



The Market Monitor

Trends and impacts of staple food prices in vulnerable countries

This bulletin examines trends in staple food and fuel prices, the cost of the basic food basket, and consumer price indices for 65 countries in the first quarter of 2014 (January to March).¹ The approach to estimate the impact of price changes on the cost of the basket has been modified (see page 12).

Global Highlights

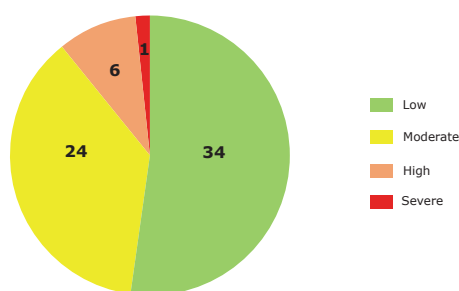
- During the first quarter of 2014, the **global cereal price index decreased by 19% year-on-year, and slightly increased by 1% compared to the previous quarter.**
- Nominal prices of maize (-31%), wheat (-8%) and rice (-23%) are significantly below a year ago due to strong supplies.
- **Real prices² of maize are up by 5% since the last quarter of 2013** given a surge in demand and high trade forecasts against comfortable stock levels after 2013 record crops.
- While **real prices of wheat declined by 4% between the last two quarters**, they firmly increased in March as a result of political tensions in the Black Sea region, US weather concerns, a strong demand in the Near East Asia and Africa and lower y/y global production forecasts.
- **For rice, real prices are down by 3% since Q4-2013** based on strong supplies for export, limited demand, slightly upward production forecasts and the end of paddy intervention buying in Thailand.

REAL PRICE ADJUSTED FOR CHANGES IN US CONSUMER PRICE INDEX (2005 = 100)

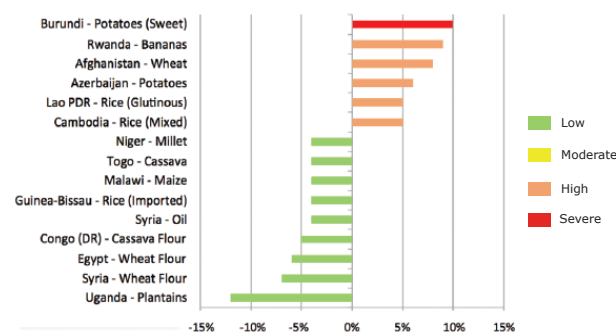
Quarterly Change	Maize	Wheat	Rice	Note: Comparison to
q1-2014 vs. q4-2013	5%	-4%	-3%	Fourth quarter in 2013
q1-2014 vs. q1-2013	-31%	-8%	-23%	Same quarter in 2013
q4-2013 vs. q1-2008		-31%		Global wheat price peak in 2008
q1-2014 vs. q2-2008	-25%		-57%	Global maize and rice price peak in 2008

- The impact of domestic price changes on the cost of food baskets in the last quarter was *severe* (>10%) in Burundi and *high* (5-10%) in 6 countries; these are Azerbaijan, Afghanistan, Cambodia, Cameroon, Lao PDR, and Rwanda. In 58 out of 65 monitored countries the impact of the price changes was *low* or *moderate* (<5%).
- The commodities which drove the biggest cost changes of the food basket were sweet potatoes in Burundi, bananas in Rwanda, wheat in Afghanistan, potatoes in Azerbaijan as well as rice in Lao PDR and Cambodia.

Number of countries by impact of price changes on the cost of the basic food basket (out of 65 countries monitored)



Commodities having the most significant impact on the cost of the food basket (Q1-2014)



1. Data were collected and collated by WFP country offices and are available at: <http://foodprices.vam.wfp.org>. Further data-sources are FAO Food Price Index, FAO/GIEWS Food Price Data and Analysis Tool and IMF Primary Commodity Prices as of April 16thth, 2014.
 2. Nominal prices are adjusted by the [US Consumer Price Index](#).

Price trends and impacts by region

(Change from last quarter)

Impact Codes Low (< 0%) Moderate (0-5%) High (5-10%) Severe (> 10%)

Latin America and Caribbean

Hotspots: The impact of staple food price changes on the cost of the basic food basket from January to March 2014 compared to the previous quarter was moderate at most, with **Colombia, El Salvador, and Nicaragua** observing the only noteworthy cumulative increases.

• **Staple commodity prices:** Unlike the fairly stable or decreasing price developments for many staples in the LAC region, seasonally adjusted prices rose significantly for beans in **Nicaragua (+46%), El Salvador (+33%), and Honduras (+19%)** between Q4-2013 and Q1-2014. This is due to tight regional supplies after a reduced 2013 crop harvest following decreased planting and yields in Honduras and diversion of land to alternative crops in Nicaragua. Seasonally adjusted prices plummeted particularly for maize in **Nicaragua (-27%)** and **Honduras (-12%)**, rice in **Costa Rica (-17%)** and wheat in

Bolivia (-15%) from end 2013 to Q1-2014.

• **Fuel prices:** In **Colombia** average gasoline and diesel prices increased by 1.5% and 1.1% respectively between Q4-2013 and the following quarter. In **Guatemala** average prices of gasoline increased slightly (+0.9%) and decreased for diesel (-0.8%).

• **Purchasing power:** The average quarterly inflation - Q1-2014 as compared to the previous quarter - is generally low in Latin America and the Caribbean. In **Bolivia**, food price inflation dropped within the first three months of 2014 from the last quarter 2013, despite being recorded at 8.8% on yearly basis.

Noteworthy are also general inflation rates in **Honduras** of 2.6% (q/q) and 5.8% (y/y).



Southern Africa

Hotspots: The impact of staple food price changes on the cost of the basic food basket from January to March 2014 compared to the preceding quarter was moderate in **Lesotho, Swaziland, Zambia and Zimbabwe** and low in all other countries of the region.

• **Staple commodity prices:** Seasonally adjusted prices of staples were stable or decreasing between Q4-2013 and Q1-2014 in the Southern African region. However, nominal prices for maize increased significantly in a number of countries, e.g. in **Malawi (+21%), Zambia (+14%), Zimbabwe (+13%)**. Specifically in Malawi, maize prices soared during December and January due to scarce supplies before turning downwards after the release of maize from the strategic grain reserve and free distribution during political rallying. In January, 84% of the monitored local maize markets presented *alert* or *crisis* price levels according to the Alert for Price Spikes (ALPS).³ With overall reduced national availability and the lean season peaking, maize prices were under pressure in Zambia, too. This affected nominal maize prices in

Zimbabwe, which is still depending on imports to make up the gap from the reduced 2013 harvest.

