



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 82

June 2016†

HIGHLIGHTS

- **In June 2016, retail prices of most food commodities monitored in 12 markets across Nepal showed an upward trend due to the start of the lean season of most cereal crops.**
- **Overall inflation rate in June 2016 was 11.1 percent. The food and beverage group was similar at 11.9 percent, while various food sub-groups were higher: vegetables (29.4 percent), pulses and legumes (21.5 percent), sugar and sugar products (13.5 percent), meat and fish (12.7 percent) and ghee and oil (12.6 percent).**

Prices

Retail prices of food commodities monitored across the country showed an upward trend in June 2016. On a month-on-month basis, retail prices of coarse rice and wheat flour increased by 3.1 and 0.8 percent respectively, while that of black gram and broken lentil increased by 4.0 and 2.3 percent respectively. Likewise, prices of red potato, chicken meat and soybean oil went up by 12.0, 3.8 and 2.9 percent respectively. Compared to three months earlier, most prices showed an increasing trend with the exception of edible oils. 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 with expected seasonal fluctuations and the effect of the five-month disruption to cross-border trade last year (see **Figure 1**).

Prices in regional markets (see **Figure 2**) showed somewhat similar trends to the national averages, with an upward trend of prices of coarse rice, wheat flour and broken lentil in all markets with the exception of broken lentil in the major consumer markets of Kathmandu and Pokhara. Compared to the same period last year, prices of all commodities showed an upward trend (with the exception of the price of coarse rice in the Terai markets).

Wholesale prices regularly monitored by FNCCI/AEC in the five large markets of Birtamod, Kathmandu, Butwal, Surkhet and Dhangadhi showed a marginal decline 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 tomato, cabbage, christophine and carrot increased by more than 15 percent due to a reduction in supply, while that of French bean, smooth gourd, bitter gourd, brinjal, cauliflower, pointed gourd and cucumber decreased by more than 18 percent due to the harvest season.

In June 2016, the overall consumer price index (CPI) released by Nepal Rastra Bank was 112.4, an increase of 0.9 percent month-on-month. The inflation rate, as measured by the year-on-year increase in the CPI, was 11.1 percent. The food and beverage group of the CPI was 113.1, an increase of 2.0 percent month-on-month and 11.9 percent year-on-year; several sub-groups showed higher year-on-year increases: vegetables (29.4 percent), pulses and legumes (21.5 percent), sugar and sugar products (13.5 percent), meat and fish (12.7 percent) and ghee and oil (12.6 percent). The non-food and services group of the CPI was 111.9, an increase of 0.01 percent month-on-month and 10.5 percent year-on-year.

Supply

The food supply situation in some markets in hill and mountain districts has been disrupted due to flooding and landslides caused by monsoon rains.

Outlook

Most food prices are expected to increase in the next month due to the start of the lean season. However, prices of summer vegetables are likely to decrease in the coming months.

The preliminary estimates of winter crop production (wheat and barley) show an overall decrease of 12 percent compared to last year and a decrease of 6.9 percent compared to the five year average.

Table 1: Largest changes in commodity prices (month-on-month)			
Commodity	Price NPR/kg or liter	% change 1 month	Observations
Christophine, tomato, cabbage, and carrot.	various	> 15	Decrease in supply due to lean season
French bean, smooth gourd, bitter gourd, brinjal, cauliflower, pointed gourd and cucumber.	various	< -18	Increase in supply due to harvest season

