

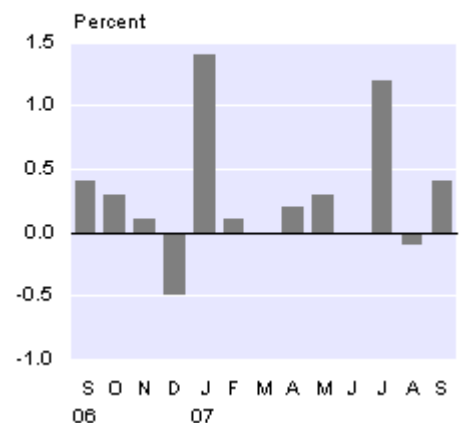
Embargoed until 10:45am – 15 October 2007

## Food Price Index: September 2007

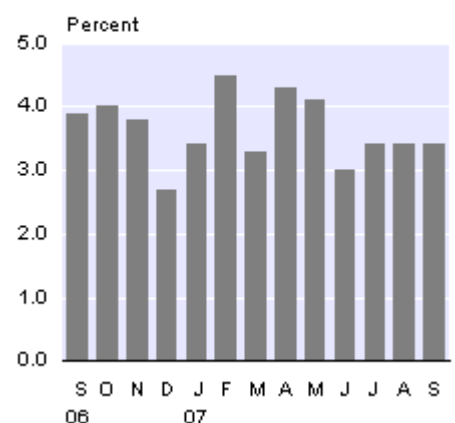
### Highlights

- Food prices rose 0.4 percent from August 2007 to September 2007.
- Grocery food prices rose 0.8 percent.
- Meat, poultry and fish prices rose 0.9 percent.
- Non-alcoholic beverage prices rose 0.4 percent.
- Restaurant meals and ready-to-eat food prices rose 0.1 percent.
- Fruit and vegetable prices fell 1.2 percent.
- Food prices rose 3.4 percent for the year to September 2007.

**Food Price Index**  
Monthly change



**Food Price Index**  
Annual change



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There is a companion Media Release published – [Food Price Index: September 2007](#).

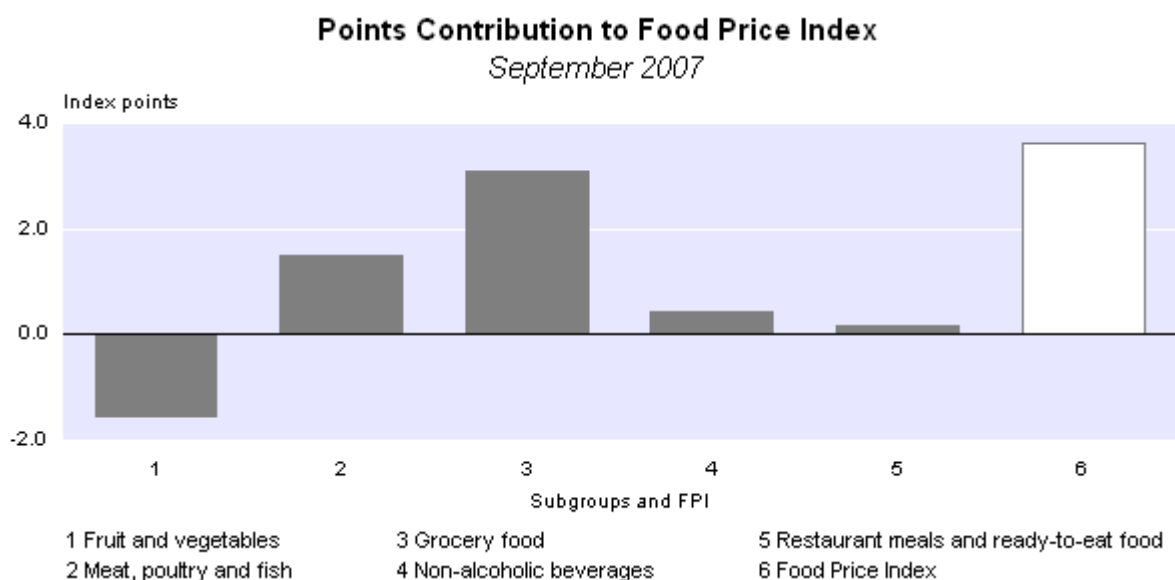
# Commentary

## Food prices in September 2007

Food prices rose 0.4 percent in September 2007 following a decrease of 0.1 percent in August 2007 and an increase of 1.2 percent in July 2007.

In September 2007, higher prices were recorded for the following subgroups: grocery food (up 0.8 percent), meat, poultry and fish (up 0.9 percent), non-alcoholic beverages (up 0.4 percent), and restaurant meals and ready-to-eat food (up 0.1 percent). Lower prices were recorded for the fruit and vegetables subgroup (down 1.2 percent).

The most significant individual upward contributions came from higher prices for yoghurt (up 10.2 percent), cheese (up 4.9 percent), beef (up 2.0 percent), ham (up 6.0 percent), and bananas (up 4.7 percent). The most significant individual downward contributions came from lower prices for lettuce (down 18.7 percent), cucumber (down 27.9 percent), snack foods (down 2.2 percent), courgettes (down 21.8 percent), and chicken pieces (down 1.5 percent).



### Index Points Contribution

Subgroup	July 2007 to August 2007	August 2007 to September 2007
Fruit and vegetables	-4.42	-1.58
Meat, poultry and fish	2.06	1.50
Grocery food	0.93	3.07
Non-alcoholic beverages	-0.20	0.42
Restaurant meals and ready-to-eat food	1.09	0.18
<b>Food Price Index</b>	<b>-0.54</b>	<b>3.59</b>

**Note:** Points contribution may not sum to totals due to rounding.

## Distribution of item-level movements

The table below outlines the distribution of price movements in August and September 2007. The Food Price Index (FPI) has been partitioned into those national item-level indexes that increased, showed no change, or decreased.

