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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 Cost 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 2026 CPI release. The February 2026 official data is used in this report (see link below from the Stats SA website):

https://www.statssa.gov.za/publications/P0141/P0141February2026.pdf

EXECUTIVE SUMMARY

During February 2026, the CPI released by Statistics South Africa (Stats SA) indicated that the annual headline CPI increased by 3.0%, while inflation for food and non-alcoholic beverages decreased to 3.7%. NAMC's 28-item urban food basket increased by 3.5% in February 2026 when compared to the same period last year, reaching R1361.36. This is equivalent to a 0.13% month-to-month decrease from the R1363.20 cost recorded in January 2026. Between February 2026 and February 2025, among these 28 items, only 12 items recorded price increases that exceeded the 3% inflation target set by the South African Reserve Bank (SARB). Notable products in this category include minced beef which experienced a substantial price surge of 23.4%, followed by beef offal (20.3%), brick margarine (12.4%), cheddar cheese (10.7%), instant coffee (9.2%), bananas (7.7%), apples (7.1%), Individually Quick Frozen (IQF) chicken portions (6.6%), chicken giblets (5.9%), peanut butter (4.7%), Ceylon black tea (4.6%), and sunflower oil (3.3%).

Between February 2022 and February 2026, international fertiliser prices measured in US dollars per ton decreased significantly. During this period, the prices of Ammonia, muriate of potash (MOP), Urea, and Di-Ammonium Phosphate (DAP) all fell by 43%, 39%, 23%, and 16%, respectively. During the same period, the exchange rate, which plays a crucial role in importing agricultural inputs from global markets, depreciated by 3.2%, weakening from R15.51/US$ to R16.00/US$. On a year-on-year basis, prices for Ammonia, MOP, DAP, and Urea increased by 46%, 16%, 13%, and 8%, respectively. Meanwhile, on a month-to-month basis (January 2026 and February 2026), international prices for Urea, DAP, and MOP increased by 12%, 8% and 3%, while Ammonia decreased by 7%, respectively. Domestic fertiliser prices also decreased over the period under review. However, on a year-on-year basis (February 2025 and February 2026), the prices of Ammonia and MOP increased by 27% and 1%, while Urea and DAP decreased by 6% and 2%, respectively.

Between February 2025 and February 2026, the prices of fuel, most particularly for diesel and petrol, decreased by 11.98% (from R20.33/litre to R17.91/litre) and 9.8% (from R22.16/litre to R19.99/litre), respectively. A similar trend was observed in crude oil prices, which decreased by 17.2% (from US$77.41/barrel to US$64.08/barrel) and by 27.9% in rand terms (from R1449.89/barrel to R1045.14/barrel). During this period, the exchange rate appreciated by 12.9% against the US dollar, moving from R18.73 to R16.31, respectively.

Domestic fertiliser prices displayed divergent trends over the period under review. While mono-ammonium phosphate (MAP) prices increased, prices for limestone ammonium nitrate (LAN), Urea granular, and potassium chloride (KCL) declined in cumulative terms, reflecting both international price moderation and domestic market dynamics. Nevertheless, year-on-year increases across all domestic fertiliser products point to renewed upward pressure on production input costs. Fuel and energy-related input costs were shaped by fluctuations in crude oil prices and exchange rate movements. Although petrol and diesel prices increased significantly over the longer term, more recent trends indicate price moderation, supported by declining crude oil prices and a modest appreciation of the Rand. However,

energy costs remain elevated relative to historical levels, continuing to influence production, processing, and transport costs.

Freight rates, both the Baltic Dry Index (BDI) and the Global Oilseeds Freight Index (GOFI) increased by 136.87% and 28.45%, respectively, when comparing February 2025 and February 2026. As of February 2026, the BDI had reached 2033.50 index points, while the GOFI had risen to 156.0 index points from 121.0 reported in February 2025. Therefore, the primary factors driving the observed trends, include frequent changes in crude oil prices, higher international shipping costs, and the volatility of the rand value, among others.

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1. SECTION A: PRICE TRENDS OVERVIEW

A. Global Indices

Figure 1 shows price indices for the five food categories. The monthly (January 2026 vs February 2026) growth rate indicates decreasing trends for two of the five indices; the dairy and sugar indices declined by 1.2% and 4.1%, respectively. The annual (February 2026 vs February 2025) growth rate indicates an overall 1.1% decline in the food index; similarly, the price indices for dairy, cereals, and sugar contracted by 24.4%, 3.4%, and 27.9%, respectively.

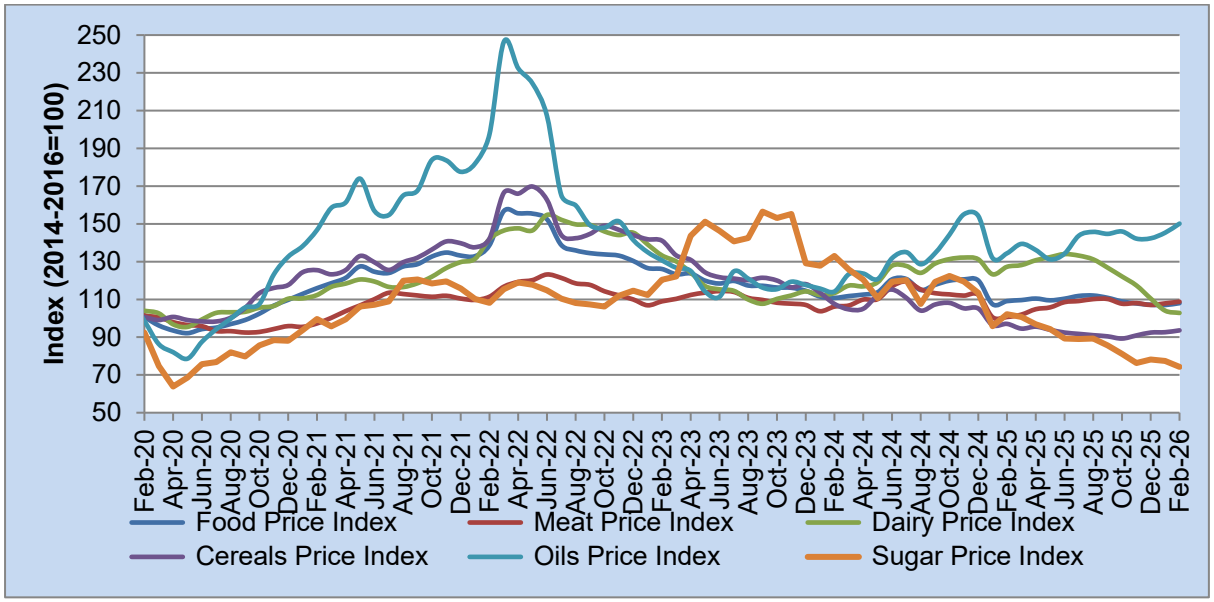

Figure 1: Real price indices for five food categories

Source: FAO, 2026

B. Domestic Indices

Figure 2 shows trends of the headline Consumer Price Index (CPI) and the monthly inflation for food and non-alcoholic beverages from February 2020 to February 2026. During February 2026, the CPI released by Statistics South Africa (Stats SA) indicated that the annual headline CPI decreased to 3.0%, while inflation for food and non-alcoholic beverages decreased to 3.7%. In February 2025, headline inflation was 3.2%, while food and non-alcoholic beverage inflation was 2.8%.

