

# 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

- Global wheat production was 754.1 million tons in 2016 and according to International Grains Council (IGC) forecast for 2017/18 it is expected to decrease by 1 percent (748.5 million tons). National wheat production reached 641.7 thousand tons in September 2017, while total production was 661.5 thousand tons in 2016.
- In September 2017 the domestic wheat flour prices remained stable in all markets around the country. Export prices for wheat from the Russian Federation (RF) decreased by 2 percent and export prices from Kazakhstan remained stable on a month-on-month basis in September 2017. Close monitoring of import dependent commodities is important throughout instability on cross border points between Kazakhstan and the Kyrgyz Republic (KR).
- The vegetable prices continue to decrease with the new harvest season. In September 2017 prices for vegetables: potatoes, cabbages and carrots decreased by 8, 16 and 3 percent respectively on a month-on-month basis. But prices for carrots and potato still remain high by 63 and 39 percent and prices for cabbage decreased by 13 percent compared to September 2016.
- The US dollar stayed stable, while the Russian ruble appreciated by 3 percent on a month-on-month basis against the national currency in September 2017. However, the Kazakh tenge depreciated by 2 percent against the national currency on a month-on-month basis in September 2017. Currency movements are among the main driving forces of the retail prices of imported basic food commodities including wheat, vegetable oil and sugar.
- In August 2017 the aggregate volume of remittances reached a new highest record of all time, the previous record high being in June 2017. Remittance value reached 219 million USD, which is 15 percent higher on a month-on-month basis and compared to August 2016. The share of remittances in GDP reached 32.7 % in 2016.
- The minimum subsistence reached 5052 Kyrgyz som (~74 USD) during January - June of 2017, which is by 4 percent higher compared to the same period of 2016. The average salary in the country reached 14691 Kyrgyz som (~214 USD) during January—June of 2017, which is by 6 percent higher compared to the same period of 2016.

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

	Aug 2017	Jun 2017	Sep 2016		Aug 2017	Jun 2017	Sep 2016
<b>Wheat flour</b> <sub>(1-st grade)</sub>	0%	-1%	-3%	<b>Vegetable (carrot)</b>	-3%	2%	63%
<b>Rice</b>	-1%	-2%	-10%	<b>Vegetable (potato)</b>	-8%	-46%	39%
<b>Meat (beef)</b>	1%	4%	7%	<b>Vegetable (cabbage)</b>	-16%	-64%	-13%
<b>Meat (mutton)</b>	0%	-1%	6%	<b>Fruit (apple)</b>	-6%	-13%	3%
<b>Milk</b>	4%	5%	4%	<b>Sugar</b>	-11%	-6%	-8%
<b>Eggs</b>	1%	-2%	1%	<b>Vegetable oil</b>	0%	-1%	-9%

## Price observation due to the Kazakh and Kyrgyz cross border instability

Trade flow issues have been observed at the Kazakh-Kyrgyz border during October 2017 which has delayed the inflow of goods into the Kyrgyz Republic<sup>2</sup>. According to the daily monitoring of the prices by the National Statistical Committee (NSC) during October, it did not affect the prices for wheat flour, bread and “lepeshka”; prices for wheat products were stable on a month-on-month basis. According to the price monitoring of the country’s main food and nonfood commodities by the Ministry of Economy the prices for wheat flour increased by 1.19%, bread by 1.12%, diesel prices by 2.21%, petrol (AI-92) by 2 percent on a month-on-month basis (6<sup>th</sup> of October to 3<sup>rd</sup> of November 2017)<sup>3</sup>. According to the forecast of independent experts the situation is temporary and is expected to stabilize soon.

### Global wheat production and prices

Global wheat production was estimated to be 754.1 million tons in 2016 and according to the IGC forecast for 2017/18 it is expected to decrease by 1 percent (748.5 million tons). According to FAO global wheat production will reach 750 million tons due to the production raise in the European Union (EU) and RF, where more favorable weather conditions were observed.

The Kyrgyz Republic is an import dependent country, importing wheat flour from the Russian Federation (11 percent) and Kazakhstan (88 percent). Therefore the monitoring of wheat export prices is important. Since 2015, the prices for wheat flour from both countries have been fluctuating without any significant changes<sup>14</sup>. In September 2017, wheat export prices from the Russian Federation decreased by 2 percent on a month-on-month basis and remained stable over three months. The current export prices are 10 percent higher compared to the same month in 2016, and 48 percent lower than the record high reached in February 2013. Export prices of wheat from Kazakhstan<sup>6</sup> remained stable on a month-on-month basis and over the last three months in September 2017. Prices are 1 percent lower than the same month in 2016 and 52 percent lower than the record high reached in April 2008. However, due to the unstable border situation with Kazakhstan since October 2017, there is a risk of an impact on local wheat flour prices.

### National retail prices of wheat flour

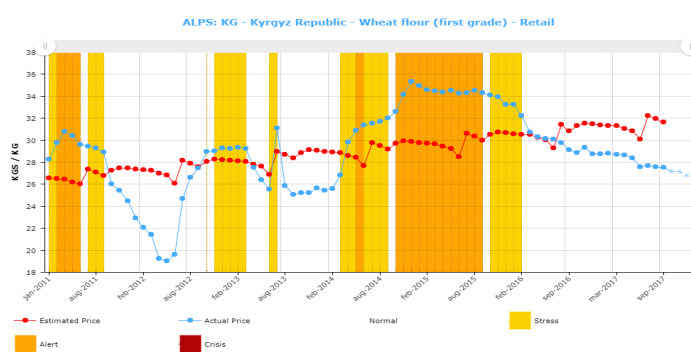
According to NSC operational data, in September 2017 wheat production reached 641.7 thousand tons, while total production was 661.5 thousand tons in 2016. In September 2017, the

domestic retail price of wheat flour was stable on a month-on-month basis at 29.06 Kyrgyz som per kg. Domestic prices remained 3 percent lower than the same month in 2016 and 6 percent lower than the average price of the last five years. The highest recorded prices for domestic wheat flour were observed in December 2014, but current prices are 17 percent lower. The highest prices in September 2017 were observed in Nookat town (43 Kyrgyz som per kg) and the lowest in Talas town (21 Kyrgyz som per kg).

