

# SUDAN MONTHLY MARKET UPDATE

Produced by the Food & Agriculture Market Information System - Sudan  
Bulletin November 2019



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, and analyzes food security at the local level.



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

- October is the beginning of harvest season in Sudan, the retail and wholesale prices of the main staple foods, sorghum and millet, has shown a mixed trend.
- Staple food prices indicated mixed trends between September and October, in many markets the prices started to slightly decrease or remained stable in compare to previous month. Although the decline in stable food prices is seasonal however it didn't reach the level reflecting the harvest period. This could be attributed to high cost of production and transportation.
- The influence of local currency devaluation is still on, many farmers will wait until get good prices to afford the high prices of non-cereal food items.
- Continued shortage of hard currency, and depreciation of the Sudanese Pound (SDG), shortage of cash and fuel have significantly reduced the ability of both the private sector and the government to import required essential food and non-food items.
- According to the Central Bank of Sudan (CBS), the Sudanese pound official exchange rate for October remained at 45 SDG per 1 USD while the parallel market exchange rate increase on average to 75.5 SDG during October compared to 69 SDG in September.
- According to the Sudan Central Bureau of Statistics (CBC) The national inflation rate increased to 57.7 in October compared to 53.51 in September 2019 as result of increase in food and beverage which contributes by 62.7 percent in the inflation.

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

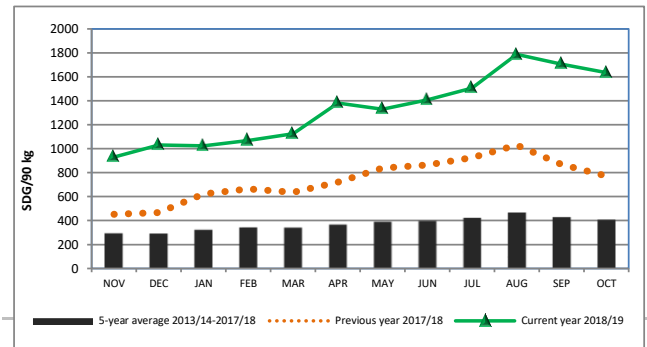
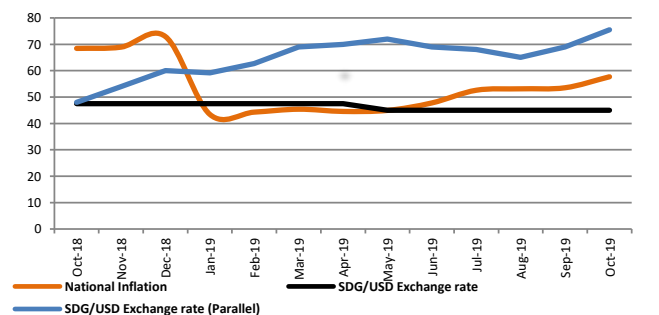


Figure 2: Macro-economic data



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 and wholesale prices**

Compare to previous month showed slight decrease, remained stable or slight increase in all markets except in Dongola (non-Sorghum production area) where the prices increased by 20 percent while decreased by 12 percent in Medani (close to Al Gazira scheme) and by 21 percent in Zalingei (production area).

## **Millet retail and wholesale prices**

price also indicated mixed trends as it slightly decreased by 1-8 percent in markets of Gedarif, Port-Sudan, Nyala, Kassala, Al Nuhood, and Zalingei. While remained high by 13.6 percent in Al Damer and 10 percent in Dongola. Geneina market recorded the significant decrease of Millet prices by 31 percent in compare to previous month.



## **locally produced wheat**

also indicated mixed trends like sorghum, it remained stable, slight increase and slight decrease in most markets, while it increased by 11 percent in Al Damer (non-Millet production area) and decreased by 10 percent in Medani market.

**Generally**, current levels of locally produced cereal prices remained 10-225 percent higher than respective last year and 100-370 percent above the five-year average.



## **Livestock prices:**

following its increase during August /September Sheep prices continue to decrease in most markets by 1-23 percent while significantly increased 33 percent in Geneina market due to lack of supply and while remain relatively stable or slightly increased in some other markets. Decrease of sheep prices is attributed to the relative reduction in demand for export and improve in access to fodder/pastures.

Goat prices increased 5 to 33 percent in 5 markets while decreased by 5-11 in 4 markets (out of 13) and remained stable or slightly increased in other markets.

Cattle prices showed different trends among the monitored markets in compare to the previous month, as it increased by 5-50 percent in markets Ad Damazin, El Damer, Geneina, Port Sudan, and Rabak while slightly decreased by 5-15 percent in El Obied, Kassala, Nyala, Omdurman, and Sennar markets.

