



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



Market Watch 80

February 2016[†]

HIGHLIGHTS

- **In February 2016, retail prices of most food commodities monitored in 12 markets across Nepal showed a downward trend due to several factors: normalization of cross-border trade in the Terai, mainly through Birgunj-Raxaul, improved food supplies with increased availability of fuel and transportation and better road access.**
- **Overall inflation rate in February 2016 was 11.3 percent. The food and beverage group was higher at 12.8 percent, as were several sub-groups: pulses and legumes (39.7 percent), ghee and oil (23.1 percent), meat and fish (12.6 percent) and cereal grains (11.7 percent).**

Prices

Retail prices of food commodities monitored across the country decreased in February 2016. On a month-on-month basis, retail prices of coarse rice and wheat flour remained relatively stable, while that of black gram and broken lentil decreased by 2.6 and 5.0 percent respectively. Prices of edible oils decreased by more than 7.0 percent. Likewise the price of red potato decreased sharply by 10.5 percent. However, the price of chicken meat went up by 4.3 percent. Compared to three months earlier, most prices showed an upward trend with the exception of red potato, soybean oil and broken lentil. Compared to the same period last year, most prices showed an upward trend (with the exception of red potato). Overall, the price of most food commodities over the past 12 months showed an upward trend with expected seasonal fluctuations, while that of pulses and edible oils have shown a downward trend since February 2016 (see **Figure 1**).

Prices in regional markets (see **Figure 2**) showed somewhat different trends than the national averages, with an upward trend of prices of coarse rice and wheat flour in the major consumer markets of Kathmandu and Pokhara, and a declining trend in the road-accessible mountain and hill markets and the Terai markets (with the exception of prices of wheat flour and broken lentil in the Terai markets, which showed an upward trend). Prices of all commodities showed an upward trend compared to the same period last year.

Wholesale prices regularly monitored by FNCCI/AEC in the five large markets of Birtamod, Kathmandu, Butwal, Surkhet and Dhangadhi showed a downward trend over the past one month. Wholesale prices monitored in the Kalimati Fruits and Vegetables Market mostly showed high seasonal fluctuations month-on-month (see **Table 1**): prices of pointed gourd, pumpkin, brinjal, cauliflower and christophine increased by more than 9 percent due to a reduction in supply, while that of dry onion, green peas, carrot, cabbage and radish decreased by more than 14 percent due to the harvest season.

In February 2016, the overall consumer price index (CPI) released by Nepal Rastra Bank was 109.8, a decrease of 0.6 percent month-on-month. The inflation rate, as measured by the year-on-year increase in the CPI, was 11.3 percent. The food and beverage group of the CPI was 110.0, a decrease of 2.0 percent month-on-month and an increase of 12.8 percent year-on-year; several sub-groups showed higher year-on-year increases: pulses and legumes (39.7 percent), ghee and oil (23.1 percent), meat and fish (12.6 percent) and cereal grains (11.7 percent). The non-food and services group of the CPI was 109.7, an increase of 0.5 percent month-on-month and 10.1 percent year-on-year.

Supply

The food supply situation across the country has improved with an increase in fuel supply and transport services after the resumption of cross-border trade and increased access to fair-weather roads, particularly in the mountains and hills.

Outlook

Most food prices are expected to be stable or decrease due to the resumption of cross-border trade and smooth operation of transport services, even in the mountain and hill markets.

The outlook for the harvest of winter crops, such as wheat and barley, is expected to be lower than last year due to poor rainfall during the growing period. Drought conditions are reported across the mid- and far-western regions.

Table 1: Largest changes in commodity prices (month-on-month)			
Commodity	Price NPR/kg or liter	% change 1 month	Observations
Pointed gourd, pumpkin, brinjal, cauliflower and christophine	various	> 9	Decrease in supply due to lean season
Dry onion, green peas, carrot, cabbage and radish	various	< -14	Increase in supply due to harvest season

