**WORKSHEET 10: FUEL PRICES**

**What it is:** The cost of transportation can make up a significant portion of the price of a commodity, especially in remote areas. Fuel prices, therefore, can affect commodity prices either by increasing or decreasing them.

**Data requirements:** Local price data (either your primary or secondary data); fuel price data for your country or intervention area[[1]](#footnote-1)

**How to calculate**:

1. Plot a graph showing both the commodity and fuel prices.
	1. If your data are on different scales (as seen in the example below), select one of the data series in Excel, right click, and select “Format Data Series.” In the options, select “Plot series on secondary axis” to be better able to compare the trends.

**Example:**

|  |  |  |
| --- | --- | --- |
|  | **Kisumu diesel (Ksh/ltr)** | **Kisumu, Maize, Wholesale[[2]](#footnote-2), (Ksh/tonne)** |
| Jul-14 | 106.87 | 39688 |
| Aug-14 | 106.73 | 37926 |
| Sep-14 | 105.05 | 39917 |
| Oct-14 | 104.43 | 38125 |
| Nov-14 | 102.74 | 32642 |
| Dec-14 | 96.61 | 28016 |
| Jan-15 | 92.95 | 30274 |
| Feb-15 | 85.48 |  |

**Interpretation:** Although both maize and fuel prices have dropped in recent months, the decline in maize prices appears to have started before the drop in diesel prices. Lower fuel prices may have contributed to further declines in maize prices, but other factors should be investigated as well.

1. Fuel price data may come from your country’s bureau of statistics, energy regulatory agency, etc. If it is not available as secondary data, you may find it necessary to track it as part of your program’s primary data. [↑](#footnote-ref-1)
2. This example uses wholesale prices, but your data will be retail prices. [↑](#footnote-ref-2)