Fighting Hunger Worldwide

JUNE 2018 ISSUE 51

WFP UGANDA

Monthly Market Monitor

HIGHLIGHTS

KARAMOJA

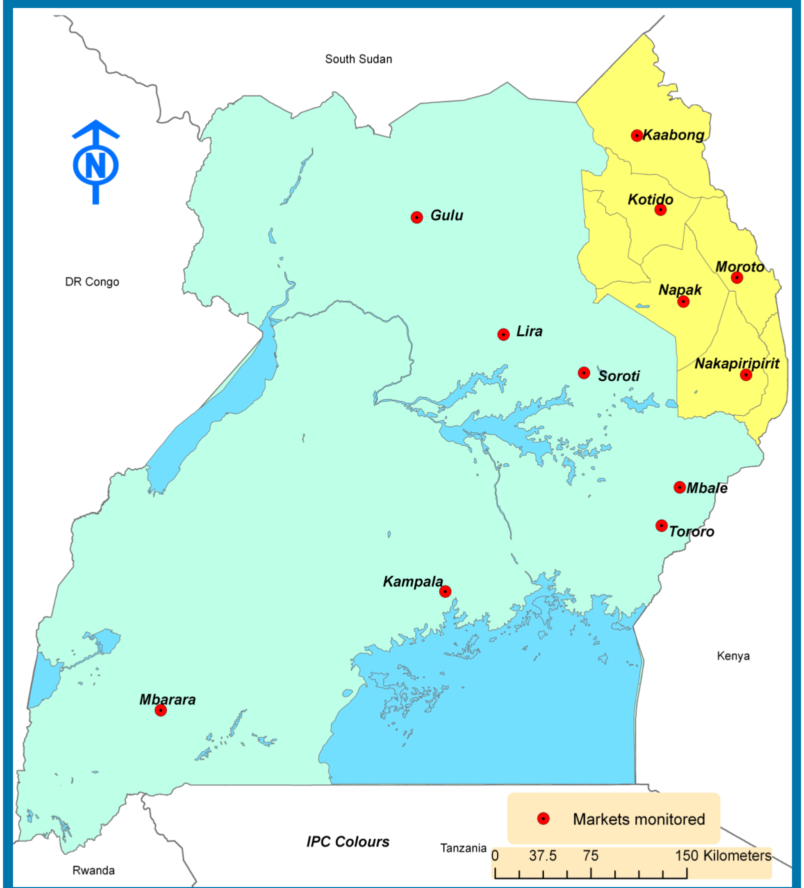
- Overall, **the average retail prices for beans and maize grain fell by 12% and 5% in June, compared to May**, respectively due to the start of the green harvest and stocks from the previous harvest. However, **the overall price for sorghum was above by 5%, but markedly in Amudat by 50%** due to scarcity;
- Generally, **the prices for maize grain, sorghum and beans remained below 2017 levels by 39%, 39% and 11%,** respectively. Price reductions were significant in Kotido, Kaabong and Abim;
- Compared to the long term (2013-2017) average, **the overall prices for maize grain, sorghum and beans were lower by 23%, 21% and 5%**, respectively, due to a favorable harvest last year. However, **Amudat observed a 50% increase** in the price for beans due to scarcity;
- The **terms of trade for goats and daily labor wage against maize grain have continued to improve, going up by 9% and 11%**, respectively compared to May due to a gradual decline in the prices for maize grain.

REST OF THE COUNTRY

- In June, the **overall average retail prices for sorghum, maize grain and beans fell by 6%, 4% and 4% respectively** and significantly in Mbale due to the replenishment of stock from the ongoing harvest;
- Generally, **prices have remained lower than the 2017 levels with maize grain, sorghum and beans average prices declining by 47%, 30% and 13%**, respectively due to a favorable harvest last year;
- Food prices are expected to keep falling in July through August due to the ongoing June-to-August first season harvest in the Bimodal areas.

