



Joint Market and Supply Chain Update

02nd August — 09th August, 2020.

Key messages

- ◆ Livestock prices (goat and sheep) are declining in most markets due to decreased demand after the Eid al Adha festivals last week.
- ◆ Heavy rains have led to difficulties in some corridors in southern regions leading to increased transport cost and lead-time.
- ◆ In July, Bossaso livestock export volumes recorded a yearly decrease of (-15%), which is attributed to the effect of COVID-19 that negatively affected demand.

Banadir and Hirshabelle

- In Beletweyn, the border between Somalia and Ethiopia is currently open for business and inter-trade activities only. Somalia imports potatoes and khat and exports farm products like simsim.
- Supply chain and business activities in the regions are stable with no major interruptions.
- In Beletweyne, livestock prices have decreased compared to last week but remain high. For instance, goat prices decreased from \$85 to \$80 (-6%).
- Fuel prices have remained the same in most markets compared to last week and are still low. For instance, in Beletweyne prices remain at \$0.7 and \$ 0.8 per litre for diesel and petrol respectively.
- In Beletweyne, Jowhar and Bakara market, both retail and wholesale prices of local items (white maize, red and white sorghum) and imported food items (rice, wheat flour, pasta, sugar and vegetable oil) remained the same as last week and are normal.
- In Buloburto, retail prices of local and imported food items remain the same as last week. However, wholesale prices of imported food items increased by (6% to 14%) with vegetable oil recording the highest increment.

Galmuduug

- New demonstrations have begun in Ethiopia but the actual impact in the local markets in Galmudug regions is not confirmed.
- Prices of imported food items (rice, pasta, wheat flour, and sugar) remained the same compared with the previous two weeks, with the exception of Guriel market where the price of sugar (1kg) has increased by 7%.
- In Galkayo, prices of fruits and vegetables remained the same as last week with the exception of tomatoes and potatoes which decreased from \$2.5 to \$2.2 (-12%) and \$0.9 to \$0.85 (-6%) per Kg respectively.
- In Galkayo South, Cagaarweeyne road construction was completed and renovation of Cirtoogte is ongoing hence transporters are using alternative routes for business continuity. Once completed the roads will improve transport services and boost trade along the roads.
- In Galmudug, fuel prices continue to decline and they remain low. Compared to last week fuel prices have decreased by (-15%) in most locations.
- Livestock prices are decreasing in most markets due to decreased demand after Eid Al Adha festivals last week. For instance in Galkayo market price of local goat decreased from \$80 to \$70 (-13%).
- Local currency (SoSH) slightly depreciated (<10%) against the USD in most markets of Galmudug. For instance in Galkayo, the exchange rate between local currency and USD increased from 36,000 to 37,000 SO SH. (-3%) per USD.

Puntland

- In July, livestock export volume recorded a yearly decrease of (-15%), this is attributed to COVID-19 restrictions especially affecting negatively the demand for hajj festivities.
- Imported food items prices have slightly increased (<10%) due to sea closure due to effect of strong monsoon winds.
- In Burtinle, the price of vegetables has increased due to low supply caused by the recent demonstrations in Ethiopia. The price of potatoes and tomatoes have increased from \$0.7 to \$2 (186%) and \$1.2 to \$3.5 (192%) per Kg respectively.
- In Garowe, vegetable prices increased compared to last week, due to low supply locally and imports. For instance, potatoes (kg) increased from 40,000 to 50,000 So SH. (25%) and tomatoes (Kg) increased from 50,000 to 60,000 So SH. (20%) and onion (Kg) prices increased from 60,000 to 65,000 So Sh. (8%).
- In Bossaso, prices of major vegetables such as potatoes and tomatoes declined by 22% and 33% respectively compared to last week. Onion prices remained the same as last week.
- Shortage of fruits such as mango, banana, and oranges continue throughout in Puntland due to trade restrictions, seasonality and recent floods.
- Livestock prices in Garowe and Bossaso markets are decreasing, for instance goat prices decreased from \$95 to \$70 (-26%). This is due to reduced demand after the end of Eid Al festivals.
- Local currency (SoSH) slightly depreciated (<10%) against the USD in most markets. The exchange rate between local currency and USD increased from 38,000 to 40,000 So SH. (-5%) per USD. The exchange rate between local currency against USD is the highest in Puntland regions.
- According to port authorities in Bossaso, the port experienced strong winds from 31st July to 2nd August, which left destruction of the two big boats, and many fishing gear parked at the Bossaso Port and other locations along the coast of the Bari region.

