Joint Markets and Supply Chain Update | 02 July - 08 July 2023

KEY HIGHLIGHTS

Prices: Prices of most food and non-food items exhibited mixed trends compared to a week ago across the country. Exceptions are in Somaliland, and Jubaland where prices of items remained relatively stable compared to previous week.

Local cereal (white maize and red sorghum) prices exhibited mild (1-3%) to moderate (5-8%) price increases in Mogadishu, Hirshabelle and Puntland compared to a week a go due to slight decline in supply. However, declines in local cereal prices were recorded in Southwest due to increase in supply from early Gu 2023 harvest. Prices of most of imported food commodities remained relatively stable compared to previous week in most states except some increases (3-5%) in Mogadishu due to slight decline in supply. Notably, prices of local quality goat declined (1-13%) in Puntland and Galmudug due to decrease in demand. However, this decrease in price was expected given high goat prices that prevailed during the period of Eid-al Adha celebration.

Labor wage rates remained relatively stable in most states except in Puntland where the rates declined (8%) due to slight decrease in labor opportunities. Similarly, diesel prices remained relatively stable in most states across the country except in Mogadishu where the price of diesel declined (9%) due to the arrival of new stock.

Availability: Overall, enough supplies noted to satisfy demand. There were a few isolated pockets of unavailability, mainly along the coast with a few exceptions in isolated inland pockets (Qansax Dheere). In Xarardheere, Baraawe, Cadale and Laasqoray noted stockouts and shortages, including cereals and animal products with price spikes noted. The seasonal monsoon winds that is unusually high with ports inoperable leading to supply hitches for coastal communities.

Assortment: Assortment remained strong in most markets, including vegetables and meats, though the camel-specific limited selections seen in Southwest but also in Hirshabelle did lessen consumer ability to chose among a broad and nutritious assortment. One driver underpinning some of this issue is rains, making roads muddy.

Quality: There were two isolated market-level quality issues unfolding mainly in Jamaame and Jowhar towns, with some others experiencing isolated issues related to cowpea quality.

WEEKLY MARKET PRICE VARIATIONS

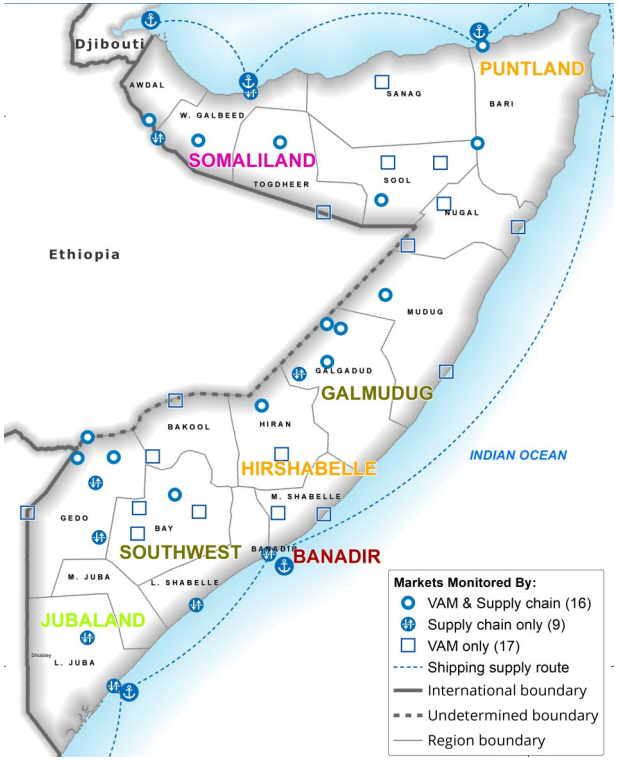
	PRODUCT	MOGADISHU	HIRSHABELLE	GALMUDUG	SOMALILAND	PUNTLAND	SOUTHWEST	JUBALAND
% Weekly change of retail prices	White Maize (Kg)	↑ 5%	↑ 1%	↔ 0%	↔ 0%	↑ 3%	↓ 11%	↔ 0%
	Red Sorghum (Kg)	↔ 0%	↑ 2%	↔ 0%	↔ 0%	↑ 8%	↓ 8%	↔ 0%
	Rice (Kg)	↔ 0%	↑ 1%	↑ 1%	↔ 0%	↓ 1%	↔ 0%	↔ 0%
	Wheat flour (Kg)	↑ 3%	↔ 0%	↔ 0%	↔ 0%	↔ 0%	↔ 0%	↔ 0%
	Pasta (Kg)	↑ 5%	↔ 0%	↔ 0%	↔ 0%	↔ 0%	↔ 0%	↔ 0%
	Sugar (Kg)	↓ 2%	↑ 1%	↓ 2%	↔ 0%	↑ 1%	↔ 0%	↔ 0%
	Vegetable Oil (Litre)	↑ 1%	↔ 0%	↔ 0%	↔ 0%	↓ 2%	↔ 0%	↔ 0%
	Camel Milk (Litre)	↔ 0%	↔ 0%	↑ 4%	↔ 0%	↔ 0%	↑ 9%	↔ 0%
	Goat (Local quality)	↑ 3%	↓ 1%	↓ 13%	↔ 0%	↓ 8%	↔ 0%	↔ 0%
	Wage Labour	↔ 0%	↓ 1%	↔ 0%	↔ 0%	↓ 8%	↔ 0%	↔ 0%
	Diesel (Litre)	↓ 9%	↔ 0%	↔ 0%	↔ 0%	↔ 0%	↔ 0%	↔ 0%
	Exchange rate	↔ 0%	↔ 0%	↔ 0%	↔ 0%	↔ 0%	↔ 0%	↔ 0%
Supply Chain	Availability	Good	Fair	Fair	Good	Good	Good	Good
	Prices	Good	Good	Good	Good	Good	Good	Good
	Items Assortment	Good	Fair	Good	Good	Good	Fair	Good
	Supply Resilience	Good	Good	Good	Good	Good	Good	Good
	Trade Logistics	Good	Good	Good	Good	Good	Good	Good

Logistics: Across major and minor corridors, movement was consistent. Ports are operational, but some are experiencing high winds. The border opening with Kenya and Ethiopia was postponed, Kenya citing increased incidence of insecurity. The first border that will be opened Roads remain mostly passable, with consistent issues reported in Southwest. In particular, some roads through Jowhar and Baidoa towns continued to be passable with difficulties because of ongoing operations, while roads in Laas Caanood were passable with difficulty because of social conflict.

Resilience: Most shops enjoyed regular flows on supply chains. However, two markets (one in Puntland, one in Southwest), traders are anticipating a rise in sugar prices, although for different reasons, with the former being a restriction in upstream stocks and the latter being a blocked road.

IMPLICATIONS ON FOOD SECURITY

- The purchasing power and access to food items for labour -dependent households in Puntland might decrease due to moderate-level price increase reported for local cereals in the midst of declining labour opportunities.
- Market-dependent households in Southwest will be able to purchase more quantities of local cereals following the price drops experienced besides increased local cereal supply. However, this will be a disadvantage to the farmers as they will be able to purchase less from their sales.



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.

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