NAMC

Promoting market access for South African agriculture

FOOD AND INPUT COST REPORT

ISSUE 02 - September 2025

www.namc.co.za

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 July 2025 official data is used in this report (see link below from the Stats SA website):
https://www.statssa.gov.za/publications/P0141/P0141July2025.pdf

EXECUTIVE SUMMARY

During July 2025, the CPI released by Statistics South Africa (Stats SA) indicated that the annual headline CPI increased by 3.5%, while inflation for food and non-alcoholic beverages increased by 5.7%. In July 2025, the cost of this basic NAMC urban food basket was R1 351.21, representing an increase of 5.8% from July 2025 (year-on-year) and an increase of 0.7% from June 2025 (month-on-month). Comparing July 2025 to July 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 domestic market, IQF chicken prices rose, reflecting global trends and local HPAI-related concerns. Pork prices remained elevated, supported by strong demand as a cost-effective alternative to beef. Beef prices declined MoM but remained elevated YoY due to limited supply amid FMD cases among some major feedlots.

Between August 2021 and August 2025, international prices measured in Rand per ton (R/ton), increased significantly, as already alluded. Notably, DAP and Urea increased by 39.5% and 29%, respectively. During the same period, international prices for MOP and Ammonia decreased by 7.1% and 37%, respectively. The exchange rate (Rand per US dollar - R/US$), which is vital for importing inputs from the global market, depreciated by 20% between August 2021 and August 2025 from R14.77 to R17.73. On a year-on-year basis, prices of MOP, DAP, and Urea increased by 31%%, 20%, and 30%, respectively, while prices for Ammonia decreased by 13%. Meanwhile, on a month-to-month basis, prices in Rand value for Ammonia and Urea increased by 2.4% and 3.5%, while prices for MOP and DAP decreased by 0.4% and 0.6% respectively.

For fuel, annual (August 2024 to August 2025) prices for petrol and diesel decreased by 6.9% (from R23.11/litre to R21.51/litre) and 1.9% (from R20.38/litre to R20.00/litre), respectively. A similar trend was observed in crude oil prices, which decreased by 17.3% in US Dollar terms (from US$83.55/barrel to US$69.06/barrel) and by 19.5% in Rand terms (from R1523.95/barrel to R1226.51/barrel). During the same period, the Rand appreciated by 2.6% against the US Dollar, moving from R18.24 to R17.76 respectively.

For freight rates, both the Grain and Oilseeds Freight Index (GOFI) and the Baltic Dry Index (BDI), increased by 5.69% and 0.93%, respectively, between August 2019 and August 2025. Conclusively, various factors influence the observed trends in food and input prices over the period considered in this report. Identified drivers include animal pest and disease outbreaks, the depreciation of the Rand value against the US dollar, and the volatility of crude oil prices, among others.

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PRICE TRENDS OVERVIEW (INPUTS & FOOD)

1. SECTION A: PRICE TRENDS OVERVIEW

a. Global Indices

Figure 1 shows price indices for the five food categories. The monthly (July 2025 vs. June 2025) growth rate indicates decreasing trends for two of the five indices. The annual (July 2025 vs. July 2024) growth rate indicates a 14.7% increase for the Oil Price Index, and a 12.8% rise in the dairy Price Index. The price indices for meat, sugar and cereal decreased by 1.2%, 20.2% and 10.8%, respectively.

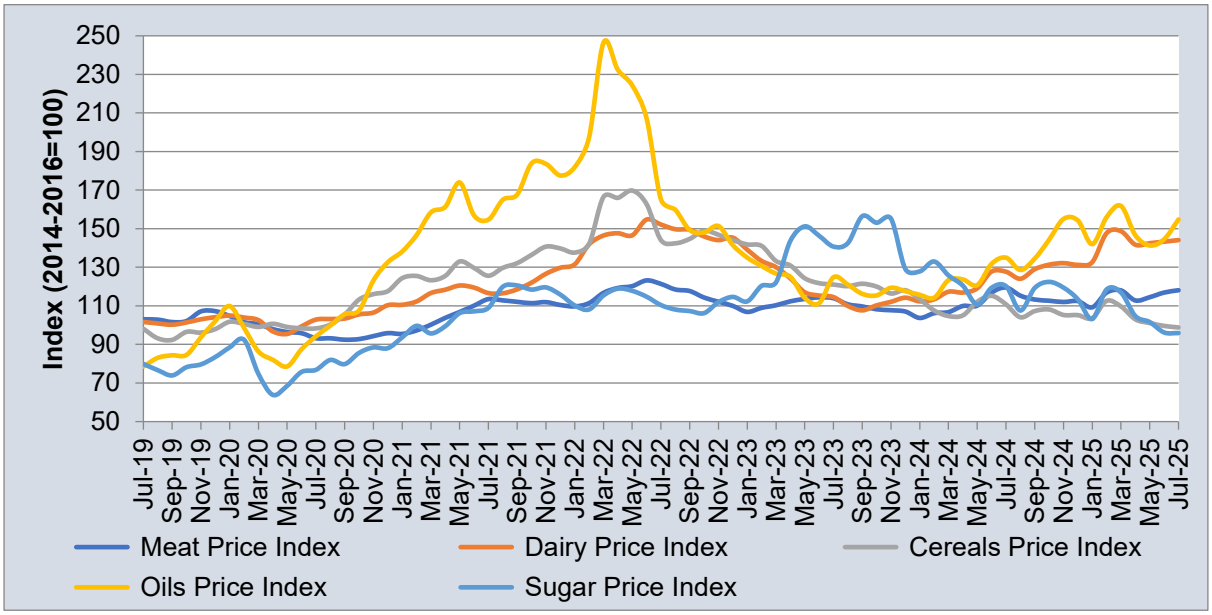

Figure 1: Real price indices for five food categories

Source: FAO, 2025

b. Domestic Indices

Figure 2 shows trends of the headline Consumer Price Index (CPI) and the monthly inflation for the food and non-alcoholic beverages from July 2019 to July 2025. During July 2025, the CPI released by Statistics South Africa (Stats SA) indicated that the annual headline CPI increased by 3.5%, while inflation for food and non-alcoholic beverages increased by 5.7%. In July 2024, headline inflation was 4.6%, while food and non-alcoholic beverage inflation was 4.5%.

