

FSAU and partners will conduct the *Gu* 2007 seasonal assessment in Somalia beginning June 25th. Two day regional workshops will be held, followed by 2- 3 weeks of fieldwork and analysis. Final conclusions will be agreed during an all team meeting in Hargeisa from July 23rd – 27th. A presentation to the SSS/FSRD is planned for August 13th and the final Technical Series report will be made available by September 12th.

Climate

Markets

Nutrition

Agriculture

Livestock

Civil  
Insecurity

Emerging  
Regional  
Issues

### KEY ISSUES & EARLY WARNING FOR FOOD SECURITY AND NUTRITION

- **Displaced populations** from the conflict in Mogadishu still require urgent *humanitarian assistance*, both for those who have fled Mogadishu and those who have returned, due their loss of property, continuing disruption in livelihoods, an overall environment of inflationary price increases and insecurity.
- **Riverine and agro-pastoral households** in Middle and Lower Shabelle are at increased risk of humanitarian crisis as the impact of *recent shocks* is now manifesting itself through *increasing rates of acute malnutrition* which, as of May 2007, are above the emergency threshold of 15% with mortality rates also above the alert threshold. The cumulative effects of the conflict, insecurity and concentrated displacement within the Shabelle region; which has led to stress on host communities, with the IDP influx and sharp inflationary price increases over the last few months, is likely to have contributed to this situation. These shocks are further compounded by the ongoing Acute Watery Diarrhoea (AWD) epidemic, the losses from the *Deyr* floods, and three seasons of below normal cereal production.
- For *riverine households* already in areas of *Humanitarian Emergency* and *Acute Food and Livelihood Crisis* in Gedo, Juba and Hiran regions, below normal cereal production or a crop failure this season, will inevitably lead to a further deterioration in their food security and nutrition situation.
- **Pastoralists** in the south and central regions are *continuing to benefit* from good livestock body conditions for all species, medium to high rates of calving, kidding and lambing, increased milk production, high livestock prices and favorable terms of trade (livestock to cereal).

### SECTOR HIGHLIGHTS

**Climate:** The performance of the *Gu* '07 season rains (mid-April to early June), the most critical rains of the year, are *well below normal in terms of intensity, distribution through the season, amount and coverage for most of the country*. The exception is the northwest and localized areas in the northeast, central region and Juba Valley (*page 2*).

**Civil Insecurity:** Insecurity, conflict, and tensions have continued, and in some areas increased in the south and central regions. Movement between and within some regions is costly, difficult and dangerous. Humanitarian access and the provision of humanitarian assistance to populations most in need, continues to be difficult and problematic (*page 4*).

**Mogadishu Displacement:** Between 100,000 to 200,000 people have returned to Mogadishu, of which most or 89% are returning from surrounding areas in Lower and Middle Shabelle. Returnees to Mogadishu have found their homes destroyed, food and medical care in short supply and limited business activities in some neighborhoods. Central region hosts the largest number of IDPs or 50% of the total displaced population, although Shabelle region hosts the second largest number of IDPs or 20% of total IDPs, followed by Hiran at 14% (*page 4*).

**Agriculture:** The *Gu* season crop establishment conditions vary from region to region, but generally are well below normal in most agricultural areas in the south, both for rainfed and irrigated cereal crops. Cereal prices in most southern markets are continuing to increase since January 2007 following the normal seasonal price trends, however, they are still lower than the last three years in the Shabelle and seven years in the Juba. Sorghum prices remain at an all time low, due to the bumper harvests last *Deyr* '06/07, but have begun to increase slightly (*page 5*).

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**Livestock:** Overall, pasture, browse and water is widely available in most regions of the country, due to very good *Deyr* '06/07 rains, a mild Jilaal dry season, and a good rains at the onset of the Gu season in April. In all regions, livestock body conditions for all species (cattle, sheep, goat, and camel) remain good and milk production and availability is improving, as kidding and calving (goats, sheep, cattle and camel) is increasing and is anticipated to continue through until the next *Deyr* '07/08. Livestock prices for all species are significantly higher compared to the last 5 years and pastoralists are benefiting from favorable terms of trade (livestock to cereal) (*page 6*).

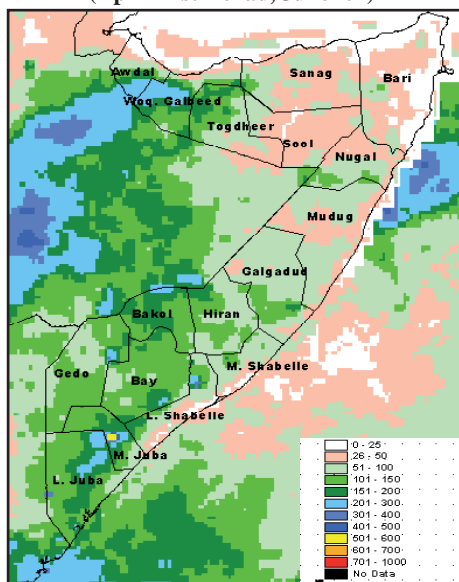
**Markets:** The Somali Shilling has depreciated on average 15-25% against the dollar since January, breaking a three year period of relative stability. The depreciation of the Somali shilling, combined with increased insecurity, has had a significant inflationary effect, especially on prices of essential commodities. High and increasing prices are a serious concern and if trends continue will undermine household food security throughout the different regions, especially for the poorer most vulnerable populations (*page 8*).

