Fighting Hunger Worldwide

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WFP UGANDA

Monthly Market Monitor

HIGHLIGHTS

KARAMOJA

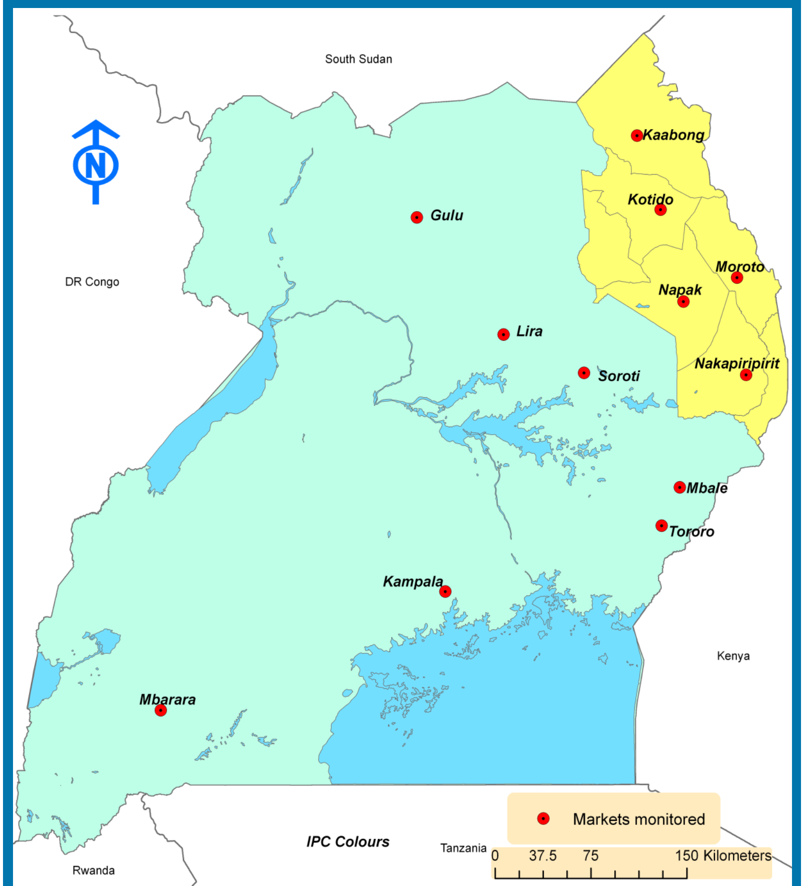
- In December, **the average retail prices for maize grain increased by 10% compared to November**, while the **prices for sorghum and beans remained stable**. The prices for **maize grain and sorghum were significantly higher in Nakapiripirit by 33% and 25% respectively**, due to high demand from traders from neighboring districts and regions;
- Compared to 2016, the **overall average retail prices for maize grain, sorghum and beans continued to be lower by 19%, 38%, and 16%, respectively**. Similarly, **sorghum and beans prices were below the long term (2013-2016) average**;
- Compared to November, the **terms of trade for goats and labor wage rates, against maize grain deteriorated by 8% and 4% respectively**, following an increase in the average price for maize grain. This depicts a rise in the living costs for pastoralists and casual laborers.

REST OF THE COUNTRY

- Compared to November, the **average price for maize grain and sorghum in December increased by 13% and 6%, respectively**, due to the second season (November-January) harvest. The **overall price for beans remained stable, with an increase by 20%, experienced in Gulu**;
- In December 2017, **beans and maize grain average prices were below 2016 levels by 8% and 11%, respectively**, following an improved harvest in 2017. **Lira and Mbale observed significant price reductions**.

