



# Market Watch 81

April 2016†

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

- In April 2016, retail prices of most food commodities monitored in 12 markets across Nepal showed an upward trend after a continuous fall in most food prices over the past three months.
- Overall inflation rate in April 2016 was 9.7 percent. The food and beverage group was similar, at 9.3 percent, as were two food sub-groups, milk products and eggs (9.8 percent) and vegetables (9.2 percent). Two other food sub-groups were significantly higher: pulses and legumes (26.8 percent) and ghee and oil (15.5 percent).

## Prices

Retail prices of food commodities monitored across the country showed an upward trend in April 2016. On a month-on-month basis, retail prices of coarse rice and wheat flour marginally increased by 2.1 and 0.5 percent respectively, while that of black gram and broken lentil increased by 5.4 and 3.3 percent respectively. Likewise, prices of red potato and chicken meat went up by 4.5 and 0.5 percent respectively. However, the price of soybean oil decreased by 4.7 percent. Compared to three months earlier, most prices showed a decreasing trend with the exception of chicken meat. Compared to the same period last year, most prices showed an upward trend. Overall, the price of most food commodities over the past 12 months showed an upward trend, driven both by expected seasonal fluctuations and the effect of the five-month disruption to cross-border trade, which began from September 2015 onwards (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 Terai and the major consumer markets of Kathmandu and Pokhara, and a declining trend in the road-accessible mountain and hill markets, while the price of broken lentil showed an upward trend in all markets with the exception of the Terai markets. 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 an upward 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 cauliflower, cabbage, French bean, spinach, green peas, radish and carrot increased by more than 25 percent due to a reduction in supply, while that of pointed gourd, okra, bitter gourd, cow pea and cucumber decreased by more than 17 percent due to the harvest season.

In April 2016, the overall consumer price index (CPI) released by Nepal Rastra Bank was 109.4, an increase of 0.2 percent month-on-month. The inflation rate, as measured by the year-on-year increase in the CPI, was 9.7 percent. The food and beverage group of the CPI was 109.1, an increase of 0.5 percent month-on-month and 9.3 percent year-on-year; several sub-groups showed higher or similar year-on-year increases: pulses and legumes (26.8 percent), ghee and oil (15.5 percent), milk products and eggs (9.8 percent) and vegetables (9.2 percent). The non-food and services group of the CPI was 109.6, a decrease of 0.1 percent month-on-month and an increase of 10.0 percent year-on-year.

## Supply

The food supply situation across the country has improved with the smooth operation of transportation services, most notably with increased access to fair-weather roads, particularly in the mountains and hills.

## Outlook

Most food prices are expected to increase next month with the exception of recently harvested winter crops. However, prices of summer vegetables are likely to decrease in the coming months.

The second advance estimate of wheat production, the main winter crop, forecasts a decrease up to 13 percent due to a decline in the planted area and poor rainfall during the growing period.

Table 1: Largest changes in commodity prices (month-on-month)			
Commodity	Price NPR/kg or liter	% change 1 month	Observations
Cauliflower, cabbage, French bean, spinach, green peas, radish and carrot	various	> 25	Decrease in supply due to lean season
Pointed gourd, okra, bitter gourd, cow pea and cucumber	various	<-17	Increase in supply due to harvest season

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

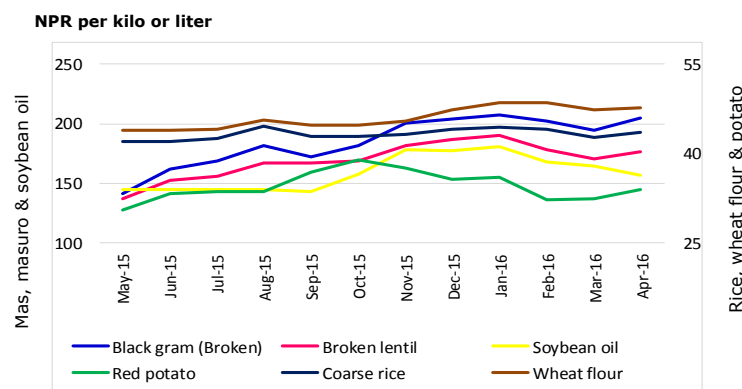
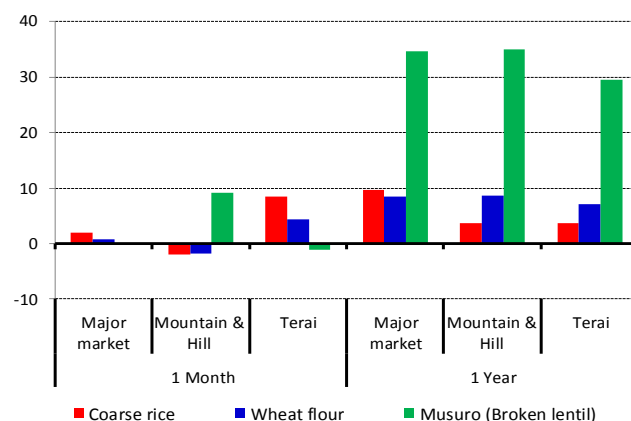


