



Ministry of Agriculture
Agricultural Marketing Section
MONTHLY MARKET BULLETIN
October, 2024

Executive Summary

Staple food prices varied in October varied at different rates. In October, increase in price was observed in Rice (3.7%), Maize (3.2%), Beans (2.1%) and Potato (0.2%) while prices of Sorghum and Wheat decreased by 0.8% and 1.2% respectively. International commodity prices of tobacco, cotton and palm oil increased in October (except wheat and tea) owing improved trade flows. . A slightly increase of 3.4% in DAP prices was observed while a Urea decreased by 1.5 percent from prices recorded in September. The relative strength of DAP prices compared to other fertilizer prices is partly due to export restrictions on phosphate from China and ammonia from Russia, which have disrupted global trade. 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

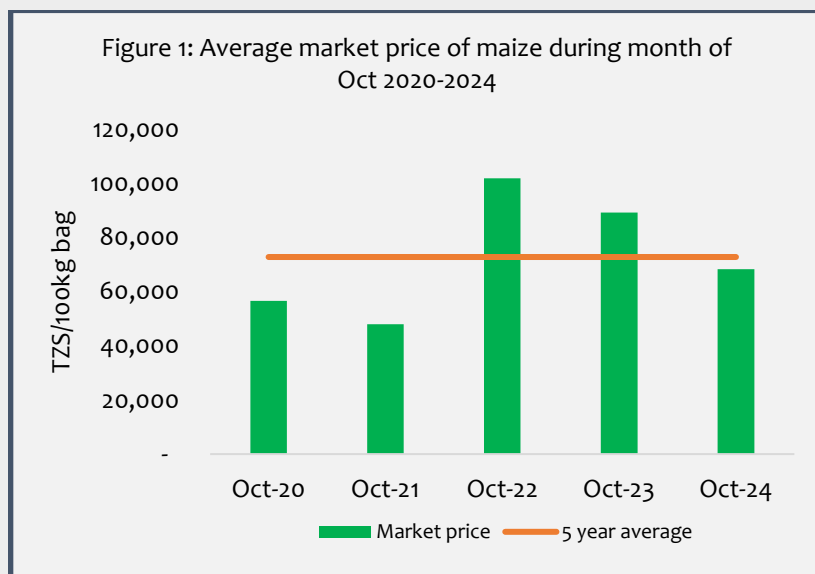
Prices for major staple food crops varied at different rates in October than a month prior and also increased and decreased at different rates in comparison to the previous year and to the five-year average (Table 1). In October, increase in price was observed in Rice (3.7%), Maize (3.2%), Beans (2.1%) and Potato (0.2%) while prices of Sorghum and Wheat decreased by 0.8% and 1.2% respectively.

Table 1: Changes in market price of major staple foods (%)

| | Maize | Rice | Beans | Potato | Sorghum | Wheat |
|------------------------------------|---------|---------|---------|---------|---------|---------|
| Annual change (Oct 2023/24) | ▼ 23.4% | ▼ 23.3% | ▼ 1.0% | ▲ 27.6% | ▲ 6.5% | ▲ 5.5% |
| 5 Year average (Oct 2020-Oct 2024) | ▼ 6.2% | ▼ 0.4% | ▲ 13.2% | ▲ 29.6% | ▲ 17.2% | ▲ 16.8% |
| Monthly change (Sep-Oct 2024) | ▲ 3.2% | ▲ 3.7% | ▲ 2.1% | ▲ 0.2% | ▼ 0.8% | ▼ 1.2% |

