

South Sudan

MONTHLY MARKET PRICE MONITORING BULLETIN



United Nations
**World Food
Programme**



MAY 2018¹

HIGHLIGHTS

- **Currency Exchange Rate:** The South Sudanese Pound (SSP) continued to depreciate. In April 2018, the average exchange rate of one US Dollar in Juba was 276 SSP on the parallel market, while the official rate was 136 SSP, compared to 241 SSP and 133 SSP in the previous month. The divergence between the official and parallel market exchange rate thus reached a new high of 101 percent, since the 2016 currency devaluation.
- **Cost of Food Basket:** As the lean season approaches, the cost of acquiring the standard food basket has started to rise significantly. In April 2018, Lakes, Central Equatoria and Upper Nile had the highest cost of food basket.
- **Cereal Prices:** In April 2018, the retail price of staple cereal, sorghum, increased in most of the monitored markets, while the highest increase was in Konyokonyo and Kapoeta South (32 percent, each) compared to March 2018.
- **Fuel Prices:** The price of petrol remained at 1 US Dollar in SSP as per the parallel market exchange rate in Juba, Kapoeta South and Bor. However, petrol prices in other markets ranged from 1.44 US Dollar in Torit to 2.43 US Dollar in Bunj. Though the rate differs, most of the markets experienced ten percent and above price increases as compared to March.
- **Terms of Trade:** Goat to cereal terms of trade showed mixed trends. Kapoeta South, Mingkaman, Torit and Wunrok witnessed improvements in ToT as compared to the previous month. On the contrary, wage to cereal ToT deteriorated in Bor, Aweil, Yida and Juba.
- **Outlook:** The beginning of the rainy season and the long-standing economic crisis will remain to be challenges for traders to supply, mainly in remote locations, and hence staple food prices are expected to rise in the coming months.

¹The analysis is based on April 2018 price data

Photos: WFP/Ryan McDonald (Left) and WFP/George Fominyen (Right)

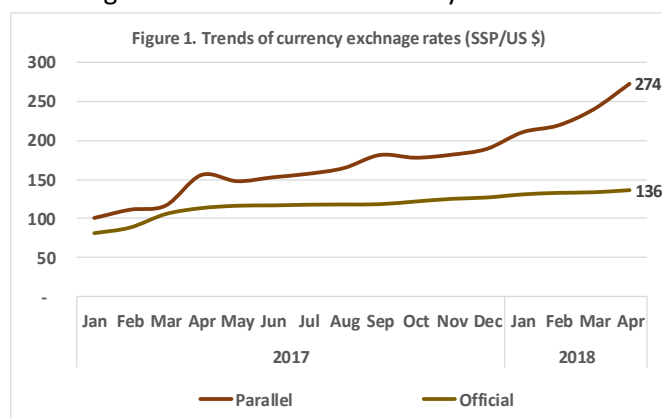
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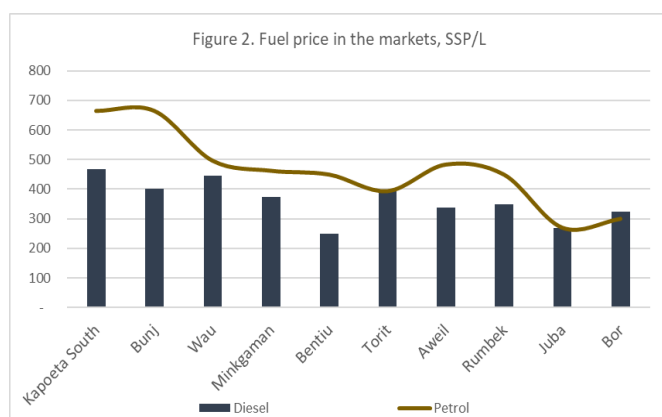
South Sudanese Pound (SSP) continues to depreciate, divergence between official and parallel market reaches new high

South Sudan's currency and balance of payments have been placed under pressure by the collapse in revenue from oil receipts, which constitutes more than 95 percent of the Government's total income¹. The South Sudanese Pound continued to depreciate in April. The average exchange rate of one US Dollar was 274 SSP in the parallel market while the official rate was 136 SSP per Dollar, compared to 241 SSP and 136 SSP in the previous month. This divergence of 101 percent between the official and parallel market exchange rate is the highest since the 2016 currency devaluation.



