

PRICE WATCH Urban Food Markets in FEWS NET Countries June 2008

Introduction to this new FEWS NET report: High food and fuel prices represent a relatively new global food security threat, especially in urban areas, and especially on the urban poor. To more closely monitor its evolution, FEWS NET is beginning monthly reporting of staple food prices in the 20 countries it covers.

The price information to be reported currently includes these factors: 1) the recent monthly price of one urban staple food (retail price, unless otherwise noted, and listed in local and US \$ currencies), and 2) the change in price for the current month and, respectively, the average monthly change in price over the last three and 12 months. This latter view of prices provides a comparable basis to see whether prices have been accelerating, or not, over the last 12 months, the last 3 months and the last month. Be aware that seasonal patterns (e.g. hungry season/harvest period) may be responsible for some of these variations.

These price data form an important additional stream of information that may reflect increasingly restricted food access, especially for the urban poor. FEWS NET will combine them with other regularly-collected current and contextual food security information to help interpret the evolution and status of new, and old, food security problems, and where to prioritize further monitoring and assessment.

This month, the first Table of this report provides a brief comparison of the highest and lowest changes in urban staple food prices. The second Table examines whether prices are accelerating, falling, or staying relatively the same over the last month, 3 months, and 12 months in FEWS NET countries.

In future months, the number of markets and foods monitored will increase. Other aspects of the rise in food prices, and its impacts on food security will be examined, especially whether increasing prices of preferred urban staples, like rice, are causing consumers to increase the purchase (and prices) of less-preferred staples, particularly those consumed by the poor.

Table I. Markets with the largest changes in staple food prices over last month and last 12 months

Largest increase in staple food price				Largest decrease in staple food price					
Urban Center	% change 1 mo	Observation	Urban Center	% change 1 yr	Urban Center	% change 1 mo	Observation	Urban Center	% change 1 yr
Harare, Zimbabwe (Maize grain)	1521	Zimbabwe prices have continuously been affected by the high inflation levels.	Harare, Zimbabwe (Maize grain)	13,505,461	Dar es Salaam Tanzania (Maize)	-14		Nouakchott, Mauritania (Sorghum)	-20
Baidoa, Somalia (Rice)	44	Shortages of local cereals due to poor harvest, disruption of markets and internal trade and reduced import capacities.	Mogadishu, Somalia (Rice)	347	Lusaka, Zambia (Maize)	-11	Prices have fallen due to the onset of harvest.		
Mogadishu, Somalia (Rice)	35	Shortage of local cereals due to poor harvest, disruption of Bakara market, and reduced import capacities.	Baidoa, Somalia (Rice)	316	Kitwe, Zambia (Maize)	-10	Prices have fallen because of the harvesting period.		
Kisumu, Kenya (White maize)	33	Maize prices increased during final months of hungry season, expected decline in the coming months as harvesting begins.	Blantyre, Malawi (Maize)	250	Hinche Haiti (Imported Rice)	-10	Rice prices fell due to a temporary government 15% subsidy (reduction) of rice prices and stabilization of fuel prices, a slight decline in international price and a good harvest season.		
Blantyre, Malawi (Maize)	27	General rise in prices in the south as a result of stiff competition among traders.	Bahir Dar Ethiopia (White maize)	182	Port au Prince, Haiti (Imp Rice)	-9	See above		

NOTES: All markets are listed in descending order according to the magnitude of change in the staple price. The five markets with the greatest increases and the greatest decreases are presented here. See commodity details on page 2. **SOURCE:** FEWS NET, via a variety of partner agencies in each country.

