



The United Republic of Tanzania
Ministry of Agriculture
Agricultural Marketing Section

MONTHLY MARKET BULLETIN

August, 2022

➔ 1. Domestic Market Prices: Staple foods

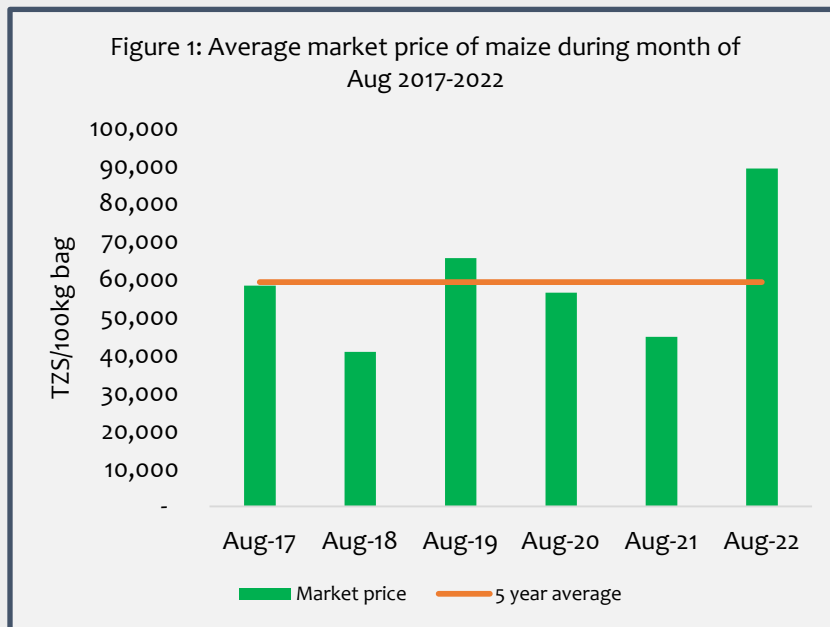
Prices for major staple food crops continued to increase in August than a month prior. A significant increase was observed in dry beans (8.2%) and sorghum (5.6%), followed by rice (3.1%), maize (2.2%) and round potatoes (0.7%). A decrease of 3.6% in wheat prices was observed. Despite the fact that it is harvest season, prices for major staples have risen significantly in comparison to the previous year and to the five year average as indicated in Table 1.

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

Commodity	Jul 2022	Aug 2022	Monthly change (%)	Annual change (%)	5-year average (%)
Maize	87,400	89,300	▲ 2.2	▲ 99.3	▲ 50.8
Rice	204,000	210,300	▲ 3.1	▲ 51.5	▲ 29.7
Dry beans	191,600	207,400	▲ 8.2	▲ 22.2	▲ 11.6
Sorghum	119,100	125,800	▲ 5.6	▲ 28.0	▲ 27.0
Round potatoes	81,700	82,300	▲ 0.7	▲ 34.0	▲ 11.7
Wheat	196,000	188,900	▼ 3.6	▲ 46.7	▲ 42.9

