Issue 01| January—March 2018

Price Monitoring for Food Security in the Kyrgyz Republic

Quarterly monitoring and outlook of basic food prices in the Kyrgyz Republic

Highlights

- In 2017, total production of wheat in the Kyrgyz Republic was 601,000 tons, which is 9 percent lower than in 2016. Domestic production of wheat is enough to meet only 47.8% of internal consumption. For fulfilling its domestic consumption for wheat, the country relies on import of the wheat and wheat flour from neighboring countries, such as Kazakhstan and Russian Federation.
- In relation to above, stability in global wheat production and international prices is extremely critical for the Kyrgyz Republic. According to global estimations, by march 2018, the global wheat production for 2017/2018 reached 741 million tons[13] , which is only 2 percent lower compared to the highest production record in 2016/2017.
- International export prices for wheat in Kazakhstan and Russian Federation[2] were fluctuating following the normal seasonal price changes[9]; increasing only by 1 percent and 4 percent on a month-on-month basis. Domestic wheat flour prices remained stable in all markets around the country on a month-on-month basis during the first quarter of 2018.
- In 2017 the country fully met its needs for commodities, such as potatoes (127 percent), vegetables (164.5 percent) and milk (100 percent), based on internal production, while for other commodities, such as wheat (47.8 percent), fruits, berries (26.6 percent), meat (56.5 percent), sugar (26.9 percent), vegetable oil (18.9%) and eggs (43.9%) it stayed at lower level[11].
- Since January 2018 vegetable prices (carrots and cabbage) have remained stable, while prices for potatoes have experienced high increase being 9 percent higher than the average price of the same period in 2017. However, in March 2018 the prices started decreasing by 6 percent on a month-on-month basis with the ending of previous year stocks.
- The Consumer and Tariffs Price Index (CPI) indicating the inflation rate reached 103.2 percent in 2017 compared to 2016, specifically CPI for the food commodities reached 102.5 percent in 2017 compared to 2016, with the highest rate in Osh province (105.3 percent).
- The share of agriculture in GDP remained 12.9 percent[3] in 2017[13], which is the same level compared to 2016.
- The US dollar, Russian ruble and Kazakh tenge have remained stable against the national currency on a month-on-month basis since January 2018[4]. However, the Russian ruble started depreciating in March 2018; it depreciated by 1 percent 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.
- GDP per capita of the Kyrgyz Republic in 2017 reached 83,005 Kyrgyz soms (~1,272 USD)[13] the highest record during last decade. In overall GDP per capita has been continuously increasing and staying above 1000 USD since 2011, declining in 2015-16.
- Remittances play a very important role in the economy of the Kyrgyz Republic with the 35.6 percent[12] in GDP[16]. Although the poverty rate significantly increases when household income is considered separate from remittances, rising from 25.4 percent[3] to 31.5 percent at country level. In 2017, the annual volume of remittances reached a record high of USD 2,031 million. However, between January and February 2018, the aggregate volume of remittances reached USD 242.4 million[5], which is by 20 percent higher than the same period in 2017.
- The minimum living cost per person per month, which is a social indicator for assessing the living standards of the population, reached 4,901 KGS[12] (~72 USD) in 2017, it is 3 percent higher compared to 2016[3]. Meanwhile, monthly average wage reached 15,391 KGS[12] per person (~226 USD), which is 4 percent higher compared to 2016[3].

Trends of retail prices of the nine main food security commodities[1] (1 month, 3 months and 1 year)

	Feb 2018	Dec 2017	Mar 2017		Feb 2018	Dec 2017	Mar 2017
Wheat flour(1-st grade)	0%	-1%	0%	**Vegetable (carrot)**	-1%	4%	11%
Rice	1%	1%	-3%	**Vegetable (potato)**	-6%	-2%	-8%
Meat (beef)	0%	1%	9%	**Vegetable (cabbage)**	2%	30%	-17%
Meat (mutton)	1%	2%	3%	**Fruit (apple)**	2%	8%	20%
Milk	-6%	-2%	1%	**Sugar**	0%	-2%	-12%
Eggs	-2%	-2%	-4%	**Vegetable oil**	-1%	-2%	-5%

Production of the key commodities and level of self-sufficiency

Commodity	Production 2017 (in thousand tons)	Self-Sufficiency - 2017	Self-Sufficiency (including previous year stocks) - 2017
Wheat	601	47.8 %	143.4 %
Potatoes	1416	127 %	277.5 %
Vegetables	1086.7	164.5 %	314.4 %
Fruits & berries	240.6	26.6 %	42.2 %
Meat	213.3	56.5 %	72.7 %
Milk	1556	100 %	130.7 %
Sugar	102.6	26.9 %	97 %
Vegetable oil	11.2	18.9 %	165.9 %
Eggs	511 (thousand pcs)	43.9 %	57.9 %

Wheat flour

International and national wheat production

As one of the key staple foods in the Kyrgyz Republic, wheat flour is the most consumed commodity in the country, making up 1,041 Kcals per day (or 9.61 kg per month) according to the minimum recommended norms. However, the actual consumption of wheat products has been 53 percent[12] higher based on 2017 data[3]. In 2017, the national wheat production is estimated to be 601,000 tons, which is 9 percent lower than 2016 production[11]. Since wheat is a low profit margin crop, it is not popular among farmers. Locally produced wheat is low quality and not used for milling and processing. In 2017, wheat self-sufficiency of the country was 48 percent[11]. The remaining 52 percent is imported mainly from Kazakhstan and the Russian Federation (RF). This makes Kyrgyz Republic vulnerable to the volatility of international prices and monitoring of the prices is critical.

By March 2018, the global wheat production for 2017/2018 is estimated to be 741 million tons, which is only 2 percent low compared to the highest production on record in 2016/2017. The global consumption estimated at 744 million tons[13] in 2017/2018.

