



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

HIGHLIGHTS:

- **Wheat:** The current average wheat price in main cities' markets of Afghanistan (AFN 22.3/Kg) is slightly lower by 4.6% compared to the same time last year (August 2017) and slightly lower by 2.5% compared to the last 5-year average price of the same months (Augusts 2013 - 2017).
- **Wheat flour (High Price):** The current retail price (AFN 27.5/kg) is negligibly lower by 0.2% compared to the same month last year (August 2017), and slightly lower by 5.3% 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 46.8/kg) is slightly higher by 3.3% compared to the same month last year (August 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 93.9/kg) is significantly higher by 11.3% compared to the same month last year (August 2017), and significantly higher by 12.7% compared to the last 5-year average price of the same months.
- **Pulses:** The current retail price (AFN 80.7/kg) is slightly lower by 8.7% compared to the same month last year (August 2017), and significantly higher by 16.8% 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 13.8 Kgs of Wheat. On average, this ToT slightly improved by 2.0%

from July to August 2018, mainly due to increased labor wage (by 1.0%) and decreased wheat price (by 0.9%). The largest improvement only occurred in Faizabad (11.7%) due to increase of labor wage and decrease of wheat price. The variation in all other main cities markets was within normal range (-0.5% to 3.7%). In the last three proceeding years, this improvement was experienced in:

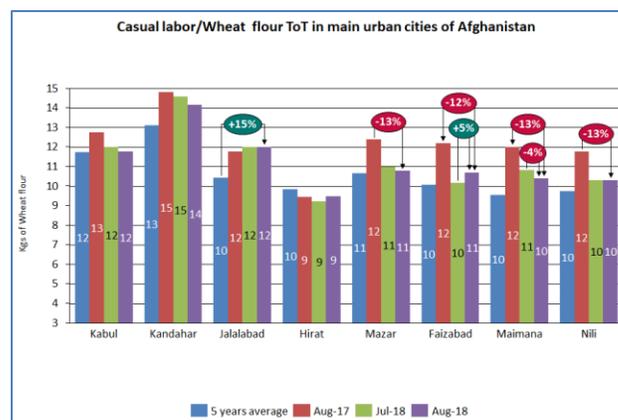
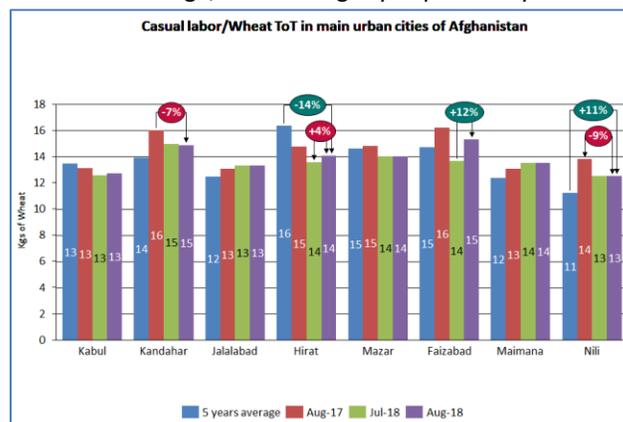
- July to August 2016 (by 2.2%)
- July to August 2015 (by 0.1%)

while deteriorated in;

- July to August 2017 (by 2.1%)

- In comparison to the same month one year ago (August 2017), this ToT slightly deteriorated by 4.0%, mainly due to decreased labor wage (by 8.4%)
- On the two-year comparison (August 2016), this ToT slightly improved by 5.8%.
- Compared to the 5-year average of the same months (Augusts 2013-2017), this ToT negligibly improved 1.0%.

