



TIMOR-LESTE Q3 2024

# Market Monitor Report | Food Security Analysis

MALFF | WFP |

## Highlights

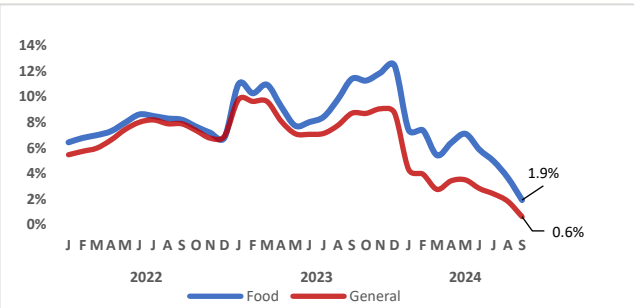
- Food inflation<sup>1</sup> decreased significantly in September 2024, reaching 1.9 percent, 10 percentage points lower than the 11.4 percent recorded in the same month last year. The headline inflation<sup>2</sup> also decreased significantly to 0.6 percent, marking a decline of 8 percentage points from 8.7 percent in September 2023.
- The average retail price of imported rice, the main staple food, decreased slightly from Q2 to Q3 2024. However, it remains 2 percent higher than the September 2023 price.
- The cost of the basic food basket in September 2024 amounted to US\$1.02/person/day, remaining unchanged from the previous quarter and 4 percent higher from the level of a year before (US\$0.98 in September 2023). This increase was driven by fluctuating prices across most commodities, except for rice.

**Methodology:** The World Food Programme (WFP) collaborates with the Ministry of Agriculture, Livestock, Fisheries and Forestry (MALFF) and the National Institute of Statistics (INETL) to collect food price data on a monthly basis across the country's main markets from thirteen municipalities. Data has been collected since 2020, to monitor the impacts of COVID-19, climate change, and global conflicts on the market prices in Timor-Leste. On average, around six traders per market are surveyed, targeted food commodities weighed, and their prices averaged per kilo.

## Consumer Price Index (CPI)

Based on the latest Consumer Price Index (CPI) data (Figure 1) from the National Institute of Statistics (INETL), the annual inflation decreased significantly in September 2024, reaching 0.6 percent. This represents a decrease of 8 percentage points compared to September 2023. Inflation for food and non-alcoholic beverages also declined significantly to 1.9 percent, marking a decline of 10 percentage points from the previous year. This reduction was driven by price decreases for sugar, although these were partially offset by rising rice and egg prices.

Fig.1: Timor-Leste general inflation and food inflation 2022-2024 (year-on-year CPI change, August 2018=100)

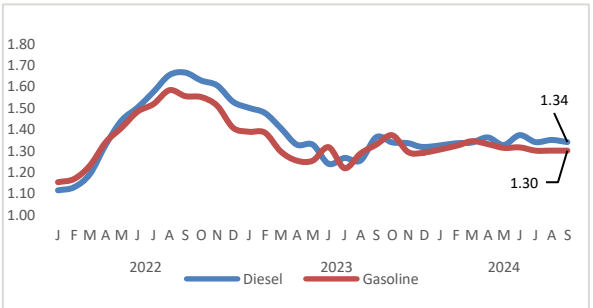


## Fuel prices

Gasoline and diesel prices slightly rose between November 2023 and March 2024 and showed mixed trends afterwards. As of September 2024, diesel prices reached US\$1.34/litre, slightly declined from the previous quarter and 2 percent lower the level in September 2023. Gasoline prices in September 2024 averaged

US\$1.30/litre, marking a marginal decline from June 2024 (-1%) and lower 2 percent from a year earlier in September 2023. (Figure 2).

