

# Market Monitor Report | Food Security Analysis

MALFF | WFP |

## Highlights

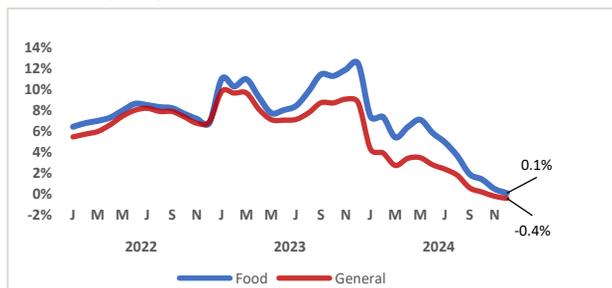
- **Food inflation<sup>1</sup> decreased significantly** in December 2024, **reaching 0.1 percent**, 12 percentage points lower than the 12.4 percent recorded in the same month last year. Similarly, the **headline inflation<sup>2</sup> decreased significantly** to **-0.4 percent**, marking a decline of 9 percentage point from 8.7 percent in December 2023.
- **The average retail price of imported rice**, the main staple food, decreased slightly from Q1 to Q2, Q3, and Q4 2024 with an average price of US\$0.76/kg. The price remained unchanged compared to December 2023.
- **The cost of the basic food basket** in December 2024 amounted to **US\$0.99-/person/day**, reflecting a 2 percent decrease from the previous quarter (US\$1.02 in September 2024) due to lower prices of chicken, onions, and eggs, and an **8% lower than a year earlier** (US\$1.09 in December 2023) driven by fluctuations in key food prices, except for rice, which remained unchanged.

**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 December 2024 to -0.4. This represents a decline of 9 percentage points compared to December 2023. Inflation for food and non-alcoholic beverages also decreased significantly to 0.1 percent, marking a decline of 12 percentage points from the previous year. This reduction was driven by price decreases for sugar, cooking oil and eggs, although these were partially offset by rising rice prices.

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

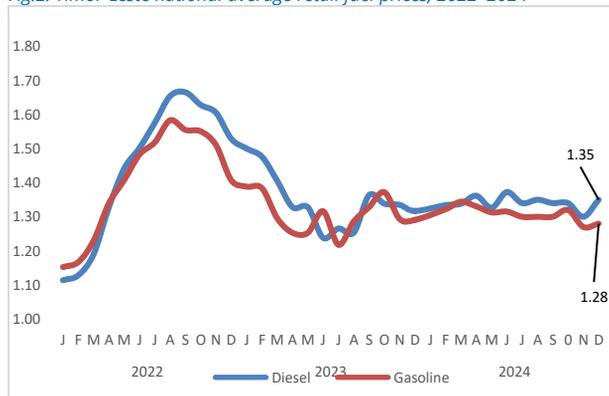


## Fuel prices

Gasoline and diesel prices increased between November 2023 and March 2024, followed by mixed trends in subsequent months. As of December 2024, diesel prices stood at US\$1.35/litre, a 4 percent decline from the previous quarter and 2 percent lower than in December 2023.

Gasoline prices in December 2024 averaged US\$1.28/litre, marking a marginal decline from September 2024 (-2%) and a lower 2 percent from a year earlier in December 2023. (Figure 2).

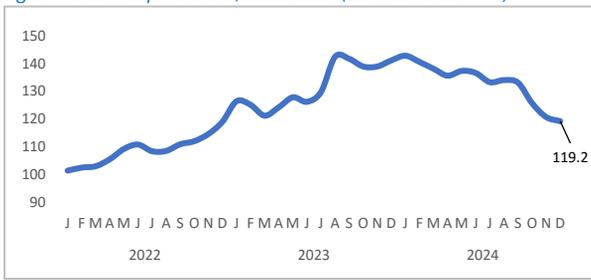
Fig. 2: Timor-Leste national average retail fuel prices, 2022-2024



## Rice prices

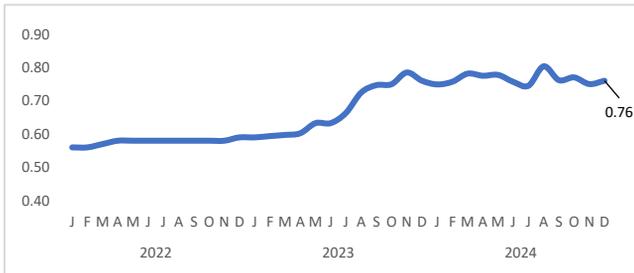
After peaking in January 2024, with the FAO All Rice Price Index<sup>3</sup> scoring 142,8 points, the highest value, in nominal terms, since August 2008, international rice prices declined until April. By December 2024, the index had declined significantly to 119.2 points, representing a 10% quarter-on-quarter decrease from 133.1 points in September and a 16% year-on-year decline. The decline was driven by lower Indica rice export prices in Asia after India eased export restrictions, increasing competition. Fresh harvests in Thailand, Pakistan and India, along with currency depreciation in Thailand and Vietnam, further pressured prices. In the U.S., long-grain rice prices fell, influenced by Asian trends and strong 2025/26 planting prospects in South America<sup>4</sup>. In Timor-Leste, strongly rice import-dependent and sourcing most of its imports from India, the fluctuation in international prices continues to put 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. Between October and December 2024, the price slightly decreased by 1.3%, from 0.77 USD/kg to 0.76 USD/kg, indicating market stabilization. Increased 2% compared to September 2024. When comparing December 2024 to December 2023, the price remained unchanged at 0.76 USD/kg, indicating a stable rice market over the year with no significant shifts in pricing. Overall, while there were minor price fluctuations in 2024, the market has remained relatively stable throughout the year, with no drastic changes compared to a year earlier (figure 4). This is mostly driven by high production and transport costs along with output declines in some countries.

