



**The United Republic of Tanzania
Ministry of Agriculture
Agricultural Marketing Section**

MONTHLY MARKET BULLETIN

April, 2021

Introduction

This bulletin provides monthly highlights on market prices of major food crops across domestic and some regional markets. The bulletin also provides global market information on traditional export crops (coffee, cotton, cashew nut, tea, and tobacco), import substitution commodities (sugar, edible oil and wheat) 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

- ✓ *In April, prices for rice and dry beans increased by 0.5 % and 0.1 respectively while the prices for maize, round potatoes and sorghum decreased by 7.4%, 5%, and 1.3% respectively. The decline in prices is an indication of sufficient supply in the markets. Also, the ongoing rains and the positive weather outlook could have influenced traders to release their stocks into the market. On average, price of staple foods is significantly lower compared to a year earlier.*
- ✓ *Prices for traditional export crops including, coffee- arabica, coffee -robusta, cotton and wheat increased marginally by 0.7%, 0.6%, 0.8% and 3.2 respectively while prices for cotton, tobacco and tea decreased by 0.8%, 0.4% and 5.2% respectively.*
- ✓ *Prices for edible oil in the global market in April increased by 4.2%. The increase in prices for edible oil affect prices for cooking oil in the domestic markets as the countries' imports about 60% of the edible oil.*
- ✓ *Price for DAP increased by 1.7% while price for Urea fertilizers decreased by 7% between March and April 2021. Prices for both fertilizers have been increasing since mid-2020 mainly due to strong demand. A modest increase is forecasted throughout 2021 due to the prolonged second wave of covid-19.*

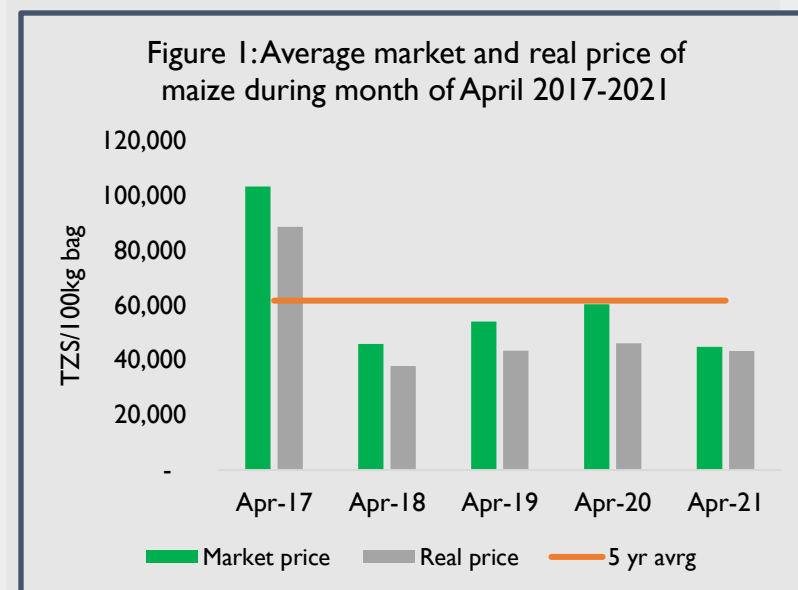
I. National monthly average prices of major food crops

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

Commodity	Mar 2021	Apr 2021	Monthly change (%)	Annual change (%)	5 years average (%)
Maize	48,400	44,860	▼ 7.4	▼ 26	▼ 27
Rice	139,700	140,350	▲ 0.5	▼ 22	▼ 18
Dry beans	178,100	178,200	▲ 0.1	▼ 3	▲ 2
Sorghum	100,600	99,260	▼ 1.3	▼ 15	▼ 3
Round potatoes	71,100	67,250	▼ 5	▼ 8	▼ 8

