

South Sudan – Monthly Market Prices

October 2021



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Highlights

In Upper Nile, Warrap and Unity states, lack of grazing land and pasture due to floods forced many households to make distress sales of livestock, leading to increased supply into the markets. On top of this, a limited demand for livestock products triggered by high cost of living contributed prices of livestock to drop, and hence deterioration in the purchasing power of livestock dependent households.

In October, the price of average sized goat failed to cover the amount of cash required to meet monthly minimum energy (2100 kcal) basket cost of a household (6 family size). This suggest that livestock dependent household must sell at least two goats to meet monthly basic food needs.

Purchasing power of daily wage dependent household's improved (15-25%) in Eastern Equatoria, Lakes, Western Bahr el Ghazal, Warrap and Unity states, driven by seasonal decreases in the price of white sorghum and stable wage rate. Thus, wage dependent households in these areas have better capacity to make purchases of preferred items. In Western Equatoria and Northern Bahr el Ghazal, the purchasing power remained the same to September 2021.

In October, the average exchange rate in the Juba parallel market stood at SSP 412 to the United States dollar, which is 2% above the reference rate exchanged on average at SSP 404 at banks. Compared to October 2020, the local currency appreciated by 43%, from SSP 600 in October 2020.

The political turmoil in Sudan has impacted the flow of goods to South Sudan as the country also imposed re-export bans on some basic food items - sugar, wheat flour, rice and vegetable oil. This has created a rise in prices of these commodities in Aniet, Wau, Aweil, Kuajok and other markets receive supply from Sudan.

White sorghum prices declined by 8 to 25%, in many of the reference markets, due to increased supply from local production. However, some markets along the northern border (Gok Machar and Wanjok) and Bunj witnessed price increases of 13 to 19%.



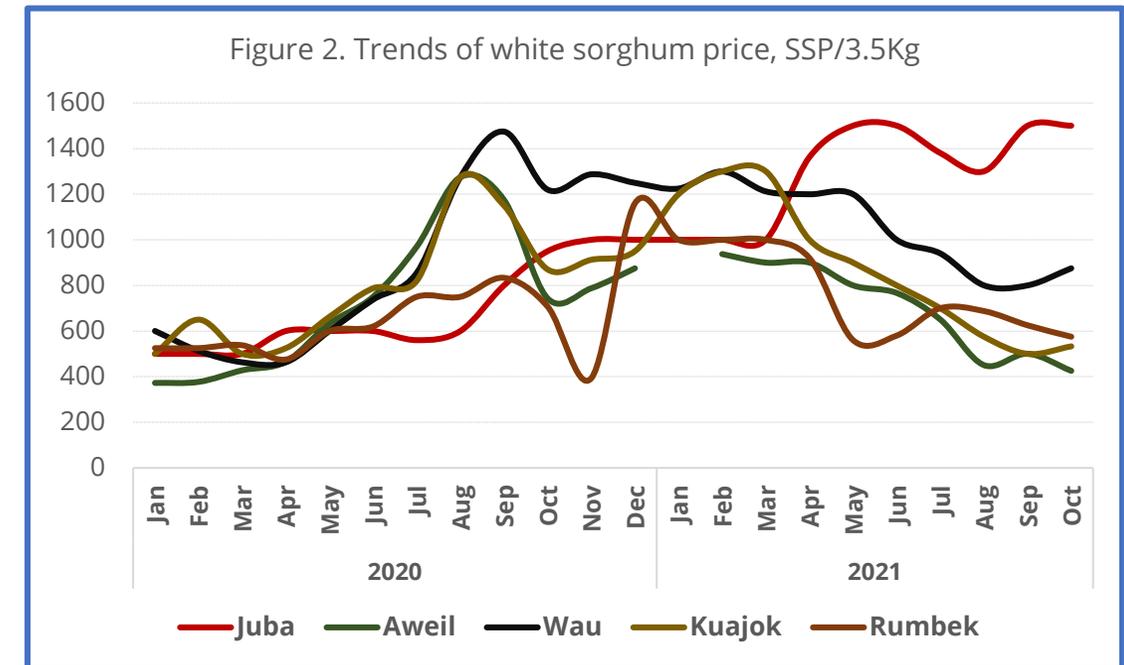
Cereals and pulses price variations: Oct vs Sep 2021

The political turmoil in Sudan has disrupted the normal flow of goods to South Sudan. Additionally, the Sudan government has restricted the re-export of goods such as sugar, wheat flour, rice and vegetable oil. This has created prices of these goods to rise during the last week of October 2021. If the restriction continues for long, it affects disproportionately availability of goods in Aweil, Wau, Kuajok, Aniet markets that heavily rely on imports from Sudan.