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



Source: WFP Uganda AME

For further information please contact the AME unit WFP Uganda

WFP
wfp.org

Siddharth KRISHNASWAMY
Analysis Monitoring & Evaluation, Head.
siddharth.krishnaswamy@wfp.org,

Hamidu TUSIIME
Food Security & Market Analyst
hamidu.tusiime@wfp.org

Nathan LOWANYANG
Programme Assistant
nathan.lowanyang@wfp.org

Published on: 31/07/2018

SECTION ONE: KARAMOJA SUB-REGION

CEREALS

Figure 1. Maize grain retail price changes Jun –2018

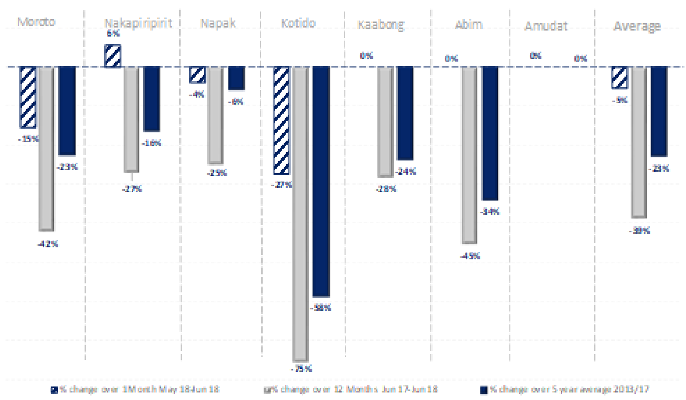
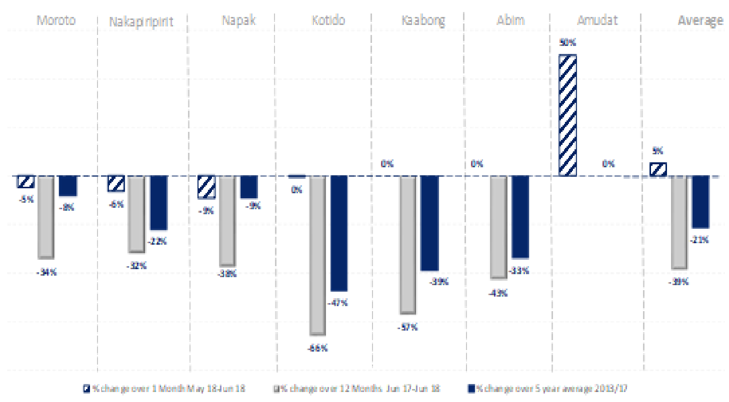


Figure 2. Sorghum grain retail price changes Jun—2018



The average retail prices for maize grain have continued to fall, due to the replenishment of household stocks following the start of the green harvest. In June, the overall average price marginally declined by 5%, with the decline significant in Kotido.

The average price compared to the same period in 2017 was markedly lower in all key markets across Karamoja. Kotido, Abim, and Moroto saw a price decline by 75%, 45% and 42%, respectively, due to an improved harvest last year.

Similarly, the overall average retail price for maize grain reduced by 23%, compared to the long term (2013-2017) average. Price reduction was higher in Kotido and Abim.

Generally, average prices in all key markets in Karamoja are expected to continue falling in July through August due to the start of the green harvest in the region.

While the overall average retail price for sorghum was higher than May levels by 50% in Amudat due to scarcity, the prices fell slightly in Napak, Nakapiripirit and Moroto. Kaabong and Kotido had the lowest prices, with a kilogram sold at UGX 540 and UGX 600, respectively.

