



World Food Programme

SAVING LIVES
CHANGING LIVES

MARKET MONITOR

SRI LANKA – OCTOBER 2023



FOOD INFLATION

(year-on-year)

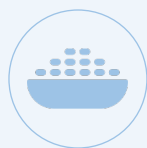
-5.2 percent (NCPI)
-5.2 percent (CCPI)



HEADLINE INFLATION

(year-on-year)

1 percent (NCPI)
1.5 percent (CCPI)



AVERAGE FOOD EXPENDITURE

Rs 44,375 per household
(Based on September NCPI food inflation rate)



LKR:USD RATE

327.38
(As of 31st October)

**Data source: DCS, Sri Lanka*

KEY HIGHLIGHTS

- Overall **Headline Inflation** (NCPI) has **increased** from 0.8% to 1% in October 2023.
- **Food inflation remains the same**, for both the NCPI and CCPI, at -5.2% in October 2023.
- Month-on-month change of the NCPI contributed by **-0.51% from food** and **0.55% from non-food**.
- **The FAO food price index** of all commodities but dairy **decreased** in October 2023.
- **Retail prices of most local and imported rice varieties decreased** from September rates.
- **Retail prices of most fuel types increased** in October 2023 compared to the previous month.

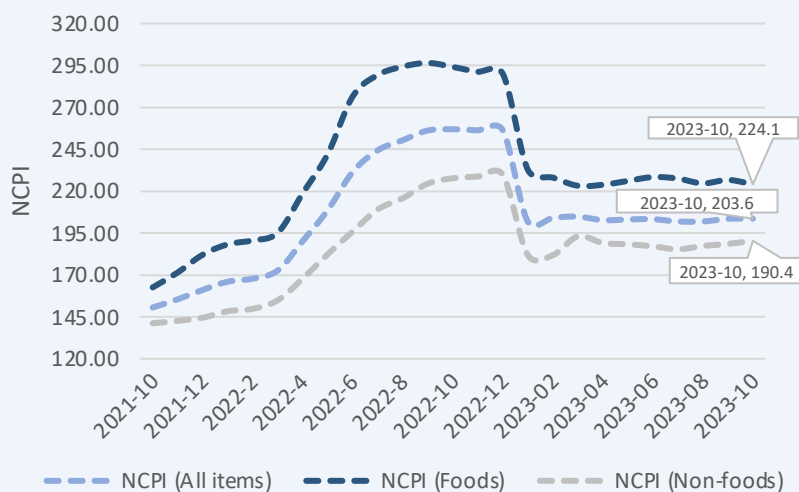
CHANGES IN THE POLICY ENVIRONMENT

- **02 October:** Cabinet approved the allocation of 100 million rupees to release 100 million fish fry and 50 million freshwater shrimp fingerlings into reservoirs during the remaining period of 2023 for the production of economically effective freshwater fish.
- **09 October:** Around 58,770 acres of paddy and other crops have been damaged in the 2023 Yala season due to insufficient water supplies. Around 53,965 farmers have been affected and the Cabinet approved the allocation of necessary provisions to compensate the affected farmers under the current crop insurance scheme.
- **23 October:** The Government of Japan has given its concurrence to grant Japanese Yen 200 million for the objective of empowering the fisheries industry by developing freezer facilities and supplying modern electric equipment to ensure higher value addition to fisheries production to uplift life standard of fisher community in Northern and Eastern provinces of Sri Lanka.

**Data source: news.lk*

NATIONAL CONSUMER PRICE INDEX

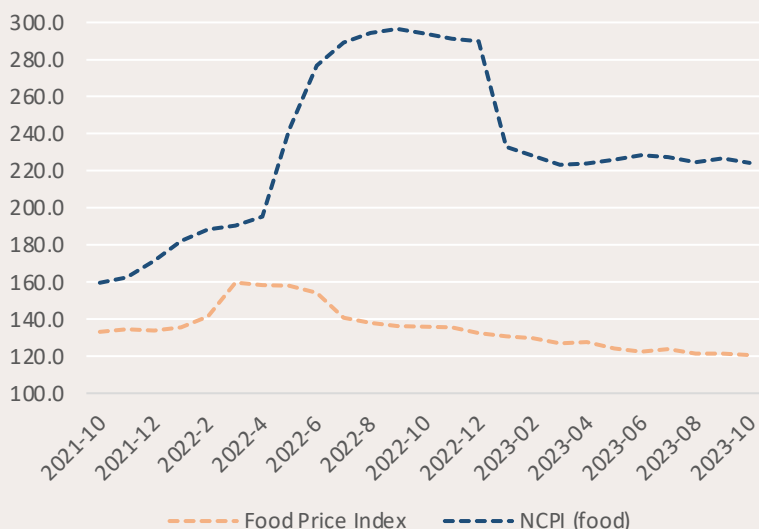
- The National Consumer Price Index (NCPI) for all items was 203.6 points in October 2023, an increase of 0.1 base points from September.
- The index is 20.74% lower than the same period last year.
- The rate of food inflation in July, as measured by the NCPI on a year-to-year basis, is -5.2%.
- Overall food inflation increased from the previous month by 1.15%.



