

Rapid Market Assessment

This Rapid Market Assessment (RMA) provides data on market function, supply, activity, and logistics in 59 earthquake/non-earthquake townships across 9 states/regions. Data were collected Dec. 20-27 through observation and KIIs with 119 retailers. Reports available at www.themimu.info/market-analysis-unit.



KEY FINDINGS

- **Market operations were stable and closures were rare**, but security remained poor in 27% of markets monitored;
- **Trade links between townships were largely intact**, but the usual trade/shipping stressors persisted;
- **Fuel and medicine supply improved in most markets**, but supply of these goods was still poorer than others;
- **Medicine supply was poorest in Southern Shan State**, and fuel supply remained poorest in Kayin State;
- **Food supply improved in Kayin and Mandalay** and it remained relatively stable in other regions;
- **NFI supply improved in Sagaing** marking an improvement over the past four or five months;
- **Shipping disruptions due to checkpoints continued** to trouble retailers, limiting access to many items;
- **Shipping rates remained stable in December**, yet this seemed to do little to improve supply of rare items.

Overview

Markets were open and operational in December with no dramatic changes, yet retail remained difficult in very-troubled townships like Demoso and Kawakeik. Goods continued to move between townships, but checkpoints and safety remained major problems for retailers who said it pushed up shipping costs. Many retailers also said their cash reserves were low. Food supply improved in some regions like Kayin and Mandalay—particularly vegetables—as did the supply of fuel and medicine which are generally among the most-needed items. December appeared to maintain the status quo for retail despite concerns of possible election-related disruptions.

Chart 1.1. Supply, by Category (Township Avg.)

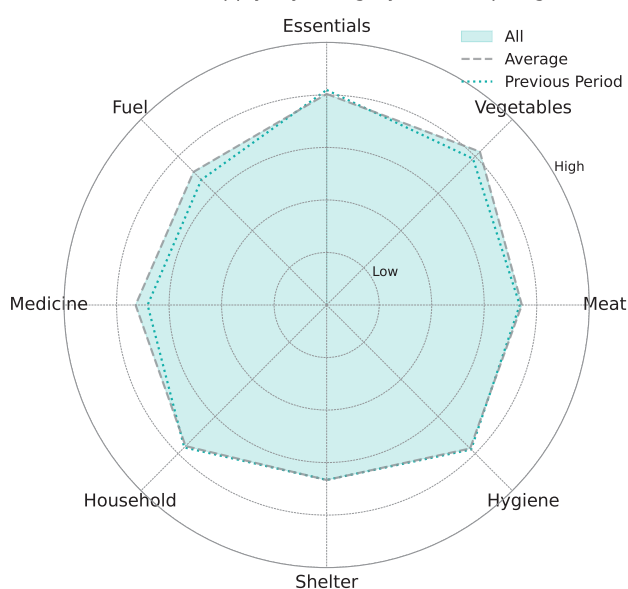
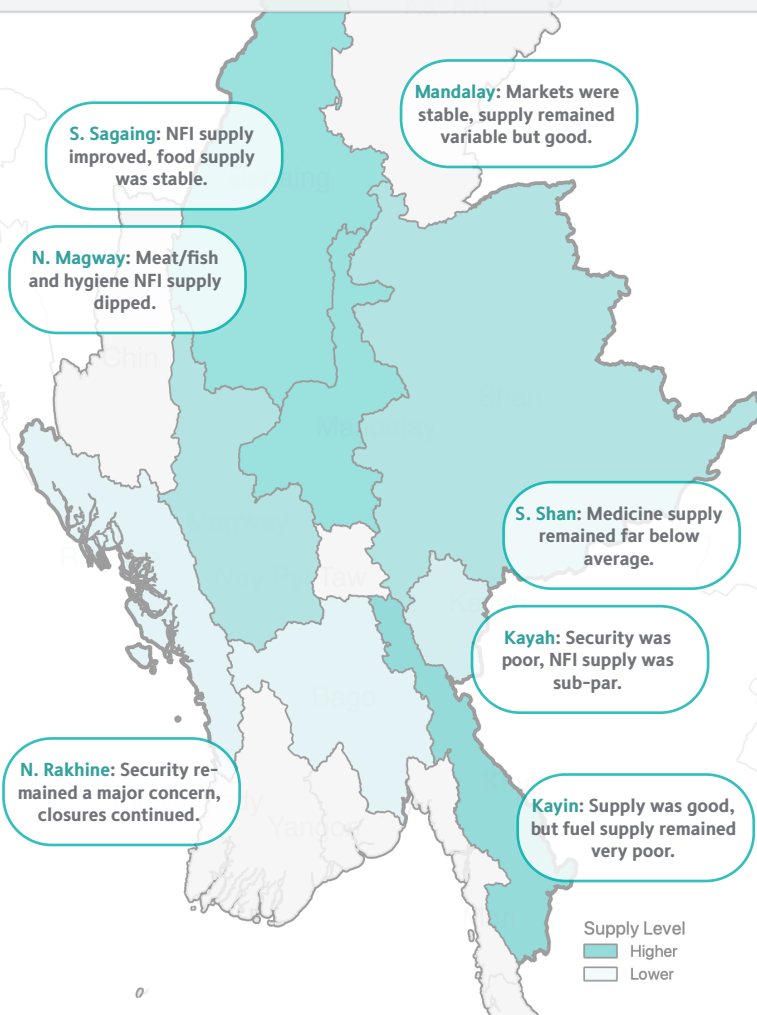
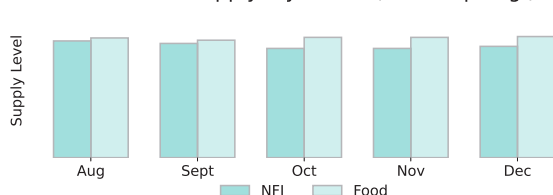


Chart 1.2 - Supply, by Month (Township Avg.)



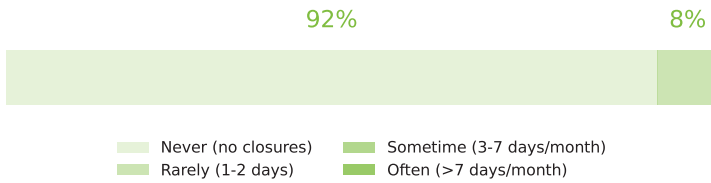
What to Watch

- Supply of **vegetables** is likely to continue improving in January as winter crops are harvested;
- Shifts in supply in **Kayin** are likely to continue in border areas like Myawaddy and Kyainseikgyi;
- Supply of **rice** should be watched carefully in January when monsoon supply begins to reach markets;
- A fairly-stable picture for retail in December provided few clear clues of trends to expect in January.

Market Functionality

Most markets monitored remained open and operational, and market / inventory damage in December was rare. However, 20% of markets lacked robust trade links, and the portion of markets deemed unsafe increased to 27% (**Chart 2**).

Chart 2. Portion of Markets with Closures (All)



27% Markets described as "unsafe" or "very unsafe."
3% Markets reporting recent damage.

98% Markets serving nearby villages.
80% Markets serving serving nearby townships.

Supply of Goods

Southern Shan State and the Dry Zone continued to be home to more of the markets with most robust supply, although these regions also had many markets with poor supply. By contrast, markets in Mandalay Region were in the middle of the pack where fewer markets had very-good or very-poor supply (**Chart 3**). In general, the breadth of supply of goods remained slightly-better than the depth of supply (**Chart 4**).

