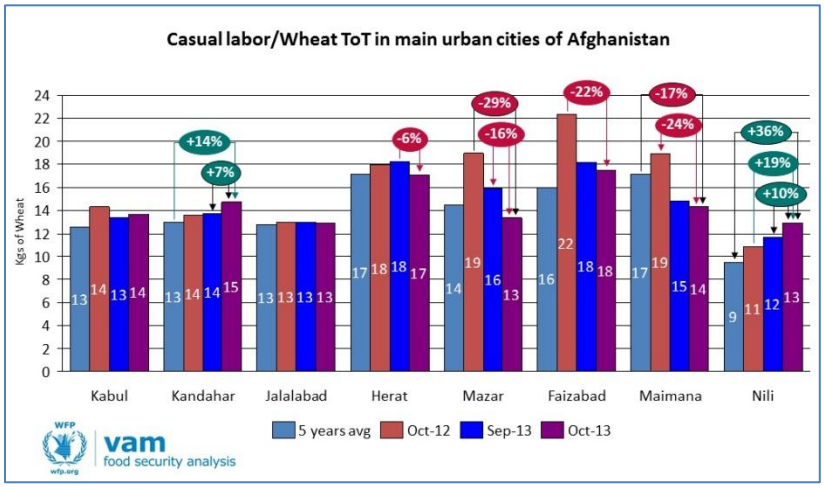
Initial Market Price Bulletin for the month of **October 2013** (Reported in November 2013)

HIGHLIGHTS:

- Wheat: Average wheat grain retail price in the main cities of the country was increasing from August 2012 through March 2013, and then it was decreasing during April – June 2013 and slightly increased during July – October 2013.
- The current average price of wheat in main cities of Afghanistan is slightly higher by 4.3% in comparison to the same time last year (October 2012), and remained stable compared to the last 5-year average price of the same months (2.2% increased).
- Wheat flour: Average wheat flour retail price in main urban cities of Afghanistan was increasing during June 2012 – March 2013. It slightly decreased during April – June 2013 and slightly increased during July – August 2013. In the current month it show slight increase by 3% compared to the previous month (September 2013). The current wheat flour average price is slightly lower by 0.3% compared to the same month last year (October 2012), while remained relatively stable compared to the last 5-year average price of the same months (6.4% increased).
- Rice is considered as the 2nd main staple food in Afghanistan. The current average retail price of Rice (Low Quality) is slightly higher by 7.1% compared to the same month last year (October 2012) and significantly higher by 23.4% compared to the last 5-year average price of the same months. The current average price of high quality Rice is significantly higher by 17.2% compared to the same month last year (October 2012), and by 34.9% compared to the last 5-year average price of the same months.

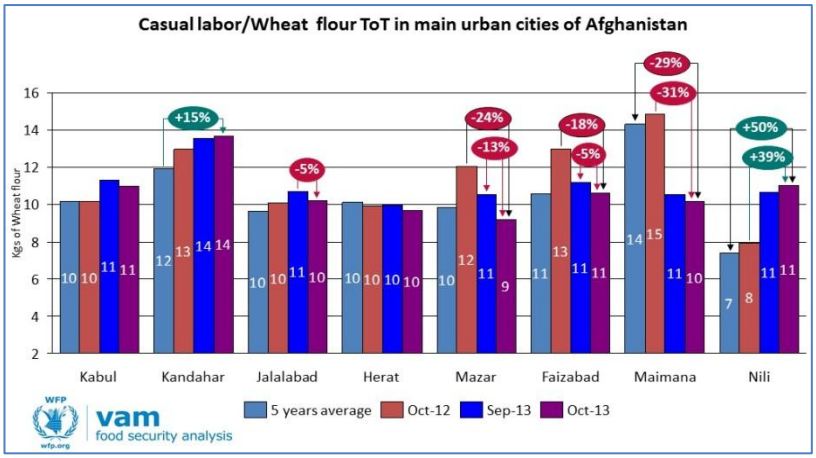
Terms of Trade (ToT):

