

Joint Markets and Supply Chain Update | 5th -11th March 2023

KEY HIGHLIGHTS

Prices: The prices of imported food commodities and local cereals exhibited mixed trends across the regions compared to the previous week. In Mogadishu, Hirshabelle and Somaliland, prices of the imported food items were comparatively stable except for rice which depicted an increase of 8% in Mogadishu, and pasta which dropped by 2% in Hirshabelle. In Puntland, price of wheat flour and rice dropped by 6% and 5% respectively, but the price of vegetable oil increased by 8% per litre. Therefore, the consumers in Puntland did not experience an overall reduction in the cost of food basket due to mixed trends during the week compared to the previous week.

The prices of local cereals remained stable in all the states except for Puntland and Southwest where the price of local cereals exhibited minimal to moderate changes, compared to the previous week. The price of white maize increased by 1% per kg in Southwest and decreased by 2% per kg in Puntland. The price of red sorghum also decreased by 8% and 4% per kg respectively in Southwest and Puntland. This was due to the steady supply of the local cereals across the regions.

The price of camel milk increased in Jubaland, Puntland, and Galmudug by 5%, 4% and 2% per litre respectively. These increases were reported by the pastoralists in South Mudug and Galgaduud as the results of the reduced pasture and water availability in the area. The price of goats dropped by 2% in Hirshabelle but the prices went up in Puntland, Galmudug and Southwest by 7%, 6% and 2% per head respectively and remained unchanged in Mogadishu, Somaliland, and Jubaland.

In Puntland, daily wage labour rates exhibited a significant increase of 13% compared to the previous week as a result the limited availability of manpower in the region due to ongoing Laas Caanood crisis. However, this will positively impact on daily labourers by improving their purchasing power.

Availability: The markets monitored all over Somalia were reported to have adequate supplies of essential food items to meet the current demand. Majority of the shops were well-stocked with essential food commodities. However, commodity availability in Laas Caanood remained poor due to the ongoing crisis which resulted in road closures, increased lead times, and the closure of the majority of shops.

Supply Resilience: Supply chain resilience was reported to be good in most regions of the country, except in areas affected by crisis in

WEEKLY MARKET PRICE VARIATIONS									
	PRODUCT	MOGADISHU	HIRSHABELLE	GALMUDUG	SOMALILAND	PUNTLAND	SOUTHWEST	JUBALAND	
% Weekly change of retail prices	White Maize (Kg)	↔ 0%	↔ 0%	↔ 0%	↔ 0%	↓ 2%	↑ 1%	↔ 0%	
	Red Sorghum (Kg)	↔ 0%	↔ 0%	↔ 0%	↔ 0%	↓ 4%	↓ 8%	↔ 0%	
	Rice (Kg)	↑ 8%	↔ 0%	↓ 1%	↔ 0%	↓ 5%	↓ 1%	↑ 2%	
	Wheat flour (Kg)	↔ 0%	↔ 0%	↓ 3%	↔ 0%	↓ 6%	↑ 1%	↔ 0%	
	Pasta (Kg)	↔ 0%	↓ 2%	↓ 7%	↔ 0%	↑ 4%	↔ 0%	↑ 3%	
	Sugar (Kg)	↔ 0%	↔ 0%	↓ 1%	↔ 0%	↔ 0%	↓ 2%	↔ 0%	
	Vegetable Oil (Litre)	↔ 0%	↔ 0%	↑ 3%	↔ 0%	↑ 8%	↓ 2%	↔ 0%	
	Camel Milk (Litre)	↔ 0%	↔ 0%	↑ 2%	↔ 0%	↑ 4%	↔ 0%	↑ 5%	
	Goat (Local quality)	↔ 0%	↓ 2%	↑ 6%	↔ 0%	↑ 7%	↑ 2%	↔ 0%	
	Wage Labour	↔ 0%	↔ 0%	↓ 2%	↔ 0%	↑ 13%	↔ 0%	↔ 0%	
	Diesel (Litre)	↔ 0%	↑ 3%	↓ 1%	↔ 0%	↓ 6%	↑ 1%	↑ 1%	
	Exchange rate	↔ 0%	↔ 0%	↔ 0%	↓ 2%	↔ 0%	↔ 0%	↔ 0%	
	Supply Chain	Availability	Good	Good	Good	Good	Good	Good	Good
		Prices	Good	Good	Fair	Good	Fair	Good	Good
Items Assortment		Good	Good	Good	Good	Good	Good	Good	
Supply Resilience		Good	Good	Good	Good	Fair	Good	Good	
Trade Logistics		Good	Good	Good	Good	Good	Good	Good	

