

PAPUA NEW GUINEA FOOD PRICE BULLETIN

October 2023

This bulletin presents a trend analysis of monthly average food prices collected by the Fresh Produce Development Agency (FPDA) throughout the third quarter (July – September) of 2023. Due to logistical challenges, no data were collected for Goroka and Port Moresby in July, for Mt Hagen in September, and for Kokopo in the entire third quarter. However, monthly price data were collected in Banz and Lae markets. Please visit our website to access and download the comprehensive price dataset and graphing tool dashboard: www.ifpri.org/project/fresh-food-price-analysis-papua-new-guinea

Staple crop price trends in Quarter 3 of 2023

During the third quarter of 2023, sweet potato prices held relatively constant across all markets. However, sweet potato prices started to increase in September in Goroka, Banz and Lae markets. Taking into account price increases in September, and compared to average second quarter prices, the price of sweet potato per kg increased by about 10 percent in the highland markets of Goroka, Mt Hagen, and Banz, and decreased by 8 percent in the lowland markets of Lae and Port Moresby.

SUMMARY

Download time series food price data, and build graphs and tables for over 20 different food crops at our food price database webpage: <https://www.ifpri.org/project/fresh-food-price-analysis-papua-new-guinea>

Price trends in Q3, 2023

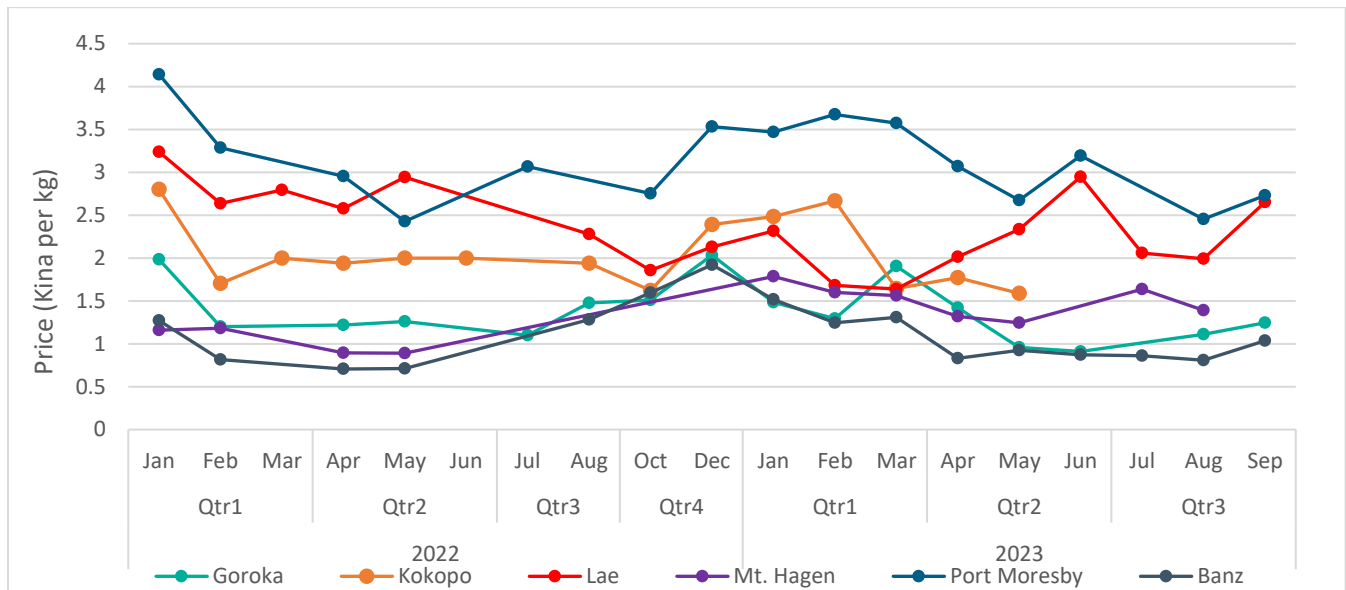
Staple Crops

Sweet potato prices were relatively stable across all markets, with prices ticking upwards at the end of the third quarter in highlands markets. Comparing quarter 2 and 3 average prices on specific commodities, Port Moresby experienced the largest increase in taro price/kg at 76 percent while Banz experienced a 10 percent decrease in cassava price/kg.

