Pricewatch

Key messages

FEWS NET Cameroon FO
March 2022
Key message

- Prices of major staples been increasing since late 2021.
- Prices of imported cereals continued to increase and are at near-record levels
- Upward trend in prices underpinned by COVID-related supply chain disruptions, reduced output and conflict.
  - Similar price trends are also observed across West Africa.
Covid-related price increases

• Prices of imported grains continued to increase over the last three months

• Caused by rising shipping costs

• Additional increases since December 2021: rice (10-15%), wheat (above 10%), vegetable oil (15%) palm oil (15-20%).

• Recent price increases follow a year of continual price increases.
Imported rice

Retail prices (XAF/KG) of imported Rice (5% Broken) in Yaounde-Mfoundi
Locally produced staples

- Prices of locally produced staples are also increasing according to typical seasonally trends but are average to above average across the country.
Conflict and insecurity maintaining prices above average in conflict areas

Graphs showing price trends for different commodities in various locations.
Conflict-related disruption of flows persist in the FN, NW and SW regions. Low market access and functioning.
Some price projections: Feb-Sep 2022

Prices of imported rice in Yaoundé will evolve significantly above both last year and the five-year average during the projected period.

In the Far North region, staple prices are projected to evolve above average throughout the scenario period as impacted by increasingly high demand from neighboring Nigeria, Chad, and the Central Africa Republic (CAR).

Source: FEWS NET Estimates
Key message

- Russia-Ukraine crisis expected to impact agricultural commodity markets and prices and exacerbate current impacts of conflict and COVID-19

Wheat Import Dependency, 2021 (%)

Fertiliser Import Dependency, 2021 (%)

Source: Trade Data Monitor (TDM), FAO calculations
Food security outcome

- Atypically high staple prices limiting food access among poor households during the lean season
  - Above average prices is reducing purchasing power of poor households during lean season
  - More persons especially urban poor households and those in conflict areas facing acute food insecurity due to atypically high prices amid low purchasing power
Upcoming focus: Anticipated impact of the Ukraine crisis

- The reliance of Cameroon on fertilizer imports with a focus on Russia, Ukraine, and Belarus?

- The degree to which Cameroon is affected by the international price of fertilizer?

- Any high-level analysis of policies or historical practices of fertilizer price support which might be worth noting?

- Which changes can we expect (if at all) to exports or export earnings for Cameroon if any typical exports to Ukraine, Russia, or Belarus are disrupted?

- Which changes can we expect (if at all) to sectors that are key to Cameroon (e.g. – construction, agriculture) because of Russia’s commodity export ban?
Why FEWS NET monitors prices?

- The cost or value of a good or service expressed in monetary terms.
- Play an important role in the analysis of the pillars of food security:
  - Availability: Prices influence what farmers produce.
  - Accessibility: Prices will influence trade movements from surpluses to deficit areas.
  - Stability: Prices reflect the income level of farmers and the subsistence of their level of food security.

Data and uses of market prices

The main purposes of collecting and analyzing price data are:

- Assessment of food security and well-being of citizens
- Strengthening the formulation and evaluation of policies and programs
FEWS NET Cameroon monitors commodity price data on a weekly basis in 21 markets across the country.

Main commodities monitored:

- Maïs (jaune)
- Maïs (blanc)
- Riz importé
- Manioc
- Plantains
- Macabos
- Arachides (décortiquées)
- Haricot
- Manioc

- Viande de bœuf
- Poisson congelé
- Farine de blé
- Banane douce
- Huile de palme

- Manutentionnaire
- Ouvrier de construction
How does FEWS NET collect prices?

- Market transactions: interaction with traders on product prices at different parts of the market.
- Key informants: information on stocks from market associations.

Standard units of measurement SMU (metric units like liter or kilogram) are reported directly.

- Local units of measurement (such as bucket) are converted to SMU.
- Background information collected (availability, stock levels and other factors affecting demand and supply)

Data collection tool:

- Automated questionnaire of the GeoPoll platform
- Forms

FEWS NET Data Warehouse FDW:

- All data is uploaded and analyzed in the FDW.
- FDW gives analysts the right data and tools at the right time to forecast and help decision-makers respond to acute food emergencies
THANK YOU FOR YOUR ATTENTION

https://fews.net/west-africa/cameroon