



WFP/Ali Jadallah



World Food Programme

SAVING
LIVES
CHANGING
LIVES

WFP Palestine Monthly Market Dashboard

August 2022

August 2022



Number of People Assisted by WFP

300,000



Food Consumer Price Index

3.60%

(Aug 2022/Aug 2021)



Number of Food-Insecure People

1.5 Million



Price of tomato

23.3%

(Aug 2022/Jul 2022)

Highlights

- The Food Consumer Price Index (CPI) increased in August 2022 by 0.12 percent compared to the previous month. (0.43 percent in the West Bank, and a decrease of 1.06 percent in Gaza Strip). (*Palestinian Central Bureau of Statistics, PCBS*)
- In August 2022, the average value of WFP food ration prices in local currency has increased 19.89 percent since the beginning of the Ukraine crisis (February 2022), and by 30.80 percent compared to the previous year.
- Since the beginning of the Ukraine crisis (February 2022), wheat flour prices in Palestine have increased by around 23 percent, corn oil prices by around 20 percent, and fodder prices by 35-40 percent. (*PCBS*)
- In August 2022, more than 300,000 people in Palestine received WFP's monthly e-voucher, which has injected \$3.5 million into the local economy. Wheat flour topped the redeemed items, followed by vegetable oil, rice, and frozen meat.
- This escalation in Gaza in August 2022 has created additional humanitarian needs. An additional US \$ 1.53 million in funding is needed to respond to increased food security needs due to the escalation. (*OCHA*)
- The Palestinian Central Statistics Bureau (PCBS) published the Preliminary Estimates of Quarterly National Accounts for Q2 2022. In Q2, GDP at constant prices showed an increase of 1 percent compared to the previous quarter, and 3 percent compared to Q2 last year. (Base year: 2015)
- In August, the local currency (NIS) depreciated by 2.33 percent against the US dollar (USD) compared to the previous year. This has decreased the purchasing power for people who receive their salaries in USD and spend in NIS by 0.82 percent, in comparison to 3.15 percent decrease for people who receive and spend their salaries in NIS.

Situation Monitoring:

Escalation in Gaza

Between 5 and 8 August 2022, the Gaza Strip experienced another escalation. During the escalation many buildings were destroyed or damaged and hundreds of people were internally displaced. Over 535 individuals fled their homes due to the intensive air strikes and the destruction of their houses, the air strikes on Gaza left 21 housing units destroyed and 77 housing units severely damaged and an estimated 1,793 housing units with different levels of damage. Also 8,500 individuals have been affected by housing damages.

During the escalation, animal fodder and production was at risk due to the closure of the crossing, as the overall capacity of fodder stockpiles in Gaza is no more than seven days. WFP and other humanitarian partners responded quickly to meet the humanitarian needs on the ground. 900 additional beneficiaries were being added to the existing list of WFP to be provided cash assistance.

This escalation in Gaza in August 2022 has created additional needs. The new multi-sectoral requirements to respond to immediate needs caused by the Gaza escalation amount to \$ 15.46 million, in which \$ 1.53 million for food security needs. (*OCHA*)

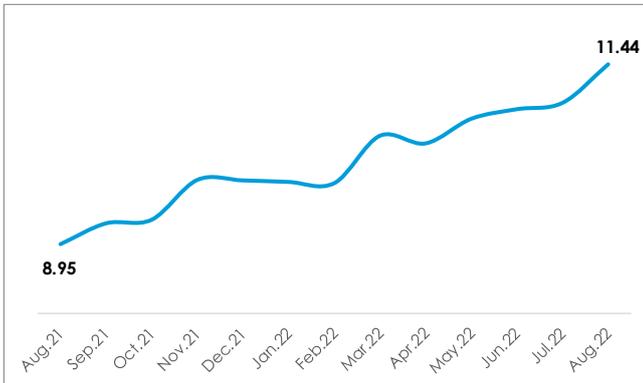
WFP Activities

Value of WFP Food Rations

Monthly average value of WFP food rations per capita (\$)

