



BFAP

DATA
DRIVEN
INSIGHT

FOOD INFLATION BRIEF

This BFAP Brief reviews food inflation dynamics, its associated causes, and the cost of basic healthy eating based on August 2026 food prices.



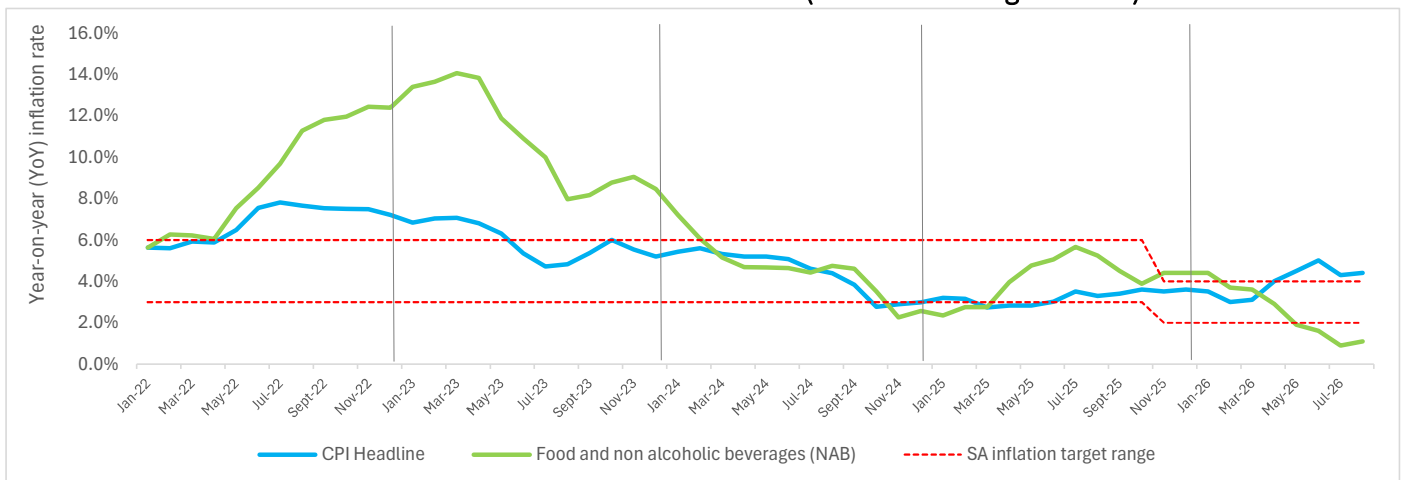
Release date:
30 September 2026

*This food inflation brief is a collaboration between BFAP and Absa Agribusiness.
BFAP would like to acknowledge the source of the inflation and retail price data reported and analysed in this brief:
Statistics South Africa [https://www.statssa.gov.za/?page_id=1854&PPN=P0141]*

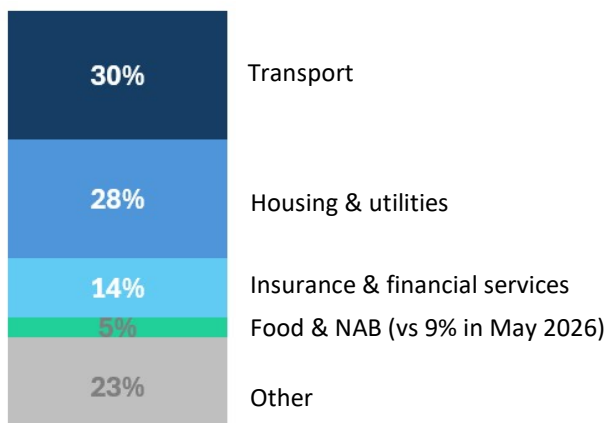
AN OVERVIEW OF CPI HEADLINE AND FOOD INFLATION IN AUGUST 2026

Source: Stats SA CPI, August 2026

CPI headline & food YoY inflation over time (Jan 2022 to August 2026):



Contributors to current CPI Headline inflation (4.4%):



Inflation on Food & NAB in August 2026:

YoY: 1.1%

Higher YoY inflation rate than in July 2026 (0.9%).

MoM: 0.1%

Higher MoM inflation rate than in July 2026 (-0.2%).

Headline inflation in August 2026:

YoY: 4.4%

Higher YoY inflation rate than in July 2026 (4.3%).

MoM: 0.0%

Lower MoM inflation rate than in July 2026 (0.2%).

FOOD CATEGORIES IMPACTING YoY AND MoM FOOD INFLATION IN AUGUST 2026

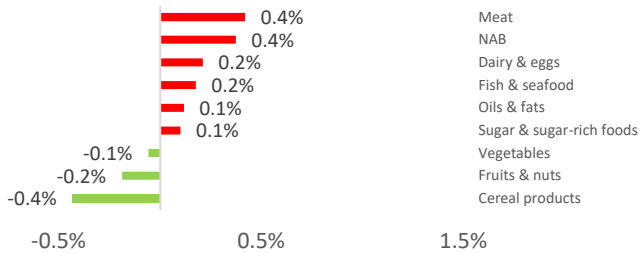
Source: Stats SA CPI, August 2026, BFAP calculations

YoY inflation on food and NAB & contributions in August 2026:

