

This report reviews grain prices in selected monitored markets across East Africa from **October 31st to 4th November, 2016**. The monitoring of retail and wholesale prices is carried out by Eastern Africa Grain Council (EAGC) monitors based in all the EAC countries; Kenya, Uganda, Tanzania, Burundi and Rwanda on a daily basis. Monitoring is also done in South Sudan and Malawi. In Malawi, monitoring is done through a 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 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 in www.ratin.net

GRAIN NEWS HIGHLIGHTS

Africa: Sub-Saharan states have been challenged to embrace modern farming to achieve economic growth, create employment and reduce poverty. Speaking at a seminar in Nairobi, Prof Lemma Senbet of the African Economic Research Consortium said although the developing states have received substantial economic progress, the growth has not been inclusive. Senbet urged the governments to make efforts to attract investment for agriculture by understanding the financial risks that deprive the sector of much needed funds to boost production, processing and marketing.

Regional: The lack of harmonised national laws among East African Community (EAC) partner states is negatively impacting cross-border business, members of the bloc's legislative assembly said on Tuesday (1/11/2016) in Kigali.

Malawi: While some sections of the society are expressing displeasure with the government's decision to peg maize price at K250 per kilogramme, translating to K12,500 per 50 kilogramme bag, Parliament says it sees nothing wrong with the pricing arguing that Agricultural Development and Marketing Corporation (Admarc) obtained a loan to purchase the staple grain.

Tanzania: RUVUMA-based soybean growers will next month start

receiving loans from commercial banks to boost production of the crop. The Private Agricultural Sector Support (PASS) guaranteed loans will benefit some 3,000 farmers in Ruvuma region's Namtumbo and Songea Rural districts.

Uganda: Spot checks across the country show that in the past six months, the price of food items has sky rocketed. They are expected to increase even higher as we approach the festive season. Findings at Nakawa, Nakasero and Kalerwe markets show that the prices of commodities like rice, bananas, sugar, eggs, tomatoes, and soap among have increased.

Kenya: Farmers, through their lobby Cereal Growers Association (CGA), says a good number of producers are stranded with their crop as millers have gone back to imports. "Farmers are still stranded with their wheat as millers defy the agreement that they had entered into with the government to mop up local crop before going back to imports," said CGA chief executive officer, Anthony Kioko.

REGIONAL MARKET ANALYSIS

TANZANIA

Table 1: Summary of weekly grain prices in Tanzania

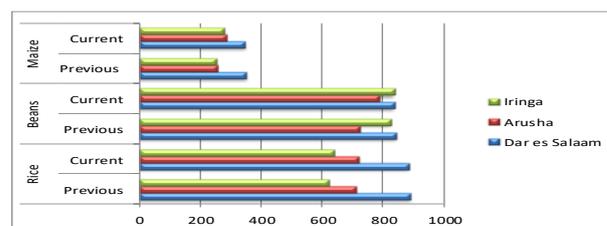
Weekly Average Wholesale Grain Prices in Tanzania on (\$/MT)						
	Rice		Beans		Maize	
	Previous	Current	Previous	Current	Previous	Current
Dar es Salaam	889	882	842	835	351	346
Arusha	711	719	720	786	254	285
Iringa	620	638	823	835	253	278

Previous: Week ending 28st, October 2016 **Current:** Week ending 4th, November 2016

Maize, Beans and Rice : Reports from EAGC RATIN monitored markets show wholesale prices for Beans have increased significantly in Arusha by 9% (\$66/MT). In Iringa market, the price increased marginally by 1.4% (\$12/MT) whereas in Dar es Salaam, the price of beans decreased by 0.8% (\$7/MT). The increase in price in Arusha can be attributed to low supplies as the stock harvested from *masika* crop is diminishing. Similarly, supplies to Iringa market is diminishing as the *msimu* crop was harvested in June and as we head to lean period of production, we expect prices to increase in the coming weeks. For maize, Dar es Salaam was the only market that recorded a decrease in price by 1.4% (\$5/MT). In Arusha markets and Iringa the prices increased by 12% (\$31/MT) and 9% (\$25/MT) respectively. Prices are expected to rise in the coming weeks as the crop is still in the growing phase with harvesting expected in the first quarter of next year.

Rice prices were relatively stable in all markets with marginal change. Dar es Salaam had a decrease of 0.8 (\$6/MT) indicative of stability in prices. In Iringa, prices increased by 3% (\$18/MT) and in Arusha, there was a 1% increase in prices. Prices will remain stable in

the weeks to come, however, as head into the festive season, prices will rise.



