

Market Monitor Report

MAF | GDS | WFP VAM | Food Security Analysis

Timor-Leste | Week 17/18 2021 (26th April - 9th May)

Highlights

- Prices of imported rice have generally been stable in the last four weeks, slightly easing pressure on consumers, but remain at relatively high levels.
- Local rice price slowed down further during the reference period, mostly reflecting relatively good domestic availabilities as freshly harvested supplies trickle into the local markets.
- Maize prices continue to remain relatively low, amid adequate market availabilities.
- On the international front-the FAO All Rice Index (2014-2016) averaged 110.5 points in April 2021, representing a five-month low. This may signify a good moment to import as key rice exporters are experiencing price decreases due to the arrival of new supplies and a subdued export demand.
- **Oecusse:** COVID-19 related restrictive measures resulting in transportation bottlenecks continue to disrupt availability of food commodities.

Retail price trend of cereals

The nominal price of local rice continues to slow down, averaging 1.25 US\$ per kilogram, as observed in week 17 and 18 of May 2021. At the current price level, it is 10 percent lower than this time last month and 27 percent lower than this time last year. This reflects domestic availabilities on the local market and subdued demand as farming households begin to consume from own production. Across the monitored markets, prices ranged from 0.64 US\$ to 1.56 US\$ per kilogram. With lowest prices observed in Ainaro Municipality and highest prices observed in the capital Dili (Map 1).

Nominal price of imported rice slowed down further during the reference period, with a national average of 0.59 US\$ per kilogram, almost the same compared to this time last month. However, the current price is 15 percent higher than year-earlier levels. Aileu and Bobonaro had relatively higher prices than the other municipalities during the reference period while Dili had the lowest price (Map 1).

Fig. 1: Price trend of local rice (US\$/kg)

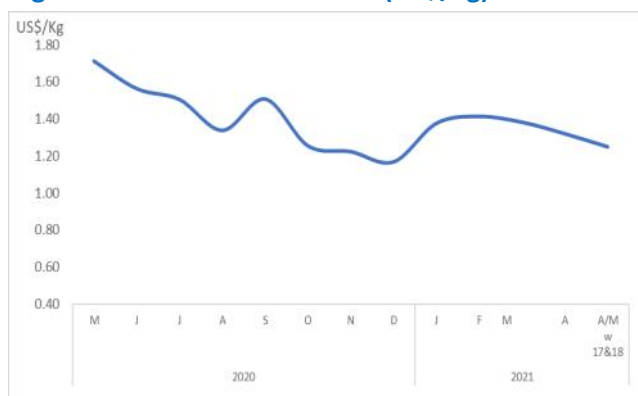
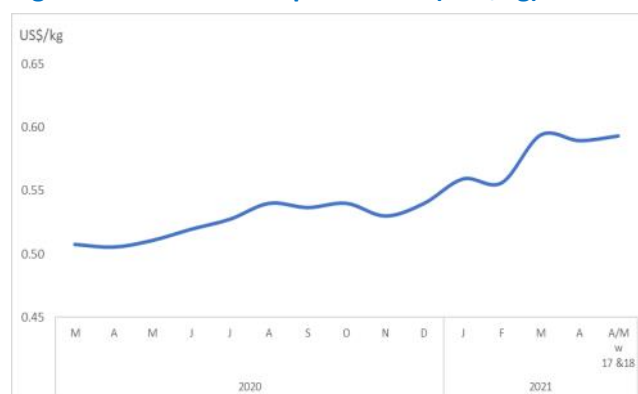


Fig. 2: Price trend of imported rice (US\$/kg)

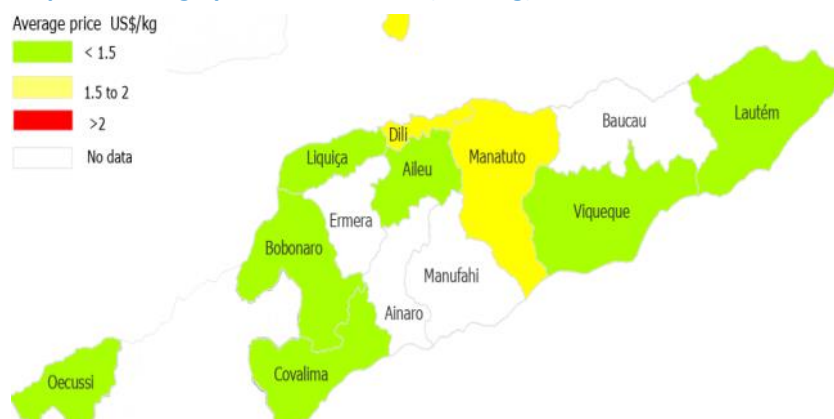


Looking ahead, downward trend is expected to continue in the short-term as international rice prices are on a downward curve, however logistical constraints under the current COVID-19 restrictions remain a threat to such forecast.

