



# RATIN

Regional Agricultural  
Trade Intelligence Network

a service of  
 EAGC



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## EAGC RATIN MARKET ANALYSIS REPORT FOR JANUARY 2012.

This report presents and analyses the market activities across the East Africa (EAC) region's major selected grain markets during the month of January. The price monitoring was carried out by Eastern Africa Grain Council (EAGC) market and border monitors based in all the five EAC countries on a daily basis. The monitors collect and transmit to RATIN, wholesale prices

of maize, beans (Rosecoco), rice, wheat, sorghum and millet and factors that trigger such price changes.

This is a service of EAGC primarily to its members and other interested stakeholders. The full market data of the daily market prices is available in [www.ratin.net](http://www.ratin.net).

### KEY MARKET HIGHLIGHTS

#### Uganda

Commodity prices in Uganda markets fell below the prices that were registered in December as most farmers were selling most of their commodities to take their children to school. The trend could also be attributed to the drop in the economic status that is usually synonymous with the month of January.

Commodity prices and cost of doing business is also expected to rise following the government's move to hike the lending rates to commercial banks. High lending rates, together with the speculation that the government could suspend power subsidy in the country is likely to impact on production and manufacturing costs.

#### Kenya

Commodity prices (especially maize and beans) continued to fall as short rains harvest in most parts of country continue. The demand of most commodities also declined as most people were forced to make hard choices based on the harsh economic times.

#### Tanzania

In Tanzania, the maize prices have continued to drop following

the government's move to avert the rising inflation rates by releasing the maize from the national reserve. The drop in maize is also partly attributed to the suspension of issuance of maize export licenses restricting export of maize. Other commodity prices remained fairly stable across the Tanzania markets.

#### Rwanda

Most commodity prices remain higher than the average prices in the region partly because of increased demand of food commodities in South Sudan and the Democratic Republic of Congo.

#### Burundi

Monthly prices for most commodities has remained high with rice and maize prices recording up to 20% increase in prices compared to last year at similar period. The rise is attributed to the reduced imports from neighbouring countries particularly Tanzania which usually export maize and rice to Burundi. However, beans continue to record lower prices compared to last year.

### SPECIFIC COMMODITY HIGHLIGHTS

#### Maize

Maize recorded a steady rise in price in all the major East Africa grain markets throughout the month. However, in Songea which is one of the main maize growing region in Tanza-

nia, the price of maize remained constant at the lowest price of \$ 159 per Metric Tonne in the region.

The highest maize prices were recorded in Burundi's Bujumbura markets at a highest price of \$ 301 per metric in the third week.

**Average Maize Prices (USD/MT) in Selected Markets**

	Arusha	Bujumbura	Dar es S.	Kabale	Kampala	Kigali	Kitale	Mbeya	Meru	Nairobi	Songea
Wk 1	300	458	317	206	247	419	383	254	396	412	159
Wk 2	301	460	319	207	250	399	383	255	386	409	159
Wk 3	296	468	329	209	236	356	378	260	383	407	159
Wk 4	280	469	350	221	232	343	363	261	365	394	159

Source: RATIN



**Beans**

Despite the short rain harvest in most part of the EAC region, the fall in beans prices has been marginal and in some cases the prices have either increased for example in Bujumbura, Busia, Dar es Salaam, Lira and Owino Markets or remained constant like the case Arusha. The trend could be attributed to various factors ranging from the steady demand of beans in the region as well as the rise in fuel prices in some countries.

**Average Beans Prices (USD/MT) in Selected Markets**

	Arusha	Bujumbura	Busia	Dar es S.	Kigali	Kitale	Lira	Meru	Nakuru	Owino
Wk 1	950	801	494	982	470	792	576	728	702	576
Wk 2	953	806	503	1007	483	772	610	718	702	577
Wk 3	955	835	531	1019	470	757	644	675	701	585
Wk 4	955	821	558	1020	420	723	631	648	674	656

Source: RATIN



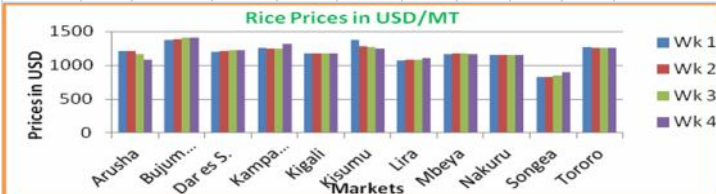
**Rice**

Generally, rice prices have reduced steadily in Arusha, Kisumu, Mbeya, Nakuru, Tororo and Kisenyi's Kampala market. In Bujumbura, Dar es Salaam, Kigali and Lira, the rice prices have shown an upward trend. However, most markets in the region registered a fairly constant prices for the last two weeks of the month.

