

South Sudan

MONTHLY MARKET PRICE MONITORING BULLETIN



vam
food security analysis



MARCH 2018¹

HIGHLIGHTS

- **Currency Exchange Rate:** The average exchange rate of United States Dollar to South Sudanese Pound stood at SSP 220 and SSP 133 in the parallel and official markets in February 2018, compared to SSP 211 and SSP 131 respectively in the previous month. The divergence of the parallel exchange rate from the official rate reached a new high of 66 percent in February.
- **Cross Border Trade:** The cross-border trade between Sudan and South Sudan was opened. The opening of the border has however not resulted in a decrease in prices of food imported from Sudan, reportedly due to the multiple checkpoint payments along trade routes.
- **Cereal Prices:** The staple cereal prices showed mixed behavior in February. Prices of sorghum increased in Aweil, Torit and Mingkaman - ranging between 13 to 28 percent; while it remained stable in other markets.
- **Cost of Food Basket:** The cost of a standard food basket to meet the minimum daily recommended energy requirement (2,100 kilo calories) was highest in the Lakes region, followed by Jonglei while lowest in Eastern Equatoria.
- **Fuel Prices:** The price of fuel remained at about a level equivalent to one US Dollar in SSP as per the parallel market exchange rate in most markets except in Torit, Wau and Mingkaman where fuel prices were higher than one US Dollar equivalent.
- **Terms of Trade:** Improvements in the goat price coupled with a drop in the maize price led the Terms of Trade (ToT) to improve by 51 percent in Kapoeta South. ToT in Aweil and Mingkaman improved due to higher increase in goat prices compared to sorghum. On the contrary, ToT deteriorated in Torit due to increase in maize price and in Wunrok due to a decrease in goat price.
- **Outlook:** As household stocks from the seasonal harvests diminish and with the onset of the lean season, more households will depend on markets for their consumption needs. Thus, prices of staple food commodities are likely to increase in the coming months.

¹The analysis is based on February 2018 price data

Photos: WFP/Ryan McDonald (top) and WFP/George Fominyen (bottom)

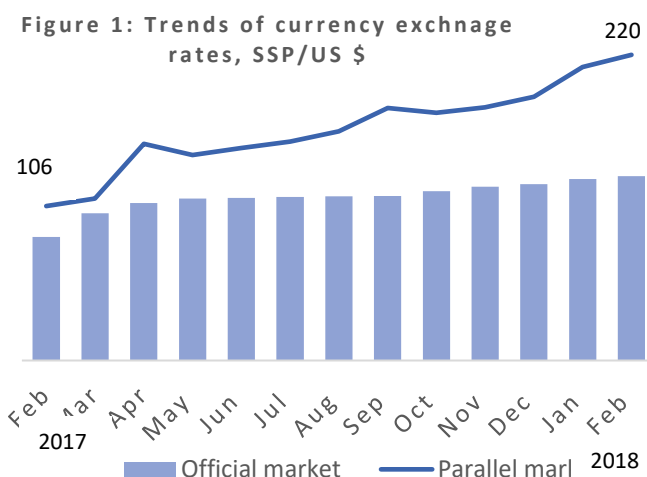
For more information about this bulletin, contact wfp.southsudan@wfp.org

South Sudan

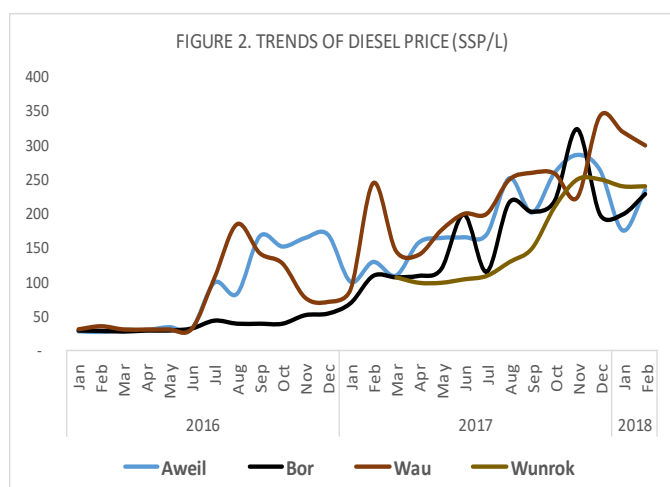
MONTHLY MARKET PRICE MONITORING BULLETIN

South Sudanese pound continues to depreciate with high divergence between parallel and official exchange rates

The South Sudanese pound continued its depreciation. In February, the average exchange rate of one US Dollar was 220 SSP on the parallel market while the official rate was 133 SSP per Dollar, compared to 211 SSP and 131 SSP respectively in the previous month. This divergence of 66 percent between official and parallel market exchange rate is the highest in the last two years. Compared to the same period last year, the value of SSP in February 2018 has been almost half, with the change in parallel market exchange rate from 111 to 220 SSP per US Dollar.



