

# Price Monitoring for Food Security in the Kyrgyz Republic

## Monthly monitoring and outlook of basic food prices in the Kyrgyz Republic



### Highlights and outlook for the next few months

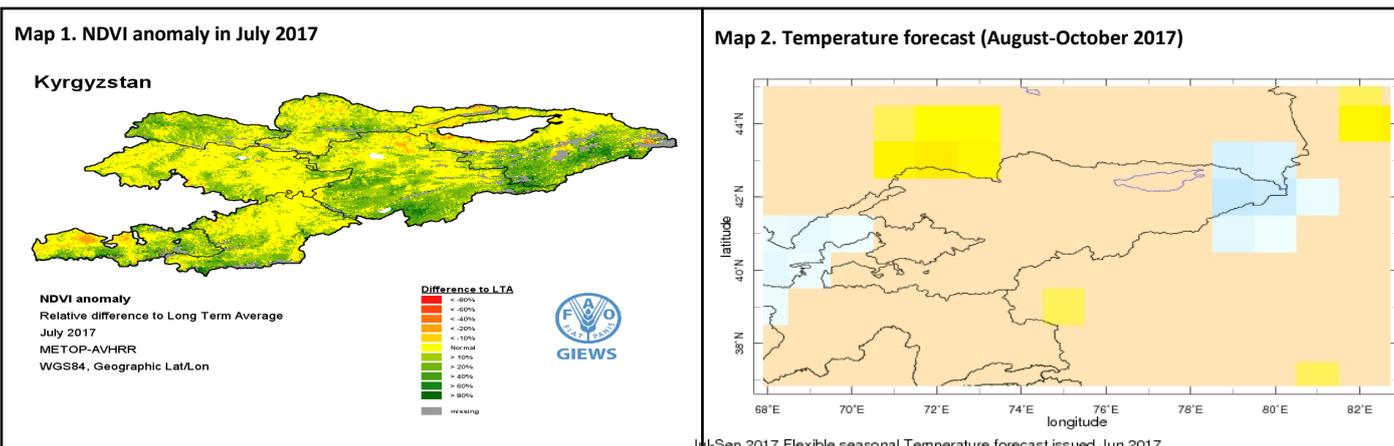
- The Kyrgyz Republic imports wheat flour from the Russian Federation and Kazakhstan due to the low quality of domestically produced wheat, which makes the country vulnerable to international price volatility. In July 2017, the export prices for wheat in the Russian Federation increased by 4 percent compared to July 2016 whilst export prices in Kazakhstan and domestic prices for wheat flour remained stable .
- Since the beginning of 2017 global sugar prices have decreased due to high global sugar production during 2016/17. However in July 2017, global sugar prices increased by 3 percent on a month-on-month basis. Domestic sugar prices also increased by 7 percent on a month-on-month basis. This could be linked to the increase of export prices in Ukraine and Belarus from where the Kyrgyz Republic imports sugar.
- After a significant increase in vegetable prices since the beginning of 2017 due to a prolonged period of rain and subsequent delayed harvest, the prices for cabbages and potatoes started to decrease in July 2017. They decreased by 15 and 33 percent on a month-on-month basis. However, prices for carrots increased by 8 percent on a month-on-month basis although a price decrease is expected next month with the arrival of the new harvest.
- In July 2017, the US Dollar appreciated by 1 percent, while the Russian ruble and Kazakh tenge depreciated by 2 and 1 percent respectively against the national currency on a month-on-month basis. Currency movements are among the main driving forces of the retail prices of imported basic food commodities including wheat, vegetable oil and sugar.
- The **aggregate volume of remittances** continues to increase after reaching its highest value to date in May 2017. In June 2017 it reached USD 203 million, which is by 2 percent higher than in May 2017 and signals another new **record high**.

### Trends of retail prices of the nine main food security commodities<sup>1</sup> (1 month, 3 months and 1 year)

	Jun 2017	Apr 2017	Jul 2016		Jun 2017	Apr 2017	Jul 2016
<b>Wheat flour</b> (1-st grade)	0%	-2%	-4%	<b>Vegetable (carrot)</b>	8%	30%	45%
<b>Rice</b>	0%	-1%	-8%	<b>Vegetable (potato)</b>	-33%	-11%	27%
<b>Meat (beef)</b>	2%	3%	4%	<b>Vegetable (cabbage)</b>	-15%	-20%	127%
<b>Meat( mutton)</b>	0%	4%	5%	<b>Fruit (apple)</b>	1%	28%	9%
<b>Milk</b>	-1%	-9%	0%	<b>Sugar</b>	7%	9%	8%
<b>Eggs</b>	-2%	-9%	1%	<b>Vegetable oil</b>	-1%	-3%	-8%

