Food and Agriculture Organization of the United Nations

FPMA BULLETIN

#9
10 October 2016

MONTHLY REPORT ON FOOD PRICE TRENDS

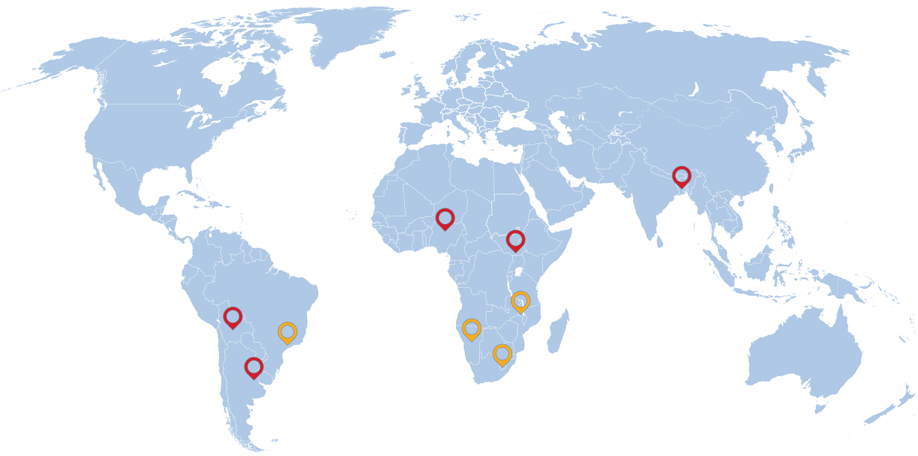
KEY MESSAGES

- Wheat and maize export quotations generally declined in September, remaining at multi-year lows on account of ample world supplies and expectations of bumper crops. Rice prices also declined on account of improved prospects for global supplies and weak demand for imports.
- In Africa, food prices continued to soar in Nigeria driven by the continuous sharp depreciation of the local currency and insecurity in some areas. In South Sudan, cereal prices declined in September with the new harvest, but remained at levels well above those a year earlier.
- In Central America, white maize prices declined significantly in September mostly reflecting improved supplies from the main *de primera* season harvest, which is anticipated to rebound from last year's drought-reduced level.

CONTENTS

Domestic price warnings

Price warning level: High Moderate [Based on GIEWS analysis]



Argentina | Maize

Bangladesh | Rice

Bolivia | Maize

Brazil | Maize

Lesotho | Maize

Malawi | Maize

Namibia | Maize

Nigeria | Coarse grains

South Sudan | Staple foods

Warnings are only included if latest available price data is no older than two months.

The designations employed and the presentation of material in the map do not imply the expression of any opinion whatsoever on the part of FAO concerning the legal or constitutional status of any country, territory or sea area, or concerning the delimitation of frontiers.

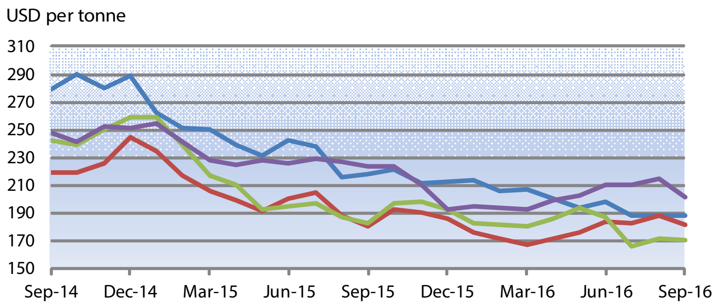
Cereal prices under downward pressure in September and at low levels

Overall, **wheat** export prices were weaker in September, although the benchmark US wheat (No.2 Hard Red Winter, f.o.b.) price averaged USD 188 per tonne, virtually unchanged from August. While large export availabilities and strong competition continued to weigh on international prices, the downward pressure was somewhat offset by concerns about crop quality in some areas, particularly in Canada and Australia. In Argentina, improved production prospects for the 2016 wheat crop, to be harvested later in the year, contributed to a significant decline in prices, and in the European Union prices declined, reversing the previous month's increase on account of low export activity.

International **maize** prices fell in September. The benchmark US maize (No.2, Yellow, f.o.b.) decreased for the third consecutive month, averaging USD 148 per tonne, more than 10 percent below the corresponding month last year and the lowest level in more than nine years. Excellent supply prospects, combined with harvesting pressure in the Northern Hemisphere, were among the main drivers behind the continued decline in maize prices. Similarly, quotations from other origins also decreased in September, particularly in the Black Sea region where bumper crops are being gathered.

The FAO All **Rice** Price Index (2002-04=100) averaged 190 points in September, down 3 percent from August and the lowest since January 2008. The decline was again driven by Indica quotations, with higher-quality Indica supplies recording the steepest month-on-month slide. Export quotations declined in most of the major rice origins, reflecting good prospects for soon-to-be harvested crops and efforts to attract buyers. Prices continued to fall in Thailand, with the benchmark Thai 100% B averaging USD 399 per tonne in September, down 8 percent from August. In Pakistan and the United States of America, harvest pressure and a slow pace of sales exerted downward pressure on prices. Quotations also weakened in Argentina, Brazil and Uruguay, reflecting a slowdown in sales.

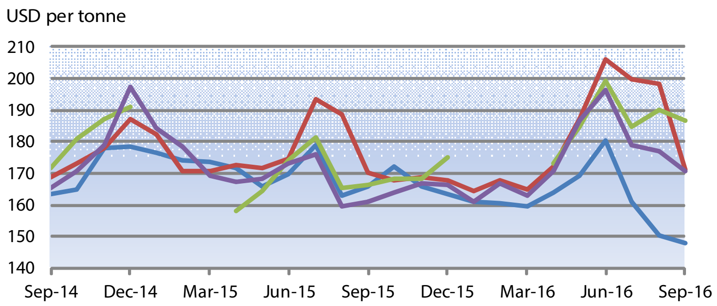
International wheat prices



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
US (Gulf), Wheat (US No. 2, Hard Red Winter)	188.25	0	-4.9	-13.8
EU (France), Wheat (grade 1)	181.75	-3.2	-1.2	1.1
Black Sea, Wheat (milling)	169.75	-0.8	-9.3	-7.1
Argentina, Wheat (Argentina, Trigo Pan, Up River, f.o.b.)	201.25	-6.4	-4.2	-9.8

Source(s): International Grains Council

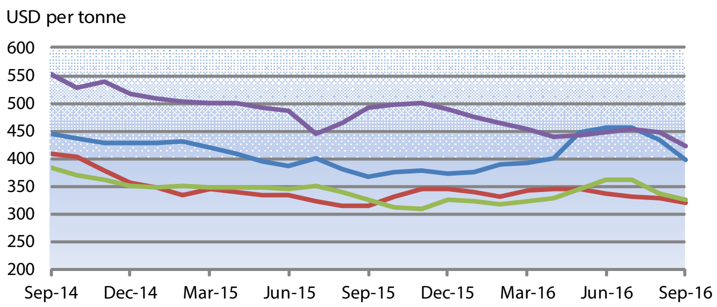
International maize prices



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
US (Gulf), Maize (US No. 2, Yellow)	147.81	-1.6	-18.2	-10.9
Black Sea, Maize (feed)	171.25	-13.6	-16.9	0.5
Brazil (Paranagua), Maize (feed)	186.50	-1.9	-6.4	12.2
Argentina, Maize (Argentina, Up River, f.o.b.)	170.50	-3.8	-13.2	5.8

Source(s): USDA; International Grains Council

International rice prices



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Thailand (Bangkok), Rice (Thai 100% B)	398.60	-8.3	-12.5	8.6
Viet Nam, Rice (25% broken)	319.20	-2.5	-5.4	1.5
India, Rice (25% broken)	326.00	-3.3	-9.7	0.4
US, Rice (US Long Grain 2.4%)	421.40	-5.8	-5.9	-14.2

Source(s): Thai Rice Exporters Association; FAO rice price update

For more information visit the FPMA website here

DOMESTIC PRICE WARNINGS

Countries where prices of one or more basic food commodity are at abnormal high levels which could negatively impact access to food

Argentina | Maize

Growth Rate (%)		
	to 09/16	Same period average
3 months	-4.8	-2.2
12 months	5.0	0.0

Compound growth rate in real terms.
Refers to: Argentina, Rosario, Wholesale, Maize (yellow)

Yellow maize prices firm at high levels

Prices of **yellow maize** remained virtually unchanged in September, after the sharp decline in August, as the weakening of the national currency and sustained export demand offset the downward pressure from the bumper 2016 harvest keeping prices at levels well above those a year earlier. Maize exports in the current marketing year (March/February) are forecast to reach record highs. **Wheat** grain prices declined sharply in September reflecting improved production prospects for the 2016 wheat crop, to be harvested later in the year, which is now forecast at a bumper level of 15 million tonnes reflecting a price-driven expansion in sowings. Prices remained, however, 80 percent above their year-earlier levels due to strong export demand supported by a weak currency. Export earnings have reportedly increased compared to a year earlier mostly as a result of the sharp increase in grain export volumes after the Government moved towards free market policies (FPMA Food Policies).

