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YEMEN

MARKET AND TRADE

BULLETIN

MARCH 2025

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KEY HIGHLIGHTS

CONTEXT & OUTLOOK: Yemen's food security faces multiple threats, including currency collapse, rising fuel prices—especially in areas controlled by the Government of Yemen (GoY)—financial constraints due to the ongoing crisis, the designation of Ansarullah (AA) as a terrorist organization, fuel controls, seasonal challenges, and a ban on wheat flour imports. Anticipated price increases for basic foods, livestock, and labor are expected to persist in the coming months, particularly in GoY-controlled areas, affecting affordability and economic access. By March 2025, it is projected that up to 17.1 million people (approximately 50% of the population) will experience severe food insecurity. Although milling capacity and port infrastructure are generally sufficient, potential fuel shortages in areas controlled by the Sana'a-based Authorities (SBA) could disrupt milling operations and drive wheat flour prices higher. Therefore, it is essential to monitor global wheat and fuel prices, import levels, and milling efficiency closely.



EXCHANGE RATES: In March 2025, the Yemeni riyal (YER) in Government of Yemen (GoY)-controlled areas continued to decline against the US Dollar, reaching nearly 2,322 YER per USD, which represents a 29% depreciation compared to the same month last year. In areas controlled by the Sana Based Authorities (SBA), the YER remained stable at 533 YER/USD.



FOOD PRICES: In March 2025, most staple food prices in SBA-controlled areas remained stable month-on-month, although they decreased compared to the same period last year and the three-year average. In contrast, food prices in GoY-controlled areas experienced a slight month-on-month increase but were significantly higher compared to the same period in 2024 and the three-year average, primarily due to currency depreciation and rising fuel costs.



MINIMUM FOOD BASKET (MFB): the Minimum Food Basket (MFB) is considerably more expensive in GoY-controlled areas compared to both last year and the 3-year average, while it is lower in SBA-controlled areas over the same periods.



FOOD AND FUEL IMPORTS: Wheat imports through Northern Ports experienced a significant decline compared to both the previous month and the same period last year, while they remained relatively stable at Aden Port. In contrast, fuel imports saw a decrease at both Aden and Ras Issa Ports, primarily due to currency depreciation and damage to the ports, respectively.



FUEL PRICES: In GoY areas, petrol and diesel prices increased by 15% and 28%, respectively. Prices in SBA-controlled areas, on the other hand, remained relatively stable throughout March 2025 compared to the same time last year. Additionally, March 2025 witnessed a 7-8% rise in fuel prices in GoY areas compared to February 2025.



CASUAL LABOR WAGE RATES: Despite overall higher-than-average wages, laborers in both GoY and SBA areas face challenges with affordability due to soaring food prices (with a 38% increase in the Minimum Food Basket), currency devaluation in GoY areas, and reduced employment opportunities or unpaid salaries in SBA areas.



TERMS OF TRADE (ToT): In March 2025, the terms of trade for livestock-to-cereal and casual labor-to-cereal remained stable month-on-month in both GoY and SBA areas across most areas. These trends are consistent with rising flour and fuel prices, ongoing currency depreciation in GoY areas, and controlled and stable conditions in SBA areas.



LIVESTOCK PRICES: In March 2025, livestock prices showed contrasting trends between GoY-controlled areas, where prices increased, and SBA-controlled areas, where prices decreased month-on-month. Year-on-year, livestock prices in GoY areas were significantly higher (by 29-31 percent), while they remained lower or stable in SBA areas.

TABLE 1: COMMODITY PRICES AND PRICE CHANGES

		COMMODITY	MAR 2025 PRICE	M-o-M	Y-o-Y	3YA
GoY	FOOD	Minimum Food Basket	169,262	2%	31%	38%
		Imported Sunflower Oil - 1 L	4,080	3%	35%	37%
		Imported Kidney Beans (Grain) - 1 kg	4,021	1%	42%	60%
		Basmati Rice - 1 kg	3,030	1%	25%	46%
		Imported Wheat Flour - 1 kg	1,215	2%	27%	29%
		Thamad Fish - 1 kg	9,592	-6%	34%	41%
	Exchange Rates & Fuel	Unofficial Exchange Rate - Buying -	2,322	-2%	-29%	-41%
		Diesel (Official) - 1 L	1,657	3%	28%	66%
	Livestock	Petroleum (Official) - 1 L	1,390	5%	15%	34%
		Local Goat Is 6 Months Old - average	165,467	3%	31%	61%
SBA	FOOD	Local Live Sheep - average 12 kg	158,654	4%	32%	59%
		Agricultural Labor - Per day	12,500	1%	10%	20%
		Unskilled / Casual Labor - Per day	12,275	-2%	10%	21%
		Minimum Food Basket	46,161	0%	-5%	-16%
		Imported Sunflower Oil - 1 L	1,121	0%	-2%	-14%
		Imported Kidney Beans (Grain) - 1 kg	1,127	0%	4%	-2%
	Exchange Rates & Fuel	Basmati Rice - 1 kg	955	0%	-3%	-4%
		Imported Wheat Flour - 1 kg	327	0%	-10%	-22%
	Livestock	Thamad Fish - 1 kg	3,818	0%	9%	0%
		Unofficial Exchange Rate - Buying -	533	0%	-1%	5%
	Exchange Rates & Fuel	Diesel (Official) - 1 L	482	1%	1%	-8%
		Petroleum (Official) - 1 L	476	0%	1%	-7%
	Livestock	Local Goat Is 6 Months Old - average	38,310	-2%	-8%	-11%
		Local Live Sheep - average 12 kg	38,244	-1%	-11%	-11%
	Labor	Agricultural Labor - Per day	5,173	0%	4%	5%
		Unskilled / Casual Labor - Per day	4,991	2%	-3%	0%

