



# **Asia Pacific Weekly Price Monitor**

Regional Office for Asia and the Pacific

**16 November 2012**



## Policy

### Regional

Initial negotiations to create a 16-nation trade partnership, the **Regional Comprehensive Economic Partnership (RCEP)**, are expected to be formally announced at the ASEAN summit in Phnom Penh in November 2012. The RCEP will include the 10 members of the Association of Southeast Asian Nations (ASEAN) plus China, India, Japan, South Korea, Australia and New Zealand, and will have the effect of lowering trade barriers and custom duties across the region by the end of 2015 (China Briefing Daily News, 9 November 2012).

### National

In the **Philippines**, additional funding for the Agro-Industry Modernization Credit and Financing Program (AMCFP) allocated PHP 1 billion (USD 24 million) for 2013 to improve credit access for 98,000 small farmer and fisherfolk borrowers who have no access to banks or other sources of formal credit and are engaged in producing the priority commodities of the Department of Agriculture (DA) (Official Gazette, 8 November 2012).

## Prices

Over the past week, staple food commodity prices remained relatively stable in most countries except for:

- Wheat prices in **Afghanistan** increased by 5 percent.

## Weather conditions

- In **Indonesia**, major flooding hit parts of Bengkulu province that led to overflowing rivers. The damage to the irrigation network is anticipated to affect up to 40-hectares of paddy fields in the nearby villages (Jakarta Post, 14 November 2012).
- According to a media report, monsoon 2012 rains in **Pakistan** affected 29,000 households in Sindh, Punjab and Balochistan provinces. Relief teams provided food assistance to 7,500 families in the affected provinces (Pakistan Red Crescent, 14 November 2012).

Technical note: Price changes are calculated from  $W_x$ , where  $W$ =week and  $x$  indicates the most recent week. The **one week** change is calculated as  $[(W_x/W_{x-1})-1]$ ; the **one month** change is calculated as  $[(W_x/\text{average}(W_{x-1}, W_{x-2}, W_{x-3}, W_{x-4})) - 1]$ ; the **three months** change is calculated as  $[(W_x/\text{average}(W_{x-9}, W_{x-10}, W_{x-11}, W_{x-12})) - 1]$ ; and the **one year** change is calculated as  $[(W_x/\text{average}(W_{x-49}, W_{x-50}, W_{x-51}, W_{x-52})) - 1]$ . The criteria to flag unusual price movements is the following: **on a weekly basis**, nominal price variations below plus or minus 5 percent are considered "stable." **On a monthly basis**, nominal price variations below plus or minus 10 percent are considered "stable." **On an annual basis**, nominal price variations below plus or minus 25 percent are considered "stable."



## Price and policy information at country level

16 November 2012



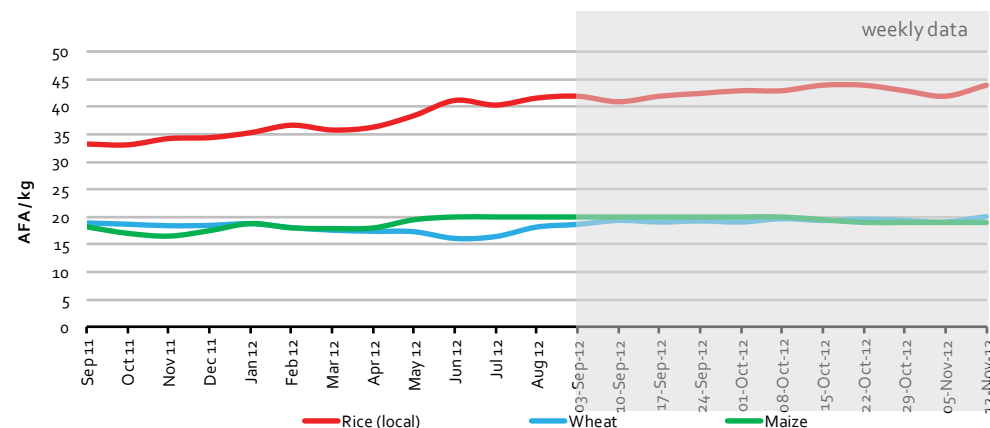


## AFGHANISTAN, Kabul (12 November 2012)

Retail nominal prices

### Country Highlights

Wheat prices in Kabul market increased by 5 percent over the past week.



