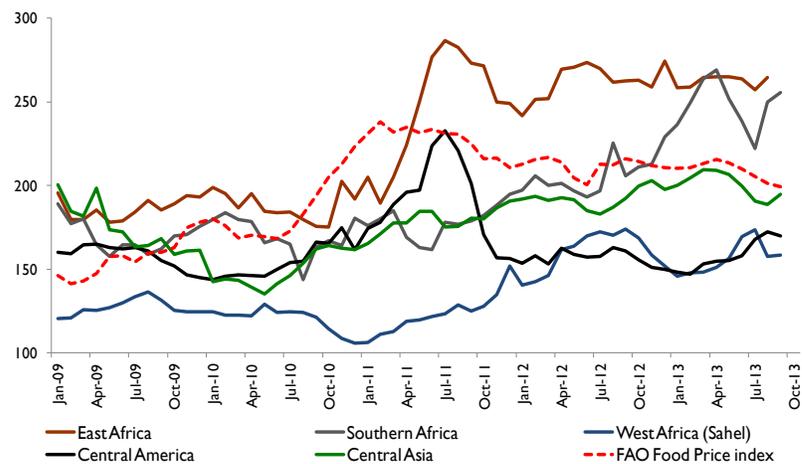


KEY MESSAGES

- In **West Africa**, cereals trade between the region’s surplus and deficit zones increased in September. Staple food prices remained stable throughout most of the central basin in September as producers and traders sold remaining stocks from above-average 2012 harvests. Cereal prices were stable or increased in many structurally-deficit areas as the lean season can to an end. Rice imports from international markets contributed to adequate food availability the Western Basin (Pages 3-5).
- In **East Africa**, staple food price trends varied throughout the region in September. Sorghum prices were stable or increased atypically in parts of Sudan and Ethiopia. Maize prices continued to increase atypically in Uganda, while in Kenya and Tanzania maize prices declined as harvests progressed. Localized conflict, high transportation costs, and high levels of inflation further reinforced upward price trends in some areas (Pages 5-8).
- In **Southern Africa**, maize prices were stable on most markets as the marketing year progressed. 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, and 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. Maize prices increased in El Salvador ahead of November harvests (Pages 10-12).
- In **Afghanistan and Tajikistan**, wheat and wheat flour prices were stable in September due to ongoing above-average harvests and increased lower-priced imports from Kazakhstan (Page 12-13).
- **International** rice prices remained stable or decreased in September. Maize prices decreased further with improved harvest prospects in the United States. Wheat prices continued to decrease due to improving growing conditions and harvest projections. Crude oil prices were stable (Pages 2-3).

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



Sources: FAO and FEWS NET.

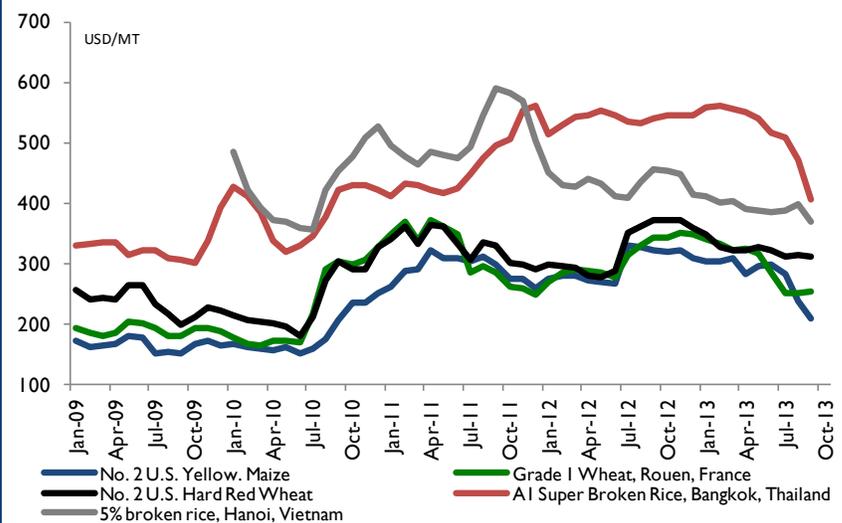
The Famine Early Warning Systems Network (FEWS NET) monitors trends in staple food prices in countries at risk of food insecurity. The Price Watch provides an update on trends in selected reference markets. Trends for key reference markets and commodities are available in the Price Watch Annexes 1 and 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 declined or remained stable between August and September (Figure 2).** 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 declined by 15 to 20 percent 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; prices declined in Vietnam due to low export demand. Export prices in Pakistan and India continue to fall due to favorable local growing conditions.

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



Sources: FAO and World Bank.

- Monthly average maize prices on international reference markets continued to decline between August and September as U.S. harvest prospects improved (International Grains Council, IGC).** Global maize stocks are currently 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 levels.
- Wheat export prices declined considerably between April and September due to favorable production prospects in key exporting countries.** Global 2013/14 wheat production is projected to reach near-record levels and total end-season stocks are expected to increase compared to their respective 2012/13 levels ([IGC](#)).
- Soybean prices increased in September due to poor growing conditions in the United States. Soybean oil and palm oil prices were stable between August and September and were similar to their respective 2012 levels.** World soybean and oil output may still reach record levels due to increased production in South America and East Asia in response to recent global price trends. Global demand remains strong, particularly in Asia.
- International crude oil prices were stable between August and September (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 will likely to contribute to steady exports from Southeast Asia and thereby support export prices.
- 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.** Current harvest prospects suggest that maize prices will decline further over the coming months.
- International wheat prices will continue decreasing in the coming months due to increases in global 2013/14 production, driven largely by expanded Black Sea output (USDA FAS Grain Circular).** Increased output in Russia and Ukraine could boost global exports. Increased exports from India will support these trends. Persistent high import demand from China, Egypt, and Pakistan could help support international reference prices in the coming months.

