Sudan Transparency and Policy Tracker

Sudan Economic Brief # 2

September 2026

Covering the period: June 1 – August 31, 2026

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Quick Snapshot

Indicator	Value
CBoS official dollar rate	445–449 SDG (fixed throughout the quarter)[1]
Parallel market rate	Ranged 4,400–5,800 SDG/USD in June–July; broke 6,000 in early August and reached a record 6,600 SDG (sell) by the evening of August 29, then continued climbing to roughly 6,966 SDG (approaching 7,000) by September 1, the close of this reporting period — with wide geographic divergence across the quarter (Nyala near 4,600 SDG on August 24)[2][3]
Export-proceeds pricing policy	Partial liberalization (Aug 11) followed by partial reversal (Aug 12); broader liberalization via Circular 2026/16 (Aug 24) rescinded both, granting banks pricing flexibility and formally ending the mandatory "pump rate" import-financing mechanism[4]
Annual inflation (CBS – Central Bureau of Statistics)	44.50% (May) → 51.28% (June) → 41.61% (July, official, released Aug 18) — a surprise deceleration inconsistent with continued currency depreciation; August figure not yet released[5]
Bread price	~350 SDG/loaf, up from ~250 SDG in June[6]
Gold lost to smuggling	~90% of production is smuggled per the Finance Minister.
WFP funding gap	Widened from $460 million (June–July) to $646 million (August); cash-assistance funding expected to run out in August[7]

[1] Rate as consistently reported by commercial banks and STPT's June–July 2026 brief throughout the quarter; no change to the official peg was recorded during this period.
[2] Sudan Tribune, "Sudan: Renewed pound slide passes 6,000 SDG per dollar in parallel market", August 4, 2026, https://sudantribune.net/article/317021; Sudan Tomorrow, parallel-market rate report, evening of August 29, 2026; Sky News Arabia, report of August 28, 2026.
[3] Parallel-market rate reading, September 1, 2026 (approximately 6,966 SDG/USD; figure cited as reported to the author, no independently confirmed public URL).
[4] Sudan Tribune, "Central Bank liberalizes exchange rates, rescinds earlier restrictions" (Arabic), August 24, 2026, https://sudantribune.net/article/317824; Sudan Tribune, "Central Bank requires banks to apply a unified import exchange rate" (Arabic), June 28, 2026, https://sudantribune.net/article/315611.
[5] Central Bureau of Statistics (Sudan), "Sudan Report: Consumer Price Indices and Annual Inflation Rate — July 2026", issued August 18, 2026.
[6] STPT, Sudan Economic Brief, June–July 2026 edition. No independent public source could be located for this figure; flagged here for transparency.
[7] WFP, "WFP Warns Assault on Sudan's El Obeid Area Threatens to Deepen the Country's Hunger Crisis," June 26, 2026, https://www.wfp.org/news/wfp-warns-assault-sudans-el-obeid-area-threatens-deepen-countrys-hunger-crisis-0 (stating the $646 million requirement is for the next six months); also cited in Al Jazeera Net, August 3, 2026 (link since broken).

People in IPC Crisis+ food insecurity	19.5 million (~41% of population), unchanged since May[8]
Foreign exchange reserves	~$1.17 billion (~1.1 months of imports) — AfDB[9]
Tri-capital fuel crisis	~5 days of station closures and long queues in Khartoum/ Omdurman/ Bahri through Aug 24; government denied a general shortage while Kassala and River Nile states raised local fuel tariffs[10]

