WFP Monitored markets:

Amhara	3
Oromia	16
SNNP	7
Somali	3
Tigray	10

Monitored prices:

Wholesale prices (21 markets)
Retail prices (40 markets)
CPI (Consumer Price Indices)

Data sources

WFP Sub Offices
Ethiopian Grain Trade Enterprise
Central Statistics Agency
National Bank of Ethiopia
Woreda DPPO

WFP-Ethiopia – VAM

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HIGHLIGHTS

- *In April, year- on- year general inflation stood at 8.6%, food inflation was higher at 12.2% and non-food inflation stood at 4.6%. Month-on-month, food inflation showed a 27% increase from March while general inflation increased by 1.17% only; the low rise in gernal infaltion comapred to food inflation is due to a decline in the non-food inflation in April.*
- *Average whole sale maize prices in selected markets increased by 24% from last year, by 23% from the long term average and by 4% from March 2017.*
- *On the contrary, wholesale prices of white sorghum declined by 9% from the long term average and by 21% from last year, but prices increased from last month by 6%.*
- *Wholesale prices of wheat remained stable just with an increase of 1% to 2% from the long time average and from last month. Wheat prices declined by 7% from last year.*
- *Retail prices of maize increased significantly in SNNPR, Amhara, Harari, Dire Dawa, Oromia and Gambella markets both from the long term average and from last year. Prices declined slightly in Tigray and Somali markets. Compared to last month, prices increased slightly in most regions, which is normal for this time of the year.*
- *Prices of imported food commodities continued to be stable in the benefiting regions of Somali and Afar. The average shoat to maize terms of trade remained stable in monitored markets with slight improvements in some.*

Inflation and Consumer Price Index

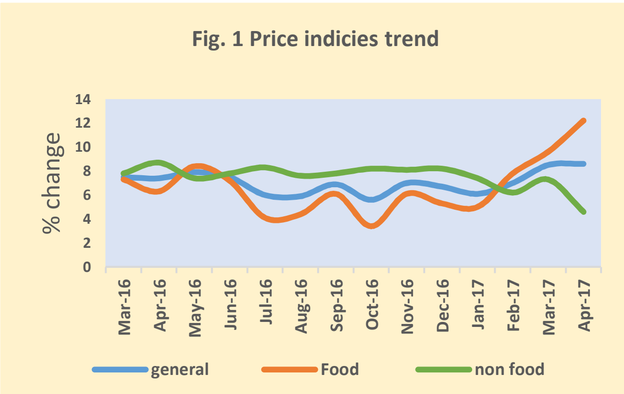


Fig. 1 Price indicies trend

In April, year-on-year general inflation stood at 8.6%, food inflation at 12.2% and non- food inflation at 4.3%. The higher food inflation rate is a result of high price of cereals (maize, Teff, wheat and barley) in most markets. On the other hand, prices of vegetables, fruits, tubers, pulses and coffee showed a decline.

Source: CSA

Wholesale prices of Staple Cereal

As shown in Figure 2, wholesale maize prices increased significantly as compared to the 5 year average (by 23%) and that of last year (by 24%). Average maize prices increased by 4% from last month. Contrary to maize, average wheat prices are close to the long term average and to last month prices. Wheat prices reduced by 7% from last year.

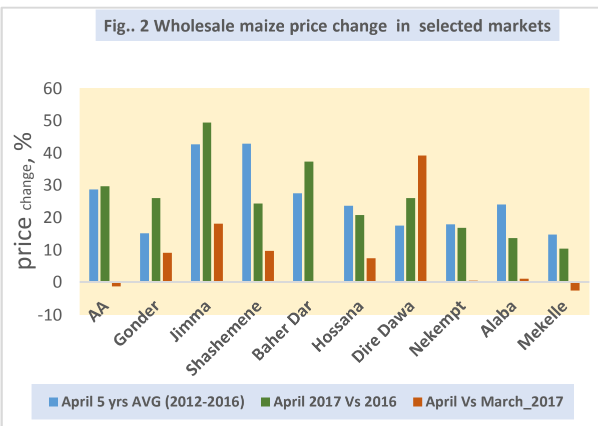


Fig.. 2 Wholesale maize price change in selected markets

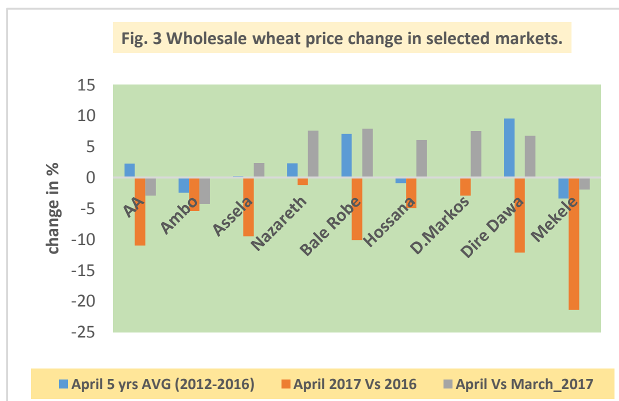


Fig. 3 Wholesale wheat price change in selected markets.

