AFGHANISTAN

# COUNTRYWIDE WEEKLY MARKET REPORT

**Issue 193:** Week 4 March 2024

World Food Programme

## Highlights

- During the 4th week of March 2024, the prices of wheat flours, rice and sugar has negligibly decreased as compared to the previous week, whereas the price of wheat grain, cooking oil, pulses, bread and salt has experienced a negligible increase. Due to a continuous deflation trend and appreciation of the Afghani, the average prices of some food items slightly decreased (except sugar which slightly increased), whereas the prices wheat grain, wheat flour, rice (sholae), and cooking oil have significantly decreased compared to last year.
- Compared to the pre-Covid period, the average prices of food items (excluding wheat flours) were significantly higher. Additionally, apart from wheat grain, wheat flours, and cooking oil, the price of all other food items are notably elevated compared to the prices observed in the month of June 2021, which was before the political changes
- The value of the Afghani during the fourth week of March 2024 was recorded at AFN 71.5/USD which is the same as last week. Compared to the same time of last year AFN appreciated by 19%. AFN appreciation rate was highest in year 2023 where it appreciated from AFN 90/1USD in Feb to AFN 69.4/1USD in Dec 2023 account for 23% appreciation.
- The prices of non-food commodities experienced minor fluctuations compared to the previous week. The skilled and unskilled labour wage per day increase by 1.6% and 2.6%, respectively which has resulted in improvement of the terms of trade for casual labour by 1.8%. Similarly, with the start of the spring season, the availability of workdays per week for casual labour increased by 2.8%. It is expected to further increase with the weather getting warmer and daytime increases.
- The prices of winter fuel items (excluding gases) experienced a negligible decrease as the winter season ends. Meanwhile, the prices of DAP, Urea, Improved Seed, and Animal Feed saw a negligible increase compared to last week, which is associated with recent precipitation and increased demand during the cultivation season.

## Trigger Analysis for Transfer Value Revision

**Transfer Value : 6,400 AFN - 2023**

| 4th Week of March 2024 | Current Prices | Consecutive Weeks ≥ 10% to <20% of TV (+/-) | Consecutive Weeks Increase ≥ 20% of TV (+/-) | % of TV |
|---|---|---|---|---|
| FSAC Food Basket (AFN) | **5,757** | **1** | **0** | **-10.0%** |

Triggers are for Transfer Value (TV) revision. Triggers are thresholds for the number of consecutive weeks that the national average price of the FSAC food basket in AFN has increased or decreased in comparison to the most recent TV by a minimum proportion: four consecutive weeks for a price change of ≥ 20% and eight consecutive weeks for ≥ 10%.