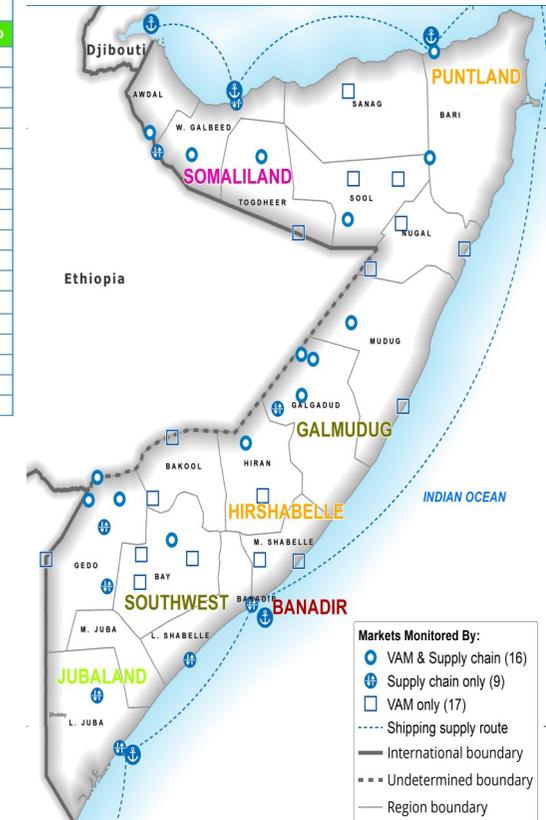
Banadir, Hiraan, as well as Lower and Middle Shabelle Regions. In anticipation of the increase in commodity demand with the start of the Holy month of Ramadan from March 22, 2023, most Merchants had begun ordering buffer stocks to meet the expected demand and to avoid any supply chain inefficiencies.

Trade logistics: Trade and commodity transportation into Somalia was robust, with most of the roads being accessible and transportation services running smoothly. However, the Kismayo-Afmadaw supply corridor experienced a significant obstacle hindering the movement of commercial trucks carrying food commodities to Afmadaw, Qoqani, Doobley and adjacent markets.

Food Items Assortment: In all markets monitored, a wide range of food products from different varieties of brands were available for the consumers to choose from. Milk, meat, fish products, as well as fresh fruits and vegetables were readily available. However, there was a scarcity in variety of choices in Laas Caanood considering the majority of the shops were closed and most of the population had migrated to neighboring districts.

IMPLICATIONS ON FOOD SECURITY

- The relative improvement in trade, especially in parts of Puntland, Galmudug, and Southwest, implies slightly improved access to the essential goods, however, at higher prices as the prices of the commodities were already elevated compared to the previous weeks and months.
- Considering the high demand for transportation services due to the lumpsum orders by many Merchants in anticipation of Ramadan, transport costs might rise, leading to a temporary increase in commodity prices during the subsequent weeks.



HOW WE MONITOR MARKETS

WFP Somalia conducts weekly market and supply chain monitoring assessments and covers 42 locations per week. It also maintains a large pool of monitors through third-party and internal capacity collecting both quantitative and qualitative data. The data on Market Functionality Index (MFI) is being collected on a rolling basis and 9 dimensions of market functionality are being monitored and reported real-time.