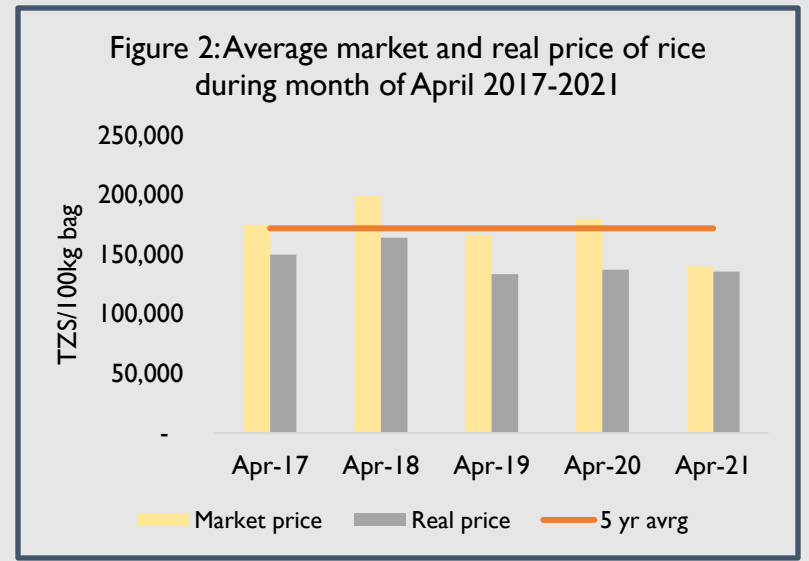
Maize

The monthly national average wholesale price for maize decreased by 7.4% from TZS 484/kg recorded in March 2021 to TZS 448/kg in April 2021 (Table I). Similarly, market prices in April indicated a decline of about 26% compared to prices in the same period last year (Figure 1). Furthermore, prices for April 2021 were below by 27% when compared to their five-year April average. An overall decrease in prices could be due to increased supply of maize in the markets.



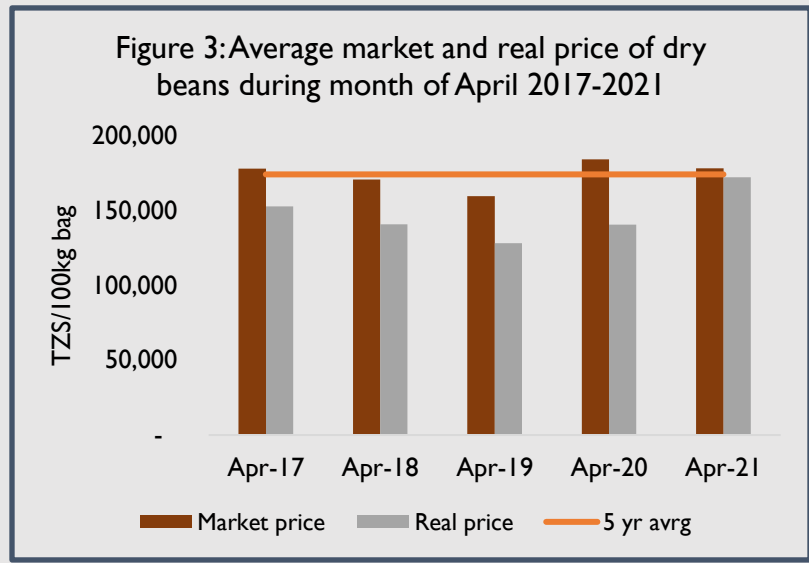
Rice

On average, wholesale prices for rice increased slightly by 0.5% from TZS 1,397/kg in March, 2021 to TZS 1,400/kg in April, 2021 (Table 1). On the other hand, market prices in April, 2021 declined by 22% compared to the same month last year and were below by 18% when compared to its five-year April average (Figure 2).



Dry beans

Between March and April, 2021, the wholesale prices for beans remained stable with just a 0.1% increase. Also, prices in April, 2021 decreased by 3% compared to the same month last year (Figure 3). In recent months, beans prices have remained significantly higher by 2% over the past five-year April average. Decreasing in prices is likely to happen due to ongoing crop harvesting season including.



Sorghum

Monthly average wholesale prices for sorghum decreased by 1.3% from an average of TZS 1,006/kg in March, to TZS 992/kg in April, 2021. Likewise, prices decreased by 15% in April, 2021 compared to the same period last year and were significantly lower by 3% compared to its five-year April average (Figure 4).

