Fighting Hunger Worldwide

AUGUST 2017 ISSUE 41

WFP UGANDA

Monthly Market Monitor

HIGHLIGHTS

KARAMOJA

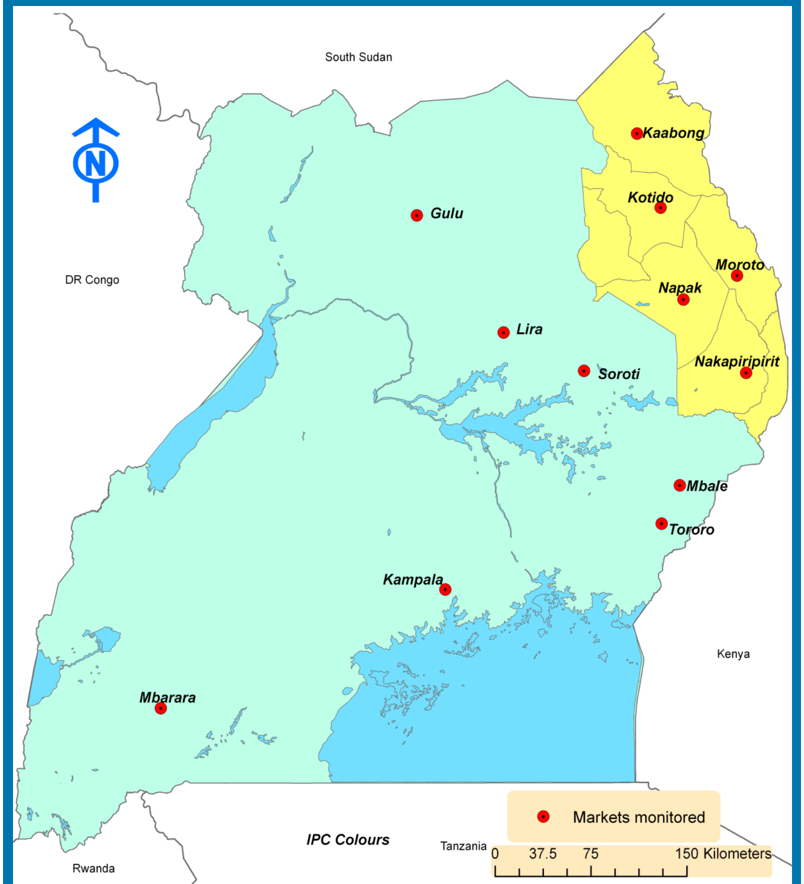
- **The average retail price for maize grain, sorghum and beans were lower compared to July levels by 19-31-7 percent respectively**, due to the replenishment of stocks from the ongoing harvest. **The lowest prices for maize grain, sorghum and beans were observed in Nakapiripirit**;
- Compared to 2016, **the average prices for all commodities were relatively stable, with a marginal decline in the average price for sorghum by 9%. The price for sorghum remained below 2016 levels across all markets**, except Abim;
- **The terms of trade for goats and wage labor rate continue to improve**, due to a steady decline in the average price for maize grain. However, **the terms of trade remained below 2016 levels, due to significantly low prices for goats in 2017**;
- Average prices for maize grain, sorghum and beans are likely to decline in September through October following an ongoing harvest in the region.

REST OF THE COUNTRY

- In August, **the average price for all commodities were lower compared to July**. Price for **maize grain significantly declined in Mbale and Kampala by 29-16 percent respectively**, due to improved supplies on the markets;
- Compared to 2016, **average price for maize grain and sorghum remained higher by 21-24 percent respectively, but more so in Gulu and Kampala** due to scarcity following the below average harvest in 2016;
- While the average price for beans is expected to increase in September, an increase in the price for maize grain is anticipated in October due to scarcity, coupled by high demand.