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

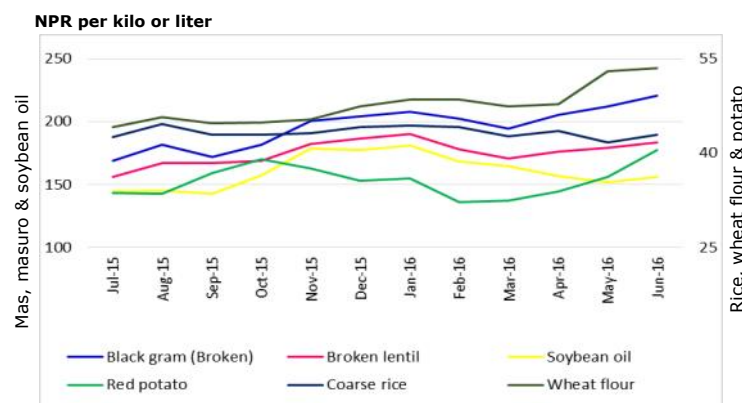
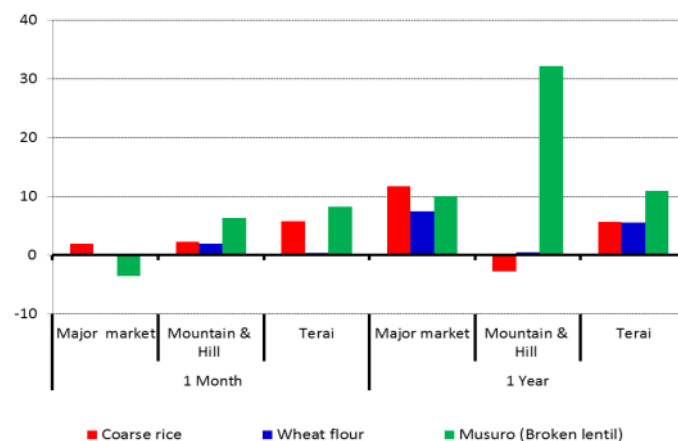


Figure 2: Percentage change in retail prices (1 month & 1 year)**



† Prices relate to the Nepali month of Jetha 2073.

* 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	0.0	14.3	▶	▶	▶
	Chicken	350.0	2.9	6.1	45.8	▶	▶	▲
	Mustard oil	220.0	0.0	-4.3	31.7	▶	▶	▲
	Mas (black gram)	190.0	0.0	-5.0	24.2	▶	▶	▲
	Musuro	180.0	2.9	-5.3	20.0	▶	▶	▲
	Potato	50.0	66.7	78.6	66.7	▲	▲	▲

Pokhara	Coarse rice	55.0	3.8	10.0	12.2	▶	▶	▶
	Wheat flour	50.0	0.0	1.6	2.0	▶	▶	▶
	Soybean oil	145.0	3.6	-3.3	10.7	▶	▶	▶
	Chicken	390.0	0.0	-4.9	21.9	▶	▶	▲
	Mustard oil	180.0	0.0	-5.3	0.0	▶	▶	▶
	Mas (black gram)	240.0	4.3	6.7	33.3	▶	▶	▲
	Musuro	180.0	-10.0	-5.3	0.0	▼	▶	▶
	Potato	50.0	11.1	25.0	42.9	▲	▲	▲

Regional Terai markets

Biratnagar	Coarse rice	40.0	14.3	25.0	0.0	▲	▲	▶
	Wheat flour	40.0	0.0	-3.8	0.0	▶	▶	▶
	Soybean oil	135.0	-3.6	0.0	3.1	▶	▶	▶
	Chicken	320.0	0.0	6.7	0.0	▶	▶	▶
	Mustard oil	175.0	2.9	0.0	4.8	▶	▶	▶
	Mas (black gram)	200.0	-9.1	-9.1	14.3	▼	▶	▶
	Musuro	180.0	38.5	20.0	25.0	▲	▲	▲

Birgunj	Coarse rice	35.0	0.0	2.9	6.1	▶	▶	▶
	Wheat flour	40.0	0.0	0.0	14.3	▶	▶	▶
	Soybean oil	152.0	-1.9	-1.9	1.3	▶	▶	▶
	Chicken	330.0	3.1	17.9	10.0	▶	▶	▶
	Mustard oil	210.0	0.0	-2.3	10.5	▶	▶	▶
	Mas (black gram)	155.0	0.0	-3.1	19.2	▶	▶	▲
	Musuro	166.0	-1.2	-2.4	10.7	▶	▶	▶

Nepalgunj	Coarse rice	36.0	2.9	3.8	-2.7	▶	▶	▶
	Wheat flour	43.0	4.9	0.0	13.2	▶	▶	▶
	Soybean oil	148.0	2.1	-18.5	-7.5	▶	▼	▶
	Chicken	357.0	26.6	-4.8	19.0	▲	▶	▲
	Mustard oil	228.0	-8.1	-8.2	14.0	▼	▶	▶
	Mas (black gram)	278.0	1.8	10.5	85.3	▶	▶	▲
	Musuro	178.0	1.7	-5.5	18.7	▶	▶	▲

