

Initial Market Price Bulletin for the month of February 2019 (Reported in March 2019)

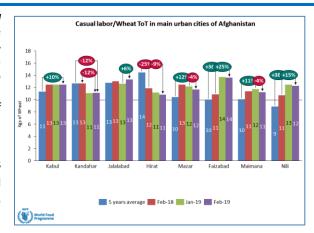
HIGHLIGHTS:

- Wheat: The current average wheat price in main cities' markets of Afghanistan (AFN 24.4/Kg) is slightly higher by 3.4% compared to the same time last year (February 2018) and negligibly higher by 1.7% compared to the last 5-year average price of the same months (Februarys 2014 2018).
- Wheat flour (High Price): The current retail price (AFN 29.5/kg) is slightly higher by 9.2% compared to the same month last year (February 2018), and slightly higher by 4.3% 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 45.9/kg) is negligibly higher by 1.4% compared to the same month last year (February 2018), and slightly higher by 8.1% compared to the last 5-year average price of the same months. The current average price of High Quality Rice (AFN 90.4/kg) is negligibly higher by 0.4% compared to the same month last year (February 2018), and slightly higher by 9.4% compared to the last 5-year average price of the same months.
- **Pulses:** The current retail price (AFN 77.2/kg) is slightly lower by 9.5% compared to the same month last year (February 2018), and slightly higher by 9.8% compared to the last 5-year average price of the same months.

Terms of Trade (ToT)

<u>Casual Labor and Wheat (ToT):</u> 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.

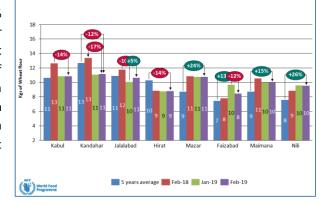
Labor wage/Wheat average ToT for the reporting month was 12.1 Kgs of Wheat. On average, this ToT negligibly deteriorated by 0.9% from January to February 2019, mainly due to increased wheat price (by 0.5%) and decreased labor wage by 0.5%. The variation in all other main cities markets was within normal range (-4.2% to 0.6%) except in Jalalabad improved by (5.6%) due to decrease of wheat price. In the last three proceeding years, this deterioration was experienced in:



- January to February 2017 (by 0.4%)
- o January to February 2016 (by 1.5%) and remained unchanged in January to February 2018
- In comparison to the same month one year ago (February 2018), this ToT negligibly improved by 1.1%, mainly due to increased labor wage (by 4.4%)
- On the two-year comparison (February 2017), this ToT slightly deteriorated by 6.3%.
- Compared to the 5-year average of the same months (Februarys 2014-2018), this ToT slightly improved by 6.5%.

<u>Casual Labor and High Price Wheat flour (ToT):</u> 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. 0Kgs of Wheat flour which negligibly deteriorated by 0.7% from January to February 2019, mainly due to increase wheat flour price by (0.6%) and decrease of labor wage by 0.5%. The largest deterioration only occurred in Faizabad (12.5%) due to decrease of labor wage and increase of wheat flour and an improving occurred in Jalalabad (5.3%) due to decrease of wheat flour price. The variation in all main cities markets was within normal range (-0.7 % to 0.9%). In the last three proceeding years, this deterioration was not experienced, while improved in:

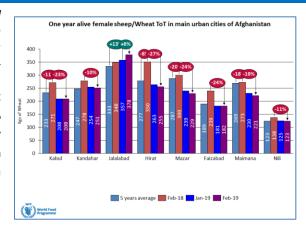


Casual labor/Wheat flour ToT in main urban cities of Afghanistan

- January to February 2018 (by 1.0%)
- January to February 2017 (by 3.3%)
- January to February 2016 (by 1.1%)
- Compared to the same month one year ago (February 2018), this ToT slightly deteriorated by 5.3%, mainly due to increase of wheat flour by 9.2%.
- On the two-year comparison (February 2017), this ToT slightly deteriorated by 5.3%.
- Compared to the 5-year average of the same months (Februarys 2014 2018), this ToT slightly improved by 4.2%.

