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WFP UGANDA

Monthly Market Monitor

HIGHLIGHTS

KARAMOJA

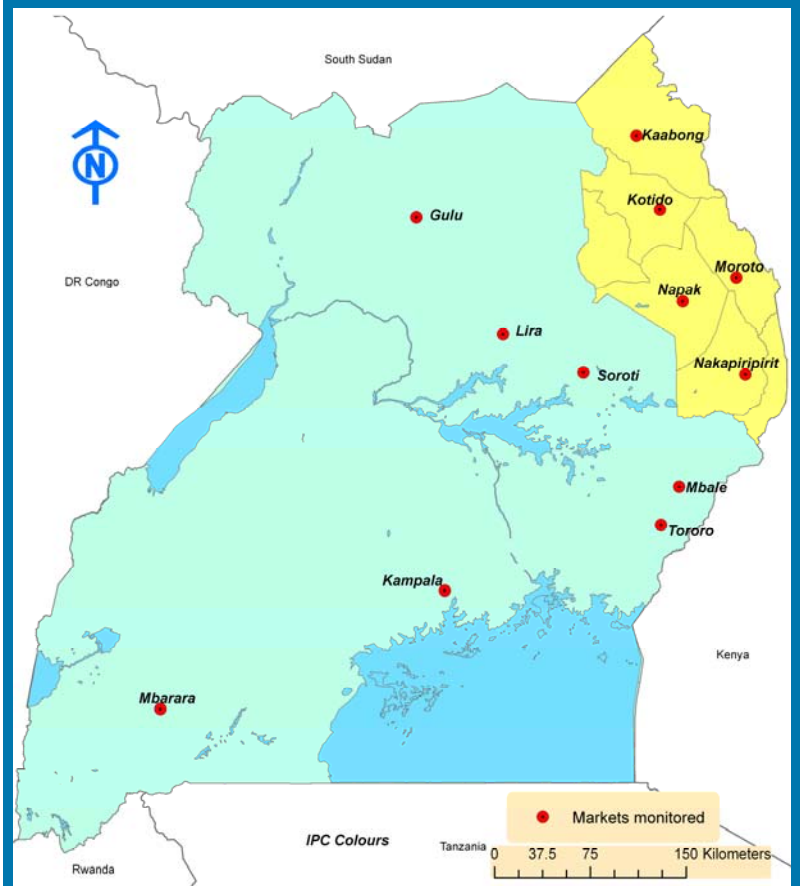
- Compared to October, there was a **slight reduction in the average retail price for maize grain, sorghum and beans in Karamoja in November 2017** by 3%, 8% and 7% respectively.
- Annual and long-term average (2013-2016) analysis indicates that **average retail prices for maize grain, sorghum and beans were favourable for consumers in November 2017 except for Moroto, Napak and Amudat.**
- Due to reduced prices for maize grain in November, **the terms of trade for both casual labour and goats slightly improved against maize grain compared to October 2017.** However, pastoralists could not match the living standards enjoyed in 2016 due to reduced goat prices in 2017.

REST OF THE COUNTRY

- **Compared to October, average retail prices for maize grain, maize flour, sorghum and beans reduced in November 2017** by 7%, 18%, 12% and 6% respectively. The reduction in prices was due to the November 2017—January 2018 harvest. A similar trend was noted when compared to November 2016.
- **Average retail prices for maize grain and beans are expected to remain stable and lower than the 2016 prices** due to the better harvest expected for the ongoing season.

