

Libya Joint Market Monitoring Initiative (JMMI)

1–8 August 2018

Libya Cash & Markets
Working Group

REACH Informing
more effective
humanitarian action

INTRODUCTION

In an effort to inform cash-based interventions and better understand market dynamics in Libya, the Joint Market Monitoring Initiative (JMMI) was created by the Libya Cash & Markets Working Group (CMWG) in June 2017. The initiative is guided by the CMWG Markets Taskforce, led by REACH and supported by the CMWG members. It is funded by OFDA and UNHCR.

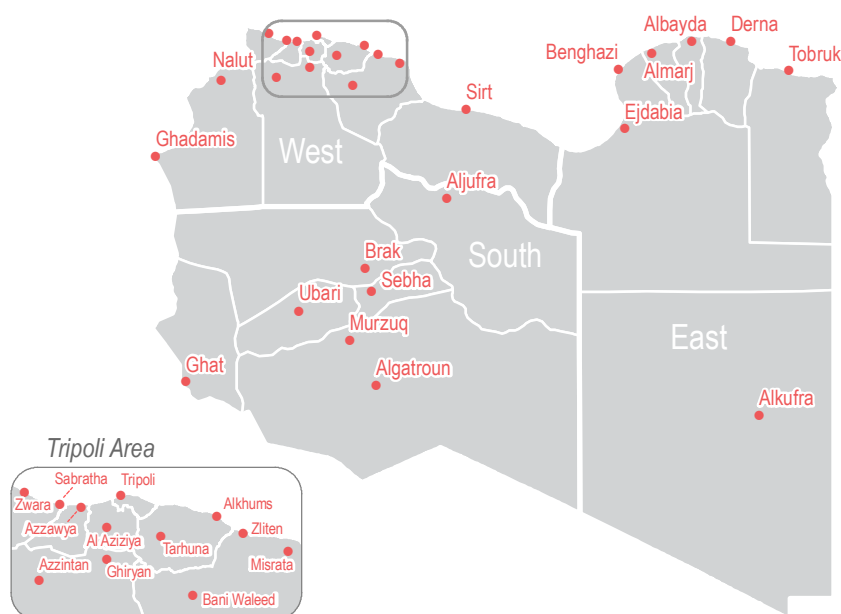
Markets in key urban areas across Libya are assessed on a monthly basis. In each location, field teams record prices and availability of basic food and non-food items (NFI) sold in local shops and markets.

This factsheet presents an overview of price ranges and medians for key food items and NFIs in the assessed areas, as well as the costs associated with key elements of the Minimum Expenditure Basket (MEB).

METHODOLOGY

- Field staff familiar with the local market conditions identified shops representative of the general price level in their respective locations.
- At least four prices per assessed item were collected within each location. In line with the purpose of the JMMI, only the price of the cheapest available brand was recorded for each item.
- Enumerators were trained on methodology and tools by REACH. Data collection was conducted through the KoBoCollect mobile application.
- Following data collection, REACH compiled and cleaned all partner data, normalising prices, cross-checking outliers and calculating the median cost of an MEB in each assessed market.
- More details are available in the Methodology section of the Appendix.

ASSESSED LOCATIONS



KEY FINDINGS

- The median cost of the Minimum Expenditure Basket (MEB) decreased by 1.9% in August** compared to July, **reaching 854.14 LYD**, notably due to a 10.2% decrease in the cost of the hygiene portion. According to KIs, preparations for Eid al-Adha contributed to price volatility, encouraging merchants to free their stores from some goods to replace them with others more appropriate for the occasion. Additionally, the CBL approved letters of credit for the import of sheep, which allowed for the decrease of lamb meat prices.
- In August, while the overall median price of flour increased slightly, it showed strong variations between the east (+60%) and west (-12.5%). The overall median price of bread rose by 33.3% since July, notably in Aljufra (+71.2%). This was due to the fact that the median pieces of bread per bag dropped to 3 pieces. Bakeries were forced to adopt strategies to deal with increases in the price of flour, of which two main ones were identified in August. In most of the cases, **bakers increased the price of bread and reduced the quantity of bread pieces**, or they kept the same quantity but fixed higher price.
- Across Libya, **the overall median price of cooking fuel (LPG) rose by 7.7%**, driven largely by a 51.8% increase in the cost of unsubsidised LPG between July and August. The median price of subsidised and unsubsidised LPG varied widely across locations. Due to distance from coasts, subsidised LPG was three times more expensive in the south than the west, and private LPG was five times more expensive in the south than west.
- Exchange rates trends remained relatively unchanged in August** compared to July, namely a slight appreciation of the USD against the LYD (+0.5%), and a depreciation in parallel markets of the USD (-6.3%) and EUR (-6.0%) against the LYD.