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

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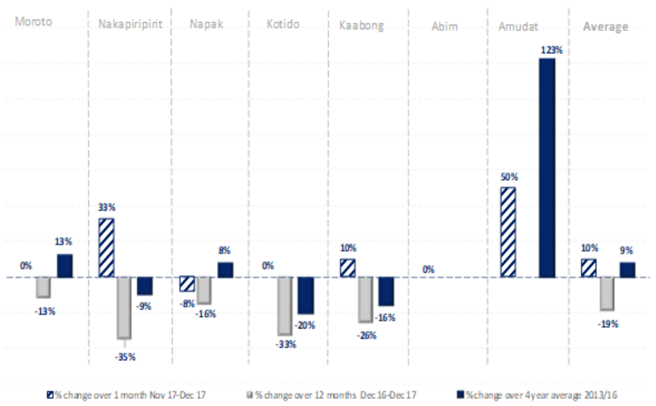
SECTION ONE: KARAMOJA SUB-REGION

CEREALS

Figure 1. Maize grain retail price changes Dec –2017

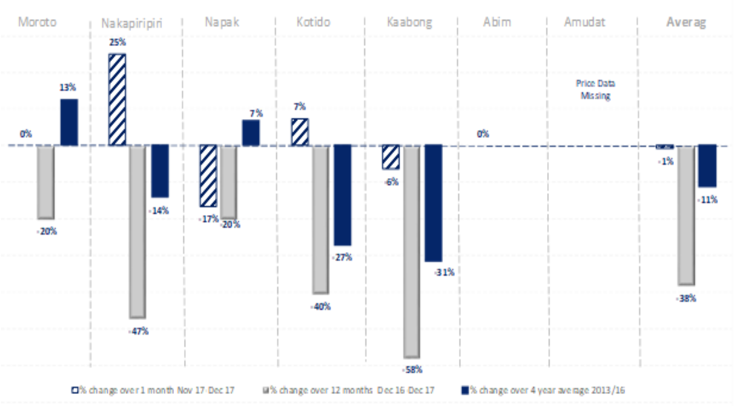


Compared to November, the overall average retail price for maize grain increased by 10%, mainly in Amudat, Nakapiripirit and Kaabong, due to increased demand from neighboring districts. However, the price was lower by 8% in Napak. Kaabong continued to have the lowest price for maize grain, with a kilogram costing UGX 743.

However, prices for maize grain were lower than 2016 levels by 19%, driven by an improved harvest that replenished household stocks. Generally, the price declined across all markets, significantly in Nakapiripirit, Kotido and Kaabong by 35%, 33% and 26% respectively.

However, the average retail price remained above the long term (2013-2016) average by 9%. Amudat experienced a significant increase, possibly due to a low harvest, following an outbreak of fall army worm (FAW).

Figure 2. Sorghum grain retail price changes Dec—2017



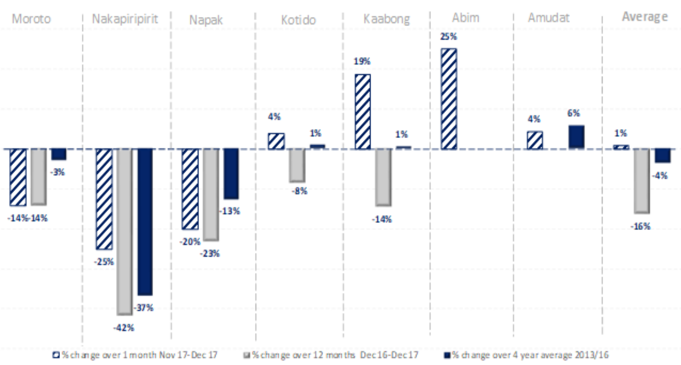
The overall average retail price for sorghum in Karamoja remained stable in December, compared to November 2017, with variations across markets. The price was higher in Nakapiripirit (25%) and Kotido (7%), due to the high demand from other districts and regions. The average price fell by 17% in Napak, due to improved supplies on the markets.

Compared to 2016, the retail price for sorghum was below by 38%, due to an improved harvest. The prices were significantly lower in all markets in Karamoja, more so in Kaabong (58%), Nakapiripirit (47%) and Kotido (40%).

Similarly, retail prices for sorghum in December were lower than the long term (2013-2016) average in Kaabong, Kotido and Nakapiripirit. However, there was an increase by 13% and 7% in Moroto and Napak respectively, due to the scarcity on the markets, following the limited harvest in 2017.

