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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 69 countries in the second quarter of 2016 (April to June).[1] The maps on pages 6–7 disaggregate the impact analysis to sub-national level.

Global Highlights

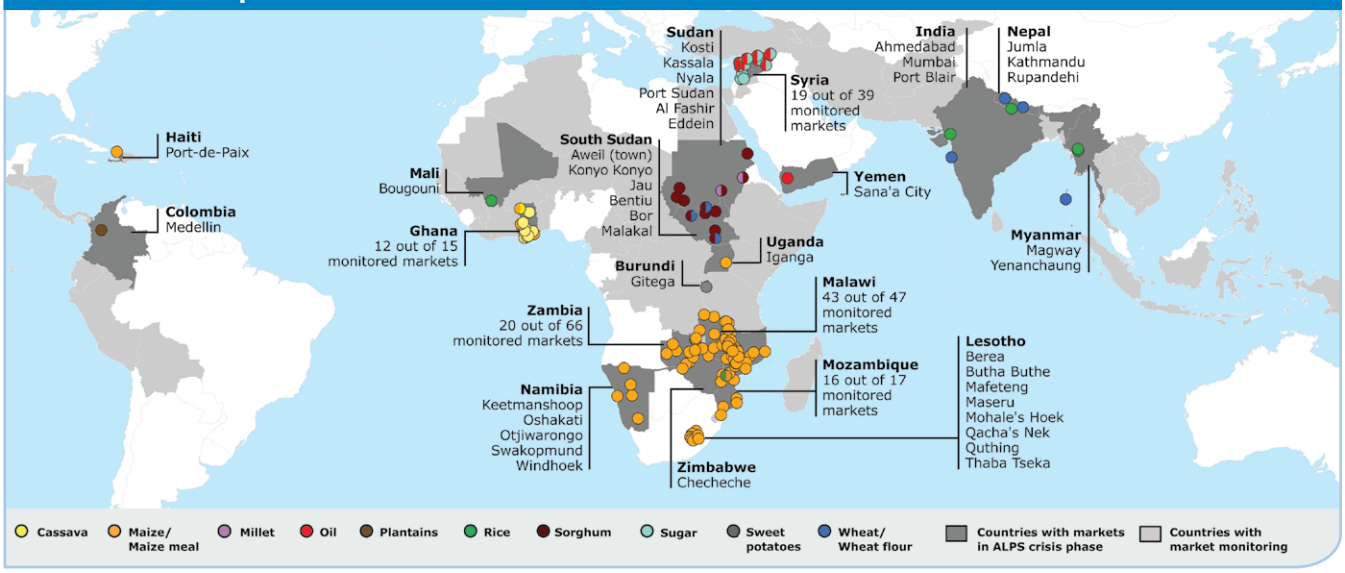
- During Q2-2016, **FAO's global cereal price index fell by 6 percent year-on-year but it is 3 percent up compared to Q1-2016.** The increase is because of rising maize and rice prices. The FAO global food price index has increased and almost returned to the levels of June 2015 (-1%), because prices particularly for sugar and oil increased significantly.
- **The real price[2] of wheat is 20 percent below Q2-2015.** This is because world supplies are at record levels thanks to increased production as well as beginning stocks.
- **The real price of maize came under pressure in Q2-2016 and rose 7 percent from Q1,** although it remained stable compared to 2015. Globally, supplies are abundant but consumption is expected to increase and stocks are estimated to reduce in 2016/17.
- During Q2-2016, **the real price of rice increased by 9 percent compared to the first quarter** because of declining stocks and concerns about production, particularly in Thailand.
- **The real price of crude oil has increased since February 2016 and is up 34 percent** compared to the previous quarter because of decreases in non-OPEC production and various supply outages.

CHANGE OF REAL PRICES ADJUSTED FOR US CONSUMER PRICE INDEX (2005 = 100)

Quarterly Change	Maize	Wheat	Rice	*Note: Comparison to*
q2-2016 vs. q1-2016	7%	-2%	9%	*First quarter in 2016*
q2-2016 vs. q2-2015	1%	-20%	5%	*Same quarter in 2015*
q2-2016 vs. q1-2008		-61%		*Global wheat price peak in 2008*
q2-2016 vs. q2-2008	-40%		-62%	*Global maize and rice price peak in 2008*

- **The cost of the basic food basket increased severely (>10%) in Q2-2016 in nine countries: Ethiopia, Ghana, Lesotho, north Nigeria, South Sudan, Syria, Thailand, Togo and Zimbabwe**. *High* increases (5–10%) were seen in **Benin, Cameroon, Costa Rica, Egypt, Iran**, and **Mozambique**. In the other monitored countries, the change was *moderate* or *low* (<5%).
- Price spikes, as monitored by ALPS, were detected in 20 countries, particularly in **Ghana, Lesotho, Malawi, Mozambique, Namibia, South Sudan, Sudan, Syria** and **Zambia** (see the map below).[3] These spikes indicate crisis levels for the two most important staples in each country, which could be beans, cassava, maize, millet, oil, plantains, rice, sorghum, sweet potatoes, sugar or wheat flour.

Food Price Hotspots



1. Data were collected and collated by WFP country offices and are available at: http://foodprices.vam.wfp.org. Additional data sources are FAO Food Price Index, FAO/GIEWS Food Price Data and Analysis Tool, and IMF Primary Commodity Prices as on 20 July 2016.
2. Nominal prices are adjusted by the US Consumer Price Index.
3. A market is designated as a hotspot if prices for the country's two most important caloric contributors reached ALPS crisis level during Q2-2016, and they did not return to normal levels by the end of the quarter. Note that for some markets/countries, prices are monitored but the price series may not necessarily qualify for ALPS calculation (see ALPS website for details).

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

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

Latin America and Caribbean

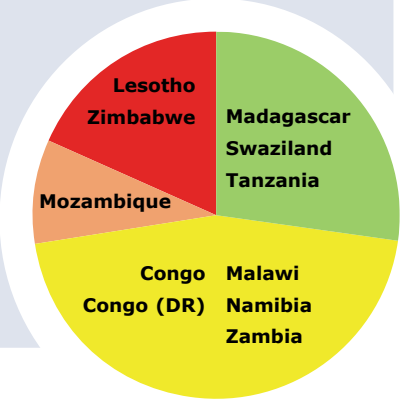
Hotspots: *The impact of staple food price changes on the cost of the basic food basket from April to June 2016 was* high *in* ***Costa Rica****;* moderate *in* ***Bolivia, Dominican Republic*** *and* ***Haiti****; and* low *in the other countries.*