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

Sorghum, Millet and Wheat : Prices of Millet changed marginally. In Dar es Salaam, price decreased by 0.7% (\$4/MT). In Arusha and Iringa, millet prices decrease by 3% (\$12/MT) and (\$3/MT) respectively. However, prices are expected to increase in the coming weeks due to suppressed supplies as the crop is not in production till the second quarter of next year

For wheat, the prices remained relatively stable across all market indicative of market equilibrium, changes observed were marginal. Also, prices of sorghum changed marginally in Dar es Salaam and Arusha, both dropped by 0.7% from last weeks average. The prices are expected to increase heading into the lean period.

	Millet		Sorghum		Wheat	
	Previous	Current	Previous	Current	Previous	Current
Dar	561	557	421	418	608	603
Arusha	430	418	561	557	467	464
Iringa	664	661			703	696

R W A N D A

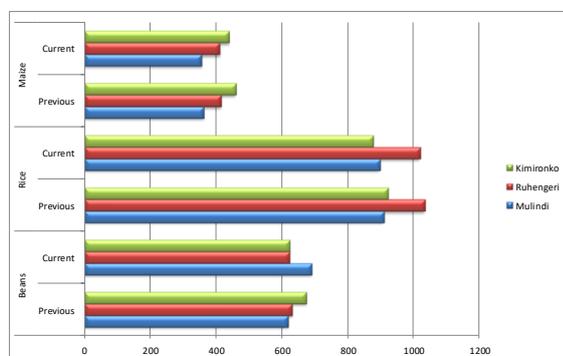
Table 3: Summary Average wholesale Grain prices in Rwanda

	Beans		Rice		Maize	
	Previous	Current	Previous	Current	Previous	Current
Mulindi	617	689	908	896	362	355
Ruhengeri	629	621	1032	1018	415	410
Kimironko	672	622	920	875	459	438

Previous: Week ending 28th, October 2016 Current: Week ending 4th, November 2016

Beans, Rice and Maize: Reports from EAGC RATIN monitored markets showed a decrease in prices of rice in all the assessed markets. This is indicative of an increased supply to the markets. Price of Maize also declined marginally in all the markets, in Ruhengeri, maize price went down by 1.2% (\$5/MT), in Kimironko by 4.6% (\$21/MT) whereas in Mulindi, the decline was by 1.9% (\$7/MT). The decrease in prices is attributed to maize imports that have met the shortfall hence influencing the selling price.

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



Beans market prices recorded mixed results, in Mulindi prices increased significantly by 11.6% (\$72/MT). In other RATIN EAGC monitored markets, the prices decreased, Kimironko market had a decrease of 7.4% (\$50/MT) from last week's average of \$672/MT. Ruhengeri market had a loss of 1% (\$8/MT) from last weeks average prices. Prices are expected to go down in the next three weeks as harvest from the second cropping season gets into the market.

Table 4: Summary of wholesale prices of Millet and Wheat in Rwanda (USD/MT)

	Millet		Wheat	
	Previous	Current	Previous	Current
Ruhengeri	818	804	566	559
Kimironko	934	878	724	674
Mulindi	719	720	745	757

Previous: Week ending 28 th, October 2016 Current: Week ending 4th, November 2016

Wheat and Millet: The summary on table 4 shows the price of millet reduced marginally in Ruhengeri and Kimironko by 0.9%. Mulindi had a marginal increase of 0.1% (\$1/MT) indicative of stability of prices. For wheat, Ruhengeri market recorded marginal decrease in price with 1.2% (\$7/MT). Also, Kimironko market had a significant decrease of 6.9% (\$50/MT). Mulindi was the only market that had an increase in price of wheat where a 3.3% (\$24/MT) increase was realised.

U G A N D A

Table 5: Summary of Monthly grain prices in Uganda for Beans Maize and Rice

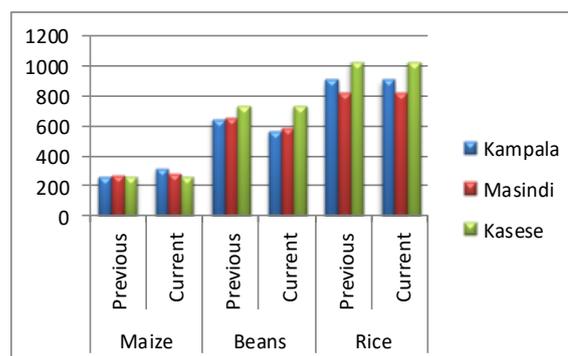
Weekly average wholesale grain prices in Uganda (USD/MT)						
	Maize		Beans		Rice	
	Previous	Current	Previous	Current	Previous	Current
Kampala	264	312	645	564	909	907
Masindi	267	278	657	585	821	819
Kasese	264	263	734	732	1027	1025

EAGC RATIN monitored markets in Uganda show a decrease in the price in Beans. Kampala and Masindi markets decreased in price significantly, Kampala market registered a 13% (\$81/MT) decline and Masindi had a decrease of 11% (\$72/MT). The price of beans is expected to go further down as harvest from Southern Uganda get into the market. Rice prices were stable with all the markets having marginal change.

