WFP World Food Programme wfp.org

Fighting Hunger Worldwide

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The Market Monitor

Trends and impacts of staple food prices in vulnerable countries

This bulletin examines trends in staple food and fuel prices, the cost of the basic food basket, and consumer price indices for 67 countries in the second quarter of 2014 (April to June).[1] As of now (new feature) the Monitor reports the impact of price changes on the cost of the basket at sub-national level (see pages 6-7).

Global Highlights

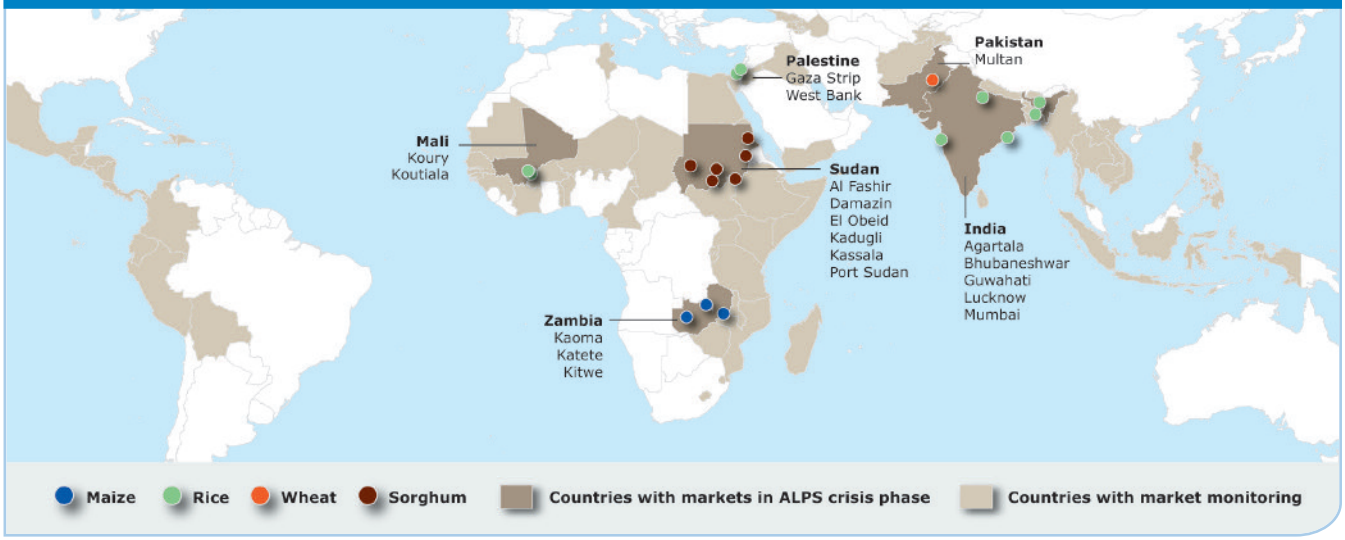
- During the first quarter of 2014, the **global cereal price index decreased by 12%** year-on-year, and slightly increased by 2% compared to the previous quarter.
- **Real prices[2] of maize were relatively stable and only 2%** higher than the previous quarter of 2014. Compared to the same period of the previous year, maize prices are low (-28%).
- **Real prices of wheat increased significantly by 9%** from Q1 to Q2-2014. More recently, for June, prices are down due to an increase in global supply and production.
- For **rice, real prices are down by 7%** since Q1-2014 and firmly below Q2-2013 (-27%) following record projections of global rice production early in the quarter.
- During the second quarter, the **cost of the minimum food basket increased severely (>10%) in El Salvador, Honduras and Nicaragua** particularly due to price increases for red beans. High changes (5-10%) occurred in 8 monitored countries: Afghanistan, Bangladesh, Myanmar, Palestine, Sudan, Tanzania, the Philippines, and Yemen. In the remaining 56 of 67 monitored countries, the impact of the commodity price changes was *low* or *moderate* (<5%).

REAL PRICE ADJUSTED FOR CHANGES IN US CONSUMER PRICE INDEX (2005 = 100)

Quarterly Change	Maize	Wheat	Rice	*Note: Comparison to*
q2-2014 vs. q1-2014	2%	9%	-7%	*First quarter in 2014*
q2-2014 vs. q2-2013	-28%	1%	-27%	*Same quarter in 2013*
q2-2014 vs. q1-2008		-29%		*Global wheat price peak in 2008*
q2-2014 vs. q2-2008	-25%		-61%	*Global maize and rice price peaks in 2008*

- Price spikes, as monitored by ALPS (ALert for Price Spikes) are evident in **India**, **Mali**, **Pakistan**, **Palestine**, **Sudan**, and **Zambia** as highlighted on the map below. The spikes indicate *crisis* levels for the most important staple sold in the monitored market.

Food Price Hotspots



The boundaries and names shown on this map do not imply official endorsement or acceptance by the United Nations.

1. Data were collected and collated by WFP country offices and are available at: http://foodprices.vam.wfp.org. Further data-sources are FAO Food Price Index, FAO/GIEWS Food Price Data and Analysis Tool and IMF Primary Commodity Prices as of July 10th, 2014.
2. Nominal prices are adjusted by the US Consumer Price Index.

Price trends and impacts by region
(Change from last quarter)

Impact Codes Low (< 0%) Moderate (0-5%) High (5-10%) Severe (> 10%)

Latin America and Caribbean

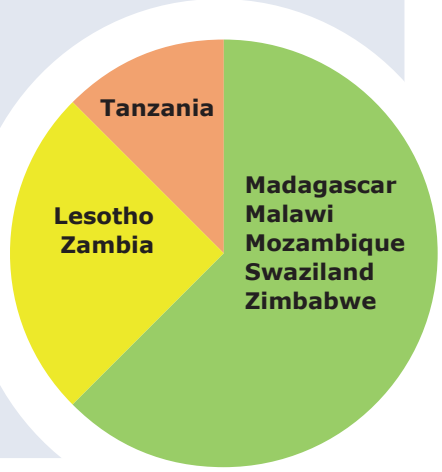
Hotspots: *The impact of staple food price changes on the cost of the basic food basket from April to June 2014 compared to the previous quarter was* severe *in* ***El Salvador***, ***Honduras***, *and* ***Nicaragua***. *Among the countries with* moderate *but noteworthy changes were* ***Colombia***, *the* ***Dominican Republic***, *and* ***Peru***.

