

WFP MONTHLY MARKET UPDATE

SUDAN, JANUARY 2019

HIGHLIGHTS

- IN EL GADARIF AUCTION MARKET, THE MONTHLY AVERAGE WHOLESALE PRICE OF SORGHUM AND MILLET SLIGHTLY DECREASED IN JANUARY 2019 COMPARED TO DECEMBER 2018. THE PRICES OF BOTH CROPS INCREASED BY MORE THAN 50% COMPARED TO JANUARY 2018.
- IN JANUARY 2019, THE NATIONAL AVERAGE RETAIL PRICE OF SORGHUM INCREASED BY 7.5 PERCENT COMPARED TO DECEMBER 2018. IT INCREASED IN ALL STATES EXCEPT IN KASSALA WHERE IT REMAINED STABLE.
- THE NATIONAL AVERAGE RETAIL PRICE OF GOAT INCREASED BY 13 PERCENT IN JANUARY 2019 COMPARED TO DECEMBER 2018, IT INCREASED IN ALL STATES EXCEPT IN BLUE NILE WHERE IT DECREASED BY 7.0 PERCENT.
- THE NATIONAL AVERAGE RETAIL PRICE OF GROUNDNUT INCREASED BY 7.0 PERCENT IN JANUARY 2019 COMPARED TO DECEMBER 2018. IT INCREASED IN 7 OUT OF 11 STATES WHILE IT REMAINED STABLE IN OTHER STATES.

CEREAL PRICES IN THE MAIN PRODUCTION AREA - GADARIF AUCTION MARKET

The average wholesale price of sorghum for January 2019 was SDG891/sack (=90Kg); it decreased by 3.0 percent compared to December and is higher by 52 percent compared to the same month of the previous year (see chart 1 - annex 1 in page 8).

The average wholesale price of millet for December 2018 was SDG1696/sack (=100Kg); it decreased by 4.7 percent compared to December and is higher by 60 percent compared to the same period of the previous year (see chart 2 - annex 1 in page 8).

Summary of Market Prices in WFP Areas

The national average price of sorghum increased by 7.5 percent compared to December 2018. This increase is attributed to low supply of sorghum to the market due to shortage of cash delaying the harvest and supply of crops.

The current national retail price of sorghum is higher by 94 percent compared to the same period of the previous year (January 2018). The national average price of sorghum was 236 percent higher than the five-year average of the same month (January).

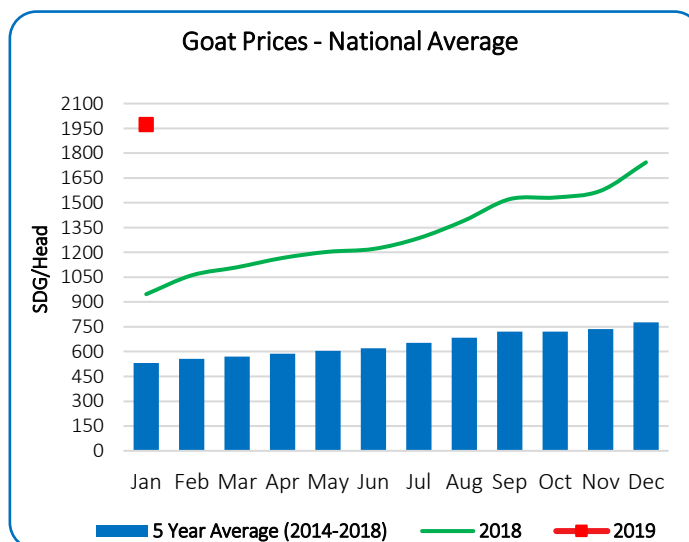
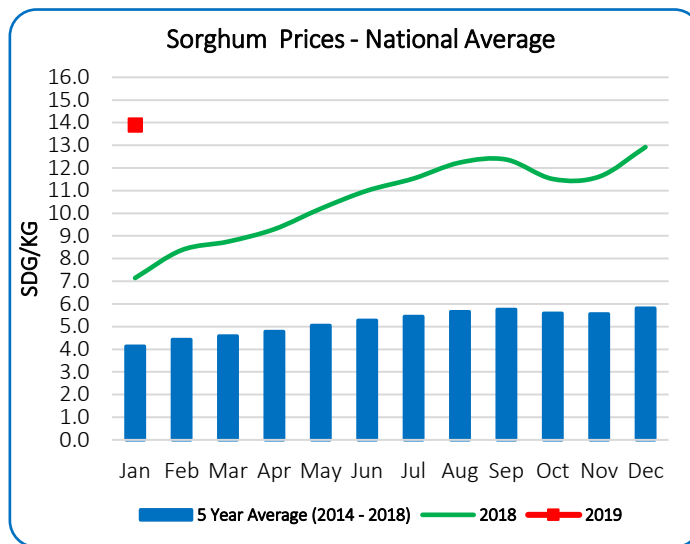
Other factors that contributed to this increasing trend in the prices of sorghum is inflationary increase in the cost of production this season compared to the previous season. In addition, the partial lifting of wheat subsidy and devaluation of Sudanese currency (increase the prices of imported inputs) contributed to the increase.

The national average price of goat increased by 13.1 percent compared to the previous month (December 2018), as a result of rich pasture condition this season

which reduces the animal supply to the market (usually, animal owners, bring more animals to the market to get cash to purchase fodders from the market, while this season they depend on the free grazing pasture and residues of crops). The price of goat increased by 108.0 percent compared to the same month of the previous year.

The national average price of goat was higher by 271 percent compared to the five-year average of the same month.

This high variation in the national average price of goat compared to the previous years is mainly attributed to the inflationary increase in the cost of production and devaluation of the Sudanese currency which increased the demand of livestock for the export markets.

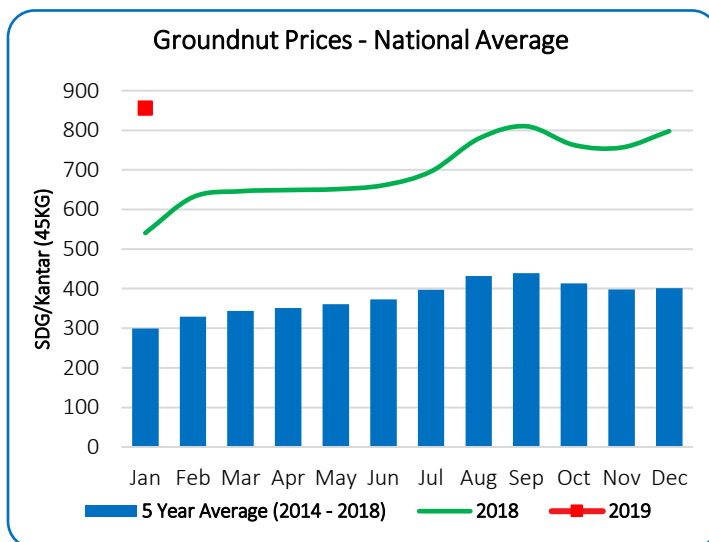


The national average price of groundnut increased by 7.0 percent compared to the previous month. The price of groundnut started its steady increase from January 2019 as expected and it will continue up to the onset of the production season in June 2019. This increase is attributed to low production, sharp increase in the price of substitutes (sesame crop) and high demand of groundnut to export markets. This sharp increase in the prices of oil seed crops is in turn expected to increase the prices of vegetable oil.

