

This report shows market activities across the East Africa region's selected main grain markets from **12th to 16th December, 2016**. 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 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](http://www.ratin.net)

### GRAIN NEWS HIGHLIGHTS

**Regional:** The 2nd Regional Dialogues on Agribusiness Policy Environment in The Tripartite Free Trade Area (TFTA) member states which brought together the three economic blocs of EAC, SADC and COMESA, governments and private sector players called on government to stop interfering with the marketing system by announcing prices through State Food Reserve Agencies. Other recommendations were sensitization among policy-makers on the need to maintain free trade of food commodities and its benefits towards long term national food security-with special focus on Parliamentary Agricultural Committee.

**Tanzania:** German Ambassador to Tanzania, Egon Kochanke, on Wednesday (14/12/2016) said the mega fertiliser factory will cost euro 1.2 billion and will be one of the largest fertiliser factories in Africa. The ambassador made the remarks during talks with the Minister of Finance and Planning, Dr Philip Mpango, where they discussed a range of development issues.

**Ethiopia:** Implementing the objectives of GTP-II, due emphasis has been given to harness the water resources for irrigation and other uses by having different water harvesting technologies to increase agricultural productivity. The Ministry of

Farming and Natural Resources Public Relations Head Alemayehu Berhanu told The Ethiopian Herald that in 2016/17, the nation is set to develop three million hectares of land through irrigation. He said that the expected output is 370 million quintals.

**Sudan:** Water Depletion in Sudan's Agricultural Scheme El Gezira / El Gedaref – Hundreds of acres planted with wheat in El Gezira have dried up as the channels that normally feed the Agricultural Scheme have been depleted of water for more than a month. Large-scale food scammers have been arrested in El Gedaref state.

**Kenya:** For the first time in many years, wheat farmers are making good profit from their produce after the government moved in to cap the buying price at Sh3,000 per 90kg bag. The change of fortunes follows an arrangement between Cereal Millers Association, (member of EAGC), Ministry of Agriculture and Cereal Growers Association (member of EAGC). The three agreed that millers should only buy wheat from the export market if there is shortage of the produce from selected aggregation centres as from June, 2016.

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	628	703	844	844	375	375
Arusha	762	750	809	844	357	388
Iringa	657	667	750	789	281	282

Previous: Week ending 9th, December 2016 Current: Week ending 16th, December 2016.

**Maize, Beans and Rice :** Table 1 above shows summary average whole sale prices of grain in three Tanzania markets within two weeks.

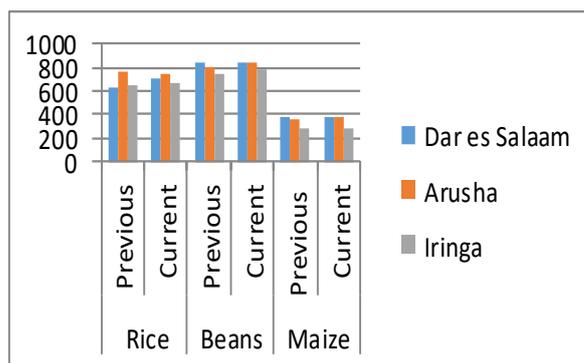
Wholesale price of **Maize** was stable in Dar markets. A marginal increase of 0.35% (\$1/MT) was recorded in Iringa and in Arusha, prices increased significantly by 8.6% (\$31/MT) indicative of increase in demand of the commodity. The demand is as a result of low supplies to the markets as the commodity is not in production . Going forward, prices are expected to increase up to January when first harvest from *vuli* season gets into the supply.

Price of **Beans** remained unchanged in Dar es Salaam at \$844/MT. Gains were recorded in Iringa and Arusha markets at 4.3% (\$35/MT) and 5.2% (\$39/MT) respectively. Prices are

expected to increase as the country is still in the lean season of production of the commodity.

For **Rice**, the price was on a decline in Arusha as the markets lost 1.6% (\$12/MT) of last week's closing average of \$762/MT. However, in Dar es Salaam and Iringa markets, the prices went up by 11.9% (\$75/MT) and 1.5% (\$10/MT) respectively. In the coming week, the demand of the commodity will increase as consumption is expected to peak approaching Christmas day.

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



## R W A N D A

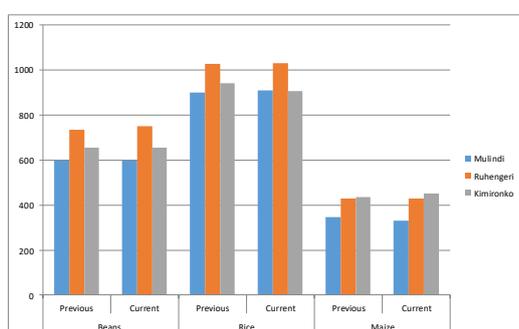
**Table 3: Summary Average wholesale Grain prices in Rwanda**

	Beans		Rice		Maize	
	Previous	Current	Previous	Current	Previous	Current
<b>Mulindi</b>	597	597	899	910	346	330
<b>Ruhengeri</b>	735	750	1029	1032	429	430
<b>Kimironko</b>	654	654	940	908	435	451

*Previous: Week ending 9th, December 2016 Current: Week ending 16th, December 2016*

Reports from EAGC RATING monitored markets for all grains indicated changes in prices. For **rice**, prices were relatively stable in Ruhengeri market with a 0.3% (\$3/MT) increase whereas in Mulindi, there was a marginal increase of 1.2% (\$11/MT), demand is expected to increase heading into the festive season.

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



For **beans**, prices have been stable for the past three weeks in Mulindi and Ruhengeri markets indicative of market equilibrium.

There was a 2% (\$15/MT) increase registered in Kimironko market. The prices are expected to go down as *Season A* crop harvest from Eastern and Southern areas gets into the market.