- **Staple commodity prices:** Seasonally adjusted prices for maize fell in most countries in the expectation of a good *primera* harvest after improved rainfall benefited the region's growing season. Better production in 2015/16 and increased imports brought down seasonally adjusted maize prices in **Nicaragua** (-17%) and **Honduras** (-11%). Red beans prices also fell (-10% in **Nicaragua**; -7% in **Honduras**) as new supplies reached local markets from March onwards. Seasonally adjusted prices increased in **Costa Rica** for wheat flour from Q1-2016 (+15%) due to decreased regional availability of wheat for import. In **Haiti**, food prices remained higher than last year for local goods (+25% maize meal) and imported products (+11% vegetable oil) because supplies are tight and the domestic currency (gourde) continues to depreciate.
- **Fuel prices:** During Q2-2016, fuel prices edged up as the economic slowdown and infrastructural depletion shrank crude oil production and exports within the region. **Nicaragua** boosted extra-regional imports in response to sluggish regional supplies: quarter-on-quarter (q/q) fuel prices increased (+2.6% gasoline; +1.8% diesel) due to higher freight costs resulting from this diversification of trade sources. In **Honduras**, q/q prices pointed up (+10.4% gasoline; +10.9% diesel) because of lower availability and the upward revision of administered prices.
- **Purchasing power:** Q/q food inflation scored negative in **Colombia** (-9.8%) as *El Niño* weighed less on food prices and the peso appreciated by 8 percent against the US dollar. Year-on-year (y/y) headline inflation (+8.3%) remained above the official target due to food price increases from Q2-2015 (+14.5% food CPI). In **Peru**, restrictive monetary policy and currency appreciation reversed inflation expectations, bringing down the food CPI (-3.3%) from Q1-2016. In **Haiti**, y/y food inflation hit a record high (+31.7%) as the gourde remained 32 percent below last year's levels in relation to the US dollar, driving up imported food prices.

Southern Africa

Hotspots: *The impact of staple food price changes on the cost of the basic food basket during Q2-2016 was* severe *in* **Lesotho** *and* **Zimbabwe***;* high *in* ***Mozambique****;* moderate *in* ***Congo, Democratic Republic of Congo, Malawi, Namibia*** *and* ***Zambia****; and* low *in the other countries.*

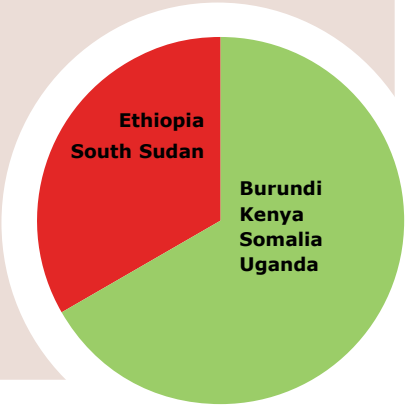
- **Staple commodity prices:** In Q2-2016, prices trends were mixed as *El Niño* continued to strike agriculture in most countries of the region. The temporary suspension of formal maize exports helped stabilize quarterly maize prices in **Zambia** (+1%); however, maize prices increased in districts exposed to informal cross-border trade (+6% Luapula; +14% Lusaka; +9% North-Western; +9% Southern). Abundant rains supported crop development in **Tanzania** and prices fell from Q1-2016 (16% maize; -10% rice; -7% beans) as fresh supplies replenished stocks. Supplies are critically tight in **Malawi**, where seasonally adjusted maize prices increased (+2%) despite the harvest and remained 62 percent above their 2015 level. The ALPS indicator flagged all monitored markets as in *alert* or *crisis* in June. Prices surged for maize in **Zimbabwe** (+17% from Q1-2016; +39% from Q2-2015) and for maize meal in **Lesotho** (+23% from Q1-2016; +51% from Q2-2015) reflecting the failure of the May harvest and reduced regional availability for imports. Prolonged drought, slow-onset political instability and an economic downturn are driving price increases in **Mozambique**. Maize prices increased (+13%) from Q1-2016 despite the recent harvest and were more than double compared to last year. Prices peaked in central provinces (+27% Sofala; +17% Inhambane and Manica; +18% Zambezia), where attacks to convoys are disrupting cross-country trade. Prices for imported products also increased (+16% rice; +14% vegetable oil) as the local currency continues to depreciate.
- **Fuel prices:** In **Tanzania**, q/q fuel prices continued to fall for gasoline (-3.1%) and diesel (-1.7%) following the downward trend of international oil prices.
- **Purchasing power:** The strong dollar against other currencies in the region helped ease inflationary pressure in **Zimbabwe** from 2015 (-4% food CPI; -1.5% CPI). A quarterly 3-percent appreciation of the **Malawian** kwacha decelerated the q/q headline (-3.1%) and food inflation (-7.1%); y/y food inflation remains high (+28.2%). In **Mozambique**, y/y inflation rose significantly (+18.4%) as the rapid depreciation of the metical against the US dollar (by 15.1% q/q; by 55% y/y) drove up import prices and exacerbated the economic slowdown.



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 2016 was* severe *in* ***Ethiopia*** *and* ***South Sudan****; and* low *in the other countries.*

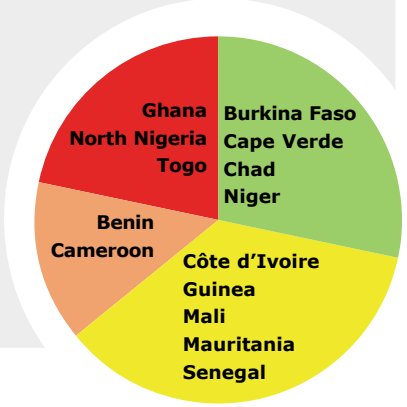
- **Staple commodity prices:** In Q2-2016, seasonally adjusted prices for main staples decreased in **Burundi** (-27% sweet potatoes; -14% beans; -2% cassava; -12% maize) after above-average rains encouraged agricultural planting in areas not affected by the conflict. In **Uganda**, food prices fell from Q1-2016 (-4% maize; -8% beans; -1% millet) thanks to favourable weather and lower exports. Localized price increases were recorded in Mbarara (+23% cassava; +24% maize; +17% millet) and Iganga (+32% maize), attributable to reduced stocks. In **Ethiopia**, quarterly prices rose seasonally for maize (+7%) and sorghum (+8%) as the country approached the lean season. There was a major price upsurge in the Somali region (+22% maize; +41% sorghum) where poor rains continue to affect soil conditions and supplies are tight after the crop failures of previous years. In **Kenya**, maize prices were down 17 percent from Q1-2016 thanks to abundant stocks from the "short rains" harvest season and from regional imports. In **South Sudan**, currency depreciation, chronic fuel shortages, movement restrictions due to insecurity and seasonal rains have put pressure on cereal prices, which skyrocketed from Q1-2016 in Jonglei (+77% sorghum; +33% wheat flour), Unity (+55% sorghum; +34% millet) and Warrap (+57% wheat flour). The ALPS indicator was at *crisis* level for sorghum and wheat flour in all monitored markets.
- **Fuel prices:** Y/y fuel prices declined in Ethiopia (-12.1% diesel) and Kenya (-12.2% diesel; -14.4% gasoline) following a further price cap reduction. In Somalia, q/q diesel prices rose 13.4 percent. **South Sudan** is experiencing a severe supply shortage: fuel prices went up by over 200 percent from Q2-2015.
- **Purchasing power:** Y/y headline inflation in **Ethiopia** stood at 7.6 percent, mostly influenced by food inflation (+7.30%). In **South Sudan**, the official rate of the local currency lost more than ten times its value from 2015, pushing consumer prices to record levels both q/q (+62.9% CPI; +67.7% food CPI) and y/y (+292.4% CPI; +317.9% food CPI).