- **Staple commodity prices:** For most of the staples in the LAC region the price trend from Q1-2014 to Q2-2014 was fairly stable or decreasing. However, the seasonally adjusted price of red beans soared over the same period in **El Salvador** (+50%), **Honduras** (+35%) and **Nicaragua** (+64%). In June, the price of beans was at *stress* levels according to the ALert for Price Spikes (ALPS) in 9 out of 13 monitored markets in El Salvador. Higher prices for red beans are partly due to lower supply from Honduras and Nicaragua, where many farmers are favoring other cash crops. The seasonally adjusted potato price rose by 10% in **Peru** from last quarter as did the seasonally adjusted prices of rice in **Haiti** (+8%), **Honduras** (+8%) and **Nicaragua** (+12%).
- **Fuel prices:** In **Guatemala** the average prices for gasoline and diesel increased by 5.7% and 6.2% between Q1 and Q2-2014.
- **Purchasing power:** Quarterly inflation in Latin America and the Caribbean has been persistently low and stable. On y/y terms, food inflation was high in **Bolivia** (+11.3%), while the headline inflation was moderate in **Bolivia** (6.6%) and **Honduras** (+6.1%).

Southern Africa

Hotspots: *The impact of staple food price changes on the cost of the basic food basket from April to June 2014 compared to the previous quarter was* high *in* ***Tanzania*** *and* moderate *in* ***Lesotho*** *and* ***Zambia***.

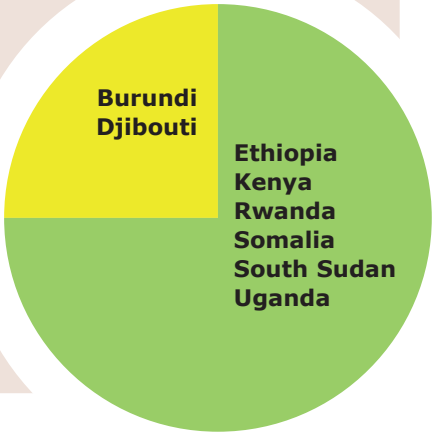
- **Staple commodity prices:** To a large extent, seasonally adjusted prices of staples remained stable or decreased between Q1-2014 and Q2-2014. Nonetheless, in **Tanzania**, the seasonally adjusted prices of beans (+13%) and rice (+12%) rose significantly. Regionally, nominal maize prices plunged from last quarter in **Malawi** (-34%), **Mozambique** (-32%), and **Zimbabwe** (-31%). Incoming harvests contributed to these price developments. In **Zambia**, the maize price decreased on average by only 8%. Despite this, prices were still 8% higher than last year when seasonal adjustments are taken into account. This is also reflected by ALPS *crisis* levels at the markets of *Kaoma*, *Kitewe* and *Katete*. Factors contributing to high prices include strong regional demand, a reduced 2013 harvest, the removal of government subsidies for fuel and maize, and the continuing depreciation of the local currency. As a result, the impact on the cost of the food basket was severe in several regions of the country (*Central, Luapula, North-Western*, and *Southern*).
- **Fuel prices:** In **Tanzania**, retail prices for gasoline and diesel rose respectively by 6.1% and 11% compared to the same quarter in 2013. Although the diesel price in **Lesotho** relaxed slightly in Q2-2014 compared to the previous quarter. Prices are still 14.9% higher during the same period in 2013.
- **Purchasing power:** With the main harvest season, quarterly increases of the consumer price index have been low to moderate in most countries. On quarterly terms headline inflation was even negative in **Malawi** (-1.2%). However, y/y inflation remained very high in Q2-2014 (+24.9%). In **Zambia**, a slight local currency appreciation kept the inflation rate moderate but fairly stable with both annual headline and food inflation being at 7.8% for the second quarter. The economy in **Zimbabwe** has entered a deflationary phase (-0.2% y/y in Q2-2014), driven by depressed economic activity and reduced domestic aggregate demand for goods and services.



Central and Eastern Africa

Hotspots: *The cumulative impact of staple food price changes on the cost of the basic food basket from April to June 2014 compared to the previous quarter was* moderate *in* ***Burundi*** *and* ***Djibouti*** *while* low *in the other countries of the region.*

- **Staple commodity prices:** Between Q1-2014 and Q2-2014 the price trend of staple commodities declined in the region with few exceptions. In **Burundi** seasonally adjusted staple prices severely increased in a number of markets. Cassava prices were 16% higher in *Bujumbura* and *Gitega*. Sweet potato prices were 31% higher in *Muyinga* and 24% higher in *Ruyigi*. Price increases were partially due to below average rainfall and seedling deficits linked to earlier harvests. The ALPS confirms the upward price trends with 3 out of 5 monitored markets showing cassava price at *alert* levels. While a number of commodities noted stable or decreasing seasonally adjusted trends in **Rwanda**, nominal prices of sorghum and potatoes rose by 23% and 19% from Q1-2014 to Q2-2014. In **Ethiopia** and **Kenya**, seasonally adjusted quarterly prices decreased from the previous quarter. However, compared to baseline most commodity prices remained significantly higher.
- **Fuel prices:** Petrol and diesel prices in **Ethiopia** increased slightly from the first quarter of 2014. Moderate increases of 1.7% and 2.2% on q/q terms contributed to 9% and 9.7% on annual basis.
- **Purchasing power:** In **Ethiopia**, the average quarterly inflation in Q2-2014 as compared to the previous quarter was high both for food and non-food inflation. This contributed to high levels of yearly headline inflation (9%) and food inflation (7%). Similar increases were recorded in **Kenya**, where y/y headline inflation stood at 7% during the second quarter. **Rwanda** and **Uganda** showed a significant rise for both quarterly food inflation (+4.4% and +2.5% respectively), and yearly food inflation (+6.8% and +9.2% respectively).



West Africa

Hotspots: *The cumulative impact of staple food price changes on the cost of the basic food basket from April to June 2014 compared to the previous quarter was* moderate *in* ***Burkina-Faso***, ***Côte d'Ivoire*** *and* ***Senegal***, *while* low *in the other countries of the region.*

- **Staple commodity prices:** Seasonally adjusted commodity prices in the region were stable or falling from the last quarter reflecting an overall satisfactory availability of staple foods. Yet, commodity prices started their seasonal increases at the onset of the lean season in some local markets. The impact on the cost of the food basket was severe in the *Sud-Ouest* of **Burkina Faso** with quarterly increases of 17% on the seasonal adjusted prices of sorghum and millet. In **Chad**'s *Quaddai* market sorghum and millet prices were 28% and 10% higher respectively, partly due to production deficits. In *Hodh El Gharbi* in **Mauritania**, strong price rises of wheat and sugar (20% and 10%) resulted in 10% more expensive basic food baskets than during Q1-2014. In **Benin**, seasonally adjusted prices of sorghum strongly increased (+16%) from the last quarter. In **Côte d'Ivoire** cassava seasonally adjusted prices went up by 27%.
- **Purchasing power:** The y/y inflation reached 7.6% in **Nigeria** in the second quarter of 2014, while the q/q inflation for both general and food CPI were at 1.7% and 2.1% respectively. The Nigerian Central Bank kept key interest rates high (12%) in support of currency stabilization and low inflation. **Ghana** experienced higher y/y and q/q inflation rates (14.9% and 3.9%) as the Ghanaian Cedi still plunges against the US Dollar.

