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Food & Nutrition Security UPDATE

March 2026

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KEY MESSAGES

- Global agricultural prices had been easing through 2025, but recent months have brought uneven price movements. Now, the conflict in the Middle East is raising new risks—disrupting oil and fertilizer flows through the Strait of Hormuz, a key artery for global agrifood supply. The World Food Program estimates that the conflict could potentially push 45 million additional people into acute hunger by mid-2026.
- Global food prices for key staples have so far remained broadly stable in the first quarter of 2026, but several forward-looking indicators, including the AMIS Market Monitor, are warning of rising inflationary pressure. Fertilizer prices spiked between February and March 2026, with urea prices surging by nearly 46 percent month on month. The impact of higher fertilizer prices will play out in the months ahead.
- Conflict and climate shocks continue to be the primary regional drivers of acute food insecurity. More than 87 million people are facing hunger in East and Southern Africa, and 52 million are projected to be acutely food insecure in West and Central Africa by mid-2026.

GLOBAL MARKETS OUTLOOK (as of March 20, 2026)

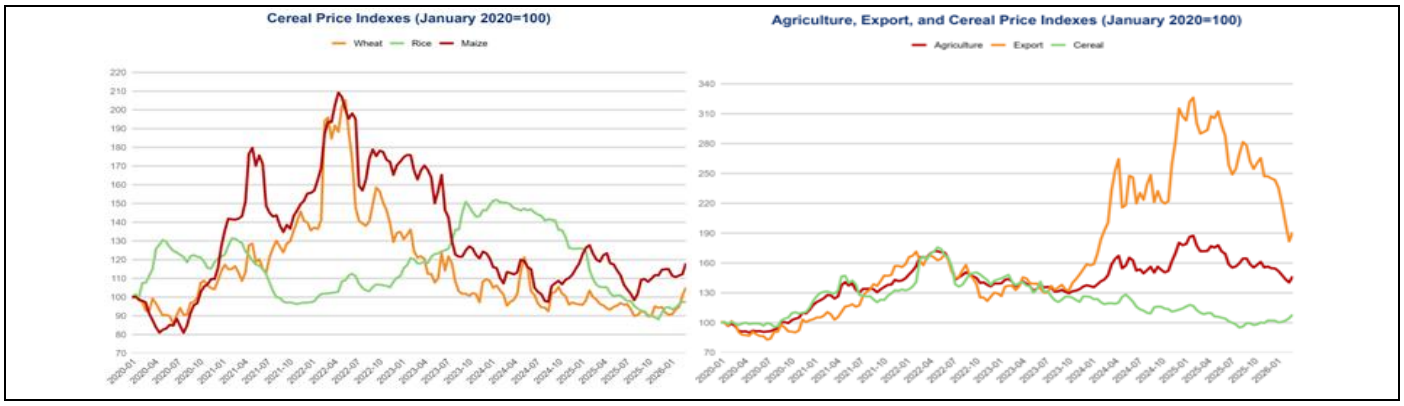
Trends in Global Agricultural Commodity Prices

Global agricultural prices had been easing through 2025, but recent months have brought uneven price movements. Now, the conflict in the Middle East is raising new risks—disrupting oil and fertilizer flows through the Strait of Hormuz, a key artery for global agrifood supply.

Since the last update in December 2025, agricultural and export price indices closed 7 and 30 percent lower, respectively, while the cereal price index closed 7 percent higher. Decreases in cocoa and coffee prices, which closed 65 and 18 percent lower, respectively, drove the decrease in the export index, whereas wheat, maize, and rice prices, which closed 13, 4, and 5 percent higher, respectively, since the last update, drove the increase in the cereal price index. On a year-on-year basis, the average price for wheat is 7 percent higher, whereas rice and maize prices are 2 and 6 percent lower, respectively. Maize and wheat prices are 20 and 7 percent higher than in January 2020, and rice prices are 1 percent lower (Figure 1).

The United Nations Food and Agriculture Organization warns that the risks from the current conflict, including energy prices shocks and trade route disruptions, are setting the stage for sharper price increases in the months ahead. Commodity market estimates from the World Bank show a spike in fertilizer prices between February and March 2026, with urea prices surging by nearly 46 percent month on month amid the on-going conflict in the Middle East - building on longer-term increases driven by structurally tighter markets and higher production costs.

Figure 1: Cereal and Agricultural and Price Indexes



Source: World Bank commodity price data.

Food Price Inflation

Quarterly food price inflation (measured as the average year-on-year change in the food Consumer Price Index [CPI] over the quarter) increased in low-income countries but decreased in all other income categories between the last quarter of 2025 and the first quarter of 2026. Of the 149 countries with data available for both quarters, food inflation exceeded 5 percent in 50.0 percent of low-income countries (7.1 percentage points higher than Q4 2025), 34.1 percent of lower-middle-income countries (12.2 percentage points lower), 43.9 percent of upper-middle-income countries (2.4 percentage points lower), and 7.5 percent of high-income countries (unchanged from Q4 2025). In real terms, food price inflation exceeded overall inflation (measured as year-on-year change in the overall CPI) in 57.1 percent of the 140 countries for which quarterly food CPI and overall quarterly CPI indexes are both available (Figure 2b).