Bangladesh | Rice

Growth Rate (%)		
	to 09/16	Same period average
3 months	7.3	-0.4
12 months	1.0	-0.5

Compound growth rate in real terms.
Refers to: Bangladesh, Dhaka, Retail, Rice (coarse- BR-8/ 11/ Guti/ Sharna)

Rice prices at record highs in September

Retail and wholesale prices of **rice** reached record highs in September after the strong increases since June as a result of tightening domestic supplies. Seasonal upward pressure was exacerbated by a reduced 2016 main *boro* output gathered earlier in the year. Ongoing Government procurement purchases, albeit not large, also provided some support. The *boro* procurement began on 5 May and will continue until 15 October for a total volume of 700 000 tonnes of paddy and 850 000 tonnes of milled rice. Another driver to high prices were reduced imports. As of 29 September, no rice had been imported by the public sector since the beginning of the fiscal year in July, while the private sector had imported only about 2 460 tonnes. Over the same period last year, while no rice was imported by the public sector either, the private sector had imported about 60 890 tonnes. In order to make rice more affordable for the poor, the Government launched, in mid-September, a new social safety scheme (FPMA Food Policies) which adds to several other safety net programmes already in place.

Bolivia | Maize

Growth Rate (%)		
	to 09/16	Same period average
3 months	11.8	-3.1
12 months	4.1	-0.4

Compound growth rate in real terms.
Refers to: Bolivia, La Paz, Wholesale, Maize (hard yellow, cubano)

Prices of yellow maize well above year-earlier levels despite recent declines, those of potatoes at record highs

Yellow maize prices declined in September as a result of improved supplies from the ongoing second season harvest and increased imports after the Government relaxed its import regulations in early August (FPMA Food Policies). Prices, however, remained at levels well above those a year earlier after the sharp increases of the previous months mostly driven by the sharp drop in the 2016 cereal output which was severely affected by drought conditions and pest infestations. Prices of staple **potatoes** rose sharply and reached record or near-record highs in September, contributing to the increase in the monthly inflation rate. Seasonal upward pressure with the new harvest in the Santa Cruz valleys expected later this month, was exacerbated by concerns over dry conditions affecting crops and by the drought-reduced output in the north of the country. Prices of **chicken meat** also increased significantly in the past two months. The Government is taking several measures to support farmers affected by the drought, including the delivery of water tanks, seeds and balanced feed to livestock producers.

Price warning level: High Moderate

For more information visit the FPMA website here

Brazil | Maize

Growth Rate (%)		
	to 09/16	Same period average
3 months	-7.6	1.2
12 months	2.3	-0.1

Compound growth rate in real terms.
Refers to: Brazil, São Paulo, Wholesale, Maize (yellow)

Maize prices remain high, those of rice at record levels

Yellow maize prices generally declined in September as a result of recently-increased imports, the ongoing 2016 second de *safrihna* season harvest and releases from the State reserves (FPMA Food Policies). Prices, however, remained well above their year-earlier values after the significant increases in the past months on account of tight domestic availabilities resulting from high exports earlier in the year and after dry weather affected the 2016 crop. The latest production estimate puts the 2016 maize crop at 65.5 million tonnes, 23 percent down from the bumper output of the previous year and the smallest since 2011. In an effort to mitigate the tight domestic supply situation, the country has already imported large volumes of maize from Argentina and Paraguay, lifted the tax on maize imports from the countries outside Mercosur (FPMA Food Polices) and has recently approved the import of three maize varieties not grown in the country from the United States of America. Prices of staple **rice** in September continued the increasing trend of the previous months and reached record levels, underpinned by tight domestic availabilities with the 2016 domestic output estimated 15 percent below the good outcome last year coupled with reduced inventories. The Government auctioned 70 000 tonnes of rice paddy in September to boost availabilities and ease prices and announced a new tender in October (FPMA Food Policies).

Lesotho | Maize

Growth Rate (%)		
	to 08/16	Same period average
3 months	-2.3	-0.5
12 months	1.5	0.3

Compound growth rate in real terms.
Refers to: Lesotho, Maseru, Retail, Maize meal

Maize prices stable but at near-record levels in August

Prices of **maize meal** were mostly unchanged in August but well above their year-earlier values. The high level of prices mostly reflects the sharp 70 percent reduction in the 2016 maize harvest, on account of the El Niño-induced drought, coupled with higher grain costs in South Africa which supplies the bulk of the country's consumption requirements. However, the currently declining South African grain prices have lessened inflationary pressure, while the Government subsidy programme (FPMA Food Polices) also contributed to the recent stabilization of prices. The high prices are negatively impacting on households' food access with approximately 40 percent of rural households allocating 50 percent of their expenditure to food purchases.

Malawi | Maize

Growth Rate (%)		
	to 09/16	Same period average
3 months	1.9	3.7
12 months	3.0	0.6

Compound growth rate in real terms.
Refers to: Malawi, National Average, Retail, Maize

Maize prices declined moderately but tight supplies sustain high year-on-year levels

The national average **maize** price dipped slightly in September reflecting increased imports and food assistance programmes. However, prices remained two-thirds above their values a year earlier, largely as a result of the tight domestic supply situation following the sharply-reduced 2016 maize output caused by the El Niño-induced dryness. The southern areas of the country were the most affected by the drought conditions and this is reflected in the relatively higher maize grain prices; in the southern district of Chikhwawa, maize prices were approximately 26 percent higher than the national average. The weak local currency has also added inflationary pressure, given the increased volume of maize imports required to cover this year's national deficit.

Price warning level: High Moderate

For more information visit the FPMA website here

Namibia | Maize

Growth Rate (%)		
	to 08/16	Same period average
3 months	-2.7	-2.6
12 months	1.3	-0.1

Compound growth rate in real terms.
Refers to: Namibia, Katima, Retail, Maize meal

Maize meal prices rose moderately in August sustaining the high year-on-year levels

Prices of **maize meal** rose moderately in August and were well above their year-earlier levels. This is the result of the drought impact on domestic food supplies in 2015 and 2016 and higher importing costs from South Africa. The recent decline in South African grain prices has, however, eased importing costs although a 17 percent increase in electricity tariffs in August may apply upward pressure to maize meal prices in the coming months. While the below average harvest has adversely impacted food availability, the high cereal prices are also worsening access. The annual inflation rate increased to 6.8 percent in August up from the 3.4 percent registered in the corresponding month last year, with the major drivers being food items.

Nigeria | Coarse grains

Growth Rate (%)		
	to 08/16	Same period average
3 months	9.7	-1.1
12 months	7.3	-0.7

Compound growth rate in real terms.
Refers to: Nigeria, Kano, Wholesale, Maize

Coarse grain prices soared further in August

Prices of **coarse grains** rose further and reached record highs in August with **sorghum** prices peaking at levels more than 215 percent higher than in the corresponding month last year. **Millet** and **maize** prices were nearly three times their values in August last year. The sharp depreciation of the local currency caused by the decline in oil revenues and after the Central Bank's decision to allow the exchange rate to float in June, continued to underpin food prices in August. Increased fuel and input costs coupled with stronger subregional import demand due to the weak local currency as well as reduced imports, have added to the upward pressure. In northeast Nigeria, conflict continued to disrupt market activities and affect a significant portion of the population limiting access to food, water and health services. The national Food Price sub-Index (November 2009=100) strengthened further in August and reached 210.3 points, more than 16 percent higher than in August last year, mainly due to the increase in prices of cereals, meat and fish products.

