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Market Price Monitoring (Armenia)

Bulletin Issue No.32

2024 November

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Highlights

This bulletin focuses on market prices of the period **October 2023 – October 2024**.



For the period of October 2023 – October 2024 the exchange rate of USD vs AMD was AMD 387 per 1 USD. RUB vs AMD exchange rate for the same period was AMD 4.0 per 1 RUB.



The net inflow of remittances to Armenia in October 2024 was USD 143mln. Leading countries sending remittances to Armenia in October 2024, were Russia (USD 338,7mln), US (USD 50,5mln), Switzerland (USD 25,5mln), Great Britain (USD 19,5mln) and Hongkong (USD 17,2mln).



The Consumer Price Index (CPI) was 0.6 percent in October 2024 compared to October 2023. Compared to September 2024, the CPI increased by 0.3%. Food prices decreased by 0.5% for the same period. Compared to September 2024 they increased by 0.9%. CPIs were the highest in Syunik (2.5%), Shirak (2.2%) and Vayots Dzor (2%). Food prices were high in Shirak (1.3%), Vayots Dzor (1.1%) and Syunik (1%).



The highest annual price deflation was seen for the group **Vegetables (-7.8%)**. Potato included in this group was by 6.9 percent cheaper than it was in October 2023. The second food group with the highest annual deflation was **Oils and fats (-1.8%)** though butter in this group was by 0.6% more expensive compared to October 2023. Meat was the third group with annual price deflation of 1 percent. Bread and cereals as well as Milk, cheese and eggs overall saw no price change over a year. However, bread had a price increase of 1.3% and eggs became more expensive by 6.9% over a year. Other food commodities showed positive price increase with Fruit having the highest annual price inflation of 5.1% in October 2024 compared to October 2023.



Regular diesel price decreased by 9 percent in October 2024 compared to October 2023. Compared to September 2024 it changed slightly decreasing by 0.6%. Similarly, the price of petrol-gasoline declined by 7 percent compared to October 2023. Yet price of petrol gasoline didn't change over a month.



EXCHANGE RATE: USD vs. AMD

From October 2023 to January 2024 the USD versus AMD exchange rate demonstrated upward trend. In October 2023, the USD vs AMD exchange rate was USD 404, and it remained at this level through December 2023, showing stability at a relatively high level. A slight increase to USD 405 occurred in January 2024, marking the peak of the exchange rate. However, starting from February 2024, consistent decline was observed with a steeper drop in April 2024 to AMD 391 per 1 USD. In September – October 2024, USD vs AMD exchange rate was stable at AMD 387 per 1 USD.

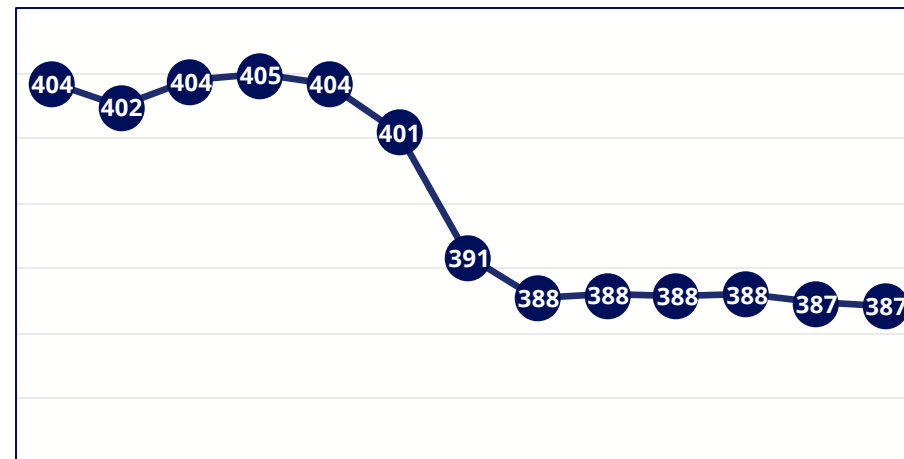


EXCHANGE RATE: RUB vs. AMD

Starting at RUB 4.2 in October 2023, the RUB vs AMD exchange rate increased to RUB 4.4 in November and peaked at RUB 4.5 in December 2023 and January 2024.