### Fortified wheat flour production

According to the Law on Fortification of wheat flour from 2009, in order to improve health situation in KR, all wheat flour must be fortified with micronutrients. In 2016, the fortified wheat flour production was estimated by 54 thousand tons. According to the NSC data fortified wheat flour production reached 113 thousand tons between January and September 2017, which is 109 percent higher compared to 2016 production.

Fig 1. ALPS for price of wheat flour (first grade, kyrgyz som per kg, national average)



## Vegetable prices

### Vegetable prices (cabbages, carrots, potatoes)

During the current harvest season prices for vegetables are decreasing after a significant increase since the beginning of 2017, as a result of seasonal price changes and a protracted wet spring, which resulted in a delay for crop sowing. However ALPS<sup>13</sup> analysis for carrots and cabbages still illustrates that prices have experienced an alarmingly higher than normal seasonal trend between February and September 2017 as a result of the delayed new harvest.

**Prices for cabbages.** In September 2017 prices for cabbages decreased by 16 percent on a month-on-month basis and 64 percent over three months. However, prices are 13 percent lower compared to September 2016. The highest prices were observed in Kerben, Toktogul and Uzgen (30 Kyrgyz som per kg) towns and the lowest in Karakol (11 Kyrgyz som per kg) town.

**Prices for carrots.** In September 2017 prices for carrots decreased by 3 percent on a month-on-month basis. But still remain 2 percent higher over the last three months and 63 percent higher than in September 2016. The highest prices for carrots were observed in Bishkek (35 Kyrgyz som per kg) town and the lowest in Isfana (18 Kyrgyz som per kg) town.

**Prices for potatoes.** In 2016 the KR was self-sufficient in potatoes by 308 percent with 1388.4 thousand tons of production. According to NSC data in September 2017 potato production reached 972.8 thousand tons. In September 2017 prices decreased by 8 percent on a month-on-month basis and by 46 percent over the last three months. However, prices are 39 percent higher than in September 2016 and 8 percent higher than the average price over five years. The prices of potatoes are the highest in Jalal-Abad town (29 Kyrgyz som per kg) and the lowest in Pokrovka town (15 Kyrgyz som per kg).

Fig. 2 ALPS for national average of cabbages prices (Kyrgyz som per kg)

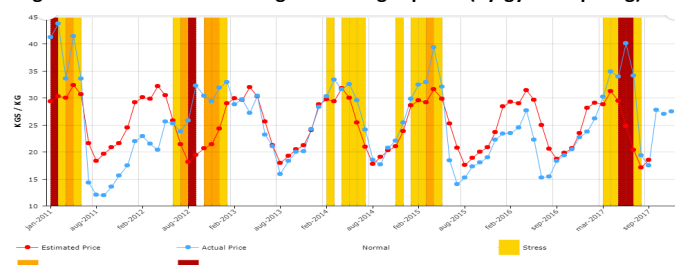


Fig.3 ALPS for national average of carrots prices (Kyrgyz som per kg)

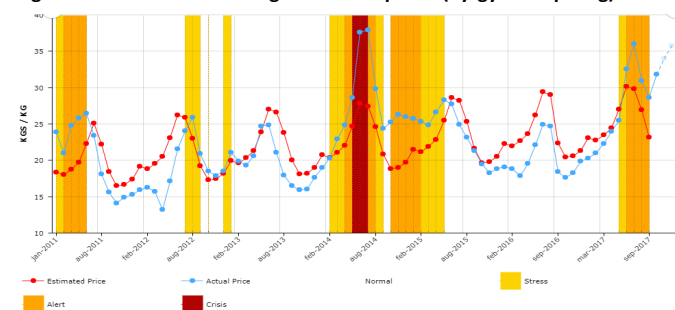
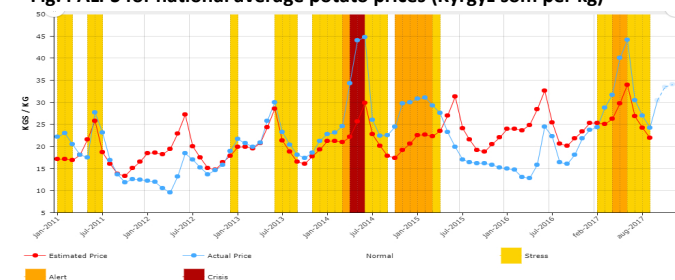


Fig.4 ALPS for national average potato prices (Kyrgyz som per kg)



## Other basic food commodities

### International and domestic sugar prices

Since the beginning of 2017 global sugar prices have been decreasing. However, in September 2017, global sugar<sup>9</sup> prices were stable on a month-on-month basis and increased by 3 percent over three months. The prices are 32 percent lower than in September 2016, and 22 percent higher than the 5-year average.