Week of 12-Nov-12

% change

Food item	Market	Price (AFA/kg)	1 week	1 month	3 months	1 year
Rice local	Kabul	44.0	4.8%	1.7%	6.5%	28.5%
Wheat	Kabul	20.0	5.3%	3.8%	7.8%	9.6%
Maize	Kabul	19.0	0.0%	-0.7%	-5.0%	14.3%
Chicken	Kabul	125.0	0.0%	2.0%	0.0%	4.2%
Cooking oil (AFA/Lt)	Kabul	88.0	0.0%	0.3%	0.8%	4.5%

↑increase ↓decrease → stable (+/-5%in a weekly basis),(+/-10 %in a monthly basis), and (+/-25%in an annual basis)

### Policy+

NA



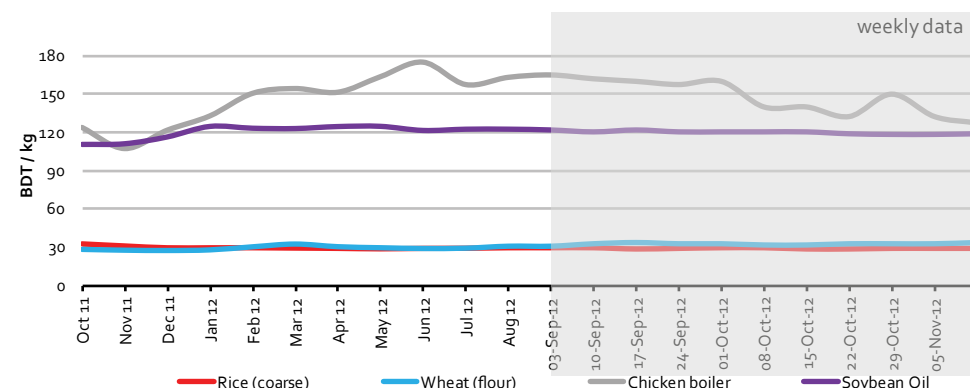
## BANGLADESH, Dhaka (12 November 2012)

Retail nominal prices

### Country Highlights

Staple food prices in Dhaka market have been relatively stable over the past week.

- Chicken prices were 23 percent below the levels observed three months ago.



Week of 12-Nov-12

% change

Food item	Market	Price (BDT/kg)	1 week	1 month	3 months	1 year
Coarse rice	Dhaka	28.5	0.0%	0.9%	-1.7%	-5.0%
Wheat flour	Dhaka	34.0	3.0%	3.8%	7.9%	23.6%
Chicken broiler	Dhaka	127.5	-3.8%	-8.1%	-23.3%	20.0%
Soybean oil (BDT/lt)	Dhaka	118.5	0.4%	-0.1%	-2.3%	6.3%

↑increase ↓decrease → stable (+/-5%in a weekly basis),(+/- 10 %in a monthly basis), and (+/-25%in an annual basis)

