Food and Agriculture Organization of the United Nations

FPMA BULLETIN

#7
10 August 2016

MONTHLY REPORT ON FOOD PRICE TRENDS

KEY MESSAGES

- International grain prices declined significantly in July, with those of wheat weighed down by seasonal harvest pressure and maize quotations falling on account of generally favourable weather for developing crops. Prices of rice showed mixed trends in Asian origins, while they increased in main exporting countries of South America.

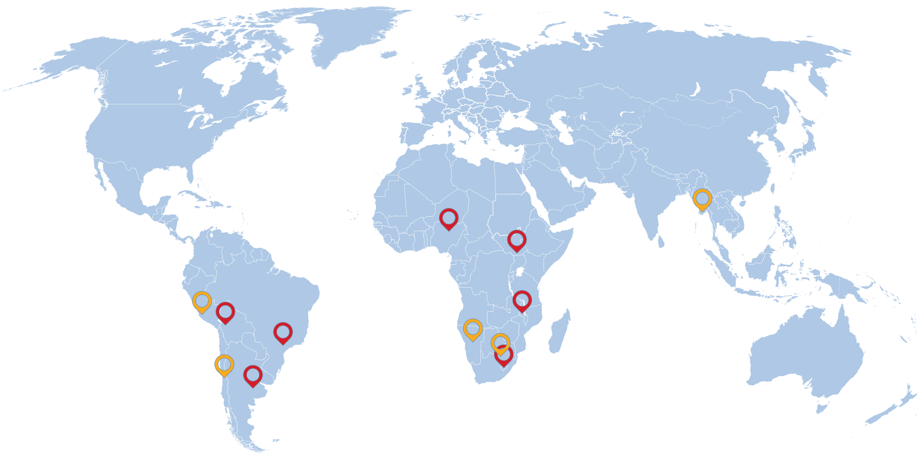
- In Africa, food prices soared in July in South Sudan driven by the recent upsurge in insecurity. In Nigeria, the weak local currency continued to exert upward pressure on cereal prices, while in Malawi maize prices rose steeply for the second consecutive month mainly as a result of the sharply drought-reduced 2016 harvest.

- In South America, the increasing trend in yellow maize prices of the past several months halted under downward pressure from the ongoing 2016 harvests in the main maize producing countries, Argentina and Brazil, although prices remain at high levels. Elsewhere in the subregion, prices generally increased as a result of the reduced maize harvests expected this year.

CONTENTS

Domestic price warnings

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



Argentina | Maize
Bolivia | Maize
Brazil | Maize
Chile | Maize
Lesotho | Maize
Malawi | Maize
Myanmar | Rice
Namibia | Maize
Nigeria | Coarse grains
Peru | Maize
South Africa | Maize
South Sudan | Staple foods

Warnings are only included if latest available price data is no 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.

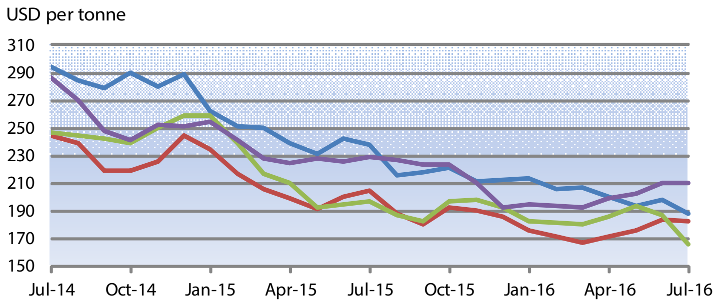
Wheat and maize export prices decreased in July, those of rice followed mixed trends

International prices of wheat generally declined in July, with the benchmark US **wheat** (No.2 Hard Red Winter, f.o.b.) price averaging USD 188 per tonne, down 5 percent from June and more than 20 percent below its level a year earlier. Prices decreased seasonally with the progress of the 2016 winter crop harvest in Northern Hemisphere countries, expected at a bumper level, most notably in the Black Sea region. However, concerns about grain quality in the EU due to excessive rains limited losses. Quotations remained virtually unchanged in Argentina, mainly supported by a downward revision in expected plantings due to rain-related delays.

The benchmark US **maize** (No.2, Yellow, f.o.b.) price averaged USD 161 per tonne in July, nearly 11 percent lower than in June and 10 percent below the corresponding month last year. The sharp decline mainly reflects generally favourable weather that benefited crop development, leading to increased yield projections. This downward pressure more than offset support from a further reduction of the 2016 maize production forecast in Brazil, due to adverse weather. Export prices from other origins also declined in July, including in the Black Sea region and Argentina, where the official production forecast was raised despite harvest delays.

The FAO All **Rice** Price Index (2002-04=100) averaged 200 points in July, marginally up from its June value, mainly due to firmer Basmati and higher quality Indica quotations. Although exportable availabilities remain limited, sluggish demand kept white rice quotations close to June levels in India. In Thailand, the benchmark Thai 100% B white rice price was also virtually unchanged from June, at USD 457 per tonne in anticipation of a large public stock auction on 25 July. In Pakistan, prices increased due to tight supplies, especially of Basmati rice, while in Viet Nam efforts to attract buyers led to a slight decline in quotations. In South America, a firmer currency and tight domestic supplies supported quotations in Brazil, while in Argentina and Uruguay, a strong pace of sales pushed quotations upward.

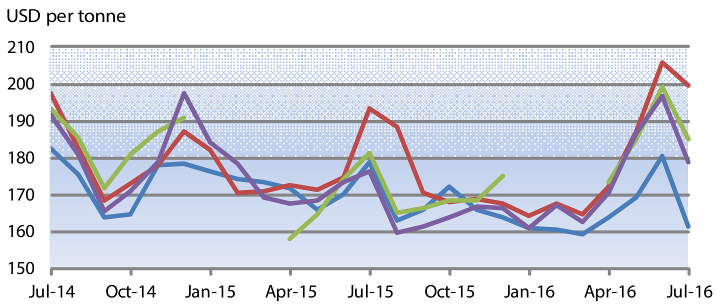
International wheat prices



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
US (Gulf), Wheat (US No. 2, Hard Red Winter)	187.75	-5.2	-6.5	-20.9
EU (France), Wheat (grade 1)	182.50	-0.8	6.4	-10.9
Black Sea, Wheat (milling)	165.50	-11.6	-11	-16
Argentina, Wheat (Argentina, Trigo Pan, Up River, f.o.b.)	210.00	0	5.7	-8.1

Source(s): International Grains Council

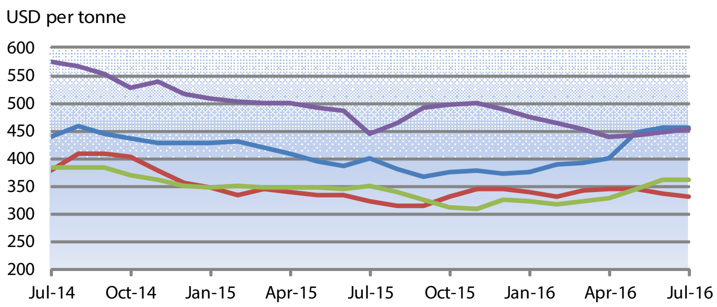
International maize prices



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
US (Gulf), Maize (US No. 2, Yellow)	161.17	-10.8	-1.7	-9.9
Black Sea, Maize (feed)	199.75	-3	16.1	3.2
Brazil (Paranagua), Maize (feed)	185.00	-7.2	6.7	2.1
Argentina, Maize (Argentina, Up River, f.o.b.)	179.00	-8.9	5	1.6

Source(s): USDA; International Grains Council

International rice prices



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Thailand (Bangkok), Rice (Thai 100% B)	457.00	0.3	14	13.9
Viet Nam, Rice (25% broken)	332.00	-1.6	-3.8	2.8
India, Rice (25% broken)	362.00	0.3	10.7	3.1
US, Rice (US Long Grain 2.4%)	454.40	1.4	3.2	2.1

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

For more information visit the FPMA website here

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 07/16	Same period average
3 months	2.7	-1.8
12 months	8.1	0.0

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

Yellow maize prices remain at record highs

Prices of **yellow maize** were relatively stable in July but at record levels, after the sustained increases of the previous months due to strong exports, inflation and a weak currency. New crop supplies from the ongoing 2016 maize harvest contributed to stabilize prices in July, although field activities were delayed by overly wet weather conditions. Production is expected at a record level of 39.8 million tonnes, mainly as a result of increased plantings. Prices of **wheat grain** and **wheat flour** were also well above their values in July last year, supported by tightening supplies following strong exports and a reduced output last year. Sowing of the 2016 wheat crop is well advanced and although delays due to excessive soil moisture led to a decline in the area planted, production is expected at a bumper level.