**Distribution of Item-level Index Movements**

<b>National item-like index movements</b>	<b>July 2007 to August 2007</b>	<b>August 2007 to September 2007</b>
<b>Increase in price</b>		
Number of items	94	88
Percentage of all items	61.0	57.1
Percentage of expenditure weight	67.1	51.1
Index points contribution	12.0	12.6
Weighted average price increase (percent)	1.7	2.4
<b>No change in price</b>		
Number of items	0	3
Percentage of all items	0.0	1.9
Percentage of expenditure weight	0.0	2.2
<b>Decrease in price</b>		
Number of items	60	63
Percentage of all items	39.0	40.9
Percentage of expenditure weight	32.9	46.7
Index points contribution	-12.5	-9.0
Weighted average price decrease (percent)	3.7	1.8

The distribution of item-level movements shows that:

- the weighted average price increase rose, while the weighted average price decrease fell
- the percentage expenditure weight of items that increased in price fell, while the percentage expenditure weight of items that decreased in price rose
- the weighted average price increase is now greater than the weighted average price decrease.

This resulted in an increase of 0.4 percent in the September 2007 FPI, compared with a decrease of 0.1 percent in August 2007.

## Annual movements

Food prices increased 3.4 percent for the year from September 2006 to September 2007, following increases of 3.4 percent for the years to August and July 2007.

The most significant upward contribution came from higher prices for the grocery food subgroup (up 3.6 percent). Higher prices were also recorded for the following subgroups: meat, poultry and fish (up 8.0 percent), restaurant meals and ready-to-eat food (up 3.7 percent) and non-alcoholic beverages (up 0.4 percent). The only downward contribution came from the fruit and vegetables subgroup (down 1.4 percent).

Within these subgroups the most significant individual upward contributions came from higher prices for poultry (up 31.1 percent), ready-to-eat food (up 4.3 percent), vegetables cultivated for their fruit (up 14.6 percent), and fresh milk (up 9.0 percent). The most significant individual downward contributions came from lower prices for broccoli (down 45.4 percent), potato crisps (down 8.7 percent), lettuce (down 20.1 percent), cauliflower (down 41.9 percent), and cabbage (down 44.3 percent).

### Annual Index Points Contribution

Subgroup	September 2006 to September 2007
Grocery food	13.97
Meat, poultry and fish	13.08
Restaurant meals and ready-to-eat food	8.51
Non-alcoholic beverages	0.44
Fruit and vegetables	-2.04
<b>Food Price Index</b>	<b>33.96</b>

**Note:** Points contribution may not sum to totals due to rounding.

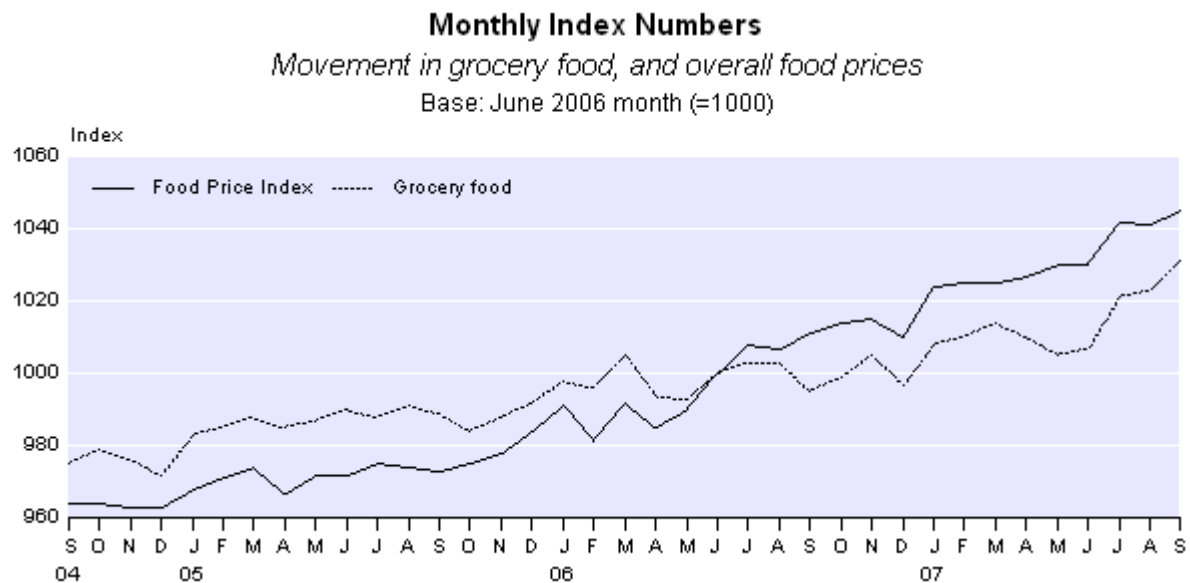
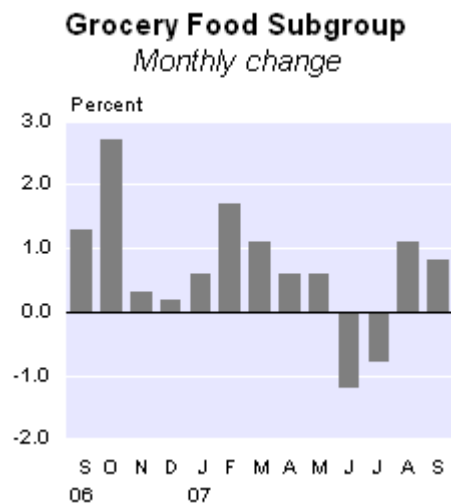
## Grocery food

Grocery food prices increased 0.8 percent in September 2007, following increases of 0.2 percent and 1.4 percent in August and July 2007, respectively.

The most significant upward contributions came from higher prices for yoghurt (up 10.2 percent) and cheese (up 4.9 percent).

The most significant downward contribution came from lower prices for snack foods (down 2.2 percent).

For the year to September 2007, grocery food prices increased 3.6 percent. The most significant upward contributions came from higher prices for fresh milk (up 9.0 percent), yoghurt (up 21.7 percent), ice creams and edible ices (up 8.7 percent), and chocolate biscuits (up 13.0 percent). The most significant downward contribution came from lower prices for potato crisps (down 8.7 percent).



## Fruit and vegetables

Fruit and vegetable prices decreased 1.2 percent in September 2007, following a decrease of 3.0 percent in August 2007 and an increase of 6.8 percent in July 2007.