## Weekly Price Changes and Trend Analysis

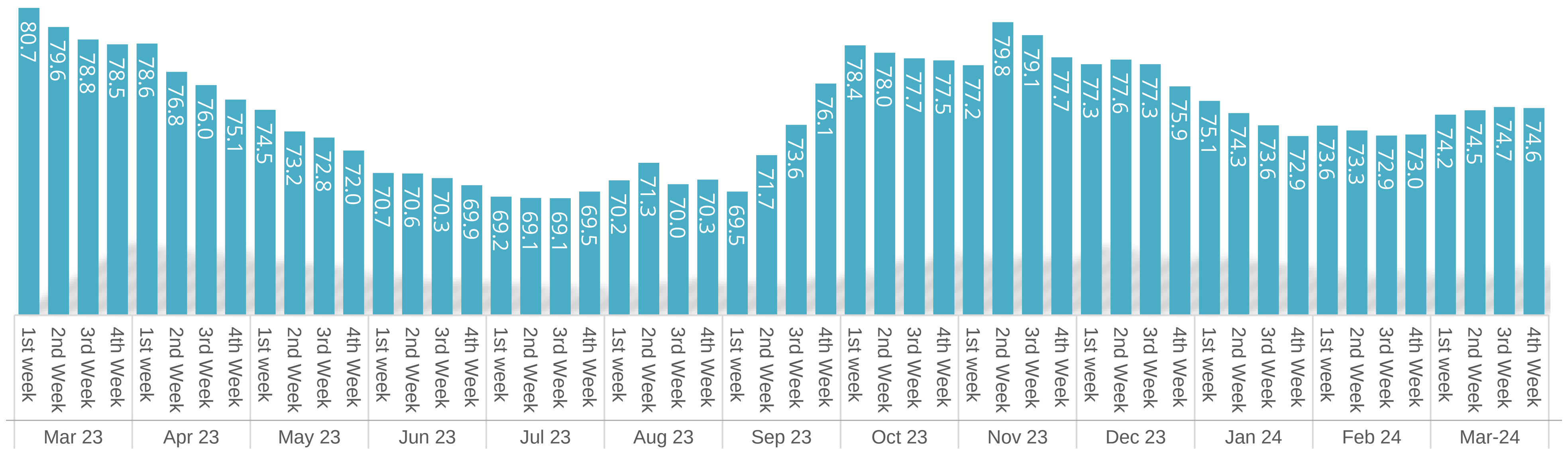
| ITEMS | THIS WEEK | LAST WEEK (%) | LAST YEAR (%) | Pre- Covid time (%) | JUNE 2021 (%) | 3 YEARS AVERAGE |
|---|---|---|---|---|---|---|
| **Exchange Rate & Food Commodities** | | | | | | |
| Exchange Rate (AFN/USD) | 71.5 | 0.1% | -19% | -5% | -9% | -15% |
| Wheat Grain (AFN/Kg) | 27 | 1.0% | -31% | 8% | -9% | -27% |
| Wheat Flour - High price (AFN/Kg) | 31 | -0.5% | -26% | -1% | -6% | -23% |
| Wheat Flour - Low price (AFN/Kg) | 28 | -0.2% | -31% | -3% | -9% | -27% |
| Rice - High Price - *"Palawi"* (AFN/Kg) | 100 | -0.9% | -19% | 23% | 13% | -5% |
| Rice - Low Price - *"Sholae"* (AFN/Kg) | 63 | -1.5% | -2% | 53% | 26% | 13% |
| Cooking Oil (AFN/Liter) | 95 | 0.3% | -32% | 23% | -29% | -35% |
| Pulses (AFN/Kg) | 107 | 0.8% | -7% | 47% | 15% | 1% |
| Sugar (AFN/Kg) | 69 | -0.4% | 9% | 66% | 36% | 18% |
| Bread (AFN/Kg) | 62 | 0.0% | -7% | | 19% | 4% |
| Salt (AFN/Kg) | 17 | 0.4% | -5% | 51% | 29% | 8% |
| **Non-food Commodities** | | | | | | |
| 1-year Old Live Female Sheep (AFN/Head) | 7841 | 0.6% | -2% | 5% | 4% | -1% |
| Unskilled Labour Wage (AFN/day) | 313 | 2.6% | 6% | 9% | 1% | 7% |
| Skilled Labour Wage (AFN/day) | 647 | 1.6% | 4% | 12% | -1% | 6% |
| Days of Unskilled Work Available Per Week | 2.2 | 2.8% | 15% | -23% | -12% | 14% |
| Diesel (AFN/Liter) | 62 | 1.4% | -18% | 38% | 25% | -8% |
| Charcoal (AFN/Kg) | 50 | -1.2% | | | | |
| Coal (AFN/Kg) | 13 | -1.6% | | | | |
| Balot Wood (AFN/Kg) | 15 | 0.0% | | | | |
| Pine wood (AFN/Kg) | 14 | -1.5% | | | | |
| Wood Flour (AFN/Kg) | 13 | -1.4% | | | | |
| Gases (used as fuel in heating appliances & cooking equipment) | 59 | 1.9% | | | | |
| Fertilizer - DAP (AFN/50 Kg) | 4191 | 0.4% | -26% | | 47% | -9% |
| Fertilizer - Urea (AFN/50 Kg) | 1828 | 0.3% | -25% | | 43% | -16% |
| Improved Seed (AFN/50 Kg) | 1923 | 0.4% | -23% | | 2% | -16% |
| Animal feed (Concentrate) AFN/100kg | 2760 | 0.7% | -16% | | 7% | -6% |
| Casual Labour wage/wheat Nominal (Kgs) | 11.6 | 1.8% | 53% | 0% | 12% | 45% |
| Pastoralist Terms of Trade (Kgs) | 293 | -0.5% | 39% | -3% | 15% | 35% |

