National Agricultural Marketing Council
Strategic positioning of South African Agriculture in dynamic global markets

QUARTERLY FOOD PRICE MONITOR

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MEDIA RELEASE

Food price trends: April 2008 to April 2009

Contents:

EXECUTIVE SUMMARY

In recent months several organisations and newspapers have been reporting food prices that they collect from selected retailers. When prices are reported that have not been sampled according to proper sampling procedures it must be reported that such prices are not representative, and are purely indicative of a particular retailer in a specific area. Neglecting to adhere to proper sampling conventions will undoubtedly result in a skew representation of reality. The NAMC sources food price data from Stats SA and AC Nielsen from which the Quarterly Food Price Monitor (FPM) is compiled. These organisations apply rigorous processes to ensure the integrity of the data they supply, and is therefore regarded as being representative of changes in food prices.

Stats SA reported that year-on-year (i.e. April 2008 to April 2009) increase in the Consumer Price Index for food and non alcoholic beverages was 13.7 %, which is 1.0 percentage point lower than the figure reported in March 2009 (14.7 %). The overall CPI reflects a year-on-year increase of 8.4 %, which is 0.1 percentage points lower than the 8.5 % recorded for March 2009 and 0.3 percentage points higher that 8.1 % recorded for January 2009.

Wheat prices have decreased remarkably between April 2008 and April 2009, i.e. by 36.24 %. During the same period, the average year-on-year inflation of wheat products also decreased from 29.51 %, reported in the February 2009 FPM, to 15.57 %. On average the price of wheat products decreased by 0.71 % between January 2009 and April 2009.

The price of maize experienced a year-on-year price decrease of 12.19 % between April 2008 and April 2009. During the same period, maize products experienced an average price increase of 6.33 %, which is lower that the 8.59 % reported in the February 2009 FPM. Between January 2009 and April 2009 the average price of maize products declined by 5.31 %.

The year-on-year decline in the price of sunflower seed amounted to 39.39 %. On average, the price of sunflower products increased by 21.90 % (year-on-year), which is lower than the 43.60 % reported in February 2009 FPM.

The prices of processed vegetables increased, on average, by 18.37 % between April 2008 and April 2009. This figure is 0.05% percentage points higher than the 18.32 % reported in the February 2009 FPM. The price of fresh vegetables increased, on average, by 22.60% between April 2008 and April 2009. This figure is lower compared to the 78.54 % reported in the February 2009 FPM.

The price of dairy products increased, on average, by 10.77 % for the period April 2008 to April 2009.

Unprocessed and processed meat prices increased, on average, by 10.55 % and 25.65 %, respectively, between April 2008 and April 2009. Both figures are higher than the corresponding figures reported in the February 2009 FPM, i.e. 7.88 % and 23.40 %.

Fruits prices decreased, on average, by 6.40 % between April 2008 and April 2009. Between January 2009 and April 2009 the price of fruits decreased by 8.58 %. The price of fish products experienced double digit inflation (34.67 %) between April 2008 and April 2009. During the same period the other product category experienced average price increases of 31.50 %.

In general the January 2009 to April 2009 food inflation data presents encouraging figures that show food prices are softening.

In rural areas maize products experienced a 13.24 % average increase in price between April 2008 and April 2009. During the same period wheat and sunflower products experienced average price increases of 13.76 % and 17.79 %, respectively. Rice and peanut butter had the highest rates of inflation (67.60 % and 31.09 %) during the same period. In rural areas consumers had to pay R 7.44 more than consumers in urban areas to buy the same basked of selected products in April 2008. This increased to R 9.74 in January 2009 and R 16.50 in April 2009.

The producer and retail prices of fresh chicken meat increased by 27 % and 17 %, respectively, between February 2008 and February 2009. During the same period the producer and retail prices of frozen broiler meat increased by 21 % and 7 %, respectively. The producer price of IQF mixed portions and the retail price of frozen chicken portions increased by 26 % and 10 %, respectively.

The cost of the food basket expressed as a share of the average monthly income of the poorest 30% of the population increased from 28% in April 2008 to 33% in April 2009, while the cost of the food basket expressed as a share of the average monthly income of the wealthiest 30% of the population only increased slightly from 2.2% to 2.6% over the same period.

In contrast to most demand categories in the South African economy, the demand for food has remained strong and as the impact of the recession filters through the economy the demand for fresh produce and more basic food items (e.g. maize meal, potatoes, vegetables, fresh milk, fresh meat etc.) is expected to remain high.

REPRESENTATIVE FOOD PRICES ARE VITALLY IMPORTANT

In recent months several organisations and newspapers have been reporting food prices that they collect from selected retailers. In this regard it is vitally important to note that sampling of whatever nature should comply with various different criteria in order to ensure that the samples that are taken are representative of a particular population; the same applies to food prices. Neglecting to adhere to proper sampling conventions will undoubtedly result in a skew representation of reality. When prices are reported that have not been sampled according to proper sampling procedures it must be made clear that such prices are not representative, and are purely indicative of a particular retailer in a specific area. Retailers have different pricing strategies for different products in different areas, may have specials on different days on different products and have a different customer base to name few issues that must be considered when sampling food prices.

Urban food prices reported by the NAMC are obtained from Statistics South Africa (Stats SA) and AC Nielsen. Urban food prices obtained from these two sources are regarded as being representative of changes in food prices in South Africa due to the following reasons:

- Stats SA price data on all products are sampled from approximately 800 different data collections points across the country on a monthly basis. Food price data is not collected from all the data collection points since some stores that are sampled do not necessarily sell food. In addition, certain food prices are not sampled in all provinces. For example, the price of cheddar cheese is collected from Gauteng, Western Cape, Eastern Cape, KwaZulu-Natal, Free State, Northern Cape, North West and Mpumalanga. Food price data collection by Stats SA also involves field work where price collectors visit stores to collect data, after which such data undergo a rigorous process to ensure the integrity of the data. The basket of food products that are included was derived from the Income and Expenditure Survey of 2005/06 that was compiled by Stats SA to ensure that the basket is representative of consumer spending on food. For more detailed information on the methodological process involved in the collection of prices visit http://www.statssa.gov.za/cpi/documents/CPI_Sources_Methods.pdf.
- AC Nielsen collects food price data on a monthly basis from approximately 1000 large food chain stores across the country. Food price data are collected through scanners at the tellers in the large food chain stores after which the data undergo a rigorous process to ensure the integrity of the data. As is the case for Stats SA not all prices are collected in all provinces. For example, potato prices are collected from the urban areas of Gauteng, KwaZulu-Natal, Eastern Cape, Western Cape and Free State provinces.
- The NAMC also reports changes in food prices in the deep rural areas. Rural food prices are collected from 190 outlets/shops by field workers of the different provincial departments of agriculture on a monthly basis. The number of outlets/shops per province are as follows: 28 outlets in the Free State, 27 in KwaZulu-Natal, 21 in Mpumalanga, 18 in the Northern Cape, 17 in the Eastern Cape, 16 in Gauteng, 21 in Limpopo, 23 in North West and 19 in the Western Cape.

1. Foreword

The Consumer Price Index (CPI) report released by Statistics South Africa (Stats SA) for April shows that the year-on-year (i.e. April 2008 to April 2009) increase in the Consumer Price Index for food & non alcoholic beverages was 13.7 %. This is 1.0 percentage points lower than the figure released in March 2009 (14.7 %). The overall CPI reflects a year-on-year increase of 8.4 %, which is 2.4 percentage points higher than the 6 % upper limit of the inflation target set by the South African Reserve Bank (SARB). This figure is, however, 0.1 percentage points lower than the 8.5 % recorded for March 2009 and 0.3 percentage points higher than 8.1 % recorded for January 2009. According to Stats SA, the main contributors to the annual increase of 8.4 % in the CPI were food & non-alcoholic beverages (2.1 %), housing & utilities (1.8 %), miscellaneous goods and services (1.6 %), alcoholic beverages & tobacco (0.6 %), recreation & culture (0.6 %), restaurants & hotels (0.4 %), household contents & services (0.4 %), clothing & footwear (0.2 %), education (0.2 %), health (0.2 %), transport (0.2 %) and residual (0.1 %). Food & non alcoholic beverages inflation therefore remains one of the major drivers of overall inflation in South Africa. The purpose of this Food Price Monitor (FPM) is to provide further details and analysis of food price levels and trends in order to promote better understanding of the main reasons underlying food inflation.

2. Urban food price trends: April 2008 to April 2009

This section reports the price trends for 66 different food items sold in the urban areas across South Africa (see Appendix A). Table 1 shows the food products that experienced a price increase of more than 6 % (the upper limit of the inflation target set by South African Reserve Bank) during the period under consideration.

Table 1: Prices in the urban areas that experienced inflation higher than the SARB inflation target (April 2008 – April 2009)

Grain & grain products		**Fresh and processed fruits and vegetables and others**		**Meat & meat products and dairy & dairy products**	
	%		**%**		**%**
Loaf of brown bread 700g	22.35%	Baked beans 420g	38.04%	Fresh Milk Full Cream 1ℓ	9.53%
Loaf of white bread 700g	17.29%	Baked beans 410g	24.72%	Fresh Milk Low Fat 1ℓ	15.98%
Spaghetti 500g	10.51%	Chopped Peeled Tomato 410g	24.21%	Chicken portions-frozen per kg	16.72%
Macaroni Plain 500g	26.97%	Tomato & Onion Mix 410g	18.33%	Longlife Milk Full Cream 1ℓ	16.30%
Maize super 5kg	7.61%	Canned Peas 410g	22.48%	Total Butter 500g	15.12%
Medium Fat Spread 1kg	9.44%	Baby Carrots 1kg	9.61%	Meatballs in Gravy 400g	25.16%
Brick margarine 500g	34.37%	Green Peas 1kg	10.13%	Picnic Ham 300g	26.31%
King korn 1kg	6.46%	Sliced Beans 1kg	6.26%	Pork sausage per kg	16.72%
Rice 2 kg	82.50%	Super Juicy Corn 1kg	11.53%	Polony per kg	34.42%
Ricoffy Reg 750g	49.17%	White sugar 2.5 kg	19.82%	Bacon 250g	16.77%
Peanut butter 410g	24.02%	Ceylon/black tea 62.5g	25.14%	Beef brisket - fresh per kg	13.69%
		Imana Soya Mince Tomato & Onion 200g	22.85%	Beef chuck - fresh per kg	12.11%
		Eggs 1.5 dozen	22.03%	Beef rump steak -fresh per kg	7.99%
		Carrots - fresh per kg	36.88%	Beef t-bone - fresh per kg	10.83%
		Potatoes bag 10kg	29.19%	Beef mince - fresh per kg	13.16%
		Tomatoes - fresh per kg	48.55%	Whole chicken - frozen per kg	9.34%
		Sweet potatoes - fresh per kg	10.98%	Chicken portions - fresh per kg	15.98%
		Cabbage - fresh per kg	54.80%	Fresh milk low fat 2ℓ	8.69%
		Pumpkin - fresh per kg	29.23%	Fish (excl tuna) - tinned 155g	27.03%
		Cauliflower - fresh per kg	18.99%	Fish (excl tuna) - tinned 425g	44.57%
		Bananas - fresh per kg	14.63%	Tuna - tinned 170g	32.41%

The products whose prices increased at a rate lower than 6 % during the period under consideration include: cake flour 2.5kg (0.72 %), maize special 5kg (5.05 %), pork chops per kg (5.03 %), whole chicken-fresh per kg (5.34 %), fresh milk full cream 2ℓ (5.95 %) and skimmed powder milk 1kg (5.10 %). The products whose prices decreased during the same period include: sunflower oil 750mℓ (9.67 %), onion fresh-per kg (18.86 %), lettuce fresh-per kg (6.34 %) and lamb fresh-per kg (0.34 %).