Fig.2: Timor-Leste national average retail fuel prices, 2022-2024

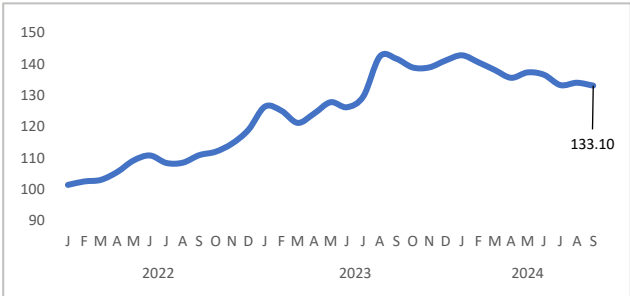


## Rice prices

After peaking in January 2024, with the FAO All Rice Price Index<sup>3</sup> scoring 142,8 points, the highest value, in nominal terms, since August 2008, international rice prices declined until April. In quarter 2 the index increased to 137.32 points in June 2024. However, in September, the index declined slightly again, to 133.10 points and remained 6 percent lower year-on-year (Figure 3). The main driver of the declined price reflecting generally quiet trading activities and lower Indian basmati quotations, driven by the arrival of freshly-harvested supplies and the Indian Government's removal of the floor price used for basmati export registration<sup>4</sup>.

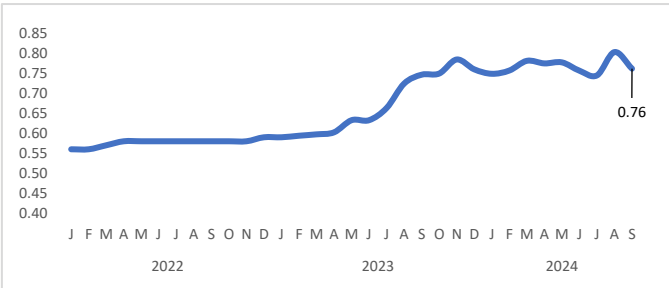
In Timor-Leste, strongly rice import-dependent and sourcing most of its imports from India, the surge of international prices put upward pressure on already high domestic prices<sup>5</sup>.

Fig.3: FAO all rice price index, 2022-2024 (2014-2016 av.=100)



The national average retail price of imported rice fluctuated month by month during this quarter. In August 2024, the price saw a notable increase, reaching \$0.80/kg. This marked the first time in six years that the retail price of imported rice had risen significantly in the country. In July, the price stood at \$0.74/kg, reflecting a 3% decline compared to June 2024. However, in September 2024, the retail price of imported rice reached \$0.76/kg and remained unchanged from a quarter earlier and slightly increased 2 percent compared to a year earlier (figure 4). This is mostly driven by high production and transport costs along with output declines in some countries<sup>6</sup>.

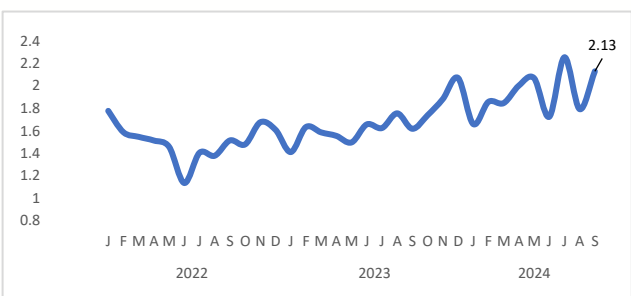
Fig.4: Retail prices of imported rice, 2022-2024 (US\$/kg)



Local rice accounts for a small proportion of the market supply as the domestic production is not sufficient to cover the Timorese population’s consumption needs (the rice Import Dependency Ratio (IDR) is estimated at about 70 percent<sup>7</sup>). Prices of local rice are more volatile and consistently higher than those of imported rice, considering its limited availability and consumer preference to use it for ceremonies and special occasions. Local rice producers normally consume most of their production and only limited quantities are sold on the markets<sup>8</sup>.