Chart 3. Supply of Foods and NFIs

Red denotes Earthquake-prioritized townships (OCHA)

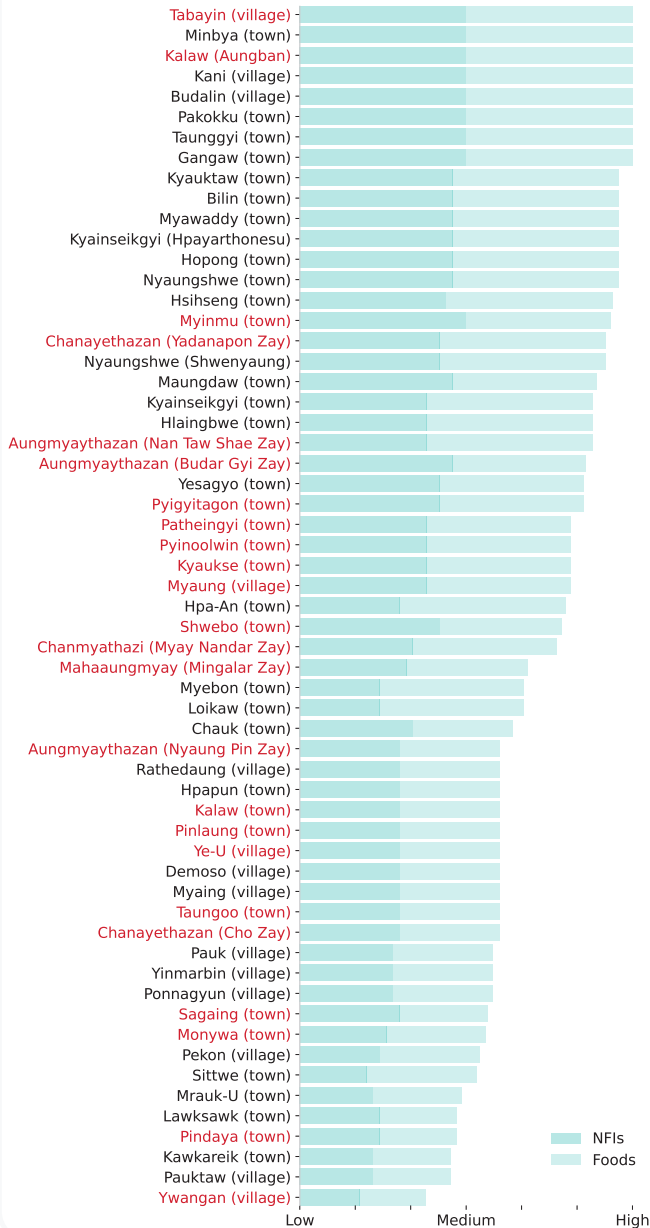
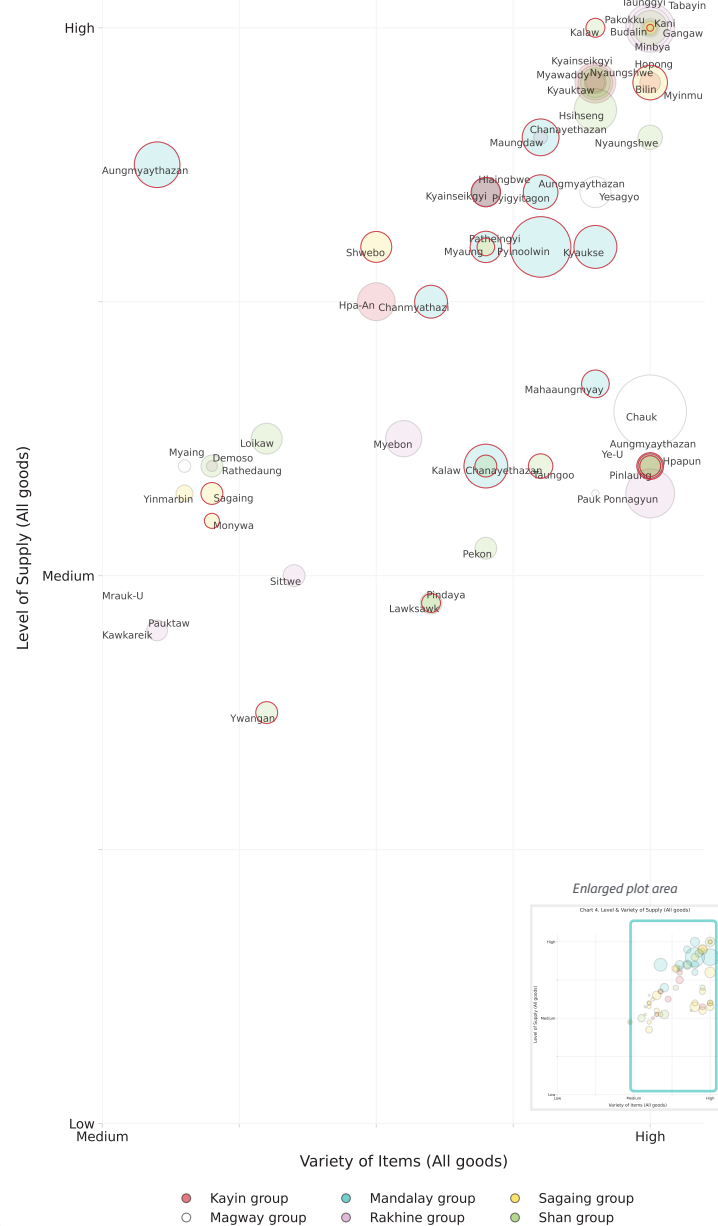
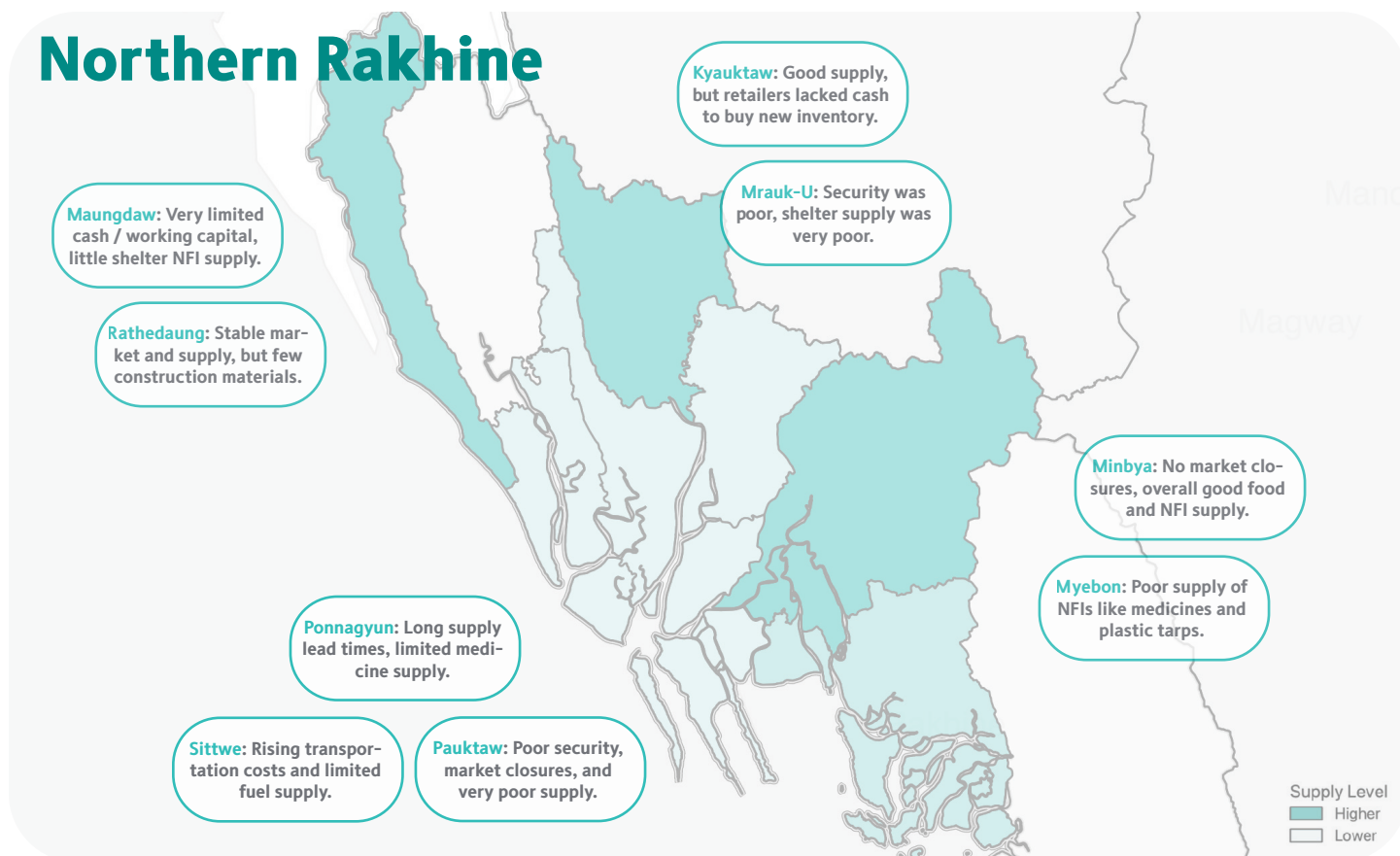