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

Compared to the same period last year, the exchange rate of US Dollar to SSP has increased by 75 percent in the parallel market, while the official exchange rate has increased by only 20 percent.



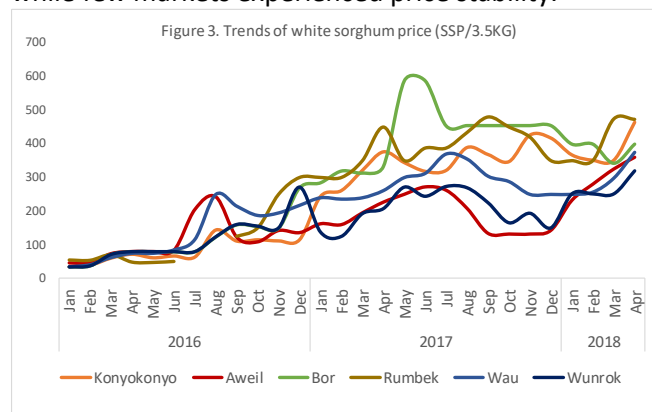
Source: WFP

Upsurge in fuel prices

In April, the price of fuel increased across monitored markets, with the highest prices recorded in Wau (SSP 447/L) for diesel, and Bunj (SSP 666/L) for petrol. Compared to the previous month, the price per litre has doubled in Bunj for diesel, and in Wunrok for petrol. Most other markets also experienced fuel price increases of ten percent or more. Compared to one year ago, the price of fuel more than doubled in most markets except in Yida, where the petrol price increased by 81 percent and Malakal, where the diesel price increased by 67 percent.

Upward trend in staple food prices

Cereal prices: The monitoring data showed that compared to the previous month, the retail price of the main staples cereal and sorghum, increased in 75% of the monitored markets. Among them, the highest increases were observed in Konyokonyo and Kapoeta South (32 percent each). Markets in Torit, Rumbek and Mingkaman experienced stability with price changes within 5 percent. Likewise, maize grain, maize flour and wheat flour prices also increased in most markets, while few markets experienced price stability.



Source: WFP

On the other hand, in Kapoeta South, the price of staple cereal, maize grain, decreased by 27 percent, due to lower demand following the general food distributions. The price of wheat flour increased by above 20 percent in Wunrok, Malakal, Aweil, Torit, Wau, Bunj, while the price more than doubled in Kapoeta South. Compared to the same period last year, all markets experienced significant increases in prices of cereals and cereal products (**Annex 1**).

¹ Africa Economic Outlook, 2018

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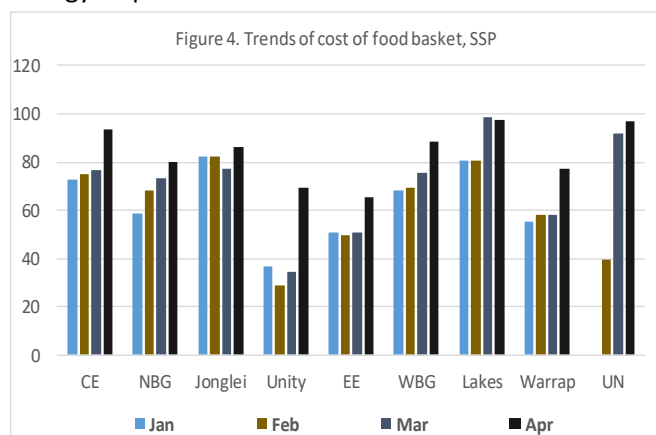
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In April 2018, mixed behavior was observed for field bean prices in the monitored markets. Compared to the previous month, high increases in prices were observed in Wunrok (70 percent) followed by Bentiu (41 percent), and Kapoeta South and Yida (25 percent each). Like other food commodities, compared to the same period last year, field bean prices increased in most locations by more than 100 percent.