Note on the dual exchange rate regime in Yemen:

There is a dual exchange rate regime in Yemen, governed separately by the authorities based in Sana'a (SBA) and those in Aden under the Government of Yemen (GoY). This division arose when the Central Bank in Aden initiated the printing of new currency notes from November 2019, a move rejected by the SBA who prohibited the use of these new notes in their controlled areas. Consequently, the Yemeni Rial faced significant depreciation against the US Dollar in GoY areas while remaining relatively stable and managed in SBA areas. The difference in exchange rates led to a noticeable disparity in food prices between the two areas, with prices escalating notably in GoY areas from November 2019, yet maintaining stability in SBA controlled areas. It is noteworthy to mention that although prices in GoY areas might appear to be 'twice as high as in SBA areas' in local currency terms, the prices when converted to US dollars are nearly equivalent, and at times slightly higher in SBA areas.

m-o-m: % change from previous month; y-o-y: % change from the same month last year; 3YA: % change from the same month in 2022, 2023, & 2024

MARKET UPDATE – MARCH 2025



EXCHANGE RATES

Despite a \$500 million deposit from Saudi Arabia three months ago, the Yemeni riyal (YER) in GoY-controlled areas continued to lose value in March 2025, reaching 2,322 YER per US dollar—a 29% depreciation year-on-year. The YER remained stable at 533 YER/USD in SBA-controlled areas (see [Table 1](#) & [Fig. 1](#)). The decline in the GoY's currency is primarily attributed to a sharp decrease in oil and gas exports, leading to significant foreign exchange losses.



FOOD AND FUEL IMPORTS

In March 2025, wheat imports at Northern Ports experienced a sharp decline, while imports in Aden remained stable compared to both the previous month and the same month last year. Simultaneously, fuel imports decreased at both Aden and Northern Ports, the latter being affected by reduced capacity due to extensive damage to port infrastructure. The operational efficiency of Northern Ports (Al Hodeidah, As Salif, and Ras Isa) has been compromised by ongoing airstrikes over the past six months, which have diminished their ability to handle ships and resulted in lower import levels. In Aden, wheat imports rose in response to increased demand during Ramadan festivities, although traders faced challenges from currency depreciation and a severe shortage of US dollars, which limited fuel imports. (See [Fig. 7](#) & [8](#)).



FUEL PRICES

In March 2025, fuel prices saw a slight increase in GoY areas compared to the previous month, while remaining generally stable in SBA areas during the same period. However, the rise in fuel prices was more significant in GoY compared to the same month in 2024 (15-28%) and the three-year average (34-66%), while prices either remained stable or decreased in SBA areas. There is a risk of further fuel price increases in both SBA and GoY areas due to supply challenges linked to degraded port capacity in SBA and currency depreciation in GoY. This is likely to be reflected in food prices through higher transportation costs (See [Table 1](#) & [Fig. 6](#)). Typically, increases in fuel prices lead to higher costs for basic commodities.



FOOD PRICES

Basic staple food prices increased slightly in GoY areas but remained stable in SBA areas month-on-month, reflecting trends in fuel prices and currency exchange rates. Compared to March of the previous year and the three-year average, the price increase for food was more pronounced in GoY areas due to currency depreciation, higher demand during Ramadan, and rising fuel costs, while prices in SBA areas were lower (see [Table 1](#) & [Fig. 5](#)). Despite the ongoing ban on wheat flour imports through Hodeidah and Salif Ports by SBA, prices for wheat flour have not been significantly affected due to strict enforcement of price controls. However, the risk of food inflation remains extremely high, which could exacerbate the worsening humanitarian crisis, especially given the current halt in humanitarian relief and reduced funding from donors.



MINIMUM FOOD BASKET (MFB)

The Minimum Food Basket (MFB) cost in GoY-controlled areas increased slightly, correlating with rising food prices; however, it remains 31% higher than the previous year and 38% above the three-year average. In SBA-controlled areas, the MFB cost remained unchanged from the previous month but is lower than last year by 5% and below the three-year average by 16%. Despite price controls in SBA areas, the average MFB cost in US dollars is slightly higher there, and most residents have less purchasing power compared to those in GoY areas. Sources of income vary significantly: 35% of individuals in GoY areas rely on government salaries (though these payments are intermittent), while in SBA areas, 54% depend on casual labor, 18% on food aid, and only 3% rely on salaries due to the suspension of civil servant payments (see [Table 1](#) & [Fig. 2](#)). The halt in humanitarian assistance in SBA areas is expected to affect approximately 20% of the population, further exacerbating the crisis in the coming months.