Round potatoes

In April, the national average wholesale prices for round potatoes decreased by 5% from TZS 711/kg recorded in March to TZS 673/kg in April, 2021. Similarly, prices in the reporting period were below those of the same period last year by 8%. Furthermore, prices for April were lower by 8% compared to its five-year April averages (Figure 5).

Figure 4: Average market and real price of sorghum during month of April 2017-2021

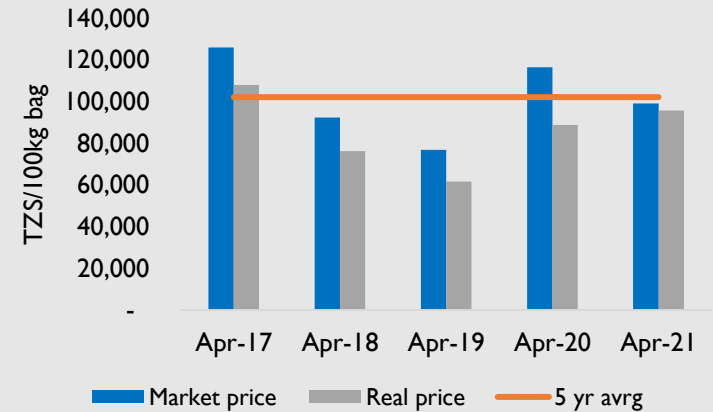
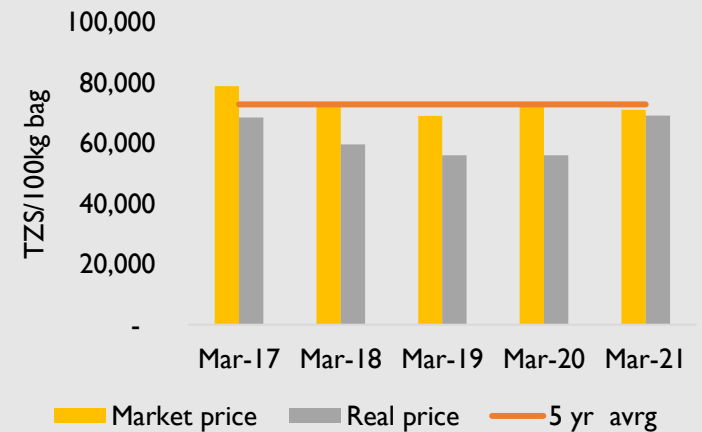


Figure 5: Average market and real price of round potatoes during month of March 2017-2021



NOTES

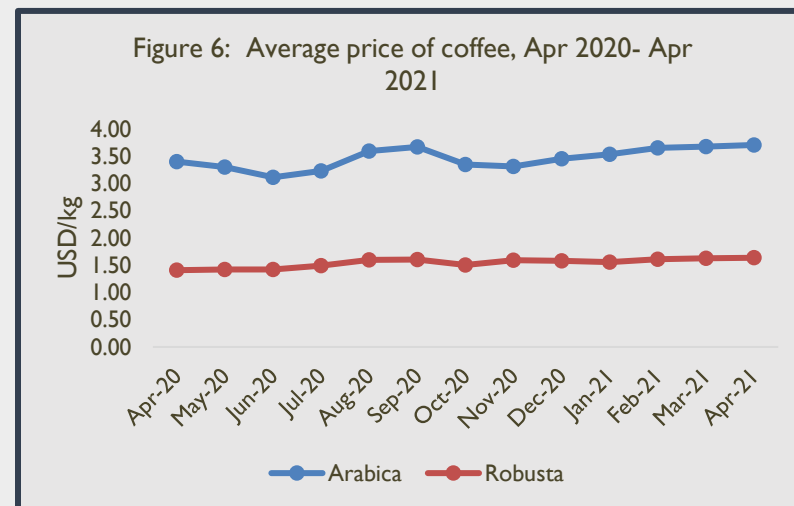
- ✓ Consumer Price Index (CPI): Food index base year 2020=100
- ✓ CPI figures based on Food -combining food consumed at home and food consumed in restaurant
- ✓ Market price: Refer to nominal or observable prices
- ✓ Real price: Refer to nominal/market prices adjusted for inflation
- ✓ Price level: National average wholesale
- ✓ 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, 2020)

Coffee

A 0.7% increase in prices for arabica and 0.6% for Robusta was recorded in April, 2021 (Figure 6). International Coffee Organization (ICO) reported that, exports of all forms of coffee from Africa in the first five months of coffee year 2020/21 decreased by 12.2% to 4.9 million bags as shipments from Ethiopia, Côte d'Ivoire and Kenya declined by 31.6%, 54.1% and 10.8% respectively. Uganda, the largest regional exporter has recorded an increase of 9.6% to 2.3 million bags.

