



Market Watch 64

April 2014†

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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

- In April 2014, retail prices of most food commodities monitored in 12 markets across Nepal were relatively stable or showed a marginal increase due to the onset of the lean season of most crops.
- Overall inflation rate in April 2014 was 9.4 percent. The food and beverage group was higher at 12.3 percent as were several sub-groups: vegetables (21.5 percent), fruits (17.0 percent), meat and fish (13.9 percent) and cereal grains (11.3 percent).

NATIONAL MARKET DEVELOPMENT

Price

Retail prices of most food commodities monitored across the country in April 2014 were relatively stable or showed a marginal increase. On a month-on-month basis, retail prices of coarse rice and wheat flour increased by 0.2 and 0.4 percent respectively. Likewise, prices of broken lentil went up by 1.2 percent, while that of black gram remained stable. However, prices of red potato and chicken meat climbed by 3.3 and 2.3 percent respectively. The price of edible oils remained relatively stable. As compared to three months earlier, most prices showed an upward trend with the exception of red potato and soybean oil. Compared to the same period last year, prices showed mixed trends, with an upward trend of cereals, red potato, chicken meat and broken lentil, and a downward trend of black gram and edible oils.

Prices in regional markets showed similar trends as the national average, with the exception of the price of coarse rice in the Terai markets over the past one month.

Wholesale prices regularly monitored by FNCCI/AEC in the five large markets of Birtamod, Kathmandu, Butwal, Surkhet and Dhangadhi showed an upward trend over the past one month. In the Kalimati Fruits and Vegetables Market, the wholesale price of most monitored vegetables showed a high seasonal fluctuation: prices of cauliflower, arum, radish, spinach, cowpea and carrot increased by more than 20 percent due to a reduction in supply because of the onset of the lean season, while that of bitter melon, pointed melon, okra, tomato, brinjal, pumpkin and French bean went down by more than 11 percent over the past one month.

In April 2014, the overall consumer price index (CPI) released by Nepal Rastra Bank was 198.9, an increase of 1.0 percent month-on-month. The inflation rate, as measured by the year-on-year increase in the CPI, was 9.4 percent. The food and beverage group of the CPI was 238.1, an increase of 1.9 percent month-on-month, but an increase of 12.3 percent year-on-year; several sub-groups showed higher year-on-year increases: vegetables (21.5 percent), fruits (17.0 percent), meat and fish (13.9 percent), spices (11.6 percent) and cereal grains (11.3 percent). The non-food and services group of the CPI was 169.9, an increase of 0.2 percent month-on-month and 7.0 percent year-on-year.

Supply

The supply situation across the country is reported as normal due to smooth functioning of markets and transport services. However, NeKSAP district and cluster coordinators report that markets in the Hill and Mountain areas have started to stockpile food commodities in anticipation of the likely disruption of transportation and supply during the upcoming monsoon season, which is expected to start from 10 June.

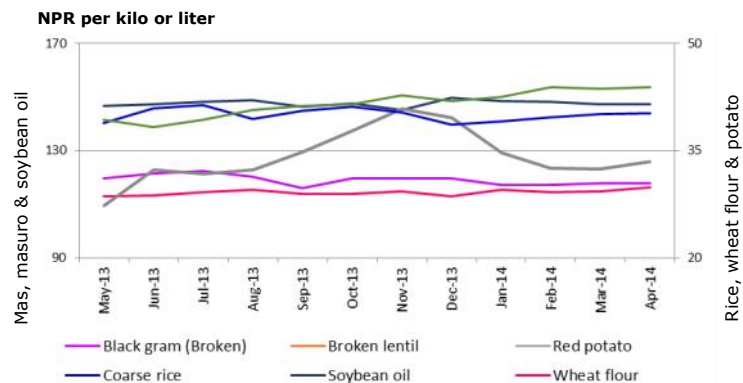
Outlook

Most food prices are expected to rise in next month with the exception of recently harvested winter crops. Prices of summer vegetables are likely to decline in the coming months.

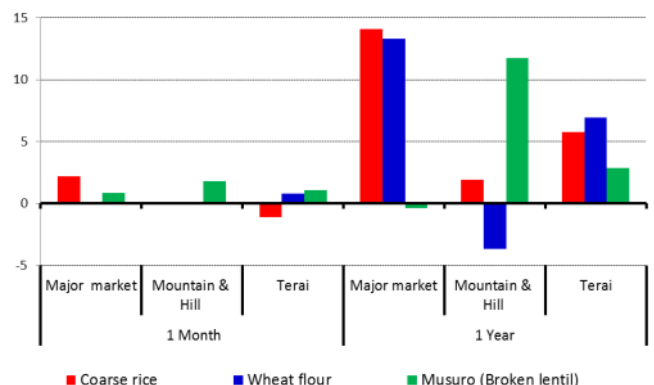
The preliminary estimates of winter crop production, mainly wheat, show a marginal increase compared to last year due to timely rainfall and availability of fertilizers. This will help to enhance the country's national food balance.

