



The United Republic of Tanzania
Ministry of Agriculture
Agricultural Marketing Section

MONTHLY MARKET BULLETIN

November, 2021

Introduction

This bulletin provides monthly highlights on market prices of major food crops in domestic markets. The bulletin also provides global market information on traditional export crops (coffee, cotton, tea, and tobacco), import substitution commodities (edible oil) and farm inputs (fertilizer). Information in this bulletin provides a benchmark to key players along the respective value chains to make informed decisions.

Disclaimer: The views expressed in this bulletin are those of the authors and may not reflect those of the **Ministry of Agriculture (MoA)**. This bulletin is strictly for informational purposes only. The authors have made every effort to ensure accuracy of information provided; however, neither the Ministry of Agriculture nor the authors can guarantee such accuracy.

Key Messages

- ✓ **Food Crops:** Prices of staple foods increased significantly compared to last month. Prices for sorghum, round potatoes, rice, maize and dry beans increased by 6, 6.3, 8.1, 9.3 and 20.3 percent respectively.
- ✓ **Traditional Export Crops:** During the reporting period, global market prices for traditional export crops followed a variety of trends. While coffee, cotton and tea prices increased (including coffee-Robusta by 0.5 percent, coffee-Arabica by 6 percent, cotton by 13.2 percent, and tea by 8.9 percent), tobacco prices continued to fall month after month.
- ✓ **Import Substitution:** Price for edible oil in the global market increased by 10.6 percent between September and October 2021, owing to a combination of factors such as adverse weather conditions, supply disruptions caused by Covid 19, and increased demand.
- ✓ **Farm Inputs:** Between September and October 2021, the price of DAP and Urea fertilizers increased by 4 and 4.6 percent respectively. DAP prices have risen as a result of export restrictions imposed by China, the world's largest exporter.

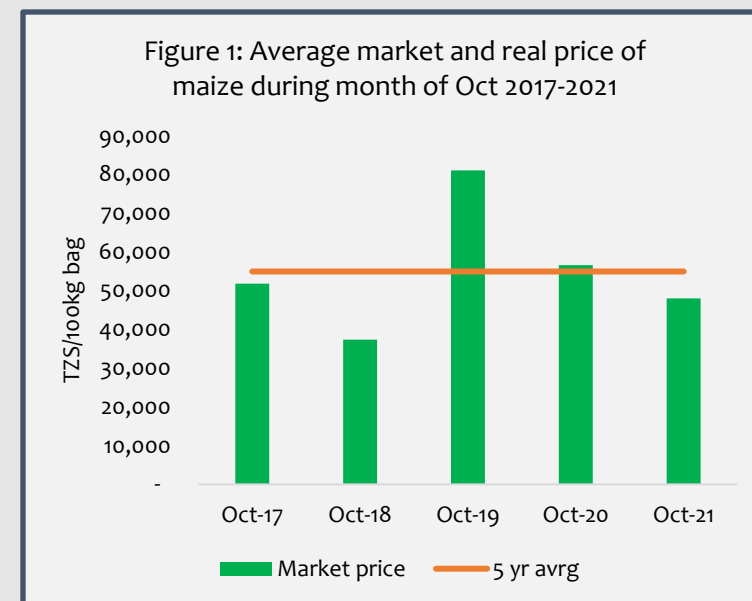
1. National monthly average prices of major food crops

Table 1: National average market price of major staple food (TZS/100 kg)

Commodity	Sep 2021	Oct 2021	Monthly change (%)	Annual change (%)	5 years average (%)
Maize	43,900	48,000	▲ 9.3	▼ 15.2	▼ 12.6
Rice	140,000	151,000	▲ 8.1	▲ 10.1	▼ 6.2
Dry beans	164,700	198,000	▲ 20.3	▼ 16.9	▼ 5.9
Sorghum	93,500	99,100	▲ 6.0	▶ 0.0	▲ 7.3
Round potatoes	60,300	64,100	▲ 6.3	▼ 12.6	▼ 10.9

