

FOOD PRICE MONITOR

February 2025 Issue



NAMC

Promoting market access for South African agriculture

FOOD PRICE MONITOR

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Important note

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

The January 2025 official data is used in this report, as the official release of the February 2025 CPI data is scheduled for March 19, 2025 (see link below from the Stats SA website):

<https://www.statssa.gov.za/publications/P0141/P0141January2025.pdf>

EXECUTIVE SUMMARY

During January 2025, the CPI released by Statistics South Africa (Stats SA) indicated that the annual headline CPI increased to 3.2%, while inflation for food and non-alcoholic beverages increased to 2.3%.

The Food and Agricultural Organization (FAO) of the United Nations (UN) publishes its Food Price Index (FPI) monthly. The FPI consists of five commodity group price indices, namely, the Meat Price Index, the Dairy Price Index, the Cereals Price Index, the Oils Price Index, and the Sugar Price Index. The FAO Food Price Index (FFPI) in nominal terms, averaged 125.1 points in January 2025, down 1.8% from its revised December 2024 level and the lowest since October 2024. The drop was driven by significant decreases in the international quotations for vegetable oils and sugar. Compared to historical levels, the FFPI in January 2025 was 6.3% higher than its corresponding level one year ago but remained 22.0 % below its peak reached in March 2022.

In January 2025, the cost of this basic NAMC urban food basket was R1 308, equivalent to a 4.5% (+R56.37) increase from January 2024 (year-on-year increase) and increasing by 1.0% (+R13.43) from December 2024 (month-on-month change).

Comparing January 2025 to January 2024 retail prices, higher price inflation (6.0% or more) was observed for the following products within the NAMC food; Instant coffee, Ceylon/black tea, dried beans, peanut butter, cabbage, oranges and maize meal. Post-election unrest in Mozambique disrupted deliveries to South Africa, contributing to the shortage in the local market.

Meat prices are easing in the domestic market, except for sheep meat, which remains the most expensive meat type locally. Poultry and pig meat prices followed global trends. Poultry prices were down, with Individually Quick Frozen (IQF) chicken portions priced lower by 2.2%, and pig meat prices declined by 1.8%.

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1. Introduction

Figure 1 shows monthly trends of the headline Consumer Price Index (CPI) and food and non-alcoholic beverage inflation rate from January 2019 to January 2025. During January 2025, the CPI released by Statistics South Africa (Stats SA) indicated that the annual headline CPI increased by 3.2%, while inflation for food and non-alcoholic beverages increased by 2.3%. The headline inflation and the food and non-alcoholic beverage inflation were 5.3% and 7.2% during January 2024, respectively.

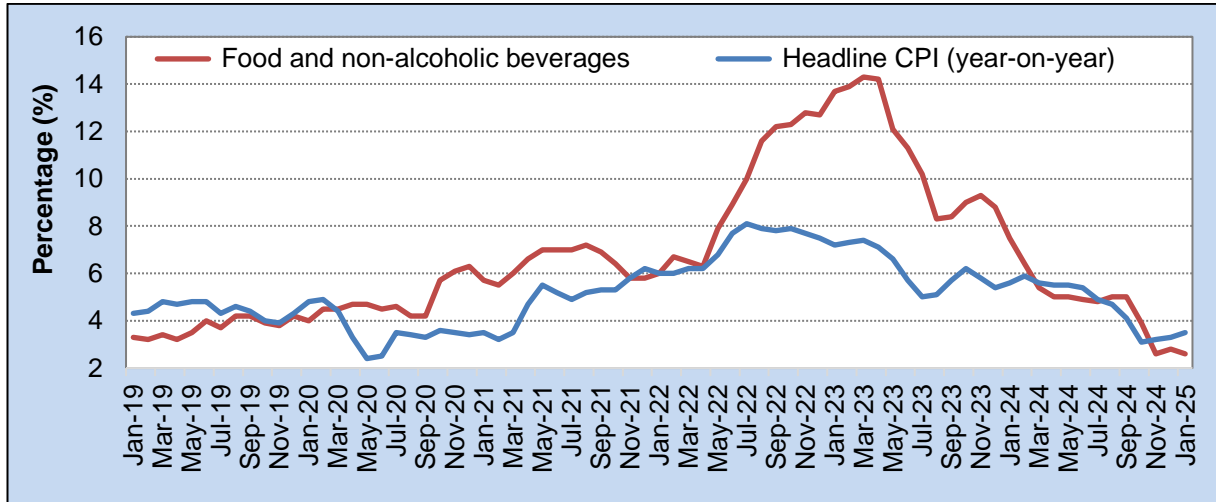


Figure 1: Headline CPI and food and non-alcoholic beverage inflation

Source: Stats SA, 2025

Figure 2 presents components of the food and non-alcoholic beverage index changes. Comparing January 2025 with January 2024, the following changes, in descending order, were reported: sugar, confectionery & desserts (5.7%), fish & other seafood (4.2%), processed foods (3.8%), cereal products (3.8%), oils & fats (2.8%), fruits & nuts (2.1%), other foods (2.1%), milk, other dairy products & eggs (1.7%), vegetables (0.7%), meat (-0.5%) and unprocessed foods (-0.6%). Comparing January 2025 with December 2024, the following changes, in descending order, were reported: processed foods and vegetables (0.9%), meat (0.8%), oils & fats (0.7%), cereal products (0.6%), other food items (0.4%), fish & other seafood (0.2%), sugar, confectionery & desserts as well as unprocessed foods (-0.1%), milk, other dairy products & eggs (-0.5%) and fruit & nuts (-1.3%).