Dhangadhi	Coarse rice	41.2	-4.2	-4.2	8.4	▶	▶	▶
	Wheat flour	39.2	0.0	7.4	3.2	▶	▶	▶
	Soybean oil	142.0	-1.4	-15.0	4.4	▶	▼	▶
	Chicken	320.0	11.1	19.4	11.9	▲	▶	▶
	Mustard oil	170.0	-5.6	-4.2	14.9	▼	▶	▶
	Mas (black gram)	262.0	6.5	12.0	47.2	▲	▶	▲
	Musuro	177.0	5.4	10.6	0.6	▲	▶	▶

Dolpa	Coarse rice	46.0	53.3	58.6	84.0	▲	▲	▲
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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	35.0	15.7	16.7	16.7	▲	▲	▲
	Wheat flour	34.0	-2.9	-2.9	-2.9	▶	▶	▶
	Soybean oil	140.0	16.7	12.0	16.7	▲	▲	▲
	Chicken	300.0	-6.3	0.0	0.0	▼	▶	▶
	Mustard oil	180.0	0.0	0.0	38.5	▶	▶	▶
	Mas (black gram)	240.0	26.3	14.3	41.2	▲	▲	▲
	Musuro	150.0	-3.2	-11.8	0.0	▶	▼	▶
	Potato	30.0	20.0	50.0	20.0	▲	▲	▲

Hill and Mountain markets with road access

Dhankuta	Coarse rice	43.0	1.7	0.0	0.5	▶	▶	▶
	Wheat flour	48.0	5.0	0.0	5.0	▲	▶	▶
	Soybean oil	170.0	2.4	0.0	2.4	▶	▶	▶
	Chicken	360.0	12.5	0.0	12.5	▲	▶	▶
	Mas (black gram)	200.0	11.1	33.3	34.3	▲	▲	▲
	Musuro	170.0	13.3	13.3	34.9	▲	▲	▲
	Potato	50.0	25.0	42.9	42.9	▲	▲	▲

Rolpa	Coarse rice	35.0	0.0	-22.2	-27.1	▶	▼	▼
	Wheat flour	45.0	0.0	0.0	0.0	▶	▶	▶
	Soybean oil	140.0	0.0	-12.5	7.7	▶	▼	▶
	Chicken	360.0	0.0	9.1	-10.0	▶	▶	▶
	Mas (black gram)	180.0	0.0	16.1	-21.7	▶	▲	▼
	Musuro	180.0	0.0	5.9	20.0	▶	▶	▲

Sanjibargar	Coarse rice	40.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	44.0	0.0	4.8	4.8	▶	▶	▶
	Soybean oil	170.0	0.0	0.0	13.3	▶	▶	▶
	Chicken	400.0	0.0	0.0	2.6	▶	▶	▶
	Mas (black gram)	200.0	-9.1	0.0	33.3	▼	▶	▲
	Musuro	200.0	0.0	11.1	17.6	▶	▶	▲

Jumla	Coarse rice	60.0	0.0	-14.3	0.0	▶	▼	▶
	Wheat flour	60.0	0.0	-33.3	-14.3	▶	▼	▶
	Soybean oil	160.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	500.0	-9.1	11.1	13.6	▼	▶	▶
	Mas (black gram)	220.0	0.0	46.7	46.7	▶	▶	▲
	Musuro	180.0	0.0	20.0	20.0	▶	▶	▲
	Potato	30.0	-25.0	0.0	0.0	▼	▶	▶

Bajura	Coarse rice	45.0	9.8	12.5	12.5	▲	▲	▶
	Wheat flour	45.0	4.7	0.0	7.1	▶	▶	▶
	Beans	180.0	0.0	12.5	-	▶	▲	-
	Mas (black gram)	260.0	18.2	44.4	108.0	▲	▲	▲
	Musuro	260.0	18.2	44.4	108.0	▲	▲	▲

Mountain markets without road access

Humla	Coarse rice*	130.0	0.0	0.0	150.0	▶	▶	▶
	Wheat flour	140.0	0.0	0.0	-30.0	▶	▶	▼
	Soybean oil	300.0	0.0	0.0	7.1	▶	▶	▶
	Beans	180.0	5.9	5.9	20.0	▶	▶	▶
	Mas (black gram)	350.0	0.0	0.0	0.0	▶	▶	▶
	Musuro	350.0	0.0	0.0	0.0	▶	▶	▶

Dolpa	Coarse rice	140.0	7.7	16.7	0.0	▶	▶	▶
	Wheat flour	120.0	0.0	0.0	0.0	▶	▶	▶
	Soybean oil	240.0	0.0	-20.0	0.0	▶	▼	▶
	Beans	200.0	0.0	17.6	33.3	▶	▶	▶
	Mas (black gram)	300.0	50.0	50.0	50.0	▲	▲	▲
	Musuro	300.0	50.0	50.0	50.0	▲	▲	▲



