

Food Price Index: October 2017

Embargoed until 10:45am – 20 November 2017

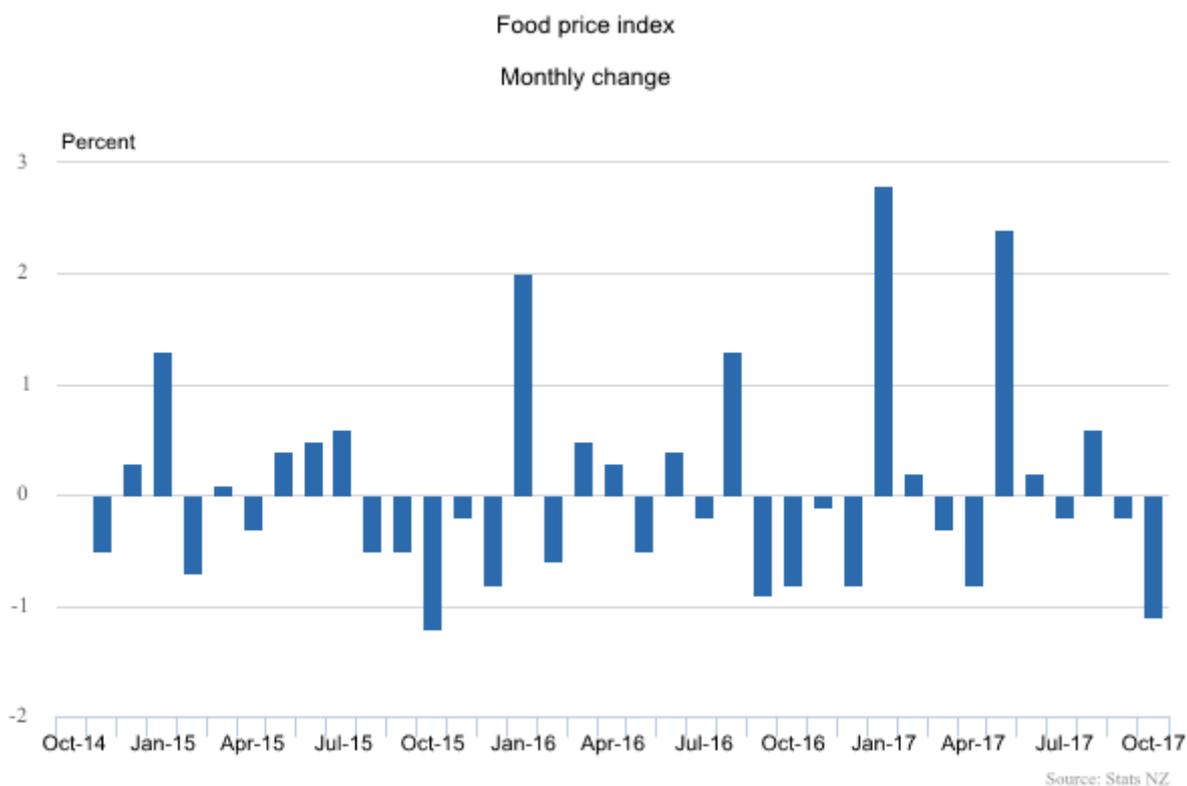
Key facts

Monthly change

Food prices fell 1.1 percent in October 2017. After seasonal adjustment, food prices fell 0.1 percent.

In October 2017 compared with September 2017:

- Fruit and vegetable prices fell 6.8 percent (down 1.3 percent after seasonal adjustment).
- Meat, poultry, and fish prices rose 0.8 percent.
- Grocery food prices fell 0.8 percent (down 0.8 percent after seasonal adjustment).
- Non-alcoholic beverage prices showed no overall change.
- Restaurant meals and ready-to-eat food prices rose 0.1 percent.