South Sudan | Staple foods

Growth Rate (%)		
	to 09/16	Same period average
3 months	-20.0	-2.3
12 months	-5.5	1.9

Compound growth rate in real terms.
Refers to: South Sudan, Juba, Retail, Maize (white)

Food prices declined in August but still at near-record highs

Coarse grain prices declined in September for the second consecutive month in several markets across the country. With the exception of the areas where high insecurity restricts commodity flows, the domestic availability of the crops has generally improved due to the partial resumption of imports from Uganda coupled with the recently-concluded first season harvest in southern bi-modal areas and the green harvest in uni-modal areas. Prices of other staples, including **wheat flour** and **cassava**, followed similar patterns. However, despite the recent declines, prices of coarse grains, in nominal terms, were still about three to four times above their levels in September last year, after soaring since late 2015 due to insecurity, a tight supply situation and the significant depreciation of the local currency since early 2016. Fuel shortages and the high cost of transportation added to the upward pressure.

Price warning level: High Moderate

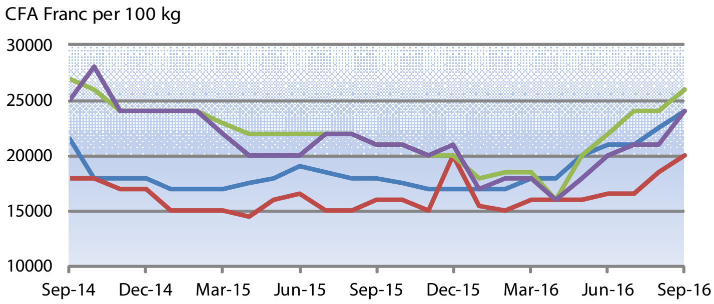
For more information visit the FPMA website here

WEST AFRICA

Coarse grain prices show mixed trends in the subregion, soaring in Nigeria

In the Sahel belt, coarse grain prices rose further in **Niger** in September and were well above their levels a year earlier as seasonal trends were exacerbated by strong domestic demand and by the negative impact of recent heavy floods on agriculture in some areas. Prospects for the 2016 crops, about to be harvested, remain, however, overall favourable. By contrast, in **Burkina Faso** and **Mali**, seasonal upward pressure was somewhat offset by good supplies from last year's bumper crop, as well as favourable prospects for the 2016 cropping season. In **Chad**, millet and sorghum prices remained generally stable or declined in August and were down from a year earlier, mainly reflecting favourable prospects for the 2016 cereal harvest, recently started. In coastal countries along the Gulf of Guinea, progress of the 2016 first season crop harvests has put significant downward pressure on prices in several countries. In **Benin**, maize prices dropped by 50 percent over the past three months in Cotonou and Abomey, while in **Togo**, prices declined by 40 percent over the same period in Anie. Prices in these countries were well below their year-earlier levels. By contrast, in **Nigeria**, coarse grain prices continued to soar in August continuing the strong upward trend of the previous months and were at record highs, mainly underpinned by the sharp depreciation of the local currency. In the main northern Kano market, sorghum prices were more than 215 percent higher than a year earlier.

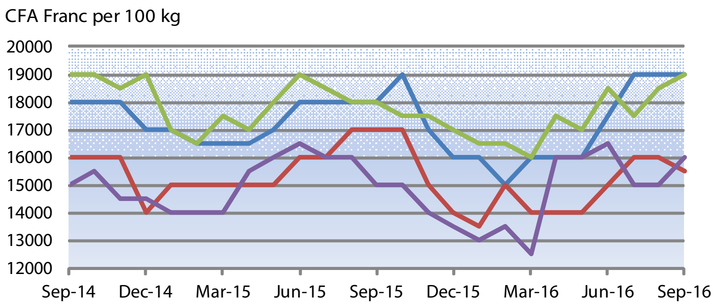
Wholesale prices of millet and sorghum in Niger



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Niamey, Millet (local)	24000.0	6.7	14.3	33.3
Niamey, Sorghum (local)	20000.0	8.1	21.2	25
Agadez, Millet (local)	26000.0	8.3	18.2	23.8
Agadez, Sorghum (local)	24000.0	14.3	20	14.3

Source(s): Afrique verte

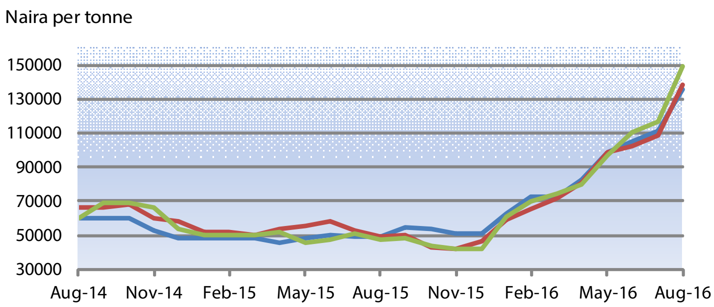
Wholesale prices of millet and sorghum in Mali and Burkina Faso



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Mali, Bamako, Millet (local)	19000.0	0	8.6	5.6
Mali, Bamako, Sorghum (local)	15500.0	-3.1	3.3	-8.8
Burkina Faso, Ouagadougou, Millet (local)	19000.0	2.7	2.7	5.6
Burkina Faso, Ouagadougou, Sorghum (local)	16000.0	6.7	-3	6.7

Source(s): Afrique verte

Wholesale prices of coarse grains in Kano, Nigeria



	Latest Price (Aug-16)	Percent Change 1M	3M	1Y
Maize	136000.	21.7	37.4	174.7
Millet	138000.	26.9	39.4	179.4
Sorghum	149600.	28.4	54.2	215.6

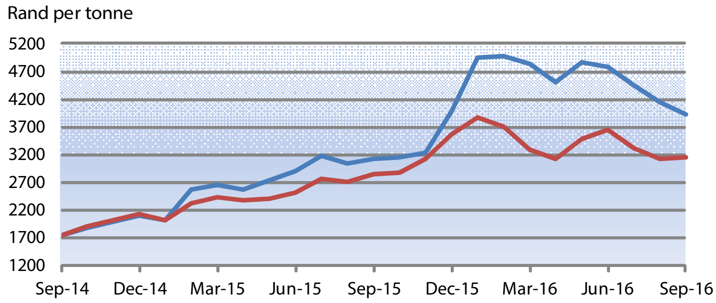
Source(s): FEWSNET

For more information visit the FPMA website here

Maize prices remain above their year-earlier levels

In most countries of the subregion, maize prices remained at levels well above those a year earlier, mainly reflecting the significant negative impact of the El Niño-induced drought on domestic cereal outputs. However, large volumes of imports and recent declining prices in South Africa, the subregion's main supplier, limited further increases in the past few months. In **South Africa**, white maize prices declined further in September, mostly as a result of recent imports and a slight strengthening of the rand towards the end of the month, albeit from a weaker position in late August. The recent upward revision to the 2016 crop estimate, which, however, remains sharply below the previous year's output and lower international quotations put further downward pressure on domestic maize prices, although they remained 10 percent higher than a year earlier. The recent price declines in South Africa have lessened inflationary pressure in the import-dependent countries, **Lesotho** and **Namibia**, where prices of maize meal remained generally unchanged in August. In these countries, however, the impact of the El Niño-induced drought on the national cereal harvests in 2016 still sustained higher year-on-year maize quotations. In **Malawi**, maize prices declined moderately in September, partly reflecting the impact of increased imports and food assistance programmes. However, the national average price still remained two-thirds above its year-earlier level mostly reflecting the drought-reduced domestic harvest in 2016, while a weaker currency added further inflationary pressure. In **Zambia**, prices of maize grain increased in September and were nearly 40 percent higher than a year earlier. This mainly reflects the impact of the regional drought and higher import demand from neighbouring countries despite a moderate increase in the 2016 harvest that eased the domestic supply situation. In **Mozambique**, maize prices were significantly above their values a year earlier on account of tight domestic availabilities due to the impact of the drought on cereal production and the rapid depreciation of the local currency. The high level of maize prices contributed to driving up annual inflation rates, which rose by 1.3 percent in August and by 22 percent in the past year. In sharp contrast to neighbouring countries, prices of maize meal in **Zimbabwe** in August remained well below their year-earlier levels. The lower prices largely reflect increased import volumes, the strength of the US dollar and weaker demand due to a downturn in the economy.