# Change in key commodity prices (Week-on-week)

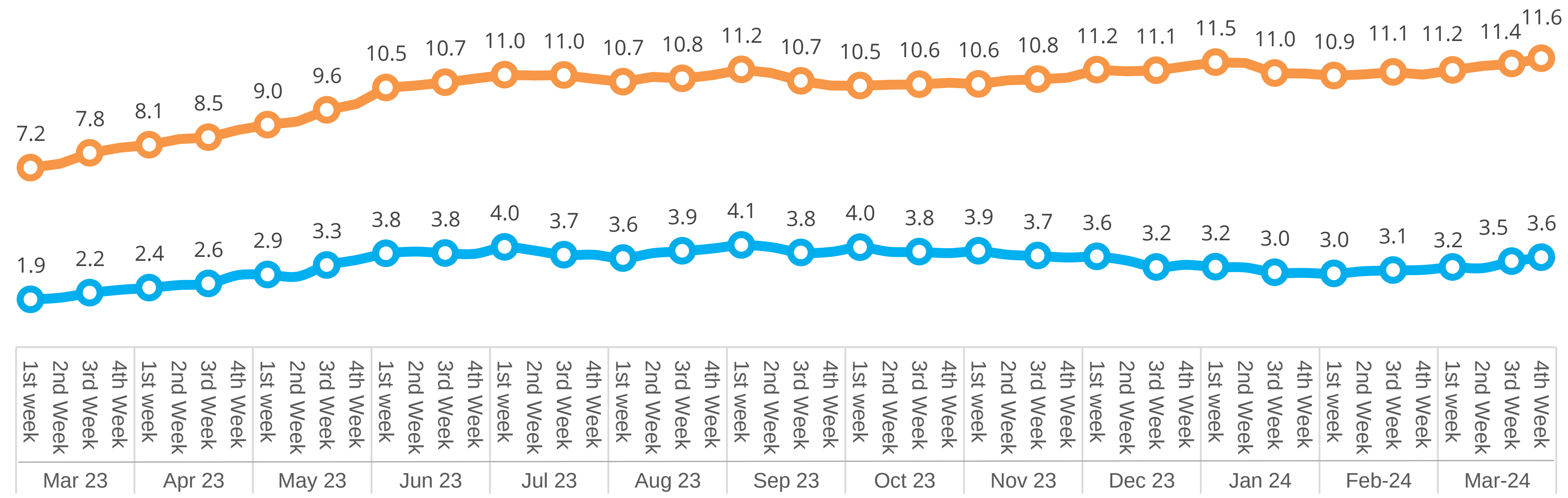
Three provinces displayed for each commodity represent those with the highest change in prices

| Commodity | Province | Change |
|---|---|---|
| Wheat Grain | Ghor | +19% |
| | Logar | +8% |
| | Faryab | -7% |
| Wheat Flour (High Price) | Paktya | +7% |
| | Sari-pul | +7% |
| | Bamyan | -16% |
| Rice (Palawi) | Parwan | +6% |
| | Sari-pul | -9% |
| | Farah | -6% |
| Cooking Oil | Ghor | +7% |
| | Samangan | +5% |
| | Bamyan | -8% |
| Pulse | Nimroz | +14% |
| | Daikundi | +7% |
| | Bamyan | -6% |
| Sugar | Balkh | +8% |
| | Samangan | +8% |
| | Zabul | -20% |
| Diesel | Daikundi | +12% |
| | Paktya | +7% |
| | Farah | -8% |
| 1-year old Female Sheep | Hirat | +9% |
| | Jawzjan | +7% |
| | Nimroz | -2% |

