INTRODUCTION
The Liberia Market Information System (LMIS) is a component of the Liberia Food Security Monitoring System (FSNMS). The FSNMS is coordinated by the Food Security and Nutrition Secretariat at Ministry of Agriculture, with support from the World Food Programme (WFP). Prices are collected by county staff of the Liberia Institute of Statistics & Geoservices (LISGIS) from 10 markets in 9 different counties. Prices of ‘retailers’, i.e. importers in consumers or to ultimately sell to non-standard units), and prices of other commodities are also collected from retailers who sell per bag (cassava, charcoal) or per gallon (palm oil, cane juice). All these prices are intermediary between what producers receive at the farm gate and what most consumers pay when they purchase in smaller units. However, for some commodities (cocoa, coffee, rubber), prices are gathered from the collection points and represent the price received by producers. Finally, local exchange rates between the US and Liberian dollar, the price of rice and other local commodities that are key sources of income for vulnerable households. Rice, the staple food in Liberia, is estimated to contribute up to 60% of energy intake. Therefore, a small increase in staple prices has a high impact on poorer households’ overall food consumption.

NOMINAL PRICE OF IMPORTED RICE
Locally produced rice has started appearing in markets, but only sold directly to consumers in “salmon cups” (tins weighing 100-500g). Since the LMIS methodology is not designed to collect price data at semi retailer level (i.e. in small, local units of measurement), an ad-hoc joint MoA/LISGIS mission will be organized in November, and thereafter every two months, to record the price of locally produced rice. Thus, the prices reported here refer to different varieties of imported rice. With the exception of Foya...
Price of varieties of rice in October 2009

Different rice types were available in all markets with the exception of Foya, where only “butter” rice could be found. Generally speaking, parboiled rice is the most expensive type, followed by butter rice. 'Other' rice types are significantly cheaper, either because they are donations from international partners or because they are of lower quality. These ‘other’ types are normally purchased by households with lower purchasing power.

GLOBAL PRICE TRENDS

In a country in which rice imports currently represent about two thirds of estimated national consumption, prices in Liberian markets reflect worldwide price levels and trends. In its October issue, InterRice reported an upward trend in the world price of rice due ‘to the recovery of Asian demand and the feelings of a possible reduction of rice export supply. The situation seems to be uncertain and confused. The absence of India from the export market and the announcement of Indian massive imports in order to rebuild security stocks have allowed the ghost of 2008’s price crisis to reappear. Some market analysts have started to announce the possibility of strong increases for the next months. The export supply available in Thailand, Vietnam, Myanmar and Cambodia, however, are likely to calm down rice market tensions in 2010. For these reasons, we believe that the conditions that paved the way for 2008’s crisis are (still) not gathered together for 2010.'

1 InterRice, October 2009, www.infoarroz.org
PRICES OF OTHER COMMODITIES

Between September and October 2009, the Liberian Dollar strengthened against the US Dollar across most markets (from an average of LD 70.50 for 1 USD in September to LD 68 in October 2009). The appreciation of the local currency will make exports more expensive, with a potentially negative impact on demand for some of Liberia’s main exports such as cocoa and coffee. On the other hand, with a strengthened domestic currency, imported commodities become relatively cheaper. This might explain the decline in the price of imported rice and of fuel.

Retail prices for cassava, the second most consumed staple in Liberia, remained stable in all markets with the exception of Red Light and Zwedru markets, which recorded an increase from the already high September levels. In particular, Zwedru market continued to record extremely high prices for cassava, a possible reflection of scarcity and transportation costs from the source markets in Nimba County. Other commodities with relatively stable prices were charcoal, and palm oil. The price of cane juice is however increasing especially in Foya and Saclipea markets, a reflection of scarcity due to seasonality trends—production is usually low during the rainy season. Finally, as mentioned earlier, while showing a marginal decline between September and October, fuel prices in Foya and Pleebo remained well above LD 300/gallon.

In October 2009, the price of rubber, expressed in US Dollars, increased in all markets.

TERMS OF TRADE

The Terms of Trade presented in the graph indicate the quantity of imported butter rice in kilograms, which can be purchased in each market by selling one gallon of palm oil. Many households in Liberia produce some quantity of palm oil that is partly sold on the market. In October, with the exception of Bo-Waterside and Foya, all other markets have experienced an improvement in the Terms of Trade for palm oil compared with September, confirming a trend that has become apparent since April-May. Voinjama still shows the most favourable Terms of
Trade for palm oil, while in Pleebo the lowest palm oil prices coupled with the highest rice prices imply that Terms of Trade remain by far the worst. It should be noted that Saclepea recorded the biggest improvement in Terms of Trade in favour of palm oil producers.

Producers of rubber generally experienced a favourable change in Terms of Trade with rice compared with September. ToT for rice are higher in areas close to Buchanan and Gbarnga Markets.

In Tubmanburg, and Bo-waterside, two areas whose populations considerably depend on charcoal as a means of livelihood, in October 2009 a bag of charcoal was likely to purchase about 2.4kg and 2.6kg of butter rice respectively, compared with 2.5kg in September.

Many of the poorest households depend on wage labour for their livelihood. In October, the dominant agricultural activity in rural Liberia was harvesting, while construction work remains the dominant source of casual employment in Monrovia and Tubmanburg. Men had started brushing and/or clearing farm land in some areas especially in the neighborhoods of Saclepea and Pleebo markets. Generally, the Terms of Trade for casual labourers in both agricultural activities and construction improved between September and October 2009 across most markets. The most dramatic improvement was witnessed in the catchment area of Pleebo market. In October, both men and women were equally involved in harvesting. It was noted that men tend to attract higher daily wage rates than women and this could partly explain the improvement in Terms of Trade.

**OUTLOOK AND CONCLUSION**

Prices of imported commodities continued to decline in October 2009, partly due to a weakening US Dollar. The decrease in price is expected to continue at least until the end of the year as the forthcoming harvest of country rice is likely to reduce demand for imported types. The November Bulletin is expected to report prices of local rice and their effect on demand of imported rice.

Continued rainfall is rendering road transport difficult and costly in the South Eastern parts of the country as well as in Lofa and Gbarpolu counties. This results in relatively high rice prices, and low Terms of Trade for labour and locally produced commodities. Thus, food security in these counties remains precarious, and requires continued surveillance.

**FOR MORE INFORMATION CONTACT**

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