

## Initial Market Price Bulletin for the month of **February 2016** (Reported in March 2016)

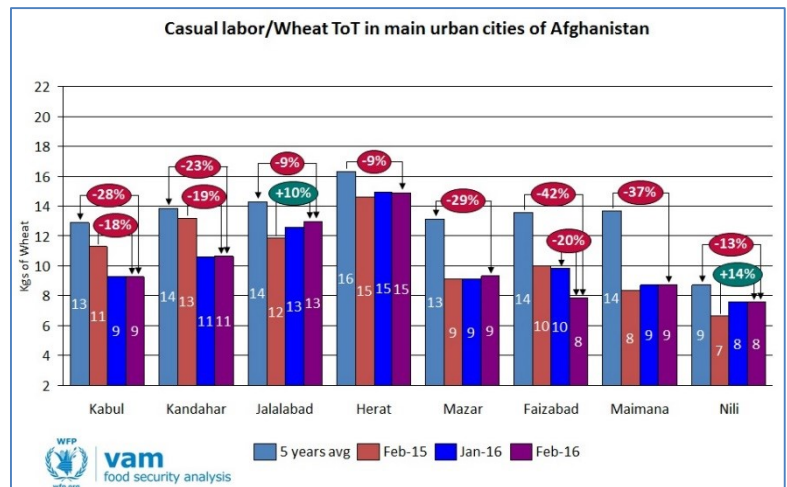
### HIGHLIGHTS:

- **Wheat:** Average wheat grain retail price in the main cities' markets of the country was relatively stable, with slight or negligible fluctuations within a normal limit during 2013 - 2015. In 2016, the price negligibly increased in January, but negligibly decreased in February.
- The current average wheat price in main cities' markets of Afghanistan (AFN 25/Kg) is slightly higher by 4.0% compared to the same time last year (February 2015), but significantly higher by 16.4% compared to the last 5-year average price of the same months (Februarys 2011 - 2015).
- **Wheat flour (High Price)** retail price in main cities' markets of Afghanistan was relatively stable with slight or negligible fluctuations within a normal limit during 2013-2015. In 2016, the price negligibly decreased in January and February. The current retail price (AFN 29.1/kg) is negligibly higher by 1.2% compared to the same month last year (February 2015), and slightly higher by 5.0% 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 40.9/kg) is slightly higher by 3.2% compared to the same month last year (February 2015), and also slightly higher by 3.7% compared to the last 5-year average price of the same months. The current average price of High Quality Rice (AFN 76.9/kg) is slightly lower by 7.9% compared to the same month last year (February 2015), but slightly higher by 5.7% compared to the last 5-year average price of the same months.

### Terms of Trade (ToT)

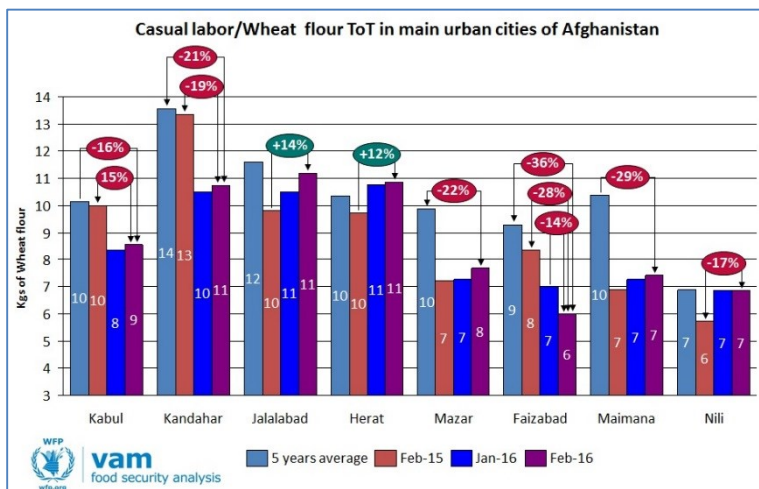
**Casual Labor and Wheat (ToT):** *The Terms of Trade (ToT) between casual Labor and wheat is a proxy indicator or the purchasing capacity of households mainly relying on casual labor as main income, and purchase of wheat in the market. This ToT reveals how many Kilograms of wheat can be purchased with 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 10.2 Kgs of Wheat. On average, this ToT deteriorated (by 1.5%) from January to February 2016, mainly due to decreased labor wage (by 2.5%). In the last three proceeding years, this deterioration was also experienced from January to February 2014 (by 6.6%) and January to February 2013 (by 0.1%). While an improvement was seen from January to February 2015 (by 3.8%).
- In comparison to the same month one year ago (February 2015), this ToT slightly deteriorated by 4.4%, mainly due to decreased labor wage (by 1.9%).
- On the two-year comparison (February 2014), this ToT slightly deteriorated by 8.2%.
- Compared to the 5-year average of the same months (Februarys 2011-2015), this ToT significantly deteriorated by 23.7%.