- **Global soybean, soybean oil, and palm oil prices may stabilize during the rest of 2013** rather than decrease, as North American crop losses are offset an expansion in area planted in South America.
- **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

The 2013/14 agropastoral rainy season began normally across most of West Africa. This is despite slight local delays in the start of season and lower-than-average precipitation levels in the central Sahel, particularly in northern Senegal, western Mali, and parts of the agropastoral zones of Niger and central Chad. Staple food supplies remained normal in many areas due to the availability of remaining stocks from average to above-average production in 2012 and the availability of supplies from regional and international markets. The first growing season (March-July) in coastal countries south of the Gulf of Guinea began late but ended in July; early maize, yam, cowpea and groundnut harvests reached local markets in the area in August and September despite uneven rainfall distribution across that part of the sub-region. Flooding due to abundant rains in August in Western Mali, Guinea, and Sierra Leone had only limited impacts on crop development. Harvests in many parts of the Sahel will begin up to one month later than normal (in November). Early region-wide harvests of cowpeas, groundnuts, maize, yams, and sweet potatoes have generally improved households-level food availability.

- **Ongoing government and humanitarian assistance programs have contributed to improved food availability and access in the region's structurally deficit areas.**
- **Staple food prices were generally stable between August and September.** Seasonal lean season price increases were reinforced in some areas by the late start of green harvests caused by rainfall deficits during critical crop growth stages in May through July. Cereals prices decreased in areas where harvests were already underway in September. Maize prices remained on par with their respective five-year average levels while millet prices are above their respective five-year average levels, particularly in the Eastern Basin.
- **Cowpea market supply increased in September with recent harvests and as producers and traders sold off their above-average remaining stocks from the 2012/13 marketing year.** Cowpea prices decreased in the region's production zones in September, but generally remain above their respective 2012 and five-year average levels.
- **Livestock body conditions and prices remained above average** due to the lingering effects of lush and plentiful pasture in 2012, good pasture conditions in 2013, and strong persistent demand from coastal countries. Livestock prices remain above average and terms of trade remain high, despite above-average cereals prices in some areas.

Eastern basin (Benin, Nigeria, Niger, and Chad): Maize, millet, cowpea, yam, and sweet potato harvests improved staple food market supplies in September and contributed to stable or decreasing price trends in many places. Trade is taking place between the structurally surplus and deficit areas of the marketing basin and markets were well-supplied. Trade flows were supported by reductions in Boko Haram-related conflict that has disrupted the Nigerian marketing system.

Benin: Maize market supplies continued to improve in September as harvests continued and producers and traders continued selling off stocks from the previous growing season. Household-level market demand also decreased and contributed to stable or decreasing maize prices (**Figure 3**). Rice prices increased atypically in a number of places between August and September as subsidized sales of imported rice were reduced or delayed. Imported rice prices increased by 10 percent in Bohicon and 13 percent in Parakou.

Nigeria: Early maize, sorghum, and millet harvests began in September, 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 were therefore generally stable between August and September. Notable exceptions include sorghum and millet prices in Illela, and maize prices in Kano and Saminaka, which each decreased by over 20 percent between August and September. Sorghum prices increased by 25 percent over the same period in Giwa as local stocks depleted as they normally do at this time of year. Ongoing yam and

cassava harvests contributed to stable but high prices for those commodities, particularly in the southern areas of the country

Niger: Cereals supplies were largely assured through imports from regional markets in September. Market demand continued to slow in September as early harvests and humanitarian interventions improved household-level food availability. Staple food prices were therefore stable or began decreasing between August and September. Millet prices nevertheless increased by nine percent in Tahoua and five percent in Abalak as market demand outpaced local market supply from early harvests. Staple food prices are generally above their respective five-year average levels, but are highest in the central and eastern parts of the country.

Chad: Staple food availability was reinforced in September by early harvests in the southern Sudanian zones and ongoing humanitarian interventions. Cereals trade flows between the Sudanian and Sahelian zones increased in September as the price differentials between the country's structurally surplus and deficit zones widened, thereby encouraging trade. Maize and sorghum prices decreased in the Sudanian zones, but remained stable in the northern parts of the country. Maize and sorghum prices increased atypically in Moussoro by 17 and eight percent, respectively, due to below-average local harvests (Figure 3).

