



January 2018<sup>1</sup>

### HIGHLIGHTS

- **Currency Exchange Rate:** The South Sudanese Pound (SSP) continued to depreciate. In Juba, the average exchange rate in December was 190 per US Dollar in the parallel market, while the official rate was SSP 127 per US Dollar, compared to 182 and 125 respectively, in the previous month. The divergence between parallel market and official exchange rate was thus 50 percent. Compared to December 2016, the parallel market exchange rate has more than doubled (increase of 113 percent).
- **Food Prices:** Intermittent seasonal harvests, coupled with humanitarian food assistance have contributed to a decrease in prices of sorghum, maize grain and maize flour in many local markets. Compared to November 2017, the price of white sorghum has decreased 12 to 22 percent in Yida, Torit, Rumbek and Wunrok while prices were stable in markets of Juba, Bor, Bentiu, Kapoeta South and Wau. In the same vein, due to seasonal factors the price has decreased for maize grain and maize flour in most of the monitored markets.
- **Terms of Trade (TOT):** The purchasing power of livestock dependent households has deteriorated in Mingkaman (53 percent), Wunrok and Juba (9 percent each), while it remained stable in Torit and Kapoeta South, compared to November 2017. However, it has improved in Yida (6 percent), Rumbek (33 percent) and Aweil (35 percent) due to increase in the price of goats. Compared to a year ago, TOT has improved in most markets except for Yida and Konyokonyo. An average size goat fetched 9 to 20 malua of cereal in Mingkaman, Rumbek, Yida, Juba, Wau and Kapoeta South; while it fetched 30 to 41 malua of cereal in Wunrok, Torit and Aweil.
- **Fuel Prices:** The resumption of import by private companies has improved availability of fuel at stations, mainly in Juba. The fuel prices at private fuel stations are set at one US Dollar equivalent to a parallel market currency exchange rate. In December 2017, one litre of petrol in Juba had an average cost of SSP 193, 23 percent lower than the previous month, while the diesel price remained the same at SSP 250 per litre. Improved availability of fuel in the capital has also benefited other markets through price transmission.
- **Outlook:** The food prices are likely to remain similar in January 2018, unless the local currency depreciates significantly. The impact of recent devaluation of Sudanese currency and prices of food imported from Sudan need to be monitored.

<sup>1</sup>The analysis is based on December 2017 price data

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

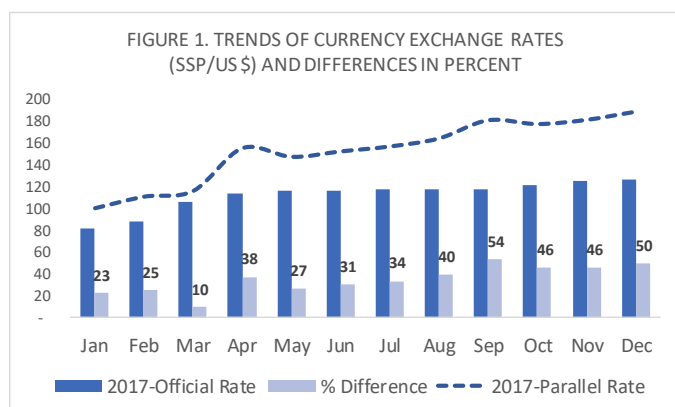
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# South Sudan

## MONTHLY MARKET PRICE MONITORING BULLETIN

### The currency continues to depreciate with high divergence between official and parallel market rates

The South Sudanese Pound (SSP) continued to depreciate. In Juba, the average exchange rate in December was SSP 190 per US Dollar in the parallel market, while the official was 127 per US Dollar, compared to 180 and 125 respectively, in the previous month. Thus, the divergence of exchange rate in parallel market from official rate in December was 50 percent. The highest divergence in 2017 was in September when it was 54 percent. Compared to one year ago, the parallel market exchange has more than doubled (113 percent increase), while official rate increased by 64 percent.