LIVESTOCK PRICES

In March 2025, livestock prices for goats and sheep varied between GoY-controlled areas, which saw a slight increase, and SBA-controlled areas, which experienced a slight decrease. Year-on-year, prices are significantly higher in GoY areas while remaining lower in SBA areas (see [Table 1](#) & [Fig. 9](#)). The reduced import capacity in both areas is anticipated to drive prices up in the short term.



FISH

The period from January to July each year is typically a favorable season for fishing, with most preferred fish varieties available in local markets. Thamad fish is among the most consumed types. During the reporting month, prices for Thamad fish decreased by 6% in GoY areas while remaining stable in SBA areas compared to February 2025. Nevertheless, Thamad fish prices are 9% higher in SBA areas and 34% higher in GoY areas. Compared to the three-year average, fish prices in GoY areas are significantly elevated (by 41%), while prices in SBA areas remain stable (See [Table 1](#)).



CASUAL LABOR WAGE RATES

Casual labor wages remained relatively stable in both GoY and SBA areas during March 2025, reflecting minimal demand for post-harvest labor. Year-on-year, agricultural casual labor wages have increased by 10% in GoY areas and by only 4% in SBA areas. While wages in GoY areas are 20-21% above the three-year average, and SBA wages are slightly above average, laborers in both GoY/ SBA areas face challenges affording basic food items due to soaring food prices (with a 38% increase in the Minimum Food Basket) and the devaluation of the YER in GoY areas, as well as reduced labor opportunities and unpaid salaries in SBA areas.) (See [Table 1](#) & [Fig. 9](#)).



TERMS OF TRADE (TOT)

In March 2025, the terms of trade for livestock-to-cereal and casual labor-to-cereal—both indicators of purchasing power—remained comparable to the same month last year and were slightly above the three-year average. Month-on-month, these terms remained stable in most areas across both GoY and SBA. These trends are consistent with rising flour and fuel prices, ongoing currency depreciation in GoY areas, and stable conditions in SBA areas. (See [Figure 10](#)).