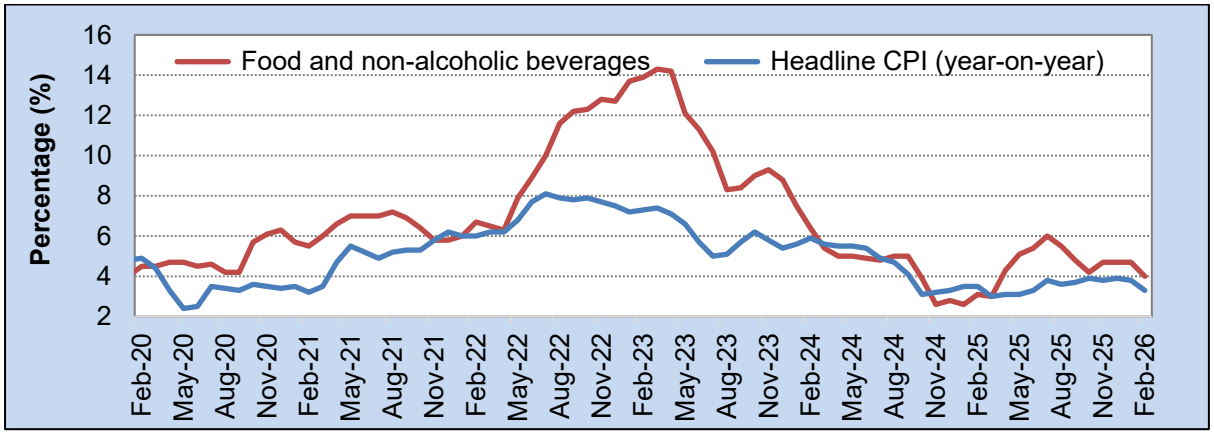

Figure 2: Headline CPI and food and non-alcoholic beverage inflation

Source: Stats SA, 2026

Figure 3 presents components of the food and non-alcoholic beverage index changes. Comparing February 2026 and February 2025, the following changes, in descending order, were observed: meat (12.2%), unprocessed (4.1%), oils and fats (4.0%), sugar, confectionary & desserts (3.5%), processed (3.3%), other foods (3.0%), fish and other seafood (3.0%), cereal products (-0.5%), milk, other dairy products & eggs (-0.7%), vegetables (-2.7%), fruits & nuts (-7.2%). Comparing February 2026 and January 2026, only four food categories increased, namely: sugar, confectionary & desserts (0.1%), fish and other seafood (0.2%), other foods (0.3%), fruits & nuts (0.9%). Conversely, the following declines were recorded for meat (-1.1%), processed (-0.7%), oils and fats (-0.4%), milk, other dairy products, and eggs (-0.2%), unprocessed, cereal products, and vegetables all declined by (0.1%).

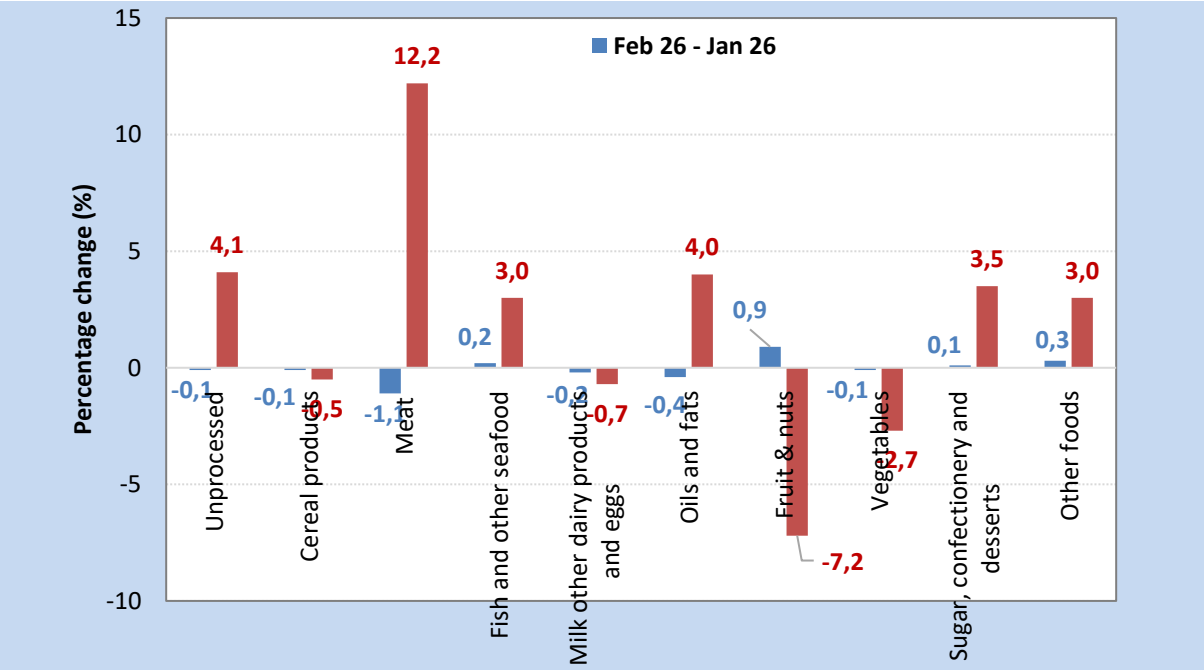

Figure 3: Annual (February 2026 vs February 2025) and monthly (January 2026 vs February 2026) changes in CPI for the different food categories
Source: Stats SA, 2026

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 December 2025 to February 2026 for South Africa and other selected countries. South Africa's overall inflation for February 2026 reached 3%, while food inflation reached 3.7%. Food categories contributing to South Africa's food inflation decline include meat, processed foods, oils & fats, milk, other dairy products & eggs, unprocessed foods, cereal products, and vegetables. In February 2026, Turkey's overall inflation rate was 31.53%, with food inflation coming in at 36,44%, which was the largest across all countries considered in this report. China's food inflation rate reached 1.3% in February 2026 while food inflation was1.7%. When considering the inflation rates of the BRICS (Brazil, Russia, India, China, and South Africa) countries, China had the lowest overall inflation rate in February 2026 (1.3%), followed by India (3.21%), while Russia had the highest food inflation rate (5.9%). Over 3 months (December 2025 – February 2026), Turkey registered the highest rate of inflation amongst all the countries considered in this section, while the trend for China increased during this period.

Table 1: Overall inflation and food inflation from December 2025 to February 2026

Country	Dec-2025		Jan- 2026		Feb-2026	
	Overall inflation (%)	Food inflation (%)	Overall inflation (%)	Food inflation (%)	Overall inflation (%)	Food inflation (%)
Botswana	3.9	5.4	4.1	6.1	4	5.4
Brazil	4.26	3.0	4.44	2.2	3.81	1.76
China	0.8	1.1	0.2	-0.7	1.3	1.7
India	1.33	-2.7	2.75	2.13	3.21	3.47
Namibia	3.2	2.6	2.9	1.9	2.4	1.6
Russia	5.6	5.2	6	5.88	5.9	5.43
South Africa	3.6	4.4	3.5	4.4	3	3.7
Turkey	30.89	28.3	30.65	31.69	31.53	36.44
United Kingdom	3.4	4.5	3	3.6	3	3.6
United States	2.7	3.1	2.4	2.9	2.4	3.1
Zambia	11.2	12.9	9.4	10.9	7.5	8.2

Sources: Central banks and statistics reporting institutions of these countries, 2026

D. International Input Price trends

Figure 4 presents international prices for selected fertilisers from February 2022 to February 2026. 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 Ammonia, measured in US Dollars per ton (US$/ton), experienced a significant decrease of 43%, falling from US$848 in February 2022 to US$484 in February 2026. This was followed by muriate of potash (MOP), which decreased by 39% from US$625 to US$381; Urea, which declined by 23% from US$554 to US$426; and Di-Ammonium Phosphate (DAP), with the smallest decrease of 16%, from US$832 to US$697. Between February 2025 and February 2026, international prices for Ammonia, MOP, DAP, and Urea all increased by 46%, 16%, 13%, and 8%, respectively. On a month-to-month basis (January 2026 and February 2026), international prices for Urea, DAP, and MOP increased by 12%, 8% and 3%, while Ammonia decreased by 7%, respectively.