The national average price of groundnut was higher by 58.5 percent compared to the same period of the previous year (January 2018). This is due to the high cost of production and grow on demand for the export market.

The national average price of groundnut was higher by 186.0 percent compared to the five-year average of the same month.

Additional price data of the three commodities for 2017, 2018 and 2019 by states can found in annex 2 (page 9).



Sorghum

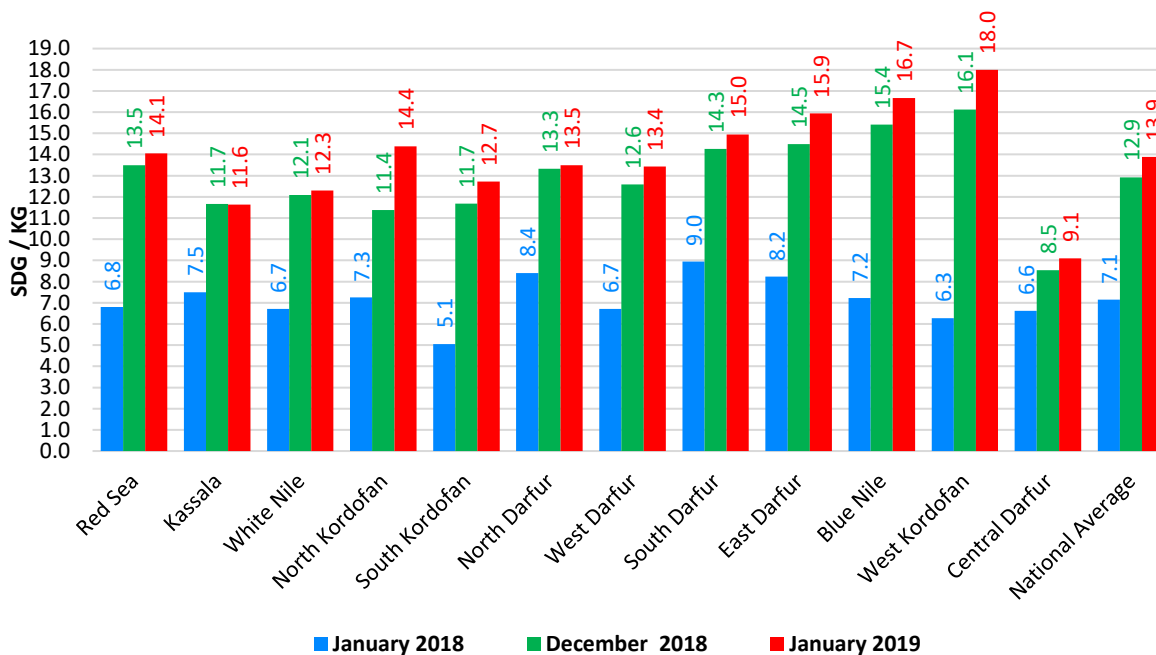
In January 2019, sorghum retail prices increased in all states except in Kassala, where it remained stable. It significantly increased in North Kordofan (26 percent), West Kordofan (12 percent), East Darfur (10 percent), South Kordofan (9 percent), Blue Nile (8 percent), West Darfur (7 percent), Central Darfur (7 percent) and slightly in South Darfur (5 percent), Red Sea (4 percent), White Nile (2 percent) and North Darfur (1 percent).

The significant increase in sorghum prices during January 2019 is mainly attributed to low supply from the current season harvest in addition to the high cost of production.

The sorghum prices sharply increased in all states (from 38 percent in Blue Nile to 187 percent in West Kordofan) compared to the same period of the previous year.

The sorghum prices were higher by 176 to 292 percent in all states compared to the 5-year average of January.

