

Avocado prices near record levels and kumara hits new high

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Food prices rose 0.2 percent in June 2017, Stats NZ said today. The rise was led by higher prices for avocados and soft drinks. The average price for a 200g avocado was \$4.52 in June 2017, compared with \$3.38 in May 2017.

"Avocado prices tend to peak in the winter before falling in spring as new fruit become available," consumer prices manager Matthew Haigh said. "Prices are back near the record level in June last year."

"Fruit and vegetables prices eased off somewhat in June, from their highs in May," Mr Haigh said. "Lettuce and broccoli prices were down, but tomato and kumara prices continued to rise. Kumara prices were at their highest-ever level – \$8.18 a kilogram."

A wet autumn pushed up vegetable prices to high levels in May.

Modest fruit and vegetable falls don't slow annual price increases

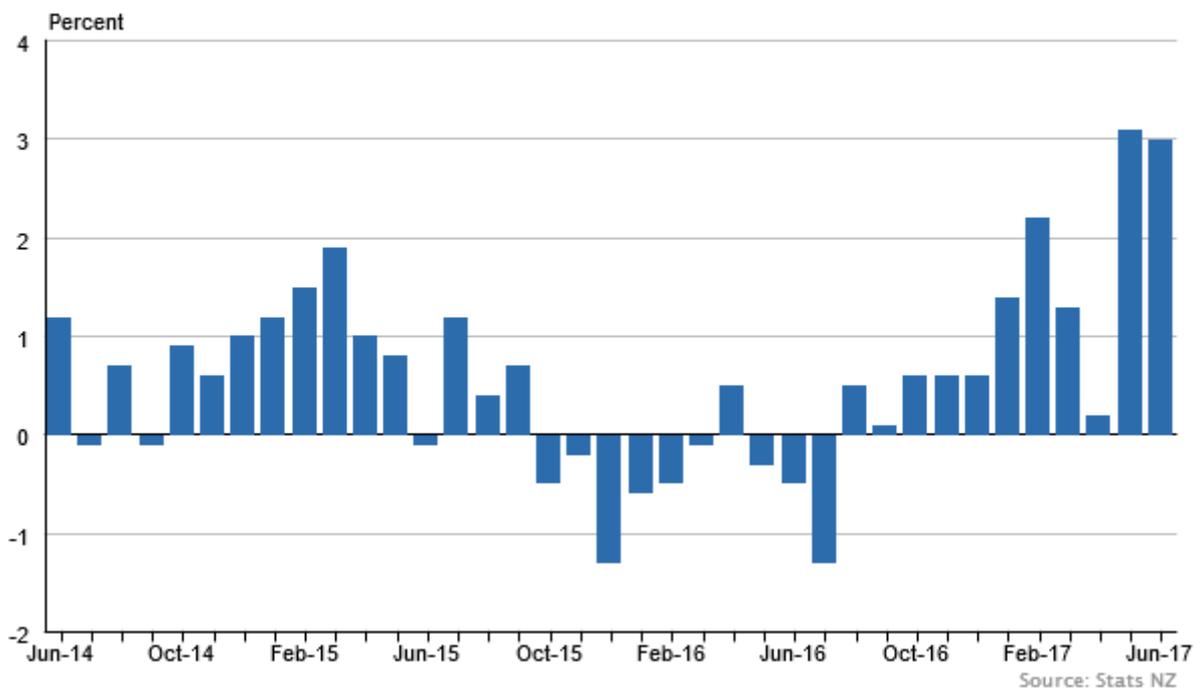
Despite a monthly fall of 0.4 percent for fresh fruit and vegetables, annual vegetable prices kept food prices rising in the year ended June 2017. Overall, food prices increased 3.0 percent in the year.

Vegetable prices increased 18 percent in the year ended June 2017, led by higher prices for tomatoes, kumara, and lettuce. The average price for 1kg of tomatoes was \$8.69 in June 2017, compared with \$6.77 in June 2016. Tomatoes are typically more expensive in winter, often going above \$10 a kg.

Grocery food prices rose 2.1 percent in the year to June 2017, led by higher prices for dairy products. Butter prices in June surpassed last month's highest-ever level (\$4.80); a 500g block of the cheapest available butter cost \$5.05 in June 2017, compared with \$3.38 in June 2016.

Spending on grocery food such as dairy, bread, and cereals, makes up around \$35 of every \$100 spent on food, compared with \$15 for fruit and vegetables. Because the annual increase for grocery food was much lower than fruit and vegetables, the overall increase in food prices was just 3.0 percent.

Food price index Annual change



Ends

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Authorised by Teresa Dickinson, Acting Government Statistician, 13 July 2017