Middle East, North Africa and Central Asia

Hotspots: *The cumulative impact of staple food price changes on the cost of the basic food basket from April to June 2014 compared to the previous quarter was* high *in* ***Palestine***, ***Sudan***, *and* ***Yemen***, *and* moderate *in* ***Armenia***, ***Egypt***, ***Jordan***, *and* ***Tajikistan***.

- **Staple commodity prices:** Commodities price trends in the region were mixed from last quarter. In **Sudan**, quarterly sorghum and millet prices continued to increase sharply (both +23%). All markets monitored had nominal sorghum prices at crisis level in June according to the ALPS, triggering a severe impact in the cost of the food basket in *Kassala, Red Sea*, *South* and *West Darfur* states. The increases are due to the far below-average 2013/2014 harvest, increased transportation cost and the devaluation of the local currency in late 2013. In **Yemen**, continued instability, currency depreciation, and low foreign reserve levels contributed to costlier food imports and higher local commodity prices. Quarterly increases in commodity prices of rice (+6%), wheat grain (+7%) and sugar (+17%) raised the cost of the food basket by 7% compared to the last quarter, with severe impacts in *Al Hudaydah* and *Amran* districts (+17% and +14%, respectively). Nominal potato prices continue to surge in **Armenia** (+21%). In **Palestine** seasonally adjusted prices of imported rice and oil are higher by 17% and 15% respectively. *Gaza* and *West Bank* markets are now in *crisis* phase for rice.
- **Purchasing power:** In **Egypt**, y/y inflation decelerated compared to the previous quarter. However headline inflation was still at 8.5% while the food consumer price index increased by 12.1%. Despite earlier mentioned high prices for rice, **Palestine** had negative rates of headline inflation and food inflation on q/q basis (-1.3% and -3.6% respectively). Similarly, q/q food inflation also dropped in **Armenia** and **Iraq** (-2.6 and -3% respectively).

Asia

Hotspots: *The cumulative impact of staple food price changes on the cost of the basic food basket from April to June 2014 compared to the previous quarter was* high *in* ***Afghanistan***, ***Bangladesh***, ***Myanmar*** *and the* ***Philippines*** *while* moderate *in* ***India***, ***Indonesia***, ***Laos***, ***Sri Lanka*** *and* ***Viet Nam***.

- **Staple commodity prices:** From Q1-2014 to Q2-2014, the seasonally adjusted rice prices went up slightly in **Bangladesh** (+6%), **Myanmar** (+7%), and the **Philippines** (+6%), while its nominal change was at 8% in **Sri Lanka**. Despite a bumper harvest in 2014, wheat seasonally adjusted prices in **Afghanistan** increased throughout the country (+12%). The country remains dependent on wheat imports and the continuous depreciation of the Afghani further fuels local price rises. In **Laos**, the nominal prices of rice increased significantly in several regions, especially in *Bolikhamsai* (+14%), *Houaphan* (+14%) and *Savannakhet* (+15%). Mostly throughout the region, commodity prices remained at a significantly higher level than their baselines; exceptions were **Cambodia**, **Thailand**, and **Viet Nam**.
- **Fuel prices:** In **Afghanistan**, the retail price for diesel decreased slightly by 0.8% during Q2-2014 compared to Q1-2014. Inversely, **Nepal** experienced an increase by 0.5%.
- **Purchasing power:** In **Bangladesh**, the y/y inflation was mainly driven by food price increases (overall 7.3%, with food inflation at 8.7%). Restored political stability has more recently eased transaction costs and is helping to decelerate inflation. **Pakistan** recorded the highest y/y inflation rate of the region with 8.6% in May 2014. The food CPI rose by 2.5% compared to the first quarter of 2014 due to the increase of wheat prices. The overall y/y inflation in **India** stood at 8.1%, mainly driven by the food inflation. In **Nepal**, higher food import prices from India, contributed to q/q food inflation rates of 2.6%.

