

Initial Market Price Bulletin for the month of October 2015 (Reported in November 2015)

HIGHLIGHTS:

- **Wheat:** Average wheat grain retail price in the main cities' markets of the country was slightly fluctuating in 2013 and 2014. In 2015, it was decreasing trend from January – August, but negligibly increased from August to October.
- The current average wheat price in main cities of Afghanistan (AFN 23.6/Kg) is lower by 0.9% compared to the same time last year (October 2014), but significantly higher by 14.5% compared to the last 5-year average price of the same months (Octobers 2010 – 2014).
- **Wheat flour (High Price)** retail price in main cities' markets of Afghanistan was relatively stable in 2013 and up to September 2014. Then, it was slightly decreasing from September 2014 to May 2015, and negligibly increased from June – October 2015. The current retail price (AFN 31.0/kg) is negligibly higher by 0.2% compared to the same month last year (October 2014), but significantly higher by 10.5% 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 40.0/kg) is lower by 4.1% compared to the same month last year (October 2014), while slightly higher by 2.6% compared to the last 5-year average price of the same months. The current average price of High Quality Rice (AFN 77.8/kg) is slightly lower by 11.3% compared to the same month last year (October 2014), but slightly higher by 6.1% compared to the last 5-year average price of the same months.

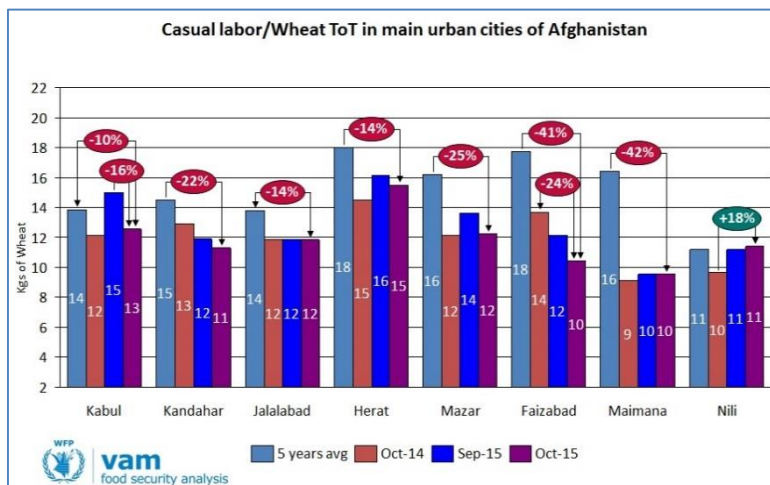
Terms of Trade (ToT)

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 laborer can get to cover the family food needs.

- Wage labor-Wheat average ToT for the reporting month was 11.8 Kgs of Wheat. On average, this ToT deteriorated (by 6.6%) from September to October 2015, mainly due to increased wheat price (by 4.2 %) and decreased labor wage (by 2.2%). In the last three proceeding years, this deterioration was also experienced in:
 - September - October 2014 (by 1.1%)
 - September - October 2013 (by 2.0%), and
 - September - October 2012 (by 8.4%),

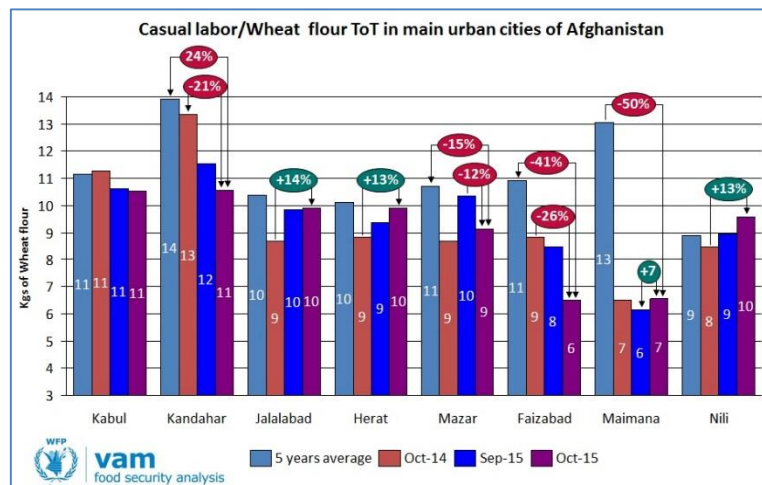
In comparison to the same month one year ago (October 2014), this ToT negligibly deteriorated by 1.3%, mainly due to decrease of labor wage (by 2.1%).

