

# Libya Joint Market Monitoring Initiative (JMMI)

1–11 November 2018

Libya Cash 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 Working Group (CWG) in June 2017. The initiative is guided by the CWG Markets Taskforce, led by REACH and supported by the CWG members. It is funded by OFDA and UNHCR.

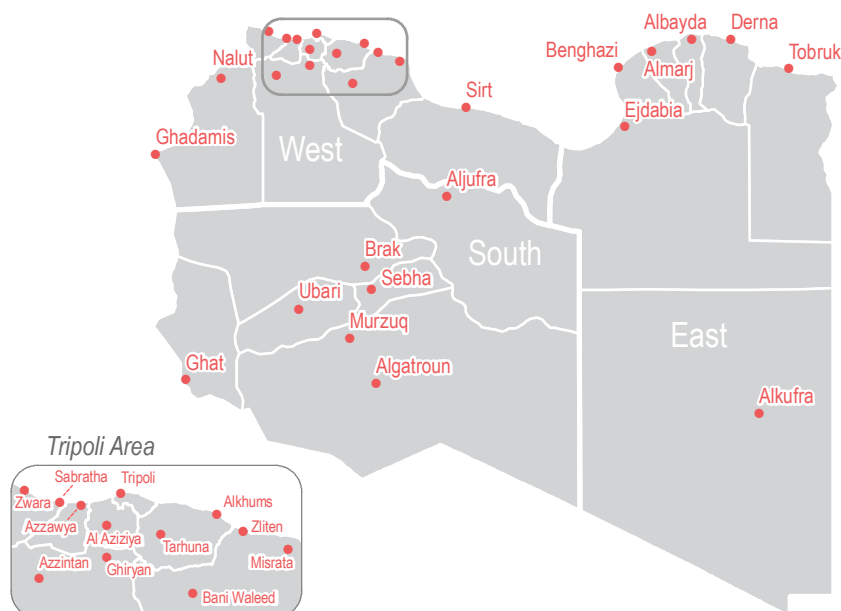
Markets in key urban areas across Libya are assessed on a monthly basis. In each location, field teams record prices and availability of basic food and non-food items (NFI) sold in local shops and markets.

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

- Following a sharp appreciation of the Libyan dinar (LYD) on the parallel market between September and October<sup>1</sup>, **the LYD began to depreciate again in November against the US dollar (+6.1%) and the euro (+2.8%)**. Due to shops not immediately needing to restock some goods, prices continued to decrease regardless of this trend.
- In November, **the overall median price of the Minimum Expenditure Basket (MEB) was 840.73 LYD**, 40.05 LYD less than in October, representing the greatest monthly decrease since May 2018. It is also the first time there was a decrease in median prices in all three assessed regions in Libya. Since September, the economic reform imposing a 183% fee on foreign currency transactions probably impacted prices<sup>2</sup>. Among the 34 assessed items, 17 monitored food and non-food items decreased in price between October and November, and 13 remained stable, with green tea, chicken, pasta and dishwashing liquid being the only exceptions.
- In November, **Benghazi and Derna recorded the lowest median MEB cost of the country**, with a decrease by 10.6% and 19.5% respectively, compared to October. In the South, despite a strong decrease (-5.5%) mostly driven by sharp decreases in the cities of Murzuq, Brak, and Ubari, the cost of the MEB remained the highest in Libya, reaching 1086.05 LYD in November.
- The median price of bread decreased by 25.0% compared to October, reaching 1.25 LYD for 5 pieces**. While the standard price of a bag of bread remained unchanged (1 LYD), the average number of pieces per bag increased from 3 in October to 4 in November, reflecting a decrease in the price per piece. While the median prices of bread and flour remained unchanged in the East, they both decreased in the West and South.

