

WFP UGANDA

Monthly Market Bulletin—September 2015



The Uganda Market Price Update is produced by the Analysis, 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 price data from Gulu, Kampala, Mbarara, Soroti, Tororo, Lira and Mbale. The update is divided into four sections; Karamoja markets, Price trends over one year, Other Markets and table on Price changes.

HIGHLIGHTS

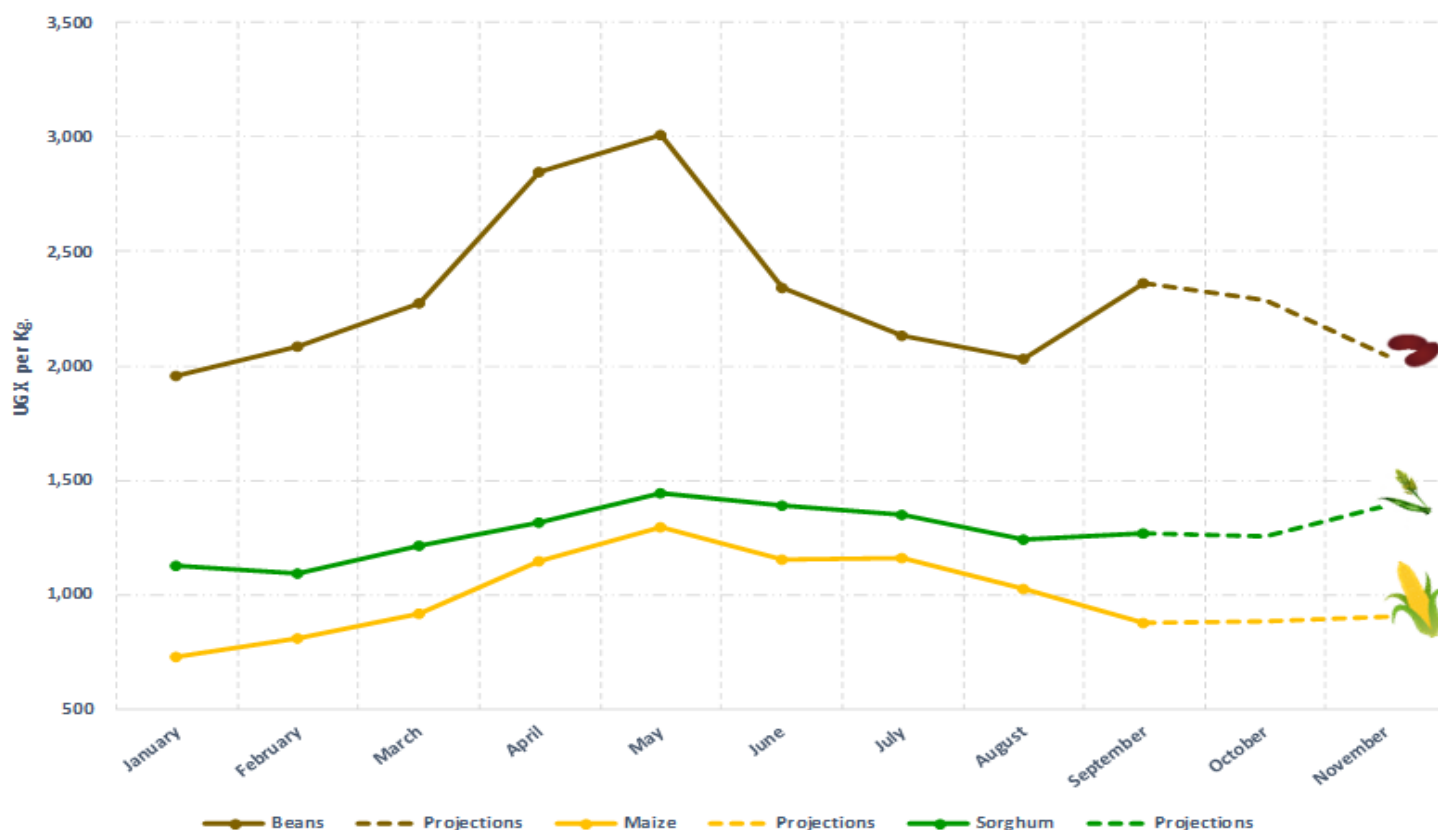
KARAMOJA

- **Average retail prices for maize grain and sorghum were** relatively low in September compared to August but **far higher than the September 2014 and average 2013/14 prices.**
- **The Terms of Trade for both goat prices and daily casual labour wage rates against maize grain improved compared to August 2015, but deteriorated compared to the same period in September 2014.**

REST OF THE COUNTRY

- There was a general **increase in the average prices for beans in September compared to August across the country by 17%.** Average retail prices for maize grain and flour reduced by 7% and 8% respectively.