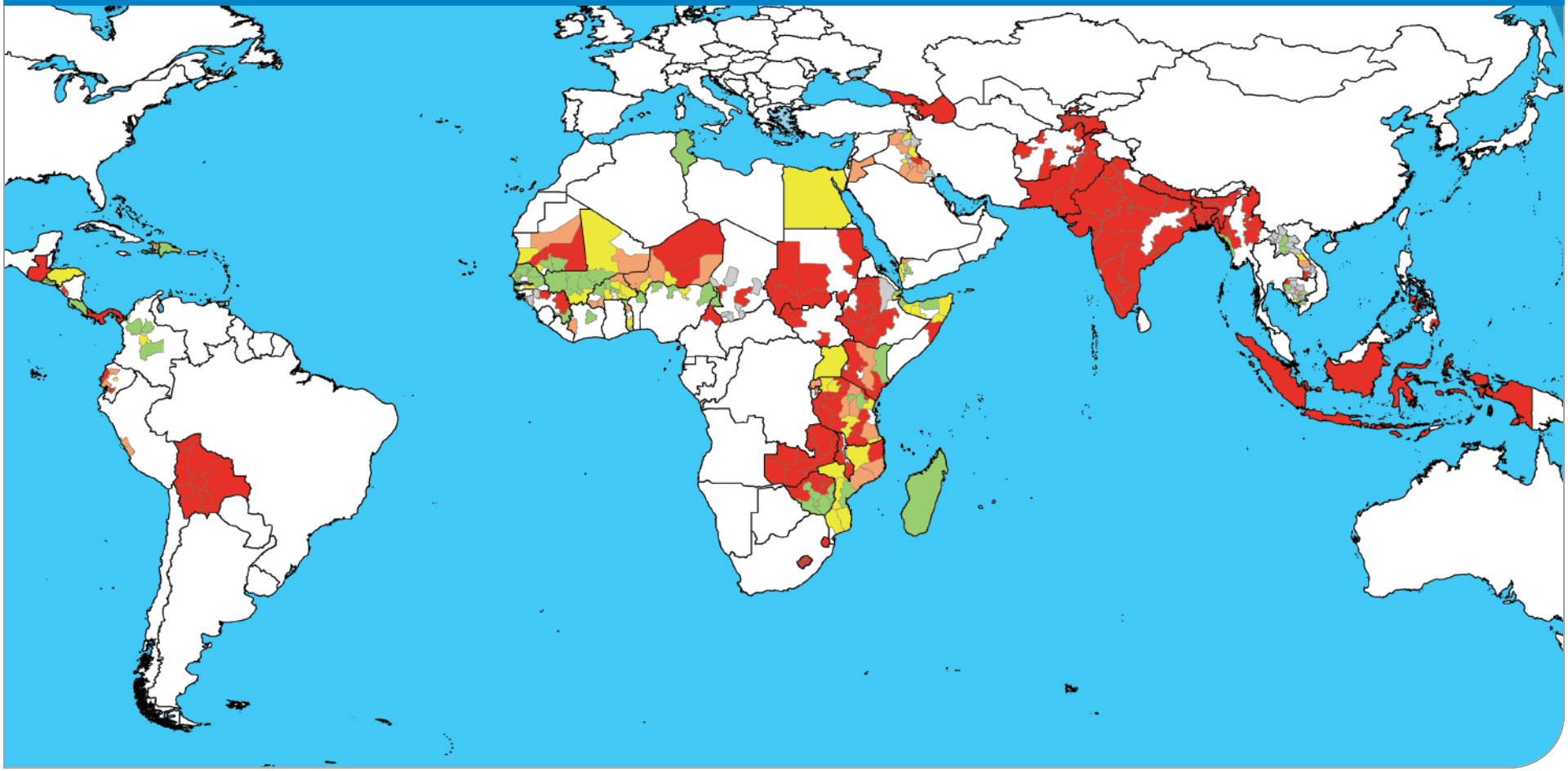
Consumer Price Index and Fuel Prices

Region	Country	Quarterly and Yearly Changes in Q2 2014 (April-June)							
		Quarter-on-Quarter				Year-on-Year			
		General CPI	Food CPI	Gasoline	Diesel	General CPI	Food CPI	Gasoline	Diesel
Latin America and Caribbean	Bolivia	1.24%	1.78%			6.64%	11.25%		
	Colombia			0.41%	0.83%			-1.07%	3.28%
	Costa Rica	2.27%	2.33%			4.16%	3.67%		
	Dominican Republic	0.90%	1.62%			3.61%	4.14%		
	Ecuador	0.75%	0.95%			3.36%	4.70%		
	El Salvador	-0.13%				0.72%			
	Guatemala	0.74%		5.68%	6.19%	3.21%		5.10%	13.31%
	Haiti	1.35%	1.53%			3.41%	2.57%		
	Honduras	1.56%	2.10%			6.14%	6.44%		
	Nicaragua	1.74%	2.74%			5.27%	5.63%		
Southern Africa	Democratic Republic of Congo	0.35%				1.38%			
	Lesotho	1.21%	2.83%		-1.12%	5.77%	5.82%		14.93%
	Madagascar	0.77%				5.90%			
	Malawi	-1.22%	-5.96%			24.86%	23.51%		
	Mozambique	0.42%				2.84%			
	Swaziland	1.93%				5.33%			
	Tanzania	1.05%	0.89%	2.18%	3.05%	6.40%	8.19%	6.14%	11.00%
	Zambia	2.43%	2.33%			7.81%	7.78%		
	Zimbabwe	0.36%				-0.17%			
Central and Eastern Africa	Burundi	0.71%				2.98%			
	Ethiopia	2.82%	3.90%	1.71%	2.19%	9.08%	7.00%	9.00%	9.70%
	Kenya	2.25%		1.11%	-0.65%	7.03%			
	Rwanda	2.11%	4.38%			4.49%	6.79%		
	South Sudan	-4.09%	-3.73%			-1.19%	0.40%		
	Uganda	0.87%	2.46%			5.76%	9.22%		
West Africa	Benin	-0.55%	2.33%			-4.97%			
	Burkina Faso	-0.94%	-3.82%			-2.50%	-8.89%		
	Chad	-0.10%				0.13%			
	Ghana	3.86%				14.83%			
	Mali	0.87%	1.33%			0.57%			
	Niger	0.57%	1.61%			-0.94%			
	Nigeria	1.71%	2.10%			7.59%	9.18%		
	Senegal	-2.03%	-4.95%			-1.30%	-2.19%		
Middle East. North Africa and Central Asia	Armenia	-1.29%	-2.57%			3.29%	0.74%		
	Azerbaijan	0.10%	-0.12%			1.69%	1.24%		
	Egypt	1.25%	0.92%			8.45%	12.14%		
	Georgia	-0.19%	-1.98%			2.62%	-1.51%		
	Iraq	-0.59%	-2.98%			1.97%	3.00%		
	Jordan	0.09%	-1.13%			3.27%	1.32%		
	Palestine	-1.30%	-3.56%			1.26%	-0.66%		
	Yemen	1.47%	1.42%	0.00%	0.00%	6.87%	4.22%	0.00%	0.00%
Asia	Afghanistan	0.33%			-0.82%	5.24%			0.97%
	Bangladesh	-0.52%	-1.14%			7.31%	8.68%		
	Cambodia	1.08%	1.26%			4.19%	3.21%		
	India	1.74%	2.38%			8.05%	8.90%		
	Indonesia	0.37%				7.11%			
	Laos	1.24%				4.70%			
	Nepal	1.41%	2.56%		0.48%				
	Pakistan	2.25%	2.47%			8.58%	7.47%		
	Philippines	0.90%	1.40%			4.36%	6.75%		
	Sri Lanka	1.14%				3.63%			

Note: The calculation of quarterly changes uses averages of indices or prices for the respective quarters.

Impact of staple commodity price changes on the cost of the basic food basket

Q2-2014 (April to June) vs. **Q1-Baseline** (Average April to June)

