



WFP/ Mostafa Ghroz



World Food Programme

SAVING LIVES  
CHANGING LIVES

# WFP Palestine Monthly Market Dashboard

August 2023





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

204,259



### Food Consumer Price Index

6.2%

(Aug 2023/Aug 2022)



### Number of food-insecure people

1.84 million people (HRP 2023)



### Price of Tomato

53.6.0

(Aug2023/Aug 2022)

## Highlights

- During August, WFP provided critical food assistance to 204,259 Palestinians of those, 139,959 received cash-based transfers (CBT) of US\$ 1.4 million. The most redeemed items were wheat flour, vegetable oil, and rice.
- In August, WFP reached 64,300 people through the quarterly in-kind distributions. WFP distributed wheat flour, chickpeas, lentils, salt, vegetable oil, and locally produced olive oil. Around 967 metric tons of food commodities were distributed. The distribution of olive oil is in line with WFP's commitment to boost the local economy, and the olive oil sector.
- 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 August, WFP enabled assistance to about 678,157 individuals, with a redemption of about US\$ 9.7 million.
- In August, the year-on-year inflation rate reached 4.9 percent, marking an increase of 1.3 percent from the previous month, while year-on-year food inflation reached 6.2 an increase of 2.1 percent compared to the previous month inflation. (*Palestinian Central Bureau of Statistics/PCBS*).
- In August, the average value of WFP food ration prices in local currency stabilized compared to the preceding month, but decreased by 0.9 percent relative to the same month in previous year, and 18.8 percent since the beginning of the Ukraine crisis (February 2022).

## Situation Monitoring:

International reports from the IMF, World Bank, and UNSCO have provided a deeper understanding of the Palestinian situation. The IMF has drawn attention to the Palestinian Authority's vulnerability, citing escalating violence, fiscal unsustainability, and funding shortages for vital services. Economic growth is slowing, and a substantial current account deficit persists, primarily due to Israeli-imposed restrictions. The World Bank has reported on the fluctuating Palestinian economic performance, rising unemployment, inflation, and persistent poverty rates. The economic outlook appears bleak, marred by multiple constraints, including Israeli restrictions, internal divisions, and political uncertainties. Meanwhile, the UNSCO report underscores the funding crises affecting UN humanitarian agencies like UNRWA and WFP, leading to WFP's suspension of assistance to around 200,000 people.

WFP's assistance holds a pivotal role in the lives of those it supports, accounting for nearly half of their food expenditures. The suspension of the assistance will not only impact individuals but will also have a profound effect on the fragile local economy. On a monthly basis, WFP injects approximately US\$3 million into the Palestinian economy through direct programs, involving electronic cash transfers that enable people to purchase essential food items. Furthermore, WFP facilitates the transfer of US\$10 million monthly to vulnerable families on behalf of humanitarian and development partners through its cash-based transfers.

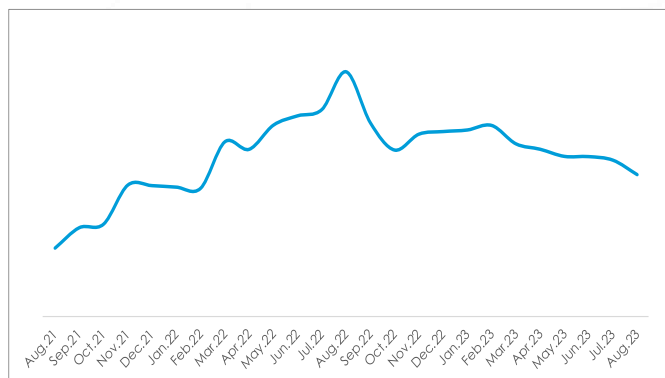
The suspension of assistance will have severe consequences, particularly for the already vulnerable Gaza Strip. Economic and social conditions are set to deteriorate, with a projected 1 percent decline in Gaza's GDP. This will lead to heightened challenges in employment and food security.

Moreover, approximately 42,000 people who were previously moderately food insecure will now face severe food insecurity. The funding shortfalls being experienced by humanitarian and development agencies will significantly impact the local economy, particularly affecting the jobs market and various value chains which will face a considerable decrease in both sales and investments. An estimated 12.4 percent of Gaza's trade sector employment is expected to be lost.

