NAMC

Promoting market access for South African agriculture

FOOD AND INPUT COST REPORT

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KEY NOTE

Agricultural inputs, such as fertilisers and fuel, play a significant role in increasing agricultural productivity, which in turn impacts food prices. The **Food and Input Prices Report** is a quarterly publication by the National Agricultural Marketing Council (NAMC), with support from the Bureau for Food and Agricultural Policy (BFAP). The report presents an analysis of trends of selected agricultural production inputs and food prices in both domestic and international markets. The data for this publication is obtained from Grain South Africa (Grain SA), the Department of Energy (DoE), the Food and Agriculture Organization (FAO) of the United Nations, BFAP, the South African Grain Information Service (SAGIS), and Statistics South Africa (Stats SA).

Stats SA updated the Consumer Price Index (CPI) basket of goods and services and the respective weights in the February 2025 CPI release. The May 2025 official data is used in this report, as the official release of the June 2025 CPI data is scheduled for July 23, 2025 (see link below from the Stats SA website):
https://www.statssa.gov.za/publications/P0141/P0141May2025.pdf

EXECUTIVE SUMMARY

During May 2025, the CPI released by Statistics South Africa (Stats SA) indicated that the annual headline CPI increased by 2.8%, while inflation for food and non-alcoholic beverages increased by 4.8%. In May 2025, the cost of this basic NAMC urban food basket was R1,330, representing an increase of 4.5% (+R57) from May 2024 (year-on-year) and a decrease of 0.5% (-R6) from April 2024 (month-on-month). Comparing May 2025 to May 2024 retail prices, higher price inflation (5.0% or more) was observed for the following products within the NAMC food basket: Bananas, Apples, Instant coffee, Super maize meal, Ceylon/black tea, Brick margarine, Dried beans, Beef mince, Beef offal, Cabbage, Peanut butter, and Potatoes.

In the local market, prices for beef, pork, and sheep meat reflected global trends. However, prices were cushioned by a strong exchange rate, especially in the case of sheep meat. In the beef sector, slaughter numbers were down by 5.4% and the foot-and-mouth disease (FMD) outbreaks pose risks to weaner calf prices. Pork prices showed moderate growth, suggesting a recovery in consumer demand. IQF chicken prices increased by 2.2% month-on-month (MoM) and 13.9% year-on-year (y-o-y) due to lower domestic supply, given issues at one of South Africa's major poultry producers, Daybreak and import restrictions on Brazil due to HPAI cases.

Between May 2021 and May 2025, international fertilizer prices showed significant changes: Muriate of Potash (MOP) rose sharply by 47% (US$264 to US$389/ton), Di-Ammonium Phosphate (DAP) increased by 18% (US$580 to US$684), Urea edged up 2%, while Ammonia dropped 43%. From May 2024 to May 2025, MOP, Urea, and DAP prices rose by 37%, 24%, and 18%, respectively, while Ammonia fell 7%. Month-on-month (April–May 2025), MOP, DAP, and Urea increased by 6%, 5%, and 2%, with Ammonia down 1%. Domestically, year-on-year (May 2024–May 2025), MAP, Urea Granular, and potassium chloride (KCL) prices rose by 9%, 8%, and 4%, respectively, while LAN declined by 9%.

For fuel, the y-o-y analysis (June 2024 to June 2025) reveals that petrol and diesel prices decreased by 12.4% and 11.6%, respectively. A similar trend was observed in crude oil prices, which decreased by 22.9% in US Dollar terms and by 24.4% in Rand terms. Furthermore, the price of illuminated paraffin in Gauteng and Coastal regions decreased by 17.84% and 19.28%, respectively. Paraffin remains essential in South Africa, due to its affordability and accessibility. It plays a critical role in addressing energy poverty and ensuring basic energy needs are met.

For freight rates, both the Grain and Oilseeds Freight Index (GOFI) and the Baltic Dry Index (BDI) decreased by 9.4% and 9.7%, respectively, when comparing the months of June 2024 to June 2025. As of June 2025, the BDI had reached 1685.75 index points. All in all, various factors, including the depreciation of the Rand value against the US dollar and volatility in international prices, influence the prices of inputs and food items on the South African domestic market.

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PRICE TRENDS OVERVIEW (INPUTS & FOOD)

1. SECTION A: PRICE TRENDS OVERVIEW

a. Global Indices

Figure 1 shows the price indices in real terms for the five food categories. The monthly (May 2025 vs. April 2025) growth percentages indicate decreasing trends for three of the five indices. The annual (May 2025 vs. May 2024) growth percentages indicate an increase of 16.9% for the Oil Price Index, 17.0% for the Dairy Price Index, 4.0% and for the Meat Price Index. The sugar price and dairy price indexes decreased by 8.2% and 9.8%, respectively.

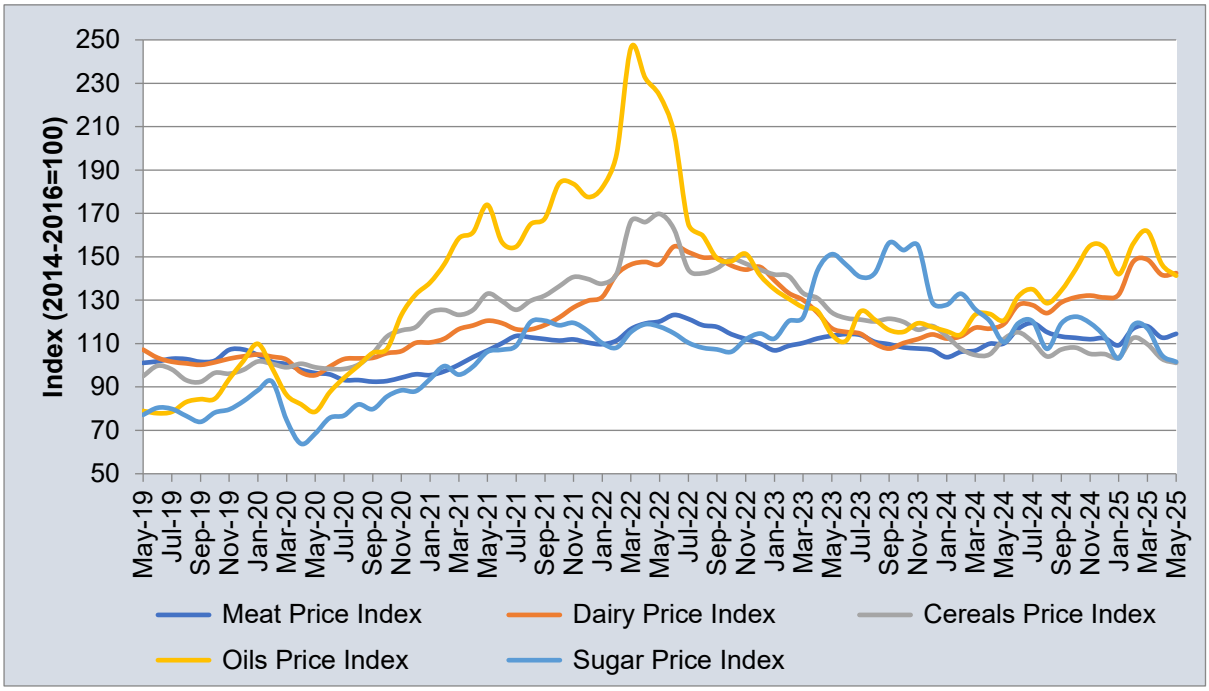

Figure 1: Real price indices for five food categories

Source: FAO, 2025

b. Domestic Indices

Figure 2 shows trends of the headline Consumer Price Index (CPI) and food and non-alcoholic beverage inflation rate every month, from May 2019 to May 2025. During May 2025, the CPI released by Statistics South Africa (Stats SA) indicated that the annual headline CPI increased by 2.8%, while inflation for food and non-alcoholic beverages increased by 4.8%. In May 2024, headline inflation was 5.2%, while food and non-alcoholic beverage inflation was 4.7%.

