

A) Microeconomic Developments

Issue	Market Updates
Employment	The number of migrant workers captured by the Immigration Department reduced by 19.8% from 3,332 migrant workers in September 2024 to 2,672 migrant workers in October 2024. On the other hand, remittances increased by 14% from US\$1,133.94 million in FY2022/23 to US\$ 1,292.8 million in FY2023/24.
Living Standards	Monthly inflation for Food & Non-alcoholic Beverages increased by 0.5% in October 2024 compared to the 0.1% increase registered in September 2024. EFU inflation registered no change in October 2024 compared to a 1.4% drop in September 2024. The power tariff for domestic consumers reduced by 2.8% from Ushs 819.4 per unit in Q1, FY2024/25 to Ushs 796.4 per unit in Q2, FY2024/25. Household Final Consumption Expenditure increased by 3.8% from Ushs 23,285 billion in Q3, FY2023/24 to Ushs 24,176 billion in Q4, FY2023/24.
Equity and Economic Inclusion	Out of the target 3.5 million households under the Parish Development Model (PDM), a total of 2.1 million households (60%) had received the Parish Revolving Fund (PRF) loans as at the end of October 2024. To further promote equity and economic inclusion, Government launched a Revised National Policy for Older Persons in October 2024. The new Policy introduces a new focus on social protection and pensions, emphasizing the creation of a universal social protection system.
Environmental Sustainability	Air quality in Kampala improved significantly, with particulate matter dropping by 7.25% from 41.63 $\mu\text{g}/\text{m}^3$ in September 2024 to 38.60 $\mu\text{g}/\text{m}^3$ in October 2024. The rainfall received in October 2024 was above normal with wetter conditions in most parts of the country. Noise pollution in Kampala increased by 2.11% from 62.96 decibels to 64.29 decibels in the month of October 2024.
Productivity	Malaria prevalence increased by 18% from 2.37 deaths per 1000 persons in September 2024 to 2.8 deaths in October 2024.
Competitiveness	Monthly inflation for Liquid Energy Fuels decreased by 1.9% in October 2024, compared to the 0.5% drop recorded in September 2024, mainly attributed to the 2% drop in petrol prices. The power tariff rates for Medium, Large and Extra-Large industries consumers reduced from Ushs 452.1 per unit in Q1, FY2024/25 to Ushs. 448 per unit in Q2, FY2024/25; Ushs 383.4 per unit to Ushs. 378.6 per unit and Ushs. 324.5 per unit to Ushs. 320.1 per unit respectively.
Markets & Regulation	The IMF Commodity Price Index increased by 2.85% from 161.6 in September 2024 to 166.2 in October 2024. The reduction is partly attributed to the 5.5% price increase in metals. The All-Share Price Index increased by 7.03% from 1,064.17 in September 2024 to 1,139.02 in October 2024. New business registrations increased by 4.4% from 3,779 new businesses in September 2024 to 3,946 new businesses in October 2024.
Local Content	Uganda's monthly trade deficit widened by 17.4% from US\$ 314.1 million in August 2024 to US\$ 368.8 million in September 2024. Total exports decreased by 13.5% from US\$ 789.6 million in August 2024 to US\$ 682.7 in September 2024, mainly attributed to a 4.3% reduction in the value of coffee exports. On the other hand, total imports increased by 4.7% from US\$ 1,103.7 million in August 2024 to US\$ 1,051.5 million in September 2024, mainly driven by a 9.5% increase in the value of petroleum products imports and machinery equipment imports (6.2%).

B) Policy Response Measures: This edition of the MIND focuses on Living Standards as a Thematic Area, with specific emphasis on Nutrition.

