



MYANMAR

MARKET PRICE UPDATE

March 2022



Highlights

- Fuel price increases continued to drive up retail prices for all commodities via higher transportation costs – In March, fuel on average cost +18% more than in February and was more than double prices recorded in February 2021.
- Fuel price volatility is likely to continue amidst supply disruptions as a result of domestic policies and global events (Russia/Ukraine conflict)
- Lower than usual paddy supply resulting from challenges for farmers to access necessary inputs negatively affected rice prices
- Unusually heavy rains in mid-March damaged salt farms in Mon impacting salt prices and caused damage to onion farms particularly in Magway during critical harvest period leading to crop losses and higher prices
- Chickpea prices high in northern Rakhine due to high demand during Ramadan
- Impact of insecurity continues in many places, but particularly in Kayah, Kachin, and Chin where movement restrictions are in place

Food Basket

The cost of the basic food basket increased by +10% compared to February and was +32% higher than the same time last year. The increase reflects higher prices for all input commodities (oil, rice, chickpeas, and salt) across most of the country. The largest increases were reported in northern Rakhine (+29%) and Kayah (+26%). In northern Rakhine, the high price for chickpeas during Ramadan contributed to the increase, while in Kayah, the resumption of monitoring in Hpasawng townships after 2 months with no access (due to insecurity) led to substantially higher prices for all commodities compared to February.

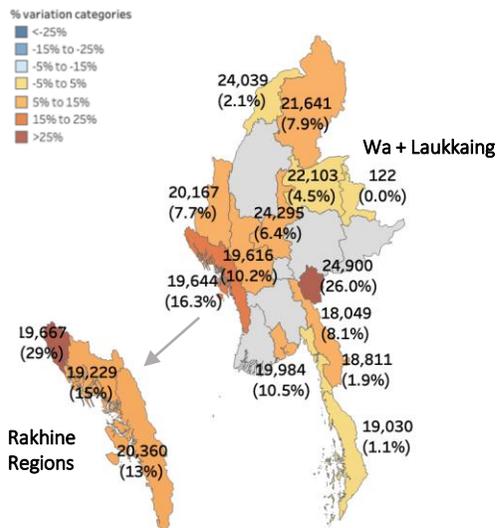
Rice

The average price of rice increased +7% compared to February with rising prices felt nearly everywhere in the country. The increases were due to lower than usual supply of paddy as farmers struggled to access sufficient inputs, high transportation costs, as well as interruptions in rice milling operations due to blackouts and rising fuel costs.¹

The largest increase was seen in Kayah (+27%), due to the resumption of data collection in Hpasawng and the significant increase in prices over the last few months (up +25% compared to December 2021). Rice prices increased on average +12% in Rakhine, +11% in Chin and +6% in Kachin. In Chin and Kachin, restrictions on movement of rice contributed to higher prices (e.g. permits required in Chin; size limitations in Puta-O meaning traders cannot move large bags of rice and must rely on more expensive smaller bags of rice).