### Policy+

NA

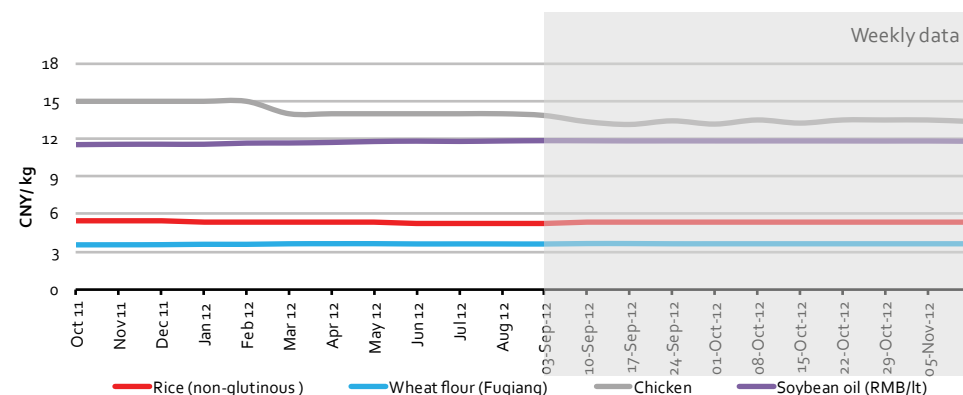


## CHINA, Beijing (12 November 2012)

Retail and wholesale nominal prices

### Country Highlights

Staple food prices in Beijing market have remained relatively stable over the past year.



Week of 12-Nov-12

% change

Food item	Market	Price (RMB/kg)	1 week	1 month	3 months	1 year
Non-Glutinous Rice	Beijing	5.4	0.0%	0.2%	2.7%	-1.0%
Fuqiang Wheat Flour	Beijing	3.6	0.0%	0.0%	0.3%	2.7%
Chicken (w)	Beijing	13.4	-0.9%	-0.4%	-3.1%	-10.8%
Soybean oil RMB/lt	Beijing	11.8	-0.1%	-0.1%	-0.3%	1.6%

↑increase ↓decrease → stable (+/-5% in a weekly basis), (+/-10% in a monthly basis), and (+/-25% in an annual basis)

### Policy+

NA



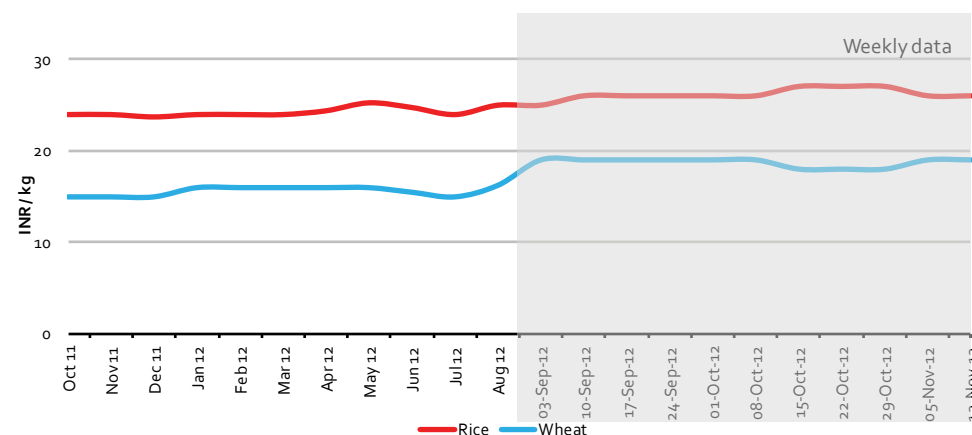
## INDIA, Delhi (12 November 2012)

Retail nominal prices

### Country Highlights

Staple food prices in Delhi have remained relatively stable over the past week.

-Wheat prices were 27 percent higher than the levels registered a year earlier and 19 percent above the prices observed in January 2012.



Week of 12-Nov-12

% change

Food item	Market	Price (INR/kg)	1 week	1 month	3 months	1 year
Rice	New Delhi	26.0	0.0%	-2.8%	3.0%	8.3%
Wheat	New Delhi	19.0	0.0%	4.1%	7.0%	26.7%

↑increase ↓decrease → stable (+/- 5% in a weekly basis), (+/- 10 % in a monthly basis), and (+/- 25% in an annual basis)

### Policy+

After the creation of the National Committee on Direct Cash Transfers, additional decisions have been made on how to operationalise the new scheme. These decisions include: (i) the installation of an electronic system for transferring benefits to individual beneficiaries and (ii) the definition of a roadmap for the rollout of the scheme (Press Information Bureau, 09 November 2012).