Appendix A reports the average nominal prices for 66 selected food products in April 2008, January 2009 and April 2009, the percentage change in the product prices from January 2009 to April 2009 as well as the percentage change in the prices of these products between April 2008 and April 2009. The change in several commodity prices is also reported to give readers a sense of the changes in procurement costs that many food processors experience. Appendix B shows trends in international commodity prices.

The following trends are noteworthy:

- Wheat prices have decreased remarkably between April 2008 and April 2009, i.e. by decreased by 36.24 %. The average year-on-year inflation of wheat products also decreased from 29.51 %, reported in February 2009 FPM, to 15.57 %. Brown bread and white bread loaves experienced 22.35 % and 17.29 % price increases, respectively. Spaghetti, macaroni and cake flour experienced 10.51 %, 26.97 % and 0.72 % price increases, respectively. On average, the price of wheat products **decreased** by 0.71 % between January 2009 and April 2009.

- Maize experienced a year-on-year price decrease of 12.19 % between April 2008 and April 2009. During the same period, maize products experienced average price increases of 6.33 %, which is lower than the 8.59 % reported in February 2009 FPM. Between April 2008 and April 2009 the prices of maize meal special and maize meal super increased by 5.05 % and 7.61 %, respectively. For the period January 2009 to April 2009 maize product prices **declined** on average by 5.31 %.

- The year-on-year decline in the price of sunflower seed amounted to 39.39 %. On average, the price of sunflower products increased by 21.90 % (year-on-year), which is lower than the 43.60 % reported in February 2009 FPM. The sunflower oil price decreased by 9.67 % between April 2008 and April 2009. During the same period, the price of medium fat spread and brick margarine increased by 9.44 % and 34.37 %, respectively. Between January 2009 and April 2009, the price of sunflower products decreased, on average, by 6.56 %.

- The prices of processed vegetables increased, on average, by 18.37 % between April 2008 and April 2009. This figure is 0.05% percentage points higher than 18.32 % reported in the February 2009 FPM. Between January 2009 and April 2009, the price of processed vegetables increased, on average, by 7.81 %. The price of fresh vegetables increased, on average, by 22.60% between April 2008 and April 2009. This figure is also lower compared to 78.54 % reported in the February 2009 FPM. Apart from the decreases in the price of onion and lettuce all the products in this category experienced double digit inflation during the 12 months period ending in April 2009. For the period January 2009 to April 2009 fresh vegetable price declined on average.

- The price of dairy products increased, on average, by 10.77 % for the period April 2008 to April 2009.

- Unprocessed and processed meat prices increased, on average, by 10.55 % and 25.65 %, respectively, between April 2008 and April 2009. Both figures are higher than the corresponding figures reported in the February 2009 FPM, i.e. 7.88 % and 23.40 %. Between January 2009 and April 2009 the price of unprocessed meat increased by 0.56 %, while that of processed meat increased by 4.06 %.

- Fruits prices decreased, on average, by 6.40 % between April 2008 and April 2009. Between January 2009 and April 2009, the price of fruits decreased, by 8.58 %. Fishes experienced double digit inflation (34.67 %) between April 2008 and April 2009. During the same period the other product category experienced average price increases of 31.50 %.

3. Rural Food Price Trends: April 2008 to April 2009

In this section, food price trends for 39 food items in rural areas are summarized; some of which are reported in two or more units, e.g. the price change for a loaf of white bread is reported in two sizes, namely 600g and 700g. The food products whose prices increased by more than the target inflation rate of 6 %, between April 2008 and April 2009, are shown in Table 2.

Table 2: Products in rural areas that experienced higher than the inflation target increases in prices (April 08 to April 09)

Grain and grain products	**%**	**Other products**	**%**
Loaf of brown bread 600g	12.12%	Full cream long life milk 1L	17.47%
Loaf of brown bread 700g	14.04%	Beans 1kg	6.00%
Loaf of white bread 600g	15.80%	Beans 500g	14.35%
Loaf of white bread 700g	13.09%	Butter beans 410g	24.61%
Maize meal 12.5kg	21.24%	Butter beans 420g	7.27%
Maize meal 1kg	25.41%	White sugar 1kg	16.75%
Maize meal 2.5kg	15.50%	White sugar 2.5kg	14.97%
Maize meal 5kg	12.72%		
Sunflower oil 500ml	15.00%		
Margarine 125g	27.95%		
Margarine 250g	30.86%		
Margarine 500g	36.33%		
Instant coffee 100g	32.86%		
Rice 1kg	62.28%		
Rice 2kg	83.08%		
Rice 500g	57.45%		
Peanut butter 270g	8.47%		
Peanut butter 400g	21.06%		
Peanut butter 410g	63.74%		
Sorghum-meal 1kg	7.10%		
Sorghum-meal 500g	7.85%		

The products whose prices increased by less than 6% during between April 2008 and April 2009 include: samp 1kg (0.60 %), samp 2.5kg (3.98 %), sunflower oil 750mℓ (0.87 %) and Tagless tea bag 62.5g (5.65 %). Prices for several products declined, namely: sunflower oil 2ℓ (4.24 %), full cream long life milk 500 mℓ (7.03 %), Tagless tea bag 250g (3.11 %), pilchards in tomato sauce 155g (9.60 %) and white sugar 500g (0.95 %).

Appendix C shows that prices for most food categories in rural areas continue to experience double digit inflation. Maize products experienced a 13.24 % average increase in price between April 2008 and April 2009. During the same period wheat and sunflower products experienced average price increases of 13.76 % and 17.79 %, respectively. The inflation for white sugar and pilchards averaged 10.26 % and 6.84 %, respectively. The average inflation for sorghum meal, beans and tea & coffee was 7.48 %, 13.06 % and 12.90 %, respectively. Rice and peanut butter had the highest rates of inflation (67.60 % and 31.09 %) during the same period. The lowest rate of inflation was experienced by the dairy products, i.e. 5.22 %.

4. Comparison between urban and rural food prices (selected items)

Table 3 shows the comparison between urban and rural food prices for selected food items. Except in April 2008, the prices of brown bread and white bread are lower in rural areas than in urban areas. This is not case for most food items shown in Table 3. In terms of maize meal prices are higher rural areas than in urban areas. In April 2009, people in rural areas paid R3.41 more for a bag of 5kg maize meal than in urban areas. This increased to R 5.68 in April 2009. The difference between urban and rural prices also widened significantly for rice and peanut butter. In order to buy the food items shown in Table 3, people in rural areas had to pay R 7.44 more than the people in urban areas in April 2008. This increased to R 9.74 in January 2009 and R 16.50 in April 2009. This state of affairs should be of concern. The reasons for the higher food prices in the rural areas than in the urban areas are discussed in details in February 2008 FPM (http://www.namc.co.za/pages/pub_FPM2009.htm).

Table 3: Comparison between urban and rural food prices (selected items)

	Urban food prices			Rural food prices			Price difference (Apr-08)	Price difference (Jan-09)	Price difference (Apr-09)
Product	**Apr-08**	**Jan-09**	**Apr-09**	**Apr-08**	**Jan-09**	**Apr-09**			
Loaf of brown bread 700g	5.86	7.18	7.17	6.07	6.88	6.92	0.21	-0.30	-0.25
Loaf of white bread 700g	6.71	7.91	7.87	6.73	7.66	7.61	0.02	-0.25	-0.26
Maize meal 5kg	21.75	23.33	22.68	25.16	28.75	28.36	3.41	5.42	5.68
Brick margarine 500g	10.30	14.23	13.84	10.30	13.52	14.04	0.00	-0.71	0.2
Sunflower oil 750 mℓ	15.83	16.37	14.3	14.34	16.11	14.47	-1.49	-0.26	0.17
Long Life Milk Full Cream 1ℓ	7.91	8.27	9.2	8.03	9.43	9.44	0.12	1.16	0.24
Peanut butter 410g	12.82	15.22	15.9	13.29	15.64	21.76	0.47	0.42	5.86
White sugar 2.5kg	14.73	16.74	17.65	17.65	19.63	20.29	2.92	2.89	2.64
Tea 62.5kg	5.53	6.35	6.92	5.58	6.26	5.89	0.05	-0.09	-1.03
Rice 2kg	14.4	26.65	26.28	16.13	28.11	29.53	1.73	1.46	3.25
Total							**7.44**	**9.74**	**16.50**

4. Overall inflation and food inflation: South Africa and the World

Table 4 shows the overall and food inflation for selected countries. South Africa experienced single digit overall inflation (8.4 %) between April 2008 and April 2009. The inflation for food & non alcoholic beverages remained relatively high at 13.7 % during the same period, and was 1.8 times higher than overall inflation. China's overall inflation and food inflation were -1.5 % and -1.3 % between April 2008 and April 2009, respectively. During the same period, the United States of America also experienced overall deflation, while food prices increased by 3.3 %, i.e. food prices were 4.7 times higher that overall inflation. Turkey experienced overall inflation of 6.1 %, while food prices increased by 7.7 %. Brazil and Canada experienced 6.1 % and 0.4 % overall inflation and 8.4 % and 7.1 % food inflation during the same period, respectively. Food price inflation was just over 17 times more than overall inflation in Canada. The overall inflation rate for the United Kingdom averaged 2.3 %, while inflation for food averaged 8.6 % between April 2008 and April 2009.