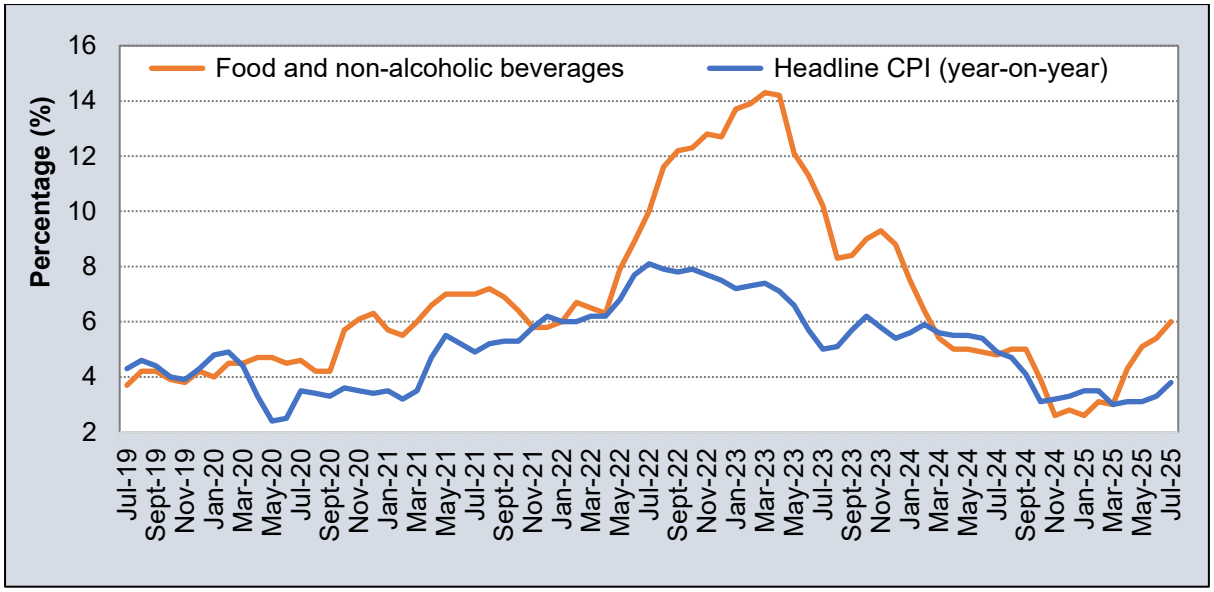

Figure 2: Headline CPI and food and non-alcoholic beverage inflation
Source: Stats SA, 2025

Figure 3 presents components of the food and non-alcoholic beverage index changes. Comparing July 2025 with July 2024, the following changes, in descending order, were observed: vegetables (14.6%), meat (10.5%), fruits & nuts (9.5%), processed foods (7.2%), oils & fats (4.6%), unprocessed (3.8%), sugar, confectionery & desserts (3.7%), , fish & other seafoods food (3.4%), cereal products (2.1%), other foods (1.6%) and milk other dairy products and eggs (-0.8%). Comparing July 2025 with June 2025, the following increases, in descending order, were recorded: meat (3.3%), processed (0.8%), unprocessed (0.7%), other foods (0.4%), fish & other seafood, as well as sugar, confectionery & desserts (0.1%). Conversely, a 0.2% decline was recorded for cereal products as well as other dairy products and eggs, followed by vegetables (-0.8%), oils & fats (-1.3%), and fruit & nuts (-4.9%).

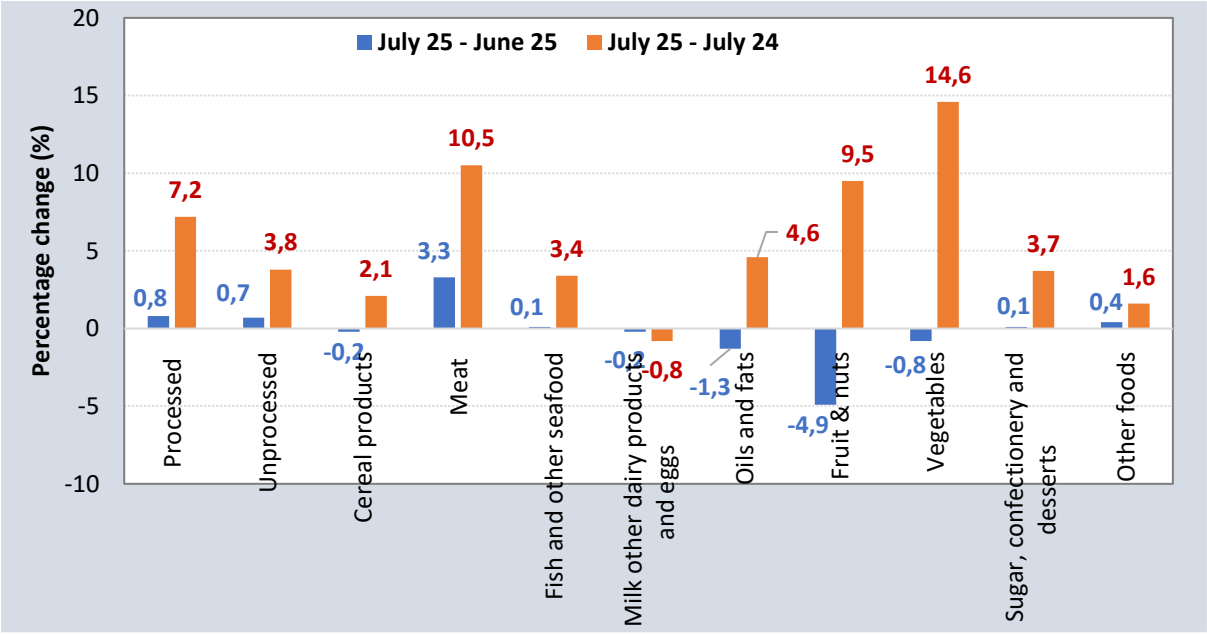

Figure 3: Annual (July 2025 vs. July 2024) and monthly (July 2025 vs. June 2025) changes in CPI for the different food categories
Source: Stats SA, 2025

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 May 2025 to July 2025 for South Africa and other selected countries. South Africa's overall inflation for July 2025 reached 3.5%, while food inflation reached 5.7%. Food categories with the largest annual contribution to South Africa's food inflation include vegetables, meat, fruits & nuts, and processed foods. In July 2025, Turkey's overall inflation rate was 33.5%, with food inflation coming in at 27.9%, which was the largest across all countries considered in this report. China's food inflation rate dropped further to -1.6% when compared to June 2025, while its overall inflation rate was 0.0%. When considering the inflation rates of the BRICS (Brazil, Russia, India, China, and South Africa) countries, China had the lowest overall inflation rate in July 2025 (0.0%), followed by India (1.6%), while Russia had the highest food inflation rate (10.8%). Over 3 months (May – July 2025), Turkey registered the highest but decreasing trend of inflation amongst all the countries considered in this section, while the trend for China also decreased.

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

Country	May 2025		June 2025		July 2025	
	Overall inflation (%)	Food inflation (%)	Overall inflation (%)	Food inflation (%)	Overall inflation (%)	Food inflation (%)
Botswana	1.9	5.8	2.0	5.4	1.1	4.3
Brazil	5.3	7.3	5.3	6.6	5.2	7.4
China	-0.1	-0.4	0.1	-0.3	0.0	-1.6
India	2.8	0.9	2.1	-1.1	1.6	-1.8
Namibia	3.5	5.8	3.7	6.4	3.5	6.1
Russia	9.9	12.5	9.4	11.9	8.8	10.8
South Africa	2.8	4.8	3.0	5.1	3.5	5.7
Turkey	35.4	32.9	35.1	30.2	33.5	27.9
United Kingdom	3.4	4.4	3.6	4.5	3.8	4.9
United States	2.4	2.9	2.7	3.0	2.7	2.9
Zambia	15.3	17.9	14.1	16.7	13.0	15.3

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 August 2021 to August 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 Di-Ammonium Phosphate (DAP), measured in US Dollars per ton (US$/ton), increased by 16% from US$637 in August 2021 to US$740 in August 2025, followed by Urea, which increased by 8% from US$414 to US$447. During the same period, Muriate of Potash (MOP) decreased by 23% from US$486 to US$376, and Ammonia also decreased by 48% from US$608 to US$319. Between August 2024 and August 2025, international prices for MOP, Urea and DAP increased by 33%, 33% and 23%, respectively

while ammonia decreased by 12%. On a month-to-month basis (July 2025 and August 2025), international prices for Ammonia and Urea increased by 3% and 4%, respectively. During this period, international prices for MOP and DAP decreased by 0.3% and 0.4%, respectively.