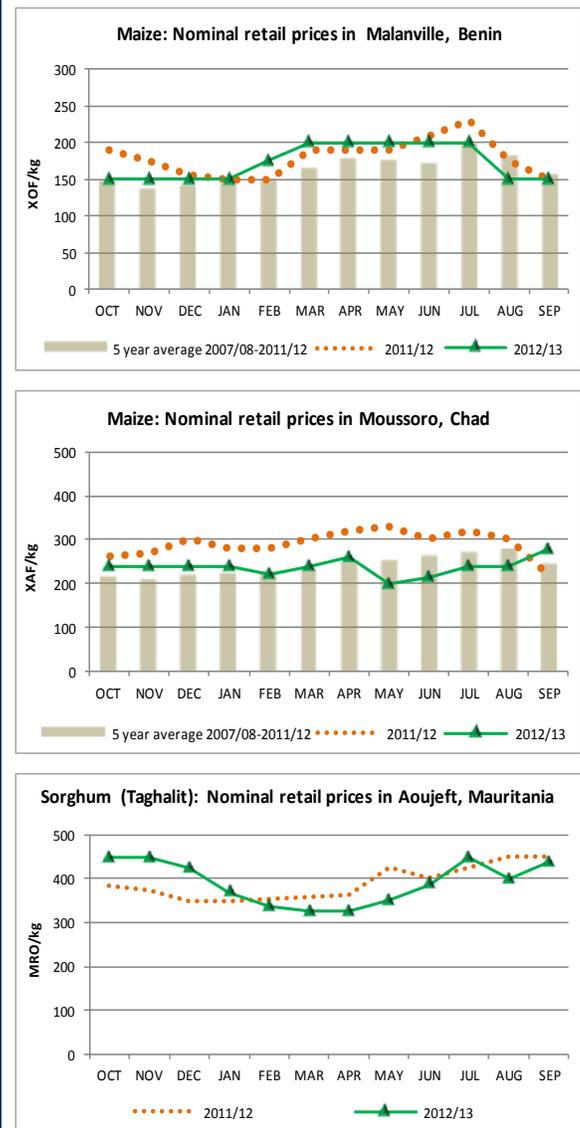
Central basin (Togo, Ghana, Côte d'Ivoire, Mali, and Burkina Faso): Early cereals and tubers harvests encouraged large producers and traders to continue selling off their stocks in September, while household-level market demand decreased. Trade flows between the basin's structurally surplus and deficit zones increased progressively between August and September, thereby improving market availability. Maize, millet, and sorghum prices were generally well below their respective September 2012 levels. Markets were particularly well-supplied with yams in September.

Burkina Faso: Staple food markets were generally well supplied in September with early harvests and carryover stocks from the average to above-average 2012 growing season. Humanitarian interventions underway in the country's deficit and more isolated areas facilitated local food access for poor households, including refugee populations from Mali. Staple food prices remained stable and well-below their respective September 2012 levels (by 27 percent for millet, 19 percent for maize, and 24 percent for sorghum).

Mali: Traders and producers continued to sell off their remaining stocks from the 2012/13 marketing year as the early harvests began in September. Trade flows increased between the southern production zones and the northern parts of the country that have been affected by civil instability over the past year and half. Riverine trade flows were facilitated by the improved water level of the Niger River. Flour, rice, sugar, and pasta imports from Algeria continue independently of localized conflicts along the border. Staple food prices remained stable in September and 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. Staple food prices remained generally stable in September.

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.

Mauritania: Staple food availability and trade flows are below-average in the rain fed production areas of the country that experienced below-average rainfall during the June through September rainy season. Imports from Mali persisted into the southeastern parts of the country, despite the ongoing presence of trade restrictions. Staple food prices were generally stable, with the exception of Aoujeft where sorghum prices increased by nine percent between August and September and in Magta-Lahjar where local rice prices increased by eight percent due to strong local demand as the lean season came to an end.

Senegal: Trade flows between the country's surplus and deficit zones increased in September. This improved food availability compared to previous months, although market supplies were generally below their typical levels during the month of September. Staple food prices were generally stable, although millet prices decreased by 12 percent in Dakar and maize prices decreased by 10 percent in Ziguinchor. The availability of off-season rice harvests and continuous 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 from the June through September rainy season arrive on markets. As such, cereals prices will likely decrease over the October through December period. In places that experienced flooding or a late start of season, green and 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.

Good agropastoral conditions will continue to assure good livestock health and body condition. High livestock prices will persist between October and December as consumers in coastal countries purchase livestock ahead of the end of year festivities.

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.

EAST AFRICA

Current situation

Sorghum prices increased atypically in many surplus-producing areas of Sudan between August and September due to expected below-average production that led traders to hold onto their stocks in anticipation of higher future prices. Prices increased in some areas of Somalia as traders restocked in anticipation of seasonal trade disruptions during the October-to-December (Deyr) rainy season. In Ethiopia, sorghum prices in most markets remained seasonably stable but high compared to their respective five-year average peak of the lean season levels. Prices remained stable across South Sudan due to start of green harvest from the October through December harvests. Maize prices continued to increase atypically in Uganda as stocks from below-average June-to-August harvests depleted in the west, northern and eastern parts of the country, thereby reducing export incentives in August and September. Maize prices increase in the Kigoma Region in Tanzania due to increased export demand from the Democratic Republic of the Congo and Burundi. Maize prices followed their typical seasonal trends in Rwanda (increasing with the lean season), Kenya, and elsewhere in Tanzania (as the August-to-December harvests set in). Maize exports from Tanzania into Kenya, the DRC, and Burundi increased compared to previous months due to increased availability and more competitive prices from the above-average June to August (*Msimu*) harvest in the unimodal southern areas.