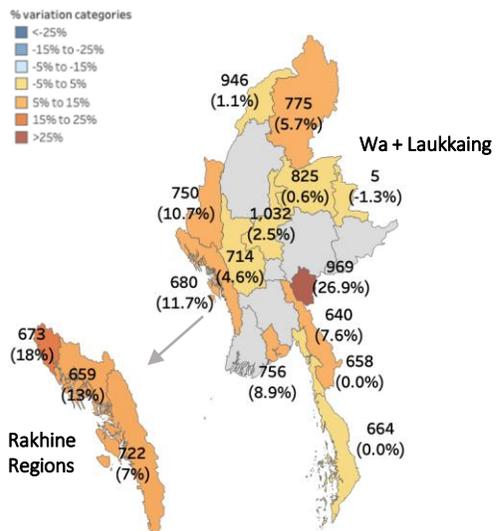
Basket

Month-on-Month Change by Area/State

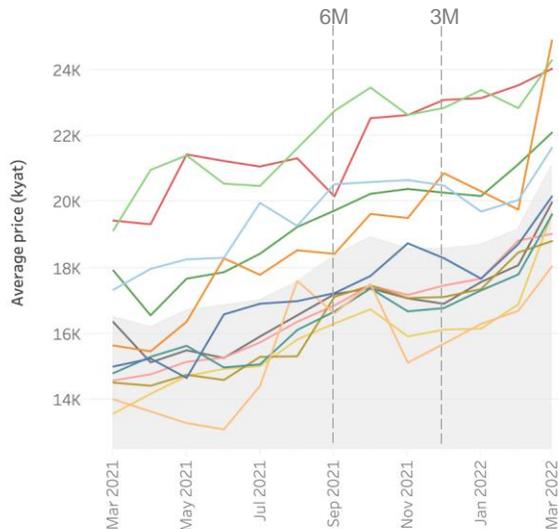


Rice

Month-on-Month Change by Area/State

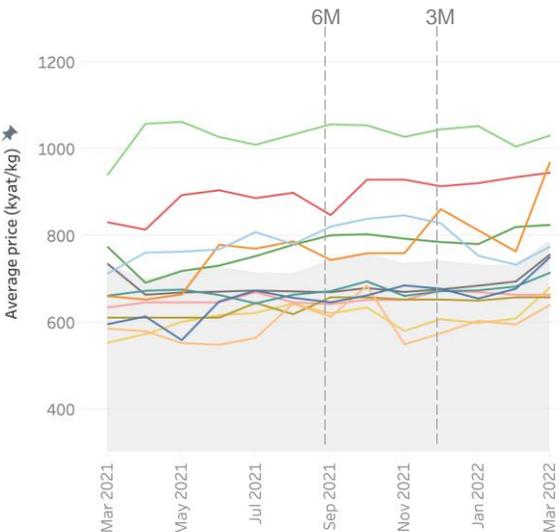


Average Price Trends by Area (Mar 2021 – Mar 2022)



| State | 1M | 3M | 6M | 1Y |
|-----------------|------------|------------|------------|------------|
| Chin | 8% | 10% | 17% | 34% |
| Kachin | 8% | 6% | 5% | 25% |
| Kayah | 26% | 19% | 35% | 59% |
| Kayin | 8% | 15% | 9% | 29% |
| Magway | 10% | 17% | 18% | 32% |
| Mandalay | 6% | 6% | 7% | 27% |
| Mon | 2% | 10% | 10% | 30% |
| Sagaing North | 2% | 4% | 19% | 24% |
| Shan (North) | 5% | 9% | 12% | 23% |
| Shan (Wa) | 0% | -4% | 0% | -3% |
| Tanintharyi | 1% | 9% | 13% | 31% |
| Yangon | 11% | 18% | 16% | 22% |
| Rakhine | 16% | 22% | 20% | 45% |
| Rakhine North | 29% | 33% | 34% | 56% |
| Rakhine Central | 15% | 20% | 18% | 47% |
| Rakhine South | 13% | 20% | 18% | 36% |
| Overall | 10% | 13% | 16% | 32% |

Average Price Trends by Area (Mar 2021 – Mar 2022)



| State | 1M | 3M | 6M | 1Y |
|-----------------|-----------|-----------|-----------|------------|
| Chin | 11% | 11% | 16% | 26% |
| Kachin | 6% | -7% | -6% | 9% |
| Kayah | 27% | 13% | 30% | 47% |
| Kayin | 8% | 11% | 4% | 9% |
| Magway | 5% | 6% | 6% | 8% |
| Mandalay | 3% | -1% | -2% | 10% |
| Mon | 0% | 1% | 0% | 8% |
| Sagaing North | 1% | 3% | 12% | 14% |
| Shan (North) | 1% | 5% | 3% | 7% |
| Shan (Wa) | -1% | -6% | -4% | -9% |
| Tanintharyi | 0% | -1% | 3% | 5% |
| Yangon | 9% | 12% | 13% | 3% |
| Rakhine | 12% | 12% | 10% | 23% |
| Rakhine North | 18% | 18% | 30% | 35% |
| Rakhine Central | 13% | 10% | 5% | 26% |
| Rakhine South | 7% | 13% | 9% | 14% |
| Overall | 7% | 6% | 7% | 14% |

¹ https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Rice%20Trade%20-%20Monthly_Rangoon_Burma%20-%20Union%20of_BM2022-0005.pdf; <https://www.gnml.com.mm/price-of-rice-rises-in-domestic-market/>

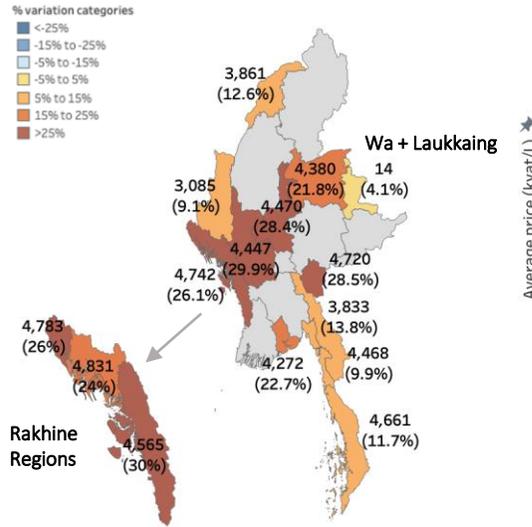


The prices of edible oils continue to rise, up +23-24% again this month. Overall, prices are more than double what they were the same time last year (March 2021). High transportation costs and volatility in local exchange rates are key driving factors in the ongoing price increases for oil. The stability in prices of mixed oil seen in Tanintharyi was due in part to sourcing this month of a mixture that uses lower quality oil.

