

# SUDAN MONTHLY MARKET UPDATE

Produced by the Food & Agriculture Market Information System - Sudan  
Bulletin October 2020



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

September is typically the peak of the lean season in Sudan, a time when access to food remains seasonally low, the supply of local production is at minimum and cereal prices are at their highest levels.

Dramatic increased in food and non-food prices due to continuous macroeconomic challenges, lack of foreign currency deterioration of local currency and high inflation rates.

High cost of transportation is driving high stable food prices in almost all markets.

Staple food prices increased about 15-30 percent in September compared to August and about 100-300 percent compared to last year and more than 600 percent compared to 5-year average.

Fuel shortages are continuing to drive up transportation costs across the country.

The informal cross border trading between Sudan and other countries such as Ethiopia and South reduced compared to normal due to COVID 19 restrictions. However, some traders continue demanding same amounts and uses informal ways of transportation.

According to the Sudanese Central Bureau of statistic, the inflation rate increased from 166.83 percent in August to 212.29 percent in September. 2020, the inflation rate increased as a result of the high prices of foods and beverage group.

September recorded a continuous depreciation of the Sudanese pound against the dollar in the parallel markets. As the exchange rate increased by 41 percent to reached about 240 SDG/USD compared to 170 SDG/USD in August.

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

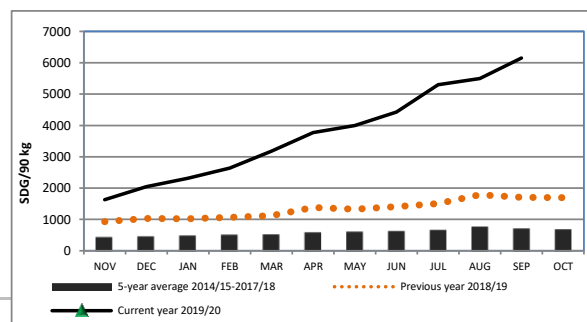
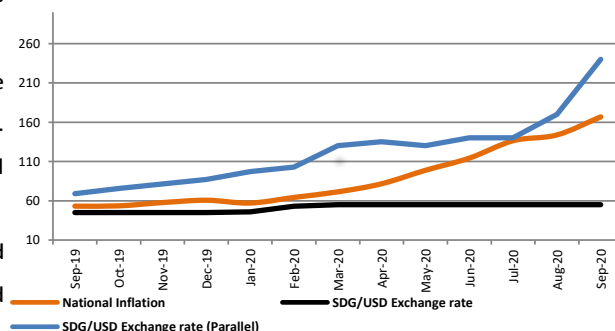
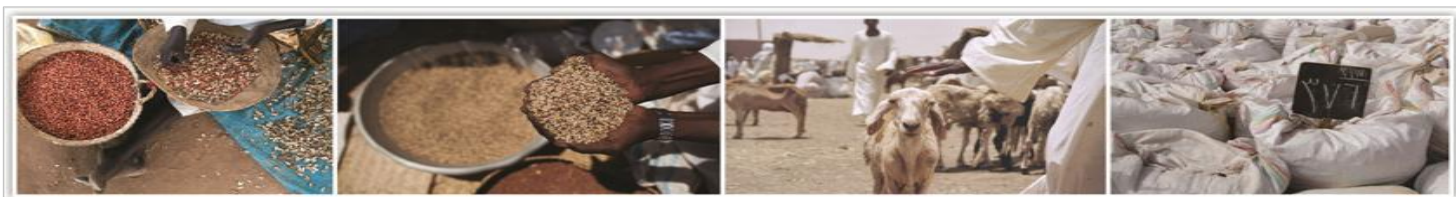


Figure 2: Macro-economic data



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



## Market Analysis:

**Sorghum retail prices:** during September, sorghum prices showed mixed trends, the highest prices were recorded in Zalingi 24 percent, Kadogli 21 percent and Ed Dean 17 percent. Al Genena prices decreased by 20 percent, while prices showed mixed trends of slightly increased, slightly decreased and unchanged in other markets. Prices remained high by 150-300 percent compared to last year and remained high by more than 700 percent compared to the five-years average.

**Millet retail prices** increased in almost markets between 10 to 25 percent, the highest increase recorded in El Daen, Khartoum and Gadarif by 27, 24 and 23 percent respectively compared to last month. Prices remained high in all markets by 115-350 percent compared to last year and remained more the three times above the 5 years average.