- On the two-year comparison (October 2013), this ToT significantly deteriorated by 18.7%.
- Compared to the 5-year average of the same months (Octobers 2010 - 2014), this ToT significantly deteriorated by 22.3%.



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 laborer can get to cover the family food needs.

- Wage labor-Wheat flour (HP) average ToT for the reporting month was 9.1 Kgs of Wheat flour which slightly deteriorated by 3.5% from September to October 2015, mainly related to decreased labor wage (by 2.2%) and slightly increased wheat flour price (by 1.3%). In the last three proceeding years, this deterioration was also experienced in:



- September - October 2013 (by 3.3%), and
- September - October 2012 (by 10.1%)

While an improvement was seen in:

- September - October 2014 (by 1.8%).

- Compared to the same month one year ago (October 2014), this ToT negligibly deteriorated by 2.5%, mainly related to increased wheat flour price (by 0.2%).
- On the two-year comparison (October 2013), this ToT significantly deteriorated by 15.1%.
- Compared to the 5-year average of the same months (Octobers 2010-2014), this ToT significantly deteriorated by 18.5%.

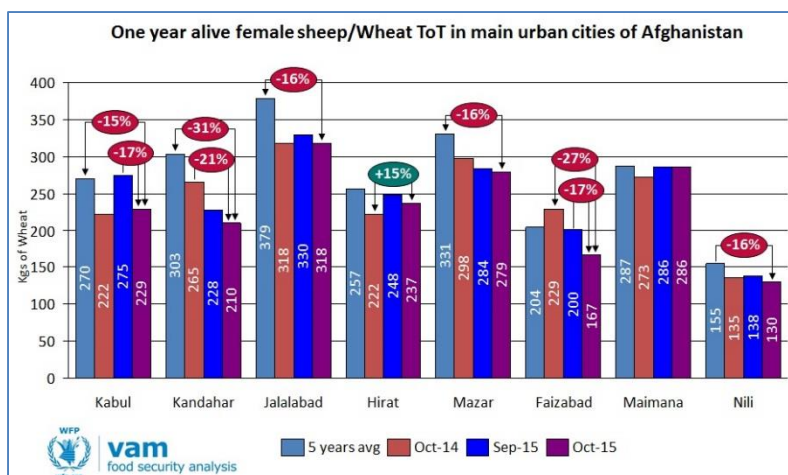
Sheep and Wheat (ToT): *The Terms of Trade between a one year old female sheep and Wheat is a proxy for the purchasing capacity of those households mainly relying on income from livestock (pastoralists). It says how many kilograms of Wheat can be obtained when selling a one year old female sheep.*

- Sheep-Wheat average ToT for the reporting month was 232 Kgs of wheat against one-year alive female sheep, which deteriorated by 6.7% from September to October 2015, mainly due to increased wheat price (4.2%) and decreased sheep price (by 3.3%). In the last three proceeding years, this deterioration was experienced in:
 - September - October 2013 (by 1.1%), and
 - September - October 2012 (by 1.5%)

While improvement was only seen in:

- September - October 2014 (by 0.8%)

- Compared to the same month one year ago (October 2014), this ToT slightly deteriorated by 5.4%, mainly related to decreased sheep price (by 7%).
- On the two-year comparison (October 2013), this ToT significantly deteriorated by 15.2%.
- Compared to 5-year average of the same months (Octobers 2010-2014), this ToT significantly deteriorated by 15.1%.



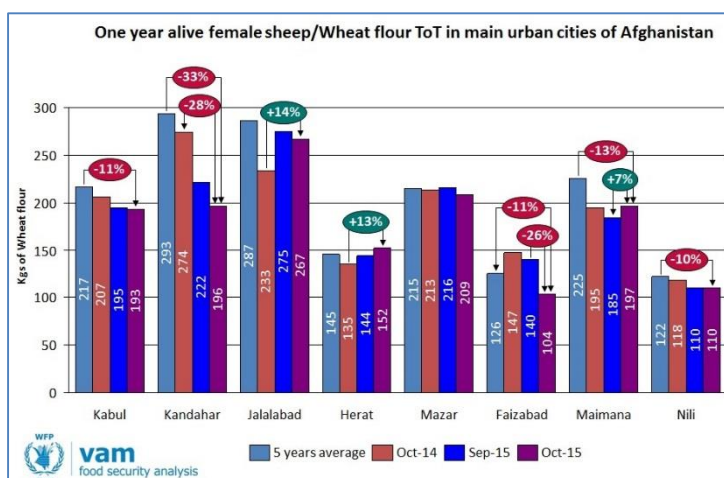
Sheep and High Price Wheat flour (ToT): *The Terms of Trade between a one year old female sheep and High Price Wheat Flour is a proxy for the purchasing capacity of those households mainly relying on income from livestock (pastoralists). It says how many kilograms of Wheat Flour (HP) can be obtained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