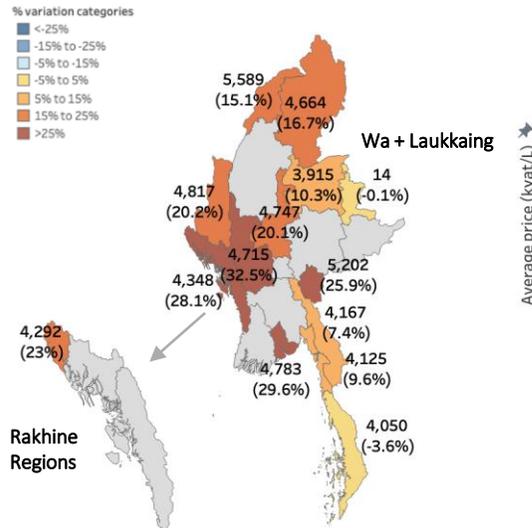
Month-on-month, the highest increases were recorded in Magway (cooking oil +30%; mixed oil +32%), Kayah (cooking oil +29%; mixed oil +26%), Mandalay (cooking oil +28%; mixed oil +20%), Rakhine (cooking oil +26%; mixed oil +28%), and Yangon (cooking oil +23%; mixed oil +30%). The same states/regions also recorded the highest year-on-year price increases of between +112-136% for cooking oil and +107-127% for mixed oil.

Cooking (palm) oil prices are expected to surge again in coming months in the wake of **Indonesia's surprise ban on export of palm oil** (announced April 22, 2022), with anticipated knock on effects on prices of all vegetable oils as importers globally seek alternatives.² Based on 2020 trade data, approximately 90% of Myanmar's imports of palm oil come from Indonesia with 5% from Thailand and Malaysia, respectively. In this scenario of dramatic supply cut and soaring prices, accessibility of cooking oils to the average household will be jeopardized, with major implications for Myanmar household diets.

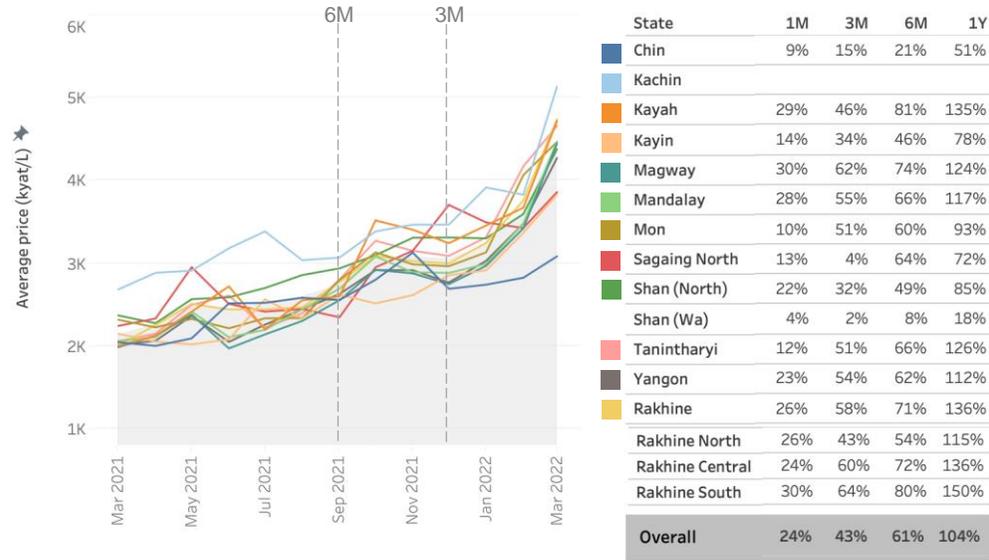
Cooking (Palm) Oil Month-on-Month Change by Area/State



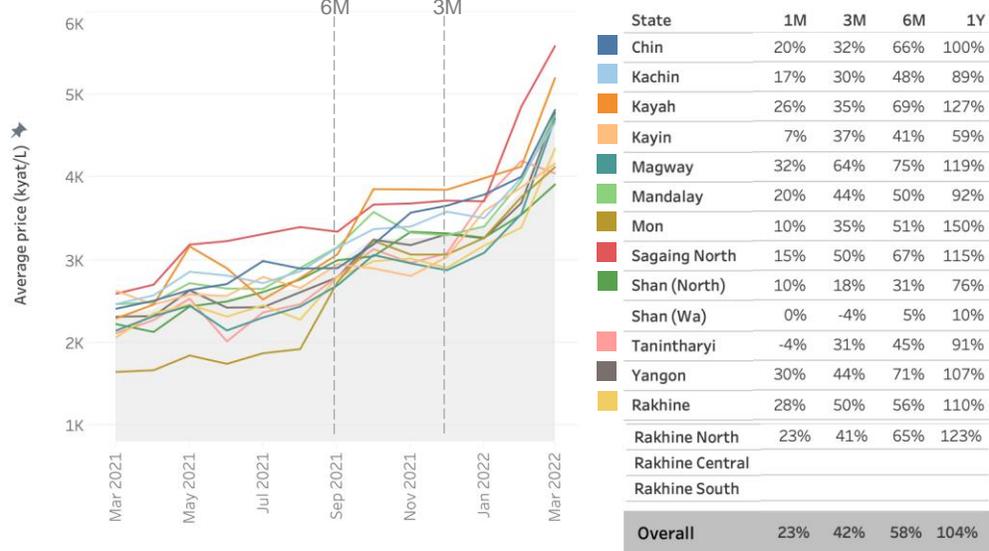
Mixed Oil Month-on-Month Change by Area/State



