

# SUDAN MONTHLY MARKET UPDATE

Produced by the Food & Agriculture Market Information System - Sudan  
Bulletin April 2021



The Food Security Technical Secretariat (FSTS) comprises several government agencies that work together to ensure maximum coordination on food security. Housed in the Ministry of Agriculture and Forestry, FSTS supports food security information systems, provides policy briefs, monitors policy impact,



The Food & Agriculture Market Information System - Sudan (FAMIS) collects crop, livestock, horticultural and animal products prices from major markets on a weekly basis. Using a standard methodology that ensures accuracy and objectivity, FAMIS gathers data from a national network of market watchers through an SMS web platform.



The Famine Early Warning Systems Network (FEWS NET) was created by USAID in 1985 to provide early warning of food emergencies. In partnership with international and national agencies, FEWS NET monitors and analyzes data on weather, climate, agricultural production, prices, trade, and livelihoods in 36 countries. Reports are available at [www.fews.net](http://www.fews.net).

## SUMMARY

- March is part of post-harvest period for Sorghum and Millet and harvest period for wheat when supply from the new production is available at markets and the prices are in its seasonally decreased, however, during March 2020 prices for the main staple foods continued unseasonal increases across all main markets in Sudan.
- The new policy of flexible management of the exchange rate to unify the official and parallel market rates contributed to stabilization of exchange rate through past 7 weeks as the exchange rate ranged between 375-385 SDG/USD.
- The month of March experienced increase in demand for Cereal and meat due to preparation for Ramadan at the same time the traders increased demand from production areas to maintain stock for lean season period.
- The official price of fuel increased in all states by 20 percent, this increased the cost of transportation as the transporters depends on parallel market supply.
- According to the Sudanese Central Bureau of statistic, the inflation rate increased from 330.8 percent in February to 341.8 percent in March. the inflation rate increased because of the high prices of foods and beverage group, especially the prices of bread meat and grains in addition to increase in transportation cost.
- After the announces currency float to revive economy, the exchange rate in the official market increased to 375 SDG/USD in March compared to 55 SDG/USD in February and remain at 385 SDG/USD in March in the parallel market compared to 378 SDG/USD last February.

Figure 1: Nominal sorghum prices for Om Durman (Khartoum state)

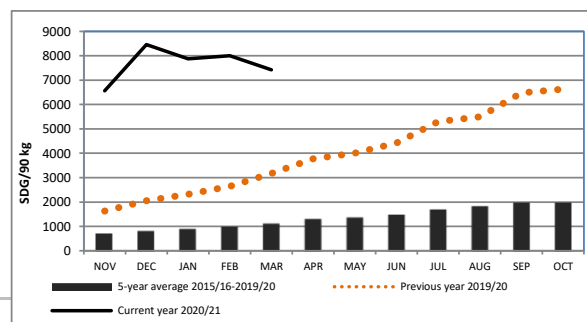
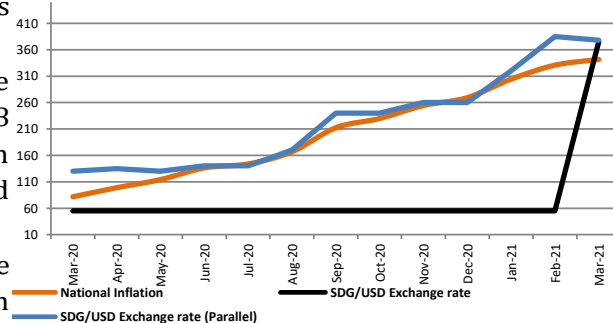
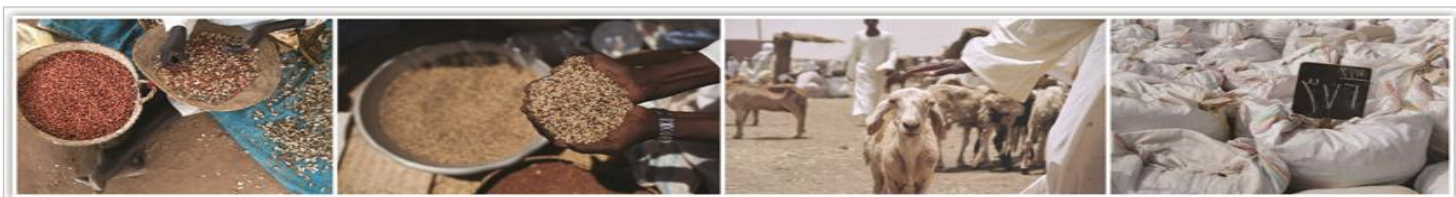


