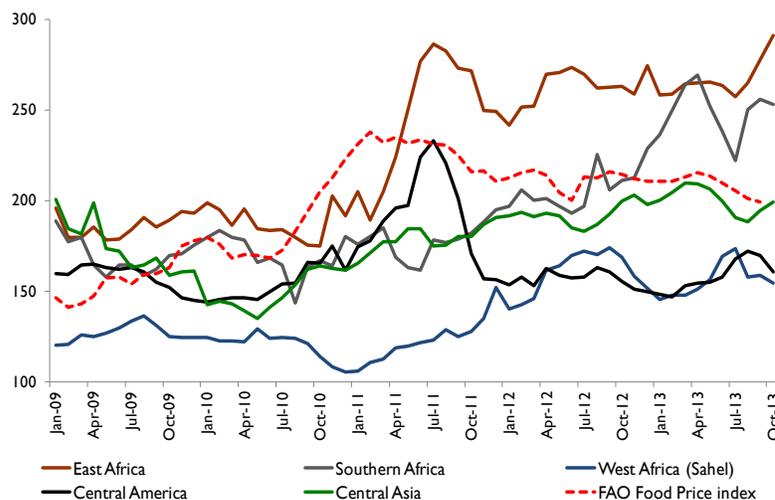


KEY MESSAGES

- In **West Africa**, market supplies improved throughout the region in October due to average ongoing harvests. Carryover stocks were average to above-average in Mali, Burkina Faso, and Benin but below-average in many areas of the Niger and Nigeria due to the effects flood and conflict that disrupted the marketing system in 2012 and early 2013. Stable rice imports from international markets contributed to food availability in Senegal and Mauritania (Pages 3-5).
- In **East Africa**, sorghum prices increased atypically in parts of Sudan and Ethiopia. Maize prices increased atypically in Kenya due to below-average expected harvests. Bean production in Uganda, Rwanda, and Kenya was below-average in 2013, resulting in tight market supplies, reduced trade flows, and high prices. The effects of localized conflict, the devaluation of local currencies, and high levels of inflation reinforced upward price trends in some areas (Pages 5-8).
- In **Southern Africa**, maize prices were stable or began increasing in October as the lean season approached. Price levels remained above their respective 2012 and five-year average levels due to tight regional supplies resulting from localized production shortfalls during the previous two seasons, as well as strong export and institutional demand. Maize grain and meal prices continued to increase atypically in parts of Zambia and Malawi. Rice, cassava, and beans reinforced food availability throughout the region (Pages 8-10).
- In **Haiti**, local black bean and maize prices were stable or decreased due to improved food availability following spring harvests. In **Central America**, beans prices declined in September due to the availability of ample stocks from above-average production in 2012 and 2013 (Pages 11-12).
- In **Afghanistan and Tajikistan**, wheat flour prices were stable in October due to ongoing above-average harvests and the availability of lower-priced imports from Kazakhstan (Page 12-13).
- **International** rice prices remained stable or decreased in October. Maize prices decreased further with improved harvest prospects in the United States. Wheat prices increased due to concerns over production in South America and Black Sea states. Crude oil prices were stable (Pages 2-3).

Figure 1. FEWS NET regional price indices and FAO Food Price Index, January 2009 – October 2013



Sources: FAO and FEWS NET.

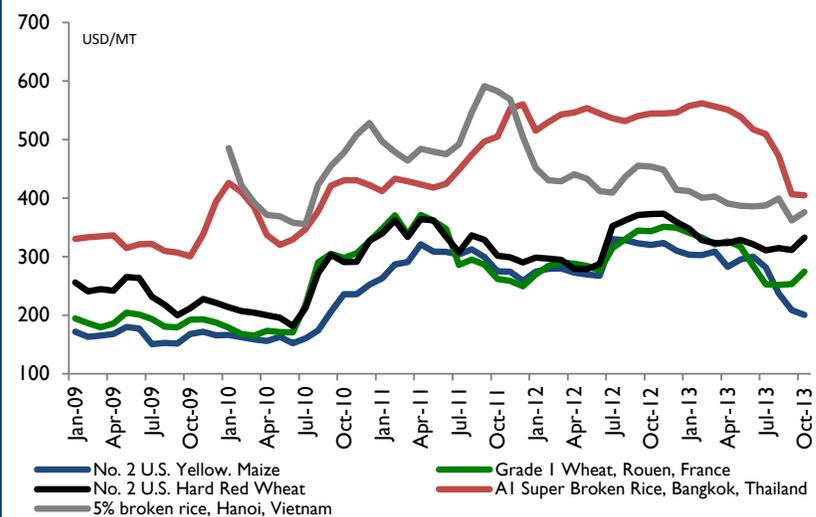
The Famine Early Warning Systems Network (FEWS NET) monitors trends in staple food prices in countries at risk of food insecurity. The Price Watch provides an update on trends in selected reference markets. Trends for key reference markets and commodities are available in the Price Watch Annexes 1 and 2. FEWS NET gratefully acknowledges partner organizations, ministries of agriculture, national market information systems, the Regional Agricultural Intelligence Network, the Food and Agriculture Organization of the United Nations (FAO), the World Food Program (WFP), and others for their assistance in providing price data.

INTERNATIONAL MARKETS

Current situation

- Rice prices on international reference markets continued to decline or remained stable between September and October.** Global rice production estimates for 2012/13 remain on track to surpass the record 2011/12 harvests; the global stocks-to-use ratio is currently at the highest level in a decade ([InterRice](#)). Rice export prices have declined considerably in Thailand since January due to the availability of large carry-over stocks as well as the depreciation of the Thai Baht vis-à-vis the U.S. dollar. Indian rice exports have reached record high levels in 2013, following the removal of the export ban on non-basmati rice in 2011 ([Foreign Agricultural Service](#), FAS).

Figure 2. Food commodity prices in selected international markets, January 2009 – October 2013



Sources: FAO and World Bank.

- Monthly average maize prices on international reference markets continued to decline between September and October as harvest prospects improved in the United States** ([International Grains Council](#), IGC). Global maize stocks are projected to rise to their highest levels in over a decade due to near-record harvests in the United States, ample stocks in South America, and a decrease in overall consumption estimates. Maize export prices remain below their respective 2012 and five-year average levels.
- Wheat export prices increased in October after declining considerably earlier in the year due to concerns over production prospects in Black Sea states and Argentina.** Global 2013/14 wheat production is still projected to near-record levels and total end-season stocks are expected to increase in 2013/14 compared to their respective 2012/13 levels ([United States Department of Agriculture](#), USDA). Wheat prices remain below their respective 2012 levels.
- World soybean and palm oil production levels are expected to reach record high levels in 2013/14** ([FAS](#)). Soybean and soybean oil prices decreased between September and October due to improved production prospects in key exporting countries; prices are below their respective 2012 levels.
- International crude oil prices were stable between September and October** ([World Bank](#)). However, fuel prices continued to increase in some importing countries due to the depreciation of the local currency vis-à-vis the U.S. dollar and changing local fuel price policies.