West Africa

Hotspots: *The impact of staple food price changes on the cost of the basic food basket in Q2-2016 was* severe *in* ***Ghana****, north* ***Nigeria*** *and* ***Togo****;* high *in* ***Benin*** *and* ***Cameroon****;* moderate *in* ***Côte d'Ivoire, Guinea, Mali, Mauritania*** *and* ***Senegal****; and* low *in the other countries.*

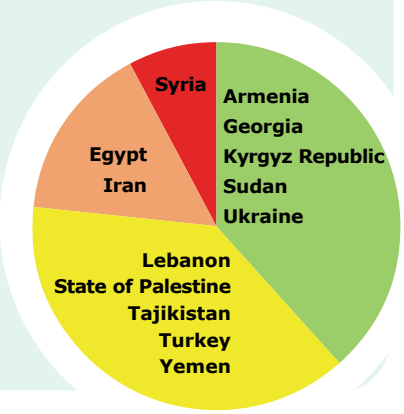
- **Staple commodity prices:** In Q2-2016, seasonally adjusted prices were stable or decreasing in **Chad** (-8% sorghum; -9% maize) and **Niger** (-5% millet; -5% sorghum) as traders started to diversify their sources to cope with insecurity along supply routes in the Lake Chad Basin. In **Togo**, prices for local produce rose (+28% cassava; +7% maize; +3% sorghum) at the peak of the lean season. In **Cameroon**, the closure of borders to Nigeria eased pressure on cereal prices by reducing cross-border commodity outflows: seasonally adjusted prices decreased from Q1-2016 for sorghum (-16%) and they fell for maize in Nord (-15%) and Nord-Ouest (-9%). Extrême Nord was exposed to quarterly price increases (+8% maize; +9% rice; +4% sorghum) because persistent dryness has hampered crop development, Boko Haram attacks are disrupting agricultural activities and frequent checkpoints delay the delivery of supplies. In **north Nigeria**, depreciation of the local currency (naira) pushed up prices for imported food (+21% rice in Sokoto) and fuel. Increasing transport costs and civil unrest have also disrupted trade for locally produced cereals: maize prices shot up in Kano from Q1-2016 (+25%) and Q2-2015 (+88%). In **Ghana**, seasonally adjusted cassava prices were 26 percent above Q1-2016 and more than double their level last year (+136%) because of reduced productivity in the previous 12 months. The ALPS indicator flagged nearly all monitored markets as in *crisis* in June.
- **Fuel prices:** In **north Nigeria**, q/q fuel prices increased (+17.7% gasoline; +10.2% diesel) after the naira depreciated by 14 percent from Q1-2016.
- **Purchasing power:** In **Ghana**, y/y headline inflation remained high at 18.7 percent, despite a slight recovery and currency appreciation from 2015. Y/y headline inflation also edged up in **Nigeria**, mostly driven by the impact of currency depreciation on the y/y food CPI (+13.5%) and transport costs. Q/q food inflation was moderate in **Benin** (+6.8%) and **Burkina Faso** (+8.7%).



Middle East, North Africa and Central Asia

Hotspots: *The impact of staple food price changes on the cost of the basic food basket in Q2-2016 was* severe *in* ***Syria****;* high *in* ***Egypt*** *and* ***Iran****;* moderate *in* ***Lebanon, Palestine, Tajikistan, Turkey*** *and* ***Yemen****; and* low *in the remaining countries.*

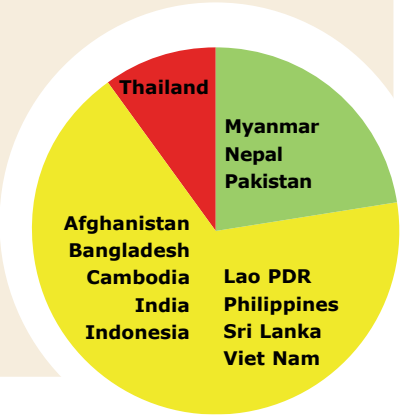
- **Staple commodity prices:** In **Syria**, quarterly prices for sugar and oil skyrocketed in Raqqa (+133% sugar; +82% oil) and Hama (+45% sugar; +155% oil); prices also surged in Aleppo (+30% sugar; +30% oil) and Hassakeh (+39% sugar; +24% oil). However, in Deir Ezzor, prices fell (-33% bread; -42% sugar; -43% oil) following recent air distributions of food but they remain nearly double last year's levels. In **Iran**, rice prices increased by 11 percent during the lean season; sugar prices were 7 percent higher than in Q1-2016 and 23 percent higher than in Q2-2015 because of trade restrictions and financial difficulties of the sugar industry. Seasonally adjusted prices increased moderately in **Armenia** (+3% bread; +5% potatoes), **Kyrgyz Republic** (+7% potatoes) and **Turkey** (+5% bread; +2% sugar; +2% milk). Food availability deteriorated in **Yemen** as a new escalation of the conflict and fuel scarcity restricted commodity flows. While quarterly prices fell in entry points for international trade (Aden: -14% wheat flour; -28% sugar; -9% vegetable oil), food prices increased in areas that heavily depend on the delivery of food supplies: Hajjah (+11% wheat flour; +2% sugar; +21% vegetable oil) and Sa'ada (+7% wheat flour; +23% sugar; +12 vegetable oil). In **Sudan**, seasonally adjusted prices fell in Blue Nile (-2% sorghum; -7% millet), Kassala (-10% sorghum; -3% millet) and White Nile (-5% sorghum; 17% millet) as strategic and private grain reserves offset the impact of the poor harvest. Prices rose in Western Darfur (+9% sorghum), Southern Darfur (+5% sorghum; +4% millet) and Northern Kordofan (+5% millet), where civil unrest and export demand from South Sudan placed an additional burden on food availability.
- **Fuel prices:** In **Yemen**, fuel prices shot up from Q1-2016 (+27.5% gasoline; +15% diesel) as ongoing attacks and the slowdown of oil production exacerbated fuel shortages. In **Ukraine** q/q prices increased (+11.2% gasoline; +15.7% diesel).
- **Purchasing power:** Q/q inflation accelerated in **Egypt** (+4.9% CPI; +6.9% food CPI) following the devaluation of the local currency in March. In **Sudan**, the depreciation of the pound on parallel currency markets and the weakening of the economy have sustained headline inflation q/q (+5.1%) and y/y (+13.7%).



Asia

Hotspots: *The impact of staple food price changes on the cost of the basic food basket from April to June 2016 was* severe *in* ***Thailand****;* moderate *in* ***Afghanistan, Bangladesh, Cambodia, India, Indonesia, Lao PDR, the Philippines, Sri Lanka*** *and* ***Viet Nam****; and* low *in the remaining countries.*

- **Staple commodity prices:** As the effects of *El Niño* gradually dissipated, rice prices declined moderately from Q1-2016 in **Nepal** (-3%), **Pakistan** (-5%) and **India** (-2%) and were stable in **Bangladesh, Indonesia** and **the Philippines**. The arrival of the second harvest season and lower export demand from China eased quarterly rice prices in **Myanmar** (-9%); they remain 21 percent above last year's levels and in *alert* in Buthidaung, Magway and Maungdaw according to ALPS. In **Thailand**, demand for rice exports was high and dryness continued in Q2-2016, straining already tight supplies and leading to a 10-percent increase in rice prices. Wheat supplies improved throughout the region thanks to the recent harvest, with beneficial impact on wheat prices in **Bangladesh** (-2%), **Nepal** (-3%) and **Indonesia** (+0%). In **Sri Lanka**, the combined effect of poor production and higher duties on wheat imports induced a 5-percent quarterly increase in the price for wheat flour. In **India**, the price for sugar edged up 16 percent as demand is high and production prospects are poor for the coming season.
- **Fuel prices:** Q/q diesel prices fell in **Afghanistan** (-6%), **Myanmar** (-20.2%) and **Pakistan** (-4.9%) following international oil price trends. In **Pakistan**, the price for gasoline was 8 percent below Q1-2016.
- **Purchasing power:** Q/q food and headline inflation was low in most countries. Y/y headline inflation was 9 percent in **Nepal** and 6 percent in **India**, mostly driven by food prices. The impact of currency depreciation on import prices was among the main drivers of y/y food inflation in **Afghanistan** (+5.6%) and **Sri Lanka** (+6.3%).



