



Ministry of Agriculture
Agricultural Marketing Section

MONTHLY MARKET BULLETIN

Nov, 2023

Executive Summary

Prices for major staple food crops expect maize increased at different rates in November than a month prior but remain significantly lower in comparison to the previous year and high comparison to the five-year average. Coffee after a rebound from a decline caused by adverse weather conditions, global coffee production is expected to rise, particularly in Brazil and Colombia. Consequently, prices are expected to fall slightly as a result of increased production. Lower tea prices reflect robust supply from major producers and exporters, including India and Kenya as well as weak demand by key importers, including Iran. Following a projected 8 percent decline in 2023, tea prices are expected to decline a further 2 percent in 2024 before stabilizing in 2025 as supply in South Asia, especially Sri Lanka, recovers. Because of cotton global production dynamics, prices are projected to trend low in December 2023, and pick up again in 2024 as demand gains momentum. Wheat import bill increased from USD Mil 308.9 to USD mil 399.8, Edible Oil from USD Mil 145.1 to USD mil 162.5 and fertilizer from 397.7 to 499.7 in 2022 the fiscal year ending October, 2023. Tanzania has an advantage in increasing commodity exports and reducing imports by improving production of edible oil, wheat, and fertilizer.

1. Domestic Market Prices: Staple foods

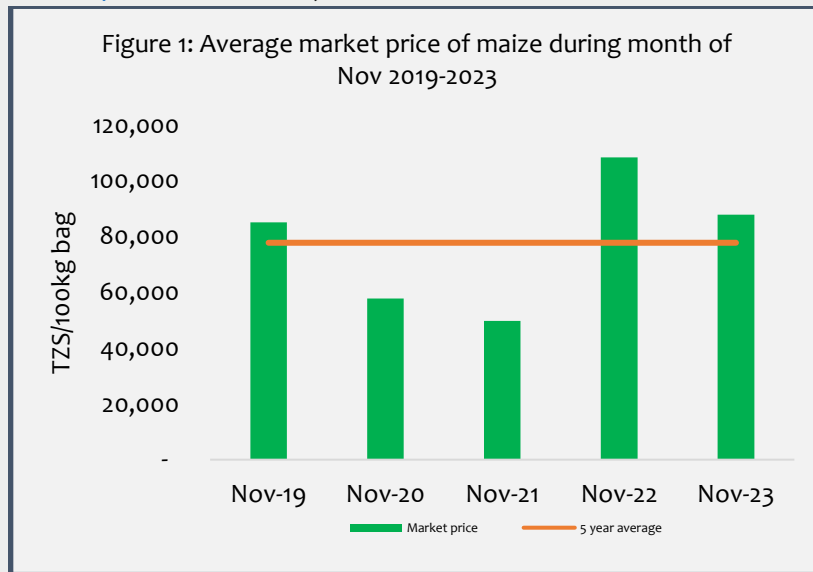
Prices for major staple food crops expect maize increased at different rates in November than a month prior but remain significantly lower in comparison to the previous year and high comparison to the five-year average. Prices of maize decreased by (1.5%) but remain significantly high in comparison to the previous year and to the five-year average (Table 1). In November, price of round potatoes, dry beans, wheat, rice and sorghum increased by 3.6%, 1.8%, 1.6%, 1.0% and 1.0% respectively. The potential impacts of El Nino climatic conditions in the next production year will play an increasingly important role in market trends as traders look ahead towards potential production shortfalls.

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

Commodity	Oct 2023	Nov 2023	Monthly change (%)	Annual change (%)	5-year average (%)
Maize	89,200	87,900	▼ 1.5	▼ 18.9	▲ 13.0
Rice	264,300	267,000	▲ 1.0	▼ 1.8	▲ 30.9
Dry beans	265,800	270,500	▲ 1.8	▼ 3.8	▲ 20.1
Sorghum	132,000	133,300	▲ 1.0	▼ 1.5	▲ 14.9
Round potatoes	83,200	86,200	▲ 3.6	▼ 5.2	▲ 10.5
Wheat	183,300	186,300	▲ 1.6	▼ 7.0	▲ 21.5