**Nutrition:** High rates of acute malnutrition continue to be reported in South and Central Somalia. Of most concern, are the results of two nutrition assessments conducted in Shabelle region during May. The population in this region is normally nutritionally more secure, but preliminary results are now showing levels of acute malnutrition of 15-20%<sup>1</sup>, with families citing the sharing of resources, increasing food prices and increasing disease as the main contributing causes. Two other assessments were conducted in the IDP populations in May in Baidoa and Galkayo, both reporting levels of acute malnutrition above the emergency threshold of 15% and indicating a similar nutritional status in the recent and longer term IDP groups (*page 9*).

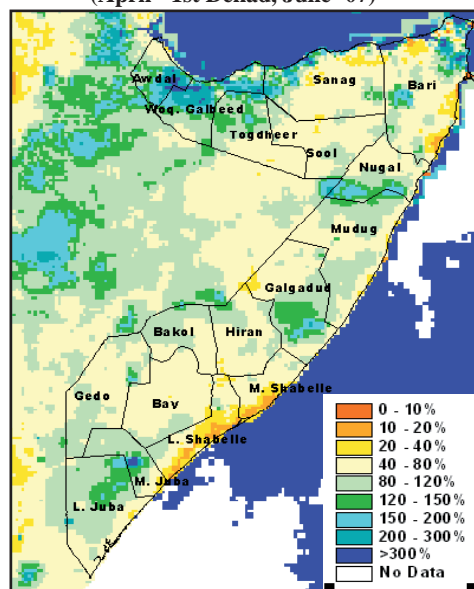
For Food Security Analysis by region see Regional analyses pages on the FSAU website: [www.fsasomali.org](http://www.fsasomali.org)

## SECTOR HIGHLIGHTS

Map 1: Cummulative Rainfall  
(April - 1st Dekad, June '07)



Map 2: Percent of Normal Rainfall  
(April - 1st Dekad, June '07)



Source: USGS/FEWSNET

## CLIMATE

### *Gu Rainfall Performance*

The performance of the *Gu* '07 season rains (mid-April to 1st dekad of June), the most critical rains of the year, are well below normal in terms of intensity, distribution through the season, amount and coverage (Map 1 & 2). The onset of *Gu* rains in mid-April were good in most parts of the country (FSAU Climate Data Update, May 2007). However, in May the *Gu* rains became erratic, unevenly distributed, and generally below normal in many parts of the country (Map 3). In some localized areas, rains were near normal to above normal rains, and in most of northwest rains were well distributed and 120% to 300% of long term mean.

<sup>1</sup> WHO classification of a critical nutrition situation of >15% Global Acute Malnutrition

In most areas in the South, including key parts of Shabelle region and some parts of Bakool and Gedo regions, the *Gu* rainfall performance is well below normal in terms of intensity, amount and distribution over time and coverage. As of the first decade of June, according to satellite imagery the *Gu* rains were between 40-80% of the long term mean in parts of Gedo, Bay, and Bakool regions, and between 20-40% of long term mean in Lower and Middle Shabelle. After a well distributed and good onset of *Gu* rains in mid-April, rains began to subside in May '07. According to satellite imagery localized light to moderate rains of 25-50 mm fell in the Lower Juba in May (see FSAU May '07 Climate Data Update). Likewise, field reports also indicate that there were light showers in the Sorghum Belt (parts of Bay and Bakool), and parts of Lower and Middle Juba. However, the rest of the southern region experienced a long dry spell of 2-3 weeks in May, especially in Hiran, Shabelle and parts of Gedo regions.

In the central and northern regions, *Gu* rainfall performance was mixed with some areas receiving near normal rains, including parts of Galgadud and Mudug, while other areas in Sanag, Bari, Toghddeer, Sool and Galgadud received between 40-80% of the long term mean (Map 2). In contrast, by the end of the first decade of June, most of the northwest region, including Awdal, Galbeed and parts of Toghddeer, as well as some localized areas in Bari, Sanag, Nugal and Galgadud, received rains that are significantly above normal or 120-300% of long term mean.

### Floods

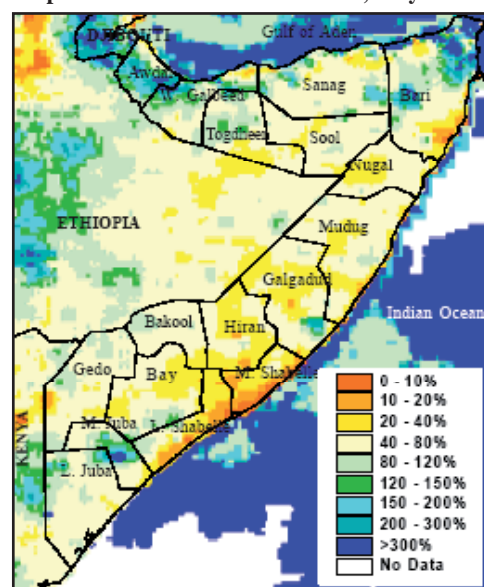
The Ethiopian highlands had reduced rainfall over the last two weeks of May, apart from the upper reaches of Shabelle and Juba catchments that received moderate rains. Observed river levels both on the Juba and Shabelle decreased over the last week of May '07. The river level at Jowhar is still high, but within the normal range. The forecast for June is for light rains in most parts of the country, as well as the Ethiopian highlands. River levels in the lower reaches of both rivers, however, are expected to continue to decrease in the coming week. There is medium risk of flooding in the lower reaches of the Shabelle, which is fairly typical during the *Gu* season, however, no significant floods are anticipated for the remainder for the season. During May, localized floods were reported in the Shebelle Valley, and the flood water damaged pasture, land, and some farmland. Flash floods occurred in the north in Erigavo and in parts of Nugal and Bari regions due to heavy and intensified rains during the third dekad of May (21st-31st), however, these rains were largely beneficial to pastoral areas and water catchments were replenished.