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

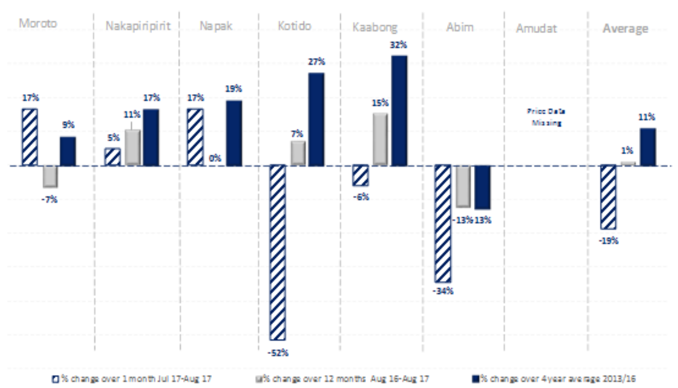
Nathan LOWANYANG
Programme Assistant
nathan.lowanyang@wfp.org

Published on: 28/09/2017

SECTION ONE: KARAMOJA SUB-REGION

CEREALS

Figure 1. Maize grain retail price changes Aug–2017

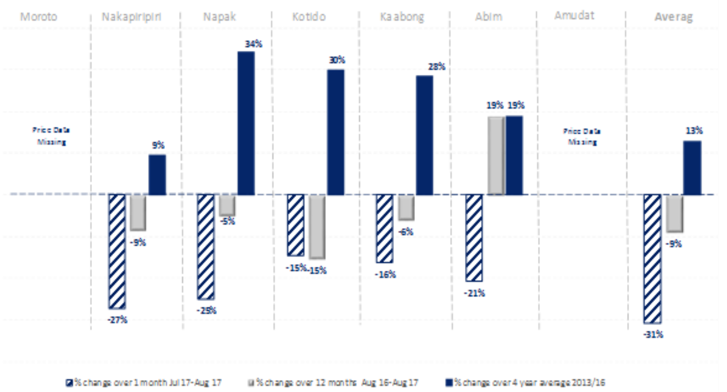


The overall average price for maize grain was below July levels by 19%, with a significant decrease in Kotido and Abim by 52-34 percent respectively, due to the replenishment of stocks from the ongoing harvest. However, the price in Moroto and Napak remained above by 17%, due to scarcity following a delayed harvest.

In August, the average price for maize grain was relatively stable compared to 2016. Kaabong (15%) and Nakapiripirit (11%) observed an increase, driven by high demand following the below average harvest in 2016.

Compared to the long term (2013-2016) average, the price continue to be higher by 11%, and more so in Kaabong, Kotido and Napak. However, the harvest for maize grain is expected to be below average following an outbreak of fall army worm in the maize producing areas.

Figure 2. Sorghum grain retail price changes Aug-2017



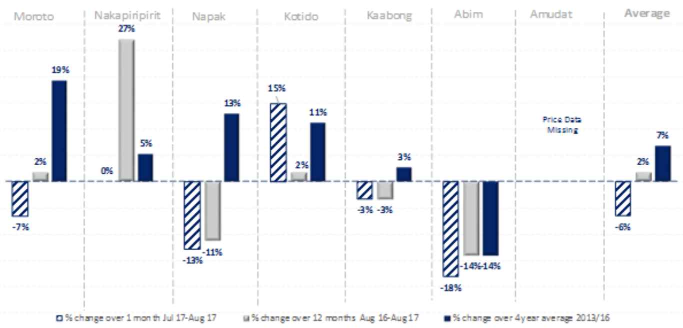
Compared to July levels, the average price for sorghum was significantly below by 31%, with a decrease noted across all major markets in Karamoja, and mainly in Nakapiripirit, Napak and Abim. The on-going harvest improved supplies at household level, consequently reducing the demand. The lowest price was observed in Nakapiripirit, with a kilogram at UGX 800.

Similarly, there was a slight decline in the overall average price by 9% compared to August 2016, the decrease was observed in all markets, except Abim where the price remained high by 19% due to the below average harvest in 2016.

However, the average price continued to be above the long term (2013-2016) average by 13%. Napak, Kotido and Abim had the highest increase by 34-30-28 percent respectively.

BEANS

Figure 3. Beans retail price changes Aug– 2017



Overall average price for beans continue to decrease, with a minor decrease by 7% in August due to improved supplies. Price decrease was mainly in Abim (18%) and Napak (13%). However, the price in Kotido remained high by 15%, due to scarcity following a delayed harvest.

Compared to August 2016, the average price for beans reduced by 14-11 percent in Abim and Napak respectively, the price remained significantly higher in Nakapiripirit by 27% due to increase demand.

