

# Market Monitor Report

MAF | GDS | WFP VAM | Food Security Analysis

## Timor-Leste | Week 25/26 2021 (21<sup>st</sup> June–4<sup>th</sup> July)

### Highlights

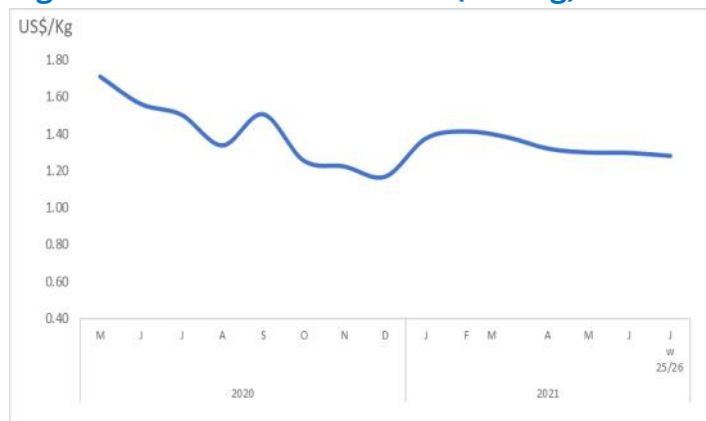
- As the main rice harvest season comes towards the tail-end, the abundance of new supplies on the local market meant local rice price continued to fall at national level.
- The updated paddy production estimates done by the Ministry of Agriculture and Fisheries, which provides early warning signals on national food security, show that there is a 17 percent increase compared to the previous season at 58,656 metric tonnes. This agricultural output is likely to sustain the downward pressure on prices in the short run.
- Similarly, imported rice extended its downward streak into the third consecutive month in line with the relatively quiet rice trading activities in Asian markets in recent months.

### Retail price trend of cereals

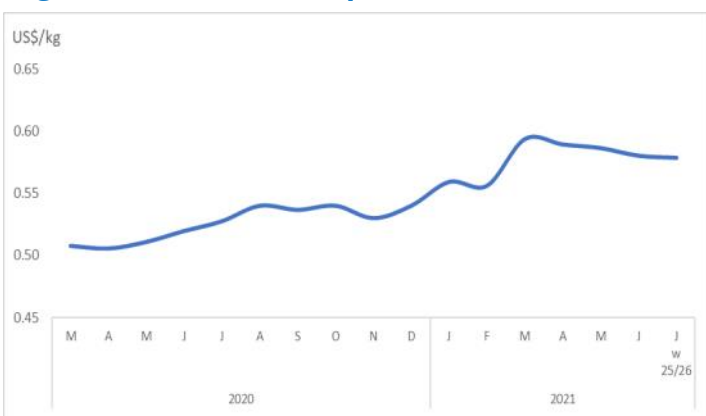
The week of 25 and 26 saw local rice prices decrease by 3 percent compared to the previous fortnight, averaging US\$1.29 per kilogram. The current price is almost the same as the previous month, and 9 percent lower than same time last year. Across the monitored markets, prices ranged from US\$ 1.00/kg to US\$ 1.59/kg, with relatively lower prices observed in Oecusse municipality and higher prices in Baucau (MAP 1). Falling prices coupled with improved production estimates are likely to ease food access constraints for households in the short run.

Similarly, imported rice continued to extend its downward trend, decreasing by 20 percent since March 2021.

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



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



During the reference period, imported rice averaged US\$ 0.58 per kilogram, a marginal decrease compared to the previous fortnight and a month ago, but still 10 percent higher than the same period last year.

The decrease is likely, among other factors, emanating from the pass-on-effect from the weakened global rice prices as measured by the FAO ALL RICE PRICE Index. The index fell to a fifteen-month low of 108.3 points in June 2021, falling by 2.1 percent below May value and by 5.3 percent below its year-earlier level. In particular, the trading activities in Asian markets remaining subdued on account of supply chain bottlenecks and further downward pressure stemming from early summer-autumn crop arrivals into the market, particularly for Viet Nam (a key exporter to Timor-Leste).

The other cereals, maize grain and wheat flour, continue to remain relatively steady since early this year.

### Retail price trend of non-cereals

Compared to a fortnight ago, notable uptick in prices were observed for potatoes (US\$ 1.33/kg), Eggs (US\$0.18/ piece), and Onions (US\$ 2.4/kg); while decreases were noted for Chicken, Taro, and Chili; prices were subdued for salt, sugar, cooking oil, and beans (Table 1).

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		
		J (wk 25&26)	2 W	1 M
Sweet Potato	0.96	↓ -1	↓ -28	↓ -24
Potato	1.33	↑ 8	↓ -0.4	↑ 20
Taro	0.86	↓ -4	↓ -2	↓ -21
Beans	2.27	↓ 1	↓ -10	↑ 12
Egg	0.18	↑ 10	↑ 1	↑ 8
Chicken	3.40	↓ -11	↑ 2	↑ 6
Tomato	1.85	↓ -3	↓ -8.9	↑ 6
Onion	2.40	↑ 7	↓ -14	↓ -19
Cooking Oil	1.20	↓ -2	↓ -4	↑ 12
Chili	3.31	↓ -5	↓ -6	↑ 0
Sugar	0.97	↑ 0.4	↑ 2	↑ 3
Salt	0.60	↑ 1	↑ 4	↑ 3



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.