



Sierra Leone

Market Price Bulletin

The quarterly **Sierra Leone Market Price Bulletin** provides updates on price changes for staple food commodities in Sierra Leone. This information can be used to guide programme and policy decisions by development actors. It can also assist smallholder farmers to plan agricultural and marketing activities.

To compile the Bulletin, the Vulnerability Analysis and Mapping (VAM) unit of the United Nations World Food Programme (WFP) in Sierra Leone works with the Ministry of Agriculture, Forestry and Food Security (MAFFS) and to collect vital information on food security indicators throughout the country.

This is the fifth issue of the Bulletin, and covers the period October to December 2017.

Highlights

- The Sierra Leonean Leone (SLL) continued to be relatively stable within the quarter. This could be attributed to the strong monetary policy enforced by the Bank of Sierra Leone in reducing money supply, combined with a decline in demand for import-related foreign payments which helped to minimize the pressure for foreign exchange.
- The quarterly average price of local rice and imported rice decreased by 9.8 percent and 8.4 percent respectively compared to the previous quarter, which may be related to increased supply as a result of the harvest season (October to December). At the same time, the wage rates of unskilled workers continued to rise, possibly due to increased agricultural labour opportunities related to the harvest, increasing the purchasing power of vulnerable households and improving food security.

Figure 1: Purchasing power of low-income earners

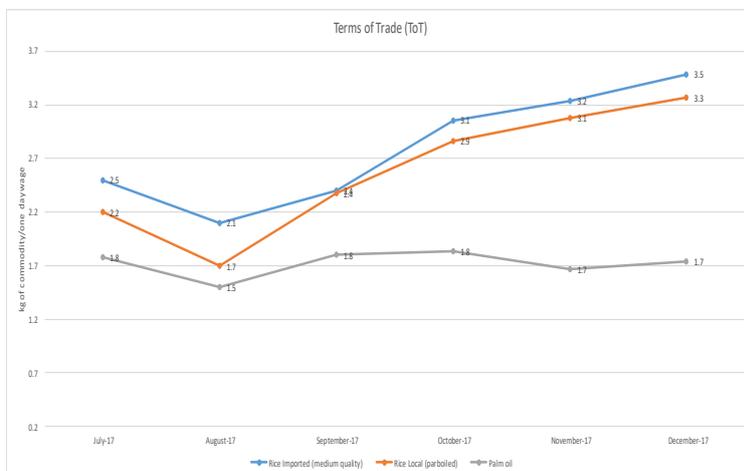


Figure 1 depicts the Terms of Trade (ToT) which is the amount of a commodity that can be purchased by the daily wage of an unskilled labourer. The ToT for imported and local rice began to increase during September 2017, the last month of the previous quarter, and continued to increase throughout the quarter due to decreasing prices and an increase in the wage rate.

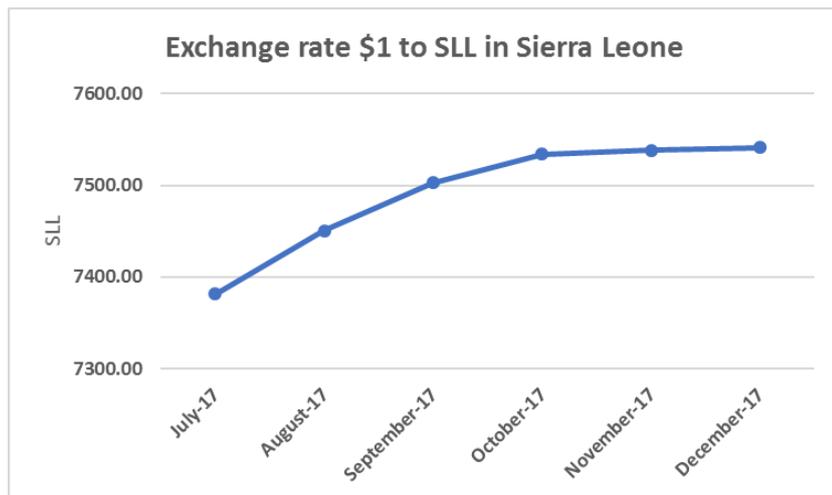
The harvest period enhanced the status of poor, food insecure households as a result of increased supply of locally produced rice, reducing prices and increased agricultural labour opportunities to support the harvest.

The ToT for palm oil was relatively stable during the quarter due to the increased purchasing power of poor households, although palm oil prices started to increase at the end of the quarter.