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 230.9Kgs of wheat against one-year alive female sheep, which negligibly deteriorated by 0.6% from January to February 2019, mainly due to increased wheat price by (0.5%) and decreased sheep price by 0.5%. The variation in other main cities markets was within normal range (-4.2% to 0.3%) except an improving occurred in Jalalabad by 5.9% due to increase of sheep price and decrease of wheat price.



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

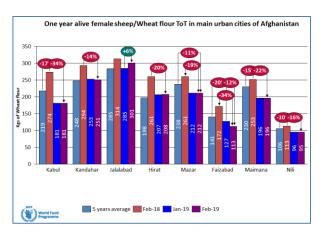
- January to February 2017 (by 0.2%)
- While improved in;
 - January to February 2018 (by 1.5%)
 - January to February 2016 (by 0.9%)
- Compared to the same month one year ago (February 2018), this ToT significantly deteriorated by 15.9%, which is mainly due to decreased sheep price by 12.6% and increase of wheat by 3.4%.
- On the two-year comparison (February 2017) this ToT slightly deteriorated by 9.2%.
- Compared to 5-year average of the same months (Februarys 2014 2018), this ToT slightly deteriorated by 5.7%.

<u>Sheep and High Price Wheat flour (ToT):</u> 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 194.6 Kgs of wheat flour against one-year alive female sheep, which remained unchanged from January to February 2019, The variation in all other markets was within normal range (-0.8% to 0.4%)

except a deterioration in Faizabad by (11.6%) due to increase of wheat flour and decrease of sheep price and improvement only occurred in Jalalabad by (5.6%) due to decrease of wheat flour price and increase of sheep price. In the last three proceeding years, only improvement was experienced in:

- January to February 2018 (by 2.5%)
- January to February 2017 & 2016 (by 3.4%)
- Compared to the same month one year ago (February 2018), this ToT significantly deteriorated by 19.8%, mainly due to decreased sheep price (by 12.6%) and increase of wheat flour by (9.2%).
- On the two-year comparison (February 2017), this ToT slightly deteriorated by 9.6%.
- Compared to 5-year average of the same months (Februarys 2014 2018), this ToT slightly deteriorated by 6.4%.



Retail Price of Wheat Grain in Main Urban Cities:

- The monthly average price of wheat in main cities' markets of Afghanistan was AFN **24.4**/Kg in February 2019. The average price negligibly increased by 0.5% compared to the previous month (January 2019). The variation in all main cities was within a normal range (-3.3% to 4.3 %) except a decrease occurred only in Jalalabad by (5.3%) due to increase of supply. In the last three proceeding years, this increase was only experienced in;
 - January to February 2017 (by 0.3%)
- While decreased in;
 - January to February 2018 (by 1.4%)
 - January to February 2016 (by 0.5%)
 - Compared to the same month one year ago (February 2018), the average wheat price negligibly increased by 3.4%. The largest increase occurred only in Mazar by (20.0%) due to decrease of supply from source of points (Local and INT). The variation in all main cities was within a normal range (-2.6% to 9.9%).
 - On the two-year comparison (February 2017), the average price slightly increased by 3.7%.
 - Compared to the last 5-year average price of the same months (Februarys 2014 2018), the average price negligibly increased by 1.7%.

Retail Price of Wheat flour in Main Urban Cities:

Wheat flour (High Price):

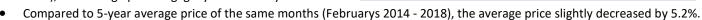
- The monthly average price of Wheat flour (High Price) in main cities' markets was AFN 29.5/Kg in the reporting month (February 2019). The average price negligibly increased by 0.6% compared to the previous month (January 2019). The largest increase occurred only in Faizabad by (9.7%) due to prices of imported Kazakh wheat flour has increased in the main import markets and there is a decrease in Jalalabad by (5.0%) due to increase of supply from source of point (Pakistan). The variation in all other main cities was within a normal limit (-0.9% to 0.7%). In the last three proceeding years, this increase was not experienced, while decreased in;
 - January to February 2018 (by 2.8%)
 - January to February 2017 (by 2.6%)
 - January to February 2016 (by 3.0%)
- Compared to the same month last year (February 2018), the current average price slightly increased by 9.2%. The largest increase occurred in Kabul by (16.2%) followed by Maimana (13.7%), Mazar-i-Sharif (13.0%), Faizabad (10.9%) and Jalalabad

(10.8%) due to decrease of supply from source of points (Pakistan and Kazakhstan). The variation in all other main cities was within a normal range (0.6% to 8.1%).