	Urban Center	Staple Current price/kg US\$ price	Change in the last month (%)	Avg monthly change (%)		Change: over 1 mo, avg for 3 months and avg for 1 year	Urban Center	Staple Current price/kg US\$ price	Change in the last month (%)	Avg monthly change (%)		Change: over 1 mo, avg for 3 months and avg for 1 year
				over last 3 months	over last 12 months					over last 3 months	over last 12 months	
West Africa	Ouagadougou Burkina Faso	Millet 175 XOF \$0.42	4	7	3	▲▲▲	Djibouti city Djibouti	Belem rice 150 DJF \$ 0.87	0	8	6	▲▲▲
	Bobo Dioulasso Burkina Faso	Millet 166 XOF \$.40	17	11	-	▲▲▲	Addis Ababa Ethiopia	White maize 4.73 ETB \$0.50	13	14	9	▲▲▲
	N'Djamena Chad	Pearl Millet 202 XAF \$0.49	-0.5	7	2	▲▲▲	Bahir Dar Ethiopia	White maize 4.23 ETB \$0.45	20	13	10	▲▲▲
	Abeche Chad	Pearl millet 198 XAF \$0.48	-1	8	3	▲▲▲	Nairobi Kenya (W)	White maize 16.76 KES \$0.27	10	5	2	▲▲▲
	Bamako Mali	Millet 175 XOF \$0.42	17	6	2	▲▲▲	Kisumu Kenya (W)	White maize 27 KES 0.42	33	22	6	▲▲▲
	Segou Mali	Millet 136 XOF \$0.33	7	3	3	▲▲▲	Mogadishu Somalia	Rice 33,500 SOS \$24.97	35	32	15	▲▲▲
	Nouakchott Mauritania	Sorghum 240 MRO \$1.04	20	0	-1	▲▲▲	Baidoa Somalia	Rice 39,500 SOS \$29.06	44	40	15	▲▲▲
	Niamey Niger	Millet 203 XOF \$0.48	3	3	2	▲▲▲	Juba South Sudan	Sorghum 1.28 SDG \$0.64	11	6	2	▲▲▲
	Maradi Niger	Millet 143 XOF \$0.34	-3	-1	2	▲▲▲	Malakal South Sudan	Sorghum .97 SDG \$0.48	21	1	0	▲▲▲
	Kano Nigeria	Maize Grain 70 NGN \$ 0.60	17	-1	6	▲▲▲	Dar Es Salaam Tanzania	White maize 475 TZS \$0.31	-14	-6	9	▼▼▲
Southern Africa	Kaura Nigeria	Maize grain 70 NGN \$0.60	9	5	3	▲▲▲	Iringa Tanzania	White maize 333 TZS \$0.28	-1	3	5	▲▲▲
	Lilongwe Malawi	Maize 43 MWK \$0.31	-4	-	8	▲▲▲	Kampala Uganda	Sorghum 600 UGX \$0.37	14	6	-	▲▲▲
	Blantyre Malawi	Maize 35 MWK \$0.25	27	2	14	▲▲▲	Soroti Uganda	Sorghum 500 UGX \$0.31	3	10	5	▲▲▲
	Maputo Mozambique	Rice 17.36 MZN \$0.72	9	4	2	▲▲▲	Port-au-Prince Haiti	Imported Rice 20.83 HTG \$0.55	-9	4	4	▼▲▲
	Beira Mozambique	Maize 5.32 MZN \$0.22	9	-11	6	▲▲▲	Hinche Haiti	Imp. Rice 23.92 HTG \$0.63	-10	5	4	▼▲▲
	Lusaka Zambia	White Maize 970 ZMK \$0.29	-11	-1	0	▼▲▲	Kabul Afghanistan	Wheat flour 23 AFG \$0.46	10	0	4	▲▲▲
	Kitwe Zambia	White Maize 1000 ZMK \$0.30	-10	0	3	▼▲▲	Jalalabad Afghanistan	Wheat flour 30 AFG \$0.60	25	17	10	▲▲▲
	Harare Zimbabwe	Maize grain 463,047,643 ZVW\$ \$0.13	1,521	619	262	▲▲▲	Guatemala City Guatemala	White maize 1.42GTQ \$0.19	8	2	-1	▲▲▲

Example: In Lusaka, Zambia, white maize prices dropped 11% between May and June (probably reflecting a harvest underway), a much larger fall in prices than the average monthly drop of only 1% per month in the 3 months leading up to June. Averaging the monthly rises and fall in prices over each of the last 12 months, there was an average monthly increase of 0% over the last 12 months (thus, same price as last year).

NOTES: Average monthly price changes are calculated using weekly price data available at the time of publication and, therefore, may be based on less than one full month of price data. Consequently, monthly prices reported here may be different than those reported in FEWS NET monthly Food Security Updates, which are based on a full set of weekly price data for the month. ▲▲▼ These symbols depict the direction of price changes: the red upward facing arrow denotes an increase of greater than 5 percent, the blue horizontal arrow denotes no change or changes that are smaller than 5 percent and the green downward facing arrow denotes a price decrease greater than 5 percent. The first arrow corresponds to the change in price over the month, the second to the average monthly percentage change over the past three months and the third to the average monthly percentage change over the previous year. The “-” symbol indicates no data are available. Note that monthly price changes are rounded to the nearest whole number.