



OCTOBER 2016 ISSUE 31

WFP UGANDA

Monthly Market Monitor

HIGHLIGHTS

KARAMOJA

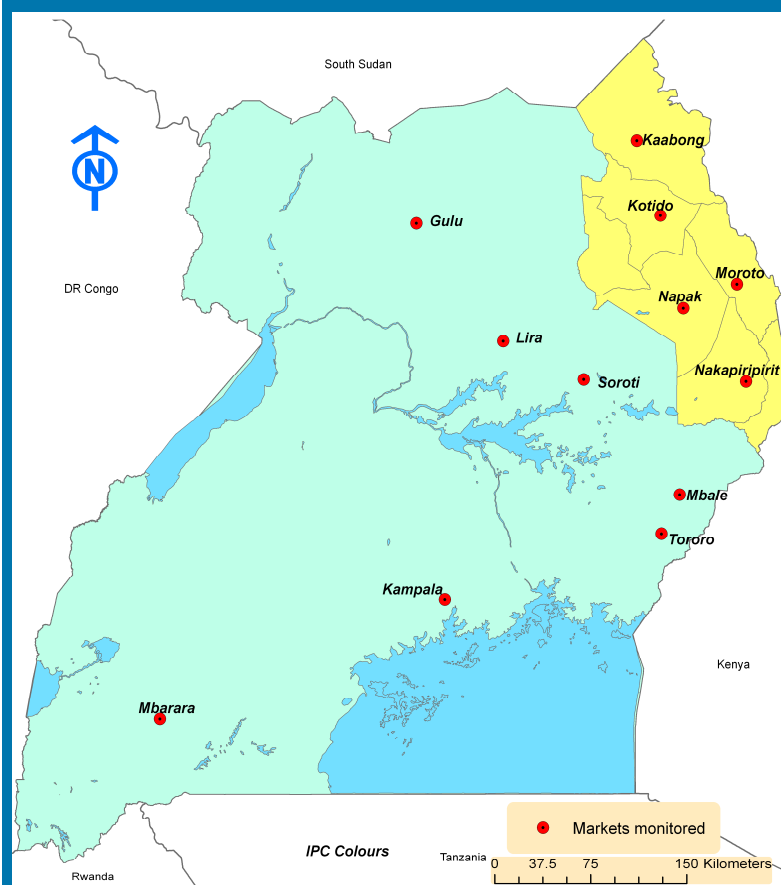
- **Average retail prices for maize grains and sorghum were relatively stable across Karamoja in October this year compared to September but higher compared to October 2015 by 20% and 24% respectively** an indication of increasing costs of living for vulnerable and poor households.
- **Average price for beans increased in Kotido and Abim in October 2016 compared to September** by 13% and 15% respectively.
- There was a slight improvement in the terms of trade for both goats and daily wage rates against maize grain.

REST OF THE COUNTRY

- **Average price for maize grain and flour continued to be higher in October this year compared to the same period in 2015** more especially in Mbarara, Kampala, Gulu and Mbale.
- While the average price for maize grain across the country is expected to remain stable in November, there is an anticipated slight decline in the price for beans.

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.

Markets Monitored & Analyzed by WFP Unit



Source: WFP Uganda AME



For further information please contact the AME unit WFP Uganda

Siddharth KRISHNASWAMY
Analysis Monitoring & Evaluation, Head.
siddharth.krishnaswamy@wfp.org