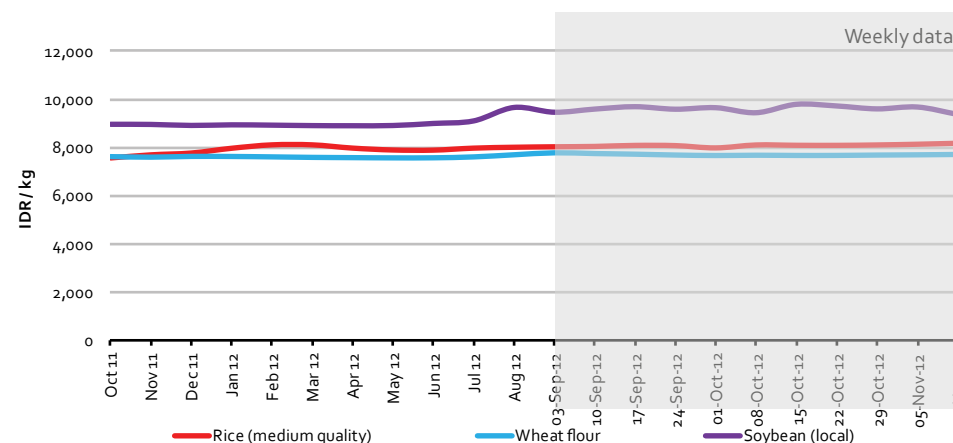


## INDONESIA, National Average (12 November 2012)

Retail nominal prices

### Country Highlights

Staple food prices in Indonesia have remained relatively stable since mid-2011.



Week of 12-Nov-12

% change

Food item	Market	Price (IDR/kg)	1 week	1 month	3 months	1 year
Rice (medium quality)	National av	8,196	0.5%	0.9%	1.7%	12.2%
Wheat flour	National av	7,714	0.2%	0.4%	-0.3%	1.0%
Chicken	National av	24,232	-0.4%	-2.5%	-6.1%	-0.2%
Soybean (local)	National av	9,366	-3.2%	-3.4%	-2.9%	4.8%

↑increase ↓decrease → stable (+/-5% in a weekly basis), (+/-10% in a monthly basis), and (+/-25% in an annual basis)

### Policy+

- In the context of achieving the 2014 target of rice surplus (10 MMT), flood-resistant and drought-tolerant rice seeds will be distributed to support national food security programs (Ministry of Agriculture, 7 November 2012).
- The government allocated IDR 40 billion (USD 4.1 million) as financial compensation for farmers whose land has been affected by natural disasters in Serang, Banten. This compensation is intended to be invested in new seeds and to improve management of rice fields (Ministry of Agriculture, 7 November 2012).



