Food and Agriculture Organization of the United Nations

FPMA BULLETIN

Food Price Monitoring and Analysis

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MONTHLY REPORT ON FOOD PRICE TRENDS

KEY MESSAGES

- Cereal export prices firmed in January. A drop in plantings and concerns over the impact of unfavourable weather on the 2017 winter crops in the United States of America supported wheat values, while maize prices were mostly underpinned by strong demand. International prices of rice increased, primarily reflecting stronger demand and tighter availabilities of the Basmati variety.
- In East Africa, cereal prices continued to surge in January to near-record or record levels, as the output of the ongoing harvests was sharply reduced by a poor October-December rainy season. Pastoralists are reducing herd size due to lower water and pasture availability to mitigate potential losses and increase their ability to sustain the remaining animals. As a result of higher supplies of low quality animals in the market, livestock prices declined sharply.
- In Southern Africa, the favourable production outlook for the 2017 crop, particularly in South Africa, the main exporter and producer of the subregion, resulted in some price declines in January. Prices, however, remain generally at relatively high levels supported by the drought-reduced outputs in 2016.
- In West Africa, coarse grain prices generally declined in January and were around or below their levels a year earlier reflecting increased market supplies from the recent good 2016 harvests. However, in Nigeria, despite an above-average output, the continuing steep depreciation of the local currency and civil insecurity kept prices well above their year-earlier levels.

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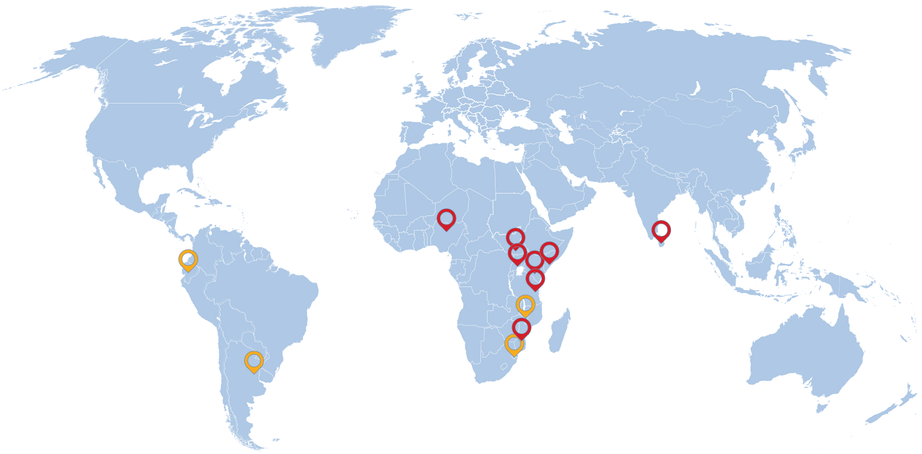
NEWS

The GIEWS Food Price Monitoring and Analysis Tool now contains data for 1 369 domestic food price series across 91 countries as well as prices for 77 international benchmark food commodities.

Try the new Tool now at:
fao.org/giews/food-prices/tool

Domestic price warnings

Price warning level: High Moderate [Based on GIEWS analysis]



Warnings are only included if latest available price data is not older than two months.

The designations employed and the presentation of material in the map do not imply the expression of any opinion whatsoever on the part of FAO concerning the legal or constitutional status of any country, territory or sea area, or concerning the delimitation of frontiers.

Argentina | Maize
Ecuador | Maize
Kenya | Maize
Malawi | Maize
Mozambique | Maize
Nigeria | Cereals
Somalia | Coarse grains
South Sudan | Staple foods
Sri Lanka | Rice
Swaziland | Maize
Uganda | Maize
United Republic of Tanzania | Maize

INTERNATIONAL CEREAL PRICES

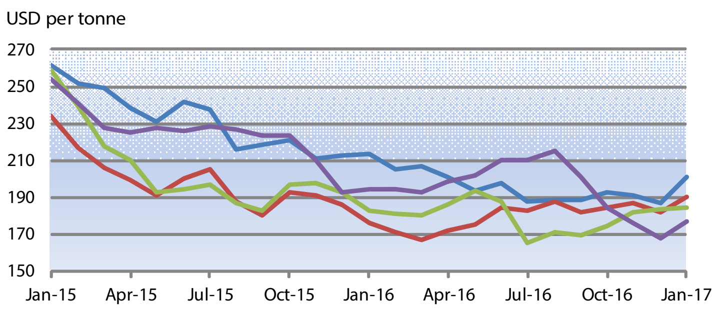
Cereal prices generally rose in January

Wheat export prices increased overall in January. The benchmark US wheat (No.2 Hard Red Winter, f.o.b.) price averaged USD 201 per tonne, more than 7 percent up from December but still 6 percent lower than a year earlier. Prices were mainly underpinned by reports of the smallest plantings in the Unites States of America since 1909 and concerns over the impact of cold and dry weather conditions in key growing areas of the United States of America and the European Union. A weaker dollar also contributed to the increase. In Argentina, where the harvest is virtually complete, quotations were supported by solid demand, but in the Black Sea region, export quotations changed little from last month under subdued trade activity.

International **maize** prices mostly firmed in January. The benchmark US maize (No.2, Yellow, f.o.b.) averaged USD 159 per tonne, nearly 4 percent higher than in December and about 1 percent below the corresponding month last year. Large export sales, in part stimulated by a weaker dollar, contributed to the firming of the US origin prices. Weather-related concerns in South America also added upward pressure. Some key growing areas in Argentina suffered from heavy rains, while others confronted overly dry conditions. However, overall favourable production prospects prevented stronger price increases.

The FAO All **Rice** Price Index (2002-04=100) rose for the second consecutive month in January and averaged 190 points, 2 percent higher than in December. Much of the increase reflected firmer Basmati prices in Pakistan and India, mirroring reduced fragrant harvests and expectations of improved demand. Indica quotations also rose in both countries, in Pakistan mostly on account of reduced availabilities and in India mainly due to a fast pace of Government purchases. In Thailand, the benchmark Thai 100%B white rice increased slightly in January due to a stronger currency, while in Viet Nam a slow pace of sales limited price movements. In Argentina and Uruguay, quotations rose, reflecting seasonally tight availabilities, while weak buying interest weighed on prices in the United States of America and Brazil.

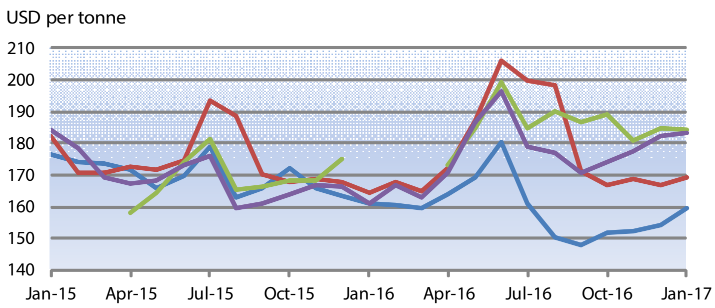
International wheat prices



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
US (Gulf), Wheat (US No. 2, Hard Red Winter)	200.60	7.4	4.1	-6.2
EU (France), Wheat (grade 1)	189.80	4.4	2.9	8
Black Sea, Wheat (milling)	184.60	0.7	5.6	0.9
Argentina, Wheat (Argentina, Trigo Pan, Up River, f.o.b.)	177.20	5.5	-3.7	-8.9

Source(s): International Grains Council

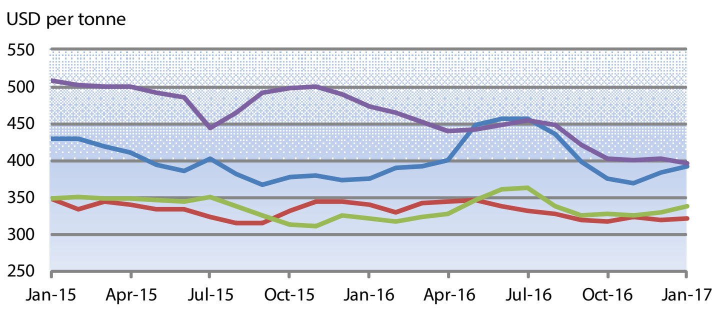
International maize prices



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
US (Gulf), Maize (US No. 2, Yellow)	159.44	3.5	4.9	-0.9
Black Sea, Maize (feed)	169.20	1.3	1.3	3
Brazil (Paranagua), Maize (feed)	184.33	-0.2	-2.6	na
Argentina, Maize (Argentina, Up River, f.o.b.)	183.40	0.6	5.3	13.9