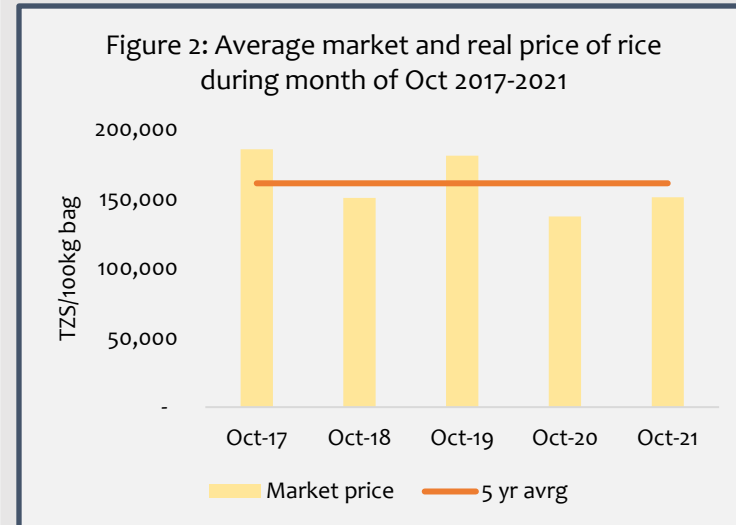
Maize

National average wholesale maize prices increased by 9.3 percent from TZS 43,900/100kg bag in September to TZS 48,000/100kg bag in October (Table 1). Prices remained significantly lower by 15.2 percent than last year and the five-year average by 12.6 percent. Prices is starting to increases across most markets.



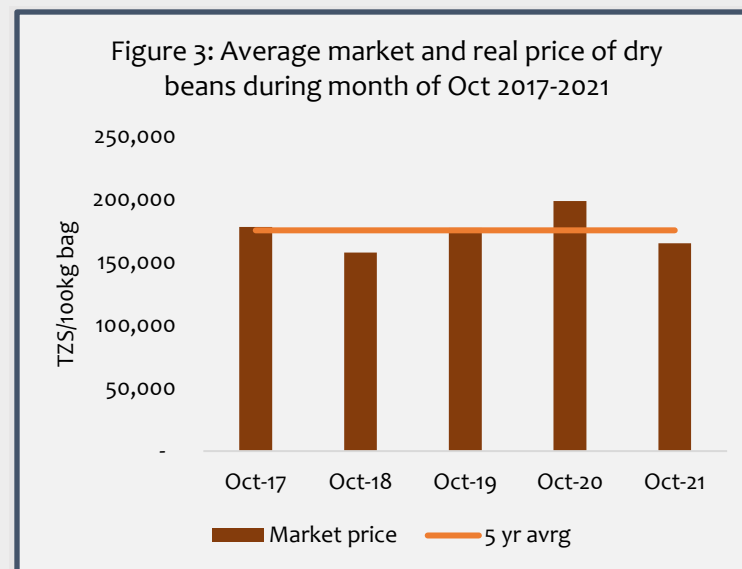
Rice

In general, domestic rice market prices have been declining over the last five years (Figure 2). Prices in October 2021 increased by 10.1 percent when compared to the same month the previous year and decreased by 6.2 percent when compared to the five-year September average. Prices, on the other hand, increased by 8.1 percent in October compared to the previous month, rising from TZS 140,000/100kg bag in September to TZS 151,000/100kg bag in October (Table 1). Despite the ongoing seasonal harvests, domestic prices of rice may continue to increase following the promising regional market.



