



Jointly produced by:
WFP-World Food Programme, Evidence, Policy and Innovation Unit, Nepal
MoALD-Ministry of Agriculture and Livestock Development (MoALD), Department of Agriculture (DoA), Market Development, Economic Analysis and Statistics Section
FNCCI/AEC-Federation of Nepalese Chamber of Commerce and Industries/Agro Enterprise Centre
CIPF-Consumer's Interest Protection Forum



Market Watch 94

October 2019†

HIGHLIGHTS

- **In October 2019, retail prices of most food commodities monitored in 15 major markets across Nepal showed a downward trend or remained relatively stable, due to sufficient availability of food commodities from domestic production and improved supply in rural markets with unpaved roads.**
- **The overall inflation rate in October 2019 was 6.2 percent. The food and beverage group was stable at 7.04 percent, although several food sub-groups were relatively higher: vegetables (16.8%), spices (13.2%), fruits (11.6%), and meat & fish (8.3%).**

Prices

Retail prices of most food commodities monitored in 15 major markets across Nepal in October 2019 were relatively stable (see **Fig. 1**):

- On a month-on-month basis, retail prices of coarse rice and red potato increased by 1.4 and 22 percent respectively, while those of black gram, broken lentil, soybean oil, wheat flour and chicken meat decreased by 1.1, 3.1, 1.2, 1.2 and 1.5 percent respectively.
- Compared to three months earlier, most prices indicated a declining trend with the exception of an upward trend of potato, coarse rice and wheat flour. The largest change was red potato at +29.93 percent.
- On a year-on-year basis, most prices showed an increasing trend (with the exception of broken lentil and coarse rice). The largest change was red potato at +14.8 percent.

Factors behind relatively stable price trends include smooth supply with stable transportation services and partially seasonal fluctuations.

Retail prices in regional markets (see **Fig. 2**) mostly showed a trend similar to national averages. Compared to last month, the price of food commodities mostly showed decreased in all markets with the exception of an upward trend of coarse rice in the Terai and hill & mountain markets. Compared to the same period last year, prices indicated a mixed trend with an increasing trend of the price of broken lentil in Terai markets and wheat flour in all markets and decreasing trend of the price of coarse rice in all markets and broken lentil in the major consumer markets and mountain and hill markets.

Wholesale prices monitored in the Kalimati Fruits and Vegetables Market showed relatively high month-on-month fluctuations (see **Table 1**): prices of carrot, tomato, okra and pointed gourd increased by more than 7 percent due to a reduction in supply relative to demand, while smooth gourd, broad leaf mustard, spinach, christophine, brinjal and French bean prices decreased by more than 14 percent due to a surge in supply from the harvest season.

The overall consumer price index (CPI) released by Nepal Rastra Bank was 132.7 in October 2019, an increase of 0.7 percent month-on-month. The inflation rate, as measured by the year-on-year increase in the CPI, was 6.2 percent. The food and beverage group of the CPI was 130.3, an increase of 1.6 percent month-on-month and 7.04 percent year-on-year; several sub-groups showed relatively high year-on-year increases: vegetables (16.8%), spices (13.2%), fruits (11.6%), and meat and fish (8.3%). The non-food and services group of the CPI was 134.4, a decrease of 0.03 percent month-on-month and an increase of 5.6 percent year-on-year.

Supply

The overall supply of food and non-food commodities has improved in rural and remote markets connecting to unpaved roads with the start of winter season. Moreover, major markets are functioning well with smooth transportation services.

Outlook

Most food prices are expected to remain stable or decrease over the next two months, with improved supply mainly from the recently harvested summer crops.

Early estimation of rice production, one of Nepal's major crops, is likely to fall by 7-8 percent compared to last year, due to this year's delay and insufficient rains as well as the influence of armyworms during the harvesting period.

Table 1: Largest changes in commodity prices (month-on-month)

Commodity	Price NPR/kg or liter	% change 1 month	Observations
Carrot, tomato, okra and pointed gourd	various	> 7	Decrease in supply due to lean season
Smooth gourd, broad leaf mustard, spinach, brinjal, christophine and French bean	various	>-14	Increase in supply due to harvest season