Chart 4. Level & Variety of Supply (All goods)

Bubble size indicates market size



Northern Rakhine



Market Functionality

Market **security** and **closures** in Rakhine State were unchanged in December but remained poorer than in other regions monitored. Half of all markets monitored in Rakhine continued to be viewed as unsafe or very unsafe, and markets in three townships experienced temporary closures in December—**Ponnagyun** and **Pauktaw** were in both of these groups. Rakhine retailers also reported more challenges, and in December conditions grew worse in **Myebon** and **Kyauktaw** where retailers reported lower-than-average winter **demand** and limited **cash**. Food and NFI supply dipped slightly in December—particularly medicines, household NFIs, meat/fish and essential foods—and **NFI** supply reached its lowest point in months. On the positive side, transportation costs were stable in December.

Chart 5.1. Operating Hours, by Market

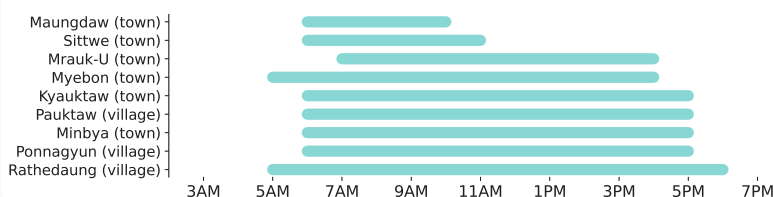


Chart 5.2. Portion of Markets with Closures (Rakhine)

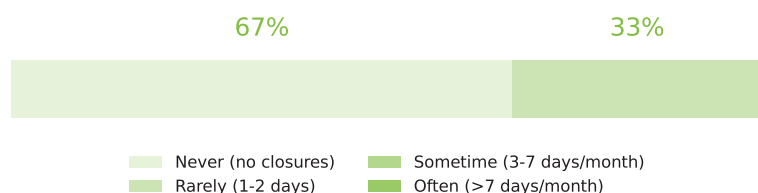


Chart 5.3 Supply, by Region

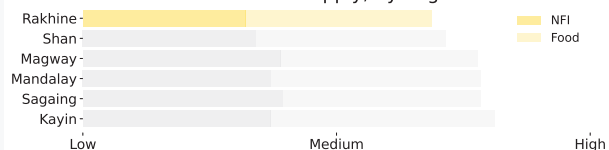


Chart 5.4. Supply, by Category (Rakhine)

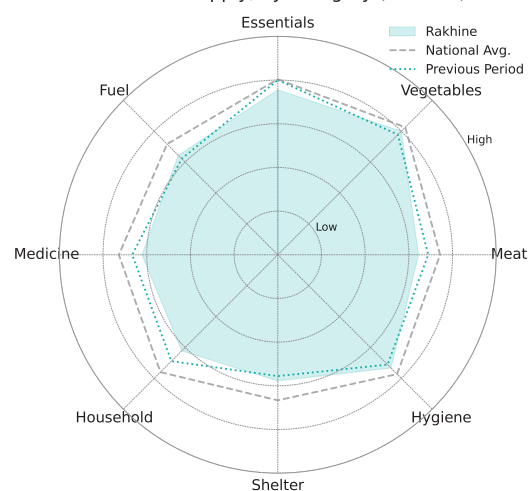
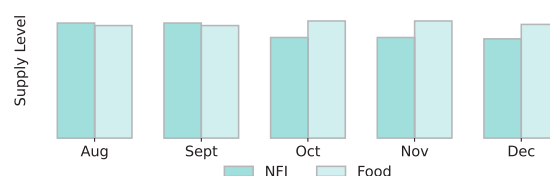
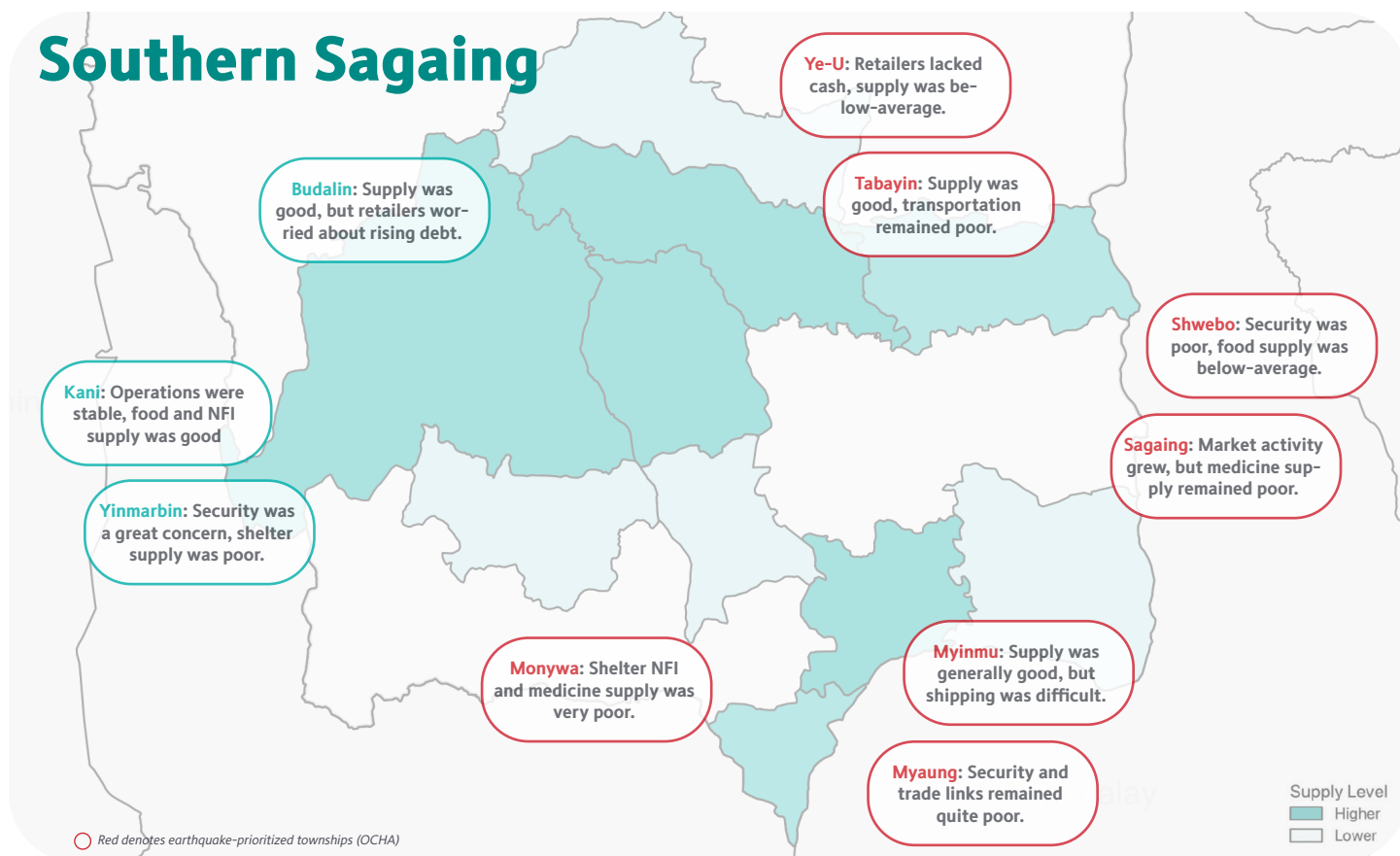