Average Price Trends by Area (Mar 2021 – Mar 2022)



Average Price Trends by Area (Mar 2021 – Mar 2022)



² <https://www.reuters.com/business/indonesias-palm-oil-export-ban-leaves-global-buyers-with-no-plan-b-2022-04-25/>

The average chickpea price increased +8% between February and March 2022, although impacted particularly by increases in 2 areas – Rakhine (+17%) and Kayah (+27%) – while stable in most other areas.

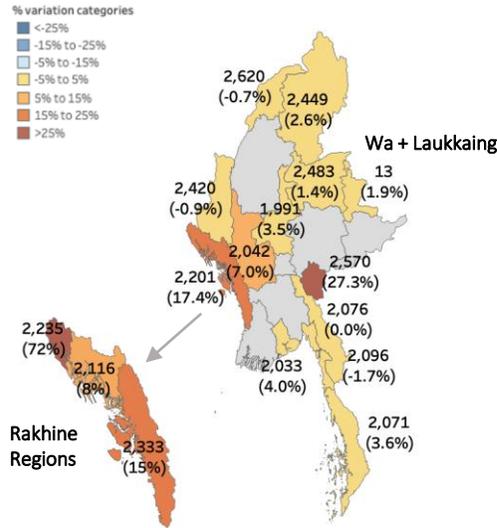
In Kayah, as mentioned with other commodities, the increase is due in part to the resumption of Hpasawng prices back into the monitoring, particularly since the price of chickpeas in Hpasawng has increased substantially since December (+43%) as compared to and increase of just +6% over the same time period in Loikaw. This larger increase in Hpasawng compared to Loikaw is the result of transportation challenges and high costs; for example, the route between Loikaw-Hpasawng route has been blocked as of 3rd March and alternative routes are difficult to traverse, limiting the amount of goods that can be brought in.

In northern Rakhine, the +72% increase in the price of chickpeas compared to last month is due to Ramadan and increased consumption/demand for chickpeas.

For other pulses, notable price increases include: +20% and +17% increases in Kachin and Magway driven by rising prices of groundnut and sadawpe; +17% increase in the price of lentils in Kayah; and +12% increase in the price of soya beans in Banwai, Wa region due to reduced availability of this locally produced item.

