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

**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.

**T A N Z A N I A**

Table 1: Summary of weekly grain prices in Tanzania

<table>
<thead>
<tr>
<th>Weekly Average Wholesale Grain Prices in Tanzania on ($/MT)</th>
<th>Rice</th>
<th>Beans</th>
<th>Maize</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous</td>
<td>Current</td>
<td>Previous</td>
<td>Current</td>
</tr>
<tr>
<td>Dar es Salaam</td>
<td>628</td>
<td>703</td>
<td>844</td>
</tr>
<tr>
<td>Arusha</td>
<td>762</td>
<td>750</td>
<td>809</td>
</tr>
<tr>
<td>Iringa</td>
<td>657</td>
<td>667</td>
<td>750</td>
</tr>
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</table>

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

Maize, Beans and Rice: Table 1 above shows summary average whole sales 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)
Reports from EAGC RATIN 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.

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.

The price of millet in EAGC RATIN monitored markets did not change significantly. In Rehengeri, 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.
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 week’s 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) and 13.4% ($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

Table 6: Summary of Average grain prices in Kenya

<table>
<thead>
<tr>
<th></th>
<th>Beans</th>
<th></th>
<th>Rice</th>
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<th>Maize</th>
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<tr>
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<td>552</td>
<td>739</td>
<td>736</td>
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<td>278</td>
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</table>

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

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.

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