



The Sudan Market Monitor

TRENDS AND IMPACTS OF STAPLE FOOD PRICES IN SELECTED
VULNERABLE STATES - Issue No 12- December 2012 -

This quarterly bulletin provides information on price changes for the most commonly consumed staples and their potential impacts on the cost of the basic food basket.

Highlights:

- The country is enjoying an above five year average harvest. However, sorghum prices remain high, especially when compared to same time last year prices.
- High production cost, delays in harvest due to labour shortages and high inflation rates are among the main reasons for high sorghum prices.
- In Q4_2012, a low impact of staple commodity price changes on the cost of the basic food basket is reported in all states.
- The terms of trade between herd owners and cereal farmers in this quarter is mostly in favour of herd owners or stable. Good pasture conditions and availability of cereal are two critical factors for granting favour to livestock owners in many states.

Blue Nile State: Stable sorghum prices are reported in Q4- 2012 compared with Q3- 2012 prices, leading to a low impact on the cost of the basic food basket. However, insecurity is the main risk affecting cereal harvest and marketing in this sorghum-surplus region and this is why a high seasonally adjusted quarterly change of 16% is reported during this good harvest season.

North Darfur State: This sorghum-deficit state is enjoying an exceptionally good harvest season. The relatively good flow of millet (highly preferred cereal) into the main markets is leading to a significant drop in food aid sorghum prices in Q4- 2012 compared with Q3- 2012 prices.

South Darfur State: Despite the localized insecurity problems in some localities, efforts of the state government to expand cereal production vertically and horizontally have materialized. In Q4- 2012, sorghum prices are far below that of Q3- 2012, leading to a low impact on the basic food basket cost. Declines in sorghum price are also leading to an improvement in the terms of trade (livestock/cereal), especially under the current good conditions of pasture.

South Kordofan State: Insecurity problems are restricting movements of both farmers and traders within the state. Consequently, real prices reflect an upward trend in sorghum prices (14% seasonally adjusted change) despite a reported decline in nominal prices of up to 19% in Q4- 2012 compared with the previous quarter.

West Darfur State: Sorghum prices are stable in Q4- 2012 compared with Q3- 2012 prices, leading to a low impact on food basket cost. However, December 2012 prices are 73% above same time last year prices.

Table 1: Price trends for main staple food commodities (change from last quarter)

Country	Staple food	Change from Last Quarter			Change from 5 year average		
		Downward ↓	Stable →	Upward ↑	Downward ↓	Stable →	Upward ↑
The Republic of Sudan	Sorghum	Nyala (South Darfur) Kadugli (South Kordofan)	Damazine (Blue Nile) Elgeneina (West Darfur)				Damazine (Blue Nile) Nyala (South Darfur) Kadugli (South Kordofan) Elgeneina (West Darfur)
	Millet	Kadugli (South Kordofan)					Kadugli (South Kordofan)
	Sorghum food aid	Alfashir (North Darfur)					Alfashir (North Darfur)





Table 2: Evolution of household purchasing power

Country	State	Region Fact Sheet	
		Evolution of Purchasing Power	Main Reasons
the Republic of Sudan	Blue Nile	Stable terms of trade between adult male goat (medium size) and sorghum in December compared with November 2012	
	North Darfur	Stable terms of trade between adult male goat (medium size) and sorghum in December compared with November 2013	
	South Darfur	The terms of trade between adult male goat (medium size) and sorghum in December compared with November 2012 favour goat owners against grain producers	A Slight change in sorghum prices and increase in goat prices
	South Kordofan	The terms of trade between adult male goat (medium size) and sorghum in December compared with November 2012 favour goat owners against grain producers	Stable sorghum prices and increase in goat prices
	West Darfur	The terms of trade between adult male goat (medium size) and sorghum in December compared with November 2012 favour grain producers against goat owners	Stable sorghum prices and drop in goat prices




Table 3: Magnitude of quarterly price changes and contribution to the cost of the food basket, by state and commodity

State	Main staple food	% Caloric contribution	Change from Last Quarter (% change)	Seasonally adjusted quarterly change (%)	Monthly change from last Year (% change)	Quarterly change from last year (% change)	Quarterly change from Last 5 years (% change)	% Contribution to the cost of the food basket		Price trends of the main staple	Remarks
								Cumulative impact of the quarter	Cumulative impact from 5 year average		
Blue Nile	Sorghum	63%	-1%	16%	184%	115%	573%	0%	361%	-1%	Low impact with stable sorghum
North Darfur	Food aid sorghum	75%	-25%	-18%	52%	42%	624%	-19%	468%	-25%	Low impact with drop in sorghum
South Darfur	Sorghum	75%	-19%	-11%	69%	57%	604%	-14%	453%	-19%	Low impact with drop in sorghum
South Kordofan	Sorghum	60%	-19%	14%	70%	59%	304%	-12%	212%	-19%	Low impact with drop in sorghum
	Millet	9%	-13%	-6%	67%	50%	344%				
West Darfur	Sorghum	75%	5%	19%	73%	83%	257%	4%	192%	5%	Low impact with stable sorghum

Impact Codes

	Low price impact on the cost of the food basket (<5%)
	Moderate price impact on the cost of the food basket (5- 10%)
	High price impact on the cost of the food basket (11-20%)
	Severe price impact on the cost of the food basket (>20%)

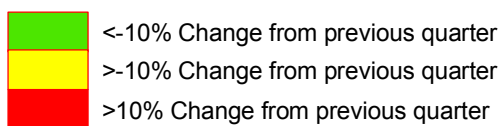
Price Trend Code

	<-10% Change from previous quarter
	>-10% Change from previous quarter
	>10% Change from previous quarter

Price trends of the main staple (change from last quarter)



Price Trend Code



Impact of staple commodity price changes on the cost of a basic food basket

Cumulative impact of the quarter



Cumulative impact from 5 year average



Impact Codes