### Vegetation Coverage and Rainfall Forecast

The Normalized Difference Vegetation Index (NDVI) satellite imagery shows current vegetation levels in some parts of the country are generally above normal, especially in the northeast, northwest and central regions (Map 4). Field reports confirm that rangeland conditions throughout most of the country are near normal, due to the exceptional *Deyr* '06/07 seasonal rains, a very mild *Jilaal* dry season (January to March '07), followed by near normal to normal onset of the *Gu* rains in mid-April. Rains received during April to early May partially replenished water sources and brought improvement to rangeland conditions, particularly browse.

The poor performance of the *Gu* rains overall, and the long dry spell in May has already begun to reverse the rangeland recovery in some parts of the south and central regions (see Livestock Sector), while the crop establishment is well below normal in the south (see Agriculture Sector). The rain forecast from June 14th to 19th indicates only a possibility of light showers throughout some parts of the country, which is not encouraging and likely means that the *Gu* rains will not finish with a good performance. The *Xagai* rains or coastal rains in the south are light showers that normally fall in June and July. If these seasonal rains are normal they will provide some relief in areas like Shabelle, however, they will be unable compensate for the poor *Gu* rain performance.

Map 3: Percent of Normal Rainfall, May '07



Map 4: NDVI anomaly June 1st-10th '07





## CIVIL INSECURITY AND DISPLACEMENT

In the last two months, insecurity, conflict, and tensions have continued, and in some areas increased in the south and central regions. In particular, field reports indicate that there are numerous road blocks and incidents of banditry, along with heightened political tension, especially in the Lower and Middle Shabelle and Hiran regions. There are also reports of localized disputes over access to natural resources, for example in the central region, recent disputes over natural water catchments and grazing areas resulted in 37 deaths and tensions continue. Marine piracy and incidences of ‘terrorist’ style attacks are continuing.

Transportation and movement between and within the most affected regions continue to be costly, difficult and dangerous. Transport costs are significantly increased due to the highly insecure and volatile situation and are leading to further increases in commodity prices. Humanitarian access and the provision of humanitarian assistance to populations most in need, continues to be difficult and problematic.

Despite two ceasefires, the insecurity in Mogadishu has intensified since the end of February. In addition to the suicide bombing outside the Prime Minister's home, there was also an attack on Somali policemen in the Bakara Market. Conflict has led to the loss of lives and injuries in Mogadishu, but also considerable displacement within and from the capital. Estimates suggest that from 1<sup>st</sup> February until 8<sup>th</sup> June 398,000 fled Mogadishu (UNHCR, June 8) and a further 30-40% of the Mogadishu population were estimated to be displaced within the city. Currently, the UNHCR Population Movement Tracking and Protection Movement Tracking estimates that 98,085 IDPs have returned to Mogadishu (UNHCR, June 13). Returnee numbers are difficult to estimate, as the situation is in flux, changing daily and displacement into and out of Mogadishu is continuing to be reported. Many believe, however, that the actual number of returnee's could be much greater or between 100,000 – 200,000. For those who have returned many have found their homes destroyed, while food and medical care are in short supply and business activity has come to a complete stop in some neighbourhoods.

Based on the UNHCR IDP returnee estimate of 98,085, most of the IDP returnee's or 89% are returning from Middle Shabelle (29%) and Lower Shabelle (60%). Reports indicate that this first wave of returnee's to Mogadishu is the most vulnerable of those who fled, with the least coping options. Table 1 shows that some of the regions, such as the Middle and Lower Shabelle, nearly 44% and 70% of the IDPs respectively, have returned. Central region is now hosting the largest number of IDPs or 50% of the total displaced population (36% in Galgaduud and 14% in south Mudug). Although Shabelle region has seen the largest number of returnee's, this region still is hosting the second largest number of IDPs or 20% of total IDPs, followed by Hiran at 14%. After the initial increase in commodities prices (food and non-food) and services (transportation) in some areas with high IDP concentrations in February and March, there has been a stabilisation since May (see FSAU website for the Displacement, AWD and Prices Table). For example in Dhusamareb, prices of imported commodities increased by 13 – 25% in late March to early April, and are still at that level.



Displaced persons in Dhusamareb town, Photo by Abdulkadir M Ahmed, May 14, '07



Dhusamareb town, Photo by Abdulkadir M Ahmed, May 14, 2007

Table 1: Regional IDP and Returnee Numbers and Percentage

Region	Estimated population (UNDP 2005)	Total Displaced population (Feb-June)	% of displaced by region (Feb-June)	Total Returnees to Mogadishu (June 12)	# of returnees as % of IDPs by region	# of returnees as % of total returnees by region
West Galbeed	700,345	8,046	2%	185	2%	0%
Togdheer	402,295	121	0%		0%	0%
Bari	367,638	2,355	1%		0%	0%
Mudug	350,099	41,553	10%	929	2%	1%
Galgaduud	330,057	109,125	27%	286	0%	0%
Hiraan	329,811	43,681	11%	450	1%	0%
Middle Shabelle	514,901	63,602	16%	28,214	44%	29%
Banadir	901,183	991	0%	1,738	*	2%
Lower Shabelle	850,651	84,308	21%	58,763	70%	60%
Bay	620,562	27,838	7%	2,120	8%	2%
Bakool	310,627	1,800	0%		0%	0%
Gedo	328,378	6,462	2%	5,370	83%	5%
Middle & Lower Juba	624,667	7,347	2%		0%	0%
Sool	150,277	1,400	0%		0%	0%
Sanaag	270,367	35	0%		0%	0%
TOTAL	7,051,858	398,664	100%	98,055	25%	100%

Source:

- Population Estimates:- UNDP Somalia 2005
- Number displaced and/or returned:- UNHCR: IASU Somalia Protection Cluster; June 12, 2007
- \* In Banadir the number of returnees reported is greater than the IDPs initially recorded.