Fortified wheat flour production

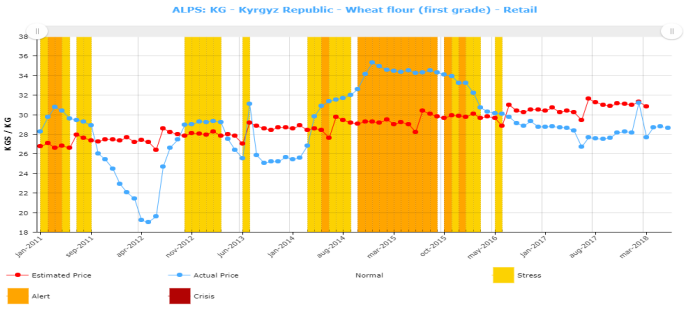
According to the Law on fortification of wheat flour from 2009, high quality and first grade wheat flour must be fortified with micronutrients in order to improve health situation in the Kyrgyz Republic. According to the Law, there is a penalty of 500 estimated rates for the use of unfortified wheat flour in health care, education, social protection sectors and other state and municipal institutions and for import and circulation of unfortified wheat flour in the country, which leads to confiscation of unfortified wheat flour. In 2017, fortified wheat flour production was estimated at 150.9 thousand tons, which is 52.5 percent out of total wheat flour production in the country and by 70 percent higher compared to 2016[3]. That indicates higher access of population to the fortified wheat flour in the Kyrgyz Republic.

International and domestic wheat and wheat flour prices

Since January 2018, wheat export prices in the RF and Kazakhstan were steadily increasing. In March 2018, prices in PF increased by 4 percent on a month-on-month basis and by 8 percent over the past three months following the normal seasonal price changes. The prices are 9 percent higher compared to March 2017, and 9 percent lower compared to the 5-year average. Meanwhile, export prices in Kazakhstan increased by 1 percent on a month-on-month basis and by 5 percent over the past three months following the normal seasonal price changes. The prices are 5 percent lower compared to March 2017 and 25 percent lower compared to the 5-year average.

The domestic wheat flour prices remain stable since the beginning of 2018. The impact of international insignificant price increase on local prices was not observed. In March 2018, the domestic retail prices of wheat flour were stable on a month-on-month basis and 1 percent lower compared to the last three months[1]. The prices remained stable compared to March 2016 and 7 percent lower compared to the average price for the last 5-years. The highest prices in March 2018 were observed in Nookat town (44 KGS per kg) and the lowest in Talas town (21 KGS per kg).

Fig. 1 ALPS[8] for national average of wheat flour prices (Kyrgyz som per kg)



Vegetable prices

Vegetable prices (cabbage, carrots, potatoes)[1]

As one of the key staple food, vegetables constitute 72 Kcals out of minimum recommended physiological norms of consumption. However, vegetable consumption was 42 percent higher from required norms in 2017. Since the beginning of 2018, vegetable (cabbage and carrots) prices remained stable, while the potato prices experienced "Alert" condition compared to the seasonal price change over the past three years (Fig 2)[8] due to the ending stocks of the previous year.

Prices for cabbage

In March 2018, prices for cabbage increased by 2 percent on a month-on-month basis and by 30 percent compared to the past three months. The prices are 17 percent lower compared to March 2017 and 10 percent higher compared to the average price of the last 5-years. The highest prices were observed in Osh town (40 KGS per kg) and the lowest in Karakol town(17 KGS per kg).

Prices for carrots

In March 2018, prices for carrots decreased by 1 percent on a month-on-month basis and remained high by 4 percent compared to the last three months. Prices for carrots are 11 percent higher compared to March 2017 and 6 percent higher compared to the average of 5 years. The highest prices in March 2018 were observed in Kara-Balta town (35 KGS per kg) and the lowest in Isfana town (10 KGS per kg).

Fig. 2 ALPS[8] for national average of potato prices (Kyrgyz som per kg)

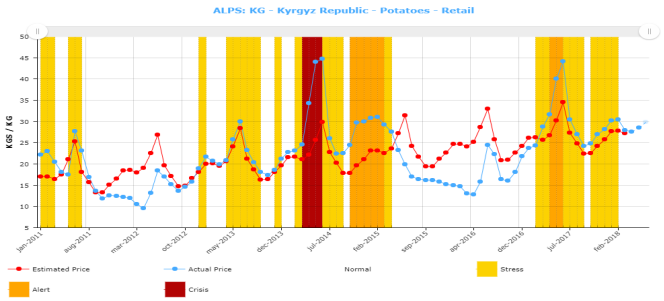
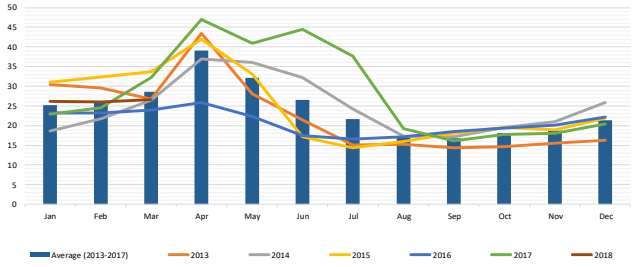


Fig. 3 Seasonal prices changes for cabbage (Kyrgyz som per kg)



Prices for potatoes

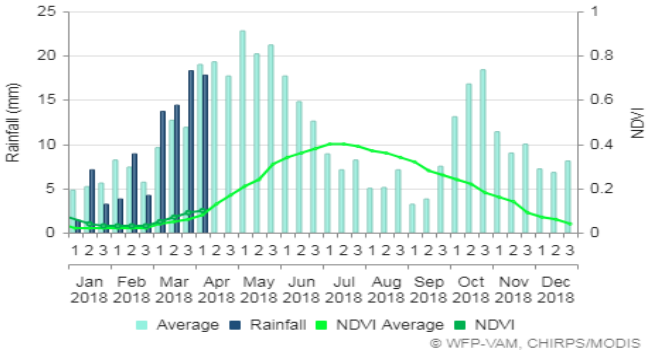
As one of the key staple food, potato contributes 212 Kcals to the minimum recommended norms of consumption. However, the consumption stays at required norms in 2017. The country is self-sufficient with potatoes, reaching 127 percent in 2017.

