

Initial Market Price Bulletin for the month of **February 2018** (Reported in March 2018)

HIGHLIGHTS:

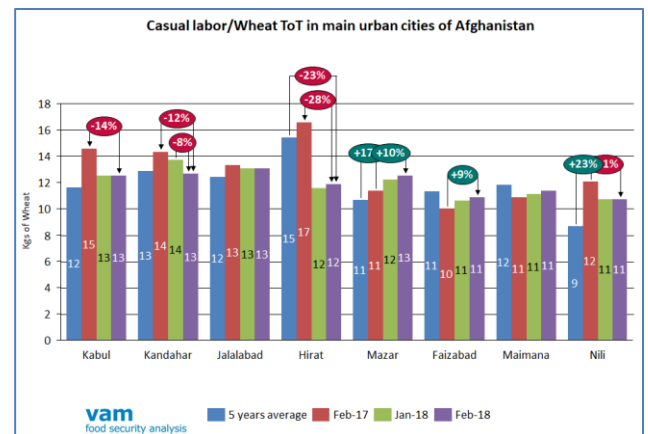
- **Wheat:** The current average wheat price in main cities' markets of Afghanistan (AFN 23.6/Kg) is negligibly higher by 0.3% compared to the same time last year (February 2017) and negligibly lower by 0.3% compared to the last 5-year average price of the same months (Februarys 2013 - 2017).
- **Wheat flour (High Price):** The current retail price (AFN 27.0/kg) is slightly lower by 3.2% compared to the same month last year (February 2017), and slightly lower by 7.0% compared to the last 5-year average price of the same months.
- **Rice** is considered as the 2nd main staple food in Afghanistan. The current average retail price of Low Quality Rice (AFN 45.2/kg) is slightly higher by 6.2% compared to the same month last year (February 2017), and slightly higher by 4.8 compared to the last 5-year average price of the same months. The current average price of High Quality Rice (AFN 90.1/kg) is significantly higher by 16.9% compared to the same month last year (February 2017), and significantly higher by 12.3% compared to the last 5-year average price of the same months.
- **Pulses:** The current retail price (AFN 85.4/kg) is slightly higher by 7.3% compared to the same month last year (February 2017), and significantly higher by 31.3% 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.*

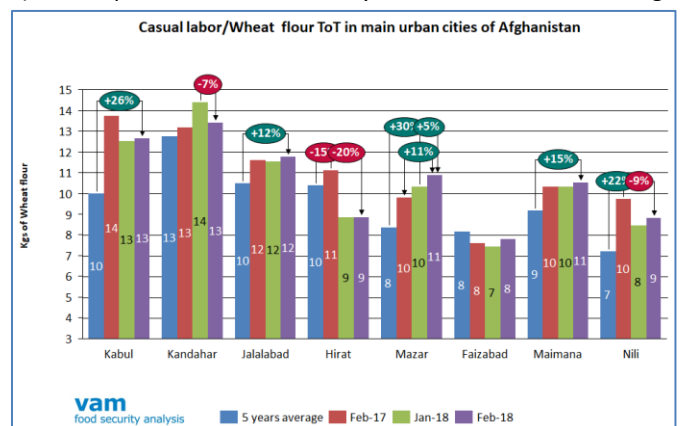
Labor wage/Wheat average ToT for the reporting month was 11.9 Kgs of Wheat. On average, this ToT remained the same from January to February 2018 but there is a deterioration only occurred in Kandahar by (7.7%), mainly due to decreased labor wage (by 9.7%). The variations in all other main city markets were within normal range (0.0% to 2.7%), In the last three proceeding years, this was not experienced; while deteriorated during;

- January to February 2017 (by 0.4%)
- January to February 2016 (by 1.5%), and improved in;
- January to February 2015 (by 3.8%)
- In comparison to the same month one year ago (February 2017), this ToT slightly deteriorated by 7.4%, mainly due to decreased labor wage (by 6.3%) and increased wheat price by 0.3%.
- On the two-year comparison (February 2016), this ToT significantly improved by 17.6%.
- Compared to the 5-year average of the same months (Februarys 2013-2017), this ToT negligibly improved 0.8%.