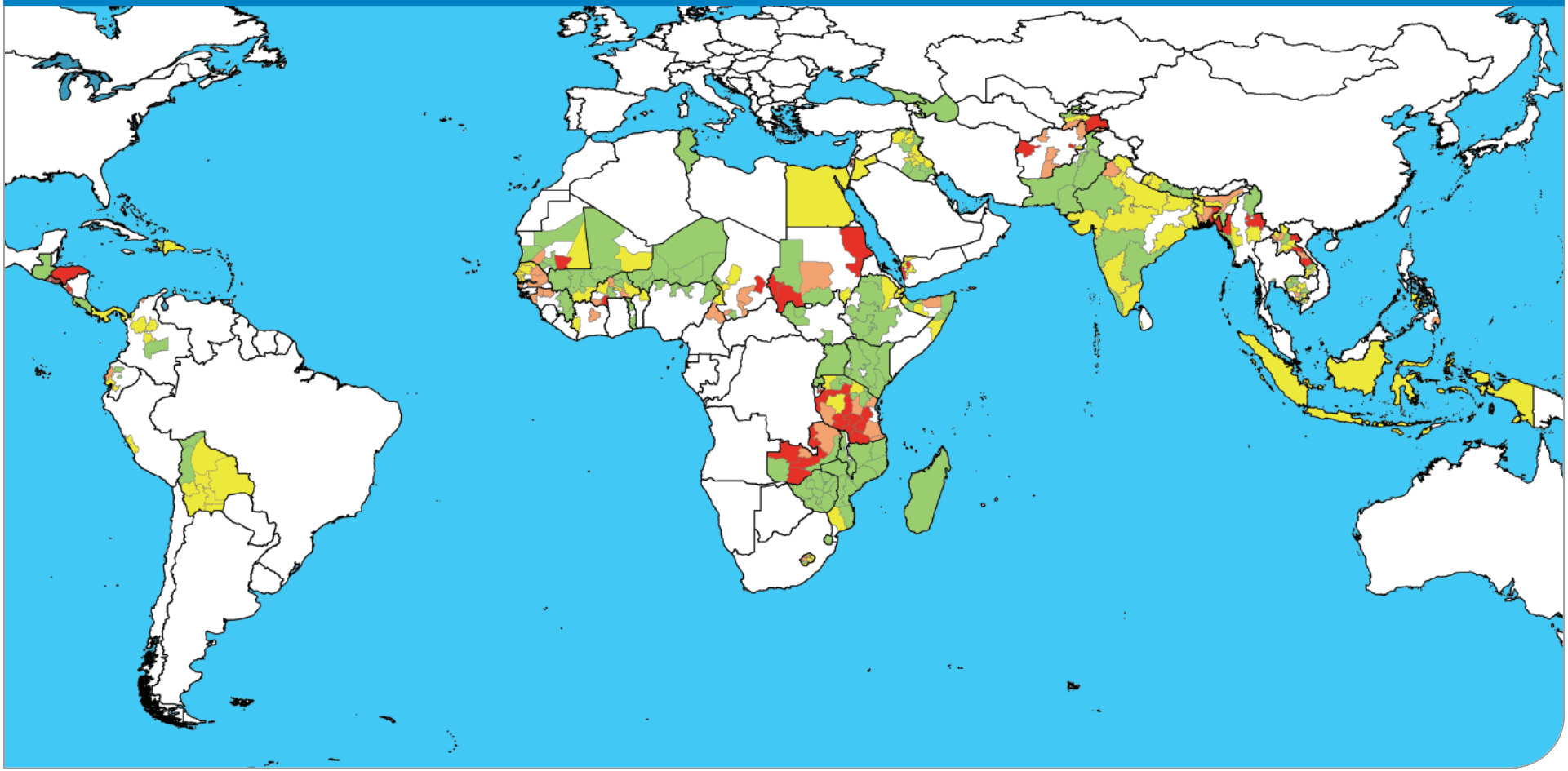


Impact Codes

- Low (< 0%)
- Moderate (0-5%)
- High (5-10%)
- Severe (> 10%)
- Monitored but without baseline

Note: *This map is based on the calculations at subnational level of* ***column M*** *of the table on page 8-12.*

Q2-2014 (April to June) vs. **Q1-2014** (January to March)



Impact Codes

- Low (< 0%)
- Moderate (0-5%)
- High (5-10%)
- Severe (> 10%)

Note: *This map is based on the calculations at subnational level of* ***column L*** *of the table on page 8-12.*

Maps produced by: VAM - Food Security Analysis (OSZAF).

Source: WFP; Base Map: UNCS.

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Magnitude of quarterly price changes and their impacts on the cost of the food basket, by country and commodity

Change	Price trend
< 0%	Decreasing
>= 0% and < 5%	Stable
>= 5% and < 10%	Slightly increasing
>= 10%	Increasing

Impact
Low
Moderate
High
Severe

Region	Country	Main staple food	Caloric contribution (%)	Change from last quarter (% change)	Seasonally adjusted quarterly change (% change)	Monthly change from last year (% change)	Quarterly change from last year (% change)	Quarterly change from baseline (% change)	Price trend	Quarterly cost share in food basket (%)	Cumulative impact of changes on cost of food basket		# of years in baseline (the last 5 years) [* see footnote]
											from previous quarter (%)	from baseline (%)	
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Latin America and Caribbean	Bolivia	Wheat Flour	19	0	-2	+13	+26	+54	↓	49	0	+41	5
		Rice (Estaquilla)	14	-1	+4	+15	+13	+35	→	40			5
		Maize	13	-16	-10	-4	-1	+18	↓	11			5
	Colombia	Maize (White)	13	+2	+2	N/A	N/A	+26	→	8	+1	-8	4
		Sugar	13	+4	N/A	0	-9	-21	→	8			2
		Rice (White)	12	+4	N/A	-4	-4	-10	→	9			2
		Wheat Flour	8	+4	+6	-6	-6	-17	↗	5			5
		Milk	7	0	N/A	0	0	N/A	→	57			*
		Bananas	5	0	N/A	+3	-1	N/A	→	8			*
		Plantains	5	+4	N/A	-6	-2	-7	→	6			2
	Costa Rica	Rice (Milled 80-20)	17	-6	-7	-29	-27	-16	↓	100	-7	-16	5
	Dominican Republic	Rice (Ordinary Second Quality)	17	-1	-1	-5	-3	-13	↓	45	+3	-9	5
		Meat (Chicken)	5	+4	+7	-8	-8	-5	↗	55			5
	Ecuador	Rice (Long Grain)	19	0	-1	-1	0	+13	↓	64	-2	+8	5
		Wheat Flour	13	-1	-4	-4	-3	+1	↓	36			5
	El Salvador	Maize (White)	25	+12	+4	+8	+4	-14	→	33	+12	-3	5
		Wheat Flour	9	+2	+4	-4	-6	+15	→	28			5
		Beans (Red)	6	+51	+50	+112	+81	+4	↑	30			5
		Sorghum	6	+2	-6	-15	-17	-20	↓	10			5
	Guatemala	Tortilla (Maize)	36	+2	-1	+7	+10	+34	↓	43	-1	+24	5
		Sugar	14	0	-4	+3	+3	+16	↓	9			5
		Bread	11	+2	+1	+6	+6	+24	→	30			5
		Pasta	11	0	-1	+2	+3	+7	↓	13			5
		Oil (Cooking)	8	+1	-1	+2	+3	+12	↓	6			5
	Haiti	Rice (Tchako)	23	0	+8	-9	-4	+5	↗	56	0	+3	5
		Wheat Flour	12	-1	0	-14	-10	+1	→	20			5
		Maize (Local)	9	+5	+3	-20	-21	-5	→	12			5
		Oil (Vegetable Imported)	7	+1	N/A	+1	+1	N/A	→	11			*
	Honduras	Maize (White)	26	+19	+8	-5	-20	-17	↗	43	+15	+1	5
		Beans (Red)	5	+37	+35	+37	+109	+28	↑	33			5
		Rice (Milled 80-20)	5	+3	+8	+17	+16	+15	↗	24			5
	Mexico	Tortilla (Maize)	32	+2	-2	-1	-4	+10	↓	100	-2	+10	5
	Nicaragua	Maize (White)	23	+8	+2	+9	+7	+13	→	15	+10	+28	5
		Rice (Ordinary Second Quality)	17	+13	+12	+15	+21	+29	↑	25			5
		Sugar	15	+2	-5	+4	+5	+29	↓	13			4
		Bread	9	-1	-4	+3	0	+9	↓	29			5
		Beans (Red)	7	+65	+64	+162	+135	+99	↑	19			5
	Panama	Rice (Milled 80-20)	24	-2	-2	-1	0	+5	↓	37	0	+10	5
		Bread	12	+1	+1	+7	+4	+13	→	57			5
		Maize (Yellow)	7	0	0	+7	+4	+16	→	6			5
	Peru	Rice (Local)	21	+1	+1	+2	+1	+3	→	25	+2	+6	5
		Wheat Flour (Local)	14	+1	0	+2	+2	+6	→	27			5
		Potatoes	8	+7	+10	+6	+3	+8	↑	25			5
		Sugar	8	-1	-3	-1	-3	-14	↓	7			5
		Maize (Local)	7	0	-4	+1	+2	+16	↓	16			5

(*) Calculations based on nominal prices. For details, see 'Approach' on page 13.