Outlook

- International rice prices are expected to decline further through the remainder of 2013; global production and carry-over stocks are expected to reach record or near-record levels.** Global rice trade is expected to remain stable in 2013 due to reduced import demand from countries in Sub Saharan Africa and Asia, where local production was particularly good in 2012/13 ([InterRice](#)). Otherwise, strong demand and high rice prices in China are likely to contribute to steady exports from Southeast Asia and may put some upward pressure on export prices.
- Current harvest prospects suggest that maize prices will decline further through the end of 2013 and stabilize thereafter.** The evolution of international maize prices in the coming months will depend on how markets respond to new information about the 2013/14 Northern Hemisphere growing season.
- International wheat prices will respond to new information about the end of season harvest prospects in South America and Black Sea states.** Increased exports from India (a non-traditional exporter) may help offset the effects of reduced exportable surpluses elsewhere. Persistent high import demand from China and Egypt could put upward pressure on prices in key reference markets in the coming months.

- Global soybean, soybean oil, and palm oil prices will continue decreasing through the end of 2013.
- International crude oil prices will likely remain stable in the coming months ([World Bank](#)).

Staple food price trends across the FEWS NET countries will vary considerably in the coming months in response to local and regional market conditions; international market trends will play a more limited role in most countries (Figure 1). Fuel price trends in FEWS NET countries will depend on both international market conditions, the evolution of local exchange rates in relation to the U.S. Dollar, and the design and implementation of local fuel import and price policies.

WEST AFRICA

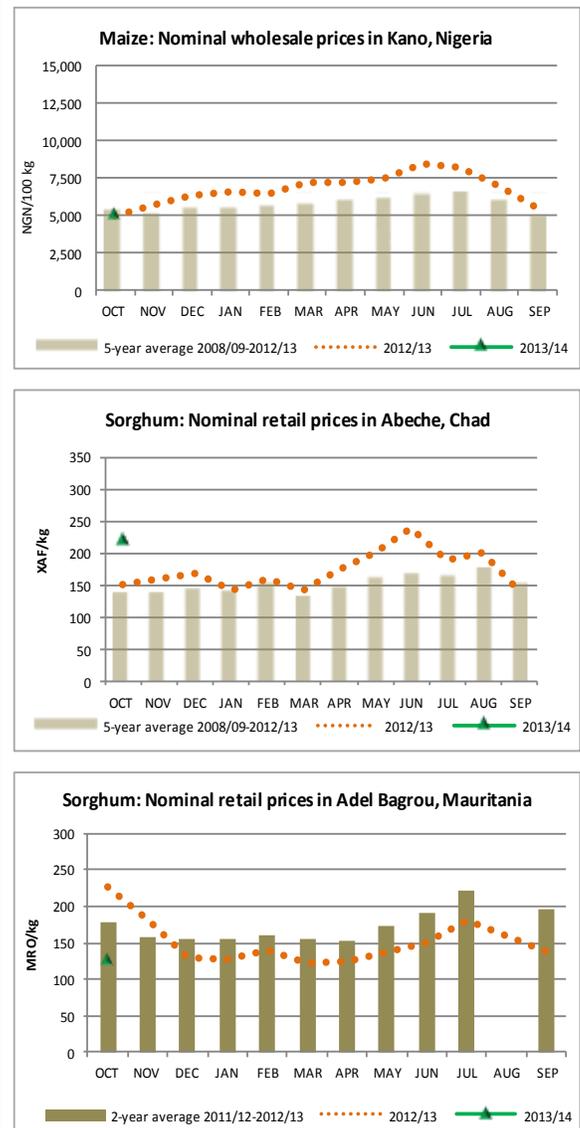
Current Situation

West Africa: Staple food availability improved throughout the region in October due to the availability of ongoing average harvests and stable imported rice supplies from international markets. Market supplies in the region's major surplus producing areas were normal for the early harvest period, although stocks had not yet reached the region's main consumption centers (including urban centers). Staple food prices were generally stable between September and October with slight decreases in areas where harvests are well underway.

- **Maize supply outpaced demand in October in the region's major production and collection areas**, which helped to exert downward pressure on prices along the marketing chain. This is despite strong seasonal demand for maize as poultry feed in the lead up to end of year holidays. Maize prices in the central basin are at or below their respective five-year average levels, while maize prices elsewhere in the region are generally higher.
- **Millet prices were generally stable between September and October despite the improved market availability.** Millet prices even increased in Kano (Nigeria) and Dakar (Senegal) as local demand outpaced supply. Millet prices remain above their respective five-year average levels.
- **Cash crop (cowpeas in particular) marketing increased in October with recent harvests.** Subsequent years of good cowpea production conditions coupled with improved storage techniques have contributed to above-average cowpea market supplies. Cowpea demand, particularly from coastal countries, remains strong.
- **Livestock prices remained well above their respective five-year average levels in October** due to good pasture conditions during the 2013 rainy season and resulting good livestock body conditions and strong demand from coastal countries. Terms of trade remain favorable for pastoralists and agro-pastoralists.

Eastern basin (Benin, Nigeria, Niger, and Chad): Maize, millet, cowpea, yam, and sweet potato harvests improved staple food market supplies in October and contributed to stable or decreasing prices in the region's major production zones. Harvests have not yet reached their peak and market supplies in the structurally-deficit areas of the eastern basin have not improved considerably. Trade flows were supported by a decrease Boko Haram-related insecurity.

Figure 3. Price trends in selected markets in West Africa



Note: the figures follow the marketing year in each country.

Sources: FEWS NET and ONASA-Benin.

Benin: Maize market supplies continued to improve in October as harvests were well underway and producers and traders continued selling off stocks from the previous growing season. Market supplies from earlier harvests in the southern part of the country were reinforced by harvests in the north. Staple food prices remained generally stable compared to previous months. Maize prices nevertheless increased by 27 percent in Parakou, where maize prices were the lowest throughout the country, due to strong demand. Improved supplies of imported rice at subsidized prices led to a 13 percent decrease in rice prices in Bohicon between September and October.