Between February 2022 and February 2026, international prices measured in Rand per ton (R/ton), decreased significantly, as previously noted. Ammonia, MOP, Urea, and DAP decreased by 41% (from R13 152 to R7 746), 37% (from R9 694 to R6 098), 21% (from R8 593 to R6 818) and 14% (from R12 904 to R11 155), respectively. The exchange rate (Rand per US dollar – R/US$), which plays a crucial role in the importation of agricultural inputs from global markets, experienced a 3.2% depreciation between February 2022 and February 2026. Compared to the same period in the previous year (February 2025 and February 2026), the prices of Ammonia and MOP increased by 27% and 1%, while Urea and DAP decreased by 6% and 2%, respectively. Meanwhile, on a month-to-month basis, prices of Urea, DAP and MOP increased by 10%, 6% and 1%, while the price of Ammonia decreased by 8%, respectively.

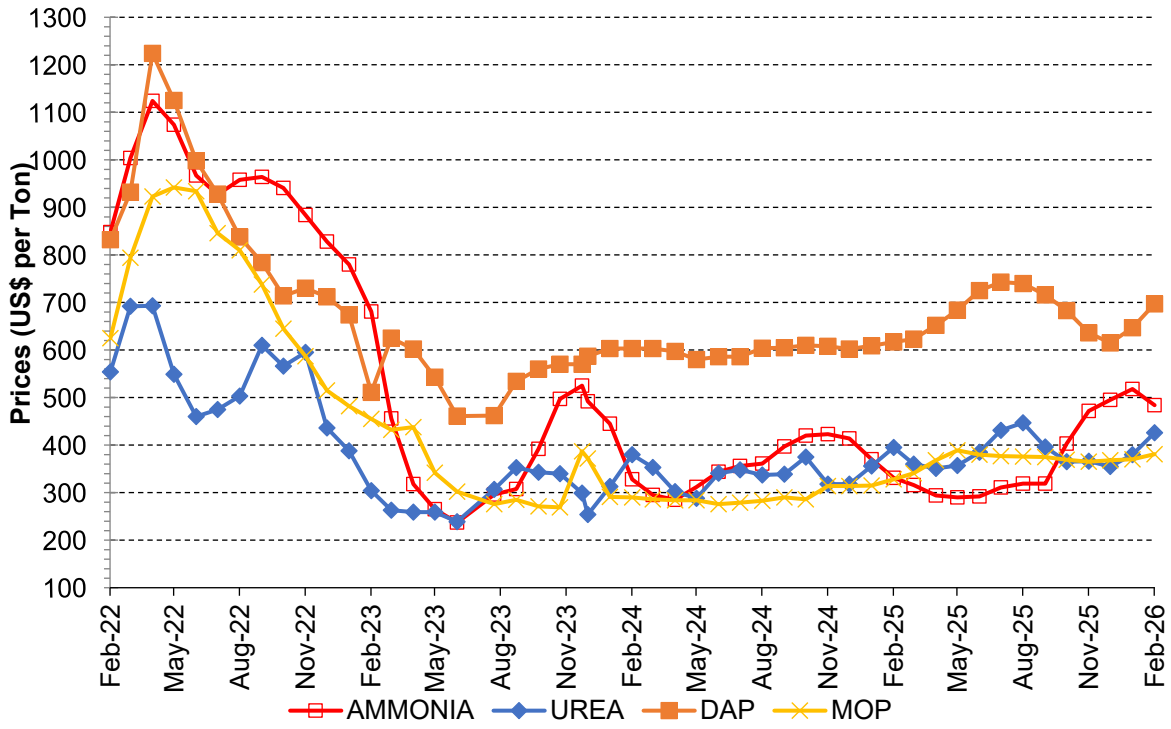

Figure 4: International price trends for selected fertilisers
Source: Own calculations based on data from Grain SA, 2026.

E. Domestic Price Trends

Figure 5 illustrates domestic price trends for fertilisers from February 2022 to February 2026. During this period, the domestic prices per ton of fertilisers generally decreased. Potassium Chloride (KCL) saw a significant drop of 35%, from R14 289 to R9 346. This was followed by Urea Granular, which declined by 28%, from R15 640 to R11 223, Ammonium Nitrate (LAN) by 21%, from R12 774 to R10 123, and Mono-ammonium Phosphate (MAP) by 11%, from R18 254 to R16 171.

For the year-on-year comparison, between February 2025 and February 2026, the prices of fertilisers, especially for LAN, Urea granular, and KCL, increased by 8%, 2%, and 1%, respectively, while the price of MAP decreased by 1%.

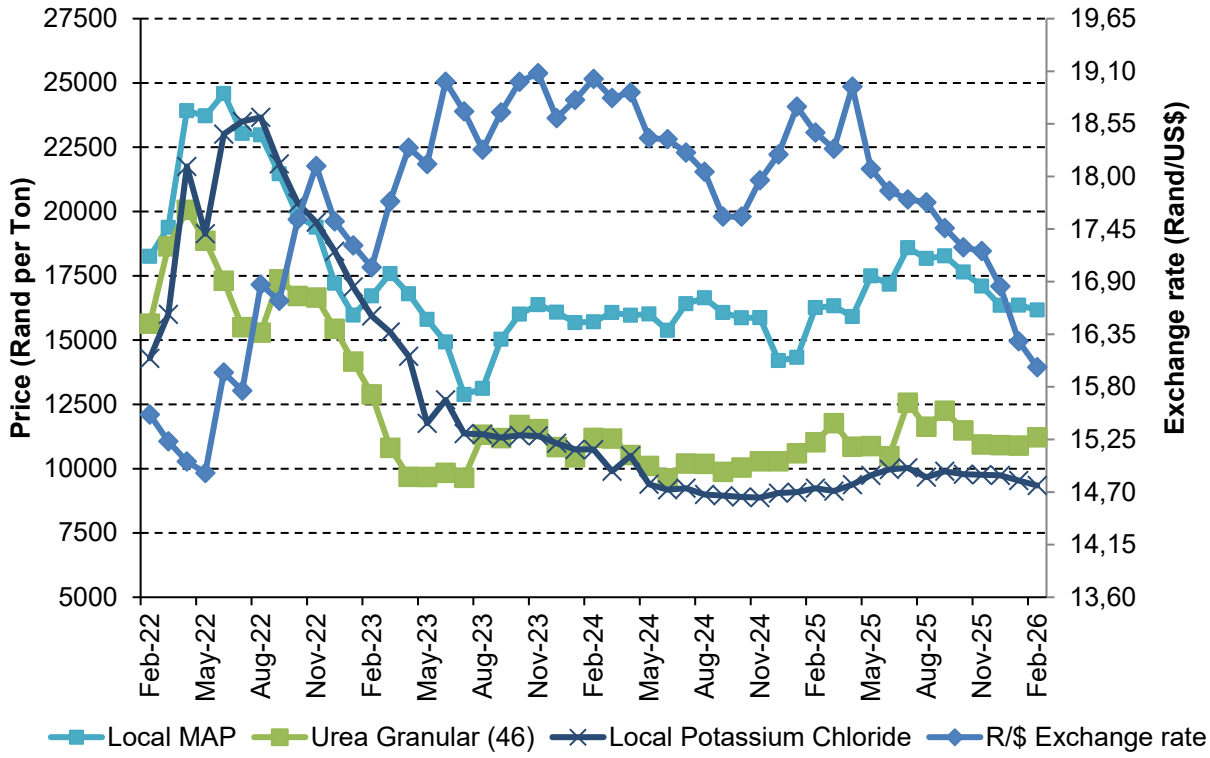

Figure 5: Domestic price trends for selected fertilisers and exchange rate.
Source: Own calculations based on data from Grain SA, 2026.