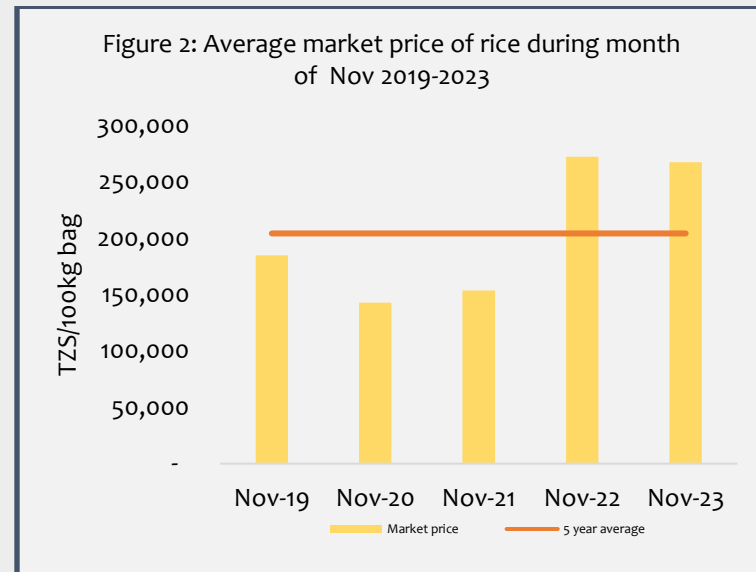
Maize

In November, the average wholesale price declined by 1.5 percent, from TZS 89,200/100kg bag in October to TZS 87,900/100kg in November (Table 1). Despite the November price decrease, maize prices remained 13% higher comparable to five-year November averages, (Figure 1). Maize prices are projected to decline across most markets between November 2023 and March 2024. Global maize supply is expected to rebound strongly in 2024 due to favourable growing conditions in Argentina, Brazil, and the United States([World Bank report October, 2023](#)).



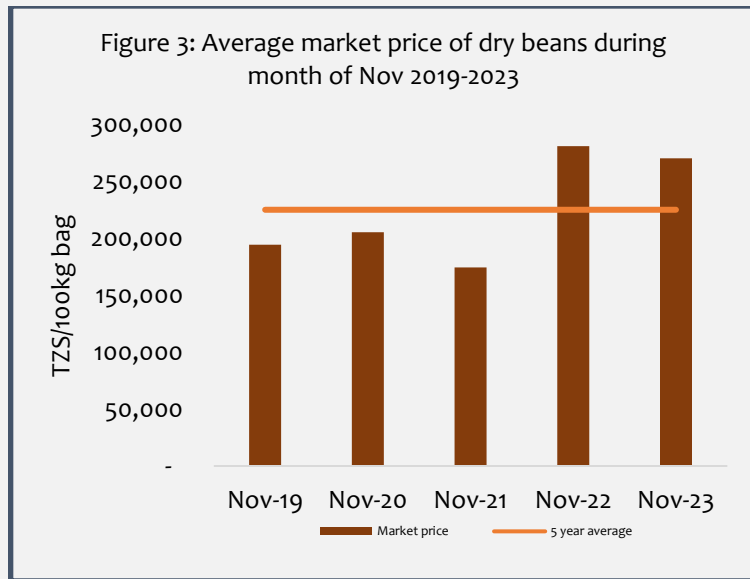
Rice

Rice prices increased by 1.0 percent in November, from TZS 264,300/100kg bag in October to TZS 267,000/100kg bag in November (Table 1). Similarly, prices decreased by 1.8% in November compared to the previous year's same month, and increased by 30.9% compared to the five-year November averages (Figure 2).