Sudan: Sorghum prices increased atypically by nine to 19 percent in El Obied, El Fasher, El Damazin, and Khartoum between August and September due a one-month delay in planting that took place in August/September instead of June/July (Figure 4). Late and below-average expected harvests led large farmers and traders to hold on to their stocks in September in anticipation of higher prices later in the year. Sorghum prices decreased atypically by 19 percent in Nyala and 40 percent in Geneina between August and September because of local food aid distributions to displaced persons (IDPs) and conflict-affected households. Millet crops in Sudan performed relatively better this year and prices remained stable between August and September. Sorghum and millet prices were nevertheless on average 74 and 70 percent higher than

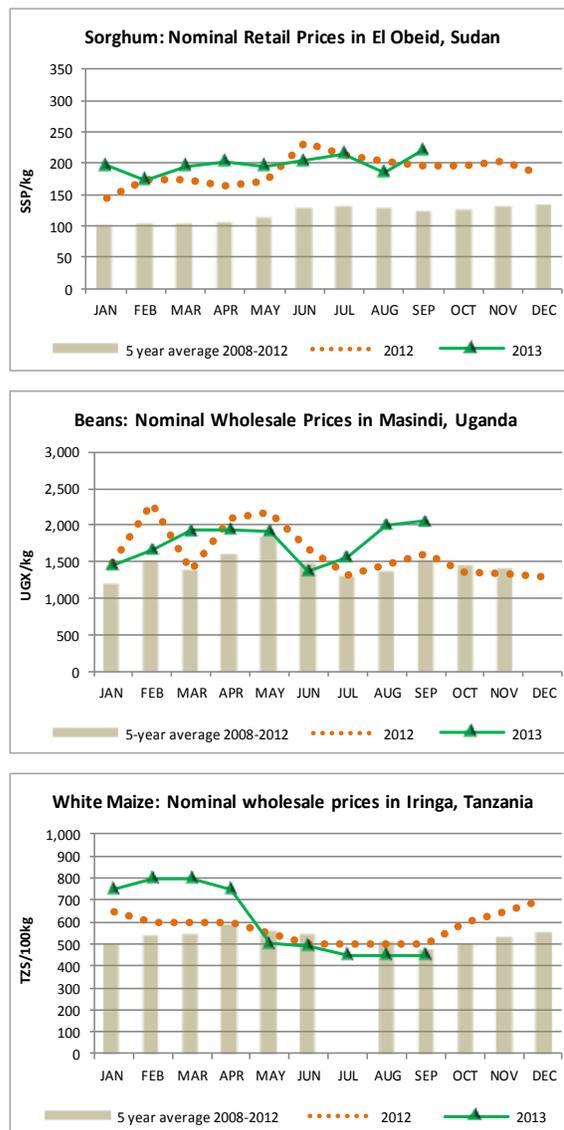
their respective five-year average prices. In September, the Government of Sudan lifted fuel subsidies to reduce the government’s budget deficit. As a result, prices of cooking gas, diesel, and benzene increased by 108, 75, and 68 percent, respectively, in less than one week. Transportation costs increased by 30 to 50 percent for staple foods in remote markets in Darfur, North Kordofan, and Red Sea States where transport costs represent 20 to 40 percent of the retail price, putting upward pressure on the final price paid by consumers.

South Sudan: Sorghum and maize prices continued to decline in September due to the start of green harvests from the October-through-December harvest season. The prices of sorghum increased atypically by 13 percent between August and September due to the effects of excessive rains that disrupted trade in September. Sorghum prices in the northern border areas of Wau and Aweil were 20 to 35 percent lower than their respective September 2012 levels due to the absence of domestic or cross-border conflict with Sudan and the availability of oil revenue that continues to gradually stabilize the macroeconomic environment. Staple food imports into South Sudan declined in line with seasonal trends with the imminent start of the harvest. Staple food imports into South Sudan declined in line seasonally due to the availability of green harvests. Sorghum and maize imports between July and September were 24 and 17 percent lower than their respective 2012 levels of increased local food availability in 2013, which reduced cross-border trade incentives. Wheat and maize flour imports from Uganda and Kenya between July and September were more than two times their respective 2012 levels due to increased demand in the urban centers. Kenya and Uganda have been South Sudan’s the main source of staple food imports since 2011.

Ethiopia: Wholesale sorghum prices remained stable while maize prices increased by up to seven percent in Addis Ababa, Mekele, Bahir Dar, and Dire Dawa between August and September as the highland lean season peaked. Wholesale maize and sorghum prices were over 25 percent higher than their respective 2012 levels in Mekele and over double their respective five-year average levels due to the poor performance of the March-to-June *Belg* sorghum crop, and expected below-average October-to-January *Meher* harvest. Sorghum exports to Somalia and South Sudan between July and September were erratic and 81 percent lower than the 2011/2012 July to September quarterly average due to expected below-average production in northwestern parts of Ethiopia and unpredictable transportation to parts of Somalia as result of conflicts.

Somalia: The price of sorghum increased by 10 percent in Baidoa, in the main sorghum-producing Bay Region, with the start of the October-to-December lean season as traders restocked in anticipation of poor road continues during the October-to-December *Deyr* rainy season. White sorghum prices increased by over 10 percent in Hargeisia and Burco due to a poor local harvest in the Northwestern Agropastoral livelihood zone and as the lean season peaked in the eastern source markets of Ethiopia. Sorghum prices were atypically stable and up to 17 percent lower than their respective five-year average levels in central Somalia (Galkayco and Dhusamareb) due to ongoing food aid distributions. The retail prices of maize declined seasonally between August and September by up to 13 percent in the maize-producing Lower Shabelle Region (Qoryoley, Marka, and Afgooye) as farmers sold off stocks to finance agricultural activities during the October to

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).

December *Deyr* season. Livestock prices increased in September at already high levels due to high demand from Gulf countries (Saudi Arabia in particular) during the Hajj in October. Several seasons with ample pasture and water have improved herd body conditions, productivity, and value.

Kenya: Wholesale maize prices were stable or declined marginally as the harvest season progressed towards the North Rift grain basket region of the country. In the southeastern and coastal regions, supplies were supported by typical imports from Tanzania; maize prices remained relatively stable. Between August and September, wholesale prices of beans increased atypically by 12 percent in Kisumu due to tightening supplies in the Ugandan source market of Busia and by 11 percent in Mombasa as ample dry beans from local and Tanzania production had not yet reached the market. The price of dry beans declined by 11 percent in Nairobi as traders released stocks into the market due to the availability of fresh supplies from the ongoing harvest in the high potential western areas of the country.