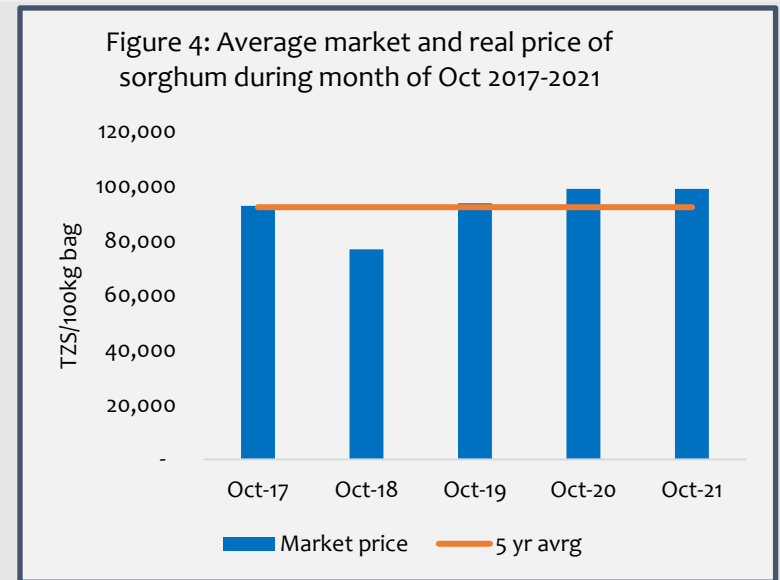
Dry beans

Between September and October, wholesale prices for dry beans increased by 20.3 percent, from an average of TZS 164,700/100kg bag to TZS 198,000/100kg bag. Similarly, prices in October 2021 were 16.9 percent lower than in the same month last year (Figure 3). Bean prices, on the other hand, have fallen slightly, falling 5.9 percent below the five-year September average.



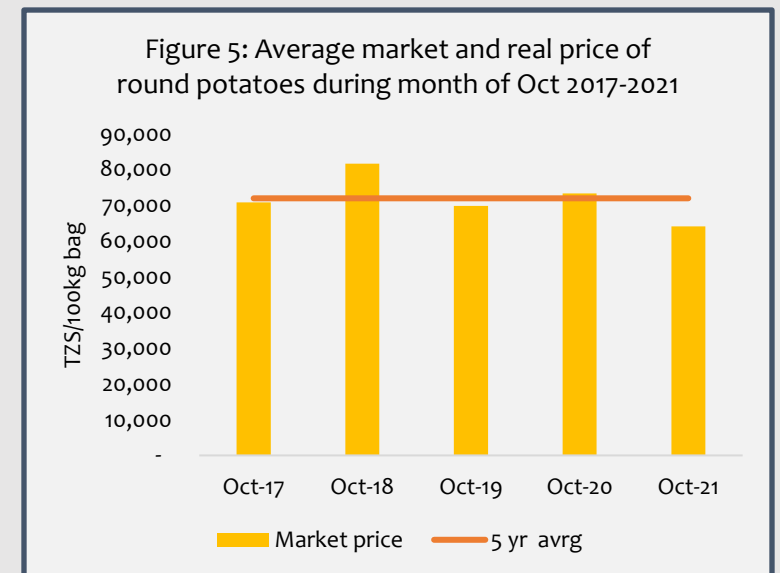
Sorghum

The monthly average wholesale price of sorghum has increased by 6.0 percent, from TZS 93,500/100kg bag in September to TZS 99,100/100kg bag in October. Similarly, prices remain constant in October 2021 when compared to the same period the previous year. Sorghum prices, on the other hand, were 7.3 percent higher than their five-year October averages (Figure 4). Given the market opportunity in South Sudan, Tanzania plans to export approximately 60,000 tons of white sorghum this season via the Cereals and Other Produce Board (CPB).



Round potatoes

The national average wholesale price for round potatoes increased by 6.3 percent in October, from TZS 60,300/100kg bag in September to TZS 64,100/100kg bag in October. Similarly, prices in the reporting period were 12.6% lower than in the same period last year. Furthermore, prices in October 2021 were 10.9% lower than their five-year September averages (Figure 5).



