

Initial Market Price Bulletin for the month of **February 2015** (Reported in March 2015)

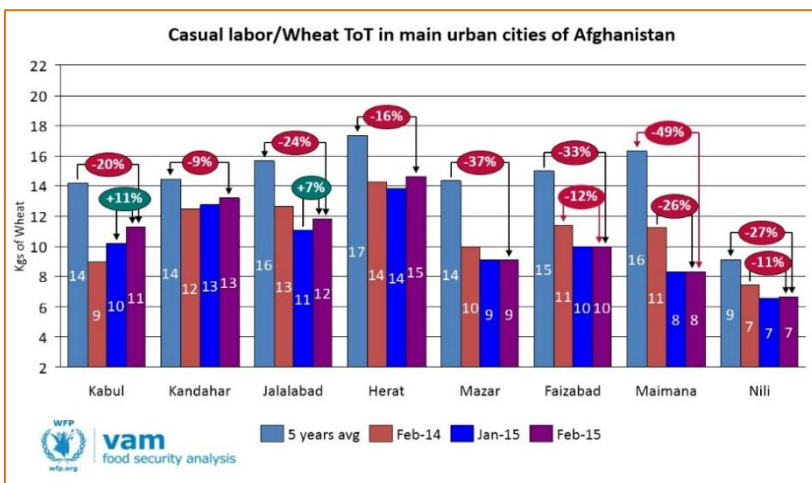
HIGHLIGHTS:

- Wheat: Average wheat grain retail price in the main cities' markets of the country was slightly fluctuating in 2013. It was slightly increasing during January - May 2014, slightly decreasing in June - September 2014, negligibly increasing from September 2014 to January 2015, and slightly decreased in the current month (February 2015).
- The current average wheat price in main cities of Afghanistan (AFN 24/kg) is negligibly higher by 0.9% compared to the same time last year (February 2014), but significantly higher by 22.5% compared to the last 5-year average price of the same months (Februarys 2010 - 2014).
- Wheat flour (High Price): Wheat flour (High Price) retail price in main cities of Afghanistan was relatively stable in 2013. After a slight decrease during January - February 2014, it was slightly increasing during March - September 2014. However, it was slightly decreasing from September 2014 to February 2015. The current retail price (AFN 28.8/kg) is negligibly higher by 0.2% compared to the same month last year (February 2014), and significantly higher by 12.2% compared to the last 5-year average price of the same months.
- Rice is considered as the 2nd main staple food in Afghanistan. The current average retail price of Low Quality Rice (AFN 39.7/kg) is slightly lower by 9.2% compared to the same month last year (February 2014), while slightly higher by 4.9% compared to the last 5-year average price of the same months. The current average price of High Quality Rice (AFN 83.4/kg) is slightly lower by 2.6% compared to the same month last year (February 2014), but significantly higher by 23.5% compared to the last 5-year average price of the same months.

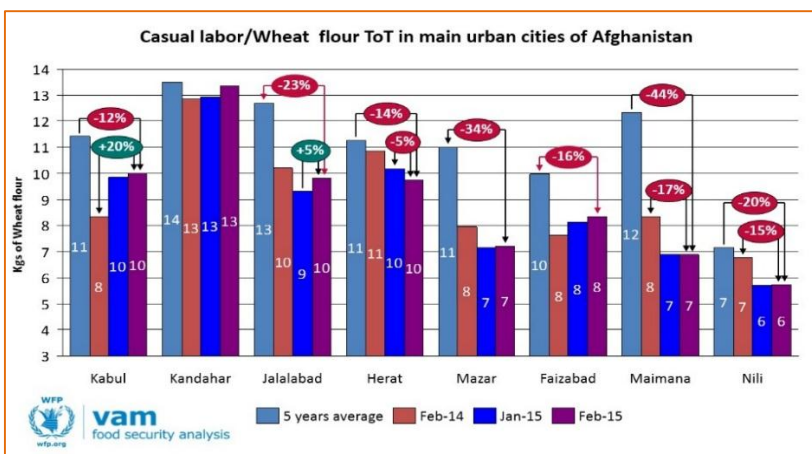
Terms of Trade (ToT):

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 average ToT for the reporting month was 10.6 Kgs of Wheat. On average, this ToT slightly improved (by 3.8%) from January to February 2015, mainly due to reduced wheat price (by 3.1%). This improvement was not experienced in the same period during the three preceding years, when it deteriorated by 7% in January - February 2014; by 0.1% in January - February 2013; and by 0.6% in January - February 2012.
- In comparison to the same month one year ago (February 2014), this ToT slightly deteriorated by 4%, mainly due to decreased labor wage (by 2.7%) and increased wheat price (by 0.9%).
- On the two-year comparison (February 2013), this ToT significantly deteriorated by 26.8%.
- Compared to the 5-year average of the same months (Februarys 2010 - 2014), this ToT significantly deteriorated by 27%.