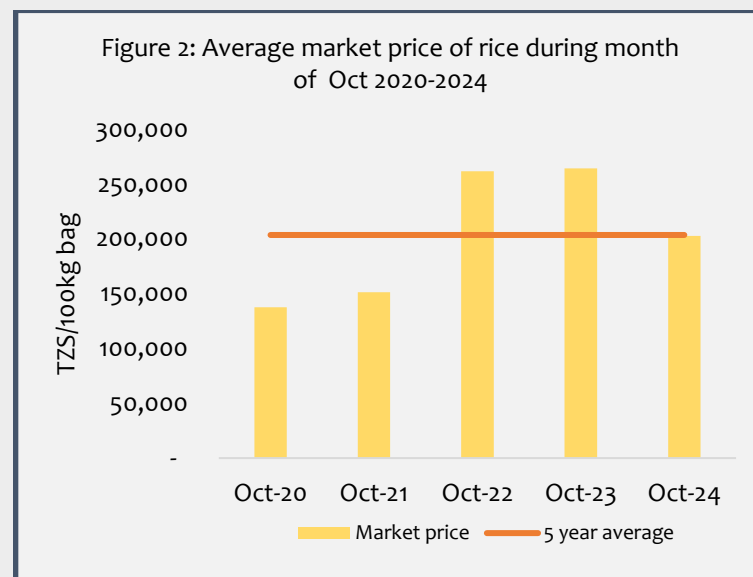
Maize

In October, the average wholesale price of maize increased by 5.2 percent, from TZS 64,900/100kg bag in September to TZS 68,300/100kg bag in October (Figure 1). Despite the October price increase, maize prices remained 6.2% and 23.4% lower than the previous year's comparable month and the five-year October averages, respectively (Figure 1).



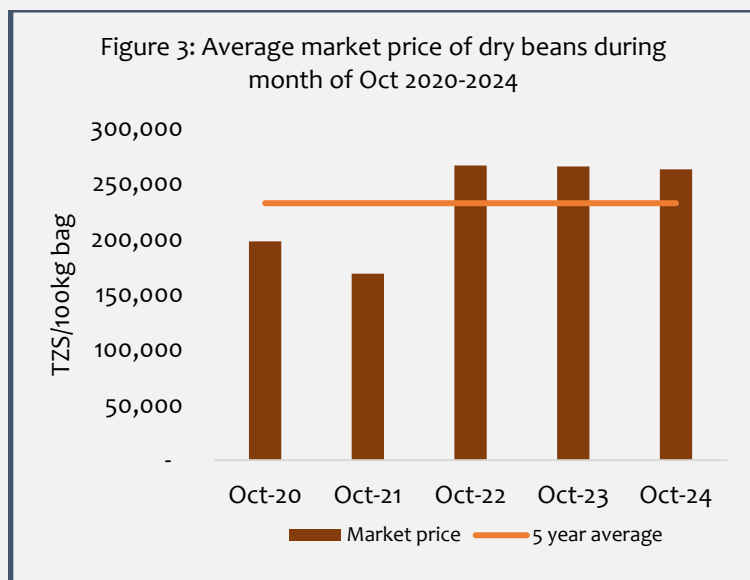
Rice

Rice average wholesale prices increased by 3.1 percent in October, from TZS 196,700/100kg bag in September to TZS 202,700/100kg bag in October (Figure 2). Despite the October price increase, Rice prices decreased by 23.3% in October compared to the previous year's same month, and decreased by 0.04% compared to the five-year October averages (Figure 2).



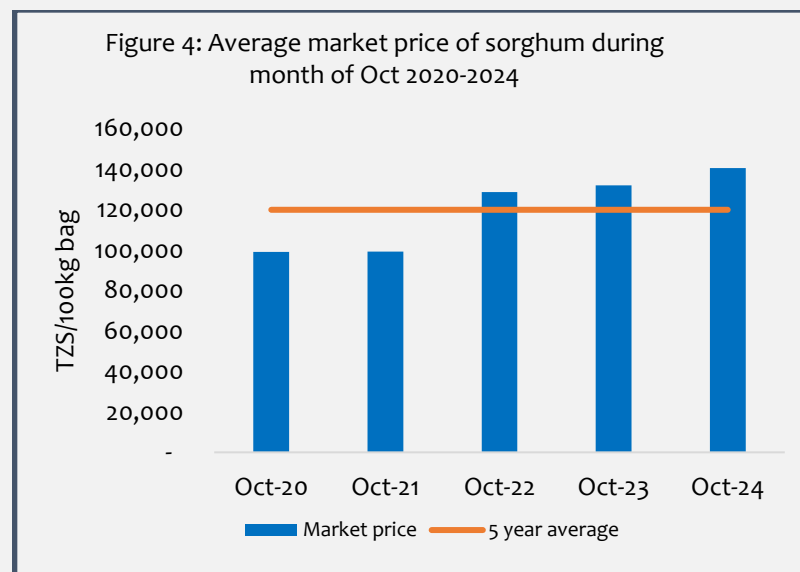
Dry beans

Beans prices slightly increased by 2 percent in October, from TZS 258,100 /100kg bag of September to about TZS 263,200/100kg bag. However, prices in October remained slightly lower by about 0.1% than similar month of the previous year and significantly higher by 13% than the five-year October average (Figure 3).