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

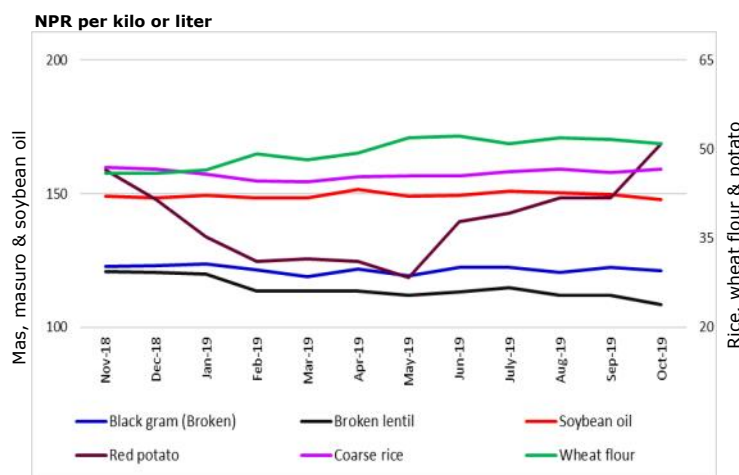
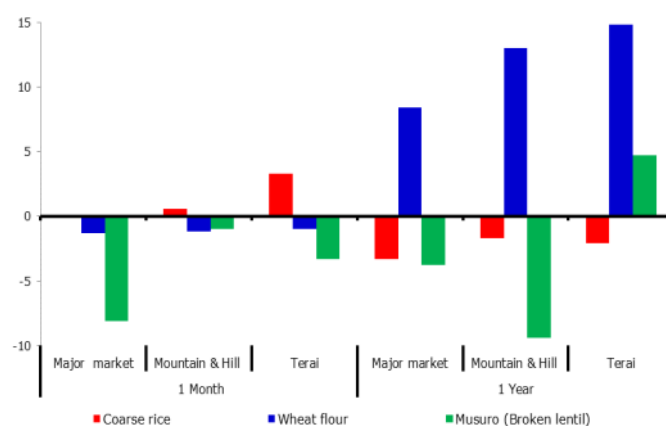


Figure 2: Percentage change in retail prices (1 month & 1 year)**



† Prices related to the Nepali month of Asoj 2076.