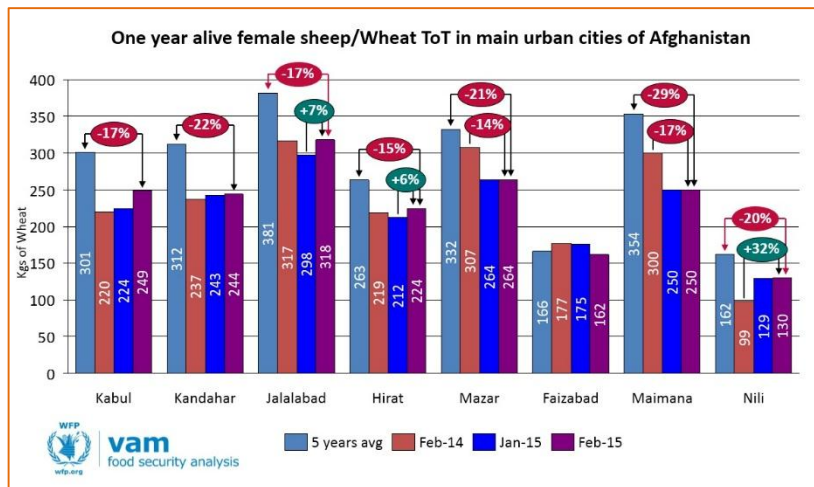
Casual Labor and High Price Wheat flour (ToT): The Terms of Trade (ToT) between casual Labor and High Price Wheat Flour is a proxy indicator or the purchasing capacity of households mainly relying on casual labor as main income, and purchase of Wheat Flour in the market. This ToT reveals how many Kilograms 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) average ToT for the reporting month was 8.9 Kgs of Wheat flour which slightly improved by 1.2% from January to February 2015, mainly related to decreased wheat flour price (by 1%).
- During the three preceding years, this improvement was only experienced in January –February 2012 (by 1.6%), while deteriorated by 2% in January – February 2014, and by 0.1% in January – February 2013.
- Compared to the same month one year ago (February 2014), this ToT slightly deteriorated by 2.6%, mainly related to decreased labor wage (by 2.7%) and negligibly increased wheat flour price (by 0.2%).
- On the two-year comparison (February 2013), this ToT significantly deteriorated by 13.9%.
- Compared to the 5-year average of the same months (Februarys 2010-2014), 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 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.*

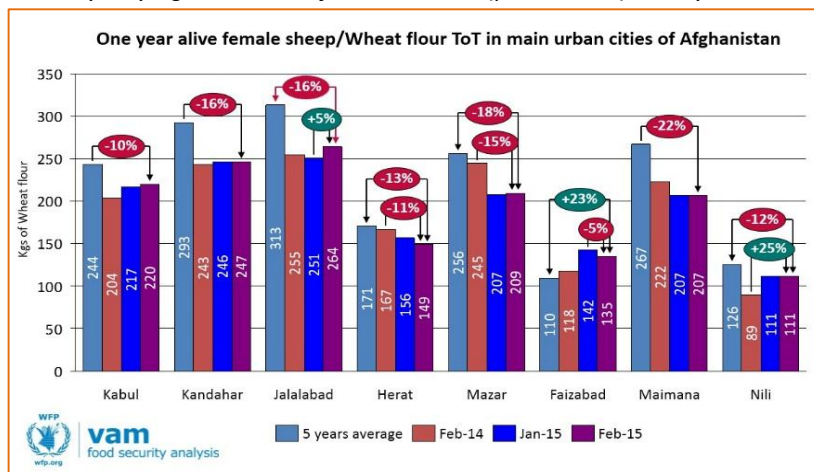
- Sheep-Wheat average ToT for the reporting month was 230 Kgs of wheat against one year alive female sheep, which slightly improved by 2.6% from January to February 2015, mainly due to decreased wheat price (by 3.1%). This improvement was also experienced in January – February 2013 (by 2%) and in January – February 2012 (by 2.8%), while it deteriorated by 1.4% in January – February 2014.
- Compared to the same month one year ago (February 2014), this ToT slightly deteriorated by 1.8%, mainly related to increased wheat price (by 0.9%).
- On the two-year comparison (February 2013), this ToT significantly deteriorated by 18.1%.
- Compared to 5-year average of the same months (Februarys 2010-2014), this ToT significantly deteriorated by 18.9%.