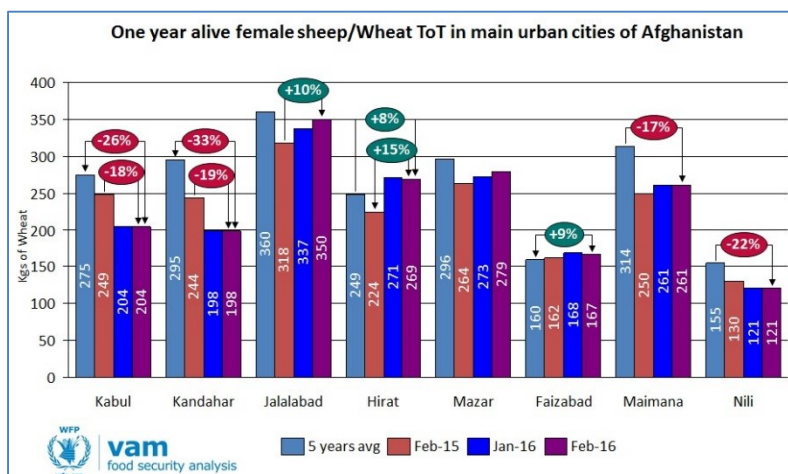
**Casual Labor and High Price Wheat flour (ToT):** *The Terms of Trade (ToT) between casual Labor and High Price Wheat Flour is a proxy indicator or the purchasing capacity of households mainly relying on casual labor as main income, and purchase of Wheat Flour in the market. This ToT reveals how many 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 8.7 Kgs of Wheat flour which negligibly improved by 1.1% from January to February 2016, mainly related to decreased wheat flour price (by 3.0%). In the last three proceeding years, this improvement was only experienced from January to February 2015 (by 1.2%). While deterioration were seen from January to February 2014 (by 2.0%) and January to February 2013 (by 0.2%).
- Compared to the same month one year ago (February 2015), this ToT slightly deteriorated by 3.6%, mainly related to increased wheat flour price (by 1.2%).
- On the two-year comparison (February 2014), this ToT slightly deteriorated by 5.0%.
- Compared to the 5-year average of the same months (Februarys 2011 - 2015), this ToT significantly deteriorated by 15.6%.



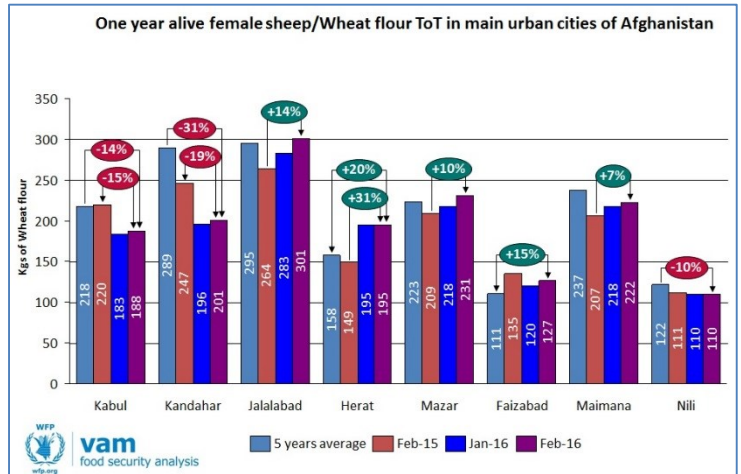
**Sheep and Wheat (ToT):** *The Terms of Trade between a one year old female sheep and Wheat is a proxy for the purchasing capacity of those households mainly relying on income from livestock (pastoralists). It says how many kilograms of Wheat can be obtained when selling a one year old female sheep.*