Source(s): USDA; International Grains Council

International rice prices



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Thailand (Bangkok), Rice (Thai 100% B)	392.00	2	4.6	4.5
Viet Nam, Rice (25% broken)	321.50	0.5	1.5	-5.6
India, Rice (25% broken)	337.75	2.7	3	5.1
US, Rice (US Long Grain 2.4%)	395.25	-1.7	-1.7	-16.6

Source(s): Thai Rice Exporters Association; FAO rice price update

DOMESTIC PRICE WARNINGS

Countries where prices of one or more basic food commodity are at abnormal high levels which could negatively impact access to food

Argentina | Maize

Growth Rate (%)		
	to 01/17	Same period average
3 months	-0.1	5.2
12 months	-0.2	0.8

Compound growth rate in real terms.
Refers to: Argentina, Rosario, Wholesale, Maize (yellow)

Yellow maize prices on the increase and at near-record levels

Prices of **yellow maize** rose further in January and reached levels only marginally below the record highs of July last year, in nominal terms. Despite the record 2016 maize crop, seasonal increases in January were exacerbated by strong exports sustained by a weak local currency, which depreciated further after losing nearly 16 percent of its value last year, following the liberalization. Currency weakness coupled with the removal of export restrictions and ample availabilities from last year's output have raised the maize export forecast in the current marketing year (March/February) to a record level of 24 million tonnes. Sowing of the 2017 crop, to be harvested from March, is virtually complete and the planted area has been preliminarily estimated 5 percent above last year's high level. As for **wheat grain** prices, strong demand offset the downward pressure from the recently-harvested bumper 2016 crop and prices increased by some 13 percent in January and were almost 35 percent above their year-earlier levels, while those of **wheat flour** were two-thirds higher.

Ecuador | Maize

Growth Rate (%)		
	to 01/17	Same period average
3 months	7.5	2.0
12 months	1.2	0.0

Compound growth rate in real terms.
Refers to: Ecuador, Guayaquil, Wholesale, Maize (yellow)

Prices of yellow maize rose further in January

Prices of **yellow maize** increased significantly for the third consecutive month in January, with seasonal trends exacerbated by tight supplies from the sharply-reduced 2016 output, due to lower plantings and reduced yields because of fungal and viral infections. In main markets, prices were on average some 10 percent above their values in January last year. In an effort to ease prices and prevent further increases, the Government has significantly raised yellow maize imports, particularly for feed use. Prospects for the 2017 maize crop, to be harvested from late March, are good as weather conditions have been favourable, pest infestation levels are reportedly low, and the Government has been providing support in the form of inputs.

Kenya | Maize

Growth Rate (%)		
	to 01/17	Same period average
3 months	3.8	1.1
12 months	1.3	-0.2

Compound growth rate in real terms.
Refers to: Kenya, Mombasa, Wholesale, Maize

Maize and beans prices increasing in January

Maize prices increased in January by 9-14 percent in most monitored markets, as the output of the *short rains* harvest, currently underway in eastern and coastal lowlands, was sharply reduced due to insufficient rainfall. Prices of maize in January were 20-30 percent higher than 12 months earlier in several markets, also as a result of a below-average *long rains* harvest, recently completed in high potential western areas of the Rift Valley. Sustained imports from neighbouring Uganda contained the increased in maize prices. In drought affected coastal counties, sharper year-on-year price increases are recorded, and in December 2016 prices of maize in Kwale, Kilifi, Lamu, Taraka Nithi and Embu counties were up to 40 percent higher than a year earlier. Prices of **beans** are also at high levels and in January they were up to 40 percent higher than their year-earlier levels. Most pastoral areas were affected by drought, and prices of **livestock** declined in recent months as animal body conditions deteriorated. For instance, in Marsabit, Mandera, Garissa and Tana River counties, prices of **goats** in December 2016 were 15-30 percent lower than 12 months earlier.

Price warning level: High Moderate

For more information visit the FPMA website here

Malawi | Maize

Growth Rate (%)		
	to 12/16	Same period average
3 months	-1.3	4.4
12 months	2.7	0.4

Compound growth rate in real terms.
Refers to: Malawi, National Average, Retail, Maize

Maize prices continued to increase in December

The national average **maize** price increased in December and reached record levels due to continued support from tight supplies after prolonged dryness severely affected the 2016 output, estimated at almost 2.4 million tonnes, approximately 15 percent down from the reduced harvest in 2015 and significantly lower than the previous five-year average. Currency weakness and an increase in fuel prices also added inflationary pressure. The month-on-month rate of increase was, however, limited by assistance programmes in place and increased imports. Above-average rains forecast in the coming months, should they materialize, would benefit the 2017 crop in its growing stage, bringing a welcome recovery in production and easing supply pressure on prices.

Mozambique | Maize

Growth Rate (%)		
	to 12/16	Same period average
3 months	3.7	6.4
12 months	2.8	0.6

Compound growth rate in real terms.
Refers to: Mozambique, Angonia, Retail, Maize (white)

Prices of maize on the increase and at significantly higher year-on-year levels

Maize prices increased in December, notably in southern areas that were most affected by the 2016 drought, mainly in response to the tight supply situation. In the capital, Maputo, prices were more than double their year earlier values, while in the northern market of Nampula, prices were one-quarter higher. The weaker currency compared to the beginning of 2016 and the tighter supply situation due to drought-reduced production in southern parts, were the main drivers of price increases. Maize production prospects are, however, more favourable this year and an expected recovery in output is likely to ease supply pressure on prices.

Nigeria | Cereals

Growth Rate (%)		
	to 12/16	Same period average
3 months	-0.3	0.6
12 months	7.0	-0.9

Compound growth rate in real terms.
Refers to: Nigeria, Kano, Wholesale, Millet

Cereal prices remain at high levels

Cereal prices showed mixed trends in December and remained higher than at the same time last year despite new supplies from the above-average 2016 harvest, recently gathered. Prices of **sorghum** declined seasonally in several markets, while those of **maize** and **imported rice** strengthened. The persistent depreciation of the local currency and civil insecurity continued to affect market activities and underpin prices. The weaker local currency is supporting regional import demand for Nigerian cereals, which has resulted in increased exports to neighbouring countries and consequent significant upward pressure on domestic food supplies and prices. Moreover, the currency weakness has increased fuel and transport costs, and led to costlier and reduced imports from neighbouring countries. In the northern part of the country, the continued conflict has resulted in widespread disruption in agricultural and marketing activities, leading to upward pressure on prices and severely worsening food security conditions. In an effort to boost domestic production and reduce food prices, the Government has recently approved a set of measures, which include financing agricultural inputs and improving the efficiency of food distribution across the country.

Price warning level: High Moderate

For more information visit the FPMA website here

Somalia | Coarse Grains

Growth Rate (%)		
	to 01/17	Same period average
3 months	17.5	0.2
12 months	3.0	-0.2

Compound growth rate in real terms.
Refers to: Somalia, Mogadishu, Retail, Maize (white)

Prices of maize and sorghum continued to surge in January and at very high levels

Prices of locally-produced **maize** and **sorghum** continued to soar in January as the output of the 2016/17 secondary *deyr* harvest was affected by a severe drought and is estimated at 25 percent of last five-year average. In Mogadishu, prices of coarse grains increased up to 35 percent. In most markets of key maize producing region of Lower Shabelle, maize prices surged in January by 32-41 percent. Overall, prices of coarse grains in January in key markets of central and southern Somalia were up to twice their levels of 12 months earlier. Prices are likely to further escalate in the coming months, as an earlier than usual stock depletion will be compounded by concerns over the performance of the 2017 *gu* harvest. In pastoral areas, drought caused shortages of grazing resources, with deterioration of livestock body conditions. **Livestock** prices sharply declined in recent months, especially in the south, and are at very low levels, up to 60 percent lower than 12 months earlier. As a result of declining livestock prices and increasing cereal prices, terms of trade for pastoralists sharply deteriorated over the last 12 months. The equivalent in maize of a medium size **goat** declined in Buale market from 114 kg January 2016 to just 30 kg in January 2017. The severe drought has also caused a sharp decline in **milk** production and surge in milk prices.

