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WFP UGANDA

Monthly Market Monitor

Fighting Hunger Worldwide

HIGHLIGHTS

KARAMOJA

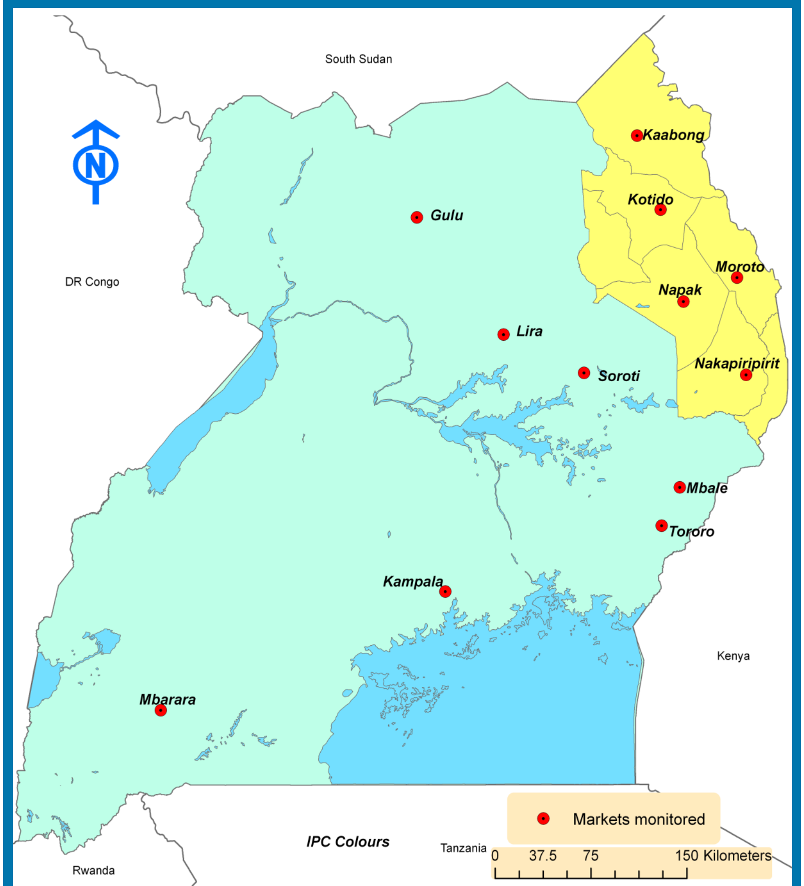
- In July, **the overall average retail prices for maize grain and sorghum were above June levels by 13% and 21%,** respectively due to demand coupled with scarcity. **Maize grain price significantly increased in Kotido, Napak and Moroto**, while an increase in **the price for sorghum was mainly in Nakapiripirit and Moroto**;
- Overall, **average retail prices for all staple foods were below 2017 levels in July**. However, the price for maize grain remained higher in Moroto and Napak while sorghum price markedly increased in Nakapiripirit;
- Compared to the long term (2013-2017) average, **the overall average retail price for maize grain, sorghum and beans in July this year slightly fell by 8%, 5% and 4%, respectively**. However **prices remained high in Moroto, Napak and Nakapiripirit**;
- In July, **the terms of trade for goats and daily labor wage against maize grain improved by 15% and 10%, respectively compared to June**. This is due to increased revenue earned from both selling animals and daily labor wage.

REST OF THE COUNTRY

- Generally, **the prices for maize grain, sorghum and beans continued to decline in July 2018 by 16%, 18% and 14%,** respectively, compared to June, due to the ongoing harvest;
- Compared to the same period in 2017, **maize grain, sorghum and beans prices have remained markedly below**, more so in Mbale, Tororo and Mbarara.
- With the ongoing first season harvest in the bimodal areas, retail prices for staple foods are expected to continue falling and/or remain stable.

