

## Initial Market Price Bulletin **January 2015** (Reported in February 2015)

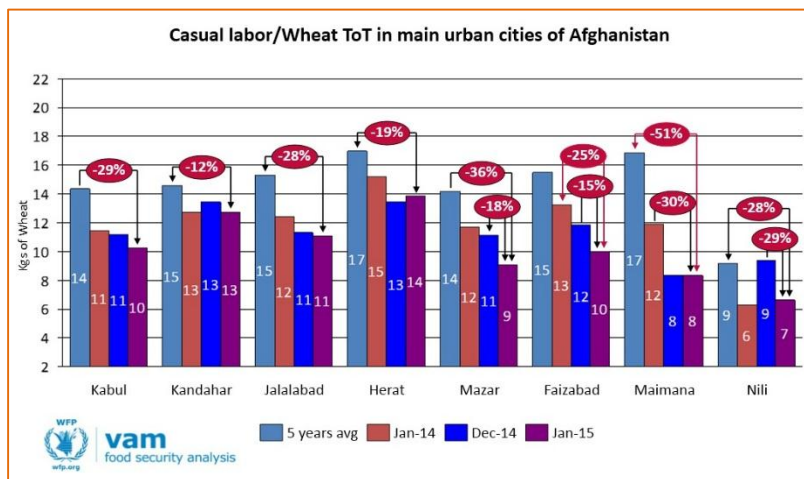
### HIGHLIGHTS:

- Wheat: Average wheat grain retail price in the main cities' markets of the country was decreasing during April – June 2013, slightly increasing during July 2013 – May 2014, slightly decreasing in June – September 2014, and negligibly increasing from September 2014 to January 2015.
- The current average wheat price in main cities of Afghanistan (AFN 24.8/Kg) is higher by 6.9% compared to the same time last year (Jan 2014), and by 26.1% compared to the last 5-year average price of the same months (Januaries 2010 – 2014).
- Wheat flour (High Price): Average retail price in main cities' markets of Afghanistan was slightly decreasing during April – June 2013, relatively stable during July – September 2013 and slightly increasing during October – December 2013. After a slight decrease during January - February 2014, it was slightly increasing again during March - September 2014, however, was slightly decreasing from September 2014 to January 2015. The current retail price (AFN 29.1/kg) is lower by 0.9% compared to the same month last year (Jan 2014), and higher by 12.5% 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 Low Quality Rice (AFN 41.1/kg) is lower by 8.5% compared to the same month last year (January 2014), but higher by 9.4% compared to the last 5-year average price of the same months. The current average price of High Quality Rice (AFN 86.1/kg) is slightly lower by 1% compared to the same month last year (January 2014), but significantly higher by 27% compared to the last 5-year average price of the same months.

### Terms of Trade (ToT):

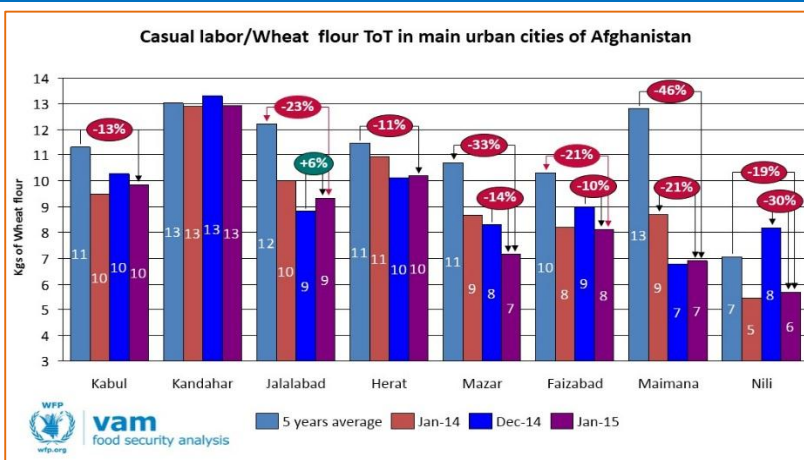
**Casual Labor and Wheat (ToT):** The Terms of Trade (ToT) between casual Labor and wheat is a proxy indicator or the purchasing capacity of households mainly relying on casual labor as main income, and purchase of wheat in the market. This ToT reveals how many Kilograms of wheat can be purchased with one- day casual unskilled labor wage, but does 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 10.2 Kgs of Wheat. On average, this ToT significantly deteriorated (by 9%) from December 2014 to January 2015, mainly due to decreased labor wage (by 9.3%) and negligibly increased wheat price (by 0.2%). This deterioration was also experienced in the same period during the three preceding years: by 7.5% in December 2013 – January 2014; by 3.6% in December 2012 – January 2013 and by 1.4% in December 2011 – January 2012.
- In comparison to the same month one year ago (January 2014), this ToT significantly deteriorated by 13.7%, mainly due to increased Wheat price (by 6.9%) and decreased labor wage (by 5.7%).
- On the two-year comparison (January 2013), this ToT significantly deteriorated by 29.5%.
- Compared to the 5-year average of the same months (Januaries 2010 - 2014), this ToT significantly deteriorated by 30%.