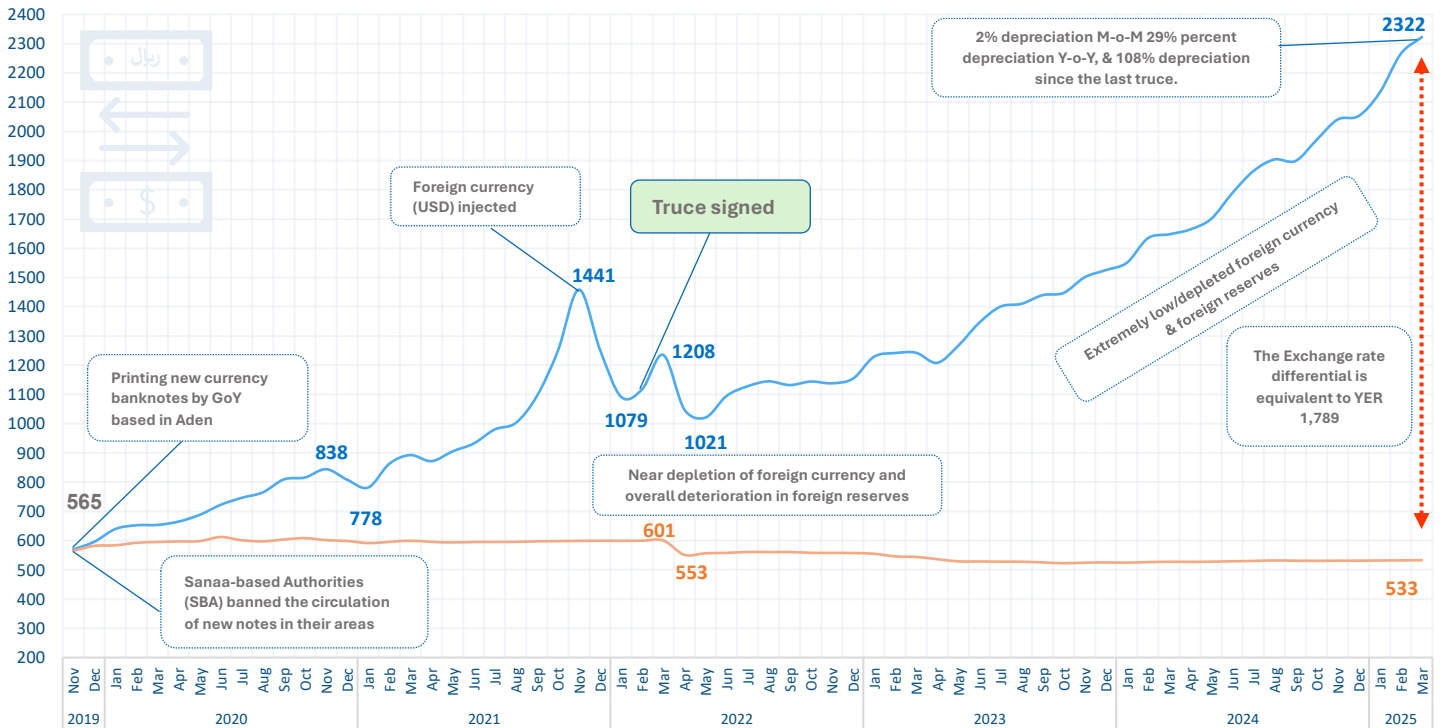
SHORT-TERM OUTLOOK AND IMPLICATIONS ON FOOD SECURITY

Given the ongoing currency collapse and rising fuel prices in GoY-controlled areas, combined with a worsening economic crisis and a ban on flour imports, prices for basic food items (such as flour, wheat, cooking oil, and sugar), livestock, and labor wages are anticipated to rise further in GoY governorates. This situation is likely to decrease the affordability of the food basket. The UN estimates that up to 17.1 million people—over 50% of Yemen's population—will continue to face food insecurity in the coming months. While major importers have adequate milling capacity (12,250 tons/day), no immediate, significant food security risks are anticipated in the short term for SBA areas unless the current conflicts are further escalated. However, some disruptions are expected due to the destruction of Ras Issa Port, which could pose inflation risks in SBA areas. Therefore, close monitoring of global wheat prices, grain imports, and milling performance and efficiency is essential.

FIGURES

EXCHANGE RATE

Figure 1: Exchange rate: Yemeni Rial (YER) to 1 US\$



MINIMUM FOOD BASKET (MFB)

Figure 2: Minimum Food Basket (MFB) Price Trend (GoY and SBA)

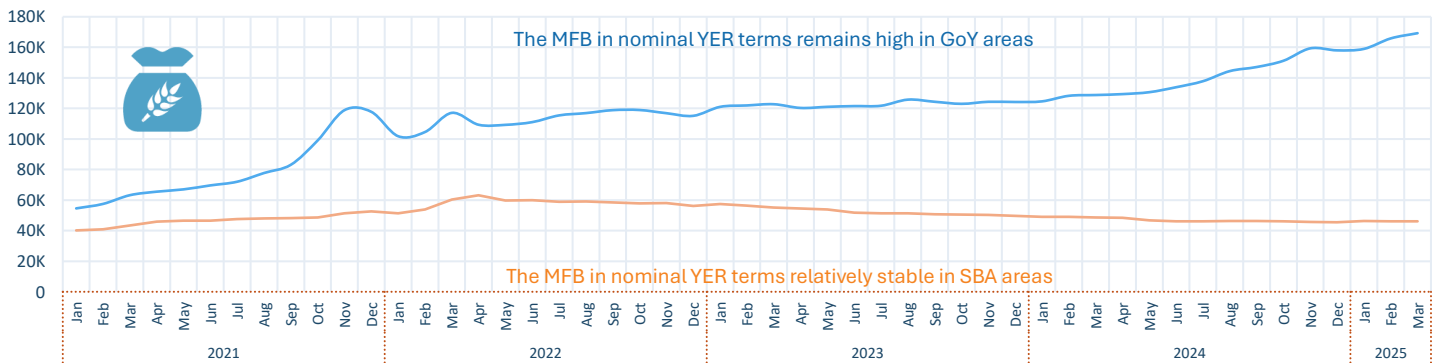


Figure 3: Minimum Food Basket (MFB) in USD Equivalent

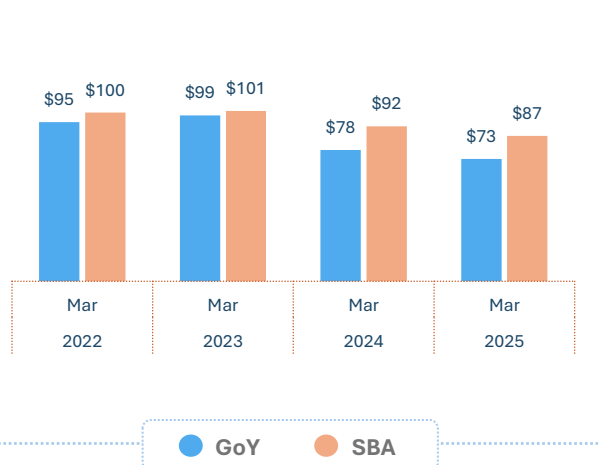
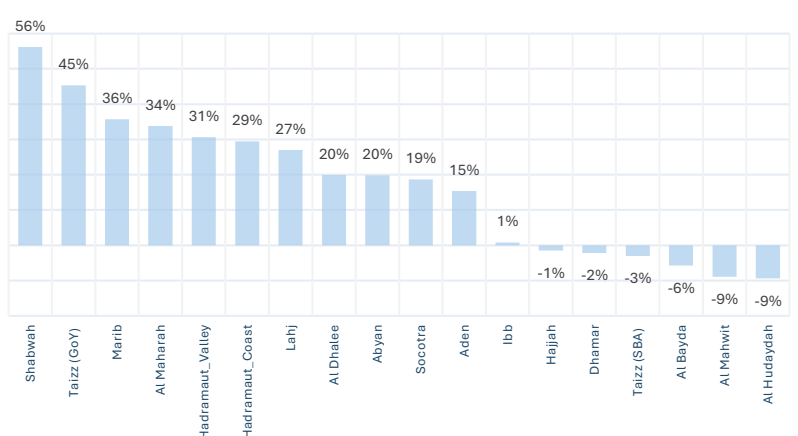