Source: Bank of South Sudan (Official) and WFP (Parallel)



Source: WFP

Improved availability of fuel, mixed behavior in prices

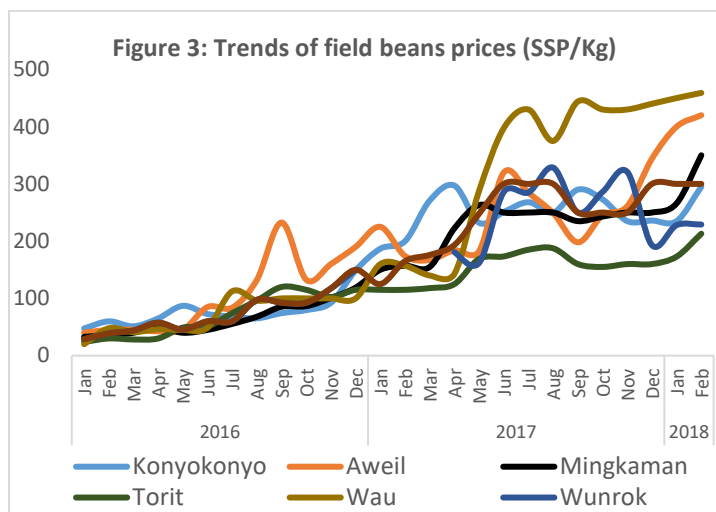
Improved supply of fuel by private companies has ensured its availability in major urban centers. The price of fuel remained at about a level equivalent of one US Dollar in SSP as per the parallel market exchange rate in most markets. However, fuel prices in Torit, Wau and Mingkaman were higher than one dollar equivalent. Compared to January 2018, diesel price increased in Mingkaman, Bor, Juba and Aweil by between 9 to 34 percentage points, while it has decreased in Wau by six percent. Similarly, petrol price increased in Bor and Wau by 15 and 25 percent respectively, while it decreased in Aweil by 11 percent and remained stable in Torit, Wunrok and Juba. Despite this observed mixed behavior, the prices of fuel and petrol stood much higher than the same time last year.

Mixed behavior of cereal prices

Cereal prices: Staple cereal prices showed mixed behavior in February 2018. Compared to January 2018, prices of sorghum have increased in Aweil, Torit and Mingkaman in the range of 13 to 28 percent, while it has remained stable in other markets. The price of maize flour has increased in Aweil, Torit, Bor and Mingkaman in the range of 9 to 49 percent, and that of wheat flour increased in Aweil, Torit and Wau (11 to 64 percent). Compared to the same time last year all monitored markets experienced increases in prices of food items. The seasonal harvests, coupled with humanitarian food assistance and opening up of the dry season roads were some of the factors behind the observed stability and some decrease in prices since October. The exception was in Aweil, Northern Bahr el Ghazal state, where prices have increased in the last three consecutive months. Despite the opening of cross border trade with Sudan, multiple checkpoint payments along the trade routes has meant prices have remained high. Compared to January 2018, the price of field beans increased in three out of eight monitored markets, in the range of 23 to 32 percent; while it remained stable in the remaining markets. Compared to one year ago, prices of cereal as well as field beans increased significantly in all monitored markets.