## AGRICULTURE

The *Gu* season crop establishment conditions vary from region to region, but generally are **well below normal in most agricultural areas in the south**, both for rainfed and irrigated cereal crops. The *Gu* rains have been ineffective for good crop emergence and establishment for rainfed crops, while irrigated crops have suffered from reductions in area planted with good crop establishment only along riverine and main canals where irrigation is easily accessible. All regions are reporting poor cereal crop performance, including Hiran, Juba, Shabelle, Bay, Bakool and Gedo regions, while in some areas the *Gu* season production is already considered a crop failure. The FSAU and partner field crop production survey in the south will run from June 25 - July 22, but early indications are that the *Gu* season crop production for both sorghum and maize will be well below normal.

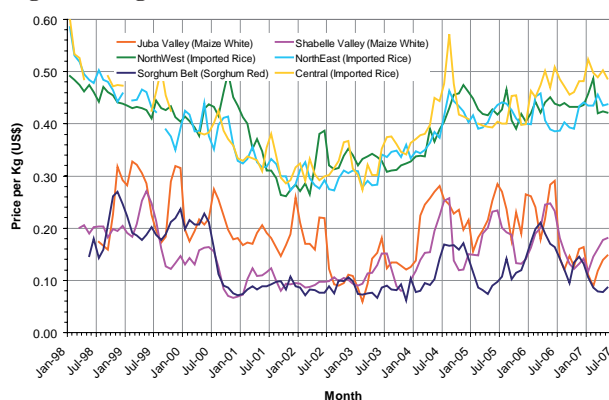
For rainfed crops, although the onset of the *Gu* rains was beneficial, the rains in May were uneven and ineffective for good crop emergence and establishment in most areas in the southern regions of Somalia. This has resulted in poor germination throughout much of the rainfed farming areas. Re-planting has been difficult due to inadequate moisture for crop emergence. Farmers have also incurred the additional expense of several re-planting of the *Gu* crops and now are faced with poor crop prospects. In addition, some areas in the Juba and Shabelle Valleys are still inundated with water due to the *Deyr* season flooding which restricted the areas that were available for planting. Rainfed crops that emerged during the April rainfall have experienced 30-35 days of moisture stress, which is 10 to 15 days longer than the period that crops can tolerate without suffering irreversible production losses. **Below average production or crop failure is expected in the rainfed areas of southern and central regions** (cowpea belt and Hiran Region).

In irrigated areas, most of the crops germinated with the April and early May rains. However, the dry spell in May created high competition for irrigation facilities even though the Shabelle River was full. Maize production is expected only from irrigated farmers along the river and main canals where irrigation accessibility is better in both the Juba and Shabelle. In the Juba valley, along much of the riverine and the deshek areas, the soil is still saturated from the moisture of previous *Deyr* season flood recession and rainfall received during April and May. Farmers have also been reluctant to plant in some areas because of concerns of potential *Gu* season flooding. Some riverine areas, however, do have good standing crops, but with significant reductions in planted areas compared to average years, particularly in Jilib and Buale districts. Overall, irrigated maize crop production is expected to be **below normal due primarily to reductions in area planted in the Shabelle and Juba riverine basin**.

According to FSAU field reports, in the Middle Shabelle, flood water damaged farmland, as well as pasture. River breakages at Marerey and Mandhere (Jowhar, M. Shabelle) damaged an estimated 1,180 and 2,100 ha of farmland, respectively. Fortunately, there was no displacement in the villages in these areas. Farmland, however, was negatively affected and some maize crops inter-cropped with cowpea were damaged. In Marerey the flood waters also damaged the main road to the airport, however, water has already started to recede. There were also localized floods in Kurtunwarey in the Lower Shabelle where almost 1,000-1,500 households were temporarily displaced. The new floods re-inundated the flood recessional areas of the last *Deyr* '06, where farmers were beginning to plant their *Gu* '07 season crops. Overall, however, reported flooding is minimal and is typical for these areas. Cereal crop production was further undermined by an outbreak of crickets in the farming areas of the Juba and Shabelle regions, due to favourable ambient temperature and humidity during the onset of *Gu* rains. In addition, other insects (white grubs, termites and stalk-borers) destroyed seedlings of the crops. Birds have also destroyed newly emerged seedlings by eating the embryo of the seed cotyledons.

As predicted, maize prices are continuing to increase since January due to the poor *Deyr* '06/07 maize production (50% of PWA), followed by a poor off-season maize harvest, both which have led to low local maize availability and supply (Figure 1). These price increases are also inline with seasonal cereal price trends, which show seasonal increase in maize prices in the lead up to the main *Gu* production season. The conflict in Mogadishu, however, has also lead to further maize price increases in some main markets, as demand is increased due to the sudden, large and concentrated population displacement and cereal flow is restricted and more costly (see Civil Insecurity Article). Although maize prices increased by 19% from March to April (from 2,477 SoSh to 2,943 SoSh/kg) in Shabelle region, they remained steady (almost 1% decrease - from 2943 SoSh/kg to 2917 SoSh/kg) from April to May. Maize prices, however, are still lower than the May prices during the last three years. For example, the maize price in May '07 compared to '05 and '06 are lower by 18% and 15%, respectively.

