

## Initial Market Price Bulletin for the month of **June 2016** (Reported in July 2016)

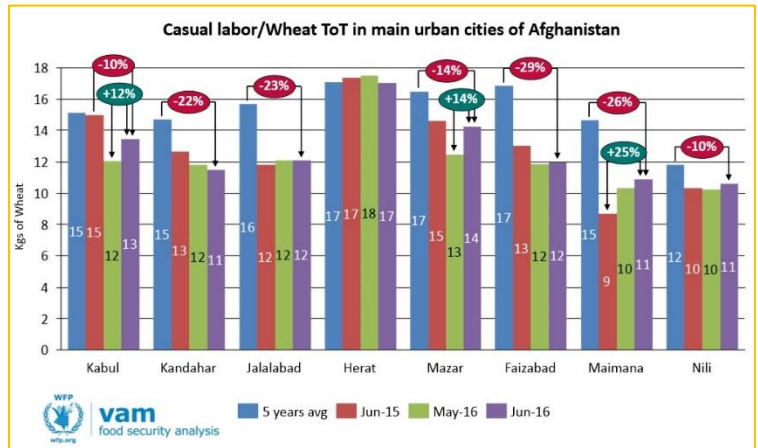
### HIGHLIGHTS:

- **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 was negligibly decreasing in February – May, with a slight increase in the month of June 2016.
- The current average wheat price in main cities' markets of Afghanistan (AFN 24.2/Kg) is slightly higher by 8.3% compared to the same time last year (June 2015), but significantly higher by 14.8% compared to the last 5-year average price of the same months (Junes 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 was negligibly decreasing in January -March, negligibly increased in April, while negligibly decreased in May, and then negligibly increased in the month of June 2016. The current retail price (AFN 29.3/kg) is slightly higher by 3.8% compared to the same month last year (June 2015), and slightly higher by 8.1% 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 41.3/kg) is slightly higher by 6.2% compared to the same month last year (June 2015), and slightly higher by 4.1% 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 2.9% compared to the same month last year (June 2015), and slightly higher by 2.7% 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.*

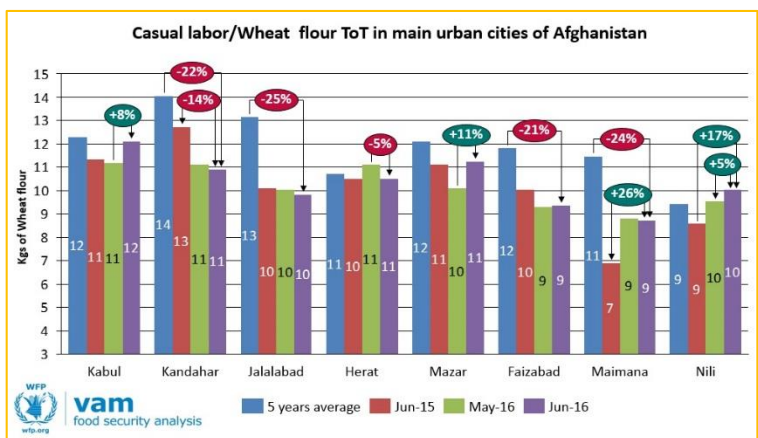
- Labor wage/Wheat average ToT for the reporting month was 13.3 Kgs of Wheat. On average, this ToT slightly improved (by 3.5%) from May to June 2016, mainly due to increased labor wage (by 4.3%). This improvement was also experienced during the same months in the last three proceeding years;
  - May - June 2015 (by 3.8%)
  - May - June 2014 (by 11.1%)
  - May - June 2013 (by 8.5%)
- In comparison to the same month one year ago (June 2015), this ToT slightly deteriorated by 1.7%, mainly due to increased Wheat price (by 8.3%).
- On the two-year comparison (June 2014), this ToT slightly improved by 5.2%.
- Compared to the 5-year average of the same months (Junes 2011-2015), this ToT significantly deteriorated by 16.8%.



**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.*

- Labor wage/Wheat flour (HP) average ToT for the reporting month was 10.3 Kgs of Wheat flour which slightly improved by 1.8% from May to June 2016, mainly related to increased labor wage (by 4.3%).