Consumer Price Index and Exchange Rates

Region	Country	Quarterly and Yearly Changes in Q2-2016 (April to June)					
		Quarter-on-Quarter			Year-on-Year		
		General CPI	Food CPI	Currency (USD/LCU)	General CPI	Food CPI	Currency (USD/LCU)
Latin America and Caribbean	Bolivia	1.33%	0.68%	0.29%	4.43%	2.63%	2.63%
	Colombia	2.06%	-9.77%	-8.19%	8.25%	14.51%	19.78%
	Costa Rica	-0.40%	0.93%	0.67%	-0.74%	1.14%	1.28%
	Dominican Republic	0.08%	0.45%	0.44%	1.79%	2.15%	2.33%
	Ecuador	0.59%	1.59%		1.67%	2.82%	
	El Salvador	-0.28%	0.00%	0.01%	0.84%	-0.20%	-0.19%
	Guatemala	0.61%*	0.12%	0.02%	4.06%*	0.46%	0.07%
	Haiti	2.13%*	3.68%	3.70%	14.24%*	31.74%	31.84%
	Honduras	0.70%*	0.46%	0.39%	2.13%*	4.73%	4.53%
	Nicaragua	1.22%	0.97%	1.18%	3.61%	7.55%	7.92%
	Panama	0.81%*	0.14%	0.02%	0.32%*	2.19%	2.38%
	Peru	0.64%	-3.29%	-3.85%	3.58%	6.55%	6.14%
Southern Africa	Lesotho	2.20%*	4.32%*	-6.35%	7.4%*	13.62%*	22.62%
	Madagascar	0.70%*		0.66%	5.88%*		4.18%
	Malawi	-3.06%	-7.13%	-2.62%	22.28%	28.21%	57.79%
	Mozambique	4.05%		15.14%	18.42%		55.03%
	Namibia	1.77%		-5.32%	6.65%		24.67%
	Swaziland	3.12%*		-7.84%	7.84%*		20.77%
	Tanzania	1.60%	2.11%	0.30%	5.26%	7.40%	10.14%
	Zambia	1.29%	1.90%*	-9.80%	21.35%	25.92%*	38.45%
	Zimbabwe	-0.39%			-1.54%	-4.02%	
Central and Eastern Africa	Burundi	1.80%*	4.53%	1.04%	2.35%*	3.11%	0.75%
	Djibouti			0.00%			0.61%
	Ethiopia	3.18%	3.79%	1.67%	7.61%	7.30%	4.99%
	Kenya	1.79%		-0.82%	5.36%		7.43%
	Rwanda	2.31%	3.36%	2.46%	5.04%	3.50%	13.57%
	South Sudan	62.85%	67.71%	18.74%	292.42%	317.87%	1052.54%
	Uganda	0.61%	3.46%*	-1.70%	5.46%	2.9%*	9.36%
West Africa	Benin	2.94%*	6.79%*	-1.99%	1.75%*	4.48%*	-1.74%
	Burkina Faso	2.56%*	8.68%*	-1.99%	0.69%*	4.76%*	-1.74%
	Cape Verde	-0.35%	-0.34%	-2.50%	-0.99%	0.14%	-1.68%
	Chad	4.40%*		-2.04%	0.21%*		-1.61%
	Côte d'Ivoire			-1.99%	0.90%*	4.70%*	-1.74%
	Ghana	4.00%	3.69%	-1.88%	18.66%	8.50%	-4.19%
	Guinea	1.03%*		-1.16%	7.61%*		3.73%
	Mali	1.61%	3.31%	-1.99%	-1.43%	-2.40%	-1.74%
	Mauritania	0.69%*	-2.00%	2.59%	3.17%*	5.56%*	10.74%
	Niger	0.22%*	0.04%	-1.99%	0.27%*	-1.24%	-1.74%
	Nigeria	6.37%	4.72%*	13.96%	15.27%	13.46%*	14.24%
	Senegal	0.37%*	-0.41%	-1.99%	1.22%*	2.12%	-1.74%
Middle East, North Africa and Central Asia	Armenia	-1.57%	-3.65%	-1.96%	-1.68%	-3.91%	
	Azerbaijan	0.24%*	-1.38%	-4.85%	10.97%*	12.03%	45.99%
	Egypt	4.92%	6.89%	10.72%	12.19%	14.87%	16.65%
	Georgia	-1.33%	-0.97%	-9.13%	2.12%	1.34%	-3.00%
	Iran	1.50%*		0.66%	6.61%*		7.98%
	Iraq	-0.65%	1.09%	1.38%	2.3%*	-0.56%	-3.81%
	Jordan	0.32%	-0.03%	-0.02%	-1.69%	-3.44%	0.24%
	Kyrgyzstan	-1.32%		-7.98%	0.33%		13.05%
	Lebanon	1.34%	-4.16%	0.01%	-1.93%	-2.22%	0.14%
	State of Palestine	-0.50%	-0.75%		-0.68%	-1.52%	
	Sudan	5.09%		-0.34%	13.72%		2.03%
	Syria			-0.06%			1.54%
	Tajikistan	1.37%	-3.78%	1.97%	1.70%	4.31%*	27.02%
	Turkey	1.30%		-1.69%	6.93%		8.70%
	Ukraine	1.13%		-1.80%	8.07%	4.67%	17.97%
Asia	Afghanistan	0.69%	0.72%*	0.13%	5.14%	5.62%*	18.47%
	Bangladesh	-0.66%	-1.03%	0.01%	5.53%	3.96%	3.01%
	Cambodia			0.74%			0.94%
	Timor-Leste	-0.42%	-0.22%		-1.68%	-2.46%	
	India	2.04%	3.56%	-0.88%	5.64%	8.19%	5.41%
	Indonesia	0.02%		-1.49%	3.46%		1.61%
	Laos	0.73%*		-0.30%	0.90%*		0.73%
	Nepal	0.71%*	0.34%	-0.89%	8.83%*	8.09%	5.43%
	Pakistan	1.63%	2.44%	-0.05%	3.51%	1.75%	3.11%
	Philippines	0.53%	0.33%	-1.47%	1.52%	2.27%	4.49%
	Sri Lanka	2.67%	3.60%	1.03%	4.67%	6.25%	12.13%