Figure 2: Macro-economic data



Source: The Food & Agriculture Market Information System ([www.farmers.sd](http://www.farmers.sd)) and the Central Bureau of Statistics (CBS) [www.cbs.gov.sd](http://www.cbs.gov.sd) International prices are from USDA and International Grain Council, [www.fao.org/giews/pricetool](http://www.fao.org/giews/pricetool). Exchange rate is from Central Bank of Sudan [www.cbos.gov.sd](http://www.cbos.gov.sd)



This report, produced by FAMIS with technical and financial support from FSTS and FEWS NET, is available at [www.farmers.sd](http://www.farmers.sd). For more information, contact [nzeinelabdein@fews.net](mailto:nzeinelabdein@fews.net).

# MARKET ANALYSIS



**Sorghum retail prices:** during March Sorghum prices increased by 5-36.4 percent in markets of Ad Damazine, Medani, Kadugli, Dongola, Nyala, Ed Dean and Kassala while decreased by 18 percent in Qadarif market while remained stable, slightly decreased, and slightly increased in the rest of monitored market compared to February 2021. Prices remained high by 80-400 percent compared to last year and remained 3 to 11 times above the five-year average.

**Millet retail prices** showed mixed trends as it increased by 6-30 percent in markets of Um Dorman, Damer, Kosti, Ed Dean, Kassala, Signa and Zalingi while slightly remained stable or slightly increased in the rest of monitored market compared to the previous month. Millet prices remained above last year by 1-4 times and above 5 years average by 2.8-10 times.



**Locally produced Wheat** The prices of wheat remained high by 7-33 percent in markets of El Obied, El Fasher, Qadarif, Kosti, Medani, Dongola, Nyala, Signa, and Zalingei, while remained stable, slightly decreased, and slightly increased in the rest of monitored market compared to February 2021. Local wheat prices remained above the last year by 150-310 percent and above the 5 years average by 4-8 times across all markets.

## **Livestock prices:**

**Goat prices** showed mixed trends. It increased by 5-28 in markets of Qadarif, Damer, El Obied, Geneina, Kadugli, and Nyala while remained stable, slightly decreased, and slightly increased in the rest of monitored markets in relation to the previous month. Goats price remained above the last year ones by 60-330 percent and above the 5 years average prices by 3-10 times. The increase in Goat prices attributed to high cost of transportation from supply areas such as North Kordofan and West Kordofan.

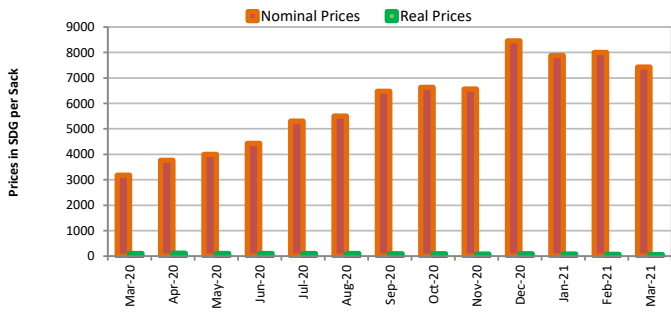
**Sheep** prices showed mixed trends in compared to previous month as it increased by 5-26 percent in markets of Damer, El Obeid, Geneina, Kadugli, Kassala, Nyala, Um-Dorman, PosrtSudan, Rabak, and Senna while showed mixed trends of slightly increased, slightly decreased, and stable in the rest of monitored markets. Sheep prices increased in all monitored markets by 50-290 percent in relation to last year and above 5 years average by 3-7.5 times.