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 average ToT for the reporting month was 193 Kgs of Wheat flour against one-year alive female sheep, which negligibly improved by 0.3% from January to February 2015, mainly due to decreased wheat flour price (by 1%). This improvement was also experienced in the last three preceding years, by 2.8% in January – February 2014; by 1.6% in January – February 2013 and by 2.9% in January – February 2012.

- Compared to the same month one year ago (February 2014), this ToT remained unchanged.
- On the two-year comparison (February 2013), this ToT slightly deteriorated by 6.7%.
- Compared to 5-year average of the same months (Februarys 2010-2014), this ToT significantly deteriorated by 13.3%.



Retail Price of Wheat Grain in Main Urban Cities:

- The monthly average price of Wheat in main cities' markets of Afghanistan was AFN 24/Kg in February 2015. Compared to the past month (January 2015), the average price slightly decreased by 3.1%. The highest decrease occurred in Kabul by 9.7%, Jalalabad (6.4%) and Herat (5.4%), main reason for the decrease was decreased demand by consumers during winter due to lack of milling facilities. The variation in remaining main cities was within a normal limit (-3.4% to 0%). During the last three

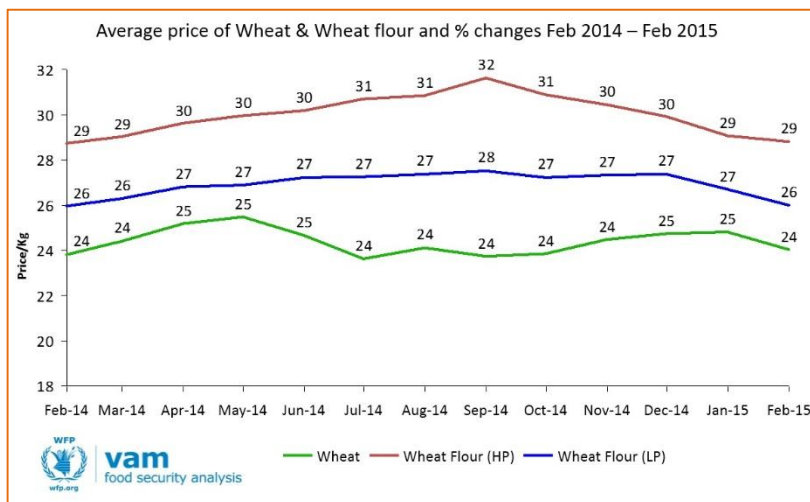
proceeding years, this decrease was only experienced in January-February 2012 (by 1.2%), while it increased by 2.6% in January – February 2014, and remained unchanged in January – February 2013.

- Compared to the same month one year ago (February 2014), the average price negligibly increased by 0.9%. The highest increase occurred in Maimana (20%) and Faizabad (14%), mainly due to increased price of wheat during winter. While a significant decrease occurred in Kabul (11.5%) and Nili (10.4%), main reason for the decrease was increased availability of wheat in the market due to maintained supply of wheat from neighbouring provincial markets. The variation in remaining main cities was within a normal range (-5.4% to 7.3%).
- On the two-year comparison (February 2013), the average price slightly increased by 9.7%.
- Compared to the last 5-year average price of the same months (Februarys 2010 - 2014), the price significantly increased by 22.5%.

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 28.8/Kg in the reporting month (February 2015). The average price slightly decreased by 1% compared to the previous month (January 2015). This decrease was also experienced in January-February 2014 (by 2%) and January –February 2012 (by 1.6%), but it increased by 0.4% in January – February 2013. The variation in all main cities was within a normal limit (-4.9% to 4.8%).
- Compared to the same month one year ago (February 2014), the current average price negligibly increased by 0.2%. The highest increase occurred only in Hirat (11.8%), mainly due to decreased supply of imported wheat flour from Pakistan. The variation in other remaining main cities was within a normal range (-8.6% to 7.8%).
- Compared to the same month two years ago (February 2013), the average price of wheat flour slightly decreased by 6.7%.
- Compared to 5-year average price of the same months (Februarys 2010 – 2014), the average price significantly increased by 12.2%.