* 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	47.0	-2.1	-2.1	-14.5	▶	▶	▶
	Wheat flour	50.0	-3.8	-9.1	4.2	▶	▶	▶
	Soybean oil	140.0	-12.5	-12.5	-6.7	▼	▼	▶
	Chicken	360.0	0.0	0.0	9.1	▶	▶	▶
	Broken lentil	90.0	-14.3	-10.0	-14.3	▼	▶	▶
	Potato	70.0	94.4	55.6	40.0	▲	▲	▲
	Pokhara	Coarse rice	52.0	0.0	-5.5	-5.5	▶	▶
Wheat flour	55.0	0.0	0.0	10.0	▶	▶	▶	
Soybean oil	135.0	-3.6	0.0	0.0	▶	▶	▶	
Chicken	390.0	-2.5	-4.9	11.4	▶	▶	▶	
Broken lentil	90.0	-10.0	-10.0	-5.3	▼	▶	▶	
Potato	55.0	37.5	37.5	22.2	▲	▲	▲	
Surkhet	Coarse rice	55.0	1.9	1.9	10.0	▶	▶	▶
	Wheat flour	50.0	0.0	0.0	11.1	▶	▶	▶
	Soybean oil	160.0	0.0	0.0	6.7	▶	▶	▶
	Chicken	380.0	-2.6	-2.6	11.8	▶	▶	▶
	Broken lentil	130.0	0.0	0.0	8.3	▶	▶	▶
Potato	70.0	16.7	27.3	16.7	▲	▲	▲	
Regional Terai markets								
Biratnagar	Coarse rice	44.0	10.0	10.0	-2.2	▲	▶	▶
	Wheat flour	55.0	0.0	-8.3	22.2	▶	▶	▲
	Soybean oil	140.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	340.0	-2.9	6.3	13.3	▶	▶	▶
	Broken lentil	100.0	-9.1	11.1	11.1	▼	▲	▶
	Potato	65.0	8.3	62.5	8.3	▲	▲	▶
Janakpur	Coarse rice	40.0	0.0	-4.8	-11.1	▶	▶	▶
	Wheat flour	60.0	0.0	9.1	27.7	▶	▶	▲
	Soybean oil	140.0	0.0	-6.7	0.0	▶	▶	▶
	Chicken	300.0	0.0	0.0	-6.3	▶	▶	▶
	Broken lentil	120.0	9.1	0.0	9.1	▲	▶	▶
	Potato	35.0	16.7	-12.5	-12.5	▲	▼	▶
Birgunj	Coarse rice	45.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	48.0	0.0	-4.0	9.1	▶	▶	▶
	Soybean oil	135.0	-0.7	-3.6	-3.6	▶	▶	▶
	Chicken	340.0	3.0	3.0	13.3	▶	▶	▶
	Broken lentil	90.0	0.0	-18.2	-4.3	▶	▼	▶
Potato	55.0	96.4	37.5	37.5	▲	▲	▲	
Dhangadhi	Coarse rice	40.0	0.0	0.0	5.3	▶	▶	▶
	Wheat flour	40.0	0.0	0.0	17.6	▶	▶	▲
	Soybean oil	140.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	350.0	0.0	0.0	16.7	▶	▶	▲
	Broken lentil	110.0	0.0	0.0	10.0	▶	▶	▶
	Potato	50.0	0.0	0.0	66.7	▶	▶	▲
Nepalgunj	Coarse rice	45.0	0.0	0.0	-2.2	▶	▶	▶
	Wheat flour	47.0	-6.0	-6.0	11.9	▼	▶	▶
	Soybean oil	135.0	-2.2	-2.2	-3.6	▶	▶	▶
	Chicken	340.0	-10.5	-10.5	13.3	▼	▼	▶
	Broken lentil	90.0	-10.0	-10.0	-14.3	▼	▶	▶
Potato	28.0	0.0	0.0	-33.3	▶	▶	▼	
Hill and Mountain markets with road access								
Bhairahawa	Coarse rice	44.0	10.0	10.0	-	▲	▶	-
	Wheat flour	45.0	0.0	0.0	12.5	▶	▶	▶