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

- Wage labor-Wheat flour (HP) ToT average for the reporting month was 8.8 Kgs of Wheat flour which significantly deteriorated by 6.2% from December



2014 to January 2015, mainly related to decreased labor wage (by 9.3%).

This deterioration was also experienced in the same period during the three preceding years:

by 4% in December 2013 – January 2014;

by 0.4% in December 2012 – January 2013 and

by 4.1% in December 2011 – January 2012.

- Compared to the same month one year ago (January 2014), this ToT slightly deteriorated by 5.7%, mainly related to decreased labor wage (by 5.7%).
- On the two-year comparison (January 2013), this ToT significantly deteriorated by 15%.
- Compared to the 5-year average of the same months (Januarys 2010-2014), this ToT significantly deteriorated by 21.1%.

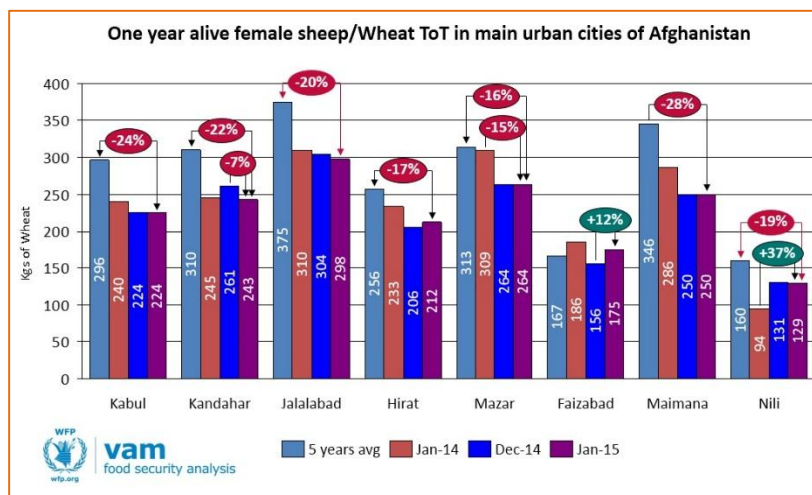
**Sheep and Wheat (ToT):** *The Terms of Trade between a one year old female sheep and Wheat is a proxy for the purchasing capacity of those households mainly relying on income from livestock (pastoralists). It says how many kilograms of Wheat can be obtained when selling a one year old female sheep.*

- Sheep-Wheat ToT for the reporting month was 224 Kgs of wheat against one year alive female sheep, which negligibly deteriorated by 0.1% from December 2014 to January 2015, mainly due to increased wheat price (by 0.2%). This deterioration was also experienced by: 1.5% in December 2014 – January 2015 and 2.3% in December 2012 – January 2013.

While improved by:

4.6% in December 2011 – January 2012.

- Compared to the same month one year ago (January 2014), this ToT slightly deteriorated by 5.6%, mainly related to increased Wheat price (by 6.9%).
- On the two-year comparison (January 2013), this ToT significantly deteriorated by 18.5%.
- Compared to 5-year average of the same months (Januarys 2010-2014), this ToT significantly deteriorated by 19.2%.