Nigeria: Maize, sorghum, and millet harvests intensified in October, thereby improving household and market-level staple food availability. Remaining stocks from the 2012/13 marketing year remain below-average because of the effects of last year's flooding and conflict-related market disruptions. Staple food prices varied between September and October. For example, maize prices increased by six percent in Giwa and 20 percent in Saminaka due to below-average stocks during the early harvest period and strong demand for livestock feed ahead of the end of year holidays. Cowpea prices increased by over 50 percent in Dandume and Dawanu (Kano) due to strong local demand and an increase in export demand through these markets that has accompanied the relative recent calm in northern Nigeria. Maize prices decreased by nine percent in Dawanu (Kano) while sorghum prices decreased by 31 percent in Giwa due to improved availability from recent harvests. Prices are generally above their respective 2012 and five-year average levels.

Niger: Cereals supplies were largely assured in October through carryover stocks, ongoing harvests in the region's production zones, and imports from regional markets. Market supplies in the region's surplus producing areas were mostly oriented toward cash crops (cowpeas, peanuts, and sesame). Staple food and cash crop prices declined in many places between September and October due to the effects of ongoing harvests, but remain above their respective 2012 and five-year average levels.

Chad: Staple food markets are well supplied with recent harvests that continue to reinforce food availability countrywide. Cereals trade flows between the Soudanian and Sahelian zones increased in October as the differences in prices between the country's structurally surplus and deficit zones widened, encouraging trade. Maize and sorghum prices decreased in the Soudanian zones, but remained stable in the northern parts of the country. Sorghum prices increased atypically by 10 percent in Abéché due to strong demand as pastoralists sought to rebuild their cereals stocks. Livestock prices declined slightly between September and October in the Sahelian, although the strongest decrease was observed in Mao, where sheep prices declined by over 40 percent as pastoralists sold off their livestock to purchase grain.

Central basin (Mali and Burkina Faso): Ongoing cereals and tubers harvests encouraged large producers and traders to continue selling off their above-average stocks in October, while household-level market demand decreased. Trade flows between the basin's structurally surplus and deficit zones were lower than usual, due to ample availability. Maize, millet, and sorghum prices were generally at or below their respective October 2012 levels.

Burkina Faso: Staple food markets were generally well supplied in October with harvests and carryover stocks from the average to above-average 2012 growing season. Humanitarian interventions underway in the country's deficit and more isolated northern and central areas facilitated local food access for poor households, including refugee populations from Mali. Staple food prices declined between September and October and remained well-below their respective October 2012 levels in many places.

Mali: Traders and producers continued to sell off their remaining stocks from the 2012/13 marketing year as the harvests continued in October. Market supplies in the region's major production zones increased considerably in October, but was not yet sufficient to have generalized impacts along staple food marketing chains. Trade flows persisted between the southern and the northern parts of the country that have been affected by civil instability over the past year and half. Flour, rice, sugar, and pasta imports from Algeria continue independently of localized conflicts along the border. Staple food prices declined considerably between September and October in the region's major production zones and remained generally stable; prices are well below their respective 2012 and five-year average levels.

Western basin (Senegal and Mauritania): Millet and sorghum market supplies increased with the start of local harvests while imported staple foods contributed to local food availability. Imported rice availability was sufficient as imports from international markets persisted at stable prices. Locally and regionally produced staple food prices remained generally stable in October.

Mauritania: Staple food availability was adequate in October. Imports from Mali persisted into the southeastern parts of the country, despite the ongoing presence of trade restrictions. This reinforced internal trade flows as well. Staple food prices were generally stable between September and October, including the riverine and agropastoral areas. However, much of the area under cultivation in the flood recession areas are currently flooded and household demand for sorghum

seeds is atypically high for Wallo production. In the country's rainfed areas, sorghum prices decreased by up to 11 percent in Abdel Bagrou due to ongoing local harvests and stable supplies from neighboring countries.

Senegal: Market supplies improved in October as traders in the country's major production zones sold off their remaining stocks and as new harvests arrived onto markets. Staple food prices were generally stable or decreased slightly between September and October. Prices nevertheless increased slightly in late October in parts of Senegal that were affected by a shortened rainy season. The availability of recent harvests and continuous rice imports from international markets maintained market supply and stock levels throughout the country. Senegal is currently on track to import record volumes of rice from international markets in 2013/14 ([USDA Rice Outlook](#)).

Outlook

Over the course of the coming months, food availability will improve throughout the region as carry-over stocks and harvests following the June through September rainy season arrive on markets. As such, cereals prices will likely decrease over the through December period before stabilizing in early 2014. In places that experienced flooding or a late start of season, main season harvests will likely arrive late, resulting in some atypical maize, millet, groundnuts, and cowpea marketing and price behavior. Price increases are expected to be minimal because of average to good projected harvests and humanitarian interventions underway. As ongoing harvests intensify, so will staple food trade flows between the region's surplus and deficit areas.

Cash crop harvests are expected to be average to above average because of favorable growing conditions this year due to increased acreage devoted to cash crops as well as some households switching from millet to cowpeas because of their shorter production cycle. Low rates of pest infestations will continue to limit post-harvest losses while improved storage methods will continue to allow producers to avoid immediately selling off their cowpeas during the post-harvest period. Therefore, although production is expected to be above-average, cash crop prices may not fall drastically during the January and February post-harvest period, maintaining prices at above-average levels.

Favorable agropastoral conditions will continue to assure good livestock health and body condition. High livestock prices will persist in the coming months as consumers in costal countries purchase livestock ahead of the end of year festivities.

EAST AFRICA

Current:

East Africa: Sorghum prices increased atypically in many surplus-producing areas of Sudan between September and October due to expected below-average production that led traders to hold onto their stocks in anticipation of higher future prices. Elsewhere in the region, sorghum prices increased seasonally between September and October in Somalia and northern Uganda as the lean season progressed, and were stable in Djibouti. Maize prices increased with the progression of the lean season in Rwanda, Uganda, and Somalia with the progression of the lean season, but increased atypically in Kenya due to below-average expected harvests. Maize and sorghum prices increased atypically in parts of Ethiopia. In Tanzania, maize prices remained stable in October when they would normally begin increasing due to above-average harvest in the southern highlands; Tanzanian maize, rice, and bean exports increased compared to earlier months. Bean production in Uganda, Rwanda, and Kenya was below-average in 2013, resulting in atypically high prices and reduced trade flows due to tight supplies.