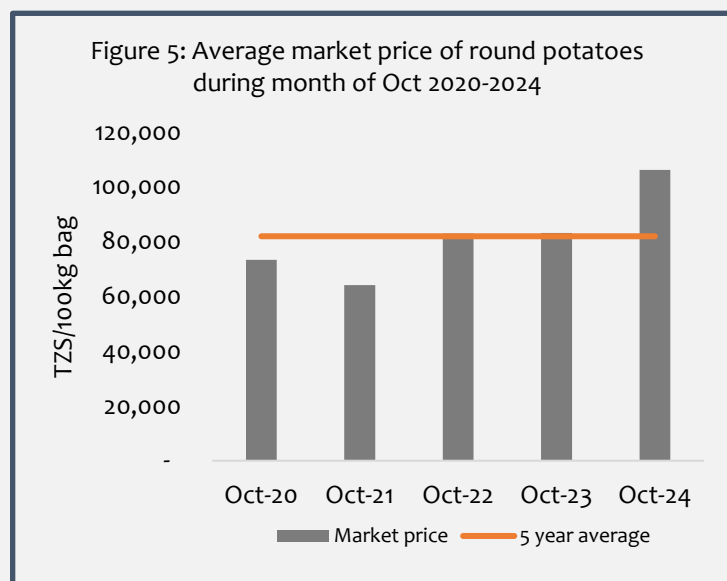
Sorghum

The monthly average wholesale price of sorghum fell by 2.6 percent in October, declining from TZS 144,400/100kg bag in October to TZS 140,600/100kg bag in October. However, prices remained higher at 6.5% in October compared to the same month the previous year, and were 17.2% higher than the five-year October average (Figure 4).



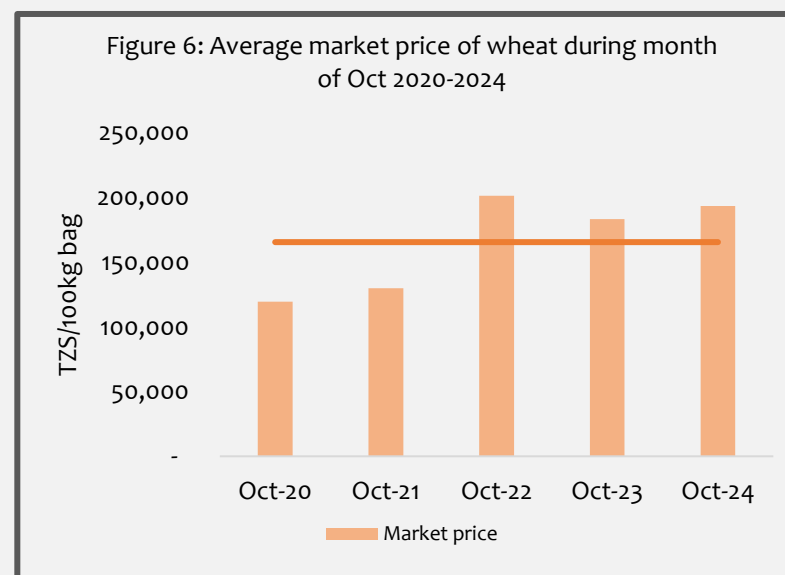
Round potatoes

In October, round potato wholesale prices decreased by 0.01 percent, from TZS 106,100/100kg bag in September to TZS 106,200/100kg bag in October. Similarly, prices remained 27.6% higher in the reporting period compared to the same period the previous year, and 29.6% higher than the five-year October average (Figure 5).



Wheat

Wheat grain wholesale prices decreased by 1.0 percent in October, from TZS 190,200/100kg bag in September to TZS 165,440/100kg bag in October. Prices, on the other hand, were 9.7% lower in the reporting period compared to the same period the previous year, and 14.4% lower than the five-year October average (Figure 6).

