

## Maize meal prices slightly decreased in August

### Key points:



National maize meal prices have fallen by 2 percent, but wheat flour prices are stable



Maize meal and wheat flour are more expensive in rural areas than in urban zones



Pulses were slightly more expensive in August in most districts due to the unavailability of subsidised stock



Low agricultural production has made households more reliant on purchasing food; however, high unemployment and low disposable income are limiting purchasing power



Photo: WFP/ Stephen Wong

### Methodology

In August 2016, mVAM collected price data through mobile phones from 37 traders throughout the country. Traders were selected to cover functional markets in urban and rural areas. Fifty-four percent of the traders interviewed were in rural areas: of these, 22 were retailers in supermarkets, 13 were retailers in small shops and 2 were wholesalers. Because of network coverage problems, some traders' phones were not reachable.

The survey questions focused on the prices of the basic foods which comprise the standard food basket: maize meal, wheat flour, beans and peas, cooking oil, cabbage, salt and sugar. Other survey questions addressed food availability, market accessibility and factors that might limit business. There was also an open-ended question to gauge traders' perception of the food security situation in their local community.

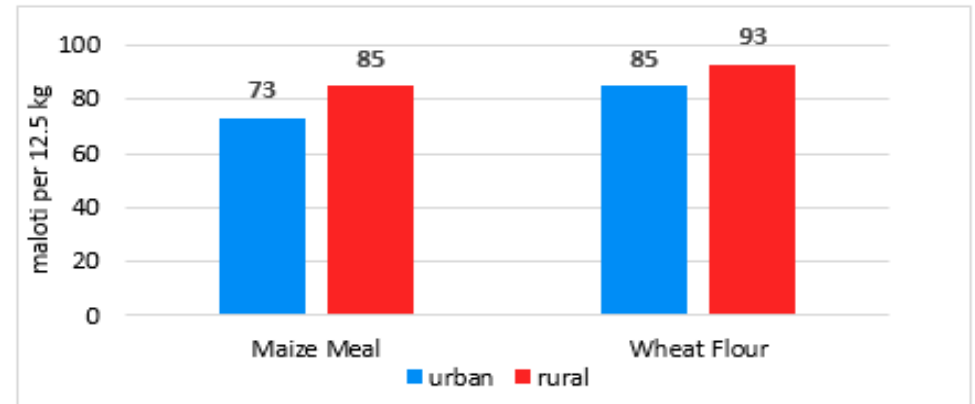


**Markets are functioning**

In August, markets seemed to be functioning well: 84 percent of traders interviewed did not have stock shortages; and 87 percent of traders said there were no major constraints limiting their business. Stock was being ordered weekly by around 69 percent of traders. Most of the maize meal continued to be sourced from within the country: 63 percent of traders sourced maize meal within their districts of operation while 34 percent bought it from other districts. Only a small proportion (3 percent) bought it from South Africa. Most traders reported to be out of subsidised stock of pulses (beans and peas).

As Figure 1 shows, the prices of maize meal and wheat flour were 16 and 9 percent more expensive respectively in rural areas than in urban zones. The prices of pulses (beans and peas) were almost the same in both areas.

Fig.1. Average prices of maize meal and wheat flour (in maloti per 12.5kg)



