

FOOD INFLATION BRIEF

This BFAP Brief provides an overview of food inflation dynamics, its associated causes, and the cost of basic healthy eating based on January 2026 food prices.








Acknowledgement: Source of food inflation and retail price data reported and analysed in this BFAP brief: Official monthly data collected and published by Statistics South Africa (Stats SA) for the Consumer Price Index (CPI) [https://www.statssa.gov.za/?page_id=1854&PPN=P0141]



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SUMMARY OF FOOD INFLATION METRICS – January 2026 prices

		Year-on-year (YoY):	Month-on-month (MoM):	For more detail refer to:
Food and non-alcoholic beverages (NAB) inflation: <i>(Source: Stats SA CPI Oct'25)</i>		+4.4%	+0.4%	Section 1 of this brief
CPI headline inflation: <i>(Source: Stats SA CPI Oct'25)</i>		+3.5%	+0.2%	
Contribution of inflation on food & NAB to CPI headline inflation: <i>(Source: Stats SA CPI Oct'25)</i>		0.8 percentage points	0.1 percentage points	
Food categories with highest inflation: <i>(Source: Stats SA CPI Oct'25)</i>		Meat Oils & fats	Meat Vegetables Sugar & sugar-rich foods	Section 2 of this brief
Food categories with lowest inflation: <i>(Source: Stats SA CPI Oct'25)</i>		Fish & seafood Sugar & sugar-rich foods NAB Cereals Dairy & eggs Vegetables Fruits & nuts	Fish & seafood Dairy & eggs Oils & fats Fruits & nuts NAB Cereals	

Cost of the BFAP

Thrifty Healthy Food Basket:

(For more detail refer to Section 3)



Jan '26: R3 846 /  / month

Indicators for selected factors affecting food prices in South Africa:

(For more detail refer to Sections 4 & 5)

Global food commodity prices:

(Source: FAO, 2025)



FAO Food Price Index

-0.6% YoY (Inflation on oils, meat; Deflation on sugar, dairy, cereals)
-0.3% MoM (Inflation on oils, cereals; Deflation on dairy, sugar, meats)

Exchange rate:

(Source: SA Reserve Bank, 2025)



R/\$ exchange rate

YoY appreciation of 13.0%: R16.28/US\$1 (Jan'26) vs R18.72/US\$1 (Jan'25)
MoM appreciation of 3.4%: R16.28/US\$1 (Jan'26) vs R16.86/US\$1 (Dec'25)

Costs in value chain:

(Source: Stats SA CPI Sept'25)



SA CPI index for:

Electricity & other fuels: +7.5% YoY; 0.0% MoM

Fuel: -3.7% YoY; -3.4% MoM

SECTION 1: CPI headline and food inflation over time:

