



# Market Watch 52

April 2013<sup>†</sup>

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

- Retail prices of most commodities monitored in various markets across the country showed a marginal increase over the past one month.
- The national inflation rate released by Nepal Rastra Bank in April 2013 increased by 9.5 percent, while the price index of cereal grains sub-group increased sharply by 13.5 percent compared to 3.0 percent decline 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

Retail prices of most food commodities regularly monitored by MoAD and WFP in various markets across the country showed a marginal increase over the past one month. The national average prices of cereals such as coarse rice and wheat flour increased by 1.8 and 4.6 percent respectively. Likewise, prices of black gram and broken lentil climbed up by 1.9 and 2.2 percent respectively, while prices of soybean oil and red potato marginally declined by 0.5 and 2.8 percent respectively. This stability is mainly due to smooth functioning of markets across the country. Prices of most commodities as compared to January 2013 showed an upward trend with an exception of red potato, however prices of most monitored commodities increased sharply as compared to the same period last year.

Prices in the regional markets showed a mixed trend. For example, price of coarse rice showed an upward trend in Terai markets, while it remained same in the hill and mountain markets with road access and in the major consumer markets over the past one month. Likewise, price of broken lentil showed an upward trend all regional markets over the past one month.

Wholesale prices regularly monitored by FNCCI/AEC in the five large markets (Birtamode, Kathmandu, Butwal, Surkhet and Dhangadhi) were relatively stable over the past one month. Wholesale prices in the Kalimati Fruits and Vegetables Market showed a high seasonal fluctuation. Prices of vegetables such as bitter gourd, brinjal, French bean, pumpkin and okra have begun to fall down as the harvesting season is approaching. However, prices of cabbage, cauliflower and carrot have started to increase as the season of these vegetables is nearing to the end.

The year-on-year inflation released by Nepal Rastra Bank in April 2013 showed a 9.5 percent increase as compared to 7.5 percent over the same period last year. The index of food and beverage group climbed up by 10.3 percent as compared to a marginal increase of 4.6 percent over the same period last year, while that of cereal grains sub-group sharply increased by 13.5 percent compared to a decline of 3.0 percent over the same period last year. The sharp increase in the price index of cereal grains sub-group raises the concern about food security of poor people. The price index of transport moderately increased by 7.6 percent as compared to 17.8 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. This has improved the supply of essential commodities in the hill and mountain markets.

### Outlook

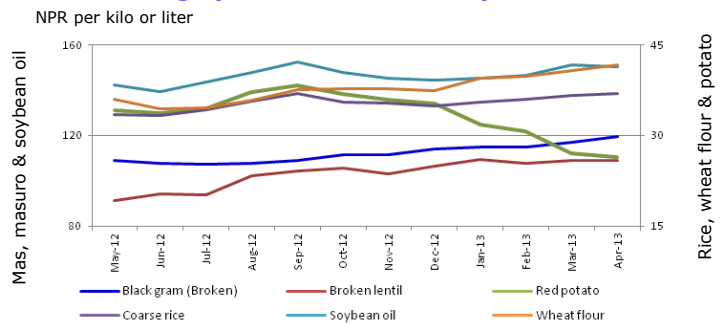
Price of coarse rice is likely to remain high, while prices of wheat flour will likely decline due to harvest period. Likewise, prices of lean season commodities are likely to increase until the next harvest period.

Preliminary estimates of winter crops such as wheat and barley show an increase of 2.0 and 6.0 percent as compared to last year respectively. This will likely increase food availability in the country, thereby improving food security situation mainly in the Far and Mid Western Hill and Mountains. Early outlook of spring maize and paddy rice is so far normal due to timely rainfall across the country.

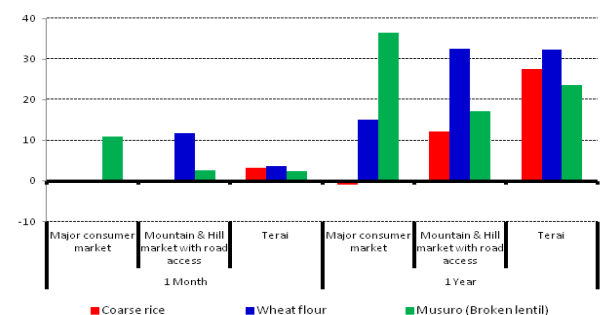
### Largest Changes in commodities prices

Commodity	Price Rs/kg or liter	% change 1 month	Observation
Carrot, garlic, ginger and cauliflower	various	>10.0	Decline in supply due to low production and beginning to lean season.
Brinjal, pumpkin, bitter gourd, French bean and okra.	various	>-17.0	Increase in supply due to approaching to harvest season.

