

# Price Monitoring for Food Security in the Kyrgyz Republic

## Situation Update

**From April to July 2024, livelihoods have been notably impacted by a surge in mudflows.** In July 2024, heavy rains intensified numerous mudflows, causing significant damage to the southern regions of the country, specifically the Osh and Batken oblasts. According to preliminary data from the Ministry of Emergency Situations, there were 27 emergency situations (including 17 cases of mudflows) reported between January 1 and July 12, 2024, resulting in 34 deaths and total material damage amounting to 379 million KGS (approximately 4.4 million USD). This represents a 30% increase in material damage compared to the annual total in 2023. According to the WFP's Seasonal Monitor, the **medium-term forecast for the period August-October 2024 indicates above-average rainfall in the western part of the country** (40-60 percent probability of wetter conditions). Additionally, there is a very high chance (>70 percent) of experiencing above-average temperatures, which will further put additional strain on the most vulnerable third of the population, as well as the 10 percent residing in the poverty risk area.

**Labor remittances play a crucial role in reducing the national poverty rate.** Without remittances, the poverty rate would have reached 42 percent, with extreme poverty affecting 19 percent of the population. In 2023, remittances accounted for 20 percent of the country's GDP. In January- May 2024, remittances increased by 7 percent compared to January - May 2023. The share of labour activity from outside the country remained largest among the population from Batken (30%), Osh (25%), Jalal-Abad (22%), Chuy (11%) provinces, and Osh city (10%), indicating a significant inflow of labour remittances to these locations. **Uncertainty about the prospects for remittances remains due to the new law on tightening migration policy and deportation rules in Russia.** Monitoring all aspects of food security (availability, access, utilization, and stability) is critical, considering the country's vulnerability to the variety of shocks and stressors.

At the same time, the **Gross Domestic Product (GDP)** of the Kyrgyz Republic continued to grow, **increasing by 8.1 percent** in the period of January-June 2024 compared to January-June 2023. This growth added KGS 560 billion (US \$6.5 billion) to the economy. This GDP growth is driven by goods-producing industries (+8.7 percent), food taxes (+8.4 percent) and services (+7.7 percent).

In June 2024, all EAEU member countries, except Armenia, experienced a rise in consumer prices and tariffs compared to the previous month. In June 2024, **inflation reached 4.5 percent compared to June 2023** (National Bank of the Kyrgyz Republic). The growth of consumer prices is observed in all regions of the country, except Jalal-Abad oblast, while the highest growth was recorded in Ysyk-Kul oblast due to the growth of prices for alcoholic beverages and non-food products. While the Consumer Price Index (CPI) **for food shows a slowdown** from 12 percent in January—June 2023 to 3 percent in January-June 2024, the CPI **for non-food items** increased by **9 percent** and CPI **for services** increased by **8 percent** compared to January - June 2023. The CPI for **fuel and lubricants is estimated to have increased by 14 percent**, leading to an increase in transportation costs, which in turn has affected all other prices. Rising food and fuel prices, combined with inflation, are eroding the purchasing power of the most vulnerable to access a nutritious diet. In February 2024, the Cabinet of Ministers of the Kyrgyz Republic adopted the Price Stabilization Plan for 2024 for socially significant food commodities to ensure the stability and intensity of the domestic market and provide state support to domestic production in 2024.

According to the latest update of the Crop Monitoring Early Warning in the Kyrgyz Republic, the situation has improved after concerns were raised last month about heavy rains and the resulting landslides and floods, as crop yields are unlikely to be significantly affected. The **average yield of grain crops, including wheat and barley, has significantly increased compared to 2023** as reported by the Ministry of Water Resources, Agriculture and Processing Industry. On April 11 2024, Kazakhstan banned the import of wheat, including from EAEU member countries, by road, water and rail. At the same time, Kazakhstan and the Russian Federation imposed a ban on sugar exports until August 31, 2024, with an agreed amount of quotas for the EAEU to ensure the stability of the countries' domestic markets.

