Key Highlights

• Macro-economic Situation – inflation & exchange rates
• Market Conditions – availability & prices of food, NFI & ag. inputs
• Livelihoods update
• Food Consumption & Coping
• Food Security Outcomes
• 2022/23 seasonal forecast
Macro-economic Conditions - Inflation
Macro-economic Conditions – Exchange Rates

Source: Reserve Bank of Zimbabwe and ZimRAT53.com

- Percentage Difference Between Official and Parallel Market Rate
- M-O-M Percentage Change in Official Rate
- M-O-M Percentage Change in Parallel Market Rate
Continued shortages of ZWL cash are forcing consumers to use mobile money and electronic ZWL payments; however, high premium charges are attracted, of up to 40 percent above cash prices.

These high charges have continued to erode disposable income for consumers, especially poor households.

Payments in ZWL in both formal and informal markets are set at prohibitively near or above parallel market rates, making the basic commodities and services out of reach of low-income households.
## Market Conditions – Availability

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Rural Markets (April)</th>
<th>Urban Markets (May)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maize Grain</td>
<td>0%</td>
<td>14% (↑)</td>
</tr>
<tr>
<td>Maize Meal</td>
<td>100%</td>
<td>71% (↓ from 81% in April)</td>
</tr>
<tr>
<td>Sugar Beans</td>
<td>50%</td>
<td>88% (↑)</td>
</tr>
<tr>
<td>Vegetable Oil</td>
<td>100%</td>
<td>81% (↑)</td>
</tr>
</tbody>
</table>

= remained stable  ↓ = decreased
Market Conditions – Urban Food Basket Prices (May)

% change in prices of basic food basket commodities (ZWL) | % change in prices of basic food basket commodities (USD)

![Bar charts showing percentage change in food basket commodities](chart.png)
Market Conditions

• Low grain deliveries to the GMB, due to the general below-average production and pricing.
• Govt has put up incentives and measures for farmers to increase early deliveries such as:
  ✓ 90 USD per MT on top of the 75,000 ZWL/MT producer price for early deliveries through July
  ✓ Delivering grain with moisture content above 12.5%
• Anticipated grain imports by the private sector after lifting of the import ban
• Grain availability is atypically low on open markets in both surplus and deficit areas.
• Basic commodity shortages since May and govt lifting of an import ban and instituting duty-free imports for selected commodities for 6 months starting May 17;

• Anticipated availability of cheaper imported brands esp in border areas; still poor HHs access remains constrained despite the anticipated increase in basic commodity imports.

• Some basic commodities are more readily available in informal markets (USD) than in formal supermarkets.

• In June Diesel and petrol increased in USD by 3 and 5% from May. Hence increasing the cost of production, transportation costs, prices, and services charges which constrain access for poor households.
Market Conditions – Prices of other food commodities & NFIs

Availability and prices of other food commodities in Urban areas, May 2022

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Availability</th>
<th>Price in USD</th>
<th>Price in ZWL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>April</td>
<td>May</td>
<td>% change</td>
</tr>
<tr>
<td>Rice Urban</td>
<td>100%</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Salt Urban</td>
<td>100%</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Sugar Urban</td>
<td>83%</td>
<td>84%</td>
<td>1%</td>
</tr>
<tr>
<td>Kapenta Urban</td>
<td>64%</td>
<td>76%</td>
<td>19%</td>
</tr>
</tbody>
</table>
Spiking food prices

All commodities increased by about and more than 500% from the same time last year (June 2021)
Input price Trends – Lime and Nitrate-Based Fertilisers

Source: Survey Data, March 2022

Source: Survey Data, April 2022

Source: Survey Data, May 2022
Input Price Trends – Basal Fertilisers

Source: Survey Data, March, 2022

Source: Survey Data, April 2022...
## International Commodity Prices (SAFEX) at @13 June 2022

<table>
<thead>
<tr>
<th>Commodity</th>
<th>SAFEX Price Wk 1 (June)</th>
<th>SAFEX Price (Wk 2 June)</th>
</tr>
</thead>
<tbody>
<tr>
<td>White maize</td>
<td>US$284.08/mt</td>
<td>US$285.97/mt</td>
</tr>
<tr>
<td>Yellow Maize</td>
<td>US$286.40/mt</td>
<td>US$290.82/mt</td>
</tr>
<tr>
<td>Wheat</td>
<td>US$392.70/mt</td>
<td>US$403.72/mt</td>
</tr>
<tr>
<td>Soya Beans</td>
<td>US$627.95/mt</td>
<td>US$638.26/mt,</td>
</tr>
</tbody>
</table>
Current harvests have recently improved food consumption and dietary diversity, particularly in typical surplus-producing areas.

However, improvements are likely to be marginal and short-lived in worst-affected areas in the east, south, west, and extreme north-east.
Food Consumption & Coping

Current estimated prevalence of insufficient food consumption

Estimated prevalence of food-based coping, March-June 2022

National estimation of insufficient food consumption and coping
March-June 2022

Source: WFP HungerMap LIVE - https://hungermap.wfp.org/
Livelihoods update

• Most current livelihood strategies are below normal levels.
• Casual labor opportunities (agricultural and non-agricultural) and self-employment have been negatively impacted by poor harvests and ongoing macro-economic challenges.
• Poor disposable income and demand as well as livestock diseases are affecting livestock sales and income.
• Cross-border trade and international remittances have not recovered to pre-COVID-19 levels despite the reopening of land borders.
• Petty trade on the rise as well as artisanal mining.
Anticipated Food security outcomes through January.

• Surplus producing areas – Currently IPC Phase 1; June-Spt IPC Phase 1 and IPC Phase 2 through January

• Deficit areas – Mainly IPC Phase 2 through July; emergency of IPC Phase 3 from end July/August through January; earlier than normal start to the 2022-23 lean season

• Urban areas – mainly IPC Phase 2 through January
Current forecasts indicate above-average rainfall is most likely across much of Southern Africa between October 2022 and January 2023 and that a normal start to the main agricultural season is likely.