

WFP UGANDA

Monthly Market Monitor

HIGHLIGHTS

KARAMOJA

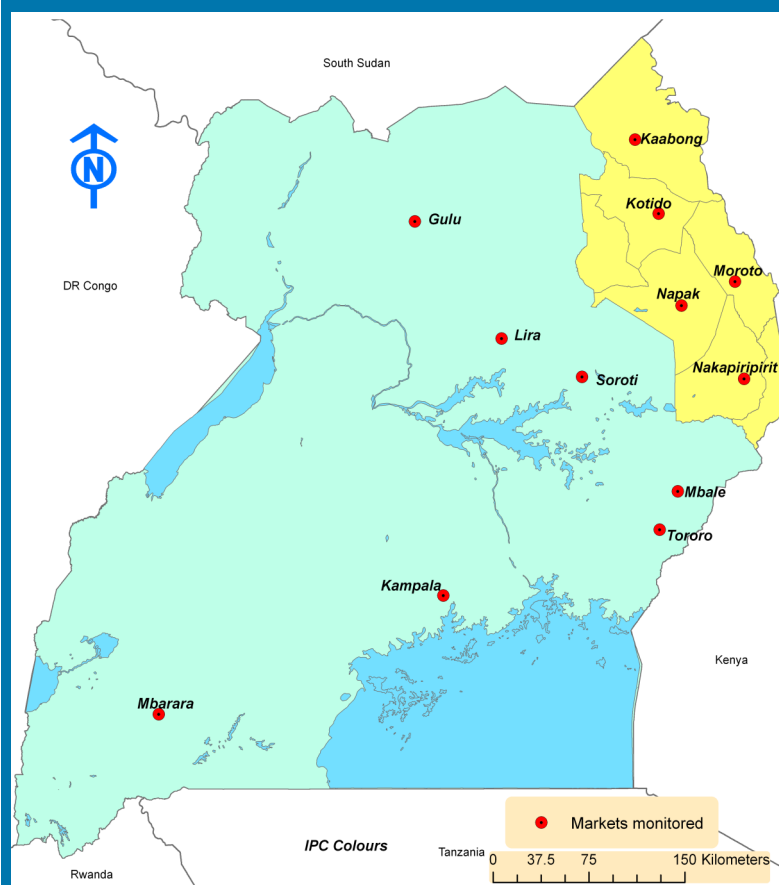
- Average retail prices for **maize and sorghum increased by 9% and 10%** respectively during the month compared to October. Nakapiripirit experienced the highest increase by 35% and 29% respectively due to increased demand from other districts.
- **Average retail prices for sorghum were higher in November across all districts** compared to November 2015 and the long-term average (2013-2015). Prices for other commodities (maize, beans and maize flour) were relatively stable.
- There was a deterioration in terms of trade for both casual labour and goats against maize grain due to high prices for maize.

REST OF THE COUNTRY

- Average retail prices for **maize and sorghum in November continued to be higher** compared to 2015 by 11% and 8% respectively. Highest price increases were experienced in Mbale, Kampala, Mabara and Lira.
- **Average prices for maize flour was higher during the month** across the country compared to October 2016 and November 2015 by 8% and 20% respectively due to scarcity of maize grain.
- Average retail price for maize is expected to remain stable in December while a slight increase is anticipated 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,

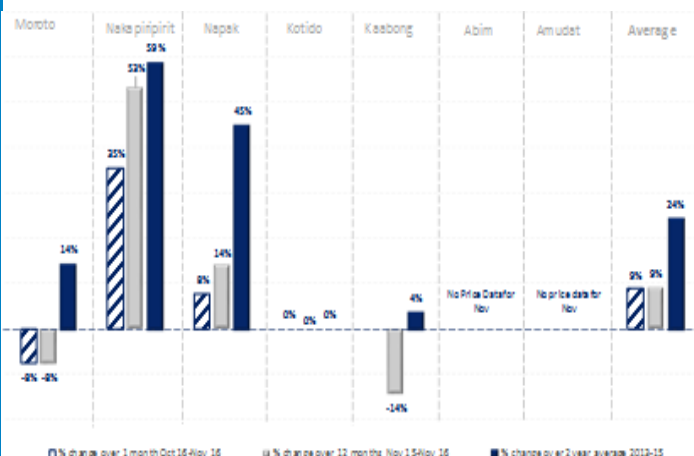
Hamidu TUSIIME
Food Security & Market Analyst
hamidu.tusiime@wfp.org

