



WFP/Nizar Khadder



World Food Programme

SAVING
LIVES
CHANGING
LIVES

WFP Palestine Monthly Market Dashboard

September 2022

September 2022



Number of people assisted by WFP

334,000



Food Consumer Price Index

(Sep 2022/Sep 2021)

4.90%



Number of food-insecure People

1.5 Million (based on the latest Multisectoral needs assessment)



Price of fresh chicken

10.9% in West Bank (Sep/Aug 2022)

20.8% in Gaza

Highlights

- The Food Consumer Price Index (CPI) increased in September 2022 by 2.85 percent compared to the previous month. (2.71 percent in the West Bank, and 3.95 percent in Gaza Strip). (Palestinian Central Bureau of Statistics, PCBS)
- In September 2022, the average value of WFP food ration prices in local currency has increased 9.44 percent since the beginning of the Ukraine crisis (February 2022), and by 16.03 percent compared to the previous year.
- Since the beginning of the Ukraine crisis (February 2022), wheat flour prices in Palestine have increased by around 22 percent, corn oil prices by around 21 percent, and fodder prices by 30-35 percent. (PCBS)
- In September, more than 300,000 people in Palestine received WFP's monthly e-voucher, which has injected \$3.1 million into the local economy. Wheat flour topped the redeemed items, followed by vegetable oil, rice, and frozen meat.
- The overall Wholesale Price Index (WPI) in Palestine during the third quarter of 2022 recorded a sharp increase of almost 6 percent compared with the third quarter of 2021 (by 5.66 percent for imported products, and by 8.59 percent for local products). (PCBS)

Situation Monitoring:

THE AD HOC LIAISON COMMITTEE (AHLC) HELD ITS BI-ANNUAL MEETING

The ministerial meeting of the Ad-Hoc Liaison Committee (AHLC) was concluded in New York in September chaired by the Minister of Foreign Affairs of Norway and attended by the Palestinian Prime Minister, and the donor community. According to The World Bank Economic Monitoring Report that was submitted to the AHLC, the Palestinian economy has shown some signs of recovery but has not returned to pre-pandemic levels as the ongoing restrictions on movement and access, the ongoing fiscal distress, the disruption of supply chain, and the continues increase in prices caused by the Russia-Ukraine crisis, are contributing to a slower economic recovery. The global inflationary pressure had a huge impact on the prices of basic commodities in Palestine, as Palestine is exposed to rising prices because of the high import dependency ratios. The food imports share of the total imports is about 34 percent of the total imports "the second highest food import share after Yemen". The report recommended that the international community should ensure that support to the PA, as well as to other critical assistance providers like UNRWA and the WFP, is maintained at sufficient levels to fill immediate gaps in social assistance.

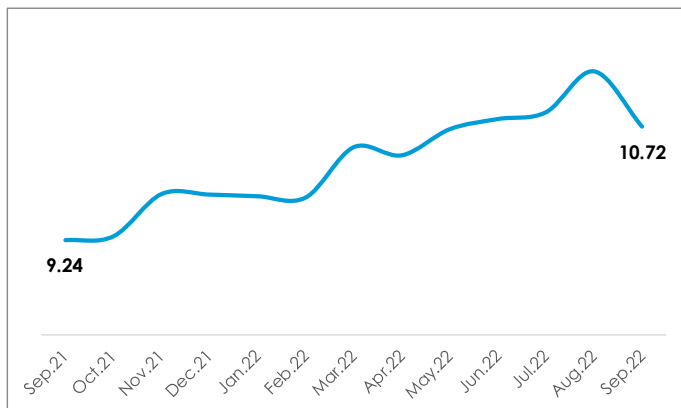
WFP Activities

Value of WFP Food Rations

Monthly average value of WFP food rations per capita (\$)

