



Joint Market and Supply Chain Update

4th October — 11th October, 2020.

Key messages

- ◆ Heavy rains affected the corridor between Galkayo and Wisil village restricting access hence delaying transport services.
- ◆ Rising inflation and deteriorating value of Somali Shilling in Puntland has led to increased prices of essential food items.
- ◆ Camel milk prices are very high in most locations of Central and Northwest regions due to low supply.

Banadir and Hirshabelle

- In Beletweyne, there is decrease of wholesale prices of some commodities such as white maize which decreased by (-15%) per 25Kgs bag and imported food items; pasta decreased by (-4%) per 10 Kgs and sugar decreased by (-4%) per 50 kgs bag due to new supplies from Mogadishu.
- In addition, there is an increase of wholesale prices of locally produced beans by 10% per 25 Kgs bag. This is due to poor supply from production areas as a result of recent the flash floods.
- In Bakara, Jowhar and Buloburto markets, retail and wholesale prices of imported food items (rice, wheat flour, pasta, sugar, dates and vegetable oil) and local cereals (white maize, red and white sorghum remained the same as last week.
- Fuel prices have remained low and the same as last week in most markets. For instance, in Mogadishu prices remained at \$0.45 and \$0.50 for diesel and petrol respectively.
- The exchange rate of local currency vs USD slightly depreciated from 25,000 to 26,000 SO SH per USD.
- The border in Beletweyne/Ethiopia is open for both passengers and goods; cross border trade is active and commodities such as potatoes, white maize and red sorghum (wholesale only) are imported from the Ethiopia side, while commodities such as rice, pasta, wheat flour and sugar are exported from Somalia to Ethiopia.

Galmuduug

- Heavy rains affected the corridor between Galkayo and Wisil village restricting access hence delaying transport services
- Prices of fruits and vegetables remain stable with steady supply and therefore the locally produced variety tomatoes prices is \$0.8 per Kg and an import variety from Ethiopia is \$1.5 per kg.
- In Adado, there is an increase of imported food commodities prices according to traders in the main market where 50 kg bag of rice rose from \$26 to \$28 (8%) and this is due increased transport cost as trucks return to Bossaso empty instead of carrying livestock.
- In the main markets of Galmudug, goat meat prices are increasing, for instance in Galkayo main market price of goat meat is \$12 per kg and camel meat is \$8 per Kg. This is associated with increase of live-stock prices.
- In the Ethiopia/Somalia border in Mudug is accessible, border trade movement is ongoing and active with goods moving from both sides.
- In Adado and Abudwaq, the price of camel milk increased slightly from \$1.5 to \$1.60 (7%) per litre while in Galkayo market, increased significantly from \$1.50 - \$2.0 (33%).
- In Balanbale, the price of vegetable oil (3 L) decreased from \$4.2 to \$ 3.9 (-7%) due to increased supply from Bossaso port.

Puntland

- Due to devaluation of Somali Shillings against the USD, there were increases of retail prices of most staples and essential items in the main markets of Bossaso, Qardho and Garowe. For instance, rice, wheat flour and sugar, which are most consumed food items increased by 8% - 13% compared to previous weeks.
- Locust infestation has negatively affected food prices especially green leafy vegetables. According to the farmers in Dharoor Valley of Iskushuban district, which is main cash crop production in Puntland, farmers confirmed that their crops have been destroyed by locusts while others were discouraged to plant this season due to locust outbreak.
- Exchange rate of local currency against the USD depreciated by 5% and in the first time reached 40,000 per USD selling price and 42,000 buying price. Exchange rate of Puntland state areas remain highest in Somalia due to printing of new notes few years ago and scarcity of dollars because of declining remittance and some humanitarian projects.
- In Bossaso, vegetable prices either decreased slightly (<5%) or remained the same compared to last week, except tomato prices, which increased by 33% compared to last week. Tomato prices are likely to decline in the next few weeks due to the expected local harvest.
- Diesel prices increased in most markets from \$0.5 to \$ 0.55 (10%) per litre, due to high demand.
- In Bossaso and Garowe, local livestock prices increased slightly by 5% compared to last week. In addition, Camel milk prices remain the same in all the main markets in Puntland compared to last week.

