

Afghanistan

Countrywide Weekly Market Price Bulletin



vam
food security analysis

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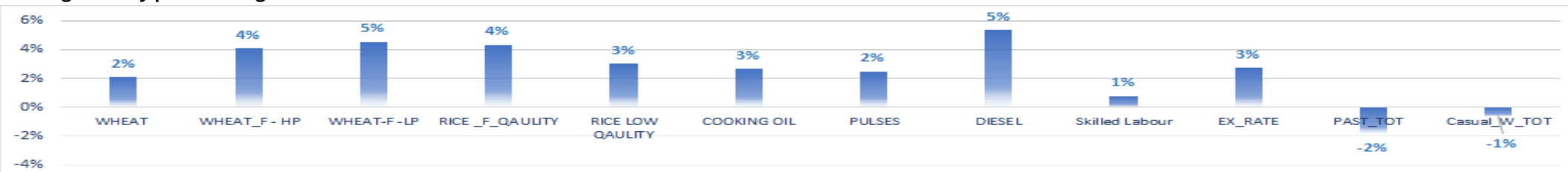


Highlights

- Compared to last week, the price of core food commodities (wheat, wheat flour, rice, and cooking oil) increased by an average of 2-4 percent, mainly due to decreased supply, higher demand and the devaluation of the Afghani against the US Dollar.
- The price of imported wheat flour increased by 4 percent, 53.8 percent, and 55 percent compared to last week, last year same time, and June 2021, respectively. Normal supply from source markets and expected domestic harvest will partially help to stabilize the prices temporarily.
- The Afghani devalued by 3 percent compared to last week, which has had a negative impact on inflation. Afghanistan continues to face liquidity challenges, as cash shortages restrict daily transactions at banks and markets.
- Due to economic decline, the Terms of Trade (TOT) for casual labour decreased compared to last week and long term averages. Pastoralist TOT also decreased by 2 percent compared to last week and remains drastically lower (26 percent) than last year same time.

Items	Price/Rate & Comparison (%)			
	This week	Last week (%)	May 2021 (%)	June 2021 (%)
EXCHANGE RATE (USD:AFN)	89.6	3%	16%	14%
WHEAT (AFN/Kg)	44	2%	43%	46%
WHEAT FLOUR - High price (AFN/Kg)	52	4%	54%	55%
WHEAT FLOUR - Low price (AFN/Kg)	47	5%	54%	55%
RICE HIGH QAULITY (AFN/Kg)	111	4%	26%	126%
RICE LOW QAULITY (AFN/Kg)	55	3%	12%	11%
COOKING OIL (AFN/Kg)	201	3%	49%	46%
PULSES (AFN/Kg)	116	2%	25%	24%
SUGAR (AFN/Kg)	64	1%	26%	26%
DIESEL (AFN/LITER)	79	5%	66%	60%
ONE YEAR ALIVE FEMALE SHEEP (HEAD)	7928	-0.2%	4%	5%
LABOUR WAGE, UNSKILLED/DAY	289	1%	-7%	-7%
LABOUR WAGE SKILLED/DAY	565	1%	-13%	-13%
FERTILIZER (DAP) - 50 Kg	5706	1%	102%	100%
FERTILIZER (UREA) - 50 Kg	3035	1%	143%	137%
PASTORALIST TERMS of TRADE (ToT)	184	-2%	-26%	-28%
CASUAL LABOUR WAGE TERMS of TRADE (ToT)	6.7	-1%	-34%	-36%

Average weekly prices changes :





This Week Main Commodities Price Changes Compared to the Last Week (2nd) week of May

10%> Farah 8%> Hirat 8%> Hilmand 6%> Kabul	10%> Daykundi 10%> Nimroz 9%> Farah 8%> Takhar	12% > Farah 11% > Hirat 11% > Urozgan 11% > Logar	10%> Kapisa 9%> Parwan 8% > Badakhshan 8% > Sari Pul	10%> Ghor 9%> Laghman 9%> Nuristan 9%> Kunar	8%> Faryab 8%> Hirat 7% > Urozgan -5%< Zabul	14%> Baghlan 13%> Badakhshan 10%> Hirat 7%> Kabul	6%> Badakhshan 5% > Kapisa 4% > Logar 2% > Kabul
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While the peak cost of staple foods typically coincides with the peak of the lean season in the country, unluckily due to on going economical decline, socioeconomical stress, loss of employment country is experiencing historical above average prices of staple foods while the harvest is already started in eastern and some southern parts of the country.

Due to anticipated shortfall in the harvest resulted from bellow average cumulative perception and above average temperature for 2021-22 harvesting season, prices of food commodities will further increase and reliance on imported food commodities will be increased. Kazakhstan as main source market has already imposed quota on export of wheat and wheat flour to central Asian countries including Afghanistan which has reduced food supply to the country.

Pastoralist & Casual Labour/Wheat

Terms of Trade (ToT)

Both Casual labour and pastoralist TOT have decreased by 1 percent and 2 percent, respectively compared to last week. This deterioration is atypical compared with the 5-year average. Trend analysis indicated that pastoralist TOT is gradually worsening due to historically high prices of staple food commodities and almost stable prices of livestock from the previous year. The price of livestock is expected to drop further due to drought, while the price of basic food will rise, resulting in a further deterioration of pastoralist TOT.