Rwanda: Grains and tuber prices increased normally across most markets between August and September with progression of the September-to-November lean season. Bean prices were, on average, 25 percent higher than their respective five-year average levels due to below-average rainfall and harvests earlier in the year, declining household stocks, and resulting increased market demand.

Uganda: Wholesale maize prices increased atypically in August and September in Kampala, Masindi, and Tororo because diminishing stocks following of below-average June-to-August harvests. Bean prices likewise increased further in September by an average of nine percent. Staple food exports from Uganda between July and September to Kenya, South Sudan, Rwanda, and Tanzania declined atypically compared to previous years. Sorghum and millet prices remained stable in Soroti and Lira located in the main producing northern Districts. Banana prices increased with the progression of the August-to-October lean season. Both maize and bean prices were higher than their respective September 2012 levels when ample stocks were available from two consecutive good seasons.

Tanzania: Both maize and bean prices declined seasonally in the main producing southern Tanzania markets with increasing supply and were stable elsewhere (Figure 4). Wholesale maize and bean prices increased atypically by 25 and nine percent, respectively, in Kigoma as ample stocks had not yet arrived onto markets. The 10-59 percent price observed between July and August shifted back to a normal gradual increasing trend as purchases by the National Food Reserve Agency (NFRA) ceased because of financing constraints. The bean price differential between the source market of Arusha (Tanzania) and the destination market of Mombasa (Kenya) was, on average, USD 50 per MT, thereby encouraging trade flows. Wholesale rice prices declined seasonally across most markets as fresh supply entered most markets. These price trends were reinforced by imported rice subsidies. Rice exports between June and September were well above their respective 2011 and 2012 levels due to more competitive prices regionally.

Djibouti: Grain and flour prices remained stable in Djibouti between August and September. The price of rice decreased by seven percent in Alisabieh due to increased rice availability through food aid distributions.

Outlook:

Sudan: Sorghum and millet prices are expected to decline later than usual during the October to December harvest period and not as significantly as usual due to expected below-average harvests in the coming months. Prices are also expected to start rising one month earlier than normal for the same reasons.

South Sudan: Grain prices are expected to continue declining in October as harvests intensify. Many households are expected to have above-average food availability from their own production, thereby decreasing market demand and exerting downward pressure on prices through March 2014. The seasonal decline in staple grain prices is expected to be mitigated by insecurity in Pibor County.

Ethiopia: Grain prices are expected to decline during the October to December *Meher* harvest. In eastern Tigray and northeastern Amhara prices are not likely to decline significantly because of the expected below-average sorghum and maize harvests.

Somalia: Maize and sorghum prices are expected to increase between October and December with the progression of the agricultural lean season. These typical price increases will likely be supported by the expected average to below-average total October to December *Deyr* season. However, prices are expected to remain below their respective 2011 levels.

Kenya: Maize prices are expected to decline through December as harvests extend towards the North Rift grain basket region and with the availability of increased supplies from domestic production and imports into the southwestern

southeastern and coastal regions. Typical price decreases are expected to be moderated by the effects of average to below-average production from the March-to-September season.

Rwanda: Staple food prices are expected to rise seasonally during the September-to-November growing season and start declining in December during the harvest.

Uganda: Staple food prices will increase seasonally through October. Prices are expected to stabilize with the start of green harvest in late November.

Tanzania: The prices of maize, rice, and beans are expected to increase seasonally at the beginning of the lean season in October in bimodal areas.

Djibouti: Local and imported staple food prices will remain stable through December.

SOUTHERN AFRICA

Current situation

Southern Africa: Staple food prices were stable or continued increasing in September as the marketing year progressed and stocks continued to deplete. Market supplies are currently atypically low in many areas, resulting in very high prices. Although estimated regional production is similar to last year and above the five-year average, localized production deficits in 2013, coupled with lingering effects from localized production deficits in 2012 and strong export demand, continued to exert atypical upward pressure on maize prices in September. 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 adequate 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; market demand remains relatively strong for this time of the year due to lingering effects from last season's maize shortages.

- Maize production shortfalls this year were greatest in the typically surplus-producing Central and Northern regions of the country. A FEWS NET assessment in early September 2013 found that maize market supplies in the northern-most areas of Malawi was sourced from Zambia, rather than from local production as would be expected at this time of year. Maize prices were stable in the Northern region of Malawi between August and September, after increasing atypically in August because of atypically low local market supplies there.
- Markets in the structurally-deficit southern region are better supplied than usual at this time of year because of above-average production in 2012/13, which has shortened the lean season for households in that area. Prices were stable or decreased in September.
- Price differentials continue to encourage informal trade flow from Mozambique into southern Malawi, thereby contributing to food availability, particularly in border towns like Nsanje. Cumulative informal cross-border maize imports into Southern Malawi between April and August 2013 were 40 percent higher than their respective 2012 levels due to the availability of relatively cheaper maize from bordering areas in Mozambique and Zambia. September informal import volumes were likewise well above their respective five-year average levels.
- The Agricultural Marketing and Development Corporation (ADMARC) has not met its targeted procurement quantity of maize for the Strategic Grain Reserves (SGR) and depots because of low supply levels, high prices, and financing constraints.
- Rice prices increased by 30 percent in Lunzu, where staple food prices were generally very high due to local production deficits in 2013. Rice and cassava prices were stable elsewhere.