The overall inflation rates for Botswana and Australia were 11.7 % and 2.5 % between March 2008 and March 2009, respectively. During the same period, the inflation of food was 21.5 % in Botswana and 5.7 % in Australia.

Table 4: Overall inflation and food inflation

Country	**Month**	**Overall Inflation (%)**	**Inflation for Food & Non-Alcoholic Beverages (%)**	**Ratio between overall inflation and food inflation**
Botswana	March 2009	11.7	21.5	1.8
South Africa	April 2009	8.4	13.7	1.6
China	April 2009	-1.5	-1.3*	lower
Turkey	April 2009	6.1	7.7	1.3
Canada	April 2009	0.4	7.1*	17.8
Brazil	April 2009	6.1	8.4*	1.4
United States of America	April 2009	-0.7	3.3	4.7
United Kingdom	April 2009	2.3	8.6	3.7
Australia	March 2009	2.5	5.7	2.3

Source: Central banks and statistics reporting institutions of these countries, as well as press
* Food inflation not including inflation for non alcoholic beverages

5. The broiler industry

5.1 International perspective

Figure 1 shows trends in the international market prices of broiler meat. The export value of chicken exported from Brazil was US$ 1 314/ton in January 2006 after which it decreased slightly to US$ 1 083/ton in April 2006. Since then the export value of Brazilian chicken showed a steep increase to reach a peak in September 2008 at US$ 2 139/ton. The overall increase in the export value from January 2006 to September 2008 was 63 %. From September 2008 to October 2008 the value of exports declined by 13 % to reach US$ 1 853/ton.

The export value of US broiler cuts was US$ 739/ton in January 2006 after which it declined by 23 % to reach US$ 572/ton in April 2006. The export value then increased US$ 884/ton in September 2006, but declined again to US $735/ton in November 2006. Thereafter the value of exports increased again to peak at US$ 1 042/ton in September 2007. It dropped back to US$ 925/ton the following month and regained strength to reach a high in October 2008 at US$ 1 058/ton. The overall increase in the export value of broilers cuts in the US between January 2006 and October 2008 was 43 %.

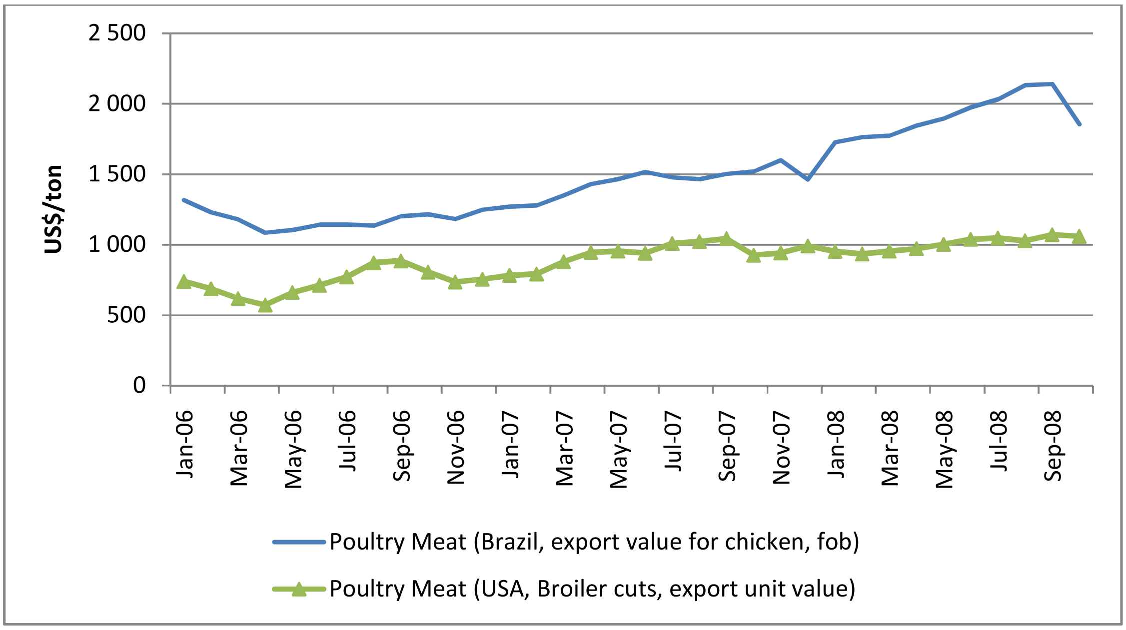

Figure 1: The trends in the international market prices of broiler meat: Jan-06 to Nov-09

Source: Food and Agriculture Organisation (FAO) (2009) www.fao.org/es/esc/prices

5.2 Trends in domestic producer and retail prices

Figure 2 shows that the weighted average producer price of fresh broilers were R 15.65/kg in January 2008. This price moved between R 15.00/kg and R 16.50/kg over the period January 2008 to July 2008. Since August 2008 the producer prices started to increased to peak at R 19.95/kg in December 2008. Following this increase, the price decreased slightly to R 19.43/kg in February 2009. Between February 2008 and February 2009 the price increased by 27 %.

The retail price of fresh broilers was at R 26.16/kg in January 2008. The retail price showed slow upward movement until December 2008 to reach R27.32/kg, after which it jumped by nearly R2/kg in two months to R 29.51/kg in February 2009. From February 2008 to February 2009 the retail price increased by 17 %. This increase is 10 percentage points lower that the increase in the producer price.

The margin or gap between the producer price of fresh broilers and the retail price fluctuated between R 7.20/kg and R 11.20/kg during the period under consideration. Figure 2 shows that the margin decreased significantly from August 2008 to December 2008, but increased again until February 2009.

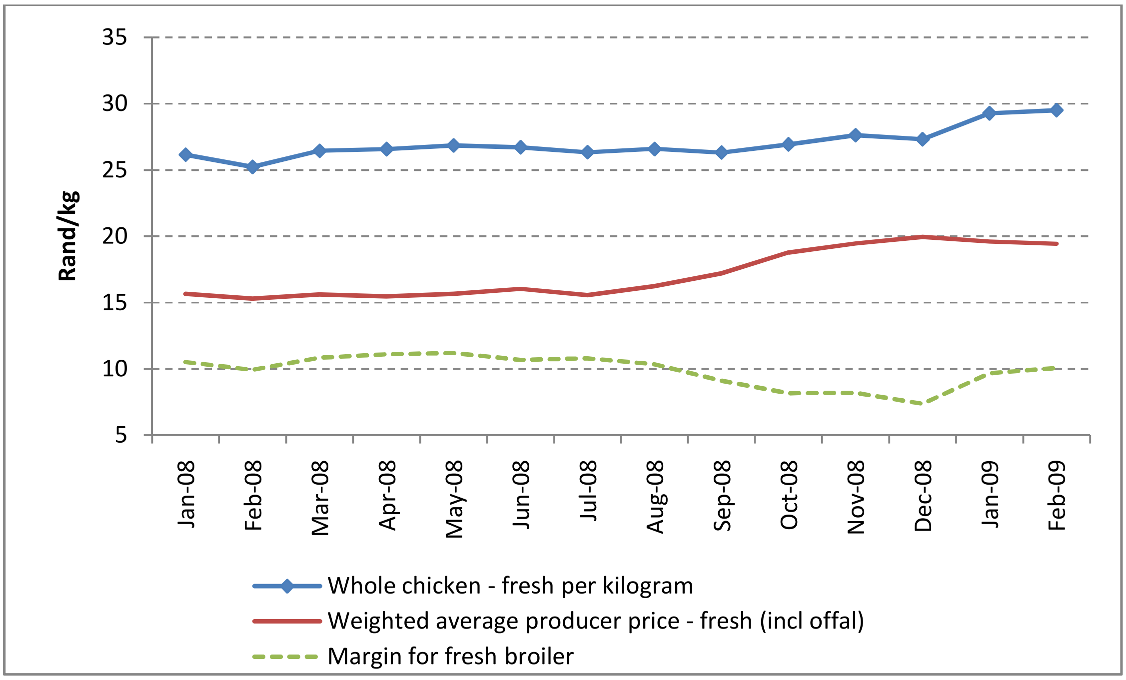

Figure 2: The trends in the margin, domestic producer and retail prices for fresh broiler

Source: Southern African Poultry Association (2009), STATS SA (2009) and own calculations

Figure 3 shows that the weighted average producer price of frozen broilers was R 11.60/kg in January 2008. In February 2008 the price dropped to R 10.80/kg after which it showed a significant increase to peak at R 15.46/kg in December 2008. During the first two months of 2009 prices dropped again and was at R 13.05/kg in February 2009. Between February 2008 and February 2009 the price increased by 21 %.

The January 2008 retail price for frozen broilers was R 24.58/kg. Although it increased slightly in February 2008 is showed a declining trend until September 2008 to reach R 23.49/kg. The price then started to increase to reach R 26.59/kg in February 2009. Between February 2008 and February 2009 the price increased by 7 %. This is 14 percentage points lower than the rate of increase in the weighted average producer price for frozen broilers.

The margin between the weighted average producer price for frozen broilers and the retail price for frozen broilers was R 14.07/kg in January 2008. The margin decreased to R 12.43/kg in May 2008. The margin increased remarkably to peak at R 18.53/kg in December 2008, and then declined to R 16.51/kg in February 2009.

