

**Voluntary Report** – Voluntary - Public Distribution

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**Report Name:** Biweekly Price and Policy Update Week of 23 April 2023

**Country:** Bangladesh

**Post:** Dhaka

**Report Category:** Agricultural Situation, Climate Change/Global Warming/Food Security, Grain and Feed, Oilseeds and Products, Sugar

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**Report Highlights:**

This is a biweekly report outlining the prices of agricultural commodities in Bangladesh, as well as major trade and policy updates.

### Rice Price Drops Slightly

Prices of all types of rice largely remained steady over the past few weeks. This week, the coarse rice price was BDT 50 (\$0.47) per kilogram (Figure 1), unchanged from the previous week. Rice farmers in north and northeast Bangladesh have started harvesting *boro* season rice. According to the [local news](#) (Bangla) farmers are receiving good prices for their rice this year. Farmers from other parts of the country will harvest in the next two weeks.

The prices of medium-quality and high-quality rice also remained at BDT 56 (\$0.52) per kilogram and BDT 75 (\$0.70) per kilogram, respectively, the same as the previous week.

**Figure 1: Bangladesh – Monthly Coarse Rice Average Price (2019-2023)**

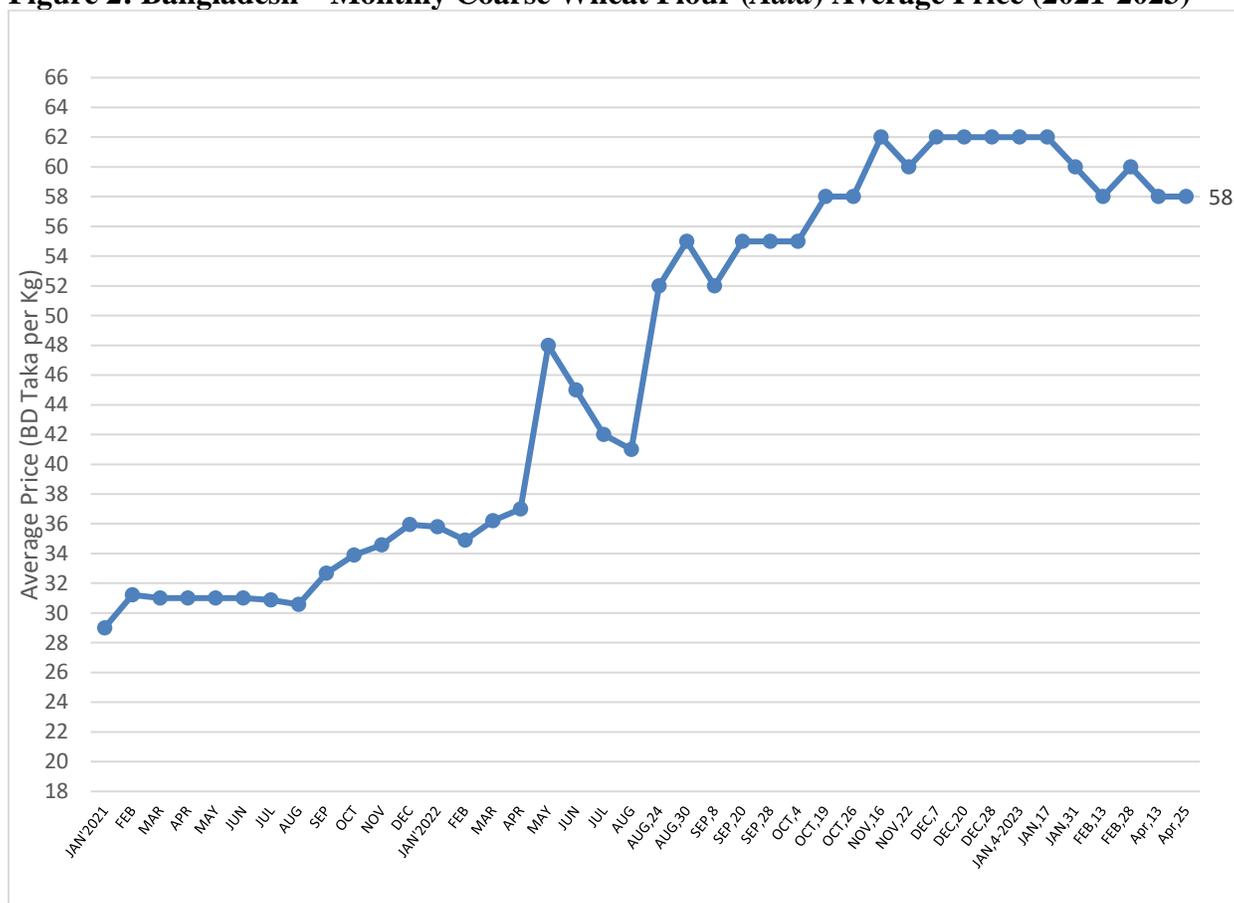


Source: Trading Corporation of Bangladesh (TCB)  
Note: Exchange Rate USD \$1.00 = BDT 107.0