The local supply of **wheat** declines, its prices showed mixed trends compared to previous month as it increased by 10-30 percent in 8 markets while remained unchanged, slightly decreased or slightly increased in the rest of monitored markets. Local wheat prices remained in all market remained above the last year by 50-180 percent and above the 5 years average by 250-600 percent.

## Livestock prices:

**Goat** prices showed mixed trends as some markets indicated slight price increase while slightly decrease or remained stable in most of other monitored markets except in Zalingi market as it increased by 23 percent compared to previous month. Goat prices remained higher than last year by 26-260 percent and above the five-year average by 200-680 percent.

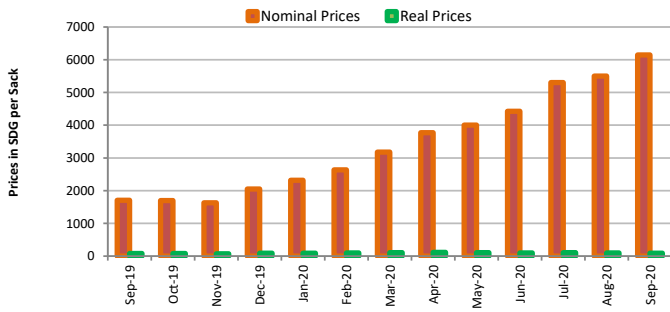
**Sheep** prices showed the same trend of goat price in most of monitored markets, the higher decrease reported in Sennar market by 19 percent while the higher increase reported in Zalingi market by 18 percent compared to previous month.

Sheep prices continue to remain above the last year by 26-245 percent and above the five-year average by 200-460 percent in all monitored markets.

Same as cereals the macroeconomic factors and increase in cost of breeding in terms of labor and vaccines in addition to disruption of export to Saudi Arabia from time to time.