## WFP Food Basket Prices in USD

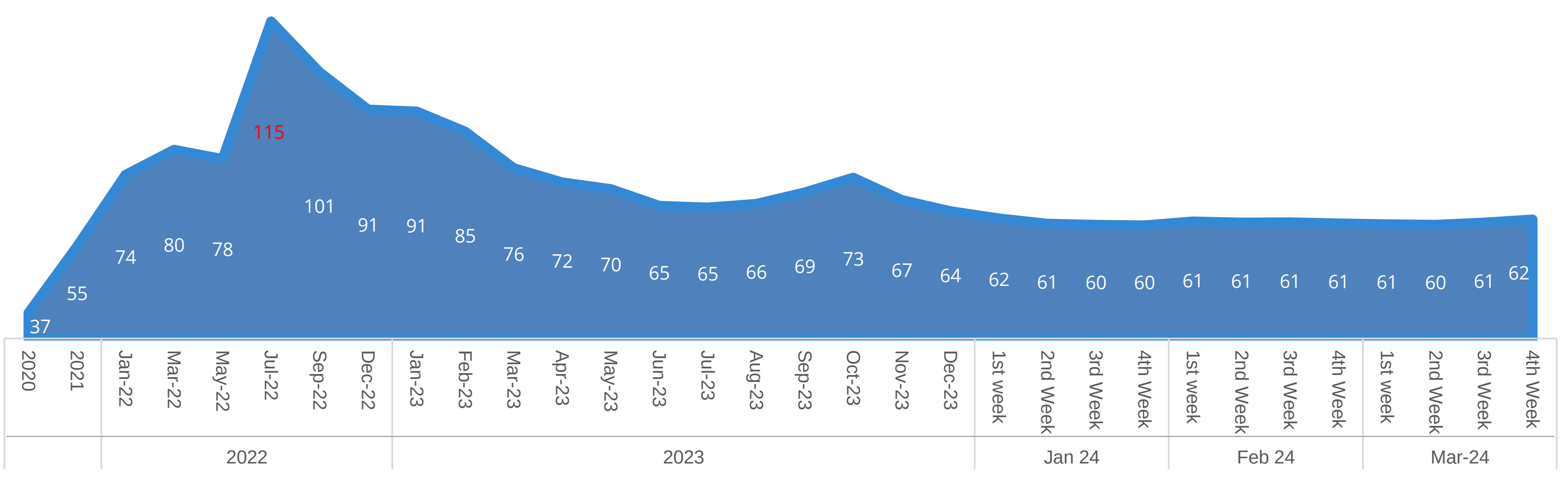



## Casual Labour wage/Wheat Nominal and Real ToT



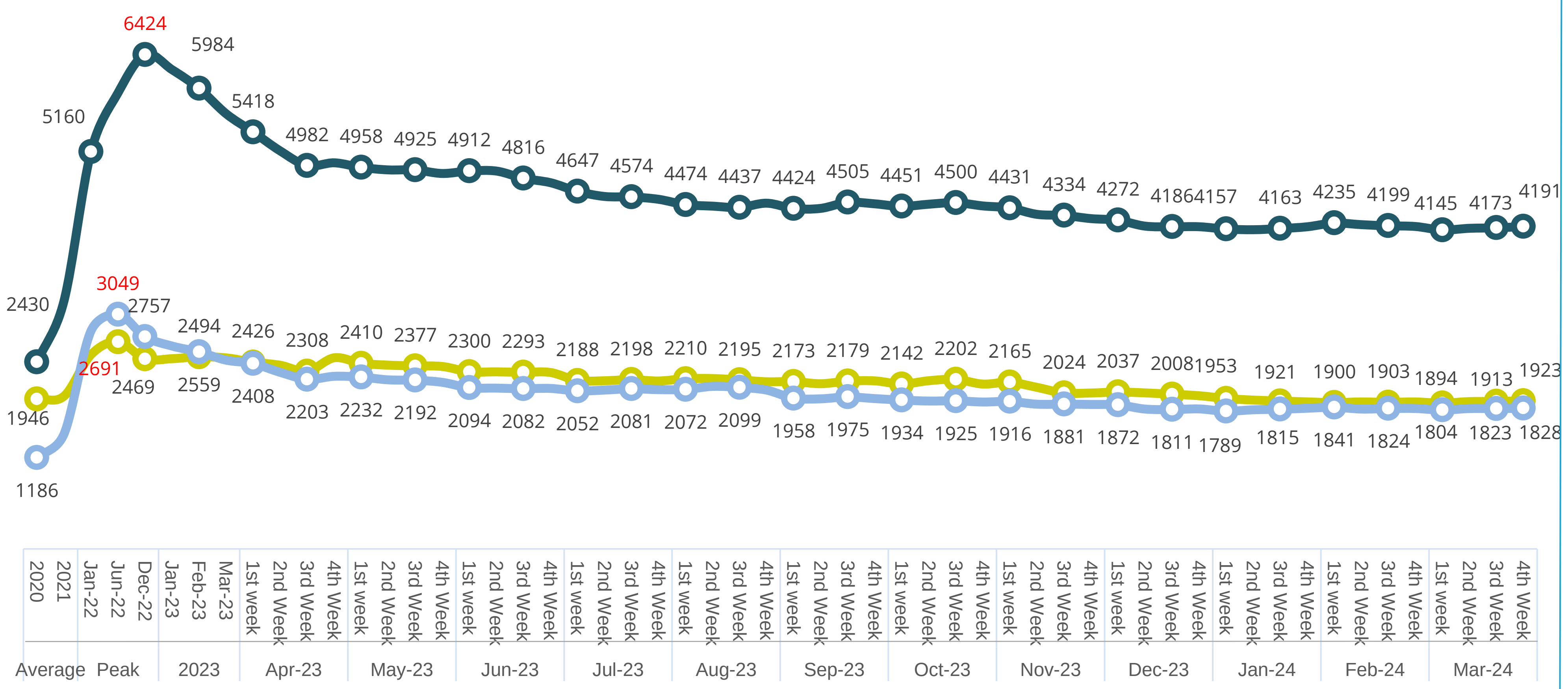

- Nominal casual labour/wheat ToT (11.6Kg) negligibly increased by 1.8% compared to the previous week and significantly increased by 53% compared to the same time last year. Casual labour/wheat real ToT, following its lowest points in January-March 2023, followed an increasing trend, reaching its highest peak in the first week of September 2023. The real ToT for casual labour as compared to last week has slightly improved by 4.7% and compared to the same time last year it has improved significantly by 72% whereas, compared to pre-Covid period, it is still lower by 20%.
- National average weekly price of diesel increased negligibly by 1.4% compared to the previous week and currently standing at AFN 62 per litre. Changes in the prices of diesel in the country are relevant to changes in the volume of diesel imports to the country and a changes in the global trend of diesel prices. Notably, the current prices remain significantly higher than the pre-Covid period by 38% and the month of June 2021 (prior to political changes) by 25%. The current global average price for diesel stands at $1.27 per litre. In Iran, a litre of diesel costs USD 0.006 (3,000 Iranian Rials). Meanwhile, in Turkmenistan, the diesel price is 1.0 New Manat per litre (0.286 USD/Lt). (01-Apr-2024)