### Agroclimatic context

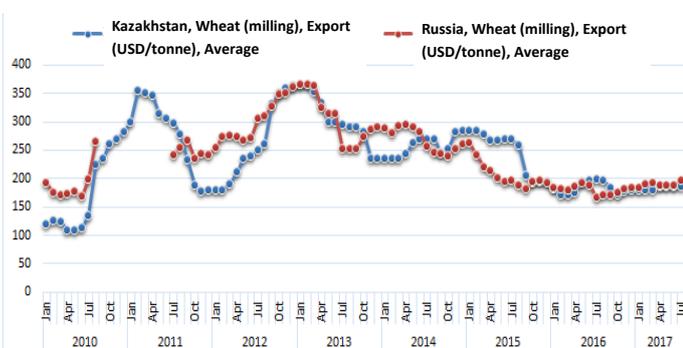
According to the Normalized Difference Vegetation Index (NDVI)<sup>5</sup> in July 2017 the vegetation cover in the country was normal or above normal (yellow and green), indicating favorable conditions for crop development (Map 1). However, according to the IRI<sup>2</sup> forecast for August-October it is expected that temperature will increase by 5 percent above normal in all areas of the country and by 6-7 percent in the northern part of Talas province (Map 2).



Global wheat production and prices

Wheat is the main staple food in the KR. However, due to the low quality of domestically produced wheat, the Kyrgyz Republic imports wheat flour, which makes the country more vulnerable to international price volatility and therefore close monitoring of the wheat market in exporting countries is important. The key export countries are the Russian Federation and Kazakhstan. Since 2015, the prices for wheat from both countries have been fluctuating without any significant changes<sup>14</sup>. In July 2017, wheat export prices from the Russian Federation increased by 4 percent on a month-on-month basis and over three months. This is linked to the delay in the current harvest due to prolonged cold weather. The current export prices are stable compared to the same month in 2016, and 47 percent lower than the record high

Fig 1. Retail price of wheat, Kazakhstan and Russian Federation (US dollar per



reached in February 2013. Export prices of wheat from Kazakhstan<sup>6</sup> remained stable on a month-on-month basis and over three months. Prices are 7 percent lower than the same month in 2016 and 52 percent lower than the record high reached in April 2008.

National retail prices of wheat flour

In July 2017, the domestic retail price of wheat flour was stable on a month-on-month basis at 29.18 Kyrgyz som per kg. Domestic prices remained 4 percent lower than the same month in 2016. The highest recorded prices for domestic wheat flour were observed in December 2014, but current prices are 17 percent lower. The highest prices in June 2017 were observed in Nookat town (43 Kyrgyz som per kg) and the lowest in Talas town (21 Kyrgyz som per kg).

Fig 2. ALPS for price of wheat flour (first grade, kyrgyz som per kg, national average)



Vegetable prices

Vegetable prices (cabbages, carrots)

As a result of seasonal price changes and a protracted wet spring, which resulted in a delay for crop sowing, domestic prices for vegetables have been increasing since the beginning of 2017. In July 2017 carrot prices increased by 8 percent on a month-on-month basis and by 30 percent over three months. However, cabbage prices decreased by 15 percent on a month-on-month basis and by 20 percent compared to April 2017. Prices for both carrots and cabbages still remain 45 percent and 127 percent higher than in July 2016. The record high for carrot prices was observed in July 2014, and current prices are 11 percent lower. Based on historical data, prices for carrots are expected to decrease next month with the arrival of the new harvest. The prices of cabbages were the highest in Kara-Suu (64 Kyrgyz som per kg) and the lowest in Kara-Balta town (18 Kyrgyz som per kg) while the prices for carrots were the highest in Naryn (40 Kyrgyz som per kg) and the lowest in Chaek (25 Kyrgyz som per kg).

Potato prices

Potatoes are the second most consumed staple food in the Kyrgyz Republic, and according to physiological norms each person should consume 270 grams of potatoes per day. Since the beginning of 2017 potato prices have significantly<sup>14</sup> increased but in July 2017, as expected with the new harvest, prices started to decrease. They decreased by 33 percent on a month-on-month basis and by 11 percent over three months. However, prices are 27 percent higher than in July 2016 and 34 percent higher than the average price over five years. The prices of potatoes are highest in Osh town (34 Kyrgyz som per kg) and lowest in Balykchy town (25 Kyrgyz som per kg). ALPS<sup>13</sup> analysis illustrates that potato prices have experienced an alarmingly higher than normal seasonal trend between February and July 2017 as a result of the delayed new harvest.