%CHANGE (\$): SEP 2022/2021 = 16.03%

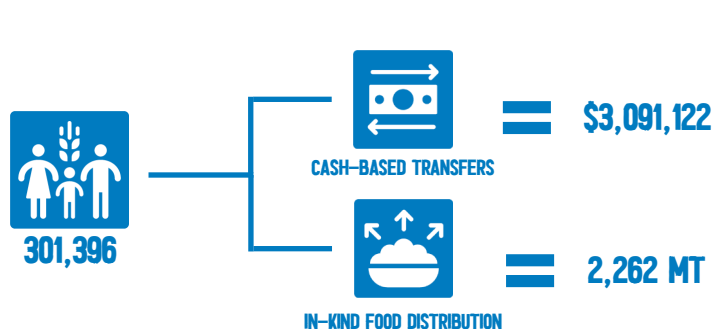
%CHANGE (\$): SEP/AUG 2022 = -6.30%



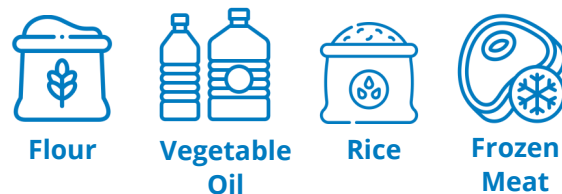
In September 2022, the monthly average value of WFP food rations per capita in local currency (NIS) has increased by 17.22 percent since the beginning of the Ukraine crisis (February 2022), and by 24.52 percent compared to the corresponding month in 2021. The ration value has decreased by 2.22 percent compared to August this decrease is mainly driven by the decrease in wheat flour price compared to the previous month. The average ration value in USD during August has also decreased by 6.30 percent compared to August, and by 9.44 percent since the beginning of the Ukraine crisis (February 2022).

Food Accessibility & Availability

- In September 2022, only 2 percent of WFP beneficiaries reported witnessing an increase in prices of some commodities such as sugar, eggs and vegetables. This figure reflects the stabilization of the price of commodities during September compared to the previous month.
- Most of these beneficiaries were not able to get the same amount of food as they did during the previous month and relied on some coping strategies such as consuming less quality food or less preferred food, reducing quantities of food consumed, and purchasing food on credit.
- According to WFP Palestine’s monitoring of WFP contracted shops, 57 percent of shops have enough product stock to last one month or less, an increase by 8 percent compared to the previous month. The remaining 49 percent reported having sufficient stock to meet demands for two months up to 6 months.
- 85 percent of WFP’s contracted shops reported that the increase in prices had negative impact on their sales volume in the coming months.

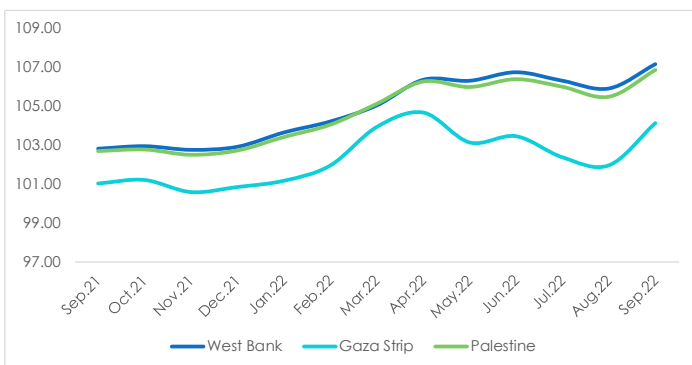


TOP ITEMS REDEEMED



Consumer Price Index (CPI)

Overall Consumer Price Index



%CHANGE: SEP/AUG 2022 (INFLATION RATE)

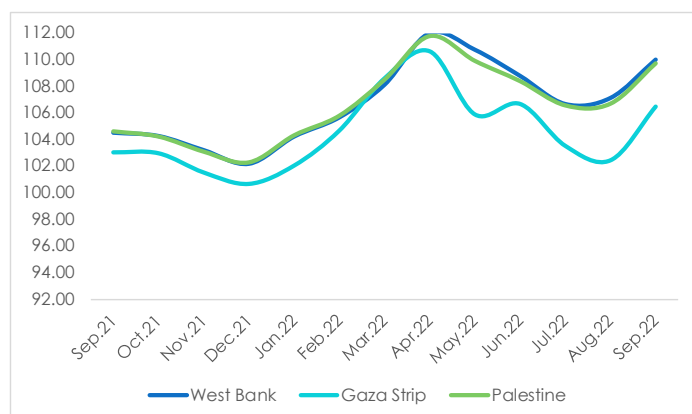
- PALESTINE = 1.30%
- WEST BANK = 1.20%
- GAZA STRIP = 2.12%

%CHANGE: SEP 2022/2021 (INFLATION RATE)