Using the FAO All Rice Index as a measure of international rice prices, the Index (2014-2016) reached an all high in February 2021, averaging 116.0 points which is 11.4 percent higher than a year earlier. Since then, sharp monthly drops have been observed with the April 2021 value 3.6 percent below its levels in April 2020. This may signify a good moment to import as 2021 harvests are entering their final stages, especially the observed decrease in Viet Nam and Thailand rice due to under pressure from the arrival of newly harvested supplies and subdued export demand.

Maize prices continue to remain relatively low amid domestic availabilities; the price of wheat flour remains unchanged.

Map. 1. Average price of local rice (US\$/kg)



Map. 2: Average price of imported rice (US\$/kg)

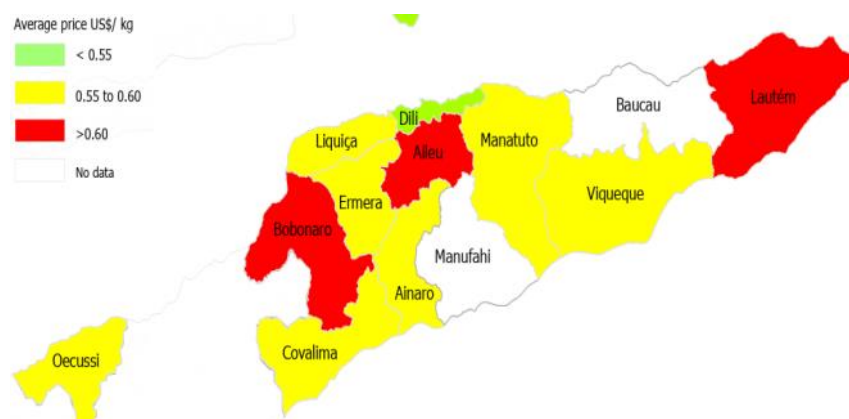
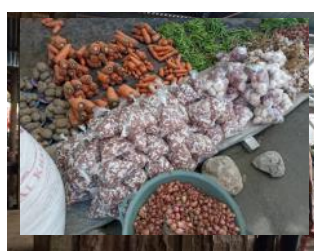


Table. 1: Price trend for non-cereals (US\$/kg)

	Current Price US\$/kg	% Change from previous period		
		May (wk 17&18)	2 W	1 M
Sweet Potato	1.09	↑ 2	↓ -9	↓ -13
Potato	1.34	↑ 6	↓ -2	↑ 13
Taro	0.95	↓ -9	↑ 4	↓ -3
Beans	2.53	↑ 5	↑ 0	↓ -19
Egg	0.21	↓ -1	↓ -3	↑ 28
Chicken	3.19	↓ -6	↓ -4	-
Tomato	1.67	↑ 2	↓ -5	↑ 16
Onion	2.61	↓ -8	↓ -14	↑ 4
Cooking Oil	1.24	↑ 1	↑ 4	↑ 18
Chili	3.74	↓ 0	↓ -9	↓ -10
Sugar	0.98	↑ 3	↑ 4	-
Salt	0.66	↑ 0	↑ 7	-



Open market-Oecusse



Open Market-Ainaro



Open Market-Oecusse



Open market-Aileu

Methodology : To monitor the impact of COVID-19 on market prices, WFP in collaboration with Ministry of Agriculture and Fisheries, and the General Directorate of Statistics collect food price data on a weekly basis across the country's main markets from 11 municipalities (Ainaro, Aileu, Bobonaro, Dili, Ermera, Lautem, Liquica, Manatuto, Viqueque, Covalima and Oecusse). On average, around 6 traders per market are surveyed, targeted food commodities weighed, and its price averaged per kilogram. Imported rice price are based on the most consumed brand per retailers.