Sorghum Prices, by State

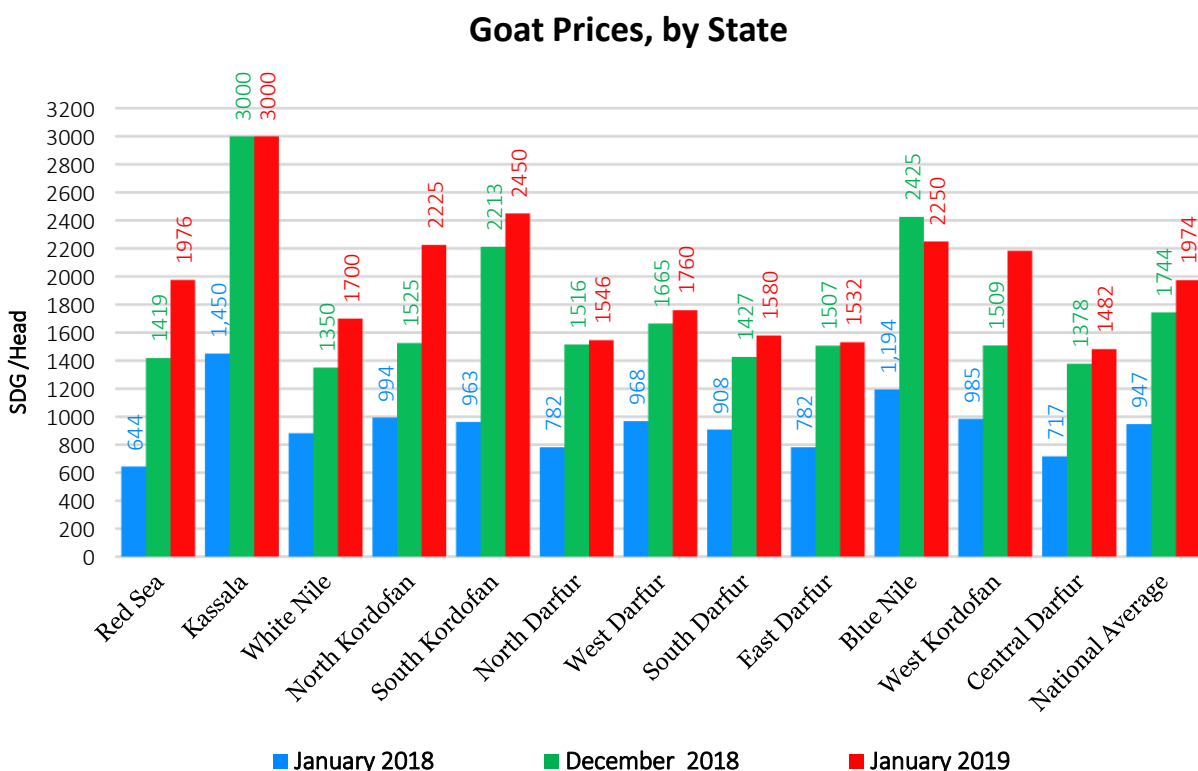


Goat

The prices of goat increased in all states except in Blue Nile where it decreased by 7 percent in January 2019 compared to December 2018. It sharply increased in North Kordofan (46 percent), West Kordofan (45 percent), Red Sea (39 percent), White Nile (26 percent), South Kordofan (10.7 percent), South Darfur (10.7 percent) and slightly increased in Central Darfur (7.5 percent), West Darfur (5.7 percent), East Darfur (2.0 percent) and North Darfur (2.0 percent); while it remained stable in Kassala.

This significant increase in the goat prices in most states can be mainly attributed to the good pasture condition, high export demand, in addition to inflationary increase in the cost of production.

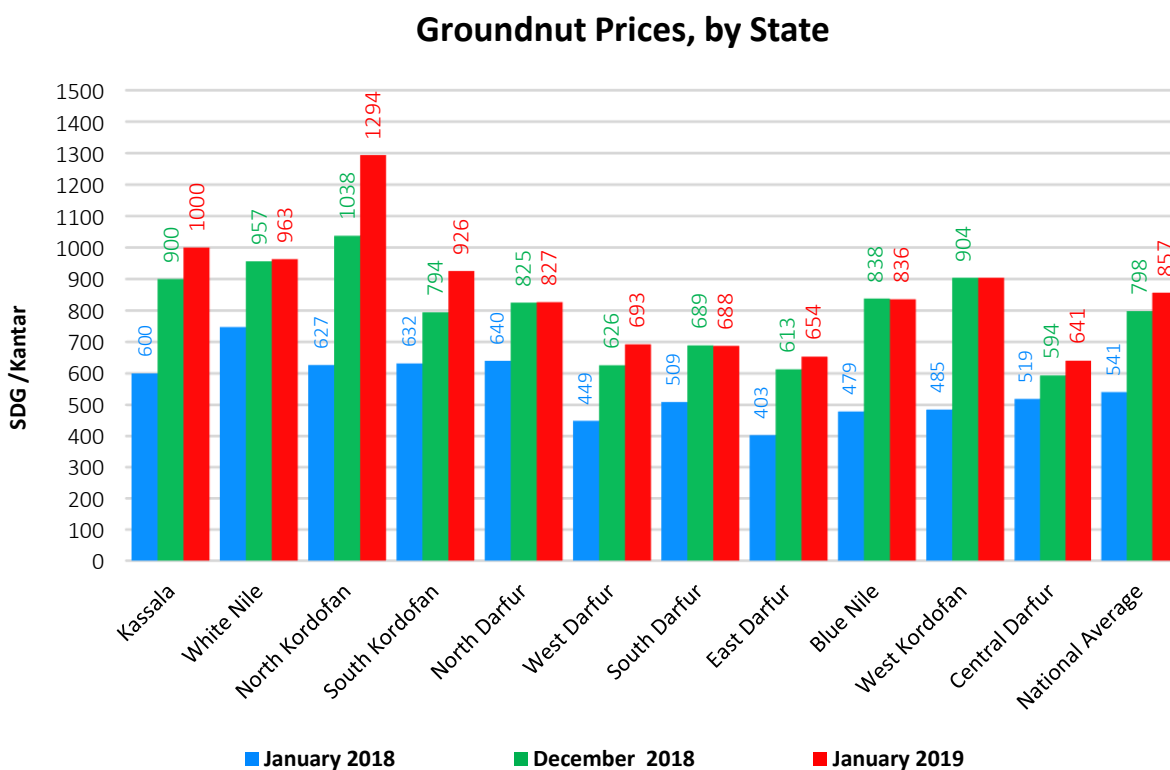
The prices of goat increased by 74 to 207 percent in all states compared to the same month of previous year (January 2018). Goat prices were higher by 194 to 383 percent in all states compared to the 5-year average of January.



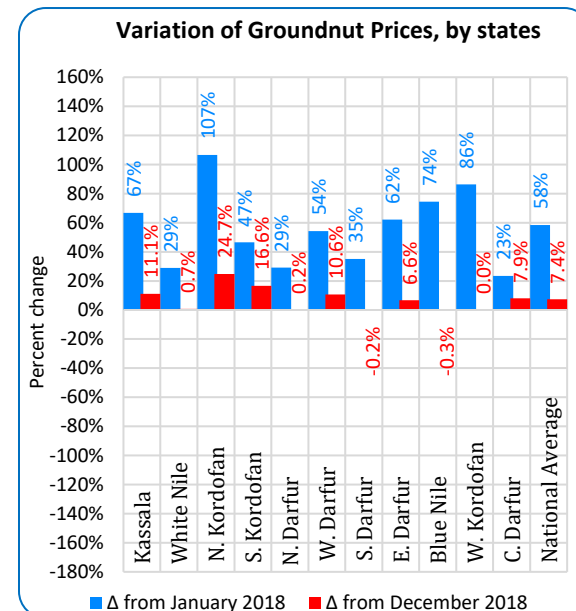
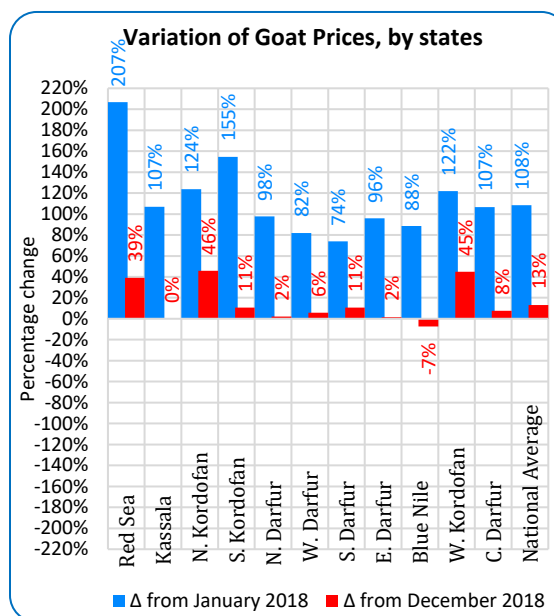
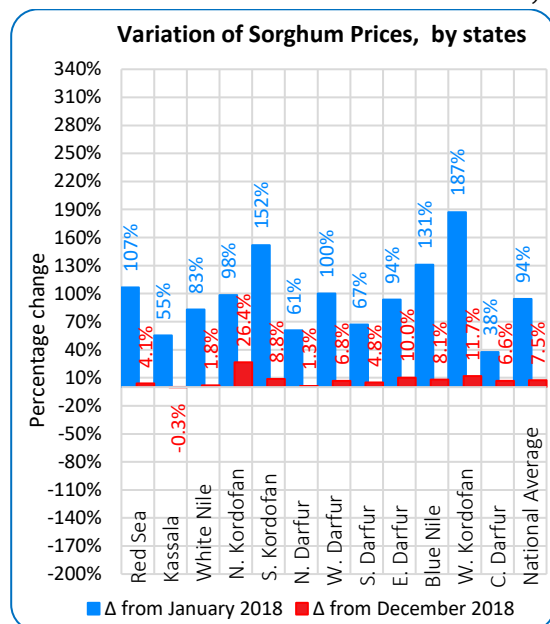
Groundnut