Vegetable oil price: In April 2018, the vegetable oil price showed an upward movement as compared to March: it increased by six to 15 percent in Bor, Aweil, Malakal, Yambio and Wunrok; and by 15 to 26 percent in Torit, Wau and Kapoeta South. However, markets in Konyokonyo, Rumbek, Yida and Mingkaman remained stable. Within the last one year, the price of vegetable oil doubled in Bunj, Rumbek, Wunrok and Malakal. The increase was above 50 percent in Aweil, Bor, Bentiu and Wau, while other markets also experienced increases.

Cost of food basket²: Figure 4 illustrates the evolution of the cost of a daily standard food basket over the last four months in 2018. It is calculated based on the cost of the food basket used by WFP to meet daily minimum energy requirements of 2,100 kcal per person. It can be seen that the cost of the standard food basket has started to increase as the lean season approaches. In April 2018, Lakes, Central Equatoria and Upper Nile had the highest cost of food basket.

A major constraint on peoples' ability to access food items from the markets is the low purchasing power to buy the food at prevailing high price levels, which adversely affects their ability to meet the minimum energy requirements.

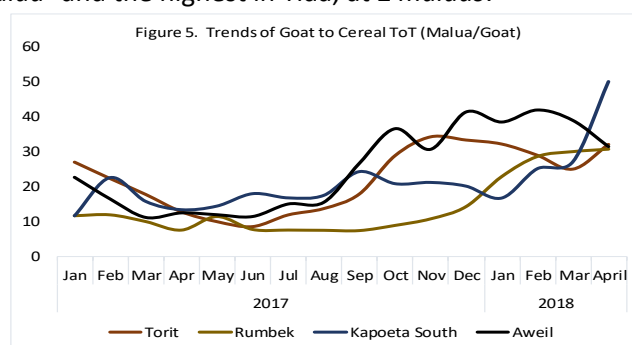


² The standard food basket includes 500 grams of cereal, 50 grams of pulse, 30 grams of vegetable oil and 5 grams of salt.

Terms of Trade (ToT): Purchasing Power

Goat to sorghum: Increases in the price of goats higher than that of cereal led the ToT to improve in Torit (28 percent) and Wunrok (12 percent). Likewise, increases in goat prices and the drop in cereal prices contributed to ToT improvements in Kapoeta South (87 percent) and Mingkaman (27 percent). On the contrary, the purchasing power of livestock owners deteriorated in Bor (7 percent), Aweil (19 percent), Yida (15 percent) and Konyokonyo (13 percent), mainly due to rises in cereal prices. Compared to the same period last year, the ToT has improved by more than 150 percent in 6 markets, while 4 markets have experienced improvements in ToT ranging from 20 to 80 percent.

Wage to sorghum: Compared to March, the ToT has deteriorated in Bentiu (22 percent), Wau (21 percent), Konyokonyo (15 percent) and Yida (6 percent) attributed to increases in sorghum prices. On the contrary, due to increases in the daily wage rate, the purchasing power of labor dependent households has improved in Bor (72 percent) and Kapoeta South (84 percent). Compared to April 2017, the ToT has improved by 25 to 70 percent in most markets, while it has remained stable in Bentiu and Kapoeta South. In April, the lowest ToT was observed in Yida, at 0.6 *malua*³ and the highest in Yida, at 2 *maluas*.



Source: WFP

Outlook

With the onset of the rainy season and the continued economic crisis faced by traders, it is likely to pose challenges in supplies, particularly in remote locations. Hence food prices are expected to rise further in the coming months.

