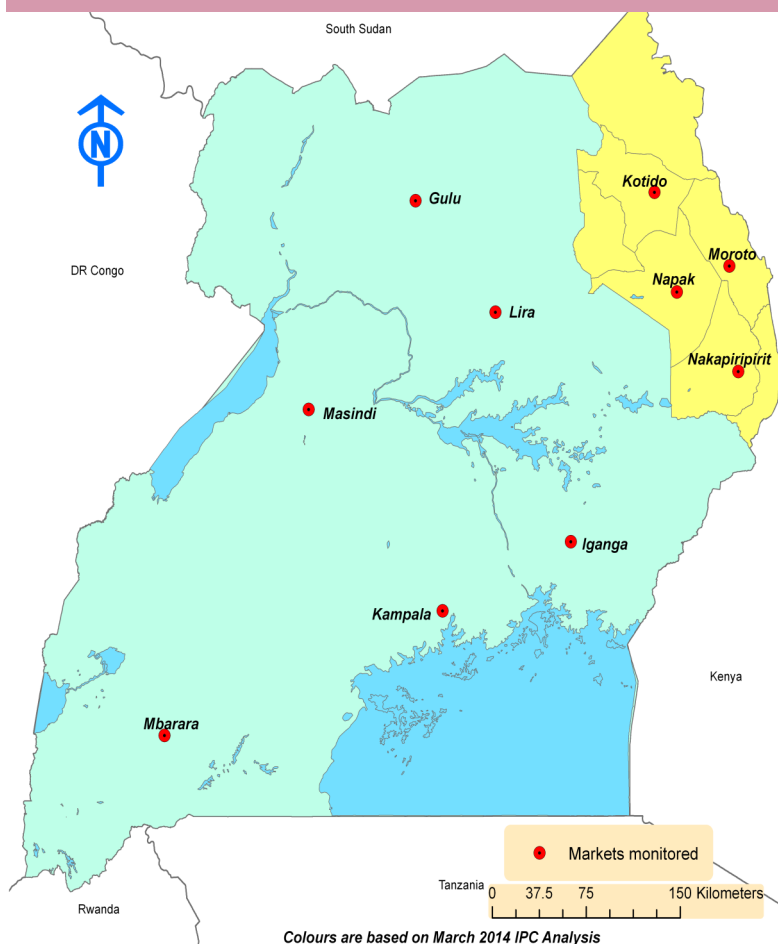


UGANDA

Monthly Market Monitor

The Uganda Market price Update is produced by the Assessments, Monitoring and Evaluation (AME) Unit of the World Food Programme Uganda on a monthly basis. Price data collected by staff at WFP Sub offices in Moroto, Kotido, Kaabong and Nakapiripirit is analyzed along with data from Infotrade from Kampala, Iganga, Mbarara, Masindi, Gulu and Lira. The update is divided into four sections; Karamoja markets, Price trends over one year, Other Markets and Price Forecast.

Markets Monitored & Analyzed by WFP Unit



Source: WFP Uganda AME

Highlights

- Average nominal retail prices for maize grain, sorghum, beans and goats were relatively stable in Karamoja during the month of June 2014 despite varying fluctuations at district level. Average daily wage rates increased by 10% on average but more significant in Nakapiripirit.
- The terms of trade for a goat and daily labour wage when compared to the amount of maize grain purchased were stable during the month of June in reference to May 2014.
- In other parts of the country (Kampala, Western, Northern & Eastern Uganda), nominal retail prices for maize grain increased slightly by 2% while for sorghum increased by 11%. Price for beans decreased by 12% during the month of June 2014.
- Price projections for markets outside Karamoja predict price decreases for maize grain and beans in July & August 2014. However, sorghum prices are expected to remain stable in July and increase slightly in August.