Most Significant Developments

- **The currency crisis deepened across the quarter, with depreciation accelerating sharply in August despite repeated CBoS liberalization attempts.** The parallel rate swung between roughly 4,400 and 5,800 SDG/USD through June–July. The Central Bank of Sudan (CBoS) began injecting foreign currency into the banking system on June 23, reported at approximately 400 million Emirati dirhams (AED). This reduced devaluation for a period (SDG 6,000 to 5,800) rather than reversing it durably.[11] In August, the rate broke past 6,000 and climbed to a record 6,600 SDG by month's end. The CBoS oscillated between partial liberalization, allowing banks to buy export proceeds at their own declared rates, rather than the official rate (Aug 11) and reversal (Aug 12), before issuing Circular 2026/16 (Aug 24), which rescinded both and granted banks broader pricing freedom — effectively ending subsidization of import financing. Yet the pound depreciated further after the circular, suggesting its hoped-for convergence effect has not yet materialized — a trend that continued through the end of the reporting period, with the rate reaching roughly 6,966 SDG by September 1.[12]
- **Gold-sector sanctioned amid high levels of smuggling.** The finance minister acknowledged that roughly 90% of gold production was to lost to smuggling — with only 5.77 tons of an expected output of 56.6 tons exported officially by September 2026.[13] Sanctions accelerated on three fronts: the EU's first sectoral gold ban, UK sanctions on 11 individuals/entities, and US sanctions on 5 individuals and

[8] WFP/IPC food security classification data, as reported in STPT, Sudan Economic Brief, June–July 2026 edition; figure unchanged since the May reading cited there.
[9] African Development Bank, “Sudan Economic Outlook”, https://www.afdb.org/en/countries/east-africa/sudan/sudan-economic-outlook, accessed August 2026: “Foreign exchange reserves remained critically low at $1.17 billion (1.1 months of imports).”
[10] Radio Dabanga, report on the tri-capital fuel crisis and state-level price increases, August 24, 2026.
[11] Sudan Tribune, “Sudan finance minister denies foreign deposit bolstered currency”, July 5, 2026, https://sudantribune.com/article/315894; Sudanhorizon, “CBS: 400 Million Dirhams Injected into the Banking System to Meet Import Demands”, July 1, 2026, https://sudanhorizon.com/cbs-400-million-dirhams-injected-into-the-banking-system-to-meet-import-demands/; Radio Dabanga, “Expert says currency crisis requires comprehensive economic reforms as Central Bank of Sudan policies achieve only partial success”, July 16, 2026 (reporting the rate's temporary fall from 6,000 to 5,800 SDG following the injection, before it resumed climbing). This corrects a figure in an earlier draft of this brief that could not be independently verified.
[12] STPT, Sudan Economic Brief, June–July 2026 edition (covering 1 June–31 July 2026), for June–July currency-crisis figures; Sudan Tribune, "Sudan: Renewed pound slide passes 6,000 SDG per dollar in parallel market", August 4, 2026, https://sudantribune.net/article/317021; Ultra Sudan, "The dollar exceeds 6,000 SDG in Sudan amid escalating forex crisis", August 9, 2026; Sudan Tomorrow, parallel-market rate report, evening of August 29, 2026; Sky News Arabia, report of August 28, 2026 (Sudan's parallel market is fragmented and rates vary by city); Sudan Tribune, "Central Bank liberalizes exchange rates, rescinds earlier restrictions" (Arabic), August 24, 2026, https://sudantribune.net/article/317824; Central Bank of Sudan circular obtained by Sudan Tribune (Arabic), reported August 11, 2026; Sudanhorizon, "CBoS Reverses Export Proceeds Regulation Amendment as Exporters Criticize Move", August 12, 2026, https://sudanhorizon.com/cbos-reverses-export-proceeds-regulation-amendment-as-exporters-criticize-move; Sudan Tribune, "Central Bank requires banks to apply a unified import exchange rate" (Arabic; documents the mandatory “pump rate” later rescinded), June 28, 2026, https://sudantribune.net/article/315611; Central Bank of Sudan, Institutional Communications Department, follow-up statement affirming continued FX provision (no direct public link); Parallel-market rate reading, September 1, 2026 (approximately 6,966 SDG/USD; figure cited as reported to the author, no independently confirmed public URL).
[13] Sudanhorizon, “Sudanhorizon reveals the scale of gold smuggling during the past year,” July 26, 2026, https://sudanhorizon.com/sudanhorizon-reveals-the-scale-of-gold-smuggling-during-the-past-year/

3 entities; the EU ban entered into force in August. Newly available first half (H1) 2026 official trade data add a useful comparison point: of $1.135 billion in officially recorded gold exports, 79% ($901 million) went to Egypt alone, versus just $755,000 to the UAE. This is notable because most public reporting on Sudanese gold smuggling identifies the UAE, not Egypt, as the primary destination for gold leaving the country informally. The near-total absence of the UAE from official export records — despite its previous prominence is indicative of the increasing rift between the SAF aligned government and the UAE.[14] This compositional pattern does not on its own indicate improved formal-channel capture: the H1 2026 export volume remains consistent with the previously reported level of smuggling.