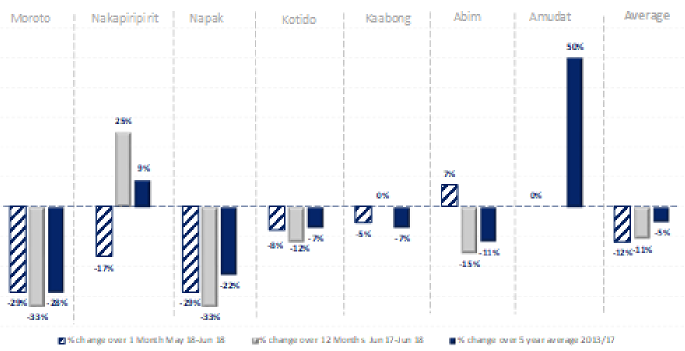
Overall, the retail price declined by 39% in June, compared to the same period in 2017. The decline was significant in all markets, but highly in Kotido, Kaabong and Abim following a favorable harvest last year.

Similarly, compared to the long term (2013-2017) average, the overall average price continued to be lower in June by 21%. The decline was more significant in Kotido, Kaabong and Abim by 47%, 39% and 33%, respectively.

The start of the green harvest will likely keep prices falling in July through August as household stocks are expected to replenish.

BEANS

Figure 3. Beans retail price changes Jun – 2018



In June, the overall average retail price for beans declined by 12% compared to May, due to the replenishing stocks from the ongoing green harvest. The average price decreased in Moroto and Napak by 29%.

Similarly, the overall retail prices have continued to be lower than 2017 levels. The price fell by 11%, markedly in Moroto and Napak due to increased supplies following a favourable harvest last year. However, in Nakapiripirit, the average price remained above normal by 25%, due to high demand from neighbouring districts and regions.

Despite lower prices across all districts compared to the long term average, the prices continued be higher in Amudat and Nakapiripirit.

GOATS

Table 1: Goats retail price changes for Jun - 2018

Market	Current Jun 2018)	% Change from:		
		May-18	Jun-17	Av 2013-17
Moroto	120,000	0%	71.4%	19%
Nakapiripirit	85,000	13%	6.3%	4%
Napak	120,000	0%	200%	17%
Kotido	76,250	-12%	10.9%	3%
Kaabong	133,750	2.9%	21.6%	47%
Abim	93,750	-4%	44%	29%
Amudat	150,000	11.1%		81.8%
Average	111,250	1.9%	53.9%	29%

Compared to May, the overall average price for goats was fairly stable in June. However, the price was up in Nakapiripirit and Amudat by 13% and 11%, respectively due to improved animal body conditions, while in Kotido, there was a fall in price by 12%.

Overall, the average price was markedly above 2017 levels by more than half (54%) during the month, more so in Napak, Moroto and Abim. This is attributable to reduced supplies coupled with improved animal body conditions. Average harvest experienced last year improved food supplies at household level, consequently resulting to reduced sell of animals by pastoral households.

Similarly, the overall price for goats remained higher than the long term (2013-2107) average. However, there were changes observed across markets in Karamoja.

LABOR

Table 2: Changes in Daily Wage Rates Jun -2018

Market	Current Jun 2018)	% Change from:		
		May-18	Jun-17	Av 2013-17
Moroto	5,000	0%	0%	0%
Nakapiripirit	4,000	33%	33%	38%
Napak	5,000	0%	43%	14%
Kotido	2,000	-16%	0.0%	-10.1%
Kaabong	5,000	0%	0%	32%
Abim	2,000	0%	-33%	-33%
Amudat	3,000	20.0%		50.0%
Average	3,714	4.5%	4%	11.5%

The overall average daily labor wage rate was slightly higher than May levels by 5%, and more so in Nakapiripirit and Amudat. In Kotido, there was a decline by 16%.

Compared to the same period in 2017, the daily labor wage rate was relatively stable. Napak and Nakapiripirit saw an increase by 43% and 33%, respectively, due to a fall in the proportion of people seeking labor opportunities.

There was a marginal increase in the daily labor wage rate in June, compared to the long term (2013-2017) average, and significantly in Amudat and Nakapiripirit.

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	Jun-18	May-18	Jun-17
Kg of maize/goat	114.3	105.4	48
Kg of maize/day's wage	3.8	3.5	2.4

The terms of trade for goats and daily wage earnings against maize grain continue to improve. Compared to May, the TOT for goats and daily wage were above normal by 9% and 11%, respectively, due to the gradual fall in the average retail prices for maize grain.

