[Cereal prices remain stable, dairy and sugar values dip – UN](#)

2 February 2018 – Global food prices have remained largely unchanged since December 2017, with January prices stable for cereals and vegetable oils; weaker for dairy and sugar values; and steady for meat, the United Nations agricultural agency said Thursday.

In January 2018, the Food and Agriculture Organization's ([FAO](#)) Food Price Index, which tracks the monthly change in international market prices for five key commodity groups, averaged almost [three per cent below](#) the corresponding period last year.

Cereal prices in January were up almost 2.5 per cent from December, and 6.3 per cent from January 2017. Despite large supplies, wheat and maize prices received some support from a weakened dollar and weather concerns. Meanwhile, renewed Asian demand continued to firm up international rice values in January.

Meat prices remained virtually unchanged since its slight December revision – 7.4 per cent higher than its January 2017 value and 19.5 per cent below its all-time high of August 2014. Driven by higher export availabilities amid weak import demand, poultry and pork prices continued to slide while beef prices rose marginally.

Weakening commodities

Although dairy prices dipped 2.4 per cent since December, pushing the index further down for the fourth consecutive month, they remain 41 per cent higher than during their April 2016 slump.

Abundant milk supplies in the northern hemisphere and Australia heavily influenced an international decline in butter and cheese prices. At the same time, the possibility for lower-than-expected seasonal milk production in New Zealand lent support to whole milk powder prices. Skim milk powder values also increased, mostly because of strong import demand.

Sugar prices were down 1.6 per cent from December and as much as 30.4 per cent below the corresponding month last year. Downward trending international sugar quotations were mostly driven by ample export availabilities in major producing countries.