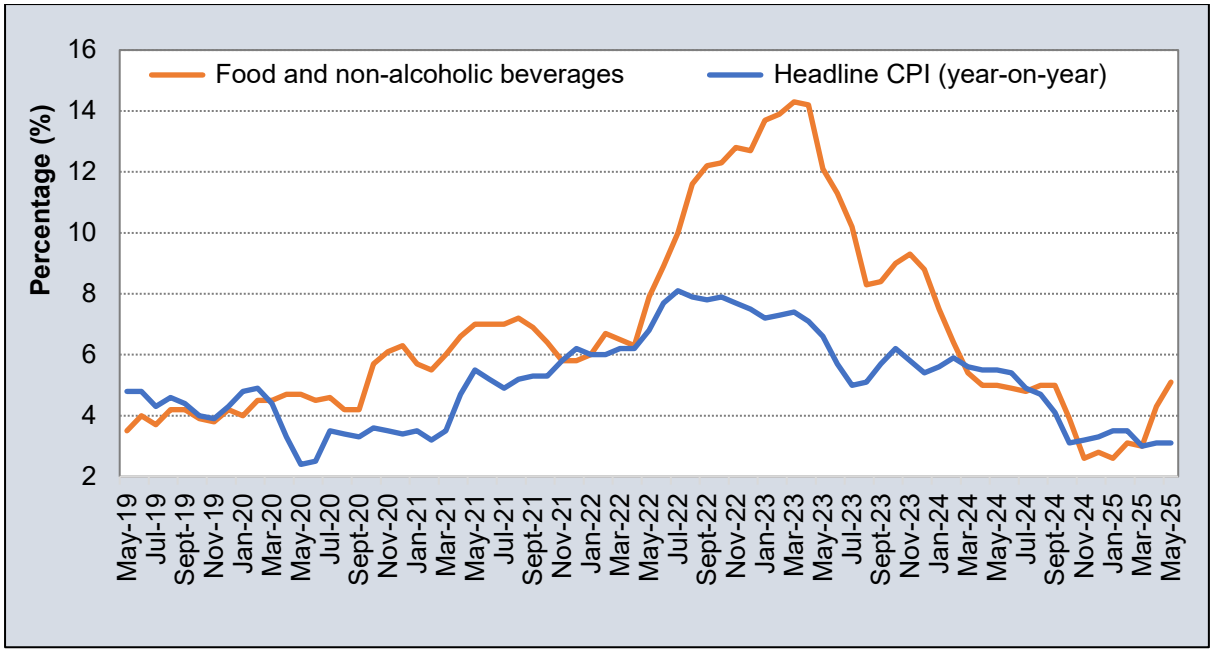

Figure 2: Headline CPI and food and non-alcoholic beverage inflation
Source: Stats SA, 2025

Figure 3 presents components of the food and non-alcoholic beverage index changes. Comparing May 2025 with May 2024, the following changes, in descending order, were reported: fruits & nuts (13.5%), vegetables (10.3%), processed foods (6.8%), oils & fats (5.6%), fish & other seafoods(4.9%), food and non-alcoholic beverages (4.8%), cereal products (4.5%), sugar, confectionery & desserts (4.5%), food (4.4%), meat(4.4%), unprocessed (1.7%), other foods (1.3%) and milk other dairy products and eggs (0.3%). Comparing May 2025 with April 2025, the following changes, in descending order, were reported: vegetables (5.9%), processed (1.7%), food, meat, as well as oils & fats (1.2%), food and non-alcoholic beverages (1.1%), fish & other seafood (1.0%), unprocessed and cereal products (0.4%),milk other dairy products and eggs, and sugar, confectionery & desserts (0.1%), other foods (-0.1)and fruit & nuts (-1.3%).

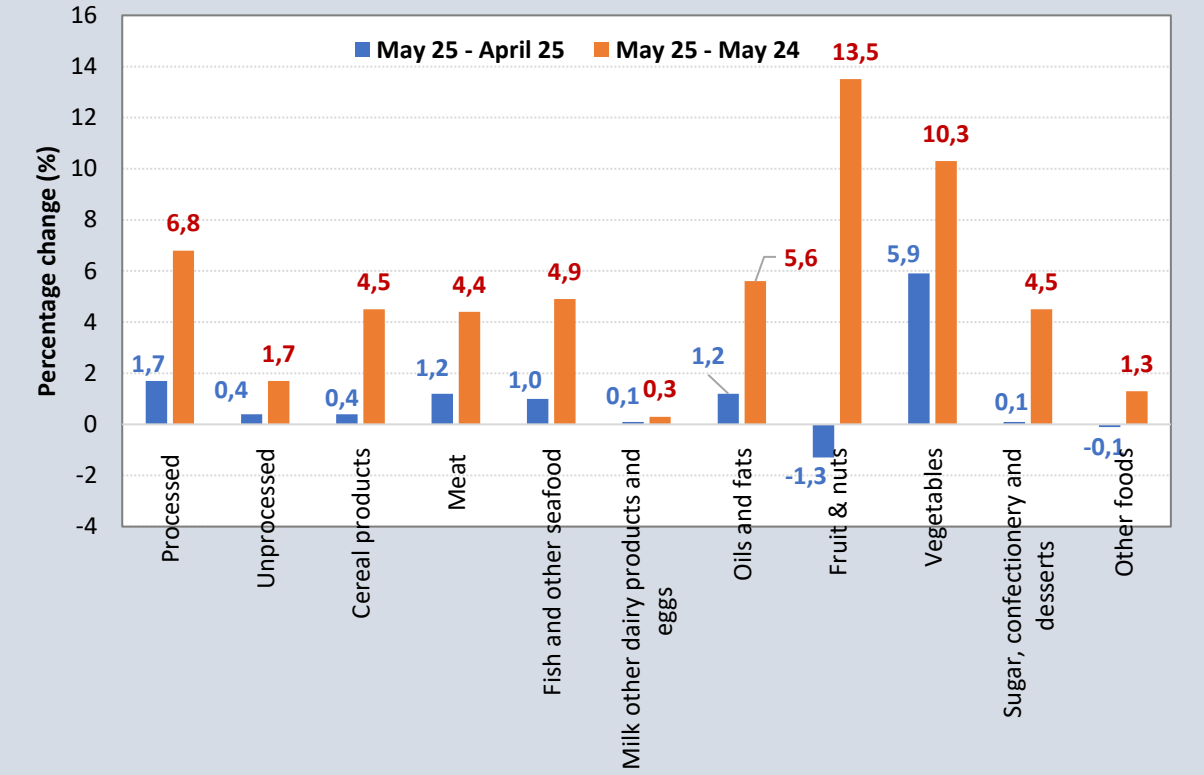

Figure 3: Annual (May 2025 vs. May 2024) and monthly (May 2025 vs. April 2025) changes in CPI for the different food categories
Source: Stats SA, 2025

c. Overall inflation and food inflation: South Africa and selected countries

Table 1 shows the year-on-year (y-o-y) overall inflation and food inflation rates from March 2025 to May 2025 for South Africa and other selected countries. South Africa's overall inflation for May 2025 reached 2.8% while food inflation reached 4.8%. Food categories with the largest annual contribution to South Africa's food inflation include sugar, confectionery & desserts, fish & other seafood and processed foods. In May 2025, Turkey's overall inflation rate was 35.4%, with food inflation coming in at 32.9% and was the largest of these countries. China's food inflation rate was -0.4% while its overall inflation rate was -0.1%. When taking into account the inflation rates of the BRICS (Brazil, Russia, India, China, and South Africa) countries, China had the lowest overall inflation rate in May 2025 (-0.1%), India (0.9%), Brazil (7.3%), while Russia had the highest food inflation rate (12.5%). Over this period under review (March – May 20250, Turkey registered the highest but decreasing trend of inflation amongst all the countries considered in this section between March 2025 and May 2025 while the trend for China increased.

Table 1: Overall inflation and food inflation from March 2025 to May 2025

Country	March 2025		April 2025		May 2025	
	Overall inflation (%)	Food inflation (%)	Overall inflation (%)	Food inflation (%)	Overall inflation (%)	Food inflation (%)
Botswana	2.8	5.8	2.3	5.9	1.9	5.8
Brazil	5.5	7.7	5.5	7.8	5.3	7.3
China	-0.1	-1.4	4.5	-0.2	-0.1	-0.4
India	3.3	2.7	3.2	1.8	2.8	0.9
Namibia	4.2	6.2	3.6	5.6	3.5	5.8
Russia	10.3	12.4	10.2	12.7	9.9	12.5
South Africa	2.7	2.7	2.8	4	2.8	4.8
Turkey	38.1	37.1	37.9	36.1	35.4	32.9
United Kingdom	2.6	3	3.5	3.4	3.4	4.4
United States	2.4	3	2.3	2.8	2.4	2.9
Zambia	16.5	18.9	16.5	18.7	15.3	17.9

Sources: Central banks and statistics reporting institutions of these countries, 2025

d. International Input Price trends

Figure 4 presents international prices for selected fertilisers from May 2021 to May 2025. Due to disruptions in supply from major global producers, trade restrictions by leading exporters, and the record-high fertiliser prices seen globally in the immediate aftermath of Russia's invasion of Ukraine in 2022, prices have somewhat stabilised but are still higher than they were before the conflict in Ukraine.

