

WFP UGANDA

Monthly Market Bulletin—March 2016



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.

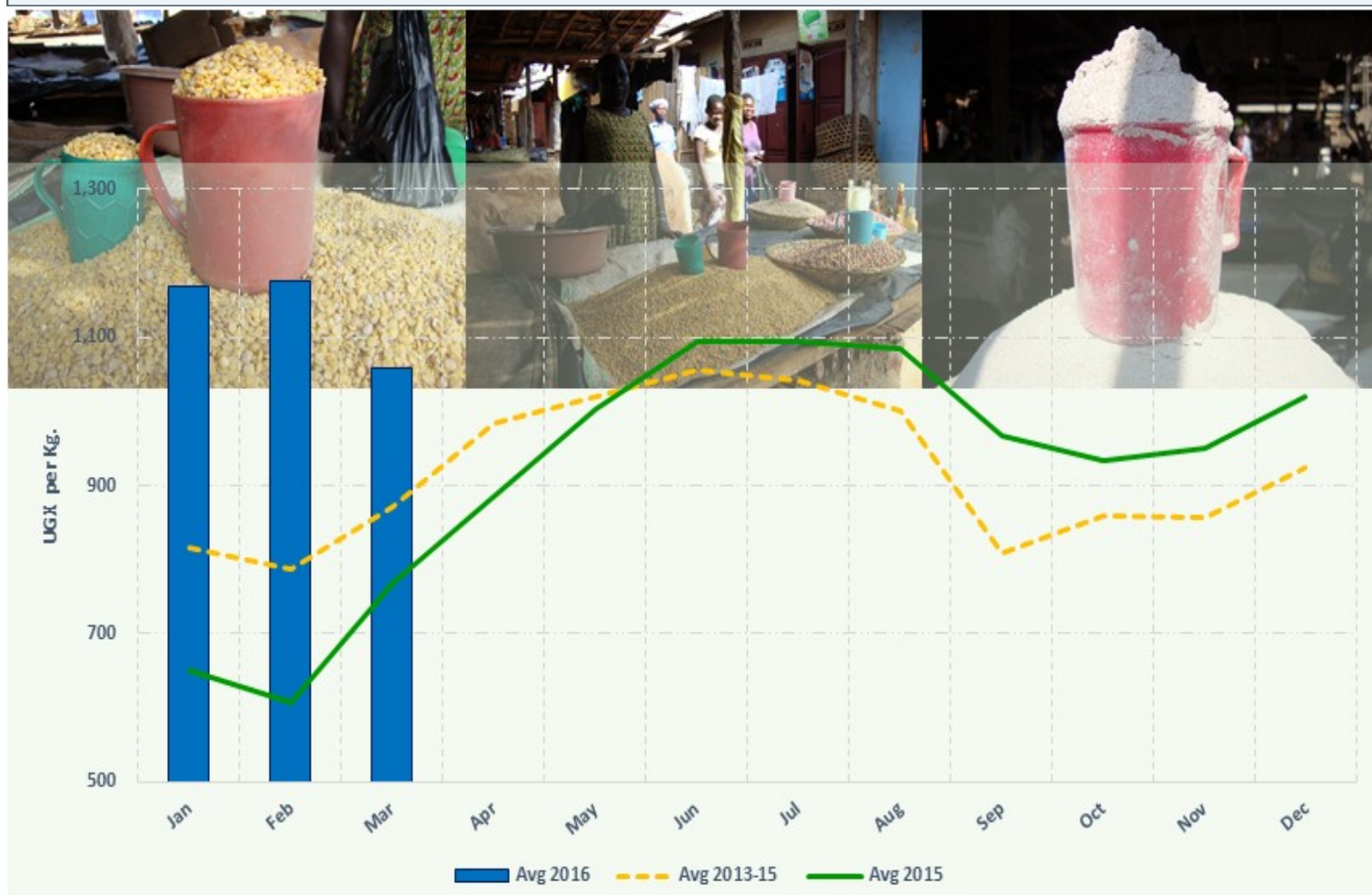
HIGHLIGHTS

KARAMOJA

- There was a **9% decrease in the average price for maize grain** during the month especially in Napak and Kotido while **average price for beans increased by 8% compared to February 2016**. Compared to March 2015, average price for maize grain, sorghum and beans increased by 50%, 73% and 19% respectively.
- **The terms of trade for goat and daily casual labour wage against maize grain improved compared to February 2016 but low compared to March 2015.**