³ *Malua* is a local measure used in South Sudan; 1 *Malua* = 3.5 Kgs

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Table 1: Highest and Lowest Price by Markets and Month-on-Month Percent Changes - April 2018

	Highest Price			Lowest Price		
	Market	Price (SSP)	M-on-M Change (%)	Market	Price (SSP)	M-on-M Change (%)
White sorghum (3.5 KG)	Mingkaman	515	-4	Yida	160	7
White maize (3.5 KG)	Rumbek	613	-1	Kapoeta South	238	-27
Maize flour(KG)	Yida	475	22	Torit	155	11
Field beans(KG)	Malakal	675	0	Torit	205	5
Wheat flour (KG)	Bunj	463	68	Torit	178	34
Cooking oil(L)	Bunj	800	60	Aweil	216	8
Diesel (L)	Wau	447	29	Bentiu	250	ND
Petrol(L)	Bunj	666	108	Juba	270	8
Groundnuts-shelled (KG)	Torit	650	65	Bentiu	260	ND
TOT: Goat to sorghum (malua)	Kapoeta South	50	87	Wau	13	-2
TOT: Wage to sorghum (malua)	Yida	1.9	-6	Rumbek	0.6	-2

ND: No data for comparisons

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ANNEX 1: Commodity Prices and Percent Changes - April 2018