Hamidu TUSIIME
Food Security & Market Analyst
hamidu.tusiime@wfp.org

Nathan LOWANYANG
Programme Assistant
nathan.lowanyang@wfp.org

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CEREALS

Figure 1. Maize grain retail price changes Oct–2016

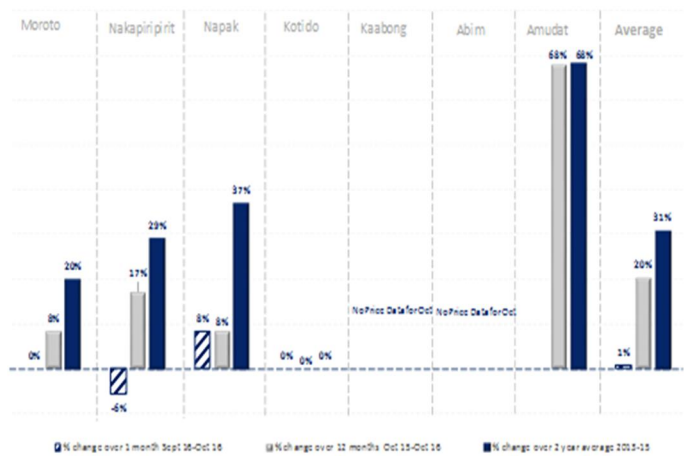
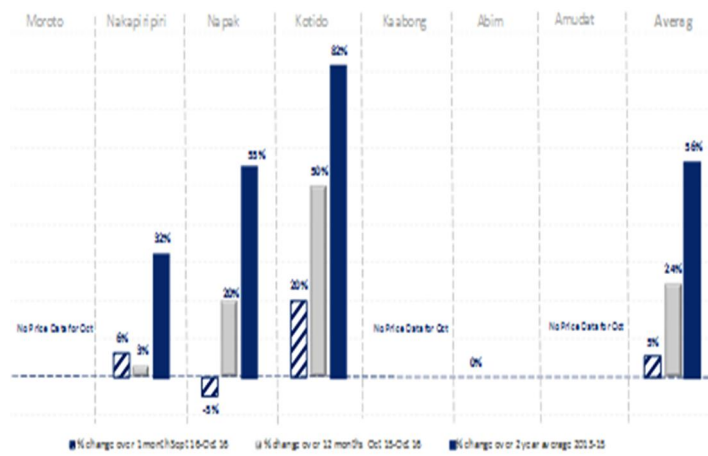


Figure 2. Sorghum grain retail price changes Oct-2016



Overall average retail price in Karamoja was relatively stable in October 2016 compared to September, resulting from the recent harvest that has increased household food stocks and supply in the markets.

There was an increase by 20% in the overall average retail price of maize grain in 2016 compared to the same period last year, with high increase in Amudat (68%) and Nakapiripirit (17%).

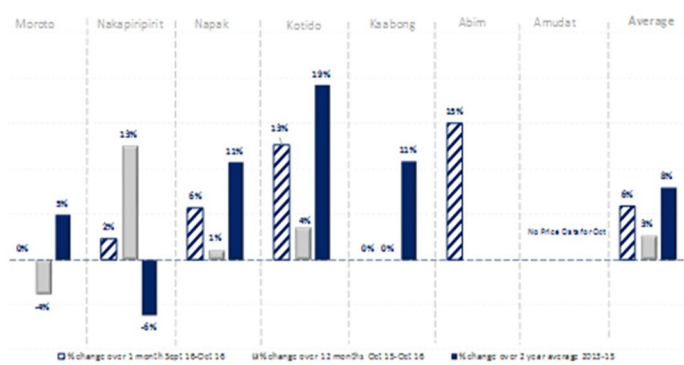
Compared to the long term average (2013-2015), maize prices across Karamoja are still high this year by 31% portraying continued increasing cost of living for vulnerable and poor households in the long run.

There was no significant change in the average prices of sorghum in Karamoja in October compared to September 2016 as a result of the recent harvest. However, an increase of 20% was noted in Kotido due to low supply on the market. Also important to note is that sorghum was not readily available on market in Kaabong and Amudat by the time of data collection.

However, compared to October 2015 and the long term average 2013-2015, the average prices across Karamoja this year have remained high by 24% and 57% respectively. The price increase was noted across all districts, indicating a long term problem on food access through market purchase.

BEANS

Figure 3. Beans retail price changes Oct– 2016



Across Karamoja, analysis indicates that the retail prices for beans have continued to be high but relatively stable compared to September 2016 with a price increase of 6%. Despite a 15% increase in Abim since September 2016, the actual price for a kilogram of beans was UGX 2,300, the second lowest in the region.

Generally, there was no major change in the average price of beans in Karamoja this year compared to October 2015 and the long-term average 2013-2015.

