

Market Monitor Report

MAF | GDS | WFP VAM | Food Security Analysis

Timor-Leste | Week 19/20 2021 (9th- 23rd May)

Highlights

- Price of imported rice continue to trend downwards since march 2021, but remain high compared to year-earlier levels.
- An uptick in the price of local rice, mostly in the capital Dili, likely due to supply chain bottlenecks as movement restrictions remain in force with the surge in COVID-19 cases. Hopefully this remains temporary, as under normal circumstances prices tend to stabilise or decrease at this time of year.
- As part of market intervention initiative, Government through National Logistic Centre (CLN) and Ministry of Trade and Industry (MTCI) has embarked on provision of subsidised rice to traders, a move aimed at price stabilisation.
- Nominal prices for most of the non-cereals remained either stable or decreased except for onions and tomatoes compared to the previous fortnight.

Retail price trend of cereals

Since March 2021, imported rice has been on relatively stable trend. As of the mid May (week 19 & 20), the national average price was observed at US\$ 0.59 per kilogram on the local markets. At this level, the prices are almost the same as this time last month but 14 percent higher than year-earlier levels. The capital Dili remains with relatively lower prices, likely on account of being the first point of entry of imported goods (Map 1).

During the reference period, an uptick in the nominal price of local rice was observed after an almost seven weeks of decreasing trend as a result of the coming in of fresh harvests that continue to make their way into the local market. The uptick, mostly in the capital Dili, could be as a result of supply chain bottlenecks as a result of movement restrictions as the country experiences a surge in COVID-19 cases.

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

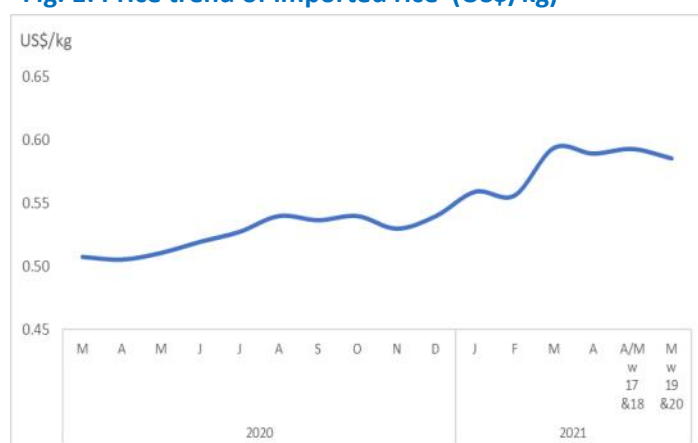
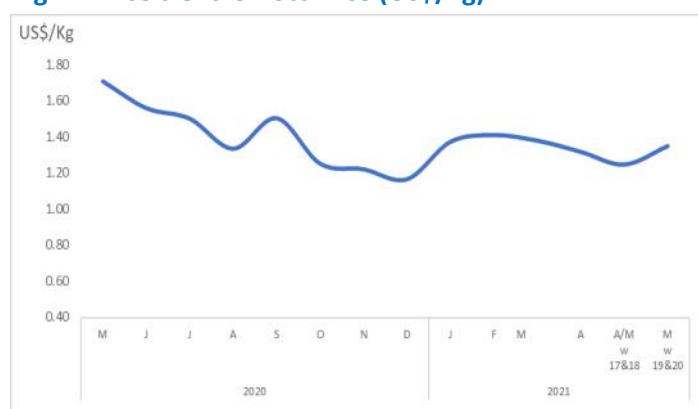


