

## Initial Market Price Bulletin for the month of **March 2014** (Reported in April 2014)

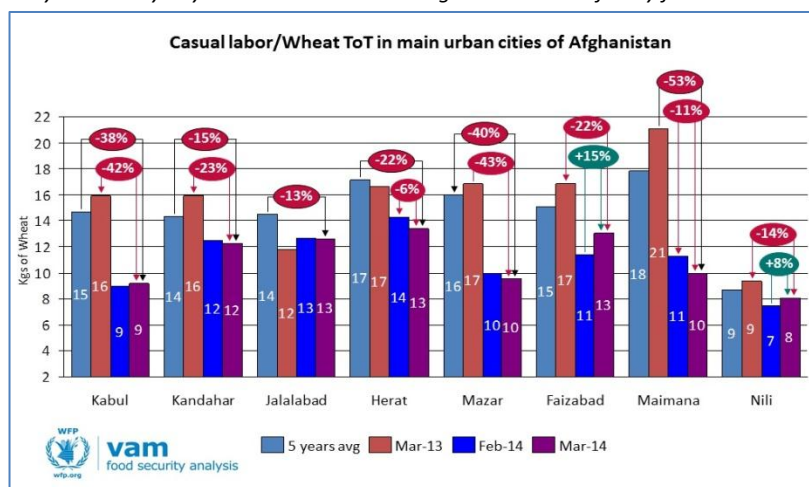
### HIGHLIGHTS:

- 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 2013 – March 2014.
- The current average price of wheat in main cities of Afghanistan is slightly higher by 11% in comparison to the same time last year (March 2013), and significantly higher by 28.8% compared to the last 5-year average price of the same months (March 2009 – 2013).
- Wheat flour (High Price): Average retail price in main urban cities of Afghanistan was increasing during June 2012 – March 2013. It slightly decreased during April – June 2013 and relatively stable during July – September 2013. The price was slightly increasing during October – December 2013, and showed a slight decrease during January - February 2014, in the current month March 2014 the price slightly increased. The price was slightly lower by 7.1% compared to the same month last year (March 2013), and significantly increased by 18.8% compared to the last 5-year average price of the same months.
- Rice is considered as the 2<sup>nd</sup> main staple food in Afghanistan. The current average retail price of Rice (Low Quality) is significantly lower by 11.7% compared to the same month last year (March 2013) and significantly higher by 20.1% compared to the last 5-year average price of the same months. The current average price of High Quality Rice is slightly higher by 7.3% compared to the same month last year (March 2013), and by 32.3% compared to the last 5-year average price of the same months.

### Terms of Trade (ToT):

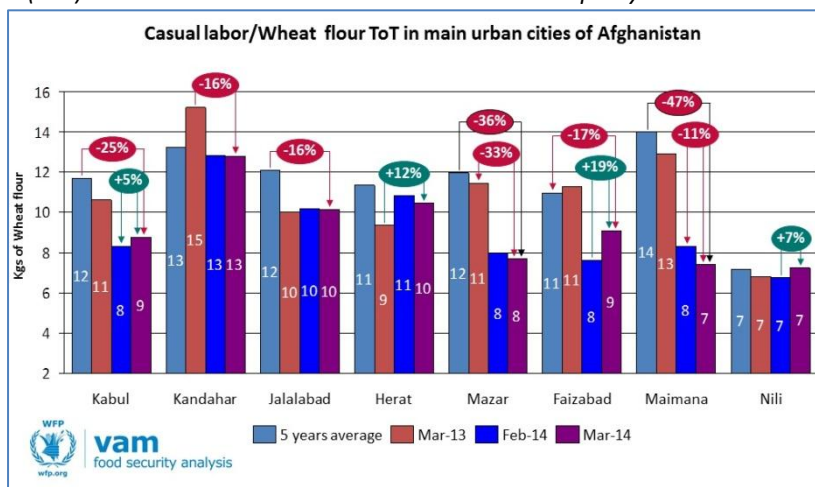
**Casual Labor and Wheat (ToT):** The Terms of Trade (ToT) between casual Labor and wheat is a proxy indicator or the purchasing capacity of households relying on casual labor as main income, and purchase of wheat in the market. This ToT reveal how many Kilograms of wheat can be purchased with one day 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 11 Kgs of Wheat. On average, this ToT negligibly deteriorated (by 0.5%) from February to March 2014. The deterioration was due to increase in Wheat price (by 2.6%). This slight deterioration was not experienced in the same period during the three preceding years, while this ToT was improved: 7.1% (February – March 2013), 0.6% (February – March 2012) and 6.7% (February – March 2011).
- In comparison to the same month one year ago (March 2013), this ToT significantly deteriorated by 29.2%, mainly due to decreased labor wage (by 20.1%) and increased Wheat price (by 11%).
- On the two years comparison (March 2012), this ToT significantly deteriorated by 29.8%.
- Compared to the 5-year average of the same months (March 2009-2013), this ToT significantly deteriorated by 25.5%.