%CHANGE (\$): AUGUST 2022/2021 = 27.82%

%CHANGE (\$): AUGUST/JULY 2022 = 4.89%



In August 2022, the monthly average value of WFP food rations per capita in local currency (NIS) has increased 19.89 percent since the beginning of the Ukraine crisis (February 2022), and by 30.80 percent compared to the corresponding month in 2021. The ration value has decreased slightly by 0.32 percent compared to July 2022, this decrease is mainly driven by the slight decrease in wheat flour and chickpeas, and the stabilization of the prices of salt and lentils, compared to the previous month. The average ration value in USD during August has increased by 4.89 percent compared to July, as a result of the appreciation of the local currency (NIS) against the USD during August (the average USD to ILS exchange rate decreased by 4.96 percent in August).

Food Accessibility & Availability

- In Aug 2022, 10 percent of WFP beneficiaries (2 percent in Gaza Strip and 21 percent in West Bank) reported witnessing an increase in prices of most food commodities such as sugar, oil, canned tomato, dairy products, canned fish, rice, and vegetables.
- Only 25 percent of those in Gaza and 12 percent of those in the West Bank reported being able to buy the same amount of food as they did during the previous month however through either paying the cost difference on credit or through purchasing the basic items only.
- The remaining (75 percent in Gaza and 88 percent in the West bank) relied on coping strategies such as consuming less quality food or less preferred food, reducing quantities of food consumed, purchasing food on credit, relying on help from friends and relatives, and stop consuming some food items such as fruits, meat, and chicken and keep relying only on basic commodities such as wheat flour, olive oil, and rice.
- According to WFP Palestine’s monitoring of WFP contracted shops, 49 percent of shops have enough product stock to last one month or less. The remaining 51 percent reported having sufficient stock to meet demands for two months up to 6 months.
- 62 percent of WFP’s contracted shops reported that the increase in prices had negative impact on their sales volume in the coming months, and 12 percent reported that the increase in prices had a negative impact on their liquidity.

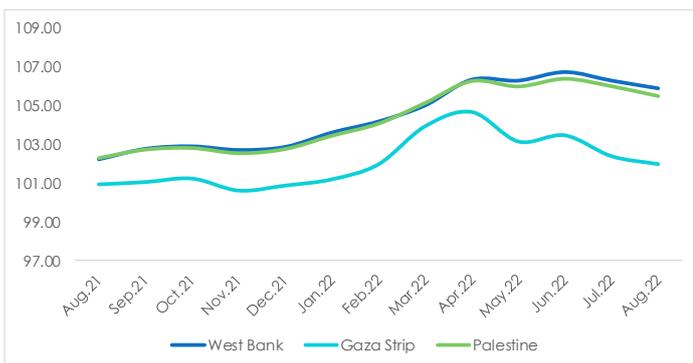


TOP ITEMS REDEEMED



Consumer Price Index (CPI)

Overall Consumer Price Index



%CHANGE: AUGUST/JULY 2022 (INFLATION RATE)

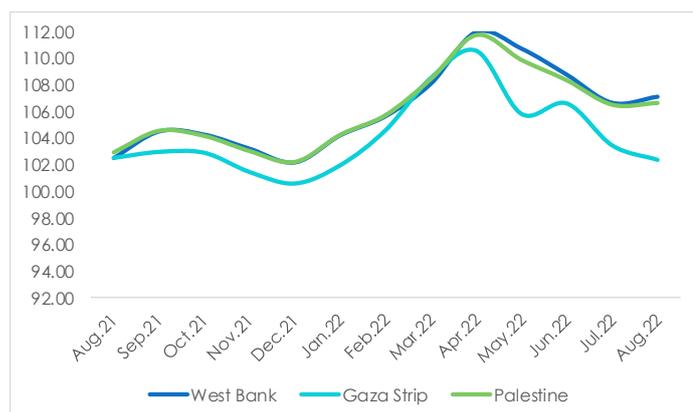
- PALESTINE = -0.48%
- WEST BANK = 0.41%
- GAZA STRIP = -0.40%

