

# Market DataUpdate



Food Security and Nutrition Analysis Unit - Somalia



Monthly Market Data Analysis, September 2011

## Highlights

The September 2011 Consumer Price Index (CPI) followed closely the developments in the prices of local cereals. The CPI decreased by 3-10 percent from August in South-Central Somalia although it remained high when compared to the same month last year (35-45%). In contrast, the CPI in Northern regions did not vary significantly from the previous month but was above the levels in September 2010 in both Somali Shilling (SoSh) as well as Somaliland Shilling areas, by 31 and 9 percent, respectively. Compared to the base period (March 2007), the current cost of living is significantly higher in South-Central (205-208%) and North SoSh (169%); it is moderately elevated in SISH areas (23%).

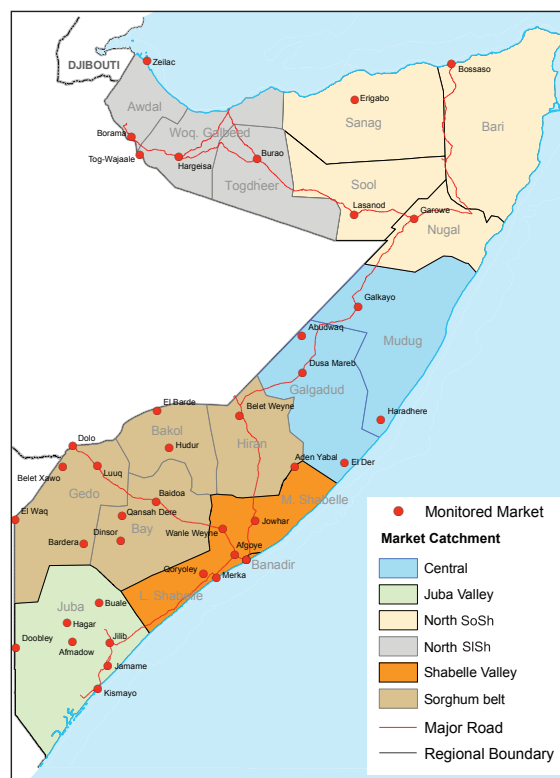
Local grain prices (maize and red sorghum) declined sharply in September 2011 in most southern markets. The prices decreased moderately in Central, while maintaining relative stability in northern regions. Specifically, in the South, maize prices declined significantly over the past month in Lower Shabelle region (42%), which received sizeable off-season harvest. However, the decline in Juba regions was modest (9%) due to considerably lower off-season crop yield. Further, a sharp drop in cereal prices was observed in the regions of Gedo, particularly for sorghum (46-60%), Banadir (20-36%) and Hiran (26%), which is likely attributable to on-going humanitarian food interventions. However, the prices of local cereals exhibited relatively lower rates of decline in the regions of Bay and Bakool (7-16%). Despite the downward trend in monthly prices of cereals, they are still considerably higher than in September last year in most regions, apart from Gedo, where the prices are comparable. In the Northwest, prices of white sorghum remained generally stable over the previous month but were more than 50 percent higher than the same month last year.

Prices of most imported commodities (rice, sugar, wheat flour, vegetable oil, petrol and diesel) remained generally stable over the past month although they are 20-35 percent above their levels a year earlier. The latter reflects increases in the international prices and high costs of transportation attributable to fuel price inflation.

In most markets of the South, livestock prices improved from the previous month but were below their levels a year ago. In central and northern regions, goat prices also showed slight improvement in the last month compared to August 2011 and September 2010. However, the prices of local cattle and camel declined in most markets of the Northwest. New export markets in Pakistan, Kuwait and UAE buoyed livestock export volumes through Berbera and Bossaso in July-September 2011, which were 17-35 percent higher than the same period last year for all species. In a complete departure from monthly trends, livestock export volumes through these ports declined sharply in September 2011, by 31 percent<sup>1</sup>, from the previous month.

Although trends in labour wages remained mixed, reduced local cereal prices have enhanced people's purchasing power over the previous month in most markets of the South. The terms of trade (ToT) remained stable in the North and Central in September. However, the ToT between labour wages and local cereals are still significantly below their levels in September 2010 all over the country. Only 4-7 kg of these cereals could be purchased with one day of labour in southern regions compared to 12-15 kg in September 2010. Modest yearly declines in ToT are observed in the other areas of the country.

Exchange rates between USD to Somali Shilling (SoSh) and Somaliland Shilling (SISH) remains relatively stable in all regions when compared to the previous month and the same month last year.



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 Gu and Deyr Analysis).

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

<sup>1</sup> The sharp decline in export volumes could possibly be attributable to a combination of factors among them the tipping point in depletion of export quality animals from the cumulative effects of past droughts and reduced livestock supply from Ethiopia following the strict enforcement of customs regulation by the Ethiopia Customs Authority. According to this regulation, livestock traders are required to go through a cumbersome and costly custom procedures before the animals cross the border to Somalia. However, these issues will be explored and researched further into detail and reported in the next edition of the Market Update.

**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> the main source of Somalia's oil imports, declined marginally (2%) from August 2011 but moderately (7%) from this year's record peak of \$115/barrel in April to settle at \$107 in September. The current price, however, is 43 percent higher than the same month last year. The continued uncertainty about the global economic and financial prospects (which is likely to weaken oil demand), combined with delayed resumption in oil supply from Libya are likely to keep oil prices volatile in the short run<sup>2</sup>. International oil price transmission to Somalia markets is clearly evidenced in annual increases of diesel prices in the main port cities of Bossaso (28%) and Mogadishu (36%), respectively. On a monthly basis, diesel prices increased slightly in Mogadishu. Conversely, in Bossaso the diesel prices declined slightly in September, which is mainly attributable to increased supplies following resumption of imports with the end of seasonal period of high seas. Domestic prices of diesel are projected to remain volatile in the short-run, in tandem with international oil market developments.

**Rice:** Export prices of rice<sup>3</sup> in September increased for the fourth consecutive month, to close at USD 497 per ton, 6 percent higher than in August and 24 percent above its level in September 2010. However, the rice price is still significantly (36%) below its peak in May 2008. The announcement of Thailand's high procurement price policy, to be implemented in October, was the principal factor propelling international rice quotations, only dampened somewhat by India's recent decision to relax restrictions on non-basmati rice exports<sup>4</sup>. In addition, good rice production prospects and rising stocks at the global level in 2011/12 should temper the current rise in prices in the coming months. In line with international price trends, retail prices of imported rice remained stable in Somali port towns of Mogadishu and Bossaso (1-4%) in September 2011 and increased significantly (23-31%) when compared to a year ago. Developments on international rice markets and volatile fuel prices, in addition to the anticipated increase in substitution of local cereals given limited stocks will most likely push the cost of rice on Somali markets to the upward in the short-run.

**Sugar:** The FAO Sugar Price Index averaged 379 points in September, down 3.8 percent from August, and 5 percent from the peak it reached in July 2011, reflecting positive production prospects in Europe, India, and Thailand. In addition, better than expected sugar output in Brazil, the world's largest sugar producer, contributed to the easing in prices in recent weeks<sup>5</sup>. The effect of the international price development of the last month are reflected on the local markets of Somalia where sugar prices declined by 2 percent in Bossaso. However, increased demand, occasioned by purchase of the commodity from the local markets for distribution to IDPs by aid agencies pushed the sugar prices 6 percent higher than the previous month in Mogadishu. Year on year sugar price increases in the port markets (16-29%) are squarely in line with international price increase (19%).

**Cooking Oil:** The FAO Oils/Fats Price Index<sup>6</sup> averaged 238 points in September, down 2.3 percent, or nearly 6 points, from August. The index has been falling since March although it still remains high in historical terms. The recent declines of the index reflect good production and comfortable stock levels of palm oil in South East Asia, combined with growing export supplies of sunflower oil following exceptionally good harvests in the Black Sea region. International price trends in cooking oil is discernible in Somalia's port cities where vegetable oil prices declined by 7-17 percent from August 2011 and by 24-28 percent from the same month last year.

1 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)

2 International Energy Agency Oil Market Report, 12th October 2011

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

4 FAO Global Food Price monitor, October 2011

5 FAO Food Price Index, October 2011

6 FAO Food Price Index, October 2011

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

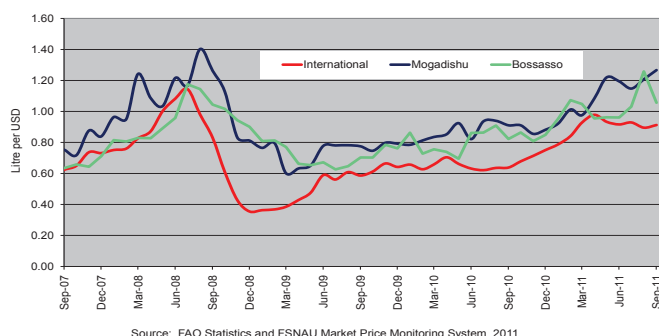


Figure 2: Comparison of Rice Prices: International (Bangkok FOB), Mogadishu and Bossaso

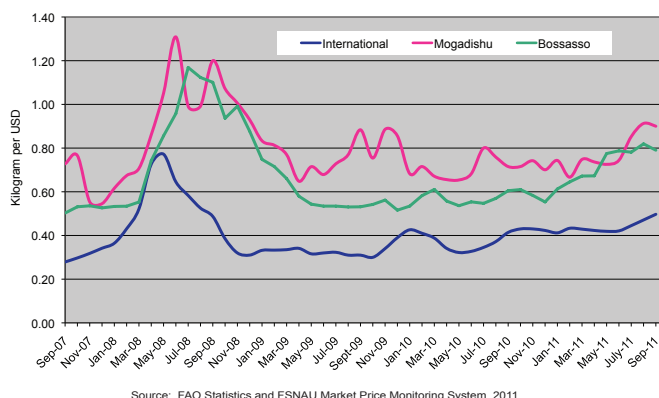
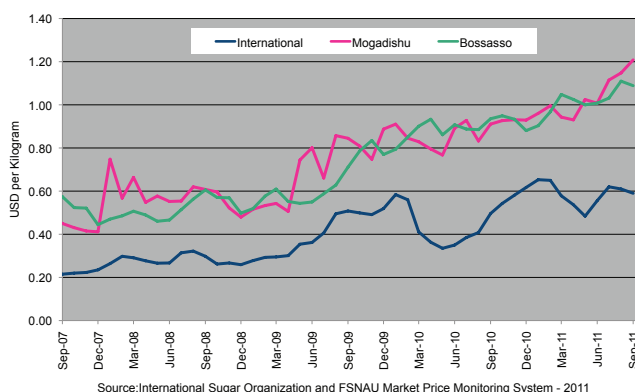