Vitamin-dense foods: vegetable prices varied across markets in the third quarter of 2023, with some prices decreasing and others increasing. Prices of most vegetables in Port Moresby decreased from August to September, while prices of English cabbage, capsicum, and carrots in Lae increased by 10%.

Fresh Fruits: Prices varied across markets in the second and third quarters of 2023. Ripe banana prices increased in Lae and Banz but decreased in Port Moresby, Mt Hagen, and Goroka. Lemon prices increased in all markets except Lae.

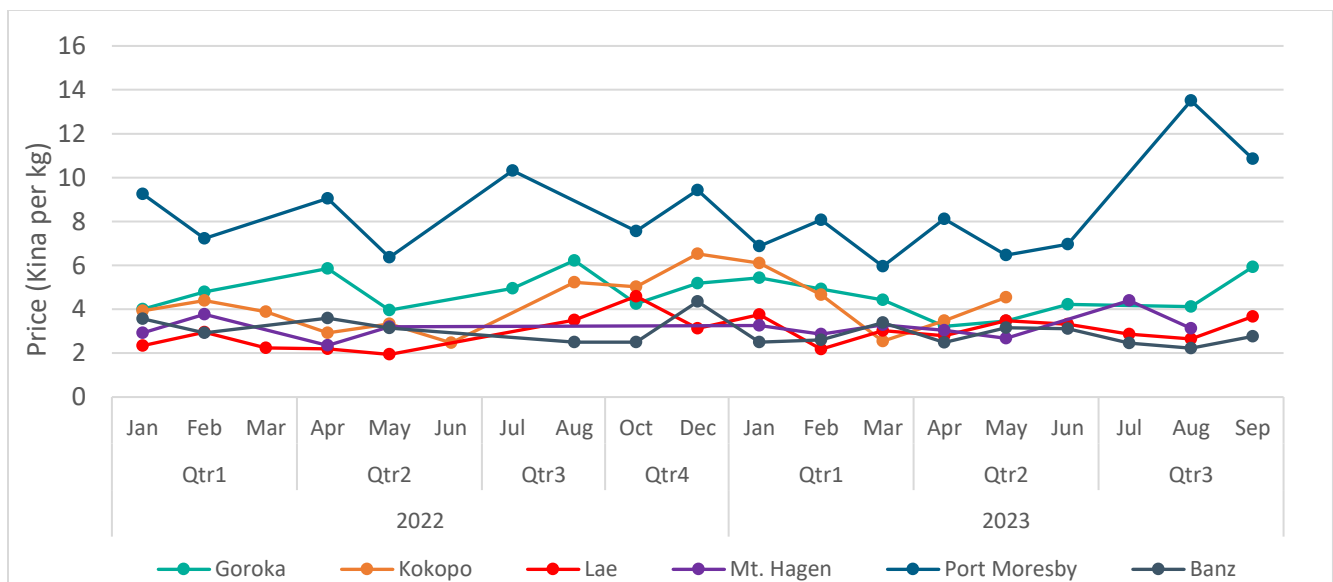
Figure 1: Nominal monthly average price of sweet potato across 6 FPDA markets (PGK / kg)



Source: Fresh Produce Development Agency (FPDA) market retail price database.

Taro prices followed a similar pattern to sweet potato prices, holding relatively stable over the third quarter and slightly increasing in September. Conversely, average quarterly taro prices in Port Moresby almost doubled between quarter 2 and quarter 3, from nearly 7 PGK/kg to 13.5 PGK/Kg in August. By the end of the 3rd quarter in September, taro prices corrected slightly in Port Moresby, decreasing by 20 percent between August and September.