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

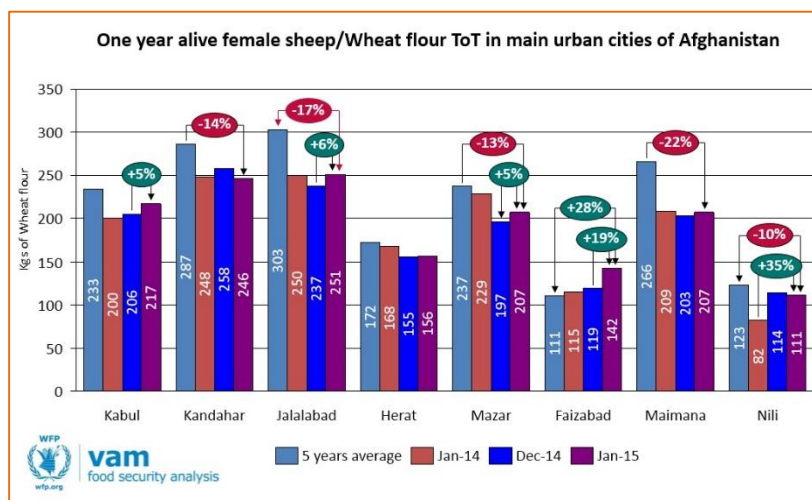
- Sheep-Wheat flour ToT for the reporting month was 192 Kgs of Wheat flour against one-year alive female sheep, which slightly improved by 3.2% from December 2014 to January 2015, mainly due to decreased wheat flour price (by 0.9%) and increased sheep price (by 0.4%). This improvement was also experienced in the last three preceding years:

by 2.4% in December 2013 – January 2014;

by 1.4% in December 2012 – January 2013 and

by 4.7% in December 2011 – January 2012.

- Compared to the same month one year ago (January 2014), this ToT slightly improved by 2.4%, mainly due to increased sheep price (by 3.6%) and decreased wheat flour price by 0.9%.
- On the two-year comparison (January 2013), this ToT slightly deteriorated by 5.5%.
- Compared to 5-year average of the same months (Januarys 2010-2014), this ToT significantly deteriorated by 11.2%.



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

- The monthly average price of Wheat in main cities' markets of Afghanistan was AFN 24.8/Kg in January 2015. Compared to the past month (December 2014), the average price negligibly increased by 0.2%. The highest increase occurred only in Kandahar by

5.5%, main reason for the increase was decreased supply of wheat from neighbouring district markets. The variation in remaining main cities was within a normal limit (-3.1% to 2.2%). This increase was also experienced by:

2.1% in December 2013 – January 2014 and December 2012 – January 2013.

While it decreased by:

1.8% in December 2011 – January 2012.

- Compared to the same month one year ago (January 2014), the average price slightly increased by 6.9%. The highest increase occurred in Faizabad (20.5%), Mazar and Maimana (14.3%), and Jalalabad (11.9%), mainly due to seasonally increased price of wheat after harvesting. The variation in other main cities was within a normal range (-9.4% to 9.8%).
- On the two-year comparison (January 2013), the average price significantly increased by 13.2%.
- Compared to the last 5-year average price of the same months (Januaries 2010 - 2014), the price significantly increased by 26.1%.

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

### Wheat flour (High Price):

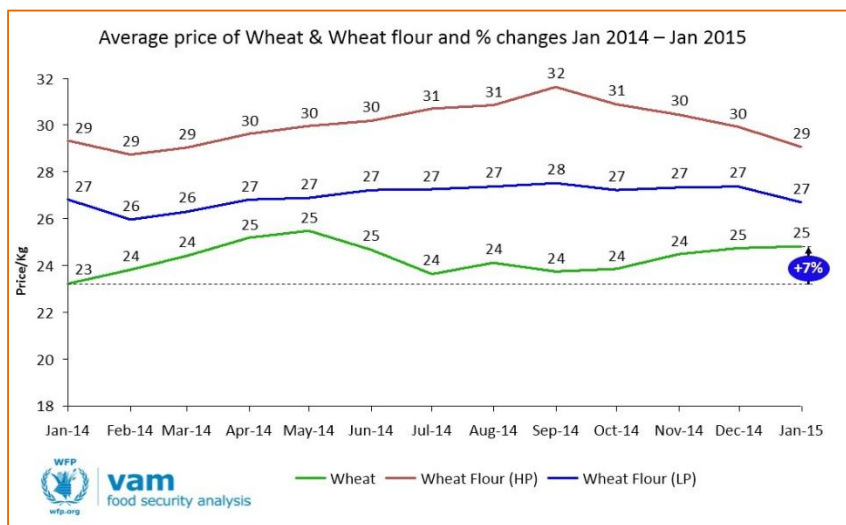
- The monthly average price of Wheat flour (High Price) in main cities' markets was AFN 29.1/Kg in the reporting month (January 2015). The average price slightly decreased by 2.8% compared to the previous month (December 2014). The highest decrease occurred in Faizabad (by 6.1%), Jalalabad (by 5.5%), Kabul and Mazar (by 5.1%), main reason for the decrease was decreased transportation cost from source point. The variation in other main cities was within a normal limit (-1.7% to 2.8%). This decrease was also experienced in the last three proceeding years by:

1.5% in December 2013 – January 2014;

0.6% in December 2012 – January 2013 and

1.6% in December 2011 – January 2012.

