Across the developing world, populations - both urban and rural - rely on markets for food and income. Even smallholders who produce their own food through crop production or livestock rearing may rely on markets to add diversity to their diets or to supplement their stocks during lean periods. They may also count on market outlets to sell crops, trade assets such as livestock, or find casual labor opportunities. The production, trade, and distribution systems that support these markets are powerful forces, influenced by suppliers, traders, and buyers responding to changes in supply and demand, and ultimately determining prices and the availability of and access to food. For FEWS NET, understanding current and projected market, trade, and price trends within the context of local livelihoods and agroclimatology is critical to inform integrated food security analysis.

FEWS NET MARKETS AND TRADE ANALYSIS

A major component of FEWS NET’s work, markets and trade analysis includes establishing a baseline understanding of the market context, followed by regular monitoring and reporting on local staple food availability, trade flows, macroeconomic drivers, and prices. Market trends are analyzed in countries where FEWS NET conducts monthly food security analysis, as well as in other regionally or internationally important countries whose markets greatly influence those of their trade partners. The Structure-Conduct-Performance analytical framework guides the FEWS NET approach to Markets and Trade analysis, reporting, and decision support.

MARKETS AND TRADE NETWORK

FEWS NET collaborates closely with a range of partners, sharing expertise as well as data on production, commodity balances, prices, trade flows, and other economic indicators. Partners include national ministries of agriculture, statistical offices and market information systems, the Food and Agriculture Organization of the United Nations, the World Food Program, and others. FEWS NET collects primary price and informal cross-border trade data in a handful of countries in East Africa, West Africa, Southern Africa, and the Caribbean. During times of crisis, FEWS NET also collects primary data on the level of market activity.