This improvement was also experienced during the same months in the last three proceeding years;



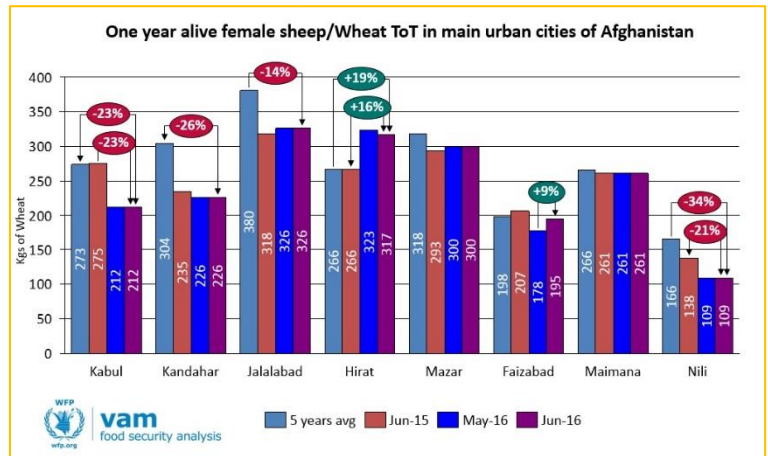
- May – June 2014 (by 6.7%)
- May – May 2013 (by 5.1%)

While negligibly deteriorated in;

- May – June 2015 (by 0.3%)
- Compared to the same month one year ago (June 2015), this ToT slightly improved by (1.7%), mainly due to increased labor wage (by 6.6%).
- On the two-year comparison (June 2014), this ToT slightly improved by 4.9%.
- Compared to the 5-year average of the same months (Junes 2011 - 2015), this ToT significantly deteriorated by 13%.

**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 243 Kgs of wheat against one-year alive female sheep, which negligibly improved by 0.5% from May to June 2016, mainly due to increased sheep price (by 1.3%). This improvement was also experienced in the last three proceeding years;
  - May - June 2015 (by 1.5%)
  - May - June 2014 (by 3.7%)
  - May - June 2013 (by 3.5%)
- Compared to the same month one year ago (June 2015), this ToT slightly deteriorated by 2.4%, which is mainly due to increased wheat price (by 3.1%).
- On the two-year comparison (June 2014) this ToT slightly improved by 2.1%.
- Compared to 5-year average of the same months (Junes 2011 - 2015), this ToT significantly deteriorated by 10.4%.

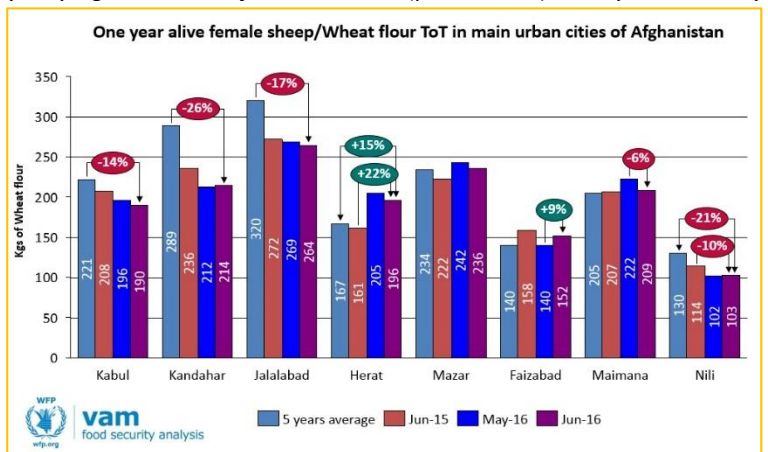


**Sheep and High Price Wheat flour (ToT):** *The Terms of Trade between a one year old female sheep and High Price Wheat Flour is a proxy for the purchasing capacity of those households mainly relying on income from livestock (pastoralists). It says how many kilograms of Wheat Flour (HP) can be obtained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

- Sheep-Wheat flour (HP) average ToT for the reporting month was 195 Kgs of Wheat flour against one-year alive female sheep, which slightly deteriorated by 1.6% from May to June 2016, mainly due to increased Wheat flour price (by 2.3%). In the last three proceeding years, this deterioration was experienced in;
  - May – June 2015 (by 2.2%)
  - May – June 2014 (by 0.9%)

While an increase was experienced in;

- May – June 2013 (by 0.4%)
- Compared to the same month one year ago (June 2015), this ToT negligibly deteriorated by 0.9%, mainly due to increased wheat flour price (by 3.8%).
- On the two-year comparison (June 2014), this ToT slightly improved by 1.9%.
- Compared to 5-year average of the same months (Junes 2011 - 2015), this ToT slightly deteriorated by 8.3%.