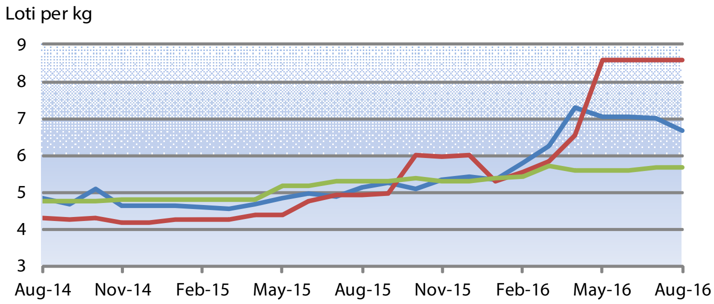
Wholesale prices of maize in Randfontein, South Africa



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Maize (white)	3922.72	-5.2	-18	25.9
Maize (yellow)	3138.80	0.5	-14.2	9.9

Source(s): SAFEX Agricultural Products Division

Retail prices of maize meal in Lesotho

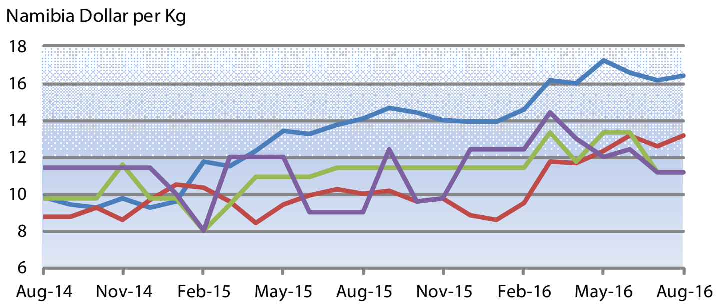


	Latest Price (Aug-16)	Percent Change 1M	3M	1Y
Maseru	6.69	-4.5	-5	29.9
Qacha's Nek	8.60	0	0	74.9
Mount Moorosi	5.68	0	1.6	6.9

Source(s): Lesotho Bureau of Statistics

For more information visit the FPMA website here

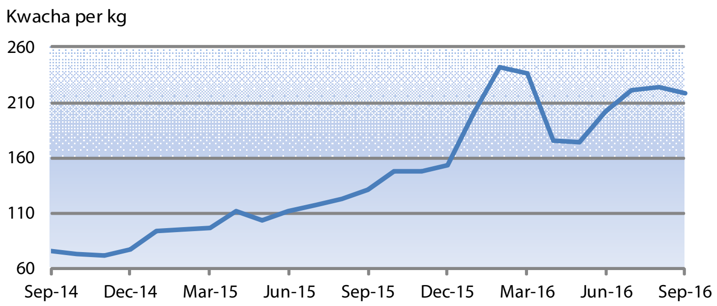
Retail prices of maize meal in Namibia



Source(s): Namibia Statistics Agency

	Latest Price (Aug-16)	Percent Change 1M	3M	1Y
Windhoek	16.45	1.5	-4.5	16.9
Otjiwarongo	13.17	4.9	6.9	31.4
Gobabis	11.20	0	-16	-1.8
Katima	11.20	0	-6.7	24.4

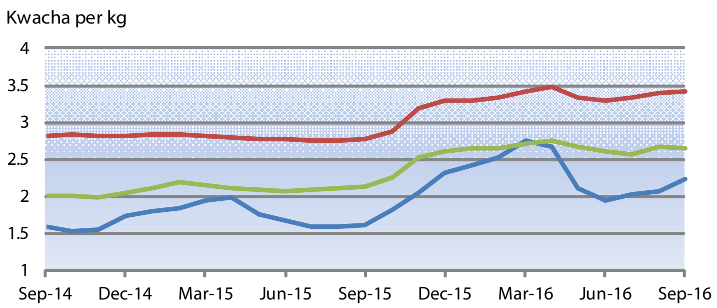
Retail prices of maize in Malawi



Source(s): Ministry of Agriculture and Food Security

	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
National Average, Maize	217.77	-2.5	7.7	66.6

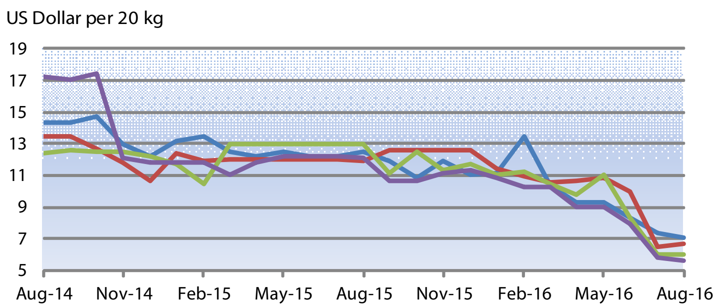
Retail prices of maize in Zambia



Source(s): Central Statistical Office

	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
National Average, Maize (white)	2.22	7.7	15.1	38.7
National Average, Breakfast maize meal	3.41	0.3	3.8	23.3
National Average, White roller maize meal	2.65	-0.9	1.5	23.8

Retail prices of maize meal in Zimbabwe



Source(s): ZIMSTAT

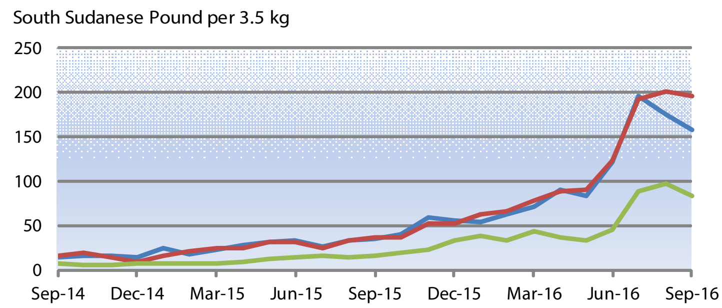
	Latest Price (Aug-16)	Percent Change 1M	3M	1Y
Harare	7.10	-3.3	-23.8	-43.2
Manicaland	6.66	3.1	-38.8	-44
Midlands	5.99	-0.3	-45.9	-53.9
Mash west	5.63	-3.3	-37.6	-53.5

For more information visit the FPMA website here

Cereal prices decline further in South Sudan but still at high levels

In **South Sudan**, grain prices declined for the second consecutive month in September following the partial resumption of imports from Uganda and the arrival of new supplies from the first season harvest. However, despite the recent declines, prices remained about three to four times above their levels in September last year due to insecurity, a tight supply situation and currency weakness. In **Uganda**, maize prices began to seasonally increase in September and were above their year-earlier values as a result of localized production shortfalls due to dry weather conditions and sustained import demand from neighbouring countries. In **Ethiopia**, prices continued to increase in September, ahead of the main *meher* season harvest in October and were higher than a year earlier reflecting generally tighter supplies as the output of the secondary *belg* season harvest, completed in August, was negatively affected by erratic rainfall. In **the Sudan**, prices of locally-produced sorghum and millet were relatively stable in September but well above their levels a year earlier due to the tight supply situation from the drought-reduced 2015 harvests. In **the United Republic of Tanzania**, prices of maize remained virtually unchanged and lower than in September last year reflecting adequate domestic availabilities mostly resulting from the good 2016 harvests. In **Kenya**, maize prices declined with the onset of the 2016 *long-rains* harvest and were generally around or below their year-earlier levels reflecting adequate carryover stocks from the above-average 2015 harvests and regional imports. In **Somalia**, prices of locally-produced maize declined for the second consecutive month in September in the capital, Mogadishu, and in surplus-producing areas of the Lower Shabelle Region, as the bulk of the 2016 *gu* season crops entered the markets. Prices of sorghum, another important staple, also declined in Baidoa, the main market of the sorghum belt.