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 10.6 Kgs of Wheat flour which slightly improved by 1.0% from January to February 2018, mainly due to decreased wheat flour price by 2.8%. The largest improvement only occurred in Mazar (5.4%) due to decreased of wheat flour price but there is a deterioration only occurred in Kandahar by (6.8%), mainly due to



decreased labor wage (by 9.7%). The variation in all other main cities markets was within normal range (-0.1% to 4.7%). In the last three proceeding years, this improvement was experienced in;

- January to February 2017 (by 3.3%)
- January to February 2016 (by 1.1%)
- January to February 2015 (by 1.2%)
- Compared to the same month one year ago (February 2017), this ToT slightly deteriorated by 2.7%, mainly due to decreased wage labor by 6.3%
- On the two-year comparison (February 2016), this ToT significantly improved by 22.2%.
- Compared to the 5-year average of the same months (Februarys 2013 - 2017), this ToT significantly improved by 10.6%.

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 274.5Kgs of wheat against one-year alive female sheep, which slightly improved by 1.5% from January to February 2018, mainly due to decreased Wheat price (by 1.4%). The variation in all main cities markets was within normal range (-2.7% to 0.0%).

In the last three proceeding years, this improvement was experienced in;

- January to February 2016 (by 0.9%)
- January to February 2015 (by 2.6%)

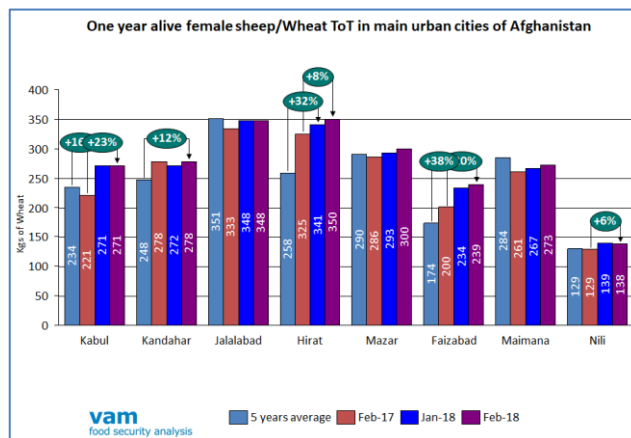
While deteriorated in;

- January to February 2017 (by 0.2%)

- Compared to the same month one year ago (February 2017), this ToT negligibly improved by 8.0%, which is mainly due to increased sheep price (by 9.4%).
- On the two-year comparison (February 2016) this ToT significantly improved by 18.8%.
- Compared to 5-year average of the same months (Februarys 2013 - 2017), this ToT significantly improved by 11.5%.

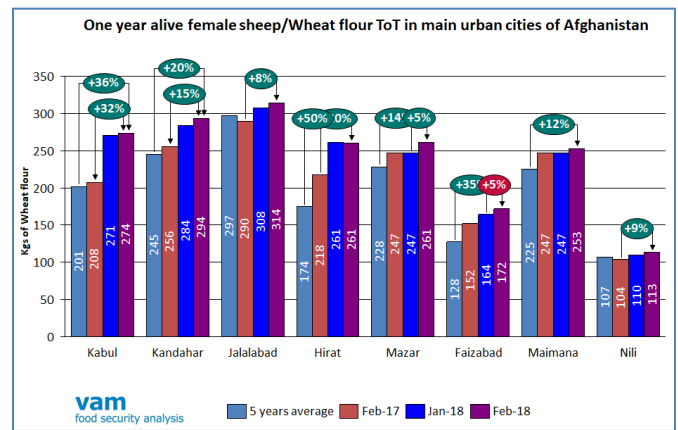
Sheep and High Price Wheat flour (ToT): *The Terms of Trade between a one-year-old female sheep and High Price Wheat Flour is a proxy for the purchasing capacity of those households mainly relying on income from livestock (pastoralists). It says how many kilograms of Wheat Flour (HP) can be obtained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