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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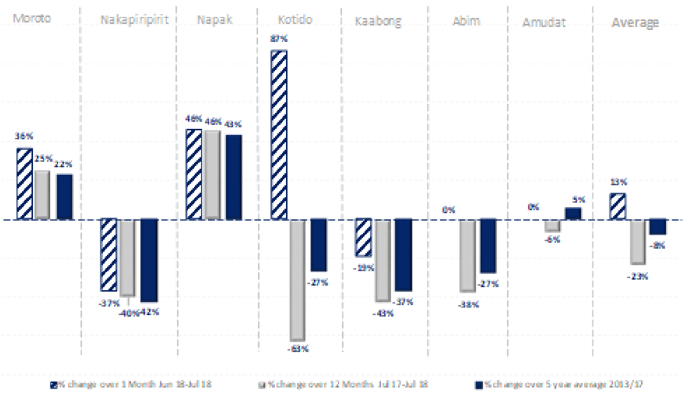
SECTION ONE: KARAMOJA SUB-REGION

CEREALS

Figure 1. Maize grain retail price changes Jul –2018

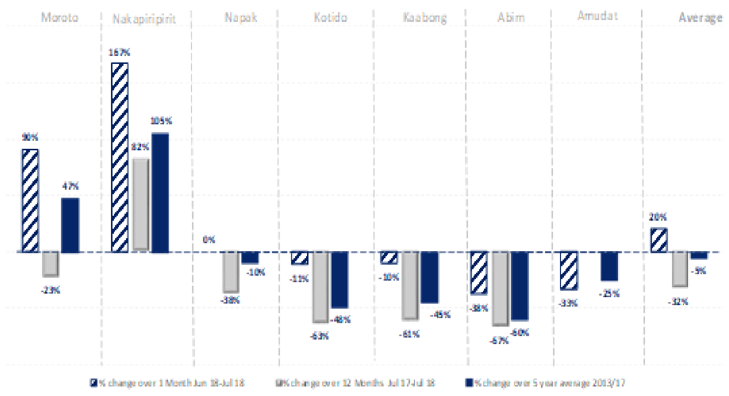


The overall average price for maize grain increased by 13% in July, compared to June, markedly in Kotido, Napak and Moroto. This is attributed to demand following a gradual decline in household stocks. However, Nakapiripirit and Kaabong saw a drop in the retail price, due to the start of the green harvest. Similarly, Nakapiripirit and Kaabong had the lowest prices, with a kilogram costing UGX 600 and UGX 657, respectively.

Compared to July 2017, the overall retail price remained lower by 23%, more so in Kotido, Kaabong and Nakapiripirit following a better harvest towards the end of last year. However, maize grain prices were higher by 46% and 25% in Napak and Moroto, respectively.

Overall, the average retail price for maize grain slightly reduced in July 2018 compared to the long term (2013-2017) average by 8%, markedly in Nakapiripirit and Kaabong. In Napak and Moroto, the price was higher by 43% and 22%, respectively.

Figure 2. Sorghum grain retail price changes Jul—2018



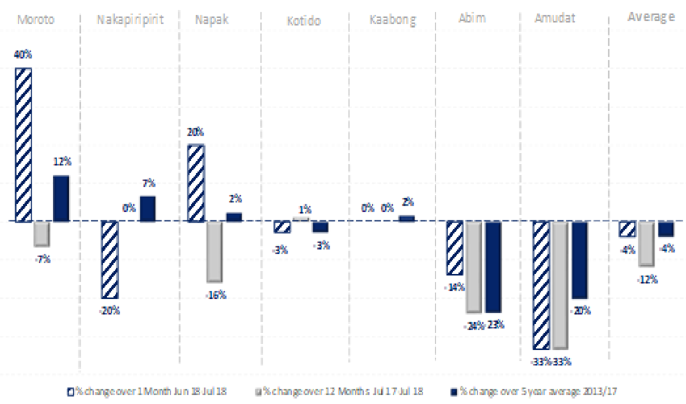
In July, the overall average retail price for sorghum was higher by 21% as compared to June. There was an increase in Nakapiripirit and Moroto due to low supplies on the market. In Abim and Amudat, average prices continued to be lower by 38% and 33%, respectively. Kaabong had the least price, with a kilogram selling at UGX 486.

The overall average retail price in July declined by 32% compared to the same period in 2017, due to a favorable harvest last year across the region. The price decline was markedly higher across all markets. However, the price in Nakapiripirit was above the July 2017 by 82%.

Compared to the long term average, there was a significant reduction in the average price for sorghum in Abim, Kotido and Kaabong. This is attributable to a better harvest in 2017. However, prices remained significantly above average in Nakapiripirit and Moroto.

