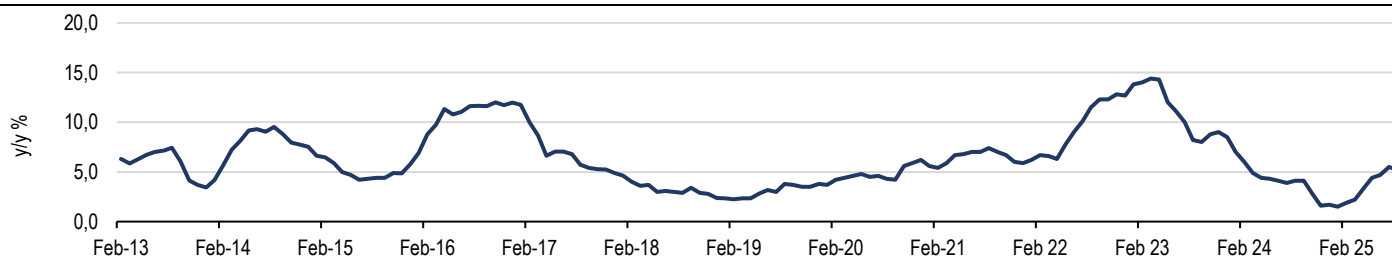


17 September 2025

SA consumer food price inflation slightly eased in August 2025

- After accelerating for six consecutive months, South Africa's consumer food price inflation slowed, mildly, at 5.2% in August 2025, from 5.5% in the previous months. The primary drivers of the mild moderation were cereal products, fruit and nuts, and vegetables. In all these products, South Africa has an abundant harvest, and the benefits of it are starting to show in prices. A key product that many are watching is meat, which has remained elevated, although slaughtering has resumed in major feedlots across the country. Initially, the panic buying, not necessarily a shortage of product, was the main driver of meat prices. The fact that while the supply has improved somewhat, the prices remain elevated illustrates that the consumer demand may be slightly more buoyant and able to contend with the current higher prices, to an extent. There may also be a slight delay in price adjustments at the retail level.
- Regarding the grains, South Africa has an abundant harvest, although with quality issues in some white maize regions. South Africa's 2024-25 summer grains and oilseed harvest is estimated at 19.55 million tonnes (up 26% year-on-year). There is an annual uptick in all the crops, mainly supported by favourable summer rains and the decent area plantings. The various fruits and vegetables also saw ample harvests.
- Regarding the meat price upside pressures, the driver has initially been two significant factors, which have now somewhat eased. First, the outbreak of avian influenza in Brazil led to South Africa temporarily restricting the imports of poultry products from Brazil, causing panic in the market. However, the restrictions have now been lifted, and imports are recovering. Second, South Africa experienced an outbreak of foot-and-mouth disease, which led to concerns about red meat supplies and some panic buying, thus pushing up prices. The slaughtering has now resumed in the major feedlots, although foot and mouth remains an issue. When there are outbreaks of disease, South Africa is temporarily restricted from various export markets, which, over time, increases the supply of red meat into the local market.
- South Africa's headline CPI was 3.3% in August 2025, from 3.5% in the previous month.

Exhibit I: South Africa's consumer food inflation



Source: Stats SA and Agbiz Research