Furthermore, the price was slightly above the long term (2013-2016) average by 7%, with an increase in Moroto and Napak by 19-13 percent respectively. The average price for beans are expected to remain fairly stable and/or marginally decline in September through October.

GOATS

Table 1: Goats retail price changes for Aug- 2017

Market	Current (Aug 2017)	% Change from:		
		Jul-17	Aug-16	Av 2013-16
Moroto	95,000	35.7%	-47.2%	-40.6%
Nakapiripirit	92,500	6%	4.2%	10%
Napak	87,500	25%	-50.0%	-38.4%
Kotido	76,250	-14%	-11.6%	-16%
Kaabong	142,500	29.5%	20.0%	31%
Abim	65,750	-9%	-24.1%	-24.1%
Amudat				
Average	93,250	1.8%	-23.9%	-17%

Compared to July, the average price for goats was relatively stable. However, the price remained significantly higher in Moroto (36%), Kaabong (30%) and Napak (25%) as pastoralists reduce supplies on the markets following the continued replenishment of household stocks from the ongoing harvest.

However, the average price for goats across Karamoja was below 2016 and the long term (2013-2016) average by 24-17 percent respectively. The price decrease was observed across 4 of the 7 districts, but more significantly in Moroto and Napak. In Kaabong, the price remained high due to improved supplies on the markets, as pastoral households increasingly sell their animals to meet their household food needs.

Average prices for goats are likely to continue declining but gradually, through September and October due to low supplies.

LABOR

Table 2: Changes in Daily Wage Rates Aug-2017

Market	Current (Aug 2017)	% Change from:		
		Jul-17	Aug-16	Av 2013-16
Moroto	5,000	0%	0%	0%
Nakapiripirit	3,000	0.0%	20%	4.3%
Napak	5,000	0%	0%	0.0%
Kotido	2,313	23%	15.6%	4.2%
Kaabong	5,000	0%	0%	25.0%
Abim	3,000	0%	0%	0%
Amudat				
Average	3,885	1.9%	7%	8.4%

In August, the average wage labor rate remained stable in all districts, except Kotido. The wage rate in Kotido increased by 23%, due to a delayed harvest. Households are reportedly engaged in casual labor to earn incomes to meet their food needs.

Compared to 2016 and the long term (2013-2016) average, there was a slight increase by 7-8 percent respectively, and mainly in Nakapiripirit and Kotido due to the continued involvement in agricultural wage labor, as majority of the farmers are currently harvesting.

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	Aug-17	Jul-17	Aug-16
Kg of maize/goat	79	67	87
Kg of maize/day's wage	3.3	2.6	3.3

In August, the terms of trade for goats against maize grain significantly improved. Earnings from the sale of a goat would purchase 79 kilograms of maize grain, depicting an increase by 12 kilograms. This is attributed to a steady decrease in the average price for maize grain across key markets. However, the terms of trade for goats remained below 2016 levels.

Similarly, there was a marginal improvement in the terms of trade for labor wage rate against maize grain, due to the low average price for maize grain. Average earnings from labor wage would purchase more maize by 700 grams. With a steady decrease in the price maize grain, the terms of trade for goats and labor wage rates are likely to continue improving.

SUMMARY BY DISTRICT

MOROTO

While the average price for maize grain was above July levels by 17%, due to scarcity, there was a minor decrease in the price for beans by 7%. Similarly, the price for maize grain slightly declined by 7% compared to last year. However, prices for both maize grain and beans have remained above the long term (2013-2016) average.

NAKAPIRIPIRIT

In August, average prices for maize grain, sorghum and beans were the lowest in the region. The price for sorghum was below July levels by 27%. However, the prices for maize grain and beans continue to be above 2016 and the long term (2013-2016) levels.

NAPAK

Whereas the average price for maize grain remained above July levels by 17%, due to low supplies, the prices for sorghum and beans declined by 25-13 percent respectively, due to improved supplies. Similarly, prices for nearly all commodities were lower than 2016 average, but remained significantly above the long term (2013-2016) average.

KOTIDO

Compared to August, average price for maize grain and sorghum were significantly below July levels by 52-15 percent respectively, due to improved supplies within households. However, the price for beans increased by 15%. Generally, prices for continued to be higher than the long term (2013-2016) average.

