

Market Monitor Quarter 2 Report

Key points



Prices of imported rice in the domestic markets are lower than last year but are still higher than pre-COVID-19 levels.



Deplorable state of the roads is resulting in higher transport costs and prices of other commodities.



Gasoline and palm oil prices are still up amidst the drop in inflation from double to a single digit.

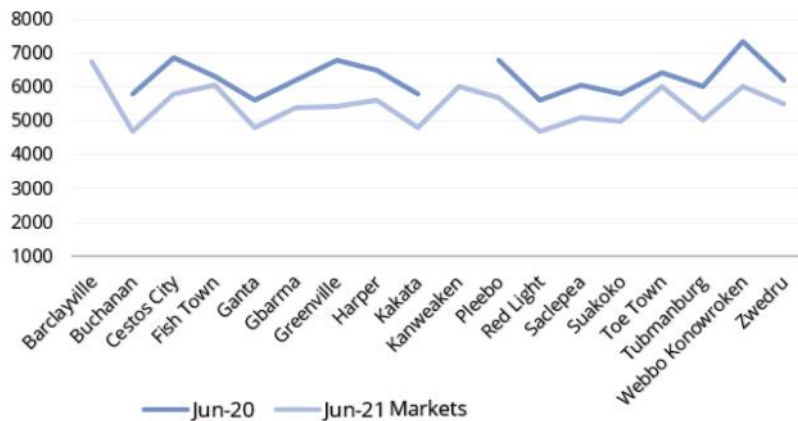


Photo Credit: WFP/John Monibah

Staple foods



Figure 1: Nominal prices changes for 50kg bag of Imported rice in Liberian Dollars (June 2020 - June 2021)




Retail price trends of cereal


Retail prices of imported Indian parboiled rice 5% broken (most widely consumed variety across Liberia) decline across all markets in Liberia compared to a year ago. The rice price in June 2021 averaged LD\$5,460, down by 13% compared to the past one year. However, rice prices now are still higher compared to pre-COVID-19 levels. The decrease in domestic rice prices is driven by the drop in inflation from double to single digit since the beginning of the year coupled with fairly stable world prices for rice.


The price of cassava, second most consumed staple in Liberia also witness a decline. The price of cassava decreased in all markets when compared to a year earlier. Price of cassava was lowest in Fish Town market followed by Gbarma, Kanweaken and Webbo Konowroken markets. In urban areas (especially Buchanan and Red Light market in Monrovia), it probably reflects strong demand from the large populations. Higher cassava prices in urban areas also reflect demand and supply forces (there is seasonal low availability of cassava and relatively few cassava vendors in the markets— cassava marketing is poorly organized as compared to imported commodities).



Prices of other commodities

 Palm oil, a common ingredient in the diet of most Liberians and an income source for smallholder households, reported an increase in price compared to the same period a year ago. The rise in prices can be explained by the low seasonal availability during the rainy season coupled with the high demand for the commodity in domestic and regional (mainly Guinean) markets. On average, a gallon of palm oil is sold for LD\$720 in June 2021, up by 14 per cent compared to the same period last year. Buchanan market in Grand Bassa County reported the biggest increase (where prices almost doubled in one year). Palm oil prices are expected to go up in the third quarter July—September) of the year as it coincides with the lowest production period during heavy rains.

 In June 2021, cowpeas (beans) reported stable to lower prices compared to the past year. The average price for a 1 kilogram of cowpeas in June 2021 stands at LD\$150, with a slight decline (6 per cent) compared to one year ago. Cowpeas prices may likely increase in the coming months due to possible COVID-19 containment measures (border restrictions) by neighbouring Guinea and Ivory Coast where most of the cowpeas are sourced from coupled with high transport costs (because of the terrible state of the roads) and customs fees at border posts.

 Gasoline prices are now higher in comparison to the same period a year ago (see Figure 3). Most traders reported that increases in gasoline prices have led to higher transportation costs and a corresponding price rise in food and essential commodities. In June 2021, the average price for a gallon of gasoline stood at LD\$740, LD\$125 or 20 per cent higher than the past year. As observed in previous publications, gasoline is considerably more expensive in River Gee, Maryland, Grand Gedeh and Sinoe Counties as compared to other areas, mainly due to transportation costs. According to the Ministry of Commerce and Industry, the retail pump price of gasoline in June 2021 is US\$3.57 or LD\$610.

Methodology

To monitor and analyse the changes and trends in selected food and non-food items prices over time as well as the impact of COVID-19 or its containment measures on market prices, WFP monitors with the use of hand-held tablets or smartphones collect food price data twice monthly during the first and third weeks in 23 strategic food markets across the 15 counties (Bomi, Bong, Gbarpolu, Grand Bassa, Grand Cape Mount, Grand Gedeh, Grand Kru, Lofa, Margibi, Maryland, Montserrado, Nimba, Rivercess, River Gee and Sinoe) of Liberia. A total of 3 traders interviews per targeted food commodity is conducted and its wholesale price is averaged per established measurement units (kilogram, 25kg, 1 gallon, etc.). Imported rice prices are based

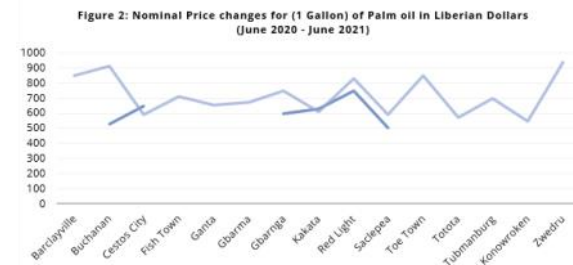
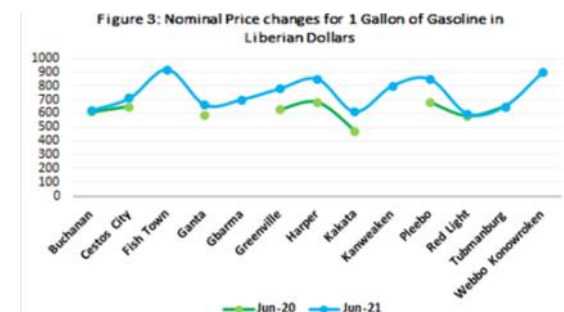


Table 2: Nominal Price changes for (1 Kg) of Cowpeas in Liberian Dollars (June 2020 - June 2021)

County	Markets	Jun-20	Jun-21
Grand Bassa	Buchanan	200	110
River Gee	Fish Town		170
Nimba	Ganta	150	140
Gbarpolu	Gbarma		125
Bong	Gbarnga	180	140
Margibi	Kakata	120	140
River Gee	Kanweaken		170
Montserrado	Red Light	150	140
Bong	Totota		165
Bomi	Tubmanburg		155
River Gee	Webbo Konowroken		170



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