Sudan: Sorghum and millet prices increased atypically between September and October, when prices normally decrease ahead of the November-through-January harvests. Late and below-average expected harvests led large farmers and traders to hold on to their stocks in October in anticipation of higher prices later in the year.

- **Wholesale sorghum prices increased atypically by six to 19 percent in the country's main production areas (Gedarif, El Fasher, and El Obeid) and were 69 to 154 percent higher than their respective five-year average levels.** High sorghum prices in Sudan have reduced incentives for regional exports. Millet prices increased by up to 16 percent during the September to October pre-harvest period in Port Sudan, El Fasher, and Nyala.
- **The 70 percent reduction in fuel price subsidies in September contributed to a 30 to 50 percent increase in transportation costs between September and October.** The local currency was devalued by almost 30 percent during the same period, thereby putting additional upward pressure on imported food and fuel prices.
- **Annual inflation increased from 29 to 40 percent between September and October 2013;** driven by the devaluation of

- the local currency and the recent decision to lift fuel subsidies which has jointly increased the cost of living.

South Sudan: Sorghum prices were stable or continued to decline seasonally between September and October in Aweil, Wau, Juba, Malakal, and Bor due to increased food availability from the ongoing October to December **harvests**; maize prices followed these same trends. In these areas, October sorghum prices were up to 32 percent lower than their respective 2012 levels due to near-average harvest prospects; improved security contributed to expanded production in northern states in 2013/14 compared to previous years. Sorghum prices remained highest in Bor due to local conflict and persistent insecurity that continue to disrupt the marketing system.

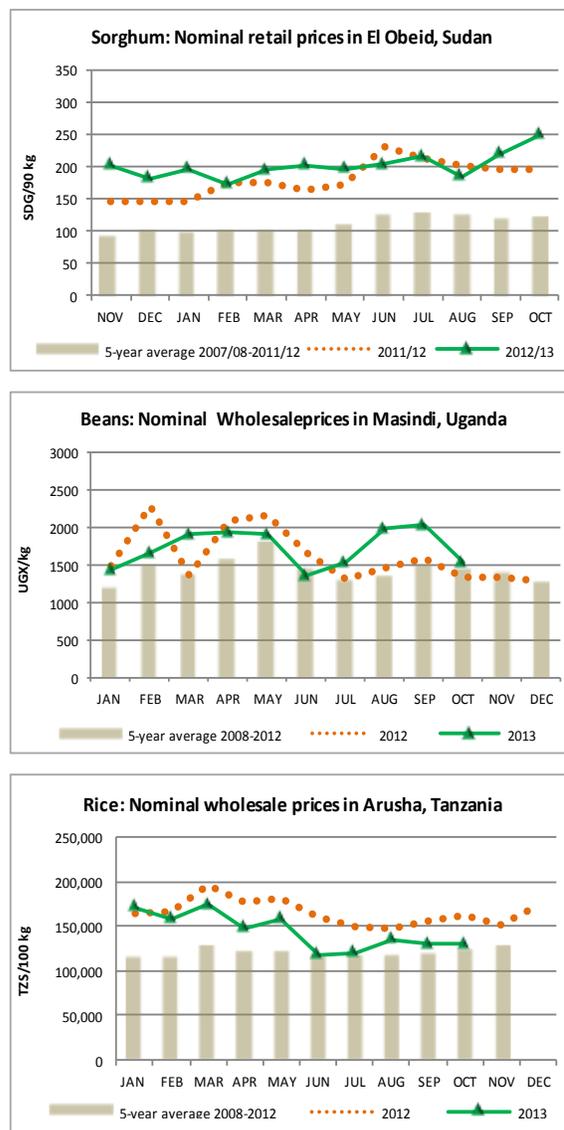
- Heavy flooding in October disrupted formal and informal staple food trade flows along the main road connecting South Sudan and Uganda (Gulu-Nimule road).**
- Despite continuous deflation since June (attributed to resumed oil exports in May), sorghum and maize prices in South Sudan remain the highest in the region** because of thin markets and high transportation and transaction costs due to poor road conditions and regular outbreaks of insecurity.

Ethiopia: Wholesale sorghum prices increased atypically between September and October in Addis Ababa, Mekele, Dire Dawa, and Bahir Dar because of the effects of subsequent below-average harvests in 2012 (*Meher*) and 2013 (*Belg*), combined with the effect of the ongoing October to January maize and sorghum harvests that are expected to be below-average— especially in Eastern Tigray Zone and northeastern Amhara. Elsewhere in the country, retail maize prices decreased seasonally by 24, 16 and six percent in Shashamene, Jimma, and Waloyita as early fresh supplies arrived onto markets. Sheep and goat prices in the southeastern pastoral markets declined marginally due to decreased domestic and external demand following the Hajj and Eid holidays in October.

Somalia: Sorghum and maize prices increased seasonally between September and October as domestic supplies from the July to August (Gu) harvest tightened. Maize prices increased by eight to 31 percent in Merka, Afgooye, and Qoryoley in the main maize-producing Lower Shebelle Region while red sorghum prices increased typically by 23 to 31 percent in Baidoa, Dinsor, and Qansahdere in the surplus-producing Bay Region. Both sorghum and maize prices remain at or below their respective five-year average levels. Cowpea prices declined seasonally by between 10 and 40 percent across most reference markets in Somalia due to increased market supply following the average July-to-August harvest. Imported food prices (vegetable oil, sugar, wheat and rice) declined in most areas in October due to improved Mogadishu port capacity, and relatively stable international source markets prices.

- White sorghum prices increased atypically in Hargesia in the cereal deficit north** by up to 14 percent due to delayed local harvest and expectations of reduced output in the main source market of East Hararghe in Ethiopia.
- Food prices increased in some areas affected by insecurity or changes to local taxes** including Kismayo, Buale, and Afmadow in the Lower and Middle Juba Regions; poor road conditions due to ongoing rains disrupted supplies of imported commodities to Luuq, Belet Hawa, Bardhera markets in Gedo Region.

Figure 4. Price trends in selected markets in East Africa



Note: the figures follow the marketing year in each country.

Sources: FAMIS, Tanzania Ministry of Industry Trade and Marketing, WFP, MIS/Farmgain Africa Ltd and the Uganda Bureau of Statistics (UBoS).

