Highlights

- Local rice prices have followed a downward trend since March 2021, decreasing by almost 8 percent. It is envisaged that the price will continue to weaken or remain steady in the coming weeks as market supply is substantially higher at this time of the year.
- Price of imported rice continue to ease, likely reflecting the current slowdown of rice prices on the international market.
- Other foods such are cassava, bananas, and sweet potatoes are also on the market, further increasing the variety of staple foods available and helping to suppress overall commodity prices.

Retail price trend of cereals

The week of 21 and 22 saw national average price of local rice trading at US$1.30 per kilogram on the local markets which is 4 percent lower than the previous fortnight, almost the same as previous month and a further 24 percent lower than the same time last year. Prices ranged from US$ 1.24 to US1.53 with relatively lower prices being observed in Oecusse and higher prices in Manatuto (Map 1).

During the reference period, imported rice prices were trading at a national average of US$ 0.58 per kilogram on the local markets. The current price is almost the same as the previous fortnight and last month, but 12 percent higher than year-earlier levels.
At municipality level, the highest recorded price at US$ 0.65 per kilogram was observed in Bobonaro while the lowest was observed in Ermera at US$ 0.54 (Map 2).

Reflective of the continued slowdown in imported rice price on the local market, the FAO ALL Rice Index has remained relatively stable or decrease in the last three months. As of May 2021, the index hardly changed from its April value at 110.6 points which is 4.5 percent lower than its year-earlier level. However, it should be noted that the overall FAO FOOD Price Index in May 2021 at 127.1 points marked the highest value in almost 10 years. The sharp increase reflected a surge in prices for oil, sugar, meat, dairy products, and cereals (mostly maize, sorghum, barley, and wheat).

Maize prices continue to remain relatively stable amid domestic availabilities at this time of the year; the price of wheat flour also remains subdued.

Retail price trend of non-cereals

During the week under review, the nominal prices for most of the non-cereals remained either stable or decreased compared to the previous fortnight except for chicken, onions and tomatoes (Table 1).

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.