Prices of potatoes were higher than the seasonal price changes over the past three years[8]. However, in March 2018, the prices for potatoes started decreasing; it decreased by 6 percent on a month-on-month basis and by 2 percent compared to the last three months. The prices are 8 percent lower compared to March 2017 and 13 percent higher compared to the average price of the last five years. The highest prices were observed in Kara-Suu town (33 KGS per kg) and the lowest in Pokrovka town (21 KGS per kg) in March 2018.

Agroclimatic context[15]

Since January 2018, the level of annual precipitation has been significantly increasing every last 10 days in the month. In March 2018, amount of precipitation significantly increased following the seasonal changes and were higher than the average level of precipitation over the last years. It is expected more rains in the next months based on historical level of precipitation. However, this may led to unfavourable condition for planting season. In 2017, rainy spring lead to the delay of planting season and consequently to the delay of harvest, which directly has impacted on price changes and led to abnormally high prices.

Fig 4. Rainfall and NDVI, Kyrgyz Republic 2018



Other basic food commodities

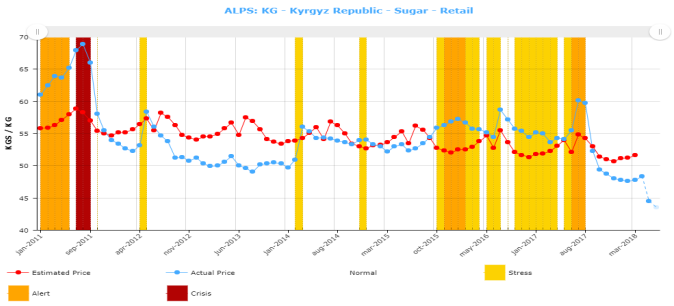
International and domestic sugar prices

Since the beginning of 2018, global sugar prices have been decreasing. In March 2018, global sugar prices decreased by 3 percent on a month-on-month basis and by 10 percent compared to the last three months. The prices are 28 percent lower compared to March 2017 and 20 percent lower compared to the average prices of the last 5-years.

In 2017, self-sufficiency of the Kyrgyz Republic constituted 62 percent based on domestic production, while the remaining amount of sugar was imported from Belarus and Ukraine.

Retail sugar prices were stable since January 2018. In March 2018, prices were stable on a month-on-month basis and 2 percent lower compared to the last three months. The prices are 12 percent lower compared to March 2017 and 11 percent lower compared to the average prices of the last 5-years. The highest domestic prices for sugar were observed in Nookat town (55 KGS per kg) and the lowest in Tokmok town (43 KGS per kg) in March 2018.

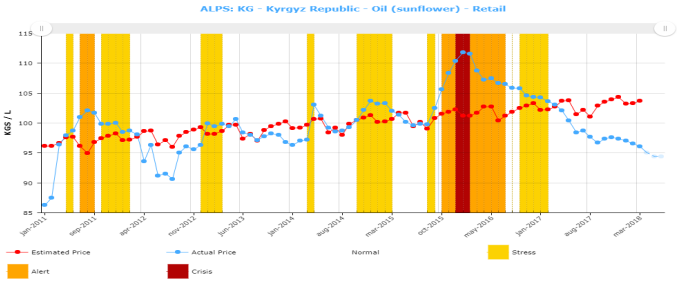
Fig 5. ALPS for national average sugar prices (Kyrgyz soms per liter)



Vegetable oil

Vegetable oil constitutes 225 Kcals of daily recommended norms of consumption, while consumption was 18 percent[12] higher in 2017 from required norms[3]. Kyrgyz Republic is only 19 percent self-sufficient based on internal production, while other required amount is imported from the neighboring countries. Domestic prices of vegetable oil remained stable since January 2018. In March 2018, vegetable oil prices decreased by 1 percent on a month-on-month basis and by 2 percent over the last three months following the normal seasonal price changes[9]. The prices are 5 percent lower compared to March 2017 and 7 percent lower compared to average prices of the last 5-years. The highest prices were observed in Kara-Suu town (101 KGS per kg) and the lowest in Chaek and Uzgen towns (88 KGS per kg).

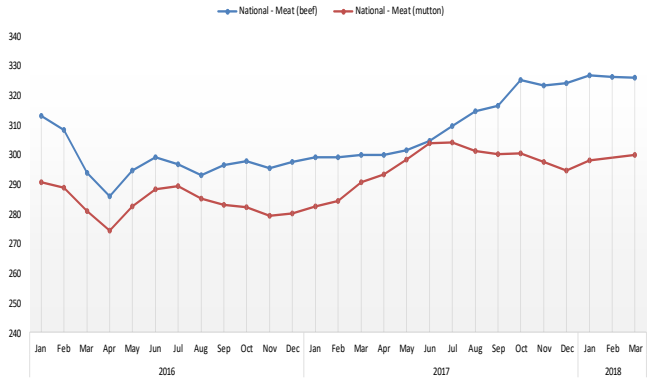
Fig 6. ALPS for national average vegetable oil prices (Kyrgyz soms per liter)



Meat (beef and mutton)[1]

The prices for beef and mutton have been stable since January 2018 following the normal seasonal price changes. In March 2018, prices for mutton increased by 1 percent on a month-on-month basis and by 2 percent over the last three months. The prices are 3 percent higher compared to March 2017. However, the prices of beef were stable on a month-on-month basis and increased by 1 percent over the last three months. The prices were 9 percent higher than in March 2017. The prices of beef are higher in Bishkek (337 KGS per kg) town and lower in Talas town (286 KGS per kg). The prices of mutton are higher in Batken town (350 KGS per kg) and the lowest in Talas town (286 KGS per kg).