**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 9.2 Kgs of Wheat flour. The average of this ToT slightly improved by 1% from February to March 2014. The improvement was mostly attributed to increased labor wage (by

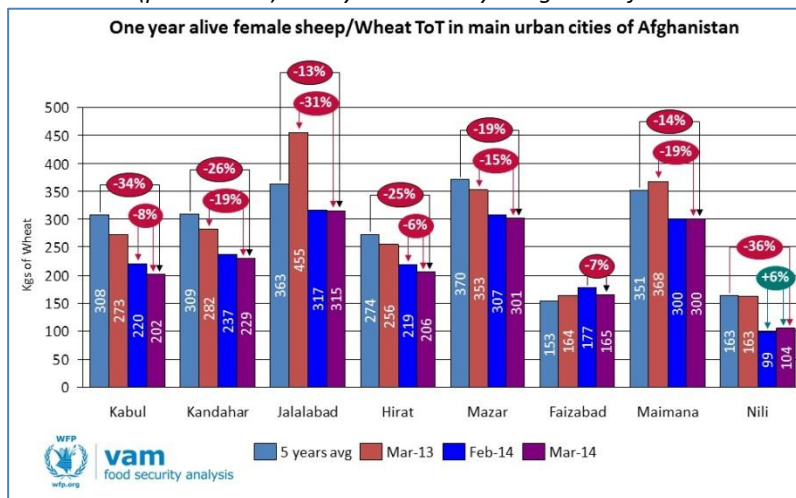


2.5%). This improvement was also observed in the same period during the three preceding years: 6.3% (February – March 2013), 10.7% (February – March 2012) and 4.6% (February – March 2011).

- Compared to the same month one year ago (March 2013), this ToT significantly deteriorated by 16%, mainly related to decreased labor wage (by 20.1%).
- On the two years comparison (March 2012), this ToT significantly deteriorated by 34.4%.
- Compared to the 5-year average of the same months (March 2009-2013), this ToT significantly deteriorated by 20.5%.