Figure 4: MFB in YER y-o-y change in March (2025 vs. 2024)

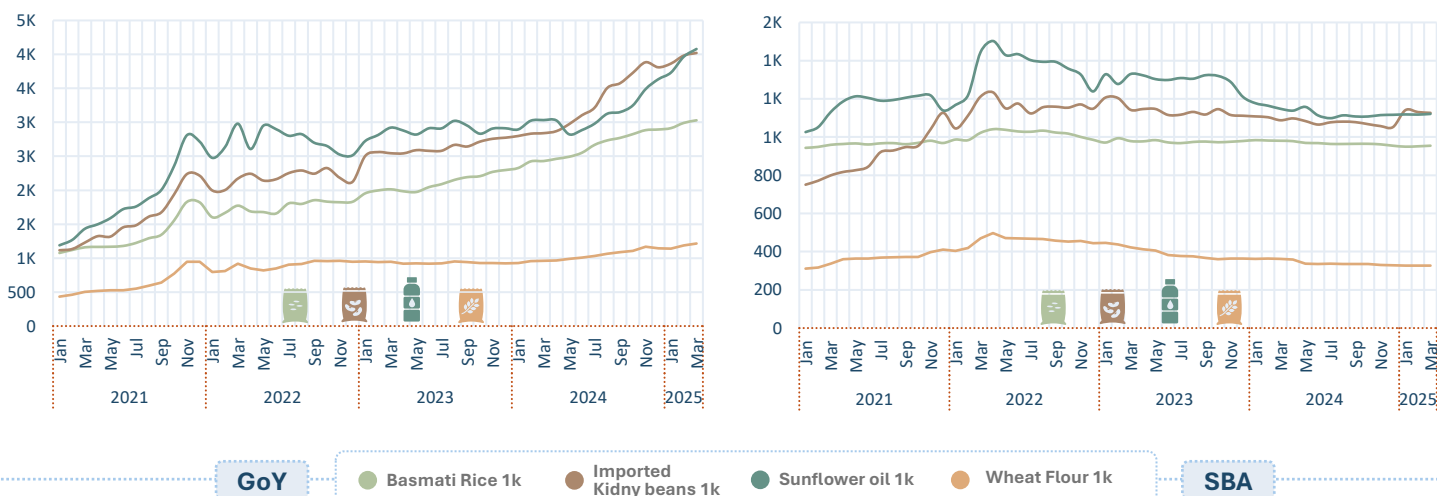


- No prices were collected from Amanat Al Asimah, Sana'a, Amran, Sa'adah, and Raymah in March 2025

FIGURES

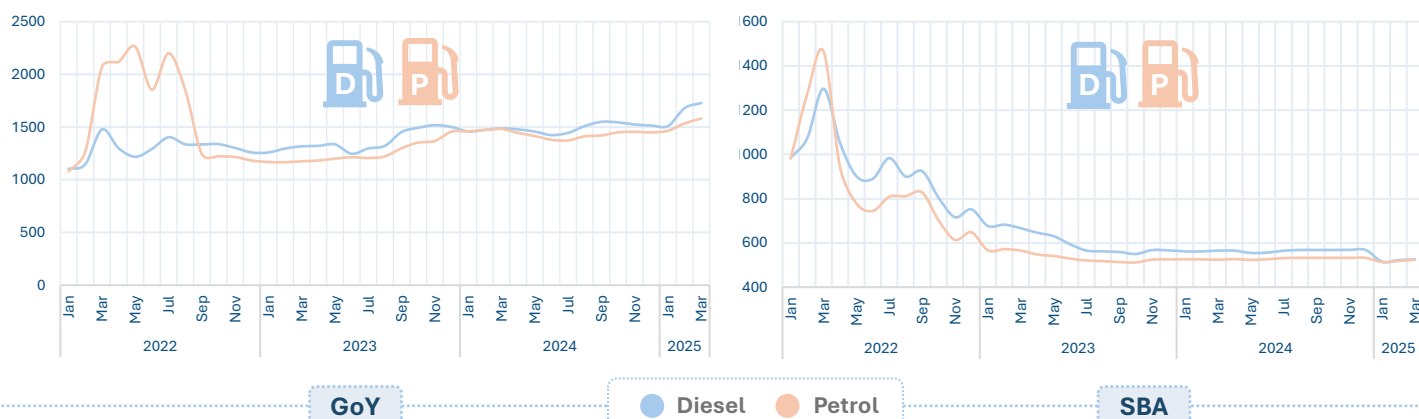
KEY FOOD COMMODITIES

Figure 5: Key Food Commodities Prices Trends



FUEL

Figure 6: Diesel and petrol price/ litre (YER) trends



FOOD AND FUEL IMPORTS

Figure 7: Wheat imports in Metric Tons (MT)