**The following section discusses average national retail prices for the five weeks from 31 May to 05 July 2024, in comparison to the previous month, the annual average in June 2023.**



- **Wheat:** The price of wheat remained stable compared to the previous month, with an average price of 30 KGS/kg. As of 05 July 2024, the highest price for wheat was observed in Bishkek city (32 KGS/kg) and the lowest price was in Talas province (21 KGS/kg). Prices were 2 percent lower compared to June 2023.



- **Oil (Cooking):** The price of vegetable oil remained stable compared to the previous month, with an average price of 147 KGS/L. As of 05 July 2024, the highest price was in Talas province (167 KGS/L) and the lowest price was in Yssyk-Kul province (137 KGS/L). The prices were 7 percent lower compared to June 2023. The country has a high import dependency on vegetable oil due to its low internal production and capacity for processing oil seeds.

## Situation Update



**Potatoes:** The price of **potatoes increased by 30 percent** (or 10 KGS) compared to the previous month, leading to an average price of 44 KGS/KG. The price increase is associated with seasonality and availability of new crop, which traditionally has higher prices. As of 05 July 2024, the highest price was observed in Bishkek city (47 KGS/KG) and the lowest price in Chuy province (31 KGS/KG). The price was 11 percent lower compared to June 2023.



**Eggs:** The price of **eggs decreased by 6 percent** (or 8 KGS) compared to the previous month, leading to an average price of 117 KGS/10 pcs. The decrease in prices is due to seasonality and lower prices for fodder crops. As of 05 July 2024, the highest price was observed in Chuy province (129 KGS/10 pcs) and the lowest price in Yssyk-Kul province (98 KGS/10 pcs). The price of eggs was 2 percent higher compared to June 2023.



**Milk:** Retail milk prices **decreased by 3 percent** compared to last month, with an average of 56 KGS/kg. As of 05 July 2024, the highest price was in Bishkek city and Batken province (60 KGS/l) and the lowest was in Yssyk-Kul and Naryn provinces (45 KGS/l). The price of milk was 3 percent higher compared to June 2023.



**Exchange Rate:** The domestic foreign exchange market is currently stable. The National Bank (NBKR) follows a floating exchange rate policy, allowing the exchange rate to be determined by supply and demand. NBKR continuously monitor both the domestic market and external financial markets. During the period from 31 May to 05 July 2024, the Kyrgyz Som slightly appreciated from 87.7 KGS to 86.1 KGS against the US Dollar, the Russian Ruble appreciated from 89 to 88 RUB against the US Dollar, and the Kazakh Tenge depreciated significantly from 445 KZT to 475 KZT against the US Dollar. **Compared to June 2023, the Kyrgyz Som appreciated by 2 percent, while both Kazakh Tenge and Russian Ruble depreciated by 6 percent.** 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 continues to constantly monitor the situation, and if necessary, will use additional tools and take appropriate measures to stabilize the exchange rate.



**Global oil and retail prices:** At the beginning of April 2024 the price of fuel and lubricants in the domestic market of the Kyrgyz Republic has slightly increased. As of 05 July 2024, retail prices of fuel (AI-92) increased by 1 percent, while diesel prices remained stable compared to May 2024. Furthermore, compared to June 2023, the price for AI-92 and diesel remained 19 percent and 3 percent higher, respectively, reaching almost 66 KGS/l for fuel (AI-92) and 74 KGS/l for diesel. The Kyrgyz Association of Oil Traders (KAOT) announced a possible increase in fuel prices by KGS 5-10 in the coming months due to higher export prices in the Russian Federation. The rise in retail prices is also in line with global oil trends. KAOT 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.

According to EIA forecasts, oil markets are expected to remain volatile in the short term, with prices likely to stay higher than those seen in the first half of 2024. From 31 May to 05 July 2024, WTI price increased from USD 79 per barrel to USD 84 per barrel and Brent price increased from USD 79 per barrel to USD 87 per barrel. The WTI and Brent prices increased by 20 percent and 18 percent respectively, compared to June 2023 levels.