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 Nov –2017

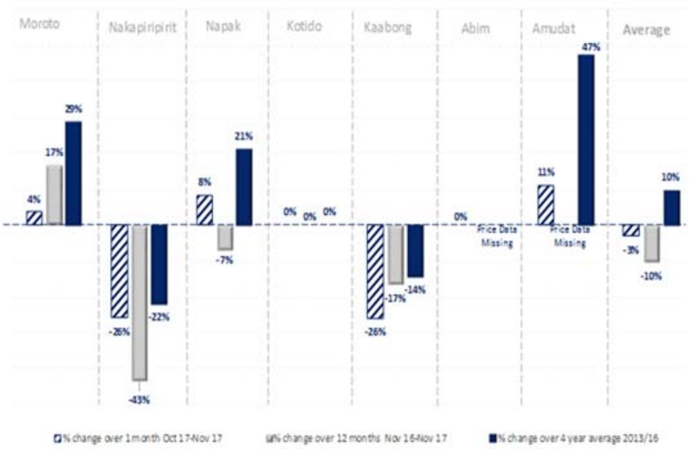
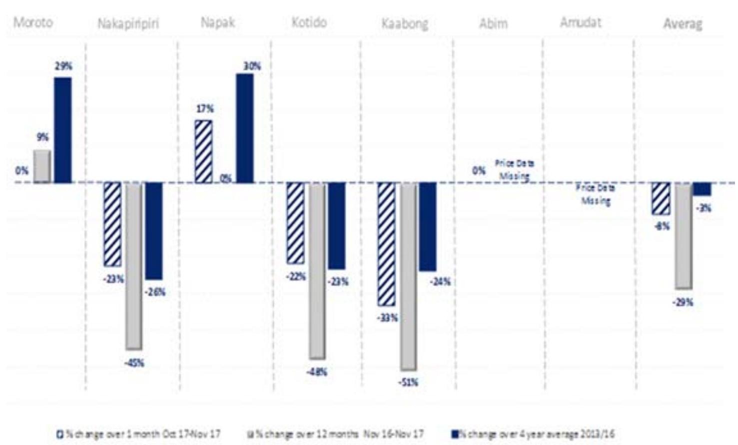


Figure 2. Sorghum grain retail price changes Nov—2017



Overall, compared to October 2017 and the same period in 2016, average retail prices for maize grain in Karamoja were lower in November by 3% and 10% respectively. The decrease was mainly in Nakapiripirit and Kaabong as a result of the latest harvest.

In contrast, maize grain prices increased in Moroto, Napak and Amudat in November compared to October because of limited harvests in these areas. Similarly, compared to the same period in 2016, prices were higher in Moroto in November 2017 by 17% highlighting accessibility challenges in this district.

Compared to the long term average (2013-2016), average retail price for maize was higher in November 2017 in Karamoja by 10%.

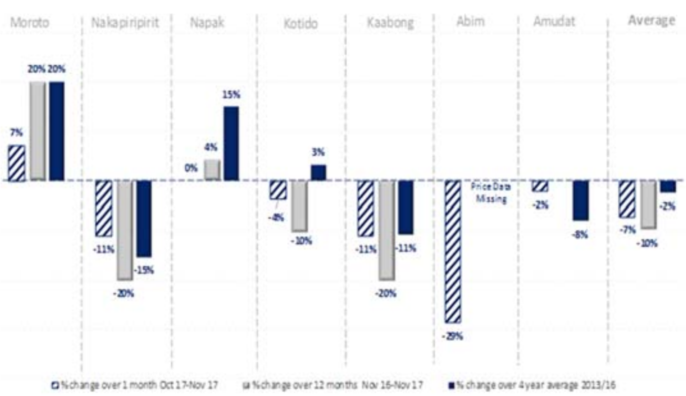
In November 2017, there was a reduction in sorghum prices by 8% across Karamoja as compared to October due to increased supply from own production at the household level. The reduction was mainly in Kaabong (33%), Nakapiripirit (23%) and Kotido (22%). However, Napak experienced a 17% increase compared to October 2017.

Similarly, average prices for sorghum were lower in November in Kaabong, Kotido and Nakapiripirit by 51%, 48% and 46% respectively as compared to the same period in 2016 due to a better harvest in 2017.

Compared to the long-term average, retail prices for sorghum grain were again lower in November 2017 in Kaabong, Kotido and Nakapiripirit. However, Moroto and Napak experienced an increase of 29% and 30% respectively.

BEANS

Figure 3. Beans retail price changes Nov – 2017



Compared to October, there was a general reduction in the average retail price for beans across Karamoja in November 2017 by 7%. The reduction was mainly in Abim (29%), Kaabong and Nakapiripirit (11%). Moroto experienced a 7% increase and this could be due to high dependence on markets.

Compared to the same period in 2016 and the long-term average (2013-2016), average prices for beans were lower in Kaabong, Kotido and Nakapiripirit but higher in Moroto and Napak due to forces of demand and supply.

