

# Market Analysis - Turkey 2017

*Emergency Social Safety Net Programme*



**World Food Programme**

# Agenda



1. CPI Turkey Trends
2. MEB and Food Basket Costs
3. Food Prices
4. Energy Prices
5. Conclusion

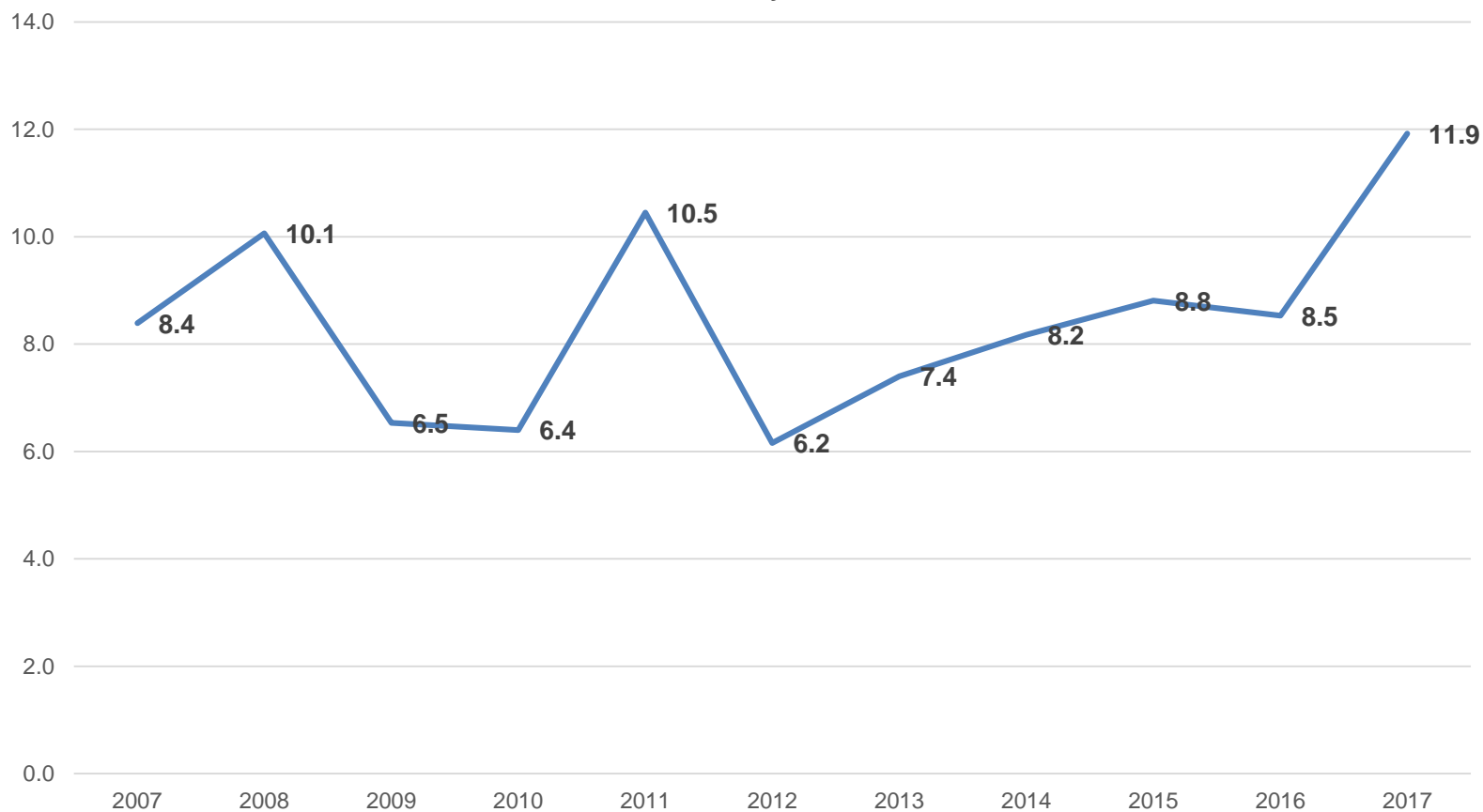
# National CPI



- *Inflation* measured by consumer price index (CPI) is defined as the change in the prices of a basket of goods and services that are typically purchased by specific groups of households
- 2017 is the highest inflation for Turkey in last 10 years
- Transport and the food cost were the drivers of this change.
- MEB is a reduced version of CPI (excluding luxury costs like restaurants, hotels)