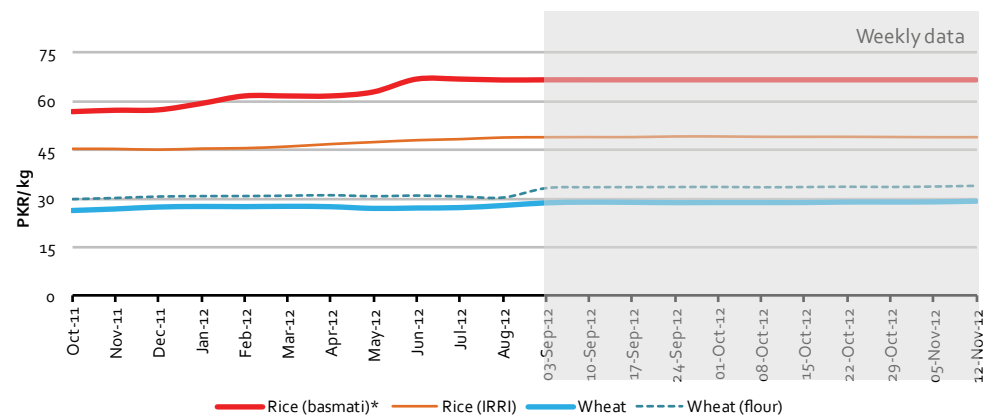


## PAKISTAN, Karachi (12 November 2012)

Retail nominal prices

### Country Highlights

Staple food prices in Karachi market remained stable over the past week.



Week of 12-Nov-12

% change

Food item	Market	Price (PKR/kg)	1 week	1 month	3 months	1 year
Rice (basmati)	Karachi	66.5	0.0%	0.0%	0.1%	16.4%
Rice (IRRI)	Karachi	48.9	0.0%	-0.2%	0.1%	8.3%
Wheat	Karachi	29.2	0.8%	1.1%	3.0%	8.7%
Wheat flour	Karachi	33.8	0.7%	0.9%	6.1%	11.6%

↑increase ↓decrease → stable (+/-5% in a weekly basis), (+/-10% in a monthly basis), and (+/-25% in an annual basis)

### Policy+

NA

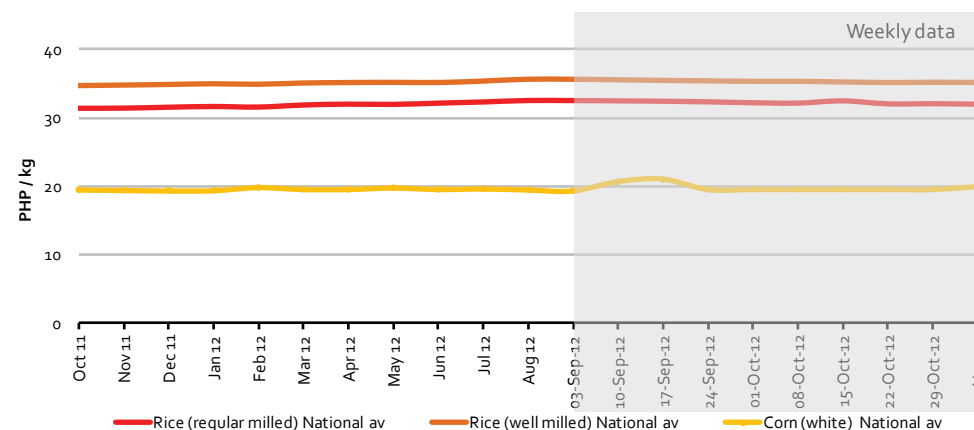


## PHILIPPINES, National average and Metro Manila (12 November 2012)

Retail nominal prices

### Country Highlights

Staple food prices in the Philippines have remained largely stable since early 2011.



Week of 12-Nov-12

% change

Food item	Market	Price (PHP/kg)	1 week	1 month	3 months	1 year
Rice (regular milled)*	National av	32.0	-0.2%	-1.2%	-1.8%	1.9%
Rice (well milled)*	National av	35.3	-0.1%	-0.7%	-1.3%	1.1%
Corn (white)*	National av	20.0	2.0%	-1.1%	2.7%	2.6%
Rice (regular milled)	Metro Manila	30.0	0.0%	0.0%	0.0%	0.0%
Rice (well milled)	Metro Manila	35.0	0.0%	0.0%	0.0%	0.0%

↑ increase ↓ decrease → stable (+/-5% in a weekly basis), (+/-10% in a monthly basis), and (+/-25% in an annual basis)

\*Most recent price data available from 05-Nov-2012

### Policy+

Additional funding for the Agro-Industry Modernization Credit and Financing Program (AMCFP) allocated PHP 1 billion (USD 24 million) for 2013 to improve credit access for 98,000 small farmer and fisherfolk borrowers who have no access to banks or other sources of formal credit and are engaged in producing the priority commodities of the Department of Agriculture (DA). The DA priority commodities include rice, white corn and cassava, which are part of the Food Staples Sufficiency Program (FSSP). The additional budget for the AMCFP will come from the General Fund (Official Gazette, 8 November 2012).

