

Price Monitoring for Food Security in the Kyrgyz Republic

Situation Update

Despite positive economic growth mainly a result of developments in the services sector, the Kyrgyz Republic continues to be burdened by high inflation and poor weather, which has hindered agricultural productivity in 2023. At the same time, there is still a 25 percent decline in remittances in January-September 2023, which accounts for 28 percent of GDP and plays an important role in poverty reduction. One-third of population remains poor, and 10 percent of population remains in the risk of falling into poverty.

The [recent](#) mobile food security monitoring found that **10 percent of population were food insecure**, while **56 percent of population was only marginally food secure**. **74 percent of population** continues to apply the asset-depleting coping mechanisms that have long-term negative consequences, not only for household well-being, but also for long-term development. **41 % of the population continued to use negative food coping strategies**. The use of those strategies continues to reduce the population's capacity to cope with malnutrition.

Gross Domestic Product (GDP) of the Kyrgyz Republic continued to grow and **increased by 4.5 percent**, adding KGS 919 billion (US \$10.3 billion) to the economy in January-October 2023 compared to the same period last year. This growth was primarily driven by the improvements in the services sector, industry and newly monitored sector — [food taxes](#).

In October 2023, **inflation reached 9.2 percent compared to October 2022 (NBKR)**. The seasonal decline in prices of fruits and vegetables, oils and fats contributed to the decline in food inflation. Nevertheless, in January – October 2023, the Consumer Price Index (CPI) increased by **11 percent for staple foods, 10 percent for non-food items and 10 percent for services** compared to the same period of 2022. The country still retains the second place in the EAEU region. Rising prices are one of the main factors contributing to food insecurity.

Kyrgyz Republic remained self-sufficient based on internal production in terms of potatoes by 164 percent, vegetables by 165 percent, milk and dairy products by 117 percent. However, **some foods have not fulfilled their self-sufficiency**, including meat by 80 percent, wheat products by 78 percent, sugar by 69 percent, eggs by 64 percent and **cooking oil** by 44 percent in January-August 2023, according to the Ministry of Agriculture. In this regard, market continues to **be exposed to instability risks, especially for wheat and wheat flour, eggs and oil (cooking)**. In October export prices for wheat in Kazakhstan increased by 38 percent compared to July 2023, mainly due to the drought-related lower production. In the Russian Federation wheat export prices declined by 2 percent compared to July 2023 but remained stable compared to June 2023 before the cancellation of the Black Sea Grain Initiative.

Drought and irrigation issues pose a risk for the food security of the Kyrgyz Republic and neighbouring countries. Due to abnormally high temperatures during the growing season this summer, **the gross harvest of wheat decreased by 26 percent, barley by 30 percent as of 23 October 2023** (NSC). Temperature fluctuations in the spring period impacted the ripening dates of grain legumes and oilseed crops. Agriculture production is highly climate-sensitive, as evidenced by serious droughts in 2008, 2012 and 2021. According to International Research Institute Climate Forecasts, in November 2023 - January 2024, rainfall across the country is likely to be light to moderate and above the national average (60-90 percent possibility of exceeding the median rainfall), and temperatures are likely to be above normal ([WFP Seasonal Monitor](#)).

The following section discusses average national retail prices for the four weeks from 13 October to 10 November 2023, in comparison to the previous month, the annual average in November 2022 and the monthly average in February 2020 (before the COVID-19 outbreak began in the country).



- **Wheat:** The price of wheat increased by 1 percent to the previous month, with an average price of 30 KGS/kg. As of 10 November 2023, the highest price for wheat was observed in Bishkek city (32 KGS/kg) and the lowest price in Yssyk-Kul province (21 KGS/kg). Prices were 2 percent lower compared to November 2022 and 56 percent higher compared to February 2020.



- **Wheat flour (first grade):** The price for wheat flour **increased by 3 percent** compared to the previous month with an average of 53 KGS/kg. As of 10 November 2023, the highest price was in Naryn province (54 KGS/kg) and lowest in Yssyk-Kul province (44 KGS/kg). Prices were 2 percent and 59 percent higher compared to October 2022 and February 2020.



- **Bread (first grade):** The price of bread increased by 3 percent compared to the previous month, with an average price of 67 KGS/L. As of 10 November 2023, the highest price was in Batken province (87 KGS/L) and the lowest price was in Yssyk-Kul province (59 KGS/L). The prices were 6 percent lower compared to November 2022 and 47 percent higher compared to February 2020.

