



Jointly produced by:
WFP-World Food Programme, Evidence, Policy and Innovation Unit, Nepal
MoALD-Ministry of Agriculture and Livestock Development (MoALD), Department of Agriculture (DoA), Market Development, Economic Analysis and Statistics Section
FNCCI/AEC-Federation of Nepalese Chamber of Commerce and Industries/Agro Enterprise Centre
CIPF-Consumer's Interest Protection Forum



Market Watch 95

December 2019[†]

HIGHLIGHTS

- **In December 2019, retail prices of most food commodities monitored in 15 major markets across Nepal remained relatively stable due to sufficient availability of food commodities from domestic production and smooth supply.**
- **The overall inflation rate in December 2019 was 6.6 percent. The food and beverage group was at 9.8 percent, although several food sub-groups were relatively higher: vegetables (42.2%), spices (15.0%), fruits (8.6%), and pulses & legumes (8.6%).**

Prices

Retail prices of most food commodities monitored in 15 major markets across Nepal remained generally stable in December 2019 (see **Fig. 1**):

- On a month-on-month basis, retail prices of black gram, broken lentil, soybean oil and wheat flour increased by 10.3, 1.2, 1.0 and 1.1 percent respectively, while those of coarse rice, red potato and chicken meat decreased by 1.0, 17.0 and 3.3 percent respectively.
- Compared to three months earlier, most prices indicated an increasing trend with the exception of a declining trend of coarse rice and soybean oil. The largest change was black gram at +14.4 percent.
- On a year-on-year basis, most prices showed an increasing trend (with the exception of broken lentil and coarse rice). The largest change was wheat flour at +14.2 percent.

Factors behind these relatively stable price trends include continued stable transportation services with smooth supply and partially seasonal fluctuations.

Retail prices in regional markets (see **Fig. 2**) mostly showed a mixed trend. Compared to last month, the price of food commodities mostly showed a marginal increase in all markets with the exception of a downward trend in coarse rice in the Terai and hill & mountain markets, and wheat flour in the Terai markets. Compared to the same period last year, prices indicated an increasing trend of the price of wheat flour and broken lentil with the exception of a decreasing trend of the price of broken lentil in the mountain and hill markets, and decreasing trend of the price of coarse rice in all markets.

Wholesale prices monitored in the Kalimati Fruits and Vegetables Market showed relatively high month-on-month fluctuations (see **Table 1**): prices of dry onion, christophine, cow pea, bitter gourd and pointed gourd increased by more than 12 percent due to a reduction in supply relative to demand, while cauliflower, cabbage, carrot, tomato, radish and broad mustard leaf prices decreased by more than 15 percent due to a surge in supply from the harvest season.

The overall consumer price index (CPI) released by the Nepal Rastra Bank was 132.5 in December 2019, a decrease of 0.2 percent month-on-month. The inflation rate, as measured by the year-on-year increase in the CPI, was 6.6 percent. The food and beverage group of the CPI was 129.6, a decrease of 0.6 percent month-on-month and an increase of 9.8 percent year-on-year; several sub-groups showed relatively high year-on-year increases: vegetables (42.2%), spices (15.0%), fruits (8.6%), and pulses & legumes (8.6%). The non-food and services group of the CPI was 134.8, an increase of 0.04 percent month-on-month and 4.1 percent year-on-year.

Supply

The overall supply of food and non-food commodities has improved across the country with smooth transportation services and increased supply from the domestic production of summer crops.

Outlook

Most food prices are expected to remain stable over the next two months, with improved supply mainly from the recently harvested summer crops and increased access to unpaved roads in rural and remote markets.

The outlook of the winter crops mainly wheat is expected to be better than last year due to timely and sufficient rainfall during plantation and growing period.