## National Diesel Prices



# Fertilizers and Animal Feed (Concentrate) Price Trend

## DAP, UREA & Improved Seed Prices (AFN/50 Kg)



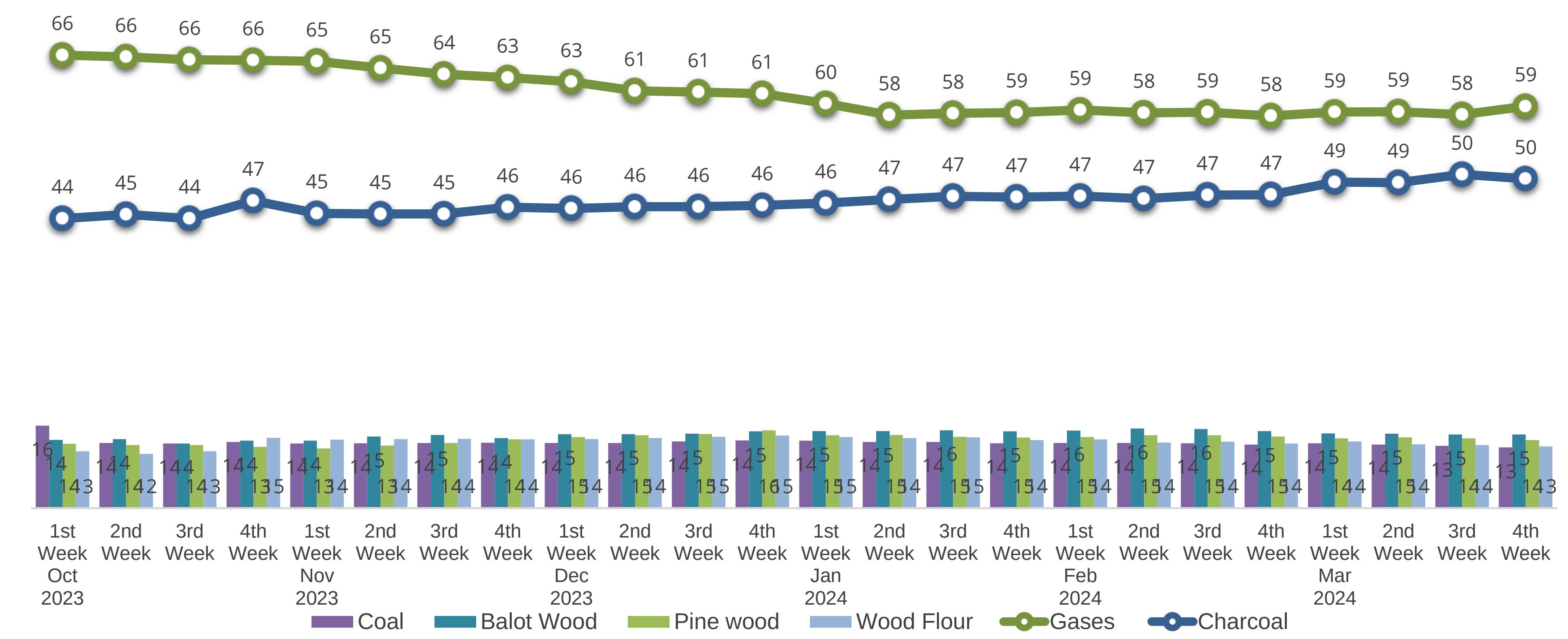

Di Ammonium Phosphate (DAP): The price of DAP per 50Kg bag gradually declined to 4,191 AFN after its peak in Dec-2022 at 6,424 AFN, keeping a downward trend after its peak price. Despite this, the price remains significantly higher by 47% compared to the month of June 2021. Compared to the previous week, the national average price of DAP negligibly increased by 0.4%. Notable regional variations are reported compared to the previous week, with a significant increase of 6% in DAP fertilizer prices in Sari-pul and 5% in Takhar. Whereas the DAP price decreased by 5% in Ghor.

UREA fertilizer: The price of Urea per 50Kg bag followed a downward trend and declined to 1,828 Afghani after its peak price in June 2022 (3,049 AFN/50Kg bag). The average price remains the same as last week. However, compared to month of June 2021, it was significantly higher by 43%. Compared to last week, regional variations in prices are noteworthy, with a significant 15% increase in Samangan, 8% in Kapisa and 5% in Nimroz. Whereas it significantly decreased by 6% in Hirat and by 5% each in Uruzgan and Ghor provinces.