Groundnut prices increased in six out of eleven states, while it remained stable in five states. It sharply increased in North Kordofan (25 percent), South Kordofan (17 percent), Kassala (11.1 percent), Wet Darfur (10.7 percent), Central Darfur while it slightly increased in White Nile (1.0 percent). It was stable in North Darfur, South Darfur, Blue Nile and West Kordofan compared to the previous month.

The groundnut prices were higher by 23.0 to 107.0 percent in all states compared to the same month of the previous year. It increased by 109 to 286 percent in all states compared to the five-year average of January.



THE PERCENTAGE CHANGE OF SORGHUM, GOAT AND GROUNDNUT PRICES COMPARED TO THE DECEMBER 2018 AND JANUARY 2018



States' ranking according to the level of variation in the prices of commodities (sorghum, goat and groundnut)

January 2019 Compared to December 2018			
Ranking	Sorghum	Goat	Groundnut
First	North Kordofan (+)	North Kordofan (+)	North Kordofan (+)
Second	West Kordofan (+)	West Kordofan (+)	South Kordofan (+)
Third	East Darfur (+)	Red Sea (+)	Kassala (+)
Fourth	South Kordofan (+)	South Kordofan (+)	West Darfur (+)
Fifth	Blue Nile (+)	South Darfur (+)	Central Darfur (+)

January 2019 compared to January 2018			
Ranking	Sorghum	Goat	Groundnut
First	West Kordofan (+)	Red Sea (+)	North Kordofan (+)
Second	South Kordofan (+)	South Kordofan (+)	West Kordofan (+)
Third	Blue Nile (+)	North Kordofan (+)	Blue Nile (+)
Fourth	Red Sea (+)	West Kordofan (+)	Red Sea (+)
Fifth	West Darfur (+)	Kassala & C. Darfur (+)	East Darfur (+)

Key: Increase in price = (+), Decrease in price = (-), Steady price = (o)

Note: Compared to the previous month, sorghum prices increased in all states, except Kassala where it slightly decreased. Goat prices were increased in all states, except Blue Nile while groundnut prices increased in all states except two states, South Darfur and Blue Nile states.

