



Market Watch 51

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Jointly produced by:

WFP-World Food Programme, Nepal
 MoAD- Department of Agriculture, Agribusiness Promotion and Marketing Development Directorate (ABPMDD)
 FNCCI/AEC-Federation of Nepalese Chamber of Commerce and Industries/Agro Enterprise Centre
 CIPF-Consumer's Interest Protection Forum



HIGHLIGHTS

- **Most retail prices monitored in various markets across the country showed a marginal increase over the past one month.**
- **As per the latest macroeconomic situation report released by the Nepal Rastra Bank, the national inflation rate increased by 10.2 percent in March 2013, while the price index of food and beverage group increased by 11.3 percent compared to 4.2 percent over the same period last year.**
- **Supply situation across the country is so far normal due to smooth operation of transport services.**

NATIONAL MARKET DEVELOPMENT

Price

In the markets regularly monitored by MoAD and WFP, retail prices of most commodities showed a marginal increase over the past one month. The national average prices of coarse rice and wheat flour increased by 1.9 and 2.4 percent to Rs. 37.7 and Rs. 40.8 per kilo respectively. Likewise, prices of black gram and broken lentil went up by 1.8 and 1.0 percent respectively. Price of soybean oil climbed up by 3.1 percent, while that of red potato sharply declined by 11.4 percent over the past one month. This decline is mainly due to increase in supply as a result of the recent harvest. Price of most commodities as compared to December 2012 and the same period last year indicated an upward trend.

Regional markets somehow showed the trend similar to that seen in the national trend. For example, price of coarse rice marginally increased in the hill and mountain markets with road access and the Terai markets, while it remained same in the major consumer markets. Price of wheat flour showed an increasing trend across the regional markets. However, price of broken lentil showed a mixed trend over the past one month.

In the wholesale prices regularly monitored by FNCCI/AEC in the five large markets (Birtamode, Kathmandu, Butwal, Surkhet and Dhangadhi), wholesale prices of coarse rice, black gram and edible oils showed a marginal increase over the past one month. In the Kalimati Fruits and Vegetables Market, wholesale prices of fruits and vegetables showed a seasonal fluctuation. For instance, seasonal vegetables such as cabbage, radish, carrot, spinach and broad mustard leaf declined by more than 15 percent. Likewise, prices of vegetables such as bitter melon, French bean and dry onion started to fall back after sharp increase during the past couple of months. However, prices of off-season vegetables such as pumpkin, ginger and cucumber continued to increase by more than 6 percent.

As per the latest macroeconomic situation report released by Nepal Rastra Bank, the year-on-year inflation increased by 10.2 percent in March 2013 as compared to 7.0 percent over the same period last year. The index of food and beverage group sharply increased by 11.3 percent as compared to a marginal increase of 4.2 percent over the same period last year, while that of cereal grains sub-groups went up by 12.9 percent. The price index of transport moderately increased by 8.4 percent as compared to 17.0 percent increase over the same period last year.

Supply

Supply situation is so far normal across the country due to smooth operation of transport services. As a result of this, supply of essential commodities has improved in the hill and mountain markets.

Outlook

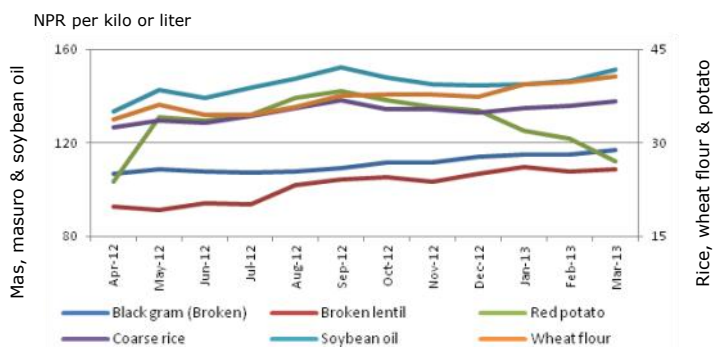
Prices of staple foods such as coarse rice are likely to remain high. Likewise, prices of lean season commodities will likely increase until the next harvest. However, commodities such as wheat and barley which are in the process of harvesting will likely start to fall back.

Outlook of the winter crops which are in the process of harvesting, is so far normal, anticipating a marginal increase as compared to last year. This will increase food availability in the country, mainly in the Far and Mid Western Hill and Mountains.

