Food and Agriculture Organization of the United Nations

FPMA BULLETIN

#5
10 June 2015

MONTHLY REPORT ON FOOD PRICE TRENDS

KEY MESSAGES

- **International prices of wheat and maize in May averaged lower than in the previous month and were well below their year-earlier levels, on account of the generally positive outlook for the 2015 crops. Rice quotations moved also downwards mostly due to slow export sales.**

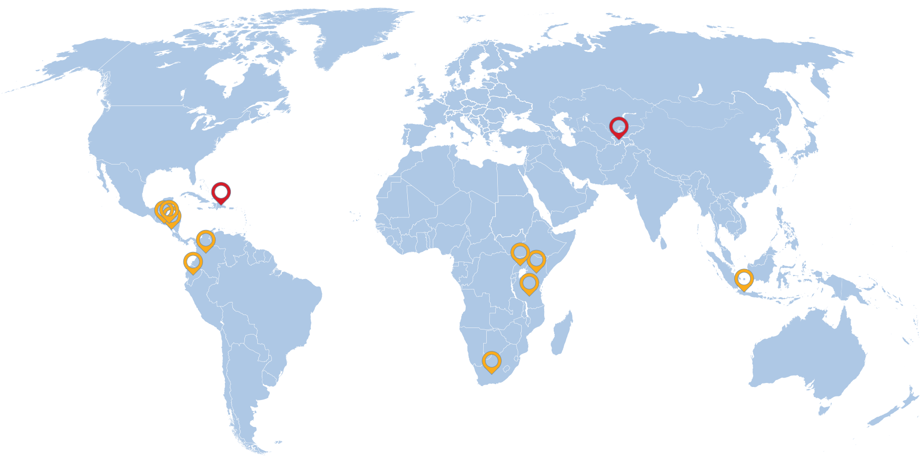
- **In East Africa, in Kenya, the United Republic of Tanzania and Uganda, maize prices strengthened further in May, after spiking in April, and doubled their levels of three months ago in several markets.** The recent increase in prices reflects uncertain crop prospects and strong regional export demand.

- **In Southern Africa, prices increased in May in main producer, South Africa, despite the ongoing 2015 harvest, while declined elsewhere but at a lower-than-normal pace.** Price support was provided by an anticipated sharply reduced regional output. Overall, maize prices were above their levels in May 2014.

CONTENTS

Domestic price warnings

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



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.

Colombia | Rice
Dominican Republic | Beans
Ecuador | Rice
El Salvador | White maize
Kenya | Maize
Honduras | White maize
Indonesia | Rice
Nicaragua | White maize
South Africa | Maize
Tajikistan | Wheat flour
Uganda | Maize
United Republic of Tanzania | Maize

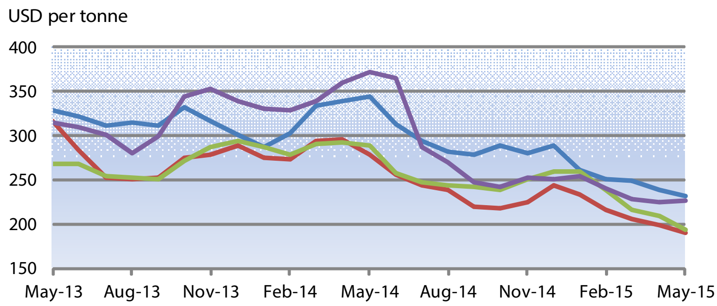
International cereal prices declined in May and continued well below their levels a year earlier

Export prices of **wheat** were lower in May compared to the previous month and more than one-third below their year-earlier values. The benchmark US wheat (No.2 Hard Red Winter) price averaged USD 231 per tonne, 3 percent down from April, despite concerns about the impact of heavy rains on yields of the 2015 winter crops that pushed up prices in the second half of the month. The monthly decline reflects slow export demand and overall favourable 2015 production prospects. In Argentina, where planting of the new crop has just started, quotations remained relatively unchanged in May but were almost 40 percent below their levels at the same time last year.

The international benchmark US **maize** (No.2, Yellow) price in May decreased by more than 3 percent compared to April, mainly reflecting favourable weather conditions for planting and early development of the 2015 maize crop in the United States of America, the main producer and exporter. In other origins, prices remained relatively stable. In general, maize prices were well below their levels in May last year.

In June, the FAO All **Rice** Price Index (2002-2004=100) dropped by 1.5 percent, marking the ninth consecutive month of declines. Among the various segments, fragrant rice prices fell the most. In Thailand, the benchmark Thai 100%B white rice shed 16 points, or 3.9 percent, but prices for parboiled and fragrant rice also incurred marked losses, reflecting a lacklustre demand from importers and the announcement of new sales of rice from public stocks through tenders in June and July. As competition for markets intensified, prices were also down in India and Viet Nam. Quotations in the United States of America also suffered sharp falls, as did those in Argentina and Uruguay, largely on slow export sales. Non-Basmati prices only stood firm in Pakistan, reflecting a tightening of supplies along with steadfast demand from East Africa.

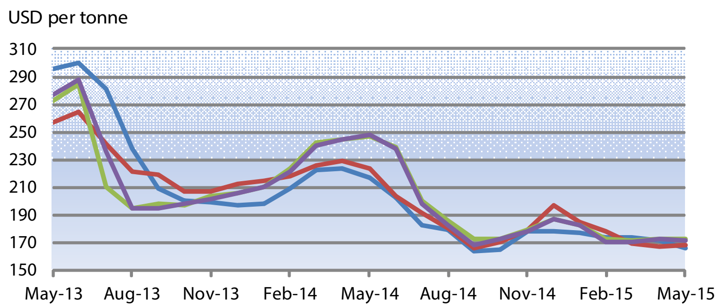
International wheat prices



	Latest Price (May-15)	Percent Change 1M	3M	1Y
US (Gulf), Wheat (US No. 2, Hard Red Winter)	231.25	-3.1	-8.1	-33
EU (France), Wheat (grade 1)	191.00	-4	-11.8	-31.7
Black Sea, Wheat (milling)	193.00	-8.2	-19.3	-33.2
Argentina, Wheat (Argentina, Trigo Pan, Up River, f.o.b.)	227.50	1.2	-5.7	-38.9

Source(s): International Grains Council

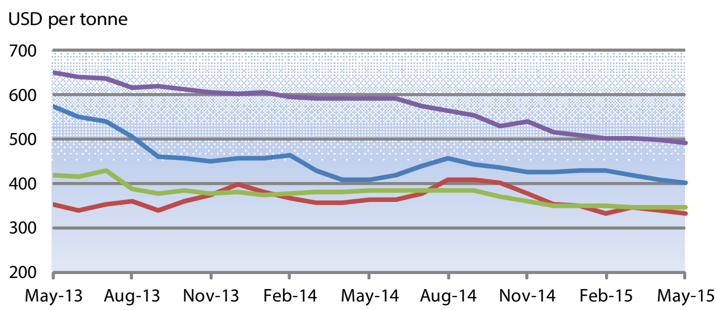
International maize prices



	Latest Price (May-15)	Percent Change 1M	3M	1Y
US (Gulf), Maize (US No. 2, Yellow)	165.96	-3.4	-4.7	-23.5
Argentina, Maize (Argentina, Up River, f.o.b.)	168.25	0.4	-5.6	-24.9
Ukraine, Maize (offer, f.o.b.)	172.50	-0.3	0	-30.2
Black Sea, Maize (feed)	171.50	-0.6	0.6	-30.7

