MAY 2018 ISSUE 50

WFP UGANDA

Monthly Market Monitor

HIGHLIGHTS

KARAMOJA

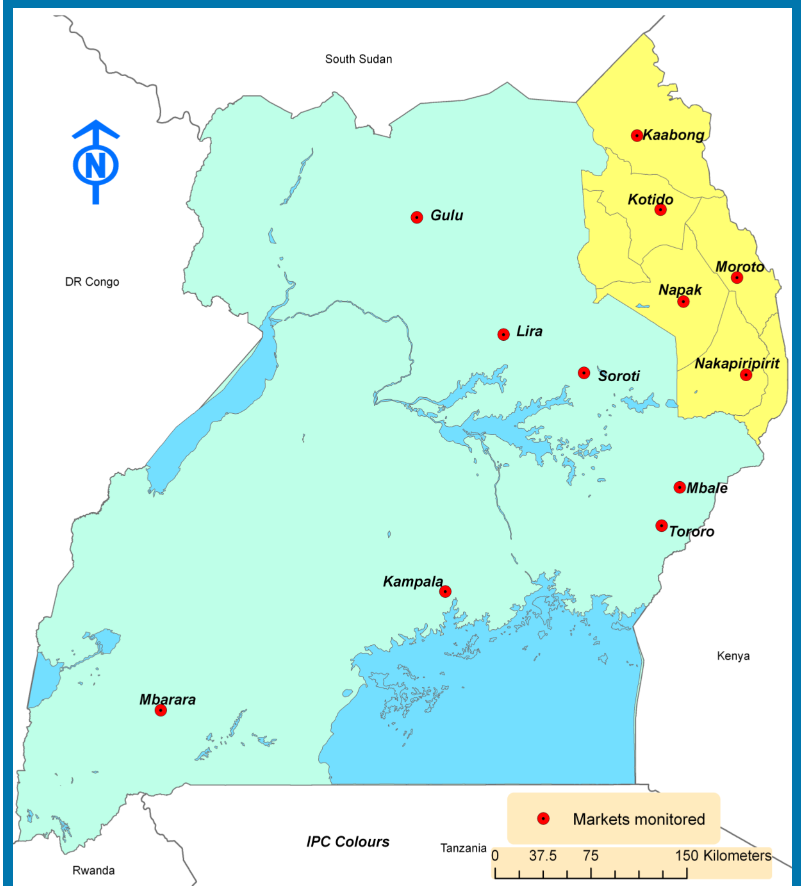
- The **overall average retail price for maize grain was high by 9%** in May, compared to April, while sorghum and beans prices remained stable. **Maize grain and sorghum average prices were markedly higher in Abim and Amudat,** due to reduced supplies;
- Compared to the same period in 2017, **the average retail prices for maize grain, sorghum and beans have remained lower by 38%, 41% and 15%,** respectively following a favorable harvest in 2017;
- Similarly, **the retail prices for staple foods are below the long term (2013-2017) levels**, with the average prices for maize grain, sorghum and beans falling by 15%, 19% and 4%, respectively;
- In May, **the terms of trade for goats and daily labor wage rate against maize grain reduced by 4% and 3%,** respectively. Compared to 2017, **the terms of trade were significantly higher** in May 2018.

REST OF THE COUNTRY

- The **overall retail prices for sorghum, beans and maize grain were slightly lower in May, compared to April by 8%, 4% and 3%,** respectively;
- Compared to 2017, the **average retail prices for maize grain, sorghum and beans reduced by 42%, 24% and 20%,** respectively, **more so in Lira, Soroti and Mbale**; This is attributed to a favorable harvest in 2017;
- Generally, the replenishment of stocks from the June-to-August first season harvest will result into a drop in staple food prices across major markets in Uganda.