Chart 5.5 - Supply, by Month (Rakhine)



Southern Sagaing



Market Functionality

Market operations were generally good in southern Sagaing Region, although **Myaung** and **Shwebo** saw poor security and occasional closures. Myaung and some of the western townships also continued to have limited trade linkages with surrounding townships. Market activity grew in some locations such as Sagaing Township. Major retail challenges related to **security** concerns in the region and the resulting difficulty with **shipping** because of risks during movement. While shipping remained difficult retailers said shipping rates were stable. NFI supply improved overall in December with increases across all product groups; by contrast, **food** supply declined slightly as supply of **essential foods** dipped.

Chart 6.1. Operating Hours, by Market

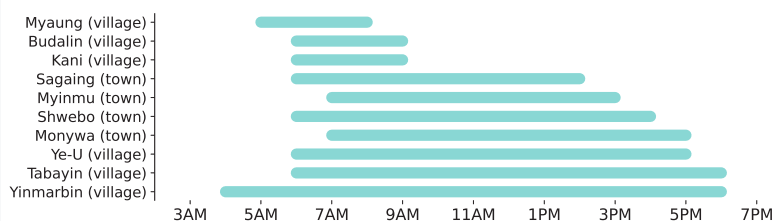


Chart 6.2. Portion of Markets with Closures (Sagaing)

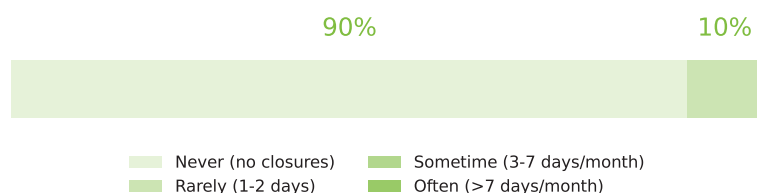


Chart 6.3 Supply, by Region

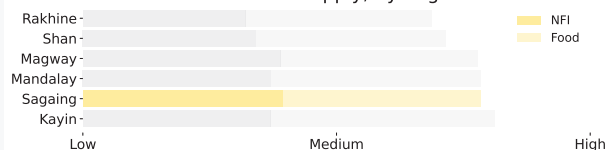


Chart 6.4. Supply, by Category (Sagaing)

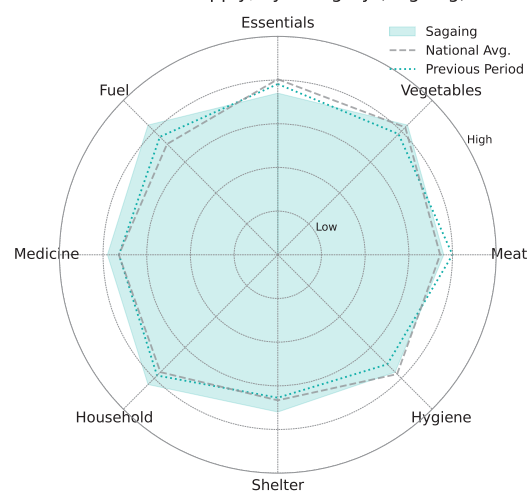
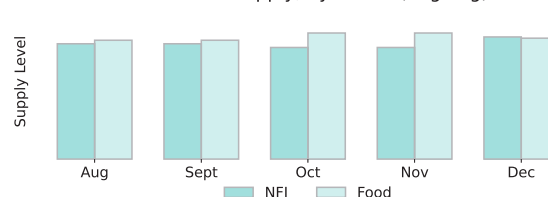
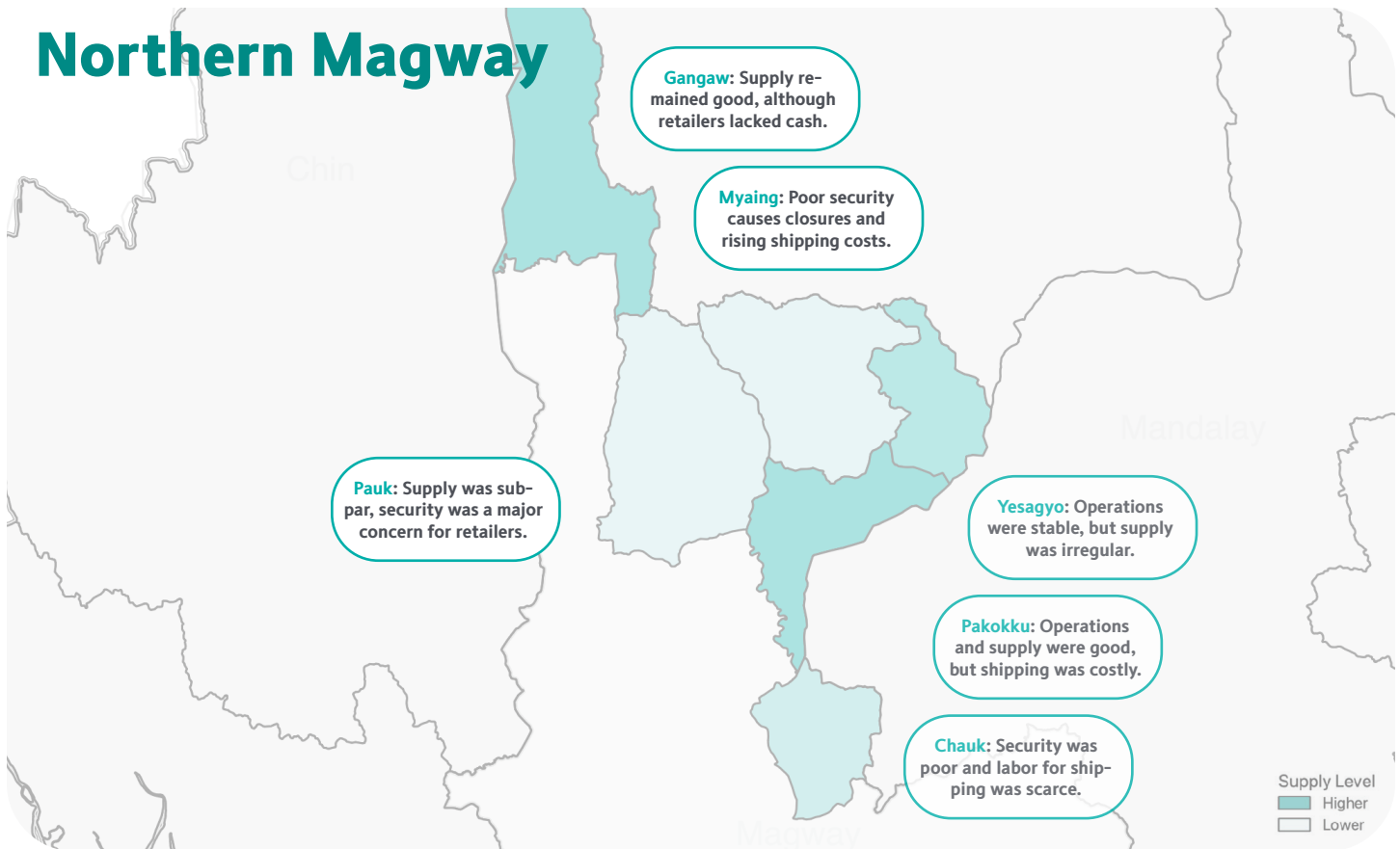


Chart 6.5 - Supply, by Month (Sagaing)



Northern Magway



Market Functionality

Security and market **closures** remained a concern in northern Magway Region in December, second perhaps only to Rakhine State. **Myaing** and **Chauk** continued to face unsafe market conditions, and Myaing experienced closures (monitoring in Saw was not possible this month due to security risks). **Pauk** in particular saw an increase in retail challenges related to transportation disruptions in December; that said, shipping costs were fairly stable. NFI supply remained stable in general, although **WASH** NFI supply declined and medicine supply improved. Poorer supply of **meat/fish** items accounted for the decline in food supply in the region. Supply in the region remained highly variable by township as conflict dynamics disrupted trade irregularly across the region.

