

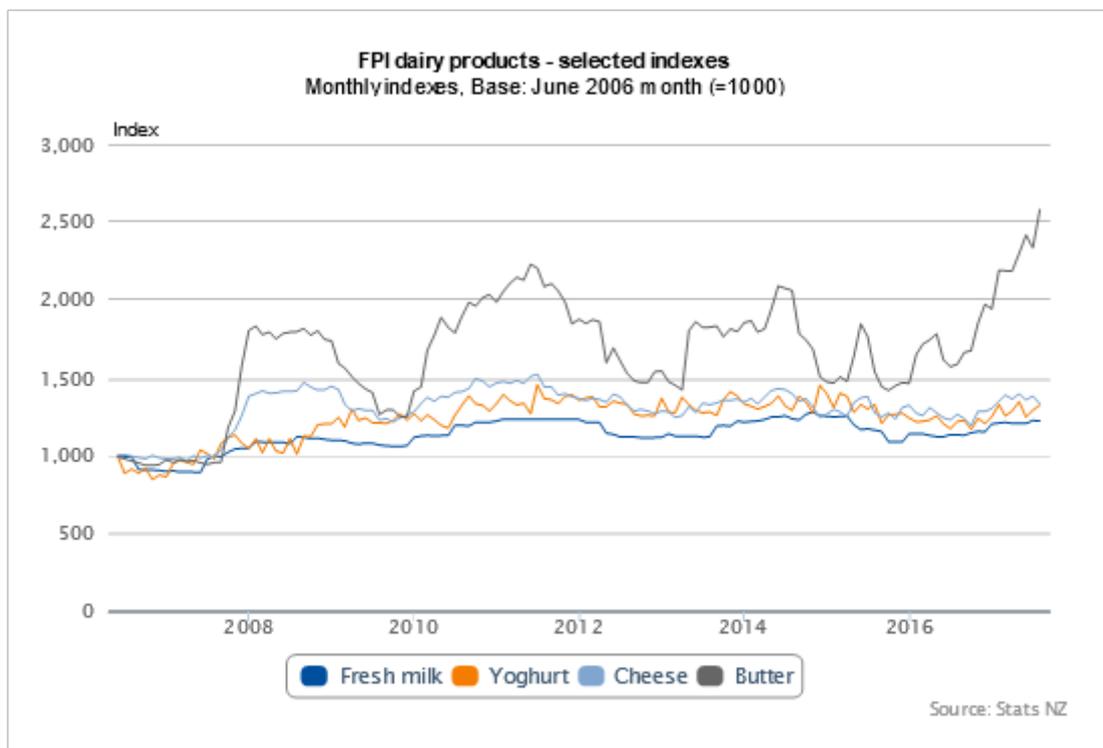
## Butter prices reach a record high of \$5.39 a block

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Butter prices rose 11 percent in August 2017, to a record high of \$5.39 a block, Stats NZ said today. The previous record was \$5.05 in June 2017.

The average price of \$5.39 for a cheapest available 500g block was up 51 cents on July and up \$2.07 (62 percent) on August 2016. The annual butter price increase is the largest in percentage terms since 2010.

“We have seen butter prices rising lately due to New Zealand’s export driven market,” consumers price index manager Matthew Haigh said. “Butter prices have experienced all-time highs in the global market, and this also drives the price here at home.”



## Overall food prices rose 0.6 percent in August 2017

Vegetable prices rose 5.4 percent in August, and were the main contributor to the 0.6 percent rise in food prices. After seasonal adjustment, however, vegetable prices fell 1.1 percent.

Tomato prices are up to \$10.42 a kg, compared with \$9.50 in July 2017, and \$10.92 in August 2016. Tomato prices are seasonally high in August.

In contrast to vegetable prices, fruit prices fell 0.5 percent (up 0.1 percent after seasonal adjustment). This was mainly due to lower prices for avocados (down 19 percent). Avocado prices usually fall as we approach spring, and they are still coming down from a near record high in June. A 200g avocado cost

\$2.59 in August, compared with \$3.20 in July and \$4.52 in June. However, this is still more than the average \$1.72 in August 2016.

Prices for non-alcoholic beverages fell 1.2 percent, led by lower prices for supermarket-bought coffee (such as instant and ground beans), down 7.1 percent. This was mostly due to items going on special.

## **Annual food prices increase 2.3 percent**

Food prices increased 2.3 percent in the year to August 2017. This followed a 3.0 percent increase in the year to July 2017. The smaller increase, as compared with the year to July, is due to vegetable prices coming down from recent extremely high levels.

Vegetable prices increased 8.7 percent in the latest year, led by kumara and potatoes. The price for a kilo of kumara was \$8.00 in August 2017, up from \$3.23 in August 2016.

“The exceptionally wet weather over the past year has had an impact on growing tuber vegetables such as potatoes and kumara,” Mr Haigh said. “The crop losses and extra manual work required for harvesting has translated into higher prices on supermarket shelves.”

**Ends**

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