Region	Country	Main staple food	Caloric contribution (%)	Change from last quarter (% change)	Seasonally adjusted quarterly change (% change)	Monthly change from last year (% change)	Quarterly change from last year (% change)	Quarterly change from baseline (% change)	Price trend	Quarterly cost share in food basket (%)	Cumulative impact of changes on cost of food basket		# of years in baseline (the last 5 years) [* see footnote]
											from previous quarter (%)	from baseline (%)	
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Southern Africa	Lesotho	Maize Meal	56	+5	+3	+4	+3	+21	→	76	+3	+19	4
		Wheat Flour	14	+3	+3	+6	+6	+14	→	24			4
	Madagascar	Rice (Local)	49	-17	-9	-11	-8	-2	↓	100	-9	-2	5
	Malawi	Maize	53	-34	-23	+13	+5	+105	↓	75	-28	+92	5
		Cassava Root	6	+1	N/A	+32	+36	+61	→	25			2
	Mozambique	Maize Grain (White)	20	-32	-7	-14	-11	+10	↓	23	-4	+2	5
		Wheat Flour	9	-1	-4	-2	-2	-2	↓	33			3
		Rice	8	-2	0	-2	-3	+3	→	29			5
		Oil (Vegetable Local)	5	-4	-3	-8	-8	-1	↓	16			5
	Swaziland	Maize Meal	25	0	-6	+1	0	+50	↓	36	-2	+27	5
		Flour	16	+6	+4	+13	+10	+16	→	33			2
		Sugar	11	+1	-7	-1	0	+12	↓	16			2
		Rice	8	0	+3	-2	-2	+21	→	14			5
	Tanzania	Maize	26	-10	0	+1	-13	+13	→	39	+7	+10	5
		Rice	10	+4	+12	-6	-10	-1	↑	39			5
		Beans	5	0	+13	+8	+10	+28	↑	22			4
	Zambia	Maize Grain (White)	51	-8	+8	+8	+20	+45	↗	58	+4	+35	5
		Cassava Meal	13	+8	-9	+21	+23	+23	↓	42			2
	Zimbabwe	Maize Grain (White)	41	-31	-24	-13	-13	+2	↓	100	-24	+2	4
Central and Eastern Africa	Burundi	Potatoes (Sweet)	17	+5	-2	+10	+7	-7	↓	37	+1	+13	5
		Beans	16	+11	+2	+32	+7	+35	→	30			5
		Cassava Flour	13	+5	+7	+7	+5	+8	↗	17			5
		Maize Grains	13	-5	+5	+26	+18	+44	↗	16			5
	Djibouti	Wheat Flour	34	+1	+3	-9	-7	+3	→	42	+2	-2	5
		Rice (Imported)	17	+1	+1	+3	+2	-9	→	23			5
		Oil (Cooking)	15	+4	N/A	+6	+6	+2	→	20			2
		Sugar	11	+4	N/A	+2	-1	-9	→	15			2
	Ethiopia	Maize (Local)	21	+6	-4	+6	+7	+35	↓	39	-5	+38	5
		Sorghum	12	-2	-11	+7	+9	+46	↓	29			5
		Wheat Grain	12	+11	+1	+16	+14	+37	→	32			5
	Kenya	Maize (White)	35	-2	-5	-11	-14	+9	↓	25	-1	+22	5
		Bread	9	-3	-6	+11	+6	+18	↓	19			5
		Oil (Cooking)	8	-4	-2	-8	-3	+14	↓	9			5
		Milk	7	+3	+4	+15	+16	+36	→	46			5
	Rwanda	Bananas	17	+1	-6	+26	+26	-23	↓	30	-2	+5	5
		Potatoes (Irish)	12	+19	+6	-6	+2	+25	↗	25			5
		Beans	11	+5	-6	-2	+5	+30	↓	11			5
		Cassava Flour	11	+1	-5	+2	-1	+19	↓	9			5
		Potatoes (Sweet)	11	-3	-5	+12	+11	+37	↓	15			5
		Sorghum	8	+23	+18	+25	+3	+7	↑	6			5
		Maize Flour	5	-5	-5	+1	-1	+16	↓	5			5
	Somalia	Sorghum (White)	29	-4	N/A	+13	+13	+4	↓	78	-3	+1	2
		Rice (Imported)	9	-2	N/A	+1	+1	-8	↓	22			2
	South Sudan	Sorghum (White)	26	-19	-37	-30	-27	+10	↓	43	-15	+8	5
		Wheat Flour	15	-15	0	N/A	N/A	+6	→	37			4
		Millet	7	-7	N/A	N/A	N/A	N/A	↓	20			*
	Uganda	Plantains	17	-67	-66	-60	-64	-9	↓	42	-46	+3	5
		Cassava Flour	13	+3	-1	+5	+10	+22	↓	20			4
		Maize Flour	9	+8	-3	+6	+8	+16	↓	17			4
		Beans	5	+7	-9	-1	+1	0	↓	12			3
		Millet Grain	5	+8	+6	+13	+8	+14	↗	10			3

(*) Calculations based on nominal prices. For details, see 'Approach' on page 13.