Source: mVAM, August 2016

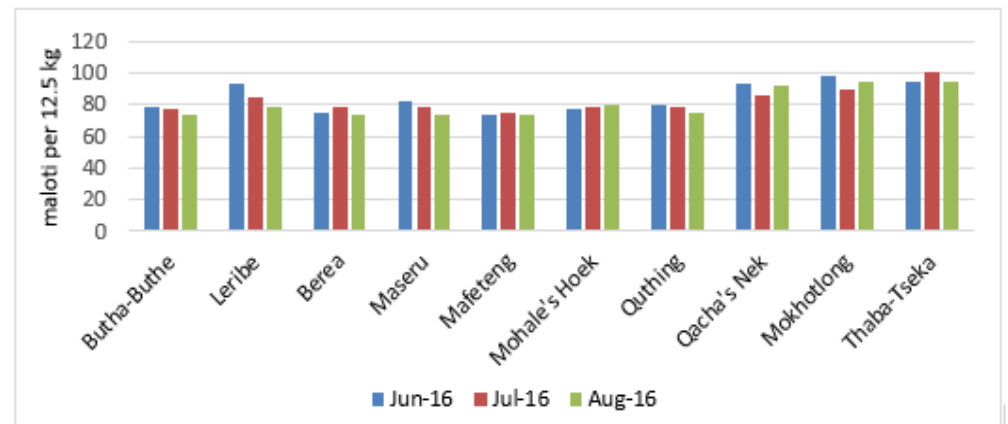


**Average food prices in August**

**Maize meal:** mVAM data shows that for most districts, prices were between 1 and 8 percent lower in August than in July (Figure 2). The average price of maize meal fell by 2 percent to M81.00/12.5 kg, with lower prices recorded in most of the lowland districts (M73.00–M80.00). The highest prices were observed in the mountain districts (M92.00–M95.00).

**Wheat flour:** The national average price of wheat flour was stable over July and August at M89.00/12.5 kg. The lowest price was observed in Leribe at M84.00, while the highest was in Qacha’s Nek at M100.00 (Figure 3).

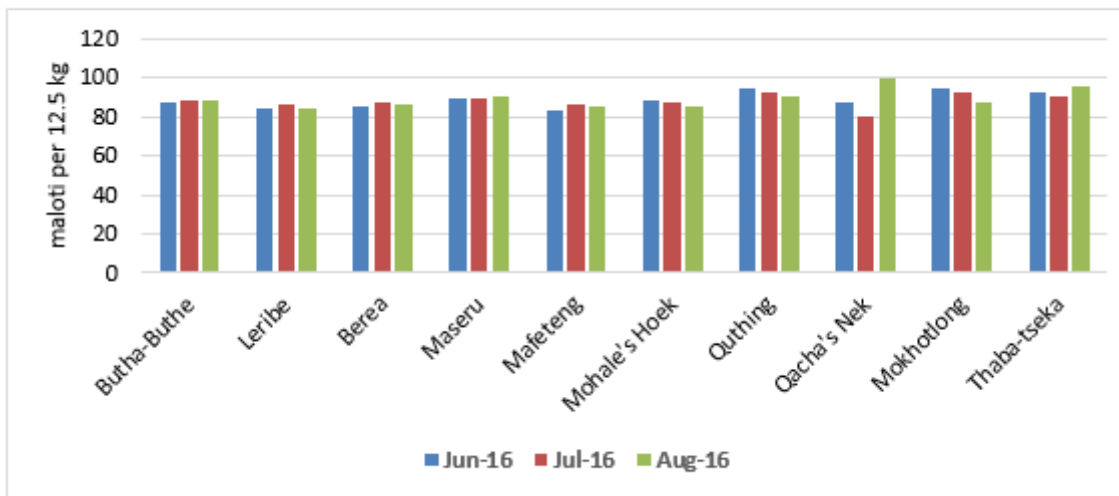
Fig.2. Average prices of maize meal (in maloti per 12.5 kg), June – August 2016



Source: mVAM, August 2016

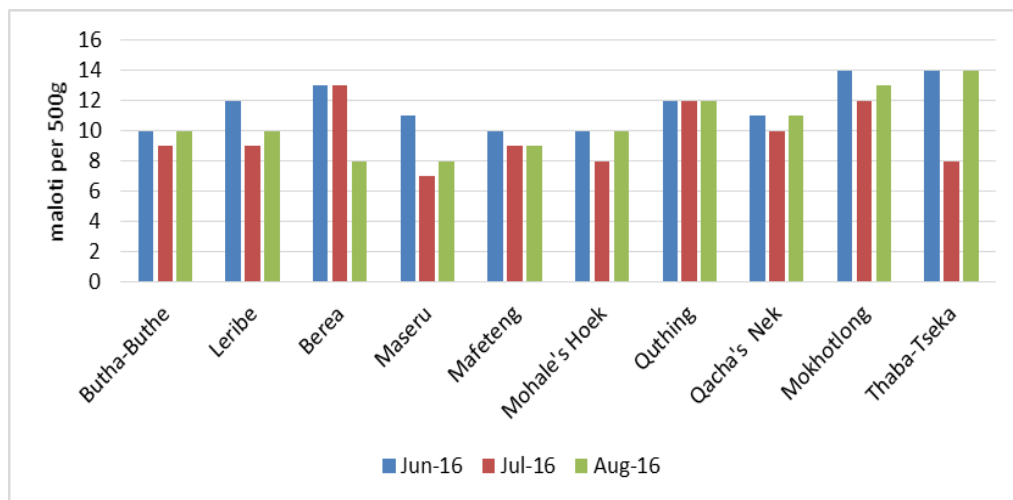
**Pulses (beans and peas):** The average prices of beans and peas ranged between M7.00 and M14.00 per 500 g (Figures 4a and 4b). The highest prices were in Thaba-Tseka, while the lowest were in Berea and Maseru. Most shops claimed to be out of subsidised pulses, hence the slight increase in prices for most districts.