REST OF THE COUNTRY

- **Prices for maize grain and beans increased during the month compared to February 2016 by 14% and 6% respectively.** Compared to the March 2015, average prices for maize grain, sorghum and beans increased by **20%, 21% and 14% respectively** highlighting more accessibility challenges this year.
- **Average retail prices for both maize grain and beans are expected to increase steadily till the new harvest** (for beans expected late May).



Average price for maize grain is expected to remain high during the second quarter of the year.

For further information
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vam

food security analysis

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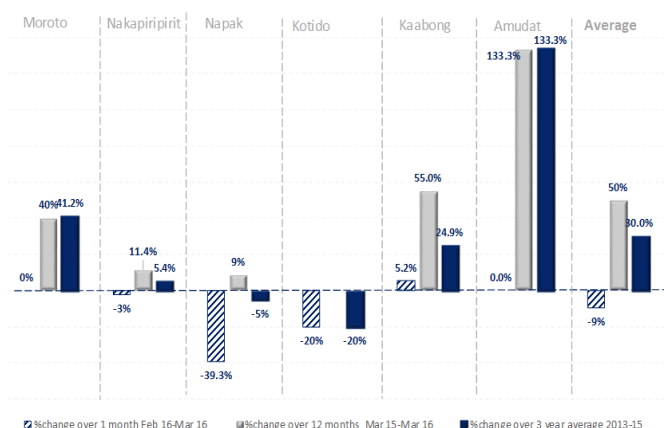
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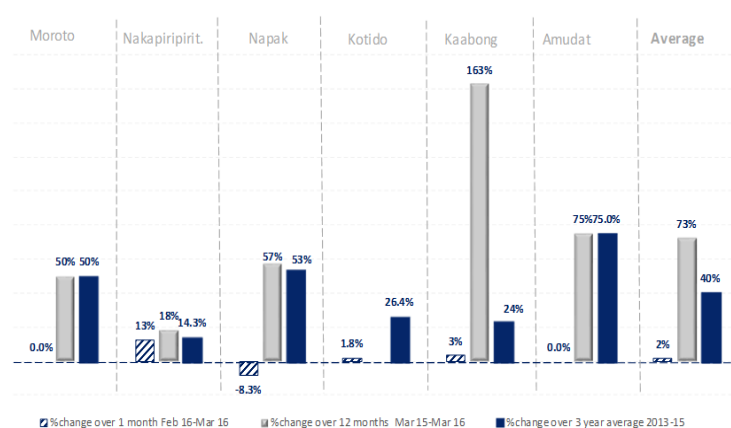
Figure 1. Maize grain retail price changes Mar –2016



Monthly changes indicate a 9% reduction in the average maize grain price for Karamoja during the month of March but this was mainly in Napak (39%) and Kotido (20%). The reduction in maize grain price was due to increased supply from traders and humanitarian assistance.

Compared to March 2015 and the three year's average 2013-15, maize grain prices were relatively higher this year by 50% and 30% respectively. The increment was mainly in Amudat, Moroto and Kaabong. The annual increments can be attributed to successive seasonal crop failures in Karamoja.