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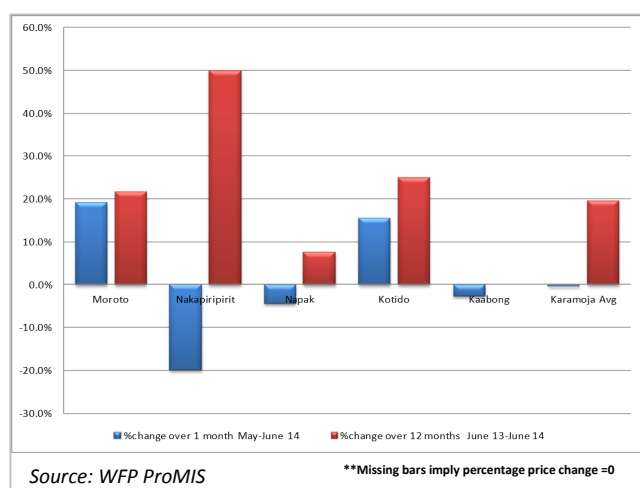
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SECTION ONE: KARAMOJA SUB-REGION

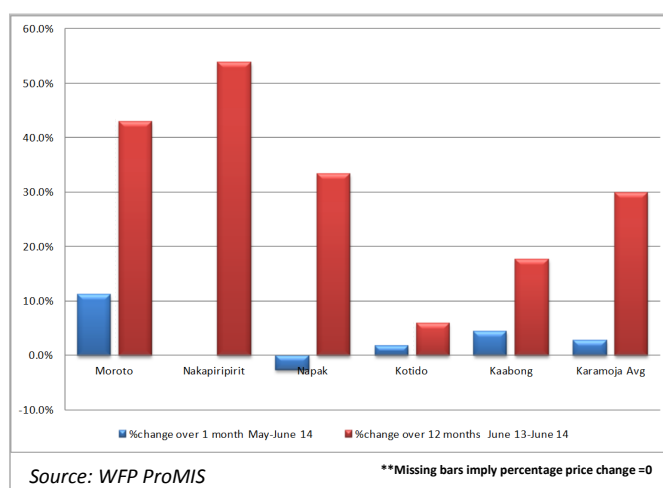
Cereals

Figure 1. Maize grain Price changes June –2014



The overall average nominal retail price for maize grain in Karamoja was relatively stable in June compared to May 2014. Price increase was noted in Moroto and Kotido and this was mainly due to low supply of maize grain on the market. Nakapiripirit experienced a price reduction of 20% in June compared to May 2014 and this was due to increased supply of maize grain and substitute foods from Mbale and other neighbouring districts. Compared to the same period in June 2013, maize grain prices were higher in all districts across Karamoja by 20% and this is attributed to inflation and poor crop harvest in 2013.

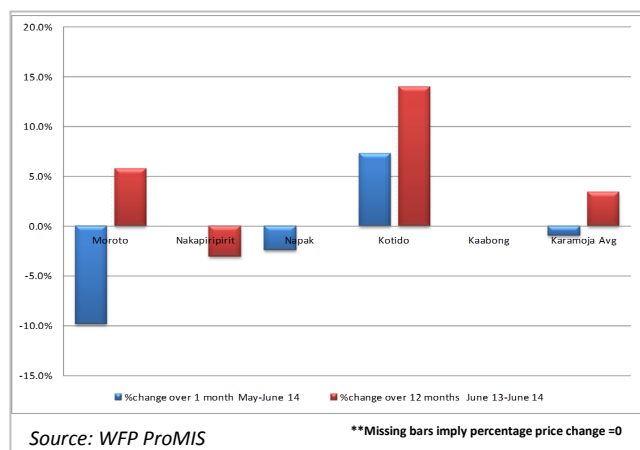
Figure 2. Sorghum grain Price changes June –2014



On average nominal retail price for sorghum in Karamoja were relatively stable during the month of June compared to May 2014 with a slight increase of 2%. The relatively stable price for sorghum in June is mainly due improved availability of sorghum in the region supplied from other parts of the country. However, compared to the same period in June 2013, this year sorghum prices increased by 30% on average and went as high as 54% in Nakapiripirit and 43% in Moroto. This is mainly a result of inflation and increased demand from both the Karamajongs and Turkana from the Eastern parts Kenya who currently rely on markets as a major source of food.