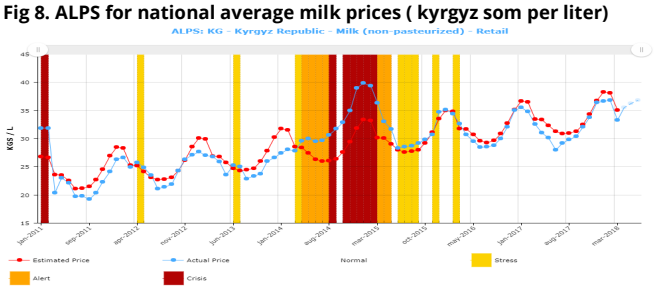
Fig 7. National average meat (beef and mutton) prices, (Kyrgyz soms per kg)



Milk[1]

Milk is a key staple food in the country, which constitutes 556 Kcals of the minimum recommended daily consumption. Consumption of milk and dairy products was 17 percent[12] higher from required norms in 2017[3]. Domestic prices for milk have been stable since January 2018. However, in March 2018 the prices started decreasing; it decreased by 6 percent on a month-on-month basis and by 2 percent over the last three months. The prices are 1 percent higher compared to March 2017 and 4 percent higher compared to the 5-year average. The retail prices of milk were the highest in Batken town (40 KGS per liter) and the lowest in Pokrovka and Tokmok towns (25 KGS per liter).

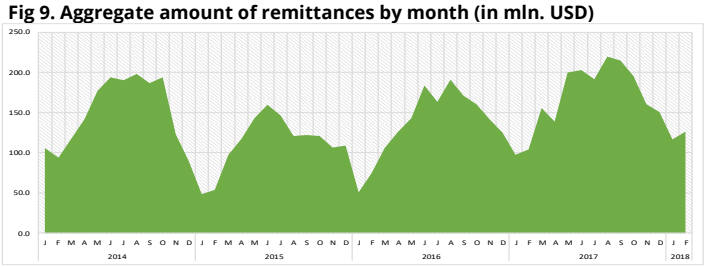
Fig 8. ALPS for national average milk prices (kyrgyz som per liter)



Remittances[5]

Remittances play a very important role in the economy of the Kyrgyz Republic as it is estimated that over 1 million Kyrgyz nationals are working abroad and sending money home. There is a strong flow of remittances to the Kyrgyz Republic especially from citizens working in the Russian Federation, which contributes significantly to reducing poverty rates in some of the provinces. The poverty rate significantly increases when household income is considered separate from remittances, rising from 25.4 percent[3] to 31.5 percent at country level. In 2017, the volume of remittances has reached the record high of USD 2,031 million at all of the time. In January-February 2018 reached 242.4 million USD, which is 20 percent higher compared to the same period of 2017.

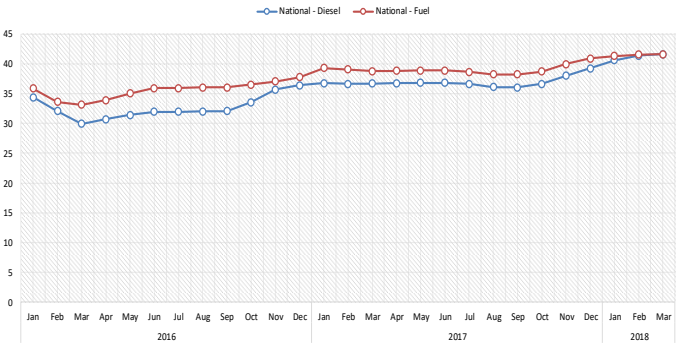
Fig 9. Aggregate amount of remittances by month (in mln. USD)



Fuel prices (petrol and diesel)[10]

Since the prices of diesel and petrol heavily impact food prices, the stability of diesel and petrol prices are critical, especially in rural areas. Since January 2018, the prices on petrol and diesel were stable. In March 2018, diesel prices increased by 1 percent on a month-on-month basis and by 6 percent over the last three months. The prices are 13 percent higher compared to March 2017. The petrol prices were stable on a month-on-month basis in March 2018 and were 2 percent higher over the last three months. The petrol prices are 7 percent higher compared to March 2017. The highest prices for diesel were observed in Isfana and Batken towns (44 KGS per liter) and the lowest in Talas town (39 KGS per liter). The highest prices for petrol were observed in Karakol and Tokmok towns (40 KGS per liter).

