



INCREASE IN LOCAL BUTTER PRICES, REFLECTING GLOBAL TRENDS

Monday 03 June 2024

FCCC has determined notable increases in the retail prices for Rewa Butter, effective from Tuesday, 04 June 2024.

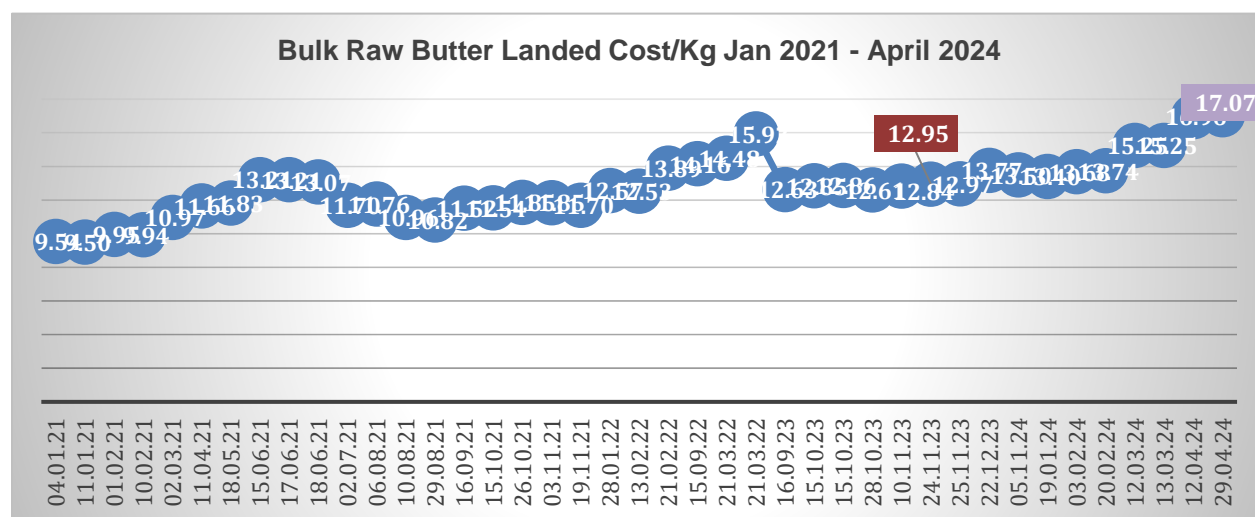
These price changes are based on a FCCC review of the price of Rewa Butter, following an average increase in landing cost of bulk raw butter by 18%, when compared to the previous assessment.


As part of this price revision, the manufacturing and other associated cost of production were analyzed, with the outcome of the review as shown below:

Price Changes at Retail Level VIP (Retail Prices Effective 04.06.2024)

No	Product	Old Price	New Price	% Change	Outcome
1	Rewa Butter 125g	\$2.80	\$3.21	15%	Price Increase
2	Rewa Butter 250g	\$5.40	\$6.41	19%	Price Increase
3	Rewa Butter 500g	\$10.60	\$12.73	20%	Price Increase

Graph: Bulk Butter Landed Cost Jan 2021- April 2024





Local butter prices are greatly impacted by procurement costs, such as the cost of imported raw materials. As such, pricing determinations are based on a thorough consideration of market factors, including global commodity prices and supplier's procurement costs based on freight rates, currency exchange rates and so on.

Since 2021 the landed cost movement for raw bulk butter, as can be seen, has followed a fluctuating trend, with the prices of imported raw bulk butter gradually rising from November 2023. The global market has had to adjust to the persisting geopolitical war, influencing the butter market. This, coupled with rising inflation in New Zealand, the country which is our butter source, has led to significant increases in supply costs.

FCCC's vigilant monitoring of local market fluctuations and prompt implementation of necessary price adjustments remains pivotal in ensuring market sustainability and health, for better resilience against volatility in the long term.

To this end, FCCC regularly conducts inspections and monitoring, to ensure regulated prices for essential goods are being complied with.

Fijian consumers can access the new prices on the FCCC website under basic food items at <https://fccc.gov.fj/masterpricelist/> and stay updated on Facebook for the latest information. For queries on price reductions, call 8921 991 or email helpdesk@fccc.gov.fj.

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