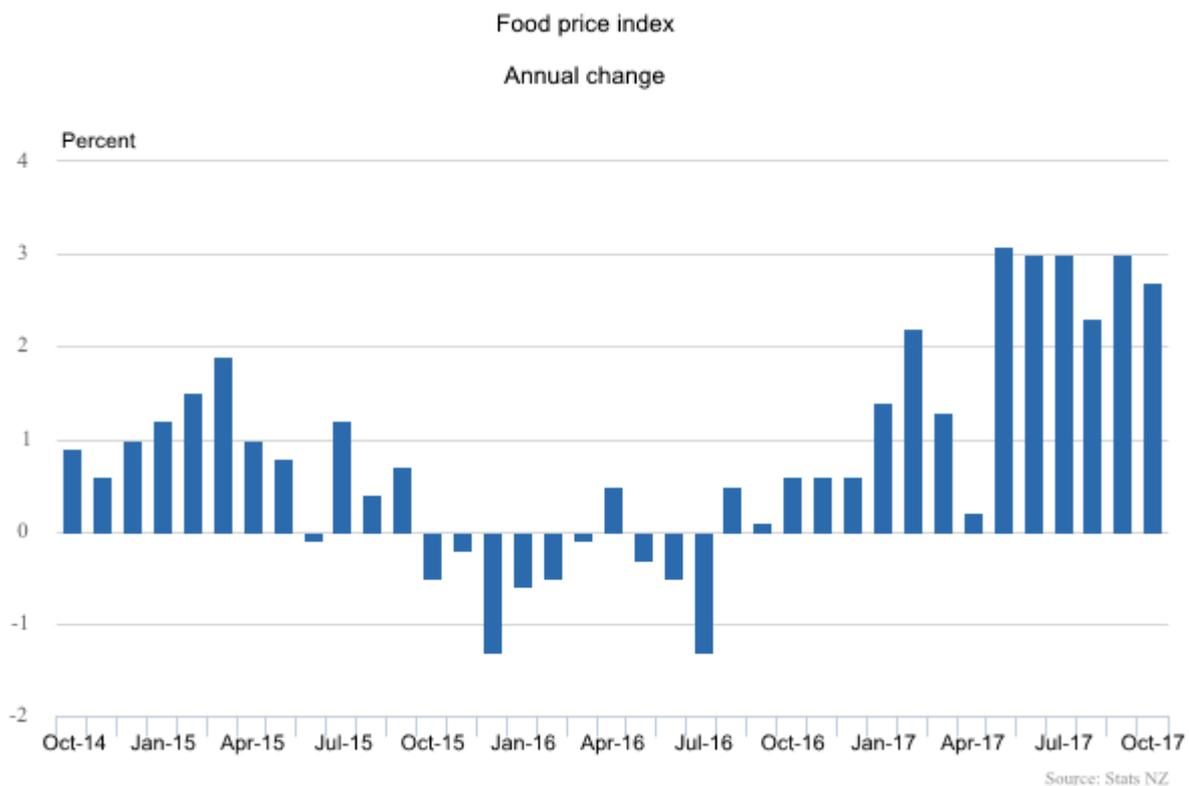


Annual change

Food prices increased 2.7 percent in the year to October 2017.

In October 2017 compared with October 2016:

- Fruit and vegetable prices increased 4.4 percent.
- Meat, poultry, and fish prices increased 1.4 percent.
- Grocery food prices increased 2.8 percent.
- Non-alcoholic beverage prices increased 2.2 percent.
- Restaurant meals and ready-to-eat food prices increased 2.3 percent.



Key average prices

- A kilo of tomatoes was \$7.68 in October 2017, compared with \$10.02 in September 2017, and \$6.83 in October 2016.
- A cheapest available 500g block of butter was \$5.67 in October 2017, compared with \$5.55 in September 2017, and \$3.50 in October 2016.