BEANS

Figure 3. Beans retail price changes Jul – 2018



While there was a reduction in the average retail price for beans in Amudat, Nakapiripirit and Abim following the start of the green harvest, Moroto and Napak experienced increases of about 40% and 20%, respectively due to scarcity.

Overall, price for beans was lower in July this year by 12%, compared to the same period last year. Similar trends were seen in Amudat, Abim and Napak. This is attributed to a better harvest in 2017 that improved supplies on markets and at household level.

Similarly, the average price remained below the long term average in Abim and Amudat during the month.

GOATS

Table 1: Goats retail price changes for Jul - 2018

Market	Current Jul 2018)	% Change from:		
		Jun-18	Jul-17	Av 2013-17
Moroto	93,000	-23%	32.9%	-23%
Nakapiripirit	150,000	76%	71.4%	73%
Napak	120,000	0%	71%	-1%
Kotido	132,500	74%	49.3%	73%
Kaabong	125,000	-6.5%	13.6%	28%
Abim	120,000	28%	66%	57%
Amudat	150,000	0.0%	5.3%	33.3%
Average	127,214	14.3%	38.9%	29%

The overall price for goats continued to rise, with a 14% increase in July compared to June. The increase was significant in Nakapiripirit and Kotido, due to increased demand from other areas coupled with low supplies on the markets.

Similarly, the overall goat prices was higher by 38% in July compared to the same period in 2017, markedly in Nakapiripirit and Napak. This is due to low supplies following reduced selling by pastoral households. Usually, majority of households sell animals during times of stress.

Compared to the long term average, the overall price was higher in July by 29% and mainly in Nakapiripirit, Kotido and Abim. However, the price fell by 23% in Moroto due to low disposable income.

LABOR

Table 2: Changes in Daily Wage Rates Jul -2018

Market	Current Jul 2018)	% Change from:		
		Jun-18	Jul-17	Av 2013-17
Moroto	5,000	0%	0%	0%
Nakapiripirit	5,000	25%	67%	79%
Napak	5,000	0%	0%	1%
Kotido	2,000	0%	6.7%	-7.5%
Kaabong	5,000	0%	0%	19%
Abim	2,000	0%	-33%	-33%
Amudat	5,000	66.7%		150.0%
Average	4,143	11.5%	9%	20.3%

While the average daily labor wage rate was higher during the month compared to June by 67% and 25% in Amudat and Nakapiripirit, respectively. This is due to high demand for labor from farmers, the daily labor wage rate remained stable across other districts.

Compared to 2017, the daily labor wage rate was above by 67% in Nakapiripirit, while Abim observed a 33% decline.

The overall average daily labor wage rate in July was higher than the long term average by 20%, markedly 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	Jul-18	Jun-18	Jul-17
Kg of maize/goat	131.9	114.3	67
Kg of maize/day's wage	4.2	3.8	2.6

In July 2018, the terms of trade for goats and daily wage labor against maize grain improved by 15% and 10%, respectively following an increase in goat prices and earnings from daily wage labor. Earnings from the sale of one goat in July would buy more grains by 17.6kgs, revealing better purchasing power for pastoralists.

Similarly, the terms of trade for both goats and daily labor wage rate were significantly above 2017 levels by 98% and 61%, respectively.

While the terms of trade for goats against maize grain are likely to continue improving due to gradual increase in the average prices for goats across the region, those for daily labor wage rate are expected to remain stable and/or slightly improve.

SUMMARY BY DISTRICT

MOROTO

In July, the average retail prices for maize grain, sorghum and beans were above June levels by 36%, 91% and 40%, respectively due to scarcity. Similarly, the price for maize remained higher than 2017 levels. However, compared to 2017, the prices for sorghum and beans were lower by 23% and 7%, respectively due to a better harvest in 2017.

NAKAPIRIPIRIT

Compared to June, the price for maize grain and beans fell by 37% and 20% respectively, due to the start of the green harvest. However, increased demand from neighboring districts resulted to a surge in the price for sorghum by 167%. While the price for maize grain was lower than 2017 and the long term average, sorghum price was significantly higher during the month.

NAPAK

The average retail prices for maize grain and beans in July were above the June prices by 46% and 20%, respectively due to scarcity and high demand following the depletion of household stocks. Maize grain average prices remained above the 2017 prices by 46% while those for sorghum and beans fell by 36% and 16% respectively.

