Monthly Market Monitoring Bulletin is produced jointly by FSIS Programme of the Food and Agriculture Organization of the United Nations (FAO) in partnership with the Food Security Technical Secretariat (FSTS) of the Ministry of Planning and International Cooperation (MoPIC) funded by the European Union (EU).

The Market data and information is collected from twenty-one (21) governorates at the moment through the Governorate Focal Units (GFUs). The price data is collected from at least three representative market centers in the main cities and 3-4 markets in the districts (rural areas) are covered (see alongside map the market distribution). Retail prices are monitored, and collected on weekly basis from the monitored markets of the following governorates: Abyan, Aden, Al Dhalee, Al Bayda, Al Jawf, Dhamar, Hadramaut Coast (Al Mukalla), Hajjah, Al Hudaydah, Ibb, Lahj, Amanat Al Asimah (Sana’a City), Shabwah, Taizz, Al Mahrah, Amran, Raymah, Al Mahwit, Marib, Sa’ada, Socotra in addition to Hadramout Valley (Sayun) through the Governorate Focal Units (GFUs).

The price data are collected from at least three representative market centers in the main cites and 3-4 markets in the rural areas (see above map). Commodity prices are monitored and collected on weekly basis and averaged for the month.

The district level rural markets were selected based on their representativeness in the governorate. Comprehensive market mapping was done and importance of each rural market was established in a consultative manner to capture locally produced commodities and linkages to the city markets. Three or four markets were selected to represent rural markets in a governorate. The rural markets also capture the supply chain of imported commodities reaching the rural areas and the price differences. This Bulletin provides easy to use tables and charts that show monthly prices trends. It also allows users to compare the current prices with the previous months, one year and the pre-crisis prices of February 2015. Further, it gives comparison of prices between governorate main city markets and rural markets, which are further analyzed to give national prices estimates of key imported food commodities, locally produced cereals and fuel commodities.

**KEY HIGHLIGHTS**

**Globally**
The FAO Food Price Index (FFPI) averaged 172.2 points in March down 7.8 points (4.3 percent) from February, though still 4.6 points (2.7 percent) higher than in March 2019. The sharp decline in March marked the second month-on-month drop in the value of the FFPI, largely driven by COVID-19 pandemic-demand contractions. Similarly, the FAO Cereal Price Index averaged 164.6 points down 3.2 points (1.9 percent) from February and now almost at the same level as in March 2019, as export prices of all the major cereals, except rice, fell for the second consecutive month. Wheat prices averaged lower in March compared to February despite worries over COVID-19.

**Imported Food Commodities**
The prices of imported food commodities continued with an increasing trend since January 2020 and could potentially increase further with COVID-19 intra-governorate movement restrictions.

**Fuel Commodities**
Fuel prices, particularly diesel and petrol, continued declining following global market trends. Conversely, locally produced cooking gas prices are still increasing gradually.

**Locally Produced Products**
Seasonally, it is harvesting time for the locally produced maize and millet in the coastal areas of the Arabian Sea Agro-ecological zone as well as for several vegetable varieties - tomatoes, chilly, and onions in both Arabian and the Red Seas AEZs. The supply of fresh vegetables was a problem, to avoid long delays at checkpoints, traders used alternative routes to reach the markets leading to significant price increases in almost all governorates. Prices of live animals and their products on the other went slightly down due to oversupply and less demand- panic-stricken farmers and breeders flooded the markets with live animals fearing possibility of market closures.

**Imports and Trade**
Internationally, no trade restrictions to Yemen or closures of maritime or land ports have occurred so far. Traders are forced to take longer routes to deliver food (travel on most direct intra-governorate routes have strict restrictions to combat the spread of the COVID-19), prices of commodities themselves have risen to offset the resulting increased transport cost. The closure of the main supply routes to Socotra Island resulted to food stock shortages, particularly wheat flour and sugar.
EXCHANGE RATE

- The continued weakening of the Yemeni Riyal (YER) has direct influence on increasing prices of imported food commodities, more so in southern Yemen. Reduced remittances into the country, especially due to the economic downturn in Gulf countries constraining employment opportunities for Yemeni migrant workers will affect households that depend on foreign income transfers.