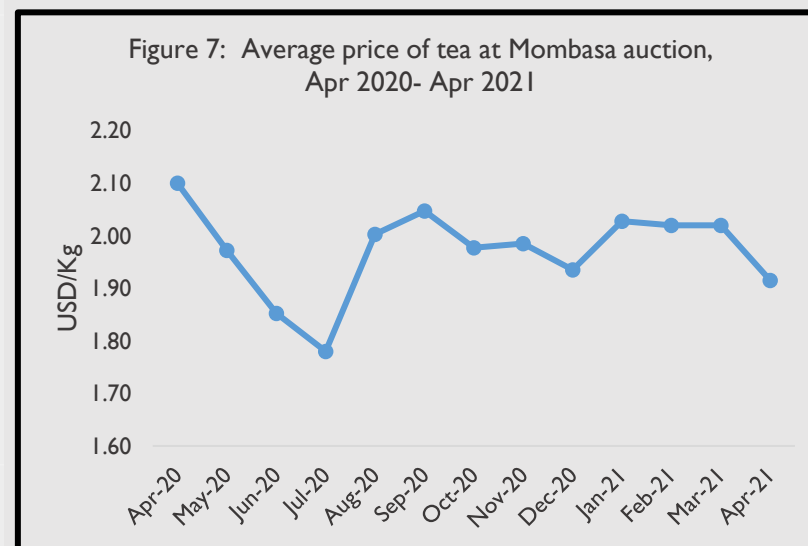
Global production in the coffee year 2020/21 is estimated to rise by 0.5% to 169.63 million bags and world coffee consumption is projected to increase by 1.3% to 166.34 million bags in 2020/21 compared to 164.20 million bags for coffee year 2019/20, while global exports in March, 2021 totalled 11.94 million bags, compared with 11.6 million bags in March, 2020. It is expected that Coffee year 2020/21 will end with a surplus of 5.27 million bags as growth in supply beats demand as reported by ICO on Coffee Market report of February 2021. *Benchmark: Coffee (ICO), International Coffee Organization indicator price, other mild Arabicas, average New York and Bremen/Hamburg markets, ex-dock*



Tea

There has been a steady decline of tea prices since April 2020 due to ample supplies in the Mombasa auction market and demand disruption in various importing countries such as India due to covid-19 pandemic. Prices at the Mombasa auction picked up from August-September, then declined from October-December 2020 but picked in January 2021. Between February and March 2021, tea price levels remained constant at the Auction. Prices in April 2021 declined by 5.2% when compared to prices in the same period last year.

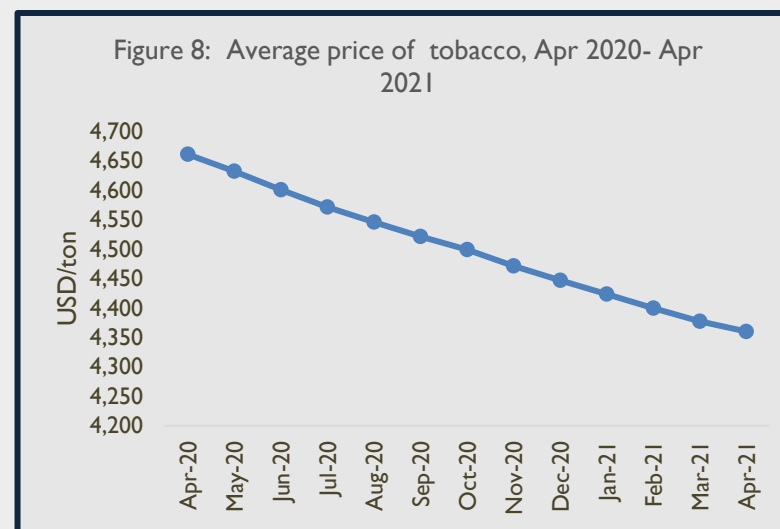
Benchmark: Tea (Mombasa/Nairobi auctions), African origin, all tea, arithmetic average of weekly quotes



Tobacco

The prices for tobacco have decrease by 0.4% from USD 4,377.52/ton in March to USD 4,360/ton in April 2021. Global tobacco prices have been declining steadily for the past one year (Figure 8). Prices are expected to continue declining due to rising health consciousness, stringent government policies, increasing popularity of substitutes (e-cigarette) and their availability.

