



NAMMC

Promoting market access for South African agriculture



Input

COST MONITORING

An update on selected items

March 2025

INPUT COST MONITORING | March 2025

www.namc.co.za

EXECUTIVE SUMMARY

❖ International and domestic price trends for selected fertilizers

International prices for Muriate of Potash (MOP) measured in US Dollars per ton (US\$/ton), increased by 49% from US\$211 in January 2021 to US\$315 in January 2025, followed by Di-Ammonium Phosphate (DAP), which increased by 43% from US\$427 to US\$609. During the same period, Ammonia increased by 38% from US\$268 to US\$370, while Urea increased by 26% from US\$282 to US\$356. Between January 2024 and January 2025, international prices for Urea, MOP and DAP increased by 14%, 8% and 1%, respectively. While Ammonia decreased by 17%. On a month-to-month basis (December 2024 and January 2025), international prices for Urea and DAP increased by 12% and 1%, respectively. During this period international prices for MOP remained unchanged while prices for Ammonia decreased by 11%.

The domestic pricing per ton of fertilisers exhibits an increasing trend. Notably, Mono-ammonium Phosphate (MAP) increased by 67% (from R9 753 to R16 259), followed by Ammonium Nitrate (LAN) with an increase of 55% (from R6 051 to R9 406), Potassium Chloride (KCL) which increased by 44% (from R6 429 or R9 239) and Urea Granular which increased by 38% (from R8 012 to R11 029). 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.

❖ Fuel prices and Illuminated paraffin

On a year-on-year basis (February 2024 to February 2025), petrol and diesel prices decreased by 4.6% (from R23.24/litre to R22.16/litre) and 4.8% (from R21.36/litre to R20.33/litre), respectively. A similar trend was observed in crude oil prices, which decreased by 5.6% in US Dollar terms (from US\$82.03/barrel to US\$77.41/barrel) and by 6.8% in Rand terms (from R1556.11/barrel to R1449.89/barrel). Meanwhile, the Rand appreciated by 1.3% against the US Dollar, moving from R18.97 to R18.73.

Between February 2024 and February 2025, the price of illuminated paraffin in Gauteng and Coastal regions decreased by 7.05% (from R15.84/litre to R14.23/litre) and 7.93% (from R14.91/litre to R13.24/litre), respectively.

❖ Freight Indices

When comparing February 2024 to February 2025, the Grain and Oilseeds Freight Index (GOFI) and Baltic Dry Index (BDI) decreased by 19.0% and 48.2%, respectively. This shows that the crude oil price fluctuations have a significant impact on the movements of both the GOFI and BDI. By February 2025, the BDI had reached 858.5 index points, while the GOFI had dropped to 121.0 index points from 150.0 in February 2024.

Table of Contents

- Introduction..... 1
- International price trends for selected fertilizers..... 1
- Domestic price trends for selected fertilizers..... 2
- Fuel prices..... 2
- Freight rates 3
- Illuminated paraffin price..... 4

Introduction

Agricultural inputs such as fertilisers and fuel play a significant role in increasing agricultural productivity. The Input Cost Monitoring (ICM) report, published by the National Agricultural Marketing Council (NAMC) is a quarterly report analysing historic and current trends of selected agricultural production input 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), and the South African Grain Information Service (SAGIS).

International price trends for selected fertilizers

Figure 1 presents international prices for selected fertilisers from January 2021 to January 2025. International prices for Muriate of Potash (MOP) measured in US Dollars per ton (US\$/ton), increased by 49% from US\$211 in January 2021 to US\$315 in January 2025, followed by Di-Ammonium Phosphate (DAP), which increased by 43% from US\$427 to US\$609. During the same period, Ammonia increased by 38% from US\$268 to US\$ 370, while Urea increased by 26% from US\$282 to US\$356. Between January 2024 and January 2025, international prices for Urea, MOP and DAP increased by 14%, 8% and 1%, respectively. While Ammonia decreased by 17%. On a month-to-month basis (December 2024 and January 2025), international prices for Urea and DAP increased by 12% and 1%, respectively. During this period international prices for MOP remained unchanged while prices for Ammonia decreased by 11%.