Liz MacPherson, Government Statistician
ISSN 1178-0282
20 November 2017

Commentary

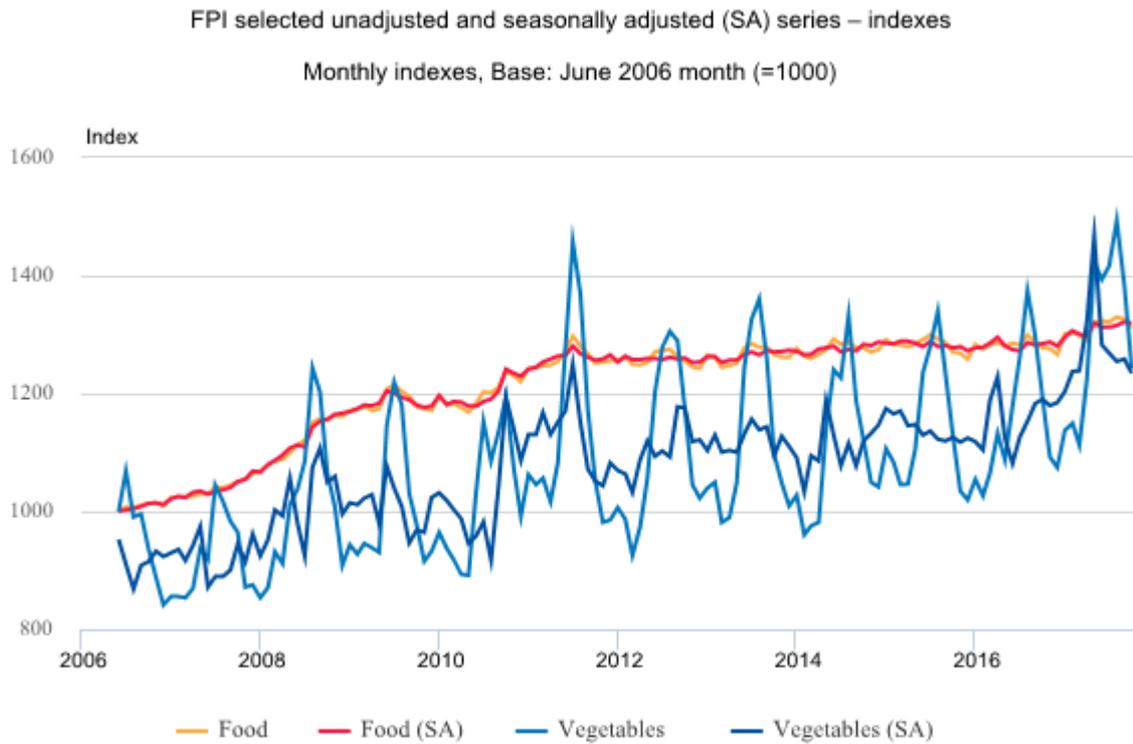
- [Fruit and vegetable prices fall 6.8 percent for the month](#)
- [Annual food prices increase 2.7 percent](#)
- [Longer-term retail picture: Dairy prices increase](#)
- [Find data tables](#)

Fruit and vegetable prices fall 6.8 percent for the month

Food prices fell 1.1 percent in October 2017, following a 0.2 percent fall in September 2017. After adjusting for seasonal effects, food prices fell 0.1 percent.

Fruit and vegetable prices fell 6.8 percent in October, driven by a 10 percent fall in vegetable prices (down 1.9 percent after seasonal adjustment). The fall in vegetable prices was influenced by tomatoes, lettuce, cucumber, and capsicum. Prices for fruit fell 1.0 percent, led by lower prices for bananas.

The average price for a kilo of tomatoes was \$7.68 in October 2017, compared with \$10.02 in September 2017.

