

WFP UGANDA

Monthly Market Bulletin—February 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 no significant price change between January and February for maize grain sorghum and beans. However, **compared to the same period last year 2015, average price for maize grain increased by 91%, sorghum by 56% and beans 16%.** The annual price increases indicate higher costs of living year after year.
- Annual maize grain price increases have led to **deteriorating terms of trade for goat and daily casual labour wage during the month.**

REST OF THE COUNTRY

- Prices for maize grain, sorghum, beans and maize flour were higher during the month compared to February 2015 by 20%, 38%, 18% and 11% respectively.** The annual price increases are mainly due to increasing demand from within and outside the country and a reflection of inflation.
- Price fluctuations are expected for maize grain between March to May 2016 while **a steady price increase is projected for beans till the new harvest (expected late May).**



Average prices for beans are expected to remain high during the lean season.

For further information
please contact the AME
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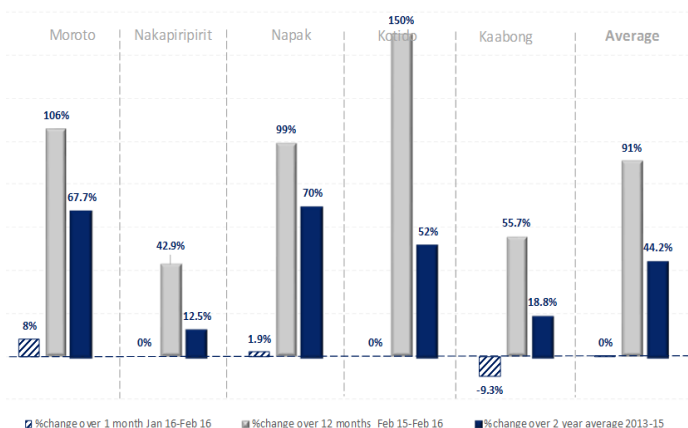
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CEREALS

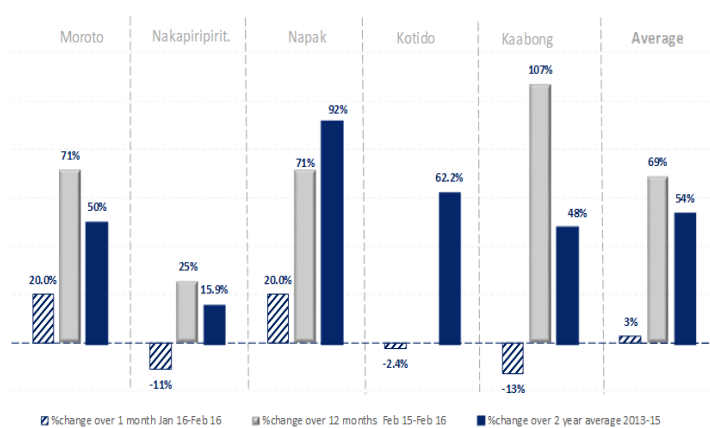
Figure 1. Maize grain retail price changes Feb –2016



Average maize grain price was relatively stable in Karamoja during the month of February with a price change of less than 1% compared to January 2016. Compared to the same period in February 2015 and the long term average 2013-2015, maize grain prices this year are extremely higher across Karamoja by 91% and 44% respectively.

Compared to the same period in 2015, average retail prices for maize grain have increased by over 100% in Kotido (150%) and Moroto (106%) and then Napak (99%) highlighting deteriorating purchasing power of market dependent households hence limiting food accessibility. The annual price increases are a result of continued poor crop performances for three consecutive seasons.

Figure 2. Sorghum grain retail price changes Feb –2016

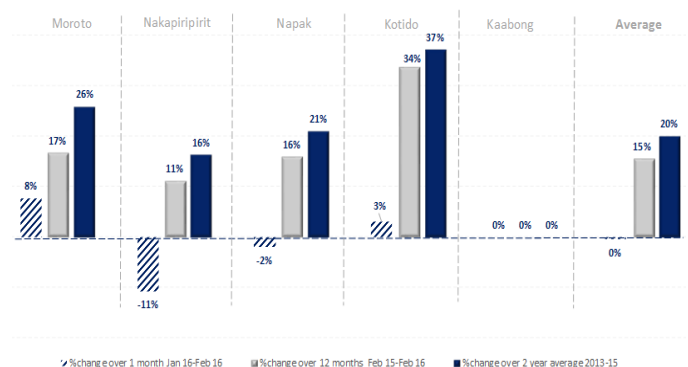


Different monthly average price changes for sorghum were noticed at district level in February compared to January 2016. Sorghum price increased in Moroto and Napak by 20% while Kaabong and Nakapiripirit experienced price decreases of 13% and 11% respectively. The differences in price changes can be attributed to differences in harvests and stocks from last cropping season at household level.