STATUS OF THE ECONOMY

Figure 2: Historical exchange rate



Exchange rate

On average, during the quarter the SLL depreciated against the United States Dollar (USD) by 1 percent compared to the previous quarter, reflecting relative stability. This may be a result of the strong monetary policy enforced by the Bank of Sierra Leone in reducing money supply, combined with lower demand for import-related foreign payment, helping to minimize the pressure for foreign exchange.

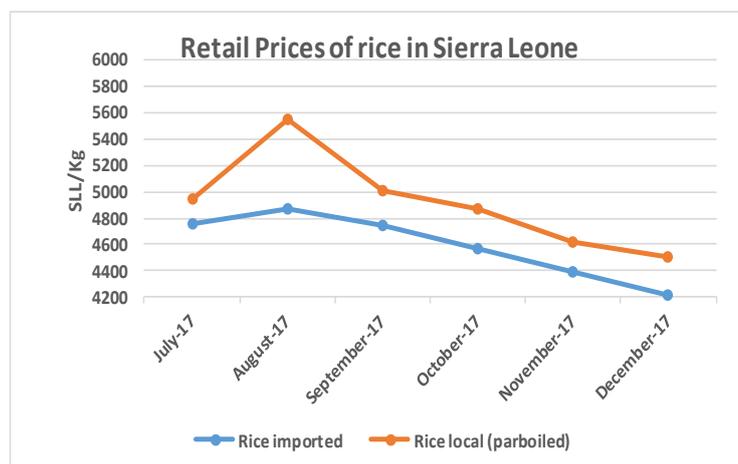
Source: Bank of Sierra Leone

Inflation rate

Statistics Sierra Leone (SSL) computes the national Consumer Price Index (CPI), a proxy for inflation. The CPI increased from 212.93 percent in October 2017 to 217.00 percent in November 2017, resulting in a 2.07 percent increase in the national inflation rate during November 2017.

RETAIL PRICE TRENDS

Figure 3: Retail price of local and imported rice



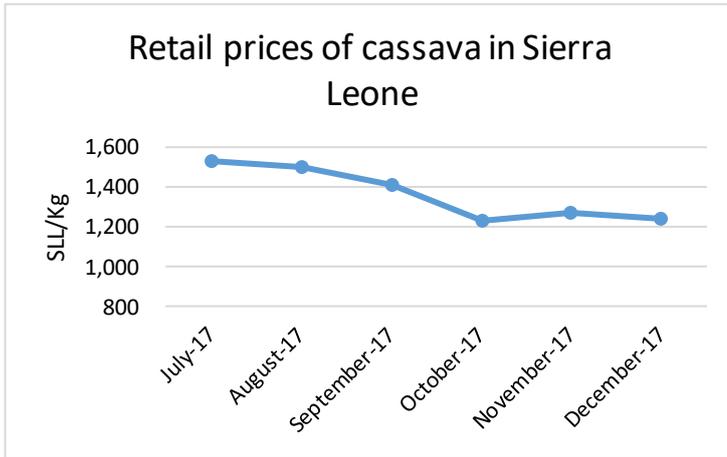
Price of local rice

The price of local rice began to decrease at the end of the previous quarter and continued to decrease throughout the quarter under review. At national level, the quarterly average price decreased by 9.8 percent compared to the previous quarter, indicating increased availability of local rice among farming households and in markets due to the harvest season. This price decrease was experienced across all districts in Sierra Leone, including the capital Freetown. The biggest decrease was recorded in Bonthe district (25.3 percent) followed by Kenema district (18.5 percent).

Price of imported rice

The quarterly average price of imported rice also decreased across the country, with a national decrease of 8.4 percent compared to the previous quarter. The biggest decrease at the district level was recorded in Kenema (14.7 percent) followed by Kailahun (13.5 percent) and Pujehun (11.9 percent). The decrease in the price of imported rice is correlated with the harvest of local rice, which reduces demand for imported rice, exerting downward pressure on prices.

Figure 5: Retail price of cassava



Price of cassava

At national level, during the quarter the price of cassava slightly decreased by 0.4 percent. The decrease in the price of cassava is linked to the harvest of local rice, with increased availability of rice serving to reduce demand for cassava, which most households consider a substitute for rice. Cassava prices decreased by 40.2 percent in Bombali, followed by Port Loko (33.8 percent) and Kono (23.5 percent) districts compared to the previous quarter.