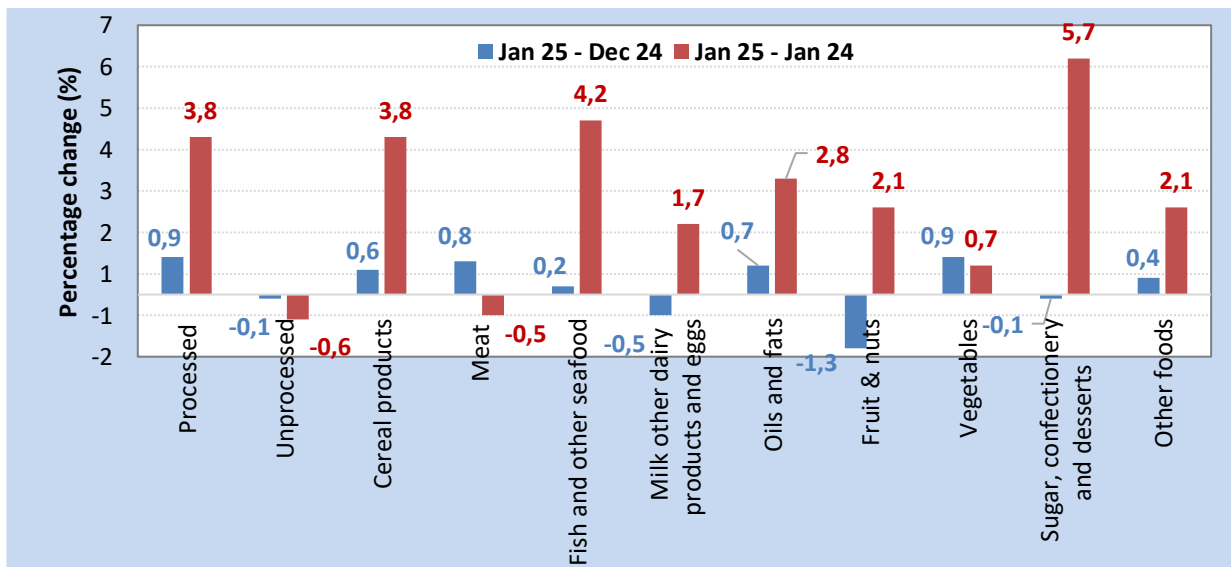


Figure 2: Annual (January 2025 vs. January 2024) and monthly (January 2025 vs. December 2024) changes in CPI for the different food categories

Source: Stats SA, 2025

2. 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 November 2024 to January 2025 for South Africa and other selected countries. South Africa's overall inflation for January 2025 reached 3.2% while food inflation reached 2.3%. Food categories with the largest annual contribution to South Africa's food inflation include sugar, confectionery & desserts, fish & other seafood and processed foods. Turkey's overall inflation rate for January 2025 reached 42.1%, with food inflation reaching 41.8%. China's overall inflation rate was 0.5%, and food inflation of 0.4%. Considering the inflation rates of Brazil, Russia, India, China and South Africa (BRICS countries), China recorded the lowest overall inflation of 0.5%, while Russia registered the highest food inflation rate at 11.1% in January 2025.

Table 1: Overall inflation and food inflation from November 2024 to January 2025

Country	November 2024		December 2024		January 2025	
	Overall inflation (%)	Food inflation (%)	Overall inflation (%)	Food inflation (%)	Overall inflation (%)	Food inflation (%)
Botswana	1.7	4.8	1.7	4.7	2.5	5.1
Brazil	4.9	7.6	4.8	7.7	4.6	7.3
China	0.2	1.0	0.1	-0.5	0.5	0.4
India	5.5	9.0	5.2	8.4	4.3	6.0
Namibia	3.0	5.3	3.4	5.9	3.2	5.3
Russia	8.9	9.9	9.5	11.1	9.9	11.1
South Africa	2.9	2.3	3.0	3.6	3.2	2.3
Turkey	47.1	48.6	44.4	43.6	42.1	41.8
United Kingdom	2.6	2.0	2.5	2.0	3.0	3.3
United States	2.7	2.4	2.9	2.5	3.0	2.5
Zambia	16.5	18.2	16.7	18.6	16.7	19.2

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

In general, between November 2024 and January 2025, Turkey registered the highest but decreasing trend of inflation among all the countries considered in this section.

3. Changes in annual urban food price inflation: January 2025 vs. January 2024

Table 2 shows the ranking of selected food items in urban areas according to changes in the annual inflation rate. Food products highlighted in the table exhibit annual urban inflation rates exceeding the South African Reserve Bank's (SARB) inflation upper band of 6%.

Table 2: Ranking of food items in the urban areas (January 2025 vs. January 2024)

Grain and oil products	%	Meat, meat products, dairy, dairy products and eggs	%	Fresh and processed fruits and vegetables	%
Rice 1kg	-6.6	Sausage per kg	-12.9	Potatoes - fresh per kg	-5.3
Instant noodles 73g	-3.7	Corned beef 300g	-6.7	Tomatoes per kg	-1.0
Cake flour 2.5kg	-2.6	Beef fillet per kg	-3.9	Onions per kg	0.4
Macaroni 500g	-1.8	Whole chicken - fresh per kg	-3.8	Lettuce each	1.3
Sunflower oil 750ml	-0.3	Chicken giblets per kg	-3.8	Bananas per kg	1.5
Spaghetti 500g	-0.2	Pork ribs per kg	-3.0	Baked beans - tinned 410g	1.8
Brown bread 700g	1.0	Beef chuck per kg	-2.9	Apples per kg	5.2
Rice 2kg	1.5	Pork fillet per kg	-2.6	Oranges per kg	7.9
White bread 700g	1.6	Beef brisket per kg	-2.3	Beans - dried 500g	13.1
Brick margarine 500g	2.2	Beef mince per kg	-1.5	Cabbage each	18.0
Margarine spread 500g	2.4	Pork chops per kg	-1.3		
Peanut butter 400g	9.3	Chicken portions – fresh/kg	-0.8		
Maize meal 5kg	9.3	Low-fat milk - fresh 2l	-0.4		
Maize meal 2.5kg	10.1	Beef T-bone per kg	0.0		
Samp 1kg	16.5	Bacon 200g	0.2	Other	%
		Eggs 1.5 dozen	0.4	White sugar 2.5kg	5.5
		Beef stew per kg	0.7	Ceylon/black tea 250g	13.3
		Lamb/Mutton leg per kg	0.7	Instant coffee 250g	19.3
		Full cream milk - fresh 2l	0.8		
		Lamb/Mutton offal per kg	1.1		
		Lamb/Mutton rib chop per kg	1.3		
		Low fat milk - long life 1l	1.5		
		Lamb/Mutton neck per kg	1.5		
		Beef rump steak per kg	1.8		
		Lamb/Mutton stew per kg	2.1		
		Full cream milk - long life 1l	2.7		
		Beef sirloin per kg	3.3		
		Tuna - canned 170g	3.3		
		Cheddar cheese per kg	3.5		
		Lamb/Mutton loin chop/ kg	3.5		
		Chicken portions frozen - non IQF per kg	3.7		
		IQF chicken portions 2kg	3.7		
		Ham 500g	4.3		
		Polony 1kg	4.3		
		Beef offal per kg	5.1		
		Fish (excl tuna) - canned 400g	5.1		
		Powdered milk 900g	5.2		