- PALESTINE = 4.04%
- WEST BANK = 4.26%
- GAZA STRIP = 3.06%

In September 2022, the overall consumer price index (CPI) increased by 1.30 percent compared to the previous month (1.20 percent in the West Bank, and 2.12 percent in Gaza Strip). The Food CPI increased sharply in August 2022 by 2.85 percent compared to the previous month (2.71 percent in the West Bank, and 3.95 percent in Gaza Strip). The increase in the consumer price index in Palestine during September was mainly driven by the increase in the prices of fresh vegetables, fresh chicken, eggs, electricity, and fresh fruit. (PCBS)

Food & Soft Drinks CPI



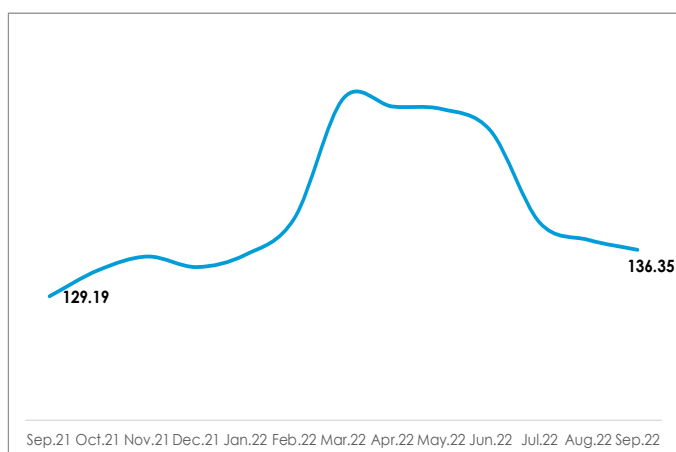
%CHANGE: SEP/AUG 2022 (FOOD INFLATION RATE)

- PALESTINE = 2.85%
- WEST BANK = 2.71%
- GAZA STRIP = 3.95%

%CHANGE: SEP 2022/2021 (FOOD INFLATION RATE)

- PALESTINE = 4.91%
- WEST BANK = 5.29%
- GAZA STRIP = 3.35%

FAO Food Price Index



%CHANGE: SEP/AUG 2022 = -1.11%

%CHANGE: SEP 2022/2021 = 5.54%

The FAO Food Price Index (FFPI) averaged 136.35 points in August 2022, a decrease of 1.11 percent compared to August, marking the sixth consecutive monthly decline, reaching to a lower pre-crisis levels. The FFPI remains 5.54 percent higher than its value in the previous year (September 2021). The decrease in the FFPI in September was led by a sharp decline of 6.6 percent in the vegetable oils sub index, as cereal prices increased by 1.5 percent when compared to August.






The fall in FFPI in September was driven by the continuous decrease in vegetable oil prices as a result of improved production and export prospects in Southeast Asia and Black sea region, while the increase in cereal prices was driven by the increase in international wheat prices caused by the uncertainty about the Black Sea Grain Initiative's continuation beyond November and the concerns regarding the dry conditions in the South and North America. (FAO)

Tracking Trends

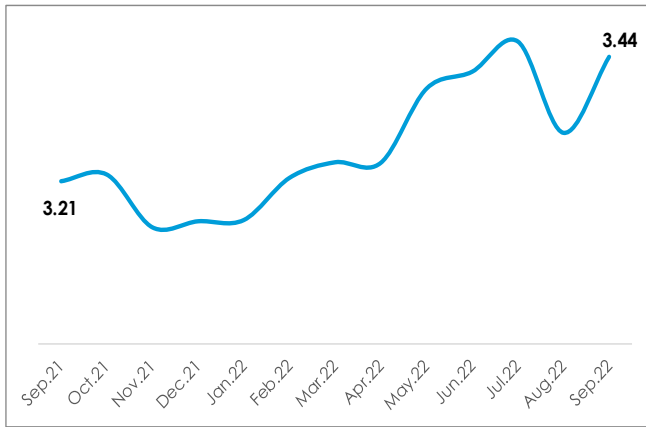
Aug-Sep 2022 % change

Feb-Sep 2022 % change

(Since the Beginning of the Ukraine Crisis)