Table 1: Largest changes in commodity prices (month-on-month)

Commodity	Price NPR/kg or liter	% change 1 month	Observations
Dry onion, christophine, cow pea, bitter gourd and pointed gourd	various	> 12	Decrease in supply due to lean season
Cauliflower, cabbage, carrot, tomato, radish and broad mustard leaf	various	>-15	Increase in supply due to harvest season

Figure 1: Average retail price over 12-month period*

NPR per kilo or liter

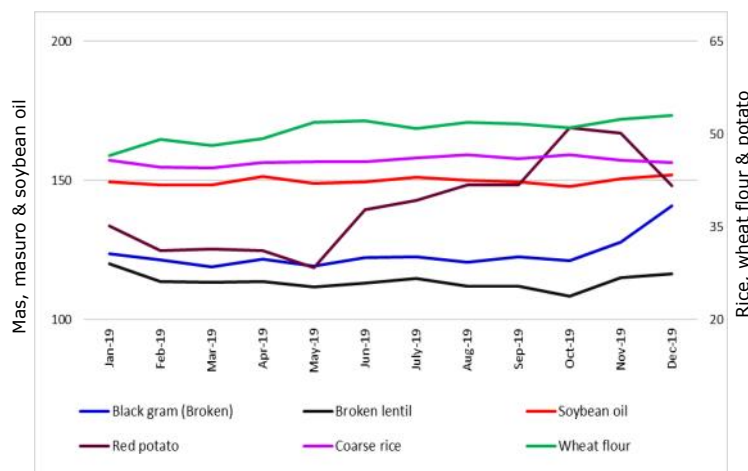
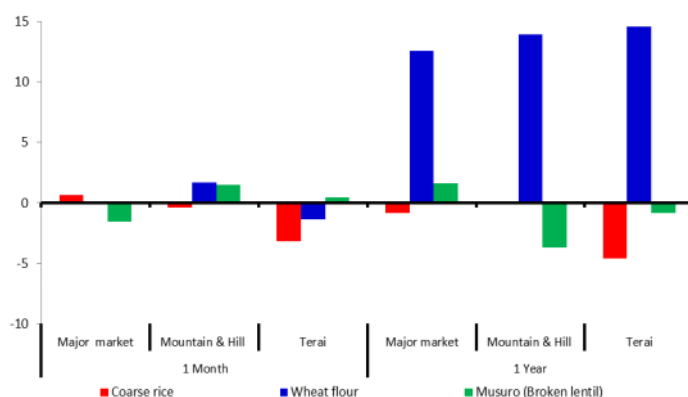


Figure 2: Percentage change in retail prices (1 month & 1 year)**



[†] Prices related to the Nepali month of Mangsir 2076.