Fig.3 Seasonal price changes of carrot (Kyrgyz som per kg)

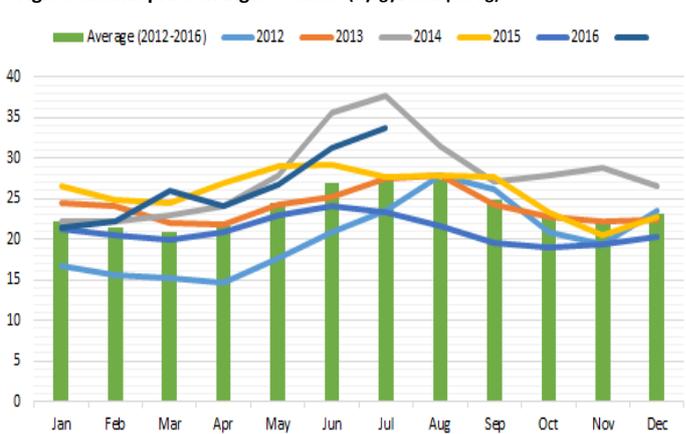


Fig.4 ALPS for national average potato prices (Kyrgyz som per kg)



## Other basic food commodities

### International and domestic sugar prices

Since the beginning of 2017 global sugar prices have been decreasing. However, in July 2017, global sugar<sup>9</sup> prices increased by 3 percent on a month-on-month basis and decreased by 11 percent over three months. The prices are 26 percent lower than in July 2016, and 18 percent lower than the 5-year average. The Kyrgyz Republic imports sugar from Ukraine and Belarus, due to the low domestic production (in 2016 only half of required sugar for internal consumption was produced), which makes the country vulnerable to international price volatility. However, prices for sugar from both exporting countries increased in 2017. According to the National Statistics Committee of Belarus, the country produced 42.6 percent less compared to the same period from January to July 2016. The prices are also increasing in Ukraine due to the devaluation of the national currency (hryvnia) and lower than expected sugar yield (National Agrarian University). In July 2017, the domestic prices for sugar increased by 7 percent on a month-on-month

basis and by 9 percent over the three months to June 2017. However, in 2017 domestic sugar production could increase due to an increase in the sugar beet crop area which, based on national data, has already increased by 49 percent in 2017 compared to 2016, and the modernization of domestic sugar processing factories in 2017. The highest domestic prices of sugar were observed in Nookat (63 Kyrgyz som) town and the lowest in Toktogul (56 Kyrgyz som) town. ALPS<sup>13</sup> analysis illustrates that sugar prices are experiencing an a higher than normal seasonal trend since June 2017.

### Vegetable oil

The Kyrgyz Republic depends on the import of vegetable oil due to low domestic production (only 11.5 thousand tons in 2016). In July 2017, the national price of vegetable oil decreased by 1 percent on a month-on-month basis and by 3 percent over three months. The prices were 8 percent lower than the same month last year. The retail prices were the highest in Kara-Suu (105 Kyrgyz som) and Batken (104 Kyrgyz som) towns and the lowest in Chaek town (90 Kyrgyz som).

Fig 5. ALPS for national average sugar price (Kyrgyz som per kg)

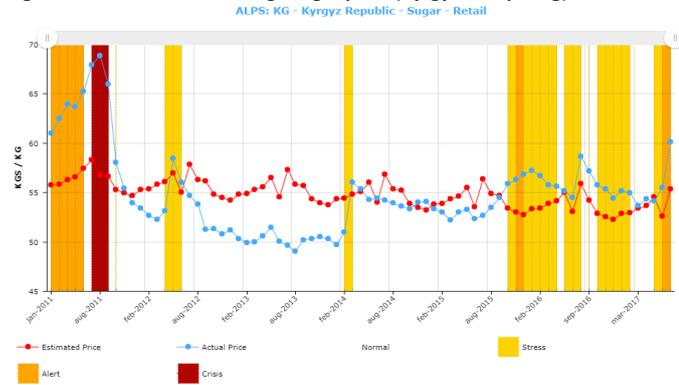


Fig 6. ALPS for national average vegetable oil price (kyrgyz som per litre)



### Meat (beef and mutton)

Meat is also one of the key staple foods in the Kyrgyz Republic and according to physiological norms each person should consume 170 grams per day. Prices for beef and mutton have been stable since 2016. In July 2017 prices for beef increased by 2 percent on a month-on-month basis and by 3 percent over three months. The prices are 4 percent higher compared to July 2016. However, the prices of mutton were stable on a month-on-month basis and increased by 4 percent over three months. The prices were 5 percent higher than in July 2016. The prices of both beef and mutton were the highest in Naryn (beef) and Batken (mutton) and the lowest in Kerben (beef) and Karakol (mutton).

### Milk

Domestic prices for milk have been stable since the beginning of 2016 with some seasonal variations<sup>14</sup>. In July 2017, the domestic price of milk decreased by 1 percent on a month-on-month basis and by 9 percent over three months. The prices are the same compared to June 2016. The retail price of milk was the highest in Batken (39 Kyrgyz som) and the lowest in Pokrovka (20 Kyrgyz som) town. The highest recorded price of milk was reached in January 2015 and current prices are 27 percent lower.