Figure 3: Comparison of Sugar Prices: International (ISO), Mogadishu and Bossaso



# 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)

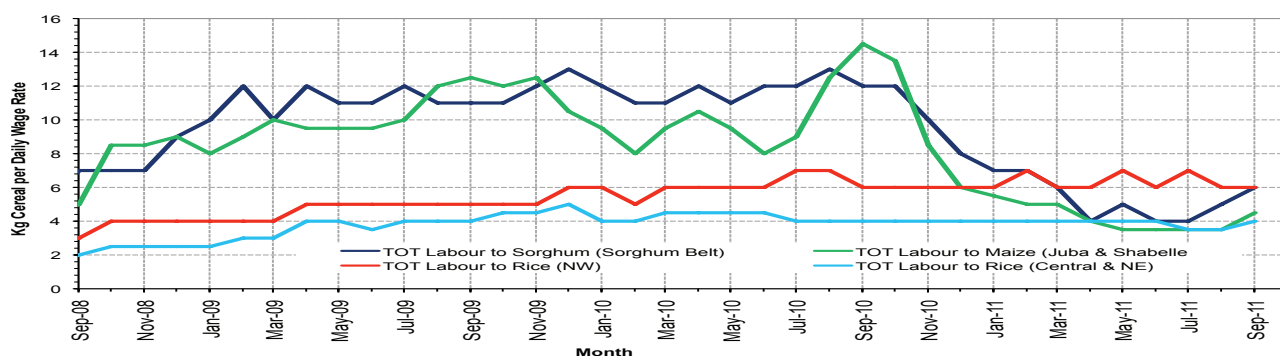


Figure 5: Monthly Exchange Rate for Selected Regions (SoSh and SISH to USD)

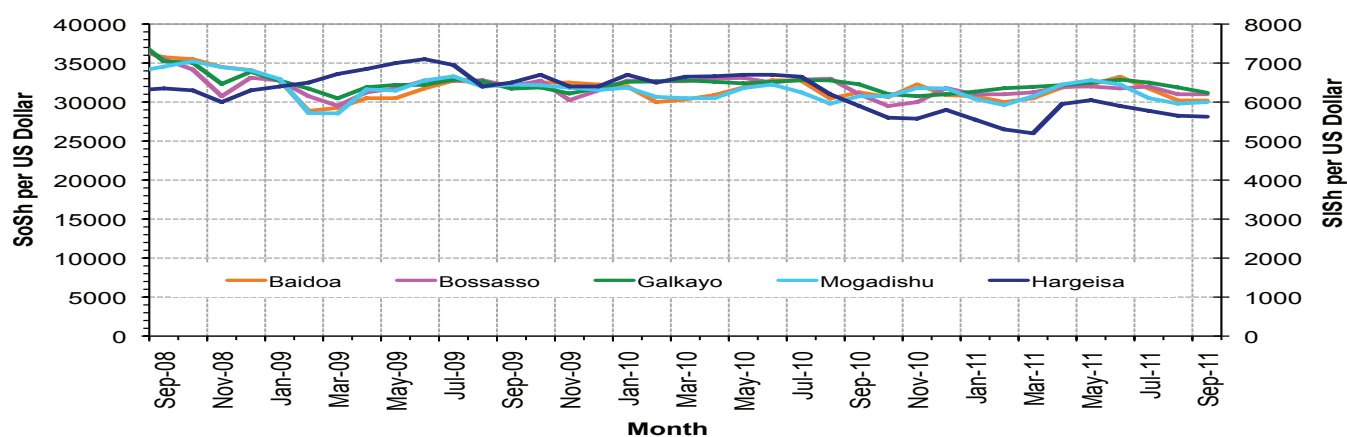


Figure 6: Monthly Trends in Consumer Price Index (CPI)

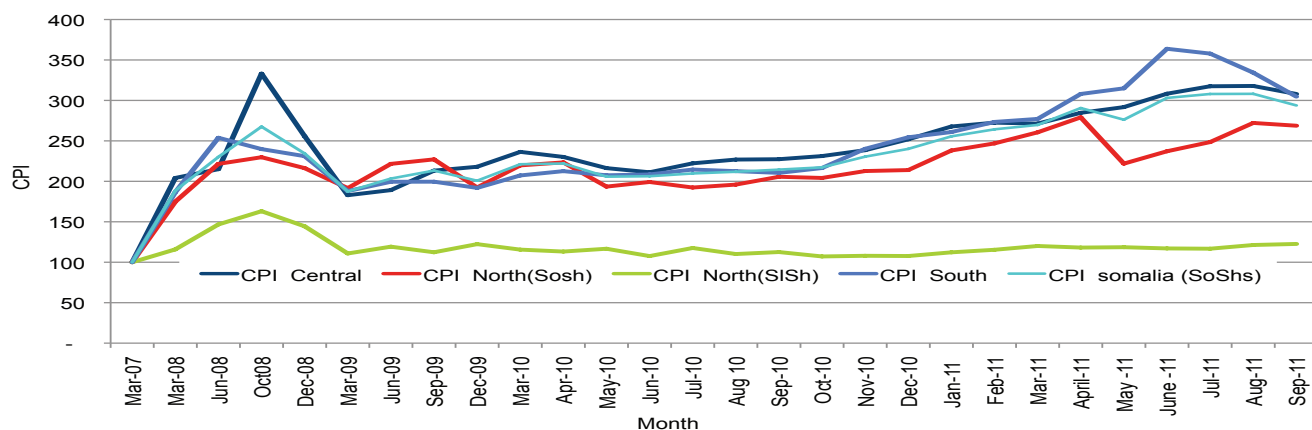
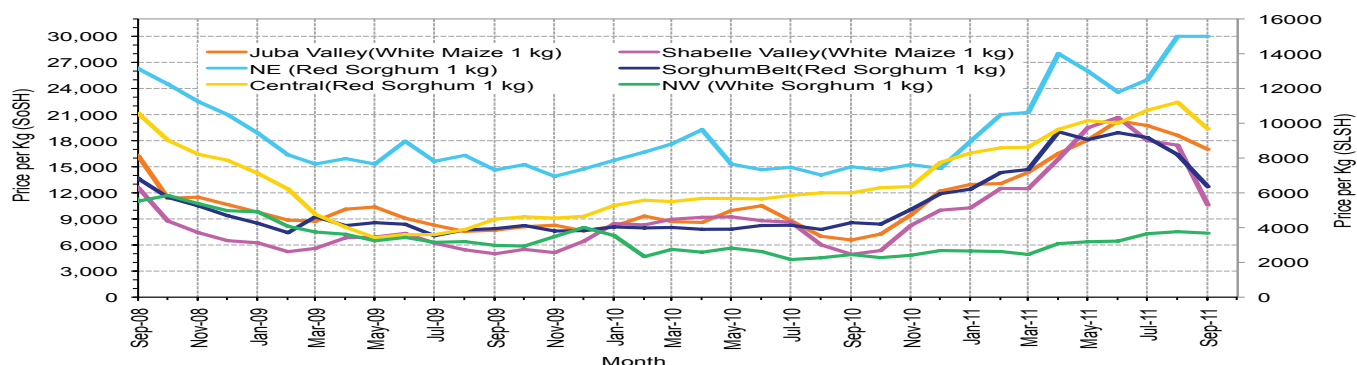


Figure 7: Monthly Trends in Local Cereal Prices



# Regional analysis: Juba Regions

Indicator	5-Year Average	Sep-10	Aug-11	Sep-11 Nominal Price	Sep-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	13,960	32,536	39,429	40,821	13,295	25%	4%	192%
Imported Red Rice 1kg	9,149	22,107	24,607	25,857	8,385	17%	5%	183%
Petrol 1 litre	16,351	35,571	36,643	36,857	11,995	4%	1%	125%
Sugar	9,080	26,071	36,750	37,786	12,299	45%	3%	316%
Vegetable Oil 1 litre	19,571	44,250	57,393	57,250	18,687	29%	0%	193%
Wheat Flour 1kg	8,609	19,500	25,089	23,643	7,658	21%	-6%	175%
Wheat Grain 1kg	5,896	16,000	20,000	20,000	6,463	25%	0%	239%
<b>Cereal Prices</b>								
Red Sorghum 1kg	2,199	9,000	-	-	-	-	-	-
White Maize 1kg	2,330	6,579	18,614	17,000	5,479	158%	-9%	630%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	3,345,966	9,418,750	6,979,375	7,492,917	2,458,695	-20%	7%	124%
Cattle Local Quality (Head)	1,663,664	4,585,000	1,955,000	2,285,000	749,721	-50%	17%	37%
Fresh Camel Milk 1 litre	6,419	19,857	15,214	18,643	6,018	-6%	23%	190%
Goat Export Quality (Head)	431,059	1,402,143	890,000	978,429	320,971	-30%	10%	127%
Goat Local Quality (Head)	305,465	910,357	576,607	628,929	206,283	-31%	9%	106%
<b>Other Essential Items</b>								
Charcoal 50kg	28,528	88,214	63,571	63,750	20,820	-28%	0%	123%
Cowpeas 1 kg	5,852	18,793	32,233	33,375	10,852	78%	4%	470%
Unskilled Labor Wage Rate	37,846	101,786	63,143	62,071	20,269	-39%	-2%	64%
Firewood Bundle	2,405	6,571	5,857	6,571	2,056	0%	12%	173%
Local Sesame Oil 1 litre	21,042	73,857	89,500	89,071	29,129	21%	0%	323%
Exchange Rate (Somali Shilling per USD)	16,243	30,396	30,654	30,204	9,811	-1%	-1%	86%
<b>Construction Materials*</b>								
Cement 50kg	-	352,000	345,000	343,333	112,564	-2%	0%	-
Cooking Pot Aluminium 7 Litre	-	372,708	356,667	358,333	117,487	-4%	0%	-
Galvanised Iron Sheet Ga 26	-	165,571	177,292	174,271	57,087	5%	-2%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	17,000	20,000	20,000	6,463	18%	0%	-
Non Collapsible Jerrycan 10 Litre	-	29,000	34,500	31,875	10,360	10%	-8%	-
Plastic Tarpaulin 14m x 5 m	-	700,000	503,333	575,000	188,586	-18%	14%	-
Roofing Nails 15Kg	-	829,286	819,821	804,286	263,826	-3%	-2%	-
Timber 2in x 4in x 20ft	-	337,350	328,375	327,500	107,369	-3%	0%	-
Woven Dry Raised Blanket 150cm x 200cm	-	167,917	-	-	-	-	-	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Maize(Kg))	16	15	3	4	4	-76%	8%	-78%
Local Goat (Head)/ Cereal (Maize(Kg))	131	138	31	37	38	-73%	19%	-72%
<b>Price Indices</b>								
Consumer Price Index	-	210	334	305	-	45%	-9%	-
Purchasing Power Index	-	0.48	0.30	0.33	-	-31%	10%	-