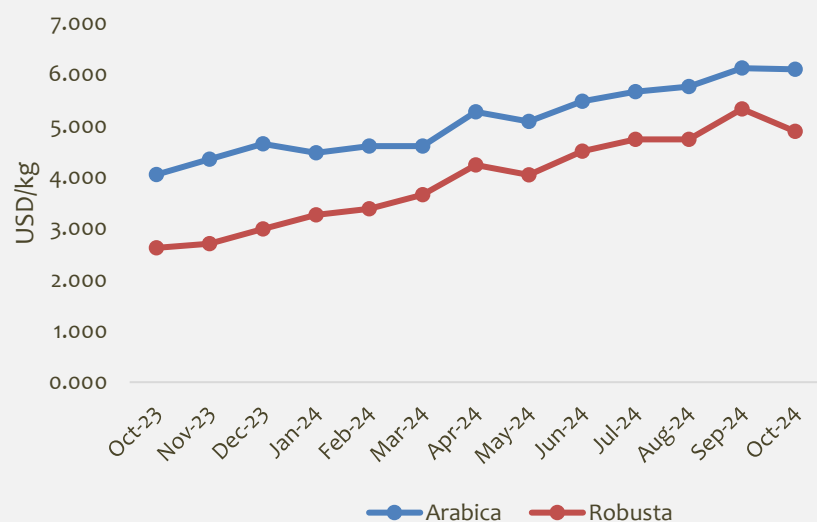


2. Global Prices: Traditional Export commodities (Source: World Bank, 2024)

Coffee

In October 2024, coffee prices have changed at different rates compared to September. Arabica prices decreased by 0.04 percent but remained higher than they were a year ago. After a drop in May, Robusta prices have been increasing and decreased by 8.3 percent in October (Figure 7). Weather- and disease-related shocks and trade restrictions have seen prices for coffee reach historic highs this year, underscoring sources of supply volatility that could prove endemic to an era of climate change and trade fragmentation. Prices are expected to remain elevated by historical standards (World Bank, 2024).

Figure 7: Coffee average price, Oct 2023-Oct 2024

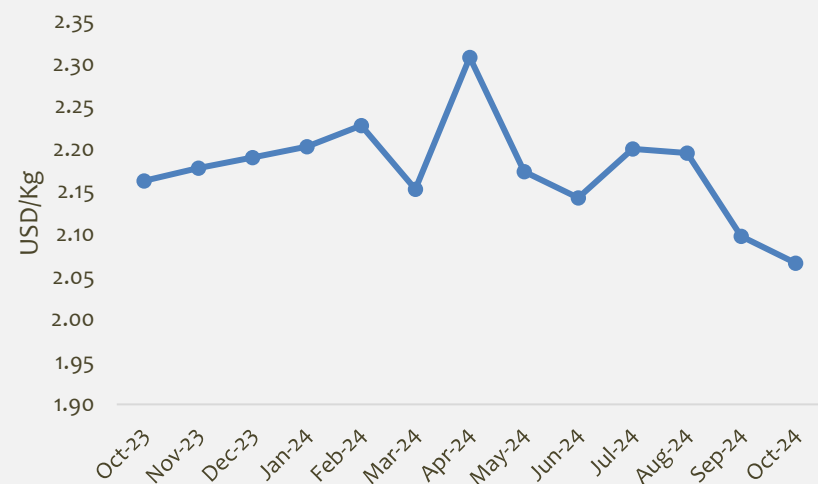


Tea

Despite a slight decrease in October 2024, international tea prices have been declining for the last three months. Prices at the Mombasa auction market have decreased by 0.01 percent in October, compared to their prices in September, from USD 2.10/kg in September 2023 to USD 2.07/kg in October 2024 (Figure 8). Tea prices have shown no overarching trend, as reduced production in South Asia has been offset by stronger output in East Africa. ([World Bank, 2024](#)).

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

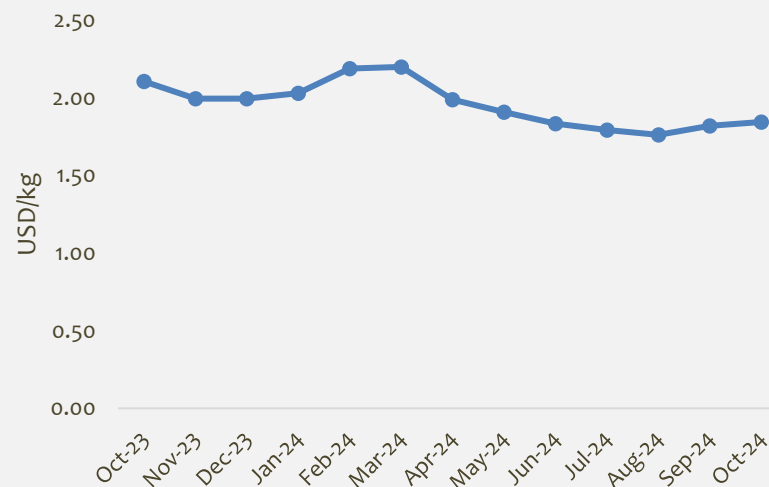
Figure 8: Tea auction price average in Mombasa, Oct 2023-Oct 2024