Source(s): USDA; International Grains Council; APK-Inform Agency

International rice prices



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Thailand (Bangkok), Rice (Thai 100% B)	403.00	-1.7	-6.2	-1.2
Viet Nam, Rice (25% broken)	333.40	-1.9	-0.2	-8.4
India, Rice (25% broken)	346.80	-0.3	-0.9	-9.7
US, Rice (US Long Grain 2.4%)	492.00	-1.6	-2.2	-17.2

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

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

Colombia | Rice

Growth Rate (%)		
	to 05/15	Same period average
3 months	0.0	0.4
12 months	2.8	0.0

Compound growth rate in real terms.
Refers to: Colombia, National Average, Retail, Rice (second quality)

Prices of rice decline from record levels, but remain high

Rice prices in May declined from the record highs of the previous months as imports, mainly from the United States of America, began to enter the market. However, prices were still 40 percent above their quotations in May 2014, sustained by a sharply reduced 2014 output and low availabilities in the market.

Dominican Republic | Beans

Growth Rate (%)		
	to 05/15	Same period average
3 months	7.1	-0.7
12 months	2.2	0.0

Compound growth rate in real terms.
Refers to: Dominican Republic, Santo Domingo, Retail, Beans (red)

Prices of beans on the increase and at record levels in May

Prices of red and black **beans** increased markedly for a fourth consecutive month in May and were at record levels, underpinned by a reduced 2014/15 harvest and low import levels due to increased prices in the international market.

Ecuador | Rice

Growth Rate (%)		
	to 05/15	Same period average
3 months	2.3	-0.1
12 months	0.4	0.1

Compound growth rate in real terms.
Refers to: Ecuador, Quito, Wholesale, Rice (long grain)

Prices of rice stabilized in May but still above last year's level

Rice prices stabilized or declined in some markets with the entry into the market of the recovered 2015 harvest. However, prices remained significantly above their year-earlier levels reflecting low stocks due to the drought-reduced main 2014 winter paddy crop.

Price warning level: High Moderate

For more information visit the FPMA website here

El Salvador | White maize

Growth Rate (%)		
	to 05/15	Same period average
3 months	0.4	2.5
12 months	2.9	-0.3

Compound growth rate in real terms.
Refers to: El Salvador, San Salvador, Wholesale, Maize (white)

Prices of white maize increased further in May and were well above their year-earlier levels

White maize prices rose in May, offsetting declines of previous months, and were well above their year-earlier levels. The price increase reflects seasonal trends, that this year have been strengthened by the drought-reduced 2014 maize production and low availabilities in the market.

Red bean prices, by contrast, remained unchanged in May, but well above their year-earlier levels as a result of the reduced 2014 production and low import levels.

Kenya | Maize

Growth Rate (%)		
	to 05/15	Same period average
3 months	13.5	2.9
12 months	-0.8	0.1

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

Maize prices increased for the third consecutive month in May

Wholesale prices of **maize** continued to increase in May and were up to 60 percent higher than their levels of three months ago, reflecting low market supplies following the below-average performance of the 2015 *short-rains* harvest, gathered earlier in the year. Despite the recent sharp increases, however, maize prices in May remained below their low levels of a year earlier.

Honduras | White maize

Growth Rate (%)		
	to 05/15	Same period average
3 months	0.9	3.7
12 months	2.0	-0.5

Compound growth rate in real terms.
Refers to: Honduras, Tegucigalpa, Wholesale, Maize (white)

Prices of white maize declined in May but remained well above those of a year earlier

White maize prices declined slightly in May, reflecting high import levels particularly from Mexico. However, prices were still almost one-third above their year-earlier levels due to low supplies in the market following the drought-reduced 2014 harvest.

Red bean prices increased sharply in May, erasing declines of the previous months. Prices remained at relatively high levels, although lower than those of a year earlier.

Price warning level: High Moderate

For more information visit the FPMA website here

Indonesia | Rice

Growth Rate (%)		
	to 05/15	Same period average
3 months	0.0	-0.9
12 months	0.4	0.1

Compound growth rate in real terms.
Refers to: Indonesia, National Average, Retail, Rice (medium quality)

Rice prices at near-record levels in May but declining

Prices of **rice** eased marginally for the second consecutive month in May and remained close to their record highs in March, despite the progress of the 2015 main season harvest, which is expected 3 percent up from last year's bumper level. Prices were mainly supported by low public stocks, which currently stand at about 1.2 million tonnes, compared with almost 2 million tonnes in mid-2014 as the Government has been limiting imports in order to promote self-sufficiency in rice. So far this year, the Government has imported 25 percent less rice compared to the same time last year. The Government's procurement of the new crop at increased minimum support prices also put upward pressure on prices.

Nicaragua | White maize

Growth Rate (%)		
	to 05/15	Same period average
3 months	1.2	3.9
12 months	1.9	-0.1

Compound growth rate in real terms.
Refers to: Nicaragua, Managua (oriental), Wholesale, Maize (white)

White maize prices strengthened further in May and were well above their year-earlier levels

White maize prices increased in May, erasing the price declines of the previous months, and were well above their year-earlier levels. The price increase reflects seasonal trends, that this year have been exacerbated by the drought-reduced 2014 maize production and low availabilities in the market.

Red bean prices increased sharply in May, offsetting price declines of the previous months. Prices remained at relatively high levels, although lower than those of a year earlier.

South Africa | Maize

Growth Rate (%)		
	to 05/15	Same period average
3 months	2.0	-2.9
12 months	2.4	0.1

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

Maize prices increased in May and were well above their year-earlier values

White and yellow **maize** prices continued their overall increasing trend in May and were 38 and 17 percent, respectively, higher than their year-earlier levels, driven up by the anticipated sharply reduced 2015 production, forecast at 30 percent down from the previous year's bumper crop. However, despite the unfavourable production prospects, substantial stock levels of over 2 million tonnes and low international prices limited larger price gains. The increase in maize prices in South Africa is expected to continue to exert inflationary pressure on the importing countries of the subregion, namely Botswana, Lesotho, Namibia and Swaziland, which are also forecasting reduced harvests this year.