Fuel prices

The crude oil price (measured in dollars per barrel) and the exchange rate considerably influence domestic fuel prices. Figure 6 shows the price trends for crude oil, diesel, petrol, and the exchange rate from February 2020 to February 2026. During this period, petrol and diesel saw notable increases of 24.7% (from R16.03/litre to R19.99/litre) and 22.9% (from R14.57/litre to R17.91/litre), respectively. Meanwhile, crude oil prices rose by 16.4% (from US$55.07/barrel to US$64.08/barrel), while in Rand terms, crude oil prices grew by 26.3% (from R827.70/barrel to R1045.14/barrel).

On a year-on-year basis (February 2025 to February 2026), diesel and petrol prices declined by 11.98% (from R20.33/litre to R17.91/litre) and 9.8% (from R22.16/litre to R19.99/litre), respectively. A similar trend was observed in crude oil prices, which decreased by 17.2% (from US$77.41/barrel to US$64.08/barrel) and by 27.9% in rand terms (from R1449.89/barrel to R1045.14/barrel). During this period, the exchange rate appreciated significantly by 12.9% against the US dollar, moving from R18.73 to R16.31.

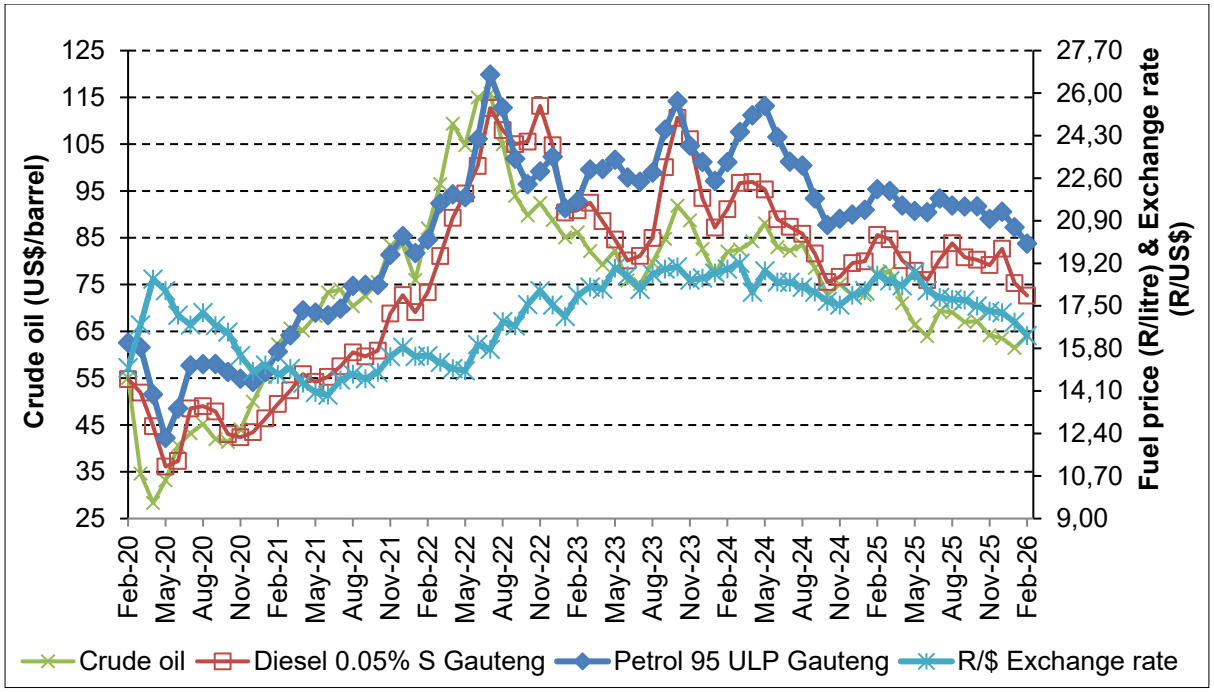

Figure 6: Price trends for crude oil, fuel, and exchange rate trends
Source: DoE, 2026.

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 illustrates the trends of the Baltic Dry Index (BDI) and the Global Oilseeds Freight Index (GOFI) between February 2020 and February 2026. During this period, the BDI increased by more than 100%, reaching 344.72% from 457.25 to 2033.5, while GOFI surged by 53.83%. Similarly, on a year-on-year basis (February 2025 and February 2026), the BDI and GOFI also increased by 136.87% and 28.25%, respectively. This shows that the crude oil prices have a significant impact on the movements of both GOFI and BDI. As of February 2026, the BDI had reached 2033.50 index points, while the GOFI had risen to 156.0 index points from 121.0 reported in February 2025.

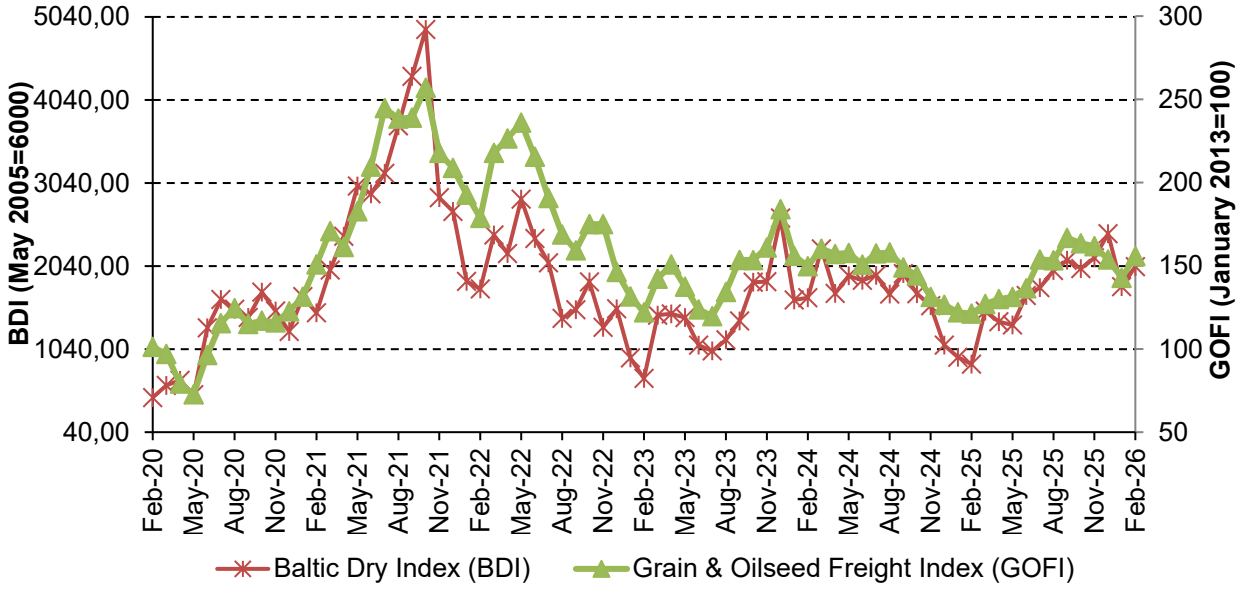

Figure 7: Baltic Dry Index versus Grain and Oilseeds Freight Index
Source: SAGIS, 2026.