Annex 1: Gadarif Auction Market: *

Chart 1: Daily Sorghum (feterita) Wholesale Prices

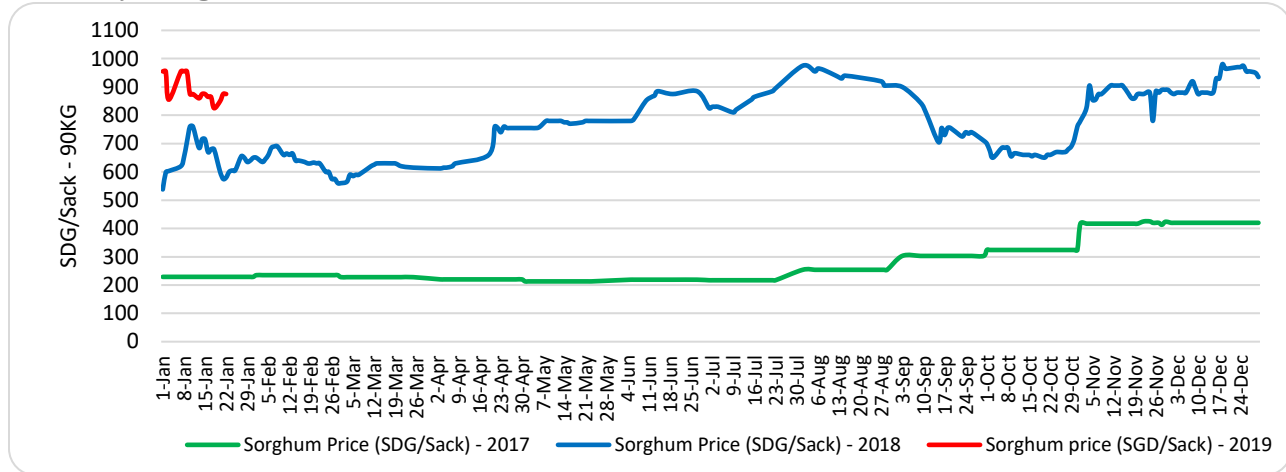


Chart 2: Daily Millet Wholesale Prices

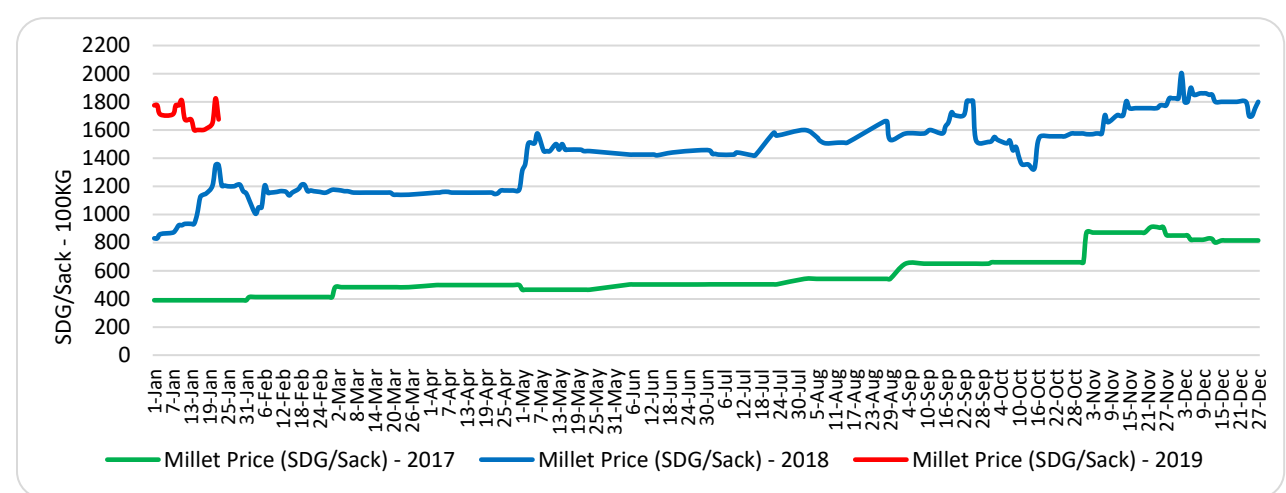
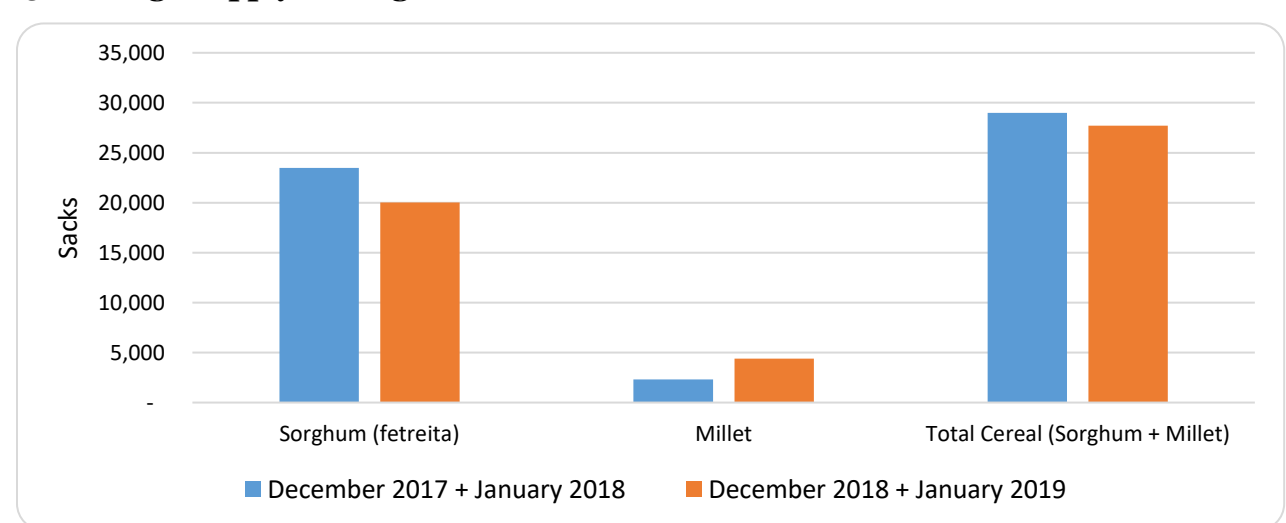


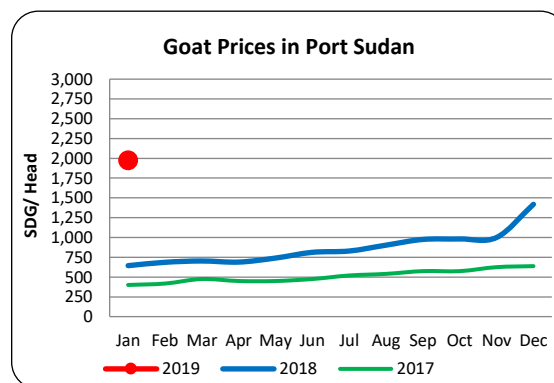
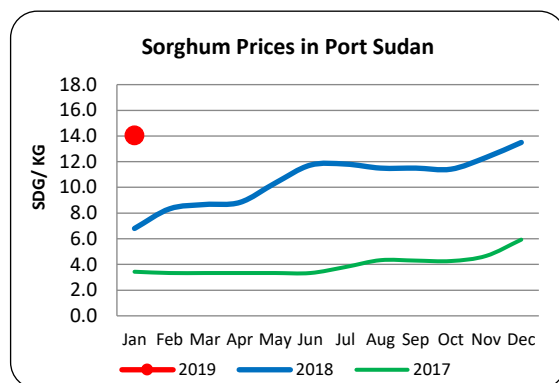
Chart 3: Average Supply of Sorghum and Millet



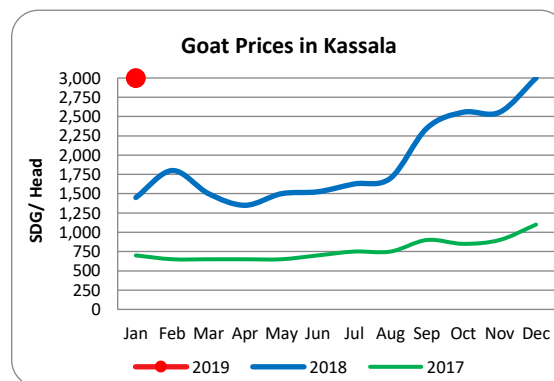
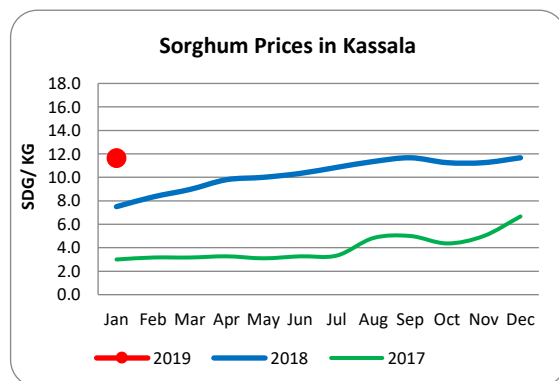
* Data source: Gadarif Auction Market Updates

Annex 2: The Sorghum, Goat and Groundnut prices for 2017, 2018 and 2019 by States:

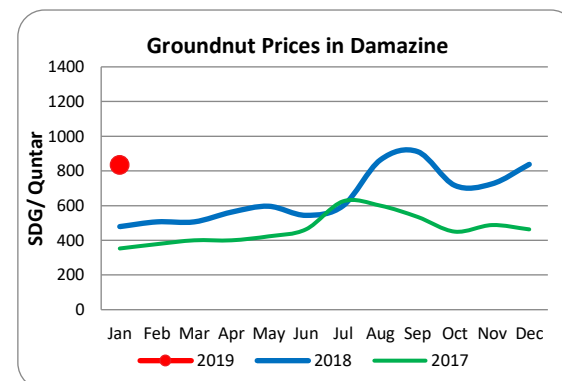
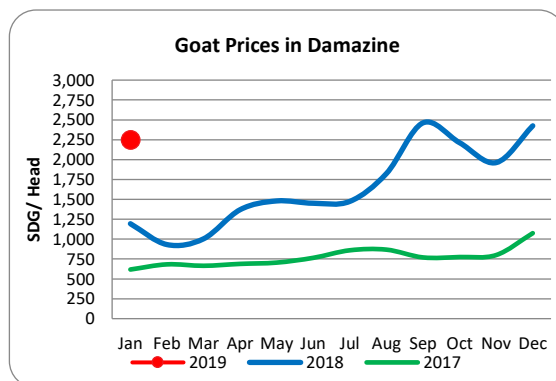
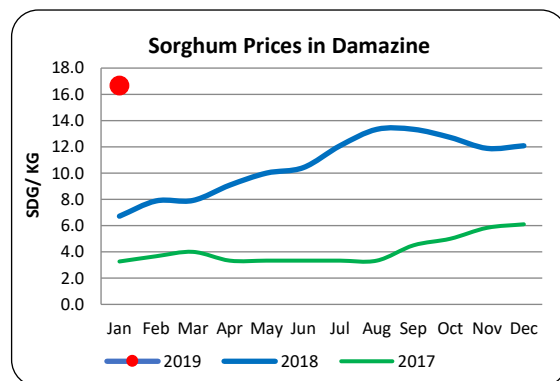
Red Sea



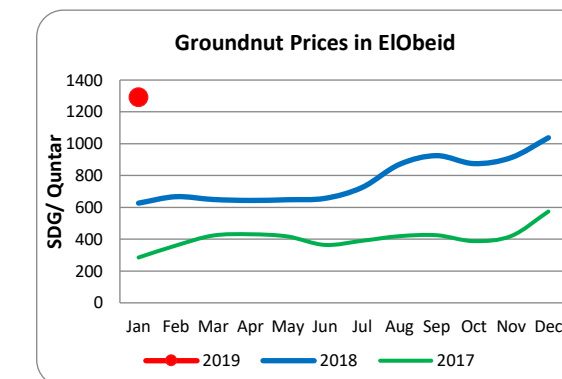
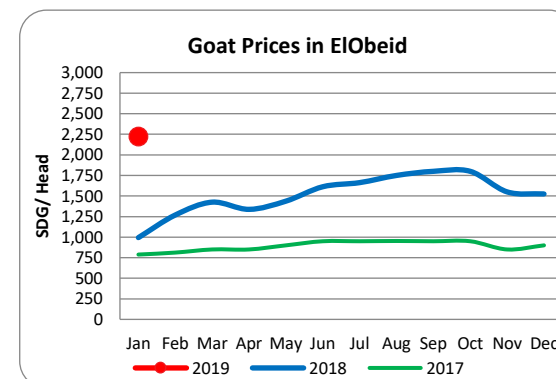
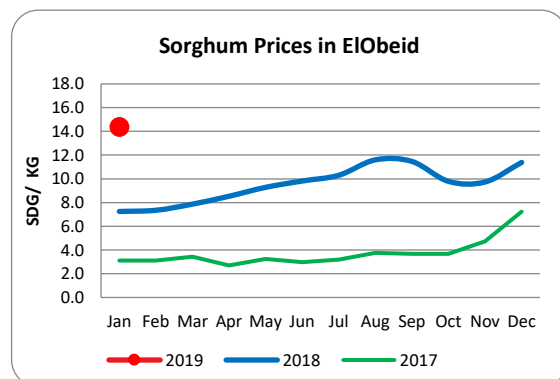
Kassala



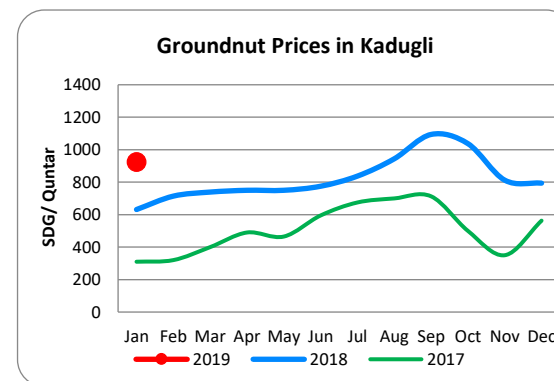
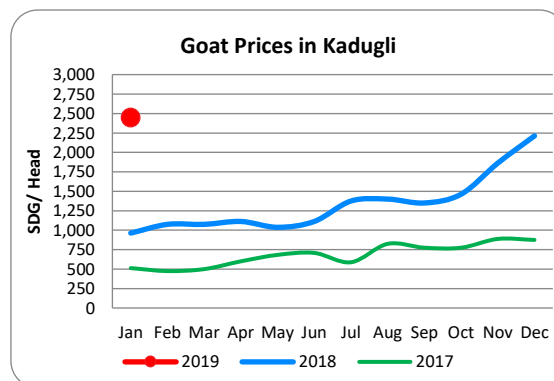
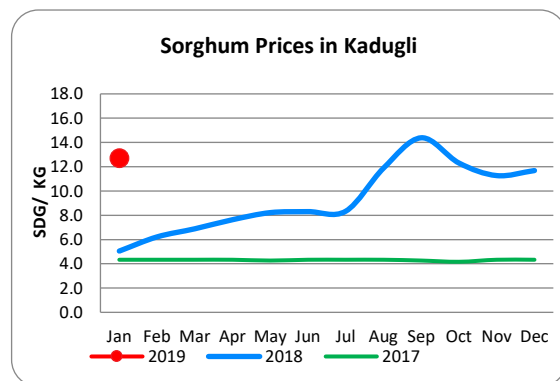
Blue Nile