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 11.2Kgs of Wheat flour which negligibly deteriorated by 0.6% from July to August 2018, mainly due to increase wheat flour price by (1.3%). The variation in all main cities markets was within normal range (-3.8% to 2.6%) except there is an improvement in Faizabad (5.2%) due to increase of labor wage. In the last three proceeding years, this deterioration was experienced in:

- July to August 2017 (by 1.2%)
- July to August 2015 (by 2.2%)

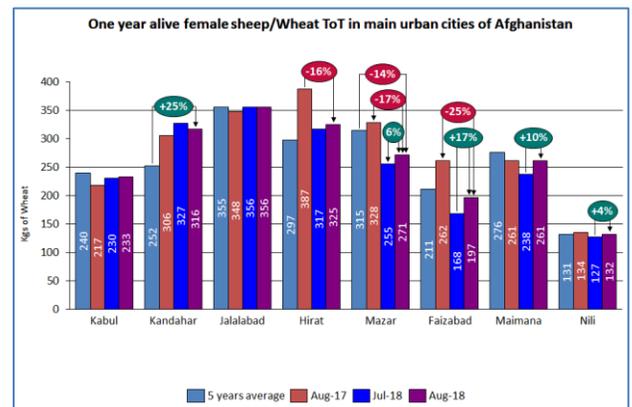
while improved only in;

- July to August 2016 (by 2.4%)

- Compared to the same month one year ago (August 2017), this ToT slightly deteriorated by 7.8%, mainly due to decreased labor wage by 8.4%.
- On the two-year comparison (August 2016), this ToT slightly improved by 6.3%.
- Compared to the 5-year average of the same months (Augusts 2013 - 2017), this ToT slightly improved by 5.2%.

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 261.3.2Kgs of wheat against one-year alive female sheep, which slightly improved by 3.6% from July to August 2018, mainly due to increased sheep price by (2.6%) and decreased wheat price by (0.9%). The largest improvement occurred in Faizabad by (16.7%), Maimana (10.0%) and Mazar (6.4%), due to increase of sheep price and decrease wheat price in Faizabad. The variation in other main cities markets was within normal range (-3.4% to 4.2%).



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

- July to August 2017 (by 2.7%)
- July to August 2016 (by 2.4%)

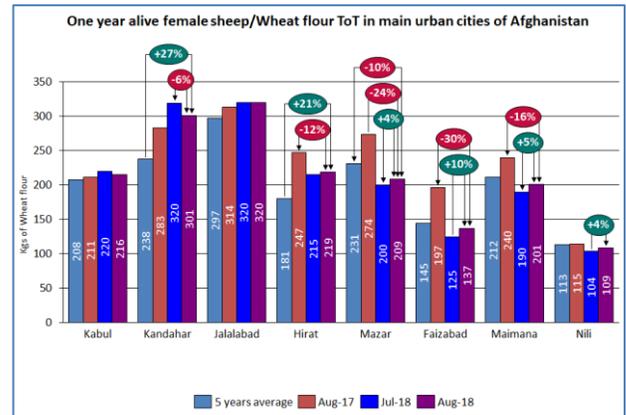
while deteriorated only in;

- July to August 2015 (by 0.7%)

- Compared to the same month one year ago (August 2017), this ToT slightly deteriorated by 6.8%, which is mainly due to decreased sheep price by 10.1%.
- On the two-year comparison (August 2016) this ToT slightly improved by 4.7%.
- Compared to 5-year average of the same months (Augusts 2013 - 2017), this ToT negligibly improved by 0.6%.

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 214.8 Kgs of Wheat flour against one-year alive female sheep, which negligibly improved by 1.0% from July to August 2018, mainly due to increase of sheep price by 2.6%. The largest improvement occurred in Faizabad by (9.9%) and Maimana (5.8%) due to increased sheep price but there is a deterioration occurred in Kandahar by (5.7%) due to decrease of sheep price and increase of wheat flour price. The variation in all other markets was within normal range (-2.0% to 4.3%). In the last three preceding years, this improvement was experienced in:



- July to August 2017 (by 3.5%)
- July to August 2016 (by 2.5%)

while deteriorated only in;

- July to August 2015 (by 3.4%)

- Compared to the same month one year ago (August 2017), this ToT slightly deteriorated by 9.0%, mainly due to decreased sheep price (by 10.1%).
- On the two-year comparison (August 2016), this ToT slightly improved by 7.2%.
- Compared to 5-year average of the same months (Augusts 2013 - 2017), this ToT slightly improved by 5.3%.