The availability of cereals from the seasonal harvests and farming household's consumption from own production have temporarily minimized the impact of re-export bans by Sudan on prices of white sorghum.

In October, white sorghum prices stood below the level in September, decreasing by 8 to 25% in many of the monitored markets characterized as recipient for food items. Hence, the observed changes were attributed to seasonal supply improvements from local production and imports.

However, the disruptions of flow of goods from Sudan coupled with bad road conditions by the floods led prices of white sorghum to increase in Wau (9%) and Kuajok (7%). The increase in prices of white sorghum was ranging from 13 to 19% in Gok Machar, Wanjok and Bunj markets as compared to September 2021.



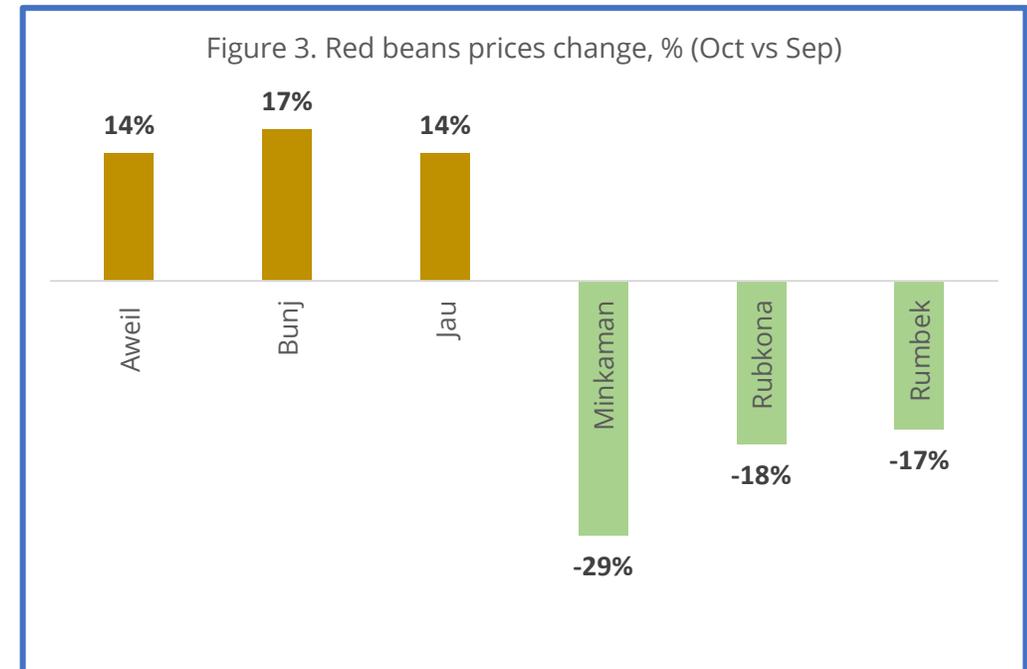
Cereals and pulses price variations: Oct Vs Sep

White maize prices were stable (less than 5% increase) in Wau, Aweil and Kapoeta markets. Furthermore, prices of white maize decreased in Makpandu, Rumbek and Torit markets, ranging from 7 to 14%. The ongoing seasonal harvest is the main contributing factor both for the stability and decrease in prices.

The recent conflict in Tambura (Western Equatoria) has disrupted the normal flow of agricultural products to Wau. However, white maize prices were not much affected due to availability of maize and other substitute cereals from local production and imports.

In Equatoria state, the seasonal harvests of beans (red) complemented by increased flow from the main source market (Uganda) contributed to the stability of the prices. Alike, Minkaman and Rumbek markets - relatively closer to main markets such as Juba - have had lower prices as compared to September 2021.

In Rubkona, the distributions of humanitarian food to beneficiaries (IDPs) could be the driving factor for the decreased prices of beans. However, beans (red) prices increased in Aweil, Bunj and Wau, ranging from 14 to 17% as compared to September 2021.