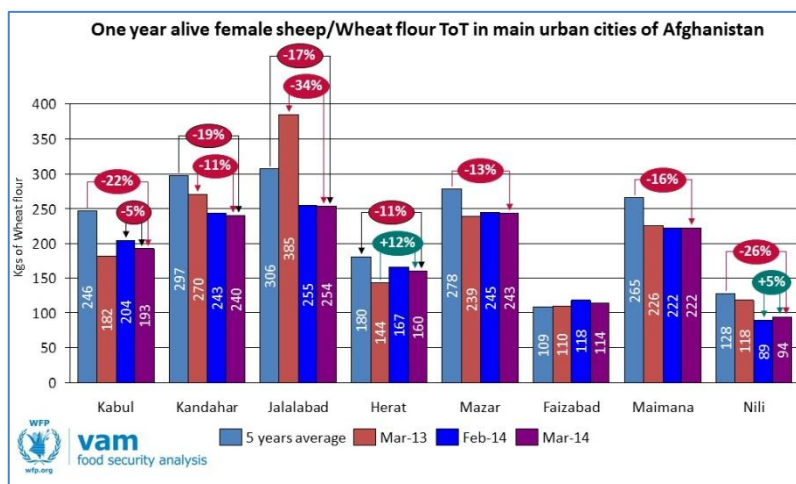
**Sheep and Wheat (ToT):** *The Terms of Trade between a one year old female sheep and Wheat is a proxy for the purchasing capacity of those households that are mainly reliant on income from livestock (pastoralists). It says how many kilograms of Wheat can be obtained when selling a one year old female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

- Sheep-Wheat ToT for the reporting month was 228 Kgs of Wheat against one year alive female sheep. The average of this ToT slightly deteriorated by 2.8% from February to March 2014. Main reason for deterioration was slightly increased Wheat price (by 2.6%) and decreased Sheep price (by 0.2%). This slight deterioration was not experienced in the same period during the three preceding years, while this ToT was slightly improved: 2.9% (February – March 2013), 1.5% (February – March 2012) and 6.8% (February – March 2011).
- Compared to the same month one year ago (March 2013), this ToT significantly deteriorated by 21.2%, mainly related to decreased Sheep price (by 13.6%) and increased Wheat price (by 11%)
- On the two years comparison (March 2012), this ToT significantly deteriorated by 19.3%.
- Compared to 5-year average of the same months (March 2009-2013), this ToT significantly deteriorated by 20.4%.



**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 190 Kgs of Wheat flour against one-year alive female sheep. The average of this ToT slightly deteriorated by 1.4% from February to March 2014. The deterioration was related to slightly increased Wheat flour price (by 1%) and decreased Sheep price (by 0.2%). This slight deterioration was not experienced in the same period during the three preceding years, while this ToT was slightly improved: 1.6% (February – March 2013), 2.9% (February – March 2012) and 1.1% (February – March 2011).
- Compared to the same month one year ago (March 2013), this ToT deteriorated by 9.1%, mainly due to decreased Sheep price (by 13.6%).
- On the two years comparison (March 2012), this ToT significantly deteriorated by 23.4%.
- Compared to 5-year average of the same months (March 2009-2013), this ToT significantly deteriorated by 16%.



### Retail Price of Wheat Grain in Main Urban Cities:

The monthly average price of Wheat in main urban markets of Afghanistan was 24.4 AFN/Kg in March 2014. Compared to the past month (February 2014), the average price slightly increased by 2.6%. The highest increase occurred in Kabul by 9% and Herat (6.4%), with a main reason being seasonally decreased availability of Wheat in these cities. The variation in other main cities was within a

normal limit (0% - 2.4%). This average slight increase lies within a changing range observed in the same period during the three preceding years: 0.4% (February – March 2013), -0.3% (February – March 2012) and 0.2% (February – March 2011).

- Compared to the same month one year ago (March 2013), the average price significantly increased by 11%. The highest increase occurred in Kandahar (30.1%), Hirat (24.2%), Kabul (23.9%) and Mazar (10.5%), mainly due to depreciation of Afghan currency against US dollar, low availability of wheat grain as a result of an ease in Wheat flour supply from Pakistan. The variation in other main cities was within a normal limit (-6.3% - 5.3%).
- On the two year comparison (March 2012), the average price was significantly higher by 24.5%.
- Compared to the last 5-year average price of the same months (March 2009 - 2013), the price was significantly increased by 28.8%.

