

Initial Market Price Bulletin for the month of **April 2014** (Reported in May 2014)

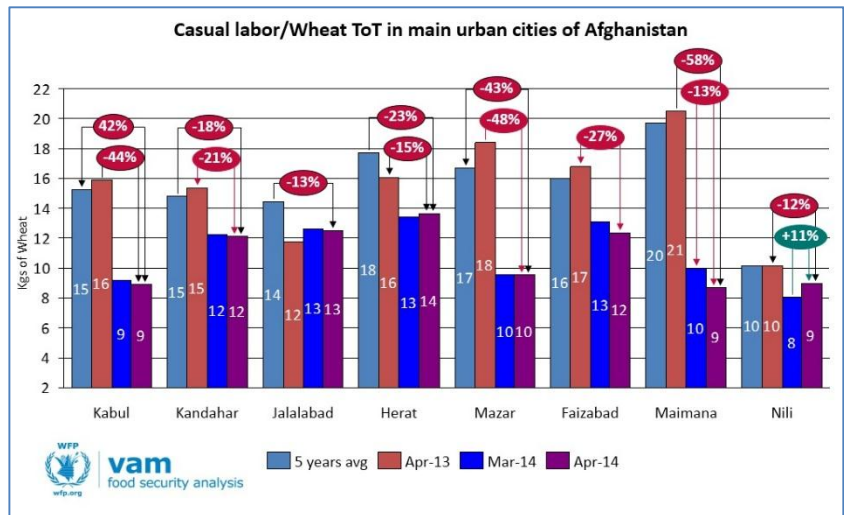
HIGHLIGHTS:

- Wheat: Average wheat grain retail price in the main cities of the country was increasing from August 2012 through March 2013, then it was decreasing during April – June 2013 and slightly increased during July 2013 – April 2014.
- The current average wheat price in main cities of Afghanistan is significantly higher by 15.3% in comparison to the same time last year (April 2013), and by 35.1% compared to the last 5-year average price of the same months (April 2009 – 2013).
- Wheat flour (High Price): Average retail price in main urban cities of Afghanistan was increasing during June 2012 – March 2013. It slightly decreased during April – June 2013 and relatively stable during July – September 2013. The price was slightly increasing during October – December 2013, followed by a slight decrease during January - February 2014. However, the price again increased during March - April 2014. The price was slightly lower by 2.5% compared to the same month last year (April 2013), and significantly higher by 23.8% compared to the last 5-year average price of the same months.
- Rice is considered as the 2nd main staple food in Afghanistan. The current average retail price of Rice (Low Quality) is slightly lower by 9% compared to the same month last year (April 2013) and significantly higher by 21.8% compared to the last 5-year average price of the same months. The current average price of High Quality Rice is slightly higher by 10.1% compared to the same month last year (April 2013), and by 35.5% compared to the last 5-year average price of the same months.

Terms of Trade (ToT):

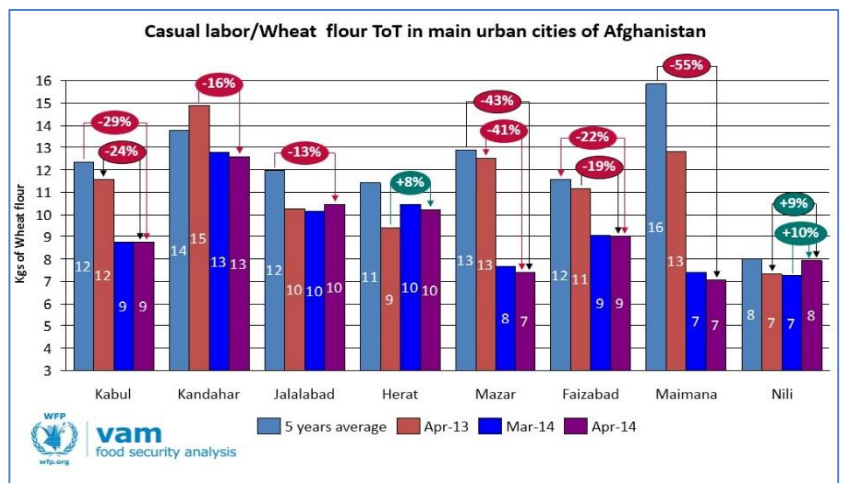
Casual Labor and Wheat (ToT): The Terms of Trade (ToT) between casual Labor and wheat is a proxy indicator or the purchasing capacity of households relying on casual labor as main income, and purchase of wheat in the market. This ToT reveal how many Kilograms of wheat can be purchased with one day of casual unskilled labor wage, but do not say how many days a month a laborer can get to cover the family food needs.