Figure 2. Sorghum grain retail price changes Mar –2016

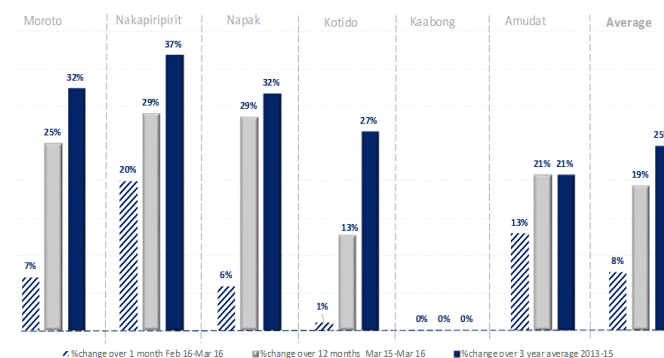


In general, sorghum prices were relatively stable across Karamoja during the month compared to February 2016. It was in Nakapiripirit where a 13% increase was realized to Ugx 900 (third lowest price in the region for March).

Compared to the same period in 2015, price this year were higher by 73% across Karamoja but this was mainly in Kaabong (163%) and Amudat (75%). Compared to the three year's average 2013-15, sorghum prices were higher in Karamoja by 41%. Long-term price changes were highest in Amudat, Napak and Moroto. Price changes for sorghum are also related to poor seasonal crop performances during the past years that affects household food stocks leading to high dependence on market purchases.

BEANS

Figure 3. Beans retail price changes Mar– 2016



There was a general increase in the average price for beans in most parts of Karamoja by 8% in March compared to February except in Kaabong. The increase was expected since there is normally limited supply of beans at both household and market during this period of the year.

Similarly, compared to the same period in March 2015 and the long term average 2013-15, prices for beans were higher in Karamoja this year, by 19% and 25% respectively.

GOATS

Table 1: Goats retail prices changes for Mar - 2016

Market	Current (Mar 2016)	% Change from:		
		Feb-16	Mar-15	Av 2013-15
Moroto	170,000	-5.6%	13.3%	43.2%
Nakapiripirit	90,000	-2.7%	1.4%	15.2%
Napak	170,000	0.0%	13.3%	87.6%
Kotido	73,333	-11.6%	-11.6%	-16.2%
Kaabong	86,250	25.5%	-30.3%	-7.4%
Amudat	138,333			
Average	121,319	1.1%	-2.8%	24.5%

Average price for an average sized he-goat remained relatively stable in March compared to February 2016 except in Kaabong where price increase by 26% and Kotido that experienced a 12% reduction. Northern Karamoja districts face the lowest goat prices in the region and this might be attributed to differences in size and demand.

Compared to the same period in March 2015, there was no Significant change in average prices for an average sized he-goat. However, compared to the long term average 2013-15, prices this year were higher in March by 25% mainly in Napak, Moroto and Nakapiripirit.

LABOR

TERMS OF TRADE

Table 2: Changes in Daily Wage Rates Mar—2016

Market	Current (Mar 2016)	% Change from:		
		Feb-16	Mar-15	Av 2013-15
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%	6.2%
Kotido	2,000	-20.0%	0.0%	-14.3%
Kaabong	5,000	0.0%	66.7%	66.7%
Amudat				
Average	4,000	-4.0%	13.3%	11.7%

There was no change in the average daily casual labor rate in most parts of Karamoja in March compared to February 2016 except Kotido that had 20% decrease. Of recent, Kotido has experienced daily wage fluctuations due to limited casual labor opportunities.

Compared to the same period in March 2015, wage rates were higher this year only in Kaabong by 67% due to high demand for casual laborers on construction sites. Compared to the long term average 2013-2015, wage rates were higher on average this year by 12% and this was mainly due to the changes in Kaabong.

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	Mar-16	Feb-16	Mar-15
TOT goats	117	103	147
TOT labour	4.1	3.65	4.44

There was an improvement in the terms of trade for an average sized he-goat and casual labor wage against maize grain in March compared to February 2016 mainly due to a 9% reduction in maize grain price experienced during the month. Earnings from an average sized he-goat in March would enable a household to buy 14kg of maize grain more compared to February 2016. Compared to the same period in 2015, a household would buy less maize grain (by 30Kgs) in March this year after selling a similar average sized he-goat.