## JMMI KEY FIGURES

Data collection from 1-11 November 2018

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

## EXCHANGE RATES<sup>3</sup>

<b>1.397</b> USD/LYD <i>official</i> ▲ +0.9%	<b>5.600</b> USD/LYD <i>parallel market</i> ▲ +6.1%	<b>6.320</b> EUR/LYD <i>parallel market</i> ▲ +2.8%
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## KEY MONTHLY CHANGES IN MEB

Median cost of overall MEB

840.73 LYD ▼ 40.05 LYD -4.5%

Food items	Hygiene items	Cooking fuel
▼ -3.4%	▼ -10.2%	▼ -25.0%

## MEDIAN COST OF MEB BY REGION

Region	Median Cost (LYD)	Change (%)
West	809.06 LYD	-2.9% ▼
East	792.50 LYD	-0.2% ▼
South	1086.05 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 Elements<sup>4</sup>

Water (drinking and domestic use)	2,790 L
Median rent for 3-rm flat	1 month
Float <sup>5</sup>	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 CWG 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

# 840.73 LYD

Change since  
October 2018

▼ **40.05 LYD**  
(-4.5%)

Change since  
May 2018

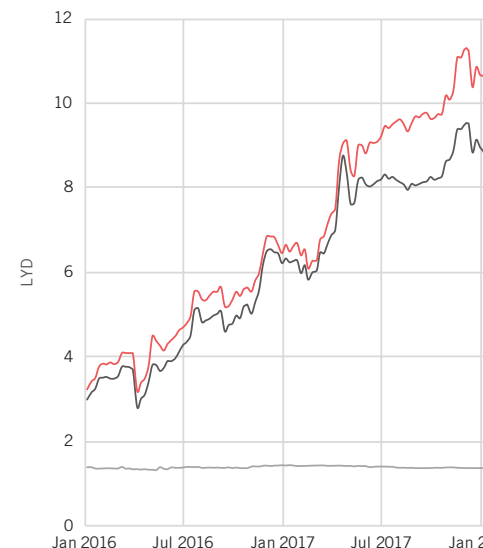
▲ **58.27 LYD**  
(+7.4%)

## MEDIAN MEB COST BY LOCATION

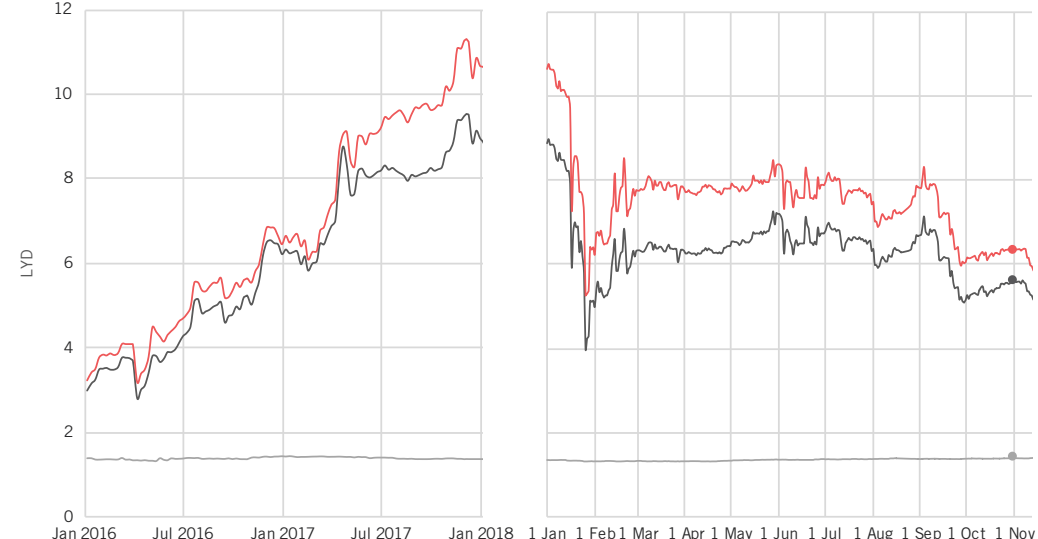
Location	Cost of key elements (LYD)	Change since Oct 2018	Change since May 2018
Ghadamis	905.75	+1.7%	+13.7%
Nalut	869.00	-4.9%	+0.5%
Tarhuna	856.88	-0.3%	No data
Tripoli	852.88	-1.1%	+19.4%
Zwara	842.12	-4.9%	+1.8%
Misrata	838.82	+9.5%	+24.1%
Bani Waleed	828.81	+3.7%	No data
Sabratha	824.68	-3.4%	+6.3%
Alkhums	820.80	+1.2%	+15.2%
Al Aziziya	817.01	-8.2%	+4.9%
Azzawya	803.93	-3.3%	+2.3%
Zliten	797.38	-14.5%	+6.5%
Azzintan	790.11	+1.4%	+8.2%
Sirt	767.18	-12.6%	+10.0%
Ghiryan	758.81	+2.9%	+2.2%
<b>Median West</b>	<b>809.06</b>	<b>-2.9%</b>	<b>+8.8%</b>
Alkufrah	1095.93	+2.6%	+13.1%
Tobruk	792.75	-2.7%	-0.2%
Albayda	790.50	-1.3%	-3.9%
Almarj	788.88	-1.6%	+0.7%
Ejdabia	787.00	+9.9%	+14.9%
Derna	784.04	-19.5%	-21.5%
Benghazi	746.01	-10.6%	-1.0%
<b>Median East</b>	<b>792.50</b>	<b>-0.2%</b>	<b>+0.5%</b>
Algatroun	1351.14	+8.0%	+19.9%
Ghat	1276.50	+2.2%	+25.2%
Murzuq	1215.60	-20.5%	+13.8%
Ubari	1166.76	-8.7%	+5.7%
Aljufra	1011.12	+1.5%	+14.6%
Sebha	949.62	-3.1%	-0.8%
Brak	937.74	-15.5%	+9.3%
<b>Median South</b>	<b>1086.05</b>	<b>-5.5%</b>	<b>+9.6%</b>
<b>Median Overall</b>	<b>840.73</b>	<b>-4.5%</b>	<b>+7.4%</b>