Between August 2021 and August 2025, international prices measured in Rand per ton (R/ton), increased significantly, as already alluded. Notably, DAP and Urea increased by 39.5% and 29%, respectively. During the same period, international prices for MOP and Ammonia decreased by 7.1% and 37%, respectively. The exchange rate (Rand per US dollar - R/US$), which is vital for importing inputs from the global market, depreciated by 20% between August 2021 and August 2025 from R14.77 to R17.73. On a year-on-year basis, prices of MOP, DAP, and Urea increased by 31%%, 20%, and 30%, respectively, while prices for Ammonia decreased by 13%. Meanwhile, on a month-to-month basis, prices in Rand value for Ammonia and Urea increased by 2.4% and 3.5%, while prices for MOP and DAP decreased by 0.4% and 0.6% respectively.

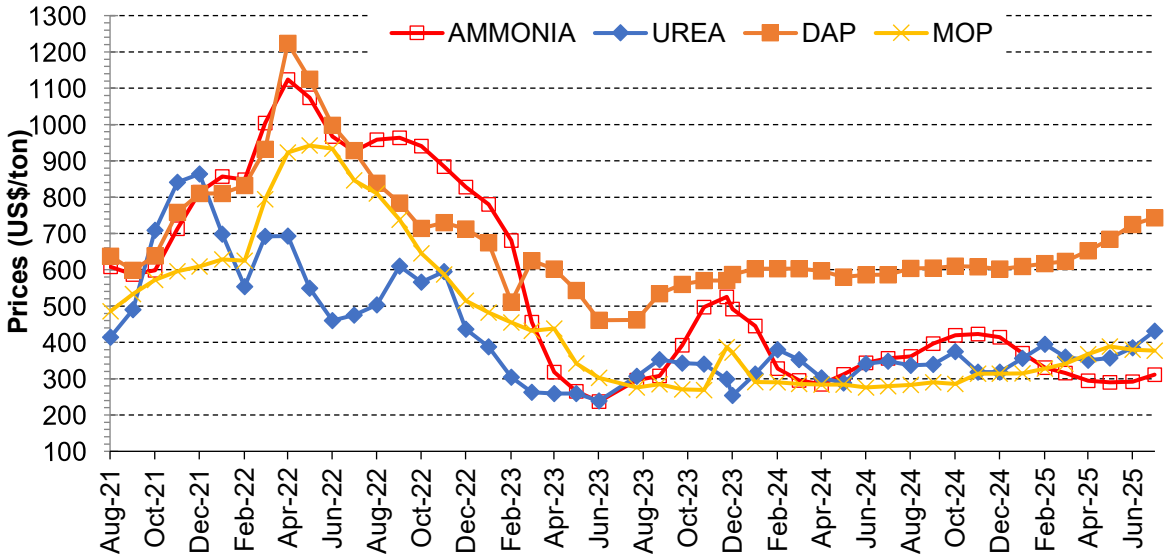

Figure 4: International price trends for selected fertilisers
Source: Own calculations based on data from Grain SA, 2025.

e. Domestic Price Trends

Figure 5 illustrates domestic price trends for fertilisers from August 2021 to August 2025. The domestic pricing per ton of fertilisers shows an increasing trend. Notably, Mono-ammonium Phosphate (MAP) increased significantly by 17% (from R15 498 to R18171), followed by Ammonium Nitrate (LAN) with an increase of 17% (from R8 587 to R10 016), and Urea Granular, which increased by 6% (from R10 919 or R11 628). Conversely, during the same period, the price of Potassium Chloride (KCL) decreased by 11%, from R10 897 to R9 669.

For the year-on-year comparison, between August 2024 and August 2025, domestic fertiliser prices for MAP, LAN, Urea Granular, and KCL increased by 9%, 6%, 14%, and 7%, respectively. The fluctuation in fertiliser prices can be attributed to the depreciating value of the Rand against the US dollar.

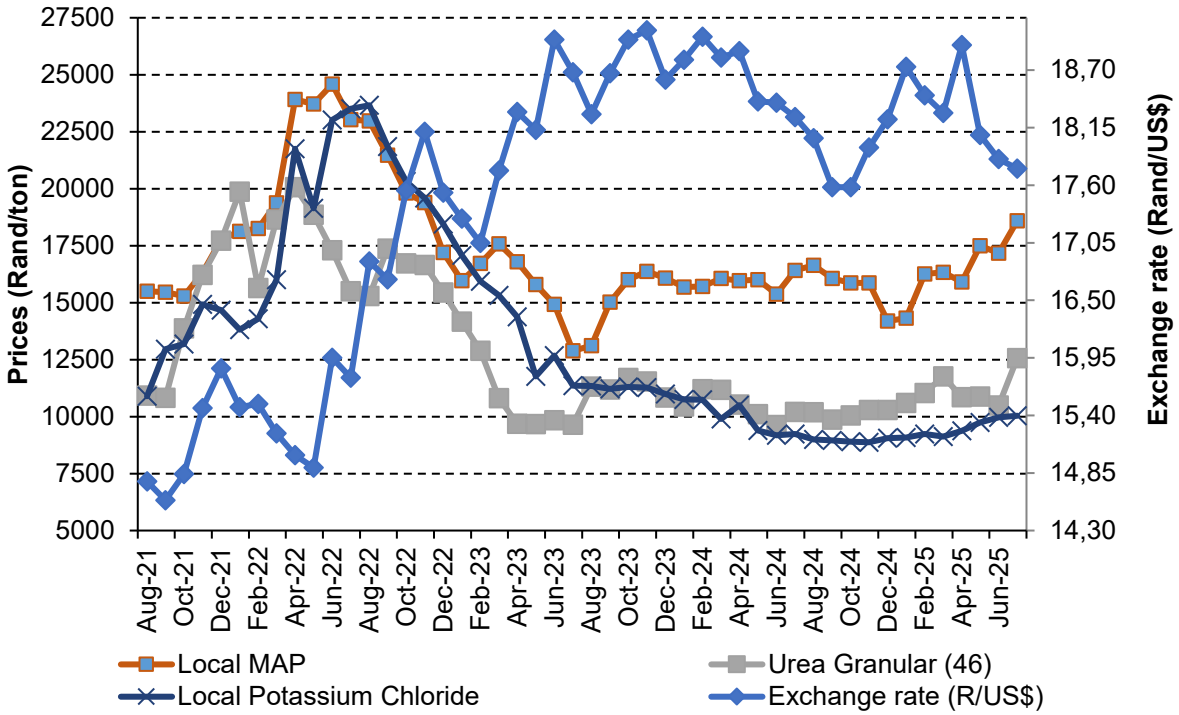

Figure 5: Domestic price trends for selected fertilisers and exchange rate
Source: Own calculations based on data from Grain SA, 2025.