KOTIDO

While the price for maize grain increased by 87% in July compared to June due to scarcity, prices for sorghum and beans were slightly below normal by 12% and 3%, respectively. Overall, prices for staple foods remained significantly lower than 2017 levels.

KAABONG

Overall, the average retail prices for maize grain and sorghum fell by 19% and 10% respectively due to the start of the green harvest. Similarly, the prices for staples foods continued to be lower than 2017 and the long term average following a better harvest last year. The prices for maize grain and sorghum were the lowest in the region, selling at UGX 657 and UGX 486 per kilogram, respectively.

ABIM

While the price for maize grain remained stable in July compared to June, prices for sorghum and beans reduced by 38% and 14%, respectively. This is due to increased supplies on markets and the start of the green harvest, respectively. Generally, staple food prices are markedly lower than last year and the long term average.

AMUDAT

In July, sorghum and beans prices declined by 33% (each) in July as compared to June, while maize grain price remained stable. Compared to 2017 and the long term average, the retail prices for all staple foods were low.

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

Figure 4. Maize Grain Price Trends

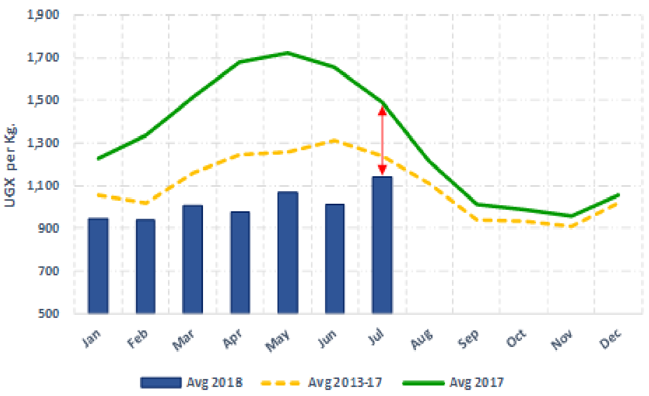


Figure 5. Sorghum Grain Price Trends