South Sudan | Staple foods

Growth Rate (%)		
	to 01/17	Same period average
3 months	1.5	1.7
12 months	-4.2	2.0

Compound growth rate in real terms.
Refers to: South Sudan, Juba, Retail, Maize (white)

Food prices declined in January but still at near-record highs

In the capital, Juba, prices of **sorghum** and **maize** declined in January by 6 and 10 percent, respectively, partly as a result of the harvesting of 2016 second season crops in southern bi-modal rainfall areas, which improved the domestic supply situation. Prices of other staples, **wheat flour**, **cassava** and **groundnuts**, followed similar patterns. In markets located in central and northern uni-modal rainfall areas, prices of sorghum increased by 15-20 percent in December 2016 and January 2017, after having declined in previous months with the harvesting of 2016 crops. In January, food prices in nominal terms were between 2 and 4 times above their levels in January last year, due to insecurity, a tight supply situation, hyperinflation and a significant depreciation of the local currency.

Sri Lanka | Rice

Growth Rate (%)		
	to 01/17	Same period average
3 months	7.2	1.8
12 months	1.7	0.0

Compound growth rate in real terms.
Refers to: Sri Lanka, Colombo, Retail, Rice (white)

Rice prices on the increase and at record levels

Rice prices increased steeply for the fourth consecutive month in January and reached record levels. The spike in prices is due to the reduced 2016 secondary *yala* crop, harvested in September, affected by unseasonal dryness followed by floods. Prices were further underpinned by unfavourable prospects for the 2017 main *maha* crop, due to below-average rainfall since the start of the season in October, which coupled with low irrigation water availability, resulted in significant cuts in the area planted and reduced yield prospects. In an attempt to ease rice prices, the Government began releasing paddy from public stocks to millers in late December, reduced taxes on imported rice and has recently set maximum retail prices for rice (FPMA Food Policies).

Price warning level: High Moderate

For more information visit the FPMA website here

Swaziland | Maize

Growth Rate (%)		
	to 12/16	Same period average
3 months	-2.6	0.7
12 months	2.1	-0.2

Compound growth rate in real terms.
Refers to: Swaziland, National average, Retail, Maize meal

Maize prices about one third above year-earlier levels despite recent declines

Prices of **maize meal** declined in December reflecting the overall decreasing trend in South Africa, the country's main source of imports, which have supplied close to 100 000 tonnes since May 2016. Prices remained well above their year-earlier levels, sustained by tight national supplies following the sharp drop in the 2016 harvest. Based on the current weather outlook, however, early production prospects for the 2017 crop are generally favourable and an expected recovery in crop production is likely to ease supply pressure on prices.

Uganda | Maize

Growth Rate (%)		
	to 01/17	Same period average
3 months	7.9	-1.5
12 months	2.9	0.2

Compound growth rate in real terms.
Refers to: Uganda, Lira, Wholesale, Maize

Prices of maize at near-record to record highs

Prices of **maize** followed a sustained upward trend in recent months, increasing in all monitored markets by 33-58 percent between August and December 2016. Subsequently, prices followed mixed trends in January, declining in the capital, Kampala, as the second season harvest increased supplies, remaining firm in Lira market, located in a major cereal producing area, and continuing to increase in Busia, a key cross-border hub with Kenya. Overall, maize prices in January were up to 75 percent higher than a year earlier and at near-record to record levels, as the upward pressure exerted on prices by a reduced second season harvest, affected by poor rainfall in southeastern parts bordering lake Victoria, was compounded by a reduced first season harvest gathered last June/July and by sustained export demand from neighbouring countries, mainly Kenya and South Sudan. In Kampala, prices of **beans** and **cassava flour**, important staples, are also at high levels, and in January they were about 25 percent higher than 12 months earlier.

United Republic of Tanzania | Maize

Growth Rate (%)		
	to 01/17	Same period average
3 months	14.9	-1.2
12 months	5.5	-0.6

Compound growth rate in real terms.
Refers to: United Republic of Tanzania, Arusha, Wholesale, Maize

Prices of maize continued to increase in January and at very high levels

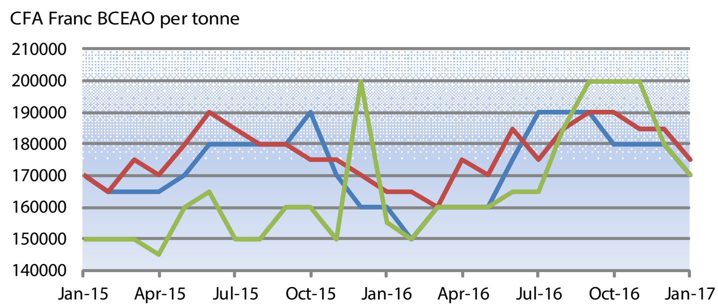
Prices of **maize** continued to increase in January in all monitored markets, as production prospects for the *vuli* harvest, currently underway in northern and eastern bi-modal rainfall areas, are unfavourable due to poor and erratic rainfall. Further support to prices was provided by concerns over the performance of the *msimu* harvest, to be gathered from May in central and southern uni-modal rainfall areas, as early-season dryness affected planting operations and crop establishment. Prices of maize in January were almost twice their year-earlier levels in Arusha, located in the northeast, while they were about 25 percent higher than in January 2016 in Dar Es Salaam, the largest urban centre.

For more information visit the FPMA website here

Coarse grain prices generally declined, with the exception of Nigeria

In West Africa, coarse grain prices generally declined in January and were around or below their levels a year earlier reflecting increased market supplies from the recently-harvested 2016 good harvests. In the Sahel belt, in **Mali**, prices of millet declined while those of sorghum remained virtually unchanged. Prices were around their levels a year earlier. Similarly, in **Burkina Faso**, prices of locally-produced millet and sorghum declined or remained relatively stable and were close to their year-earlier values as a result of the good 2016 harvests, which benefited from good weather conditions and Government support programmes. In **Niger**, millet prices remained virtually unchanged while those of sorghum decreased as a result of the recent harvest and imports. Prices, however, were higher than in January last year, after the sharp increases in mid-2016 when seasonal trends were exacerbated by concerns about crop performance in some areas due to unfavourable weather. In **Chad**, prices of millet and sorghum declined significantly in December and were below their year-earlier values as a result of the above-average 2016 harvest. Similarly, in the coastal countries along the Gulf of Guinea, prices of maize, the most consumed cereal, decreased substantially in late 2016. In **Togo**, despite some increase in December, maize prices were well below their year-earlier levels, after the significant declines between September and November on account of harvest pressure. In **Nigeria**, the largest producing country of the subregion, coarse grain prices followed mixed trends in December. Prices of sorghum generally declined as a result of the recent above-average 2016 harvest, while those of maize strengthened in several markets as the downward pressure from the good harvest was offset by the continuing steep depreciation of the local currency and civil insecurity, which kept prices well above their year-earlier levels.

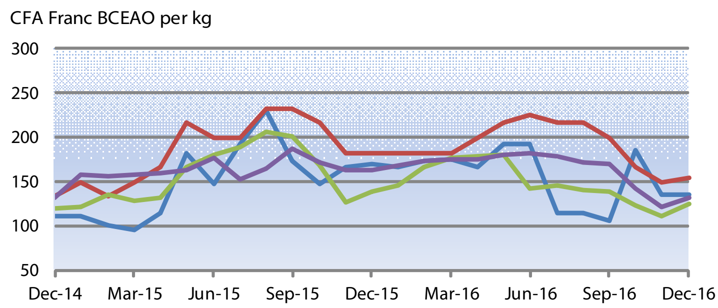
Wholesale prices of coarse grains in selected West African countries



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Mali, Bamako, Millet (local)	170000.	-5.6	-5.6	6.3
Burkina Faso, Ouagadougou, Millet (local)	175000.	-5.4	-7.9	6.1
Niger, Niamey, Sorghum (local)	170000.	-5.6	-15	9.7

Source(s): Afrique verte

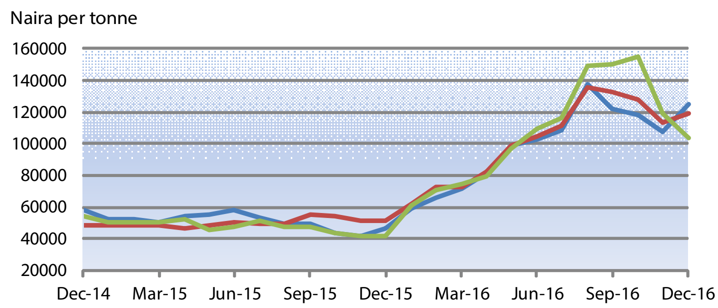
Retail prices of maize in Togo



	Latest Price (Dec-16)	Percent Change 1M	3M	1Y
Anie	135.00	0	27.4	-20.6
Lomé	154.00	2.7	-23	-15.8
Korbongou	125.00	12.6	-9.4	-9.4
Kara	132.00	9.1	-22.4	-19