Fig.3. Average prices of wheat flour (maloti per 12.5 kg), June – August 2016



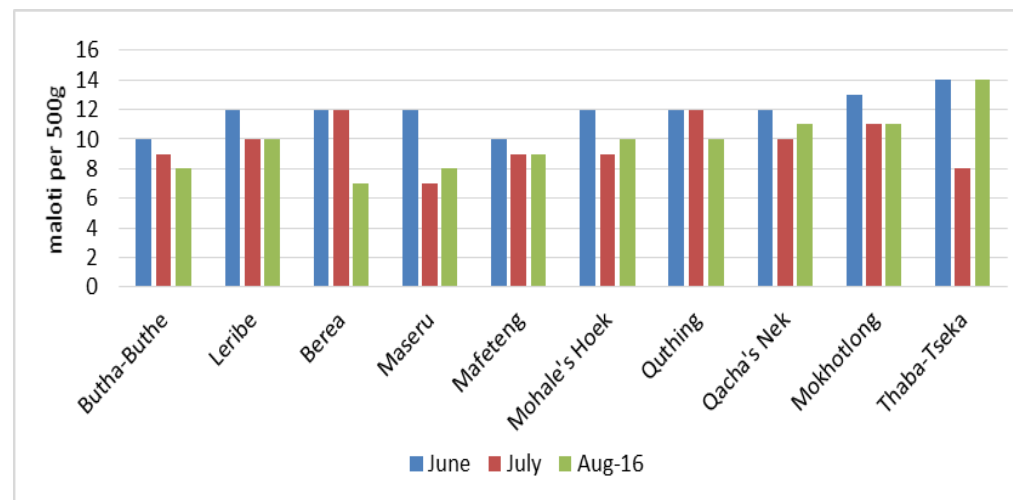
Source: mVAM, August 2016

Fig. 4a. Average prices of beans (in Lesotho maloti per 500 g)



Source: mVAM, August 2016

Fig. 4b. Average prices of peas (in Lesotho maloti per 500 g)



Source: mVAM, August 2016



## Low production means more reliance on food purchases

Traders in urban areas reported that since there are few jobs, most people are unemployed. Traders in rural areas said that low crop production meant that households were relying more on purchasing food than normal. However, with very limited income opportunities, people are tending to buy smaller quantities of food than they would usually buy. In August, 69 percent of traders said they were unaware of people in their communities receiving cash or food assistance.

Table 1: Prices of basic foods (in Lesotho maloti)

| District             | Cooking oil (750 ml) | Sugar (500 g) | Salt (500 g) | cabbage (1 head) |
|----------------------|----------------------|---------------|--------------|------------------|
| <b>Butha-Buthe</b>   | 17.55                | 8.00          | 3.00         | 8.00             |
| <b>Leribe</b>        | 17.25                | 7.00          | 4.00         | -                |
| <b>Berea</b>         | 16.57                | 8.00          | 4.00         | -                |
| <b>Maseru</b>        | 16.47                | 9.00          | 4.00         | 9.00             |
| <b>Mafeteng</b>      | 15.48                | 7.00          | 4.00         | 6.00             |
| <b>Mohale's Hoek</b> | 15.50                | 7.00          | 4.00         | 5.00             |
| <b>Quthing</b>       | 17.97                | 7.00          | 5.00         | 8.50             |
| <b>Qacha's Nek</b>   | 21.00                | 9.00          | 6.00         | 4.00             |
| <b>Mokhotlong</b>    | 17.75                | 7.00          | 5.00         | 10.00            |
| <b>Thaba-Tseka</b>   | 20.63                | 8.00          | 6.00         | 10.00            |

Source: mVAM, August 2016



### For further information:

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### mVAM Resources:

**Website:** [http://vam.wfp.org/sites/mvam\\_monitoring/](http://vam.wfp.org/sites/mvam_monitoring/)

**Blog:** [mvam.org](http://mvam.org)

**Toolkit:** <http://resources.vam.wfp.org/mVAM>



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