NOTES

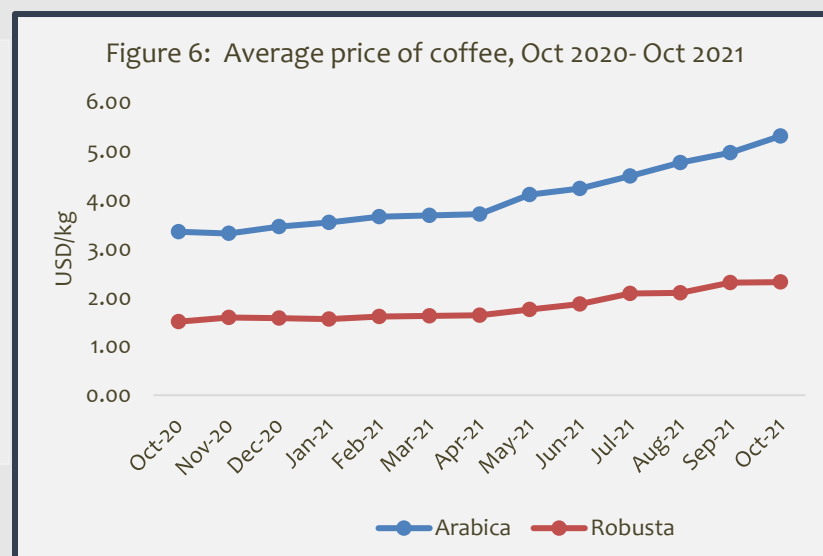
- ✓ Market price: Refer to nominal or observable prices
- ✓ Price level: National average wholesale price in Tanzanian Shilling (TZS) per 100kg bag
- ✓ The symbols (▲▼▶) indicate the direction of price changes. (▲) price increased; (▼) price decreased; (▶) no changes in price
- ✓ Source of data: Ministry of Industry and Trade

2. World market prices of selected commodities (Source: World Bank, 2021)

Coffee

Coffee prices for Arabica and Robusta varieties increased by 6 and 0.5 percent, respectively, in comparison to October 2020 prices (Figure 6). Arabica is known to be more expensive to produce than Robusta. This affects the final price of the two varieties. The coffee market was still being driven by adverse weather in Brazil and increased demand as a result of Covid 19 supply disruptions ([ICO,2021](#)).

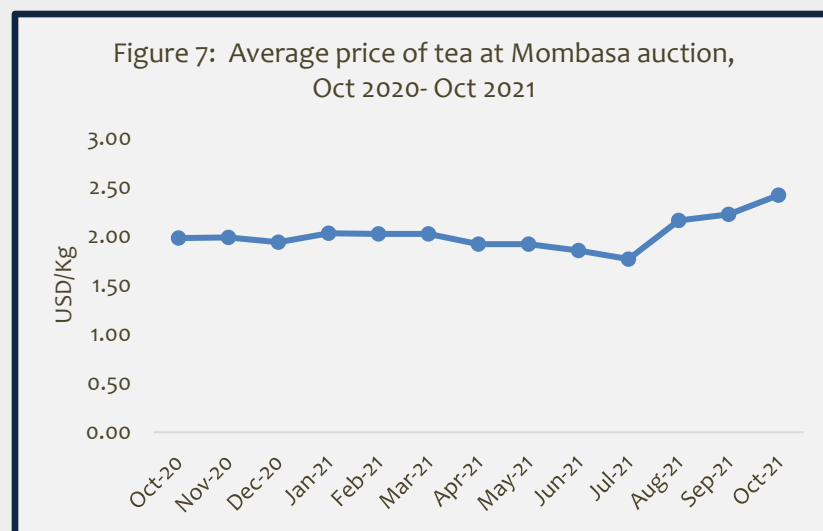
Benchmark: Coffee (ICO), International Coffee Organization indicator price, other mild Arabicas, average New York and Bremen/Hamburg markets, ex-dock



Tea

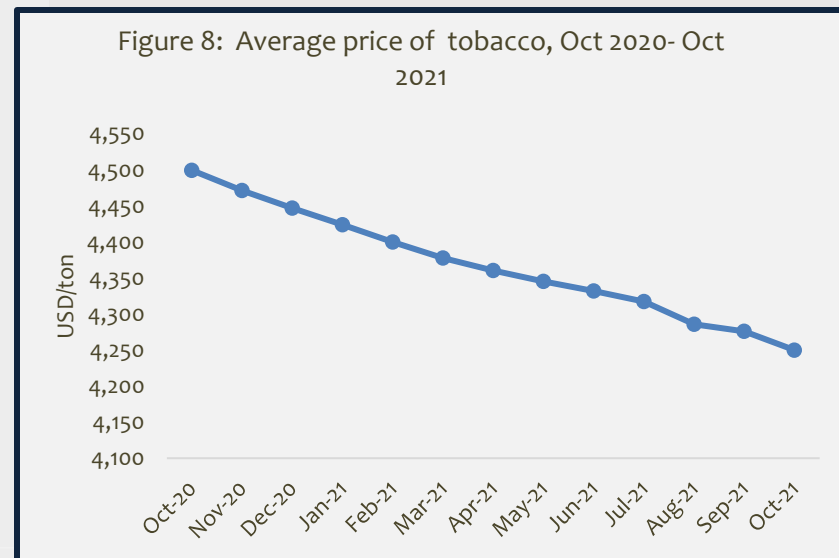
Tea prices at the Mombasa auction market have steadily declined over the last ten months. Prices increased by 8.9 percent from the beginning of September 2021 to the end of October 2021, rising from 2.22 USD/Kg in September to 2.42 USD/Kg in October (Figure 7).