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 August 2019 to August 2025. During this period, petrol, diesel, and crude oil prices increased by 35.1% (from R15.92/litre to R21.51/litre), and 39.6% (from R14.33/litre to R20.00/litre), and 7.4% (from US$64.3/barrel to US$69.06/barrel), respectively. In Rand value, crude oil prices also increased by 35.8% (from R903.42/barrel to R1226.51/barrel).

On a year-over-year basis (August 2025 to August 2024), petrol and diesel prices decreased by 6.9% (from R23.11/litre to R21.51/litre) and 1.9% (from R20.38/litre to R20.00/litre), respectively. A similar trend was observed in crude oil prices, which decreased by 17.3% in US Dollar terms (from US$83.55/barrel to US$69.06/barrel) and by 19.5% in Rand terms (from R1523.95/barrel to R1226.51/barrel). During the same period, the Rand appreciated by 2.6% against the US Dollar, moving from R18.24 to R17.76.

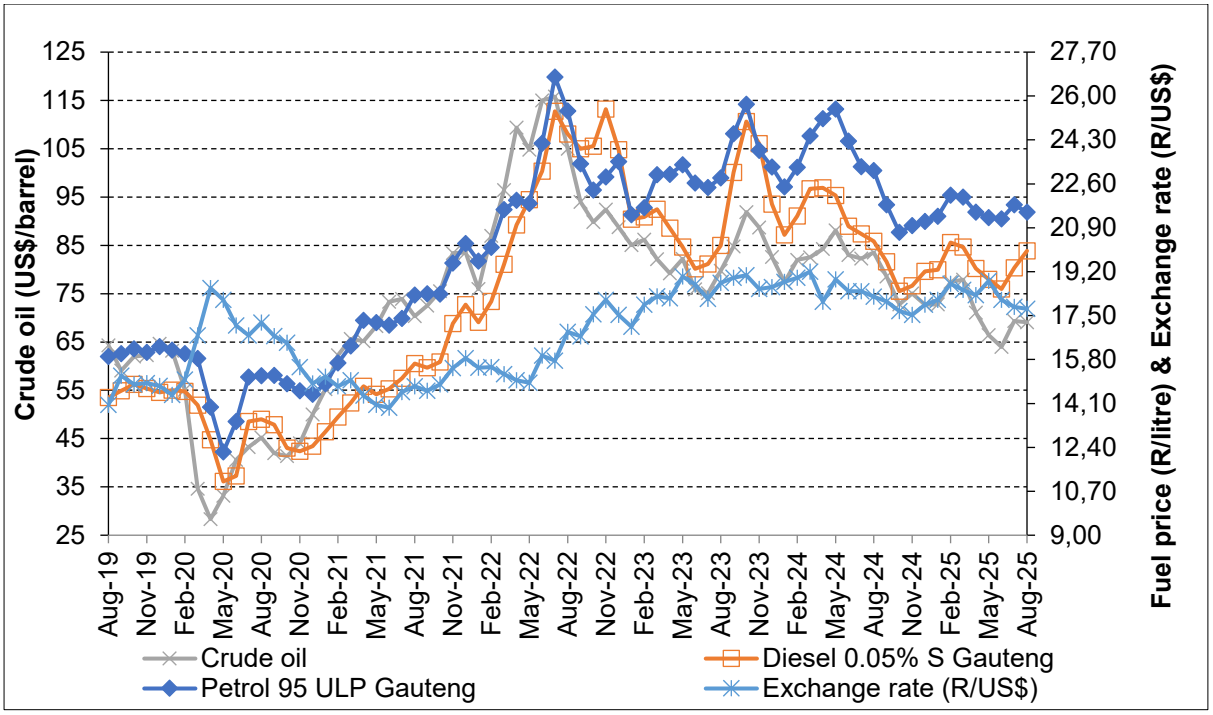

Figure 6: Price trends for crude oil, fuel and exchange rate trends
Source: DoE, 2025.

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 August 2019 and August 2025. During this time, both the BDI and GOFI increased by 0.93% and 5.69%, respectively. When comparing August 2024 to August 2025, the GOFI decreased by 3.01% while the BDI increased by 16.62%. This implies that the crude oil price fluctuations have a significant impact on the movements of both the GOFI and BDI. As of August 2025, the BDI had reached 1985.75 index points, while the GOFI had dropped to 153 index points from 158.0 in August 2024.

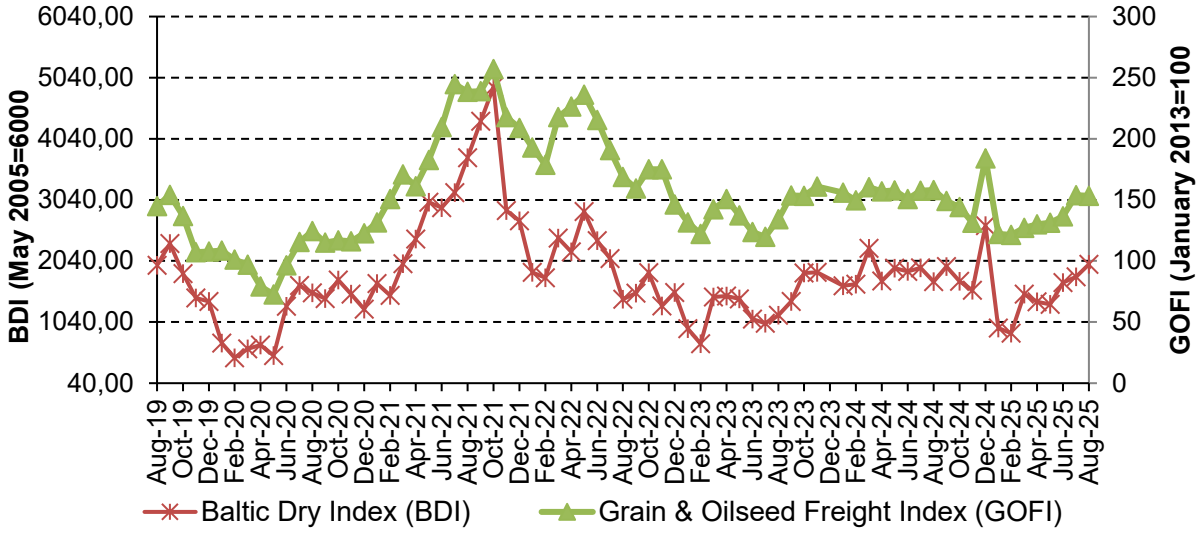

Figure 7: Baltic Dry Index versus Grain and Oilseeds Freight Index
Source: SAGIS, 2025.

Illuminated paraffin price

Figure 8 shows the price trend for illuminated paraffin in the Coastal and Gauteng areas from August 2019 to August 2025. Over this period, illuminated paraffin prices for Gauteng and Coastal regions increased by 47.21% (from R9.63/litre to R13.47/litre) and 47.11% (from R8.81/litre to R12.46/litre), respectively. Between August 2024 and August 2025, the price of illuminated paraffin in Gauteng and Coastal regions decreased by 8.99% (from R14.80/litre to R13.47/litre) and 9.71% (from R13.80/litre to R12.46/litre, respectively. Paraffin is still an important energy source for many homes in South Africa. However, its price changes easily because of things like global oil prices, the value of the rand compared to the US dollar, and government taxes or price controls. Although paraffin helps many people who cannot afford electricity, it can be dangerous to use and shows the need to move toward cleaner and safer energy options.