*Data source: DCS, Sri Lanka

GLOBAL FOOD PRICE INDEX

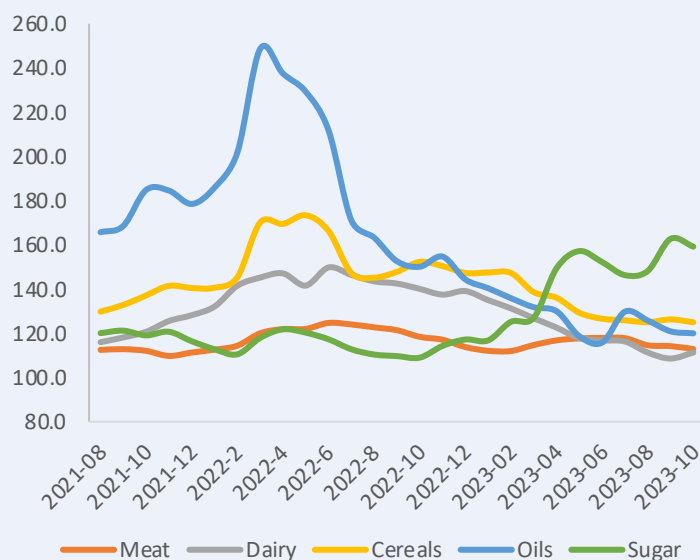
- The FAO Food Price Index tracks international prices of the most globally traded food commodities.
- The average Food Price Index was 120.6 during the month of October.
- This is a decrease of 0.7 points (0.5%) from the previous month of September.
- The almost unchanged value was reported as declines in the price indices of oils, sugar, cereals and meat offset increases in dairy.
- The food price index is 11.26% lower than October last year.



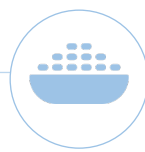
*Data source: FAO

GLOBAL PRICE INDEX ON MAJOR FOOD GROUPS

- The cereal price index decreased 1% from September, led by higher-than-anticipated supplies of wheat and maize. It remains 17.9% below its value a year ago.
- The oil price index decreased 0.9% from last month, this reflects the lower world prices of palm oil offsetting higher prices of sunflower, soy and rapeseed oils.
- After a spike last month, the sugar index decreased 3.5% but is 46% above the price last year. This is mainly driven by a strong production pace in Brazil.
- The dairy price index increased 2.4% from last month due to increases in world milk powder prices.



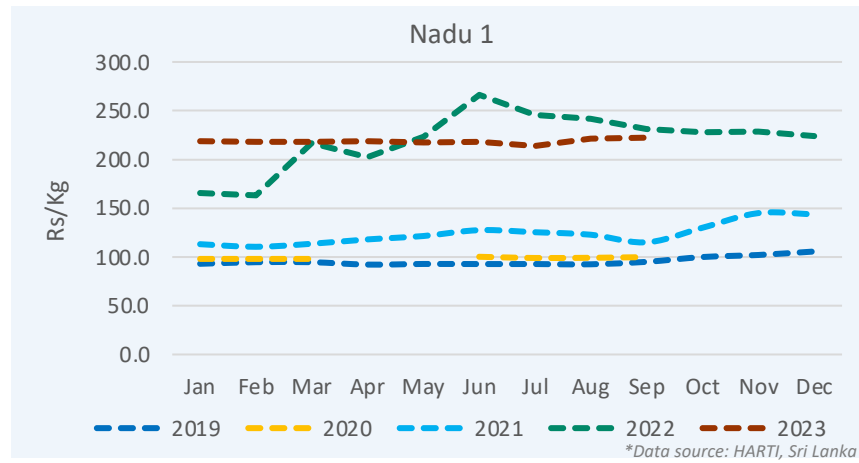
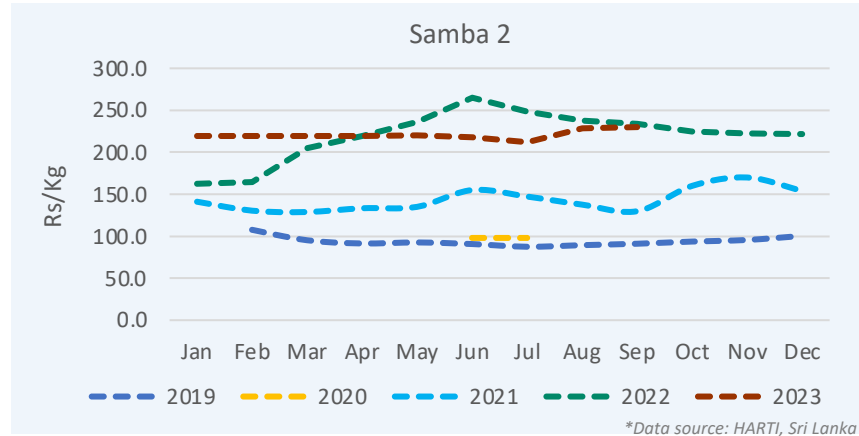
*Data source: FAO