* 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 change over		
			1 m	3 m	1 yr	1m	3m	1yr
Major consumer markets								
Kathmandu	Coarse rice	47.0	0.0	-2.1	-14.5	▶	▶	▶
	Wheat flour	60.0	0.0	15.4	25.0	▶	▲	▲
	Soybean oil	140.0	0.0	-12.5	-9.7	▶	▼	▶
	Chicken	350.0	-2.8	-2.8	6.1	▶	▶	▶
	Broken lentil	110.0	0.0	4.8	-4.3	▶	▶	▶
	Potato	50.0	-16.7	38.9	0.0	▼	▲	▶
	Pokhara	Coarse rice	53.0	1.9	1.9	1.9	▶	▶
Wheat flour		52.0	0.0	-5.5	4.0	▶	▶	▶
Soybean oil		140.0	-3.4	0.0	3.7	▶	▶	▶
Chicken		335.0	1.5	-16.3	11.7	▶	▼	▶
Broken lentil		100.0	-4.8	0.0	5.3	▶	▶	▶
Potato		50.0	-9.1	25.0	11.1	▼	▲	▶
Surkhet		Coarse rice	55.0	0.0	1.9	10.0	▶	▶
	Wheat flour	50.0	0.0	0.0	8.7	▶	▶	▶
	Soybean oil	160.0	0.0	0.0	6.7	▶	▶	▶
	Chicken	350.0	-2.8	-10.3	0.0	▶	▼	▶
	Potato	45.0	-10.0	-25.0	-10.0	▼	▼	▶
Regional Terai markets								
Biratnagar	Coarse rice	40.0	0.0	0.0	5.3	▶	▶	▶
	Wheat flour	55.0	-8.3	0.0	22.2	▼	▶	▲
	Soybean oil	145.0	0.0	3.6	7.4	▶	▶	▶
	Chicken	300.0	0.0	-14.3	0.0	▶	▼	▶
	Broken lentil	100.0	0.0	-9.1	-9.1	▶	▶	▶
	Potato	45.0	-25.0	-25.0	80.0	▼	▼	▲
Janakpur	Coarse rice	40.0	-11.1	0.0	-4.8	▼	▶	▶
	Wheat flour	60.0	0.0	0.0	33.3	▶	▶	▲
	Soybean oil	150.0	0.0	7.1	15.4	▶	▶	▶
	Chicken	300.0	0.0	0.0	0.0	▶	▶	▶
	Broken lentil	120.0	0.0	9.1	0.0	▶	▶	▶
	Potato	50.0	-16.7	66.7	42.9	▼	▲	▲
Biratnagar	Coarse rice	45.0	0.0	0.0	-2.2	▶	▶	▶
	Wheat flour	55.0	0.0	14.6	25.0	▶	▲	▲
	Soybean oil	140.0	0.0	2.9	-9.7	▶	▶	▶
	Chicken	320.0	-5.9	-3.0	6.7	▼	▶	▶
	Broken lentil	110.0	0.0	22.2	10.0	▶	▲	▶
	Potato	45.0	-10.0	60.7	0.0	▼	▲	▶
Dhangadhi	Coarse rice	40.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	40.0	0.0	0.0	17.6	▶	▶	▲
	Soybean oil	140.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	300.0	-14.3	-14.3	0.0	▼	▼	▶
	Broken lentil	110.0	0.0	0.0	10.0	▶	▶	▶
	Potato	50.0	0.0	0.0	66.7	▶	▶	▲
Nepalgunj	Coarse rice	38.0	-5.0	-15.6	-15.6	▶	▼	▼
	Wheat flour	48.0	0.0	-4.0	14.3	▶	▶	▶
	Soybean oil	140.0	0.0	1.4	0.0	▶	▶	▶
	Chicken	320.0	0.0	-15.8	6.7	▶	▼	▶
	Broken lentil	95.0	0.0	-5.0	-13.6	▶	▶	▶
	Potato	38.0	-5.0	35.7	8.6	▶	▲	▶