Conversely, all of the districts in the Southern Province registered increases in the price of cassava when compared to the previous quarter. Garie processing is the main factor responsible for the high demand for cassava in Bo, Bonthe, Moyamba and Pujehun districts. Bonthe district recorded the highest increase in the price of cassava (61.8 percent), followed by Moyamba (56.5 percent) and Bo (52.0 percent) districts compared to the previous quarter.

Figure 6: Retail price of palm oil

Price of palm oil

The average price of palm oil increased by 9.8 percent at national level compared to the previous quarter, indicating reduced availability of palm oil due to the end of the harvest season at during the previous quarter. This is reflected by all districts recording an increase in the price of palm oil compared to the previous quarter, with the biggest increases in Bo (22.9 percent), Bonthe (22.8 percent) and Bombali (20.9 percent) districts.

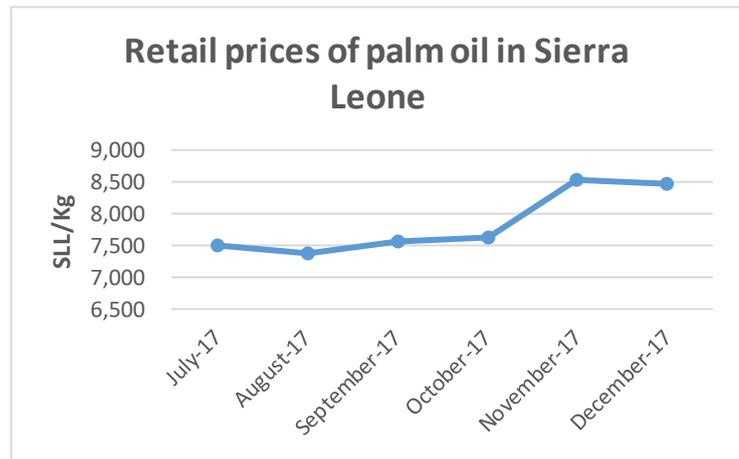
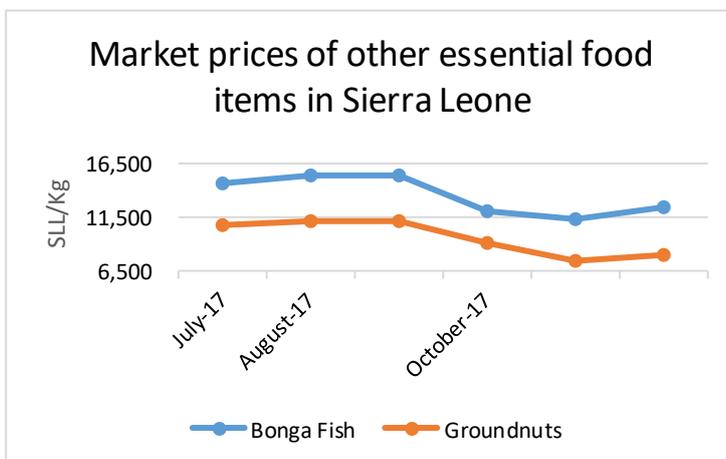


Figure 7: Retail price of other essential food items



Fish (specifically bonga, a dried fish) and groundnuts are typical items in the food basket of a Sierra Leonean household. Due to limited access to fish as a result of low purchasing power, bonga is typically used sparingly as a condiment. The national quarterly average price of bonga decreased by 8.9 percent compared to the previous quarter, indicating increased supply during the dry season which is more favourable for fishing activities. The national quarterly average price of groundnuts similarly decreased by 1.6 percent compared to the previous quarter, reflecting increased availability of this crop.