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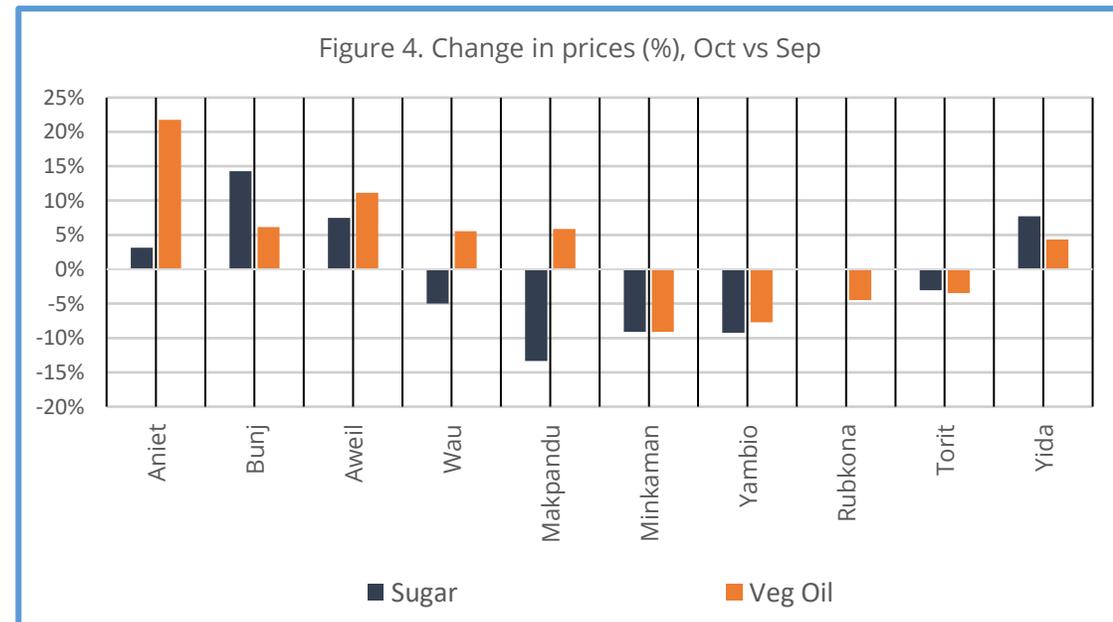
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Vegetable Oil and Sugar price variations: Oct vs Sep

Generally, the retail prices of vegetable oil and sugar were stable in many markets due to the stability in the exchange rate and improved access of hard currency from banks. Despite the overall price stability, vegetable oil and sugar have shown marginal prices increase in the northern parts of the country, attributed to closure of trade route from Port Sudan to Khartoum and consequently re-export restrictions by the Sudan (see Figure 4).

The deteriorated road conditions from Amiet to Kuajok, mainly due to floods, has challenged the normal flow of goods and contributed to increased transportation costs.



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Terms of Trade (TOT)

In Upper Nile, Warrap and Unity states, lack of grazing land and pasture due to floods forced many households to make distress livestock sell. Thus, the limited demand for livestock products due to lack of resources coincided with increased supply of live animals into markets led prices of livestock to drop as compared to September 2021. Despite the depressed goat prices, the overall decrease in prices of cereals has minimized the risk of further deterioration in purchasing power of livestock dependent households.

In October, the purchasing power of livestock owners dropped in Malakal (11%), Bunj (16%), Aweil (25%), Juba (31%) against the month before. However, purchasing power has improved in Western Bahr el Ghazal (54%) where the floods have affected the supply of livestock into the market. Additionally, the purchasing power has improved in Rumbek (29%) driven by seasonal decrease in cereal prices.

In October, the price of average sized goat failed to cover the amount of cash required to meet monthly minimum energy (2100 kcal) basket cost of a household (6 family size). This suggest that livestock dependent household must sell at least two goats to meet their monthly basic food needs.

The purchasing power of daily wage dependent household's improved (15-25%) in Eastern Equatoria, Lakes, Western Bahr el Ghazal, Warrap and Unity states, driven by the seasonal decrease in prices of white sorghum and stable wage rate. Thus, wage dependent households have better capacity to make purchases of preferred items. In Western Equatoria and Northern Bahr el Ghazal, the purchasing power remained the same to September 2021.