- **Inflation followed a volatile arc through the quarter, with July's deceleration difficult to reconcile with the currency's continued collapse.** Annual inflation jumped 6.8 points in June alone (44.50% to 51.28%), with rural food inflation (56.8%) outpacing urban (50.8%) and a 50kg sack of sugar rising from ~200,000 to ~280,000 SDG.[15] The official July figure then surprised with a drop to 41.61% — released August 18 — alongside sharp state-level divergence (Kassala 82.71% versus -55.72% in North Darfur). The North Darfur figure does not indicate falling prices in any real sense; rather, the El Fasher siege has so thoroughly disrupted normal market activity that recovery from that appears to create a gain. This deceleration sits uneasily against the pound's accelerating depreciation in the same window; the August figure, not yet released, will be a key test of whether it holds.[16]
- **The food security crisis intensified as the WFP funding gap widened through the quarter.** The WFP funding gap grew from $460 million (needed over six months, as of June–July) to $646 million (needed over the next six months, per WFP's June 26 appeal) by August, with cash-assistance funding expected to run out this month and monthly beneficiaries at risk of being cut from 5 million to 3.4 million — even as 19.5 million people (~41% of the population) have remained in IPC Crisis-or-worse food insecurity since May, unchanged across the quarter.[17]
- **Government economic policy remained erratic and reactive throughout the quarter, with an acute fuel crisis in August.** Fuel-import rules shifted three times in three weeks in June–July (tenders → state monopoly → a reported, unconfirmed reversal), and the luxury-import ban was extended indefinitely despite the government's own trade data showing it had failed to stabilize the currency. In August, Khartoum, Omdurman, and Bahri saw roughly five days of station closures and long queues; the Energy Ministry denied any general shortage and attributed it to temporary

[14] STPT, Sudan Economic Brief, June–July 2026 edition, for the Finance Minister's ~90% smuggling admission and the 2020→2025 state-control collapse; Council of the European Union, decision of July 13, 2026, entering into force in August 2026, https://www.consilium.europa.eu/en/press/press-releases/2026/07/13/sudan-council-strengthens-eu-sanctions-regime-by-targeting-gold-trade/; Central Bank of Sudan, Policies, Research & Statistics Department, "Foreign Trade Statistical Digest, January–June 2026", Issue 2, Volume 62, preliminary data: gold exports 8,031.56 kg valued at US$1,135,194.72 thousand; exports to Egypt US$901,090.76 thousand (≈79%), to the UAE US$754.75 thousand only (Table 6, Exports by Country & Commodity), http://www.cbos.gov.sd

[15] Sudan Tribune, "Sudan pound crashes to record low, banking outage freezes trade," September 3, 2026, https://sudantribune.com/article/318285

[16] STPT, Sudan Economic Brief, June–July 2026 edition, for May–June inflation and sugar-price figures; Central Bureau of Statistics (Sudan), "Sudan Report: Consumer Price Indices and Annual Inflation Rate — July 2026", press release no. 7/2026جمإ/مع/أرقامقياسة, issued August 18, 2026: annual inflation 41.61%, down from 51.28% in June; highest state-level inflation Kassala (82.71%), lowest North Darfur (-55.72%, reflecting severe market disruption amid the El Fasher siege rather than price stabilization).