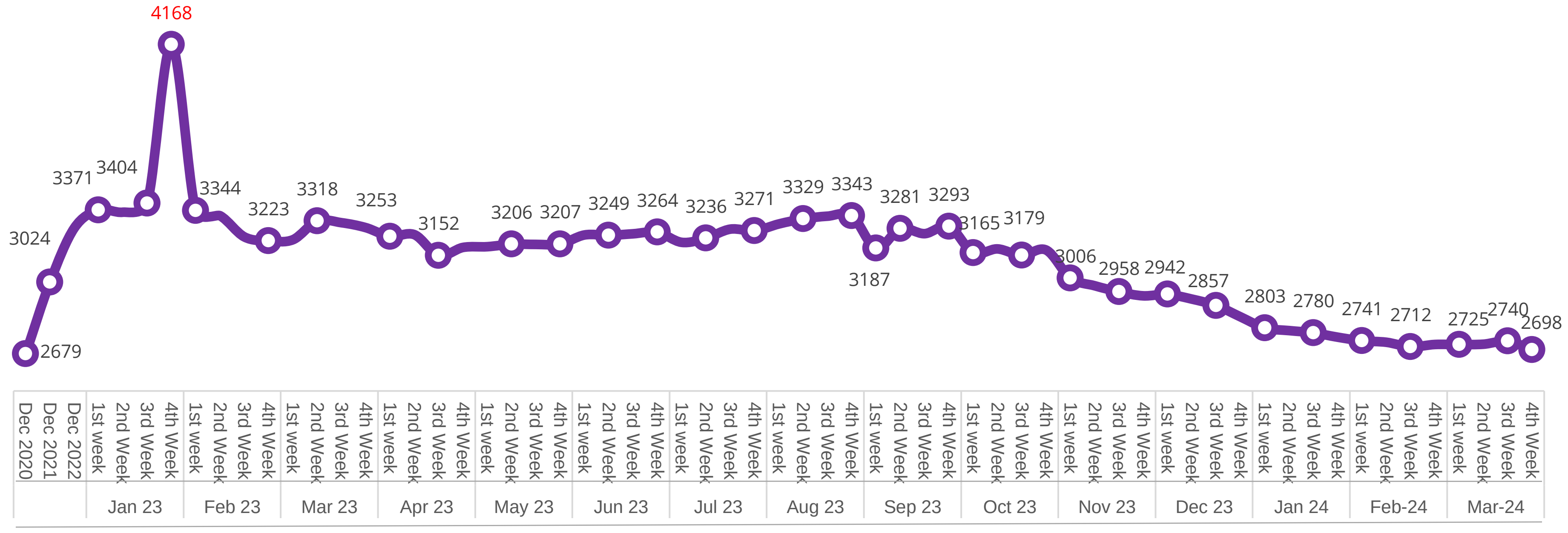
Improved Seed: The price of improved seed per 50Kg bag gradually declined to 1,923 Afghani after its peak price in June 2022 (2,691 AFN/50Kg bag). The average price remains similar to last week, which is 23% lower than last year's price. The prices as compared to last week has significantly increased in Paktya by 7% and in Logar by 4%. Whereas it slightly decreased in Bamyan by 3%.

Animal Feed (Concentrate): The price of animal concentrate feed per 100Kg bag after its peak price in Jan 2023 (4,168 AFN) followed a downward trend and gradually declined to 2,760 AFN. Compared to the same period last year, the prices decreased by 16% and remain higher by 7% compared to the prices observed in the month of June 2021. The average prices compared to last week significantly increased in Panjshir by 12% and in Logar, Paktya and Parwan by 7% each and also by 5% in Kapisa. However, it significantly decreased in Samangan and Wardak by 6% and 5%, respectively.

## Average Charcoal, Coal, Balot Wood, Pine wood, Wood Flour and Gases price (AFN/1Kg) in Afghanistan




## Concentrated Animal Feed Prices (AFN/100kg)



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## REFERENCES


Private money exchange markets

Diesel prices around the world, 01-Apr-2024 | https://www.globalpetrolprices.com/diesel_prices

https://www.globalpetrolprices.com/Turkmenistan/diesel_prices/


## NOTES

- WFP collects price data weekly from all 34 provincial capitals through third-party monitors. Monthly prices are an average of the four-weekly prices.
- WFP reports on two types of rice in Afghanistan—palawi, a long-grain variety that is generally more preferred, more expensive, and primarily imported, and sholae, a short-grain variety that is generally less preferred, cheaper, and more commonly sourced domestically. There are no significant nutritional differences between these types.
- The price of pulses is an average of the prices of lentils, chickpeas, and red beans.
- Pastoralist Terms of Trade (ToT) captures the purchasing power of the households who own or have access to livestock. It indicates how many kilograms of wheat grain can be obtained by selling a one-year-old female sheep.
- Real Unskilled Labour Terms of Trade (ToT) captures the purchasing power of unskilled labourers. It indicates how many kilograms of wheat grain can be obtained with the average daily wage for unskilled labour adjusted by the average number of working days available per week in a market.
- Casual Labour: Casual labours normally don’t have specific skills and usually hired by the hour or day or for the performance of specific tasks, paid at the lower rate compared to skilled labours.

| Colours in the Price Table:(from consumer point of view) | |
|---|---|
| Green | Significant positive changes (±≥5% for weekly and ±≥10% for monthly and yearly changes) |
| Red | Significant negative changes (±≥5% for weekly and ±≥10% for monthly and yearly changes) |
| Grey | Slights Changes (From ±≥5% to ±≤10%) in monthly and yearly changes |
| Yellow | Negligible Changes of ±≤5% in weekly, monthly and yearly changes |