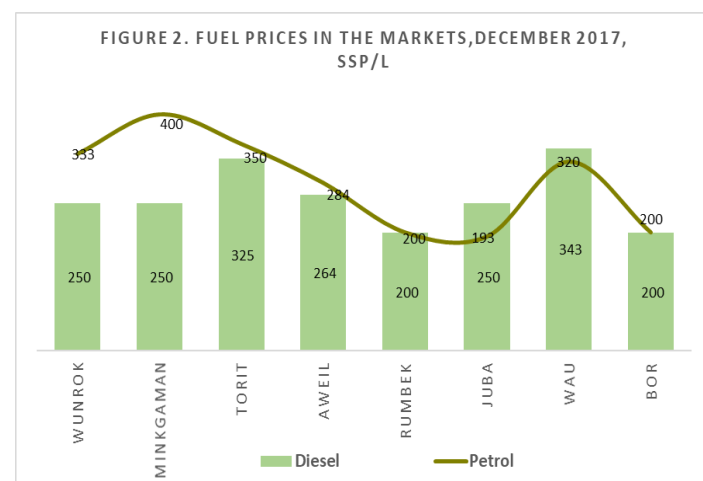
Source: Bank of South Sudan (Official) and WFP (Parallel)

### Resumption of private companies in the business has improved availability of fuel

The resumption of private companies for import has improved availability of fuel in the market, mainly in Juba. The retail price of fuel at private fuel stations has been set at one US Dollar equivalent to a parallel market currency exchange rate. In December 2017, one litre of fuel was SSP 190 to 200 at Juba fuel stations. Nile petroleum, a government owned company, imports fuel solely for government owned vehicles at a cost of SSP 22 per litre.

Improved availability of fuel in Juba has also benefited other markets through price transmission. Hence, prices of diesel and petrol have decreased in Aweil (eight

percent, one percent), Bor (38 percent, 31 percent), Mingkaman (29 percent, 0), Rumbek (32 percent, 20 percent), Yida (18 percent, one percent), Juba (0, 23percent) and Bentiu (23 percent, 0). The exception was in Torit where prices have increased by 30 percent for diesel and 40 percent for petrol; and Wau, where the increases were 53 percent and 10 percent respectively. The supply in Torit comes directly from Uganda and prices depend on security situation along that route. Those markets with functional private fuel stations have better chance of getting fuel supplied by private companies. Compared to December 2016, prices have increased significantly across markets, ranging from 55 to 381 percent for diesel and 57 to 457 percent for petrol.



Source: WFP

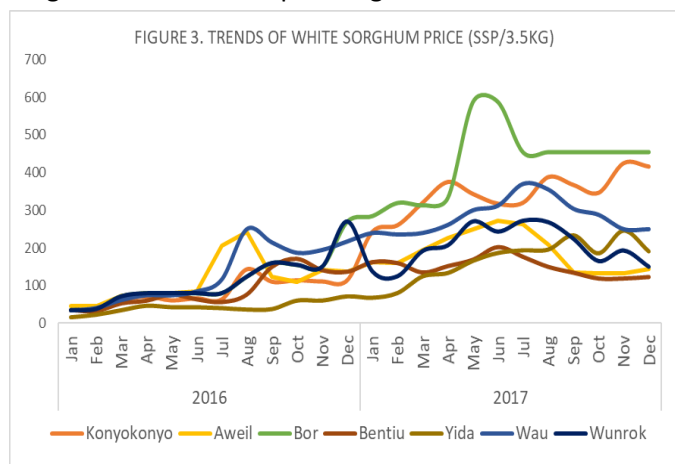
### Most markets witnessed a decrease or stable prices of cereals

Intermittent seasonal harvests coupled with humanitarian food assistance have contributed to a decrease in prices of sorghum, maize grain and maize flour in many markets. Compared to previous month, the price of the main staple cereal, white sorghum, has decreased in the range of 12 to 22 percent in Yida, Torit, Rumbek and Wunrok, while markets of Juba, Bor, Bentiu, Kapoeta South and Wau have observed stable prices. The seasonal factor has also caused a decrease in prices of maize grain and maize flour in most of the monitored markets.