- Wage labor-Wheat ToT average for the reporting month was 10.8 Kgs of Wheat. On average, this ToT slightly deteriorated (by 1.5%) from March to April 2014, mainly due to increased Wheat price (by 3.1%). This slight deterioration was not experienced in the same period during the three preceding years when it eventually improved: 0.6% (March – April 2013), 7.5% (March – April 2012) and 1.4% (March – April 2011).
- In comparison to the same month one year ago (April 2013), this ToT significantly deteriorated by 30.7%, mainly due to decreased labor wage (by 18.9%) and increased Wheat price (by 15.3%).
- On the two-year comparison (April 2012), this ToT significantly deteriorated by 35.7%.
- Compared to the 5-year average of the same months (April 2009-2013), this ToT significantly deteriorated by 30.5%.



Casual Labor and Wheat Flour (ToT): The Terms of Trade (ToT) between casual Labor and Wheat Flour is a proxy indicator or the purchasing capacity of households relying on casual labor as main income, and purchase of Wheat Flour in the market. This ToT reveal how many Kilograms of Wheat Flour can be purchased with one day of casual unskilled labor wage, but do not say how many days a month a laborer can get to cover the family food needs.

- Wage labor-Wheat Flour ToT average for the reporting month was 9.2 Kgs of Wheat flour which negligibly deteriorated by 0.2% from March to April 2014, and was mainly related increased Wheat flour price (by 2.1%). This slight

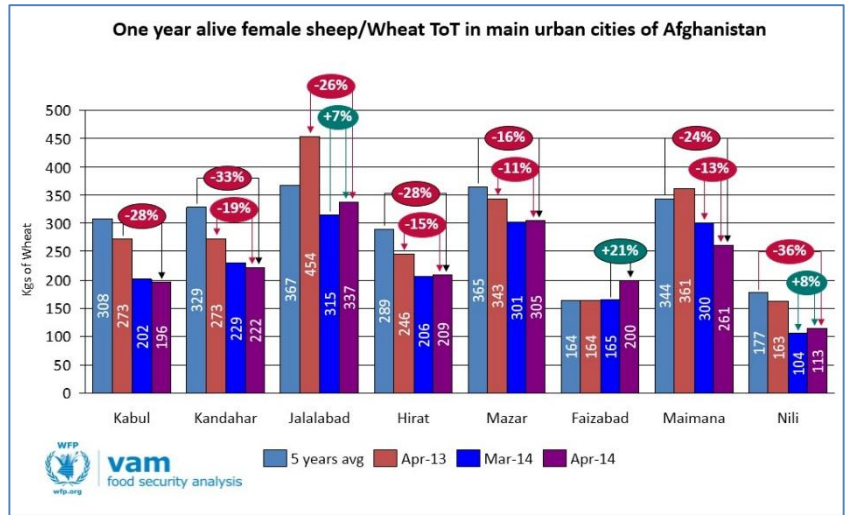


deterioration was not experienced in the same period during the three preceding years when this ToT improved: 2.6% (March – April 2013), 3.1% (March – April 2012) and 5% (March – April 2011).

- Compared to the same month one year ago (April 2013), this ToT significantly deteriorated by 18.4%, mainly related to decreased labor wage (by 18.9%).
- On the two-year comparison (April 2012), this ToT significantly deteriorated by 36.5%.
- Compared to the 5-year average of the same months (April 2009-2013), this ToT significantly deteriorated by 24.9%.