- In the event that the fall in remittances offsets the gains made in the trade balance, the external position of Yemen's Riyal could weaken more, straining the exchange rate further with a knock-on effect driving up the prices of imported commodities. The graph alongside presents unofficial trends of exchange rates time series data. The exchange rate for the northern Yemen is lower with one USD exchanging at 598 YER compared to 650 YER in the South, with a national average at 624 YER. The commercial banks on average were buying one US dollar at rate of 498 YER.

MINIMUM / SURVIVAL FOOD BASKET

The Minimum Food Basket (MFB) cost for an average-sized household (seven members), per month, went up in all governorates. Socotra Island and Taizz governorates had the highest cost at YER 46,648 (equivalent USD 75) and 45,280 (equivalent USD 73), respectively. Al Jawf, Marib and Sa’ada cost comparatively lower with one USD exchanging at 598 YER compared to 650 YER in the South, with a national average at 624 YER. The commercial banks on average were buying one US dollar at rate of 498 YER.

- Composition of Yemen Minimum/Survival Food Basket for average household of 7 members per month (Prepared and adopted by FSAC partners) : 75Kgs Wheat Flour, 10Kgs Dry Weight Beans (Red Kidney of Beans), 8 Liters Vegetable Cooking Oil (Imported), 2.5 Kgs Sugar and 1Kg Iodized Salt.

FOOD IMPORTS COMMODITIES (SEA/LAND PORTS)

During the first quarter (January – March), an estimated (1,253,206 MT) of various food items (wheat grains, wheat flour, sugar, rice, milk and cooking oil) were imported through the various maritime of Aden, Al Hudaydah, Al Salif and Al Mukalla as well as the Land ports of Shahin & Wadiea’ah. Wheat grains, Wheat flour, and Sugar continued to be the major food imports by 47.2%, 17.1% and 14% and 9.4% respectively. Share of Hodeidah and Al Salif seaports constitute 58.2% of the total imports, where during this period (January – March 2020) it received 729,128 MT of basic food commodities, of which 22% (mainly Wheat Flour, Cooking Oil and Kidney Beans) were imported for humanitarian assistance. It should be mentioned that, the overall food imports in March-20 were lower than February-20 by 47% for Aden and by 7% for Al Hudaydah and Al Salif seaports.

- Composition of Yemen Minimum/Survival Food Basket for average household of 7 members per month (Prepared and adopted by FSAC partners) : 75Kgs Wheat Flour, 10Kgs Dry Weight Beans (Red Kidney of Beans), 8 Liters Vegetable Cooking Oil (Imported), 2.5 Kgs Sugar and 1Kg Iodized Salt.

MARKET MONITORING BULLETIN
March, 2020 (#56)
**LOCAL CEREALS**
National Average Retail Prices of Local Cereals.

- **Sorghum**
  - UR: 8.6% 6M: -0.5%
  - 1M: -0.5% 1Y: 2.0%
  - 3M: 0.5% PC: 120.6%

- **Maize**
  - UR: -5.0% 6M: 1.0%
  - 1M: 0.1% 1Y: 5.0%
  - 3M: 4.1% PC: 143.3%

- **Millet**
  - UR: -0.8% 6M: -0.8%
  - 1M: -1.6% 1Y: 2.5%
  - 3M: -0.2% PC: 144.1%

- **Barley**
  - UR: -4.7% 6M: 3.3%
  - 1M: 0.1% 1Y: 9.6%
  - 3M: 2.0% PC: 213.0%

**IMPORTED COMMODITIES**
National Average Retail Prices of Imported Commodities.

- **Wheat Grain**
  - UR: -1.2% 6M: 9.4%
  - 1M: 0.3% 1Y: 5.6%
  - 3M: 7.8% PC: 123.5%

- **Wheat Flour**
  - UR: -1.2% 6M: 11.8%
  - 1M: -0.4% 1Y: 2.4%
  - 3M: 7.8% PC: 111.8%

- **Sugar**
  - UR: -1.8% 6M: 30.1%
  - 1M: 2.3% 1Y: 21.4%
  - 3M: 24.8% PC: 110.8%

- **Non-Basmati Rice**
  - UR: -0.9% 6M: 11.7%
  - 1M: 1.1% 1Y: 10.2%
  - 3M: 8.3% PC: 147.6%

