

This report shows market activities across the East Africa region's selected primary grain markets from **20th March to 24th March 2017**. The monitoring is carried out by Eastern Africa Grain Council (EAGC) monitors based in all the 5 EAC on a daily basis. Monitoring is also done in South Sudan and Malawi. In Malawi, we do monitoring through the partnership with Agricultural Commodity Exchange for Africa. The report helps stakeholders and users to have a general

overview of the market price trends across the region. This Bulletin is a service of EAGC primarily to its members and other interested stakeholders. The full market data of daily wholesale and Retail market prices is available at www.ratin.net

GRAIN NEWS HIGHLIGHTS

Regional: Kenya and Ethiopia, as well as Uganda are among countries that will benefit from a \$6.8 million fund to build agricultural resilience against climate change in the Horn of Africa. The cash pay out was approved by the United Nations climate Adaptation Fund Board at a meeting in Bonn, Germany this week.

Zimbabwe: After two consecutive seasons of drought, heavy rains finally promise a good harvest in most parts of Zimbabwe's Manicaland province. But farmers now face a new challenge: washed-out roads that will make it difficult to get their crops to market. As harvesting time for tobacco, maize and other crops approaches, fears abound that roads made impassable by rain will not be repaired in time.

Uganda: A new study on the impact of climate change to food security in Karamoja has predicted hard times for the region as millions face starvation in Uganda. The study titled, "the impacts of climate change on food security and livelihood in Karamoja sub-region" is an outcome of a four and a half months study carried out last year by the ministry of Water

and Environment and World Food Programme (WFP) among other partners. The study was sponsored by the Swedish government.

Tanzania: In a bid to ensure production and supply of fertilisers in the country, the Norwegian YARA International company, which produces fertilisers has announced to invest 80bn/- at the Port of Dar es Salaam so as to improve the business. The idea is likely to improve agriculture production in the country, since majority farmers will benefit from the huge investment. The Norwegian ambassador to Tanzania, Ms Hanne-Marie Kaarstad said his country is committed to boost agriculture sector in the country.

Kenya: The Treasury has cleared the importation of duty-free yellow maize for use in manufacturing of animal feeds to ease pressure on white maize and curb the soaring price of flour. Agriculture Cabinet Secretary Willy Bett Wednesday told the Business Daily the ministry had finalised with the Treasury a plan for the importation and expects to publish the guidelines and gazette the names of millers who will import by Friday.

REGIONAL MARKET ANALYSIS

BURUNDI

Table 1: Summary of weekly grain prices in Burundi (USD/MT)

	Maize		Rice		Yellow Beans	
	Previous	Current	Previous	Current	Previous	Current
Bujumbura	777	734	1094	991	1195	1194
Gitega	478	513	1027	1015	1015	1015
Ngozi			1169	1135	931	849

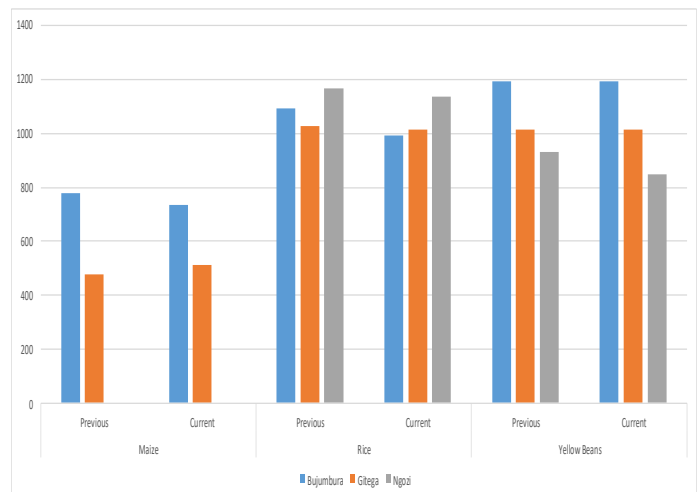
Previous: Week ending 17th, March 2017 Current: Week ending 24th, March 2017.

