

Market Monitoring Bulletin

Highlights



Imported rice (5% broken) reached annual change of 20%

The upward pressure on prices of imported rice continues in domestic markets despite steadiness at the global markets



Food inflation 25.5% spike recorded year-on-year

High food inflation 25.5% coupled with devaluation in the local currency (16%) is expected to constrain food access of market dependent households.



12% change in gasoline prices since April 2023

Increase in gasoline prices leads to high transportation cost, inducing further upsurge in prices of essential goods and services in domestic markets.



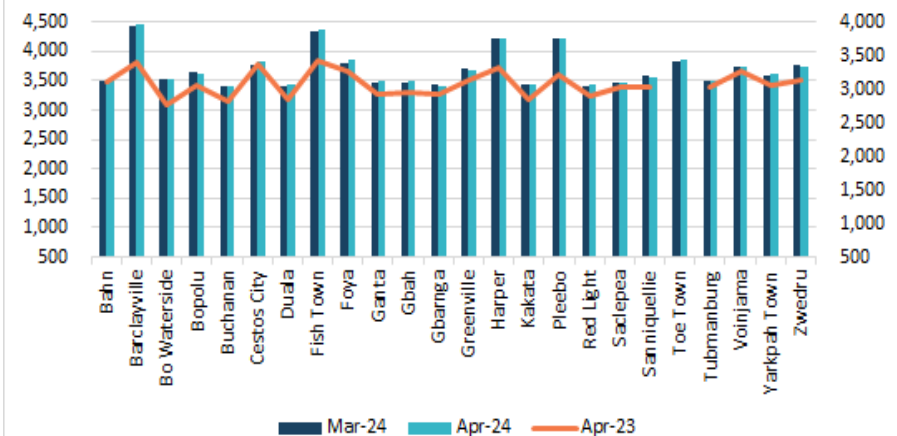
Food Prices

Imported Rice 5% Broken

In April 2024, month-on-month prices of imported rice 5% broken remained relatively stable but moderately higher in all monitored markets across the country when compared to a year ago. The national average price for a 25Kg bag of rice in April 2024 is LRD 3,710, almost unchanged from March 2024 price levels but 20% higher compared to the same period last year. The observed increase in the price of imported rice compared to last year is attributable to high inflation and devaluation in the local currency. Markets in south-eastern Liberia witnessed the most dramatic price increase compared to other regions. Observation shows year-on-year price increase of 31% in Barclayville, Grand Kru and Pleebo, Maryland, 28% in Fish Town, River Gee and 27% in Bo Waterside, Grand Cape Mount and Harper, Maryland. Barclayville market in Grand Kru is the most expensive place to purchase a 25kg bag of imported rice at LRD 4,460 followed by Fish Town in River Gee where it is sold at LRD 4,375.

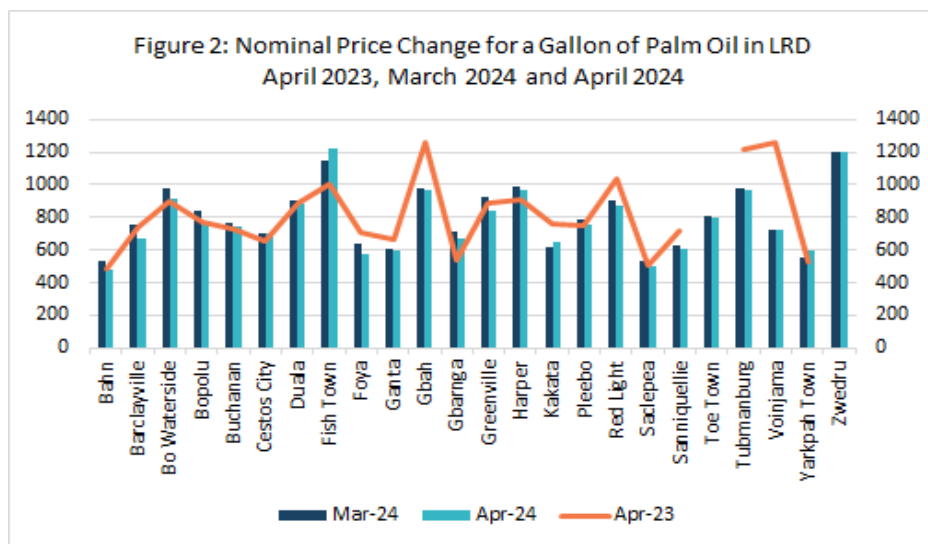
The observed increased in imported rice prices would likely affect the capacity of market dependent households to meet their food needs, especially as the lean season approaches.