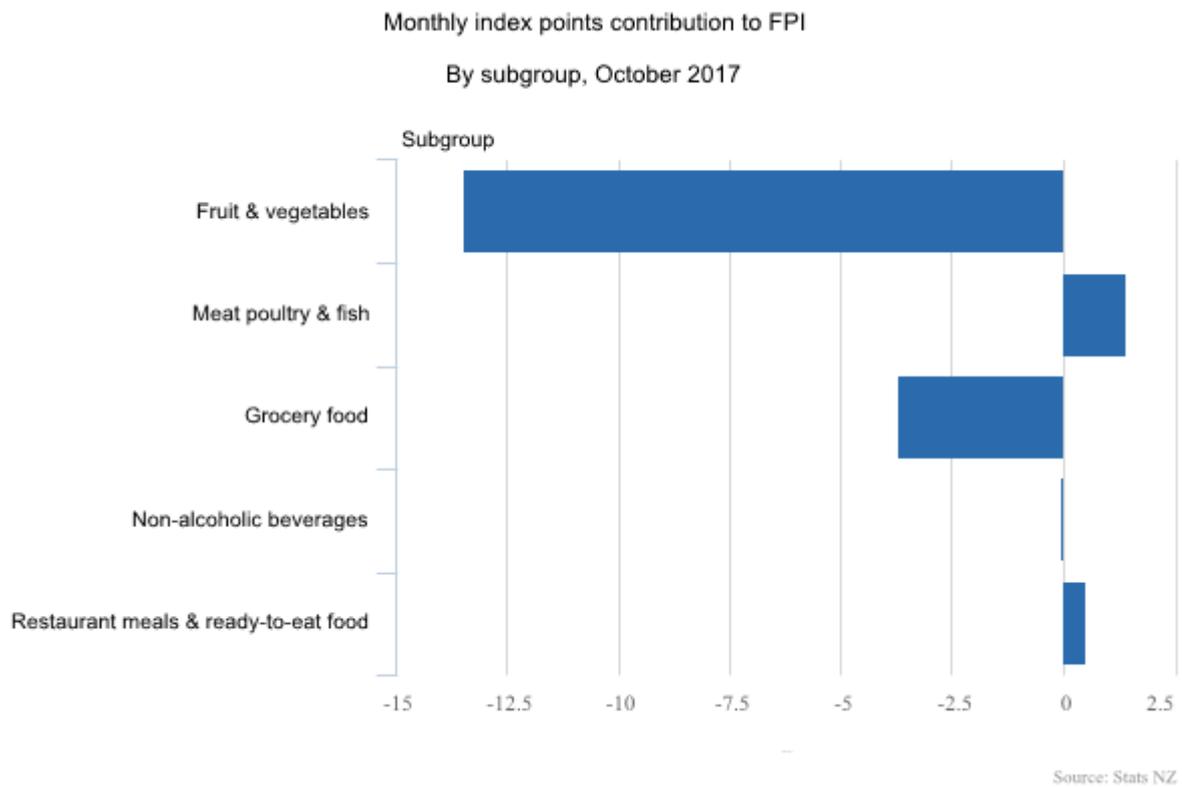
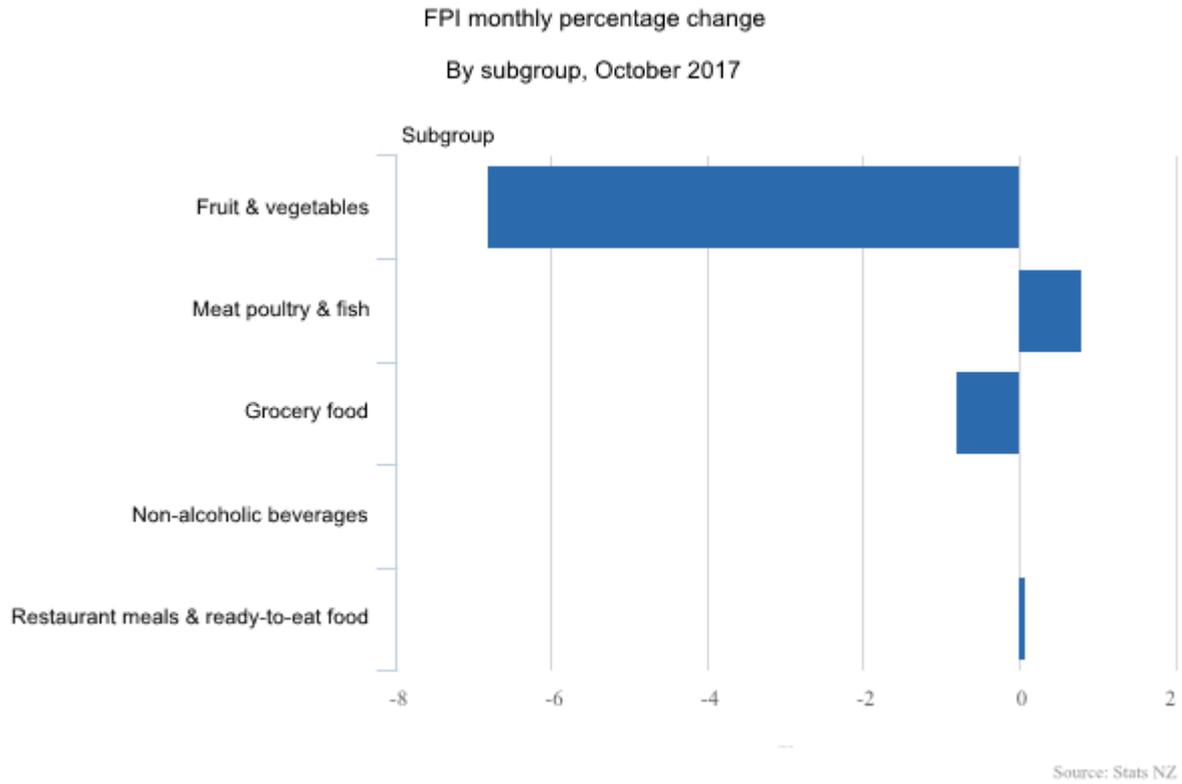