Figure 2a: Food Inflation Heat Map

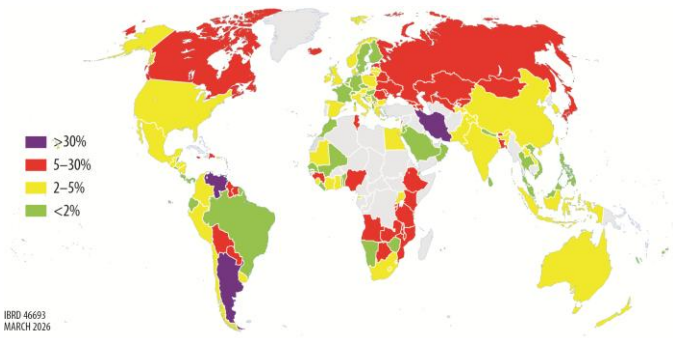
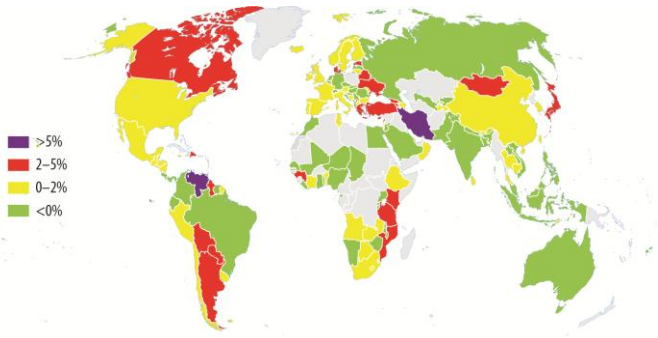


Figure 2b: Real Food Inflation Heat Map



Source: International Monetary Fund, Haver Analytics and Trading Economics. Real food inflation is defined as food inflation minus overall inflation.

Trends in Global Food and Nutrition Security

Recent geopolitical tensions in the Middle East are severely disrupting global commodity markets and increasing food insecurity risks for the most vulnerable populations. The World Trade Organization has identified the conflict in the Middle East as the primary risk to the global economy in 2026. Around 20 percent of global oil supplies and approximately one-third of global fertilizer trade transit through the Strait of Hormuz. Disruptions to energy markets and maritime trade could significantly increase transport, fertilizer, and

production costs, with potential spillover effects on global food prices. The World Food Program has warned that prolonged conflict could push up to 45 million more people into acute hunger by mid-2026, potentially reaching record levels of global hunger.

In February, FAO's Food Price Index had shown a modest uptick in global food prices, with higher prices for cereals, meat, and vegetable oils offsetting lower prices for dairy and sugar. After several months of decline, global food prices showed the first increase (an average of 125.3 points on the index) in February 2026, up 0.9 percent month on month although still 21.8 percent below the March 2022 peak. According to the March AMIS Market Monitor, food prices are expected to increase moderately (by 3.1 percent), reflecting generally stable global supply demand conditions, with modest upward revisions for wheat, maize, and rice and stable soybean production.

REGIONAL UPDATES

East and Southern Africa

In East and Southern Africa and the Middle East, conflict and climatic shocks, including floods and cyclones, have driven more than 87 million people into food insecurity. In Sudan, about 19 million people face food insecurity. In North Darfur, extreme hunger has already caused deaths among displaced populations, with many others at imminent risk. In South Sudan, approximately 9 million people—about 75 percent of the population—are food insecure, and conditions are expected to worsen as conflict intensifies, economic conditions deteriorate, and displacement continues. In the most affected areas, particularly north central Jonglei and southern Upper Nile, escalating violence and severe humanitarian access constraints have created a credible risk of Famine (IPC Phase 5). In the Democratic Republic of Congo, approximately 17 million people faced food insecurity because of continued conflict in eastern regions.

Since mid-December 2025, heavy rain, flooding, and cyclones linked to La Niña conditions have affected more than 1.3 million people in several countries in the region and reduced food availability at household and market levels.

East Asia and the Pacific

Food security trends are diverging across East Asia and the Pacific. In Indonesia, strong rice production and record stocks, an increase in the food security budget, and import restrictions have stabilized markets and strengthened domestic supplies. In Myanmar , despite a recent modest easing following the 2025/26 monsoon harvest, food prices remain around four times their pre-2021 levels amid conflict, leaving nearly one-third of households food insecure. The Philippines expects stable rice prices in the first quarter, supported by good harvests, imports, fuel subsidies, and streamlined procurement rules. Following below-average rainfall, the Lao People's Democratic Republic continued to face persistently high rice prices because of tight supply, high costs, and consecutive weak production years.