- Sheep-Wheat flour (HP) average ToT for the reporting month was 178 Kgs of Wheat flour against one-year alive female sheep, which slightly deteriorated by 3.9% from September to October 2015, mainly due to decreased sheep price (by 3.3%) and increased wheat flour price (by 1.3%). In the last three proceeding years, this deterioration was experienced in:
 - September - October 2013 and 2012 (by 2.9%).

While improvement was only seen in:

- September - October 2014 (by 3.5%)

- Compared to the same month one year ago (October 2014), this ToT slightly deteriorated by 6.3%, mainly due to decreased sheep price (by 5.4%) and increased wheat flour price (by 0.2%).
- On the two-year comparison (October 2013), this ToT significantly deteriorated by 12.0%.
- Compared to 5-year average of the same months (Octobers 2010-2014), this ToT significantly deteriorated by 12.5%.



Retail Price of Wheat Grain in Main Urban Cities:

The monthly average price of Wheat in main cities' markets of Afghanistan was AFN 23.6/Kg in October 2015. Compared to the past month (September 2015), the average price slightly increased by 4.2%. The highest increase occurred in Kabul (by 20%) and Nili (by 6.0%), mainly related to increased purchase of bulk of local wheat for milling purposes. The variation in other main cities was within a normal range (-2.3% to 4.9%). During the last three proceeding years, this increase was also experienced in September - October 2014 (by 0.5%), September - October 2013 (by 0.2%) and September - October 2012 (by 6.0%).

- Compared to the same month one year ago (October 2014), the average price slightly decreased by 0.9%. The variation in the all main cities was within a normal range (-6.2% to 9.7%).
- On the two-year comparison (October 2013), the average price slightly increased by 9.6%.
- Compared to the last 5-year average price of the same months (Octobers 2010 - 2014), the average price significantly increased by 14.5%.

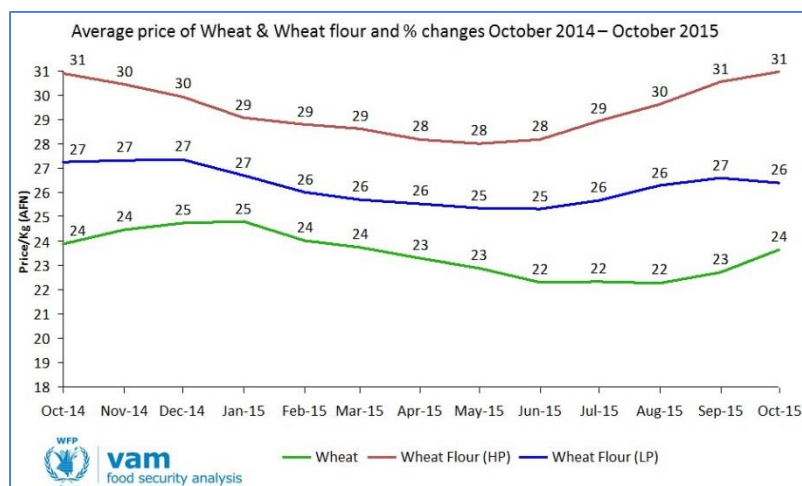
Retail Price of Wheat flour in Main Urban Cities:

Wheat flour (High Price):

- The monthly average price of Wheat flour (High Price) in main cities' markets was AFN 31.0/Kg in the reporting month (October 2015). The average price slightly increased by 1.3% compared to the previous month (September 2015). The highest increase occurred in Faizabad (by 13.2%) and Kandahar (9.0%), mainly due to increased price of imported wheat flour in border town market, while a decrease was seen in Maimana (by 6.2%) and Hirat (by 5.4%). The variation in the remaining main cities was within a normal limit (-0.9% to 0.9%).