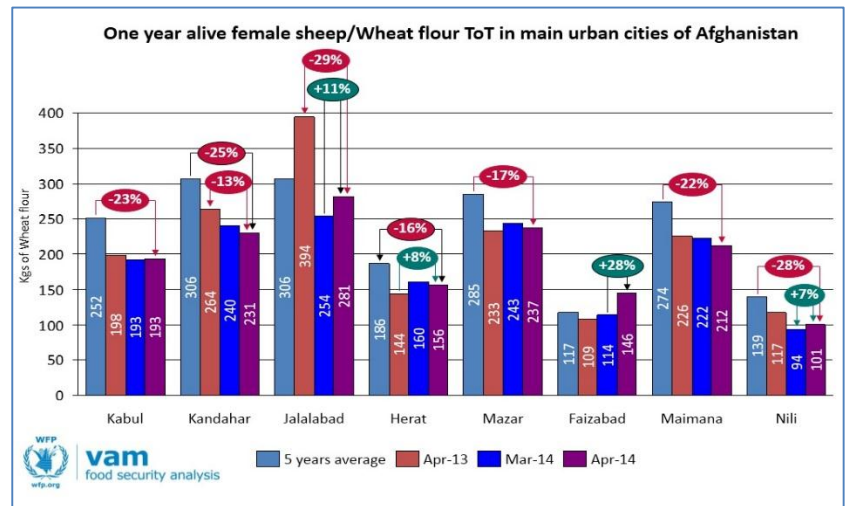
Sheep and Wheat (ToT): *The Terms of Trade between a one year old female sheep and Wheat is a proxy for the purchasing capacity of those households that are mainly reliant on income from livestock (pastoralists). It says how many kilograms of Wheat can be obtained when selling a one year old female sheep.*

- Sheep-Wheat ToT for the reporting month was 230 Kgs of Wheat against one year alive female sheep which slightly improved by 1.2% from March to April 2014. Main reason for improvement was slightly increased Sheep price (by 4.6%). This slight improvement was not experienced in the same period during the three preceding years when it deteriorated by 1.5% (March – April 2013), improved by 5.8% (March – April 2012) and deteriorated by 3.5% (March – April 2011).
- Compared to the same month one year ago (April 2013), this ToT significantly deteriorated by 19%, mainly related to increased Wheat price (by 15.3%) and decreased Sheep price (by 8.1%)
- On the two-year comparison (April 2012), this ToT significantly deteriorated by 22.9%.
- Compared to 5-year average of the same months (April 2009-2013), this ToT significantly deteriorated by 21.3%.



Sheep and Wheat Flour (ToT): *The Terms of Trade between a one year old female sheep and Wheat Flour is a proxy for the purchasing capacity of those households that are mainly reliant on income from livestock (pastoralists). It says how many kilograms of Wheat Flour can be obtained when selling a one year old female sheep.*

- Sheep-Wheat flour ToT for the reporting month was 195 Kgs of Wheat flour against one-year alive female sheep, which slightly improved by 2.4% from March to April 2014. The improvement was related to increased Sheep price (by 4.6%). This slight improvement was also experienced in the same period during the three preceding years: 0.7% (March – April 2013), 3.9% (March – April 2012) and 0.4% (March – April 2011).
- Compared to the same month one year ago (April 2013), this ToT slightly deteriorated by 7.6%, mainly due to decreased Sheep price (by 8.1%).
- On the two-year comparison (April 2012), this ToT significantly deteriorated by 24.5%.
- Compared to 5-year average of the same months (April 2009-2013), this ToT significantly deteriorated by 16.5%.



Retail Price of Wheat Grain in Main Urban Cities:

- The monthly average price of Wheat in main urban markets of Afghanistan was AFN 25.2 /Kg in April 2014. Compared to the past month (March 2014), the average price slightly increased by 3.1%. The highest increase occurred in Maimana by 15% and Faizabad (10.5%), with a main reason being seasonally decreased availability of Wheat in these cities. The variation in other main cities was within a normal limit (-1.7% - 2.8%). In the last three preceding years, this slight increase was only experienced

in March – April 2011 (increased by 4.7%), while it was slightly decreased by 0.7% in March – April 2013, and 3.7% in March – April 2012.