• **Fuel prices:** In **Tanzania** retail price caps for petrol and diesel during Q4-2014 were regulated by the Energy and Water Utilities Regulatory Authority at 1.5% and 0.2% above the level of the previous quarter. In y/y terms the price increases were 6.1% and 5.7% respectively.

• **Purchasing power:** Towards the end of the lean season and at the beginning of the election year, consumers in **Malawi** still face very high quarterly inflation rates. The average overall consumer price index increased by 17.6% compared to the last quarter, while the food related price index gained 21.3% between Q4-2013 and Q1-2014. In **Tanzania**, the y/y inflation (+6.5%) is driven by food inflation (+6.1%)

between Q4-2013 and Q1-2014, a reflection of the lean season. Similarly, in **Zambia** the removal of subsidies on fuel and maize, the depreciation of the local currency and the lean season have exerted inflationary stress which is shown by general y/y inflation rates of 7.5% or 7.0% for the food price index.



3. The WFP price indicator "Alert for Price Spikes" (ALPS) detects abnormally high levels of staple food prices compared to their long-term seasonal trends. See <http://foodprices.vam.wfp.org/ALPS-at-a-glance.aspx>.

Central and Eastern Africa

Hotspots: The cumulative impact of staple food price changes on the cost of the basic food basket from January to March 2014 was severe in **Burundi**, high in **Rwanda**, while moderate in **Djibouti** and **Somalia**.

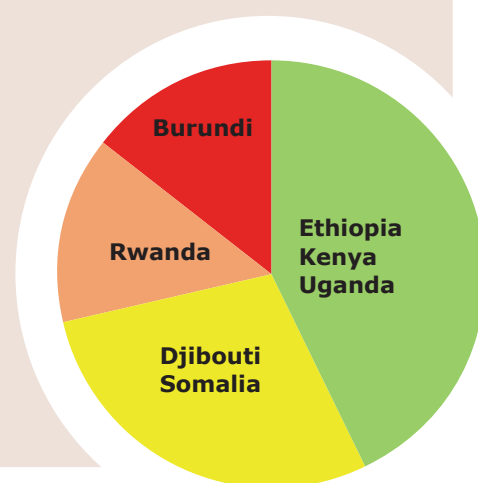
- **Staple commodity prices:**

Between Q4-2013 and Q1-2014, seasonally adjusted prices increased severely in **Burundi** for sweet potatoes (+48%) and cassava flour (+24%). Maize grain prices are also up by 7%. Price increases are partially due to the below-average rainfall that affected the December-January harvest and by the seedling deficit following the poor September-November 2013 harvest. Maize price is particularly high in the capital Bujumbura as the **ALPS** reached *crisis* level in February 2014. While a number of commodities noted stable or decreasing seasonally adjusted trends in **Rwanda**, the banana prices are 41% higher compared to the previous quarter. The **ALPS** confirms this upward price trend with 13 markets showing price *alerts* and 26 having *stress* levels, out of 72 markets monitored. The volatility in prices concerns fresh food and is related to unfavorable weather conditions. Much less but still significant is also the price rise for maize flour (+7%). In **Kenya**, cooking oil prices increased by

+9% although the price drop of other important commodities like maize, bread and milk improved the purchasing power of consumers. In **Djibouti** seasonally adjusted wheat flour and rice prices are respectively 7% and 3% above their Q4-2013 level.

- **Fuel prices:** Petrol and diesel prices in **Ethiopia** increased moderately by 2.7% and 3.4% respectively between Q4-2013 and Q1-2014, which is 6.3% and 6.2% in y/y terms. In **Kenya**, the petrol prices were 3.6% higher than in the previous quarter, while diesel quotations remained stable (+0.6%).
- **Purchasing power:** The quarterly changes (q/q) of the general and the food related CPI for **South Sudan** (Q4-2013 to Q1-2014) were relatively low with +1.6% and +2.0% respectively. These mask the partly conflict related significant m/m increases in January 2014 (+7.8% and +9.5%) and continued volatile and high food commodity prices in conflict affected markets of Bor,

Rumbek and Bentiu. Interestingly, in **Rwanda** the index for food prices dropped on a quarterly average by 5.7%, as during December and January lower price levels were observed. Compared to Q1-2013, however, quarterly averages are 5.0% higher for the general CPI and 6.7% for food. In **Uganda**, the y/y inflation rate for the food CPI increased during Q1-2014 to 11.6%, up from already 9.4% in Q4-2013.



West Africa

Hotspots: The cumulative impact of staple food price changes on the cost of the basic food basket from January to March 2014 was high in **Cameroon**, while moderate in **Burkina Faso** and **Chad**.

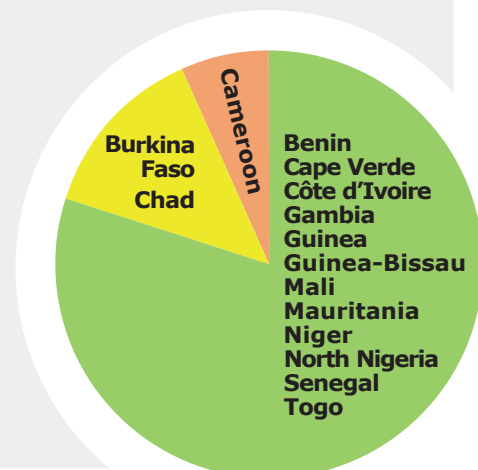
- **Staple commodity prices:**

Except in Burkina Faso, Cameroon and Chad, commodity price trends in the region were stable or falling from last quarter. Below average rains have decreased yields of the main crops in **Cameroon** and have led to severe increases of seasonally adjusted prices of rice (+24%) and sorghum (+13%) and of nominal prices of cassava (+37%). Nominal prices of sorghum (+12%), millet (+8%) and maize (+7%) in **Chad** have increased significantly, too, because of agricultural production deficits in the Wadi Fira and Barh El-Ghazel regions. Despite localised moderate increases of seasonally adjusted prices of millet in **Burkina Faso**,

most markets of the country are generally well supplied with local cereals. However, as 6 out of 15 millet markets experienced **ALPS** *stress* levels in February, these markets could turn into *alert* levels in the coming months of the lean season.

- **Fuel prices:** No information available.
- **Purchasing power:** High food prices contributed to the y/y inflation (7.5%) in **Nigeria** in March 2014, but the q/q inflation for both general and food CPI decelerated to 1.7% and 2.0%. Nigeria's central bank currently keeps its key interest rate high to continue stabilizing its currency and lowering inflation (+7.9% y/y in December 2013).

A strong increase in utility tariffs and the plunge of the currency against the dollar continue to push **Ghana's** consumer price inflation (+13.6% y/y in Q1-2014).



