



MYANMAR

MARKET PRICE UPDATE

March 2021



HIGHLIGHTS

- ★ The average retail price of rice and cooking oil **continue an upward trend**.
- ★ Since January, the average **retail price of rice** has increased **5% across monitored markets**, with higher increases in central Rakhine (7%), Chin (8%) and Kachin (11%).
- ★ The average retail price of **cooking oil** increased **9% month-on-month**. Over the past two months, the average price of cooking oil has **increased 18%**.
- ★ The price of **chickpeas** **increased 5%** month-on-month on average, with higher increases over the past two months in Chin (9%), Kachin (18%) and southern Rakhine (19%).
- ★ In March, higher than average increases in the price of rice, oil, and pulses were recorded in **southern and central Rakhine, Chin, and Kachin**.
- ★ **Transport difficulties** are driving up prices and increasing lead times across the country.
- ★ In urban areas, between the last week of February to mid-March, a 7% increase in the retail price of rice and a 4% increase in the retail price of cooking oil was recorded in peri-urban Yangon. In Mandalay there has been a 6% increase in the retail price of cooking oil.

STAPLE FOODS



RICE

The average retail price of rice increased by 3% from February to March (from 661 MMK per kg to 678 MMK per kg). Higher month-on-month increases in the price of rice were observed in Sagaing – Naga Self-Administered Zone (12%), southern Rakhine (9%), and central Rakhine (5%), while the price of rice decreased in Shan state (6%). The highest increases from mid-February to mid-March were recorded in Nanyun (22%) township Naga Self-Administered Zone and Hkamti (19%) township in Sagaing, Minbya (18%) and Rathedaung (15%) townships in central Rakhine, and Kyaukpyu township (14%) in southern Rakhine. In Namtu township in Shan, the price of rice increased by 27% due to transportation difficulties. In Nanyun and Minbya townships the increases were attributed to wholesale price increases in source markets.

Since mid-January, the average retail price of rice has increased by 5%, however higher average increases have been observed in central Rakhine (7%), Chin state (8%) and Kachin state (11%). The highest increases in the price of rice over the past two months were recorded in Kachin in the townships of Bhamo (27%), Mansi (33%) and Putao (43%) due to increased transportation costs.

In Dagon Myothit-North township in Yangon, the retail prices of rice (Ziyar and Sin Thwe) increased by 7% and in Hlaingtharyar township, the price of

- ▶ rice (Pawsan) increased by 6% when compared from the last week of February to mid-March. In Aungmyaythazan township in Mandalay, the price of rice (Magyanhtaw) was 1,222 MMK per kg in the last week of February but then decreased to 1,128 MMK per kg in mid-March, a decrease of 8%. In Chanmyathazi township in Mandalay, the price of rice increased by 5% during the same period.

Compared to March 2020, the average retail prices of rice were higher in Chin (7%), Kayin (8%), Shan (11%), Tanintharyi region (17%) and Rakhine state (21%). In Kayah state and Magway region the average retail prices of rice were 8% and 15% lower, respectively, compared to March 2020.



PULSES - Chickpeas

The average price of chickpeas increased 5% from 1,632 MMK per kg to 1,713 MMK per kg month-on-month. The increase was higher in southern Rakhine (18%), central Rakhine (11%), Kachin (9%) and Chin (9%).

A decrease in the price of chickpeas was observed in northern Rakhine (-8%) where traders have been increasing stocks of chickpeas since February-March as demand is expected to start increasing in the lead-up to Ramadan. Prices decreased as supplies were sourced from Yangon and Mandalay rather than Sittwe where prices are higher.

Over the past two months a mixed trend is observed in the price of chickpeas; increases in Chin (9%), Kachin (18%) and southern Rakhine (19%) and decreases in Magway (-3%), northern Rakhine (-5%), Sagaing (-4%) and Shan (-7%). Compared to last year, the average retail price of chickpeas across monitored markets was 4% higher than in March 2020. However, in Chin state, the average price of chickpeas was 20% higher and in Kayin state 16% higher compared to March 2020.