# CPI Turkey Inflation 2006 - 2016

CPI Turkey 2007 - 2017

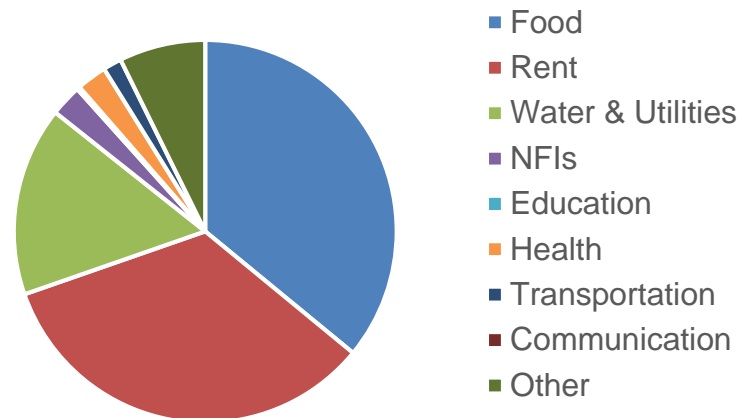


# Minimum Expenditure Basket (MEB)

## Concepts

### Uses of a Minimum Expenditure Basket:

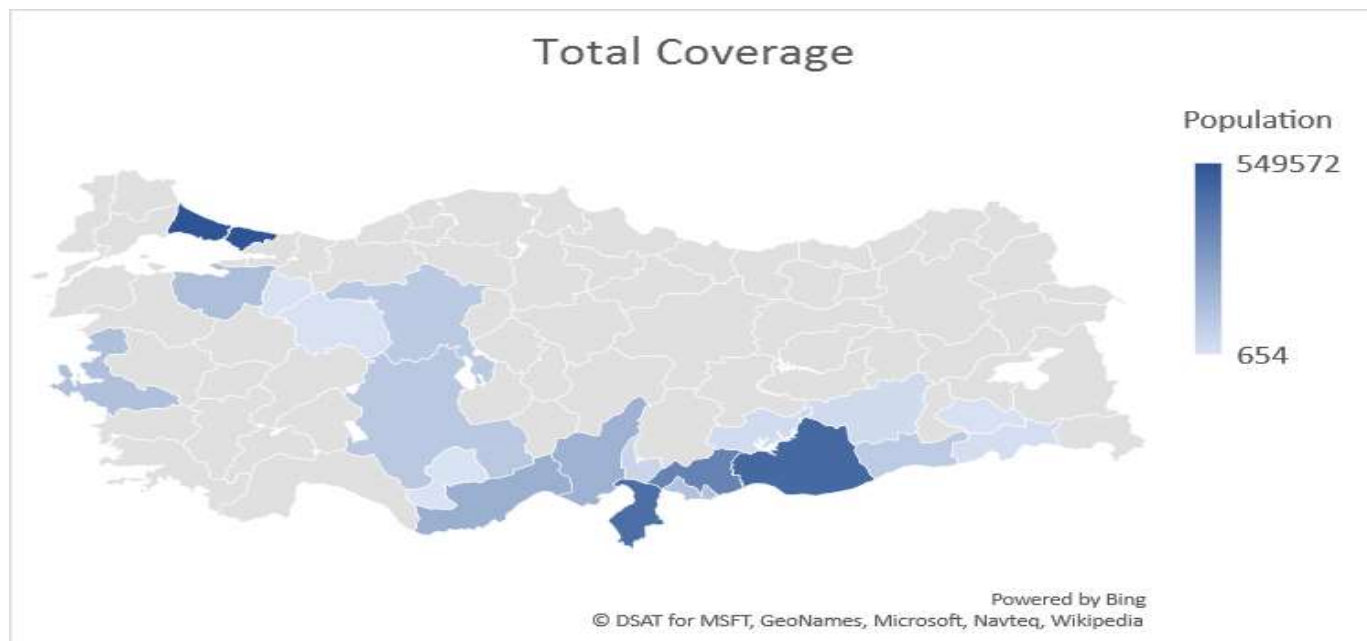
- (1) Identify the poor, not only the food insecure
- (2) Determine level of assistance required for food and non-food needs
- (3) Monitor food and non-food outcomes of a cash-based transfer intervention by analysing household expenditure relative to the MEB