Middle East, North Africa and Central Asia

Hotspots: The cumulative impact of staple food price changes on the cost of the basic food basket from January to March 2014 was high in **Azerbaijan**, while moderate in **Armenia, Georgia, and Sudan**.

- Staple commodity prices:** Most monitored commodities had a stable or decreasing price trend from last quarter. On the contrary, nominal potato prices surged from last quarter in the region, specifically in **Armenia** (+35%), **Azerbaijan** (+43%) and the **Kyrgyz Republic** (+25%). Comparing seasonally adjusted prices, substantial increases are recorded for potatoes in **Azerbaijan** (+30%), millet in **Sudan** (13%), rice in **Pakistan** (11%) and **Palestine** (+11%). Price rises were moderately high for wheat in **Yemen** (+8%), milk in **Georgia** (+5%), and oil in **Palestine** (+5%). It is noteworthy that quarterly sorghum and millet prices in **Sudan** increased sharply (+101% and +111%, respectively) from the baseline of the last 5-year average due to significant supply problems after a below-average 2013 harvest. On 7 of the 11 markets monitored in Sudan, nominal prices for sorghum and

millet were at *crisis* level in March according to the [ALPS](#). Most of these markets are in the Darfur area.

- Fuel prices:** In the **Syria**, diesel prices rose sharply in February 2014, leading to an 11.8% change on average compared to Q4-2013. In **Tajikistan** petrol prices eased by -1.6% in Q1-2014 from the previous quarter, or -4.1% compared to the year before.
- Purchasing power:** In **Egypt**, y/y inflation increased up to 10.2% and food inflation up to 16.6% in March 2014. The steep upward trend is explained by the depreciation of the local currency at the beginning of 2013, money expansion, supply shortages and wage increases. The q/q food price inflation is relatively high at around 3.3% in March. In Iraq, food prices increased significantly since the last quarter of 2013 and the y/y food inflation stood at 7.7%. In **Armenia**, food prices

increased by 6.4% during the first quarter of 2014 driven by a rise in meat and milk prices as a result of high costs of cattle breeding. Y/y inflation in **Yemen** also remained high in March 2013 (6.7% general inflation and 4.3% food inflation), but decreased slightly compared to the last quarter.



Asia

Hotspots: The cumulative impact of staple food price changes on the cost of the basic food basket from January to March 2014 was high in **Afghanistan, Cambodia and Lao PDR**.

- Staple commodity prices:** In general, seasonally adjusted price trends have been stable or falling between Q4-2013 and Q1-2014. Exceptions are rice prices in **Cambodia** (+7%) and **Lao PDR** (+8%) and wheat prices in **Afghanistan** (+18%), **Bangladesh** (+5%) and **Pakistan** (+5%). In Pakistan price rises for wheat are related to unfavourable prospects for the 2014 harvest and low stock levels. Compared to the last 5-year average (baseline), prices of most commodities have increased; in fact most significantly in **Pakistan** and **India** where rice prices are above the baseline by 42% and 37% respectively. In March, all wheat flour market prices monitored in Pakistan are at stress levels according to the [ALPS](#).

- Fuel prices:** No update available.
- Purchasing power:** In **Bangladesh**, y/y inflation continues in February to be mainly pushed by food price increases (overall +7.4%, and food inflation +8.8%). Supplies of basic food commodities were affected by transport blockades and unrest in the run-up to elections in January while the government raised subsidised electricity tariffs in March. In January, the overall y/y inflation in **India** slowed down (+7.8%) with falling vegetables prices as the food CPI declined by 2.3% compared to the previous quarter. In February, **Pakistan's** y/y inflation rate

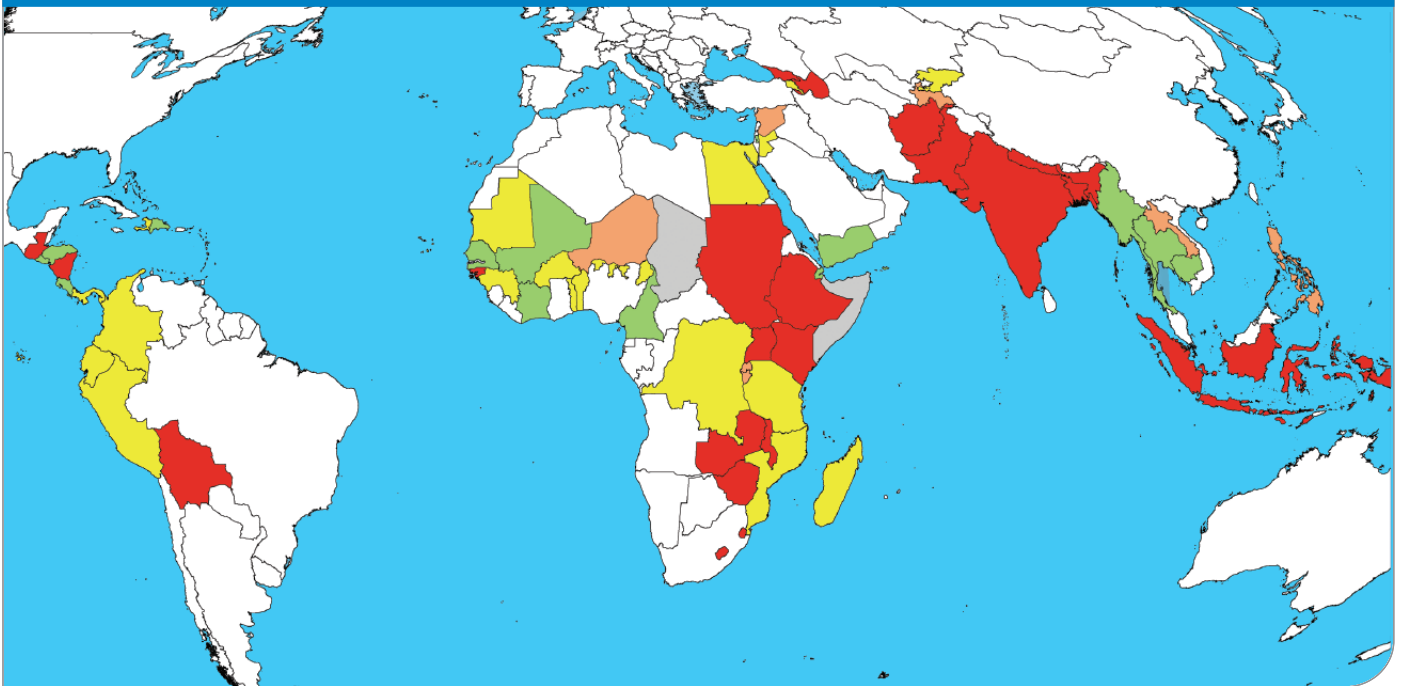
continued to ease to 7.8% from 9.2% a month before. Inflation in 2013 was affected by a rise in the general sales tax, the imposition of value added tax on some manufactured items and an adjustment in electricity tariffs. **Indonesia's** annual inflation rate continued to drop in Q1-2014 (7.8%). Q/q price changes confirm the deceleration of inflation in **Nepal** (-0.02% for CPI and -1.7% for food CPI). High imports and soaring prices are fuelling y/y inflation in **Lao PDR** (+5.5% in March).