Kenya: Maize prices increased atypically between September and October by eight to 10 percent in Nairobi and Mombasa due to the combined effects of a 15 to 25 percent reduction in expected production compared to 2012 (due to a prolonged dry spell between May and June) and farmers and traders who are holding on to their stocks until the National Cereals and Produce Board (NCPB) begins its purchases in mid-November in anticipation of higher prices later in the marketing year (April and July). Maize prices increased seasonally by up to 20 percent in the pastoral areas of Mandera, Marsabit, and Moyale; and in the southeastern and coastal areas of Kitui and Mombasa with the progression of the August-to-January lean season. Local bean production was below-average this year and August to October bean imports declined by 67 percent when compared to the respective 2011 and 2012 average as result of tight supplies in Uganda; bean prices increased across most reference markets.

Uganda: Maize, sorghum, and cooking banana prices increased between September and October while bean prices decreased, at higher levels, after increasing atypically earlier in the year.

- **Maize prices continued to increase between September and October** by six and 20 percent in Arua, Tororo, Masindi, and Kampala. October prices were 30 to 55 percent higher than their respective 2012 levels due to tight supply following below-average June-to-August harvest.
- **Bean prices declined by 14 to 25 percent between September and October** ahead of the green and dry November to December harvests after increasing atypically in previous months.
- **Informal maize and bean exports to Sudan, Kenya, and Rwanda declined more than usual** at this time of year because of high Ugandan prices and tight supplies from the previous below-average harvests.
- **Cooking banana prices were over 25 percent higher than their respective five-year average levels** due to the persistent effects of banana wilt since 2001.

Rwanda: Staple food prices continued to increase in October with the progression of the September-to-November lean season. Bean, cooking banana, and maize prices increased between September and October by an average of 11, 20 and 18 percent, respectively. Prices were, on average, 20 to 70 percent higher than their respective two-year average levels due to a below-average June-to-July harvest that resulted in an early depletion of household stocks. Bean imports from Uganda increased in August but then declined between September and October due to tight Ugandan supplies and resulting high prices. Irish potato prices decreased were stable with the start of early harvests but were, on average, 62 percent high than their respective two-year average levels as local supply has been insufficient to meet demand.

Tanzania: Wholesale maize prices remained stable across most reference markets, and decreased by up to 10 percent in Dodoma and Dar es Salaam during a period when prices should be increasing. Maize supplies are atypically high due to above-average June to August (*Msimu*) harvests in the southern and central unimodal regions and October maize prices were up to 17 percent lower than their respective 2012. Local rice prices also remained atypically stable due to increased supply, but increased seasonally by six percent in the main collection market of Mbeya and the retail market of Dar es Salaam due to high demand during the October-to-January lean season. October wholesale rice prices were 20 to 43 percent lower than respective 2012 prices. August to October maize, rice and bean exports (to Kenya, Rwanda, Burundi and Uganda) were 55, 21 and 21 percent higher than their respective previous two-year average levels. Bean prices increased seasonally by up to 23 percent as supplies tightened with the start of the October to January lean season in the northern areas and imminent start of the November to March lean season in the southern and central regions.

Djibouti: Staple food prices remained stable between September and October.

Outlook

Sudan: Sorghum and millet prices are expected to stabilize and decline slightly in the coming months with the progression of November-through-January harvests. Prices will likely not decline significantly due to expected below average harvest, high inflation, and the continuous depreciation of the local currency. The lean season is expected to begin two months earlier than usual (in March/April rather than in May/June) during which prices are expected to increase faster than usual

South Sudan: Staple food prices are expected to continue declining through December with the progression of harvests, and decline further during the January-to-March marketing period. If the South Sudanese Pound (SSP) is devalued, the cost of regional and international imports could increase.

Ethiopia: Grain prices are expected to decline in November with the progression of the October-to-December harvest. The effects of below-average sorghum and maize harvests; particularly in eastern Tigray and northeastern Amhara will mitigate the decline in prices.

Somalia: Both sorghum and maize prices are expected to increase through December until the next harvest in January.

Kenya: The NCPB purchase prices of Kshs 3000/90kg bag will become the temporary reference prices for large and medium scale farmers and traders. This may stabilize or put upward pressure on prices, depending on the prevailing market price. Once the NCPB has reached its purchase goal of 90,000 MT (or around four percent of total expected October to January harvest), prices are will likely resume a seasonal downward trend through January as the bulk of the harvest arrives onto markets. The effects of below-average production from the recent March-to-October season will reduce the seasonal decline in prices. Seasonal price increases in the southwestern, southeastern, coastal, and the northern pastoral market of Moyale will typically be moderated by regular imports from Tanzania and Ethiopia.

Rwanda: Beans, cooking banana, and maize prices are expected to continue rising seasonally through November and start declining in December with the start of harvest. Cooking banana prices in country's eastern regions will increase more sharply than usual through December after heavy rainfall damaged local plantations.

Uganda: Staple food prices will start declining in late November with progression of the November to January harvest, which is expected to be near average to average.

Tanzania: Bean prices will increase until the start of harvests in January. Maize and rice prices are expected to increase more gradually and unusually late with the start of the lean season in November as a result of above-average recent harvests in the southern regions.

Djibouti: Staple food prices will remain stable through December Sorghum flour prices will likely remain stable or decline marginally in border areas as harvest begin in neighboring areas of Ethiopia.

SOUTHERN AFRICA

Current situation

Southern Africa: Staple food prices were stable or began increasing in October as stocks from the previous March to April continued to deplete. Market supplies are currently atypically low in many areas, resulting in high prices for the second year in a row as the lean season approaches. Although estimated regional production is similar to last year and above the five-year average, localized production deficits during the 2012/13 agricultural season, coupled with lingering effects from localized production deficits during the 2011/12 season and strong export demand, continued to exert atypical upward pressure on maize prices in October. Maize grain and maize flour prices remained higher than their respective 2012 and five-year average levels. The availability of locally produced beans and cassava and imported rice have contributed to food availability in the sub-region.

Malawi: Rain-fed maize production during the 2012/13 growing year declined by 12 percent when compared to 2011/12 and by eight percent when compared to the five-year average (Malawi Ministry of Agriculture and Food Security food balance sheet). Reduced production has resulted in low local market supplies, while market demand remains relatively strong for this time of the year due to lingering effects from last season's maize shortages and currency devaluation.