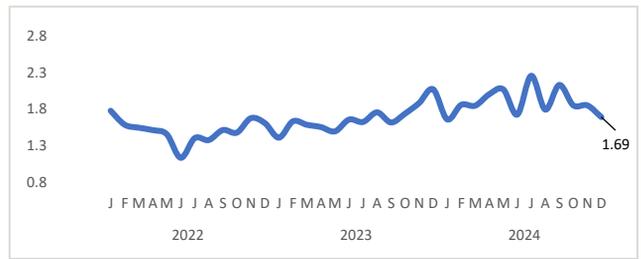
Fig.4: Retail prices of imported rice, 2022-2024 (US\$/kg)



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>6</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>7</sup>.

As shown in Figure 5, the national average retail price of local rice fluctuated significantly. By December 2024, the price declined to 1.69 USD/kg, a 9% decrease from November 2024 and a 21% drop from September 2024. Year-on-year, December 2024 prices were 18% lower than December 2023, attributed to the anticipated reduction in rice output for 2024 driven by to drier-than-average weather conditions during the planting stage, linked to the El Niño weather event<sup>8</sup>.

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



**Price trend of other food items**

In December 2024, food prices showed a mix of stability, declines, and sharp increases (see Table 1). Prices of taro, onion, tomato, wheat flour, egg, and sugar remained unchanged from the previous month. In contrast, chicken, beans, sweet potatoes, and potatoes declined, likely due to seasonal harvests and improved supply. Meanwhile, cooking oil, maize, chili, and salt experienced the most significant price hikes, driven by supply chain disruptions, seasonal variations, and increased demand. In particular, retail prices of sugar, which is mostly imported, dropped by 36 percent compared to 2023, when they had surged in the country following the implementation of new excise taxes in Timor-Leste<sup>9</sup>.

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

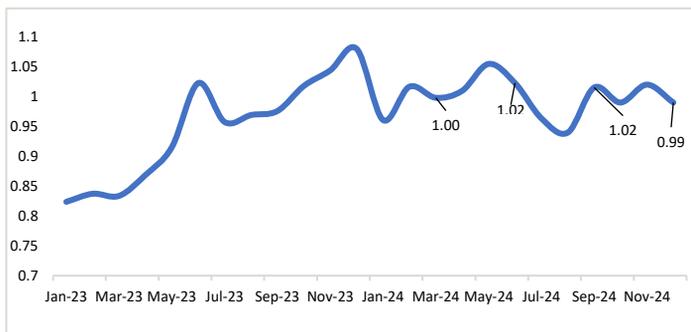
	Dec-24		1M		3M		1Y
Chicken	\$ 3.50	↓	-5%	↓	-16%	→	3%
Beans	\$ 2.90	↓	-12%	→	3%	↓	-22%
Taro	\$ 0.95	→	-4%	↓	-10%	↓	-15%
Salt	\$ 0.63	↑	11%	↑	20%	↑	15%
Onion	\$ 2.91	→	-4%	↓	-6%	↓	-9%
Egg*	\$ 0.19	→	-1%	↓	-8%	↓	-12%
Maize	\$ 1.68	↑	15%	↑	10%	↓	-23%
Tomato	\$ 1.91	→	2%	→	3%	↓	-19%
Sweet Potato	\$ 1.20	↓	-15%	↑	15%	↑	10%
Chili	\$ 5.37	↑	28%	↑	8%	↑	31%
Cooking Oil**	\$ 1.48	↑	7%	↑	9%	→	0%
Wheat flour	\$ 0.96	→	4%	↑	6%	→	2%
Potato	\$ 1.34	↓	-15%	↓	-9%	↓	-14%
Sugar	\$ 1.19	→	3%	→	1%	↓	-36%

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

**Cost of a Basic Food Basket (BFB)**

In December 2024, the cost of the Basic Food Basket (BFB) was recorded at US\$0.99/person/day, reflecting a 2% decrease from the previous quarter (US\$1.02 in September 2024). This decline was primarily driven by a reduction in the prices of chicken, onions, and eggs. On a year-on-year basis, the BFB decreased by 8% compared to December 2023 (US\$1.08), due to fluctuations in the prices of key food items, except for rice, which remained unchanged.

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

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	0.11
<b>Ration Total</b>		<b>2,079</b>	<b>0.99</b>



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## 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 \(CPI\), December 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 \(CPI\), December 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 IDR is defined as imports/(local production + imports - exports)\*100.
7. Crop and Food Supply Assessment Mission (CFSAM) 2021, [link](#)
8. FAO-GIEWS Country Brief, 7 November 2024, [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. Trade data provided by the Timor-Leste Customs Authority
11. Highlighted by the Ministry of Agriculture, Livestock, Forestry, and Fisheries (MALFF) - Timor-Leste (2025). Food Security Unit

**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>10</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>11</sup>