International prices for Muriate of Potash (MOP) measured in US Dollars per ton (US$/ton) increased by 47% from US$264 in May 2021 to US$389 in May 2025, followed by Di-Ammonium Phosphate (DAP), which increased by 18% from US$580 to US$684. During the same period, Urea increased by 2% from US$349 to US$357, while Ammonia decreased by 43% from US$506 to US$290. Between May 2024 and May 2025, international prices for MOP, Urea and DAP increased by 37%, 24% and 18%, respectively. While Ammonia decreased by 7%. On a month-to-month basis (April 2025 and May 2025), international prices for MOP, DAP, and Urea increased by 6%, 5% and 2%, respectively. During this period, international prices for Ammonia decreased by 1%.

Between May 2021 and May 2025, international prices measured in Rand per ton (R/ton), increased significantly, as already alluded. Notably, MOP, DAP and Urea increased by 90% (from R3707 to R7033), 52% (from R8143 to R12 367), and 32% (from R4900 to R6455), respectively. During the same period, international prices for Ammonia decreased by 26% (from R7 104 to R5 243). The exchange rate (Rand per US dollar - R/US$), which is vital for importing inputs from the global market, depreciated by 29% between May 2021 and May 2025 from R14.04 to R18.08. On a year-on-year basis, prices in Rand value for MOP, DAP, and Urea (R/ton) increased by 35%, 16%, and 22%, while prices for Ammonia decreased by 9% respectively. Meanwhile, on a month-to-month basis, prices in Rand value for MOP and DAP increased by 1%, and 0.1%, while prices for Ammonia and Urea decreased by 6% and 3% respectively.

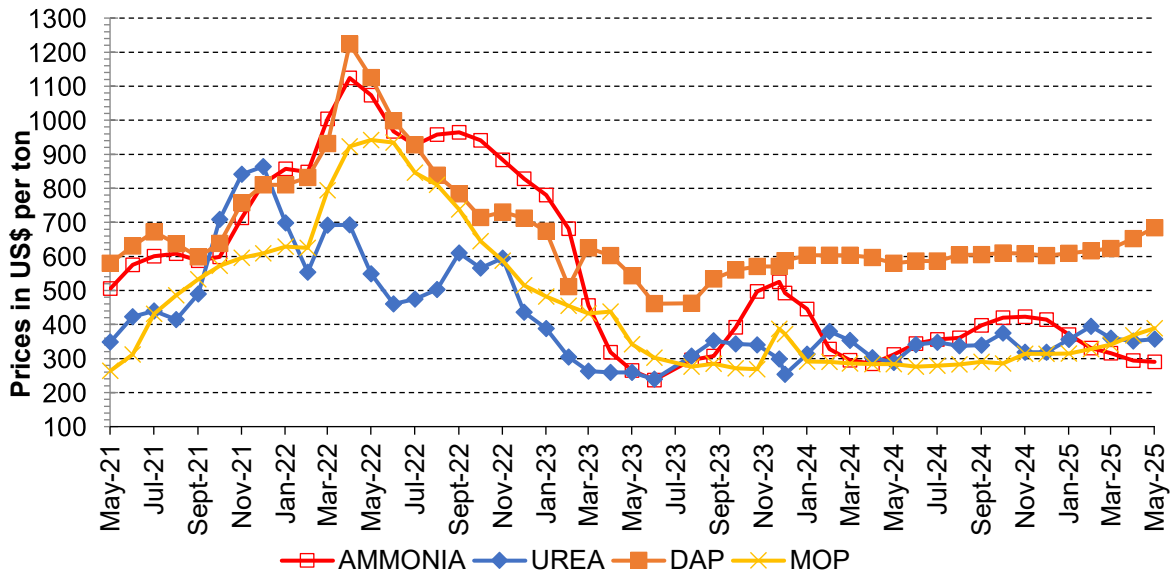

Figure 4: International price trends for selected fertilisers

Source: Own calculations based on data from Grain SA, 2025.

e. Domestic Price Trends

Figure 5 illustrates domestic price trends for fertilisers from May 2021 to May 2025. The domestic pricing per ton of fertilisers shows an increasing trend. Notably, Mono-ammonium Phosphate (MAP) increased significantly by 49% (from R11 753 to R17 494), followed by Potassium Chloride (KCL) with an increase of 42% (from R6 856 to R9 739), Urea Granular which increased by 38% (from R7 880 or R10 875) and Ammonium Nitrate (LAN) which increased by 30% (from R6 724 to R8 735).

For the year-on-year comparison, between May 2024 and May 2025, domestic fertiliser prices for MAP, Urea Granular, and KCL increased by 9%, 8%, and 4%, while LAN decreased by 9%, respectively. The fluctuation of fertiliser prices can be attributed to the exchange rate. The depreciation of the rand against major currencies has made the importation of raw materials more expensive for local producers, leading to rising costs throughout the supply chain of fertilisers.

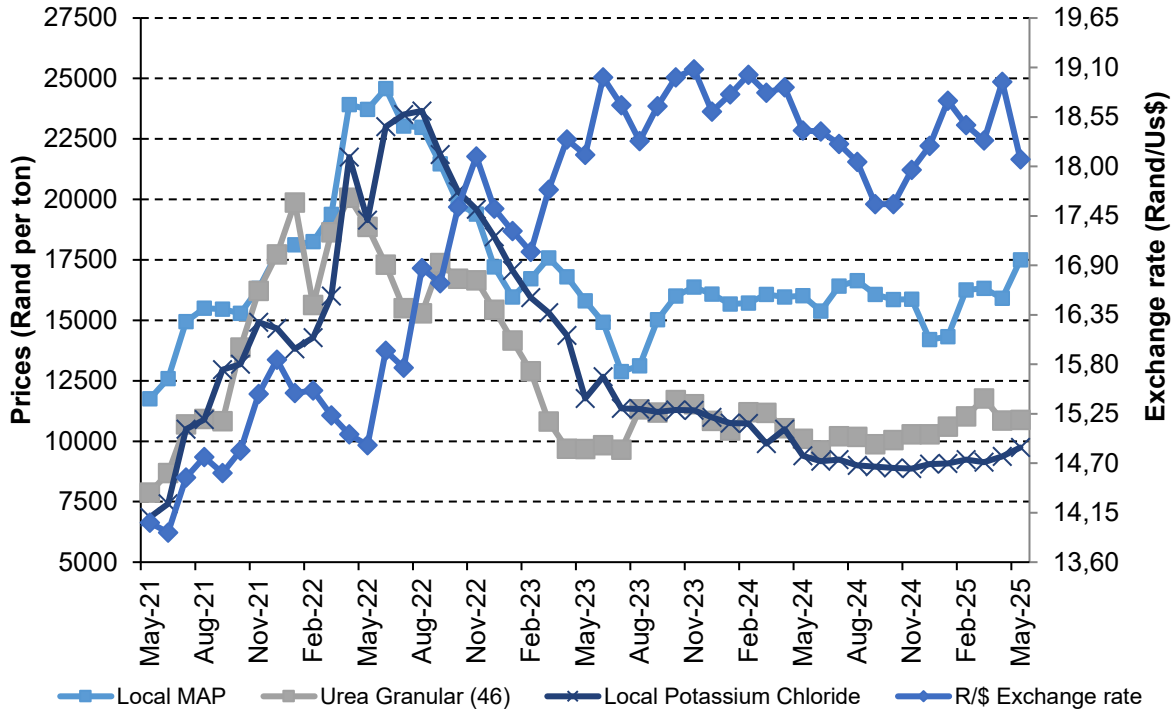

Figure 5: Domestic price trends for selected fertilisers and exchange rate
Source: Own calculations based on data from Grain SA, 2025.

Fuel prices

The crude oil price (measured in dollars per barrel) and the exchange rate have mixed impacts on domestic fuel prices. **Figure 6** shows the price trends for crude oil, petrol, diesel, and the exchange rate from June 2019 to June 2025. During this period, petrol, and diesel, prices increased by 26.7% (from R16.76/litre to R21.24/litre), and 21.8% (from R15.21/litre to R18.53/litre), while prices for crude oil decreased by 8.2% (from US$69.7/barrel to US$63.95/barrel), respectively. In Rand terms, crude oil prices also increased by 15.2% (from R1005.63/barrel to R1158.13/barrel).

