

Maize, sorghum production to decline in eastern Africa

By Beatrice Philemon

MAIZE and sorghum supply is expected to be limited in Eastern Africa in 2017 as a result of below average harvests across most countries despite above average sorghum harvest in Sudan, and average maize and sorghum harvest in Ethiopia.

East Africa Cross border Trade report issued by Eastern Africa Grain Council (EAGC) that was made available to The Guardian indicated that maize prices in USD are expected to be higher than 2016 and 2012-2016 average prices in most markets.

However, sorghum prices will probably be lower than 2016 and 2012-2016 prices in Ethiopia and Sudan reflecting a faster rate of decline of grain prices than the rate of depreciation of the local currency

against USD.

It indicate that the first and second quarters of 2017 (January-to-March) will likely experience seasonable but atypically faster rising maize and sorghum prices across most markets in many countries due to considerable tightening of supplies, exacerbated by planned or impromptu, verbal or documented decrees by governments banning exports; traders obtaining and holding grains, with the intention to sell to customers on a high profit in the future as prices rise.

The exception would be Sudan and Ethiopia where prices are expected to decline seasonably through April.

In Sudan, the prices of sorghum and millet are expected to continue declining seasonably through March as a result of increasing supplies from the above average November-to-January

harvest, and will most likely fall below 2016 price and recent five year average prices in USD, but in local currencies the prices will likely be above the five year average mostly due to high inflation which by December was 30.47 on an annual basis. Sorghum exports to northern South Sudan is expected to increase seasonably and be higher than last year but still below the recent five year average, attributable to insecurity-related trade disruptions.

In northern Tanzania, including Bukoba, Musoma and Arusha, maize prices are already significantly higher than last year and recent five year average prices and are expected to continue increasing through April instead of declining seasonably between February and March because of significantly below average January-to-February (Vuli) harvest.

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