Chart 7.1. Operating Hours, by Market

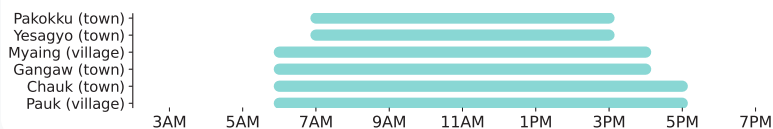


Chart 7.2. Portion of Markets with Closures (Magway)

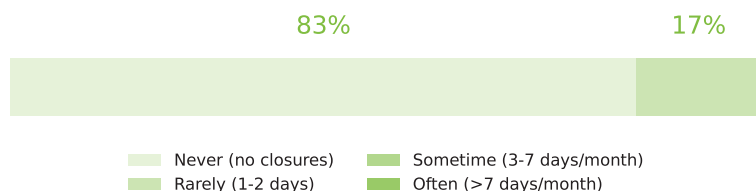


Chart 7.3 Supply, by Region

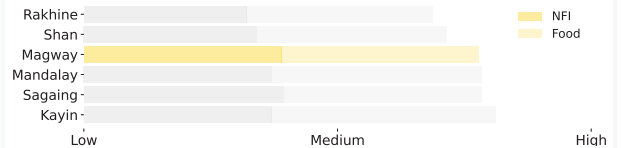


Chart 7.4. Supply, by Category (Magway)

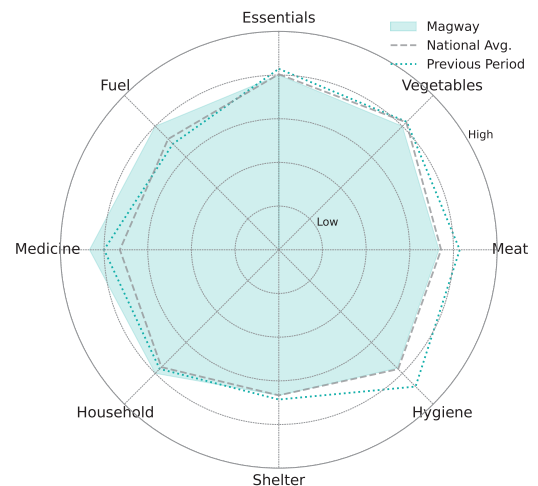
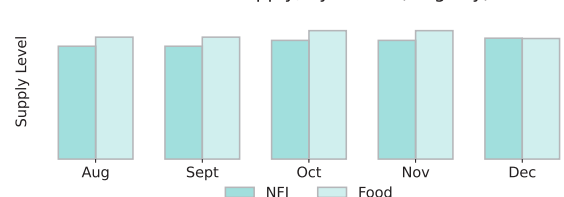
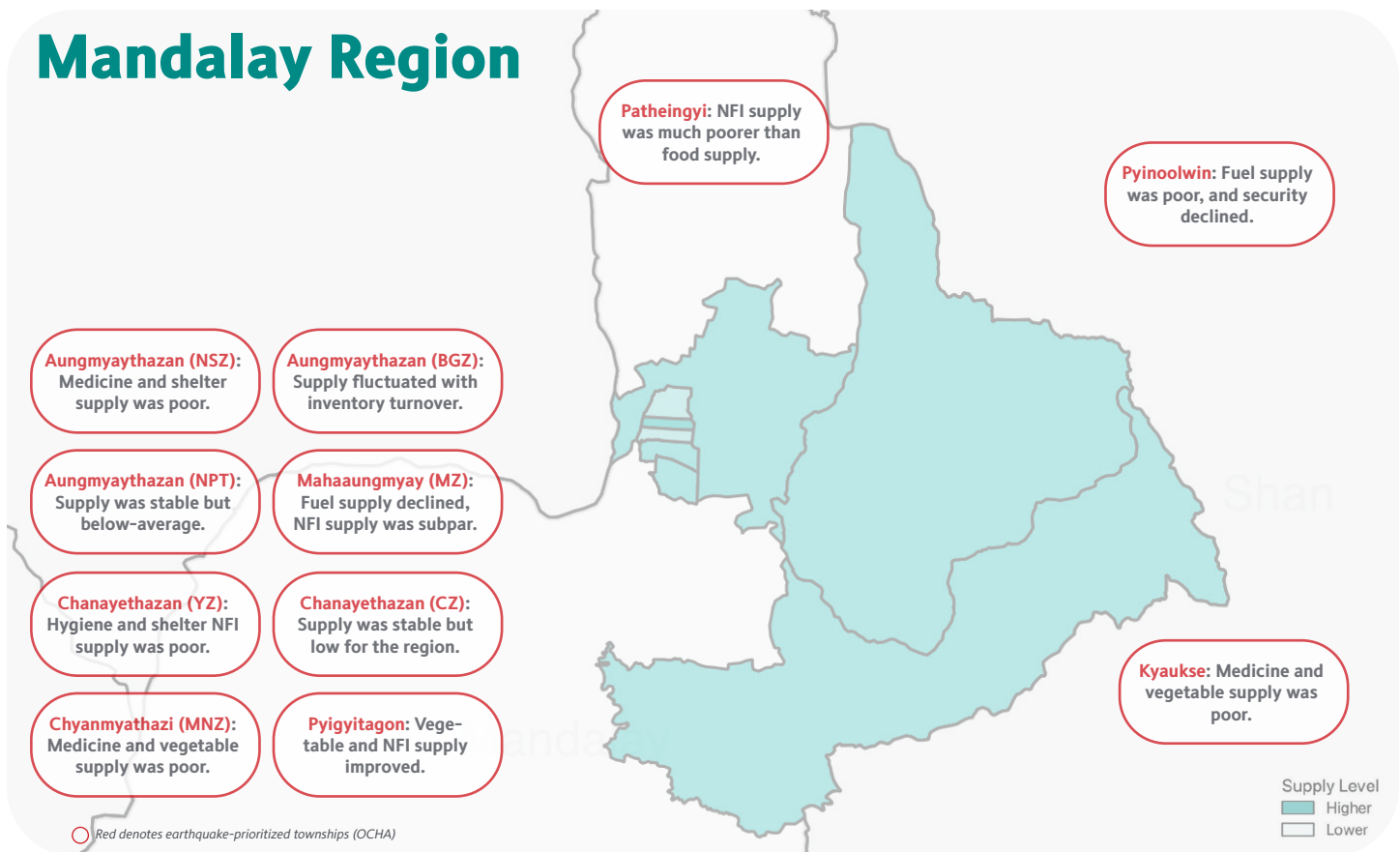


Chart 7.5 - Supply, by Month (Magway)



Mandalay Region



Market Functionality

The markets monitored in Mandalay Region remained operational and secure. Trade between townships remained intact, and there were no reports of market closures. Supply remained stable, and there was improvement in the supply of meat/fish and medicine. Supply was still poorer than in August-September, and it declined very slightly for **fuel**, **foods**, and **shelter NFIs**. Retail challenges remained few compared to markets in other regions monitored, although **Kyaukse** and **Patheingyi** continued to be more difficult than the urban townships in Mandalay. That said, retailers in central Mandalay did cite the need for capital. Shipping costs remained steady in December.

