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**Panic buying hits select commodities in Karachi**

KARACHI: Panic buying in some markets has created shortage of key commodities like branded flour bags besides pushing up demand for items including pulses, ghee/cooking oil, sugar and rice by 20-30 per cent.

Ashrafi fine flour bag have disappeared from the markets while stocks of Bake Parlour flour left in shops are hardly 20pc. Shopkeepers were seen insisting that buyers pick loose fine flour or chakki flour for themselves.

Some retailers who have stocks of Bake Parlour brand made windfall by charging Rs310-350 per five kg bag as compared to Rs270-280 prior to the coronavirus outbreak in Pakistan. Similarly, the 10kg bag of this brand is being sold for Rs600-620 as compared to Rs540-550 earlier.

Producer of Ashrafi brand has not supplied flour bags for the past one week while available stocks have sold out in view of panic buying by consumers who fear lockdowns and food shortage in coming days, retailers said. A similar account was given by retailers of Bake Parlour flour.

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Citing a reason of flour shortage, a miller said factories have not received wheat from the Sindh government for last eight to 10 days. We have been running our mills on new wheat crop which is available in open market at Rs3,850 per 100 kg bag, he added.

Chairman Pakistan Flour Mills Association (PFMA) Sindh Zone, Khalid Masood said people had indulged in panic buying mainly at super stores and retail markets, "thereby exhausting all stocks."

"We are working on normal production," he said while ruling out any shortage of wheat and flour in the city in coming days.

"New wheat stock has already hit the markets while the grain from Passco is also arriving at the mills. Flour is available in abundance," he further claimed.

General Secretary Karachi Retail Grocers Group (KRGG) Farid Qureishi said barring massive sales of flour, other commodities including ghee/cooking oil, pulses, rice and sugar saw a buying surge of 20pc in the last four to five days.

He said consumers are mainly making a beeline at super stores rather than retail markets. "At super stores, they are actually buying goods using credit card instead of cash," he claimed.

Patron-in-Chief Karachi Wholesalers Grocers Association (KWGA) Anis Majeed said wholesale market have seen revival in sales of essential commodities from retailers in the last three to four days owing to 25-30pc rise in sale of goods at retail markets.

Despite soaring demand, he said, the wholesale market would not witness any food items shortage owing to ample stocks.

#### Ghee/Cooking oil

Stakeholders in edible oil industry gave different view. President IMGC Group and former chairman Pakistan Vanaspati Manufacturers Association (PVMA), Sheikh Amjad Rasheed, said he had to increase production capacity at three of his mills. "There is an additional demand triggered by panic of coronavirus outbreak as well as meeting the needs of utility stores and retail markets.

"Our Multan factory is producing 150 tonnes per day of ghee and cooking oil as compared to 100 tonnes per day two months ago. Similarly, 200 tonnes per day of ghee and oil is being produced at Karachi and Khyber Pakhtunkhwa factories from 100 tonnes per day earlier on."

Amjad said in times of food crisis, ghee and cooking oil comes at last spot after major demand of flour, pulses, sugar and rice.

Former Chairman PVMA, Abdul Majeed Haji Mohammad said demand of ghee and cooking oil had definitely gone up by 20pc in the last few days.

However, he said, he has not increased production capacity at his factory despite upcoming demand in Ramazan starting from third week of next month. "I think we have time to think on demand situation as consumption of oil and ghee also slows down in summer and people may come in the market for Ramazan buying after April 10."

He said many people had lifted ghee and cooking oil earlier this month and then made a second attempt in the last few days to cover up stocks of current month and next month in case of serious food crisis. If coronavirus epidemic subsides by end of March or first week of April, then many people would already have ghee and cooking oil stocks at home.

Former Vice Chairman PVMA and President Korangi Association of Trade and Industry (KATI), Sheikh Umer Rehan said only 1pc of highly panicked elite class thronged super stores and markets in Karachi to lift bulk quantities of ghee and cooking oil while cash hit buyers are just watching the situation. He claimed that buyers in Punjab had still not resorted to panic buying.

"I have not increased production of ghee and cooking oil on paltry jump in demand," he said, stressing the country still has 400,000 tonnes of palm oil stocks which are enough for two months.

"Wholesalers are not lifting ghee and cooking oil as they anticipate drop in prices in view of falling palm oil prices in world markets after coronavirus," he added.