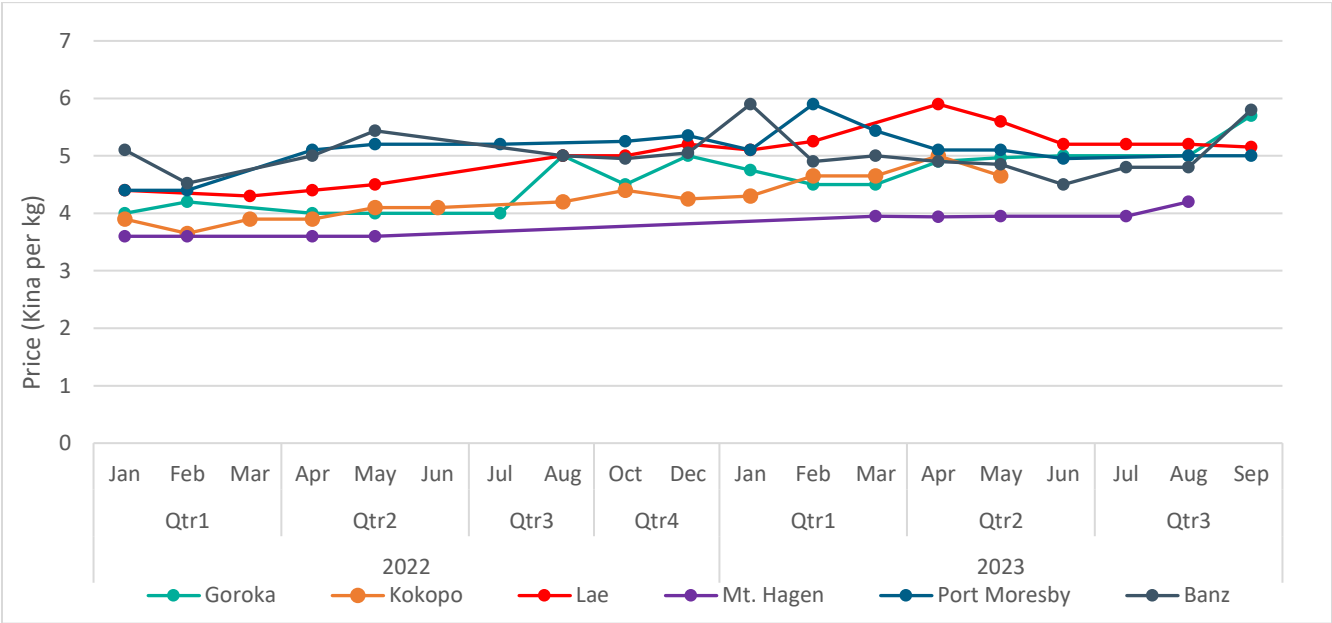
Figure 2: Nominal price of taro across 6 FPDA markets (PGK / kg)



Source: Fresh Produce Development Agency (FPDA) market retail price database.

While rice prices in Lae and Port Moresby remained stable between the 2nd and 3rd quarter of 2023, rice prices in the highland markets of Goroka and Banz markets increased by an average of 17 percent between July and September (Figure 3). The largest increase in a 1 kg bag of purchased rice was observed in Banz (21 percent increase), from 4.8 PGK/kg to 5.8 PGK/kg between July and September.

Figure 3: Nominal price of rice (1 kilo bag) across 6 FPDA markets

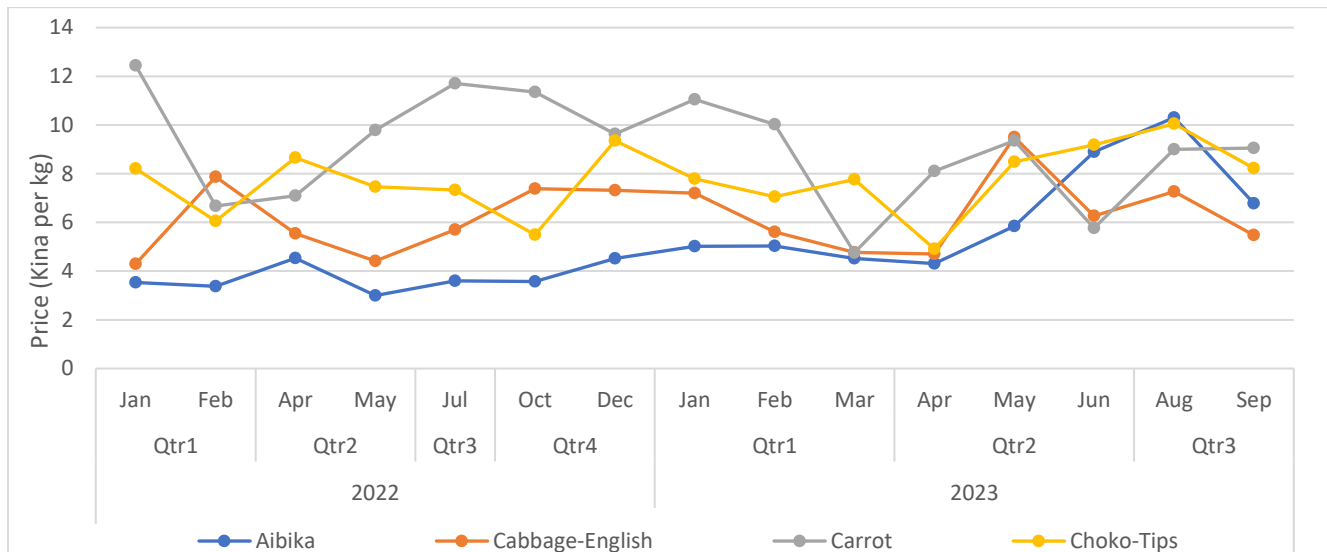


Source: Fresh Produce Development Agency (FPDA) market retail price database.