Illuminated paraffin price

Figure 8 shows the price trend for illuminated paraffin in the Coastal and Gauteng areas from February 2020 to February 2026. Over this period, illuminated paraffin for Gauteng and Coastal regions increased by 30.81% (from R9.25/litre to R12.10/litre) and 29.14% (from R8.58/litre to R11.08/litre), respectively. Between February 2025 and February 2026, paraffin prices in the Coastal and Gauteng areas both decreased by 16.31% (from R13.24/litre to R11.08/litre) and 14.97% (from R14.23/litre to R12.10/litre), respectively. While paraffin remains an essential energy source for many low-income households in South Africa, its price is largely driven by changes in international crude oil and refined fuel prices, geopolitical events, fluctuations in the Rand-US dollar exchange rate, as well as shipping and distribution costs. As a result, recent decreases in paraffin prices are significant and may not persist due to the ongoing conflict between Iran and the United States of America (USA).

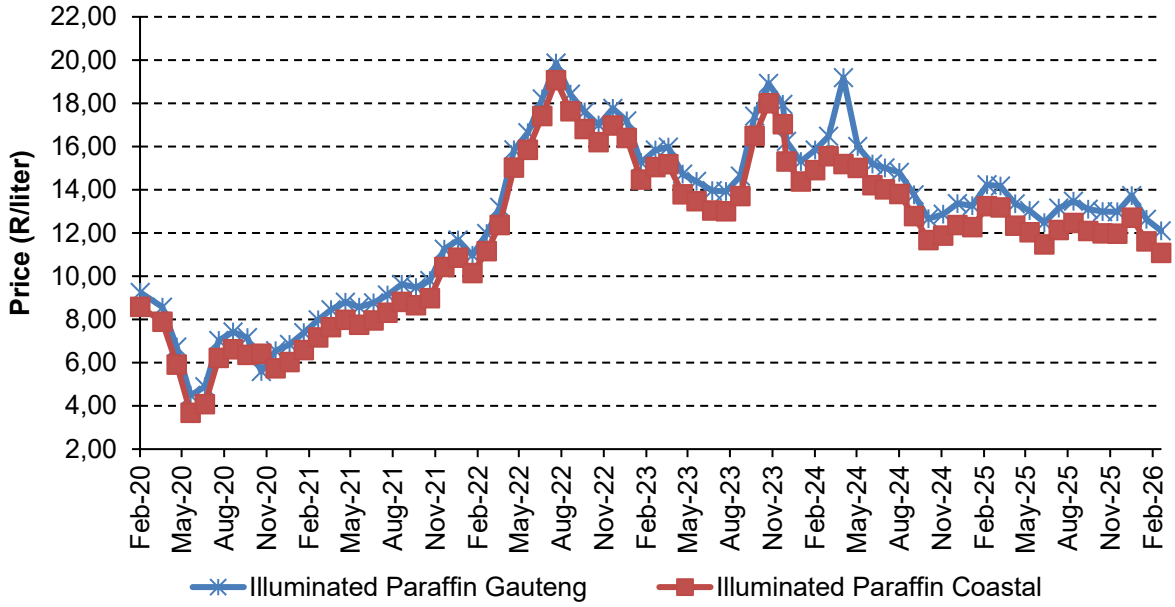

Figure 8: Comparison of illuminated paraffin price between the Coastal and Gauteng regions. Source: DoE, 2026

SECTION B:

PRODUCT OR CATEGORY ANALYSIS

2. SECTION B: PRODUCT OR CATEGORY ANALYSIS

A. Annual urban food price trends: February 2026 vs. February 2025

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 (February 2026 vs. February 2025)

Grain and oil products	%	Meat, meat products, dairy, dairy products, and eggs	%	Fresh and processed fruits and vegetables	%
Rice 2kg	-14.1	Eggs 1.5 dozen	-12.7	Cabbage each	-16.5
Maize meal 5kg	-3.1	Corned beef 300g	-7.2	Oranges per kg	-16.4
Rice 1kg	-2.9	Full cream milk - fresh 2ℓ	-1.6	Potatoes – fresh per kg	-13.8
Cake flour 2.5kg	-0.02	Polony 1kg	-1.1	Beans – dried 500g	-6.9
Brown bread 700g	0.1	Low-fat- fresh milk 2ℓ	-0.6	Lettuce each	-5.6
Maize meal 2.5kg	0.5	Low-fat milk- long life1ℓ	0.4	Baked beans - tinned 410g	-5.1
Margarine spread 500g	1.0	Full cream milk – long life 1ℓ	1.0	Tomatoes per kg	-4.8
White bread 700g	1.1	Bacon 200g	1.1	Onions per kg	-1.5
Spaghetti 500g	1.5	Tuna - canned 170g	1.2	Apples per kg	7.1
Macaroni 500g	3.2	Whole chicken- fresh per kg	1.8	Bananas per kg	7.7
Sunflower oil 750 mℓ	3.3	Ham 500g	2.3		
Peanut butter	4.7	Fish (excl. tuna) – canned 400g	2.4		
Samp 1kg	5.2	Chicken portions frozen – non IQF per kg	2.7		
Brick margarine 500g	12.4	Chicken giblets per kg	5.9		
		Chicken portions- fresh /kg	6.1	**Other**	**%**
		Lamb/Mutton offal per kg	6.1	White sugar 2.5kg	1.1
		IQF chicken portions 2kg	6.6	Ceylon/black tea 250g	4.6
		Cheddar cheese per kg	10.7	Instant coffee 250g	9.2
		Lamb/Mutton neck per kg	11.1		
		Lamb/Mutton loin chop /kg	11.6		
		Lamb/Mutton rib chop per kg	12.5		
		Lamb/Mutton leg per kg	12.9		
		Pork fillet per kg	13.2		
		Lamb/Mutton stew per kg	13.7		
		Pork ribs per kg	14.2		
		Pork chops per kg	19.8		
		Beef offal per kg	23.0		
		Beef fillet per kg	23.2		

Grain and oil products	%	Meat, meat products, dairy, dairy products, and eggs	%	Fresh and processed fruits and vegetables	%
		Beef mince per kg	23.4		
		Sausage per kg	23.7		
		Beef stew per kg	25.7		
		Beef brisket per kg	26.4		
		Beef T-bone per kg	26.9		
		Beef sirloin per kg	27.2		
		Beef chuck per kg	28.5		
		Beef rump steak per kg	28.9		
		Powdered milk 900g	--		

Source: Stats SA, 2026

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

Comparing February 2026 to February 2025, the international price of wheat decreased by 2.7%, while domestic wheat prices decreased by 5.9%. Urban consumers paid 0.1% more for a brown bread (700g) and 1.1% more for a white bread (700g). Domestic yellow maize prices decreased by 33.7%, and international yellow maize prices decreased by 5.1%. Even though domestic white maize prices decreased by 41.4%, maize meal prices (2.5kg) increased by 0.5% in urban areas. During the same period, the urban prices of sunflower oil (750mℓ) increased by 3.3%. This can be attributable to the observed annual 0.4% increase in domestic prices of sunflower seed.