Situation Update



• **Oil (Cooking):** The price of vegetable oil increased by 1 percent compared to the previous month, with an average price of 154 KGS/L. As of 10 November 2023, the highest price was in Batken and Jalal-Abad provinces (166 KGS/L) and the lowest price was in Yssyk-Kul province (139 KGS/L). The prices were 15 percent lower compared to November 2022 and **61 percent higher** compared to February 2020. The country has a high import dependency on vegetable oil due to its low internal production and capacity for processing oil seeds.



• **Eggs:** The price of eggs increased by 3 percent compared to the previous month, leading to an average price of 121 KGS/10 pcs. As of 10 November 2023, the highest price was observed in Chuy provinces (128 KGS/10 pcs) and the lowest price in Naryn province (118 KGS/10 pcs). The price of eggs was **5 percent and 57 percent** higher compared to November 2022 and February 2020.



• **Potatoes:** Due to seasonal fluctuations, the price of potatoes decreased by 16 percent compared to last month, with an average of 31 KGS/kg. As of 10 November 2023, the highest price was in Jalal-Abad province (36 KGS/l) and the lowest in Talas province (34 KGS/l). The price of potatoes was 3 percent and **48 percent** higher compared to November 2022 and February 2020 respectively, which is above normal annual price fluctuations.



• **Exchange Rate:** The National Bank's actions to minimize the strengthening of monetary inflation factors kept the situation in the domestic foreign exchange markets reasonably stable. During the period from 13 October to 10 November 2023, the Kyrgyz Som slightly depreciated from 89.17 KGS to 89.32 KGS against the US Dollar, the Russian Ruble appreciated from 97 RUB to 91 RUB against the US Dollar, and the Kazakh Tenge appreciated from 476 KZT to 468 KZT against the US Dollar. **Compared to November 2022, the Kyrgyz Som and Russian Ruble depreciated by 6 percent and 51 percent** respectively, while the Kazakh Tenge depreciated by only 1 percent against the US Dollar. Currency movements are one of the main driving forces of retail prices of imported basic food commodities, including wheat, vegetable oil and sugar. The National Bank of the Kyrgyz Republic indicates that it continues to constantly monitor the situation and, if necessary, would use additional tools and take appropriate measures to stabilize the exchange rate.



• **Global oil and retail prices:** Fuel prices in the Kyrgyz Republic have been decreasing since the beginning of the year. As of 10 November 2023, retail prices of diesel increased by 2 percent and fuel (AI-92) remained stable compared to October 2023. Furthermore, compared to November 2022, prices for AI-92 remained 6 percent higher, while prices for diesel remained 7 percent lower, reaching almost 64 KGS/l for fuel (AI-92) and 70 KGS/l for diesel. The Kyrgyz Association of Oil Traders will continue to prevent sharp price changes in the fuel market of the Kyrgyz Republic by applying mechanisms to equalize prices to a break-even level, ensuring the necessary reserves of petroleum, oil and lubricants to saturate the market and avert shortages.

The dramatic decline in fuel prices occurred at a time when market concerns were shifting away from supply-side risks and toward the status of the global economy and oil demand. From 13 October to 10 November 2023, WTI price decreased from USD 88 per barrel to USD 76 per barrel and Brent price decreased from USD 91 per barrel to USD 88 per barrel. The WTI and Brent prices remained 9 percent and 4 percent lower respectively, compared to November 2022 levels, and 63 percent and 67 percent higher respectively compared to March 2020.

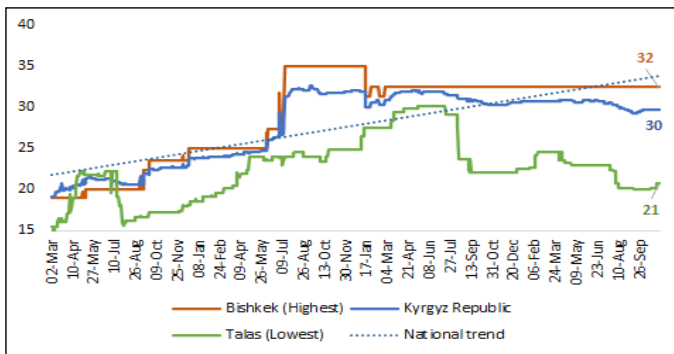
Trends of Retail Prices for 12 Staple Foods (Monthly Trends) in the Kyrgyz Republic