GOATS

Table 1: Goats retail prices changes for Oct- 2016

Market	Current (Oct 2016)	% Change from:		
		Sep-16	Oct-15	Av 2013-15
Moroto	170,000	0.0%	29.0%	78.9%
Nakapiripirit	82,500	-8.3%	-2.9%	-5.7%
Napak	170,000	29.3%	25.1%	47.8%
Kotido	96,250	23.4%	37.5%	10.0%
Kaabong	123,750	0.0%	37.5%	3.1%
Abim	91,667	5.8%		
Amudat	100,000			
Average	119,167	8.4%	25.2%	26.8%

Compared to September 2016, there was a minor increase (8%) in the average price for goats in Karamoja. Price increase was mainly in Napak (29%) and Kotido (23%) and this could be due to the reduced supply to the markets. Compared to same period last year, the average goat price remained higher by 25% in October 2016 with the highest increase of 38% in both Kotido and Kaabong.

However, there was a 27% increase in price compared to the long-term average (2013-2015). Moroto had the highest (79%), followed by Napak (48%).

LABOR

Table 2: Changes in Daily Wage Rates Oct-2016

Market	Current (Oct 2016)	% Change from:		
		Sep-16	Oct-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%	0.8%
Kotido	3,000	100.0%	71.4%	33.3%
Kaabong	5,000	0.0%	0.0%	36.4%
Abim				
Amudat				
Average	4,200	20.0%	14.3%	14.1%

There was no observed change in the labor wage rates since September 2016 in most districts except Kotido where the wage rate doubled (from UGX 1,500 to 3,000). Stability in the wage rates across districts could be due to reduced demand for agricultural labor since agricultural activities have continued to go down.

However, the casual labor wage is higher by 14% compared to both October 2015 and the long-term average (2013-2015). The highest increase was in Kotido by 71% and 33% compared to October 2015 and the long-term average (2013-2015) respectively.

SUMMARY BY DISTRICT

MOROTO

There were no observed changes in the prices of maize grain and beans since September 2016. Sorghum was not available in the market. The stability in the prices is due to latest harvest not only in the region but also across the country.

NAKAPIRIPIRIT

Average prices for cereals are relatively stable compared to September with a price reduction of 6% for maize grain. However, the prices are the lowest in the region (sorghum UGX 850 and beans UGX 2,250) due to harvest.

NAPAK

Compared to September 2016, prices for maize grain and beans increased by 8% and 6% respectively. However, the increase in the price of goats by 29% improves the purchasing power of pastoralists as revenue from selling a goat would buy 131 kilograms of maize grain.

KOTIDO

Average price for sorghum and beans increased by 20% and 13% respectively during the month compared to September 2016. Consumers in Kotido continue to enjoy the lowest prices (UGX 800) of maize grain in the region. Additionally, casual laborers enjoyed 100% increase in the wage labor rates (from UGX 1,500 to 3,000).

KAABONG

The prices for beans, goats and wage labor were relatively stable compared to September. It was also noted that maize and sorghum were not available in the market possibly due to no or low demand as a result of the harvest.

ABIM

Consumers enjoyed the lowest prices (UGX 600) for sorghum in the region. However, there was an observed increase in the prices of beans by 15%.

AMUDAT (Price data for Amudat for September 2016 was not collected, no comparison made)

TERMS OF TRADE

The major sources of income in Karamoja are from casual labour and the sale of goats. The table below shows the latest trend of purchasing power of labour and goats averaged across the seven districts in Karamoja.

Description	Oct-16	Sep-16	Oct-15
Kg of maize/goat	110	108	107
Kg of maize/day's wage	3.74	3.41	4.1

There was an improvement in the purchasing power of revenue from sale of goats and casual labor against maize grain. Analysis indicates compared to September 2016, revenue from sale of a similar goat in October would enable a household to buy more maize grain by 2 kg. Similarly, average wage earnings would buy more maize by 330 grams in October compared to September 2016.

Compared to the same period October 2016, the terms of trade for an average size he-goat against maize grain were better this year by 3kg. On a different note, the TOT for wage labor against maize grain declined by 360 grams.