Fig 7. Retail price of meat (beef and mutton, kyrgyz som per kg)

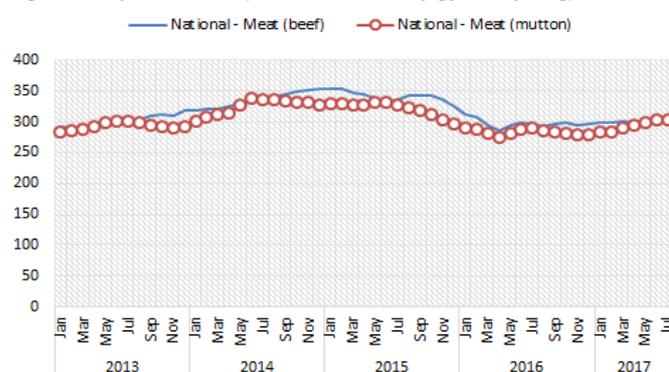
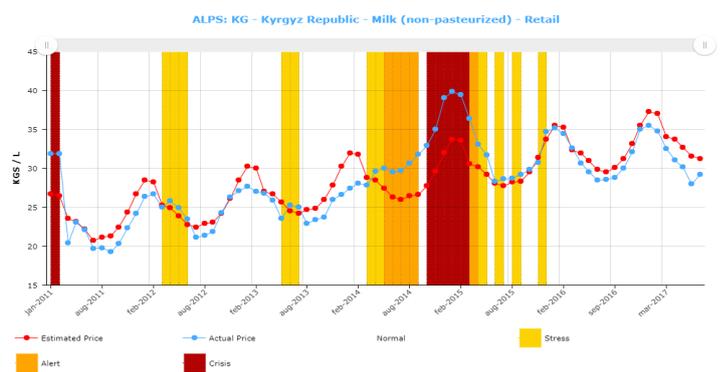


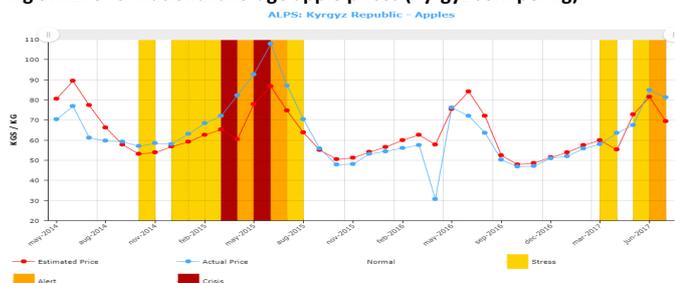
Fig 8. ALPS for national average milk prices ( kyrgyz som per litre)



Apples

Apples are the most consumed and available fruit in the country. In July 2017, prices for apples increased by 1 percent on a month-on-month basis and by 28 percent over three months. This increase is a result of seasonal price changes related to the depletion of the 2016 harvest stocks. The current prices are 26 percent lower than the record high reached in June 2015 and 20 percent lower than the 5-year average.

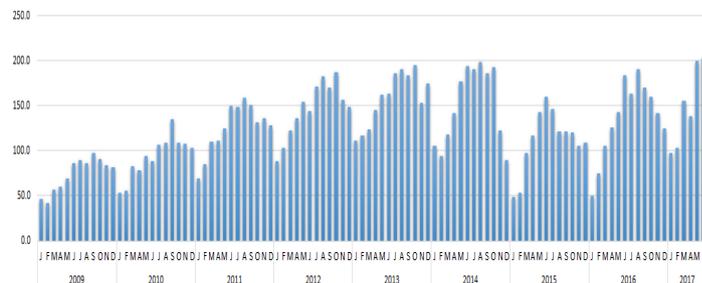
Fig 9. ALPS for national average apple prices (Kyrgyz som per kg)



Remittances

In May 2017 the aggregate volume of remittances reached their largest ever amount. However, in June 2017 it further increased by 2 percent compared to the previous month and reached USD 203 million, a new record high. This can be linked to the economic recovery of the Russian Federation, where the majority of remittances originate. The volume is 42 percent higher than the same month in 2016.

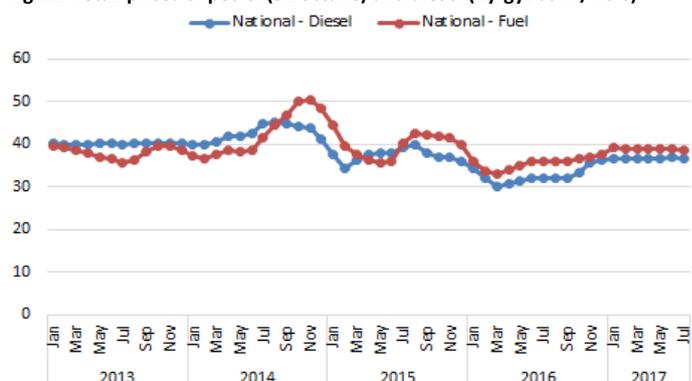
Fig 10. Aggregate amount of remittances by months (in mln.USD)