Reports from EAGC RATIN monitored markets showed marginal drop in the prices of most commodities. For **Maize**, prices showed mixed outcomes with a significant increase of 7.3% (\$35/MT) registered in Gitega market whereas, In Bujumbura, prices went down by 5.6% (\$43/MT). Prices are expected to still go down in Bujumbura however, in Gitega, prices will still go up in the short run as field reports indicate increase in demand of the commodity in the recent weeks.

For **Yellow beans**, prices were relatively stable in Bujumbura market with marginal increase of \$1/MT registered. The market was at equilibrium in Gitega as supplies were sufficient to meet demand. In Ngozi market, prices went down by 9% (\$82/MT) indicative of an increase in supply of the commodity. Prices are expected to go down in the coming week as field reports from our market monitors' have consistently shown an increase in supply of the commodity over the past three week's.

Rice: In Bujumbura, prices were down by 9.5% (\$103/MT) compared to the last week's closing average. Ngozi market had a marginal decline of 1.2% (\$12/MT) whereas, in Gitega market there was a 3% (\$34/MT) drop as supplies increased significantly. Field reports indicate there has been a sustained supply from imports which has led to stabilization of prices and we expect prices to remain stable in the coming weeks.

Graph 1: Summary of wholesale prices in Burundi (USD/MT)



R W A N D A

Table 2: Summary Average wholesale Grain prices in Rwanda

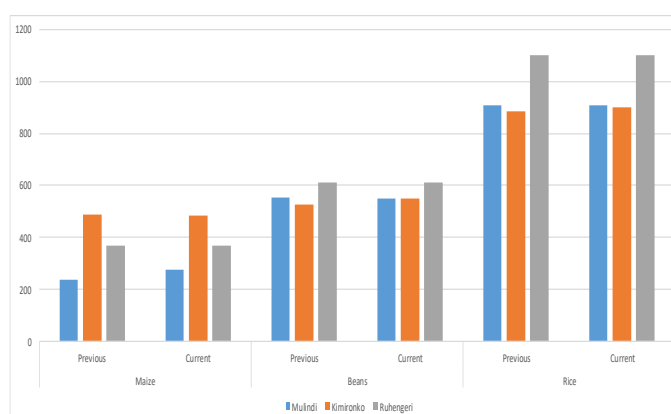
Weekly average wholesale grain prices in Rwanda(USD/MT)						
	Maize		Beans		Rice	
	Previous	Current	Previous	Current	Previous	Current
Mulindi	235	274	552	551	908	909
Kimironko	488	485	527	549	887	901
Ruhengeri	367	367	612	612	1102	1102

Previous: Week ending 17th March 2017 Current: Week ending 24th, March 2017.

Reports from EAGC RATIN monitored markets showed the price of **Maize** were relatively stable. In Kimironko, there was a marginal decline of about 1% (\$3/MT) and in Ruhengeri, the market was stable indicative of sufficient supplies to the markets. Mulindi market had a significant increase of 16.5% (\$39/MT) indicative of increase in demand. Following the increased stocks realised from the *season A* crop, prices are expected to remain relatively stable in the coming week.

For **Beans**, markets exhibited mixed outcomes. In Ruhengeri and Mulindi markets, prices remained stable indicative of sufficient supplies. In Kimironko there was a marginal gain of 4% (\$22/MT) indicative of increase in demand of the commodity. Prices are expected to go down seasonally due to increase in supplies to the markets.

Graph 2 Summary of average wholesale prices Rwanda (USD/MT)



For **rice**, prices have been relatively stable across all monitored markets. In Kimironko, there was marginal gain of 1.5% (\$4/MT) from last week's closing average. In Ruhengeri, prices remained unchanged whereas, Mulindi market prices went up marginally by \$1/MT. The supplies to the markets have been sufficient to meet consumer demand therefore, prices are expected to remain stable in the coming weeks as our monitors have reported increase in inflows of imported rice into the markets.

