



October¹ 2017

HIGHLIGHTS

- **Cereal prices:** In September, cereal prices continued their downward trend across many markets with the onset of the harvest season. The retail prices of sorghum remained stable in Konyokonyo, while significantly decrease was observed in Wau, Wunrok, Yida, and Awei by 14 to 37 percent as compared to August 2017. Likewise, maize grain prices declined by 8 percent in Konyokonyo, 29 percent in Wau and Kapoeta and 57 percent in Aweil.
- **Inflation:** In September 2017, South Sudan's month-on-month consumer price index rose by 8.1 percent and the year-on-year consumer price increased by 101.9 percent. The inflation was driven mainly by the increase in food and non-alcoholic beverage prices.
- **Currency Exchange rate:** In September 2017, the parallel market exchange rate at 182 SSP per US Dollar was 54 percent higher than the official exchange rate at 118 SSP per US Dollar, this was the highest divergence since November 2015. The parallel exchange rate in September was higher by 10 percent from August 2017 and by 190 percent compared to the same point last year.
- **Fuel Prices:** In September 2017, the prices of fuel in the parallel market showed mixed trends as compared to the previous month. Petrol prices increased by 7 to 35 percent in Juba, Mingkaman, Yida, Aweil, Wunrok, Bor and Wau while the prices decreased by 15 percent in Agok and 4 percent in Kapoeta South.
- **Terms of Trade (ToT):** In September 2017, the Goat to Sorghum ToT increased 20 percent in Wau, 27 percent in Wunrok, 39 percent in Kapoeta and 73 percent in Aweil, compared to August 2017. This is mainly due to the seasonal decrease in cereal prices coupled with the increase in goat prices. This has had a positive impact on the purchasing power of the livestock dependent households..
- **Outlook:** The observed seasonal decreases in staple cereals is expected to improve the purchasing power of households.

¹The analysis is based on prices data of September 2017

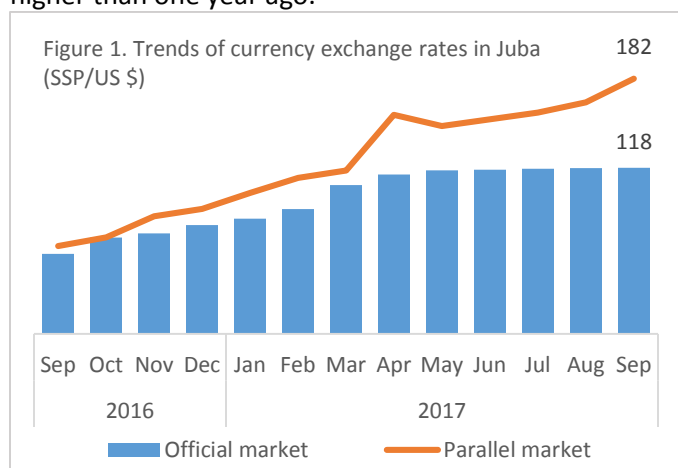
Photos: WFP/Ryan McDonald (top) and WFP/George Fominyen

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High inflation and high divergence in currency exchange rate in official and parallel markets continued

South Sudan's month-on-month consumer price index rose by 8.1 percent in September 2017. The year-on-year measure increased by 101.9 percent as compared to September 2016. The upswing was driven by the increase in food and non-alcoholic beverage prices².

In September 2017, the parallel market exchange rate at 182 SSP per US Dollar was 54 percent higher than the official exchange rate at 118 SSP per US Dollar. This was the highest divergence since November 2015. The parallel market exchange rate in September was 10 percent higher than August 2017 and 190 percent higher than the same month a year ago. On the other hand, the official exchange rate in September remained unchanged from the previous month, while it was 108 percent higher than one year ago.