Jubbaland

- In Elwak, there was increase in price of food commodities due to flash floods in the major supply corridor resulting to limited supplies entering the town, increase in fuel consumption and illegal checkpoints by militia.
- In Garbaharey, lead time increased due to the rains affecting the supply corridor from Mogadishu to Baidoa. However, from Baidoa to Garbaharey the supply corridor was uninterrupted.
- Livestock prices (goat and sheep) are declining in most markets, due to decreased demand after Eid Al Adha festival which was conclude last week. For instance, In Doolow, goat prices decreased from \$85 to \$70 (-18%) per head.
- Somalia / Ethiopia border still closed with transport of commodities allowed once or twice a week.
- Shortage of fruits and vegetables, especially potatoes, persists in Gedo region due to recent unrest in Ethiopia, which affected the supply of vegetables. Imported commodity prices from Kenya and Ethiopia are also unpredictable.
- Fuel prices have remained low and the same as the previous week in most markets.

Somaliland

- Prices of fruits and vegetables remain the same as last week and are high except watermelon prices, which are normal due to availability of locally produced watermelon in the market. In addition, there is fear of decreased supply from Ethiopia side due to unrest that started again this week.
- In most urban centres in Somaliland, meat (goat and camel) prices have decreased compared to last week but remain high. For instance in Hargeisa price of kg goat decreased from \$8.5 to \$8 (-6%) and camel meat decreased from \$7 to \$6 (-14%).
- Hargeysa-Berbera road is still under construction causing increased lead-time from 3 hours to 4 hours. The project is funded by UAE through Somaliland government.
- In Burco and Ceerigaabo, local cereal prices are increasing due to limited supply. White sorghum and white maize increased from 3,500 to 3,800 SL SH. (9%) per Kg in both markets.
- Prices of imported food items (rice, pasta, sugar, wheat flour) are stable in most markets except vegetable oil which is increasing and high. For instance in Hargeisa, prices increased from \$4 to \$5 (28%) per 5 Litre container.
- Livestock prices (goat and sheep) remain high in most markets, however they are likely to decrease in the coming weeks due to decreased demand after Eid Al Adha festival which was conclude last week. For instance, In Hargeisa, goat prices is \$83 per head.
- Strong monsoon winds along the coastal areas continue to blow away tiny loam soil blocking supply corridors, small-scale fishers are also unable to fish due to strong winds.

South West

- In Hudur, on Sunday and Monday, traders boycotted and closed business premises due to increase of taxes by local authorities. This led to scarcity and consequently prices increase of food commodities; later the authorities withdrew the increase of taxes temporarily and have called for a meeting to solve the problem.
- In Wajid, militia have blocked entry point of supplies to Wajid town resulting to limited supplies in the market. The only way to smuggle commodities is through donkey carts from nearby villages like Eelbon and Burdhexunle, 45 and 30 km away respectively which are sometimes confiscated by militia.
- Meat prices (goat) are declining in Baidoa due to decreased demand after conclusion of Eid al Adha festivities last week. For instance in Baidoa, goat meat decreased from \$5 to \$4 (-20%) per Kg.
- Heavy fight erupted in Daynuunay that is 20km from Baidoa town between Somalia troops and Al-Shabab two days ago. The militia attacked the military barrack causing death and injuries to both sides. Such fights are however not new in the region as the militia always do hit and run attacks.
- In Baidoa, retail prices of imported food items (wheat flour, rice, sugar and dates) decreased by (<10%) compared to last week.
- In Hudur, prices of both local cereals (red and white sorghum) and imported food items (wheat flour, pasta and rice) increased by 3% to 10%, and prices are high.

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