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

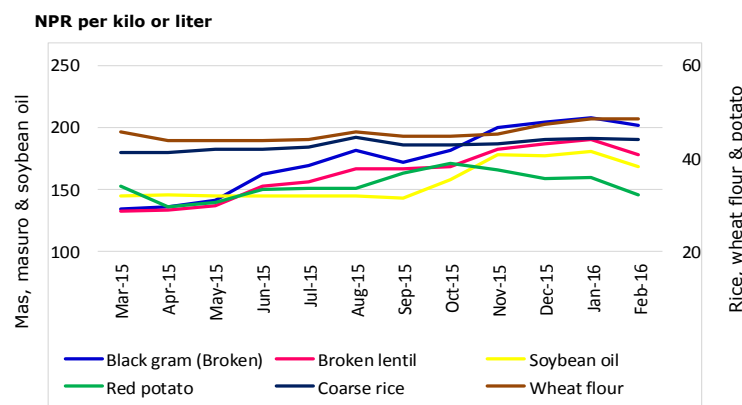
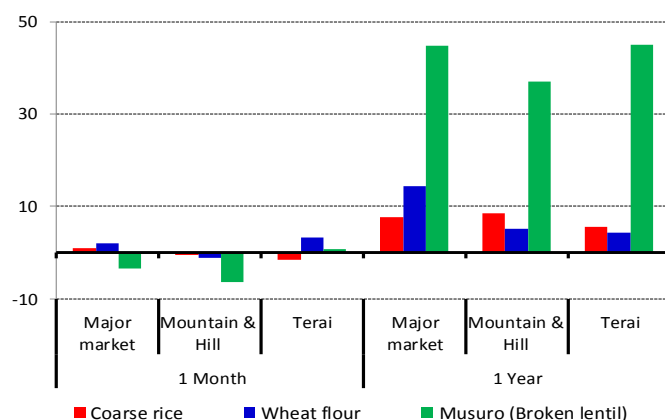


Figure 2: Percentage change in retail prices (1 month & 1 year)**



[†] Prices relate to the Nepali month of Magh 2072.

* 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	50.0	0.0	0.0	11.1	▶	▶	▶
	Wheat flour	53.0	0.0	0.0	17.8	▶	▶	▲
	Soybean oil	175.0	-2.8	-14.6	29.6	▶	▼	▲
	Chicken	370.0	5.7	23.3	8.8	▲	▲	▶
	Mustard oil	260.0	-1.9	4.0	57.6	▶	▶	▲
	Mas (black gram)	215.0	-6.5	-6.5	72.0	▼	▶	▲
	Musuro	200.0	-7.0	-7.0	53.8	▼	▶	▲
	Potato	30.0	-21.1	-25.0	0.0	▼	▼	▶

Pokhara	Coarse rice	50.0	2.0	4.2	4.2	▶	▶	▶
	Wheat flour	50.0	4.2	11.1	11.1	▶	▲	▶
	Soybean oil	150.0	-28.6	0.0	25.0	▼	▶	▲
	Chicken	410.0	13.9	36.7	10.8	▲	▲	▶
	Mustard oil	190.0	-26.9	-13.6	20.3	▼	▼	▲
	Mas (black gram)	225.0	-13.5	15.4	50.0	▼	▲	▲
	Musuro	190.0	0.0	3.8	35.7	▶	▶	▲
	Potato	40.0	-20.0	25.0	-11.1	▼	▲	▶

Regional Terai markets

Biratnagar	Coarse rice	40.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	45.0	-2.2	0.0	12.5	▶	▶	▶
	Soybean oil	140.0	0.0	-50.0	12.0	▶	▼	▶
	Chicken	300.0	10.3	0.0	-2.6	▲	▶	▶
	Mustard oil	185.0	-2.6	-11.1	12.1	▶	▼	▶
	Mas (black gram)	220.0	10.0	10.0	57.1	▲	▶	▲
	Musuro	170.0	13.3	1.2	21.4	▲	▶	▲

Birgunj	Coarse rice	34.0	-8.1	3.0	-5.6	▼	▶	▶
	Wheat flour	40.0	2.6	17.6	0.0	▶	▲	▶
	Soybean oil	155.0	0.0	5.4	3.3	▶	▶	▶
	Chicken	300.0	0.0	25.0	-6.3	▶	▲	▶
	Mustard oil	220.0	0.0	23.6	10.0	▶	▲	▶
	Mas (black gram)	160.0	-3.0	10.3	77.8	▶	▲	▲
	Musuro	180.0	0.0	12.5	63.6	▶	▲	▲

Nepalgunj	Coarse rice	34.7	0.0	-19.4	-6.3	▶	▼	▶
	Wheat flour	41.7	0.8	-1.6	9.7	▶	▶	▶
	Soybean oil	181.7	6.0	-16.8	13.5	▲	▼	▶
	Chicken	375.0	-2.6	-2.6	25.0	▶	▶	▲
	Mustard oil	246.7	7.2	3.5	23.3	▲	▶	▲
	Mas (black gram)	243.3	0.7	8.1	121.2	▶	▶	▲
	Musuro	176.7	1.9	-15.2	96.3	▶	▼	▲