In the last three proceeding years, this increase was similarly experienced in September - October 2013 (by 3.0%) and September - October 2012 (by 7.2%), while a decrease was observed in September - October 2014 (by 2.3%).

- Compared to the same month one year ago (October 2014), the current average price negligibly increased by 0.2%, mainly due to decreased supply of imported wheat flour from Pakistan and Kazakhstan. The largest increase occurred only in Faizabad (13.2%). while a decrease was seen in Jalalabad (by 12.5%) and Hirat (by 11.2%). The variation in other main cities was within a normal range (-4.2% to 8.1%).
- Compared to the same month two years ago (October 2013), the average price of wheat flour slightly increased by 6.0%.
- Compared to 5-year average price of the same months (Octobers 2010 - 2014), the average price significantly increased by 10.5%.



Wheat flour (Low Price): The monthly average price of Wheat flour (Low Price) in main cities' markets was AFN 26.4/Kg in the reporting month (October 2015). The average price negligibly decreased by 0.8% compared to previous month (September 2015). The highest decrease occurred only in Maimana (by 19.3%), while an increase was seen in Kandahar (by 9.0%) and Faizabad (by 8.0%). The variation in other main cities was within a normal range (-0.5% to 0.0%). In the last three proceeding years, this decrease was also experienced in September - October 2014 (by 1.0%), while an increase was reported in September - October 2013 (by 2.9%) and September - October 2012 (by 3.2%).

- Compared to the same month one year ago (October 2014), the current average price slightly decreased by 3.1%. The largest decrease occurred in Maimana (16.5%), Jalalabad (15.7%) and Kabul (10.0%), mainly due to maintained supply of imported wheat flour from Pakistan and Kazakhstan, while an increase was seen only in Faizabad (by 13.1%). The variation in other main cities was within a normal range (0.0% to 1.4%).
- Compared to the same month two years ago (October 2013), the average price negligibly increased by 1.9%.
- Compared to 5-year average price of the same months (Octobers 2010 - 2014), the average price slightly increased by 9.2%.

Retail Price of Rice in Main Urban Cities:

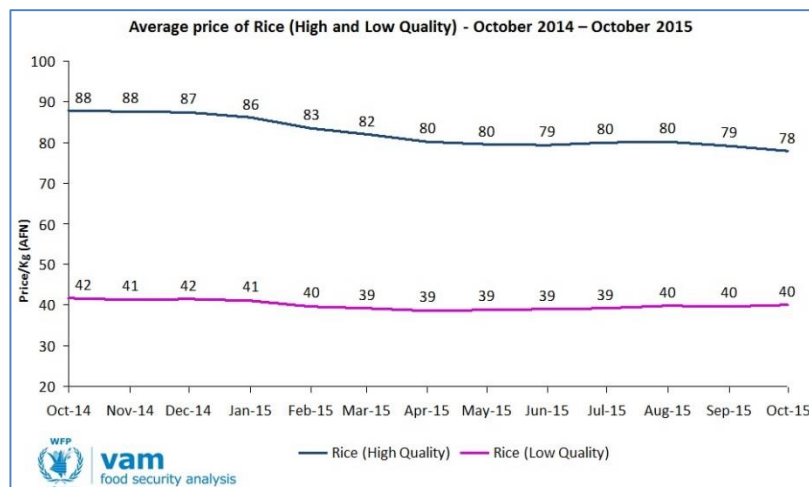
Rice (High Quality): The monthly average price of Rice (High Quality) in main cities' markets was AFN 77.8/Kg in the reporting month (October 2015) which negligibly decreased by 1.7% compared to previous month (September 2015). The largest decrease occurred only in Maimana (13.0%). The variation in other main cities' markets was within a normal limit (-3.0% to 2.8%). In the last three proceeding years, it was experienced increase in September - October 2014 (by 0.9%), September - October 2013 (by 0.1%) and September - October 2012 (by 3.5%).

- Compared to the same month one year ago (October 2014), the average price significantly decreased by 11.3%. The largest decrease occurred in Hirat (21.2%), Kabul (16.3%), Kandahar (15.2%) and Maimana (12.8%), mainly due to maintained supply of rice from Pakistan and decreased price in border town markets after reaching a ceiling level in the past years. The variation in other main cities was within a normal range (-5.2% to -8.0%).
- Compared to the same month two years ago (October 2013), the average price significantly decreased by 11.7%.
- Compared to 5-year average price of the some months (Octobers 2010 – 2014), the average price slightly increased by 6.1%.