Sheep-Wheat flour (HP) average ToT for the reporting month was 242.6Kgs of Wheat flour against one-year alive female sheep, which slightly improved by 2.5% from January to February 2018, mainly due to decreased wheat flour price (by 2.8%). The largest improvement occurred in Mazar (5.4%) due to decreased wheat flour price. The variation in all other markets was within normal range (-0.1% to 4.7%).



In the last three proceeding years, this improvement was experienced in;

- January to February 2017 and 2016 (by 3.4%)
- January to February 2015 (by 0.3%)
- Compared to the same month one year ago (February 2017), this ToT significantly improved by 12.7%, mainly due to increased sheep price (by 9.4%) and decreased wheat flour price (by 3.2%).
- On the two-year comparison (February 2016), this ToT significantly improved by 23.2%.
- Compared to 5-year average of the same months (Februarys 2013 - 2017), this ToT significantly improved by 20.7%.



Retail Price of Wheat Grain in Main Urban Cities:

- The monthly average price of Wheat in main cities’ markets of Afghanistan was AFN **23.6**/Kg in February 2018. Compared to the past month (January 2018), the average price negligibly decreased by 1.4%. The variation in all main cities was within a normal limit (-2.7% to 0.0%). In the last three proceeding years, this decrease was experienced in;
 - January to February 2015 (by 3.1%)
 - January to February 2016 (by 0.5%)

While increased only in;

- January to February 2017 (by 0.3%)
- Compared to the same month one year ago (February 2017), the average wheat price negligibly increased by 0.3%. The largest increase occurred Hirat (by 16.2%) and Kandahar (13.2%) due to decrease of supply from the source points. The variation in all other main cities was within a normal range (-9.1% to 2.2%).
- On the two-year comparison (February 2016), the average price slightly decreased by 5.6%.
- Compared to the last 5-year average price of the same months (Februarys 2013 - 2017), the average price negligibly decreased by 0.3%.

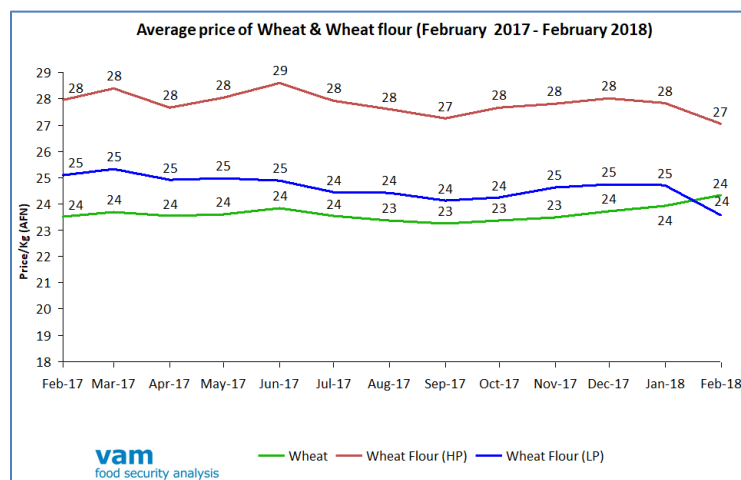
Retail Price of Wheat flour in Main Urban Cities:

Wheat flour (High Price):

The monthly average price of Wheat flour (High Price) in main cities’ markets was AFN **27.0**/Kg in the reporting month (February 2018). The average price slightly decreased by 2.8% compared to the previous month (January 2018). The largest decrease occurred only in Mazar (by 5.2%) due to increase of supply from the source point(Kazakhstan). The variation in all other main cities was within a normal limit (-4.5% to 0.1 %). In the last three proceeding years, this decrease was experienced,

- January to February 2017 (by 2.6%)
- January to February 2016 (by 3.0%)
- January to February 2015 (by 1.0%)
- Compared to the same month last year (February 2017), the current average price slightly decreased by 3.2%. The variation in all main cities was within a normal range (-9.8% to 4.5%).