Beans

Figure 3. Beans Price changes June –2014



The overall average nominal retail price for beans continued to reduce by about 1% in Karamoja during the month of June as compared to a 3% reduction experienced in May 2014. The relatively stable price is a result of the currently available fresh vegetables/greens and new harvests in other parts of the country. However, there was an increase of beans prices in Kotido due to limited supply while there was no price change in Kaabong and Nakapiripirit during the month. Compared to the same period in 2013 bean prices on average increased by about 3% in June 2014 in Karamoja except in Nakapiripirit where prices reduced due to increased supply from Mbale.

Goats

Table 1: Prices changes for Goats June–2014

Market	Current (June 2014)	% Change from:	
		May-14	June-2013
Moroto	67,523	-25.0%	-10.0%
Nakapiripirit	72,500	3.6%	-13.4%
Napak	80,000	2.1%	-20.0%
Kotido	77,750	41.4%	-8.5%
Kaabong	87,500	-6.7%	11.1%
Average	77,055	-0.5%	-8.8%

Source: WFP ProMIS

The average nominal price for goats in Karamoja were stable during the month of June with a slight decrease of less than 1% compared to May 2014. The decrease was more pronounced in Moroto due to an increased supply of livestock on market from the Turkana. Prices increased in Kotido as a result of limited supply from other areas due to a livestock movement ban in some districts to control the spread of foot and mouth disease in the region. Compared to the same period in 2013, prices for goats have been lower in June this year across all districts in Karamoja except Kaabong and this can be attributed to increased supply of goats from Turkana in exchange for money to buy food and other household needs.

Labour

Table 2: Changes in Daily Wage Rates June—2014

Market	Current (June 2014)	% Change from:	
		May-14	June-2013
Moroto	5,000	0.0%	0.0%
Nakapiripirit	3,000	50.0%	0.0%
Napak	4,500	-2.7%	12.5%
Kotido	2,125	6.3%	-29.2%
Kaabong	3,000	0.0%	0.0%
Average	3,525	10.7%	-2.1%

Source: WFP ProMIS

On average, daily labour wage rates in Karamoja increased by 10% during the month of June compared to May 2014. The increase was specifically in Nakapiripirit (50%) and Kotido (6%) and this was reported to be a result of increased demand for labour because most of the people are currently busy working on their own gardens. Compared to June 2013, average daily wage rates in Karamoja were stable this year except in Napak where an increase of about 13% was noted and Kotido that experienced a 29% decrease. The high average daily wage rate in Napak this year compared to June 2013 is due to demand for labour on ongoing road works while the reduction in Kotido was reported to be a result of limited job opportunities.

Conclusion

In general average prices for maize grain, sorghum and beans were relatively stable in Karamoja during the month of June 2014 despite varying fluctuations at district level. The relatively stable prices have been mainly a result of increased food availability in the region due to new harvests from other districts neighboring Karamoja, access to greens/vegetables from own gardens and wild greens and increased supply from WFP food distributions. Goat prices were relatively stable in Karamoja due to improve food availability at household level as a result of food security interventions. However for districts bordering Kenya specifically Moroto, prices have continued to be low because to increased supply from the Turkana pastorals.

The terms of trade for a goat and daily labour wage when compared to the amount of maize grain purchased were stable during the month of June in reference to May 2014. However, in June this year we noticed deteriorating terms of trade compared to June 2013. Therefore, this implies that this year given the same income from selling a goat and a day's labour wage, same households would buy less food from the market than last year .

Terms of Trade

Terms of trade (TOT) in this context refers to the exchange of a medium size goat and daily labour for maize grain at the current market price.

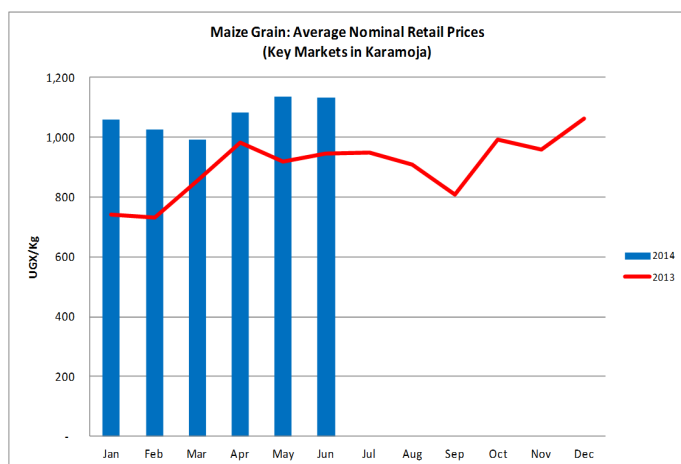
During the month of June, the terms of trade for both goat and labour wage against maize grain remained stable compared to May 2014. Selling one goat would enable a household to buy 70kg while a days labour wage would buy 3.09kg of maize grain in June 2014 compared to 3.09kg during the previous month. (see figure 4 , 7 and 9).