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

- The monthly average price of Wheat in main cities' markets of Afghanistan was AFN 24.2/Kg in June 2016. Compared to the past month (May 2016), the average price negligibly increased by 0.5%. The variation in all main cities was within a normal range (-1% to 3.1%). This price increase was not experienced in the same months of the last three proceeding years, while it was decreased in;

- May – June 2015 (by 2.6%)
- May – June 2014 (by 3.2%)
- May – June 2013 (by 5.2%)
- Compared to the same month one year ago (June 2015), the average wheat price slightly increased by 8.3%. The highest increase occurred in Kabul (by 30.0%), followed by Nili (by 13.8%), and Kandahar (10.3%). The increase is due to decreased supply from neighboring district markets compared last year. The variation in all other main cities was within a normal range (-2.3% to 8.7%).
- On the two-year comparison (June 2014), the average price slightly decreased by 2.1%.
- Compared to the last 5-year average price of the same months (Junes 2011 - 2015), the average price significantly increased by 14.8%.

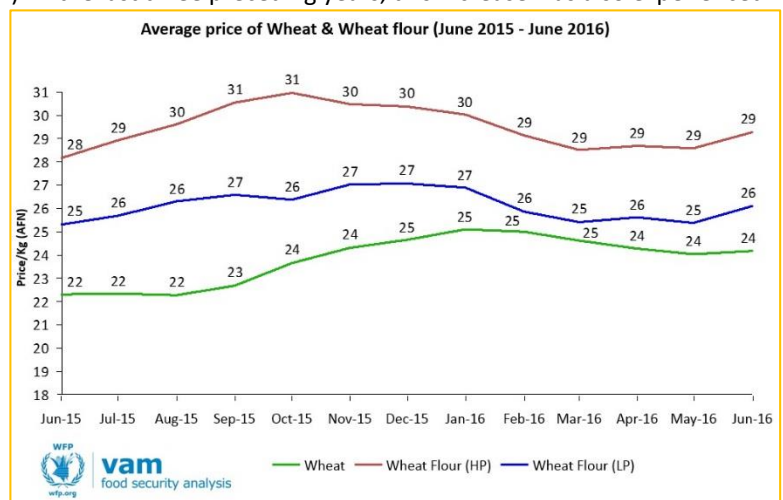
## Retail Price of Wheat flour in Main Urban Cities:

### Wheat flour (High Price):

- The monthly average price of Wheat flour (High Price) in main cities' markets was AFN 29.3/Kg in the reporting month (June 2016). The average price slightly increased by 2.3% compared to the previous month (May 2016). The highest increase was in Maimana (6.5%) and Hirat (5.5%), which is mainly common price during the month of Ramadan. The variation in all other main cities was within a normal limit (-1.1% to 3.6%). In the last three preceding years, this increase was also experienced in;
  - May – June 2015 (by 0.7%)
  - May – June 2014 (by 0.8%)

While the price was slightly decreased in;

- May – June 2013 (by 3.5%)
- Compared to the same month last year (June 2015), the current average price slightly increased by 3.8%. The highest increase occurred only in Kandahar (16.6%), which was mainly due to decreased supply of imported wheat flour from Pakistan this year compared to the same time one year ago. The variation in all other remaining main cities was within a normal range (-0.9% to 9.4%).
- Compared to the same month two years ago (June 2014), the average price of wheat flour slightly decreased by 3.1%.
- Compared to 5-year average price of the same months (Junes 2011 - 2015), the average price slightly increased by 8.1%.



