



Infometrics

Economics put simply

Grocery Supplier Cost Index Update

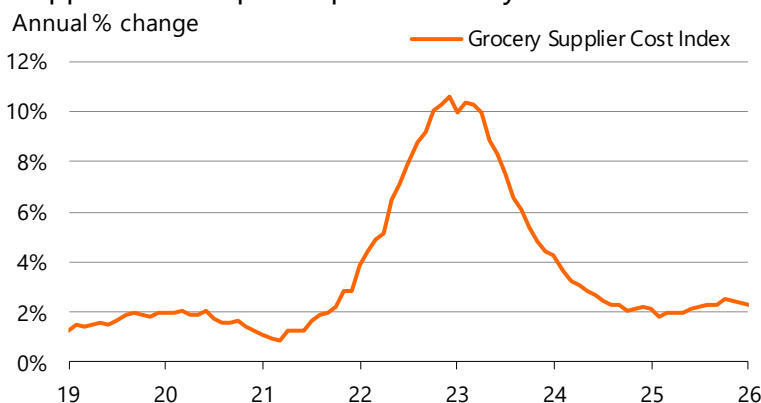
16 February 2026

Data for January 2026

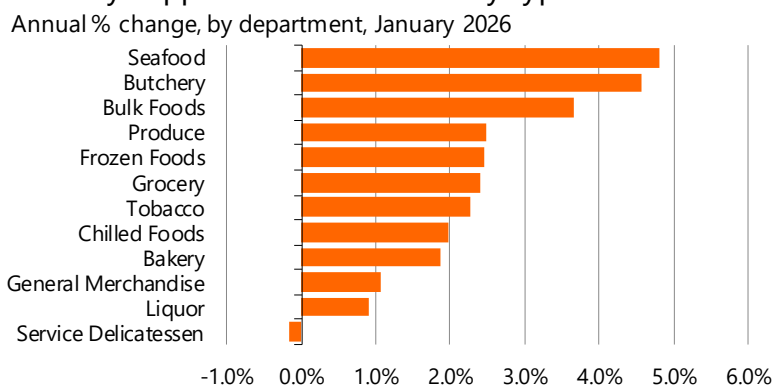
Grocery Supplier Cost Index (GSCI)

Infometrics-Foodstuffs NZ GSCI	Jan-23	Jan-26
GSCI, Jan-18 = 1,000	1,192	1,298
GSCI annual % change	10.0%	2.3%
Number of products increasing in cost	2,538	1,346

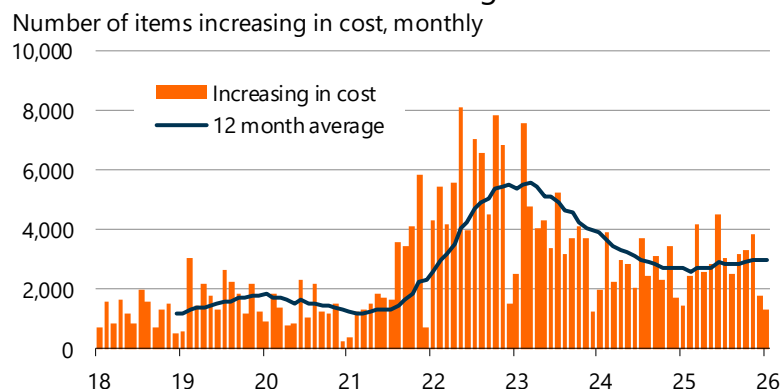
Supplier costs up 2.3%pa in January



Grocery supplier costs increases by type



Usual moratorium limits Jan changes



Supplier costs up 2.3%pa in Jan

The **Grocery Supplier Cost Index** rose 2.3% in January 2026 from a year earlier - slightly slower than December 2025's result. The usual summer cost change moratorium limits the number of cost changes over December and January, with only more seasonal and perishable items seeing movement.¹ Due to the moratorium, the number of cost increases in January was the lowest in three years.

Due to the summer cost moratorium, it's still too early to read much into the slower increase in the Index over January - especially given mixed outcomes globally from the recent lift in dairy prices.

Lingering concerns remain around cost pressures in 2026, with continuing domestic inflationary momentum. Despite this concern, international cost pressures are more restrained.

Mixed cost changes for produce

Supplier costs rose across all but one department in January, year on year. Unchanged monthly costs for meat and dairy saw the annual growth rate for costs in these departments slow, although that trend will adjust further as cost changes begin again from next month. Fish costs rose further in January, with more mixed changes across produce. Some items, like kiwifruit, cauliflower, and not-in-season fruits saw costs rise. More in-season options, like cherries, plums, and peaches, saw costs fall as supply remained plentiful.

Lowest cost increases in 3 years

Month on month, nearly 1,350 products increased in cost from December 2025 to January 2026, the lowest monthly total since the start of 2023. Most departments recorded no changes in January, due to the summer cost change moratorium. Changes for chilled foods were notably lower in January due to the moratorium, but produce changes continued. There were a variety of increases and decreases for different produce costs.

¹ Moratoriums are used by many companies and industries to minimise system changes during peak trading periods, helping to reduce disruption for customers over the holidays.