\* Data has been collected for the past 16 months only

Figure 8: Imported commodity prices compared to exchange rates

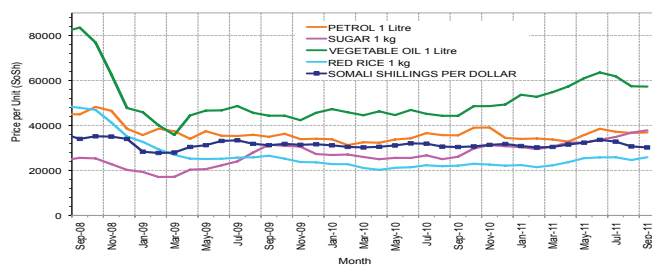


Figure 10: Goat Local Quality

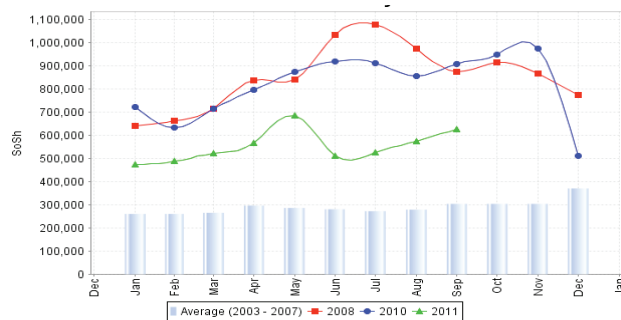


Figure 12: Water Drum

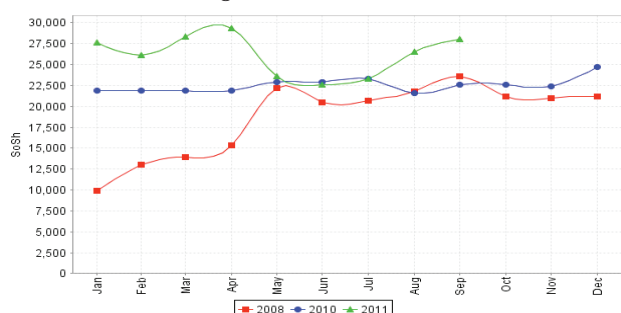


Figure 9: Trends in wage rates, staple cereal prices and relative purchasing power

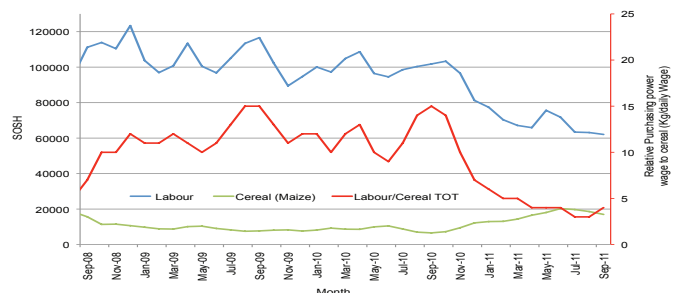


Figure 11: Sugar

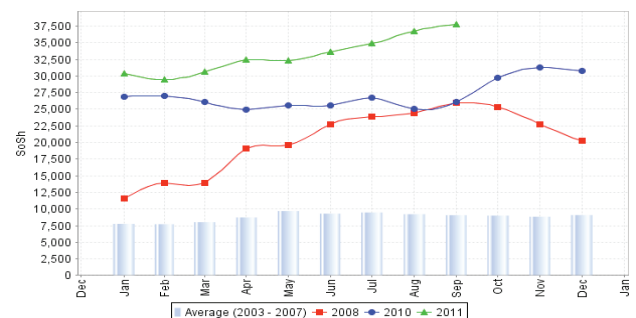
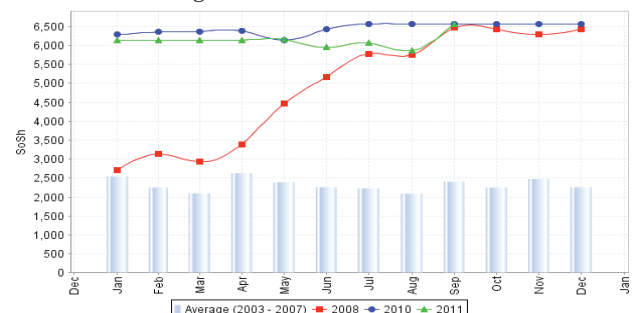


Figure 13: Firewood Bundle





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

Indicator	5-Year Average	Sep-10	Aug-11	Sep-11 Nominal Price	Sep-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	12,782	31,795	43,536	42,841	13,958	35%	-2%	235%
Imported Red Rice 1kg	9,222	24,273	28,464	27,191	8,823	12%	-4%	195%
Petrol 1 litre	14,591	31,350	39,795	40,023	13,034	28%	1%	174%
Sugar	9,465	28,205	35,591	38,023	12,377	35%	7%	302%
Vegetable Oil 1 litre	19,024	45,545	64,964	60,023	19,596	32%	-8%	216%
Wheat Flour 1kg	8,817	21,841	25,427	23,955	7,761	10%	-6%	172%
Wheat Grain 1kg	4,575	7,500	14,825	13,271	4,255	77%	-10%	190%
<b>Cereal Prices</b>								
Red Sorghum 1kg	2,001	8,573	16,391	12,713	4,072	48%	-22%	535%
White Maize 1kg	2,623	10,555	16,609	14,045	4,509	33%	-15%	435%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	3,426,524	10,563,636	6,378,728	6,722,728	2,205,958	-36%	5%	96%
Cattle Local Quality (Head)	1,359,101	3,790,636	1,881,500	1,840,625	603,900	-51%	-2%	35%
Fresh Camel Milk 1 litre	7,545	20,068	26,364	28,114	9,126	40%	7%	273%
Goat Export Quality (Head)	411,645	1,454,091	1,130,318	1,237,046	405,836	-15%	9%	201%
Goat Local Quality (Head)	265,053	856,364	590,273	675,227	221,475	-21%	14%	155%
<b>Other Essential Items</b>								
Charcoal 50kg	37,102	123,818	112,864	114,000	37,309	-8%	1%	207%
Cowpeas 1 kg	6,095	21,406	40,575	44,219	14,410	107%	9%	625%
Unskilled Labor Wage Rate	19,839	105,409	81,705	87,841	28,725	-17%	8%	343%
Firewood Bundle	1,626	5,136	5,455	5,455	1,690	6%	0%	235%
Local Sesame Oil 1 litre	23,253	75,094	83,714	84,464	27,617	12%	1%	263%
Exchange Rate (Somali Shilling per USD)	15,992	31,263	31,168	30,418	9,882	-3%	-2%	90%
<b>Construction Materials*</b>								
Cement 50kg	-	356,200	342,222	337,083	110,514	-5%	-2%	-
Cooking Pot Aluminium 7 Litre	-	365,778	297,778	284,722	93,331	-22%	-4%	-
Galvanised Iron Sheet Ga 26	-	213,025	220,636	223,364	73,197	5%	1%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	9,625	10,750	10,750	3,428	12%	0%	-
Non Collapsible Jerrycan 10 Litre	-	51,182	53,750	52,045	16,979	2%	-3%	-
Plastic Tarpaulin 14m x 5 m	-	351,100	290,300	294,200	96,441	-16%	1%	-
Roofing Nails 15Kg	-	825,250	846,944	814,250	267,095	-1%	-4%	-
Timber 2in x 4in x 20ft	-	282,857	217,571	223,214	73,147	-21%	3%	-
Woven Dry Raised Blanket 150cm x 200cm	-	129,000	100,125	101,750	33,289	-21%	2%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Sorghum(Kg))	10	12	5	7	7	-44%	39%	-30%
Local Goat (Head)/ Cereal (Sorghum(Kg))	132	100	36	53	54	-47%	47%	-60%
<b>Price Indices</b>								
Consumer Price Index	-	210	334	305	-	45%	-9%	-
Purchasing Power Index	-	0.48	0.30	0.33	-	-31%	10%	-

\* Data has been collected for the past 16 months only

Figure 14: Imported commodity prices compared to exchange rates

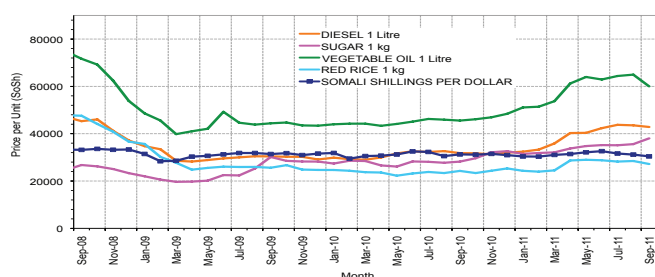


Figure 15: Trends in wage rates, staple cereal prices and relative purchasing power