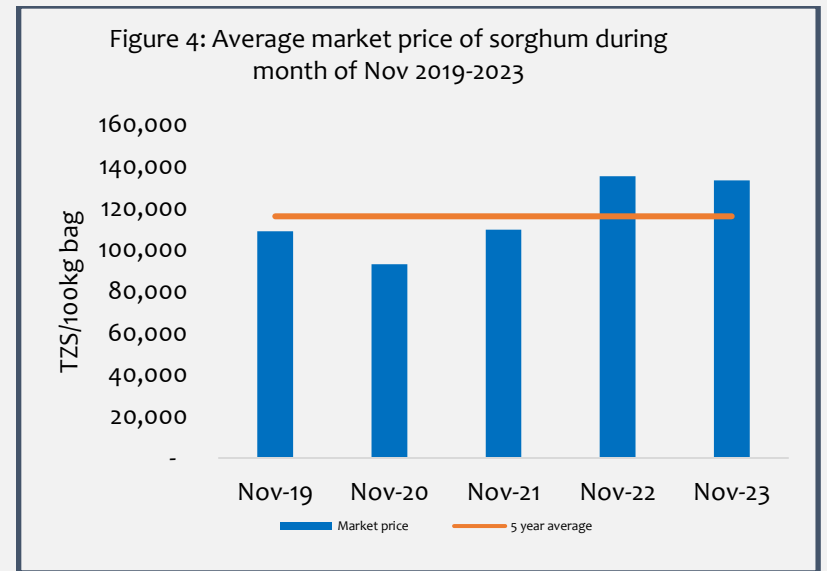
Dry beans

Beans prices slightly increased by 1.8 percent in November, from TZS 265,800/100kg bag of October to about TZS 270,500/100kg bag in November 2023. Prices in November remained significantly lower by about 3.8% compared to the same month previous year and 20.1% higher than the five-year November average (Figure 3).



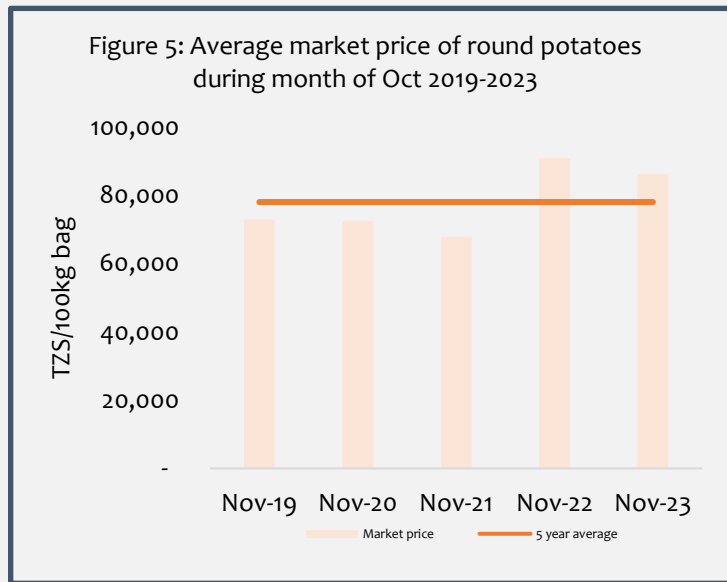
Sorghum

The monthly average wholesale price of sorghum increased by 1.0 percent in November, increasing from TZS 132,000/100kg bag in October to TZS 133,300/100kg bag in November. However, prices remained lower at 1.5% in November compared to the same month the previous year, and were 14.9% higher than the five-year November average. (Figure 4).