Between January 2021 and January 2025, international prices measured in Rand per ton (R/ton), increased significantly. Notably, Ammonia, MOP, DAP and Urea increased by 86% (from R4 058 to R7 547), 79% (from R3 195 to R5 724), 70% (from R3 195 to R10 974) and 36% (from R4 269 to R5 788), respectively. The exchange rate (Rand per US dollar - R/US\$), which is vital for importing inputs from the global market, depreciated by 24% between January 2021 and January 2025 from R15.14 to R18.73. On a year-on-year basis, prices in Rand value for MOP (R/ton) increased by 5% while prices for Ammonia, DAP and UREA decreased by 10%, 3% and 2%, respectively. Meanwhile, on a month-to-month basis, prices in Rand value for Urea and MOP increased by 2%, DAP remained unchanged while prices for Ammonia decreased by 1%.

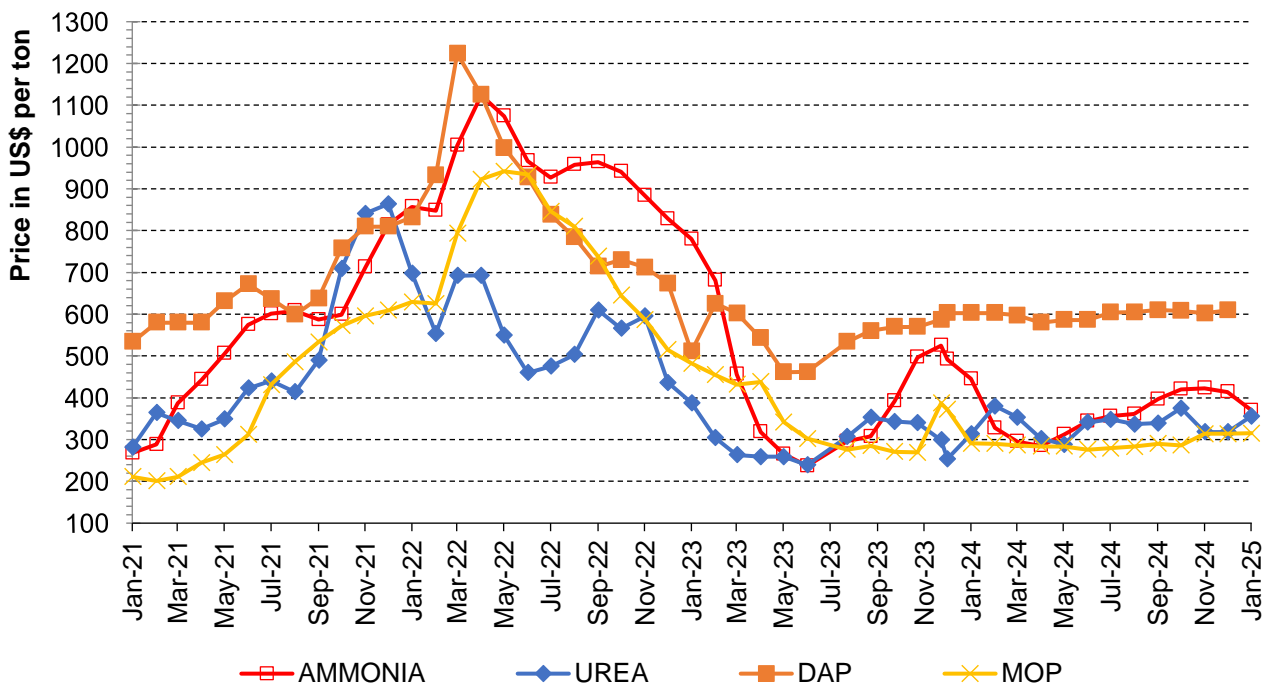


Figure 1: International price trends for selected fertilizers

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

Domestic price trends for selected fertilizers

