Highlights

- The average price of main staples (maize, imported rice, millet and sorghum) have been relatively higher in September compared to June, due to increased market dependence as household stocks continue to deplete. However, when compared to the previous month (August 2020) prices have stabilized in most markets in Borno and Yobe states. Price stability could be reflective of the seasonal grain prospects or the arrival of newly harvested grains in local markets.

- Since June, the prices of red beans increased in Bursari (20%), Gulani (23%), Gashua and Nguru (25%), Yunusari (40%), Gujba and Jakusko (44%), Potiskum (56%), Geidam (59%) and Damaturu (67%) of Yobe state. While in Borno, the prices increased slightly across most markets, but more significantly in Budum (13%) and Kasuwan Shanu (15%) markets.

- Over the past three months, the retail prices of maize increased in Jakusko (13%), Gulani (22%), Yunusari (25%), Bursari (30%), Potiskum (33%), Gujba (40%), Nguru (43%), Yusufari (47%), Damaturu (49%), Gashua (57%) and Geidam (67%). However, the price remained slightly higher but not significant in markets of Borno state.

- Between August and September, the cost of the Food Basket, which is 70% of Survival Minimum Expenditure Basket (SMEB), remained stable with no noticeable change between August and September (from 19,233 Naira to 19,245 Naira) in Maiduguri and Jere. Similarly, the SMEB cost in September (19,071 Naira) remained stable when compared to the cost in June (19,245 Naira).

- Nigeria’s inflation rate rose to 13.22% in August 2020, the trend had continued for several months. The high prices of prices of maize, red beans and sorghum in some markets in both Borno and Yobe States during the past three months does not augur well for the food security situation of households.

- Market supply are expected to increase in October to December compared to previous months due to newly harvested maize, millet, sorghum and rice.

Introduction

The market price bulletin provides a synopsis of the changes observed in food prices and the impact of these changes on food access for vulnerable households in the Borno and Yobe States. It is against this backdrop, that WFP continues to monitor prices of food commodities to understand the market implications and impact on the vulnerable and market-dependent populations and how they are affected by food price changes.

In Borno State, the monitored markets include Monday market, Abbaganaram, Budum, Kasuwan Shanu, Bullumkutu, Baga Road, Tashan Bama, Custom market. In Yobe State, Damaturu, Bursari, Gujba, Potiskum, Jakusko, Geidam, Yunusari, Yusufari, Bade, Nguru and Gulani markets were monitored (Figure 1).
Food basket monitoring

The Survival Minimum Expenditure Basket (SMEB) outlines the minimum food items needed for survival of a household in a month. The basket comprises basic energy food requirements of 2,100 kilocalories per person per day and includes food items like rice, maize, red beans, palm oil, vegetable oil, salt and sugar, consumed by the majority of households in the Northeast.

Between August and September, the cost of the Food Basket, which is 70% of Survival Minimum Expenditure Basket (SMEB), remained stable with no noticeable change between August and September (from 19,233 Naira to 19,245 Naira) in Maiduguri and Jere. On the other hand, the SMEB decreased in Damaturu by 8 percent from 20,000.98 Naira to 18,399.15 Naira between August and September.

The observed decrease and stability in the SMEB stems from the month on month decrease or stability in prices of rice, peanuts, maize and red beans. The SMEB consists of key staples (rice, maize, beans and peanuts) which account for 85 percent of the food basket. Important to point out that the SMEB tables and trend below applies to Maiduguri, Jere and Damaturu only.
There was an increase in the average retail prices for maize, sorghum, ground nuts and red beans in September, compared to June 2020. These observed increases in prices can be attributed to associated transport costs and scarcity/reduced market stocks.

In Borno markets, the prices of sorghum increased by 11% in Bullumkutu, 13% in Abbaganaram and Monday, by 14% in Budum and Kasuwan Shanu, by 15% in Baga road markets of Borno State.

**Food items price trends in Borno and Yobe markets**

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Price fluctuation is considered normal if price change is within 5% for 1 month or within 10% for 3 months.

**Figure 5:** Depicts the nominal price of some key staples: maize flour, red beans, ground nuts, local and imported rice in the monitored markets in MMC and Jere of Borno state. Compared to 2019, the average price of groundnuts, red beans, local and imported rice increased in Borno by 7%, 20%, 39% and 43% respectively. The overall retail prices of imported and local rice remained high with 20-43% change compared to the medium-term average (2016-2020).
Conclusion

In north-eastern states of Borno and Yobe, there are significant constraints to crop production/agricultural activities and limited livelihood opportunities further reducing household purchasing power. Most displaced households are still heavily dependent on humanitarian assistance, furthermore market-reliant households would continue to contend with above-average staple prices until fresh market supplies begin to arrive and replenish depleted stocks.

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