With the upcoming harvest season, sugar prices are expected to decrease. In 2016 the KR was 44 percent self-sufficient based on internal production, with the additional required amount of sugar imported from Belarus and Ukraine. However, the Government is focused on increasing internal sugar production with the modernization of sugar processing factories and the increase in crop territories (in 2017 crop area increased by 49%). According to the NSC data sugar beet production reached 48.2 thousand tons, while total production in 2016 was estimated to be 705.2

thousand tons. In September 2017, the domestic prices for sugar decreased by 11 percent on a month-on-month basis and increased by 8 percent compared to September 2016. The highest domestic prices of sugar were observed in Nookat (63 Kyrgyz som) town and the lowest in Chaek, Balykchy and Kara-Balta (48 Kyrgyz som) town.

### 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 September 2017, the national prices of vegetable oil were stable on a month-on-month basis but 1 percent lower over three months. The prices were 9 percent lower than the same month last year. The retail prices were the highest in Kara-Suu (105 Kyrgyz som) town and the lowest in Uzgen town (88 Kyrgyz som).

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

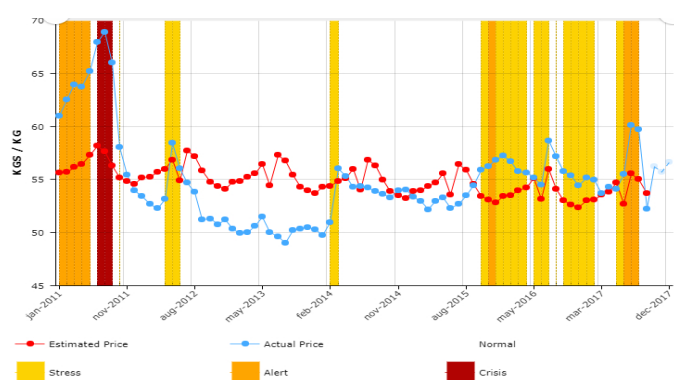
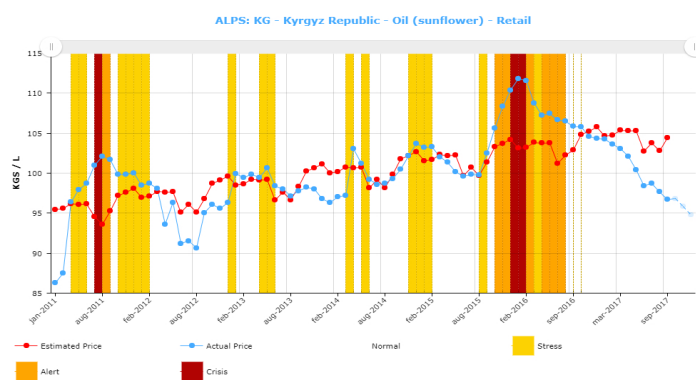


Fig 6. ALPS for national average vegetable oil prices (kyrgyz som per liter)



### Meat (beef and mutton)

In 2016 the KR produced 213.7 thousand tons of meat, which accounts for 58 percent of the country's needs. Prices for beef and mutton have been stable since 2016. In September 2017 prices for mutton were stable on a month-on-month basis and decreased by 1 percent over the last three months. The prices are 6 percent higher compared to September 2016. However, the prices of beef increased by 1 percent on a month-on-month basis and by 4 percent over the last three months. The prices were 7 percent higher than in September 2016. The prices of beef are higher in Batken (330 som per kg) town and the lowest in Kerben and Pokrovka (260 som per kg). The prices of mutton are higher in Batken (350 som per kg) town and the lowest in Pokrovka (282 som per kg).

### Milk

In 2016 the KR produced 1524.6 thousand tons of milk, providing 118.4 percent of the country's needs. Domestic prices for milk have been stable since the beginning of 2016 with some seasonal variations<sup>14</sup>. In September 2017, the domestic price of milk increased by 4 percent on a month-on-month basis and by 5 percent over the last three months. The prices are 4 percent higher compared to September 2016. The retail prices of milk were the highest in Batken (38 Kyrgyz som per liter) and the lowest in Pokrovka (18 Kyrgyz som per liter) town. The highest recorded price of milk was reached in January 2015 and current prices are 12 percent lower.

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

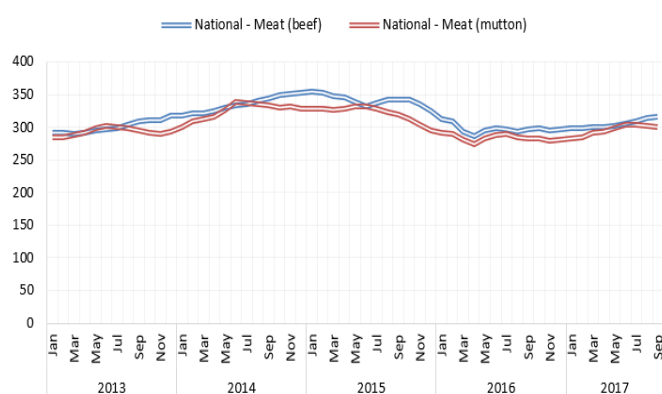
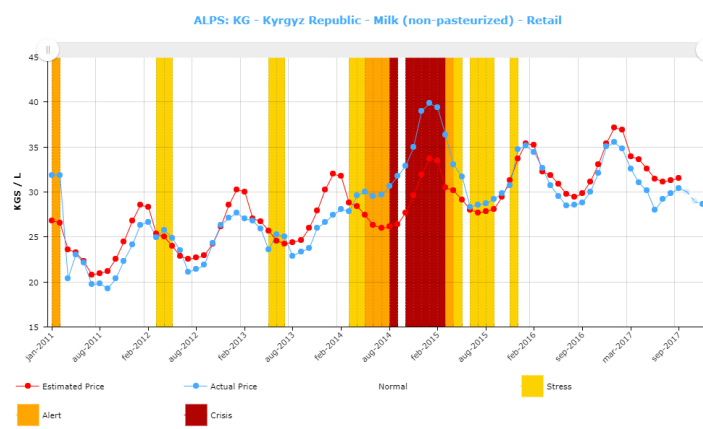