Mozambique: Staple food trade between source and consumption markets followed typical seasonal patterns in August and September. Maize and bean prices remained stable or began increasing on most markets.

- Maize availability has declined rapidly in Nampula between July and September, resulting in a 54 percent increase in the price of maize over that period.
- In Chokwe, the reference market in the flood-affected areas in the Limpopo basin, maize prices declined further between August and September after remaining relatively stable at high levels since the pre-harvest period.

- Maize and bean prices increased by 12 and 25 percent, respectively, in Maxixe.
- Rice prices were stable on most markets in September due to adequate maize availability from stable international rice markets.

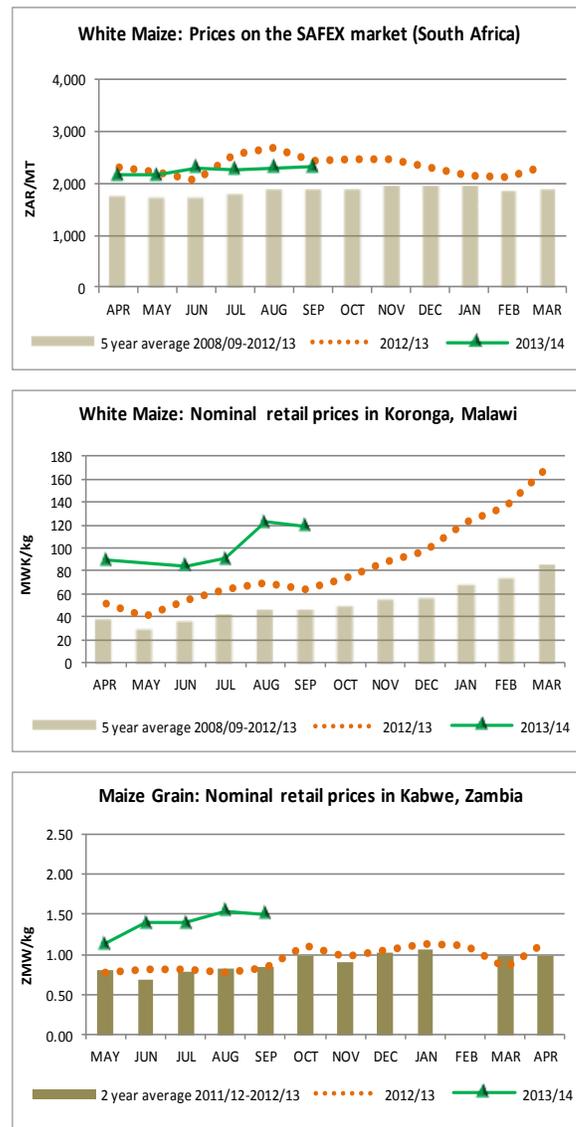
Zambia: Maize prices were stable or increased between August and September. Maize prices were generally above their respective 2012 and five-year average levels because of a slight reduction in national production that reduced maize surplus levels. Other factors that have contributed to atypical price trends in Zambia include increased transportation costs following the removal of fuel subsidies in May 2013, persistent strong export demand from Tanzania and Malawi, and the very late (almost two months) start of maize purchases by the Food Reserve Agency (FRA).

- Maize prices were stable in Kasama after increasing atypically in August due strong export demand from Tanzania.
- Maize prices were stable Chipata, one of Zambia’s surplus producing areas, because of the availability of adequate household-level stocks.
- **The private sector increased its activities this marketing season following a Government directive that millers procure directly from producers and traders due to FRA financing constraints.** As of the end of September (the end of the normal maize procurement period), the FRA had purchased 85 percent of its target. In an effort to reach its 500,000MT target, the agency has extended its procurement period to mid-November.
- **Roller maize meal prices continued increasing slightly in the structurally deficit areas of Mongu and Solwezi** between August and September due to increased demand as more households became market-dependent. Maize meal prices were generally above their respective 2012 and five-year average levels due to high maize grain prices.

Tanzania: Both the November to May (Msimu) and March to June (Masika) harvests have concluded and maize prices are seasonally low in most markets due to ample supply and reduced market demand from households. Wholesale maize prices were stable between August and September after increasing uncharacteristically early in August due to early purchases by the National Food Reserve Agency (NFRA). Rice prices are currently below their respective September 2012 levels due to above-average production in 2012/13 and more favorable prices for imported rice since the enactment of duty-free rice imports earlier in the month, which have jointly improved rice availability.

Zimbabwe: Staple food prices remained stable between August and September. Although maize flour prices were also stable in September, they were very high when compared to their respective September 2012 levels in Bulawayo (30 percent), Gweru (18 percent), Harare (36 percent), and Masvingo (29 percent). These high price levels are attributed to the limited supply of maize grain for local milling and high reliance on imports. Maize flour prices decreased in Harare, Mutare, and Bulawayo due to recent improvements in imported maize flour availability. In Gwanda, maize grain supplies were still

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.

unavailable due to low incentives for traders to move maize to the market because of inflows of relatively less expensive South African maize meal.

South Africa: White and yellow maize prices remained stable between August and September on the SAFEX. September 2013 maize prices were five and 13 percent lower than their respective September 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 remain stable or increase in the coming months as maize supplies from the main season's harvests start to tighten at the household level prompting an earlier than normal markets purchases. 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 available 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. 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 levels observed in April 2013.

Mozambique: 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. On the other hand, 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 abnormally higher than average due to quickly dwindling stocks in those areas.