Overall, the daily wage fetched hardly a daily cost of basket to meet the minimum energy requirements of a household, suggesting that the purchasing power of wage and single income-source dependent households are highly vulnerable to market shocks. Few areas where daily wage covered more than a day cost of basket were Aweil, Wau and Rumbek – markets with high wage and better job opportunities.

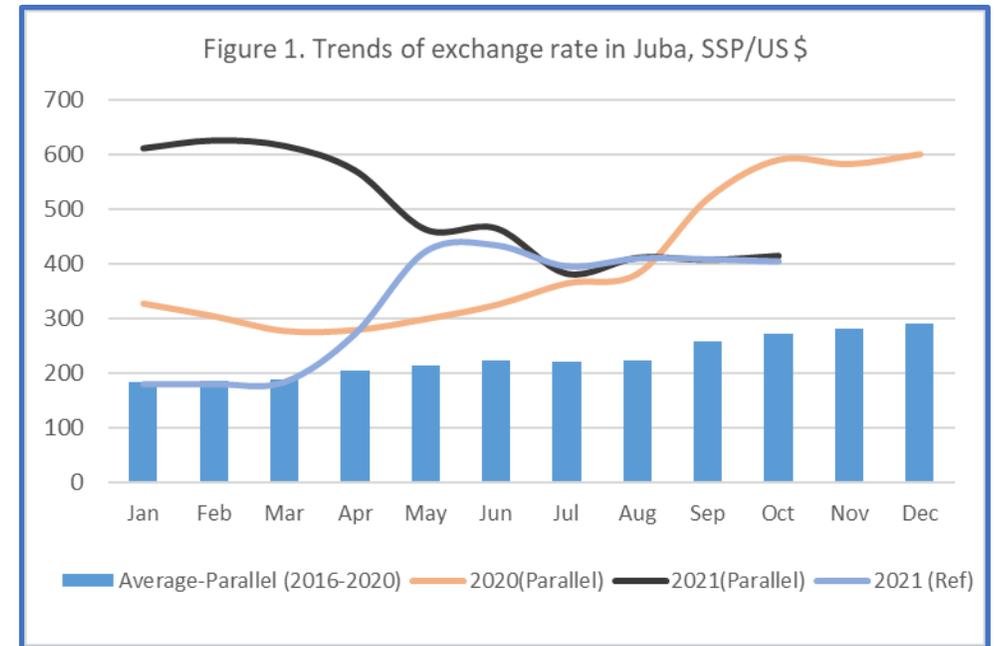


Exchange Rate Behavior

In October, the average exchange rate in the Juba parallel market stood at SSP 412 to the United States dollar, 2% above the reference rate and exchanged at SSP 404 at banks. In October 2020, SSP exchanged at 600 per US dollar, and hence the local currency appreciated by 43% in the past one year. In the other monitored markets, the exchange rate was ranging from SSP 400 to 415.

Since July 2021, the Bank of South Sudan determined the daily reference rate based on the market values, and hence the two rates have shown convergence and almost the same in the past two months. However, the percentage of convergence in October reached at 2%, which is showing upward move.

The oil wells in the Paloch oil field have been severely affected by floods and are out of service. Furthermore, South Sudan has suspended the export of its oil through Port Sudan due to the ongoing political situation in Sudan (<https://radiotamazuj.org/en/news/article/south-sudan-suspends-oil-export-through-sudan>). Thus, depending on the severity of the oil wells damage by floods compounded by the longer the suspension of the export is likely to pose major challenges to the fragile South Sudan's economy.



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Price trends - as compared to October 2020

In Juba, white sorghum prices continued to increase, leading to 58% increment as compared to October 2020. Despite the appreciation of the local currency, white sorghum prices continued to increase in the capital. Similarly, markets in Unity state (Rubkona and Unity) have showed increase in prices of white sorghum driven by bad road conditions and insecurity along the trade route from Amiet to Rubkona (**see Table c for the details**).

As cereals from seasonal harvests begin to reach markets, white sorghum prices dropped (25-45%) in Aweil, Kuajok, Wau, Aniet markets against October 2020. However, the restrictions of export by Sudan coupled with the deteriorated road conditions by floods led prices of white sorghum to increase during the last week of October 2021.