Fig 10. Retail prices of petrol (92 octane) and diesel (Kyrgyz som / litre)



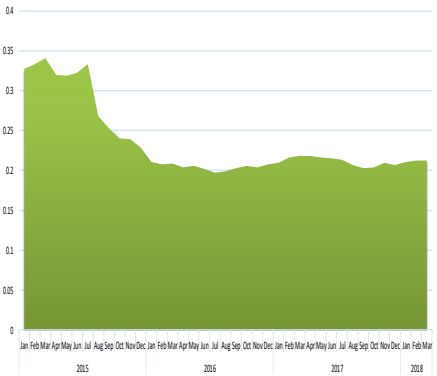
Currency exchange rate (Kyrgyz som versus US dollar, Russian ruble, Kazakh tenge)[4]

Since January 2018, the US dollar started depreciating against the Kyrgyz som. In March 2018, the US dollar was stable against the Kyrgyz national currency on a month-on-month basis (68.20 KGS to 1 USD) and depreciated by 2 percent over the last three months. The US dollar depreciated by 1 percent compared to March 2017. The highest exchange rate of the US dollar against the Kyrgyz som was observed in December 2015, and the current rate is 10 percent lower. Since January 2018, the Russian ruble has been appreciating, which is a sign of the economic recovery of the Russian Federation. However, in March 2018, the Russian ruble depreciated by 1 percent on a month-on-month basis (1.196 KGS per 1 RUB), it but was 1 percent higher over the last three months. It appreciated by 1 percent compare to March 2017. The Kazakh tenge slowly going up since the beginning of 2018. However, in March 2018 the Kazakh tenge remained stable on a month-on-month basis against the Kyrgyz som (0.21 KGS per 1 Kazakh tenge) and appreciated by 2 percent over the last three months. It depreciated by 3 percent compared to March 2017. Currency fluctuations 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, continues close monitoring of currency exchange rates is 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)	53	12%	18%	-3%	▲	▲	▶	Milk	30	0%	-10%	11%	▶	▶	▲
	Vegetable (cabbage)	22	0%	-4%	12%	▶	▶	▲	Potato	25	3%	3%	3%	▶	▶	▶
	Vegetable (carrot)	26	-5%	-7%	4%	▶	▼	▶	Rice	62	5%	0%	6%	▶	▶	▶
	Diesel	40	1%	7%	13%	▶	▲	▲	Sugar	44	1%	2%	-18%	▶	▶	▼
	Egg	62	-2%	-7%	-8%	▶	▼	▼	Cooking oil	93	0%	0%	-1%	▶	▶	▶
	Petrol (Octane rating 92)	40	0%	1%	6%	▶	▶	▲	Wheat flour (1st quality)	26	0%	-4%	3%	▶	▶	▶
	Meat (beef)	320	0%	2%	12%	▶	▶	▲								
	Meat (mutton)	300	0%	0%	2%	▶	▶	▶								
BATKEN																
	Fruit (apple)	60	5%	21%	20%	▶	▲	▲	Milk	40	0%	0%	0%	▶	▶	▶
	Vegetable (cabbage)	21	-3%	3%	-32%	▶	▶	▼	Potato	27	-10%	-13%	-2%	▼	▼	▶
	Vegetable (carrot)	13	-8%	-20%	-34%	▼	▼	▼	Rice	70	0%	2%	5%	▶	▶	▶
	Diesel	44	0%	3%	14%	▶	▶	▲	Sugar	50	0%	-2%	-14%	▶	▶	▶
	Egg	82	-5%	-3%	-14%	▶	▶	▼	Cooking oil	99	0%	-3%	-9%	▶	▶	▶
	Petrol (Octane rating 92)	45	0%	1%	11%	▶	▶	▲	Wheat flour (1st quality)	25	0%	-15%	-11%	▶	▼	▶
	Meat (beef)	319	0%	0%	6%	▶	▶	▲								
	Meat (mutton)	350	0%	1%	17%	▶	▶	▲								
BISHKEK																
	Fruit (apple)	70	1%	-2%	19%	▶	▶	▲	Milk	37	-2%	2%	-4%	▶	▶	▶
	Vegetable (cabbage)	25	6%	47%	-24%	▲	▲	▼	Potato	28	-6%	-4%	-12%	▼	▶	▶
	Vegetable (carrot)	31	1%	10%	16%	▶	▲	▲	Rice	70	1%	1%	-3%	▶	▶	▶
	Diesel	42	1%	8%	15%	▶	▲	▲	Sugar	45	0%	-2%	-13%	▶	▶	▶
	Egg	69	-1%	-1%	-5%	▶	▶	▼	Cooking oil	96	0%	-2%	-3%	▶	▶	▶
	Petrol (Octane rating 92)	41	0%	2%	7%	▶	▶	▲	Wheat flour (1st quality)	29	0%	0%	1%	▶	▶	▶
	Meat (beef)	337	0%	1%	9%	▶	▶	▲								
	Meat (mutton)	292	1%	4%	-1%	▶	▶	▶								
CHAEK																
