



DECEMBER 2016 ISSUE 33

WFP UGANDA

Monthly Market Monitor

HIGHLIGHTS

KARAMOJA

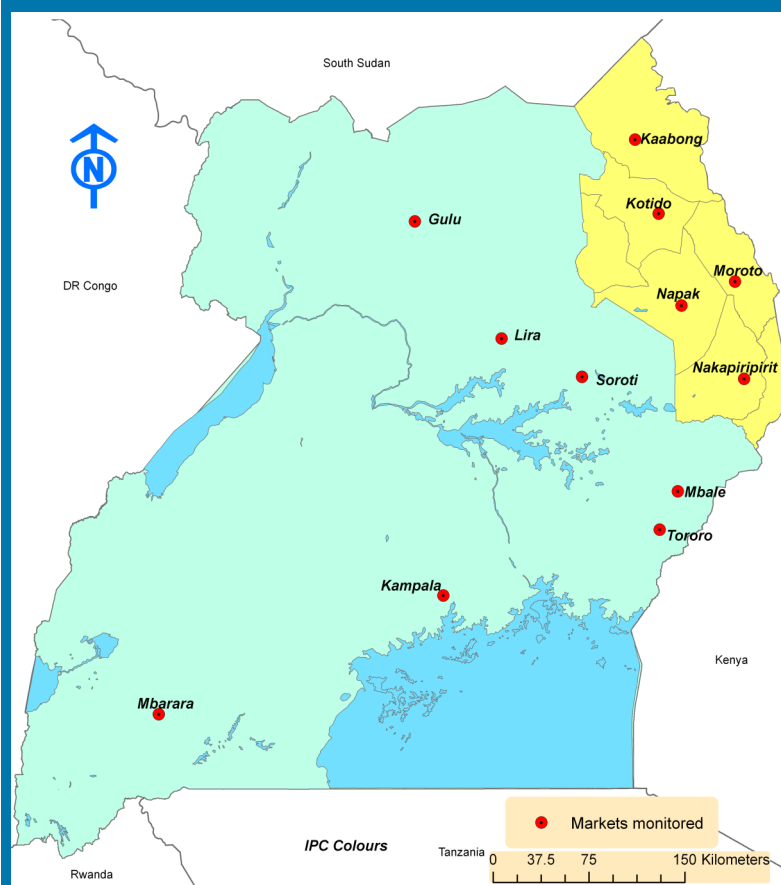
- Average **retail prices for maize grain, sorghum and beans in Karamoja were higher in December 2016 compared to November by 24%, 14% and 19% respectively** due to low supply.
- Compared to December 2015 and the long-term average (2013-2015), **average prices for maize grain, sorghum and beans remained higher in December 2016** due to poor crop harvest.
- **Average price for goats increased in December 2016** due to increased demand for animals to be slaughtered during the Christmas season.
- The increase in price for goats improved the terms of trade (TOT) against maize grain.

REST OF THE COUNTRY

- **There were significant increases in the average retail prices for maize grain and sorghum in December 2016 compared to December 2015 by 22% and 16% respectively** due to poor crop performance in most parts of the country.
- **Similarly, average prices for maize flour increased by 14%** compared to December 2015.
- **Average retail price for beans in 2016 was relatively stable but higher in eight out of twelve months** compared to 2015 and the long-term average (2013-2015).

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



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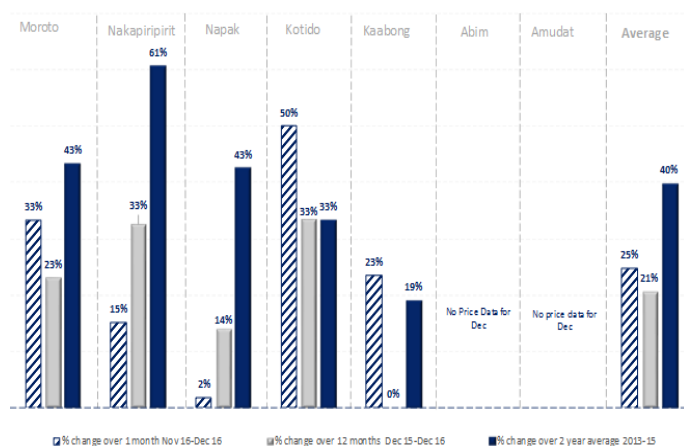
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CEREALS