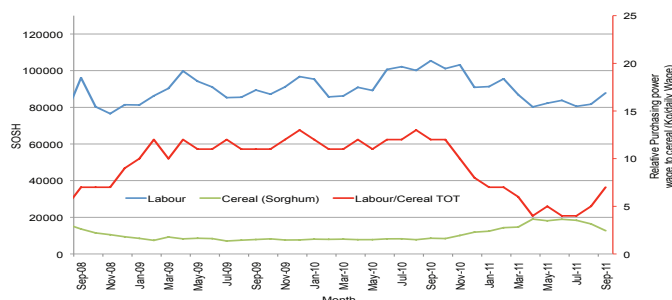


Figure 16: Goat Local Quality

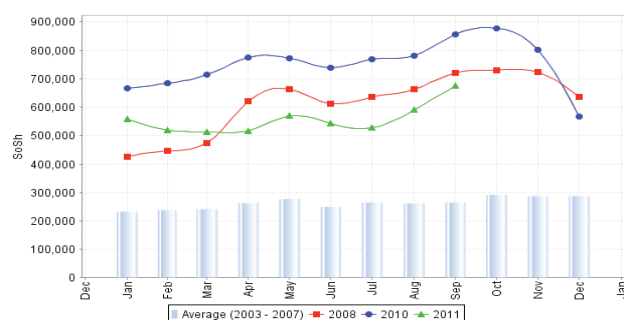


Figure 17: Sugar

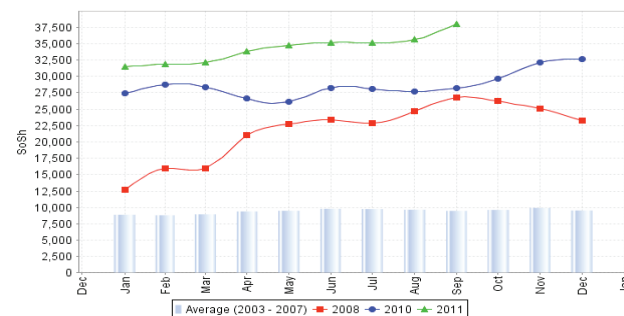


Figure 18: Water Drum

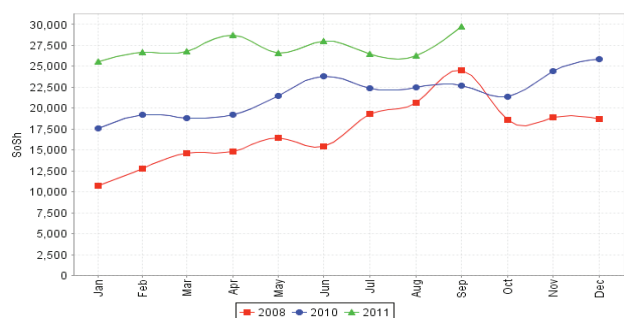
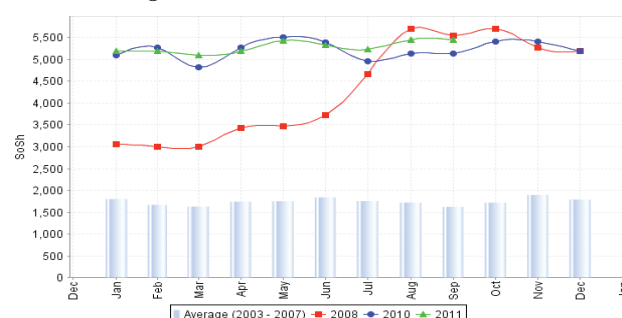


Figure 19: Firewood Bundle



# Regional analysis: Shabelle Regions

Indicator	5-Year Average	Sep-10	Aug-11	Sep-11 Nominal Price	Sep-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	10,730	30,750	39,333	40,000	13,026	30%	2%	273%
Imported Red Rice 1kg	7,761	22,250	25,750	26,542	8,610	19%	3%	242%
Petrol 1 litre	12,493	31,458	38,667	38,542	12,548	23%	0%	209%
Sugar	7,890	27,625	34,125	36,875	12,001	33%	8%	367%
Vegetable Oil 1 litre	14,666	38,042	54,792	51,667	16,854	36%	-6%	252%
Wheat Flour 1kg	7,588	19,167	25,375	25,333	8,213	32%	0%	234%
Wheat Grain 1kg	2,873	-	-	23,000	-	-	-	-
<b>Cereal Prices</b>								
Red Sorghum 1kg	2,427	7,416	20,605	17,742	5,722	139%	-14%	631%
White Maize 1kg	2,362	4,929	17,475	10,591	3,375	115%	-39%	348%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	4,061,116	13,745,000	11,595,000	13,032,500	4,276,504	-5%	12%	221%
Cattle Local Quality (Head)	1,243,496	3,863,500	2,992,500	3,209,000	1,052,931	-17%	7%	158%
Fresh Camel Milk 1 litre	5,082	15,208	19,417	19,583	6,326	29%	1%	285%
Goat Export Quality (Head)	505,666	1,428,841	1,374,375	1,431,875	469,769	0%	4%	183%
Goat Local Quality (Head)	342,849	1,113,333	998,333	1,035,833	339,808	-7%	4%	202%
<b>Other Essential Items</b>								
Charcoal 50kg	37,163	111,833	113,625	114,972	37,628	3%	1%	209%
Cowpeas 1 kg	5,832	14,941	51,219	49,358	16,107	231%	-4%	747%
Unskilled Labor Wage Rate	21,681	66,875	65,958	55,875	18,235	-16%	-15%	158%
Firewood Bundle	2,021	4,333	4,500	4,833	1,486	12%	7%	139%
Local Sesame Oil 1 litre	20,026	57,708	68,875	70,708	23,103	23%	3%	253%
Exchange Rate (Somali Shilling per USD)	16,255	30,739	30,983	30,788	10,003	0%	-1%	89%
<b>Construction Materials*</b>								
Cement 50kg	-	296,250	305,000	304,000	99,657	3%	0%	-
Cooking Pot Aluminium 7 Litre	-	1,070,000	750,000	750,000	246,012	-30%	0%	-
Galvanised Iron Sheet Ga 26	-	114,250	150,000	137,650	45,070	20%	-8%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	14,000	12,000	12,000	3,838	-14%	0%	-
Non Collapsible Jerrycan 10 Litre	-	48,313	47,125	45,938	14,975	-5%	-3%	-
Plastic Tarpaulin 14m x 5 m	-	283,125	321,667	330,000	108,189	17%	3%	-
Roofing Nails 15Kg	-	640,000	579,000	586,500	192,359	-8%	1%	-
Timber 2in x 4in x 20ft	-	59,450	59,500	60,100	19,622	1%	1%	-
Woven Dry Raised Blanket 150cm x 200cm	-	70,556	71,667	65,000	21,230	-8%	-9%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Maize(Kg))	9	14	4	5	5	-61%	40%	-43%
Local Goat (Head)/ Cereal (Maize(Kg))	145	226	57	98	101	-57%	71%	-33%
<b>Price Indices</b>								
Consumer Price Index	-	210	334	305	-	45%	-9%	-
Purchasing Power Index	-	0.48	0.30	0.33	-	-31%	10%	-

\* Data has been collected for the past 16 months only

Figure 20: Imported commodity prices compared to exchange rates

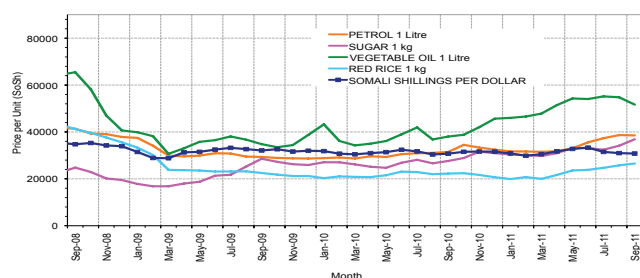


Figure 22: Goat Local Quality

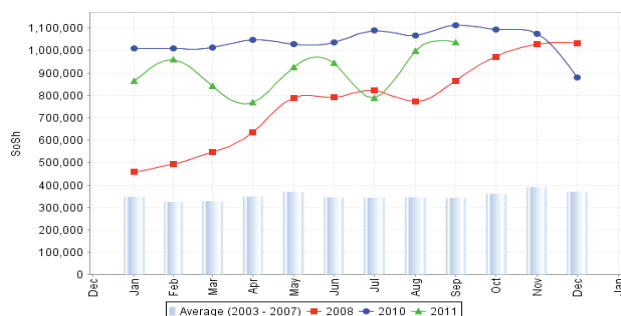


Figure 24: Water Drum

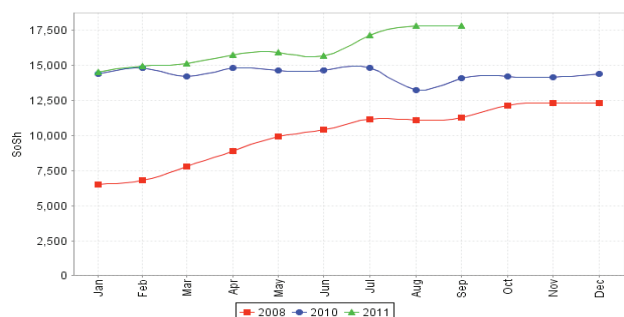


Figure 21: Trends in wage rates, staple cereal prices and relative purchasing power

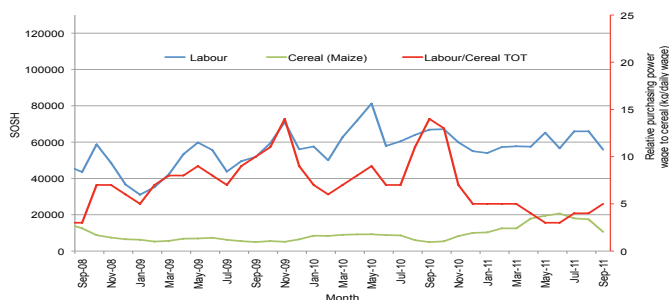


Figure 23: Sugar

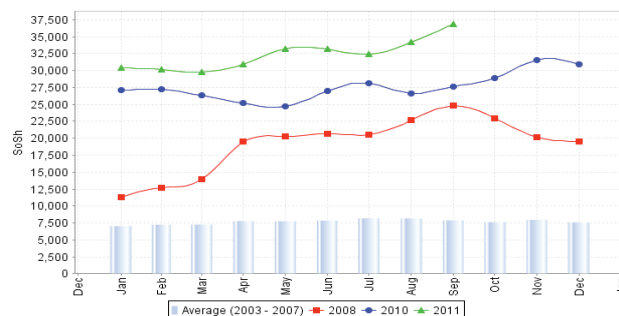
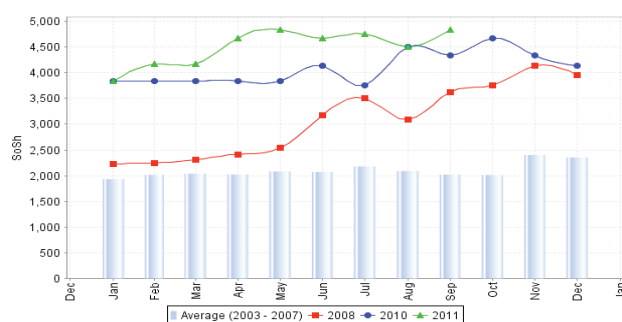


