



Joint Market and Supply Chain Update

17th January — 24th January, 2021.

Key messages

- ◆ Devaluation/Fluctuation and low acceptance of local Somali shilling currency notes continues in the main markets of Puntland, negatively affecting the trade.
- ◆ Cross border trade between Somaliland and Ethiopia is normal, movement of commodities from both sides is ongoing smoothly.
- ◆ In Southwest, Bakool region prices of essential food items and fuel remain high in most markets and availability is low due to insecurity.

Banadir and Hirshabelle

- In Beletweyne, prices of local cereals and imported food items remain the same as last week except vegetable oil that increased by 6% per litre and sugar increased by 13% per Kg.
- The road between Buloburte and Jalalaqsi is inaccessible due to illegal checkpoints. In addition, there are also no flights going to Buloburte due to insecurity in the area.
- The supply route between Mataaban and Beletweyne is still unstable due to insecurity in the area.
- In Buloburte, prices of local cereals and imported food items are showing mixed trend compared to last week. For instance, white maize, red and white sorghum, rice, pasta, wheat flour and sugar remain the same as last week. Local beans increased by 17% per Kg and vegetable oil decreased by (-13%) per litre.
- In Bakara market, prices of local cereals and imported food items are showing mixed trend compared to last week. For instance, white maize, red and white sorghum, rice, pasta, wheat flour and sugar remain the same as last week. Vegetable oil increased by 14% per litre and dry beans decreased by (-8%) per Kg.
- In Jowhar retail and wholesale prices of local cereals (white maize, red and white sorghum) and imported food items (rice, pasta, wheat flour, dates and vegetable oil) remained the same as last week.
- In Mogadishu, petrol prices increased slightly by (<5%) and are low. In addition, diesel prices remain the same as last week.

Galmuduug

- In Dhuusamareeb and Abudwaq, prices of imported food items are increasing due to effects of the devaluation of local currency (Somali Shilling) in upstream market of Bossaso. For instance 50 Kg of wheat flour increased from \$28 to \$29 and vegetable oil (3 litres) increased from \$3.2 to \$3.8.
- In Galkayo, prices of fruits and vegetables are increasing due to reduced supply from Beletweyne. In addition, drivers are avoiding Beletweyne-Galkayo route due to clan conflicts.
- In Galkayo, retail and wholesale prices of local cereals (white maize and red sorghum) slightly increased by 2% compared to last week.
- In Hobyo, the daily labour rate remained the same for the last four weeks and is high at 170,000 SO. SH. per day.
- In Abudwaq, Dhusamreeb and Guriel, the price of camel milk increased compared with last week from \$1.50 to \$1.80 (20%) per litre.
- The exchange rate of local currency vs USD remained stable for three weeks in a row. For instance in Galkayo, the exchange rate between local currency and USD is 40,000 SO SH.
- Cross border trade in Galmudug and Mudug is ongoing and goods are moving smoothly from both sides.

Somaliland

- Cross border between Ethiopia and Somaliland is normal, supply of fruits, vegetables, khat is ongoing, and prices remain the same for five weeks in a row except potatoes that decreased compared to last week. For instance, in Hargeisa, prices of onions, garlic and carrots remained the same at 6,800 SL SH, 8,800 SL SH and 5,200 SL SH respectively. Potatoes decreased from 6,800 to 6,200 SL SH (-9%) per Kg. In addition, tomatoes increased slightly by 5% per Kg.
- Fuel prices remain the same for the last five weeks in most markets and are low. For instance in Hargeisa, diesel is currently trading at 4,000 SL SH and petrol 5,000 SL SH. per litre.
- Local cereals prices (white maize, red and white sorghum) either remained the same or slightly increased compared with last week in most markets throughout Somaliland. For instance in Hargeisa, white maize and white sorghum remained the same at 4,500 SL SH, 5,500 SL SH respectively per Kg but red sorghum increased from 3,500 to 3,600 SL SH per Kg.
- The prices of livestock are decreasing in Hargeisa and Burco due to reduced export volumes and fear of the harsh Jilaal season.
- In most markets in Somaliland, camel milk prices are increasing compared with last week. For instance in Hargeisa, price of camel milk are fluctuating between 10,000 and 12,000 SL SH per litre.
- The exchange rate of local currency vs USD remains the same in most markets compared to last week. For instance, Hargeisa exchange rate has remained at 8,500 SL SH per USD.