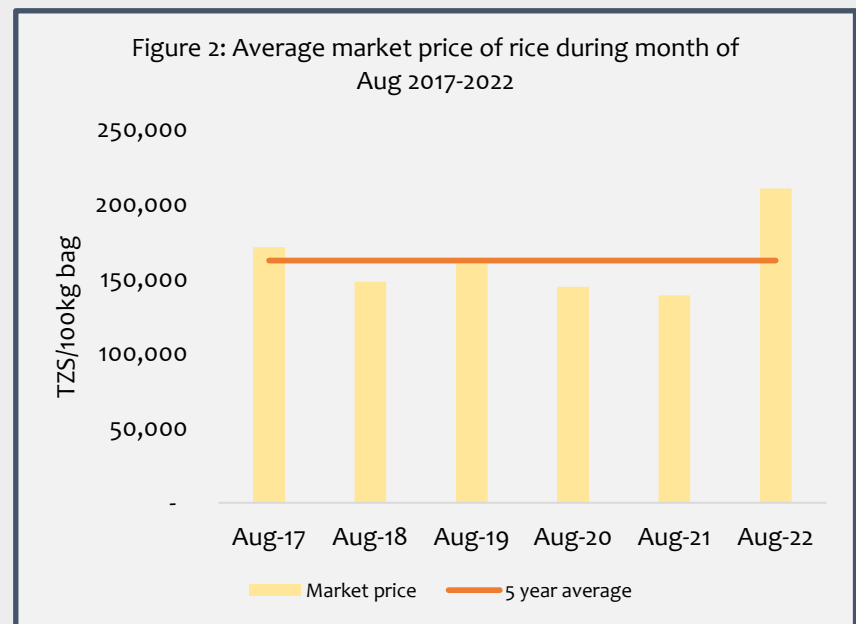
Maize

The average wholesale price significantly increased by 2.2% in August, rising from TZS 89,300/100kg bag in July to TZS 87,400/100kg bag in June (Table 1). Similarly, prices in August were 99.3% higher than the previous year's comparable month and 50.8% higher than the five-year August averages (Figure 1).



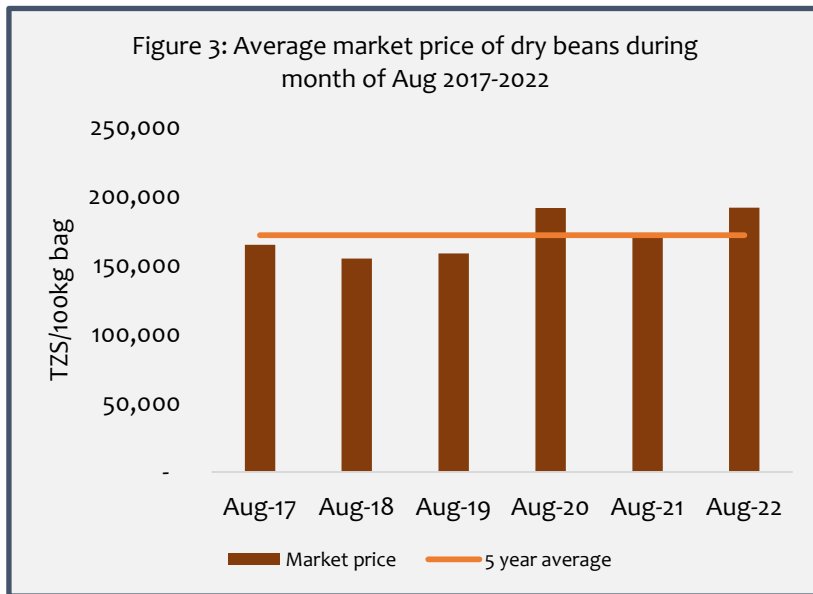
Rice

In August 2022, the average wholesale rice price increased by 3.1% from TZS 204,000/100kg bag in July to TZS 210,300/100kg bag in August (Table 1). Similarly, prices increased by 51.5% in August 2022 compared to the same month of the previous year, and by 29.7% compared to the five-year August average.