Similar to maize grain, sorghum prices were higher this year in February compared to the same period in 2015 and the long term average 2013-2015 by 56% and 54% respectively also as a result of continued poor crop performance.

BEANS

Figure 3. Beans retail price changes Feb – 2016



There was no significant price changes in average price for beans in most parts of Karamoja except in Nakapiripirit where price reduced by 11% and Moroto that experienced 8% price increase.

Compared to the same period in February 2015 and the long term average 2013-15, prices for beans were higher in Karamoja this year, by 16% and 20% respectively. The higher prices are due to limited supply on market and low/depleted stocks at household level.

GOATS

Table 1: Goats retail prices changes for Feb - 2016

Market	Current (Feb 2016)	% Change from:		
		Jan-16	Feb-15	Av 2013-15
Moroto	180,000	5.9%	20.0%	90.7%
Nakapiripirit	92,500	-9.0%	-3.9%	16.8%
Napak	170,000	12.7%	13.3%	70.0%
Kotido	83,000	-4.3%	1.5%	-6.1%
Kaabong	68,750	-17.9%	-36.0%	-25.7%
Average	118,850	-2.5%	-1.0%	29.2%

Average price for an average sized he-goat indicated a downward trend during the month in some districts compared to January 2016 more especially in Kaabong (18%) and Nakapiripirit (9%). The reduction in goat prices in these areas is most likely an adjustment from the Christmas season. However, Moroto and Napak experienced increase in goat prices compared to January by 6% and 13% respectively. A similar trend was noted when compared to the same period in February 2015.

Compared to the long term average 2013-2015, prices for an average sized he-goat in Karamoja increase by 29%.

LABOR

TERMS OF TRADE

Table 2: Changes in Daily Wage Rates Feb—2016

Market	Current (Feb 2016)	% Change from:		
		Jan-16	Feb-15	Av 2013-15
Moroto	5,000	0.0%	0.0%	7.1%
Nakapiripirit	3,000	0.0%	0.0%	0.0%
Napak	5,000	0.0%	0.0%	9.1%
Kotido	2,500	11.1%	25.0%	7.1%
Kaabong	5,000	0.0%	66.7%	66.7%
Average	4,100	2.2%	18.3%	18.0%

Average daily casual labor rate remained stable in most parts of Karamoja during the month of February compared to January 2016 except in Kotido where 11% increase was noticed.

Compared to the same period in 2015, wage rates were higher in February this year in Kotido and Kaabong by 25% and 67% respectively. Similarly, when compared to the long term average 2013-2015, wage rates were higher this year in February by 18 % across Karamoja with the highest increase in Kaabong (67%) due to construction-sites wage rates.

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	Feb-16	Jan-16	Feb-15
TOT goats	101	106	193
TOT labour	3.65	3.46	5.45

A decrease in goat prices led to a deterioration in the terms of trade for an average sized he-goat against maize grain in February 2016. In January, earnings from an average sized he-goat would enable a household to buy 5kg of maize grain more compared to February 2016. Compared to the same period in 2015, a household would buy less maize grain (by 92Kgs) in February this year after selling a similar average sized he-goat.

There was no significant difference in the TOT for daily labor wage against maize grain in February compared to January 2016. However, we notice a deterioration of close to 2Kg compared to the same period in 2015 as a result of higher maize grain price this year.

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

KAABONG

- Prices for maize grain and sorghum were lower in February 2016 compared to January by 9% and 12% respectively. However, prices for both commodities were higher during the month compared to the same period in 2015 indicating increasing costs of living. Also pastoralists experienced low incomes due to reduced goat prices.

KOTIDO

- Maize grain price increased in the district during the month by 150% compared to February 2015. The high price this year reduces household purchasing power hence limiting accessibility. Also prices for beans were higher compared to January 2016 and the same period last year by 34% and 37% respectively.