Casual Labor and Wheat (ToT): *The Terms of Trade (ToT) between casual Labor and wheat is a proxy indicator or the purchasing capacity of households relying on casual labor as main income, and purchase of wheat in the market. This ToT reveal how many Kilograms of wheat can be purchased with one day of casual unskilled labor wage, but do not say how many days a month a laborer can get to cover the family food needs.*



- Wage labor-Wheat ToT average for the reporting month was 14.6 Kgs of wheat. On average, this ToT slightly deteriorated (by 2%) from September to October 2013. The deterioration was due to slight decrease in labor wage (by 0.4%) and slight increase in Wheat price (by 0.2%).
- In comparison to the same month one year ago (October 2012), this ToT significantly deteriorated by 10.3%, mainly due to increased wheat price (by 4.3%) and decreased labor wage (by 5.1%).
- On the two years comparison (October 2011), this ToT slightly deteriorated by 8.6%.
- Compared to the 5-year average of the same months (October 2008-2012), this ToT improved by 4%.

Casual Labor and Wheat Flour (ToT): *The Terms of Trade (ToT) between casual Labor and Wheat Flour is a proxy indicator or the purchasing capacity of households relying on casual labor as main income, and purchase of Wheat Flour in the market. This ToT reveal how many Kilograms of Wheat Flour can be purchased with one day of casual unskilled labor wage, but do not say how many days a month a laborer can get to cover the family food needs.*

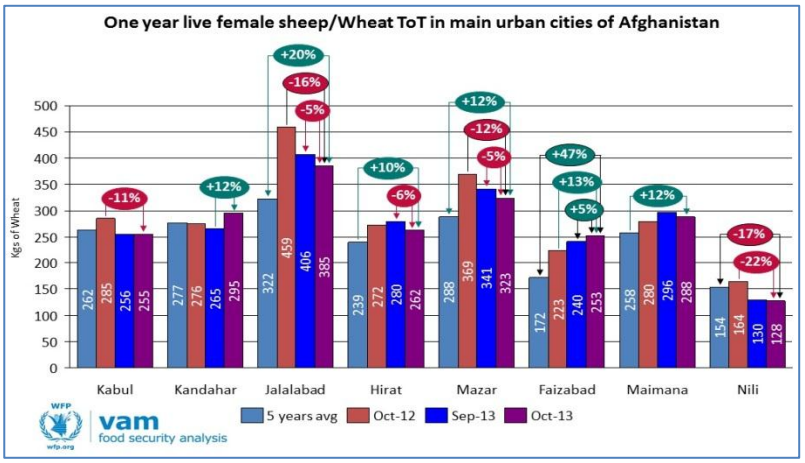


- Wage labor-Wheat Flour ToT average for the reporting month was 10.7 Kgs of wheat flour. The average of this ToT slightly deteriorated by 3.3% from September to October 2013. The reason for deterioration was increased Wheat flour price (by 3%) and decreased labor wage (by 0.4%).
- Compared to the same month one year ago (October 2012), this ToT slightly deteriorated by 5.9%, mainly related to decreased labor wage (by 5.1%).

- On the two years comparison (October 2011), this ToT significantly deteriorated by 15%.
- Compared to the 5-year average of the same months (October 2008-2012), this ToT slightly improved by 2%.