Source: Stats NZ

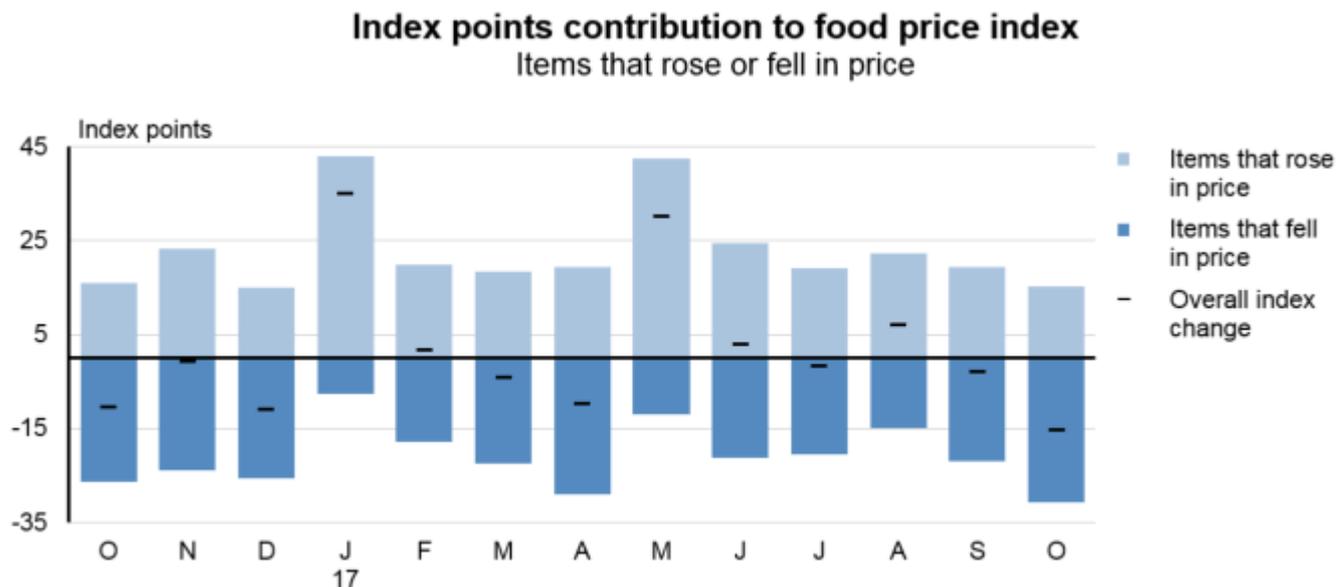
Grocery food prices fell 0.8 percent for the month, influence by more discounting on yoghurt and chocolate.

Non-alcoholic beverage prices showed no overall change in October 2017, while restaurant meals and ready-to-eat food prices rose 0.1 percent.

Meat, poultry, and fish prices rose 0.8 percent in October 2017, influenced by higher prices for beef (up 4.0 percent), and processed meat (up 2.3 percent).



The following graph shows the index points contribution to the food price index of items that rose or fell in price for each month.



Source: Stats NZ

Annual food prices increase 2.7 percent

In the year ended October 2017, food prices increased 2.7 percent. This followed a 3.0 percent increase in the year to September 2017.

Grocery food prices increased 2.8 percent for the year to October 2017, led by higher prices for most dairy products including butter, fresh milk, and cheese.