Source: Stats SA, 2025

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

A closer look at annual food price trends: January 2025 against January 2024

Comparing January 2025 to January 2024, the international price of wheat decreased by 10.5%, while domestic wheat prices decreased by 1.7%. Urban consumers paid 1.0% more for a loaf of brown bread (700g) and 1.6% more for a loaf of white bread (700g). Domestic yellow maize prices increased by 52.4%, while international yellow maize prices increased by 8.0%. Domestic white maize prices increased by 75.7%. Maize meal prices (2.5kg) increased by 3.0% in urban areas. During the same period, the urban prices of sunflower oil (750mℓ) increased by 2.8%. Domestic prices of sunflower seed increased by 18.2% annually, while international sunflower seed prices increased by 35.1%.

Comparing January 2025 with January 2024, the average beef producer prices (R/kg) of class A2/A3 increased by 3.2%, whilst classes B2/B3 and C2/C3 decreased by 0.3% and 0.8%, respectively. Lamb/mutton producer prices (R/kg) of classes A2/A3, C2/C3 and B2/B3 increased by 13.6%, 10.3% and 8.6%, respectively. Abattoir selling prices of frozen, fresh chicken, and individually quick frozen (IQF) chicken portions decreased by 1.9%, 3.8%, and 5.7%, respectively. Baconer and porker producer prices (R/kg) decreased by 3.8% and 2.8%, respectively, during the same period.

4. Monthly urban price comparison: January 2025 vs. December 2024

Table 3 compares prices of selected food items in urban areas for January 2025 and December 2024. Food items showing relatively large monthly price differences are maize meal (2.5kg) with a difference of R1.91, white sugar (2.5kg) with a difference of R0.85, peanut butter (400g) with a difference of R0.16, full cream long life milk (1ℓ) with a difference of R0.12, margarine spread (500g) with a difference of R0.11 and sunflower oil (750ml) with a difference of R0.04. The following products showed a decline in prices; bananas (per kg), with a difference of –R2.98, rice (2kg) with a difference of –R1.01, white bread (700g) with a difference of -R0.20, Ceylon/black tea (250g) with a difference of –R0.10, and a brown bread (700g) with a difference of –R0.05. This indicates that urban consumers paid on average R0.10 less for these 11 food items during January 2025 compared to December 2024.

Table 3: Comparison between urban prices for selected food items

Product	Urban Food Prices December 2024 (R/unit)	Urban Food Prices January 2025 (R/unit)	Price difference (R/unit)
Full cream milk – long life 1ℓ	19.86	19.98	0.12
Brown bread 700g	17.39	17.34	-0.05
White bread 700g	19.02	18.82	-0.20
Bananas per kg	24.49	21.51	-2.98
Maize meal 2.5 kg	38.48	40.39	1.91
Margarine spread 500g	39.70	39.81	0.11
Peanut butter 400g	47.95	48.11	0.16
Rice 2kg	45.81	44.80	-1.01
Sunflower oil 750mℓ	35.49	35.53	0.04
Ceylon/black tea 250g	60.12	60.02	-0.10
White sugar 2.5kg	64.54	65.39	0.85
Average difference (R/unit)			-0.10

Source: Stats SA, 2025

5. Changes in annual rural food price inflation: January 2025 vs. January 2024

Table 4 ranks selected food items according to changes in their inflation rate in rural areas. Food products highlighted in **Table 4** are those with annual rural inflation rates exceeding the South African Reserve Bank's (SARB) inflation upper band of 6%. Similar to urban areas, Ceylon/black tea, instant coffee, maize meal and cabbage are among those food items that recorded high changes inflation above 6%.

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

Grain and oil products	%	Meat, meat products, dairy, dairy products and eggs	%	Fresh and processed fruits and vegetables	%
Margarine spread 500g	-6.0%	Full cream milk - fresh 2l	-3.4%	Potatoes - fresh 10kg	-17.5%
Sunflower oil 750ml	-2.7%	Eggs 1.5 dozen	-3.3%	Potatoes - fresh per kg	-9.5%
Brick margarine 500g	-2.2%	Beef T-bone per kg	-1.2%	Oranges per kg	-1.1%
Margarine spread 1kg	-1.0%	Beef rump steak per kg	-1.0%	Tomatoes per kg	3.5%
Brick margarine 125g	-0.6%	Fish (excl tuna) - tinned 155g	1.1%	Bananas per kg	6.8%
Sunflower oil 500ml	0.6%	Low fat milk - fresh 2l	1.4%	Onions per kg	8.5%
Sunflower oil 2l	2.9%	Full cream milk - long life 1l	2.6%	Cabbage each	11.9%
Brown bread 600g	3.2%	Fish (excl tuna) - tinned 400g	3.0%	Apples per kg	15.2%
White bread 700g	3.6%	Full cream milk - fresh 1l	4.8%	Beans - dried 500g	18.6%
Super maize 2.5kg	4.8%	Beef brisket per kg	4.9%	Beans - dried 1kg	25.6%
Brown bread 700g	5.0%	Beef chuck per kg	6.4%	Beans - dried 2kg	30.3%
Peanut butter 800g	5.9%	Full cream milk - long life 500ml	6.5%		
Rice 2kg	6.7%	Full cream milk - fresh 500ml	8.0%		
Peanut butter 270g	6.9%	Beef fillet per kg	12.4%	Other	%
Super maize 5kg	6.9%	Chicken portions - fresh per kg	25.6%	Instant coffee 750g	4.2%
Peanut butter 400g	8.1%			Ceylon/black tea 250g	4.9%
White bread 600g	8.2%			White sugar 1kg	8.3%
Brick margarine 250g	9.0%			White sugar 5kg	9.5%
Rice 1kg	12.1%			White sugar 2.5kg	13.3%
Rice 500g	26.3%			Ceylon/black tea 62.5g	14.0%
				Instant coffee 250g	15.4%
				Instant coffee 100g	15.8%
				Ceylon/black tea 200g	17.3%
				Ceylon/black tea 125g	22.9%