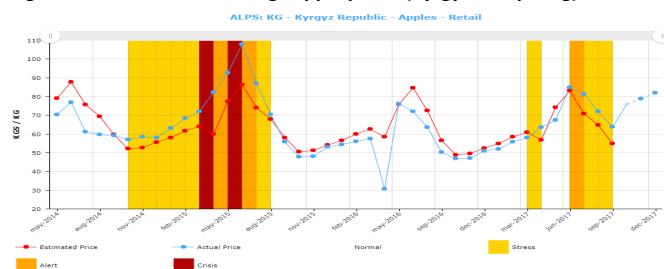
Fig 8. ALPS for national average milk prices ( kyrgyz som per liter)



## Apples

Apples are the most consumed and available fruit in the country. After a significant increase of prices in July 2017, the new harvest prices are decreasing. In September 2017, prices for apples decreased by 6 percent on a month-on-month basis and decreased by 13 percent over the three months. The current prices are 36 percent lower than the record high reached in June 2015 and 5 percent higher than the 5-year average. The prices for apples are the highest in Osh (77 Kyrgyz som per kg) town and the lowest in Isfana (22 Kyrgyz som per kg) town.

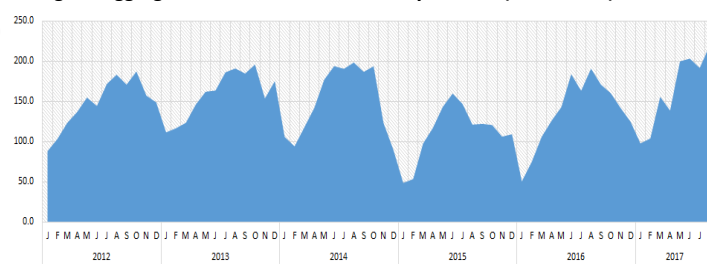
Fig 9. ALPS for national average apple prices (Kyrgyz som per kg)



## Remittances

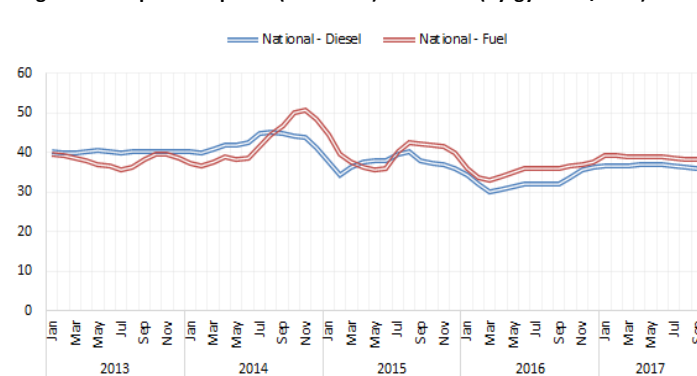
According to the NSC the poverty rate was 25.4 percent in 2016. However, the poverty rate is much higher if the income from remittances is excluded reaching 31.5 percent (in Batken province 53.6 percent). This demonstrates the country's vulnerability to the economy of the RF from where the most of the remittances originate. In August 2017 the aggregate volume of remittances reached the highest record of all time totalling 219 million USD, which is 15 percent higher on a month-on-month basis and compared to August 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 in rural areas. In September 2017, prices for diesel were stable on a month-on-month basis and decreased by 2 percent over the last three months. The prices are 12 percent higher compared to September 2016. Prices for petrol were also stable on a month-on-month basis and decreased by 2 percent over the last three months. Current prices are 6 percent higher than in September 2016. Prices for diesel are the highest in Batken, Isfana and Chaek towns (38-37 Kyrgyz som) and the lowest in Naryn (34 Kyrgyz som). Prices for petrol are the highest in Kerben (40 Kyrgyz som) town and the lowest in Naryn town (36 Kyrgyz som).

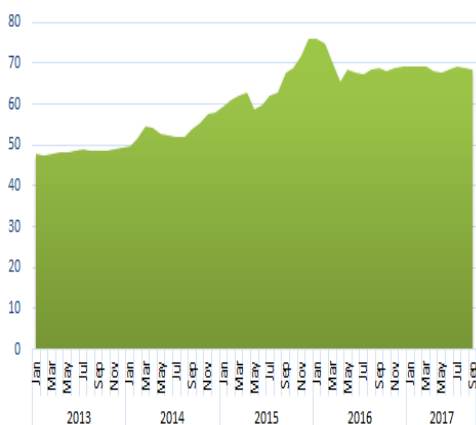
Fig 11. Retail prices of petrol (92 octane) and diesel (Kyrgyz som / litre)



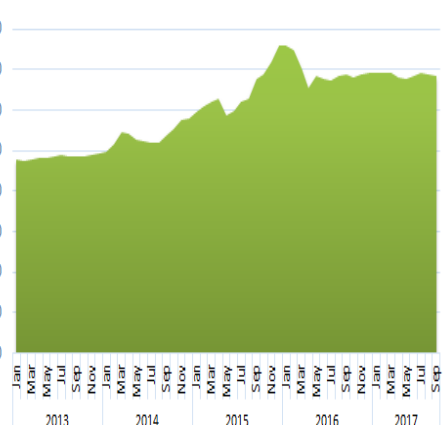
## Currency exchange rate (Kyrgyz som versus US dollar, Russian ruble, Kazakhstan tenge)