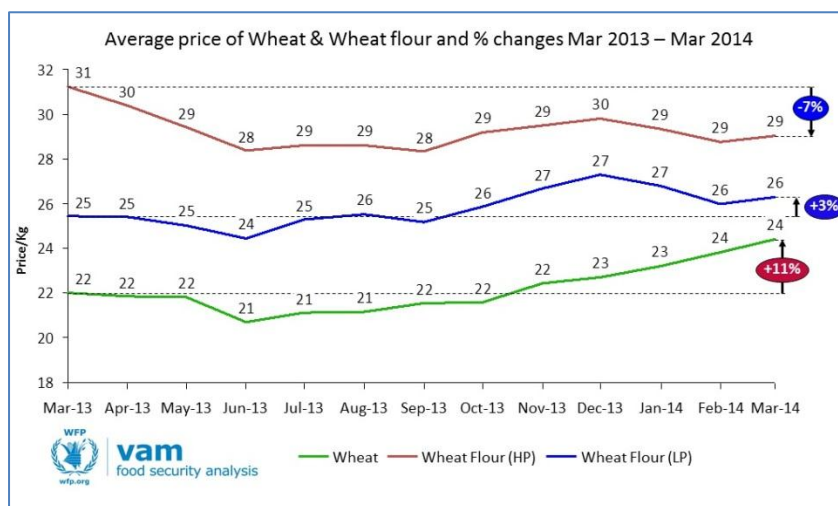
### Retail Price of Wheat Flour in Main Urban Cities:

**Wheat flour (High Price):** The monthly average price of Wheat flour (High Price) in main urban markets was 29 AFN/Kg in the reporting month (March 2014). The average price was slightly increased by 1% compared to the previous month (February 2014). The largest increase occurred only in Kabul by 5.7%, mainly due to temporary decreased supply of imported Wheat flour from Pakistan. The variation in other main cities was within a normal limit (-3.3% - 3.8%). This average slight increase lies within a changing range observed in the same period during the three preceding years: 1.2% (February – March 2013), -5.8% (February – March 2012) and 1.3% (February – March 2011).

- Compared to the same month one year ago (March 2013), the current average price slightly decreased by 7.1%. The largest decrease was noticed in Nili (15.3%), Kabul (13.5%), Maimana (12.9%) and Hirat (by 10.4%), mainly due to maintained supply of imported Wheat flour from Pakistan and Kazakhstan. Meanwhile, a significant increase occurred only in Kandahar (by 18.8%), mostly due to reduced supply caused by deteriorated insecurity and increased price in Pakistan's border town with Kandahar province. The variation in other main cities was normal (-7.1% - -1.4%).
- Compared to the same month two years ago (March 2012), the average price of Wheat flour significantly increased by 25.2%.
- Compared to 5-year average price of the same months (March 2009-2013), the average price significantly increased by 18.8%.

**Wheat flour (Low Price):** The monthly average price of Wheat flour (Low Price) in main urban markets was 26.3 AFN/Kg in the reporting month (March 2014). The average price was slightly increased by 1.3% compared to the previous month (February 2014). The largest increase experienced only in Kabul (by 6.6%), mainly attributed to increased exports of Wheat flour from Kabul to other neighboring provinces. The variation in other main cities was within a normal limit (-1.4% - 3.6%). This average slight increase lies within a changing range observed in the same period during the three preceding years: 2.2% (February – March 2013), -3.9% (February – March 2012) and 2.8% (February – March 2011).

- Compared to the same month one year ago (March 2013), the current average price slightly increased by 3.3%. The highest increase was noticed in Kandahar (by 20.2%) and Kabul (by 11%), main reason for the increase was due to reduced supply caused by deteriorated insecurity and increased price of imported Wheat flour in Pakistan border town with Kandahar. The variation in other main cities was normal (-8.3% - 8%).
- Compared to the same month two years ago (March 2012), the average price significantly increased by 24.9%.