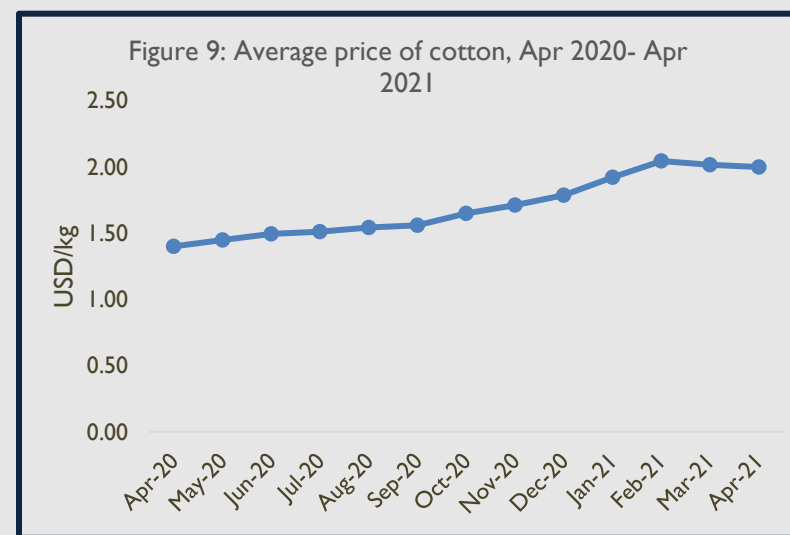
Benchmark price: Tobacco (any origin), unmanufactured, general import, cif, US



Cotton

Cotton prices continued to increase since April 2020. However, in April 2021, cotton prices slightly decreased by 0.8% compared to prices in March, 2021 (Figure 9). Prices continued to increase due to increased demand especially from China after opening economic activities following the lockdown from the covid-19 pandemic. Cotton prices are expected to gain 3 percent in 2021 following a projected decline in production of almost 10 percent in 2020.

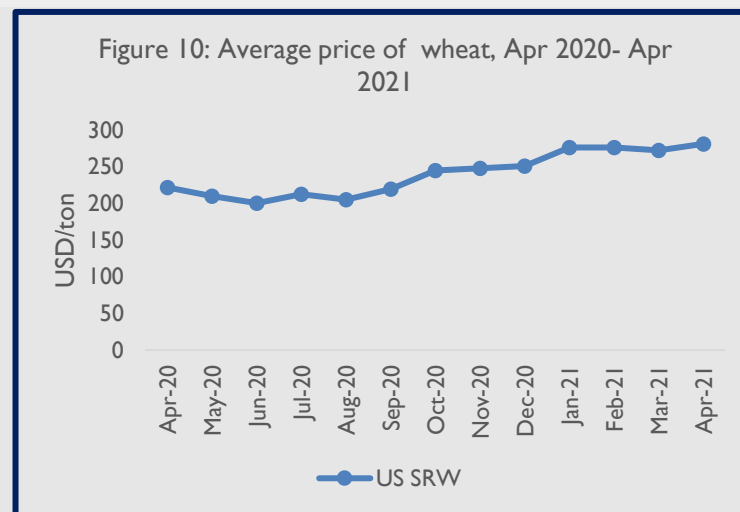
Cotton (Cotton Outlook "CotlookA index"), middling 1-3/32 inch, traded in Far East, CIF beginning 2006; previously Northern Europe, c.i.f.



Wheat

Wheat prices (US SRW) for the month of March and April, 2021 increased by 3.2% from USD 273/ton recorded in March to USD 281.38/ton in April. Global production of wheat is expected to reach 773 million metric tons this season, more than one percent higher than last season's production. Furthermore, global consumption is expected to grow slightly by less than one percent.