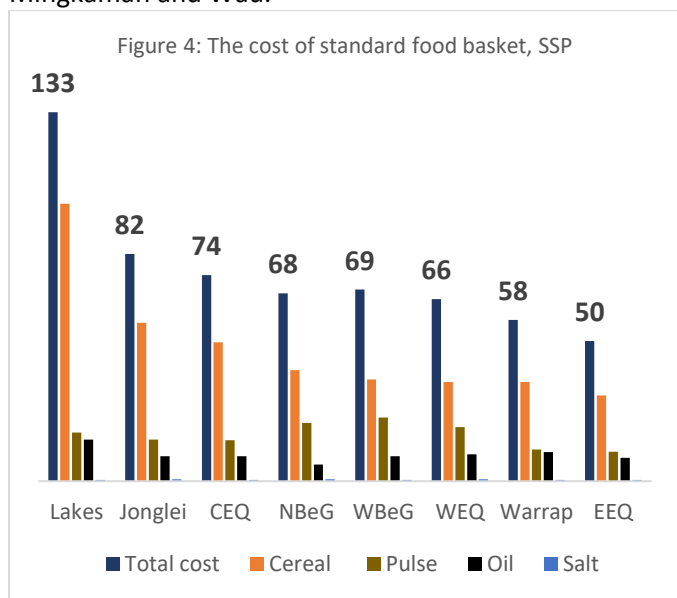
South Sudan

MONTHLY MARKET PRICE MONITORING BULLETIN



Source: WFP

Vegetable oil price: Compared to January 2018, about 70 percent of monitored markets registered an increase in the price of vegetable oil, while stability was observed in other markets. The increase in price of vegetable oil was highest in Wunrok (40 percent), followed by Aweil (33 percent), Torit (22 percent), Konyokonyo (20 percent), Mingkaman (19 percent), and Bunj (seven percent). Compared to a year ago (February 2018), the vegetable oil price stood higher in Konyokonyo (18 percent), Kapoeta South (33 percent), Torit (52 percent) and Wau (66 percent), while it more than doubled in Aweil, Bunj, Mingkaman and Wau.

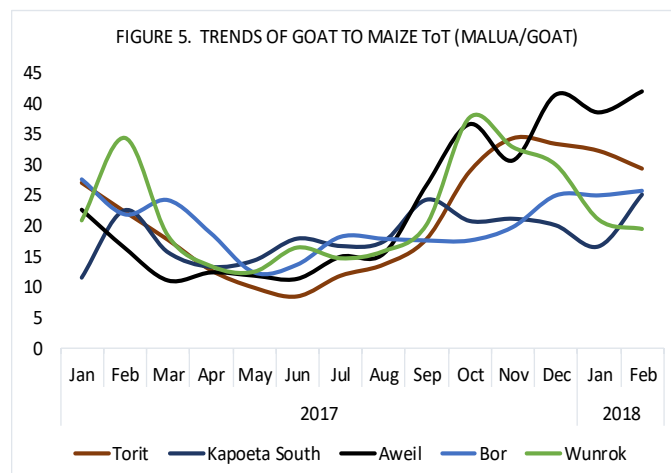


Source: WFP calculation

Cost of minimum food basket highest in Lakes: The cost of a daily standard food basket was calculated based on the food baskets that meet daily minimum energy requirements. The standard food basket includes 500 grams of cereal, 50 grams of pulse, 30 grams vegetable oil and 5 grams of salt which provides 2,100 kilo calories per person, the minimum daily energy requirement. In February, the cost of a standard food basket was the highest in Lakes (SSP 133) and the lowest in Eastern Equatoria, SSP 50 (Figure 4).

Terms of Trade (ToT): Purchasing Power

Goat to sorghum: Improvements in the price of goat in Kapoeta South coupled with a decrease in maize price led the ToT to improve by 51 percent. ToT in Aweil and Mingkaman improved due to a higher increase in goat price relative to the sorghum price. On the contrary, ToT deteriorated in Torit by nine percent due to increase in maize price, and by seven percent in Wunrok due to decrease in goat price. Compared to one year ago, an improvement in the terms of trade was observed across the markets. Exception is Wunrok where there was a deterioration in ToT by 43 percent compared to February 2017. Figure 5 shows the trends of ToT in selected markets.



Source: WFP

South Sudan

MONTHLY MARKET PRICE MONITORING BULLETIN

Wage to sorghum: Stability in sorghum price and daily wage have maintained ToT to remain the same to January 2018 levels in Wau and Bor. Daily wage rate increases coupled with stable cereal price led ToT to improve in Juba by 36 percent. In Torit, increases in maize price coupled with stable wage rate led the terms of trade to deteriorate by 10 percent for daily wage dependent households.

Outlook

As the stocks from the seasonal harvests are depleted and the lean season approaches, more households depend on the market for their consumption needs. Thus, the prices of staple food commodities are likely to increase in the coming months.

Table 1: Retail prices by market and month-on-month price changes-February 2018

	Highest Price			Lowest Price		
	Market	Price (SSP)	M-on-M Change (%)	Market	Price (SSP)	M-on-M Change (%)
White sorghum (3.5 KG)	Mingkaman	700	13	Bunj	170	
White maize (3.5 KG)	Konyokonyo	400	0	Torit	250	11
Maize flour(KG)	Mingkaman	300	49	Wunrok	100	0
Field beans(KG)	Wau	459	2	Torit	213	23
Wheat flour (KG)	Mingkaman	300	36	Wau	160	14
Cooking oil(L)	Mingkaman	500	19	Aweil	200	33
Diesel (L)	Mingkaman	313	15	Bor	230	15
Petrol(L)	Torit	350	0	Bor	230	15
Groundnuts-shelled (KG)	Torit	266	13	Wau	180	-32
TOT: Goat to sorghum (malua)	Aweil	42	9	Kapoeta South	25	51
TOT: Wage to sorghum (malua)	Torit	2	-10	Aweil	0.83	-52