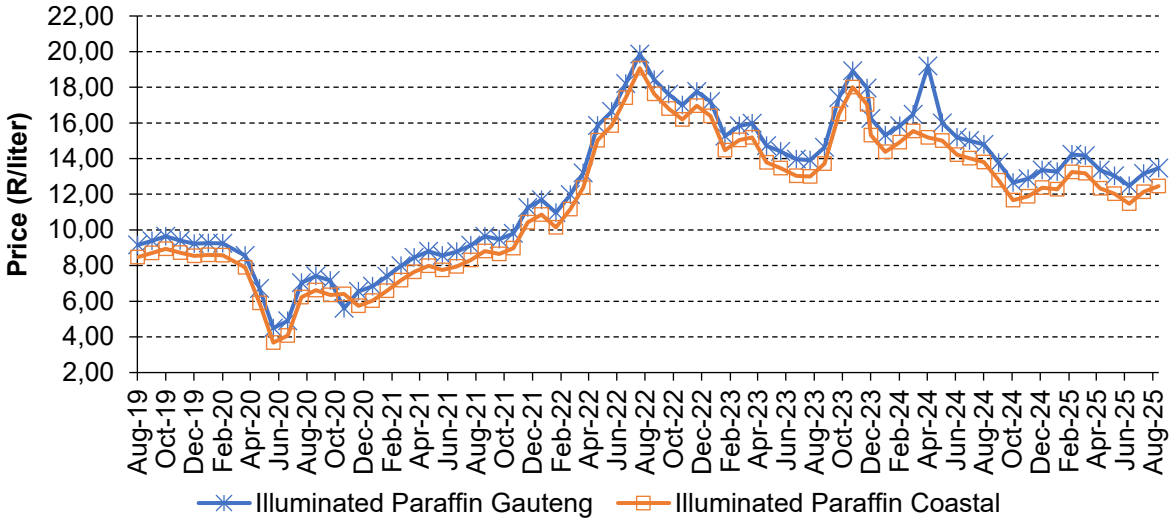

Figure 8: Comparison of illuminated paraffin price between the Coastal and Gauteng regions. Source: DoE, 2025

SECTION B:

PRODUCT OR CATEGORY ANALYSIS

2. SECTION B: PRODUCT OR CATEGORY ANALYSIS

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

Table 2 ranks selected food items pertaining to urban areas according to their various inflation rates. The table 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 (July 2025 vs. July 2024)

Grain and oil products	**%**	**Meat, meat products, dairy, dairy products, and eggs**	**%**	**Fresh and processed fruits and vegetables**	**%**
Rice 1kg	-12.8	Corned beef 300g	-8.9	Bananas per kg	-2.2
Rice 2kg	-8.6	Eggs 1.5 dozen	-4.7	Baked beans - tinned 410g	-1.5
Macaroni 500g	-1.7	Low-fat fresh milk 2ℓ	-3.5	Oranges per kg	1.7
Cake flour 2.5kg	-0.2	Full cream milk - fresh 2ℓ	-2.5	Beans – dried 500g	1.8
Spaghetti 500g	-0.2	Whole chicken- fresh per kg	-1.6	Cabbage each	3.3
Brown bread 700g	0.7	Lamb/Mutton offal per kg	-1.2	Potatoes – fresh per kg	5.0
White bread 700g	1.4	Low-fat milk- long life1ℓ	-0.9	Onions per kg	8.5
Margarine spread 500g	1.5	Tuna - canned 170g	-0.3	Tomatoes per kg	15.0
Maize meal 5kg	2.6	Full cream milk – long life 1ℓ	-0.2	Apples per kg	27.2
Peanut butter	3.9	Chicken giblets per kg	0.8	Lettuce each	28.3
Sunflower oil 750 mℓ	4.9	Chicken portions- fresh /kg	0.8		
Brick margarine 500g	7.6	Pork fillet per kg	1.3		
Maize meal 2.5kg	10.6	Chicken portions frozen – non IQF per kg	2.9		
		Fish (excl. tuna) – canned 400g	3.1		
Samp 1kg	13.9	Cheddar cheese per kg	3.5	**Other**	**%**
		Ham 500g	4.5	White sugar 2.5kg	2.8
		IQF chicken portions 2kg	5.1	Ceylon/black tea 250g	9.1
		Pork chops per kg	5.4	Instant coffee 250g	12.0
		Sausage per kg	5.6		
		Bacon 200g	5.7		
		Pork ribs per kg	5.9		
		Polony 1kg	7.7		
		Powdered milk 900g	8.4		
		Lamb/Mutton rib chop per kg	10.2		
		Lamb/Mutton leg per kg	10.2		
		Lamb/Mutton neck per kg	11.0		

Grain and oil products	%	Meat, meat products, dairy, dairy products, and eggs	%	Fresh and processed fruits and vegetables	%
		Lamb/Mutton loin chop /kg	11.7		
		Lamb/Mutton stew per kg	12.6		
		Beef offal per kg	14.3		
		Beef fillet per kg	22.6		
		Beef mince per kg	23.2		
		Beef T-bone per kg	24.6		
		Beef brisket per kg	26.2		
		Beef stew per kg	30.7		
		Beef chuck per kg	31.1		
		Beef sirloin per kg	34.3		
		Beef rump steak per kg	35.6		

Source: Stats SA, 2025

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

Comparing July 2025 against July 2024, the international price of wheat decreased by 9.7%, while domestic wheat prices increased by 7.9%. Urban consumers paid 0.7% more for a brown bread (700g) and 1.4% more for a white bread (700g). Domestic yellow maize prices increased by 5.9%, while international yellow maize prices increased by 8.2%. Even though domestic white maize prices decreased by 7.2%, maize meal prices (2.5kg) increased by 10.6% in urban areas. During the same period, the urban prices of sunflower oil (750mℓ) increased by 4.9%. This can be attributable to the observed annual 4.7% increase in domestic prices of sunflower seed, coupled with a 5.8% rise in international sunflower seed prices.

Comparing July 2025 with July 2024, overall, the high prices paid by urban dwellers were driven by increases in the various classes of meat on the market. For instance, the average beef producer prices (R/kg) of classes A2/A3, B2/B3, and C2/C3 increased by 29.8%, 38.5% and 31.6%, respectively. Lamb/mutton producer prices (R/kg) of classes A2/A3, C2/C3 and B2/B3 increased by 20.2%, 7.8% and 12.32%, respectively. Abattoir selling prices of frozen chicken decreased by 0.19%, while fresh chicken and individually quick frozen (IQF) chicken portions increased by 15.81% and 19.42%, respectively. Baconer and porker producer prices (R/kg) increased by 10.1% and 8.2%, respectively, during the same period.

b. Monthly urban price comparison: July 2025 vs. June 2025

Table 3 compares prices of selected food items in urban areas for July 2025 and June 2025. Food items showing relatively large monthly price differences are Ceylon/black tea (250g) with a difference of R0.90, peanut butter (400g) with a difference of R0.57, white sugar (2.5kg) with a difference of R0.27, full cream milk- long life (1ℓ) with a difference of R0.01, and the price of white bread (700g) did not change. The following products showed a decline in prices; brown bread (700g), with a difference of –R0.02, sunflower oil (750mℓ) with a difference of –R0.09, margarine spread (500g) with a difference of -R0.12, maize meal (2.5kg) with a

difference of -R0.31, rice (2kg) with a difference of -R0.51, and bananas (per kg) with a difference of –R3.16. This indicates that urban consumers paid on average R0.22 more for these 11 food items during July 2025 compared to June 2025.