Source: Stats SA, 2025

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

6. Monthly comparison between urban and rural area prices for January 2025

A comparison of the cost of selected food items in urban with rural areas in January 2025 is provided in **Table 5**. In January 2025, the food items with relatively high price differences between urban and rural areas were: Ceylon/black tea with a price difference of R10.19, maize meal with a price difference of R2.69, peanut butter with a R2.04 difference, sunflower oil with a price difference of R0.94, margarine spread with a R0.59 difference and a brown bread and white bread with a R0.45 and R0.43, respectively. On average, urban consumers spent R1.10 more on these 11 food items. However, it is worth noting that there were some food items that rural consumers paid more than urban consumers during January 2025, and these are white sugar, rice, full cream long life milk, and bananas.

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

Product	Urban Food Prices January 2025 (R/unit)	Rural Food Prices January 2025 (R/unit)	Price difference (R/unit)
Full cream milk - long life 1ℓ	19.98	20.68	-0.70
Brown bread 700g	17.34	16.89	0.45
White bread 700g	18.82	18.39	0.43
Bananas per kg	21.51	21.99	-0.48
Maize meal 2.5kg	40.39	37.70	2.69
Margarine spread 500g	39.81	39.22	0.59
Peanut butter 400g	48.11	46.07	2.04
Rice 2kg	44.80	46.56	-1.76
Sunflower oil 750mℓ	35.53	34.59	0.94
Ceylon/black tea 250g	60.02	49.84	10.19
White sugar 2.5kg	65.39	67.73	-2.34
Average difference (R/unit)			1.10

Source: Stats SA, 2025

7. International food prices

The Food and Agricultural Organization (FAO) of the United Nations (UN) publishes its Food Price Index (FPI) monthly. The FPI consists of five commodity group price indices, namely, the Meat Price Index, the Dairy Price Index, the Cereals Price Index, the Oils Price Index, and the Sugar Price Index. These indices are weighted with the average export shares of each of the groups from 2014 to 2016. The overall index includes 95 price quotations that FAO commodity specialists believe accurately reflect the global prices of the food commodities mentioned. The overall monthly real (deflated) FAO FPI from 2017 to 2025 is shown in **Figure 3**. In January 2025, the index level reached 116.1 points, a 4.4% increase over January 2024.

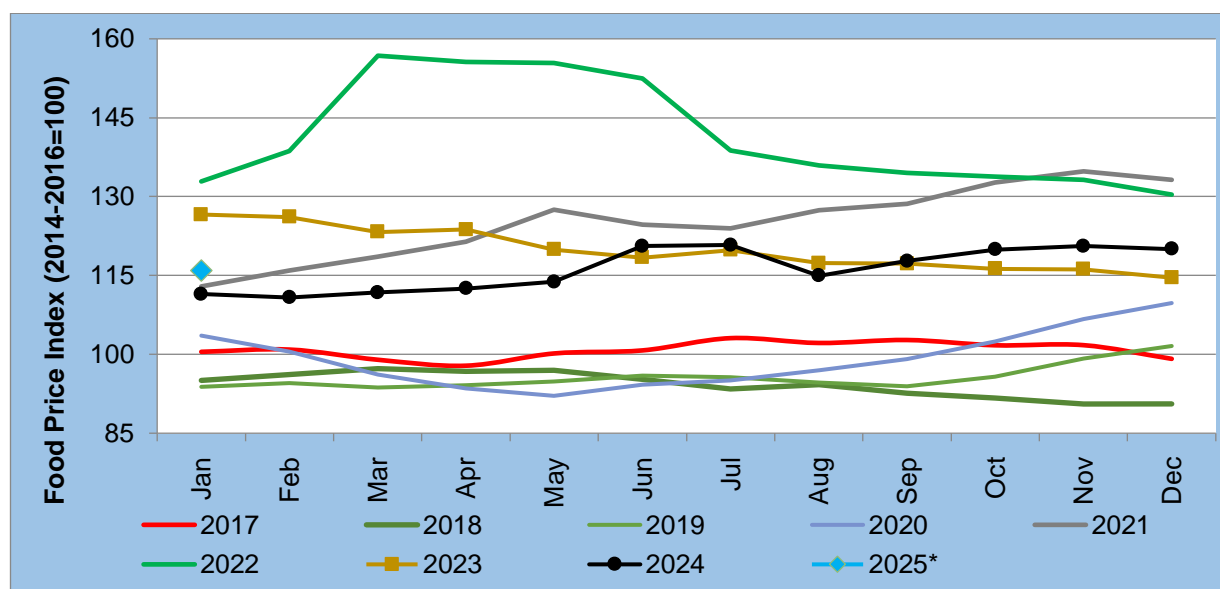


Figure 3: International monthly real FPI

Source: FAO, 2025

*Note: Current year

Figure 4 shows the price indices in *real terms* for the five food categories. For four of the five indices, the monthly growth percentages show declining tendencies (January 2025 vs. December 2024). According to the annual growth percentages (January 2025 compared to January 2024), the Oil Price Index increased by 22.7%, the Dairy Price Index by 18.1%, and the Meat Price Index by 5.3%. Both the Dairy Price Index and the Sugar Price Index saw declines of 8.7% and 19.3%, respectively.