Figure 25: Firewood Bundle



# Regional analysis:Banadir Region

Indicator	5-Year Average	Sep-10	Aug-11	Sep-11 Nominal Price	Sep-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	10,275	26,458	37,803	38,083	12,397	44%	1%	271%
Imported Red Rice 1kg	8,366	21,333	24,158	23,333	7,557	9%	-3%	179%
Petrol 1 litre	11,250	25,500	36,708	35,542	11,563	39%	-3%	216%
Sugar	6,875	28,375	32,917	34,292	11,153	21%	4%	399%
Vegetable Oil 1 litre	14,350	39,750	52,703	49,125	16,020	24%	-7%	242%
Wheat Flour 1kg	7,250	17,000	23,813	21,250	6,873	25%	-11%	193%
Wheat Grain 1kg	3,966	10,000	18,000	19,000	6,135	90%	6%	379%
<b>Cereal Prices</b>								
Red Sorghum 1kg	2,315	5,413	21,537	17,272	5,568	219%	-20%	646%
White Maize 1kg	2,484	6,300	20,802	13,273	4,256	111%	-36%	434%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	5,526,667	18,000,000	10,800,000	10,500,000	3,445,466	-42%	-3%	90%
Cattle Local Quality (Head)	2,740,000	6,500,000	3,040,000	3,425,000	1,123,811	-47%	13%	25%
Fresh Camel Milk 1 litre	4,716	18,979	20,688	19,292	6,231	2%	-7%	309%
Goat Export Quality (Head)	-	2,000,000	1,280,000	1,500,000	492,124	-25%	17%	-
Goat Local Quality (Head)	610,000	1,700,000	1,435,000	1,650,000	541,346	-3%	15%	170%
<b>Other Essential Items</b>								
Charcoal 50kg	100,000	145,333	149,139	142,292	46,593	-2%	-5%	42%
Cowpeas 1 kg	4,911	14,346	58,462	58,749	19,178	310%	0%	1096%
Unskilled Labor Wage Rate	59,500	73,542	83,861	83,125	27,177	13%	-1%	40%
Firewood Bundle	42,150	4,708	6,611	6,250	1,951	33%	-5%	-85%
Local Sesame Oil 1 litre	19,533	59,917	70,261	67,458	22,036	13%	-4%	245%
Exchange Rate (Somali Shilling per USD)	16,365	30,908	31,089	30,254	9,828	-2%	-3%	85%
<b>Construction Materials*</b>								
Cement 50kg	-	279,250	264,308	248,032	81,291	-11%	-6%	-
Cooking Pot Aluminium 7 Litre	-	190,000	273,200	298,667	97,907	57%	9%	-
Galvanised Iron Sheet Ga 26	-	116,625	155,825	146,125	47,851	25%	-6%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	9,754	10,188	9,938	3,161	2%	-2%	-
Non Collapsible Jerrycan 10 Litre	-	30,000	45,750	47,000	15,323	57%	3%	-
Plastic Tarpaulin 14m x 5 m	-	297,083	262,500	312,500	102,447	5%	19%	-
Roofing Nails 15Kg	-	566,854	650,479	595,542	195,327	5%	-8%	-
Timber 2in x 4in x 20ft	-	169,792	161,288	152,875	50,066	-10%	-5%	-
Woven Dry Raised Blanket 150cm x 200cm	-	152,000	81,167	91,667	29,980	-40%	13%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Maize(Kg))	24	12	4	6	6	-46%	55%	-74%
Local Goat (Head)/ Cereal (Maize(Kg))	246	270	69	124	127	-54%	80%	-49%
<b>Price Indices</b>								
Consumer Price Index	-	210	334	305	-	45%	-9%	-
Purchasing Power Index	-	0.48	0.30	-	-	-	-	-

\* Data has been collected for the past 16 months only

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

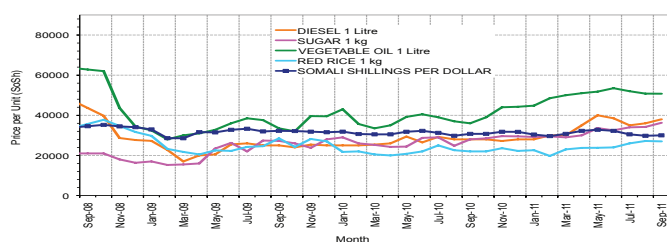


Figure 28: Goat Local Quality

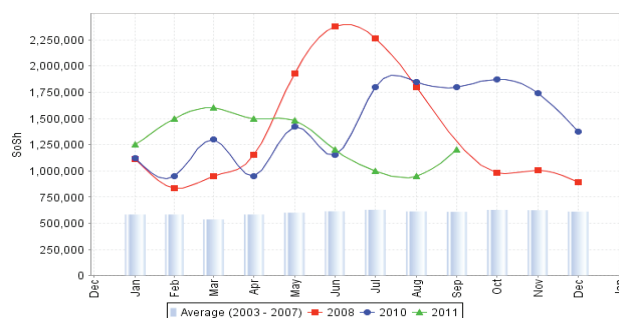


Figure 30: Wheat Flour

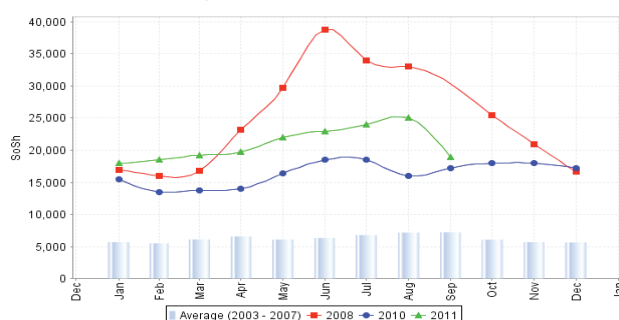


Figure 27: Bakara: Trends in Wage Rates, Staple Cereal Prices and Relative Purchasing Power

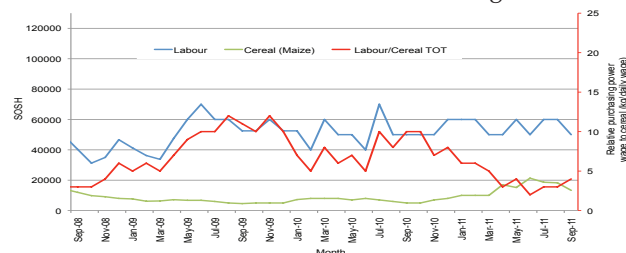


Figure 29: Sugar

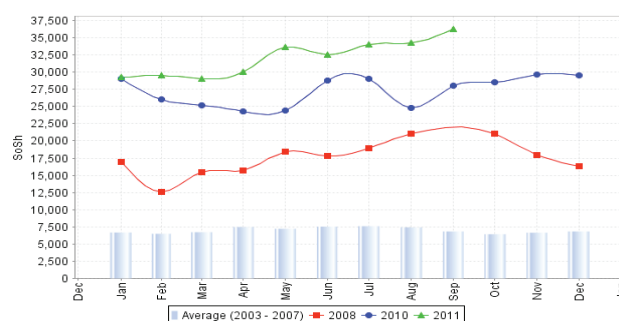
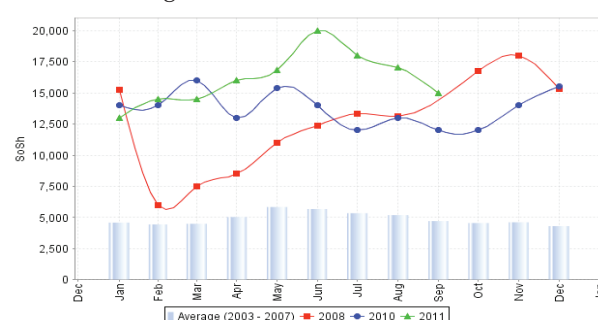


Figure 31: Fresh Camel Milk



# Regional analysis: Central Regions

Indicator	5-Year Average	Sep-10	Aug-11	Sep-11 Nominal Price	Sep-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	12,138	31,600	41,200	40,620	13,090	29%	-1%	235%
Imported Red Rice 1kg	8,609	28,100	32,400	32,500	10,453	16%	0%	278%
Petrol 1 litre	13,118	29,900	36,510	36,030	11,600	21%	-1%	175%
Sugar	9,561	34,200	38,040	39,000	12,564	14%	3%	308%
Vegetable Oil 1 litre	18,777	31,350	38,800	62,900	20,325	22%	-1%	235%
Wheat Flour 1kg	8,437	22,600	25,400	25,100	8,050	11%	-1%	197%
Wheat Grain 1kg	5,125	12,000	24,125	20,550	6,573	71%	-15%	301%
<b>Cereal Prices</b>								
Red Sorghum 1kg	4,918	12,000	22,417	19,350	6,183	61%	-14%	293%
White Maize 1kg	4,944	13,400	21,720	20,720	6,628	55%	-5%	319%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	2,305,577	7,962,500	8,000,000	7,825,000	2,540,815	-2%	-2%	239%
Cattle Local Quality (Head)	1,571,125	2,200,000	-	2,400,000	-	-	-	-
Fresh Camel Milk 1 litre	13,218	39,000	43,250	46,100	14,869	18%	7%	249%
Goat Export Quality (Head)	363,534	1,325,000	1,412,500	1,437,500	466,682	8%	2%	295%
Goat Local Quality (Head)	271,961	947,000	867,200	944,400	306,563	0%	9%	247%
<b>Other Essential Items</b>								
Charcoal 50kg	54,827	192,000	178,500	175,750	56,969	-8%	-2%	221%
Cowpeas 1 kg	7,238	27,100	59,840	55,530	17,932	105%	-7%	667%
Unskilled Labor Wage Rate	29,372	90,500	85,100	89,000	28,800	-2%	5%	203%
Firewood Bundle	3,745	29,250	34,000	34,000	10,940	16%	0%	808%
Local Sesame Oil 1 litre	27,895	95,000	100,000	96,000	31,073	1%	-4%	244%
Exchange Rate (Somali Shilling per USD)	16,340	31,355	31,616	30,774	9,893	-2%	-3%	88%
<b>Construction Materials*</b>								
Cement 50kg	-	334,200	348,800	363,700	118,000	9%	4%	-
Cooking Pot Aluminium 7 Litre	-	398,000	418,000	421,200	136,671	6%	1%	-
Galvanised Iron Sheet Ga 26	-	171,000	162,500	166,000	53,803	-3%	2%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	15,500	16,500	16,700	5,323	8%	1%	-
Non Collapsible Jerrycan 10 Litre	-	36,250	51,000	51,600	16,655	42%	1%	-
Plastic Tarpaulin 14m x 5 m	-	335,000	322,000	330,400	107,187	-1%	3%	-
Roofing Nails 15Kg	-	931,200	818,200	830,200	269,481	-11%	1%	-
Timber 2in x 4in x 20ft	-	155,650	152,600	153,600	49,777	-1%	1%	-
Woven Dry Raised Blanket 150cm x 200cm	-	172,500	134,000	134,000	43,412	-22%	0%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Rice/Kg)	3	3	3	3	3	-15%	4%	-20%
Local Goat (Head)/ Cereal (Rice/Kg)	32	34	27	29	29	-14%	9%	-8%
Camel (Head)/Cereal (Kg)	268	283	247	241	243	-15%	-2%	-10%
<b>Price Indices</b>								
Consumer Price Index	-	227	318	308	-	35%	-3%	-
Purchasing Power Index	-	0.44	0.31	0.32	-	-26%	3%	-