### Wheat flour (Low Price):

- The monthly average price of Wheat flour (Low Price) in main cities' markets was AFN 26.1/Kg in the reporting month (June 2016). The average price slightly increased by 2.9% compared to previous month (May 2016). The highest increase occurred in Kabul (8.3%), Maimana (7.3%), and Faizabad (6.2%), main reason for the increase was increased price of imported wheat flour. The variation in other main cities was within a normal range (-1.3% to 3.3%). In the last three preceding years, this increase was only experienced in;
  - May – June 2014 (by 1.2%)

While the price decreased in;

- May – June 2015 (by 0.1%)
- May – June 2013 (by 2.3%)
- Compared to the same month one year ago (June 2015), the current average price slightly increased by 3.1%. The highest increase occurred in Kabul (15.6%) and Kandahar (13.4%), which is mainly due to increased price of imported Wheat flour, while a significant decrease occurred only in Hirat (14.8%), which is mainly due to maintained supply of imported wheat flour from Pakistan and Kazakhstan. The variation in other main cities was within a normal range (4.6% to 6.2%)
- Compared to the same month two years ago (June 2014), the average price slightly decreased by 4.1%.
- Compared to 5-year average price of the same months (Junes 2011 - 2015), the average price slightly increased by 7.9%.

## 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 (June 2016) which negligibly increased by 0.5% compared to the previous month (May 2016). The variation in all main cities was within a normal limit (-1.2% to 4%). In the last three preceding years, this increase was only experienced in;
  - May – June 2013 (by 6.1%)

While the price decreased in;

- May – June 2015 (by 0.4%), and remained the same in May – June 2014.
- Compared to the same month one year ago (June 2015), the average price slightly decreased by 2.9%. The largest decrease occurred only in Maimana (21.1%), mainly due to maintained supply of rice from Pakistan and normalized price in border town markets. The variation in all other main cities was within a normal range (-7.3% - 8.5%).
- Compared to the same month two years ago (June 2014), the average price significantly decreased by 11.3%.
- Compared to 5-year average price of the some months (Junes 2011 - 2015), the average price slightly increased by 2.7%.

### Rice (Low Quality):

- The monthly average price of Rice (Low Quality) in main cities' markets was AFN 41.3/Kg in the reporting month (June 2016), which slightly increased by 3.2% compared to the previous month (May 2016). The largest increase occurred in Hirat (7.2%), Nili (6.3%), Faizabad (6.2%) and Kandahar (5.9%), the increase is mainly due to decreased supply of rice and increased price during the months of Ramazan. The variation in all other main cities remained unchanged. In the last three preceding years, this increase was only experienced in;

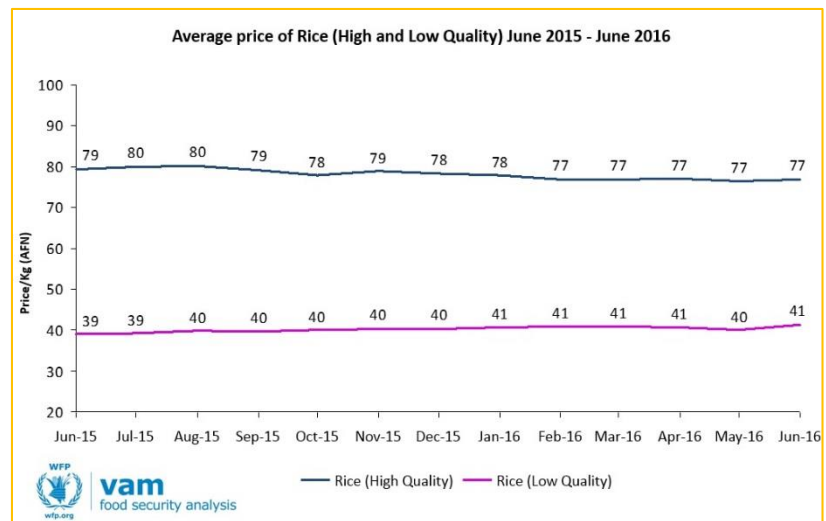
- May – June 2015 (by 0.4%)

While the price decreased in;

- May – June 2014 (by 0.2%)
- May – June 2013 (by 1.5%)

Compared to the same month one year ago (June 2015), the average price slightly increased by 6.2%. The largest increase occurred in Kandahar (41.2%), Hirat (19.5%) and Kabul (18.4%), mainly due to decreased supply of low quality rice from Pakistan this year compared to the one year ago, while a significant decrease occurred only in Faizabad (10.4%), which is mainly due to maintained supply form from neighboring provincial markets. The variation in other main cities was within a normal range (-7.5% to 6.3%).