Similarly, daily labor wage would buy 450 grams of maize grain more in March compared to February 2016 and less by 340 grams compared to March 2015. The annual deterioration in terms of trade is due to annual maize grain price increases.

SUMMARY BY DISTRICT (with the exception of Abim)

KAABONG

- Prices for maize grain and sorghum were higher in March this year compared to the same period in 2015 by 55% and 163% respectively. The annual price increase affects household purchasing power hence limiting food accessibility.

KOTIDO

- A substantial increase in maize grain price experienced in February 2015 was followed by a 20% decrease in March. 1Kg of maize grain cost Ugx 800 in March (lowest in Karamoja). Prices for other commodities were relatively stable.

MOROTO

- Average prices for maize grain, sorghum and beans were higher this year compared to March 2015 by 40%, 50% and 25% respectively. High prices this year are increasing household vulnerability to food insecurity.

NAKAPIRIPIT

- Compared to February 2016 and March 2015, there was an increase in average prices for both sorghum and beans in March this year. Price for sorghum increased by 13% and 18% while for beans by 20% and 29% respectively.

NAPAK

- Average retail prices for maize grain and sorghum were higher in March compared to February by 39% and 8% respectively. Compared to March 2015, prices for sorghum and beans were higher this year by 57% and 29% respectively.

AMUDAT

Compared to February, average price for beans was higher in March by 13% while for other commodities, prices were relatively stable. However, compared to March 2015, prices for maize grain, sorghum and beans were higher by 133%, 75% and 21% respectively. Higher food prices reflect increased costs of living this year.

