



WFP/Ali Jadallah



World Food Programme

SAVING  
LIVES  
CHANGING  
LIVES

# WFP Palestine Monthly Market Dashboard

February 2023

February 2023



### Number of people assisted by WFP in February 2023

367,669



### Food Consumer Price Index

(Feb 2023/Feb 2022)

5.4%



### Number of food-insecure people

1.84 million people (HRP 2023)



### Price of Chicken Eggs

(Feb 2023/Jan 2023)

9.6%

## Highlights

- During February, WFP provided essential support to 367,669 people in Palestine through monthly food and cash e-vouchers, injecting \$3 million into the local economy, providing a boost to small businesses and households. The most redeemed items were wheat flour, vegetable oil, and frozen meat.
- WFP continued the provision of its technical expertise and cash-based transfer (CBT) platform to other humanitarian agencies to facilitate the implementation of their projects. Through this service provision in February, WFP enabled assistance to about 625,826 individuals and the redemption of about US\$ 9.1 million.
- In February, the Consumer Price Index (CPI) increased by 4.0 percent compared to the previous year. (*Palestinian Central Bureau of Statistics*) (PCBS).
- The prices of rice has increased by around 10 percent compared to February 2022, reaching a new highest level in the local market. This is driven by the international increase in rice price from the production countries.
- During February, the average value of WFP food ration prices in local currency increased by 3.5 percent compared to the previous month.

## Situation Monitoring:

The ongoing economic and political context in Palestine, particularly following the impact of the Ukraine crisis and COVID-19, has had severe implications on the most vulnerable and poor Palestinians. As a result, the prices of commodities have increased significantly, with the value of the WFP ration increasing by 20 percent since the beginning of the Ukraine crisis. This has further exacerbated the decline in purchasing power of the most vulnerable Palestinians, making it challenging for them to make ends meet.

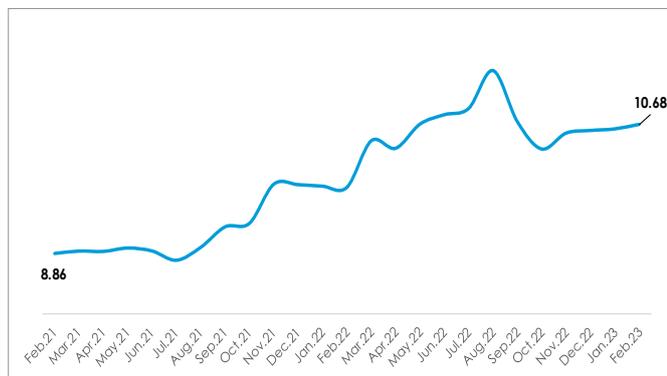
WFP has developed a new Country Strategic Plan (2023-2028) that has been approved by the Executive Board in February 2023. In this new plan, WFP has increased the monthly assistance voucher value from 10.3 to 12.4 USD (per person per month) to mitigate the increase in prices, providing the most vulnerable groups (women headed households and persons with disabilities) an additional top-up. This increase in value is aimed at coping with the increase in food prices, to ensure that assistance is indeed helping the most vulnerable Palestinians to meet their food needs.

However, WFP needs urgent funding to be able to continue providing assistance that is critical to meet food needs and provides support to the local economy. 400,000 Palestinians are at risk of being cut-off from assistance in the coming months if this funding is not received.