KAABONG

In August, the average prices for maize grain, sorghum and beans declined by 6-16-3 percent respectively, due to improve supplies. Similarly, the price for sorghum and beans were slightly lower than 2016 average. However, the price for maize grain remained above 2016 levels by 15 percent.

ABIM

Generally, the prices for nearly all commodities were significantly below July average. Furthermore, maize grain and beans average prices were lower than 2016 and the long term (2013-2016) average, due to improve supplies on the market.

AMUDAT

(No price data for August).

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

Figure 4. Maize Grain Price Trends

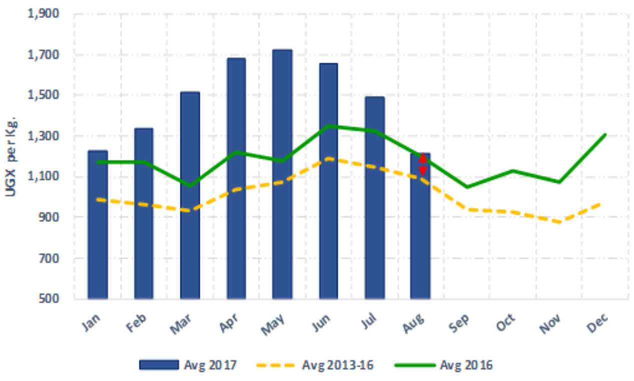


Figure 7. Maize Flour Price Trends

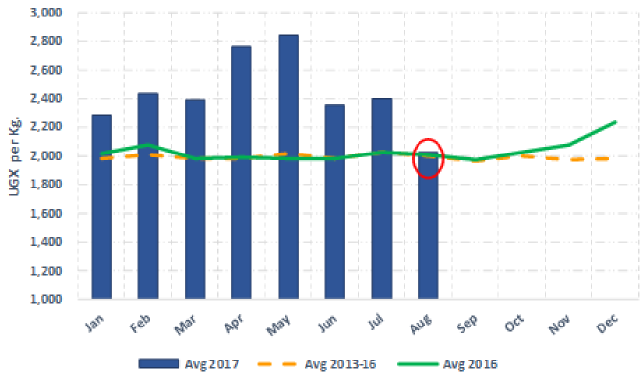


Figure 5. Sorghum Grain Price Trends

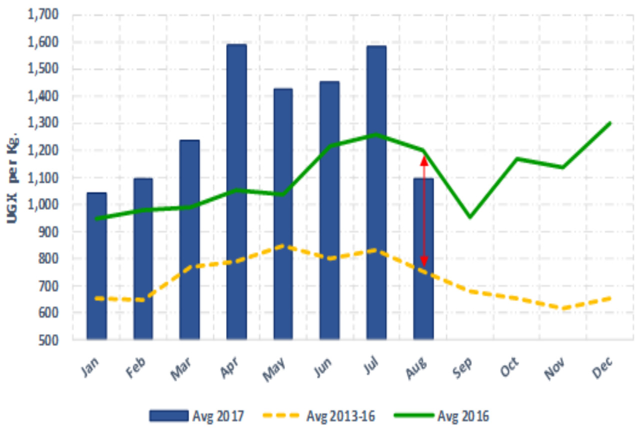


Figure 8. Terms of Trade Goats vs Maize grain