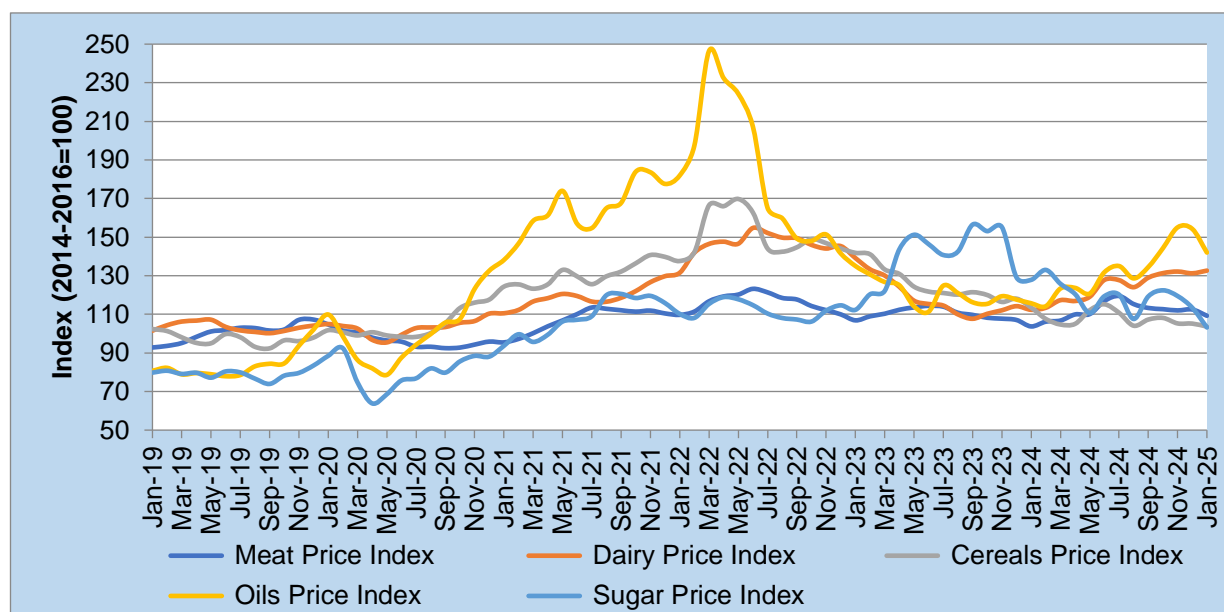


Figure 4: Real price indices for five food categories

Source: FAO, 2025

The **FAO Food Price Index (FFPI)**¹ in *nominal terms*, averaged 125.1 points in January 2025, down 1.8% from its revised December 2024 level and the lowest since October 2024. The drop was driven by significant decreases in the international quotations for vegetable oils and sugar. Compared to historical levels, the FFPI in January 2025 was 6.3% higher than its corresponding level one year ago but remained 22.0% below its peak reached in March 2022. Although it increased by 0.5 points or 0.4% from December 2024, the **FAO Cereal Price Index** was still 8.1 points (6.7%) below its January 2024 value, averaging 111.8 points in January 2025. Due in part to lower production and stock projections for the United States of America, maize prices rose while wheat export prices only slightly decreased. In January, the FAO All Rice Price Index dropped by 4.7% despite a surplus of exportable rice.

The **FAO Vegetable Oil Price Index** reversed a recent increase and averaged 153.0 points in January 2025, down 9.1 points or 6.8% from December 2024, but it was still 24.9% higher than a year earlier. The January 2025 decline was mostly due to decreased global prices for palm and rapeseed oils, while prices for soy and sunflower oils remained stable. The **FAO Dairy Price Index** in *nominal terms*, averaged at 143.0 points in January 2025, up 1.1 points or 0.8% from December 2024 and 24.3 points (20.5%) higher than its value a year ago. The rise was driven by a 7.6% monthly increase in international cheese quotations, which outweighed declines in butter and milk powder prices.

¹Unlike for other commodity groups, most prices utilized in the calculation of the FAO Meat Price Index are not available when the FAO Food Price Index is computed and published; therefore, the value of the Meat Price Index for the most recent months is derived from a mixture of projected and observed prices. This can, at times, require significant revisions in the final value of the FAO Meat Price Index which could in turn influence the value of the FAO Food Price Index.

The nominal **FAO Meat Price Index**² averaged 118.0 points in January 2025, down marginally by 1.3% from the revised December 2024 value and 9.2 points or 8.4% above its level a year ago. Lower international ovine, pig, and poultry meat prices outweighed an increase in bovine meat quotations. With a nominal average of 111.2 points in January 2025, the **FAO Sugar Price Index** dropped by 8.1 points, or 6.8%, from December 2024, but still 25.2 points, or 18.5% lower from the previous year. The decision by the Indian government to begin sugar exports and the usually favorable weather in Brazil were the primary drivers of this improvement in global supply expectations.

8. Impact of food inflation on consumers

In this section, an assessment of the impact of food inflation on consumers is done. The descriptive analysis presented in the first part of this section is based on the cost of a basic food basket³ (as originally compiled by the Food Price Monitoring Committee in 2003 but the basic food basket was revised in March 2022). This report is based on monthly average food price data for the period January 2024 to January 2025.

In January 2025, the cost of the basic NAMC urban food basket was R1 308, equivalent to a 4.5% (R56.37) increase from January 2024 (year-on-year increase) and a 1.0% (+R13.43) increase from December 2024 (monthly change). The cost of this food basket expressed as a share of the average monthly income of the poorest 30% of the population increased from 34.5% in January 2024 to 36.1% in January 2025. The cost of the food basket expressed as a share of the average monthly income of the wealthiest 20% of the population increased from 2.5% in January 2024 to 2.6% in January 2025 (Figure 5).