	Fruit (apple)	66	14%	41%	31%	▲	▲	▲	Milk	33	-7%	-4%	29%	▼	▶	▲
	Vegetable (cabbage)	24	18%	18%	-5%	▲	▲	▶	Potato	30	0%	20%	20%	▶	▲	▲
	Vegetable (carrot)	25	0%	0%	17%	▶	▶	▲	Rice	48	-5%	-12%	-16%	▼	▼	▼
	Diesel	41	1%	5%	10%	▶	▶	▶	Sugar	44	7%	6%	-20%	▲	▶	▼
	Egg	74	-11%	-8%	-14%	▼	▶	▼	Cooking oil	88	1%	3%	-6%	▶	▶	▶
	Petrol (Octane rating 92)	42	1%	1%	8%	▶	▶	▶	Wheat flour (1st quality)	23	0%	0%	0%	▶	▶	▶
	Meat (beef)	329	9%	13%	17%	▲	▲	▲								
	Meat (mutton)	329	10%	13%	17%	▲	▲	▲								
ISFANA																
	Fruit (apple)	58	25%	67%	16%	▲	▲	▲	Milk	30	0%	-6%	0%	▶	▶	▶
	Vegetable (cabbage)	19	-7%	-7%	-28%	▼	▶	▼	Potato	26	-11%	-11%	-6%	▼	▼	▶
	Vegetable (carrot)	10	0%	2%	-32%	▶	▶	▼	Rice	43	0%	-4%	-13%	▶	▶	▼
	Diesel	44	-1%	5%	12%	▶	▶	▲	Sugar	50	6%	0%	-9%	▲	▶	▶
	Egg	75	0%	1%	0%	▶	▶	▶	Cooking oil	95	-2%	2%	-4%	▶	▶	▶
	Petrol (Octane rating 92)	44	0%	1%	7%	▶	▶	▶	Wheat flour (1st quality)	24	-3%	-9%	-3%	▶	▶	▶
	Meat (beef)	300	0%	0%	7%	▶	▶	▶								
	Meat (mutton)	330	0%	0%	12%	▶	▶	▲								
JALALABAD																
	Fruit (apple)	81	5%	39%	27%	▶	▲	▲	Milk	32	-19%	-23%	-1%	▼	▼	▶
	Vegetable (cabbage)	30	-3%	41%	-2%	▶	▲	▶	Potato	32	-8%	1%	-1%	▼	▶	▶
	Vegetable (carrot)	20	0%	0%	0%	▶	▶	▶	Rice	62	-1%	3%	5%	▶	▶	▶
	Diesel	40	0%	3%	8%	▶	▶	▶	Sugar	51	0%	3%	-10%	▶	▶	▶
	Egg	78	0%	2%	-8%	▶	▶	▶	Cooking oil	91	-1%	-1%	-5%	▶	▶	▶
	Petrol (Octane rating 92)	42	-1%	1%	8%	▶	▶	▶	Wheat flour (1st quality)	27	0%	0%	-3%	▶	▶	▶
	Meat (beef)	320	0%	0%	10%	▶	▶	▶								
	Meat (mutton)	306	0%	-1%	6%	▶	▶	▶								
KARA-BALTA																
	Fruit (apple)	79	0%	12%	30%	▶	▲	▲	Milk	35	-8%	-11%	5%	▼	▼	▶
	Vegetable (cabbage)	35	12%	64%	48%	▲	▲	▲	Potato	31	-8%	14%	13%	▼	▲	▶
	Vegetable (carrot)	35	4%	29%	46%	▶	▲	▲	Rice	76	6%	9%	2%	▲	▶	▶
	Diesel	41	1%	5%	14%	▶	▶	▶	Sugar	44	2%	1%	-12%	▶	▶	▶
	Egg	74	0%	0%	-7%	▶	▶	▶	Cooking oil	92	1%	0%	-4%	▶	▶	▶
	Petrol (Octane rating 92)	41	0%	3%	8%	▶	▶	▶	Wheat flour (1st quality)	28	2%	-2%	-2%	▶	▶	▶
	Meat (beef)	314	0%	0%	12%	▶	▶	▶								
	Meat (mutton)	320	1%	1%	13%	▶	▶	▶								
KARAKOL																
	Fruit (apple)	70	0%	0%	42%	▶	▶	▲	Milk	32	-3%	-3%	9%	▶	▶	▶
	Vegetable (cabbage)	17	0%	15%	-25%	▶	▲	▼	Potato	23	-10%	-5%	-9%	▼	▶	▶
	Vegetable (carrot)	21	-8%	-6%	-2%	▼	▶	▶	Rice	59	0%	3%	5%	▶	▶	▶
	Diesel	40	1%	6%	11%	▶	▶	▶	Sugar	44	0%	0%	-13%	▶	▶	▶
	Egg	67	-2%	-3%	-9%	▶	▶	▶	Cooking oil	90	-1%	-1%	-14%	▶	▶	▶
	Petrol (Octane rating 92)	40	0%	1%	4%	▶	▶	▶	Wheat flour (1st quality)	29	0%	0%	-1%	▶	▶	▶
	Meat (beef)	318	3%	2%	12%	▶	▶	▶								
	Meat (mutton)	292	0%	0%	9%	▶	▶	▶								
KARA-SUU																
	Fruit (apple)	84	1%	19%	59%	▶	▲	▲	Milk	30	-14%	1%	21%	▼	▶	▲
	Vegetable (cabbage)	28	-11%	-3%	-47%	▼	▶	▼	Potato	33	-9%	-8%	-2%	▼	▶	▶
	Vegetable (carrot)	24	-4%	-16%	6%	▶	▼	▶	Rice	91	2%	-5%	0%	▶	▶	▶
	Diesel	43	-2%	2%	12%	▶	▶	▲	Sugar	51	1%	-13%	-13%	▶	▼	▼
	Egg	77	0%	0%	6%	▶	▶	▶	Cooking oil	101	0%	-5%	-2%	▶	▶	▶
	Petrol (Octane rating 92)	44	0%	0%	9%	▶	▶	▶	Wheat flour (1st quality)	36	-4%	4%	19%	▶	▶	▲
	Meat (beef)	320	0%	-2%	12%	▶	▶	▲								
	Meat (mutton)	320	0%	-2%	9%	▶	▶	▶								