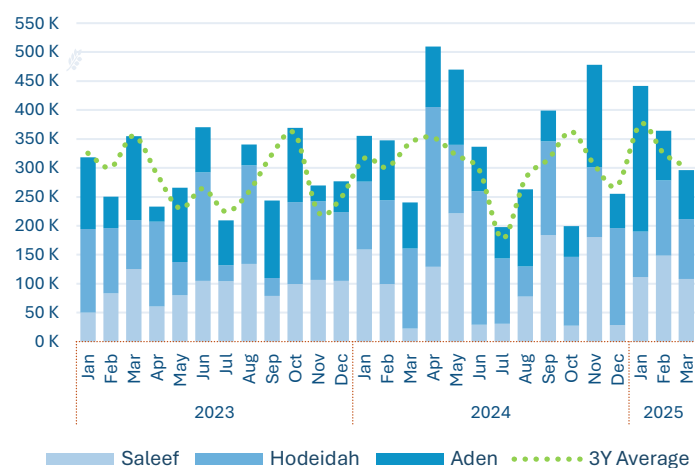
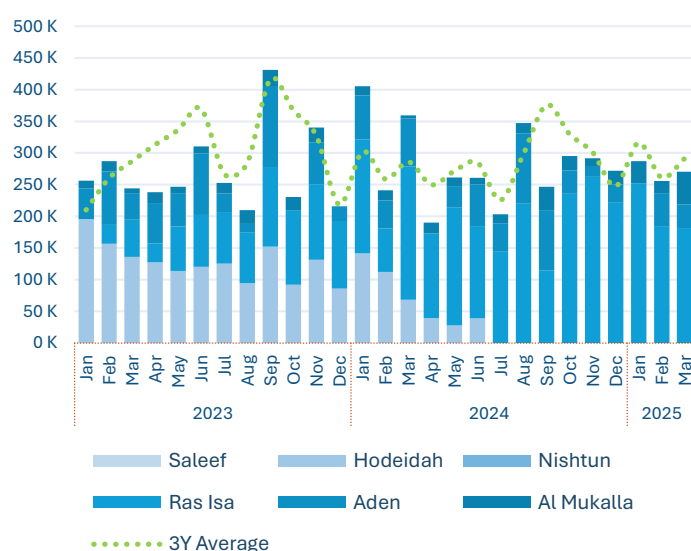


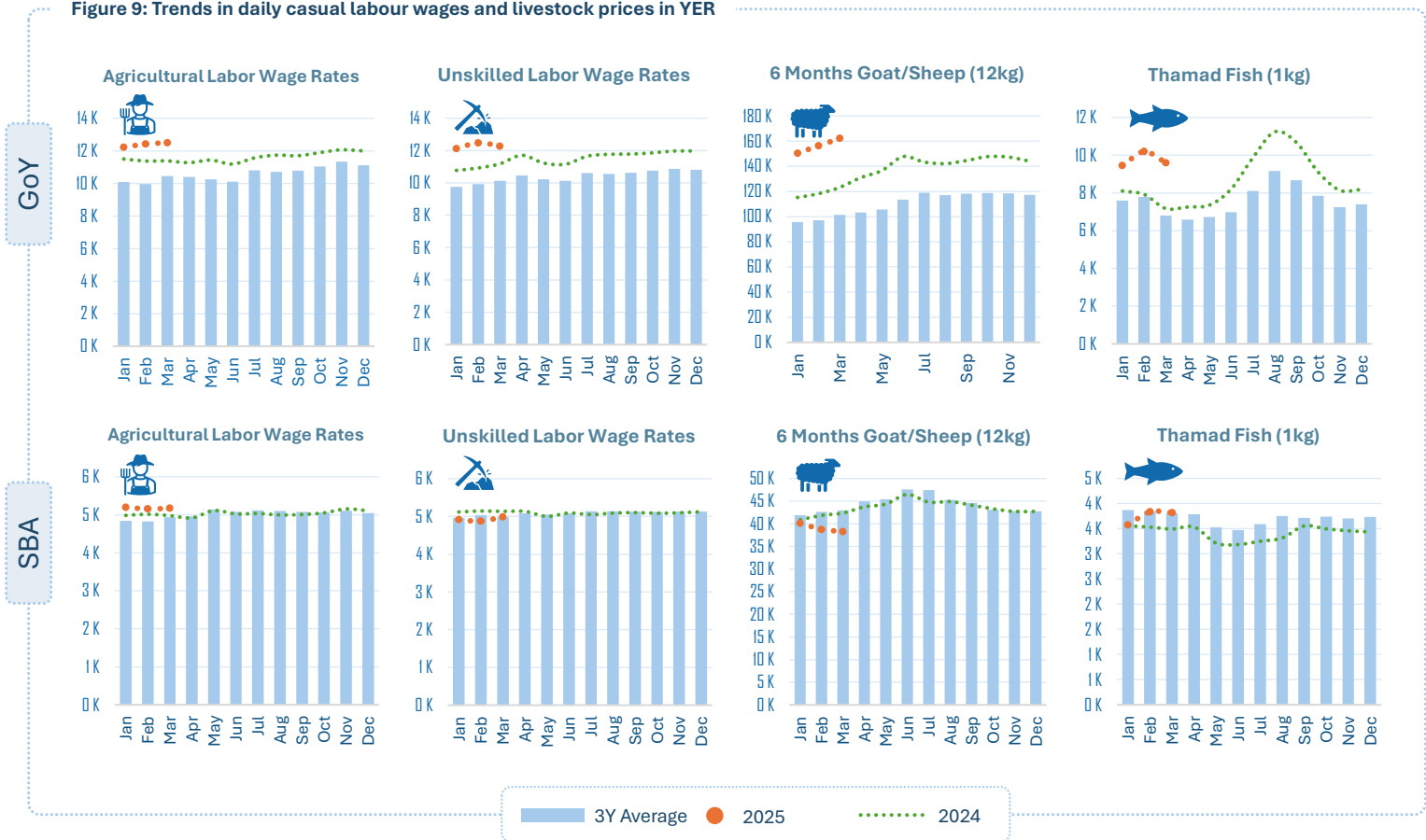
Figure 8: Fuel (Diesel & Petrol) imports in Metric Tons (MT)