Similarly, the terms of trade for both goats and daily labor wage against maize grain were markedly above 2017 levels by 138% and 63%, respectively.

With a likely reduction in the average retail prices for maize grain, the terms of trade are expected to keep improving, revealing improved cost of living for pastoral households and casual laborers in the region.

SUMMARY BY DISTRICT

MOROTO

Overall, the average retail prices were lower than May levels, due to the start of the green harvest. Prices for beans, maize grain and sorghum fell by 29%, 15% and 5%, respectively. Similarly, the retail prices in June were markedly lower than 2017 and the long term (2013-2017) average.

NAKAPIRIPIRIT

While the average price for beans and sorghum reduced by 17% and 6%, respectively due to improved supplies at household level following the start of the green harvest, maize grain price was marginally above normal by 6% in June, compared to May, due to reduced supplies. Compared to 2017 and the long term (2013-2017) average, maize grain and beans prices remained lower.

NAPAK

In June, prices for beans, sorghum and maize grain were below May levels by 29%, 9% and 4%, respectively. Similarly, prices continue to be lower than 2017 and the long term (2013-2017) average due to a favorable harvest last year.

KOTIDO

The average retail prices for maize grain and beans reduced by 27% and 8%, respectively due to the start of the green harvest. Compared to 2017 and the long term (2013-2017) average, prices have remained below normal following an improved harvest towards the end of 2017. The average price for maize grain was the lowest in the region during the month, with a kilogram sold at UGX 535.

KAABONG

In June, the average retail prices for maize grain and sorghum remained stable compared to May. The price for beans was slightly below normal by 5%, due to tight supplies. Prices for maize grain and sorghum were markedly below 2017 levels and the long term (2013-2017) average. In June, the price for sorghum continues to be the lowest in the region, costing UGX 540 per Kilogram.

ABIM

The price for beans increased by 7% in June, compared to May due to tight supplies on the market. However, there was no observed change in the average retail prices for maize grain and sorghum. Generally, prices for all commodities have remained lower than 2017 and the long term average, following a better harvest in 2017.

AMUDAT

While the average prices for maize grain and beans remained stable, the retail price for sorghum was significantly higher than May levels by 50% due to scarcity coupled with high demand. Compared to the long term average, the price for beans increased by 50%.