[17] WFP, "WFP Warns Assault on Sudan's El Obeid Area Threatens to Deepen the Country's Hunger Crisis," June 26, 2026, https://www.wfp.org/news/wfp-warns-assault-sudans-el-obeid-area-threatens-deepen-countrys-hunger-crisis-0 (stating the $646 million requirement is for the next six months); STPT, Sudan Economic Brief, June–July 2026 edition, for the June–July funding-gap figure.

distribution imbalances, even as Kassala and River Nile states simultaneously raised local fuel tariffs (6,133–6,822 SDG/liter) — a recurring pattern of central denial alongside local price hikes.[18]

- **Displacement and agricultural risk mounted in Darfur and Kordofan across the quarter.** The IOM recorded renewed displacement of hundreds from Kalbus in West Darfur amid intensifying insecurity, while famine risk warnings persisted despite some food being locally available. The delayed onset of the 2026 rainy season pushed the planting calendar in Gedaref, Darfur, and Kordofan into a critical window by early August, threatening the harvest heading into the second half of 2026.[19]
- **Egypt–Sudan trade integration continued to deepen — one of the few positives of the quarter.** The Sudanese-Egyptian Joint Business Council's statistical bulletin, released in early June, put bilateral trade at $326 million for the first quarter of 2026, alongside new port and shipping agreements. This closer integration sits alongside the newly confirmed pattern in official gold-exports, in which Egypt is now the dominant formal destination for Sudanese gold — raising questions about how commercial and gold-related flows intersect.[20]
- **Banking-sector and social developments picked up in August: digital-ID/KYC linkage, a bank fraud probe, and a wage dispute.** Authorities began linking the SUDAPASS digital ID to bank know your customer (KYC) updates (Aug 19), alongside a CBoS deadline extension for customer data updates to year-end (Aug 16). A since-unverified investigative report (Aug 6) alleged Bank of Nileen's new management filed criminal complaints against defaulters worth 73 trillion SDG, amid unconfirmed allegations of military-linked beneficiaries; no official response had been published as of this brief. Separately, a teachers' committee (Aug 17) demanded retroactive pay increases, calling the proposed increases insufficient against 41.61% inflation.[21]
- **Customer-data verification rules risk disrupting remittances and humanitarian cash transfers in conflict-affected and diaspora communities.** The CBoS's July 30 circular set a two-month window for banks to update customer records or freeze non-compliant accounts (later extended to December 31); Bankak, Bank of Khartoum's mobile app used by millions for transfers, remittances, and everyday purchases, began prompting users to complete the update in person at a branch. The Kordofan Observatory warned this could cut off Bankak users in Darfur and Kordofan, who rely heavily on the app for remittances and purchasing basic goods, since most functioning branches sit in army-controlled areas while residents of RSF-held territory face security risks travelling to them; it called for dedicated data-update centres and safe remote channels, and warned that continued restrictions could push RSF-held areas toward a parallel financial system. Bank of Khartoum's own

[18] STPT, Sudan Economic Brief, June–July 2026 edition, for the June–July fuel-policy chronology; Radio Dabanga, report on the tri-capital fuel crisis and state-level price increases, August 24, 2026 (includes an unnamed resident's account from Omdurman alongside an official Ministry of Energy statement and formal state pricing decisions).
[19] International Organization for Migration displacement tracking, cited in Al Jazeera Net, August 3, 2026; Al Jazeera Net, "Darfur on the brink of famine despite available food", August 3, 2026; Al Hadath, "Sudan faces risk of famine as rains are delayed", August 2, 2026.
[20] Sudanese-Egyptian Joint Business Council, statistical bulletin on bilateral trade between Sudan and Egypt for Q1 2026, released early June 2026 (reported by Sudanhorizon, https://sudanhorizon.com/sudan-egypt-trade-exchange-exceeds-326-million-in-the-first-quarter-of-2026/); Central Bank of Sudan, "Foreign Trade Statistical Digest, January–June 2026", for gold-export-by-country data.
[21] Sudan Tribune, "Sudan launches digital bank-data update service via 'SUDAPASS' platform" (Arabic), August 19, 2026, https://sudantribune.net/article/317638; Sudan Tribune, "Central Bank extends customer data-update deadline to year-end" (Arabic), August 16, 2026, https://sudantribune.net/article/317473; December (independent outlet), "Bank of Nileen: a campaign against defaulters" (Arabic), August 6, 2026 (no independent public URL; relies on unnamed internal sources, no official response published as of this brief); Atar magazine, Issue 136, August 20, 2026, p.5, "Sudanese Teachers' Committee demands retroactive pay increases" (Arabic; no direct public URL).