On a year-over-year basis (June 2024 to June 2025), petrol and diesel prices decreased by 12.4% (from R24.25/litre to R21.24/litre) and 11.6% (from R20.96/litre to R18.53/litre), respectively. A similar trend was observed in crude oil prices, which decreased by 22.9% in US Dollar terms (from US$82.98/barrel to US$63.95/barrel) and by 24.4% in Rand terms (from R1530.981/barrel to R1158/barrel). During the same period, the Rand appreciated by 1.8% against the US Dollar, moving from R18.45 to R18.11.

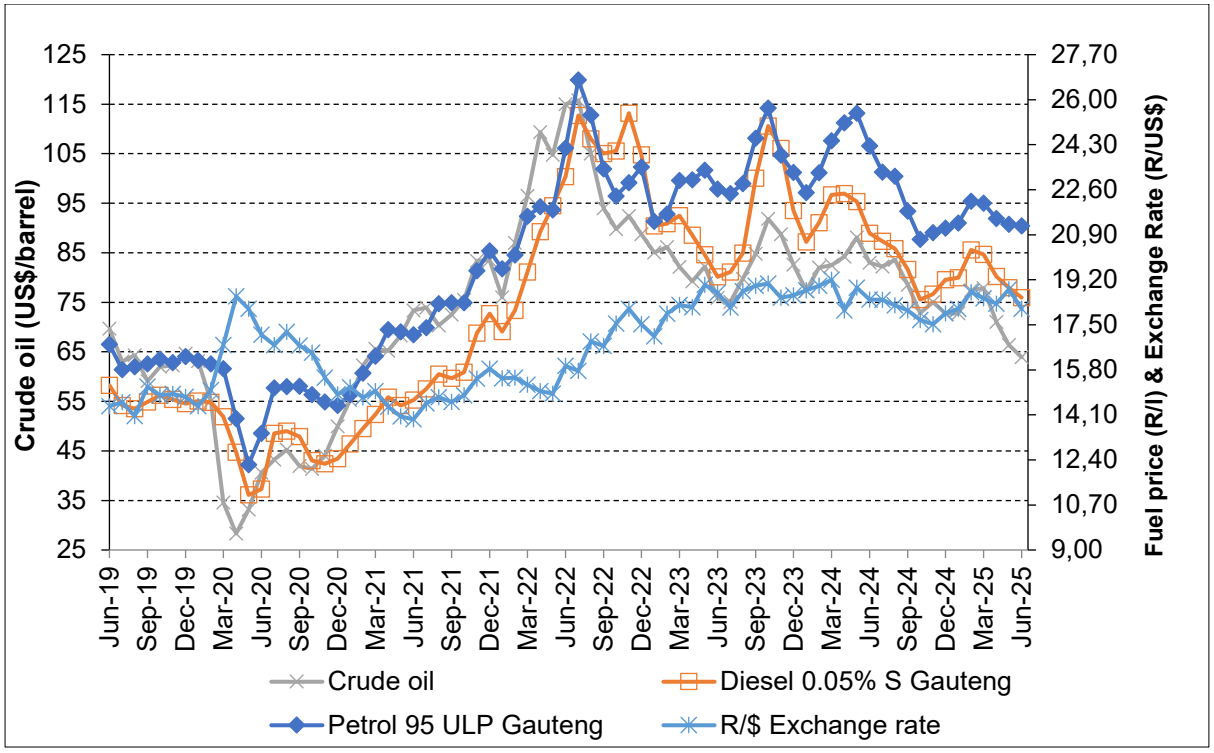

Figure 6: Price trends for crude oil, fuel and exchange rate trend
Source: DoE, 2025.

Freight rates

The Baltic Dry Index (BDI) is used to monitor international freight rates for dry bulk cargo across the world. Specific to grains and oilseeds, the International Grains Council (IGC) introduced the Grain and Oilseeds Freight Index (GOFI) which is used to track international freight rates on grains and oilseeds globally. Using January 2013 as a base year for the GOFI, at least 68 key grains and oilseeds routes are monitored.

Figure 7 shows the trends of the Baltic Dry Index (BDI) and the Global Oilseeds Freight Index (GOFI) between June 2019 and June 2025. During this time, both the BDI and GOFI increased by 45.3% and 20.0%, respectively. When comparing June 2024 to June 2025, the GOFI and BDI decreased by 9.4% and 9.7%, respectively. This implies that the crude oil price fluctuations have a significant impact on the movements of both the GOFI and BDI. As of June 2025, the BDI had reached 1685.75 index points, while the GOFI had dropped to 137 index points from 151.0 in June 2024.

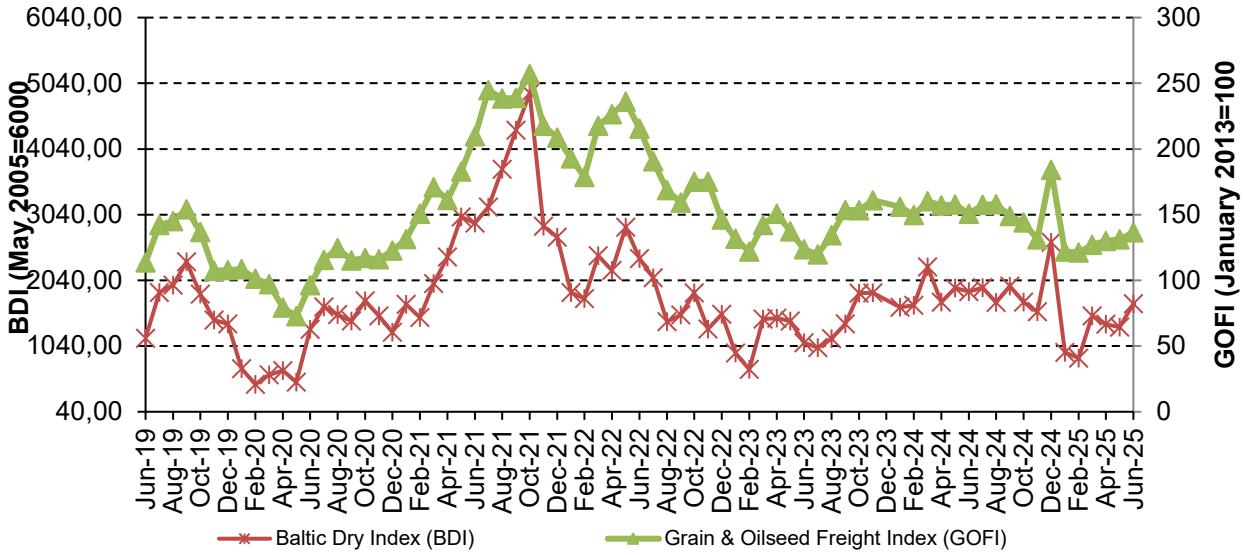

Figure 7: Baltic Dry Index versus Grain and Oilseeds Freight Index
Source: SAGIS, 2025.

Illuminated paraffin price

Figure 8 shows the price trend for illuminated paraffin in the Coastal and Gauteng areas from June 2019 to June 2025. Over this period, illuminated paraffin prices for Gauteng and Coastal regions increased by 28.13% (from R9.74/litre to R12.48/litre) and 26.53% (from R9.06/litre to R11.47/litre), respectively.

Between June 2024 and June 2025, the price of illuminated paraffin in Gauteng and Coastal regions decreased by 17.84 % (from R15.19/litre to R12.48/litre) and 19.28% (from R14.21/litre to R11.47/litre, respectively. Paraffin remains essential in South Africa, due to its affordability and accessibility, paraffin plays a critical role in addressing energy poverty and ensuring basic energy needs are met Paraffin prices in South Africa are affected by various factors such as international crude oil prices, fluctuations in the Rand to US Dollar exchange rate, seasonal demand (particularly during winter), and regulatory expenses. Generally, a decline in the Rand's value or an increase in crude oil prices results in higher paraffin prices.