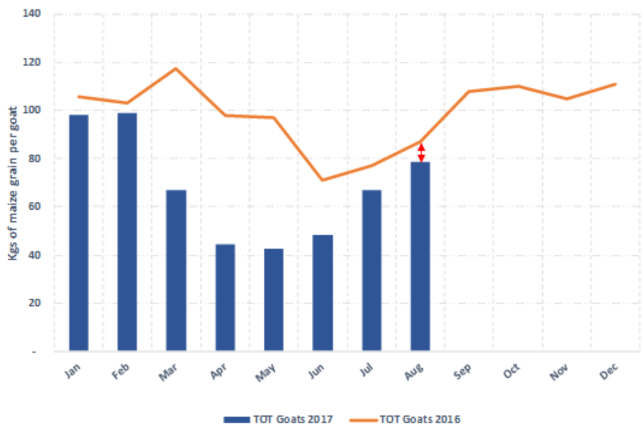


Figure 6. Beans Price Trends

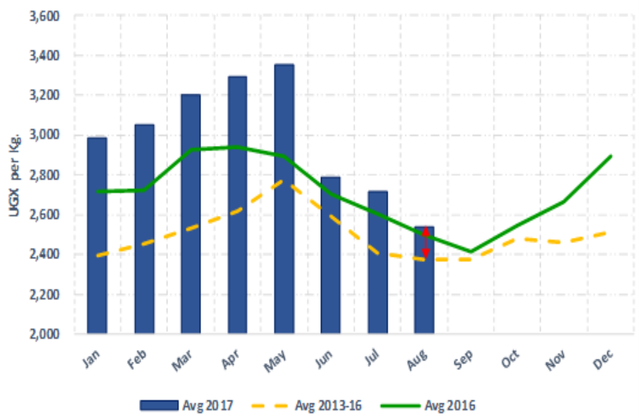
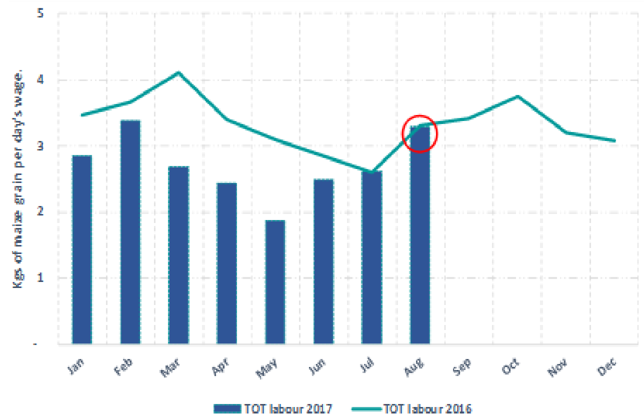


Figure 9. Terms of Trade Labour vs Maize grain



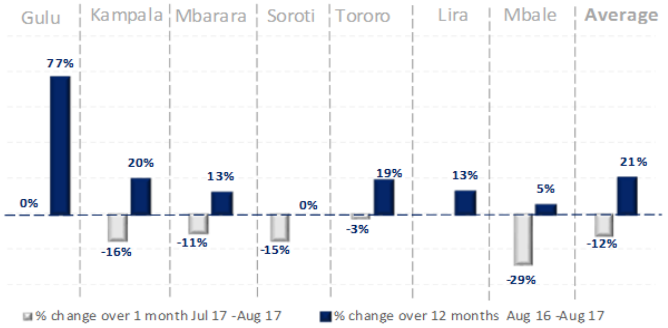
All data provided until this point has been sourced from WFP ProMIS

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

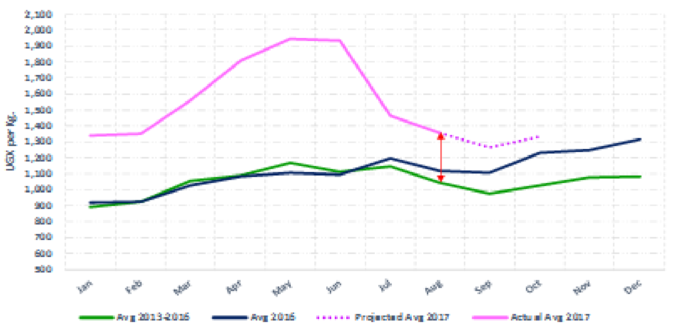
Fig. 10: Maize Grain Retail Price Changes Aug-2017



Compared to July, there was a decline in the average price for maize grain across all major markets, but mainly in Mbale, Kampala, and Soroti by 28-16-15 percent respectively, due to increased demand following the below average harvest in 2016.

The price continue to be above 2016 average by 21%. The price increase was more significant in Soroti (77%), Kampala (20%) and Tororo (19%), due to low supplies.

