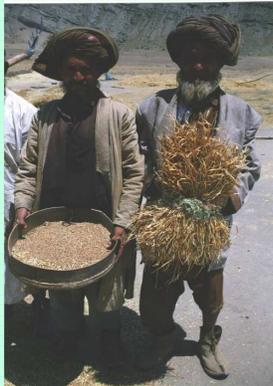




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food security analysis



### Consumer Price Index (CPI):

### Retail Price of Local Wheat across the Country

### Wheat Flour (Imported) Retail Price in Border Town

### International Monthly Wheat Prices

# Afghanistan Market Price Bulletin Supplement to April 2011 Issue

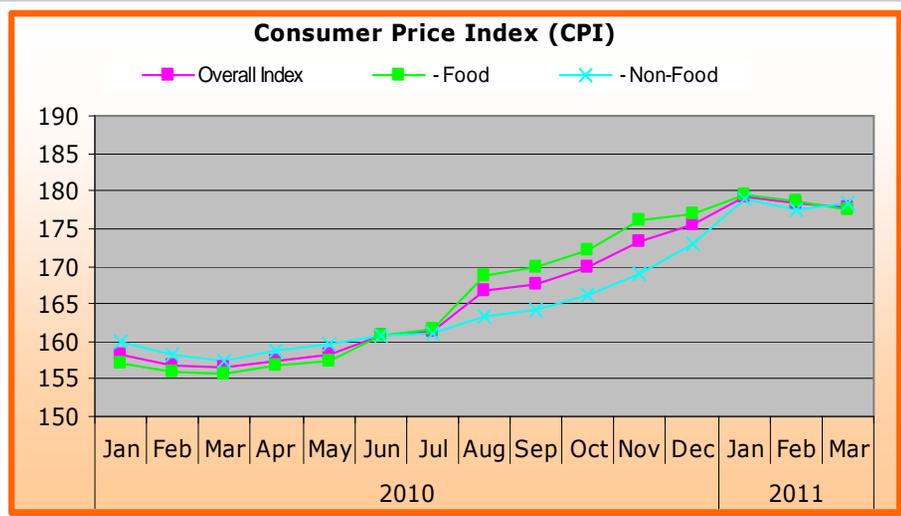
<http://www.wfp.org/content/afghanistan-market-price-bulletins-2011>

## Highlights

- **During March 2011, wheat price continued its upward trend started in June 2010, after a slight decrease in February 2011. Prices in regional markets (Delhi, Karachi and Lahore) increased during the reported month.**
  
  - **The global wheat price experienced a decrease due to good harvest estimations in most of the major wheat producing countries.**
  
  - **Imported wheat flour price in border towns and main cities of Afghanistan did not show significant changes compared to February 2011, but were 30.4% higher than one year before.**
- 
- **The National Consumer Price Index (CPI):** a very small decrease (0.2 points) of CPI initiated in February 2011 extended for one more months, after an increasing trend initiated in March 2010. The food items component shows decrease while the non food component experienced a slight inter-month increase.
  
  - The average price of wheat for March 2011 was **16.8Afs/kg, 1.4%** higher than February 2011; **13.3 %** higher than February 2010, **25.5%** lower than March 2009 and **21.7%** above pre-crisis average. The continued increase started in June 2010 had stopped in February 2011 but restarted in March 2011.
  
  - The average price of imported wheat flour in border markets was 22.36 Afs/Kg, a slight decreased (**0.3%**) when compared to February 2011 and 30.4% increase if compared to March 2010. A similar trend has been noticed in the main cities, with 1.3% inter-month and **39%** inter-annual increases.
  
  - While there was a small decrease in international markets, the average price of wheat in the main cities of Afghanistan had a slight increase for the reporting month.

## Consumer Price Index (CPI):<sup>1</sup>

The overall CPI decreased by 0.2 points from the past month, breaking a non-stop increasing trend since March 2010. Decreases in food index and bread and cereals indexes were 0.7 and 1.4 points respectively, while the non food index increased by 0.6 points during the reporting month.



On the inter-annual comparison, the overall CPI increased by 13.7 points. The food component, none food component and bread & cereals of the national CPI increased by 14 and 15.9 and 13.3 points respectively.

CPI increased in all main cities on the yearly comparison. The highest increase happens in Mazar (22.3) Jalalabad and Kabul (16.7 each) followed by Kandahar 10, Khost 8.2 and least in Hirat 6 points.