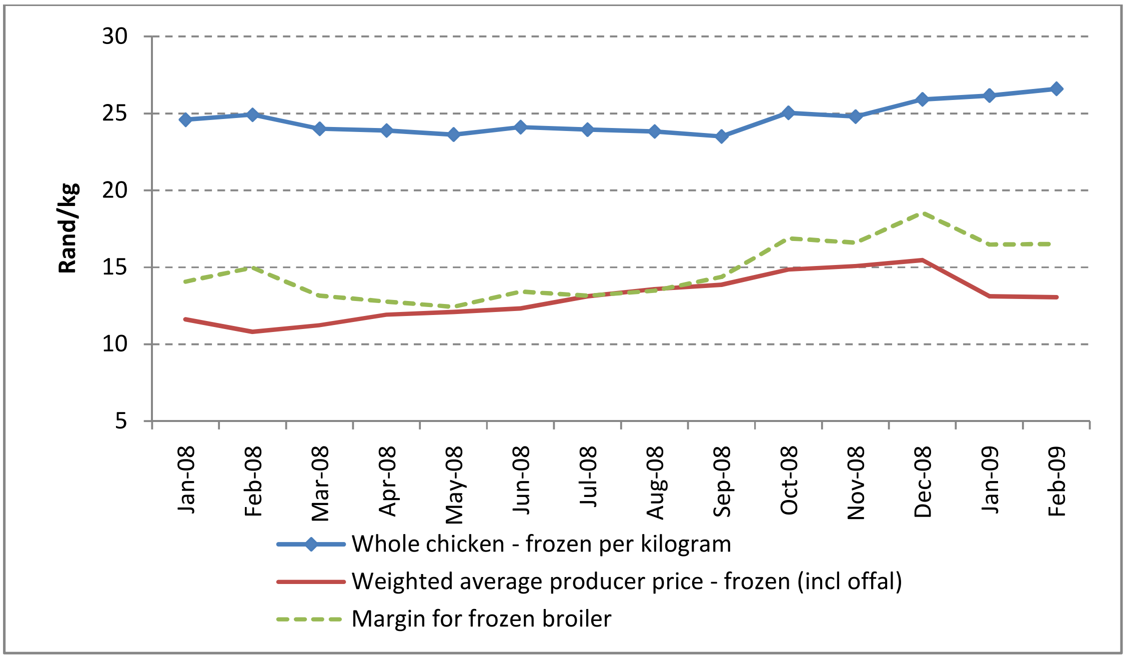

Figure 3: The trends in the margin, domestic producer and retail prices for fresh broiler

Source: Southern African Poultry Association (2009), STATS SA (2009) and own calculations

Figure 4 shows that the weighted average producer price of IQF mixed portions was R 11.40/kg in January 2008. The price increased steadily between February 2008 and December 2008, i.e. from R 10.41/kg to R 15.31/kg. The price then declined to R 13.15/kg in February 2009. Between February 2008 and February 2009 the price increased by 26 %.

Figure 4 also shows that the retail price of frozen mixed portions was at R 24.68/kg in January 2008. The price showed downward movement to reach R 20.86/kg in July 2008. Following this decline, the price increased to reach R 24.87/kg in February 2009. From February 2008 to February 2009 the retail price of frozen mixed portion increased by 10 %.

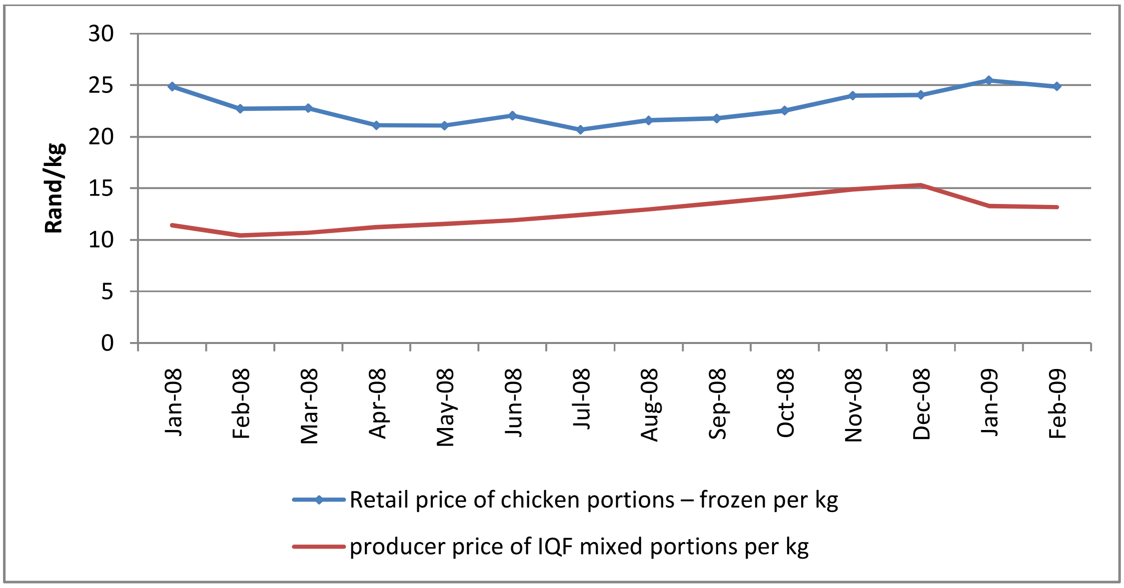

Figure 4: The trends in the domestic producer and retail prices for frozen portions
Source: Southern African Poultry Association (2009), STATS SA (2009) and own calculations

5.3 Domestic broiler production trends

Figure 5 shows the trends in the average breeder flock per annum. In 2000 the average number was 4.68 million chickens after which it declined to 4.4 million in 2001. It then increased to 4.73 million 2002 just to drop again in 2003. Since 2004 there has been quite a significant growth in the flock to reach 6.19 million in 2008. Breeder flock numbers are indicative of what could be produced in the future, e.g. there is a lag of about 6 months between broiler breeder placements and them beginning to produce commercial day old chicks.

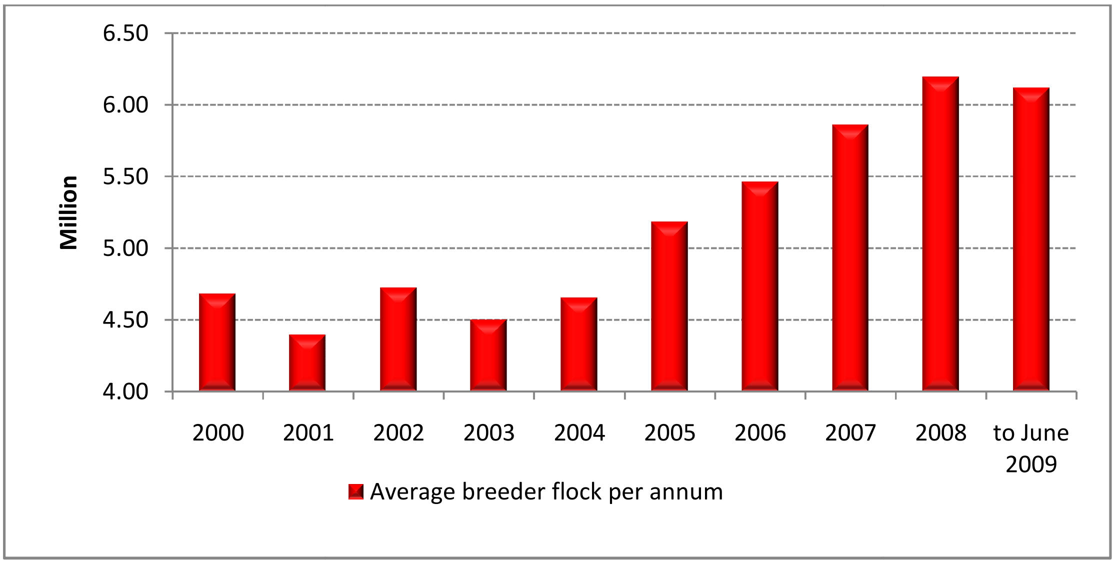

Figure 5: The average number of broiler breeders per annum
Source: Southern African Poultry Association (2009)

Figure 6 shows the trends in the potential day-old broilers produced per annum and broilers slaughtered per annum. South Africa produced 716 million day-old chicks in

2000 of which 667 million were slaughtered. The production of day-old chicks decreased to 688 million in 2001, but increased again to 763 million in 2002. In 2003 production decreased again to 726 million after which it increases to reach 984 million in 2008. Between 2003 and 2008 the production of day-old chicks increased by 36 %.

Figure 6 also shows that in 2000 South Africa slaughtered 667 million broilers. This declined to 648 million in the following year, then increased to 719 million in 2002 to drop again in 2003 to 686 million. Since 2003 the number of broilers slaughtered increased by 35 % to 924 million broilers in 2008. Note that the production of day-old chicks and broilers slaughtered has similar trends. The difference between the two variables is largely due to mortalities. The mortality rate ranges between 5 % and 7 % of the total day-old chicks produced.

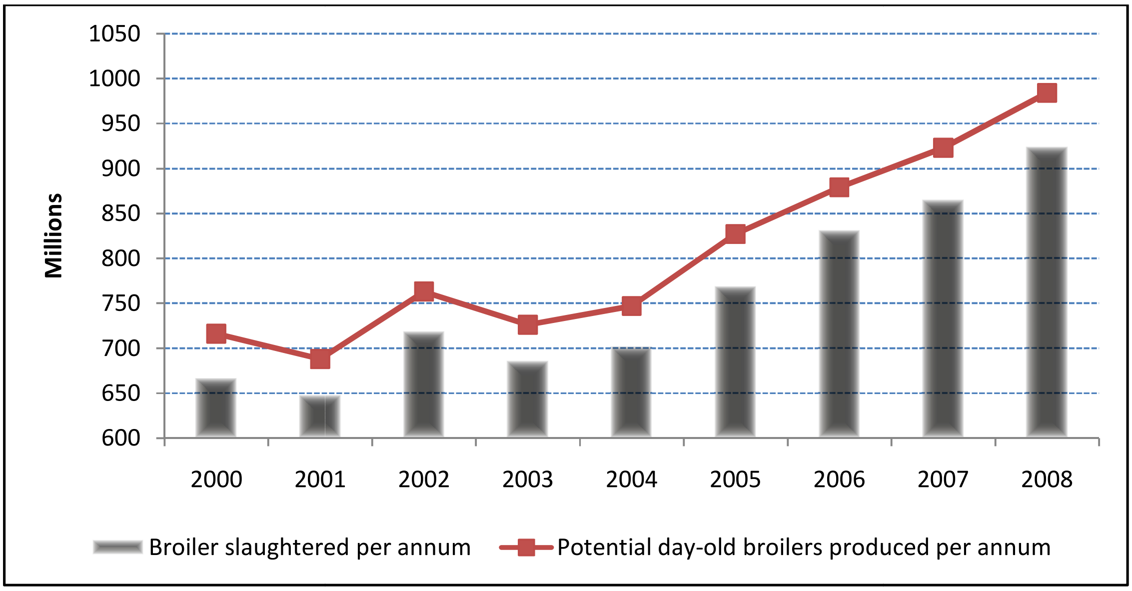

Figure 6: The trends in broiler slaughtered per annum and potential day-old broiler produced per annum: 2000 to 2008
Source: Southern African Poultry Association (2009)

5.4 Broiler feed costs trend

Figure 7 shows the trend in the cost of broiler feeds. The yearly average price of broiler feed was R 1 999.79/ton in 2006. This increased by 32.41 % to reach R 2 648.01/ton in 2007. It increased again by 32.27 % to reach R 3 502.65 in 2008. Between 2006 and 2008 average broiler feed costs increased by 75.15 %.