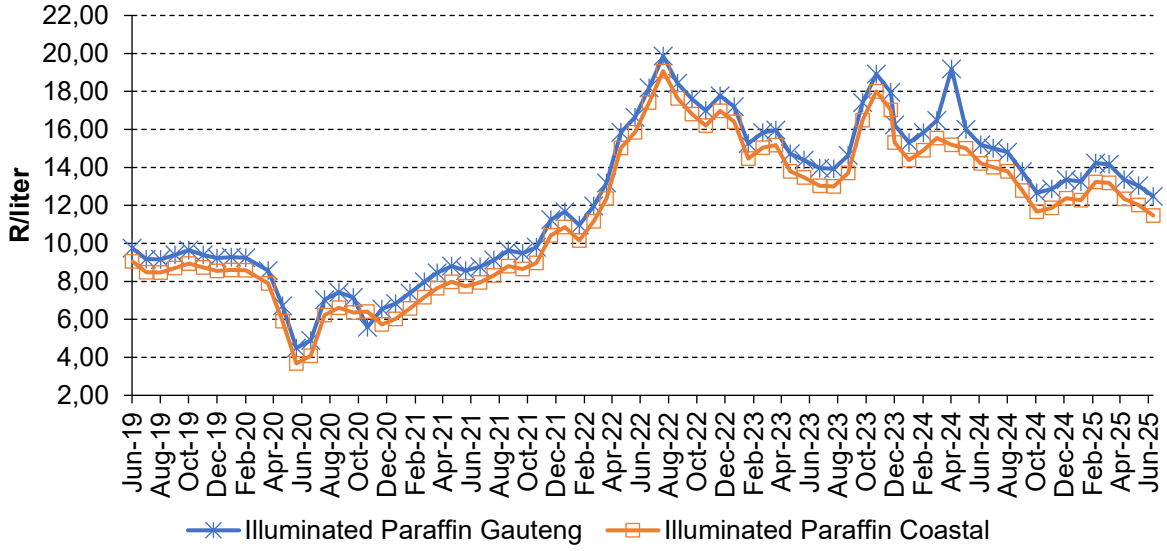

Figure 8: Comparison of illuminated paraffin price between the Coastal and Gauteng regions

SECTION B:

PRODUCT OR CATEGORY ANALYSIS

2. SECTION B: PRODUCT OR CATEGORY ANALYSIS

a. Annual urban food price trends: May 2025 vs. May 2024

Table 2 ranks selected food items pertaining to urban areas according to their various inflation rates and highlights food items with inflation higher than the 6% inflation upper band set by the South African Reserve Bank (SARB).

Table 2: Food items in the urban areas ranked (May 2025 vs. May 2024)

Grain and oil products	%	Meat, meat products, dairy, dairy products, and eggs	%	Fresh and processed fruits and vegetables	%
Rice 1kg	-8.02	Corned beef 300g	-9.1	Tomatoes per kg	-8.2
Rice 2kg	-4.9	Chicken portions frozen -non IQF per kg	-8.2	Baked beans - tinned 410g	-2.0
Cake flour 2.5kg	-0.8	Sausage per kg	-7.8	Oranges per kg	-0.5
Macaroni 500g	1.2	Low fat milk-fresh 2ℓ	-4.8	Onions per kg	4.8
Margarine spread 500g	1.6	Lamb/Mutton offal per kg	-3.9	Potatoes - fresh per kg	5.4
Brown bread 700g	1.9	Whole chicken- fresh per kg	-2.6	Cabbage each	6.5
White bread 700g	2.1	Eggs 1.5 dozen	-1.8	Beans - dried 500g	7.6
Spaghetti 500g	2.6	Chicken giblets per kg	-1.7	Apples per kg	17.4
Sunflower oil 750 mℓ	4.0	Full cream milk - fresh 2ℓ	-1.7	Bananas per kg	21.4
Instant noodles 73g	4.3	Tuna - canned 170g	-1.0	Lettuce each	27.1
Peanut butter 400g	5.8	Low fat milk - long life 1ℓ	-0.7		
Peanut butter 400g	8.4	Cheddar cheese per kg	-0.1		
Maize meal 2.5kg	14.3	Pork fillet per kg	-0.1		
Maize meal 5kg	14.6	Chicken portions - fresh per kg	1.3		
Samp 1kg	16.8	Polony 1kg	1.4	**Other**	**%**
		Full cream milk - long life 1ℓ	2.1	White sugar 2.5kg	3.4
		IQF chicken portions 2kg	2.5	Ceylon/black tea 250g	10.3
		Pork chops per kg	2.8	Instant coffee 250g	16.4
		Bacon 200g	3.0		
		Beef stew per kg	4.2		
		Beef brisket per kg	4.3		
		Fish (excl tuna) - canned 400g	4.4		
		Pork ribs per kg	4.6		
		Powdered milk 900g	5.1		
		Beef offal per kg	7.1		
		Beef mince per kg	7.4		
		Ham 500g	7.5		
		Lamb/Mutton loin chop /kg	8.3		
		Lamb/Mutton leg per kg	8.8		
		Lamb/Mutton neck per kg	8.9		
		Lamb/Mutton stew per kg	9.1		
		Lamb/Mutton rib chop per kg	9.1		
		Beef fillet per kg	9.9		
		Beef T-bone per kg	10.3		
		Beef chuck per kg	12.8		
		Beef sirloin per kg	13.4		
		Beef rump steak per kg	14.2		

Source: Stats SA, 2025

Note: Food items highlighted in the table above experienced price increases above the SARB inflation target of 6%.

Comparing May 2025 against May 2024, Urban consumers paid 0.3% more for a brown bread (700g) and 0.4% more for a white bread (700g). Domestic yellow maize prices increased by 4.3%, while international yellow maize prices increased by 3.1%. Domestic white maize prices decreased by 4.4%. Maize meal prices (2.5kg) increased by 5.4% in urban areas. During the same period, the urban prices of sunflower oil (750mℓ) increased by 1.4%. Domestic prices of sunflower seed increased by 0.1% annually, while international sunflower seed prices increased by 10.6%.

Comparing May 2025 with May 2024, the average beef producer prices (R/kg) of classes A2/A3, B2/B3 and C2/C3 increased by 24.7%, 28.0% and 20.7%, respectively. Lamb/mutton producer prices (R/kg) of classes A2/A3, C2/C3 and B2/B3 increased by 23.9%, 30.3% and 24.2%, respectively. Abattoir selling prices of frozen, fresh chicken and individually quick frozen (IQF) chicken portions increased by 1.8%, 10.9% and 15.3%, respectively. Baconer and porker producer prices (R/kg) increased by 5.7% and 6.0%, respectively, during the same period.

b. Monthly urban price comparison: May 2025 vs. April 2025

Table 3 compares prices of selected food items in urban areas for May 2025 and April 2025. Food items showing relatively large monthly price differences are maize meal (2.5kg) with a difference of R0.54, peanut butter (400g) with a difference of R0.42, white sugar (2.5kg) with a difference of R0.41, sunflower oil (750mℓ) with a difference of R0.33, full cream milk-long life (1ℓ) with a difference of R0.28, white bread (700g) with a difference of R0.07, and brown bread (700g) with a price difference of R0.06. The following products showed a decline in prices; bananas (per kg), with a difference of –R0.01, margarine spread (500g) with a difference of –R0.09, rice (2kg) with a difference of -R0.12, and Ceylon/black tea (250g) with a difference of –R0.69. This indicates that urban consumers paid on average R0.11 less for these 11 food items during May 2025 compared to April 2025.

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

Product	Urban Food Prices April 2025 (R/unit)	Urban Food Prices May 2025 (R/unit)	Price difference (R/unit)
Full cream milk – long life 1ℓ	19.75	20.03	0.28
Brown bread 700g	17.48	17.54	0.06
White bread 700g	18.86	18.93	0.07
Bananas per kg	21.89	21.88	-0.01
Maize meal 2.5 kg	42.50	43.04	0.54
Margarine spread 500g	40.37	40.28	-0.09
Peanut butter 400g	48.04	48.46	0.42
Rice 2kg	44.39	44.27	-0.12
Sunflower oil 750mℓ	36.18	36.51	0.33
Ceylon/black tea 250g	61.44	60.75	-0.69
White sugar 2.5kg	65.73	66.14	0.41
Average difference (R/unit)			**0.11**

Source: Stats SA, 2025

b. Annual rural food price trends: May 2025 vs. May 2024

Table 4 ranks selected food items of rural areas according to their various inflation rates and highlights food categories whose annual rural inflation rates are higher than the 6% inflation upper limit set by the SARB.