**Maize:** The price was relatively stable in Ruhengeri with a 0.2% (\$1/MT) increase from previous week's average. In Kimironko market, there was a 4% (\$16/MT) increase in prices indicative of an increase in demand. Mulindi was the only market that lost value as a 4.6% (\$16/MT) decrease was realized from previous week's average. Prices are expected to increase marginally heading into the new year as harvesting will begin in early January/

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

	Millet		Wheat	
	Previous	Current	Previous	Current
<b>Ruhengeri</b>	796	799	674	676
<b>Kimironko</b>	886	888	689	758
<b>Mulindi</b>	707	713	727	723

*Previous: Week ending 9th, December 2016 Current: Week ending 16th, December 2016*

The price of **Millet** in EAGC RATING monitored markets did not change significantly. In Ruhengeri, the prices were up by 0.37% (\$3/MT). The other markets had marginal increase with 0.2% (\$2/MT) in Kimironko and 0.8% (\$6/MT) in Mulindi. For **wheat**, the prices were relatively stable in Ruhengeri, there was 0.2% (\$3/MT) gain from previous week's. Kimironko market had a significant gain of 10% (\$69/MT) whereas in Mulindi, there was a marginal loss of 0.5% (\$4/MT). Prices are expected to go down as there is oversupply reported in the global markets.

## 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
<b>Kampala</b>	371	360	698	710	838	845
<b>Masindi</b>	279	282	670	676	782	789
<b>Kasese</b>	280		700		980	

*Previous: Week ending 9th, December 2016 Current: Week ending 16th, December 2016*

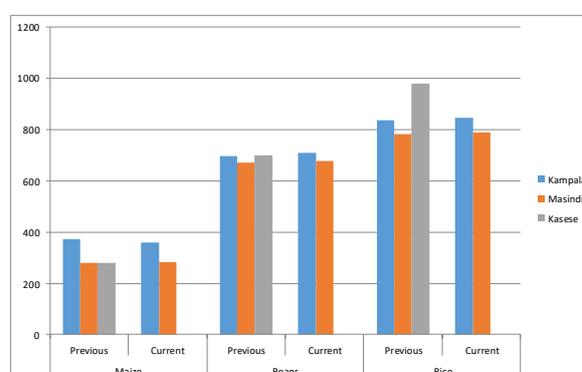
Reports from EAGC RATING monitored markets for **Maize** indicated relative stable prices with a marginal increase of 1.07% (\$3/MT) in Masindi market. In Kampala, there was a slight increase of 3% (\$11/MT) indicative of increase in demand of the commodity due to low supplies as the crop did not perform well in Eastern Uganda. Prices are expected to go down as supplies from second season from Southern Uganda gets into the market.

The demand for **beans** increased in all markets influencing prices in Masindi and Kampala. The markets gained marginally by 9% (\$6/MT) in Masindi and 1.7% (\$12/MT) in Kampala markets. Prices are expected to go down in the coming weeks as supply of the

commodity to the markets increases from Second Season harvest which is ongoing.

Price of **Rice** increased in all the monitored markets. In Kampala, there was a 0.8% (\$7/MT) gain recorded from previous week's average. Masindi market recorded a marginal increase of 0.9% (\$7/MT). Prices are expected to increase in the coming weeks as demand is expected to go up heading into the festive season.

**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	669	691	1361	1428	284	287
Nairobi	-	-	1198	1196	319	319
Kisumu	615	698	898	922	349	349
Nakuru	554	552	739	736	277	278

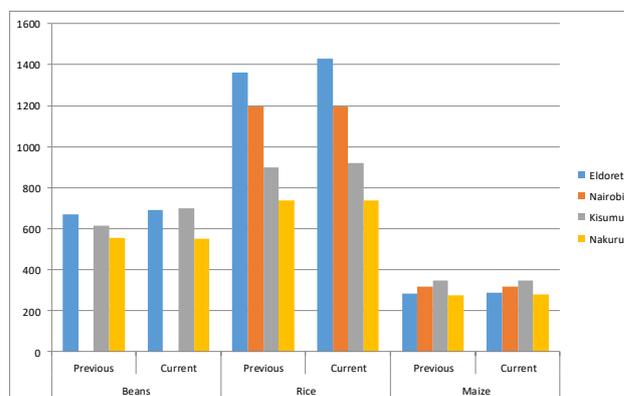
Previous: Week ending 9th, December 2016 Current: Week ending 16th, December 2016

Price of **maize** was relatively stable in Nakuru with a \$1/MT increase registered. In Nairobi and Kisumu markets, the prices did not change from last weeks averages. Eldoret had a marginal increase of 1% (\$3/MT) from previous week's average. The prices are expected to go down as there is guaranteed supply from the long rains harvest.

The price of **beans** increased in Kisumu and Eldoret by 3.2% (\$22/MT) 13.4% and (\$83/MT) respectively. In Nakuru, the price was stable with a marginal decrease of 0.4% (\$2/MT). Prices are expected to remain stable in the coming weeks but will increase when schools open in January.

**Rice** prices increased by 5% (\$67/MT) in Eldoret and 3% (\$24/MT) in Kisumu. In Nairobi and Nakuru, prices declined marginally by \$2/MT and \$3/MT respectively. The prices will go up in the coming week heading into the festive season.

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



## CONCLUSION

- Presently, Kenya and some parts of Uganda are experiencing security in key staples coming out of harvest season therefore, prices have been stable. In Tanzania and Rwanda prices have been on an upward trend and prices will go down as the lean season comes to close end of this year.
- Increase demand for rice and wheat is expected to persist this week as the Christmas festivities is crowned end of the week.

## CONTACTS

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