- Prices for maize grain and sorghum are expected, to a limited extent to remain stable in October, while **beans prices are projected to reduce in October as farmers begin harvesting.**

Grain Prices Average in Uganda & Projections 2015



Grain prices were relatively low in September while beans prices increased. Sorghum price is expected to increase in November while beans will go down.

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CEREALS

Figure 1. Maize grain retail price changes Sep –2015

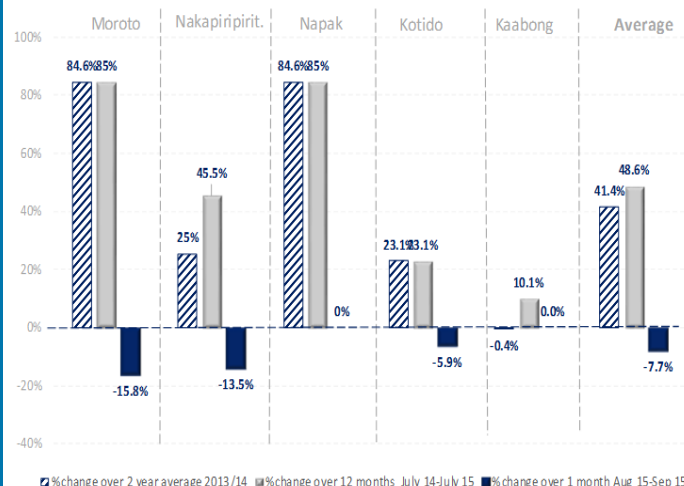
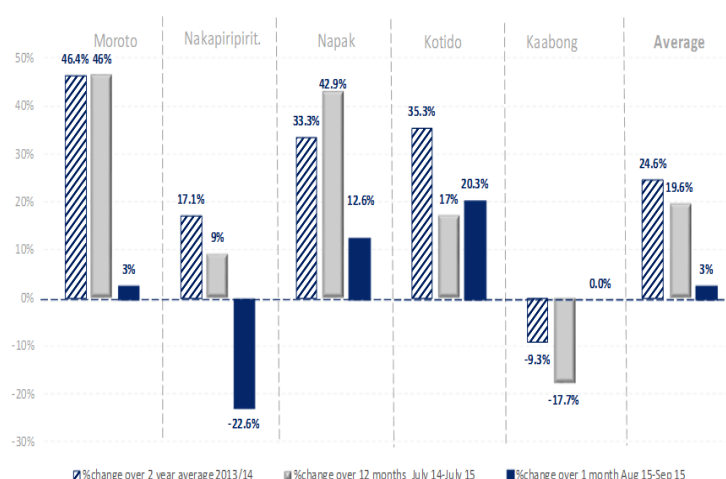


Figure 2. Sorghum grain retail price changes Sep–2015



There was a decrease in the average retail price for maize grain in Karamoja by 8% during the month of September compared to August 2015. This reduction was a result of increased supplies in the region through commercial food inflows and humanitarian assistance.

