

# Market DataUpdate



Food Security and Nutrition Analysis Unit - Somalia



Monthly Market Data Analysis, October 2011

## Highlights

The monthly Consumer Price Index (CPI) decelerated slightly (3%) in the month of October 2011 in central Somalia while remaining stable in all other zones. Yearly comparison indicates a 15-41 percent increase in inflation this year throughout the country. Compared to the base period (March 2007), the current cost of living is significantly inflated in the Somali Shilling (SoSh) areas of the country, while it is moderately elevated (23%) in Somaliland Shilling (SiSh) areas. Namely, the CPI is higher than the base year by 200-204 percent in South-Central and 159 percent in the North, SoSh areas.

Exchange rates between the USD and SoSh and SiSh indicate appreciation of the local currencies in most markets of Somalia in October when compared to the previous month and the same month last year. Noteworthy, the level of appreciation was particularly high in Mogadishu where the SoSh gained 10 percent against the USD. This trend could be attributable to increased dollar inflows through humanitarian interventions as well as livestock exports during the *Hajj* period.

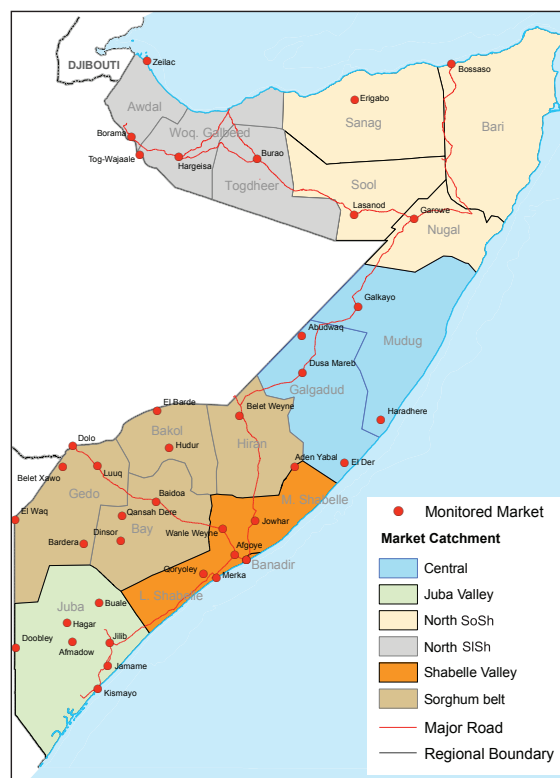
Local grain prices (maize and red sorghum) declined only moderately in October 2011 in most markets in the South, including Juba (9%), Banadir (11%), and Lower Shabelle (16%), following substantial declines recorded in the previous month. This trend signals the likely rebound in upward price movements before the next harvest season (Jan '12). On the other hand, prices remained stable in Bakool and Bay regions, while they increased (8%) in Gedo and Hirsh as heavy rainfall disrupted movement of goods to these areas. The prices of local cereals (red sorghum) exhibited a moderate monthly decline in Central (4-9%) but remained relatively stable in the North in October. Local cereal prices are still considerably higher compared to October last year, particularly for white maize in Middle Juba (200%) and red sorghum in Bay (155%). The prices are also considerably higher than a year ago in other regions (56-88%), apart from Gedo where maize prices are almost comparable. The annual comparisons indicate considerably higher prices of local cereals (50 – 100%) in Central and North.

Sustained high cereal prices in the South compared to last year, indicate a low supply of food in the region despite the on-going humanitarian activities. Therefore, a continuation of interventions on the supply side in the South is critical given limited opportunities to improve availability of local cereals through production at this time. New supplies will be absorbed by the growing demand in southern regions, where the population's purchasing power is strengthening as a result of on-going humanitarian response.

Prices of most imported commodities (rice, sugar, wheat flour, vegetable oil, petrol and diesel) decreased slightly over the past month in most markets of the country. However, in Juba regions the prices of some of the imported items increased, mainly due to disrupted trade activities as a result of the ongoing military actions. The yearly comparisons indicate significant increases in the imported commodity prices across the country, mostly driven by the international price trends of these commodities as well as higher transportation costs attributable to the increase in fuel prices.

Livestock prices improved from the previous month in most markets of the South, although remained below their levels a year ago. In central and northern regions, goat prices also showed slight improvement in the last month compared to September 2011 and October 2010. New export markets in Pakistan, Kuwait and UAE as well as the *Hajj* period buoyed livestock exports from northern ports. For instance, the export through Bossaso in October 2011 was 122 and 306 percent higher than the previous month for cattle and shoats respectively. Berbera port export figures indicate considerable increases from the previous month for sheep and goat (6 times the level of September) and camel (8 times higher). Compared to last year, exports of sheep and goat through Berbera port have more than doubled, while for camel they have increased by 70 percent. In the same period, Bossaso port figures indicate the corresponding increases of 40 and 84 percent.

Although trends in labour wages were stable to increasing, reduced local cereal prices have enhanced people's purchasing power in October over the previous month in most markets of the South. On the other hand, the terms of trade (ToT) between labour wages and local cereals remained relatively stable in northern regions (4-10kgs/ daily labour rate) and Central (4-6kgs/ daily labour rate). The ToT is still much lower compared to the levels in October 2010 in the southern regions, where only 4-7 kg of these cereals could be purchased with one day of labour as opposed to 12-14 kg in October 2010. Modest yearly declines in ToT are observed in the other areas of the country.



This Market Data Update is a monthly report that presents a compilation of tabulated graphical market information produced regularly as part of the monthly monitoring process.

The weekly price data is collected from 44 main markets throughout Somalia since 1995.

The 5-year period of 2003-07 was characterised by fairly stable prices and relatively low inflation. In this bulletin these years are used as a reference period for seasonal trends comparison.

Market analysis is an integral part of all of FSNAU's Annual Food Security Projections and seasonal technical reports (Technical Reports on FSNAU Post *Cu* and *Deyr* Analysis).

This data is available online on [www.fsnau.org/ids](http://www.fsnau.org/ids).

For Regional Highlights Turn to Back page

Technical and Managerial Support



Funding Agencies



# International Market Highlights

**Diesel:** Crude oil prices in Abu Dhabi/Dubai<sup>1</sup> declined marginally (3%) from September 2011 but moderately (9%) from this year's record peak of \$115/barrel in April to settle at \$104/barrel in October 2011<sup>2</sup>. The current price, however, is 31 percent higher than the same month last year. Crude oil prices are likely to remain volatile in the short run due to multiple factors, including the protracted concerns about the outlook of the global economy; uncertainties surrounding the supply of oil amid fears of potential disruptions in the Syrian Arabic Republic and hopes of a quick resumption of Libya's exports<sup>3</sup>. The pass through of global oil price to Somalia markets is clearly evidenced in annual increases of diesel prices in the main port cities of Bossaso (24%) and Mogadishu (42%), respectively. A monthly comparison indicates stable prices in October in Mogadishu and a slight decline in Bossaso. The current trend in Bossaso is mainly attributable to increased supplies following resumption of imports with the end of the high seas season. Domestic prices of diesel are projected to remain uncertain in the short-run, in tandem with international oil market developments.

**Rice:** Export prices of rice<sup>4</sup> in October sustained its upward trends for the fourth consecutive month to close at USD 505 per ton, 2 percent higher than in September and 22 percent above its level same month last year. However, the rice price is still significantly (35%) below its peak in May 2008. The announcement of Thailand's high procurement price policy in addition to concerns on the effects of the Southeast Asia floods on export availabilities and shipping logistics were the principal factors propelling international rice quotations, only dampened somewhat by India's relaxation of its export ban on regular (non-basmati) rice exports<sup>5</sup>. In line with international price trends, retail prices of imported rice are moderately elevated (10-28%) in Somali port towns of Mogadishu and Bossaso when compared to a year ago. However, in October 2011, the prices exhibited a slight monthly decline (9%) in Mogadishu in response to increased rice distributions by relief agencies in the South. Developments on international rice markets and the global oil markets, demand on rice as a substitute for local cereals in southern Somalia and the availability of relief food in the region will be the major driving factors of domestic rice prices in the short-run.

**Sugar:** The **FAO Sugar Price Index** averaged 361 points in October, down 5 percent from September 2011, and 10 percent from the peak it reached in July 2011. It is only 3 percent above its level in the same month of last year. Sugar prices have declined following better than earlier anticipated output in Brazil, the world-leading sugar producer, as well as in Europe, India, and Australia, combined with expectations of a slowing demand from the manufacturing and food preparation sectors<sup>6</sup>. Global production is anticipated to surpass consumption for the second-year running. International sugar prices may weaken during the season, as deteriorated global economy may curb the demand growth<sup>7</sup>. On the local markets, sugar prices declined by 7 percent in Bossaso. However, in Mogadishu, sugar prices exhibited significant monthly (34%) and annual (134%) declines in the main Bakara market, which is likely due to increased clogging of supplies because of poor road accessibility into the hinterland markets.

**Cooking Oil:** The **FAO Oils/Fats Price Index**<sup>8</sup> averaged 223 points in October, down 15 points, or 6 percent, from September, accelerating the gradual price decrease that started last March. The index, however, remained stable when compared to the same month last year, rising only by 1 percent. The sizeable monthly drop in the index reflected ample soybean crops in South America, strong palm oil output in Southeast Asia and the confirmation of record sunflower seed crops in the Black Sea region. This coincides with a slowdown in global import demand, growing fear of another economic recession to depress demand, etc. International price trends in cooking oil are discernible in Bossaso port where vegetable oil price remains relatively stable. However, in Mogadishu, the cooking oil price declined by 21 percent in October 2011 when compared to the previous month, mainly as a result of on-going relief food distributions.