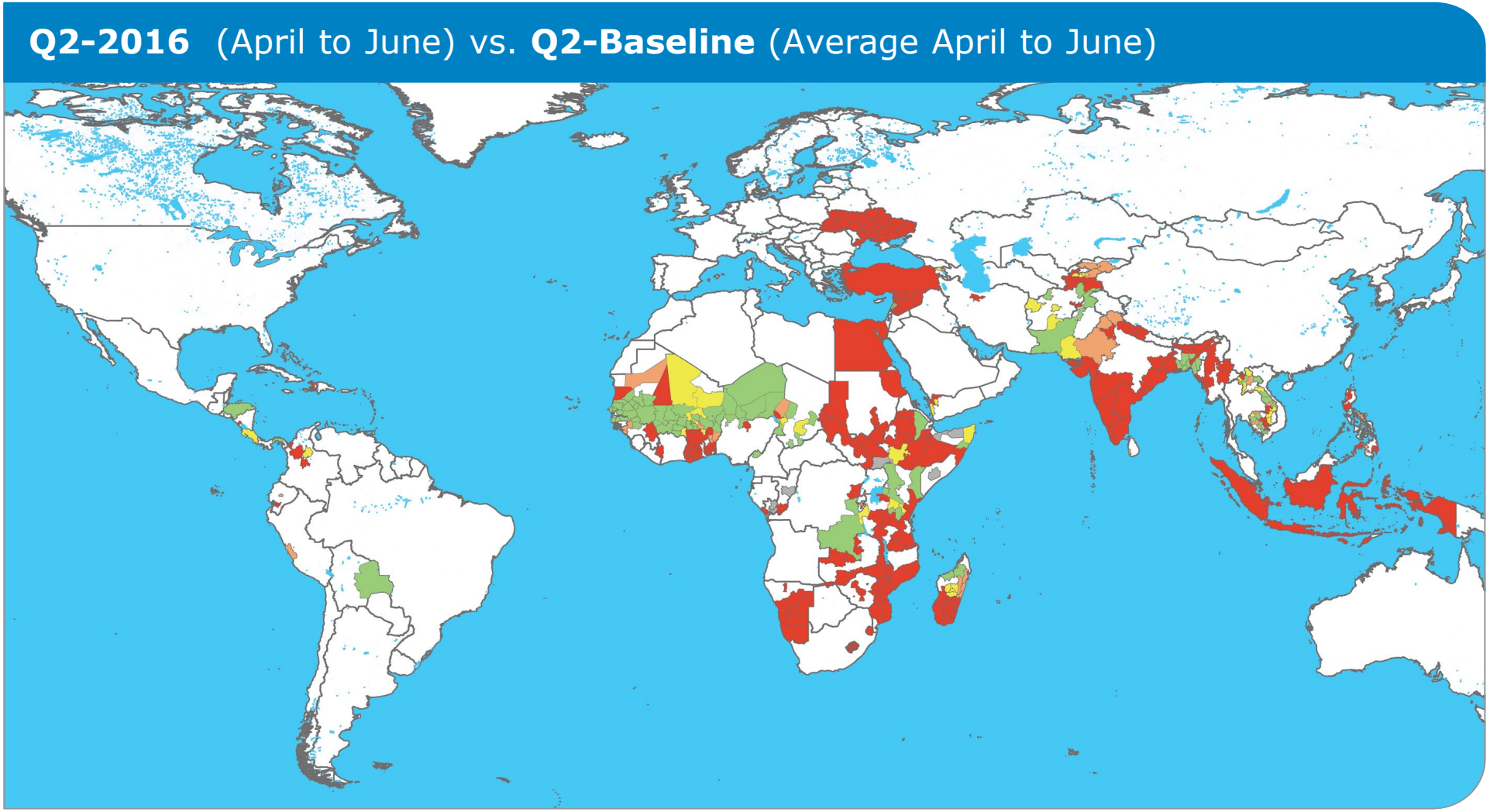
Source: Trading Economics

Notes:

- The calculation of quarterly changes uses averages of indices.
- Exchange rate defines the amount of domestic currency needed to exchange one US dollar. An increase in the exchange rate quantifies the depreciation of the domestic currency.

* Where indices were not available, y/y changes are not based on quarterly average but on the inflation rate of the last month available.

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



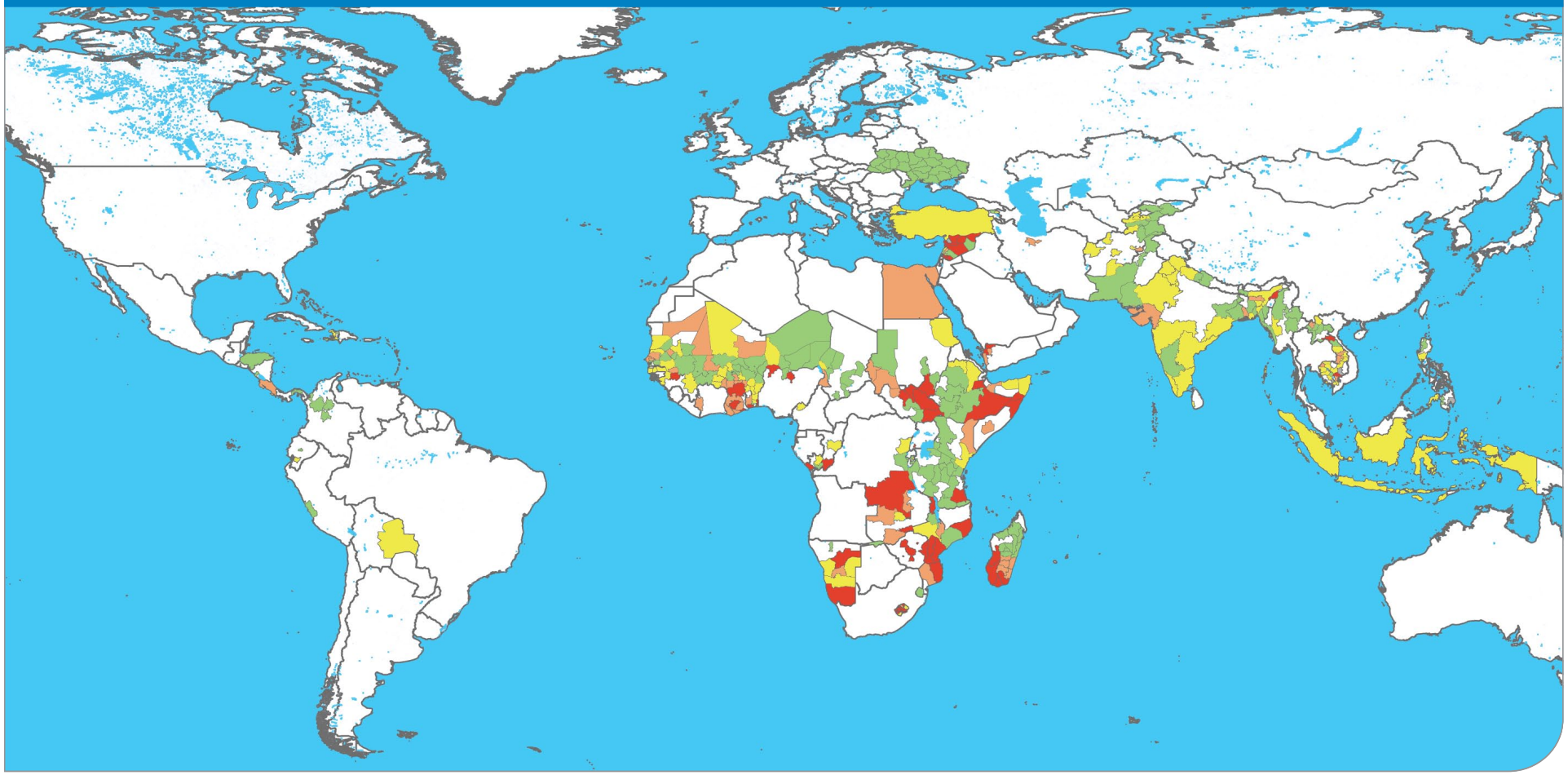
Map produced by: VAM - Food Security Analysis (OSZAF). *Source: WFP; Base Map: GAUL*

Impact Codes

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

Note: This map is based on the calculations at subnational level of column M of the table on pages 8-13. Baseline prices are from Q2 2011-2015.