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

Product	Urban Food Prices June 2025 (R/unit)	Urban Food Prices July 2025 (R/unit)	Price difference (R/unit)
Full cream milk – long life 1ℓ	20.04	20.05	0.01
Brown bread 700g	17.42	17.40	-0.02
White bread 700g	18.94	18.94	0
Bananas per kg	19.32	16.16	-3.16
Maize meal 2.5 kg	43.57	43.26	-0.31
Margarine spread 500g	40.27	40.15	-0.12
Peanut butter 400g	47.88	48.45	0.57
Rice 2kg	43.88	43.37	-0.51
Sunflower oil 750mℓ	36.68	36.59	-0.09
Ceylon/black tea 250g	61.43	62.33	0.90
White sugar 2.5kg	66.30	66.57	0.27
Average difference (R/unit)			**-0.22**

Source: Stats SA, 2025

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

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

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

Grain and oil products	%	Meat, meat products, dairy, dairy products and eggs	%	Fresh and processed fruits and vegetables	%
Rice 2kg	-6.0	Fish (excl tuna) - tinned 400g	-43.9	Bananas per kg	-12.6
Sunflower oil 500 mℓ	-1.9	Low-fat milk - fresh 2ℓ	-7.1	Potatoes - fresh 10kg	-4.9
Margarine spread 1kg	-0.3	Full cream milk - fresh 2ℓ	-3.8	Tomatoes per kg	-0.3
Brown bread 600g Sunflower oil **2ℓ**	0.1	Eggs 1.5 dozen	-3.0	Oranges per kg	2.9
Peanut butter 270g	0.4	Full cream milk - long life 1ℓ	0.3	Beans – dried 500g	3.8
Brown bread 600g	0.9	Beef T-bone per kg	0.6	Beans - dried 2kg	5.5
Sunflower oil 750mℓ	1.9	Full cream milk - fresh 1ℓ	0.7	Cabbage each	6.3
Whitebread 700g	2.4	Full cream milk - long life 500mℓ	1.5	Potatoes – fresh per kg	6.6
Peanut butter 400g	2.8	Full cream milk - fresh 500mℓ	6.1	Onions per kg	11.0
Brown bread 700g	3.7	Chicken portions - fresh per kg	8.0	Beans – dried 1kg	11.1
Rice 1kg	3.9	Beef chuck per kg	14.9	Apples per kg	21.6
Brick margarine 500g	4.6	Beef brisket per kg	15.3	Cabbage per kg	25.0
Brick margarine 125g	6.2	Beef rump steak per kg	16.7		
White bread 600g	6.5	Beef fillet per kg	20.6	**Other**	**%**

Grain and oil products	%	Meat, meat products, dairy, dairy products and eggs	%	Fresh and processed fruits and vegetables	%
Peanut butter 800g	11.9	Eggs 0.5 dozen	-	Ceylon/black tea 250g	**0.7**
Rice **500**g	12.3	Fish (excl tuna) - tinned 155g	--	White sugar 2.5kg	1.4
Brick margarine 250g	17.9	Low-fat milk - fresh 1ℓ	--	Instant coffee 750g	4.9
Special maize 2.5kg	-			White sugar 1kg	5.7
Super maize 2.5kg	-			Instant coffee 250g	6.8
Super maize 5kg	-			Ceylon/black tea 62.5kg	7.8
	-			Ceylon/black tea 125g	9.4
				White sugar 5kg	9.6
				Instant coffee 100g	15.8
				Ceylon/black tea 200g	42.9

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 July 2025

Table 5 presents a comparison of the prices of specific food items in urban and rural areas in July 2025. In urban areas, the following food items cost more than in rural areas in July 2025. That is, urban consumers paid R8.52 more for Ceylon/black tea, R2.10 more for peanut butter, R1.50 more for sunflower oil, R0.96 more for white sugar, R0.31 more for bananas, and R0.25 more for white bread. These food items contribute the most to the observed price differences between urban and rural areas. On average, urban consumers spent R1.27 extra on these nine food items than their counterparts in rural areas. It is important to note that in July 2025, rice was the food item that rural consumers paid more for than urban consumers. Notably, rural prices for maize meal (2.5 kg) and margarine spread (500g) were not available.

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

Product	Urban Food Prices July 2025 (R/unit)	Rural Food Prices July 2025 (R/unit)	Price difference (R/unit)
Full cream milk - long life 1ℓ	20.05	20.83	-0.78
Brown bread 700g	17.40	17.41	-0.01
White bread 700g	18.94	18.69	0.25
Bananas per kg	16.16	15.85	0.31
*Maize meal 2.5kg	43.26	n/a	n/a
*Margarine spread 500g	40.15	n/a	n/a
Peanut butter 400g	48.45	46.35	2.10
Rice 2kg	43.37	44.74	-1.37
Sunflower oil 750mℓ	36.59	35.09	1.50
Ceylon/black tea 250g	62.33	53.81	8.52
White sugar 2.5kg	66.57	65.61	0.96
Average difference (R/unit)			1.27

Source: Stats SA, 2025; NAMC calculations, * Rural prices for maize meal (2.5 kg) and margarine spread (500g) were unavailable (n/a) for July 2025 data

SECTION C:

COST DRIVERS AND ECONOMIC FACTORS

3. SECTION C: COST DRIVERS AND ECONOMIC FACTORS

Grains: The FAO Cereal Price Index declined slightly in July 2025. Wheat prices were weighed down by abundant seasonal supply from the Northern Hemisphere, while maize prices rose due to limited exports from Argentina, strong demand in Brazil, and dry conditions in Europe and Ukraine. In South Africa, white maize prices rebounded month-on-month (MoM) but remained lower year-on-year (YoY), while yellow maize posted modest gains. Improved regional harvests helped normalise white maize prices. Local wheat prices increased despite softer global trends.

Oilseeds & edible oils: Global vegetable oil prices reached a three-year high, largely driven by rising demand for biofuel production. Sunflower and soy oil prices were supported by tight supply in the Black Sea region and strong demand for biodiesel feedstock. Conversely, global oilseed prices declined due to favourable weather and a positive crop outlook in the U.S. amid weak Chinese demand (soybeans), tight supply from the Black Sea region (sunflower), improved crop conditions in Canada and good harvests in the European Union (EU) (canola). Locally, soybean prices fell, supported by a strong 2024 harvest and a firm rand. Sunflower seed prices rose despite expectations of a crop recovery, and producer deliveries were lower MoM.

Meat: International meat prices increased, led by ovine and bovine meat due to tight supply in Oceania and strong demand from China and the United States of America (USA), in that order. Poultry prices rose slightly, driven by higher Brazilian export prices following the lifting of HPAI-related restrictions. Pig meat prices declined due to oversupply in the EU.

In the domestic market, IQF chicken prices rose, reflecting global trends and local HPAI-related concerns. Pork prices remained elevated, supported by strong demand as a cost-effective alternative to beef. Beef prices declined MoM but remained elevated year-on-year (YoY) due to limited supply amid FMD cases among some major feedlots.