In September 2017, the US dollar was stable against the national currency on a month-on-month basis (68.56 Kyrgyz som to 1 USD) and over the last three months. It remains stable compared to September 2016. The highest rate of the US dollar against the Kyrgyz som was observed in December 2015, and in comparison the current rate is 9 percent lower. Since the beginning of 2017, the Russian ruble has been appreciating, which is a sign of the economic recovery of the Russian Federation. In September 2017, the Russian ruble appreciated against the Kyrgyz som by 3 percent on a month-on-month basis (1.19 Kyrgyz som per 1 Russian ruble) and remained stable over the last three months. It appreciated by 12 percent compared to the same month in 2016. The Kazakh tenge depreciated by 2 percent on a month-on-month against the Kyrgyz som (0.20 Kyrgyz som per 1 Kazakh tenge) and by 6 percent over the last three months. It was stable compared to September 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.

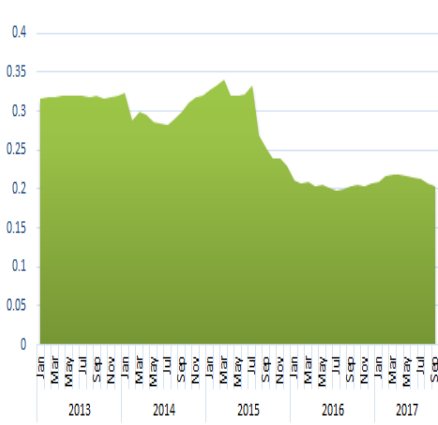
Official currency exchange (US Dollar/Kyrgyz Som)



Official currency exchange (Russian Ruble/Kyrgyz Som)













Official currency exchange (Kazakh Tenge/Kyrgyz Som)














## Annex: Prices of 9 food security commodities

The latest retail prices are compared against prices in the previous month, three months ago, and one year ago.

