

This report shows market activities across the East Africa region's selected primary grain markets from **20th February to 24th February 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

Malawi: The Board of State Produce Trader Agriculture Development, and Marketing Corporation (Admarc) is set to meet to discuss and chart forward the way following a damning maize gate commission of inquiry report. The report says Admarc did not follow procurement procedures of government and some officials bypassed the internal procurement procedures and procurement office.

Tanzania: THE Southern Agricultural Growth Corridor of Tanzania (SAGCOT) does not use genetically modified organism (GMO) technology in its large scale farming initiatives in the country as it is not yet approved by the government. The SAGCOT Chief Executive Officer, Geoffrey Kirenga, said in Dar es Salaam over the weekend that the seeds used in their initiatives have been approved by the government and would never adopt a technology that has not been approved.

Rwanda: The government is working to revamp agriculture research centres to make them more efficient in dealing with the country's need to increase agricultural productivity. The move comes after farmers raised concerns about agricultural technocrats and researchers not giving them quality seeds in a timely way, which affected their planting seasons.

Tanzania: Agriculture is the most suffering sector as banks' credit to almost all economic activities has declined in 2016. Manufacturing, transport and communication and building and construction all experienced negative growth but agriculture has the highest negative growth at -5.7 percent at the end of December compared with a growth of 11.1 percent recorded at the end of 2015, according to the Bank of Tanzania's monthly economic review for January.

Kenya: The Eastern Africa Grain Council (EAGC) has signed a deal with the Vehicle and Equipment Leasing Limited (Quipbank) to provide farm equipment and implements to farmers and other grain stakeholders. EAGC executive director Gerald Masila said the MoU demonstrates a new route to facilitating efficient, structured, inclusive and profitable grain trade in the region. He said for many years, farmers in eastern Africa have struggled to access farm mechanisation services, hindering their capacity to maximise on output.

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	870	953	1235	1230	1307	1305
Gitega	720	720	1320	1380	1140	1140
Ngozi			1212	1305	1212	1200

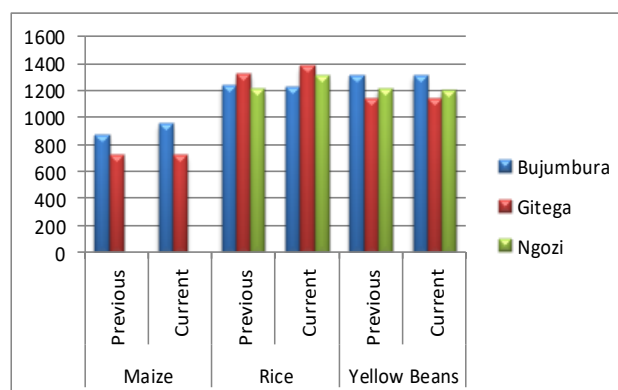
Previous: Week ending 17th, February 2017 Current: Week ending 24th, February 2017.

Reports from EAGC RATIN monitored markets for grains showed volatility in the prices of some essential staples. For **Maize**, prices were at equilibrium in Gitega for the past two weeks, indicative of sufficient supplies to the market. In Bujumbura, prices increased significantly by 9.5% (\$83/MT) from last week's closing average. Supplies to the market are tightening following limited cross-border trade. Prices are expected to go up in the coming week.

For **Yellow beans**, prices were relatively stable in Bujumbura and in Gitega, the prices did not change. Ngozi had a marginal decline of 1% (\$12/MT). Prices were stable in the markets, and the situation is expected to persist in the short run, however, reports project prices to increase harvest realised from the *season-A* crop was below average.

Rice: Reports from the monitored markets show the price of rice is still on an upward trend in Gitega and Ngozi markets with an increase of 4.5% (\$60/MT) and 7.7% (\$93/MT) respectively. In Bujumbura, prices went down marginally by 0.4% (%2/MT) indicative of relative stability. Reports indicate there has been limited supply of the product to the markets. Prices are expected to increase in the coming weeks.