Market	Commodity	Current price (NRS per Kg/Lt.)	Change in price (%)*			Average change over		
			1 m	3 m	1 yr	1m	3m	1yr
Bhairahawa	Coarse rice	35.0	-2.8	-12.5	-10.3	▶	▼	▶
	Wheat flour	44.0	0.0	-2.2	12.8	▶	▶	▶
	Soybean oil	132.0	0.0	-2.2	1.5	▶	▶	▶
	Chicken	320.0	6.7	-11.1	6.7	▶	▼	▶
	Broken lentil	80.0	2.6	-20.0	-2.4	▶	▼	▶
	Potato	38.0	-5.0	26.7	-5.0	▶	▲	▶
	Hill and Mountain markets with road access							
Makwanpur	Coarse rice	46.0	0.0	-2.1	-8.0	▶	▶	▶
	Wheat flour	60.0	0.0	20.0	36.4	▶	▶	▲
	Soybean oil	140.0	0.0	0.0	-12.5	▶	▶	▶
	Chicken	330.0	-5.7	-8.3	3.1	▶	▼	▶
	Broken lentil	110.0	0.0	37.5	4.8	▶	▶	▶
	Potato	60.0	0.0	87.5	0.0	▶	▶	▶
	Dhankuta	Coarse rice	40.0	0.0	-11.1	0.0	▶	▼
Wheat flour		55.0	0.0	-1.8	10.0	▶	▶	▶
Soybean oil		150.0	0.0	-6.3	7.1	▶	▶	▶
Chicken		300.0	-16.7	-11.8	0.0	▶	▼	▶
Broken lentil		95.0	-13.6	-13.6	-5.0	▶	▼	▶
Potato		50.0	0.0	-16.7	100.0	▶	▼	▶
Rolpa	Coarse rice	40.0	-4.8	-11.1	-11.1	▶	▼	▶
	Wheat flour	60.0	0.0	20.0	33.3	▶	▶	▲
	Soybean oil	150.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	350.0	-2.8	-2.8	0.0	▶	▶	▶
	Broken lentil	115.0	-4.2	-4.2	-4.2	▶	▶	▶
	Potato	55.0	-8.3	57.1	22.2	▶	▶	▶
Sanfebagar	Coarse rice	44.0	0.0	-2.2	12.8	▶	▶	▶
	Wheat flour	52.0	4.0	4.0	15.6	▶	▶	▶
	Soybean oil	165.0	3.1	0.0	3.1	▶	▶	▶
	Chicken	400.0	0.0	0.0	0.0	▶	▶	▶
	Broken lentil	140.0	7.7	3.7	-15.2	▶	▶	▶
	Potato	35.0	-12.5	-12.5	-22.2	▶	▼	▶
Jumla	Coarse rice	55.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	55.0	0.0	0.0	0.0	▶	▶	▶
	Soybean oil	180.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	450.0	0.0	0.0	0.0	▶	▶	▶
	Broken lentil	150.0	0.0	0.0	0.0	▶	▶	▶
	Potato	58.0	-3.3	-3.3	16.0	▶	▶	▶
Bajura	Coarse rice	45.0	0.0	0.0	12.5	▶	▶	▶
	Wheat flour	55.0	5.8	10.0	19.6	▶	▶	▶
	Soybean oil	170.0	6.3	0.0	0.0	▶	▶	▶
	Chicken	400.0	0.0	0.0	-9.1	▶	▶	▶
	Potato	35.0	0.0	-22.2	-12.5	▶	▼	▶
Mountain markets without road access								
Dolpa	Coarse rice	80.0	0.0	0.0	6.7	▶	▶	▶
	Wheat flour	90.0	0.0	0.0	-5.3	▶	▶	▶
	Soybean oil	180.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	600.0	0.0	20.0	20.0	▶	▶	▶
	Broken lentil	200.0	0.0	0.0	11.1	▶	▶	▶
	Potato	45.0	4.7	12.5	-10.0	▶	▶	▶
Humla	Coarse rice	150.0	0.0	0.0	-	▶	▶	▶
	Wheat flour	140.0	0.0	0.0	-6.7	▶	▶	▶
	Soybean oil	260.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	800.0	0.0	33.3	60.0	▶	▶	▶
	Potato	300.0	0.0	0.0	-14.3	▶	▶	▶

▲ 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.