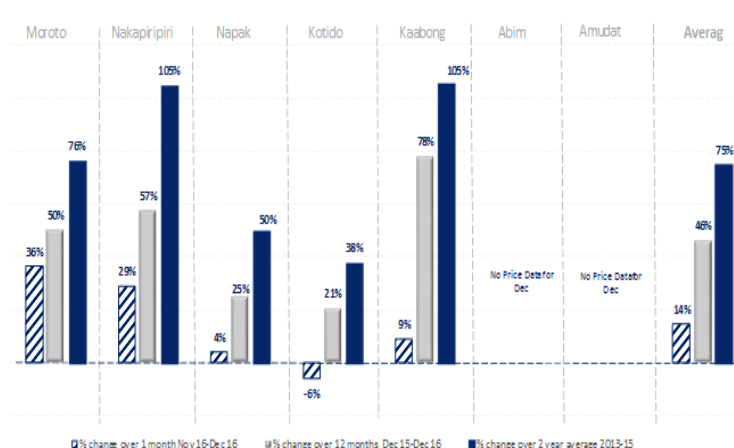
Figure 1. Maize grain retail price changes Dec-2016



There was a significant increase in the average retail price for maize grain across Karamoja during the month compared to November 2016 by 25%. The highest price increase was experienced in Kotido (50%), Moroto (33%), Kaabong (24%) and Nakapiripirit (15%). The increase in price is mainly due to low stocks at household and market levels.

Compared to same period in 2015 and the long-term average (2013-2015), prices were higher in December 2016 by 21% and 40% respectively. The persistent increase in price has affected food accessibility by reducing the purchasing of the market dependent households.

Figure 2. Sorghum grain retail price changes Dec-2016



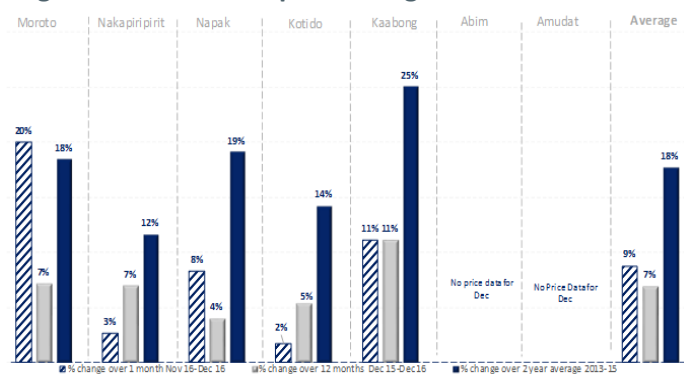
Average retail price for sorghum also increased in most districts across Karamoja in December compared to November 2016 by 14%. The increase was mainly in Moroto (36%) and Nakapiripirit (29%).

The average price for sorghum in December 2016 was higher by almost half (46%) compared to the same period in 2015. Similarly, average price for sorghum across Karamoja was higher in December 2016 compared to the long-term average by 75%.

The major reason for price increase is similar to other food commodities related to low stocks due to poor crop performance in 2016.

BEANS

Figure 3. Beans retail price changes Dec – 2016



As a result of reduced stocks and limited supply on market, price for beans increased in December compared to November 2016 by 9%. The increase was mainly in Moroto (20%), and Kaabong (11%).

Compared to the long-term average (2013-2015), average price for beans in Karamoja increased by 18% and this was mainly in Kaabong (25%), Napak (19%) and Moroto (18%).

GOATS

Table 1: Goats retail price changes for Dec - 2016

Market	Current (Dec 2016)	% Change from:		
		Nov-16	Dec-15	Av 2013-15
Moroto	180,000	28.6%	5.9%	20.0%
Nakapiripirit	98,333	3.5%	6.3%	11.7%
Napak	170,000	0.0%	7.9%	15.3%
Kotido	150,000	87.5%	73.1%	73.1%
Kaabong	125,000	3.1%	44.9%	-8.3%
Abim				
Amudat				
Average	144,667	24.5%	27.6%	22.4%

There was an increase in the average price for goats in Karamoja during the month compared to November 2016 due the Christmas festival season. During this period a number of traders travel to Karamoja from different parts of the country to look for animals they will slaughter during the season hence increasing demand. The increase was mainly in Kotido by 88% and Moroto by 29%.