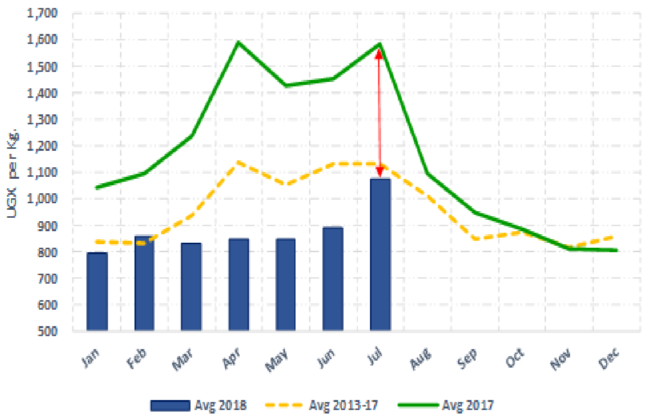


Figure 6. Beans Price Trends

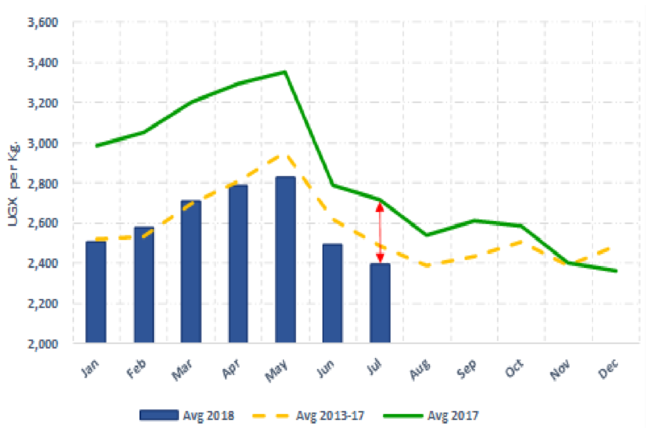


Figure 7. Maize Flour Price Trends

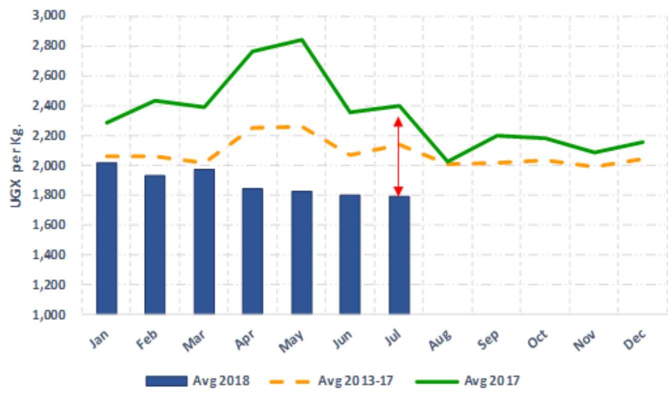


Figure 8. Terms of Trade Goats vs Maize grain

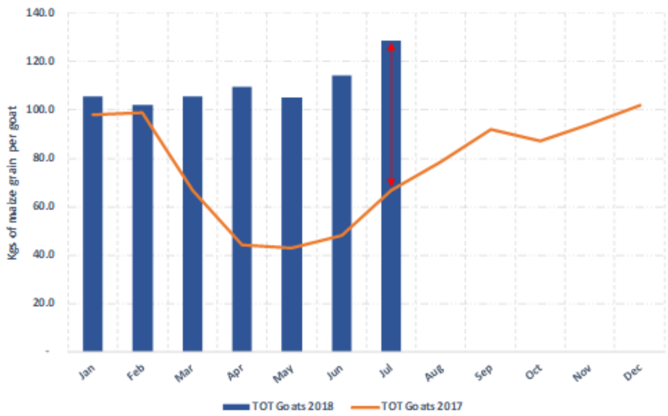


Figure 9. Terms of Trade Labour vs Maize grain

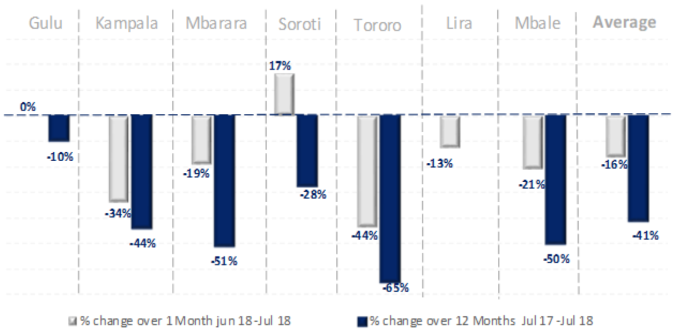
All data provided until this point has been sourced from WFP ProMIS

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

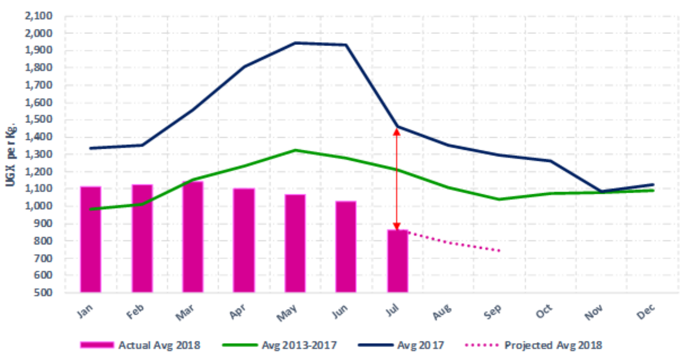
Fig. 10: Maize Grain Retail Price Changes Jul -2018



In July, the average price for maize grain continued to fall, with declines observed across markets, more so in Tororo and Kampala due to improved supplies from old stocks and the ongoing harvest in the bimodal areas. In Soroti, the price was above June levels by 17%, due to demand from Karamoja.

Generally, prices have remained significantly lower than 2017 levels, mainly in Tororo and Mbarara.

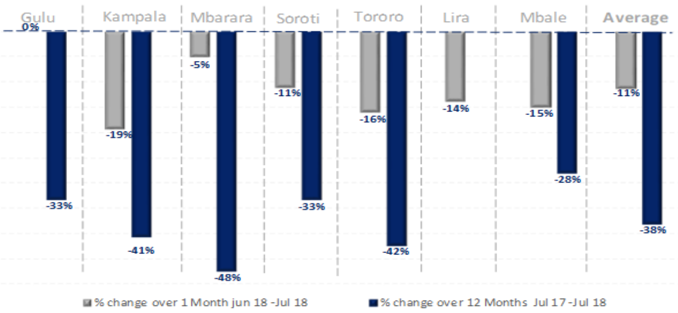
Fig. 11: Maize Grain Price Trend & projections: Sep 2018



Source: WFP AME Trends

The average retail price for maize grain is likely to continue falling in August through September. This is due to the replenishment of stocks from the ongoing first season harvest. Similarly, the price is expected to remain below 2017 and the long term average.