U G A N D A

Table 3: Summary of Monthly grain prices in Uganda for Beans Maize and Rice

Weekly average wholesale grain prices in Uganda (USD/MT)						
	Maize		Beans		Rice	
	Previous	Current	Previous	Current	Previous	Current
Kampala	442	445	817	910	958	1037
Kabale	417	463	704	758	862	946
Mbale	415	461	704	811	1070	1154

Previous: Week ending 17th, March 2017 Current: Week ending 24th, March 2017

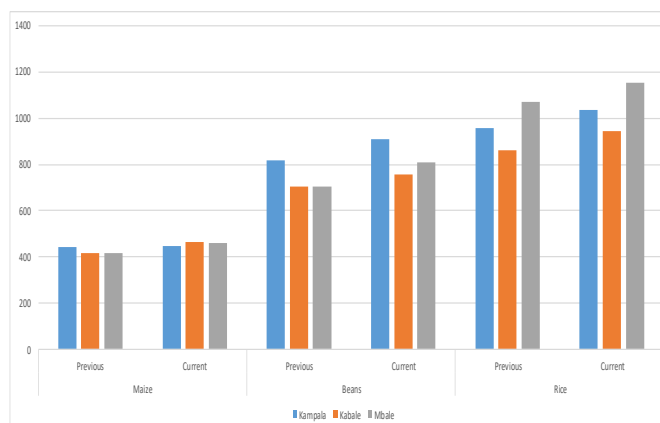
This week has been characterized by increase in prices in all EAGC RATIN monitored markets. For **Maize**, prices increased significantly in Mbale and Kabale by 11% (Both markets) indicative of increase in demand. In Kampala prices were up marginally 0.7% (\$3/MT). Currently there are indications that maize price will not drop much as farms in high production districts in the Lake Victoria crescent have been affected by armyworms.

The price of **beans** went up in all the surveyed markets. In Kampala market, prices were up by 11.3% (\$97/MT) indicative of increase in demand of the commodity. In Kabale, prices gained by 7.6% (\$54/MT) and Mbale market had a significant rise of 15% (\$77/MT) from last week's closing average. Prices are expected to increase in the coming week's

as reports point to tightened supplies as a cause of the high prices.

Rice prices increased in all the markets. In Kampala, prices went up significantly by 11.3% (\$78/MT) due to scarcity of the commodity. In Kabale, prices were up by 10% (\$84/MT) and in Mbale, there was a 7% (\$84/MT) increase. Tanzania is a major source of the aromatic varieties however, ban on exports has led to shortfall in supply to the regional market. Therefore prices of rice is expected to still increase in the coming week as Uganda relies on Tanzania as a source of the commodity.

Graph 3 Summary of average wholesale prices Uganda (USD/MT)



KENYA

Table 4: Summary of Average grain prices in Kenya

	Maize		Rice		Beans	
	Previous	Current	Previous	Current	Previous	Current
Mombasa	425	447	1389	1394	883	921
Nairobi	446	445	1158	1167		
Kisumu	496	494	1190	1068	893	890
Nakuru	382	410	713	711	661	642

Previous: Week ending 17th March 2017 Current: Week ending 24th, March 2017.

The price of **maize** remained relatively stable in the monitored markets. In Mombasa, prices went up marginally by 5.1% (\$22/MT) whereas, in Nairobi and Kisumu markets, prices remained relatively stable with marginal decline of \$1/MT. Nakuru market had a 7.3% (\$28/MT) gain from last weeks closing average indicative of increase in demand of the commodity. Reports from the markets indicate there is low supply and in Kisumu, field reports indicate traders are hoarding stocks hence, the high prices of the commodity. In Nairobi, supplies have tightened therefore, prices are expected to increase in the coming week's.

The price of **rice** had marginal gains in Mombasa and Nairobi markets at 0.3% (\$5/MT) and 0.7% (\$9/MT) respectively. In Kisumu, prices went down significantly by 10.2% (\$122/MT) and reports indicate increased supplies to the market through informal supplies from Tanzania. Nakuru market was relatively stable with a marginal decrease of \$2/MT noted from the previous week's average. Field reports indicate adequate supplies of the imported rice varieties. The prices are expected to remain stable in the coming week.