# WFP Activities

## Value of WFP Food Rations

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



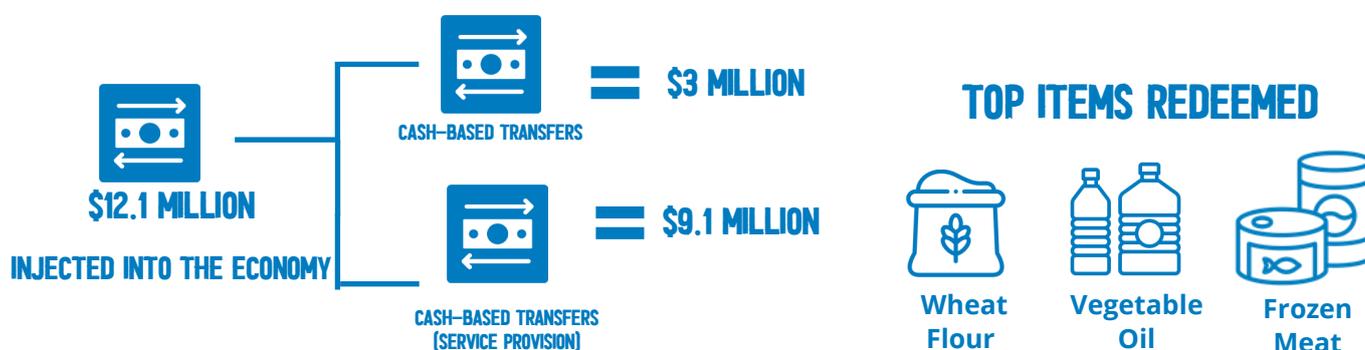
**%CHANGE (\$): FEB 2023/FEB 2022 = 9.1%**

**%CHANGE (\$): FEB 2023/JAN 2023 = 0.6%**

In February 2023, the average monthly value of WFP food rations per capita in local currency (NIS) **has increased by 3.5 percent compared to January 2023**, and by 20 percent in comparison to the prior year. The USD value of the WFP ration increased by only 9.1 percent compared to the previous year, offset by the depreciation of the local currency. The increase in ration value during February is attributed to the increase of prices for essential food items, such as chickpeas, and salt.

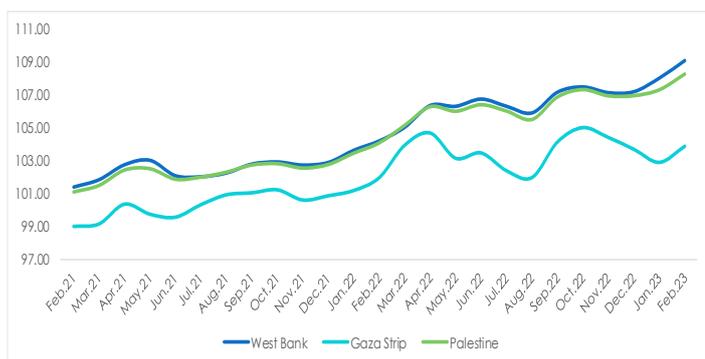
## Food Accessibility & Availability

- In February, only 5 percent of WFP beneficiaries reported witnessing an increase in prices of some commodities such as vegetable oil, eggs, and vegetables. This figure reflects the slight increase in Food CPI during January compared to the previous month by 0.3 percent.
- Around 39 percent of interviewed WFP beneficiaries reported not being able to buy 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, 60 percent of shops have sufficient stock to meet demands for two months up to 6 months an increase of 12 percent compared to the previous month. The remaining 40 percent reported having sufficient stock to meet demands for only one month or less.
- 72 percent of WFP’s contracted shops reported that the increase in prices had a negative impact on their sales volume in the previous months.



# Consumer Price Index (CPI)

## Overall Consumer Price Index



### %CHANGE: FEB 2023/FEB 2022 (INFLATION RATE)

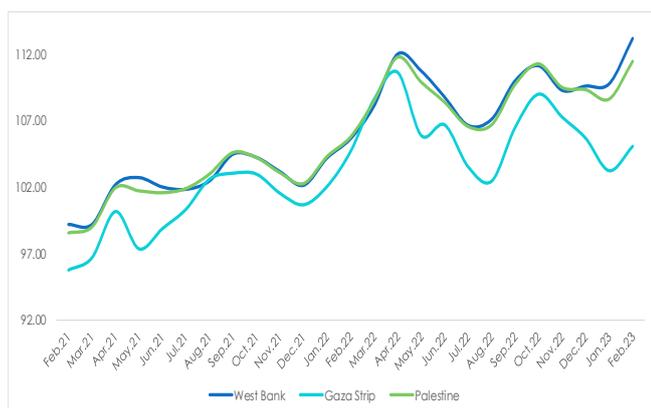
- PALESTINE = 4.0%
- WEST BANK = 4.7%
- GAZA STRIP = 1.9%