- Compared to the same month one year ago (April 2013), the average price significantly increased by 15.3%. The highest increase occurred in Kabul and Kandahar (27.3%), Maimana (22.7%), Hirat (17.7%), Nili (13.6%), Mazar and Faizabad (10.5%), mainly due to depreciation of Afghan currency against US dollar, low availability of wheat grain as a result of an ease in Wheat flour supply from Pakistan and Kazakhstan. A slight decrease occurred only in Jalalabad by 5.9%.
- On the two-year comparison (April 2012), the average price was significantly higher by 33.4%.
- Compared to the last 5-year average price of the same months (April 2009 - 2013), the price significantly increased by 35.1%.

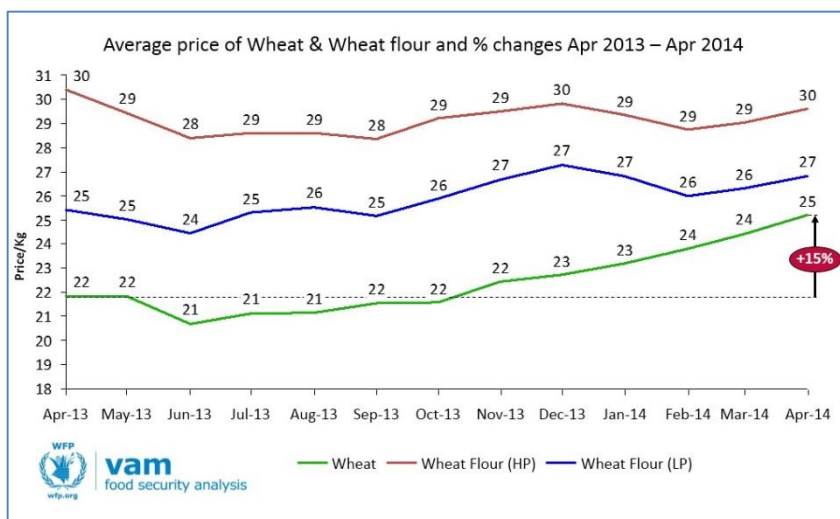
Retail Price of Wheat Flour in Main Urban Cities:

Wheat flour (High Price): The monthly average price of Wheat flour (High Price) in main urban markets was AFN 29.6/Kg in the reporting month (April 2014). The average price slightly increased by 2.1% compared to the previous month (March 2014). The variation in all main cities was within a normal limit (-2.9% - 4.9%). In the last three preceding years, this slight increase was only experienced in March – April 2011 (increased by 1.6%) while it was slightly decreased by 2.7% in March – April 2013, and by 1.8% in March – April 2012.

- Compared to the same month one year ago (April 2013), the current average price slightly decreased by 2.5%. The variation in all main cities were within a normal range (-7.9% - 0.6%), except Kandahar which shows a 18.5% increase.
- Compared to the same month two years ago (April 2012), the average price of Wheat flour significantly increased by 30.1%.
- Compared to 5-year average price of the same months (April 2009-2013), the average price significantly increased by 23.8%.

Wheat flour (Low Price): The monthly average price of Wheat flour (Low Price) in main urban markets was AFN 26.8/Kg in the reporting month (April 2014). The average price slightly increased by 1.9% compared to the previous month (March 2014). The largest increase was experienced only in Maimana (by 9.4%), mainly attributed to decreased supply of Wheat flour from neighboring provinces. The variation in other main cities was within a normal limit (-3.2% - 4%). In the last three preceding years, this slight increase was only experienced in March – April 2011 (increased by 2.7%), while it slightly decreased by 0.2% in March – April 2013, and 2.4% in March – April 2012.