In November 2008, the cost of broiler feeds and broiler breeder feeds were R 3 749.86/ton and R 2 926.44/ton, respectively, but decreased somewhat by 4.4 % and 0.9 % to reach R3 585.38/ton and R 2 899.07/ton in February 2009, respectively. These increases may be directly attributed to the increase in grain prices, more especially maize. Grains constitute the largest proportion (>95%) of chicken feed. The cost of feed constitutes approximately 70 % of total production cost of broilers. It is clear that the cost of feed increased significantly more that the prices producers receive, which has put tremendous pressure on profit margin in the industry (especially if one consider that producers were not able to transmit higher feed costs to the retail sector completely).

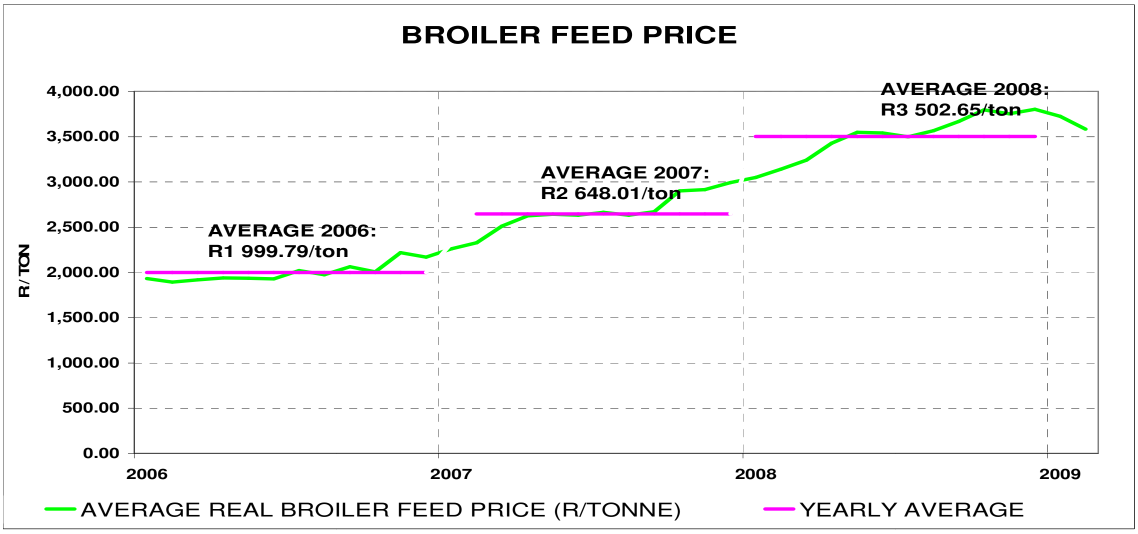

Figure 7: Broiler production trends: 2006 to 2008
Source: Southern African Poultry Association (2009)

5.5 South Africa's imports of broiler meat

South Africa is a net importer of broiler meat. Figure 8 shows the trends in the nominal total import value of broilers[1] between 1996 and 2008. The value of broiler imports was R 105.5 million in 1996. This increased by R 176.5 million, i.e. 167%, to reach R 282.0 million in 2002. The value of imports then increased significantly to reach R 1 302.8 million in 2008, i.e. a 362.02 % increase. Brazil remains the top exporter of broilers into South African.

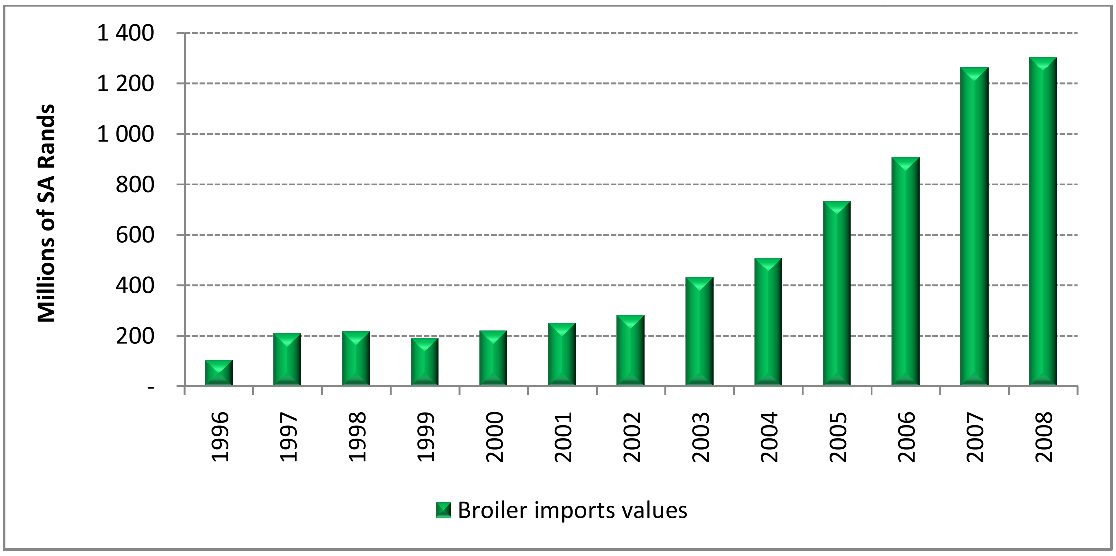

Figure 8: The trend in the import values of broiler: 1996 to 2008
Source: World Trade Atlas, 2009

[1] The import value represents Chicken => 185 G, Chicken Cuts & Edible Offal (Incl Liver) Frsh/Chld, Chicken Cuts And Edible Offal (Inc Livers), Frozen Chickens, Live, Wt Not Over 185 G (6.53 Oz.), Chickens, Weighing More Than 2,000 G Each and Chickens, Weighing Not Over 2,000 G Each.

6. The estimated impact of food inflation on consumers

The purpose of this section is to illustrate the impact of food inflation on consumers. The analysis presented in the first part of this section is based on the monthly cost of a basic food basket (as compiled by the Food Price Monitoring Committee in 2003), for the period April 2008 to April 2009. From April 2008 to April 2009 the cost of a basic food basket rose steadily by R63 (20%) to R378 in nominal terms (see Figure 9). It is interesting to note that the increasing cost of a basic food basket was mainly experienced from April 2008 to January 2009 (19% increase) after which it remained relatively constant up to April 2009. The cost of the food basket expressed as a share of the average monthly income[2] of the poorest 30% of the population increased from 28% in April 2008 to 33% in April 2009, while the cost of the food basket expressed as a share of the average monthly income of the wealthiest 30% of the population only increased slightly from 2.2% to 2.6% over the same period.

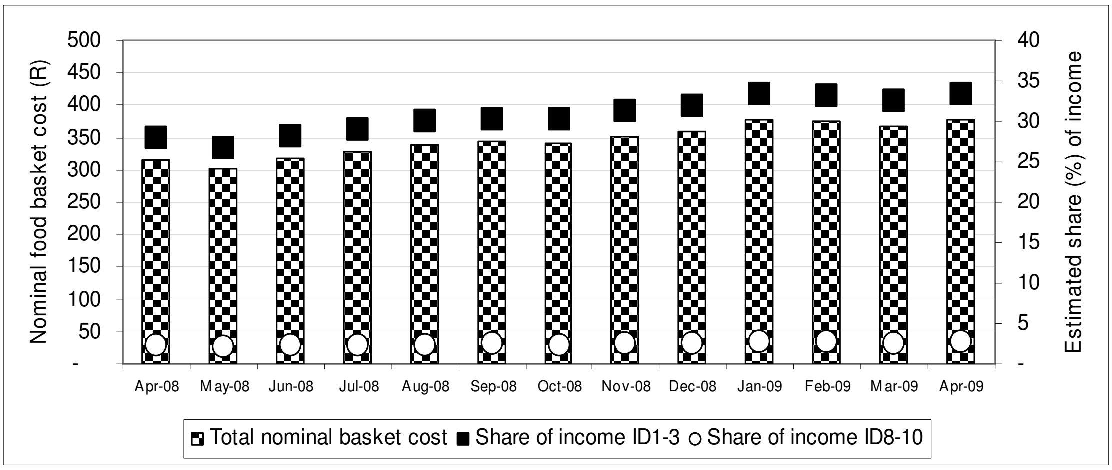

Figure 9: The monthly cost of a typical consumer food basket for the period April 2008 to April 2009, expressed in nominal terms and as share of the average income of the poorest 30% of households (Income Deciles [ID] 1 to 3) and the wealthiest 30% of households (ID 8 to 10)

To further explore the impact of inflation on consumers, Figure 10 presents an illustration of the average annual nominal cost of specific food groups within the basic food basket, for the period April 2008 to April 2009. Figure 10 illustrates the dominance of animal protein foods, as well as breads and cereals, in the cost of the basic food basket. Furthermore, it is clear that from April 2008 to April 2009, among the dominant food groups, the highest inflation rates were observed for bread/cereals, vegetables and dairy/eggs. The high inflation rate on the bread and cereals category is of particular concern, especially given the dependence of poor consumers' on staple foods (e.g. maize meal and bread).

The impact of inflation on very poor consumers is further explored, based on the typical portion sizes of very poor consumers of the five most widely consumed food items in South Africa; i.e. maize porridge, brown bread, sugar, tea and full cream milk (National

[2] The cost of the typical food basket was expressed as a share of estimated average monthly income of Income Deciles 1 to 3, the poorest 30% of the population, as calculated from the STATSSA survey: 'Income & Expenditure of households 2005/2006' *(calculations excludes imputed rent on owned dwelling)*

Food Consumption Survey - Steyn & Labadarios, 2000[3]; Oldewage-Theron et al, 2005[4]). Figure 11 illustrates the estimated portion costs for these foods, calculated from monthly food price data for April 2008 and April 2009. The significant impact of maize meal inflation on the poor is emphasised by the results in Figure 11.