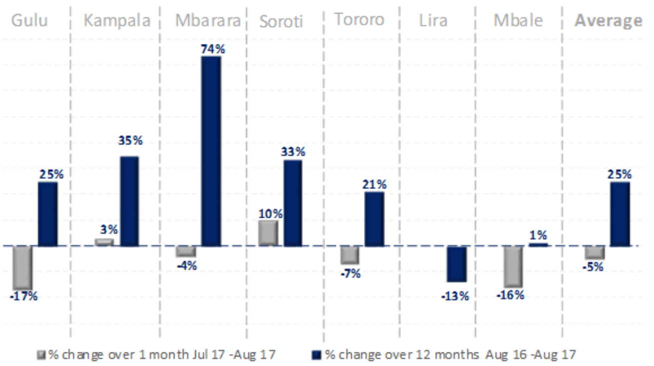
Fig. 11: Maize Grain Price Trend & Projection: Oct-2017



Source: WFP AME Projections

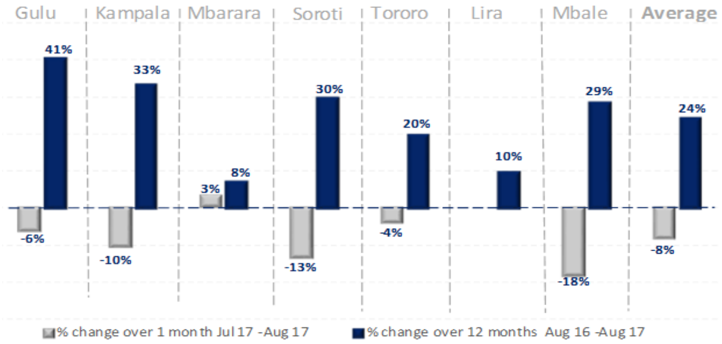
The price for maize grain is expected to follow seasonal trends, with a marginal decline in September. Price will start rising in October, but gradually due to scarcity.

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



Generally, the price for maize flour was lower in all markets across the country, except Soroti and Kampala. Price was high in Soroti and Kampala by 10-3 percent respectively. Compared to 2016, the price remained above by 25%.

Fig. 13: Sorghum Retail Price Changes Aug-2017

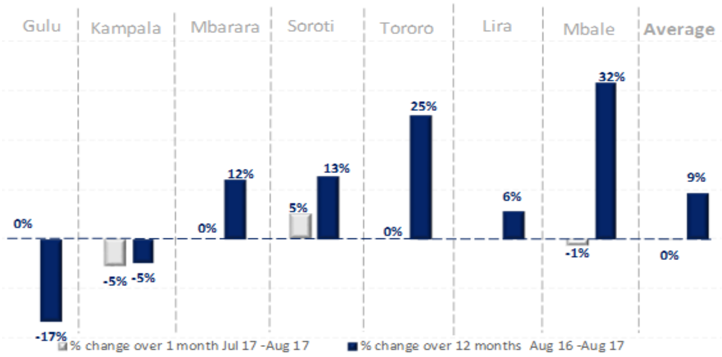


The price for sorghum continues to decline, with a 8% decrease in the overall price, but mainly in Mbale (18%), Soroti (13%) and Kampala (10%) due to improved supplies following the June-to-July first season harvest across the country. Price is expected to slightly increase in September, through October.

Compared to the same period last year, the price remained above by 24%. The highest increase was observed in Gulu, Kampala and Soroti, this is attributed to the high demand.

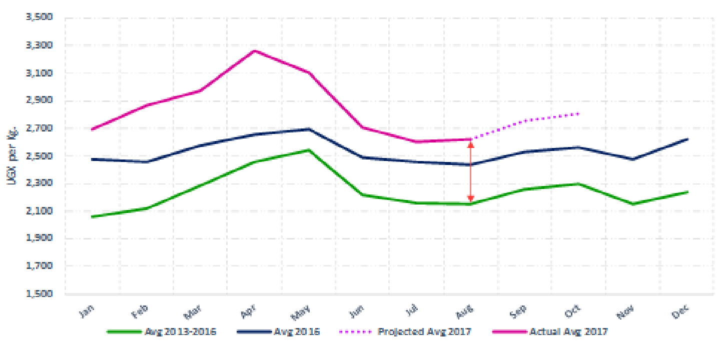
BEANS

Fig. 14: Beans Retail Price Changes Aug-2017



In August, the average price for beans was relatively stable across all markets, with a nominal increase in Kampala and Soroti, due to high demand. Compared to 2016, price remained high in Mbale, Tororo, and Gulu by 32-25-17 percent respectively, driven by low supplies coupled by high demand from neighboring districts.

