

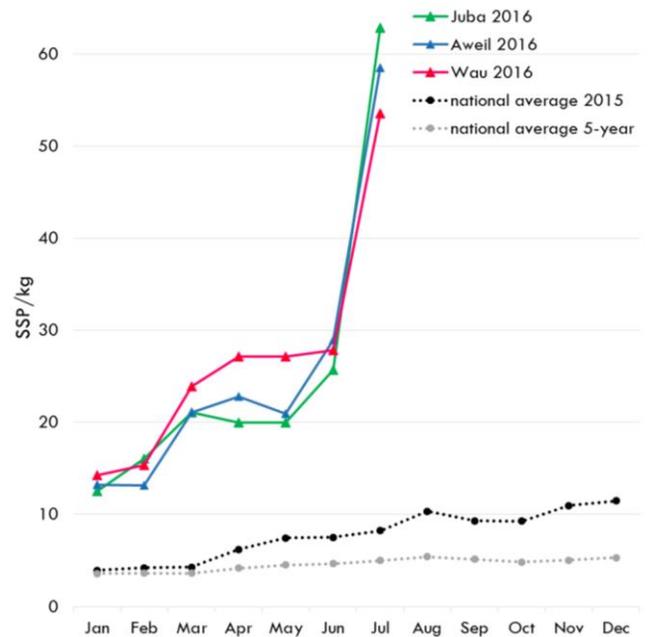
*Drastic food price increases further reduce household food access*

Trade to and within South Sudan has been severely disrupted following renewed conflict in and around Juba, greatly reducing food supplies on most markets. As a result, staple food prices increased drastically between June and July, reaching more than 10 times the five-year average on a number of key markets (Figure 1). These price spikes come at the peak of the lean season when most households have depleted their food stocks and are dependent on market purchases to access food. Even before the July price spikes, much of South Sudan was facing Crisis (IPC Phase 3) and Emergency (IPC Phase 4) acute food insecurity. Given these extremely high food prices, it is likely that food security is deteriorating even more than previously anticipated. Immediate humanitarian assistance and improved access for commercial trade are required to save lives.

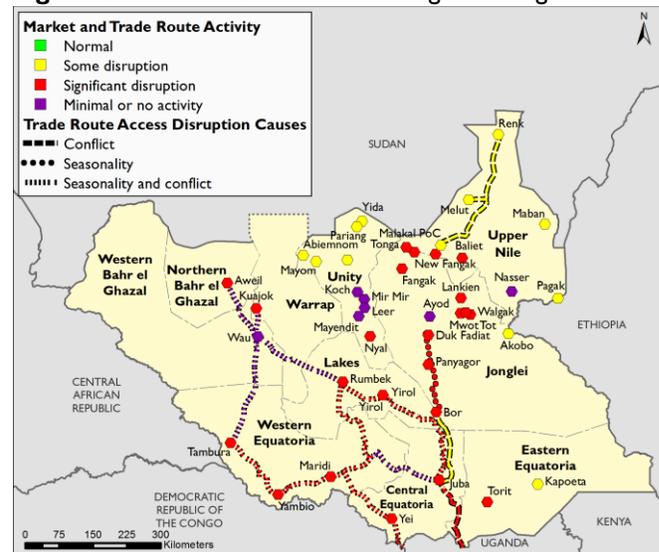
The reemergence of conflict in July has led to insecurity along the Nimule-Juba road, a key trade route. This has further limited imports from Uganda to Juba that were already below average due to macroeconomic issues that have reduced trader incentives. Similarly, insecurity along the Rumbek-Wau-Aweil road is significantly reducing trade flows further north (Figure 2). [July 2016 WFP price monitoring](#) observed massive price spikes in key staple foods in several major markets (Figure 1). Current prices are the highest on record in many markets. In Juba, the nominal price of sorghum increased 144 percent from June and is now 1,257 percent above the five-year average. Similar price increases were seen in Wau of Western Bahr el Ghazal and Aweil of Northern Bahr el Ghazal, where sorghum prices are now 860 and 1,099 percent above their respective five-year averages. The consumer price index (CPI) rose 77.7 percent month-on-month over the same time period, surpassing the widely used hyperinflation threshold of 50 percent inflation over a month. Despite anecdotal reports that prices in Juba declined modestly in August, they still remain extremely high and far above June levels.

Available price data does not suggest that prices increased as sharply in Malakal, possibly due to continued imports from Sudan and the impact of food assistance. However, price data is not available for other areas of Greater Upper Nile and so the current status of staple food prices is unknown.

**Figure 1. Nominal retail prices for sorghum in South Sudan**



**Figure 2. Market and trade functioning as of August 2016**



These price spikes are particularly concerning in the context of the [ongoing food security emergency in South Sudan](#). July/August marks the peak of the lean season when households are typically most market dependent. Emergency (IPC Phase 4) outcomes are already widespread across much of Greater Bahr el Ghazal and Greater Upper Nile as households face larger gaps in their basic food needs, high levels of malnutrition, and an elevated risk of mortality. Given the limited availability of harvest stocks due to protracted conflict in Greater Upper Nile households in these areas are even more heavily reliant on markets for food access. Since January, over 88,000 South Sudanese migrated to Sudan, largely from Northern Bahr el Ghazal, due to food shortages. In Wau, ongoing fighting is not only impeding trade flows and market functioning, but also disrupting livelihoods and causing displacement. In these areas of high concern, drastically high prices will further restrict food access of many households already facing Emergency (IPC Phase 4). It is likely an increasing number of households in these areas are exhausting their capacity to cope and may be moving to Catastrophe (IPC Phase 5) and experiencing an extreme lack of food.

Although food availability may increase slightly in September/October as harvests replenish household and market stocks, recent displacement following conflict in July and restricted access to farms is expected to lead to below-average production that will have a lower than usual impact on prices. Furthermore, ongoing insecurity is also disrupting income-earning opportunities and the cultivation of second season crops in Greater Equatoria. Immediate humanitarian assistance and improved access for commercial trade are needed, particularly in northern South Sudan where households were already experiencing great difficulty accessing food before the large staple food price increases in July. Continued market monitoring will be needed even during the harvest period to track the impact conflict has on trade and worsening economic conditions have on household purchasing power.