PRICE TREND OF RICE VARIETIES

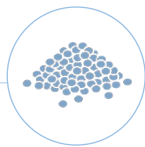
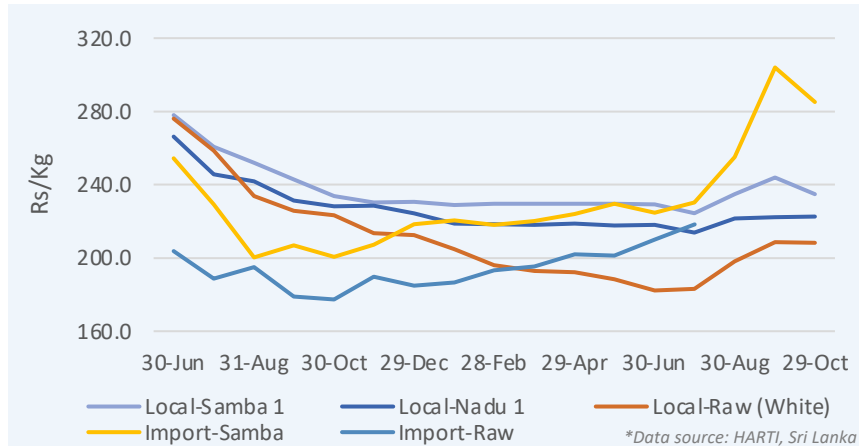
LOCAL RICE VARIETIES

- Average prices of all local rice varieties remained stable in October 2023.
- Local Samba 2 averaged a price of Rs. 230/kg in October 2023, remaining unchanged from September prices. The price is 2.35% higher year-on-year.
- Local Nadu 1 averaged a price of Rs. 222.5/kg, a slight increase of Rs. 0.15 from last month.
- Local raw red and raw white, increased slightly by 0.28% and 0.22% respectively from last month.
- Both local raw rice prices remain lower than the same month last year.



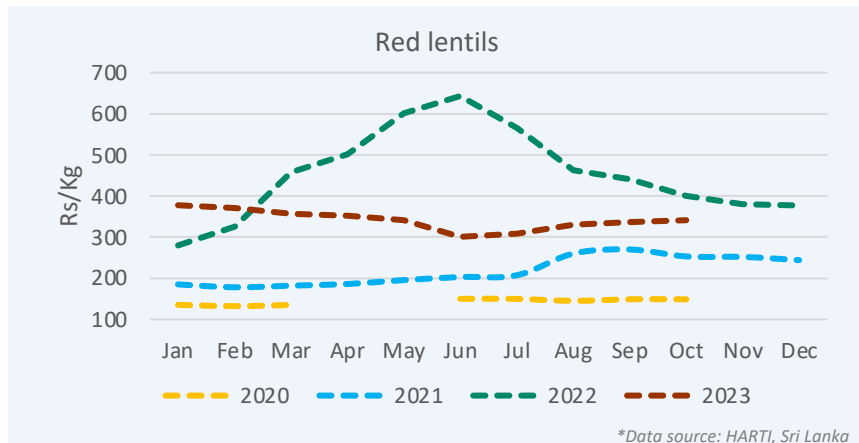
IMPORTED RICE VARIETIES

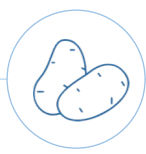
- The average price of imported Samba rice in October 2023 was reported at Rs. 285 per kg.
- This is a 6.25% decrease from last month and is 42.08% higher than October 2023 rates.
- Retail prices for imported Nadu and raw white rice were not reported.



PRICE TREND OF RED LENTILS

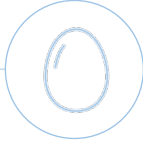
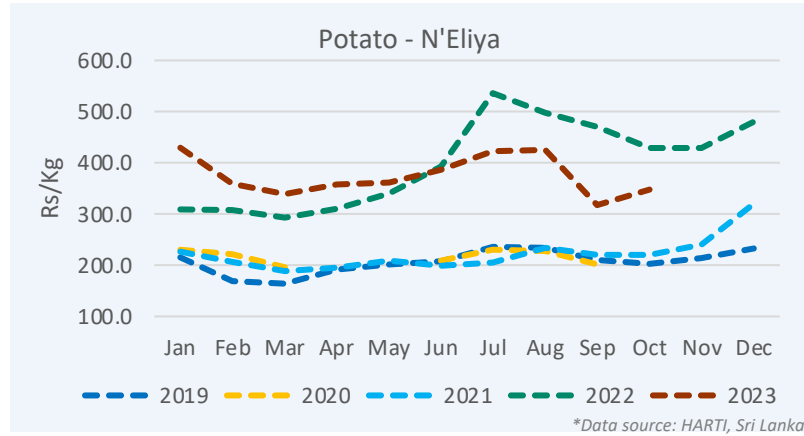
- The average retail price of red lentils has continued to increase since June 2023.
- In October 2023, the average price increased by 1.42% to an average of Rs. 340.18/kg.
- However, the price of red lentils remains 14.98% lower than October 2022.