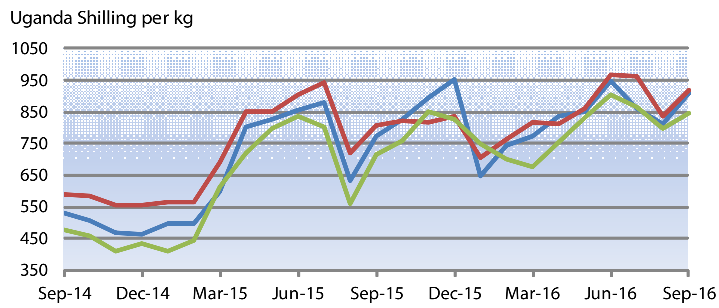
Retail prices of selected cereals in South Sudan



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Juba, Maize (white)	158.00	-10.2	30.6	338.9
Juba, Sorghum (Feterita)	197.00	-2.5	58.9	432.4
Juba, Wheat (flour)	83.00	-14.4	84.4	418.8

Source(s): Crop & Livestock Market Information System (CLIMIS)

Wholesale prices of maize in Uganda

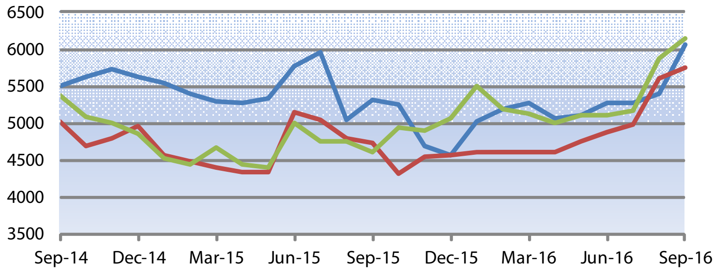


	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Kampala	907.34	11.9	-4.2	17.4
Busia	918.23	9.7	-5.1	14
Lira	847.47	6.2	-6.4	18.3

Source(s): Regional Agricultural Trade Intelligence Network

For more information visit the FPMA website here

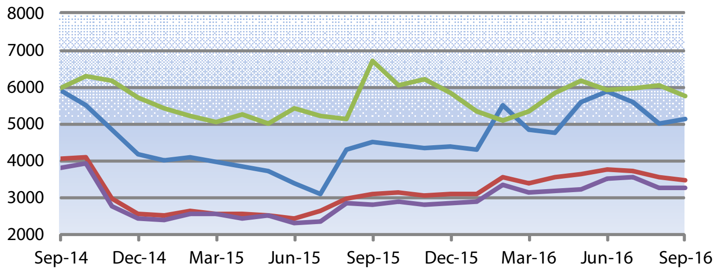
Wholesale prices of maize in Ethiopia



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Diredawa	6066.70	12.3	15.2	14.1
Addis Ababa	5754.30	2.6	17.8	21.4
Mekele	6150.00	4.8	20.6	33.7

Source(s): Ethiopian Grain Trade Enterprise

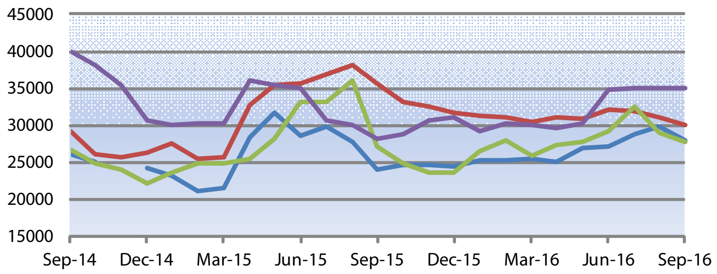
Wholesale prices of millet and sorghum in the Sudan



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Khartoum, Millet	5133.37	2.6	-12.8	14.3
Khartoum, Sorghum (Feterita)	3478.75	-2.3	-7.8	12.9
Al-Fashir, Millet	5775.00	-4.7	-2.6	-14.2
El Gedarif, Sorghum (Feterita)	3256.00	-0.1	-7.6	16.8

Source(s): Food Security information for Action (SIFSIA)

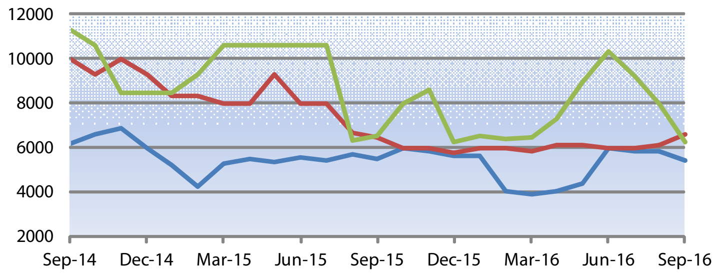
Wholesale prices of maize in Kenya



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Nakuru	27999.0	-6	3.4	16.6
Nairobi	30005.0	-3.1	-6.7	-15.9
Eldoret	27707.0	-4.7	-5.2	1.9
Kisumu	35004.0	0	0.7	24

Source(s): Regional Agricultural Trade Intelligence Network

Retail prices of maize and sorghum in Somalia



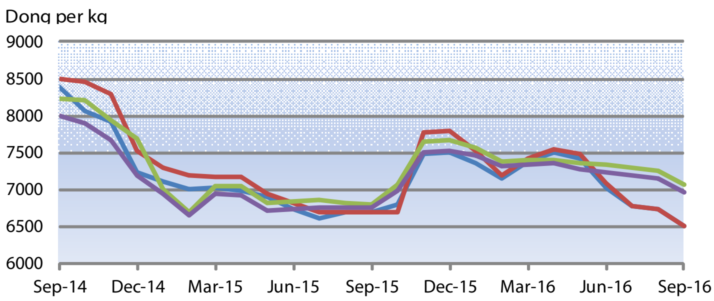
	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Baidoa, Sorghum (red)	5425.00	-6.5	-9.6	-1.4
Mogadishu, Sorghum (red)	6600.00	8.6	10.9	1.9
Mogadishu, Maize (white)	6225.00	-22.2	-39.7	-4.2

Source(s): Food Security Analysis Unit

With the exception of Bangladesh, rice prices generally on the decline

In the main exporting countries of the subregion, domestic prices of rice continued to fall in September on account of favourable prospects for the 2016 paddy crops and subdued import demand. In **Viet Nam**, prices decreased for the fifth consecutive month, amid ample domestic availabilities, low export demand and harvest pressure. In **Thailand** and **Myanmar**, prices declined on expectations of good 2016 main season harvests, coupled with weak buying interest. In **India**, rice prices were mostly stable, ahead of the 2016 harvest. In importing countries of the subregion, including **Indonesia** and **the Philippines**, rice prices were stable and close to their year-earlier levels due to adequate domestic availabilities. In **Sri Lanka**, rice prices remained unchanged, but 10 percent higher than their year-earlier levels, supported by a reduction in the 2016 secondary *yala* crop, which was just harvested. The most notable exception to the general downward trend in the subregion was **Bangladesh**, where rice prices reached record highs in September after strong increases since June, with upward pressure exacerbated by ongoing Government procurement purchases, lower imports and a reduced 2016 main *boro* output gathered earlier in the year. As for wheat and wheat flour, prices were generally stable in September and close to their year-earlier levels. Prices remained virtually unchanged in **Indonesia**, **Bangladesh** and **Sri Lanka** reflecting adequate imports in recent months. They were also stable in **India** reflecting adequate supplies from the 2016 good harvest and increased releases of Government stocks through the Open Market Sales, as well as in **Pakistan** and **China** on account of the 2016 bumper harvests.