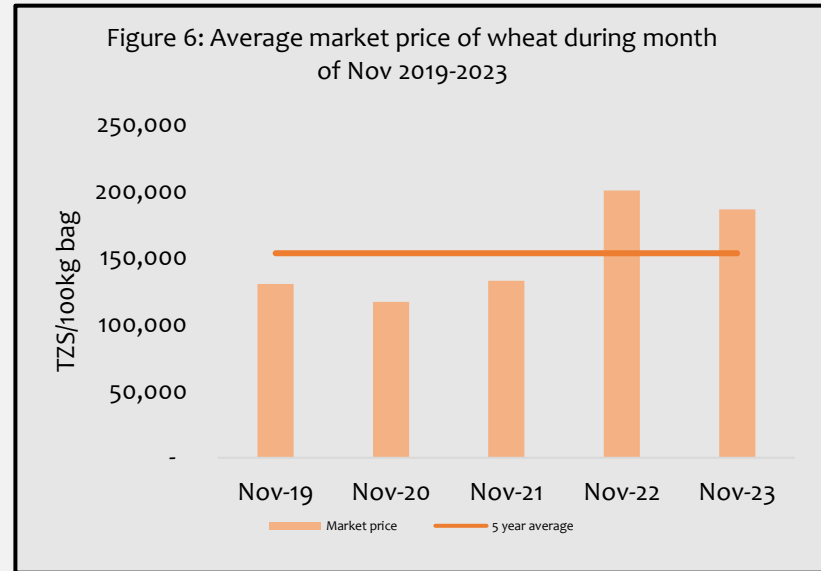
Round potatoes

In November, round potato wholesale prices increased by 3.6 percent, from TZS 83,200/100kg bag in October to TZS 86,200/100kg bag November. Similarly, prices remained 5.2% lower in the reporting period compared to the same period the previous year, and 10.5% higher than the five-year November average (Figure 5).



Wheat

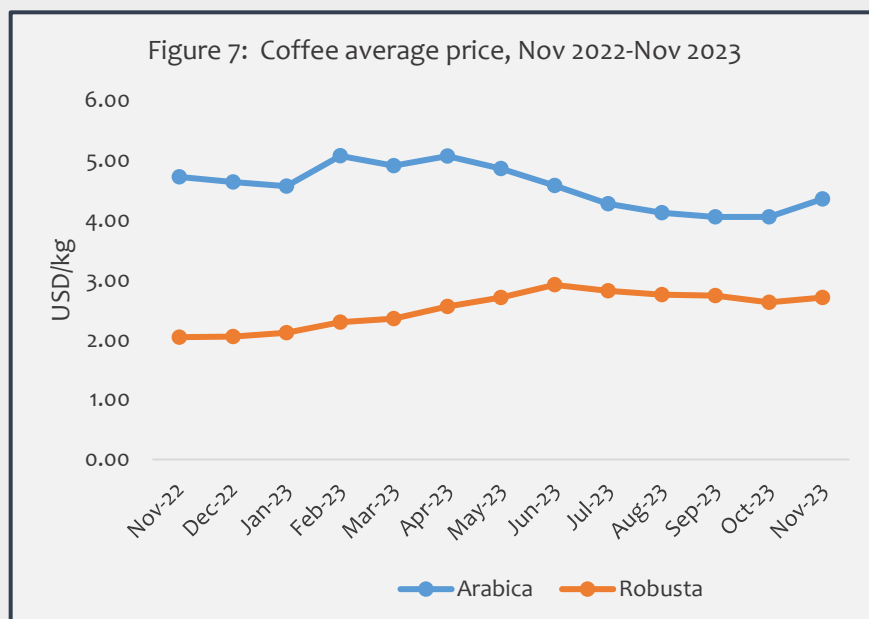
Wheat grain wholesale prices increased by 1.6 percent in November, from TZS 183,300/100kg bag in October to TZS 186,300/100kg bag in November. Prices, on the other hand, were 7% lower in the reporting period compared to the same period the previous year, and 21.5% higher than the five-year November average (Figure 6).



