



Food Commodities Photo WFP/Aman ur Rehman khan

Weekly Market Monitor Report

WFP VAM | Food Security Analysis

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HIGHLIGHTS

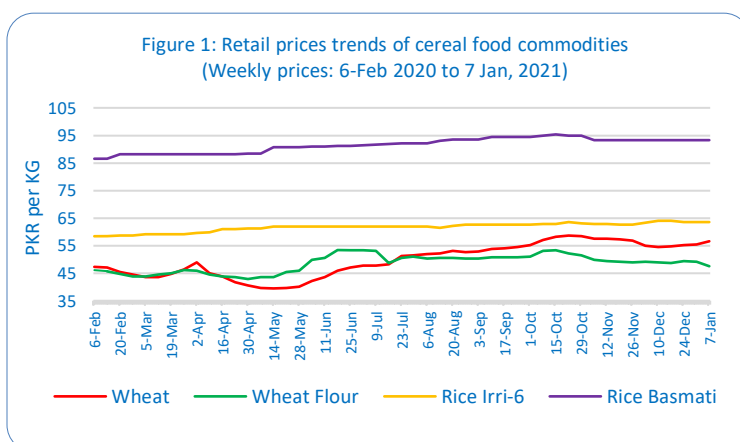
- Weekly average retail prices update as of 7th of January 2021 indicates overall the prices of staple cereals and non-cereals foods experienced negligible to slight fluctuations, except for live chicken which experienced a significant price decrease, when compared to the previous week's prices;
- **Cereals:** (wheat, wheat flour, rice *Irri-6* and rice *Basmati*). Overall, the average retail price of wheat increased slightly while the price of wheat flour decreased slightly together with a negligible increase in the price of rice *Irri-6* and no change in the price of rice *Basmati* from the previous week;
- **Non-cereals:** overall, compared to the previous week, the average retail prices of essential non-cereals registered slight increases for sugar, pulse *Moong*, cooking oil, vegetable ghee and pulse *Mash* along with a negligible increase for pulse Gram. Whereas, a significant price decrease was noted for live chicken and a slight decrease for eggs while the price of pulse *Masoor* remained unchanged from the previous week;
- **Terms-of-Trade:** The average ToT slightly increased by 3.3% from the previous week.

To monitor the impact of COVID-19 on market prices, the average retail prices¹ of cereals and non-cereals essential food commodities across the country's main markets² in or near COVID-19 hotspots cities (Swat, Peshawar, Islamabad, Rawalpindi, Sialkot, Gujranwala, Faisalabad, Gujrat, Lahore, Multan, Ghotki, Sukkur, Hyderabad, Karachi and Quetta)³ were monitored and analyzed. Following are the key points noted:

Retail prices⁴ of cereal food commodities

On 7th of January 2021 the average retail prices of wheat and wheat flour were recorded at PKR 56.56 and PKR 47.58 per kg, respectively, indicating a slight increase for wheat (1.9%) and a slight decrease for wheat flour (3.2%) when compared to their prices from the previous week.

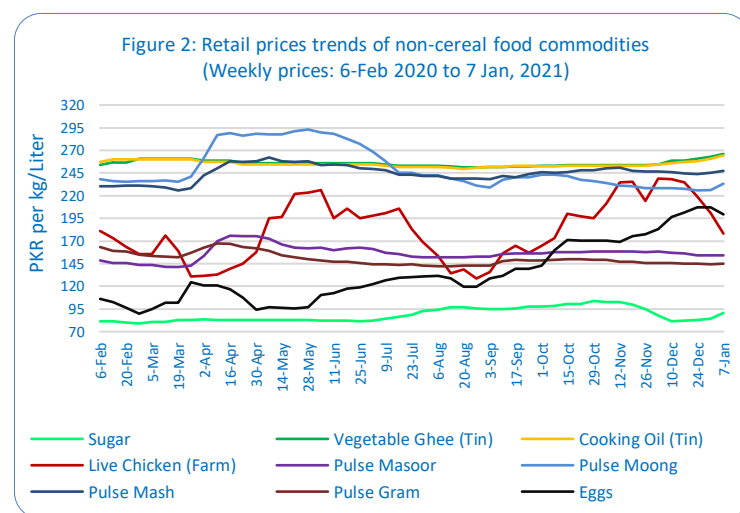
Further, the prices of rice *Irri-6* and rice *Basmati* were recorded at PKR 63.49 and PKR 93.34, respectively, indicating a negligible increase for rice *Irri-6* (0.03%) and no change in the price of rice *Basmati* from the previous week, (Figure 1).



*Notable increases were observed this week compared to the previous week in the price of wheat in Peshawar (6%) and Sialkot (4%) and in Islamabad, Rawalpindi, Lahore and Karachi by 2% to 3% along with an increase in the price of wheat flour in Peshawar (1%). **Peshawar, Sialkot, Islamabad, Rawalpindi, Lahore and Karachi are among the COVID hotspot cities.***

Retail prices⁵ of non-cereal food commodities

As of 7th of January 2021 and when compared with prices from the previous week among the essential non-cereal food commodities, slight increases were noted in the prices of sugar (7.3%), pulse *Moong* (3.2%), cooking oil (1.4%), vegetable ghee (1.1%) and pulse *Mash* (1.1%) along with a negligible increase for pulse *Gram* (0.8%). Whereas, a significant decrease was noted in the price of live



¹ Latest available weekly average retail prices of essential food commodities updated on 7th of January 2021.

