



Food Commodities Photo WFP/Aman ur Rehman khan

# Weekly Market Monitor Report

WFP VAM | Food Security Analysis

## Pakistan | 9 February 2021

### HIGHLIGHTS

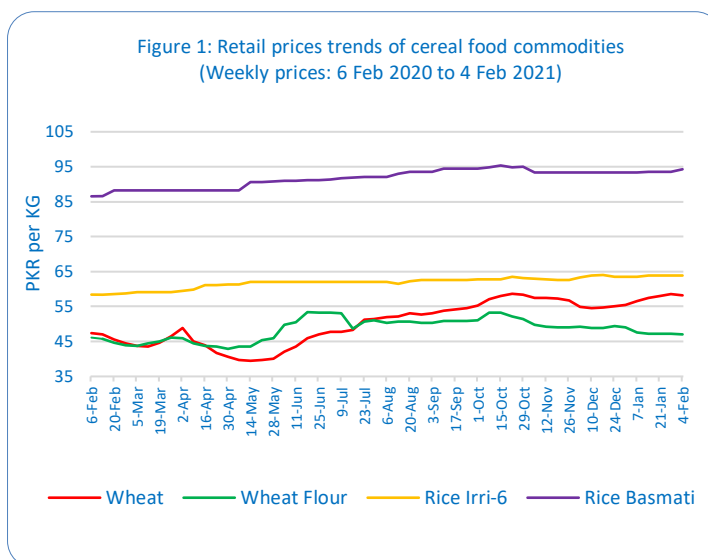
- Weekly average retail prices update as of 4<sup>th</sup> of February 2021 indicates overall the prices of staple cereals and non-cereals foods experienced negligible to slight fluctuations when compared to the previous week's prices;
- **Cereals:** (wheat, wheat flour, rice *Irri-6* and rice *Basmati*). Overall, the average retail prices of wheat and wheat flour decreased negligibly while the prices of rice *Irri-6* and rice *Basmati* increased negligibly from the previous week;
- **Non-cereals:** overall, compared to the previous week, the average retail prices of essential non-cereals registered slight increases for live chicken, cooking oil, pulse *Mash*, pulse Gram and vegetable ghee along with negligible increases for pulses *Masoor* and *Moong*. Whereas, a slight decrease was noted in the price of eggs and a negligible decrease in the price of sugar from the previous week;
- **Terms-of-Trade:** The average ToT negligibly increased by 0.1% from the previous week.

To monitor the impact of COVID-19 on market prices, the average retail prices<sup>1</sup> of cereals and non-cereals essential food commodities across the country's main markets<sup>2</sup> in or near COVID-19 hotspots cities (Swat, Peshawar, Islamabad, Rawalpindi, Sialkot, Gujranwala, Faisalabad, Gujrat, Lahore, Multan, Ghotki, Sukkur, Hyderabad, Karachi and Quetta)<sup>3</sup> were monitored and analyzed. Following are the key points noted:

### Retail prices<sup>4</sup> of cereal food commodities

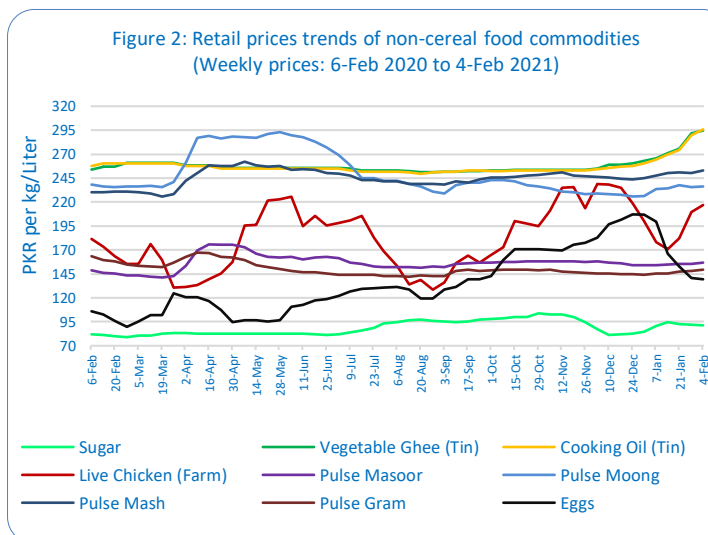
On 4<sup>th</sup> of February 2021 the average retail prices of wheat and wheat flour were recorded at PKR 58.16 and PKR 47.09 per kg, respectively, indicating negligible decreases for wheat (0.7%) and wheat flour (0.1%) when compared to the prices from the previous week.