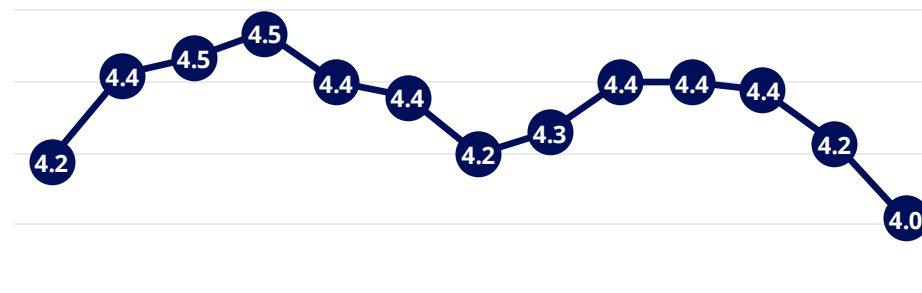
From February 2024 to March 2024, the rate stabilized at AMD 4.4 per 1 RUB, showing limited volatility during this period. In April 2024 the RUB vs AMD exchange rate dropped to AMD 4.2 per 1 RUB indicating weakening of the currency while in May 2024 it slightly recovered becoming AMD 4.3 per 1 RUB followed by a stable period from June to August 2024 (AMD 4.4 per 1 RUB). September and October of 2024 were a period of decline with the lowest rate recorded in October (AMD 4 per 1 RUB).

Figure 1: Exchange rate (AMD/USD), October 2023 –October 2024 (in AMD)



OCT, NOV, DEC, JAN, FEB, MAR, APR, MAY, JUNE, JULY, AUG, SEP, OCT,
2023 2023 2023 2024 2024 2024 2024 2024 2024 2024 2024 2024

Figure 2: Exchange rate (AMD/RUB), October 2023 – October 2024 (in AMD)



OCT, NOV, DEC, JAN, FEB, MAR, APR, MAY, JUNE, JULY, AUG, SEP, OCT,
2023 2023 2023 2024 2024 2024 2024 2024 2024 2024 2024 2024

Remittances

The remittance landscape for Armenia during the period from July 2023 to July 2024 was characterized by fluctuations, with a notable drop in both inflows and outflows around February 2024. Despite this, net inflows remained positive, indicating that Armenia consistently received more in remittances than it sent out. Russia remains the dominant source of remittances to Armenia.

The net inflow of remittances in October 2024 was \$143 mln

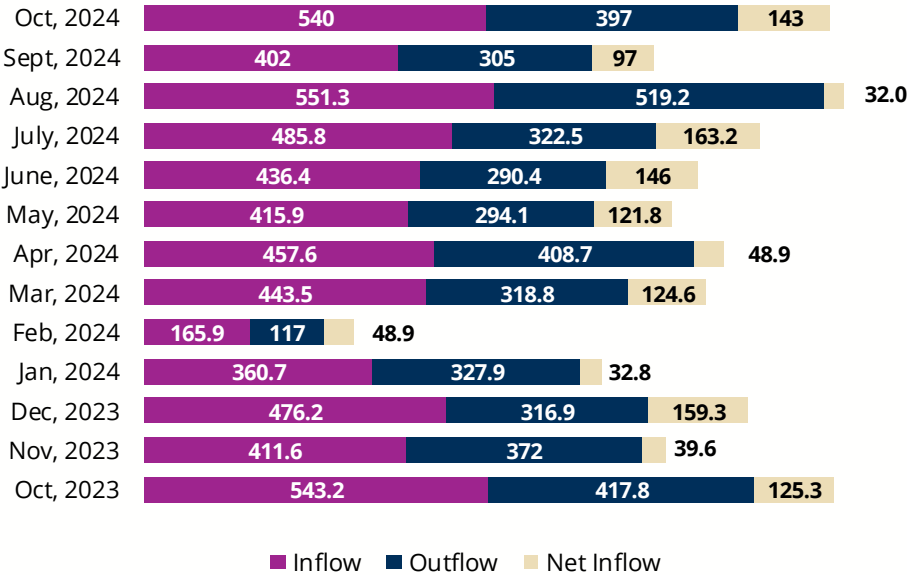
The inflow of remittances to Armenia showed fluctuation throughout the observed period. A marked dip occurred in February 2024 (USD 165.9mln), followed by gradual recovery. The highest inflow subsequently was detected in August 2024 with USD 551 mln. Similarly, outflows dipped sharply in February 2024 (USD 117mln) and rose back peaking at USD 519.2mln in August 2024. The net inflow for the period of October 2023 October 2024 fluctuated significantly. It's been the highest in July 2024 (USD 163.2mln) indicating a substantial gap between inflows and outflows. On the other hand, August 2024's low net inflow reflects a sharp rise in outflows compared to inflows.