The Grocery Supplier Cost Index

The *Infometrics-Foodstuffs New Zealand* **Grocery Supplier Cost Index** (GSCI), commissioned by Foodstuffs New Zealand, measures the change in the list cost of grocery goods charged by suppliers to the Foodstuffs North Island and Foodstuffs South Island co-operatives. The Index utilises detailed Foodstuffs NZ data, across over 60,000 products, analysed by independent economics consultancy Infometrics to produce the GSCI and publish it on a monthly basis. For more details see economics.infometrics.co.nz/report/grocery-supplier-cost-index.

Diesel prices dip back in January 2026

Diesel, main port price, c/L, weekly

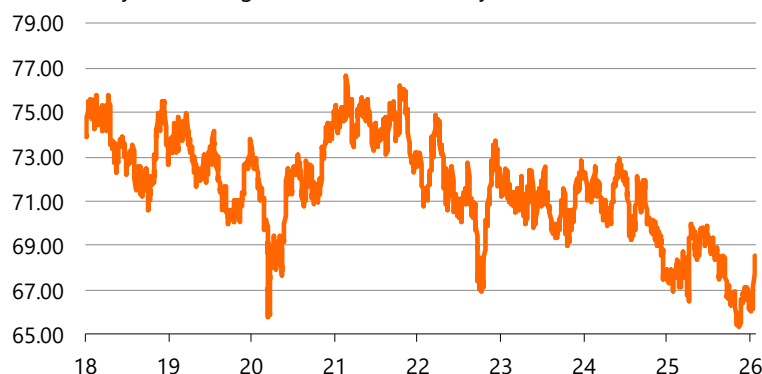


Diesel prices dip back in Jan 2026

Domestic diesel prices were down 2.9% in January 2026 on average compared to the December average, with prices heading below \$1.90L at the end of the month. January was the first time since September that diesel prices had eased back to this degree. The fall came even though international oil prices rose marginally, up 0.9% from December. The previous increase in diesel costs and margins, due to Ukrainian drone strikes in Russia, have now eased back. Domestically, the lower emissions trading scheme (ETS) cost has also contributed to the overall cost reduction.

Further NZD recovery in Jan 2026

17-currency trade-weighted index (TWI), daily



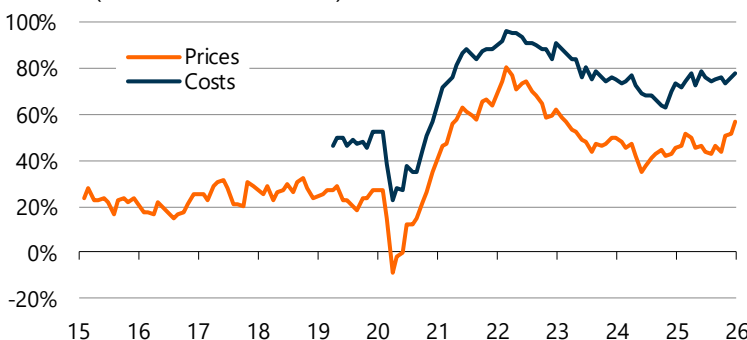
NZD recovers more ground

The New Zealand dollar (NZD) recovered further throughout January, up 3.1% between the end of December and the end of January. The improvement has been driven by stronger inflation in the New Zealand economy, and a reinforced view in financial markets that the Reserve Bank will need to raise interest rates sooner than originally expected.

These trends, coupled with less of a strong view in the US that rates will be cut as quickly, has helped close the currency gap a bit further.

More willing and able to raise prices?

Net % of firms expecting higher prices/costs, next 3 months (NB: lower = below 0%) Source: ANZ Bus. Outlook

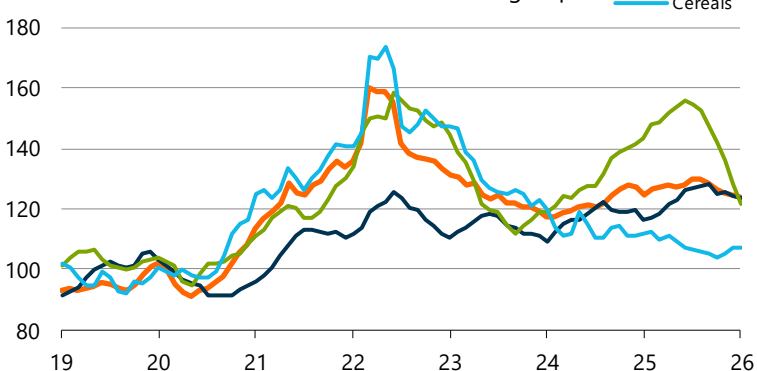


Firms more open to price rises?

Recent data from NZIER's QSBO and ANZ's Business Outlook survey suggest both better business and own-activity confidence, but also rising expectations of price increases in 2026. A net nearly 57% of businesses expected to raise prices in the months ahead, the highest reading since early 2023. Cost pressures remain elevated, but stable, with around 78% of firms facing higher input costs. With more businesses feeling able to raise prices, or necessary to do so, pricing concerns will remain under the microscope in 2026.

Global food prices moderate

FAO Food Price Index. 100 = 2014-16, selected groups



Global food prices moderate

Global food prices continue to moderate, with the FAO Food Price Index down 0.6%pa from a year ago in January 2026. The decline in global food prices has been driven by a sustained pullback in dairy prices, with the dairy products index down 15%pa at the start of 2026. The fall in dairy could stabilise or pop higher if recent international price trends appear in the dairy index. Meat prices appear to be more stable and moderating slightly, to sit 6.1% higher than in Jan 2025. Although cereal and sugar prices are also lower, cooking oil price pressures are reemerging.