Q2-2016 (April to June) vs. **Q1-2016** (January to March)



Map produced by: VAM - Food Security Analysis (OSZAF). *Source: WFP; Base Map: GAUL*

Impact Codes

- Low (< 0%)
- Moderate (0-5%)
- High (5-10%)
- Severe (> 10%)
- Monitored but without data from the last quarter
- Water bodies

Note: This map is based on the calculations at subnational level of column L of the table on page 8-13.

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	Rice (carolina 2da)	14	0	+1	-3	-7	-7	→	100	+1	-7	4
	Colombia	Maize (white)	13	0	-2	0	0	+28	↓	17	-4	+21	4
		Sugar	13	+5	-8	+47	+40	+40	↓	24			4
		Rice (paddy)	12	-11	-13	-2	-3	+16	↓	17			4
		Wheat flour	8	-9	-14	-32	-26	-10	↓	9			5
		Bananas	5	+4	-1	+13	-1	-7	↓	14			3
		Plantains	5	+21	+14	+70	+41	+50	↑	19			4
	Costa Rica	Rice (first quality)	17	-1	0	-4	-5	-5	→	60	+5	+1	5
		Wheat flour	10	+14	+15	-3	+11	+13	↑	40			5
	Dominican Republic	Rice (first quality)	17	+1	0	+1	+1	+1	→	100	0	+1	5
	Ecuador	Rice (long grain)	19	+1	-2	+4	+3	+17	↓	68	-2	+12	5
		Wheat flour	13	-1	-2	-5	-5	+2	↓	32			5
	El Salvador	Sorghum (maicillo)	6	0	-9	+9	+19	+8	↓	100	-9	+8	5
	Guatemala	Maize (white)	36	+3	-3	+2	+1	-8	↓	100	-3	-8	5
	Haiti	Rice (local)	23	+1	N/A	N/A	N/A	N/A	→	67	+2	+23	*
		Maize meal (local)	9	+6	-1	+21	+25	+34	↓	18			5
		Oil (vegetable, imported)	7	+1	+1	+10	+11	+12	→	14			3
	Honduras	Maize (white)	26	-3	-11	-2	0	+5	↓	52	-9	-3	5
		Beans (red)	5	+8	-7	-25	-23	-15	↓	28			5
		Rice (milled 80-20)	5	-5	-4	-5	-5	-1	↓	21			5
	Nicaragua	Maize (white)	23	-3	-17	+29	+21	+30	↓	29	-9	+14	5
		Rice (first quality)	17	0	-3	+2	+2	+14	↓	49			5
		Beans (red)	7	+4	-10	-21	-20	-3	↓	22			5
	Panama	Rice (first quality)	24	0	-3	+20	+11	-9	↓	42	-2	-12	5
		Bread	12	0	-1	0	0	-17	↓	49			5
		Maize	7	-1	0	0	+1	+5	→	9			5
	Peru	Rice (local)	21	0	-2	0	0	+3	↓	24	-10	+9	5
		Wheat flour (locally processed)	14	+1	+1	+5	+5	+8	→	25			5
		Potatoes	8	-29	-28	+6	0	+18	↓	28			5
		Sugar	8	+3	+3	+5	+13	+7	→	9			5
		Maize (local)	7	+1	-2	-2	-2	+5	↓	14			5

(*) Calculations based on nominal prices. For details, see 'Approach' on page 14.

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	Congo	Cassava (fresh)	32	+3	+9	+34	+39	+30	↗	54	+4	+19	2
		Bread	18	+6	N/A	+18	+14	+14	↗	35			*
		Oil (palm)	11	-5	-19	-8	-19	-9	↓	5			2
		Rice (mixed, low quality)	6	+2	-2	+2	-3	-4	↓	5			3
	Congo (DR)	Cassava (chikwangue)	53	+6	+4	+6	+8	+14	→	84	+4	+8	5
		Maize	14	0	+5	+3	+11	+2	↗	7			5
		Oil (palm)	5	+7	+10	0	-4	-6	↑	3			5
		Wheat flour	5	-11	-6	-17	-17	-29	↓	6			5
	Lesotho	Maize meal	56	+27	+23	+54	+51	+59	↑	62	+14	+42	5
		Bread (brown)	14	+3	+3	+7	+7	+21	→	38			5
	Madagascar	Rice (local)	49	-9	-4	N/A	N/A	+4	↓	100	-4	+4	4
	Malawi	Maize	53	-15	+2	+77	+62	+163	→	100	+2	+163	5
	Mozambique	Cassava flour	32	+28	+16	-3	+30	+42	↑	46	+8	+53	2
		Maize (white)	20	-7	+13	+127	+113	+144	↑	18			5
		Wheat flour (local)	9	0	-1	+37	+37	+39	↓	15			5
		Rice (imported)	8	+16	+16	+61	+45	+45	↑	13			5
		Oil (vegetable, imported)	5	+11	+14	+38	+40	+43	↑	9			3
	Namibia	Maize meal	25	+10	+3	+23	+22	+47	→	42	+3	+47	5
		Rice	8	+4	+3	+1	+5	+11	→	19			5
		Sorghum	8	+4	+1	+40	+42	+98	→	30			5
		Wheat flour	5	+7	+6	+8	+8	+24	↗	9			5
	Swaziland	Maize (white)	25	-10	-8	+49	+49	+53	↓	22	-5	+30	4
		Wheat flour	16	-1	-6	+1	+5	+15	↓	35			5
		Sugar (brown)	11	+2	-5	+20	+17	+27	↓	23			4
		Rice	8	+9	+5	+49	+29	+40	↗	20			5
	Tanzania	Maize	26	-16	-16	+13	+16	+11	↓	37	-12	+11	5
		Rice	10	-11	-10	-5	0	+8	↓	42			5
		Beans	5	-11	-7	-10	-5	+16	↓	21			5
	Zambia	Maize (white)	51	-3	+1	+19	+26	+53	→	100	+1	+53	5
	Zimbabwe	Maize	41	+1	+17	+37	+39	+41	↑	100	+17	+41	5