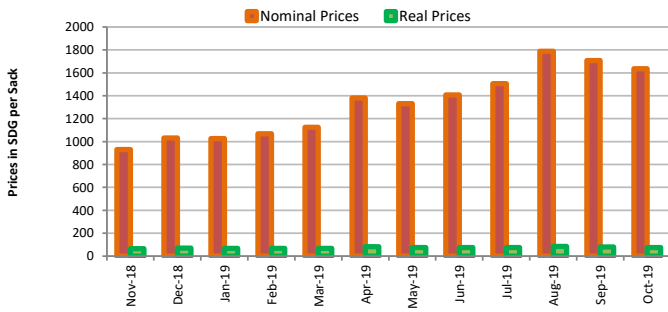
Current level of cattle prices is found to be 100-950 percent, goat prices is 140-400, and sheep prices is 150-500 above respective last five years.

The significant increase of livestock prices attributed the overall impact of local currency depreciation, high cost of transportation from areas of production to main markets with relatively high demand for local consumption and export.



# 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

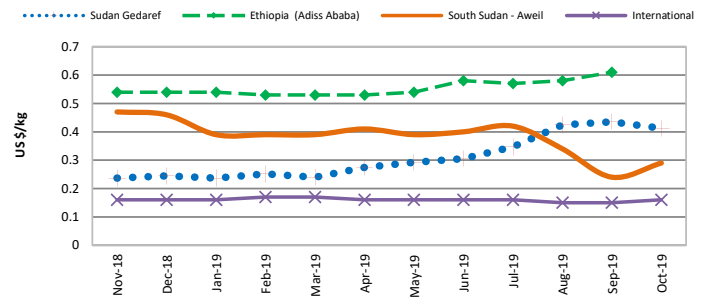


Figure 6. Sheep for Sorghum (Kg) Terms of Trade

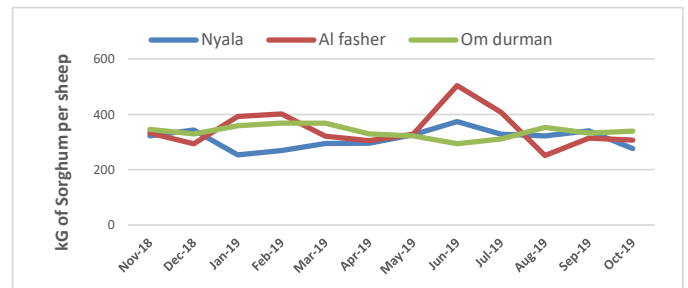


Figure 7. Nominal Sorghum prices in the surplus producing areas of the country

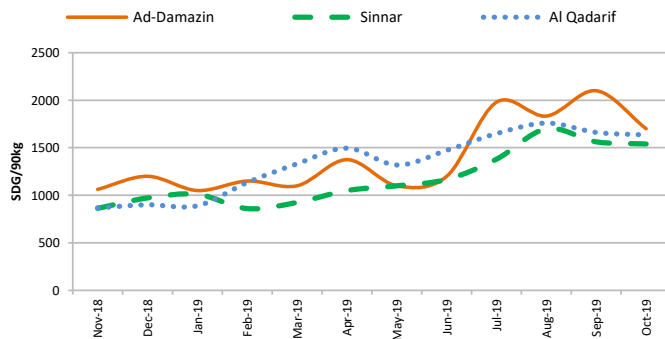


Figure 8. Nominal Sorghum prices in the main consuming areas of the country

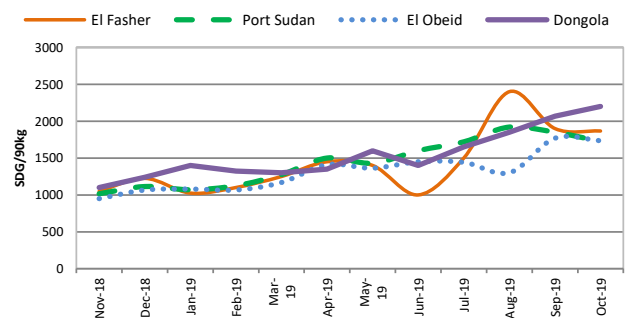


Figure 9. Nominal Millet prices in Darfur States

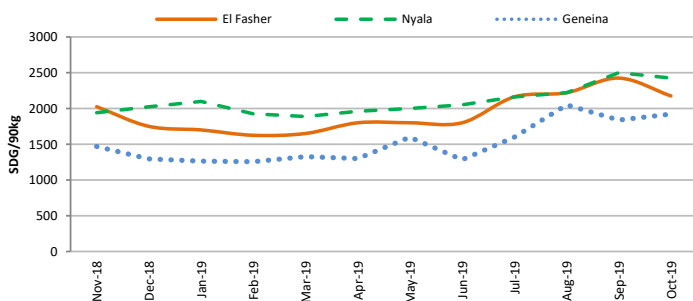
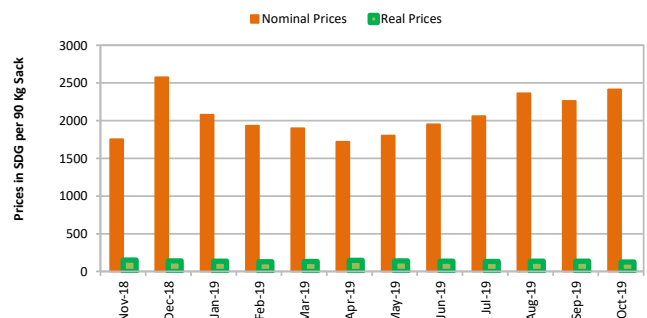
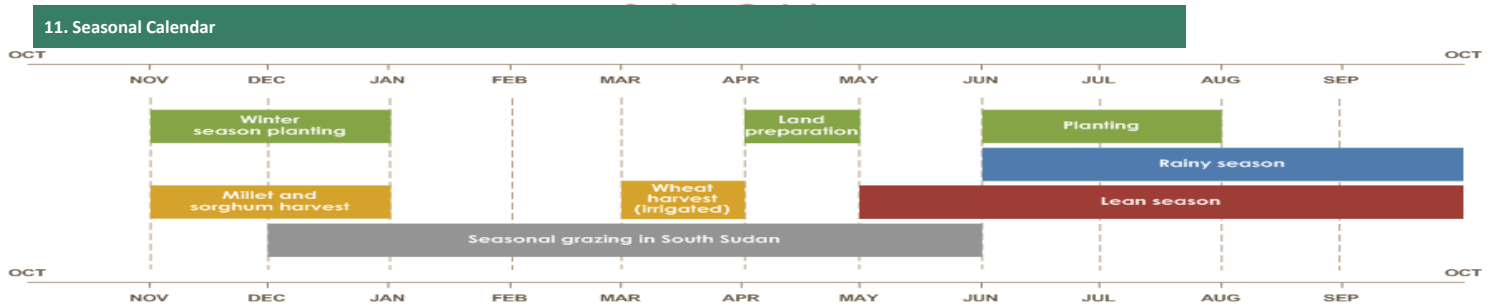


Figure 10: Real versus nominal Wheat prices Om Durman, (Khartoum State)



# SEASONAL CALENDAR AND KEY MARKETS MONITORED IN THE REPORT



## MARKET OUTLOOK

**Market supplies** of locally produced main staples (sorghum and millet) expected to continue improve towards November through harvest period of December/January.

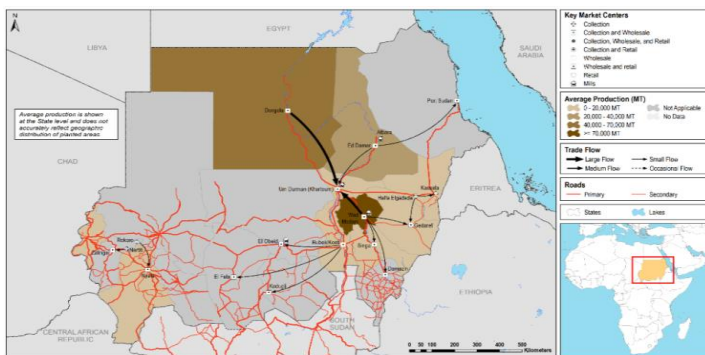