Region	Country	Main staple food	Caloric contribution (%)	Change from last quarter (% change)	Seasonally adjusted quarterly change (% change)	Monthly change from last year (% change)	Quarterly change from last year (% change)	Quarterly change from baseline (% change)	Price trend	Quarterly cost share in food basket (%)	Cumulative impact of changes on cost of food basket		# of years in baseline (the last 5 years) [* see footnote]
											from previous quarter (%)	from baseline (%)	
A	B	C	D	E	F	G	H	I	J	K	L	M	N
West Africa	Benin	Maize (White)	19	+13	+3	-12	-12	-16	→	22	-2	0	5
		Gari	16	-3	0	-29	-8	+15	→	32			5
		Rice (Imported)	13	-2	-1	0	0	+1	↓	36			5
		Sorghum	5	+5	+16	-5	0	-7	↑	9			5
	Burkina Faso	Sorghum	26	+6	+3	-3	-2	+5	→	40	+1	+3	5
		Millet	22	+5	+1	-7	-2	+6	→	39			5
		Maize	16	+5	+2	-7	-6	-4	→	21			5
	Cameroon	Maize	15	+9	-2	-13	-6	-9	↓	35	-2	-16	3
		Cassava (Cossette)	12	-5	N/A	N/A	N/A	N/A	↓	21			*
		Rice (Local)	10	-21	-22	-38	-34	-34	↓	25			3
		Sorghum (Red)	8	+14	-3	+4	+6	+6	↓	19			3
	Cape Verde	Rice Long Grain (Imported)	19	0	0	-3	-2	+1	→	65	-1	+3	5
		Wheat	13	0	-2	0	+1	+5	↓	35			5
	Chad	Sorghum	18	-11	N/A	+8	+5	N/A	↓	41	-14	N/A	*
		Millet	15	-18	N/A	+2	+3	N/A	↓	45			*
		Maize	5	-11	N/A	+14	+16	N/A	↓	14			*
	Cote d'Ivoire	Rice (Imported Denikassia)	20	0	-1	0	0	-2	↓	48	0	-8	5
		Cassava	12	+5	+27	-4	-5	-20	↑	19			5
		Oil (Palm)	9	-13	-7	-9	-8	-4	↓	22			3
		Corn	7	-2	-15	-13	-13	-13	↓	11			3
	Guinea	Rice (Local)	37	+5	-11	-8	-8	-1	↓	91	-11	-1	5
		Oil (Palm)	6	-1	-5	-19	-17	-7	↓	9			4
	Guinea-Bissau	Rice (Imported)	35	-2	-6	-2	-3	+27	↓	49	-2	+16	5
		Oil (Vegetable Imported)	11	0	-1	0	0	+5	↓	11			5
		Maize	8	+3	+10	N/A	N/A	+9	↑	21			4
		Millet	8	+3	-6	0	+4	+8	↓	13			5
		Sugar	5	+1	-3	0	-4	-2	↓	6			5
	Mali	Rice (Local)	21	+1	-2	-8	-9	-8	↓	46	-2	-6	5
		Millet	20	+2	-3	-7	-9	0	↓	28			5
		Sorghum	13	+3	-3	-6	-8	-5	↓	16			5
		Maize	9	+2	-1	-9	-10	-10	↓	10			5
	Mauritania	Wheat	30	-3	-5	-5	0	+18	↓	35	-1	+13	5
		Sugar	12	0	+3	+1	+1	+5	→	19			5
		Oil (Vegetable)	11	+6	+3	+3	+6	+15	→	15			5
		Rice (Imported)	11	-2	-2	-6	-7	+8	↓	18			5
		Sorghum (Taghalit)	7	+6	+7	-8	+6	+15	↗	13			5
	Niger	Millet	39	+1	-8	-13	-12	+6	↓	63	-6	+5	5
		Sorghum	11	0	-7	-11	-9	+8	↓	16			5
		Rice (Imported)	7	0	-1	-1	-1	0	↓	21			5
	North Nigeria	Sorghum	13	-3	-13	-20	-17	-3	↓	25	-8	-2	4
		Millet	11	-2	-14	-17	-15	+2	↓	25			4
		Maize	8	-2	-11	-22	-19	-7	↓	16			4
		Rice (Imported)	8	0	+2	-8	-7	-1	→	35			4
	Senegal	Rice (Imported)	30	0	+8	-1	-1	-6	↗	66	+4	-2	5
		Maize (Imported)	10	-2	0	-10	-9	+4	→	18			5
		Millet	8	+1	-3	-6	-6	+8	↓	15			5
	Togo	Maize (White)	24	-3	-5	-17	-12	-19	↓	19	-4	+1	5
		Cassava	15	-4	-6	-4	-6	+13	↓	48			5
		Rice (Imported)	10	0	-1	0	0	+3	↓	25			5
		Sorghum	8	-4	-2	-18	-18	-8	↓	9			5

(*) Calculations based on nominal prices. For details, see 'Approach' on page 13.

Region	Country	Main staple food	Caloric contribution (%)	Change from last quarter (% change)	Seasonally adjusted quarterly change (% change)	Monthly change from last year (% change)	Quarterly change from last year (% change)	Quarterly change from baseline (% change)	Price trend	Quarterly cost share in food basket (%)	Cumulative impact of changes on cost of food basket		# of years in baseline (the last 5 years) [* see footnote]
											from previous quarter (%)	from baseline (%)	
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Middle East, North African and Central Asia	Armenia	Wheat Flour	40	-1	-4	-8	-7	+4	↓	30	+2	+6	3
		Milk	8	0	N/A	0	+6	+7	→	48			2
		Sugar	8	-1	N/A	-8	-8	-11	↓	8			2
		Potatoes	5	+21	N/A	+3	+54	+19	↑	15			2
	Azerbaijan	Wheat Flour	57	+2	+2	+9	+7	+21	→	63	-1	+33	5
		Potatoes	6	-5	-6	+51	+72	+59	↓	37			5
	Egypt	Wheat Flour	35	-4	-3	-8	-10	0	↓	63	0	+3	3
		Rice	12	+5	N/A	+22	+10	N/A	↗	21			*
		Sugar	7	+17	+21	+16	+16	+15	↑	16			3
	Georgia	Wheat Flour	41	-1	-1	-4	-7	+2	↓	24	-2	+20	5
		Milk	10	-9	-3	+1	+2	+27	↓	76			5
	Iraq	Wheat Flour	25	0	0	0	-1	-2	→	33	-1	+1	2
		Bread (Khoboz)	8	0	-1	-6	-5	-1	↓	27			2
		Rice	8	0	-1	+1	+2	+5	↓	40			2
	Jordan	Bread	38	0	0	0	0	+2	→	23	+1	+9	3
		Sugar	15	+1	N/A	-6	-6	N/A	→	27			*
		Oil (Vegetable)	12	-1	-1	-7	-5	+3	↓	23			3
		Rice (Medium Grain)	8	+3	+5	+8	+7	+22	↗	26			3
	Palestine	Wheat Flour	40	-1	0	-5	-5	+2	→	47	+5	-1	5
		Sugar	10	-3	-4	-17	-18	-27	↓	13			3
		Rice (Small Grain Imported)	7	+13	+17	+19	+17	-2	↑	15			5
		Oil (Olive)	5	+1	+15	+11	+11	+12	↑	25			5
	Sudan	Sorghum	60	+23	+8	+59	+55	+117	↗	83	+9	+120	5
		Millet	9	+23	+11	+84	+72	+135	↑	17			5
	Tajikistan	Wheat Flour (Local)	54	+3	+3	-5	-9	+18	→	69	+1	+13	5
		Sugar	7	0	-2	-2	-4	+1	↓	16			5
		Oil (Cotton)	6	-1	-3	-2	-4	+1	↓	10			5
		Maize	5	+5	-3	-1	-4	+12	↓	6			5
	Tunisia	Bread	48	-3	-2	0	0	-12	↓	81	-1	-11	5
		Sugar	10	0	0	+2	+1	-2	→	19			5
	Yemen	Wheat Grain	38	+7	+12	+1	+13	-3	↑	48	+7	-2	5
		Sugar	12	+17	N/A	+27	+22	+12	↑	25			2
		Oil (Vegetable)	9	-10	N/A	-21	-16	-25	↓	12			2
		Rice (Imported)	6	+6	N/A	+6	+26	+9	↗	14			2

(*) Calculations based on nominal prices. For details, see 'Approach' on page 13.