Wheat flour (Low Price): The monthly average price of Wheat flour (Low Price) in main cities' markets was AFN 26/Kg in the reporting month (February 2015). The average price slightly decreased by 2.6% compared to previous month (January 2015). The highest decrease occurred only in Jalalabad by 8.3%, mainly due to maintained supply of imported wheat flour from Pakistan. This decrease was also experienced in January –February 2014 (by 3.1%) and January – February 2013 (by 0.1%), but it increased by 0.1% in January – February 2012. The variation in other main cities was within a normal limit (-3.6% to 0%).

- Compared to the same month one year ago (February 2014), the current average price negligibly increased by 0.2%. The highest increase occurred only in Maimana (12.5%), main reason for the increase was decreased supply of imported wheat flour from neighbouring provincial markets. While a significant decrease occurred only in Kabul (12%), mainly due to maintained supply of imported wheat flour from Pakistan and Kazakhstan. The variation in other main cities was within a normal range (-4.7% to 9.2%).
- Compared to the same month two years ago (February 2013), the average price slightly increased by 4.4%.
- Compared to 5-year average price of the same months (Februarys 2010 – 2014), the average price significantly increased by 16.2%.

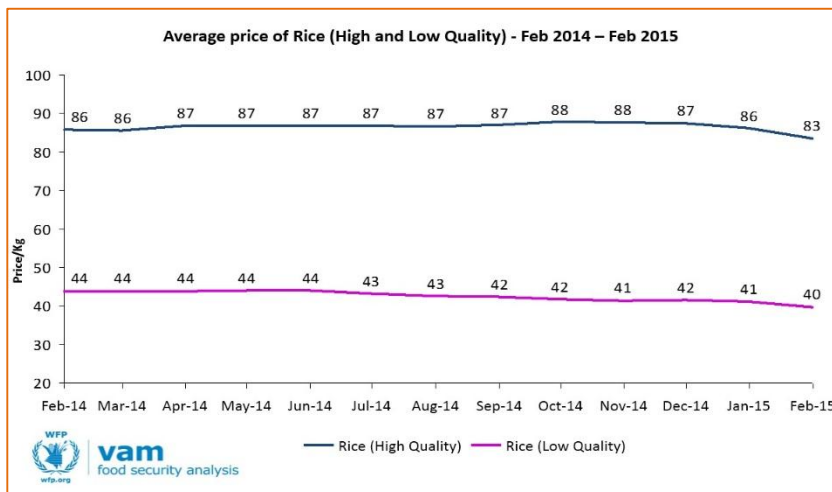
Retail Price of Rice in Main Urban Cities:

Rice (High Quality): The monthly average price of Rice (High Quality) was AFN 83.4/Kg in the reporting month (February 2015) which was slightly decreased by 3% compared to previous month (January 2015). The highest decrease occurred in Kandahar (by 8%), Jalalabad (7.3%) and Nili (5.2%), main reason for the decrease was maintained supply of rice from neighbouring provincial markets and Pakistan. The decrease was also experienced in the same period during the last three proceeding years, by 1.4% in January – February 2014; by 0.2% in January – February 2013 and by 0.1% in January – February 2012. The variation in other main cities was within a normal limit (-3.4% to 0.3%).

- Compared to the same month one year ago (February 2014), the average price slightly decreased by 2.6%. The highest decrease occurred in Hirat (12.8%) and Kandahar (12.4%), mainly due to decreased price of rice in border town markets. The variation in other main city markets was within a normal range (-6.6% to 6.1%).
- Compared to the same month two years ago (February 2013), the average price slightly increased by 7.2%.
- Compared to 5-year average price of the some months (Februarys 2010 – 2014), the average price significantly increased by 23.5%.

Rice (Low Quality): The monthly average price of Rice (Low Quality) was AFN 39.7/Kg in the reporting month (February 2015), which slightly decreased by 3.4% compared to the previous month (January 2015). The highest decrease occurred in Mazar (7.5%), Nili (6.3%), Kandahar and Hirat (6.2%), main reason for the decrease was decreased price of rice in border town markets. This decrease was only experienced in January –February 2014 (by 2.6%), but it increased by 3.6% in January – February 2013, and by 2% in January – February 2012. The variation in other main cities was within a normal range (-2.5% to 0%).