Figure 1: Comparison of Diesel Prices: International (Asia Dubai ), Mogadishu and Bossaso

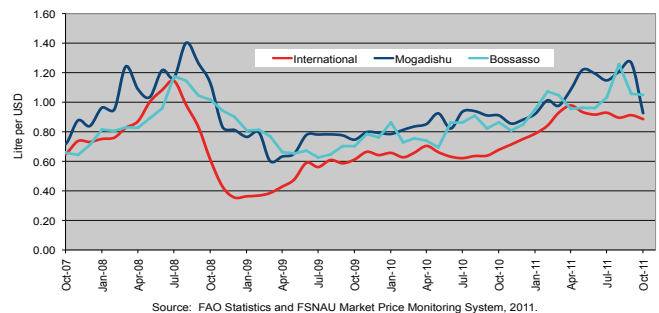


Figure 2: Comparison of Rice Prices: International (Bangkok FOB), Mogadishu and Bossaso

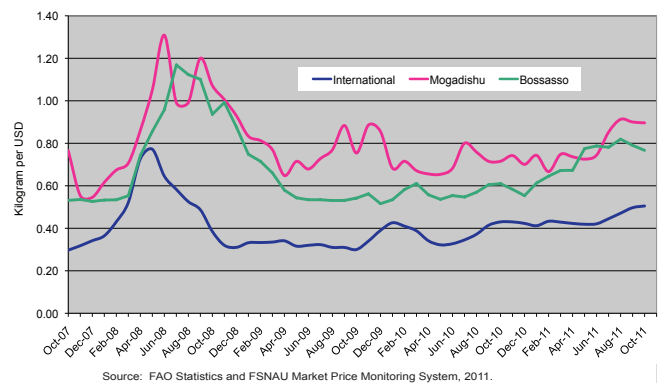
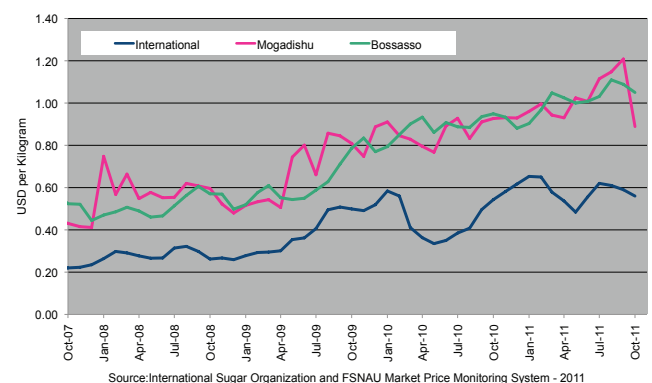


Figure 3: Comparison of Sugar Prices: International (ISO), Mogadishu and Bossaso



<sup>1</sup> The main source of Somalia's oil imports

<sup>2</sup> Weekly Abu Dhabi Murban Spot Price FOB (Dollars per Barrel), US Energy Information Administration, [http://www.eia.doe.gov/dnav/pet/pet\\_pri\\_wco\\_k\\_w.htm](http://www.eia.doe.gov/dnav/pet/pet_pri_wco_k_w.htm)

<sup>3</sup> world Bank Food Price Watch, November 2011

<sup>4</sup> Bangkok, Rice (Thai A1 Super 1/ B) , Export, US Dollar, Tonne, FAO GIEWS Global Food Price Monitor, September 2011,

<sup>5</sup> FAO Food Outlook, Global Market Analysis, November 2011

<sup>6</sup> FAO Food Price Index, November 2011

<sup>7</sup> FAO Food Outlook, Global Market Analysis, November 2011

<sup>8</sup> FAO Food Price Index, November 2011

# National Trends: CPI, Exchange Rates, Cereal Prices and Relative Purchasing Power

Figure 4: Relative Purchasing Power for Selected Regions  
(Terms of Trade between wage rates and selected cereals)

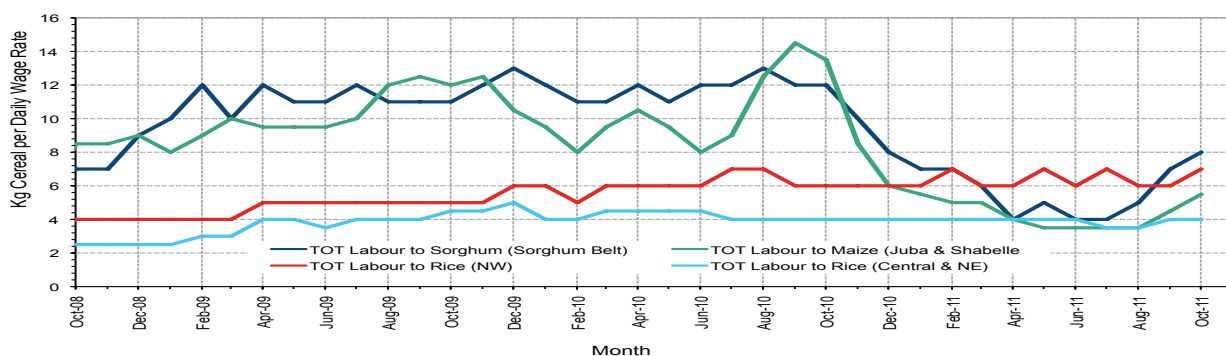


Figure 5: Monthly Exchange Rate for Selected Regions (SoSh and SSh to USD)

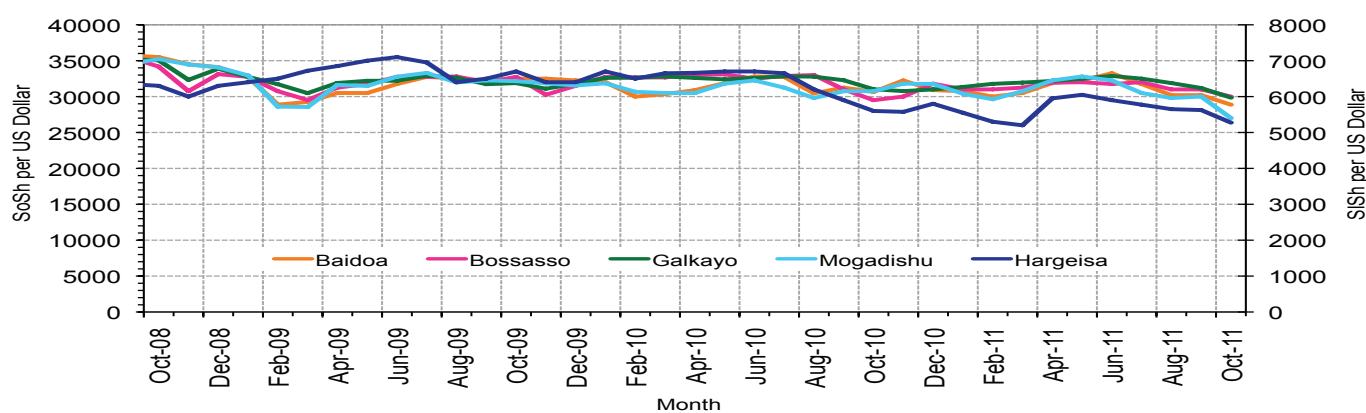


Figure 6: Monthly Trends in Consumer Price Index (CPI)

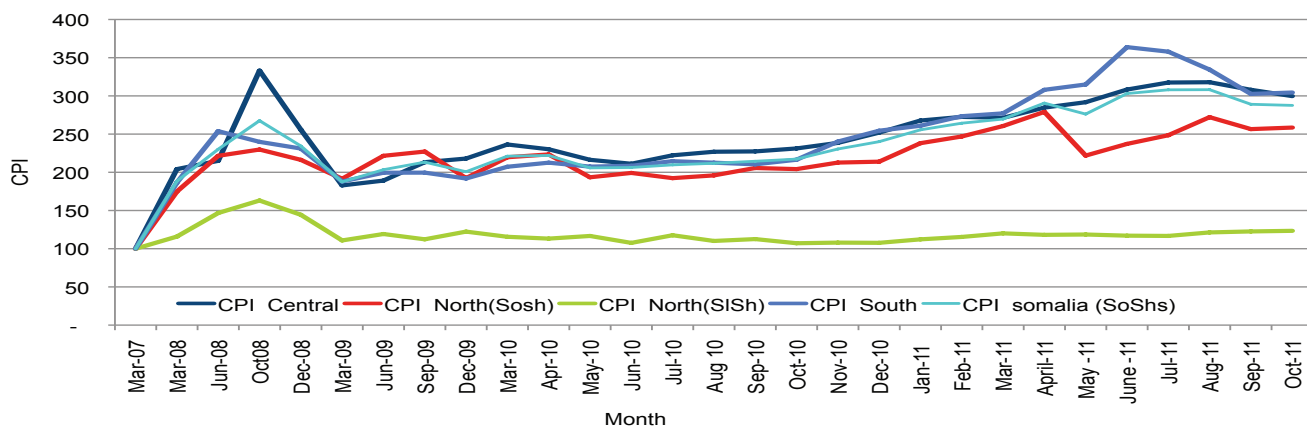
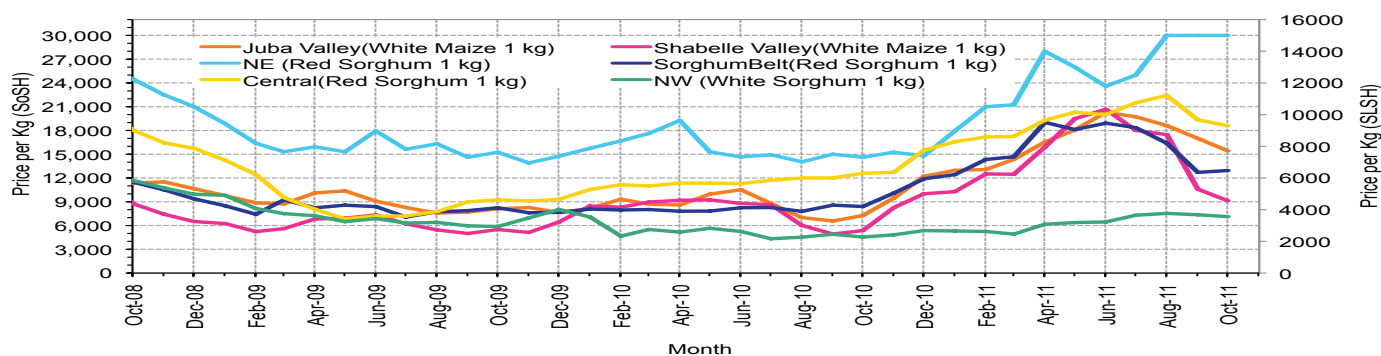