%CHANGE: AUGUST 2022/2021 (INFLATION RATE)

- PALESTINE = 3.16%
- WEST BANK = 3.57%
- GAZA STRIP = 1.04%

In August 2022, the overall consumer price index (CPI) decreased slightly by 0.48 percent compared to the previous month (0.39 percent in the West Bank, 0.40 percent in Gaza Strip). The Food CPI increased in August 2022 by 0.12 percent compared to the previous month (0.43 percent in the West Bank, and a decrease of 1.06 percent in Gaza Strip). The decrease in the consumer price index in Palestine during August was mainly driven by the decrease in the prices of fuel, chicken, despite the increase in the prices of fresh vegetables, dried Vegetables, and potatoes. (PCBS)

Food & Soft Drinks CPI



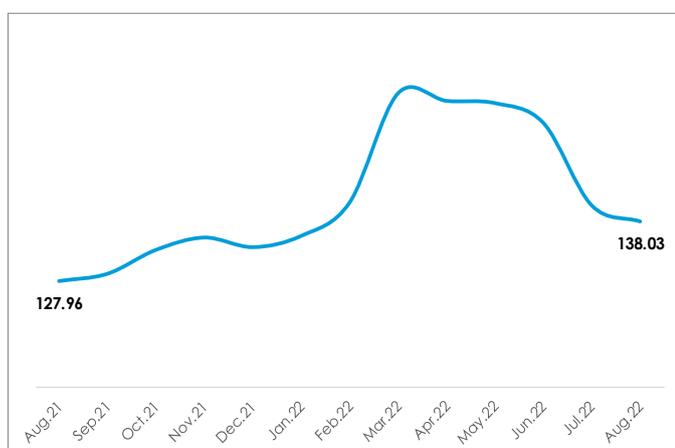
%CHANGE: AUGUST/JULY 2022 (FOOD INFLATION RATE)

- PALESTINE = 0.12%
- WEST BANK = 0.43%
- GAZA = -1.06%

%CHANGE: AUGUST 2022/2021 (FOOD INFLATION RATE)

- PALESTINE = 3.60%
- WEST BANK = 4.53%
- GAZA STRIP = -0.15%

FAO Food Price Index



%CHANGE: AUGUST/JULY 2022 = -1.93%

%CHANGE: AUGUST 2022/2021 = 7.87%

The FAO Food Price Index (FFPI) averaged 138.03 points in August 2022, a decrease of 1.93 percent compared to July, marking the fifth consecutive monthly decline, reaching to a lower pre-crisis levels. The FFPI remains 7.87 percent higher than its value in the previous year (August 2021). The decrease in the FFPI in July was led by moderate drops in the all five sub-indices compared to July: Vegetable oil by 3.3 percent, sugar by 2.1 percent, dairy by 2.0 percent, meat by 1.5 percent, and cereal by 1.4 percent.

The fall in FFPI in August was driven by the continuous decrease in international wheat, and vegetable oil prices month as a result of improved production prospects, and higher seasonal availability as well as the resumption of exports from the Black Sea ports in Ukraine for the first time in over five months of interruption. (FAO)

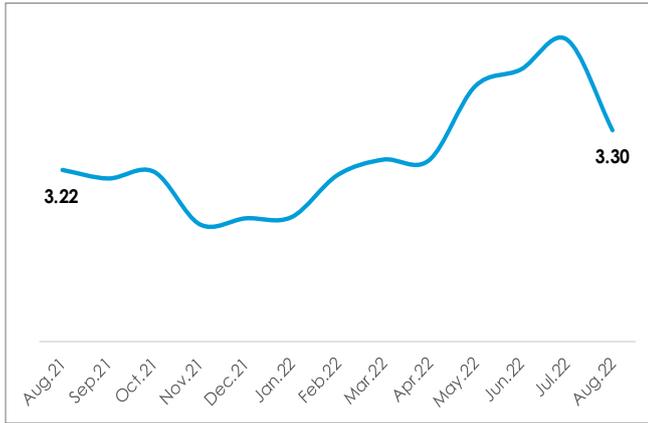
Tracking Trends

July-August 2022 % change

February -August 2022 % change (Since the Beginning of the Ukraine Crisis)