Objective	Interventions
Reduced prevalence of malnutrition	<p>The NDP III highlights nutrition as a critical foundational component to the well-being and productivity of the nation. According to the 2022 Uganda Demographic Health Survey (UDHS), the percentage of Ugandan children aged 6-59 months who are stunted (short for their age) reduced from 29% in 2016 to 26% in 2022; while those who are wasted (thin for their height) reduced from 4% in 2016 to 3% in 2022. To further reduce the high rates of malnutrition that continue to affect the country, Government is implementing the following interventions:</p> <ol style="list-style-type: none"> 1. Promotion of Maternal, Infant, Young Child and Adolescent Nutrition (MIYCAN). Government, through the Uganda Nutrition Action Plan (UNAP II) has continued to facilitate good nutrition practices among pregnant women, children and adolescents, as one of the major factors that impact child development. This includes: <ol style="list-style-type: none"> a) Promoting exclusive breastfeeding for the first six months of age. Early initiation of breastfeeding within one hour of delivery protects the infant from infection and decreases neonatal mortality. The percentage of children under 6months exclusively breastfed increased by 42% from 66% in 2016 to 94% in 2022(UDHS). In addition, nine in every ten (96%) children born in the two years before the 2022 survey were breastfed at some point, with 82% of them initiated to breast milk within one hour after birth. b) Promoting appropriate complementary feeding and ensuring micronutrient supplementation (e.g. vitamin A and iron). The Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) is implementing the Uganda Multi-Sectoral Food Security and Nutrition Project (UMFSNP), which is aimed at increasing production and consumption of micronutrient-rich foods. According to the 2022 UDHS, almost four in every ten (39%) children under the age of two were fed on foods rich in vitamin A 24 hours before the survey and 99% of the children stayed in households with Iodized salt. Only 31.2% of children under the age of two consumed foods rich in iron. 2. Fostering behavioural change through education and awareness campaigns aimed at promoting better dietary habits. Government is currently implementing the National Nutrition Advocacy and Communication Strategy (NNACS) which aims to increase awareness of nutrition issues at the community level. In addition, Government has integrated nutrition education into the national school curriculum to help children and adolescents develop healthy eating habits early in life. According to the UDHS, the percentage of children aged 6-23 months that met the criteria for a minimum acceptable diet reduced by 28.6% from 14% in 2016 to 10% in 2022. The above behavioural change interventions are aimed at improving this trend. 3. Strengthening the legal and policy environment to improve nutrition in the country. Parliament is in the process of legislating the Food and Nutrition Bill, which proposes a one-year jail term or a fine of Ushs one million for household heads who, without justification, fail to provide safe and nutritious food for their families. The Bill, once enacted in to law, will establish a legal framework to support the Uganda Nutrition Action Plan (UNAP II), aimed at ensuring food security and nutrition for all Ugandans.

C) Microeconomic Outlook: With the reducing inflationary pressures driven by declining global food and fuel prices, as well as stabilizing domestic supply chains, there are signs of recovery in key growth sectors like agriculture. Government efforts to stabilize prices, increase domestic production and expand the digital economy are expected to support growth in the medium term.

**MICROECONOMIC ISSUES
IN THE NEWS & REPORTS**

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NUTRITION IN UGANDA AND KARAMOJA ZONAL SUMMARY**Performance
of Nutrition
Indicators at
a national
glance****The Nutrition Annual Performance Report FY2022/23 highlights the following:**

- a) Prevalence of stunting in Under Five (5)'s (U5) increased by 8.8% from 23.9% in FY2021/22 to 26% in FY2022/23.
- b) Prevalence of wasting in U5 reduced by 9.4% from 3.2% in FY2021/22 to 2.9% in FY2022/23.
- c) 4,153,686 of the 8,305,905 children (50%) under five years seen at the Outpatient Department in 2022/23 received nutrition assessment, a decrease from 64% in 2021/22.
- d) Overall, 81% of the children under five years identified with Severe Acute Malnutrition (SAM) were enrolled into Outpatient care (OTC) compared to 82% registered in FY2021/22.
- e) In FY 2022/23, the highest proportion of Severe Acute Malnutrition (SAM) cases of under five years enrolled into care were reported from Kampala (52.7%), Bugisu (41.9%) and Buganda North (40.1%) regions.
- f) Out of the children under five years identified with Moderate Acute Malnutrition (MAM), 65% were admitted into the Supplementary Feeding Care (SFC) program in FY2022/23 compared to 48% registered in FY2021/22.