Retail Price of Wheat Grain in Main Urban Cities:

- The monthly average price of Wheat in main cities' markets of Afghanistan was AFN **22.3**/kg in August 2018. The average price negligibly decreased by 0.9% compared to the previous month (July 2018). The variation in all main cities was within a normal limit (-3.6% to 0.5%). In the last three preceding years, this decrease was experienced in;
 - July to August 2017 (by 0.8%)
 - July to August 2016 (by 2.5%)
 - July to August 2015 (by 0.3%)
- Compared to the same month one year ago (August 2017), the average wheat price slightly decreased by 4.6%. 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 (-8.3% to 0.2%).
- On the two-year comparison (August 2016), the average price slightly decreased by 5.1%.
- Compared to the last 5-year average price of the same months (Augusts 2013 - 2017), the average price negligibly decreased by 2.5%.

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 **27.5**/kg in the reporting month (August 2018). The average price negligibly increased by 1.3% compared to the previous month (July 2018). The variation in all main cities was within a normal limit (-2.6% to 4.0%). In the last three preceding years, this increase was only experienced in;

- July to August 2015 (by 2.4%)

While decreased in;

- July to August 2017 (by 1.1%)

- July to August 2016 (by 2.0%)
- Compared to the same month last year (August 2017), the current average price negligibly decreased by 0.2%. The variation in all main cities was within a normal range (-8.6% to 7.2%).
- Compared to the same month two years ago (August 2016), the average price of wheat flour slightly decreased by 4.4%.
- Compared to 5-year average price of the same months (Augusts 2013 - 2017), the average price slightly decreased by 5.3%.

Wheat flour (Low Price):

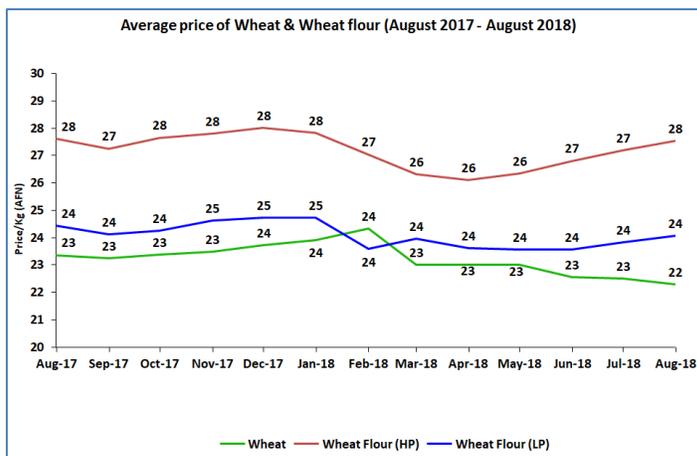
- The monthly average price of Wheat flour (Low Price) in main cities' markets was AFN **24.1**/Kg in the reporting month (August 2018). The average price negligibly increased by 1.0% compared to the previous month (July 2018). The variation in all main cities was within a normal limit (0.0% to 4.8%). In the last three proceeding years, this increase was experienced in;

- July to August 2015 (by 2.4%)

While decreased in;

- July to August 2017 (by 0.1%)
- July to August 2016 (by 1.2%)

- Compared to the same month one year ago (August 2017), the current average price slightly decreased by 1.5%. The variation in all main cities was within a normal range (-7.6% to 4.8%).
- Compared to the same month two years ago (August 2016), the average price slightly decreased by 7.0%.
- Compared to 5-year average price of the same months (Augusts 2013 - 2017), the average price slightly decreased by 7.1%.