Figure 1: Regional Trend in Cereal Prices (US\$)

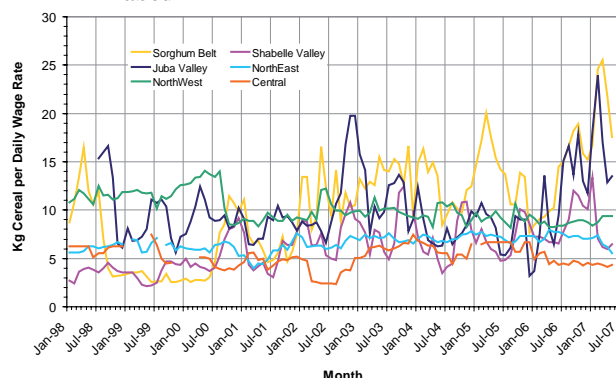


In the Lower Juba, maize prices have increased by 4% from April to May (from 2,186 SoSh to 2,284 SoSh/kg), but are still 37% lower than May '06 (from 2284 SoSh/kg to SoSh3629/kg), and are still lower than the long-term average price (1998 – 2007). In the Sorghum Belt, sorghum prices have increased by 8% from April to May (from Sosh1288 to SoSh1400/kg), due to the high demand from other regions, however, they are still the lowest they have been in the last seven years (since March '01).

Agriculture labor opportunities improved with the onset of the *Gu* rains in April with increased activities related to land preparation and planting. However, with the poor performance of the crop establishment in May and June, labor opportunities declined as there was limited demand for planting and weeding activities. In riverine irrigated areas exceptionally high fuel prices (see Market Sector) and the limited access to gravity irrigation, also reduced demand for agricultural labor activities around irrigated crops. This will affect the poorer wealth groups who are dependent on income from planting and weeding activities. Daily wage rates are likely to decrease due to the high competition for job opportunities.

Overall, in the Shabelle Valley, terms of trade between maize and labor declined by 48 % since their peak levels in January '07 and are now at their third lowest level in the last two years, due to a combination of cereal price increases, low labor wages, conflict in the region, and poor maize production in the last two seasons (see *Gu* '06 and *Deyr* '06/07 FSAU Technical Series Reports). Terms of trade in Juba and the Sorghum Belt, however, still remain extremely favorable and are at an all time high (Figure 2), despite declines since January '07.

Figure 2: Regional Trend in Terms of Trade: Cereal to Labour



## LIVESTOCK

Overall, *pasture, browse and water is widely available in most regions of the country*, due to very good *Deyr* '06/07 rains, a mild *Jilaal* dry season, and good rains at the onset of the *Gu* season in April. Rains received during April to early May (see Climate article) helped to replenish water sources and brought further improvements to rangeland conditions, particularly browse. However, the long dry spell and overall poor performance of the *Gu* rains in May and June, began to reverse the rangeland recovery in parts of the south and central regions. In the central regions, although rains received in March and April helped replenish water catchments and berkads; in pockets of Harardhere, Eldher and Hobyo districts these are again drying-up due to the long dry spell in May and water prices are likely to increase over the coming months.

In some areas in the central regions, where rainfall was exceptionally poor, there are reports of significant 'internal' livestock movements in search of fresh pasture and water, however, this is considered normal. Some abnormal cattle movements are reported in the Shabelle, particularly from Wallaweyne district of Lower Shabelle to Burhakaba of Bay region.

*Livestock body conditions for all species (cattle, sheep, goat, and camel) remain good* throughout the country as the result of good rangeland and water conditions over the last six months following the above normal *Deyr* '06/07 rains. There is a significant reduction in the number of cases reported on the 'unknown' camel diseases in central region, Hiran, Shabelle, Bay and Bakool since January, with no reports in the last two months. However, reports of the same camel disease are now coming from the Juba region, which indicates a general southern movement of the camel disease.

FSAU will continue to monitor the situation in Juba and the other regions, but it is anticipated that the impact of this disease on camel herds will be minimal, as has been the case in Ethiopia and Somaliland. Overall, *milk production and availability is improving throughout most regions*, as kidding and calving (goats, sheep, cattle and camel) is increasing and is anticipated to continue through until the next *Deyr* '07/08. Camel calving is ongoing at low to medium rates throughout the country, although it is expected to peak during the *Deyr* of '07/08. In the worst drought affected regions in the south (Gedo, Hiran and Juba regions), high rates of sheep lambing and goat kidding occurred in February and March, and cattle calving began at a significant rate in April and continued to May.

In January '07, the total number of livestock exported through the Bossaso and Berbera ports dropped dramatically (Figure 3), a reduction of 75% between December '06 and January '07, due to the sudden closure of export markets in





Sheep and goats thriving on good browsing conditions

the Gulf States following reports of suspected cases of Rift Valley Fever (RVF) in northern Kenya and southern Somalia. By March, livestock export markets began to reopen and the total number of sheep and goats exported through the two ports increased significantly to 376,439 heads in March '07. However in April, there was another sudden drop in the total number of livestock export, with sheep and goat exports dropping to 54,974 heads due to livestock traders refusing to sell animals in defiance of the recent agreement between Arab livestock traders and Puntland and Somaliland governments, which they claimed was a monopoly that favored one Arab trader. In May, the number of livestock exported increased to 112,414 heads due to the resumption of trade from Somaliland.

The total livestock exports from Bossaso Port decreased from March to April (from 104,090 to 46,535 heads), the lowest since April '02 (45,213 heads), and were far below April '06 and '05 export levels of 133,976 and 104,149 heads, respectively. In May, the number exported continued to be low with just an increase of 7%, resulting from the lack of demand from the main traditional markets of UAE and Oman.

Of this reduced number exported in May, about 80% were exported to Yemen, while the rest were exported to Djibouti. Total exports from Berbera port in April were substantially lower at 20,349 heads compared to the same period last year, i.e. 75,173 heads, but the number exported in May was almost twice as much as that of April (78,806 heads) following a resumption of trade through the Arab traders and Somaliland government.