GOATS

Market	Current (Nov 2017)	% Change from:		
		Oct-17	Nov-16	Av 2013-16
Moroto	95,000	0.0%	-32.1%	-36.7%
Nakapiripirit	80,000	-15.8%	-15.8%	-7.2%
Napak	95,000	5.6%	-44.1%	-39.7%
Kotido	80,000	25.5%	0.0%	-0.5%
Kaabong	132,500	0.0%	9.3%	16.2%
Abim				
Amudat	100,000	8.1%		
Average	**97,083**	**2.4%**	**-19.9%**	**-17.5%**

On average, price for goats in Karamoja remained stable in November compared to October 2017. On a better note, pastoralist in Kotido, Amudat and Napak enjoyed price increases of 26%, 8% and 6% respectively. However, in Nakapiripirit, pastoralists suffered a 16% reduction in goat prices as compared to the previous month.

Compared to November 2016 and the long-term average (2013-2016), goats prices were not favourable for pastoralists in November 2017 in most districts across Karamoja. It was only pastoralists in Kaabong that were better-off in November 2017 compared to 2016 and the long-term mean (2013-2016), by 9% and 16% respectively.

LABOR

Table 2: Changes in Daily Wage Rates Nov -2017

Market	Current (Nov 2017)	% Change from:		
		Oct-17	Nov-16	Av 2013-16
Moroto	5,000	0.0%	0.0%	0.0%
Nakapiripirit	3,000	0.0%	0.0%	0.0%
Napak	7,500	50.0%	50.0%	50.9%
Kotido	2,000	0.0%	0.0%	-9.9%
Kaabong	5,000	0.0%	0.0%	25.0%
Abim	2,000	0.0%		
Amudat	3,000	0.0%		
Average	3,929	10.0%	-1.8%	2.4%

There was no change in the wage rates in November 2017 in the most of the districts across Karamoja except for Napak which had a 50% increase compared to October and the same period in 2016. There is need to find out whether the wage increase is due to this the Soroti –Moroto road construction.

Compared to the long-term average (2013-2016), labor wage rates were higher in November 2017 in Napak (51%) and Kaabong (25%). However, Kotido experienced a 10% decline hence affecting the wage dependent households.

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	Nov-17	Oct-17	Nov-16
Kg of maize/goat	94	87	105
Kg of maize/day's wage	4.2	3.55	3.20

There was a slight improvement in the terms of trade for goats and casual labor against maize grain as compared to October 2017.

Revenue earned from selling a similar goat in November 2017 would buy 7 kilograms more of maize grain compared to October as a result of reduced maize grain prices and relatively higher goat prices. Casual labor wage would buy 650 grams of maize grain more compared to the previous month.

Compared to November 2016, revenue from selling a similar goat this year would buy less maize grain by 11 kilograms while daily labor wage would buy 1 kilogram more mainly due to the wage increase in Napak.

SUMMARY BY DISTRICT

MOROTO

The cost of living was high in November compared to October 2017, November 2016 and the long term mean (2013-2016). Prices for maize grain, sorghum and beans were the highest in the region and this is most likely a result of increased demand due to urbanization around Moroto town.

NAKAPIRIPIRIT

Households depending on markets in Nakapiripirit enjoyed a price reduction for all major food commodities during the month of November compared to October 2017, November 2016 and the long term mean (2013-2016). Compared to October 2017, prices for maize grain, sorghum and beans reduced by 26%, 23% and 11% respectively due to the harvest.

NAPAK

Napak also experienced high costs of living in November as compared to October 2017 due to the increase in prices for maize grain and sorghum by 8% and 17% respectively. The harvest is said not to have been very good in Napak.

KOTIDO

There was a reduction in the average retail prices for sorghum and beans in Kotido during the month of November as compared to October 2017 and the same period in 2016 as a result of the latest harvest.

KAABONG

Consumers in Kaabong experienced better (lower) prices for maize grain, sorghum and beans compared to October 2017, November 2016 and the long term mean (2013-2016) because of the increased supply from the latest harvest.

ABIM

It was only beans of which consumers enjoyed a price reduction of 29% in November compared to October 2017.

AMUDAT

In Amudat, price for maize grain increased by 11% compared to October 2017 due to high demand from the Kenyan side. Similarly, price for goats increased by 8% to the benefit of the pastoralists.