Compared to the same period in June 2013, the terms of trade for both goat and labour wage against maize grain deteriorated this year. Selling one goat would enable a household to buy 70kg of maize grain in June this year compared to 89kg last year. The average daily wage rate could help a household buy 3.09 kg of maize grain in June this year compared to 3.81kg during the same period last year (Figure 9).

The relatively stable terms of trade in June 2014 is mainly attributed to the stable prices of maize grain experienced during the month. However the deteriorating terms of trade experience over a years period is mainly attributed to high in maize grain prices, low wage rate and reduced goat prices. (See trends figure 1, 4, 8 & 9).

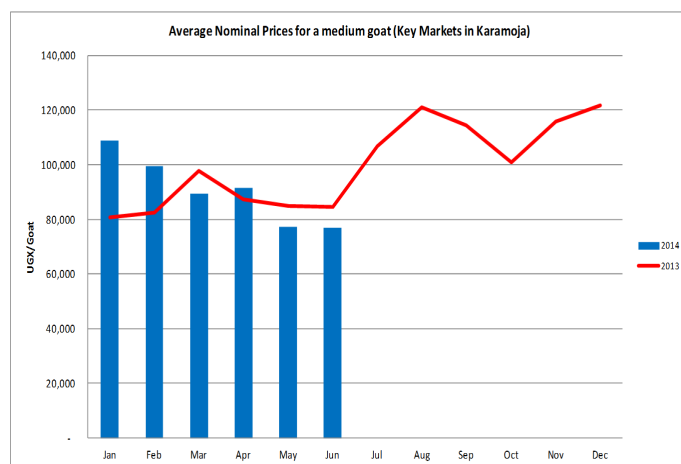
SECTION TWO: KARAMOJA PRICE TRENDS JUNE 2014 AGAINST 2013

Figure 4. Maize Grain Price Trends



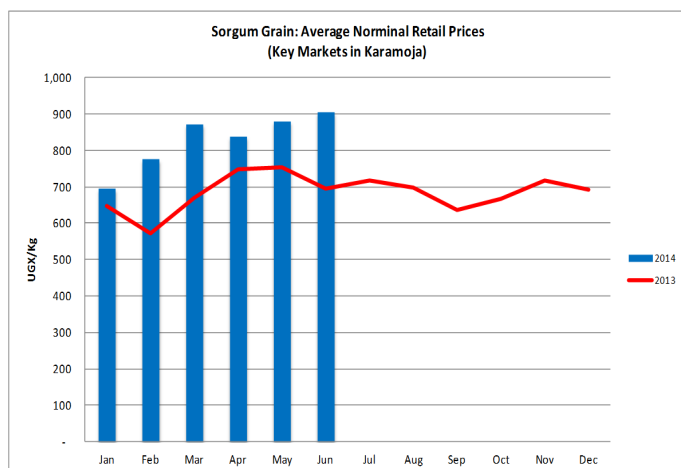
Source: WFP ProMIS

Figure 7. Goats Price Trends



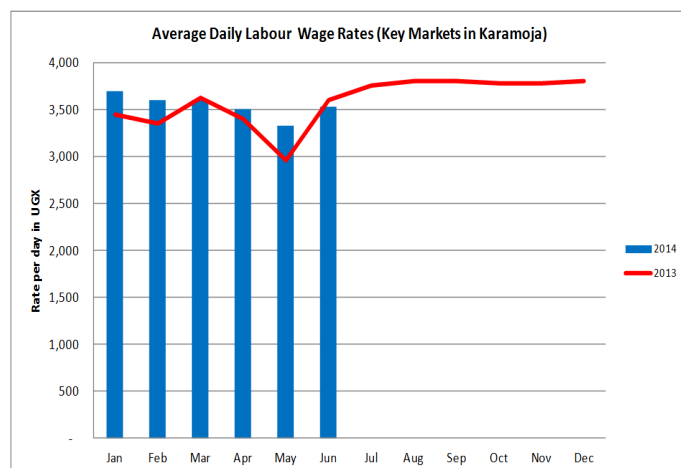