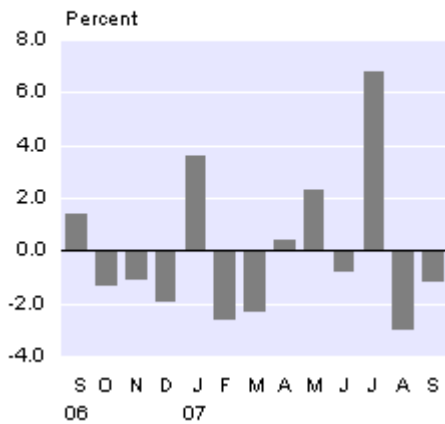
The most significant downward contributions came from lower prices for lettuce (down 18.7 percent), cucumber (down 27.9 percent) and courgettes (down 21.8 percent).

The most significant upward contributions came from higher prices for bananas (up 4.7 percent) and stone fruit (up 8.1 percent).

For the year to September 2007, prices for the fruit and vegetables subgroup fell 1.4 percent. The most significant individual downward contributions came from lower prices for broccoli (down 45.4 percent), lettuce (down 20.1 percent), cauliflower (down 41.9 percent), and cabbage (down 44.3 percent). The most significant upward contributions came from higher prices for tomatoes (up 11.0 percent) and potatoes (up 11.0 percent).

### Fruit and Vegetables Subgroup

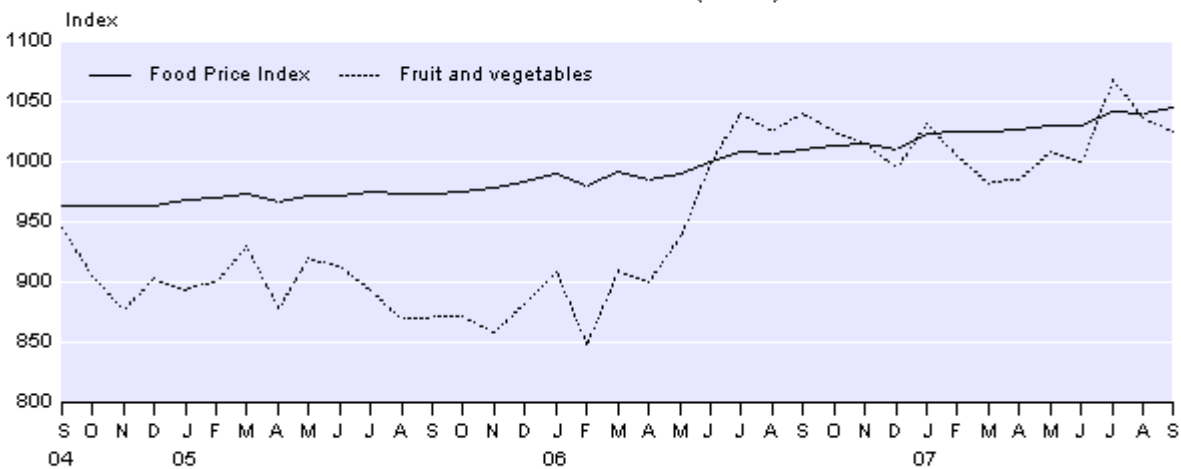
*Monthly change*



### Monthly Index Numbers

*Movement in fruit and vegetable prices, and overall food prices*

Base: June 2006 month (=1000)



**Note:** From July 2006, prices for fresh fruit and vegetables are not seasonally adjusted. They were seasonally adjusted until June 2006.

## Other subgroups

In September 2007 higher prices were recorded for the following subgroups: meat, poultry and fish (up 0.9 percent), non-alcoholic beverages (up 0.4 percent) and restaurant meals and ready-to-eat food (up 0.1 percent).

Within these subgroups, the most significant upward contributions came from higher prices for beef (up 2.0 percent), ham (up 6.0 percent) and coffee (up 4.2 percent).

The most significant downward contribution came from lower prices for chicken pieces (down 1.5 percent).



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## **Technical notes**

### **What the Food Price Index measures**

The Food Price Index (FPI) measures the rate of price change of food and food services purchased by households. The food group is the only commodity group of the Consumers Price Index (CPI) for which an index is prepared each month. The all groups index is prepared quarterly.

### **Detailed information**

Details of monthly and annual changes can be found in the tables attached to this Hot Off The Press. Analysis of the effect of fresh fruit and vegetables prices on the FPI is shown in Table 3.

### **Distribution of item-level index movements**

The Distribution of Item-level Index Movements table in the Commentary of this release gives additional information on the distribution of price movements recorded for the current month's FPI. The analytical statistics in the table give an indication of how widespread price changes are, and their relative magnitude when compared with previous months.

### **Grocery food specials**

Items that are 'on special' or come 'off special' are included in the FPI at the price levels observed at the time prices are collected. An analysis of the price quotes for these items is provided for the grocery food and non-alcoholic beverage subgroups in the Commentary section of this release. To be included in this analysis, the priced item will have been on special either last month or this month, or have been on special in both months.

### **Seasonal effects – fresh fruit and fresh vegetables**

Prior to June 2006, fresh fruit and fresh vegetable items that exhibited a seasonal pattern were adjusted to remove the effect of normal seasonal change. This treatment was used to reduce the influence of normal seasonal price fluctuations. However, the treatment does not completely eliminate the effects of seasonal fluctuations if shifts in seasonal patterns occur.

From June 2006 onwards, FPI incorporates seasonally unadjusted prices for fresh fruit and fresh vegetables. This is in line with a recommendation made by the 2004 CPI Revision Advisory Committee.

The ongoing, fully unadjusted FPI is linked at June 2006 to the previously published FPI, which is partly seasonally adjusted. As such, annual movements calculated over the annual period encompassing the June 2006 month will be based on fully unadjusted index numbers for the latest month, compared with partly adjusted index numbers for the same month of the previous year. Fully seasonally unadjusted analytical series for the FPI back to the June 1999 month are given in Table 3 of this release. These analytical time series provide annual movements on a fully unadjusted basis during the year-long transition of the official FPI, during which annual movements will be based on fully unadjusted index numbers for the latest month, compared with partly adjusted index numbers for the same month of the previous year.

## **Review of the Food Price Index**

A review of the FPI was undertaken as part of a wider CPI review. The 2004 CPI Revision Advisory Committee met in June 2004 to undertake an independent review of the practices and methods used to compile the CPI. The committee's recommendations have played a major part in shaping the current major review of the index.