Same as cereals the macroeconomic factors and increase in cost of breeding in terms of labor, vaccines, and transportation cost behind the increase in livestock prices despite the water and fodder availability.



# NOMINAL AND REAL WHOLESALE PRICES OF CEREAL & TERMS OF TRADE AND SHEEP PRICES

Figure 3: Real versus nominal sorghum prices Om Durman, (Khartoum State)



5. Real versus nominal livestock prices in Omdurman, (Khartoum State)

Figure 5. Real versus nominal Sheep prices in Om Durman, (Khartoum State)

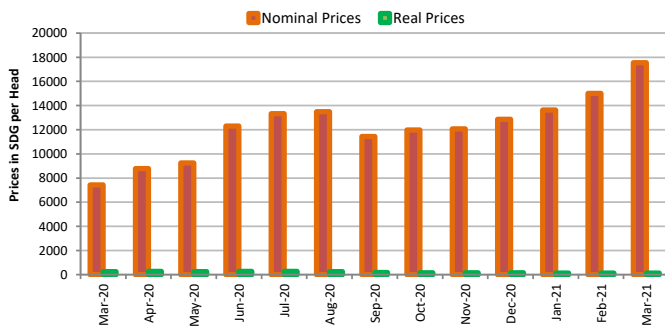


Figure 4: Sorghum Regional and International Comparison

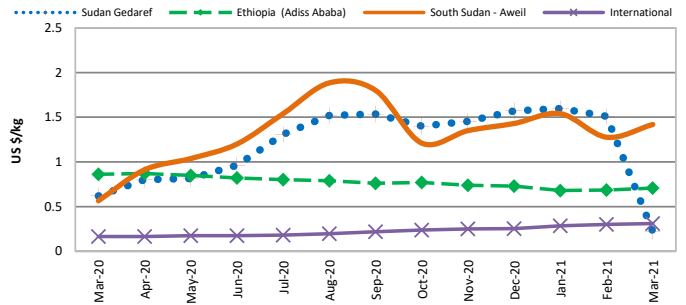


Figure 6. Sheep for Sorghum (Kg) Terms of Trade

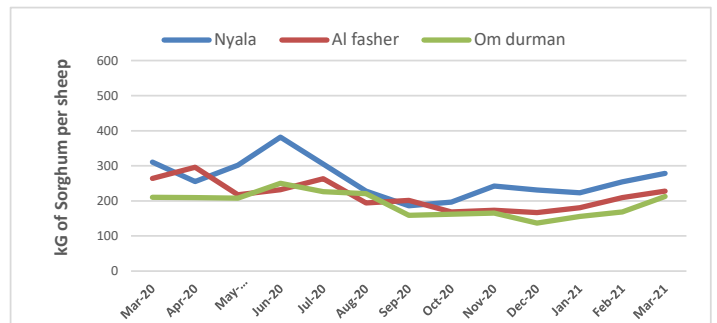


Figure 7. Nominal Sorghum prices in the surplus producing areas of the country