# MEB in a Refugee Context

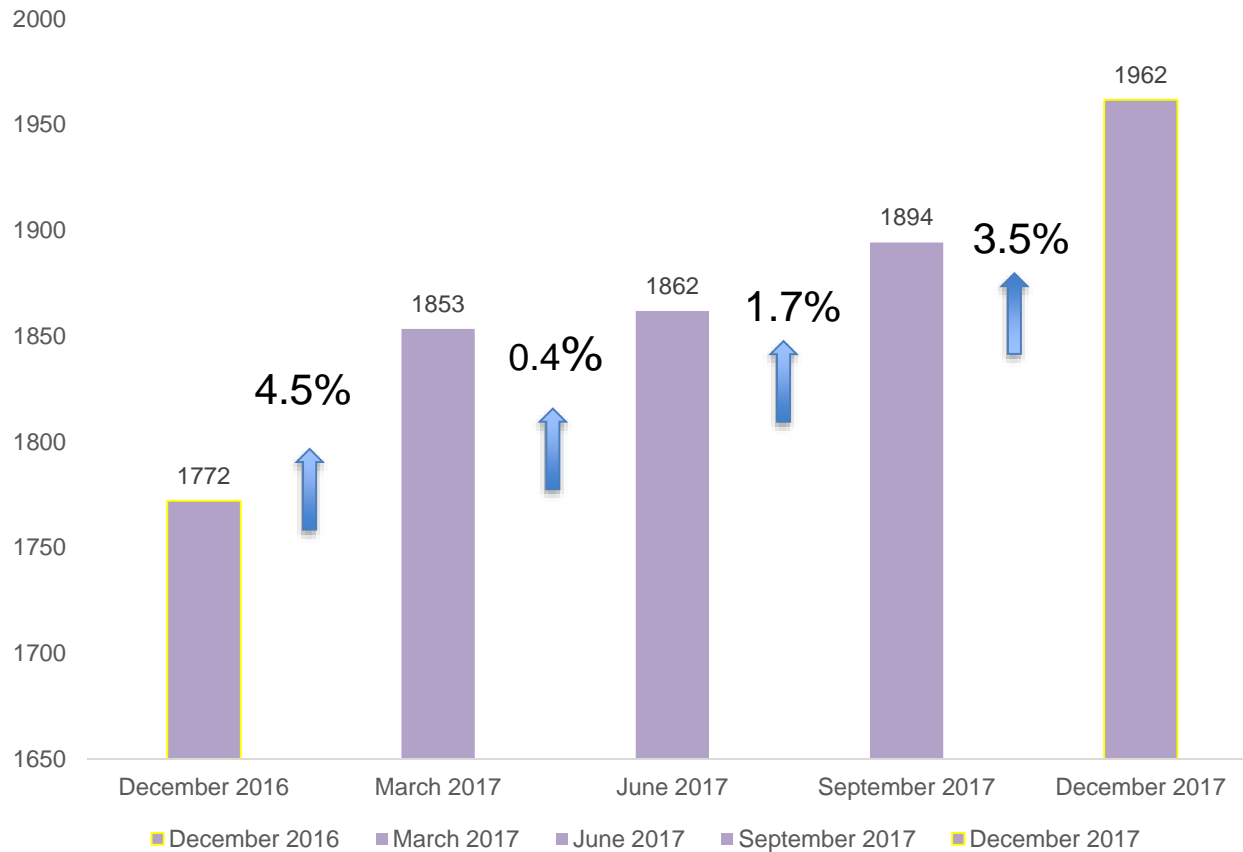
## Minimum Expenditure Basket in a refugee context:

- Minimum monthly cost per capita to allow refugees to live a dignified life (outside camps)
- Implies full access to all rights
- 90% coverage of where refugee population lives for the calculation of MEB



# MEB Trends 2017

MEB Cost (2016 - 2017) (weighted average)