Puntland

- All main roads in Puntland are accessible and transport services from upstream to downstream markets are normal. In addition, port operations in Bossaso are ongoing smoothly and livestock exports to Gulf Arab countries are ongoing normally.
- Technical committee established by the authorities recommended regulations to improve devaluation of the Somali Shilling, however, acceptance of the local currency continue to be low and majority of traders are trading in dollars. In addition, in major towns such as Bossaso and Garowe exchange rate is fluctuating between 35,000 and 43,000 SO SH per USD
- In Puntland, prices of vegetables are increasing compared to last week. For instance, in Bossaso, prices of vegetables such as tomatoes and onions increased by 6% compared to last week.
- In Bossaso, livestock prices increased by 10% compared to last week, this is attributed to the devaluation of the local currency Somali Shilling. In addition, meat prices increased by approximately 10% to 12% in most markets.
- In Alula, the price of rice, sugar, pasta, wheat flour and green vegetables has increased compared to other parts of the district due to high transport costs from Bossaso to Alula.
- In Buuhoodle, fruits and vegetables prices have increased due to limited supply from the source market.

South West

- In Hudur, availability of imported food items improved this week compared to last week due to arrival of commercial flights carrying food items such as rice sugar and vegetable oil. This has led to price decreases of 3% to 15%, but prices are still high. In addition, there is scarcity of fuel; both diesel and petrol are trading at \$2.6 per litre.
- In Hudur, there is scarcity of vegetables and fruits such as tomatoes, potatoes, mangoes, onions, and pawpaw due to road blockages by insurgent restricting movement. In addition, camel milk, goat and camel prices are fluctuating and are high.
- In Qansaxdhere, insurgents have intensified their activities restricting movement between the rural and the town resulting in scarcity of food items such as vegetables, meat and milk. For instance, cost of camel milk is \$2.0 per litre and camel meat is \$8.0 per Kg. In addition, local cereals prices increased by 25% to 35% and imported food items increased by 19% to 45% compared to last week.
- In Rabdhure, prices increased compared to last week due to scarcity and some food items are out of stock. For instance, local cereals increased by 4% to 40% and imported food items increased by 13% to 45% compared to last week.
- In Baidoa, imported food items prices decreased compared to last week due to arrival of trucks that were halted in Afgooye. For instance, vegetable oil and pasta decreased by -3% and -6% respectively compared to last week.
- In Wajid, prices of local cereals, imported food items and fuel increased compared to last week and are very high. For instance red and white sorghum increased by 2% and 5% respectively, imported food items (rice, pasta, vegetable oil and wheat flour) increased by 4% to 40%. Diesel and petrol increased by 8% and 16% respectively per litre.

Jubaland

- Trucks stuck in Afgooye were released three days ago; this may lead to easing of imported food prices in Gedo and Bay due to improved availability when trucks arrive in their destinations.
- In Luuq, price of commodities are increasing due to limited stock resulting from insecurity along supply corridor and the source market.
- In Elwak, the local authority introduced new taxes to support the local economy. This has led to reduced supply of commodities, as retailers are unable to afford the taxes. In addition, there is an increase in price of vegetable oil due to limited supply from the source market.
- Operations in the port of Kismayo are declining, vessels arriving at the port are few compared to the recent months, and this has led to shortage of vegetable oil in most downstream markets supplied by Kismayo.
- Despite the tension in Somalia Kenya border in BeletHawa, cross border trade activities are going and commodities are moving from both sides.

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