### Average price over 12 month period\*



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



† Prices relate to the Nepali month of Chaitra 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
<b>Major consumer markets</b>								
Kathmandu	Coarse rice	36.0	0.0	0.0	2.9	▶	▶	▶
	Wheat flour	36.0	0.0	5.9	2.9	▶	▶	▶
	Soybean oil	143.0	0.0	4.4	7.5	▶	▶	▶
	Chicken	300.0	-3.2	33.3	25.0	▶	▲	▲
	Mustard oil	167.0	0.0	-3.5	23.7	▶	▶	▲
	Mas (black gram)	113.0	0.0	0.0	7.6	▶	▶	▶
	Musuro	103.0	0.0	3.0	24.1	▶	▶	▲
	Potato	27.0	0.0	-20.6	22.7	▶	▼	▲
Pokhara	Coarse rice	42.0	0.0	0.0	-4.5	▶	▶	▶
	Wheat flour	42.0	0.0	20.0	27.3	▶	▲	▲
	Soybean oil	150.0	0.0	3.4	13.6	▶	▶	▶
	Chicken	350.0	16.7	29.6	12.9	▶	▲	▶
	Mustard oil	180.0	0.0	0.0	16.1	▶	▶	▲
	Mas (black gram)	128.0	6.7	6.7	21.9	▶	▶	▲
	Musuro	128.0	21.9	21.9	48.8	▶	▶	▶
	Potato	32.0	6.7	-8.6	34.5	▶	▶	▲
<b>Regional Terai markets</b>								
Biratnagar	Coarse rice	35.0	16.7	16.7	25.0	▶	▶	▶
	Wheat flour	35.0	-5.4	-2.8	22.1	▼	▶	▶
	Soybean oil	130.0	-3.7	-3.7	-7.1	▶	▶	▶
	Chicken	280.0	0.0	2.6	12.0	▶	▶	▶
	Mustard oil	200.0	11.1	11.1	37.9	▶	▶	▶
	Mas (black gram)	110.0	10.0	22.2	26.9	▶	▶	▶
	Musuro	100.0	11.1	-9.1	36.4	▶	▶	▶
Potato	18.0	-40.0	-40.0	28.6	▼	▼	▶	
Biratnagar	Coarse rice	36.0	-2.7	5.9	12.5	▶	▶	▶
	Wheat flour	38.0	5.6	8.6	11.8	▶	▶	▶
	Soybean oil	162.0	-1.8	6.6	17.4	▶	▶	▶
	Chicken	300.0	0.0	25.0	25.0	▶	▶	▶
	Mustard oil	180.0	-5.3	0.0	16.1	▼	▶	▶
	Mas (black gram)	103.0	0.0	3.0	4.0	▶	▶	▶
	Musuro	103.0	3.0	-6.4	37.3	▶	▶	▶
Potato	14.0	-12.5	-36.4	-30.0	▼	▼	▼	
Nepalgunj	Coarse rice	36.0	2.9	12.5	28.6	▶	▶	▶
	Wheat flour	38.0	18.8	18.8	18.8	▶	▶	▶
	Soybean oil	140.0	0.0	0.0	5.0	▶	▶	▶
	Chicken	271.0	-3.2	-3.2	-3.2	▶	▶	▶
	Mustard oil	210.0	5.0	5.0	24.8	▶	▶	▶
	Mas (black gram)	130.0	0.0	-7.1	73.3	▶	▶	▶
	Musuro	103.0	3.0	14.4	37.3	▶	▶	▶
Potato	16.0	-20.0	-46.7	-20.0	▼	▼	▼	
Dhangadhi	Coarse rice	40.0	0.0	14.3	60.0	▶	▶	▶
	Wheat flour	33.0	0.0	1.2	50.0	▶	▶	▶
	Soybean oil	135.0	3.8	0.0	50.0	▶	▶	▶
	Chicken	300.0	0.0	5.6	36.4	▶	▶	▶
	Mustard oil	167.0	0.0	-5.1	11.3	▶	▶	▶
	Mas (black gram)	140.0	2.9	4.5	33.3	▶	▶	▶
	Musuro	105.0	-4.5	-4.5	1.0	▶	▶	▶
Potato	20.0	33.3	-20.0	53.8	▶	▼	▶	
<b>Major consumer markets</b>								