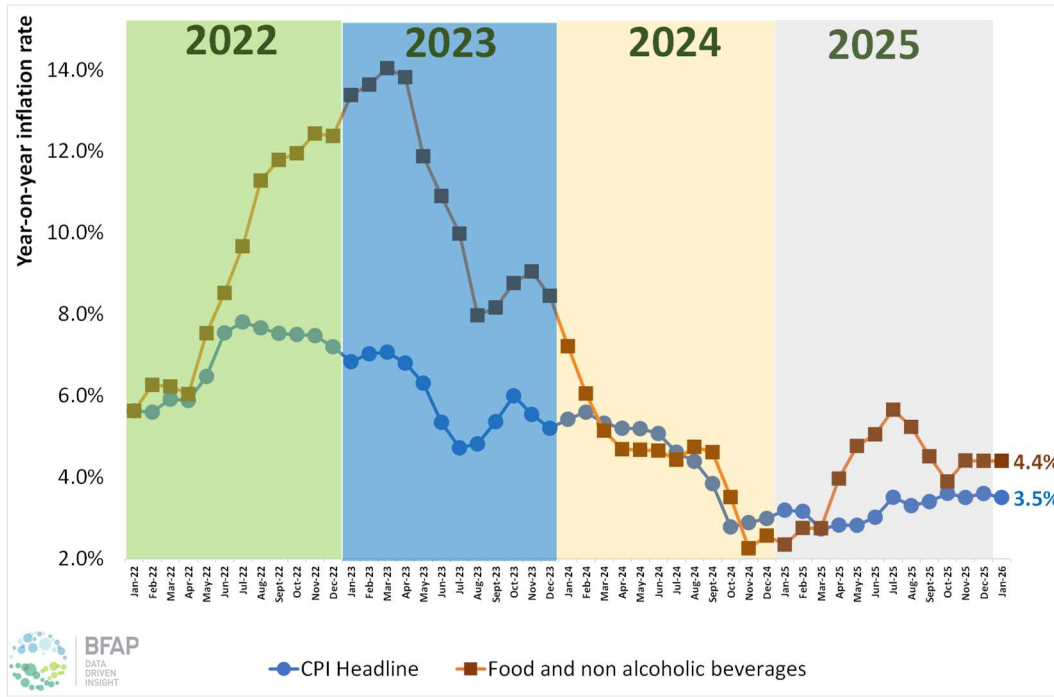


Figure 1: Year-on-year inflation from January 2022 to January 2026 - CPI Headline and Food and NAB

Source: Stats SA CPI for January 2026

- CPI headline YoY inflation decreased slightly from 3.6% in December 2025 to 3.5% in January 2026. The major contributors were housing and utilities (contributing 1.2 percentage points), food and NAB (0.8), and insurance and financial services (0.7).
- YoY inflation on food and NAB remained at 4.4% in January 2026, similar to December 2025.

SECTION 2: The contribution of different food categories & food items to inflation:

Table 1: Inflation on food categories in January 2026 (Source: Stats SA CPI for January 2026)

Category:	YoY inflation	MoM inflation
Cereal products	0.6%	-0.9%
Meat	13.5%	1.6%
Fish & other seafood	3.6%	0.3%
Dairy & eggs	-0.5%	0.1%
Oils & fats	4.0%	0.1%
Fruits & nuts	-6.3%	-0.1%
Vegetables	-3.2%	0.5%
Sugar & sugar-rich foods	3.5%	0.4%
Non-alcoholic beverages	3.5%	-0.1%

- High YoY inflation on meat was offset by low inflation on cereals and deflation on dairy & eggs, fruits & nuts, and vegetables.
- High MoM inflation on meat and vegetables was offset by deflation on fruit, NAB and cereals.

In January 2026 the highest YoY inflation was observed for:

- Beef (mince (44.8%), rump steak (35.0%), sirloin (33.1%), chuck (31.6%), brisket (31.1%), stew (28.8%), T-bone (28.6%), mince (26.3%), fillet (26.2%), offal (18.9%)).
- Pork (chops (22.8%), ribs (16.3%), fillet (13.1%)).
- Mutton/lamb (leg (15.6%), rib chops (14.7%), neck (14.1%), stew (13.8%), loin chops (13.5%)).
- Fresh produce (pumpkin (21.9%)).
- Dairy (Cheddar cheese (11.9%)).
- Oils & fats (Brick margarine (11.1%)).
- Fish (frozen fish fingers (10.4%))

Foods with deflation in January 2026, are listed below:

- Starch-rich foods: maize meal, rice, white bread, macaroni.
- Meat: IQF chicken portions, chicken giblets.
- Fish: canned tuna.
- Vegetables: carrots, tomatoes, cabbage, sweet potatoes, potatoes, cucumber, onions, spinach.
- Fruit: pears, oranges, avocados.
- Legumes: peanuts, canned baked beans, dried beans.
- Dairy, eggs: milk, sour milk, powdered milk, eggs.
- NAB: carbonated beverages, fruit juice.