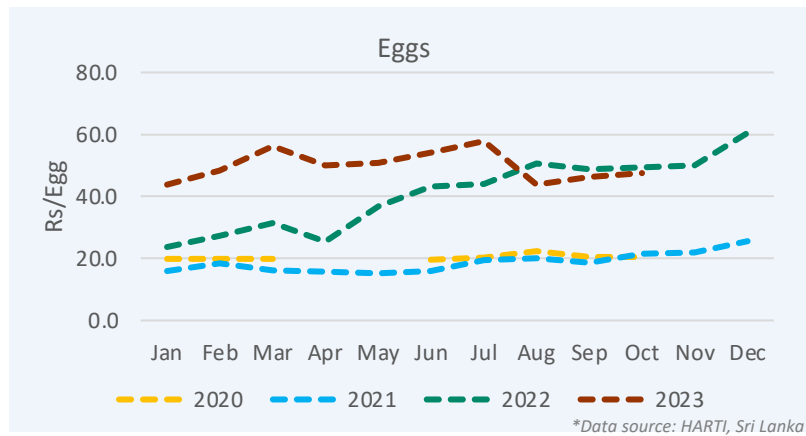
PRICE TREND OF POTATOES

- After a sharp drop in September, the average price of local Nuwara Eliya potatoes saw an increase in October 2023.
- The average price of potatoes was reported at Rs. 347.62/kg.
- This is a 9.49% increase from last month but is 18.87% lower than the same month last year.



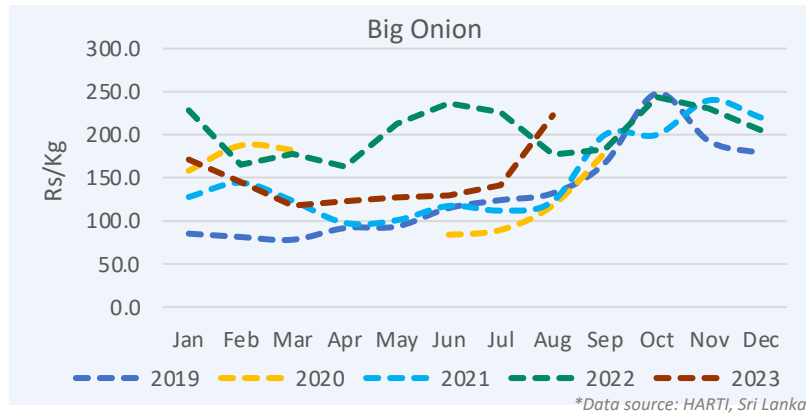
PRICE TREND OF EGGS

- After a sharp drop in August, the average price of a white egg continued to increase in October 2023.
- The average price of a white egg rose to Rs. 47.47.
- This is a 2.35% increase from last month but remains 4.0% lower than the same month last year.



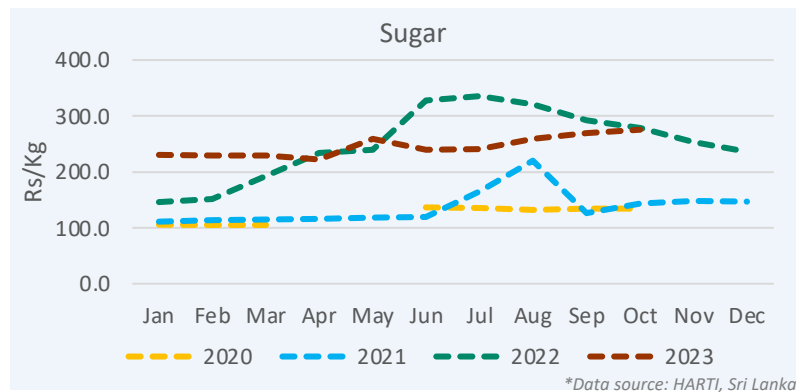
PRICE TREND OF ONIONS

- The average price of a big onion spiked to Rs. 267.96 /kg in October 2023.
- This is 20.38% higher than the last previously reported price in August.
- The price is 9.92% higher than October last year.