Nathan LOWANYANG
Programme Assistant
nathan.lowanyang@wfp.org

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CEREALS

Figure 1. Maize grain retail price changes Nov–2016

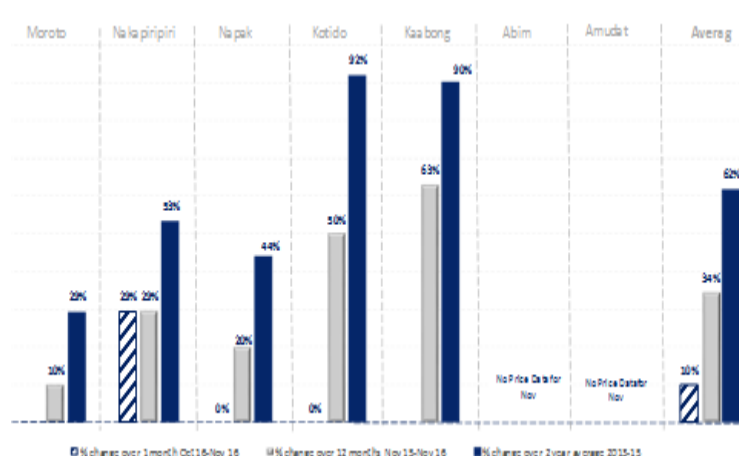


In November, average retail price for maize grain increased by 9% compared to October and this could be due poor harvest that resulted from the prolonged dry spell. Price increased mainly in Nakapiripirit (35%) as a result of increased demand from neighboring districts. However, in Kotido, prices remained stable with consumers enjoying the lowest prices (UGX 800 per kg).

Compared to November 2015, prices were higher this year in Nakapiripirit (53%) and Napak (14%) due to low supply.

Similarly, compared to the long term average (2013-2015), average prices for maize in Karamoja remained higher this year by 24% highlighting a persistent increase in the costs of living for the poor and vulnerable.

Figure 2. Sorghum grain retail price changes Nov-2016

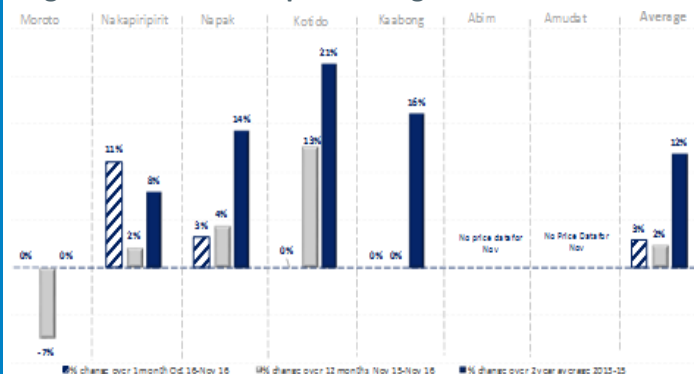


Average retail price for sorghum remained relatively stable in most districts in November compared to October with the exception of Nakapiripirit where prices increased significantly by 29%. The increase in sorghum price in Nakapiripirit is also attributed to low supply on market as a result of poor crop harvest.

Compared to November 2015 and the long-term average (2013-2015), average price for sorghum has been significantly higher this year by 35% and 62% respectively. The highest annual increases in price were experienced in Kaabong (63%) followed by Kotido (50%) and Nakapiripirit (29%) portraying continued deterioration in the food security situation particularly for highly market dependent households.

BEANS

Figure 3. Beans retail price changes Nov– 2016



Average retail price for beans remained relatively stable across Karamoja during the month of November compared to October except in Nakapiripirit where price increased by 11% due to low supply at household and market levels. A similar trend was observed when compared to November 2015 with Kaabong experiencing the highest increase of 13% this year.

Compared to the long-term average (2013-2015), increases in the average price for beans were mainly in Kotido (21%), Kaabong (16%) and Napak (14%).