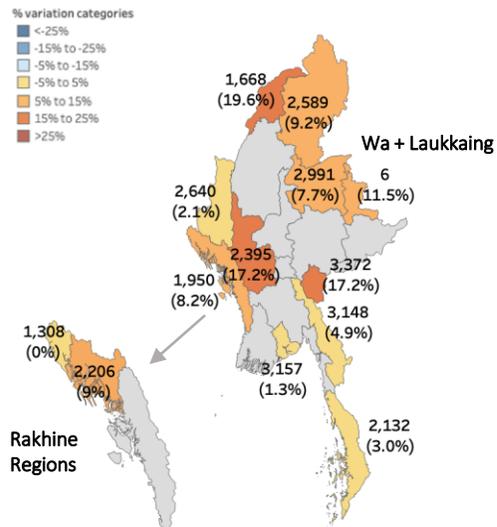
Chickpeas

Month-on-Month Change by Area/State

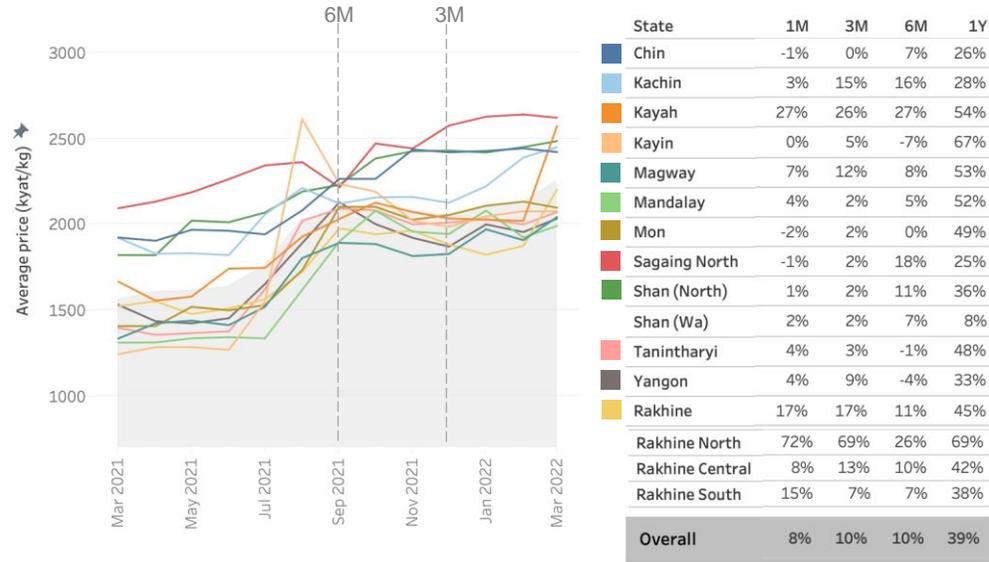


Other Pulses

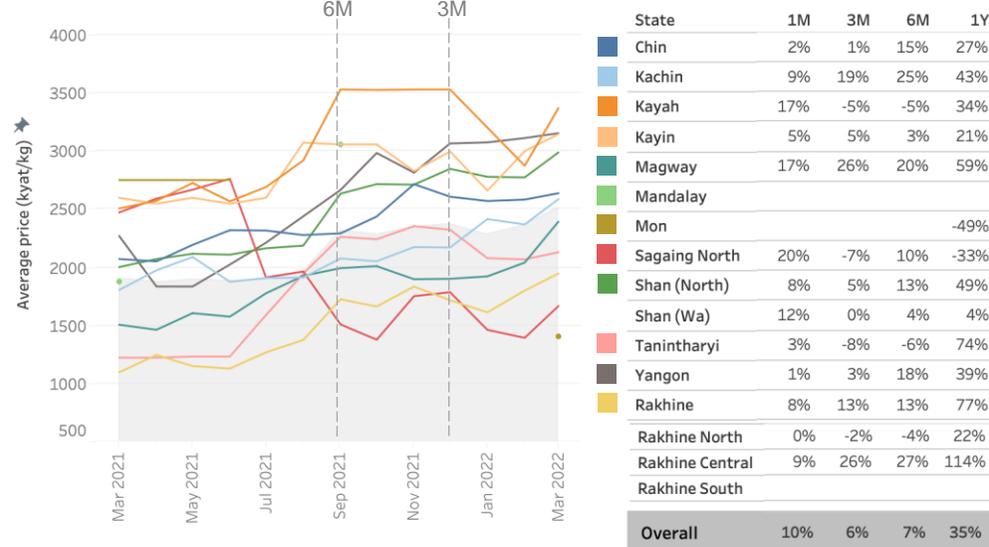
Month-on-Month Change by Area/State



Average Price Trends by Area (Mar 2021 – Mar 2022)



Average Price Trends by Area (Mar 2021 – Mar 2022)



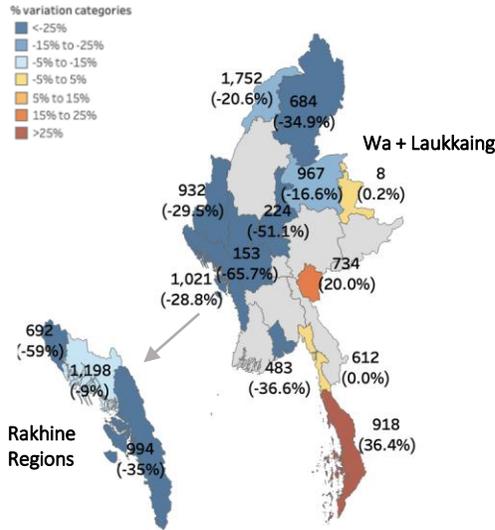
Tomatoes

Tomatoes continued to be plentiful in most areas resulting in ongoing reductions in prices. The major exceptions are in Kayah (+20%) and in Tanintharyi (+36%). The price increase in the latter is due to waning local production from Dawei and increased reliance on more expensive imported tomatoes from Mawlamyine affected also by transportation costs.

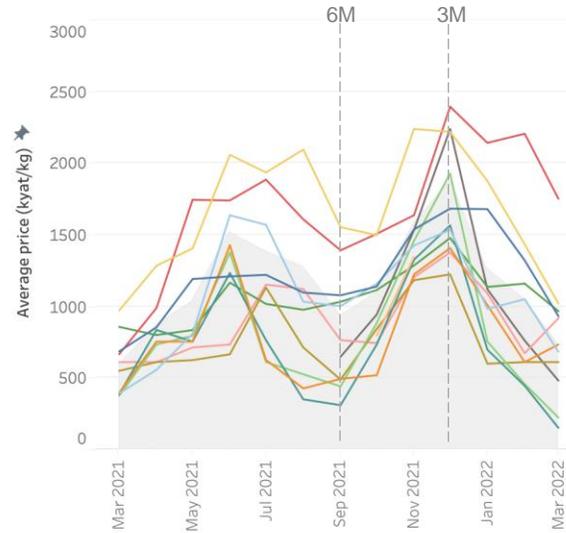
Compared to the same time last year, tomato prices on average are +20% higher.