Figure 7: Monthly Trends in Local Cereal Prices



# Regional analysis: Juba Regions

Indicator	5-Year Average	Oct-10	Sep-11	Oct-11 Nominal Price	Oct-11 Real (Deflated) Price	% Change Same Month Previous Year	% Change Previous Month	% Change 5-year avrg (2003-07)
<b>Imported Commodities Prices</b>								
Diesel 1 litre	14,101	33,929	40,821	44,607	14,553	31%	9%	216%
Imported Red Rice 1kg	9,540	22,929	25,857	25,821	8,382	13%	0%	171%
Petrol 1 litre	16,395	38,964	36,857	38,500	12,547	-1%	4%	135%
Sugar	9,014	29,714	37,786	47,143	15,386	59%	25%	423%
Vegetable Oil 1 litre	20,734	48,536	57,250	58,643	19,164	21%	2%	183%
Wheat Flour 1kg	8,667	19,500	23,643	24,000	7,784	23%	2%	177%
Wheat Grain 1kg	1,200	16,000	20,000	20,000	6,470	25%	0%	1567%
<b>Cereal Prices</b>								
Red Sorghum 1kg	2,228	9,500	-	-	-	-	-	-
White Maize 1kg	2,575	7,264	17,000	15,429	4,968	112%	-9%	499%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	3,222,545	9,645,834	7,492,917	7,936,667	2,607,005	-18%	6%	146%
Cattle Local Quality (Head)	1,688,044	4,341,000	2,285,000	2,915,000	957,444	-33%	28%	73%
Fresh Camel Milk 1 litre	6,655	21,786	18,643	18,643	6,024	-14%	0%	180%
Goat Export Quality (Head)	425,671	1,393,571	978,429	1,058,214	347,511	-24%	8%	149%
Goat Local Quality (Head)	305,365	950,000	628,929	685,357	225,032	-28%	9%	124%
<b>Other Essential Items</b>								
Charcoal 50kg	29,326	89,464	63,750	64,107	20,958	-28%	1%	119%
Cowpeas 1 kg	5,070	17,500	33,375	33,250	10,822	90%	0%	556%
Unskilled Labor Wage Rate	36,008	103,321	62,071	63,571	20,782	-38%	2%	77%
Firewood Bundle	2,253	6,571	6,571	6,571	2,058	0%	0%	192%
Local Sesame Oil 1 litre	21,379	72,536	89,071	91,393	29,922	26%	3%	327%
Exchange Rate (Somali Shilling per USD)	16,071	30,650	30,204	29,375	9,549	-4%	-3%	83%
<b>Construction Materials*</b>								
Cement 50kg	-	341,000	343,333	338,333	111,039	-1%	-1%	-
Cooking Pot Aluminium 7 Litre	-	318,333	358,333	362,500	118,977	14%	1%	-
Galvanised Iron Sheet Ga 26	-	162,286	174,271	177,083	58,070	9%	2%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	16,531	20,000	20,000	6,470	21%	0%	-
Non Collapsible Jerrycan 10 Litre	-	30,000	31,875	35,250	11,479	18%	11%	-
Plastic Tarpaulin 14m x 5 m	-	700,000	575,000	503,333	165,239	-28%	-12%	-
Roofing Nails 15Kg	-	830,000	804,286	790,000	259,406	-5%	-2%	-
Timber 2in x 4in x 20ft	-	342,000	327,500	327,500	107,480	-4%	0%	-
Woven Dry Raised Blanket 150cm x 200cm	-	120,000	-	150,000	-	25%	-	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Maize(Kg))	14	14	4	4	4	-71%	13%	-71%
Local Goat (Head)/ Cereal (Maize(Kg))	119	131	37	44	45	-66%	20%	-63%
<b>Price Indices</b>								
Consumer Price Index	-	216	303	304	-	41%	1%	-
Purchasing Power Index	-	0.46	0.33	0.33	-	-29%	-1%	-

\* Data has been collected since May 2010

Figure 8: Imported commodity prices compared to exchange rates

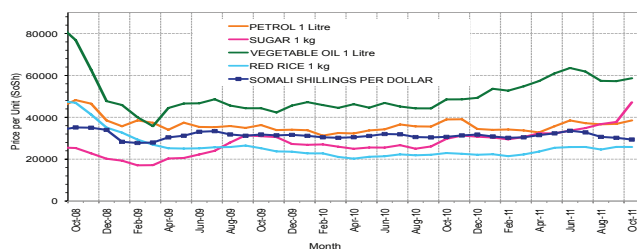


Figure 10: Goat Local Quality

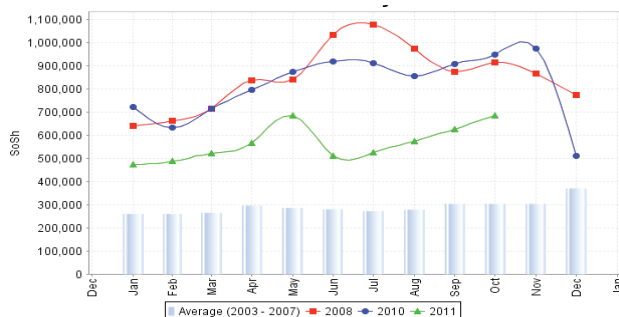


Figure 12: Water Drum

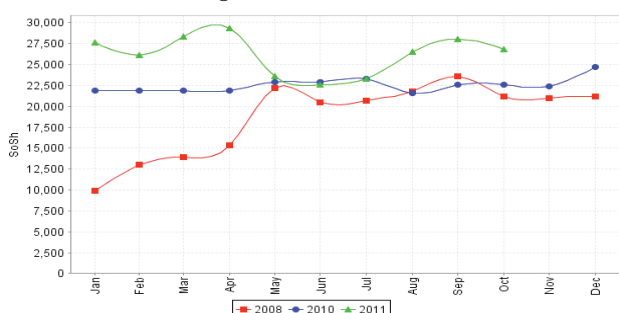


Figure 9: Trends in wage rates, staple cereal prices and relative purchasing power

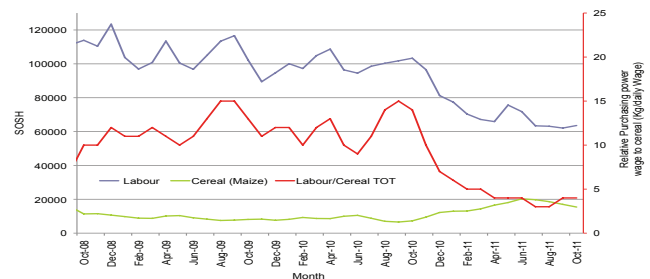


Figure 11: Sugar

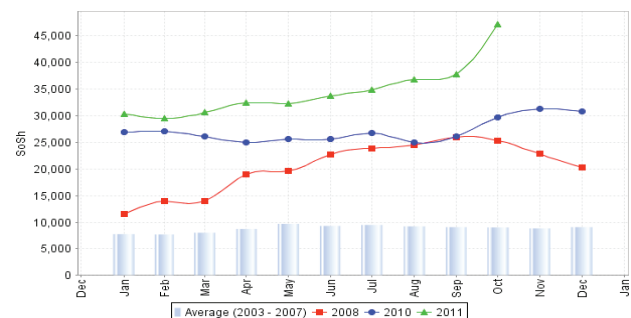
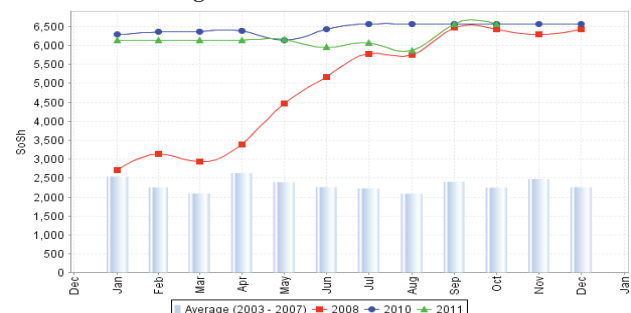


Figure 13: Firewood Bundle





# Regional analysis: Sorghum Belt Regions (Bay, Bakool, Gedo and Hiran)

Indicator	5-Year Average	Oct-10	Sep-11	Oct-11 Nominal Price	Oct-11 Real (Deflated) Price	% Change Same Month Previous Year	% Change Previous Month	% Change 5-year avrg (2003-07)
<b>Imported Commodities Prices</b>								
Diesel 1 litre	12,506	31,727	42,841	42,159	13,749	33%	-2%	237%
Imported Red Rice 1kg	9,259	23,364	27,191	26,705	8,672	14%	-2%	188%
Petrol 1 litre	15,053	33,523	40,023	40,000	13,040	19%	0%	166%
Sugar	9,618	29,636	38,023	36,818	11,994	24%	-3%	283%
Vegetable Oil 1 litre	19,522	46,114	60,023	57,000	18,624	24%	-5%	192%
Wheat Flour 1kg	8,850	20,818	23,955	23,295	7,552	12%	-3%	163%
Wheat Grain 1kg	3,702	9,325	13,271	14,000	4,499	50%	5%	278%
<b>Cereal Prices</b>								
Red Sorghum 1kg	2,207	8,400	12,713	12,944	4,152	54%	2%	486%
White Maize 1kg	2,812	8,861	14,045	13,614	4,372	54%	-3%	384%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	3,553,346	10,933,636	6,722,728	7,580,682	2,490,068	-31%	13%	113%
Cattle Local Quality (Head)	1,464,450	3,344,091	1,840,625	2,194,375	720,727	-34%	19%	50%
Fresh Camel Milk 1 litre	8,185	23,214	28,114	26,568	8,627	14%	-5%	225%
Goat Export Quality (Head)	457,537	1,415,455	1,237,046	1,587,750	521,458	12%	28%	247%
Goat Local Quality (Head)	291,199	877,955	675,227	782,955	257,092	-11%	16%	169%
<b>Other Essential Items</b>								
Charcoal 50kg	44,032	137,182	114,000	131,023	42,940	-4%	15%	198%
Cowpeas 1 kg	6,512	20,813	44,219	59,250	19,363	185%	34%	810%
Unskilled Labor Wage Rate	21,947	101,136	87,841	99,614	32,622	-2%	13%	354%
Firewood Bundle	1,723	5,409	5,455	5,636	1,751	4%	3%	227%
Local Sesame Oil 1 litre	23,268	72,453	84,464	82,643	27,047	14%	-2%	255%
Exchange Rate (Somali Shilling per USD)	16,297	31,142	30,418	29,618	9,629	-5%	-3%	82%
<b>Construction Materials*</b>								
Cement 50kg	-	353,950	337,083	345,556	113,411	-2%	3%	-
Cooking Pot Aluminium 7 Litre	-	365,556	284,722	278,889	91,512	-24%	-2%	-
Galvanised Iron Sheet Ga 26	-	204,500	223,364	223,477	73,310	9%	0%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	10,000	10,750	11,000	3,513	10%	2%	-
Non Collapsible Jerrycan 10 Litre	-	50,727	52,045	49,409	16,130	-3%	-5%	-
Plastic Tarpaulin 14m x 5 m	-	354,100	294,200	303,700	99,662	-14%	3%	-
Roofing Nails 15kg	-	865,875	814,250	839,000	275,502	-3%	3%	-
Timber 2in x 4in x 20ft	-	272,857	223,214	219,107	71,874	-20%	-2%	-
Woven Dry Raised Blanket 150cm x 200cm	-	126,750	101,750	99,143	32,467	-22%	-3%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Sorghum(Kg))	10	12	7	8	8	-36%	11%	-23%
Local Goat (Head)/ Cereal (Sorghum(Kg))	132	105	53	60	62	-42%	14%	-54%
<b>Price Indices</b>								
Consumer Price Index	-	216	303	304	-	41%	1%	-
Purchasing Power Index	-	0.46	0.33	0.33	-	-29%	-1%	-

\* Data has been collected since May 2010

Figure 14: Imported commodity prices compared to exchange rates

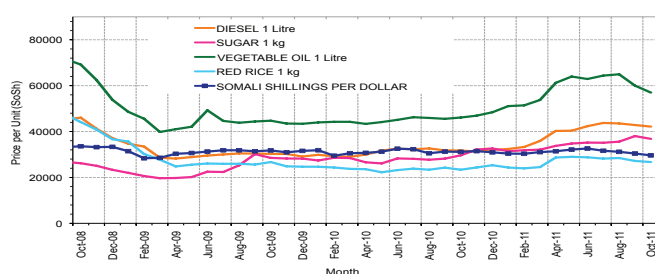


Figure 15: Trends in wage rates, staple cereal prices and relative purchasing power