### **Sample review**

The sample of retail outlets from which prices are collected has been reselected for the first time since the 1999 FPI review. The sample of 15 pricing centres is remaining unchanged. However, price collection effort is being redistributed to align more closely with the population shares of the regions. This has resulted in more prices being collected in the larger pricing centres, particularly Auckland. The objective of this re-allocation has been to maximise the accuracy of the national FPI while taking into account a secondary requirement to produce regional indexes of good quality.

Item specifications have been updated and the sample of product sizes, brands and varieties has been reselected.

For each grouping of similar goods and services in the basket, price collectors in each of the 15 regional centres were given target numbers of outlets to select, broken down by storetype (such as 'supermarket' and 'convenience store'). Storetype information from the Household Economic Survey was used to determine the main storetypes for each group of similar goods and services in the basket. In some cases, price collectors were also given some further guidance about specific chains to include in the sample. Price collectors then used their judgement to select representative retail outlets in the pricing centres, to meet the target numbers of outlets.

Summary information collated from supermarket transaction data, obtained from ACNielsen, was used to:

- determine representative specifications for goods in the basket
- provide price collectors with information about the market shares of the main brands
- provide price collectors with specific brand-share targets for selected goods, to ensure that the mix of brands in the FPI price samples reflected market shares.

The new FPI samples of outlets and products were selected in March 2006. Price collection for the existing and new samples ran alongside each other until June 2006, when collection for the old index ceased.

### **Pricing coverage**

Prices are surveyed in 15 urban areas. These are: Whangarei, Auckland, Hamilton, Tauranga, Rotorua, Napier-Hastings, New Plymouth, Wanganui, Palmerston North, Wellington, Nelson, Christchurch, Timaru, Dunedin and Invercargill.

Fresh fruit and vegetable prices are surveyed weekly, and the remaining food prices are generally surveyed between the 8th and 16th of the month, although sometimes surveying starts and finishes earlier or later.

## Regional population weights

As part of the review of the FPI and the CPI, the regional population weights have been updated. These population weights are used to allocate the national expenditure weights of goods and services derived from the Household Economic Survey and other sources to the FPI pricing centres. The population weights ensure that a given price change in Auckland, for example, with a population weight of 32.63 percent, would have nearly three times the effect on the national FPI than would the same movement in Christchurch, which has a population weight of 11.46 percent.

Prior to the current review, the FPI population weights were derived by allocating the usually resident population to pricing centres in a way that took into account the availability of retail services, communities of interest and geographical ease of access. By comparison, the new population weights, which appear in Table 6, have been calculated by making direct use of local government boundaries. The weights were derived by assigning the usually resident population as at June 2005 of each regional council area to the pricing centre(s) within the region.

For three regional council areas, Bay of Plenty, Manawatu-Wanganui and Canterbury, there are two pricing centres in each region. The proportion of the regional council area population allocated to each pricing centre was based on the population of the pricing centre's territorial authority.

Four regions do not contain a pricing centre. The Gisborne region's population was allocated to the Napier-Hastings pricing centre, and the Marlborough, Tasman and West Coast regions were allocated to the Nelson pricing centre.

Table 6 includes the June 2002 regional population weights based on the old method (used in the FPI until June 2006) and also based on the new method. This shows that while the Auckland population weight used in the FPI has declined slightly over the four years, based on the new method it has actually increased from 31.27 percent to 32.63 percent. Although a new method has been used to derive the population weights, changes are reasonably modest. The pricing centre having the greatest absolute gain is Hamilton (up from 7.99 percent to 9.39 percent).

In addition to allocating population weights to the 15 FPI pricing centres, Statistics New Zealand is publishing the FPI and CPI for five broad regions, based on regional council area boundaries. These regions are Auckland, Wellington, rest of North Island, Canterbury and Rest of South Island. The population weights of these regions are given in Table 7.

## New elementary aggregate formula

Prior to the review, the FPI used a 'ratio of arithmetic mean prices' (or Dutot) formula to combine surveyed prices at the first (or elementary) stage of aggregation. The Dutot formula is:

$$P_{DU} = \frac{\sum_{i=1}^N \left(\frac{1}{N}\right) P_i^1}{\sum_{i=1}^M \left(\frac{1}{M}\right) P_i^0}$$

Where:

$P_i^1$  = Price of item  $i$  ( $i=1 \dots N$ ) in period 1

$P_i^0$  = Price of item  $i$  ( $i=1 \dots M$ ) in the base period

In practice, Statistics NZ uses a weighted arithmetic mean formula, with the weights, where available, representing the relative importance of outlet types such as supermarkets relative to convenience stores, and the relative importance of individual outlets (eg supermarket chains).

For the rebased FPI, the 'geometric mean of price relatives' (or Jevons) formula has been introduced for all goods and services in the basket, except for fresh fruit and fresh vegetables. The Jevons formula is:

$$P_{JE} = \prod_{n=1}^N \left( \frac{P_n^1}{P_n^0} \right)^{\frac{1}{N}}$$

Where:

$P_n^1$  = Price of item  $n$  ( $n=1 \dots N$ ) in period 1

$P_n^0$  = Price of item  $n$  ( $n=1 \dots N$ ) in the base period

In practice, Statistics NZ uses a weighted geometric mean formula, with the weights, where available, representing the relative importance of outlet types such as supermarkets relative to convenience stores and the relative importance of individual outlets (eg supermarket chains).

The Dutot formula will continue to be used for fresh fruit and fresh vegetables, as the first stage of aggregation is across both outlets within each region and across weeks within each month.

The Dutot formula assumes that households purchase the same quantities at each surveyed outlet in each period. By comparison, the Jevons formula assumes that households spend the same amount at each surveyed outlet in each period. This implies that increased quantities are purchased from outlets showing lower-than-average relative price change and decreased quantities from outlets showing higher-than-average price change. Use of the Jevons formula is recommended by the International Labour Office for goods and services where households are able to substitute towards outlets showing lower relative price change.

## Average prices of selected food items (Table 4)

Table 4 contains a selection of average retail prices for the current and previous month. The weighted average prices are calculated by applying index movements to weighted average prices for the June 2006 month. They are not statistically accurate measures of average transaction price levels, but do provide a reliable indicator of percentage changes in prices.

As part of the FPI review, the selection of items appearing in the table has been reviewed, and the items have been grouped under their corresponding subgroup headings. There is now an indication of the types of retail outlets prices are collected from, and whether the prices are based on the cheapest available brand or variety in each retail outlet at the time of price collection. For other items, a specific brand or variety is selected in each retail outlet and the price of that good is collected each period, subject to availability.