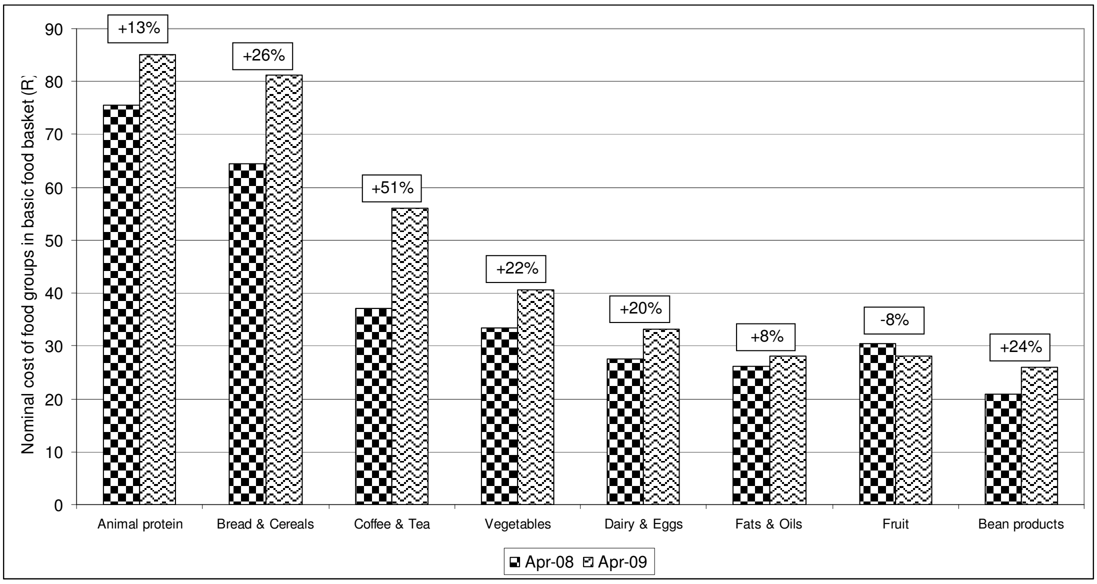

Figure 10: Nominal monthly cost of specific food groups within the basic food basket, for April 2008 and April 2009

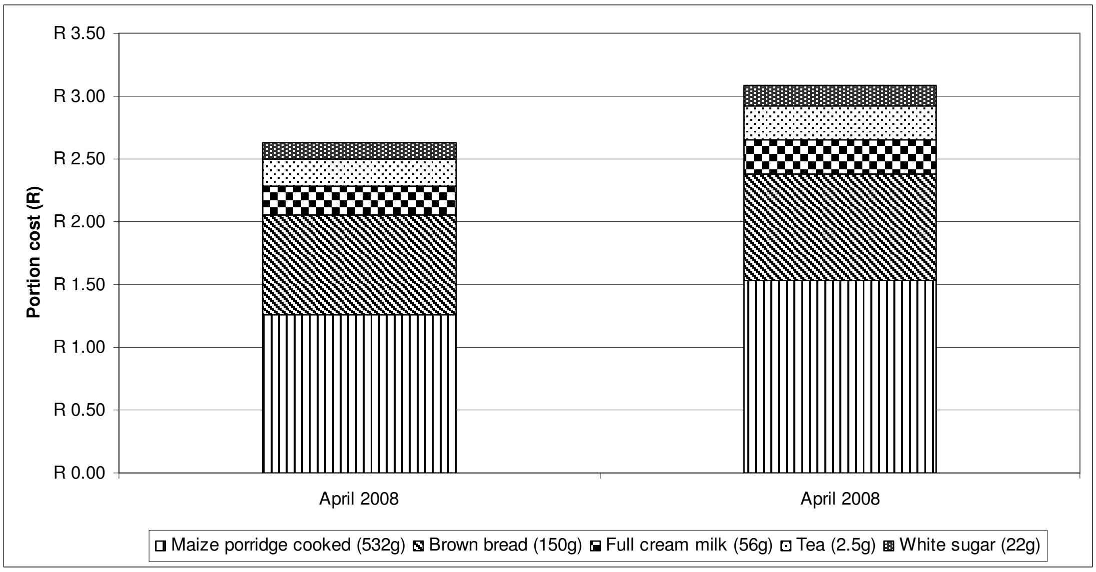

Figure 11: Average nominal cost for the typical portions of the five food items most widely consumed by very poor consumers in South Africa, for April 2008 and April 2009

[3] Steyn NP, Labadarios D. *National Food Consumption Survey: Children aged 1–9 years, South Africa, 1999.* Cape Town: The Department of Health Directorate Nutrition, 2000
[4] Oldewage-theron W, Dicks E, Napier C, *et al.* Situation analysis of an informal settlement in the Vaal Triangle. *Development Southern Africa* 2005 ; 22 (1): 13-26

7. Outlook: Jun 2009 – Aug 2009

The Gross Domestic Product (GDP) numbers that have recently been released confirm that the grip of the global economic recession on the South African economy has tightened significantly and with two consecutive quarters of negative economic growth rates the South African economy is formally in a recession. Although the agricultural industry managed to escape the full impact of the recession in the second half of 2008 and managed to post positive growth figures, a marginal negative growth rate of -0.1% was realised in the first quarter of 2009. This negative growth rate was mainly driven by lower commodity prices and to a lesser extent the volumes sold.

Food companies and retailers with a wide variety of food items on offer are still posting healthy profits because the volume of basic food has increased and food prices remain relatively high. It seems as if the economic crisis has caused a general shift in consumption patterns towards home entertainment where consumers tend to rather buy fresh food that can be prepared at home, than to eat out or buy takeaways. It is anticipated that this trend will only be reversed once the grip of the financial crisis loosens and the disposable income of consumers increases. For the outlook period, it is expected that the disposable income of consumers will remain relatively constant as the positive impact of lower interest rates will be countered by the negative impact of further job losses and general uncertainty about economic conditions.

As was anticipated in the previous Outlook favourable weather conditions have improved the expectations of the maize crop and an all-time record average yield of 4.6t/ha is expected for the current season. The market has already factored this large crop (approximately 11.2 million tons) into the market and maize prices have over the past two months decreased by approximately R150/ton, basically to export parity levels. Therefore, maize meal prices (which are normally lagging the maize prices by two to three months) could decrease marginally over the next three months. No major recovery in the maize price is expected over the next three months. There has been a slight positive trend in international maize prices due to lower intentions to plant in the U.S. and higher energy prices. However, the 2008/09 world maize crop is expected to be the second largest harvest in history - second to the preceding season's record crop of 785.7 million tons and therefore, high surpluses will keep the international maize prices under pressure. Similarly, world wheat stocks at the end of the 2009 season are projected at an eight-year high of 171 million tons due to the large area planted and excellent yields. Concerns about the next wheat crop, especially the impact of wet and cold weather in North America on plantings, could result in marginal increases in the international wheat price, but no significant gains on prices are expected. South Africa is a net importer of wheat and therefore, unless there is a real depreciation of the Rand over the next three months, the local price for wheat will remain relatively stable.

The rationing of tight soybean supplies on the world market is driving up world prices of soybeans. Soybean prices have increased by more than $100/ton since March 2009 and soybean oil prices have increased by more than $200/ton. This sharp increase in prices was driven by the crop failure in South America and significant soybean imports by China. High soybean prices have spilled over to all commodities in the world oilseed complex. It is expected that the bullishness of tight supplies will be consolidated in the next few weeks as U.S. larger intended plantings are progressing. Domestic soybean prices have increased on the back of higher world prices and for the first time in eight years, soybeans are more expensive than sunflowers. Although a correction is not expected over the next three months because prices are typically low at harvest time, a correction is expected in August and September where sunflower prices will probably trade closer to soybean prices.

Over the outlook period meat prices are generally expected to trade softer, following the typical cyclical pricing behaviour of meat in winter time. Yet, only marginal price decreases are anticipated as the outlook on demand for fresh meat still remains positive. Profit margins in the feedlot industry are expected to remain constant over the next three months as feed costs remain relatively constant and weaner prices trade in a band of R13/kg- R14/kg. The profit margins of broiler and layer operations have also increased in the past three months, but the recent higher soybean cake prices will have an adverse impact on profit margins over the next three months.

The correction in most vegetable prices that was anticipated in the previous Outlook has occurred. Higher prices and lower input costs have induced higher plantings and the volume that is offered on the fresh produce markets has increased causing prices to soften. However, demand remains strong and further significant declines in fresh vegetable prices are not expected over the next three months.

Every person in South Africa is affected by the global economic recession in some form or another, whether it be consumers, retailers, processors or producers. It is possible that the negative growth in the economy will bottom out in the next three to six months. In contrast to most demand categories in the South African economy, the demand for food has remained strong and as the impact of the recession filters through the economy the demand for fresh produce and more basic food items (e.g. maize meal, potatoes, vegetables, fresh milk, fresh meat etc.) is expected to remain high.

Compiled by:

Price trends and discussion on selected topics:
Nkgasha Tema
Hester Vermeulen
André Jooste

Outlook:
Ferdi Meyer
PG Strauss

Enquiries: *André Jooste: (012) 341-1115*
Johann Kirsten: (012) 420-3248

Stats SA, AC Nielsen and the rural food price monitoring respondents are acknowledged for assistance provided to the NAMC in terms of food price data.