- Compared to the same month one year ago (January 2014), the current average price negligibly decreased by 0.9%. The variation in all main cities was within a normal range (-8.5% to 7.7%).
- Compared to the same month two years ago (January 2013), the average price of wheat flour slightly decreased by 5.4%.
- Compared to 5-year average price of the same months (Januaries 2010 – 2014), the average price significantly increased by 12.5%.



**Wheat flour (Low Price):** The monthly average price of Wheat flour (Low Price) in main cities' markets was AFN 26.7/Kg in the reporting month (January 2015). The average price slightly decreased by 2.4% compared to previous month (December 2014). The highest decrease occurred only in Kabul by 5.7%, mainly due to decreased transportation cost. The variation in other main cities was within a normal limit (-3.4% to 0%). This decrease was also experienced in the last three preceding years by:

1.8% in December 2013 – January 2014;

0.3% in December 2012 – January 2013 and

1.6% in December 2011 – January 2012.

- Compared to the same month one year ago (January 2014), the current average price negligibly decreased by 0.3%. The variation in all main cities was normal (-9.9% to 7.9%).
- Compared to the same month two years ago (January 2013), the average price slightly increased by 7.1%.
- Compared to 5-year average price of the same months (Januaries 2010 – 2014), the average price significantly increased by 17.8%.

## Retail Price of Rice in Main Urban Cities:

**Rice (High Quality):** The monthly average price of Rice (High Quality) was AFN 86.1/Kg in the reporting month (January 2015) which was slightly decreased by 1.4% compared to previous month (December 2014). The highest decrease occurred only in Hirat (by 6.1%), main reason for the decrease was decreased transportation cost from source point. The variation in other main cities was within a normal limit (-3.9% to 1.1%). In the last three proceeding years, this decrease was experienced by:



0.7% in December 2013 – January 2014.

While the price negligibly increased by:

0.1% in December 2012 – January 2013 and

0.6% in December 2011 – January 2012.

- Compared to the same month one year ago (January 2014), the average price negligibly decreased by 1%. The variation in all main city markets was within a normal range (-8.9% to 4.4%).
- Compared to the same month two years ago (January 2013), the average price significantly increased by 10.3%.
- Compared to 5-year average price of the some months (Januaries 2010 – 2014), the average price significantly increased by 27%.

**Rice (Low Quality):** The monthly average price of Rice (Low Quality) was AFN 41.1/Kg in the reporting month (January 2015), which slightly decreased by 1.2% compared to the previous month (December 2014). The highest decrease occurred only in Nili by 5.9%. The variation in other main cities was normal (-2.3% to 2%).

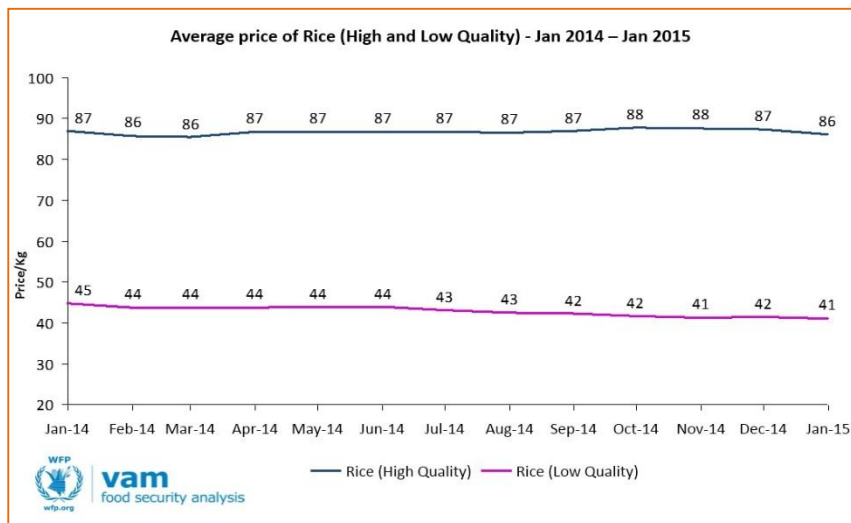
In the last three preceding years, this decrease was experienced by:

1.1% in December 2013 – January 2014.