With the adoption of the Jevons elementary aggregate formula as part of the current review, the average prices in Table 4 are calculated differently for some items. For fresh fruit and vegetables, a weighted arithmetic mean price is calculated for each of the 15 FPI pricing centres. The weights reflect the relative importance of sampled outlets. These regional arithmetic mean prices are then weighted by the population weights assigned to pricing centres (see Table 6) to calculate a national weighted arithmetic mean price. For other food items, a weighted geometric mean price is calculated for each of the 15 FPI pricing centres. The weights reflect the relative importance of sampled outlets. These regional geometric mean prices are then weighted by the pricing centre population weights to calculate a national mean price using a weighted arithmetic mean formula.

For any given set of prices, a geometric mean price is less than or equal to an arithmetic mean price. This means that the June 2006 month average prices in Table 4 for items other than fresh fruit and vegetables are in many cases lower than those that appeared in the June 2006 Hot Off The Press. Other factors that have caused the new June 2006 average prices to differ from the previously published ones include:

- the sample of retail outlets has been updated
- the relative importance of sampled outlet types (eg supermarkets and convenience stores) and sample outlets (eg supermarket chains) has been updated
- the mix of surveyed brands, varieties and sizes has been updated
- the reference size in the 'unit' column of Table 4 has changed for some items.

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## **More information**

For more information, follow the [link](#) from the Technical notes of this release on the Statistics NZ website.

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## Timing

Timed statistical releases are delivered using postal and electronic services provided by third parties. Delivery of these releases may be delayed by circumstances outside the control of Statistics NZ. Statistics NZ accepts no responsibility for any such delays.

### Next release ...

*Food Price Index: October 2007* will be released on 13 November 2007.

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## Tables

The following tables can be downloaded from the Statistics New Zealand website in Excel format. If you do not have access to Excel, you may use the [Excel file viewer](#) to view, print and export the contents of the file.

### List of tables

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 previous year
3. Food price index, non-standard series – index numbers and percentage changes
4. Food price index, weighted average retail prices of selected food items
5. Food price index, expenditure weights
6. Food price index, population weights, pricing centre
7. Food price index, population weights, region

**Food Price Index: September 2007**

Table 1

**Food Price Index**  
**Subgroups**  
 Base: June 2006 month (=1000)

	Subgroup					Food Price Index <sup>(1)</sup>			
	Fruit and vegetables price index <sup>(1)</sup>	Meat, poultry and fish price index	Grocery food price index	Non-alcoholic beverages price index	Restaurant meals and ready-to-eat food price index	Index	Percentage change <sup>(2)</sup>		
							From previous month	From same month of previous year	
<i>Series ref: CPIM</i>	<i>SE9011</i>	<i>SE9012</i>	<i>SE9013</i>	<i>SE9014</i>	<i>SE9015</i>	<i>SE901</i>			
<b>Month</b>									
2004	Sep	946	957	975	975	957	964	1.0	1.3
	Oct	905	980	979	967	961	964	0.0	1.1
	Nov	877	995	976	970	963	963	-0.1	0.8
	Dec	904	976	972	976	965	963	-0.1	1.2
2005	Jan	894	984	983	986	967	968	0.6	1.8
	Feb	900	997	985	976	968	971	0.3	1.7
	Mar	930	989	988	968	969	974	0.4	1.1
	Apr	879	977	985	986	970	967	-0.8	0.4
	May	921	973	987	983	972	972	0.5	1.4
	Jun	914	966	990	987	975	972	0.0	1.5
	Jul	894	989	988	1006	977	975	0.4	2.1
	Aug	869	989	991	996	979	974	-0.2	2.0
	Sep	870	988	989	997	980	973	-0.1	0.9
	Oct	872	1007	984	1002	983	975	0.3	1.1
	Nov	858	1018	988	1001	986	978	0.3	1.5
	Dec	882	1029	992	1000	986	984	0.6	2.2
2006	Jan	908	1026	998	1013	989	991	0.7	2.3
	Feb	848	1013	996	1013	992	981	-0.9	1.1
	Mar	911	1009	1005	1021	993	992	1.1	1.8
	Apr	900	993	994	1024	994	985	-0.8	1.9
	May	939	987	993	1028	997	990	0.5	1.8
	Jun	1000	1000	1000	1000	1000	1000	1.0	2.9
	Jul	1041	1000	1003	1004	1005	1008	0.8	3.4
	Aug	1026	1000	1003	1006	1009	1007	-0.1	3.4
	Sep	1040	1013	995	1036	1010	1011	0.4	3.9
	Oct	1026	1040	999	1020	1012	1014	0.3	4.0
	Nov	1015	1043	1005	1005	1014	1015	0.1	3.8
	Dec	996	1045	997	1001	1017	1010	-0.5	2.7
2007	Jan	1032	1051	1008	1038	1021	1024	1.4	3.4
	Feb	1005	1069	1010	1042	1025	1025	0.1	4.5
	Mar	982	1081	1014	1034	1026	1025	0.0	3.3
	Apr	986	1087	1010	1046	1031	1027	0.2	4.3
	May	1009	1094	1005	1042	1034	1030	0.3	4.1
	Jun	1001	1081	1007	1051	1039	1030	0.0	3.0
	Jul	1069	1072	1021	1038	1041	1042	1.2	3.4
	Aug	1037	1084	1023	1036	1046	1041	-0.1	3.4
	Sep	1025	1094	1031	1040	1047	1045	0.4	3.4

(1) From the July 2006 month, prices for fresh fruit and vegetables are not seasonally adjusted. They were seasonally adjusted until the June 2006 month.

(2) Percentage changes are calculated from index numbers that, in some cases, are not rounded until the June 2006 month.

