WFP Monitored markets:

Afar	**4**
Amhara	**5**
Dire Dawa	**1**
Harar	**1**
Oromia	**16**
SNNP	**10**
Somali	**6**
Tigray	**6**

Monitored prices:

Wholesale prices (20 markets)
Retail prices (49 markets)
CPI (Consumer Price Indices)

Data sources

WFP Sub Offices
Ethiopian Grain Trade Enterprise
Central Statistics Agency
National Bank of Ethiopia
Woreda DPPO

WFP-Ethiopia – VAM

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HIGHLIGHTS

- *In April, Year-on-Year general inflation rate stood at 7.4%, food inflation at 6.3% and non-food inflation rate at 8.7%. The Central Statstical Agency indicated that food indices rose in April 2016; bread and cereal (10.6%), fruits and spices (12.6%), milk, cheese and egg (11.1%), pulse and vegetables (4.5%), meat (8.5%), sugar, honey, and other sweets by (4.7%).*

- *Wholesale staple cereal prices remained stable over the last few months with slight changes only. The national average nominal wholesale prices of staple cereal changed (mostly decreased) by less than 5% compared to the preceding month. Maize and sorghum prices stood above April 2015 prices, but average price of wheat reduced from last year similar month level by 6%.*

- *Wholesale prices of pulses have been increasing in all markets over several months. However, in April pulse prices decreased slightly (4%) for fava beans and increased only by 2% for field peas.*

- *In contrast, nominal retail prices of white maize, white wheat and sorghum increased in many markets of Oromia, Tigray and SNNP region. Maize prices increased by 7% to 15% in drought affected Woredas of East Hararghe, West Arsi, Borena and Dire Dawa. Higher maize prices increase were observed in Gode and Aleta Wendo (SNNP) respectively by 27% and 21% against the preceding month. Retail wheat and barley prices also increased but at a lower rate than maize and sorghum prices.*

- *Root crops are largely consumed in SNNP region as staple food. Sweet potato price has slightly declined in Gamo Gofa and Wolayta zones following the start of fresh harvest from October/November planting. In other markets, availability and prices of kocho/enset has showed improvements.*

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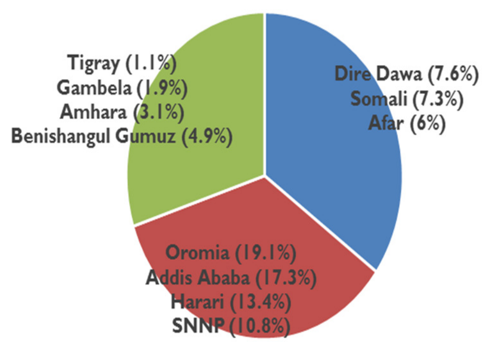
Year-on-Year (Y-on-Y) inflation rate shows the changes in cost of living between the same months of two successive years. In April, Y-on-Y general inflation rate stood at 7.4%, food inflation at 6.3% and non-food inflation rate at 8.7%. The source (CSA) has indicated that food indices rose in April 2016; fruits and spices (12.60%), milk, cheese and egg (11.13%), , bread and cereal (10.60%), pulse and vegetables (4.5%), sugar, jam, honey, and chocolate by (4.69%). Figure 1 depicts the Year-on-Year food inflation rates by regions categorized in to three groups (high = > 10%; moderate 5% to <10% and low = < 5%).

Figure 1. Year-on Year Food Inflation Rates by Region
Dec 2011=100



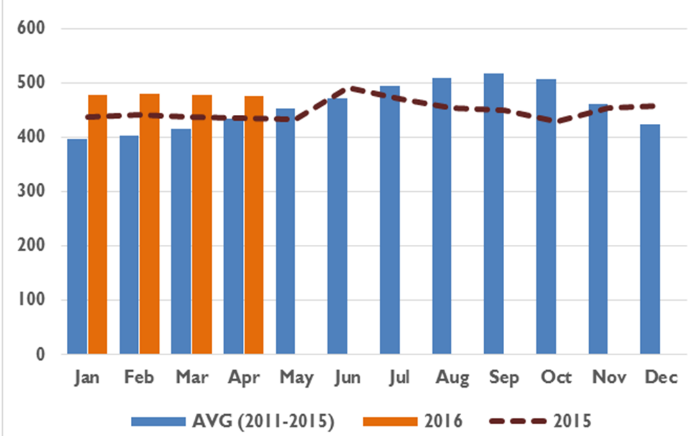
Wholesale prices of Staple Cereal

Staple cereal prices (maize, wheat, sorghum and *teff*) have remained stable over the last few months with very slight changes. The prevailed prices situation signal availability of cereal at the wholesale markets. The wholesale markets are located at regional and zonal administration capitals that are far from Woreda level markets.

In April 2016, the national average nominal wholesale prices of staple cereal remained stable with less than 5% changes (mostly down ward) as compared to a preceding month. While white maize and sorghum prices stood above April 2015, average price of white wheat stood lower than its last year level by 6%.