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

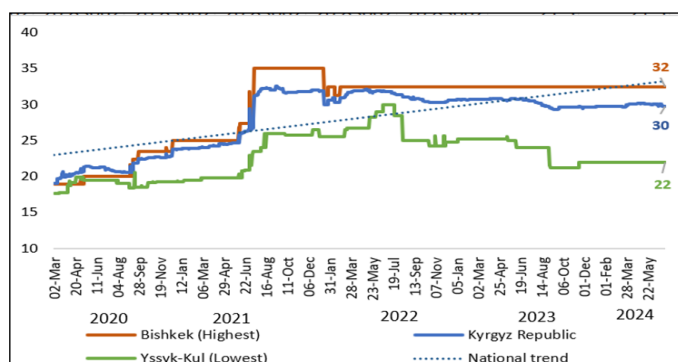
	31 May—05 Jul 2024 (KGS/kg)	Previous month (KGS/kg)	Trend		31 May—05 Jul 2024 (KGS/kg)	Previous month (KGS/kg)	Trend
<b>Bread (1st grade)</b>	66	66	0%	<b>Rice (medium)</b>	148	147	1%
<b>Milk</b>	56	58	-3%	<b>Sugar</b>	84	82	2%
<b>Meat (beef)</b>	553	551	0%	<b>Wheat</b>	30	30	0%
<b>Meat (mutton)</b>	568	562	1%	<b>Wheat flour (1st grade)</b>	52	52	0%
<b>Oil (cooking)</b>	147	147	0%	<b>Wheat flour (high-grade)</b>	67	68	-1%
<b>Potatoes</b>	44	34	30%	<b>Eggs</b>	117	125	-6%

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 Chaeik; Batken province - Batken and Razzakov; Jalal-Abad province - Jalal-Abad, Toktogul and Kerben; Yssyk-Kul province - Karakol and Balykchy; and Bishkek city). This is a secondary data analysis.

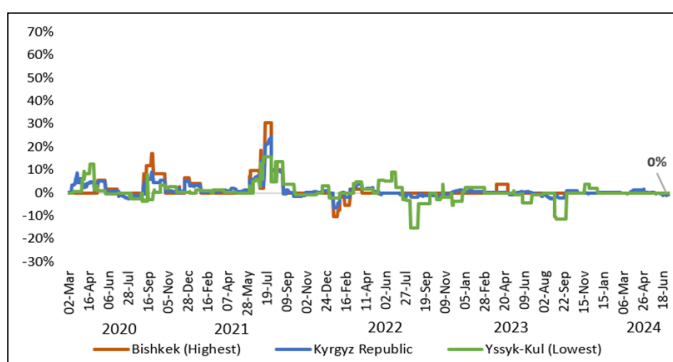
For additional information on the Price Monitoring Bulletins, please contact [WFP.Bishkek@wfp.org](mailto:WFP.Bishkek@wfp.org)

## WHEAT

Pic 1. Retail wheat prices (KGS/kg, provinces)

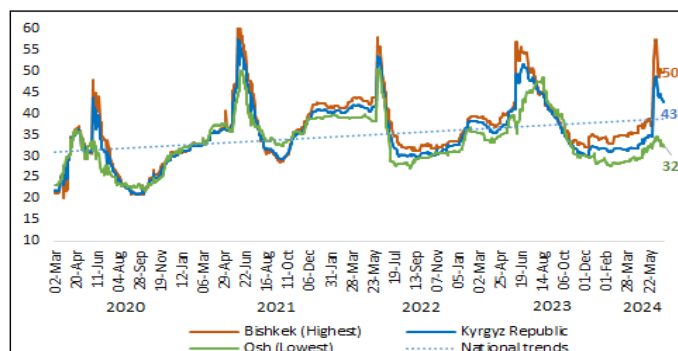


Pic 2. Growth rate of wheat prices, as a percentage of the daily prices from the previous average monthly price