Fuel prices (petrol and diesel)<sup>15</sup>

Since the prices of diesel and petrol heavily impact on food prices, the stability of diesel and petrol prices are critical, especially for rural areas. In July 2017, prices for diesel were stable on a month-on-month basis and over three months. The prices are 15 percent higher compared to July 2016. However, prices for petrol have decreased by 1 percent on a month-on-month basis and were stable over three months. Current prices are 8 percent higher than in July 2016. Prices for diesel are the highest in Batken, Isfana, Kara-Suu and Osh towns (38 Kyrgyz som) and the lowest in Tokmok, Balykchy and Naryn (35 Kyrgyz som). Prices for petrol are the highest in Osh, Kara-Suu, Batken and Kerben (40 Kyrgyz som) and the lowest in Tokmok town (37 Kyrgyz som).

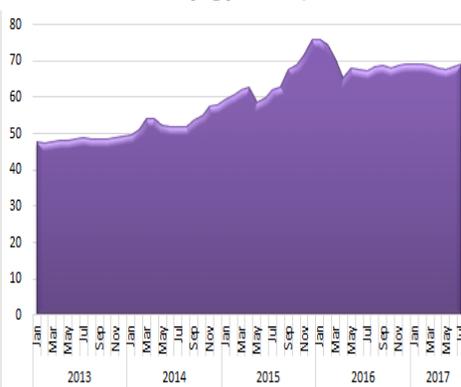
Fig 11. Retail prices of petrol (92 octane) and diesel (Kyrgyz som / litre)



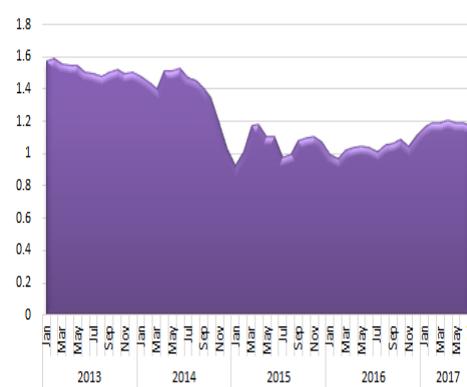
Currency exchange rate (Kyrgyz som versus US dollar, Russian ruble, Kazakhstan tenge)

In July 2017, the US dollar appreciated by 1 percent against the national currency on a month-on-month basis (69.18 Kyrgyz som to 1 USD) and by 2 percent over the last three months. The highest rate of the US dollar against the Kyrgyz som was reached in December 2015, and in comparison the current rate is 9 percent lower. It appreciated by 3 percent compared to July 2016. Since the beginning of 2017, the Russian ruble has been appreciating, which is a sign of the economic recovery of the Russian Federation. In July 2017, the Russian ruble depreciated by 2 percent against the Kyrgyz som on a month-on-month basis (1.9 Kyrgyz som per 1 Russian ruble) and by 4 percent over three months. It appreciated by 11 percent compared to the same month in 2016. The Kazakh tenge depreciated by 1 percent on a month-on-month against the Kyrgyz som (0.21 Kyrgyz som per 1 Kazakh tenge) and by 2 percent over three months. It appreciated by 8 percent compared to June 2016. Currency movements are among the main driving forces of the retail prices of imported basic food commodities including wheat, vegetable oil and sugar. With this in mind, close monitoring of currency exchange rates are required.

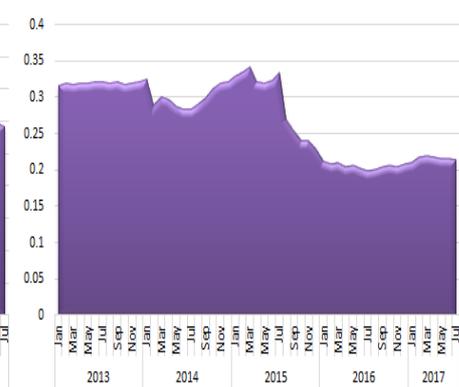
Official currency exchange (US Dollar/ Kyrgyz Som)



Official currency exchange (Russian Ruble/Kyrgyz Som)



Official currency exchange (Kazakh Tenge/Kyrgyz Som)





**KERBEN**



Fruit (apple)	40	-8%	-2%	-	▼	▶	-	Milk	33	-20%	11%	-	▼	▶	-
Vegetable (cabbage)	40	11%	60%	-	▶	▶	▶	Potato	64	1%	1%	-	▶	▶	-
Vegetable (carrot)	35	-1%	-1%	-	▶	▶	-	Rice	58	7%	12%	-	▶	▶	-
Diesel	74	4%	-8%	-	▶	▶	-	Sugar	99	0%	-3%	-	▶	▶	-
Egg	37	-1%	-2%	-	▶	▶	-	Cooking oil	27	0%	-3%	-	▶	▶	-
Petrol (Octane rating 92)	327	0%	2%	-	▶	▶	-	Wheat flour (1st quality)	-	0%	0%	-	▶	▶	-
Meat (beef)	320	-3%	1%	-	▶	▶	-								
Meat (mutton)	24	10%	2%	-	▶	▶	-								