Beans prices showed mixed outcome in the monitored markets. Mombasa market had an increase of 4% (\$38/MT) indicative of increase in demand. In Kisumu, there was a marginal drop of 0.3% (\$3/MT) but prices are still high as stocks have run low from primary supply areas i.e Uganda. In Nakuru market, the situation mirrors Kisumu's as traders reported low supplies from key source areas such as Busia and Lower Eastern. However, prices went down marginally by 2.8% (\$19/MT) indicative of relative stability in the market. Prices are expected to remain high but stable in the coming weeks due to depressed supplies to the markets..

TANZANIA

Table 5: Summary of weekly grain prices in Tanzania

Weekly Average Wholesale Grain Prices in Tanzania on (\$/MT)						
	Wheat		Beans		Maize	
	Previous	Current	Previous	Current	Previous	Current
Dar es Salaam	595	583	847	863	549	549
Mbeya	471	458			435	435
Iringa	687	687	824	824	458	458

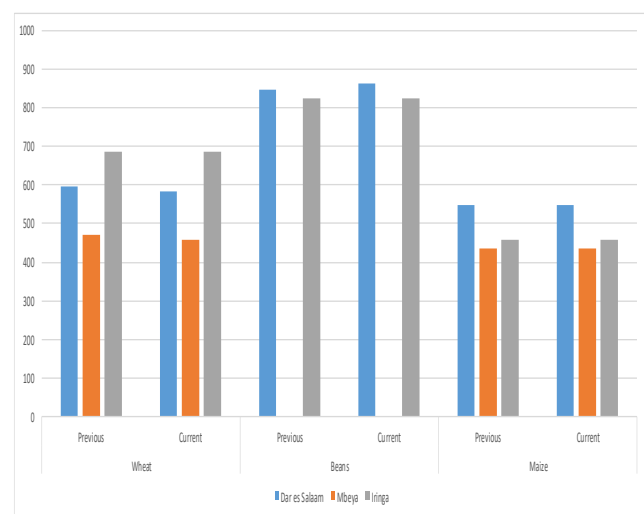
Previous: Week ending 17th, December 2017 Current: Week ending 24th, March 2017.

Maize, Beans, and Rice: Table 5 shows summary average wholesale prices of grain in three Tanzania markets in the past two weeks. The wholesale price for **Maize** remained stable in all the monitored markets. However, prices are still high in Dar es Salaam (\$549/MT) and this month, prices ranged between \$523/MT and \$553/MT. In Iringa, prices have been relatively stable with a range of \$549/MT to \$552/MT registered in the past three weeks. In Mbeya, price were lower than the other markets at \$435/MT. Prices are expected to remain high as supplies have tightened due to below average stocks realised from previous season's harvest.

Prices of **Wheat** was relatively stable in Dar es Salaam market with a 2.1% (\$12/MT) decline noted from previous week's average. In Mbeya, prices increased by 2.7% (\$13/MT) and in Iringa, the market was at equilibrium. This week, prices were stable and the situation is expected to persist as supplies from the global market is adequate.

For **Beans**, the market was at equilibrium in Iringa. In Dar es Salaam market, prices went up marginally by 1.8% (\$16/MT) indicative of a slight gain in demand. Average prices for the three surveyed markets have been on downward trend since the start of the week and the trend is expected to continue in the coming week.

Graph 5: Summary of weekly wholesale prices in (USD/MT)



CONCLUSION

- In Kenya, prices of Maize and Beans have continued to spiral upwards and reports indicate diminishing stocks from last year's main harvest, therefore, prices are expected to continue increase in the coming weeks.
- Reports from our monitors suggest that informal flows from Tanzania have helped stabilize prices of Rice, specifically, aromatic varieties in Nairobi and Kisumu markets. Imported rice is in sufficient supply in all the monitored markets and currently, price stability has been observed for the past two weeks and the trend is expected to persist in the coming week.
- In Uganda, prices of grains is still on an upward trend and the situation might worsen as 20 highly productive districts have been affected by armyworms.

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