Vitamin-dense food prices

By the end of the third quarter, prices of aibika, cabbage (English), and choko-tips decreased from earlier price increases since April, 2023. The average price of these green leafy vegetables decreased by an average of 26 percent in Port Moresby, between July and September, while the price of carrot has remained relatively stable in Port Moresby throughout the year (Figure 4).

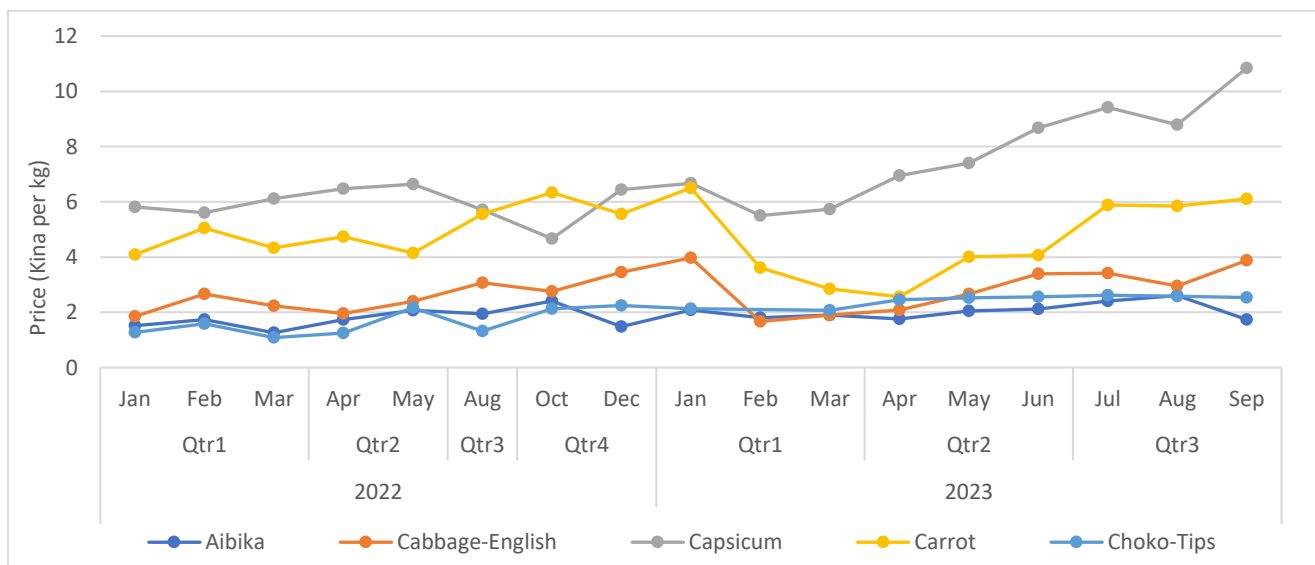
Figure 4: Monthly nominal prices of select vitamin-dense vegetables in Port Moresby market



Source: Fresh Produce Development Agency (FPDA) market retail price database.

Similar to Port Moresby, the prices of aibika and choko-tips in Lae market fell by an average of 16 percent, while cabbage (English), capsicum and carrot rose by about 11 percent (Figure 5). However, price levels of fresh produce in Lae compared to Port Moresby reflect the extra transport costs required to move produce from the highlands markets to Lae, and then additional shipment costs from Lae to final destination in Port Moresby. For example, the aibika price in Port Moresby was about 6.75 PGK/kg compared to about 1.75 PGK/kg for aibika in Lae. Similar price differences between Lae and Port Moresby of other produce demonstrate the premium consumers pay for fresh produce transport in the capital city.