Bolivia | Maize

Growth Rate (%)		
	to 07/16	Same period average
3 months	14.9	-1.0
12 months	5.1	-0.5

Compound growth rate in real terms.
Refers to: Bolivia, Santa Cruz, Wholesale, Maize (hard yellow, cubano)

Prices of yellow maize increased sharply in July

Yellow maize prices increased sharply for the second consecutive month in July, as a result of the reduced 2016 main *summer* crop due to a significant decline in plantings on low prices, drought conditions towards the end of the season and high pest infestations. The area planted to the second season crop is also expected to be reduced as sowing conditions were affected by the lower level of precipitation during May and June. Prices of imported **wheat flour** also increased in July and were significantly above their levels at the same time last year, reflecting recent increases in wheat export quotations in Argentina, the country's main supplier.

Brazil | Maize

Growth Rate (%)		
	to 07/16	Same period average
3 months	0.4	-1.8
12 months	4.8	-0.3

Compound growth rate in real terms.
Refers to: Brazil, National Average, Wholesale, Maize (yellow)

Cereal prices at high levels despite recent declines

Yellow maize prices declined significantly in July with the ongoing 2016 second season harvest. Prices, however, were still more than two-thirds above their levels a year earlier, reflecting this year's reduced aggregate output (first and second season crops), mainly due to the adverse weather conditions which sharply-reduced yields. Imports, mainly from the Mercosur area, are expected to increase in the coming months and already in the first six months of 2016 they were reported considerably above those in the same period last year. In a further effort to boost market supplies, the Government has auctioned 50 000 tonnes of maize to poultry and pork producers, the first tranche of the 500 000 tonnes release approved in June, and is also working on the necessary measures to allow imports of transgenic maize from the United States of America, for feed use only. Prices of **wheat grain** and **wheat flour** continued to increase in July and were well above their levels at the same time last year, supported by tight supplies due to the reduced 2015 output. Wheat production in 2016 is expected to recover on account of higher projected yields. Average prices of **paddy rice** rose further in July and reached record highs in nominal terms. Prices were underpinned by tight domestic availabilities, as a result of depleted inventories coupled with a sharply-reduced output this year, after a combination of high production costs and excessive precipitation negatively affected plantings and yields.

Price warning level: High Moderate

For more information visit the FPMA website here

Chile | Maize

Growth Rate (%)		
	to 07/16	Same period average
3 months	3.3	-0.7
12 months	0.4	-0.3

Compound growth rate in real terms.
Refers to: Chile, National Average, Wholesale, Maize (yellow)

Prices of yellow maize firm and up on year-earlier levels

Prices of **yellow maize** in July remained relatively unchanged from the previous month mainly on account of a recent increase in imports. However, prices firmed at levels above those in July last year reflecting this year's reduced output. Production in 2016 is estimated sharply down from the high level last year, as a result of a decline in the area planted, due to prevailing low prices at planting time and increased production costs. Reduced yields, due to adverse weather conditions at planting and harvesting times, contributed to the contraction in output. Lower cumulative imports in the first five months of the year compared to the volumes imported in the same period in the past two years also supported prices.

Lesotho | Maize

Growth Rate (%)		
	to 06/16	Same period average
3 months	3.3	1.8
12 months	2.3	0.1

Compound growth rate in real terms.
Refers to: Lesotho, Maseru, Retail, Maize meal

Maize prices stable but at high levels

Prices of **maize meal** remained unchanged in June but above their year-earlier values. The high level of prices was mainly the result of the sharply-reduced 2016 harvest, about 70 percent down from the previous year. The El Niño-induced drought was the main driver behind the steep production decline, with the 2015/16 cropping season characterized by well-below average rainfall and higher-than-normal temperatures resulting in delayed plantings, reduced yields and widespread crop failures. Increased costs of imports from South Africa, the country's main source of cereals, contributed to the high levels of prices.

Malawi | Maize

Growth Rate (%)		
	to 07/16	Same period average
3 months	7.9	0.9
12 months	3.3	0.6

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

Prices rose sharply for the second consecutive month as a result of tight supplies

The national average **maize** price rose further in July, almost entirely reversing the recent seasonal declines, and was nearly 90 percent higher than a year earlier. This mainly reflects tight domestic supplies, with the 2016 maize output estimated at a sharply-reduced level following the delayed onset of seasonal rains and El Niño-induced dryness throughout most of the cropping season, which particularly impacted the southern and central areas. As a result of the reduced 2016 cereal output and low carryover stocks, the country is expected to significantly increase imports in the 2016/17 marketing year (April/March). The weak local currency also contributed to the high level of prices.

Price warning level: High Moderate

For more information visit the FPMA website here

Myanmar | Rice

	Growth Rate (%)	
	to 07/16	Same period average
3 months	1.8	1.5
12 months	1.5	-0.1

Compound growth rate in real terms.
Refers to: Myanmar, Yangon, Wholesale, Rice (Emata, Manawthukha)

Rice prices decline in July but still high

Wholesale prices of *Emata* **rice**, the most consumed variety, decreased slightly in July with supplies from the 2015/16 secondary season harvest and reduced demand from key importers, namely China. However, prices remained around 30 percent above their year-earlier levels after the sustained increases of the previous several months on account of tight domestic supplies following two successive years of reduced outputs, mainly due to adverse weather conditions and large exports to China in 2015 and early 2016.

Namibia | Maize

	Growth Rate (%)	
	to 07/16	Same period average
3 months	-0.1	0.6
12 months	0.8	1.1

Compound growth rate in real terms.
Refers to: Namibia, Windhoek, Retail, Maize meal

Maize meal prices decreased slightly but remain high

Prices of **maize meal** declined slightly in June; however, they remained some 20 percent higher than a year earlier. Food prices were underpinned by the impact of the regional drought and the reduced domestic harvests in 2015 and also in 2016, when severely limited seasonal rains, on account of the 2015/16 El Niño episode, resulted in a poor agricultural output. With the bulk of the national maize requirement satisfied by imports, significantly increased regional export quotations supported the current inflated prices.

Nigeria | Coarse grains

	Growth Rate (%)	
	to 06/16	Same period average
3 months	10.9	0.0
12 months	4.9	-0.7

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

Coarse grain prices continue to rise and at record levels

Prices of coarse grains continued to increase in June and reached record highs. **Millet** prices were nearly 80 percent higher than a year earlier, while those of **sorghum** and **maize** were more than double their values in June last year. Prices of **rice** were also reportedly high. The high level of prices of both domestic and imported foods was mainly the result of the depreciation of the Naira in the parallel market, caused by the decline in oil revenues. The drop in oil prices led to a substantial widening of the Government deficit and a sharp drop in the country's foreign reserves. Increased fuel and input costs, coupled with increased regional demand due to the weak currency, provided additional support to food prices. In late June, the Central Bank of Nigeria (CBN) allowed the official currency, which had been fixed to the US dollar since February last year, to float at a market-driven rate with the aim to harmonize the official and parallel exchange rates and stabilize the country's economy. Following this, the currency plunged in July.