Source: Bank of South Sudan and WFP

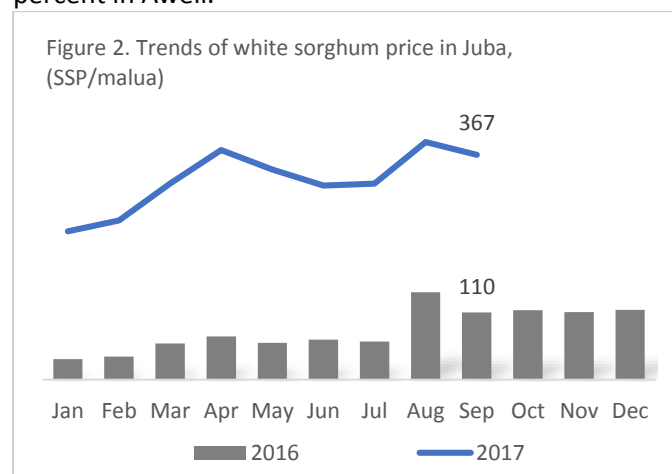
Petrol prices up while diesel prices down

From August to September 2017, due to the higher demand, the petrol prices increased in most markets

such as Juba, Mingkaman, Yida, Aweil, Bor, Wunrok and Wau by 7 to 35 percent, while it decreased in Agok and Kapoeta South by 15 and 4 percent respectively. The diesel prices remained stable in Mingkaman, Agok, Yida and Wau with variation within 5 percent, while substantial decline was observed in Kapoeta South by 58 percent, Juba by 23 percent, Aweil by 20 percent and Bor by 6 percent. Compared to a year ago, fuel prices have more than doubled across many areas.

Seasonal decrease in cereal prices

Cereal prices continued their downward trend across many markets with the onset of the harvest season. The increased availability of cereals in some markets from the local harvest had a stabilizing effect in the price of imported food commodities that serve as substitution of normal staple food. The retail prices of sorghum remained stable in Konyokonyo, while significantly decrease was observed in Wau, Wunrok, Yida, and Aweil by 14 to 37 percent as compared to August 2017. Likewise, maize grain prices declined by 8 percent in Konyokonyo, 29 percent in Wau and Kapoeta and 57 percent in Aweil.



Source: WFP

² NBS press release

The price of maize flour, which is a substitute item for Sorghum, remained stable in various markets such as Wau, Wunrok, Kapoeta South and Mingkaman. In Konyokonyo, the price of maize flour decreased by 10 percent as compared to August 2017.

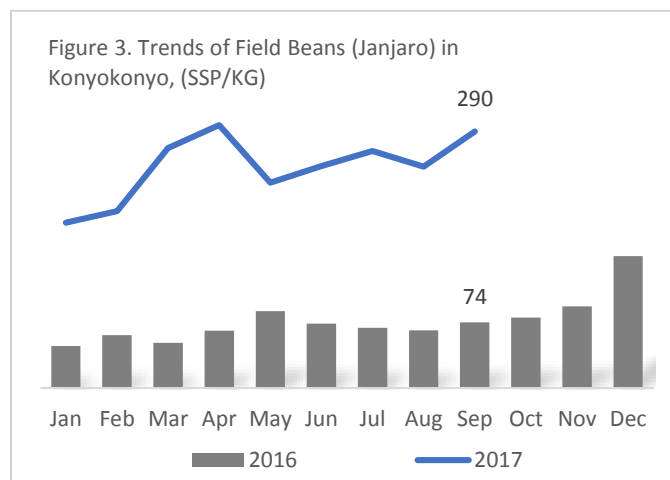
The wheat flour prices in markets showed mixed trends; they decreased 6 percent in Bor, 16 percent in Kapoeta South, and 20 percent in Wunrok. However, they increased 15 percent in Mingkaman, and 38 percent both in Yida and Aweil.

In addition, despite the observed seasonal price decline, cereal prices in September were substantially higher than one year ago. For instance, sorghum prices were 235 percent higher in Juba. The exception was Aweil, where the prices of maize grain and maize flower were found lower than one year ago.

Mixed trends in cooking oil and field beans prices

In September 2017, about a quarter of the monitored markets registered a decline of 12 to 16 percent in cooking oil prices for 25 percent of the monitored markets. For the remaining markets, the cooking oil prices were stable in half of these markets while they decreased by 7 to 13 percent in the remaining half.