- Compared to the same month one year ago (April 2013), the current average price slightly increased by 5.4%. The highest increase was noticed in Hirat (by 14%), Kandahar (13%) and Faizabad (by 11.9%). Main reason for the increase was due to reduced supply caused by deteriorated insecurity and increased price of imported Wheat flour in Pakistan border town with Kandahar. The variation in other main cities was normal (-7.3% - 7.8%).
- Compared to the same month two years ago (April 2012), the average price significantly increased by 30.4%.

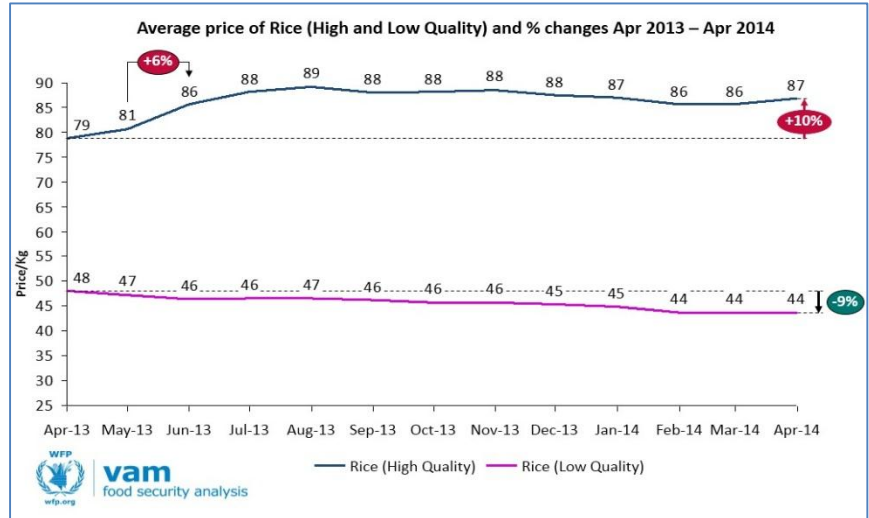


Retail Price of Rice in Main Urban Cities:

- **Rice (High Quality):** The monthly average price of Rice (High Quality) was AFN 86.8/Kg in the reporting month (April 2014) which was 1.4% higher than the previous month (March 2014). The highest increase occurred only in Faizabad (5.6%). The variation in other main cities was within a normal limit (-0.2% - 2.4%). In the last three preceding years, this slight increase was only experienced in March – April 2012 (increased by 4.5%) while it slightly decreased by 1.1% in March – April 2013 and 0.1% in March – April 2011.
- Compared to the same month one year ago (April 2013), the average price significantly increased by 10.1%. The highest increase occurred in Faizabad (39.7%), Kabul (12.9%) and Mazar (10.8%). The variation in other main city markets was within a normal range (-0.2% - 6.3%). Main reason for the increase was increased Rice price in neighbouring countries and depreciation of Afghan currency against US dollar.
- Compared to the same month two years ago (April 2012), the average price significantly increased by 38.7%.
- Compared to 5-year average price of the some months (April 2009-2013), the average price significantly increased by 35.5%.

Rice (Low Quality): The monthly average price of Rice (Low Quality) was AFN 43.8 /Kg in the reporting month (April 2014), which was negligibly increased by 0.2% compared to the previous month (March 2014). The variation in all main cities was normal (-0.3% – 1.3%). In the last three preceding years, this slight increase was only experienced in March – April 2012 (increased by 2.6%), while it was slightly decreased by 2.8% in March – April 2013 and 1.6% in March – April 2011.

- Compared to the same month one year ago (April 2013), the average price decreased by 9%. The largest decrease was seen in Maimana (22%), Nili (20.4%) and Jalalabad (18.2%). While an increase was reported in Kabul (16.3%). The variation in remaining city markets was within a normal range (-7.7% - 5%). Main reasons for the decrease was maintained supply of Rice from Pakistan and India.
- Compared to the same month two years ago (April 2012), the average price significantly increased by 26.6%.
- Compared to 5-year average price of same months (April 2009-2013), the average price significantly increased by 21.8%.