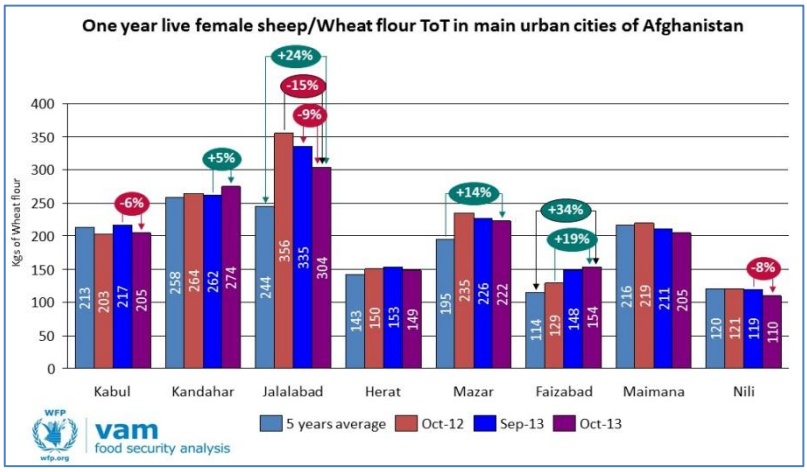
Sheep and Wheat (ToT): *The Terms of Trade between a one year old female sheep and Wheat is a proxy for the purchasing capacity of those households that are mainly reliant on income from livestock (pastoralists). It says how many kilograms of Wheat can be obtained when selling a one year old female sheep.*

- Sheep-Wheat ToT for the reporting month was 274 Kgs of wheat against one year live female sheep. The average of this ToT slightly deteriorated by 1.1% from September to October 2013. Main reason for deterioration was slightly increased in Wheat price (by 0.2%).
- Compared to the same month one year ago (October 2012), this ToT slightly deteriorated by 6%.
- On the two years comparison (October 2011), this ToT slightly improved by 5.8%.
- Compared to 5-year average of the same months (October 2008-2012), this ToT significantly improved by 11%.



Sheep and Wheat Flour (ToT): *The Terms of Trade between a one year old female sheep and Wheat Flour is a proxy for the purchasing capacity of those households that are mainly reliant on income from livestock (pastoralists). It says how many kilograms of Wheat Flour can be obtained when selling a one year old female sheep.*

- Sheep-Wheat Flour ToT for the reporting month was 203 Kgs of wheat flour against one-year live female sheep. The average of this ToT slightly deteriorated by 2.9% from September to October 2013. This deterioration is the result of slightly increased Wheat flour price (by 3%).
- Compared to the same month one year ago (October 2012), this ToT slightly deteriorated by 3.3%.
- On the two years comparison (October 2011), this ToT slightly deteriorated by 4.7%.
- Compared to 5-year average of the same months (October 2008-2012), this ToT slightly improved by 7.9%.

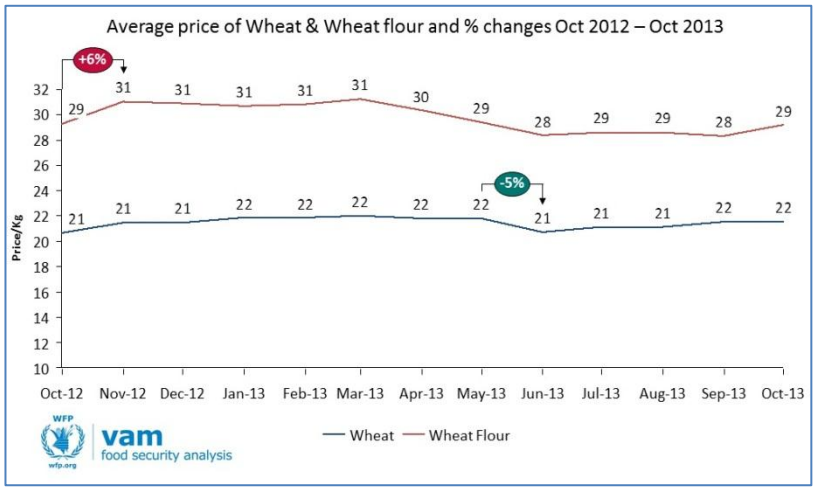


Retail Price of Wheat Grain in Main Urban Cities:

- The monthly average price of wheat in main urban markets of Afghanistan was 21.6 Afs/Kg in October 2013. Compared to the past month (September 2013), the average price slightly increased by 0.2%. The highest increase occurred in Hirat (6.7%) and Mazar (5.5%). Main reason for the increase was a seasonal increase usually happened during post- harvesting time. While the average price decreased only in Kandahar by 6.9%. Main reason for the decrease was maintained supply of Wheat from neighbouring district markets. The variation in other main cities was within a normal limit (-3.7% - 3.7%).
- Compared to the same month one year ago (October 2012), the average price slightly increased by 4.3%. The variation in all main cities was within a normal limit (-1.2% - 7.5%).
- On the two year comparison (October 2011), the average price was slightly higher by 5.7%.
- Compared to the last 5-year average price of the same months (October 2008-2012), the price was stable (increased by 2.2%).