PRICE TREND OF SUGAR

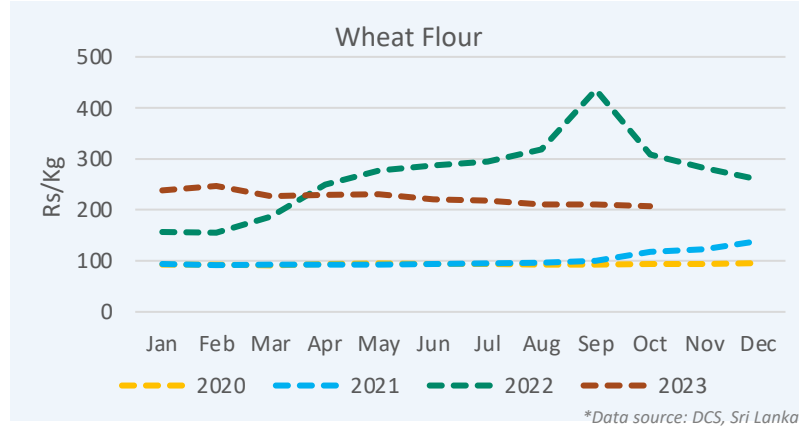
- The price of sugar has been steadily increasing since April 2023.
- In October 2023, the average price of sugar was reported as Rs. 275.38/kg.
- This is a 2.19% increase from the last month but is slightly lower than the same month last year.





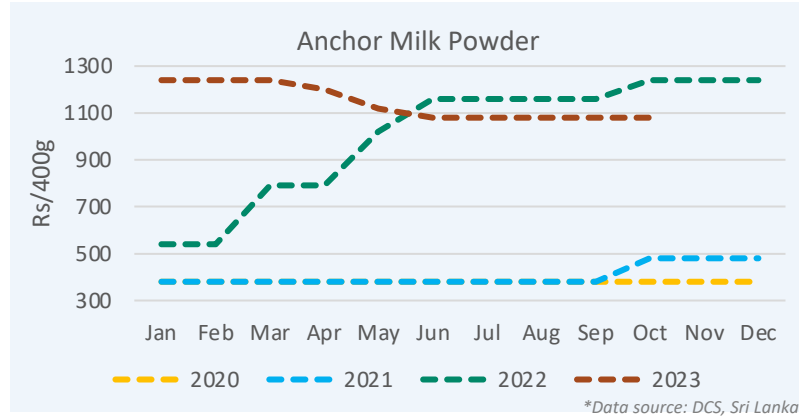
PRICE TREND OF WHEAT FLOUR

- The average retail price of wheat flour slightly decreased in October 2023, being reported at Rs. 207.15/kg.
- This is a 1.91% decrease from the previous month.
- Despite the maintained high prices compared to 2020 and 2021, the price is 32.72% lower than the same month last year.



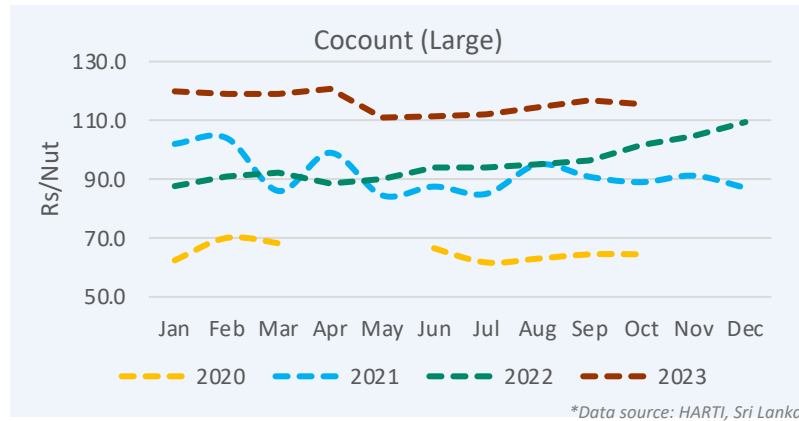
PRICE TREND OF MILK POWDER

- The average retail price of a 400g box of Anchor milk powder in October 2023 remained the same month-on-month at Rs. 1080 per 400g box.
- This is 12.9% lower than October 2022, but 125% higher than October 2021.



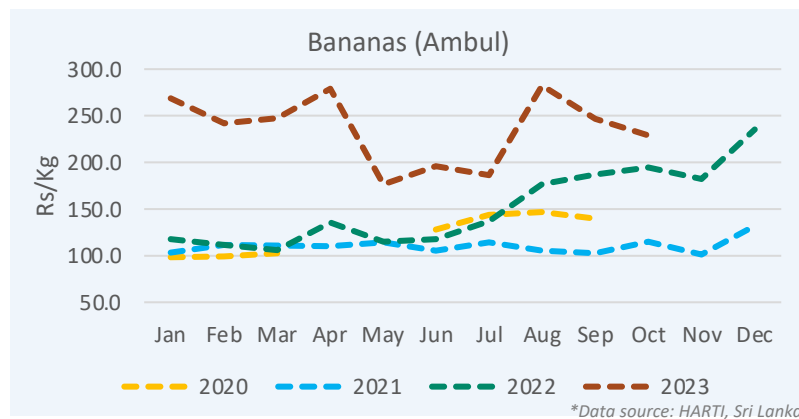
PRICE TREND OF COCONUTS

- In October 2023, the average retail price of a large coconut decreased for the first time since May.
- The average price was reported as Rs. 115.59 per nut.
- This is 1.09% lower than last month, but is 13.69% higher than the same month last year.