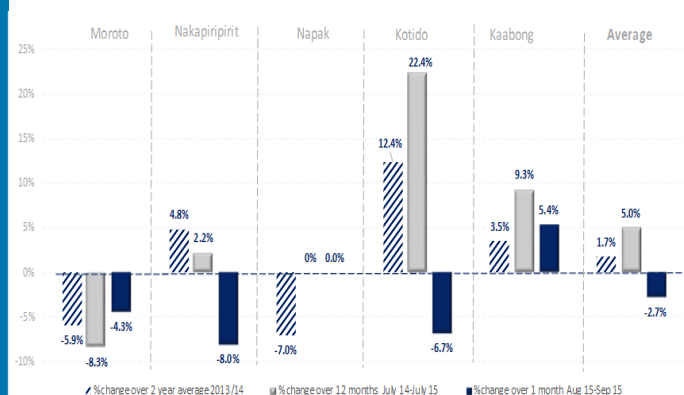
However, compared to a 12 months period and two years average 2013/14, it is clear that maize grain prices are much higher at this time of the year (by 49% and 41% respectively) highlighting accessibility challenges for those households depending on market purchase.

Average retail prices for sorghum were relatively stable during the month of September compared to August with a price change of 3%. However, it was noted that Nakapiripirit had a price reduction of 23% as some harvest was realized during the month.

Also compared to the same period last year and the two years' average 2013/14, sorghum prices were higher in September this year by 20% and 25% respectively. The higher price differences in twelve months period and two years average is most likely an effect of the poor crop performance experienced in Karamoja this year.

BEANS

Figure 3. Beans retail price changes Sep–2015



On average, price changes for beans were relatively stable in Karamoja within 5%. Nakapiripirit and Kotido experienced a price reduction of 8% and 7% respectively compared to August 2015. Compared to the same period in September 2014 and the two years' average 2013/14, Kotido experienced highest price increases for beans by 22% and 12% respectively, highlighting accessibility issues.

GOATS

Table 1: Goats retail prices changes for Sep–2015

Market	Current (Sep 2015)	% Change from:		
		Aug-15	Sep-14	Av 2013-14
Moroto	155,000	3.3%		3.3%
Nakapiripirit	83,750	-5.6%	-2.9%	-5.6%
Napak	170,000	41.7%		21.4%
Kotido	65,500	-6.4%	-15.5%	-18.6%
Kaabong	90,000	0.0%	-10.0%	-13.3%
Average	112,850	6.6%	-9.5%	-2.6%

There was a 7% price increase for an average sized he-goat during the month compared to August prices. This was mainly in Napak where prices for goats increased by 42% (UGX 170,000; the highest in the region) due to low supply of goats on market. Compared to the same period in September 2014, average goat prices this year were lower by 10%. However, compared to the two year's average 2013/14, prices for an average he-goat were higher in Napak this year by 21%.

LABOR

Table 2: Changes in Daily Wage Rates Sep—2015

Market	Current (Sep 2015)	% Change from:		
		Aug-15	Sep-14	Av 2013-14
Moroto	5,000	0.0%	0.0%	0.0%
Nakapiripirit	3,000	0.0%	0.0%	0.0%
Napak	5,000	0.0%	0.0%	0.0%
Kotido	2,000	6.7%	0.0%	-20.0%
Kaabong	5,000	0.0%	66.7%	66.7%
Average	4,000	1.3%	13.3%	9.3%

Monthly changes in daily casual labour rates were noted only in Kotido where wages increased from UGX 1,875 in August to UGX 2,000 in September 2015. Compared to the same period in September 2014, casual labor wage rates this year were higher in Kaabong by 67% due to the construction projects in the area that started this year.

Compared to the two year's average 2013/14 we still notice changes in daily casual labor rated in Kotido (-20%) due to limited employment opportunities and Kaabong (68%) as a result of building construction projects taking off in the town council.

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.