Further, the prices of rice *Irri-6* and rice *Basmati* were recorded at PKR 63.93 and PKR 94.20, respectively, indicating negligible increases in their prices by 0.1% and 0.8%, respectively, from the previous week, (Figure 1).



### Retail prices<sup>5</sup> of non-cereal food commodities

As of 4<sup>th</sup> of February 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 live chicken (3.4%), cooking oil (2.1%), pulse *Mash* (1.2%), pulse *Gram* (1.1%) and vegetable ghee (1.1%) along with negligible increases in the prices of pulses *Masoor* (0.7%) and *Moong* (0.3%).



Whereas, a slight decrease was noted in the price of eggs (1%) and a negligible decrease in the price of sugar (0.3%) when compared to their prices from the previous week, (Figure 2).

<sup>1</sup> Latest available weekly average retail prices of essential food commodities updated on 4 February 2021.

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

<sup>3</sup> List of COVID-19 hotspot cities updated on 29<sup>th</sup> September 2020.

<sup>4</sup> Source: Pakistan Bureau of Statistics, Government of Pakistan.

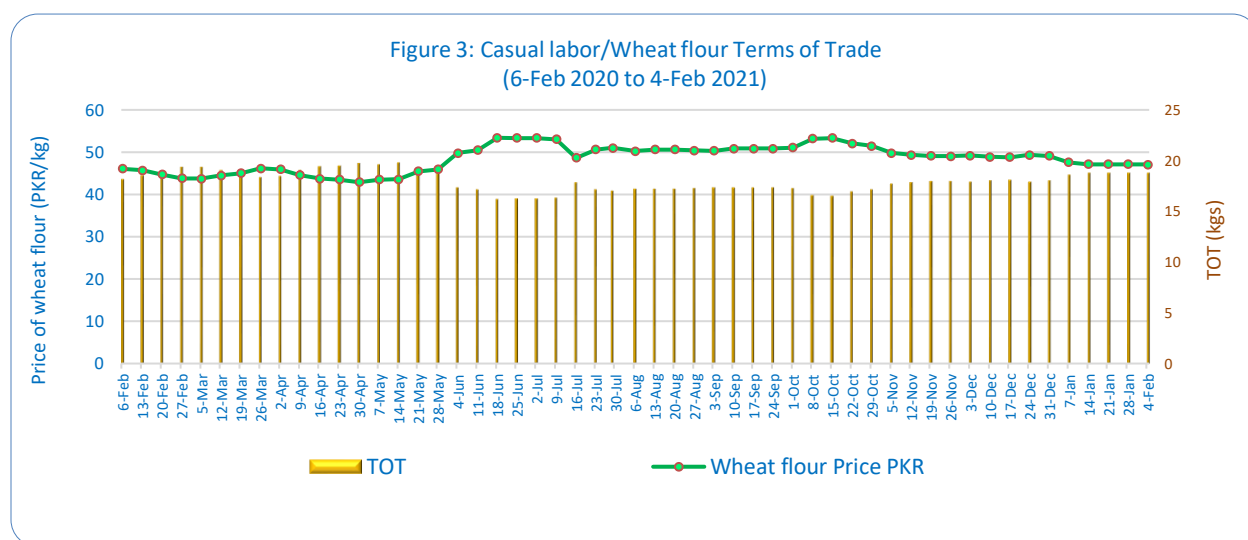
<sup>5</sup> Ibid.

Significant increases in the prices of non-cereals food in the week of 4<sup>th</sup> of February 2021 compared to the previous week were observed for live chicken in Quetta (10%), vegetable ghee in Multan (10%), and cooking oil in Multan and Peshawar by 10% each.

**Out of these, Quetta, Multan and Peshawar are among the COVID-19 hotspot cities.**

### Terms-of-Trade (ToT)<sup>6</sup>

On 4<sup>th</sup> of February 2021, the average ToT was recorded at 18.74 kg of wheat flour. The ToT negligibly increased by 0.1% from the previous week, mainly due to a negligible 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.

<sup>6</sup> 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.

Ranges of terms: Negligible: >0 to <1%, Slight: 1% to <8%, More than slight: 8% to <10%, Significant: 10% or higher.