(Source: Stats SA CPI for January 2026)

SECTION 3: The BFAP Thrifty Healthy Food Basket (THFB)#



THFB – January 2026:

R3 846/  /month

Month-on-month change: **+R4.54 / +0.1%**

Year-on-year change: **-R24.63 / -0.6%**

Affordability*: **29.7% food expenditure share**

(Compared to 29.6% in December 2025)

The BFAP Thrifty Healthy Food Basket (THFB) measures the cost of basic healthy eating for low-income households in South Africa. The methodology considers national nutrition guidelines, typical food intake patterns of lower-income households, official Stats SA food retail prices, and typical household demographics. Consisting of a nutritionally balanced combination of 26 food items from all the food groups, the BFAP THFB is designed to feed a reference family of four (consisting of two adults, an older and a younger child) for a month. The BFAP THFB comprises a smaller staple component and relatively more items from food groups contributing to dietary diversity than the CPI index. The CPI index is more reflective of 'typical' food preferences.

* Household earning two minimum wages and also receiving two child support grants and school meals.

SECTION 4: Global food inflation perspectives

Global food commodity prices: The FAO Food Price Index

The **FAO Food Price Index (FPI)** for global agricultural commodity prices reached 123.9 index points in January 2026, 0.6% lower than a year ago and 0.3% lower than in December 2025.

From December 2025 to January 2026 (MoM changes):

- Inflation was observed for oils (+2.1%) and cereals (+0.2%).
- Deflation was observed for dairy (-5.0%), sugar (-1.0%), and meat (-0.3%).

Compared to January 2025 (YoY changes) (Figure 3):

- Inflation was observed for oils (+10.2%) and meat (+6.1%).
- Deflation was reported for sugar (-19.2%), dairy (-14.9%) and cereals (-3.8%).

SECTION 5: Drivers and expectations

Cereals: The FAO Cereal Price Index rose slightly by 0.2% month-on-month (MoM), although it remained 3.9% lower than in January 2025. The modest monthly increase reflected gains in other grains, while wheat and maize prices continued to ease. Wheat markets were weighed down by large global stocks and expectations of strong harvests in Argentina, Russia and Brazil. Maize prices were similarly pressured by ample global supplies, which more than offset concerns about adverse planting weather in South America and robust U.S. ethanol demand.