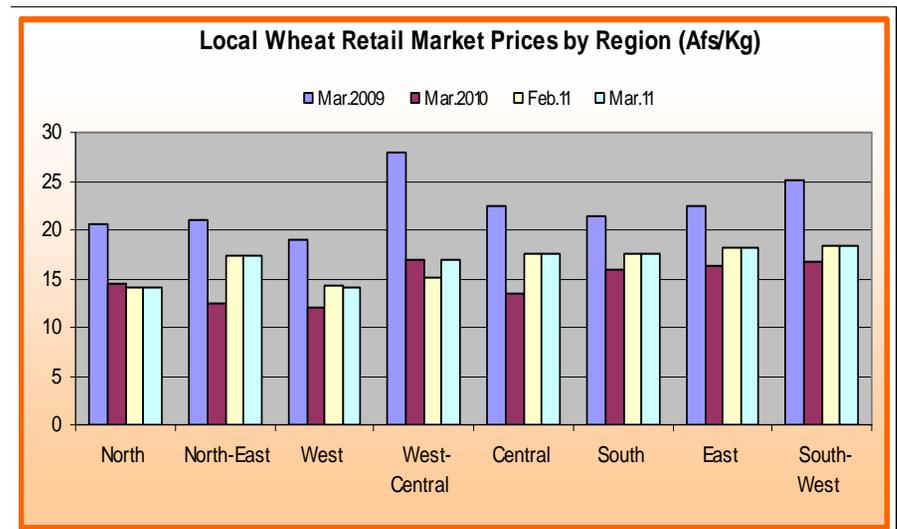
The inter-annual increase in the food component of the CPI was higher in Mazar (24.7), followed by Jalalabad (18.8), Kabul (18.3), Kandahar (10.8), Khost (6.4) and Hirat (3.3) points.

The non-food component of the national CPI (inter-annual) increased in all cities: Mazar (18.5), Kabul (14.2), Jalalabad (13.7), Hirat (1.2), Khost (11.0), and Kandahar (9.0) points.

<sup>1</sup> CPI Source: Central Statistics Organization (CSO). Consumer Price Indices (CPI) is a measure of the average price of consumer goods and services purchased by households. It is a price index determined by measuring the price of a standard group of goods meant to represent the typical market basket of a typical urban consumer.

## Local wheat, retail price across the country:<sup>2</sup>

The average price of wheat for the reporting month was **16.8 Afs/Kg**, showing an increase of 1.4% from the past month and 13.3% from the same month last year. It also shows a decrease of 25.5% on the 2 years comparison (Mar-2009) and is 21.7% higher than the pre-crisis level.



Compared to February 2011, the highest regional decrease occurred in the West-Central region (12.6%). Changes in other regions were not significant (From -0.3 to 0.6%).

In comparison to the same month one year ago, the highest increase occurred in the North-East (38%) followed by Central region (30%), West (18%), East (11.7%), South-West (10%), and South (9.4%). No significant change seems in the other regions (-2 to 0%).

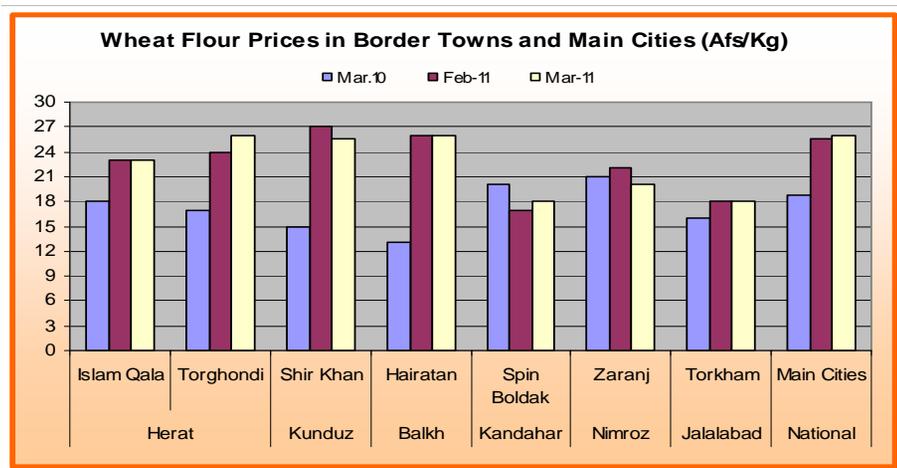
On the 2 year comparison (March. 2009) the highest decrease occurred in West-Central (39.3%), followed by North (31.6%), South-West (26.5%), West (25.4%), Central (22%), East (19%), South (18.6%) and North-East (18%).