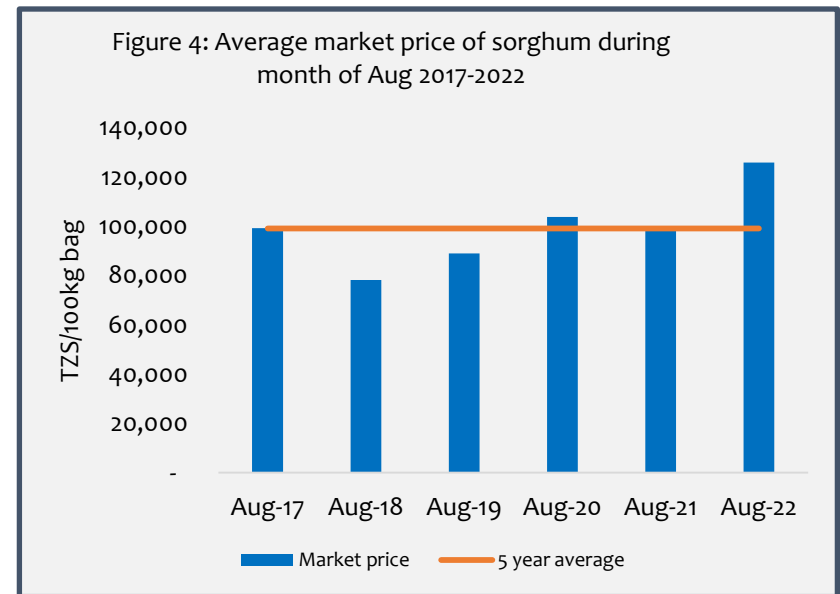
Dry beans

Bean prices have been relatively stable in recent months, with fluctuations across markets. Prices increased by 8.2% in August compared to July, rising from TZS 191,600/100 bag to TZS 207,400/100 bag. Furthermore, prices in August 2022 were 22.2% and 11.6% higher than the same month of the previous year and the five-year August average, respectively (Figure 3).



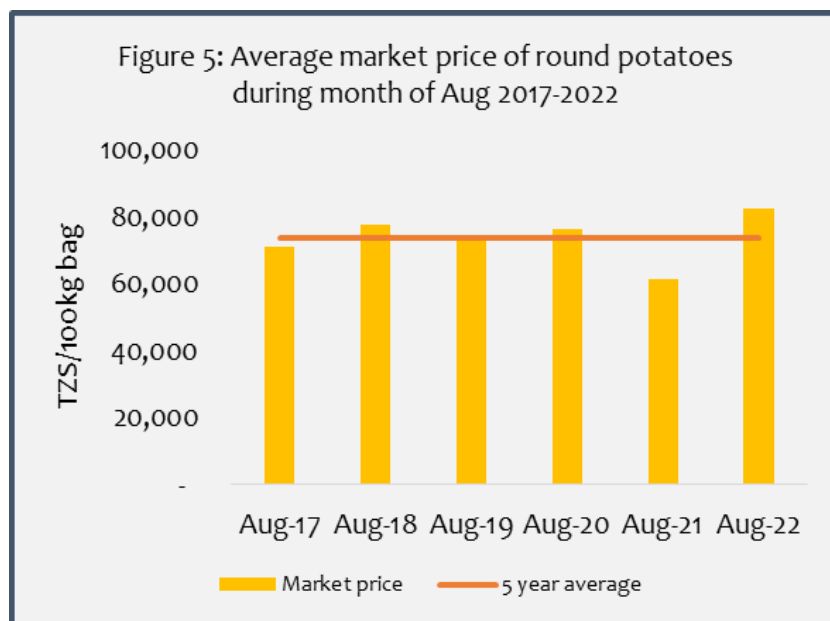
Sorghum

Sorghum's monthly average wholesale price increased by 5.6% in August, rising from TZS 119,100/100kg bag in July to TZS 125,800/100kg bag in August. Similarly, prices increased by 28% in August compared to the previous year's same month, and were 27% higher than the five-year August average (Figure 4).