JMMI KEY FIGURES

Data collection from 1-8 August 2018

5 participating agencies
(ACTED, DRC, Mercy Corps, REACH, WFP)
29 assessed cities
34 assessed items
473 assessed shops

EXCHANGE RATES¹

1.378 USD/LYD <small>official</small> ▲ +0.5%	6.375 USD/LYD <small>parallel market</small> ▼ -6.3%	7.477 EUR/LYD <small>parallel market</small> ▼ -6.0%
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KEY MONTHLY CHANGES IN MEB

Median cost of overall MEB

854.14 LYD ▼ 16.46 LYD -1.9%

Food items	Hygiene items	Cooking fuel
▼ -1.3%	▼ -10.2%	▲ +9.1%

MEDIAN COST OF MEB BY REGION

West	834.22 LYD	+1.1% ▲
East	832.77 LYD	-1.9% ▼
South	1064.09 LYD	-5.5% ▼

MARKET SHORTAGES

None reported

Reported changes are month-on-month

Access the [JMMI online dashboard](#)

MINIMUM EXPENDITURE BASKET (MEB)

Key Elements: Food Items

Bread	38 kg	Tomatoes	12 kg
Rice	12.5 kg	Potatoes	14 kg
Pasta	11 kg	Onions	8 kg
Couscous	6.5 kg	Peppers	5 kg
Beans	7 kg	Tomato paste	7 kg
Chicken	9 kg	Black tea	2 kg
Tuna	4.5 kg	Vegetable oil	6 L
Eggs	4.5 kg	Sugar	2 kg
Milk	10 L	Salt	1 kg

Key Elements: Non-Food Items

Bathing soap	1.5 kg (10 150-g bars)
Toothpaste	0.6 kg (6 100-g tubes)
Laundry detergent	1.5 L
Dishwashing liquid	1.5 L
Sanitary pads	4 packs of 10
Cooking fuel (LPG)	22 kg (2 11-kg refills)

Optional Elements²

Water (drinking and domestic use)	2,790 L
Median rent for 3-rm flat	1 month
Float ³	20% of key elements

The **Minimum Expenditure Basket (MEB)** represents the minimum culturally adjusted group of items required to support a six-person Libyan household for one month. The cost of the MEB can be used as a proxy for the financial burdens facing households in different locations. The MEB's contents were defined by the CMWG in consultation with relevant sector leads.

Only the MEB's key elements (food and non-food items) were incorporated into the calculations in this factsheet.

COST OF MEDIAN OVERALL MEB

854.14 LYD

Change since
July 2018

▼ **16.46 LYD**
(-1.9%)

Change since
May 2018

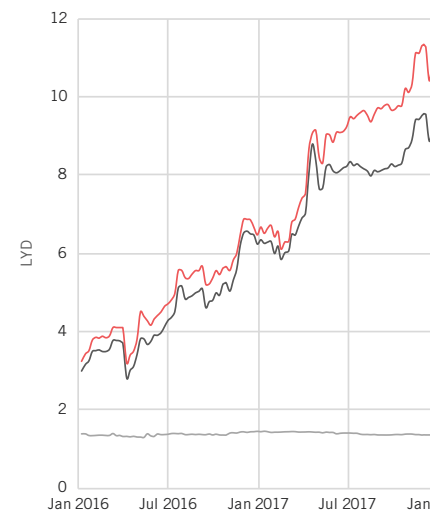
▲ **71.68 LYD**
(+9.2%)