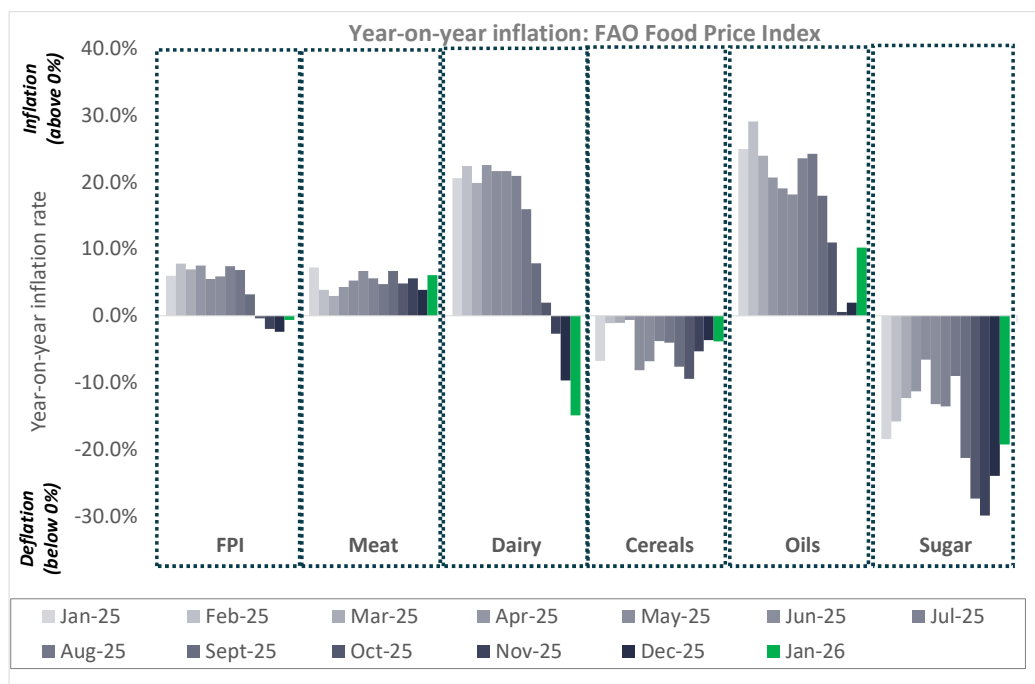


Figure 3: The FAO Food Price Index for global commodity and food prices

Source: FAO, January 2026

Domestically, grain prices continued to fall, with white maize down 48.7% year-on-year (YoY) and 2.5% MoM, and yellow maize down 39.1% YoY and 4.0% MoM. Local prices are catching up to international trends following the strong domestic crop in 2025, while an appreciating rand added downward pressure to export parity prices. The Crop Estimates Committee pegged the first area estimate at 2.7 million hectares of maize for the 2025/26 season, a 3% increase from the previous year. Expectations are for another strong crop, while the market was already pressured by abundant supply from 2024/25, which is likely to translate to substantial carryover stocks. Supply in the rest of Southern Africa is also recovering, influencing demand for white maize exports from SA. Total maize exports fell 11.3% in January 2026 compared to a year earlier, and year-to-date exports reached only 1.5 million tons by 6 February, well below the 2.3 million-ton target for the marketing year ending in March. Wheat prices also continued declining on both a monthly and annual basis, largely due to the stronger Rand.

The FAO **Vegetable Oil** Price Index increased by 2.1% MoM and 10.2% YoY, supported by higher global energy prices and a weaker U.S. dollar. Palm oil prices rose due to seasonally lower production in Southeast Asia and firm import demand. Soybean oil strengthened on reduced export availability from South America and strong U.S. biofuel demand, while sunflower oil prices benefited from limited Black Sea exports. In contrast, canola oil prices dipped due to ample supplies in the European Union following earlier large import inflows.

In global oilseed markets, soybeans eased under harvest pressure in South America and expectations of a record Brazilian crop, although Argentina's positive crop outlook still depends on crucial rainfall. Sunflower seed prices increased, driven by strong Turkish demand following consecutive drought-affected seasons. Canola prices moved higher ahead of the new Canada–China trade agreement, scheduled for implementation from 1 March 2026.

In South Africa, oilseed price trends were similarly mixed. Sunflower prices increased by 9.6% YoY and 2.5% MoM, while soybean prices declined by 30.9% YoY and 3.3% MoM. After a good early season, some regions require follow up rain, but early estimates for the 2025/26 season reflect a slight expansion in planted area for both major oilseed crops, underpinning expectations for another strong harvest.

Meat: International meat prices fell across most categories, pushing the FAO Meat Price Index down 0.4% MoM, though levels stayed higher YoY. Pig meat dropped 2.9% on weaker EU demand and ample supplies, while ovine prices eased after strong year-end buying. Bovine prices dipped slightly due to increased Brazilian processing and redirected exports following higher U.S. tariffs, partly offset by strong Chinese purchases ahead of a 55% tariff on imports above quota. Poultry prices, however, rose on firm global demand supporting Brazilian export values.

Domestically, disease outbreaks continued to keep meat prices elevated. The average A2/A3 beef carcass price increased 17.5% YoY, while weaner calf prices rose 22.1%, both reflecting supply constraints stemming from Foot-and-Mouth Disease (FMD) and associated control measures. Slaughter numbers and weights are still below longer-term norms. Pig carcass prices increased the most at 27.7% YoY, affected by disease impacts from both ASF and FMD. Pig slaughter numbers are down both MoM (-4.1%) and YoY (-8.3%). Although the poultry sector continues

to face seasonal Avian Influenza cases, these have been less widespread. Amid declining feed costs, performance has improved significantly with major producers such as Rainbow Chicken reporting strong recovery in returns. IQF chicken prices increased 6.7% YoY.