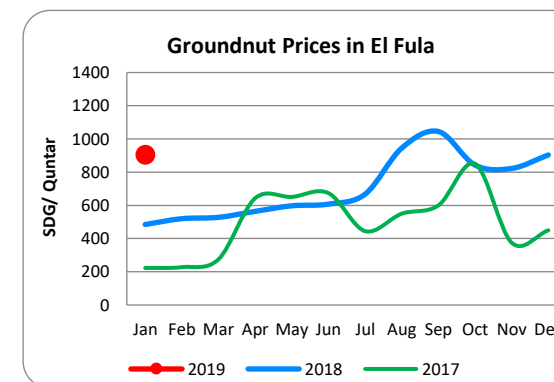
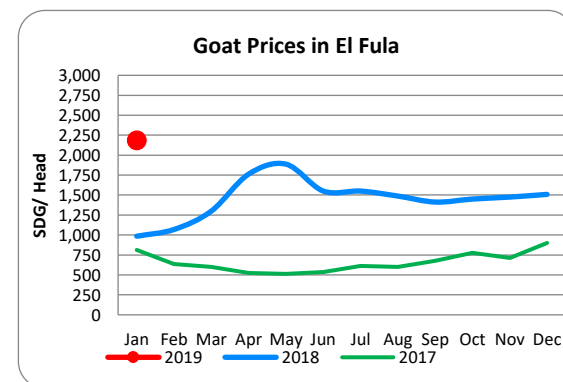
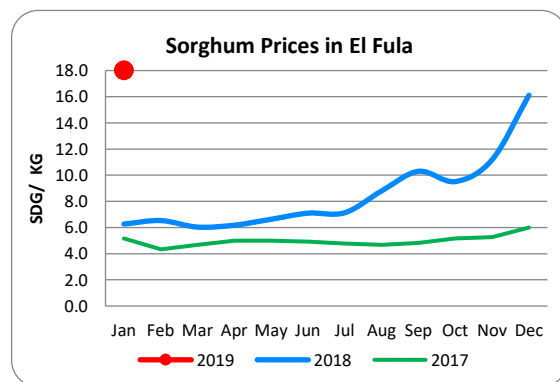
North Kordofan



South Kordofan

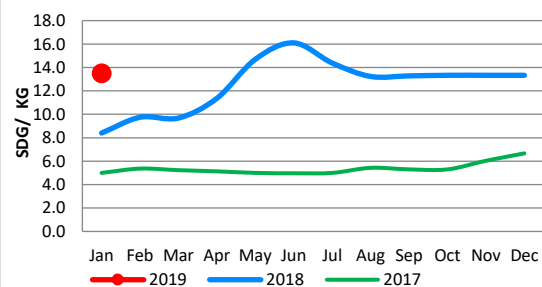


West Kordofan

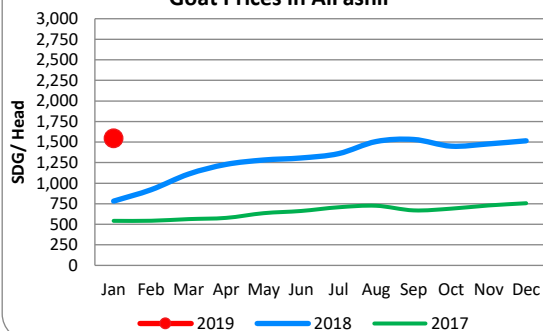


North Darfur

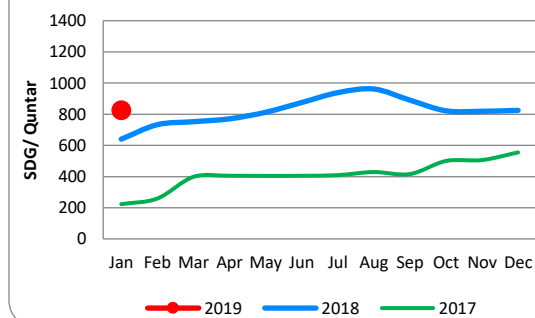
Sorghum Prices in AlFashir



Goat Prices in AlFashir

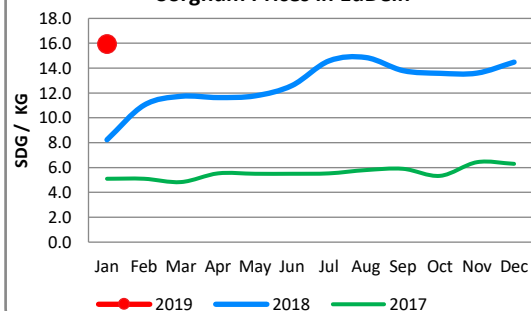


Groundnut Prices in AlFashir

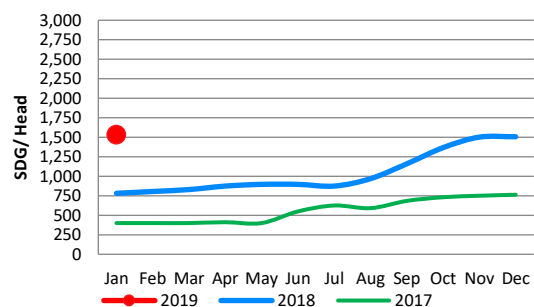


East Darfur

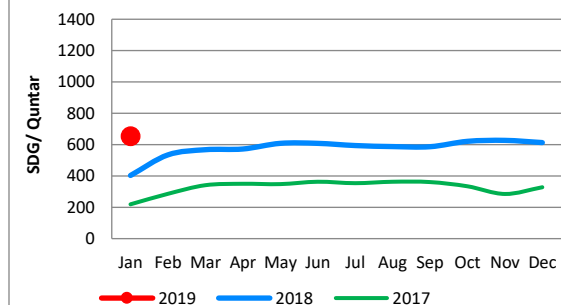
Sorghum Prices in EdDein



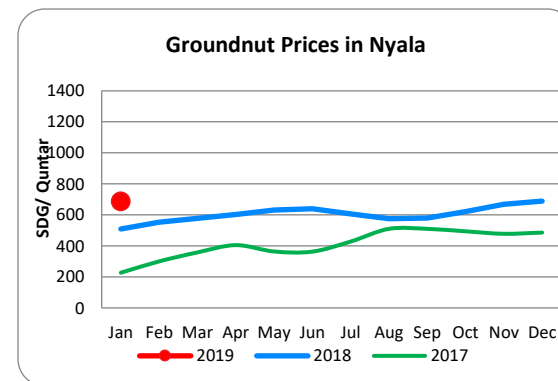
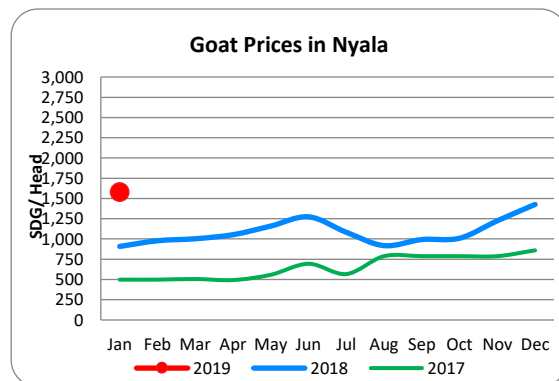
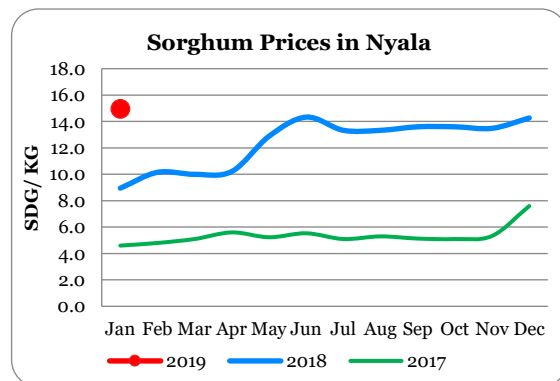
Goat Prices in EdDein