Price warning level: High Moderate

For more information visit the FPMA website here

Peru | Maize

Growth Rate (%)		
	to 07/16	Same period average
3 months	2.5	1.2
12 months	1.3	0.0

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

Prices of yellow maize well above year-earlier levels

Prices of **yellow maize** in July remained at the high levels of the previous two months and 20 percent higher than a year earlier, due to reduced domestic supplies amidst strong demand from the poultry sector. The 2016 maize output is estimated significantly down from a year earlier, due to a decline in the area planted and reduced yields, following adverse weather condition in the key central growing areas. Lower imports in the first quarter of the year also supported prices. Prices of staple **rice** were stable in July and around their year-earlier levels, as a result of adequate supplies. The 2016 rice production is forecast 1 percent up from the good level in 2015, mainly as a result of high plantings and on expectations of good weather through August, when the bulk of the paddy crop is gathered.

South Africa | Maize

Growth Rate (%)		
	to 07/16	Same period average
3 months	-0.9	-0.4
12 months	2.4	0.5

Compound growth rate in real terms.
Refers to: South Africa, Randfontein, Wholesale, Maize (white)

Strengthening of the rand contributes to a decrease in maize prices

Prices of **maize** grain declined this month, largely on account of the strengthening of the rand that rebounded from its low in May. A small upward revision to the 2016 production estimate also supported this month's fall. However, despite the decrease, prices remained significantly higher than their year-earlier levels, reflecting the overall tight supply situation, following the sharp reduction in the 2016 harvest. The steep decline in output is mainly attributed to the El Niño-related drought that resulted in a 25 percent decrease in white maize yields compared to the five-year average, while an overall reduction in the area planted also contributed to the smaller harvest.

South Sudan | Staple foods

Growth Rate (%)		
	to 07/16	Same period average
3 months	1.3	6.3
12 months	1.6	-0.1

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

Food prices soared in July to all time highs

Cereal prices, in nominal terms, spiked in July, more than doubling their June levels. Prices of other staples, **cassava** and **groundnuts**, followed similar patterns. The sharp increase in food prices follows the upsurge in insecurity in early July. Renewed conflict and increased insecurity further disrupted trade flows and severely affected market activities, thus underpinning prices already supported by tight supplies and the consistent depreciation of the local currency. The official exchange rate was allowed to float in December last year to harmonize the official and parallel exchange rates, and this put additional upward pressure on the cost of imported food and fuel. **Coarse grain** prices, in nominal terms, were almost ten times higher than their levels in July last year. Given the significant weight of food prices in the national Consumer Price Index (CPI) at 71.39 percent, the recent sharp price increases resulted in a 77.7 percent month-on-month rise in the national CPI and were the main driver of the annual inflation rate of 661.3 percent.

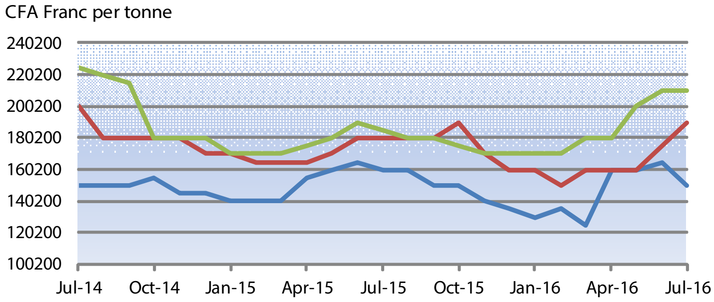
Price warning level: High Moderate

For more information visit the FPMA website here

Coarse grain prices followed mixed trends in Sahel and reached record highs in Nigeria

In the Sahel belt, coarse grain prices remained overall stable in **Mali** and in **Burkina Faso** in July, reflecting adequate market availabilities from the 2015 outputs and favourable prospects for the 2016 crops, to be harvested from September. In **Niger**, prices recorded some seasonal increases in northern and eastern markets, while they remained stable elsewhere, as a result of adequate supplies. In **Chad**, coarse grain prices were mostly stable or declined in June and were generally below their year-earlier levels despite the reduced crop in 2015, reflecting adequate imports from the neighbouring countries. By contrast, in coastal countries, maize prices remained well above their year-earlier levels after the increases in recent months. In **Nigeria**, the steep depreciation of the Naira (local currency) continued to put upward pressure on local and imported food prices in June. Coarse grain prices continued the strong upward trend of recent months and in Kano market, sorghum and maize prices more than doubled their year-earlier values, while those of millet were nearly 80 percent higher. In **Benin**, maize prices in June decreased in markets located in the southern part of the country where harvesting of the 2016 first maize crop started, while they increased in northern markets, including in Malanville. In **Togo**, maize prices were mostly stable but significantly higher than in June last year, after the increases in the past months, due to the reduced 2015 crop.

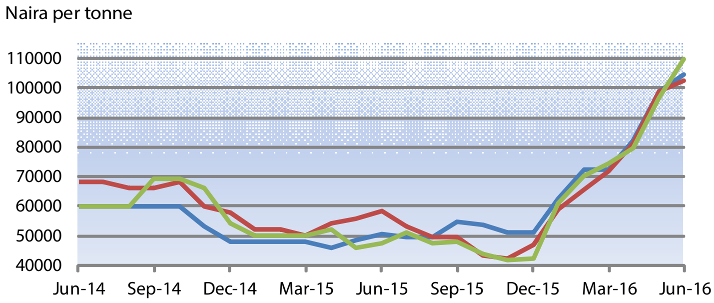
Wholesale prices of coarse grains in selected Sahelian countries



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Burkina Faso, Ouagadougou, Sorghum (local)	150000.	-9.1	-6.2	-6.2
Mali, Bamako, Millet (local)	190000.	8.6	18.8	5.6
Niger, Niamey, Millet (local)	210000.	0	16.7	13.5

Source(s): Afrique verte

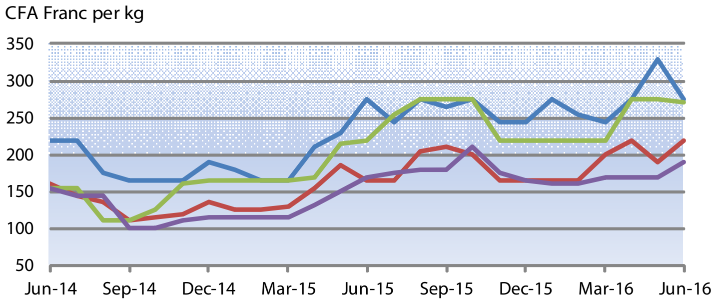
Wholesale prices of coarse grains in Kano, Nigeria



	Latest Price (Jun-16)	Percent Change 1M	3M	1Y
Maize	104800.	5.9	44.8	107.9
Millet	102400.	3.4	43	75.6
Sorghum	110000.	13.4	47.8	132.6

Source(s): FEWSNET

Retail prices of white maize in Benin



	Latest Price (Jun-16)	Percent Change 1M	3M	1Y
Cotonou	275.00	-16.7	12.2	0
Malanville	220.00	15.8	10	33.3
Abomey	270.00	-1.8	22.7	22.7
Djougou	190.00	11.8	11.8	11.8

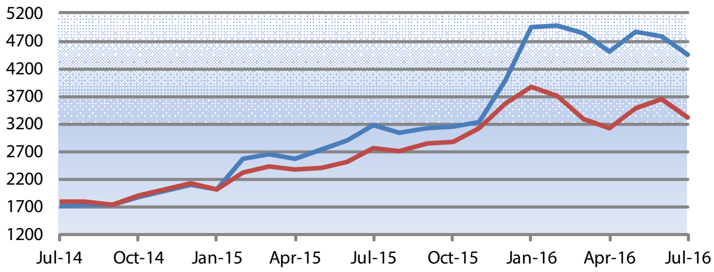
Source(s): Ministère de l'agriculture, de l'élevage et de la pêche, Office national d'appui à la sécurité alimentaire