- Compared to the same month two years ago (February 2016), the average price of wheat flour slightly decreased by 7.2%.
- Compared to 5-year average price of the same months (Februarys 2013 - 2017), the average price slightly decreased by 7.0%.



Wheat flour (Low Price):

The monthly average price of Wheat flour (Low Price) in main cities' markets was AFN **24.3**/Kg in the reporting month (February 2018). The average price negligibly decreased 1.6% compared to previous month (January 2018). The variation in all main cities was within a normal range (-4.5 % to 0.0%). In the last three proceeding years, this decrease was experienced in;

- January to February 2017 (by 2.2%)
 - January to February 2016 (by 3.9%)
 - January to February 2015 (by 2.6%)
- Compared to the same month one year ago (February 2017), the current average price slightly decreased by 3.0%. The highest decrease only occurred in Kabul (by 10.2%) due to increased supply of wheat flour, the variation in all other remaining main cities was within a normal range (-8.8% to 5.5%).
 - Compared to the same month two years ago (February 2016), the average price slightly decreased by 6.0%.
 - Compared to 5-year average price of the same months (Februarys 2013 - 2017), the average price slightly decreased by 4.9%.

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 **90.1**/Kg in the reporting month (February 2018) which negligibly decreased by 0.6% compared to the previous month (January 2018). The variation in all main cities was within a normal range (-4.5% to 2.4%). In the last three proceeding years, this decrease was experienced in;
- January to February 2016 (by 1.3%)
- January to February 2015 (by 3.0%)

While increase only in;

- January to February 2017 (by 1.8%)
- Compared to the same month one year ago (February 2017), the average price significantly increased by 16.9%. The largest increase occurred in Maimana (22.7%), Hirat and Mazar (22.3%), Kabul (21.3%), Kandahar (19.7%), Jalalabad (14.1%) and Nili (10.5%), mainly due to decrease of supply and increase in prices in the source point (Pakistan). The variation in Faizabad was within a normal range (6.2%).
 - Compared to the same month two years ago (February 2016), the average price significantly increased by 17.1%.
 - Compared to 5-year average price of some months (Februarys 2013 - 2017), the average price significantly increased by 12.3%.

Rice (Low Quality):

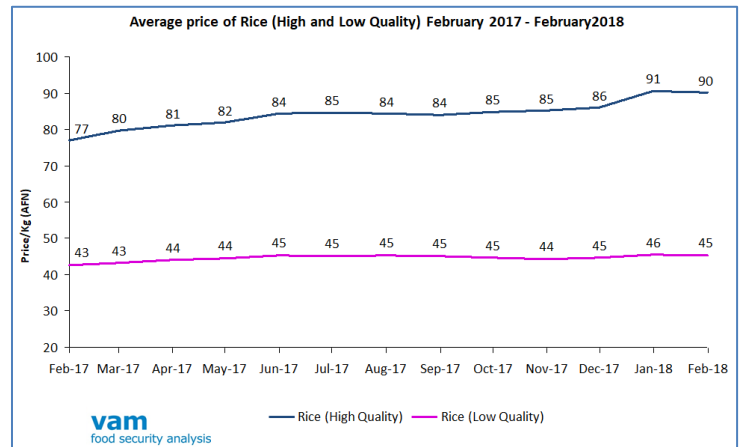
- The monthly average price of Rice (Low Quality) in main cities' markets was AFN **45.2/Kg** in the reporting month (February 2018), which negligibly decreased by 0.7% compared to the previous month (January 2018). The largest decrease only occurred in Hirat (by 7.4%) due to increase of supply. The variation in all other main cities was within a normal range (0.0% to 0.3%). In the last three preceding years, this decrease was experienced only in;

- January to February 2015 (by 3.4%)

