



Initial Market Price Bulletin for the month of July 2018 (Reported in August 2018)

HIGHLIGHTS:

- **Wheat:** The current average wheat price in main cities' markets of Afghanistan (AFN 22.5/Kg) is slightly lower by 4.4% compared to the same time last year (July 2017) and slightly lower by 1.9% compared to the last 5-year average price of the same months (Julys 2013 - 2017).
- **Wheat flour (High Price):** The current retail price (AFN 27.2/kg) is slightly lower by 2.5% compared to the same month last year (July 2017), and slightly lower by 6.6% 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 46.7/kg) is slightly higher by 3.5% compared to the same month last year (July 2017), and slightly higher by 8.2 compared to the last 5-year average price of the same months. The current average price of High Quality Rice (AFN 93.4/kg) is significantly higher by 10.4% compared to the same month last year (July 2017), and significantly higher by 12.1% compared to the last 5-year average price of the same months.
- **Pulses:** The current retail price (AFN 81.7/kg) is slightly lower by 7.9% compared to the same month last year (July 2017), and significantly higher by 19.3% 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 13.5 Kgs of Wheat. On average, this ToT negligibly deteriorated by

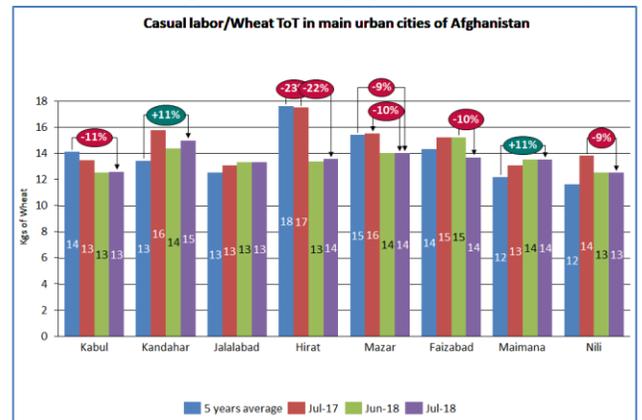
0.7% from June to July 2018, mainly due to decreased labor wage (by 1.0%). The largest deterioration only occurred in Faizabad (10.1%) due to decrease of labor wage and increase of wheat price. The variation in all other main cities markets was within normal range (0.0% to 3.9%). In the last three proceeding years, this deterioration was experienced only in:

- June to July 2015 (by 0.3%)

while improved in;

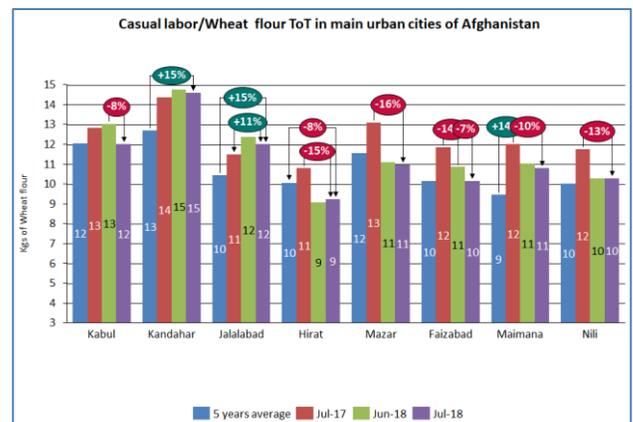
- June to July 2017 (by 4.0%)
- June to July 2016 (by 0.1%)

- In comparison to the same month one year ago (July 2017), this ToT slightly deteriorated by 7.9%, mainly due to decreased labor wage (by 11.4%)
- On the two-year comparison (July 2016), this ToT slightly improved by 6.1%.
- Compared to the 5-year average of the same months (Julys 2013-2017), this ToT negligibly deteriorated 2.8%.