Figure 4. Maize Grain Price Trends

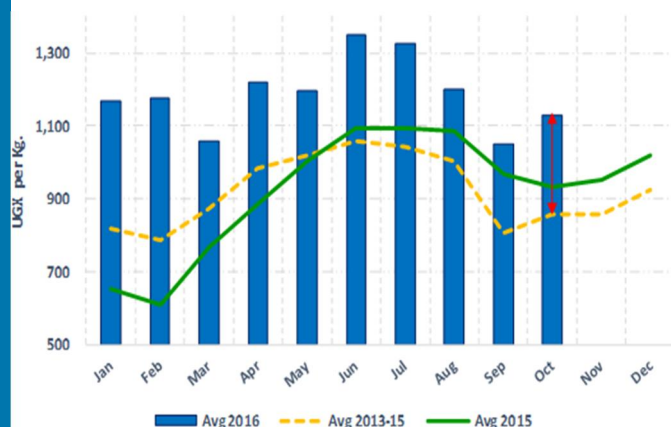


Figure 7. Maize Flour Price Trends

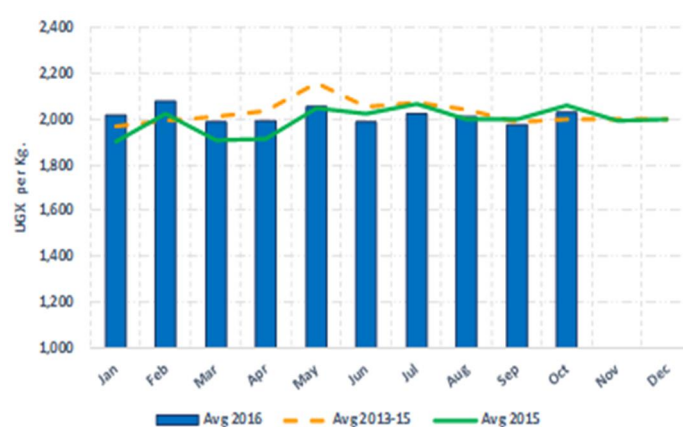


Figure 5. Sorghum Grain Price Trends

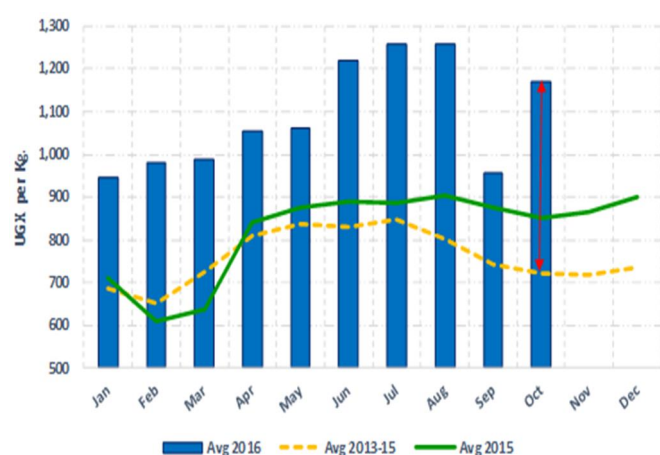


Figure 8. Terms of Trade Goats vs Maize grain

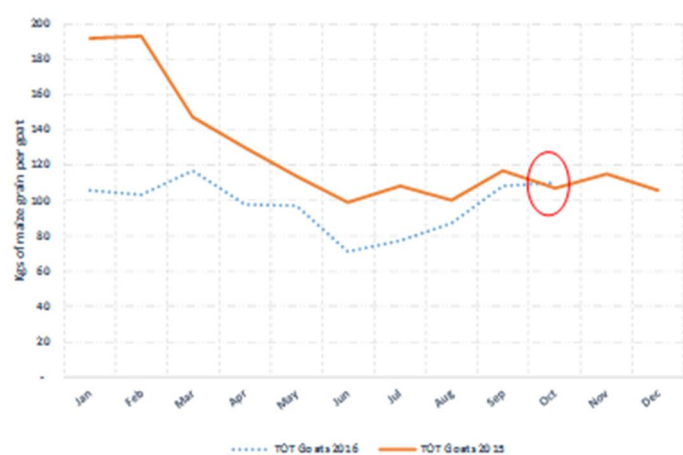


Figure 6. Beans Price Trends

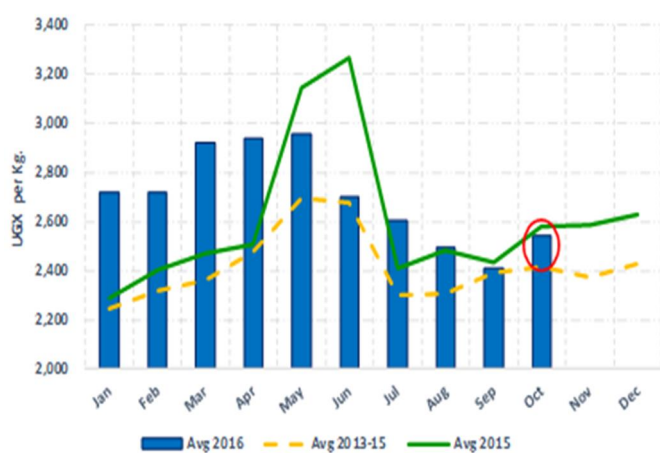


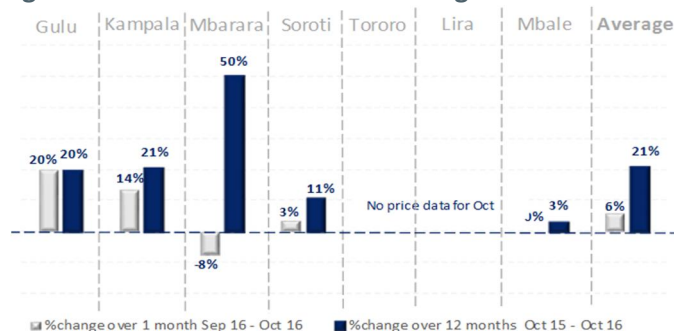
Figure 9. Terms of Trade Labour vs Maize grain



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

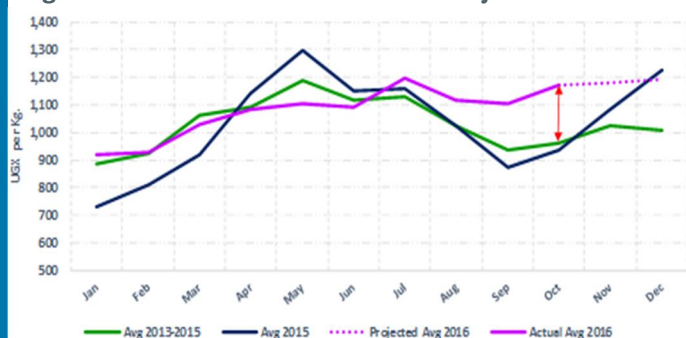
Fig. 10: Maize Grain Retail Price Changes Oct-2016



Overall, there was a slight increase in the average retail price for maize grain by 6% in October compared to September 2016. The highest price increase was in Gulu (20%) and Kampala (14%) and this could be due to low supply in the market as a result of the poor harvest across the country.

Compared to October 2015, the overall average retail price remained higher by 21% in 2016. The prices increased by half (50%) in Mbarara and by 20% and 21% in Gulu and Kampala respectively due to poor harvests experienced during 2016 first season.