Price warning level: High Moderate

For more information visit the FPMA website here

Tajikistan | Wheat flour

Growth Rate (%)		
	to 05/15	Same period average
3 months	1.1	-1.2
12 months	1.4	0.0

Compound growth rate in real terms.
Refers to: Tajikistan, Dushanbe, Retail, Wheat (flour, first grade)

Wheat flour prices continue to increase and reached record levels

Prices of **wheat flour**, the main staple in the country, strengthened further in May in most markets reaching record levels, one-quarter above those of a year earlier. The country normally imports around half of its wheat consumption requirements and the increasing trend of the past few months mainly reflects the continuous depreciation of the national currency, as well as the relatively high export quotations from Kazakhstan, the main source of imports. In order to support the Somoni (TJS), the National Bank of Tajikistan (NBT, the central bank) introduced foreign exchange controls on 13 March 2015.

Uganda | Maize

Growth Rate (%)		
	to 05/15	Same period average
3 months	23.1	5.9
12 months	-0.5	0.3

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

Maize prices strengthened further in May and almost doubled their levels of three months ago

Wholesale prices of **maize** continued to increase in May and almost doubled their levels of three months ago. Prices were underpinned by uncertain production prospects for the 2015 main season crop, currently being harvested, adversely affected by below-average rainfall. Strong export demand from Kenya and South Sudan also provided support to prices. Despite the recent sharp increases, however, prices were still below their year-earlier levels.

United Republic of Tanzania | Maize

Growth Rate (%)		
	to 05/15	Same period average
3 months	23.1	-4.0
12 months	3.2	-0.3

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

Maize prices strengthened further in May and were above their year-earlier values

Wholesale **maize** prices strengthened further in May, and almost doubled their levels of three months ago, supported by an anticipated reduction of the 2015 main *msimu* season output, and strong export demand from Kenya and South Sudan. Uncertain prospects for the *masika* season, to be harvested from July, due to low and erratic rainfall, added to the upward pressure on prices. Maize prices in May were above their year-earlier levels.

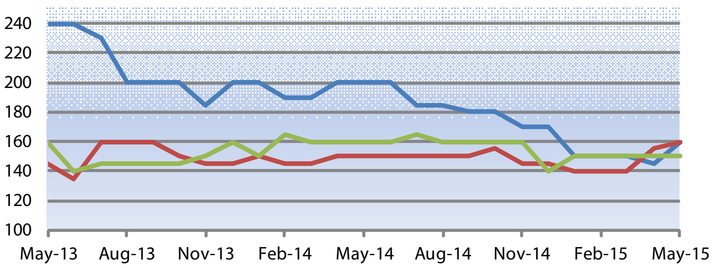
Price warning level: High Moderate

Prices of coarse grains at relatively low levels despite seasonal increases in some countries

In West Africa, although prices of locally-grown cereals (millet, sorghum and maize), the main staples in the subregion, seasonally increased in the last months in some countries, prices remained generally stable and lower than a year ago. These trends reflect adequate market supplies from the 2014 above-average harvests. In the Sahel belt, coarse grain prices remained mostly stable in May in **Burkina Faso**, **Niger** and **Mali**. However, slight-to-moderate increases were observed in some markets, notably for millet in Ouagadougou (Burkina Faso) and sorghum in Niamey (Niger). Millet and sorghum prices also remained stable in April in most markets of **Chad**.

In coastal countries, significant increases in maize prices were observed in April in **Benin** and **Togo** after several consecutive months of stability. By contrast, maize prices declined slightly in April in **Nigeria**, continuing trends of the previous months, driven by good supplies from the 2014 harvest. Overall, coarse grain prices persisted at levels lower than those of a year earlier in most countries of the subregion. In the countries affected by the Ebola Virus Disease (EVD), while a significant recovery of marketing activities was observed in **Liberia**, significant market disruptions continued in **Sierra Leone**. Markets have remained open and functional in **Guinea**.

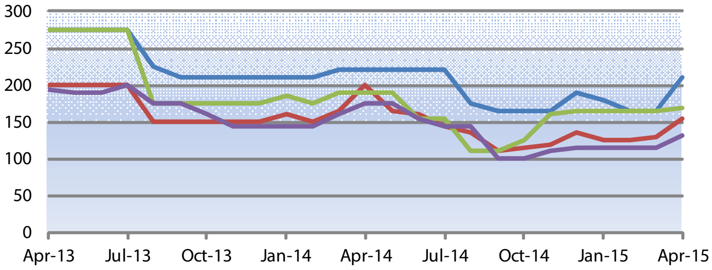
Wholesale prices of sorghum in West Africa



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Niger, Niamey	160.00	10.3	6.7	-20
Burkina Faso, Ouagadougou	160.00	3.2	14.3	6.7
Mali, Bamako	150.00	0	0	-6.2

Source(s): Afrique verte

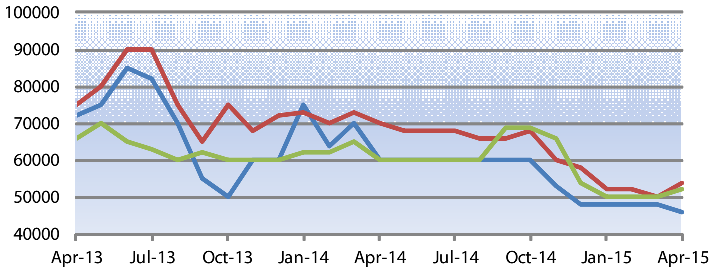
Retail prices of white maize in Benin



	Latest Price (Apr-15)	Percent Change 1M	3M	1Y
Cotonou	210.00	27.3	16.7	-4.5
Malanville	155.00	19.2	24	-22.5
Abomey	170.00	3	3	-10.5
Djougou	132.00	14.8	14.8	-24.6

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

Wholesale prices of coarse grains in Kano, Nigeria



	Latest Price (Apr-15)	Percent Change 1M	3M	1Y
Maize	46000.0	-4.2	-4.2	-23.3
Millet	54000.0	8	3.8	-22.9
Sorghum	52000.0	4	4	-13.3

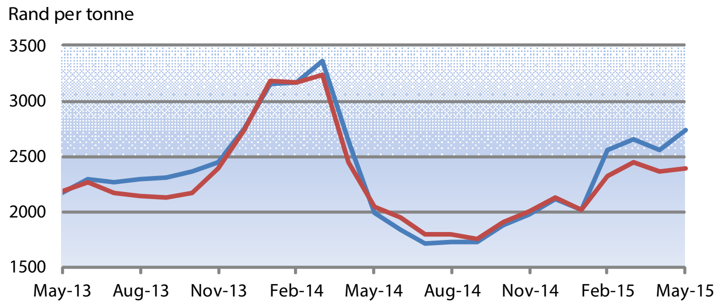
Source(s): FEWSNET

For more information visit the FPMA website here

Reduced 2015 regional maize production exerts upward price pressure

Maize prices in the subregion increased in several countries in May despite the progress of the 2015 harvests, or declined at a lower-than-normal pace. In general, prices were well above their year-earlier levels, reflecting an anticipated sharply reduced regional production. Maize prices in **South Africa** increased in May, due to an expected 30 percent contraction in this year's output, mainly as a result of unfavourable weather conditions. However, a slight upgrade in the production forecast in May, combined with ample stocks, tempered larger month-on-month gains. The downward pressure from the international market also limited stronger price increases this month. In the import-dependent countries of **Namibia** and **Lesotho**, maize meal prices continued to rise, largely reflecting the increased cost of importing from South Africa, their main supplier, and unfavourable domestic production prospects. Maize prices in **Mozambique** and **Malawi** declined seasonally in May, although later than historical patterns, with the entering of the new harvest into the markets which, despite expectations of below average crops, is still exerting downward price pressure.