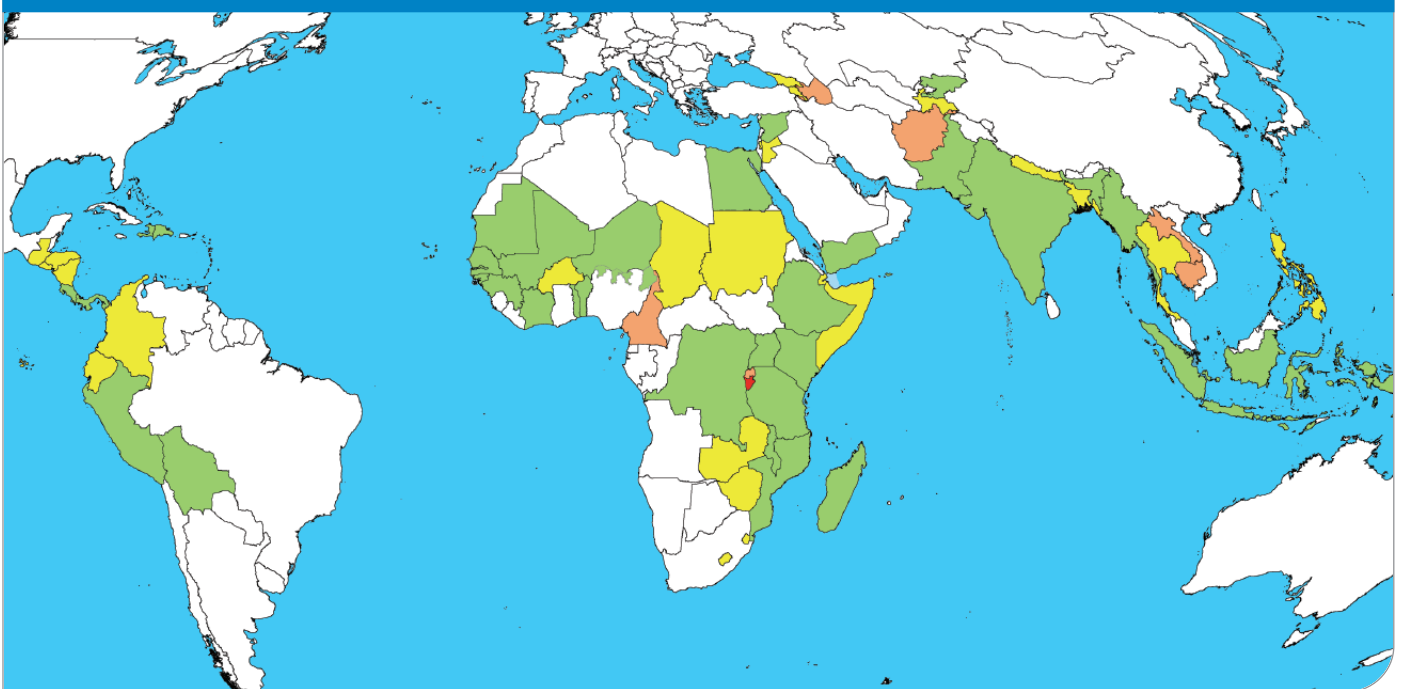
Impact of staple commodity price changes on the cost of the basic food basket

Impact Codes ■ Low (< 0%) ■ Moderate (0-5%) ■ High (5-10%) ■ Severe (> 10%) ■ Monitored but without baseline

Q1-2014 (January to March) vs. Q1-Baseline (Average January to March 2009-2013)



Q1-2014 (January to March) vs. Q4-2013 (October to December)



Note: The map at the top is based on the table on pages 7-11 (Column M). The map at the bottom is based on the table on pages 7-11 (Column L).

Map produced by: VAM - Food Security Analysis (OSZAF).
Source: WFP; Base Map: UNCS.

The boundaries and names shown and the designations used in this map do not imply official endorsement or acceptance by the United Nations.

Consumer Price Index and Fuel Prices

Region	Country	Quarterly and Yearly Changes in Q1 2014 (January-March)							
		Quarter-on-Quarter				Year-on-Year			
		General CPI	Food CPI	Gasoline	Diesel	General CPI	Food CPI	Gasoline	Diesel
Latin America and Caribbean	Bolivia	0.88%	-0.71%			6.12%	8.77%		
	Colombia	1.32%		1.49%	1.13%			-2.45%	-1.35%
	Costa Rica	1.80%				3.03%			
	Dominican Republic	0.67%	0.17%			2.65%	1.24%		
	Ecuador	0.99%	2.17%			2.65%	2.92%		
	El Salvador	0.71%				0.62%			
	Guatemala	0.82%		0.86%	-0.81%	3.63%		2.70%	-3.77%
	Haiti	0.67%	0.75%			3.01%	2.33%		
	Honduras	2.56%				5.84%			
	Nicaragua	2.02%	2.70%			5.03%	4.90%		
	Peru	0.93%				3.41%			
Southern Africa	Lesotho	1.53%	1.70%			5.39%	3.94%		
	Madagascar	1.81%				5.88%			
	Malawi	17.56%	21.30%			24.84%	21.27%		
	Mozambique	2.17%				3.46%			
	Tanzania	3.98%	6.13%	-0.80%	2.55%	6.03%	6.50%	6.12%	5.69%
	Zambia	2.39%	2.56%			7.49%	6.99%		
	Zimbabwe	0.15%				-0.27%			
Central and Eastern Africa	Ethiopia	-0.24%	-2.80%	2.65%	3.43%	7.53%	4.57%	6.26%	6.18%
	Kenya	1.91%		3.63%	0.59%	6.78%			
	Rwanda	-2.81%	-5.71%			4.98%	6.65%		
	South Sudan	1.59%	2.02%			-2.31%	2.77%		
	Uganda	0.41%	-0.77%			6.96%	11.60%		
West Africa	Benin	1.35%	3.54%			-0.96%	1.24%		
	Ghana	5.54%				13.57%			
	Mali	-0.91%	-2.70%			1.26%	0.13%		
	Niger	-2.24%	-3.79%			1.07%	1.92%		
	Nigeria	1.67%	2.01%			7.47%	8.79%		
	Senegal	-2.22%	-5.49%			0.32%	1.56%		
Middle East, North Africa and Central Asia	Armenia	3.24%	6.38%			5.03%	3.26%		
	Azerbaijan	1.50%	2.76%			1.79%	1.55%		
	Egypt	1.92%	3.28%			10.21%	16.59%		
	Georgia	-0.86%	-2.06%			0.36%	-0.10%		
	Iraq	1.12%	2.57%			3.23%	7.68%		
	Jordan	0.68%	0.70%			2.97%	2.83%		
	Palestine	0.64%	0.08%			2.18%	1.30%		
	Syria				11.82%				
	Tajikistan	0.35%	-0.13%	-1.58%		0.25%	-0.07%	-4.09%	
	Yemen	1.25%	-0.21%			6.68%	4.33%		
Asia	Bangladesh	1.79%	1.64%			7.38%	8.78%		
	India	-0.67%	-2.32%			7.76%	8.77%		
	Indonesia	1.71%				7.67%			
	Lao PDR	0.58%				5.48%			
	Nepal	-0.02%	-1.67%						
	Pakistan	-0.14%	-2.23%			7.84%	6.92%		
	Philippines	1.34%	1.68%			4.09%	5.55%		
	Sri Lanka	0.73%				4.19%			
Timor Leste	0.42%	0.54%			2.22%	2.63%			

