Tajikistan Market Price Report April 2013

Highlights

- In March 2013, the retail price of wheat flour did not change on a month-on-month basis and remained at high levels. Country-wide, prices were up by 31 percent compared to the same period last year.
- Tajikistan continued importing fuel from Russia with established export duties for March—US$277.6 for one ton of oil and US$378.6 for one ton of petrol. The signed agreement between two countries on the provision of 1 million tons of duty free fuel yet to be validated by both countries Parliaments.
- The inflation rate since the beginning of the year was 1.2 percent, according to the National Bank of Tajikistan (NBT). The IMF predicts that in 2013 inflation pressures are expected to remain low.

Average Food Prices For Selected Commodities In Five Main Markets

WFP monitors weekly food and fuel prices in the five main markets of Tajikistan: Dushanbe, Kurgan-Tyube, Khujand, Garm and Khorog. This report presents an overview of March 2013 retail prices, consumer trends and outlook for the future.

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The national average price of first grade wheat flour remained almost unchanged during March 2013 on a month-on-month basis due to adequate availability.

According to the Ministry of Agriculture a slight deficit in availability of wheat flour at the end of last year was one of the main reasons for increasing imports of commodity to the country, consequently supplies in the market outweighing demand. That resulted in providers decreasing imports during the first quarter of 2013, by delivering only 54,442 tons of wheat flour, which was 79,700 tons less than the same period of last year. Import of wheat grain was also considerably reduced during this quarter (by 47,500 tons) in comparison with the first three months of 2012.

The prices for locally produced wheat flour (second grade) and wheat grain remained unchanged in all markets in March with the exception of the markets in Kurgan-Tyube where prices for grain rose by 11 percent due to higher demand for cultivation purpose. Country-wide, the prices for wheat flour remained in a high levels, rising 31 percent on year on year. Grain prices were by 14 percent up compared to March 2012. The greatest increase in prices was seen in Khujand markets, where wheat flour rose by 55 percent and wheat grain by 17 percent since March last year.

Vegetable oil prices rose by 2 percent on month-on-month basis in Khorog due to higher transport costs, fewer supplies from the capital and remained unchanged in other markets due to availability. Prices for vegetable oil dropped by 3 percent year-on-year country-wide and 9 percent in Kurgan-Tyube -the largest cotton producing area with higher demands for comparably cheaper locally produced cotton seed oil than vegetable oil. The national average prices for cotton oil were down by 7 percent in comparison with March 2012.

Meat prices remained unchanged in March in all markets, except Dushanbe, where prices for beef rose by 2 percent because of demand outweighing supply. Country-wide, prices for beef are up 7 percent and mutton by 11 percent compared to the same period last year. The greatest increase in meat prices was in Khujand and Gharm, where they rose by 12 percent year on year.

Potato prices rose by 5 percent in Gharm due to fewer domestic stocks and by 4 percent in Kurgan-Tyube because of higher transportation costs for delivering from other markets. Country-wide, the prices for potato were up by 1.5 percent on year-on-year basis. The highest increase was seen in Khujand, where potato increased by 25 percent since March last year.
Fuel prices remained stable on month-on-month basis in Khujand, Gcharm, Kurgan-Tyube and Khorog markets thanks to adequate availability. Petrol prices dropped by 1.5 percent and diesel by 1 percent in Dushanbe fuel stations due to supply exceeding demand. Petrol prices were down by 1 percent country-wide, and by 4 percent in Dushanbe year on year. The highest prices for petrol were observed in Kurgan-Tyube fuel stations--3 percent more than March 2012.

Diesel prices we up in Dushanbe by 2 percent and in Khujand by 4 percent in comparison with the same period last year.

The Minimum Food Basket is calculated using the average food needs for an individual per month to reach the daily requirement of 2,100 kcal. It is based on 11 food groups (meat, fish, milk, eggs/cheese, butter/oil/fats, fruits/vegetables, potato, sugar/honey, spices, coffee/tea, mineral water/soft drinks/ juices).

The cost of the Minimum Food Basket in March was TJS144.59/US$29.84, slightly higher than in February (TJS142.48/US$29.44). The difference was mainly due to increase in prices for vegetables (cabbage) and sugar in Dushanbe markets, where prices are used for the calculation of the Minimum Food Basket.