- Compared to the same month two years ago (February 2017), the average price of wheat flour slightly increased by 5.7%.
- Compared to 5-year average price of the same months (Februarys 2014 2018), the average price negligibly increased by 4.3%.

Wheat flour (Low Price):

- The monthly average price of wheat flour (Low Price) in main urban cities' markets was AFN 26.8/Kg in the reporting month (February 2019). The average price negligibly increased by 0.7% compared to the previous month (January 2018). The highest increase occurred only in Maimana by 8.3% due to decrease of supply. The variation in all main cities was within a normal range (-2.1% to 2.2%). In the last three proceeding years, this increase was not experienced, while decreased in;
 - January to February 2018 (by 1.6%)
 - January to February 2017 (by 2.2%)
 - January to February 2016 (by 3.9%)
- Compared to the same month one year ago (February 2018), the current average price significantly increased by 10.1%. the largest increase occurred in Maimana by (30.0%), Kabul (18.2%), Nili (13.7%) and Jalalabad (11.2%) due to decrease of supply. The variation in all other main cities was within a normal range (-0.9% to 9.5%).
- Compared to the same month two years ago (February
- 2017), the average price negligibly increased by 6.8%.



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 90.4/Kg in the reporting month (February 2019) which negligibly decreased by 0.3% compared to the previous month (January 2019). The variation in all main cities was within a normal range (-1.8% to 1.2%). In the last three proceeding years, this decrease was experienced in,

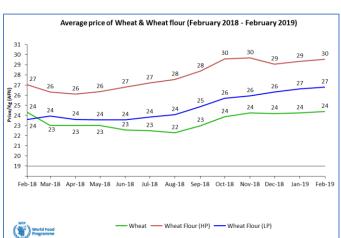
- January to February 2018 (by 0.6%)
- January to February 2016 (by 1.3%)

While increased in;

- January to February 2017 (by 1.8%)
- Compared to the same month one year ago (February 2018), the average price negligibly increased by 0.4%. The largest increase occurred only in Faizabad by 10.8% 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 (-5.3% to 4.6%).
- Compared to the same month two years ago (February 2017), the average price significantly increased by 17.4%.
- Compared to 5-year average price of some months (Februarys 2014 2018), the average price slightly increased by 9.4%.

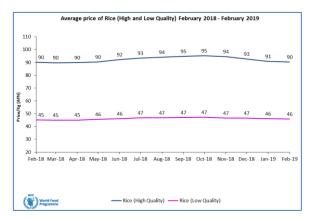
Rice (Low Quality):

- The monthly average price of Rice (Low Quality) in main cities' markets was AFN 45.9/Kg in the reporting month (February 2019), which negligibly decreased by 0.3% compared to the previous month (January 2019). The variation in all other main cities was within a normal range (-4.2% to 0.0%) except there is an increase in Jalalabad by 9.3% due to decrease of supply of low quality rice. In the last three proceeding years, this decrease was experienced only in;
 - January to February 2018 (by 0.7%)



While increased in;

- January to February 2017 (by 1.8%)
- January to February 2016 (by 0.7%)
- Compared to the same month one year ago (February 2018), the average price negligibly increased by 1.4%. The largest increase only occurred in Faizabad (11.5%), mainly due to decrease of low quality rice supply. The variation in all other main cities was within a normal range (-8.6% to 4.8%).
- Compared to the same month two years ago (February 2017), the average price slightly increased by 7.7%.
- Compared to 5-year average price of same months (Februarys 2014- 2018), the average price slightly increased by 8.1%.