**Average Rice Prices (USD/MT) in Selected Markets**

	Arusha	Bujumbura	Dar es S.	Kampala	Kigali	Kisumu	Lira	Mbeya	Nakuru	Songea	Tororo
Wk 1	1215	1373	1203	1252	1174	1379	1075	1162	1149	823	1275
Wk 2	1211	1381	1211	1250	1174	1278	1080	1179	1149	829	1261
Wk 3	1159	1404	1223	1246	1175	1266	1086	1178	1150	853	1254
Wk 4	1082	1408	1220	1320	1177	1243	1107	1165	1150	891	1254

Source: RATIN



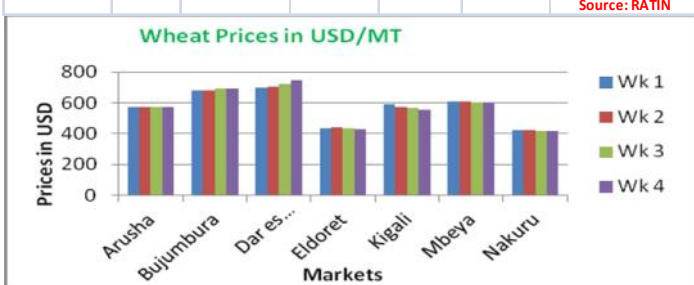
**Wheat**

Wheat is a rare commodity in most regional markets with Ugandan markets continuing to register no wheat at all in its main grain markets. The prices has slightly increased in all markets with exception of Nakuru and Eldoret which are some of the major wheat growing areas in Kenya. The reduction in wheat prices were also recorded in Mbeya and Kigali.

**Average Wheat Prices (USD/MT) in Selected Markets**

	Arusha	Bujumbura	Dar es S.	Eldoret	Kigali	Mbeya	Nakuru
Wk 1	570	679	700	432	587	608	425
Wk 2	572	683	704	439	574	608	421
Wk 3	573	694	721	436	565	605	418
Wk 4	573	690	749	430	555	605	415

Source: RATIN



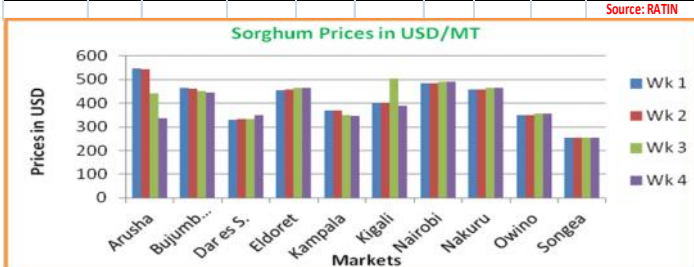
**Sorghum**

Apart from Arusha, Bujumbura, Kampala and Kigali markets, all the markets recorded an increase in prices of sorghum. The rise in price in most markets could be attributed to lack of significant stock since the previous harvests.

**Average Sorghum Prices (USD/MT) in Selected Markets**

	Arusha	Bujumbura	Dar es S.	Eldoret	Kampala	Kigali	Nairobi	Nakuru	Owino	Songea
Wk 1	548	465	329	455	370	403	485	457	350	253
Wk 2	542	460	332	458	368	403	485	457	350	255
Wk 3	440	452	334	465	350	503	491	463	355	255
Wk 4	337	444	350	466	345	390	492	465	355	255

Source: RATIN



**Millet**

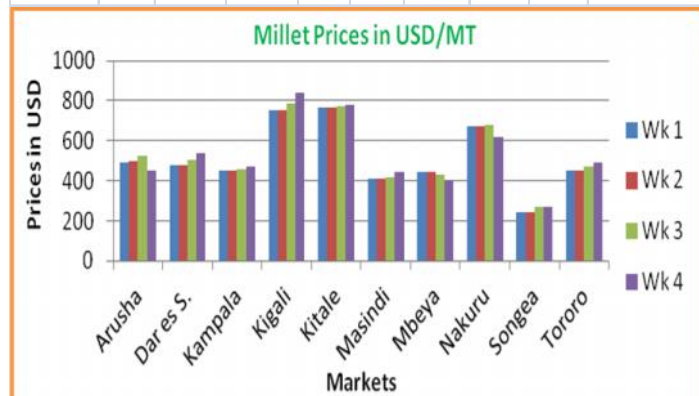
Millet is rare in most markets pushing its price higher than it was a few months ago. In Burundi, millet was completely absent in the market.

All the monitored markets in the region registered a steady rise in millet prices throughout the month.

Average Millet Prices (USD/MT) in Selected Markets

	Arusha	Dar es S.	Kampala	Kigali	Kitale	Masindi	Mbeya	Nakuru	Songea	Tororo
Wk 1	488	475	452	755	766	411	443	670	241	452
Wk 2	500	478	453	756	766	412	446	670	242	453
Wk 3	523	503	456	789	775	418	428	678	267	468
Wk 4	450	535	468	841	777	443	401	621	268	490

Source: RATIC



## Next Months Outlook

Grain prices in most of the countries in Eastern Africa are, are likely to come down further in the next month as more proceeds from the short rains harvests continue to reach most markets.

With increased demand coming from the neighboring food deficient countries, grain prices are likely to rise in Uganda, Rwanda and Burundi while in Tanzania the prices are likely to remain stable as the government has swiftly moved in to cushion the consumers of high prices by releasing the grains in the National reserves.

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