Fruit and vegetable prices increased 4.4 percent for the year. Vegetable prices increased 3.9 percent, driven by higher prices for kumara, pumpkins, and potatoes. Fruit prices increased 5.2 percent, with higher prices for avocados. Avocado prices have increased from \$1.47 for a 200g avocado in October 2016 to \$2.42 in October 2017.

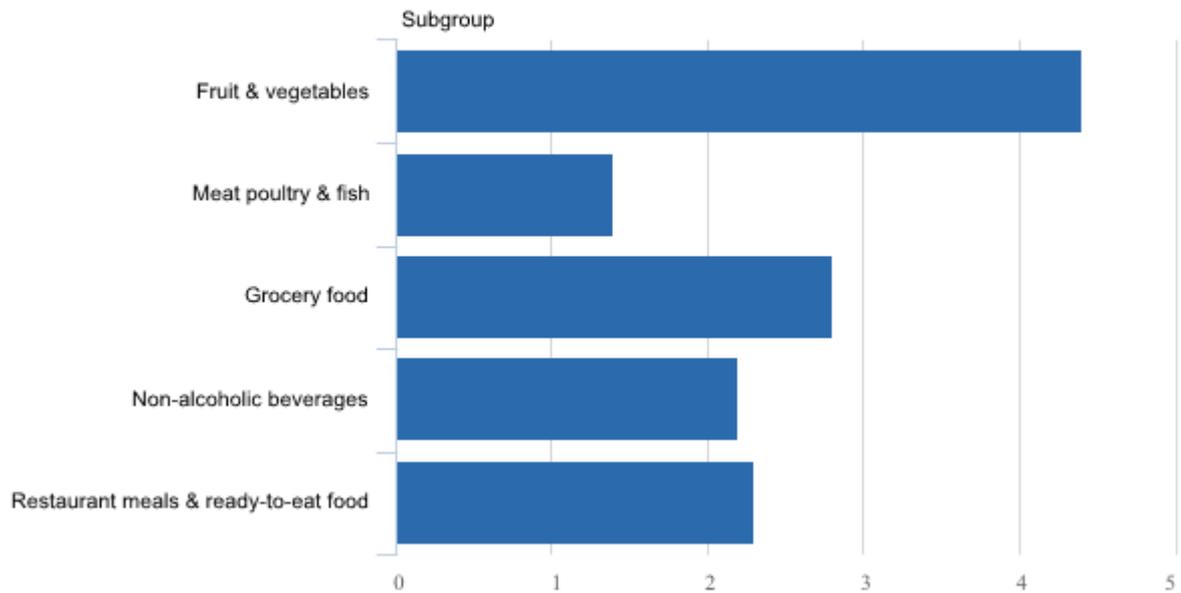
Restaurant meals and ready-to-eat food prices increased 2.3 percent in the year to October 2017.

Non-alcoholic beverage prices increased 2.2 percent, influenced by higher prices for coffee.

Meat, poultry, and fish prices increased 1.4 percent, with higher prices for beef (up 3.7 percent).