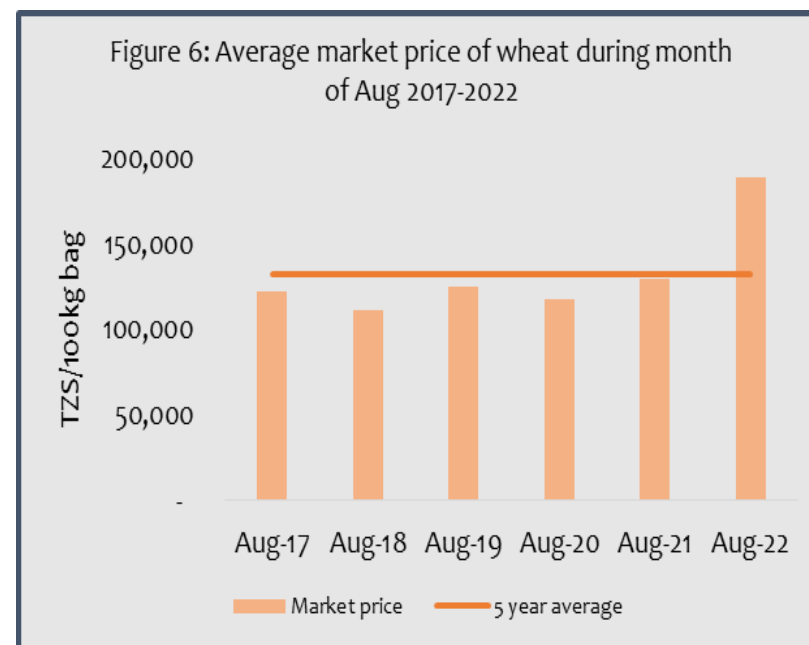
Round potatoes

The average wholesale prices for round potatoes have slightly increased by 0.7%, from TZS 81,700/100kg bag in July to TZS 82,300/100kg bag in August. Prices, on the other hand, were 34% higher in the reporting period than in the previous year's same period, and 11.7% higher than the five-year August average (Figure 5).



Wheat

The average wholesale prices for wheat grain decreased marginally by 3.6%, from TZS 196,000/100kg bag in July to TZS 188,900/100kg bag in August. Prices, on the other hand were 46.7% higher in the reporting period than in the previous year's same period, and 42.9% higher than the five-year August average (Figure 6). This year's price increase provides some insight into the supply situation for imported wheat as a result of the Russia-Ukraine war.



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 Investment, Industry and Trade

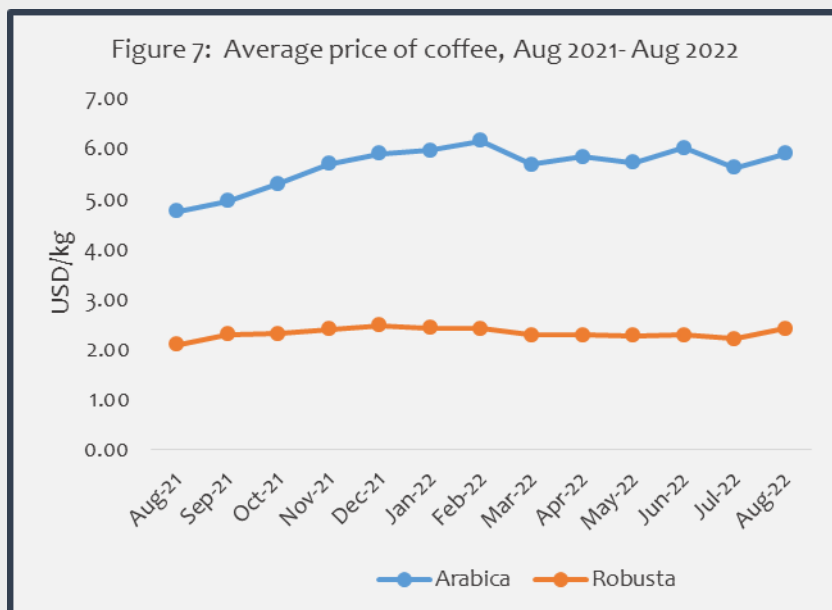
2. Global Prices: Traditional Export commodities (Source: World Bank, 2022)



In August, global market prices for traditional export crops showed a mixed trend. While coffee prices rose significantly, tea, cotton and tobacco prices have slightly decreased.