Figure 4. Maize Grain Price Trends

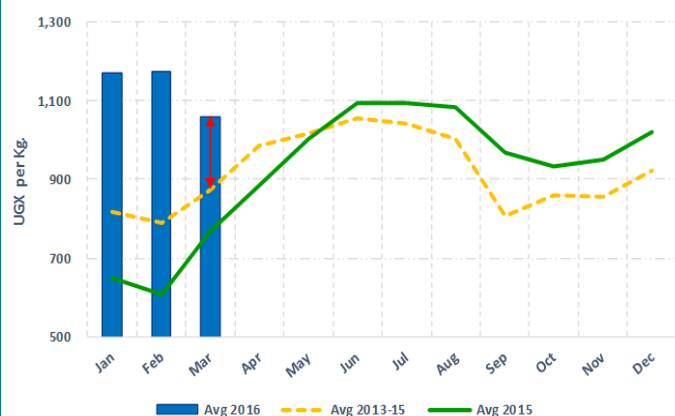


Figure 7. Goats Price Trends

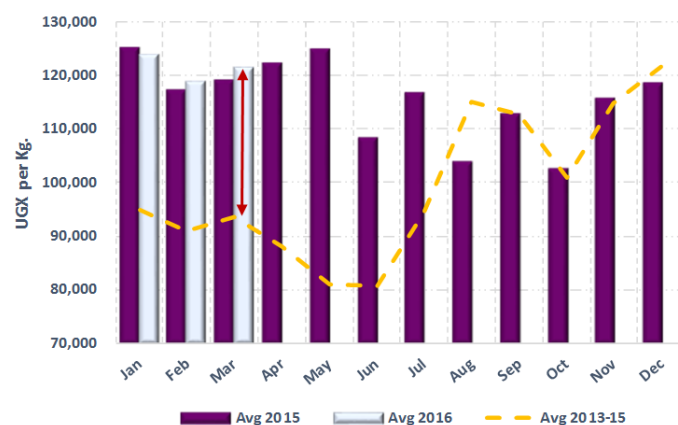


Figure 5. Sorghum Grain Price Trends

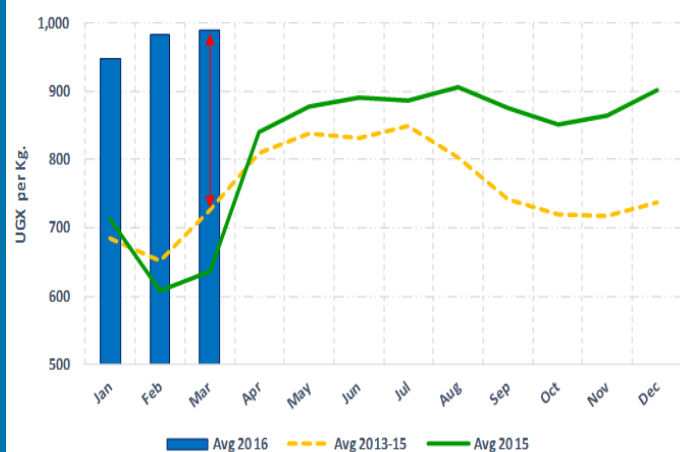


Figure 8. Average Daily Labour Wage Trends

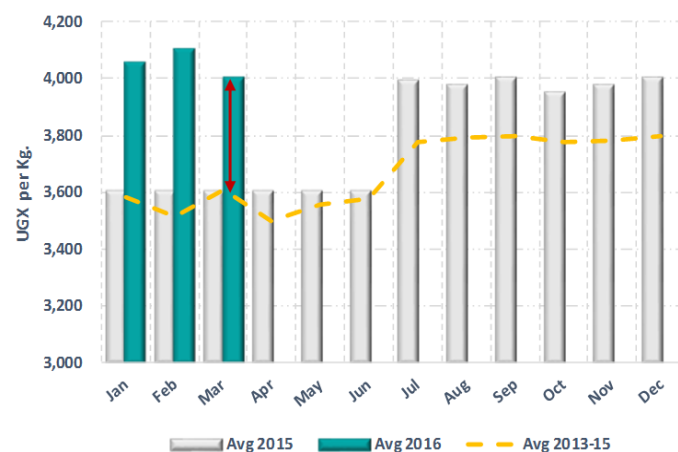


Figure 6. Beans Price Trends

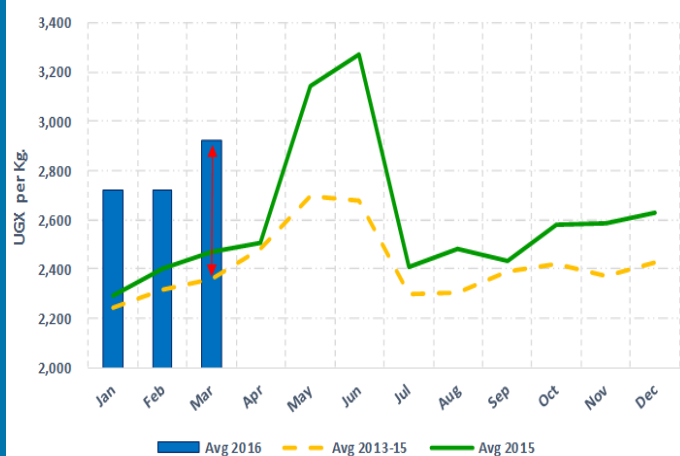
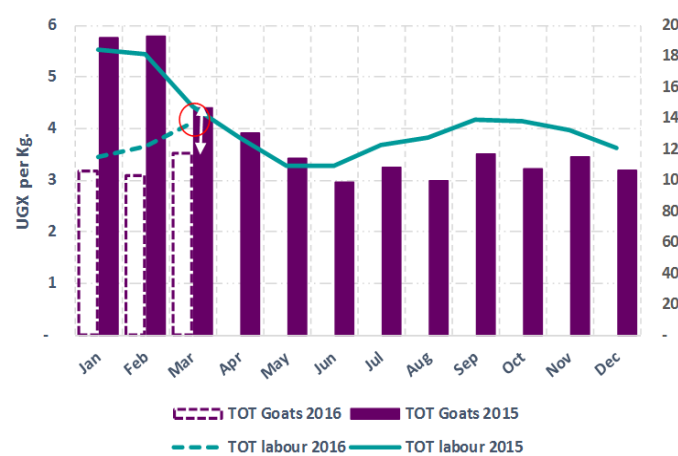