Tomatoes

Month-on-Month Change by Area/State



Average Price Trends by Area (Mar 2021 – Mar 2022)



| State | 1M | 3M | 6M | 1Y |
|-----------------|-------------|-------------|-------------|------------|
| Chin | -29% | -45% | -13% | 36% |
| Kachin | -35% | -55% | -32% | 74% |
| Kayah | 20% | -48% | 48% | 85% |
| Kayin | | | | |
| Magway | -66% | -90% | -51% | -61% |
| Mandalay | -51% | -88% | -49% | -41% |
| Mon | 0% | -50% | 25% | 11% |
| Sagaing North | -21% | -27% | 26% | 163% |
| Shan (North) | -17% | -35% | -6% | 13% |
| Shan (Wa) | 0% | -8% | -9% | -10% |
| Tanintharyi | 36% | -33% | 20% | 50% |
| Yangon | -37% | -78% | -26% | |
| Rakhine | -29% | -54% | -34% | 5% |
| Rakhine North | -59% | -79% | -72% | -15% |
| Rakhine Central | -9% | -38% | 7% | 0% |
| Rakhine South | -35% | -44% | -28% | 27% |
| Overall | -30% | -58% | -23% | 20% |

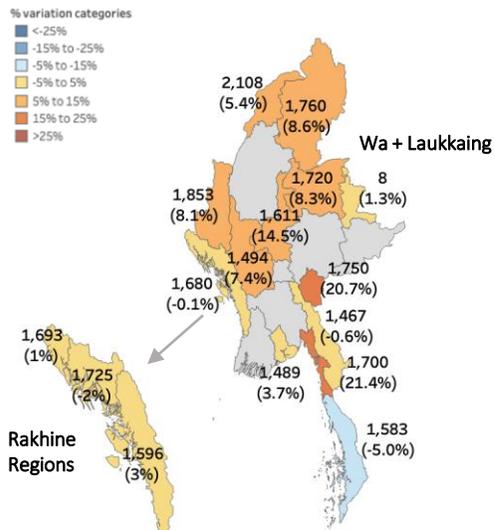
Eggs

The average month-on-month price increase for 10 eggs was +6% in March. Increases were high in Kayah (+21%) for same reasons affecting other commodity prices in the state (resumption of data collection in Hpasawng in addition to higher prices in that township due to transportation issues and costs) and in Mon (+21%). For the latter, the increase was due to the larger size of the eggs available in the market this month (the smaller size normally monitored was not available).

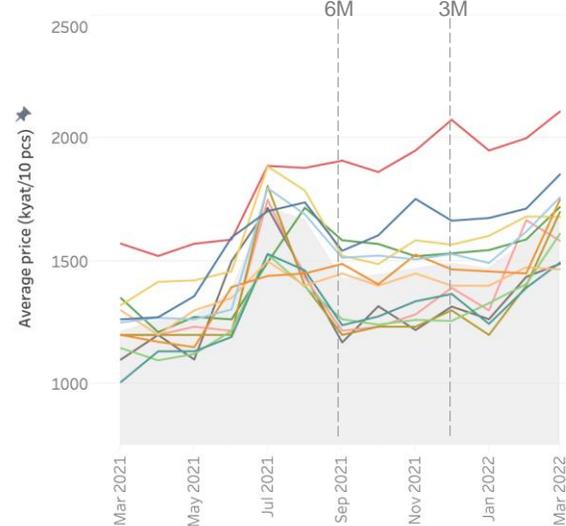
Compared to the same time last year, egg prices are up +35%. The highest year-on-year increases were seen in Magway (+48%), Chin (+47%), and Kayah (+46%).

Eggs

Month-on-Month Change by Area/State



Average Price Trends by Area (Mar 2021 – Mar 2022)



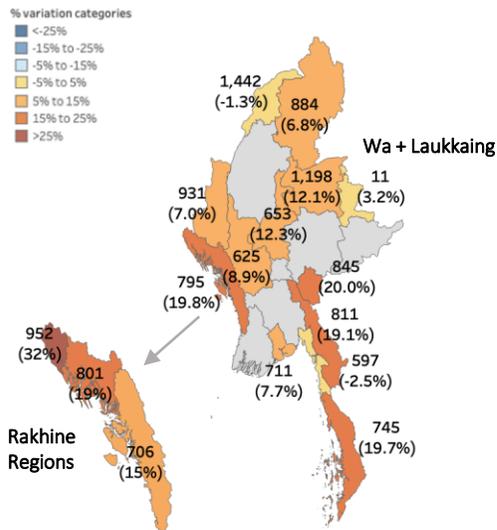
| State | 1M | 3M | 6M | 1Y |
|-----------------|-----------|------------|------------|------------|
| Chin | 8% | 11% | 20% | 47% |
| Kachin | 9% | 15% | 16% | 41% |
| Kayah | 21% | 19% | 18% | 46% |
| Kayin | -1% | 5% | 1% | 13% |
| Magway | 7% | 9% | 21% | 48% |
| Mandalay | 15% | 28% | 27% | 41% |
| Mon | 21% | 31% | 42% | 42% |
| Sagaing North | 5% | 2% | 10% | 34% |
| Shan (North) | 8% | 12% | 9% | 27% |
| Shan (Wa) | 1% | -12% | -6% | -13% |
| Tanintharyi | -5% | 14% | 30% | 32% |
| Yangon | 4% | 13% | 27% | 35% |
| Rakhine | 0% | 7% | 10% | 27% |
| Rakhine North | 1% | 7% | 31% | 29% |
| Rakhine Central | -2% | 8% | 7% | 27% |
| Rakhine South | 3% | 6% | 8% | 27% |
| Overall | 6% | 11% | 17% | 35% |