Coffee

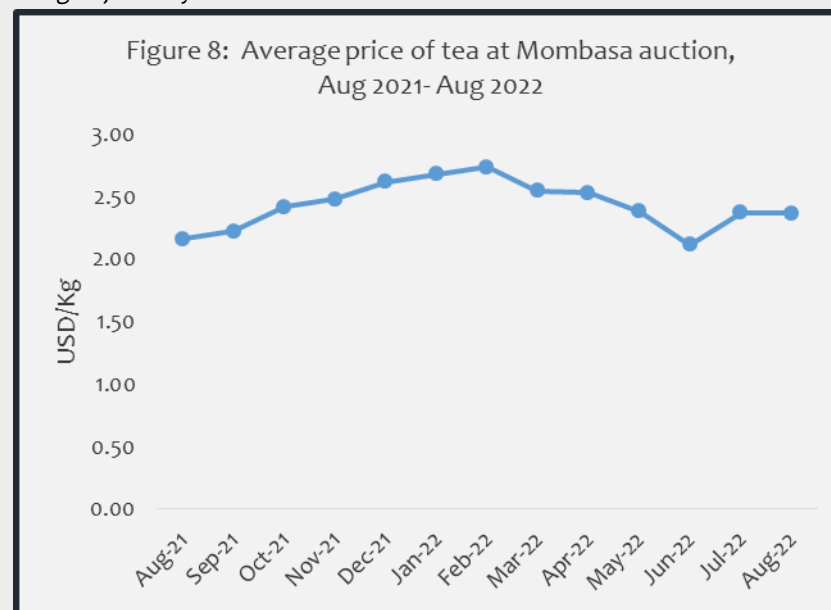
In August 2022, coffee prices have increased compared to July monthly average prices. While Arabica prices rose by 4.7%, Robusta prices rose by 8.5% as indicated in Figure 7. As a result of the conflict between Russia and Ukraine, coffee demand and supply trends are expected to be influenced by increased input costs that lead to rise in production costs ([ICO, 2022](#)).



Tea

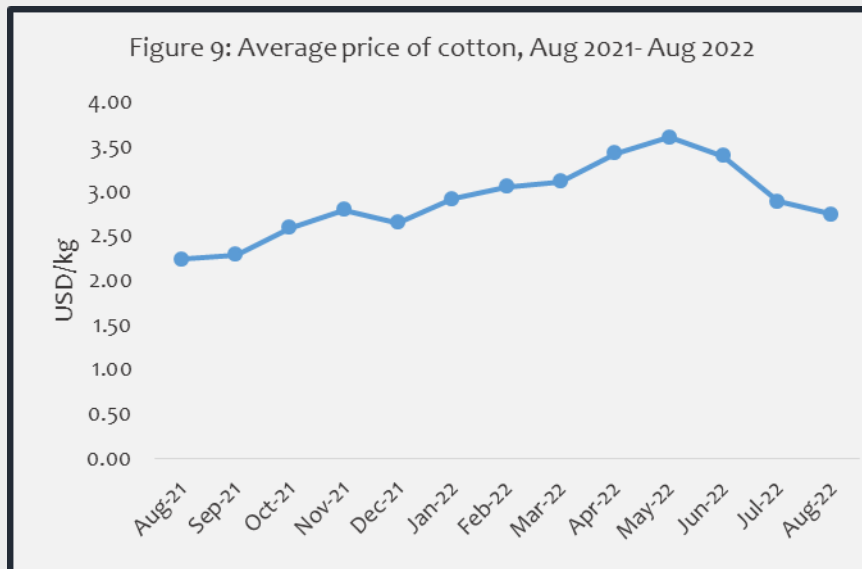
Tea prices at the Mombasa auction market have slightly declined by 0.2% compared to the last month from USD 2.37 in July 2022 to USD 2.36 in August 2022, following a feverish series of several months last year and beginning of 2022. (Figure 8).