Abattoir or meat export activities in Galkayo, Beletweyn and Mogadishu still remain closed following the imposition of export ban on Somali livestock by the Arabian Gulf countries that was imposed in January '07 following reported suspected cases of Rift Valley Fever.

The slaughter house in Burao, which has equally been affected by the ban, re-started its operation in March '07 after being contracted by an Oman businessmen and continued to operate in May in which about 7,200 carcasses were exported. Although not official, there are reports of small quantities of meat exported from Mogadishu and Galkayo over the last two months. The cattle market in Garissa, which closed in January 2007 due to an outbreak of Rift Valley Fever, re-opened in March and remains functional. The cross-border trade of livestock across the Kenyan-Somali border is continuing to be reported despite that the border is still officially closed between Kenya and Somalia.

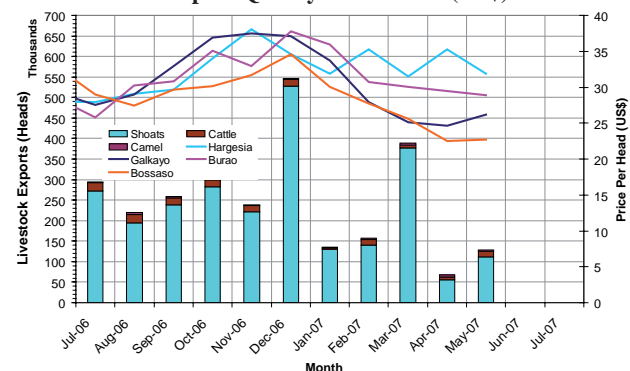


Average to good cattle body condition



Camel at a watering point

Figure 3: Berbera & Bossaso: Livestock Exports (Heads) and Export Quality Goat Prices (US\$)



Livestock prices for all species have not changed significantly in all markets and remain favorable and significantly higher than that of the last 5-year-average prices (May '03 to '07). In the northwest, export quality goat price in May declined by 9% from April and local goat price remained the same, but prices are still 20% and 26% higher, respectively, than those of 5-year average.

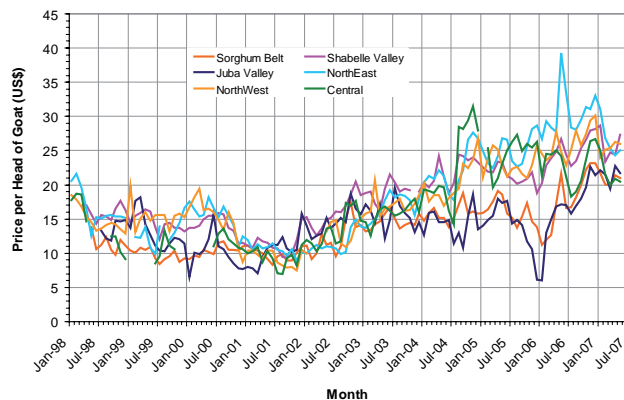
In the northeast, both export and local quality goats increased in May by 19% and 7%, respectively and compared to the 5-year average are much higher - by 46% and 50%. There has been no price changes of export and local quality goats in the Central region from May and April, so prices remained favorable and even slightly higher (7% and 1% respectively) than the 5-year average.

In the southern regions, prices of local quality goat has slightly declined in the Sorghum Belt and Juba regions between May and April, i.e. between 5% and 6%, respectively, while increased 9% in the Shabelle region (Figure 4). Despite these price fluctuations in May, these prices are still significantly higher than the 5-year-average, i.e. 68% in Juba, 63% in Shabelle and 15% in the Sorghum Belt. Cattle prices have increased 13% and 14% in Juba and Shabelle regions, respectively and still are 75% and 41% higher than the 5-year average prices. In the Sorghum Belt there is no price change between May and April and prices are only 7% higher than the 5-year average.

The average terms of trade (cereal to goat) increased 9% between April and May in the Shabelle region (from 141 to 153 kg/head), largely due to an equal increase of local goat prices. In the Juba region, terms of trade reached a peak level in Feb. '07 and began to decline in March'07. The terms of trade decreased 35% in May (165kg/head in May from 253kg/head in February'07), which is in line with huge maize prices increase of 85% over the same period. It should be noted that the current terms of trade in the Juba region is still well above the long-term average.

In the Sorghum Belt, the terms of trade that started to peak between January and April '07, from 245 to 339/kg per head (38% increase), has declined by 15% in May from 339/kg per head in April to 289/kg per head due to sorghum price increase of 9% (from SoSh 1,290 in April to SoSh 1,400 in May) and decrease of goat prices by 5% (see FSAU Market Data Update).

Figure 4: Regional Trend in Local Quality Goat Prices (US\$)



## MARKETS

The Somali Shilling has depreciated on average 15-25% against the dollar since January, breaking a three year period of relative stability (Figure 5). The depreciation of the Somali shilling, combined with increased insecurity, has had significant inflationary effect, especially on prices of essential commodities (especially imported items), such as rice, sugar, wheat flour and vegetable oil. High and increasing prices are a serious concern and if trends continue will undermine household food security throughout the different regions, especially for the poorer most vulnerable populations.