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Exception of seasonal trends was observed in Aweil and Mingkaman where an increase of eight and seven percent, respectively, compared to last month, was registered for white sorghum. Similarly, the price of wheat flour increased in around 40 percent of monitored markets. Unlike sorghum and maize, wheat and wheat products are all imported from neighboring countries. The combined impact of disruption in agricultural activities, depreciation of local currency and other factors led prices to remain much higher than December 2016. Exception to these where Aweil and Wunrok markets, where prices of maize flour and maize grain were found to be lower than December 2016 level. As indicated in Figure 3, Bor had the highest price of sorghum with SSP 455 per kilogram in December 2017.

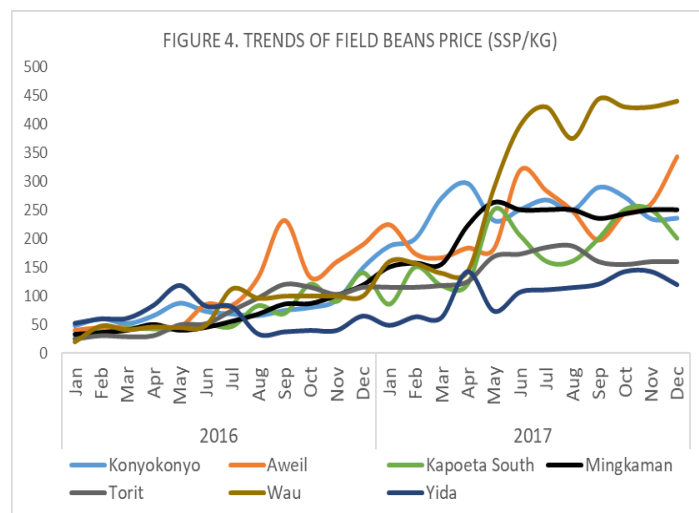


Source: WFP

### Highest increase of price for field beans and cooking oil

Despite the decrease in price of field beans across the country, Aweil and Bor markets have registered an increase of 32 percent and 20 percent respectively, compared to November 2017. Nine to 32 percent increase in price of cooking oil was observed in Wau, Torit, Bor, Bentiu and Aweil markets. On the contrary, price of cooking oil dropped in Mingkaman (13 percent), Rumbek (32 percent), Yida (38 percent) and Wunrok (63 percent). In markets closer to refugee camps such as Yida, the price of food items is highly influenced by the food assistance. Compared to December 2016, prices stood higher across markets (see Table 1). Figure 4 depicts the

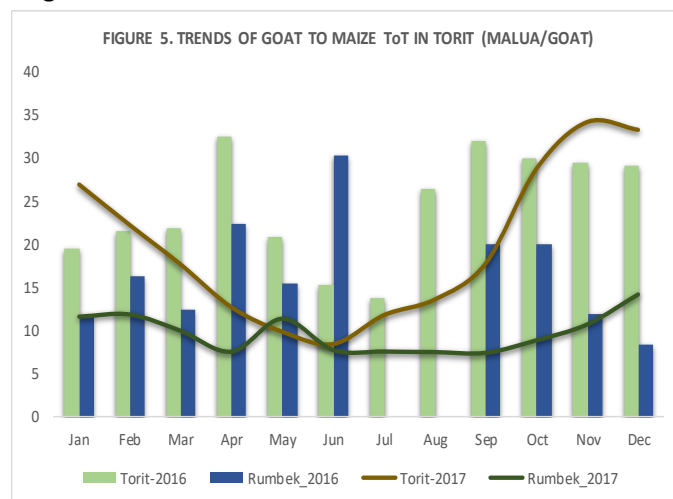
trend of field bean price across markets. Wau had the highest price of field beans at SSP 440 per kilogram in December 2017.