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



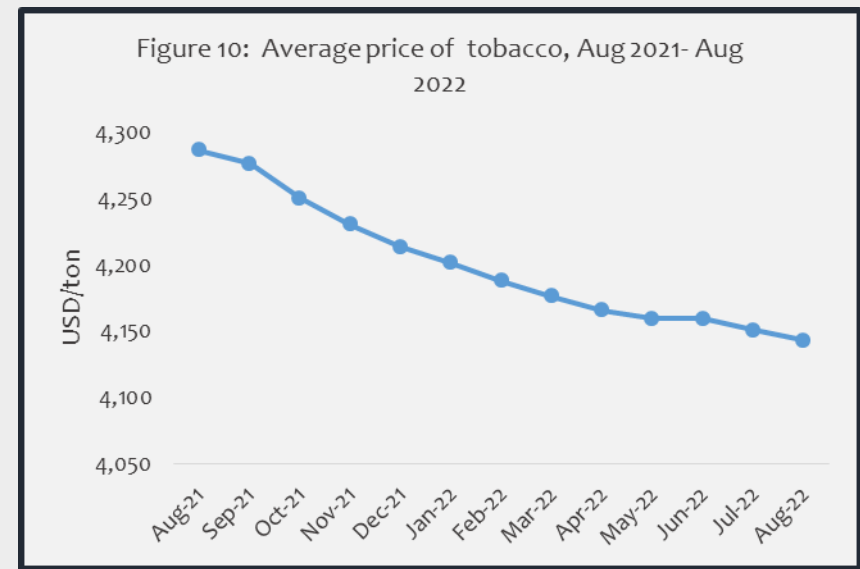
Cotton

Cotton prices have risen over the last year. However, prices have slightly decreased by 5.3 % in August 2022, from 2.89 USD/Kg in July 2022 to 2.74 USD/Kg in August 2022. (Figure 9). The reason could be a drop in demand from Mexico and Bangladesh which are the two largest clothing producers. On the other hand, cotton prices are expected to rise in 2022 as global output is expected to fall, particularly in the USA due to hot and dry weather conditions in key growing areas that threatened the condition of the natural fiber crop and raised supply concerns ([Trading Economics, 2022](#)).



Tobacco

Over the last year, global tobacco prices have been steadily declining (Figure 10). Prices declined by 0.2% in August 2022. The drop in prices could be attributed to increased health awareness and stringent government policies prohibiting the use of tobacco. According to a World Health Organization report, the global prevalence of tobacco use has been declining for the past two decades ([WHO, 2021](#)).



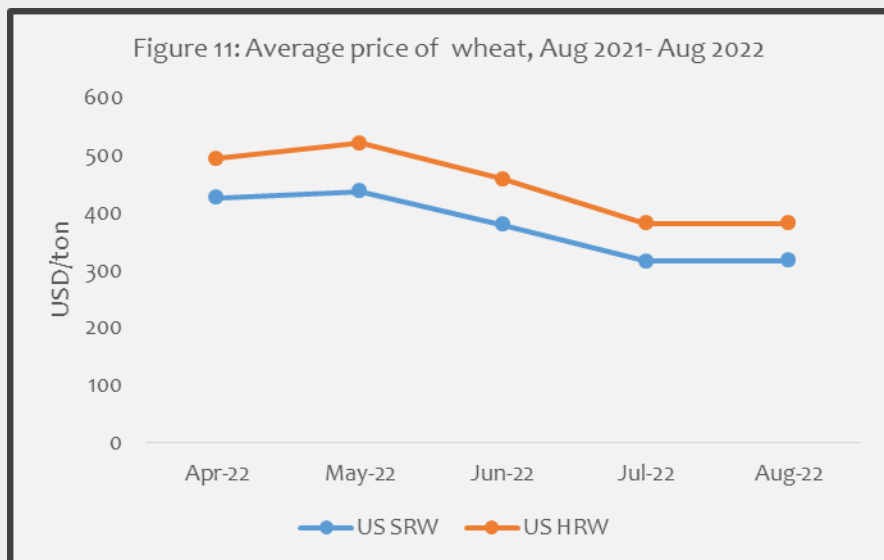
3. Import Substitution Commodities (Source: World Bank, 2022)

➔ World market prices for wheat have slightly increased, edible oil and Fertilizer declined modestly in August for the second consecutive month