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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
Central and Eastern Africa	Burundi	Sweet potatoes	17	-14	-27	+2	0	-13	↓	36	-17	+3	5
		Beans	16	-8	-14	+3	+16	+13	↓	29			5
		Cassava flour	13	+5	-2	+27	+35	+21	↓	20			5
		Maize (white)	13	-18	-12	+32	+31	+11	↓	15			5
	Ethiopia	Maize (white)	21	+14	+7	+13	+17	+18	↗	26	+14	+11	5
		Pasta	12	+12	+17	+2	-12	-1	↑	51			2
		Sorghum	12	+14	+8	+37	+28	+43	↗	23			5
	Kenya	Maize (white)	35	-11	-17	+2	-14	-28	↓	21	-2	+5	5
		Bread	9	-5	-7	-4	-4	+5	↓	21			5
		Milk (cow, pasteurized)	7	+6	+8	+11	+11	+24	↗	59			5
	Somalia	Maize (white)	18	+6	N/A	N/A	N/A	-20	↗	55	-3	-21	*
		Wheat flour	10	-13	N/A	N/A	N/A	N/A	↓	23			*
		Rice (imported)	9	-10	-14	-26	-18	-22	↓	22			3
	South Sudan	Sorghum (white)	26	+34	+10	+136	+163	+312	↑	40	+10	+360	5
		Wheat flour	15	+21	+6	+165	+150	+390	↗	44			4
		Millet (white)	7	+31	+28	+200	+191	+425	↑	16			5
	Uganda	Cassava flour	13	+8	+2	0	-5	+20	→	39	-3	+16	5
		Maize (white)	9	+19	-4	-1	-8	+7	↓	18			5
		Beans	5	+8	-8	+4	-4	+16	↓	26			5
		Millet	5	+4	-1	0	+6	+18	↓	17			5

(*) Calculations based on nominal prices. For details, see 'Approach' on page 14.

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	+26	+14	+25	+28	-5	↑	24	+8	-6	5
		Cassava meal (gari)	16	+20	+21	+39	+33	-9	↑	27			5
		Rice (imported)	13	-1	0	+1	-1	-5	→	40			5
		Sorghum	5	+7	+14	+12	+13	-9	↑	9			5
	Burkina Faso	Sorghum	26	+3	-3	-2	+1	-3	↓	41	-1	-2	5
		Millet	22	+5	-3	-1	+1	-4	↓	36			5
		Maize	16	+8	+3	+7	+11	+3	→	23			5
	Cameroon	Maize	15	+6	-3	-8	0	-7	↓	26	+5	-2	5
		Cassava (cossette)	12	+13	+19	+11	+3	+19	↑	44			3
		Rice (local)	10	-4	-3	-5	-5	-22	↓	18			5
		Sorghum (red)	8	-1	-16	-8	-3	-17	↓	12			5
	Cape Verde	Rice (long grain, imported)	19	-1	-1	0	0	-7	↓	43	-2	+9	5
		Wheat (flour, imported)	13	-1	-2	0	-1	-3	↓	21			5
		Maize (white, local)	12	+1	-8	-3	+2	+51	↓	36			5
	Chad	Sorghum	18	-1	-8	-20	-14	0	↓	43	-6	+1	5
		Millet	15	+2	-4	-2	-2	0	↓	42			5
		Maize (white)	5	-1	-9	-25	-8	+5	↓	15			5
	Côte d'Ivoire	Rice (denikassia, imported)	20	-1	-1	+1	+4	+3	↓	45	+3	+9	5
		Cassava (fresh)	12	+1	+10	+10	+10	+18	↑	20			5
		Oil (palm)	9	-2	+5	-1	-1	+3	↗	20			5
		Maize	7	+12	+3	+20	+25	+32	→	15			5
	Ghana	Cassava	21	+36	+26	+152	+136	+150	↑	32	+11	+81	5
		Maize	12	+2	-10	+5	+8	+63	↓	9			5
		Yam	11	+26	+4	+51	+47	+91	→	36			5
		Rice (imported)	8	+3	+14	+3	+4	+27	↑	23			2
	Guinea	Rice (imported)	37	+9	+4	+9	+7	+1	→	72	+3	0	4
		Cassava meal (gari)	12	0	-13	N/A	N/A	-4	↓	18			*
		Oil (palm)	6	-9	-8	-9	-5	-4	↓	9			5
	Mali	Rice (imported)	21	+1	+1	+1	+1	-5	→	49	0	-6	5
		Millet	20	+4	0	-3	-1	-8	→	24			5
		Sorghum	13	+3	-2	-3	-2	-8	↓	16			5
		Maize	9	+6	+2	+4	+3	-3	→	11			5
	Mauritania	Wheat	30	+2	+2	-4	-6	-3	→	33	+1	-2	5
		Sugar	12	+10	+18	+19	+15	-7	↑	19			5
		Oil (vegetable)	11	0	-1	-2	-3	-7	↓	14			5
		Rice (imported)	11	-3	-5	+7	+6	+19	↓	23			5
		Sorghum (taghalit)	7	-8	-12	-27	-33	-20	↓	11			5
	Niger	Millet	39	+1	-5	-7	-9	-22	↓	56	-5	-16	5
		Sorghum	11	0	-5	-5	-7	-15	↓	17			5
		Rice (imported)	7	0	-1	0	-1	-3	↓	27			5
	North Nigeria	Sorghum	13	+7	+5	+13	+4	-16	↗	20	+10	-6	5
		Millet	11	+7	0	+4	-1	-24	→	16			5
		Maize	8	+31	+25	+105	+88	+47	↑	41			5
		Rice (imported)	8	0	0	-25	-25	-31	→	23			5
	Senegal	Rice (imported)	30	-1	+2	-5	-3	-5	→	69	+2	-6	5
		Maize (imported)	10	+4	+3	+1	-1	-5	→	18			5
		Millet	8	+4	+1	-9	-14	-11	→	13			5
	Togo	Maize (white)	24	+13	+7	+16	+20	+16	↗	21	+15	+16	5
		Cassava (gari)	15	+27	+28	+64	+39	+24	↑	47			5
		Rice (imported)	10	+2	+2	+4	+4	+1	→	22			5
		Sorghum	8	+8	+3	+7	+10	+15	→	9			5