Overall, the purchasing power (livestock dependent) of households in border areas in Warrap, Eastern Equatoria and Northern Bahr el Ghazal was better as traders supplying animals into the international markets offer better prices. High food prices and relatively stable goat prices led the purchasing power of livestock owners in Central Equatoria and Unity to deteriorate.

The purchasing power of wage dependent household in all reference markets (except Western Equatoria and Unity) has improved due to a decrease in prices of cereals and rise in wage as compared to October 2020. However, an increase in prices of cereals in Western Equatoria and Unity has contributed to the deterioration in purchasing power as compared to last year the same month.



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Price trends - as compared to five-year average (2016-2020)

Multiple shocks (economic, natural and political) aggravated by the pandemic have led food prices to stand above the long-term average (2016-2020) across the reference markets. In October, the retail prices of white sorghum increased by higher than 50% in many of the monitored markets. Additionally, white maize and maize meal, largely consumed in Equatoria, witnessed prices surge as compared to the five-year average. Likewise, the retail prices of field beans rose by more than 50% across markets (**see Table c**).

Both cereals and livestock prices went up as compared to long-term average. However, the disproportionate increase in livestock prices vis-a-vis cereals led the purchasing power of livestock dependent households to improve in Northern Bahr el Ghazal, Warrap, Lakes, Eastern Equatoria and Western Bahr el Ghazal, ranging from 40 to 140%. On the contrary the purchasing power of livestock owners dropped within 20-75% in Western and Central Equatoria and Unity state.

Compared to long-term average, the purchasing power of wage dependent households improved in major urban centers such as Wau (193%), Rumbek (317%), Kuajok (56%) and Aweil (192%) where wages were higher and job opportunities as well. On the contrary, the purchasing power has shown moderate deterioration (25 to 50%) in markets where labour supply was better and job opportunities were limited - markets located at near- by IDP or refugee camps. These markets include Makpandu, Malakal, Rubkona and Bentiu.