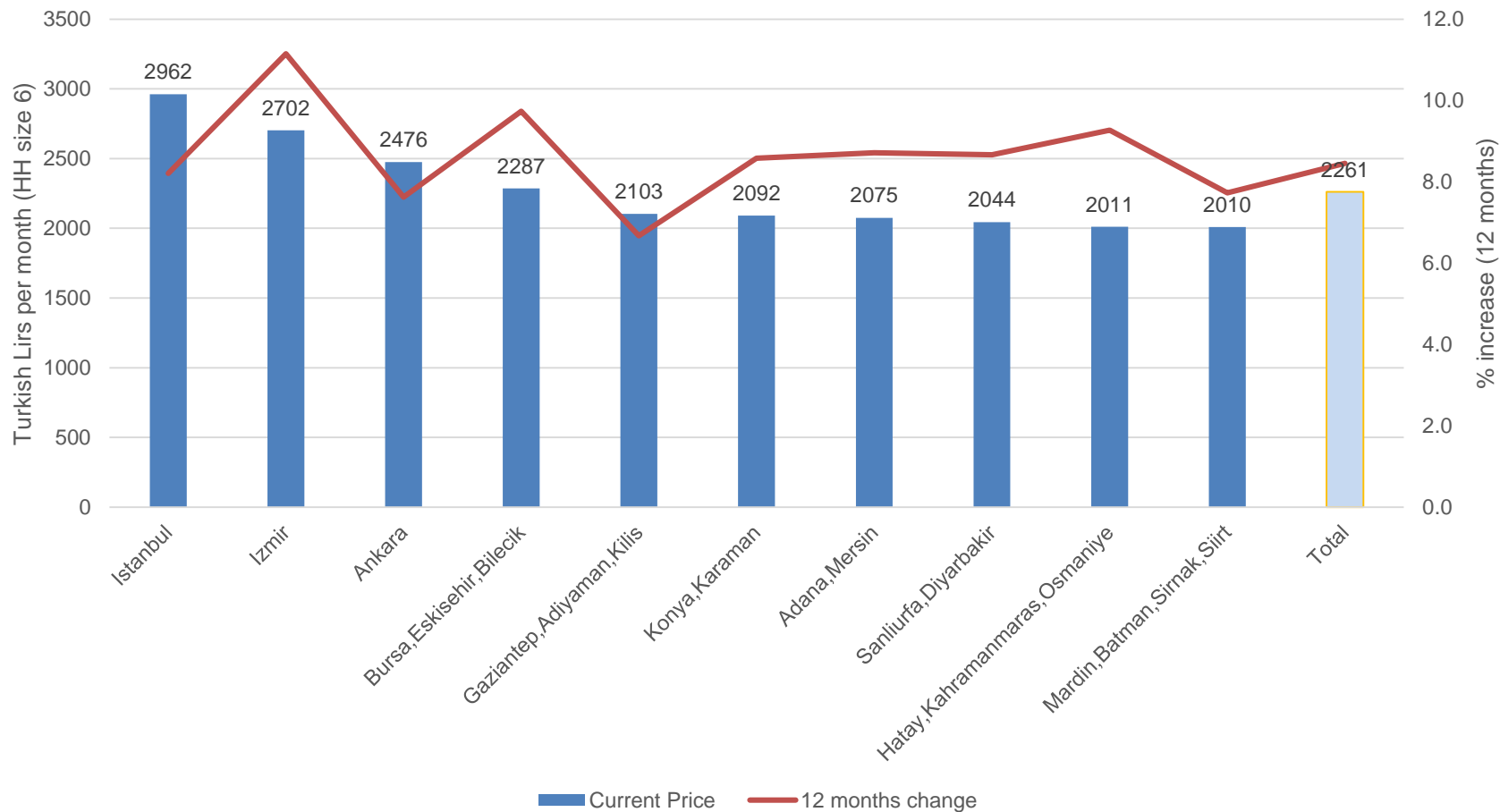


**Total  
increase  
of 10.7%  
in a year**

**From Q3  
to Q4 is  
the  
highest  
increase**

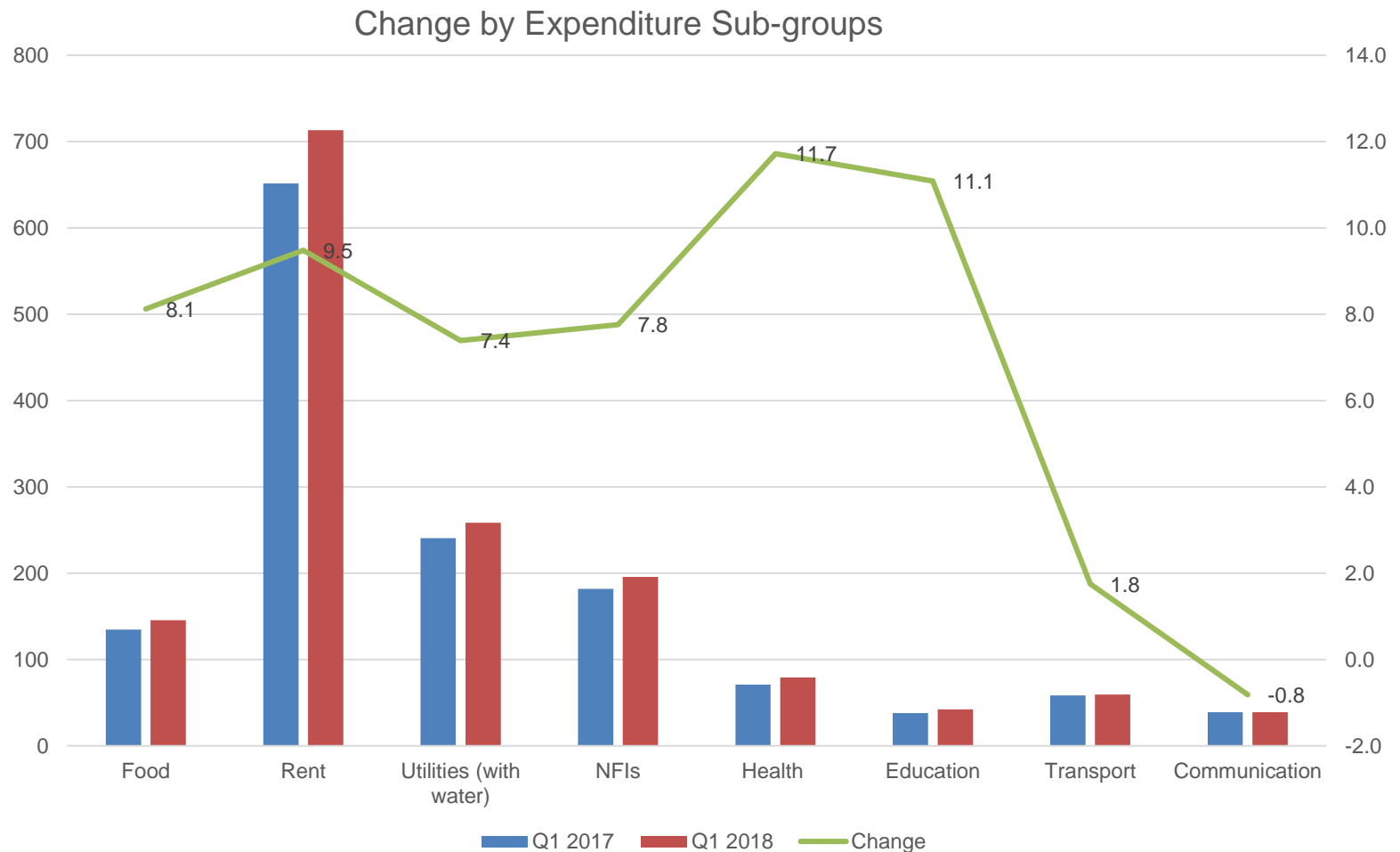
# MEB Trends by Region 2017

MEB Cost per Region : 2017 - 2018