- **Local Cooking Oil**
  - UR: 7.0% 6M: 7.6%
  - 1M: 1.8% 1Y: 7.0%
  - 3M: 5.4% PC: 120.3%

**FUEL**
National Average Retail Prices of Fuel.

- **Petrol**
  - UR: -1.2% 6M: -22.3%
  - 1M: -1.0% 1Y: 0.7%
  - 3M: -5.3% PC: 122.1%

- **Diesel**
  - UR: -0.7% 6M: -17.4%
  - 1M: -2.3% 1Y: 4.7%
  - 3M: -3.9% PC: 144.0%

- **Cooking Gas (Cylinder)**
  - UR: -6.2% 6M: 2.8%
  - 1M: -1.6% 1Y: 19.4%
  - 3M: 5.0% PC: 101.8%
The national monthly average retail prices of all monitored vegetables went up. Tomatoes, Chilly, Cucumber, Potatoes, Okra and Onions had the highest sharp increase by 32.6%, 9.5%, 8.2%, 7% and by 4.7% respectively. Availability of vegetables in most markets is a problem. Traders are forced to take longer routes to deliver food (travel on most direct intra-governorate routes have strict restrictions to combat the spread of the COVID-19), prices of commodities themselves have risen to offset the resulting increased price of transport.

March is mango season and they were readily available across all monitored markets, this led to decrease in its national retail price 7.5% compared to Feb 2020. Bananas are available in all seasons and across the monitored local markets.

Seasonally, it is time for spring rainfall in most of the country highlands* and agricultural labor opportunities are readily available. Agricultural daily wages ranged from 2,900 in Amran to 6,600 in Al Maharah governorate. Small and micro enterprises have been hit by unprecedented sudden redundancies due to imposed COVID-19 curfews and reduced working hours. Casual labor opportunities, an important source of income for many unemployed, internally displaced persons and landless poor, have decreased sharply. The majority of households are facing unparalleled low-income levels throughout March 2020. This additional shock might increase the number of food insecure households and levels of chronic poverty. This is an early warning signal to the humanitarian community – the support burden is increasing at an alarming rate and necessary mitigation measures are required.

Compared to the previous months, the prices of livestock and live Chicken slightly dropped. Among other factors, the demand for eggs went down after closure of restaurants, primary schools, universities and colleges. Again, most poultry farms and breeders over supplied the main cities market to counter COVID-19 intra governorate restricted movements. Nationally, the monthly average retail price of the single head of Goats (12 months old) in March decreased to 70,000 YER compared to 72,300 YER, in February, the same for the single head of Sheep of the same old (12 months) that price reduced from 70,300 YER in February to 69,100 YER in March.

**ANIMAL PRODUCTS** National Average Retail Prices of Animal Products.

<table>
<thead>
<tr>
<th>Animal</th>
<th>Current Month Vs. Previous Month</th>
<th>Current Month Vs. 3 Months Earlier</th>
<th>Current Month Vs. Year Earlier</th>
<th>Urban Vs. Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beef</td>
<td>-0.9%</td>
<td>1.9%</td>
<td>5.4%</td>
<td>12.2%</td>
</tr>
<tr>
<td>Mutton</td>
<td>-0.9%</td>
<td>2.0%</td>
<td>3.2%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Local Cow’s Milk</td>
<td>-0.1%</td>
<td>1.2%</td>
<td>5.4%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Yoghurt</td>
<td>2.3%</td>
<td>25.0%</td>
<td>5.4%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Chicken Meat</td>
<td>-0.8%</td>
<td>2.6%</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Eggs</td>
<td>-0.5%</td>
<td>1.1%</td>
<td>5.4%</td>
<td>5.4%</td>
</tr>
</tbody>
</table>

At national level, apart from Yoghurt (prices went up 2.3%) all other monitored animal products followed the same price trends of live animals, eggs and chicken. The forces of supply and demand have affected the prices- there is over supply with few consumers available brought by COVID-19 related curfews-particularly closing of restaurants in the evenings in most of the governorates.