Source: WFP

### Terms of Trade (ToT): Purchasing Power

**Goat to sorghum:** The purchasing power of livestock dependent households has deteriorated in Mingkaman (53 percent), Wunrok and Juba (9 percent each), while it remained stable in Torit and Kapoeta South, compared to November 2017. The observed change in Mingkaman was associated with a significant decrease in goat price. ToT has improved in Yida (6 percent), Rumbek (33 percent) and Aweil (35 percent) due to increase in price of goat.



Source: WFP

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An average sized goat could fetch nine to 20 malua of cereal in Mingkaman, Rumbek, Yida, Juba, Wau and Kapoeta South, and 30 to 41 malua of cereal in Wunrok, Torit and Aweil. Compared to December 2016, ToT has decreased in Yida (48 percent) and Juba (60 percent) while it has improved in the remaining markets. Figure 5 shows the trends of ToT which indicate that the ToT for livestock dependent households has improved during the months of seasonal harvest.

**Wage to sorghum:** In December 2017, ToT has improved in Wau (11 percent), Aweil and Torit (19 percent each) compared to November 2017. It remained stable in Bor and Juba markets. A daily wage fetched less than one malua of sorghum in Bor, Aweil and Konyokonyo while it fetched one malua and 2.83 malua in Wau and Torit, respectively. Compared to one year ago, TOT has improved by 31 to 130 percent in these markets, except

in Juba where it has deteriorated (30 percent) and in Aweil where it remained stable.

### Outlook

Despite annual festivity (Christmas), price of staple cereal in the markets was relatively stable. It is likely to be the combined impact of many factors such as low demand due to low purchasing power, availability of cereal from recent harvest and humanitarian food assistance. The current trend is expected to continue in January, if the parallel market currency exchange rate does not change significantly. On the other hand, Sudan has devalued its currency (6 SUP/US \$ to 18 SUP/US \$ effective onwards January 2018). Its effect on food supplies from Sudan and the prices need to be monitored closely.

Table 1: Retail prices by market and month-on-month price changes-December 2017

	Highest Price			Highest Price		
	Market	Price (SSP)	M-to-M Change (%)	Market	Price (SSP)	M-to-M Change (%)
White sorghum (3.5 KG)	Mingkaman	560	7	Bentiu	123	3
White maize (3.5 KG)	Konyokonyo	367	-5	Aweil	126	13
Maize flour(KG)	Bor	217	-1	Torit	127	2
Field beans(KG)	Wau	440	2	Yida	120	-16
Wheat flour (KG)	Yida	328	-33	Wunrok	109	-46
Cooking oil(L)	Bentiu	700	23	Wunrok	150	-63
Diesel (L)*	Wau	343	53	Bor	200	-32
Petrol(L)*	Yida	400	-1	Juba	193	-23
Groundnuts-shelled (KG)	Konyokonyo	360	0	Aweil	110	4
TOT: Goat to sorghum (malua)	Aweil	41	35	Mingkaman	9	-53
TOT: Wage to sorghum (malua)	Bor	0.73	2	Torit	2.83	19

\* 'Parallel' market prices

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### ANNEX 1: Commodity prices by market and trend of price changes (December 2017)