# 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)

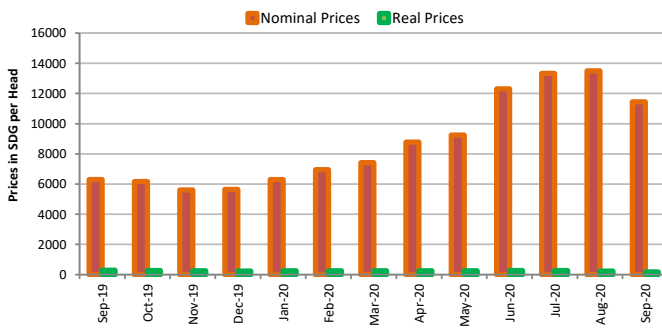


Figure 4: Sorghum Regional and International Comparison

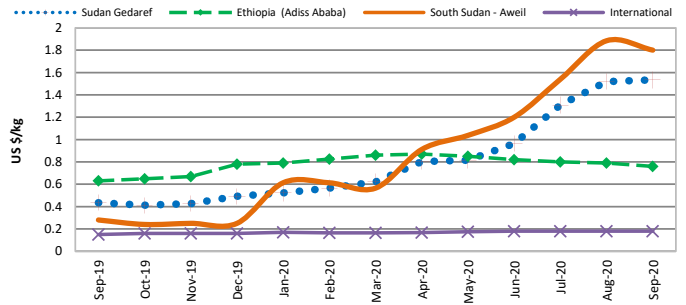


Figure 6: Sheep for Sorghum (Kg) Terms of Trade

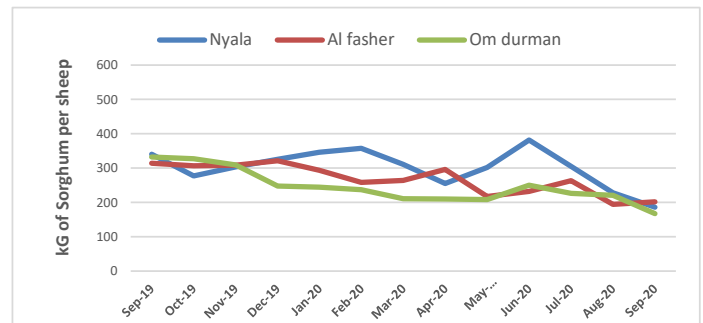


Figure 7: Nominal Sorghum prices in the surplus producing areas of the country

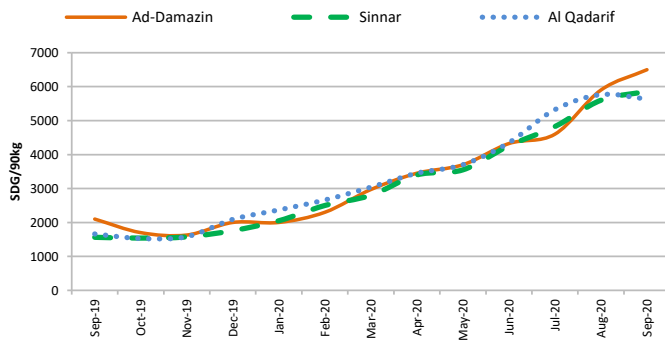


Figure 8: Nominal Sorghum prices in the main consuming areas of the country

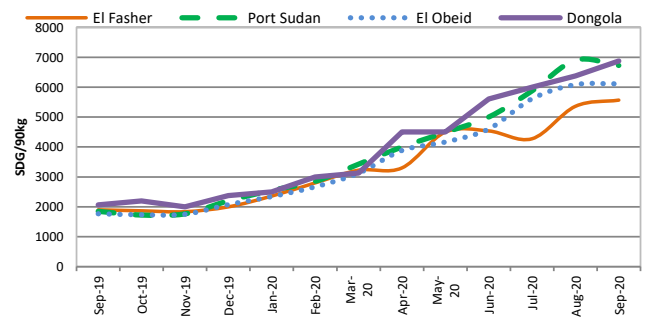


Figure 9: Nominal Millet prices in Darfur States

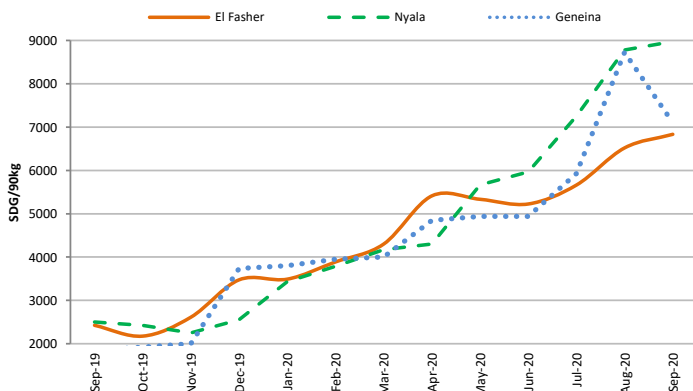
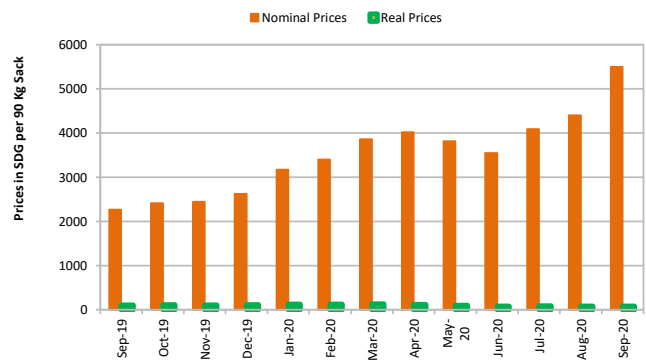
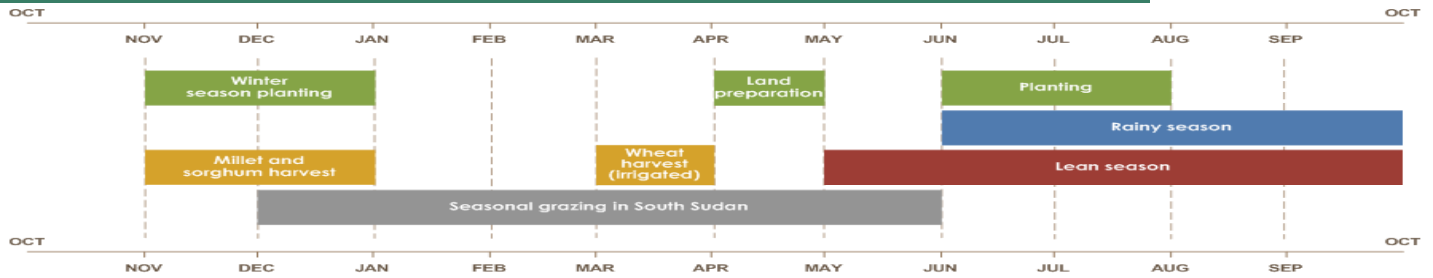