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

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SECTION ONE: KARAMOJA SUB-REGION

CEREALS

Figure 1. Maize grain retail price changes May –2018

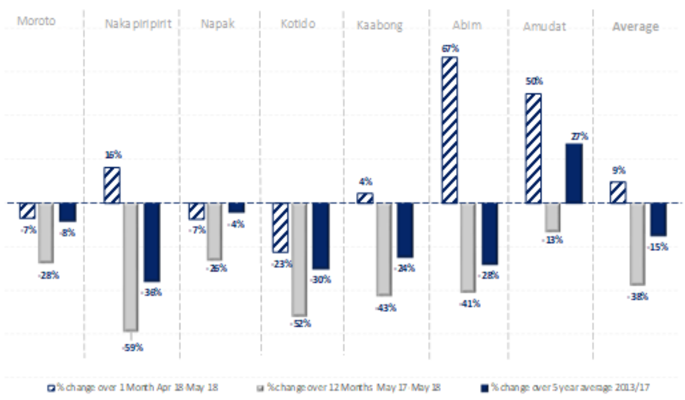
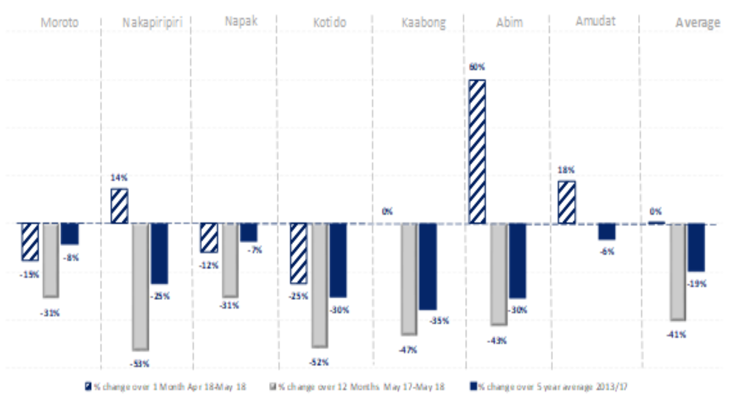


Figure 2. Sorghum grain retail price changes May—2018



The average retail price for maize grain slightly increased by 9%, due to reduced supplies. The increase in the retail price for maize grain was significant in Abim (67%) and Amudat (50%). However, the price remained low in Kotido, Napak and Moroto, due to constant supplies on the market.

Compared to 2017, the average retail price for maize grain was markedly below by 38%, with a similar trend observed across all districts, due to improved supplies both on markets and at household level following a better harvest last year.

Similarly, the average retail prices for maize grain was marginally lower than the long term (2013-2017) average by 15%. The price fell significantly in Nakapiripirit, Kotido and Abim, by 36%, 30% and 28%, respectively. However, there was an increase by 27% in Amudat, due to high demand from the neighboring districts of Kenya.

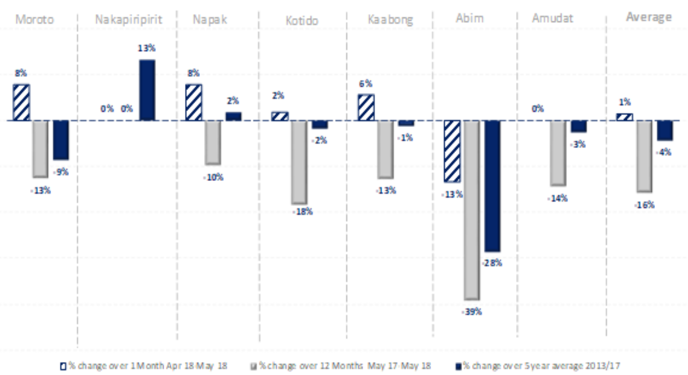
The overall retail price for sorghum continued to be stable during the month, compared to April although changes were seen across districts. The price was high by 60% and 18% in Abim and Amudat, respectively due to the depleting stocks. In Kotido, Napak and Moroto, the retail price fell due to high supplies, coupled with reduced demand.

In May 2018, the retail price significantly declined in all major markets in Karamoja, more so in Nakapiripirit and Kotido by 53% and 52%, respectively following a favorable harvest last year both in Karamoja and across the country that replenished stocks.

Compared to the long term (2013-2017) average, the overall retail price for sorghum slightly reduced by 19%. The decline was seen across all districts, but more so in Kaabong, Abim and Kotido.

BEANS

Figure 3. Beans retail price changes May – 2018



The overall average retail price for beans was fairly stable in May, compared to April with minimal changes observed across districts. While the price was slightly higher in Moroto and Napak, there was a reduction by 13% in Abim.

Compared to the same period in 2017, the overall price was below by 16%. The price fell in all major markets, but more significantly in Abim.

In May, the overall retail price for beans was fairly stable compared to the long term (2013-2017) average. In Abim and Moroto the price reduced by 28% and 9%, respectively while in Nakapiripirit, there was an increase by 13%, due to increased demand.