	Major Commodity	SSP	Price Change (%)							Major Commodity	SSP	Price Change (%)						
		Dec	1M	3M	1Y	1M	3M	1Y			Dec	1M	3M	1Y	1M	3M	1Y	
Konyokonyo	White Sorghum	416	-2	13	266	▶	▶	▶	Yida	White Sorghum	190	-22	-18	167	▼	▼	▶	
	White Maize	367	-5	0	182	▶	▶	▶		Rice	500	2	0	213	▶	▶	▶	
	Field Beans (Janjaro)	236	0	-19	58	▶	▼	▶		Vegetable oil	500	-38	-23	141	▼	▼	▶	
	Maize flour	160	2	-6	144	▶	▶	▶		Wheat flour	328	-33	-27		▼	▼		
	Wheat Flour	210	41	21	134	▶	▶	▶		Bor	White sorghum	455	0	0	69	▶	▶	▶
	Vegetable oil	210	0	-7	13	▶	▶	▶			Maize flour	217	-1	9	97	▶	▶	▶
	Rice	300	-1	46	127	▶	▶	▶			Field Beans (Janjaro)	300	20	20	100	▶	▶	▶
	TOT(wage to sorghum)	0.77	4	-12	-30	▶	▼	▼			Wheat Flour	200	33	67	60	▶	▶	▶
								Vegetable oil	300		11	25	150	▶	▶	▶		
Kapoeta South	White Maize(Grain)	350	0	17	49	▶	▶	▶	Rice	263	6	32	102	▶	▶	▶		
	Field Beans (Janjaro)	200	-20	0	43	▼	▶	▶	Mingkaman	Maize flour	180	-1	-21	47	▶	▼	▶	
	Vegetable oil	200	0	-5	63	▶	▶	▶		Field Beans (Janjaro)	250	0	6	111	▶	▶	▶	
	Wheat Flour	130	8	8	30	▶	▶	▶		Wheat flour	200	-7	-18	48	▼	▼	▶	
	Maize flour	167	19	15	11	▶	▶	▶		TOT(Goat to sorghum)	9	-53	-4		▼	▶		
TOT(Goat to maize)	20	-5	-17		▶	▼		Vegetable oil		400	-13	9	162	▼	▶	▶		
Aweil	White Sorghum	143	8	7	5	▶	▶	▶	Rumbek	White Sorghum	350	-17	-27	17	▼	▼	▶	
	Field Beans (Janjaro)	344	32	74	81	▶	▶	▶		Field Beans (Janjaro)	200	4	4	82	▶	▶	▶	
	Wheat Flour	170	29	23	36	▶	▶	▶		Wheat flour	150	-63	-42	36	▼	▼	▶	
	Vegetable oil	193	32	11	54	▶	▶	▶		Maize flour	150	-23	-7	0	▼	▶	▶	
	Rice	247	3	14	80	▶	▶	▶		Vegetable oil	200	-32	-10	124	▼	▶	▶	
	Fuel (Diesel)	264	-8	31	55	▼	▶	▶		Petrol	200	-20	25	18	▼	▶	▶	
Wau	White Sorghum	250	0	-18	15	▶	▼	▶	Torit	White maize (Grain)	200	-5	-19	43	▶	▼	▶	
	White Maize(Grain)	242	15	-10	1	▶	▶	▶		Wheat flour	133	-11	5	0	▼	▶	▶	
	Field Beans (Janjaro)	440	2	-1	340	▶	▶	▶		Maize flour	127	2	-2		▶	▶		
	Wheat Flour	113	-13	-22	67	▼	▼	▶		Field Beans (Janjaro)	160	0	0	39	▶	▶	▶	
	Vegetable oil	327	9	14	134	▶	▶	▶		Vegetable oil	233	9	-10	36	▶	▶	▶	
	Diesel	343	53	32	381	▶	▶	▶										
	Petrol	320	10	-5	357	▶	▶	▶										
Wunrok	White sorghum	150	-22	-33	-44	▼	▼	▼	Unit of measurements									
	Maize flour	80	0	-32	-27	▶	▼	▼	White sorghum						3.5kg			
	Field Beans (Janjaro)	193	-40	-23	29	▼	▼	▶	White maize						3.5kg			
	Wheat flour	109	-46	-24	-13	▼	▼	▶	Cassava						3.5kg			
	Rice	200	-20	-15	54	▼	▼	▶	Maize flour						kg			
Symbol Key								Field beans/Groundnuts						kg				
▶	Prices increase above normal							Rice						kg				
▼	Normal price changes							Wheat flour						KG				
▶	Prices decrease below normal							Vegetable oil						L				
								TOT						# of malw a per goat or daily wage				
	▶	Price increases above normal																
	▶	Normal price changes																
	▶	Price decreases below normal																

Price fluctuation is considered normal if the price change is 5% within one month, 10% within 3 months and 20% within one year