Description	Sep-15	Aug-15	Sep-14
TOT goats	117	100	137
TOT labour	4.16	3.81	5.6

The terms of trade for both an average sized he-goat and daily wage against maize grain improved during the month. Revenue from selling a he-goat in September would enable a household to buy 17kg more of maize grain compared to August 2015 as a result of decreases in maize grain prices. However, compared to the same period in September 2014, the TOT in September 2015 was less by 20Kg mainly due to increased maize grain prices this year by 49%.

The average daily casual labor wage in September would enable a household buy 270 grams more of maize grain compared to the month of August due to the reduced maize grain prices. However, the higher maize grain prices this year compared to the same period in September 2014 led to deterioration in TOT by 1.5kg of maize grain for the daily casual laborers.

SUMMARY BY DISTRICT (with the exception of Abim & Amudat)

KAABONG

- Monthly price changes for maize grain, sorghum and beans were relatively normal within 5%. However, as a result of building constructions taking off, the daily casual labor wage rate increased by 67% compared to the same period in September 2014 increasing household income for the casual laborers.

KOTIDO

- Inflows from commercial traders and food assistance helped in reducing prices of maize grain and beans in September compared to August by 6% and 7% respectively. Sorghum prices increased from UGX792 in August to UGX 953 in September but still not the highest in the region. However, compared to September 2014 and the two year's average 2013/14, prices for maize grain, sorghum and beans were higher in September this year.

MOROTO

- Maize grain prices reduced by 16% in September compared to August mainly due to inflows from other areas. However, price for both maize grain and sorghum were higher compared to the same period in September 2014 and the two year's average 2013/14 highlighting deteriorating food accessibility.

NAKAPIRIPIRIT

- Similarly, nominal retail prices for maize grain, sorghum and beans reduced during the month due to inflows from other areas through commercial traders, food assistance from government and humanitarian agencies. However, compared to September 2014 and two year's average 2013/14, prices were higher this year.

NAPAK

- Nominal retail prices for sorghum were higher by 13% in September compared August 2015 prices. Also compared to the same period in September 2014 and the two years average 2013/14, prices for both maize grain and sorghum were higher this year limiting accessibility. However, prices for goats increased by 42% compared to August 2015.