Region	Country	Main staple food	Caloric contribution (%)	Change from last quarter (% change)	Seasonally adjusted quarterly change (% change)	Monthly change from last year (% change)	Quarterly change from last year (% change)	Quarterly change from baseline (% change)	Price trend	Quarterly cost share in food basket (%)	Cumulative impact of changes on cost of food basket		# of years in baseline (the last 5 years) [* see footnote]
											from previous quarter (%)	from baseline (%)	
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Asia	Afghanistan	Wheat	58	+5	+12	+13	+15	+38	↑	62	+8	+33	5
		Rice (Low Quality)	22	0	+2	-7	-8	+25	→	38			5
	Bangladesh	Rice (Coarse)	70	+2	+6	+18	+17	+26	↗	91	+7	+25	5
		Atta-Packet	6	-1	+1	-2	-2	+20	→	9			5
	Cambodia	Rice (Mixed)	65	-3	-2	-9	-9	-3	↓	100	-2	-3	5
	India	Rice	31	+1	-1	+8	+9	+36	↓	54	0	+30	5
		Wheat	22	-2	0	+5	+7	+28	→	32			5
		Sugar	7	+5	+6	-1	-1	+13	↗	14			5
	Indonesia	Rice	50	-1	0	+5	+6	+28	→	79	0	+24	5
		Oil (Cooking)	7	+4	+4	+11	+11	+12	→	5			5
		Sugar	6	-3	-4	-7	-7	+10	↓	9			5
		Wheat	6	0	+1	+6	+6	+6	→	7			5
	Lao PDR	Rice (Glutinous)	64	+4	+2	+17	+21	+11	→	100	+2	+11	4
	Myanmar	Rice (Low Quality)	55	+7	+7	+40	+46	+49	↗	100	+7	+49	5
	Nepal	Rice	32	+2	+1	-2	+3	+20	→	64	-1	+22	5
		Wheat	15	+1	0	+15	+11	+26	→	36			5
	Pakistan	Wheat Flour	37	-6	-5	+11	+16	+38	↓	48	-5	+39	5
		Sugar	11	+1	N/A	-1	-1	N/A	→	16			*
		Oil (Cooking)	9	-10	N/A	+1	-9	N/A	↓	21			*
		Rice (Basmati Broken)	6	0	-2	+4	+5	+42	↓	15			5
	Philippines	Rice (Regular Milled)	48	+6	+6	+19	+15	+23	↗	100	+6	+23	5
	Sri Lanka	Rice (Long Grain)	41	+8	N/A	N/A	N/A	N/A	↗	57	+4	+22	*
		Wheat Flour	14	0	-1	-1	-2	+22	↓	25			5
		Sugar	11	0	N/A	+4	+3	N/A	→	18			*
	Thailand	Rice	41	-12	-8	-37	-38	-30	↓	100	-8	-30	5
	Viet Nam	Rice	59	-5	0	+3	+1	-4	→	100	0	-4	5

(*) Calculations based on nominal prices. For details, see 'Approach' on page 13.



Approach

This bulletin provides information on price changes for staple food items and their impact on the cost of the basic food basket. Any change in staple food prices translates into a high impact on overall food consumption, especially when the food basket is composed of very few food items.

The percentage changes of the following quarterly price indices indicate the extent to which recent price changes can be considered normal or abnormal as compared to the relevant reference period (i.e. the previous quarter, the preceding year, or the baseline period).

Column D displays **the contribution of each food item to households' total energy intake.** The analysis is based on quarterly price indices[3] of the main food items (contributing to minimum 5% of caloric intake[4]):

i) **"Change from last quarter"** (column E) is calculated as a percentage change of quarterly averaged nominal prices from the previous quarter.

ii) **"Seasonally adjusted quarterly change"** (column F) is calculated as a percentage change of quarterly averaged seasonal adjusted prices from the previous quarter. These prices are calculated by dividing each monthly nominal price by its corresponding baseline average price (last 5 years of the same quarter). Indicators depending on the baseline prices (columns F & I) are only calculated if at least 2 years of relevant data is available (see column N).

iii) **"Monthly change from last year"** is calculated as a percentage change of the latest available monthly nominal price of the quarter from the same month in the previous year.

iv) **"Quarterly change from last year"** (column H) is calculated as a percentage change of the quarterly averaged nominal prices.

v) **"Quarterly price change from baseline"** (column I) is calculated as the quarterly average price change from their corresponding baseline average prices.

Methodology to derive the impact on the cost of the food basket

The **"cumulative impact of the quarter"** (column L) and the **"cumulative impact from the baseline"** (column M) present the partial (known) change of the total cost of the food basket since, respectively, the previous quarter or the baseline. The idea behind this methodology is to derive the quantities consumed from the caloric contribution of each food item in order to estimate the cost of the food basket and eventually the impact of price changes.

The impact calculation is based upon the following assumptions:

a) The proportional caloric contribution is a proxy of the relative importance of the food item in the food basket[5] and each food basket - for reasons of simplification - provides 2,100 kilocalories per day; b) the multiplication of the total food basket's energy with the proportion of each commodity derives the absolute energy each food item contributes to the total energy intake; c) when this value of absolute energy is divided by the caloric density[5], the weight of each commodity in the food basket is determined; d) subsequently, by multiplying the weights in step c with the unit nominal/seasonal adjusted prices, we calculate the relative costs of the commodities within the food basket.

It is worth noting that only energy contributors for which prices are available are taken into account to calculate these costs; in order to avoid assumptions that could bias the estimated impact, the other energy contributors that fill the gap to 2,100kcal are ignored. Thus, the total cost of the known part of the food basket is the sum of the itemized commodity costs (step d).

The **"quarterly cost share of food basket"** (column K) indicates the share of the cost of each food item on the total cost of the known food basket. The cumulative impact values are thence calculated by comparing the seasonally adjusted cost[6] of the food basket with the cost in the previous quarter (column L) and against the baseline period (column M) as percentage changes. The likely impact is considered *low* when it is below 0, *moderate* when it is between 0 and 5%, *high* between 5 and 10%, and *severe* above 10%.

For further details on this approach, please visit http://www.wfp.org/content/price-analysis-methods.

3. Prices are calculated as indices, using reference years, i.e. last year to capture 12-month percentage changes and last 5 years to capture percentage changes from the long term patterns.
4. Caloric contributions are based on FAO 2005-2007 estimates.
5. Caloric densities are based on NutVal 3.0 estimates.
6. For those countries where seasonally adjusted prices could not be derived, the nominal food basket cost is considered to measure the impact.

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For more information, contact:

Arif Husain
Chief Economist and Deputy Director, Policy, Programme and Innovation Division - Analysis and Nutrition Service
arif.husain@wfp.org

Issa Sanogo
Senior Advisor, Economic & Market Analysis
issa.sanogo@wfp.org

World Food Programme
Via Cesare Giulio Viola, 68/70
00148 Rome, Italy
www.wfp.org/food-security

WFP wfp.org

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