# WFP Activities

## Value of WFP Food Rations

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



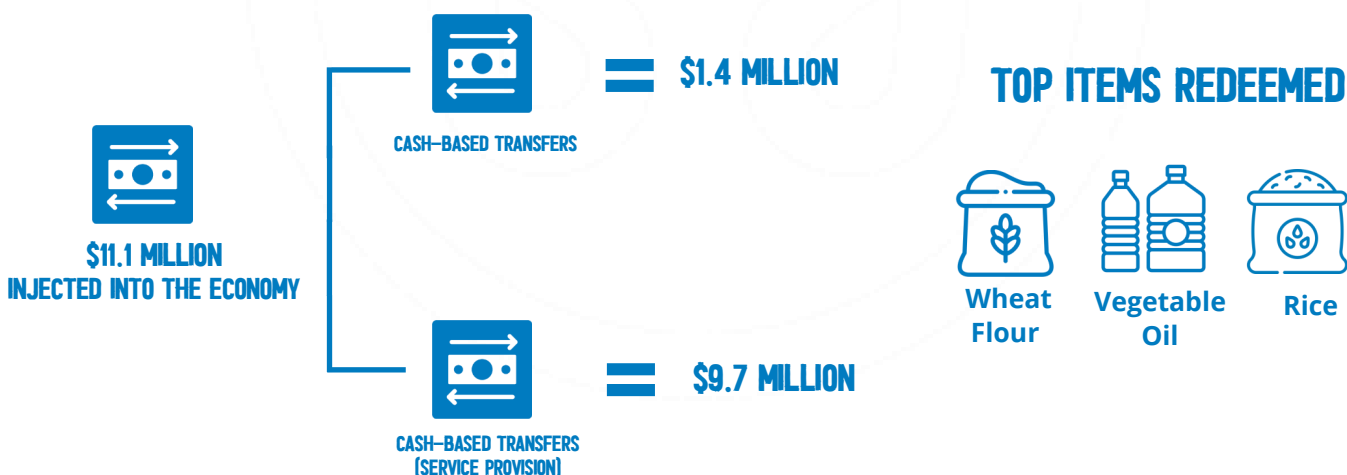
**%CHANGE (\$): AUG 2023/AUG 2022 = -12.7%**

**%CHANGE (\$): AUG 2023/JUL 2023 = -2.0%**

In August 2023, the average monthly value of WFP food rations per capita in local currency (NIS) has stabilized **compared to July** but decreased by 0.9 percent in comparison to the same month in the previous year, and increased 18.8 percent since the beginning of the Ukraine crisis. **The USD value of the WFP ration decreased by 12.2 percent** compared to the previous year due to the **depreciation of the local currency by 13.5 percent**. The stabilization in ration value during August is attributed to the stabilization of prices for essential food items, such as corn oil, wheat flour and chickpeas.

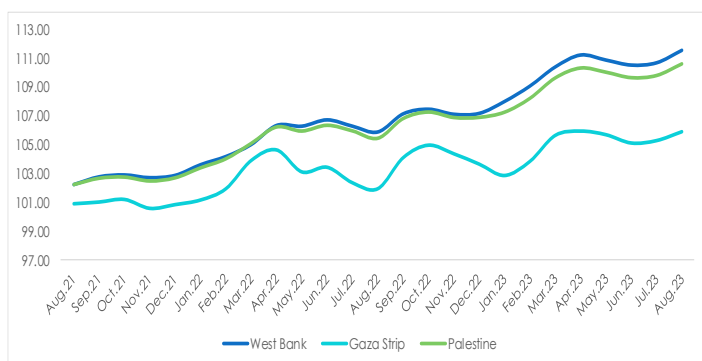
## Food Accessibility & Availability

- In August, 9 percent of WFP beneficiaries reported witnessing an increase in prices of some commodities such as eggs, and vegetables.
- During the reporting period, 49 percent WFP beneficiaries depended on food coping strategies.
- Following the ration cuts, WFP began conducting monitoring calls to beneficiaries who have had their assistance suspended. Almost all the interviewed individuals (97%) reported a decline and change in their food consumption patterns after the suspension of the food assistance provided by WFP. Many of them have either reduced or completely stopped consuming certain food groups, including dairy products, wheat flour, pulses, rice, meat, canned food, eggs, and fruits, which they used to purchase through WFP's vouchers.
- According to WFP Palestine's monitoring of WFP contracted shops, 42 percent of shops have sufficient stock to meet demands for two months up to 6 months, a decrease of 17 percent compared to the previous month. The remaining 58 percent reported having sufficient stock to meet demands for only one month or less.
- 74 percent of WFP's contracted shops reported that any increase in prices will have a negative impact on their sales volume.