Chart 8.1. Operating Hours, by Market

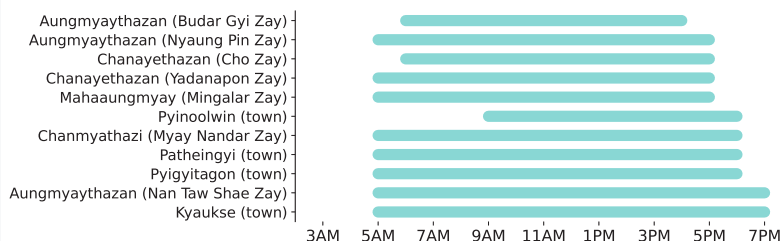


Chart 8.2. Portion of Markets with Closures (Mandalay)

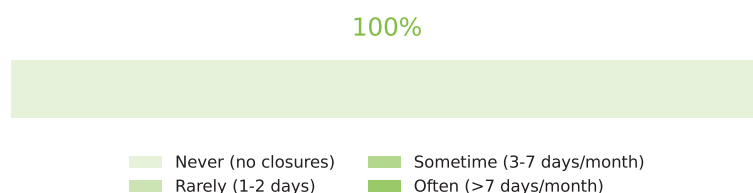


Chart 8.3 Supply, by Region

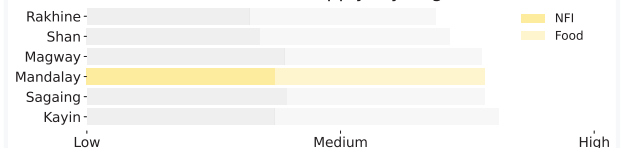


Chart 8.4. Supply, by Category (Mandalay)

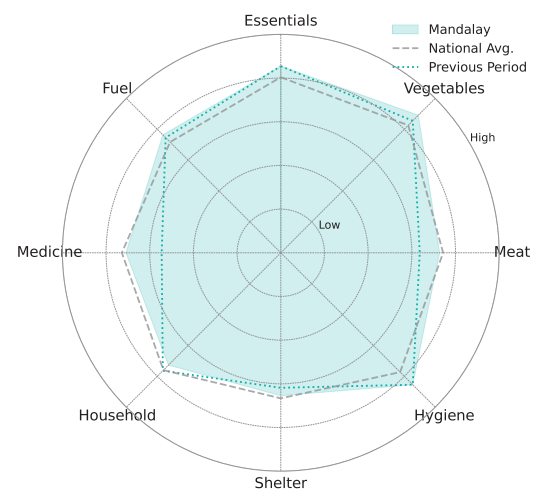
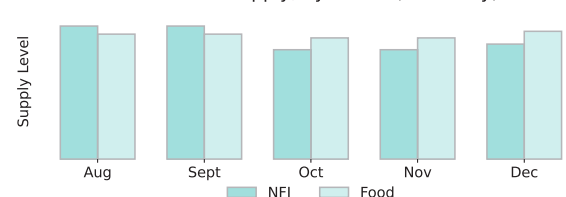
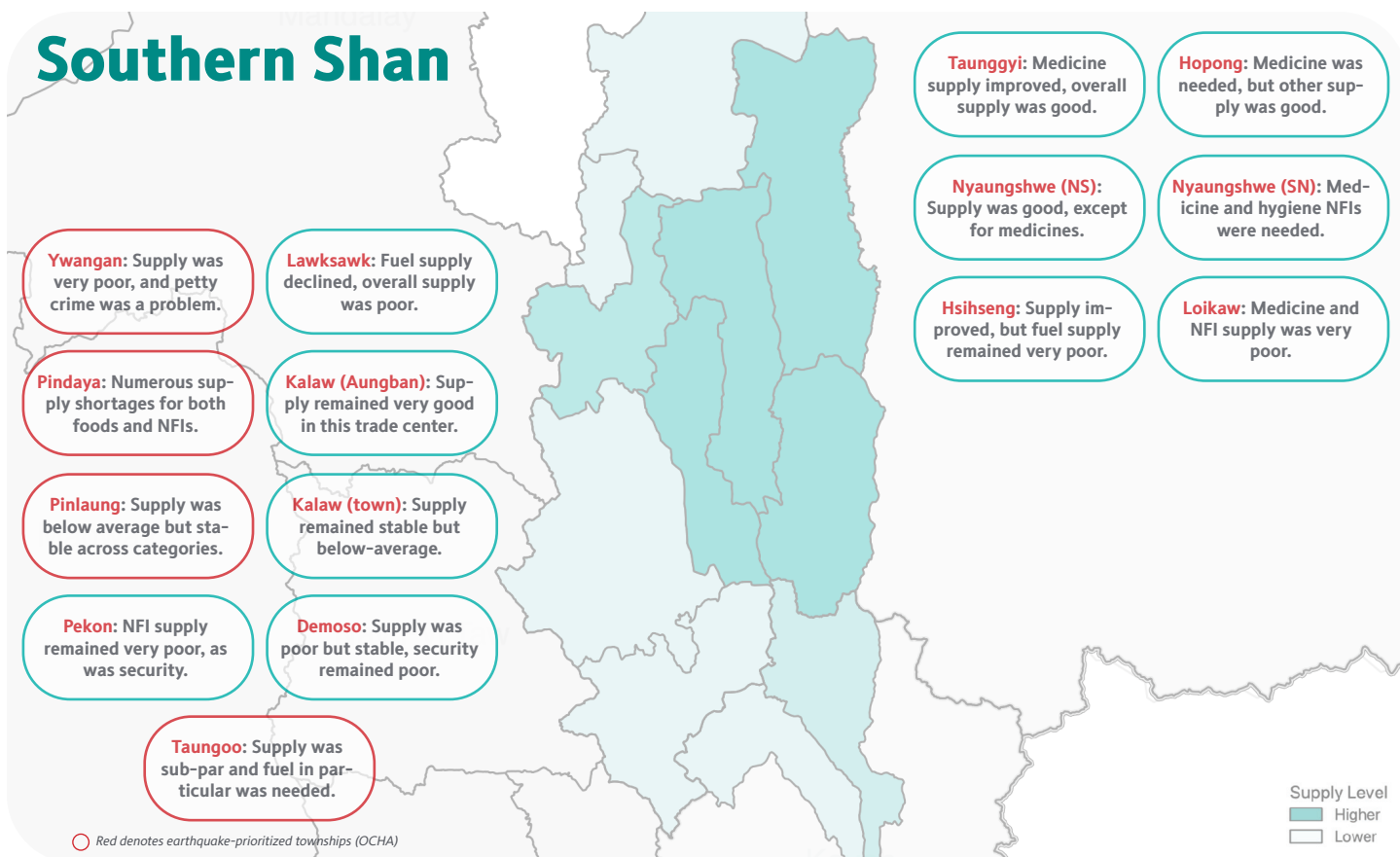


Chart 8.5 - Supply, by Month (Mandalay)



Southern Shan



Market Functionality

Market operations continued and there were no reports of market closures in December, but **security** remained poor in several markets where **market linkages** were also strained. **Supply** declined very slightly and remained poorer than in other regions due to a number of conflict-affect markets. **Medicine** supply remained below-average, and **fuel** supply worsened slightly in December. Major retail challenges related to safety and **transportation** of goods.