Figure 2 illustrates domestic price trends for fertilisers from February 2021 to February 2025. The domestic pricing per ton of fertilisers shows an increasing trend. Notably, Mono-ammonium Phosphate (MAP) increased significantly by 67% (from R9 753 to R16 259), followed by Ammonium Nitrate (LAN) with an increase of 55% (from R6 051 to R9 406), Potassium Chloride (KCL) which increased by 44% (from R6 429 or R9 239) and Urea Granular which increased by 38% (from R8 012 to R11 029). For the year-on-year comparison, between February 2024 and February 2025, domestic fertiliser prices for MAP increased by 3%, LAN remained unchanged, while Urea Granular and KCL decreased by 2% and 14%, 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.

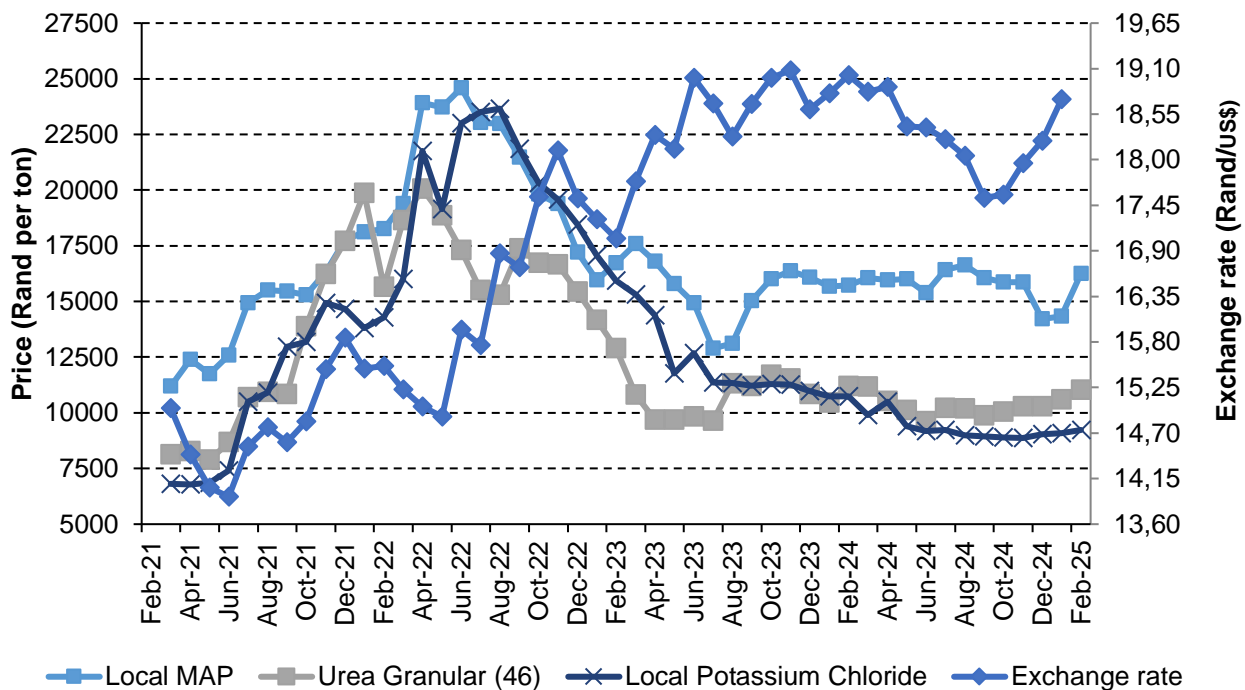


Figure 2: Domestic price trends for selected fertilizers and exchange rate (R/US\$)

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 3** shows the price trends for crude oil, petrol, diesel, and the exchange rate from February 2019 to February 2025. During this period, petrol, diesel, and crude oil prices increased by 57.4% (from R14.08/litre to R22.16/litre), 54.7% (from R13.14/litre to R20.33/litre) and 29.1% (from US\$59.96/barrel to US\$77.41/barrel), respectively. In Rand terms, crude oil prices also increased by 74.8% (from R829.25/barrel to R1449.89/barrel).