Europe and Central Asia

European and Central Asian agri-food markets remain broadly supplied, but price volatility has increased. The FAO Food Price Index rose in February driven by higher cereal, vegetable oil, and meat prices. AMIS similarly reported stable wheat prices despite ample global supplies. For the importers of Europe and Central Asia, this meant continued pressure on household food budgets (notably in Central Asia and the South Caucasus) and tighter margins for livestock producers where feed costs track grains.

A key near-term risk is an input cost shock from the conflict in the Middle East, driven by energy, fertilizer, and shipping disruptions through the Strait of Hormuz. Türkiye has moved to protect the availability of spring fertilizer by removing the urea import duty (effective March 7), which could support supply but also signals heightened market stress. World Bank commodity data for February show fertilizer prices rising (6.5 percent) alongside higher food prices (2.1 percent).

Latin America and the Caribbean

The energy, increased freight and fertilizer costs were particularly relevant given the region's dependence on imported fertilizers and fuel, raising risks for production costs and food affordability, especially among net food-importing and lower-income economies. Brazil, a major agricultural producer, imports approximately 80 to 90 percent of the fertilizers used in its agricultural sector, making it highly vulnerable to global supply disruptions and price volatility.

Between September 2025 and February 2026, an estimated 51 percent of Haiti's population—nearly 5.7 million people— will face Crisis (IPC Phase 3) or worse food insecurity. In October 2025, Hurricane Melissa extensively damaged agriculture, infrastructure, and market access, particularly in the Grand Sud, driving the food and nutrition security deterioration and compounding pre-existing food insecurity and high food prices. Macroeconomic pressures have further decreased food access: inflation reached 31.9 percent, and food inflation exceeded 35 percent in September 2025. The country's humanitarian context remains severe, with 6.4 million people requiring assistance in 2025 and more than 2.8 million children in need of humanitarian assistance.

Middle East and North Africa

Food security has been comparatively stable in Algeria, Morocco, and Tunisia. Increasing rainfall in key production areas is creating favorable conditions for the 2025/26 agricultural season, although the situation in other parts of the region remains volatile, fueled by the ongoing crisis in the region and aggravated by widespread funding gaps for food assistance. Food security conditions in Yemen remain extremely fragile. Although food is available in markets, it is largely unaffordable, with 63 percent of households across Yemen unable to meet their minimum food needs. In Afghanistan, the combination of high staple prices, low incomes, and constrained market access has decreased food security in the current winter lean season, with several provinces likely experiencing IPC Phase 4 (Emergency) food insecurity. Although food security in Syria increased throughout 2025 at the national level, 80 percent of people remain food insecure, and regional disparities persist. In Lebanon, 17 percent of the population experienced IPC Phase 3 (Crisis) or worse food insecurity from November 2025 to March 2026. The full impact of the ongoing crisis in the region remains uncertain, but it is likely that is has worsened food security and is expected to further strain regional and global conditions.

South Asia

Food and nutrition security across South Asia continues to be mixed. India had a record foodgrain harvest for 2025/26, supported by favorable weather and modern farming practices, with substantial buffer stocks limiting sharp price increases. Sri Lanka had mixed harvest prospects after cyclone damage in late 2025. South Asia is particularly exposed due to heavy reliance on fertilizer from the Middle East, high sensitivity of staple crops to nitrogen availability, and limited short-term alternatives.

Fertilizer imports and gas-dependent domestic production are causing fiscal and inflationary pressure in India. Bangladesh has secured some of its food supplies through direct deals with other governments, which

helps shield it from sudden price spikes in global spot markets—but this also reduces its ability to quickly switch suppliers, timing, or volumes when conditions change.

Bhutan's risks are indirect, driven by food price transmission from India rather than physical supply shortages. The region faces high risks of fertilizer shortages, food price inflation, fiscal pressure from subsidies, and potential yield losses, with disproportionate impacts on poor and food-insecure households.

West and Central Africa

Food and nutrition security conditions in West and Central Africa remained fragile despite an increase in agricultural production and easing price pressures. Favorable rainfall during the last two agricultural seasons supported strong harvests across much of the Sahel, with regional cereal production in 2025 estimated at 7 percent above the previous season and more than 10 percent above the five-year average.

Food prices have shown signs of stabilization in early 2026. Prices of maize, millet, and sorghum remained stable or declined in January and February 2026 and were significantly lower than a year earlier after an increase in supply from the 2025 harvest. Food price inflation has also moderated in several countries, including Ghana, where annual food inflation declined to 2.4 percent in February 2026.

Despite improvements in production and market conditions, food insecurity remains widespread. Recent regional analyses estimate that 41.8 million people are facing acute food insecurity, with projections indicating that more than 52 million could experience crisis or worse conditions during the June to August 2026 lean season. Persistent conflict, displacement, climate shocks, and funding constraints continue to undermine livelihoods and food access in the central Sahel and Lake Chad Basin.