FPI annual percentage change

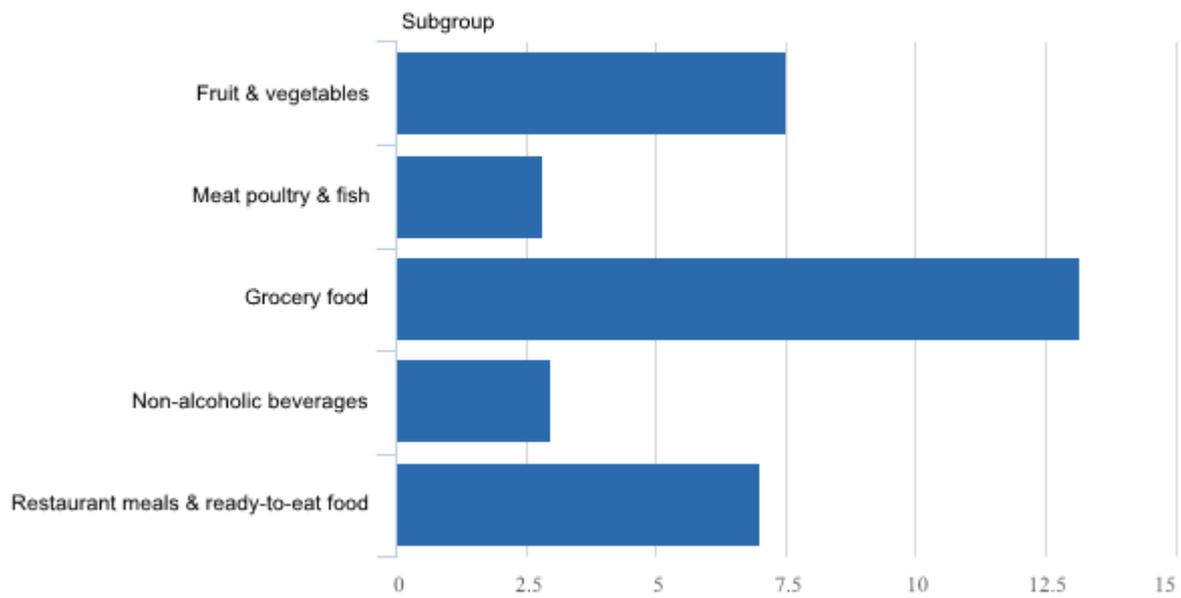
By subgroup, October 2017



Source: Stats NZ

Annual index points contribution to FPI

By subgroup, October 2017



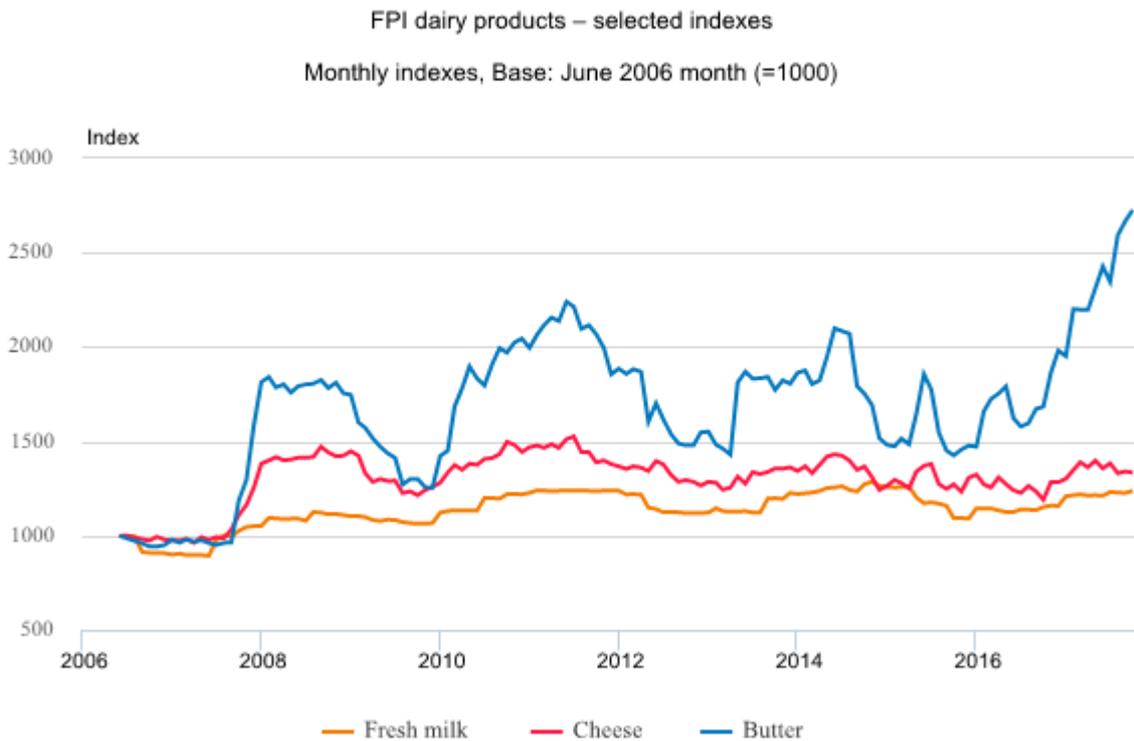
Source: Stats NZ

Longer-term retail picture: Dairy prices increase

Milk, cheese, and egg prices increased 5.9 percent in the year to October 2017, with higher prices for fresh milk and cheese. This continues a general increase to dairy products in the year, with annual butter prices up 62 percent, to its highest level since the series began.