High beef retail prices continued to suppress demand, contributing to lower carcass prices MoM, while sheep prices also fell. Pig carcass prices strengthened, supported by firm consumer demand as households continue to shift toward more affordable proteins, amid rising pork supply constraints. IQF chicken prices declined MoM despite global gains, helped by the stronger rand and lower feed costs domestically.

Dairy: The FAO Dairy Price Index declined both MoM and YoY. Cheese registered the largest decrease, reflecting strong supply from the EU and the U.S. Butter prices weakened on seasonally high milkfat production, large European inventories, and abundant export availability elsewhere. In contrast, skim milk powder prices rose on improved demand from the Near East, North Africa, and parts of Asia, while whole milk powder remained stable as supply met demand.

In the domestic market, the December 2025 milk producer price index (latest available data) showed a slight MoM increase and a YoY decline. Although lower feed prices should support producers, ongoing FMD outbreaks continue to pose risks through reduced production from affected animals, animal losses and culling, which disrupts supply, particularly in the main production regions, Eastern Cape and KwaZulu-Natal. For processed products, the dairy PPI eased MoM yet remained higher YoY. Monthly declines point to seasonally lower raw milk utilisation, while annual gains likely reflect supply disruptions.

Fresh produce: On a MoM basis, increased supply combined with heat-related quality concerns drove price declines in the potato and tomato markets. Conversely, reduced stock levels supported onion prices, although incoming supply from the Western and Northern Cape is expected to ease onion prices in the short term. All major vegetables traded domestically - potatoes, tomatoes, and onions - recorded higher sales volumes in January 2026 than a year ago at 21.1%, 20.0%, and 4.2%, respectively. Correspondingly, potato and tomato prices declined sharply by 34.2% and 40.3% YoY. While sales volumes for onions also increased, the reduced stock levels contributed to the price that rose by 9.0%. Among other vegetables showing notable YoY retail inflation, pumpkin prices declined due to higher municipal market sales compared to January 2025. MoM, both volumes and stocks were low, but prices still dipped on weak demand.

In the fruit category, total banana sales volumes increased YoY, yet prices also rose, reflecting strong consumer demand. Apple and avocado markets saw higher sales volumes YoY, which placed downward pressure on prices. However, comparing January 2026 to December 2025, apple and avocado prices increased, supported by lower stocks and reduced sales volumes. This is a typical seasonal trend, where stored volumes are low, and harvesting is not yet in full swing. Both fruit categories are expected to see downward price adjustments MoM as new-season supply enters the market. Weather conditions can play a role in the total supply and flow of product this season. In key avocado-producing regions like Tzaneen, heavy rainfall in January (with nearly 400mm of rain falling in a single week), resulted in direct crop losses, harvesting delays and disrupted orchard management which will likely affect supply. The full extent of the hail impact in the Koue Bokkeveld and Langkloof pome fruit producing region is expected to only start affecting total market supply later in the season.

Looking ahead: Exchange rate movements and global trade dynamics are pivotal in shaping the prices of imported food commodities. Domestically, disease-related challenges and potential supply disruptions remain the main drivers of elevated meat prices. The effectiveness of upcoming containment measures, particularly in response to the most severe FMD outbreak on record, will be critical for future price trends.

While consumers face limited flexibility in meat purchases due to high prices, easing costs for grain staples, vegetables, poultry, and dairy should offer some relief. However, producer-level price declines do not immediately translate to retail shelves, as seen with items such as pumpkin.

In fresh produce markets, supply dynamics will become increasingly important as fruit categories enter seasonal turning points and the impact of recent weather events becomes visible in pack-outs and market volumes. In the vegetable market, weather-related disruptions will continue to influence supply and quality, while a recovery in demand may support prices.

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