Rice (Low Quality): The monthly average price of Rice (Low Quality) in main cities' markets was AFN 40.0/Kg in the reporting month (October 2015), which negligibly increased by 0.8% compared to the previous month (September 2015). The variation in all main cities was within a normal range (-3.2% to 3.1%).

In the last three proceeding years, this increase was only experienced in September - October 2012 (by 4.4%), while the price decreased in September - October 2014 (by 1.4%) and September - October 2013 (by 1.0%).

- Compared to the same month one year ago (October 2014), the average price decreased by 4.1%. The largest decrease occurred in Hirat (15.0%), Nili (11.8%) and Kabul (10.0%), mainly related to maintained supply of high quality rice from Pakistan. The variation in the remaining main cities was within a normal range (-9.2% to 0.5%).
- Compared to the same month two years ago (October 2013), the average price significantly decreased by 12.5%.
- Compared to 5-year average price of same months (Octobers 2010 – 2014), the average price slightly increased by 2.6%.



Retail Price of Cooking Oil in Main Urban Cities:

The monthly average price of Cooking Oil in main cities' markets was AFN 76.6/Kg in the reporting month (October 2015), which negligibly increased by 0.8% compared to previous month (September 2015). The variation in all main cities was within a normal range (-0.3% to 3.3%). This increase was also experienced in September - October 2013 (by 0.6%) and September - October 2012 (0.4%), while a decrease was reported in September - October 2014 (by 0.7%).

- Compared to the same month one year ago (October 2014), the average price slightly decreased by 3.3%, mainly due to maintained supply of oil from Pakistan but there was a largest increase only occurred in Kandahar (by 22.0%). The variation in other main cities was within a normal limit (-3.6 to -8.5%).
- Compared to the same month two years ago (October 2013), the average price slightly decreased by 7.5%.
- Compared to 5-year average of the same months (Octobers 2010 – 2014), the average price slightly decreased by 4.7%.

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

Salt: The monthly average price of Salt for the month of October 2015 in main cities' markets was AFN 13.3/Kg, which negligibly increased by 0.6% compared to previous month (September 2015). Compared to the same month last year (October 2014), the average price slightly decreased by 5.4%.

Sugar: The monthly average price of Sugar in October 2015 in main cities' markets was AFN 41.6/Kg, which negligibly increased by 1.9% compared to previous month (September 2015). The variation in all main cities was within a normal limit (0.0% to 4.6%). Compared to the same month last year (October 2014), the average price slightly decreased by 6.8%.

Number of days averagely worked by a labourer: The monthly average number of days worked by a laborer during October 2015 was reported at 13 days. The highest number of working days was in Nili (23 days) and Kabul (20 days), followed by Herat (16 days), Jalalabad (12 days), Maimana (11 days), Kandahar (10 days), Mazar (8 days) and Faizabad (4 days). Overall, compared to the past month it decreased by 1 days per month, due to a decrease by 2 days per month in Faizabad and Kandahar and by 1 day in Maimana, while an increase by 1 day in Nili. The average number of working days remained unchanged in other main cities.

- Compared to the same month last year (October 2014), the average number of working days slightly increased by 0.3 day per month.