Figure 4. Maize Grain Price Trends

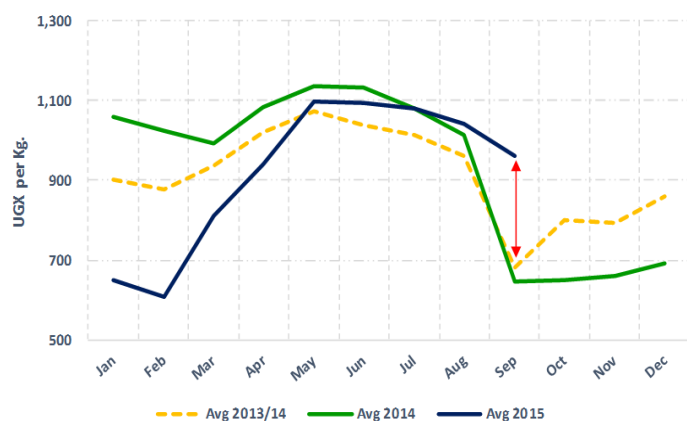


Figure 7. Goats Price Trends

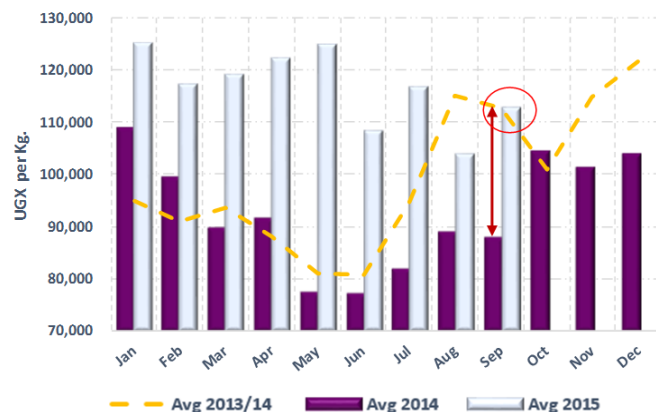


Figure 5. Sorghum Grain Price Trends

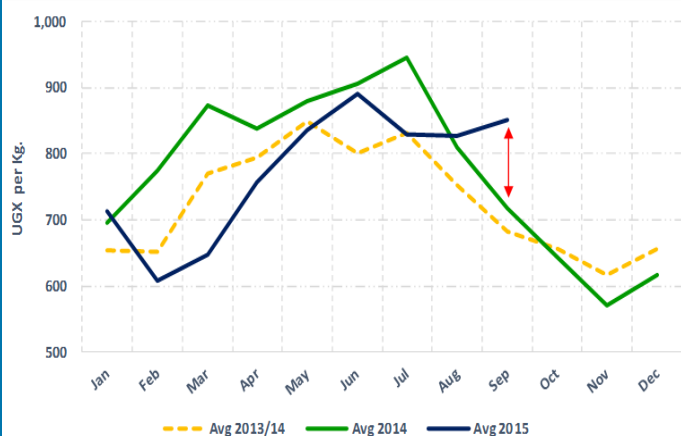


Figure 8. Average Daily Labour Wage Trends

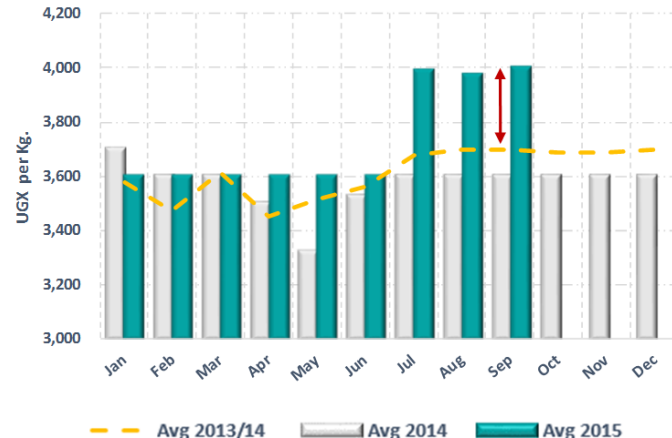


Figure 6. Beans Price Trends

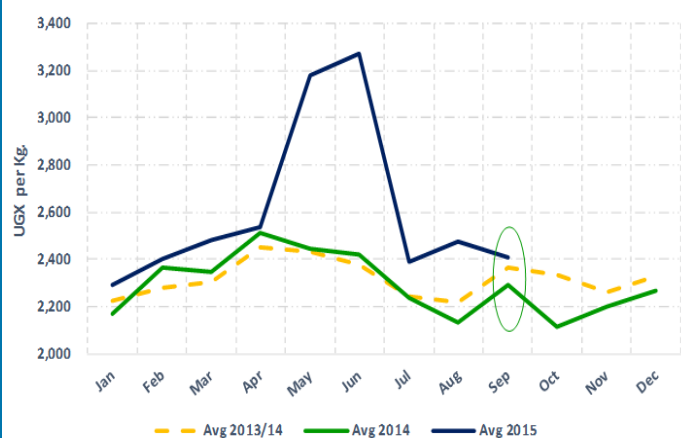
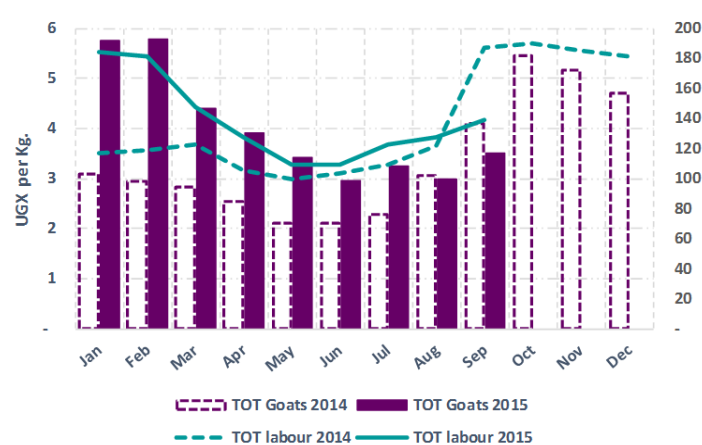