Source(s): Ministère de l'Agriculture, de l'Elevage et de la Pêche

Wholesale prices of cereals in Kano, Nigeria



	Latest Price (Dec-16)	Percent Change 1M	3M	1Y
Millet	125000.	15.7	2	167.1
Maize (white)	119000.	4.8	-10.2	132.4
Sorghum (white)	103250.	-13.4	-31.2	145.4

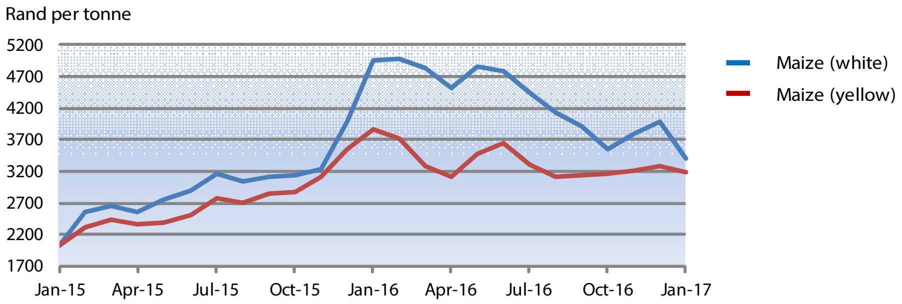
Source(s): FEWSNET

For more information visit the FPMA website here

Maize prices declined in South Africa, firm elsewhere

In several countries of the subregion, tight supplies from the 2016 drought-reduced crops and currency weakness contributed to keep maize prices at levels well above those a year earlier. In **South Africa**, however, white maize prices declined sharply in January, following short-lived gains at the end of 2016, and were some 30 percent below their near-record highs of a year earlier. The significant decline mostly reflects a favourable supply outlook for 2017, on account of an expected production recovery for this year's maize crop; with preliminary forecasts pointing to a 50 percent rebound from the drought-reduced 2016 output. The continued appreciation of the local currency against the US dollar also contributed to the recent price decline. In **Namibia** and **Swaziland**, maize prices remained relatively stable in December and well above their year-earlier levels. The overall declining price trend in South Africa, their key source of cereal supplies, contributed to offset the upward pressure from still tight domestic supplies after the 2016 drought-reduced outputs. In **Mozambique**, maize price increases persisted throughout the country in December, notably in southern markets where prices were more than double their year-earlier levels. The high level of prices mainly reflects the tight supply situation in the country and the impact of the depreciation of the local currency on food import costs. In **Zimbabwe**, the positive impact of the US dollar's strength (the main currency used in the country) on food import costs has weakened in recent months due to an appreciation of the South African rand. However, the decline in maize prices in South Africa, which has supplied 150 00 tonnes of maize since May last year, has contributed to maintain stable prices in the country. In **Malawi**, maize prices increased in December and were 60 percent above their year-earlier levels, mostly reflecting the drought-reduced domestic harvest in 2016 coupled with a weak currency. In **Lesotho**, that imports about half of its consumption requirements, maize meal prices remained virtually unchanged in December after declining in previous months, reflecting the movement of South African prices and Government price subsidy programmes.

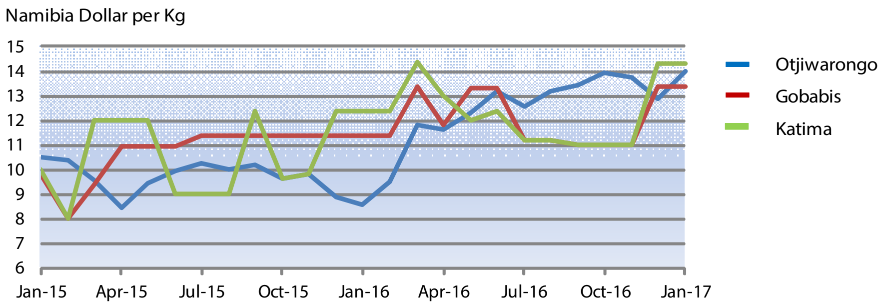
Wholesale prices of maize in Randfontein, South Africa



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Maize (white)	3403.18	-14.8	-4	-31.2
Maize (yellow)	3180.31	-2.9	0.4	-17.9

Source(s): SAFEX Agricultural Products Division

Retail prices of maize meal in Namibia



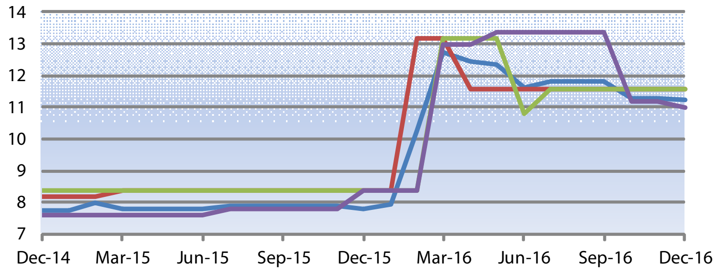
	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Otjiwarongo	14.01	8.5	0.7	62.9
Gobabis	13.36	0	21.5	17.2
Katima	14.30	0	30	15.3

Source(s): Namibia Statistics Agency

For more information visit the FPMA website here

Retail prices of maize meal in Swaziland

Lilangeni per kg

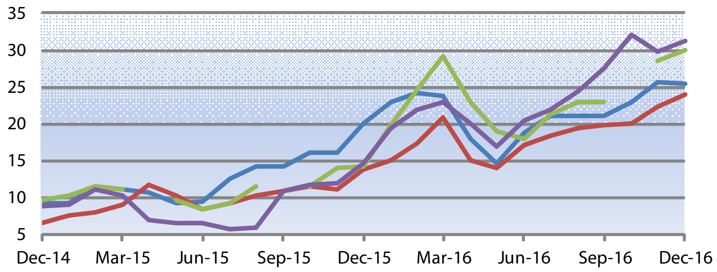


	Latest Price (Dec-16)	Percent Change 1M	3M	1Y
National average	11.22	-0.4	-5	44
Hhohho	11.60	0	0	38.1
Shiselweni	11.60	0	0	38.1
Lubombo	11.00	-1.8	-17.9	31.1

Source(s): Central Statistical Office (CSO)

Retail prices of white maize in Mozambique

Metical per kg

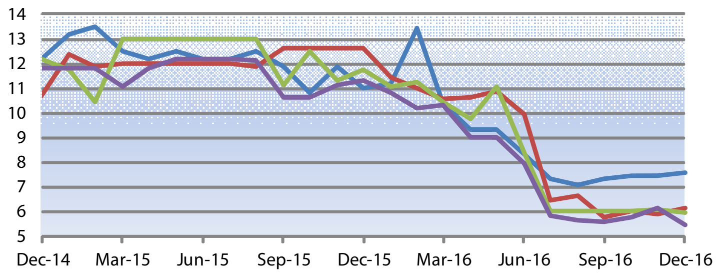


	Latest Price (Dec-16)	Percent Change 1M	3M	1Y
Nampula	25.43	-1.1	20.9	27.2
Angonia	24.00	7.7	21.7	74.9
Manica	30.00	5	31.2	109.9
Gorongosa	31.17	4.4	13.1	114.2

Source(s): Sistema De Informação De Mercados Agrícolas De Moçambique

Retail prices of maize meal in Zimbabwe

US Dollar per 10 Kg

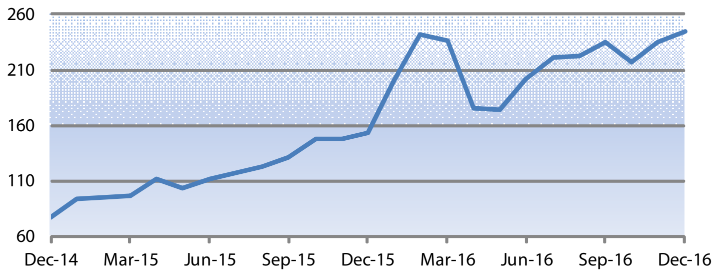


	Latest Price (Dec-16)	Percent Change 1M	3M	1Y
Harare	7.58	1.5	3.8	-31.2
Manicaland	6.11	3.2	5.5	-51.5
Midlands	5.97	-1.8	-0.8	-49.2
Mash west	5.46	-11.1	-2.2	-51.8

Source(s): ZIMSTAT

Retail prices of maize in Malawi

Kwacha per kg



	Latest Price (Dec-16)	Percent Change 1M	3M	1Y
National Average, Maize	244.31	3.7	4	60