## EXCHANGE RATES OVER TIME<sup>3</sup>

### 2016-2017



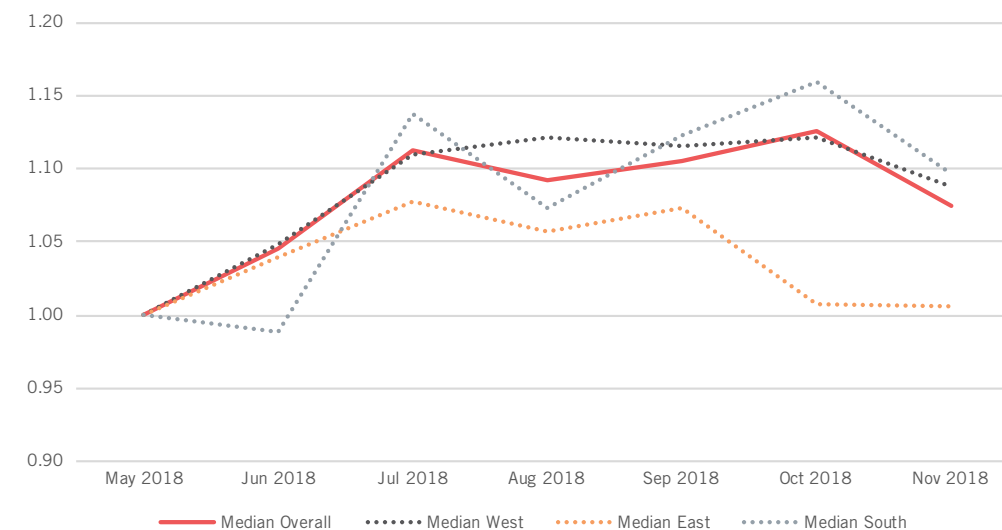
### Since January 2018



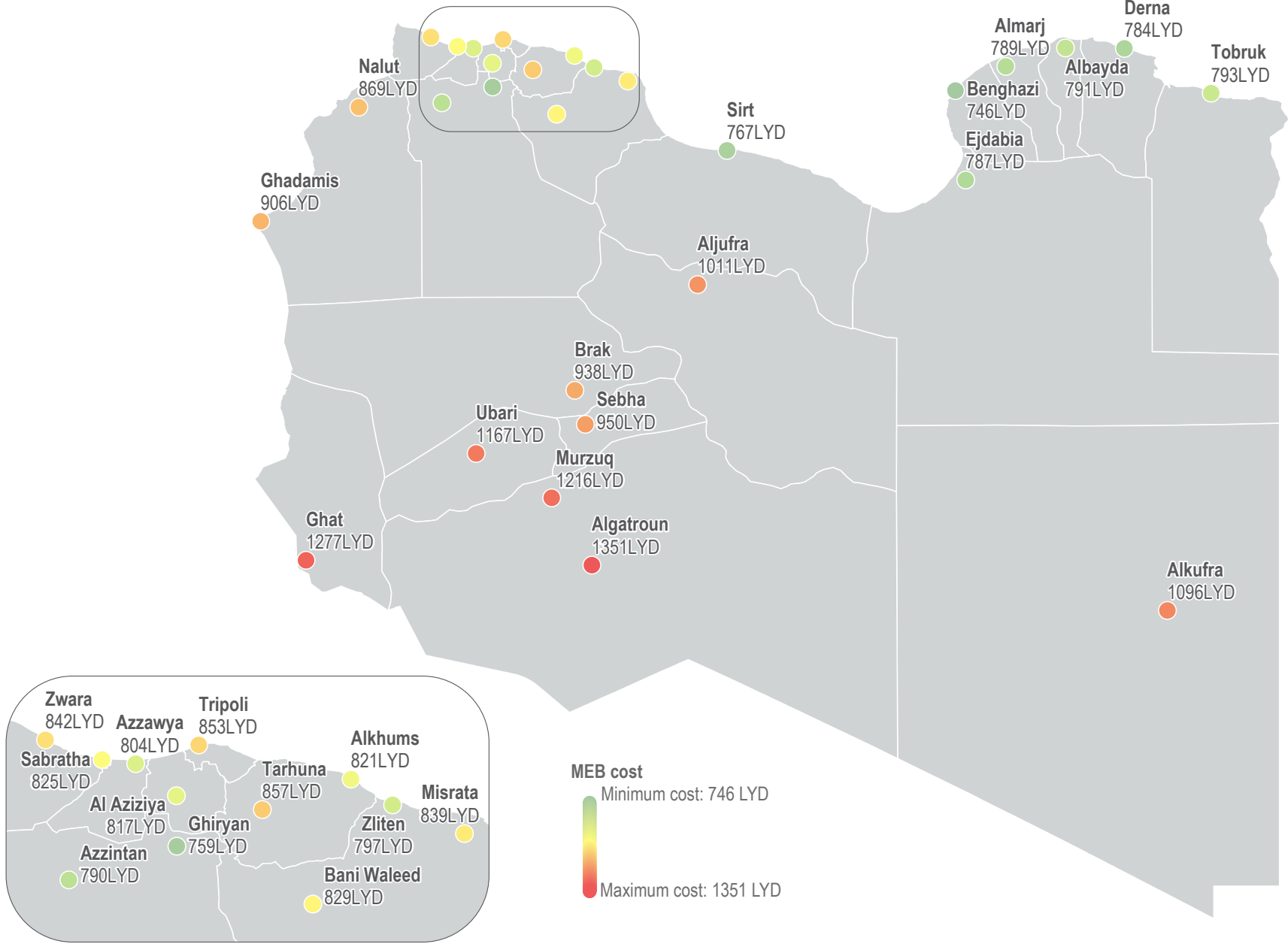
— USD/LYD (parallel market) — USD/LYD (official) — EUR/LYD (parallel market)