Tanzania: With early rise in prices as a result of National Food Reserve Agency (NFRA) purchases, prices are expected to continue rising seasonally across most markets in Tanzania.

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 across all markets in the coming months as household stocks deplete with the onset of the lean season. Markets will be supplied in the coming months through domestic and cross-border trade flows by private traders and the government. Approximately 681,000 MT of the national cereal consumption requirements are expected to be filled by imports from regional and international markets.

South Africa: SAFEX maize spot prices are expected to remain stable in September in response to increased local market supplies from the current year's harvests. These prices will likely track global price trends which are stable or decreasing, as prices on the SAFEX market closely track trends on international markets. Regional maize exports are expected to increase significantly from September onwards in line with increased seasonal marketing calendar. 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. Additionally, import requirements for Namibia will likely to be higher this year given higher production shortfalls anticipated from their 2012/13 season.

CENTRAL AMERICA AND CARIBBEAN

Central America and Haiti: In Haiti, local black bean and maize prices were stable between August and September; imported wheat availability and prices were stable countrywide. In Guatemala and Nicaragua maize and bean prices decreased seasonally following an average *Primera* harvest in August and September. Prices decreased in Honduras despite below-average harvests. Red bean and maize prices increased slightly in El Salvador, where supplies from the *Primera* season typically arrive onto markets up to one month later than elsewhere in the region. Meanwhile imported rice prices remain stable compared to August and to their September 2012 levels throughout Central America and Haiti.

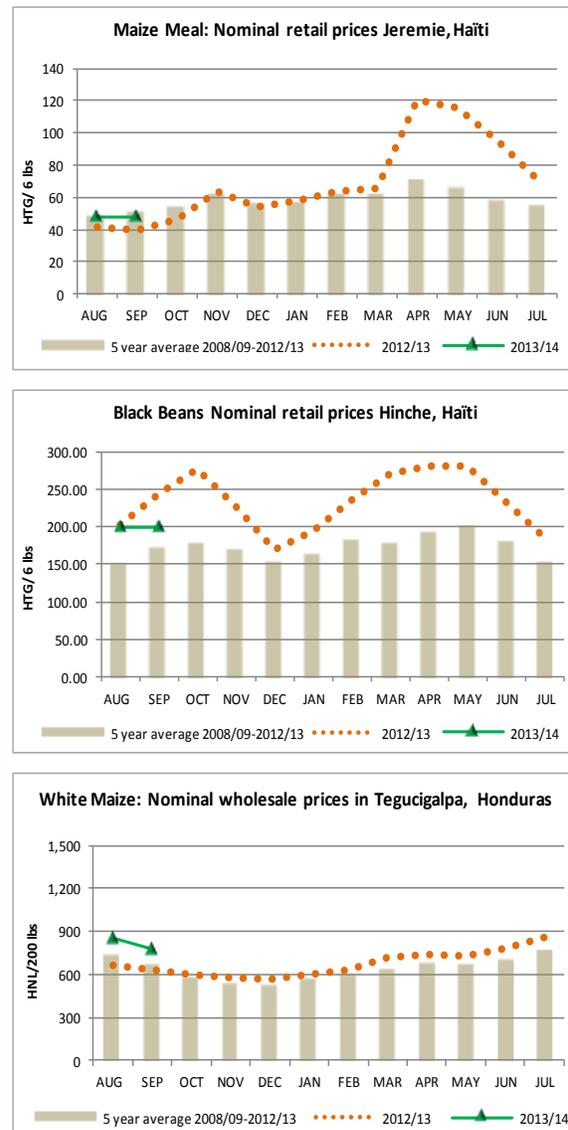
Haiti: Locally produced bean, maize, and maize flour prices were stable or decreased between August and September in the country’s main production areas. The availability of recent root and breadfruit harvests further reinforced staple food market availability and contributed to the observed price trends.

- Imported rice and wheat flour prices remained stable between August and September and were similar to their respective September 2012 levels. Rice prices decreased by five percent in Jeremie due to the ample availability substitute staple foods.
- Black bean prices were stable due the availability of other key staple foods on markets. Bean prices decreased by 14 percent in Jeremie due to particularly good local harvests. Prices there are now below their respective 2012 levels. Bean prices in Jacmel increased by six percent due to increased local demand for seeds for the upcoming production season.
- Maize grain prices were stable throughout Haiti, with the exception of Hinche and Jacmel where recent harvests resulted in a 36 and 14 percent decrease in prices between August and September. Maize flour prices decreased in Jacmel by 16 percent over the same period. Maize flour prices are similar to their respective five-year average levels countrywide, and below their respective 2012 levels as market supplies have improved following droughts and storm-related crop losses in the country’s high production areas in 2012.

Central America: The *Primera* season was ongoing across the region in September. Staple food prices started to decrease in Guatemala, Honduras, and Nicaragua between August and September. In El Salvador, prices will start to decrease in late October and early November as new harvests arrive onto markets.

- **Markets were well supplied with black and red beans throughout Central America due to start of *Primera* harvest;** prices are at or below their respective September 2012 levels. Bean production has increased in recent years due to a combination of an increase in area planted, the absence of adverse climate events, and an increase in government technical assistance. This has translated to an increase in local market supplies, a decrease in bean imports from regional and international markets, and bean prices that are below their respective five-year average levels. In Honduras and Nicaragua, bean prices were approximately 10 percent below their respective 2012 levels in September because of government support programs in 2012 and 2013. In El Salvador red beans prices increased by 26 to 31 percent in San Salvador and Ahuachapán as ample supplies from ongoing harvests had not year reached markets.
- **Maize prices decreased seasonally in Nicaragua, Honduras, and Guatemala, while prices increased by five to nine percent in El Salvador between August and September ahead of the *Primera* harvest in October.** In Guatemala, retail prices decreased by six percent between August and September and they were slightly lower than their respective 2012 and five-year average levels. The relatively low prices in Guatemala are a result of abundant market supplies from harvests in the country’s northern and southern regions. The western part of Guatemala is currently being supplied by

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.