For more information visit the FPMA website here

Maize prices followed mixed trends in July and were generally at high levels

In **South Africa**, maize prices declined in July on seasonal harvest pressure and recent strengthening of the domestic currency. The decline was limited, however, by the sharply-reduced output this year, and prices remained well above their year-earlier levels, particularly those of white maize. In import-dependent **Namibia**, maize prices eased in most markets reflecting recent trends in South Africa, the country's main supplier, while in importer **Lesotho**, prices remained virtually unchanged, with supplies tight due to the sharply-reduced 2016 domestic harvest. In both countries, prices remain well above their year-earlier levels. In **Zambia**, maize grain prices increased seasonally in July, after the declines of the past few months. The upward revision of the Food Reserve Agency's procurement price in July (FPMA Food Policies) provided further upward pressure. In **Malawi**, prices of maize increased for the second consecutive month in July to nearly double their year-earlier levels and almost reversed the recent short-term seasonal declines, mainly due to the sharply-reduced 2016 output. In **Zimbabwe**, prices increased in June in the most drought-affected provinces, but remained below their year-earlier values.

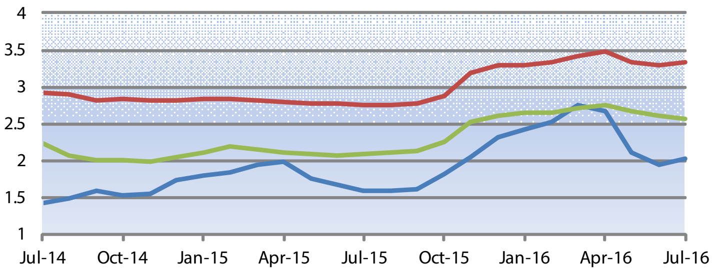
Wholesale prices of maize in Randfontein, South Africa



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Maize (white)	4453.45	-6.9	-1.3	40.5
Maize (yellow)	3314.20	-9.4	6.6	19.8

Source(s): SAFEX Agricultural Products Division

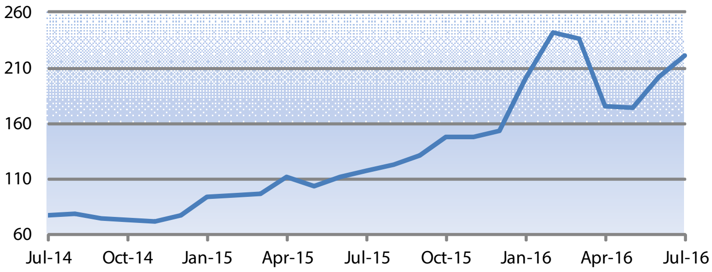
Retail prices of maize in Zambia



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
National Average, Maize (white)	2.03	5	-24.1	27.5
National Average, Breakfast maize meal	3.33	1.3	-4.4	20.6
National Average, White roller maize meal	2.56	-1.8	-7.2	22.4

Source(s): Central Statistical Office

Retail prices of maize in Malawi



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
National Average, Maize	220.94	9.3	25.8	87.4

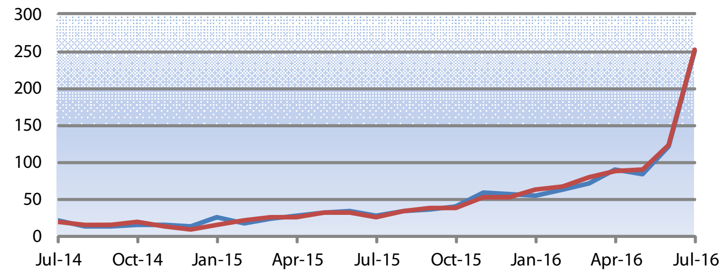
Source(s): Ministry of Agriculture and Food Security

For more information visit the FPMA website here

Cereal prices soar in South Sudan

In **South Sudan**, cereal prices spiked in July, more than doubling their levels in June. The sharp increase follows the recent upsurge in insecurity which disrupted market activities and underpinned further prices, already supported by a tight supply situation and currency weakness. Coarse grain prices, in nominal terms, were almost ten times higher than their levels in July last year. In the other countries of the subregion, cereal prices followed mixed trends. In **the United Republic of Tanzania**, prices of maize increased in several markets after the completion of the 2016 main *msimu* season harvest in uni-modal areas. Despite the recent increases, however, prices remained overall below their levels a year earlier. In **Kenya**, maize prices continued to seasonally increase in July in producing areas, while they remained relatively stable in deficit areas, mainly as a result of increased imports from the United Republic of Tanzania and Uganda. Overall, prices in July were below their year-earlier levels in most markets reflecting adequate availabilities. In **Ethiopia**, maize prices remained relatively stable in July or declined in some markets, after the increases in June, with new crop supplies from the 2016 secondary *belg* season harvest entering markets. Overall, prices of maize in July were below or around their levels a year earlier. In **Uganda**, prices of maize declined in July with the ongoing harvest of the 2016 first season crops. In **the Sudan**, prices of locally-produced sorghum and millet were mostly stable but higher than in July last year, as a result of tight domestic availabilities following the drought-reduced 2015 output. In **Somalia**, maize prices declined in July in several markets, including in the capital, Mogadishu, while those of sorghum remained overall stable.

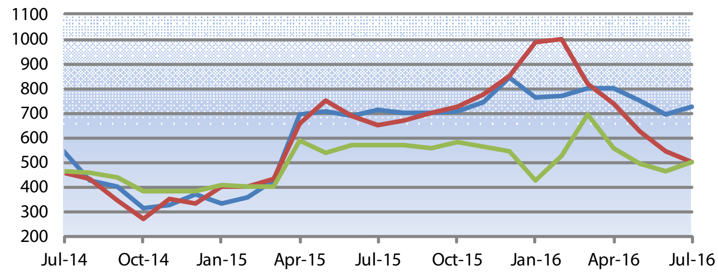
Retail prices of maize and sorghum in South Sudan



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Juba, Maize (white)	250.00	106.6	177.8	825.9
Juba, Sorghum (Feterita)	252.00	103.2	186.4	908

Source(s): Crop & Livestock Market Information System (CLIMIS)

Wholesale prices of maize in the United Republic of Tanzania

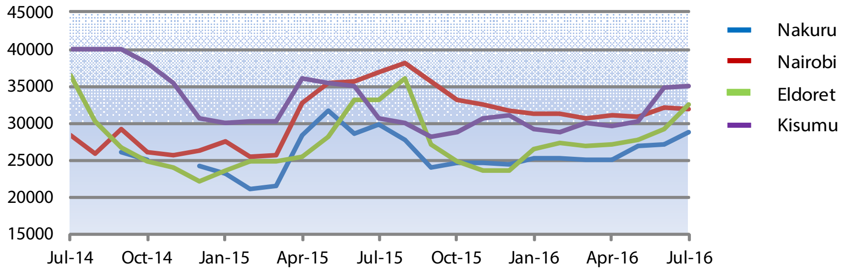


	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Dar es Salaam	724.30	4.4	-9.6	1.5
Iringa	499.80	-8.3	-32.5	-22.9
Arusha	498.28	8	-10.5	-12.7