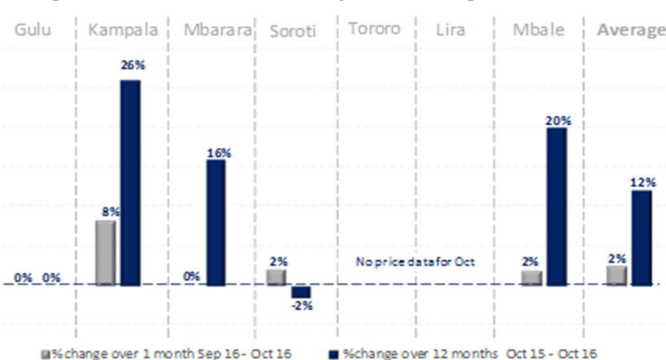
Fig. 11: Maize Grain Price Trend & Projection: Nov-2016



Source: WFP AME Projections

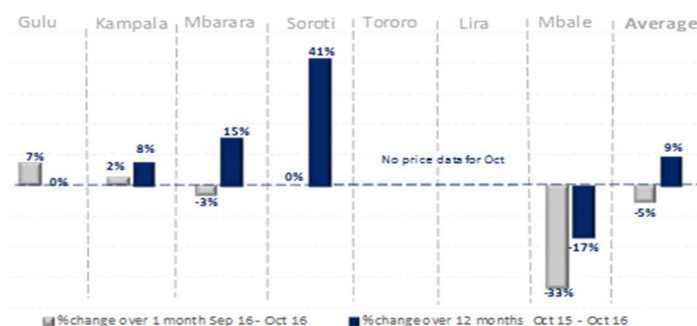
However, maize grain prices are expected to remain stable in November as farmers and traders prepare for the new harvest.

Fig. 12: Maize flour retail price changes Oct-2016



Average retail price for maize flour was relatively stable compared to September across the country. Compared to October 2015, average price was higher by 12% in 2016 due to low the poor harvest experienced.

Fig. 13: Sorghum Retail Price Changes Oct-2016

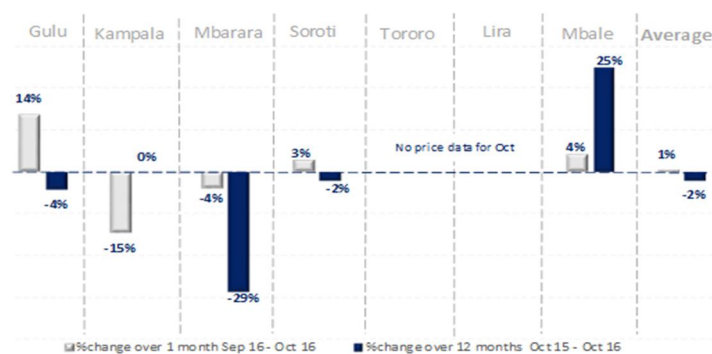


Since September 2016, the average prices of sorghum decreased slightly by 5%. The major decrease was noted in Mbale (33%). This could be due to increased supply in the markets and low demand resulting from the latest harvest, sorghum was also least affected by the recent dry spell.

Average retail price in 2016 was slightly higher by 10% across the country compared to October 2015. The prices are highest in Soroti (41%) and Mbarara (15%) compared to October 2015.

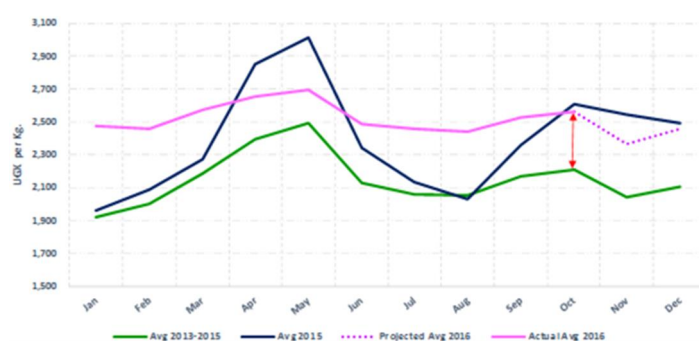
BEANS

Fig. 14: Beans Retail Price Changes Oct-2016



Despite the insignificant change in the price of beans across the country compared to last month, there were reductions in prices in Kampala and Mbarara by 15% and 4% respectively. Compared to October 2015, price of beans except in Mbarara reduced by 29% while in Mbale a 25% increase was noted.