On a year-over-year basis (February 2024 to February 2025), petrol and diesel prices decreased by 4.6% (from R23.24/litre to R22.16/litre) and 4.8% (from R21.36/litre to R20.33/litre), respectively. A similar trend was observed in crude oil prices, which decreased by 5.6% in US Dollar terms (from US\$82.03/barrel to US\$77.41/barrel) and by 6.8% in Rand terms (from R1556.11/barrel to R1449.89/barrel). Meanwhile, the Rand appreciated by 1.3% against the US Dollar, moving from R18.97 to R18.73.

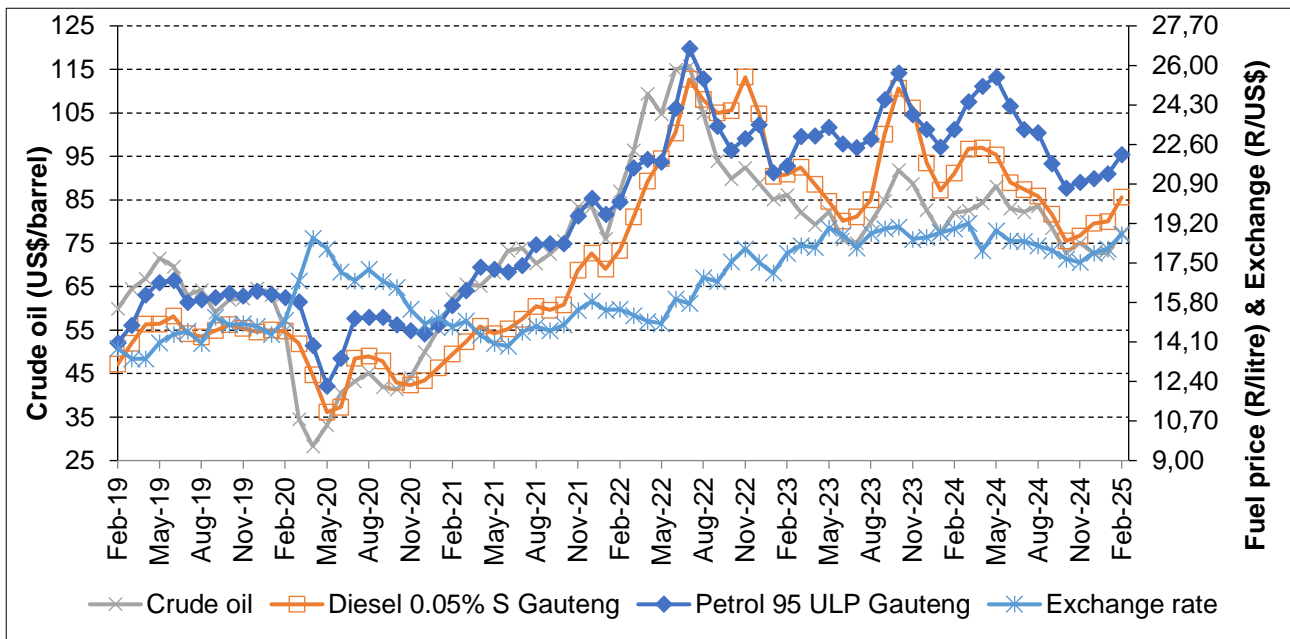


Figure 3: Price trends for crude oil, fuel and exchange rate trend

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 4 shows the trends of the Baltic Dry Index (BDI) and the Global Oilseeds Freight Index (GOFI) between February 2019 and February 2025. During this time, both the BDI and GOFI increased by 36.8% and 12.5%, respectively. When comparing February 2024 to February 2025, the GOFI and BDI decreased by 19.0% and 48.2%, respectively. This implies that the crude oil price fluctuations have a significant impact on the movements of both the GOFI and BDI. As of February 2025, the BDI had reached 858.50 index points, while the GOFI had dropped to 121.0 index points from 150.0 in February 2024.