Benchmark: Tea (Mombasa/Nairobi auctions), African origin, all tea, arithmetic average of weekly quotes



Tobacco

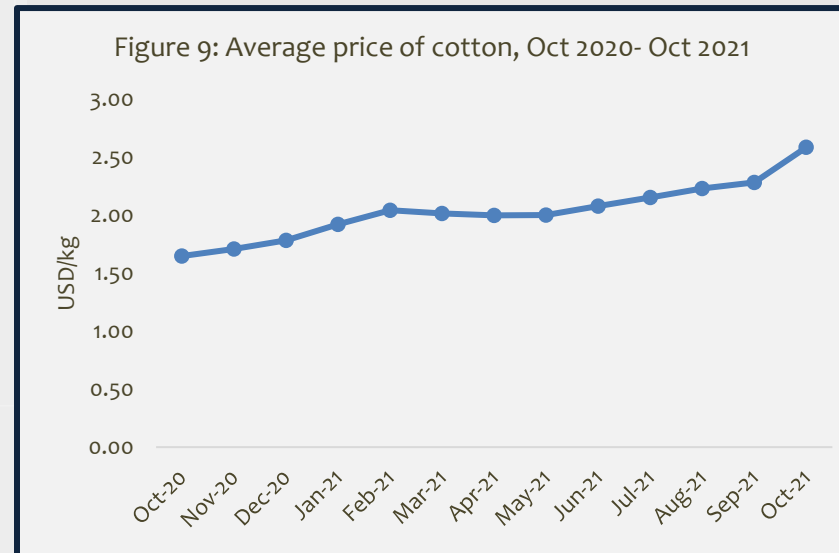
Tobacco prices dropped by 1 percent from an average of USD 4,275.96/ton in September to USD 4,249.84/ton in October 2021. Overall, global tobacco prices have been steadily declining over the last year (Figure 8). Prices are expected to continue falling as a result of increased health consciousness, strict government policies, and the increased availability of substitutes such as e-cigarettes.



Cotton

Cotton prices increased (by 13.2percent) in October 2021, rising from 2.22 USD/Kg in September 2021 to 2.42 USD/Kg in October 2021. (Figure 9). Global cotton prices have risen since the beginning of 2021, owing to projected production shortfalls at a four-year low. Lower inventory and insufficient carryover stocks resulted in increased demand from major consuming countries such as China and India.