Market	Commodity	Current price (NRS per Kg/Lt.)	Change in price (%)*			Average change over		
			1 m	3 m	1 yr	1m	3m	1yr
Major consumer markets								
Kathmandu	Coarse rice	47.0	0.0	-2.1	-14.5	▶	▶	▶
	Wheat flour	60.0	20.0	9.1	25.0	▲	▶	▲
	Soybean oil	140.0	0.0	-12.5	-12.5	▶	▼	▶
	Chicken	360.0	0.0	0.0	12.5	▶	▶	▶
	Broken lentil	110.0	22.2	10.0	-3.5	▲	▶	▶
	Potato	60.0	-14.3	33.3	0.0	▼	▲	▶
	Pokhara	Coarse rice	52.0	-1.9	-5.5	-5.5	▶	▶
Wheat flour		52.0	-5.5	-5.5	4.0	▼	▶	▶
Soybean oil		145.0	7.4	7.4	7.4	▲	▶	▶
Chicken		330.0	-15.4	-19.5	-5.7	▼	▼	▶
Broken lentil		105.0	16.7	5.0	10.5	▲	▶	▶
Potato		55.0	0.0	37.5	22.2	▶	▲	▲
Surkhet		Coarse rice	55.0	0.0	1.9	10.0	▶	▶
	Wheat flour	50.0	0.0	0.0	11.1	▶	▶	▶
	Soybean oil	160.0	0.0	0.0	6.7	▶	▶	▶
	Chicken	360.0	-5.3	-7.7	2.9	▼	▶	▶
	Broken lentil	130.0	0.0	0.0	8.3	▶	▶	▶
Potato	50.0	-28.6	-9.1	-16.7	▼	▶	▼	
Regional Terai markets								
Biratnagar	Coarse rice	40.0	-9.1	0.0	0.0	▼	▶	▶
	Wheat flour	60.0	9.1	0.0	33.3	▲	▶	▲
	Soybean oil	145.0	3.6	3.6	7.4	▶	▶	▶
	Chicken	300.0	-11.8	-6.3	3.4	▼	▶	▶
	Broken lentil	100.0	0.0	11.1	-9.1	▶	▲	▶
	Potato	60.0	-7.7	50.0	-7.7	▼	▲	▶
Janakpur	Coarse rice	45.0	12.5	7.1	0.0	▲	▶	▶
	Wheat flour	60.0	0.0	9.1	20.0	▶	▶	▲
	Soybean oil	150.0	7.1	0.0	11.1	▲	▶	▶
	Chicken	300.0	0.0	0.0	0.0	▶	▶	▶
	Broken lentil	120.0	0.0	0.0	-4.0	▶	▶	▶
	Potato	60.0	71.4	50.0	50.0	▲	▲	▲
Birgunj	Coarse rice	45.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	55.0	14.6	10.0	25.0	▲	▶	▲
	Soybean oil	140.0	3.7	0.0	-6.7	▶	▶	▶
	Chicken	340.0	0.0	3.0	13.3	▶	▶	▶
	Broken lentil	110.0	22.2	0.0	22.2	▲	▶	▲
	Potato	50.0	-9.1	25.0	0.0	▼	▲	▶
Dhangadhi	Coarse rice	40.0	0.0	0.0	5.3	▶	▶	▶
	Wheat flour	40.0	0.0	0.0	17.6	▶	▶	▲
	Soybean oil	140.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	350.0	0.0	0.0	16.7	▶	▶	▲
	Broken lentil	110.0	0.0	0.0	10.0	▶	▶	▶
	Potato	50.0	0.0	0.0	66.7	▶	▶	▲
Nepalgunj	Coarse rice	40.0	-11.1	-11.1	-13.0	▼	▼	▶
	Wheat flour	48.0	2.1	-4.0	14.3	▶	▶	▶
	Soybean oil	140.0	3.7	1.4	0.0	▶	▶	▶
	Chicken	320.0	-5.9	-15.8	6.7	▼	▼	▶
	Broken lentil	95.0	5.6	-5.0	-9.5	▲	▶	▶
	Potato	40.0	42.9	42.9	-11.1	▲	▲	▶