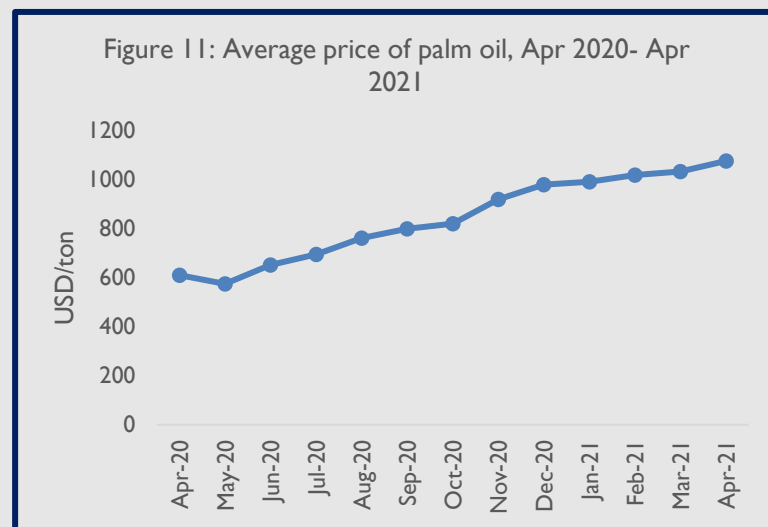
Wheat (US), soft red winter (SRW), export price delivered at the US Gulf port for prompt or 30 days shipment



Edible Oil- (Palm Oil)

Global palm oil prices increased by 4.2% from USD 1,031.13/ton in March, 2021 to USD 1074.6/ton in April, 2021 (Figure 11). The higher prices reflect last season's production shortfalls and supply disruption due to covid-19. Global output of edible oil is expected to grow by 1.7%, higher than last season's 1.3% growth. Most of the output growth is expected to come from soybeans (4.5%) and palm oil (3%). The price of palm oil is increasing steadily based on supply, weather, competing oils, environmental concerns, and biofuel demand. Price increase in the world market has affected prices in the domestic market. Tanzania imports about 60% of its edible oil requirements.

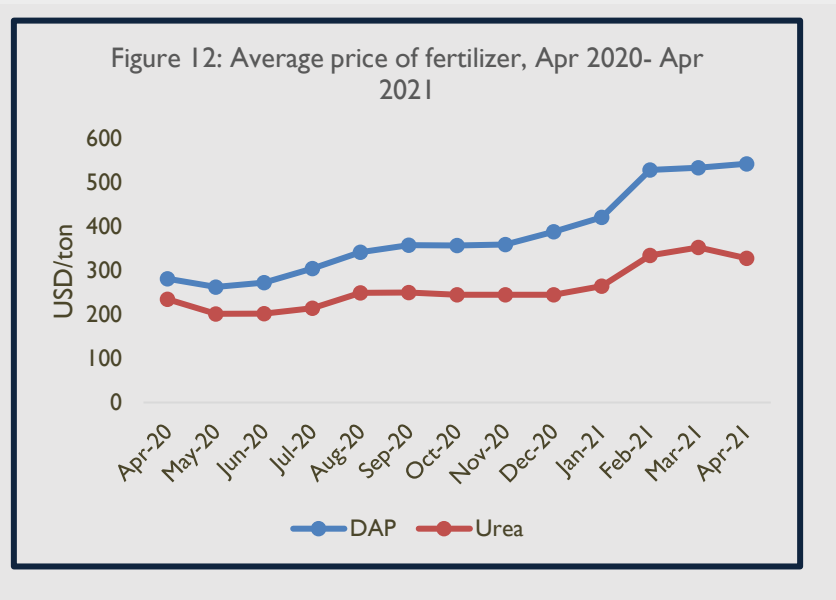
Ref: Palm oil (Malaysia)



Fertilizers

Both DAP and Urea fertilizer showed a similar increase in price trends over the past three months in 2021. However, between March and April, 2021 price for DAP increased by 1.7% while that of UREA decreasing by 7% (Figure 12).

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



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