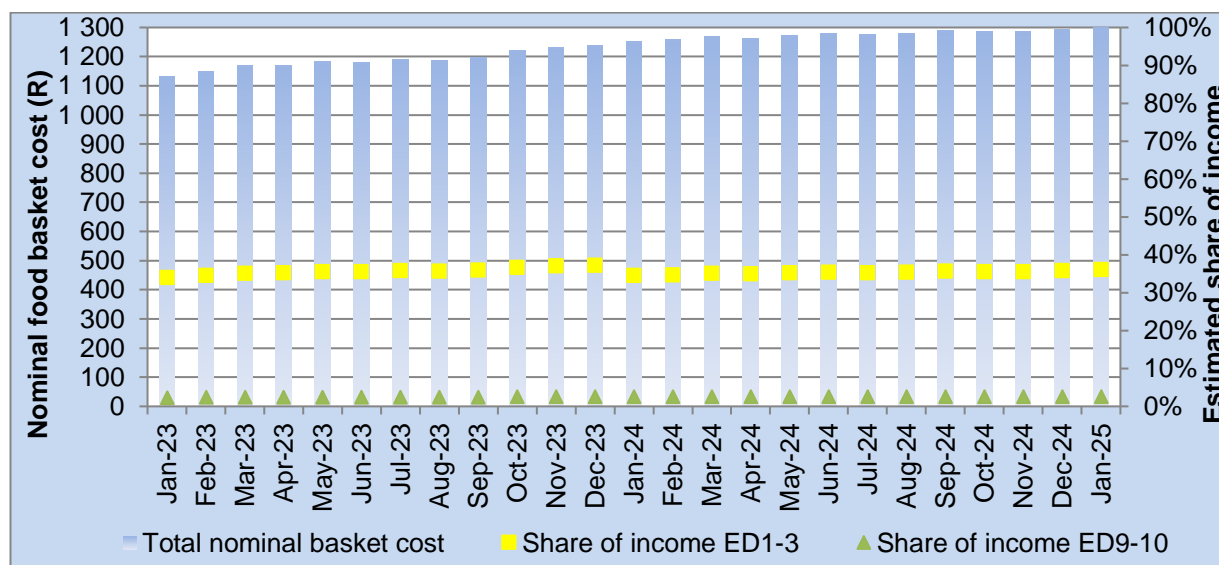


Figure 5: The nominal cost of a typical consumer food basket for the period January 2023 to January 2025, expressed as a share of the average income of the poorest 30% of

² Unlike for other commodity groups, most prices utilized in the calculation of the FAO Meat Price Index are not available when the FAO Food Price Index is computed and published; therefore, the value of the Meat Price Index for the most recent months is derived from a mixture of projected and observed prices. This can, at times, require significant revisions in the final value of the FAO Meat Price Index which could in turn influence the value of the FAO Food Price Index.

³ 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).

households (Expenditure Deciles [ED] 1 to 3) and the wealthiest 20% of households (ED 9 to 10)

Sources: BFAP calculations, based on Stats SA monitored price data for urban areas, 2025

To further explore the impact of inflation on consumers, **Figure 6** shows the average monthly nominal cost of specific food groups within the basic food basket, comparing January 2025 to December 2024 as well as annually between January 2025 and January 2024. The only food group with more severe annual food inflation (above 10%) was coffee & tea.

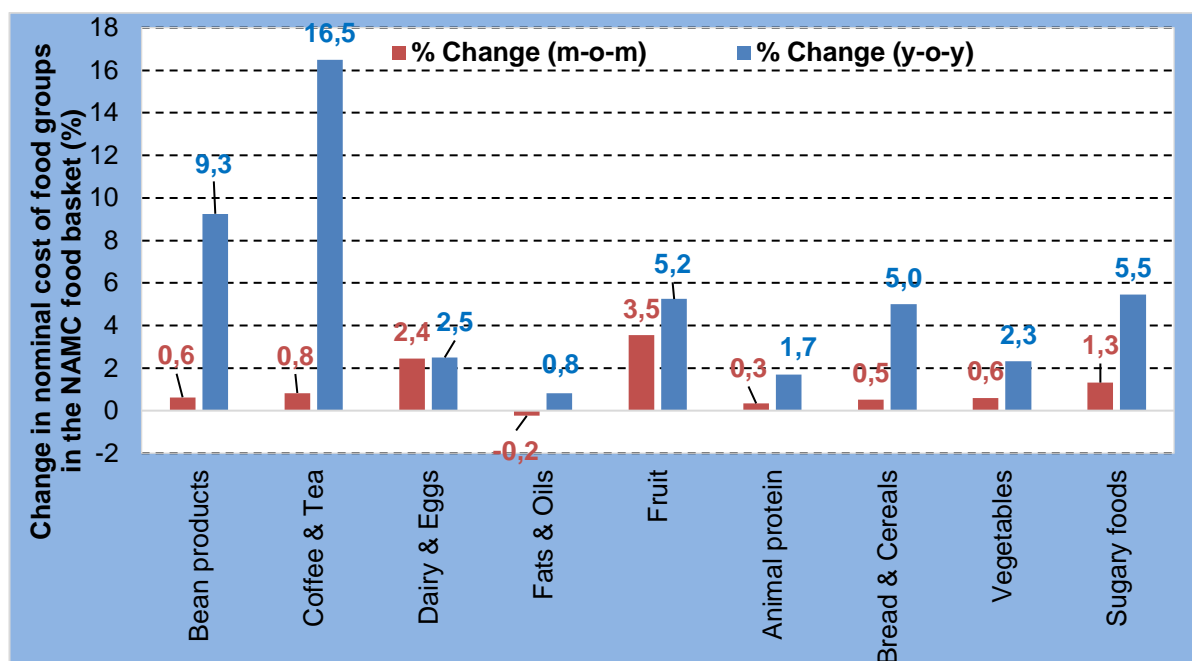


Figure 6: Nominal cost growth of specific food groups within the NAMC's 28-item food basket, comparing January 2025 to January 2024 (y-o-y) and January 2025 to December 2024 (m-o-m)

Sources: BFAP calculations, based on Stats SA monitored price data for urban areas, 2025

The various food groups within this food basket are presented in more detail in **Table 6** below. Comparing January 2025 to January 2024 retail prices, higher price inflation (6.0% or more) was observed for the following products within the NAMC food:

- Coffee, tea: Instant coffee (+19.3%), Ceylon/black tea (+13.3%).
- Legumes: Dried beans (+13.1%), peanut butter (+9.3%).
- Vegetables: Cabbage (+18.0%).
- Fruit: Oranges (+7.9%)
- Grain-based staples: Maize meal (+9.3%)

Table 6: Overview of contributions to annual food price increases within the 28-item NAMC food basket, January 2025 vs. January 2024

Food group	Overall inflation rate		Major contributors to inflation in this category	Minor contributors to inflation in this category	Non-contributors to inflation in this category	Comments
	January 2024 vs January 2024	October 2024 vs. October 2023				
Animal protein	1.8%	1.8%	None	<i>Beef offal (+5.1%) Canned pilchards (+5.1%) IQF chicken portions (+3.7%) Polony (+4.3%)</i>	<i>Beef mince (-1.5%) Chicken giblets (-3.8%)</i>	<i>Inflation on all listed animal protein food options except mince and chicken giblets.</i>
Bread & cereals	5.0%	5.5%	<i>Maize meal (+9.3%)</i>	<i>White bread (+1.6%) Brown bread (+1.0%) Rice (+1.5%)</i>	None	<i>High inflation on maize meal.</i>
Vegetables	2.3%	4.1%	<i>Cabbage (+18.0%)</i>	<i>Onions (+0.4%)</i>	<i>Potatoes (-5.3%) Tomatoes (-1.0%)</i>	<i>High inflation on cabbages.</i>
Fruit	5.2%	4.1%	<i>Oranges (+7.9%)</i>	<i>Apples (+5.2%) Bananas (+1.5%)</i>	None	<i>High inflation on oranges.</i>
Dairy	3.4%	-1.6%	None	<i>Cheddar cheese (+3.5%) Milk (+2.7%)</i>	None	<i>Minor inflation on all dairy & eggs food options.</i>
Eggs	0.4%	19.6%	None	<i>Eggs (+0.4%)</i>	None	
Fats & oils	0.8%	16.2%	None	<i>Brick margarine (+2.2%)</i>	<i>Sunflower oil (-0.3%)</i>	<i>Minor inflation on margarine.</i>
Bean products	9.3%	12.5%	<i>Dried beans (+13.1%) Peanut butter (+9.3%)</i>	<i>Baked beans (+1.8%)</i>	None	<i>Inflation on all listed bean food options.</i>
Coffee & tea	16.5%	18.7%	<i>Instant coffee (+19.3%) Ceylon/black tea (+13.3%)</i>	None	None	<i>High inflation on tea and coffee.</i>
Sugary foods	5.5%	5.6%	None	<i>White sugar (+5.5%)</i>	None	<i>Inflation on sugar.</i>

Sources: BFAP & NAMC calculations, Stats SA, 2025

*Note: Previous Food Price Monitor analysis period before January 2025 vs. January 2024

The impact of inflation on very poor consumers is further explored below, 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, 2000⁴; Oldewage-Theron et al, 2005⁵). **Figure 7** illustrates the estimated portion costs for these foods, calculated from monthly food price data for January 2024 and January 2025. In January 2025 the largest cost contribution came from brown bread (41%) 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 19% more in this case for January 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 January 2025 and January 2024 prices the results in **Figure 7** indicated inflation of 5.0% (from R8.73 to R9.16 for the selection of typical portions), with inflation on tea, maize meal and sugar contributing most to inflation. From December 2024 to January 2025 the costs associated with the typical portion sizes of very poor consumers for the five most widely consumed food items in South Africa increased by 1.0% (+R0.09).

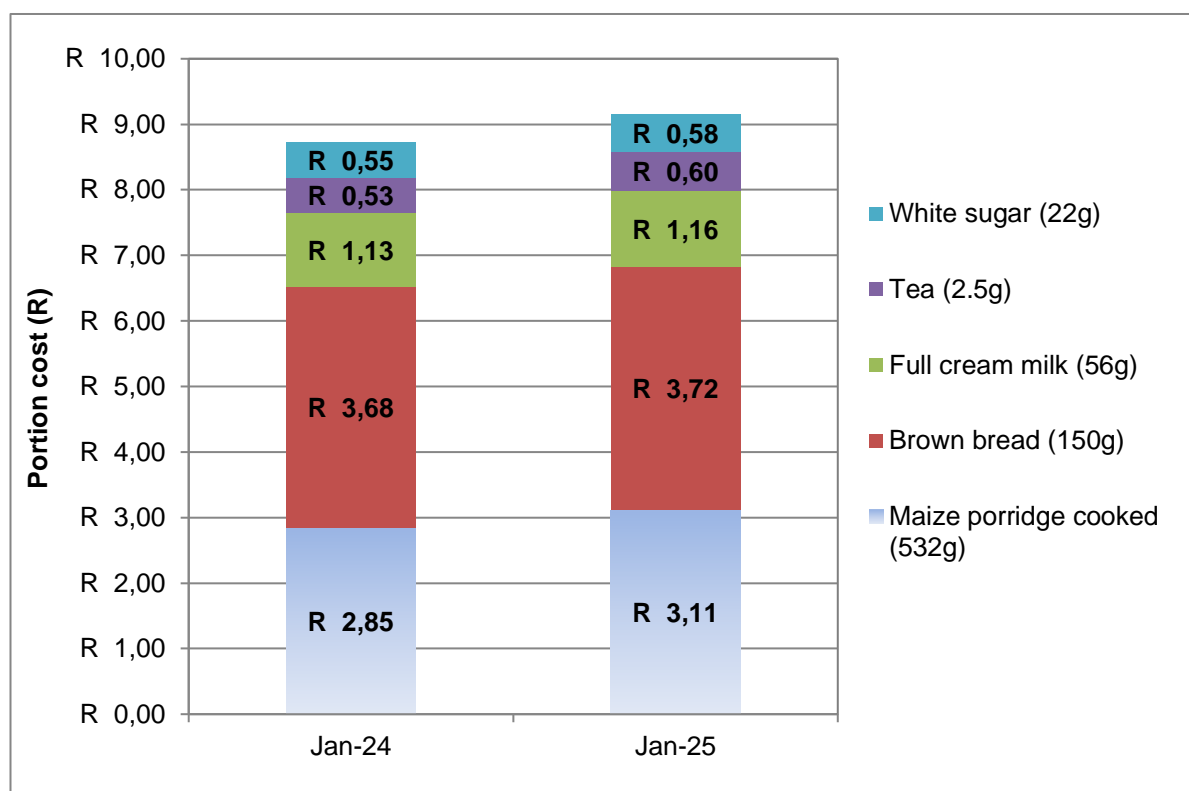


Figure 7: Average nominal cost for the typical portions of the five food items most widely consumed by very poor consumers in South Africa, January 2024 and January 2025