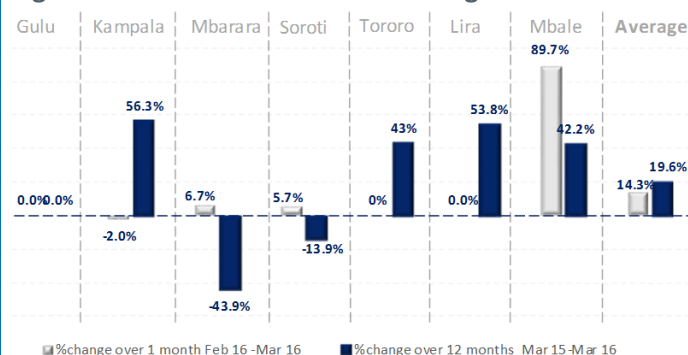
Figure 9. Terms of Trade Goats/Labour vs Maize grain



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.

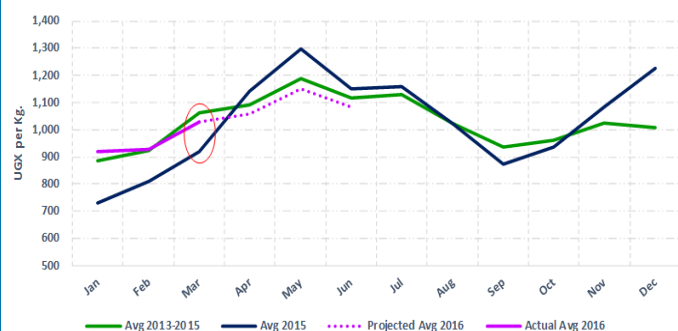
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Fig. 10: Maize Grain Retail Price Changes Mar– 2016



Maize grain price was relatively stable in most parts of the country during the month compared to February 2016 except in Mbale where price increased by 90% due to increased demand from Kenya. Compared to March 2015, maize grain price increased this year by 20% on average mainly in Kampala, Lira, Tororo and Mbale. However, Mbarara and Soroti experienced price reductions during the month compared to March 2015 by 44% and 14% respectively.

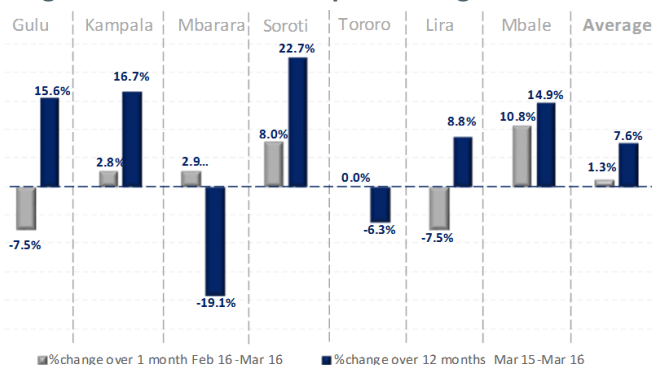
Fig. 11: Maize Grain Price Trend & Projection: Apr-2016