Source: WFP ProMIS

Figure 5. Sorghum Grain Price Trends



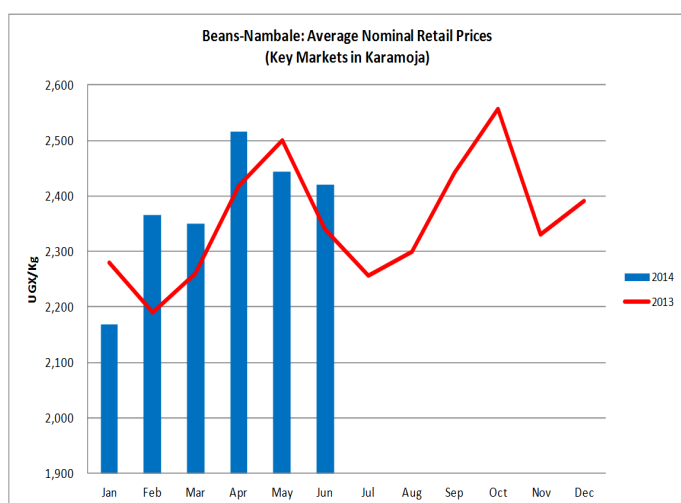
Source: WFP ProMIS

Figure 8. Average Daily Labour Wage Trends



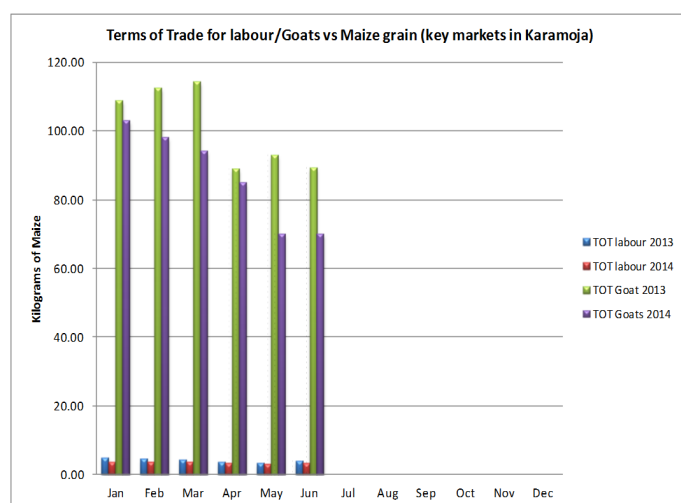
Source: WFP ProMIS

Figure 6. Beans Price Trends



Source: WFP ProMIS

Figure 9. Labour/Goats -Maize grain TOT Trends



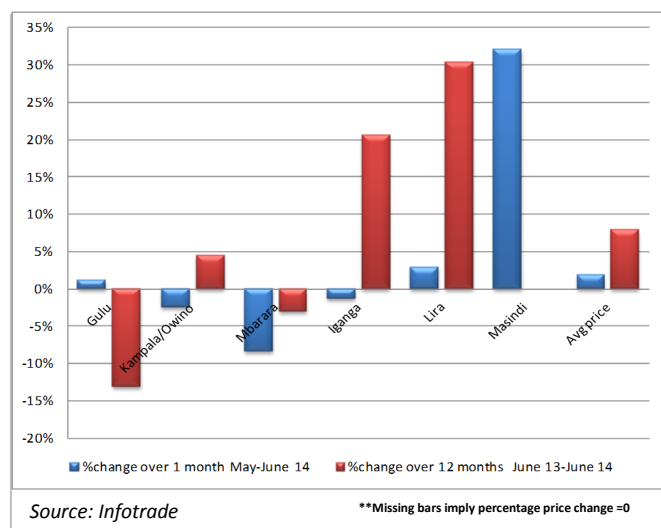
Source: WFP ProMIS

SECTION THREE: KAMPALA, WESTERN, NORTHERN AND EASTERN UGANDA

This section provides a snapshot of the price fluctuations of beans, maize grain and sorghum for selected markets in different regions of the country. Data from Infotrade was analyzed along with data collected from Owino market/ Kampala for Central; Gulu & Lira for Northern; Mbarara and Masindi for Western and Iganga for Eastern regions. The primary criteria for selecting the above markets is their trade influence in food commodities in their respective regions and the relative consistency of data for the selected food commodities.