Table 4: Food items in rural areas ranked by change in inflation (May 2025 vs. May 2024)

Grain and oil products	%	Meat, meat products, dairy, dairy products and eggs	%	Fresh and processed fruits and vegetables	%
Brick margarine 125g	-5.4%	Fish (excl tuna) - tinned 400g	-42.9%	Oranges per kg	-9%
Peanut butter 270g	-1.4%	Beef rump steak per kg	-8.4%	Potatoes - fresh 10kg	-8%
Margarine spread 500g	-0.9%	Full cream milk - fresh 2ℓ	-2.5%	Tomatoes per kg	-5%
Brown bread 600g	0.3%	Eggs 1.5 dozen	-1.4%	Onions per kg	1%
Sunflower oil 750mℓ	1.2%	Full cream milk - long life 1ℓ	-1.4%	Potatoes - fresh per kg	4%
Rice 2kg	1.5%	Beef fillet per kg	-0.4%	Beans - dried 2kg	5%
Sunflower oil 2ℓ	2.3%	Low fat milk - fresh 2ℓ	0.0%	Beans - dried 500g	8%
Brown bread 700g	2.6%	Beef T-bone per kg	0.2%	Beans - dried 1kg	14%
Sunflower oil 500mℓ	2.9%	Full cream milk - fresh 1ℓ	2.7%	Cabbage each	15%
White bread 700g	3.4%	Full cream milk - long life 500mℓ	2.7%	Apples per kg	16%
Peanut butter 400g	3.6%	Beef brisket per kg	5.1%	Bananas per kg	21%
White bread 600g	4.2%	Beef chuck per kg	5.1%	Cabbage per kg	100%
Margarine spread 1kg	4.9%	Full cream milk - fresh 500mℓ	6.5%		
Brick margarine 500g	5.2%	Chicken portions - fresh per kg	24.2%	**Other**	**%**
Rice 1kg	6.5%	Eggs 0.5 dozen	-	Ceylon/black tea 250g	
Peanut butter 800g	14.7%	Fish (excl tuna) - tinned 155g	--	White sugar 2.5kg	6%
Rice 500g	15.8%	Low-fat milk - fresh 1ℓ	--	White sugar 5kg	8%
Brick margarine 250g	20.0%			Instant coffee 750g	8%
Special maize 2.5kg	-			White sugar 1kg	9%
Super maize 2.5kg	-			Ceylon/black tea 125g	11%
Super maize 5kg	-			Instant coffee 100g	12%
				Ceylon/black tea 62.5g	13%
				Instant coffee 250g	14%
				Ceylon/black tea 200g	33%

Source: Stats SA, 2025

Note: Food items highlighted in the table above experienced price increases above the SARB inflation target of 6%.

c. Monthly comparison between urban and rural area prices for May 2025

Table 5 presents a comparison of the prices of specific food items in urban and rural areas in May 2025. Ceylon/black tea cost R9.16, peanut butter cost R2.71, sunflower oil cost R1.64, bananas cost R0.60, full cream long-life milk cost R0.42, margarine spread cost R0.29, and white and brown bread cost R0.20 and R0.18, respectively, in May 2025. These were the food items with the highest price differences between urban and rural areas. Urban customers spent an average of R1.20 extra on these ten food items. It is important to note, too, that in

May 2025, rice was the food item that rural customers paid more for than urban consumers. Notably, there was no pricing for 2.5 kg of maize meal in rural areas.

Table 5: Comparison between urban and rural food prices (selected food items)

Product	Urban Food Prices May 2025 (R/unit)	Rural Food Prices May 2025 (R/unit)	Price difference (R/unit)
Full cream milk - long life 1ℓ	20.03	20.45	0.42
Brown bread 700g	17.54	17.36	0.18
White bread 700g	18.93	18.73	0.20
Bananas per kg	21.88	21.28	0.60
Maize meal 2.5kg	43.04	-	-
Margarine spread 500g	40.28	39.99	0.29
Peanut butter 400g	48.46	45.75	2.71
Rice 2kg	44.27	46.83	-2.56
Sunflower oil 750mℓ	36.51	34.87	1.64
Ceylon/black tea 250g	60.75	51.59	9.16
White sugar 2.5kg	66.14	65.97	0.17
Average difference (R/unit)			1.20

Source: Stats SA, 2025; NAMC calculations, * Rural prices for maize meal (2.5 kg) were unavailable for May 2025 data

SECTION C:

COST DRIVERS AND ECONOMIC FACTORS

3. SECTION C: COST DRIVERS AND ECONOMIC FACTORS

Grains: Global grain commodity prices (as measured by the FAO Food Price Index) decreased from April 2025 (-1.8%) and were also 8.2% lower than a year ago, with both global maize and wheat prices easing. Maize prices fell due to strong harvests in Argentina, Brazil, and an expected record U.S. crop. Wheat prices declined due to favourable growing conditions and weak demand from the Black Sea region. Locally, maize prices declined for the fourth consecutive month (-5.9% for white maize and -10.9% for yellow maize). Even though white maize prices declined on a YoY basis, yellow maize prices are still higher than in May 2024. Although 2024/25 production is estimated to be higher than the 2023/24 crop, the pace of deliveries to the market in May 2025 was slower than in May 2024. This was due to a delayed start to the season in 2024 and harvesting setbacks caused by excessive rainfall in April 2025. While local wheat prices rose in May 2025, they remained below the levels seen in May 2024

Oilseeds & edible oils: Despite a 3.7% decline in global vegetable oil prices, prices were 19.1% higher than a year ago. Palm, soybean, canola, and sunflower oils all saw MoM price declines due to increased production and stocks, low crushing and demand for biodiesel. For oilseeds, soybean prices were supported by Chinese imports and Argentine harvest delays, while canola prices were high due to tight supply and reduced planting in key exporting regions. Locally soybean prices declined MoM and YoY due to good production outlook, also reflecting a strong rand relative to the dollar. For sunflower seeds prices rose MoM but were stable YoY, 2024/25 production estimates were revised down but still above 2024/25 levels.

Meat: Globally, meat prices rose 1.3% MoM and 6.8% YoY, with bovine, ovine, and pig meat prices increasing due to strong import demand and limited supply in the form of low national herds (US) and disease outbreaks (EU). The poultry price index fell due to oversupply in Brazil after the Avian Influenza outbreak. In the local market, prices for beef, pork, and sheep meat reflected global trends. However, prices were cushioned by a strong exchange rate, especially in the case of sheep meat. In the beef sector, slaughter numbers were down 5.4% and FMD outbreaks pose risks to weaner calves prices. Pork prices showed moderate growth, indicative of some recovery in consumer demand. IQF chicken prices increased by 2.2% MoM and 13.9% YoY due to lower domestic supply, given issues at one of South Africa's major poultry producers, Daybreak and import restrictions on Brazil due to HPAI cases.

Dairy: Global dairy prices rose by 0.8% MoM and 21.5% YoY, driven by tight milk supply in Australia and strong demand from Asia and the Middle East. Locally, raw milk and dairy product prices increased due to low seasonal milk supply and higher processor demand.

Vegetables: The prices of tomatoes and potatoes declined in May 2025, with tomato prices down 13.3% YoY and 9.0% MoM, and potato prices down 10.2% YoY and 22.4% MoM. Supply recovered after weather-related shortages.

Fruit: The local prices for apples, bananas, and avocados increased from a year ago due to lower supply and weather impacts. Local orange prices were down due to increased local supply amid low juice prices and slow market movements.

In the next few months, food inflation pressures are expected to ease, but major risk factors include the strength of the Rand against the U.S. dollar, the intensity of the anticipated rebound in the summer crop harvest, containment measures against the ongoing FMD outbreaks and fuel levy change.

SECTION D:

CONSUMER IMPACT AND AFFORDABILITY

4. SECTION D: CONSUMER IMPACT AND AFFORDABILITY

The purpose of this section is to illustrate the impact of food inflation on consumers, as seen in **Figure 9**. The analysis presented in the first part of this section is based on the cost of a basic food basket[1] (as originally compiled by the Food Price Monitoring Committee in 2003, which was revised in January 2017) and based on monthly average food price data for the period May 2024 to May 2025. In May 2025, the cost of this basic NAMC urban food basket was R1,330, increasing by 4.5% (+R57) from May 2024 (year-on-year increase). and decreasing by 0.5% (-R6) from April 2024 (month-on-month change).