Figure 10: Real versus nominal Wheat prices Om Durman, (Khartoum State)



# SEASONAL CALENDAR AND KEY MARKETS MONITORED IN THE REPORT

## 11. Seasonal Calendar



### Outlook:

**Market supplies** of locally produced main staples (sorghum and millet) likely to experience slight improve by end of October 2020 as harvest in some states will commence. This is likely to improve localized supplies in in consumption markets. Areas of expected low production due to floods and heavy rains, likely to keep high demand during harvest period. Rural roads to production areas likely to improve but high cost of fuel keep transportation cost very high.

Traders likely to start to release some of their last season stock yet the prices expected to remain high.

Prices in Khartoum state likely to remain high even when production is out due to continue high demand and difficulties to access breads.

The impact of macroeconomic factors, inflation rate, and increase in transportation cost will likely to persist through October 2020.

Sorghum and millet prices are expected to show mixed trends in October yet will remain increase in most of market, prices likely to remain over 200 percent higher than last year and 300-600 percent above the five-year average during the peak of lean season. Prices for locally produced wheat will also continue to increase and will remain about 200 percent higher than last year's prices and 350-400 percent above the five-year average.

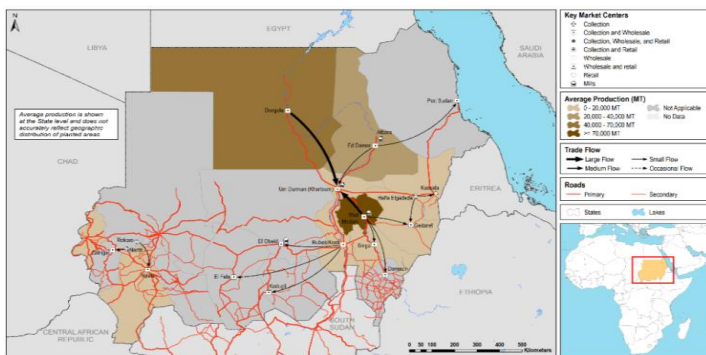
Livestock prices likely to show slight increase as the availability of green pastures and drinking water will contribute improving animal body condition, however, cost of livestock transportation to main markets expected to remain high.

Sheep and Goats prices expected to continue slight increase and remain above the last year by 50 to 200 percent, and three times above the 5 years average.

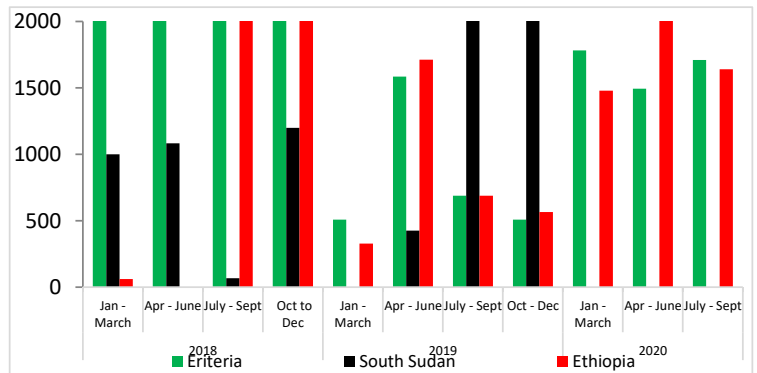
Macroeconomic challenges in form of local currency depreciation, high inflation and shortage of foreign currency is expected to remain in same level with expectation of some changes in government policies such as lifting of support to fuel and open the fuel import for companies and allow them to sell same as international prices, this will further increase demand over the hard currency and the cost of transportation will significantly increase all stable food prices.

The exchange rate in parallel informal market likely to significantly increase by 60-80 percent compared to September 2020, the demand over hard currency from all sectors including the government likely to increase meanwhile supply to official points (banks) remains minimum.

## 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.