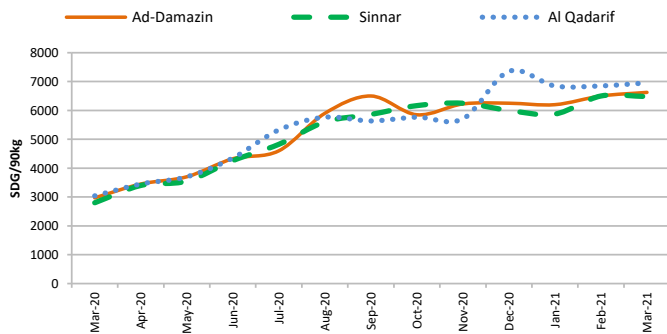


Figure 8. Nominal Sorghum prices in the main consuming areas of the country

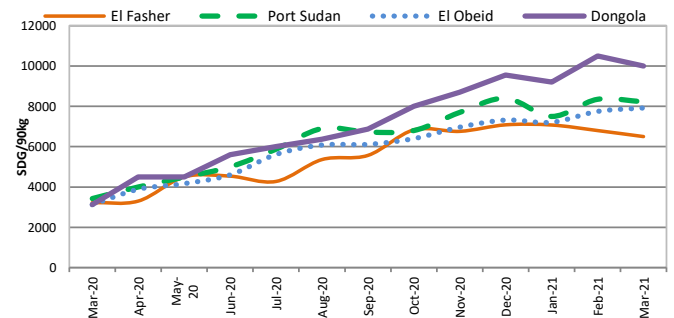


Figure 9. Nominal Millet prices in Darfur States

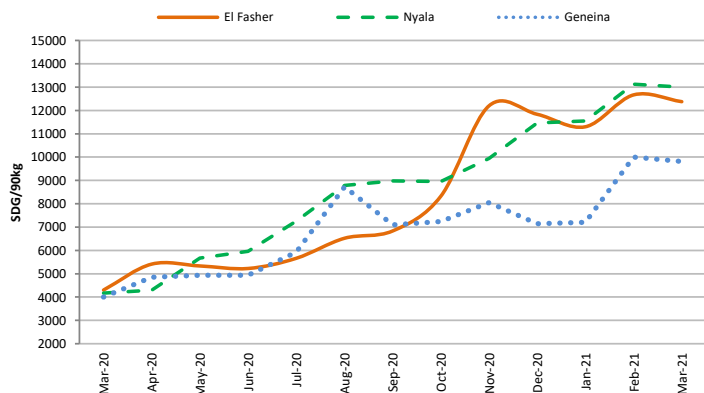
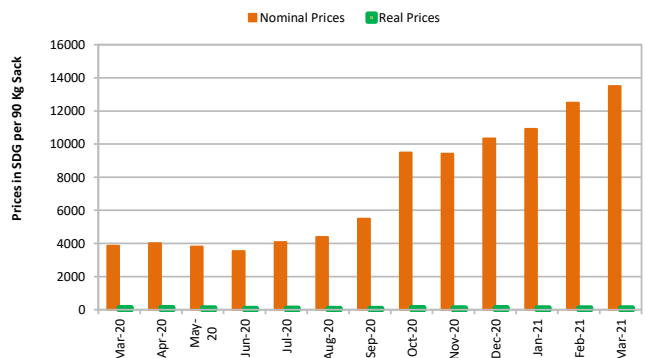
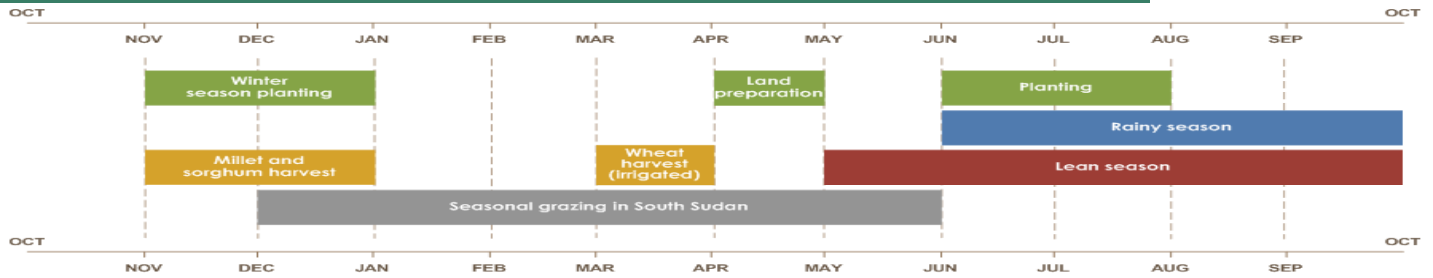


Figure 10: Real versus nominal Wheat prices Om Durman, (Khartoum State)



# SEASONAL CALENDAR AND KEY MARKETS MONITORED IN THE REPORT

## 11. Seasonal Calendar



### Outlook:

**Market supplies** of locally produced main staples (sorghum and millet) expected to start declining starting April 2021 through May-July 2021. The cost of transportation likely to remain high and influences the supply of staple food from production to high consumption areas.