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

Figure 4. Maize Grain Price Trends

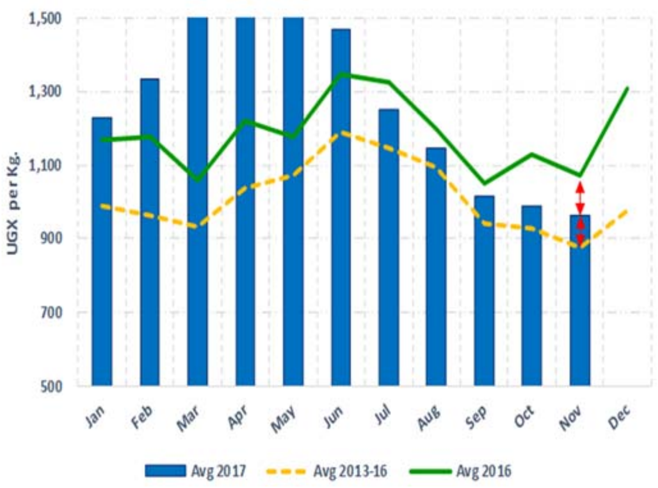


Figure 7. Maize Flour Price Trends

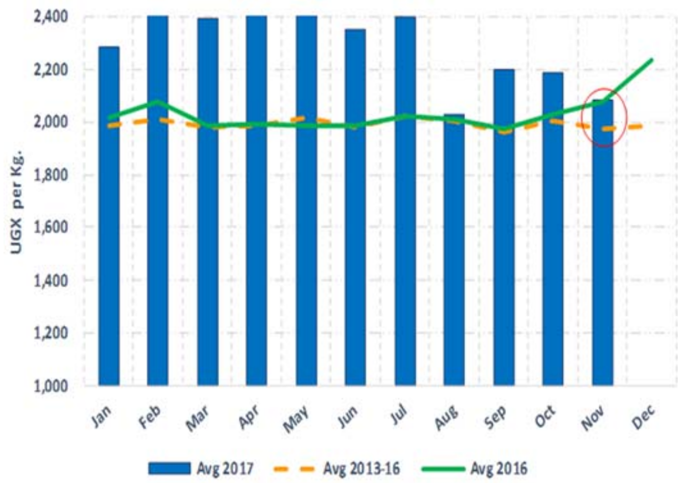


Figure 5. Sorghum Grain Price Trends

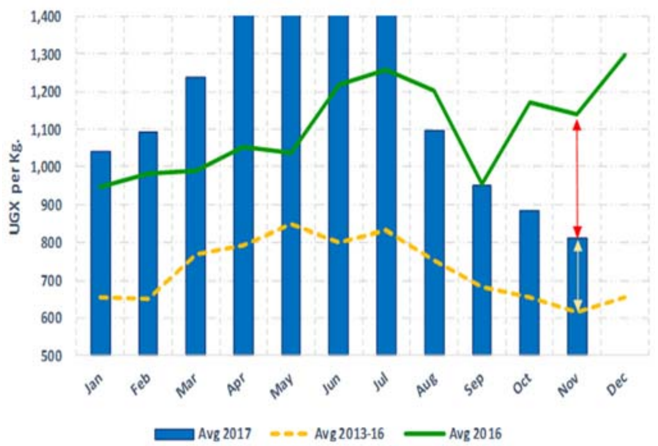


Figure 8. Terms of Trade Goats vs Maize grain

Figure 6. Beans Price Trends

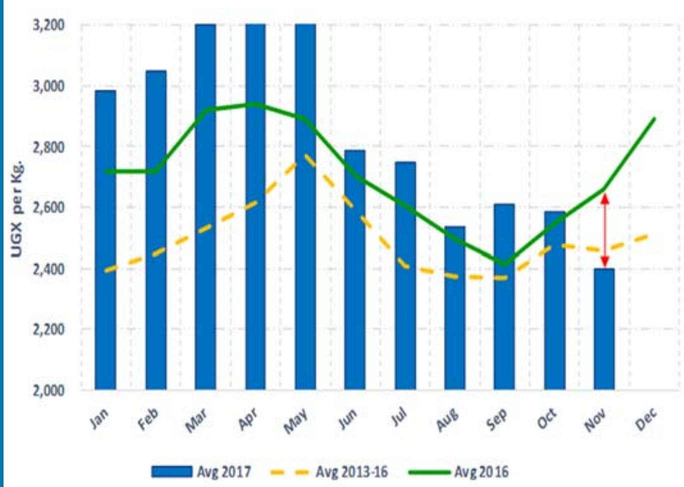


Figure 9. Terms of Trade Labour vs Maize grain

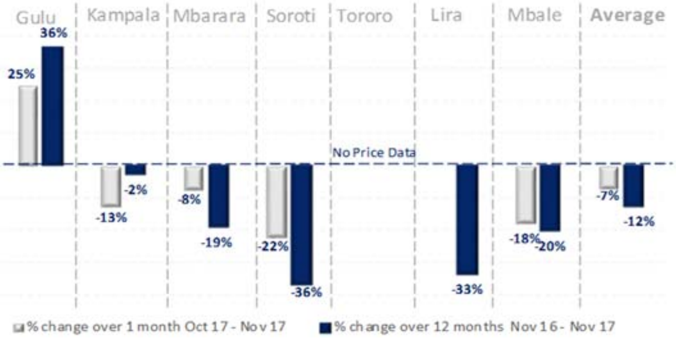
All data provided until this point has been sourced from WFP ProMIS

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 Nov -2017



There was a general reduction in the average retail prices for maize grain in November 2017 across the country compared to October except in Gulu where a 25% price increase was noted. The trend was similar even when compared to November 2016.

The price increase in Gulu can be attributed to increased demand from South Sudan. The reduction in other markets is due to increased supply on markets as traders clear old stocks in preparation for the new harvest.

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

Source: WFP AME Projections

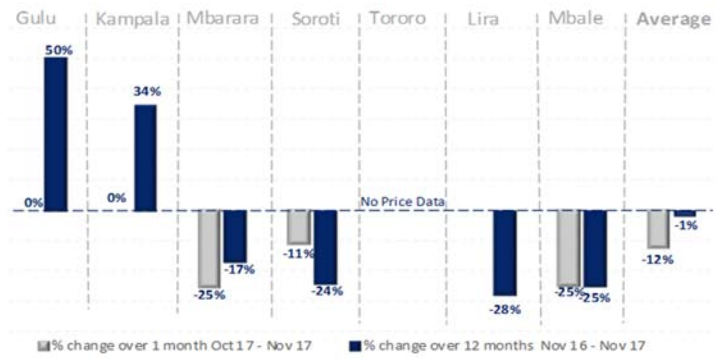