While the price decreased by:

1.3% in December 2012 – January 2013 and  
December 2011 – January 2012.

- Compared to the same month one year ago (January 2014), the average price decreased by 8.5%. The largest decrease occurred in Jalalabad (39.4%) and Maimana (16.7%), main reason for the decrease was decreased transportation cost from source points, while a significant increase occurred only in Kandahar by 13.6%, mainly due to decreased supply of low quality rice from Pakistan this month. The variation in remaining main cities' markets was within a normal range (-4.8% to 4.5%),
- Compared to the same month two years ago (January 2013), the average price significantly decreased by 12.9%.
- Compared to 5-year average price of same months (Januaries 2010 – 2014), the average price increased by 9.4%.



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

The monthly average price of Cooking Oil was AFN 77.1/Kg in the reporting month (January 2015), which slightly decreased by 1.5% compared to previous month (December 2014). The highest decrease occurred only in Nili by 5.5%, main reason for the decrease was decreased transportation cost. The variation in other main cities was within a normal limit (-4% to 0%). This decrease was also experienced in the last three preceding years by:

1.2% in December 2013 – January 2014;

1.7% in December 2012 – January 2013 and

1.3% in December 2011 – January 2012.

- Compared to the same month one year ago (January 2014), the average price slightly decreased by 5.5%. The highest decrease occurred only in Kandahar (by 20.6%) and Nili (by 11.8%), mainly due to decreased transportation cost from source point. The variation in other main cities was normal (-9.1% to 3.4%).
- Compared to the same month two years ago (January 2013), the average price decreased by 8.5%.
- Compared to 5-year average of the same months (Januaries 2010 – 2014), the current average price negligibly decreased by 0.3%.

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

**Salt:** The average price of Salt for the month of January 2015 was AFN 13.6/Kg, which decreased by 2.4% compared to previous month (December 2014). The highest decrease occurred in Mazar by 6.3%, Kandahar by 6.1% and Jalalabad by 5%, main reason for the decrease was daily price fluctuation. The variation in remaining main cities' markets remained stable (-3.9% to 0%). Compared to the same month last year (January 2014), the average price negligibly decreased by 0.3%.

**Sugar:** The average price of Sugar in January 2015 was AFN 43.5/Kg, which slightly decreased by 1.5% compared to the previous month (December 2014). The highest decrease occurred only in Kandahar by 7.2%, main reason for the decrease was decreased transportation cost from source point. The variation in remaining main cities was within a normal limit (-2.2% to 0%). Compared to the same month last year (January 2014), the average price significantly decreased by 10.1%.