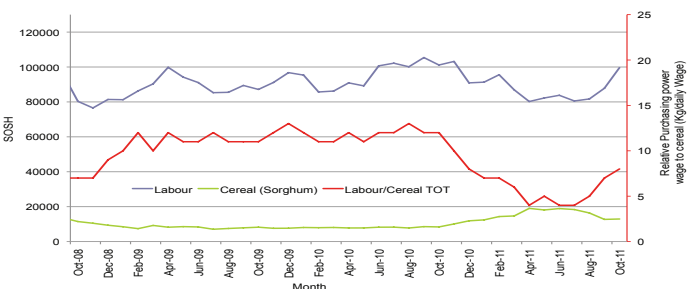


Figure 16: Goat Local Quality

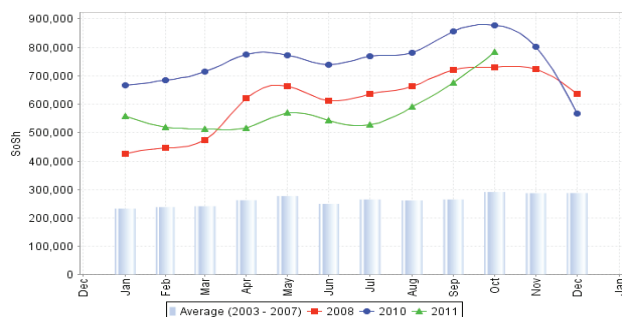


Figure 17: Sugar

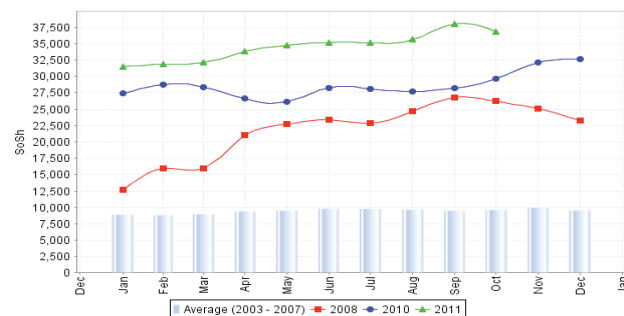


Figure 18: Water Drum

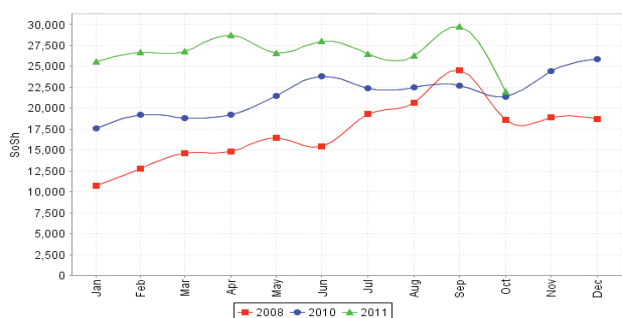
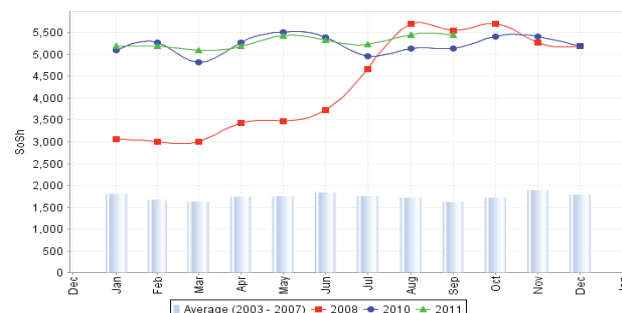


Figure 19: Firewood Bundle



# Regional analysis: Shabelle Regions

Indicator	5-Year Average	Oct-10	Sep-11	Oct-11 Nominal Price	Oct-11 Real (Deflated) Price	% Change Same Month Previous Year	% Change Previous Month	% Change 5-year avg (2003-07)
<b>Imported Commodities Prices</b>								
Diesel 1 litre	10,572	30,458	40,000	38,417	12,520	26%	-4%	263%
Imported Red Rice 1kg	7,780	22,417	28,542	24,042	7,798	7%	-9%	209%
Petrol 1 litre	12,442	34,500	38,542	37,042	12,068	7%	-4%	198%
Sugar	7,628	28,875	36,875	33,917	11,041	17%	-8%	345%
Vegetable Oil 1 litre	14,586	38,792	51,667	48,042	15,681	24%	-7%	229%
Wheat Flour 1kg	7,429	19,167	25,333	21,167	6,853	10%	-16%	185%
Wheat Grain 1kg	2,499	-	23,000	23,417	-	-	2%	-
<b>Cereal Prices</b>								
Red Sorghum 1kg	2,519	8,367	17,742	18,010	5,816	115%	2%	615%
White Maize 1kg	2,367	5,366	10,591	9,132	2,900	70%	-14%	286%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	4,125,958	14,411,000	13,032,500	13,952,500	4,583,138	-3%	7%	238%
Cattle Local Quality (Head)	1,333,996	3,977,500	3,209,000	3,712,500	1,219,414	-7%	16%	178%
Fresh Camel Milk 1 litre	5,723	17,375	19,583	19,521	6,312	12%	0%	241%
Goat Export Quality (Head)	525,675	1,471,250	1,431,875	1,552,500	509,879	6%	8%	195%
Goat Local Quality (Head)	361,273	1,092,917	1,035,833	1,088,750	357,542	0%	5%	201%
<b>Other Essential Items</b>								
Charcoal 50kg	40,515	106,191	114,972	128,444	42,092	21%	12%	217%
Cowpeas 1 kg	5,565	14,996	49,388	55,275	18,057	269%	12%	893%
Unskilled Labor Wage Rate	21,237	67,125	55,875	66,208	21,649	-1%	18%	212%
Firewood Bundle	2,013	4,667	4,833	5,333	1,652	14%	10%	165%
Local Sesame Oil 1 litre	20,129	59,250	70,708	67,583	22,100	14%	-4%	236%
Exchange Rate (Somali Shilling per USD)	16,615	31,610	30,788	29,188	9,488	-8%	-5%	76%
<b>Construction Materials*</b>								
Cement 50kg	-	290,750	304,000	301,000	98,775	4%	-1%	-
Cooking Pot Aluminium 7 Litre	-	1,012,500	750,000	700,000	229,842	-31%	-7%	-
Galvanised Iron Sheet Ga 26	-	117,000	137,650	147,250	48,270	26%	7%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	14,000	12,000	12,667	4,061	-10%	6%	-
Non Collapsible Jerrycan 10 Litre	-	50,813	45,938	49,125	16,037	-3%	7%	-
Plastic Tarpaulin 14m x 5 m	-	276,667	330,000	315,833	103,648	14%	-4%	-
Roofing Nails 15Kg	-	639,375	586,500	621,750	204,138	-3%	6%	-
Timber 2in x 4in x 20ft	-	59,200	60,100	57,300	18,722	-3%	-5%	-
Woven Dry Raised Blanket 150cm x 200cm	-	78,000	65,000	67,583	22,100	-13%	4%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Maize(Kg))	9	13	5	7	7	-42%	37%	-19%
Local Goat (Head)/ Cereal (Maize(Kg))	153	204	98	119	123	-41%	22%	-22%
<b>Price Indices</b>								
Consumer Price Index	-	216	303	304	-	41%	1%	-
Purchasing Power Index	-	0.46	0.33	0.33	-	-29%	-1%	-

\* Data has been collected since May 2010

Figure 20: Imported commodity prices compared to exchange rates

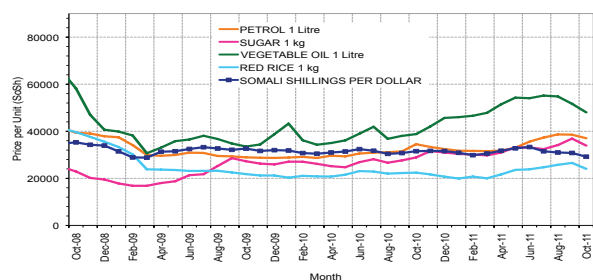


Figure 22: Goat Local Quality

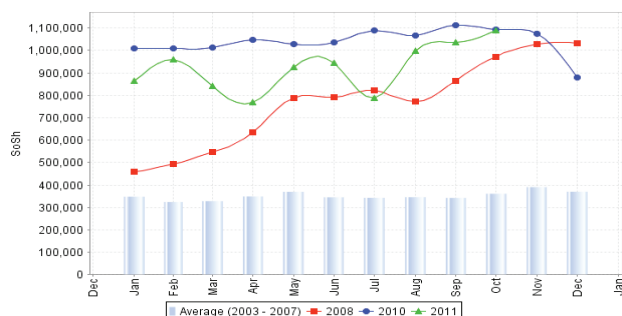


Figure 24: Water Drum

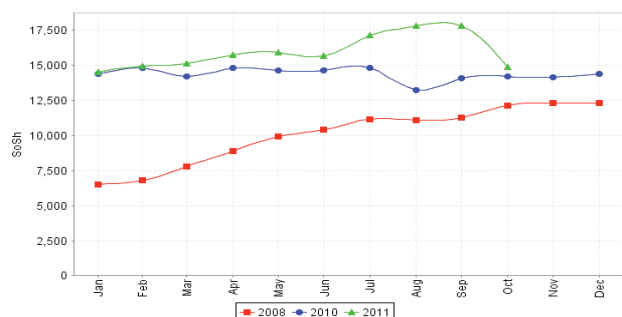


Figure 21: Trends in wage rates, staple cereal prices and relative purchasing power

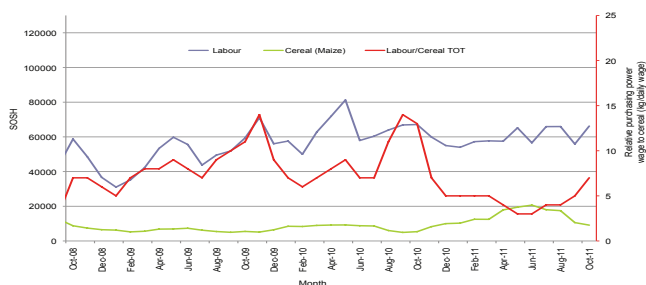


Figure 23: Sugar

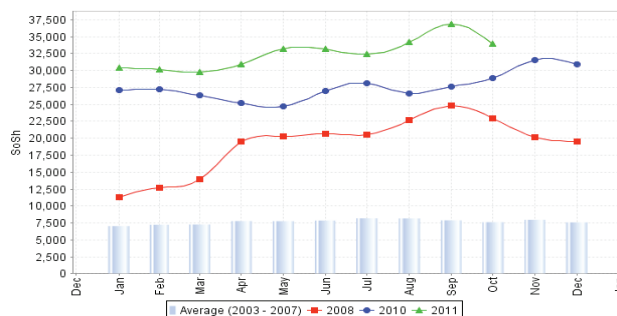
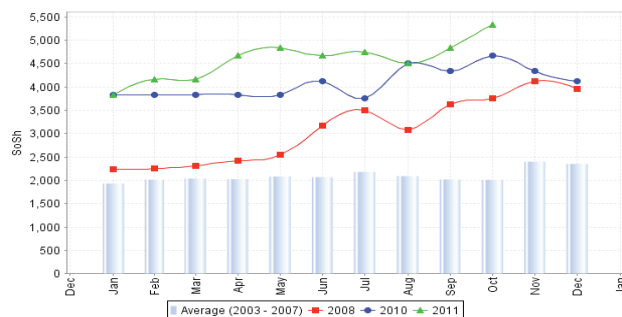