Comparing February 2026 with February 2025, 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 9.02%, 9.12% and 14.32%, respectively. Lamb/mutton producer prices (R/kg) of classes C2/C3 and B2/B3 increased by 10.08%, and 11.20%, while lamb/mutton producer prices of class A2/A3 decreased by 2.78%, respectively. Abattoir selling prices of frozen chicken, fresh chicken, and individually quick frozen (IQF) chicken portions increased by 7.40%, 12.04, and 7.01%, respectively. Baconer and porker producer prices (R/kg) increased by 25.4% and 26.7%, respectively, during the same period.

B. Monthly urban price comparison: February 2026 vs. January 2026

Table 3 compares prices of selected food items in urban areas for February 2026 and January 2026. The food items showing relatively large monthly price differences are peanut butter (400g) with a difference of R0.16, and Ceylon/black tea (250g) with a difference of R0.15.

The following products showed a decline in prices; sunflower oil (750mℓ), with a difference of –R0.02, full cream milk- long life (1ℓ) with a difference of -R0.02, brown bread (700g) with a difference of -R0.04, white bread (700g) with a difference of -R0.06, margarine spread (500g) with a difference of –R0.07, White sugar (2.5kg) with a difference of -R0.21, bananas (per kg) with a difference of -R0.21, maize meal (2.5kg) with a difference of -R0.37 and rice with a difference of –R0.46. This indicates that urban consumers paid on average R0.10 less for these 11 food items in February 2026 compared to January 2026.

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

Product	Urban Food Prices January 2026 (R/unit)	Urban Food Prices February 2026 (R/unit)	Price difference (R/unit)
Full cream milk – long life 1ℓ	20.14	20.12	-0.02
Brown bread 700g	17.58	17.54	-0.04
White bread 700g	19.21	19.15	-0.06
Bananas per kg	21.89	21.68	-0.21
Maize meal 2.5 kg	41.90	41.53	-0.37
Margarine spread 500g	40.62	40.55	-0.07
Peanut butter 400g	49.74	49.90	0.16
Rice 2kg	39.46	39.00	-0.46
Sunflower oil 750mℓ	37.05	37.03	-0.02
Ceylon/black tea 250g	63.68	63.83	0.15
White sugar 2.5kg	66.66	66.45	-0.21
Average difference (R/unit)			**-0.10**

Source: Stats SA, 2026

B. Annual rural food price trends: February 2026 vs. February 2025

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 (February 2026 vs. February 2025)

Grain and oil products	%	Meat, meat products, dairy, dairy products and eggs	%	Fresh and processed fruits and vegetables	%
Peanut butter 270g	-12.7	Full cream milk - fresh 2ℓ	-9.0	Cabbage per kg	-37.5
Rice 2kg	-11.8	Full cream milk - fresh 1ℓ	-3.7	Potatoes – fresh per kg	-24.7
Peanut butter 800g	-11.0	Eggs 0.5 dozen	-3.4	Oranges per kg	-15.2
Margarine spread 1kg	-5.6	Chicken portions - fresh per kg	-2.9	Beans – dried 500g	-12.9
Rice 1kg	-1.5	Eggs 1.5 dozen	-2.9	Potatoes - fresh 10kg	-11.0
Brown bread 600g	-1.3	Full cream milk - long life 500mℓ	-1.3	Cabbage each	-4.1
Rice 500g	-0.9	Full cream milk - long life 1ℓ	0.3	Tomatoes per kg	-1.9
Sunflower oil 500 mℓ	0.6	Full cream milk - fresh 500mℓ	9.9	Onions per kg	-1.8
Brown bread 700g	1.9	Beef chuck per kg	11.2	Beans – dried 1kg	-1.3
White bread 600g	2.2	Beef brisket per kg	12.8	Beans - dried 2kg	2.2
Sunflower oil 750mℓ	2.3	Beef fillet per kg	22.1	Apples per kg	2.3
White bread 700g	2.5	Beef T-bone per kg	23.6	Bananas per kg	4.6
Peanut butter 400g	3.0	Beef rump steak per kg	24.5		
Brick margarine 500g	7.6	Fish (excl. tuna) - tinned 400g	25.8	**Other**	**%**
Brick margarine 250g	7.9	Fish (excl. tuna) - tinned 155g	-	Ceylon/black tea 200g	-8.1
Sunflower oil 2ℓ	8.3	Low-fat milk - fresh 1ℓ	--	White sugar 2.5kg	-4.5
Brick margarine 125g	10.2	Low-fat milk - fresh 2ℓ	--	Instant coffee 750g	-1.3

Grain and oil products	%	Meat, meat products, dairy, dairy products and eggs	%	Fresh and processed fruits and vegetables	%
Super maize 2.5kg	-			Instant coffee 250g	0.7
Super maize 5kg	-			Ceylon/black tea 250g	2.4
				Ceylon/black tea 125g	3.3
				White sugar 5kg	3.7
				White sugar 1kg	4.8
				Ceylon/black tea 62.5kg	5.5
				Instant coffee 100g	17.5

Source: Stats SA, 2026

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 February 2026

Table 5 presents a comparison of the prices of specific food items in urban and rural areas in February 2026. In urban areas, the following food items cost more than in rural areas in February 2026. That is, urban consumers paid R10.41 more for Ceylon/black tea, R3.45 more for peanut butter, R2.08 more for white sugar, R1.61 more for sunflower oil, R0.11 more for white bread, and R0.03 more for brown bread. These food items contribute the most to the observed price differences between urban and rural areas. On average, urban consumers spent R1.60 extra on these nine food items than their counterparts in rural areas. It is important to note that in February 2026, bananas, full cream milk and rice was the food items 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 February 2026 (R/unit)	Rural Food Prices February 2026 (R/unit)	Price difference (R/unit)
Full cream milk - long life 1ℓ	20.12	20.44	-0.32
Brown bread 700g	17.54	17.51	0.03
White bread 700g	19.15	19.04	0.11
Bananas per kg	21.68	21.69	-0.01
*Maize meal 2.5kg	41.53	n/a	n/a
*Margarine spread 500g	40.55	n/a	n/a
Peanut butter 400g	49.90	46.45	3.45
Rice 2kg	39.00	41.98	-2.98
Sunflower oil 750mℓ	37.03	35.42	1.61
Ceylon/black tea 250g	63.83	53.42	10.41
White sugar 2.5kg	66.45	64.37	2.08
Average difference (R/unit)			**1.60**

Source: Stats SA, 2026; NAMC calculations, * Rural prices for maize meal (2.5 kg) and margarine spread (500g) were unavailable (n/a) for February 2026 data

SECTION C:

COST DRIVERS AND ECONOMIC FACTORS

3. SECTION C: COST DRIVERS AND ECONOMIC FACTORS

International food commodity prices, as measured by the FAO Food Price Index (FPI), declined in February 2026, increased by 1.0% month-on-month (MoM), and decreased by 1.1% year-on-year (YoY). This month-to-month increase in global food inflation was driven by rising prices of meat, cereals, and vegetable oils.

Global cereal prices increased by 1.1% in February 2026 compared to the previous month but were 3.5% lower than in February 2025. Frost in the EU and US, logistical disruptions in Russia, and geopolitical tensions in the Black Sea Region supported wheat prices while maize remained stable.

Domestic maize prices declined, with white maize down by 3.2% and yellow maize by 40.1%, driven by a strong 2024/25 crop and stocks, favourable crop conditions for the 2025/26, and a strengthening rand against the dollar. Wheat prices eased by 2.0%, owing to the stronger exchange rate.