Five leading countries sending remittances to Armenia in October 2024 were Russia (USD 338,7mln), US (USD 50,5mln), Switzerland (USD 25,5mln), Great Britain (USD 19,5mln) and Hongkong (USD 17,2mln). The countries Armenia sent remittances to were Russia (USD 100,9mln), UAE (USD 96,9mln), US (USD 47,8mln), Spain (USD 17,3mln) Switzerland (USD 16mln).

Russia (USD 237,8mln), Hongkong (USD 13mln), Switzerland (USD 9,4mln), Isle of Man (USD 7,6mln), Great Britain (USD 6mln) were the countries with the highest net inflow.



Figure 3: Inflow, outflow and net remittances to Armenia, October 2023 – October 2024, in USD



Source: Central Bank of the Republic Armenia

In October 2023, consumer inflation was 0.1%. However, between November 2023 and March 2024, consumer prices experienced deflation, with the sharpest decline occurring in February 2024 at -1.7%, followed by a slight improvement to -1.2% in March and -0.7% in April 2024. From May to October 2024, consumer prices recovered, with inflation gradually rising and reaching a peak of 1.4% in July 2024. By August, inflation moderated to 1.3%, and it stabilized at 0.6% in September and October 2024.

The period of October 2023 to June 2024 food prices were characterized as deflationary with noticeable fluctuations. The steepest decline reached -7.4% in February 2024. After February 2024, food price deflation eased, turning positive in July and August 2024 (0.7% and 1% respectively), indicating price recovery. Food prices dipped slightly again in September and October 2024 (0.5% and 1%, respectively), indicating limited food price pressures. Food price deflation was significantly sharper during the observed period compared to CPIs. From November 2023 to April 2024 both CPIs and food prices exhibited deflation. While CPIs remained positive from May 2024 onwards food prices became negative starting from September 2024.

CPI was positive in all regions. The highest inflation was observed in Syunik (2.5%), followed by Shirak (2.2%) and Vayots Dzor (2%). The capital, Yerevan, the lowest CPI (0.1%) was reported. Food prices were more diverse, with some regions experiencing deflation and others showing positive inflation. Positive food prices were seen in Shirak (1.3%), Vayots Dzor (1.1%), and Syunik (1.0%) also showing highest CPIs. Negative food prices were seen in most regions, with the sharpest declines in Tavush (-2.0%), Aragatsotn (-1.7%), and Ararat (-1.7%).

Source: Central Bank of the Republic Armenia

Figure 4: Consumer Price Index and Food Price Inflation, October 2023 – October 2024, %