Chart 9.1. Operating Hours, by Market

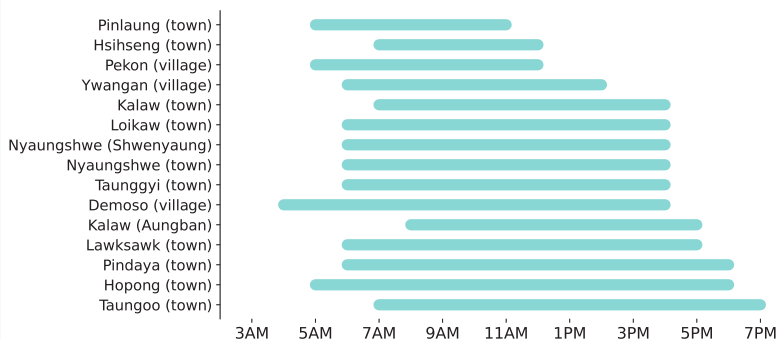


Chart 9.2. Portion of Markets with Closures (Shan)

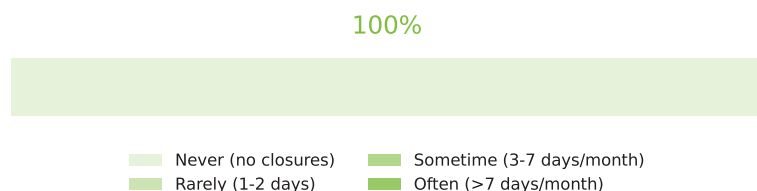


Chart 9.3 Supply, by Region

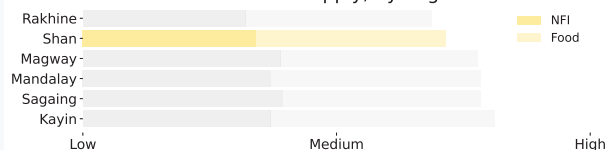


Chart 9.4. Supply, by Category (Shan)

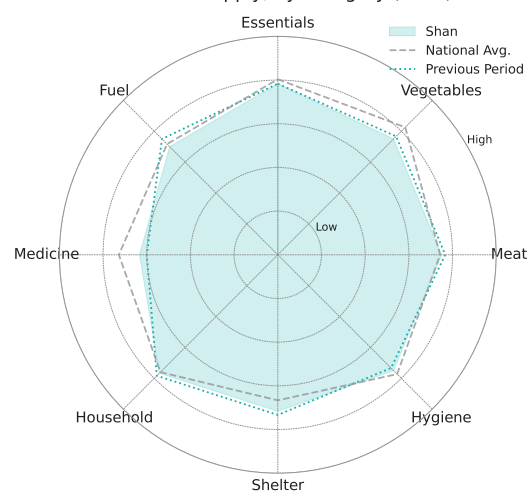
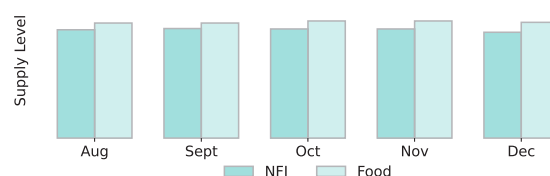
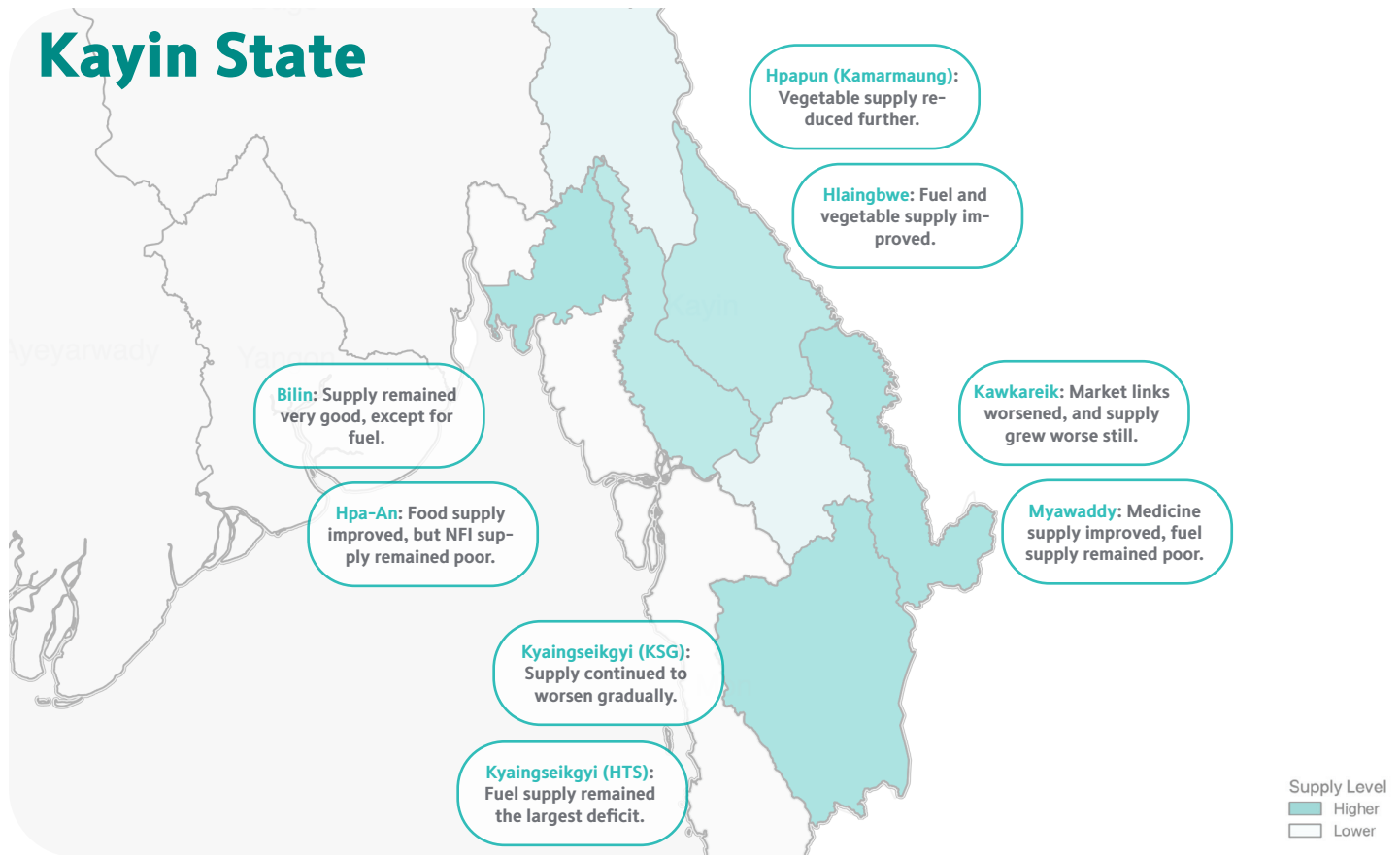


Chart 9.5 - Supply, by Month (Shan)



Kayin State



Market Functionality

Markets were operational and mostly uninterrupted in December, but security worsened in **Myawaddy** and **Kyainseikgyi** and market linkages became increasingly strained in **Kyainseikgyi** and **Kawkaireik**. Overall supply was better than in other regions, in part because food supply improved across categories in December. Despite some improvement, **fuel** supply remained below-average compared to other regions. **Hpa-An** and **Hlaingbwe** faced significant retail challenges as **transportation** and **supply** of goods grew more difficult. There were also several reports of rising **shipping costs**.