Retail prices of food commodities in December 2017

Major Commodities	Markets	Current Prices (December 2017) /Kg		% Change Over			Change Direction		
		SLL	USD	1M	3M	6M	1M	3M	6M
Rice imported medium quality	National	4,217	0.56	-3.9%	-3.9%	-8.1%	▶	▶	▼
	Bo	4,350	0.58	2.4%	-0.8%	-3.7%	▶	▶	▶
	Bombali	4,250	0.57	3.7%	-0.3%	-2.8%	▶	▶	▶
	Bonthe	4,300	0.57	-1.1%	-1.9%	-8.2%	▶	▶	▼
	Freetown	4,103	0.55	-4.4%	-5.4%	-9.3%	▶	▼	▼
	Kailahun	4,450	0.59	3.5%	3.8%	-3.7%	▶	▶	▶
	Kambia	4,118	0.55	-7.9%	-6.4%	-5.8%	▼	▼	▼
	Kenema	4,028	0.54	-6.3%	-2.2%	-9.9%	▼	▶	▼
	Koinadugu	4,540	0.61	-4.6%	-6.7%	-7.4%	▶	▼	▼
	Kono	3,900	0.52	-4.9%	-4.0%	-8.0%	▶	▶	▼
	Moyamba	4,109	0.55	-4.4%	-4.3%	-9.6%	▶	▶	▼
	Port Loko	4,050	0.54	-7.1%	-5.2%	-10.0%	▼	▼	▼
	Pujehun	4,385	0.58	-10.3%	-10.1%	-15.7%	▼	▼	▼
	Tonkolili	4,235	0.56	-7.1%	-6.5%	-10.4%	▼	▼	▼
Rice local parboiled	National	4,499	0.60	-2.5%	-3.5%	-8.5%	▶	▶	▼
	Bo	4,350	0.58	-6.3%	-7.4%	-13.3%	▼	▼	▼
	Bombali	4,546	0.61	1.0%	-0.1%	-0.1%	▶	▶	▶
	Bonthe	4,400	0.59	-2.5%	-1.7%	-15.9%	▶	▶	▼
	Freetown	5,500	0.73	-2.5%	-2.4%	-5.0%	▶	▶	▶
	Kailahun	4,886	0.65	2.5%	0.8%	-3.6%	▶	▶	▶
	Kambia	4,336	0.58	2.0%	0.3%	-2.2%	▶	▶	▶
	Kenema	4,082	0.54	-5.5%	-1.9%	-11.9%	▼	▶	▼
	Koinadugu	5,200	0.69	3.0%	1.0%	0.6%	▶	▶	▶
	Kono	4,105	0.55	-3.4%	-4.5%	-10.2%	▶	▶	▼
	Moyamba	4,270	0.57	-8.2%	-8.2%	-16.7%	▼	▼	▼
	Port Loko	4,185	0.56	-1.5%	-2.5%	-6.6%	▶	▶	▼
	Pujehun	4,500	0.60	-6.3%	-7.1%	-10.7%	▼	▼	▼
	Tonkolili	4,124	0.55	-5.2%	-12.1%	-14.2%	▼	▼	▼
Palm oil	National	8,446	1.13	-0.8%	3.1%	7.9%	▶	▶	▲
	Bo	7,987	1.06	-6.0%	-2.1%	8.0%	▼	▶	▲
	Bombali	7,781	1.04	-14.6%	-1.7%	7.3%	▼	▶	▲
	Bonthe	11,250	1.50	32.4%	23.4%	36.1%	▲	▲	▲
	Freetown	10,635	1.42	9.5%	10.6%	16.9%	▲	▲	▲
	Kailahun	7,850	1.05	-0.6%	-0.2%	1.1%	▶	▶	▶
	Kambia	8,961	1.19	-2.6%	1.0%	0.0%	▶	▶	▶
	Kenema	7,340	0.98	-9.8%	-3.5%	-4.2%	▼	▶	▶
	Koinadugu	7,350	0.98	-19.2%	-7.4%	-3.1%	▼	▼	▶
	Kono	6,986	0.93	-2.7%	-0.3%	3.9%	▶	▶	▶
	Moyamba	8,561	1.14	-3.8%	3.1%	10.7%	▶	▶	▲
	Port Loko	7,430	0.99	-11.0%	-4.0%	-1.0%	▼	▶	▶
	Pujehun	8,184	1.09	14.5%	10.2%	16.6%	▲	▲	▲
	Tonkolili	9,479	1.26	5.8%	6.0%	7.4%	▲	▲	▲

▲ Price increase above normal price fluctuation

1M= One month

3M= Three months (average)

6M= Six months (average)

1Y= One year (average)