GOATS

Table 1: Goats retail price changes for May - 2018

Market	Current May 2018)	% Change from:		
		Apr-18	May-17	Av 2013-17
Moroto	120,000	0%	71.4%	-9%
Nakapiripirit	75,000	-3%	11.1%	-4%
Napak	120,000	82%	71%	-3%
Kotido	86,500	13%	33.1%	20%
Kaabong	130,000	10.6%	36.8%	34%
Abim	97,667	9%	27%	24%
Amudat	135,000	-10.0%	113.2%	91.7%
Average	109,167	9.6%	50.5%	17%

There was a slight increase in the average price for goats by 10% in May, compared to April. The increase was markedly higher in Napak, due to reduced supplies coupled with improved animal body condition. However, the price for goats declined by 10% in Amudat, and this could be due to high supplies on the markets as pastoral households start selling animals to meet their food needs.

In May, the average prices for goats were significantly above 2017 levels across all districts, more so in Amudat, Moroto and Napak. This is attributed to reduced supplies on the market and improved body conditions following favourable rains received this year.

Similarly, the overall average price was above the long term (2013 -2017) average by 17%, and mainly in Amudat and Kaabong. However, there was a slight reduction in Moroto.

LABOR

Table 2: Changes in Daily Wage Rates May -2018

Market	Current (May 2018)	% Change from:		
		Apr-18	May-17	Av 2013-17
Moroto	5,000	0%	0%	0%
Nakapiripirit	3,000	0%	0%	7%
Napak	5,000	0%	43%	10%
Kotido	2,375	19%	-5.0%	5.6%
Kaabong	5,000	0%	0%	32%
Abim	2,000	0%	-33%	-33%
Amudat	2,500	0.0%		25.0%
Average	3,554	1.5%	-3%	6.4%

In May, the average daily labor wage rate increased by 19% in Kotido, compared to April due high demand for agricultural labor.

Compared to the same period in 2017, the daily labor wage rate was significantly higher in Napak, while in Abim, there was a reduction.

The overall daily labor wage rate was fairly normal compared to the long term (2013-2017) average. There was an increase in Kaabong and Amudat, due to increased demand. Abim observed a 33% reduction.

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	May-18	Apr-18	May-17
Kg of maize/goat	105.4	109.5	42.8
Kg of maize/day's wage	3.5	3.6	1.9

The terms of trade for goats and daily labor wage rate against maize grain slightly deteriorated by 4% and 3%, respectively due to the low prices for maize grain.

Compared to 2017, the terms of trade for goats and daily labor wage rate against maize grain significantly improved in May, revealing better living conditions for pastoral households and casual laborers. This is attributed to the low retail prices for maize grain following a better harvest in 2017.

Generally, the terms of trade for both goats and daily labor wage rate are expected to continue being above 2017 levels.

SUMMARY BY DISTRICT

MOROTO

In May, the average retail prices for maize grain and sorghum fell by 7% and 15%, respectively, compared to April due to high supplies. However, the price for beans increased by 8%, due to low supplies coupled with demand. Generally, the prices for staple foods have remained below 2017 and the long term average.

NAKAPIRIPIRIT

Compared to April, the average retail prices for maize grain and sorghum were high in May by 16% and 14%, respectively due to increased demand from neighboring districts. Prices for maize grain and sorghum were markedly below 2017 and the long term average following a better harvest in 2017.

NAPAK

While the price for maize grain and sorghum were below April levels by 7% and 12%, respectively due to improved supplies, the retail price for beans was high by 8%, possibly due to scarcity. Compared to the same period last year and the long term average, the retail prices remained lower.

KOTIDO

In May, maize grain and sorghum average retail prices were below April levels by 23% and 25%, respectively. However, the retail price for beans was relatively stable. Compared to 2017 and the long term average, the retail prices for staple foods reduced significantly. This is attributed to the a favorable harvest last, that replenished stocks on markets and households.

KAABONG

The average retail price for maize grain and beans was slightly higher in May by 4% and 6%, respectively compared to April. Sorghum price remained stable and continue to be the lowest (UGX 540/kg) in the region. Overall, average retail prices for staple foods have remained lower than 2017 and the long term average.

ABIM

Compared to April, the average retail prices for maize grain and sorghum were significantly higher in May by 67% and 60, respectively, due to increased demand coupled with tight supplies. The price for beans fell by 13%. Compared to 2017 and the long term (2013 -2017) average, retail prices for staple foods were lower during the month.