	13 Oct—10 Nov 2023 (KGS/kg)	Previous month (KGS/kg)	Trend		13 Oct—10 Nov 2023 (KGS/kg)	Previous month (KGS/kg)	Trend
Bread (1st grade)	67	66	3%	Rice (medium)	144	143	0%
Milk	58	56	3%	Sugar	86	88	-2%
Meat (beef)	549	550	0%	Wheat	30	29	1%
Meat (mutton)	566	577	-2%	Wheat flour (1st grade)	53	52	3%
Oil (cooking)	154	153	1%	Wheat flour (high-grade)	66	64	4%
Potatoes	32	39	-16%	Eggs	120	116	4%

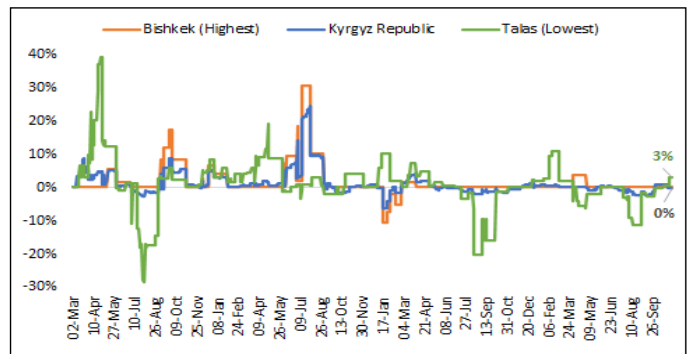
This issue of the Price Monitoring Bulletin is prepared based on the operational daily food price data collected by the National Statistics Committee from 18 markets across the country and disaggregated at province level as the average value (Chuy province - Tokmok, Kara-Balta; Osh province - Osh, Uzgen, Kara-Suu and Nookat; Talas province - Talas and Manas; Naryn province - Naryn and Chaek; Batken province - Batken and Isfana; Jalal-Abad province - Jalal-Abad, Toktogul and Kerben; Yssyk-Kul province - Karakol and Balykchy; and Bishkek city). This is a secondary data analysis.

WHEAT

Pic 1. Retail wheat prices (KGS/kg)

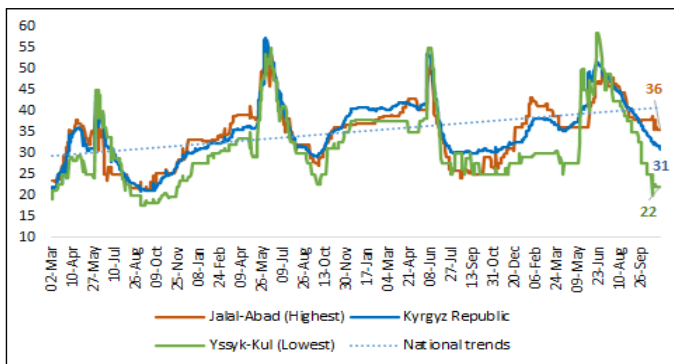


Pic 2. Growth rate of wheat prices, as a percentage of the daily prices from the previous average monthly price

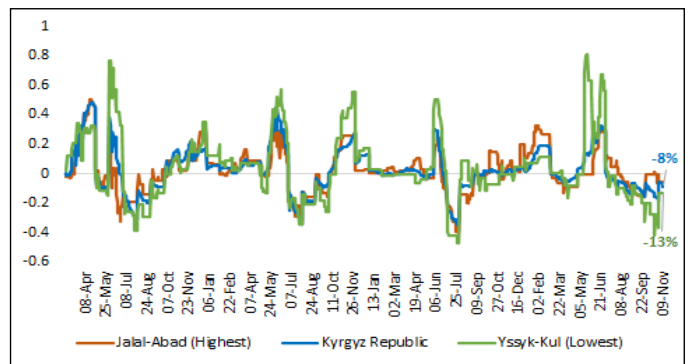


POTATO

Pic 3. Retail potatoes prices (KGS/kg)