The December 2016 average price for goats was higher compared to the same period in 2015 and the long-term average (2013-2015) by 28% and 22% respectively.

LABOR

Table 2: Changes in Daily Wage Rates Dec -2016

Market	Current (Dec 2016)	% Change from:		
		Nov-16	Dec-15	Av 2013-15
Moroto	5,000	0.0%	0.0%	0.0%
Nakapiripirit	2,750	-8.3%	-8.3%	-8.3%
Napak	5,000	0.0%	0.0%	0.0%
Kotido	2,000	0.0%	0.0%	-14.3%
Kaabong	5,000	0.0%	0.0%	36.4%
Abim				
Amudat				
Average	3,950	-1.7%	-1.7%	2.7%

The average wage rates remained the same in most districts during the month compared to November 2016 and December 2015 except in Nakapiripirit where average labor wage rates reduced from UGX 3000 to UGX 2750 due to limited casual labor opportunities.

Compared to the long-term average (2013-2015), labor wage rates were higher in Kaabong by 36% due to labor opportunities at construction sites. However, a reduction in the daily labor wage rates by 14% and 18% in Kotido and Nakapiripirit respectively affected household incomes and purchasing power.

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	Dec-16	Nov-16	Dec-15
Kg of maize/goat	111	105	115
Kg of maize/day's wage	3.08	3.2	3.96

There was an improvement in the terms of trade for goats against maize grain while for casual labor deteriorated.

Revenue earned from selling a similar goat in December would buy more maize grain by 6 kilograms compared to November 2016. However, compared to the same period in 2015 revenue from selling a similar goat would buy less maize grain by 4kg in December 2016 due to increased food prices.

In December average casual labor wage would buy less maize grain by 120 grams and 880 grams compared to November 2016 and December 2015 respectively. The deterioration in the terms of trade is a result of stable/low wage rates while the price for maize grain is increasing.

SUMMARY BY DISTRICT

MOROTO

Average prices for maize grain, sorghum and beans were higher in December 2016 compared to the previous month and the same period in 2015 as well as the long-term average (2013-2015). Price for goats also increased during the month due to high demand resulting from the Christmas festival season.

NAKAPIRIPIRIT

Similar to Moroto, average prices for maize grain, sorghum, beans and goats were higher in December 2016 limiting household food accessibility. However, casual labor wage reduced in December 2016 due to scarce job opportunities.

NAPAK

Average prices for maize grain and sorghum were significantly higher in December 2016 compared to 2015 and the long-term average (2013-2015). Beans average price increased by 8% and 19% compared to November 2016 and the long-term average (2013-2015) respectively.

KOTIDO

Average price for maize grain increased significantly by 50% in December 2016 compared to November. However the actual price was the second lowest in the region at UGX 1,200 a kilogram of maize grain. Compared to December last 2015 and the long-term average (2013-2015) prices for maize grain, sorghum and beans were higher in December 2016. Pastoralists benefited from the increased goat prices in December 2016 by over 70%.

KAABONG

Compared to November 2016, average prices for maize grain, sorghum and beans were higher in December by 24%, 9% and 11% respectively.