# MEB Trends by Sub-groups



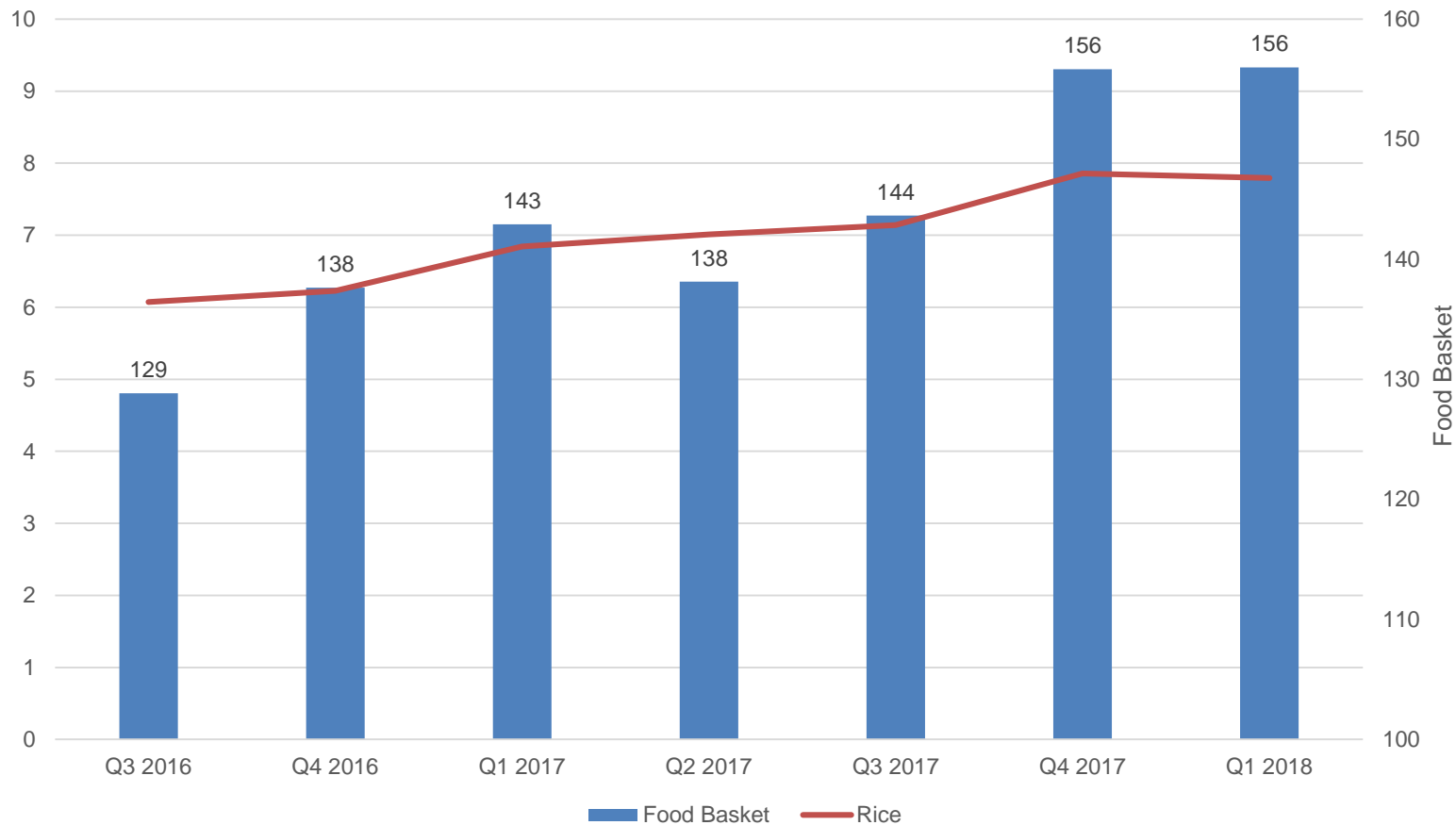
## Referential Food Basket for Syrian Refugees in Turkey

- Food Basket should be 2100 cl for daily consumption per person
- Food Basket is constructed by using Lebanon itemised receipts data to define most consumed food items.
- These items were compared with food consumption expenditure in Pre-Assistance Baseline and Comprehensive Vulnerability Monitoring Exercise.
- Nutritional values are confirmed on NutVal.