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 11.3Kgs of Wheat flour which slightly deteriorated by 2.7% from



June to July 2018, mainly due to decreased labor wage (by 1.0%) and increased wheat flour price by (1.5%). The largest deterioration occurred in Kabul (8.0%) and Faizabad (6.6%) due to increase of wheat flour price in Kabul and decreased labor wage in Faizabad. The variation in all other main cities markets was within normal range (-3.0% to 1.7%). In the last three proceeding years, this deterioration was experienced in:

- June to July 2015 (by 2.7%)
- June to July 2016 (by 0.4%)

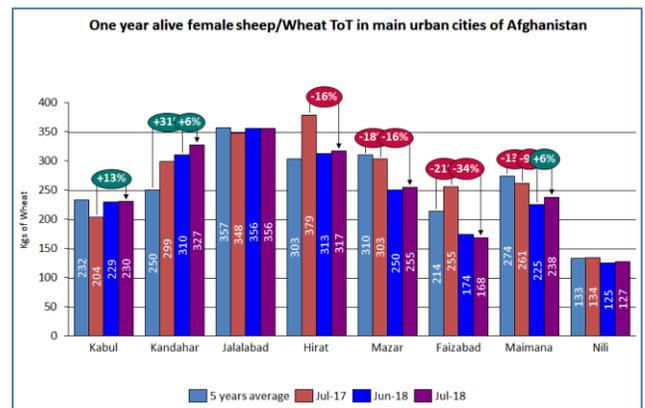
while improved only in;

- June to July 2017 (by 4.9%)

- Compared to the same month one year ago (July 2017), this ToT slightly deteriorated by 8.3%, mainly due to decreased labor wage by 11.4%.
- On the two-year comparison (July 2016), this ToT slightly improved by 9.5%.
- Compared to the 5-year average of the same months (Julys 2013 - 2017), this ToT slightly improved by 5.8%.

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 252.2Kgs of wheat against one-year alive female sheep, which slightly improved by 1.8% from June to July 2018, mainly due to increased sheep price by (1.2%) and decreased wheat price by (0.3%). The largest improvement occurred in Kandahar and Maimana (5.6%), due to increase of sheep price and decrease wheat price in Kandahar and increased sheep price in Maimana. The variation in other main cities markets was within normal range (-3.2% to 2.0%).



). In the last three proceeding years, this improvement was experienced only in:

- June to July 2016 (by 0.2%)

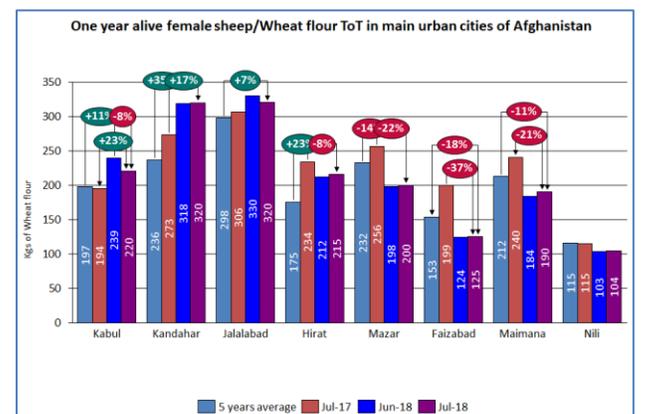
while deteriorated only in;

- June to July 2015 (by 0.9%) and remained unchanged in June to July 2017.

- Compared to the same month one year ago (July 2017), this ToT slightly deteriorated by 7.6%, which is mainly due to decreased sheep price by 10.8%.
- On the two-year comparison (July 2016) this ToT slightly improved by 3.5%.
- Compared to 5-year average of the same months (Julys 2013 - 2017), this ToT slightly deteriorated by 2.7%.