### %CHANGE: FEB 2023/JAN 2023 (INFLATION RATE)

- PALESTINE = 0.9%
- WEST BANK = 1.0%
- GAZA STRIP = 1.0%

In February, the overall Consumer Price Index (CPI) increased by 4.0 percent compared to last year, and by 0.9 percent compared to the previous month. Additionally, the food CPI rose by 5.4 percent compared to February 2022, and experienced an increase of 2.6 percent compared to the previous month. According to the CPI subgroups, the prices of chicken and eggs, as well as fresh fruits, have seen respective increases of 11.9 percent, 7.7 percent, and 3.6 percent.

## Food & Soft Drinks CPI



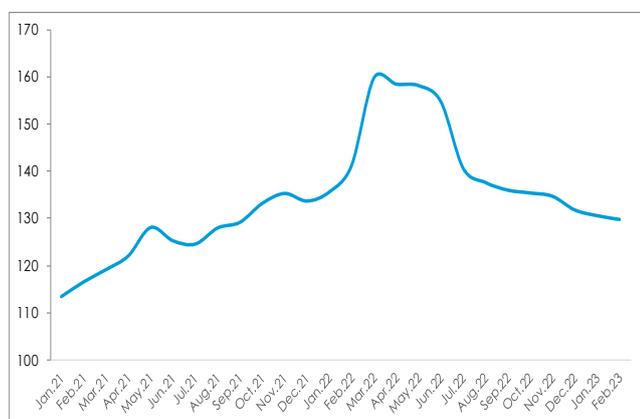
### %CHANGE: FEB 2023/FEB 2022 (FOOD INFLATION RATE)

- PALESTINE = 5.4%
- WEST BANK = 7.2%
- GAZA STRIP = 0.4%

### %CHANGE: FEB 2023/JAN 2023 (FOOD INFLATION RATE)

- PALESTINE = 2.6%
- WEST BANK = 3.1%
- GAZA STRIP = 1.8%

## FAO Food Price Index



### %CHANGE: FEB 2023/FEB 2022 = -8.1%

### %CHANGE: FEB 2023/ JAN 2023 = -0.6%

In February 2023, the FAO Food Price Index (FFPI) recorded a slight decrease of 0.6 percent from January, reaching an average of 129.8 points. This marks the eleventh consecutive monthly decline and a significant 18.7 percent drop since it peaked in March 2022. The decline is primarily attributed to the decrease in price indices of vegetable oils, dairy, cereal, and meat which offset the significant increase in the sugar price index.

The decline was largely due to drops in international palm, soy, sunflowerseed, and rapeseed oils prices, and lower demand for dairy products. International wheat and maize prices remained relatively stable, while sorghum and barley prices declined slightly.