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 **93.9**/Kg in the reporting month (August 2018) which negligibly increased by 0.6% compared to the previous month (July 2018). The variation in all main cities was within a normal range (-0.9% to 2.3%). In the last three proceeding years, this increase was experienced in,

- July to August 2015 (by 0.2%)

While decreased in;

- July to August 2017 (by 0.2%)
- July to August 2016 (by 1.2%)

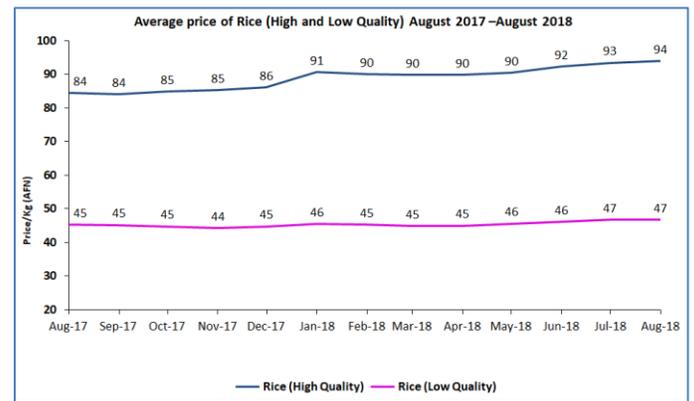
- Compared to the same month one year ago (August 2017), the average price significantly increased by 11.3%. The largest increase occurred in Kabul (19.2%), Mazar (14.8%), Faizabad (12.4%), Hirat (12.2%) and Kandahar 10.1%, mainly due to decrease of supply and increase in prices in the source point (Pakistan). The variation in other remaining main cities was within a normal range (6.3% to 8.8%).
- Compared to the same month two years ago (August 2016), the average price significantly increased by 23.2%.
- Compared to 5-year average price of some months (Augusts 2013 - 2017), the average price significantly increased by 12.7%.

Rice (Low Quality):

- The monthly average price of Rice (Low Quality) in main cities' markets was AFN **46.8/Kg** in the reporting month (August 2018), which negligibly increased by 0.2% compared to the previous month (July 2018). The variation in all main cities was within a normal range (-3.4% to 2.6%). In the last three preceding years, this increase was experienced in;

- July to August 2017 and 2016 (by 0.4%)
- July to August 2015 (by 1.6%)

- Compared to the same month one year ago (August 2017), the average price slightly increased by 3.3%. The largest increase only occurred in Hirat (by 14.1%), 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 (-3.3% to 6.2%).
- Compared to the same month two years ago (August 2016), the average price significantly increased by 12.0%.
- Compared to 5-year average price of same months (Augusts 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 **79.9/Kg** in the reporting month (August 2018), the average price negligibly increased by 0.4% compared to previous month (July 2018). The variation in all main cities was within a normal range (-0.3% to 1.4%). In the last three preceding years, this increase was experienced in;

- July to August 2016 (by 0.9%)
- July to August 2015 (by 0.8%)

While decreased only in;

- July to August 2017 (by 0.6%)

- Compared to the same month one year ago (August 2017), the average price slightly decreased by 3.4%. The highest decrease occurred only in Kabul by (10.3%) due to increase of supply by the traders but there is an increase in Kandahar by (10.3%) due to decrease of supply. The variation in all other main cities was within a normal limit (-0.3% to -7.9%).
- Compared to the same month two years ago (August 2016), the average price negligibly decreased by 1.0%
- Compared to 5-year average of the same months (Augusts 2013 - 2017), the average price negligibly decreased by -0.6%.

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

Pulses: The monthly average price of pulses in August 2018 in main cities' markets was AFN **80.7/Kg** which negligibly decreased by 1.3% compared to the previous month (July 2018).