MEDIAN MEB COST BY LOCATION

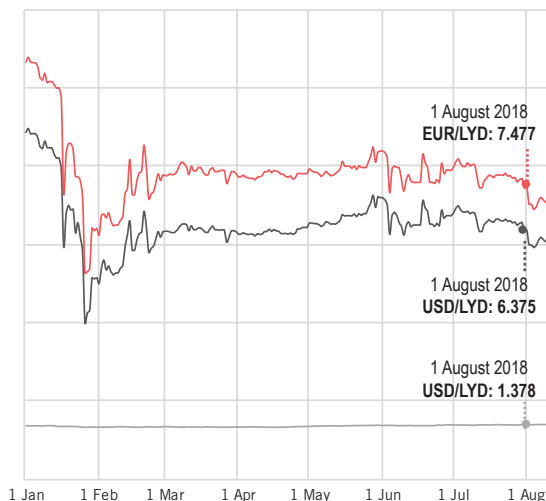
Location	Cost of key elements (LYD)	Change since July 2018	Change since May 2018
Zwara	979.56	+3.3%	+18.4%
Ghadamis	971.13	+8.2%	+21.9%
Al Aziziya	934.70	+1.6%	+20.0%
Sabratha	919.32	+0.2%	+18.5%
Azzawya	916.01	-1.2%	+16.6%
Nalut	839.83	+3.4%	-2.9%
Tarhuna	837.38	+1.5%	No data
Tripoli	822.59	+2.4%	+15.2%
Sirt	809.96	No data	+16.2%
Alkhums	805.58	-0.6%	+13.1%
Azzintan	789.36	-4.4%	+8.1%
Ghiryan	782.84	-10.0%	+5.4%
Misrata	779.29	+4.2%	+15.3%
Zliten	763.64	+6.5%	+2.0%
Bani Waleed	746.94	-1.5%	No data
Median West	834.22	+1.1%	+12.2%
Alkufra	999.13	-3.6%	+3.1%
Derna	858.09	No data	-14.1%
Albayda	822.06	-4.5%	-0.1%
Almarj	816.38	-0.5%	+4.2%
Tobruk	814.63	-5.0%	+2.6%
Benghazi	814.48	-1.0%	+8.1%
Ejdabia	762.02	+2.8%	+11.2%
Median East	832.77	-1.9%	+5.6%
Algatroun	1241.89	+5.2%	+10.2%
Ubari	1199.06	-0.9%	+8.6%
Ghat	1179.50	-9.5%	+15.7%
Aljufra	1022.20	+8.1%	+15.9%
Murzuq	1018.52	-15.3%	-4.6%
Brak	900.89	-11.5%	+5.0%
Sebha	870.07	-18.0%	-9.2%
Median South	1064.09	-5.5%	+7.4%
Median Overall	854.14	-1.9%	+9.2%