## MEB PRICE INDEX

Since May 2018 (normalised, May 2018 = 1.00)<sup>6</sup>



# Cost of MEB Key Elements by Location

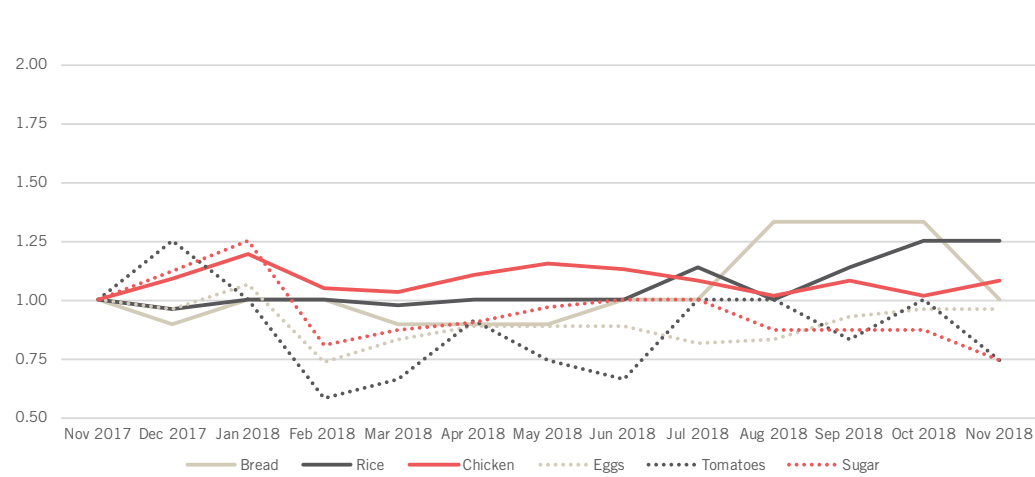


## PRICES OF MONITORED ITEMS

Item	Unit	Median price (LYD)	Change since Oct 2018	Change since Nov 2017
<b>Food items</b>				
Green tea	250 g	5.00	+11.1%	-9.1%
Chicken	1 kg	12.00	+6.7%	+8.5%
Pasta	500 g	1.63	+4.2%	0.0%
Beans	400 g	3.00	0.0%	+20.0%
Black tea	250 g	8.00	0.0%	+23.1%
Chickpeas	400 g	3.00	0.0%	0.0%
Couscous	1 kg	4.00	0.0%	+1.6%
Eggs	30 eggs	13.00	0.0%	-3.7%
Potatoes	1 kg	2.00	0.0%	-30.4%
Rice	1 kg	4.38	0.0%	+25.0%
Salt	1 kg	1.00	0.0%	0.0%
Tuna	200 g	4.25	0.0%	-6.8%
Vegetable oil	1 L	5.25	0.0%	+0.5%
Condensed milk	200 ml	3.00	-3.8%	+41.3%
Lamb meat	1 kg	37.00	-3.9%	+13.0%
Tomato paste	400 g	2.88	-4.2%	+119.0%
Flour	1 kg	3.00	-7.7%	+60.0%
Milk	1 L	3.00	-7.7%	-25.0%
Peppers	1 kg	4.50	-10.0%	+12.5%
Onions	1 kg	2.00	-11.1%	-20.0%
Sugar	1 kg	3.00	-14.3%	-25.0%
Tomatoes	1 kg	2.25	-25.0%	-25.0%
Bread	5 pieces	1.25	-25.1%	0.0%
<b>Hygiene items</b>				
Dishwashing liquid	1 L	3.00	+9.1%	-30.2%
Baby diapers	30 pieces	20.00	0.0%	-9.1%
Sanitary pads	10 pads	4.38	-2.8%	+12.5%
Laundry powder	1 kg	7.75	-3.1%	-3.5%
Laundry detergent	1 L	1.25	-9.1%	No data
Toothbrush	1 brush	2.25	-10.0%	+11.1%
Toothpaste	100 ml	5.33	-11.2%	-3.1%
Shampoo	250 ml	6.00	-14.3%	+18.5%
Handwashing soap	1 bar	1.50	-20.0%	+15.4%
<b>Other items</b>				
Bottled water	1 L	2.00	0.0%	No data
Unsubsidised LPG	11 kg	10.00	0.0%	No data
Subsidised LPG	11 kg	5.00	0.0%	No data