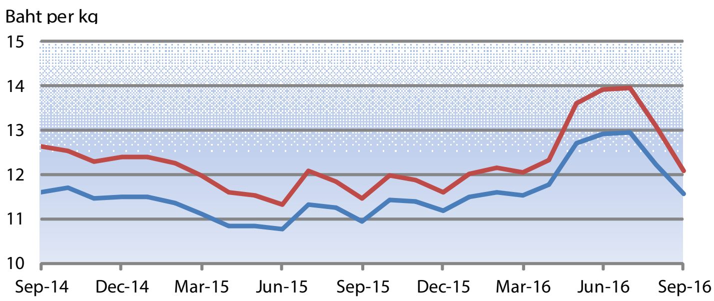
Wholesale prices of rice in Viet Nam



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
An Giang, Rice (25% broken)	6500.00	-3.6	-7.6	-3
An Giang, Rice (20% broken)	6500.00	-3.6	-8.2	-3
Dong Thap, Rice (20% broken)	7062.50	-2.6	-3.7	3.9
Dong Thap, Rice (25% broken)	6962.50	-2.6	-3.8	3.1

Source(s): Agroinfo

Wholesale prices of rice in Bangkok, Thailand

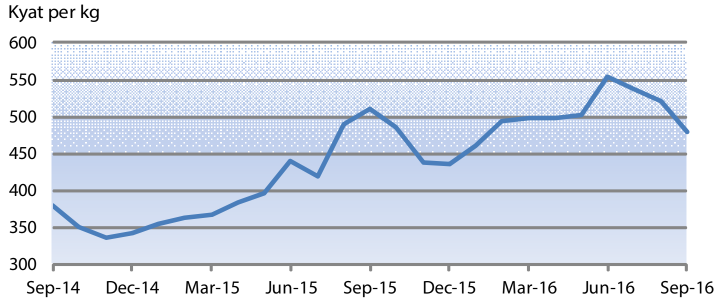


	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Rice (25% broken)	11.59	-5.2	-10.2	5.9
Rice (5% broken)	12.08	-7.8	-13.1	5.3

Source(s): Department of Internal Trade, Ministry of Commerce

For more information visit the FPMA website here

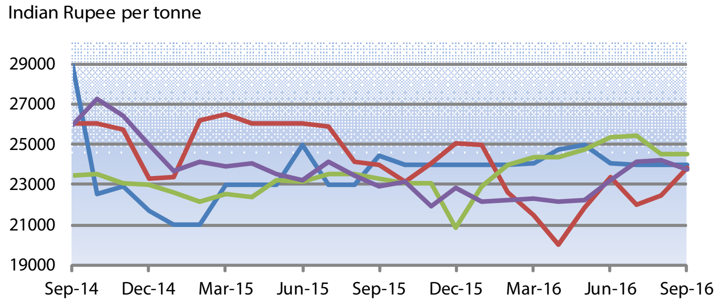
Wholesale prices of rice in Yangon, Myanmar



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Rice (Emata, Manawthukha)	479.69	-8	-13.5	-6.1

Source(s): E-Trade Myanmar

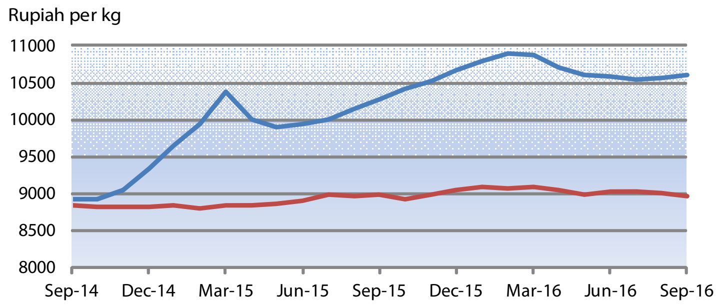
Wholesale prices of rice in India



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Patna	24000.0	0	-0.2	-1.6
Chennai	23862.1	6.1	2	-0.6
Mumbai	24500.0	0	-3.3	5.3
New Delhi	23766.7	-2	2.5	3.9

Source(s): Ministry of Consumer Affairs

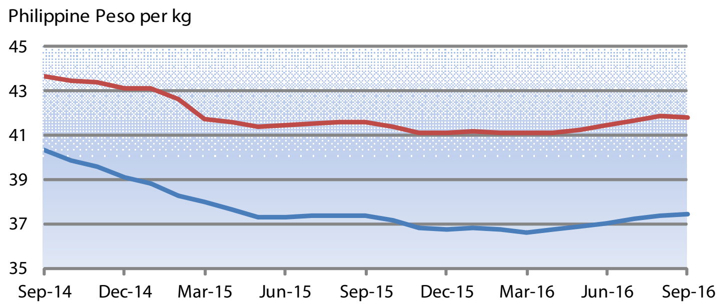
Retail prices of rice and wheat flour in Indonesia



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
National Average, Rice (medium quality)	10600.9	0.3	0.2	3.1
National Average, Wheat (flour)	8960.95	-0.4	-0.7	-0.3

Source(s): Ministry of Trade

Retail prices of rice in the Philippines

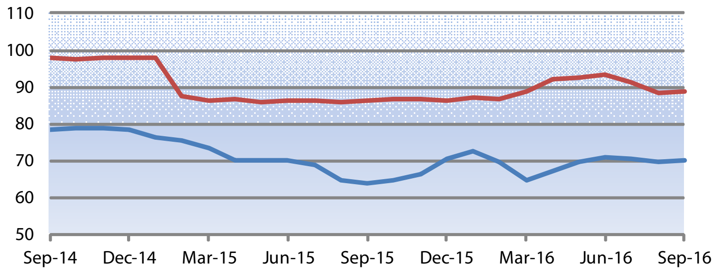


	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
National Average, Rice (regular milled)	37.43	0.2	1.1	0.1
National Average, Rice (well milled)	41.83	-0.1	0.9	0.5

Source(s): Bureau of Agricultural Statistics

For more information visit the FPMA website here

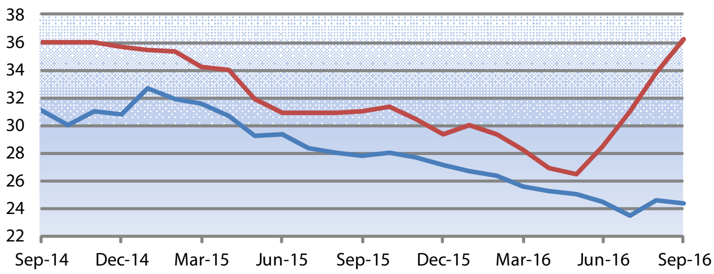
Retail prices of rice and wheat flour in Colombo, Sri Lanka



Source(s): Department of Census and Statistics

	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Rice (white)	69.89	0.3	-1.2	9.6
Wheat (flour)	88.87	0.6	-4.7	2.8

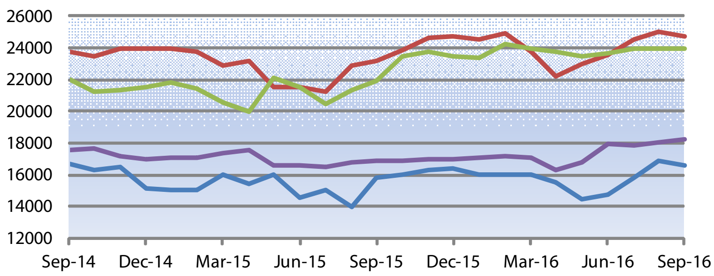
Retail prices of rice and wheat flour in Dhaka, Bangladesh



Source(s): Department of Agriculture Marketing (DAM), Bangladesh

	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Wheat (flour)	24.39	-0.6	-0.2	-12.3
Rice (coarse- Guti/ Sharna)	36.22	7.3	27.2	16.8

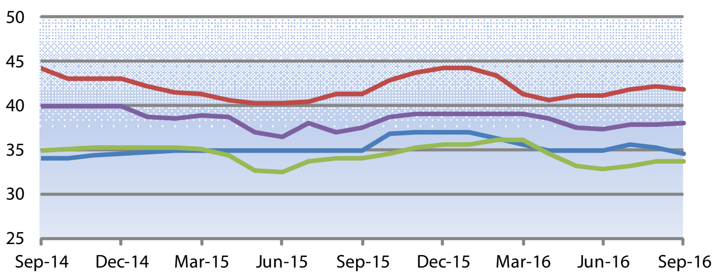
Wholesale prices of wheat in India



Source(s): Ministry of Consumer Affairs

	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Patna	16600.0	-1.5	12.5	5.1
Chennai	24758.6	-1	5.2	6.9
Mumbai	24000.0	0	1.2	9.5
New Delhi	18196.7	0.8	1.3	7.9