A cross monitored markets the average retail price of cooking oil increased by 9% and mixed oil by 10% from February to March. The areas with higher than average increases in the price of mixed oil were central Rakhine (17%), southern Rakhine (14%), Magway region (13%), Southeast (13%) and Kachin state (11%). Reported price increases at the wholesale market in Kalay, Sagaing region, is having a knock-on effect on prices in Chin state - the retail price of mixed oil increased by 25% in Tedim and Tonzang townships. Increases were observed also in the price of cooking oil in Tonzang (33%) and Matupi (28%) townships. In the Southeast, scarcity of raw materials and low stocks are driving up the price of cooking oil and mixed oil: in Loikaw township, Kayah, mixed oil increased by 23% and in Shadaw township by 34%. In the township of Myawaddy, bordering Thailand, a 33% increase in the price of cooking oil was reported due to increased transportation costs.

Over the past two months, the average price of cooking oil and mixed oil, have both increased by 18%. Higher than average increases over the past two months in the price of cooking oil have been observed in Magway 23%, central Rakhine 26%, Kachin 32% and in the price of mixed oil in southern Rakhine 22%, northern Rakhine 30%, and in the Southeast 20%.

In Yangon, the retail price of cooking oil has increased 20%-25% from the beginning of February to mid-March. In the peri-urban areas of Yangon the retail price of cooking oil increased by 4% from 1,949 MMK to 2,021 MMK per litre and in Mandalay by 6% from 1,995 MMK to 2,105 MMK per litre from the last week of February to mid-March.

Year-on-year comparison shows that the average retail price of mixed oil across monitored markets in Kachin state was 42% above the average price in Kachin in March 2020, in Mon state 30% higher, in Rakhine state 27%, in Tanintharyi region 27%, and in Shan 13% higher compared to same time last year.



Seasonal price decreases continue for **onions** and **tomatoes**

The price of onions and tomatoes has continued to decrease since December 2020 in line with the harvest seasons. The average price of onions and tomatoes both decreased by 12% compared to the previous month. Notable decreases in the price of onions were observed in Magway (-35%) and in northern Rakhine (-28%). The price of tomatoes decreased in northern Rakhine (-50%), in Chin (-24%) and in Sagaing (-22%).



The average price of salt was recorded at 396 MMK per kg and a negligible decrease of 1% from previous month. Some fluctuation, however, was observed with the price of salt decreasing in Chin (-10%), in particular in Paletwa township (by-33%) due to improved transport. On the other hand, a 20% increase in Laukaing township in Shan state was attributed to transport difficulties. Average retail prices of salt also increased in southern Rakhine (25%) and in central Rakhine (Myebon township by 48%) due to increased wholesale prices in source markets.

Compared to March 2020, the average retail price of salt was lower in Chin (-36%), Kachin (-19%), Rakhine (-11%). Year-on-year average retail prices of salt were higher in Kayah (10%), Sagaing (16%) and Shan (8%).



Fuel prices increased by 5-7% on average in March compared to February. Since the beginning of February, the price of fuel has increased by 23% - 30% on average (variation by fuel type and township). In the beginning of April petrol (92 RN) in Sittwe, central Rakhine was 980 MMK per litre, in Buthidaung, Northern Rakhine 1100 MMK per litre, in Bhamo, Kachin 985 MMK per litre and in Yangon 950 MMK per litre.

The data was collected between 15th and 26th of March by WFP and Cooperating partner staff. Coverage: 10 states/regions, 64 townships, 102 markets, 241 traders/shops.



Transport difficulties driving up prices and increasing lead times

For retailers in [central Rakhine](#), increased prices at wholesale markets are forcing prices up and commodities are difficult to source from Yangon to Sittwe because of transportation challenges. In [Myebon township](#) traders reported cash transfer challenges because of bank closures.

In the [Southeast, Sagaing - Naga Self-Administered Zone](#) and [Kachin state](#), higher transportation costs are driving prices up. Also, in [Shan state](#), transportation of commodities across parts of the state have been hindered – in Laukaing township transporters have limited transportation capacity and transport delays have also affected goods reaching Mongton township. In Paletwa township, Chin state, transportation has improved over the past few months.

Lead times for ordering goods have increased in [Sagaing – Naga Self-Administered Zone](#), ordering stock is taking longer than normal (more than 2 weeks) due to current transport difficulties and river levels lower in summer delaying the movement of goods via waterways. In [Magway, Pakokku township](#), receiving ordered products takes longer than normal because of transportation difficulties.

ISSUES TO WATCH

- ◆ Further increases in the price of rice and cooking oil.
- ◆ Price developments in central and southern Rakhine, Chin, and Kachin.
- ◆ USD/MMK exchange rate and general access to cash.
- ◆ Transport difficulties and the movement of imported commodities to Rakhine.