Figure 1: Nominal Price Change for 25kg bag of Imported Rice in LRD April 2023, March 2024 and April 2024



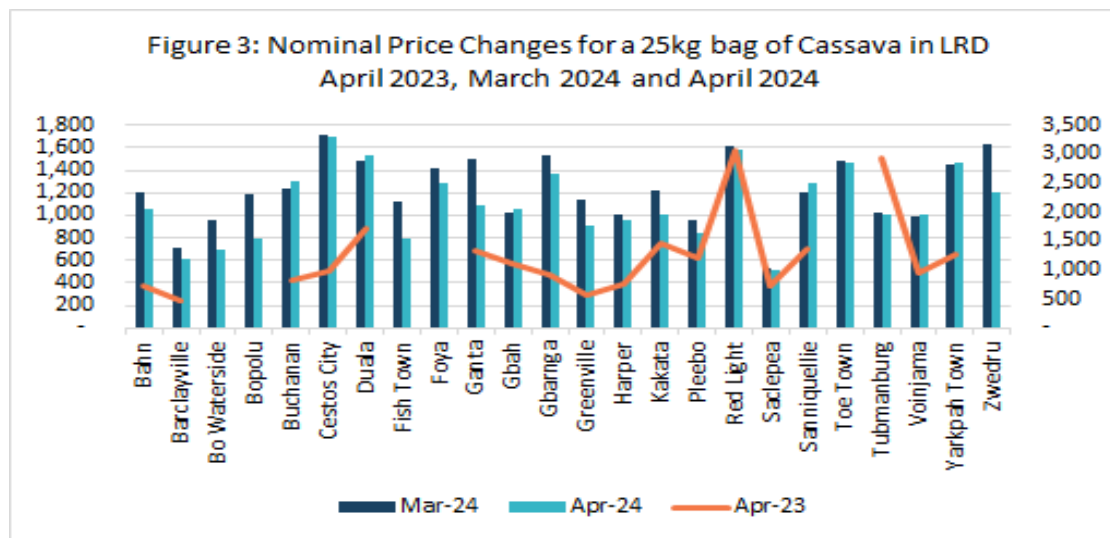
Palm Oil

The price for a gallon of palm oil generally decreased across most monitored markets across the country, the exception was Gbarnga and Fish Town markets which witnessed 24% and 23% increase respectively compared to a year ago. The average national price for a gallon of palm oil in April stood at LRD 780, down by -3% compared to last month and by -4% year-on-year. The main palm nuts harvest which runs from April to June is the main driver behind the decrease. Palm oil production is usually high around this time of year and therefore cheaper compared to other months. The cheapest place to buy palm oil is Bahn market in Nimba where the commodity is sold for LRD 480. Palm oil prices is expected to remain stable or decrease as the harvest period peaks in June.



Cassava

The national average price for a 25kg bag full of cassava also decreased by 10%, LRD 130 cheaper than what it was sold for in April 2023. However, price observations for a 25kg bag full of cassava showed mixed reactions across markets. Significant price increases were observed in Cestos City (72%), Greenville (61%), Buchanan (60%), Gbarnga (49%) and Bahn (45%). Most farming households have exhausted most of their stocks from the previous harvest and have to rely on cassava to bridge the food gaps. Additionally, demand for commodity in urban areas, especially restaurants results to more farmers selling their produce in urban centres than local markets because of a better price. On the other hand, high production areas like Saclepea in Nimba and Barclayville in Grand Kru recorded the lowest prices for cassava compared to other markets. A 25kg bag of cassava is sold for LRD 520 in Saclepea market and LRD 610 in Barclayville market.



Cash Crop Prices

Sugarcane Juice

Sugar Cane Juice remains Liberia most favorite local beverage that is sold in nearly every county and is used for a variety of local festivities. It is widely known for its authentic nature in the preparation of several beverages or as a spirit on its own. The national average price of one gallon of sugar cane juice showed a year-on-year increase of LRD 310, 34% higher than what a gallon was sold for in April 2023. The commodity price showed an increase across almost all markets between the period, the exception was Gbah market. Similarly to the last publication, Foya market in Lofa County and Cestos City Market in Rivercess County recorded the highest prices of sugarcane juice at LRD 2,110 and LRD 1,680 per gallon respectively. On the other hand, Gbarnga Market in Bong County and Gbah Market in Bomi County are the cheapest markets to purchase sugarcane juice at 710 and 840 LRD respectively.