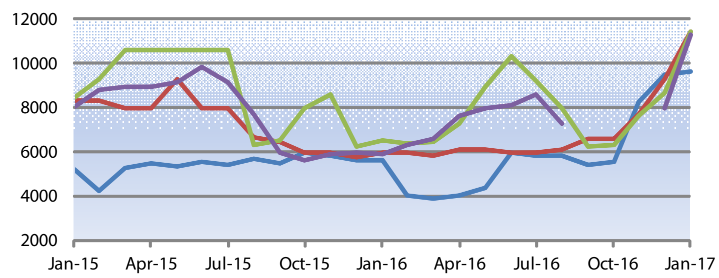
Source(s): Ministry of Agriculture and Food Security

For more information visit the FPMA website here

Prices of cereals on the rise and at very high levels in several countries of the subregion on the back of drought-reduced harvests

Prices of cereals, already surging in recent months in Somalia, Uganda, the United Republic of Tanzania and Kenya, continued to increase in January the output of the ongoing harvests was sharply reduced by the failure of the October-December rainy season, and stocks were not adequately replenished. In pastoral areas of Kenya, Somalia and southeastern Ethiopia, the widespread drought had a severe impact on pasture and water availability, and prices of livestock sharply decreased in recent months to very low levels, as livestock body conditions dramatically deteriorated. In these areas, the resulting sharp decline of terms of trade for pastoralists is severely constraining food access for large numbers of households. In **Somalia**, prices of locally produced maize and sorghum continued to soar in January as the output of 2016/17 secondary *deyr* harvest, currently underway, was sharply reduced due to a severe drought. For instance, prices of maize surged both in the capital, Mogadishu, and in the key maize producing region of Lower Shabelle. Prices of sorghum increased in Mogadishu, while they remained firm in Baidoa, located in the sorghum belt. Overall, prices of coarse grains in January in key markets of central and southern Somalia were up to twice their levels of 12 months earlier. In **the United Republic of Tanzania**, prices of maize continued to increase in January in all monitored markets, as production prospects for the *vuli* harvest, currently underway in northern and eastern bi-modal rainfall areas, are unfavourable due to poor and erratic rainfall. Prices of maize in January were up to twice their year-earlier levels. Similarly, in **Kenya**, maize prices increased in January in most monitored markets, as the output of the *short rains* harvest, currently underway in eastern and coastal lowlands, was sharply reduced due to insufficient rainfall. Prices of maize in January in December were on average 30 percent higher than 12 months earlier, on account of a reduced 2016 cereal production. In **Uganda**, prices of maize in January followed mixed trends, declining in the capital, Kampala, as the second season harvest increased supplies, remaining firm in Lira market, located in a major cereal producing area, and continuing to increase in Busia, a key cross-border hub with Kenya. Maize prices in January were at near-record to record levels, as the upward pressure exerted on prices by the reduced 2016 cereal production has been compounded by a sustained export demand from neighbouring countries. In **the Sudan**, prices of domestically-produced sorghum and millet, the main staples, levelled off or started to seasonally increase in January after having declined in recent months as newly-harvested crops from the 2016 harvest increased supplies. Prices of sorghum in January were around their year-earlier levels in all monitored markets; similarly, prices of millet, the main cereal produced and consumed in western areas, were around their levels of 12 months earlier in Al Fashir market, North Darfur State. Prices of wheat, mostly imported and consumed in urban areas, surged by 23 percent between November and January in the capital, Khartoum, reaching record levels, as austerity policy measures introduced in November caused a depreciation of the local currency and included a reduction of fuel subsidies, thus increasing transport costs. In **Ethiopia**, maize prices continued to decline in January in most markets as the recently concluded 2016 *meher* main season harvest increased supplies. January prices of maize were around their year-earlier levels. In southeastern pastoral areas, the severe drought caused shortages of pasture and water for livestock, with an ensuing deterioration of livestock body conditions. As a result, prices of livestock sharply declined in recent months and they are currently at very low levels. For instance, in the Somali region, prices of goats and sheep in December were about one-third their average values. Here, prices of cereals are reported to be about twice their average levels, severely depressing terms of trade for pastoralists. In **South Sudan**, prices of maize and sorghum declined in January in the capital, Juba, partly as a result of the harvesting of 2016 second season crops in southern bi-modal rainfall areas, while in markets located in central and northern uni-modal rainfall areas prices of sorghum continued to increase. Overall, in January, food prices in nominal terms were between two and four times their levels in January last year, due to insecurity, a tight supply situation, hyperinflation and a significant depreciation of the local currency.

Retail prices of maize and sorghum in Somalia

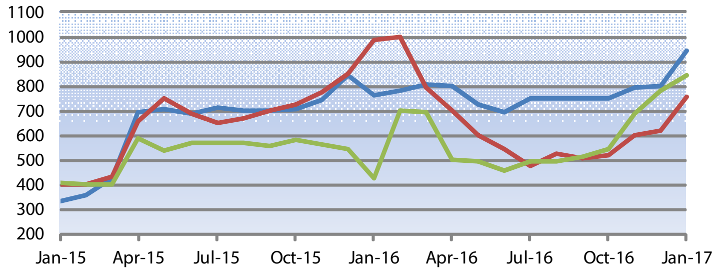


	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Baidoa, Sorghum (red)	9640.00	1.5	74.5	70.6
Mogadishu, Sorghum (red)	11460.0	23.2	73.6	91
Mogadishu, Maize (white)	11460.0	32.5	80.8	76.3
Marka, Maize (white)	11300.0	41.3	na	91.5

Source(s): Food Security Analysis Unit

For more information visit the FPMA website here

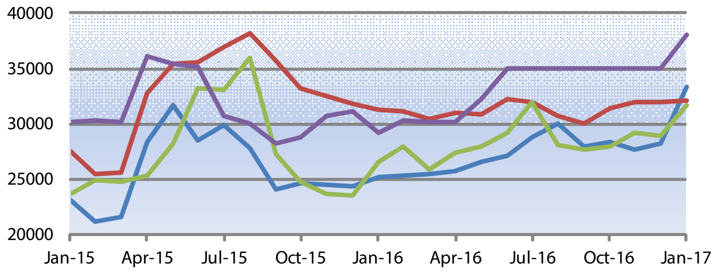
Wholesale prices of maize in the United Republic of Tanzania



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Dar es Salaam	945.68	18.3	26.1	24.2
Iringa	757.30	22.3	45.9	-23.4
Arusha	844.17	7.9	55	98.5

Source(s): Regional Agricultural Trade Intelligence Network

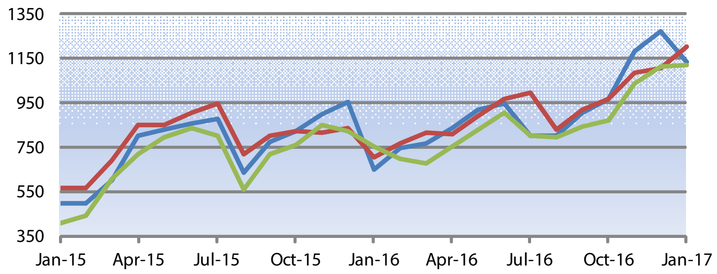
Wholesale prices of maize in Kenya



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Nakuru	33394.0	18.4	17.7	32.6
Nairobi	32084.0	0.5	2.2	2.7
Eldoret	31730.0	9.5	13.8	19.6
Kisumu	38117.0	8.8	8.9	30.5

Source(s): Regional Agricultural Trade Intelligence Network

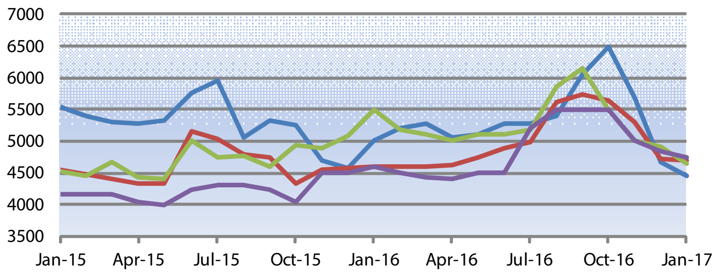
Wholesale prices of maize in Uganda



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Kampala	1133.50	-11	16.8	74.7
Busia	1202.86	8.5	24.6	70.1
Lira	1124.52	1.1	28.7	49.8

Source(s): Regional Agricultural Trade Intelligence Network

Wholesale prices of maize in Ethiopia



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Diredawa	4450.00	-5	-31.5	-11.3
Addis Ababa	4686.00	-0.9	-17	1.9
Mekele	4640.00	-5.8	-15.6	-15.6
Bahirdar	4750.00	-1.7	-13.6	3.3

