



SEPTEMBER 2018¹

HIGHLIGHTS

Currency Exchange Rate: From July 2018, the South Sudanese Pound continued to gain value against the US Dollar in the parallel market. In August, the monthly average exchange rate in Juba was SSP 214 per USD 46 percent higher than the official exchange rate. The exchange rate in the parallel market appreciated by seven percent compared to July 2018. The parallel market exchange rate reached a peak of SSP 310 per USD in June 2018 but started appreciating thereafter and was 30 percent higher compared to August 2017. This difference is the lowest since the beginning of 2015. On the contrary, the official exchange rate has steadily but marginally increased per month since November 2016 and increased by four percent from SSP 142 in July to SSP 147 in August 2018. The exchange rate has been the major driver of food prices.

- **Grain Prices:** In August 2018, the retail prices of cereal and cereal products dropped in most of the WFP monitored markets. The decrease in prices could be attributed to the appreciation of SSP, drop in staple cereal prices at source market (Uganda), better market supply at the start of the dry season, distribution of humanitarian assistance and the beginning of harvest season in some pocket areas.
- **Fuel Prices:** Almost all monitored markets experienced a decrease in the fuel prices, mainly due to appreciation of local currency and the beginning of the dry season that eased off transportation. Juba, Aweil, Mingkaman, Yambio and Bor had the highest diesel price decrease ranging from 8 to 37 percent, compared to July 2018. Similarly, petrol price decreased by 6 to 31 percent in Juba, Mingkaman, Yambio, Bor, Kapoeta South and Torit.
- **Terms of Trade (ToT):** The ToT between sorghum and an average size goat improved in Juba, Yida, Mingkaman and Wau, mainly due to drop in cereal prices. As a result, the purchasing power of livestock dependent households improved. On the contrary, the ToT in Aweil deteriorated by a quarter.
- **Outlook:** Stable prices of food commodities is expected in most of the markets in the coming three months, if the signed peace agreement holds, coupled with the continuity in the appreciation of SSP and distribution of humanitarian food assistance is uninterrupted.

¹ The bulletin is based on market price data for August 2018

Photos: WFP/Aschalew Feleke (Left-Yida market) and WFP/George Fominyen (Right)
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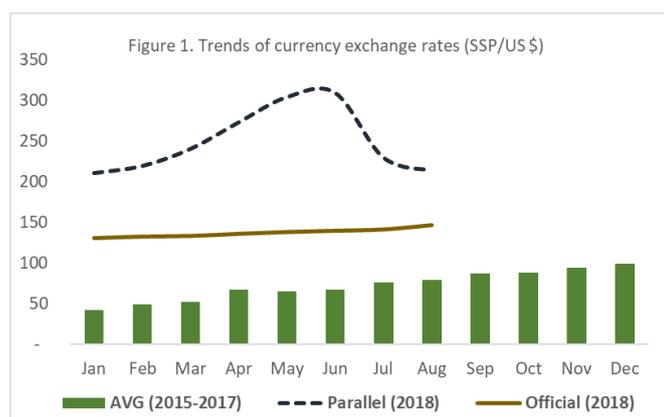
South Sudan

MONTHLY MARKET PRICE MONITORING BULLETIN



South Sudanese Pound continued appreciation in the parallel market

From July 2018, the South Sudanese Pound (SSP), continued to gain value against the US Dollar in the parallel market. In August, the monthly average exchange rate in Juba was SSP 214 per dollar (see Figure 1). This represents a 46 percent increase compared to the official rate. The parallel market rate appreciated by seven percent compared to July 2018, but depreciated by 30 percent compared to July 2017, the lowest difference ever since the beginning of 2015. The average monthly official exchange rate was SSP 147 per US Dollar, a depreciation of four and 46 percent compared to July 2018 and August 2017 respectively. Given that most of the foreign currency is sourced from the parallel market, the appreciation of local currency against the dollar can lead to the decline on prices of imported commodities.