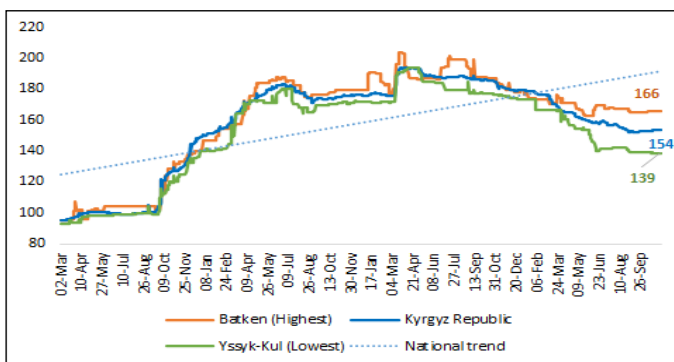


Pic 4. Growth rate of potatoes prices, as a percentage of the daily prices from the previous average monthly price

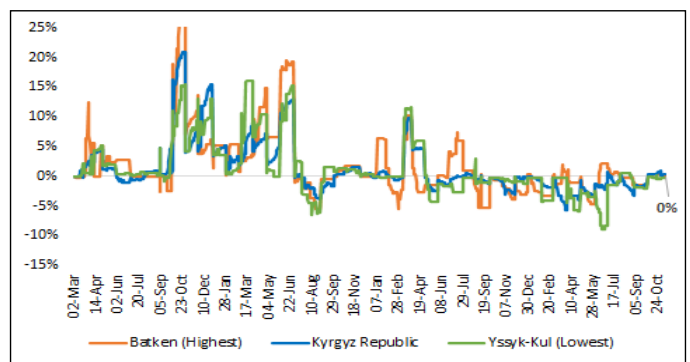


OIL (COOKING)

Pic 5. Retail vegetable oil prices (KGS/l)

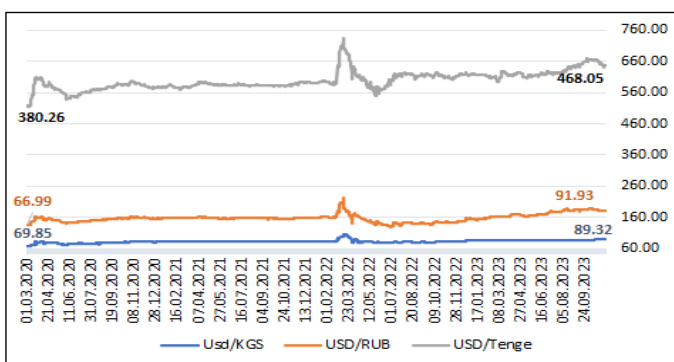


Pic 6. Growth rate of vegetable oil prices, as a percentage of the daily prices from the previous average monthly price



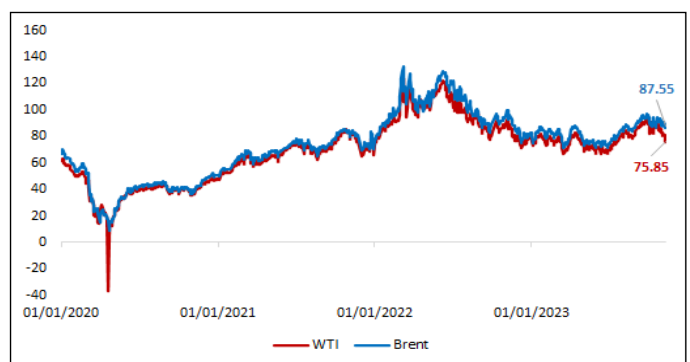
EXCHANGE RATE

Pic 7. Exchange rates of the Russian ruble, Kyrgyz som and Kazakh tenge against the US dollar (source: National Banks of Russia, Kazakhstan and Kyrgyzstan)












GLOBAL OIL PRICES

Pic 8. Daily WTI, Brent prices (Jan 2020 to 10 Nov 2023, source: US Energy Information Administration)



Annex: Prices of 13 Food Commodities

The table shows the changes of the average retail prices of the current day, past four weeks compared to the average prices of the previous month.