- Compared to the same month one year ago (February 2014), the average price decreased by 9.2%. The largest decrease occurred in Jalalabad (40.1%), Mazar (11.4%) and Nili (11.1%), mainly related to decreased price of rice in border town markets. While a significant increase occurred only in Kandahar (11.5%), mainly due to decreased supply of low quality rice from Pakistan. The variation in remaining main cities' markets was within a normal range (-5.3% to 0%),
- Compared to the same month two years ago (February 2013), the average price significantly decreased by 18.8%.
- Compared to 5-year average price of same months (Februarys 2010 – 2014), the average price slightly increased by 4.9%.



Retail Price of Cooking Oil in Main Urban Cities:

The monthly average price of Cooking Oil was AFN 77/Kg in the reporting month (February 2015), which negligibly decreased by 0.1% compared to previous month (January 2015). This decrease was also experienced in the same time of last three preceding years, by 1.2% in January – February 2014 and 2013, and by 1.8% in January – February 2012. The price was significantly increased only in Kandahar (13.4%), main reason for the increase was decreased supply of oil from Pakistan. The variation in other main cities was within a normal limit (-3.8% to 0%).

- Compared to the same month one year ago (February 2014), the average price slightly decreased by 4.5%. The highest decrease occurred only in Nili (by 14.3%), mainly due to maintained supply of oil from neighboring provincial markets. The variation in other main cities was normal (-8.8% to 3.8%).
- Compared to the same month two years ago (February 2013), the average price slightly decreased by 7.5%.
- Compared to 5-year average of the same months (Februarys 2010 – 2014), the current average price negligibly increased by 0.1%.

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

Salt: The average price of salt for the month of February 2015 was AFN 13.1/Kg, which decreased by 3.5% compared to previous month (January 2015). The highest decrease occurred in Jalalabad (19.3%) and Mazar (11.1%), main reason for the decrease was daily price fluctuation. The variation in remaining main cities' markets remained stable (-1.4% to 6.5%).

- Compared to the same month last year (February 2014), the average price decreased by 7.7%.

Sugar: The average price of sugar in January 2015 was AFN 42.6/Kg, which slightly decreased by 2.1% compared to the previous month (January 2015). The highest decrease occurred only in Jalalabad (by 7.8%), main reason for the decrease was maintained supply of sugar from Pakistan. The variation in remaining main cities was within a normal limit (-3.1% to 0.9%).

- Compared to the same month last year (February 2014), the average price decreased by 5.9%.

Number of days averagely worked a laborer: The monthly average number of days worked by a laborer during February 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 (4 days) and Faizabad (3 days).

Market Watch:

Markets	Major Comm	Current Price per Kg	Price change (%)				Average				Markets	Major Comm	Current Price in AFN	Price change				Average			
			5Y Ave	2Y	1Y	1M	5Y Ave	2Y	1Y	1M				5Y Ave	2Y	1Y	1M	5Y Ave	2Y	1Y	1M
KABUL	Wheat	22.1	14.0	2.9	-11.5	-9.7	▲	▶	▼	▼	Livestock-One year live Sheep (Female)										
	Wheat flour (HP)	25.0	2.5	-21.9	-7.4	-1.5	▶	▼	▶	▶	KABUL	Sheep	5,500	-2.7	-8.3	0.0	0.0	▶	▶	▶	▶
	Rice High Quality	98.0	44.9	19.5	2.1	0.0	▲	▲	▶	▶	KANDAHAR	Sheep	6,475	0.0	5.3	-2.4	-2.8	▶	▶	▶	▶
	Rice Low Qaulity	50.0	44.5	19.0	0.0	0.0	▲	▲	▶	▶	JALALABAD	Sheep	7,000	3.6	-28.2	7.7	0.0	▶	▼	▶	▶
	Cooking Oil	80.0	2.7	-1.2	0.0	-0.9	▶	▶	▶	▶	HIRAT	Sheep	4,600	8.1	0.4	0.0	0.0	▶	▶	▶	▶
KANDAHAR	Wheat	26.5	25.2	20.8	-5.4	-3.4	▲	▲	▶	▶	MAZAR	Sheep	5,800	6.7	-3.3	-7.9	0.0	▶	▶	▶	▶
	Wheat flour (HP)	26.3	18.0	19.3	-3.8	-3.0	▲	▲	▶	▶	FAIZABAD	Sheep	4,050	25.2	15.7	4.5	-7.4	▲	▲	▶	▼
	Rice High Quality	67.4	12.2	-4.2	-12.4	-8.0	▶	▶	▼	▼	MAIMANA	Sheep	6,000	-3.5	-14.3	0.0	0.0	▶	▼	▶	▶
	Rice Low Qaulity	27.2	-8.4	-2.1	11.5	-6.2	▶	▶	▲	▼	NILI	Sheep	3,900	-10.6	-25.0	18.2	0.0	▼	▼	▲	▶
	Cooking Oil	61.7	-6.0	-9.6	-8.8	13.4	▶	▶	▶	▲	Terms of Trade Kgs of Wheat/Wheat flour										
JALALABAD	Wheat	22.0	23.8	-1.7	7.3	-6.4	▲	▶	▶	▼	KABUL	Casual Labor/Wheat	11.3	-20.3	-19.0	25.5	10.7	▼	▼	▲	▲
	Wheat flour (HP)	26.5	21.5	2.4	3.9	-4.9	▲	▶	▶	▶	KANDAHAR	Casual Labor/Wheat	13.2	-8.8	-3.5	5.7	3.5	▶	▶	▶	▶
	Rice High Quality	75.0	23.3	-1.6	-2.9	-7.3	▲	▶	▶	▼	JALALABAD	Casual Labor/Wheat	11.8	-24.4	5.7	-6.8	6.8	▼	▶	▶	▶
	Rice Low Qaulity	29.0	-19.4	-50.5	-40.1	-2.5	▼	▼	▼	▶	HIRAT	Casual Labor/Wheat	14.6	-15.7	-12.2	2.5	5.7	▼	▼	▶	▲
	Cooking Oil	73.0	-2.3	-10.3	-5.3	-3.8	▶	▼	▶	▶	MAZAR	Casual Labor/Wheat	9.1	-36.6	-33.6	-9.1	0.0	▼	▼	▶	▶
HIRAT	Wheat	20.5	24.8	13.9	-2.4	-5.4	▲	▲	▶	▼	FAIZABAD	Casual Labor/Wheat	10.0	-33.5	-42.2	-12.3	0.0	▼	▼	▼	▶
	Wheat flour (HP)	30.9	20.6	-3.5	11.8	4.8	▲	▶	▲	▶	MAIMANA	Casual Labor/Wheat	8.3	-48.9	-58.3	-25.9	0.0	▼	▼	▼	▶
	Rice High Quality	62.3	3.1	-14.1	-12.8	-3.4	▶	▼	▼	▶	NILI	Casual Labor/Wheat	6.7	-27.0	-31.1	-10.7	0.8	▼	▼	▼	▶
	Rice Low Qaulity	24.2	-9.0	-12.8	-4.7	-6.2	▶	▼	▶	▼	KABUL	Sheep /Wheat	248.6	-17.4	-10.9	13.0	10.7	▼	▼	▲	▲
	Cooking Oil	68.4	-2.5	-12.6	-3.6	-1.5	▶	▼	▶	▶	KANDAHAR	Sheep /Wheat	244.1	-21.7	-12.8	3.2	0.6	▼	▼	▶	▶
MAZAR	Wheat	22.0	31.3	15.8	7.3	0.0	▲	▲	▶	▶	JALALABAD	Sheep /Wheat	318.2	-16.6	-27.0	0.3	6.8	▼	▼	▶	▲