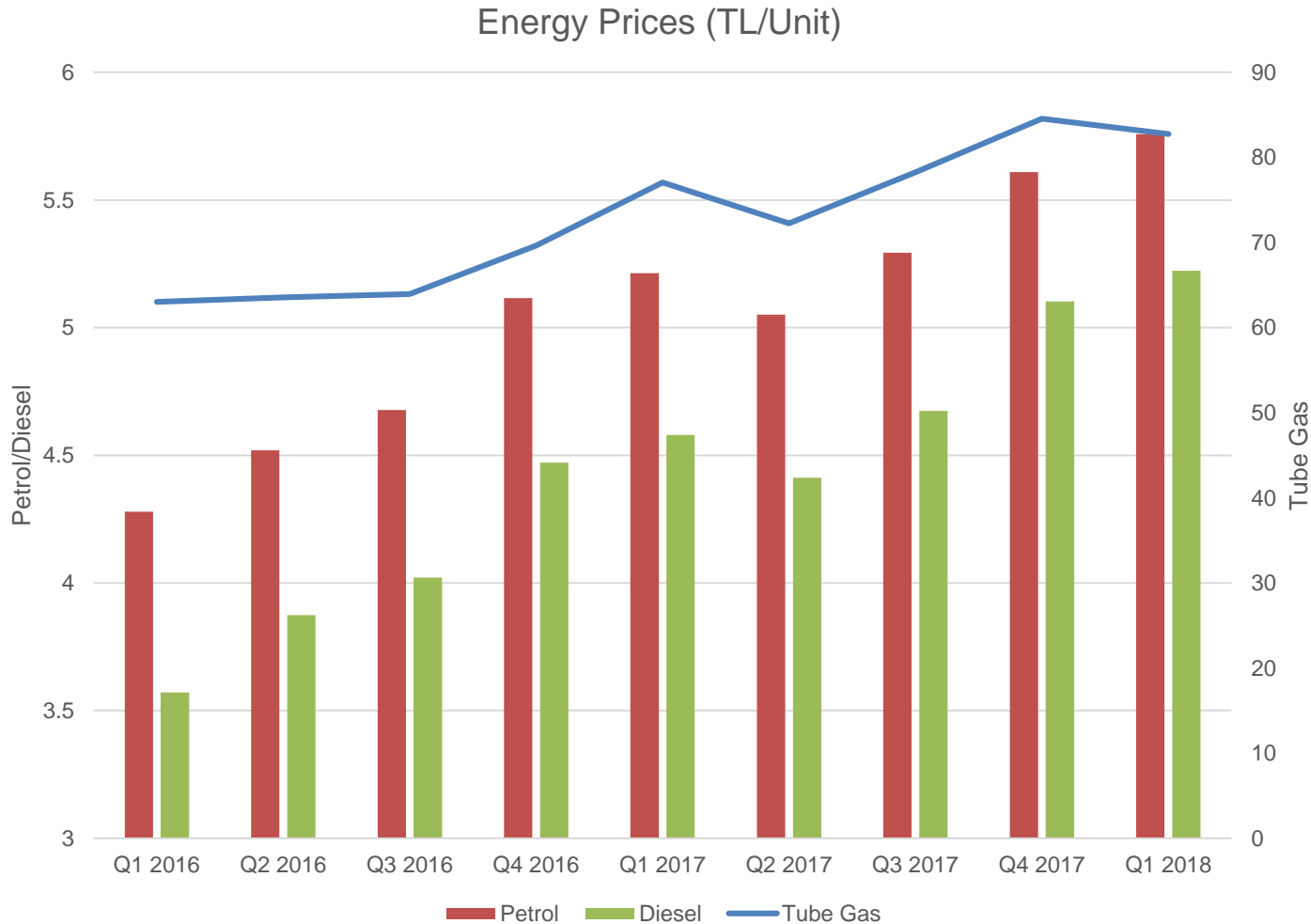
Item	
Rice	0.1
Bulgur	0.05
Bread	0.25
Yoghurt	0.05
White Cheese	0.05
Egg	1
Sun-Flower Oil	0.025
Tomato	0.03
Cucumber	0.03
Dry Bean	0.05
Granulated Sugar	0.05
Salt	0.005
Tea	0.005

# Food Prices - Trends

Price Trends 2016 - 2018



# Energy Prices - Trends



From Q1 2016 to Q1 2018 there is an increase;  
Tube gas: **31%**  
Petrol: **34%**  
Diesel: **46%**

# Conclusion



1. 2017 CPI was the highest in last 10 years with 14% increase in the cost of food and non-alcoholic beverages
2. Food share represents 40% of MEB which has significant impact on overall expenditure pattern of refugee population
3. High inflation during 2017 - Average of 10.7% increase in MEB
4. Most increase is in food and rent prices which equals 70% of total expenditure of refugees
5. Energy prices also have increased by 35% in last 2 years

## STEPS FORWARD

1. Continue to monitor markets through 2018, which will be used as the basis for ESSN transfer value adjustments if inflation rates continue to be high.

# Questions?