SECTION TWO: KARAMOJA PRICES TRENDS JUNE 2018 AGAINST 2017 & AVG 2013-17

Figure 4. Maize Grain Price Trends

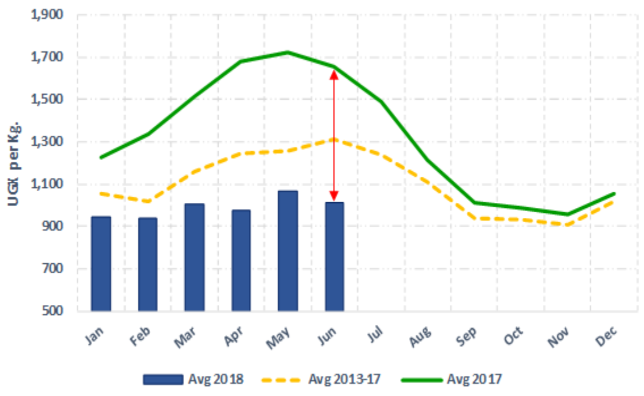


Figure 7. Maize Flour Price Trends

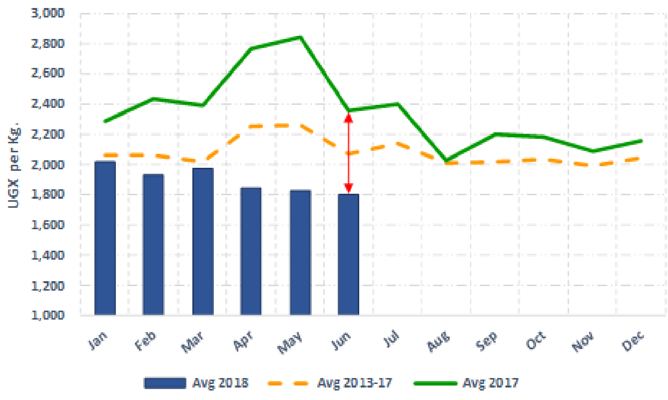


Figure 5. Sorghum Grain Price Trends

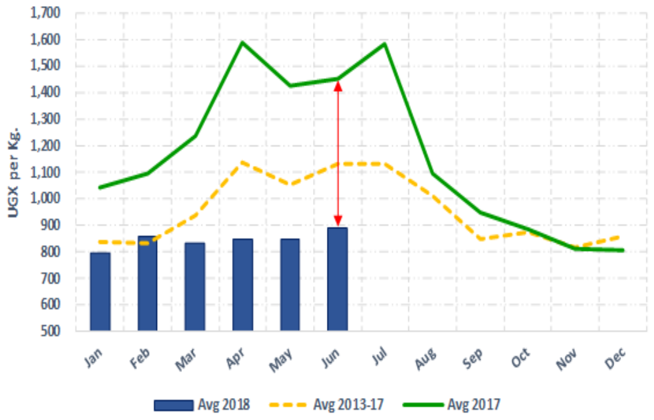


Figure 8. Terms of Trade Goats vs Maize grain

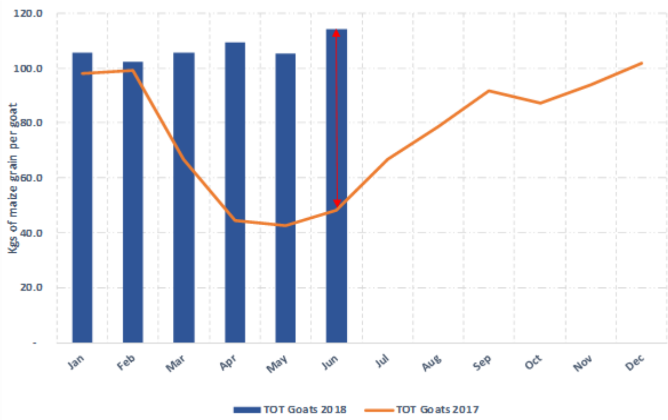


Figure 6. Beans Price Trends

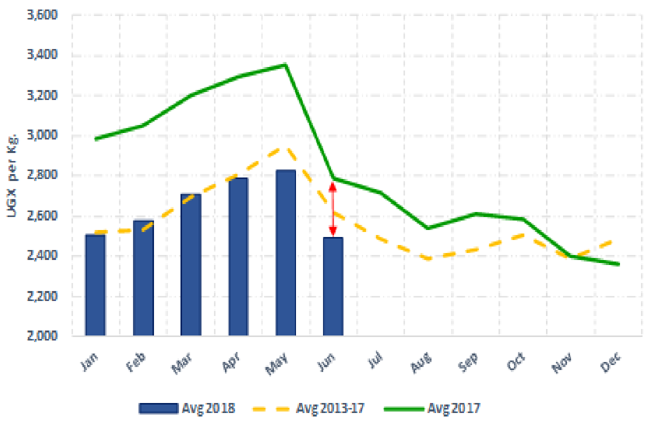
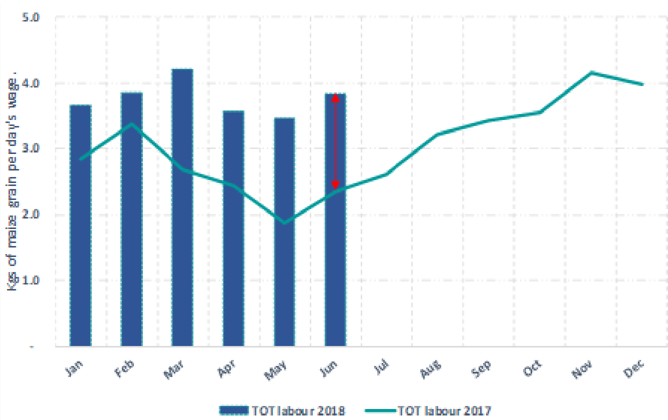