Market price for maize grain is expected to remain relatively stable in line with the long-term average (2013-2016) and below the 2016 prices due to the expected harvest.

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

Average retail prices for maize flour dropped by 18% in November 2017 across the country compared to October due to increased supply of maize grain on market as traders get rid of old stocks.

A similar trend was noted when compared to November 2016.

Fig. 13: Sorghum Retail Price Changes Nov -2017

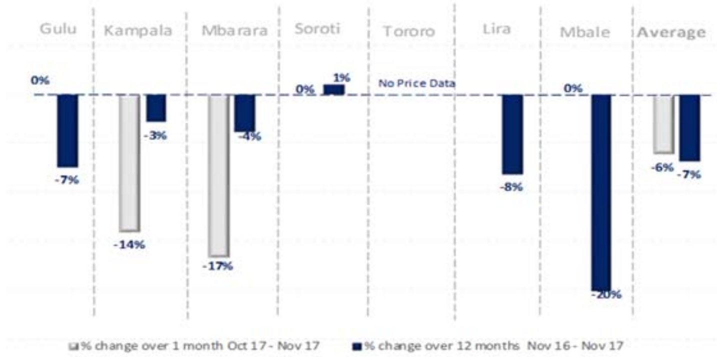


Average retail price for sorghum reduced by 12% in November 2017 as compared to October due to increased supply on markets as traders clear old stocks to prepare for the new harvest.

Compared to the same period in 2016, average retail prices for sorghum were lower in November 2017 in the most of the markets except in Gulu and Kampala where prices were higher by 50% and 34% respectively.

BEANS

Fig. 14: Beans Retail Price Changes Nov -2017



Average retail prices for beans reduced in November 2017 across the country by 6% compared to October. The price reduction was a result of the new harvest for beans in different parts of the country. A similar trend was noted when compared to November 2016 with Mbale having the highest percentage decrease of 20%.