Retail Price of Cooking Oil in Main Urban Cities:

The monthly average price of Cooking Oil was AFN 80.8 /Kg in the reporting month (April 2014), which was negligibly increased (by 0.1%) compared to the previous month (March 2014). The variation in all main cities was within a normal limit (-2.9% - 4.4%). In the last three preceding years, this slight increase was only experienced in March – April 2011 (increased by 1.7%) while it slightly decreased by 0.8% in March – April 2013 and 0.3% in March – April 2012.

- Compared to the same month one year ago (April 2013), the average price unchanged. The variation in all main cities was normal (-4.9% to 8.8%).
- Compared to the same month two years ago (April 2012), the average price slightly decreased by 2%.
- Compared to 5-year average of the same months (April 2009 – 2013), the current average price increased by 10.9%.

Retail Price of Salt, Sugar and No. of days averagely worked by a laborer:

Salt: The average price of Salt for the month of April 2014 was AFN 14 /Kg, which slightly decreased by 1.9% compared to the previous month (March 2014). The largest increase occurred only in Mazar (12.1%). Main reason for the increase was daily price fluctuation. The variation in other main cities was within a normal limit (-0.4% - 0%).

Sugar: The average price of Sugar for the month of April 2014 was AFN 44.4 /Kg, which negligibly increased by 0.2% compared to the previous month (March 2014). The variation in all main cities was within a normal limit (0% - 1.8%).

Number of days averagely worked a laborer: The monthly average number of days worked a laborer during April 2014 was reported 12 days. The highest number of days worked was in Kabul, Jalalabad and Hirat (16 days), followed by Kandahar and Nili (12 days), Mazar, Faizabad and Maimana (8 days).

Market Watch:

Markets	Major Comm	Current Price per Kg	Price change (%)				Average				Markets	Major Comm	Current Price	Price change				Average				
			5Y Ave	2Y	1Y	1M	5Y Ave	2Y	1Y	1M				5Y Ave	2Y	1Y	1M	5Y Ave	2Y	1Y	1M	
KABUL	Wheat	28.0	50.3	55.6	27.3	2.8	▲	▲	▲	▲	Livestock-One year live Sheep (Female)											
	Wheat/Flour (LP)	28.5	22.7	22.3	-5.8	-0.2	▲	▲	▲	▲		KABUL	Sheep	5,500	-1.9	-5.2	-8.3	0.0	▶	▶	▶	▶
	Rice High Quality	96.0	52.0	72.2	12.9	0.0	▲	▲	▲	▲		KANDAHAR	Sheep	6,425	0.4	-20.3	3.6	-2.1	▶	▶	▶	▶
	Rice Low Quality	50.0	59.0	72.4	16.3	0.0	▲	▲	▲	▲		JALALABAD	Sheep	7,000	8.4	16.7	-30.0	7.7	▶	▶	▶	▶
	Cooking Oil	81.0	6.6	-5.3	-4.7	0.9	▶	▶	▶	▶		HIRAT	Sheep	4,600	8.2	-4.2	0.0	0.0	▶	▶	▶	▶
KANDAHAR	Wheat	29.0	48.0	46.4	27.3	1.1	▲	▲	▲	▲	MAZAR	Sheep	6,400	14.5	0.8	-1.9	1.2	▲	▶	▶	▶	
	Wheat/Flour (LP)	27.9	32.2	35.9	18.5	1.9	▲	▲	▲	▲	FAIZABAD	Sheep	4,850	59.3	38.6	34.7	33.8	▲	▲	▲	▲	
	Rice High Quality	76.8	29.8	28.6	6.3	0.3	▲	▲	▲	▲	MAIMANA	Sheep	6,000	4.3	0.0	-11.4	0.0	▶	▶	▶	▶	
	Rice Low Quality	25.5	-20.7	-6.5	2.9	1.3	▼	▶	▶	▶	NILI	Sheep	3,800	-15.6	-3.8	-20.8	8.6	▼	▶	▶	▶	
	Cooking Oil	68.5	8.8	-4.8	2.7	1.0	▶	▶	▶	▶	Terms of Trade											
JALALABAD	Wheat	20.8	18.3	16.1	-5.9	0.6	▲	▲	▲	▲	Kgs of Wheat/Wheat flour											
	Wheat/Flour (LP)	24.9	18.1	30.9	-2.0	-2.9	▲	▲	▲	▲	KABUL	Casual Labor/Wheat	8.9	-41.5	-46.1	-43.9	-2.7	▼	▼	▼	▶	
	Rice High Quality	76.9	41.1	34.9	-0.2	-0.2	▲	▲	▲	▲	KANDAHAR	Casual Labor/Wheat	12.1	-18.5	-27.5	-21.4	-1.1	▼	▼	▼	▶	
	Rice Low Quality	47.9	49.5	72.5	-18.2	-0.3	▲	▲	▲	▲	JALALABAD	Casual Labor/Wheat	12.5	-13.3	-20.2	6.3	-0.6	▼	▼	▶	▶	
	Cooking Oil	77.3	7.6	-3.3	-4.9	-0.5	▶	▶	▶	▶	HIRAT	Casual Labor/Wheat	13.7	-23.0	-23.2	-15.0	1.7	▼	▼	▶	▶	
HIRAT	Wheat	22.0	44.5	30.2	17.7	-1.7	▲	▲	▲	▲	MAZAR	Casual Labor/Wheat	9.5	-42.9	-42.9	-48.3	0.0	▼	▼	▶	▶	
	Wheat/Flour (LP)	29.4	24.4	29.2	-7.8	2.6	▲	▲	▲	▲	FAIZABAD	Casual Labor/Wheat	12.3	-22.8	-32.0	-26.6	-5.5	▼	▼	▶	▶	
	Rice High Quality	75.3	26.8	20.0	5.7	2.3	▲	▲	▲	▲	MAIMANA	Casual Labor/Wheat	8.7	-55.8	-58.3	-57.7	-13.0	▼	▼	▶	▶	
	Rice Low Quality	26.8	1.7	-0.7	-2.5	0.2	▶	▶	▶	▶	NILI	Casual Labor/Wheat	9.0	-11.9	-28.4	-11.9	11.1	▼	▼	▶	▶	
	Cooking Oil	75.2	12.2	-1.0	-2.6	1.0	▲	▶	▶	▶	KABUL	Sheep /Wheat	196.4	-36.2	-39.0	-28.0	-2.7	▼	▼	▶	▶	
MAZAR	Wheat	21.0	34.0	16.7	10.5	0.0	▲	▲	▲	▲	KANDAHAR	Sheep /Wheat	221.9	-32.5	-45.6	-18.6	-3.2	▼	▼	▶	▶	
	Wheat/Flour (LP)	27.0	30.9	42.1	-3.6	3.8	▲	▲	▲	▲	JALALABAD	Sheep /Wheat	337.3	-8.2	0.5	-25.6	7.0	▶	▶	▶	▶	
	Rice High Quality	87.0	38.8	40.3	10.8	2.4	▲	▲	▲	▲	HIRAT	Sheep /Wheat	209.3	-27.6	-26.4	-15.0	1.7	▼	▼	▶	▶	