Fresh milk prices increased 7.5 percent in the year, while cheese prices increased 12 percent. The average price for a kilo of cheapest available cheddar cheese was \$8.79 in October 2017, compared with \$7.22 in October 2016.

Butter prices reached a new record high – \$5.67 for the cheapest available 500g block, compared with \$3.50 in October 2016.



Source: Stats NZ

Basket and weight review

For October 2017, we've also introduced new items to our basket of food items and adjusted their relative importance to reflect New Zealanders' evolving purchasing habits. For more, see [Olives squeeze out luncheon sausage](#).

Find data tables

For more detailed data from the FPI, see the Excel tables in the 'Downloads' box.

Related links

Next release

Food Price Index: November 2017 will be released on 13 December 2017.

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[Food Price Index](#) has links to past releases.

Data quality

Period-specific information

Reference period

We collected prices for the food price index (FPI) during 10–17 October, except for fresh fruit and vegetable prices. Fresh fruit and vegetable prices were collected each week – Friday in most urban areas, and each Thursday in the remaining urban areas.

General methodology

Food Price Index – DataInfo+

General methodology used to produce the food price index, and related metadata.

Official Statistics System principles and protocols for producers of Tier 1 statistics

Statistics in this release have been produced in accordance with the Official Statistics System principles and protocols for producers of Tier 1 statistics for quality. They conform to the Statistics NZ Methodological Standard for Reporting of Data Quality.

Sample size

In a typical month, we collect about 19,000 prices from 560 retail outlets.

Imputation

Due to being unavailable at the time of price collection, we impute, on average, 0.7 percent of prices (not including seasonal fresh fruit and vegetables) in a typical month – by carrying forward the previous month's price.

Related information

[Consumers price index](#) measures price change of goods and services purchased by New Zealand households.

[Food prices in the consumers price index and food price index](#) gives an explanation of the sources and methods used to compile food prices.

Electronic card transactions measures the number and value of electronic card transactions with New Zealand-based merchants.

Retail Trade Survey measures sales of a range of household and personal goods and services.

Contacts

For media enquiries contact:

Matthew Haigh

Wellington 04 931 4862

Email: info@stats.govt.nz

For technical information contact:

Jules Millen

Wellington 04 931 4187

Email: info@stats.govt.nz

For general enquiries contact our Information Centre:

Phone: 0508 525 525 (toll-free in New Zealand)

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Tables

See the following tables in the 'Downloads' box on this page. If you have problems viewing the files, see [opening files and PDFs](#).

1. Food price index, subgroups
- 2.01 Food price index, subgroups, classes, and selected sections – index numbers
- 2.02 Food price index, subgroups, classes, and selected sections, percentage change from previous month
- 2.03 Food price index, subgroups, classes, and selected sections, percentage change from same month of previous year
3. Weighted average retail prices of selected food items
4. Contributions to food price index and percentage changes, by subgroup, class, or selected section
5. Distribution of national item-level index movements – from previous month
6. Food expenditure weights, by subgroup, class, or selected section
7. Regional weights, by region/pricing centre
8. Food price index, seasonally adjusted subgroups
- 9.01 Food price index, seasonally adjusted subgroups and classes – index numbers
- 9.02 Food price index, seasonally adjusted subgroups and classes, percentage change from previous month

Access more data on Infoshare

Infoshare allows you to access time-series data and organise it in the way that best meets your needs.

Use Infoshare

For this release, select the following categories from the Infoshare homepage:

Subject category: **Economic indicators**

Group: **Consumers Price Index**

The FPI series are listed immediately after the CPI series. Additional information includes:

- index series for the FPI and its subgroups, classes, and selected sections
- the FPI for the 12 pricing centres and five broad regions
- non-standard aggregations of indexes (eg fresh fruit and vegetables)
- historical seasonally unadjusted index series
- average prices for a selection of items in the FPI basket.

The time series can be downloaded in Excel or comma delimited format. Percentage movements can be calculated using the following formula:

$((\text{Index number for later period} - \text{index number for earlier period}) / \text{index number for earlier period}) \times 100$.

[See more information about Infoshare.](#)

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