| | Aug-Sep 2022 % change | | Feb-Sep 2022 % change (Since the Beginning of the Ukraine Crisis) | |
|--|-----------------------|--------|--|---------|
|  Flour | Gaza | 0.0 ↔ | Gaza | 8.7 ↑ |
| | West Bank | -1.5 ↓ | West Bank | 35.3 ↑ |
|  Bread | Gaza | -4.4 ↓ | Gaza | 9.4 ↑ |
| | West Bank | -0.7 ↓ | West Bank | 17.0 ↑ |
|  Chickpeas | Gaza | 2.4 ↑ | Gaza | 8.3 ↑ |
| | West Bank | 0.1 ↑ | West Bank | -2.0 ↓ |
|  Lentils | Gaza | 2.0 ↑ | Gaza | 8.7 ↑ |
| | West Bank | 1.4 ↑ | West Bank | 1.2 ↑ |
|  Table Salt | Gaza | 15.4 ↑ | Gaza | 15.4 ↑ |
| | West Bank | 0.0 ↔ | West Bank | 0.0 ↔ |
|  Eggs | Gaza | 7.5 ↑ | Gaza | 15.9 ↑ |
| | West Bank | 9.6 ↑ | West Bank | 21.0 ↑ |
|  Corn Oil | Gaza | 2.6 ↑ | Gaza | 17.9 ↑ |
| | West Bank | -2.3 ↓ | West Bank | 23.1 ↑ |
|  Chicken | Gaza | 20.8 ↑ | Gaza | 1.6 ↑ |
| | West Bank | 10.9 ↑ | West Bank | -5.7 ↓ |
|  Potatoes | Gaza | 6.9 ↑ | Gaza | 35.9 ↑ |
| | West Bank | -3.5 ↓ | West Bank | -12.5 ↓ |
|  Tomatoes | Gaza | 15.0 ↑ | Gaza | -22.9 ↓ |
| | West Bank | 12.3 ↑ | West Bank | -5.1 ↓ |

Exchange Rate (NIS/\$)

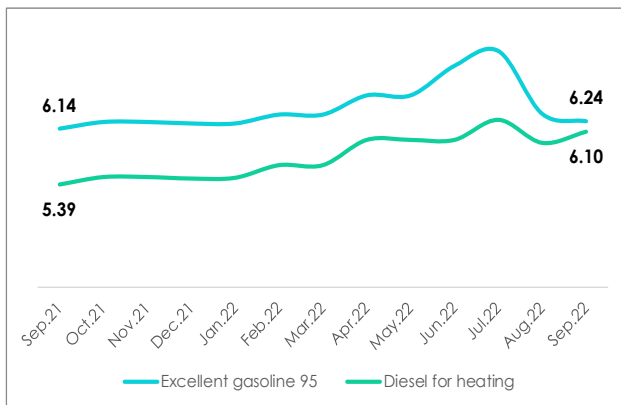


%CHANGE: SEP 2022/2021 = 7.32%

%CHANGE: SEP/AUG 2022 = 4.35%

The exchange rate of the USD against the local currency (NIS) has fluctuated since the beginning of the year. **The exchange rate reached as low as 3.13 NIS for 1 USD in January and then reached 3.47 NIS for 1 USD in July.** In September the exchange rate averaged 3.44 NIS for 1 USD, a sharp increase of 4.35 percent compared to the previous month when , and an increase of 7.32 percent compared to September 2021. The USD is expected to further appreciate against the NIS and other currencies as a result of the continuous increase in the interest rate by the Federal Reserve in the United States. **The appreciation of the USD will have a negative impact on the importation cost, and will likely result in adding inflationary pressure on the prices of commodities .**

Fuel - (NIS/L)