### Wheat Flour (*Aata* and *Maida*) Prices Remain High

This week, the prices of unpacked coarse wheat flour (*aata*) and unpacked fine-quality wheat flour (*maida*) remained at BDT 58 (\$0.54) per kilogram and BDT 62 (\$0.58) per kilogram, respectively, unchanged from last week (Figure 2). According to the TCB, the prices of packed *aata* and *maida* also remained unchanged at BDT 65 (\$0.61) per kilogram and BDT 75 (\$0.70) per kilogram, respectively. However, the prices of all types of wheat flour are 36-58 percent higher as compared to the same period last year.

**Figure 2: Bangladesh – Monthly Coarse Wheat Flour (Aata) Average Price (2021-2023)**



Source: TCB

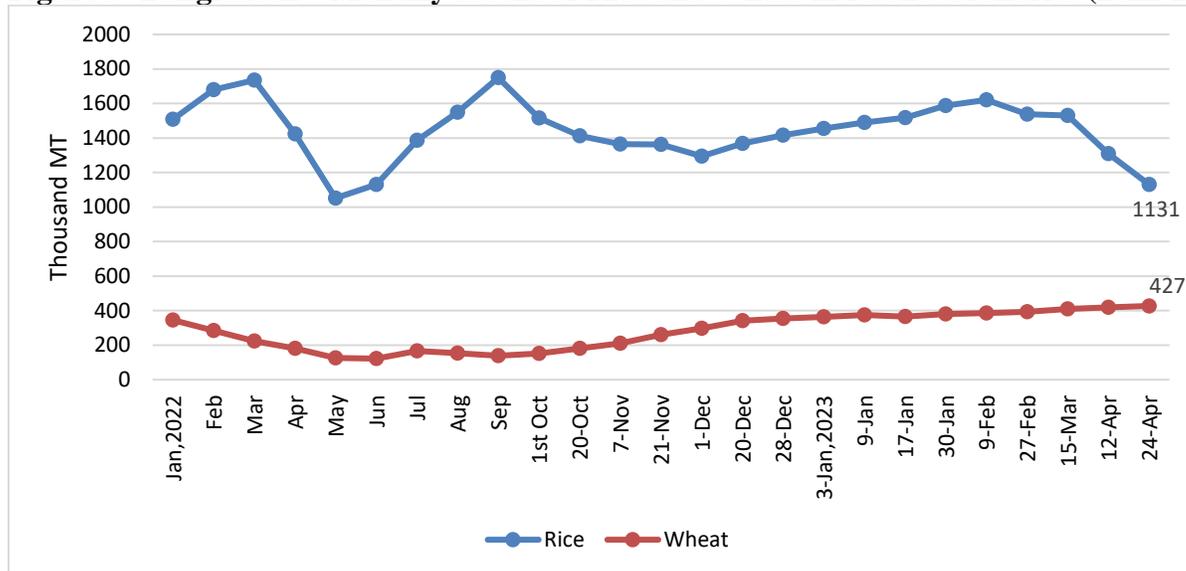
Note: Exchange Rate USD \$1.00 = BDT 107.0

### **Wheat Stocks Rise; Rice Stocks Fall**

As of April 24, 2023, wheat stocks in public granaries rose to 427 thousand metric ton (MT), up slightly from the previous month (Figure 3).

Rice stocks in public granaries decreased to 1.1 million MT, down about 13 percent since April 12 as the Government of Bangladesh (GoB) continued its food distribution programs for the poor, such as Open Market Sale (OMS) and the Food Friendly Program (FFP) during the month of Ramadan and Eid-al-Fitr. According to contacts, the GoB ended its *aman* rice procurement program on February 28, 2023 and has no plan to procure rice from international markets until June 2023. Therefore, rice stocks in public granaries will decline until *boro* procurement begins.