GOATS

Table 1: Goats retail price changes for Nov- 2016

Market	Current (Nov 2016)	% Change from:		
		Oct-16	Nov-15	Av 2013-15
Moroto	140,000	-17.6%	-17.6%	0.0%
Nakapiripirit	95,000	15.2%	5.6%	18.8%
Napak	170,000	0.0%	6.3%	19.3%
Kotido	80,000	-16.9%	4.9%	-5.9%
Kaabong	121,250	-2.0%	49.2%	-4.4%
Abim				
Amudat				
Average	121,250	-4.3%	9.7%	5.5%

Overall, average price for goats in Karamoja was relatively stable in November compared to October with a minor reduction of 4%. There was a significant decrease in Moroto (18%) and Kotido (17%) and this could be resulting from increased supply on the markets as households are coping with high market prices for staple foods. However, Nakapiripirit experienced a 15% increase in goat prices due to increased number of buyers from other areas.

Compared to November 2015 and the long-term average (2013-2015), the average price for goats was slightly higher this year by 10% and 6% respectively.

LABOR

Table 2: Changes in Daily Wage Rates Nov-2016

Market	Current (Nov 2016)	% Change from:		
		Oct-16	Nov-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	2,000	-33.3%	6.7%	-12.7%
Kaabong	5,000	0.0%	0.0%	36.4%
Abim				
Amudat				
Average	4,000	-6.7%	1.3%	4.9%

There were no changes in the wage rates in most districts during the month compared to October except in Kotido where labor wage rates reduced by 33%. Kotido also had the lowest rates (UGX 2,000) and this could be attributed to decreasing demand for agricultural labor since this is a period of low or no agricultural related activities.

Compared to same period last year and the long-term average (2013-2015), labor wage rates were relatively stable. Analysis showed wage rates were slightly higher in Kotido (7%) compared to November 2015.

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	Nov-16	Oct-16	Oct-15
Kg of maize/goat	105	110	115
Kg of maize/day's wage	3.2	3.74	3.96

Compared to October, there was a deterioration in the terms of trade for goats and casual labor against maize grain. Revenue earned from selling a similar goat in November would buy less maize grain by 4 kilograms compared to October 2016. Similarly casual labor wage would buy less maize grain by 540 grams.

Compared to same period in 2015, revenue from selling a similar goat and casual labor wage would buy less maize grain by 10 kilograms and 760 grams respectively.

The deteriorating terms of trade affecting both goat keepers and casual laborers is a result of higher maize grain prices this year.

SUMMARY BY DISTRICT

MOROTO

Average price for maize reduced by 8% during the month compared to October, there were no observed changes in the prices of beans, and maize flour and this could be due to the recent harvest in the region.

NAKAPIRIPIRIT

In November, there was an increase in the average prices for maize grain (35%), sorghum (29%) and beans (11%) and this attributed to increasing demand from neighboring districts since Nakapiripirit is consider to the food basket of Southern Karamoja. Compared to same period last year, the average price for maize and sorghum were higher by 53% and 29% respectively.

NAPAK

There was an increase in the price for maize garin in November by 8% compared to October while the price for sorghum remained stable. In addition, price for both commodities continued to be higher this compared to November 2015.

KOTIDO

Analysis shows that consumers in Kotido continue to enjoy the lowest prices for maize (UGX 800 per Kg). However, prices for goats and casual labor wage rates reduced during the month by 17% and 33% compared to October respectively resulting into negative effects on the purchasing power of households that predominantly depend on goats and casual labor for livelihoods.

KAABONG

Compared to November 2015 and the long term average (2013-2015), price for sorghum remained higher this year by 63% and 90% respectively due to low supply resulting from the recent poor harvest.

ABIM (November 2016 price data was not collected, no comparison made)

AMUDAT (November 2016 price data was not collected, no comparison made)