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						
KABUL	Wheat	24.0	13.1	9.1	-3.0	20.0	▲	▶	▶	▶	Livestock-One year live Sheep (Female)												
	Wheat flour (HP)	28.5	8.4	4.1	7.0	0.9	▶	▶	▶	▶		KABUL	Sheep	5,500	-3.0	-1.8	0.0	0.0	▶	▶	▶	▶	
	Rice High Quality	82.0	8.3	-12.8	-16.3	-3.0		▼	▼			KANDAHAR	Sheep	5,575	-18.2	-20.6	-22.5	-3.5	▼	▼	▼	▶	
	Rice Low Quality	55.0	40.6	11.7	10.0	1.9	▲	▶	▶	▶		JALALABAD	Sheep	7,000	-2.8	-9.7	0.0	0.0	-3.4	▶	▶	▶	▶
	Cooking Oil	76.0	-5.5	-10.9	-6.3	0.0	▶	▼	▶	▶		HIRAT	Sheep	4,600	6.2	0.0	0.0	0.0	▶	▶	▶	▶	
KANDAHAR	Wheat	26.5	17.6	11.6	-2.2	4.9	▲	▲	▶	▶	MAZAR	Sheep	6,000	4.1	-3.6	-6.3	-4.0	▶	▶	▶	▶		
	Wheat flour (HP)	28.4	20.6	10.8	8.1	9.0	▶	▲	▶	▶	FAIZABAD	Sheep	4,000	-1.5	-20.8	-20.0	-15.8	▶	▼	▼	▼		
	Rice High Quality	66.9	1.3	-14.8	-15.2	2.8		▼	▼	▼	MAIMANA	Sheep	6,000	4.6	-0.8	0.0	0.0	▶	▶	▶	▶		
	Rice Low Quality	26.1	-13.8	-4.3	-9.2	3.1	▼	▶	▶	▶	NILI	Sheep	4,000	-3.6	8.1	-4.8	0.0	▶	▶	▶	▶		
	Cooking Oil	75.8	13.9	13.2	22.0	2.3	▶	▲	▲	▶	Terms of Trade Kgs of Wheat/Wheat flour												
JALALABAD	Wheat	22.0	15.6	9.3	0.0	0.0	▲	▶	▶	▶	KABUL	Casual Labor/Wheat	12.5	-9.7	-8.1	3.4	-16.4	▶	▶	▶	▼		
	Wheat flour (HP)	26.3	3.8	2.9	-12.5	-0.5	▶	▶	▶	▶	KANDAHAR	Casual Labor/Wheat	11.3	-22.1	-23.2	-12.3	-4.7	▼	▼	▼	▼		
	Rice High Quality	76.0	15.0	-5.6	-6.9	0.0	▲	▶	▶	▶	JALALABAD	Casual Labor/Wheat	11.8	-14.3	-8.5	0.0	0.0	▼	▶	▶	▶		
	Rice Low Quality	29.5	-25.4	-47.6	-6.3	0.0		▼	▼	▶	HIRAT	Casual Labor/Wheat	15.5	-14.2	-9.4	6.6	-4.3	▼	▶	▶	▶		
	Cooking Oil	73.1	-7.1	-8.6	-5.6	0.2	▶	▶	▶	▶	MAZAR	Casual Labor/Wheat	12.2	-24.7	-8.8	0.9	-10.5	▼	▶	▶	▶		
HIRAT	Wheat	19.4	14.0	10.5	-6.2	4.6	▲	▲	▶	▶	FAIZABAD	Casual Labor/Wheat	10.4	-41.4	-40.5	-24.0	-14.0	▼	▼	▼	▶		
	Wheat flour (HP)	30.3	1.4	-2.2	-11.2	-5.4	▶	▶	▶	▶	MAIMANA	Casual Labor/Wheat	9.5	-42.1	-33.3	4.8	0.0	▼	▼	▶	▶		
	Rice High Quality	61.0	-7.0	-18.6	-21.2	-2.4		▶	▶	▶	NILI	Casual Labor/Wheat	11.4	1.8	-11.6	17.8	1.7	▶	▼	▲	▶		
	Rice Low Quality	24.4	-11.5	-5.8	-15.0	-3.2	▶	▶	▶	▶	KABUL	Sheep /Wheat	229.2	-15.2	-10.0	3.1	-16.7	▼	▼	▶	▼		
	Cooking Oil	65.8	-9.9	-9.4	-8.2	0.0	▶	▶	▶	▶	KANDAHAR	Sheep /Wheat	210.2	-30.7	-28.9	-20.8	-8.0	▼	▼	▶	▶		
MAZAR	Wheat	21.5	19.4	11.7	0.0	-2.3	▲	▲	▶	▶	JALALABAD	Sheep /Wheat	318.2	-16.0	-17.4	0.0	-3.4	▼	▼	▶	▶		
	Wheat flour (HP)	28.8	7.6	2.7	-4.2	-0.9	▶	▶	▶	▶	HIRAT	Sheep /Wheat	237.3	-7.6	-9.4	6.6	-4.3	▶	▶	▶	▶		