- Compared to the same time last year (August 2017), the price of pulses slightly decreased by 8.7%, the highest decrease occurred in Hirat (19.3%), Kandahar (18.7%) and Kabul (10.2%), mainly due to increased supply. The variation in all other main cities was within a normal limit (-8.7% to 4.2%).
- Compared to the same time two years ago (August 2016), the price of pulses slightly increased by 6.8%.
- Compared to 5-year average of the same months (Augusts 2013 - 2017), the prices of pulses increased significantly by 16.8%.

Salt: The monthly average price of Salt in August 2018 in main cities' markets was AFN 14.4/Kg negligibly increased by 0.2% compared to the previous month (July 2018). The current average price of salt slightly increased by 4.0% compared to the same month last year (August 2017), and slightly increased by 4.3% compared to the same month two years ago (August 2016).

Sugar: The monthly average price of Sugar in August 2018 in main cities' markets was AFN 41.0/Kg, negligibly increased by 1.3% compared to the previous month (July 2018). The current average price of sugar significantly decreased by 21.2% compared to the same month last year (August 2017) due to increase of supply, and significantly decreased by 23.8% compared to the same month two years ago (August 2016).

Number of days averagely worked by a labourer: The monthly average number of days worked by a laborer during August 2018 was reported at 10.9 days. The highest number of working days were in Nili, Kabul, Hirat, Maimana and Kandahar (12 days), followed by Faizabad (11 days), Mazar and Jalalabad (8 days). Compared to the previous month (July 2018), the significant increase occurred in Maimana 33.3% (3 days) and Faizabad 22.2% (2 days), and decreased occurred only in Nili 20% (3 days), the variation in all other main cities remain unchanged.