Retail Prices of Staple Cereal

Retail prices of maize in April increased by 8% from last month, 16% from the long term average and 12% from last year.

Regional analysis shows that SNNPR has the highest increase (45%) from the long term average, followed by Amhara & Harari (18%), dire dawa (17%) and Oromia (16%). Compared to last year, SNNPR again shows the highest increase (40%), followed by Amhara (22%), Harari (18%) and Dire Dawa (14%). On the other hand, retail maize prices in Somali region reduced by 6% from the long term average and by 13% from last year. The reduction in prices in Somali is due to continued food assistance coupled with tax free import of food items which are distributed for sale in every Woreda. Month-on- month prices are stable for Tigray, Harari and Somali while prices in Amhara declined by 19% but increased by 13% in SNNPR.

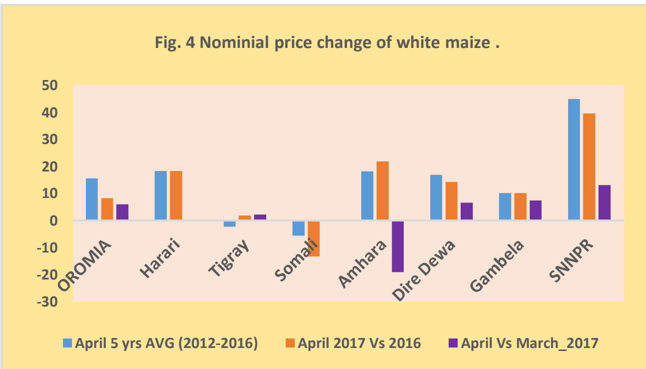


Fig. 4 Nominial price change of white maize .

Average wheat retail prices remained similar to the long term average and to that of last month while prices declined slightly (4%) from last year.

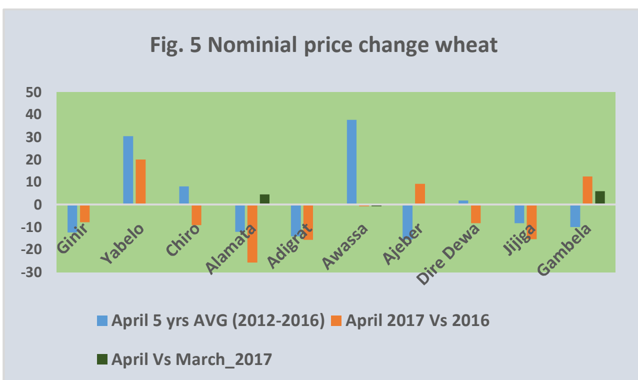


Fig. 5 Nominial price change wheat

Comparing by market, retail wheat prices give a mixed picture compared to last year prices: prices declined by 1% to 26% in different markets (Adigrat 16%, Alamata 26%, Jijiga 13%, Chiro 9%, Ginir & Diredawa 8% as well as Hawassa 1%) but prices rose by 9-20% (Yabelo 20%, Gambella 13% and Ajibar 9%).

Month-to-month comparison shows a stable trend across major markets with slight increase in Gambella (6%) and Alamata (5%).