Figure 25: Firewood Bundle



# Regional analysis:Banadir Region

Indicator	5-Year Average	Oct-10	Sep-11	Oct-11 Nominal Price	Oct-11 Real (Deflated) Price	% Change Same Month Previous Year	% Change Previous Month	% Change 5-year avrg (2003-07)
<b>Imported Commodities Prices</b>								
Diesel 1 litre	8,225	26,883	38,083	36,600	11,923	36%	-4%	345%
Imported Red Rice 1kg	6,406	21,633	23,333	25,400	8,244	17%	9%	297%
Petrol 1 litre	9,875	25,372	35,542	34,250	11,151	35%	-4%	247%
Sugar	6,468	30,467	34,292	30,050	9,771	-1%	-12%	365%
Vegetable Oil 1 litre	11,662	40,550	49,125	43,617	14,228	8%	-11%	274%
Wheat Flour 1kg	6,113	17,150	21,250	18,183	5,873	6%	-14%	197%
Wheat Grain 1kg	3,920	10,000	19,000	14,000	4,499	40%	-26%	257%
<b>Cereal Prices</b>								
Red Sorghum 1kg	2,247	5,872	17,272	15,369	4,949	162%	-11%	584%
White Maize 1kg	2,201	5,997	13,273	11,874	3,800	98%	-11%	439%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	5,337,500	17,000,000	10,500,000	11,000,000	3,613,275	-35%	5%	106%
Cattle Local Quality (Head)	3,087,500	6,000,000	3,425,000	3,000,000	985,366	-50%	-12%	-3%
Fresh Camel Milk 1 litre	4,562	19,563	19,292	19,983	6,464	2%	4%	338%
Goat Export Quality (Head)	-	2,050,000	1,500,000	1,600,000	525,482	-22%	7%	-
Goat Local Quality (Head)	628,125	1,717,500	1,650,000	1,360,000	446,645	-21%	-18%	117%
<b>Other Essential Items</b>								
Charcoal 50kg	100,000	150,917	142,292	159,633	52,338	6%	12%	60%
Cowpeas 1 kg	4,541	16,175	58,749	59,754	19,529	269%	2%	1216%
Unskilled Labor Wage Rate	61,875	72,083	83,125	87,917	28,780	22%	6%	42%
Firewood Bundle	40,812	5,108	6,250	7,567	2,386	48%	21%	-81%
Local Sesame Oil 1 litre	16,625	61,517	67,458	66,483	21,739	8%	-1%	300%
Exchange Rate (Somali Shilling per USD)	16,829	30,172	30,254	28,195	9,162	-7%	-7%	68%
<b>Construction Materials*</b>								
Cement 50kg	-	273,542	248,032	238,400	78,212	-13%	-4%	-
Cooking Pot Aluminium 7 Litre	-	180,000	298,667	325,000	106,659	81%	9%	-
Galvanised Iron Sheet Ga 26	-	113,992	146,125	138,033	45,242	21%	-6%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	10,100	9,938	9,800	3,119	-3%	-1%	-
Non Collapsible Jerrycan 10 Litre	-	26,667	47,000	39,125	12,752	47%	-17%	-
Plastic Tarpaulin 14m x 5 m	-	274,167	312,500	353,333	115,966	29%	13%	-
Roofing Nails 15Kg	-	571,358	595,542	586,108	192,430	3%	-2%	-
Timber 2in x 4in x 20ft	-	201,267	152,875	144,558	47,386	-28%	-5%	-
Woven Dry Raised Blanket 150cm x 200cm	-	123,750	91,667	78,333	-	-37%	-15%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Maize(Kg))	28	12	6	7	8	-38%	18%	-74%
Local Goat (Head)/ Cereal (Maize(Kg))	285	286	124	115	118	-60%	-8%	-60%
<b>Price Indices</b>								
Consumer Price Index	-	216	303	304	-	41%	1%	-
Purchasing Power Index	-	0.46	0.33	-	-	-	-	-

\* Data has been collected since May 2010

Figure 26: Bakara: Imported Commodity Prices compared to Exchange Rate

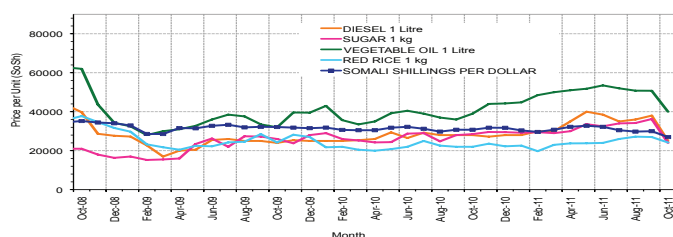


Figure 27: Bakara: Trends in Wage Rates, Staple Cereal Prices and Relative Purchasing Power

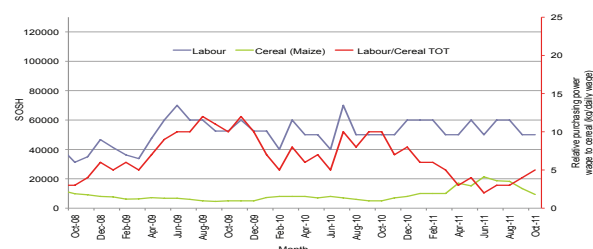


Figure 28: Goat Local Quality

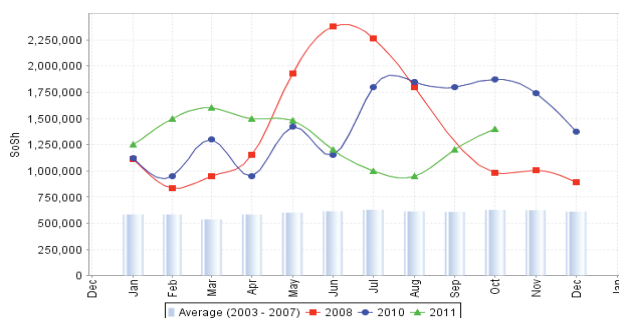


Figure 29: Sugar

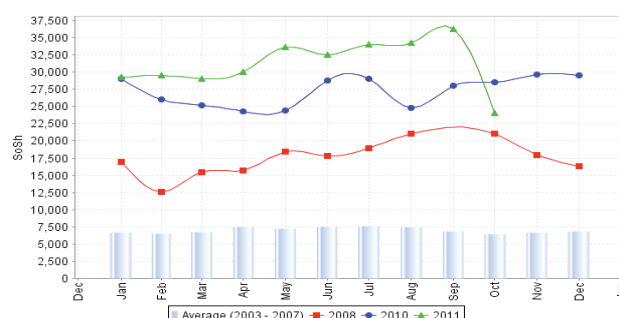


Figure 30: Wheat Flour

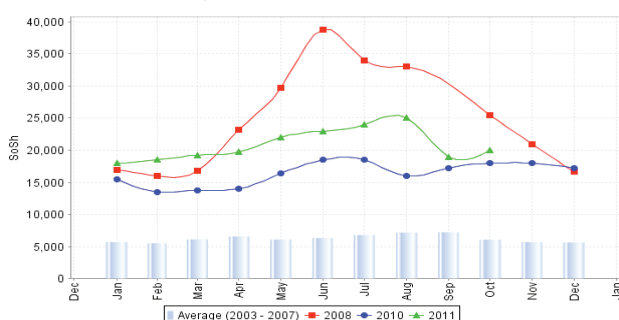
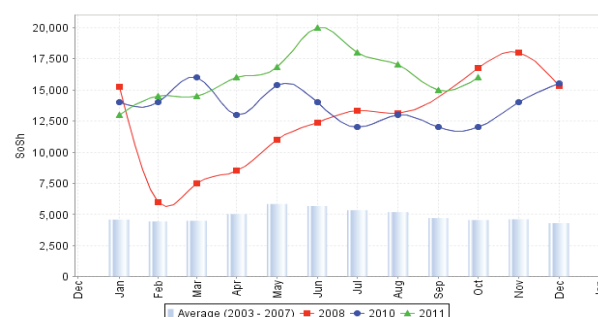


Figure 31: Fresh Camel Milk



# Regional analysis: Central Regions

Indicator	5-Year Average	Oct-10	Sep-11	Oct-11 Nominal Price	Oct-11 Real (Deflated) Price	% Change Same Month Previous Year	% Change Previous Month	% Change 5-year avg (2003-07)
<b>Imported Commodities Prices</b>								
Diesel 1 litre	11,594	31,400	40,620	40,750	13,496	30%	0%	251%
Imported Red Rice 1kg	9,036	27,360	32,500	30,950	10,226	13%	-5%	243%
Petrol 1 litre	12,743	31,500	36,030	35,100	11,611	11%	-3%	175%
Sugar	9,280	34,040	39,000	37,300	12,345	10%	-4%	302%
Vegetable Oil 1 litre	18,925	50,600	62,900	60,300	20,018	19%	-4%	219%
Wheat Flour 1kg	8,619	21,640	25,100	24,100	7,941	11%	-4%	180%
Wheat Grain 1kg	7,500	12,000	20,550	17,688	5,801	47%	-14%	136%
<b>Cereal Prices</b>								
Red Sorghum 1kg	4,807	12,600	19,350	18,600	6,106	48%	-4%	287%
White Maize 1kg	4,980	12,040	20,720	18,800	6,172	56%	-9%	278%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	2,411,840	8,000,000	7,825,000	8,031,250	2,679,438	0%	3%	233%
Cattle Local Quality (Head)	1,572,500	1,945,000	240000000%	2,225,000	-	-	-	-
Fresh Camel Milk 1 litre	12,617	39,400	46,100	44,600	14,780	13%	-3%	253%
Goat Export Quality (Head)	399,815	1,370,000	1,437,500	1,572,000	524,380	15%	9%	293%
Goat Local Quality (Head)	288,690	977,400	944,400	1,092,000	364,234	12%	16%	278%
<b>Other Essential Items</b>								
Charcoal 50kg	54,185	184,300	175,750	180,250	60,038	-2%	3%	233%
Cowpeas 1 kg	7,737	27,040	55,530	52,400	17,383	94%	-6%	577%
Unskilled Labor Wage Rate	27,800	88,200	89,000	89,000	29,594	1%	0%	220%
Firewood Bundle	3,580	30,000	34,000	38,250	12,662	28%	13%	968%
Local Sesame Oil 1 litre	27,642	93,000	96,000	96,000	31,929	3%	0%	247%
Exchange Rate (Somali Shilling per USD)	16,042	30,795	30,774	29,720	9,816	-3%	-3%	85%
<b>Construction Materials*</b>								
Cement 50kg	-	334,200	363,700	372,500	124,181	11%	2%	-
Cooking Pot Aluminium 7 Litre	-	458,000	421,200	426,500	142,197	-7%	1%	-
Galvanised Iron Sheet Ga 26	-	164,300	166,000	163,400	54,417	-1%	-2%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	16,850	16,700	17,438	5,718	3%	4%	-
Non Collapsible Jerrycan 10 Litre	-	35,500	51,600	52,750	17,499	49%	2%	-
Plastic Tarpaulin 14m x 5 m	-	345,600	330,400	341,750	113,921	-1%	3%	-
Roofing Nails 15Kg	-	922,200	830,200	834,250	278,238	-10%	0%	-
Timber 2in x 4in x 20ft	-	154,600	153,600	152,400	50,747	-1%	-1%	-
Woven Dry Raised Blanket 150cm x 200cm	-	164,500	134,000	131,000	43,607	-20%	-2%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Rice(Kg))	3	3	3	3	3	-11%	5%	-7%
Local Goat (Head)/ Cereal (Rice(Kg))	32	36	29	35	36	-1%	21%	10%
Camel (Head)/Cereal (Kg)	267	292	241	259	262	-11%	8%	-3%
<b>Price Indices</b>								
Consumer Price Index	-	231	308	300	-	30%	-3%	-
Purchasing Power Index	-	0.43	0.32	0.33	-	-23%	3%	-