Source: WFP AME Projections

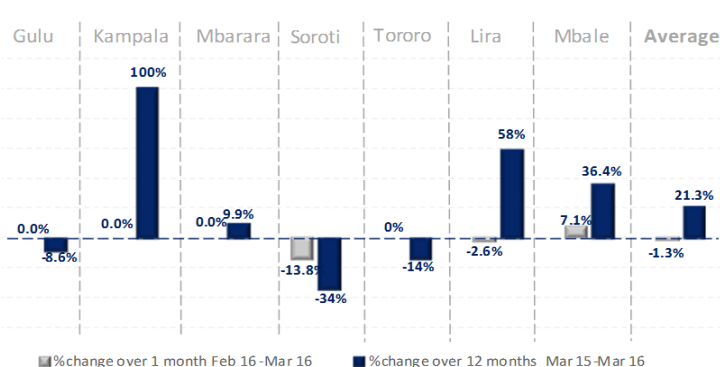
Average price for maize grain is expected to increase till May 2016. A sharp increase is expected in May as schools are expected to be re-opening.

Fig. 12: Maize flour retail price changes Mar– 2016



Average retail price for maize flour was also relatively stable with an average price change of 1% compared to February 2016 and 8% compared to March 2015. Highest annual price increases were in Soroti (23%), Kampala (17%), Gulu (16%) and Mbale (15%).

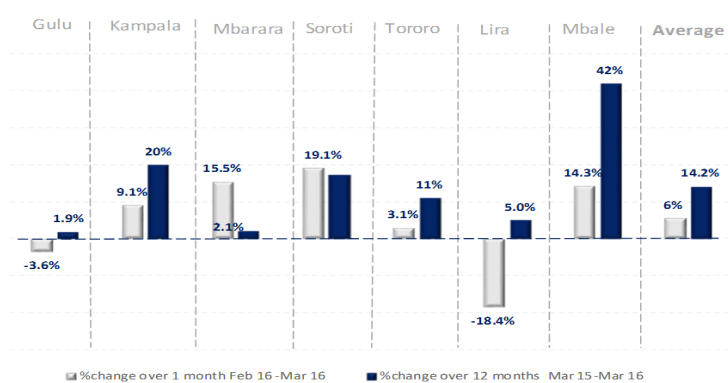
Fig. 13: Sorghum Retail Price Changes Mar– 2016



Also, sorghum prices were relatively stable across the country except in Soroti where a 14% reduction was noted in March compared to February 2016. On average sorghum price increased by 21% mainly in Kampala, Lira and Mbale compared to the same period last year. However, Soroti and Tororo experienced price reductions of 34% and 14% respectively compared to March 2015.

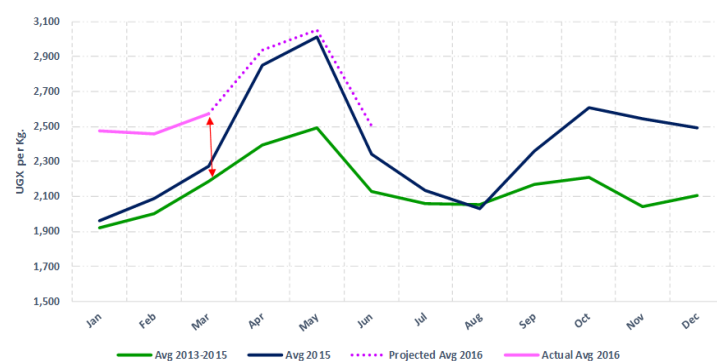
BEANS

Fig. 14: Beans Retail Price Changes Mar– 2016



Average retail price changes for beans increased by 6% in March compared to February 2016. However, Lira experienced 18% monthly price reduction. Compared to the same period in 2015, a general average price increase of 14% was noticed in March 2016.