**NARYN**



Fruit (apple)	103	-5%	41%	10%	▶	▶	▶	Milk	24	10%	2%	22%	▶	▶	▶
Vegetable (cabbage)	40	-8%	-2%	100%	▼	▶	▶	Potato	33	-20%	11%	29%	▼	▶	▶
Vegetable (carrot)	40	11%	60%	60%	▶	▶	▶	Rice	64	1%	1%	-5%	▶	▶	▶
Diesel	35	-1%	-1%	10%	▶	▶	▶	Sugar	58	7%	12%	9%	▶	▶	▶
Egg	74	4%	-8%	3%	▶	▶	▶	Cooking oil	99	0%	-3%	-8%	▶	▶	▶
Petrol (Octane rating 92)	37	-1%	-2%	4%	▶	▶	▶	Wheat flour (1st quality)	27	0%	-3%	-12%	▶	▶	▶
Meat (beef)	327	0%	2%	9%	▶	▶	▶								
Meat (mutton)	320	-3%	1%	8%	▶	▶	▶								

**NOOKAT**



Fruit (apple)	61	0%	16%	-	▶	▶	▶	Milk	30	0%	-3%	-	▶	▶	-
Vegetable (cabbage)	39	-12%	29%	-	▼	▶	▶	Potato	29	-31%	-3%	-	▼	▶	-
Vegetable (carrot)	33	10%	45%	-	▶	▶	▶	Rice	83	-1%	-3%	-	▶	▶	-
Diesel	38	0%	1%	-	▶	▶	▶	Sugar	63	6%	6%	-	▶	▶	-
Egg	88	-2%	0%	-	▶	▶	▶	Cooking oil	100	0%	-3%	-	▶	▶	-
Petrol (Octane rating 92)	40	0%	0%	-	▶	▶	▶	Wheat flour (1st quality)	43	0%	9%	-	▶	▶	-
Meat (beef)	260	0%	0%	-	▶	▶	▶								
Meat (mutton)	300	0%	0%	-	▶	▶	▶								

**OSH**



Fruit (apple)	66	-	-	-	▶	▶	▶	Milk	29	-7%	-13%	-	▼	▶	-
Vegetable (cabbage)	45	-10%	-4%	-	▼	▶	▶	Potato	34	-25%	-2%	-	▼	▶	-
Vegetable (carrot)	34	9%	46%	-	▶	▶	▶	Rice	96	-2%	-4%	-	▶	▶	-
Diesel	38	0%	1%	-	▶	▶	▶	Sugar	62	6%	7%	-	▶	▶	-
Egg	65	0%	-15%	-	▶	▶	▶	Cooking oil	101	4%	-2%	-	▶	▶	-
Petrol (Octane rating 92)	40	0%	1%	-	▶	▶	▶	Wheat flour (1st quality)	31	-1%	-11%	-	▶	▶	-
Meat (beef)	318	3%	7%	-	▶	▶	▶								
Meat (mutton)	320	4%	8%	-	▶	▶	▶								

**POKROVKA**



Fruit (apple)	64	9%	28%	-	▶	▶	▶	Milk	20	0%	0%	-	▶	▶	-
Vegetable (cabbage)	26	-15%	18%	-	▼	▶	▶	Potato	32	-17%	-2%	-	▼	▶	-
Vegetable (carrot)	28	30%	16%	-	▶	▶	▶	Rice	43	0%	0%	-	▶	▶	-
Diesel	36	0%	-3%	-	▶	▶	▶	Sugar	58	6%	11%	-	▶	▶	-
Egg	83	0%	0%	-	▶	▶	▶	Cooking oil	91	0%	0%	-	▶	▶	-
Petrol (Octane rating 92)	39	0%	-1%	-	▶	▶	▶	Wheat flour (1st quality)	27	0%	0%	-	▶	▶	-
Meat (beef)	268	-7%	-3%	-	▶	▶	▶								
Meat (mutton)	299	4%	8%	-	▶	▶	▶								

**TALAS**



Fruit (apple)	99	19%	67%	111%	▶	▶	▶	Milk	25	-4%	-19%	-10%	▶	▶	▶
Vegetable (cabbage)	30	-23%	43%	80%	▼	▶	▶	Potato	29	-43%	0%	29%	▼	▶	▶
Vegetable (carrot)	38	20%	57%	66%	▶	▶	▶	Rice	66	2%	1%	-1%	▶	▶	▶
Diesel	36	-1%	0%	26%	▶	▶	▶	Sugar	61	10%	11%	-8%	▶	▶	▶
Egg	86	-2%	-4%	7%	▶	▶	▶	Cooking oil	104	0%	0%	-3%	▶	▶	▶
Petrol (Octane rating 92)	38	0%	0%	14%	▶	▶	▶	Wheat flour (1st quality)	21	0%	0%	-9%	▶	▶	▶
Meat (beef)	286	0%	4%	7%	▶	▶	▶								
Meat (mutton)	291	0%	4%	8%	▶	▶	▶								