Market	Commodity	Current price (NRS per Kg/Lt.)	Change in price (%)*			Average change over		
			1 m	3 m	1 yr	1m	3m	1yr
Bhairahawa	Coarse rice	36.0	-18.2	-10.0	-	▼	▶	-
	Wheat flour	44.0	-2.2	-2.2	10.0	▶	▶	▶
	Soybean oil	132.0	1.5	-2.2	-2.2	▶	▶	▶
	Chicken	300.0	-11.8	-23.1	3.4	▼	▼	▶
	Broken lentil	78.0	-13.3	-22.0	-3.7	▼	▼	▶
	Potato	40.0	42.9	33.3	0.0	▲	▲	▶
	Hill and Mountain markets with road access							
Makwanpur	Coarse rice	46.0	-2.1	-4.2	-8.0	▶	▶	▶
	Wheat flour	60.0	20.0	20.0	36.4	▲	▲	▲
	Soybean oil	140.0	0.0	7.7	-12.5	▶	▶	▶
	Chicken	350.0	0.0	0.0	16.7	▶	▶	▶
	Broken lentil	110.0	22.2	37.5	0.0	▲	▲	▶
	Potato	60.0	-25.0	33.3	50.0	▼	▲	▲
	Dhankuta	Coarse rice	40.0	-11.1	-11.1	0.0	▼	▼
Wheat flour		55.0	-1.8	-1.8	22.2	▶	▶	▲
Soybean oil		150.0	-3.2	-14.3	7.1	▶	▼	▶
Chicken		360.0	5.9	9.1	20.0	▲	▶	▲
Broken lentil		110.0	0.0	0.0	10.0	▶	▶	▶
Potato		50.0	-16.7	-16.7	-9.1	▼	▼	▶
Rolpa	Coarse rice	42.0	-6.7	-6.7	-6.7	▼	▶	▶
	Wheat flour	60.0	20.0	20.0	33.3	▲	▲	▲
	Soybean oil	150.0	3.4	0.0	0.0	▶	▶	▶
	Chicken	360.0	0.0	0.0	2.9	▶	▶	▶
	Broken lentil	120.0	20.0	0.0	20.0	▲	▶	▲
	Potato	60.0	71.4	71.4	20.0	▲	▲	▲
Sanfebagar	Coarse rice	44.0	-2.2	-2.2	15.8	▶	▶	▲
	Wheat flour	50.0	0.0	0.0	11.1	▶	▶	▶
	Soybean oil	160.0	-5.9	-3.0	0.0	▼	▶	▶
	Chicken	400.0	0.0	0.0	0.0	▶	▶	▶
	Broken lentil	130.0	-7.1	-3.7	-21.2	▼	▶	▼
	Potato	40.0	-11.1	14.3	0.0	▼	▲	▶
Jumla	Coarse rice	55.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	55.0	0.0	0.0	0.0	▶	▶	▶
	Soybean oil	180.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	450.0	0.0	0.0	0.0	▶	▶	▶
	Broken lentil	150.0	0.0	0.0	0.0	▶	▶	▶
	Potato	60.0	0.0	0.0	20.0	▶	▶	▲
Bajura	Coarse rice	45.0	-2.2	0.0	12.5	▶	▶	▶
	Wheat flour	52.0	4.0	4.0	13.0	▶	▶	▶
	Soybean oil	160.0	-11.1	-5.9	-5.9	▼	▶	▶
	Chicken	400.0	0.0	0.0	-9.1	▶	▶	▶
	Broken lentil	130.0	-10.3	-7.1	-23.5	▼	▶	▼
Potato	35.0	-12.5	16.7	0.0	▼	▲	▶	
Mountain markets without road access								
Dolpa	Coarse rice	80.0	0.0	0.0	6.7	▶	▶	▶
	Wheat flour	90.0	0.0	0.0	-5.3	▶	▶	▶
	Soybean oil	180.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	600.0	20.0	20.0	20.0	▲	▲	▲
	Broken lentil	200.0	0.0	0.0	11.1	▶	▶	▶
	Potato	43.0	7.5	7.5	-14.0	▲	▶	▶
Humla	Coarse rice	150.0	0.0	0.0	-	▶	▶	-
	Wheat flour	140.0	0.0	0.0	-6.7	▶	▶	▶
	Soybean oil	260.0	0.0	0.0	-7.1	▶	▶	▶
	Chicken	800.0	33.3	33.3	60.0	▲	▲	▲
	Broken lentil	300.0	0.0	0.0	-6.3	▶	▶	▶
Potato	55.0	1.9	10.0	-8.3	▶	▶	▶	

▲ 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.