Bhairahawa	Coarse rice	28.0	0.0	12.0	12.0	▶	▶	▶
	Wheat flour	35.0	0.0	0.0	59.1	▶	▶	▶
	Soybean oil	140.0	0.0	0.0	55.6	▶	▶	▶
	Chicken	280.0	7.7	7.7	27.3	▶	▶	▶
	Mustard oil	170.0	0.0	0.0	13.3	▶	▶	▶
	Mas (black gram)	125.0	0.0	0.0	19.0	▶	▶	▶
	Musuro	110.0	0.0	0.0	5.8	▶	▶	▶
	Potato	20.0	0.0	-9.1	42.9	▶	▶	▶
<b>Hill and mountain markets with road access</b>								
Dhankuta	Coarse rice	33.0	0.0	0.0	22.2	▶	▶	▶
	Wheat flour	42.0	40.0	20.0	13.5	▶	▶	▶
	Soybean oil	150.0	0.0	0.0	3.4	▶	▶	▶
	Chicken	280.0	7.7	7.7	0.0	▶	▶	▶
	Mas (black gram)	120.0	0.0	0.0	0.0	▶	▶	▶
	Musuro	115.0	0.0	0.0	43.8	▶	▶	▶
	Potato	30.0	0.0	-40.0	0.0	▶	▼	▶
Rolpa	Coarse rice	35.0	0.0	-12.5	6.1	▶	▼	▶
	Wheat flour	45.0	0.0	-18.2	28.6	▶	▼	▶
	Soybean oil	175.0	-2.8	25.0	25.0	▶	▶	▶
	Chicken	290.0	-3.3	7.4	7.4	▶	▶	▶
	Mas (black gram)	125.0	4.2	25.0	4.2	▶	▶	▶
	Musuro	120.0	9.1	9.1	26.3	▶	▶	▶
Potato	30.0	20.0	20.0	20.0	▶	▶	▶	
Santebagar	Coarse rice	35.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	50.0	0.0	38.9	42.9	▶	▶	▶
	Chicken	320.0	6.7	6.7	14.3	▶	▶	▶
	Mustard oil	180.0	0.0	0.0	12.5	▶	▶	▶
	Mas (black gram)	120.0	0.0	0.0	0.0	▶	▶	▶
	Musuro	115.0	4.5	4.5	-4.2	▶	▶	▶
Potato	50.0	0.0	0.0	66.7	▶	▶	▶	
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	0.0	18.8	▶	▶	▶
	Mas (black gram)	100.0	0.0	0.0	0.0	▶	▶	▶
	Musuro	100.0	0.0	0.0	0.0	▶	▶	▶
Potato	30.0	0.0	0.0	-25.0	▶	▶	▼	
Bajura	Coarse rice	35.0	0.0	0.0	20.7	▶	▶	▶
	Wheat flour	50.0	19.0	25.0	61.3	▶	▶	▶
	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	▶	▶	▶
	Potato - red	30.0	0.0	0.0	0.0	▶	▶	▶
<b>Mountain markets without road access</b>								
Humla	Coarse rice*	42.0	5.0	5.0	5.0	▶	▶	▶
	Wheat flour	160.0	-30.4	6.7	-33.3	▼	▶	▶
	Soybean oil	300.0	0.0	0.0	7.1	▶	▶	▶
	Beans	130.0	8.3	-	30.0	▶	-	▶
	Mas (black gram)	0.0	-	-	-	-	-	-
	Musuro	0.0	-	-	-	-	-	-
	Potato	60.0	20.0	20.0	100.0	▶	▶	▶
Dolpa	Coarse rice	120.0	0.0	20.0	33.3	▶	▶	▶
	Wheat flour	120.0	0.0	-7.7	-7.7	▶	▶	▶
	Soybean oil	230.0	0.0	-4.2	15.0	▶	▶	▶
	Beans	160.0	0.0	-27.3	-20.0	▶	▼	▼
	Mas (black gram)	230.0	0.0	4.5	15.0	▶	▶	▶
	Musuro	250.0	0.0	13.6	25.0	▶	▶	▶
	Potato	35.0	0.0	16.7	0.0	▶	▶	▶

▲ 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.