	Rice Low Quality	42.0	25.0	9.1	5.0	0.0	▲	▲	▲	▲	MAZAR	Sheep /Wheat	304.8	-16.5	-13.6	-11.3	1.2	▼	▼	▶	▶	
	Cooking Oil	76.0	11.7	-3.8	3.1	0.0	▲	▶	▶	▶	FAIZABAD	Sheep /Wheat	199.6	22.0	5.5	22.0	21.1	▶	▶	▶	▶	
FAIZABAD	Wheat	24.3	27.0	31.4	10.5	10.5	▲	▲	▲	▲	MAIMANA	Sheep /Wheat	260.9	-24.2	-21.7	-27.8	-13.0	▼	▼	▶	▶	
	Wheat/Flour (LP)	33.3	25.5	37.0	0.6	4.9	▲	▲	▲	▲	NILI	Sheep /Wheat	113.4	-35.7	-31.1	-30.3	8.6	▼	▼	▶	▶	
	Rice High Quality	95.0	39.0	50.8	39.7	5.6	▲	▲	▲	▲	KABUL	Casual Labor/Wheat flour	8.8	-29.1	-31.9	-24.2	0.2	▼	▼	▶	▶	
	Rice Low Quality	50.0	9.5	11.1	-7.7	0.0	▶	▶	▶	▶	KANDAHAR	Casual Labor/Wheat flour	12.6	-8.6	-20.7	-15.6	-1.9	▶	▶	▶	▶	
	Cooking Oil	100.0	17.2	0.0	0.0	-2.9	▶	▶	▶	▶	JALALABAD	Casual Labor/Wheat flour	10.5	-12.6	-29.1	2.0	3.0	▼	▼	▶	▶	
MAIMANA	Wheat	23.0	33.9	27.8	22.7	15.0	▲	▲	▲	▲	HIRAT	Casual Labor/Wheat flour	10.2	-10.8	-22.6	8.4	-2.5	▼	▼	▶	▶	
	Wheat/Flour (LP)	28.3	27.2	39.5	-5.8	4.6	▲	▲	▲	▲	MAZAR	Casual Labor/Wheat flour	7.4	-42.6	-53.1	-40.7	-3.7	▼	▼	▶	▶	
	Rice High Quality	88.0	38.1	36.4	3.5	0.0	▲	▲	▲	▲	FAIZABAD	Casual Labor/Wheat flour	9.0	-22.2	-37.5	-19.4	-0.5	▼	▼	▶	▶	
	Rice Low Quality	40.0	1.8	-4.8	-22.0	0.0	▶	▶	▶	▶	MAIMANA	Casual Labor/Wheat flour	7.1	-55.3	-64.2	-44.8	-4.4	▼	▼	▶	▶	
	Cooking Oil	83.5	7.2	-1.3	8.8	4.4	▶	▶	▶	▶	NILI	Casual Labor/Wheat flour	7.9	-0.6	-12.6	8.6	9.6	▶	▶	▶	▶	
NILI	Wheat	33.5	27.9	39.6	13.6	0.0	▲	▲	▲	▲	KABUL	Sheep /Wheat flour	193.0	-23.4	-22.5	-2.7	0.2	▼	▼	▶	▶	
	Wheat/Flour (LP)	37.8	14.4	14.4	-7.9	1.3	▲	▲	▲	▲	KANDAHAR	Sheep /Wheat flour	230.7	-24.7	-41.3	-12.6	-3.9	▼	▼	▶	▶	
	Rice High Quality	99.6	21.9	31.1	6.3	1.1	▲	▲	▲	▲	JALALABAD	Sheep /Wheat flour	281.4	-8.1	-10.9	-28.6	10.9	▶	▶	▶	▶	
	Rice Low Quality	67.9	44.7	69.7	-20.4	0.6	▲	▲	▲	▲	HIRAT	Sheep /Wheat flour	156.5	-16.1	-25.8	8.4	-2.5	▼	▼	▶	▶	
	Cooking Oil	84.5	13.1	3.0	-0.9	-1.7	▶	▶	▶	▶	MAZAR	Sheep /Wheat flour	237.0	-16.7	-29.1	1.7	-2.6	▼	▼	▶	▶	
										FAIZABAD	Sheep /Wheat flour	145.6	24.2	1.1	33.9	27.6	▶	▶	▶	▶		
										MAIMANA	Sheep /Wheat flour	212.4	-22.4	-28.3	-6.0	-4.4	▼	▼	▶	▶		
										NILI	Sheep /Wheat flour	100.7	-27.8	-15.9	-14.0	7.1	▼	▼	▶	▶		

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

Price fluctuation is considered normal if the price change is within 5% for 1 month, or within 10% for 3 months, one year, two year and 5 years. 1M= Compared to month ago 1Y= Compared to Apr 2013 and 2Y= Compared to Apr 2012

Source: WFP/VAM market data from Afghanistan main cities (Kabul, Kandahar, Mazar, Jalalabad, Faizabad, Hirat, Maimana and Nili)

Vulnerability Analysis and Mapping (VAM) – World Food Programme (WFP), Afghanistan