AMUDAT

While the average retail prices for maize grain and sorghum increased by 50% and 18%, respectively compared to April, the retail prices have been kept below 2017 and the long term (2013-2017) average due to an improved harvest last year.

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

Figure 4. Maize Grain Price Trends

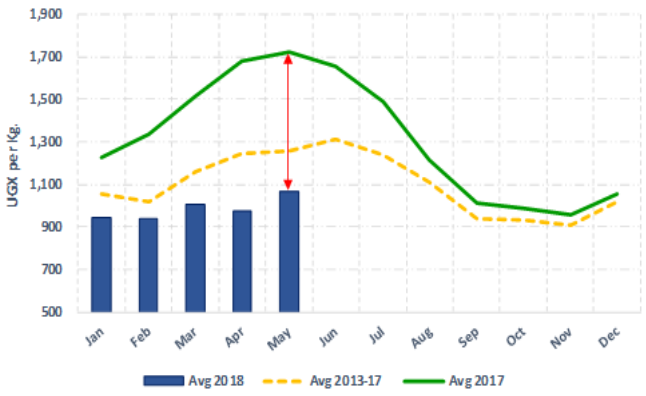


Figure 7. Maize Flour Price Trends

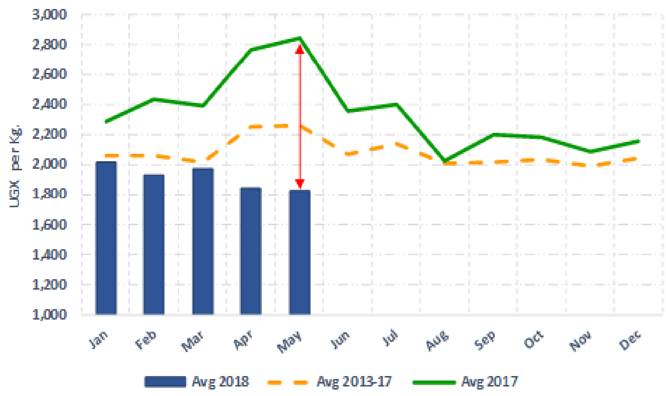


Figure 5. Sorghum Grain Price Trends

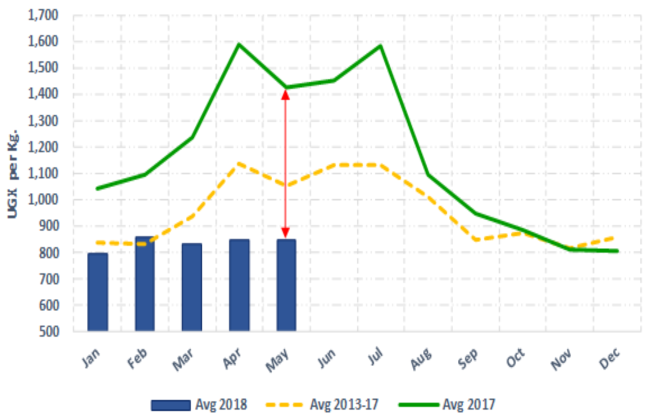


Figure 8. Terms of Trade Goats vs Maize grain

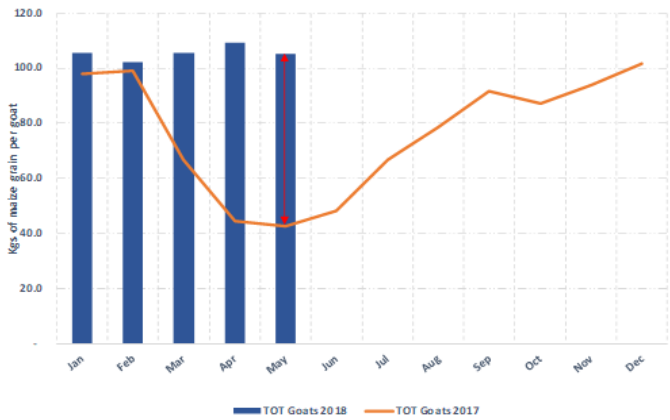


Figure 6. Beans Price Trends

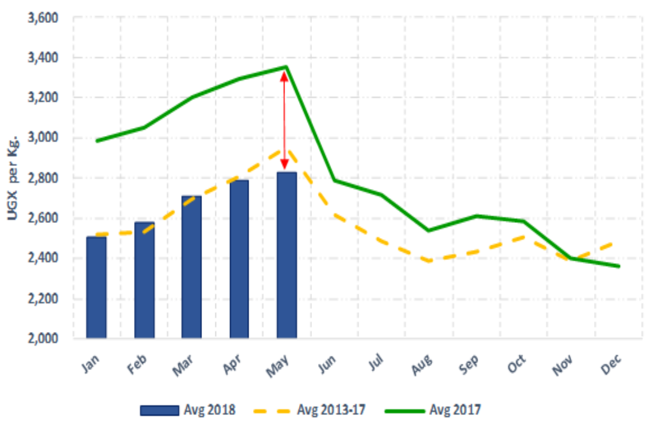
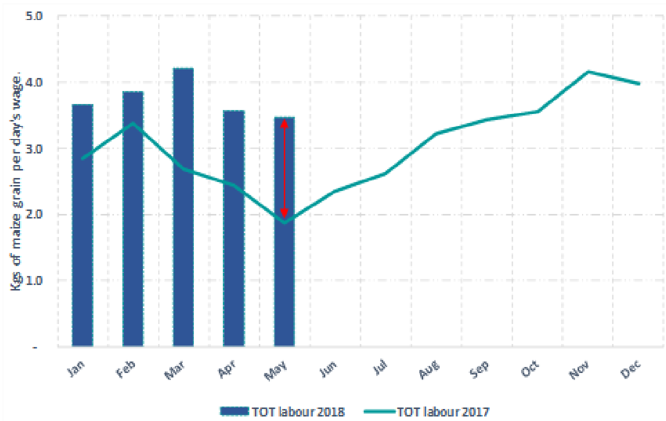


Figure 9. Terms of Trade Labour vs Maize grain



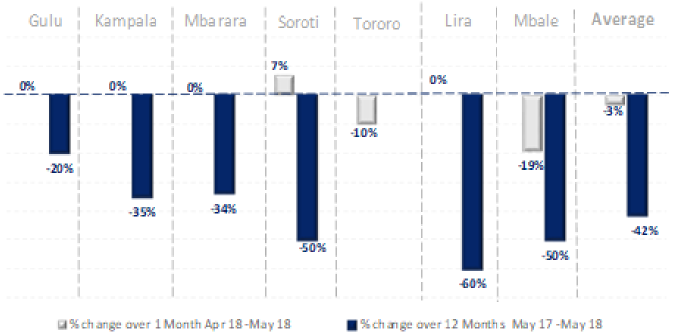