EXCHANGE RATES OVER TIME¹

2016-2017



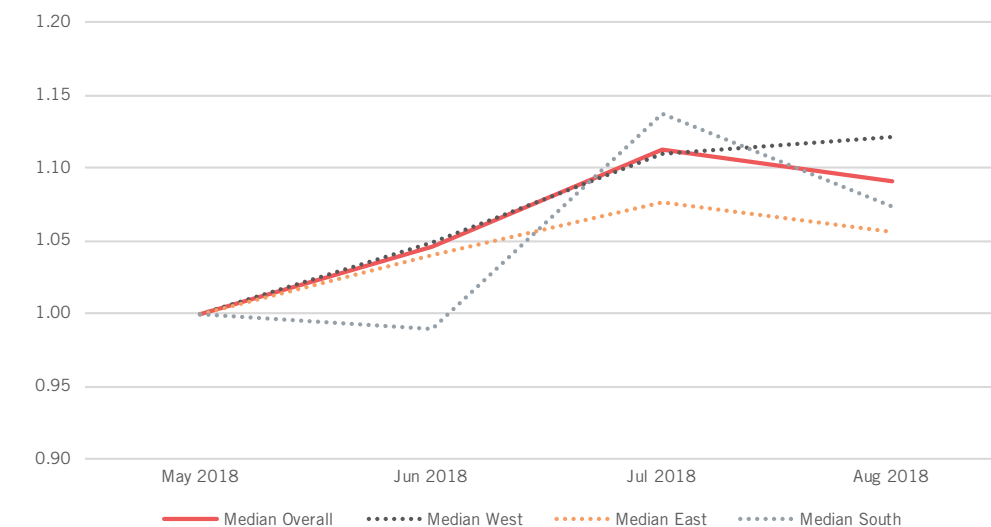
Since January 2018



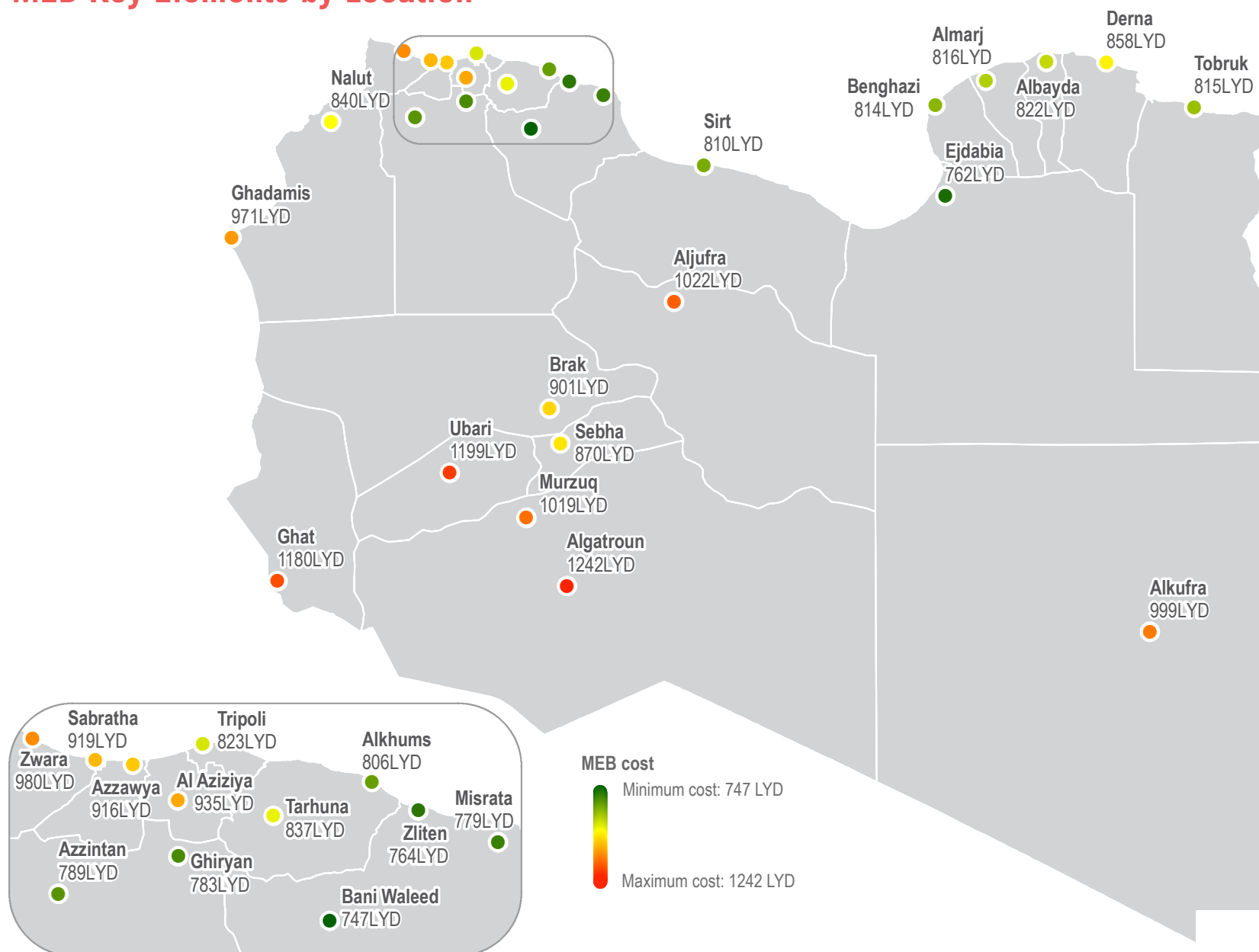
— USD/LYD (parallel market) — USD/LYD (official) — EUR/LYD (parallel market)

MEB PRICE INDEX

Since May 2018 (normalised, May 2018 = 1.00)