**Number of days averagely worked a laborer:** The monthly average number of days worked by a laborer during January 2015 was reported at 10 days. The highest number of days worked was in Kabul and Hirat (16 days), followed by Kandahar and Jalalabad (12 days), Maimana and Nili (8 days), Mazar and Faizabad (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	5 Y Ave	2 Y	1Y	1M
KABUL	Wheat	24.5	26.1	14.0	6.5	0.0	▲	▲	▲	▲	Livestock-One year live Sheep (Female)										
	Wheat flour (HP)	25.4	1.0	-23.1	-8.1	-5.1	▲	▼	▲	▼	KABUL	Sheep	5,500	-2.6	-8.3	-0.5	0.0	▲	▲	▲	▲
	Rice High Quality	98.0	42.2	19.5	1.0	0.0	▲	▲	▲	▲	KANDAHAR	Sheep	6,663	3.3	8.3	-1.1	-1.9	▲	▲	▲	▲
	Rice Low Qaulity	50.0	43.5	19.0	0.0	0.0	▲	▲	▲	▲	JALALABAD	Sheep	7,000	3.9	-27.8	7.7	0.0	▲	▼	▲	▲
	Cooking Oil	80.8	5.2	-2.1	-0.2	-0.9	▲	▲	▲	▲	HIRAT	Sheep	4,600	9.2	0.4	0.0	0.0	▲	▲	▲	▲
KANDAHAR	Wheat	27.5	30.1	25.5	-0.3	5.5	▲	▲	▲	▲	MAZAR	Sheep	5,800	12.6	3.6	-2.5	0.0	▲	▲	▲	▲
	Wheat flour (HP)	27.1	19.4	19.6	-0.3	2.8	▲	▲	▲	▲	FAIZABAD	Sheep	4,375	35.4	25.0	13.6	12.2	▲	▲	▲	▲
	Rice High Quality	73.3	21.3	4.2	-6.4	-3.9	▲	▲	▲	▲	MAIMANA	Sheep	6,000	-2.3	-11.1	0.0	0.0	▲	▼	▲	▲
	Rice Low Qaulity	29.0	-1.4	8.3	13.6	-0.9	▲	▲	▲	▲	NILI	Sheep	3,900	-8.9	-25.0	23.8	-3.7	▲	▼	▲	▲
	Cooking Oil	54.4	-16.2	-21.5	-20.6	-4.0	▼	▼	▼	▼	Terms of Trade Kgs of Wheat/Wheat flour										
JALALABAD	Wheat	23.5	29.9	2.2	11.9	2.2	▲	▲	▲	▲	KABUL	Casual Labor/Wheat	10.2	-29.0	-26.9	-10.6	-9.1	▼	▼	▼	▼
	Wheat flour (HP)	27.9	24.4	7.2	7.2	-5.5	▲	▲	▲	▼	KANDAHAR	Casual Labor/Wheat	12.8	-12.4	-7.0	0.3	-5.2	▼	▲	▲	▼
	Rice High Quality	80.9	40.1	5.7	4.2	-2.0	▲	▲	▲	▲	JALALABAD	Casual Labor/Wheat	11.1	-27.7	1.8	-10.6	-2.1	▼	▲	▲	▲
	Rice Low Qaulity	29.8	-18.6	-50.0	-39.4	-0.8	▼	▼	▼	▲	HIRAT	Casual Labor/Wheat	13.8	-18.6	-15.8	-8.9	3.2	▼	▼	▲	▲
	Cooking Oil	75.9	0.5	-6.9	-1.3	-1.3	▲	▲	▲	▲	MAZAR	Casual Labor/Wheat	9.1	-35.8	-32.6	-22.2	-18.4	▼	▼	▼	▼
HIRAT	Wheat	21.7	30.2	18.8	9.8	-3.1	▲	▲	▲	▲	FAIZABAD	Casual Labor/Wheat	10.0	-35.4	-42.2	-24.5	-15.3	▼	▼	▼	▼
	Wheat flour (HP)	29.5	17.0	-8.0	7.6	-0.6	▲	▲	▲	▲	MAIMANA	Casual Labor/Wheat	8.3	-50.6	-59.4	-30.0	0.0	▼	▼	▼	▲
	Rice High Quality	64.5	7.2	-10.4	-8.9	-6.1	▲	▼	▲	▼	NILI	Casual Labor/Wheat	6.6	-27.7	-33.3	5.1	-29.3	▼	▼	▲	▼
	Rice Low Qaulity	25.8	-1.9	-4.4	4.5	-2.3	▲	▲	▲	▲	KABUL	Sheep /Wheat	224.5	-24.1	-19.6	-6.5	0.0	▼	▼	▲	▲
	Cooking Oil	69.5	-2.3	-14.0	-1.5	-0.5	▲	▼	▲	▲	KANDAHAR	Sheep /Wheat	242.7	-21.6	-13.7	-0.8	-7.0	▼	▼	▲	▼