Dhangadhi	Coarse rice	43.0	0.0	2.4	22.9	▶	▶	▲
	Wheat flour	36.6	2.8	-6.6	-12.9	▶	▶	▶
	Soybean oil	176.0	-25.4	-9.3	29.4	▼	▶	▲
	Chicken	268.0	0.0	-1.5	-9.5	▶	▶	▶
	Mustard oil	174.0	-13.0	-3.3	8.8	▼	▶	▶
	Mas (black gram)	248.0	6.0	0.8	79.7	▲	▶	▲
	Musuro	178.0	0.0	4.7	29.9	▶	▶	▲

Dolpa	Coarse rice	120.0	-20.0	-20.0	-14.3	▼	▼	▶
	Wheat flour	120.0	-7.7	0.0	0.0	▼	▶	▶
	Soybean oil	350.0	0.0	0.0	16.7	▶	▶	▲
	Potato	40.0	-20.0	0.0	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.

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	17.2	17.2	▶	▲	▲
	Wheat flour	45.0	12.5	28.6	12.5	▲	▲	▶
	Soybean oil	150.0	0.0	15.4	25.0	▶	▲	▲
	Chicken	300.0	0.0	7.1	-6.3	▶	▶	▶
	Mustard oil	250.0	-3.5	47.1	66.7	▶	▲	▲
	Mas (black gram)	225.0	-10.0	2.3	60.7	▼	▶	▲
	Musuro	160.0	-11.1	-15.8	14.3	▼	▼	▶
	Potato	25.0	-28.6	-3.8	25.0	▼	▶	▲

Hill and Mountain markets with road access

Dhankuta	Coarse rice	43.0	0.0	0.0	3.9	▶	▶	▶
	Wheat flour	48.0	0.0	0.0	5.3	▶	▶	▶
	Soybean oil	170.0	0.0	0.0	2.4	▶	▶	▶
	Chicken	360.0	9.1	9.1	20.0	▲	▶	▶
	Mas (black gram)	170.0	0.0	-22.7	14.9	▶	▼	▶
	Musuro	170.0	0.0	-10.5	34.9	▶	▼	▲
	Potato	35.0	-12.5	-30.0	-12.5	▼	▼	▶

Rolpa	Coarse rice	45.0	-2.2	0.0	21.6	▶	▶	▲
	Wheat flour	45.0	-10.0	-10.0	-10.0	▼	▶	▶
	Soybean oil	160.0	-27.3	-15.8	14.3	▼	▼	▶
	Chicken	330.0	0.0	3.1	0.0	▶	▶	▶
	Mas (black gram)	150.0	-11.8	-16.7	25.0	▼	▼	▲
	Musuro	160.0	-15.8	-11.1	10.3	▼	▼	▶

Sanjebagar	Coarse rice	40.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	42.0	0.0	0.0	0.0	▶	▶	▶
	Soybean oil	170.0	0.0	0.0	13.3	▶	▶	▶
	Chicken	400.0	0.0	0.0	0.0	▶	▶	▶
	Mas (black gram)	200.0	0.0	0.0	42.9	▶	▶	▲
	Musuro	200.0	0.0	11.1	48.1	▶	▲	▲

Jumla	Coarse rice	70.0	0.0	16.7	16.7	▶	▲	▲
	Wheat flour	90.0	0.0	38.5	28.6	▶	▲	▲
	Soybean oil	180.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	450.0	2.3	12.5	2.3	▶	▲	▶
	Mas (black gram)	150.0	-16.7	-6.3	0.0	▼	▶	▶
	Musuro	150.0	-16.7	-11.8	0.0	▼	▼	▶
	Potato	30.0	0.0	20.0	0.0	▶	▲	▶

Bejura	Coarse rice	45.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	46.0	4.5	0.0	2.2	▶	▶	▶
	Beans	160.0	-11.1	-5.9	23.1	▼	▶	▲
	Mas (black gram)	200.0	-9.1	17.6	53.8	▼	▲	▲
	Musuro	250.0	0.0	47.1	92.3	▶	▲	▲

Mountain markets without road access

Humla	Coarse rice*	130.0	1.6	0.0	150.0	▶	▶	▲
	Wheat flour	130.0	-13.3	-7.1	-35.0	▼	▼	▶
	Soybean oil	300.0	-6.3	76.5	0.0	▼	▲	▶
	Beans	170.0	6.3	13.3	41.7	▲	▲	▲
	Mas (black gram)	350.0	0.0	0.0	-	▶	▶	-
	Musuro	350.0	0.0	0.0	-	▶	▶	-