Figure 9. Terms of Trade Labour vs Maize grain



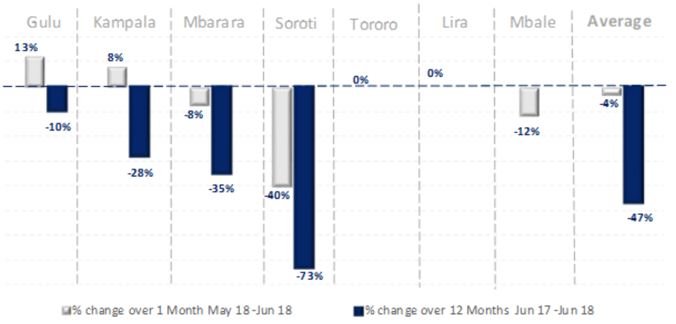
All data provided until this point has been sourced from WFP ProMIS

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

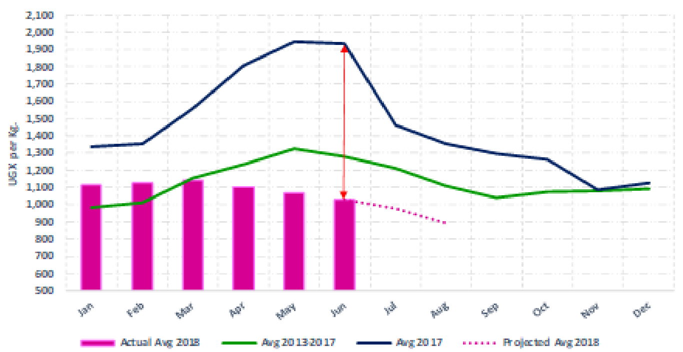
Fig. 10: Maize Grain Retail Price Changes Jun -2018



The overall average retail price for maize grain remained relatively stable in June, compared to May. The price fell by 40%, 12% and 8% in Soroti, Mbale and Mbarara respectively, due to the replenishment of stocks from the ongoing first season harvest. The price remained higher in Gulu by 13%.

Compared to 2017, the retail price remained significantly lower in all markets, due to a better harvest last year.

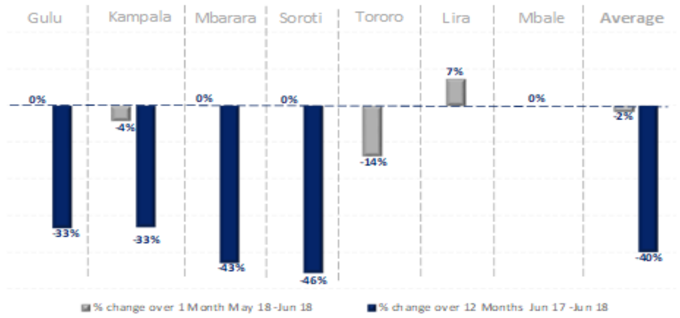
Fig. 11: Maize Grain Price Trend & projections: Aug 2018



Source: WFP AME Trends

Since March, the average price for maize grain continues to gradually decline. Similarly, the price remained below 2017 and the long term (2013-2017) average, due to a better harvest in 2017. Prices are expected to keep falling in July through August due the ongoing June-to-August harvest.