Unusually heavy rains in mid-March 2022 caused flooding in some onion fields particularly in Magway, which negatively impacted their onion harvest and contributed to a reduction in supply at a time when supply is usually abundant.³ Combined with high transport costs, this contributed to a rise in retail price of onions in March.

Compared to last month, the price increased +11% overall with highest increases in Rakhine, Kayah, Tanintharyi and Kayin (up +19-20% in each). Compared to the same time last year, onion prices are up +68% overall, with some areas facing prices that have more than doubled (Mandalay, Kayin, northern Rakhine) and Magway recording prices that were 3.5 times higher than that seen one year ago.

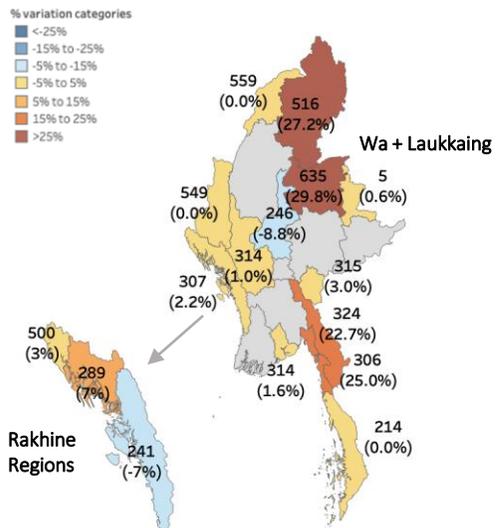
Onions

Month-on-Month Change by Area/State



Salt

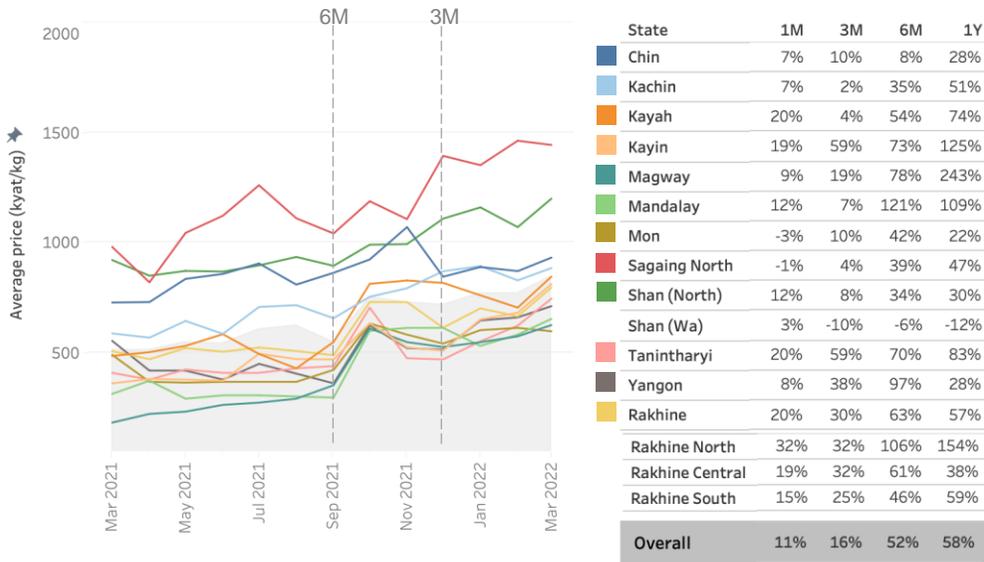
Month-on-Month Change by Area/State



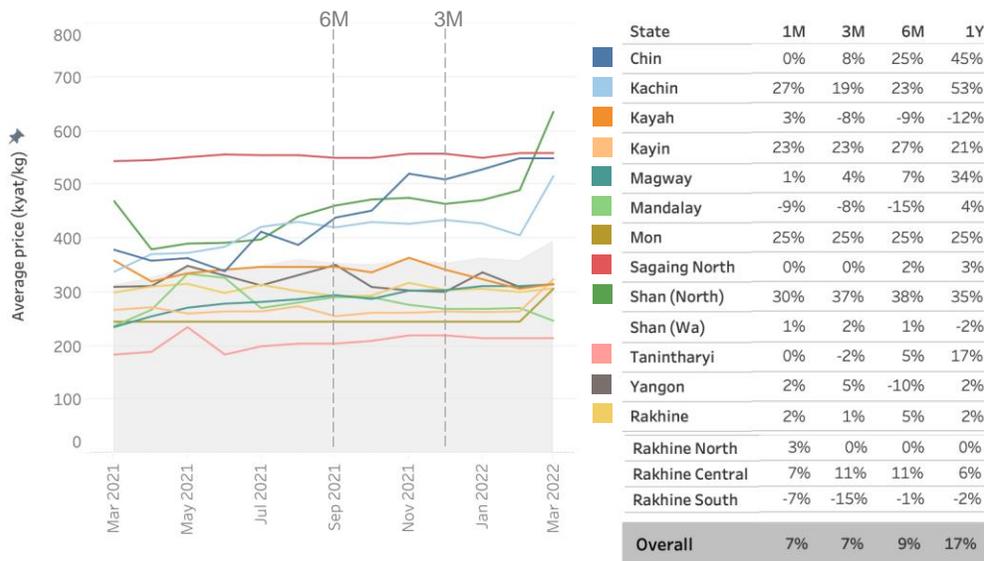
The unusual rains in mid-March 2022 also damaged Mon salt farms, affecting the national supply of salt (Mon is the second largest producer of salt in the country after Rakhine).⁴ In addition, high fuel costs mean transport is adding to increasing prices. Overall, the salt price rose by +7%, with highest increase in Shan North (+30%), Kachin (+27%), Mon (+25%) and Kayin (+23%).

Salt prices are expected to remain elevated as a result of the damage incurred at the salt farms.⁵ Compared to the same time last year, prices are up +17%.

Average Price Trends by Area (Mar 2021 – Mar 2022)



Average Price Trends by Area (Mar 2021 – Mar 2022)



³ https://greenwaymyanmar.com/posts/Onion_Farms_destroyed_by_Flooding?fbclid=IwAR2o3hX2L1N2gBZGiea76Tfbi-O5g-YyyEv6erOwOi6SKDDIjaYssGNlzxY

⁴ <https://www.gnlm.com.mm/unseasonal-rain-hikes-salt-prices/>; <https://inf.news/en/world/8d12834c2b8add373f97af4582c306b6.html>

⁵ <https://www.gnlm.com.mm/salt-prices-likely-to-extend-rise-in-coming-months/>

Fuel

Fuel prices again increased on average +18% between mid-February and mid-March, for a year-on-year change of +133%. The increased volatility in fuel prices has continued through April 2022 (sometimes changing on a daily basis) and is tied to the recent directive issued at the beginning of April by the Central Bank of Myanmar (CBM). The directive orders that all foreign currency be converted into kyats within one working day and requires that importers seek approval to use US dollars for every shipment. As suppliers and importers adjust to the new procedural requirements of the directive, there have been reports of supply disruption, followed by panic buying and long queues at the gas stations.⁵ Blackouts have also increased in frequency amidst high energy costs.⁵