PRICE TREND OF BANANAS

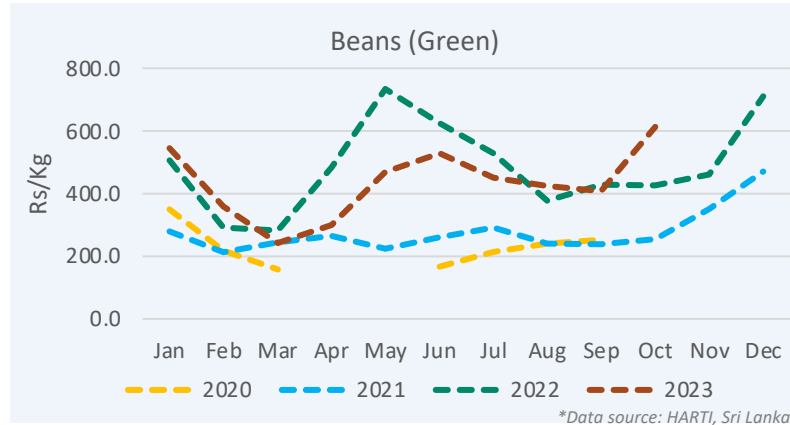
- After a spike in August, the average retail price of Ambul bananas continued to decrease in October 2023.
- The average price was Rs. 229.2/kg, which is 7.12% lower than last month.
- However, the average price is 17.71% higher than October 2022.





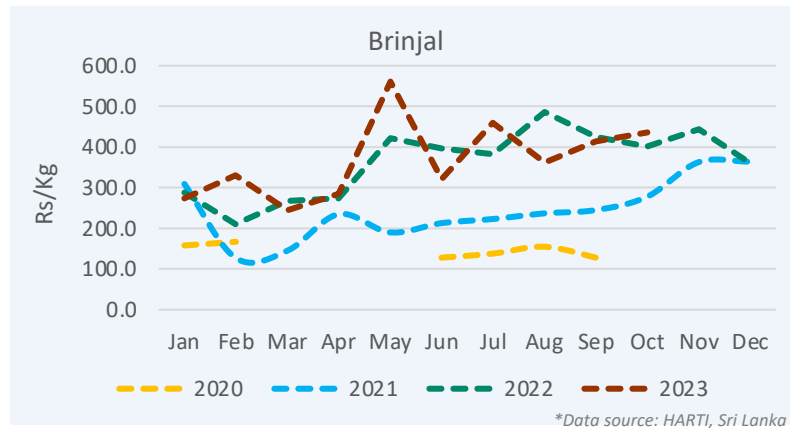
PRICE TREND OF BEANS

- The average retail price of green beans saw an early spike in October 2023, this is usually observed around December.
- The price was reported at Rs. 612.81/kg, this is almost 50% higher than September, as well as the same period last year.



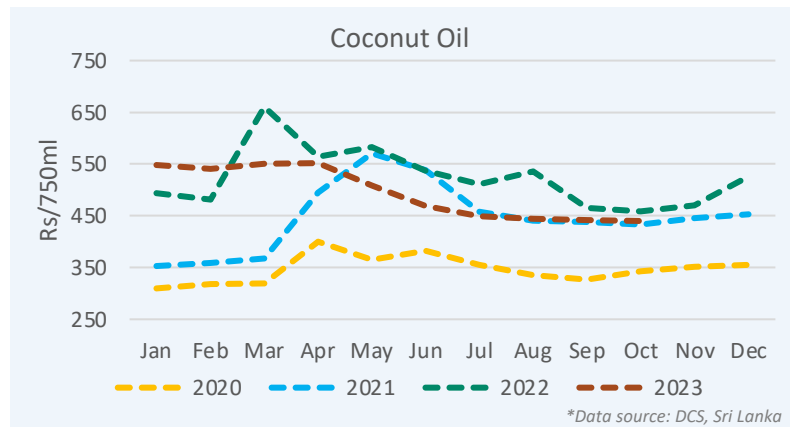
PRICE TREND OF BRINJAL

- The average retail price of brinjal has been volatile in 2023 but continued to increase in October 2023.
- The average retail price was reported at Rs. 435.88/kg.
- This is 5.24% higher than the previous month and 8.54% lower than the same month last year.