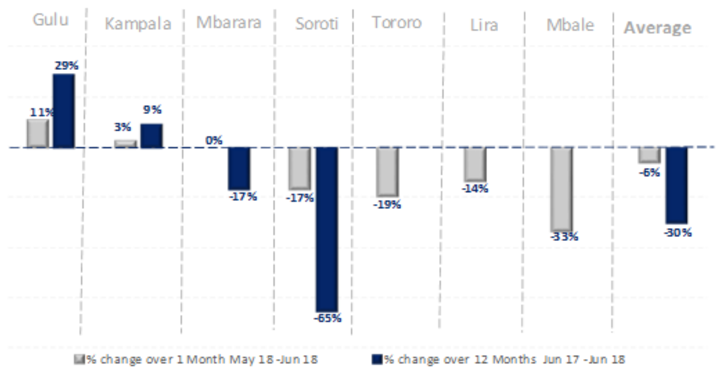
Fig. 12: Maize flour retail price changes Jun -2018



While the average retail price for maize flour in Tororo fell by 14% in June compared to May, due to improved supplies, there was a marginal increase by 7% in Lira.

The overall average price remained significantly below 2017 levels across all major markets in the country, due to a better harvest in both seasons last year.

Fig. 13: Sorghum Retail Price Changes Jun -2018

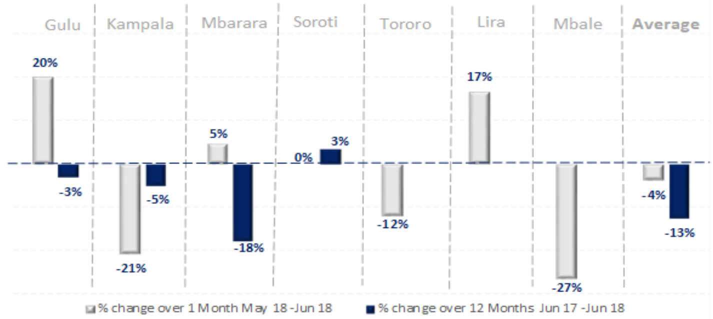


In June, the overall average retail price for sorghum was slightly lower by 6%, compared to May. The reduction was significant in Mbale and Tororo due the start of the first season harvest. The price in Gulu remained higher by 11%, due to increased demand from Karamoja.

The overall price was lower than the same period in 2017 by 30%, but markedly in Soroti, following a favorable harvest last year. However, Gulu observed an increase by 29%.

BEANS

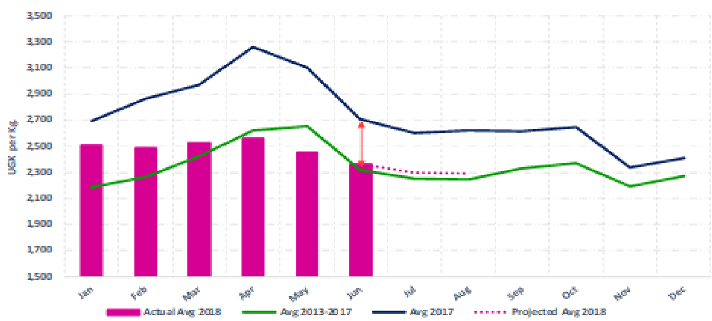
Fig. 14: Beans Retail Price Changes Jun -2018



In June, the overall retail price for beans was fairly stable compared to May. There was a reduction in Mbale and Kampala by 27% and 21%, respectively due to improved supplies. The price remained higher in Gulu and Lira, due to low supplies.

Compared to 2017, the overall price remained lower by 13%, more so in Mbarara due to a favorable harvest last year.