Trader Feedback

Traders around the country commented on the price increases felt for many commodities, particularly rice, oil and salt. The most common factors mentioned as contributing to rising prices included rise in the cost of fuel and transportation, deterioration in the value of the kyat and worsening exchange rates.

In Chin, Kachin, Kayah and northern Sagaing, there were repeated mentions of difficulties in the movement of goods: in Chin, traders mentioned the need for permits and the irregularity of boat transport; in Puta-O, Kachin, traders mentioned the limitation on size of rice bags allowed in; traders in Kayah pointed to the closure of the Loikaw-Hpasawng route and the challenges of using alternate routes through the forest as major reason for price increases; and in northern Sagaing, traders mentioned that there were challenges in using the water routes at this time.

Issues to watch

- Impact on local exchange rates, trade and imports (particularly fuel and edible oil) as a result of the April directive from Central Bank Myanmar (CBM)
 - Recent shortages of fuel and impact of fixed exchange rate on fuel imports. Reports of panic-buying
- Ongoing cascading effect on food prices/availability amidst evolving global and energy crisis related to the Russia-Ukraine conflict:
 - Latest developments include Indonesia's ban on palm oil exports announced April 22 that will impact not only palm oil prices, but all vegetable oil prices as importers globally search for alternative sources and oil types.
- Commodity transport restrictions that limit availability and push up prices (e.g. restrictions on the size of rice bags in Kachin and requirement for permits to move commodities in Chin)
- Ongoing: Cash liquidity, limited and intermittent cash transfer services, and higher transfer fees remain issues for traders

More information



[February Report](#)



[January Report](#)



[December Report](#)

⁵ <https://www.irrawaddy.com/news/burma/myanmar-junta-makes-fuel-suppliers-sell-supplies-amid-shortage-fears.html> ; <https://www.reuters.com/world/asia-pacific/myanmar-energy-ministry-says-no-shortage-fuel-stocks-2022-04-19/>