Province	Commodity	November 10 Price (KGS)	MONTHLY PRICE / previous month	MONTHLY PRICE / November 2022	MONTHLY PRICE / Feb 2020	MONTHLY PRICE / previous month	MONTHLY PRICE / November 2022	MONTHLY PRICE / Feb 2020	Commodity	November 10 Price (KGS)	MONTHLY PRICE / previous month	MONTHLY PRICE / November 2022	MONTHLY PRICE / Feb 2020	MONTHLY PRICE / previous month	MONTHLY PRICE / November 2022	MONTHLY PRICE / Feb 2020
	Bread (1st grade)	87	8%	30%	71%	▲	▲	▲	Potatoes	29	-22%	-3%	31%	▼	▶	▲
	Bread (lepushka)	104	8%	10%	74%	▲	▶	▲	Rice (medium)	134	-4%	26%	80%	▶	▲	▲
	Eggs	125	6%	-3%	49%	▶	▶	▲	Sugar	90	3%	-3%	108%	▶	▶	▲
	Meat (beef)	505	0%	1%	47%	▶	▶	▲	Wheat	29	-1%	-6%	45%	▶	▶	▲
	Meat (mutton)	600	0%	0%	71%	▶	▶	▲	Wheat flour (1st quality)	52	5%	-6%	53%	▶	▶	▲
	Milk	60	0%	0%	71%	▶	▶	▲	Wheat flour (high grade)	68	7%	2%	55%	▲	▶	▲
	Oil (cooking)	166	0%	-10%	73%	▶	▶	▲								
	Bread (1st grade)	66	2%	6%	52%	▶	▶	▲	Potatoes	33	-13%	4%	0%	▼	▶	▶
	Bread (lepushka)	98	10%	12%	55%	▲	▶	▲	Rice (medium)	143	1%	72%	95%	▶	▲	▲
	Eggs	121	6%	8%	60%	▲	▶	▲	Sugar	84	-2%	-7%	110%	▶	▶	▲
	Meat (beef)	561	0%	0%	59%	▶	▶	▲	Wheat	32	0%	0%	71%	▶	▶	▲
	Meat (mutton)	550	-3%	8%	80%	▶	▲	▲	Wheat flour (1st quality)	53	0%	1%	66%	▶	▶	▲
	Milk	63	3%	-2%	58%	▶	▶	▲	Wheat flour (high grade)	64	2%	0%	62%	▶	▶	▲
	Oil (cooking)	150	2%	-16%	53%	▶	▼	▲								
	Bread (1st grade)	62	5%	4%	58%	▶	▶	▲	Potatoes	26	-13%	0%	33%	▼	▶	▲
	Bread (lepushka)	96	2%	-2%	50%	▶	▶	▲	Rice (medium)	122	-2%	17%	55%	▶	▲	▲
	Eggs	128	4%	3%	59%	▶	▶	▲	Sugar	81	-5%	-4%	125%	▶	▶	▲
	Meat (beef)	526	-1%	-1%	62%	▶	▶	▲	Wheat	24	1%	-13%	30%	▶	▶	▲
	Meat (mutton)	542	-1%	0%	73%	▶	▶	▲	Wheat flour (1st quality)	53	3%	2%	53%	▶	▶	▲
	Milk	55	2%	10%	55%	▶	▶	▲	Wheat flour (high grade)	64	4%	5%	47%	▶	▶	▲
	Oil (cooking)	163	-1%	-9%	80%	▶	▶	▲								
	Bread (1st grade)	79	3%	4%	50%	▶	▶	▲	Potatoes	36	-3%	54%	55%	▶	▲	▲
	Bread (lepushka)	92	2%	4%	24%	▶	▶	▲	Rice (medium)	158	1%	54%	88%	▶	▲	▲
	Eggs	126	0%	4%	52%	▶	▶	▲	Sugar	88	-3%	-5%	114%	▶	▶	▲
	Meat (beef)	504	0%	5%	47%	▶	▶	▲	Wheat	30	0%	-10%	45%	▶	▶	▲
	Meat (mutton)	557	0%	5%	62%	▶	▶	▲	Wheat flour (1st quality)	50	7%	1%	42%	▶	▶	▲
	Milk	53	3%	3%	38%	▶	▶	▲	Wheat flour (high grade)	66	5%	3%	57%	▶	▶	▲
	Oil (cooking)	161	-1%	-9%	82%	▶	▶	▲								
	Bread (1st grade)	72	-2%	15%	39%	▶	▶	▲	Potatoes	24	-21%	10%	31%	▼	▶	▲
	Bread (lepushka)	101	6%	25%	69%	▲	▶	▲	Rice (medium)	136	1%	52%	94%	▶	▲	▲
