



FOOD BASKET PRICE COMMENT

15 May 2020

Important to note is that the computation methods for the essential products (EP-CPI) and the official CPI are not precisely the same and these results should not be seen as a forecast of the April 2020 CPI results.

Statistics South Africa (Stats SA) has measured price changes for essential products (EP) that appear in the Consumer Price Index (CPI) basket during the COVID-19 Level 5 lockdown. Stats SA is temporarily publishing inflationary data on a weekly basis, albeit for a smaller range of goods (187 of the 412 products in the CPI basket). This report covers the week ending 30 April 2020. A far wider range of goods was available to consumers during May 2020 when South Africa moved to Level 4 lockdown.

Figure 1 presents an illustration of the average weekly nominal cost growth of essential food groups within the CPI basket, comparing weekly periods 2-9 April 2020 vs. 9-16 April 2020 vs. 16-23 April 2020 vs. 23-30 April (week-on-week), as well as a cumulative percentage change for the entire period 2-30 April 2020.

Essential food categories in the CPI food basket experiencing the highest weekly inflation during the week of 23-30 April 2020 include: fish, fruit and dairy products (milk, eggs & cheese). This is contrary to the week of 16-23 April 2020 where fruit, ‘other’ food and sugary food products were the largest contributors. When considering the cumulative period of 2-30 April 2020, dairy products and oils & fats experience the highest price increases of 2.8% and 1.2%, respectively. Prices of all essential products decreased by 0.5% during 2-30 April 2020. Fruit and vegetables experienced the highest deflation of 3.2% and 4.6%, respectively, over the cumulative period.

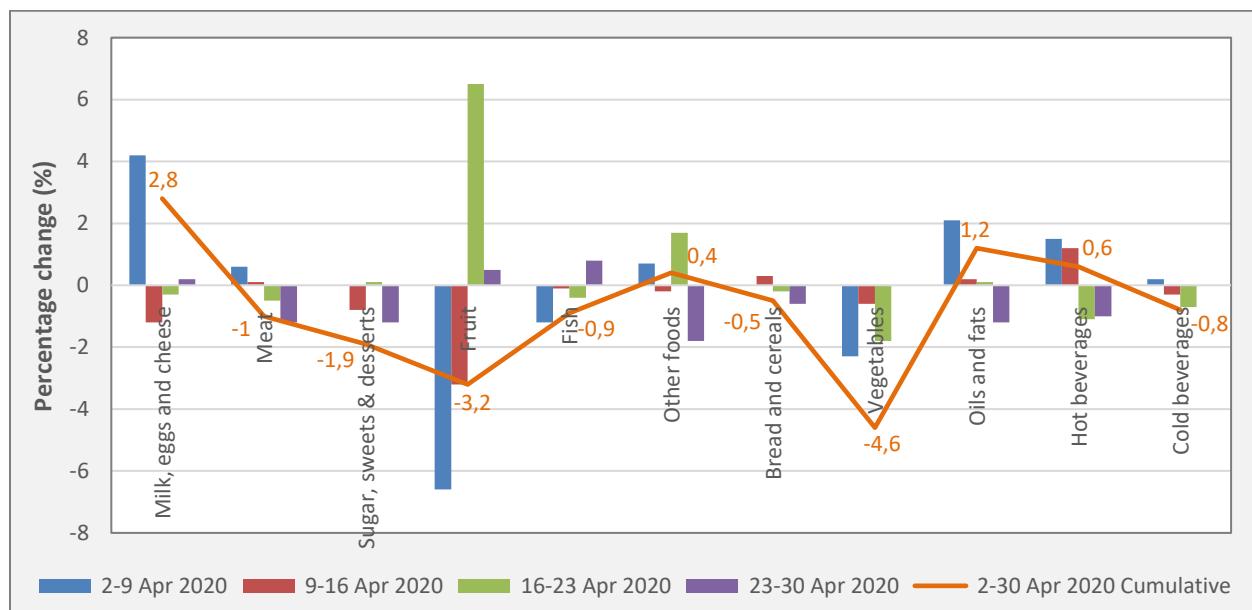


Figure 1: Nominal cost growth of essential food groups within the CPI food basket, comparing weekly periods as well as the cumulative change for 2-30 April 2020¹

Source: Stats SA data, 2020

¹ As the computation methods for the EP-CPI and the official CPI differ, these results should not be seen as a forecast of the April 2020 CPI results.