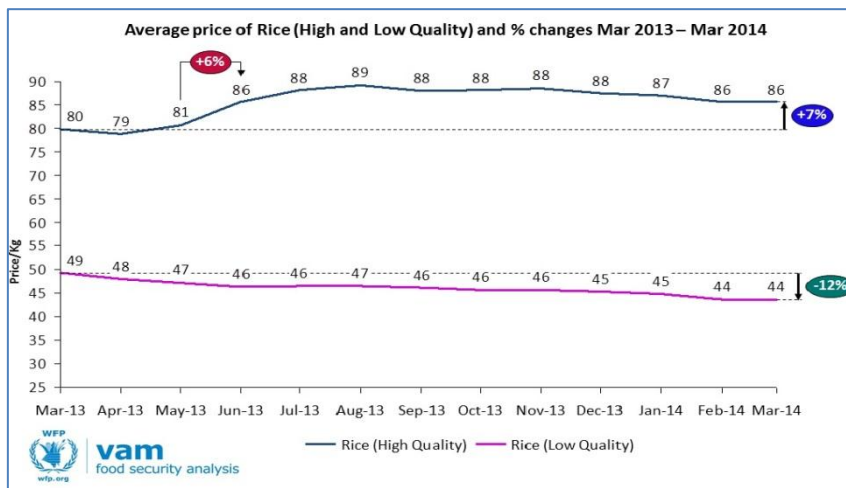
### Retail Price of Rice in Main Urban Cities:

- **Rice (High Quality):** The monthly average price of Rice (High Quality) was 85.6 AFN/Kg in the reporting month (March 2014) which was 0.1% lower than the previous month (February 2014). Main reason for this slight decrease was daily price fluctuation. The variation in all main cities was within a normal limit (-2.2% - 3%). This slight decrease was not experienced in the same period during the three preceding years, while it was slightly increased: 2.5% (February – March 2013), 1.5% (February – March 2012) and -0.6% (February – March 2011).



- Compared to the same month one year ago (March 2013), the average price slightly increased by 7.3%. The highest increase occurred in Faizabad (32.4%), Kabul (12.9%) and Kandahar (10.2%). The variation in other main city markets was within a normal range (-2.2% - 9%). 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 (March 2012), the average price significantly increased by 42.9%.
- Compared to 5-year average price of the some months (March 2009-2013), the average price significantly increased by 32.3%.

**Rice (Low Quality):** The monthly average price of Rice (Low Quality) was 43.7 AFN/Kg in the reporting month (March 2014), which was slightly decreased by 0.1% compared to the previous month (February 2014). The highest decrease occurred only in Maimana (by 5.3%), mainly due to maintained supply of Rice from neighboring provincial markets, while a significant increase occurred only in Hirat (5.3%), mainly due to decrease in supply. The variation in other main cities was normal (-0.8% – 3.2%). This average slight decrease was not experienced in the same period during the three preceding years, while it was slightly increased by 1.2% (February – March 2013), 0.3% (February – March 2012) and 3.4% (February – March 2011).



- Compared to the same month one year ago (March 2013), the average price significantly decreased by 11.7%. The largest decrease was seen in Maimana (33.3%), Nili (22.4%) and Jalalabad (18.6%). While an increase was reported in Kabul (16.3%). The variation in remaining city markets was within a normal range (-7.7% - 5%)
- Compared to the same month two years ago (March 2012), the average price significantly increased by 29.7%.
- Compared to 5-year average price of same months (March 2009 – 2013), the average price significantly increased by 20.1%.

### Retail Price of Cooking Oil in Main Urban Cities:

- The monthly average price of Cooking Oil was 80.7 AFN/Kg in the reporting month (March 2014), which was slightly increased (by 0.1%) compared to the previous month (February 2014). The largest increase occurred only in Hirat (by 5%), mainly due to decreased supply of Cooking Oil from Pakistan. The variation in other main cities was within a normal limit (-2.7% - 0.6%). This average slight increase lies within a changing range observed in the same time during the three preceding years: -2.2% (February – March 2013), 0.0% (February – March 2012) and 0.8% (February – March 2011).
- Compared to the same month one year ago (March 2013), the average price slightly varied within a normal limit (0.9% decrease). The variation in all main cities was normal (-5.6% to 4.3%).
- Compared to the same month two years ago (March 2012), the average price slightly decreased by 2.4%.
- Compared to 5-year average of the same months (March 2009 – 2013), the current average price increased by 10.7%.