MOROTO

- Sorghum price increased by 20% in February compared to January 2016. Compared to February 2015, prices for maize grain increased by over 100% and sorghum by 71%. This trend across Karamoja is attributed to poor crop performance for three consecutive seasons. However, goat prices were higher by 20% during the month compared to the same period last year which is a positive on the side of pastoralists.

NAKAPIRIPRIT

- Households in Nakapiripirit are facing food accessibility challenges because of the higher food prices this year compared to last year. Average retail prices for maize grain, sorghum and beans were higher in February this year compared to the same period in 2015 by 43%, 25% and 11% respectively.

NAPAK

- Similar to other areas, prices for maize grain, sorghum and beans were higher in February compared to the same period in 2015 by 99%, 71% and 16% respectively. The increase in food prices is higher than the increase in prices for goats (13%) and casual labor (remained the same) implying reduced purchasing power households whose main income source is from the two.

Figure 4. Maize Grain Price Trends

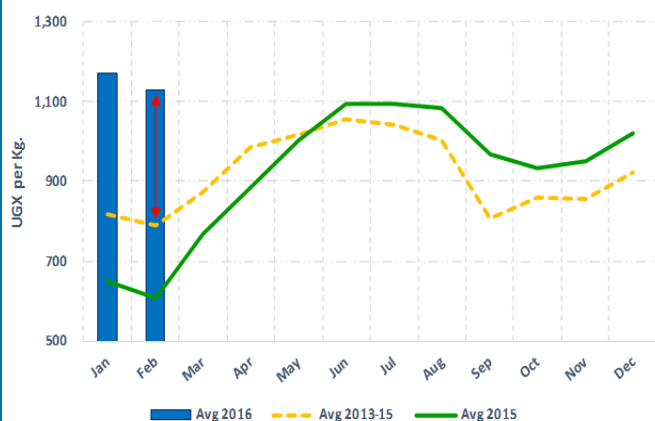


Figure 7. Goats Price Trends

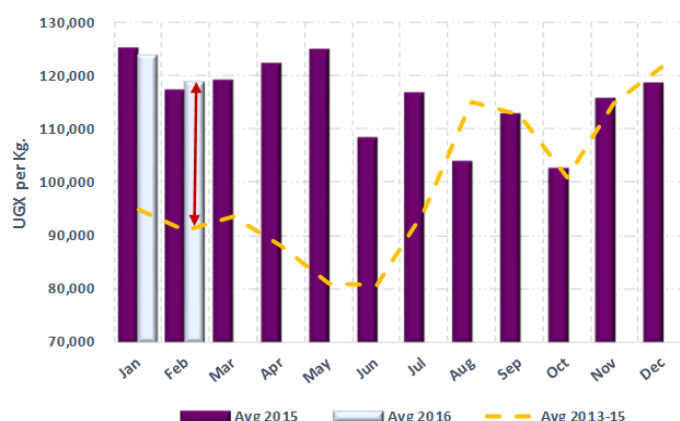


Figure 5. Sorghum Grain Price Trends

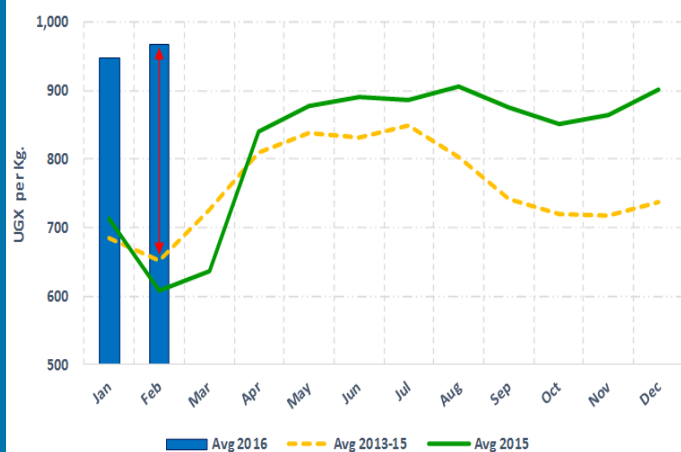


Figure 8. Average Daily Labour Wage Trends

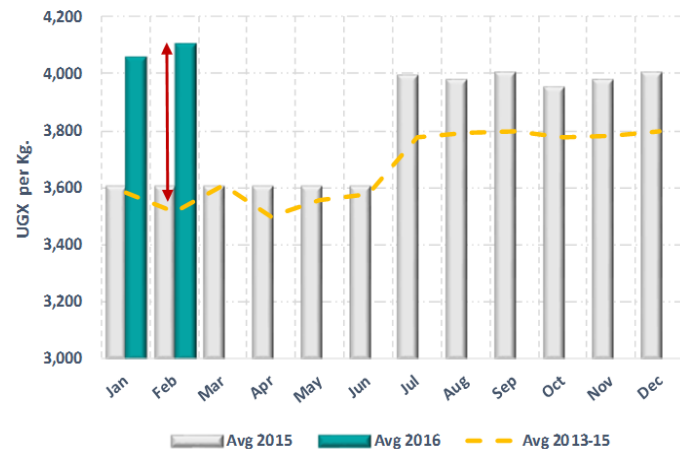


Figure 6. Beans Price Trends

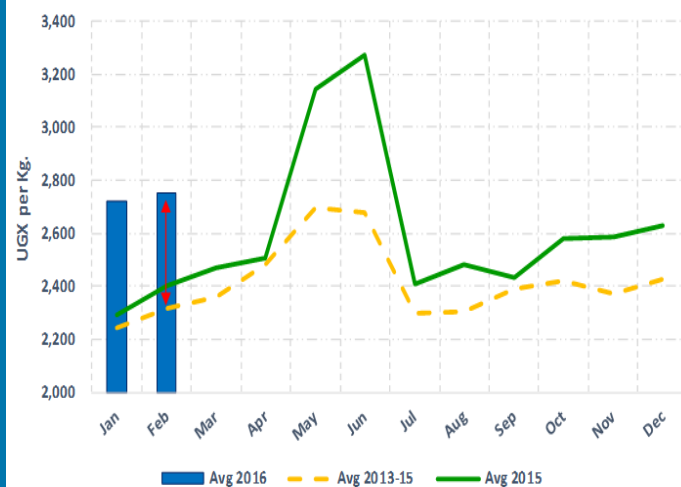
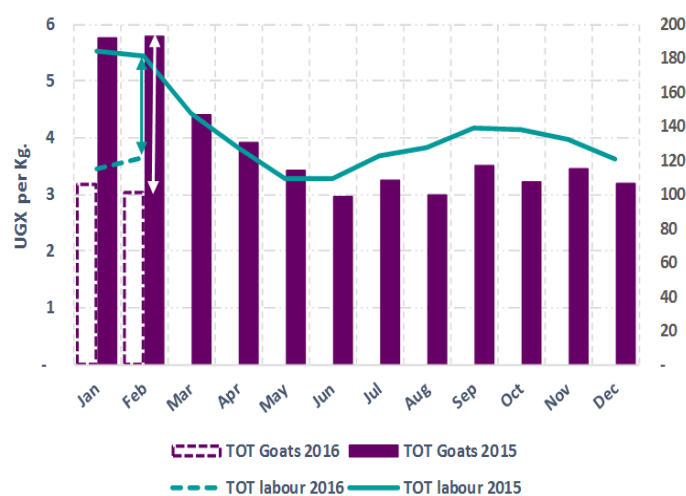


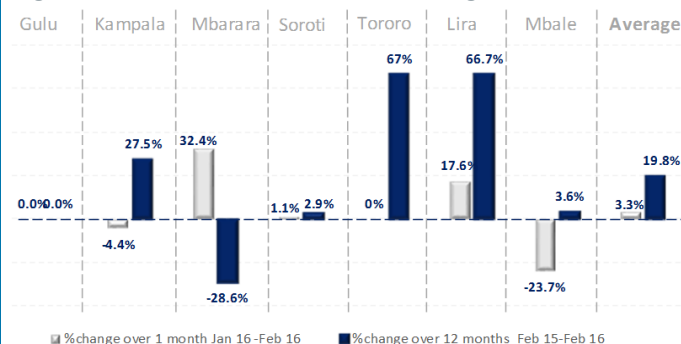
Figure 9. Terms of Trade Goats/Labour vs Maize grain



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.