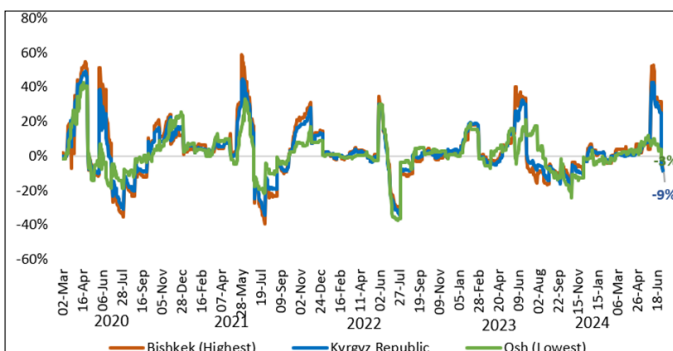


## POTATO

Pic 3. Retail potatoes prices (KGS/kg, provinces)

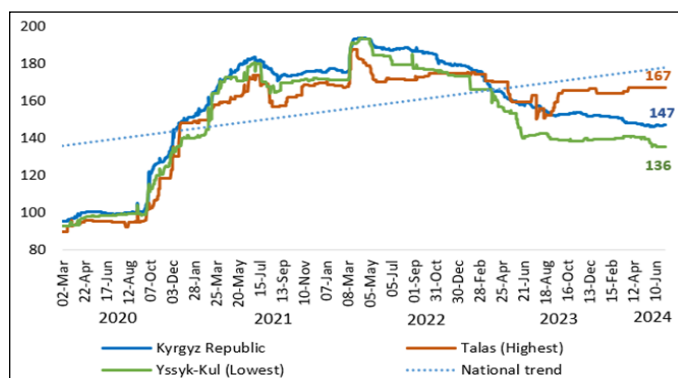


Pic 4. Growth rate of potatoes prices, as a percentage of the daily prices from the previous average monthly price

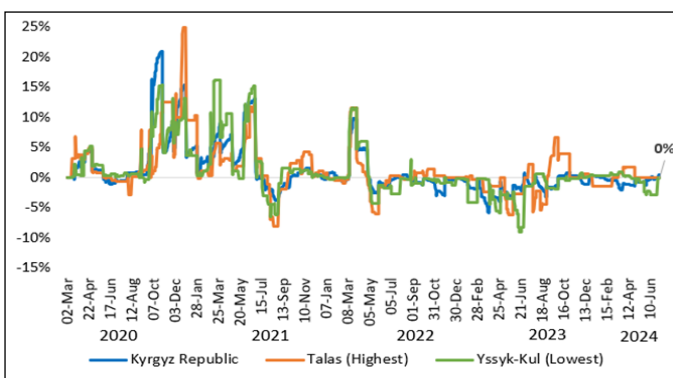


## OIL (COOKING)

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

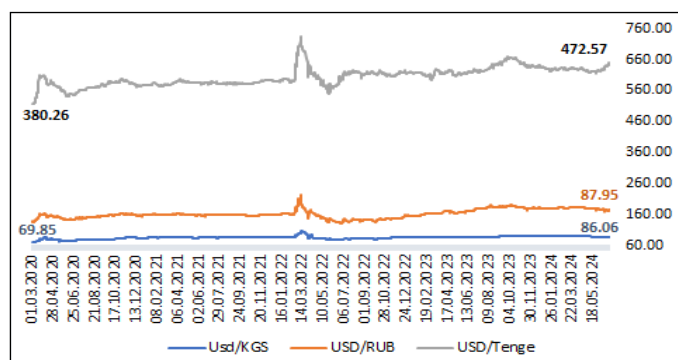


Pic 6. Growth rate of vegetable oil prices, as a percentage of the daily prices from the previous average monthly price