Fig. 15: Beans Price Trend & projections: Aug 2018



Source: WFP AME Trends

The average retail price for beans has been falling since April, and continues to be lower than 2017 levels. Following the start of the June-to-August first season harvest, the price is expected to continue going down through August.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: June 2018			Current Price	Price change (%)			
Region	District/Market	Major Commodities	(UGX)	1 M	1 Y	1 M	1 Y
Karamoja	Moroto	Maize grain (per Kg)	1,100	-15%	-42%	↓	↓
		Sorghum (per Kg)	1,050	-5%	-34%	↔	↓
		Beans (per Kg)	2,000	-29%	-33%	↓	↓
		Medium size goat	120,000	0%	71%	↔	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	950	6%	-27%	↑	↓
		Sorghum (per Kg)	750	-6%	-32%	↓	↓
		Beans (per Kg)	2,500	-17%	25%	↓	↑
		Medium size goat	85,000	13%	6%	↑	↔
		Daily labour wage	4,000	33%	33%	↑	↑
	Napak	Maize grain (per Kg)	1,200	-4%	-25%	↔	↓
		Sorghum (per Kg)	1,000	-9%	-38%	↓	↓
		Beans (per Kg)	2,000	-29%	-33%	↓	↓
		Medium size goat	120,000	0%	200%	↔	↑
		Daily labour wage	5,000	0%	43%	↔	↑
	Kotido	Maize grain (per Kg)	535	-27%	-75%	↓	↓
		Sorghum (per Kg)	600	0%	-66%	↔	↓
		Beans (per Kg)	2,625	-8%	-12%	↓	↔
		Medium size goat	76,250	-12%	11%	↓	↔
		Daily labour wage	2,000	-16%	0%	↓	↓
	Kaabong	Maize grain (per Kg)	810	0%	-28%	↔	↓
		Sorghum (per Kg)	540	0%	-57%	↔	↓
		Beans (per Kg)	3,000	-5%	0%	↔	↔
		Medium size goat	133,750	3%	22%	↔	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Abim	Maize grain (per Kg)	1,000	0%	-45%	↔	↓
		Sorghum (per Kg)	800	0%	-43%	↔	↓
		Beans (per Kg)	2,325	7%	-15%	↑	↔
		Medium size goat	93,750	-4%	44%	↔	↑
		Daily labour wage	2,000	0%	-33%	↔	↓
	Amudat	Maize grain (per Kg)	1,500	0%		↔	
		Sorghum (per Kg)	1,500	50%		↑	
		Beans (per Kg)	3,000	0%		↔	
		Medium size goat	150,000	11%		↑	
		Daily labour wage	3,000	20%		↑	
Central	Kampala/Owino	Maize grain (per Kg)	1,517	8%	-28%	↑	↓
		Sorghum (per Kg)	3,084	3%	9%	↔	↔
		Maize flour (per Kg)	1,917	-4%	-33%	↔	↓
		Beans (per Kg)	2,375	-21%	-5%	↓	↔
Western	Mbarara	Maize grain (per Kg)	925	-8%	-35%	↓	↓
		Sorghum (per Kg)	2,500	0%	-17%	↔	↓
		Maize flour (per Kg)	2,000	0%	-43%	↔	↓
		Beans (per Kg)	2,300	5%	-18%	↔	↓
Eastern	Tororo	Maize grain (per Kg)	688	0%		↔	
		Sorghum (per Kg)	1,150	-19%		↓	
		Maize flour (per Kg)	1,575	-14%		↓	
		Beans (per Kg)	2,200	-12%		↓	
	Mbale	Maize grain (per Kg)	883	-12%		↓	
		Sorghum (per Kg)	1,000	-33%		↓	
		Maize flour (per Kg)	1,800	0%		↔	
		Beans (per Kg)	1,833	-27%		↓	
Northern	Gulu	Maize grain (per Kg)	1,800	13%	-10%	↑	↔
		Sorghum (per Kg)	2,000	11%	29%	↑	↑
		Maize flour (per Kg)	2,000	0%	-33%	↔	↓
		Beans (per Kg)	3,000	20%	-3%	↑	↔
	Soroti	Maize grain (per Kg)	600	-40%	-73%	↓	↓
		Sorghum (per Kg)	500	-17%	-65%	↓	↓
		Maize flour (per Kg)	1,500	0%	-46%	↔	↓
		Beans (per Kg)	2,500	0%	3%	↔	↔
	Lira	Maize grain (per Kg)	800	0%		↔	
		Sorghum (per Kg)	533	-14%		↓	
		Maize flour (per Kg)	1,933	7%		↑	
		Beans (per Kg)	2,333	17%		↑	
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 = May 2018 compared to June 2018			1 Y = June 2017 compared to June 2018				