Retail Price of Cooking Oil in Main Urban Cities:

The monthly average price of cooking oil in main cities' markets was AFN **79.1**/Kg in the reporting month (February 2019), the average price negligibly decreased by 1.8% compared to previous month (January 2019). The largest decrease occurred in Jalalabad by 9.2% and Kabul 5.3% due to increase of supply. The variation in all main cities was within a normal range (-1.1% to 0.0%). In the last three proceeding years, this decrease was experienced in;

- January to February 2018 (by 1.3%)
- o January to February 2017 (by 0.3%)
- January to February 2016 (by 1.0%)
- Compared to the same month one year ago (February 2018), the average price negligibly decreased by 2.1%. The highest decrease occurred in Jalalabad by (18.2%) and Nili (10.4%) due to increase of supply from source of point but there is an increase only in Kandahar by (11.9%) due to decrease of supply. The variation in all other main cities was within a normal range (-7.1% to 2.8%).
- Compared to the same month two years ago (February 2017), the average price negligibly decreased by 1.6%
- Compared to 5-year average of the same months (Februarys 2014 2018), the average price negligibly decreased by 0.1%.

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

Pulses: The monthly average price of pulses in January 2019 in main cities' markets was AFN **77.2**/Kg which has negligibly decreased by 0.8% compared to the previous month (January 2019).

- Compared to the same time last year (February 2018), the price of pulses slightly decreased by 9.5%, the highest decrease occurred in Nili (26.0%) and Hirat (21.1%), mainly due to increased supply. The variation in all other main cities was within a normal range (-9.8% to 6.7%).
- Compared to the same time two years ago (February 2017), the price of pulses negligibly decreased by 2.9%.
- Compared to 5-year average of the same months (Februarys 2014 2018), the prices of pulses increased slightly by 9.8%.

Salt: The monthly average price of salt in January 2019 in main cities' markets was AFN **15.4**/Kg that remained the same to the previous month (January 2019). The current average price of salt significantly increased by 10.3% compared to the same month last year (February 2018), and significantly increased by 10.0% compared to the same month two years ago (February 2017).

Sugar: The monthly average price of sugar in February 2019 in main cities' markets was AFN 42.1/Kg, negligibly decreased by 1.9% compared to the previous month (January 2019). The current average price of sugar negligibly increased by 0.5% compared to the

same month last year (February 2018) due to decrease of supply, and significantly decreased by 21.1% compared to the same month two years ago (February 2017).

Number of days averagely worked by a labourer: The monthly average number of days worked by a laborer during February 2019 was reported at 6.5 days. The highest number of working days was in Hirat (12 days), followed by Kandahar, Maimana, Mazar and Jalalabad (8 days) and Kabul and Faizabad (4 days) which remained unchanged compared to the previous month (January 2019).

- Compared to the same month last year (February 2018), the average number of working days significantly decreased by 18.8% (1.5 days).
- Compared to the same month two years ago (February 2017), the average number of working days for main cities significantly decreased by 13.3% (1.0 day).

Market Watch:

