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Food prices rise in January after five monthly falls

Food prices increased 2.1 percent in the January 2010 month, Statistics New Zealand said today. This follows five consecutive monthly falls in the food price index (FPI) and prices have now returned to levels last seen in September 2009.

Significant contributions to the increase in January came from higher prices for grocery food, fruit and vegetables, and meat, poultry, and fish.

Grocery food prices rose 1.8 percent in January, ending a run of five consecutive monthly falls. Dairy prices rose in January, with higher prices for milk, yoghurt, butter, and cheese. "Milk prices rose 5.1 percent in January to levels last seen in September 2008," prices manager Chris Pike said.

Fruit and vegetable prices rose 4.8 percent, with higher prices for tomatoes and seasonal price rises for kiwifruit, broccoli, and apples. Meat, poultry, and fish prices rose 3.3 percent, with higher prices for chicken.

For the year to January 2010, food prices rose 2.2 percent. Four subgroups recorded annual increases: grocery food (up 1.7 percent), non-alcoholic beverages (up 6.2 percent), restaurant meals and ready-to-eat food (up 2.8 percent), and meat, poultry, and fish (up 3.0 percent). The fruit and vegetable subgroup fell 1.0 percent in the year to January 2010.

"Although food prices are now 2.2 percent higher than a year ago, they are 12.0 percent higher than two years ago," Mr Pike said.

Geoff Bascand
Government Statistician

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