Fig. 15: Beans Price Trend & Projection: Apr-2016



Source: WFP AME Projections

The monthly average price for beans is expected to increase through May till the new harvest is realized.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: March 2016			Current Price(Us\$.)	Price change (%)			
Region	District/Market	Major Commodities		1 M	1 Y	1 M	1 Y
Karamoja	Kaabong	Maize grain (per Kg)	973	5%	55%	↑	↑
		Sorghum (per Kg)	851	3%	163%	↔	↑
		Beans (per Kg)	3,000	0%	0%	↔	↔
		Medium size goat	86,250	26%	-30%	↑	↓
		Daily labour wage	5,000	0%	67%	↔	↑
	Kotido	Maize grain (per Kg)	800	-20%		↓	
		Sorghum (per Kg)	830	2%		↔	
		Beans (per Kg)	2,933	1%	13%	↔	↔
		Medium size goat	73,333	-12%	-12%	↓	
		Daily labour wage	2,000	-20%	0%	↓	↔
	Moroto	Maize grain (per Kg)	1,400	0%	40%	↔	↑
		Sorghum (per Kg)	1,200	0%	50%	↔	↑
		Beans (per Kg)	3,000	7%	25%	↑	↑
		Medium size goat	170,000	-6%	13%	↓	↔
		Daily labour wage	5,000	0%	0%	↔	↔
	Napak	Maize grain (per Kg)	804	-39%	9%	↓	↔
		Sorghum (per Kg)	1,100	-8%	57%	↓	↑
		Beans (per Kg)	2,700	6%	29%	↑	↑
		Medium size goat	170,000	0%	13%	↔	↔
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	975	-3%	11%	↔	↔
		Sorghum (per Kg)	900	13%	18%	↑	↑
		Beans (per Kg)	3,000	20%	29%	↑	↑
		Medium size goat	90,000	-3%	1%	↔	↔
		Daily labour wage	3,000	0%	0%	↔	↔
	Amudat	Maize grain (per Kg)	1,400	0%	133%	↔	↑
		Sorghum (per Kg)	1,050	0%	75%	↔	↑
		Beans (per Kg)	2,900	13%	21%	↑	↑
		Medium size goat	138,333				
Central	Kampala/Owino	Maize grain (per Kg)	1,250	-2%	56%	↔	↑
		Maize flour (per Kg)	1,867	3%	17%	↔	↑
		Sorghum (per Kg)	2,000	0%	100%	↔	↑
		Beans (per Kg)	3,000	9%	20%	↑	↑
Western	Mbarara	Maize grain (per Kg)	800	7%	-44%	↑	↓
		Maize flour (per Kg)	1,800	3%	-19%	↔	↓
		Sorghum (per Kg)	2,500	0%	10%	↔	↔
		Beans (per Kg)	2,425	16%	2%	↑	↔
Eastern	Tororo	Maize grain (per Kg)	1,000	0%	43%	↔	↑
		Maize flour (per Kg)	1,500	0%	-6%	↔	↔
		Sorghum (per Kg)	800	0%	-14%	↔	↔
		Beans (per Kg)	2,500	3%	11%	↔	↔
	Mbale	Maize grain (per Kg)	1,375	90%	42%	↑	↑
		Maize flour (per Kg)	1,800	11%	15%	↑	↔
		Sorghum (per Kg)	1,500	7%	36%	↑	↑
		Beans (per Kg)	2,600	14%	42%	↑	↑
Northern	Gulu	Maize grain (per Kg)	1,000	0%	0%	↔	↔
		Maize flour (per Kg)	1,850	-8%	16%	↓	↑
		Sorghum (per Kg)	1,600	0%	-9%	↔	↔
		Beans (per Kg)	2,700	-4%	2%	↔	↔
	Soroti	Maize grain (per Kg)	775	6%	-14%	↑	↔
		Maize flour (per Kg)	1,800	8%	23%	↑	↑
		Sorghum (per Kg)	575	-14%	-34%	↓	↓
		Beans (per Kg)	2,700	19%	17%	↑	↑
	Lira	Maize grain (per Kg)	1,000	0%	54%	↔	↑
		Maize flour (per Kg)	1,850	-8%	9%	↓	↔
		Sorghum (per Kg)	950	-3%	58%	↔	↑
		Beans (per Kg)	2,100	-18%	5%	↓	↔

↑ 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= March 2016 compared to February 2016

1Y= March 2016 compared to March 2015