- **Maize production shortfalls this year were greatest in the typically surplus-producing Central and Northern regions of the country.** Maize prices were stable in the northern region of Malawi between September and October, after increasing atypically in August, due to atypically strong informal imports from neighboring Zambia and sales by the National Food Reserved Agency (NFRA).
- **Despite the availability of higher than average market supplies for this time of year in the structurally-deficit southern region of the country, maize supplies started declining in October and maize prices were stable or began increasing as the lean season approached.**

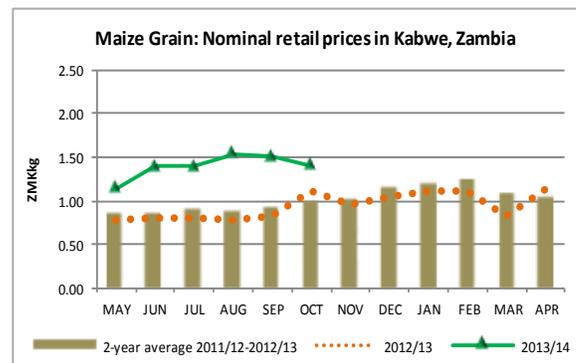
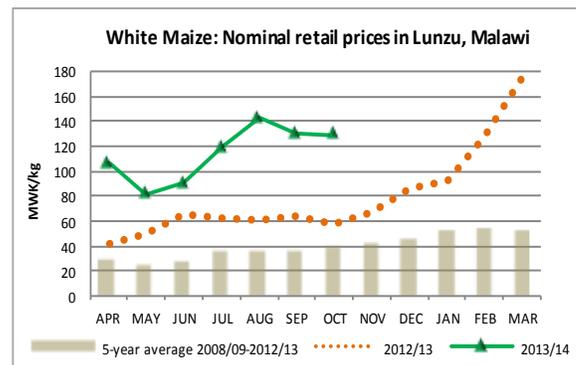
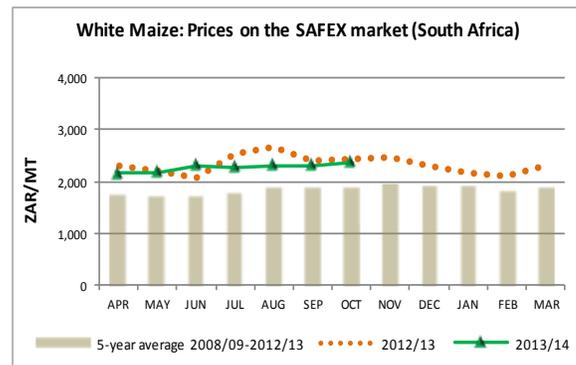
- **Informal trade flows from Mozambique into southern Malawi continued to contribute to food availability, particularly in the border towns like Nsanje.** Although cumulative informal cross-border maize imports into southern Malawi are higher than their respective 2012 levels this marketing year, they are nevertheless lower than their respective five-year average levels.
- **Rice prices were stable in Lunzu after increasing by 30 percent September.** Rice and cassava prices were stable elsewhere, except Karonga where cassava prices increased by over 45 percent between September and October.
- **Subsidized maize sales by the NFRA were underway by early November at 80 MKW/KG—well below the prevailing market prices.** This contributed to food availability and helped maintain price levels in intervention zones.

Mozambique: Staple food flow patterns were normal between source and consumption markets in September and October, following normal seasonal patterns. Maize and bean prices remained stable or began increasing on most markets. **Maize prices increased by 16 percent in Chokwe, the reference market in the flood-affected areas in the Limpopo basin, after remaining relatively stable at high levels since the pre-harvest period.** Maize prices were stable in Nampula in October after increasing rapidly between July and September due to declining market supplies. Bean prices were over 50 percent higher than their respective 2012 and five-year average levels in Maxixe due to shifting supply conditions. Rice prices were stable on most markets in October due to adequate maize availability from stable international rice markets

Zambia: Maize prices were stable or increased between September and October. Maize prices were generally above their respective 2012 and five-year average levels because of a slight reduction in national production, though within average national-level harvests during the most recent production year, and the resulting drastic reduction in maize surplus levels. Other factors that have contributed to atypical price trends in Zambia include increased transportation costs following the removal of fuel subsidies since May 2013 (resulting in a 22 percent increase in fuel prices earlier this year), persistent strong export demand from Tanzania and Malawi, and late maize purchases by the Food Reserve Agency (FRA).

- **Maize prices increased by 14 percent in Chipata, one of Zambia’s surplus producing areas, between September and October because of atypically strong export demand from Northern Malawi.** Maize prices were stable in Kasama after increasing atypically in August due strong export demand from Tanzania.
- **Roller maize meal prices were generally stable but above their respective 2012 and five-year average levels due to high maize grain prices.**
- **The private sector increased its activities this marketing season following Government directive that millers procure directly from producers and traders due to FRA financing constraints.** In an effort to meet the 500,000 MT purchase target, the agency has extended the end of the buying period from end of September to mid-November. It has now reached 90 percent of its target.

Figure 5. Price trends in selected markets in Southern Africa



Note: the figures follow the marketing year in each country.

Sources: Malawi Ministry of Agriculture, Irrigation, and Water Development (MITM), Zambia Central Statistics Office, and SAFEX.

Tanzania: Wholesale maize prices remained unseasonably stable across most reference markets, and decreased atypically by up to 10 percent in Dodoma and Dar es Salaam as a result of increased supply from the June to August (Msimu) harvest in the southern and central unimodal regions. October maize prices were up to 17 percent lower than respective 2012 prices due to above-average production. Local rice prices also remained atypically stable due to increased domestic and import supply. October wholesale rice prices were 20 to 43 percent lower than respective 2012 prices due to above average production and five to 10 percent higher than the respective five year average prices.

Zimbabwe: Although households starting making purchases earlier than usual due to drought-related production shortfalls, staple food prices remained generally stable between September and October. Maize grain prices were stable country wide, with the exception of Harare and Mucheke. Maize grain remains unavailable in Gwanda due to low incentives for traders to move maize to the market as a result of inflows of relatively less expensive South African maize meal. Although maize flour prices were also generally stable in October, they were over 30 percent higher than their respective October 2012 levels. These high price levels are due to the limited availability of local maize grain for milling and high reliance on imports, particularly for maize flour.

South Africa: White and yellow SAFEX maize prices remained stable between September and October. Maize prices are lower than their respective 2012 levels, when maize prices had spiked in response to international market trends. These price trends are despite drought-related harvest reductions in the surplus producing areas of the North West Province in South Africa during the 2012/13 production season.

Outlook

Southern Africa: Maize prices are expected to begin increasing in the coming months as household and trader stocks tighten. Maize prices are also expected to remain high in many areas following the price spikes experienced during the previous consumption year. Tradable cereal supplies are projected to be tighter in the coming months due to localized production shortfalls and generally lower carry-over stocks. Persistent strong demand from the Horn of Africa, international markets (Mexico in particular), and regional destinations will further tighten regional stocks, with implications for regional food availability and price levels.