- Compared to the same month last year (August 2017), the average number of working days significantly decreased by 20.2% (2.8 days).
- Compared to the same month two years ago (August 2016), the average number of working days for main cities significantly decreased by 17.5% (2.3 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	1 M	5 Y Ave	2 Y	1 Y	1 M				5 Y Ave	2 Y	1 Y	1 M	5 Y Ave	2 Y	1 Y	1 M		
KABUL	Wheat	23.6	-0.5	-1.6	-8.3	-1.0	▶▶▶▶▶	Livestock-One year live Sheep (Female)	KABUL	Sheep	5,500	-2.5	0.0	-1.8	0.0	▶▶▶▶▶							
	Wheat flour (HP)	25.5	-6.0	-3.8	-3.8	2.0	▶▶▶▶▶		KANDAHAR	Sheep	7,450	17.3	25.5	-2.6	-2.9	▶▶▶▶▶							
	Rice High Quality	97.8	12.6	30.3	19.2	0.8	▶▶▶▶▶		JALALABAD	Sheep	8,000	5.3	14.3	0.0	0.0	▶▶▶▶▶							
	Rice Low Quality	58.0	6.6	0.0	-3.3	0.0	▶▶▶▶▶		HIRAT	Sheep	5,780	8.9	-1.6	-15.9	-1.0	▶▶▶▶▶							
KANDAHAR	Cooking Oil	71.8	-11.4	-10.3	-10.3	-0.3	▶▶▶▶▶	MAZAR	Sheep	5,425	-13.8	-13.9	-18.4	6.4	▶▶▶▶▶								
	Wheat	23.6	-6.7	-1.9	-5.8	0.5	▶▶▶▶▶	FAIZABAD	Sheep	4,500	-4.2	-2.2	-25.6	12.5	▶▶▶▶▶								
	Wheat flour (HP)	24.7	-7.4	-8.0	-8.6	3.0	▶▶▶▶▶	MAIMANA	Sheep	5,225	-12.9	-12.9	-12.9	10.0	▶▶▶▶▶								
	Rice High Quality	88.1	18.9	34.2	10.1	2.3	▶▶▶▶▶	NILI	Sheep	3,700	-6.3	2.8	-5.1	4.2	▶▶▶▶▶								
JALALABAD	Rice Low Quality	33.3	12.4	-5.2	4.7	1.1	▶▶▶▶▶	Terms of Trade															
	Cooking Oil	95.5	28.6	21.4	10.3	0.5	▶▶▶▶▶	Kgs of Wheat/Wheat flour															
	Wheat	22.5	4.7	4.7	-2.2	0.0	▶▶▶▶▶	KABUL	Casual Labor/Wheat	12.7	-5.6	-12.9	-3.1	1.1	▶▶▶▶▶								
	Wheat flour (HP)	25.0	-3.4	-7.4	-2.0	0.0	▶▶▶▶▶	KANDAHAR	Casual Labor/Wheat	14.9	6.9	1.9	-7.1	-0.5	▶▶▶▶▶								
HIRAT	Rice High Quality	87.0	12.5	14.5	8.8	0.0	▶▶▶▶▶	JALALABAD	Casual Labor/Wheat	13.3	6.9	10.3	2.2	0.0	▶▶▶▶▶								
	Rice Low Quality	34.0	-9.2	15.3	3.0	0.0	▶▶▶▶▶	HIRAT	Casual Labor/Wheat	14.0	-14.1	-18.3	-5.0	3.7	▶▶▶▶▶								
	Cooking Oil	77.0	-0.6	-2.2	-1.3	0.0	▶▶▶▶▶	MAZAR	Casual Labor/Wheat	14.0	-4.2	17.6	-5.5	0.0	▶▶▶▶▶								
	Wheat	17.8	-1.7	2.0	0.2	-3.5	▶▶▶▶▶	FAIZABAD	Casual Labor/Wheat	15.3	3.8	27.4	-5.7	11.7	▶▶▶▶▶								
MAZAR	Wheat flour (HP)	26.4	-11.4	-3.1	-5.0	-2.6	▶▶▶▶▶	MAIMANA	Casual Labor/Wheat	13.5	9.0	24.2	3.5	0.0	▶▶▶▶▶								
	Rice High Quality	87.4	22.8	41.1	12.2	-0.9	▶▶▶▶▶	NILI	Casual Labor/Wheat	12.5	11.2	14.3	-9.4	0.0	▶▶▶▶▶								
	Rice Low Quality	37.1	26.8	22.5	14.1	2.6	▶▶▶▶▶	KABUL	Sheep /Wheat	232.8	-2.9	1.6	7.0	1.1	▶▶▶▶▶								
	Cooking Oil	73.4	1.9	0.4	-3.8	0.2	▶▶▶▶▶	KANDAHAR	Sheep /Wheat	316.3	25.3	27.9	3.4	-3.4	▶▶▶▶▶								