Cost of MEB Key Elements by Location

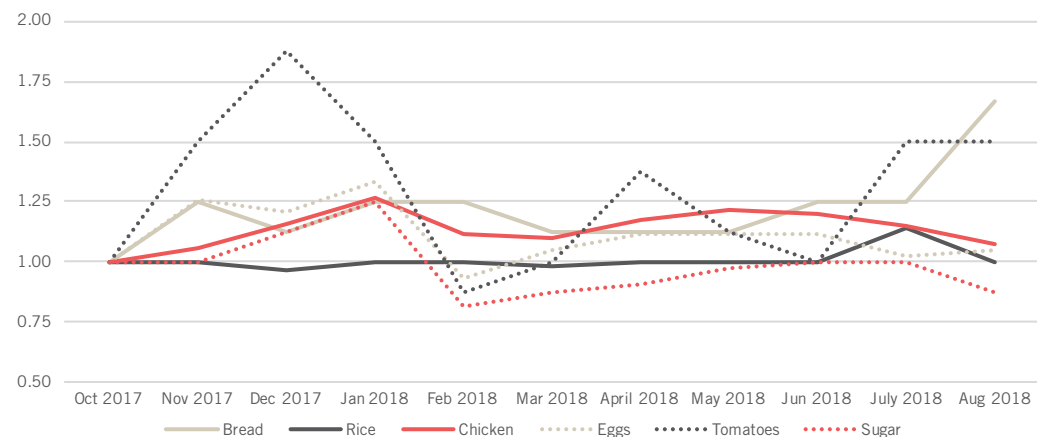


PRICES OF MONITORED ITEMS

Item	Unit	Median price (LYD)	Change since July 2018	Change since Oct 2017
Food items				
Bread	5 pieces	1.67	+33.6%	+67.0%
Condensed milk	200 ml	4.00	+17.3%	+77.8%
Onions	1 kg	2.25	+12.5%	+12.5%
Couscous	1 kg	4.00	+6.7%	0.0%
Flour	1 kg	2.88	+4.5%	+91.7%
Eggs	30 eggs	11.25	+2.3%	+4.7%
Beans	400 g	3.00	0.0%	+20.0%
Black tea	250 g	7.38	0.0%	-1.7%
Green tea	250 g	5.00	0.0%	0.0%
Pasta	500 g	1.50	0.0%	-14.3%
Peppers	1 kg	4.00	0.0%	+6.7%
Potatoes	1 kg	2.00	0.0%	-33.3%
Salt	1 kg	1.00	0.0%	0.0%
Tomato paste	400 g	2.50	0.0%	+100.0%
Tomatoes	1 kg	3.00	0.0%	+50.0%
Tuna	200 g	4.38	0.0%	+6.2%
Chickpeas	400 g	3.00	-4.0%	+14.3%
Chicken	1 kg	11.25	-6.3%	+7.7%
Lamb meat	1 kg	36.50	-8.8%	+23.2%
Rice	1 kg	3.50	-12.5%	0.0%
Sugar	1 kg	3.50	-12.5%	-12.5%
Milk	1 L	4.00	-15.8%	-5.9%
Vegetable oil	1 L	6.50	-18.8%	+73.3%
Hygiene items				
Dishwashing liquid	1 L	3.00	+27.7%	+9.1%
Toothbrush	1 brush	2.75	+10.0%	+22.2%
Shampoo	250 ml	7.50	+7.1%	+5.4%
Baby diapers	30 pieces	22.00	+2.3%	+10.0%
Laundry powder	1 kg	8.00	0.0%	+6.7%
Sanitary pads	10 pads	4.00	0.0%	+3.2%
Toothpaste	100 mL	5.75	-4.2%	-11.5%
Laundry detergent	1 L	1.50	-6.3%	No data
Handwashing soap	1 bar	1.50	-33.3%	+9.1%
Other items				
Unsubsidised LPG	11 kg	15.00	+51.8%	No data
Subsidised LPG	11 kg	5.00	+7.1%	No data
Bottled water	1 L	2.00	0.0%	No data