FIGURES

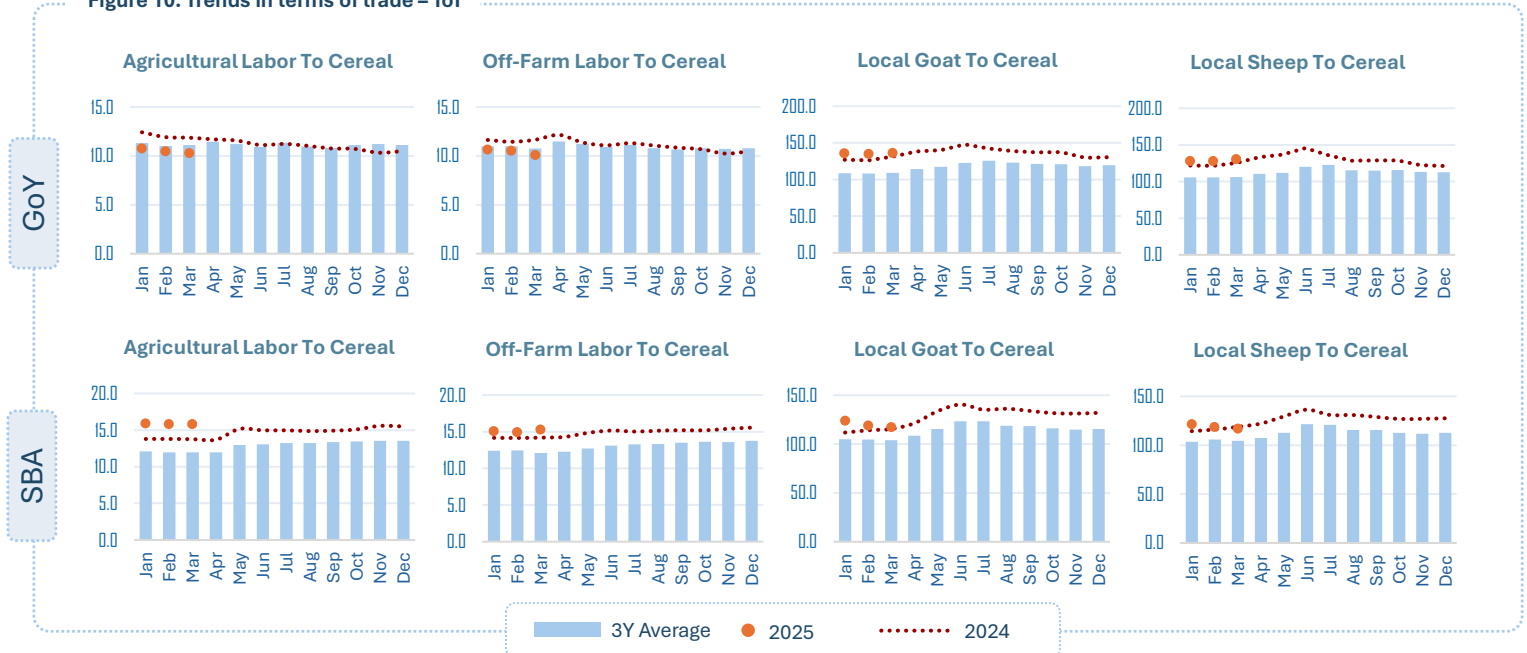
CASUAL LABOUR WAGES AND LIVESTOCK PRICES

Figure 9: Trends in daily casual labour wages and livestock prices in YER



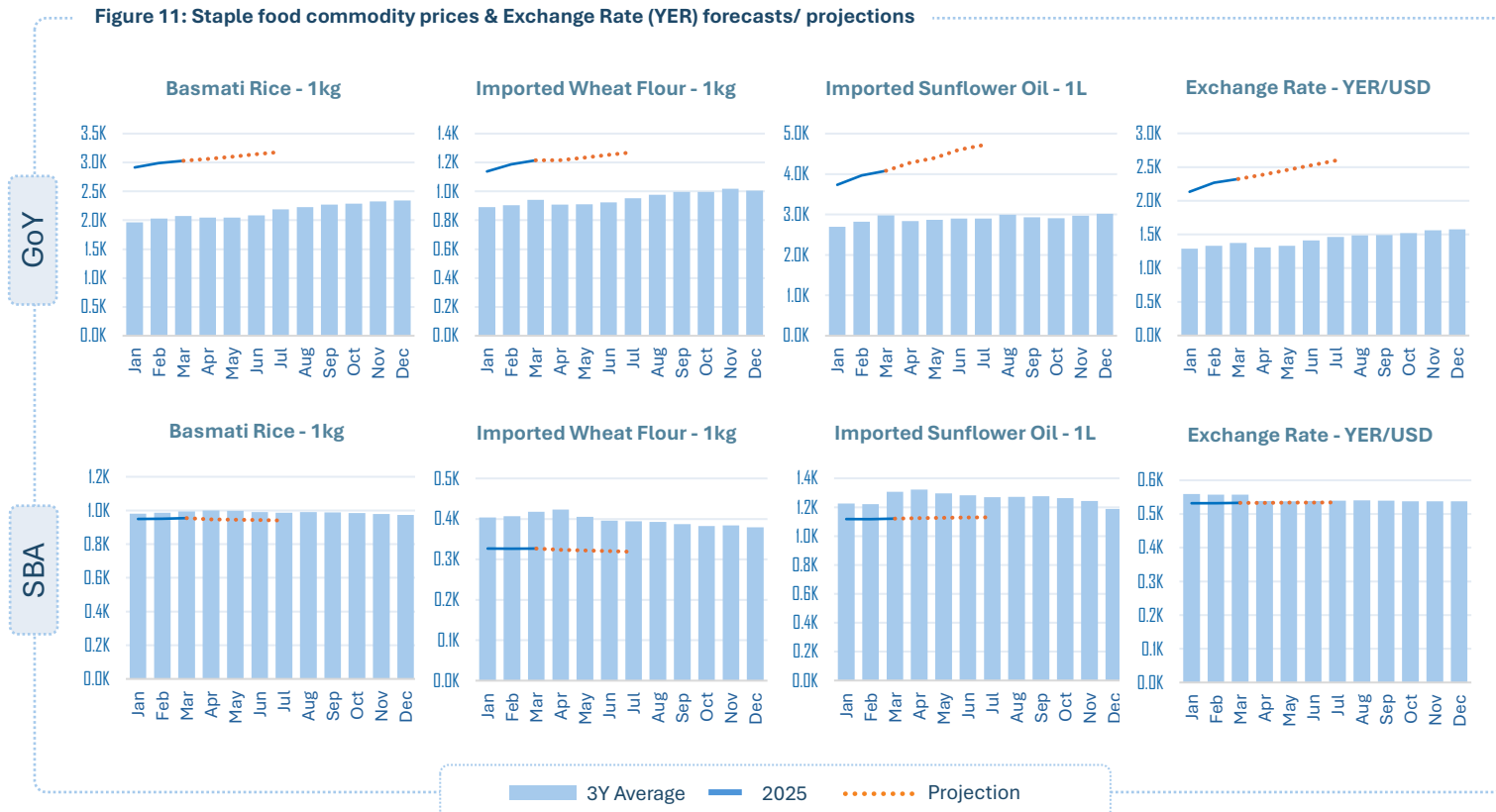
TERMS OF TRADE (TOT)

Figure 10: Trends in terms of trade – ToT



STAPLE FOOD COMMODITY PRICES & EXCHANGE RATE FORECASTS

Figure 11: Staple food commodity prices & Exchange Rate (YER) forecasts/ projections



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The market data and information are collected from twenty-two (22) governorates through the Governorate Focal Units (GFUs). The price data is collected from at least three representative market centers in the main cities and 3-4 markets in the districts (rural areas) (see alongside a map of the market distribution). Retail prices are monitored and collected on a weekly basis from the monitored markets of the following Governorates: Abyan, Aden, Al Dhaleé, Al Bayda, Al Jawf, Dhamar, Hadramaut Coast (Al Mukalla), Hajjah, Al Hudaydah, Ibb, Lahj, Sana'a, Amanat Al Asimah (Sana'a City), Shabwah, Taizz, Al Mahrah, Amran, Raymah, Al Mahwit, Marib, Sa'ada, Socotra, in addition to Hadramout Valley (Sayun) through the Governorate Focal Units (GFUs).



FOOD SECURITY AND NUTRITION INFORMATION SYSTEM (FSNIS)

YEMEN

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YE-FSNIS@FAO.ORG