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



R W A N D A

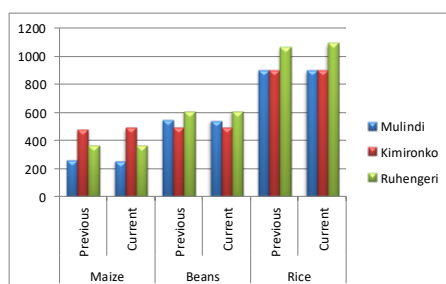
Table 2: Summary Average wholesale Grain prices in Rwanda

Weekly average wholesale grain prices in Rwanda(USD/MT)						
	Maize		Beans		Rice	
	Previous	Current	Previous	Current	Previous	Current
Mulindi	258	252	547	540	902	900
Kimironko	475	490	491	491	899	903
Ruhengeri	365	365	609	608	1066	1095

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

Reports from EAGC RATIN monitored markets showed the price of **beans** remained stable in Kimironko and Ruhengeri markets indicative of market equilibrium. In Mulindi, prices went down marginally by 1.2% (\$7/MT). Prices are declining seasonally due to stocks realised in January. For **rice**, prices have been relatively stable for the past week in Mulindi and Kimironko markets. In Mulindi, prices went down marginally by 0.2% (\$2/MT) whereas, in Kimironko prices increased by 0.4% (\$4/MT).

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



Ruhengeri had the greatest gain at 2.7% (\$29/MT). Prices have declined this month due to start of harvest for the first wet season. Prices are expected to go down in the coming weeks as supply is anticipated to increase.

For **Maize**, prices were stable in Ruhengeri with an equilibrium observed in the past two weeks. Kimironko was the only market that recorded gains from the monitored markets at 3.1% (\$15/MT). Mulindi recorded a marginal decline of 2.3% (\$6/MT) from last week's closing average. Prices are expected to go down in the coming weeks as stocks from the A season is getting into the market

Table 3: Summary of wholesale prices of Millet and Wheat in Rwanda

	Sorghum		Wheat	
	Previous	Current	Previous	Current
Mulindi	244	243	658	654
Kimironko	427	427	612	678
Ruhengeri	426	426	731	730

Sorghum prices remained stable in Kimironko and Ruhengeri markets with a marginal decline of 0.4% (\$1/MT) realized in Mulindi. Prices will go down in the coming week as there is an increase in supply from A-season crop. For **wheat**, prices were relatively stable in Mulindi and Ruhengeri markets with a marginal decline of 0.6% (\$4/MT) and 0.13% (\$1/MT) recorded respectively from last week's closing average. In Kimironko, prices increased significantly by 10.7% (\$66/MT) indicative of an increase in demand of the commodity in the market. Prices are expected to remain stable in the coming weeks as prices in the global market are still favourable.

U G A N D A

Table 4: 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	315	324	846	846	846	902
Kabale	339	338	677	712	875	888
Mbale	324	336	734	788	903	973

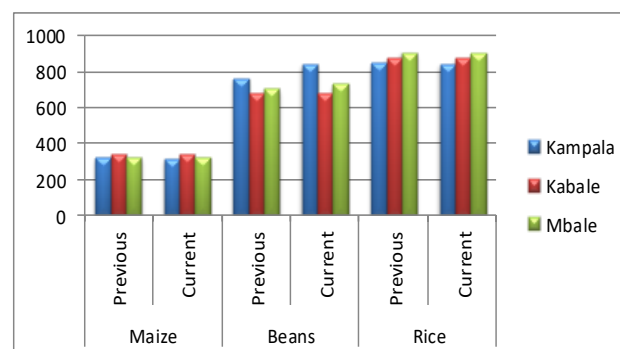
Previous: Week ending 17th, February 2017 Current: Week ending 24th, February 2017.

Reports from EAGC RATIN monitored markets show the price of **Maize** prices increased marginally in Kampala and Mbale by 2.8% (\$9/MT) and 3.7% (\$11/MT) respectively. In Kabale, the market was relatively stable with \$1/MT decrease recorded from last week's closing average. Prices are still expected to increase as deficits have been recorded on all food staples following the two consecutive season of below average production; therefore supplies to the markets is tightened.

The price of **beans** was stable in Kampala; however, it had the highest rate among the monitored markets. Other markets significant recorded significant gains from last week's closing averages. In Kabale, there was a 5.1% (\$35/MT) gain, and Mbale market had a 6.9% (\$54/MT) surge. Prices are expected to be relatively stable.

Rice showed relative gains from previous week's closing averages in all the monitored markets. In Kampala, there was a 6.6% (\$56/MT) increase whereas, Kabale had a marginal gain of 1.4% (\$12/MT). Mbale market had the greatest increase at 7.7% (\$90/MT). Supplies from the December harvest are diminishing, and trade restrictions from Tanzania have hampered supplies to the markets. Prices are expected to increase marginally going forward.