### Retail Price of Salt, Sugar and No. of days averagely worked by a laborer:

**Salt:** The average price of Salt for the month of March 2014 was 14.3 AFN/Kg, which was negligibly increased by 0.2% compared to the previous month (February 2014). The largest increase occurred in Mazar (10%). Main reason for the increase was daily price fluctuation. The variation in other main cities was within a normal limit (-4.1% - 0%).

**Sugar:** The average price of Sugar for the month of March 2014 was 44.3 AFN/Kg, which was decreased by 2.1% compared to the previous month (February 2014). The largest decrease occurred only in Jalalabad (7%), mainly due to maintained supply of Sugar from Pakistan. The variation in other main cities was within a normal limit (-2.4% - 0.3%).

**Number of days averagely worked a laborer:** The monthly average number of days worked a laborer during March 2014 was reported 12 days. The highest number of days worked was in Kabul and Hirat (16 days), followed by Kandahar, Jalalabad, Faizabad and Nili (12 days), Mazar (8 days) and Maimana (4 days).

## Market Watch:

Markets	Major Comm	Current Price per Kg	Price change (%)				Average				Markets	Major Comm	Current Price	Price change				Average			
			5 Y Ave	2 Y	1Y	1M	5 Y Ave	2 Y	1Y	1M				5 Y Ave	2 Y	1Y	1M				
KABUL	Wheat	27.3	45.3	51.4	23.9	9.0	▲	▲	▲	▲	Livestock-One year live Sheep (Female)										
	Wheat/Flour (LP)	28.6	18.8	24.1	-13.5	5.7	▲	▲	▲	▼	KABUL	Sheep	5,500	-1.5	-5.2	-8.3	0.0	▶	▶	▶	▶
	Rice High Quality	96.0	51.1	69.9	12.9	0.0	▲	▲	▲	▶	KANDAHAR	Sheep	6,563	4.5	-18.5	5.8	-1.1	▶	▼	▶	▶
	Rice Low Qaulity	50.0	55.5	72.4	16.3	0.0	▲	▲	▲	▶	JALALABAD	Sheep	6,500	0.6	8.3	-35.0	0.0	▶	▶	▶	▶
	Cooking Oil	80.3	6.6	-6.7	-5.6	0.3	▶	▶	▶	▶	HIRAT	Sheep	4,600	11.6	0.5	0.0	0.0	▲	▶	▶	▶
KANDAHAR	Wheat	28.6	42.4	28.3	30.1	2.0	▲	▲	▲	▶	MAZAR	Sheep	6,325	13.8	7.2	-5.6	0.4	▲	▶	▶	▶
	Wheat/Flour (LP)	27.3	28.6	31.5	18.8	0.2	▲	▲	▲	▶	FAIZABAD	Sheep	3,625	24.6	20.8	0.7	-6.5	▲	▲	▶	▼