Note: The calculation of quarterly changes uses averages of indices or prices for the respective quarters.

Magnitude of quarterly price changes and their impacts on the cost of the food basket, by country and commodity

Region	Country	Main staple food	Caloric contribution (%)	Change from last quarter (% change)	Seasonally adjusted quarterly change (% change)	Monthly change from last year (% change)	Quarterly change from last year (% change)	Quarterly change from baseline (% change)	Change	Price trend	Impact	Cumulative impact of changes on cost of food basket	# of years in baseline (the latest 5 years) [* see footnote]	
									< 0%	Decreasing	Low			
									>= 0% and < 5%	Stable	Moderate			
>= 5% and < 10%	Slightly increasing	High												
>= 10%	Increasing	Severe												
A	B	C	D	E	F	G	H	I	J	K	L	M	N	
Latin America and Caribbean	Bolivia	Wheat	19	-15	-15	+21	+29	+52	↓	21	-4	+18	5	
		Rice (Estaquilla)	14	-1	-4	+46	+51	+30	↓	19			5	
		Maize	13	+12	-1	+5	+42	+23	↓	6			5	
	Colombia	Maize (White)	13	N/A	N/A	-21	-21	+23	N/A	N/A	5			5
		Sugar	13	+3	N/A	+5	-3	N/A	→	5			*	
		Rice (White)	12	+1	N/A	0	-5	N/A	→	6			*	
		Oil	8	+4	N/A	-13	-10	N/A	→	4		+2	0	*
		Wheat Flour	8	+1	+3	0	-8	-22	→	3				5
		Milk	7	+5	N/A	N/A	N/A	N/A	↗	39				*
		Bananas	5	+4	N/A	+1	0	N/A	→	6				*
	Costa Rica	Plantains	5	-2	N/A	+3	+7	N/A	↓	4				*
		Rice (Milled 80-20)	17	-15	-17	-26	-21	-10	↓	17		-3	-2	5
	Dominican Republic	Rice	17	-1	-1	-5	-4	-12	↓	10		-1	-3	5
		Meat (Chicken)	5	-9	-11	-17	-11	-11	↓	12				5
	Ecuador	Rice (Long Grain)	19	+3	+1	-1	0	+13	→	21		0	+3	5
		Wheat Flour	13	0	0	-3	-3	+4	→	11				4
	El Salvador	Maize (White)	25	-3	-7	-2	-1	-15	↓	16				5
		Wheat Flour	9	-4	-1	-10	-10	+10	↓	14		+2	-6	5
		Beans (Red)	6	+25	+33	+17	+14	-32	↑	11				5
		Sorghum	6	-13	+3	-15	-11	-16	→	5				5
		Sugar	14	+7	+10	+3	+3	+21	↑	7				5
	Guatemala	Bread	11	+1	-1	+6	+5	+23	↓	23		0	+11	5
		Tortilla (Maize)	11	+3	0	+10	+11	+36	→	10				5
		Oil (Cooking)	8	0	0	+3	+3	+13	→	5				5
	Haiti	Wheat Flour	12	-5	-6	-2	-2	+3	↓	13				5
		Maize (Local)	9	-2	-3	-21	-17	-10	↓	7		-1	0	5
		Oil (Vegetable Imported)	7	-1	N/A	N/A	N/A	N/A	↓	7				*
	Honduras	Maize (White)	26	+1	-12	-31	-25	-24	↓	16				5
		Beans (Red)	5	+17	+19	+133	+63	-6	↑	10		0	-4	5
		Rice (Milled 80-20)	5	0	+1	+12	+12	+7	→	10				5
Nicaragua	Maize (White)	23	-1	-27	+4	+7	+17	↓	12				5	
	Rice (Second Quality)	17	+3	+3	+8	+10	+17	↓	18				5	
	Sugar (White)	15	+1	-1	+5	+5	+36	↓	10		+2	+12	5	
	Bread	9	+2	+6	+4	+3	+11	↗	23				5	
	Beans (Red)	7	+22	+46	0	+23	+9	↑	8				5	
Panama	Rice (Milled 80-20)	24	0	-1	+2	+2	+7	↓	16				5	
	Bread	12	-3	-6	+4	+4	+12	↓	24		-1	+4	5	
	Maize (Yellow)	7	-2	+7	-2	0	+12	↗	2				5	
Peru	Rice (Local)	21	0	+4	0	0	+2	→	14				5	
	Wheat Flour (Local)	14	+1	0	+2	+1	+6	→	16				5	
	Potatoes	8	-18	-18	-7	-8	-1	↓	14		-2	+2	5	
	Sugar	8	+2	+1	-7	-9	-12	→	4				5	
		Maize (Local)	7	0	+2	+3	+2	+21	→	10			5	

(*) Calculations based on nominal prices. For details, see 'Approach' on page 12.