- Compared to the same month two years ago (June 2014), the average price slightly decreased by 5.9%.
- Compared to 5-year average price of same months (Junes 2011 - 2015), the average price negligibly increased by 4.1%.



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

- The monthly average price of Cooking Oil in main cities' markets was AFN 79.8/Kg in the reporting month (June 2016), being slightly increased by 1.2% compared to previous month (May 2016). The variation in all main cities was within a normal range (0.0% to 4.9%). In the last three preceding years, this increase was only experienced in;
  - May – June 2014 (by 0.2%)

While the price negligibly decreased in:

- May – June 2015 (by 0.1%), and the price remained unchanged in May – June 2013

- Compared to the same month one year ago (June 2015), the average price slightly increased by 5.4%. The largest increase only occurred in Kandahar (20%), main reason for the increase was increased price of oil by the traders and decreased supply of oil from source points in Pakistan. The variation in all other main cities was within a normal limit (-1.2% to 9.7%).
- Compared to the same month two years ago (June 2014), the average price slightly decreased by 1.5%.
- Compared to 5-year average of the same months (Junes 2011 - 2015), the average price slightly decreased by 1.5%.

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

**Salt:** The monthly average price of Salt in June 2016 in main cities' markets was AFN 13.9/Kg, being negligibly decreased by 0.2% compared to the previous month (May 2016). The current average price of Salt slightly increased by 5.8% compared to the same month last year (June 2015), and negligibly decreased by 0.2% compared to the same month two year ago (June 2014).

**Sugar:** The monthly average price of Sugar in June 2016 in main cities' markets was AFN 51/Kg, being significantly increased by 7.3% compared to the previous month (May 2016). The current average price of Sugar significantly increased by 22.6 compared to the same month last year (June 2015), and significantly increased by 15.7% compared to the same month two year ago (June 2014).

**Number of days averagely worked by a labourer:** The monthly average number of days worked by a laborer during June 2016 was reported at 11 days. The highest number of working days was in Kabul (17 days), followed by Jalalabad (14 days), Hirat, Mazar and Maimana (12 days), Kandahar (8 days), Nili (5 days) and Faizabad (4 days). The number of days increased by 3 days/month compared to the previous month (May 2016).