**FISH** National Average Retail Prices of Fish.

With COVID-19 restricted cross border trade particularly with Oman and Saudi Arabia, there is disruption of fresh fish market. This has resulted to oversupply in the local markets. This imbalance between supply and demand resulted to price decreases for all monitored fish types compared to the previous month. National monthly average for Thamad recorded highest price drop by 10.4%, followed by 9.7% for Bagha, by 6.7% for Jahsh and by less than 1% for Sakhla.
Seasonally, it is harvesting time for the locally produced maize and millet in the coastal areas of the Arabian Sea Agro-ecological zone as well as for several vegetable varieties - tomatoes, chili, and onions in the Arabian and the Red Seas AEZs. Availability of vegetables in most governorate markets is a problem. Traders are forced to take longer routes to deliver food (travel on most direct intra-governorate routes have strict restrictions to combat the spread of the COVID-19), prices of commodities themselves have risen to offset the resulting increased price of transport.

Fuel prices, particularly diesel and petrol, are following global trends and declining. However, Yemenis predominantly use locally produced cooking gas, thus prices are still increasing.
COMMODITIES’ PRICES AT GOVERNORATE LEVEL

<table>
<thead>
<tr>
<th>Governorate</th>
<th>Imported Commodities</th>
<th>Livestock</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Wheat Flour</td>
<td>Wheat Grains</td>
</tr>
<tr>
<td>Abyan</td>
<td>285</td>
<td>328</td>
</tr>
<tr>
<td>Aden</td>
<td>296</td>
<td>300</td>
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<tr>
<td>Al Bayda</td>
<td>258</td>
<td>290</td>
</tr>
<tr>
<td>Al Dhale’e</td>
<td>250</td>
<td>300</td>
</tr>
<tr>
<td>Al Hudaydah</td>
<td>222</td>
<td>260</td>
</tr>
<tr>
<td>Al Jawf</td>
<td>256</td>
<td>269</td>
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<tr>
<td>Al Maharah</td>
<td>325</td>
<td>313</td>
</tr>
<tr>
<td>Al Mahwit</td>
<td>232</td>
<td>299</td>
</tr>
<tr>
<td>Amanat Al Asimah*</td>
<td>286</td>
<td>278</td>
</tr>
<tr>
<td>Amran</td>
<td>256</td>
<td>286</td>
</tr>
<tr>
<td>Dhamar</td>
<td>270</td>
<td>311</td>
</tr>
<tr>
<td>Hadramaut (Coast)</td>
<td>286</td>
<td>293</td>
</tr>
<tr>
<td>Hadramaut (Valley)</td>
<td>288</td>
<td>298</td>
</tr>
<tr>
<td>Hajjah</td>
<td>267</td>
<td>300</td>
</tr>
<tr>
<td>Ibb</td>
<td>300</td>
<td>308</td>
</tr>
<tr>
<td>Lahj</td>
<td>300</td>
<td>308</td>
</tr>
<tr>
<td>Marib</td>
<td>243</td>
<td>265</td>
</tr>
<tr>
<td>Raymah</td>
<td>248</td>
<td>284</td>
</tr>
<tr>
<td>Sa’adah</td>
<td>240</td>
<td>265</td>
</tr>
<tr>
<td>Shabwah</td>
<td>300</td>
<td>346</td>
</tr>
<tr>
<td>Socotra</td>
<td>285</td>
<td>400</td>
</tr>
<tr>
<td>Taizz</td>
<td>309</td>
<td>324</td>
</tr>
</tbody>
</table>

* Sana’a City and its environs.

- Restrictive intra-governorate movement of goods has resulted in increased cost of transport, thereby increasing prices to consumers. Prices of key food commodities had gradual increase compared to February 2020. Intra-governorates movement restricts imposed by governing authorities to compact spread of COVID-19 has affected distribution channels of key items.

- The percentage increase varied widely amongst the governorates with increased demand for imported food commodities – particularly sugar, vegetable cooking oil, rice and wheat flour. Accordingly, Socotra recorded the highest prices increase by 44% for imported cooking oil, 26% for Sugar in Sana’a City, while the increase for Rice and Wheat flour ranged between 8 and 10% across the most governorates. In addition, the closure of the main supply routes to Socotra Island has resulted in food stock shortages, particularly wheat flour and sugar.

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