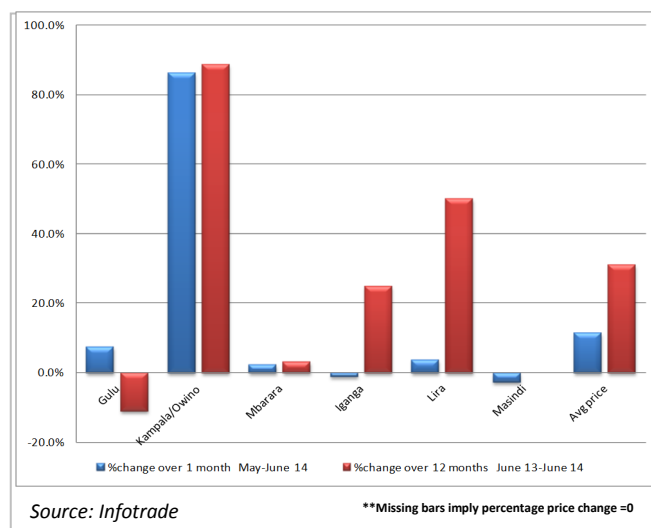
Cereals

Figure 10. Maize grain Price changes June – 2014



Maize grain prices increased slightly by 2% across the country during the month of June compared to May 2014. The increase was mainly in Masindi where prices increased by 32% due to reduced stocks from farmers since this area is known to be one of the main supplier of maize grain in the country. However, Masindi still had the lowest nominal retail price for maize grain at an average of UGX 913 per Kg. Compared to the same period in June 2013, maize grain prices were higher this year by 8%. However, the annual increase was mainly in Lira (30%) and Iganga (21%) and this was attributed to increased demand of maize grain from the Kenyan side.

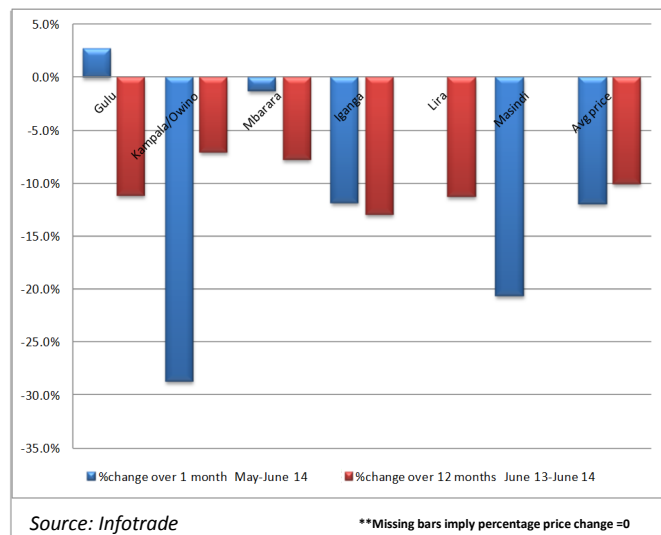
Figure 11. Sorghum grain Price changes June –2014



On average, sorghum prices increased by 11% in most parts of the country during the month of June as compared to May 2014. The increase was mainly in Kampala and attributed to increased demand from Mbarara, Rwanda and improved accessibility to Juba market in South Sudan. Compared to the same period in June 2013, sorghum prices this year have been higher by about 31%. The increase was also mainly in Kampala, Lira and Iganga and this is partly due to high demand of sorghum grain from neighbouring countries and inflation.