	Eggs	118	-1%	-1%	40%	▶	▶	▲	Sugar	81	-3%	-8%	113%	▶	▶	▲
	Meat (beef)	550	0%	7%	65%	▶	▶	▲	Wheat	24	1%	15%	32%	▶	▶	▲
	Meat (mutton)	550	0%	2%	68%	▶	▶	▲	Wheat flour (1st quality)	54	16%	14%	71%	▶	▶	▲
	Milk	50	17%	-8%	42%	▲	▶	▲	Wheat flour (high grade)	63	10%	12%	65%	▶	▶	▲
	Oil (cooking)	163	2%	-15%	71%	▶	▶	▲								
	Bread (1st grade)	71	0%	3%	17%	▶	▶	▲	Potatoes	30	-21%	4%	35%	▼	▶	▲
	Bread (lepushka)	116	3%	11%	37%	▶	▶	▲	Rice (medium)	150	1%	47%	61%	▶	▲	▲
	Eggs	125	4%	5%	73%	▶	▶	▲	Sugar	92	-1%	-5%	93%	▶	▶	▲
	Meat (beef)	530	0%	3%	3%	▶	▶	▲	Wheat	30	3%	3%	56%	▶	▶	▲
	Meat (mutton)	600	0%	5%	71%	▶	▶	▲	Wheat flour (1st quality)	53	6%	5%	40%	▶	▶	▲
	Milk	48	0%	7%	37%	▶	▶	▲	Wheat flour (high grade)	67	6%	11%	42%	▶	▶	▲
	Oil (cooking)	164	2%	-12%	73%	▶	▶	▲								
	Bread (1st grade)	71	3%	-6%	60%	▶	▶	▲	Potatoes	34	-7%	26%	60%	▼	▶	▲
	Bread (lepushka)	94	6%	13%	59%	▲	▶	▲	Rice (medium)	139	1%	62%		▶	▲	▲
	Eggs	122	-1%	7%	46%	▶	▶	▲	Sugar	85	0%	-7%	114%	▶	▶	▲
	Meat (beef)	497	0%	9%	63%	▶	▶	▲	Wheat	21	1%	-8%	31%	▶	▶	▲
	Meat (mutton)	517	-2%	13%	73%	▶	▶	▲	Wheat flour (1st quality)	51	8%	4%	54%	▶	▶	▲
	Milk	46	1%	-4%	62%	▶	▶	▲	Wheat flour (high grade)	72	9%	13%	95%	▶	▶	▲
	Oil (cooking)	166	4%	-5%	85%	▶	▶	▲								
	Bread (1st grade)	59	0%	-8%	40%	▶	▶	▲	Potatoes	22	-33%	-13%	23%	▼	▶	▲
	Bread (lepushka)	91	4%	9%	51%	▶	▶	▲	Rice (medium)	158	5%	75%	101%	▶	▲	▲
	Eggs	115	1%	3%	49%	▶	▶	▲	Sugar	79	-2%	-10%	123%	▶	▶	▲
	Meat (beef)	505	0%	6%	52%	▶	▶	▲	Wheat	21	-1%	-18%	19%	▶	▼	▲
	Meat (mutton)	525	-3%	3%	74%	▶	▶	▲	Wheat flour (1st quality)	44	0%	-13%	23%	▶	▶	▲
	Milk	52	-3%	7%	74%	▶	▶	▲	Wheat flour (high grade)	68	5%	8%	43%	▶	▶	▲
	Oil (cooking)	139	15%	-21%	43%	▲	▼	▲								
	Bread (1st grade)	67	3%	6%	47%	▶	▶	▲	Potatoes	31	-16%	3%	48%	▼	▶	▲
	Bread (lepushka)	100	7%	12%	56%	▲	▶	▲	Rice (medium)	144	0%	62%	86%	▶	▲	▲
	Eggs	121	4%	5%	57%	▶	▶	▲	Sugar	85	-2%	-7%	109%	▶	▶	▲
	Meat (beef)	545	0%	2%	57%	▶	▶	▲	Wheat	30	1%	-2%	56%	▶	▶	▲
	Meat (mutton)	561	-2%	7%	76%	▶	▶	▲	Wheat flour (1st quality)	53	3%	2%	59%	▶	▶	▲
	Milk	58	3%	-2%	49%	▶	▶	▲	Wheat flour (high grade)	66	4%	4%	58%	▶	▶	▲
	Oil (cooking)	154	1%	-15%	61%	▶	▶	▲								

▲ Price increase above normal price fluctuation
▶ Normal price fluctuation
▼ Price decrease below normal fluctuation

Price fluctuation is considered normal if change within:
+/- 5% for 1 month, +/- 10% for 3 months, +/- 15% for 1 year