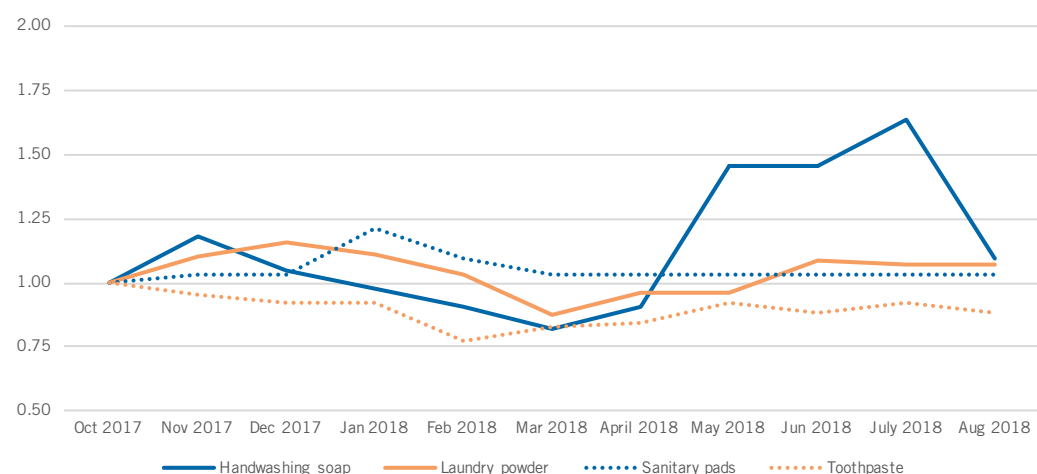
FOOD PRICES OVER TIME

Selected items (normalised, October 2017 = 1.00)⁴



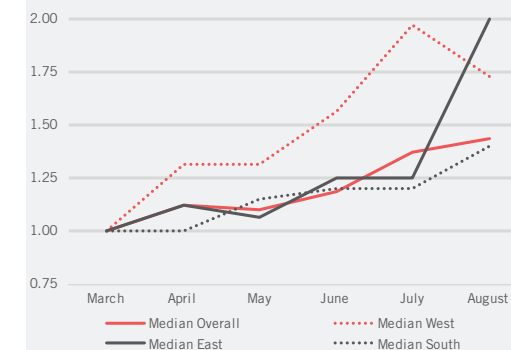
HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, October 2017 = 1.00)⁴



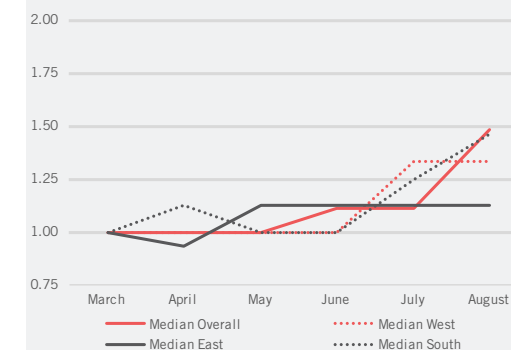
FLOUR PRICES OVER TIME⁵

(normalised, March 2018 = 1.00)



BREAD PRICES OVER TIME⁵

(normalised, March 2018 = 1.00)



NOTABLE MONTH-ON-MONTH CHANGES

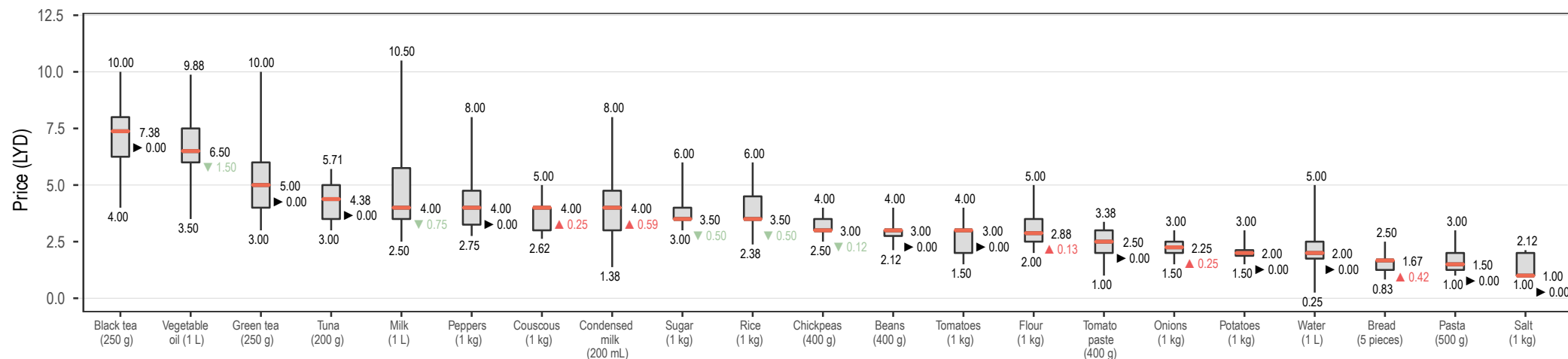
Unsubsidised LPG	▲ +51.8%
Bread	▲ +33.6%
Dishwashing liquid	▲ +27.7%
Handwashing soap	▼ -33.3%
Vegetable oil	▼ -18.8%