**TOKMOK**



Fruit (apple)	133	10%	68%	131%	▶	▶	▶	Milk	25	0%	0%	0%	▶	▶	▶
Vegetable (cabbage)	23	-36%	14%	142%	▼	▶	▶	Potato	28	-34%	-12%	53%	▼	▶	▶
Vegetable (carrot)	37	18%	67%	111%	▶	▶	▶	Rice	54	0%	1%	-12%	▶	▶	▶
Diesel	35	0%	0%	16%	▶	▶	▶	Sugar	58	6%	11%	-5%	▶	▶	▶
Egg	74	0%	-7%	9%	▶	▶	▶	Cooking oil	103	0%	-3%	-5%	▶	▶	▶
Petrol (Octane rating 92)	37	0%	0%	8%	▶	▶	▶	Wheat flour (1st quality)	31	0%	-1%	-10%	▶	▶	▶
Meat (beef)	290	2%	2%	7%	▶	▶	▶								
Meat (mutton)	290	5%	5%	15%	▶	▶	▶								

**TOKTOGUL**



Fruit (apple)	120	53%	127%	-	▶	▶	▶	Milk	25	0%	3%	-	▶	▶	-
Vegetable (cabbage)	37	-12%	86%	-	▼	▶	▶	Potato	29	-32%	-4%	-	▼	▶	-
Vegetable (carrot)	35	14%	117%	-	▶	▶	▶	Rice	81	0%	0%	-	▶	▶	-
Diesel	36	0%	0%	-	▶	▶	▶	Sugar	56	4%	9%	-	▶	▶	-
Egg	82	7%	5%	-	▶	▶	▶	Cooking oil	91	1%	-1%	-	▶	▶	-
Petrol (Octane rating 92)	38	0%	0%	-	▶	▶	▶	Wheat flour (1st quality)	30	0%	3%	-	▶	▶	-
Meat (beef)	320	1%	7%	-	▶	▶	▶								
Meat (mutton)	320	1%	8%	-	▶	▶	▶								

**UZGEN**



Fruit (apple)	62	-12%	-6%	-	▼	▶	-	Milk	20	0%	-20%	-	▶	▶	-
Vegetable (cabbage)	38	1%	-11%	-	▶	▶	▶	Potato	27	-29%	-18%	-	▼	▶	-
Vegetable (carrot)	29	-8%	18%	-	▶	▶	▶	Rice	55	1%	4%	-	▶	▶	-
Diesel	37	1%	-1%	-	▶	▶	▶	Sugar	61	8%	17%	-	▶	▶	-
Egg	70	0%	-4%	-	▶	▶	▶	Cooking oil	92	0%	-6%	-	▶	▶	-
Petrol (Octane rating 92)	38	-2%	-2%	-	▶	▶	▶	Wheat flour (1st quality)	25	0%	0%	-	▶	▶	-
Meat (beef)	300	0%	7%	-	▶	▶	▶								
Meat (mutton)	300	0%	7%	-	▶	▶	▶								

**NATIONAL**



Fruit (apple)	78	1%	28%	9%	▶	▶	▶	Milk	30	-1%	-9%	0%	▶	▶	▶
Vegetable (cabbage)	38	-15%	-20%	127%	▼	▶	▶	Potato	30	-33%	-11%	27%	▼	▶	▶
Vegetable (carrot)	34	8%	30%	45%	▶	▶	▶	Rice	71	0%	-1%	-8%	▶	▶	▶
Diesel	37	0%	0%	15%	▶	▶	▶	Sugar	59	7%	9%	8%	▶	▶	▶
Egg	67	-2%	-9%	1%	▶	▶	▶	Cooking oil	97	-1%	-3%	-8%	▶	▶	▶
Petrol (Octane rating 92)	39	-1%	0%	8%	▶	▶	▶	Wheat flour (1st quality)	29	0%	-2%	-4%	▶	▶	▶
Meat (beef)	310	2%	3%	4%	▶	▶	▶								
Meat (mutton)	304	0%	4%	5%	▶	▶	▶								

▲ Price increase above normal price fluctuation  
▶ Normal price fluctuation  
▼ Price decrease below normal fluctuation

Price fluctuation is considered normal if change within:  
5% for 1 month, 10% for 3 months, 15% for 1 year