- Sheep/Wheat average ToT for the reporting month was 231 Kgs of wheat against one- year alive female sheep, which negligibly improved by 0.9% from January to February 2016 , mainly due to decreased wheat price (by 0.5%). In the last three proceeding years, this improvement was also experienced from January to February 2015 (by 2.6 %), and January to February 2013 (by 2.0%). While deterioration was seen from January to February 2014 (by 1.4%).
- Compared to the same month one year ago (February 2015), this ToT negligibly improved by 0.4%, mainly related to increased sheep price (by 1.6%).
- On the two-year comparison (February 2014) this ToT negligibly deteriorated by 1.4%.
- Compared to 5-year average of the same months (Februarys 2011 - 2015), this ToT significantly deteriorated by 12.1%.



**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 196.8 Kgs of Wheat flour against one-year alive female sheep, which negligibly improved by 3.4% from January to February 2016, mainly due to decreased wheat flour price (by 3.0%). In the last three proceeding years, this improvement was also experienced from January to February 2015 (by 0.3%), January to February 2014 (by 2.8%) and January to February 2013 (by 1.6%),



- Compared to the same month one year ago (February 2015), this ToT slightly deteriorated by 1.3%, mainly due to increased wheat flour price (by 1.2%).
- On the two-year comparison (February 2014), this ToT slightly improved by 2.1%.
- Compared to 5-year average of the same months (Februarys 2011 - 2015), this ToT slightly deteriorated by 4.7%.

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

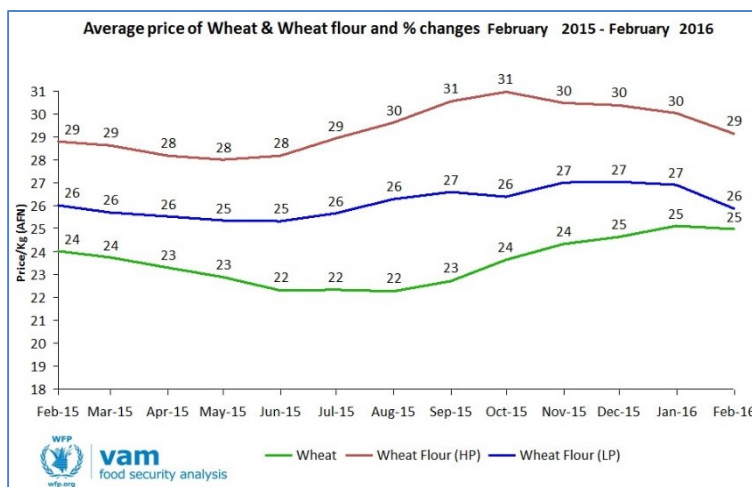
- The monthly average price of Wheat in main cities' markets of Afghanistan was AFN 25/Kg in February 2016. Compared to the past month (January 2016), the average price negligibly decreased by 0.5%. The variation in all main cities was within a normal range (-3.6% to 0.9%). During the last three proceeding years, this decrease was only experienced from January to February 2015 (by 3.1%). While the price increased from January to February 2014 (by 2.6%) and remained unchanged from January to February 2013.
- Compared to the same month one year ago (February 2015), the average wheat price slightly increased by 4.0%. The highest increase occurred in Kabul (by 22.0%) and Nili (by 10%). The variation in all other main cities was within a normal range (-9.1% to 8.0).
- On the two-year comparison (February 2014), the average price slightly increased by 4.9%.
- Compared to the last 5-year average price of the same months (Februarys 2011 - 2015), the average price significantly increased by 16.4%.

### 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 (February 2016). The average price negligibly decreased by 3.0% compared to the previous month (January 2016). The largest decrease occurred in Jalalabad (6.1%), Mazar (5.5%) and Faizabad (5.3%), while the variation in the remaining main cities was within a normal limit (-2.5% to 0.0%). In the last three proceeding years, this decrease was also experienced from January to February 2015 (by 1.0%) and January to February 2014 (by 2.0%). While the price increased from January to February 2013 (by 0.4%),

- Compared to the same month one year ago (February 2015), the current average price negligibly increased by 1.2%, mainly due to depreciation of Afghan currency against US dollar. The highest increase occurred in Faizabad (by 18.3%) and Kabul (by 17.0%), while the largest decrease occurred in Jalalabad (12.3%) and Hirat (10.5%). The variation in the remaining main cities was within a normal range (-6.9% to 6.4%).
- Compared to the same month two years ago (February 2014), the average price of wheat flour slightly increased by 1.3%.
- Compared to 5-year average price of the same months (Februarys 2011 - 2015), the average price slightly increased by 5.0%.