Retail prices of wheat and wheat flour in Pakistan



Source(s): Pakistan Bureau of Statistics

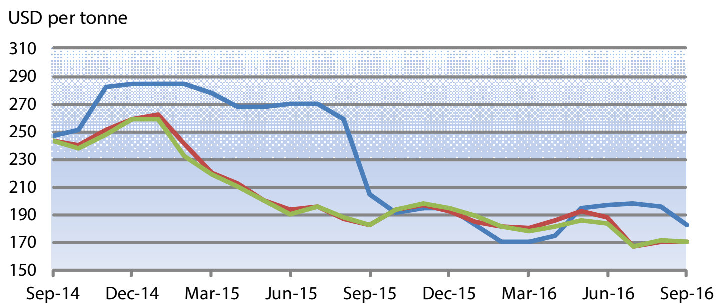
	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Karachi, Wheat	34.60	-1.8	-1.1	-1.1
Karachi, Wheat (flour)	41.84	-0.9	1.7	1.3
Lahore, Wheat	33.73	0.3	2.6	-1.2
Lahore, Wheat (flour)	38.00	0.1	1.8	1.2

For more information visit the FPMA website here

Wheat prices remain overall under downward pressure

In the exporting countries of the subregion, export prices of milling wheat remained under downward pressure in September reflecting improved supplies from the 2016 harvests and the weak tone in the international market, while domestic prices generally increased. Export quotations declined the most in **Kazakhstan** on account of a bumper 2016 crop and low trade activity. In exporter **Ukraine**, while export prices weakened in September reflecting good supplies from the recent harvest and reduced export demand, domestic prices of milling wheat rose mainly due to the weakening of the local currency. Similarly, in **the Russian Federation**, export prices eased somewhat in September as the downward pressure from the record 2016 crop and the Government's decision to reduce the wheat export duty to zero (FPMA Food Policies) was partially offset by a stronger local currency and a faster pace of exports after Egypt's return as an importer (FPMA Food Policies). However, domestic quotations of wheat grain increased mostly on account of Government purchases for the intervention fund and concerns over the lack of soil moisture for the winter crop sowing in some regions. In import-dependent countries, prices of wheat flour followed mixed trends but were generally down from a year earlier. In **Kyrgyzstan**, **Tajikistan** and **Armenia**, prices of wheat flour weakened further in September and were down from a year earlier mainly as a result of the good supplies from the 2016 harvests. By contrast, in **Azerbaijan**, the price of wheat flour rose in August due to a weaker local currency coupled with a decline in imports of wheat in the January-July period, reportedly more than 9 percent down from the corresponding period last year. Also in **Belarus** and **Georgia**, prices of wheat flour increased slightly in September mainly due to weaker local currencies. In **Uzbekistan** and **the Republic of Moldova**, prices remained virtually unchanged in September.

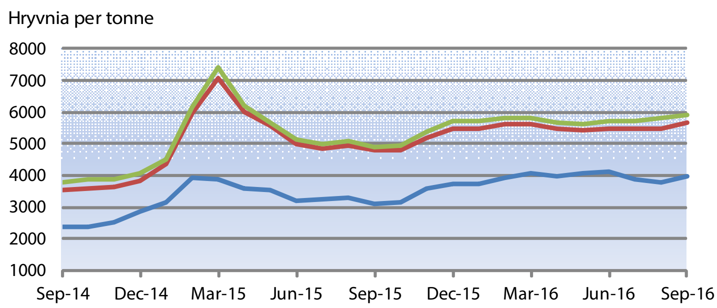
Export prices of milling wheat



Source(s): APK-Inform Agency

	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Kazakhstan, Wheat (milling)	183.00	-6.4	-6.9	-10.7
Russian Federation, Wheat (milling, offer, f.o.b., deep-sea ports)	170.00	-0.3	-9.3	-6.6
Ukraine, Wheat (milling, offer, f.o.b.)	170.40	-0.5	-7.3	-6.9

Wholesale prices of wheat and wheat flour in Ukraine

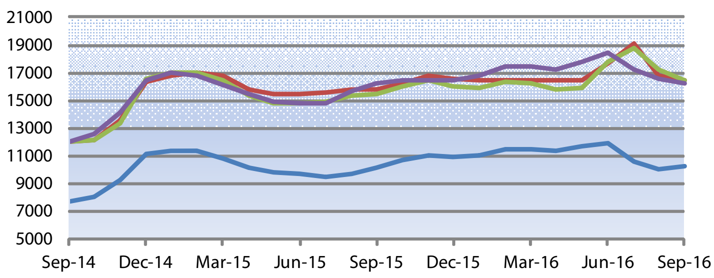


Source(s): APK-Inform Agency

	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
National Average, Wheat (3rd class, bid, EXW, processing)	3950.00	4.6	-3.7	27.4
National Average, Wheat (flour, first grade, offer, EXW)	5660.00	2.9	2.9	17.6
National Average, Wheat (flour, highest grade, offer, EXW)	5900.00	1.7	3.5	20.1

For more information visit the FPMA website here

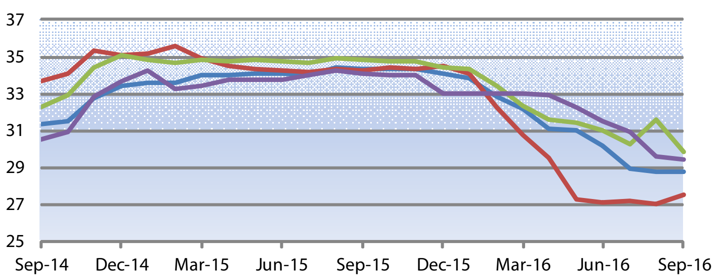
Wholesale prices of wheat and wheat flour in the Russian Federation



Source(s): APK-Inform Agency

	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
National Average, Wheat (Milling, 3rd class, offer, EXW)	10273.3	2.9	-14	1.4
Volga region, Wheat (flour, highest grade, offer, EXW)	16500.0	-1.9	-6.8	4.4
Central Black Earth, Wheat (flour, highest grade, offer, EXW)	16500.0	-4.1	-7.4	6.5
Southern region, Wheat (flour, highest grade, offer, EXW)	16200.0	-2.1	-12.1	0

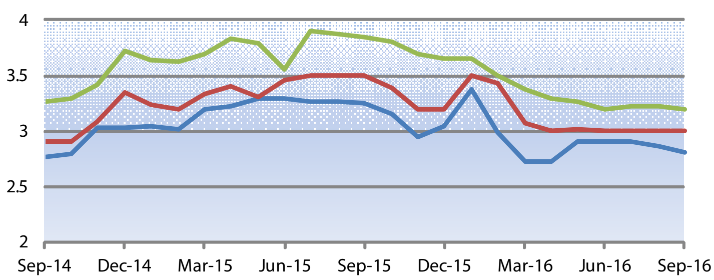
Retail prices of wheat flour in Kyrgyzstan



Source(s): National Statistical Committee of the Kyrgyz Republic

	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Bishkek	28.76	0	-4.8	-16.3
Jalal-Abad	27.52	1.7	1.5	-19.7
National Average	29.81	-5.6	-3.9	-14.4
Naryn	29.46	-0.5	-6.4	-13.5

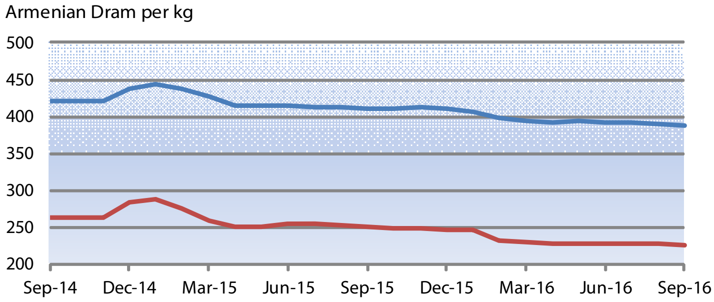
Retail prices of wheat flour in Tajikistan



Source(s): Statistical Agency under President of the Republic of Tajikistan

	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Khujand, Wheat (flour, first grade)	2.81	-1.7	-3.1	-13.5
Kurgonteppa, Wheat (flour, first grade)	3.00	0	0	-14.3
Khorugh, Wheat (flour, first grade)	3.20	-0.6	0	-16.9

Retail prices of wheat flour in Armenia



Source(s): National Statistical Service of the Republic of Armenia

	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
National Average, Wheat (flour, high grade)	388.40	-0.4	-0.9	-5.5
National Average, Wheat (flour, first grade)	226.58	-0.1	-0.5	-9.4