Figure 4. Maize Grain Price Trends

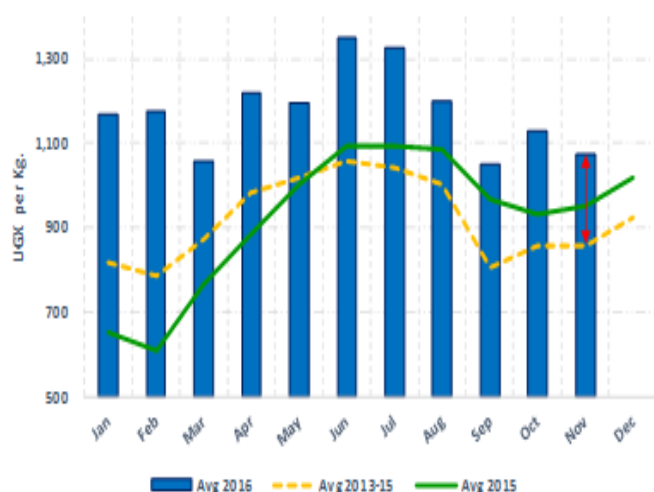


Figure 7. Maize Flour Price Trends

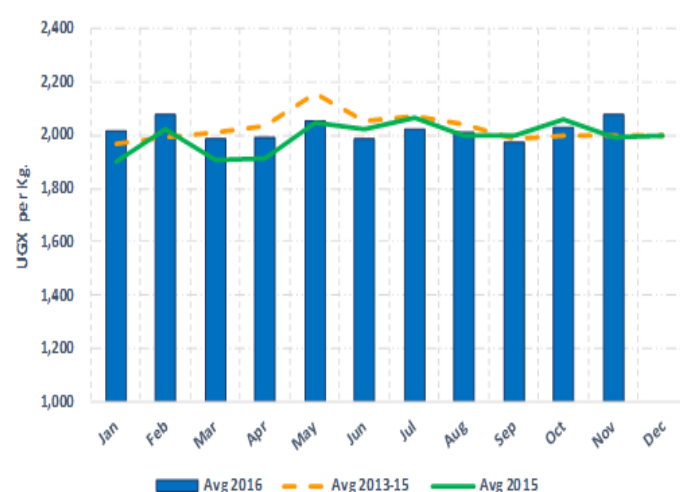


Figure 5. Sorghum Grain Price Trends

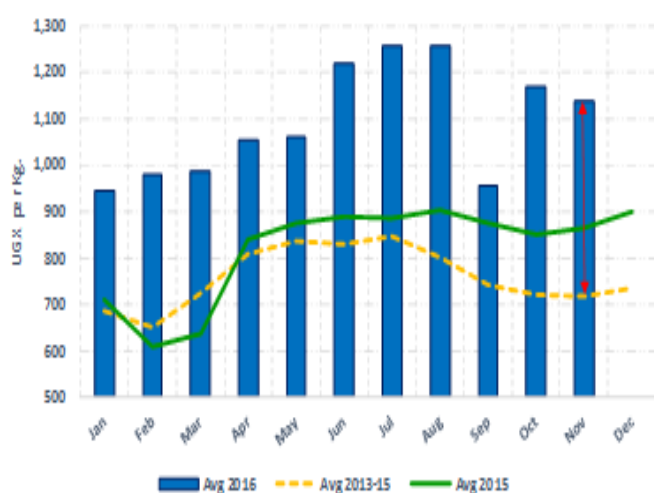


Figure 8. Terms of Trade Goats vs Maize grain

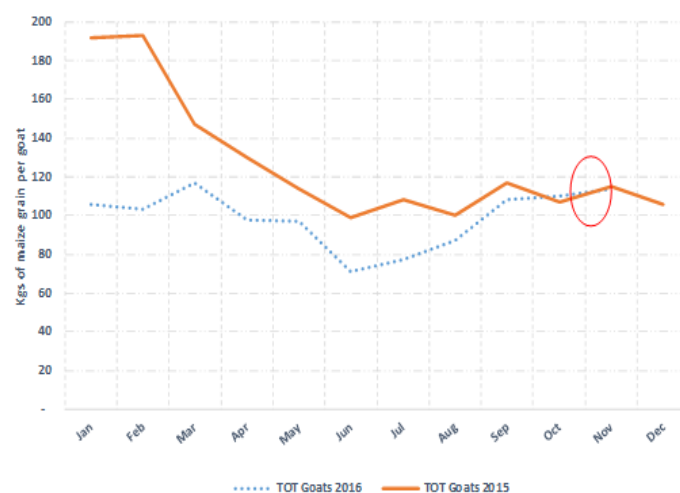


Figure 6. Beans Price Trends

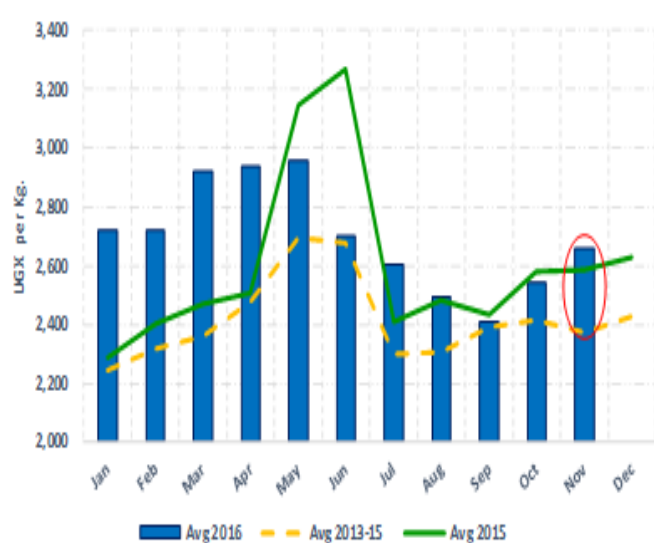
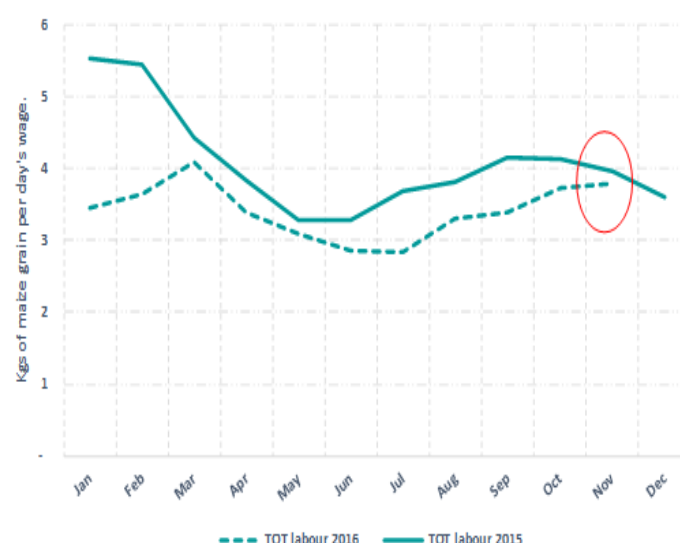


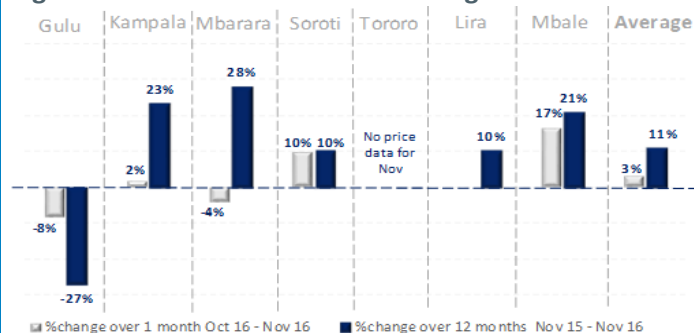
Figure 9. Terms of Trade Labour vs Maize grain



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

