

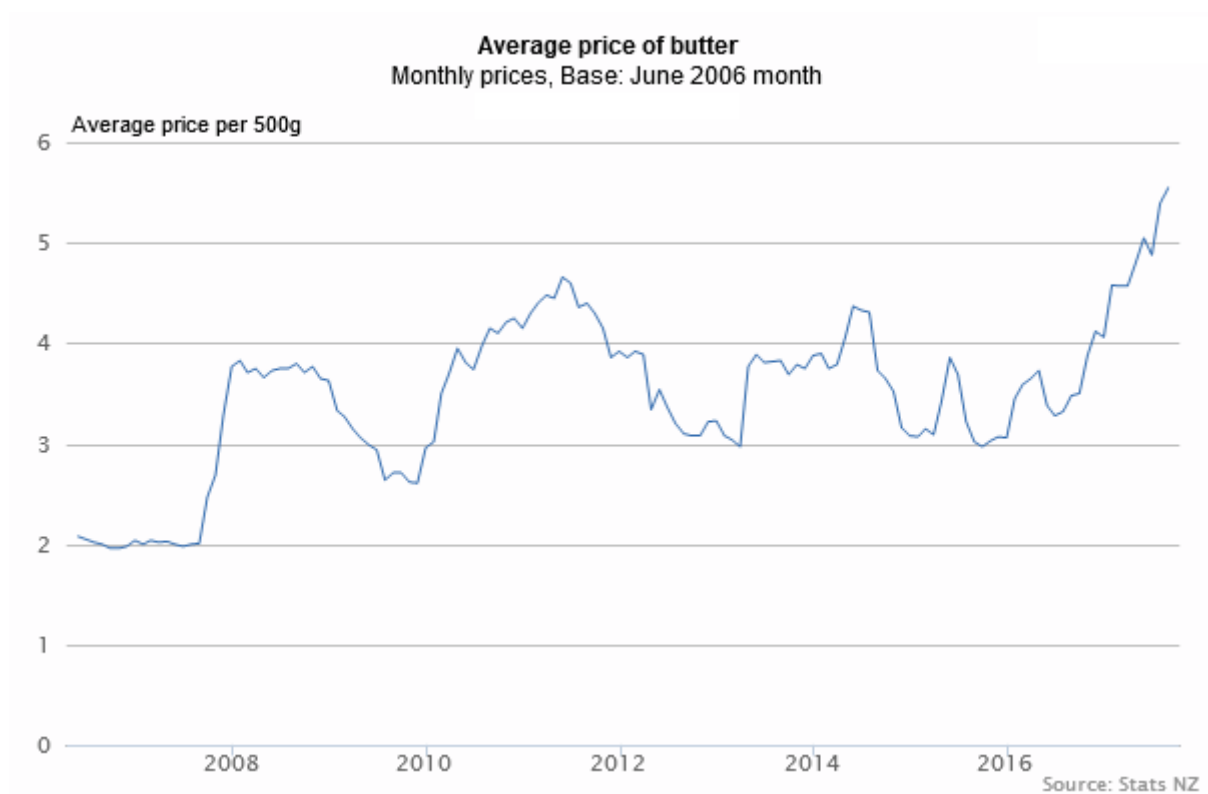
Dairy leads 3.0 percent annual rise in food prices

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Food prices increased 3.0 percent in the year to September 2017, Stats NZ said today. This followed a 2.3 percent increase in the year to August 2017.

"Prices for dairy products including butter, fresh milk, cheese, and yoghurt were all higher in the year to September," consumers price index manager Matthew Haigh said. "For every \$100 spent on food, Kiwis spent about \$10 on these dairy items."

Butter prices have continued to increase through the month of September to their highest level. The price of the cheapest available 500g block of butter was \$5.55 in September 2017, up from \$3.48 in September 2016.



Wet weather this year contributed to an increase in vegetable prices – up 6.5 percent in the year to September, with higher prices for potatoes and kumara. The average price for a kilo of potatoes was \$2.13 in September 2017, up from \$1.69 in September 2016.

Monthly food prices fell 0.2 percent in September 2017

The fall in vegetable prices in September (down 7.4 percent) was the main contributor to the 0.2 percent fall in food prices. After seasonal adjustment, however, fruit and vegetable prices rose 0.7 percent and 0.3 percent, respectively.

"Prices for cucumber, lettuce, and capsicum led the drop in vegetable prices in September," Mr Haigh said. "The prices for items found in salads typically begin to fall in September months as warmer weather arrives – although the falls for September 2017 have not been as large as in previous years."

Fruit prices fell 0.5 percent (up 0.7 percent after seasonal adjustment), influenced by lower prices for oranges, grapes, and bananas.

Ends

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Authorised by Liz MacPherson, Government Statistician, 12 October 2017