2. Global Prices: Traditional Export commodities (Source: World Bank, 2023)

Coffee

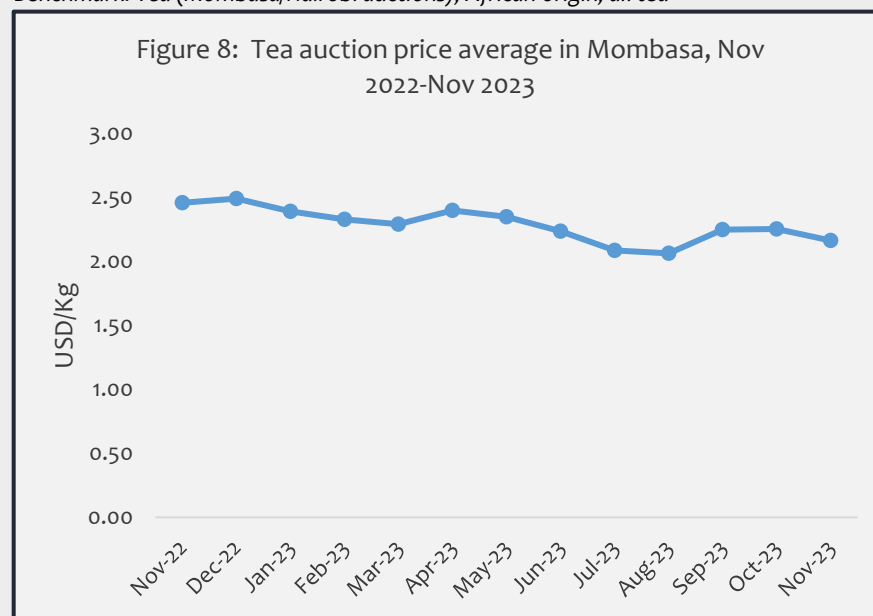
In November 2023, coffee prices have changed at different rates compared to October. Arabica prices increased by 7.4 percent but remained lower than they were a year ago. After a drop in October, Robusta prices have been increasing and increased by 3.2 percent in November (Figure 7). After a rebound from a decline caused by adverse weather conditions, global coffee production is expected to rise, particularly in Brazil and Colombia. Consequently, prices are expected to fall slightly as a result of increased production ([World Bank, 2023](#)).



Tea

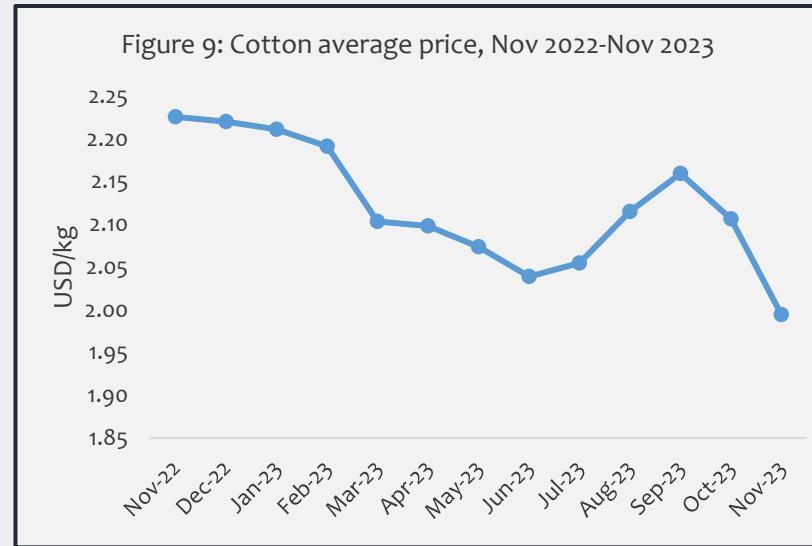
Despite prices stability in September and October 2023, international tea prices declining in November 2023. Prices at the Mombasa auction market have decreased by 4 percent in November, compared to their prices in October, from USD 2.25/kg in October 2023 to USD 2.16/kg in November 2023 (Figure 8). Lower tea prices reflect robust supply from major producers and exporters, including India and Kenya as well as weak demand by key importers, including Iran. Following a projected 8 percent decline in 2023, tea prices are expected to decline a further 2 percent in 2024 before stabilizing in 2025 as supply in South Asia, especially Sri Lanka, recovers. ([World Bank, 2023](#)).