Area	Commodity	Current Price (KGS)	Change in Price (%)			Level of Fluctuation			Commodity	Current Price (KGS)	Change in Price (%)			Level of Fluctuation		
			1 m	3 m	1 yr	1 m	3 m	1 yr			1 m	3 m	1 yr	1 m	3 m	1 yr
BALYKCHY																
	Fruit (apple)	43	-9%	-	-	▼	▲	-	Milk	20	3%	-19%	-	▶	▼	-
	Vegetable (cabbage)	17	-34%	-61%	-	▼	▼	-	Potato	17	-30%	-56%	-	▼	▼	-
	Vegetable (carrot)	26	-12%	-3%	-	▼	▶	-	Rice	57	2%	2%	-	▶	▶	-
	Diesel	35	0%	-2%	-	▶	▶	-	Sugar	48	-20%	-9%	-	▼	▶	-
	Egg	56	-4%	1%	-	▶	▶	-	Cooking oil	93	-1%	-1%	-	▶	▶	-
	Petrol (Octane rating 92)	37	0%	-2%	-	▶	▶	-	Wheat flour (1st quality)	25	0%	0%	-	▶	▶	-
	Meat (beef)	315	0%	2%	-	▶	▶	-								
	Meat (mutton)	300	0%	0%	-	▶	▶	-								
BATKEN																
	Fruit (apple)	38	17%	-44%	38%	▲	▼	▲	Milk	38	-6%	1%	0%	▼	▶	▶
	Vegetable (cabbage)	26	0%	-2%	27%	▶	▶	▲	Potato	29	-5%	-31%	51%	▶	▼	▲
	Vegetable (carrot)	20	-10%	-39%	-5%	▼	▼	▶	Rice	71	0%	3%	-7%	▶	▶	▶
	Diesel	38	0%	-1%	11%	▶	▶	▲	Sugar	56	-13%	-4%	-4%	▼	▶	▶
	Egg	83	1%	1%	7%	▶	▶	▲	Cooking oil	99	-5%	-5%	-11%	▶	▶	▶
	Petrol (Octane rating 92)	40	0%	-1%	5%	▶	▶	▶	Wheat flour (1st quality)	27	-1%	0%	-6%	▶	▶	▶
	Meat (beef)	330	0%	10%	10%	▶	▲	▶								
	Meat (mutton)	350	0%	0%	17%	▶	▶	▲								
BISHKEK																
	Fruit (apple)	74	0%	0%	-12%	▶	▶	▼	Milk	34	4%	4%	6%	▶	▶	▶
	Vegetable (cabbage)	12	-25%	-74%	-33%	▼	▼	▼	Potato	24	-7%	-48%	39%	▼	▼	▲
	Vegetable (carrot)	35	0%	16%	74%	▶	▲	▶	Rice	68	-2%	-4%	-3%	▶	▶	▶
	Diesel	36	0%	-1%	15%	▶	▶	▲	Sugar	51	-10%	-6%	-6%	▼	▶	▶
	Egg	64	1%	-5%	0%	▶	▼	▶	Cooking oil	97	0%	0%	-7%	▶	▶	▶
	Petrol (Octane rating 92)	38	0%	-1%	8%	▶	▶	▲	Wheat flour (1st quality)	29	0%	0%	2%	▶	▶	▶
	Meat (beef)	323	1%	4%	6%	▶	▶	▲								
	Meat (mutton)	291	-1%	-5%	3%	▶	▼	▶								
CHAEK																
	Fruit (apple)	50	0%	0%	-	▶	▶	-	Milk	25	-17%	0%	-	▼	▶	-
	Vegetable (cabbage)	22	-11%	-31%	-	▼	▼	-	Potato	24	-10%	-32%	-	▼	▼	-
	Vegetable (carrot)	25	0%	0%	-	▶	▶	-	Rice	56	-1%	0%	-	▶	▶	-
	Diesel	37	0%	0%	-	▶	▶	-	Sugar	48	-18%	-11%	-	▼	▼	-
	Egg	83	9%	27%	-	▲	▲	-	Cooking oil	90	-1%	0%	-	▶	▶	-
	Petrol (Octane rating 92)	39	0%	0%	-	▶	▶	-	Wheat flour (1st quality)	23	0%	0%	-	▶	▶	-
	Meat (beef)	300	0%	0%	-	▶	▶	-								
	Meat (mutton)	300	0%	0%	-	▶	▶	-								
ISFANA																
	Fruit (apple)	22	-11%	-55%	-	▼	▼	-	Milk	30	4%	20%	-	▶	▲	-
	Vegetable (cabbage)	16	-25%	-35%	-	▼	▼	-	Potato	23	-18%	-43%	-	▶	▼	-
	Vegetable (carrot)	18	-23%	-49%	-	▼	▼	-	Rice	51	0%	-1%	-	▶	▶	-
	Diesel	37	0%	-2%	-	▶	▶	-	Sugar	55	-7%	-5%	-	▼	▶	-
	Egg	65	-1%	-10%	-	▶	▶	-	Cooking oil	99	1%	0%	-	▶	▶	-
	Petrol (Octane rating 92)	39	0%	-1%	-	▶	▶	-	Wheat flour (1st quality)	26	4%	5%	-	▶	▶	-
