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Market Watch: Essential Food Prices Stabilize Amid Enforcement Challenges

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A recent market survey reveals relative price stability for essential kitchen commodities in Islamabad, with chicken prices declining 7% to 410 Pakistani rupees (PKR)/kg while sugar and flour maintain steady rates. However, widespread violations of government price caps persist, particularly in sugar and liquefied petroleum gas (LPG) sales, exposing

systemic enforcement failures in Pakistan's consumer protection framework.

The data shows a stark disconnect between official directives and market realities. Despite the government fixing sugar at PKR 170/kg, retailers continue selling at PKR 190/kg, blaming millers for supply constraints. Similarly, LPG distributors ignore the Oil and Gas Regulatory Authority's (OGRA) reduced rate of PKR 233/kg, charging consumers PKR 300-330/kg a 40% markup that contributes to frequent cylinder explosion incidents. These violations highlight how bureaucratic price controls often crumble without robust market mechanisms.



Positive trends emerge in select sectors, with tandoor operators reducing roti prices by 20% following an 18-month decline in flour costs. Yet bakeries defy this logic, increasing biscuit and bread prices despite a 56% drop in flour inputs. Such contradictions reveal structural inefficiencies in Pakistan's food supply chain, where middlemen capture disproportionate margins. As economist Dr. Ali Hasan notes: "Price controls treat symptoms, not causes. Real solutions require dismantling cartels and improving supply-side logistics."

The survey underscores a critical policy crossroads. While stable vegetable prices (potatoes at PKR 65-100/kg) and pulses (gram at PKR 270/kg) offer temporary relief, sustainable food security demands market-driven reforms. Strengthening competition through deregulation, modernizing distribution networks, and penalizing predatory pricing not arbitrary rate-setting would better serve both producers and consumers in the long term. Until then, Pakistan's kitchen economies will remain hostage to the gap between policy intentions and ground realities.