of displacement and challenges finding new income sources (FEWS NET, October 2019). Many of the displaced accumulate debts that take years to pay off (OCHA, December 2019).

During 2019, about half a million Afghan refugees returned, mainly from Iran (430 000), followed by Pakistan and other countries (OCHA, December 2019). Voluntary repatriation was down by 49 percent compared to 2018, to just 8 000 returnees (UNHCR).

Despite generally favourable livestock conditions in the third quarter of the year, in some areas conflict made pastureland inaccessible and prevented farmers from accessing their fields to prepare for winter wheat planting (FEWS NET, October 2019).

**Economic shocks**

Sustainable, paid employment is scarce and 80 percent rely on self-employment, daily labour or unpaid work. A quarter of the labour force is unemployed (WB, October 2019). Returnees (mainly from Iran) compete with residents for work, leading to labour supply further outstripping demand and depressing daily wage rates (OCHA, December 2019). Remittances from Iran were below average due to worsening economic conditions there.

Casual labour opportunities were below the five-year average because of lower demand in construction and other industrial sectors (FEWS NET, June 2019). Daily wage labour rates were below the two-year average, leading to an overall decrease in household purchasing power (FEWS NET, October 2019).

According to the Seasonal Food Security Assessment, of the 63 percent of households that claimed to have experienced shocks, 29 percent referred to loss of employment, 25 percent reduced income and 9 percent increased food prices (FSAC, September 2019).

In May, inflation rates reached almost 5 percent and the food component of the Consumer Price Index increased to 7 percent – but returned to 2 percent in September 2019. Following the Government of Pakistan’s ban on wheat and wheat flour exports, wheat grain prices increased in all markets in July–August 2019. Prices differed between provinces with wheat grain costing 25 percent more in Kandahar than in Herat (FAO-GIEWS, December 2019).

The Whole of Afghanistan Assessment shows the financial situation of displaced people worsens over the first two years of displacement. It is only after an average of two years that IDP households begin to reduce their overall debt, but they still fall short of ever recovering to a pre-displacement debt level (REACH, September 2019).

**Weather extremes**

Nationwide, some households had not fully recovered their lost livelihood assets following the 2018 drought (FEWS NET, October 2019). Despite average to above-average livestock prices, purchasing power was below average for pastoral and agropastoral households across wealth groups because of below-normal herd sizes following livestock losses (FEWS NET, October 2019).