All data provided until this point has been sourced from WFP ProMIS

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

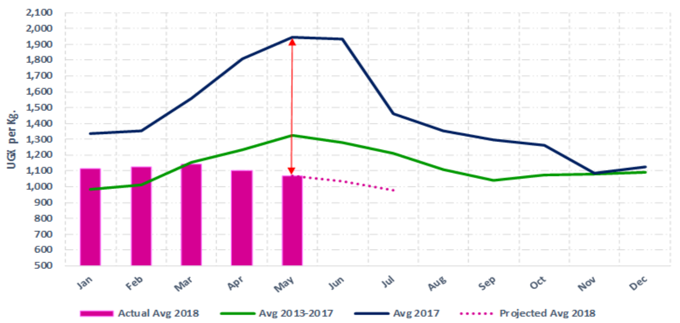
Fig. 10: Maize Grain Retail Price Changes May -2018



Compared to April, the overall average retail price for maize grain was fairly stable, with reductions by 19% and 10% in Mbale and Tororo, respectively due to improved supplies. There was an increase by 7% in Soroti, possibly due to high demand from Karamoja.

Overall, the price remained significantly below 2017 levels across all major markets in the country.

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

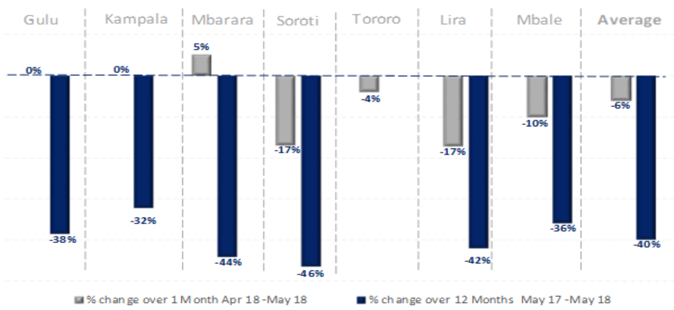


Source: WFP AME Trends

Since January, the average retail price for maize grain has been fairly stable with a gradual reduction from March. The price remained lower than 2017 and the long term average.