Retail Price of Wheat Flour in Main Urban Cities:

- The monthly average price of wheat flour in main urban markets was 29.2 Afs/Kg in the reporting month (October 2013). The average price was slightly increased by 3% compare to the previous month (September 2013). The highest increase occurred in Faizabad (5.3%) and Jalalabad (5.2%), main reason for the increase was depreciation of Afghani currency against US dollar and temporary shortage in supply of imported Wheat flour.
  The variation in other main cities was normal (-1% - 3.5%), except Jalalabad witnessed a 6.6% increase.



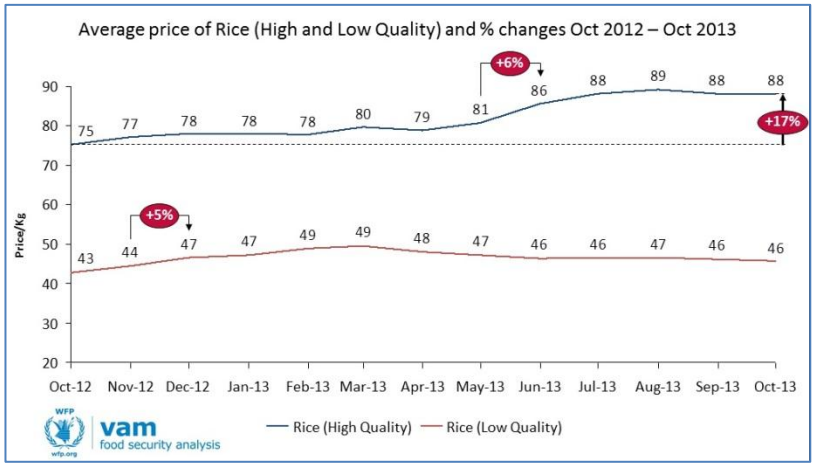
- Compared to the same month one year ago (October 2012), the current average price slightly decreased by 0.3%. The highest decrease was noticed only in Nili (10.6%). Main reason for the decrease was maintained supply of imported Wheat flour from neighbouring provincial markets. While, a significant increase occurred only in Kandahar (10.7%), and main reason for the increase was increased demand by consumers for high price Wheat flour. The variation in other main cities was normal (-7.2% - 9.3%).
- Compared to the same month two years ago (October 2011), the average price of Wheat Flour significantly increased by 11.4%.
- Compared to 5-year average price of the same months (October 2008-2012), the average price slightly increased by 6.4%.

Retail Price of Rice (High Quality) in Main Urban Cities:

- The monthly average price of Rice (High Quality) was 88.2 Afs/Kg in the reporting month (October 2013) which is 0.1% higher than the previous month (September 2013). Main reason for this slight increase was daily market fluctuation. The variation in all main cities was within a normal limit (-2% - 2%).
- Compared to the same month one year ago (October 2012), the average price significantly increased by 17.2%. Main reason for the increase was increased Rice price in neighbouring countries and depreciation of Afghan currency against US dollar.
- Compared to the same month two years ago (October 2011), the average price significantly increased by 51.4%.
- Compared to 5-year average price of the some months (October 2008-2012), the average price significantly increased by 34.9%.

Retail Price of Rice (Low Quality) in Main Urban Cities:

- The monthly average price of Rice (Low Quality) was 45.7 Afs/Kg in the reporting month (October 2013) which was slightly decreased by 1% compared to the previous month (September 2013). The highest decrease occurred only in Kandahar (6%). Main reason for the decrease was maintained supply of Rice from Pakistan. The variation in other main cities was normal (-4% – 0%).