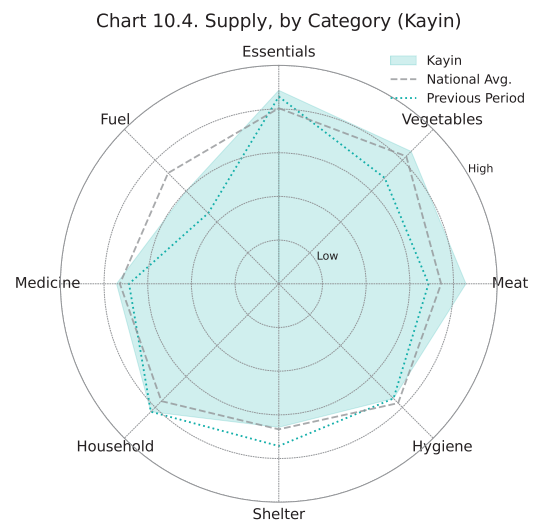
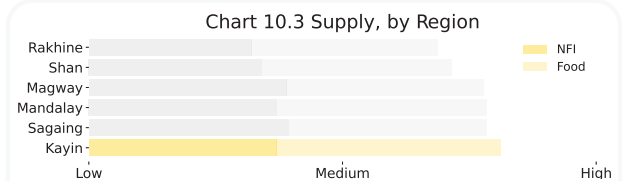


Chart 10.1. Operating Hours, by Market

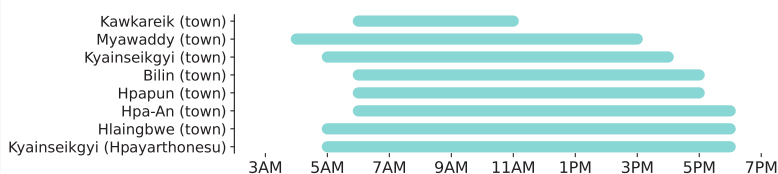


Chart 10.2. Portion of Markets with Closures (Kayin)

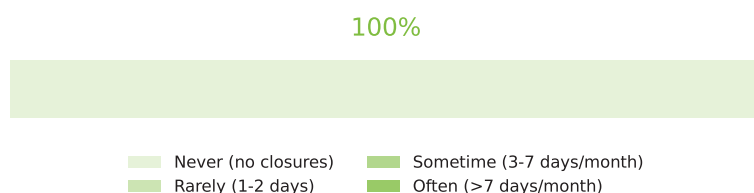
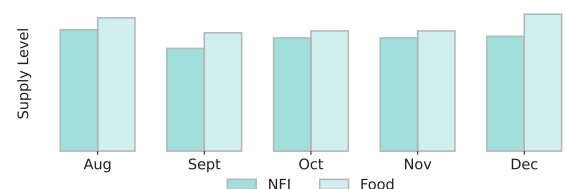


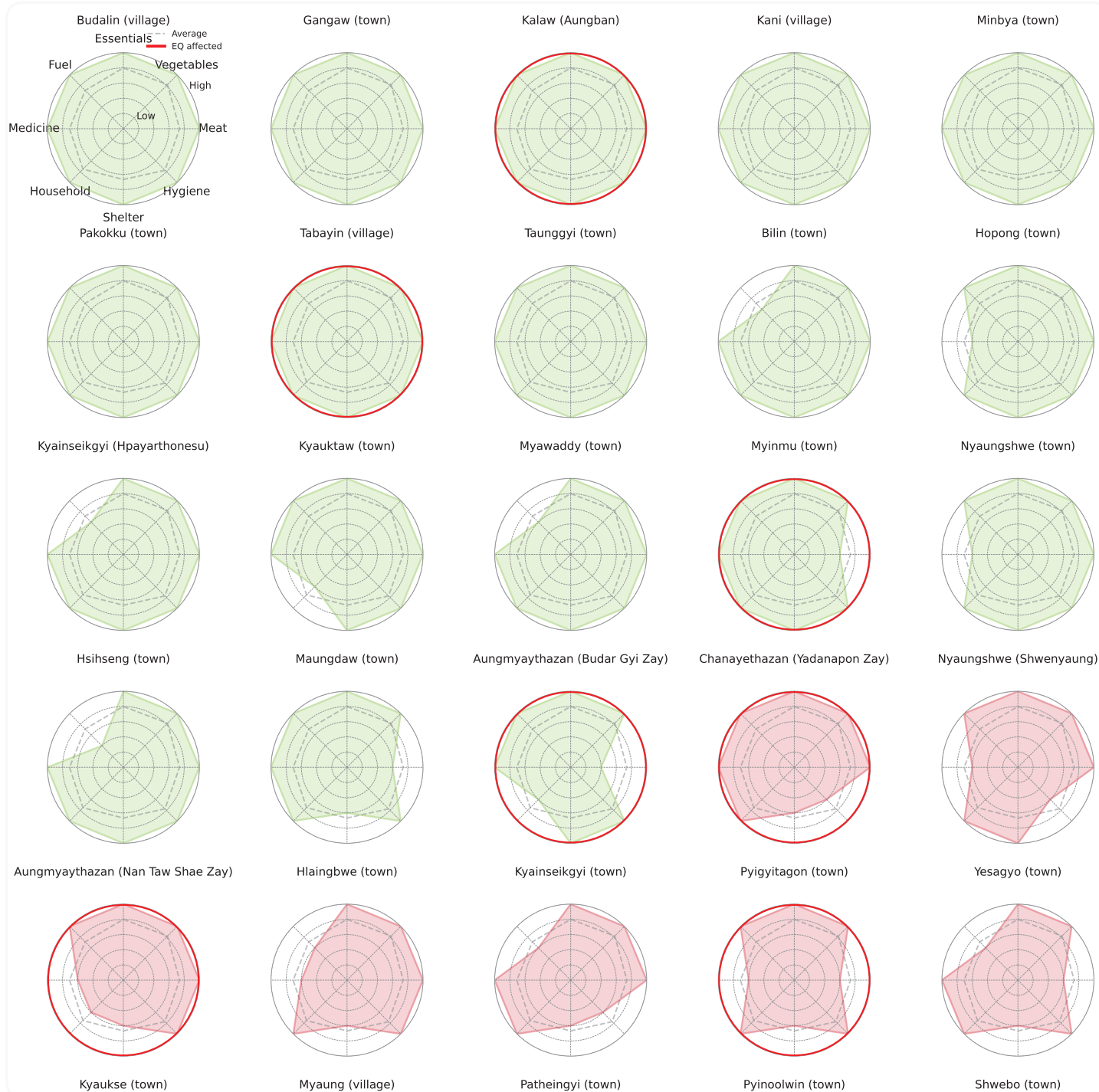
Chart 10.5 - Supply, by Month (Kayin)



Township Supply

The following charts depict the level of supply of eight product categories in each market monitored, with earthquake-affected townships marked by a red outline. A simple cluster analysis classified each market into one of four groups based on the volume and nature of their supply. The groups and their distinct profiles include:

- Group A** - Markets with quite good food and NFI supply. Food supply was particularly robust here, as most supply shortfalls were on the NFI-side;
- Group B** - Markets with better-than-average food and NFI supply. NFI supply was poorer than food supply, and the largest supply shortage was in shelter NFIs;
- Group C** - Markets with poor food and NFI supply. No product subgroup stood out, as most subgroups had similarly below-average supply;
- Group D** - Markets with extremely poor food and NFI supply. Shelter supply was particularly poor, although all product subgroups had significant supply deficits.



Market Analysis Unit (MAU)

The Market Analysis Unit is an independent project that provides donors, humanitarian responders, development practitioners and private sector actors in Myanmar with data and analysis to better understand the impacts of market developments, conflict and other crises on:

- Household purchasing power, including coping mechanisms, safety nets and access to basic needs;
- Supply chains, including trade, cross-border dynamics and market functionality (particularly as it relates to food systems);
- Financial services, including financial services providers, household and business access to finance and remittances; and
- Labor markets (formal and informal), with a focus on agricultural labor and low-wage sectors (e.g., construction, food services).

CONTACT

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