Cotton

Cotton prices have risen over the last year, peaked in March 2024, and then dropped significantly in the months that followed. Prices in October 2024 slightly increased from 1.82 USD/kg of September to 1.84 USD/Kg. After a decline of nearly 10 percent in 2024, cotton prices are projected to rebound in 2025 and 2026 as supply growth moderates.

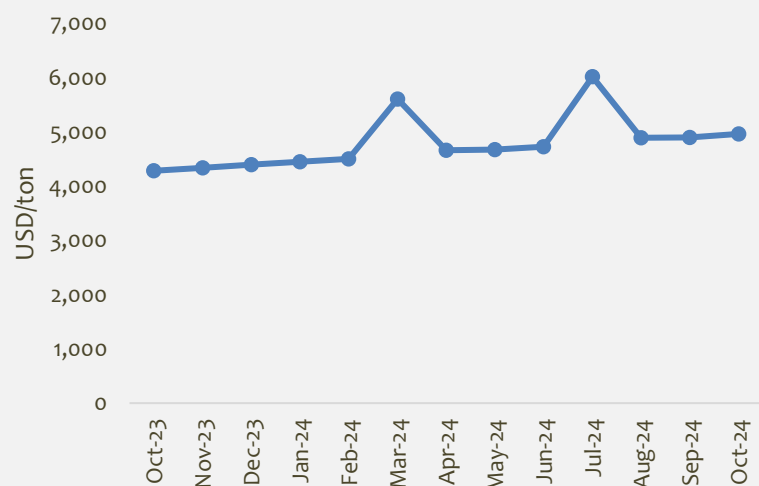
Figure 9: Cotton average price, Oct 2023-Oct 2024



Tobacco

Over the last year, global tobacco prices have been steadily increasing (Figure 10). Prices picked up in March 2024 and dropped in April. The slightly increase observed until the pick in July. The October price increased from 4,899 USD/ton of September to 4,960 USD/ton. The demand of tobacco has been subdued and supply has strengthened.