Source(s): Regional Agricultural Trade Intelligence Network

For more information visit the FPMA website here

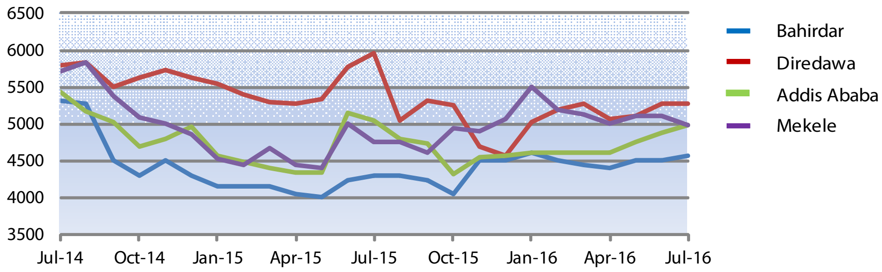
Wholesale prices of maize in Kenya



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Nakuru	28814.0	6.4	15	-3.5
Nairobi	31800.0	-1.2	2.4	-13.9
Eldoret	32518.0	11.3	19.6	-1.9
Kisumu	35014.0	0.7	18.5	14.1

Source(s): Regional Agricultural Trade Intelligence Network

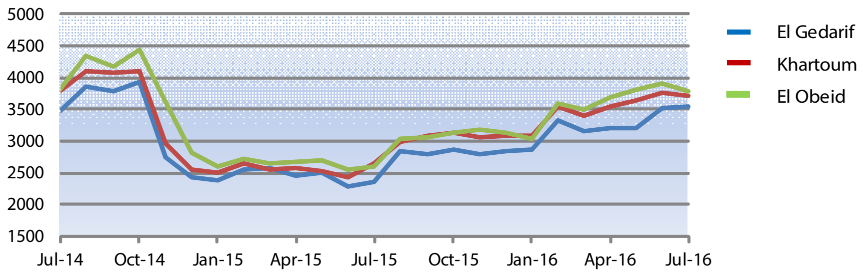
Wholesale prices of maize in Ethiopia



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Bahirdar	4571.40	1.6	3.9	6.3
Diredawa	5266.70	0	3.9	-11.6
Addis Ababa	4978.30	1.9	7.8	-1.3
Mekele	4975.00	-2.5	-0.5	4.7

Source(s): Ethiopian Grain Trade Enterprise

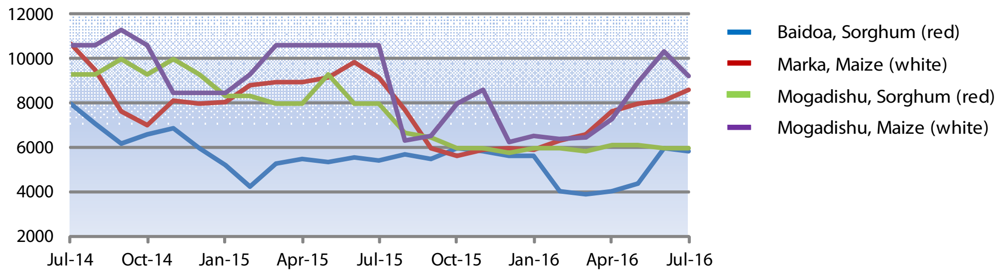
Wholesale prices of sorghum in the Sudan



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
El Gedarif	3539.25	0.5	10.8	49.7
Khartoum	3703.37	-1.8	4.7	40.3
El Obeid	3795.88	-3	3.1	45.7

Source(s): Food Security information for Action (SIFSIA)

Retail prices of maize and sorghum in Somalia



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Baidoa, Sorghum (red)	5800.00	-3.3	43.7	7.4
Marka, Maize (white)	8625.00	5.8	12.7	-5.7
Mogadishu, Sorghum (red)	5950.00	0	-2.1	-25.6
Mogadishu, Maize (white)	9233.00	-10.6	27.2	-12.9

Source(s): Food Security Analysis Unit

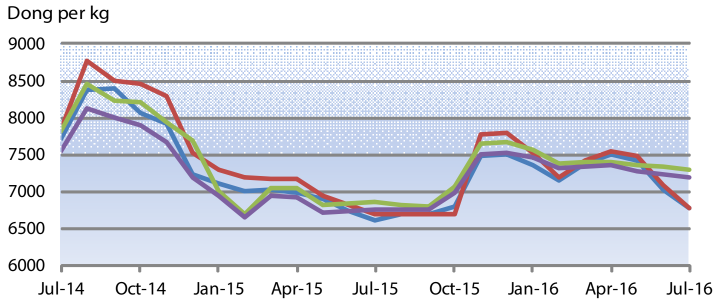
For more information visit the FPMA website here

Domestic rice price trends were mixed in exporting countries and stable elsewhere, those of wheat overall stable

In the exporting countries of the subregion, domestic rice prices showed mixed trends in July and remained above their year-earlier levels, after the increases in previous months. In **Viet Nam** and **Myanmar**, domestic rice prices declined as a result of new crop arrivals and subdued export demand. In **Thailand**, rice prices remained virtually unchanged, largely reflecting anticipation of a large public stock auction at the end of July. Quotations rose marginally in **India**, supported by a reduced 2015/16 secondary season crop, while increases in **Cambodia** were associated with seasonal tightness. In importing countries of the subregion, including **Indonesia** and **the Philippines**, rice prices remained overall unchanged and around their year-earlier levels, amid adequate domestic availabilities. In **Sri Lanka**, rice prices stabilized in July, reflecting improved market availabilities from private sector efforts to liquidate inventories ahead of the 2016 *Yala* harvest and the release of Government stocks (FPMA Food Policies). By contrast, in **Bangladesh**, rice prices reversed losses registered in the first quarter of the year, aided by Government procurement purchases coupled with reduced imports.

As for wheat and wheat flour, prices changed little in most countries, with a few exceptions. They were unchanged in **India**, reflecting adequate supplies from the 2016 good harvest. In **Bangladesh**, wheat flour prices decreased further in July reaching the lowest level since 2009, pressured by good availabilities from the bumper 2016 harvest and record imports in recent months. The continuing Open Market Sales (OMS) and the end of Government procurement on 20 July also weighed on prices. Prices eased also in **Indonesia** and **Sri Lanka** mainly due to adequate volumes of imports. Prices remained relatively stable in **Afghanistan**, while they increased slightly in **Pakistan**, despite a near-record 2016 harvest, mainly reflecting the relatively large Government procurement purchases at high prices. Regarding non-cereal crops, in **India**, prices of important staple chickpeas (gram dal) soared to record levels in July, marking the third month of strong increases due to low market availabilities, following two successive years of sharply-reduced outputs, because of adverse weather. In an attempt to boost local supplies, higher volumes of the crop are currently being imported through official and private channels.

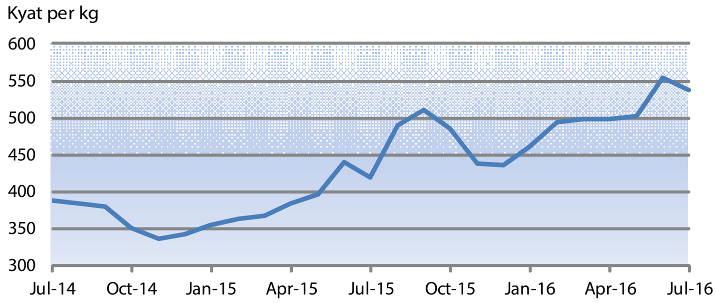
Wholesale prices of rice in Viet Nam



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
An Giang, Rice (25% broken)	6766.67	-3.8	-9.8	2.5
An Giang, Rice (20% broken)	6766.67	-4.5	-10.4	1
Dong Thap, Rice (20% broken)	7300.00	-0.5	-1.4	6.6
Dong Thap, Rice (25% broken)	7200.00	-0.5	-2	6.7

Source(s): Agroinfo

Wholesale prices of rice in Yangon, Myanmar



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Rice (Emata, Manawthukha)	538.38	-2.9	7.9	28.5