# Consumer Price Index (CPI)

## Overall Consumer Price Index



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

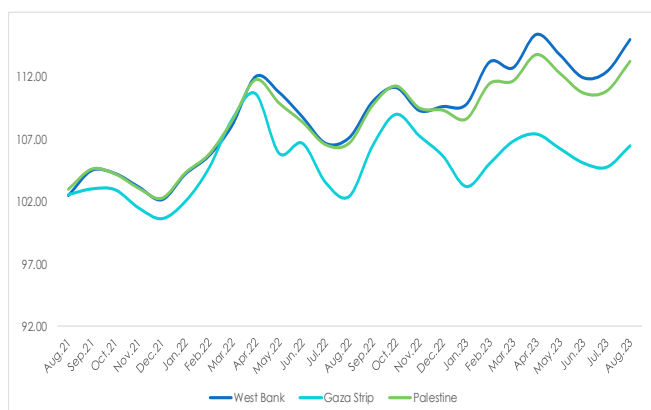
- PALESTINE = 4.9%
- WEST BANK = 5.4%
- GAZA STRIP = 3.9%

### %CHANGE: AUG 2023/JUL 2023 (INFLATION RATE)

- PALESTINE = 0.7%
- WEST BANK = 0.8%
- GAZA STRIP = 0.7%

In August the overall Consumer Price Index (CPI) increased by 3.9 percent compared to last year, and increased by 0.7 percent compared to the previous month. Additionally, the food CPI rose by 6.2 percent compared to August 2022 and by 2.2 percent compared to the previous month. According to the CPI subgroups, the fresh vegetables and fresh fruits have seen respective increase of 8.9 percent, and 8.3 percent compared to the previous month.

## Food & Soft Drinks CPI



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

- PALESTINE = 6.2%
- WEST BANK = 7.4%
- GAZA STRIP = 4.0%

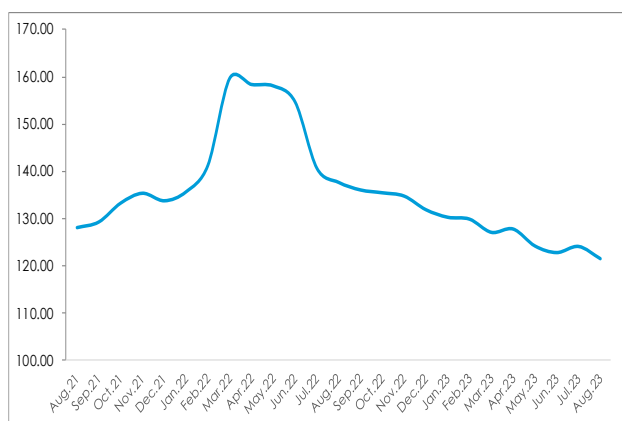
### %CHANGE: AUG 2023/JUL 2023 (FOOD INFLATION RATE)

- PALESTINE = 2.2%
- WEST BANK = 2.3%
- GAZA STRIP = 1.6%

%CHANGE: AUG 2023/AUG 2022 = -11.8%

%CHANGE: AUG 2023/ JUL 2023 = -2.1%

## FAO Food Price Index



In August 2023, the FAO Food Price Index (FFPI) **decreased by 2.1** percent from the previous month, averaging 121.4 points. This decline reversed the slight rebound seen in July and brought the index down to 24.0 percent below its peak in March 2022. The drop was driven by lower prices in dairy products, vegetable oils, meat, and cereals, although the **sugar price index showed a modest increase**.











The FAO Cereal Price Index stood at 125.0 points in August, with a 0.7 percent decrease from July and a 14.1 percent drop compared to the previous year. Wheat and coarse grain prices declined due to increased seasonal availability in major exporting countries, especially in the northern hemisphere. Conversely, **the FAO Rice Price Index saw a significant 9.8 percent increase, reaching a 15-year high**, primarily due to trade disruptions caused by India's ban on India's white rice exports.

The FAO Vegetable Oil Price Index averaged 125.8 points, down 3.1 percent from July, driven by lower prices in palm, sunflower, soy, and rapeseed oils. Dairy prices continued their decline in August, with all dairy products affected, while meat prices fell for all meat types, influenced by factors such as export availabilities and demand. Lastly, sugar prices increased due to concerns over weather-related impacts on global production, particularly in India and Thailand.