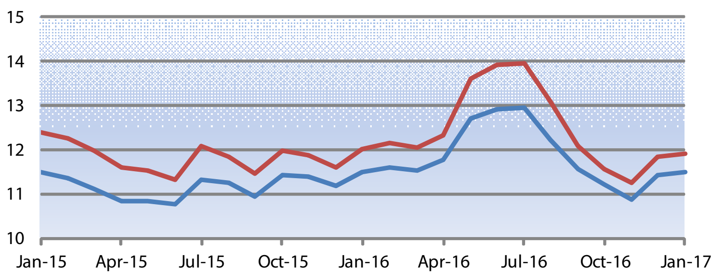
Source(s): Ethiopian Grain Trade Enterprise

For more information visit the FPMA website here

Prices of rice and wheat flour generally stable in January, with few exceptions

Domestic prices of rice remained relatively stable across the subregion in January, with the main exception of Sri Lanka and some exporting countries where prices increased mostly due to a stronger demand. Rice prices firmed in exporter **Thailand** reflecting a revival in demand from African and Asian countries. Similarly, in **India**, rice prices strengthened in January on account of renewed demand coupled with large ongoing government procurement programmes. Prices rose also in **Cambodia**, supported by demand from Europe and some sales to China. In **Viet Nam**, rice prices remained virtually unchanged as seasonal upward pressure ahead of the 2017 *winter/spring* crop harvest was offset by a slow pace of exports. In **Myanmar**, prices declined in January and were down from a year earlier reflecting improved supplies from the 2016 main season harvests and subdued demand. Among the importing countries, including **China**, **the Philippines** and **Indonesia**, rice prices were overall stable in January and close to their year-earlier levels, reflecting good domestic availabilities from the 2016 harvests and imports. Also in **Bangladesh**, adequate supplies from the 2016 recently-harvested *aman* paddy crop, accounting for 40 percent of the annual output, kept rice prices stable. However, quotations remained above their year-earlier levels, after the steep increases recorded in the second half of last year due to lower imports and reduced 2016 main *boro* output. By contrast, in **Sri Lanka**, rice prices increased steeply for the fourth consecutive month and reached record levels in January reflecting the reduced 2016 secondary *yala* output, harvested in September, and unfavourable prospects for the 2017 main *maha* crop due to prolonged dry weather. As for wheat and wheat flour, prices changed little in most countries except in **China** where they increased and were higher than a year earlier, reflecting damage to the wheat crop from rains during the harvest, which reduced yields and downgraded crop quality, mainly across East China's wheat-growing provinces. Wheat prices stabilized in **India**, after previously rising, on account of increased imports after the removal of import duties in December (FPMA Food Policies) and ongoing releases of wheat reserves through the Open Market Scheme. Similarly, wheat flour quotations remained stable in **Bangladesh**, **Sri Lanka** and **Indonesia**, mirroring sustained imports, as these countries mostly rely on imports to meet their consumption requirements. In **Pakistan**, prices of wheat grain and wheat flour remained stable and generally lower than in January last year, reflecting ample supplies from the 2016 bumper harvest and generally favourable prospects for the 2017 crop. In **Afghanistan**, prices of wheat grain and mostly imported wheat flour remained overall relatively stable in January and were generally below their year-earlier levels as a result of good supplies from the 2016 harvest and imports from main suppliers, Pakistan and Kazakhstan.

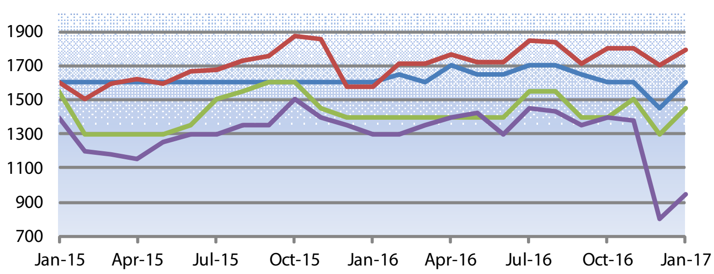
Wholesale prices of rice in Bangkok, Thailand



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Rice (25% broken)	11.51	0.8	2.4	0.2
Rice (5% broken)	11.91	0.4	3	-0.8

Source(s): Department of Internal Trade, Ministry of Commerce

Wholesale prices of rice in Cambodia

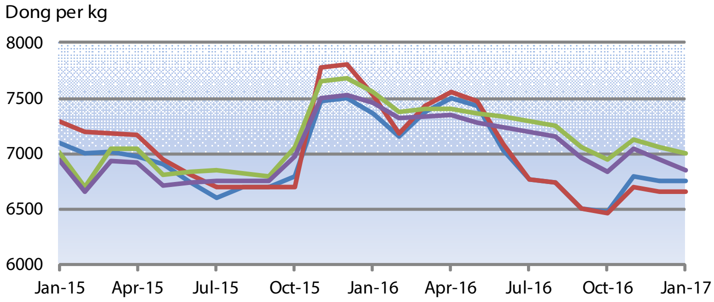


	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Phnom Penh	1600.00	10.3	0	0
Kampong Chhnang	1795.00	5.6	-0.3	13.8
Banteay Meanchey	1450.00	11.5	3.6	3.6
Battambang	950.00	18.8	-32.1	-26.9

Source(s): Cambodia Agricultural Market Information System

For more information visit the FPMA website here

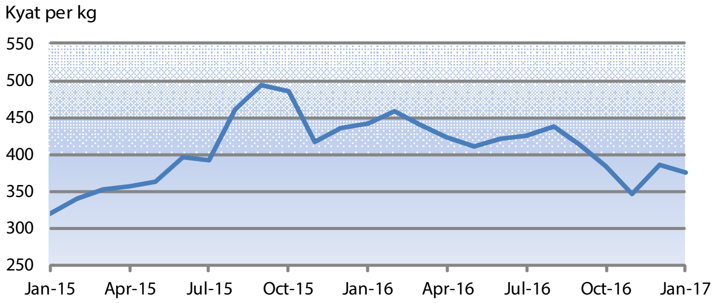
Wholesale prices of rice in Viet Nam



Source(s): Agroinfo

	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
An Giang, Rice (25% broken)	6750.00	0	4.2	-8.4
An Giang, Rice (20% broken)	6650.00	0	2.9	-11.7
Dong Thap, Rice (20% broken)	7000.00	-0.8	0.9	-7.4
Dong Thap, Rice (25% broken)	6850.00	-1.3	0.1	-8.2

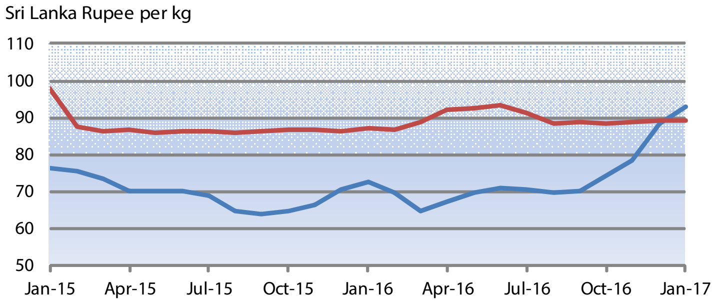
Wholesale prices of rice in Yangon, Myanmar



Source(s): E-Trade Myanmar

	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Rice (Emata, EHYV-FQ)	376.05	-2.4	-1.9	-14.7

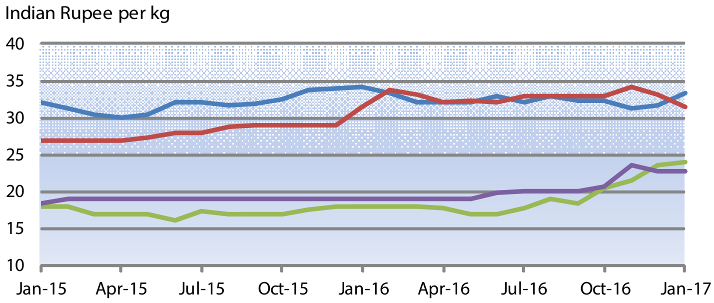
Retail prices of rice and wheat flour in Colombo, Sri Lanka



Source(s): Department of Census and Statistics

	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Rice (white)	93.06	5.1	25.7	28.1
Wheat (flour)	89.27	0.3	0.8	2.4