Table 2.01

**Food Price Index**  
*Subgroups, classes and selected sections – index numbers*  
 Base: June 2006 month (=1000)

Subgroup, class or selected section	Series ref: CPIM	Month				
		2007				
		May	Jun	Jul	Aug	Sep
<b>Fruit and vegetables subgroup<sup>(1)</sup></b>	SE9011	1009	1001	1069	1037	1025
Fruit	SE901101	1134	1148	1112	1069	1097
Vegetables	SE901102	938	919	1045	1018	984
<b>Meat, poultry and fish subgroup</b>	SE9012	1094	1081	1072	1084	1094
Meat and poultry	SE901201	1101	1090	1081	1091	1104
Beef and veal	SE9012011	1056	1067	1058	1072	1093
Pork	SE9012012	1085	1029	1060	1053	1056
Mutton, lamb and hogget	SE9012013	944	965	953	972	994
Poultry	SE9012014	1286	1256	1239	1268	1264
Preserved, prepared and processed meat	SE9012016	1055	1038	1026	1021	1039
Fish and other seafood	SE901202	1039	1016	1000	1032	1016
<b>Grocery food subgroup</b>	SE9013	1005	1007	1021	1023	1031
Bread and cereals	SE901301	1014	1023	1015	1021	1026
Milk, cheese and eggs	SE901302	950	950	1000	1001	1028
Oils and fats	SE901303	1013	994	984	1006	1019
Food additives and condiments	SE901304	1033	1034	1033	1038	1048
Confectionery, nuts and snacks	SE901305	1035	1032	1054	1048	1048
Other grocery food	SE901306	1012	1018	1012	1018	1010
<b>Non-alcoholic beverages subgroup</b>	SE9014	1042	1051	1038	1036	1040
Coffee, tea and other hot drinks	SE901401	1034	1023	997	992	1013
Soft drinks, waters and juices	SE901402	1044	1058	1048	1047	1047
<b>Restaurant meals and ready-to-eat food subgroup</b>	SE9015	1034	1039	1041	1046	1047
Restaurant meals	SE901501	1027	1030	1032	1035	1034
Ready-to-eat food	SE901502	1039	1047	1048	1054	1056
<b>Food group<sup>(1)</sup></b>	SE901	1030	1030	1042	1041	1045

(1) From the July 2006 month, prices for fresh fruit and vegetables are not seasonally adjusted. They were seasonally adjusted until the June 2006 month.

Table 2.02

**Food Price Index**  
*Subgroups, classes and selected sections*  
 Percentage change from previous month<sup>(1)</sup>

Subgroup, class or selected section	Month				
	2007				
	May	Jun	Jul	Aug	Sep
<b>Fruit and vegetables subgroup<sup>(2)</sup></b>	2.3	-0.8	6.8	-3.0	-1.2
Fruit	-4.9	1.2	-3.1	-3.9	2.6
Vegetables	7.8	-2.0	13.7	-2.6	-3.3
<b>Meat, poultry and fish subgroup</b>	0.6	-1.2	-0.8	1.1	0.9
Meat and poultry	0.5	-1.0	-0.8	0.9	1.2
Beef and veal	0.0	1.0	-0.8	1.3	2.0
Pork	0.6	-5.2	3.0	-0.7	0.3
Mutton, lamb and hogget	-8.2	2.2	-1.2	2.0	2.3
Poultry	1.6	-2.3	-1.4	2.3	-0.3
Preserved, prepared and processed meat	2.6	-1.6	-1.2	-0.5	1.8
Fish and other seafood	1.3	-2.2	-1.6	3.2	-1.6
<b>Grocery food subgroup</b>	-0.5	0.2	1.4	0.2	0.8
Bread and cereals	-1.9	0.9	-0.8	0.6	0.5
Milk, cheese and eggs	0.8	0.0	5.3	0.1	2.7
Oils and fats	-0.8	-1.9	-1.0	2.2	1.3
Food additives and condiments	0.5	0.1	-0.1	0.5	1.0
Confectionery, nuts and snacks	-0.2	-0.3	2.1	-0.6	0.0
Other grocery food	-0.1	0.6	-0.6	0.6	-0.8
<b>Non-alcoholic beverages subgroup</b>	-0.4	0.9	-1.2	-0.2	0.4
Coffee, tea and other hot drinks	-1.0	-1.1	-2.5	-0.5	2.1
Soft drinks, waters and juices	-0.2	1.3	-0.9	-0.1	0.0
<b>Restaurant meals and ready-to-eat food subgroup</b>	0.3	0.5	0.2	0.5	0.1
Restaurant meals	0.4	0.3	0.2	0.3	-0.1
Ready-to-eat food	0.3	0.8	0.1	0.6	0.2
<b>Food group<sup>(2)</sup></b>	0.3	0	1.2	-0.1	0.4

(1) Percentage changes are calculated from index numbers that, in some cases, are not rounded until the June 2006 month.

(2) From the July 2006 month, prices for fresh fruit and vegetables are not seasonally adjusted. They were seasonally adjusted until the June 2006 month.

Table 2.03

**Food Price Index**  
*Subgroups, classes and selected sections*  
 Percentage change from same month of previous year<sup>(1)</sup>

Subgroup, class or selected section	Month				
	2007				
	May	Jun	Jul	Aug	Sep
<b>Fruit and vegetables subgroup<sup>(2)</sup></b>	7.5	0.1	2.7	1.1	-1.4
Fruit	15.7	14.8	12.1	-1.7	-2.0
Vegetables	2.9	-8.1	-2.2	2.7	-1.2
<b>Meat, poultry and fish subgroup</b>	10.8	8.1	7.2	8.4	8.0
Meat and poultry	11.8	9.0	8.1	9.1	9.0
Beef and veal	6.3	6.7	5.7	5.2	4.4
Pork	9.6	2.9	8.4	5.2	5.4
Mutton, lamb and hogget	2.6	-3.5	1.8	4.7	-0.6
Poultry	36.8	25.6	23.3	26.9	31.1
Preserved, prepared and processed meat	3.3	3.8	0.7	1.8	1.5
Fish and other seafood	4.3	1.6	0.3	3.5	0.2
<b>Grocery food subgroup</b>	1.2	0.7	1.8	2.0	3.6
Bread and cereals	2.1	2.3	0.9	2.1	3.5
Milk, cheese and eggs	-5.1	-5.0	1.0	1.1	9.1
Oils and fats	0.8	-0.6	-2.8	-1.8	1.5
Food additives and condiments	3.3	3.4	0.6	0.9	-0.7
Confectionery, nuts and snacks	4.2	3.2	5.4	4.8	2.3
Other grocery food	4.7	1.8	0.0	-0.4	0.1
<b>Non-alcoholic beverages subgroup</b>	1.4	5.1	3.4	3.0	0.4
Coffee, tea and other hot drinks	3.6	2.3	-3.6	-2.2	0.1
Soft drinks, waters and juices	1.0	5.8	5.2	4.3	0.6
<b>Restaurant meals and ready-to-eat food subgroup</b>	3.7	3.9	3.6	3.7	3.7
Restaurant meals	2.9	3.0	3.2	3.0	2.7
Ready-to-eat food	4.2	4.7	3.9	4.2	4.3
<b>Food group<sup>(2)</sup></b>	4.1	3.0	3.4	3.4	3.4

(1) Percentage changes are calculated from index numbers that, in some cases, are not rounded until the June 2006 month.