Source(s): E-Trade Myanmar

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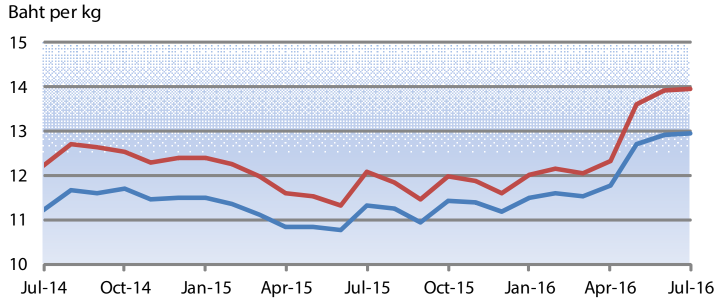
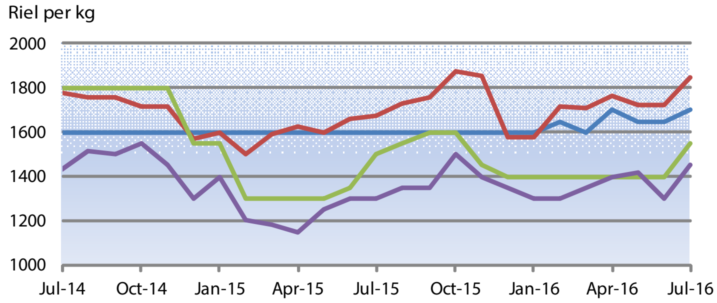
Wholesale prices of rice in Bangkok, Thailand



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Rice (25% broken)	12.95	0.3	10	14.4
Rice (5% broken)	13.95	0.3	13.2	15.4

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

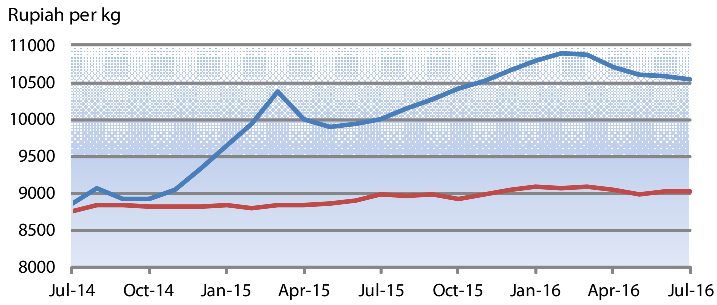
Wholesale prices of rice in Cambodia



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Phnom Penh	1700.00	3	0	6.2
Kampong Chhnang	1850.00	7.2	4.7	10.4
Banteay Meanchey	1550.00	10.7	10.7	3.3
Battambang	1450.00	11.5	3.6	11.5

Source(s): Cambodia Agricultural Market Information System

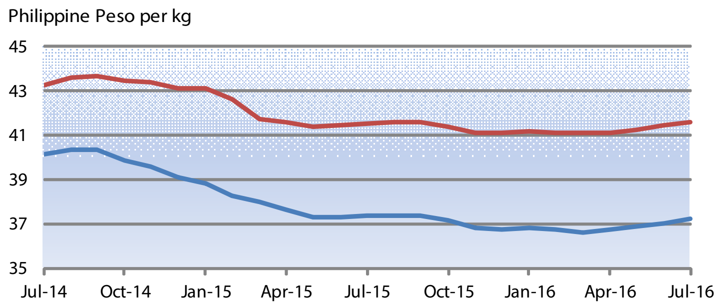
Retail prices of rice and wheat flour in Indonesia



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
National Average, Rice (medium quality)	10540.0	-0.4	-1.5	5.3
National Average, Wheat (flour)	9030.67	0.1	-0.1	0.5

Source(s): Ministry of Trade

Retail prices of rice in the Philippines



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
National Average, Rice (regular milled)	37.25	0.6	1.4	-0.3
National Average, Rice (well milled)	41.60	0.3	1.1	0.1

Source(s): Bureau of Agricultural Statistics

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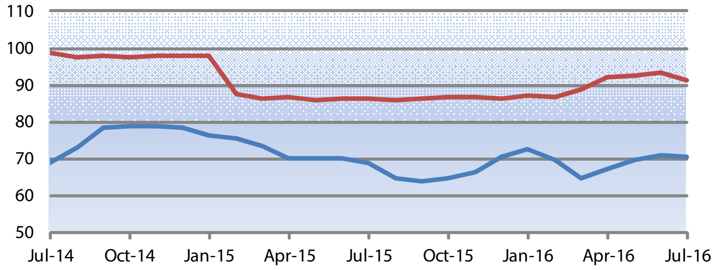
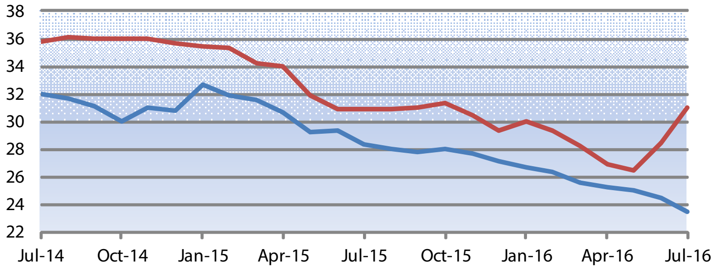
Retail prices of rice and wheat flour in Colombo, Sri Lanka



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Rice (white)	70.56	-0.2	5.3	2.8
Wheat (flour)	91.44	-1.9	-0.9	6

Source(s): Department of Census and Statistics

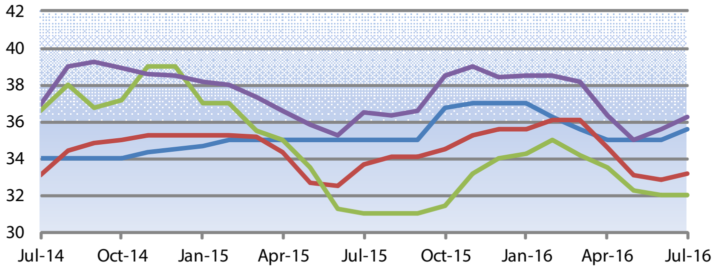
Retail prices of rice and wheat flour in Dhaka, Bangladesh



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Wheat (flour)	23.50	-3.8	-6.9	-17.3
Rice (coarse - Guti/ Sharna)	31.00	8.8	15.3	0.3

Source(s): Department of Agriculture Marketing (DAM), Bangladesh

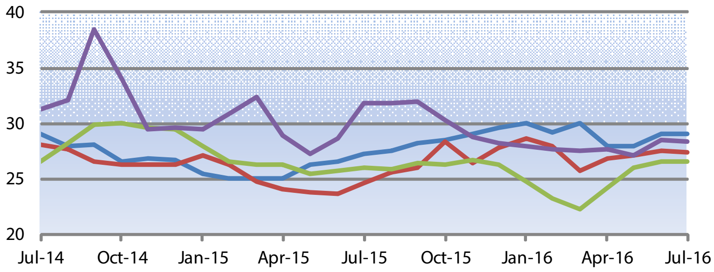
Retail prices of wheat in Pakistan



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Karachi	35.60	1.7	1.7	1.7
Lahore	33.18	0.9	-4.2	-1.5
Peshawar	32.00	0	-4.5	3.2
Multan	36.23	1.8	-0.4	-0.7

Source(s): Pakistan Bureau of Statistics

Retail prices of wheat flour in Afghanistan



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Kabul	29.00	0	3.6	6.4
Kandahar	27.40	-0.5	2	11.2
Jalalabad	26.50	0	9.8	1.9
Herat	28.40	-0.5	2.8	-10.8