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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 Africa and Central Asia	Armenia	Bread (first grade flour)	40	0	+3	-4	-3	+7	→	46	-1	+1	4
		Milk	8	-1	-8	-15	-16	-3	↓	38			4
		Sugar	8	0	-1	-8	-9	-11	↓	5			4
		Potatoes	5	+29	+5	-34	-14	-1	↗	11			4
	Egypt	Pasta	35	+7	+11	+27	+24	+13	↑	57	+8	+14	5
		Rice	12	+10	+8	N/A	N/A	N/A	↗	28			5
		Sugar	7	+7	+6	+28	+24	+20	↗	15			5
	Georgia	Bread	41	0	-1	+1	+1	+3	↓	100	-1	+3	5
	Iran (Islamic Republic of)	Rice (local)	9	+2	+11	+13	+15	+45	↑	70	+9	+46	4
		Sugar	9	+5	+7	+26	+23	+47	↗	30			4
	Kyrgyz Republic	Bread	40	-2	-2	-4	-3	+16	↓	80	-1	+3	5
		Potatoes	8	+19	+7	+16	-23	-30	↗	20			5
	Lebanon	Bread (pita)	30	0	+3	0	-1	-8	→	86	+2	-11	3
		Sugar	11	-2	-3	-3	-3	-25	↓	14			3
	State of Palestine	Wheat flour	40	-3	-2	-6	-5	-10	↓	41	+1	+1	5
		Sugar	10	+1	-1	0	-2	-15	↓	14			5
		Rice (small grain, imported)	7	0	-1	-2	+2	+13	↓	17			5
		Oil (olive)	5	0	+10	+9	+8	+25	↑	29			5
	Sudan	Sorghum	60	+9	-3	+36	+33	+60	↓	85	-3	+60	5
		Millet	9	+9	0	+28	+20	+59	→	15			5
	Syria	Bread (bakery)	39	+13	+5	+47	+88	+184	↗	23	+14	+277	3
		Sugar	13	+21	+14	+111	+137	+371	↑	50			5
		Oil	11	+25	+23	+89	+93	+246	↑	27			5
	Tajikistan	Bread	54	+1	0	+10	+13	+44	→	92	0	+41	5
		Sugar	7	+4	+2	+31	+28	+25	→	5			5
		Oil (cotton)	6	+2	0	+16	+14	+17	→	3			5
		Maize	5	+2	-8	-13	-4	+5	↓	1			5
	Turkey	Bread (common)	41	+3	+5	+14	+13	+12	↗	61	+4	+11	3
		Sugar	8	+1	+2	+11	+10	+12	→	10			3
		Milk (pasteurized)	5	0	+2	+2	+2	+9	→	29			3
	Ukraine	Bread (rye)	29	+1	-5	+4	+4	+34	↓	39	-8	+29	2
		Oil (sunflower)	9	+3	-4	+6	+5	+42	↓	8			2
		Potatoes	8	-1	-30	+9	+27	-1	↓	15			2
		Milk	7	+2	0	+20	+22	+36	→	37			2
	Yemen	Wheat flour	38	+16	+6	-11	-19	+10	↗	59	+4	+5	5
		Sugar	12	+10	-2	-13	-13	-2	↓	26			4
		Oil (vegetable)	9	+14	+7	+11	+9	-1	↗	15			4

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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	Bread	58	-1	0	+1	+1	+4	→	79	0	+5	2
		Rice (low quality)	22	0	0	+8	+7	+6	→	21			5
	Bangladesh	Rice (coarse)	70	-4	0	-7	-8	-14	→	91	0	-14	5
		Wheat flour	6	-3	-2	-7	-7	-10	↓	9			5
	Cambodia	Rice (mixed, low quality)	65	+5	+3	+6	+4	+4	→	100	+3	+4	3
	India	Rice	31	0	-2	-2	-2	+10	↓	51	+1	+14	5
		Wheat	22	0	+1	+5	+4	+19	→	33			5
		Sugar	7	+13	+16	+29	+24	+16	↑	16			5
	Indonesia	Rice	50	-2	0	+6	+5	+22	→	79	+1	+20	5
		Oil (vegetable)	7	+4	+3	+1	0	+4	→	5			5
		Sugar	6	+8	+7	+18	+15	+22	↗	10			5
		Wheat	6	0	0	+2	+2	+7	→	6			5
	Lao PDR	Rice (glutinous, first quality)	64	+1	+1	+6	+3	+7	→	100	+1	+7	5
	Myanmar	Rice (low quality)	55	-3	-9	+17	+21	+42	↓	100	-9	+42	5
	Nepal	Rice	32	+1	-3	+2	+2	+15	↓	65	-3	+17	5
		Wheat	15	0	-3	+7	+7	+20	↓	35			5
	Pakistan	Wheat	37	-5	+6	0	-2	-2	↗	18	-1	-2	*
		Sugar	11	+4	-2	+2	+7	+14	↓	9			3
		Milk	9	0	N/A	N/A	N/A	N/A	→	59			*
		Oil (cooking)	9	-1	+1	-3	-4	-11	→	9			3
		Rice (basmati, broken)	6	-3	-5	-11	-12	-9	↓	5			5
	Philippines	Rice (regular, milled)	48	0	0	+2	+3	+16	→	100	0	+16	4
	Sri Lanka	Rice (white)	41	0	+3	+1	-2	+12	→	69	+3	+9	5
		Wheat flour	14	+6	+5	+8	+7	+1	↗	31			5
	Thailand	Rice (25% broken)	48	+8	+10	+20	+15	-5	↑	100	+10	-5	5

(*) Calculations based on nominal prices. For details, see 'Approach' on page 14.



Approach

This bulletin examines price changes for staple food items and their impact on the cost of the basic food basket. For the most vulnerable population groups in developing countries, food often represents over 50% of total household expenditures, and staples contribute 40-80% of energy intake. Any change in staple food prices therefore has a big impact on overall food consumption, especially when the food basket is composed of very few items.

Monitoring the percentage changes of quarterly prices reveals whether recent changes are normal or abnormal when compared to a reference period (e.g. the previous quarter, the previous year or the baseline period).

Column D shows **what each food item contributes to total household energy intake**. The analysis is based on quarterly price[1] changes of the main food items (those that contribute at least 5% of caloric intake[2]):

i) **"Change from last quarter"** (column E) shows how far quarterly nominal prices have changed from the previous quarter (percentage change).

ii) **"Seasonally adjusted quarterly change"** (column F) shows how far quarterly prices have changed from the previous quarter, once prices have been adjusted for seasonality (percentage change). This indicator is calculated by dividing each monthly nominal price by its corresponding baseline average price.[3]

iii) **"Monthly change from last year"** shows how the monthly nominal price has changed from the same month in the previous year (percentage change). The indicator reflects the data for the latest available month of the last quarter.

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

v) **"Quarterly price change from baseline"** (column I) shows how far quarterly prices have changed from baseline average prices[4] (percentage change).

How the impact on the cost of the food basket is assessed

The **'cumulative impact of the quarter'** (column L) shows the partial (known) change in the total cost of the food basket since the previous quarter. The **'cumulative impact from the baseline'** (column M) shows the change from the baseline. This approach seeks to derive the quantities of food consumed from the caloric contribution of each item in order to estimate the cost of the food basket and from there, the impact of price changes.

The impact calculation assumes that each food basket provides 2,100 kcal a day, and that the proportional caloric contribution is a proxy of the relative importance of the item in the food basket. It comprises the following calculations:

a) the total food basket energy is multiplied by the proportion of each item to give the absolute energy (in kcal) each item contributes to the total energy intake; b) each item's absolute energy is divided by its caloric density[5] to give the weight of that item in the food basket; and c) each item's weight is multiplied by its unit nominal/seasonally adjusted price to calculate the relative cost of each food basket item.

Costs are only calculated for energy contributors for which prices are available. To avoid bias, 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 c).

The **'quarterly cost share of food basket'** (column K) indicates the proportion each item represents in the total cost of the known food basket. The cumulative impact values are then 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 the percentage change 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

1. Prices are calculated as indices, using reference years. 'Last year' captures 12-month percentage changes, and 'last 5 years' captures percentage changes from long-term patterns.
2. Caloric contributions are based on FAO 2005-2007 estimates.
3. The baseline is an average of prices for the last five years of the same month. Note that this indicator requires a minimum two years' worth of data (see column N).
4. See note 3 above.
5. Caloric densities are based on NutVal 4.0 estimates.
6. For countries where seasonally adjusted prices cannot be derived, the nominal food basket cost is considered to measure the impact.

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