International vegetable oil prices increased in February, backed by strong import demand (palm, soy, and canola oils), seasonally low output (palm), and a supportive US biofuel policy. Sunflower oil prices eased, given increased supply from Argentina, while global demand was low due to high prices previously. Oilseed prices increased due to critical South American crop conditions (soybean), import and biofuel feedstock demand (canola and soybean), and global supply tightness (sunflower).

Locally, prices showed mixed trends. Soybeans were higher by 4.2%, while sunflower declined by 13.6%. Ample 2024/25 output and good crop progress for 2025/26 are putting pressure on prices. On the soybean side, prices reflected global trends, as the increase in world prices was more than the exchange rate appreciation.

The FAO Meat Price Index showed marginal month-on-month growth in February 2026, also moving up by 8.0% compared to February 2025. Meat prices were driven by record-high ovine prices and increased bovine prices amid tight supplies and robust global demand.

In the domestic market, meat carcass prices- beef, sheep, and pig- decreased, but poultry IQF prices showed a marginal rise. Carcass prices eased with the recovery of beef supply as slaughter volumes rose with progress in FMD containment measures. Weaner calf prices also declined month on month. Poultry prices, on the other hand, reflected strong domestic demand.

Global dairy prices declined, mainly due to falling cheese prices, although milk powders and butter showed signs of recovery on stronger import demand. In South Africa, raw milk prices have been following an upward trend due to seasonal output trends and additional supply pressure because of FMD. At the retail level, prices eased, reflecting seasonally low raw milk demand.

On the other hand, municipal fresh produce markets recorded lower prices, year on year, for potatoes and tomatoes in February 2026, compared to February 2025. Potato prices declined by 28.9% and tomatoes by 22.2%, driven by higher volumes. Heavy rain has delayed the influx of potato and tomato supply volumes to the market, helping to limit the downtrend in prices, particularly for potatoes. For onions, prices increased by 7.0%, underpinned by low stock levels and supply transition between regions.

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 (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 February 2025 to February 2026. In February 2026, the cost of this basic NAMC urban food basket was R1 361.36, increasing by 3.5% from February 2025 (year-on-year increase), and decreased by 0.13% from January 2026 (month-on-month change).

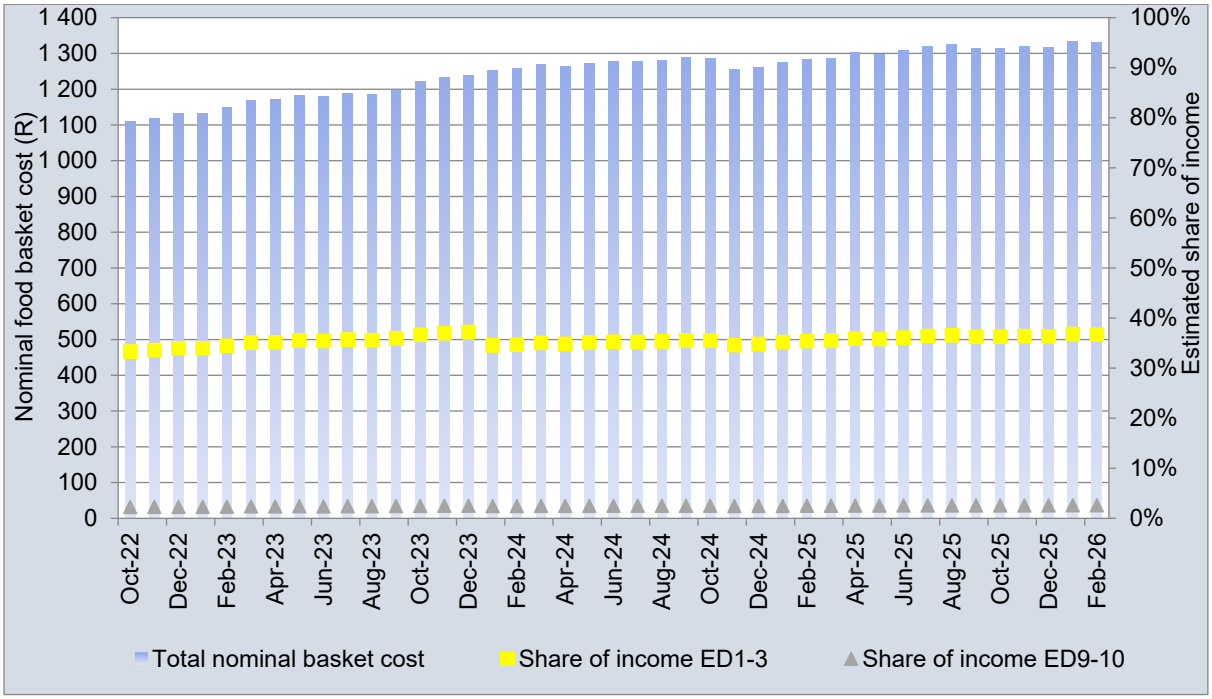

Figure 9: The cost of the NAMC consumer food basket for the period January 2022 to February 2026

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

a. Inflation dynamics of the NAMC consumer food basket in February 2026

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 February 2025 to February 2026. Food items in the NAMC basket with more severe food inflation (5% and higher) in February 2026 included beef mince (23.4%), beef offal (20.3%), brick margarine (12.4%), cheddar cheese (10.7%), instant coffee (9.2%), bananas (7.7%), apples (7.1%), IQF chicken portions (6.6%) and chicken giblets (5.9%).

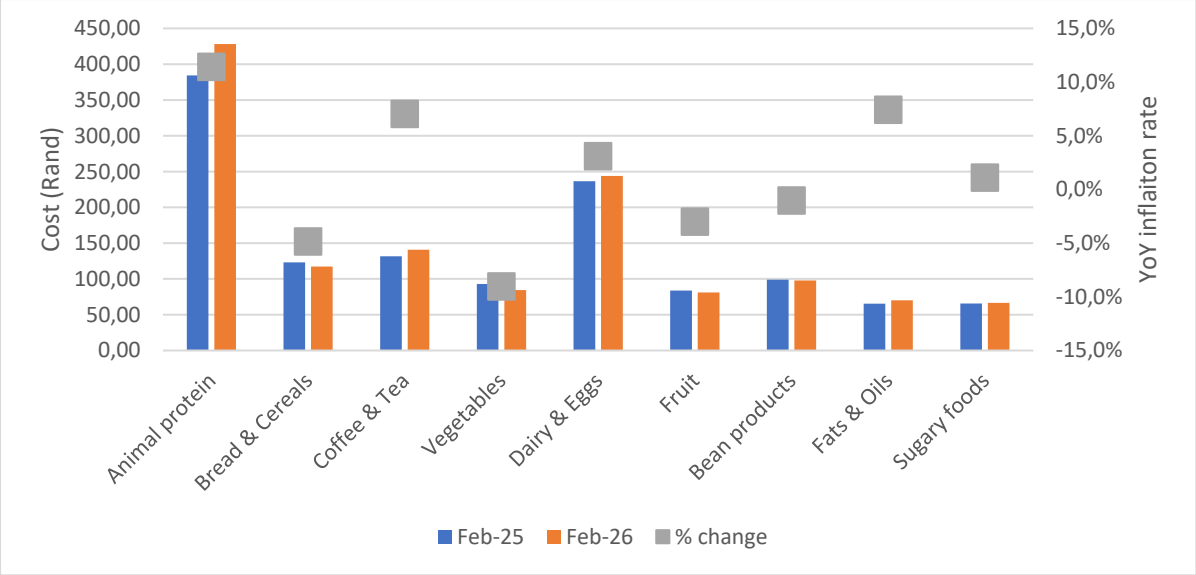

Figure 10: Nominal monthly cost of specific food groups within the basic food basket, comparing February 2025 to February 2026 (annual inflation)
(Source: BFAP calculations, based on Stats SA monitored price data for urban areas).