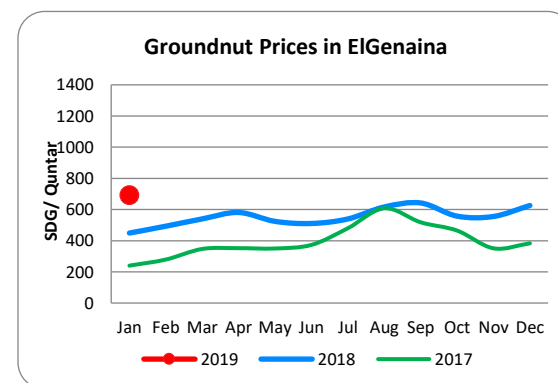
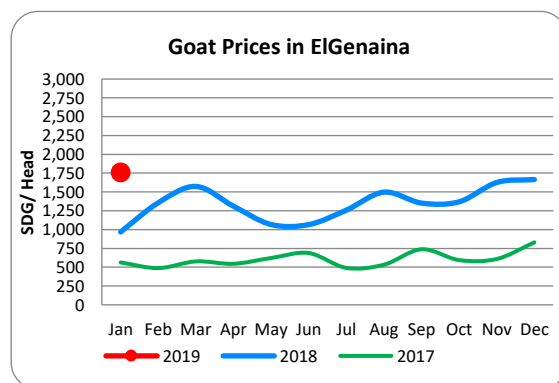
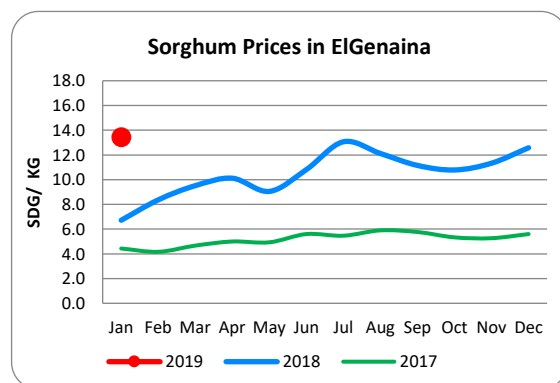
Groundnut Prices in EdDein



South Darfur

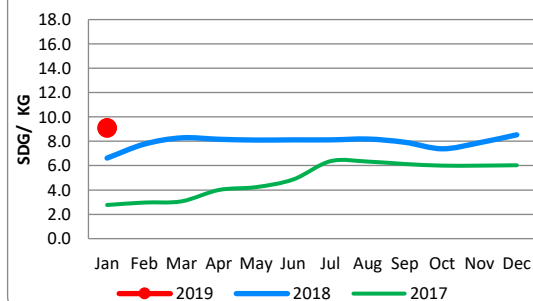


West Darfur

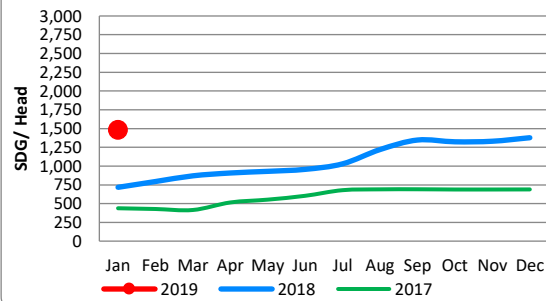


Central Darfur

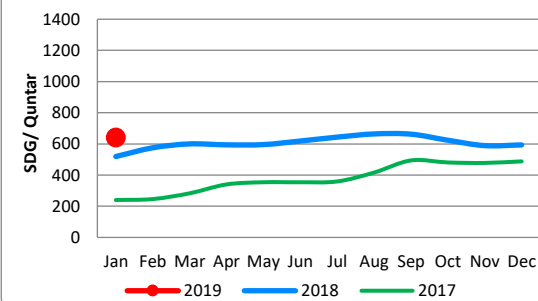
Sorghum Prices in Zalengai



Goat Prices in Zalengai

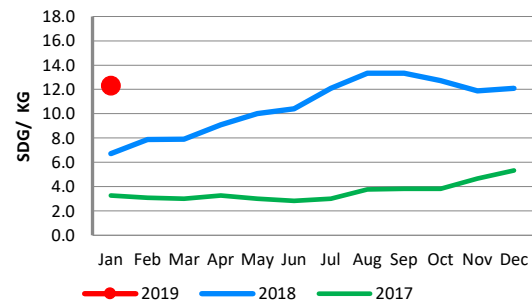


Groundnut Prices in Zalengai

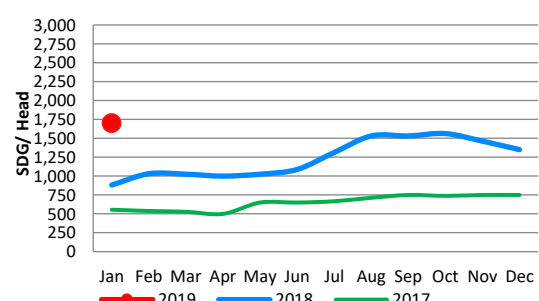


White Nile

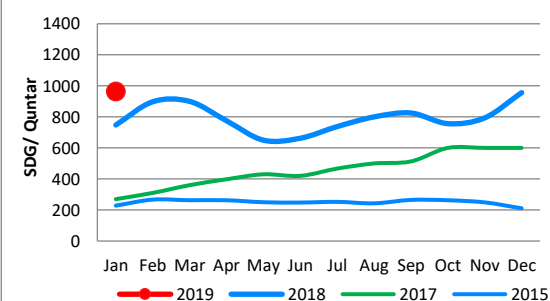
Sorghum Prices in Kosti



Goat Prices in Kosti



Groundnut Prices in Kosti



National Average