	Meat (beef)	300	0%	0%	-	▶	▶	-								
	Meat (mutton)	330	0%	0%	-	▶	▶	-								
JALALABAD																
	Fruit (apple)	51	-12%	-36%	-1%	▼	▼	▶	Milk	32	0%	15%	2%	▶	▲	▶
	Vegetable (cabbage)	22	-5%	-54%	-4%	▼	▼	▶	Potato	29	-9%	-30%	41%	▼	▼	▲
	Vegetable (carrot)	32	8%	-7%	60%	▶	▲	▶	Rice	68	-2%	6%	1%	▶	▶	▶
	Diesel	35	-1%	-5%	7%	▶	▶	▶	Sugar	54	-9%	-5%	-6%	▼	▶	▶
	Egg	76	2%	-3%	9%	▶	▶	▶	Cooking oil	90	0%	-6%	-11%	▶	▶	▶
	Petrol (Octane rating 92)	37	-1%	-3%	2%	▶	▶	▶	Wheat flour (1st quality)	28	2%	1%	1%	▶	▶	▶
	Meat (beef)	320	0%	7%	7%	▶	▶	▶								
	Meat (mutton)	320	0%	7%	7%	▶	▶	▶								
KARA-BALTA																
	Fruit (apple)	76	-14%	-20%	54%	▼	▼	▲	Milk	36	10%	14%	-3%	▲	▲	▶
	Vegetable (cabbage)	12	-2%	-54%	46%	▶	▼	▶	Potato	21	-6%	-46%	35%	▼	▼	▲
	Vegetable (carrot)	22	-13%	-38%	24%	▶	▼	▲	Rice	70	0%	-2%	-18%	▶	▶	▼
	Diesel	35	1%	0%	15%	▶	▶	▶	Sugar	48	-18%	-13%	-16%	▼	▼	▼
	Egg	72	0%	6%	2%	▶	▶	▶	Cooking oil	93	0%	-6%	-10%	▶	▶	▶
	Petrol (Octane rating 92)	37	0%	-2%	5%	▶	▶	▶	Wheat flour (1st quality)	26	-2%	-18%	-11%	▶	▼	▶
	Meat (beef)	314	3%	14%	8%	▶	▲	▶								
	Meat (mutton)	316	4%	14%	6%	▶	▲	▶								
KARAKOL																
	Fruit (apple)	70	-3%	-4%	10%	▶	▶	▶	Milk	29	9%	15%	15%	▲	▲	▶
	Vegetable (cabbage)	11	2%	-73%	-27%	▶	▼	▼	Potato	18	-17%	-65%	63%	▶	▼	▲
	Vegetable (carrot)	25	-16%	-25%	67%	▼	▼	▲	Rice	55	0%	1%	-13%	▶	▶	▶
	Diesel	35	-2%	-2%	12%	▶	▶	▶	Sugar	50	-13%	-9%	-13%	▼	▶	▶
	Egg	66	0%	8%	8%	▶	▶	▶	Cooking oil	92	-1%	-1%	-15%	▶	▶	▶
	Petrol (Octane rating 92)	37	-1%	-2%	4%	▶	▶	▶	Wheat flour (1st quality)	29	0%	0%	-7%	▶	▶	▶
	Meat (beef)	317	6%	13%	19%	▲	▲	▲								
	Meat (mutton)	300	4%	10%	15%	▶	▲	▶								
KARA-SUU																
	Fruit (apple)	54	-10%	-22%	-	▼	▼	-	Milk	25	0%	0%	-	▶	▶	-
	Vegetable (cabbage)	27	-42%	-38%	-	▼	▼	-	Potato	28	-1%	-33%	-	▶	▼	-
	Vegetable (carrot)	29	-2%	10%	-	▶	▶	-	Rice	95	-1%	0%	-	▶	▶	-
	Diesel	36	-3%	-5%	-	▶	▶	-	Sugar	61	-5%	5%	-	▼	▶	-
	Egg	67	4%	0%	-	▶	▶	-	Cooking oil	105	0%	0%	-	▶	▶	-
	Petrol (Octane rating 92)	39	-2%	-4%	-	▶	▶	-	Wheat flour (1st quality)	30	0%	-1%	-	▶	▶	-
	Meat (beef)	320	3%	7%	-	▶	▶	-								
	Meat (mutton)	320	3%	7%	-	▶	▶	-								
KERBEN																
	Fruit (apple)	16	-37%	-64%	-	▼	▼	-	Milk	21	-27%	-51%	-	▼	▼	-
	Vegetable (cabbage)	34	-3%	-6%	-	▶	▶	-	Potato	62	0%	-1%	-	▶	▶	-
	Vegetable (carrot)	34	-1%	-5%	-	▶	▶	-	Rice	50	-14%	-8%	-	▼	▶	-
	Diesel	75	0%	4%	-	▶	▶	-	Sugar	99	0%	0%	-	▶	▶	-
	Egg	36	0%	-2%	-	▶	▶	-	Cooking oil	27	0%	0%	-	▶	▶	-
	Petrol (Octane rating 92)	307	-5%	-6%	-	▼	▶	-	Wheat flour (1st quality)	-	0%	0%	-	▶	▶	-
	Meat (beef)	296	-6%	-10%	-	▼	▶	-								
	Meat (mutton)	22	1%	1%	-	▶	▶	-								