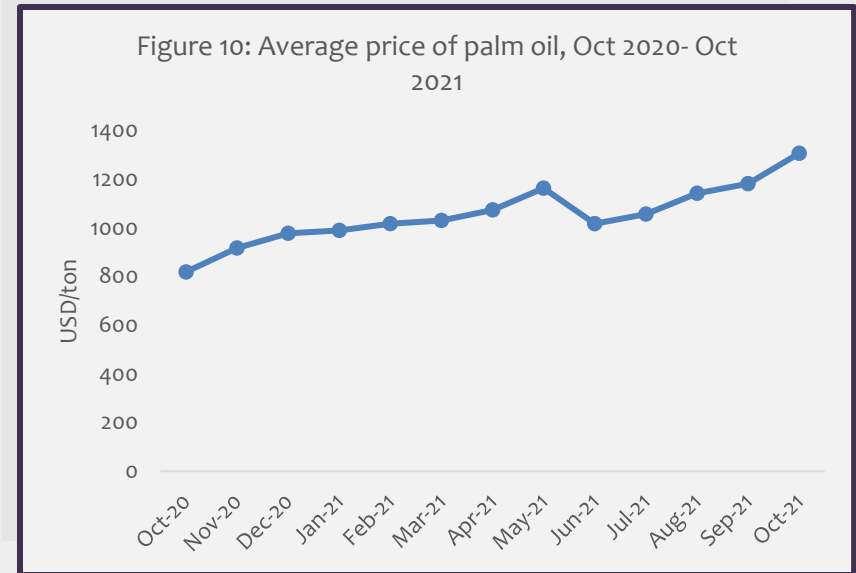
Cotton (Cotton Outlook "CotlookA index"), middling 1-3/32 inch, traded in Far East, C/F beginning 2006; previously Northern Europe, c.i.f.



Edible Oil- (Palm Oil)

Global palm oil prices increased by 10.6 percent since September 2021, from USD 1,181/ton to USD 1,306/ton in October 2021 (Figure 10). The price increase over the last year has been attributed to a number of factors, including hot and dry weather conditions in Canada, Brazil, Argentina, and the United States, which impacted the canola crop used to produce canola oil. Canola oil is a palm oil substitute. Second, concern over Covid 19 about palm oil production in Malaysia and Indonesia (major producers of palm oil) has resulted in a labor shortage, and third, increased demand for refined palm oil in India following the removal of import duties ([The Economic Times](#)).

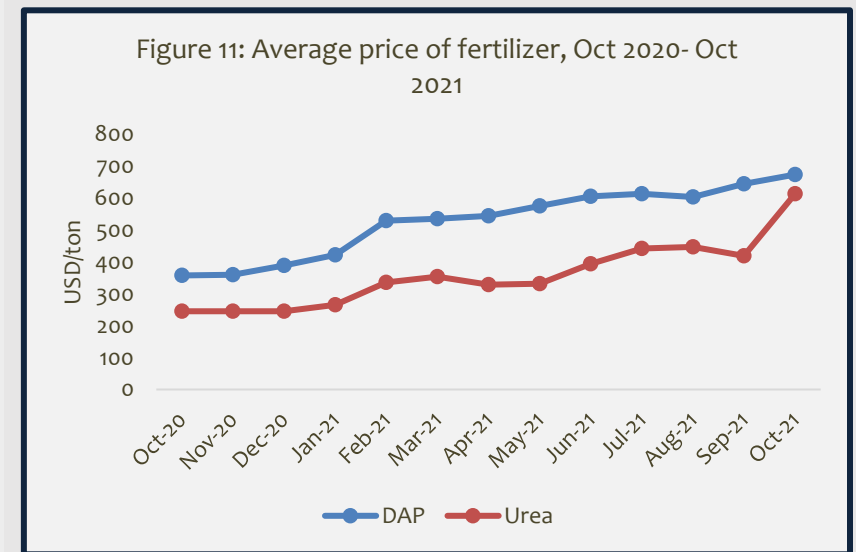
Ref: Palm oil (Malaysia)



Fertilizers

Between September and October 2021, DAP and Urea fertilizers prices increased by 4 and 4.6 percent respectively (Figure 11). DAP prices have risen as a result of export restrictions imposed by China, the world's largest exporter. Morocco remained a viable export option. It is important to note that Brazil and India are the world's largest fertilizer consumers, and thus have an impact on global market prices.

Ref: DAP (Diammonium phosphate), spot, f.o.b. US Gulf; Urea, (Ukraine), f.o.b. Black Sea



Disclaimer: The views expressed in this bulletin are those of the authors and may not reflect those of **the Ministry of Agriculture (MoA)**. This bulletin is strictly for informational purposes only. The authors have made every effort to ensure accuracy of information provided; however, neither the Ministry of Agriculture nor the authors can guarantee such accuracy.

For further information, contact:

**Ag: Assistant Director,
Agricultural Marketing Section,
P.O. Box 2182, DODOMA.
Email: masoko@kilimo.go.tz**