² Markets in following cities: Peshawar, Islamabad, Rawalpindi, Sialkot, Lahore, Multan, Quetta, Sukkur, and Karachi.

³ List of COVID-19 hotspot cities updated on 29th September 2020.

⁴ Source: Pakistan Bureau of Statistics, Government of Pakistan.

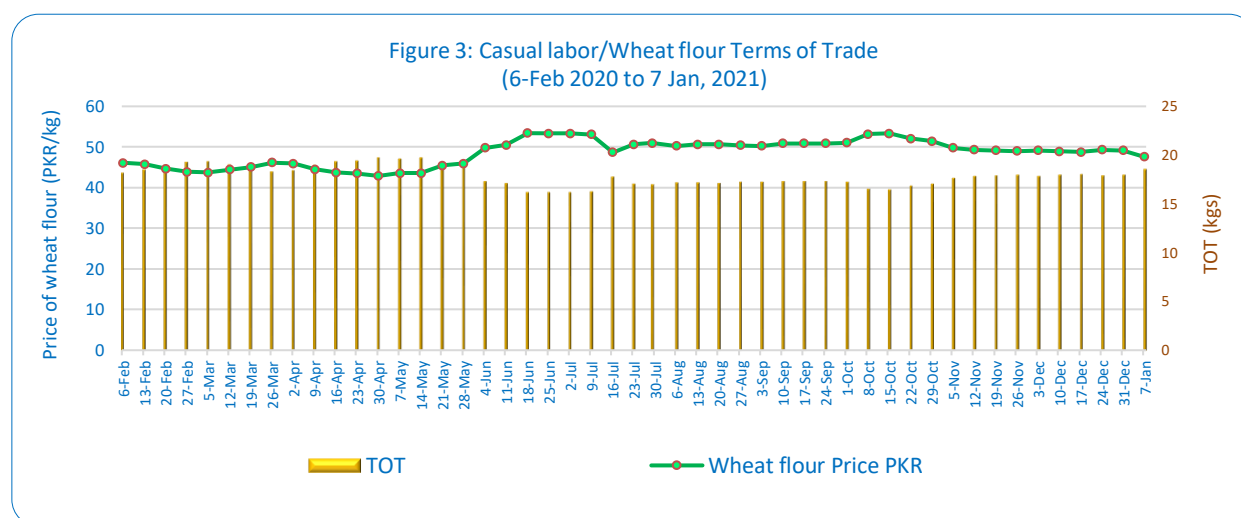
⁵ Ibid.

chicken (11.1%) along with a slight decrease in the price of eggs (3.7%) while the price of pulse Masoor remained unchanged when compared to the prices from the previous week, (Figure 2).

*Notable increases in the prices of non-cereals food in the week of 7th of January 2021 compared to the previous week were observed for pulse Moong in Sialkot (21%), Multan (8%) and Sukkur (4%) along with increases in the price of sugar in Sialkot (13%), Multan (10%) and Sukkur (10%) and in Islamabad, Rawalpindi, Lahore, Karachi, Peshawar and Quetta by 2% to 8%. Moreover, notable increases were also observed in the prices of pulse Gram in Sialkot (8%), pulse Mash in Sialkot (7%), Sukkur (3%) and Karachi (1%), cooking oil in Multan (7%), Karachi (5%) and Sialkot (2%) together with vegetable ghee in Multan (5%), Karachi (5%) and Peshawar (1%). **Out of these, Sialkot, Multan, Sukkur, Islamabad, Rawalpindi, Lahore, Karachi and Peshawar are among the COVID hotspot cities.***

Terms-of-Trade (ToT)⁶

On 7th of January 2021, the average ToT was recorded at 18.55 kg of wheat flour. The ToT slightly increased by 3.3% from the previous week, mainly due to a slight decrease in the price of wheat flour, (Figure 3).



Note: Lately, an anomaly was observed in the price difference between wheat and wheat flour prices as in few cities the prices of wheat flour were found lower than the prices of wheat. The possible reasons for this anomaly were explored with relevant sources. Pakistan Bureau of Statistics (PBS), which is the source for the prices we quote in this bulletin, has informed that the difference between wheat and wheat flour prices exists due to the reason that, wheat prices are collected from open market, whereas wheat flour prices are collected which are subsidized by the Government of Pakistan.

⁶ The ratio of the price of the primary income good relative to the price of the primary expenditure good, it simply measures the purchasing power of a particular livelihood group. In this Bulletin, the Terms of Trade (ToT) between casual unskilled labor wage and wheat flour is applied. This ToT reveals how many kilograms of wheat flour 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.