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 211.8 Kgs of Wheat flour against one-year alive female sheep, which negligibly deteriorated by 0.8% from June to July 2018, mainly due to increased wheat flour price by 1.5%. The largest deterioration occurred only in Kabul (8.0%) due to increased wheat flour price. The variation in all other markets was within normal range (-3.0% to 3.4%). In the last three proceeding years, this deterioration was experienced in:



- June to July 2015 (by 3.3%)
- June to July 2016 (by 0.3%)

while improved only in;

- June to July 2017 (by 0.6%)

- Compared to the same month one year ago (July 2017), this ToT slightly deteriorated by 6.8%, mainly due to decreased sheep price (by 10.8%).
- On the two-year comparison (July 2016), this ToT slightly improved by 8.7%.
- Compared to 5-year average of the same months (Julys 2013 - 2017), this ToT slightly improved by 4.25%.

Retail Price of Wheat Grain in Main Urban Cities:

- The monthly average price of Wheat in main cities' markets of Afghanistan was AFN **22.5/Kg** in July 2018. The average price negligibly decreased by 0.3% compared to the previous month (June 2018). The variation in all main cities was within a normal limit (-3.7% to 3.3 %). In the last three proceeding years, this decrease was experienced in;

- June to July 2017 (by 1.3%)
- June to July 2016 (by 0.3%)

While increased only in;

- June to July 2015 (by 0.1%)

- Compared to the same month one year ago (July 2017), the average wheat price slightly decreased by 4.4%. The largest decrease occurred only Maimana (13.0%) due to increase of supply from the source points. The variation in all other main cities was within a normal range (-8.2% to 7.5%).
- On the two-year comparison (July 2016), the average price slightly decreased by 6.6%.
- Compared to the last 5-year average price of the same months (Julys 2013 - 2017), the average price negligibly decreased by 1.9%.

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 **27.2/Kg** in the reporting month (July 2018). The average price negligibly increased by 1.5% compared to the previous month (June 2018). The highest increase occurred only in Kabul (8.7%) due to shortage of supply. The variation in all main cities was within a normal limit (-1.6% to 3.1%). In the last three proceeding years, this increase was experienced in;

- June to July 2016 (by 0.5%)
- June to July 2015 (by 2.7%)

While decreased only in;

- June to July 2017 (by 2.4%)

- Compared to the same month last year (July 2017), the current average price slightly decreased by 2.5%. The largest decrease occurred in Kandahar (13.7%) due to increase of supply from the source points (Pakistan and Kazakhstan). The variation in all main cities was within a normal range (-8.3% to 8.5%).
- Compared to the same month two years ago (July 2016), the average price of wheat flour slightly decreased by 7.5%.
- Compared to 5-year average price of the same months (Julys 2013 - 2017), the average price slightly decreased by 6.6%.

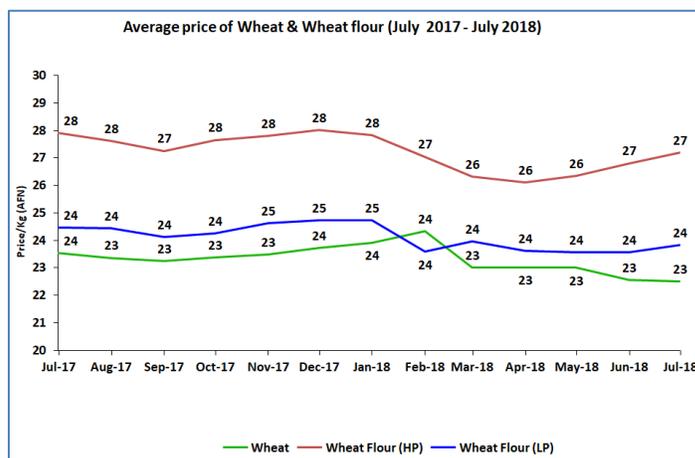
Wheat flour (Low Price):

- The monthly average price of Wheat flour (Low Price) in main cities' markets was AFN **23.8/Kg** in the reporting month (July 2018). The average price negligibly increased by 1.1% compared to the previous month (July 2018). The variation in all main cities was within a normal limit (-2.7% to 4.5%). In the last three proceeding years, this increase was experienced in;