Dolpa	Coarse rice	120.0	-20.0	-20.0	-14.3	▼	▼	▶
	Wheat flour	120.0	-7.7	0.0	0.0	▼	▶	▶
	Soybean oil	350.0	0.0	0.0	16.7	▶	▶	▲
	Beans	200.0	17.6	25.0	33.3	▲	▲	▲
	Mas (black gram)	180.0	0.0	-10.0	-10.0	▶	▶	▶
	Musuro	210.0	-4.5	-4.5	-4.5	▶	▶	▶



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	50.0	0.0	11.1	11.1	▶	▶	▶
	Wheat flour	53.0	0.0	3.9	17.8	▶	▶	▶
	Soybean oil	180.0	-12.2	9.1	33.3	▼	▶	▶
	Chicken	350.0	9.4	9.4	25.0	▶	▶	▶
	Mustard oil	265.0	-1.9	39.5	60.6	▶	▶	▶
	Mas (black gram)	230.0	0.0	23.0	84.0	▶	▶	▶
	Musuro	215.0	0.0	22.9	72.0	▶	▶	▶
	Potato	38.0	-5.0	-9.5	18.8	▶	▶	▶

Pokhara	Coarse rice	48.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	48.0	6.7	6.7	6.7	▶	▶	▶
	Soybean oil	210.0	23.5	40.0	61.5	▶	▶	▶
	Chicken	300.0	-9.1	-3.2	3.4	▼	▶	▶
	Mustard oil	260.0	4.0	36.8	73.3	▶	▶	▶
	Mas (black gram)	260.0	30.0	33.3	92.6	▶	▶	▶
	Musuro	190.0	2.7	5.6	35.7	▶	▶	▶
	Potato	50.0	25.0	66.7	-9.1	▶	▶	▶

Regional Terai markets

Biratnagar	Coarse rice	40.0	-4.8	5.3	0.0	▶	▶	▶
	Wheat flour	46.0	-2.1	15.0	15.0	▶	▶	▶
	Soybean oil	140.0	-26.3	-6.7	12.0	▼	▶	▶
	Chicken	272.0	-9.3	-9.3	-9.3	▼	▶	▶
	Mustard oil	190.0	-5.0	0.0	15.2	▶	▶	▶
	Mas (black gram)	200.0	-9.1	0.0	53.8	▼	▶	▶
	Musuro	150.0	-8.5	-9.1	25.0	▼	▶	▶
	Potato	22.0	-26.7	-47.6	-12.0	▼	▼	▶

Biratnagar	Coarse rice	37.0	15.6	2.8	2.8	▶	▶	▶
	Wheat flour	39.0	8.3	2.6	-2.5	▶	▶	▶
	Soybean oil	155.0	4.7	0.0	2.0	▶	▶	▶
	Chicken	300.0	50.0	25.0	25.0	▶	▶	▶
	Mustard oil	220.0	22.2	10.0	15.8	▶	▶	▶
	Mas (black gram)	165.0	10.0	0.0	37.5	▶	▶	▶
	Musuro	180.0	12.5	0.0	28.6	▶	▶	▶
	Potato	25.0	13.6	-37.5	-16.7	▶	▼	▶

Nepalgunj	Coarse rice	34.7	0.0	-14.8	-6.3	▶	▼	▶
	Wheat flour	41.3	0.0	8.8	8.8	▶	▶	▶
	Soybean oil	171.3	0.0	-3.0	7.1	▶	▶	▶
	Chicken	385.0	0.0	1.8	28.3	▶	▶	▶
	Mustard oil	230.0	0.0	3.8	15.0	▶	▶	▶
	Mas (black gram)	241.7	0.0	16.9	119.7	▶	▶	▶
	Musuro	173.3	0.0	-12.6	92.6	▶	▼	▶
	Potato	30.0	0.0	0.0	-40.0	▶	▶	▼

Dhangadhi	Coarse rice	43.0	12.0	2.4	22.9	▶	▶	▶
	Wheat flour	35.6	-4.3	-2.7	-2.5	▶	▶	▶
	Soybean oil	236.0	0.0	87.3	62.8	▶	▶	▶
	Chicken	268.0	0.0	-14.1	-8.2	▶	▼	▶
	Mustard oil	200.0	0.0	29.9	25.0	▶	▶	▶
	Mas (black gram)	234.0	-6.4	-3.3	90.2	▼	▶	▶
	Musuro	178.0	0.0	-4.3	41.3	▶	▶	▶
	Potato	23.0	-23.3	-32.4	-28.1	▼	▼	▶

