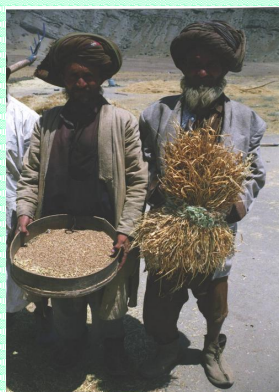




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Consumer Price Index (CPI):

Retail Price of Local Wheat across the Country

Wheat Flour (Imported) Retail Price in Border Town

International Monthly Wheat Prices

Afghanistan Market Price Bulletin Supplement to December 2011 Issue

<http://www.wfp.org/content/afghanistan-market-price-bulletins-2011>

Key Highlights:

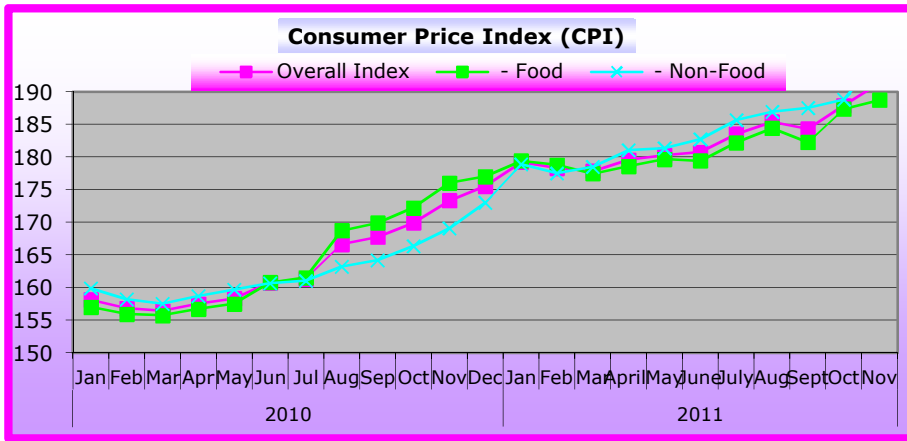
During November 2011, wheat prices remained stable or slightly decreased in Afghanistan, regional markets (Delhi) and in the International markets.

- **Global wheat prices remained stable due to a good last year's harvest in the key Wheat producing countries like France, Ukraine, Australia and Canada, but the next year's grain production may not be good in Ukraine and Russia due to drought situation (according to Soufflet International wheat production weekly report).**
- **The dry spring and poor wheat harvest of the last season in Afghanistan, could considerably take wheat prices up by the current lean season, but due to a good supply of wheat flour from the neighboring countries (Pakistan and Kazakhstan) so far the wheat and wheat flour price are stable in Afghanistan markets since last 3 month.**
- **Wheat flour price in main cities of Afghanistan was 25.9 Afs/Kg in October 2011, shows a slight inter-month decrease of 1.4% during the reporting month.**
- **National Consumer Price Index (CPI):** On the monthly basis, the overall CPI, food and non-food component increased by 1.8%, 0.7 and 3.5% respectively. While on the yearly comparison this increase for Overall CPI, food and non-food components was 10.4%, 7.2% and 15.6% respectively.
- The average price of wheat in November 2011 was **19.7 Afs/kg** (same as October 2011) but **28 %** higher than November 2010, **20.3%** higher than November 2009 and **39.1%** above the pre-crisis average.
- The average price of imported wheat flour in the border markets was **22 Afs/Kg**, showed no change on the monthly comparison but decreased by **1.6%** on the annual level. In the main city markets it shows an increase of 5.4% on the inter-annual level comparison.
- The prices of wheat in the main cities of Afghanistan, International markets, Delhi (India), Karachi and Lahore (Pakistan) in November 2011 were **427, 302, 305, 331 and 314 US\$/MT** respectively. On the monthly comparison it decreased in Afghanistan (0.4%), remained same in the international markets, slightly increased in Indian market (0.3%) while increased in Lahore and Karachi (Pakistan) markets by 3.1% and 2% respectively.