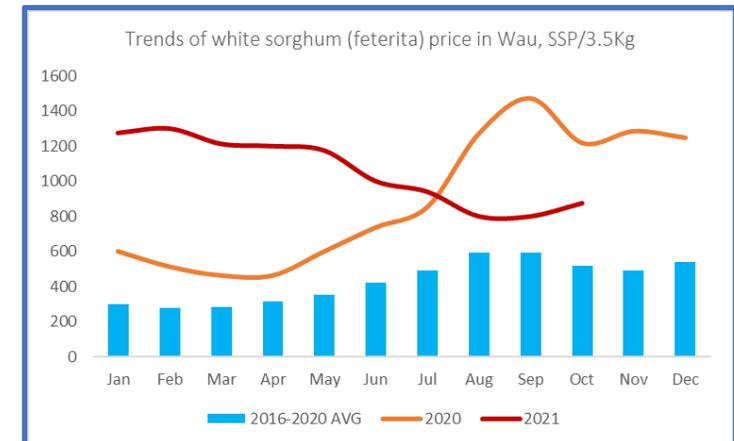
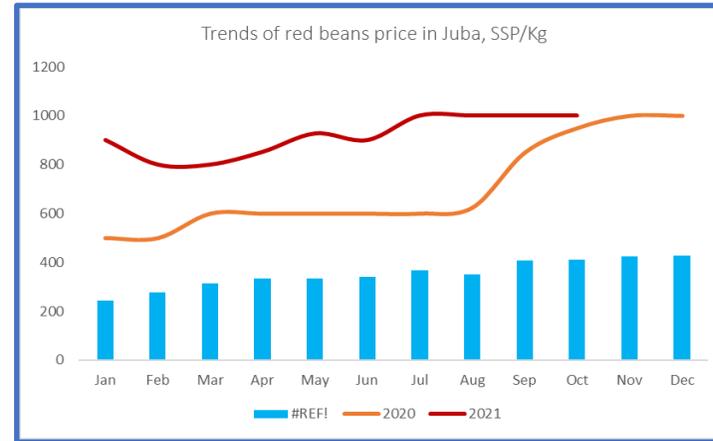
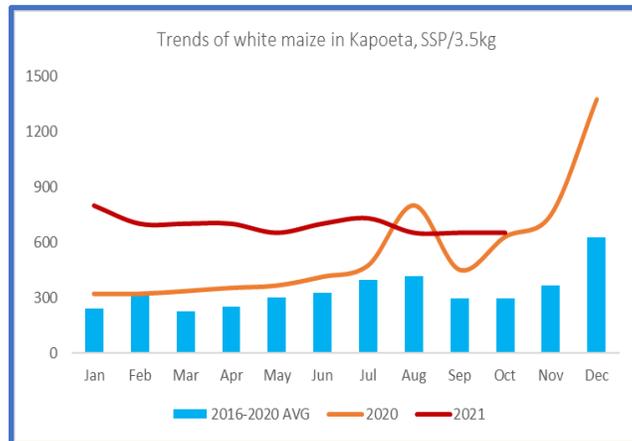
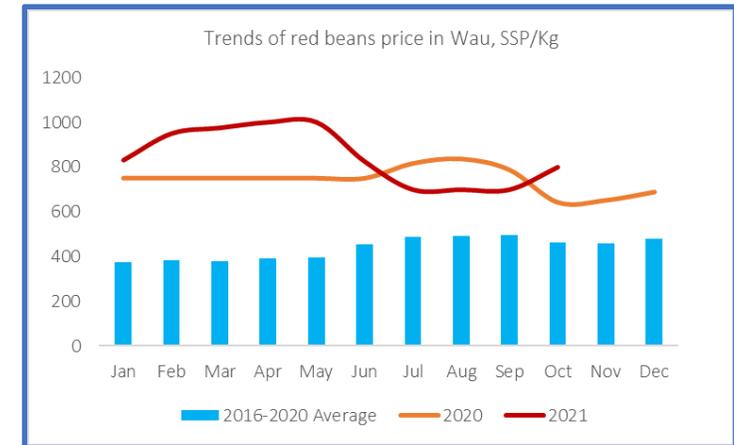
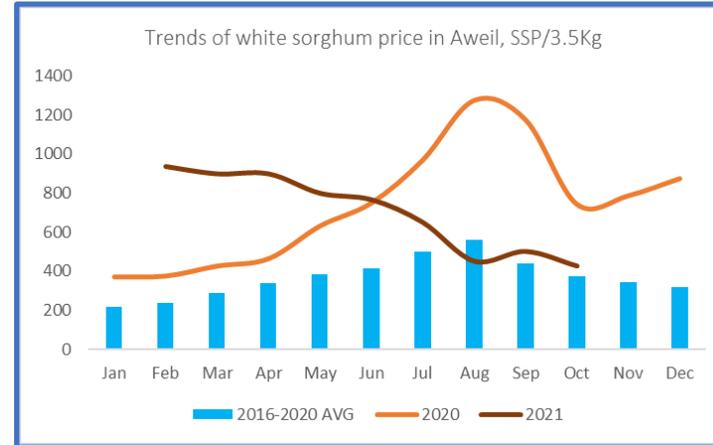
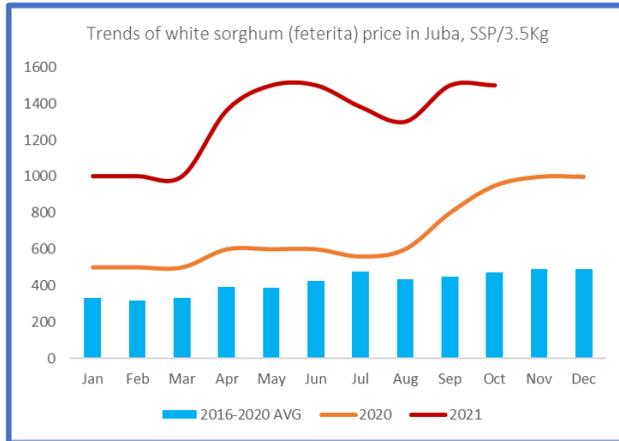


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Table a. Trends of retail prices



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Table a. Retail prices and percent changes in Juba