	Soybean oil	130.0	-3.7	-3.7	-3.7	▶	▶	▶
	Chicken	340.0	-5.6	-12.8	13.3	▼	▼	▶
	Broken lentil	90.0	-10.0	-10.0	16.9	▼	▶	▲
	Potato	28.0	-6.7	-6.7	-26.3	▼	▶	▼
Makwanpur	Coarse rice	47.0	0.0	-2.1	-6.0	▶	▶	▶
	Wheat flour	50.0	0.0	0.0	13.6	▶	▶	▶
	Soybean oil	140.0	0.0	7.7	-6.7	▶	▶	▶
	Chicken	350.0	-2.8	0.0	9.4	▶	▶	▶
	Broken lentil	90.0	12.5	12.5	-14.3	▲	▲	▶
	Potato	80.0	150.0	77.8	81.8	▲	▲	▲
Dhankuta	Coarse rice	45.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	56.0	0.0	0.0	24.4	▶	▶	▲
	Soybean oil	155.0	-3.1	-11.4	10.7	▶	▼	▶
	Chicken	340.0	0.0	3.0	13.3	▶	▶	▶
	Broken lentil	110.0	0.0	0.0	0.0	▶	▶	▶
Potato	60.0	0.0	0.0	33.3	▶	▶	▲	
Rolpa	Coarse rice	45.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	50.0	0.0	0.0	11.1	▶	▶	▶
	Soybean oil	145.0	-3.3	-3.3	3.6	▶	▶	▶
	Chicken	360.0	0.0	0.0	2.9	▶	▶	▶
	Broken lentil	100.0	-16.7	-16.7	-16.7	▼	▼	▼
	Potato	35.0	0.0	0.0	-30.0	▶	▶	▼
Sanfebagar	Coarse rice	45.0	0.0	0.0	12.5	▶	▶	▶
	Wheat flour	50.0	0.0	0.0	11.1	▶	▶	▶
	Soybean oil	170.0	3.0	3.0	6.3	▶	▶	▶
	Chicken	400.0	0.0	0.0	0.0	▶	▶	▶
	Broken lentil	140.0	3.7	3.7	-17.6	▶	▶	▼
	Potato	45.0	12.5	28.6	12.5	▲	▲	▶
Jumla	Coarse rice	55.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	55.0	0.0	0.0	0.0	▶	▶	▶
	Soybean oil	180.0	0.0	0.0	12.5	▶	▶	▶
	Chicken	450.0	0.0	0.0	0.0	▶	▶	▶
	Broken lentil	150.0	0.0	0.0	0.0	▶	▶	▶
	Potato	60.0	0.0	0.0	20.0	▶	▶	▲
Bajura	Coarse rice	46.0	2.2	2.2	-14.8	▶	▶	▶
	Wheat flour	50.0	0.0	0.0	8.7	▶	▶	▶
	Soybean oil	180.0	5.9	5.9	5.9	▲	▶	▶
	Chicken	400.0	0.0	0.0	-9.1	▶	▶	▶
	Broken lentil	145.0	3.6	3.6	-12.1	▶	▶	▶
Potato	40.0	-11.1	33.3	14.3	▼	▲	▶	
Mountain markets without road access								
Dolpa	Coarse rice	80.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	90.0	0.0	0.0	-10.0	▶	▶	▶
	Soybean oil	180.0	0.0	0.0	-10.0	▶	▶	▶
	Chicken	500.0	0.0	0.0	0.0	▶	▶	▶
	Broken lentil	200.0	0.0	0.0	0.0	▶	▶	▶
	Potato	40.0	0.0	0.0	-20.0	▶	▶	▼
Humla	Coarse rice	150.0	0.0	0.0	-	▶	▶	-
	Wheat flour	140.0	0.0	0.0	-6.7	▶	▶	▶
	Soybean oil	260.0	0.0	0.0	-7.1	▶	▶	▶
	Chicken	600.0	0.0	0.0	20.0	▶	▶	▶
	Broken lentil	300.0	0.0	0.0	-14.3	▶	▶	▶
Potato	52.0	4.0	15.6	-13.3	▶	▲	▶	