		Current	Price change (%)				Average					Current	Price change				Average		
Markets	Major Comm	Price per Kg	5 Y Ave	2 Y	14	1 M	5 Y Ave 2	Y 1Y	1 M	Markets	Major Comm	Price in AFN	5 Y Ave	2 Y	1 Y	1 M	5 Y Ave 2	Y 1Y	1 M
KABUL	Vheat	24.0	-1.7	0.0	0.0	0.0	•	>	•	Livestock-One y	ear live Sheep (Female)								
	Wheat flour (HP)	27.6	5.7	8.2	16.2	0.0	>	A	>	KABUL	Sheep	5,000	-11.7	-5.7	-23.1	0.0	v	▶ ▼	•
	Rice High Quality	90.0	2.3	20.0	-1.1	0.0	> 4	L	>	KANDAHAR	Sheep	6,755	1.8	-0.7	-12.0	-1.7	> 1	▶ ▼	
	Rice Low Qaulity	53.0	-3.3	-8.6	-8.6	0.0	>	>	>	JALALABAD	Sheep	8,500	18.1	13.3	6.3	0.3	A 4	 	>
	Cooking Oil	71.5	-9.3	-8.9	-7.1	-5.3	> 1	>		HIRAT	Sheep	5,900	6.0	0.4	-19.8	0.0	> 1	V	>
KANDAHAR	Wheat	26.9	-0.2	10.2	-2.6	-0.6	> 4	 	•	MAZAR	Sheep	5,500	-9.5	-12.7	-8.3	0.0	> 7	r >	>
	Wheat flour (HP)	26.9	0.2	1.2	2.8	-0.9	> 1	>	>	FAIZABAD	Sheep	4,000	-12.8	-20.0	-27.3	-3.0	V 1	v v	>
	Rice High Quality	78.0	8.9	13.4	-5.3	-1.3	>	 	>	MAIMANA	Sheep	5,300	-11.7	-11.7	-11.7	0.0	V V	7 7	>
	Rice Low Qaulity	30.3	2.6	-1.3	-6.0	-4.2	>	>	>	NILI	Sheep	3,500	-6.9	-6.7	-9.1	0.0	>	>	>
	Cooking Oil	100.0	37.2	33.3	11.9	-1.1	A	A	>	Terms of Trade	Kgs o	Vheat/Vhea	t flour						
JALALABAD	Vheat	22.5	4.2	0.0	-2.2	-5.3	b 1	>	•	KABUL	Casual Labor/Wheat	12.5		-14.3	0.0	0.0	A 1	v Þ	
	Wheat flour (HP)	28.3	11.5	9.2	10.8	-5.0	<u> </u>	A	V	KANDAHAR	Casual Labor/Wheat	11.1	-12.0		-12.0	0.6	▼ 1	v v	, b
	Rice High Quality	85,3	9.4	13.1	-0.9	1.2	> 4	<u> </u>	·····	JALALABAD	Casual Labor/Wheat	13.3	4.4	0.0	2.2	5.6	>	>	<u> </u>
	Rice Low Qaulity	35.3	2.3	12.4	3.7	9.3		<u>.</u>		HIBAT	Casual Labor/Vheat	10.8	-25.2	-34.7	-9.0	-3.0	y 1	V	>
	Cooking Oil	63.0		•••••	-18.2	-9.2	V 1	, .	_	MAZAR-	Casual Labor/Wheat	11.7	11.6	2.7	-6.7	-4.2	_	D	
HIRAT	Vheat	23.1	14.6	27.6	9.9	3.1	A A		╁	FAIZABAD	Casual Labor/Wheat	13.6	36.0	36.4	25.5	-0.7		A A	
	Wheat flour (HP)	28.4	0.5	5.2	0.6	-0.4	D		<u>.</u>	MAIMANA	Casual Labor/Vheat	11.3	11.4	3.5	-1.0	-4.2	_	<u> </u>	.
	Rice High Quality	80.2	16.9	19.1	-2.6	-1.8				NILI	Casual Labor/Vheat	12.3	38.0	1.8	14.6	-1.8	<u> </u>	A	<u>-</u>
	Rice Low Gaulity	31.4	12.4	-1.3	-0.3	-1.9	A		<u>.</u>	KABUL	Sheep /Wheat	208.3	-10.5	-5.7	-23.1	0.0	₩	V	•
	Cooking Oil	75.1	5.1	-2.2	0.7	0.0	<u> </u>			KANDAHAR	Sheep / Wheat	250.9	1.5	-9.9	-9.7	-1.2	<u> </u>		<u>.</u>
MAZAR	Vheat	24.0	13.2	9.1	20.0	4.3	A	•	•	JALALABAD	Sheep / Wheat	377.8	13.4	13.3	8.6	5.9			
	Wheat flour (HP)	26.0	1.6	2.0	13.0	0.0		A	<u>.</u>	HIBAT	Sheep / Wheat	255.4	-7.9	-21.3	-27.0	-3.0	> 7	, v	
	Rice High Quality	96.0	16.2	28.0	4.6	0.0	Ā Ā		<u>.</u>	MAZAR	Sheep / Wheat	229.2	-20.2	-20.0	-23.6	-4.2	▼ 1	y y	>
	Rice Low Qaulity	44.0	12.4	15.8	2.3	0.0	A	 	<u>.</u>	FAIZABAD	Sheep / Wheat	181.8	-3.7	-9.1	-24.0	0.3	>	> V	· •