(2) From the July 2006 month, prices for fresh fruit and vegetables are not seasonally adjusted. They were seasonally adjusted until the June 2006 month.

Table 3

**Food Price Index**  
*Non-standard series – index numbers and percentage changes*  
 Base: June 2006 month (=1000)

Non-standard series	Series ref: CPIM	Month				
		2007				
		May	Jun	Jul	Aug	Sep
<b>Seasonally adjusted until June 2006<sup>(1)</sup></b>						
Fresh fruit and vegetables	SE9NS3000	1003	995	1082	1038	1023
Fresh fruit	SE9NS3001	1164	1176	1141	1094	1115
Fresh vegetables	SE9NS3002	914	895	1050	1008	971
<b>Food group</b>	<b>SE901</b>	<b>1030</b>	<b>1030</b>	<b>1042</b>	<b>1041</b>	<b>1045</b>
<b>Seasonally unadjusted</b>						
Fruit and vegetables	SE9NS3081	1009	1001	1069	1037	1025
Fruit	SE9NS3082	1134	1148	1112	1069	1097
Vegetables	SE9NS3084	938	919	1045	1018	984
Fresh fruit and vegetables	SE9NS3086	1003	995	1082	1038	1023
Fresh fruit	SE9NS3083	1164	1176	1141	1094	1115
Fresh vegetables	SE9NS3085	914	895	1050	1008	971
Food group less fresh fruit and vegetables	SE9NS3010	1033	1034	1037	1042	1048
<b>Food group</b>	<b>SE9NS3080</b>	<b>1030</b>	<b>1030</b>	<b>1042</b>	<b>1041</b>	<b>1045</b>
<b>Percentage change from previous month</b>						
<b>Seasonally adjusted until June 2006<sup>(1)</sup></b>						
Fresh fruit and vegetables		3.1	-0.8	8.7	-4.1	-1.4
Fresh fruit		-5.4	1.0	-3.0	-4.1	1.9
Fresh vegetables		10.0	-2.1	17.3	-4.0	-3.7
<b>Food group</b>		<b>0.3</b>	<b>0.0</b>	<b>1.2</b>	<b>-0.1</b>	<b>0.4</b>
<b>Seasonally unadjusted</b>						
Fruit and vegetables		2.3	-0.8	6.8	-3.0	-1.2
Fruit		-4.9	1.2	-3.1	-3.9	2.6
Vegetables		7.8	-2.0	13.7	-2.6	-3.3
Fresh fruit and vegetables		3.1	-0.8	8.7	-4.1	-1.4
Fresh fruit		-5.4	1.0	-3.0	-4.1	1.9
Fresh vegetables		10.0	-2.1	17.3	-4.0	-3.7
Food group less fresh fruit and vegetables		-0.1	0.1	0.3	0.5	0.6
<b>Food group</b>		<b>0.3</b>	<b>0.0</b>	<b>1.2</b>	<b>-0.1</b>	<b>0.4</b>
<b>Percentage change from same month of previous year</b>						
<b>Seasonally adjusted until June 2006<sup>(1)</sup></b>						
Fresh fruit and vegetables		8.1	-0.5	3.4	0.9	-2.0
Fresh fruit		19.2	17.6	15.6	-1.1	-3.0
Fresh vegetables		1.9	-10.5	-2.6	2.2	-1.5
<b>Food group</b>		<b>4.1</b>	<b>3.0</b>	<b>3.4</b>	<b>3.4</b>	<b>3.4</b>
<b>Seasonally unadjusted</b>						
Fruit and vegetables		10.0	0.1	2.7	1.1	-1.4
Fruit		14.1	14.8	12.1	-1.7	-2.0
Vegetables		7.7	-8.1	-2.2	2.7	-1.2
Fresh fruit and vegetables		11.8	-0.5	3.4	0.9	-2.0
Fresh fruit		17.0	17.6	15.6	-1.1	-3.0
Fresh vegetables		8.6	-10.5	-2.6	2.2	-1.5
Food group less fresh fruit and vegetables		3.7	3.4	3.4	3.8	4.1
<b>Food group</b>		<b>4.4</b>	<b>3.0</b>	<b>3.4</b>	<b>3.4</b>	<b>3.4</b>

(1) From the July 2006 month, time series are not seasonally adjusted. They were seasonally adjusted until the June 2006 month.