Mexico, which is normal for this time of year. However, Mexican maize has not reached the other regions of the country as in previous years, because domestic supply is sufficient and the price differentials are not believed to be favorable. Rainfall irregularities in July and August resulted in crop losses in the country's *Dry Corridor*. However, these losses did not have generalized impacts.

- **Imported rice prices were stable across Central America between August and September.** Prices are likewise comparable to their respective 2012 levels due to relatively stable local exchange rates and international rice prices.

OUTLOOK

Haiti: Local maize and bean prices will likely increase through August and September as farmers purchase seeds for the upcoming agricultural season in October.

Central America (El Salvador, Honduras, Nicaragua, and Guatemala): Staple food prices are likely to decrease between September and December following the *Primera* harvests in region's main production zones. The *Postrera* cycle of maize and bean production is currently underway; 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 October and December, maintaining prices at relatively low levels. Well-above average bean harvests are expected in Nicaragua, which may put further local downward pressure on prices.

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 or decrease in the coming months.

CENTRAL ASIA

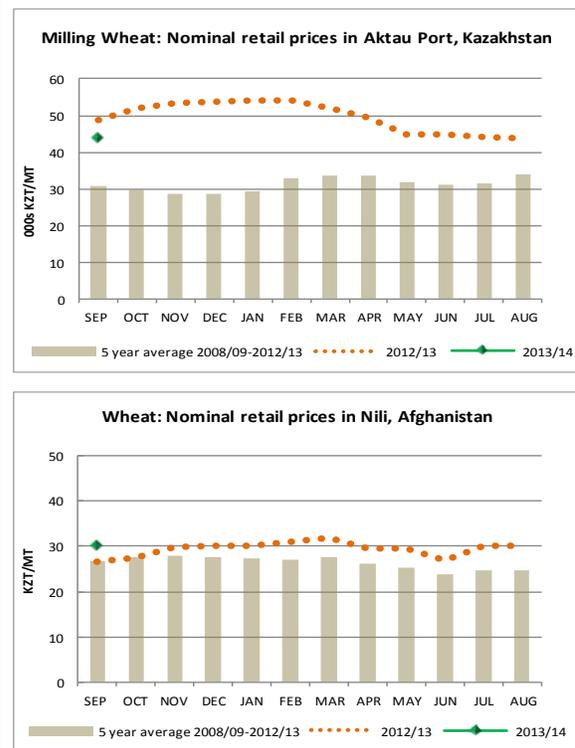
Current situation

Central Asia: Wheat prices declined substantially between January and September in Kazakhstan due to sales of remaining carryover stocks from previous growing seasons and good 2013 production prospects (Figure 7). Wheat flour prices have increased steadily in Pakistan since April due to the effects of reduced output (FAO). Wheat grain and flour prices were stable in Tajikistan between August and September due to the availability of sufficient supplies arriving from Kazakhstan and the progression of the domestic spring wheat harvest. Wheat and wheat flour prices were stable in Afghanistan, where price were above their respective 2012 levels.

Afghanistan: Wheat harvests during the June-through-September season were above average this year. Wheat and wheat flour prices were generally stable as recent harvests arrived onto markets in September. Prices increased in the border downs of Jalalabad and Kandahar due to relatively high prices in key Pakistani source markets. 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 (Figure 8). Elsewhere, wheat grain and flour prices remained above their respective August 2012 levels, but close to their five-year average levels due to high regional and international source market prices in recent months.

Rice and vegetable oil prices were stable on most markets between August and September. Transport fuel prices continue to increase nation-wide, although the sharpest month-on-month price increase of 11 percent occurred in

Figure 7. Price trends in Central Asia



Note: the figures follow the marketing year in each country

Sources: WFP.

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 August due to the availability of adequate supplies from local harvests and imports from Kazakhstan (Figure 7). Wheat prices in Kazakh source markets have decreased steadily since the beginning of this year following the spike observed during the second part of 2012, but remain 10 to 14 percent above their respective 2012 levels and 29 percent higher than their respective five-year average levels. Wheat grain and flour prices in Tajikistan were above similar to their respective August 2012 but seven to 27 percent above their respective five-year average levels

Potato prices decreased further by over ten percent between August and September in Khorog and Khujand, as supplies from the recent local harvests arrived on markets. Potato prices increased by 17 percent between August and September in Dushanbe due to the limited availability of local supplies. Vegetable oil, meat, and transport fuel prices were stable between July and August.

Outlook

Central Asia: Wheat and wheat flour prices are expected to decrease in Kazakhstan in the coming months due to above-average projected harvests. Wheat and wheat flour prices are expected to decrease or remain stable in Afghanistan and Tajikistan with the imminent conclusion of local main wheat harvests (that are expected to be above average) and the availability of lower-priced imports from Kazakhstan. Wheat prices in Pakistan may continue increasing in the coming months due to this year's reduced production prospects and increased dependence on imports. Border areas of Afghanistan that typically source their wheat from Pakistan will likely experience similar trends. Rice prices are expected to remain stable or decrease due to lower seasonal consumption.