Highlights

- Cooking oil prices increased by 17 percent within the month of April and a further 54 percent in one year on account of reduced global supply coupled with recent trade bans in the neighbouring Indonesia—the world's biggest producer and exporter of palm oil.

- A marginal increase in the price of local rice was observed in the month of April, compared to the previous month. Likely on account of incoming fresh harvests that should make their way into the local market in the next few weeks.

- Price of imported rice continue to trend upwards on both the local and global markets, however, remain lower than year-earlier values.

Price and import trends of cooking oil

Timor-Leste depends on food imports to support its growing population, including cooking oil. It imported nearly 13,400 metric tonnes of cooking oil in 2021, an increase of 36 percent from the previous year and nearly double compared to three years ago. The first quarter of 2022 has seen a drop by nearly 54 percent in cooking oil imports compared to the previous period, on account of reduced global supply coupled with recent trade ban in Indonesia. As a result of reduced volumes, nominal price of cooking oil has skyrocketed to US$ 1.9/litre in April 2022, nearly 17 percent more than the previous month and a further 54 percent higher than the same time last year. Looking ahead, with the current trade ban from the country’s main supply source, other alternate sources are likely to come at an increased cost as shipping costs have increased significantly. For instance, a 20FT container was US$ 800 in pre-covid period is now at US$ 1,200 from the main Indonesian port to Dili in Timor-Leste.
**Price trend of cereals**
The month of April saw national average price of local rice trading at US$ 1.51/kg on the local markets, a mere 0.7 percent higher than the previous month. However, the current price remains 13 percent higher than the three-year-average and a further 14 percent higher than the same time last year (Fig. 3). Looking ahead, nominal local rice prices are likely to stabilise or trend downwards in the next few weeks as fresh harvests make their way into the local markets.

During the reference period, The nominal prices of imported rice continued an upward trend in the month of April 2022. Prices ranged from US$ 0.56/kg to US$ 0.59/kg, with an average increase of around 2 percent compared to this same time last month. Over the one-year period, imported rice has decreased by around 1.6 percent however remains 5 percent higher than the three-year average (Fig 4).

Unlike cooking oil, wheat imports remained within seasonal levels in the first quarter of 2022. During the period under review, the national average price of wheat was US$ 1.00 per kilogram, 3 percent more than two months ago and 5 percent more than the same time last year. Maize prices decreased in April 2022 compared to the previous month, likely on account of new supplies trickling into the market.

**Retail price trend of other non-cereals**
During the week under review, the nominal prices for most of the non-cereals increased compared to the previous month, especially, tomatoes, chili, eggs, and onion (Fig 5).

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**Methodology** : To monitor the impact of COVID-19, global conflict and climate change 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 12 municipalities (Ainaro, Aileu, Bobonaro, Baucau, 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 retailer. The historical nominal rice prices are taken from the CPI database under the General Directorate of Statistics (GDS) within Ministry of Finance.