As shown in Figure 5, the national average retail price of local rice fluctuated significantly, rising to \$2.25/kg in July, dropping to \$1.79/kg in August, and then increasing again to \$2.13/kg in September. This reflects a 30 per cent year-on-year increase, attributed to the anticipated reduction in output for 2024 due to drier-than-average weather conditions during the planting stage, linked to the El Niño weather event<sup>9</sup>.

Fig.5: Retail prices of local rice, 2022-2024 (US\$/kg)



Price trend of other food items

Prices of other food items (see Table 1) in September 2024 were mostly increased compared to a month before and remained decreased a year earlier. On a monthly basis, prices of tomato and wheat flour remained slightly stable, while prices of beans, salt, chili and sugar declined due to higher demand, supply chain disruptions, and seasonal factors. Some items may face production challenges or import constraints, while others could be affected by short-term market fluctuations. Compared to September 2023, prices of egg, sweat potatoes, and wheat flour remained stable. Chicken, taro, and tomato are increased while prices of all other items declined due to the harvest took place later than usual as the El Niño event caused a delay in the onset of the rainy season in late 2023 and thus in the cropping cycle. In particular, retail prices of sugar, which is mostly imported, dropped by 32 percent compared to 2023, when they had surged in the country following the implementation of new excise taxes in Timor-Leste<sup>10</sup>.

Table 1: Percentage change of other food items prices (US\$/kg)

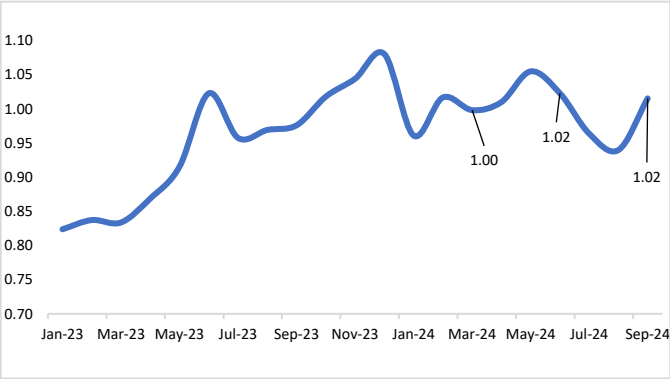
	Sep-24		1M		3M		1Y
Chicken	\$ 4.15	↑	16%	↑	14%	↑	26%
Beans	\$ 2.82	↓	-18%	→	-2%	↓	-9%
Taro	\$ 1.06	↑	22%	↑	36%	↑	30%
Salt	\$ 0.53	→	3%	→	-1%	↓	-8%
Onion	\$ 3.08	→	3%	↑	5%	↑	9%
Egg*	\$ 0.20	↑	7%	→	4%	→	4%
Maize	\$ 1.53	↑	7%	↑	21%	↓	10%
Tomato	\$ 1.85	→	-1%	↓	-26%	↑	12%
Sweet Potato	\$ 1.04	↑	21%	↑	22%	→	-5%
Chili	\$ 4.95	↓	-20%	↓	-14%	↓	-32%
Cooking Oil**	\$ 1.35	↑	6%	→	-2%	↓	-13%
Wheat flour	\$ 0.91	→	-3%	→	-2%	→	5%
Potato	\$ 1.47	↑	17%	↑	10%	↓	-8%
Sugar	\$ 1.18	↓	-9%	↓	-15%	↓	-42%

\* US\$/Unit; \*\* US\$/Litre

Cost of a Basic Food Basket (BFB)

In September 2024, the cost of the Basic Food Basket (BFB) was US\$1.02/person/day, remaining unchanged from the previous quarter (US\$1.02 in June 2024). Year-on-year, the BFB increased slightly by 4% compared to September 2023 (US\$0.98), reflecting fluctuating prices across most commodities, except for rice, which remained stable.