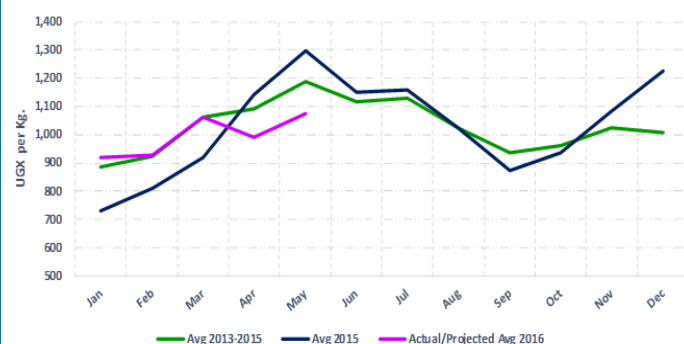
CEREALS

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



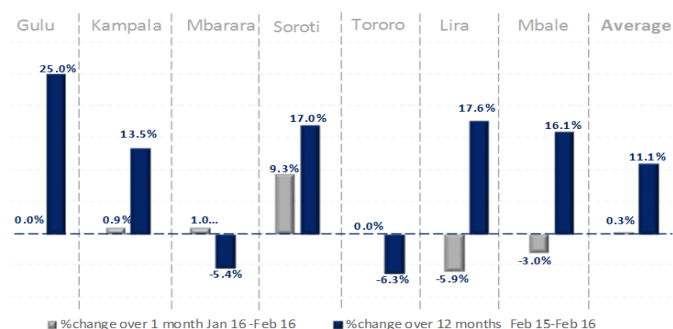
Maize grain price was relatively stable during the month compared to January 2016 with the exception of Mbarara and Lira where prices increased by 32% and 18% respectively. Important to note is that the prices in Mbarara and Lira were not the highest among the markets monitored (see section C. pg. 6). In Mbale price for maize grain reduced by 23% compared to January price and this mainly due to the latest harvest in January. In general, average retail price for maize grain was higher this year compared to February 2015.

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



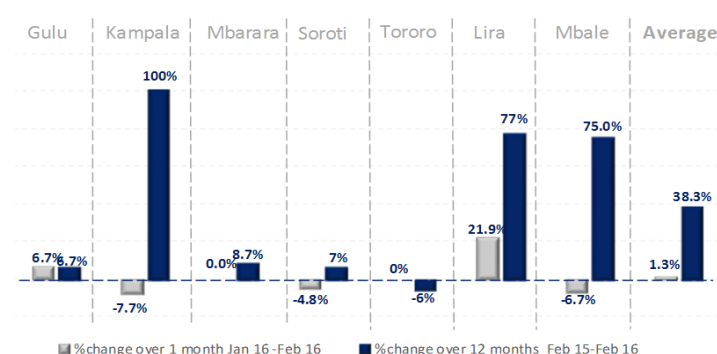
The price for maize grain was expected to fluctuate between March and May 2016 mainly due to the effect of the school calendar on demand and supply.

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



Average retail price for maize flour was also relatively stable during the month compared to January 2016 but higher than the same period in 2015 by 11%.

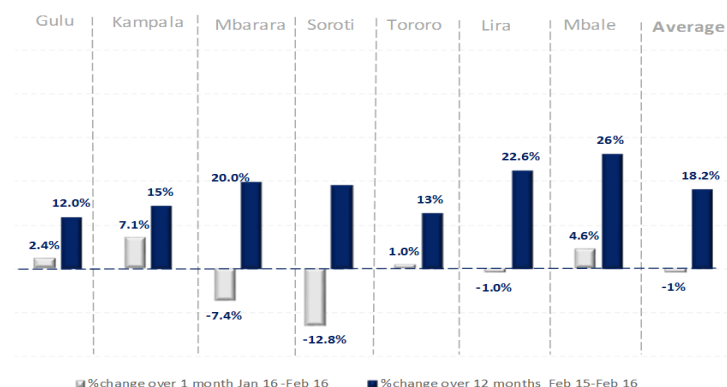
Fig. 13: Sorghum Retail Price Changes Feb– 2016



There was no substantial change in the average retail price for sorghum in February compared to January 2016 except in Lira where price increased by 22%. Compared to the same period last year, average sorghum price increased by 38% with the highest price increases noted in Kampala (100%), Mbale 75% and Lira (77%). The price increase is due to increased demand compared to supply.