Sources: BFAP calculations based on Stats SA monitored price data for urban areas, 2025

⁴ 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

⁵ 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

9. Food inflation drivers and expectations

Overview of selected key drivers of food inflation:

Global Food Commodity Prices:	FAO Food Price Index +6.2% YoY (- oils, meat, dairy; - sugar, grains) -1.7% MoM (- sugar, oils, meat; -dairy, cereals)
Exchange rate:	Rand / US\$ exchange rate YoY appreciation of 0.4% (R18.73/US\$1 (Jan'25) vs R18.80/US\$1 (Jan'24))
Fuel prices (SA):	Stats SA PPI Diesel price index: -6.7% in Jan 2025 vs Jan 2024
Electricity costs (SA):	Stats SA PPI electricity price index: +10.9% in Jan 2025 vs Jan 2024

Drivers of local food commodity prices

Grains:

- Global cereal prices increased by 0.3% in January 2025 from December 2024 but were 6.9% lower than in January 2024. Maize prices rose due to limited supplies and adverse conditions during planting (Argentina), delayed crop progress (Brazil) and downward revisions in production forecasts (USA). Wheat prices declined due to low import demand but tighter supply in Russia and varied winter crop conditions in Europe, Russia, and the USA capped the decline.
- Domestic maize prices increased with white maize up 4.6% and yellow maize up 6.9%, driven by tightening domestic stock levels, rising world prices, and a slightly weakened exchange rate.

Oils:

- International vegetable oil prices decreased in January 2025, driven by lower palm, sunflower, and canola oil prices. Palm oil prices fell due to demand rationing. Sunflower oil prices were supported by setbacks in oilseed processing in the EU and Ukraine. Lower demand for biodiesel and easing fuel prices pushed canola prices down in the EU. Soybean oil prices strengthened due to increased demand amid reduced supply of palm oil substitutes.
- The global oilseed market saw higher prices in January due to downward revisions in production (Argentina) while concerns about persistent dry conditions remain (south) and wet conditions (central west) have slowed harvesting of the main crop (Brazil). World sunflower seed output is anticipated to be low due to production failures in key regions (EU and the Black Sea region). In the canola market, supply is tightening in the EU and Ukraine, with export supply from Ukraine dropping to a seven-month low.
- Oilseed prices showed mixed trends locally. Sunflower seed prices declined (-2.7%) as local crop prospects outweighed a weak exchange rate and global trends. Soybean prices increased (4.6%) in line with the weaker exchange rate and stable world prices.

Meat:

- Global prices for pig, poultry, and ovine meat fell, resulting in a decrease (-1.4%) in the FAO Meat Price Index month on month. The index was 8.2% higher compared to the same month in 2024. Pig meat prices were under pressure due to surplus supply in Europe following import bans due to a Foot-and-mouth disease outbreak in Germany. Excess supply in Brazil contributed to lower poultry meat prices. Ovine meat prices contracted because of soft demand after the end-of-year holidays. Bovine meat prices rose given strong international demand.
- Meat prices are easing in the domestic market, except for sheep meat, which remains the most expensive meat type locally. Poultry and pig meat prices followed global trends. Poultry prices were

down, with Individually Quick Frozen (IQF) chicken portions priced lower by 2.2%, and pig meat prices declined by 1.8%. The average A2/A3 beef carcass price softened by 1.7% in January from December, while weaner calf prices rose reflecting feedlot demand in anticipation of the Easter holidays and lower feed prices with the summer crop harvest.

Dairy:

- The FAO Dairy Price Index surged in January, marking a 20.4% rise from January 2024 levels. Cheese prices increased due to growing import demand, slow output and strong internal sales in Oceania, while butter, skim and whole milk powder prices declined.
- In South Africa, raw milk prices were stable in January 2025 as indicated by the latest available data from StatsSA. The industry benefited from higher production levels in 2024, thanks to the absence of supply chain disruptions like loadshedding.

Fresh produce:

- Municipal fresh produce markets recorded similar year on year volume and price trends for potatoes and onions in January 2025, compared to January 2024. Tomato prices increased by 9.8% and volumes decreased by 5.6%. Apple prices spiked by 46.6% due to low stock, and avocado prices rose by 42.3% due to challenges with availability and altered harvest schedules. Banana volumes were down by 9.2% and prices were up by 12.4%. Post-election unrest in Mozambique have disrupted deliveries to South Africa, contributing to the shortage in the local market. Grape volumes were down by 10.2%, but exports continued through the port. The industry is moving closer to normality on the export side, thanks to the launch of a logistics tool for short-term predictions on export volumes. Prices increased by 24.1%, driven by both smaller volumes and better quality.

For further insights into food inflation refer to the monthly **BFAP Food Inflation Brief** ([https://www.bfap.co.za/wp-content/uploads/2025/03/BFAP-Food-Inflation-Brief-January-2025-prices-Released-6-March-2025 .pdf](https://www.bfap.co.za/wp-content/uploads/2025/03/BFAP-Food-Inflation-Brief-January-2025-prices-Released-6-March-2025.pdf)).

BACKGROUND INFORMATION

The NAMC monitors food prices at retail level and releases regular authoritative reports. The Department of Agriculture, Land Reform and Rural Development (DALRRD), 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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