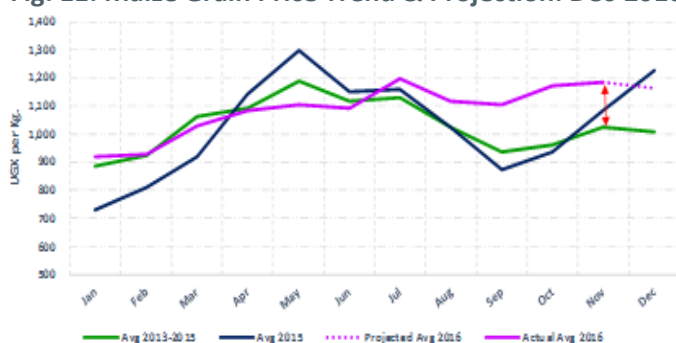
Fig. 10: Maize Grain Retail Price Changes Nov-2016



Compared to October, the average price for maize was relatively stable with a minor increase of 3%. Major price increase was noted in Mbale (17%) and Soroti (10%) possibly due to increasing demand from neighboring districts where as in Gulu, price reduced by 8%.

However, average price for maize remained higher during the month of November compared to November 2015 with significant increases in Mbarara (28%), Kampala (23%) and Mbale (21%) as a result of low stocks and supply on markets.