APPENDIX A: DATA ON URBAN FOOD PRICE TRENDS[5]

Table A.1: Wheat products

	Price level			Percentage change	
Wheat Products	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Loaf of brown bread 700g	5.86	7.18	7.17	-0.14%	22.35%
Loaf of white bread 700g	6.71	7.91	7.87	-0.51%	17.29%
Cake flour 2.5kg	18.10	19.84	18.23	-8.11%	0.72%
Spaghetti 500g	9.42	10.45	10.41	-0.38%	10.51%
Macaroni Plain 500g*	6.27	7.54	7.97	5.61%	26.97%
Average				**-0.71%**	**15.57%**
SAFEX Wheat R/ton	3,962	2,750	2,526	-8.13%	-36.24%

*Data from AC Nielsen

Table A.2: Maize products

	Price level			Percentage change	
Maize Products	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Maize Special 5kg*	16.78	18.89	17.62	-6.72%	5.05%
Maize Super 5kg*	20.63	23.10	22.20	-3.90%	7.61%
Average				**-5.31%**	**6.33%**
SAFEX White maize R/ton	1,857	1,814	1,630	-10.15%	-12.19%

*Data from AC Nielsen

Table A.3: Sunflower products

	Price level			Percentage change	
Sunflower products	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Sunflower oil 750 mℓ	15.83	16.37	14.30	-12.65%	-9.67%
Medium Fat Spread 1kg*	19.44	22.23	21.28	-4.29%	9.44%
Brick margarine 500g	10.30	14.23	13.84	-2.74%	34.37%
Average				**-6.56%**	**21.90%**
SAFEX Sunflower R/ton	4,624	3,897	2,802	-28.09%	-39.39%

*Data from AC Nielsen

Table A.4: Processed vegetables

	Price level			Percentage change	
Processed vegetables	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Baked beans 420g	4.89	5.90	6.75	14.41%	38.04%
Butter beans 410g	8.01	9.03	9.99	10.63%	24.72%
Chopped Peeled Tomato 410g*	7.81	8.60	9.70	12.77%	24.21%
Tomato & Onion Mix 410g*	6.42	7.45	7.60	1.99%	18.33%
Canned Peas 410g*	5.77	6.22	7.06	13.56%	22.48%
Baby Carrots 1kg*	26.73	28.82	29.30	1.69%	9.61%
Green Peas 1kg*	21.92	21.78	24.14	10.83%	10.13%
Sliced Beans 1kg*	26.02	26.77	27.64	3.26%	6.26%
Super Juicy Corn 1kg*	24.74	27.28	27.59	1.14%	11.53%
Average				**7.81%**	**18.37%**

*Data from AC Nielsen

[5] Note: Data in the tables was obtained from both AC Nielsen and Stats SA
Data marked with * was obtained from AC Nielsen and data unmarked was obtained from Stats SA

Table A.5: Fresh vegetables

	Price level			Percentage change	
Fresh vegetables	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Carrots - fresh per kg	7.62	9.02	10.43	15.63%	36.88%
Onions -fresh per kg	9.97	42.96	8.09	-81.17%	-18.86%
Potatoes bag 10kg	36.90	50.09	47.67	-4.82%	29.19%
Tomatoes - fresh per kg	10.34	15.24	15.36	0.79%	48.55%
Sweet potatoes - fresh per kg[6]	8.65	10.54	9.60	-8.92%	10.98%
Cabbage - fresh per kg	5.42	7.45	8.39	12.62%	54.80%
Lettuce - fresh per kg	17.97	21.51	16.83	-21.76%	-6.34%
Pumpkin - fresh per kg	7.63	10.84	9.86	-9.04%	29.23%
Cauliflower - fresh per kg	19.01	21.99	22.62	2.86%	18.99%
Average				**-10.42%**	**22.60%**

*Data from AC Nielsen

Table A.6: Processed meat

	Price level			Percentage change	
Processed meat	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Meatballs in Gravy 400g*	9.86	11.70	12.34	5.44%	25.16%
Picnic Ham 300g*	19.23	23.40	24.29	3.82%	26.31%
Pork sausage per kg	43.41	48.46	50.67	4.56%	16.72%
Polony per kg	19.90	26.12	26.75	2.41%	34.42%
Average				**4.06%**	**25.65%**

*Data from AC Nielsen

Table A.7: Unprocessed meat

	Price level			Percentage change	
Unprocessed meat	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Bacon 250g	18.07	21.14	21.10	-0.19%	16.77%
Pork chops - fresh per kg	50.48	54.09	53.02	-1.98%	5.03%
Lamb - fresh per kg	70.09	70.97	69.85	-1.58%	-0.34%
Beef brisket - fresh per kg	40.33	43.12	45.85	6.33%	13.69%
Beef chuck - fresh per kg	42.11	45.97	47.21	2.70%	12.11%
Beef rump steak -fresh per kg	70.10	73.24	75.70	3.36%	7.99%
Beef t-bone - fresh per kg	55.22	59.51	61.20	2.84%	10.83%
Beef mince - fresh per kg	42.31	46.72	47.88	2.48%	13.16%
Whole chicken - fresh per kg	26.58	29.28	28.00	-4.37%	5.34%
Whole chicken - frozen per kg	23.88	26.15	26.11	-0.15%	9.34%
Chicken portions - fresh per kg	32.17	37.12	37.31	0.51%	15.98%
Chicken portions - frozen per kg	21.11	25.46	24.64	-3.22%	16.72%
Average				**0.56%**	**10.55%**

*Data from AC Nielsen

[6] Average price of the large and medium size potatoes packaged in 10kg potato bags

Table A.8: Dairy products

	Price level			Percentage change	
Dairy	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Fresh Milk Full Cream 1ℓ*	6.55	6.63	7.18	8.18%	9.53%
Fresh Milk Full Cream 2ℓ*	14.57	14.84	15.44	4.01%	5.95%
Fresh Milk Low Fat 1ℓ*	6.32	6.75	7.33	8.63%	15.98%
Fresh Milk Low Fat 2ℓ	14.57	15.21	15.84	4.11%	8.69%
LongLife Milk Full Cream 1ℓ*	7.91	8.27	9.20	11.25%	16.30%
Skimmed Powder Milk 1kg*	54.99	59.17	57.79	-2.33%	5.10%
Total Butter 500g*	20.68	22.35	23.81	6.55%	15.12%
Cheddar cheese Per kg	70.89	74.42	77.59	4.26%	9.45%
Average				**5.58%**	**10.77%**

*Data from AC Nielsen

Table A.9: Fruits

	Price level			Percentage change	
Fruits	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Apples - fresh per kilogram	11.75	11.63	11.31	-2.75%	-3.74%
Bananas - fresh per kilogram	8.20	11.56	9.40	-18.69%	14.63%
Oranges - fresh per kilogram	10.53	7.69	7.36	-4.29%	-30.10%
Average				**-8.58%**	**-6.40%**

Table A.10: Fish products

	Price level			Percentage change	
Fishes	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Fish (excl tuna) - tinned 155g	4.55	5.63	5.78	2.66%	27.03%
Fish (excl tuna) - tinned 425g	9.11	13.08	13.17	0.69%	44.57%
Tuna - tinned 170g	8.27	10.32	10.95	6.10%	32.41%
Average				**3.15%**	**34.67%**

Table A.11: Other products

	Price level			Percentage change	
	Apr-08	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
King korn 1kg*	9.45	9.40	10.06	7.12%	6.46%
White sugar 2.5kg	14.73	16.74	17.65	5.44%	19.82%
Rice 2kg	14.40	26.65	26.28	-1.39%	82.50%
Ricoffy Reg 750g*	31.89	41.79	47.58	13.84%	49.17%
Ceylon/black tea 62.5kg	5.53	6.35	6.92	8.98%	25.14%
Peanut butter 410g	12.82	15.22	15.90	4.47%	24.02%
Imana Soya Mince Tomato & Onion 200g*	6.56	8.00	8.06	0.70%	22.85%
Eggs 1.5 dozen	19.70	23.78	24.04	1.09%	22.03%
Average				**5.03%**	**31.50%**

*Data from AC Nielsen

APPENDIX B: GLOBAL AGRICULTURAL COMMODITY PRICE TRENDS

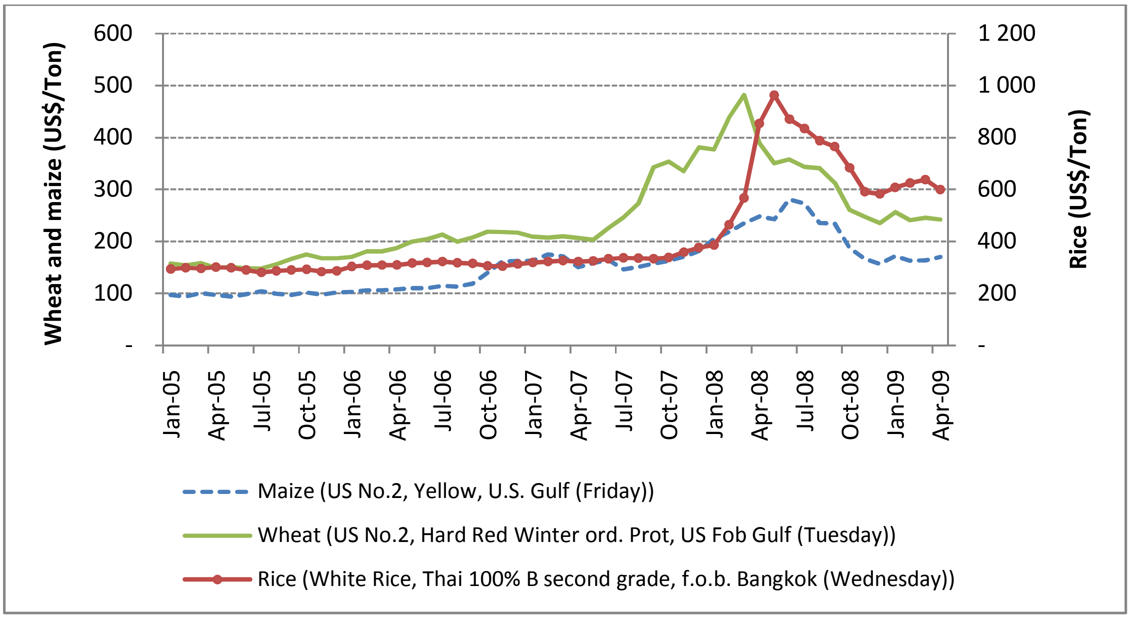

Figure B.1: Nominal world cereal prices: Jan 2005 to Apr 2009

Source: Food and Agriculture Organisation (FAO) www.fao.org/es/esc/prices

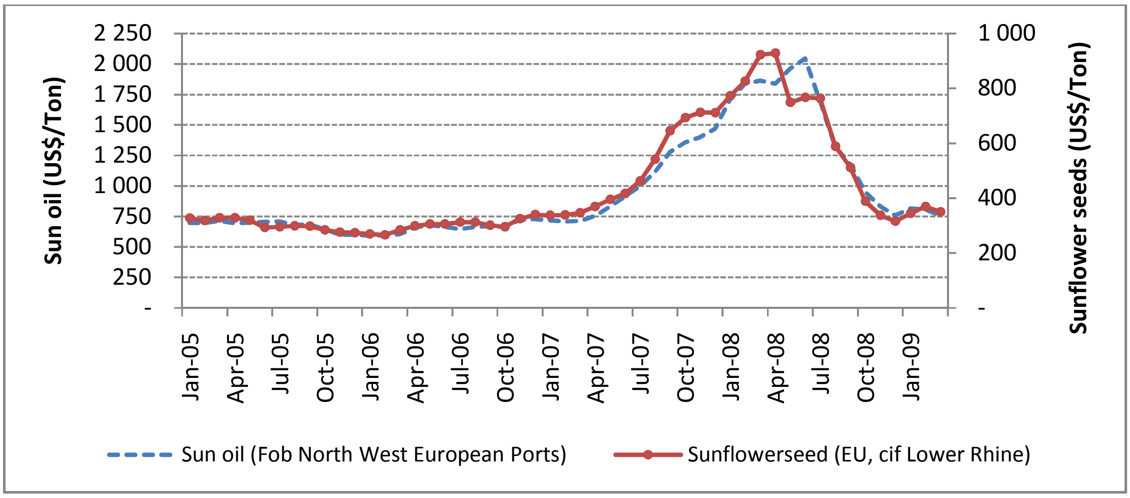

Figure B.2: Nominal world price of sunflower oil and sunflower seeds: Jan 2005 to Mar 2009