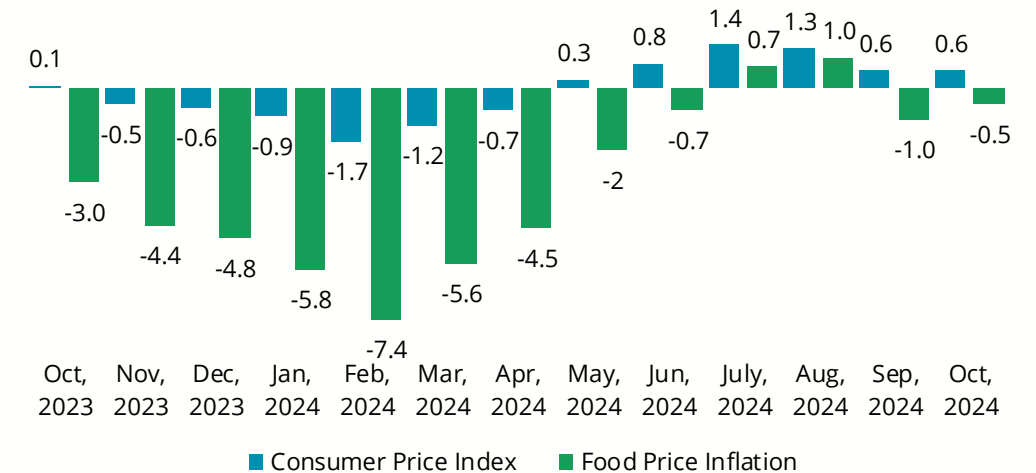
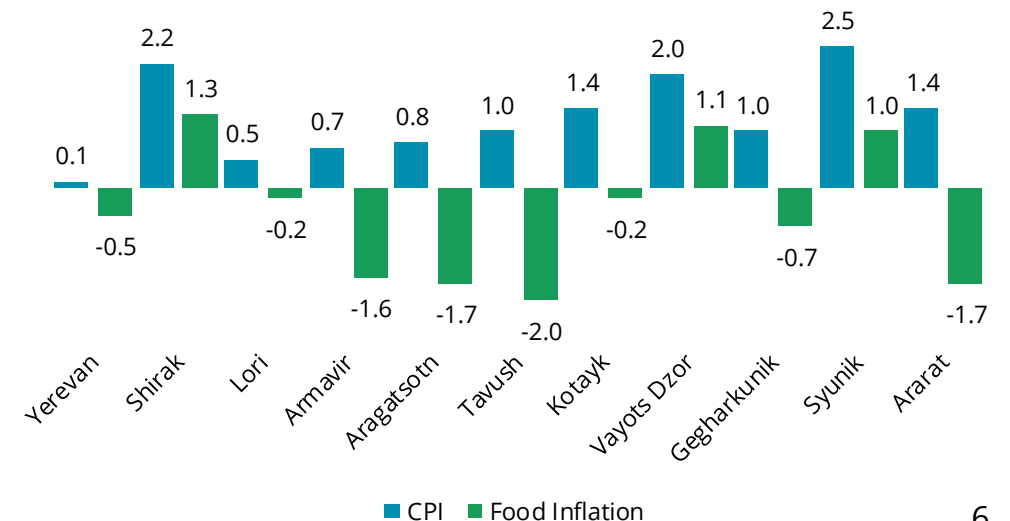


Figure 5: Consumer Price Index and Food Price Inflation per region, October 2023 – October 2024, %



Price inflation of selected food groups

The highest annual price deflation was seen for the group Vegetables (-7.8%). Potato included in this group was by 6.9 percent cheaper than it was in October 2023. The second food group with the highest annual deflation was Oils and fats (-1.8%) though butter in this group was by 0.6% more expensive compared to October 2023. Meat was the third group with annual price deflation of 1 percent. Bread and cereals as well as Milk, cheese and eggs overall saw no price change over a year. However, bread had a price increase of 1.3% and eggs became more expensive by 6.9% over a year. Other food commodities showed positive price increase with Fruit having the highest annual price inflation of 5.1% in October 2024 compared to October 2023.

All food groups had monthly price inflation except for Fruit and Sugar, jam, honey, chocolate and confectionary. Monthly price deflation of Fruit was 0.2% while monthly prices of Sugar, jam, honey, chocolate and confectionary reduced by 1.1%. Fish and seafood as well as Vegetables had the highest monthly price inflation in October 2024 compared to September 2024 (2.8% and 2.3%, respectively). Oils and fats and Bread and cereals had moderate monthly price inflation of 1.5% and 1.2%. Meanwhile, butter became 0.6% and bread 1.7% more expensive compared to September 2024. Milk, cheese and eggs as well as Meat showed lower price increase - 0.7% and 0.5%, respectively. Compared to September 2024, eggs were by 0.4% more expensive in October 2024.