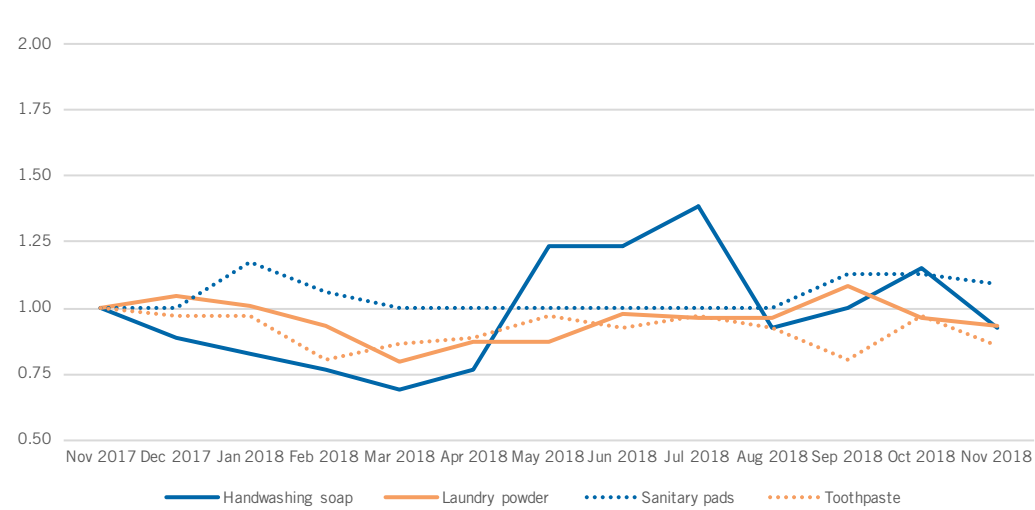
## FOOD PRICES OVER TIME

Selected items (normalised, November 2017 = 1.00)<sup>7</sup>



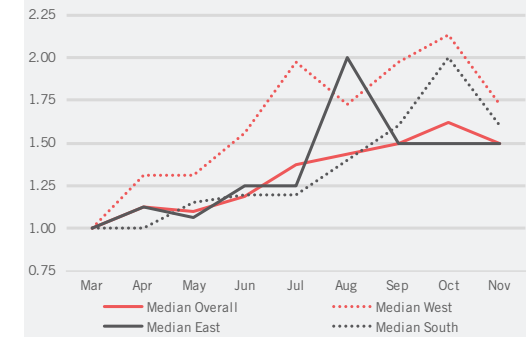
## HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, November 2017 = 1.00)<sup>7</sup>



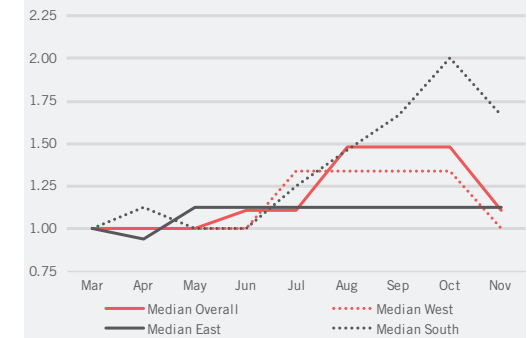
## FLOUR PRICES OVER TIME<sup>8</sup>

(normalised, March 2018 = 1.00)



## BREAD PRICES OVER TIME<sup>8</sup>

(normalised, March 2018 = 1.00)