### Wheat flour (Low Price):

- The monthly average price of Wheat flour (Low Price) in main cities' markets was AFN 25.9/Kg in the reporting month (February 2016). The average price slightly decreased by 3.9% compared to previous month (January 2016). The largest decrease occurred in Hirat (12.5%), Mazar (5.2%) and Jalalabad (5.0%) due to increased supply from points of source (Pakistan, Uzbekistan and Kazakhstan). The variation in other main cities was within a normal range (-2.9% to 0.0%). In the last three proceeding years, this decrease was also experienced from January to February 2015 (by 2.6%), January to February 2014 (by 3.1%), and January to February 2013 (by 0.1%),
- Compared to the same month one year ago (February 2015), the current average price negligibly decreased by 0.6%. The largest decrease occurred in Maimana (11.1%) and Hirat (10.9%), mainly due to maintained supply of imported wheat flour from Pakistan and Kazakhstan. While the highest increase occurred in Kabul (14.8%) and Kandahar (10.5%). The variation in other main cities was within a normal range (-9.6% to 3.7 %).
- Compared to the same month two years ago (February 2014), the average price negligibly decreased by 0.4%.
- Compared to 5-year average price of the same months (Februarys 2011 - 2015), the average price slightly increased by 7.0%.

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

#### Rice (High Quality):

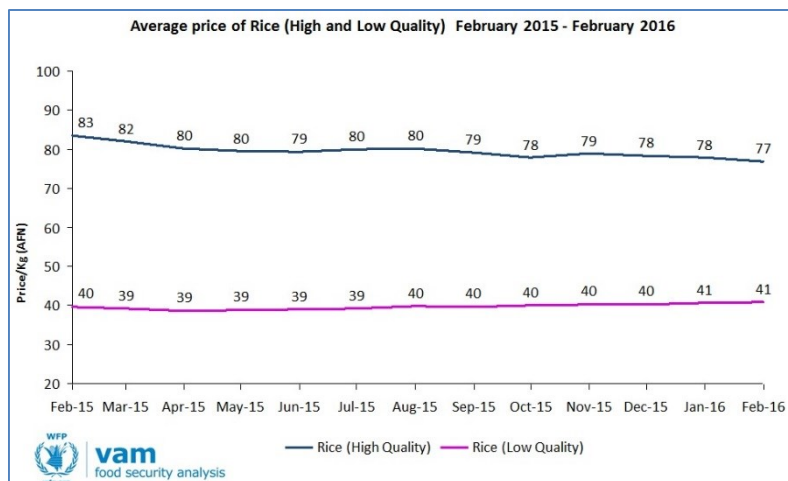
- The monthly average price of Rice (High Quality) in main cities' markets was AFN 76.9/Kg in the reporting month (February 2016) which negligibly decreased by 1.3% compared to previous month (January 2016). The largest decrease only occurred in Kandahar (8.7%), mainly due to maintained supply of rice from Pakistan and India. The variation in other main cities was within a normal limit (-2.5% to 0.0%). In the last three preceding years, this decrease was experienced from January to February 2015 (by 3.0%), January to February 2014 (by 1.4%) and January to February 2013 (by 0.2%)
- Compared to the same month one year ago (February 2015), the average price slightly decreased by 7.9%. The largest decrease occurred in Maimana (21.1%) and Kabul (18.4%), mainly due to maintained supply of rice from Pakistan and normalized price in border town markets after it had reached a ceiling level in the past years. The variation in other main cities was within a normal range (-8% - 2.2%).
- Compared to the same month two years ago (February 2014), the average price significantly decreased by 10.3%.
- Compared to 5-year average price of the some months (Februarys 2011 - 2015), the average price slightly increased by 5.7%.

#### Rice (Low Quality):

- The monthly average price of Rice (Low Quality) in main cities' markets was AFN 40.9/Kg in the reporting month (February 2016), which negligibly increased by 0.7% compared to the previous month (January 2016). The highest increase only occurred in Kandahar (13.1%) due to increased demand and decreased supply, while the largest decrease occurred in Mazar (5.3%). The variation in all main cities was within a normal range (0.0% to 1.1%).