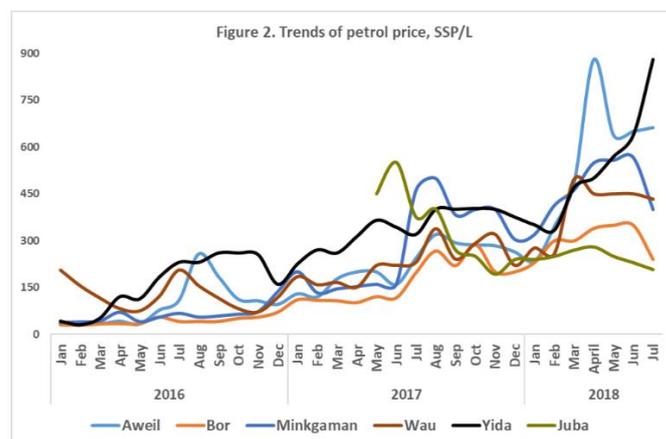
Source: Bank of South Sudan (Official) and WFP (Parallel)

Petrol and diesel prices decreased in monitored markets

In August 2018, almost all monitored markets experienced decrease in prices of petrol and diesel, mainly associated with appreciation of local currency and better access to transport as the dry season sets in. Fuel prices in most markets stood below August 2017 levels, especially in markets where formal fuel stations operate, such as Juba, Torit, Kapoeta South and other locations closer to these centers. The stability in fuel supply is expected to be maintained only if supply remain steady, there is less insecurity incidences is supply routes and appreciation of the SSP mantains.

Diesel prices decreased by 8 to 37 percent, compared to July 2018 in Juba, Aweil, Mingkaman, Yambio and Bor, where markets had the highest prices.

Petrol prices decreased by 6 to 31 percent in Juba, Mingkaman, Yambio, Bor, Kapoeta South and Torit. The exception was in Yida where petrol prices increased by 38 percent compared to last month. Figure 2 depicts the trend of petrol price in selected markets.



Source: WFP

Purchasing power of households improved due to food prices drop ahead of peak harvest season

Staple grain: In August 2018, the retail prices of cereal and cereal products (sorghum, maize, rice, maize meal and wheat flour) have dropped almost in all the monitored markets. This decrease in prices could be attributed to the appreciation of SSP, drop in staple cereal prices at the source market in Uganda, improved market availability due to start of the dry season, availability of government subsidized food in Juba and the beginning of the harvest season in some pocket areas. Additionally, the distribution of food assistance has contributed to depressed market purchases by beneficiaries leading to the stability in food prices.

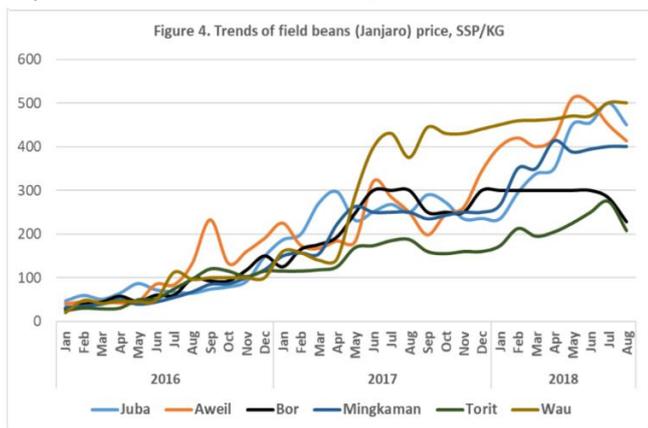
Sorghum: The prices decreased from July 2018 by 14 percent in Juba, by 33 percent in Yida, and 9 percent in Mingkaman; However, prices increased by 8 and 30 percent in Wau and Malakal for the same period respectively (Figure 3).

Maize grain: Prices decreased throughout all the markets by an average of 14 percent and as high as 33 percent compared to July 2018 in Juba, Yida, Torit, Yambio, Aweil and Yida. Similarly, **beans, maize meal, wheat flour and rice prices** decreased in many of the monitored markets. However, maize meal in Bor and

Torit increased by 7 and 9 percent respectively (see Annex 1).

Prices of all commodities across all markets have remained elevated compared to August of 2017, despite the appreciation of the SSP.

Field beans (Janjaro): This pulse is one of the main protein source and largely consumed especially by non-pastoralists across the country. Local production doesn't meet domestic requirements, hence the consumption gap is met by imports from Uganda. Despite sourcing most of the beans externally, the price has been decreasing in August compared to July 2018 in different markets. The prices of field beans dropped by 10 to 24 percent in Juba, Torit, Bentiu, Kapoeta South and Bor. (see Figure 4 and Annex 1).