 Flour	Gaza	-18.0	↓	Gaza	8.7	↑
	West Bank	-0.9	↓	West Bank	37.3	↑
 Bread	Gaza	-4.7	↓	Gaza	14.4	↑
	West Bank	0.00	↔	West Bank	17.8	↑
 Chickpeas	Gaza	-1.9	↓	Gaza	5.8	↑
	West Bank	0.2	↑	West Bank	-2.1	↓
 Lentils	Gaza	-0.1	↓	Gaza	6.5	↑
	West Bank	-0.2	↓	West Bank	-0.1	↓
 Table Salt	Gaza	0.0	↔	Gaza	0.0	↔
	West Bank	0.0	↔	West Bank	0.0	↔
 Eggs	Gaza	7.3	↑	Gaza	7.8	↑
	West Bank	-0.5	↓	West Bank	10.3	↑
 Corn Oil	Gaza	5.0	↑	Gaza	15.0	↑
	West Bank	0.2	↑	West Bank	25.9	↑
 Chicken	Gaza	-5.8	↓	Gaza	-15.9	↓
	West Bank	-6.1	↓	West Bank	-15.0	↓
 Potatoes	Gaza	3.9	↑	Gaza	27.2	↑
	West Bank	6.9	↑	West Bank	-9.3	↓
 Tomatoes	Gaza	5.9	↑	Gaza	-33.0	↓
	West Bank	25.3	↑	West Bank	-15.5	↓

Exchange Rate (NIS/\$)

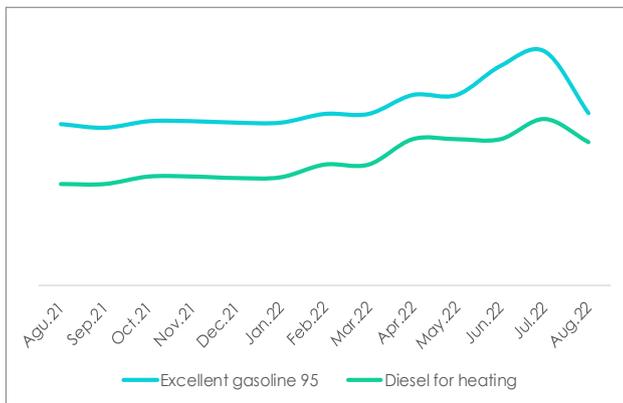


%CHANGE: AUGUST 2022/2021 = 2.33%

%CHANGE: AUGUST/JULY 2022 = -4.96%

The exchange rate of the USD against the local currency (NIS) has fluctuated since the beginning of the year. **The exchange rate reached as low as 3.13 NIS for 1 USD in January and then reached 3.47 NIS for 1 USD in July.** In August the exchange rate averaged 3.30 NIS for 1 USD, a decrease of 4.96 percent compared to the previous month, and an increase of 2.33 percent compared to August 2021. The USD is expected to appreciate against the NIS and other currencies as a result of the continuous increase in the interest rate by the Federal Reserve in the United States. **The appreciation of the USD will have a negative impact on the importation cost, and will likely result in an increase in the prices of commodities.**

Fuel - (NIS/L)