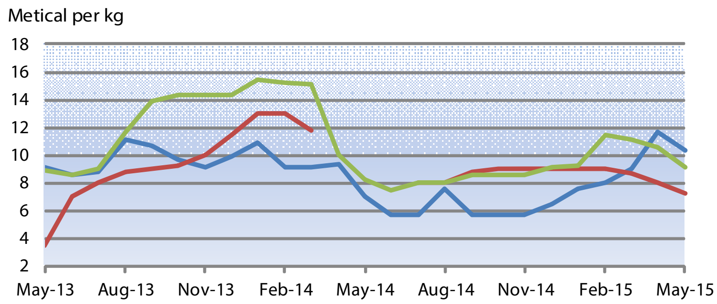
Wholesale prices of maize in Randfontein, South Africa



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Maize (white)	2740.65	7.1	7.4	37.8
Maize (yellow)	2389.15	0.8	3.1	16.6

Source(s): SAFEX Agricultural Products Division

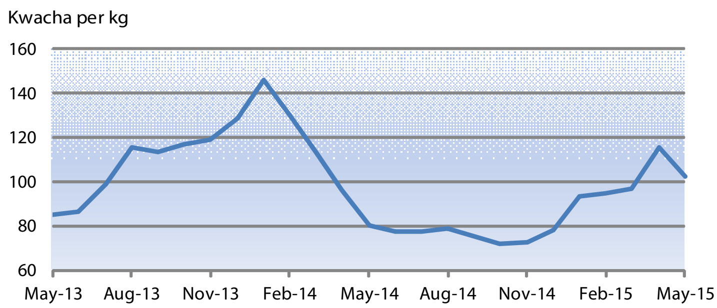
Retail prices of white maize in Mozambique



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Angonia	10.33	-11.9	29.1	47.6
Milange	7.25	-9.4	-19.4	3.6
Nampula	9.14	-13.6	-20	11.1

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

Retail prices of maize in Malawi



	Latest Price (May-15)	Percent Change 1M	3M	1Y
National Average, Maize	102.82	-11.2	8.4	27.7

Source(s): Ministry of Agriculture and Food Security

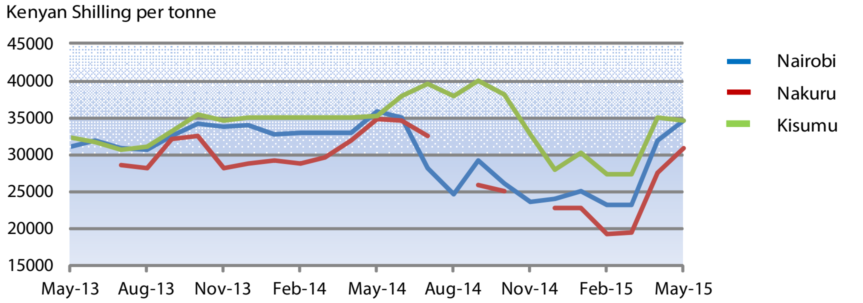
For more information visit the FPMA website here

Coarse grain prices continue to increase in southern countries, elsewhere stable

In most markets of **Kenya**, **the United Republic of Tanzania** and **Uganda**, prices of coarse grains continued to rise in May, after spiking in April, with seasonal patterns exacerbated by reduced harvests and strong regional export demand. In **Kenya**, maize prices were up to 60 percent higher than three months earlier, as a result of the below-average performance of the 2015 *short-rains* harvest gathered earlier in the year. In **the United Republic of Tanzania** and **Uganda**, high import demand from Kenya and South Sudan, coupled with unfavourable production prospects for the ongoing main season harvests affected by drought, continued to exert a significant upward pressure on maize prices. In particular, in Dar-es-Salaam and Kampala, the main urban markets of the United Republic of Tanzania and Uganda, respectively, wholesale maize prices almost doubled in the past three months.

In **Ethiopia** and **the Sudan**, prices of locally-produced coarse grains were generally stable or slightly declined in May as markets were well-supplied following the good 2014 main season harvest. In both countries, prices of maize and sorghum in May were 15-30 percent below the levels of a year earlier. In **Somalia**, maize and sorghum prices in May were also overall stable but at high levels, especially in markets in the southern and central conflict-affected regions due to trade disruptions and the scaling back of humanitarian assistance operations.

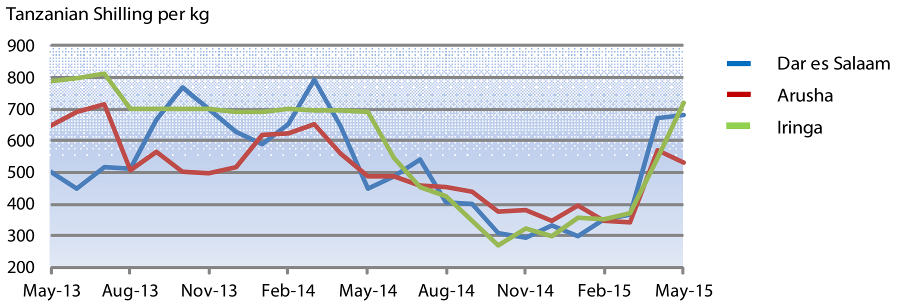
Wholesale prices of maize in Kenya



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Nairobi	34506.0	8.5	49.4	-4
Nakuru	30889.0	12.5	60.7	-11.2
Kisumu	34589.0	-1.3	26.2	-1.6

Source(s): Regional Agricultural Trade Intelligence Network

Wholesale prices of maize in the United Republic of Tanzania

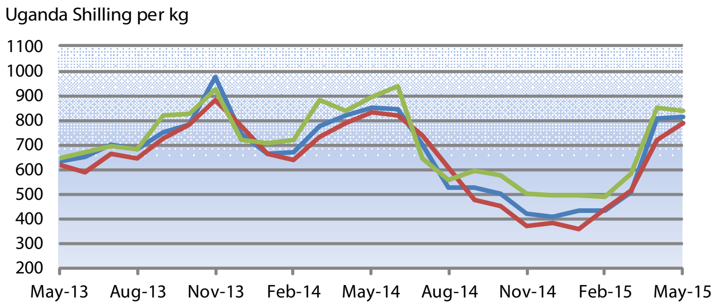


	Latest Price (May-15)	Percent Change 1M	3M	1Y
Dar es Salaam	680.75	1.3	92.5	52
Arusha	529.56	-7	53.5	8.3
Iringa	719.28	31.5	105.8	4.2