**Demand** for household consumption will increase during the month of Ramadan. Traders will increase demand from main hubs and markets in preparation to lean season as the prices likely to continue increase in Darfur and Kordofan states. The difficulties to get the breads likely to increase better-off household demand over cereals (Sorghum, Millet and Wheat).

Although after 7 weeks the impact of SDG floating can be considered as minimum, but it is to have stability and less increase than previous in goods and services prices.

Sudan's currency likely to fluctuate according to supply and demand and the Central Bank of Sudan said it will announce a daily flexible indicative rate in a "flexible managed float" that banks and other exchange bureaus are required to trade at within 5% above or below.

Due to inflation, retail prices for sorghum and millet will remain high but progressively stabilize, while price of imported good might continue to raise (including imported wheat).

Sorghum and Millet prices expected to remain high by 10-30 percent during April 2021 while remained above last year prices by 70-250 percent and reached 3-9 times of the 5 years average.

Livestock prices are expected to follow seasonal trends but at relatively high prices compared to average. Demand for meat will increase during Ramadan the high demand will be coincided with macroeconomic challenges (cost of fuels, laboring, and vaccines).

Sheep and Goats prices expected to continue increase and remain above the last year by 1-4 times and 7 times above the 5 years average.

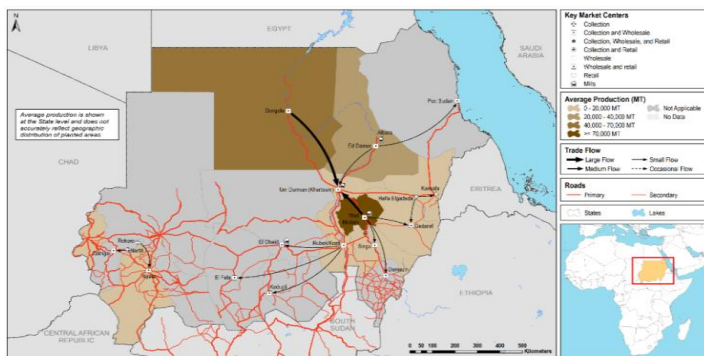
Official and parallel market prices will become at par thanks to the currency devaluation and follow up from the central Bank stabilizing the economy.

High fuel prices (diesel) are expected to persist across Sudan through September 2021, which also contribute to high cost of other commodities due to transportation.

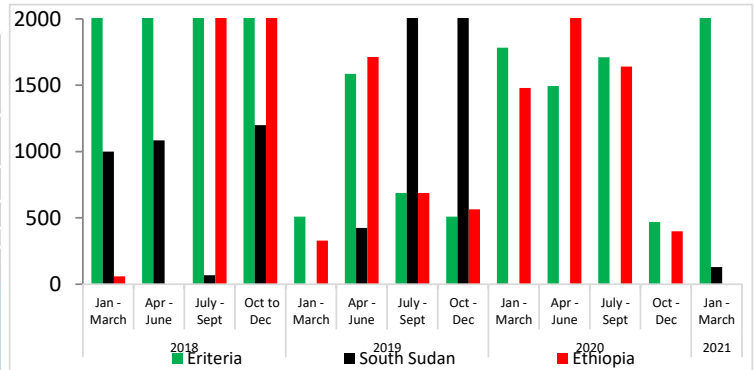
ToT cereals/livestock will decline seasonally and remain on average 18-22 percent lower than last year due to higher increases in sorghum prices relative to goat prices.

The exchange rate USD/SDG in both official and parallel market expected to increase slightly from 380-382 to reach 385 SDG/USD during the month of April 2021, high demand of USD will be observed when traders start collect hard currency to purchase Eid- Al Fitr needs such as clothes and sweets from outside Sudan.

## 12. Sudan local wheat production and trade flow map



## 13. Cross border exports of sorghum in metric tonnes



**Source:** FEWS NET in collaboration with stakeholders from local government ministries, market information systems, NGOs, and private sector partners, using a mix of qualitative and quantitative data.