Dairy: The FAO Dairy Price Index fell slightly, its first decline since April 2024, though still higher YoY. Global butter and milk powder prices fell due to ample supply in Oceania and weak demand from Asia. Cheese prices rose, supported by strong demand from Asia and the Near East, and reduced export volumes from the EU. Locally, milk producer prices increased, driven by seasonal supply factors.

Vegetables: In the fresh produce market, vegetable prices mostly declined both month-on-month and year-on-year, except for tomatoes, which rose YoY. Potato prices reached the lowest level since December 2022, supported by strong sales volumes. Onion prices fell despite increased traded volumes, while tomato volumes declined.

Fruit: In the fruit category, apple prices rose due to frost-related supply disruptions. Banana supply recovered in July, but year-to-date volumes remain below 2024 levels. Orange prices declined as supply was redirected from juice production to the fresh produce market, although overall supply remains below 2023 levels.

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 July 2024 to July 2025. In July 2025, the cost of this basic NAMC urban food basket was R1351, increasing by 5.8% (+R74) from July 2024 (YoY change) and increasing by 0.7% (+R9) from June 2024 (MoM change).

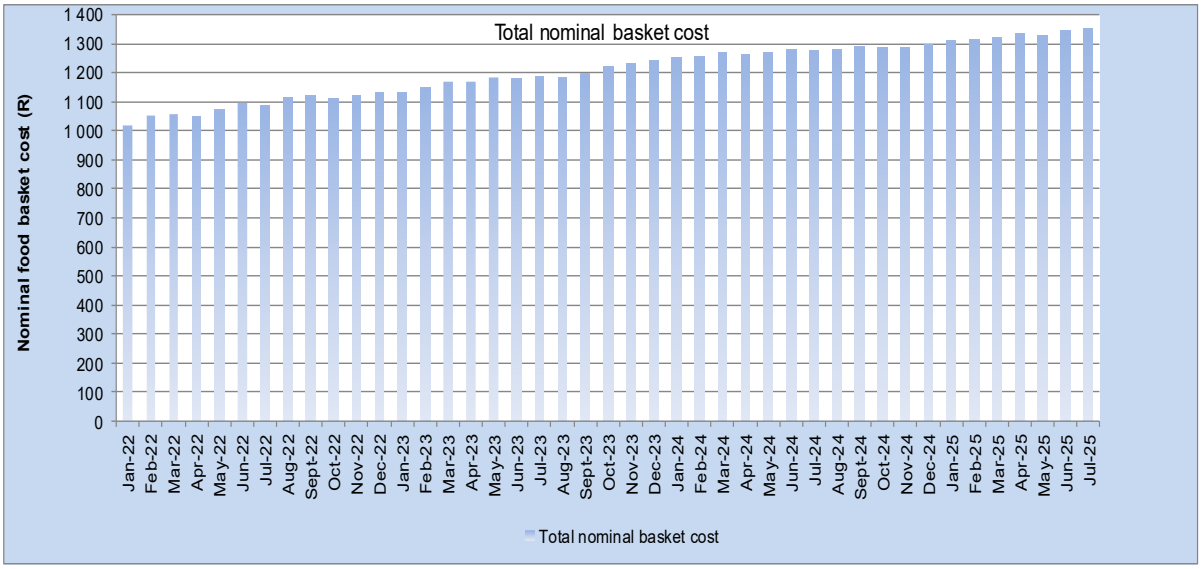

Figure 9: The cost of the NAMC consumer food basket from January 2022 to July 2025

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

a. Inflation dynamics of the NAMC consumer food basket in July 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 July 2025 to July 2024. Food items in the NAMC basket with more severe food inflation (5% and higher) in July 2025 included apples (+27.2%), beef mince (+23.2%), tomatoes (+15.0%), instant coffee (+12.0%), beef offal (+10.2%), Ceylon/black tea (+9.1%), onions (+8.5%), polony (+7.7%), margarine (+7.6%) and IQF chicken portions (+5.1%).

[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).

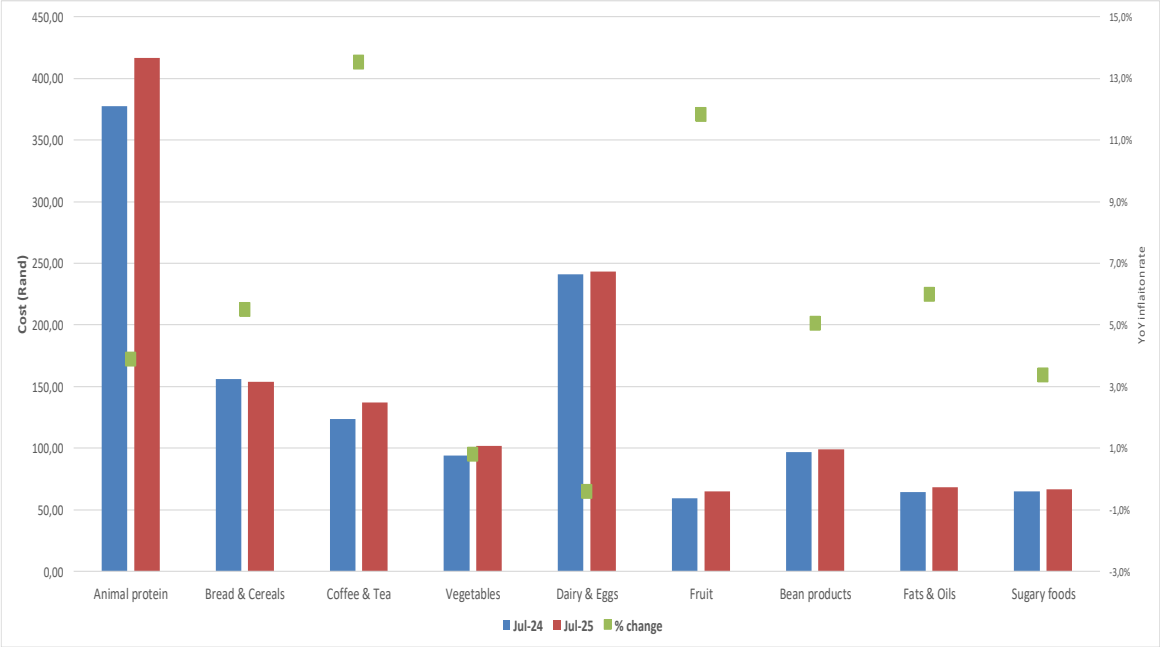

Figure 10: Nominal monthly cost of specific food groups within the basic food basket, comparing July 2025 to July 2024 (annual inflation) *(Source: BFAP calculations, based on Stats SA monitored price data for urban areas)*.

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

In this section, the impact of inflation on the very poor consumers is explored based on the typical portion 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 11** illustrates the estimated portion costs for these foods, calculated from monthly food price data for July 2025 to July 2024. In July 2025, the largest cost contribution came from brown bread (40%) and maize meal (34%), followed by milk (13%). 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 18% more in this case for July 2025).

When comparing the costs associated with the typical portion sizes of the very poor consumers for the five most widely consumed food items in South Africa, based on July 2025 and July 2024 prices, the results in **Figure 11** indicate inflation of 1.9% (from R9.09 to R9.26 for the selected typical portions). From June 2025 to July 2025, the costs associated with the typical portion sizes of very poor consumers for the five most widely consumed food items in South Africa decreased by 1.2% (-R0.11).