FAIZABAD	Wheat	20.0	-0.2	-4.8	-1.2	0.0	▶▶▶▶▶	JALALABAD	Sheep /Wheat	355.6	0.1	9.2	2.2	0.0	▶▶▶▶▶								
	Wheat flour (HP)	26.0	-5.1	-3.7	7.2	2.0	▶▶▶▶▶	HIRAT	Sheep /Wheat	324.7	9.1	-3.6	-16.1	2.6	▶▶▶▶▶								
	Rice High Quality	93.0	12.7	25.7	14.8	0.0	▶▶▶▶▶	MAZAR	Sheep /Wheat	271.3	-13.8	-9.6	-17.4	6.4	▶▶▶▶▶								
	Rice Low Quality	43.0	9.7	19.4	6.2	0.0	▶▶▶▶▶	FAIZABAD	Sheep /Wheat	196.5	-6.8	6.8	-24.9	16.7	▶▶▶▶▶								
MAIMANA	Cooking Oil	75.5	-4.7	-5.6	-7.9	0.7	▶▶▶▶▶	MAIMANA	Sheep /Wheat	261.3	-5.4	0.1	0.1	10.0	▶▶▶▶▶								
	Wheat	22.9	2.6	-8.4	-1.0	-3.6	▶▶▶▶▶	NILI	Sheep /Wheat	132.1	0.7	17.5	-1.7	4.2	▶▶▶▶▶								
	Wheat flour (HP)	32.8	0.8	-3.7	6.4	2.3	▶▶▶▶▶	KABUL	Casual Labor/Wheat flour	11.8	0.7	-10.9	-7.6	-2.0	▶▶▶▶▶								
	Rice High Quality	100.0	11.5	18.7	12.4	1.0	▶▶▶▶▶	KANDAHAR	Casual Labor/Wheat flour	14.2	8.3	8.8	-4.3	-2.9	▶▶▶▶▶								
NILI	Rice Low Quality	56.0	14.1	28.7	-2.6	-3.4	▶▶▶▶▶	JALALABAD	Casual Labor/Wheat flour	12.0	17.9	24.6	2.0	0.0	▶▶▶▶▶								
	Cooking Oil	90.0	-4.2	0.0	-0.3	1.4	▶▶▶▶▶	HIRAT	Casual Labor/Wheat flour	9.5	1.1	-14.0	0.2	2.6	▶▶▶▶▶								
	Wheat	20.0	-8.3	-13.0	-13.0	0.0	▶▶▶▶▶	MAZAR	Casual Labor/Wheat flour	10.8	5.2	16.3	-12.9	-1.9	▶▶▶▶▶								
	Wheat flour (HP)	26.0	-8.8	-3.7	4.0	4.0	▶▶▶▶▶	FAIZABAD	Casual Labor/Wheat flour	10.7	8.5	21.1	-12.3	5.2	▶▶▶▶▶								
KANDAHAR	Rice High Quality	92.0	5.9	22.7	7.6	0.0	▶▶▶▶▶	MAIMANA	Casual Labor/Wheat flour	10.4	19.5	12.2	-13.5	-3.8	▶▶▶▶▶								
	Rice Low Quality	42.0	1.0	13.5	5.0	0.0	▶▶▶▶▶	NILI	Casual Labor/Wheat flour	10.3	3.8	2.9	-12.5	0.0	▶▶▶▶▶								
	Cooking Oil	77.0	-7.1	-6.1	-7.8	0.0	▶▶▶▶▶	KABUL	Sheep /Wheat flour	215.7	-0.8	3.9	2.1	-2.0	▶▶▶▶▶								
	Wheat	28.0	-7.3	-12.5	-3.4	0.0	▶▶▶▶▶	KANDAHAR	Sheep /Wheat flour	301.5	18.2	36.5	6.5	-5.7	▶▶▶▶▶								
HIRAT	Wheat flour (HP)	34.0	-2.6	-2.9	0.0	0.0	▶▶▶▶▶	JALALABAD	Sheep /Wheat flour	320.0	12.4	23.4	2.0	0.0	▶▶▶▶▶								
	Rice High Quality	106.3	8.4	8.4	6.3	1.2	▶▶▶▶▶	HIRAT	Sheep /Wheat flour	218.8	25.7	1.5	-11.5	1.6	▶▶▶▶▶								
	Rice Low Quality	71.0	8.7	9.2	6.0	2.2	▶▶▶▶▶	MAZAR	Sheep /Wheat flour	208.7	-9.3	-10.6	-23.9	4.3	▶▶▶▶▶								
	Cooking Oil	79.0	-3.9	-4.8	-7.1	1.0	▶▶▶▶▶	FAIZABAD	Sheep /Wheat flour	137.4	-11.9	1.6	-30.1	9.9	▶▶▶▶▶								
KANDAHAR	Wheat	28.0	-7.3	-12.5	-3.4	0.0	▶▶▶▶▶	MAIMANA	Sheep /Wheat flour	201.0	-2.3	-9.6	-16.3	5.8	▶▶▶▶▶								
	Wheat flour (HP)	34.0	-2.6	-2.9	0.0	0.0	▶▶▶▶▶	NILI	Sheep /Wheat flour	108.8	-2.7	5.8	-5.1	4.2	▶▶▶▶▶								

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 August 2017 and 2Y= Compared to August 2016