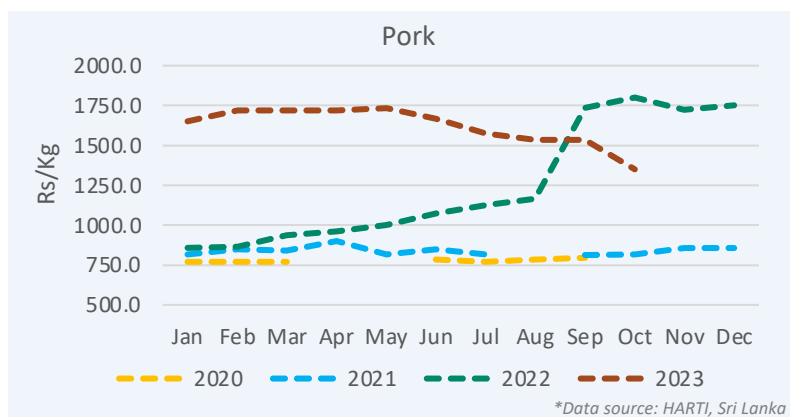
PRICE TREND OF COCONUT OIL

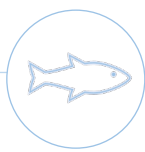
- The average retail price of a 750ml bottle of coconut oil has been steadily decreasing since May 2023.
- In October 2023, the price was reported at Rs. 440 per 750ml bottle, this is 0.35% lower than the previous month and 4.05% lower year-on-year.



PRICE TREND OF PORK

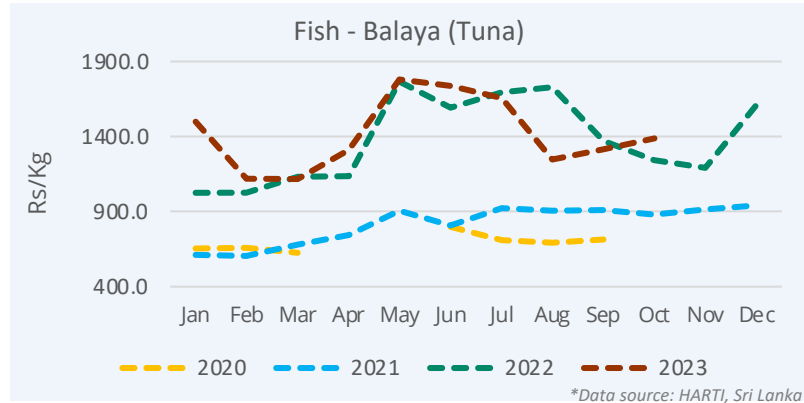
- The average retail price of Pork dropped significantly in October 2023.
- The average price was reported at Rs. 1350 per kg.
- This is a 11.95% drop from the Rs. 1533 per kg reported last month.
- Compared to the same month last year the average price is 25% lower.





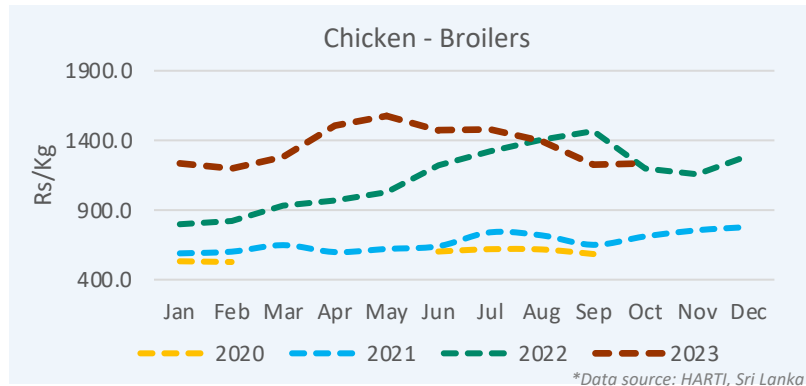
PRICE TREND OF FISH

- After a sharp drop in August 2023, the average price of Balaya (Tuna) fish has continued to increase in October.
- The average price was reported at Rs.1387.78/kg.
- This is a 5.59% increase from last month and is 11.69% higher year on year.



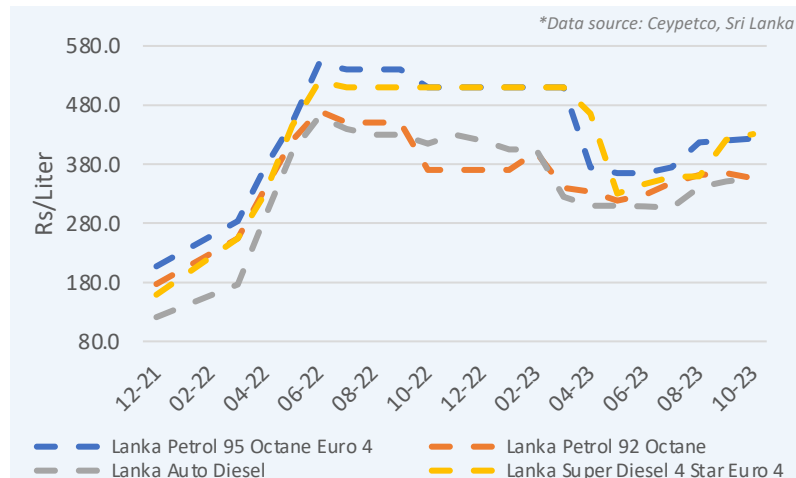
PRICE TREND OF CHICKEN

- The price of Broiler chicken observed a slight increase in October 2023 to an average price of Rs. 1236.25 /kg
- The average price is 0.75% higher than September 2023 and 3.1% higher than the same month last year.