Maize prices changed marginally in Kasese and Masindi registering a 0.3% (\$1/MT) decrease and a 4.1% (\$11/MT) increase respectively. Kampala had significant increase in price, maize went up by 18% (\$48/MT). However, the prices of Maize are expected to go down by

end of the month as harvest from the second season gets into the market.

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



KENYA

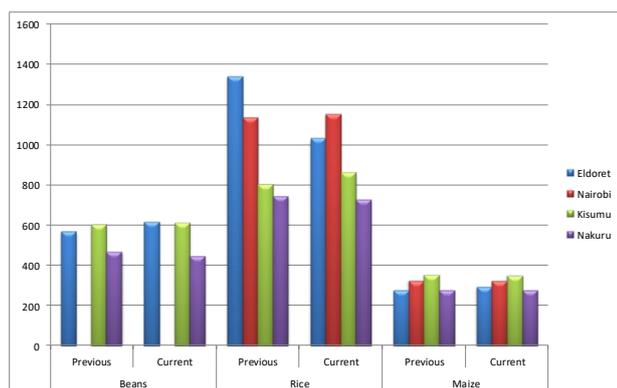
Table 6: Summary of Average grain prices in Kenya

	Beans		Rice		Maize	
	Previous	Current	Previous	Current	Previous	Current
Eldoret	569	618	1339	1032	278	293
Nairobi	-	-	1135	1153	325	323
Kisumu	603	612	804	863	352	351
Nakuru	468	446	743	727	278	278

Previous: Week ending 28th, October 2016 Current: Week ending 4th, November 2016

Bean and Maize: Price of maize remained stable in most of the EAGC RATING monitored markets. In Eldoret, the market recorded a 5.3% (\$15/MT) increase and this was attributed to low supply of the commodity. Stocks were diminishing in the region but harvest season has begun in North, Central and South Rift therefore, the prices are expected to go further down in the region by end of the month. Beans prices increased significantly in Eldoret, the price went up by 8.6% (\$49/MT). Kisumu had a marginal increase of 1.4% (\$9/MT) and Nakuru markets had a decrease of 4.7% (\$22/MT) indicative of increase in supply. The price of beans is expected to go down as the harvest season comes to close this week.

Graph 4: Summary of weekly grain prices of Beans, Rice and Maize



in Kenya:

	Millet		Sorghum		Wheat	
	Previous	Current	Previous	Current	Previous	Current
Eldoret	737	730	368	355	422	423
Nairobi	452	452	575	572	442	442
Nakuru	653	652	301	301	289	289
Kisumu	603	632	301	321	-	..

Rice: Rice prices changed significantly in Eldoret, there was a 22% (\$307/MT) decrease indicative of increased supply in the past week leading to a decrease in price. In Kisumu and Nairobi, prices increased by 7% (\$59/MT) and 1.5% (\$18/MT) respectively. The prices are expected to increase gradually in the coming weeks as we head to the festive season.

Table 7: Summary of Sorghum & Millet prices in Kenya in (\$/MT)

Previous: Week ending 28th, October 2016 Current: Week ending 4th, November 2016

Wheat: The price of wheat remained stable in all monitored markets. Prices are expected to go down in the coming weeks as prices in the global market have slumped due to oversupply and Kenya is a net importer of the commodity.

Millet and Sorghum: From the monitored markets, prices of Millet went up in Kisumu by 4.8% (\$29/MT). In Nairobi and Nakuru, the prices were stable. There was a marginal decrease of 1% (\$37/MT) in Eldoret. The prices will remain stable in the coming weeks as the harvest season ended last week. Sorghum prices were relatively constant in Nairobi. There was no change observed in Nakuru however, in Eldoret market, there was a decrease of \$13/MT indicative of increased supply of the commodity to the market.

CONCLUSION

- Reports from the EAGC RATING monitored markets in Kenya, Uganda and Rwanda indicated prices of Maize and Beans were on a decline. The price of these commodities will continue to decrease as stocks from 2016A season in Rwanda, Long Rains season in Kenya and Second season in Uganda enter the market this month.
- The price of wheat is expected to decline regionally in the coming weeks as Government reports have indicated a 26.7% drop in the past month in global markets. Traders and Millers will continue taking advantage to import huge volumes.

CONTACTS

For comments or feedback, contact:

Janet Ngombalu
Eastern Africa Grain Council
MIS Team
Email: grains@eagc.org
www.ratin.net, www.eagc.org