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

Source: WFP AME Projections

Average retail prices for beans are expected to remain relatively stable in December 2017 below the 2016 prices but above the long-term average (2013-2016).

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: November 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	4%	17%	↔	↑
		Sorghum (per Kg)	1,200	0%	9%	↔	↔
		Beans (per Kg)	3,000	7%	20%	↑	↑
		Medium size goat	95,000	0%	-32%	↔	↓
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	650	-26%	-44%	↓	↓
		Sorghum (per Kg)	600	-23%	-46%	↓	↓
		Beans (per Kg)	2,000	-11%	-20%	↓	↓
		Medium size goat	80,000	-16%	-16%	↓	↓
		Daily labour wage	3,000	0%	0%	↔	↔
	Napak	Maize grain (per Kg)	1,300	8%	-7%	↑	↔
		Sorghum (per Kg)	1,200	17%	0%	↑	↔
		Beans (per Kg)	2,500	0%	4%	↔	↔
		Medium size goat	95,000	6%	-44%	↑	↓
		Daily labour wage	7,500	50%	50%	↑	↑
	Kotido	Maize grain (per Kg)	800	0%	0%	↔	↔
		Sorghum (per Kg)	625	-22%	-48%	↓	↓
		Beans (per Kg)	2,600	-4%	-10%	↔	↔
		Medium size goat	80,000	26%	0%	↑	↔
		Daily labour wage	2,000	0%	0%	↔	↔
	Kaabong	Maize grain (per Kg)	675	-26%	-17%	↓	↓
		Sorghum (per Kg)	540	-33%	-51%	↓	↓
		Beans (per Kg)	2,400	-11%	-20%	↓	↓
		Medium size goat	132,500	0%	9%	↔	↔
		Daily labour wage	5,000	0%	0%	↔	↔
	Abim	Maize grain (per Kg)	900	0%		↔	
		Sorghum (per Kg)	700	0%		↔	
		Beans (per Kg)	2,000	-29%		↓	
		Medium size goat					
		Daily labour wage	2,000	0%		↔	
	Amudat	Maize grain (per Kg)	1,000	11%		↑	
		Sorghum (per Kg)					
		Beans (per Kg)	2,300	-2%		↔	
		Medium size goat	100,000	8%		↑	
		Daily labour wage	3,000	0%		↔	
Central	Kampala/Owino	Maize grain (per Kg)	1,442	-13%	-2%	↓	↔
		Maize flour (per Kg)	2,217	-14%	4%	↓	↔
		Sorghum (per Kg)	3,000	0%	34%	↔	↑
		Beans (per Kg)	2,450	-14%	-3%	↓	↔
Western	Mbarara	Maize grain (per Kg)	1,200	-8%	-19%	↓	↓
		Maize flour (per Kg)	2,100	-38%	5%	↓	↑
		Sorghum (per Kg)	2,500	-25%	-17%	↓	↓
		Beans (per Kg)	2,500	-17%	-4%	↓	↔
Eastern	Tororo	Maize grain (per Kg)					
		Maize flour (per Kg)					
		Sorghum (per Kg)					
		Beans (per Kg)					
	Mbale	Maize grain (per Kg)	933	-18%	-20%	↓	↓
		Maize flour (per Kg)	1,633	16%	16%	↑	↑
		Sorghum (per Kg)	1,000	-25%	-25%	↓	↓
		Beans (per Kg)	2,000	0%	-20%	↔	↓
Northern	Gulu	Maize grain (per Kg)	1,500	25%	36%	↑	↑
		Maize flour (per Kg)	2,000	-20%	-13%	↓	↔
		Sorghum (per Kg)	1,500	0%	50%	↔	↑
		Beans (per Kg)	2,500	0%	-7%	↔	↔
	Soroti	Maize grain (per Kg)	700	-22%	-36%	↓	↓
		Maize flour (per Kg)	2,000	0%	3%	↔	↔
		Sorghum (per Kg)	800	-11%	-24%	↓	↓
		Beans (per Kg)	2,500	0%	1%	↔	↔
	Lira	Maize grain (per Kg)	733		-33%		↓
		Maize flour (per Kg)	2,167		-18%		↓
		Sorghum (per Kg)	867		-28%		↓
		Beans (per Kg)	2,067		-8%		↔

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.

1M= November 2017 compared to October 2017   1Y= November 2016 compared to November 2017