**Karamoja
Sub-Region:**Economy,
Public
Services,
Industry and
Nutrition

Karamoja sub-region is located in the North Eastern part of Uganda, with a population size of 1.45 million people (3.2% of the national population in 2024). On average, households in the sub-region comprise of 4.7 persons. About 71% (Census 2024) of the population in Karamoja sub-region is in the subsistence economy, higher than the national average of 33% (2024).

- 1. State of the Economy:** Karamoja sub-region is mainly a pastoral economy producing meat and milk as the main products. The poverty rate of the sub-region significantly increased by 9.2% from 60.18% in 2016/17 to 65.65% in 2019/20. In addition, income inequality increased by 13.2% from 0.341 in 2016/17 to 0.386 in 2019/20. Unemployment in the sub-region stands at 12.8%, higher than the national average of 8.8%.
- 2. Public Spending and Service Delivery:** The sub-region has a National Water and Sewerage Corporation office located in Moroto, UNRA office in Kotido and Moroto. The sub-region is also served by URSB, Ministerial Zonal Land Offices and UNBS office stationed in Mbale.
- 3. Trade, Industry and Local Economic Development.** The leading value chain is livestock production and minerals such as gold, mable, limestone etc. The sub-region hosts the largest game park (Kidepo Valley National Park) in the country, however the visitor volume to the Park is still low.
- 4. Nutrition in Karamoja sub-region:** The percentage of stunted children under five years of age increased from 35.2% in 2016 to 41.1% in 2022. Similarly, the percentage of children wasted under five years of age increased from 10% in 2016 to 11% in 2022. In addition, the share of U5 children that are underweight increased from 25.8% in 2016 to 30.4% in 2022. Government is implementing various interventions in Karamoja sub-region to reverse this trend. In FY2022/23, Karamoja was graded as the most efficient sub-region in regards to performance of the nutrition indicators, with a total score of 51 out of a maximum score of 61, followed by Ankole sub-region with a total score of 49 (Nutrition Annual Performance Report FY2022/23).