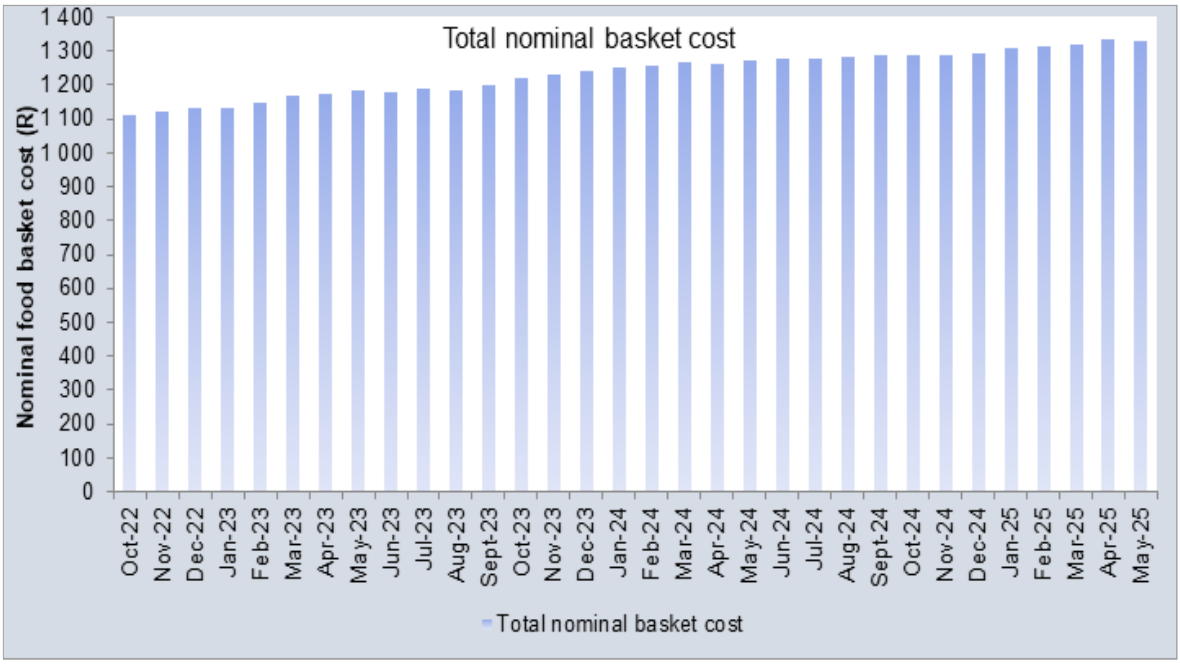

Figure 9: The cost of the NAMC consumer food basket from October 2022 to May 2025

Source: BFAP calculations, based on Stats SA monitored price data for urban areas

a. Inflation dynamics of the NAMC consumer food basket in May 2025

To further explore the impact of inflation on consumers, **Figure 10** presents an illustration of the average monthly nominal cost of specific food groups within the basic food basket, comparing May 2025 to May 2024. Food groups in the NAMC basket with more severe food inflation (5% and higher) in May 2025included coffee & tea (+13.5%) > fruit (+11.8%) > fats/oils (+6.0%).

[1] Composition of food basket: Apples fresh (per kg), Baked beans tinned (410g), Bananas fresh (per kg), Beans dried (500g), Beef mince fresh (per kg), Beef offal fresh (per kg), Bread loaf brown (700g), Bread loaf white (700g), Cabbage fresh (per kg), Cheese cheddar (per kg), Chicken giblets (per kg), Chicken portions IQF (2kg), Coffee instant (250g), Eggs (1.5 dozen), Fish (excl. tuna) tinned (400g), Maize meal super (5kg), Margarine brick (500g), Milk full cream long life (1ℓ), Onions fresh (per kg), Oranges fresh (per kg), Peanut butter (400g), Polony (per kg), Potatoes fresh (per kg), Rice (2kg), Sugar white (2.5kg), Sunflower oil (750mℓ), Tea Ceylon/black (250g), Tomatoes fresh (per kg).

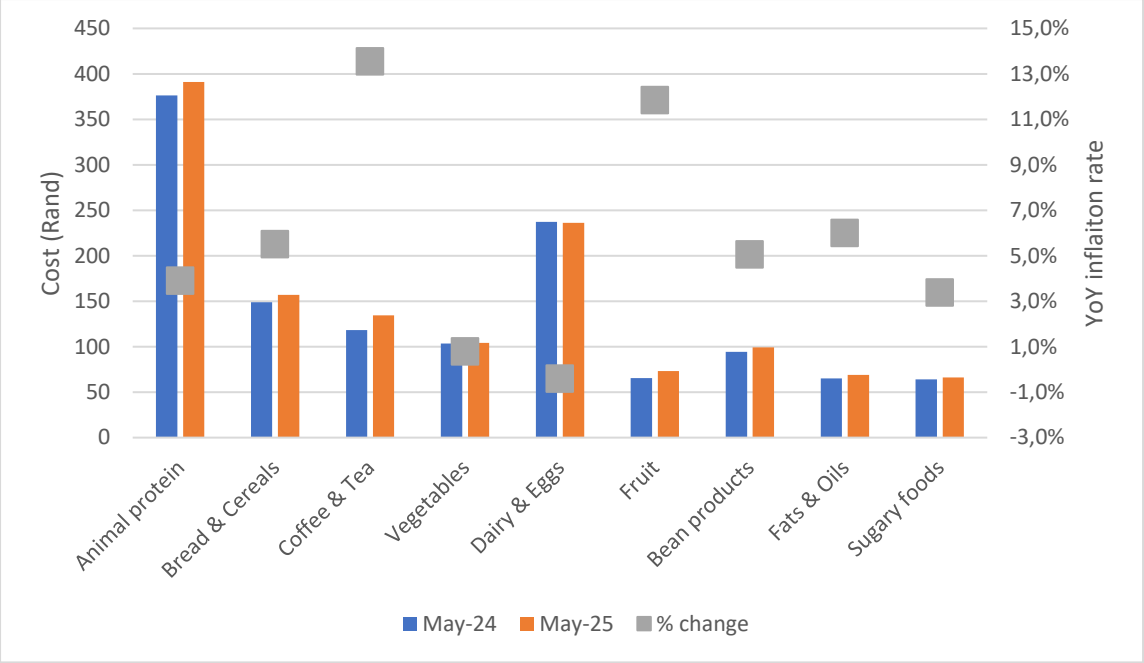

Figure 10: Nominal monthly cost of specific food groups within the basic food basket, comparing May 2025 to May 2024 (annual inflation) *(Source: BFAP calculations, based on Stats SA monitored price data for urban areas)*

When comparing May 2025 to May 2024 retail prices, higher year-on-year price inflation (5.0% or more) was observed for the following products within the NAMC food basket: Bananas (+21.4%), Apples (+17.4%), Instant coffee (+16.4%), Super maize meal (+14.6%), Ceylon/black tea (+10.3%), Brick margarine (+8.4%), Dried beans (+7.6%), Beef mince (+7.4%), Beef offal (+7.1%), Cabbage (+6.5%), Peanut butter (+5.8%), Potatoes (+5.4%).

b. Exploring the impact of food inflation on vulnerable households in South Africa in May 2025

In this section the impact of inflation on very poor consumers is explored based on the typical portion sizes of very poor consumers of the five most widely consumed food items in South Africa represented by maize porridge, brown bread, sugar, tea and full cream milk (National Food Consumption Survey - Steyn & Labadarios, 2000[2]; Oldewage-Theron et al, 2005[3]). Figure 3 illustrates the estimated portion costs for these foods, calculated from monthly food price data for May 2025 to May 2024. In May 2025 the largest cost contribution came from brown bread (40%) and maize meal (35%), followed by milk (12%). Furthermore, despite the relatively low actual food weight contribution of bread to this 'food plate', the bread component costs more than the maize porridge component (about 16% more in this case for May 2025).

When comparing the costs associated with the typical portion sizes of very poor consumers for the five most widely consumed food items in South Africa, based on May 2025 and May 2024 prices the results in **Figure 11** indicated inflation of 6.7% (from R8.77 to R9.36 for the selection of typical portions), with the highest inflation on maize meal, tea and sugar. From April 2025 to May 2025 the costs associated with the typical portion sizes of very poor

[2] 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

[3] 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

consumers for the five most widely consumed food items in South Africa decreased by 0.3% (-R0.03).