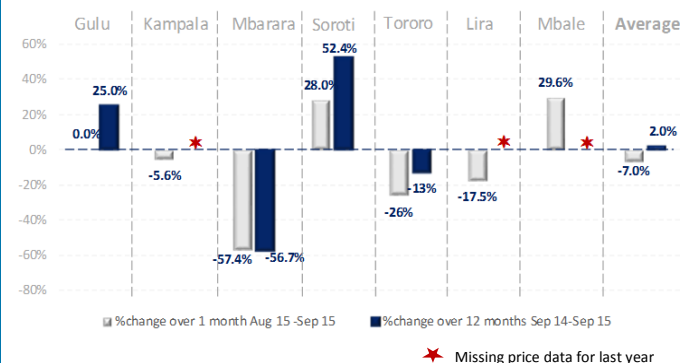
Figure 9. Terms of Trade Goats/Labour vs Maize grain



This section provides a snapshot of the price fluctuations and projections of beans and maize grain for selected markets in various regions of the country. Price data is collected by WFP staff at Sub offices in their respective areas of operation. The primary criteria for selecting the markets included in the analysis is their trade influence in food commodities in their respective regions and the relative consistency of data for the selected food commodities. More markets will be included in the analysis as we improve on the consistency of our data collection.

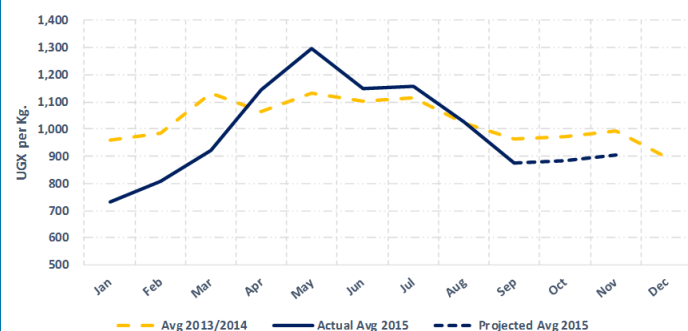
CEREALS

Fig. 10: Maize grain retail price changes Sep– 2015



There were diverse maize grain price changes across districts in the country; Compared to last month, we notice price increases in Mbale (30%) and Soroti (28%), and decreases in Mbarara (57%), Tororo (26%) and Lira (18%). Compared to September 2014, prices increased in Soroti (52%) and Gulu (25%), but decreased in Mbarara (57%) and Tororo (13%). The differences are mainly due to maize being a key staple in some areas (North & Eastern) while other regions have alternative foods (e.g. Matooke) that are considered as key staples.

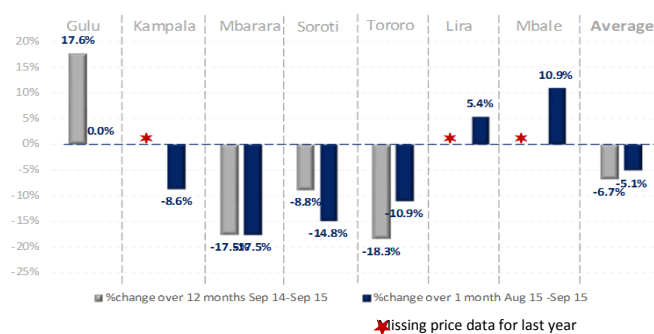
Fig. 11: Projected Price for Maize Grain: Oct-Nov 2015