Consumer Price Index (CPI):¹

The overall CPI increased by 1.8 point from the past month (October 2011). Increase in food and non-food index was 0.7 and 3.5 points respectively, while bread and cereals index has showed no changes during the reporting month.

On the inter-annual comparison, the overall CPI increased by 10.4 points, while the food, non-food and bread & cereal components of the



national CPI increased by 7.2, 15.6 and 4.8 points respectively.

The CPI increased in all main cities on the yearly comparison. The highest increase happened in Jalalabad (13.8) followed by Mazar (12.2), Kabul (11), Khost (9.5), Hirat (9) and Kandahar (6.6) points.

The inter-annual increase in the food component of the CPI was higher in Jalalabad (12), followed by Mazar (9.8), Kabul (7.5), Hirat (5.8), Khost (4.6) and least is in Kandahar (3.2) points.

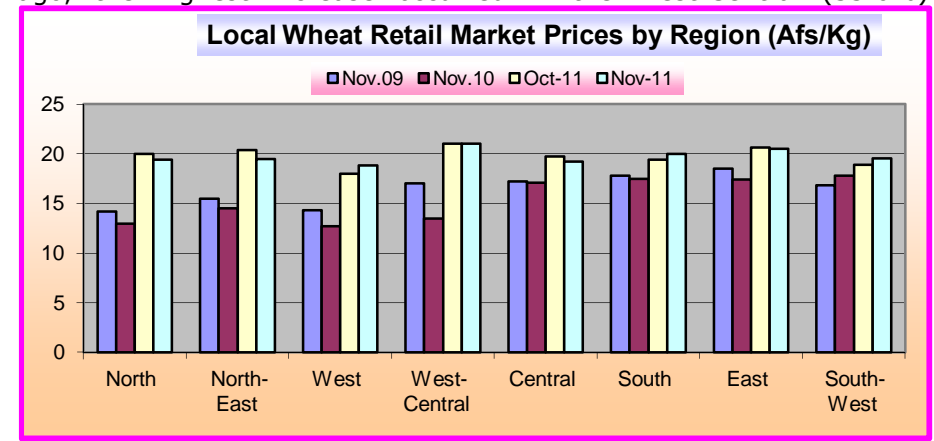
The non-food component of the national CPI (inter-annual) increased in all cities: Khost (17.8), Jalalabad (16.5), Mazar (16.4), Kabul (16.3), Hirat (14.2) and Kandahar (12.2) points.

¹ CPI Source: Central Statistics Organization (CSO). Consumer Price Indices (CPI) is a measure of the average price of consumer goods and services purchased by households. It is a price index determined by measuring the price of a standard group of goods meant to represent the typical market basket of a typical urban consumer.

Local wheat, retail price across the country:²

The average price of wheat for the reporting month was **19.7 Afs/Kg**, showing no difference with the past month, while increased by 28 % from the same month last year, 20.3% on the 2 years comparison (Nov-2009) and 38.8% than the pre-crisis level.

Compared to October 2011, the variation in all regions has been normal (-4.4% to 4.6%). In comparison to the same month one year ago, the highest increase occurred in the West-Central (55.6%)



followed by North (49.2%), West (48.3%), North-East (34.5%), East (17.8%), South (14.3%), Central (12.2%) and South-West (9.8%).