Benchmark: Tea (Mombasa/Nairobi auctions), African origin, all tea



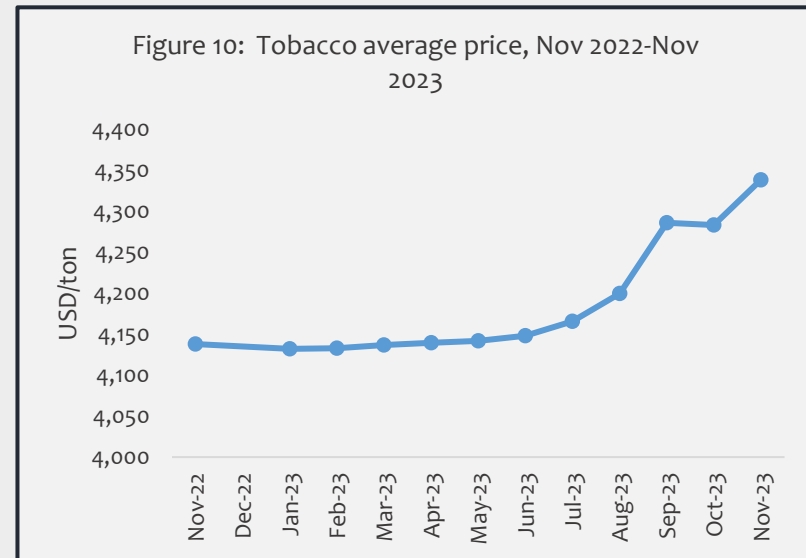
Cotton

Cotton prices have risen over the last year, and then dropped significantly in the months that followed. Prices in November, 2023 slightly dropped by 2.5% from 2.11 USD/kg of October to 1.99 USD/Kg of November. Global consumption of cotton has weakened recently causing a decline in prices. Because of global production dynamics, prices are projected to trend low in December 2023, and pick up again in 2024 as demand gains momentum.



Tobacco

Over the last year, global tobacco prices have been steadily declining (Figure 10). Prices picked up in May 2023 and continued to slightly increase from 4283.05USD/ton in October 2023 to 4338.14 USD/ton in November 2023.

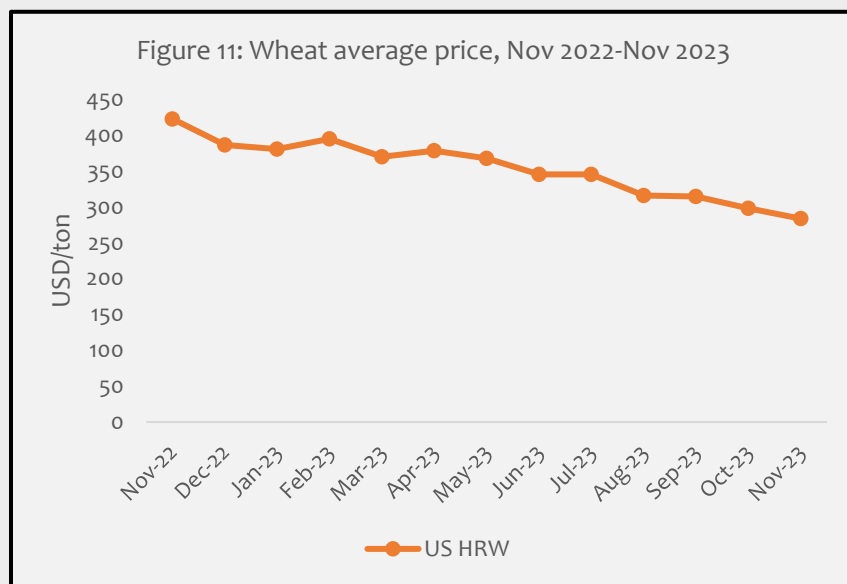


3. Import Substitution Commodities (Source: World Bank, 2023)

Wheat

Ukraine and Russia accounted for nearly 30% of global wheat exports. Following several months of Russia’s invasion of Ukraine, prices of wheat have soared. However, wheat observed a decline in prices from their pick in November 2022 reflecting improved supply prices (Figure 11). Tanzania imports about 90% of domestic wheat requirement. Wheat import bill increased from USD Mil 308.9 in 2022 to USD mil 399.8 in the fiscal year ending October, 2023 (BoT, 2023¹)