Cereals	Units	Oct-21	Sep-21	Oct-20	Average (2016-2020)	% changes as compared to		
						Sep-21	Oct-20	AVG (2016-2020)
Maize Flour	KG	425	525	525	238	-19	-19	79
Sorghum Flour	KG	500	500	350	350	0	43	43
White sorghum (feterita)	3.5 KG	1500	1500	950	470	0	58	219
White Sorghum (Local)	3.5 KG	1500	1500	925	543	0	62	176
Brown Sorghum (Local)	3.5 KG	1500	1500	875	875	0	71	71
White maize (Grain)	3.5 KG	1500	1225	950	484	22	58	210
Wheat flour	KG	500	525	450	233	-5	11	115
Rice	KG	700	800	500	270	-13	40	159
Other Food								
Cowpea	3.5 KG	4500	4500	1975	1975	0	128	128
Foul el masri (broad beans)	KG	1500	1500	1875	661	0	-20	127
Beans (janjaro)	KG	1000	1000	950	412	0	5	143
Meat (Beef)	KG	3400	3400	2400	2400	0	42	42
Sugar	KG	500	500	425	303	0	18	65
Vegetable Oil	L	1000	1000	500	271	0	100	269
Salt	KG	200	200	200	142	0	0	41
Terms of Trade								
Goat to white sorghum	#of malua	30.00	43.33	36.84	41.92	-31	-19	-28
Goat	Head	45000	65000	35000	19704	-31	29	128
Fuel and exchange rate								
Fuel - Diesel	L	355	360	279	178	-1	27	99
Fuel - Petrol	L	355	360	279	180	-1	27	97
Exchange rate (Parallel)	SSP/US \$	412	408	590	273	0	-43	34
Exchange rate (Reference)	SSP/US \$	404	407	173	135	0	57	67

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Table b. Retail prices of selected commodities

		Aweil	Bor	Jau	Kapoeta	Kuajok	Malakal	Rubkona	Rumbek	Torit	Yambio
White sorghum (3.5Kgs)	Oct-21	425	1000	875		533	1400	600	575	500	
	Sep-21	500	1000	800		500		700	625		
	Oct-20	743	900	1220		870		433	707	650	
	Average (2016-2020)	374	549	520		623	442	433	518	320	
White maize (3.5kgs)	Oct-21	463	1000	713	650				650	525	700
	Sep-21	450	1000	700	650	1225			733	613	700
	Oct-20	743		1180	630				780	650	425
	Average (2016-2020)	361	348	515	296				474	320	207
Maize meal (Kg)	Oct-21	445	400	425	400	400	800	500	575	183	500
	Sep-21	480	400	400	400	400	900	571	750	250	400
	Oct-20	489	540	322	315	520	600	581	472	280	200
	Average (2016-2020)	267	286	230	165	411	319	445	302	175	220
Red beans (Kg)	Oct-21	800	500	800	600		1450	700	1000	500	500
	Sep-21	700	500	700	600		1500	857	1200	500	500
	Oct-20	736	600	640	667		900	858	450	738	800
	Average (2016-2020)	433	322	460	352	425	455	694	298	322	266
Vegetable oil (L)	Oct-21	1075	1000	950	1000	1100			1300	800	1800
	Sep-21	1000	1000	1000	1000		1800		1200	825	1983
	Oct-20	736	840	860	1000	960	1200	1000	556	845	900
	Average (2016-2020)	418	417	425	312	738	662	857	304	387	399

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Table c. Price changes in %: Oct vs Sep, Oct 21 Vs Oct 20, Oct 21 Vs Monthly Average (2016-2020)

		Aweil	Bor	Jau	Kapoeta	Kuajok	Malakal	Rubkona	Rumbek	Torit	Yambio
White sorghum (3.5Kgs)	Sep-21	-15	0	9		7		-14	-8		
	Oct-20	-33	11	-34		-43		62	-12		
	Average (2016-2020)	99	64	135		40	-100	0	36	103	
White maize (3.5kgs)	Sep-21	3	0	2	0				-14	0	
	Oct-20	-38		-40	3				-33	8	
	Average (2016-2020)	28		39	120				64	238	
Maize meal (Kg)	Sep-21	-7	0	6	0	0	-11		-23	-27	25
	Oct-20	-9	-26	32	27	-23	33		22	-35	150
	Average (2016-2020)	67	40	85	142	-3	151		90	5	127
Red beans (Kg)	Sep-21	14	0	14	0		-3		-17	0	0
	Oct-20	9	-17	25	-10		61		122	-32	-38
	Average (2016-2020)	85	55	74	71		219		236	56	88
Vegetable oil (L)	Sep-21	8	0	-5	0				8	-3	-9
	Oct-20	46	19	10	0	15			134	-5	100
	Average (2016-2020)	157	140	123	221	49			328	107	351