Table 4

**Food Price Index**  
*Weighted average retail prices of selected food items<sup>(1)</sup>*

Item	Unit	August 2007	September 2007	Percentage change <sup>(2)</sup>
		\$		
<b>Fruit and vegetables subgroup (supermarket &amp; greengrocer)</b>				
Oranges	1kg	2.62	2.47	-5.7
Bananas	1kg	2.29	2.40	4.8
Apples	1kg	2.11	2.13	0.9
Kiwifruit	1kg	1.79	1.97	10.1
Sultanas (supermarket only)	375g	1.48	1.52	2.7
Peaches – canned (supermarket only)	410g	1.49	1.65	10.7
Lettuce	1kg	3.97	3.23	-18.6
Broccoli	1kg	4.22	4.38	3.8
Cabbage	1kg	1.13	1.14	0.9
Tomatoes	1kg	9.32	9.20	-1.3
Carrots	1kg	1.65	1.66	0.6
Mushrooms	1kg	8.96	8.83	-1.5
Potatoes	1kg	1.21	1.25	3.3
Peas – frozen <sup>(3)</sup> (supermarket only)	1kg	2.05	2.02	-1.5
<b>Meat, poultry and fish subgroup (supermarket &amp; butcher)</b>				
Beef steak – blade	1kg	11.49	11.69	1.7
Beef steak – porterhouse/sirloin	1kg	20.82	21.54	3.5
Beef – mince	1kg	9.45	9.53	0.8
Pork – loin chops	1kg	14.04	14.32	2.0
Lamb – chops	1kg	10.16	10.55	3.8
Bacon – middle rashers (supermarket only)	1kg	18.30	18.69	2.1
Sausages	1kg	6.13	6.06	-1.1
Tuna – canned (supermarket only)	185g	1.87	1.84	-1.6
<b>Grocery food subgroup (supermarket &amp; convenience store)</b>				
Bread – white sliced loaf <sup>(3)</sup>	700g	1.20	1.18	-1.7
Biscuits – chocolate	200g	2.57	2.57	0.0
Breakfast biscuits	1kg	4.79	4.85	1.3
Flour – white <sup>(3)</sup> (supermarket only)	1.5kg	1.65	1.63	-1.2
Rice – long grain, white (supermarket only)	1kg	1.75	1.77	1.1
Milk – standard homogenised <sup>(3)</sup>	2 litres	2.92	2.90	-0.7
Yoghurt – flavoured, 150g pottle (supermarket only)	pk of 6	3.88	4.27	10.1
Cheese – mild cheddar <sup>(3)</sup> (supermarket only)	1kg	6.44	6.93	7.6
Eggs <sup>(3)</sup>	dozen	3.05	3.19	4.6
Butter – salted <sup>(3)</sup>	500g	2.00	2.01	0.5
Sugar – white <sup>(3)</sup>	1.5kg	1.94	1.95	0.5
Tomato sauce – canned	575g	2.37	2.46	3.8
Chocolate – block (supermarket only)	250g	3.31	3.35	1.2
Potato crisps	190g	2.02	1.98	-2.0
Spaghetti – canned	420g	1.24	1.15	-7.3
<b>Non-alcoholic beverages subgroup (supermarket &amp; convenience store)</b>				
Coffee – instant	100g	4.27	4.47	4.7
Tea bags (supermarket only)	box of 100	3.36	3.38	0.6
Soft drink	1.5 litres	1.82	1.84	1.1
Bottled water	750ml	1.89	1.86	-1.6
Fruit juice – apple based <sup>(3)</sup> (supermarket only)	1 litre	1.73	1.78	2.9
<b>Restaurant meals and ready-to-eat food subgroup</b>				
Fish and chips	1 fish/chips	4.66	4.65	-0.2
Meat pie – hot	each	2.85	2.86	0.4

(1) Calculated by applying index movements to weighted average prices for the June 2006 month. These are not statistically accurate measures of average transaction price levels, but do provide a reliable indicator of percentage changes in prices.

(2) Percentage changes are calculated from weighted average retail prices rounded to the nearest cent. They may differ from percentage changes calculated using index numbers on the expression base of 1000.

(3) Based on the cheapest available brand or variety in each retail outlet at the time of price collection.

Table 5

**Food Price Index**  
*Expenditure weights*  
 Subgroup and class

Subgroup or class	Base month expenditure weight	
	June 2002 – seasonally adjusted	June 2006 – seasonally unadjusted
	Percent <sup>(1)</sup>	
<b>Fruit and vegetables subgroup</b>	<b>11.51</b>	<b>13.55</b>
Fruit	5.32	4.90
Vegetables	6.19	8.66
<b>Meat, poultry and fish subgroup</b>	<b>18.99</b>	<b>16.22</b>
Meat and poultry	16.90	14.28
Fish and other seafood	2.09	1.94
<b>Grocery food subgroup</b>	<b>38.20</b>	<b>38.19</b>
Bread and cereals	11.14	11.49
Milk, cheese and eggs	9.00	8.89
Oils and fats	1.94	1.75
Food additives and condiments	3.21	2.63
Confectionery, nuts and snacks	9.46	9.39
Other grocery food	3.45	4.04
<b>Non-alcoholic beverages subgroup</b>	<b>10.17</b>	<b>9.04</b>
Coffee, tea and other hot drinks	1.62	1.79
Soft drinks, waters and juices	8.55	7.24
<b>Restaurant meals and ready-to-eat food subgroup</b>	<b>21.14</b>	<b>23.00</b>
Restaurant meals	9.61	10.23
Ready-to-eat food	11.53	12.77
<b>Food group</b>	<b>100.00</b>	<b>100.00</b>

(1) Percentages may not sum to totals due to rounding.

Table 6

**Food Price Index**  
*Population weights*  
Pricing centre

Pricing centre	Base month population weight		
	June 2002		June 2006
	Used in FPI <sup>(1)</sup>	Based on new method <sup>(2)</sup>	
	Percent <sup>(3)</sup>		
Whangarei	3.79	3.72	3.63
Auckland	32.69	31.37	32.63
Hamilton	7.99	9.53	9.39
Tauranga	4.80	4.31	4.42
Rotorua	2.00	2.06	1.94
Napier-Hastings	4.96	4.97	4.74
New Plymouth	2.61	2.72	2.56
Wanganui	1.38	1.76	1.59
Palmerston North	3.72	4.10	3.93
Wellington	11.89	11.35	11.23
Nelson	3.16	4.05	4.04
Christchurch	12.23	11.35	11.46
Timaru	1.62	1.45	1.38
Dunedin	4.41	4.85	4.80
Invercargill	2.76	2.40	2.27
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

(1) The estimated usually resident population was allocated to pricing centres in a way that took into account the availability of retail services, communities of interest and geographical ease of access.

(2) Based on the estimated usually resident population of the pricing centre's regional council area. Where there is more than one pricing centre within a region, the proportion of the regional council area allocated to each pricing centre was based on the population of the pricing centre's territorial authority. Regional council areas not containing a pricing centre were allocated to a neighbouring region. See the Technical notes of this release for further details.

(3) Percentages may not sum to totals due to rounding.

Table 7

**Food Price Index**  
*Population weights*  
Region

Region <sup>(1)</sup>	Base month population weight <sup>(2)</sup>	
	June 2006	
	Percent	
Auckland	32.63	
Wellington	11.23	
Rest of North Island	32.19	
Canterbury	12.84	
Rest of South Island	11.11	
<b>Total</b>	<b>100.00</b>	

(1) Based on regional council area boundaries. The Canterbury region contains the Christchurch and Timaru pricing centres.

(2) Based on the estimated usually resident population as at June 2005 of the regional council area or regional council areas falling within the region.