KERBEN

Fruit (apple)	73	29%	40%	50%	▲	▲	▲	Milk	30	-13%	-11%	-12%	▼	▼	▼
Vegetable (cabbage)	24	1%	41%	-7%	▶	▲	▶	Potato	30	1%	-2%	-7%	▶	▶	▶
Vegetable (carrot)	24	-3%	-2%	8%	▶	▶	▶	Rice	66	3%	3%	3%	▶	▶	▶
Diesel	42	1%	5%	10%	▶	▶	▲	Sugar	52	0%	0%	-11%	▶	▶	▼
Egg	97	4%	8%	-3%	▶	▶	▶	Cooking oil	94	0%	0%	-13%	▶	▶	▼
Petrol (Octane rating 92)	44	1%	7%	15%	▶	▶	▲	Wheat flour (1st quality)	33	0%	0%	-12%	▶	▶	▼
Meat (beef)	288	2%	4%	15%	▶	▶	▲								
Meat (mutton)	304	1%	1%	9%	▶	▶	▶								

NARYN

Fruit (apple)	69	4%	27%	0%	▶	▲	▶	Milk	26	-25%	-27%	0%	▼	▼	▶
Vegetable (cabbage)	25	-4%	42%	-32%	▶	▲	▼	Potato	27	-14%	2%	6%	▼	▶	▶
Vegetable (carrot)	28	-7%	-7%	12%	▼	▶	▶	Rice	63	0%	1%	1%	▶	▶	▶
Diesel	40	1%	8%	10%	▶	▶	▶	Sugar	46	2%	3%	-8%	▶	▶	▶
Egg	86	-2%	7%	4%	▶	▶	▶	Cooking oil	99	0%	0%	-4%	▶	▶	▶
Petrol (Octane rating 92)	40	0%	3%	5%	▶	▶	▶	Wheat flour (1st quality)	27	0%	0%	-7%	▶	▶	▶
Meat (beef)	320	0%	4%	0%	▶	▶	▶								
Meat (mutton)	320	0%	7%	1%	▶	▶	▶								

NOOKAT

Fruit (apple)	67	36%	51%	22%	▲	▲	▲	Milk	30	0%	0%	-7%	▶	▶	▶
Vegetable (cabbage)	30	0%	8%	0%	▶	▶	▶	Potato	25	-16%	-12%	-16%	▼	▼	▼
Vegetable (carrot)	21	5%	-8%	-7%	▲	▶	▶	Rice	83	-1%	-1%	-1%	▶	▶	▶
Diesel	43	-2%	4%	15%	▶	▶	▲	Sugar	55	0%	-7%	-8%	▶	▶	▶
Egg	85	-3%	-7%	-4%	▶	▶	▶	Cooking oil	98	-1%	-1%	-5%	▶	▶	▶
Petrol (Octane rating 92)	43	-1%	-1%	8%	▶	▶	▶	Wheat flour (1st quality)	44	0%	0%	13%	▶	▶	▲
Meat (beef)	300	0%	0%	7%	▶	▶	▶								
Meat (mutton)	300	0%	0%	0%	▶	▶	▶								

OSH

Fruit (apple)	72	0%	23%	23%	▶	▲	▲	Milk	37	-14%	0%	15%	▼	▶	▲
Vegetable (cabbage)	40	-4%	7%	-14%	▶	▶	▼	Potato	30	-10%	-2%	-8%	▼	▶	▶
Vegetable (carrot)	20	-12%	-19%	-7%	▼	▼	▶	Rice	93	0%	2%	-11%	▶	▶	▼
Diesel	43	-1%	2%	14%	▶	▶	▲	Sugar	52	-3%	-5%	-8%	▶	▶	▶
Egg	75	-3%	-7%	-4%	▶	▶	▶	Cooking oil	100	-1%	-3%	-6%	▶	▶	▶
Petrol (Octane rating 92)	43	-1%	-1%	8%	▶	▶	▶	Wheat flour (1st quality)	32	0%	0%	-7%	▶	▶	▶
Meat (beef)	315	-1%	-2%	7%	▶	▶	▶								
Meat (mutton)	315	-1%	-3%	7%	▶	▶	▶								

POKROVKA

Fruit (apple)	62	0%	25%	36%	▶	▲	▲	Milk	25	0%	14%	25%	▶	▲	▲
Vegetable (cabbage)	22	0%	30%	12%	▶	▲	▲	Potato	21	-26%	-20%	-6%	▼	▼	▶
Vegetable (carrot)	24	0%	1%	17%	▶	▶	▲	Rice	43	0%	0%	0%	▶	▶	▶
Diesel	41	3%	4%	9%	▶	▶	▶	Sugar	48	0%	-7%	-11%	▶	▶	▼
Egg	81	1%	-1%	1%	▶	▶	▶	Cooking oil	89	0%	-1%	0%	▶	▶	▶
Petrol (Octane rating 92)	42	0%	2%	6%	▶	▶	▶	Wheat flour (1st quality)	27	0%	-5%	11%	▶	▶	▲
Meat (beef)	300	0%	5%	7%	▶	▶	▶								
Meat (mutton)	300	0%	4%	7%	▶	▶	▶								

TALAS

Fruit (apple)	64	3%	18%	24%	▶	▲	▲	Milk	32	-4%	-4%	-1%	▶	▶	▶
Vegetable (cabbage)	24	4%	40%	19%	▶	▲	▲	Potato	27	0%	7%	7%	▶	▶	▶
Vegetable (carrot)	26	2%	13%	12%	▶	▲	▶	Rice	65	0%	0%	0%	▶	▶	▶
Diesel	39	0%	1%	10%	▶	▶	▶	Sugar	50	2%	3%	-8%	▶	▶	▶
Egg	90	1%	2%	-6%	▶	▶	▶	Cooking oil	98	0%	0%	-6%	▶	▶	▶
Petrol (Octane rating 92)	41	0%	1%	8%	▶	▶	▶	Wheat flour (1st quality)	21	0%	0%	1%	▶	▶	▶
Meat (beef)	286	0%	0%	4%	▶	▶	▶								
Meat (mutton)	286	1%	1%	3%	▶	▶	▶								

TOKMOK

Fruit (apple)	74	0%	14%	14%	▶	▲	▶	Milk	25	-6%	-11%	0%	▼	▼	▶
Vegetable (cabbage)	20	0%	33%	0%	▶	▲	▶	Potato	27	-4%	6%	-8%	▶	▶	▶
Vegetable (carrot)	27	3%	5%	31%	▶	▶	▲	Rice	55	0%	0%	-4%	▶	▶	▶
Diesel	40	0%	6%	12%	▶	▶	▶	Sugar	43	1%	-4%	-16%	▶	▶	▼
Egg	75	-3%	-6%	-7%	▶	▶	▶	Cooking oil	96	-3%	-4%	-10%	▶	▶	▶
Petrol (Octane rating 92)	40	0%	1%	8%	▶	▶	▶	Wheat flour (1st quality)	33	0%	1%	2%	▶	▶	▶
Meat (beef)	307	0%	1%	7%	▶	▶	▶								
Meat (mutton)	290	0%	0%	16%	▶	▶	▲								