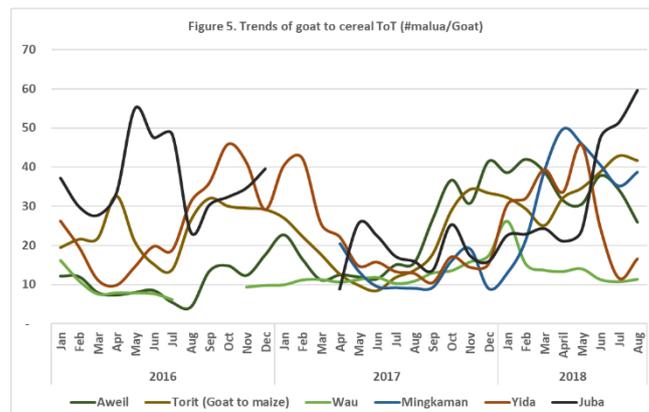
Source: WFP

Vegetable oil: In August 2018, the price of vegetable oil dropped in the monitored markets. Compared to July 2018, the price either dropped or remained stable in 80 percent of monitored markets (see annex 1). The highest drop in vegetable oil prices of 11 to 45 percent was in Yambio, Bor, Kapoeta South and Aweil. However, prices increase of 33 and 6 percent were reported in Yida and Wau markets, respectively. The drop in vegetable oil prices in most markets is attributed to the appreciation of the local currency making importation cheaper.

Terms of Trade (ToT): Purchasing Power

Goat to sorghum: The ToT between sorghum and average size goat improved in Juba by 16 percent, Yida by 42 percent, Mingkaman by 10 percent and Wau by 6 percent, attributed mainly to the drop in cereal prices, leading to improvement in the purchasing power of

livestock dependent households. However, the ToT deteriorated by a quarter in Aweil despite the stability



of sorghum prices, due to the drop in the price of average size goat.

Source: WFP

Outlook

The beginning of the harvest season from September onwards is expected to increase household consumption from own production therefore decreasing high dependency on market purchases for majority of the farming households. The harvest will however be exhausted by December for most of the poor and those households who did not cultivate substantial areas due to insecurity and shortage of seeds. Hence, these households still require humanitarian assistance. If provided as planned, assistance will reduce dependency on markets for the households whose livelihoods have already been depleted and at the same time assistance will also continue to stabilize market prices. Additionally, the appreciation of local currency against US Dollar coupled with expected improvements of the dry season road access are likely to contribute to the stability and further drop in prices. Above all, the implementation of the peace agreement signed between the warring parties will have paramount contribution to the stability of markets. Hence, the combination of these factors is expected to contribute to the decrease of the main commodity prices in the coming three months in most of the markets, leading to stable food prices, more so if the peace agreement holds.

South Sudan

MONTHLY MARKET PRICE MONITORING BULLETIN



TABLE 1: Highest and Lowest Price by Markets and Month-on-Month Percent Changes – August 2018

	Lowest Price			Highest Price		
	Market	Price (SSP)	M-on-M Change (%)	Market	Price (SSP)	M-on-M Change (%)
White sorghum (3.5 KG)	Torit	235	ND	Malakal	650	30
White maize (3.5 KG)	Makpandu	150	0	Aweil	450	-9
Maize flour(KG)	Yambio	100	-47	Yida	500	0
Field beans(KG)	Kapoeta South	200	-20	Yida	619	3
Wheat flour (KG)	Torit	175	-8	Yida	400	0
Cooking oil(L)	Yambio	240	-45	Yida	1000	33
Diesel (L)	Juba	200	-13	Yida	650	-21
Petrol(L)	Juba	208	-10	Yida	880	38
Groundnuts-shelled (KG)	Kapoeta South	200	-30	Mingkaman	500	0
TOT: Goat to sorghum (malua)	Wau	11	6	Juba	60	16