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

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

Figure 4. Maize Grain Price Trends

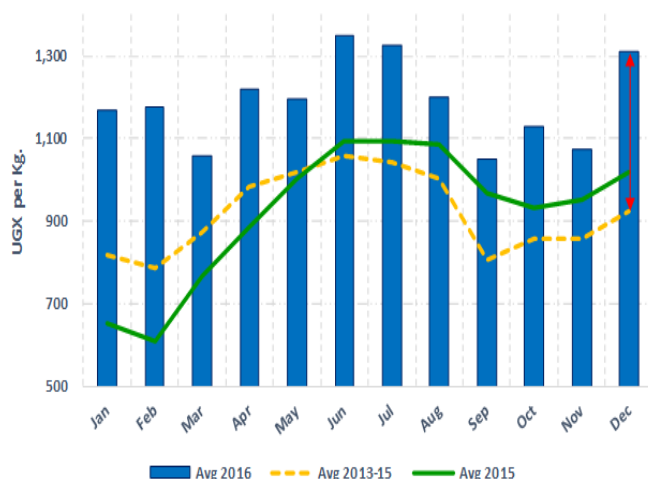


Figure 7. Maize Flour Price Trends

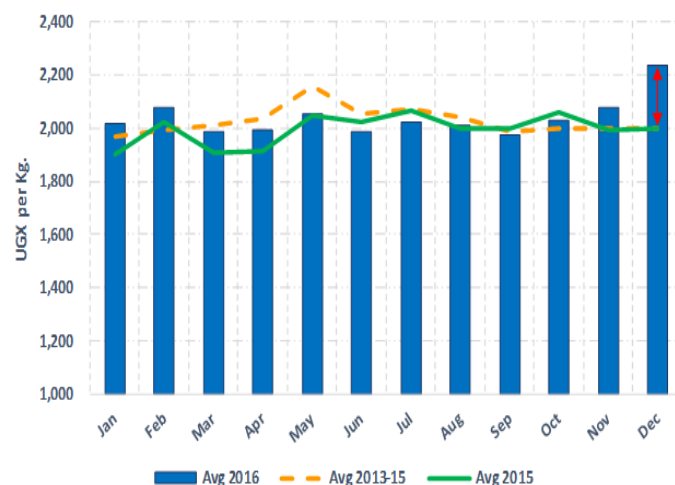


Figure 5. Sorghum Grain Price Trends

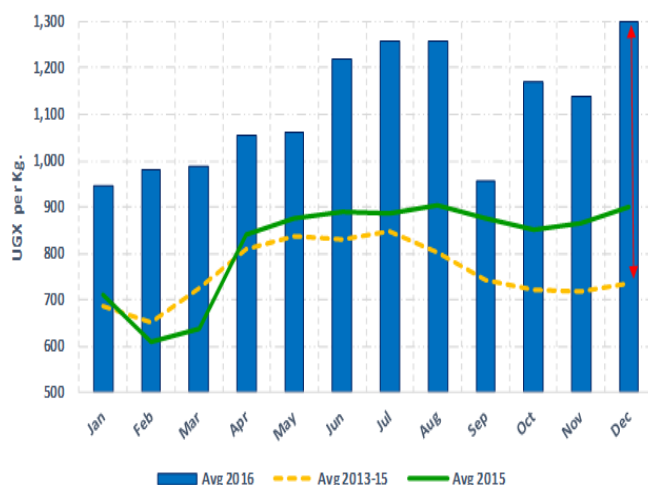


Figure 8. Terms of Trade Goats vs Maize grain

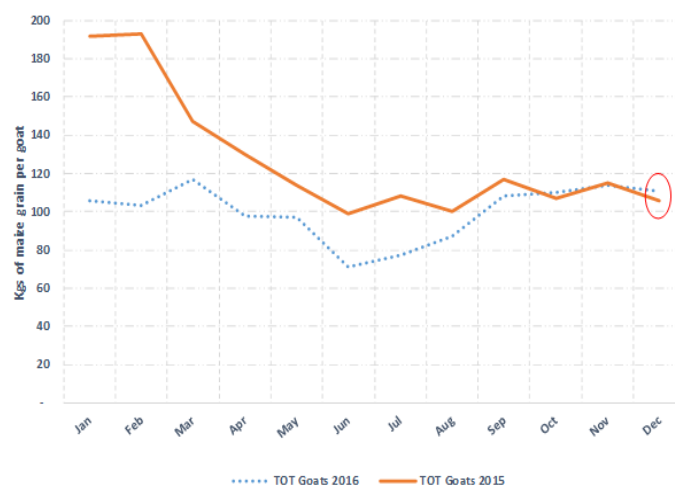


Figure 6. Beans Price Trends

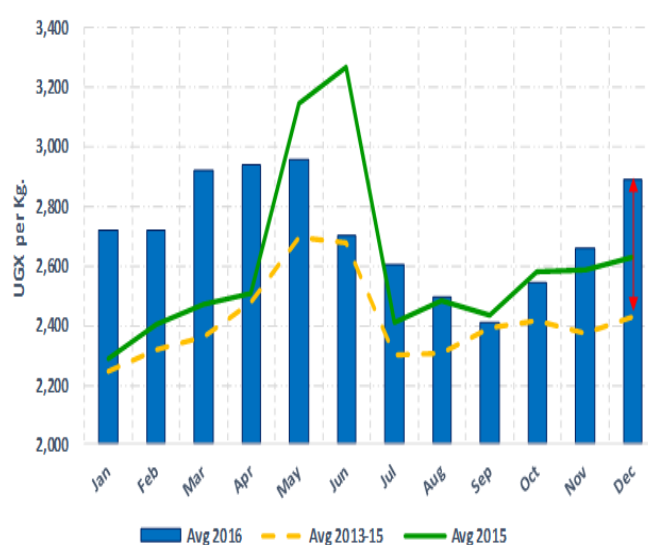
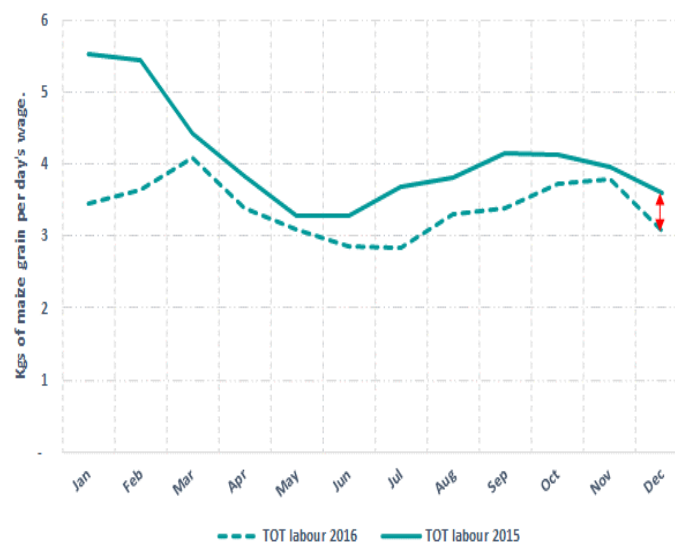


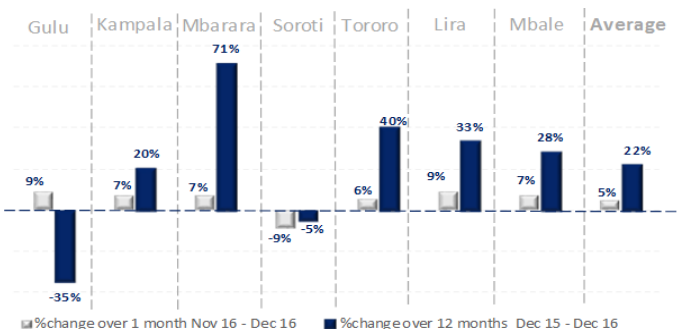
Figure 9. Terms of Trade Labour vs Maize grain



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