BEANS

Figure 3. Beans retail price changes Dec – 2017



In December 2017, the price for beans reduced by 25%, 20% and 14% in Nakapiripirit, Napak and Moroto respectively, and this could be attributed to improved supplies at household level, following a relatively better harvest. However, Abim (25%) and Kaabong (19%) experienced an increase in prices due to high demand, mainly by traders from Northern Uganda.

Compared to the same period last year, and the long term (2013-2016) average, the retail price for beans was lower by 16% and 4%, respectively. Price reduction was significant in Nakapiripirit and Napak.

GOATS

Table 1: Goats retail price changes for Dec - 2017

Market	Current (Dec 2017)	% Change from:		
		Nov-17	Dec-16	Av 2013-16
Moroto	120,000	26%	-33.3%	-28%
Nakapiripirit	140,000	75%	42.4%	53%
Napak	120,000	26%	-29%	-24%
Kotido	85,000	6%	-43.3%	-17%
Kaabong	140,000	5.7%	12.0%	16%
Abim				
Amudat	105,000	5.0%		
Average	110,000	13.3%	-24.0%	-14%

Compared to November, the overall average price for goats in Karamoja increased by 13%, with an increase observed across all markets, especially in Nakapiripirit, Moroto and Napak, possibly due to low supplies on the markets.

However, compared to 2016, there was a 24% reduction in the overall average price, more significantly in Kotido, Moroto and Napak. In Nakapiripirit and Kaabong, the price continued to be higher by 42% and 12%, respectively.

Similarly, the price for goats were lower than the long term (2013 -2016) average in Moroto, Napak, and Kaabong. Furthermore, Nakapiripirit and Kaabong noted an increase in the prices, which could be due to reduced supplies on the markets, coupled by improved animal body conditions.

LABOR

Table 2: Changes in Daily Wage Rates Dec -2017

Market	Current (Dec 2017)	% Change from:		
		Nov-17	Dec-16	Av 2013-16
Moroto	5,000	0%	0%	0%
Nakapiripirit	3,000	0%	9%	2%
Napak	4,375	-42%	-13%	-13%
Kotido	2,000	0%	0.0%	-11.1%
Kaabong	5,000	0%	0%	25%
Abim	2,000	0%		
Amudat	3,000	0.0%		
Average	3,482	-11.4%	-12%	-9.3%

The wage labor rate in December 2017 fell by 42% in Napak, compared to November, due to reduced labor opportunities. The labor rates in other districts remained stable.

Compared to 2016, the labor wage rate was high by 9% in Nakapiripirit, but reduced by 13% in Napak.

Similarly, the overall wage rate during the month was below the long term (2013-2016) average by 9%, more so in Napak and Kotido. However, the wage rate was high in Kaabong.

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	Dec-17	Nov-17	Dec-16
Kg of maize/goat	94	102	111
Kg of maize/day's wage	4.0	4.2	3.1

In December 2017, the terms of trade for goats and labor wage rate against maize grain deteriorated by 8% and 4%, respectively compared to November, attributable to an increase in the retail prices for maize grain. The revenue earned from the sale of a goat would purchase less maize by 8 kilograms in December, compared to November. Similarly, the earnings from the labor wage would buy 4 kilograms of maize during the month, reduced by 200 grams compared to November.

Compared to the same period in 2016, revenue from the sale of a goat could buy less maize grain by 17 kilograms, indicating increased cost of living for pastoral households. However, terms of trade for the labor wage improved by 30%, compared to 2016.

SUMMARY BY DISTRICT

MOROTO

While the average retail price for maize grain and sorghum remained stable in December, compared to November, the retail price for beans reduced by 14%. Generally, prices for maize grain, sorghum and beans were lower than the 2016 and the long term (2013-2016) average.

NAKAPIRIPIRIT

Compared to November 2017, the retail prices for maize grain and sorghum were above the price levels in December, by 33% and 25%, respectively. The price for beans reduced by 25%. Following a better harvest in 2017, the prices for maize grain, sorghum and beans were significantly lower than the 2016 price levels and the long term (2013-2016) average.

NAPAK

Maize grain, sorghum and beans retail prices in December fell by 8%, 17% and 20%, respectively, due to improved supplies on the markets and at the household level. Similarly, the prices for both commodities were below the 2016 and the long term (2013-2016) average.