In the last three proceeding years, this increase was only experienced from January to February 2013 (by 3.6%). While the price decreased from January to February 2015 (by 3.4%) and January to February 2014 (by 2.6 %.)

- Compared to the same month one year ago (February 2015), the average price increased by 3.2%. The largest increase occurred in Kandahar (21.8%), Kabul (16%) and Hirat (10.7%), mainly due to decreased supply of rice. The variation in other main cities was within a normal range (-7.5% to 1.7%).
- Compared to the same month two years ago (February 2014), the average price slightly decreased by 6.4%.
- Compared to 5-year average price of same months (Februarys 2011 - 2015), the average price slightly increased by 3.7%.



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

- The monthly average price of Cooking Oil in main cities' markets was AFN 76.8/Kg in the reporting month (February 2016), which negligibly decreased by 1.0% compared to previous month (January 2016). The largest decrease only occurred in Kandahar (5.8%), mainly due to increased supply from Pakistan. The variation in other main cities was within a normal range (-1.9% to 0.7%). This decrease was also experienced in the last three preceding years, from January to February 2015 (by 0.1%), January to February 2014 and January to February 2013 (by 1.2%),
- Compared to the same month one year ago (February 2015), the average price negligibly decreased by 0.2%. The variation in main cities was within a normal limit (-5.7 to -1.4%), except a drastic increase in Kandahar (by 14.8%) due to reduced supply from Pakistan.
- Compared to the same month two years ago (February 2014), the average price slightly decreased by 4.7%.
- Compared to 5-year average of the same months (Februarys 2011 - 2015), 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 in February 2016 in main cities' markets was AFN 13.9/Kg, which remained as the same as in the previous month (January 2016). Compared to the same month last year (February 2015), the average price slightly increased by 5.9%, and compared to the same month two year ago (February 2014) the average price slightly decreased by 2.0%.

**Sugar:** The monthly average price of Sugar in February 2016 in main cities' markets was AFN 44.9/Kg, which negligibly increased by 0.1% compared to previous month (January 2016). The variation in all main cities was within a normal limit (-3.8% to 3.6%). Compared to the same month last year (February 2015), the average price slightly increased by 5.4% and compared to the same month two year ago (February 2014), the average price negligibly decreased by 1.0%.

**Number of days averagely worked by a labourer:** The monthly average number of days worked by a laborer during February 2016 was reported at 8 days. The highest number of working days was in Hirat (16 days), followed by Jalalabad (14 days), Kandahar, Mazar and Maimana (8 days), and while the lowest number of working days was in Nili (0 day) Faizabad (2 days) and Kabul (4 days) due to cold weather in winter. The average number of working days remained unchanged in all main cities.