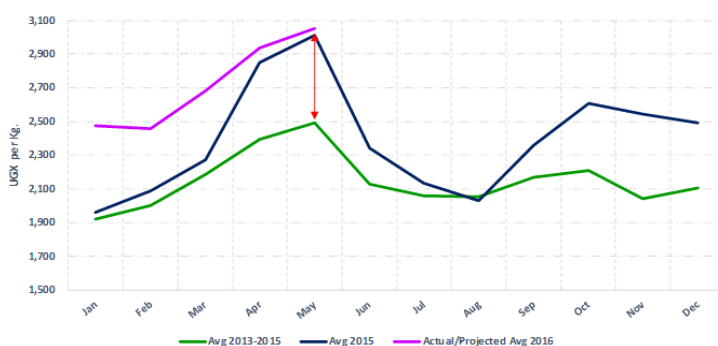
BEANS

Fig. 14: Beans Retail Price Changes Feb– 2016



Average retail price changes for beans were within normal ranges of less than 5% compared to January 2016. Similar to other food commodities, prices for beans were higher in February this year compared to the same period in 2015 by 18%.

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



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: February 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)	925	-9%	56%	↓	↑
		Sorghum (per Kg)	824	-13%		↓	
		Beans (per Kg)	3,000	0%	0%	↔	↔
		Medium size goat	68,750	-18%	-36%	↓	↓
		Daily labour wage	5,000	0%	67%	↔	↑
	Kotido	Maize grain (per Kg)	1,000	0%	150%	↔	↑
		Sorghum (per Kg)	815	-2%		↔	
		Beans (per Kg)	2,900	3%	34%	↔	↑
		Medium size goat	83,000	-4%	2%	↔	↔
		Daily labour wage	2,500	11%	25%	↑	↑
	Moroto	Maize grain (per Kg)	1,400	8%	106%	↑	↑
		Sorghum (per Kg)	1,200	20%	71%	↑	↑
		Beans (per Kg)	2,800	8%	17%	↔	↑
		Medium size goat	180,000	6%	20%	↑	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Napak	Maize grain (per Kg)	1,325	2%	99%	↔	↑
		Sorghum (per Kg)	1,200	20%	71%	↑	↑
		Beans (per Kg)	2,550	-2%	16%	↔	↑
		Medium size goat	170,000	13%	13%	↑	↔
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	1,000	0%	43%	↔	↑
		Sorghum (per Kg)	800	-11%	26%	↓	↑
		Beans (per Kg)	2,500	-11%	11%	↓	↔
		Medium size goat	92,500	-9%	-4%	↓	↔
		Daily labour wage	3,000	0%	0%	↔	↔
Central	Kampala/Owino	Maize grain (per Kg)	1,275	-4%	28%	↔	↑
		Maize flour (per Kg)	1,817	1%	14%	↔	↔
		Sorghum (per Kg)	2,000	-8%	100%	↓	↑
		Beans (per Kg)	2,750	7%	15%	↑	↔
Western	Mbarara	Maize grain (per Kg)	750	32%	-29%	↑	↓
		Maize flour (per Kg)	1,750	1%	-5%	↔	↔
		Sorghum (per Kg)	2,500	0%	-6%	↔	↔
		Beans (per Kg)	2,100	-7%	20%	↓	↑
Eastern	Tororo	Maize grain (per Kg)	1,000	0%	67%	↔	↑
		Maize flour (per Kg)	1,500	0%	-6%	↔	↔
		Sorghum (per Kg)	800	0%	-6%	↔	↔
		Beans (per Kg)	2,425	1%	13%	↔	↔
	Mbale	Maize grain (per Kg)	725	-24%	4%	↓	↔
		Maize flour (per Kg)	1,625	-3%	16%	↔	↑
		Sorghum (per Kg)	1,400	-7%	75%	↓	↑
		Beans (per Kg)	2,275	5%	26%	↔	↑
Northern	Gulu	Maize grain (per Kg)	1,000	0%	0%	↔	↔
		Maize flour (per Kg)	2,000	0%	25%	↔	↑
		Sorghum (per Kg)	1,600	7%	7%	↑	↔
		Beans (per Kg)	2,800	2%	12%	↔	↔
	Soroti	Maize grain (per Kg)	733	1%	3%	↔	↔
		Maize flour (per Kg)	1,667	9%	17%	↑	↑
		Sorghum (per Kg)	667	-5%	7%	↔	↔
		Beans (per Kg)	2,267	-13%	19%	↓	↑
	Lira	Maize grain (per Kg)	1,000	18%	67%	↑	↑
		Maize flour (per Kg)	2,000	-6%	18%	↓	↑
		Sorghum (per Kg)	975	22%	77%	↑	↑
		Beans (per Kg)	2,575	-1%	23%	↔	↑

↑ 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= February 2016 compared to January 2016

1Y= February 2016 compared to February 2015