Source(s): Regional Agricultural Trade Intelligence Network

For more information visit the FPMA website here

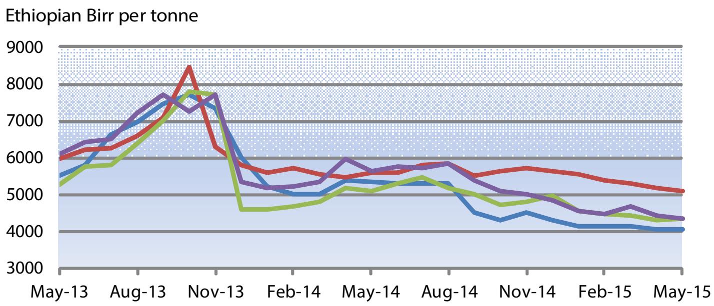
Wholesale prices of maize in Uganda



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Kampala	813.86	1.2	89.5	-4.4
Lira	785.14	8.7	79.7	-5.6
Busia	835.95	-1.8	71.5	-6.7

Source(s): Regional Agricultural Trade Intelligence Network

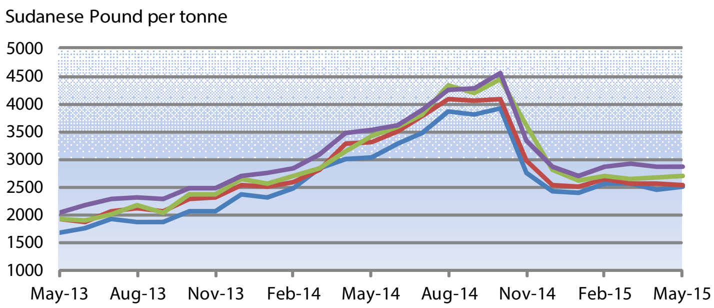
Wholesale prices of maize in Ethiopia



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Bahirdar	4050.00	0.2	-2.4	-24.2
Diredawa	5083.30	-1.5	-5.9	-8.8
Addis Ababa	4340.00	0.9	-3.1	-15.1
Mekele	4326.70	-2.6	-2.8	-23.3

Source(s): Ethiopian Grain Trade Enterprise

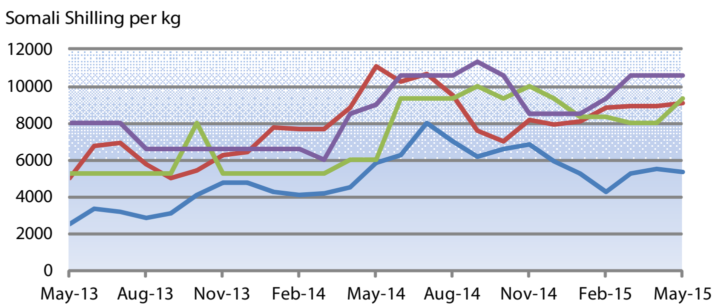
Wholesale prices of sorghum in the Sudan



	Latest Price (May-15)	Percent Change 1M	3M	1Y
El Gedarif	2508.99	2.8	-1.8	-17.3
Khartoum	2530.00	-1.6	-4.2	-23.3
El Obeid	2692.91	1	-0.6	-21.3
Port Sudan	2860.00	0	-0.5	-19.3

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

Retail prices of maize and sorghum in Somalia



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Baidoa, Sorghum (red)	5350.00	-2.7	25.9	-8.2
Marka, Maize (white)	9125.00	2	3.7	-18
Mogadishu, Sorghum (red)	9300.00	16.3	11.7	55
Mogadishu, Maize (white)	10600.0	0	14	17.8

Source(s): Food Security Analysis Unit

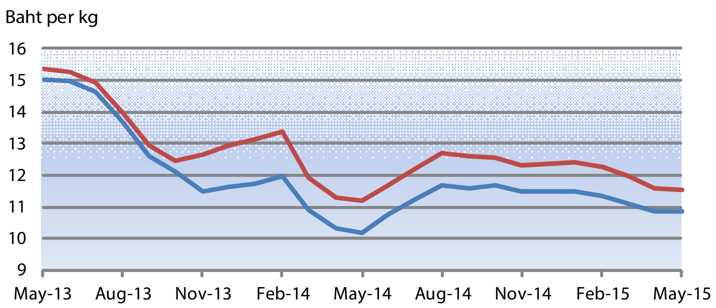
For more information visit the FPMA website here

Rice prices remained generally stable in May, those of wheat weakened

Domestic rice prices remained relatively stable in most countries of the subregion in May. Despite the ongoing secondary season harvest, prices were unchanged in main exporters, **Thailand** and **India**, as the outputs are anticipated to be reduced, as well as in **China**, where Government procurement programmes provide market support. In **Sri Lanka** and **the Philippines**, rice prices stabilized after declining in the past months with the 2015 first season rice harvests. Similarly, prices were relatively unchanged in most markets of **Cambodia**, although in the main rice growing area of Battambang prices rose markedly reflecting increased exports in recent months. Rice prices declined marginally in **Indonesia** but still remained near their peaks of March, due to low imports and ongoing procurement programmes at higher minimum prices. Domestic rice prices declined slightly in **Viet Nam** with the conclusion of the Government purchasing of the *winter-spring* crop. In **Bangladesh**, prices continued to decline in May with the progress of the 2015 main *Boro* season harvest and steady imports in previous months. To stabilize rice prices that have declined by one-third since the beginning of the year, the Government has introduced a 10 percent tariff on rice imports from 10 May. By contrast, in **Myanmar**, domestic rice prices increased for the sixth consecutive month reaching record levels, in nominal terms, due to strong export demand from China.

Wheat and wheat flour prices declined in most consuming countries of the subregion and were generally below their year-earlier values. This reflects the progress of the 2015 harvests, anticipated to be good, high stocks from last year's bumper crops and low international prices. However, in **India**, prices remained stable or strengthened somewhat following a reduced harvest, just completed.