- June to July 2016 (by 0.4%)
- June to July 2015 (by 1.4%)

While decreased only in;

- June to July 2017 (by 1.7%)
- Compared to the same month one year ago (July 2017), the current average price slightly decreased by 2.6%. The highest decrease only occurred in Kandahar (13.7 due to increased supply of wheat flour, the variation in other remaining main cities was within a normal range (-5.2% to 3.6%).
- Compared to the same month two years ago (July 2016), the average price slightly decreased by 9.0%.
- Compared to 5-year average price of the same months (Julys 2013 - 2017), the average price slightly decreased by 7.5%.



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 **93.4**/kg in the reporting month (July 2018) which slightly increased by 1.3% compared to the previous month (June 2018). The variation in all main cities was within a normal range (0.0% to 3.9%). In the last three proceeding years, this increase was experienced in,

- June to July 2017 and 2016 (by 0.3%)
- June to July 2015 (by 0.8%)
- Compared to the same month one year ago (July 2017), the average price significantly increased by 10.4%. The largest increase occurred in Kabul (21.3%), Mazar (14.8%) and Hirat (12.5%), mainly due to decrease of supply and increase in prices in the source point (Pakistan). The variation in other remaining main cities was within a normal range (5.0% to 8.8%).
- Compared to the same month two years ago (July 2016), the average price significantly increased by 21.1%.
- Compared to 5-year average price of some months (Julys 2013 - 2017), the average price significantly increased by 12.1%.

Rice (Low Quality):

- The monthly average price of Rice (Low Quality) in main cities' markets was AFN **46.7**/kg in the reporting month (July 2018), which negligibly increased by 1.3% compared to the previous month (June 2018). The largest increase only occurred in Faizabad (by 5.0%) due to shortage of supply from source of point. The variation in all other main cities was within a normal range (0.0% to 2.3%). In the last three proceeding years, this increase was experienced in;

- June to July 2016 and 2015 (by 0.8%)

While decreased only in;

- June to July 2017 (by 0.3%)

- Compared to the same month one year ago (July 2017), the average price slightly increased by 3.5%. The largest increase only occurred in Mazar (by 10.3%), mainly due to decrease of low quality rice price in Pakistan and Kabul. The variation in all main other cities was within a normal range (0.0% to 6.5%).
- Compared to the same month two years ago (July 2016), the average price significantly increased by 12.1%.
- Compared to 5-year average price of same months (Julys 2013-2017), the average price slightly increased by 8.2%.



Retail Price of Cooking Oil in Main Urban Cities:

- The monthly average price of cooking oil in main cities' markets was AFN **79.5/Kg** in the reporting month (July 2018), the average price negligibly increased by 1.0% compared to previous month (June 2018). The highest increase only occurred in Nili (5.7%) due to decreased supply of oil. The variation in all other main cities was within a normal range (-1.4% to 1.8%). In the last three proceeding years, this increase was experienced in;
 - June to July 2016 (by 0.2%)
 - June to July 2015 (by 0.6%)

While decreased only in;

- June to July 2017 (by 0.2%)
- Compared to the same month one year ago (July 2017), the average price slightly decreased by 4.4%. The highest decrease occurred in Maimana by (11.7%) and Kabul (10.0%) due to increase of supply by the traders but there is an increase only occurred in Kandahar by (10.9%) due to decrease of supply. The variation in all other main cities was within a normal limit (-1.4% to 8.5%).
- Compared to the same month two years ago (July 2016), the average price negligibly decreased by 0.5%
- Compared to 5-year average of the same months (Julys 2013 - 2017), the average price negligibly decreased by 0.9%.

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

Pulses: The monthly average price of Pulses in July 2018 in main cities' markets was AFN **81.7/Kg** remained the same as month June 2018.