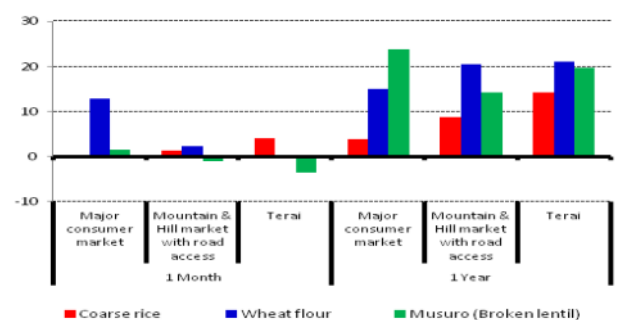
Largest Changes in commodities prices

Commodity	Price Rs/kg or liter	% change 1 month	Observation
Tomato, pumpkin, ginger and garlic.	various	>12	Decline in supply due to low production and lean season.
Red potato.	27.2	-11.4	Increase in supply due to harvest season.

Average price over 12 month period*



Percentage change in prices** (1 month & 1 year)



[†] Prices relate to the Nepali month of Falgun 2069.
^{*} Prices are from markets listed on the back of this report, not including 'Hill & Mountain No Road' markets.
^{**} Change in price considers all markets shown in this report



Market	Commodity	Current price (NRS per Kg/Lt.)	Change in price (%)*			Average monthly change over		
			1 m	3 m	1 yr	1m	3m	1yr

Major consumer markets

Market	Commodity	Current price (NRS per Kg/Lt.)	Change in price (%)*			Average monthly change over		
			1 m	3 m	1 yr	1m	3m	1yr
Kathmandu	Coarse rice	36.0	0.0	0.0	2.9	▶	▶	▶
	Wheat flour	36.0	5.9	5.9	2.9	▲	▶	▶
	Soybean oil	143.0	0.0	-1.4	7.5	▶	▶	▶
	Chicken	310.0	12.7	44.2	37.8	▲	▲	▲
	Mustard oil	167.0	0.0	-13.5	21.9	▶	▼	▲
	Mas (black gram)	113.0	0.0	0.0	7.6	▶	▶	▶
	Musuro	103.0	3.0	3.0	24.1	▶	▶	▲
	Potato	27.0	-15.6	-27.0	22.7	▼	▼	▲
Pokhara	Coarse rice	42.0	0.0	0.0	5.0	▶	▶	▶
	Wheat flour	42.0	20.0	23.5	27.3	▲	▲	▲
	Soybean oil	150.0	0.0	3.4	20.0	▶	▶	▲
	Chicken	300.0	-6.3	7.1	3.4	▼	▶	▶
	Mustard oil	180.0	0.0	0.0	20.0	▶	▶	▲
	Mas (black gram)	120.0	0.0	1.7	11.1	▶	▶	▶
	Musuro	105.0	0.0	10.5	23.5	▶	▲	▲
	Potato	30.0	-14.3	-40.0	30.4	▼	▼	▲

Regional Terai markets

Market	Commodity	Current price (NRS per Kg/Lt.)	Change in price (%)*			Average monthly change over		
			1 m	3 m	1 yr	1m	3m	1yr
Biratnagar	Coarse rice	30.0	0.0	0.0	8.5	▶	▶	▶
	Wheat flour	37.0	2.8	5.7	30.6	▶	▶	▲
	Soybean oil	135.0	0.0	-3.6	1.3	▶	▶	▶
	Chicken	280.0	2.6	40.0	16.7	▶	▲	▲
	Mustard oil	180.0	0.0	0.0	21.4	▶	▶	▲
	Mas (black gram)	100.0	0.0	0.0	11.1	▶	▶	▶
	Musuro	90.0	-18.2	-18.2	28.6	▼	▼	▲
Biratnagar	Coarse rice	37.0	2.8	8.8	19.4	▶	▶	▲
	Wheat flour	36.0	-2.7	2.9	16.1	▶	▶	▲
	Soybean oil	165.0	6.5	8.6	22.2	▲	▶	▲
	Chicken	300.0	0.0	25.0	36.4	▶	▲	▲
	Mustard oil	190.0	5.6	5.6	31.0	▲	▶	▲
	Mas (black gram)	103.0	3.0	3.0	3.0	▶	▶	▶
	Musuro	100.0	0.0	-9.1	33.3	▶	▶	▲
Nepalgunj	Coarse rice	35.0	2.9	16.7	25.0	▶	▲	▲
	Wheat flour	32.0	0.0	28.0	0.0	▶	▲	▶
	Soybean oil	140.0	0.0	21.7	5.0	▶	▲	▶
	Chicken	280.0	-6.7	40.0	0.0	▼	▲	▶
	Mustard oil	200.0	0.0	11.1	29.0	▶	▲	▲
	Mas (black gram)	130.0	0.0	13.0	59.2	▶	▲	▲
	Musuro	100.0	0.0	33.3	42.9	▶	▲	▲
Dhangadhi	Coarse rice	40.0	14.3	21.2	6.7	▲	▲	▶
	Wheat flour	33.0	1.2	3.1	0.0	▶	▶	▶
	Soybean oil	130.0	-3.7	2.4	8.3	▶	▶	▶
	Chicken	300.0	5.6	20.0	30.4	▲	▲	▲
	Mustard oil	167.0	-5.1	-0.6	12.8	▼	▶	▶
	Mas (black gram)	136.0	1.5	3.0	-5.6	▶	▶	▶
	Musuro	110.0	0.0	0.0	-12.0	▶	▶	▶

▲ 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 or within 15% for one year.