Field beans (Janjaro) are important sources of protein for many households in South Sudan. The local production is inadequate and the population depends on imports to meet the demands. Thus the field beans prices are affected by traders' accessibility to the hard currency and the exchange rate in the parallel markets. From August to September 2017, field bean prices increased from 5 to 27 percent in over half of the monitored markets such as Yida, Konyokonyo, Wau, Kapoeta South and Ago; while other markets in Mingkaman, Bor, Aweil and Wunrok experienced decline in prices ranging from 6 to 24 percent. The rapid depreciation of local currency in parallel markets have shown a direct impact on the prices of imported commodities. For example, field beans prices increased by 344 percent in Wau, and cooking oil prices increased by 176 percent in Mingkaman as compared to the prices one year ago.



Source: WFP

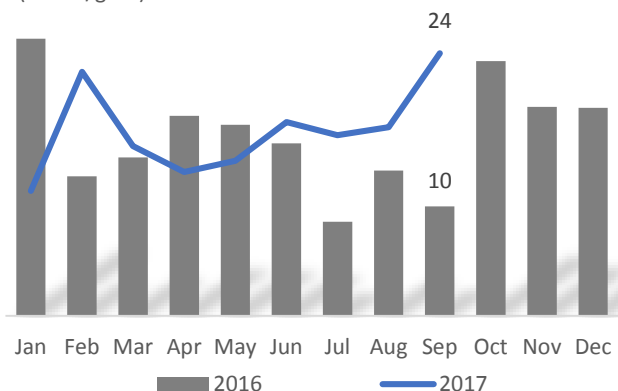
Terms of Trade (ToT) – Purchasing Power

Goat to sorghum: The seasonal decrease in cereal prices coupled with increases in goat prices contributed to the increase of ToT by 20 percent in Wau, 27 percent in Wunrok, 39 percent in Kapoeta and 73 percent in Aweil from August to September 2017. However, the ToT deteriorated 14 percent in Konyokonyo and 18 percent in Yida due to the goat prices decline in those markets. With the ongoing harvest season, there has been a relative rise in the purchasing power for the livestock dependent households.

Wage to sorghum: From August to September, the wage to cereal ToT showed improvements in Kapoeta South by 11 percent, in Aweil by 47 percent and Wau by 69 percent due to the seasonal decrease in cereal prices. On the other hand, the ToT deteriorated 16 percent in Yida, and 21 percent in Konyokonyo, this was due to the increase of sorghum prices and reduction in wage rate. When interpreting wage to cereal ToT, the availability of jobs and the overall contribution of wage to household income should also be factored.

SOUTH SUDAN MONTHLY MARKET PRICE MONITORING BULLETIN

Figure 4. ToT-Goat to maize grain in Kapoeta South (malua/goat)



Source: WFP

Food Security Outlook

The on-going harvest in South Sudan and in the neighboring countries is expected to increase the stability of the staple food prices. The availability of pasture and water has positive influence in the production of livestock products and hence to improve nutrition of livestock dependent households. These positive factors imply that household food security is likely to improve in the next few months.

Table 1: Commodity prices by market and price changes-September 2017

	Lowest price(SSP)		% change (M-on-M)	Highest price(SSP)		% change (M-on-M)
White sorghum (3.5kg)	Aweil	134	-36	Mingkaman	741	35
White maize(3.5kg)	Aweil	120	-57	Kapoeta South	300	-29
Wheat flour (kg)	Kapoeta South	120	-16	Yida	450	38
Maize flour(kg)	Wunrok	117	-3	Mingkaman	228	4
Field beans(kg)	Yida	121	5	Wau	444	18
Cooking oil(L)	Aweil	174	12	Yida	650	13
Petrol(L)*	Kapoeta South	130	-4	Mingkaman	550	8
Groundnuts-shelled (KG)	Minkgaman	130	-4	Konyokonyo	320	28
TOT: Goat to sorghum (malua)	Minkgaman	9	3	Aweil	27	73

* 'Parallel' market prices.