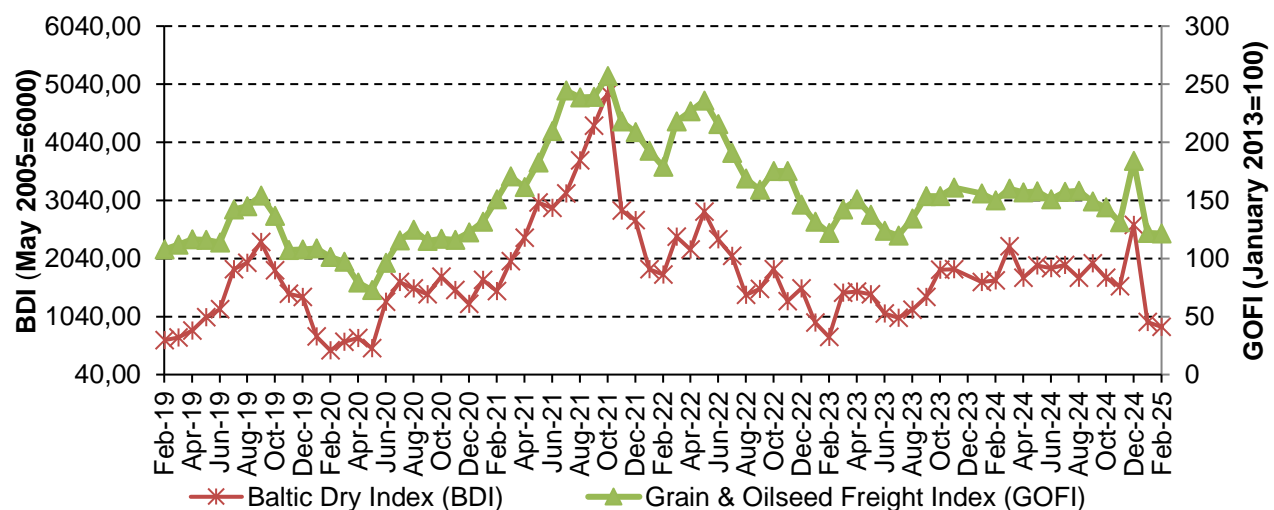


Figure 4: Baltic Dry Index versus Grain and Oilseeds Freight Index

Source: SAGIS, 2025.

Illuminated paraffin price

Figure 5 shows the price trend for illuminated paraffin in the Coastal and Gauteng areas from February 2019 to February 2025. Over this period, illuminated paraffin prices for Gauteng and Coastal regions increased by 72.76% (from R8.24/litre to R14.23/litre) and 73.49% (from R7.63/litre to R13.24/litre), respectively.

Between February 2024 and February 2025, the price of illuminated paraffin in Gauteng and Coastal regions decreased by 7.05 % (from R15.84/litre to R14.23/litre) and 7.93% (from R14.91/litre to R13.24/litre, respectively). Paraffin is an essential energy source for many low-income South African households. Paraffin price changes in South Africa are influenced by global crude oil prices, the Rand/US Dollar exchange rate, refining and distribution costs, government taxes and regulations, and supply chain disruption. Since paraffin is derived from crude oil, any shifts in global oil prices or currency depreciation make imports more expensive. Additionally, higher demand in winter and logistical challenges can cause temporary price spikes, while lower oil prices or improved supply circumstances can drop them.