Region	Country	Main staple food	Caloric contribution (%)	Change from last quarter (% change)	Seasonally adjusted quarterly change (% change)	Monthly change from last year (% change)	Quarterly change from last year (% change)	Quarterly change from baseline (% change)	Price trend	Quarterly cost share in food basket (%)	Cumulative impact of changes on cost of food basket		# of years in baseline (the latest 5 years) [* see footnote]
											from previous quarter (%)	from baseline (%)	
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Southern Africa	Congo (DR)	Cassava Flour	53	+2	-10	-9	-10	-4	↓	50	-6	+1	5
		Maize Grains	14	-4	0	0	+2	+16	→	11			5
		Oil (Palm)	5	+7	-3	+1	-4	+10	↓	4			5
		Wheat Flour	5	-1	-5	-2	-2	+8	↓	12			5
	Lesotho	Maize Meal	56	+1	+1	-3	-2	+16	→	53	+1	+10	4
		Wheat Flour	14	+1	0	+4	+4	+11	→	17			4
	Madagascar	Rice (Local)	49	-3	-3	+2	+8	+8	↓	49	-1	+4	5
		Maize	53	+21	-8	+11	+33	+123	↓	49			4
	Malawi	Cassava Root	6	+8	N/A	+34	+39	N/A	↗	10	-3	+65	*
		Maize Grains (White)	20	+5	-4	-6	-2	+17	↓	13			5
	Mozambique	Wheat Flour	9	-7	-6	+1	+4	+3	↓	13	-2	+3	2
		Rice	8	-2	-4	-5	-4	+3	↓	11			5
		Oil (Vegetable Local)	2	+1	0	-2	-2	+2	→	2			5
	Swaziland	Maize Meal	25	0	+3	0	0	+59	→	22			5
		Flour	16	0	-3	+1	+2	+13	↓	19	0	+15	2
		Sugar	11	-2	N/A	N/A	N/A	N/A	↓	10			*
		Rice	8	-2	-4	0	0	+21	↓	9			5
	Tanzania	Maize	26	+5	-7	-22	-26	+16	↓	18			5
		Rice	10	+3	-6	-29	-32	-12	↓	15	-2	+1	5
		Beans	5	+2	-1	+10	+1	+12	↓	9			4
Zambia	Maize Grains (White)	51	+14	+2	+20	+23	+31	→	40	+2	+16	5	
	Cassava Meal	13	+4	N/A	N/A	N/A	N/A	→	24			*	
Zimbabwe	Maize Grains (White)	41	+13	+3	+2	+18	+34	→	41	+1	+14	4	
Central and Eastern Africa	Burundi	Potatoes (Sweet)	17	-3	+48	-1	-8	-2	↑	22	+12	+7	5
		Beans	16	-14	-7	-7	+1	+22	↓	17			5
		Cassava Flour	13	+10	+24	+3	0	+8	↓	10			5
		Maize Grains	13	+8	+7	+9	+5	+33	↗	11			5
	Djibouti	Wheat Flour	34	+4	+7	-2	-3	0	↗	33			5
		Rice (Imported)	17	0	+3	+2	+1	-11	→	18	+3	-2	5
		Oil (Cooking)	15	0	N/A	-5	-5	N/A	→	15			*
	Ethiopia	Sugar	11	-2	N/A	-13	-14	N/A	↓	11			*
		Maize (Local)	21	-9	-10	+5	+8	+40	↓	17			5
		Sorghum	12	-7	-2	+14	+21	+64	↓	14	-3	+20	5
		Wheat Grains	12	-5	-4	+8	+9	+35	↓	14			5
	Kenya	Maize (White)	35	-8	-8	-26	-13	+17	↓	15			5
		Bread	9	-1	-6	+4	+8	+24	↓	12	-5	+14	5
		Oil (Cooking)	8	+9	+9	-6	-3	+17	↗	6			5
	Rwanda	Milk	7	-2	-12	+6	+1	+30	↓	26			5
		Bananas	17	+6	+41	+33	+31	-19	↑	23			4
		Potatoes (Irish)	12	-11	-2	+10	0	+22	↓	17			5
		Beans	11	-25	-4	+21	+22	+40	↓	8	+8	+6	5
		Cassava Flour	11	-2	-4	+2	+2	+23	↓	7			5
		Potatoes (Sweet)	11	+1	+2	+11	+9	+47	→	12			5
Somalia	Sorghum	8	-2	-4	-24	-30	-11	↓	4			5	
	Maize Flour	5	-2	+7	+1	+1	+28	↗	4			5	
	Sorghum (White)	29	+10	N/A	+14	+16	N/A	↑	30	+3	N/A	*	
	Rice (Imported)	9	+2	N/A	-1	+3	N/A	→	8			*	
	Plantains	17	-40	-30	-65	-5	+165	↓	34			5	
Uganda	Cassava Flour	13	-8	-14	-3	+3	+22	↓	5			4	
	Maize Flour	9	-8	-12	-8	-2	+19	↓	4	-13	+45	4	
	Beans	5	+4	-6	-1	+3	+10	↓	3			2	
	Millet Grains	5	-8	-10	-2	-1	+6	↓	2			2	

(*) Calculations based on nominal prices. For details, see 'Approach' on page 12.