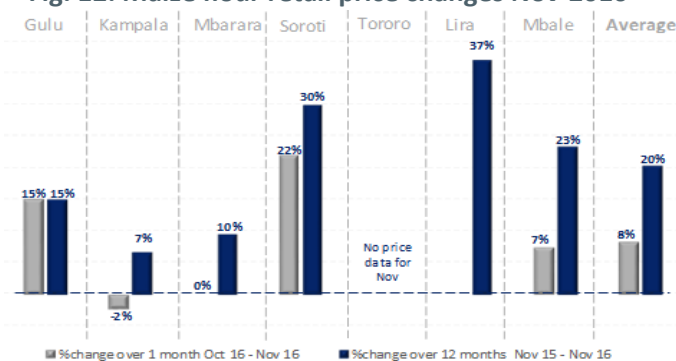
Fig. 11: Maize Grain Price Trend & Projection: Dec-2016



Source: WFP AME Projections

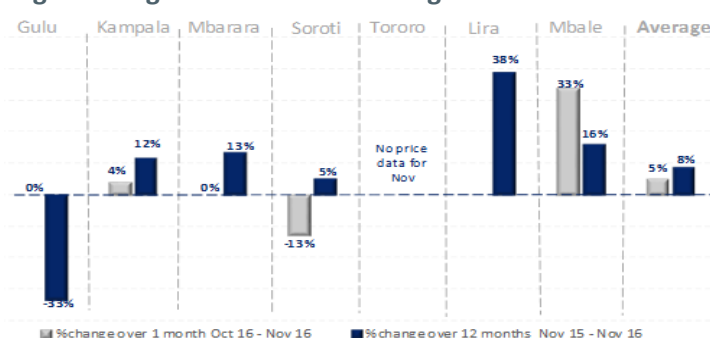
Market prices for maize grain are expected to slightly reduce due to an anticipated second season harvest that will increase supply on market.

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



There was an increase in the average retail price for maize flour by 8% compared October. The highest increase was noted in Soroti (22%), followed by Gulu (15%) and Mbale (7%) and this is attributed to reduced maize grain stocks.

Fig. 13: Sorghum Retail Price Changes Nov-2016

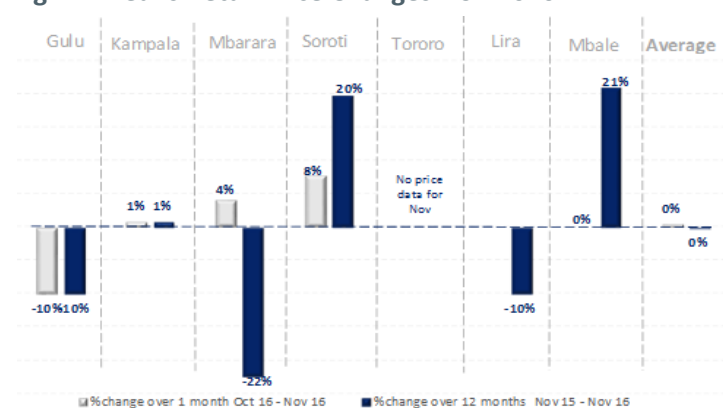


In November, the average price for sorghum increased by 5% compared to October with the highest increase observed in Mbale (33%) due to the low supply on the markets. Prices in Soroti reduced by 13% as some farmers were reportedly still harvesting leading to improved supply on the market.

Compared to same period last year, average price remained high across all districts majorly Lira (38%) and Mbale (16%). Analysis also indicated price reduction in Gulu (33%).

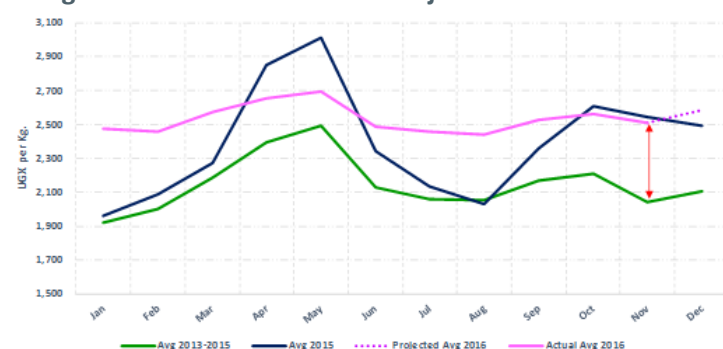
BEANS

Fig. 14: Beans Retail Price Changes Nov-2016



There was no major change in the price for beans compared to October. However, there was an increase of 8% in Soroti while in Gulu, the prices reduced by 10%. Compared to November 2015, prices were higher in Mbale (21%) and Soroti (20%) while in Mbarara, there was a price reduction by 22%.