While increase in;

- January to February 2017 (by 1.8%)
- January to February 2016 (by 0.7%)

- Compared to the same month one year ago (February 2017), the average price slightly increased by 6.2 %. The largest increase occurred in Maimana (by 13.5%) and Mazar (13.2%), mainly due to increase of low quality rice price in Pakistan and Kabul. The variation in all main other cities was within a normal range (-0.9% to 8.4%).
- Compared to the same month two years ago (February 2016), the average price significantly increased by 10.5%.
- Compared to 5-year average price of same months (Februarys 2013- 2017), the average price slightly increased by 4.8%.



Retail Price of Cooking Oil in Main Urban Cities:

The monthly average price of cooking oil in main cities' markets was AFN **80.8/Kg** in the reporting month (February 2018), the average price negligibly decreased by 1.3%. compared to previous month (January 2018). The highest decrease only occurred in Nili (by 6.4%) due to increased supply of Oil. The variation in all other main cities was within a normal range (-2.0% to 0.3%).

In the last three preceding years, this decrease was experienced in;

- January to February 2017 (by 0.3%)
- January to February 2016 (by 1.0%)
- January to February 2015 (by 0.1%)

- Compared to the same month one year ago (February 2017), the average price negligibly increased by 0.5%. The largest increase only occurred in Kandahar (by 19.2 %), main reason for the increase was increased price of oil by the traders and decreased supply of oil from source points. The variation in all other main cities was within a normal limit (-9.4% to 3.8%).
- Compared to the same month two years ago (February 2016), the average price slightly increased by 5.1%.
- Compared to 5-year average of the same months (Februarys 2013 - 2017), the average price negligibly increased by 1.5%.

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

Pulses: The monthly average price of Pulses in February 2018 in main cities' markets was AFN **85.4/Kg** negligibly decreased by 1.1% from last month (January 2018). The highest decrease only occurred in Kandahar (by 7.0%) due to increased supply of Pulses. The variation in all main cities markets was within a normal range (-0.8% to 0.0%).

- Compared to the same time last year (February 2017), the price of pulses slightly increased by 7.3%, the highest increase occurred in Maimana (25.0%), followed by Nili (17.0%) and Jalalabad (14.3%), mainly due to decreased supply. The variation in all other main cities was within a normal limit (3.2% to 9.9%).
- Compared to the same time two year ago (February 2016), the price of pulses significantly increased by 26.3%.
- Compared to 5-year average of the same months (Februarys 2013 - 2017), the prices of pulses increased significantly by 31.3%.

Salt: The monthly average price of Salt in February 2018 in main cities' markets was AFN **13.9**/Kg negligibly decreased by 1.1% compared to the previous month (February 2018). The current average price of salt negligibly decreased by 0.2% compared to the same month last year (February 2017), and negligibly increased by 0.2% compared to the same month two years ago (February 2016).

Sugar: The monthly average price of Sugar in February 2018 in main cities' markets was AFN **41.9**/Kg, being slightly decreased by 6.7% compared to the previous month (January 2018). The current average price of Sugar is significantly decreased by 21.5% compared to the same month last year (February 2017) due to increase of supply, and slightly decreased by 6.9% compared to the same month two years ago (February 2016).

Number of days averagely worked by a labourer: The monthly average number of days worked by a laborer during February 2018 was reported at 8.0 days. The highest number of working days were in Kandahar and Hirat (12 days) followed by Kabul (10 days), Mazar and Maimana and Jalalabad (8 days), Nili (4 days) and Faizabad (2 days). Compared to the previous month (January 2018), the significant decrease occurred in Kabul by 16.7% (2 days) and Kandahar 7.7% (1 day) and the variation in other main cities remain unchanged.

- Compared to the same month last year (February 2017), the average number of working days slightly increased by 6.7% (0.5 day).
- Compared to the same month two years ago (February 2016), the average number of working days for main cities slightly increased by 6.7% (0.5 day).