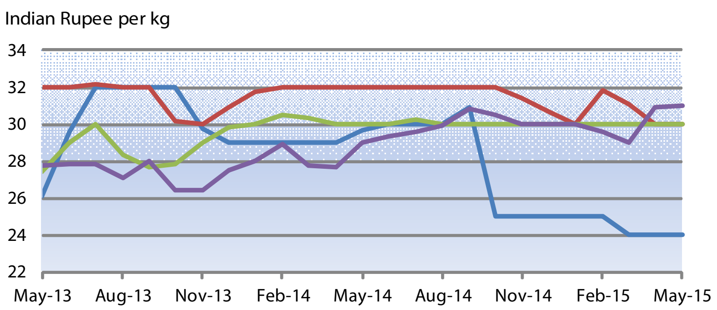
Wholesale prices of rice in Bangkok, Thailand



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Rice (25% broken)	10.85	-0.1	-4.4	6.4
Rice (5% broken)	11.55	-0.5	-5.7	3.3

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

Retail prices of rice in India

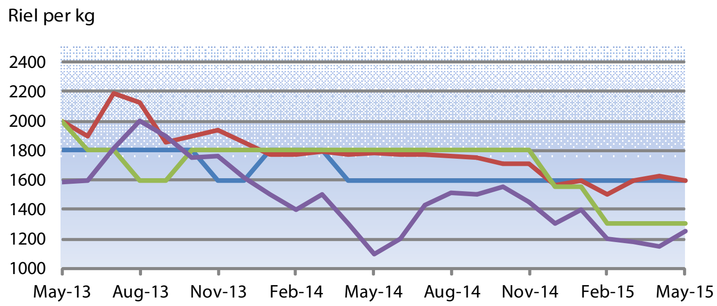


	Latest Price (May-15)	Percent Change 1M	3M	1Y
Patna	24.00	0	-4	-19.2
Chennai	30.00	0	-5.7	-6.2
Mumbai	30.00	0	0	0
New Delhi	31.00	0.4	4.7	6.9

Source(s): Ministry of Consumer Affairs

For more information visit the FPMA website here

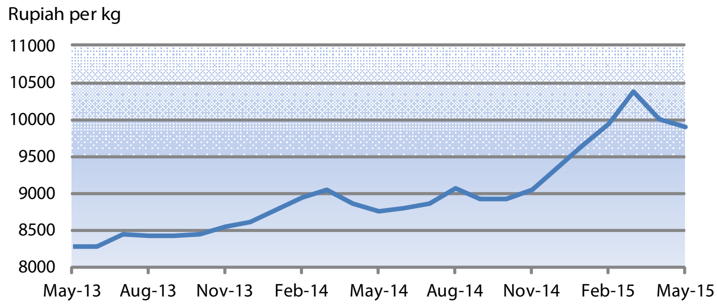
Wholesale prices of rice in Cambodia



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Phnom Penh	1600.00	0	0	0
Kampong Chhnang	1595.00	-1.7	6.3	-10.4
Banteay Meanchey	1300.00	0	0	-27.8
Battambang	1250.00	8.7	4.2	13.6

Source(s): Cambodia Agricultural Market Information System

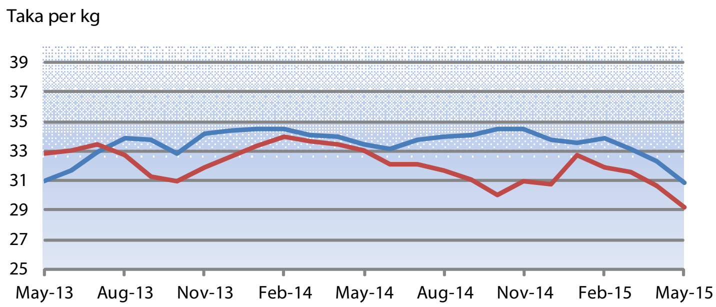
Retail prices of rice in Indonesia



	Latest Price (May-15)	Percent Change 1M	3M	1Y
National Average, Rice (medium quality)	9892.37	-1.2	-0.5	12.9

Source(s): Ministry of Trade

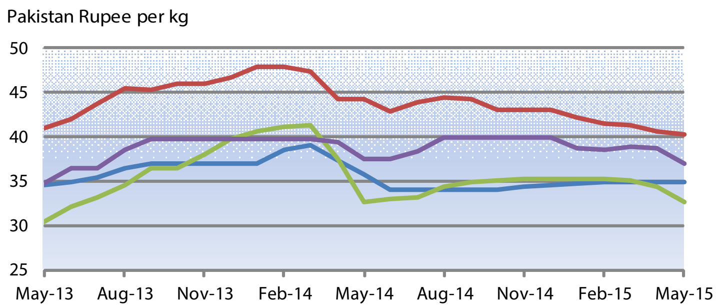
Retail prices of rice and wheat flour in Dhaka, Bangladesh



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Rice (coarse)	30.90	-4.3	-8.7	-7.7
Wheat (flour)	29.22	-4.8	-8.3	-11.5

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

Retail prices of wheat and wheat flour in Pakistan

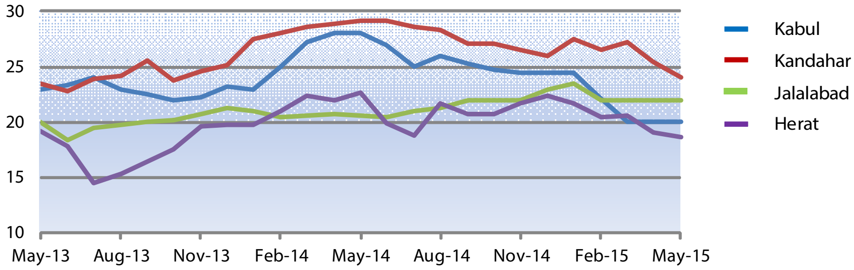


	Latest Price (May-15)	Percent Change 1M	3M	1Y
Karachi, Wheat	35.00	0	0	-2.1
Karachi, Wheat (flour)	40.31	-1	-3	-9
Lahore, Wheat	32.66	-4.9	-7.3	-0.2
Lahore, Wheat (flour)	36.98	-4.4	-3.9	-1.6

Source(s): Pakistan Bureau of Statistics

For more information visit the FPMA website here

Retail prices of wheat in Afghanistan



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Kabul	20.00	0	-9.6	-28.6
Kandahar	24.08	-5.1	-9.2	-17.5
Jalalabad	22.00	0	0	6.7
Herat	18.60	-2.6	-9.3	-17.8

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

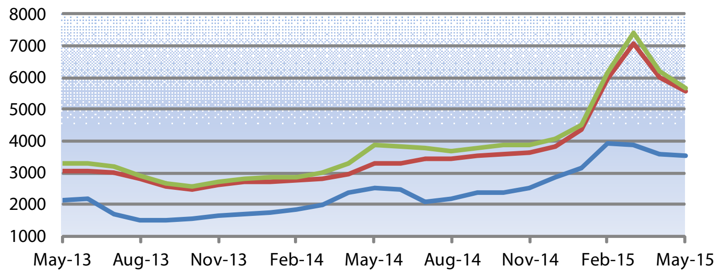
CIS - ASIA AND EUROPE

Prices of wheat and wheat flour declined further in May in exporting countries, while they remained at high levels in some importing countries

Domestic and export prices of wheat and wheat flour in exporting countries of the subregion continued to decline in May pressured by favourable production prospects for the 2015 wheat crop and increased sales ahead of the new harvest to start in July. Some strengthening of the national currencies in May added to the downward pressure on prices. In **the Russian Federation**, falling wheat prices prompted the Government to remove the export duty on 15 May, ahead of schedule, which will be replaced by a different duty mechanism in the new marketing year (FPMA Food Policies). In **Ukraine**, despite recent declines, prices remained well above their year-earlier levels, after sustained increases since late 2014 which were mainly driven by the sharp depreciation of the national currency. However, in **Kazakhstan**, where the 2015 wheat crop is being planted, export quotations remained unchanged and slightly higher than in May last year, due to a reduced 2014 crop and low availabilities of high-quality wheat for export. Increased procurement prices added to the upward pressure.