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



Source: WFP AME Projections

Average prices for beans are expected to remain relatively high in December due to the low harvest experienced from the second cropping season.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: November 2016			Current Price(Ushs.)	Price change (%)			
Region	District/Market	Major Com commodities		1 M	1 Y	1 M	1 Y
Karamoja	Moroto	Maize grain (per Kg)	1,200	-8%	-8%	⬇️	↔️
		Sorghum (per Kg)	1,100		10%		↔️
		Beans (per Kg)	2,500	0%	-7%	↔️	↔️
		Medium size goat	140,000	-18%	-18%	⬇️	⬇️
		Daily labour wage	5,000	0%	0%	↔️	↔️
	Nakapiripirit	Maize grain (per Kg)	1,150	36%	53%	⬆️	⬆️
		Sorghum (per Kg)	1,100	29%	29%	⬆️	⬆️
		Beans (per Kg)	2,500	11%	2%	⬆️	↔️
		Medium size goat	95,000	15%	6%	↔️	↔️
		Daily labour wage	3,000	0%	0%	↔️	↔️
	Napak	Maize grain (per Kg)	1,400	8%	14%	⬆️	↔️
		Sorghum (per Kg)	1,200	0%	20%	↔️	⬆️
		Beans (per Kg)	2,400	3%	4%	↔️	↔️
		Medium size goat	170,000	0%	6%	↔️	↔️
		Daily labour wage	5,000	0%	0%	↔️	↔️
	Kotido	Maize grain (per Kg)	800	0%	0%	↔️	↔️
		Sorghum (per Kg)	1,200	0%	50%	↔️	⬆️
		Beans (per Kg)	2,900	0%	13%	↔️	↔️
		Medium size goat	80,000	-17%	5%	⬇️	↔️
		Daily labour wage	2,000	-33%	7%	⬇️	↔️
	Kaabong	Maize grain (per Kg)	810		-14%		⬇️
		Sorghum (per Kg)	1,100		63%		⬆️
		Beans (per Kg)	3,000	0%	0%	↔️	↔️
		Medium size goat	121,250	-2%	49%	↔️	⬆️
		Daily labour wage	5,000	0%	0%	↔️	↔️
	Abim	Maize grain (per Kg)					
		Sorghum (per Kg)					
		Beans (per Kg)					
		Medium size goat					
		Daily labour wage					
	Amudat	Maize grain (per Kg)					
		Sorghum (per Kg)					
		Beans (per Kg)					
		Medium size goat					
		Daily labour wage					
Central	Kampala/Owino	Maize grain (per Kg)	1,478	2%	23%	↔️	⬆️
		Maize flour (per Kg)	2,133	-2%	7%	↔️	↔️
		Sorghum (per Kg)	2,233	4%	12%	↔️	↔️
		Beans (per Kg)	2,522	1%	1%	↔️	↔️
Western	Mbarara	Maize grain (per Kg)	1,150	-4%	28%	↔️	⬆️
		Maize flour (per Kg)	2,000	0%	10%	↔️	↔️
		Sorghum (per Kg)	3,000	0%	13%	↔️	↔️
		Beans (per Kg)	2,600	4%	-22%	↔️	⬇️
Eastern	Tororo	Maize grain (per Kg)					
		Maize flour (per Kg)					
		Sorghum (per Kg)					
		Beans (per Kg)					
	Mbale	Maize grain (per Kg)	1,167	17%	21%	⬆️	⬆️
		Maize flour (per Kg)	1,933	7%	23%	⬆️	⬆️
		Sorghum (per Kg)	1,333	33%	16%	⬆️	⬆️
Northern	Gulu	Beans (per Kg)	2,500	0%	21%	↔️	⬆️
		Maize grain (per Kg)	1,100	-8%	-27%	⬇️	⬇️
		Maize flour (per Kg)	2,300	15%	15%	⬆️	↔️
		Sorghum (per Kg)	1,000	0%	-33%	↔️	↔️
	Soroti	Beans (per Kg)	2,700	-10%	-10%	⬇️	↔️
		Maize grain (per Kg)	1,100	10%	10%	⬆️	↔️
		Maize flour (per Kg)	1,950	22%	30%	⬆️	⬆️
		Sorghum (per Kg)	1,050	-13%	5%	⬇️	↔️
	Lira	Beans (per Kg)	2,475	8%	20%	⬆️	⬆️
		Maize grain (per Kg)	1,100		10%		↔️
Maize flour (per Kg)		2,650		37%		⬆️	
Sorghum (per Kg)		1,200		38%		⬆️	
		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= November 2016 compared to October 2016

1Y= November 2016 compared to November 2015