	Commodity	SSP	Price Changes (%)					
		April	1M	3M	1Y	1M	3M	1Y
White Sorghum (3.5KG)	Juba	463	32	27	23	▲	▲	▲
	Aweil	360	11	55	59	▲	▲	▲
	Bor	400	17	0	20	▲	▶	▲
	Bentiu	200	33	100	32	▲	▲	▲
	Yida	160	7	3	20	▲	▶	▲
	Bunj	195	11		63	▲		▲
	Torit	255	3	62		▶	▲	
	Wau	375	26	50	44	▲	▲	▲
	Rumbek	473	0	35	5	▶	▲	▶
	Wunrok	318	27	27	54	▲	▲	▲
	Mingkaman	515	-4	-17	15	▶	▼	▲
	White Maize (3.5KG)	Bor	400	33	33	41	▲	▲
Juba		438	21	10	10	▲	▶	▶
Aweil		325	17	20	63	▲	▲	▲
Kapoeta South		238	-27	-46	19	▼	▼	▲
Rumbek		613	-1	95	63	▶	▲	▲
Torit		323	6	44	3	▲	▲	▶
Wau		438	13	62	78	▲	▲	▲
Yida		323	158	79	148	▲	▲	▲
Wheat Flour (KG)	Bor	225	13	13	47	▲	▲	▲
	Juba	200	5	-2	33	▶	▶	▲
	Aweil	293	30	65	108	▲	▲	▲
	Bentiu	230		-21	59		▼	▲
	Bunj	463	68	85	230	▲	▲	▲
	Kapoeta South	395	197	193	229	▲	▲	▲
	Mingkaman	250	0	14	49	▶	▲	▲
	Rumbek	270	-1	35	100	▶	▲	▲
	Torit	178	34	45	58	▲	▲	▲
	Wau	243	35	74	70	▲	▲	▲
Yida	238	-13	-21	93	▼	▼	▲	
Wunrok	250	25	25	105	▲	▲	▲	
Field benas (KG)	Juba	350	4	49	18	▶	▲	▲
	Aweil	420	5	5	128	▶	▶	▲
	Bor	300	0	0	55	▶	▶	▲
	Bentiu	345	41	138	235	▲	▲	▲
	Bunj	400	-9	33	146	▼	▲	▲
	Kapoeta South	250	25	18	108	▲	▲	▲
	Mingkaman	413	18	55	86	▲	▲	▲
	Rumbek	275	-8	-31	45	▼	▼	▲
	Torit	205	5	18	64	▶	▲	▲
	Wau	463	1	3	224	▶	▶	▲
	Yida	500	25	367	250	▲	▲	▲
	Wunrok	390	70	71	116	▲	▲	▲
Maize Flour (KG)	Juba	150	0	-2	0	▶	▶	▶
	Bor	250	0	25	108	▶	▲	▲
	Kapoeta South	165	-2	-6	65	▶	▶	▲
	Mingkaman	300	0	49	54	▶	▲	▲
	Rumbek	185	-2	3	19	▶	▶	▲
	Torit	155	11	24	27	▲	▲	▲
	Wau	263	8	-4	110	▲	▶	▲
	Yida	475	22			▲		
	Aweil	306	15	49	114	▲	▲	▲
Vegetable Oil (L)	Juba	300	0	20	-14	▶	▲	▶
	Aweil	216	8	44	88	▲	▲	▲
	Bor	425	6	42	91	▲	▲	▲
	Bentiu	750		61	94		▲	▲
	Bunj	800	60	20	276	▲	▲	▲
	Kapoeta South	300	26	50	36	▲	▲	▲
	Mingkaman	475	-5	13	67	▶	▲	▲
	Rumbek	493	0	64	129	▶	▲	▲
	Torit	355	18	54	33	▲	▲	▲
	Wau	363	21	21	65	▲	▲	▲
	Yida	300	0	-2	-10	▶	▶	▶
	Wunrok	400	14	60	242	▲	▲	▲
ToT (Goat to Sorghum) Malua/Goat	Bor	33	-7	30	73	▼	▲	▲
	Aweil	31	-19	-18	154	▼	▼	▲
	Rumbek	31	1	34	306	▶	▲	▲
	Torit	32	28	0	153	▲	▶	▲
	Kapoeta South	50	87	201	277	▲	▲	▲
	Wau	13	-2	-49	26	▶	▼	▲
	Mingkaman	50	27	285	144	▲	▲	▲
	Yida	34	-15	11	51	▼	▲	▲
	Juba	21	-13	-7	139	▼	▶	▲
	Wunrok	24	21	12	76	▲	▲	▲
ToT (Wage to Sorghum) # Malua/Daily wage	Juba	1.22	-15	-15	52	▼	▼	▲
	Aweil	1.11	1	-36	52	▶	▼	▲
	Torit	1.86	3	-16	26	▶	▼	▲
	Wau	0.80	-21	-20	39	▼	▼	▲
	Bor	1.25	72	43	67	▲	▲	▲
	Bentiu	1.94	-22	-48	-2	▼	▼	▶
	Rumbek	0.58	-2	2	0	▶	▶	▶
	Yida	1.88	-6	-3	29	▼	▶	▲
	Kapoeta South	1.68	84	145	-4	▲	▲	▶
	Fuel-Petrol (L)	Aweil	484	40	83	172	▲	▲
Bor		300	0	50	181	▶	▲	▲
Bunj		666	108	0	233	▲	▶	▲
Kapoeta South		300	9	0	253	▲	▶	▲
Mingkaman		463	12	52	219	▲	▲	▲
Rumbek		450	0	50	256	▶	▲	▲
Torit		394	5	13	0	▶	▲	▶
Wau		497	93	126	201	▲	▲	▲
Yida		470	41	25	81	▲	▲	▲
Wunrok		475	98	98	375	▲	▲	▲
Malakal		550	10					
Bentiu		450		114	260		▲	▲
Juba	270	8	13		▲	▲	▶	
Shelled Groundnuts (KG)	Juba	430	32	55	62	▲	▲	▲
	Aweil	310	29	49	133	▲	▲	▲
	Bor	300	20	0	19	▲	▶	▲
	Bentiu	260						
	Mingkaman	475	6	375	381	▲	▲	▲
	Rumbek	500	67	117	400	▲	▲	▲
	Torit	650	65	100	141	▲	▲	▲
	Wau	363	51	38	-22	▲	▲	▼
	Kapoeta South	350	40	64	28	▲	▲	▲
	Wunrok	400	0	33	158	▶	▲	▲

Above normal price increases ▲

Normal Price chnges ▶

Below normal price decreases ▼

Price fluctuation is considered normal if the price changes by =< 5% compared to one month ago; =<10% within 3 months and, =< 20% compared the same period one year ago