## NOTABLE MONTH-ON-MONTH CHANGES

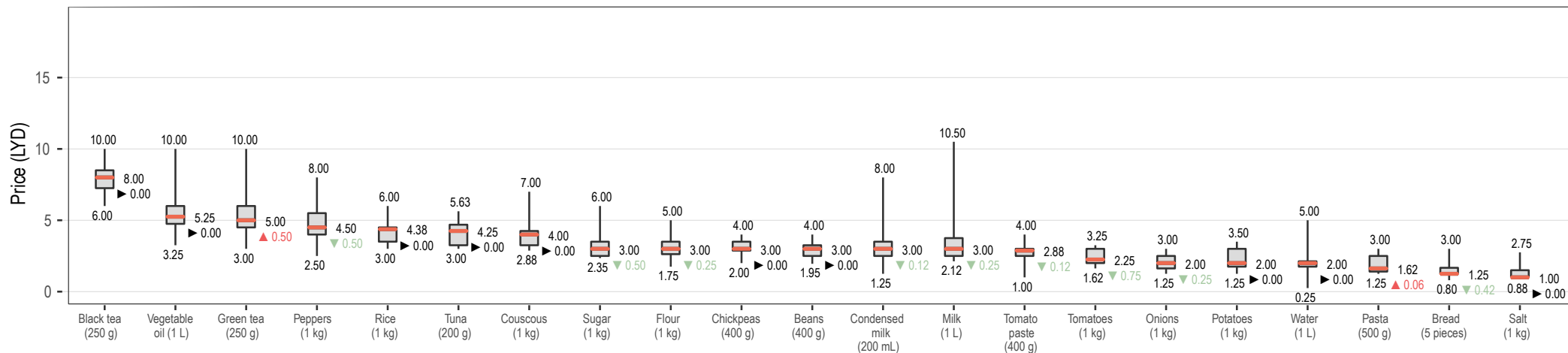
Bread	▼ -25.1%
Tomatoes	▼ -25.0%
Handwashing soap	▼ -20.0%
Shampoo	▼ -14.3%
Sugar	▼ -14.3%