extension notice acknowledged it had yet to finalize a verification channel for customers residing abroad. Sudanese commentary has noted that CBoS's own anti-money-laundering framework already permits remote, electronic KYC updates, questioning the rationale for requiring branch visits, and has warned that customers fearing loss of access to funds may pre-emptively withdraw them or shift to informal channels — the opposite of the financial-inclusion goals the update is meant to serve.[22] The underlying concentration risk was underscored independently in early September, when a multi-day disruption to Bankak's own service — which Bank of Khartoum attributed to internal technical and development work rather than any CBoS directive — briefly disrupted transfers and slowed market transactions, a reminder of how central the app has become to everyday liquidity.[23]

Outlook

Sector	Expected trend
Exchange rate	Depreciation pressure persisted and accelerated after the August liberalization circular rather than easing; its convergence effect on the parallel rate remains unproven, with the rate still climbing (6,966 SDG) as of the reporting period's close on September 1.
Gold	International sanctions intensify (EU ban now in force) while the domestic smuggling gap remains largely unaddressed; official trade data confirm Egypt as the dominant formal export channel.
Inflation & food prices	Volatile — July's deceleration is not yet confirmed as a trend; renewed acceleration is plausible given currency and fuel pressures. August figure pending.
Food security	Real risk of WFP ration cuts in the coming months as the funding gap widens.
Agriculture	Delayed rains threaten the late 2026 harvest across Gedaref, Darfur, and Kordofan.
Regional integration	Egypt–Sudan trade and logistics ties continue to deepen.

Recommendations

- **International financial institutions:** tie support to transparency in gold-export channels — now more urgent given both the Minister's admission of the high level of smuggling.
- **UN and humanitarian agencies:** urgently close the WFP funding gap, now $646 million, to avoid further cuts to basic assistance.

[22] Darfur24, "Central Bank Order Raises Concerns Over Access to Banking Services," August 13, 2026, https://darfur24.com/en/2026/08/13/sudan-central-bank-orders-banks-to-update-customer-data/; Sudanhorizon, "CBoS Orders Suspension of Bank Accounts Failing to Update Customer Data by September 30," August 12, 2026, https://sudanhorizon.com/cbos-orders-suspension-of-bank-accounts-failing-to-update-customer-data-by-september-30/; Al-Tayar, "Bank of Khartoum Extends Customer Data-Update Deadline to End of 2026" (Arabic); Omer Sidahmed, "Customer Data Updates in Wartime: When Banking Compliance Collides with Financial Inclusion" (Arabic), Sudanayil, August 14, 2026.

[23] Bank of Khartoum, public apology for "Bankak" service disruption (Arabic), September 1–2, 2026, cited in Sudafax, September 1, 2026, https://sudafax.com/583065/; Atheer News, September 2, 2026; Al-Ahd Online, September 4, 2026; Azza Press, September 2026 (bank attributed the disruption to ongoing technical development work; no independent confirmation found of claims linking it to a Central Bank of Sudan directive).

- **Sanctions bodies:** coordinate the now-active EU, UK, and US gold-sector measures to avoid unintended effects.
- **Agricultural donors:** extend emergency financing beyond currently covered “safe” states to Darfur and Kordofan ahead of the harvest window.
- **Central Bank and banking sector:** clarify criteria distinguishing bank-funded from exporter-funded export proceeds under Circular 2026/16 and ensure data-protection standards accompany the SUDAPASS–banking linkage. Extend remote/electronic verification channels to diaspora and conflict-affected customers so that account data-update enforcement does not disrupt remittances, humanitarian cash transfers, or everyday commerce.