- Compared to the same month last year (June 2015), the average number of working days increased by 3 day per month.
- Compared to the same month two years ago (June 2014), the average number of working days increased by 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	5Y Ave	2Y	1Y	1M		
KABUL	Wheat	26.0	21.8	-3.7	30.0	0.0	▲	▶	▶	▶	Livestock-One year live Sheep (Female)	KABUL	Sheep	5,500	-3.3	0.0	0.0	0.0	▶	▶	▶	▶	
	Wheat flour (HP)	29.0	11.6	-2.5	9.4	3.6	▲	▶	▶	▶		KANDAHAR	Sheep	5,900	-12.0	-7.1	5.8	2.8	▼	▶	▶	▶	
	Rice High Quality	80.0	5.9	-16.7	0.0	0.0	▶	▶	▶	▶		JALALABAD	Sheep	7,000	-0.7	0.0	0.0	0.0	▶	▶	▶	▶	
	Rice Low Quality	58.0	42.5	16.0	18.4	0.0	▶	▶	▶	▶		HIRAT	Sheep	5,585	23.6	21.4	21.4	0.8	▲	▶	▶	▶	▶
	Cooking Oil	85.0	3.1	4.9	9.7	4.9	▶	▶	▶	▶		MAZAR	Sheep	6,300	7.0	1.6	5.0	0.0	▶	▶	▶	▶	
KANDAHAR	Wheat	26.2	14.4	-10.4	10.3	3.1	▲	▶	▶	▶	FAIZABAD	Sheep	4,875	14.4	-16.7	2.6	8.3	▲	▶	▶	▶		
	Wheat flour (HP)	27.6	16.1	-3.6	16.6	1.8	▶	▶	▶	▶	MAIMANA	Sheep	6,000	8.4	0.0	0.0	0.0	▶	▶	▶	▶		
	Rice High Quality	64.7	-0.3	-16.7	8.5	4.0	▶	▶	▶	▶	NILI	Sheep	3,600	-17.8	-5.3	-10.0	0.0	▶	▶	▶	▶		
	Rice Low Quality	32.0	14.7	21.4	41.2	5.9	▶	▶	▶	▶	Terms of Trade												
	Cooking Oil	76.9	13.2	11.3	20.0	2.6	▶	▶	▶	▶	Kgs of wheat/wheat flour												
JALALABAD	Wheat	21.5	15.1	5.5	-2.3	0.0	▶	▶	▶	▶	KABUL	Casual Labor/wheat	13.5	-10.8	7.7	-10.3	12.0	▼	▶	▶	▶		
	Wheat flour (HP)	26.5	18.9	6.0	2.9	1.9	▶	▶	▶	▶	KANDAHAR	Casual Labor/wheat	11.5	-22.1	-4.4	-9.4	-3.0	▼	▶	▶	▶		
	Rice High Quality	76.0	12.6	-0.7	0.7	0.0	▶	▶	▶	▶	JALALABAD	Casual Labor/wheat	12.1	-23.1	-5.2	2.3	0.0	▼	▶	▶	▶		
	Rice Low Quality	29.5	-23.1	-34.6	0.0	0.0	▶	▶	▶	▶	HIRAT	Casual Labor/wheat	17.0	-0.2	12.8	-1.8	-2.6	▶	▶	▶	▶		
	Cooking Oil	78.0	-1.2	2.0	7.4	0.3	▶	▶	▶	▶	MAZAR	Casual Labor/wheat	14.3	-13.5	13.8	-2.4	14.3	▼	▶	▶	▶		
HIRAT	Wheat	17.6	2.9	-11.3	1.9	2.6	▶	▶	▶	▶	FAIZABAD	Casual Labor/wheat	12.0	-28.8	0.0	-8.0	1.0	▼	▶	▶	▶		
	Wheat flour (HP)	28.5	3.6	-4.9	-0.2	5.5	▶	▶	▶	▶	MAIMANA	Casual Labor/wheat	10.9	-25.9	22.3	25.0	5.3	▼	▶	▶	▶		
	Rice High Quality	59.9	-9.7	-21.3	0.9	-1.1	▶	▶	▶	▶	NILI	Casual Labor/wheat	10.6	-10.3	-3.0	2.5	3.7	▶	▶	▶	▶		
	Rice Low Quality	31.3	13.4	7.6	19.5	7.2	▶	▶	▶	▶	KABUL	Sheep /wheat	211.5	-22.5	3.8	-23.1	0.0	▼	▶	▶	▶		
	Cooking Oil	71.4	-5.6	-3.7	8.7	0.1	▶	▶	▶	▶	KANDAHAR	Sheep /wheat	225.6	-25.9	3.7	-4.1	-0.2	▼	▶	▶	▶		