▼ Price decrease above norm

▶ Normal price fluctuations

Retail prices of food commodities in December 2017

Major Commodities	Markets	Current Prices (December 2017) /Kg		% Change Over			Change Direction		
		SLL	USD	1M	3M	6M	1M	3M	6M
Bonga	National	12,481	1.66	-7.0%	4.2%	-0.7%	▼	►	►
	Bo	12,987	1.73	-2.9%	2.3%	0.0%	►	►	►
	Bombali	15,100	2.01	1.3%	24.4%	14.4%	►	▲	▲
	Bonthe	12,500	1.67	38.3%	9.0%	10.4%	▲	▲	▲
	Freetown	10,282	1.37	-14.6%	7.4%	1.7%	▼	▲	►
	Kailahun	17,857	2.38	-3.5%	3.4%	1.1%	►	►	►
	Kambia	10,668	1.42	-9.6%	10.9%	0.6%	▼	▲	►
	Kenema	12,334	1.64	-23.4%	2.3%	-11.9%	▼	►	▼
	Koinadugu	12,000	1.60	-35.1%	-3.0%	-18.3%	▼	►	▼
	Kono	16,787	2.24	16.6%	3.3%	4.0%	▲	►	►
	Moyamba	11,467	1.53	-4.7%	0.4%	4.7%	►	►	►
	Port Loko	8,500	1.13	-30.3%	-12.8%	-19.0%	▼	▼	▼
	Pujehun	8,790	1.17	4.7%	2.8%	5.1%	►	►	▲
	Tonkolili	12,987	1.73	-1.3%	2.9%	0.8%	►	►	►
Cassava	National	1,161	0.15	-10.2%	-2.5%	-2.7%	▼	►	►
	Bo	1,004	0.13	43.5%	-18.8%	-2.0%	▲	▼	►
	Bombali	921	0.12	-33.7%	-3.2%	-27.5%	▼	►	▼
	Bonthe	1,100	0.15	28.1%	-16.7%	3.0%	▲	▼	►
	Freetown	2,001	0.27	44.7%	9.3%	18.3%	▲	▲	▲
	Kailahun	947	0.13	-24.2%	-5.1%	-11.8%	▼	▼	▼
	Kambia	1,668	0.22	39.0%	33.9%	33.6%	▲	▲	▲
	Kenema	1,360	0.18	0.7%	5.4%	3.0%	►	▲	►
	Koinadugu	1,250	0.17	8.8%	-1.3%	-0.6%	▲	►	►
	Kono	1,265	0.17	-31.4%	-6.2%	-18.7%	▼	▼	▼
	Moyamba	980	0.13	22.4%	0.3%	22.4%	▲	►	▲
	Port Loko	982	0.13	-42.2%	-2.2%	-22.1%	▼	►	▼
	Pujehun	990	0.13	19.6%	1.7%	13.4%	▲	►	▲
	Tonkolili	620	0.08	-73.7%	-40.1%	-41.7%	▼	▼	▼
Groundnut (Shelled)	National	9,704	1.29	-6.3%	-4.6%	-5.4%	▼	►	▼
	Bo	11,300	1.51	16.2%	3.4%	4.4%	▲	►	►
	Bombali	8,775	1.17	-14.4%	-11.7%	-13.7%	▼	▼	▼
	Bonthe	10,989	1.47	1.5%	2.8%	1.3%	►	►	►
	Freetown	7,850	1.05	-9.1%	-18.2%	-12.4%	▼	▼	▼
	Kailahun	11,720	1.56	-13.2%	4.2%	-5.3%	▼	►	▼
	Kambia	7,647	1.02	-24.3%	-17.6%	-20.9%	▼	▼	▼
	Kenema	12,870	1.72	-9.4%	4.2%	-0.7%	▼	►	►
	Koinadugu	8,673	1.16	-1.0%	5.3%	2.2%	►	▲	►
	Kono	8,441	1.13	-19.7%	-12.0%	-15.1%	▼	▼	▼
	Moyamba	9,132	1.22	4.4%	-4.4%	2.3%	►	►	►
	Port Loko	8,888	1.19	4.6%	-3.9%	-3.2%	►	►	►
	Pujehun	10,861	1.45	0.0%	-2.1%	-0.9%	►	►	►
	Tonkolili	9,009	1.20	-10.0%	-14.3%	-10.3%	▼	▼	▼

▲ Price increase above normal price fluctuation

1M= One month

3M= Three months (average)

6M= Six months (average)

1Y= One year (average)

▼ Price decrease above normal price fluctuation

► Normal price fluctuations



For further information please contact:

Housainou Taal, WFP Sierra Leone

Housainou.taal@wfp.org

Kinday Samba, WFP Sierra Leone

Kinday.samba@wfp.org

Francis Sankoh, MAFFS

farsankoh@yahoo.com

For technical information please contact:

BallahMusa Kandeh, WFP Sierra Leone

ballahmusa.kandeh@wfp.org

Joseph Koroma, MAFFS

jopaygie@yahoo.com

www.wfp.org