KOTIDO

While the price for maize grain remained stable in December compared to November, there was a slight increase in the retail price for sorghum (7%) and beans (4%). Prices for maize grain and sorghum were among the lowest in the region, a kilogram costing UGX 800 and UGX 670 respectively.

KAABONG

Average prices for maize grain and beans increased by 10% and 19%, respectively, in December compared to November, while the price for sorghum was lower by 6%. Prices for maize grain, sorghum and beans remained below the 2016 and the long term (2013-2016) average.

ABIM

The retail prices for maize grain and sorghum remained stable, while the price for beans increased by 25% in December, compared to November.

AMUDAT

The retail prices for maize grain and beans were higher than November average, by 50% and 4%, respectively, possibly due to the high demand and the harvest was reportedly below average, following an outbreak of fall army worm.

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

Figure 4. Maize Grain Price Trends

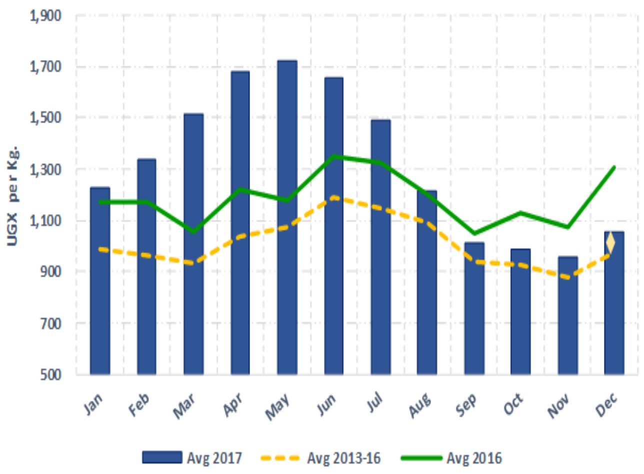