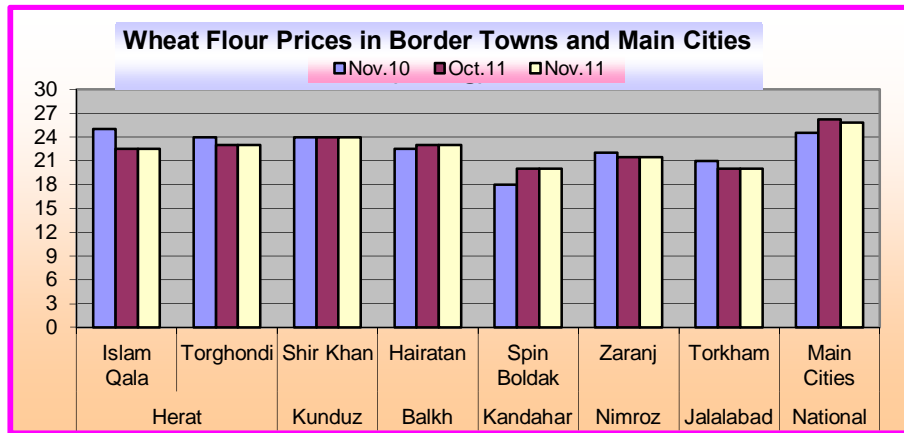
On the 2 year comparison (November 2009), the highest increase is in North (36.6), followed by West (31.7%), North-East (25.8%), West-Central (23.5%), South-West (16.4%), South (12.4), Central (11.5%) and East (10.8%).

² Data source MAIL-FAAHM

Imported wheat flour retail prices in border towns: ³

In the border city markets, the average price of imported wheat flour for the reporting month was 22 Afs/Kg; showing no change compared with Oct. 2011 while decreased by 1.6% than the same month last year.

As mentioned above there is no change compared to the past month but compared to one year ago, the highest increase occurred in Spin Boldak (Kandahar) by 11.1%. However there is a decrease of 10% in Hirat (Islam Qala). The variation in other regions is normal (-4.8 to 2.2%)



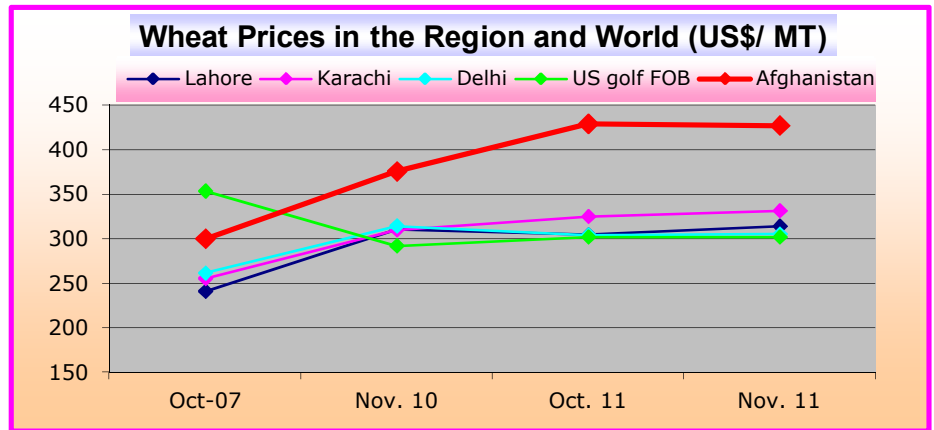
The average price of wheat flour in the main cities was 1.4% lower than last month, 5.4% higher than the same time one year ago and (54.9%) higher than the pre-crisis (Jan-Oct 2007) level.

³ Data source MAIL-FAAHM

Monthly price of wheat in regional and global markets: ⁴

The international market trend of wheat (US Gulf No, 2), was on increase since July 2010, showed a decrease in October and November 2010 again followed the increasing trend till May 2011. After a slight decrease in June and July 2011, showed an increase in August and Sept.11, but is on decrease since October 2011 till the reporting month (Nov. 2011).

The US wheat (No. 2 Hard Red, Gulf) averaged US\$ 302 per MT in the reporting month, showed no change compared with the previous month, but increased by 3.4% than one year ago and decreased by



14.6 percent than November 2007 and 37.3% lower than its peak price in March 2008 (482 US \$/MT).

The wheat price in Karachi (Pakistan) reported US\$ 331 per MT; 2% higher than the previous month, 7% higher than one year ago and 30% higher than November 2007.

In Afghanistan, the retail price of wheat for the reporting month was 427 US\$/MT; 0.4% lower than previous month, 13.7% higher than the same month one year ago and 42.3% higher than October 2007.

⁴ Source: WFP/MAIL-FAAHM