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



Source: WFP AME Projections

The price for beans is expected to rise in September all through October, due to scarcity caused by high demand internally and at the regional level following below average harvest in 2016.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: Aug 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)	1,400	17%	-7%	↑	↔
		Sorghum (per Kg)					
		Beans (per Kg)	2,800	-7%	2%	↓	↔
		Medium size goat	95,000	36%	-47%	↑	↓
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	1,050	5%	11%	↔	↔
		Sorghum (per Kg)	800	-27%	-9%	↓	↔
		Beans (per Kg)	2,000	0%	27%	↔	↑
		Medium size goat	92,500	6%	4%	↑	↔
		Daily labour wage	3,000	0%	20%	↔	↑
	Napak	Maize grain (per Kg)	1,400	17%	0%	↑	↔
		Sorghum (per Kg)	1,200	-25%	-5%	↓	↔
		Beans (per Kg)	2,483	-13%	-11%	↓	↔
		Medium size goat	87,500	25%	-50%	↑	↓
		Daily labour wage	5,000	0%	0%	↔	↔
	Kotido	Maize grain (per Kg)	1,300	-52%	7%	↓	↔
		Sorghum (per Kg)	1,238	-15%	-15%	↓	↔
		Beans (per Kg)	2,900	15%	2%	↑	↔
		Medium size goat	76,250	-14%	-12%	↓	↔
		Daily labour wage	2,313	23%	16%	↑	↑
	Kaabong	Maize grain (per Kg)	1,081	-6%	15%	↓	↔
		Sorghum (per Kg)	1,047	-16%	-6%	↓	↓
		Beans (per Kg)	2,900	-3%	-3%	↔	↔
		Medium size goat	142,500	30%	20%	↑	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Abim	Maize grain (per Kg)	1,050	-34%	-13%	↓	↔
		Sorghum (per Kg)	1,188	-21%	19%	↓	↑
		Beans (per Kg)	2,150	-18%	-14%	↓	↔
		Medium size goat	65,750	-9%	-24%	↓	↓
		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)	1,500	-16%	20%	↓	↑
		Maize flour (per Kg)	2,700	3%	35%	↔	↑
		Sorghum (per Kg)	3,000	-10%	33%	↓	↑
		Beans (per Kg)	2,600	-5%	-5%	↔	↔
Western	Mbarara	Maize grain (per Kg)	1,350	-11%	13%	↓	↔
		Maize flour (per Kg)	3,475	-4%	74%	↔	↑
		Sorghum (per Kg)	3,225	3%	8%	↔	↔
		Beans (per Kg)	2,800	0%	12%	↔	↔
Eastern	Tororo	Maize grain (per Kg)	1,400	-3%	19%	↔	↑
		Maize flour (per Kg)	2,000	-7%	21%	↓	↑
		Sorghum (per Kg)	1,200	-4%	20%	↔	↑
		Beans (per Kg)	3,000	0%	25%	↔	↑
	Mbale	Maize grain (per Kg)	1,000	-29%	5%	↓	↔
		Maize flour (per Kg)	1,800	-16%	1%	↓	↔
		Sorghum (per Kg)	1,350	-18%	29%	↓	↑
		Beans (per Kg)	2,500	-1%	32%	↔	↑
Northern	Gulu	Maize grain (per Kg)	2,000	0%	77%	↔	↑
		Maize flour (per Kg)	2,500	-17%	25%	↓	↑
		Sorghum (per Kg)	1,500	-6%	41%	↓	↑
		Beans (per Kg)	2,500	0%	-17%	↔	↓
	Soroti	Maize grain (per Kg)	1,100	-15%	0%	↓	↔
		Maize flour (per Kg)	2,200	10%	33%	↑	↑
		Sorghum (per Kg)	1,300	-13%	30%	↓	↑
		Beans (per Kg)	2,450	5%	13%	↔	↔
	Lira	Maize grain (per Kg)	1,133		13%		↔
		Maize flour (per Kg)	2,167		-13%		↔
		Sorghum (per Kg)	1,100		10%		↔
		Beans (per Kg)	2,500		6%		↔

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= Jul 2017 compared to Aug 2017   1 Y= Aug 2016 compared to Aug 2017