PRICE TREND OF FUEL

- In October 2023, the retail prices of most fuel types increased from the previous month.
- Lanka 95 octane increased by 0.71% whereas 92 octane decreased by 0.72% and 1.11% respectively.
- Lanka diesel and super diesel increased by 1.4% and 2.3% respectively.
- Compared to October 2022 retail prices of all fuels have decreased in a range of 3-38%



KEY ISSUES TO WATCH OUT FOR

- World poultry meat prices are rebounding as avian influenza outbreaks continued to constrain supplies from several world-leading suppliers
 - International prices of coarse grains are firming and thinning maize supplies in Argentina are placing upward pressure on world maize prices.
 - World soy oil prices have rebounded after declining for two months in a row, underpinned by robust demand from the biodiesel sector
 - Milk powder prices are increasing, driven by surges in import demand for both near- and longer-term supplies. There are tight milk supplies in Western Europe and some uncertainty over the impact of the El Niño weather conditions on the upcoming milk production in Oceania.
- *Data source: FAO

COMMODITY	RANGE		AVERAGE PRICE		PRICE CHANGE
			IN SRI LANKAN RUPEES		
	Min	Max	This week	Last week	Last week %
Cereals, grains, roots, tubers					
Samba 1	230	240	235	235.45	-0.19% ▼
Samba 2	230	230	230	229.37	0.27% ▲
Nadu 1	220	230	222.5	221.18	0.60% ▲
Nadu 2	210	220	219.38	218.33	0.48% ▲
Raw (Red)	180	210	197.74	195.52	1.14% ▲
Raw (White)	200	210	208.33	206.5	0.89% ▲
Potato - N'Eliya	300	380	347.62	364	-4.50% ▼
Potato - Imported	200	260	231.79	233.64	-0.79% ▼
Wheat Flour	190	220	211.18	210.04	0.54% ▲
Pulses, legumes					
Green Gram	950	1200	1115.36	1100	1.40% ▲
Red Dhal	310	360	340.97	340.43	0.16% ▲
Green Beans	420	800	612.81	459.35	33.41% ▲
Vegetables					
Big Onion - Imported	240	300	267.93	231.58	15.70% ▲
Red Onion - Vedalan	400	600	502	465.5	7.84% ▲
Leeks	120	320	218.18	204.85	6.51% ▲
Raddish	140	320	220	216.13	1.79% ▲
Tomato	160	360	274.71	295.45	-7.02% ▼
Ladies Fingers	160	340	266.56	261.14	2.08% ▲
Capsicum	400	680	524.71	448.86	16.90% ▲
Bitter Gourd	340	560	478.75	472.86	1.25% ▲
Snake Gourd	300	480	393.82	361.43	8.96% ▲
Luffa	250	460	369.41	342	8.01% ▲
Carrot	240	420	326.18	271.14	20.30% ▲
Beetroot	160	280	223.94	214.86	4.23% ▲
Green Chillies	400	800	613.94	597.71	2.72% ▲
Fruits					
Coconut (Large)	100	120	115.59	114.14	1.27% ▲
Ambul Bananas	180	300	229.2	213.14	7.53% ▲
Papaw	120	250	169	156.45	8.02% ▲
Mango (Vilad)	60	130	85.56	104.55	-18.16% ▼
Meat, Fish, Eggs					
Beef (without Bones)	2200	2500	2350	2350	0.00% ▲
Chicken (Broiler)	1200	1280	1236.25	1215.56	1.70% ▲
Chicken (Curry)	1150	1400	1321.43	1333.33	-0.89% ▼
Mutton	3100	3400	3237.5	3250	-0.38% ▼
Pork	1300	1400	1350	1350	0.00% ▲
Brown Eggs	48	49	48.71	49.61	-1.81% ▼
White Eggs	47	48	47.47	48.21	-1.53% ▼

*Data source: HARTI, Sri Lanka. Ref. This week : 20 – 26 October 2023 Last week 13 - 29 October 2023

$$\text{Average food expenditure} = \frac{\text{Rs. change in market basket of food items}}{\text{Index change of NCPI for food}} \times \text{NCPI Food index for the month}$$



This bulletin is prepared by the Research, Assessment and Monitoring unit of World Food Programme, Sri Lanka. The analysis is based on data from various information sources including the Hector Kobbekaduwa Agrarian Research and Training Institute, Department of Census and Statistics, WFP assessments reports and FAO.