▲ 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
Major consumer markets								
Kathmandu	Coarse rice	48.0	0.0	0.0	-12.7	▶	▶	▶
	Wheat flour	52.0	-5.5	4.0	13.0	▼	▶	▶
	Soybean oil	160.0	0.0	0.0	12.7	▶	▶	▶
	Chicken	360.0	0.0	0.0	12.5	▶	▶	▶
	Broken lentil	105.0	5.0	-4.5	5.0	▶	▶	▶
	Potato	36.0	-20.0	-20.0	-28.0	▼	▼	▼
	Pokhara	Coarse rice	52.0	-5.5	0.0	-13.3	▼	▶
Wheat flour		55.0	0.0	-8.3	17.0	▶	▶	▲
Soybean oil		140.0	3.7	12.0	7.7	▶	▲	▶
Chicken		400.0	-2.4	-2.4	5.3	▶	▶	▶
Broken lentil		100.0	0.0	0.0	5.3	▶	▶	▶
Potato		40.0	0.0	0.0	-11.1	▶	▶	▶
Surkhet		Coarse rice	54.0	0.0	3.8	8.0	▶	▶
	Wheat flour	50.0	0.0	11.1	11.1	▶	▲	▶
	Soybean oil	160.0	0.0	0.0	14.3	▶	▶	▶
	Chicken	390.0	0.0	11.4	11.4	▶	▲	▶
	Potato	60.0	9.1	20.0	0.0	▲	▲	▶
Regional Terai markets								
Biratnagar	Coarse rice	40.0	0.0	-4.8	0.0	▶	▶	▶
	Wheat flour	55.0	-8.3	10.0	22.2	▼	▶	▲
	Soybean oil	140.0	0.0	0.0	7.7	▶	▶	▶
	Chicken	350.0	9.4	16.7	16.7	▲	▲	▲
	Broken lentil	110.0	22.2	0.0	10.0	▲	▶	▶
	Potato	60.0	50.0	50.0	9.1	▲	▲	▶
Janakpur	Coarse rice	40.0	-4.8	-4.8	-7.0	▶	▶	▶
	Wheat flour	60.0	9.1	9.1	27.7	▲	▶	▲
	Soybean oil	140.0	-6.7	0.0	-12.5	▼	▶	▶
	Chicken	300.0	0.0	-6.3	-6.3	▶	▶	▶
	Broken lentil	110.0	-8.3	0.0	-8.3	▼	▶	▶
	Potato	30.0	-25.0	-25.0	-25.0	▼	▼	▼
Birgunj	Coarse rice	45.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	48.0	-4.0	-4.0	14.3	▶	▶	▶
	Soybean oil	136.0	-2.9	-20.0	1.5	▶	▼	▶
	Chicken	330.0	0.0	-5.7	10.0	▶	▶	▶
	Broken lentil	90.0	-18.2	-18.2	2.3	▼	▼	▶
	Potato	28.0	-30.0	-30.0	-30.0	▼	▼	▼
Dhangadhi	Coarse rice	40.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	40.0	0.0	0.0	17.6	▶	▶	▲
	Soybean oil	140.0	0.0	-6.7	0.0	▶	▶	▶
	Chicken	350.0	0.0	0.0	16.7	▶	▶	▲
	Broken lentil	110.0	0.0	0.0	10.0	▶	▶	▶
	Potato	50.0	0.0	25.0	66.7	▶	▲	▲
Nepalgunj	Coarse rice	45.0	0.0	0.0	-2.2	▶	▶	▶
	Wheat flour	50.0	0.0	0.0	19.0	▶	▶	▲
	Soybean oil	138.0	0.0	0.0	-1.4	▶	▶	▶
	Chicken	380.0	0.0	2.7	26.7	▶	▶	▲
	Potato	28.0	0.0	12.0	-30.0	▶	▲	▼
Hill and Mountain markets with road access								
Bhairahawa	Coarse rice	40.0	0.0	0.0	2.6	▶	▶	▶
	Wheat flour	45.0	0.0	0.0	25.0	▶	▶	▲
	Soybean oil	135.0	0.0	0.0	8.0	▶	▶	▶
	Chicken	360.0	-7.7	-5.3	12.5	▼	▶	▶
	Broken lentil	100.0	0.0	0.0	33.3	▶	▶	▲
	Potato	30.0	0.0	7.1	-16.7	▶	▶	▼
	Makwanpur	Coarse rice	47.0	-2.1	-2.1	-6.0	▶	▶
Wheat flour		50.0	0.0	0.0	0.0	▶	▶	▶
Soybean oil		140.0	7.7	-12.5	0.0	▲	▼	▶
Chicken		360.0	2.9	0.0	16.1	▶	▶	▲
Broken lentil		85.0	3.7	-22.7	-10.5	▶	▼	▶
Potato		32.0	-28.9	-28.9	-28.9	▼	▼	▼
Dhankuta		Coarse rice	45.0	0.0	0.0	0.0	▶	▶
	Wheat flour	56.0	0.0	1.8	24.4	▶	▶	▲
	Soybean oil	160.0	-8.6	14.3	18.5	▼	▲	▲
	Chicken	340.0	3.0	6.3	6.3	▶	▶	▶
	Potato	60.0	0.0	100.0	20.0	▶	▲	▲
Rolpa	Coarse rice	45.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	50.0	0.0	0.0	11.1	▶	▶	▶
	Soybean oil	150.0	0.0	0.0	7.1	▶	▶	▶
	Chicken	360.0	0.0	5.9	5.9	▶	▶	▶
	Broken lentil	120.0	0.0	0.0	0.0	▶	▶	▶
	Potato	35.0	0.0	-12.5	-36.4	▶	▼	▼
Sanfebagar	Coarse rice	45.0	0.0	0.0	2.3	▶	▶	▶
	Wheat flour	50.0	0.0	2.0	11.1	▶	▶	▶
	Soybean oil	165.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	400.0	0.0	0.0	0.0	▶	▶	▶
	Broken lentil	135.0	0.0	0.0	-20.6	▶	▶	▼
	Potato	40.0	14.3	0.0	0.0	▶	▶	▶
Jumla	Coarse rice	55.0	0.0	0.0	10.0	▶	▶	▶
	Wheat flour	55.0	0.0	0.0	10.0	▶	▶	▶
	Soybean oil	180.0	0.0	0.0	20.0	▶	▶	▶
	Chicken	450.0	0.0	0.0	0.0	▶	▶	▶
	Broken lentil	150.0	0.0	0.0	0.0	▶	▶	▶
	Potato	60.0	0.0	0.0	50.0	▶	▶	▲
Bajura	Coarse rice	45.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	50.0	0.0	0.0	8.7	▶	▶	▶
	Soybean oil	170.0	0.0	0.0	-5.6	▶	▶	▶
	Chicken	400.0	0.0	0.0	-13.0	▶	▶	▶
	Potato	45.0	50.0	50.0	28.6	▶	▶	▶
Mountain markets without road access								
Dolpa	Coarse rice	80.0	0.0	0.0	0.0	▶	▶	▶
	Wheat flour	90.0	0.0	0.0	-10.0	▶	▶	▶
	Soybean oil	180.0	0.0	0.0	-10.0	▶	▶	▶
	Chicken	500.0	0.0	0.0	0.0	▶	▶	▶
	Potato	40.0	0.0	0.0	-20.0	▶	▶	▼
Humla	Coarse rice	150.0	0.0	0.0	-	▶	▶	-
	Wheat flour	140.0	0.0	0.0	-6.7	▶	▶	▶
	Soybean oil	260.0	0.0	0.0	0.0	▶	▶	▶
	Chicken	600.0	0.0	0.0	20.0	▶	▶	▶
	Potato	54.0	0.0	3.8	8.0	▶	▶	▶

▲ 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.