- Compared to the same month last year (February 2015), the average number of working days decreased by 2.4 days per month.
- Compared to the same month two years ago (February 2014), the average number of working days decreased by 2.0 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	5Y Ave	2Y	1Y	1M	
KABUL	Wheat	27.0	28.5	8.0	22.0	0.0	▲	▲	▲	▲	Livestock-One year live Sheep (Female)	KABUL	Sheep	5,500	-3.2	0.0	0.0	0.0	▲	▲	▲	▲
	Wheat flour (HP)	29.3	11.1	8.3	17.0	-2.5	▲	▲	▲	▲		KANDAHAR	Sheep	5,600	-17.3	-15.6	-13.5	0.0	▼	▼	▼	▲
	Rice High Quality	80.0	4.0	-16.7	-18.4	0.0	▲	▼	▼	▲		JALALABAD	Sheep	7,000	-1.4	7.7	0.0	0.0	▲	▲	▲	▲
	Rice Low Quality	58.0	47.2	16.0	16.0	0.0	▲	▲	▲	▲		HIRAT	Sheep	5,400	22.1	17.4	17.4	-0.6	▲	▲	▲	▲
KANDAHAR	Wheat	28.3	20.5	0.7	6.5	-0.3	▲	▲	▲	▲	MAZAR	Sheep	6,000	8.4	-4.8	3.4	0.0	▲	▲	▲	▲	
	Wheat flour (HP)	27.9	17.8	2.4	6.4	-2.4	▲	▲	▲	▲	FAIZABAD	Sheep	4,500	29.1	16.1	11.1	0.0	▲	▲	▲	▲	
	Rice High Quality	62.4	-0.9	-18.9	-7.4	-8.7	▲	▼	▲	▼	MAIMANA	Sheep	6,000	-3.8	0.0	0.0	0.0	▲	▲	▲	▲	
	Rice Low Quality	33.1	15.7	35.8	21.8	13.1	▲	▲	▲	▲	NILI	Sheep	4,000	-8.7	21.2	2.6	0.0	▲	▲	▲	▲	
JALALABAD	Wheat	20.0	1.7	-2.4	-9.1	-3.6	▲	▲	▲	▲	Terms of Trade Kgs of wheat/wheat flour											
	Wheat flour (HP)	23.3	-3.6	-8.8	-12.3	-6.1	▲	▲	▲	▲	KABUL	Casual Labor/wheat	9.3	-28.1	2.9	-18.1	0.0	▼	▼	▼	▲	
	Rice High Quality	76.0	13.4	-1.6	1.3	0.0	▲	▲	▲	▲	KANDAHAR	Casual Labor/wheat	10.6	-23.2	-14.8	-19.5	0.3	▼	▼	▼	▲	
	Rice Low Quality	29.5	-20.0	-39.0	1.7	0.0	▲	▼	▲	▲	JALALABAD	Casual Labor/wheat	13.0	-9.2	2.5	10.0	3.7	▲	▲	▲	▲	
HIRAT	Wheat	20.1	11.9	-4.2	-1.8	0.2	▲	▲	▲	▲	HIRAT	Casual Labor/wheat	14.9	-8.6	4.5	2.0	-0.2	▲	▲	▲	▲	
	Wheat flour (HP)	27.6	-2.3	0.0	-10.5	-0.9	▲	▲	▲	▲	MAZAR	Casual Labor/wheat	9.3	-29.1	-6.9	2.4	2.4	▼	▼	▼	▲	
	Rice High Quality	59.6	-4.2	-16.6	-4.3	0.0	▲	▼	▲	▲	FAIZABAD	Casual Labor/wheat	7.9	-42.2	-30.9	-21.3	-19.9	▼	▼	▼	▼	
	Rice Low Quality	26.8	2.2	5.5	10.7	0.0	▲	▲	▲	▲	MAIMANA	Casual Labor/wheat	8.7	-36.5	-22.7	4.3	0.0	▼	▼	▼	▲	
MAZAR	Wheat	21.5	14.7	4.9	-2.3	-2.3	▲	▲	▲	▲	NILI	Casual Labor/wheat	7.6	-13.1	1.5	13.6	0.0	▼	▼	▼	▲	
	Wheat flour (HP)	26.0	4.2	1.0	-6.3	-5.5	▲	▲	▲	▲	KABUL	Sheep /wheat	203.7	-25.8	-7.4	-18.1	0.0	▼	▼	▼	▲	
	Rice High Quality	78.0	6.8	-6.9	-8.0	-2.5	▲	▲	▲	▲	KANDAHAR	Sheep /wheat	198.4	-32.8	-16.2	-18.7	0.3	▼	▼	▼	▲	
	Rice Low Quality	36.0	1.8	-13.8	-2.7	-5.3	▲	▼	▲	▼	JALALABAD	Sheep /wheat	350.0	-2.8	10.4	10.0	3.8	▲	▲	▲	▲	
FAIZABAD	Wheat	27.0	23.9	23.1	8.0	0.9	▲	▲	▲	▲	HIRAT	Sheep /wheat	268.6	7.9	22.6	19.7	-0.8	▲	▲	▲	▲	