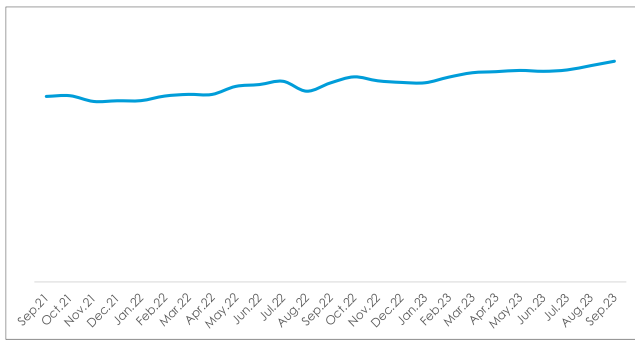
# Tracking Trends

Aug 2023–Jul 2023 % change

Aug 2023–Aug 2022 % change

 <p>Flour</p>	Gaza	0.0	↔	Gaza	-5.0	↓
	West Bank	1.5	↑	West Bank	-1.8	↓
 <p>Bread</p>	Gaza	0.0	↔	Gaza	-6.6	↓
	West Bank	0.0	↔	West Bank	-2.5	↓
 <p>Chickpeas</p>	Gaza	0.8	↑	Gaza	-5.5	↓
	West Bank	0.1	↑	West Bank	5.3	↑
 <p>Lentils</p>	Gaza	1.0	↑	Gaza	1.0	↑
	West Bank	2.3	↑	West Bank	5.4	↑
 <p>Table Salt</p>	Gaza	-6.7	↓	Gaza	7.7	↑
	West Bank	0.0	↔	West Bank	0.0	↔
 <p>Rice</p>	Gaza	0.0	↔	Gaza	0.0	↔
	West Bank	-0.3	↓	West Bank	17.1	↑
 <p>Corn Oil</p>	Gaza	0.3	↑	Gaza	4.6	↑
	West Bank	-0.7	↓	West Bank	-5.5	↓
 <p>Chicken</p>	Gaza	-1.8	↓	Gaza	2.3	↑
	West Bank	16.3	↑	West Bank	25.7	↑
 <p>Potatoes</p>	Gaza	22.4	↑	Gaza	25.2	↑
	West Bank	-0.2	↓	West Bank	23.6	↑
 <p>Tomatoes</p>	Gaza	-0.5	↓	Gaza	69.2	↑
	West Bank	10.1	↑	West Bank	38.0	↑

## Exchange Rate (NIS/\$)

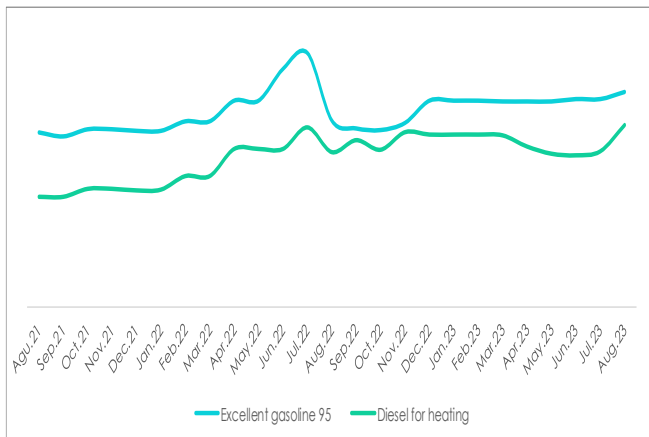


**%CHANGE: AUG 2023/AUG 2022 = 13.5%**

**%CHANGE: AUG 2023/JUL 2023 = 2.0%**

In August 2023, the value of the **local currency (NIS) depreciated by 13.5 percent compared to the previous year**, resulting in an average exchange rate of 3.74 NIS per 1 USD the highest rate reached since January 2017. This depreciation was caused by the ongoing investor concerns and uncertainties regarding judicial reforms in Israel that could potentially affect local business operations. Additionally, the robust economic indicators and positive outlooks in the USA contributed to this trend. A depreciation in currency value makes imported goods more expensive, leading to higher consumer prices. This situation poses a significant challenge for import-dependent countries like Palestine, where domestic production capabilities are limited. The drop in currency value can result in increased consumer prices, which can have a significant impact on inflation and the cost of living for consumers.