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	-8.6	16.8	▶	▶	▲
	Chicken	340.0	0.0	-8.1	17.2	▶	▶	▲
	Mustard oil	220.0	0.0	-15.4	31.7	▶	▼	▲
	Mas (black gram)	190.0	-2.6	-11.6	31.0	▶	▼	▲
	Musuro	175.0	-2.8	-12.5	22.4	▶	▼	▲
	Potato	30.0	7.1	0.0	0.0	▲	▶	▶

Pokhara	Coarse rice	53.0	1.9	6.0	10.4	▶	▶	▶
	Wheat flour	50.0	0.0	0.0	4.2	▶	▶	▶
	Soybean oil	140.0	-6.7	-6.7	0.0	▼	▶	▶
	Chicken	390.0	-4.9	-4.9	-2.5	▶	▶	▶
	Mustard oil	180.0	-5.3	-5.3	0.0	▼	▶	▶
	Mas (black gram)	230.0	2.2	2.2	53.3	▶	▶	▲
	Musuro	200.0	0.0	5.3	37.9	▶	▶	▲
	Potato	45.0	28.6	12.5	28.6	▲	▲	▲

Regional Terai markets

Biratnagar	Coarse rice	35.0	0.0	-12.5	-12.5	▶	▼	▶
	Wheat flour	40.0	-3.8	-11.1	0.0	▶	▼	▶
	Soybean oil	140.0	3.7	0.0	12.0	▶	▶	▶
	Chicken	320.0	6.7	6.7	14.3	▲	▶	▶
	Mustard oil	170.0	-2.9	-8.1	3.0	▶	▶	▶
	Mas (black gram)	220.0	4.8	0.0	57.1	▶	▶	▲
	Musuro	130.0	-18.8	-23.5	-7.1	▼	▼	▶
	Potato	35.0	25.0	62.0	75.0	▲	▲	▲

Bijurji	Coarse rice	35.0	2.9	2.9	-2.8	▶	▶	▶
	Wheat flour	40.0	0.0	0.0	0.0	▶	▶	▶
	Soybean oil	155.0	0.0	0.0	3.3	▶	▶	▶
	Chicken	320.0	14.3	6.7	6.7	▲	▶	▶
	Mustard oil	210.0	-2.3	-4.5	10.5	▶	▶	▶
	Mas (black gram)	155.0	-6.1	-3.1	27.0	▼	▶	▲
	Musuro	168.0	-1.2	-6.7	12.0	▶	▶	▶
	Potato	30.0	20.0	50.0	66.7	▲	▲	▲

Nepalgunj	Coarse rice	35.0	1.0	1.0	-7.9	▶	▶	▶
	Wheat flour	41.0	-4.7	-1.6	7.9	▶	▶	▶
	Soybean oil	145.0	-20.2	-20.2	-9.4	▼	▼	▶
	Chicken	282.0	-24.8	-24.8	-6.0	▼	▼	▶
	Mustard oil	248.0	-0.1	0.5	24.0	▶	▶	▲
	Mas (black gram)	273.0	8.5	12.2	137.4	▲	▲	▲
	Musuro	175.0	-7.1	-0.9	66.7	▼	▶	▲
	Potato	29.0	14.5	19.2	45.0	▲	▲	▲

Dhangadhi	Coarse rice	43.0	0.0	0.0	2.4	▶	▶	▶
	Wheat flour	39.2	0.0	7.1	3.2	▶	▶	▶
	Soybean oil	144.0	-12.2	-18.2	5.9	▼	▼	▶
	Chicken	288.0	2.9	7.5	-2.7	▶	▶	▶
	Mustard oil	180.0	0.0	3.4	12.5	▶	▶	▶
	Mas (black gram)	246.0	0.0	-0.8	49.1	▶	▶	▲
	Musuro	168.0	0.0	-5.6	9.1	▶	▶	▶
	Potato	30.0	0.0	20.0	30.4	▶	▲	▲