\* Data has been collected for the past 16 months only

Figure 32: Imported commodity prices compared to exchange rates

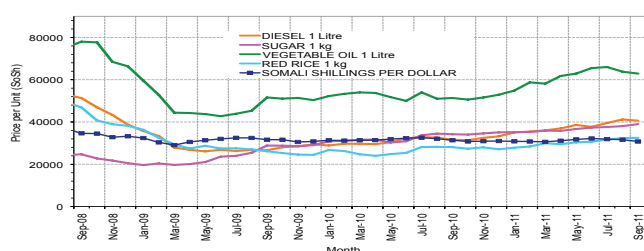


Figure 33: Trends in wage rates, staple cereal prices and relative purchasing power

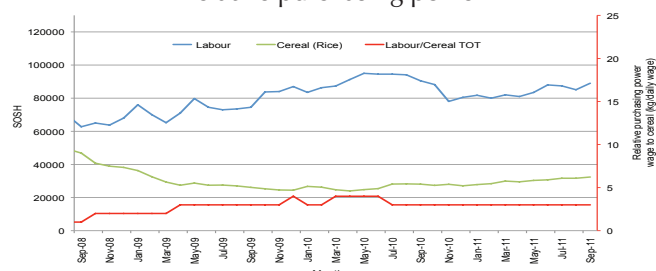


Figure 34: Goat Local Quality

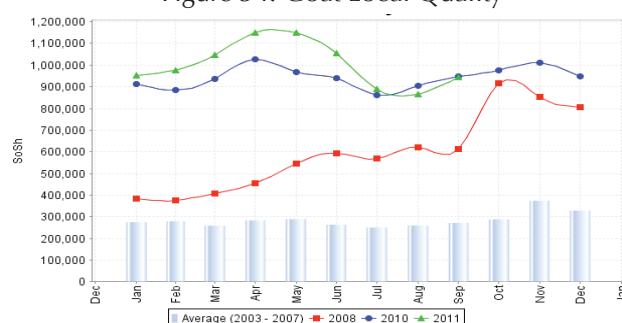


Figure 35: Sugar

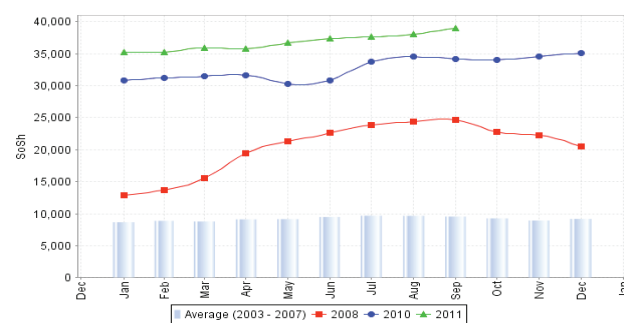


Figure 36: Water Drum

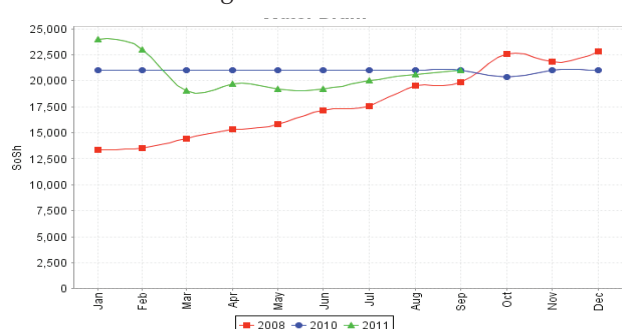
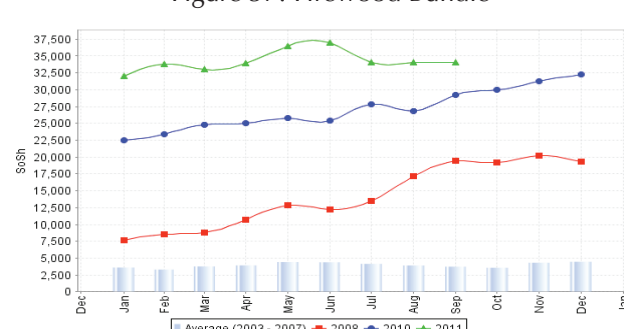


Figure 37: Firewood Bundle





# Regional analysis: Northeast Regions

Indicator	5-Year Average	Sep-10	Aug-11	Sep-11 Nominal Price	Sep-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	10,166	29,375	37,500	36,125	13,342	23%	-4%	255%
Imported Red Rice 1kg	7,431	23,313	26,200	25,500	9,388	9%	-3%	243%
Petrol 1 litre	10,955	27,500	33,500	31,375	11,575	14%	-6%	186%
Sugar	8,637	31,125	39,050	34,313	12,668	10%	-2%	297%
Vegetable Oil 1 litre	17,828	39,625	64,450	63,938	23,691	61%	-1%	259%
Wheat Flour 1kg	7,800	19,375	24,625	23,500	8,644	21%	-5%	201%
Wheat Grain 1kg	7,250	27,375	37,100	36,750	13,575	34%	-1%	407%
<b>Cereal Prices</b>								
Red Sorghum 1kg	7,150	15,000	30,000	30,000	11,063	100%	0%	320%
White Maize 1kg	6,152	17,583	23,400	22,250	8,179	27%	-5%	262%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	3,547,500	12,175,000	13,120,000	13,562,500	5,046,476	11%	3%	282%
Cattle Local Quality (Head)	1,747,916	5,625,000	7,500,000	8,250,000	3,069,706	47%	10%	372%
Fresh Camel Milk 1 litre	15,454	50,187	40,050	41,500	15,342	-17%	4%	169%
Goat Export Quality (Head)	430,208	1,312,500	1,387,500	1,406,250	523,162	7%	1%	227%
Goat Local Quality (Head)	389,749	1,072,938	1,207,125	1,266,875	471,301	18%	5%	225%
<b>Other Essential Items</b>								
Charcoal 50kg	98,958	288,438	339,000	357,500	132,925	24%	5%	261%
Cowpeas 1 kg	10,195	31,250	62,500	64,000	23,714	105%	2%	528%
Unskilled Labor Wage Rate	43,916	110,000	115,500	116,000	43,063	5%	0%	164%
Firewood Bundle	6,800	35,188	32,250	35,938	13,272	2%	11%	429%
Local Sesame Oil 1 litre	31,830	75,417	93,000	97,500	36,180	29%	5%	206%
Exchange Rate (Somali Shilling per USD)	16,718	31,375	30,725	31,156	11,493	-1%	1%	86%
<b>Construction Materials*</b>								
Cement 50kg	-	232,688	242,650	258,438	96,064	11%	7%	-
Cooking Pot Aluminium 7 Litre	-	323,125	501,750	506,875	188,507	57%	1%	-
Galvanised Iron Sheet Ga 26	-	235,625	254,250	249,750	92,831	6%	-2%	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	11,125	12,500	12,500	4,551	12%	0%	-
Non Collapsible Jerrycan 10 Litre	-	33,750	41,950	42,500	15,714	26%	1%	-
Plastic Tarpaulin 14m x 5 m	-	185,625	191,325	197,375	73,343	6%	3%	-
Roofing Nails 15Kg	-	392,500	480,850	469,563	174,623	20%	-2%	-
Timber 2in x 4in x 20ft	-	250,938	241,875	240,563	89,413	-4%	-1%	-
Woven Dry Raised Blanket 150cm x 200cm	-	257,500	264,188	280,188	104,157	9%	6%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Rice(Kg))	6	5	4	5	5	-4%	3%	-23%
Local Goat (Head)/ Cereal (Rice(Kg))	52	46	46	50	50	8%	8%	-5%
<b>Price Indices</b>								
Consumer Price Index	-	206	272	269	-	31%	-1%	-
Purchasing Power Index	-	0.49	0.37	0.37	-	-23%	1%	-

\* Data has been collected for the past 16 months only

Figure 38: Imported commodity prices compared to exchange rates

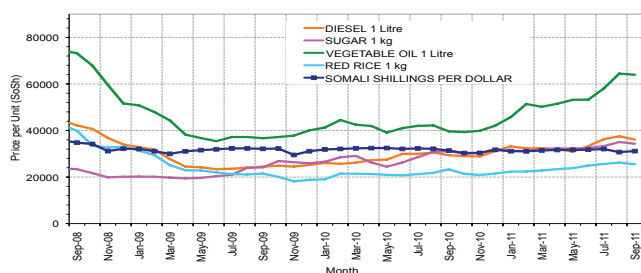


Figure 39: Trends in wage rates, staple cereal prices and relative purchasing power