Issues	Indicators	Frequency	Status		Issues	Indicators	Frequency	Status		
Employment	Jobs	Formal Sector ¹	Monthly	801,877 (74.6%)		Productivity	Literacy Rate (Grade 6) ¹¹	Yearly	42.7% (97.8%)	▲
		Informal Sector	Yearly (-1)	8,796,480			Numeracy Rate (Grade 6)	Yearly	58% (40.8%)	▲
		Migrant Workers	Monthly	2,672 (-19.8%)	▼		Morbidity Rate (Malaria Incidence) ¹²	Monthly	2.8 (18%)	▲
	Incomes	Per-capita GDP (US\$): 2023/24	Yearly	1,146 (4.8%)	▲		PIP Budget Absorption (GoU, IFMS %) ¹³	Yearly	91% (6.4%)	▲
		Income Poverty (%)	Yearly (-2)	20.3% (-1.1)	▼	Power Tariff (Ushs per Unit)	Medium	Quarterly	448.0(-0.9%)	▲
		Remittances (US\$, M)	Yearly	1,292.8 (14%)	▲		Large	378.6(-1.3%)	▼	
Extra Large	320.1(-1.3%)						▼			
Living Standards	Utilities (Retail Tariff Rates)	Water (M ³)	Quarterly	4,224 (13.3%)	▲	Competitiveness	Av. Freight Costs (US\$, Mom-Kla, 40ft)	Monthly	3,500	
		Power/Domestic	Quarterly	796.4(-2.8%)	▼		Commercial Case Backlog ¹⁴	Yearly (-1)	6,178 (1.38%)	
		Data (Ushs, 1GB)	Monthly	5,000 (25%)	▲		Fuel Prices (Liquid Energy Fuel Inflation) ¹⁵	Monthly	-1.9%	▼
	Household Expenditure (HFCE), Ushs Bn	Quarterly	24,176 (3.8%)	▲	Customs Clearance (Hours)		Monthly	5.13 (0%)		
	Healthcare Expenditure (HH, Ushs)	Yearly (-2)	15,000 (-34.2)	▼	Transit Times (Mom-Kla, Days)		Monthly	4.8 (4.2%)	▼	
	Food Inflation (%)	Monthly	0.5 (-2.1)	▲	Investment Registration (Days)		Yearly	2		
	EFU ⁴ Inflation (%)	Monthly	0.0 (3.3)		Export Growth		Quarterly	-14.6%	▼	
	Residential Property Price Index (RPPI) for GKMA	Quarterly	110.57 (3.0%)	▲	Electricity Connection (Days)		Monthly	28 (-6.7%)	▼	
	Crime Rate (per 100,000):2023	Yearly	501 (9.6%)	▲	Water Connection (Days)		Monthly	3 (0%)		
							Investment Growth (GFCF)	Quarterly	-0.2%	▼
Equity and Economic Inclusion	Private Pension: Active Members	Yearly	733,588 (12.5%)	▲	Markets and Regulations	Communication Rates	Voice (Ushs Per Sec)	Quarterly	3 (33.3%)	▼
	Private Pension: Registered Members	Yearly	2,344,737 (5.9%)	▲			Data ¹⁶ (Unlimited)	Monthly	550,000(0%)	
	Public Pension (Beneficiaries)	Yearly	407,515 (-0.61%)	▼		IMF Primary Commodity Price Index	Monthly	166.2 (2.85%)	▲	
	SAGE (Beneficiaries)	Yearly	323,315 (-2.8%)	▼		Average Monthly Net Salary (After Tax)	Yearly	628,611		
	Agent Banking (Volume of Transactions, Mn)	Yearly	8.3 (-5.7%)	▼		Retail Sales/EFRIS ¹⁷	Quarterly	84% (31.5%)	▲	
Environmental Sustainability	Water Quality (PM _{2.5}) ⁵	Quarterly	Low, 27.21(29.8%)		Local Content	USE All Share Price Index	Monthly	1,139.02 (7.03%)	▲	
	Air Quality (PM _{2.5}) ⁶	Monthly	38.60µg/m ³ (-7.25%)	▼		New Business Registrations	Monthly	3,946 (4.4%)	▲	
	Noise Pollution (Decibels, Kampala)	Monthly	High, 64.29 (2.11%)	▲		Hotel Occupancy Rate (Kla)	Quarterly	46.9% (-62.2%)	▼	
	Seasonal Changes in Rainfall	Monthly	Above Normal			Plant Utilization Rates (SME-Large Firms)	Yearly	53.6%		
	Natural Disaster Incidences ⁷	Monthly	12,446 (-73.2%)			MUG Shelf-Presence ¹⁸	Yearly	N/A		
					Trade Balance (US\$, Millions)	Monthly	-368.8 (-17.4%)	▼		
					Contracts Awarded to Local Providers ¹⁹	Yearly	77.12% (26.4%)	▲		

*Unless indicated all quarterly figures are for Q1, FY2024/25. ¹ Active PAYE Register Jobs | ² Labour Intensive Public Works | ³ Average household expenditure on Primary education | ⁴ Energy, Fuel and Utilities | ⁵ Particulate Matter (July 2022) | ⁶ 0-50 is good | ⁷ Total number of individuals affected by Natural Hazards | ¹¹ Persons aged 10 years and above | ¹² Cases per 1,000 population | ¹³ Cumulative Absorption in Q2 (31st Dec 2023) | ¹⁴ December 2021 | ¹⁵ Percentage Average change | ¹⁶ Average monthly price of data bundles for MTN (1705GB) and Smile (150GB) | ¹⁷ Electronic Fiscal Receipting and Invoicing System | ¹⁸ Made in Uganda (MUG) | ¹⁹ By Value.