	Rice High Quality	76.6	32.9	48.4	10.2	-0.5	▲	▲	▲	▶	MAIMANA	Sheep	6,000	3.4	2.6	-14.3	0.0	▶	▶	▶	▶
	Rice Low Qaulity	25.2	-20.0	-3.6	0.6	3.2	▼	▶	▶	▶	NILI	Sheep	3,500	-20.5	-21.3	-32.7	6.1	▼	▼	▶	▲
	Cooking Oil	67.8	8.8	-5.7	4.3	0.3	▶	▶	▶	▶	Terms of Trade Kgs of Wheat/Wheat flour										
JALALABAD	Wheat	20.6	15.8	14.1	-6.3	0.6	▲	▲	▶	▶	KABUL	Casual Labor/Wheat	9.2	-37.6	-43.4	-42.3	1.9	▼	▼	▼	▶
	Wheat/Flour (LP)	25.6	21.3	30.7	-1.4	0.5	▲	▲	▶	▶	KANDAHAR	Casual Labor/Wheat	12.2	-14.7	-23.1	-23.1	-2.0	▼	▼	▼	▶
	Rice High Quality	77.0	33.4	36.9	-0.6	-0.3	▲	▲	▶	▶	JALALABAD	Casual Labor/Wheat	12.6	-13.0	-25.2	6.7	-0.6	▼	▼	▶	▶
	Rice Low Qaulity	48.0	47.6	82.9	-18.6	-0.8	▲	▲	▲	▼	HIRAT	Casual Labor/Wheat	13.4	-21.7	-23.9	-19.5	-6.0	▼	▼	▼	▼
	Cooking Oil	77.6	7.6	-3.3	-5.3	0.6	▶	▶	▶	▶	MAZAR	Casual Labor/Wheat	9.5	-40.4	-42.9	-43.5	-4.8	▼	▼	▼	▶
HIRAT	Wheat	22.4	45.8	36.5	24.2	6.4	▲	▲	▲	▲	FAIZABAD	Casual Labor/Wheat	13.1	-13.2	-17.9	-22.3	14.7	▼	▼	▼	▲
	Wheat/Flour (LP)	28.7	21.2	27.4	-10.4	3.8	▲	▲	▲	▶	MAIMANA	Casual Labor/Wheat	10.0	-44.0	-40.0	-52.5	-11.1	▼	▼	▼	▼
	Rice High Quality	73.6	25.6	32.6	2.2	3.0	▲	▲	▶	▶	NILI	Casual Labor/Wheat	8.1	-7.0	-16.2	-14.0	8.0	▶	▼	▼	▲
	Rice Low Qaulity	26.8	1.0	-0.5	-2.7	5.3	▶	▶	▶	▶	KABUL	Sheep /Wheat	201.8	-34.4	-37.4	-26.0	-8.3	▼	▼	▼	▼
	Cooking Oil	74.5	12.2	0.3	-4.5	5.0	▲	▶	▶	▶	KANDAHAR	Sheep /Wheat	229.3	-25.7	-36.5	-18.7	-3.1	▼	▼	▼	▶
MAZAR	Wheat	21.0	36.6	16.7	10.5	2.4	▲	▲	▲	▶	JALALABAD	Sheep /Wheat	315.2	-13.2	-5.2	-30.7	-0.6	▼	▶	▼	▶
	Wheat/Flour (LP)	26.0	25.0	31.6	-7.1	1.0	▲	▲	▶	▶	HIRAT	Sheep /Wheat	205.8	-24.8	-26.4	-19.5	-6.0	▼	▼	▼	▼
	Rice High Quality	85.0	31.7	40.5	9.0	1.5	▲	▲	▶	▶	MAZAR	Sheep /Wheat	301.2	-18.7	-8.1	-14.6	-2.0	▼	▶	▼	▶
	Rice Low Qaulity	42.0	26.7	19.1	5.0	0.6	▲	▲	▶	▶	FAIZABAD	Sheep /Wheat	164.8	7.6	15.3	0.7	-6.7	▶	▶	▶	▼
	Cooking Oil	76.0	11.7	-2.3	2.7	0.3	▲	▶	▶	▶	MAIMANA	Sheep /Wheat	300.0	-14.5	-3.2	-18.6	0.0	▼	▶	▼	▶