Beans

Figure 12. Beans Price changes June –2014



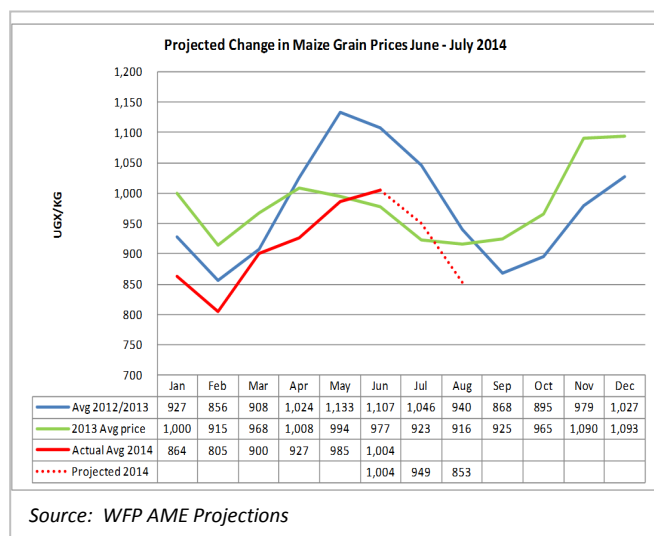
As predicted, the average nominal retail price for beans decrease by 12% during the month of June compared to May 2014 across the country. The decrease in prices has been attributed to increased supply of beans on market as a result of ongoing new harvest.

Compared to the same period in June 2013, prices for beans were lower this year across the country and this is partly due increased supply from farmers and limited cross boarder trade with South Sudan one of the main importers of Uganda produce.

For the case of Lira, no price data for beans was available for the month of May 2014 to compare with the June analysis.

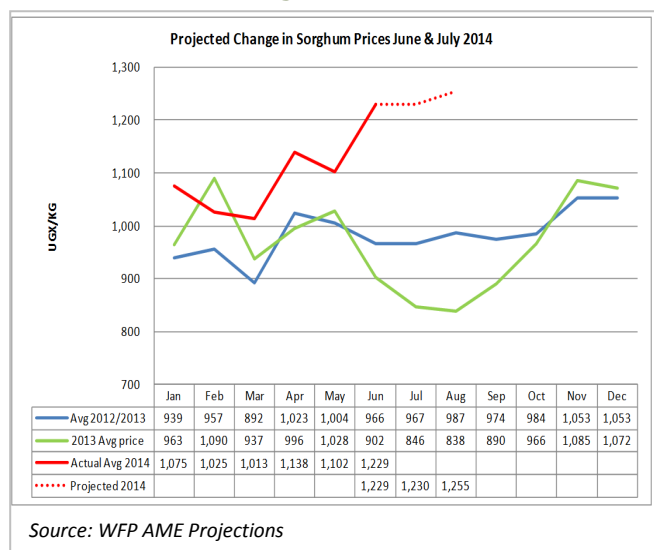
SECTION FOUR: PRICE FORECAST

Figure 13. Projected Price for Maize Grain—July & August 2014



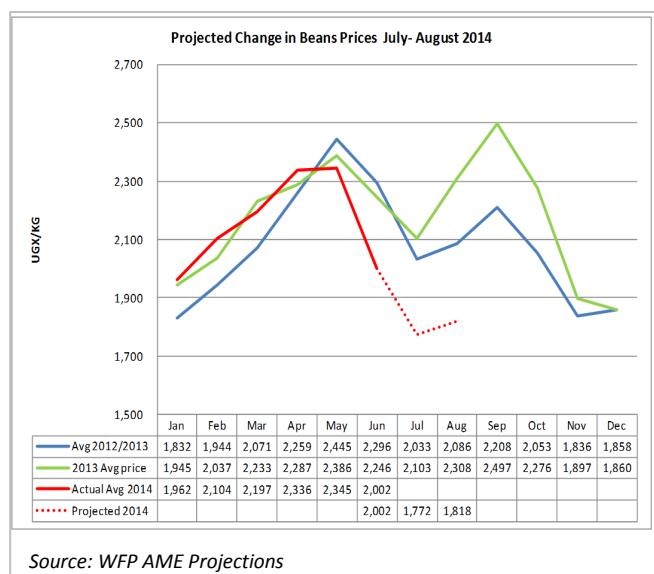
The overall average price for maize grain is expected to decrease in July and August 2014 by about 10 % and 8% respectively. The reduction in prices is expected to be a result of increased supply on market due to the ongoing maize grain harvest and availability of alternative food staples.