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Annex 1. Commodity prices by market and trend of price changes - October 2017

	Major Commodity	SSP	Price Change (%)							Major Commodity	SSP	Price Change (%)					
		Sep	1M	3M	1Y	1M	3M	1Y			Sep	1M	3M	1Y	1M	3M	1Y
Konyokonyo	White Sorghum	367	-5	16	235	▲	▲	▲	Yida	White Sorghum	233	19	25	520	▲	▲	▲
	White Maize	367	-8	-4	263	▼	▶	▲		Rice	500	0	34	245	▶	▲	▲
	Field Beans (Janjaro)	290	16	16	290	▲	▲	▲		Vegetable oil	650	13	76	436	▲	▲	▲
	Maize flour	170	-10	19	181	▼	▲	▲		Wheat flour	450	38	131		▲	▲	
	Wheat Flour	173	-5	26	160	▶	▲	▲									
	Vegetable oil	227	12	14	81	▲	▲	▲	Bor	Maize flour	200	11	0	100	▼	▶	▲
	Rice	205	-1	-18	75	▶	▼	▲		Field Beans (Janjaro)	250	-17	-17	170	▼	▼	▲
	TOT (wage to sorghum)	0.87	18	81	32	▲	▲	▲		Wheat Flour	120	-6	-38	30	▼	▼	▲
								Vegetable oil		240	-16	-20	100	▼	▼	▲	
								Rice		200	-10	0	122	▼	▶	▲	
Kapoeta South	White Maize(Grain)	300	-29	-14	60	▼	▼	▲	Mingkaman	Maize flour	228	4	27	163	▶	▲	▲
	Field Beans (Janjaro)	200	25	-2	191	▲	▶	▲		Field Beans (Janjaro)	235	-6	-6	175	▼	▶	▲
	Vegetable oil	210	5	-7	71	▶	▶	▲		Wheat flour	244	15	39	187	▲	▲	▲
	Wheat Flour	120	-16	-52	85	▼	▼	▲		TOT (Goat to sorghum)	9	3	-2		▶	▶	
	Maize flour	145	-3	-13	191	▶	▼	▲		Vegetable oil	368	2	15	176	▶	▲	▲
		TOT(Goat to maize)	24	39	35		▲	▲									
Aweil	White Sorghum	134	-36	-51	9	▼	▼	▶	Agok	White Sorghum	153	-37	-24	40	▼	▼	▲
	Field Beans (Janjaro)	198	-20	-38	-15	▼	▼	▶		Field Beans (Janjaro)	439	27	18	491	▲	▲	▲
	Wheat Flour	138	38	-20	8	▲	▼	▶		Wheat flour	131	0	-40	97	▶	▼	▲
	Vegetable oil	174	12	0	-1	▼	▶	▶		Rice	330	5	23	182	▶	▲	▲
	Rice	216	8	-1	38	▲	▶	▲		Vegetable oil	295	-12	12	135	▼	▲	▲
	Fuel (Diesel)	202	-20	22	21	▼	▲	▲		Petrol	229	-15	26	57	▼	▲	▲
Wau	White Sorghum	304	-14	-3	41	▼	▶	▲	Unit of measurements								
	White Maize(Grain)	268	-29	-21	26	▼	▼	▲	White sorghum	3.5kg							
	Field Beans (Janjaro)	444	18	12	344	▲	▲	▲	White maize	3.5kg							
	Wheat Flour	144	3	2	69	▶	▶	▲	Cassava	3.5kg							
	Vegetable oil	288	3	86	150	▶	▲	▲	Maize flour	kg							
	Diesel	260	4	30	82	▶	▲	▲	Field beans/Groundnuts	kg							
	Petrol	338	47	54	119	▲	▲	▲	Rice	kg							
Wunrok	White sorghum	224	-16	-8	40	▼	▶	▲	Wheat flour	KG							
	Maize flour	117	-3			▶			Vegetable oil	L							
	Field Beans (Janjaro)	250	-24	-13	170	▼	▼	▲	TOT	# of malwa per goat or daily wage							
	Wheat flour	143	-20	-5	55	▼	▶	▲									
	Rice	235	12	8	161	▲	▶	▲									
	Symbol Key																
	▲	Prices increase above normal															
	▼	Normal price changes															
	▶	Prices decrease below normal															
<div><div>▲ Price increases above normal</div><div>▶ Normal price changes</div><div>▼ Price decreases below normal</div></div>																	
Price fluctuation is considered normal if the price change is 5% within one month, 10% within 3 months and 20% within one year																	