Figure 7. Maize Flour Price Trends

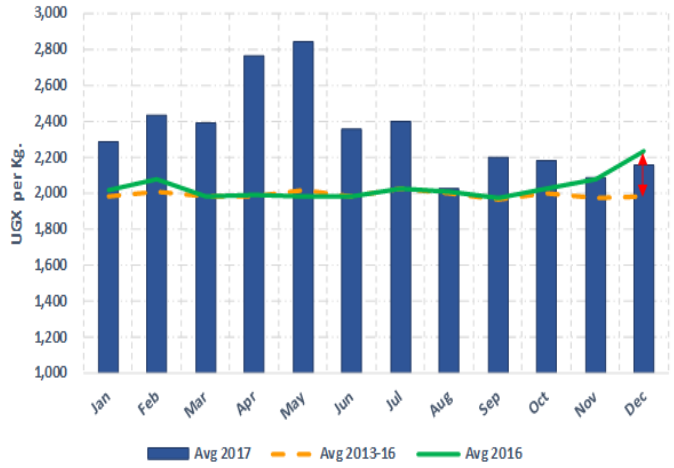


Figure 5. Sorghum Grain Price Trends

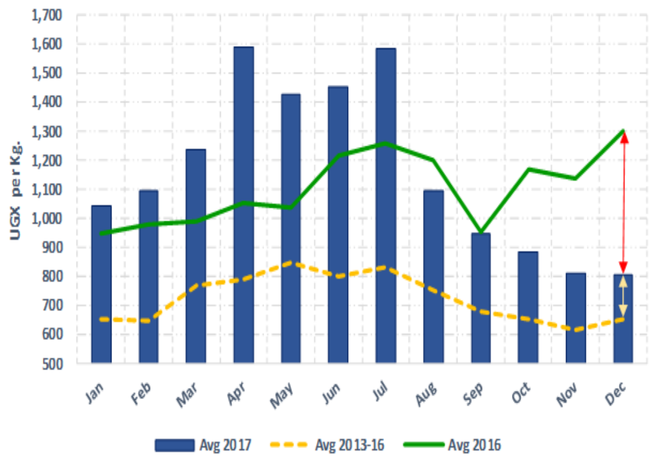


Figure 8. Terms of Trade Goats vs Maize grain

Figure 6. Beans Price Trends

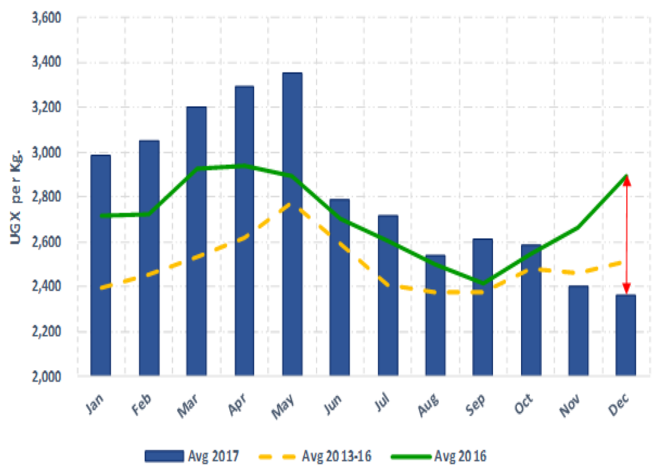


Figure 9. Terms of Trade Labour vs Maize grain

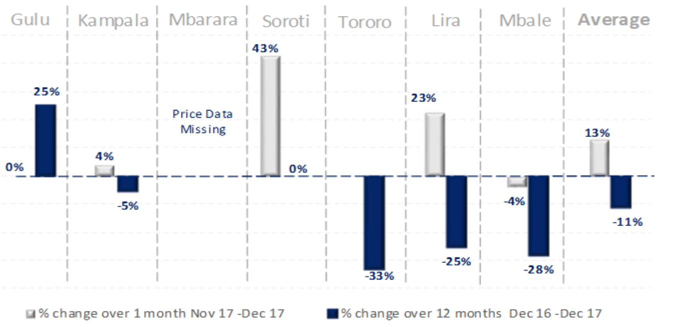
All data provided until this point has been sourced from WFP ProMIS

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

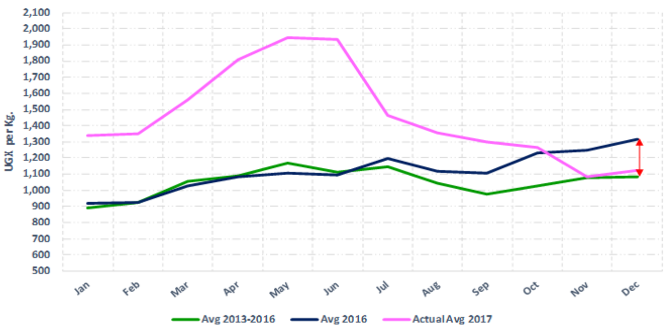
Fig. 10: Maize Grain Retail Price Changes Dec -2017



In December, the overall average retail price for maize grain was high by 13%, compared to November, especially in Soroti and Lira, which could be driven by the scarcity on the markets.

Compared to 2016, the overall retail price fell by 11%, with major reductions observed in Tororo, Mbale and Lira, due to a better harvest in 2017. However, Gulu experienced an increase by 25%, due to the high demand across the region.

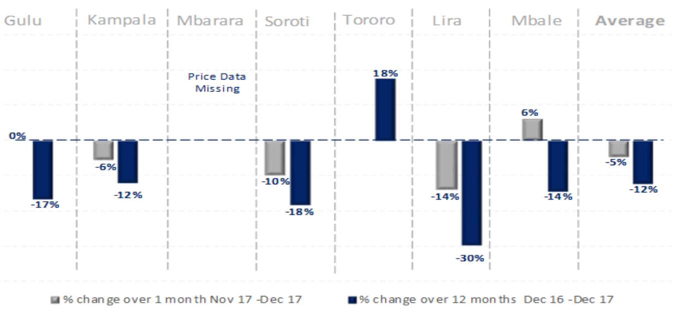
Fig. 11: Maize Grain Price Trend: Jan-Dec -2017