Figure 14. Projected Price for Sorghum—July & August 2014



No substantial change in sorghum prices is projected during the month of July compared to June 2014. However sorghum prices are expected to decrease marginally in August by about 2% compared to July 2014. Also, sorghum prices in July and August 2014 are expected to be higher than the average price 2012/13 and the same period in 2013 due to inflation, low supply and increased market demand.

Figure 15. Projected Price for Beans—July & August 2014



Similar to June 2014 projection, price for beans is expected to decrease in July by about 11% due to increased market supply as a result of the ongoing harvest. However, price for beans is projected to start increasing again by about 3% in August because by that time most of the farmers have sold their produce to traders who play the hoarding game expecting prices to increase.

Current Retail Price: June 2014			Current Price(Us\$.)	Price change (%)			
Region	District/Market	Major Commodities		1 M	1 Y	1 M	1 Y
Karamoja	Kaabong	Maize grain	979	-3%	0%	↔	↔
		Sorghum	810	4%	18%	↔	↑
		Beans	3,000	0%	0%	↔	↔
		Medium size goat	87,500	-7%	11%	↓	↔
		Daily labour wage	3,000	0%	0%	↔	↔
	Kotido	Maize grain	1,000	15%	25%	↑	↑
		Sorghum	813	2%	6%	↔	↔
		Beans	2,750	7%	14%	↑	↔
		Medium size goat	77,750	41%	-9%	↑	↔
		Daily labour wage	2,125	6%	-29%	↑	↓
	Moroto	Maize grain	1,400	19%	22%	↑	↑
		Sorghum	1,000	11%	43%	↑	↑
		Beans	2,300	-10%	6%	↓	↔
		Medium size goat	67,523	-25%	-10%	↓	↔
		Daily labour wage	5,000	0%	0%	↔	↔
	Napak	Maize grain	1,075	-4%	8%	↔	↔
		Sorghum	900	-3%	33%	↔	↑
		Beans	2,050	-2%	0%	↔	↔
		Medium size goat	80,000	2%	-20%	↔	↓
		Daily labour wage	4,500	-3%	13%	↔	↔
	Nakapiripirit	Maize grain	1,200	-20%	50%	↓	↑
		Sorghum	1,000	0%	54%	↔	↑
		Beans	2,000	0%	-3%	↔	↔
		Medium size goat	72,500	4%	-13%	↔	↔
		Daily labour wage	3,000	50%	0%	↑	↔
Central	Kampala/Owino	Maize grain	975	-3%	4%	↔	↔
		Sorghum	1,538	86%	89%	↑	↑
		Beans	1,800	-29%	-7%	↓	↔
Western	Mbarara	Maize grain	1,238	-8%	-3%	↔	↔
		Sorghum	1,650	2%	3%	↔	↔
		Beans	1,938	-1%	-8%	↔	↔
	Masindi	Maize grain	925	32%		↑	
		Sorghum	1,750	-3%		↔	
		Beans	1,925	-21%			
Eastern	Iganga	Maize grain	925	-1%	21%	↔	↑
		Sorghum	988	-1%	25%	↔	↑
		Beans	1,763	-12%	-13%	↓	↔
Northern	Lira	Maize grain	913	3%	30%	↔	↑
		Sorghum	713	4%	50%	↔	↑
		Beans	1,700		-11%		↔
	Gulu	Maize grain	1,050	1%	-13%	↔	↔
		Sorghum	738	7%	-11%	↑	↔
		Beans	2,888	3%	-11%	↔	↔
Remark:	<div>↑</div> <div>↔</div> <div>↓</div>	Price increase above normal price fluctuation					
		Normal Price fluctuation					
		Price increase below normal price fluctuation					
Price fluctuation is considered normal if the price change is within 5% for 1 month and within 15% for 1 year.							
1M=June 2014 compared to May 2014			1Y= June 2014 compared to June 2013				