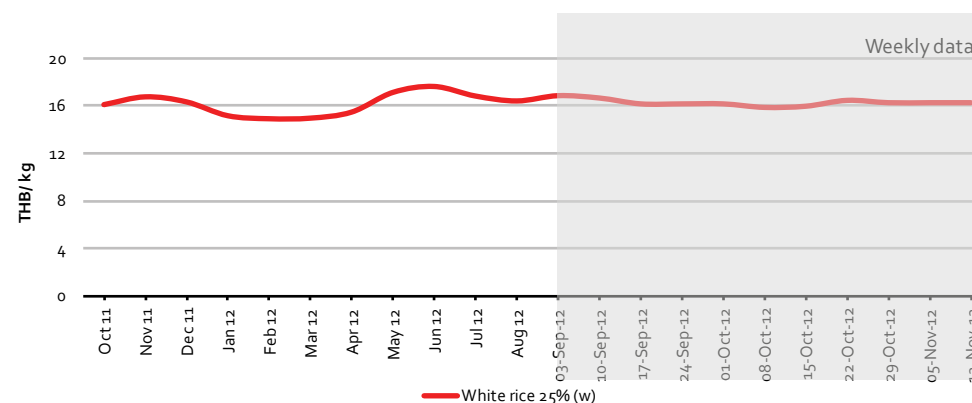


## THAILAND, Bangkok (12 November 2012)

Retail nominal prices

### Country Highlights

Overall, staple food prices in Bangkok have remained largely stable over the past week.



Week of 12-Nov-12

% change

Food item	Market	Price (THB/kg)	1 week	1 month	3 months	1 year
White rice 25% (w)	Bangkok	16.3	0.0%	0.2%	-2.7%	-2.4%
Chicken	Bangkok	63.5	4.1%	5.8%	7.6%	-23.0%
Pork tenderloin	Bangkok	122.5	0.0%	3.2%	-5.8%	-5.3%
Soybean oil (Baht/ltr)	Bangkok	55.0	0.0%	0.0%	0.0%	0.0%

↑ increase ↓ decrease → stable (+/- 5% in a weekly basis), (+/- 10 % in a monthly basis), and (+/- 25% in an annual basis)

### Policy+

The Kingdom of Thailand and the Republic of Korea agreed to expedite the ratification of the trade and economic cooperation action plan (2013-2017), which covers diverse areas of cooperation and is aimed at trade facilitation and minimization of obstacles to trade. The bilateral trade negotiations under a joint commerce committee will also be revived. The value of trade between the two countries saw a significant increase of USD 13.9 billion over the past year, and it was agreed to set a target of USD 30 billion increase by 2016 (Royal Thai Government, 10 November 2012).

## Disclaimer and Acknowledgements

The Asia Pacific Weekly Price Monitor is prepared with information from official and non-official sources by the Economic, Social and Policy Assistance Group (ESP).

Conditions can change rapidly and information may not always represent the current food price situation as of the present date. As policy information is based on official and non-official sources, not all of them should be taken as official government position. The designations employed and the presentation of material in this report do not imply the expression of any opinion whatsoever on the part of the Food and Agriculture Organization of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. The support of FAO Country Offices and FAO's Food and Agriculture Policy Decision Analysis (FAPDA) are gratefully acknowledged for their contributions.

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*I sincerely hope this weekly report is useful and meets your expectations.*

*Yours sincerely,  
Hiroyuki Konuma  
Assistant Director-General and  
Regional Representative for Asia and the Pacific*