



TEMPORAL PRICE VARIATION OF RICE IN NIGERIA

Makama, S. A.

Department of Agricultural Economics and Extension,

NAERLS, Ahmadu Bello University, Zaria

Corresponding Author's Email: ibnmakamasaleh@yahoo.com **Tel:** +2348060749414

ABSTRACT

The study was conducted to describe the price variations in price of rice in Nigeria using monthly prices of rice for a period of ten years (2004 – 2014). The result of the Grand Seasonal Index which represents the typical seasonal behavior of time series of the 12 calendar months for rice prices showed a deviation from hundred (Table 1), meaning that seasonality existed in the country. Grand seasonal index for January (2004 – 14) was found to be 95.13 which means that the price in Nigeria on an average is 4.87 per cent lower than the average of the entire period as whole. The result further revealed coefficients of variation of the domestic price of rice to be higher in the years 2007 and 2008 and lowest coefficients of variation were recorded in the years 2013 and 2014 thus, this was as a result of the higher price variations of rice in the country between the harvest and the lean periods. The period 2013, 2012 and 2011 showed low fluctuations in price as compared to other periods. Moreover, the Nigeria prices did not follow stable pattern wherein, in 2004, 2005, 2007, 2010 and 2013 the highest prices were recorded in the month of September while in the years 2006, 2011 and 2012 were recorded in October. However, findings of this study showed that seasonality of rice is one of the major causes of prices variation in Nigeria, hence to reduce the seasonal price fluctuations, government should introduce measures of market stabilization policies such as availing strict measures of making information available to both producers and consumers so as to reduce the seasonal price fluctuations thereby ensuring strict adherence to ceiling and floor price which would help limit the speculative practices in the markets.

Keywords: Nigeria, Price, Rice, Seasonal, Variation