NARYN																
	Fruit (apple)	66	-28%	-39%	32%	▼	▼	▲	Milk	22	1%	1%	12%	►	►	►
	Vegetable (cabbage)	16	-37%	-64%	-28%	▼	▼	▼	Potato	21	-27%	-51%	48%	▼	▼	▲
	Vegetable (carrot)	34	-3%	-6%	94%	►	►	▲	Rice	62	0%	-1%	2%	►	►	►
	Diesel	34	-1%	-5%	7%	►	►	►	Sugar	50	-14%	-8%	-10%	▼	►	►
	Egg	75	0%	4%	-3%	►	►	►	Cooking oil	99	0%	0%	-3%	►	►	►
	Petrol (Octane rating 92)	36	0%	-2%	14%	►	►	►	Wheat flour (1st quality)	27	0%	0%	-8%	►	►	►
	Meat (beef)	307	-5%	-6%	2%	▼	►	►								
	Meat (mutton)	296	-6%	-10%	3%	▼	►	►								
NOOKAT																
	Fruit (apple)	25	-57%	-60%	-	▼	▼	-	Milk	30	0%	0%	-	►	►	-
	Vegetable (cabbage)	19	-8%	-56%	-	▼	▼	-	Potato	25	-8%	-41%	-	▼	▼	-
	Vegetable (carrot)	24	-10%	-19%	-	▼	▼	-	Rice	83	0%	0%	-	►	►	-
	Diesel	36	-2%	-4%	-	►	►	-	Sugar	63	-3%	6%	-	►	►	-
	Egg	86	0%	-4%	-	►	►	-	Cooking oil	100	-6%	0%	-	▼	►	-
	Petrol (Octane rating 92)	38	-3%	-6%	-	►	►	-	Wheat flour (1st quality)	43	0%	0%	-	►	►	-
	Meat (beef)	280	0%	0%	-	►	►	-								
	Meat (mutton)	300	0%	0%	-	►	►	-								
OSH																
	Fruit (apple)	77	-	-	-	▲	▲	-	Milk	31	4%	-2%	-	►	►	-
	Vegetable (cabbage)	26	2%	-48%	-	►	▼	-	Potato	29	-6%	-36%	-	▼	▼	-
	Vegetable (carrot)	29	-13%	-8%	-	▼	►	-	Rice	96	1%	-3%	-	►	►	-
	Diesel	36	-2%	-5%	-	►	►	-	Sugar	54	-17%	-7%	-	▼	►	-
	Egg	66	1%	1%	-	►	►	-	Cooking oil	98	-1%	1%	-	►	►	-
	Petrol (Octane rating 92)	39	0%	-2%	-	►	►	-	Wheat flour (1st quality)	30	0%	-4%	-	►	►	-
	Meat (beef)	317	0%	3%	-	►	►	-								
	Meat (mutton)	320	0%	4%	-	►	►	-								
POKROVKA																
	Fruit (apple)	55	0%	-7%	-	►	►	-	Milk	18	0%	-10%	-	►	►	-
	Vegetable (cabbage)	19	0%	-37%	-	►	▼	-	Potato	15	3%	-61%	-	►	▼	-
	Vegetable (carrot)	25	-2%	14%	-	►	▲	-	Rice	43	0%	0%	-	►	►	-
	Diesel	36	0%	0%	-	►	►	-	Sugar	59	0%	8%	-	►	►	-
	Egg	83	0%	0%	-	►	►	-	Cooking oil	91	0%	0%	-	►	►	-
	Petrol (Octane rating 92)	39	0%	0%	-	►	►	-	Wheat flour (1st quality)	27	0%	-1%	-	►	►	-
	Meat (beef)	260	1%	-10%	-	►	►	-								
	Meat (mutton)	282	0%	-2%	-	►	►	-								
TALAS																
	Fruit (apple)	65	-18%	-21%	55%	▼	▼	▲	Milk	27	0%	0%	7%	►	►	►
	Vegetable (cabbage)	14	-1%	-62%	-15%	►	▼	►	Potato	23	-3%	-56%	70%	►	▼	▲
	Vegetable (carrot)	27	-21%	-14%	64%	▼	▼	▲	Rice	65	0%	2%	0%	►	►	-
	Diesel	35	0%	-1%	16%	►	►	▲	Sugar	54	-9%	-3%	-3%	▼	►	►
	Egg	83	0%	-6%	0%	►	►	►	Cooking oil	101	0%	-3%	-4%	►	►	►
	Petrol (Octane rating 92)	38	0%	0%	9%	►	►	►	Wheat flour (1st quality)	21	0%	0%	-5%	►	►	►
	Meat (beef)	286	0%	0%	8%	►	►	►								
	Meat (mutton)	292	0%	0%	11%	►	►	►								
TOKMOK																
	Fruit (apple)	62	-36%	-48%	64%	▼	▼	▲	Milk	25	0%	0%	0%	►	►	►
	Vegetable (cabbage)	13	-13%	-63%	-3%	▼	▼	►	Potato	22	-8%	-48%	65%	▼	▼	▲
	Vegetable (carrot)	31	2%	1%	88%	►	►	▲	Rice	55	1%	1%	-7%	►	►	►
	Diesel	35	0%	-1%	13%	►	►	►	Sugar	52	-10%	-5%	-10%	▼	►	►
	Egg	72	1%	-2%	3%	►	►	►	Cooking oil	101	-1%	-2%	-7%	►	►	►
	Petrol (Octane rating 92)	37	0%	-1%	7%	►	►	►	Wheat flour (1st quality)	31	0%	0%	-4%	►	►	►
	Meat (beef)	290	0%	2%	7%	►	►	►								
	Meat (mutton)	290	0%	5%	15%	►	►	►								
TOKTOGUL																
	Fruit (apple)	45	-47%	-43%	-	▼	▼	-	Milk	29	17%	17%	-	▲	▲	-
	Vegetable (cabbage)	30	15%	-29%	-	▲	▼	-	Potato	25	0%	-41%	-	►	▼	-
	Vegetable (carrot)	30	-7%	-2%	-	▼	►	-	Rice	81	0%	0%	-	►	►	-
	Diesel	36	-1%	-1%	-	►	►	-	Sugar	52	-10%	-3%	-	▼	►	-
	Egg	76	-8%	-1%	-	▼	►	-	Cooking oil	91	-1%	0%	-	►	►	-
	Petrol (Octane rating 92)	38	0%	0%	-	►	►	-	Wheat flour (1st quality)	30	0%	0%	-	►	►	-
	Meat (beef)	300	-2%	-5%	-	►	►	-								
	Meat (mutton)	300	-3%	-5%	-	►	►	-								
UZGEN																
	Fruit (apple)	43	-9%	-38%	-	▼	▼	-	Milk	28	23%	39%	-	▲	▲	-
	Vegetable (cabbage)	30	-4%	-20%	-	►	▼	-	Potato	27	1%	-28%	-	►	▼	-
	Vegetable (carrot)	27	-4%	-16%	-	►	▼	-	Rice	55	0%	1%	-	►	►	-
	Diesel	35	0%	-3%	-	►	►	-	Sugar	50	-16%	-11%	-	▼	▼	-
	Egg	80	9%	14%	-	▲	▲	-	Cooking oil	88	-3%	-5%	-	►	►	-
	Petrol (Octane rating 92)	37	-1%	-4%	-	►	►	-	Wheat flour (1st quality)	25	0%	0%	-	►	►	-
	Meat (beef)	300	0%	0%	-	►	►	-								
	Meat (mutton)	300	0%	0%	-	►	►	-								
NATIONAL																
	Fruit (apple)	68	-6%	-13%	3%	▼	▼	►	Milk	32	4%	5%	4%	►	►	►
	Vegetable (cabbage)	16	-16%	-64%	-13%	▼	▼	►	Potato	24	-8%	-46%	39%	▼	▼	▲
	Vegetable (carrot)	32	-3%	2%	63%	►	►	▲	Rice	69	-1%	-2%	-10%	►	►	►
	Diesel	36	0%	-2%	12%	►	►	►	Sugar	52	-11%	-6%	-8%	▼	►	►
	Egg	67	1%	-2%	1%	►	►	►	Cooking oil	96	0%	-1%	-9%	►	►	►
	Petrol (Octane rating 92)	38	0%	-2%	6%	►	►	►	Wheat flour (1st quality)	29	0%	-1%	-3%	►	►	►
	Meat (beef)	317	1%	4%	7%	►	►	►								
	Meat (mutton)	300	0%	-1%	6%	►	►	►								

▲ 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> [http://mineconom.gov.kg/index.php?option=com\\_content&view=article&id=7571&catid=63&lang=ru](http://mineconom.gov.kg/index.php?option=com_content&view=article&id=7571&catid=63&lang=ru)

<sup>3</sup> Information on price monitoring of main food and nonfood commodities in Kyrgyz Republic markets by 3rd of November 2017.

<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.

<sup>16</sup>**Data for remittance inflow** is provided by the National Bank of the Kyrgyz Republic. The amount includes remittances received from the Russian Federation, Kazakhstan, the United States, Germany and other countries, using money transfer systems.

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 September 2017 edition is the 22nd issue of the bulletin.

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[http://mineconom.gov.kg/index.php?option=com\\_content&view=article&id=3633&Itemid=922&lang=ru](http://mineconom.gov.kg/index.php?option=com_content&view=article&id=3633&Itemid=922&lang=ru) (Ministry of Economy)

<http://www.nisi.kg/ru-p122> (National Institute for Strategic Study)