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



KENYA

Table 5: Summary of Average grain prices in Kenya

	Maize		Rice		Beans	
	Previous	Current	Previous	Current	Previous	Current
Mombasa	413	413	1376	1377	845	846
Nairobi	419	423	1131	1131		
Kisumu	393	430	1023	1094	738	762
Nakuru	349	349	700	700	639	639

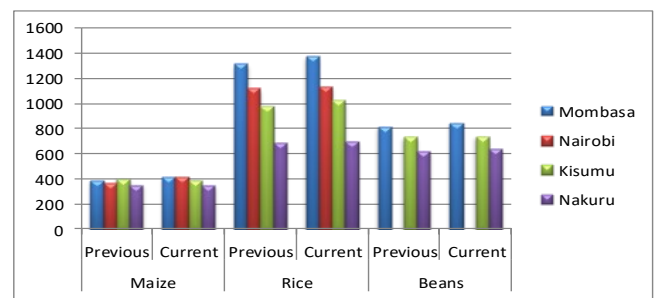
Previous: Week ending 17th, February 2017 Current: Week ending 24th, February 2017.

The price of **maize** increased marginally in Nairobi and Kisumu. The prices were up by around \$2/MT but still at an all-time high of 32% compared to the five-year average. In Eldoret prices went up by 7.8 % (\$24/MT) indicative increased demand for the commodity. The increase in demand is as a result of deficits experienced in most parts of the country due to El Nino induced poor rains. As the drought persists, prices are expected to increase in the coming weeks, and this has been reflected by the increase in prices of maize flour. Reports indicate that the sustained increase in food could push the country inflation above 7.5% in the coming months. The price of **beans** was stable in Nakuru market whereas, in Kisumu, there was a 6.7% (\$47/MT) decrease from last week's closing average. In Eldoret, there was a 12.8% (\$84/MT) increase in prices indica-

tive of high demand for the commodity. The demand could be attributed to tightening supplies as stocks from the main season have diminished and the short rains performed below expectations. Prices are still expected to go up in the coming weeks due to low supplies to the markets.

Rice prices increased by 1% (\$15/MT) in Eldoret and in Kisumu, a 6% (\$53/MT) increase were realised. The demand is expected to be sustained considering low supplies to the markets as key import countries in the region have limited stocks. Local supplies cannot meet market demand. In Nairobi, the prices remained high at \$1131/MT for the past two weeks, and in Nakuru, prices were significantly lower compared to Nairobi; for the past two weeks the prices were at \$700/MT indicative of market equilibrium.

Graph 4: Summary of weekly grain prices



TANZANIA

Table 1: 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	548	593	811	821	521	524
Mbeya	480	480			365	365
Iringa	685	697	840	912	393	457

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

Maize, Beans, and Rice: Table 1 shows summary average wholesale prices of grain in three Tanzania markets in the past two weeks.

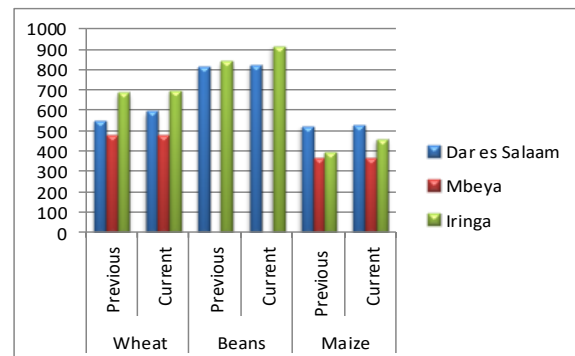
The wholesale price of **Maize** remained stable in Mbeya market over the previous two weeks. Dar es Salaam recorded the highest prices at \$524/MT; however, price was relatively unchanged with a marginal gain of 0.6% (\$3/MT) from last week's closing average. Iringa market recorded a significant gain of 16.2% (\$64/MT) indicative of an increase in demand for the commodity. Supplies to the markets are still tightened, and prices are expected to increase marginally in the coming weeks.

The price of **Beans** increased considerably in the two markets with Iringa recording an 8.5% (\$72/MT) gain from last week's closing average. In Dar es Salaam, prices increased marginally

by 1.2% (\$10/MT) indicative of growing demand for the commodity. The price of the product is expected to grow in the coming weeks following tightened supplies as a result of below average production of the *vuli* crop.

For **Wheat**, the price has been relatively stable since the start of the year with prices ranging from \$530/MT to \$590/MT. Among the monitored markets, Iringa had the highest prices with marginal gains of 1.7% (\$12/MT) realized from last week's closing average. In Dar es Salaam, prices went up by 8.2% (\$45/MT) indicative of increased demand of the commodity. In Mbeya, the prices were stable as no change was observed.

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



CONCLUSION

From the week's report, markets in Rwanda have stabilized, and prices are expected to go down in the coming week. In Burundi, prices have reduced slightly; however, the market is still facing constraints in supply as the ban on cross-border trade is still standing. In Kenya, prices have increased considerably for all key staples and imports will go a long way in stabilizing the prices.

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