In importer, **Kyrgyzstan**, prices of wheat flour remained stable in May but above their year-earlier values as a result of the reduced 2014 wheat output coupled with relatively high wheat export quotations in Kazakhstan, its main supplier, and a weak national currency. The new harvest to start in June is anticipated to recover from last year's low level and reduced fuel and transportation costs are expected to put downward pressure on prices in the coming months. In **Tajikistan**, prices of wheat flour strengthened further in May in most markets, in line with the continuous depreciation of the national currency. Prices were one-quarter above their year-earlier values and at record levels. Wheat flour prices remained relatively stable in **Armenia** and **Georgia**.

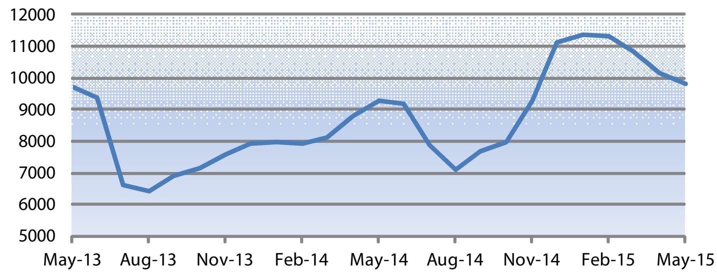
Wholesale prices of wheat and wheat flour in Ukraine



	Latest Price (May-15)	Percent Change 1M	3M	1Y
National Average, Wheat (3rd class, bid, EXW, processing)	3537.50	-1.7	-9.9	40.8
National Average, Wheat (flour, first grade, offer, EXW)	5575.00	-7.1	-6.3	69.3
National Average, Wheat (flour, highest grade, offer, EXW)	5675.00	-8.8	-7.7	46.5

Source(s): APK-Inform Agency

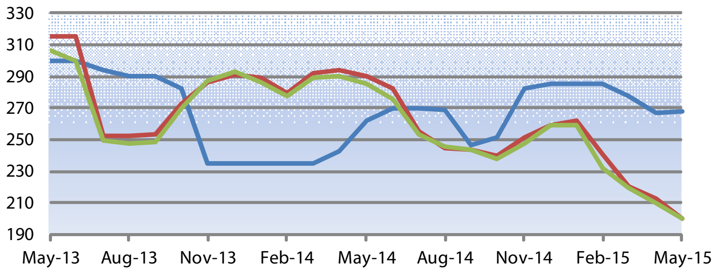
Wholesale prices of wheat in the Russian Federation



	Latest Price (May-15)	Percent Change 1M	3M	1Y
National Average, Wheat (Milling, 3rd class, offer, EXW)	9800.00	-3.4	-13.3	5.8

Source(s): APK-Inform Agency

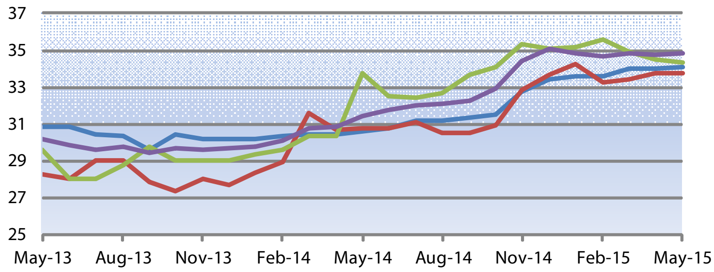
Export prices of milling wheat



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Kazakhstan, Wheat (milling)	267.75	0.1	-6.1	2
Russian Federation, Wheat (milling, offer, f.o.b., deep-sea ports)	200.25	-5.8	-16.8	-30.9
Ukraine, Wheat (milling, offer, f.o.b.)	199.75	-4.9	-13.9	-30

Source(s): APK-Inform Agency

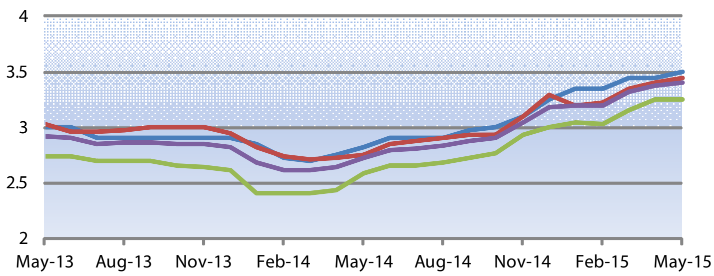
Retail prices of wheat flour in Kyrgyzstan



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Bishkek	34.05	0.1	1.3	11.2
Naryn	33.74	0	1.5	9.8
Jalal-Abad	34.33	-0.6	-3.6	1.8
National Average	34.82	0.1	0.4	10.7

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

Retail prices of wheat flour in Tajikistan



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Dushanbe	3.50	1.4	4.5	24.1
Khatlon	3.45	1.5	7.1	25.5
Sughd	3.25	0	7.3	25.5
National Average	3.40	0.9	6.2	25

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

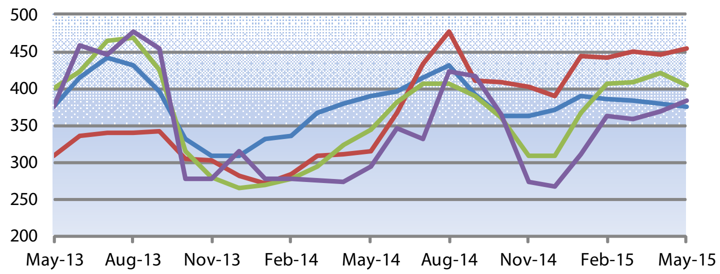
Prices of white maize remained well above their levels of a year earlier, those of beans increased, particularly in the Dominican Republic where they reached record highs

Prices of white maize in May decreased slightly (in local currencies) in **Honduras** and **El Salvador** reverting gains in the previous month. Improved imports, mainly from Mexico, put some downward pressure on prices. In **Nicaragua**, by contrast, prices rose moderately following seasonal trends. Overall, in these three countries maize prices remained well above their levels of a year earlier reflecting low availabilities following the reduced 2014/15 aggregate production, affected by dry weather. By contrast, in **Guatemala**, the only country other than Mexico in the subregion that had a good 2014 national production, white maize prices weakened for the fourth month and were lower than in May 2014 pressured also by cross border imports from Mexico. However, high regional export demand has put an halt on the declining price trends. In **Mexico**, despite an anticipated record 2015 *autumn/winter* crop being harvested, white maize prices remained unchanged in May as a result of the Government's price support measures.