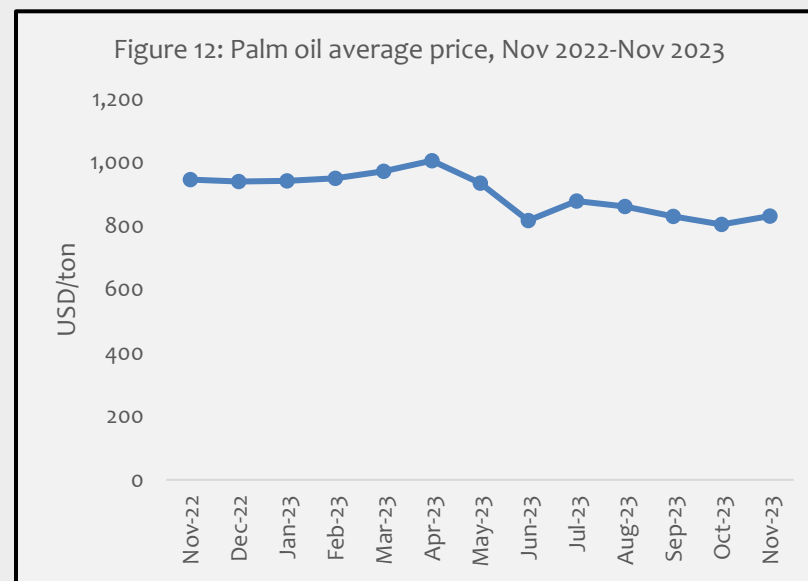
*Wheat (US), hard red winter (HRW)



Edible Oil (Palm)

The price of palm oil fell sharply from its peak in April 2023 to its lowest level in October. Palm oil prices increased marginally by 3.3 percent in November 2023, from USD 804.26/ton in October 2023 to USD 830.47/ton in November (Figure 12). Edible Oil import bill increased from USD Mil 145.1 in 2022 to USD mil 162.5 in the fiscal year ending October, 2023 (BoT, 2023).

Ref: Palm oil (Malaysia), palm oil demand and supply outlook report 2022.

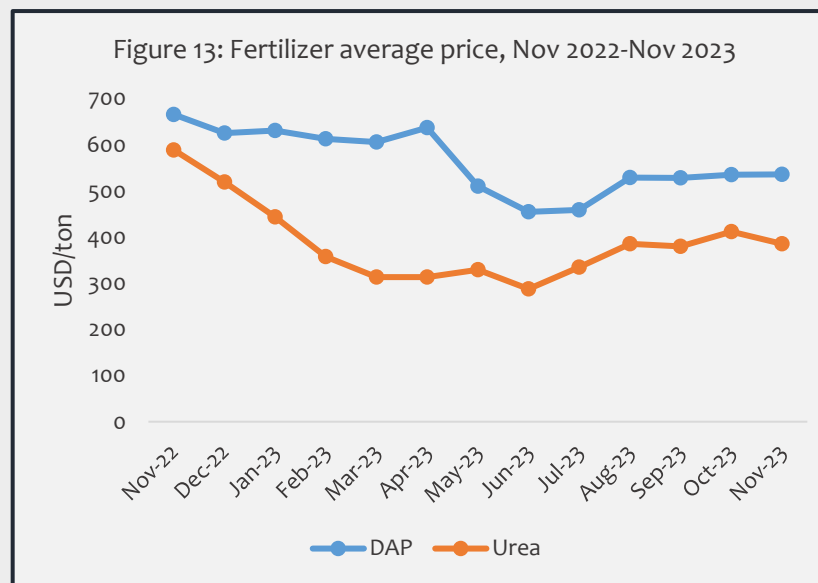


¹ BoT-Monthly Economic Review, November 2023

4. Farm Inputs (Source: World Bank, 2023)

Fertilizer

Both Urea and DAP fertilizers recorded lower prices in June 2023 to their pick in October 2023. In November, increase of 1.3 percent in DAP prices was observed while a Urea decreased by 8.3 percent from prices recorded in October (Figure 13). International prices are expected to continue declining as natural gas prices fall. Tanzania imports roughly 90% of its fertilizer annual requirement. The fertilizer subsidy program, which is currently in effect, is expected to lower production costs and increase farm yield.



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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