## MARKET SHORTAGES

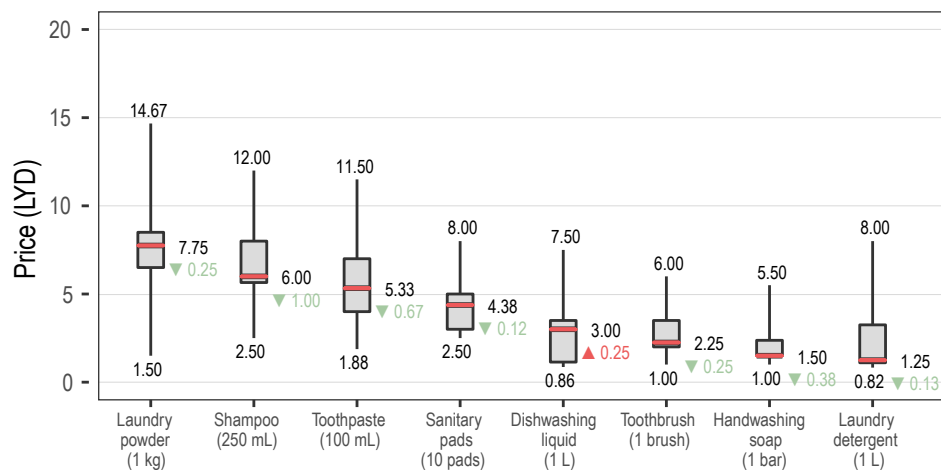
None reported

# Distribution of Prices in Libya

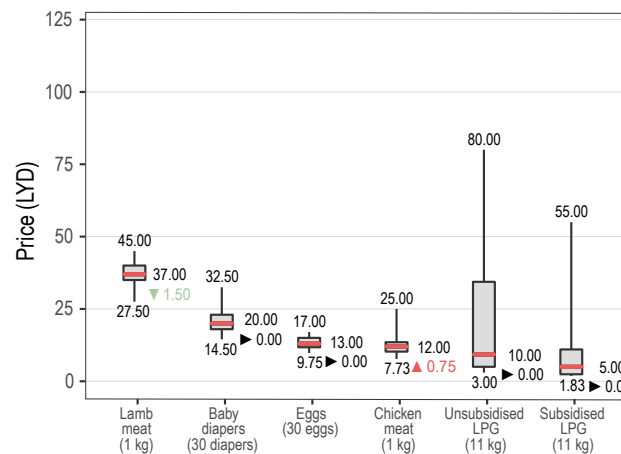
## FOOD ITEMS



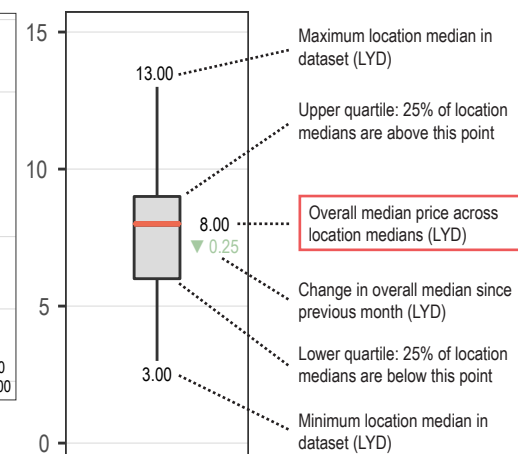
## HYGIENE ITEMS



## ITEMS WITH HIGHEST PRICES



## How to read a boxplot



The 'location median' is calculated by first finding the median price of a given item in each assessed location, then taking the median of the resulting set of median prices.

## PREVIOUS JMMI OUTPUTS

### Factsheets

### Datasets

#### 2018

October	October
September	September
August	August
July	July
June	June
May	May
April	April
March	March
February	February
January	January

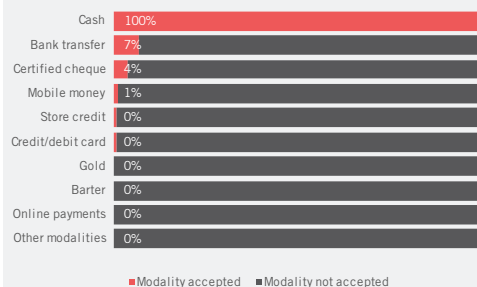
#### 2017

December	December
November	November
October	October
September	September
August	August
July	July
June	June

### Trends Analyses

June–December 2017  
January-June 2018

## PAYMENT MODALITIES ACCEPTED IN ASSESSED SHOPS (% of shops)



## MARK-UPS FOR ALTERNATIVE MODALITIES

E-cards (credit, debit)	40%
Certified cheques	10-40%
Mobile money	N/A

ensure the quality and consistency of collected data. Partner field teams, in coordination with the CWG, identify shops to assess based on the following criteria:

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 CWG 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 CWG 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

<sup>1</sup> For further details, please refer to the [October JMMI factsheet](#).