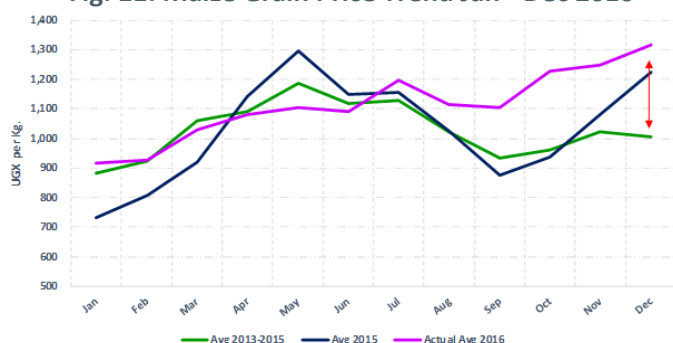
Fig. 10: Maize Grain Retail Price Changes Dec -2016



Average price for maize grain was relatively stable across the country in December with a price increase within 5% compared to November 2016 and this can be attributed the prospects of the second harvest that started later during the month.

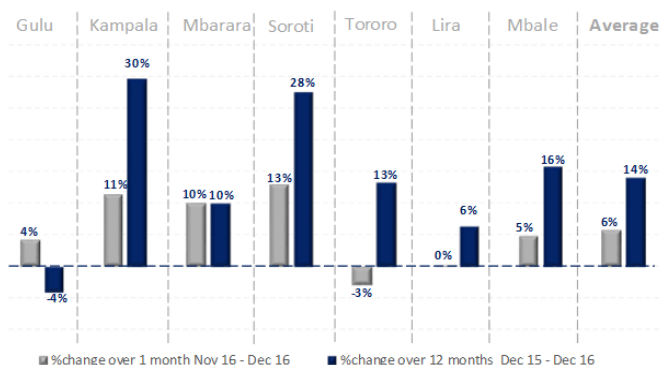
Compared to the same period in December 2015, significant price increases were noted in in Mbarara (71%), Tororo (40%), Lira 33%, Mable 28% and Kampala (20%). Although, Gulu experienced a 35% reduction compared to December 2015, the actual price per Kilogram of maize grain was not the lowest at UGX 1,200.