South Sudan

MONTHLY MARKET PRICE MONITORING BULLETIN

ANNEX 1: Commodity prices by market and trend of price changes (February 2018)

	Major Commodity	SSP	Price Change (%)							Major Commodity	SSP	Price Change (%)					
		Feb	1M	3M	1Y	1M	3M	1Y			Feb	1M	3M	1Y	1M	3M	1Y
Konyokonyo	White Sorghum	350	-4	-18	35	▶	▼	▲	Bor	White sorghum	400	0	-12	25	▶	▼	▲
	White Maize	400	0	3	54	▶	▶	▲		Maize flour	220	10	0	47	▲	▶	▲
	Field Beans (Janjaro)	295	26	26	48	▲	▲	▲		Field Beans (Janjaro)	300	0	20	82	▶	▲	▲
	Wheat flour	160	-22	7	38	▼	▶	▲		Wheat Flour	200	0	33	100	▶	▲	▲
	Maize flour	160	-19	2	92	▼	▶	▲		Vegetable oil	300	0	11	67	▶	▲	▲
	Vegetable oil	300	20	43	18	▲	▲	▶		Rice	250	0	1	67	▶	▶	▲
	Rice	275	11	-9	43	▲	▶	▲		Diesel	230	15	-29	109	▲	▼	▲
	TOT (wage to sorghum)	1.3	36	73	50	▲	▲	▲		Petrol	230	15	-20	109	▲	▼	▲
Kapoeta South	White Maize(Grain)	350	-20	0	43	▼	▶	▲	TOT (Goat to sorghum)	26	3	30	18	▶	▲	▲	
	Field Beans (Janjaro)	200	-6	-20	33	▶	▼	▲	Mingkaman	White sorghum	400	0	-12	25	▶	▼	▲
	Vegetable oil	200	0	0	33	▶	▶	▲		Maize flour	300	49	65	110	▲	▲	▲
	Wheat Flour	130	-4	8	-7	▶	▶	▶		Field Beans (Janjaro)	350	32	40	123	▲	▲	▲
	Maize flour	150	-14	7	-12	▼	▶	▶		Wheat flour	300	36	40		▲	▲	
	TOT(Goat to maize)	25	51	19		▲	▲			TOT (Goat to sorghum)	21	66	12		▲	▲	
								Vegetable oil		500	19	9	150	▲	▶	▲	
A wail	White Sorghum	280	21	112	75	▲	▲	▲	Diesel	313	9	-11	57	▲	▼	▲	
	Field Beans (Janjaro)	420	5	61	141	▶	▲	▲	Petrol	320	5	-20	60	▶	▼	▲	
	Wheat Flour	293	64	122	144	▲	▲	▲	Torrit	White maize (Grain)	250	11	19	30	▲	▲	▲
	Vegetable oil	200	33	37	100	▲	▲	▲		Wheat flour	137	11	-9	56	▲	▶	▲
	Rice	253	-2	5	124	▶	▶	▲		Maize flour	142	14	14		▲	▲	
	Diesel	235	34	-18	81	▲	▼	▲		Field Beans (Janjaro)	213	23	33	85	▲	▲	▲
								Vegetable oil		280	22	31	52	▲	▲	▲	
								TOT (Goat to sorghum)		29	-9	-14	32	▼	▼	▲	
Wau	White Sorghum	257	3	3	9	▶	▶	▶	Diesel	350	0	40		▶	▲		
	White Maize(Grain)	280	4	33	24	▶	▲	▲	Petrol	350	0	40		▶	▲		
	Field Beans (Janjaro)	459	2	7	192	▶	▶	▲	Unit of measurements								
	Wheat Flour	160	14	23	30	▲	▲	▲	White sorghum						3.5kg		
	Vegetable oil	300	0	0	66	▶	▶	▲	White maize						3.5kg		
	Diesel	300	-6	34	22	▼	▲	▲	Cassava						3.5kg		
	Petrol	276	25	-5	50	▲	▶	▲	Maize flour						kg		
									Field beans/Groundnuts						kg		
Wunrok	White sorghum	250	0	30	100	▶	▲	▲	Rice						kg		
	Maize flour	100	0	25		▶	▲		Wheat flour						KG		
	Field Beans (Janjaro)	229	0	-29		▶	▼		Vegetable oil						L		
	Wheat flour	200	0	0	142	▶	▶	▲	TOT						# of malw a per goat or daily wage		
	Rice	250	0	0		▶	▶										
	Symbol Key																
	▲	Prices increase above normal							▶	Normal price changes							
	▼	Normal price changes							▼	Price decreases below normal							
	▶	Prices decrease below normal															

Price fluctuation is considered normal if the price change is 5% within one month, 10% within 3 months and 20% within one year