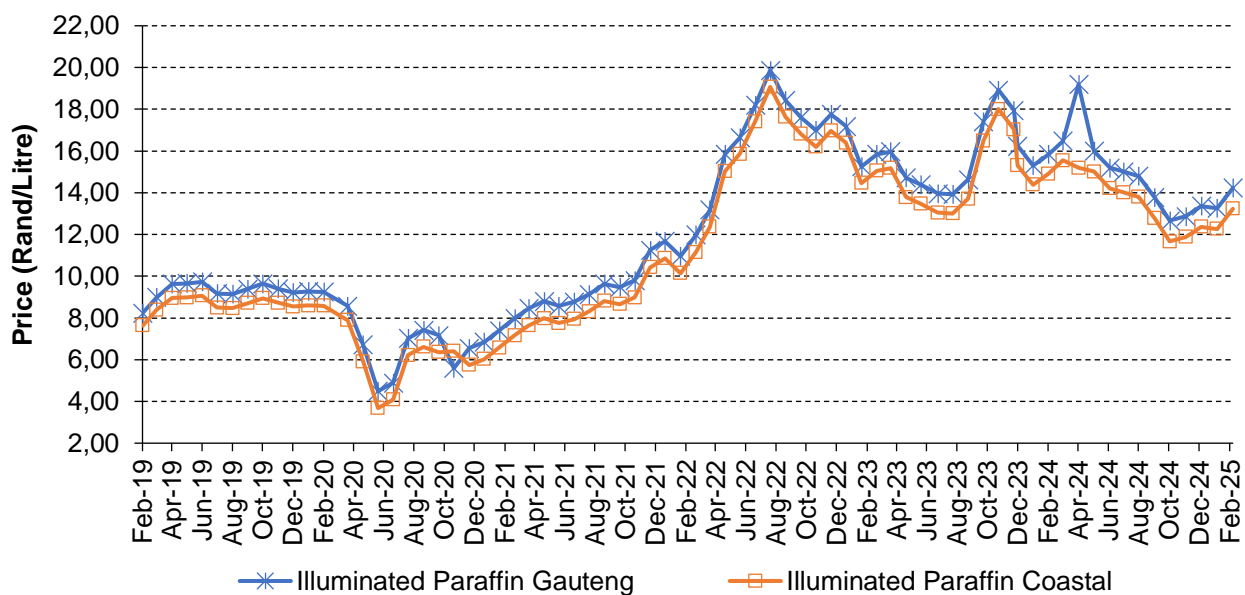


Figure 5: Comparison of illuminated paraffin price between Coastal and Gauteng regions
Source: Department of Energy, 2025.

Compiled by:

Trends and discussion on selected topics:

Naledi Radebe

Lwazi Dladla

Thulani Ningi

Dr Moses Lubinga

Enquiries: Naledi Radebe: naledi@namc.co.za or Dr Moses Lubinga: HLubinga@namc.co.za or call: 012 341 1115

Stats SA is acknowledged for the assistance provided to the NAMC.

© 2025. Published by the National Agricultural Marketing Council (NAMC).

Disclaimer:

Information contained in this document results from research funded wholly or in part by the NAMC acting in good faith. Opinions, attitudes, and points of view expressed herein do not necessarily reflect the official position or policies of the NAMC. The NAMC makes no claims, promises, or guarantees about the accuracy, completeness, or adequacy of the contents of this document and expressly disclaims liability for errors and omissions regarding the content thereof. No warranty of any kind, implied, expressed, or statutory, including but not limited to the warranties of non-infringement of third-party rights, title, merchantability, fitness for a particular purpose or freedom from computer virus is given with respect to the contents of this document in hardcopy, electronic format, or electronic links thereto. Reference made to any specific product, process, and service by trade name, trademark, manufacturer or another commercial commodity or entity are for informational purposes only and do not constitute or imply approval, endorsement or favouring by the NAMC.