Fig. 11: Maize Grain Price Trend Jan - Dec 2016



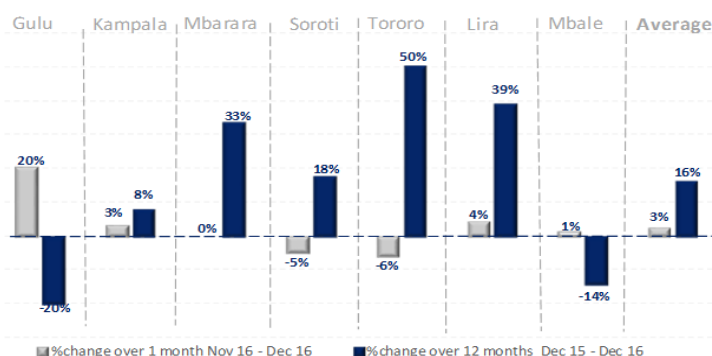
Market trends for maize grain show that prices were higher during the last half of 2016 compared to 2015 prices and the long term average (2013-2015)

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



Similar to the grain, maize flour prices increased slightly in December compared to November 2016 by 6% and the same period in 2015 by 14%. The highest annual increment was experienced in Kampala (30%), Soroti (28%) and Mbale (16%).

Fig. 13: Sorghum Retail Price Changes Dec -2016

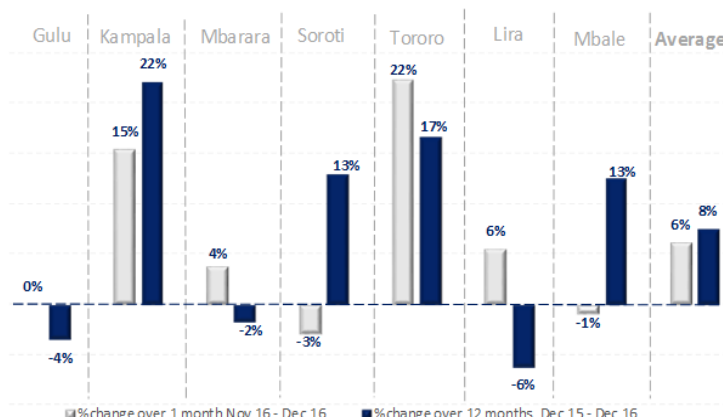


Average price for sorghum remained relatively stable in most parts of the country in December compared to November except in Gulu where a 20% increase was experienced. The increase in price in Gulu is mainly due to poor crop performance yet sorghum is a staple in this area.

Compared to same period in December 2015, an increase of 16% was noticed in 2016. The increases were mainly in Tororo (50%), Lira (39%), Mbarara (33%) and Soroti (18%) due to low supply.

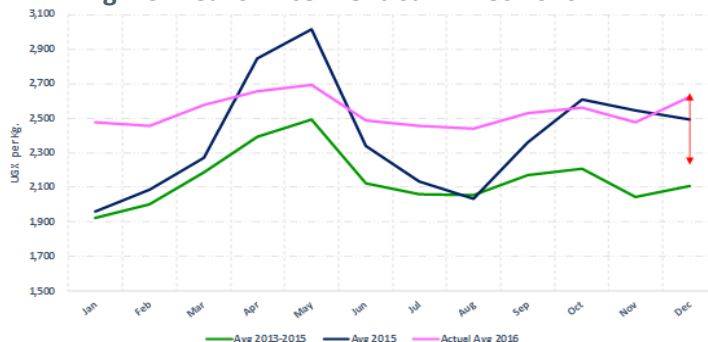
BEANS

Fig. 14: Beans Retail Price Changes Dec -2016



Average price for beans increased by 6% in December compared to November 2016. The increase was mainly in Tororo (22%) and Kampala (15%). Similarly, compared to December 2015, highest price increases were noted in Kampala and Tororo by 22%. The high prices were mainly a result of the poor crop harvest in 2016.