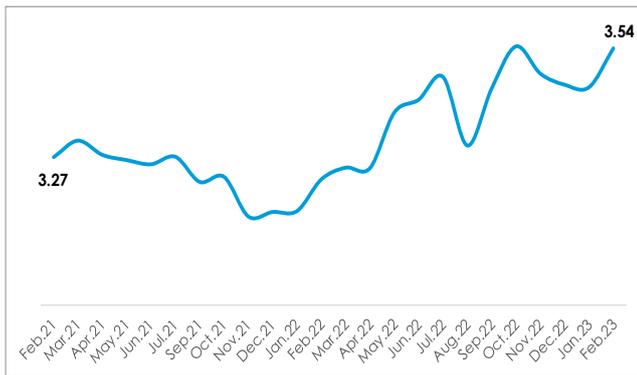
# Tracking Trends

Feb 2023– Jan 2023 % change

Feb 2023– Feb 2022 % change

 <p>Flour</p>	Gaza	-2.7	↓	Gaza	16.3	↑
	West Bank	-0.6	↓	West Bank	35.3	↑
 <p>Bread</p>	Gaza	-2.7	↓	Gaza	12.4	↑
	West Bank	0.4	↑	West Bank	16.5	↑
 <p>Chickpeas</p>	Gaza	1.7	↑	Gaza	-0.8	↓
	West Bank	1.3	↑	West Bank	0.6	↑
 <p>Lentils</p>	Gaza	0.0	↔	Gaza	6.5	↑
	West Bank	-0.3	↓	West Bank	4.9	↑
 <p>Table Salt</p>	Gaza	20.0	↑	Gaza	38.5	↑
	West Bank	0.0	↔	West Bank	-1.6	↓
 <p>Eggs</p>	Gaza	2.0	↑	Gaza	19.1	↑
	West Bank	9.7	↑	West Bank	48.6	↑
 <p>Corn Oil</p>	Gaza	-0.8	↓	Gaza	21.3	↑
	West Bank	-0.1	↓	West Bank	22.5	↑
 <p>Chicken</p>	Gaza	4.2	↑	Gaza	-5.9	↓
	West Bank	15.1	↑	West Bank	24.9	↑
 <p>Potatoes</p>	Gaza	-3.2	↑	Gaza	17.5	↑
	West Bank	-2.7	↑	West Bank	-5.9	↓
 <p>Tomatoes</p>	Gaza	-12.1	↓	Gaza	-30.7	↓
	West Bank	-6.3	↓	West Bank	-24.2	↓

## Exchange Rate (NIS/\$)

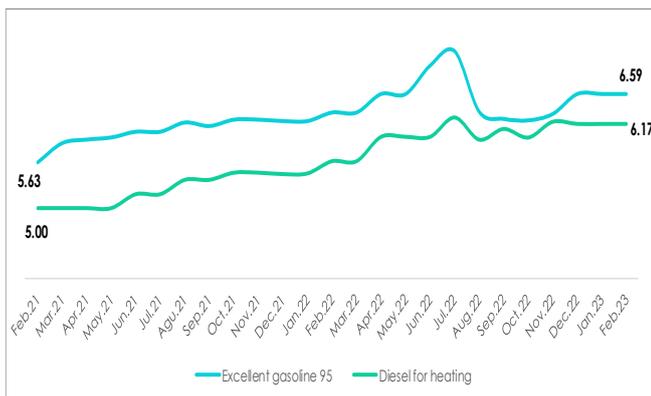


**%CHANGE: FEB 2023/FEB 2022 = 10.2%**

**%CHANGE: FEB 2023/JAN 2023 = 2.8%**

In February 2023, the local currency (NIS) depreciated against the USD by **10.2 percent** compared to the previous month, at a rate of **3.54 NIS per 1 USD**. However, the exchange rate has recently surged to its highest level in three years, with 1 USD now buying 3.70 NIS due to investor concerns about judicial reforms in Israel that could impact local business operations. But, following the Federal Reserve's modest 0.25 point interest rate hike, the USD has since depreciated against the NIS and other international currencies. It is uncertain what will happen with the USD exchange rate in the future, as it depends on various factors, such as interest rates, the strength of the global financial and banking system, and the overall economic outlook.