Figure 2: Percentage change in retail prices\*\* (1 month & 1 year)



† Prices relate to the Nepali month of Chaitra 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	12.8	▶	▶	▶
	Soybean oil	160.0	0.0	-11.1	18.5	▶	▼	▲
	Chicken	340.0	3.0	-2.9	11.5	▶	▶	▶
	Mustard oil	220.0	-4.3	-17.0	33.3	▶	▼	▲
	Mas (black gram)	195.0	-2.5	-15.2	34.5	▶	▼	▲
	Musuro	180.0	-5.3	-16.3	31.4	▼	▼	▲
	Potato	28.0	0.0	-26.3	-6.7	▶	▼	▶

Pokhara	Coarse rice	52.0	4.0	6.1	8.3	▶	▶	▶
	Wheat flour	50.0	1.6	4.2	4.2	▶	▶	▶
	Soybean oil	150.0	0.0	-28.6	7.1	▶	▼	▶
	Chicken	410.0	0.0	13.9	2.5	▶	▲	▶
	Mustard oil	190.0	0.0	-26.9	5.6	▶	▼	▶
	Mas (black gram)	225.0	0.0	-13.5	50.0	▶	▼	▲
	Musuro	200.0	5.3	5.3	37.9	▲	▶	▲
	Potato	35.0	-12.5	-30.0	0.0	▼	▼	▶

**Regional Terai markets**

Biratnagar	Coarse rice	35.0	9.4	-12.5	-12.5	▲	▼	▶
	Wheat flour	41.6	0.0	-9.6	4.0	▶	▶	▶
	Soybean oil	135.0	0.0	-3.6	8.0	▶	▶	▶
	Chicken	300.0	0.0	10.3	-6.3	▶	▲	▶
	Mustard oil	175.0	0.0	-7.9	6.1	▶	▶	▶
	Mas (black gram)	210.0	-4.5	5.0	50.0	▶	▶	▲
	Musuro	160.0	6.7	6.7	18.5	▲	▶	▲

Birgunj	Coarse rice	34.0	0.0	-8.1	-5.6	▶	▶	▶
	Wheat flour	40.0	0.0	2.6	0.0	▶	▶	▶
	Soybean oil	155.0	0.0	0.0	0.6	▶	▶	▶
	Chicken	280.0	0.0	-6.7	-13.8	▶	▶	▶
	Mustard oil	215.0	0.0	-2.3	13.2	▶	▶	▶
	Mas (black gram)	165.0	3.1	0.0	35.2	▶	▶	▲
	Musuro	170.0	0.0	-5.6	25.0	▶	▶	▲

Nepalgunj	Coarse rice	34.7	0.0	0.0	-8.8	▶	▶	▶
	Wheat flour	43.0	0.0	4.0	13.2	▶	▶	▶
	Soybean oil	181.7	0.0	6.0	13.5	▶	▶	▶
	Chicken	375.0	0.0	-2.6	25.0	▶	▶	▲
	Mustard oil	248.3	0.0	8.0	24.2	▶	▶	▲
	Mas (black gram)	251.7	0.0	4.1	118.8	▶	▶	▲
	Musuro	188.3	0.0	8.7	79.4	▶	▶	▲