Figure 5: Monthly Exchange Rates - SOSH and SLSH to USD

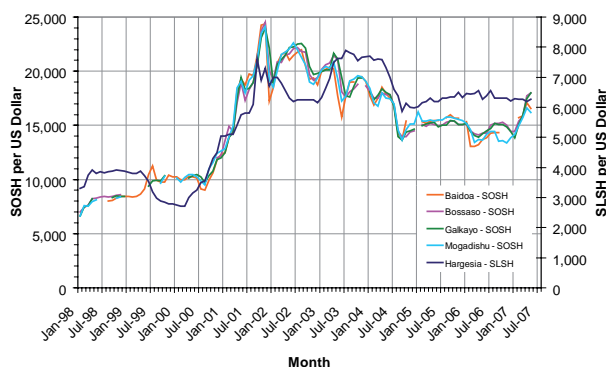
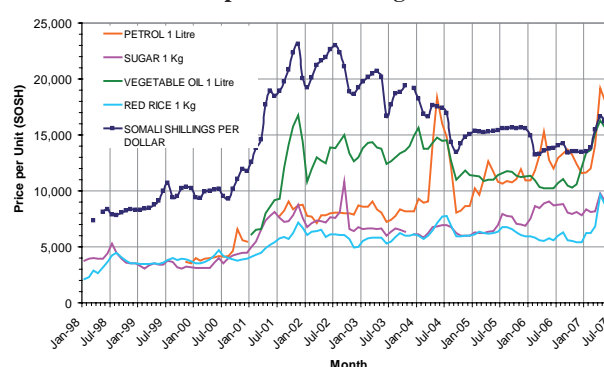


Figure 6: Shabelle Valley: Trend in Imported Commodity Prices compared to Exchange Rate





Although the Somali shilling made some small gains in May against the dollar in the some markets, these gains are small compared to the overall depreciation since January. For example, in the main Bakaara market in Mogadishu the Somali shilling traded at about 16,200 SoSh against the US dollar in May compared to 14,160 SoSh in January, a 14% devaluation. In other markets, the Somali shilling lost value at even higher rates, for example in Galkayo the SoSh has depreciated by 25% over the same period.

Import commodity prices of essential food and non-food items have increased significantly in Shabelle, Central and Juba regions, between 25-50 % since January (Figure 6, 7 and 8). Not only is the rate of inflation dramatic, some commodity prices, like petrol and vegetable oil are at peak price levels, higher than they have been in the last ten years (Figure 6, 7 and 8).

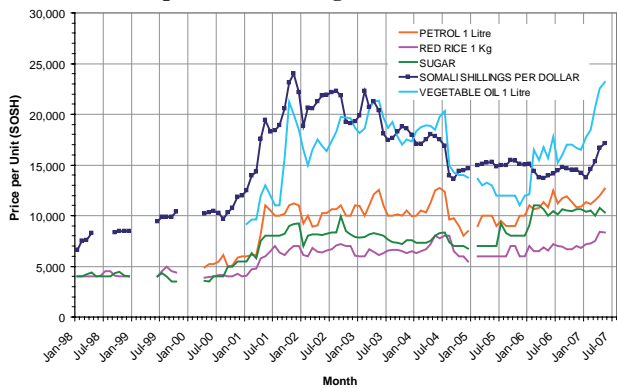
In the Mogadishu main Bakaara market, petrol, vegetable oil, rice and sugar prices increased by 56%, 29%, 41% and 10%, respectively since January 2007. Similarly, markets in the Central, Shabelle, and Juba regions, rice prices increased by 36%, 41% and 13%, over the same period. Due to the high tides (May – September) it is expected that the supply of imported food items will decline, which will likely lead to further increase prices of imported commodities.

**NUTRITION**

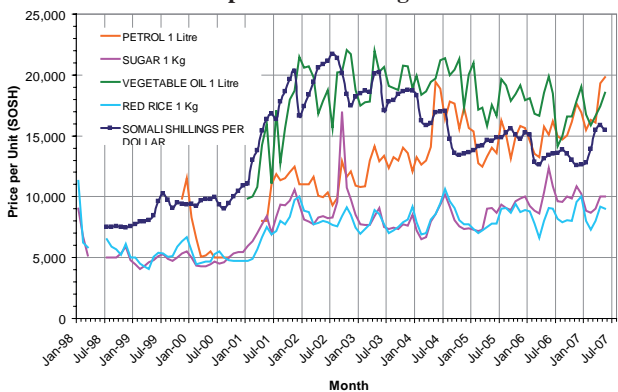
High rates of acute malnutrition continue to be reported in South and Central Somalia. Preliminary findings from two livelihood based assessments conducted in May, in Lower and Middle Shabelle, are of particular concern. The results highlight critical levels of global acute malnutrition (GAM) of 17% (13.4-20.6), with a very worrying level of severe acute malnutrition (SAM) of 4.9% ( 3.1-6.7) in the rural Riverine population. The Agropastoral population in Lower and Middle Shabelle were equally affected, reporting a 17.3% (13.3-21.3) GAM and 4.5% (2.5-6.6) SAM. The assessed community, in both livelihood groups, highlighted increased costs and sharing of food as well as the burden of disease as contributing factors to the high malnutrition. Approximately 14% of sampled households in both studies reported to be hosting a family of recent IDPs. Additional analysis in both studies also highlighted crude mortality rates above the alert threshold of 1 death /10,000 population /day, and high morbidity rates, which illustrate the vulnerability of this population.

