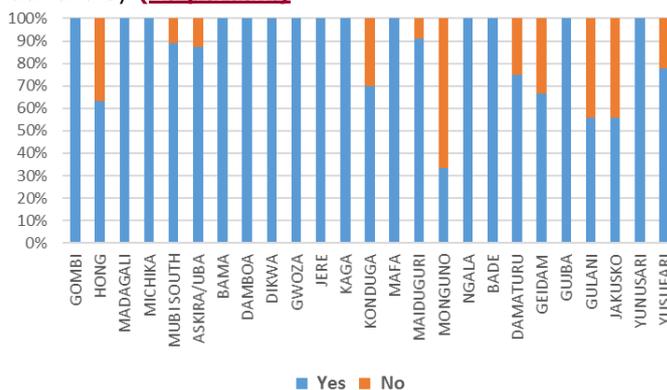
Market	Commodity	Current price	% Change in current price		Degree of change	
			1 Month	3 Months	1 Month	3 Months
Nguru	Peanuts (Kg)	400	3.2%	6.7%	→	→
	Maize flour (Kg)	200	-9.1%	0.0%	↓	→
	Onion (Grams)	50	-9.1%	0.0%	↓	→
	Palm oil (Litre)	650	4.0%	-7.1%	→	→
	Red beans (Kg)	300	-35.5%	-25.0%	↓	↓
	Imported rice (Kg)	500	-4.8%	-9.1%	→	→
	Local rice (Kg)	400	6.7%	-11.1%	↑	↓
	Vegetable oil (Litre)	650	-5.1%	0.0%	↓	→
	Yam (1 tuber)	450	-41.9%	-10.0%	↓	↓
Geidam	Peanuts (Kg)	350	-3.4%	0.0%	→	→
	Maize flour (Kg)	185	-11.9%	-7.5%	↓	→
	Onion (Grams)	50	-9.1%	0.0%	↓	→
	Palm oil (Litre)	700	16.7%	0.0%	↑	→
	Red beans (Kg)	400	-19.2%	6.7%	↓	→
	Imported rice (Kg)	500	-9.1%	-9.1%	↓	↓
	Local rice (Kg)	400	-2.4%	-5.9%	→	→
	Vegetable oil (Litre)	700	3.7%	16.7%	→	↑
	Yam (1 tuber)	600	-14.3%	140.0%	↓	↑
Yunusari	Peanuts (Kg)	350	-6.7%	-12.5%	↓	↓
	Maize flour (Kg)	175	-27.1%	-12.5%	↓	↓
	Onion (Grams)	50	-16.7%	25.0%	↓	↑
	Palm oil (Litre)	600	-4.0%	-14.3%	→	↓
	Red beans (Kg)	375	-23.5%	0.0%	↓	→
	Imported rice (Kg)	500	-9.1%	-9.1%	↓	→
	Local rice (Kg)	400	-3.6%	-5.9%	→	→
	Vegetable oil (Litre)	500	-28.6%	-16.7%	↓	↓
	Yam (1 tuber)	600	-17.2%	140.0%	↓	↑

Price fluctuation is considered normal if price change is within 5% for 1 month or within 10% for 3 months

## Scalability of Cash Based Transfer (CBT)

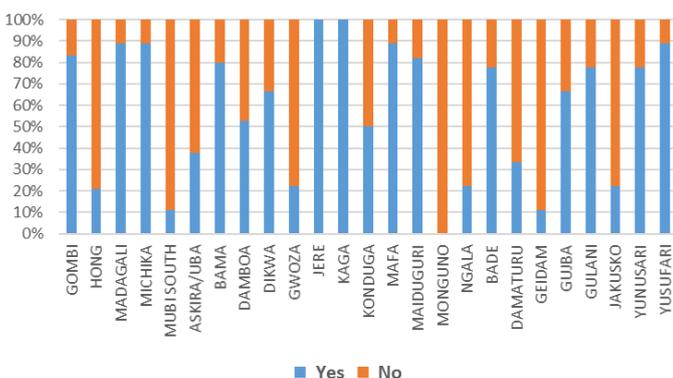
In most of the surveyed market traders are confident in their ability to respond to a slight increase in demand. However, major concerns arise from Konduga, Monguno, Geidam, Gulani and Jakusko. In these areas between 67 percent and 33 percent traders would not be able to face a 25 percent increase in demand. Thus, it would be important to investigate and monitor the supply condition of these areas.

**Figure 4.** Capacity of markets to absorb an increase of demand by **(25 percent)**

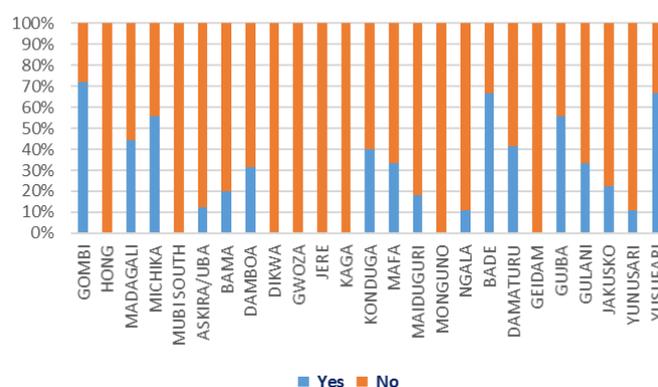


Only Jere and Kaga could meet a 50 percent increase of the demand whereas none of the LGAs can completely handle a 100 percent demand increase. With regard to these findings, scale-up of the CBT intervention should be partial and gradual.

**Figure 5.** Capacity of markets to absorb an increase of demand by **(50 percent)**



**Figure 6.** Capacity of markets to absorb an increase of demand by **(100 percent)**



## Conclusion

As compared to last month the prices of local rice, maize flour and peanuts have decreased or remained stable across most WFP monitored markets in Borno and Yobe. This is similar to findings from the WFP/FEWSNET market price monitoring in northern Nigeria, which revealed a reduction in the persistent elevated price levels for major staples. In some of the monitored markets Borno State, the price of maize increased, but to a lesser degree than has been the trend in previous months. While the arrival of newly harvested grains in local markets is likely to result in a reduction in the prices of key staples, there is need for close monitoring of the markets in Borno and Yobe as households are still facing food insecurity due to diminished purchasing power and livelihood activities.



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