[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

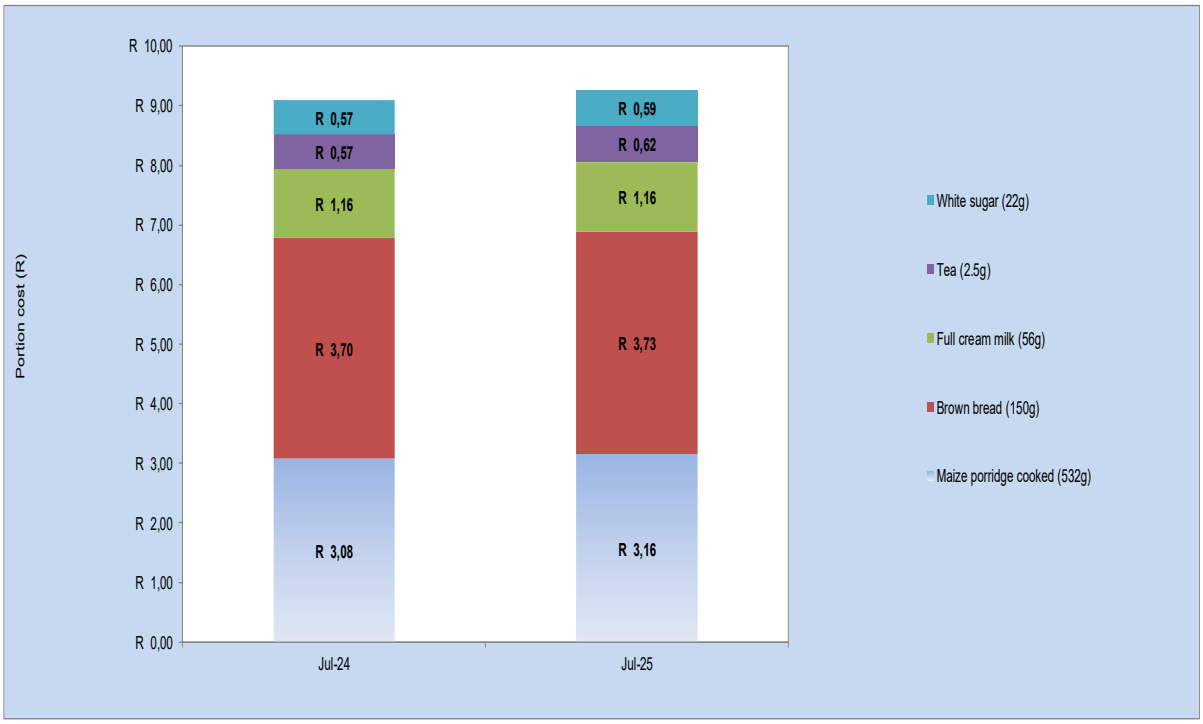

Figure 11: Average nominal cost for the typical portions of the five food items most widely consumed by the very poor consumers in South Africa, for July 2024 and July 2025

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

Furthermore, we considered the YoY 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 the typical food expenditure of these households. According to **Figure 12**, the following are observed:

- Higher YoY food inflation was reported for beef (+23.2% in the case of mince), IQF chicken (+5.1%), plant-based cooking oil (+4.9%), white sugar (+2.8%), maize meal (+2.6%) and aerated cold drinks in July 2025 – thus affecting the affordability of six of the top ten foods purchased by lower income households
- Taking into consideration the typical food expenditure shares, the July 2025 inflation on chicken and beef could have a particularly negative impact on lower-income consumers' ability to consume adequate quantities of protein-rich foods.

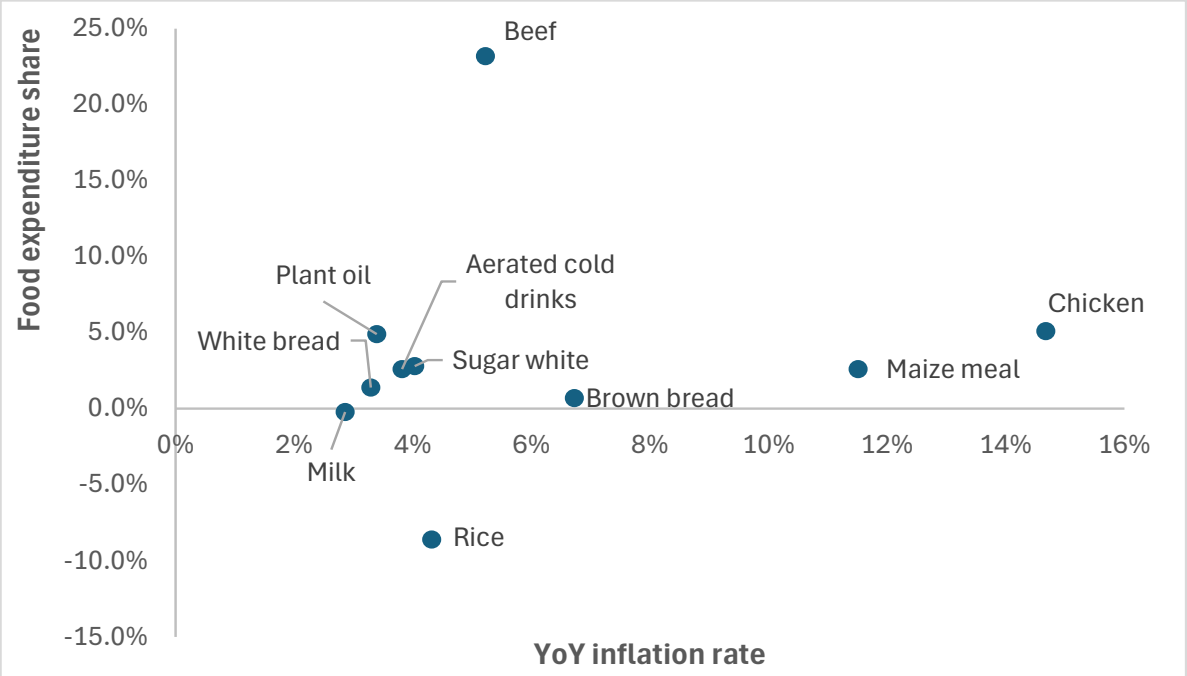

Figure 12: YoY inflation on the top 10 food expenditure items of lower-income households in South Africa in July 2025

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 July 2025 official data is used in this report (see link below from the Stats SA website): https://www.statssa.gov.za/publications/P0141/P0141July2025.pdf

For further insights into food inflation, refer to the monthly ***BFAP Food Inflation Brief*** *https://www.bfap.co.za/wp-content/uploads/2025/08/Food-Inflation-Brief-July-2025-prices_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.

Compiled by:

Price trends:
Naledi Radebe
Bhekani Zondo
Dr Moses Lubinga

Consumer impact & Expectations BFAP:
Dr Hester Vermeulen
Tracy Davids

Cover page photos: *Pexels, Pixabay, Freepik, Unsplash and Vecteezy*

Enquiries: Naledi Radebe: naledi@namc.co.za or Dr Moses Lubinga: HLubinga@namc.co.za

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GET IN TOUCH

A: Hillcrest Office Park, 177 Dyer Road, Barbet Place,
Ground Floor, Hillcrest, Pretoria
T: 012 341 1115
E: info@namc.co.za
W: www.**namc**.co.za