\* Data has been collected since May 2010

Figure 32: Imported commodity prices compared to exchange rates

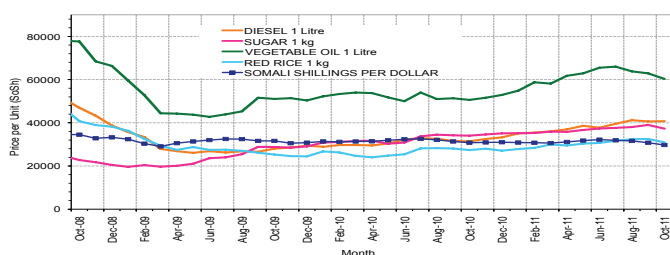


Figure 33: Trends in wage rates, staple cereal prices and relative purchasing power

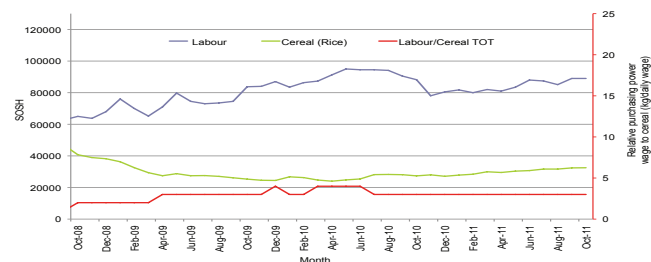


Figure 34: Goat Local Quality

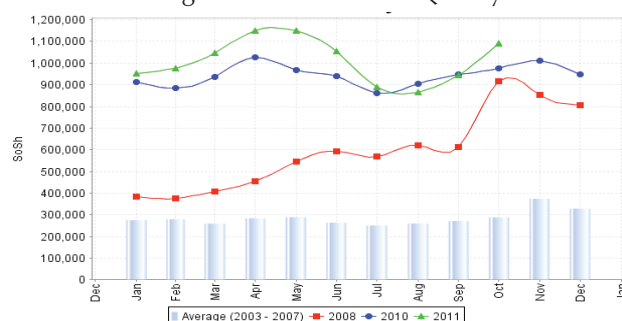


Figure 35: Sugar

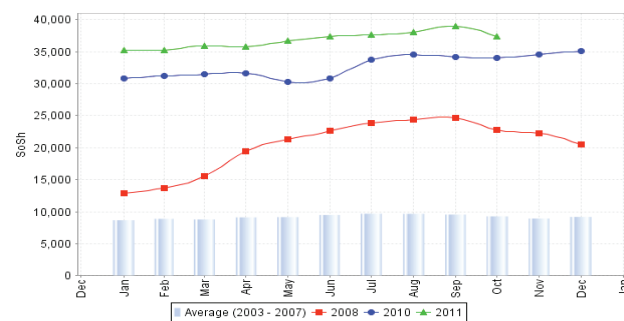


Figure 36: Water Drum

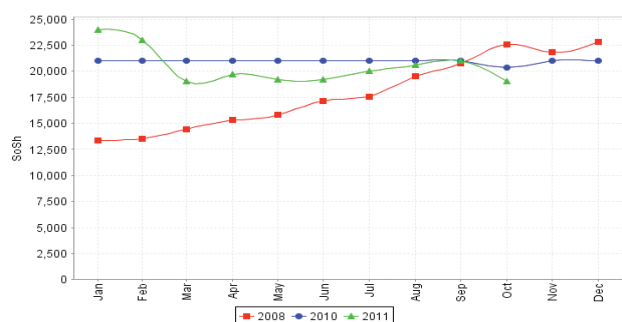
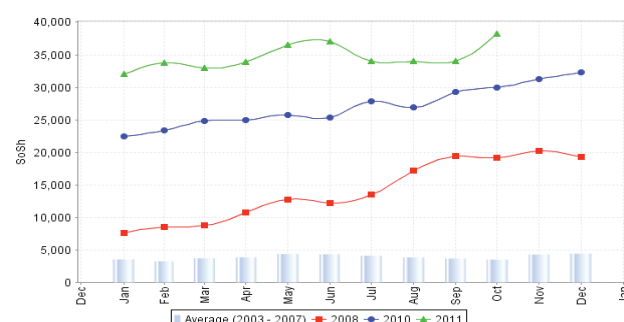


Figure 37: Firewood Bundle





# Regional analysis: Northeast Regions

Indicator	5-Year Average	Oct-10	Sep-11	Oct-11 Nominal Price	Oct-11 Real (Deflated) Price	% Change Same Month Previous Year	% Change Previous Month	% Change 5-year avrg (2003-07)
<b>Imported Commodities Prices</b>								
Diesel 1 litre	10,043	29,000	36,125	35,125	13,486	21%	-3%	250%
Imported Red Rice 1kg	7,427	21,375	25,500	23,700	9,067	11%	-7%	219%
Petrol 1 litre	10,163	27,625	31,375	31,250	11,987	13%	0%	207%
Sugar	8,752	30,063	34,313	32,263	12,379	7%	-6%	269%
Vegetable Oil 1 litre	18,281	39,313	63,938	58,875	22,672	50%	-8%	222%
Wheat Flour 1kg	8,012	18,813	23,500	21,750	8,313	16%	-7%	171%
Wheat Grain 1kg	8,800	26,000	36,750	25,975	9,947	0%	-29%	195%
<b>Cereal Prices</b>								
Red Sorghum 1kg	6,975	14,625	30,000	30,000	11,504	105%	0%	330%
White Maize 1kg	6,442	17,500	22,250	20,500	7,829	17%	-8%	218%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	3,193,611	13,256,250	13,562,500	14,425,000	5,579,286	9%	6%	352%
Cattle Local Quality (Head)	2,094,200	7,625,000	8,250,000	7,600,000	2,939,473	0%	-8%	263%
Fresh Camel Milk 1 litre	14,940	48,500	41,500	39,100	15,023	-19%	-6%	162%
Goat Export Quality (Head)	437,887	1,387,500	1,406,250	1,648,750	637,613	19%	17%	277%
Goat Local Quality (Head)	399,933	1,204,375	1,266,875	1,341,250	518,677	11%	6%	235%
<b>Other Essential Items</b>								
Charcoal 50kg	80,058	297,188	357,500	357,375	138,128	20%	0%	346%
Cowpeas 1 kg	10,338	30,667	64,000	66,833	25,750	118%	4%	546%
Unskilled Labor Wage Rate	45,500	112,500	116,000	111,250	42,930	-1%	-4%	145%
Firewood Bundle	7,180	35,125	35,938	29,250	11,213	-17%	-19%	307%
Local Sesame Oil 1 litre	30,953	70,417	97,500	96,563	37,249	37%	-1%	212%
Exchange Rate (Somali Shilling per USD)	16,874	30,313	31,156	30,125	11,552	-1%	-3%	79%
<b>Construction Materials*</b>								
Cement 50kg	-	229,000	258,438	244,063	94,300	7%	-6%	-
Cooking Pot/Aluminium 7 Litre	-	323,750	506,875	486,250	187,975	50%	-4%	-
Galvanised Iron Sheet Ga 26	-	222,500	249,750	239,125	92,390	7%	-4%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	11,375	12,500	12,625	4,783	11%	1%	-
Non Collapsible Jerrycan 10 Litre	-	33,438	42,500	44,063	16,943	32%	4%	-
Plastic Tarpaulin 14m x 5 m	-	189,375	197,375	143,000	55,210	-24%	-28%	-
Roofing Nails 15Kg	-	396,875	469,563	497,250	192,229	25%	6%	-
Timber 2in x 4in x 20ft	-	242,688	240,563	235,250	90,891	-3%	-2%	-
Woven Dry Raised Blanket 150cm x 200cm	-	238,750	280,188	271,250	104,816	14%	-3%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Rice(Kg))	6	5	5	5	5	-11%	3%	-23%
Local Goat (Head)/ Cereal (Rice(Kg))	54	56	50	57	57	0%	14%	5%
<b>Price Indices</b>								
Consumer Price Index	-	204	257	259	-	27%	1%	-
Purchasing Power Index	-	0.49	0.39	0.39	-	-21%	-1%	-

\* Data has been collected since May 2010

Figure 38: Imported commodity prices compared to exchange rates

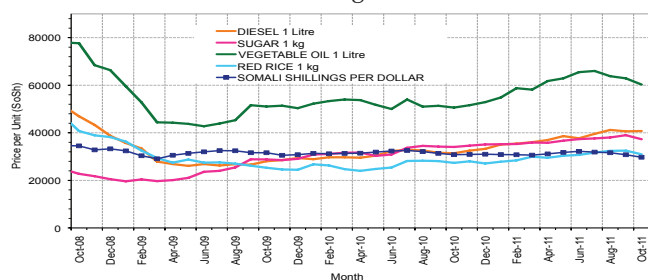


Figure 39: Trends in wage rates, staple cereal prices and relative purchasing power