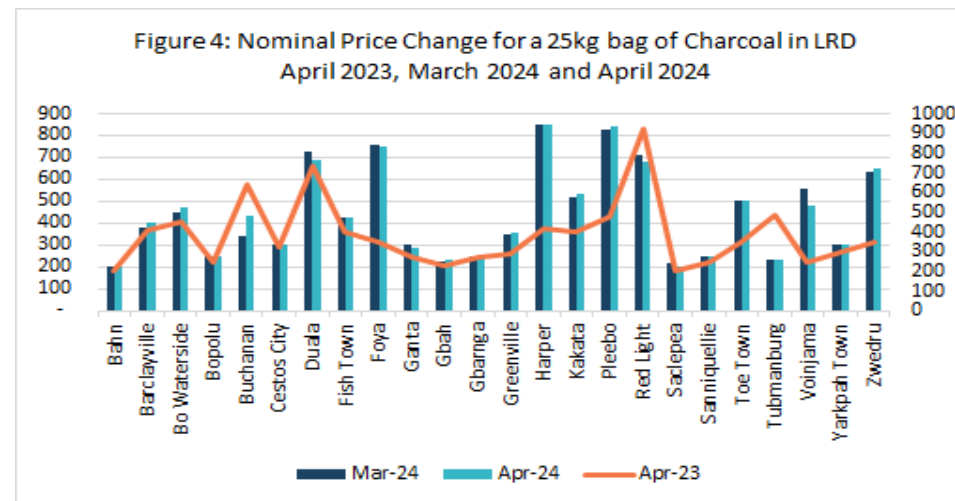
Charcoal

Charcoal is produced in most of rural Liberia as a complementary source of income for households. The majority of people residing in Tubmanburg, and Bo Waterside depend considerably on charcoal production as a means of livelihood.

Figure 4 shows that current prices of charcoal are higher in most markets across Liberia compared to previous year with the exception of Tubmanburg, Red Light and Buchanan markets.

The national average price for a 25kg bag of charcoal is currently sold for LRD 440, 16% more than what it was sold for during the same period a year ago. Month-on-month comparison shows stable to lower prices for the commodity in all 24 markets monitored. However, charcoal prices are expected to increase in the coming months due to a combination of high demand and low production because of the heavy rains.

The average per-capita charcoal consumption in Liberia is estimated at 64.3kg per annum. With a population of a little over 5 million, this results in annual charcoal consumption of 340,790 tons which corresponds to more than 25 million trees being cut per annum for charcoal production.



Fuel Prices

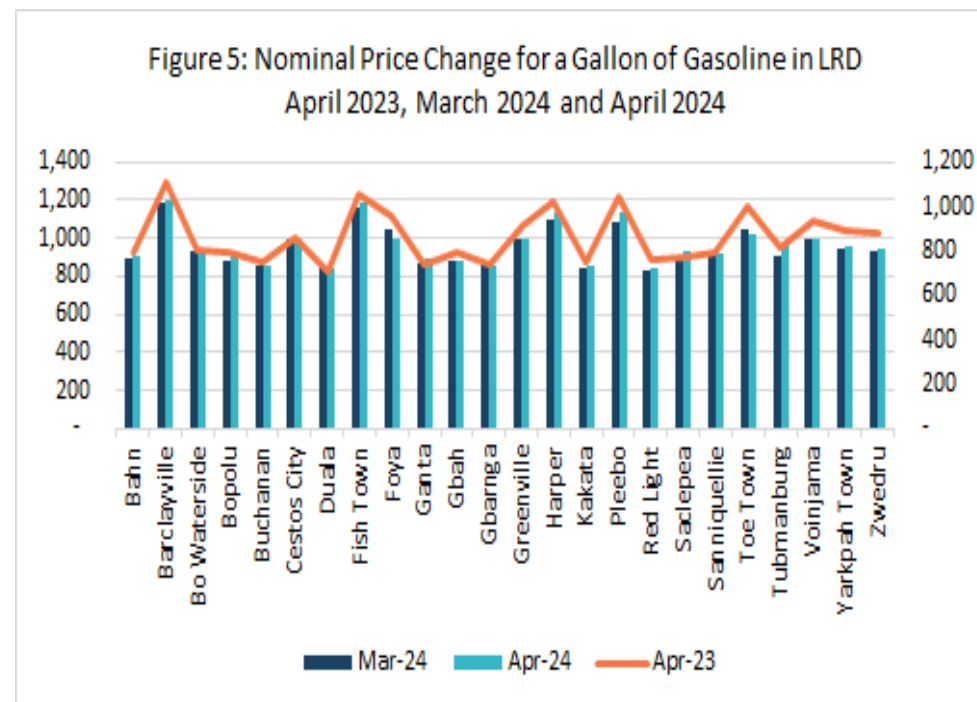
Gasoline

Domestic fuel prices have also risen sharply between 3—21 percent in the last one year in line with global trends. In April this year, the average national price for a gallon of gasoline is LRD 965, up by 12% compared to price levels in April 2023.