Largest changes in commodity prices (month-on-month)			
Commodity	Price NPR/kg or liter	% change 1 month	Observations
Cauliflower, radish, ginger, carrot, arum, spinach and cowpea.	various	>20	Decrease in supply due to lean season
Bitter melon, okra, tomato, pumpkin and cucumber.	various	>-11	Decline in prices after sharp increase

Average retail price over 12 months period*



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



For the latest information relating to food security in Nepal check out the Nepal Food Security Monitoring System (NeKSAP) google site <http://www.sites.google.com/site/neksap>

† Prices relate to the Nepali month of Chaitra 2070.

* 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	41.0	0.0	0.0	13.9	▶	▶	▶
	Wheat flour	43.0	0.0	0.0	19.4	▶	▶	▲
	Soybean oil	145.0	0.0	0.0	1.4	▶	▶	▶
	Chicken	335.0	9.8	11.7	11.7	▲	▲	▶
	Mustard oil	167.0	0.0	-7.2	0.0	▶	▶	▶
	Mas (black gram)	117.0	0.0	1.7	3.5	▶	▶	▶
	Musuro	107.0	0.0	-2.7	3.9	▶	▶	▶
	Potato	32.0	0.0	-8.6	18.5	▶	▶	▲
Pokhara	Coarse rice	48.0	4.3	9.7	14.3	▶	▶	▶
	Wheat flour	45.0	0.0	7.1	7.1	▶	▶	▶
	Soybean oil	130.0	0.0	-10.3	-13.3	▶	▼	▶
	Chicken	380.0	5.6	-3.8	8.6	▲	▶	▶
	Mustard oil	180.0	0.0	0.0	0.0	▶	▶	▶
	Mas (black gram)	130.0	0.0	8.3	1.6	▶	▶	▶
	Musuro	122.0	1.7	10.9	-4.7	▶	▲	▶
	Potato	35.0	16.7	-12.5	9.4	▲	▼	▶
Regional Terai markets								
Biratnagar	Coarse rice	40.0	0.0	5.3	14.3	▶	▶	▶
	Wheat flour	40.0	0.0	0.0	14.3	▶	▶	▶
	Soybean oil	140.0	3.7	0.0	7.7	▶	▶	▶
	Chicken	300.0	-6.3	7.1	7.1	▼	▶	▶
	Mustard oil	165.0	0.0	0.0	-17.5	▶	▶	▼
	Mas (black gram)	110.0	0.0	0.0	0.0	▶	▶	▶
	Musuro	110.0	10.0	-4.3	10.0	▲	▶	▶
	Potato	35.0	34.6	34.6	94.4	▲	▲	▲
Biratnagar	Coarse rice	38.0	0.0	5.6	5.6	▶	▶	▶
	Wheat flour	38.0	0.0	0.0	0.0	▶	▶	▶
	Soybean oil	150.0	3.4	3.4	-7.4	▶	▶	▶
	Chicken	300.0	7.1	7.1	0.0	▲	▶	▶
	Mustard oil	200.0	11.1	21.2	11.1	▲	▲	▶
	Mas (black gram)	95.0	0.0	-5.0	-7.8	▶	▶	▶
	Musuro	110.0	0.0	0.0	6.8	▶	▶	▶
	Potato	25.0	19.0	-16.7	78.6	▲	▼	▲
Nepalgunj	Coarse rice	36.0	0.0	2.9	0.0	▶	▶	▶
	Wheat flour	38.0	5.6	8.6	0.0	▲	▶	▶
	Soybean oil	150.0	0.0	1.4	7.1	▶	▶	▶
	Chicken	300.0	0.0	0.0	10.7	▶	▶	▶
	Mustard oil	200.0	11.1	21.2	-4.8	▲	▲	▶
	Mas (black gram)	110.0	-2.7	-8.3	-15.4	▶	▶	▼
	Musuro	95.0	-3.1	-5.0	-7.8	▶	▶	▶
	Potato	25.0	25.0	25.0	56.3	▲	▲	▲
Dhangadhi	Coarse rice	35.0	-5.4	-4.1	-12.5	▼	▶	▶
	Wheat flour	35.0	-1.7	4.2	6.1	▶	▶	▶
	Soybean oil	130.0	-7.1	-7.1	-3.7	▼	▶	▶
	Chicken	300.0	0.0	0.0	0.0	▶	▶	▶
	Mustard oil	160.0	-1.2	0.0	-4.2	▶	▶	▶
	Mas (black gram)	120.0	-1.6	-5.5	-14.3	▶	▶	▶
	Musuro	120.0	-1.6	9.1	14.3	▶	▶	▶
	Potato	30.0	0.0	20.0	50.0	▶	▲	▲

▲ 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.