Source: WFP AME Trends

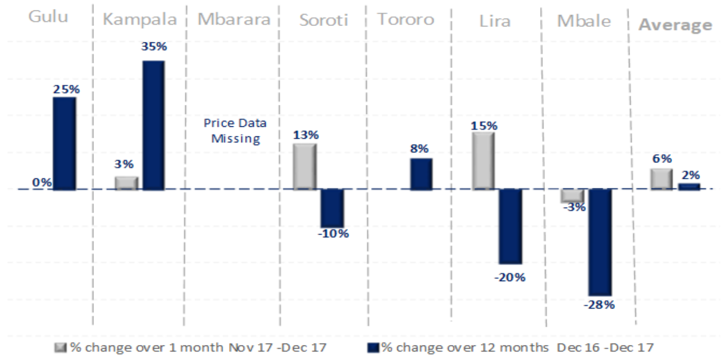
In 2017, high maize grain prices were experienced from April to June due to the low supplies on the markets, following a limited harvest in 2016. Prices declined from July, to levels similar to the long term (2013-2016) average in November and December.

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



Compared to November and same period in 2016, the overall average prices for maize flour in December were reduced by 5% and 12%, respectively. The reduction was mainly observed in Lira, Kampala and Soroti, and this could be due to the replenishment of stocks on the markets, following a better harvest in 2017, across the country.

Fig. 13: Sorghum Retail Price Changes Dec -2017

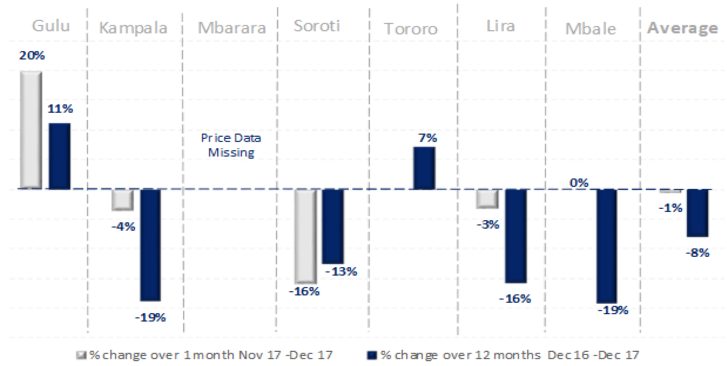


The retail price for sorghum was slightly above the November average by 6%. The increase was mainly in Soroti (13%) and Lira (15%), and this could be due to the scarcity on the markets. There was a slight decline in the price in Mbale, declining by 3%.

Compared to the same period in 2016, the price for sorghum continued to be lower in Mbale, Lira and Soroti. In contrast, the price increased in Kampala and Gulu, possibly due to the high demand.

BEANS

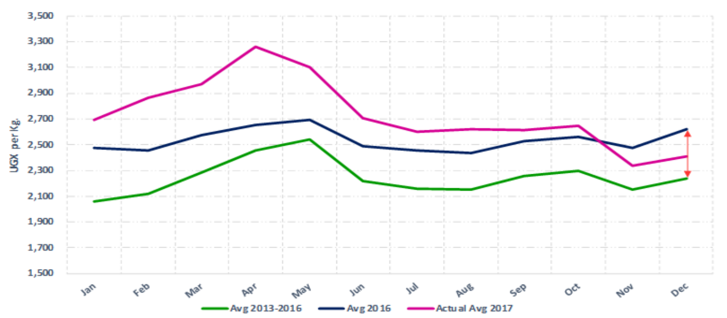
Fig. 14: Beans Retail Price Changes Dec -2017



Overall, the price for beans remained stable in December, compared to November. However, while the price reduced by 16% in Soroti, it was high in Gulu by 20%.

The retail price continued to be below the 2016 levels, mainly in Mbale, Kampala and Lira due to high supplies on the market.