Region	Country	Main staple food	Caloric contribution (%)	Change from last quarter (% change)	Seasonally adjusted quarterly change (% change)	Monthly change from last year (% change)	Quarterly change from last year (% change)	Quarterly change from baseline (% change)	Price trend	Quarterly cost share in food basket (%)	Cumulative impact of changes on cost of food basket		# of years in baseline (the latest 5 years) [* see footnote]
											from previous quarter (%)	from baseline (%)	
A	B	C	D	E	F	G	H	I	J	K	L	M	N
West Africa	Benin	Maize (White)	19	+1	-8	-24	-12	-19	↓	10	-2	0	5
		Gari	16	-4	-4	+12	+19	+21	↓	18			
		Rice (Imported)	13	0	0	+2	+1	+4	→	20			
		Sorghum	5	-8	-5	+7	+7	-17	↓	5			
	Burkina Faso	Sorghum	26	+5	-1	-7	-6	+3	↓	23	0	+2	5
		Millet	22	+5	+5	-8	-6	+7	↗	23			
		Maize	16	0	-6	-13	-11	-5	↓	12			
	Cameroon	Rice (Imported)	6	0	-1	0	0	0	↓	12	+8	-2	5
		Maize	15	+2	+5	-3	-5	-7	↗	14			
		Cassava (Cossette)	12	+37	N/A	N/A	N/A	N/A	↑	10			
	Cape Verde	Rice (Local)	10	+29	+24	-39	-17	-15	↑	14	-1	0	5
		Sorghum (Red)	8	+5	+13	+12	+9	+10	↑	7			
		Rice (Long Grain Imported)	19	-2	-2	-9	-7	-1	↓	21			
	Chad	Wheat	13	0	-1	-4	-3	+4	↓	11	+4	N/A	5
		Sorghum	18	+12	N/A	+28	+19	N/A	↑	15			
		Millet	15	+8	N/A	+33	+25	N/A	↗	18			
	Cote d'Ivoire	Maize	5	+7	N/A	+30	+34	N/A	↗	5	-2	-3	5
		Rice (Imported Denikassia)	20	0	+1	0	+1	-1	→	22			
		Cassava	12	+2	-14	-14	-12	-34	↓	8			
		Oil (Palm)	9	+5	-3	-3	+1	+10	↓	12			
		Corn	7	-8	-6	-16	-9	+3	↓	5			
	Gambia	Rice (Small Grain Imported)	21	-1	N/A	N/A	N/A	N/A	↓	19	-1	N/A	5
		Millet	19	-6	N/A	N/A	N/A	N/A	↓	15			
		Sugar	12	0	N/A	N/A	N/A	N/A	→	13			
		Bread	8	+1	N/A	N/A	N/A	N/A	→	14			
		Oil (Palm)	7	+1	N/A	N/A	N/A	N/A	→	8			
		Oil (Groundnut)	5	-6	N/A	N/A	N/A	N/A	↓	4			
	Guinea	Sorghum	5	-7	N/A	N/A	N/A	N/A	↓	4	-2	+4	5
		Rice (Local)	37	-5	-3	-9	0	+12	↓	39			
		Oil (Palm)	6	-13	-12	-16	-20	-3	↓	4			
		Rice (Imported)	35	-2	-12	-5	-2	+35	↓	34			
	Guinea-Bissau	Oil (Vegetable Imported)	11	0	N/A	N/A	N/A	N/A	→	7	-4	+11	5
		Maize	8	0	0	0	0	0	→	13			
		Millet	8	0	+4	0	+7	+16	→	8			
		Sugar	5	-5	-13	-12	-5	+2	↓	4			
	Mali	Rice (Local)	21	-2	-2	-11	-10	-7	↓	29	-1	-3	5
		Millet	20	-1	-1	-11	-12	+2	↓	18			
		Sorghum	13	+2	-1	-9	-9	-3	↓	10			
		Maize	9	+1	-4	-12	-12	-9	↓	6			
	Mauritania	Wheat Flour	30	0	0	+2	+1	+12	→	27	-3	+4	5
Rice (Imported)		11	-9	-18	+14	+15	+8	↓	14				
Niger	Millet	39	0	-10	-5	-1	+15	↓	36	-4	+7	5	
	Sorghum	11	-4	-7	-1	+3	+17	↓	9				
	Rice (Imported)	7	0	0	-1	-1	+1	→	12				
North Nigeria	Sorghum	13	0	-3	-11	-6	+11	↓	10	-2	+2	5	
	Millet	11	+1	-4	-10	-2	+18	↓	10				
	Maize	8	+1	-4	-12	-9	+4	↓	6				
	Rice (Imported)	8	-3	-11	-8	-8	-3	↓	14				
Senegal	Rice (Imported)	30	0	0	-7	-7	-12	→	32	-1	-3	5	
	Maize (Imported)	10	0	-1	-10	-8	+6	↓	9				
	Millet	8	-4	-7	0	-1	+13	↓	7				
Togo	Maize (White)	24	-5	-13	-13	-18	-14	↓	11	-6	+4	5	
	Cassava	15	-7	-13	+6	+1	+20	↓	28				
	Rice (Imported)	10	-2	-4	-1	-1	+4	↓	14				
	Sorghum	8	-10	-6	-16	-12	0	↓	5				

(*) Calculations based on nominal prices. For details, see 'Approach' on page 12.

Region	Country	Main staple food	Caloric contribution (%)	Change from last quarter (% change)	Seasonally adjusted quarterly change (% change)	Monthly change from last year (% change)	Quarterly change from last year (% change)	Quarterly change from baseline (% change)	Price trend	Quarterly cost share in food basket (%)	Cumulative impact of changes on cost of food basket		# of years in baseline (the latest 5 years) [* see footnote]	
											from previous quarter (%)	from baseline (%)		
A	B	C	D	E	F	G	H	I	J	K	L	M	N	
Middle East, North African and Central Asia	Armenia	Wheat Flour	40	0	-3	0	-3	+8	↓	19	+1	+3	2	
		Milk	8	0	N/A	+11	+11	N/A	→	30				*
		Sugar	8	0	N/A	-10	-8	N/A	→	5				*
		Potatoes	5	+35	N/A	+35	+24	N/A	↑	8				*
	Azerbaijan	Wheat Flour	57	+3	+3	+7	+7	+18	→	38	+7	+21	5	
		Potatoes	6	+43	+30	+100	+101	+68	↑	25			5	
	Egypt	Wheat Flour	35	-15	-16	+3	-2	+4	↓	36	-8	+1	3	
		Rice	12	-15	N/A	N/A	N/A	N/A	↓	11				*
		Sugar	7	0	-3	-1	-2	-4	↓	7				3
	Georgia	Wheat Flour	41	+1	+4	-2	+2	+7	→	17	+2	+11	5	
		Milk	10	+3	+5	+5	+4	+32	↗	34				5
	Jordan	Bread	38	0	+1	0	0	+2	→	17	0	+1	3	
		Sugar	15	-2	N/A	-7	-8	N/A	↓	20				*
		Oil (Vegetable)	12	0	+1	-6	-4	+4	→	17				3
		Rice	8	+3	N/A	N/A	N/A	N/A	→	19				*
	Kyrgyz Republic	Wheat	40	+5	-1	-12	-13	-2	↓	12	-2	+4	4	
		Milk	12	+9	-1	-1	-2	+3	↓	33				4
		Sugar	9	+4	-4	+12	+4	-4	↓	8				4
		Potatoes	8	+25	-6	+20	+9	+26	↓	16				4
	Palestine	Wheat Flour	40	-2	-3	-6	-5	+2	↓	30	0	-4	4	
		Sugar	10	-10	-9	-19	-19	-24	↓	8				2
		Rice (Small Grain Imported)	7	+6	+11	+13	+3	-16	↑	8				4
		Oil (Olive)	5	+4	+5	+9	+7	-3	↗	15				4
	Sudan	Sorghum	26	+12	+3	+45	+32	+101	→	24	+2	+34	5	
		Millet	7	+15	+13	+54	+43	+111	↑	9			5	
	Syria	Wheat Flour	39	-17	N/A	N/A	N/A	N/A	↓	40	-13	+7	*	
		Sugar	13	-8	-18	+39	+34	+54	↓	12				2
		Oil	11	-32	N/A	+60	+64	N/A	↓	11				*
Tajikistan	Wheat Flour (Local)	54	-1	0	-15	-13	+14	→	49	0	+8	5		
	Sugar	7	-1	-3	-5	-4	+4	↓	12				5	
	Oil (Cotton)	6	0	-2	-9	-7	+4	↓	7				5	
	Maize	5	-2	0	-9	-10	+16	→	4				5	
Yemen	Wheat Grains	38	-1	+8	+1	-2	-3	↗	31	-1	-1	5		
	Sugar	12	-11	N/A	-2	-2	N/A	↓	15				*	
	Oil (Vegetable)	9	-16	N/A	-24	-17	N/A	↓	9				*	
	Rice (Imported)	6	-3	N/A	+1	0	N/A	↓	9				*	

(*) Calculations based on nominal prices. For details, see 'Approach' on page 12.