- Compared to the same month one year ago (October 2012), the average price slightly increased by 7.1%.
- Compared to the same month two years ago (October 2011), the average price significantly increased by 35.8%.
- Compared to 5-year average price of same months (October 2008-2012), the average price significantly increased by 23.4%.

Retail Price of Cooking Oil in Main Urban Cities:

- The monthly average price of Cooking Oil was 82.8 Afs/Kg in the reporting month (October 2013) which was slightly increased by 0.6% compare to the previous month (September 2013). Main reason for the increase was daily market fluctuation. The variation in all main cities was within a normal limit (-3% - 4%).
- Compared to the same month one year ago (October 2012), the average price slightly varied within a normal limit (4.5% decreased). The highest decrease occurred in Mazar (12%), Kandahar and Maimana (10%). Main reason for the decrease was maintained supply of Cooking Oil from Pakistan. The variation in other main cities was normal (-9% to 4%).
- Compared to the same month two years ago (October 2011), the average price slightly decreased by 5.3%.
- Compared to 5-year average of the same months (October 2008 – 2012), the average price significantly increased by 30%.

Market Watch:

Markets	Major Comm	Current Price per Kg	Price change (%)				Average			
			5Y Ave	2Y	1Y	1M	5Y Ave	2Y	1Y	1M
KABUL	Wheat	22.0	-1.3	19.3	4.8	-2.2	▶	▲	▶	▶
	Wheat/Flour	27.4	1.0	12.9	-7.2	3.3	▶	▲	▶	▶
	Rice High Quality	94.0	42.1	66.4	22.1	0.4	▲	▲	▲	▶
	Rice Low Quality	49.3	46.5	67.8	26.3	-1.5	▲	▲	▲	▶
	Cooking Oil	85.3	36.0	-3.2	-2.0	-2.6	▲	▶	▶	▶
KANDAHAR	Wheat	23.8	7.3	7.0	7.5	-6.9	▶	▶	▶	▼
	Wheat/Flour	25.6	4.7	25.5	10.7	-1.0	▶	▲	▲	▶
	Rice High Quality	78.6	31.3	54.7	5.8	-2.0	▲	▲	▶	▶
	Rice Low Quality	27.3	-19.0	-1.8	-18.5	-5.9	▼	▶	▼	▼
	Cooking Oil	66.9	21.8	-5.1	-10.2	-0.3	▲	▶	▼	▶
JALALABAD	Wheat	20.1	3.1	11.5	4.5	0.6	▶	▲	▶	▶
	Wheat/Flour	25.5	0.2	11.6	2.5	5.2	▶	▲	▶	▲
	Rice High Quality	80.5	40.5	54.4	12.2	1.6	▲	▲	▲	▶
	Rice Low Quality	56.3	51.6	100.4	7.7	-0.4	▲	▲	▶	▶
	Cooking Oil	80.0	30.2	-10.3	-2.4	-1.2	▲	▼	▶	▶
HIRAT	Wheat	17.6	-1.5	2.2	5.0	6.7	▶	▶	▶	▲
	Wheat/Flour	31.0	13.3	15.2	2.3	2.7	▲	▲	▶	▶
	Rice High Quality	75.0	28.6	42.1	5.6	-1.9	▲	▲	▶	▶
	Rice Low Quality	25.9	-7.7	-7.5	-9.9	-3.7	▶	▶	▶	▶
	Cooking Oil	72.6	25.3	-8.6	-9.2	0.8	▲	▶	▶	▶
MAZAR	Wheat	19.3	5.8	4.1	4.1	5.5	▶	▶	▶	▲
	Wheat/Flour	28.0	12.1	19.1	-3.4	1.8	▲	▲	▶	▶
	Rice High Quality	91.0	42.5	56.9	14.8	-0.5	▲	▲	▲	▶
	Rice Low Quality	43.0	23.2	43.3	-7.5	0.0	▲	▲	▶	▶
	Cooking Oil	80.0	27.1	-5.9	-11.6	1.3	▲	▶	▼	▶
FAIZABAD	Wheat	20.0	-6.0	-4.8	5.0	3.9	▶	▶	▶	▶
	Wheat/Flour	32.9	3.8	2.8	0.2	5.3	▶	▶	▶	▲
	Rice High Quality	96.3	36.1	52.8	39.5	0.3	▲	▲	▲	▶
	Rice Low Quality	49.0	-6.9	0.0	-9.0	0.0	▶	▶	▶	▶
	Cooking Oil	108.5	40.5	-1.3	3.4	4.1	▲	▶	▶	▶
MAIMANA	Wheat	21.0	5.0	-4.4	-1.2	3.7	▶	▶	▶	▶
	Wheat/Flour	29.5	22.9	19.2	9.3	3.5	▲	▲	▶	▶
	Rice High Quality	91.0	40.8	58.3	26.4	1.7	▲	▲	▲	▶
	Rice Low Quality	48.0	25.2	29.7	11.6	0.0	▲	▲	▲	▶
	Cooking Oil	81.0	22.8	-9.5	-10.0	0.6	▲	▶	▼	▶
NILI	Wheat	28.9	4.4	11.2	4.6	-3.7	▶	▲	▶	▶
	Wheat/Flour	33.8	-2.3	-3.6	-10.6	3.1	▶	▶	▼	▶
	Rice High Quality	99.0	20.7	32.0	12.8	1.0	▲	▲	▲	▶
	Rice Low Quality	67.0	76.5	67.5	50.6	0.0	▲	▲	▲	▶
	Cooking Oil	88.0	31.2	0.0	3.8	1.1	▲	▶	▶	▶