▲ 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	30.3	-24.4	-11.0	-13.6	▼	▼	▶
	Wheat flour	35.0	-12.5	-22.2	0.0	▼	▼	▶
	Soybean oil	120.0	-4.0	-20.0	4.3	▶	▼	▶
	Chicken	32.0	-90.6	-89.3	-89.3	▼	▼	▼
	Mustard oil	180.0	0.0	-28.0	9.1	▶	▼	▶
	Mas (black gram)	190.0	-13.6	-15.6	46.2	▼	▼	▲
	Musuro	190.0	35.7	18.8	40.7	▲	▲	▲
	Potato	25.0	0.0	0.0	25.0	▶	▶	▲

Hill and Mountain markets with road access

Dhankuta	Coarse rice	42.3	-1.6	-1.6	0.1	▶	▶	▶
	Wheat flour	45.7	-4.8	-4.8	-2.5	▶	▶	▶
	Soybean oil	166.0	-2.4	-2.4	0.0	▶	▶	▶
	Chicken	320.0	-11.1	-11.1	0.0	▼	▼	▶
	Mas (black gram)	150.0	15.4	-11.8	0.7	▲	▼	▶
	Musuro	126.0	-25.9	-25.9	0.0	▼	▼	▶
	Potato	40.0	14.3	14.3	0.0	▲	▲	▶

Rolpa	Coarse rice	35.0	-22.2	-22.2	-12.5	▼	▼	▶
	Wheat flour	45.0	12.5	0.0	12.5	▲	▶	▶
	Soybean oil	140.0	7.7	-12.5	3.7	▲	▼	▶
	Chicken	360.0	12.5	9.1	12.5	▲	▶	▶
	Mas (black gram)	180.0	-21.7	20.0	20.0	▼	▲	▲
	Musuro	180.0	20.0	12.5	24.1	▲	▲	▲
	Potato	40.0	-20.0	-20.0	0.0	▼	▼	▶

Sanjibpur	Coarse rice	40.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	44.0	0.0	4.8	4.8	▶	▶	▶
	Soybean oil	170.0	0.0	0.0	13.3	▶	▶	▶
	Chicken	400.0	0.0	0.0	2.6	▶	▶	▶
	Mas (black gram)	220.0	10.0	10.0	46.7	▲	▶	▲
	Musuro	200.0	5.3	0.0	33.3	▲	▶	▲
	Potato	50.0	0.0	0.0	0.0	▶	▶	▶

Jumla	Coarse rice	60.0	-14.3	-14.3	0.0	▼	▼	▶
	Wheat flour	60.0	-33.3	-33.3	-14.3	▼	▼	▶
	Soybean oil	160.0	0.0	-11.1	-11.1	▶	▼	▶
	Chicken	550.0	25.0	22.2	25.0	▲	▲	▲
	Mas (black gram)	220.0	46.7	46.7	46.7	▲	▲	▲
	Musuro	180.0	20.0	20.0	20.0	▲	▲	▲
	Potato	40.0	33.3	33.3	33.3	▲	▲	▲

Bajura	Coarse rice	41.0	13.9	-8.9	7.9	▲	▶	▶
	Wheat flour	43.0	-2.3	-6.5	2.4	▶	▶	▶
	Beans	180.0	0.0	12.5	38.5	▶	▲	▲
	Mas (black gram)	220.0	-12.0	10.0	69.2	▼	▶	▲
	Musuro	220.0	-12.0	-12.0	69.2	▼	▼	▲
	Potato	40.0	-11.1	14.3	0.0	▼	▲	▶

Mountain markets without road access

Humla	Coarse rice*	130.0	0.0	0.0	150.0	▶	▶	▲
	Wheat flour	140.0	0.0	7.7	-30.0	▶	▶	▼
	Soybean oil	300.0	-6.3	0.0	0.0	▼	▶	▶
	Beans	170.0	0.0	0.0	13.3	▶	▶	▶
	Mas (black gram)	350.0	0.0	0.0	-	▶	▶	-
	Musuro	350.0	0.0	0.0	133.3	▶	▶	▲
	Potato	60.0	0.0	0.0	-14.3	▶	▶	▶

Dolpa	Coarse rice	130.0	0.0	8.3	18.2	▶	▶	▲
	Wheat flour	120.0	0.0	0.0	4.3	▶	▶	▶
	Soybean oil	240.0	0.0	-20.0	4.3	▶	▼	▶
	Beans	200.0	17.6	0.0	33.3	▲	▶	▲
	Mas (black gram)	200.0	0.0	11.1	0.0	▶	▲	▶
	Musuro	200.0	0.0	-4.8	33.3	▶	▶	▲
	Potato	55.0	-8.3	37.5	10.0	▼	▲	▶