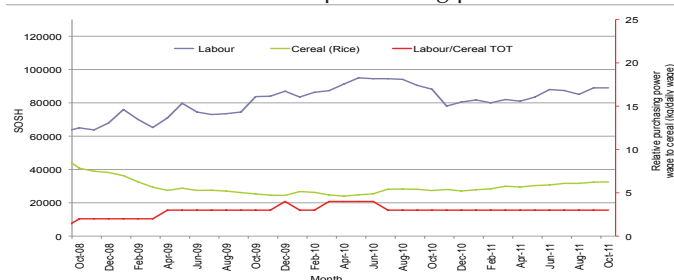


Figure 40: Goat Local Quality

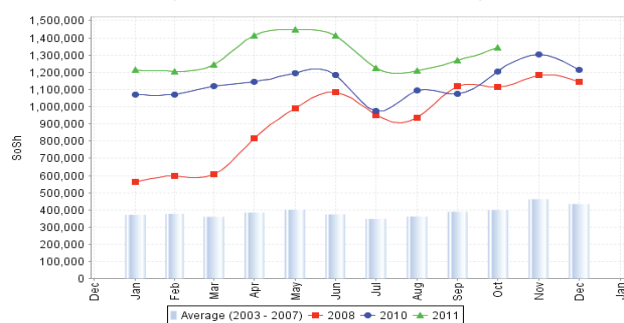


Figure 41: Sugar

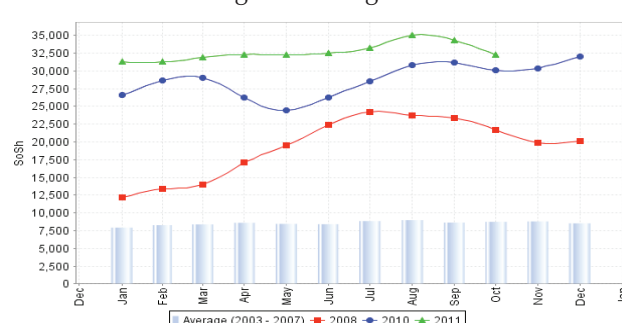


Figure 42: Water Drum

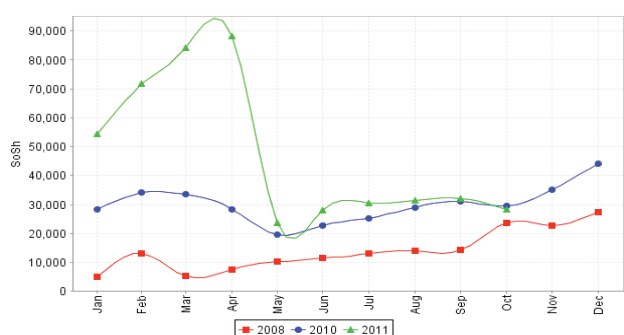
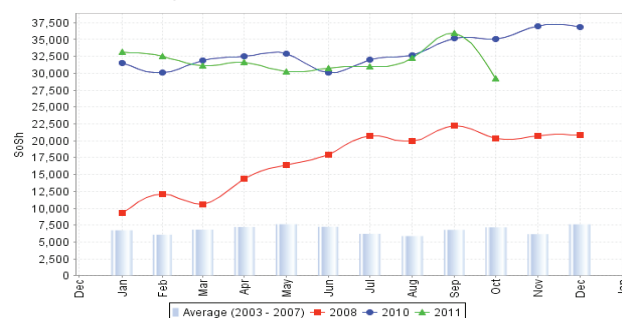


Figure 43: Firewood Bundle



# Regional analysis: Northwest Regions

Indicator	5-Year Average	Oct-10	Sep-11	Oct-11 Nominal Price	Oct-11 Real (Deflated) Price	% Change Same Month Previous	% Change Previous Month	% Change 5-year avg (2003-07)
<b>Imported Commodities Prices</b>								
Diesel 1 litre	3,603	5,650	6,594	6,025	4,783	7%	-9%	67%
Imported Red Rice 1kg	2,933	4,913	5,031	4,869	3,846	-1%	-3%	66%
Petrol 1 litre	4,418	5,600	7,238	5,950	4,722	6%	-18%	35%
Sugar	3,126	6,450	7,088	6,819	5,426	6%	-4%	118%
Vegetable Oil 1 litre	7,171	8,625	11,750	11,375	9,118	32%	-3%	59%
Wheat Flour 1kg	2,985	4,250	4,431	4,363	3,436	3%	-2%	46%
Wheat Grain 1kg	1,968	2,400	3,633	4,050	3,182	69%	11%	106%
<b>Cereal Prices</b>								
White Sorghum 1kg	1,814	2,275	3,681	3,562	2,787	57%	-3%	96%
Yellow Maize 1kg	1,859	2,525	3,450	3,762	2,949	49%	9%	102%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	1,400,683	700,000	1,524,500	1,318,750	1,068,631	88%	-13%	-6%
Cattle Local Quality (Head)	906,368	1,108,333	1,191,667	1,313,750	1,064,579	19%	10%	45%
Fresh Camel Milk 1 litre	4,148	4,750	4,638	4,950	3,912	4%	7%	19%
Goat Export Quality (Head)	173,238	278,750	336,938	330,000	267,336	18%	-2%	90%
Goat Local Quality (Head)	138,760	235,000	232,250	257,375	208,480	10%	11%	85%
<b>Other Essential Items</b>								
Charcoal 50kg	21,081	32,688	35,375	35,094	28,341	7%	-1%	66%
Cowpeas 1 kg	4,666	9,667	8,750	8,633	6,896	-11%	-1%	85%
Unskilled Labor Wage Rate	27,200	28,250	32,563	34,250	27,657	21%	5%	26%
Firewood Bundle	3,357	2,500	2,833	2,833	2,196	13%	0%	-16%
Local Sesame Oil 1 litre	17,995	25,667	24,083	24,833	20,025	-3%	3%	38%
Exchange Rate (Somaliland Shilling per USD)	6,550	5,856	5,756	5,500	4,357	-6%	-4%	-16%
<b>Construction Materials*</b>								
Cement 50kg	-	50,000	48,959	46,711	37,755	-7%	-5%	-
Cooking Pot Aluminium 7 Litre	-	78,000	78,313	81,750	66,151	5%	4%	-
Galvanised Iron Sheet Ga 26	-	36,400	-	-	-	-	-	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	3,100	3,150	3,042	2,365	-2%	-3%	-
Non Collapsible Jerrycan 10 Litre	-	5,500	6,813	6,650	5,289	21%	-2%	-
Plastic Tarpaulin 14m x 5 m	-	53,750	86,938	84,588	68,451	57%	-3%	-
Roofing Nails 15kg	-	162,750	182,688	188,250	152,460	16%	3%	-
Timber 2in x 4in x 20ft	-	132,500	100,800	94,725	76,666	-29%	-6%	-
Woven Dry Raised Blanket 150cm x 200cm	-	60,313	66,813	68,188	55,160	13%	2%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Rice(Kg))	9	6	6	7	7	22%	9%	-24%
Local Goat (Head)/ Cereal (Rice(Kg))	47	48	46	53	54	11%	15%	12%
<b>Price Indices</b>								
Consumer Price Index	-	107	123	123	-	15%	1%	-
Purchasing Power Index	-	0.93	0.82	0.81	-	-13%	-1%	-

\* Data has been collected since May 2010

Figure 44: Imported commodity prices compared to exchange rates

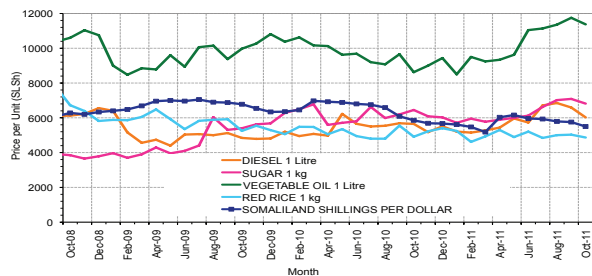


Figure 45: Trends in wage rates, staple cereal prices and relative purchasing power

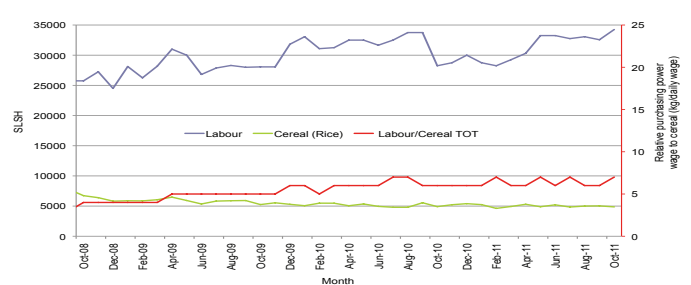


Figure 46: Goat Local Quality

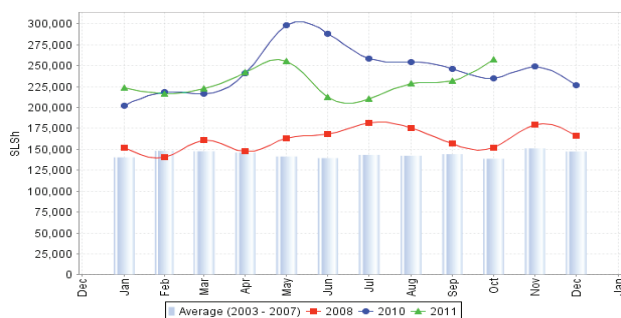


Figure 47: Sugar

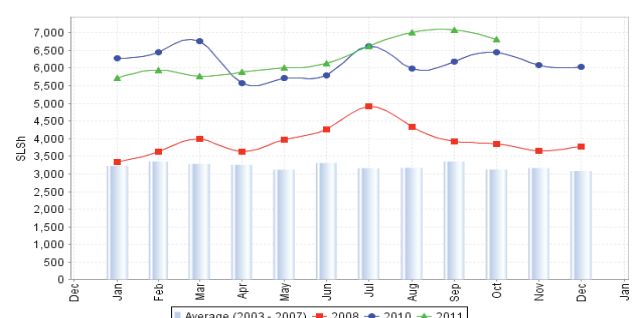


Figure 48: Water Drum

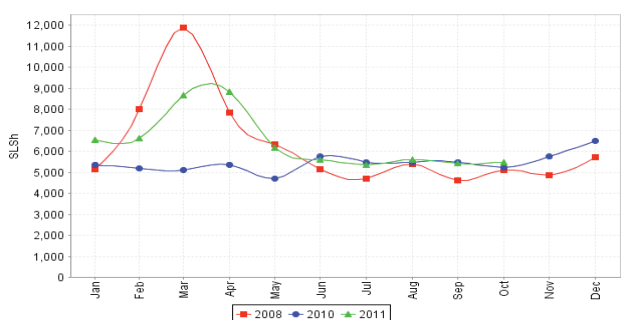
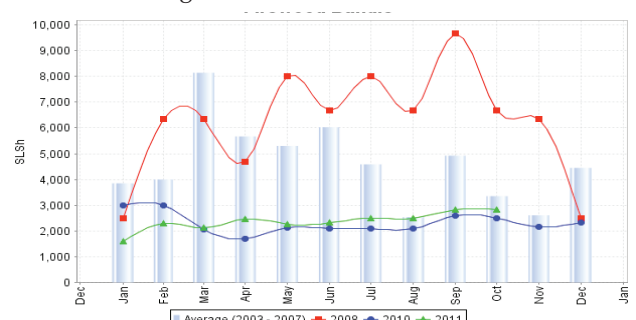