**Figure 3: Bangladesh – Monthly Stocks of Rice and Wheat in Public Granaries (2022-23)**



Source: Ministry of Food

### The GoB Sets Target to Procure *Boro* Rice

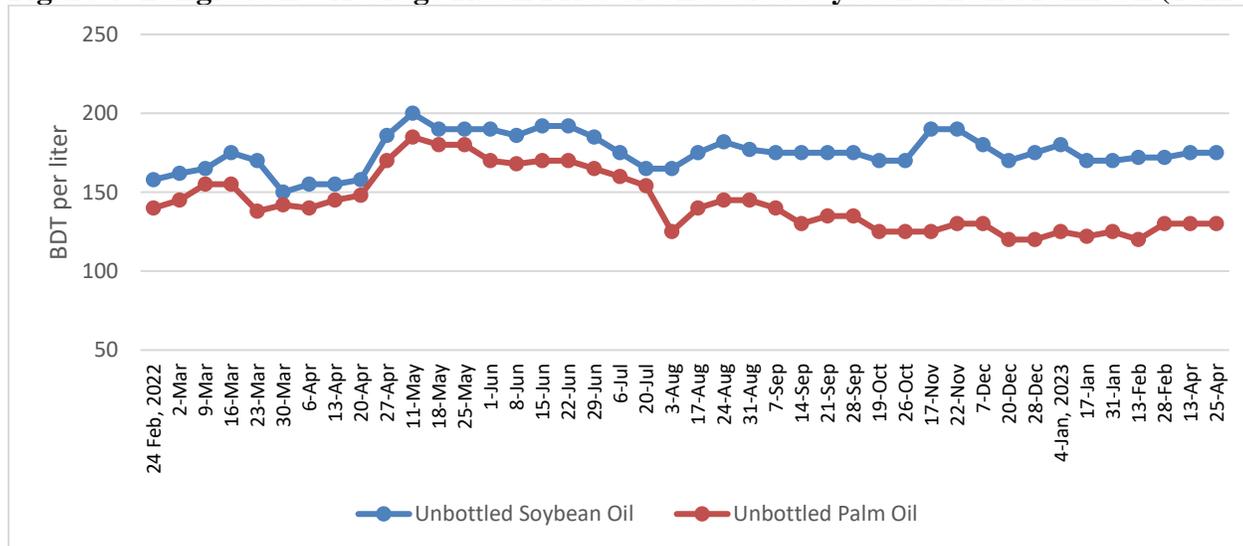
The GoB has set a target to procure 400 thousand MT of *boro* paddy and 1.2 million MT of parboiled *boro* rice for its public granaries. The procurement of *boro* paddy and rice will start from May 7, 2023 and continue until August 31, 2023. The GoB set the procurement price of *boro* paddy at BDT 30 (\$0.28) per kilogram and parboiled rice at BDT 44 (\$0.41) per kilogram, both up BDT 2 per kilogram from the previous year.

### Edible Oil Price Remains Steady

This week, the price of unbottled soybean oil and palm oil remained at BDT 175 (\$1.63) per liter and BDT 130 (\$1.21) per liter, respectively, unchanged from last week (Figure 4).

However, bottled soybean oil and palm oil prices dropped slightly to BDT 185 (\$1.73) and BDT 135 (\$1.26) per liter, respectively, down 1 percent and 4 percent from the previous week.

**Figure 4: Bangladesh – Average Retail Price of Unbottled Soybean Oil and Palm Oil (2022-23)**



Source: TCB

### Prices of Other Commodities

- This week, the price of live broiler chicken increased to BDT 250 (\$2.34) per kilogram, up about 25 percent over two weeks ago. The price was aggravated by higher demand for chicken during Eid-al-Fitr.
- Average retail price of sugar also increased to BDT 125 (\$1.17) per kilogram, up about 4 percent over the previous week.
- Average retail price of lentils remained at BDT 135 (\$1.28) per kilogram, the same as the previous week.
- Average beef price also remained at BDT 750 (\$7.15) per kilogram, the same as the previous week.
- Average price of eggs remained BDT 135 (\$1.28) per dozen, the same as the previous week.

### Further Background

Agricultural and food commodity prices first began rising in September 2021 due to the COVID-19 pandemic. In May 2023, prices were still high, exacerbated by the Russian invasion of Ukraine, resulting supply disruptions, the appreciation of the U.S. dollar, and high inflation. High consumer demand during Ramadan and Eid-al-Fitr also contributed to the high prices. Price volatility is affecting the food security of poor and middle-income consumers in both urban and rural areas.

Bangladesh depends on India for its rice and wheat imports, followed by Canada, Russia, Ukraine, and Australia. Combined, Russia and Ukraine account for approximately 25 percent of Bangladesh's total wheat imports. Due to India's ban on wheat exports since May 2022 and the Russian invasion of Ukraine, Bangladesh is only able to import half of its monthly required wheat from alternative sources, resulting in high domestic wheat flour prices.

In addition, Bangladesh is now facing a foreign currency crisis and according to contacts, many banks have stopped opening some letters of credit, including for commodity imports. This has led to the short supply of some staple goods in the market.

**Attachments:**

No Attachments.