## Fuel - (NIS/L)



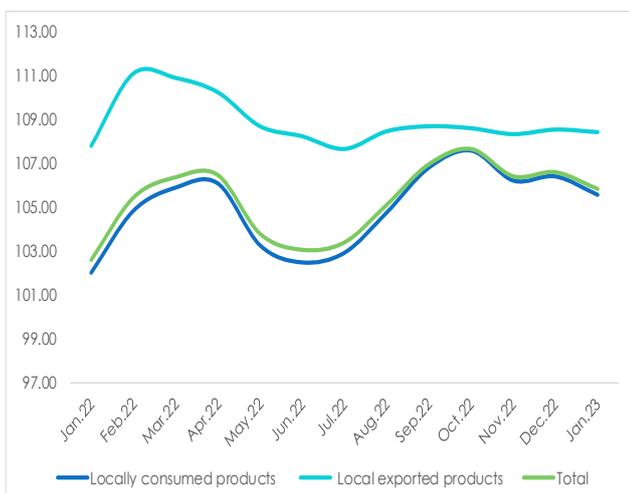
**GASOLINE %CHANGE: FEB 2023/FEB 2022 = 4.1%**

**DIESEL %CHANGE: FEB 2023/FEB 2022 = 9.2%**

The cost of Excellent gasoline 95 and diesel, which is used for public transportation and heating, remained stable in the previous month, but increased by 4.1 percent and 9.2 percent, respectively, compared to February 2022. (PCBS)

Global crude oil prices experienced a slight decrease in February 2023. This was attributed to the uncertain global economic outlook, with concerns over a potential economic slowdown due to the central banks' continuous interest rate hikes aimed at addressing unprecedented inflation increases.

## Producer Price Index (PPI)



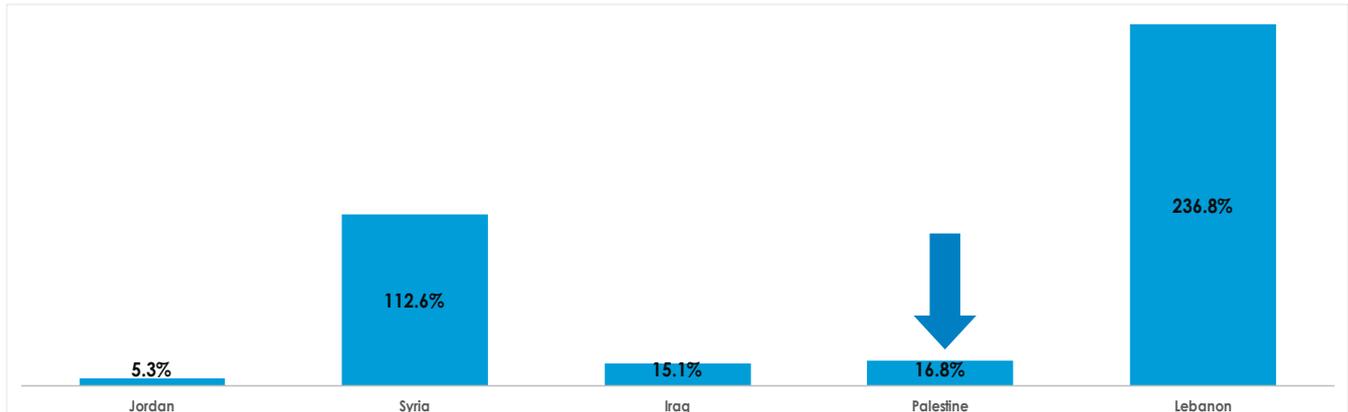
**%CHANGE: JAN 2023/JAN 2022 = 3.2%**

**%CHANGE: JAN 2023/DEC 2022 = -0.7%**

The overall Producer Price Index (PPI) in Palestine decreased by **0.7 percent in January 2023** (latest available data) **compared to the previous month**. Locally consumed products experienced a decrease of 0.8 percent, while local exported products decreased by 0.1 percent. The fall in PPI was largely attributed to a decrease in agriculture, forestry and fishing activities by 3.6 percent activities, offsetting the increase in water supply, sewerage, waste management and remediation activities by 2.7 percent and electricity, gas, steam and air conditioning supply activities by 1.1 percent, compared to the previous month.

## Food Basket Cost

Percentage change in the cost of food basket in the region Feb 2023/ Feb 2022



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Prepared by the WFP Palestine Vulnerability Analysis and Mapping (VAM) Unit.

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