<sup>2</sup> Data source MAIL-FAAHM

### Imported wheat flour retail prices in border towns: <sup>3</sup>

In the border city markets, the average price of imported wheat flour for the reporting month was 22.36 Afs/Kg; 0.3% lower than February 2011 and 30.4% higher than the same month last year.

Compared to the past month, the highest price increase occurred in Torghondi/Hirat (8.3%) followed by Spin Boldak/Kandahar (6%).



The highest decrease occurred in Zaranj/Nimroz (9%) followed by Shir Khan Bandar/Kunduz (5.6%). Islam Qala/Hirat, Hairatan/Balkh and Torkham/Jalalabad remained unchanged.

Compared to one year ago, most of the border towns show significant increases: Hairatan/Mazar (100%) followed by Sher Khan Bandar/Kunduz (70%), Torghondai/Hirat (52%), Islam Qala/Hirat (28%) and Torkham/Jalalabad (12.5%). The exception is Spin Boldak/Kandahar and Zaranj/Nimroz showed 10% and 5% decreases respectively.

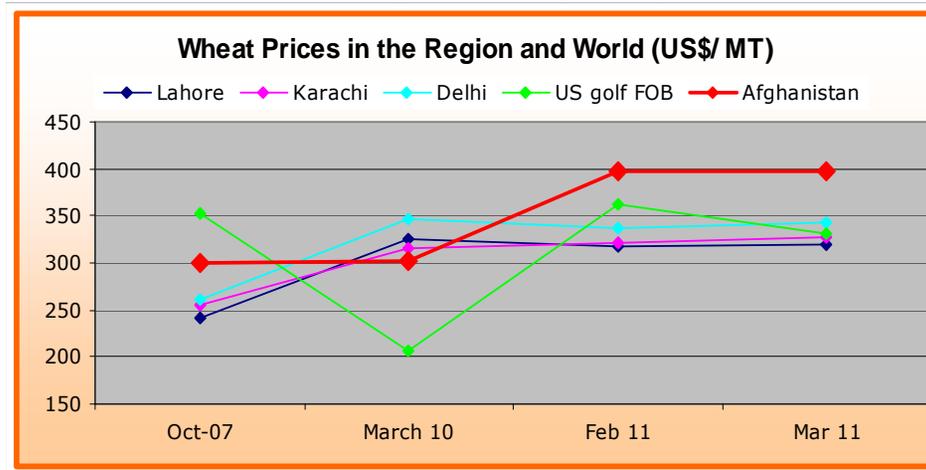
The average price of wheat flour in the main cities was 1.3% higher than last month, 38.9% higher than the same time one year ago and 56% higher than the pre-crisis (Jan-Oct 2007) level.

<sup>3</sup> Data source MAIL-FAAHM

### Monthly price of wheat in regional and global markets: <sup>4</sup>

The international market trend of wheat (US Gulf No, 2) was on increase from July 2010, showed a decrease in October and November and again restarted increasing in December 2010. In February 2011 it increased again, but showed a decrease in the reporting month.

The US wheat (No. 2 Hard Red, Gulf) averaged US\$ 332 per MT in the



reporting month, been 8.3 percent lower than previous month, 61.2 percent higher than one year ago, 6.1% higher than October 2007 and 31% lower than its peak price in March 2008 (482 US \$/MT).

The wheat price in Karachi (Pakistan) was US\$ 327 per MT; 1.5 percent higher than the previous month, 3.4% higher than one year ago and 27.9% higher than October 2007.

In Afghanistan, the retail price of wheat for the reporting month was 398 US\$/MT; 0.1% higher than previous month, 13.8% higher than the same month one year ago and 32.6% higher compared to October 2007. It was also 19.9% higher than the international price (US gulf FOB), and 20.7%, 21.8%, and 16.9% higher than the regional average, Karachi, and Delhi markets respectively.

<sup>4</sup> Source: WFP/MAIL-FAAHM