GASOLINE %CHANGE: AUGUST 2022/2021 = 2.42%

DIESEL %CHANGE: AUGUST 2022/2021 = 10.39%

The price of Excellent gasoline 95, one of the most commonly used fuels in Palestine, **has decreased by 11.82 percent in August compared with July, but increased by 2.42 percent compared with August 2021.** The price of diesel, which is mainly used for heating, **has also decreased in August by 4.95 percent compared with July, but increased by 10.39 percent compared with August 2021.** The decrease in the fuel prices in August was driven by the international decrease of oil prices as a result of growing fears of global recession and the ongoing lockdowns in China, the world's largest oil-consuming country. (PCBS)

Wholesale Price Index (WPI)



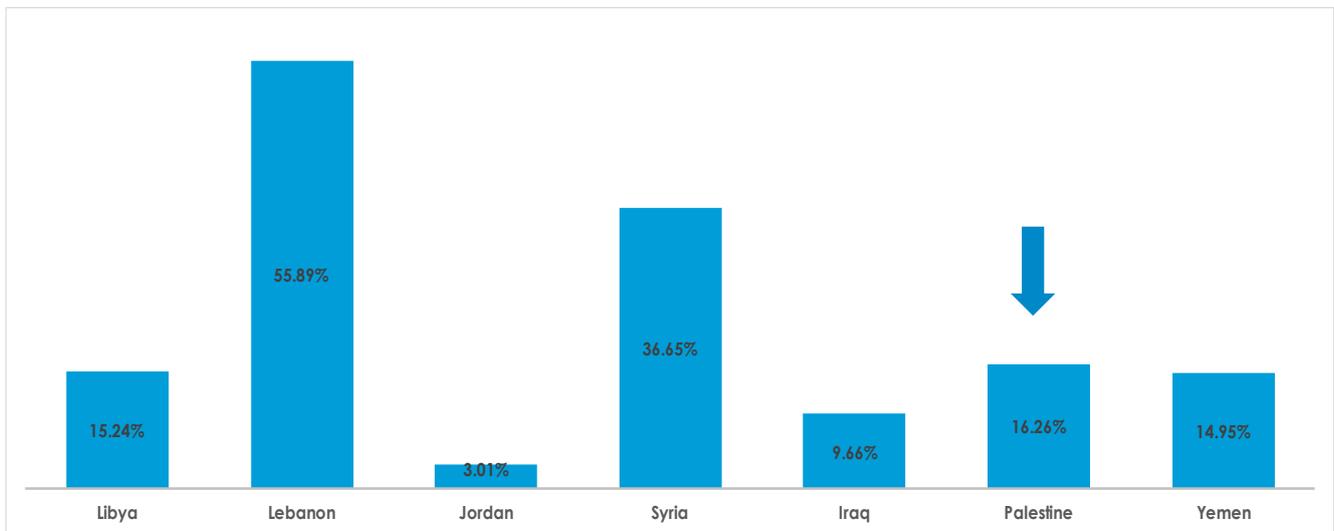
%CHANGE: Q2 2022/2021 = 11.56%

%CHANGE: Q2 2022/Q1 2022 = 2.75%

The Wholesale Price Index (WPI) is the index that measure the resale (sale without transformation) of new and used goods to retailers, industrial, commercial, institutional, or professional users, to other wholesalers, or to those acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies. The wholesale price includes Value Added Tax (VAT) and any transport charges. The overall WPI in Palestine during the second quarter of 2022 **experienced an increase by 2.75 percent compared with the first quarter of 2022 (2.79 percent for imported products, and by 2.63 percent for local products).** Also, the overall WPI in Palestine during the second quarter of 2022 **recorded a sharp increase of 11.56 percent compared with the second quarter of 2021 (9.38 percent for imported products, and by 14.62 percent for local products).** The increase in the overall WPI was driven by the increase in the wholesale of fruits and vegetables by 15.18 percent, the wholesale of animal and vegetable oils and fats by 8.82 percent, and the wholesale of liquid fuels by 8.11 percent all compared to the previous quarter. (PCBS)

Food Basket Cost

% increase in the cost of food basket in the region (since the beginning of the Ukraine crisis)



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