Figure 6: Annual Inflation of selected food groups, October 2023 – October 2024, %

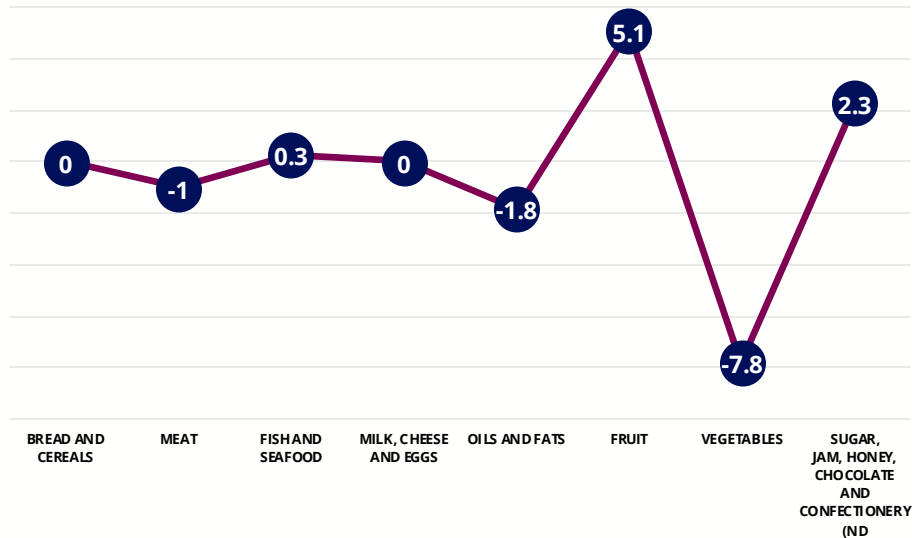
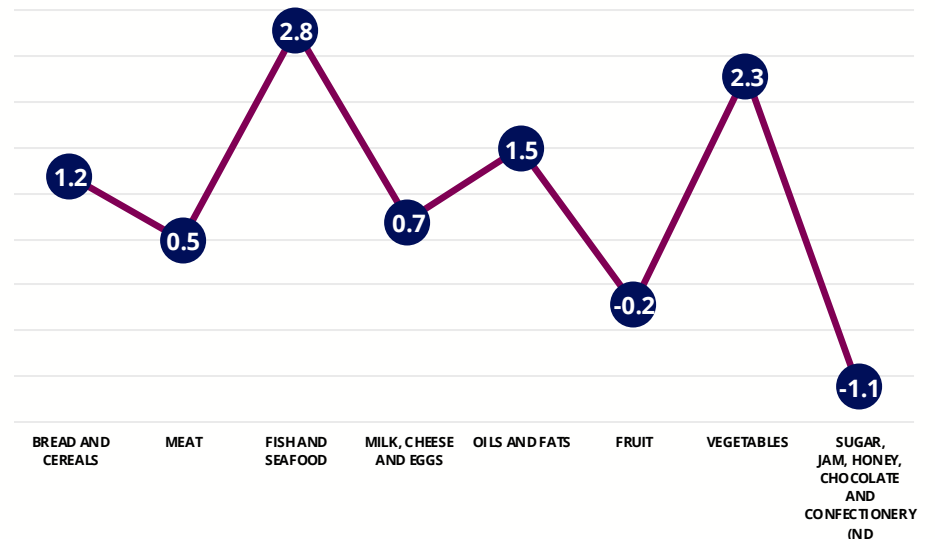


Figure 7: Monthly consumer price index of selected food groups, September 2024 – October 2024, %