The month-on-month comparison of gasoline prices also shows stable to modest increase in prices of gasoline in monitored markets across the country between March and April 2024. Despite the government’s five United States cents (US\$0.05) reduction in the retail pump price for a gallon of gasoline price in early April (US\$4.38/845.00 LRD), the impact is yet to be established in the domestic markets, especially in rural areas.

Relevant to note that prices for a gallon of gasoline have increased in Saclepea (21%), Ganta (20%), Duala, Gbarnga and Sanniquellie (16%). Far-off markets especially in southeastern Liberia continue to show relatively higher price for gasoline compared to markets closer to Monrovia, the main port of entry. For example, a gallon of gasoline sold in Monrovia for LRD 840 is LRD 360 more expensive in Barclayville, Grand Kru LRD 345 more in Fish Town, River Gee and LRD 300 more expensive in Pleebo and Harper, Maryland.

The rise in price of gasoline is leading to consequent increases in transport costs and continues to push up domestic food and other commodity prices, creating a further decline in access to food and other essential commodities.



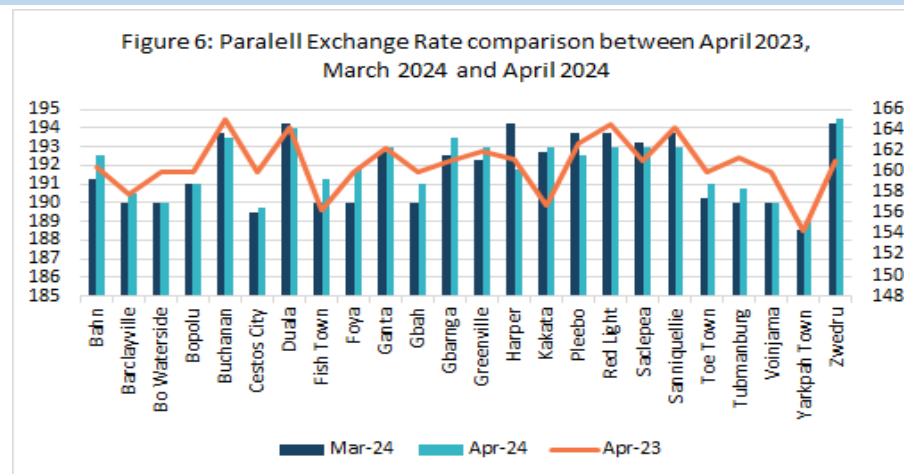
Source: WFP

Inflation, Exchange Rates and Wage Labour

Inflation and Exchange Rate 

According to the Liberia Institute of Statistics and Geo Information Services (LISGIS) Consumer Price Index (CPI) report for March 2024, a year-on-year annual inflation rate of 9.5% was observed. Food inflation in March 2024 was 25.5% higher than the same period last year. This is an increase of 31% from a low of 3.4% recorded in March 2023.

Figure 6 shows that the exchange rate depreciated by 16% when compared to the same period last year. The average exchange rate for 1 US dollar moved from LRD 161 in April 2023 to LRD 192 in April 2024. Local currency depreciations were reflected across all markets ranging from 15% to 19%. The devaluation in the local currency signals additional pressure on the prices of food and basic commodities, a situation which is expected to constrain households food access due to weak purchasing power, especially the poor and vulnerable who rely on unsustainable livelihood incomes.



Source: WFP

Wage Labour

Nationally, in March, men were paid slightly higher wages than their female counterparts for similar unskilled agricultural jobs including, brushing, clearing, weeding, planting, etc. Wage labour data shows that on average, men received LRD 630 per day while women get LRD 570. The highest agricultural wages are earned by men in Kakata, Margibi county up to LRD 1,125 followed by Gbah in Bomi County where men received LRD 950 for daily wages. Wage rates are slightly different for women in Harper, Maryland County and Kakata, Margibi County who received LRD 1,025 and LRD 860 respectively. On the other hand, the average national wage for unskilled construction work is LRD 815. However, higher wages are paid to construction workers in Kakata, Barclayville, Fish Town, Harper, Pleebo and Tubmanburg ranging from LRD 910 to 1,300. Saclepea and Gbarnga has the lowest wages for construction workers at LRD 360 and LRD 425 respectively.

Methodology

Prices were collected for 17 food and non-food commodities on a weekly basis in Liberia's 24 main markets spread across 15 counties.

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