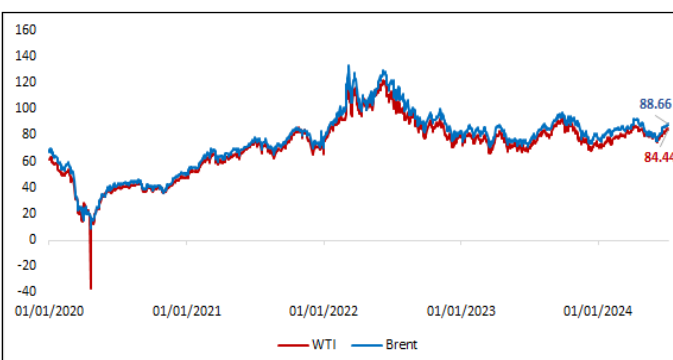
## EXCHANGE RATE

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



## GLOBAL OIL PRICES










Pic 8. Daily WTI, Brent prices (Jan 2020 to 05 July 2024, source: US Energy Information Administration)





## Annex 2: Average retail 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	July 05 Price (KGS)	MONTHLY PRICE / previous month	MONTHLY PRICE / June 2023	MONTHLY PRICE / previous month	MONTHLY PRICE / June 2023	Commodity	July 05 Price (KGS)	MONTHLY PRICE / previous month	MONTHLY PRICE / June 2023	MONTHLY PRICE / previous month	MONTHLY PRICE / June 2023
<b>BATKEN</b>												
	Bread (1st grade)	80	0%	9%	►	►	Potatoes	34	9%	-18%	▲	▼
	Bread (lepeska)	92	0%	4%	►	►	Rice (medium)	165	2%	19%	►	▲
	Eggs	107	-2%	-12%	►	►	Sugar	90	2%	-4%	►	►
	Meat (beef)	515	1%	5%	►	►	Wheat	29	-1%	-5%	►	►
	Meat (mutton)	600	0%	0%	►	►	Wheat flour (1st quality)	46	-6%	-9%	▼	►
	Milk	60	0%	0%	►	►	Wheat flour (high grade)	60	-4%	-8%	►	►
	Oil (cooking)	160	1%	-6%	►	►						
<b>BISHKEK CITY</b>												
	Bread (1st grade)	65	0%	2%	►	►	Potatoes	47	35%	-7%	▲	►
	Bread (lepeska)	95	0%	10%	►	►	Rice (medium)	151	2%	16%	►	▲
	Eggs	114	-7%	4%	▼	►	Sugar	84	2%	-8%	►	►
	Meat (beef)	574	0%	0%	►	►	Wheat	32	0%	0%	►	►
	Meat (mutton)	561	2%	-7%	►	▼	Wheat flour (1st quality)	53	0%	0%	►	►
	Milk	60	-4%	4%	►	►	Wheat flour (high grade)	67	-1%	6%	►	►
	Oil (cooking)	146	0%	-4%	►	►						
<b>CHUY</b>												
	Bread (1st grade)	60	0%	4%	►	►	Potatoes	31	47%	-29%	▲	▼
	Bread (lepeska)	88	0%	0%	►	►	Rice (medium)	137	0%	16%	►	▲
	Eggs	129	-2%	-2%	►	►	Sugar	80	0%	-10%	►	►
	Meat (beef)	523	0%	0%	►	►	Wheat	24	0%	-14%	►	►
	Meat (mutton)	534	0%	0%	►	►	Wheat flour (1st quality)	53	0%	8%	►	►
	Milk	58	-1%	14%	►	►	Wheat flour (high grade)	63	0%	8%	►	►
	Oil (cooking)	160	0%	-9%	►	►						
<b>JALALABAD</b>												
	Bread (1st grade)	82	-1%	12%	►	►	Potatoes	37	23%	11%	▲	►
	Bread (lepeska)	97	0%	10%	►	►	Rice (medium)	151	1%	11%	►	►
	Eggs	121	-3%	-3%	►	►	Sugar	87	2%	-8%	►	►
	Meat (beef)	515	0%	0%	►	►	Wheat	30	-11%	20%	▼	▲
	Meat (mutton)	567	0%	1%	►	►	Wheat flour (1st quality)	48	1%	1%	►	►