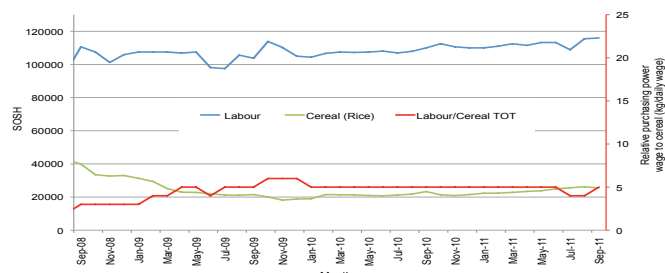


Figure 40: Goat Local Quality

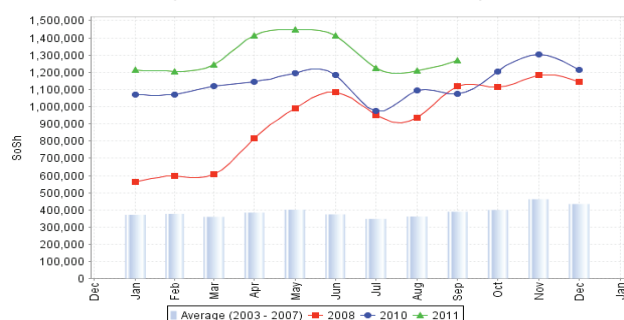


Figure 41: Sugar

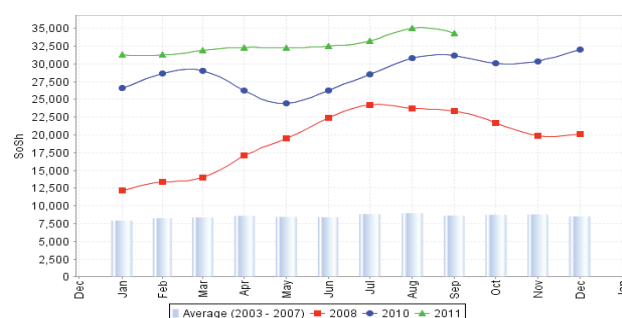


Figure 42: Water Drum

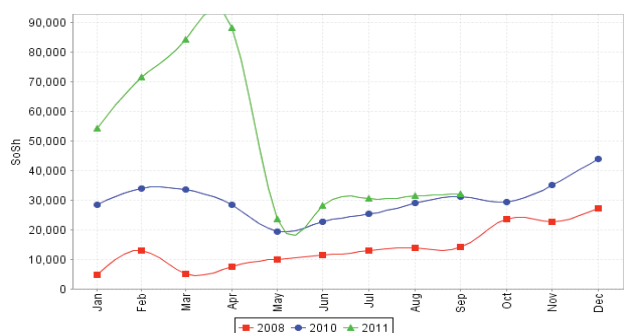
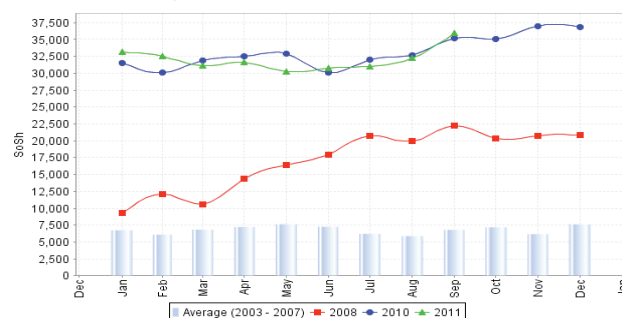


Figure 43: Firewood Bundle



# Regional analysis: Northwest Regions

Indicator	5-Year Average	Sep-10	Aug-11	Sep-11 Nominal Price	Sep-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	3,823	5,688	6,850	6,594	5,278	16%	-4%	72%
Imported Red Rice 1kg	3,259	5,550	5,003	5,031	4,003	-9%	1%	54%
Petrol 1 litre	4,523	5,881	7,131	7,238	5,803	23%	2%	60%
Sugar	3,354	6,194	7,019	7,088	5,681	14%	1%	111%
Vegetable Oil 1 litre	7,452	9,656	11,356	11,750	9,483	22%	3%	58%
Wheat Flour 1kg	3,087	3,800	4,709	4,431	3,514	17%	-6%	44%
Wheat Grain 1kg	2,010	2,833	3,817	3,633	2,863	28%	-5%	81%
<b>Cereal Prices</b>								
White Sorghum 1kg	2,127	2,450	3,768	3,681	2,902	50%	-2%	73%
Yellow Maize 1kg	2,099	2,775	3,758	3,450	2,714	24%	-8%	64%
<b>Livestock &amp; Livestock Product Prices</b>								
Camel Local Quality (Head)	1,600,291	1,258,375	1,905,000	1,524,500	1,243,262	21%	-20%	-5%
Cattle Local Quality (Head)	810,091	1,240,833	1,347,917	1,191,667	971,808	-4%	-12%	47%
Fresh Camel Milk 1 litre	4,605	4,844	5,113	4,638	3,683	-4%	-9%	1%
Goat Export Quality (Head)	166,128	285,313	318,656	336,938	274,702	18%	6%	103%
Goat Local Quality (Head)	144,241	246,438	228,531	232,250	189,320	-6%	2%	61%
<b>Other Essential Items</b>								
Charcoal 50kg	20,735	35,844	35,375	35,375	28,751	-1%	0%	71%
Cowpeas 1 kg	4,838	10,333	8,525	8,750	7,036	-15%	3%	81%
Unskilled Labor Wage Rate	28,993	33,750	33,063	32,563	26,458	-4%	-2%	12%
Firewood Bundle	4,925	2,600	2,500	2,833	2,211	9%	13%	-42%
Local Sesame Oil 1 litre	17,147	25,333	22,917	24,083	19,542	-5%	5%	40%
Exchange Rate (Somaliland Shilling per USD)	6,647	6,087	5,793	5,756	4,595	-5%	-1%	-13%
<b>Construction Materials*</b>								
Cement 50kg	-	50,925	50,975	48,959	39,830	-4%	-4%	-
Cooking Pot Aluminium 7 Litre	-	91,750	81,875	78,313	63,771	-15%	-4%	-
Galvanised Iron Sheet Ga 26	-	37,700	-	-	-	-	-	-
Hollow Concrete Block 10cm x 20cm x 40cm	-	3,500	3,433	3,150	2,469	-10%	-8%	-
Non Collapsible Jerrycan 10 Litre	-	6,000	6,625	6,813	5,457	14%	3%	-
Plastic Tarpaulin 14m x 5 m	-	54,750	82,500	86,938	70,805	59%	5%	-
Roofing Nails 15Kg	-	163,875	170,063	182,688	148,898	11%	7%	-
Timber 2in x 4in x 20ft	-	121,700	96,325	100,800	82,111	-17%	5%	-
Woven Dry Raised Blanket 150cm x 200cm	-	59,063	66,969	66,813	54,392	13%	0%	-
<b>Terms of Trade</b>								
Labour Wage (Daily)/ Cereal (Rice(Kg))	9	6	7	6	7	6%	-2%	-27%
Local Goat (Head)/ Cereal (Rice(Kg))	44	44	46	46	47	4%	1%	4%
<b>Price Indices</b>								
Consumer Price Index	-	113	121	123	-	9%	1%	-
Purchasing Power Index	-	0.89	0.82	0.82	-	-8%	-1%	-

\* Data has been collected for the past 15 months only

\* Data has been collected for the past 16 months only

Figure 44: Imported commodity prices compared to exchange rates

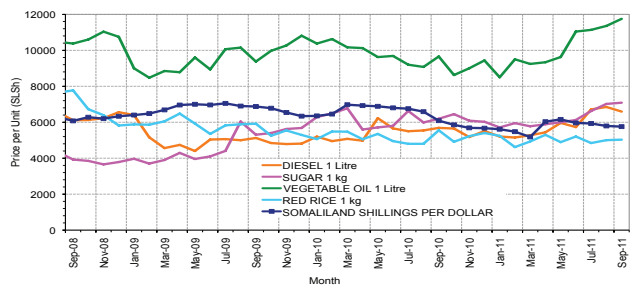


Figure 45: Trends in wage rates, staple cereal prices and relative purchasing power

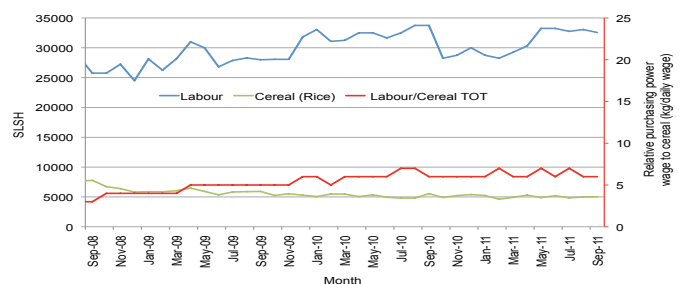


Figure 46: Goat Local Quality

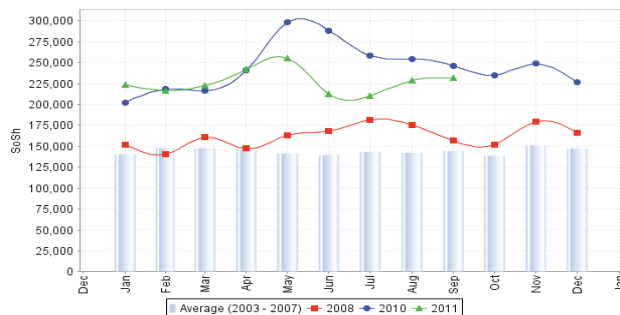


Figure 47: Sugar

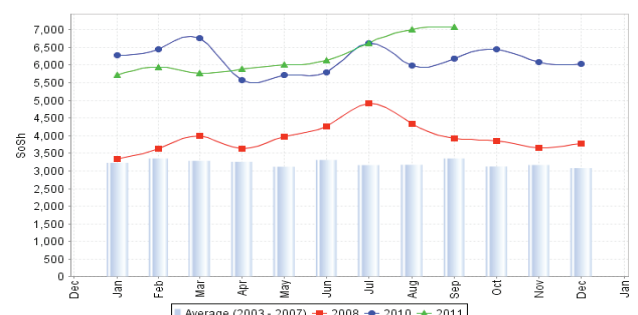


Figure 48: Water Drum

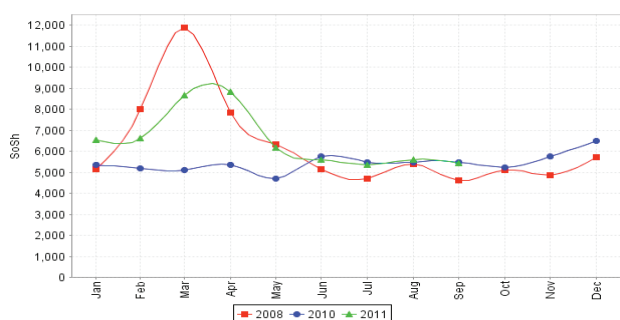
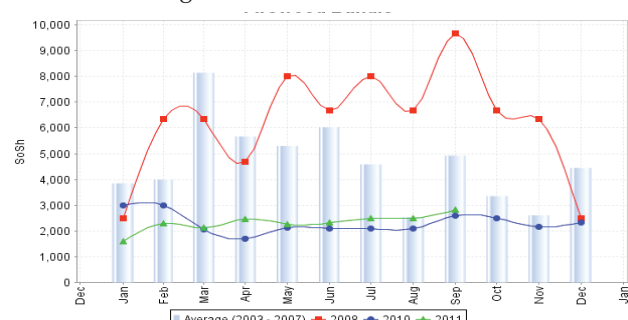