	Cooking Oil	82.0	5.2	4.5	0.6	0.0	>	•		MAIMANA	Sheep / Wheat	220.8	·····	-15.3	-19.0	-4.2	_	v v	,)
FAIZABAD	Vheat	22.0		-12.0	-4.3	-3.3	> 7	<u> </u>	•	NILI	Sheep /Vheat	122.8	-0.4	-5.0	-10.7	-1.8	>	> Y	
	Wheat flour (HP)	35.5	8.8	8.0	10.9	9.7	>	A		KABUL	Casual Labor/Vheat flour	10.9	2.1		-13.9	0.0	•	v v	,
	Rice High Quality	99.8	10.9	17.7	10.8	-1.0	A	<u> </u>		KANDAHAR	Casual Labor/Vheat flour	11.2	-12.1	-15.3	-16.6	0.9	_	· •	
	Rice Low Qaulity	58.0	17.1	19.0	11.5	-3.7	A		.	JALALABAD	Casual Labor/Vheat flour	10.6	-2.7	-8.4	-9.7	5.3	<u>.</u>	>	_
	Cooking Oil	90.0	-5.1	0.0	0.0	0.0	>	—		HIBAT	Casual Labor/Vheat flour	8.8	-14.4	-20.8	-0.6	0.4	w 1	V	
MAIMANA	Vheat	24.0	7.1	4.3	9.1	4.3	•	•	•	MAZAR	Casual Labor/∀heat flour	10.8	23.7	9.8	-0.9	0.0	A	D	<u>.</u>
	Vheat flour (HP)	27.0	3.1	11.3	13.7	0.0	<u> </u>	A	>	FAIZABAD	Casual Labor/Vheat flour	8.5	13.1	11.1		-12.5	A A	<u> </u>	₩
	Rice High Quality	94.0	10.2	25.3	2.2	0.0	A 7	 	>	MAIMANA	Casual Labor/Vheat flour	10.0	15.0	-3.0	-5.0	0.0	A	>	>
	Rice Low Qaulity	44.0	11.0	18.9	4.8	0.0	A	<u> </u>	>	NILI	Casual Labor/∀heat flour	9.5	25.8	-2.0	7.9	-0.7	A	>	>
	Cooking Oil	82.0	0.6	-0.9	2.8	0.0	<u> </u>	<u> </u>	<u> </u>	KABUL	Sheep /Wheat flour	181.2	-17.1	-12.8	-33.8	0.0	V 1	y y	>
NILI	Vheat	28.5	-7.2	-1.7	1.8	1.8	<u> </u>	<u> </u>	<u> </u>	KANDAHAR	Sheep /Wheat flour	251.3	1.3	-1.9	-14.4	-0.8	<u> </u>	y	<u> </u>
	Wheat flour (HP)	36.8	2.9	2.1	8.1	0.7	<u> </u>	<u> </u>	<u> </u>	JALALABAD	Sheep / Wheat flour	300.9	5.7	3.8	-4.1	5.6	<u> </u>	<u> </u>	
	Rice High Quality Rice Low Qaulity	100.0 71.0	3.2 10.4	5.3 9.2	-4.8 2.9	0.0				HIRAT MAZAR	Sheep / Wheat flour Sheep / Wheat flour	207.7 211.5	5.0 -11.3	-4.5 -14.4	-20.3 -18.9	0.4		>	
	Cooking Oil	69.0	-13.6		-10.4	0.0	7 7	7	<u>-</u>	FAIZABAD	Sheep / Wheat flour	112.7	-19.9	-25.9		-11.6		· ·	-
										MAIMANA	Sheep / Wheat flour	196.3	-14.8	-20.7	-22.3	0.0	y 1	y Y	<u> </u>
										NILI	Sheep /Vheat flour	95.2	-9.7	-8.6	-15.9	-0.7)	y	<u> </u>
Remark	▲ Price increase	above norma	price flu	etuatio	n .		•	Norma	l Price	fluctuation	▼ Price	decrease be	low norr	mal pric	e flucti	uation			
Price (Instruction :-	considered normal if		-			nnth						1M= Comp		-				to Eat-	
	considered normal if ared to February 2017		ge is vi tt	nın 9% l	ror i me	Dilth, O	- Alculu	ION FOI	o mon	uns, one year, (WC	gear and o gears.	im= comp	areu (O I	month .	ago IT	= com	pared C	o rean	uary

Source: WFP/VAM market data from Afghanistan main cities (Kabul, Kandahar, Mazar, Jalalabad, Faizabad, Hirat, Maimana and Nill), Vulnerability Analysis and Mapping (VAM) – World Food Programme (WFP), Afghanistan