	Wheat flour (HP)	35.5	12.6	8.1	18.3	-5.3	▲	▲	▲	▲	MAZAR	Sheep /wheat	279.1	-5.8	-9.2	5.9	2.3	▲	▲	▲	▲	
	Rice High Quality	90.0	18.2	-2.2	-3.2	0.0	▲	▲	▲	▲	FAIZABAD	Sheep /wheat	166.7	4.2	-5.6	2.9	-0.9	▲	▲	▲	▲	
	Rice Low Quality	47.0	-5.1	-6.0	-6.0	1.1	▲	▲	▲	▲	MAIMANA	Sheep /wheat	260.9	-16.8	-13.0	4.3	0.0	▼	▼	▼	▲	
MAIMANA	Wheat	23.0	14.3	15.0	-4.2	0.0	▲	▲	▲	▲	NILI	Sheep /wheat	121.2	-21.6	23.0	-6.8	0.0	▼	▼	▼	▲	
	Wheat flour (HP)	27.0	1.5	0.0	-6.9	-1.8	▲	▲	▲	▲	KABUL	Casual Labor/wheat flour	8.5	-15.9	2.6	-16.7	2.6	▼	▼	▼	▲	
	Rice High Quality	75.0	-0.7	-16.2	-21.1	0.0	▲	▼	▲	▲	KANDAHAR	Casual Labor/wheat flour	10.7	-20.7	-16.3	-21.3	2.4	▼	▼	▼	▲	
	Rice Low Quality	37.0	-12.7	-12.4	-7.5	0.0	▲	▼	▲	▲	JALALABAD	Casual Labor/wheat flour	11.2	-3.6	9.7	7.1	6.5	▲	▲	▲	▲	
NILI	Wheat	33.0	13.8	-1.5	10.0	0.0	▲	▲	▲	▲	HIRAT	Casual Labor/wheat flour	10.9	5.0	0.0	10.8	0.9	▲	▲	▲	▲	
	Wheat flour (HP)	36.5	0.3	-1.4	4.3	0.0	▲	▲	▲	▲	MAZAR	Casual Labor/wheat flour	7.7	-22.1	-3.4	0.9	5.8	▼	▼	▼	▲	
	Rice High Quality	94.0	6.9	-4.6	2.2	0.0	▲	▲	▲	▲	FAIZABAD	Casual Labor/wheat flour	6.0	-35.6	-21.4	-16.0	-14.5	▼	▼	▼	▼	
	Rice Low Quality	60.0	4.4	-11.1	0.0	0.0	▲	▲	▲	▲	MAIMANA	Casual Labor/wheat flour	7.4	-28.6	-11.1	5.5	1.9	▼	▼	▼	▲	
KANDAHAR	Wheat	27.0	23.9	23.1	8.0	0.9	▲	▲	▲	▲	NILI	Casual Labor/wheat flour	6.8	-0.5	1.4	19.9	0.0	▲	▲	▲	▲	
	Wheat flour (HP)	36.5	0.3	-1.4	4.3	0.0	▲	▲	▲	▲	KABUL	Sheep /wheat flour	188.0	-13.7	-7.7	-16.7	2.6	▼	▼	▼	▲	
	Rice High Quality	94.0	6.9	-4.6	2.2	0.0	▲	▲	▲	▲	KANDAHAR	Sheep /wheat flour	200.5	-30.7	-17.6	-20.6	2.4	▼	▼	▼	▲	
	Rice Low Quality	60.0	4.4	-11.1	0.0	0.0	▲	▲	▲	▲	JALALABAD	Sheep /wheat flour	301.1	2.0	18.1	7.1	6.5	▲	▲	▲	▲	
FAIZABAD	Wheat	27.0	23.9	23.1	8.0	0.9	▲	▲	▲	▲	HIRAT	Sheep /wheat flour	195.5	24.0	17.4	30.8	0.3	▲	▲	▲	▲	
	Wheat flour (HP)	36.5	0.3	-1.4	4.3	0.0	▲	▲	▲	▲	MAZAR	Sheep /wheat flour	230.8	3.4	-5.7	4.4	5.8	▲	▲	▲	▲	
	Rice High Quality	94.0	6.9	-4.6	2.2	0.0	▲	▲	▲	▲	FAIZABAD	Sheep /wheat flour	126.8	14.5	7.4	-11.1	5.6	▲	▲	▲	▼	
	Rice Low Quality	60.0	4.4	-11.1	0.0	0.0	▲	▲	▲	▲	MAIMANA	Sheep /wheat flour	222.2	-6.4	0.0	5.5	1.9	▲	▲	▲	▲	
MAIMANA	Wheat	27.0	23.9	23.1	8.0	0.9	▲	▲	▲	▲	NILI	Sheep /wheat flour	109.6	-9.8	22.9	-1.7	0.0	▲	▲	▲	▲	
	Wheat flour (HP)	36.5	0.3	-1.4	4.3	0.0	▲	▲	▲	▲												

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 February 2015 and 2Y= Compared to February 2014

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