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	34.0	0.0	0.0	21.4	▶	▶	▲
	Wheat flour	40.0	0.0	0.0	14.3	▶	▶	▶
	Soybean oil	130.0	-7.1	0.0	-7.1	▼	▶	▶
	Chicken	310.0	10.7	10.7	10.7	▲	▲	▶
	Mustard oil	160.0	0.0	-11.1	-5.9	▶	▼	▶
	Mas (black gram)	110.0	0.0	-8.3	-12.0	▶	▶	▶
	Musuro	100.0	0.0	-16.7	-9.1	▶	▼	▶
	Potato	25.0	0.0	0.0	25.0	▶	▶	▲

Hill and Mountain markets with road access

Dhankuta	Coarse rice	40.0	0.0	0.0	21.2	▶	▶	▲
	Wheat flour	46.0	0.0	0.0	9.5	▶	▶	▶
	Soybean oil	175.0	0.00	0.00	16.7	▶	▶	▲
	Chicken	300.0	0.00	0.00	7.1	▶	▶	▶
	Mas (black gram)	120.0	0.0	0.0	0.0	▶	▶	▶
	Musuro	120.0	9.1	9.1	4.3	▲	▶	▶
	Potato	40.0	0.0	-33.3	33.3	▶	▼	▲

Rolpa	Coarse rice	34.0	0.0	0.0	-2.9	▶	▶	▶
	Wheat flour	45.0	0.0	12.5	0.0	▶	▲	▶
	Soybean oil	150.0	0.0	0.0	-14.3	▶	▶	▶
	Chicken	330.0	0.0	0.0	13.8	▶	▶	▶
	Mas (black gram)	110.0	4.8	0.0	-12.0	▶	▶	▶
	Musuro	120.0	0.0	0.0	0.0	▶	▶	▶
	Potato	50.0	0.0	0.0	66.7	▶	▶	▲

Sanjibpur	Coarse rice	40.0	0.0	14.3	14.3	▶	▲	▶
	Wheat flour	42.0	0.0	5.0	-16.0	▶	▶	▼
	Chicken	350.0	-12.5	-7.9	9.4	▼	▶	▶
	Mustard oil	160.0	-5.9	-5.9	-11.1	▼	▶	▶
	Mas (black gram)	120.0	0.0	0.0	0.0	▶	▶	▶
	Musuro	120.0	0.0	0.0	4.3	▶	▶	▶
	Potato	40.0	0.0	0.0	-20.0	▶	▶	▼

Jumla	Coarse rice	60.0	0.0	0.0	20.0	▶	▶	▲
	Wheat flour	70.0	0.0	0.0	0.0	▶	▶	▶
	Soybean oil	160.0	0.0	0.0	-11.1	▶	▶	▶
	Chicken	440.0	10.0	10.0	15.8	▲	▶	▲
	Mas (black gram)	150.0	0.0	7.1	50.0	▶	▶	▲
	Musuro	150.0	0.0	7.1	50.0	▶	▶	▲
	Potato	35.0	16.7	16.7	16.7	▲	▲	▲

Bajura	Coarse rice	37.0	0.0	5.7	5.7	▶	▶	▶
	Wheat flour	44.0	0.0	4.8	-12.0	▶	▶	▶
	Beans	120.0	0.0	0.0	0.0	▶	▶	▶
	Mas (black gram)	120.0	0.0	9.1	0.0	▶	▶	▶
	Musuro	120.0	0.0	0.0	0.0	▶	▶	▶
	Potato	40.0	0.0	0.0	33.3	▶	▶	▲

Mountain markets without road access

Humla	Coarse rice*	47.0	0.0	11.9	11.9	▶	▲	▶
	Wheat flour	240.0	0.0	20.0	50.0	▶	▶	▲
	Soybean oil	-	-	-	-	-	-	-
	Beans	-	-	-	-	-	-	-
	Mas (black gram)	-	-	-	-	-	-	-
	Musuro	-	-	-	-	-	-	-
	Potato	130.0	8.3	8.3	116.7	▲	▶	▲

Dolpa	Coarse rice	-	-	-	-	-	-	-
	Wheat flour	-	-	-	-	-	-	-
	Soybean oil	-	-	-	-	-	-	-
	Beans	-	-	-	-	-	-	-
	Mas (black gram)	-	-	-	-	-	-	-
	Musuro	-	-	-	-	-	-	-
	Potato	-	-	-	-	-	-	-

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