

## FOOD BASKET PRICE COMMENT

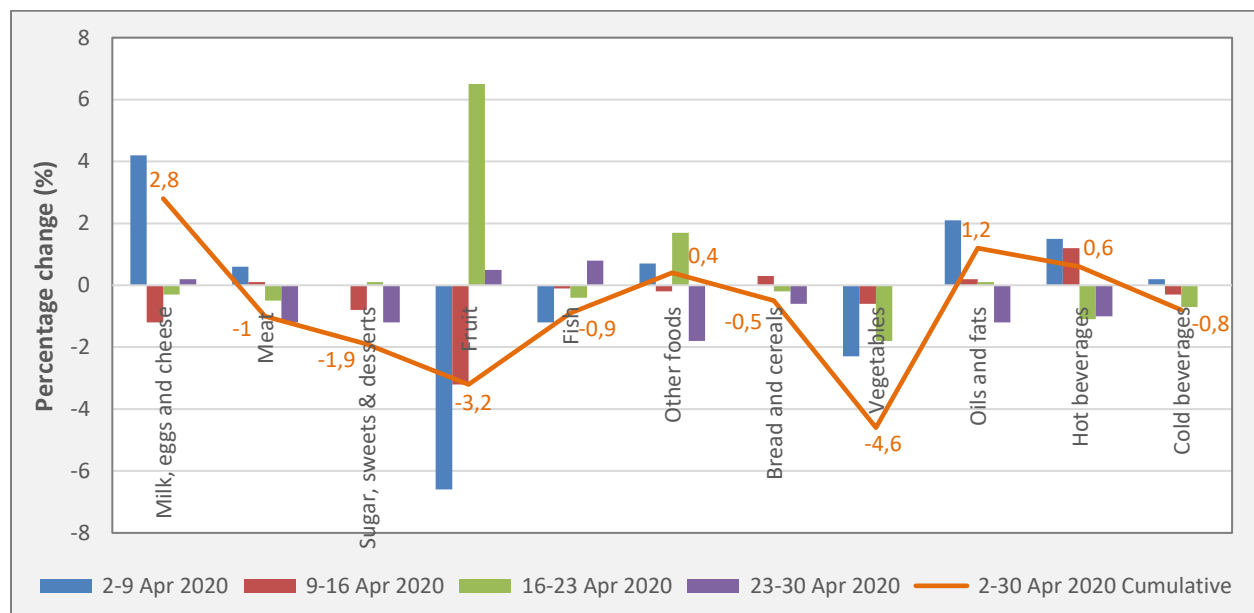
15 May 2020

*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 2020<sup>1</sup>**

Source: Stats SA data, 2020

<sup>1</sup> 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.