## Fuel - (NIS/L)

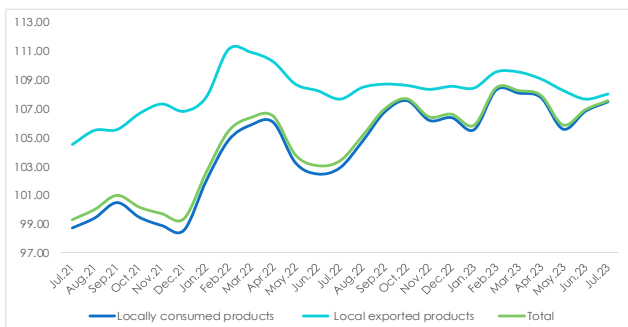


**GASOLINE %CHANGE: AUG 2023/AUG 2022 = 5.7%**

**DIESEL %CHANGE: AUG 2023/AUG 2022 = 5.7%**

In August, the cost of Excellent gasoline 95 increased slightly by 1.4 percent compared to the previous month and reached 6.70 NIS per liter. Also, diesel, a fuel commonly utilized for public transportation and heating purposes, saw an increase of 5.5 percent from the previous month, reaching 6.29 NIS per liter. The slight changes in fuel prices in Palestine are primarily influenced by the overall stability in global oil prices and demands. (PCBS)

## Producer Price Index (PPI)



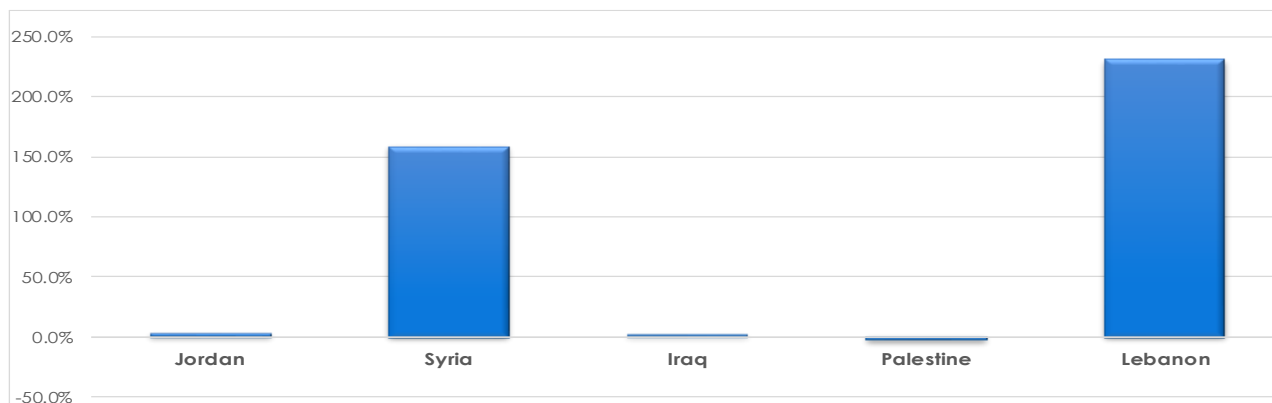
**%CHANGE: JUL 2023/JUL 2022 = 4.0%**

**%CHANGE: JUL 2023/JUN 2023 = 0.6%**

The overall Producer Price Index (PPI) in Palestine increased **by 0.6 percent in July 2023** (latest available data) **compared to June**. Locally consumed products also experienced a slight increase of 0.6 percent, and local exported products increased slightly by 0.3 percent. The increase in PPI was largely attributed to the increase in mining and quarrying activities by 9.5 percent, and agriculture, forestry and fishing activities by 5.3 percent, compared to the previous month.

## Food Basket Cost

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



### WFP PALESTINE CONTACTS

**Mr. Samer Abdeljaber, Representative and Country Director**  
[Samer.Abdeljaber@wfp.org](mailto:Samer.Abdeljaber@wfp.org)

**Mr. Salah Lahham, VAM Officer**  
[Salah.Lahham@wfp.org](mailto:Salah.Lahham@wfp.org)

**Mr. Sobhi Swailem, Programme Assistant (VAM)**  
[Sobhi.Swailem@wfp.org](mailto:Sobhi.Swailem@wfp.org)

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

— **vam** | food security analysis —