Malawi: Maize prices are expected to continue to increase in the next months as the lean season approaches. It is also expected that, following the end of the tobacco marketing season and the start of imports of agricultural inputs such as fertilizers, currency reserves will likely start to deplete causing the Malawi Kwacha to depreciate possibly to the low levels observed in April 2013 of about MK413/USD.

Mozambique: Local staple food prices are expected to continue to follow their seasonal pattern and increase steadily in the next months as the lean season approaches and peak in December and January. Similarly, bean prices will also follow their seasonal trends with slight fluctuations depending on the changes in supply levels on markets. Rice prices are expected to remain stable throughout the consumption year due to increased availability from local production and imports. However, maize prices in Nampula city and surrounding areas will remain higher than the average due to dwindling local availability.

Tanzania: Maize prices are expected to begin increasing up to one month later than normal, and more gradually, with the start of the lean season in November due above average harvest in the southern regions. Rice prices are expected to remain atypically stable because of above-average recent harvests and the availability of ample imports from international markets.

Zambia: Maize and maize meal prices are expected to increase seasonally in the coming months despite the FRA buy and sell programs. Additionally, prices are expected to remain at high levels due to high marketing costs and increased export demand from neighboring countries. The country generally has adequate stocks for the remaining marketing/consumption year and beyond, while the government will likely continue to restrict private exports in order to meet national food requirements.

Zimbabwe: Maize grain and meal prices are likely to remain high and increase countrywide in the coming months. Commercial food imports are expected to increase, enabling the country to partially cover domestic supplies. However the government of Zimbabwe will import only 47,000 MT from Zambia, out of a provision of 150,000 due to financial constraints, reducing the total quantities of expected imports.

South Africa: SAFEX maize spot prices will likely track stable or decreasing global price trends. Maize grain and meal exports into the region are expected to increase through the end of the marketing year. This will put downward pressure

maize prices in structurally maize deficit neighboring countries such as Botswana, Lesotho, Namibia, and Swaziland that rely on South Africa for food imports.

CENTRAL AMERICA AND CARIBBEAN

Central America and Haiti: In Haiti, local black bean and maize as well as imported wheat prices were stable between September and October. In Guatemala, El Salvador, Honduras and Nicaragua maize and bean prices are at or below their respective 2012 and five-year average levels. Demand for bean seeds increased in October in advance of the *Postrera* season, and exerted slight upward pressure on prices. Maize prices decreased throughout Central America in October due to above-average *Primera* harvests in August and September. Meanwhile imported rice prices remained stable compared their respective 2012 levels throughout Central America and Haiti.

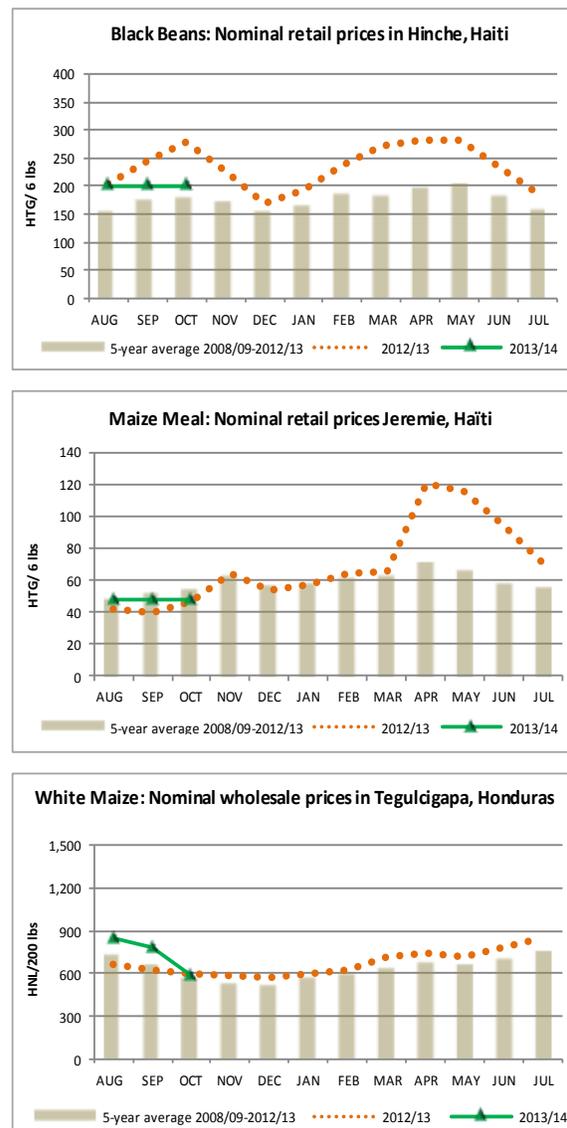
Haiti: Locally produced beans, maize, and maize flour prices were stable or decreased between September and October following recent harvests. The availability of recent root and breadfruit harvests further reinforced staple food availability countrywide and contributed to the observed price trends. The prices of imported wheat and rice remained stable.

- **Imported rice price remained stable across the country between September and October and are similar to their respective October 2012 levels.** Rice prices decreased by 13 percent in Jeremie due to the availability substitute staple foods, like roots and tubers.
- **Black bean prices were stable between September and October.** Prices decreased by 12 percent in Jeremie due to particularly good local harvests. Prices there are now below their respective 2012 levels. In Port au Prince, black bean prices increased by 29 percent between September to October due to government measures to discourage informal black bean imports from the Dominican Republic.
- **Maize flour prices were stable throughout Haiti, due to the availability maize grain from recent and ongoing harvests.** Maize grain and maize flour prices increased by over 25 percent between September and October in Jacmel where local farmers prefer to sell early green corn, rather than waiting to sell maize grain later in the marketing year.

Central America: Maize prices declined between September and October while bean prices were stable, or increased marginally. The *Primera* harvest, the most important in Central America in terms of maize production, concluded in October.

- **Markets are well-supplied with black and red beans throughout Central America due to the recently concluded *Primera* harvest.** Black bean prices increased slightly between September and October due to increased demand ahead of the *Postrera* season in October. In Honduras, El Salvador, Nicaragua, and Guatemala red bean prices were up to 30 lower than their respective 2012 levels. Bean production has increased in recent years due to a combination of factors including an increase in area planted, an increase in government technical assistance, and the absence of adverse climate events. This has translated to an increase in local

Figure 6. Price trends in selected markets in Central America and Caribbean



Note: the figures follow the marketing year in each country.