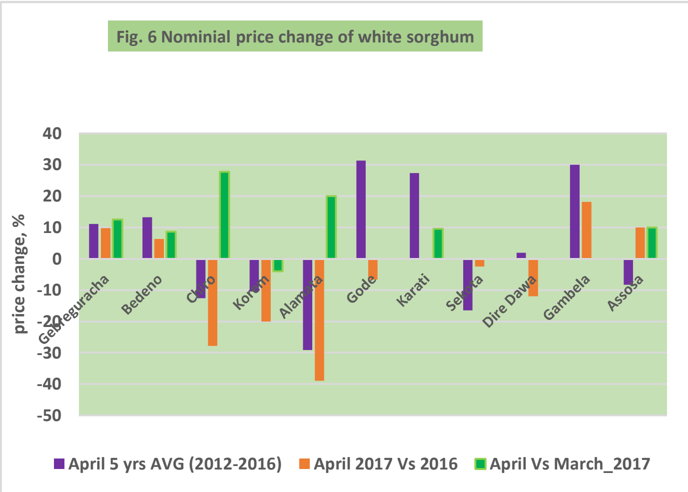


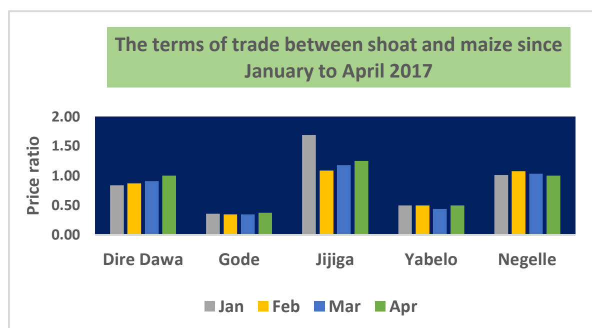
Fig. 6 Nominial price change of white sorghum

Changes in prices of white sorghum differ from area to area. Compared to the long term average, the highest increase in prices was in Gode & Gambella markets (31% & 30%) followed by Karati (27%) Bedeno (13%) and Gebreguracha (11%). On the other hand, prices declined by 8 to 29% in Alamata, Sekota, Chiro, Korem and Asossa markets.

Year on year sorghum prices declined by 2 to 39% in Alamata, Chiro, Korem, Diredawa and Sekota markets while prices rose by 6 to 18% in Gambella, Asossa, Gebreguracha and Bedeno markets. Month- to- month comparison show a decline of 4% in Korem, an increase of 9-28% in Chiro, Alamata, Gebreguracha, Karati, Bedeno and Asossa markets while stable in Gode, Sekota, Diredawa and Gambella markets.

Terms of Trade (TOT)

Shoat to cereal: the terms of trade (ToT) between an average shoat to white maize remained stable compared to the previous month with slight improvements. In Gode and Yabelo, an average goat can buy 0.57 kg and 0.50 kg maize respectively.



The terms of trade between shoat and maize since January to April 2017

Wage to cereal: the daily rate of unskilled labour remained the same in Tigray monitored woredas. Similarly the ToT across many markets remained stable for wage to sorghum. Daily unskilled wage rates to sorghum TOT in Tigray ranged from 8.30 kg to 18.18 KGs while wage rate to maize ranged 9.76 kg to 18.18 KGs.

Table 1. PRICES IN SELECTED MARKETS				
		% changes compared to		
Markets	Price (Birr)	Average (2012-2016)	April-16	March-17
White maize (wholesale in 100KG)				
Addis Ababa	601	29	30	-1
Nazareth	573	19	27	2
Shashemene	680	24	0	0
Bure	520	20	-5	-5
Jimma	620	49	18	18
Bahir Dar	600	37	0	0
Dessie	588	26	-2	-2
Gondar	600	15	26	9
Mekelle	585	15	10	-3
Wheat-Wholesale in 100KG				
Addis Ababa	836	2	-11	-3
Assela	758	0	-9	2
Bale-Robe	766	7	-10	8
Debre Markos	745	0	-3	8
Dessie	755	-4	-3	4
Diredawa	1014	10	-12	7
Mekele	833	-3	-21	-2
White maize(Retail in KG)				
Negelle (Guji)	750	-1	-1	7
Jijiga	1000	18	11	11
Ginir	750	25	25	7
Yabelo	900	36	20	6
Shashemene	650	16	16	18
Korem	620	1	-5	3
Bedeno	800	12	0	3
Alamata	672	9	7	12
Dalocha	ND	ND	ND	ND
Hawassa	820	56	41	17
Wolaita Sodo	ND	ND	ND	ND

Aleta wendo	ND	ND	ND	ND
Meskan	ND	ND	ND	ND
Kobo (N Wello)	632	9	14	ND
Ayssaita	650	24	8	-7
Awash Fentale	600	4	0	0
White sorghum (Retail in KG)				
Turmi	1200	22	33	20
Abomsa	800	13	7	ND
Abaala	850	-11	0	0
Abyi Adi	680	-13	-23	-11
Korem	720	-10	-20	-4
Wekro	570	-30	ND	0
Sekota	800	-16	-2	0
Kobo (Amhara)	900	-20	-22	ND
TOT (Shoat to maize in KG)				
Yabelo	1	241	-32	13
Negelle (Guji)	1	1	1	-3
Jijiga	1	-5	-15	-5
Gode	1	-46	-22	8
Diredawa	1	6	17	3
TOT (wage to cereal in KG)				
Kobo (wage to maize)	9	62	17	ND
Bati (wage to maize)	ND	ND	ND	ND
Alamata (wage to sorghum)	12	40	101	-17
Korem (wage to barley)	12	ND	64	13
Exchange Rates (Birr/US $)	23	17	0	0