Wheat

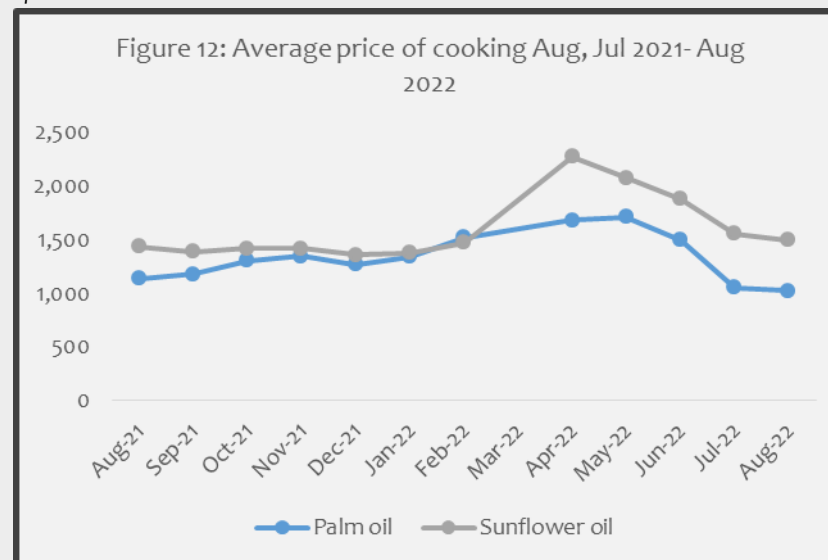
Ukraine and Russia accounted for nearly 30% of global wheat exports. However Following several months of Russia’s invasion of Ukraine, it upended trade flows and sent futures soaring leading to increase in wheat prices. For instance, prices for (US SRW variety) increased by 0.3% from USD 316.69 /ton in July 2022, to USD 317.69/ton in August 2022 (Figure 11). ([Bloomberg](#)).

*Wheat (US), soft red winter (SRW), Wheat (US), hard red winter



Edible Oil

Edible oil prices have quite declined in the month of August 2022. Palm oil decreased by 3% from USD 1,056.64/ton in July 2022 to USD 1,025.95/ton in August and sunflower oil decrease by 4.1% from USD 1,556.87/ton in July 2022 to USD 1,496.22/ton in August 2022. However soybean oil prices have increased by 4.1% from USD 1,533.40/ton in July 2022 to USD 1,598.78/ton in August 2022 (Figure 12). Ref: Palm oil (Malaysia), palm oil demand and supply outlook report 2022.

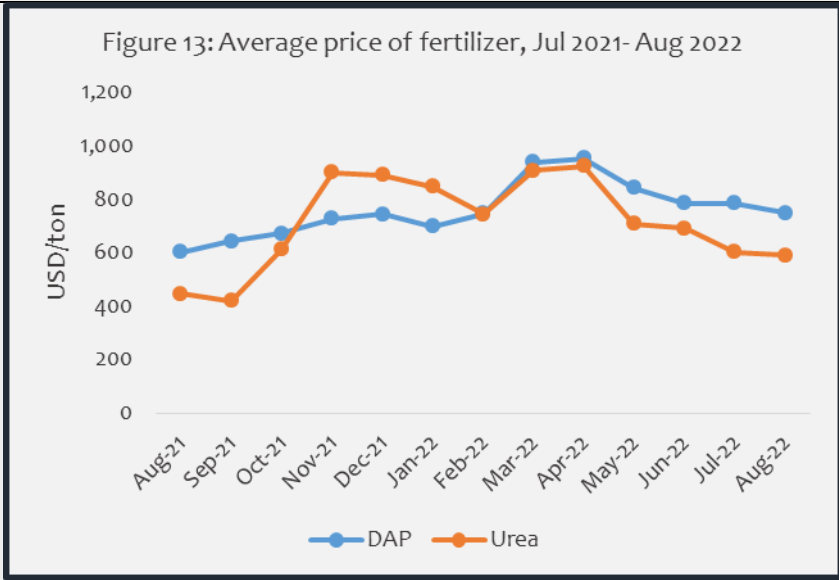


4. Farm Inputs (Source: World Bank, 2022)

➔ Global fertilizer prices declined in August due to low seasonal demand. However, prices remain higher than a year ago

Fertilizer

Fertilizer prices dropped further in August. DAP prices fell by 0.05% in August 2022, from USD 784/ton in July to USD 749.38/ton. Similarly, Urea prices have dropped by 0.02%, from USD 601/ton in July 2022 to USD 591.25/ton in August 2022 (Figure 13). The price decline is due to low seasonal demand and ongoing concerns about global supply.



About the Bulletin

This bulletin provides domestic and international markets outlook for five commodity groups including **staples** (maize, rice, beans, sorghum, and round potatoes), **traditional export crops** (coffee, cotton, tea, and tobacco), **import substitution commodities** (edible oil, and wheat) and **farm inputs** (fertilizer). This bulletin's information serves as a benchmark for key players along the respective value chains to make informed decisions.

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