- Compared to the same time last year (July 2017), the price of pulses slightly decreased by 7.9%, the highest decrease occurred in Hirat (19.9%) and Kandahar (18.3%), mainly due to increased supply. The variation in all other main cities was within a normal limit (-9.6% to 6.4%).
- Compared to the same time two years ago (July 2016), the price of pulses slightly increased by 9.4%.
- Compared to 5-year average of the same months (Julys 2013 - 2017), the prices of pulses increased significantly by 19.3%.

Salt: The monthly average price of Salt in July 2018 in main cities' markets was AFN **14.4/Kg** slightly increased by 2.3% compared to the previous month (June 2018). The current average price of salt slightly increased by 3.5% compared to the same month last year (July 2017), and slightly increased by 3.3% compared to the same month two years ago (July 2016).

Sugar: The monthly average price of Sugar in July 2018 in main cities' markets was AFN **40.5/Kg**, being negligibly increased by 0.8% compared to the previous month (June 2018). The current average price of sugar is significantly decreased by 26.0% compared to the

same month last year (July 2017) due to increase of supply, and significantly decreased by 23.7% compared to the same month two years ago (July 2016).

Number of days averagely worked by a labourer: The monthly average number of days worked by a laborer during July 2018 was reported at 10.6 days. The highest number of working days were in Nili (15 days) followed by Kabul, Hirat and Kandahar (12 days), Maimana and Faizabad (9 days), Mazar and Jalalabad (8 days). Compared to the previous month (June 2018), the significant increase occurred in Nili 25.0% (3 days), Kabul 20% (2 days) and, Maimana and Faizabad 12.5% (1day), the variation in all other main cities remain unchanged.

- Compared to the same month last year (July 2017), the average number of working days significantly decreased by 16.7% (2.1 days).
- Compared to the same month two years ago (July 2016), the average number of working days for main cities significantly decreased by 13.2% (1.6 days).

Market Watch:

Markets	Major Comm	Current Price per Kg	Price change (%)				Average				Markets	Major Comm	Current Price in AFN	Price change				Average			
			5 Y Ave	2 Y	1 Y	1M	5 Y Ave	2 Y	1 Y	1M				5 Y Ave	2 Y	1 Y	1M	5 Y Ave	2 Y	1 Y	1M
KABUL	Wheat	23.9	-1.4	-8.2	-8.2	-0.5	▶▶▶▶▶	Livestock-One year live Sheep (Female)	KABUL	Sheep	5,500	-1.3	0.0	3.8	0.0	▶▶▶▶▶					
	Wheat flour (HP)	25.0	-11.4	-13.8	-8.3	8.7	▶▶▶▶▶		KANDAHAR	Sheep	7,670	21.2	30.0	0.9	1.6	▶▶▶▶▶					
	Rice High Quality	97.0	12.2	21.3	21.3	2.1	▶▶▶▶▶		JALALABAD	Sheep	8,000	5.3	14.3	0.0	0.0	▶▶▶▶▶					
	Rice Low Quality	58.0	8.9	0.0	0.0	0.0	▶▶▶▶▶		HIRAT	Sheep	5,840	12.7	4.3	-10.2	0.0	▶▶▶▶▶					
	Cooking Oil	72.0	-11.9	-14.8	-10.0	1.4	▶▶▶▶▶		MAZAR	Sheep	5,100	-18.8	-19.0	-22.7	2.0	▶▶▶▶▶					
KANDAHAR	Wheat	23.4	-7.6	-4.0	-7.8	-3.7	▶▶▶▶▶	FAIZABAD	Sheep	4,000	-17.8	-17.9	-31.9	0.0	▶▶▶▶▶						
	Wheat flour (HP)	24.0	-10.2	-12.2	-13.7	1.2	▶▶▶▶▶	MAIMANA	Sheep	4,750	-20.9	-20.8	-20.8	5.6	▶▶▶▶▶						
	Rice High Quality	86.1	17.2	30.6	7.6	2.5	▶▶▶▶▶	NILI	Sheep	3,550	-11.7	-1.4	-9.0	1.4	▶▶▶▶▶						
	Rice Low Quality	32.9	16.2	3.3	3.7	2.0	▶▶▶▶▶	Terms of Trade													
	Cooking Oil	95.1	30.0	20.9	10.9	1.8	▶▶▶▶▶	Kgs of wheat/wheat flour													
JALALABAD	Wheat	22.5	5.1	4.7	-2.2	0.0	▶▶▶▶▶	KABUL	Casual Labor/wheat	12.6	-10.9	-6.7	-6.7	0.5	▶▶▶▶▶						
	Wheat flour (HP)	25.0	-2.7	-5.7	-4.3	3.1	▶▶▶▶▶	KANDAHAR	Casual Labor/wheat	14.9	11.2	21.5	-5.1	3.9	▶▶▶▶▶						
	Rice High Quality	87.0	12.9	14.5	8.8	1.8	▶▶▶▶▶	JALALABAD	Casual Labor/wheat	13.3	6.4	10.3	2.2	0.0	▶▶▶▶▶						
	Rice Low Quality	34.0	-10.8	15.3	3.0	2.3	▶▶▶▶▶	HIRAT	Casual Labor/wheat	13.6	-23.1	-18.6	-22.5	1.3	▶▶▶▶▶						
	Cooking Oil	77.0	-0.4	-1.3	-1.4	0.5	▶▶▶▶▶	MAZAR	Casual Labor/wheat	14.0	-9.1	-2.0	-9.8	0.0	▶▶▶▶▶						
HIRAT	Wheat	18.5	7.4	2.4	7.5	-1.3	▶▶▶▶▶	FAIZABAD	Casual Labor/wheat	13.7	-4.5	17.5	-10.1	-10.1	▶▶▶▶▶						
	Wheat flour (HP)	27.1	-9.3	-4.7	-2.5	-1.6	▶▶▶▶▶	MAIMANA	Casual Labor/wheat	13.5	10.9	24.2	3.5	0.0	▶▶▶▶▶						
	Rice High Quality	88.2	23.5	41.6	12.5	0.3	▶▶▶▶▶	NILI	Casual Labor/wheat	12.5	-7.8	17.9	-9.4	0.0	▶▶▶▶▶						
	Rice Low Quality	36.2	22.1	17.5	6.5	0.6	▶▶▶▶▶	KABUL	Sheep /wheat	230.4	0.9	8.9	13.0	0.5	▶▶▶▶▶						
	Cooking Oil	73.3	0.7	2.7	-5.5	0.5	▶▶▶▶▶	KANDAHAR	Sheep /wheat	327.4	30.9	35.4	9.4	5.6	▶▶▶▶▶						
MAZAR	Wheat	20.0	-1.7	-4.8	-8.0	0.0	▶▶▶▶▶	JALALABAD	Sheep /wheat	355.6	-0.5	9.2	2.2	0.0	▶▶▶▶▶						
	Wheat flour (HP)	25.5	-5.9	-5.6	-1.0	1.0	▶▶▶▶▶	HIRAT	Sheep /wheat	316.5	4.4	1.9	-16.4	1.3	▶▶▶▶▶						