MARKET SHORTAGES

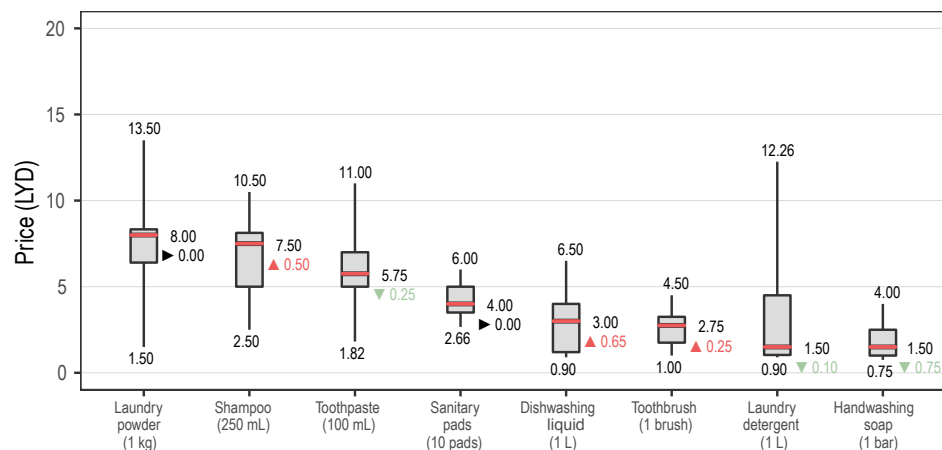
None confirmed

Distribution of Prices in Libya

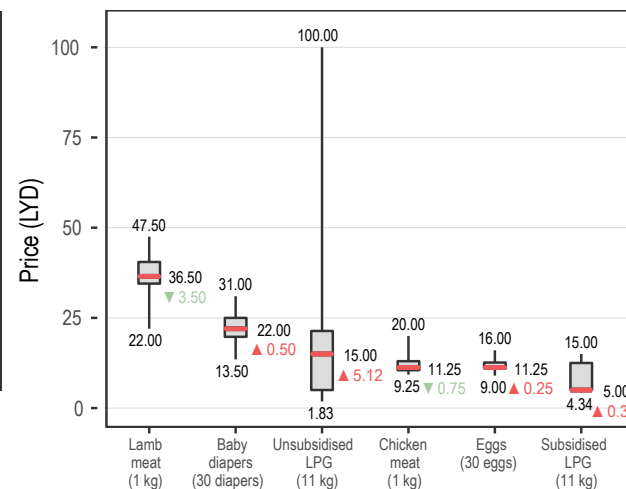
FOOD ITEMS



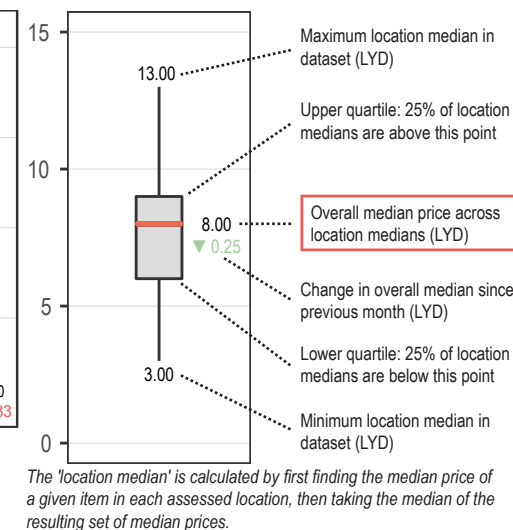
HYGIENE ITEMS



ITEMS WITH HIGHEST PRICES



How to read a boxplot



PREVIOUS JMMI OUTPUTS

Factsheets

2018

July
June
May
April
March
February
January

Datasets

July
June
May
April
March
February
January

2017

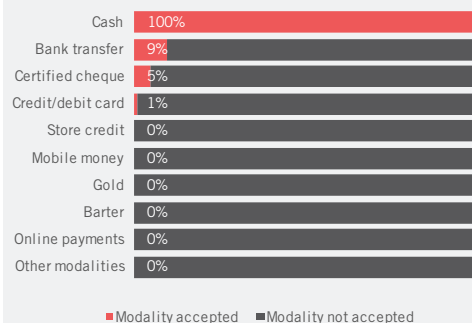
December
November
October
September
August
July
June

December
November
October
September
August
July
June

Trends Analyses

June–December 2017

PAYMENT MODALITIES ACCEPTED IN ASSESSED SHOPS (% of shops)



MARK-UPS FOR ALTERNATIVE MODALITIES

E-cards (credit, debit)	40-50%
Certified cheques	30-50%
Mobile money	N/A

1. Shops need to be large enough to sell all or most assessed items.
2. Prices in these shops need to be good indicators of the general price levels in the assessed area.
3. Shops should be located in different areas within the assessed city or baladiya.

In locations where it is not possible to identify four large markets that fulfil criterion (1), smaller shops, such as grocery shops, vegetable vendors, butchers and bakeries, are added to the shop list, as long as they fit criteria (2) and (3), in order to guarantee at least four prices per item of interest. Each month, price data is collected from the same shops whenever possible to ensure comparability across months.

The CMWG primarily targets urban areas throughout Libya, aiming to ensure coverage of markets that serve as commercial hubs for surrounding regions.

Data is collected via the KoBo mobile data collection application. The CMWG maintains a joint KoBo account for the JMMI. The data collection tool is published alongside the dataset every month and disseminated to the humanitarian community.

Analyses

The median prices reported in this factsheet are 'location medians', designed to minimise the effects of outliers and differing amounts of data among assessed locations. First, the median prices of all assessed items are calculated within each assessed location (city or mahalla); then, REACH calculates the median of this list of medians. All boxplots, as well as MEB and price index calculations, are created using this method.