B. Exploring the impact of food inflation on vulnerable households in South Africa in February 2026

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[1]; Oldewage-Theron et al, 2005[2]). **Figure 11** illustrates the estimated portion costs for these foods, calculated from monthly food price data for February 2025 to February 2026. In February 2026, the largest cost contribution came from brown bread (39%) and maize meal (37%), followed by milk (12%).

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 February 2026 and February 2025 prices, the results in **Figure 11** indicate inflation of 0.7% (from R9.62 to R9.68 for the selection of typical portions). From January 2026 to February 2026, the costs associated with the typical portion sizes of very poor consumers for the five most widely consumed food items in South Africa only decreased by 0.4%.

[1] 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

[2] 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

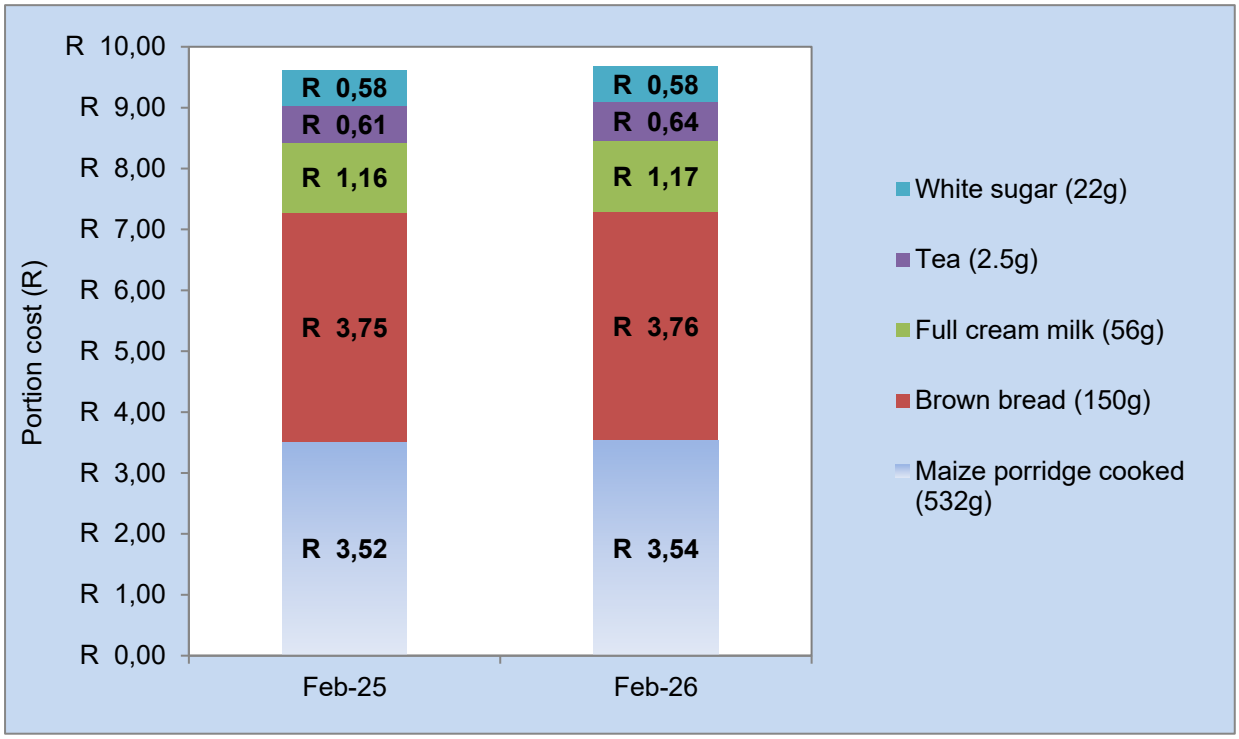

Figure 11: Average nominal cost for the typical portions of the five food items most widely consumed by very poor consumers in South Africa, for February 2025 and February 2026
Source: BFAP calculations, based on Stats SA monitored price data for urban areas

To further explore the impact of inflation on very poor consumers, we can consider the 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. We observe the following from **Figure 12**:

- YoY food inflation above 3% was reported for three of the top ten foods purchased by lower-income households (beef, chicken, and plant oils).

- Taking into consideration typical food expenditure shares, the February 2026 inflation on chicken and beef could have a particularly negative impact on lower-income consumers' ability to consume adequate quantities of protein-rich foods, thus potentially affecting dietary diversity adequacy.

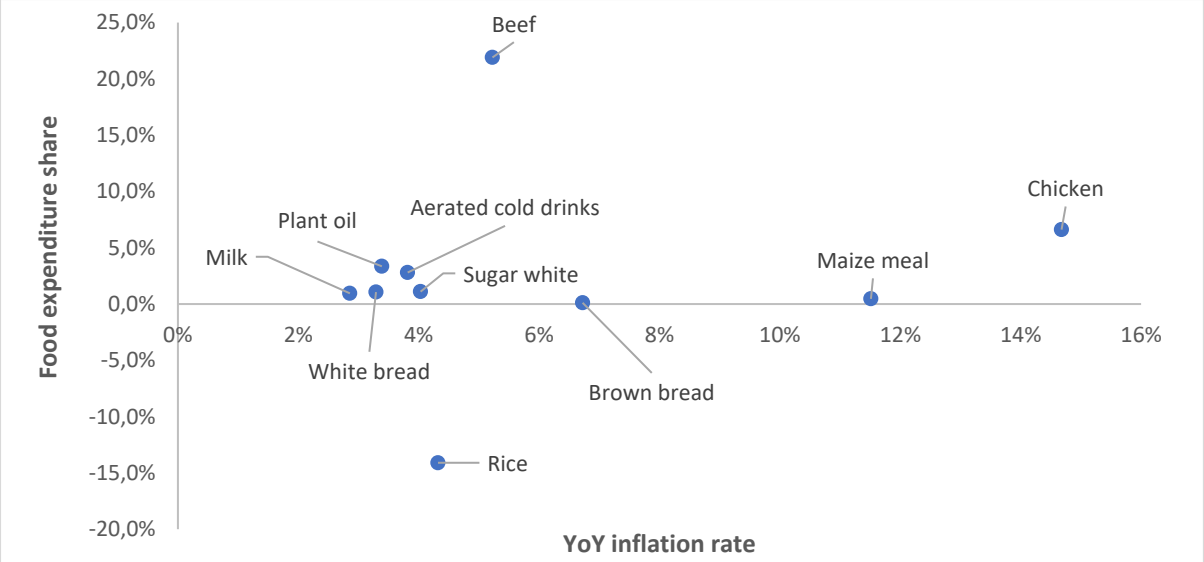

Figure 12: YoY inflation on the top 10 food expenditure items of lower-income households in South Africa in February 2026

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) (2026).

Statistics South Africa (Stats SA) updated the Consumer Price Index (CPI) basket of goods and services and the respective weights in the February 2026 CPI release. This update was mainly based on the results of the income and expenditure survey, which began fieldwork in December 2022.

The February 2026 official data is used in this report (see link below from the Stats SA website): https://www.statssa.gov.za/publications/P0141/P0141February2026.pdf

For further insights into food inflation, refer to the monthly ***BFAP Food Inflation Brief*** https://www.bfap.co.za/library/

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
Dr Moses Lubinga
Bhekani Zondo
Simphiwe Mlotshwa
Lesedi Mokoena

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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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