ANNEX 1: Commodity Prices and Percent Changes – August 2018

	Commodity	Price Changes (%)							
		SSP Aug	1M	3M	1Y	1M	3M	1Y	
White Sorghum (3.5KG)	Juba	375	-14	-21	-3	▶	▶	▶	
	Aweil	500	0	6	140	▶	▶	▶	
	Mingkaman	500	-9	-15	-9	▶	▶	▶	
	Yida	363	-33	95	86	▶	▶	▶	
	Agok	450	-5	27	27	▶	▶	▶	
	Wau	488	8	1	12	▶	▶	▶	
	Malakal	650	30	35	0	▶	▶	▶	
	Yambio	100	-47			▶	▶	▶	
White Maize (3.5KG)	Juba	425	-14	-15	6	▶	▶	▶	
	Aweil	450	-9	10	61	▶	▶	▶	
	Torit	240	-31	-29	-15	▶	▶	▶	
	Wau	475	3	6	27	▶	▶	▶	
	Yida	275	-33	129	62	▶	▶	▶	
	Kapoeta South	350	-4	-8	-18	▶	▶	▶	
	Makpandu	150	0			▶	▶	▶	
	Yambio	213	-19			▶	▶	▶	
Wheat Flour (KG)	Bor	188	-34	-37	47	▶	▶	▶	
	Juba	208	-17	4	14	▶	▶	▶	
	Aweil	306	-19	-1	206	▶	▶	▶	
	Mingkaman	300	-5	0	41	▶	▶	▶	
	Torit	175	-8	-19	46	▶	▶	▶	
	Kapoeta South	250	-6	-11	75	▶	▶	▶	
	Wau	255	-11	3	82	▶	▶	▶	
	Yida	400	0	38	23	▶	▶	▶	
Field beans (KG)	Juba	450	-10	0	80	▶	▶	▶	
	Aweil	413	-8	-19	66	▶	▶	▶	
	Bor	228	-19	-24	-24	▶	▶	▶	
	Bentiu	250	-24	-45	150	▶	▶	▶	
	Mingkaman	400	0	3	60	▶	▶	▶	
	Yida	619	3	15	438	▶	▶	▶	
	Wau	500	0	6	33	▶	▶	▶	
	Kapoeta South	200	-20	-33	25	▶	▶	▶	
	Rumbek	400	0	-13		▶	▶	▶	
	Torit	208	-24	-8	11	▶	▶	▶	
Yambio	325	2			▶	▶	▶		
Maize Flour (KG)	Kapoeta South	180	3	6	20	▶	▶	▶	
	Rumbek	305	2	29		▶	▶	▶	
	Yida	500	0	0	108	▶	▶	▶	
	Yambio	100	-47			▶	▶	▶	
	Mingkaman	300	-1	0	36	▶	▶	▶	
	Juba	213	-7	25	13	▶	▶	▶	
	Bor	250	7	0	39	▶	▶	▶	
	Torit	175	9	-3	10	▶	▶	▶	
	Wau	250	-13	-17	14	▶	▶	▶	
	Aweil	318	-11	-4	342	▶	▶	▶	
Vegetable Oil (L)	Juba	375	-6	7	86	▶	▶	▶	
	Aweil	313	-11	12	102	▶	▶	▶	
	Bor	376	-23	-25	32	▶	▶	▶	
	Mingkaman	500	-9	-5	39	▶	▶	▶	
	Bentiu	633	-10	-10	-10	▶	▶	▶	
	Wau	388	6	5	39	▶	▶	▶	
	Kapoeta South	500	-13	-5	150	▶	▶	▶	
	Yida	1000	33	49	74	▶	▶	▶	
	Torit	350	-8	-7	46	▶	▶	▶	
	Malakal	525	2	5		▶	▶	▶	
Yambio	240	-45			▶	▶	▶		
TOT (Goat to sorghum) Malua/Goat	Rumbek	26	3	6	250	▶	▶	▶	
	Torit	42	-3	20	206	▶	▶	▶	
	Aweil	26	-24	-15	68	▶	▶	▶	
	Mingkaman	39	10	-16	330	▶	▶	▶	
	Wau	11	6	-19	5	▶	▶	▶	
	Yida	17	42	-64	29	▶	▶	▶	
Juba	60	16	151	275	▶	▶	▶		
TOT (Wage to Sorghum) # Malua/Daily wage	Rumbek	1.13		173	47	▶	▶	▶	
	Aweil	1.10	10	3	55	▶	▶	▶	
	Wau	2.22	82	209	294	▶	▶	▶	
	Yida	1.10	48	-36	-28	▶	▶	▶	
Fuel-Petrol (L)	Aweil	662	2	-25	171	▶	▶	▶	
	Bor	240	-31	-29	22	▶	▶	▶	
	Torit	255	-6	-24	0	▶	▶	▶	
	Wau	433	-4	-4	88	▶	▶	▶	
	Yida	880	38	76	175	▶	▶	▶	
	Mingkaman	400	-29	-27	-14	▶	▶	▶	
	Kapoeta South	240	-19	-52	78	▶	▶	▶	
	Juba	208	-10	-26	-45	▶	▶	▶	
Shelled Groundnuts (KG)	Juba	450	-10	2	80	▶	▶	▶	
	Aweil	290	-11	19	130	▶	▶	▶	
	Bor	313	4	4	25	▶	▶	▶	
	Mingkaman	500	0	25	270	▶	▶	▶	
	Rumbek	290	-22	-33		▶	▶	▶	
	Torit	200	-43	-70	-22	▶	▶	▶	
	Wau	226	-19	-42	-10	▶	▶	▶	
	Kapoeta South	200	-30	-43	0	▶	▶	▶	
	Makpandu	220	-17			▶	▶	▶	
	Yambio	300	43			▶	▶	▶	

Above normal price increases ▲

Normal Price changes ▶

Below normal price decreases ▼

Price fluctuation is 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