TOKTOGUL

Fruit (apple)	55	2%	10%	15%	▶	▶	▲	Milk	35	0%	17%	40%	▶	▲	▲
Vegetable (cabbage)	30	0%	0%	50%	▶	▶	▲	Potato	30	2%	6%	0%	▶	▶	▶
Vegetable (carrot)	20	-5%	-33%	13%	▼	▼	▲	Rice	81	0%	0%	0%	▶	▶	▶
Diesel	40	0%	2%	8%	▶	▶	▶	Sugar	45	1%	0%	-10%	▶	▶	▶
Egg	83	0%	11%	3%	▶	▲	▶	Cooking oil	89	-1%	-1%	-6%	▶	▶	▶
Petrol (Octane rating 92)	41	0%	2%	8%	▶	▶	▶	Wheat flour (1st quality)	30	0%	0%	0%	▶	▶	▶
Meat (beef)	323	1%	4%	10%	▶	▶	▶								
Meat (mutton)	320	0%	7%	10%	▶	▶	▲								

UZGEN

Fruit (apple)	70	2%	6%	7%	▶	▶	▶	Milk	39	-3%	-3%	46%	▶	▶	▲
Vegetable (cabbage)	30	0%	0%	-28%	▶	▶	▼	Potato	32	-1%	13%	7%	▶	▲	▶
Vegetable (carrot)	23	-9%	-9%	-5%	▼	▶	▶	Rice	56	0%	1%	6%	▶	▶	▶
Diesel	41	1%	2%	12%	▶	▶	▲	Sugar	51	-1%	1%	-7%	▶	▶	▶
Egg	106	-3%	-1%	39%	▶	▶	▲	Cooking oil	88	2%	2%	-11%	▶	▶	▼
Petrol (Octane rating 92)	42	1%	0%	9%	▶	▶	▶	Wheat flour (1st quality)	27	-1%	-1%	9%	▶	▶	▶
Meat (beef)	300	0%	0%	7%	▶	▶	▶								
Meat (mutton)	300	0%	0%	7%	▶	▶	▶								

NATIONAL

Fruit (apple)	71	2%	8%	20%	▶	▶	▲	Milk	35	-6%	-2%	1%	▼	▶	▶
Vegetable (cabbage)	27	2%	30%	-17%	▶	▲	▼	Potato	28	-6%	-2%	-8%	▼	▶	▶
Vegetable (carrot)	27	-1%	4%	11%	▶	▶	▶	Rice	70	1%	1%	-3%	▶	▶	▶
Diesel	42	1%	6%	13%	▶	▶	▶	Sugar	47	0%	-2%	-12%	▶	▶	▶
Egg	73	-2%	-2%	-4%	▶	▶	▶	Cooking oil	96	-1%	-2%	-5%	▶	▶	▶
Petrol (Octane rating 92)	42	0%	2%	7%	▶	▶	▶	Wheat flour (1st quality)	29	0%	-1%	0%	▶	▶	▶
Meat (beef)	326	0%	1%	9%	▶	▶	▶								
Meat (mutton)	300	1%	2%	3%	▶	▶	▶								

▲ 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

[1]**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-suu, Kyzyl-kiya and Batken). The analysis based on secondary data review and limited.

[2] **Data for export price of wheat in Kazakhstan** is Free on Board [FOB] price for milled wheat at Sarygash port and Russian Federation. 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/

[3] **Information Bulletin for Food Security and Poverty in the Kyrgyz Republic**, 4th issue 2017, National Statistics Committee in the Kyrgyz Republic. http://stat.kg/ru/publications/informacionnyj-byulleten-kyrgyzskoj-respubliki-po-prodovolstvennoj-bezopasnosti-i-bednosti/

[4]**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.

[5]**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.

[6]**NSC–** National Statistical Committee

[7]**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).

[8] **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. Methodological guidance is available online at http://documents.wfp.org/stellent/groups/public/documents/manual_guide_proced/wfp264186.pdf

[9] 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**.

[10] **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.

[11] **Self-sufficiency indicators 12.2017 by Ministry of Agriculture, Food Industry and Melioration**

[12] Preliminary data

[13] Grain Market Report, International Grains Council: https://www.igc.int/downloads/gmrsummary/gmrsumme.pdf

[14] **National Bank in the Kyrgyz Republic**.

[15] WFP's Seasonal Monitor, Rainfall data is derived from the CHIRPS rainfall estimate, produced by the Climate Hazards Group, at the University of California, Santa Barbara. CHIRPS stands for Climate Hazards Group InfraRed Precipitation with Station data. CHIRPS is a 35+ year quasi-global rainfall dataset. Spanning 50°S-50°N (and all longitudes), starting in 1981 to near-present, CHIRPS incorporates 0.05° resolution satellite imagery with in-situ station data to create gridded rainfall time series for trend analysis and seasonal drought monitoring. CHIRPS data is available at 5 and 10 day accumulations. CHIRPS is free to use and easily accessible at:http://chg.geog.ucsb.edu/data/chirps/

[16] Remittances inflow in the Kyrgyz Republic, taking into account additional estimates of the National Bank. The calculations of the indicator using the dollar equivalent of GDP, converted at the average exchange rate for the quarter.

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 quarter 2018 edition is the 1st issue of the bulletin.

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