For more information visit the FPMA website here

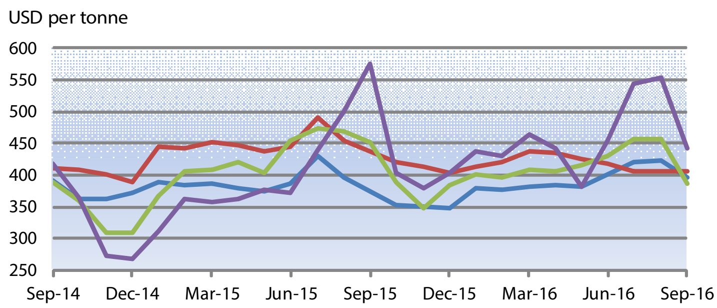
CENTRAL AMERICA AND THE CARIBBEAN

Maize and bean prices declined sharply in September

In most countries of the subregion, white maize prices declined significantly in September reflecting improved supplies from the main *de primera* season harvest, which is anticipated to rebound from last year's drought-reduced level. Sustained imports also contributed to the downward pressure. The sharpest declines were recorded in **Honduras** and **Nicaragua**, with prices in the capital city markets declining by nearly 20 percent to levels well below those a year earlier. In **El Salvador** and **Guatemala**, prices also decreased, but to a lesser extent, due to harvest delays in some areas. In the Caribbean countries also, maize prices declined in September, most notably in **the Dominican Republic**, where retail prices were more than 20 percent lower than in September last year. By contrast, in **Mexico**, the largest producer of the subregion, prices continued to increase after the completion of the 2016 secondary season harvest in July. Prices in September were above their levels a year earlier due to the weak local currency and sustained export demand.

Prices of beans also declined in September in most countries of the subregion with the *de primera* season harvest, although it is not the most important for beans. In **Honduras** and **Nicaragua**, prices of red beans declined by some 20 percent, while in **El Salvador** they declined by some 5 percent. Prices in these countries were more than 30 percent below their levels a year earlier reflecting good supplies from the new harvests, following the good 2015 third season harvests which concluded in April. In **Guatemala**, where black beans are the variety mostly consumed and produced, prices remained relatively stable in September, with harvest delays offsetting the downward pressure from the new crop supplies and were moderately above their year-earlier levels. In **Mexico**, prices were relatively unchanged in September, but well above their values a year earlier, mainly supported by the weakness in the local currency. In the Caribbean countries, bean prices in September were well below their year-earlier levels reflecting good supplies from the recently-concluded harvests.

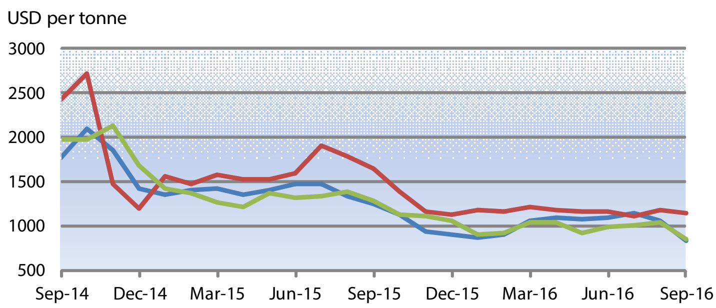
Wholesale prices of white maize in Central America



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Guatemala, Guatemala City	397.32	-6	-0.8	6
El Salvador, San Salvador	405.68	-0.3	-3.1	-7.5
Honduras, Tegucigalpa	385.66	-15.7	-10.6	-14.5
Nicaragua, Managua (oriental)	442.86	-20.1	-2.6	-23.1

Source(s): Ministerio de Agricultura, Ganadería y Alimentación; Dirección General de Economía Agropecuaria, MAG; SIMPAH

Wholesale prices of red beans in Central America



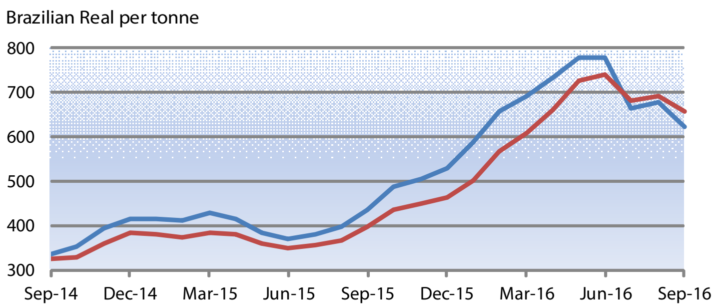
	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Honduras, Tegucigalpa	828.74	-21.5	-23.9	-33.7
El Salvador, San Salvador	1147.52	-3.1	-1.2	-30
Nicaragua, Managua (oriental)	849.64	-18.4	-13.9	-33.9

Source(s): SIMPAH; Dirección General de Economía Agropecuaria, MAG

Prices of maize and wheat stable or declining but generally above year-earlier levels

Prices of yellow maize and wheat flour were relatively stable or declined in September mostly as a result of sustained imports. Quotations, however, remained generally at levels well above those a year earlier due to the reduced 2016 outputs in several countries of the subregion and export demand. In **Argentina**, yellow maize prices remained virtually unchanged in September, after the sharp decline in August, as the weakening of the national currency and sustained export demand offset the downward pressure from the bumper 2016 harvest keeping prices at levels well above those a year earlier. In **Brazil** and **Bolivia**, a recent increase in imports and ongoing harvests resulted in a significant decline in yellow maize quotations in September. However, prices remained well above their year-earlier values after the significant increases in the past months due to the anticipated sharp reduction in the 2016 outputs. In **Ecuador**, **Chile** and **Peru**, yellow maize prices were relatively unchanged in September reflecting adequate imports. However, overall tight domestic supplies following the reduced 2016 harvests and strong domestic demand from the feed industry kept prices above their levels a year earlier. In **Colombia**, prices declined further in September and were down from a year earlier due to the good 2016 harvest, recently gathered, and imports. As for wheat and wheat flour, in **Argentina**, the subregion's main producer and exporter, wheat grain prices declined sharply in September reflecting improved production prospects for the 2016 crop to be harvested later in the year, but remained 80 percent above their year-earlier levels due to strong export demand. In **Brazil**, prices of wheat and wheat flour also decreased significantly in September as a result of increased imports but remained higher than a year earlier reflecting tight availabilities and strong demand for high quality wheat. In **Bolivia**, prices of wheat flour declined in September on account of improved supplies from the new harvest and increased imports, but were more than 10 percent higher than a year earlier due to the anticipated reduction in the 2016 aggregate output. In **Ecuador**, **Chile** and **Peru**, prices of wheat and wheat flour were generally unchanged in September and down from a year earlier as a result of adequate imports and the good 2016 outputs. In **Colombia**, prices were also stable but higher than a year earlier mostly due to the weak local currency.

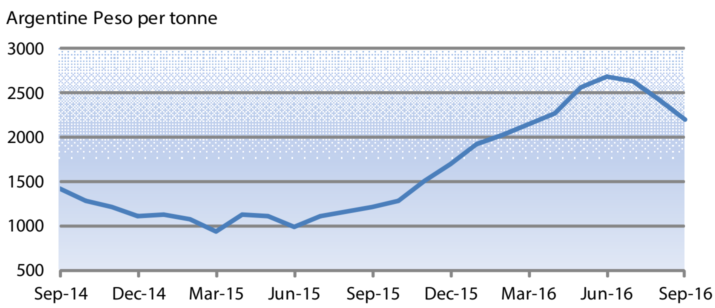
Wholesale prices of yellow maize in Brazil



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
São Paulo	624.12	-8.2	-19.7	43.3
National Average	658.80	-4.7	-11.1	66.1

Source(s): Agrolink

Wholesale prices of wheat in Argentina



	Latest Price (Sep-16)	Percent Change 1M	3M	1Y
Buenos Aires	2198.80	-9.5	-18.3	80.2

Source(s): Bolsa de Cereales

This bulletin is prepared by the **Food Price Monitoring and Analysis (FPMA)** Team in the Trade and Markets Division of FAO. It contains latest information and analysis on domestic prices of basic foods mainly in developing countries, complementing FAO analysis on international markets. It provides early warning on high food prices at country level that may negatively affect food security.

This report is based on information available up to early October 2016.

All the data used in the analysis can be found in the **FPMA Tool** at: www.fao.org/giews/pricetool

For more information visit the **FPMA Website** at: www.fao.org/giews/food-prices

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