

## El Niño in Ethiopia Pulses Price Trends – February 2017

### Introduction

In this February 2017 Food Price Brief, the AKLDP analyzes nominal Ethiopia Grain Trade Enterprise (EGTE) price data for pulses from February 2015 to February 2017. As previously mentioned, pulses provide an important source of protein for poorer households that cannot afford sources of animal protein. Consequently, pulse price trends serve as a proxy indicator for the quality of diet for these households – when pulse prices are high, poorer households typically eat fewer pulses and therefore daily protein intake is reduced.

### Pulse prices

Except for haricot bean, the nominal price of other pulses is higher than in February 2015, while prices are generally similar or lower than prices in February 2016 (see Figure 1). However, month-on-month nominal aggregate pulse prices from January to February 2017 increased by 3%.

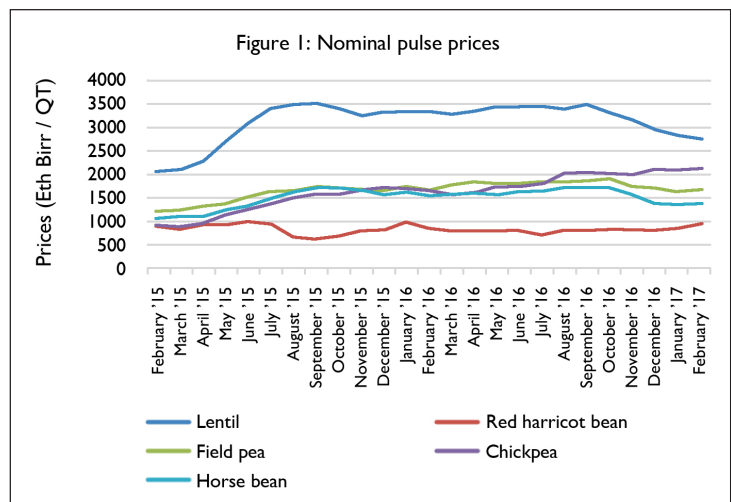
Disaggregated by crop, year-on-year nominal prices for lentil, horse bean, and field pea have decreased by Eth birr 565 (17%) per quintal, Eth birr 157 (10%) per quintal, and Eth birr (1%) 15 per quintal respectively. While remaining almost three times the price of haricot bean, the price of lentil has now fallen by 21%

since the peak of September 2016. In contrast, year-on-year prices for chickpea and haricot bean have increased by Eth birr 463 (28%) per quintal and Eth birr 96 (11%) per quintal respectively.

Month-on-month nominal prices January to February 2017 confirm an aggregate price increase of 3% which, when disaggregated by crop, includes price increases of: haricot bean – Eth birr 92 (11%) per quintal; horse bean – Eth birr 92 (11%) per quintal; chickpea – Eth birr 31 (2%) per quintal; and field pea – Eth birr 39 (2%) per quintal, while the price of lentils fell by Eth birr 62 (2%) per quintal. The highest month-on-month price increases for haricot bean were observed in Shashemane and Nazareth (Oromia), by Eth birr 118 (14%) per quintal and Eth birr 70 (8%) per quintal respectively.

### Conclusion

Smallholder farmers with small plots are planting fewer pulses as higher-yielding cereals are prioritized, resulting in steadily higher prices. Pulse prices were also elevated because of the poor 2015–2016 *meher* harvest, the result of the El Niño drought. While field reports confirm an increased 2016–2017 *meher* pulse harvest, it is interesting to note pulse prices rose in February 2017 – well ahead of the typical May/June price increases. Furthermore, if drought conditions continue in southern India and levels of imports are increased – including from Ethiopia – then pulse prices will be further elevated, with potentially negative impacts on poorer households in Ethiopia for whom pulses are the primary source of dietary protein.



### Disclaimer

The views expressed in this Food Price Brief are those of the AKLDP project and do not necessarily reflect the views of USAID or the United States government.