<sup>2</sup> Retrieved from: <https://www.libyaherald.com/2018/11/24/libyas-economic-reforms-have-been-successful/>

<sup>3</sup> *Official rate*: Central Bank of Libya (1 November 2018), retrieved from [www.cbl.gov.ly](http://www.cbl.gov.ly). *Parallel market rates*: Ewan Libya (1 November 2018), retrieved from [www.ewanlibya.ly](http://www.ewanlibya.ly). The rates from 1 October and 1 November 2018 were used for the calculation of the monthly changes.

<sup>4</sup> 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.

<sup>5</sup> The 20% float includes expenses on healthcare, medicine, education, utilities, transportation and communications.

<sup>6</sup> MEB price index was normalised by setting May 2018 as the baseline and dividing each month's price by the price in May.

<sup>7</sup> Food and Hygiene prices were normalised by setting November 2017 as the baseline and dividing each month's price by the price in November.

<sup>8</sup> Trends in flour and bread prices have been analysed from March 2018 onward to capture volatility in recent months.

## What is the CWG?

The Libya Cash Working Group (CWG), established in August 2016, is a community of humanitarian actors that support and coordinate cash-based interventions in Libya. The CWG, based jointly in Tripoli and Tunis, is currently led by UNHCR and co-led by Mercy Corps.

## Methodology (cont. from page 1)

The methodology for the JMMI is based on purposive sampling. In each assessed market, at least four prices per item need to be collected from different shops to