Red bean prices in May increased sharply in **Nicaragua**, the main producer and exporter of the subregion, and in **Honduras** erasing the price declines of the previous months with the third season harvests. While prices in both countries were below their near-record levels at the same time last year, they remained relatively high. The price increases reflect seasonal trends that are being strengthened by tight regional supplies as a result of the reduced 2014/15 aggregate beans production. In the main importer, **El Salvador,** red bean prices remained stable but were above their year-earlier levels and the highest in the subregion, mainly due to reduced imports as a result of low exportable surpluses in the subregion. In **Guatemala**, where black beans are the variety most produced and consumed, prices increased seasonally but were below their May 2014 levels. In **Mexico**, black bean prices remained unchanged in May and close to their values of a year earlier, reflecting the bumper 2014 crop.

In **Haiti**, rice prices in May were unchanged in major markets from the previous month and a year earlier reflecting price stability in international markets, as the country imports almost all of its consumption requirements. By contrast, maize meal prices showed mixed trends. In Hinche and Les Cayes, low supplies in the markets due to the 2014 drought-reduced harvest resulted in price increases for a second consecutive month. In the main market, Port-au-Prince, where most of the national production is traded, maize meal prices remained unchanged for a second month but were 17 percent above their levels in May last year reflecting the low availability in the country. In the **Dominican Republic**, prices of red and black beans increased markedly for a fourth consecutive month in May reaching record levels. Prices were underpinned by a reduced 2014/15 harvest and low import levels.

Wholesale prices of white maize in Central America



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Guatemala, Guatemala City	374.44	-1.1	-3	-4.1
El Salvador, San Salvador	454.08	1.7	2.7	44.5
Honduras, Tegucigalpa	403.48	-4.1	-0.9	17.6
Nicaragua, Managua (oriental)	384.56	4.4	6.1	31

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

For more information visit the FPMA website here

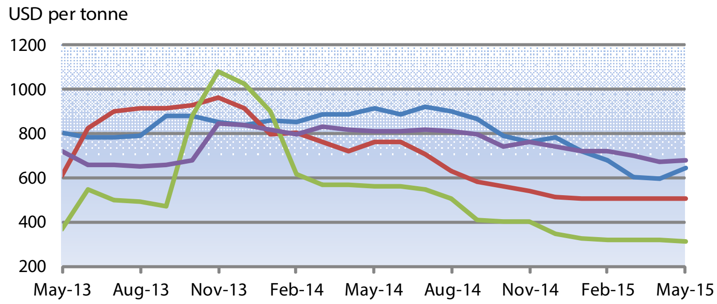
Wheat flour prices remained generally stable in May, yellow maize and rice prices declined with 2015 harvests

Wheat flour prices in May remained unchanged in most countries of the subregion and were generally well below their levels of a year earlier. The exception to this trend is **Brazil**, where wheat flour prices increased markedly in May supported by reduced imports in the previous months, continuous depreciation of the local currency, as well as a shortage of high quality milling wheat. In **Argentina**, the subregion's main producer and exporter, prices continued stable in May and significantly below their year-earlier values, as a result of the bumper 2014 production and ample stocks. In **Uruguay**, another exporter, prices strengthened somewhat in May with high export demand. In importers, **Chile** and **Peru**, wheat and wheat flour prices remained unchanged reflecting adequate levels of imports. In **Colombia**, prices were also generally stable but above their levels of May 2014 due to the sharp depreciation of the local currency in the past months. In **Bolivia**, prices of mostly imported wheat flour declined sharply in the capital, La Paz, reflecting ample supplies from imports and the recent good harvest.

Yellow maize prices in May decreased in most countries of the subregion with the arrival into the markets of the 2015 harvests, anticipated at good levels, and were generally lower than a year earlier. Prices declined in **Argentina**, **Brazil**, **Chile** and **Ecuador**. In **Peru**, maize prices stabilized in May, after sharply increasing in the previous month, with increased import volumes. In **Colombia**, prices were also stable in the capital, Bogota, but on the increase in other markets. Overall, prices were above their year-earlier levels sustained by the weak local currency.

Rice prices in May generally declined with improved supplies from the ongoing 2015 harvests or imports. In **Brazil**, however, the national average rice price increased marginally following the completion of the harvest. In **Colombia**, prices in May declined from their record highs of the previous months as imports, mainly from the United States of America, began to enter the market. However, prices were still 40 percent above their quotations in May 2014. In **Ecuador**, rice prices generally declined but remained above their year-earlier levels reflecting low stocks from the reduced 2014 harvest. In **Peru**, prices also declined in May with the beginning of the main harvest expected to recover from last year's poor level.

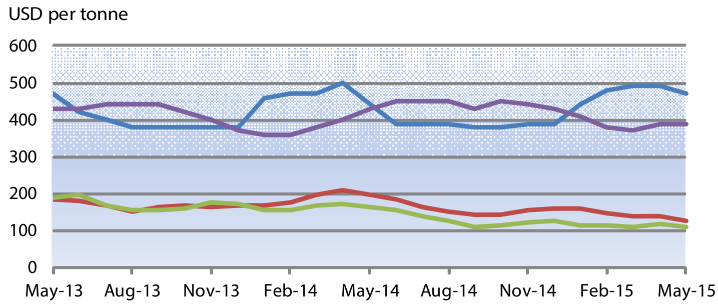
Wholesale prices of wheat flour in South America



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Brazil, São Paulo	646.40	7.8	-5	-29.4
Bolivia, Santa Cruz	505.56	0	0	-34.1
Argentina, Buenos Aires	310.00	-3.1	-3.1	-44.6
Uruguay, National Average	680.00	1.5	-5.6	-16

Source(s): Instituto de Economia Agrícola; Servicio de Información y Análisis de Mercados Agropecuarios, Bolivia; Bolsa de Cereales; Unidad Centralizada de Adquisiciones - Ministerio de Economia y finanzas

Wholesale prices of yellow maize in South America



	Latest Price (May-15)	Percent Change 1M	3M	1Y
Ecuador, Quito	470.00	-4.1	-2.1	6.8
Brazil, São Paulo	126.19	-7.9	-13.4	-36.2
Argentina, Rosario	111.04	-4.3	-1.2	-32.5
Peru, Lima	390.00	0	2.6	-9.3

Source(s): Sistema de Información Nacional de Agricultura, Ganadería, Acuacultura y Pesca - SINAGAP; Agrolink; Bolsa de Cereales; Ministerio de Agricultura y Riego

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 June 2015.

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

Enquiries may be directed to:
Food Price Monitoring and Analysis (FPMA)
Trade and Markets Division (EST)
Food and Agriculture Organization of the United Nations (FAO)
Viale delle Terme di Caracalla
00153 Rome, Italy
E-mail: GIEWS1@fao.org

I4722E/1/06.15