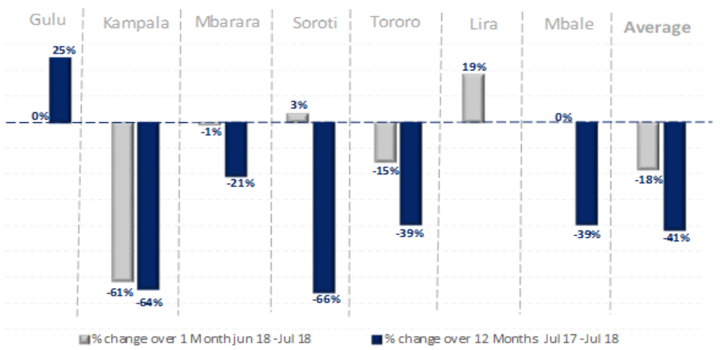
Fig. 12: Maize flour retail price changes Jul -2018



The overall retail price for maize reduced by 11% in July, compared to June, with declines noted across all key markets.

Compared to July 2017, the price was below by 38% and markedly in Mbarara, Tororo and Kampala due to high supplies on the markets.

Fig. 13: Sorghum Retail Price Changes Jul -2018

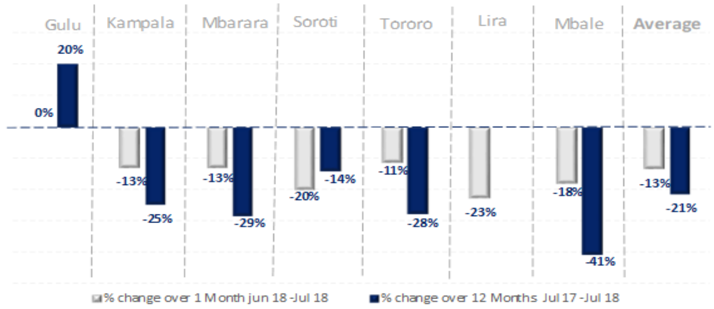


While the average retail price for sorghum was lower in July by 61% and 15% as compared to June in Kampala and Tororo, respectively, Lira observed an increase by 19%, due to increased demand. Soroti and Lira had the least prices, with a kilogram selling at UGX 517 and UGX 633 respectively.

Compared to the same period in 2017, the retail price for sorghum remained markedly lower this year across nearly all key markets Gulu that experienced a 25% increase.

BEANS

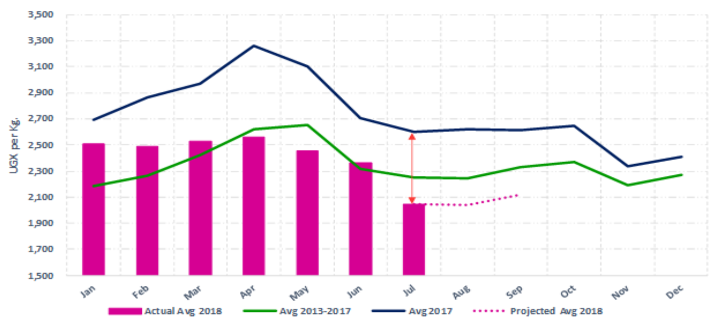
Fig. 14: Beans Retail Price Changes Jul -2018



Overall, average retail price for beans continue to decline across the country due to the first season harvest in the bimodal areas, with the overall retail price falling by 14% in July, compared to June.

Compared to the same period in 2017, price for beans was lower during the month, more so in Mbale and Mbarara.