Figure 49: Firewood Bundle

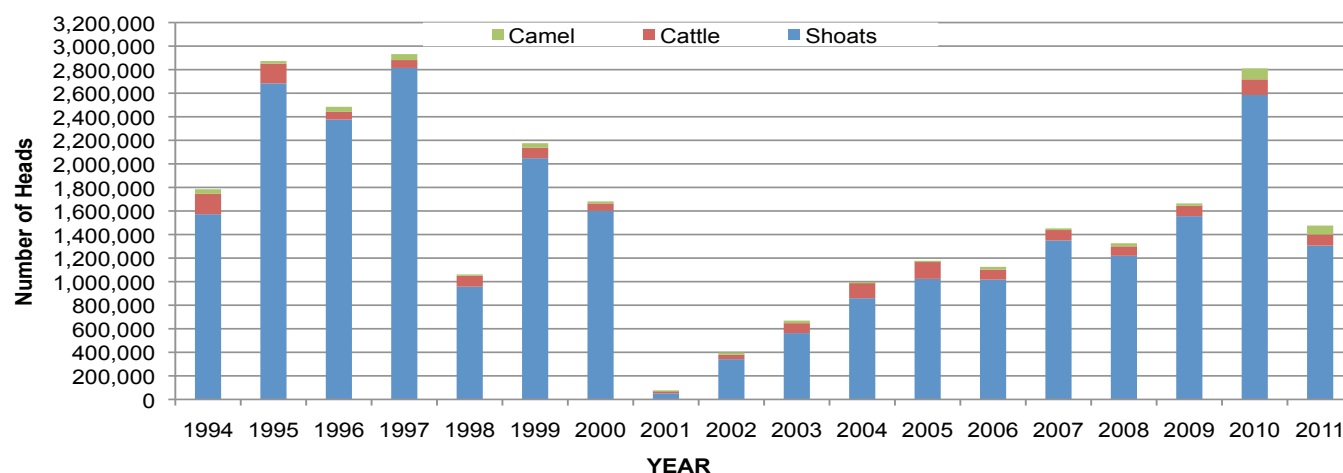


# Trends in Livestock Exports

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-Sept)
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	1,305,983
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	93,798
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	76,480

Figure 50: Berbera Livestock Exports (Number of Heads)

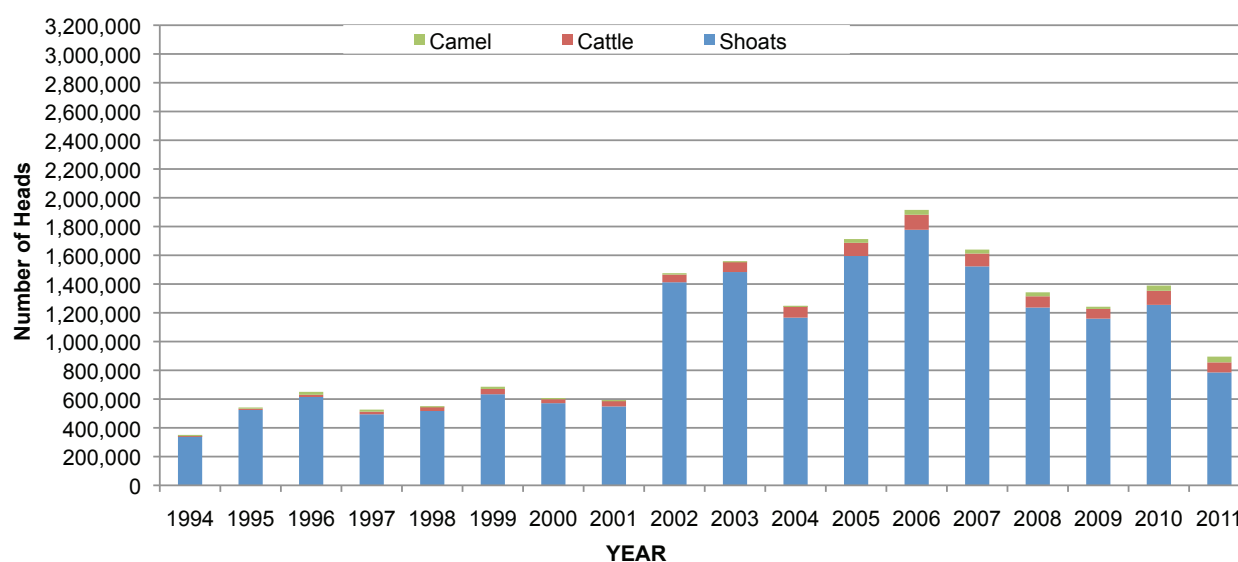


\*2011 data is for January to September

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-Sept)
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	785,335
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	69,943
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	39,994

Figure 51: Bossaso Livestock Exports (Number of Heads)

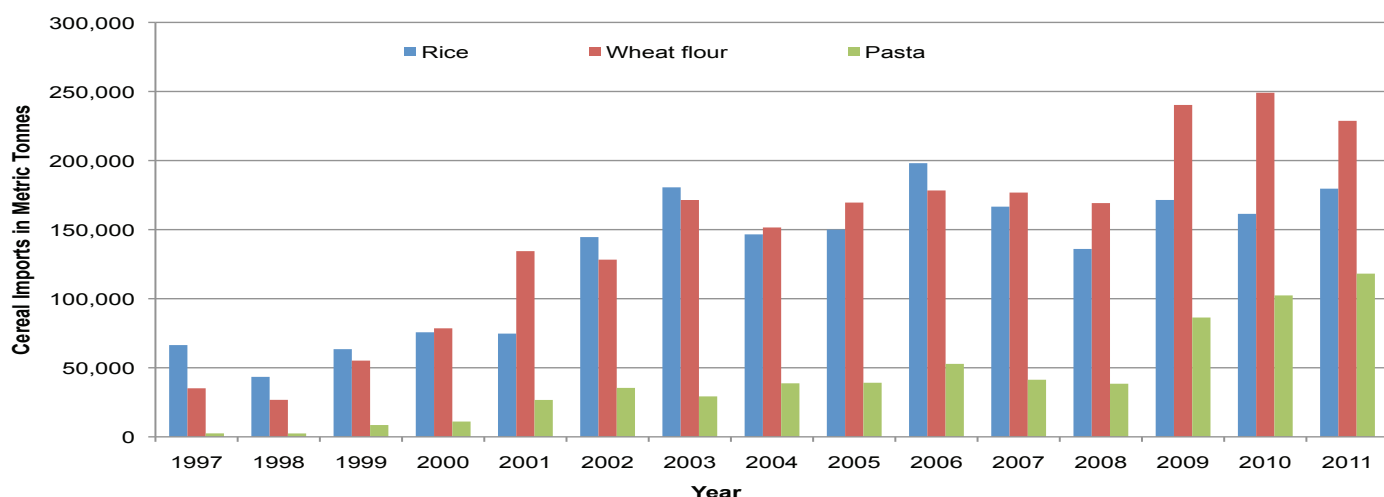


\*2011 data is for January to September

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

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 (Jan-Sept)
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	179,648
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	228,750
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	118,140

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



\*2011 data is for January to September

## Regional Highlights

**Juba Regions:** Maize prices declined in most markets while the prices of imported commodities and livestock increased marginally in September 2011. Prices of imports and maize are significantly higher than their levels last year, in contrast to those of livestock which remained significantly lower. A faster rate of decline in maize prices as opposed to that of labour slightly improved the terms of trade between labour and cereal. Purchasing power 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 (Gedo, Bay, Bakool, Hiran):** in September 2011, sorghum prices declined in most markets of Bay and Gedo, while those of imported commodities remained stable as livestock quotations improved marginally. Prices of imported commodities and sorghum were significantly higher than their levels last year, in contrast to those of livestock. Decline in sorghum prices coupled with slight improvement in labour wages enhanced the terms of trade between labor and cereal. Purchasing power remained greatly compromised when compared to the same period last year and is currently 7 kg/ daily worth of labour versus 12kg a year ago.

**Shabelle Regions:** Over the month of September 2011, prices of imported commodities and livestock rose marginally as maize prices and labour rates declined. The ToT improved by an additional 1 kg from August 2011 and currently is equivalent to 5kg/daily labour rate. Prices of cereals and imported commodities remained significantly above September 2010, while year on year ToT (labour to maize) and livestock prices are severely eroded.

**Central Regions:** prices of imported commodities remained stable, while they declined for sorghum and improved marginally for livestock in most main markets in September 2011. With the exception of livestock, prices of these commodities remained significantly above their levels in September 2010. Slight increase in labour wages coupled with declining sorghum prices improved the month-on-month ToT. Notwithstanding these improvements, the ToT remains one of the lowest (5kg/daily labour) in the country and is significantly below its levels a year ago.

**Northeast Regions:** Price inflation is pronounced for other essential commodities and livestock both from the previous month and same month last year. Imported commodities and red sorghum prices declined marginally, but are significantly above their levels last year. ToT did not improve significantly as labour wages remained constant. The ToT (4kgs/daily labour rate) in September 2011 was at about half of its levels in the same period last year.

**Northwest Regions:** Prices of most monitored commodities were stable to declining in the month of September 2011. Purchasing power gains from the slight reduction in white sorghum price were effectively offset by almost an equal decline in labour wages, settling the ToT to its August 2011 levels (9kgs/ daily wage rate). The ToT is also significantly below its September 2010 levels.

**Banadir :** While the cost of local cereals, other essential consumables and most imported items declined, those of livestock and their products were mixed. With the exception of livestock and livestock product prices which declined, prices of most commodities are significantly higher than a year ago. A faster rate of decline in cereals effectively outpaced the reduction in labour wages to close the ToT at 55 percent above last month. The current ToT (4kg/daily labour rate) however is just half of its levels in September 2010.