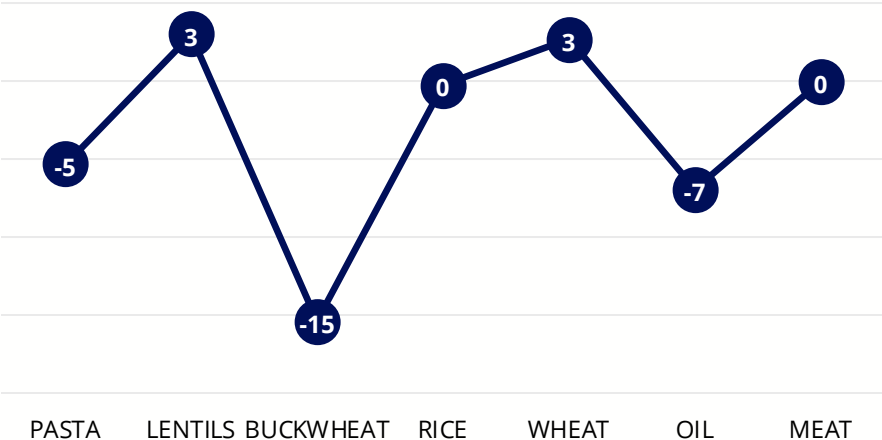


Market prices of selected food commodities

Table 1: Prices of selected food and non-food items, AMD

| Commodity | October 2023 | | October 2024 | | September 2024 |
|------------------|--------------|---|--------------|---|----------------|
| Pasta | 741 | ↓ | 701 | ↓ | 680 |
| Lentils | 1175 | ↑ | 1209 | ↓ | 1189 |
| Buckwheat | 1035 | ↓ | 876 | ↓ | 927 |
| Rice | 980 | ↓ | 977 | ↓ | 985 |
| Wheat flour | 406 | ↑ | 416 | ↑ | 411 |
| Oil (Vegetable) | 762 | ↓ | 709 | ↑ | 694 |
| Meat (Chicken) | 1694 | ↓ | 1692 | ↓ | 1702 |
| Diesel (Regular) | 551 | ↓ | 502 | ↓ | 505 |
| Petrol gasoline | 537 | ↓ | 499 | → | 499 |

Figure 8: Annual price fluctuations of selected food and non-food items, %

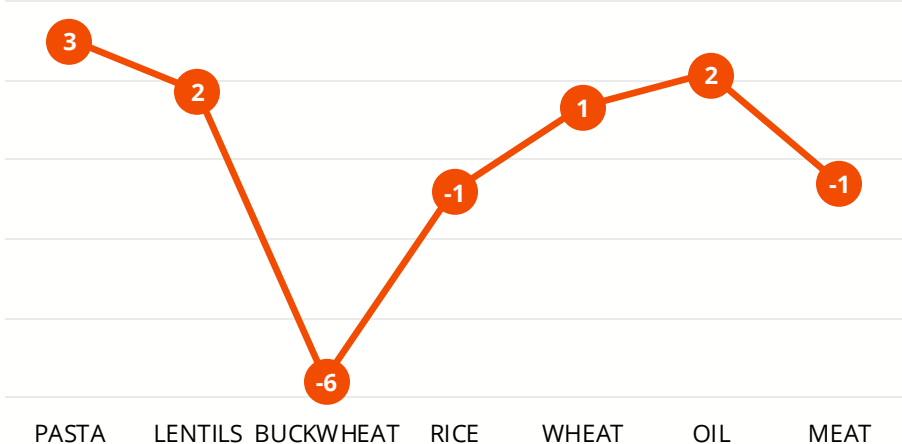


Buckwheat (-15%), vegetable oil (-7%), and pasta had significant annual price deflation. Meat and rice demonstrated stable prices over a year while lentils and wheat flour became more expensive by 3%.

Buckwheat (-6%), rice (-1%) and meat (-1%) had the highest monthly price deflation. Pasta prices increased by 3% over a month, lentils and vegetable oil had moderate monthly price inflation of 2%, while wheat flour demonstrated lower price increase of 1% in October 2024 compared to September 2024.

Source: Central Bank of the Republic Armenia

Figure 9: Monthly price fluctuations of selected food and non-food items, %





Market Price of Fuel

Armenia does not have its own natural fossil fuel reserves and relies on importing fuel to fulfill its energy requirements. This dependency exposes Armenia to global fuel price fluctuations. The majority of Armenia's goods are imported and exported by land through Georgia, specifically via the Upper-Lars border crossing. Most transportation trucks in Armenia use diesel, so any changes in fuel prices directly impact transportation costs. This, in turn, affects the expenses of companies involved in importing and exporting goods and influences the prices of imported products. Consequently, global fuel price fluctuations can have significant effects on the Armenian economy and businesses, especially those dependent on transportation.

Regular diesel price decreased by 9 percent in October 2024 compared to October 2023. However, compared to September 2024 it changed slightly decreasing by 0.6%.

Similarly, the price of petrol-gasoline declined by 7 percent compared to October 2023. Yet price of petrol gasoline didn't change over a month.