Dhangadhi	Coarse rice	43.0	0.0	0.0	7.5	▶	▶	▶
	Wheat flour	39.2	7.4	10.1	-6.7	▲	▲	▶
	Soybean oil	164.0	-1.8	-30.5	22.4	▶	▼	▲
	Chicken	280.0	4.5	4.5	-9.1	▶	▶	▶
	Mustard oil	180.0	1.4	-10.0	16.9	▶	▶	▲
	Mas (black gram)	246.0	5.1	5.1	64.0	▲	▶	▲
	Musuro	168.0	5.0	-5.6	15.1	▶	▶	▲

Dolpa	Coarse rice	30.0	3.4	30.4	30.4	▶	▲	▲
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- ▲ 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	40.0	33.3	17.6	37.9	▲	▲	▲
	Wheat flour	40.0	14.3	0.0	25.0	▲	▶	▲
	Soybean oil	125.0	0.0	-16.7	6.4	▶	▼	▶
	Chicken	340.0	13.3	13.3	13.3	▲	▲	▶
	Mustard oil	180.0	0.0	-30.5	10.8	▶	▼	▶
	Mas (black gram)	220.0	4.8	-12.0	72.5	▶	▼	▲
	Musuro	140.0	-17.6	-22.2	9.8	▼	▼	▶
	Potato	25.0	25.0	-28.6	150.0	▲	▼	▲

**Hill and Mountain markets with road access**

Dhankuta	Coarse rice	43.0	0.0	0.0	1.8	▶	▶	▶
	Wheat flour	48.0	0.0	0.0	5.1	▶	▶	▶
	Soybean oil	170.0	0.0	0.0	2.4	▶	▶	▶
	Chicken	360.0	0.0	9.1	12.5	▶	▶	▶
	Mas (black gram)	130.0	-13.3	-23.5	-12.2	▼	▼	▶
	Musuro	170.0	13.3	0.0	34.9	▲	▶	▲
	Potato	35.0	0.0	-12.5	-12.5	▶	▼	▶

Rolpa	Coarse rice	45.0	0.0	-2.2	0.0	▶	▶	▶
	Wheat flour	40.0	-11.1	-20.0	0.0	▼	▼	▶
	Soybean oil	130.0	-18.8	-40.9	0.0	▼	▼	▶
	Chicken	320.0	-3.0	-3.0	-20.0	▶	▶	▼
	Mas (black gram)	230.0	48.4	35.3	76.9	▲	▲	▲
	Musuro	150.0	-11.8	-21.1	7.1	▼	▼	▶

Sanjebagar	Coarse rice	40.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	44.0	4.8	4.8	4.8	▶	▶	▶
	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	190.0	5.6	-5.0	40.7	▲	▶	▲

Jumla	Coarse rice	70.0	0.0	0.0	16.7	▶	▶	▲
	Wheat flour	90.0	0.0	0.0	28.6	▶	▶	▲
	Soybean oil	160.0	0.0	-11.1	-11.1	▶	▼	▶
	Chicken	440.0	-2.2	0.0	0.0	▶	▶	▶
	Mas (black gram)	150.0	0.0	-16.7	0.0	▶	▼	▶
	Musuro	150.0	0.0	-16.7	0.0	▶	▼	▶
	Potato	30.0	0.0	0.0	0.0	▶	▶	▶

Bejura	Coarse rice	36.0	-10.0	-20.0	0.0	▼	▼	▶
	Wheat flour	44.0	-2.2	0.0	4.8	▶	▶	▶
	Beans	180.0	12.5	0.0	38.5	▲	▶	▲
	Mas (black gram)	250.0	38.9	13.6	92.3	▲	▲	▲
	Musuro	250.0	38.9	0.0	92.3	▲	▶	▲
	Potato	45.0	12.5	12.5	12.5	▲	▲	▲

**Mountain markets without road access**

Humla	Coarse rice*	130.0	0.0	1.6	150.0	▶	▶	▲
	Wheat flour	140.0	0.0	-6.7	-30.0	▶	▶	▼
	Soybean oil	320.0	6.7	0.0	6.7	▲	▶	▶
	Beans	170.0	0.0	6.3	13.3	▶	▶	▶
	Mas (black gram)	350.0	0.0	0.0	-	▶	▶	-
	Musuro	350.0	0.0	0.0	133.3	▶	▶	▲