Markets	Major Comm	Current Price	Price change				Average			
			5Y Ave	2Y	1Y	1M	5Y Ave	2Y	1Y	1M
Livestock-One year live Sheep (Female)										
KABUL	Sheep	5,600	0.9	-3.0	-6.3	-2.6	▶	▶	▶	▶
KANDAHAR	Sheep	7,026	17.7	-19.7	15.2	3.8	▲	▼	▲	▶
JALALABAD	Sheep	7,750	28.0	8.9	-12.4	-4.6	▲	▶	▼	▶
HIRAT	Sheep	4,600	20.1	7.0	1.1	0.0	▲	▶	▶	▶
MAZAR	Sheep	6,225	33.7	67.1	-8.8	0.0	▲	▲	▶	▶
FAIZABAD	Sheep	5,050	39.9	68.3	18.8	9.2	▲	▲	▲	▲
MAIMANA	Sheep	6,050	24.0	15.2	2.1	0.8	▲	▲	▶	▶
NILI	Sheep	3,700	-7.8	5.7	-18.7	-4.8	▶	▶	▼	▶
Terms of Trade		Kgs of Wheat/Wheat Flour								
KABUL	Casual Labor/Wheat	13.6	8.6	-16.2	-4.5	2.3	▶	▼	▶	▶
KANDAHAR	Casual Labor/Wheat	14.7	13.5	-6.6	8.4	7.5	▲	▶	▶	▲
JALALABAD	Casual Labor/Wheat	12.3	1.2	-22.3	-0.7	-0.6	▶	▼	▶	▶
HIRAT	Casual Labor/Wheat	17.1	-0.2	-2.1	-4.8	-6.3	▶	▶	▶	▼
MAZAR-	Casual Labor/Wheat	13.4	-7.2	-17.5	-29.3	-15.8	▶	▼	▼	▼
FAIZABAD	Casual Labor/Wheat	17.5	3.4	-2.0	-21.5	-3.8	▶	▶	▼	▶
MAIMANA	Casual Labor/Wheat	14.3	-16.6	-8.4	-24.4	-3.6	▼	▶	▼	▶
NILI	Casual Labor/Wheat	12.9	35.7	11.7	18.6	10.5	▲	▲	▲	▲
KABUL	Sheep/Wheat	254.5	-2.9	-18.7	-10.5	-0.4	▶	▼	▼	▶
KANDAHAR	Sheep/Wheat	295.5	6.7	-25.0	7.2	11.5	▶	▼	▶	▲
JALALABAD	Sheep/Wheat	385.1	19.6	-2.4	-16.1	-5.2	▲	▶	▼	▼
HIRAT	Sheep/Wheat	262.0	9.7	4.7	-3.7	-6.3	▶	▶	▶	▼
MAZAR	Sheep/Wheat	323.4	12.2	60.6	-12.4	-5.2	▲	▲	▼	▼
FAIZABAD	Sheep/Wheat	252.5	47.0	76.7	13.1	5.1	▲	▲	▲	▲
MAIMANA	Sheep/Wheat	288.1	11.6	20.5	2.9	-2.8	▲	▲	▶	▶
NILI	Sheep/Wheat	128.0	-16.7	-4.3	-22.1	-1.2	▼	▶	▼	▶
KABUL	Casual Labor/Wheat flour	11.0	7.9	-11.4	7.8	-3.2	▶	▼	▶	▶