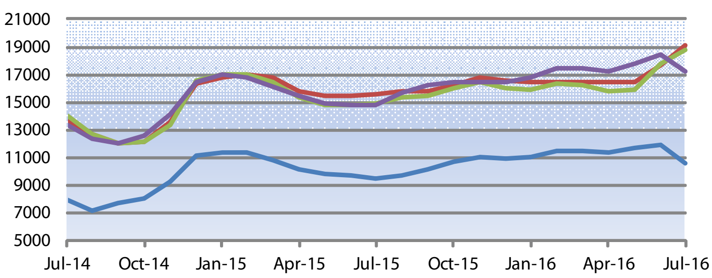
Source(s): Vulnerability Analysis and Mapping (VAM) - WFP

For more information visit the FPMA website here

Wheat prices declined in exporters, while those of wheat flour remained generally stable in importers

In the exporting countries of the subregion, **the Russian Federation** and **Ukraine**, domestic and export prices of wheat grain declined significantly in July with the 2016 harvests expected at a bumper level. In **Kazakhstan**, the main supplier of the subregion, export prices of milling wheat remained stable mainly reflecting reduced trade activity. Quotations remained, however, nearly 30 percent down from a year earlier. In import-dependent **Kyrgyzstan** and **Tajikistan**, although new crop supplies are available from the ongoing 2016 wheat harvests, weak currencies in both countries continued to support prices of wheat flour, which remained relatively stable or eased only moderately in July. Prices were, however, below their year-earlier levels, mainly reflecting low quotations in the subregional export market. In **Georgia**, prices of wheat flour weakened somewhat in July with the new harvest, after several months of stability. Despite an anticipated record output this year, the country is expected to import nearly the same quantity of milling wheat as in the past year. In **Azerbaijan**, the continuing depreciation of the national currency and increased production costs supported prices of wheat flour in June. Prices of locally-produced flour increased by some 10 percent and were around 40 percent higher than their values a year earlier, although remaining still better-priced than those of imported flour. In **Belarus**, harvest delays and damage to crops due to rains underpinned prices of wheat flour in June. In **Armenia** and **Uzbekistan**, prices eased slightly in July and were down from a year earlier.

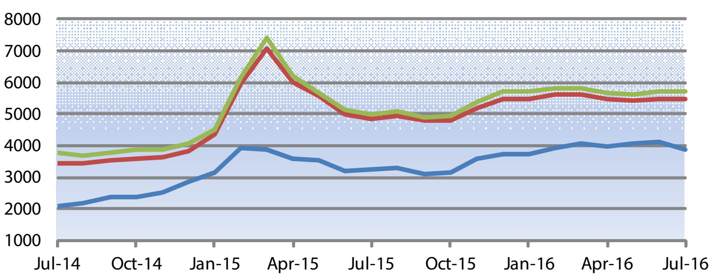
Wholesale prices of wheat and wheat flour in the Russian Federation



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
National Average, Wheat (Milling, 3rd class, offer, EXW)	10586.6	-11.4	-6.5	12.2
Volga region, Wheat (flour, highest grade, offer, EXW)	19100.0	7.9	16.2	22.8
Central Black Earth, Wheat (flour, highest grade, offer, EXW)	18800.0	5.5	19	26.2
Southern region, Wheat (flour, highest grade, offer, EXW)	17280.0	-6.2	0	16.8

Source(s): APK-Inform Agency

Wholesale prices of wheat and wheat flour in Ukraine

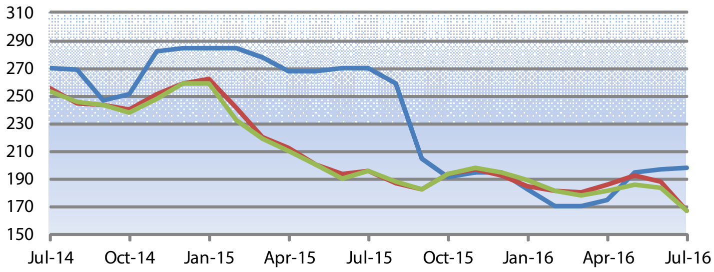


	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
National Average, Wheat (3rd class, bid, EXW, processing)	3860.00	-5.9	-2.3	19.7
National Average, Wheat (flour, first grade, offer, EXW)	5480.00	-0.4	0.4	12.5
National Average, Wheat (flour, highest grade, offer, EXW)	5700.00	0	0.7	14

Source(s): APK-Inform Agency

For more information visit the FPMA website here

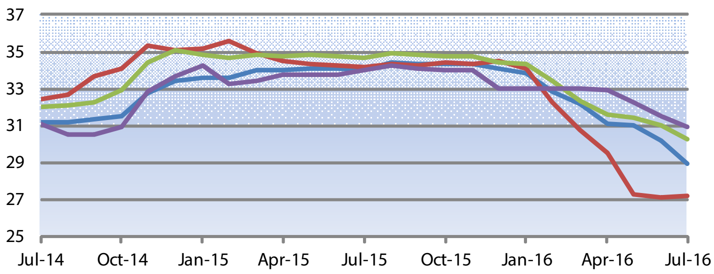
Export prices of milling wheat



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Kazakhstan, Wheat (milling)	198.00	0.8	13.1	-26.7
Russian Federation, Wheat (milling, offer, f.o.b., deep-sea ports)	167.00	-10.9	-10.2	-14.8
Ukraine, Wheat (milling, offer, f.o.b.)	167.40	-8.9	-7.8	-14.5

Source(s): APK-Inform Agency

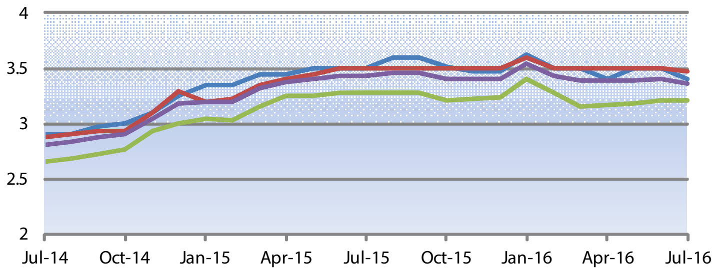
Retail prices of wheat flour in Kyrgyzstan



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Bishkek	28.91	-4.3	-7	-15
Jalal-Abad	27.20	0.4	-7.8	-20.4
National Average	30.29	-2.4	-4.1	-12.7
Naryn	30.95	-1.7	-5.9	-9

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

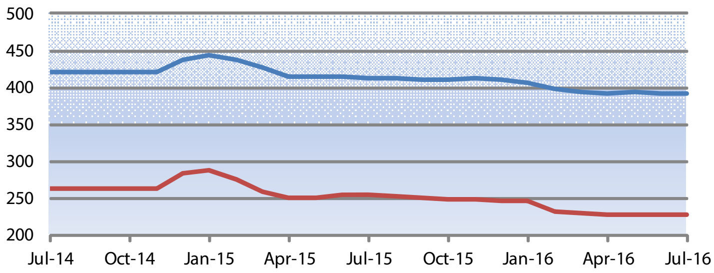
Retail prices of wheat flour in Tajikistan



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Dushanbe	3.40	-2.9	0	-2.9
Khatlon	3.48	-0.6	-0.6	-0.6
Sughd	3.21	0	1.3	-2.1
National Average	3.36	-1.2	-0.9	-2

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

Retail prices of wheat flour in Armenia



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
National Average, Wheat (flour, high grade)	391.61	-0.1	-0.1	-5.1
National Average, Wheat (flour, first grade)	226.98	-0.3	-0.6	-11

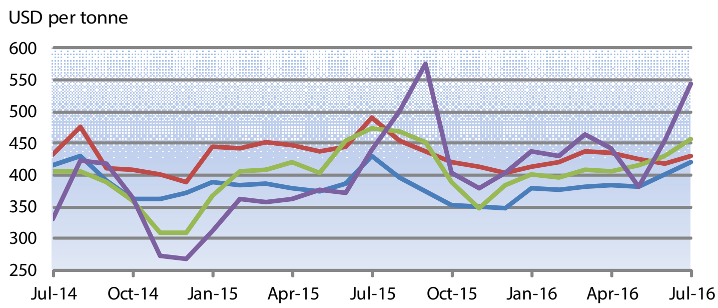
Source(s): National Statistical Service of the Republic of Armenia