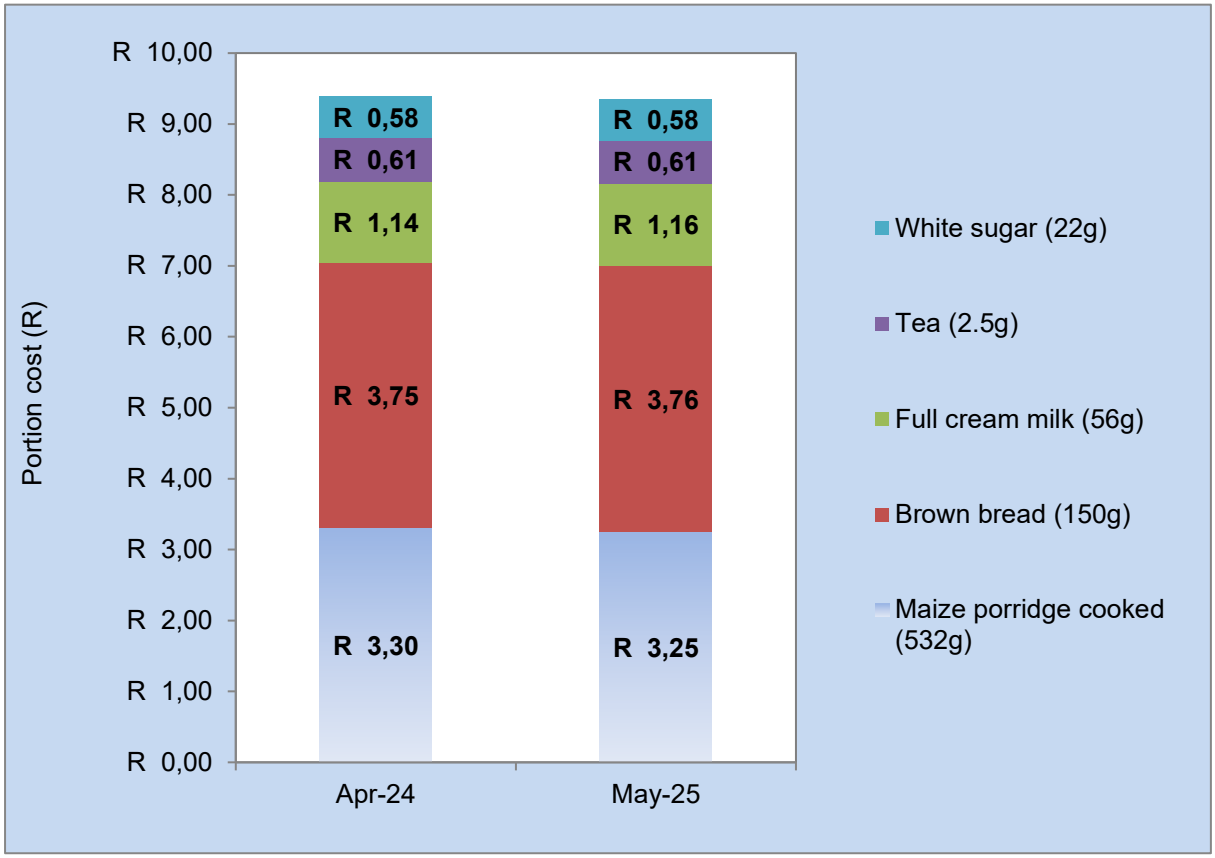

Figure 11: Average nominal cost for the typical portions of the five food items most widely consumed by very poor consumers in South Africa, for May 2024 and May 2025

Source: BFAP calculations, based on Stats SA monitored price data for urban areas

To further explore the impact of inflation on very poor consumers, we can consider the y-o-y inflation on the top 10 food items dominating the food expenditure of the least affluent 50% of households in South Africa (according to the Stats SA Living Conditions Survey 2014/15). Higher vulnerability to food price increases could be viewed as items with higher YoY food inflation rates, also contributing significantly to typical food expenditure of these households. We observe the following from **Figure 12**:

- Higher YoY food inflation (2.5% or higher) was reported for maize meal (+14.5%), lower value beef cuts (+7.2%), aerated cold drinks (+5.2%), plant oil (+4.0%), white sugar (+3.4%) and IQF chicken (+2.5%) in May 2025 – thus affecting the affordability of six of the top ten foods purchased by lower income households.
- Taking into consideration typical food expenditure shares, the May 2025 inflation on maize meal, chicken and beef could have a particularly negative impact on lower-income consumers, considering high food expenditure shares on these foods.

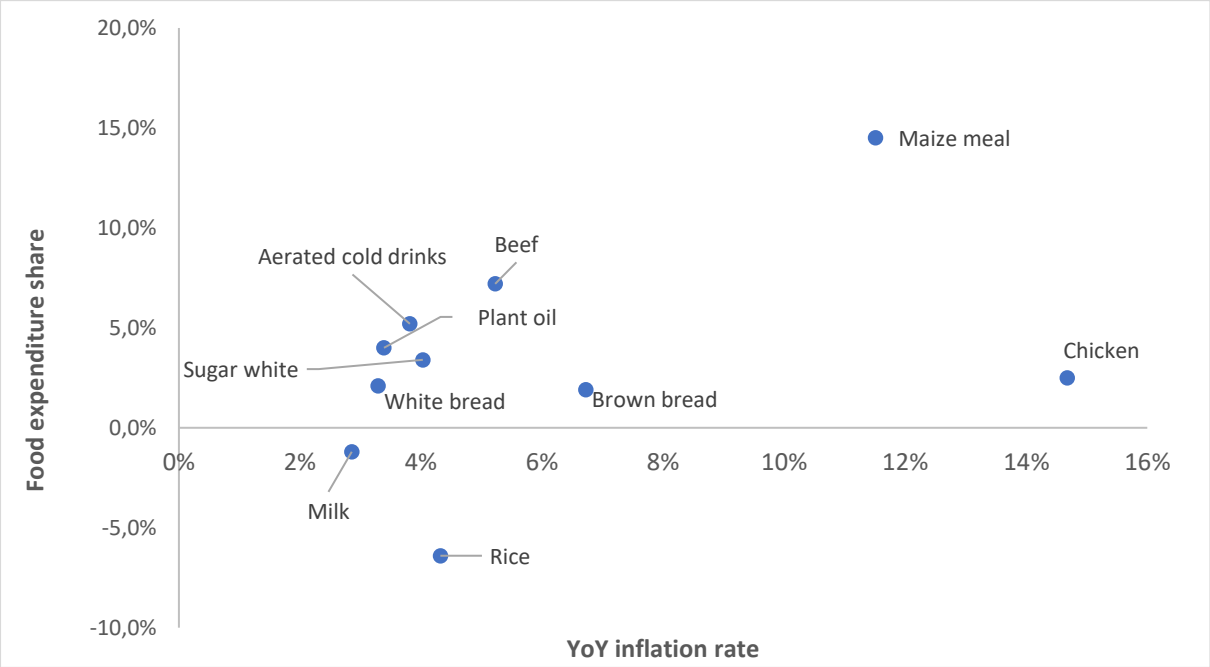

Figure 12: YoY inflation on the top 10 food expenditure items of lower-income households in South Africa

Source: BFAP calculations, based on Stats SA monitored price data for urban areas, with food expenditure shares obtained from the Stats SA Living Conditions Survey 2014/15

5. REFERENCES

The Input Cost Prices publication, released by the National Agricultural Marketing Council (NAMC), analyses historical and current trends in selected agricultural production input prices across both domestic and international markets. The data for this publication is sourced from Grain South Africa (Grain SA), the Department of Energy (DoE), and the South African Grain Information Service (SAGIS) (2025).

Statistics South Africa (Stats SA) updated the Consumer Price Index (CPI) basket of goods and services and the respective weights in the February 2025 CPI release. This update was mainly based on the results of the income and expenditure survey which began fieldwork in December 2022.

The May 2025 official data is used in this report, as the official release of the June 2025 CPI data is scheduled for July 23, 2025 (see link below from the Stats SA website): https://www.statssa.gov.za/publications/P0141/P0141May2025.pdf

For further insights into food inflation refer to the monthly ***BFAP Food Inflation Brief*** *https://www.bfap.co.za/wp-content/uploads/2025/06/Food-Inflation-Brief-May-2025-prices_27-June-2025_FINAL.pdf*

DISCLAIMER

BACKGROUND INFORMATION

The NAMC monitors food prices at retail level and releases regular authoritative reports. The Department of Agriculture (DoA), formerly the Department of Agriculture, Forestry and Fisheries (DAFF) established the Food Price Monitoring Committee (FPMC) at the NAMC to track and report food price trends in South Africa; to provide explanations of the observed trends and to then advise the Department on any possible action that could be taken should national and household food security be threatened. The FPMC was established after the high food price episode of 2000/01 season. The functions of the FPMC were continued by the NAMC after the FPMC completed its work in August 2004. The NAMC issues four quarterly Food Price Monitoring reports annually and, since 2005, also publishes an annual Food Cost Review report, which documents the margins between farm and retail prices of the major food products, amongst other topics. In 2015, the NAMC began releasing a quarterly Farm-to-Retail-Price-Spread (FTRPS) publication, which seeks to provide more insight into the factors driving commodity and food price margins. This publication, the Food Basket Price Monthly report, following discussions with industry to keep a more frequent watch on the movements of food prices.

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