	Milk	47	4%	6%	►	►	Wheat flour (high grade)	64	0%	2%	►	►
	Oil (cooking)	148	-2%	-13%	►	►						
<b>NARYN</b>												
	Bread (1st grade)	71	3%	-2%	►	►	Potatoes	41	25%	6%	▲	▲
	Bread (lepeska)	98	1%	8%	►	►	Rice (medium)	129	-1%	0%	►	►
	Eggs	105	-10%	-5%	▼	►	Sugar	82	4%	-6%	►	►
	Meat (beef)	565	1%	0%	►	►	Wheat	24	14%	1%	▲	►
	Meat (mutton)	565	1%	0%	►	►	Wheat flour (1st quality)	46	1%	2%	►	►
	Milk	45	-7%	0%	▼	►	Wheat flour (high grade)	62	3%	13%	►	►
	Oil (cooking)	153	0%	-6%	►	►						
<b>OSH</b>												
	Bread (1st grade)	77	1%	7%	►	►	Potatoes	33	6%	-17%	▲	▼
	Bread (lepeska)	113	0%	5%	►	►	Rice (medium)	162	1%	32%	►	▲
	Eggs	127	-1%	5%	►	►	Sugar	88	3%	-9%	►	►
	Meat (beef)	530	0%	0%	►	►	Wheat	28	-2%	-6%	►	►
	Meat (mutton)	600	0%	1%	►	►	Wheat flour (1st quality)	52	-1%	3%	►	►
	Milk	49	0%	10%	►	►	Wheat flour (high grade)	68	0%	8%	►	►
	Oil (cooking)	151	-2%	-10%	►	►						
<b>TALAS</b>												
	Bread (1st grade)	74	0%	6%	►	►	Potatoes	43	34%	5%	▲	►
	Bread (lepeska)	90	0%	5%	►	►	Rice (medium)	138	1%	11%	►	►
	Eggs	121	-4%	-3%	►	►	Sugar	83	1%	-3%	►	►
	Meat (beef)	495	0%	-1%	►	►	Wheat	21	-1%	-5%	►	►
	Meat (mutton)	520	0%	-3%	►	►	Wheat flour (1st quality)	48	0%	5%	►	►
	Milk	48	0%	6%	►	►	Wheat flour (high grade)	76	-2%	19%	►	▲
	Oil (cooking)	167	0%	5%	►	►						
<b>YSSYK-KUL</b>												
	Bread (1st grade)	65	2%	9%	►	►	Potatoes	36	63%	-21%	▲	▼
	Bread (lepeska)	96	0%	14%	►	►	Rice (medium)	145	-2%	12%	►	►
	Eggs	98	-14%	-3%	▼	►	Sugar	81	2%	-7%	►	►
	Meat (beef)	520	1%	0%	►	►	Wheat	22	0%	-9%	►	►
	Meat (mutton)	566	4%	0%	►	►	Wheat flour (1st quality)	44	0%	-3%	►	►
	Milk	45	4%	1%	►	►	Wheat flour (high grade)	69	0%	10%	►	►
	Oil (cooking)	136	-9%	-5%	▼	►						
<b>KYRGYZ REPUBLIC</b>												
	Bread (1st grade)	66	0%	4%	►	►	Potatoes	41	30%	-11%	▲	►
	Bread (lepeska)	97	0%	9%	►	►	Rice (medium)	148	1%	15%	►	▲
	Eggs	115	-6%	2%	▼	►	Sugar	85	2%	-8%	►	►
	Meat (beef)	555	0%	0%	►	►	Wheat	30	0%	-2%	►	►
	Meat (mutton)	569	1%	-4%	►	►	Wheat flour (1st quality)	52	0%	1%	►	►
	Milk	55	-3%	3%	►	►	Wheat flour (high grade)	67	-1%	7%	►	►
	Oil (cooking)	147	0%	-7%	►	►						

▲ 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