* This is the price of NFC subsidized rice, as there is virtually no other stock.

Market	Commodity	Current price (NRS per Kg/Lt.)	Change in price (%)*			Average monthly change over		
			1 m	3 m	1 yr	1m	3m	1yr

Bhairahawa	Coarse rice	28.0	0.0	-3.4	12.0	▶	▶	▶
	Wheat flour	35.0	0.0	0.0	59.1	▶	▶	▲
	Soybean oil	140.0	0.0	-3.4	55.6	▶	▶	▲
	Chicken	260.0	0.0	0.0	18.2	▶	▶	▲
	Mustard oil	170.0	0.0	-12.8	13.3	▶	▼	▶
	Mas (black gram)	125.0	0.0	4.2	19.0	▶	▶	▲
	Musuro	110.0	0.0	4.8	5.8	▶	▶	▶
	Potato	20.0	-16.7	-20.0	42.9	▼	▼	▲

Hill and mountain markets with road access

Market	Commodity	Current price (NRS per Kg/Lt.)	Change in price (%)*			Average monthly change over		
			1 m	3 m	1 yr	1m	3m	1yr
Dhankuta	Coarse rice	33.0	0.0	0.0	22.2	▶	▶	▲
	Wheat flour	30.0	-14.3	-14.3	-16.7	▼	▼	▼
	Soybean oil	150.0	0.0	0.0	11.1	▶	▶	▶
	Chicken	260.0	0.0	-7.1	8.3	▶	▶	▶
	Mas (black gram)	120.0	0.0	0.0	0.0	▶	▶	▶
	Musuro	115.0	-4.2	0.0	43.8	▶	▶	▲
	Potato	30.0	-14.3	-33.3	20.0	▼	▼	▲
Rolpa	Coarse rice	40.0	0.0	0.0	21.1	▶	▶	▲
	Wheat flour	45.0	-18.2	-	28.6	▼	-	▲
	Soybean oil	180.0	28.6	-	28.6	▲	-	▲
	Chicken	300.0	11.1	-	11.1	▲	-	▶
	Mas (black gram)	120.0	20.0	-	26.3	▲	-	▲
	Musuro	110.0	0.0	-	15.8	▶	-	▲
Sanfebagar	Coarse rice	35.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	50.0	38.9	31.6	42.9	▲	▲	▲
	Chicken	300.0	0.0	0.0	7.1	▶	▶	▶
	Mustard oil	180.0	0.0	0.0	12.5	▶	▶	▶
Jumla	Coarse rice	50.0	0.0	0.0	11.1	▶	▶	▶
	Wheat flour	70.0	0.0	0.0	16.7	▶	▶	▲
	Soybean oil	180.0	0.0	0.0	5.9	▶	▶	▶
	Chicken	380.0	0.0	8.6	18.8	▶	▶	▲
	Mas (black gram)	100.0	0.0	0.0	0.0	▶	▶	▶
Bajura	Coarse rice	35.0	6.1	6.1	12.9	▲	▶	▶
	Wheat flour	42.0	5.0	16.7	31.3	▶	▲	▲
	Beans	120.0	0.0	0.0	20.0	▶	▶	▲
	Mas (black gram)	120.0	0.0	0.0	20.0	▶	▶	▲
	Musuro	120.0	0.0	0.0	20.0	▶	▶	▲

Mountain markets without road access

Humla	Coarse rice*	40.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	230.0	0.0	0.0	-4.2	▶	▶	▶
	Soybean oil	300.0	0.0	0.0	7.1	▶	▶	▶
	Beans	120.0	0.0	9.1	20.0	▶	▶	▲
	Mas (black gram)	0.0	-	-	-	-	-	-
	Musuro	0.0	-	-	-	-	-	-
	Potato	50.0	0.0	25.0	66.7	▶	▲	▲
Dolpa	Coarse rice	120.0	20.0	9.1	33.3	▶	▶	▲
	Wheat flour	120.0	0.0	-7.7	-7.7	▶	▶	▶
	Soybean oil	230.0	-4.2	0.0	15.0	▶	▶	▶
	Beans	160.0	-20.0	-36.0	-20.0	▼	▼	▼
	Mas (black gram)	230.0	15.0	0.0	15.0	▲	▶	▶
	Musuro	250.0	0.0	8.7	92.3	▶	▶	▲