Figure 49: Firewood Bundle

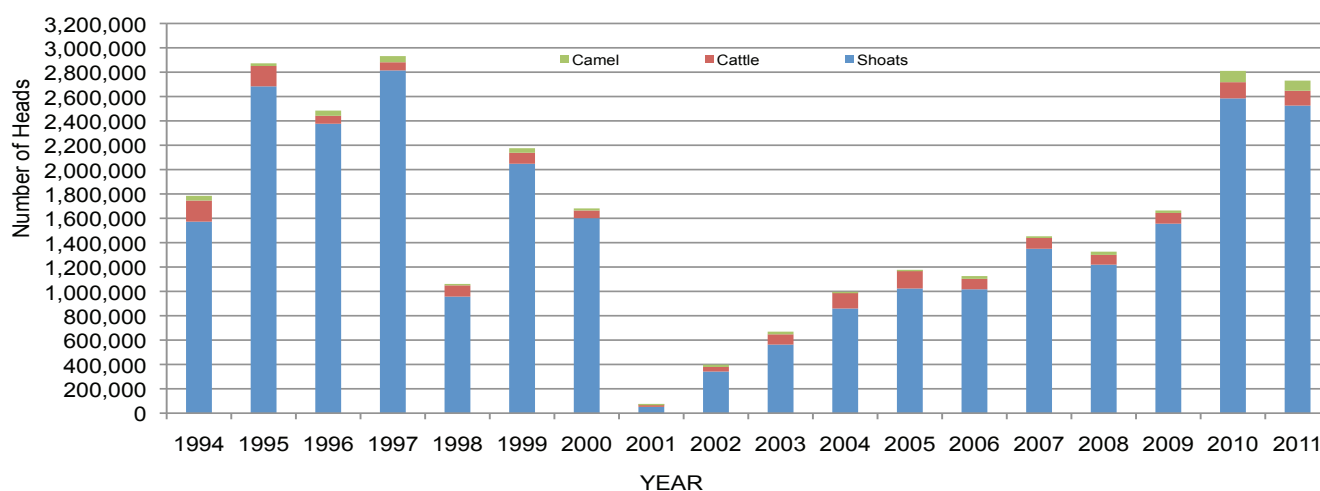


# Trends in Livestock Exports

Table 1: Berbera Livestock Exports (Number of Heads)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 (Jan-Oct)
Shoats	1,572,656	2,683,597	2,376,646	2,814,495	957,224	2,048,136	1,601,083	51,546	341,711	563,107	859,404	1,023,795	1,017,242	1,350,054	1,219,519	1,556,003	2,584,810	2,525,758
Cattle	173,400	167,128	65,127	66,939	92,213	89,967	63,263	20,973	37,547	84,312	131,852	148,151	85,631	88,143	80,051	88,005	133,021	121,770
Camel	38,553	21,993	42,801	50,587	11,663	37,430	16,984	3,473	18,864	21,874	5,147	5,069	22,810	14,245	26,515	20,206	92,651	83,369

Figure 50: Berbera Livestock Exports (Number of Heads)

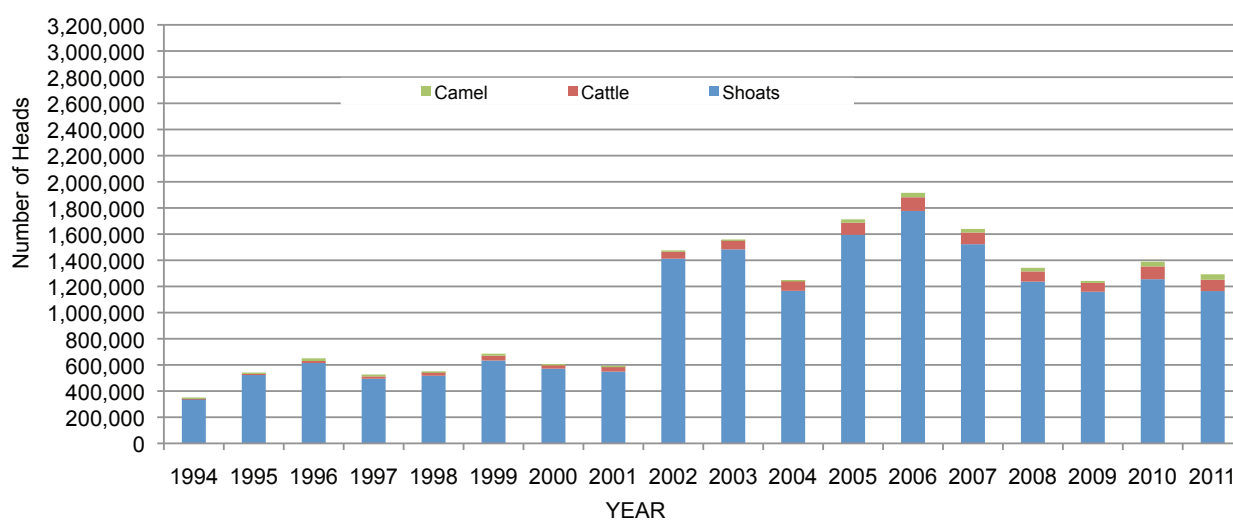


\*2011 data is for January to October

Table 2: Bossaso Livestock Exports (Number of Heads)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 (Jan-Oct)
Shoats	344,000	524,346	614,407	494,320	517,020	633,669	571,455	548,853	1,412,450	1,483,409	1,166,480	1,594,859	1,777,283	1,522,855	1,236,775	1,159,454	1,333,478	1,164,647
Cattle	1,450	8,795	15,335	17,831	29,492	36,586	27,604	42,248	53,313	71,328	79,994	91,910	104,595	89,190	78,046	67,385	103,808	86,372
Camel	5,397	8,392	20,462	14,599	3,938	15,544	8,177	1,950	9,720	4,259	2,488	26,109	33,724	27,580	27,639	15,331	36,865	41,864

Figure 51: Bossaso Livestock Exports (Number of Heads)

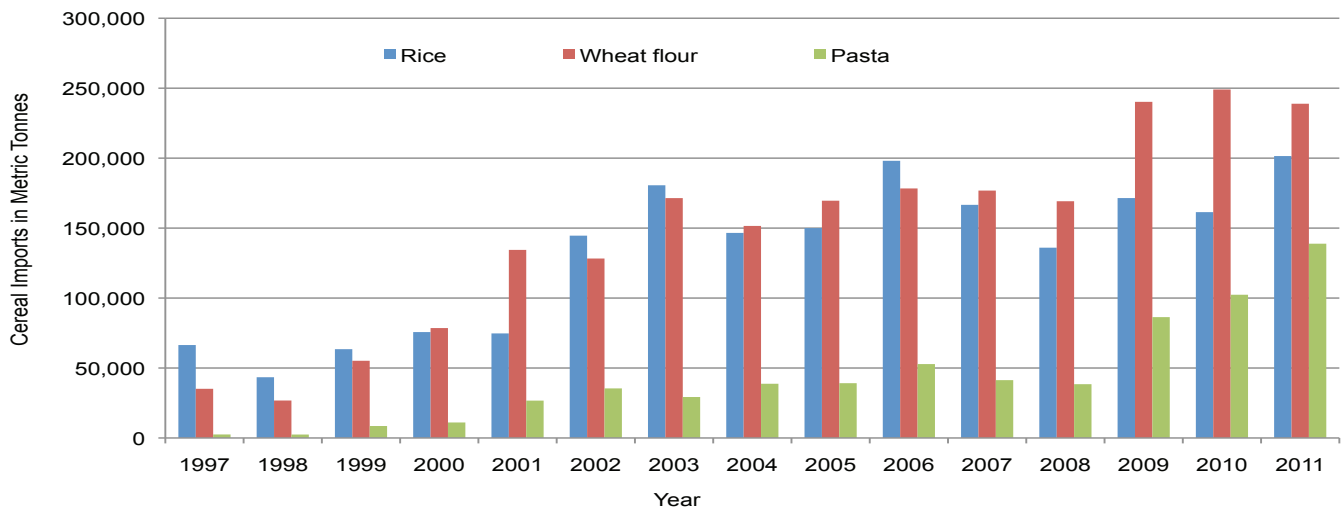


\*2011 data is for January to October

Table 3: Total Cereal Imports (Berbera,Bossaso,Elmaan)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 (Jan-Oct)
Rice	66,419	43,410	63,464	75,687	74,729	144,600	180,614	146,567	150,017	198,101	166,626	136,007	171,472	161,415	201,499
Wheat flour	35,143	26,774	55,176	78,555	134,425	128,263	171,442	151,555	169,583	178,345	176,821	169,208	240,247	249,080	238,893
Pasta	2,510	6,858	8,544	11,071	26,702	35,425	29,273	38,749	39,153	52,815	41,331	38,441	86,372	102,373	138,858

Figure 52: Total Cereal Imports (Berbera,Bossaso and Elmaan)



\*2011 data is for January to October

## Regional Highlights

**Juba Valley:** Maize prices declined in most markets, while prices increased marginally for the livestock and other essentials in October 2011. The imported commodity prices, particularly rice, remained relatively stable due to the mitigating effect of humanitarian rice distributions. However, the sugar price exhibited a considerable 43 percent increase in hinterland markets as a result of limited supply from the ports and other sources. Prices of imports and maize are significantly higher than last year, in contrast to those of livestock, which remained significantly below their levels (71%) twelve months earlier. The decline in maize prices coupled with a slight increase in labour wages boosted the ToT between labor and cereal. Purchasing power, however, remained greatly compromised when compared to the same period last year and is one of the lowest in the country (4kgs of maize/daily labour).

**Sorghum Belt:** In October 2011, cereal prices declined slightly in Bay (5%) but increased in Gedo and Hiran (8% in each) while remaining stable in Bakool region. Though there are no significant differences in the regional prices for cereals, the highest price in October was recorded in Bay (SoShs 13,500) while the lowest was in Bakool (SoShs 11,375). Prices of imported commodities exhibited monthly declines, while livestock prices improved. Annual comparisons indicate significantly higher prices of imported commodities and sorghum, in contrast to those of livestock. The ToT between labour and cereal improved as a result of increased labour wages in October. However, purchasing power is still weak when compared to the same period last year with ToT currently being equivalent to 8kg/ daily worth of labour versus 12kg a year ago.

**Shabelle Valley:** Over the month of October 2011, prices of livestock, labour wages and other essential commodities (charcoal, cowpeas, etc.) rose, as maize prices declined. The ToT improved by an additional 2kg from September 2011 and currently is equivalent to 7kg/ daily labour rate. Prices of cereals and imported commodities remained significantly above the levels in October 2010, while year on year comparison indicates that ToT (labour to maize), and livestock prices are severely eroded.

**Central:** Prices of imported commodities and sorghum declined marginally, while improving for livestock in most main markets in October 2011. Compared to October 2010, the prices of most commodities are significantly elevated. A slight decline in sorghum prices improved the ToT in October but the ToT is one of the lowest (5kg/daily labour) in the country and is below its levels a year ago (7 kg).

**Northeast:** Price of red sorghum remained stable in October, while it increased for livestock owing to high demand for *Hajj*. Prices of all other commodities declined from the previous month. The annual comparison indicates significant increases in prices for sorghum (100%), vegetable oil and diesel, while these are moderately elevated for other imported commodities. The ToT remained stable over the past month and is equivalent to 4kgs/daily labour rate, which is half of the last year's levels.

**Northwest:** Prices of most monitored commodities were stable to declining in the month of October 2011. The ToT labour wage/local cereal has improved by 1kg from a month ago to settle at 10kgs/ daily wage rate in October 2011. Purchasing power gains were realized following the marginal reduction in white sorghum price, as well as a slight improvement in labour wages.

**Banadir:** Prices of local cereals, most imported commodities, and cattle and goat exhibited declines in October, while those of essential items increased marginally. Compared to a year ago, the prices of most commodities are significantly elevated, except for livestock and livestock products, which decreased slightly. Decline in cereal prices and improved wage rates, enhanced the ToT to 10kg per daily labour wage from 9kg in the previous month. The current ToT is, however, 42 percent lower compared to the same month a year ago.