Source: WFP AME Projections

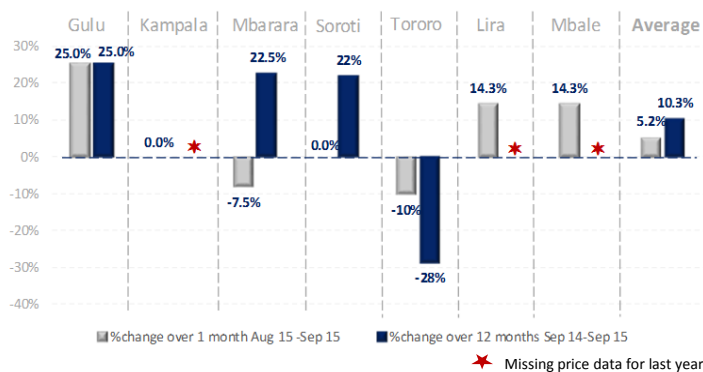
The average price for maize grain is expected to remain relatively stable in October and November with changes of less than 5%.

Fig. 12: Maize flour retail price changes Sep– 2015



Average retail prices for maize flour reduced country wide in September compared to August this year and the same period in September 2014 by 5% and 7% respectively. It was Mbale with a higher increase of 11% compared to the previous month and Gulu that experienced 18% increase compared to September 2014.

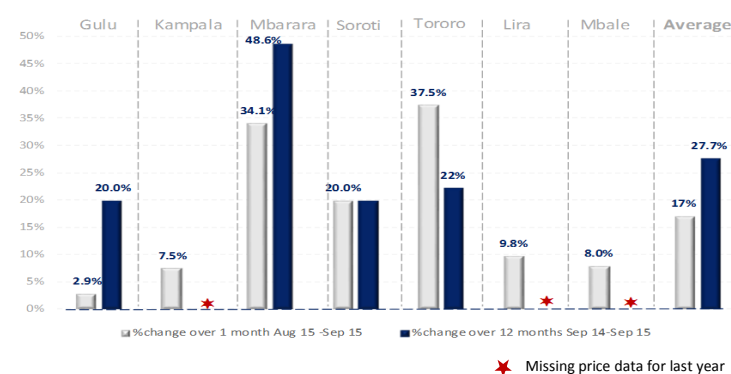
Fig. 13: Sorghum retail price changes Sep– 2015



Average retail prices for sorghum increased by 5% in September compared to August 2014. The increase was mainly in Gulu (25%), Lira (14%) and Mbale (14%). Compared to the same period in September 2014, sorghum prices were higher this year by 10% and the highest increase was noted in Gulu (25%), Mbarara (23%) and Soroti (22%). Tororo experienced a price reduction from UGX 975 in September 2014 to UGX 700 in 2015.

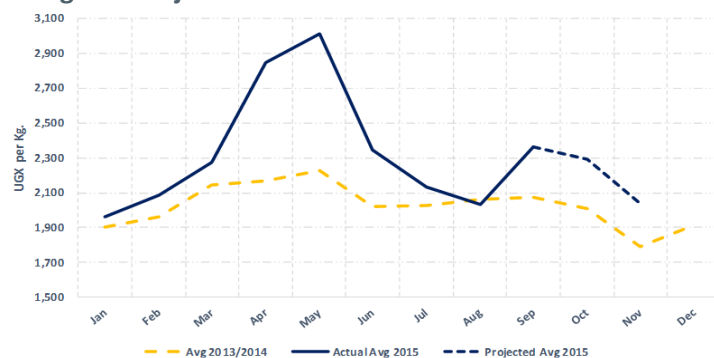
BEANS

Fig. 14: Beans retail price changes Sep– 2015



Average retail prices for beans increased across the country in September compared to August 2015 by 17% and the same period in 2014 by 28% due to low stocks this year. The highest price increases were mainly in Mbarara, Tororo and Soroti.