MAZAR	Wheat	22.0	30.6	12.8	14.3	0.0	▲	▲	▲	▲	JALALABAD	Sheep /Wheat	297.9	-20.5	-29.4	-3.8	-2.1	▼	▼	▲	▲
	Wheat flour (HP)	28.0	24.3	0.0	7.7	-5.1	▲	▲	▲	▼	HIRAT	Sheep /Wheat	212.2	-17.2	-15.4	-8.9	3.2	▼	▼	▲	▲
	Rice High Quality	87.0	24.2	10.1	-0.6	0.0	▲	▲	▲	▲	MAZAR	Sheep /Wheat	263.6	-15.8	-8.2	-14.7	0.0	▼	▲	▲	▲
	Rice Low Qaulity	40.0	16.6	5.3	-7.0	0.0	▲	▲	▲	▲	FAIZABAD	Sheep /Wheat	175.0	4.8	7.0	-5.7	12.2	▲	▲	▲	▼
	Cooking Oil	78.0	3.2	-2.2	-2.8	0.0	▲	▲	▲	▲	MAIMANA	Sheep /Wheat	250.0	-27.7	-27.8	-12.5	0.0	▼	▼	▼	▲
FAIZABAD	Wheat	25.0	28.0	16.8	20.5	0.0	▲	▲	▲	▲	NILI	Sheep /Wheat	128.9	-19.2	-25.0	36.6	-1.3	▼	▼	▲	▲
	Wheat flour (HP)	30.8	4.1	-6.2	-8.2	-6.1	▲	▲	▲	▼	KABUL	Casual Labor/Wheat flour	9.9	-12.9	8.4	3.7	-4.2	▼	▲	▲	▲
	Rice High Quality	92.8	31.8	35.4	-2.4	0.8	▲	▲	▲	▲	KANDAHAR	Casual Labor/Wheat flour	12.9	-0.7	-2.4	0.3	-2.7	▲	▲	▲	▲
	Rice Low Qaulity	50.0	3.8	-7.7	-2.9	2.0	▲	▲	▲	▲	JALALABAD	Casual Labor/Wheat flour	9.3	-23.5	-3.0	-6.7	5.8	▼	▲	▲	▲
	Cooking Oil	97.8	3.9	-2.3	-9.1	-0.8	▲	▲	▲	▲	HIRAT	Casual Labor/Wheat flour	10.2	-11.2	8.7	-7.0	0.6	▼	▲	▲	▲
MAIMANA	Wheat	24.0	32.4	23.1	14.3	0.0	▲	▲	▲	▲	MAZAR	Casual Labor/Wheat flour	7.1	-33.3	-23.8	-17.5	-14.0	▼	▼	▼	▼
	Wheat flour (HP)	29.0	20.6	-3.3	0.9	-1.7	▲	▲	▲	▲	FAIZABAD	Casual Labor/Wheat flour	8.1	-21.2	-27.9	-1.0	-9.7	▼	▼	▲	▼
	Rice High Quality	95.0	35.4	18.8	4.4	1.1	▲	▲	▲	▲	MAIMANA	Casual Labor/Wheat flour	6.9	-46.2	-48.3	-20.7	1.7	▼	▼	▼	▲
	Rice Low Qaulity	40.0	-3.7	-27.6	-16.7	0.0	▲	▼	▲	▲	NILI	Casual Labor/Wheat flour	5.7	-19.2	-21.2	4.1	-30.3	▼	▼	▲	▼
	Cooking Oil	83.0	1.8	-12.6	3.4	0.0	▲	▼	▲	▲	KABUL	Sheep /Wheat flour	216.7	-7.2	19.2	8.4	5.4	▲	▲	▲	▲
NILI	Wheat	30.3	10.1	0.0	-9.4	-2.4	▲	▲	▲	▲	KANDAHAR	Sheep /Wheat flour	246.3	-14.0	-9.4	-0.8	-4.6	▼	▲	▲	▲
	Wheat flour (HP)	35.1	-0.7	-15.4	-8.5	-1.1	▲	▼	▲	▲	JALALABAD	Sheep /Wheat flour	251.1	-17.2	-32.7	0.4	5.8	▼	▼	▲	▲
	Rice High Quality	97.0	15.1	1.6	-1.3	-3.0	▲	▲	▲	▲	HIRAT	Sheep /Wheat flour	156.2	-9.1	9.1	-7.0	0.6	▲	▲	▲	▲
	Rice Low Qaulity	64.0	29.9	-14.1	-4.8	-5.9	▲	▼	▲	▼	MAZAR	Sheep /Wheat flour	207.1	-12.6	3.6	-9.5	5.4	▼	▲	▲	▲
	Cooking Oil	77.3	-1.7	-9.1	-11.8	-5.5	▲	▲	▼	▼	FAIZABAD	Sheep /Wheat flour	142.3	28.2	33.3	23.8	19.5	▲	▲	▲	▲
											MAIMANA	Sheep /Wheat flour	206.9	-22.1	-8.0	-0.9	1.7	▼	▲	▲	▲
											NILI	Sheep /Wheat flour	111.0	-9.7	-11.4	35.3	-2.7	▲	▼	▲	▲

**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 Jan 2014 and 2Y = Compared to Jan 2013

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