White maize prices continued to seasonally increase in July

In most countries of the subregion, white maize prices seasonally increased in July with the progress of the lean period, which continues until the 2016 main *de primera* season harvest from late August. In **Guatemala** and **Honduras**, maize prices increased significantly for the second consecutive month. In **El Salvador**, prices also rose but to a lesser extent and remained more than 10 percent below their year-earlier levels, mainly on account of adequate supplies of imported maize. In **Nicaragua**, prices surged further in July and were almost 30 percent higher than a year earlier. Seasonal trends were exacerbated by tight domestic availabilities following the drought-reduced 2015 output. In **Mexico**, the largest producer of the subregion, prices were relatively unchanged but higher than in July last year, mostly supported by the weak local currency. In **Haiti**, prices of locally-produced maize meal remained overall stable but higher than a year earlier in most markets, reflecting tight supplies after the 2015 reduced harvest and the depreciation of the local currency.

Prices of red beans followed mixed trends but remained well below their levels in July last year as a result of good supplies from the 2015 harvests and adequate volumes of imports. In **El Salvador**, the subregion's main importer of red beans, prices declined and were more than 40 percent below their levels a year earlier. By contrast, in **Honduras** and **Nicaragua**, red bean prices increased seasonally in July, although remaining some 20 percent down from a year earlier, reflecting ample supplies from the 2015 harvests. In **Guatemala**, where black beans are the variety mostly consumed and produced, prices declined slightly in July, after the increases of the previous five months, mainly reflecting recent imports from Mexico and China. In **Mexico**, black bean prices increased moderately for the third consecutive month in July, due to the weak local currency which has led to stronger export demand and higher prices. In **Haiti**, prices of black beans declined significantly in July with new supplies from the 2016 *spring* harvest, while in **the Dominican Republic**, bean prices remained virtually unchanged and down from a year earlier.

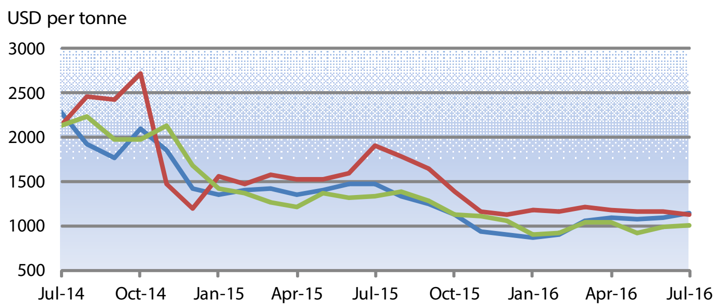
Wholesale prices of white maize in Central America



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Guatemala, Guatemala City	419.76	4.8	9.5	-2.3
El Salvador, San Salvador	430.10	2.7	-1.3	-12.3
Honduras, Tegucigalpa	456.06	5.8	12.4	-3.8
Nicaragua, Managua (oriental)	543.84	19.7	22.8	23.9

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

Wholesale prices of red beans in Central America



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Honduras, Tegucigalpa	1143.56	5	4.9	-22.4
El Salvador, San Salvador	1122.00	-3.4	-5.3	-41.4
Nicaragua, Managua (oriental)	1001.22	1.4	-4.7	-24.7

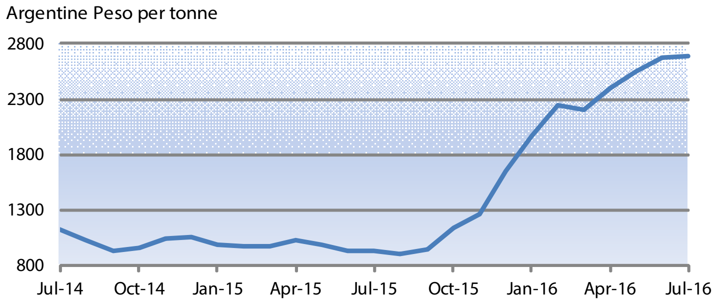
Source(s): SIMPAH; Dirección General de Economía Agropecuaria, MAG

For more information visit the FPMA website here

Maize and wheat prices followed mixed trends in July but generally high

In the main maize producing countries of the subregion, Argentina and Brazil, downward pressure from the ongoing 2016 harvests halted the increasing trend in yellow maize prices, which, however, remained at high levels. Elsewhere in the subregion, prices generally increased mainly due to expectations of reduced harvests this year. In **Argentina**, yellow maize prices remained relatively stable in July but at record levels, underpinned by strong exports, inflation and a weak currency. In **Brazil**, prices declined significantly in July with the progress of the 2016 second season harvest, but were still more than two-thirds above their levels a year earlier, reflecting this year's reduced output. In **Bolivia**, yellow maize prices increased sharply for the second consecutive month in July, as a result of the reduced 2016 main *summer* crop and expectations of lower plantings of the second season crop. In **Ecuador**, prices were supported by deteriorating prospects for the 2016 second season maize crop, affected by pest and fungal infestations, which follows a decline in the main season output from last year's bumper level. In **Chile**, prices firmed at levels above those in July last year, mainly reflecting this year's reduced output. In **Peru**, prices of yellow maize in July remained at the high levels of the previous two months and 20 percent higher than a year earlier, due to tighter availabilities mostly as a result of the 2016 reduced production. In **Colombia**, prices in July increased markedly supported by high domestic demand coupled with relatively tight domestic availabilities. Regarding wheat grain and wheat flour, prices followed mixed trends in July but were well above their year-earlier levels in main subregional markets. In **Argentina**, the subregion's main producer and exporter, prices of wheat grain declined slightly but were more than double their year-earlier levels, mainly supported by strong exports. Prices of wheat flour were also well above their values a year earlier. In **Brazil**, prices of wheat grain and wheat flour continued to increase in July, supported by tight supplies, particularly of high quality wheat, and remained well above their levels at the same time last year. In **Bolivia**, prices of imported wheat flour increased in July and were significantly above their levels at the same time last year, reflecting recent increases in wheat export quotations in Argentina, the country's main supplier. In **Chile**, wheat prices were unchanged in July and down from a year earlier, reflecting adequate imports. Similarly, in **Peru**, prices of wheat flour were stable and around their year-earlier levels. In **Colombia**, prices increased in July mainly supported by strong domestic demand.

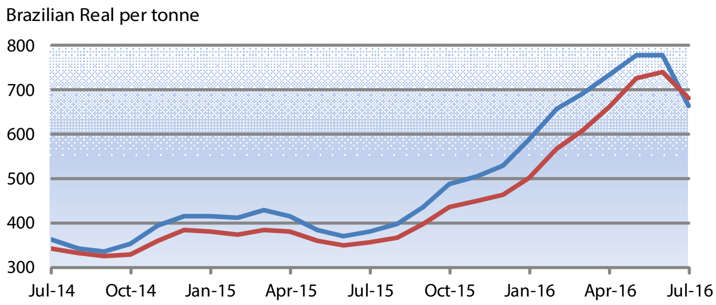
Wholesale prices of yellow maize in Argentina



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
Rosario, Maize (yellow)	2687.79	0.4	12.1	190.1

Source(s): Bolsa de Cereales

Wholesale prices of yellow maize in Brazil



	Latest Price (Jul-16)	Percent Change 1M	3M	1Y
São Paulo	664.63	-14.5	-9.4	74
National Average	680.64	-8.1	3.1	91.8

Source(s): Agrolink

For more information visit the FPMA website here

This bulletin is prepared by the **Food Price Monitoring and Analysis (FPMA)** Team 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 August 2016.

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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