Source: Food and Agriculture Organisation (FAO) www.fao.org/es/esc/prices

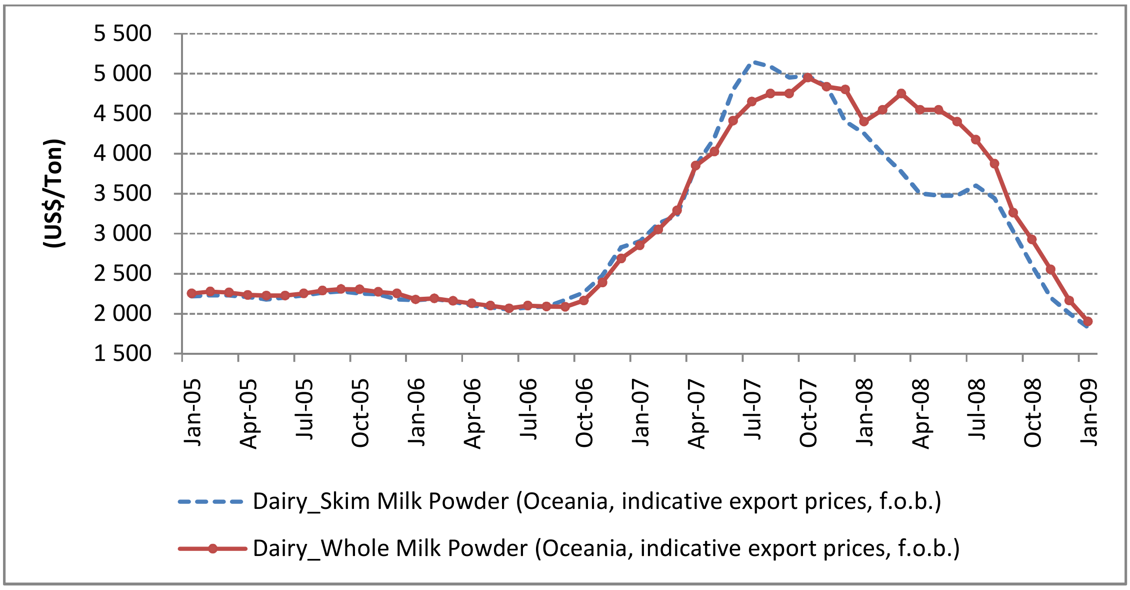

Figure B.3: Nominal world dairy prices: Jan 2005 to Jan 2008
Source: Food and Agriculture Organisation (FAO) www.fao.org/es/esc/prices

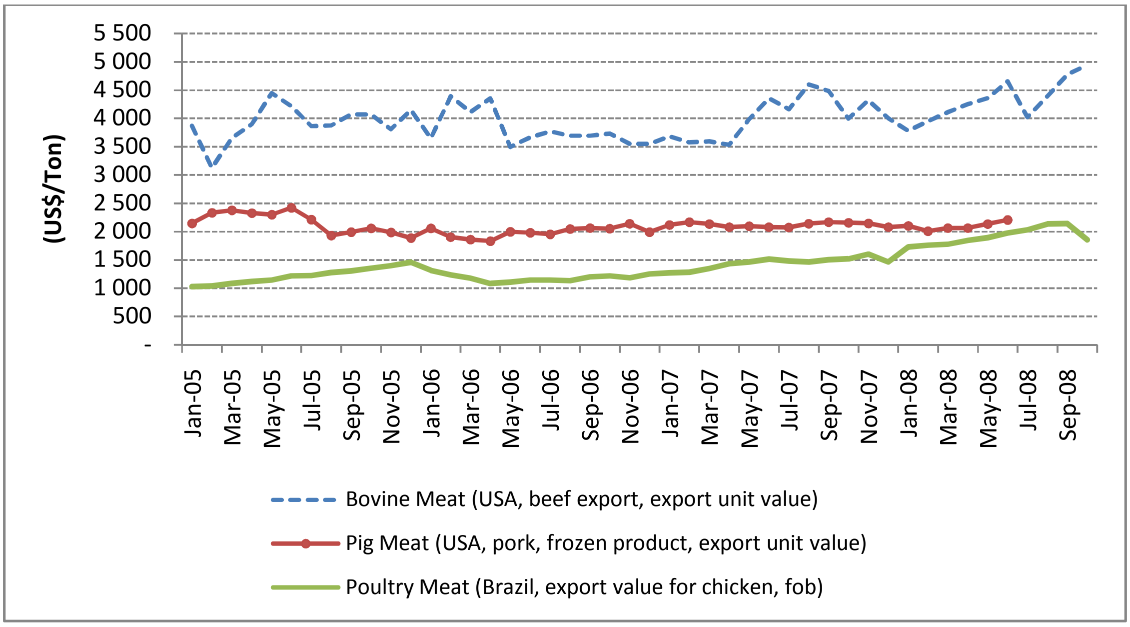

Figure B.4: Nominal world meat price trends: Jan 2005 to Sep 2009
Source: Food and Agriculture Organisation (FAO) www.fao.org/es/esc/prices

APPENDIX C: DATA ON RURAL FOOD PRICE TRENDS

Table C.1: Wheat products

Wheat products	Apr-08	Jan-09	Apr-09	Jan-09 to Apr-09	Apr-08 to Apr-09
Loaf of brown bread 600g	5.98	6.72	6.70	-0.31%	12.12%
Loaf of brown bread 700g	6.07	6.88	6.92	0.57%	14.04%
Loaf of white bread 600g	6.37	7.34	7.38	0.54%	15.80%
Loaf of white bread 700g	6.73	7.66	7.61	-0.60%	13.09%
Average				**0.05%**	**13.76%**

Table C.2: Maize products

Maize products	Apr-08	Jan-09	Apr-09	Jan-09 to Apr-09	Apr-08 to Apr-09
Maize meal 12.5kg	49.77	50.56	60.34	19.33%	21.24%
Maize meal 1kg	5.96	6.75	7.48	10.82%	25.41%
Maize meal 2.5kg	12.36	14.13	14.28	1.04%	15.50%
Maize meal 5kg	25.16	28.75	28.36	-1.35%	12.72%
Samp 1kg	6.88	7.01	6.92	-1.38%	0.60%
Samp 2.5kg	12.66	13.42	13.17	-1.87%	3.98%
Average				**4.43%**	**13.24%**

Table C.3: Sunflower products

Sunflower products	Apr-08	Jan-09	Apr-09	Jan-09 to Apr-09	Apr-08 to Apr-09
Sunflower oil 2L	35.43	36.65	33.93	-7.43%	-4.24%
Sunflower oil 500ml	9.96	11.53	11.45	-0.65%	15.00%
Sunflower oil 750ml	14.34	16.11	14.47	-10.22%	0.87%
Margarine 125g	4.30	5.62	5.51	-2.03%	27.95%
Margarine 250g	7.39	9.63	9.67	0.34%	30.86%
Margarine 500g	10.30	13.52	14.04	3.79%	36.33%
Average				**-2.70%**	**17.79%**

Table C.4: Dairy products

Dairy products	Apr-08	Jan-09	Apr-09	Jan-09 to Apr-09	Apr-08 to Apr-09
Full cream long life milk 1L	8.03	9.43	9.44	0.12%	17.47%
Full cream long life milk 500ml	7.14	7.74	6.64	-14.32%	-7.03%
Average				**-7.10%**	**5.22%**

Table C.5: Tea and Coffee

Tea and coffee	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Instant coffee 100g	7.92	10.24	10.52	2.72%	32.86%
Instant coffee 250g	19.26	21.34	22.38	4.83%	16.20%
Tagless tea bags 250g	15.99	18.54	15.49	-16.45%	-3.11%
Tagless tea bags 62.5g	5.58	6.26	5.89	-5.86%	5.65%
Average				**-3.69%**	**12.90%**

Table C.6: Pilchards

Pilchards	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Pilchards in tomato sauce 155g	7.88	6.87	7.13	3.75%	-9.60%
Pilchards in tomato sauce 425g	10.98	12.95	13.54	4.61%	23.29%
Average				**4.18%**	**6.84%**

Table C.7: Beans

Beans	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Beans 1kg	13.49	13.95	14.30	2.51%	6.00%
Beans 500g	7.50	8.82	8.57	-2.87%	14.35%
Butter beans 410g	6.99	8.47	8.70	2.82%	24.61%
Butter beans 420g	6.25	6.86	6.70	-2.29%	7.27%
Average				**0.04%**	**13.06%**

Table C.8: Sugar

Sugar	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
White sugar 1kg	7.85	8.82	9.17	3.88%	16.75%
White sugar 2.5kg	17.65	19.63	20.29	3.36%	14.97%
White sugar 500g	5.62	5.81	5.57	-4.17%	-0.95%
Average				**1.02%**	**10.26%**

Table C.9: Rice

Rice	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-09 to Apr-09**	**Apr-08 to Apr-09**
Rice 1kg	8.72	15.85	14.15	-10.71%	62.28%
Rice 2kg	16.13	28.11	29.53	5.08%	83.08%
Rice 500g	4.94	7.70	7.77	0.91%	57.45%
Average				**-1.57%**	**67.60%**

Table C.10: Peanut butter

Peanut butter	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-08 to Apr-08**	**Apr-07 to Apr-08**
Peanut butter 270g	11.19	11.64	12.14	4.21%	8.47%
Peanut butter 400g	12.56	14.02	15.21	8.52%	21.06%
Peanut butter 410g	13.29	15.64	21.76	39.13%	63.74%
Average				**17.29%**	**31.09%**

Table C.11: Sorghum meal

Sorghum products	**Apr-08**	**Jan-09**	**Apr-09**	**Jan-08 to Apr-08**	**Apr-07 to Apr-08**
Sorghum-meal 1kg	9.40	9.93	10.07	1.40%	7.10%
Sorghum-meal 500g	5.38	5.95	5.81	-2.40%	7.85%
Average				**-0.50%**	**7.48%**