The cost of the MEB is calculated by multiplying the median price of each item in the MEB's 'Key Elements' section by the quantity listed in the table on page 2. In cases where no median price is available for an item in a particular location, the median price for that item across the region (west, east or south) is substituted.

Challenges and limitations

- Price data is only indicative for the time frame within which it was collected. Prices may vary during the weeks between adjacent data collection rounds.
- The data is only indicative of the general price levels in each assessed location. Representativeness on the mantika (district) level cannot be claimed. Even on the city level, price data must be interpreted with caution, particularly in larger cities with substantial variation in neighbourhoods' socioeconomic levels.
- The JMMI data collection tool requires enumerators to record the cheapest available price for each item, but does not require a specific brand, as brand availability may vary. Therefore, price comparisons across regions may be based on slight variants of the same product.
- The JMMI does not intend to measure general inflation levels on Libyan markets. As per JMMI

methodology, only the cheapest available price per item is collected, meaning that changes in middle-market and upmarket goods are not captured.

Endnotes

¹ *Official rate*: Central Bank of Libya (1 August 2018), retrieved from www.cbl.gov.ly. *Parallel market rates*: Ewan Libya (1 August 2018), retrieved from www.ewanlibya.ly. The rates from 1 July and 1 August 2018 were used for the calculation of the monthly changes.

² The 'Optional Elements' section of the MEB includes basic expenditures that are incurred by some, but not all, Libyan households, as well as expenditures that extend beyond basic survival and dignity needs. They are not included in the JMMI's MEB calculations.

³ The 20% float includes expenses on healthcare, medicine, education, utilities, transportation and communications.

⁴ Food and Hygiene prices were normalized by setting October 2017 as the baseline and dividing each month's price by the price in October.

⁵ Trends in flour and bread prices have been analysed from March 2018 onward to capture volatility in recent months.