Pulse prices have been increasing in all markets; however, in April 2016 it seems that wholesale nominal prices have reached maximum level and it remained stable at elevated levels. Compared to March 2016, average price has decreased slightly (4%) for fava beans whilst increased for field peas, chickpeas and lentils by 2%. **Source: EGTE**

Figure 2. National average wholesale maize price, ETB/100KG



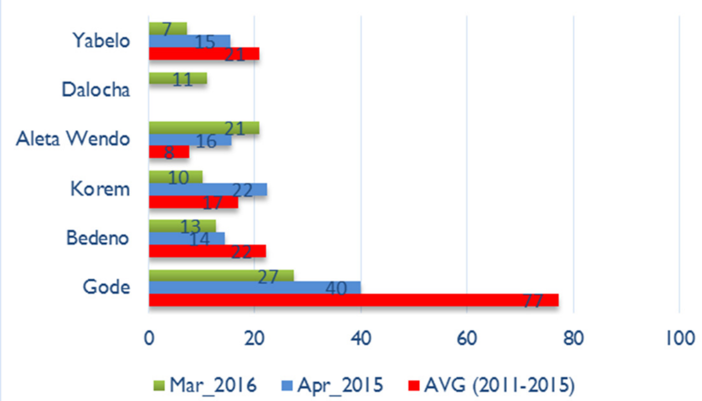
Retail Prices of Staple Cereal

Differently from preceding months and wholesale prices, nominal retail prices of white maize, white wheat and sorghum have increased in many markets of Oromia, Tigray and SNNP regions. White maize prices have increased by 7% to 15% in drought affected Woredas of East Hararghe (Babile, Bedeno, Deder, Girawa), West Arsi (Shashemene), Yabelo and Dire Dawa; higher prices increase were observed in Gode (Somali) and Aleta Wendo (SNNP) respectively by 27% and 21% against the preceding month. In the same vein, sorghum prices showed an increase of 6% to 15% in monitored markets of Oromia and Tigray (see Table 1). Albeit the same scenario observed on wheat and barley prices, the level of increase was lower than that of white maize and sorghum. On the other hand, few markets experienced decreased prices of sorghum in SNNP (Turmi and Jinka) and Gebre Guracha (Oromia); for barley the decline was in Ginir, Negelle and Abomsa markets. The start of increase in prices of staple cereal across many markets signal the verge of lean season for *Meher* dependent areas that impacts the quantities purchased.

Root crops are largely consumed in SNNP region as staple food. Sweet potato price has slightly declined in Gamo Gofa and Wolayta zones following the start of fresh harvest from October/November plantings. In other markets, availability and prices of *kocho*/*enset* has showed improvements.

The retail price of imported food items (rice, pasta, wheat flour, sugar) in Somali and Afar remained unchanged which could be associated with duty free import option introduced in the regions.
Source: WFP

Figure 3. White maize retail price changes, %



Terms of Trade (TOT)

Shoat to cereal: The purchasing power of pastoralists remained the same in Afar and Somali region monitored markets. TOT have deteriorated between shoat and maize compared to a-five year average and last year the same month in Afar (50%) and in Gode (30%) market, Somali region. One average shoat was exchanged with 73 kgs of maize in Gode, 117kgs in Afar and 161 kgs in Jijiga. In Dollo Ado, livestock prices mainly cattle have increased due to low supply to market which is associated with expectation of pastoralists that prices will increase in the future.

Wage to cereal: Compared to March 2016, unskilled wage rates have increased in Tigray (7%) while stable in Afar and Amhara regions. As a result, TOT with maize and sorghum showed slight improvements in Amhara and Tigray regions (less than 5%). Compared to a year ago, TOT with maize and sorghum have deteriorated in both regions. The prevailed rainfall might trigger land preparation for *Meher* season production and demand for agricultural labor increases that is likely to improve wage rates.

Table 1. Prices of commodities in selected markets

Markets	Price (Birr)	% chnages compared to Average (2011-2015)	Apr-15	Mar-16
White maize (wholesale in 100KG)				
Addis Ababa	463	0	7	1
Nazareth	452	-3	3	-4
Shashemene	547	13	16	5
Bure	435	-2	9	-4
Jimma	415	-3	11	-4
Bahir Dar	437	-6	8	-3
Dessie	468	1	14	-1
Gondar	476	-4	3	-1
Mekelle	530		0	4
Wheat-Wholesale in 100KG				
Addis Ababa	939	18	-3	-2
Assela	837	13	-8	-3
Bale-Robe	852	20	3	-1
Debre Markos	768	6	-11	0
Dessie	780			-1
White maize(Retail in KG)				
Babile	750	27	19	7
Gode	1400	77	40	27
Ginir	600			9
Yabelo	750	21	15	7
Shashemene	560	0	0	8
Korem	650	17	22	10
Bedeno	800	22	14	13
Alamata	630	12	7	2
Dalocha	500			11
Hawassa	580	12	16	5
Deder	600	4	9	9
Aleta wendo	520	8	16	21
Kobo	553	5	37	8
Bati	560	7	8	4
Ayssaita	600		20	0
Awash Fentale	600		20	0
White sorghum (Retail in KG)				
Bedeno	950	29	19	12
Abomsa	750	31	27	15
Abaala	850	10	-6	6
Abyi Adi	880	36	29	16
Korem	900	40	80	10
Mehoni	1204		133	8
Sekota	820	21	6	0
Bati	1100	71	38	10
TOT (Shoat to maize in KG)				
Gode	0.73	-30	-6	-21
Ayssaita	1.17		-49	-3
Yalo	1.17		-30	0
Jijiga	1.61	1	16	29
TOT (wage to cereal in KG)				
Kobo (wage to maize)	8.1		-17.6	4.4
Bati (wage to maize)	11.6		-13.8	-3.6
Alamata (wage to sorghum)	5.91		-20.58	7.55
Korem (wage to barley)	7.61		-20.77	-6.52
Exchange Rates (Birr/US $)	21.41	15.92	0.05	0.003