The average price will fall in June through July due to the anticipated first season (June-to-August) harvest.

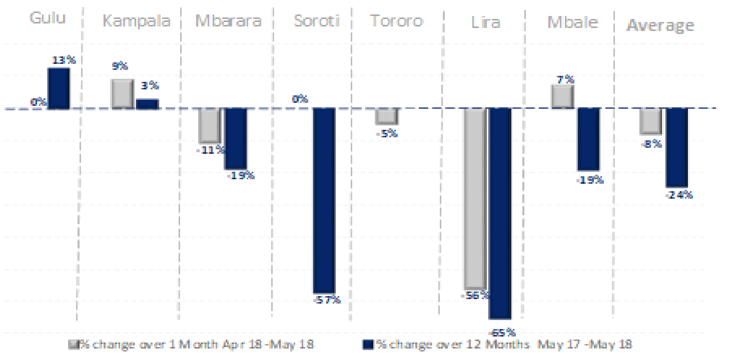
Fig. 12: Maize flour retail price changes May -2018



The overall average price for maize flour was slightly lower than April levels by 6%, and mainly in Lira and Soroti by 17%, due to high supplies.

The retail prices were markedly below 2017 levels across all markets in the country following a favorable harvest last year.

Fig. 13: Sorghum Retail Price Changes May -2018

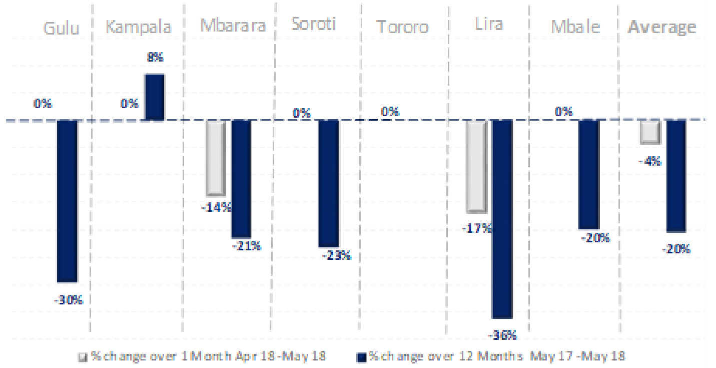


The overall average retail price for sorghum reduced by 10%, with the price falling by 56% in Lira. However, the price remained slightly higher in Kampala and Tororo, due to tight supplies on the market.

Compared to May 2017, the overall retail price declined by 24%, markedly in Lira and Soroti by 65% and 57%, respectively. This is attributed to a favorable harvest in 2017.

BEANS

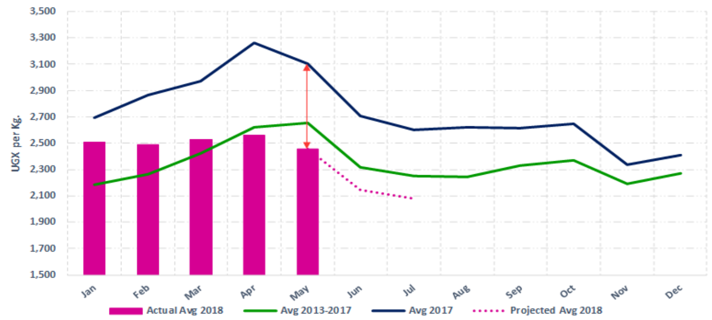
Fig. 14: Beans Retail Price Changes May -2018



In May, the average retail price for beans declined by 17% and 14% in Lira and Mbarara, respectively.

Compared to the same period in 2017, the overall retail price in May was lower by 20%, more so in Lira and Gulu by 36% and 30%, respectively.