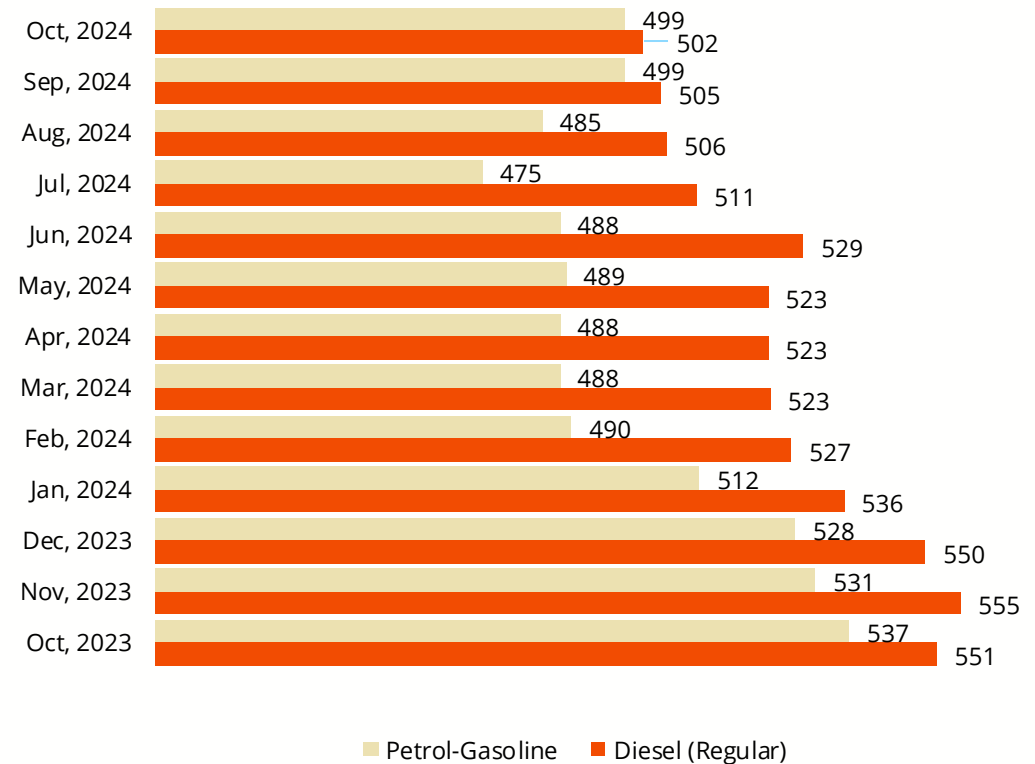
Fuel prices that reflect on transportation costs have a thorough impact on the economy, and condition prices for other goods. An analysis of petrol gasoline and diesel prices in neighboring countries reveals that Iran has the lowest prices. As of December 2, the price of 1 liter of diesel in Iran was USD 0.006, significantly cheaper than in other countries. The next lowest price was in Azerbaijan at USD 0.588 per liter, followed by Georgia at USD 1.045, Armenia at USD 1.276. In Russia it was USD 0.658 per liter of diesel.

Similarly, for petrol gasoline, Iran's price was the lowest at USD 0.029 per liter. This was followed by Azerbaijan at USD 0.647, Georgia at USD 1.077, Armenia at USD 1.326. In Russia it was USD 0.567 per liter.

Source: [Global Petrol Prices](#)

Source: Central Bank of the Republic Armenia

Figure 10: Price of fuel (petrol-gasoline and diesel) in Armenia, October 2023 – October 2024, AMD



The World Food Programme carries out market analysis on a monthly basis to monitor the market situation in Armenia. Observing foreign currency exchange rates (namely USD and Russian Ruble) and retail market price fluctuations, WFP tries to draw possible implications on the overall socio-economic situation and purchasing power of the households. Based on the interest, the bulletin contains descriptive information about the market prices of selected food and non-food items.

The sources used in this market bulletin

[Central Bank of The Republic of Armenia](#)

[Statistical committee of The Republic of Armenia](#)

[Global Petrol Prices](#)

World Food Programme

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Food and basic needs price information can be found in WFP's online database: dataviz.vam.wfp.org