Region	Country	Main staple food	Caloric contribution (%)	Change from last quarter (% change)	Seasonally adjusted quarterly change (% change)	Monthly change from last year (% change)	Quarterly change from last year (% change)	Quarterly change from baseline (% change)	Price trend	Quarterly cost share in food basket (%)	Cumulative impact of changes on cost of food basket		# of years in baseline (the latest 5 years) [* see footnote]
											from previous quarter (%)	from baseline (%)	
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Asia	Afghanistan	Wheat	58	+7	+18	+11	+9	+23	↑	49	+8	+18	5
		Rice	22	-3	-2	-12	-10	+22	↓	31			5
	Bangladesh	Rice (Coarse)	70	+2	0	+13	+18	+17	→	69	0	+13	5
		Atta-Packet	6	+3	+5	-3	+2	+18	↗	7			5
	Cambodia	Rice (Mixed)	65	-4	+7	-2	-5	-1	↗	65	+5	-1	5
	India	Rice	31	0	-2	+10	+11	+37	↓	32	-1	+18	5
		Wheat	22	+3	0	+8	+8	+29	→	20			5
		Sugar	7	-3	-5	-7	-8	+6	↓	8			4
	Indonesia	Rice	50	+3	-2	+8	+6	+28	↓	54	-1	+16	5
		Oil (Cooking)	7	+3	+2	+7	+5	+7	→	4			5
		Sugar	6	-3	-6	-5	-4	+14	↓	6			5
		Wheat	6	+2	+2	+5	+5	+6	→	5			5
	Lao PDR	Rice (Glutinous)	64	0	+8	+20	+18	+9	↗	64	+5	+6	4
	Myanmar	Rice	55	-1	-2	-7	-11	-4	↓	55	-1	-2	3
	Nepal	Rice	32	-2	-1	+8	+9	+21	↓	30	0	+11	5
		Wheat	15	+3	+3	+8	+8	+26	→	17			5
	Pakistan	Wheat Flour	37	+6	+5	+21	+20	+44	↗	31	-1	+19	5
Sugar		11	-11	N/A	-3	-2	N/A	↓	9	*			
Oil (Cooking)		9	-1	N/A	+2	+1	N/A	↓	14	*			
Rice (Basmati Broken)		6	-11	-13	+7	+9	+42	↓	9	5			
Philippines	Rice (Regular Milled)	48	+3	0	+17	+16	+17	→	48	0	+8	5	
Thailand	Rice	41	+1	+1	-26	-28	-20	→	41	0	-8	5	

(*) Calculations based on nominal prices. For details, see 'Approach' on page 12.



Approach

A longer version of this approach used for previous Market Monitors is available under <http://foodprices.vam.wfp.org>. The focus here is on the modifications of the approach for MM23 (cost impact calculation of the price changes) and the most important calculation steps before.

This bulletin provides information on price changes for staple food items and their impact on the cost of the basic food basket. Any change in staple food prices has a high impact on overall food consumption, especially when the food basket is composed of very few food items.

Column D displays the contribution of each food item to households' total energy intake. The analysis is based on quarterly price indices⁴ of the main food items (contributing to minimum 5% of caloric intake⁵):

- i) **"Change from last quarter"** (column E) is calculated as a percentage change of quarterly averaged nominal prices from the previous quarter.
- ii) **"Seasonally adjusted quarterly change"** (column F) is calculated as a percentage change of quarterly averaged real prices from the previous quarter. Real prices are calculated by dividing each monthly nominal price by its corresponding baseline average price (latest 5 years of the same quarter). Indicators depending on the baseline prices (columns F & I) are only calculated if at least 2 years of relevant data is available (see column N).
- iii) **"Monthly change from last year"** (column G) is calculated as a percentage change of the latest available monthly nominal price of the quarter from the same month in the previous year.
- iv) **"Quarterly change from last year"** (column H) is calculated as a percentage change of the quarterly averaged nominal prices.
- v) **"Quarterly price change from baseline"** (column I) is calculated as the quarterly average of the three relevant months' percentage changes from their corresponding baseline average prices.

New impact calculation!

The **"cumulative impact of the quarter"** (column L) and the **"cumulative impact since baseline"** (column M) present the partial (known) change of the total cost of the food basket since, respectively, the previous quarter or the baseline. The impact calculation is based upon the following assumptions: The proportional caloric contribution is a proxy of the relative importance of the food item in the food basket⁶ and each food basket - for reasons of simplification - provides 2,100 kilocalories (kcal) per day. The multiplication of the total food basket's energy with the proportion of each commodity derives the absolute energy each food item contributes to the total energy intake. When this value of absolute energy is divided by the caloric density⁷, each commodity's weight is determined.

Subsequently, the cost of the commodity within the food basket is calculated by multiplying the weight with the unit price of the same commodity. For the energy contributors that fill the gap to 2,100 kcal but which are unknown or lacking data, the costs are estimated by the multiplication of the missing kcal with the average cost per kcal of the known portion of the food basket. The total cost of a food basket is the sum of the itemized commodity costs of known and unknown items.

The **"quarterly cost share of food basket"** (column K) indicates the relative importance of the respective food item in terms of food expenditures by comparing its cost to the total food basket costs. Finally, the cumulative impact values are calculated as the sum of each commodity's price change (column E or F) multiplied by its cost share (column K). The likely impact is considered low when it is below 0, moderate when it is between 0 and 5%, high between 5 and 10%, and severe above 10%.

4. Prices are calculated as indices, using reference years, i.e. last year to capture 12-month percentage changes and last 5 years to capture percentage changes from the long term patterns.

5. Caloric contributions are based on FAO 2005-2007 estimates.

6. Comparing FAO estimates of calorie contribution of each food item with a study by Reardon (1993) for selected countries in Africa, it appears in rural areas that the majority of households get most of their calorie intake from a few food items. The national patterns will likely reflect the rural patterns, assuming most of households live in rural and semi-urban areas in the developing countries.

7. Caloric densities are based on NutVal 3.0 estimates.

For more information, contact:

Joyce Kanyangwa-Luma
Deputy Director, Policy, Programme and Innovation
Division – Analysis and Nutrition Service
joyce.luma@wfp.org

Issa Sanogo
Senior Advisor, Economic & Market Analysis
issa.sanogo@wfp.org

World Food Programme

Via Cesare Giulio Viola, 68/70
00148 Rome, Italy
www.wfp.org/food-security



vam
food security analysis