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



Source: WFP AME Trends

With a slight reduction in the average price for beans in May, the price is likely to continue falling in June through July due to the expected first season harvest across the country. Similarly, prices will remain below 2017 and the long term average.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: May 2018			Current Price(Ushs.)	Price change (%)			
Region	District/Market	Major Commodities		1 M	1 Y	1 M	1 Y
Karamoja	Moroto	Maize grain (per Kg)	1,300	-7%	-28%	↓	↓
		Sorghum (per Kg)	1,100	-15%	-31%	↓	↓
		Beans (per Kg)	2,800	8%	-13%	↑	↔
		Medium size goat	120,000	0%	71%	↔	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	900	16%	-59%	↑	↓
		Sorghum (per Kg)	800	14%	-53%	↑	↓
		Beans (per Kg)	3,000	0%	0%	↔	↔
		Medium size goat	75,000	-3%	11%	↔	↔
		Daily labour wage	3,000	0%	0%	↔	↔
	Napak	Maize grain (per Kg)	1,250	-7%	-26%	↓	↓
		Sorghum (per Kg)	1,100	-12%	-31%	↓	↓
		Beans (per Kg)	2,800	8%	-10%	↑	↔
		Medium size goat	120,000	82%	71%	↑	↑
		Daily labour wage	5,000	0%	43%	↔	↑
	Kotido	Maize grain (per Kg)	735	-23%	-52%	↓	↓
		Sorghum (per Kg)	601	-25%	-52%	↓	↓
		Beans (per Kg)	2,850	2%	-18%	↔	↓
		Medium size goat	86,500	13%	33%	↑	↔
		Daily labour wage	2,375	19%	-5%	↑	↔
	Kaabong	Maize grain (per Kg)	810	4%	-43%	↔	↓
		Sorghum (per Kg)	540	0%	-47%	↔	↓
		Beans (per Kg)	3,167	6%	-13%	↑	↔
		Medium size goat	130,000	11%	37%	↑	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Abim	Maize grain (per Kg)	1,000	67%	-41%	↑	↓
		Sorghum (per Kg)	800	60%	-43%	↑	↓
		Beans (per Kg)	2,167	-13%	-39%	↓	↓
		Medium size goat	97,667	9%	27%	↑	↑
		Daily labour wage	2,000	0%	-33%	↔	↓
	Amudat	Maize grain (per Kg)	1,500	50%	-13%	↑	↔
		Sorghum (per Kg)	1,000	18%		↑	
		Beans (per Kg)	3,000	0%	-14%	↔	↔
		Medium size goat	135,000	-10%	113%	↓	↑
		Daily labour wage	2,500	0%		↔	
Central	Kampala/Owino	Maize grain (per Kg)	1,400	0%	-35%	↔	↓
		Sorghum (per Kg)	3,000	9%	3%	↑	↔
		Maize flour (per Kg)	2,000	0%	-32%	↔	↓
		Beans (per Kg)	3,000	0%	8%	↔	↔
Western	Mbarara	Maize grain (per Kg)	1,000	0%	-34%	↔	↓
		Sorghum (per Kg)	2,500	-11%	-19%	↓	↔
		Maize flour (per Kg)	2,000	5%	-44%	↔	↓
		Beans (per Kg)	2,200	-14%	-21%	↓	↔
Eastern	Tororo	Maize grain (per Kg)	688	-10%		↓	
		Sorghum (per Kg)	1,425	-5%		↔	
		Maize flour (per Kg)	1,825	-4%		↔	
		Beans (per Kg)	2,500	0%		↔	
	Mbale	Maize grain (per Kg)	1,000	-19%	-50%	↓	↓
		Sorghum (per Kg)	1,500	7%	-19%	↑	↓
		Maize flour (per Kg)	1,800	-10%	-36%	↓	↓
		Beans (per Kg)	2,500	0%	-20%	↔	↓
Northern	Gulu	Maize grain (per Kg)	1,600	0%	-20%	↔	↔
		Sorghum (per Kg)	1,800	0%	13%	↔	↔
		Maize flour (per Kg)	2,000	0%	-38%	↔	↓
		Beans (per Kg)	2,500	0%	-30%	↔	↓
	Soroti	Maize grain (per Kg)	1,000	7%	-50%	↑	↓
		Sorghum (per Kg)	600	0%	-57%	↔	↓
		Maize flour (per Kg)	1,500	-17%	-46%	↓	↓
		Beans (per Kg)	2,500	0%	-23%	↔	↓
	Lira	Maize grain (per Kg)	800	0%	-60%	↔	↓
		Sorghum (per Kg)	617	-56%	-65%	↑	↔
		Maize flour (per Kg)	1,800	-17%	-42%	↓	↓
		Beans (per Kg)	2,000	-17%	-36%	↓	↓
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 = Apr 2018 compared to May 2018			1 Y = May 2017 compared to May 2018				