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



Source: WFP AME Projections

The average price for beans is expected to reduce slightly in November and December as a result of the anticipated new harvest across the country.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: October 2016			Current Price(Us\$.)	Price change (%)			
Region	District/Market	Major Commodities		1 M	1 Y	1 M	1 Y
Karamoja	Moroto	Maize grain (per Kg)	1,300	0%	8%	↔	↔
		Sorghum (per Kg)					
		Beans (per Kg)	2,500	0%	-4%	↔	↔
		Medium size goat	170,000	0%	29%	↔	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	850	-6%	17%	↓	↑
		Sorghum (per Kg)	850	6%	3%	↑	↔
		Beans (per Kg)	2,250	2%	13%	↔	↔
		Medium size goat	82,500	-8%	-3%	↓	↔
		Daily labour wage	3,000	0%	0%	↔	↔
	Napak	Maize grain (per Kg)	1,300	8%	8%	↑	↔
		Sorghum (per Kg)	1,200	-5%	20%	↔	↑
		Beans (per Kg)	2,325	6%	1%	↑	↔
		Medium size goat	170,000	29%	25%	↑	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Kotido	Maize grain (per Kg)	800	0%	0%	↔	↔
		Sorghum (per Kg)	1,200	20%	50%	↑	↑
		Beans (per Kg)	2,900	6%	1%	↑	↔
		Medium size goat	96,250	23%	38%	↑	↑
		Daily labour wage	3,000	100%	71%	↑	↑
	Kaabong	Maize grain (per Kg)					
		Sorghum (per Kg)					
		Beans (per Kg)	3,000	0%	0%	↔	↔
		Medium size goat	123,750	0%	38%	↔	↑
		Daily labour wage	5,000	0%	0%	↔	↔
	Abim	Maize grain (per Kg)					
		Sorghum (per Kg)	600	0%		↔	
		Beans (per Kg)	2,300	15%		↑	
		Medium size goat	91,667	6%		↑	
		Daily labour wage					
	Amudat	Maize grain (per Kg)	1,400		68%		↑
		Sorghum (per Kg)	2,000				
		Beans (per Kg)					
		Medium size goat	100,000				
		Daily labour wage					
Central	Kampala/Owino	Maize grain (per Kg)	1,450	14%	21%	↑	↑
		Maize flour (per Kg)	2,183	8%	26%	↑	↑
		Sorghum (per Kg)	2,150	2%	8%	↔	↔
		Beans (per Kg)	2,500	-15%	0%	↓	↔
Western	Mbarara	Maize grain (per Kg)	1,200	-8%	50%	↓	↑
		Maize flour (per Kg)	2,000	0%	16%	↔	↑
		Sorghum (per Kg)	3,000	-3%	15%	↔	↔
		Beans (per Kg)	2,500	-4%	-29%	↔	↓
Eastern	Tororo	Maize grain (per Kg)					
		Maize flour (per Kg)					
		Sorghum (per Kg)					
	Mbale	Beans (per Kg)					
		Maize grain (per Kg)	1,000	0%	3%	↔	↔
		Maize flour (per Kg)	1,800	2%	20%	↔	↑
Northern	Gulu	Sorghum (per Kg)	1,433	-33%	-17%	↓	↓
		Beans (per Kg)	2,500	4%	25%	↔	↑
		Maize grain (per Kg)	1,200	20%	20%	↑	↑
		Maize flour (per Kg)	2,000	0%	0%	↔	↔
	Soroti	Sorghum (per Kg)	1,000	7%	0%	↑	↔
		Beans (per Kg)	3,000	14%	-4%	↑	↔
		Maize grain (per Kg)	1,000	3%	11%	↔	↔
		Maize flour (per Kg)	1,600	2%	-2%	↔	↔
	Lira	Sorghum (per Kg)	1,200	0%	41%	↔	↑
		Beans (per Kg)	2,300	3%	-2%	↔	↔
		Maize grain (per Kg)					
		Maize flour (per Kg)					

↑

Price increase above normal price fluctuation

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Normal Price fluctuation

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Price increase below normal price fluctuation

Remark:

Price fluctuation is considered normal if the price change is within 5% for 1 month and within 15% for 1 year.

1M= October 2016 compared to September 2016 1Y= October 2016 compared to October 2015