**Demand** for local consumption is likely to reduce seasonally with improved availability of household’s own production while demand for informal flows of sorghum and millet to neighboring countries of Ethiopia, Chad, Eritrea and South Sudan expected to continue during outlook period as Sudanese pounds depreciation likely to trigger active informal cross-border sorghum flows.

Prices of **sorghum and millet** are anticipated to continue trend of seasonal decrease, yet this is likely to be moderated by high production and transportation cost. Prices are expected to remain 20-40 percent above last year and over 200-250 percent above the five-year average.

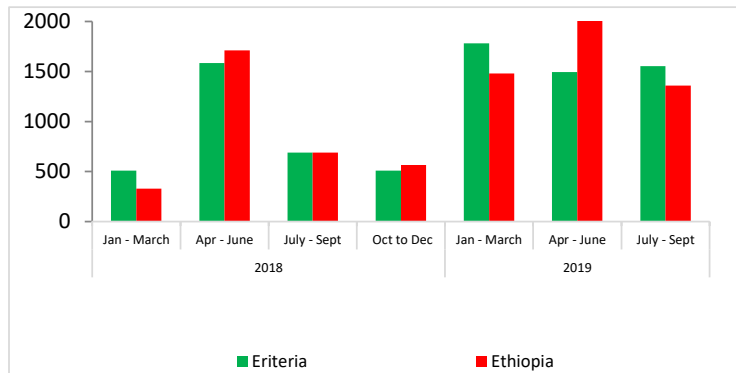
**Livestock prices** are expected to remain at current high levels through December 2019 and this attributed likely improvement in access to pastures and animal which will improve animal body and reduce the cost for getting animal fodder, yet other factors such as high cost of transportation will be considered. The livestock supply to local market is likely to seasonally decline while the demand for formal exports to Gulf states as well as for informal cross-border trade with neighboring countries is expected to remain high.

the continuous Macroeconomic challenges in form of local currency depreciation, high inflation and shortage of fuel is expected lead to increase in food and non-food prices.

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



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



**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.