Figure 10: Tobacco average price, Oct 2023-Oct 2024

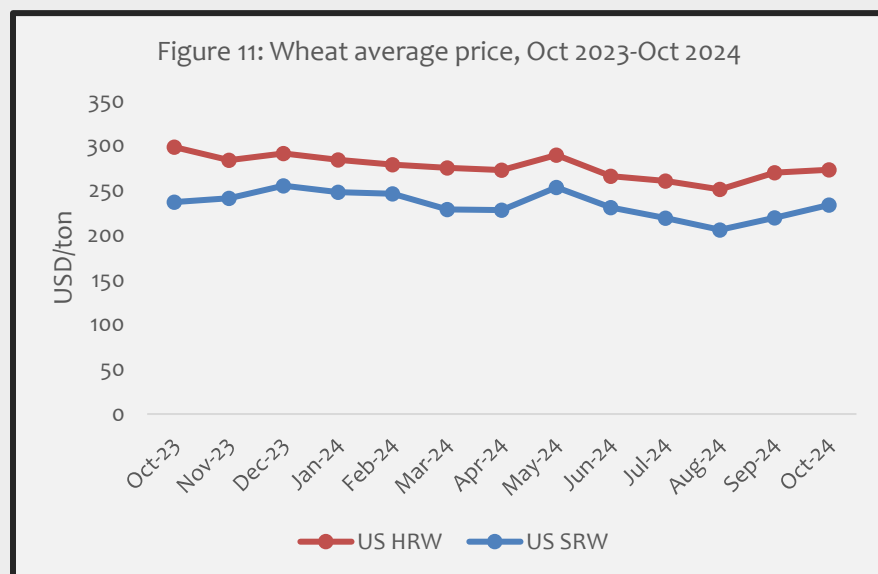


3. Import Substitution Commodities (Source: World Bank, 2024)

Wheat

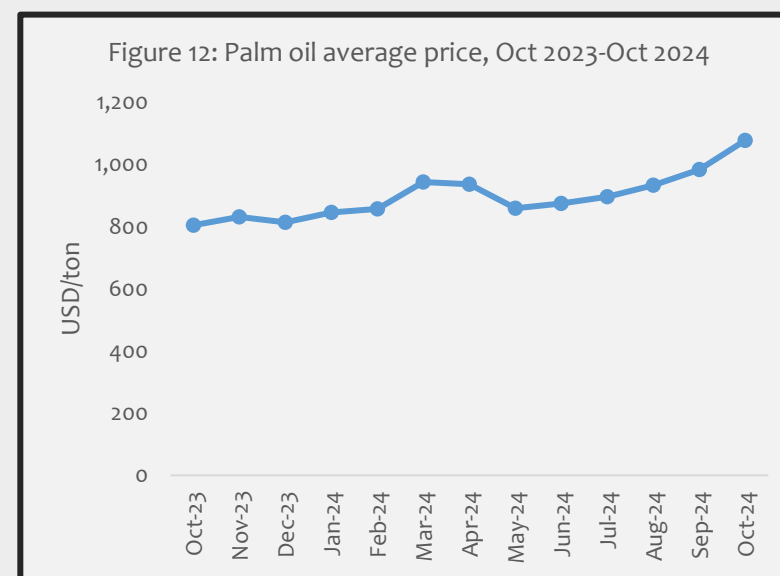
Russian invasion of Ukraine in early 2022, severely disrupted production and trade in key commodities including wheat of which Russia and Ukraine are significant exporters. Prices for wheat have trended lower overall this year, owing to solid harvests and favourable growing conditions. Wheat observed a decline in prices from their pick in May 2024 reflecting improved supply prices (Figure 11). Tanzania imports about 90% of domestic wheat requirement.

**Wheat (US), Hard Red Winter (HRW) and Soft Red Winter*



Edible Oil (Palm)

The price of palm oil fell from its peak in March 2024, and then relatively stabilized from May throughout. Palm oil prices increased marginally by 3.41 percent in October 2024, from USD 982.83/ton in September 2024 to USD 1077.25/ton (Figure 12). Palm oil prices are expected to rise this year because of lower production in Indonesia and crop losses in Central America but are forecast to decline in 2025 and 2026 as global production recovers. Tanzania imports a large amount of edible oil. For the fiscal year ending September 2024, the import bill of goods and services reached USD 553.9 million while for edible oil was USD mil 2.8 (BoT, 2024).

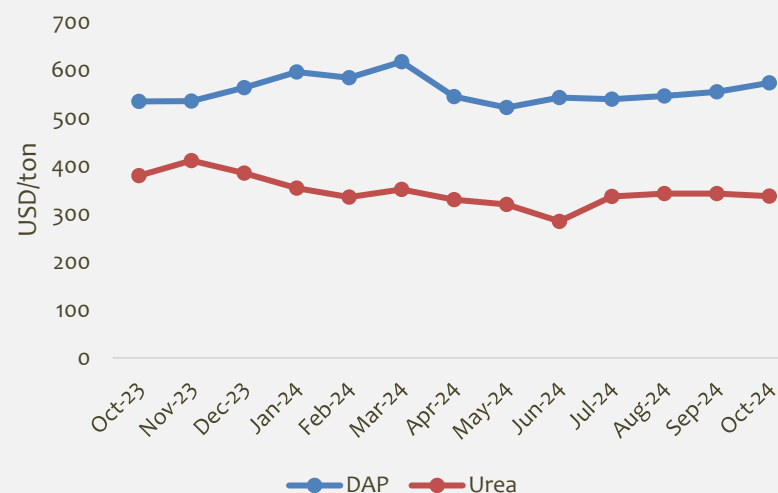


4. Farm Inputs (Source: World Bank, 2024)

Fertilizer

Both Urea and DAP fertilizers recorded a steady decline in price changes from their pick in April 2024 for DAP and November 2023 for UREA and then stabilized in June for DAP and July for Urea. In October, a slightly increase of 3.4% in DAP prices was observed while a Urea decreased by 1.5 percent from prices recorded in September (Figure 13). The relative strength of DAP prices compared to other fertilizer prices is partly due to export restrictions on phosphate from China and ammonia from Russia, which have disrupted global trade. 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.

Figure 13: Fertilizer average price, Oct 2023-Oct 2024



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.

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

For further information, contact:

Agricultural Marketing Section,
P.O. Box 2182, DODOMA.
Email: masoko@kilimo.go.tz