Fig. 15: Projected Price for Beans: Oct-Nov 2015



Source: WFP AME Projections

The beans price is projected to reduce in October and November by 3% and 11% respectively as a result of the expected new harvest. However, prices will remain higher than the average 2013/14.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: September 2015			Current Price(Us\$.)	Price change (%)			
Region	District/Market	Major Commodities		1 M	1 Y	1 M	1 Y
Karamoja	Kaabong	Maize grain (per Kg)	810	0%	10%	↔	↔
		Sorghum (per Kg)	675	0%	-18%	↔	↓
		Beans (per Kg)	2,950	5%	9%	↔	↔
		Medium size goat	90,000	0%	-10%	↔	↔
		Daily labour wage	5,000	0%	67%	↔	↑
	Kotido	Maize grain (per Kg)	800	-6%	23%	↓	↑
		Sorghum (per Kg)	953	20%	17%	↑	↑
		Beans (per Kg)	2,600	-7%	22%	↓	↑
		Medium size goat	65,500	-6%	-16%	↓	↓
		Daily labour wage	2,000	7%	0%	↑	↔
	Moroto	Maize grain (per Kg)	1,200	-16%	85%	↓	↑
		Sorghum (per Kg)	1,025	3%	46%	↔	↑
		Beans (per Kg)	2,200	-4%	-8%	↔	↔
		Medium size goat	155,000	3%		↔	
		Daily labour wage	5,000	0%	0%	↔	↔
	Napak	Maize grain (per Kg)	1,200	0%	85%	↔	↑
		Sorghum (per Kg)	1,000	13%	43%	↑	↑
		Beans (per Kg)	2,000	0%	0%	↔	↔
		Medium size goat	170,000	42%		↑	
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	800	-14%	46%	↓	↑
		Sorghum (per Kg)	600	-23%	9%	↓	↔
		Beans (per Kg)	2,300	-8%	2%	↓	↔
		Medium size goat	83,750	-6%	-3%	↓	↔
		Daily labour wage	3,000	0%	0%	↔	↔
Central	Kampala/Owino	Maize grain (per Kg)	1,133	-6%		↓	
		Maize flour (per Kg)	1,600	-9%		↓	
		Sorghum (per Kg)	2,000	0%		↔	
		Beans (per Kg)	2,500	8%		↑	
Western	Mbarara	Maize grain (per Kg)	650	-57%	-57%	↓	↓
		Maize flour (per Kg)	1,650	-18%	-18%	↓	↓
		Sorghum (per Kg)	2,450	-8%	23%	↓	↑
		Beans (per Kg)	2,750	34%	49%	↑	↑
Eastern	Tororo	Maize grain (per Kg)	850	-26%	-13%	↓	↔
		Maize flour (per Kg)	1,225	-11%	-18%	↓	↓
		Sorghum (per Kg)	700	-10%	-28%	↓	↓
		Beans (per Kg)	2,200	38%	22%	↑	↑
	Mbale	Maize grain (per Kg)	875	30%		↑	
		Maize flour (per Kg)	1,525	11%		↑	
		Sorghum (per Kg)	1,000	14%		↑	
		Beans (per Kg)	2,025	8%		↑	
Northern	Gulu	Maize grain (per Kg)	1,000	0%	25%	↔	↑
		Maize flour (per Kg)	2,000	0%	18%	↔	↑
		Sorghum (per Kg)	1,250	25%	25%	↑	
		Beans (per Kg)	2,400	3%	20%	↔	
	Soroti	Maize grain (per Kg)	800	28%	52%	↑	↑
		Maize flour (per Kg)	1,300	-15%	-9%	↓	↔
		Sorghum (per Kg)	700	0%	22%	↔	↑
		Beans (per Kg)	2,400	20%	20%	↑	↑
	Lira	Maize grain (per Kg)	825	-18%		↓	
		Maize flour (per Kg)	1,475	5%		↔	
		Sorghum (per Kg)	800	14%		↑	
		Beans (per Kg)	2,250	10%		↑	

↑ Price increase above normal price fluctuation

Remark: ↔ 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= September 2015 compared to August 2015

1Y= September 2015 compared to September 2014