Sources: CNSA Haiti and SIMPAH Honduras.

market supplies, a decrease in bean imports from regional and international markets, and bean prices that are below their respective five-year average levels.

- **Maize prices decreased seasonally by seven to 24 percent in Nicaragua, Honduras, El Salvador and Guatemala, due to the availability of average October *Primera* harvests.** Rainfall irregularities in July and August resulted in crop losses in the Guatemala's Dry Corridor, but were not sufficient to cause generalized impacts. Maize imports from Mexico continue to support market supplies in Guatemala's western departments, which is normal for this time of year. Prices are at or below their respective 2012 and five-year average levels.
- **Imported rice prices were stable across the sub region between September and October. Prices are likewise comparable to their respective 2012 levels due to relatively stable local exchange rates and international rice prices.**

Outlook

Haiti: Staple food prices will continue decreasing until February, due to the availability of good sorghum and pigeon peas harvests that are expected to start by the end of November. The availability of these substitutes will reduce households' market demand among the poorest households, particularly for rice. The lean season may start up to one month earlier than normal (February instead of March) in areas of the country that have experienced droughts or prolonged periods of dryness over the previous year

Central America (El Salvador, Honduras, Nicaragua, and Guatemala): Staple food prices are likely to decrease in the coming months (November to December) following the *Primera* harvests in region's main production zones. This situation will allow better stocks in the markets. The *Postrera* cycle of maize and beans are underway, and average harvests are expected in November and December. Trade flows between the region's structurally surplus and deficit zones are expected to reach their peak between November and December, maintaining prices at relatively low levels. Well-above average bean harvests are expected in Nicaragua, which may put further downward pressure on prices there and in neighboring countries.

The price and availability of imported rice and wheat flour in both Central American and Haiti will depend heavily on local market conditions and exchange rate regimes as international reference prices for both commodities are expected to remain stable.

CENTRAL ASIA

Current situation

Wheat prices declined substantially since January in Kazakhstan, the region's largest producer and exporter, due to good 2013 harvest prospects and sales of remaining carryover stocks from previous growing seasons (Figure 7). Wheat flour prices continued to increase steadily in Pakistan, an important source market for parts of Afghanistan, due to reduced local harvest prospects ([FAO](#)). Wheat grain and flour prices were stable or decreased in Tajikistan between September and October due to the availability of sufficient Kazakh imports and the progression of the domestic spring wheat harvest. Wheat and wheat flour prices remained stable in Afghanistan, although price levels were above their respective 2012 levels in many places.

Afghanistan: Wheat harvests during the June-through-September season were above-average and markets are currently well supplied with local and imported wheat grain and flour. Wheat and wheat flour prices were generally stable as recent harvests continued to arrive onto markets in October. Wheat grain and flour prices increased by 14 to 27 percent in Hirat and Mazar e Sarif as households made purchases to build stocks ahead of winter when physical market access can be difficult. The stocking period in Afghanistan varies by elevation, but generally takes place between September and December. Wheat grain and flour prices levels remain highest in Nili due to its relative isolation and the poor local grain production in the western central highlands in 2013 (Figure 8). Elsewhere, wheat grain and flour prices remained at or above their respective August 2012 levels due to the lingering effects of high regional and international source market prices in 2012 and early 2013.

Rice and vegetable oil prices were stable on most markets between September and October. Transport fuel prices continue to increase nation-wide, although the sharpest month-on-month price increase of 11 percent occurred in Mazar. Fuel prices remain above their respective 2012 and five-year average levels. The gradual depreciation of the local currency since January 2012 has contributed to recent imported staple food and fuel price increases.

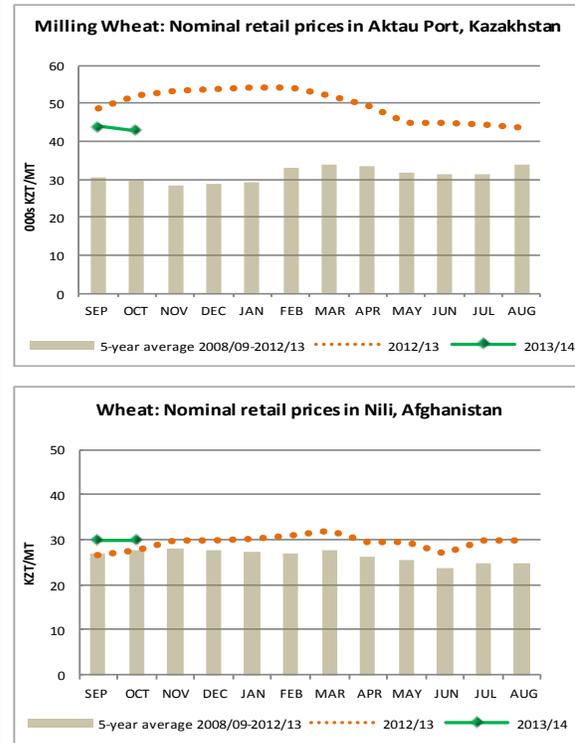
Tajikistan: Wheat grain and flour prices were stable or continued to decrease in October due to the availability of adequate supplies from recent local harvests and imports from Kazakhstan (Figures 7 and 8). Wheat prices in Kazakh source markets have decreased steadily since the beginning of this year, but are approximately 20 percent above their respective 2012 and five-year average levels. Wheat grain and flour prices in Tajikistan were similar to their respective August 2012 but seven to 27 percent above their respective five-year average levels

Potato prices were stable between September and October, as supplies from the recent local harvests arrived on markets. Potato prices increased by seven percent between September and October in Khorog due to the limited availability of local supplies and the high cost of transporting them from elsewhere in the country. Vegetable oil, meat, and transport fuel prices were stable between September and October.

Outlook

Wheat production prospects in Kazakhstan, Afghanistan, and Tajikistan are favorable, and markets will remain well supplied in the coming months. However, recent concerns over production prospects in Russia and other Black Sea states put upward pressure on international wheat prices in October and may result in higher wheat prices in Central Asia in the coming months. Wheat prices in Pakistan may continue increasing in the coming months due to reduced production prospects this year and increased dependence on imports. Border areas of Afghanistan that typically source their wheat from Pakistan will likely experience similar trends. Rice price are expected to remain stable or decrease due to lower seasonal consumption. The recent revision of Russian duties on fuel exports to Tajikistan may reduce transport costs and contribute to lower staple food prices in deficit areas over the consumption year.

Figure 7. Price trends in Central Asia



Note: the figures follow the marketing year in each country

Sources: WFP.