Retail prices of wheat in India



Source(s): Ministry of Consumer Affairs

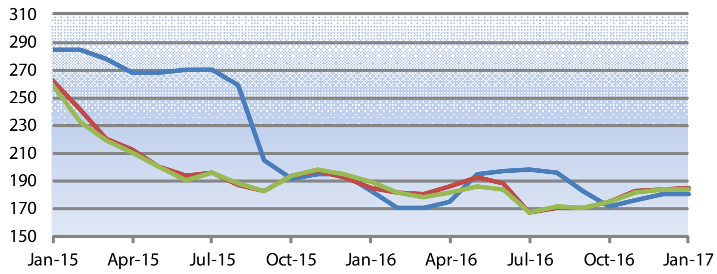
	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Chennai	33.28	5.1	2.9	-2.5
Mumbai	31.40	-5.5	-4.8	-0.5
Patna	24.00	1.6	17.8	33.3
New Delhi	22.68	-0.4	9.8	19.4

For more information visit the FPMA website here

Prices of wheat flour generally stable and low

In exporting countries of the subregion, export prices of milling wheat remained generally unchanged in January and were down from a year earlier mainly on account of subdued trade activity. In **Ukraine**, however, domestic prices of wheat grain and wheat flour increased in January due to reduced supplies of high-quality wheat and a weaker currency. In **the Russian Federation**, ample supplies from the record crop last year and a stronger currency contributed to keep prices stable in January, despite some upward pressure due to concerns over the condition of the winter wheat crop. As for importing countries, prices of wheat remained generally stable in January and below their year-earlier levels. In **Tajikistan**, prices of wheat flour were overall unchanged in January and down from a year earlier following the 2016 bumper crop and ample imports of wheat grain, which in 2016 were reportedly more than 15 percent higher than in the previous year. Similarly, in **Armenia**, adequate market supplies from the domestic harvest and imports contributed to keep retail prices of wheat flour virtually unchanged in January and down from a year earlier. In **Kyrgyzstan**, prices of wheat flour remained stable and were well below their values in January last year. The elimination of VAT on imported grain and flour in early 2016 together with some strengthening of the national currency during the year contributed to keep prices at low levels. In **Uzbekistan**, despite a strong depreciation of the local currency, wheat flour prices remained unchanged in January since the Government regulates prices of main staple foods. By contrast, in **Georgia**, wheat flour prices rose significantly, mainly due to a weak national currency and the high import dependency of the country. In spite of a good domestic harvest and imports in **Azerbaijan**, prices of wheat flour rose in December and were higher than a year earlier reflecting the continued depreciation of the local currency. Prices of wheat flour increased somewhat and were high also in **Belarus** due to a reduced wheat harvest and currency weakness.

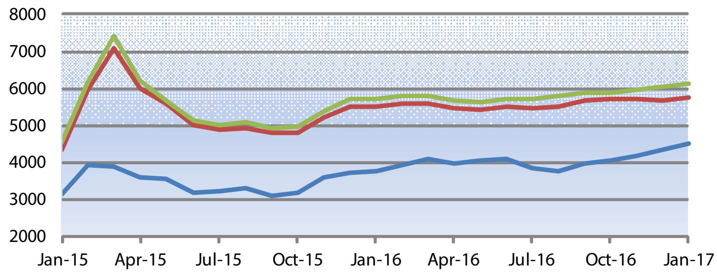
Export prices of milling wheat



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Kazakhstan, Wheat (milling)	180.00	0	5	-1.1
Russian Federation, Wheat (milling, offer, f.o.b., deep-sea ports)	184.25	0.6	5.4	-0.3
Ukraine, Wheat (milling, offer, f.o.b.)	183.50	-0.3	5.2	-2.7

Source(s): APK-Inform Agency

Wholesale prices of wheat and wheat flour in Ukraine

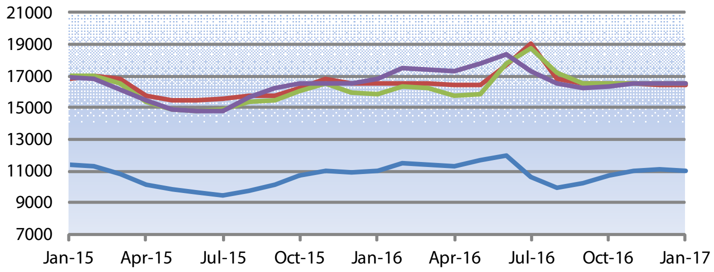


	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
National Average, Wheat (3rd class, bid, EXW, processing)	4525.00	4.7	11.7	20.7
National Average, Wheat (flour, first grade, offer, EXW)	5737.50	1.2	0.7	4.3
National Average, Wheat (flour, highest grade, offer, EXW)	6125.00	1.6	3.8	7.5

Source(s): APK-Inform Agency

For more information visit the FPMA website here

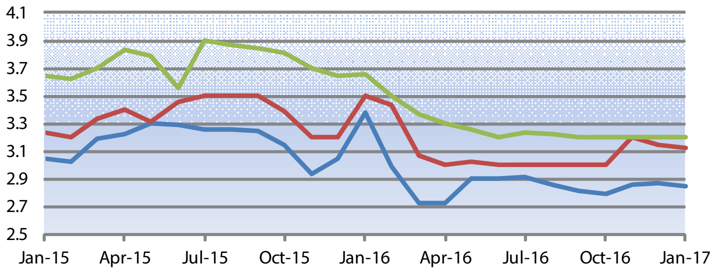
Wholesale prices of wheat and wheat flour in the Russian Federation



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
National Average, Wheat (Milling, 3rd class, offer, EXW)	11033.3	-0.4	2.9	-0.1
Volga region, Wheat (flour, highest grade, offer, EXW)	16400.0	-0.1	-0.6	-0.6
Central Black Earth, Wheat (flour, highest grade, offer, EXW)	16500.0	0	0	3.9
Southern region, Wheat (flour, highest grade, offer, EXW)	16500.0	0	0.9	-2

Source(s): APK-Inform Agency

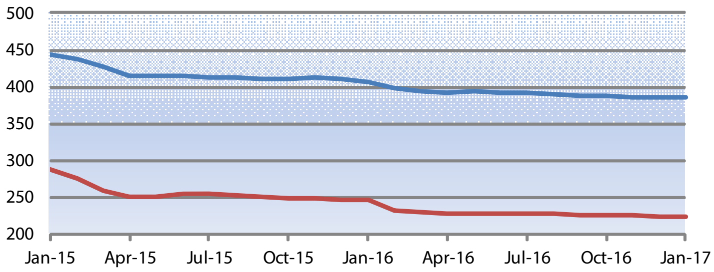
Retail prices of wheat flour in Tajikistan



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Khujand	2.85	-0.7	2.2	-15.7
Kurgonteppa	3.12	-1	4	-10.9
Khorugh	3.20	0	0	-12.6

Source(s): Statistical Agency under President of the Republic of Tajikistan

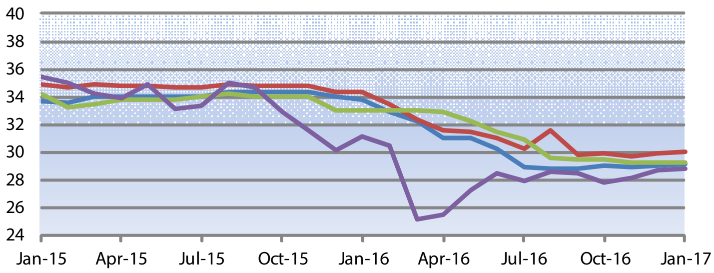
Retail prices of wheat flour in Armenia



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
National Average, Wheat (flour, high grade)	385.24	-0.1	-0.5	-5.3
National Average, Wheat (flour, first grade)	223.86	0	-0.9	-8.8

Source(s): National Statistical Service of the Republic of Armenia

Retail prices of wheat flour in Kyrgyzstan



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Bishkek	29.13	0.2	0.4	-13.9
National Average	29.98	0.4	0.4	-12.6
Naryn	29.22	0	-0.8	-11.4
Batken	28.77	0.4	3.4	-7.6

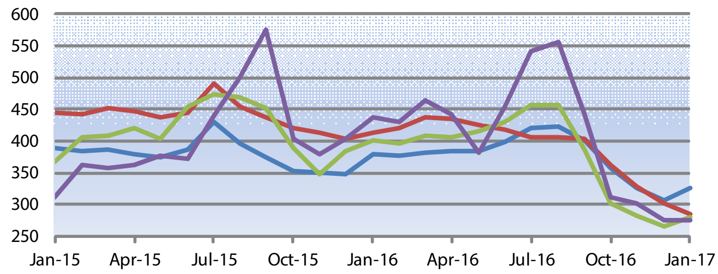
Source(s): National Statistical Committee of the Kyrgyz Republic