	Rice High Quality	80.0	6.0	-12.1	-8.0	0.0	▶	▶	▶	▶	MAZAR	Sheep /Wheat	279.1	-15.6	-13.7	-6.3	-1.8	▼	▼	▶	▶		
	Rice Low Quality	37.9	1.5	-11.9	-5.3	1.0		▶	▶	▶	FAIZABAD	Sheep /Wheat	166.7	-18.4	-34.0	-27.1	-16.7	▼	▼	▶	▶		
	Cooking Oil	72.0	-10.0	-10.0	-7.7	0.3	▶	▼	▶	▶	MAIMANA	Sheep /Wheat	285.7	-0.6	-0.8	4.8	0.0	▶	▶	▶	▶		
FAIZABAD	Wheat	24.0	21.1	20.0	9.7	1.1	▲	▲	▶	▶	NILI	Sheep /Wheat	130.1	-15.9	1.6	-4.0	-5.7	▼	▶	▶	▼		
	Wheat flour (HP)	38.5	20.1	17.0	13.2	13.2	▲	▲	▲	▶	KABUL	Casual Labor/Wheat flour	10.5	-5.6	-3.9	-6.6	-0.9	▶	▶	▶	▶		
	Rice High Quality	86.5	12.7	-10.1	-5.2	1.8	▲	▼	▶	▶	KANDAHAR	Casual Labor/Wheat flour	10.6	-23.9	-22.7	-20.7	-8.3	▼	▼	▶	▼		
	Rice Low Quality	47.3	-2.8	-3.6	0.5	2.7	▶	▶	▶	▶	JALALABAD	Casual Labor/Wheat flour	9.9	-4.6	-2.9	14.3	0.5	▶	▶	▶	▶		
	Cooking Oil	95.0	-2.1	-12.5	-3.6	3.3	▶	▶	▶	▶	HIRAT	Casual Labor/Wheat flour	9.9	-2.2	2.2	12.6	5.7	▶	▶	▶	▶		
MAIMANA	Wheat	21.0	3.5	0.0	-4.5	0.0	▶	▶	▶	▶	MAZAR	Casual Labor/Wheat flour	9.1	-14.7	-0.7	5.4	-11.7	▼	▶	▶	▼		
	Wheat flour (HP)	30.5	16.9	3.4	-0.8	-6.2	▶	▶	▶	▶	FAIZABAD	Casual Labor/Wheat flour	6.5	-40.6	-39.0	-26.4	-23.2	▼	▼	▶	▶		
	Rice High Quality	76.8	4.1	-15.7	-12.8	-13.0		▶	▶	▶	MAIMANA	Casual Labor/Wheat flour	6.6	-49.8	-35.5	0.8	6.6	▼	▼	▶	▶		
	Rice Low Quality	40.0	1.4	-16.7	0.0	0.0		▶	▼	▶	NILI	Casual Labor/Wheat flour	9.6	7.8	-13.1	13.5	7.0	▶	▼	▶	▶		
	Cooking Oil	80.0	-4.0	-1.2	-3.6	-0.3	▶	▶	▶	▶	KABUL	Sheep /Wheat flour	193.0	-11.0	-5.7	-6.6	-0.9	▼	▶	▶	▶		
NILI	Wheat	30.8	12.8	6.4	-0.8	6.0	▲	▶	▶	▶	KANDAHAR	Sheep /Wheat flour	196.5	-33.0	-28.4	-28.3	-11.5	▼	▼	▶	▼		
	Wheat flour (HP)	36.5	6.4	8.1	2.8	0.7	▶	▶	▶	▶	JALALABAD	Sheep /Wheat flour	266.7	-6.9	-12.3	14.3	-3.0	▶	▶	▶	▶		
	Rice High Quality	93.5	6.8	-5.6	-6.5	1.6		▶	▶	▶	HIRAT	Sheep /Wheat flour	151.9	4.5	2.2	12.6	5.7	▶	▶	▶	▶		
	Rice Low Quality	60.0	19.5	-10.4	-11.8	0.0	▲	▶	▶	▶	MAZAR	Sheep /Wheat flour	208.7	-2.8	-6.1	-2.2	-3.2	▶	▶	▶	▶		
	Cooking Oil	75.0	-10.8	-14.8	-8.5	0.0	▶	▼	▼	▶	FAIZABAD	Sheep /Wheat flour	103.9	-17.4	-32.3	-29.4	-25.6	▼	▼	▶	▼		
											MAIMANA	Sheep /Wheat flour	196.7	-12.7	-4.1	0.8	6.6	▼	▶	▶	▶		
											NILI	Sheep /Wheat flour	109.6	-10.3	0.0	-7.4	-0.7	▼	▶	▶	▶		
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 October 2014 and 2Y= Compared to October 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