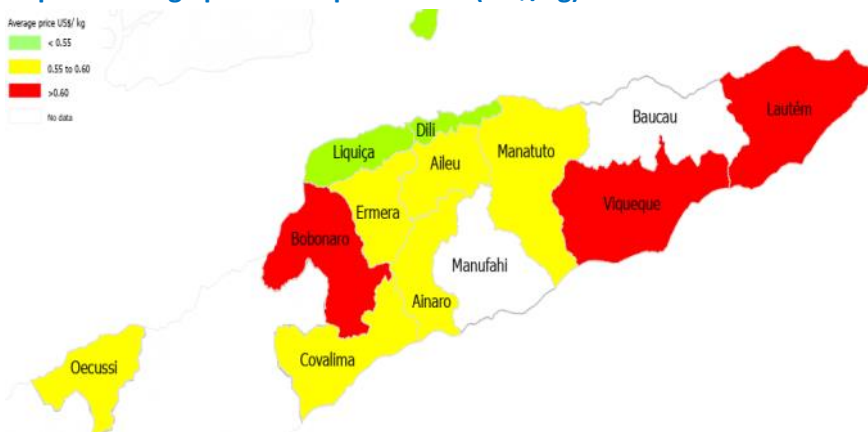
Fig. 2: Price trend of local rice (US\$/kg)



At the national average price of US\$ 1.35 per kilogram on the local markets, current price is 3 percent higher than the previous two weeks but 21 percent lower than year-earlier levels. The nominal prices ranged from 0.78 US\$ to 2 US\$ per kilogram, with lowest prices observed in Ainaro and highest prices in Dili (Map 2).

In terms of policy, the Government through National Logistics Centre and Ministry of Tourism Trade and Industry (MTCI) continues to provide subsidised rice in the municipalities as part of the market intervention imitative to stabilise prices. In addition, as part of COVID -19 economic recovery plan, US\$12 million has been set aside for the procurement of both local and imported rice.

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



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

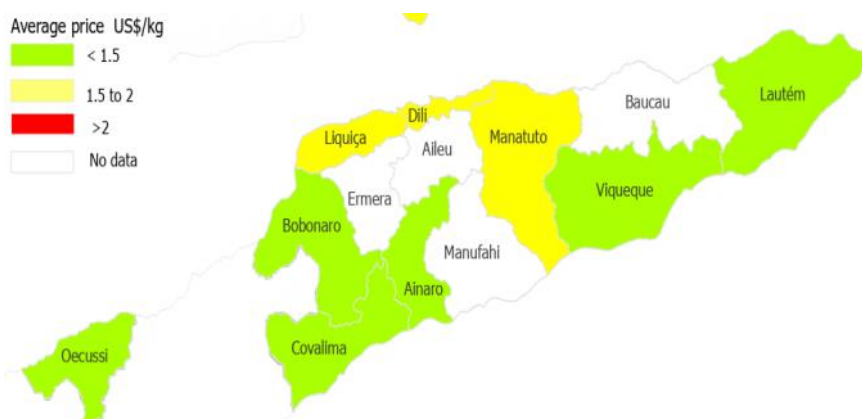


Table. 1: Price trend for non-cereals (US\$/kg)

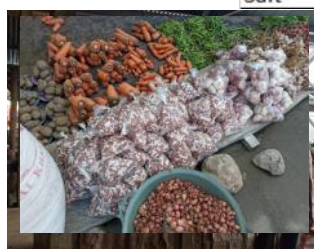
	Current Price US\$/kg	% Change from previous period		
		May (wk 19&20)	2 W	1 M
Sweet Potato	1.07	↓ -1	↑ 1	↑ 5
Potato	1.27	↓ -5	↑ 0.2	↑ 1
Taro	0.95	↑ 0.4	↓ -8	↑ 2
Beans	2.54	↑ 1	↑ 5	↓ -14
Egg	0.18	↓ -11	↓ -12	↓ -3
Chicken	3.25	↑ 2	↓ -4	
Tomato	1.90	↑ 14	↑ 17	↓ -7
Onion	2.86	↑ 10	↑ 1	↑ 22
Cooking Oil	1.25	↑ 1	↑ 2	↑ 15
Chili	3.61	↓ -3	↓ -4	↓ -17
Sugar	0.96	↓ -2	↑ 1	↑ 14
Salt	0.58	↓ -26	↓ -12	↓ -8

Retail price trend of non-cereals

During the week under review, the price of non-cereals had mixed observations. There was a decrease or relatively stable prices compared to the previous fortnight for sweet potatoes, potatoes, taro, beans eggs, chili, sugar, and salt. While tomatoes and onions increase by 10 percent or more over the same period.



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.