Dolpa	Coarse rice	130.0	8.3	-13.3	18.2	▲	▼	▲
	Wheat flour	120.0	0.0	-7.7	4.3	▶	▶	▶
	Soybean oil	240.0	-20.0	-20.0	4.3	▼	▼	▶
	Beans	170.0	0.0	0.0	13.3	▶	▶	▶
	Mas (black gram)	200.0	0.0	11.1	0.0	▶	▲	▶
	Musuro	200.0	0.0	-9.1	33.3	▶	▶	▲



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	12.8	▶	▶	▶
	Soybean oil	160.0	-8.6	-22.0	18.5	▼	▼	▲
	Chicken	330.0	-10.8	3.1	-8.3	▼	▶	▶
	Mustard oil	230.0	-11.5	-14.8	39.4	▼	▼	▲
	Mas (black gram)	200.0	-7.0	-13.0	48.1	▼	▼	▲
	Musuro	190.0	-5.0	-11.6	38.7	▶	▼	▲
	Potato	28.0	-6.7	-30.0	-6.7	▼	▼	▶

Pokhara	Coarse rice	50.0	0.0	4.2	5.3	▶	▶	▶
	Wheat flour	49.2	-1.6	9.3	9.3	▶	▶	▶
	Soybean oil	150.0	0.0	-11.8	15.4	▼	▼	▲
	Chicken	410.0	0.0	24.2	0.0	▶	▶	▶
	Mustard oil	190.0	0.0	-24.0	11.8	▶	▼	▶
	Mas (black gram)	225.0	0.0	12.5	60.7	▶	▶	▲
	Musuro	190.0	0.0	2.7	35.7	▶	▶	▲
	Potato	40.0	0.0	0.0	-11.1	▶	▶	▶

Regional Terai markets

Biratnagar	Coarse rice	32.0	-20.0	-23.8	-20.0	▼	▼	▼
	Wheat flour	41.6	-7.6	-11.5	4.0	▼	▼	▶
	Soybean oil	135.0	-3.6	-28.9	8.0	▶	▼	▶
	Chicken	300.0	0.0	0.0	-9.1	▶	▶	▶
	Mustard oil	175.0	-5.4	-12.5	6.1	▼	▼	▶
	Mas (black gram)	220.0	0.0	0.0	57.1	▶	▶	▲
	Musuro	150.0	-11.8	-8.5	7.1	▼	▶	▶
	Potato	26.6	23.1	-11.3	33.0	▲	▼	▲

Biratnagar	Coarse rice	34.0	0.0	6.3	-5.6	▶	▶	▶
	Wheat flour	40.0	0.0	11.1	-11.1	▶	▶	▶
	Soybean oil	155.0	0.0	4.7	3.3	▶	▶	▶
	Chicken	280.0	-6.7	40.0	-6.7	▼	▶	▶
	Mustard oil	215.0	-2.3	19.4	7.5	▶	▶	▶
	Mas (black gram)	160.0	0.0	6.7	68.4	▶	▶	▶
	Musuro	170.0	-5.6	6.3	54.5	▼	▶	▶
	Potato	25.0	25.0	13.6	25.0	▶	▶	▶

Nepalgunj	Coarse rice	34.7	0.0	0.0	-6.3	▶	▶	▶
	Wheat flour	43.0	3.2	4.0	13.2	▶	▶	▶
	Soybean oil	181.7	0.0	6.0	13.5	▶	▶	▶
	Chicken	375.0	0.0	-2.6	25.0	▶	▶	▶
	Mustard oil	248.3	0.7	8.0	24.2	▶	▶	▶
	Mas (black gram)	251.7	3.4	4.1	124.7	▶	▶	▶
	Musuro	188.3	6.6	8.7	88.3	▶	▶	▶
	Potato	25.3	4.1	-15.6	26.7	▶	▼	▶

Dhangadhi	Coarse rice	43.0	0.0	12.0	17.2	▶	▶	▶
	Wheat flour	36.5	-0.3	-1.9	-13.1	▶	▶	▶
	Soybean oil	167.0	-5.1	-29.2	26.5	▼	▼	▶
	Chicken	268.0	0.0	0.0	-9.5	▶	▶	▶
	Mustard oil	177.5	2.0	-11.3	10.9	▶	▼	▶
	Mas (black gram)	234.0	-5.6	-6.4	75.9	▼	▶	▶
	Musuro	160.0	-10.1	-10.1	16.8	▼	▼	▶
	Potato	29.0	16.0	-3.3	26.1	▶	▶	▶