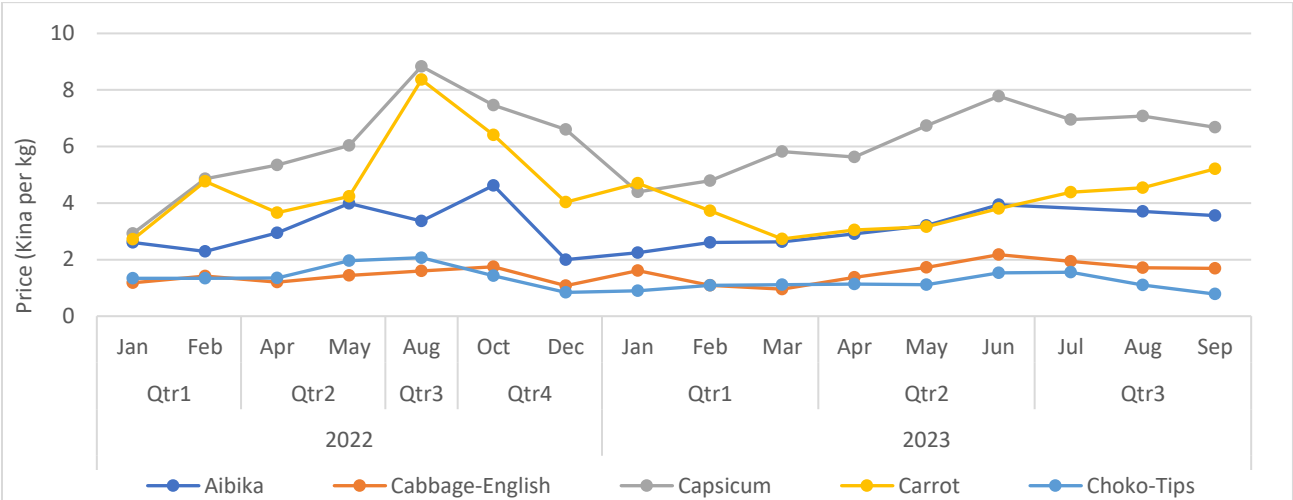
Figure 5: Monthly nominal prices of select vitamin-dense vegetables in Lae market



Source: Fresh Produce Development Agency (FPDA) market retail price database.

Focusing on one of the highland's markets where FPDA is active in collecting fresh food prices, vitamin-rich vegetables in Banz market held stable or slightly decreased (Figure 6), and reflect similar price levels to those discussed in Lae market above. The only exception to price increases in Banz was in carrot prices, which have been steadily increasing from 2.7 PGK/kg in March, 2023 to 5.2 PGK/kg in September, 2023.

Figure 6: Monthly nominal prices of select vitamin-dense vegetables in Banz market

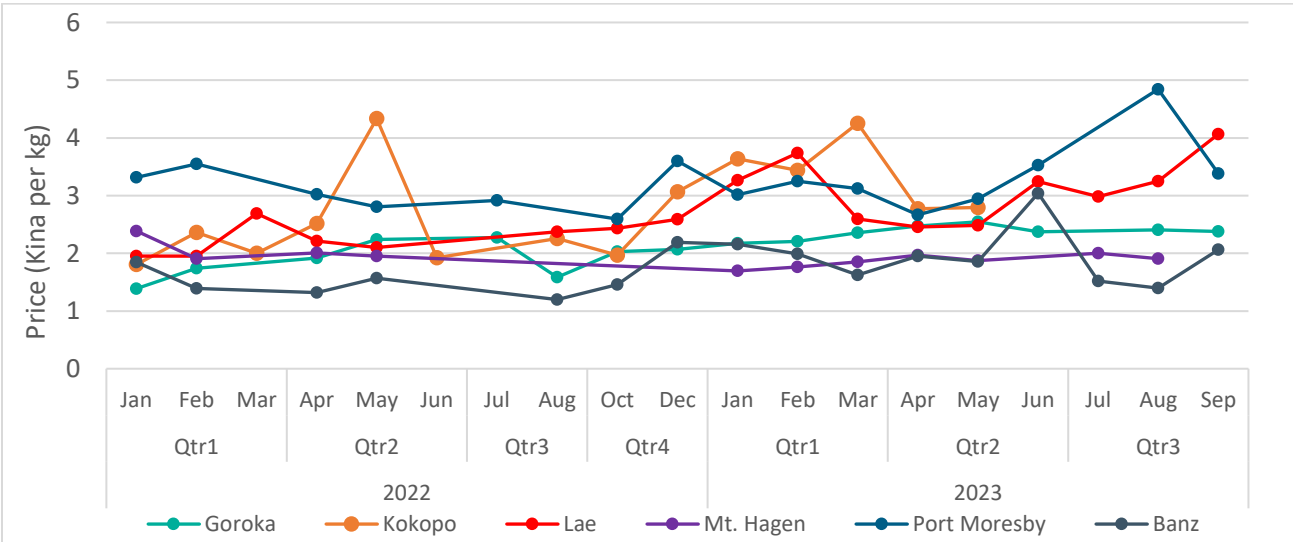


Source: Fresh Produce Development Agency (FPDA) market retail price database.