For more information visit the FPMA website here

Maize prices increased seasonally in January, those of beans relatively stable

White maize prices increased seasonally in most countries of the subregion in January after declining in the previous months with the 2016/17 main and secondary season harvests. Prices, however, remained overall below their year-earlier levels, reflecting good market availabilities following a recovery in maize production in 2016 after two years of drought-reduced crops. In **Guatemala**, prices increased by 7 percent in January but remained more than 15 percent below their values a year earlier on account of adequate supplies from the recent harvests in the eastern growing areas of the country coupled with imports from Mexico. In **Honduras**, maize prices rose after the conclusion of the *de postrera* harvest in December, however, they were lower than a year earlier reflecting overall adequate domestic supplies from the good output in 2016. In **Nicaragua**, prices firmed in January but were more than one-third down from a year earlier. The main exception to the increasing trend in the subregion was **El Salvador**, where prices of white maize prices declined by some 5 percent in January as a result of good supplies from the 2016 harvests coupled with a steady flow of imports. In **Mexico**, prices also generally weakened in January reflecting ample availabilities from the 2016 bumper harvest; however, the weak local currency and increased fuel costs (FPMA Food Policies) kept prices at levels above those a year earlier. Higher fuel and transport costs pushed upward prices of staple *tortillas*, which increased by nearly 4 percent in January after remaining unchanged for several months. In **Haiti**, maize meal prices were relatively stable in January and around their year-earlier levels, with the exception of the southern markets of Les Cayes, Hinche and Jacmel, affected by Hurricane Matthew, where prices rose significantly. Prices of beans remained overall stable in January. In **El Salvador** and **Honduras**, prices of red beans were relatively unchanged in January and well below their levels a year earlier on account of adequate domestic supplies. By contrast, in **Nicaragua**, strong demand supported prices which rose by 7 percent and were some 10 percent higher than in January last year. In **Guatemala**, where black beans are the variety mostly consumed and produced, prices declined moderately as product from the east and north of the country and imports from Mexico supplied markets. In **Mexico**, prices rose in January, mainly underpinned by the weak currency, increased transport costs and sustained demand. In **the Dominican Republic**, retail prices of black and red beans declined in January and were down from a year earlier reflecting ample supplies from recent harvests and imports. In **Haiti**, prices of beans were stable across most markets in January and lower or around their year-earlier values.

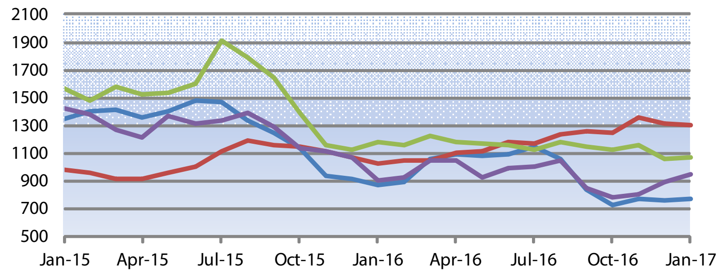
Wholesale prices of white maize in Central America



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Guatemala, Guatemala City	325.38	6.5	-9.2	-14.3
El Salvador, San Salvador	285.12	-5.4	-21.4	-31.1
Honduras, Tegucigalpa	280.06	5.1	-7.5	-30.3
Nicaragua, Managua (oriental)	275.44	0.4	-11.7	-36.9

Source(s): Ministerio de Agricultura, Ganadería y Alimentación; Dirección General de Economía Agropecuaria, MAG; SIMPAH

Wholesale prices of beans in Central America



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Honduras, Tegucigalpa, Beans (red)	764.06	0.3	5.4	-12.1
Guatemala, Guatemala City, Beans (black)	1297.56	-1.5	3.7	26.8
El Salvador, San Salvador, Beans (red)	1068.76	0.8	-4.5	-9.5
Nicaragua, Managua (oriental), Beans (red)	943.80	6.5	20.5	4.2

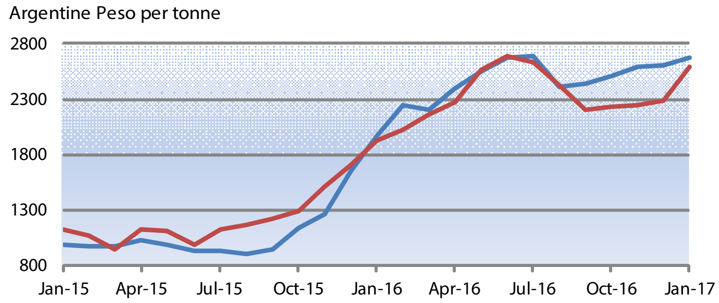
Source(s): SIMPAH; Ministerio de Agricultura, Ganadería y Alimentación; Dirección General de Economía Agropecuaria, MAG

For more information visit the FPMA website here

Price of wheat and maize followed mixed trends in January, those of rice were mostly stable

In most countries of the subregion, prices of wheat grain and wheat flour declined or remained relatively stable in January and were at levels generally below those a year earlier reflecting the good supplies from the recent harvests and imports. By contrast, however, in key producer and exporter, **Argentina**, solid demand and a weak currency underpinned wheat grain prices, which rose sharply in January to levels well above those a year earlier and kept prices of wheat flour around two-thirds higher year-on-year. Prices of wheat grain and wheat flour declined in **Brazil** and were down from a year earlier reflecting sustained imports and new supplies from the recently-harvested good 2016 crop. In **Bolivia**, prices of wheat flour eased further in January mainly as a result of imports which eased the tight supply situation resulting from the drought-reduced 2016 domestic crop. In **Chile**, the ongoing harvest and imports led to a significant decline in wheat prices. In **Peru** and **Ecuador**, adequate supplies from imports contributed to keep wheat flour prices relatively stable. In **Colombia**, prices remained virtually unchanged across the main markets in January but higher than a year earlier mainly due to the weak currency. Prices of yellow maize followed mixed trends. In **Argentina**, despite a record 2016 crop, prices increased in January and were more than 36 percent higher than a year earlier mainly supported by strong demand sustained by the weak currency. In **Brazil**, prices of yellow maize continued their declining trend with the ongoing first season harvest and imports improving market supplies. In **Bolivia**, prices also declined in most markets with the recently-harvested 2016 secondary crop and imports, but remained at levels well above those a year earlier after the sharp increases in the first half of last year due to the drought-reduced main season harvest. In **Chile** and **Peru**, yellow maize prices remained virtually unchanged but higher than in January last year, while in **Ecuador** prices increased, with seasonal trends exacerbated by tight supplies from the reduced 2016 harvest. Prices of staple rice remained relatively stable in most countries of the subregion in January and lower or around their year-earlier levels with the main exception of **Brazil**, where paddy prices were more than 20 percent higher due to the reduced 2016 production despite some recent declines.

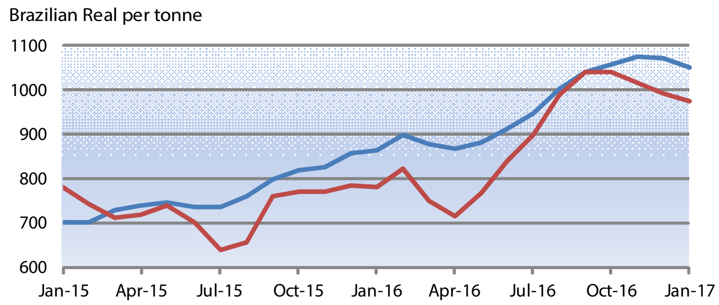
Wholesale prices of yellow maize and wheat in Argentina



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
Rosario, Maize (yellow)	2680.06	2.9	6.6	36.4
Buenos Aires, Wheat	2595.83	13.2	16.2	34.8

Source(s): Bolsa de Cereales

Wholesale prices of rice in Brazil



	Latest Price (Jan-17)	Percent Change 1M	3M	1Y
National Average, Rice (paddy)	1051.54	-1.8	-0.5	21.8
São Paulo, Rice (paddy)	975.70	-1.5	-6.2	24.7

Source(s): Agrolink

For more information visit the FPMA website here

This bulletin is prepared by the **Food Price Monitoring and Analysis (FPMA)** Team of the Global Information and Early Warning System on Food and Agriculture (GIEWS) in the Trade and Markets Division of FAO. It contains latest information and analysis on domestic prices of basic foods mainly in developing countries, complementing FAO analysis on international markets. It provides early warning on high food prices at country level that may negatively affect food security.

This report is based on information available up to early February 2017.

All the data used in the analysis can be found in the **FPMA Tool** at: www.fao.org/giews/pricetool

For more information visit the **FPMA Website** at: www.fao.org/giews/food-prices

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