Fig. 15: Beans Price Trend Jan—Dec 2016



Average price for beans was relatively stable but higher in eight out of the twelve months in 2016 compared to 2015 prices and the long-term average (2013-2015) due to poor crop performance.

SECTION FOUR: PRICE CHANGES FOR KEY SELECTED COMMODITIES

Current Retail Price: December 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)	1,600	33%	23%	↑	↑
		Sorghum (per Kg)	1,500	36%	50%	↑	↑
		Beans (per Kg)	3,000	20%	7%	↑	↔
		Medium size goat	180,000	29%	6%	↑	↔
		Daily labour wage	5,000	0%	0%	↔	↔
	Nakapiripirit	Maize grain (per Kg)	1,325	15%	33%	↑	↑
		Sorghum (per Kg)	1,417	29%	57%	↑	↑
		Beans (per Kg)	2,567	3%	7%	↔	↔
		Medium size goat	98,333	4%	6%	↔	↔
		Daily labour wage	2,750	-8%	-8%	↓	↔
	Napak	Maize grain (per Kg)	1,425	2%	14%	↔	↔
		Sorghum (per Kg)	1,250	4%	25%	↔	↑
		Beans (per Kg)	2,600	8%	4%	↑	↔
		Medium size goat	170,000	0%	8%	↔	↔
		Daily labour wage	5,000	0%	0%	↔	↔
	Kotido	Maize grain (per Kg)	1,200	50%	33%	↑	↑
		Sorghum (per Kg)	1,125	-6%	21%	↓	↑
		Beans (per Kg)	2,950	2%	5%	↔	↔
		Medium size goat	150,000	88%	73%	↑	↑
		Daily labour wage	2,000	-33%	7%	↓	↔
	Kaabong	Maize grain (per Kg)	1,000	24%	0%	↑	↔
		Sorghum (per Kg)	1,200	9%	78%	↑	↑
		Beans (per Kg)	3,333	11%	11%	↑	↔
		Medium size goat	125,000	3%	45%	↔	↑
		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)	1,583	7%	20%	↑	↑
		Maize flour (per Kg)	2,378	12%	30%	↑	↑
		Sorghum (per Kg)	2,300	3%	8%	↔	↔
		Beans (per Kg)	2,911	15%	22%	↑	↑
Western	Mbarara	Maize grain (per Kg)	1,583	7%	71%	↑	↑
		Maize flour (per Kg)	2,200	10%	10%	↑	↔
		Sorghum (per Kg)	3,000	0%	33%	↔	↑
		Beans (per Kg)	2,700	4%	-2%	↔	↔
Eastern	Tororo	Maize grain (per Kg)	1,400	6%	40%	↑	↑
		Maize flour (per Kg)	1,700	-3%	13%	↔	↔
		Sorghum (per Kg)	1,200	-6%	50%	↓	↑
		Beans (per Kg)	2,800	22%	17%	↑	↑
	Mbale	Maize grain (per Kg)	1,250	7%	28%	↑	↑
		Maize flour (per Kg)	2,025	5%	16%	↔	↑
Northern	Gulu	Sorghum (per Kg)	1,350	1%	-14%	↔	↔
		Beans (per Kg)	2,475	-1%	13%	↔	↔
	Soroti	Maize grain (per Kg)	1,200	9%	-35%	↑	↓
		Maize flour (per Kg)	2,400	4%	-4%	↔	↔
		Sorghum (per Kg)	1,200	20%	-20%	↑	↓
		Beans (per Kg)	2,700	0%	-4%	↔	↔
	Lira	Maize grain (per Kg)	1,000	-9%	-5%	↓	↔
		Maize flour (per Kg)	2,200	13%	28%	↑	↑
		Sorghum (per Kg)	1,000	-5%	18%	↔	↑
		Beans (per Kg)	2,400	-3%	13%	↔	↔
		Maize grain (per Kg)	1,200	9%	33%	↑	↑
		Maize flour (per Kg)	2,658	0%	6%	↔	↔
		Sorghum (per Kg)	1,250	4%	39%	↔	↑
		Beans (per Kg)	2,375	6%	-6%	↑	↔

↑ 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= December 2016 compared to November 2016

1Y= December 2016 compared to December 2015