MAZAR	Wheat	21.0	11.9	-2.3	2.4	0.0	▶	▶	▶	▶	JALALABAD	Sheep /wheat	325.6	-14.4	-5.2	2.3	0.0	▼	▶	▶	▶		
	Wheat flour (HP)	26.8	4.3	-7.0	-0.9	2.9	▶	▶	▶	▶	HIRAT	Sheep /wheat	317.3	19.1	36.9	19.2	-1.8	▶	▶	▶	▶		
	Rice High Quality	77.5	3.3	-8.8	-3.7	-0.6	▶	▶	▶	▶	MAZAR	Sheep /wheat	300.0	-5.8	4.0	2.5	0.0	▶	▶	▶	▶		
	Rice Low Quality	36.0	-4.3	-14.3	0.0	0.0	▶	▶	▶	▶	FAIZABAD	Sheep /wheat	195.0	-1.4	-16.7	-5.6	9.4	▶	▶	▶	▶		
	Cooking Oil	80.0	2.6	2.6	2.6	1.9	▶	▶	▶	▶	MAIMANA	Sheep /wheat	260.9	-1.8	-2.2	0.0	0.0	▶	▶	▶	▶		
FAIZABAD	Wheat	25.0	16.2	0.0	8.7	-1.0	▶	▶	▶	▶	NILI	Sheep /wheat	109.1	-34.2	-8.1	-20.9	0.0	▼	▶	▶	▶		
	Wheat flour (HP)	32.0	5.4	-7.9	6.7	-0.8	▶	▶	▶	▶	KABUL	Casual Labor/wheat flour	12.1	-1.7	6.4	6.6	8.1	▶	▶	▶	▶		
	Rice High Quality	85.5	2.9	-10.0	-7.3	-1.2	▶	▶	▶	▶	KANDAHAR	Casual Labor/wheat flour	10.9	-22.5	-11.1	-14.2	-1.8	▼	▶	▶	▶		
	Rice Low Quality	43.0	-14.3	-15.3	-10.4	6.2	▶	▶	▶	▶	JALALABAD	Casual Labor/wheat flour	9.8	-25.4	-5.7	-2.8	-1.9	▼	▶	▶	▶		
	Cooking Oil	90.0	-7.7	-10.0	0.6	0.0	▶	▶	▶	▶	HIRAT	Casual Labor/wheat flour	10.5	-1.7	5.2	0.2	-5.2	▶	▶	▶	▶		
MAIMANA	Wheat	23.0	9.5	2.2	0.0	0.0	▶	▶	▶	▶	MAZAR	Casual Labor/wheat flour	11.2	-7.1	19.4	0.9	11.1	▶	▶	▶	▶		
	Wheat flour (HP)	28.8	5.6	-3.4	-0.9	6.5	▶	▶	▶	▶	FAIZABAD	Casual Labor/wheat flour	9.4	-20.6	8.6	-6.3	0.8	▼	▶	▶	▶		
	Rice High Quality	75.0	-5.1	-14.8	-21.1	0.0	▶	▶	▶	▶	MAIMANA	Casual Labor/wheat flour	8.7	-24.2	29.3	26.1	-1.1	▼	▶	▶	▶		
	Rice Low Quality	37.0	-8.2	-7.5	-7.5	0.0	▶	▶	▶	▶	NILI	Casual Labor/wheat flour	10.0	6.2	0.0	16.7	4.8	▶	▶	▶	▶		
	Cooking Oil	82.0	-2.8	-3.5	-1.2	0.0	▶	▶	▶	▶	KABUL	Sheep /wheat flour	189.7	-14.4	2.6	-8.6	-3.4	▼	▶	▶	▶		
NILI	Wheat	33.0	21.8	3.1	13.8	0.0	▶	▶	▶	▶	KANDAHAR	Sheep /wheat flour	214.2	-25.9	-3.6	-9.2	1.0	▼	▶	▶	▶		
	Wheat flour (HP)	35.0	3.4	0.0	0.0	-1.1	▶	▶	▶	▶	JALALABAD	Sheep /wheat flour	264.2	-17.3	-5.7	-2.8	-1.9	▼	▶	▶	▶		
	Rice High Quality	97.0	10.2	-3.0	5.4	3.2	▶	▶	▶	▶	HIRAT	Sheep /wheat flour	195.8	17.4	27.7	21.6	-4.4	▶	▶	▶	▶		
	Rice Low Quality	63.8	15.8	-6.3	6.3	6.3	▶	▶	▶	▶	MAZAR	Sheep /wheat flour	235.5	0.8	9.2	6.0	-2.8	▶	▶	▶	▶		
	Cooking Oil	75.0	-9.6	-10.7	0.0	0.0	▶	▶	▶	▶	FAIZABAD	Sheep /wheat flour	152.3	9.0	-9.5	-3.8	9.2	▶	▶	▶	▶		
										MAIMANA	Sheep /wheat flour	208.7	1.9	3.5	0.9	-6.1	▶	▶	▶	▶			
										NILI	Sheep /wheat flour	102.9	-21.0	-5.3	-10.0	1.1	▼	▶	▶	▶			

**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 June 2015 and 2Y= Compared to June 2014