Fig.6: Cost of a Basic Food Basket, 2023-2024 (US\$/person/day)



WFP Basic Food Basket (BFB)  
Daily per capita ration

The BFB is a combination of specific quantities of seven food items of six different food groups (rice, beans, eggs, vegetable oil, tomatoes, onions, and chicken meat) enough to cover the daily macronutrient requirements of an average household member according to [Sphere Standards](#).


The BFB composition was determined by WFP following a right-based approach considering some of the most consumed commodities ([TLFNS 2020](#)) among those regularly monitored in the markets, using the [NutVal](#) application.

The cost of the BFB is calculated to assist in interpreting the impact of changes in food commodity prices on the cost of a healthy diet consumed in Timor-Leste

References

1. Inflation is the rate of increase in prices over a given period of time. In Timor-Leste, the *Food and non-alcoholic beverages inflation* (in this bulletin: food inflation) takes into account prices of cereals, bread, meat, fish and seafood, dairy products, oils and fats, fruit, vegetables, sugar and sugary products, coffee, tea, cocoa, mineral water, soft drinks, prepared food/meals, food products not elsewhere classified (n.e.c.). [INETL, Consumer Price Index \(CPI\), September 2024](#)
2. The headline inflation is composed of several inflation groups: *Food and non-alcoholic beverages; Alcohol and tobacco; Clothing and footwear; Housing; Furnishing, household equipment and routine household maintenance; Health; Transport; Communication; Recreation and culture; Education*. [INETL, Consumer Price Index \(CPI\), September 2024](#)
3. FAO All Rice Price Index, [link](#)
4. The FAO cereal price index, [link](#)
5. WFP Timor-Leste (August 2023). Rice Regional Context and Implications for Timor-Leste. [Link](#)
6. The FAO Food price monitoring in regional roundups, [link](#)
7. The IDR is defined as imports/(local production + imports – exports)\*100.
8. Crop and Food Supply Assessment Mission (CFSAM) 2021, [link](#)
9. In Timor-Leste, excise taxes on sugar and confectionery, and on sugar-sweetened beverages were introduced in January 2023 through [Law 15/2022](#) (articles 3 and 4). The excise tax on sugar and confectionery was revoked through [Law 17/2023](#) of 29 August 2023. The excise tax on sugar-sweetened beverages was confirmed through [Law 21/2023](#) (article 3, point 4a).
10. FAO-GIEWS Country Brief, 7 June 2024, [link](#)
11. Trade data provided by the Timor-Leste Customs Authority
12. Highlighted by the Ministry of Agriculture, Livestock, Forestry, and Fisheries (MALFF) – Timor-Leste, 2025, Food Security Unit.

Monitoring Basket	Daily Ration g/person/day	Energy Kcal	Price/daily ration (\$)
Rice	400	1,440	0.30
Beans	70	238	0.20
Veg Oil	30	265	0.04
Tomatoes	50	9	0.09
Onions	50	20	0.15
Eggs	30	43	0.10
Chicken meat	30	65	0.12
Ration Total		2,079	1.02



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**Disclaimer 1:** All January 2024 and some of June 2024 maize prices are estimates calculated by WFP, due to the unavailability of actual market data. The method used is ARIMA (autoregressive integrated moving average), which helps predict prices based on past data. A technical note on the methodology is accessible [here](#).

**Disclaimer 2:** National average price fluctuations for all monitored commodities may be influenced by the availability of data from the different municipalities, which is not always consistent across months.

**Disclaimer 3:** No trade data for rice imports was analysed due to limitations in data access. However, it is estimated that between January and April 2024, 61,000 tonnes of rice were imported to Timor-Leste, compared to 27,000 tonnes during the same period in 2023<sup>11</sup>.

**Disclaimer 4:** The carbohydrate group comprises staple foods such as rice, maize, cassava, and sweet potatoes. Together, these foods provide a total of 1,440 kilocalories (kcal) of energy, playing a vital role in meeting daily dietary energy needs. Additionally, carbohydrate diversification is an important consideration for food security<sup>12</sup>.