	Wheat flour (HP)	27.8	24.7	-2.6	7.8	-0.9	▲	▶	▶	▶	HIRAT	Sheep /Wheat	224.4	-14.7	-11.8	2.5	5.7	▼	▼	▶	▲
	Rice High Quality	84.8	23.7	8.7	1.2	-2.6	▲	▶	▶	▶	MAZAR	Sheep /Wheat	263.6	-20.6	-16.5	-14.2	0.0	▼	▼	▼	▶
	Rice Low Qaulity	37.0	8.2	-2.6	-11.4	-7.5	▶	▶	▼	▼	FAIZABAD	Sheep /Wheat	162.0	-2.4	-0.9	-8.3	-7.4	▶	▶	▶	▼
	Cooking Oil	78.0	6.2	-1.3	3.0	0.0	▶	▶	▶	▶	MAIMANA	Sheep /Wheat	250.0	-29.3	-28.6	-16.7	0.0	▼	▼	▼	▶
FAIZABAD	Wheat	25.0	26.9	16.8	14.0	0.0	▲	▲	▲	▶	NILI	Sheep /Wheat	130.0	-19.6	-22.5	32.0	0.8	▼	▼	▲	▶
	Wheat flour (HP)	30.0	0.6	-8.5	-8.6	-2.4	▶	▶	▶	▶	KABUL	Casual Labor/Wheat flour	10.0	-12.4	6.7	20.0	1.5	▼	▶	▲	▶
	Rice High Quality	93.0	33.7	35.8	1.1	0.3	▲	▲	▶	▶	KANDAHAR	Casual Labor/Wheat flour	13.3	-1.3	-2.2	3.9	3.0	▶	▶	▶	▶
	Rice Low Qaulity	50.0	4.6	-7.7	0.0	0.0	▶	▶	▶	▶	JALALABAD	Casual Labor/Wheat flour	9.8	-22.8	1.5	-3.8	5.2	▼	▶	▶	▲
	Cooking Oil	97.0	3.5	-3.0	-8.4	-0.8	▶	▶	▶	▶	HIRAT	Casual Labor/Wheat flour	9.7	-13.7	3.6	-10.5	-4.6	▼	▶	▼	▶
MAIMANA	Wheat	24.0	33.7	20.0	20.0	0.0	▲	▲	▲	▶	MAZAR	Casual Labor/Wheat flour	7.2	-34.5	-21.0	-9.5	0.9	▼	▼	▶	▶
	Wheat flour (HP)	29.0	20.1	-5.7	7.4	0.0	▲	▶	▶	▶	FAIZABAD	Casual Labor/Wheat flour	8.3	-16.4	-26.1	9.4	2.5	▼	▼	▶	▶
	Rice High Quality	95.0	40.0	21.8	6.1	0.0	▲	▲	▶	▶	MAIMANA	Casual Labor/Wheat flour	6.9	-44.1	-47.0	-17.2	0.0	▼	▼	▼	▶
	Rice Low Qaulity	40.0	-2.7	-33.3	-5.3	0.0	▶	▼	▶	▶	NILI	Casual Labor/Wheat flour	5.7	-20.0	-18.1	-15.4	0.4	▼	▼	▼	▶
	Cooking Oil	83.0	3.5	-10.8	3.8	0.0	▶	▼	▶	▶	KABUL	Sheep /Wheat flour	220.0	-9.8	17.3	8.0	1.5	▶	▲	▶	▶
NILI	Wheat	30.0	8.7	-3.2	-10.4	-0.8	▶	▶	▼	▶	KANDAHAR	Sheep /Wheat flour	246.7	-15.7	-11.8	1.4	0.1	▼	▼	▶	▶
	Wheat flour (HP)	35.0	-0.3	-18.6	-5.4	-0.4	▶	▼	▶	▶	JALALABAD	Sheep /Wheat flour	264.2	-15.6	-29.9	3.6	5.2	▼	▼	▶	▲
	Rice High Quality	92.0	7.6	-5.2	-6.6	-5.2	▶	▶	▶	▶	HIRAT	Sheep /Wheat flour	149.0	-12.7	4.1	-10.5	-4.6	▼	▶	▼	▶
	Rice Low Qaulity	60.0	14.2	-27.3	-11.1	-6.3	▲	▼	▼	▼	MAZAR	Sheep /Wheat flour	209.0	-18.3	-0.7	-14.6	0.9	▼	▶	▼	▶
	Cooking Oil	75.0	-6.0	-11.8	-14.3	-2.9	▶	▼	▼	▶	FAIZABAD	Sheep /Wheat flour	135.0	22.9	26.5	14.4	-5.1	▲	▲	▲	▲
											MAIMANA	Sheep /Wheat flour	206.9	-22.5	-9.1	-6.9	0.0	▼	▶	▶	▶
											NILI	Sheep /Wheat flour	111.4	-11.5	-7.9	24.9	0.4	▼	▶	▲	▶

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 Feb 2014 and 2Y = Compared to Feb 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