Other results from three livelihood based nutrition assessments, conducted in Gedo Region in April 2007 by FSAU and partners, reported global acute malnutrition (GAM) rates of 15-20%. These results, although critical, do indicate a slight recovery from the most recent assessment conducted in Gedo in March 2006 where rates of almost 24% GAM were reported. However, it is noted from historical trends analysis, that the nutrition situation in Gedo has remained critical (above the WHO emergency threshold of 15%) for the last 12 years illustrating the high levels of nutritional vulnerability and low capacity of the population to recover between the recurrent shocks experienced

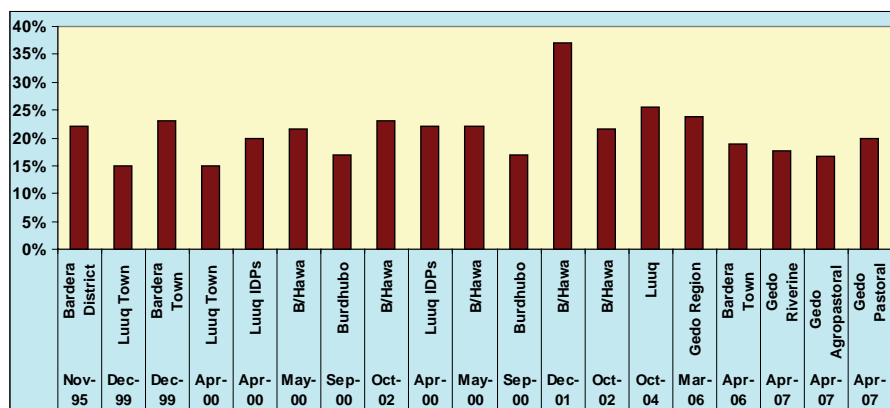
**Figure 7: Central: Trend in Imported Commodity Prices compared to Exchange Rate**



**Figure 8: Juba Valley: Trend in Imported Commodity Prices compared to Exchange Rate**



**Figure 9: Trends in Acute Malnutrition 1995 to 2007 , Gedo Region Expressed in Z Scores (<-2 Z Scores WHZ)**



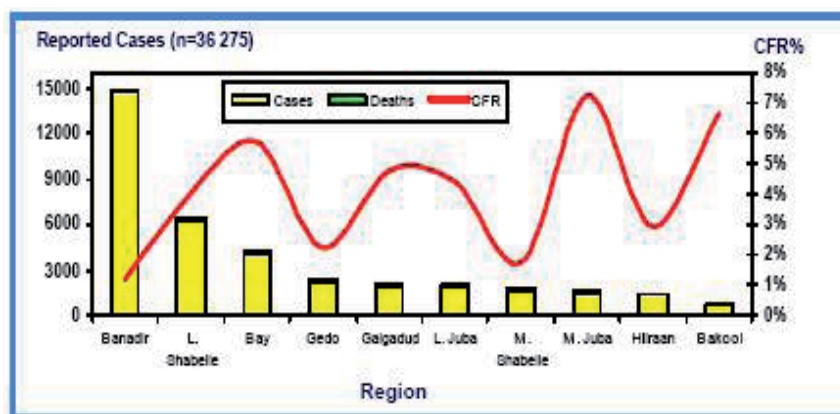
(Figure 9). The individual assessment results did not indicate any statistically significant difference between the three livelihood groups, with the following results : Riverine population reported a GAM of 17.7% (14.1-21.3) and a severe acute malnutrition (SAM) rate of 3.5% (1.9-5.1), Agropastoral population reported a GAM rate of 16.7% (13.1-20.3) with a SAM rate of 3.1% (1.7-4.5) and finally the Pastoral population reported a GAM rate of 19.9% (16.3-23.5) and a SAM rate of 2.6% (1.3-3.8)

Two assessments were conducted in the IDP populations in Baidoa and Galkayo in May. In Baidoa, a Mid Upper Arm Circumference (MUAC) assessment conducted in five IDP camps (N=1106) identified 18.6% of the children (aged 1-5 years) to be acutely malnourished (MUAC <12.5 cm). A worrying 4.3% of the children were identified to be severely malnourished (MUAC <11.0cm). Recent and the longer term IDPs were noted to be equally affected. Preliminary results of an exhaustive nutrition assessment conducted by UNICEF, FSAU and partners (n=762 children) in Galkayo IDPs in May, also indicate critical acute malnutrition levels with a GAM of 21.9% and a SAM of 2.2% reported. Approximately 14% of the assessed IDPs had reported to have recently arrived in Galkayo from Mogadishu, following the recent conflict. The Galkayo results are higher than typically reported in this population, when compared to the most recent assessment conducted in 2004, which reported GAM rates of <10%. The contribution of poor living conditions and health services is thought to be considerable.

ACFs efforts to complete a nutrition assessment in Galgadud (Dusamareb and Guri Ceel area) in May were interrupted due to insecurity. This prevented the full sample to be collected; however, analysis of the available data indicated serious acute malnutrition levels. Interestingly the nutrition situation of the longer term IDP population was deemed to be poorer than that of the recently arrived IDPs from Mogadishu. Immunization coverage was also reported to be low. Analysis of a further three nutrition assessments conducted in May are ongoing. The assessments were conducted in Burhakaba Pastoral and Agropastoral populations in southern Somalia and in the Coastal Dheer in northeastern Somalia.

The Acute Watery Diarrhoea (AWD) epidemic in South/ Central Somalia has been largely contained in many areas. Between 1 January and 8 June 2007, a total of 36,275 cases of clinically diagnosed AWD were reported from Central and South Somalia, including 1,102 related deaths. The overall Case Fatality Rate (CFR) has significantly decreased, from 4.32% on 29 March to 0.83% on 8 June 2007. The trend also shows a sharp decrease in the number of reported cases in all 10 affected regions of South/ Central Somalia. (WHO: AWD Update June, 2007)

Figure 10: Distribution of Acute Watery Diarrhoea cases, Crude Fatality rates and Deaths by Region in Central and South Somalia Jan 1-June 8, 2007 (WHO)



### Recent and forthcoming publications and releases

FSAU Nutrition Update, April, 2007

FSAU/FEWSNET Market Data Update, June 2007

FSAU/FEWSNET Climate Data Update, June 2007

FSAU Technical Series Post Gu Analysis, September 2007 (forthcoming)

**NOTE:** The above publications and releases are available on the FSAU website: [www.fsasomali.org](http://www.fsasomali.org)

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