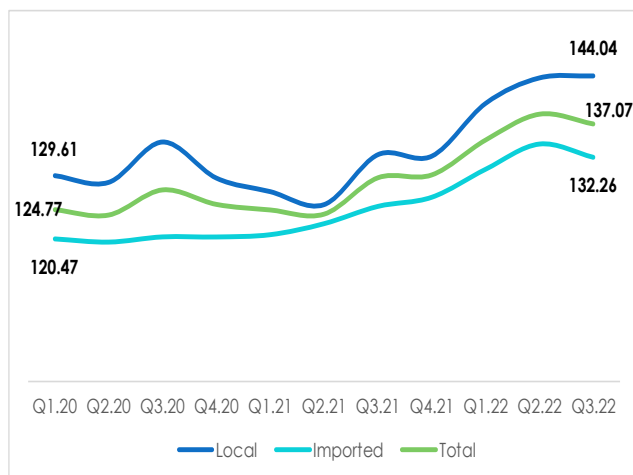


GASOLINE %CHANGE: SEP 2022/2021 = 1.63%

DIESEL %CHANGE: SEP 2022/2021 = 13.17%

The price of Excellent gasoline 95, one of the most commonly used fuels in Palestine, **has decreased by 1.58 percent in September compared with August, but increased by 1.63 percent compared with September 2021.** The price of diesel, which is mainly used for heating , **has increased in September by 2.52 percent compared with August , and increased by 13.17 percent compared with August 2021.** The decrease in the fuel prices in August was driven by the international decrease of oil prices as a result of growing fears of global recession and the ongoing lockdowns in China, the world's largest oil-consuming country. (PCBS)

Wholesale Price Index (WPI)



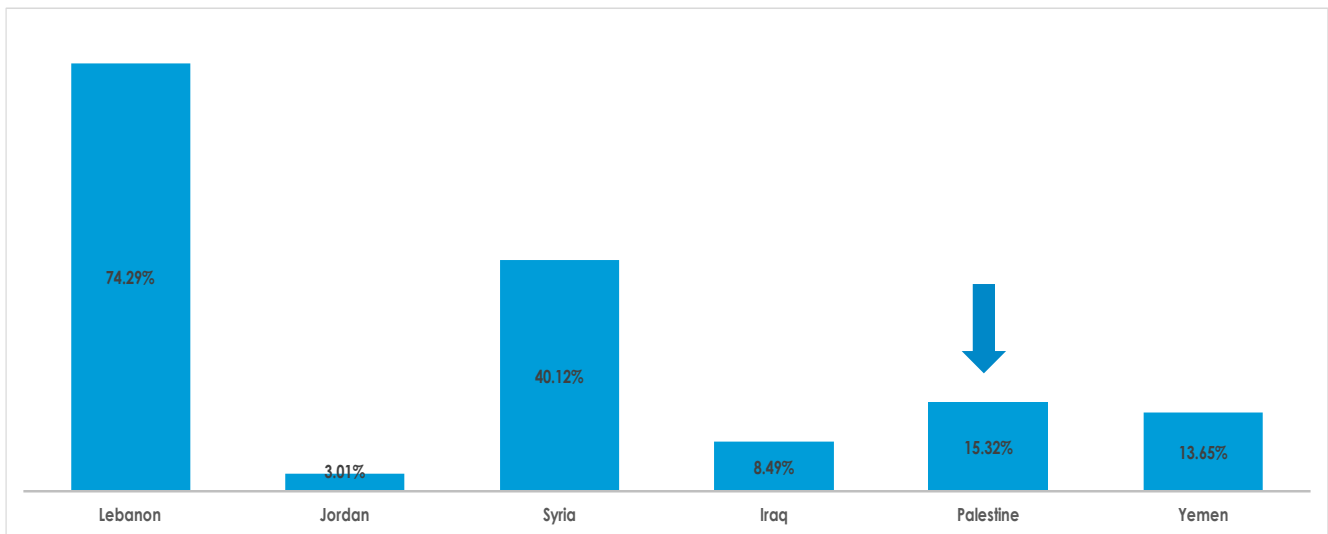
%CHANGE: Q3 2022/2021 = 11.56%

%CHANGE: Q3 2022/Q1 2022 = 2.75%

The overall Wholesale Price Index (WPI) in Palestine during the third quarter of 2022 **experienced a decrease by 1.01 percent compared with the second quarter of 2022 (1.43 percent for imported products, and an increase by 0.20 percent for local products).** Also, the overall WPI in Palestine during the third quarter of 2022 **recorded a sharp increase of 5.97 percent compared with the third quarter of 2021 (5.66 percent for imported products, and by 8.59 percent for local products).** The decrease in the overall WPI was driven by the decrease in the wholesale of waste and scrap and other products by 8.50 percent, the wholesale of liquid fuels by 4.04 percent, and the wholesale of ferrous and non-ferrous metals in primary forms by 3.27 percent all compared to the previous quarter. (PCBS)

Food Basket Cost

% increase in the cost of food basket in the region (since the beginning of the Ukraine crisis)



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