	Rice High Quality	93.0	14.2	24.8	14.8	0.0	▶▶▶▶▶	MAZAR	Sheep /wheat	255.0	-17.7	-15.0	-16.0	2.0	▶▶▶▶▶						
	Rice Low Quality	43.0	12.3	19.4	10.3	0.0	▶▶▶▶▶	FAIZABAD	Sheep /wheat	168.4	-21.3	-11.0	-34.1	-3.2	▶▶▶▶▶						
	Cooking Oil	75.0	-4.8	-6.3	-8.5	0.0	▶▶▶▶▶	MAIMANA	Sheep /wheat	237.5	-13.2	-9.0	-9.0	5.6	▶▶▶▶▶						
FAIZABAD	Wheat	23.8	4.4	-7.8	3.3	3.3	▶▶▶▶▶	NILI	Sheep /wheat	126.8	-5.0	16.2	-5.7	1.4	▶▶▶▶▶						
	Wheat flour (HP)	32.0	0.3	-4.5	8.5	-0.6	▶▶▶▶▶	KABUL	Casual Labor/wheat flour	12.0	2.3	-0.6	-6.6	-8.0	▶▶▶▶▶						
	Rice High Quality	99.0	7.8	15.8	8.3	3.9	▶▶▶▶▶	KANDAHAR	Casual Labor/wheat flour	14.6	11.2	33.0	1.4	-1.1	▶▶▶▶▶						
	Rice Low Quality	58.0	16.2	28.9	-0.4	5.0	▶▶▶▶▶	JALALABAD	Casual Labor/wheat flour	12.0	15.2	22.3	4.5	-3.0	▶▶▶▶▶						
	Cooking Oil	88.8	-5.7	-1.4	-1.4	-1.4	▶▶▶▶▶	HIRAT	Casual Labor/wheat flour	9.2	-6.3	-12.5	-14.5	1.7	▶▶▶▶▶						
MAIMANA	Wheat	20.0	-9.1	-13.0	-13.0	0.0	▶▶▶▶▶	MAZAR	Casual Labor/wheat flour	11.0	3.0	-1.2	-16.2	-1.0	▶▶▶▶▶						
	Wheat flour (HP)	25.0	-12.0	-12.3	0.0	2.0	▶▶▶▶▶	FAIZABAD	Casual Labor/wheat flour	10.2	1.1	13.4	-14.4	-6.6	▶▶▶▶▶						
	Rice High Quality	92.0	5.9	22.7	6.7	0.0	▶▶▶▶▶	MAIMANA	Casual Labor/wheat flour	10.8	13.2	23.1	-10.0	-2.0	▶▶▶▶▶						
	Rice Low Quality	42.0	0.5	13.5	5.0	0.0	▶▶▶▶▶	NILI	Casual Labor/wheat flour	10.3	5.8	2.9	-12.5	0.0	▶▶▶▶▶						
	Cooking Oil	77.0	-7.8	-6.1	-11.7	0.0	▶▶▶▶▶	KABUL	Sheep /wheat flour	220.0	5.8	16.0	13.1	-8.0	▶▶▶▶▶						
NILI	Wheat	28.0	-7.4	-15.2	-3.4	0.0	▶▶▶▶▶	KANDAHAR	Sheep /wheat flour	319.6	34.3	48.1	17.0	0.5	▶▶▶▶▶						
	Wheat flour (HP)	34.0	-2.7	-2.9	0.0	0.0	▶▶▶▶▶	JALALABAD	Sheep /wheat flour	320.0	7.6	21.1	4.5	-3.0	▶▶▶▶▶						
	Rice High Quality	105.0	7.1	7.1	5.0	0.0	▶▶▶▶▶	HIRAT	Sheep /wheat flour	215.4	19.2	9.5	-7.9	1.7	▶▶▶▶▶						
	Rice Low Quality	69.5	5.5	6.9	3.7	0.7	▶▶▶▶▶	MAZAR	Sheep /wheat flour	200.0	-13.5	-14.3	-22.0	1.0	▶▶▶▶▶						
	Cooking Oil	78.3	-3.3	4.3	-7.9	5.7	▶▶▶▶▶	FAIZABAD	Sheep /wheat flour	125.0	-13.8	-14.1	-37.2	0.6	▶▶▶▶▶						
							MAIMANA	Sheep /wheat flour	190.0	-10.3	-9.7	-20.8	3.4	▶▶▶▶▶							
							NILI	Sheep /wheat flour	104.4	-7.9	1.5	-9.0	1.4	▶▶▶▶▶							

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

Price fluctuation is considered normal if the price change is within 5% for 1 month, or within 10% for 3 months, one year, two year and 5 years. 1M= Compared to month ago 1Y= Compared to July 2017 and 2Y= Compared to July 2016