## Data sources and methodologies

- <sup>1</sup>**Data for retail prices of 9 food security commodities** are collected by the National Statistics Committee of the Kyrgyz Republic on a daily basis from 10 markets across the country (Bishkek, Osh, Tokmok, Kara-balta, Talas, Karakol, Naryn, Kara-su, Kyzyl-kiya and Batken).
- <sup>2</sup>**International Research Institute (IRI)**, The mission of the IRI is to enhance society's capability to understand, anticipate and manage the impacts of climate in order to improve human welfare and the environment, especially in developing countries. The IRI conducts this mission through strategic and applied research, education, capacity building, and by providing forecasts and information products with an emphasis on practical and verifiable utility and partnership.
- <sup>3</sup>**Sea Surface Temperature (SST)** forecast model
- <sup>4</sup>**El Niño** - refers to the large-scale ocean-atmosphere climate phenomenon linked to a periodic warming in sea-surface temperatures across the central and east-central equatorial Pacific. Typical effects of El Niño include dry weather in Australasia and heavy rain in South America. **La Niña**- is characterized by unusually cold ocean temperatures in the Equatorial Pacific, compared to El Niño. La Niña and El Niño are the "cold" (La Niña) and "warm" (El Niño) phases of the El Niño-Southern Oscillation (ENSO). ENSO is series of linked weather- and ocean-related phenomena.
- <sup>5</sup>**Normalized Difference Vegetation Index (NDVI)**-provides the alternative measures of the relative vegetation health. These indices can be used to monitor areas where vegetation may be stressed, as a proxy to detect potential drought. [http://www.fao.org/giews/earthobservation/asis/index\\_2.jsp?lang=en](http://www.fao.org/giews/earthobservation/asis/index_2.jsp?lang=en)
- <sup>6</sup>**Data for export price of wheat in Kazakhstan** is Free on Board [FOB] price for milled wheat at Aktau port. The FAO Global Information and Early Warning System (GIEWS) updates this data on a monthly basis. Methodological details are available online at <http://www.fao.org/giews/pricetool/>
- <sup>7</sup>**NSC**– National Statistical Committee
- <sup>8</sup>**Commodity Markets Outlook**, April 2016. World Bank Quarterly Report. **Agricultural Information Market System (AMIS)** -is an inter-agency platform to enhance food market transparency and encourage coordination of policy action in response to market uncertainty. AMIS focuses on four crops that are particularly important in international food markets, namely wheat, maize, rice and soybeans.
- <sup>9</sup>**International grain Council (IGC)-Intergovernmental organization promoting the international cooperation in grains trade.** <http://www.igc.int/en/Default.aspx>
- <sup>10</sup>**Currency exchange rate** used is the official daily exchange rate provided by the National Bank of Kyrgyz Republic. The monthly average rate was calculated for the bulletin.
- <sup>11</sup>**International price of sugar** refers to the International Sugar Agreement (ISA) daily price for raw sugar, obtained from the International Sugar Organization. The price data is widely used by global market monitoring publications such as the World Bank's Commodity Markets Outlook (<http://www.worldbank.org/en/research/commodity-markets>).
- <sup>12</sup>**The deviation of the observed prices and estimated seasonal prices** are provided by WFP's Alert for Price Spikes (ALPS) in units of standard deviations. In July 2015, for example, the standard deviation of observed prices of wheat flour price and estimated seasonal prices was 0.74 in Osh, indicating that the market experienced unusually high price levels during this month. Seasonal prices were estimated using the price data for the last 10 years. Methodological guidance is available online at [http://documents.wfp.org/stellent/groups/public/documents/manual\\_guide\\_proced/wfp264186.pdf](http://documents.wfp.org/stellent/groups/public/documents/manual_guide_proced/wfp264186.pdf)
- <sup>13</sup>**Alert for Price Spikes (ALPS)** provides early warning of rising food prices by detecting abnormally high levels of local food prices. The ALPS calculates the difference between the latest observed price available and the corresponding seasonal price trend. Colour-shaded bar indicate the periods where the actual price (black line) was above the estimated trend (blue dotted line). The ALPS attributes colour codes according to the severity of the gap between the two lines.
- <sup>14</sup> Seasonality refers to periodic fluctuations that occur regularly based on a particular season. **Price fluctuations is considered normal** if change within **5% for 1 month, 10% for 3 months, 15% for 1 year.**
- <sup>15</sup>**Data for fuel prices** are provided by the National Statistics Committee on a monthly basis for 95-octane petrol, 92-octane petrol, 80-octane petrol and diesel. This bulletin reports the prices of 92-octane petrol and diesel which are the most commonly used for food transportation and agricultural machinery.

This bulletin is prepared by the Technical Working Group on Price Monitoring for Food Security (TWG-PMFS) which is chaired by the Ministry of Economy and attended by the Ministry of Agriculture, Food Industry and Melioration, the National Bank, the National Statistics Committee and the National Institute for Strategic Studies. Technical support is provided by the United Nations World Food Programme (WFP) and the Food and Agriculture Organization of the United Nations (FAO). The bulletin aims to provide timely information and analysis on the domestic prices of basic food and non-food items, complemented by analysis of international markets. It also provides early warning on high food prices. The July 2017 edition is the 20th issue of the bulletin.

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