Fresh fruit price trends

Fruit prices varied in the 3rd quarter of 2023. Ripe banana prices increased by 36 percent in Lae and Banz, while ripe banana declined by 30 percent between August and July in Port Moresby (Figure 7). Ripe banana prices in Mt Hagen and Goroka continue to hold relatively stable since the 4th quarter of 2022.

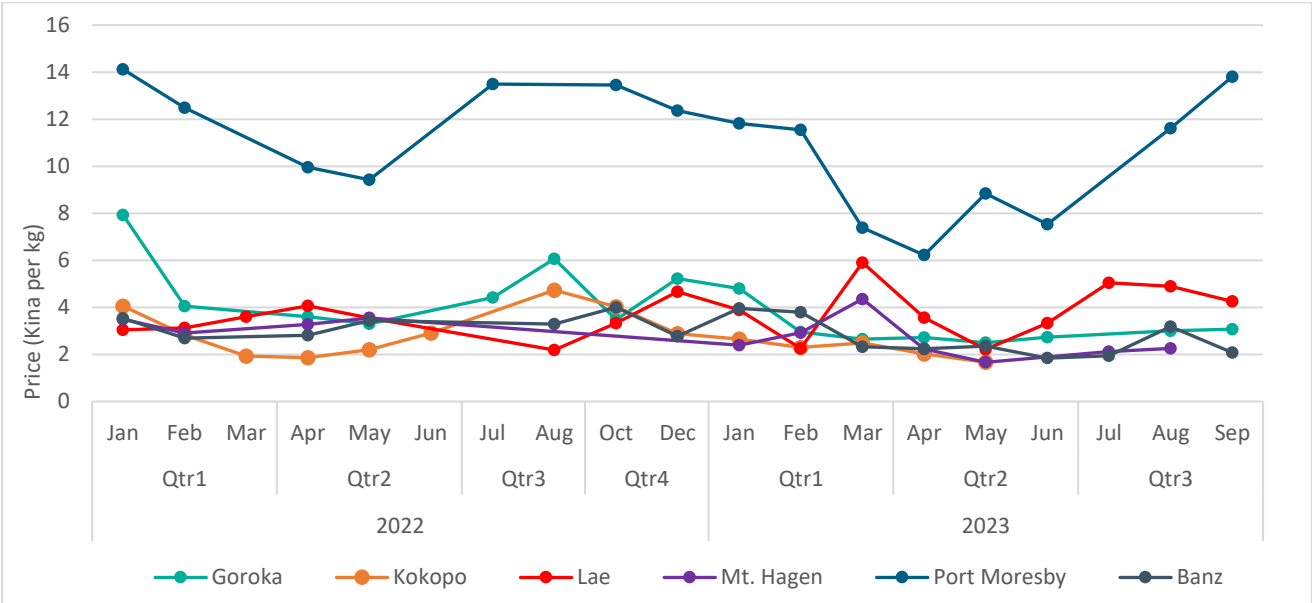
Figure 7: Nominal price of ripe banana across 6 FPDA markets (PGK / kg)



Source: Fresh Produce Development Agency (FPDA) market retail price database.

The price of lemons have held stable in the highlands markets of Banz, Goroka and Mt. Hagen. However, the price of lemons increased in Lae market from May through July of 2023, with current price trends in August and September suggesting that lemon prices are starting to decrease. Conversely, lemon prices in Port Moresby continue to increase, and have almost doubled in price from June (7.5 PGK/kg) to September (13.8 PGK/kg). Comparing Port Moresby to Banz, by the end of September, the price of a kilo of lemon in Port Moresby was 11.7 PGK higher than in Banz (Figure 8).

Figure 8: Nominal price of lemon across 6 FPDA markets (PGK / kg)



Source: Fresh Produce Development Agency (FPDA) market retail price database.

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