KANDAHAR	Casual Labor/Wheat flour	13.7	14.7	-20.3	5.4	1.0	▲	▼	▶	▶
JALALABAD	Casual Labor/Wheat flour	10.2	6.0	-22.3	1.5	-4.3	▶	▼	▶	▶
HIRAT	Casual Labor/Wheat flour	9.7	-3.9	-13.2	-2.3	-2.7	▶	▼	▶	▶
MAZAR	Casual Labor/Wheat flour	9.2	-6.7	-28.0	-23.8	-12.8	▶	▼	▼	▼
FAIZABAD	Casual Labor/Wheat flour	10.6	0.4	-9.2	-17.8	-5.0	▶	▶	▼	▼
MAIMANA	Casual Labor/Wheat flour	10.2	-29.0	-26.5	-31.4	-3.4	▼	▼	▼	▶
NILI	Casual Labor/Wheat flour	11.0	43.6	28.8	38.9	3.3	▲	▲	▲	▶
KABUL	Sheep/Wheat flour	204.6	-4.0	-14.1	1.0	-5.7	▶	▼	▶	▼
KANDAHAR	Sheep/Wheat flour	274.4	6.5	-36.0	4.0	4.8	▶	▼	▶	▶
JALALABAD	Sheep/Wheat flour	303.9	24.4	-2.4	-14.6	-3.3	▲	▶	▼	▼
HIRAT	Sheep/Wheat flour	148.6	4.2	-7.1	-1.2	-2.7	▶	▶	▶	▶
MAZAR	Sheep/Wheat flour	222.3	13.9	40.3	-5.5	-1.8	▲	▲	▶	▶
FAIZABAD	Sheep/Wheat flour	153.5	34.4	63.8	18.6	3.7	▲	▲	▲	▶
MAIMANA	Sheep/Wheat flour	205.1	-5.3	-3.3	-6.5	-2.6	▶	▶	▶	▶
NILI	Sheep/Wheat flour	109.6	-8.7	9.6	-9.0	-7.6	▶	▶	▶	▼

Remark ▲ Price increase above normal price fluctuation ▶ Normal Price fluctuation ▼ Price decrease below normal price fluctuation

Price fluctuation is considered normal if the price change is within 5% for 1 month, or within 10% for 3 months, one year, two year and 5 years. 1M- Compared to month ago 1Y- Compared to Oct 2012 and 2Y- Compared to Oct 2011

Source: WFP/VAM market data from Afghanistan main cities (Kabul, Kandahar, Mazar, Jalalabad, Faizabad, Hirat, Maimana and Nili)

Vulnerability Analysis and Mapping (VAM) – World Food Programme (WFP), Afghanistan

WFP wfp.org | vam food security analysis