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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	30.0	-11.8	-14.3	3.4	▼	▼	▶
	Wheat flour	35.0	-22.2	2.9	-22.2	▼	▶	▼
	Soybean oil	125.0	-16.7	4.2	0.0	▼	▶	▶
	Chicken	300.0	0.0	0.0	-6.3	▶	▶	▶
	Mustard oil	180.0	-28.0	20.0	0.0	▼	▶	▶
	Mas (black gram)	210.0	-6.7	16.7	50.0	▼	▶	▶
	Musuro	170.0	6.3	13.3	21.4	▶	▶	▶
	Potato	20.0	-20.0	-33.3	33.3	▼	▼	▶

Hill and Mountain markets with road access

Dhankuta	Coarse rice	43.0	0.0	0.0	1.8	▶	▶	▶
	Wheat flour	48.0	0.0	0.0	5.1	▶	▶	▶
	Soybean oil	170.0	0.0	0.0	2.4	▶	▶	▶
	Chicken	360.0	0.0	9.1	12.5	▶	▶	▶
	Mas (black gram)	150.0	-11.8	-31.8	0.8	▼	▼	▶
	Musuro	150.0	-11.8	-14.3	20.0	▼	▼	▶
	Potato	35.0	0.0	-12.5	-12.5	▶	▼	▶

Rolpa	Coarse rice	45.0	0.0	0.0	25.0	▶	▶	▶
	Wheat flour	45.0	0.0	-10.0	-10.0	▶	▶	▶
	Soybean oil	160.0	0.0	-15.8	14.3	▶	▼	▶
	Chicken	330.0	0.0	3.1	0.0	▶	▶	▶
	Mas (black gram)	155.0	3.3	-13.9	19.2	▶	▼	▶
	Musuro	170.0	6.3	-5.6	17.2	▶	▶	▶
	Potato	40.0	-20.0	-20.0	-20.0	▼	▼	▶

Santebagar	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	180.0	-10.0	-10.0	33.3	▼	▶	▶
	Potato	50.0	0.0	0.0	0.0	▶	▶	▶

Jumla	Coarse rice	70.0	0.0	0.0	16.7	▶	▶	▶
	Wheat flour	90.0	0.0	0.0	28.6	▶	▶	▶
	Soybean oil	160.0	-11.1	-11.1	-11.1	▼	▼	▶
	Chicken	450.0	0.0	2.3	2.3	▶	▶	▶
	Mas (black gram)	150.0	0.0	-16.7	0.0	▶	▼	▶
	Musuro	150.0	0.0	-16.7	0.0	▶	▼	▶
	Potato	30.0	0.0	0.0	-14.3	▶	▶	▶

Bajura	Coarse rice	40.0	-11.1	-13.0	-11.1	▼	▼	▶
	Wheat flour	45.0	-2.2	0.0	0.0	▶	▶	▶
	Beans	160.0	0.0	-11.1	23.1	▶	▼	▶
	Mas (black gram)	180.0	-10.0	0.0	38.5	▼	▶	▶
	Musuro	180.0	-28.0	-5.3	38.5	▼	▶	▶
	Potato	40.0	14.3	0.0	-20.0	▶	▶	▶

Mountain markets without road access

Humla	Coarse rice*	130.0	0.0	1.6	-	▶	▶	-
	Wheat flour	140.0	7.7	-6.7	-	▶	▶	-
	Soybean oil	300.0	0.0	-6.3	-	▶	▶	-
	Beans	170.0	0.0	-51.4	-	▶	▼	-
	Mas (black gram)	350.0	0.0	0.0	-	▶	▶	-
	Musuro	350.0	0.0	0.0	-	▶	▶	-
	Potato	60.0	0.0	-14.3	-	▶	▼	-

Dolpa	Coarse rice	120.0	0.0	-20.0	-	▶	▼	-
	Wheat flour	120.0	0.0	0.0	-	▶	▶	-
	Soybean oil	300.0	0.0	0.0	-	▶	▶	-
	Beans	170.0	-15.0	-15.0	-	▼	▼	-
	Mas (black gram)	200.0	11.1	-9.1	-	▶	▶	-
	Musuro	200.0	-4.8	0.0	-	▶	▶	-
	Potato	50.0	25.0	25.0	-	▶	▶	-