▶ 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	-2.9	-2.9	23.6	▶	▶	▶
	Wheat flour	40.0	17.6	17.6	12.7	▶	▶	▶
	Soybean oil	220.0	83.3	69.2	79.6	▶	▶	▶
	Chicken	350.0	16.7	9.4	25.0	▶	▶	▶
	Mustard oil	250.0	66.7	56.3	69.5	▶	▶	▶
	Mas (black gram)	250.0	38.9	38.9	66.7	▶	▶	▶
	Musuro	180.0	20.0	12.5	33.3	▶	▶	▶
	Potato	35.0	16.7	-22.2	55.6	▶	▼	▶

Hill and Mountain markets with road access

Dhankuta	Coarse rice	43.0	0.0	0.0	3.9	▶	▶	▶
	Wheat flour	48.0	0.0	0.0	5.3	▶	▶	▶
	Soybean oil	170.0	0.0	0.0	2.4	▶	▶	▶
	Chicken	330.0	0.0	0.0	10.0	▶	▶	▶
	Mas (black gram)	170.0	-22.7	41.7	14.9	▼	▶	▶
	Musuro	170.0	-2.9	54.5	34.9	▶	▶	▶
	Potato	40.0	0.0	-20.0	0.0	▶	▼	▶

Rolpa	Coarse rice	46.0	2.2	7.0	21.1	▶	▶	▶
	Wheat flour	50.0	0.0	0.0	25.0	▶	▶	▶
	Soybean oil	220.0	15.8	22.2	57.1	▶	▶	▶
	Chicken	330.0	3.1	0.0	0.0	▶	▶	▶
	Mas (black gram)	170.0	-5.6	-5.6	25.9	▼	▶	▶
	Musuro	190.0	5.6	11.8	35.7	▶	▶	▶
	Potato	50.0	0.0	0.0	-23.1	▶	▶	▼

Sanibabgar	Coarse rice	40.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	42.0	0.0	0.0	0.0	▶	▶	▶
	Soybean oil	170.0	0.0	13.3	13.3	▶	▶	▶
	Chicken	400.0	0.0	0.0	5.3	▶	▶	▶
	Mas (black gram)	200.0	0.0	11.1	42.9	▶	▶	▶
	Musuro	200.0	0.0	17.6	48.1	▶	▶	▶
	Potato	60.0	20.0	20.0	0.0	▶	▶	▶

Jumla	Coarse rice	70.0	0.0	16.7	16.7	▶	▶	▶
	Wheat flour	90.0	0.0	38.5	28.6	▶	▶	▶
	Soybean oil	180.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	440.0	0.0	10.0	0.0	▶	▶	▶
	Mas (black gram)	180.0	0.0	12.5	20.0	▶	▶	▶
	Musuro	180.0	0.0	5.9	20.0	▶	▶	▶
	Potato	30.0	0.0	20.0	0.0	▶	▶	▶

Bajura	Coarse rice	45.0	-2.2	2.3	0.0	▶	▶	▶
	Wheat flour	44.0	-2.2	-12.0	-2.2	▶	▼	▶
	Beans	180.0	0.0	12.5	38.5	▶	▶	▶
	Mas (black gram)	220.0	22.2	37.5	69.2	▶	▶	▶
	Musuro	250.0	31.6	56.3	92.3	▶	▶	▶
	Potato	40.0	0.0	33.3	0.0	▶	▶	▶

Mountain markets without road access

Humla	Coarse rice*	128.0	0.0	2.4	146.2	▶	▶	▶
	Wheat flour	150.0	0.0	-25.0	-25.0	▶	▼	▶
	Soybean oil	320.0	0.0	23.1	6.7	▶	▶	▶
	Beans	160.0	-54.3	6.7	33.3	▼	▶	▶
	Mas (black gram)	350.0	0.0	0.0	-	▶	▶	-
	Musuro	350.0	0.0	0.0	-	▶	▶	-
	Potato	70.0	0.0	16.7	0.0	▶	▶	▶

Dolpa	Coarse rice	150.0	0.0	7.1	7.1	▶	▶	▶
	Wheat flour	130.0	8.3	8.3	8.3	▶	▶	▶
	Soybean oil	300.0	0.0	25.0	36.4	▶	▶	▶
	Beans	170.0	-15.0	13.3	13.3	▼	▶	▶
	Mas (black gram)	180.0	-18.2	-21.7	-10.0	▼	▶	▶
	Musuro	220.0	10.0	0.0	0.0	▶	▶	▶
	Potato	50.0	25.0	25.0	25.0	▶	▶	▶