Fig. 15: Beans Price Trend: Jan-Dec 2017



Source: WFP AME Trends

The prices for beans in 2017 were higher between March and May, and dropped in November and December to the levels below the 2016 average. Generally, prices for beans in 2017 were above the 2016 and the long term (2013-2016) average.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: Dec 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	0%	-13%	↔	↔
		Sorghum (per Kg)	1,200	0%	-20%	↔	↓
		Beans (per Kg)	2,575	-14%	-14%	↓	↔
		Medium size goat	120,000	26%	-33%	↑	↓
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	863	33%	-35%	↑	↓
		Sorghum (per Kg)	750	25%	-47%	↑	↓
		Beans (per Kg)	1,500	-25%	-42%	↓	↓
		Medium size goat	140,000	75%	42%	↑	↑
		Daily labour wage	3,000	0%	9%	↔	↔
	Napak	Maize grain (per Kg)	1,200	-8%	-16%	↓	↓
		Sorghum (per Kg)	1,000	-17%	-20%	↓	↓
		Beans (per Kg)	2,000	-20%	-23%	↓	↓
		Medium size goat	120,000	26%	-29%	↑	↓
		Daily labour wage	4,375	-42%	-13%	↓	↔
	Kotido	Maize grain (per Kg)	800	0%	-33%	↔	↓
		Sorghum (per Kg)	670	7%	-40%	↑	↓
		Beans (per Kg)	2,700	4%	-8%	↔	↔
		Medium size goat	85,000	6%	-43%	↑	↓
		Daily labour wage	2,000	0%	0%	↔	↔
	Kaabong	Maize grain (per Kg)	743	10%	-26%	↑	↓
		Sorghum (per Kg)	506	-6%	-58%	↓	↓
		Beans (per Kg)	2,850	19%	-14%	↑	↔
		Medium size goat	140,000	6%	12%	↑	↔
		Daily labour wage	5,000	0%	0%	↔	↔
	Abim	Maize grain (per Kg)	900	0%		↔	
		Sorghum (per Kg)	700	0%		↔	
		Beans (per Kg)	2,500	25%		↑	
		Medium size goat					
		Daily labour wage	2,000	0%		↔	
	Amudat	Maize grain (per Kg)	1,500	50%		↑	
		Sorghum (per Kg)					
		Beans (per Kg)	2,400	4%		↔	
		Medium size goat	105,000	5%		↔	
		Daily labour wage	3,000	0%		↔	
Central	Kampala/Owino	Maize grain (per Kg)	1,500	4%	-5%	↔	↔
		Sorghum (per Kg)	3,104	3%	35%	↔	↑
		Maize flour (per Kg)	2,092	-6%	-12%	↓	↔
		Beans (per Kg)	2,363	-4%	-19%	↔	↓
Western	Mbarara	Maize grain (per Kg)					
		Sorghum (per Kg)					
		Maize flour (per Kg)					
		Beans (per Kg)					
Eastern	Tororo	Maize grain (per Kg)	938		-33%		↓
		Sorghum (per Kg)	1,300		8%		↔
		Maize flour (per Kg)	2,000		18%		↑
		Beans (per Kg)	3,000		7%		↔
	Mbale	Maize grain (per Kg)	900	-4%	-28%	↔	↓
		Sorghum (per Kg)	967	-3%	-28%	↔	↓
		Maize flour (per Kg)	1,733	6%	-14%	↑	↔
		Beans (per Kg)	2,000	0%	-19%	↔	↓
Northern	Gulu	Maize grain (per Kg)	1,500	0%	25%	↔	↑
		Sorghum (per Kg)	1,500	0%	25%	↔	↑
		Maize flour (per Kg)	2,000	0%	-17%	↔	↓
		Beans (per Kg)	3,000	20%	11%	↑	↔
	Soroti	Maize grain (per Kg)	1,000	43%	0%	↑	↔
		Sorghum (per Kg)	900	13%	-10%	↑	↔
		Maize flour (per Kg)	1,800	-10%	-18%	↓	↓
		Beans (per Kg)	2,100	-16%	-13%	↓	↔
	Lira	Maize grain (per Kg)	900	23%	-25%	↑	↓
		Sorghum (per Kg)	1,000	15%	-20%	↑	↓
		Maize flour (per Kg)	1,867	-14%	-30%	↓	↓
		Beans (per Kg)	2,000	-3%	-16%	↔	↓
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 = Nov 2017 compared to Dec 2017			1 Y = Dec 2016 compared to Dec 2017				