Jubbaland

- In Doolow, traders have started accepting Ethiopian currency (Birr), both old and new as the Ethiopian government extended the use of old currency for another three months.
- The border between Doolow and Ethiopia is still closed. However, is a 'gentleman's agreement' between the two local authorities to allow movement of goods from both sides.
- In Doolow, retail prices of imported food items (rice, wheat flour, pasta, sugar, dates) increased by 5% compared last week due limited supplies as a result of militants (A.S) stopping and restricting trucks from Mogadishu. Local cereals (white maize, red and white sorghum) remain the same as last week. In addition, camel milk increased by (15%) due to scarcity in the market.
- In Belethawa, the prices of imported food commodities slightly increased by 3% to 6% due to inaccessibility of the road between Mogadishu and Belethawa. Food commodities such as such as sugar increased by 6%, wheat flour and rice both increased by 3%.
- In Elwak, the border between Kenya and Somalia is completely closed after three people were killed during a cross fire at the border. Both towns are suffering scarcity of essential food commodities with no movement reported across the border. In addition, In Doble, wheat flour is out of stock due to demand supply imbalance
- In Gedo, livestock prices increased by 5% due to the start of the Deyr rains which may increase the demand and reduce the availability in the market due to farmers holding livestock.

Somaliland

- Cross border between Ethiopia and Somaliland is normal and supply of fruits and vegetables is ongoing, most prices remain the same as last week and are near normal. For instance in Hargeisa, prices of carrots, garlic, potatoes and onions remained the same as last week. Tomatoes slightly decreased from 9,000 to 8,500 SL SH (-6%). In addition, watermelon slightly increased by (3%), scarcity of watermelons continues and markets are relying on Southern regions for supply hence prices are very high.
- Karan rainfall reduced in most locations of Northwest, major corridors remain accessible, and transport services are back normal.
- White maize prices are very high in some markets of Somaliland such as Berbera, Ceerigaabo and Laascaanood due to limited supply, current price is 4,000 SL SH. per Kg. However, white and red sorghum prices reduced by (-13%) and (-5%) respectively per kg due to low demand.
- Fuel prices remain the same as last week in most markets and are low. For instance in Hargeisa, diesel is currently trading at 4,200 SL SH and petrol 5,000 SL SH. per litre.
- In most markets in Somaliland, camel milk prices remain the same as last week but is high. For instance in Hargeisa, price of camel milk is 9,500 SL SH per litre.
- Livestock prices (goat and sheep) slightly decreased compared to last week. For instance, In Hargeisa, goat prices decreased from \$75 to \$72 (-4%) per head, export camel price slightly increased from \$680 to \$690.
- There is scarcity of USD currency in Tog Wajaale border town as livestock traders are rushing to change the currency to beat the deadline by Ethiopian Authorities of phasing out old Birr currency notes by end October in the markets.

South West

- In Baidoa, fuel prices remain the same compared with last week and are low. Diesel and petrol prices remain at \$0.72 and \$0.8 respectively per litre.
- In Baidoa, prices of fruits and vegetables have increased this week. For instance, potatoes increased from \$0.5 to \$0.68 (36%) per Kg.
- In Baidoa, prices of both local cereals and imported food items remain the same as last week. However, camel milk prices increased from \$1 to \$1.5 (50%) per litre.
- In Xudur, local cereal prices either decreased minimally or remained the same. Red and white sorghum reduced by (-2%) while white maize remain the same.
- The exchange rate of local currency vs USD remains stable in most markets. For instance in Baidoa, Wajid and Xudur exchange rate has remained at 25,000 SO SH per USD for more than two months in a row.

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