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



Source: WFP AME Trends

Overall, the retail price for beans has remained lower than June 2018, July 2017 and the long term average. Similarly, the price is expected to remain relatively stable through September, due to stocks from the ongoing harvest.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: July 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)	1,500	36%	25%	↑	↑
		Sorghum (per Kg)	2,000	90%	-23%	↑	↓
		Beans (per Kg)	2,800	40%	-7%	↑	↔
		Medium size goat	93,000	-23%	33%	↓	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	600	-37%	-40%	↓	↓
		Sorghum (per Kg)	2,000	167%	82%	↑	↑
		Beans (per Kg)	2,000	-20%	0%	↓	↔
		Medium size goat	150,000	76%	71%	↑	↑
		Daily labour wage	5,000	25%	67%	↑	↑
	Napak	Maize grain (per Kg)	1,750	46%	46%	↔	↑
		Sorghum (per Kg)	1,000	0%	-38%	↔	↓
		Beans (per Kg)	2,400	20%	-16%	↑	↓
		Medium size goat	120,000	0%	71%	↔	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Kotido	Maize grain (per Kg)	1,000	87%	-63%	↑	↓
		Sorghum (per Kg)	531	-11%	-63%	↓	↓
		Beans (per Kg)	2,550	-3%	1%	↔	↔
		Medium size goat	132,500	74%	49%	↓	↑
		Daily labour wage	2,000	0%	7%	↔	↔
	Kaabong	Maize grain (per Kg)	657	-19%	-43%	↓	↓
		Sorghum (per Kg)	486	-10%	-61%	↓	↓
		Beans (per Kg)	3,000	0%	0%	↔	↔
		Medium size goat	125,000	-7%	14%	↓	↔
		Daily labour wage	5,000	0%	0%	↔	↔
	Abim	Maize grain (per Kg)	1,000	0%	-38%	↔	↓
		Sorghum (per Kg)	500	-38%	-67%	↓	↓
		Beans (per Kg)	2,000	-14%	-24%	↓	↓
		Medium size goat	120,000	28%	66%	↑	↑
		Daily labour wage	2,000	0%	-33%	↔	↓
	Amudat	Maize grain (per Kg)	1,500	0%	-6%	↔	↔
		Sorghum (per Kg)	1,000	-33%		↓	
		Beans (per Kg)	2,000	-33%	-33%	↓	↓
		Medium size goat	150,000	0%	5%	↔	↔
		Daily labour wage	5,000	67%		↑	
Central	Kampala/Owino	Maize grain (per Kg)	1,000	-34%	-44%	↓	↓
		Sorghum (per Kg)	1,200	-61%	-64%	↓	↓
		Maize flour (per Kg)	1,550	-19%	-41%	↓	↓
		Beans (per Kg)	2,067	-13%	-25%	↓	↓
Western	Mbarara	Maize grain (per Kg)	750	-19%	-51%	↓	↓
		Sorghum (per Kg)	2,475	-1%	-21%	↔	↓
		Maize flour (per Kg)	1,900	-5%	-48%	↔	↓
		Beans (per Kg)	2,000	-13%	-29%	↓	↓
Eastern	Tororo	Maize grain (per Kg)	388	-44%	-65%	↓	↓
		Sorghum (per Kg)	975	-15%	-39%	↓	↓
		Maize flour (per Kg)	1,325	-16%	-42%	↓	↓
		Beans (per Kg)	1,950	-11%	-28%	↓	↓
	Mbale	Maize grain (per Kg)	700	-21%	-50%	↓	↓
		Sorghum (per Kg)	1,000	0%	-39%	↔	↓
		Maize flour (per Kg)	1,533	-15%	-28%	↓	↓
		Beans (per Kg)	1,500	-18%	-41%	↓	↓
Northern	Gulu	Maize grain (per Kg)	1,800	0%	-10%	↔	↔
		Sorghum (per Kg)	2,000	0%	25%	↔	↑
		Maize flour (per Kg)	2,000	0%	-33%	↔	↓
		Beans (per Kg)	3,000	0%	20%	↔	↑
	Soroti	Maize grain (per Kg)	700	17%	-28%	↑	↓
		Sorghum (per Kg)	517	3%	-66%	↔	↓
		Maize flour (per Kg)	1,333	-11%	-33%	↓	↓
		Beans (per Kg)	2,000	-20%	-14%	↓	↔
	Lira	Maize grain (per Kg)	700	-13%		↓	
		Sorghum (per Kg)	633	19%		↑	
		Maize flour (per Kg)	1,667	-14%		↓	
		Beans (per Kg)	1,800	-23%		↓	
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 = June 2018 compared to July 2018			1 Y = July 2017 compared to July 2018				