FAIZABAD	Wheat	22.0	12.9	4.8	0.0	0.3	▲	▶	▶	▶	NILI	Sheep /Wheat	104.5	-35.9	-43.1	-35.7	6.1	▼	▼	▼	▲
	Wheat/Flour (LP)	31.8	17.2	27.9	-3.2	-3.3	▲	▲	▶	▶	KABUL	Casual Labor/Wheat flour	8.8	-25.1	-32.9	-17.4	5.1	▼	▼	▼	▼
	Rice High Quality	90.0	35.4	42.9	32.4	-2.2	▲	▲	▶	▶	KANDAHAR	Casual Labor/Wheat flour	12.8	-3.2	-11.3	-15.8	-0.2	▶	▼	▼	▶
	Rice Low Qaulity	50.0	4.4	8.7	-7.7	0.0	▶	▶	▶	▶	JALALABAD	Casual Labor/Wheat flour	10.1	-16.3	-33.7	1.5	-0.5	▼	▼	▶	▶
	Cooking Oil	103.0	17.2	-1.9	3.0	-2.7	▲	▶	▶	▶	HIRAT	Casual Labor/Wheat flour	10.5	-8.0	-21.5	11.6	-3.6	▶	▼	▶	▶
MAIMANA	Wheat	20.0	16.4	6.0	5.3	0.0	▲	▶	▶	▶	MAZAR	Casual Labor/Wheat flour	7.7	-35.8	-49.4	-32.7	-3.4	▼	▼	▼	▶
	Wheat/Flour (LP)	27.0	18.4	33.3	-12.9	0.0	▲	▲	▲	▶	FAIZABAD	Casual Labor/Wheat flour	9.1	-17.5	-35.8	-19.7	18.9	▼	▼	▼	▲
	Rice High Quality	88.0	34.2	46.7	-2.2	-1.7	▲	▲	▶	▶	MAIMANA	Casual Labor/Wheat flour	7.4	-47.1	-60.0	-42.6	-11.1	▼	▼	▼	▼
	Rice Low Qaulity	40.0	0.1	0.0	-33.3	-5.3	▶	▶	▶	▼	NILI	Casual Labor/Wheat flour	7.2	1.4	-12.4	6.3	7.3	▶	▼	▶	▲
	Cooking Oil	80.0	7.2	-5.9	-1.2	0.0	▶	▶	▶	▶	KABUL	Sheep /Wheat flour	192.6	-21.7	-23.6	6.0	-5.4	▼	▼	▶	▼
NILI	Wheat	33.5	21.3	38.1	4.7	0.0	▲	▲	▶	▶	KANDAHAR	Sheep /Wheat flour	240.2	-19.2	-38.0	-10.9	-1.3	▼	▼	▼	▶
	Wheat/Flour (LP)	37.3	7.4	7.2	-15.3	0.7	▶	▶	▶	▼	JALALABAD	Sheep /Wheat flour	253.7	-17.2	-17.1	-34.0	-0.5	▼	▼	▼	▶
	Rice High Quality	98.5	18.1	30.0	0.5	0.0	▲	▲	▶	▶	HIRAT	Sheep /Wheat flour	160.5	-11.0	-21.1	11.6	-3.6	▼	▼	▶	▶
	Rice Low Qaulity	67.5	42.9	68.8	-22.4	0.0	▲	▲	▲	▼	MAZAR	Sheep /Wheat flour	243.3	-12.6	-18.6	1.7	-0.6	▼	▼	▶	▶
	Cooking Oil	86.0	13.1	6.5	0.0	-1.7	▲	▶	▶	▶	FAIZABAD	Sheep /Wheat flour	114.2	4.7	-5.5	4.0	-3.3	▶	▶	▶	▶
											MAIMANA	Sheep /Wheat flour	222.2	-16.1	-23.1	-1.6	0.0	▼	▼	▶	▶
											NILI	Sheep /Wheat flour	94.0	-26.4	-26.6	-20.5	5.3	▼	▼	▼	▶

**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 Mar 2013 and 2Y = Compared to Mar 2012

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