- Highest YoY food category inflation was reported for fish & seafood (+7.5%) and NAB (+4.9%), followed by oils & fats (2.6%), dairy & eggs (2.1%), sugar & sugar-rich foods (2.0%), and meat (1.5%). Popular foods with high YoY inflation in August 2026 included selected items within the following food categories:
 - Cereals: bread flour.
 - Animal-source foods (fish [fingers, hake, canned pilchards], dairy [Cheddar cheese, yoghurt], mutton/lamb [offal, neck], pork [fillet, ham, bacon], polony).
 - Vegetables & fruit: lettuce, onions, cucumber, tomatoes, bananas, pears, avocados.
 - Other: oils & fats (plant-based cooking oil), NAB (Ceylon tea, Rooibos tea, carbonated beverages (smaller pack sizes)).
- YoY food category deflation was reported for vegetables (-0.6%), cereal products (-1.9%) and fruits & nuts (-5.5%). Popular foods with deflation in August 2026 included selected items within the following food categories:
 - Cereals: rice, maize meal.
 - Animal-source foods: canned tuna, chicken giblets, beef [mince, T-bone, brisket, chuck, stew, rump steak], eggs.
 - Vegetables & fruit: spinach, cabbages, potatoes, bell peppers, pumpkin, beetroot, apples, oranges.
 - Other: legumes (canned baked beans, dried beans), oils & fats (margarine), NAB (fruit juice concentrate).

YoY inflation on popular items in the food basket of lower income households (such as tomatoes, onions, bananas, canned pilchards, tea, polony and cooking oil) could reduce the ability of these households to achieve adequate energy intake as well as nutritional diversity. However, YoY price deflation on main starchy staples such as maize meal and rice could provide relief in household budgets, while YoY deflation on protein-rich foods such as beef and legumes could improve economic access to protein-rich foods.

Weighted percentage points contributions of food categories to 1.1% YoY inflation on food & NAB in Aug '26



To analyse how specific food categories drive overall inflation for Food & NAB, it is essential to look beyond the YoY inflation rates and consider their weighted contributions (see graph to the left).

In August 2026, the 1.1% YoY inflation for Food & NAB was primarily driven by meat and NAB, followed by dairy & eggs and fish & seafood. These increases were partially offset by deflationary weighted contributions for cereal products, vegetables, and fruits & nuts.

MoM inflation on food categories & contributions to 0.1% MoM inflation on food & NAB in August 2026:

In August 2026 the highest MoM inflation was reported for fruits & nuts (2.7%) and fish & seafood (1.1%), followed by meat (0.4%), NAB (0.4%), oils & fats (0.3%), dairy & eggs (0.2%). Popular foods with high MoM inflation in August 2026 included cereals (brown bread, rice, maize meal), meat (mutton/lamb chops), pork [ham, fillet, bacon, ribs, chops], beef offal, chicken non IQF frozen portions, polony, Viennas, dairy (sour milk, Cheddar cheese), vegetables (bell peppers, lettuce, spinach, carrots, tomatoes), fruit (oranges, pears), nuts (peanuts), NAB (Ceylon/black tea, fruit juice).

CONSUMER IMPACT OF FOOD INFLATION

Source: BFAP, 2026; Stats SA CPI, August 2026

The cost and affordability of basic healthy eating and an 'adequate energy' food basket in August 2026:



(Illustrating the foods included in the BFAP THFB not the actual quantities of foods in the model)

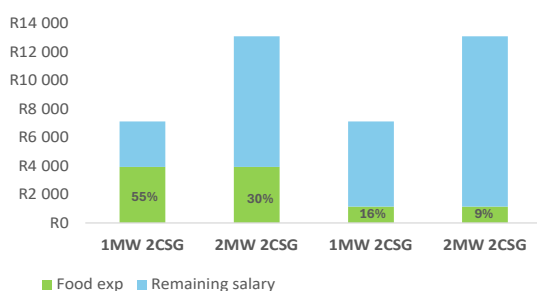
Component	Description
Basic healthy food basket (THFB)	Cost of a nutritionally balanced, energy-adequate diet for a low-income household.
BFAP Adequate Energy (AE) Basket	Cost of obtaining sufficient calories only, without accounting for dietary diversity.
Reference Household	South African household (HH) with 4 members: 2 adults and 2 children.
Basket Composition	26 food items across all food categories.
Methodology Pillars	National nutrition guidelines, typical low-income food intake patterns, and Stats SA retail prices.
Income Basis	One/two full-time minimum wages plus child support grants (CSG's).

In August 2026 the cost of the THFB amounted to R3 935/month. This was 3.4 times more than the cost to obtain adequate energy (AE) (R1 155/HH/month) for daily survival for the HH, but without adequate dietary diversity.

YoY inflation: The cost of the THFB increased by 0.94% (+R7) compared to August 2025, with cost increases on most vegetables, bananas, canned pilchards and oil, offset by cost decreases in maize meal, rice, potatoes, cabbage, eggs, apples and beef.

MoM deflation: Compared to July 2026 the cost of the THFB decreased by 0.8% (-R30).

Affordability of the AE and THFB in August 2026:



For a household supported by two minimum wage earners and two CSG's, the THFB was equal to 30% of the total household income in August 2026 – in line with the average food expenditure share (30.4%*) of the least affluent 50% of households in South Africa. (*According to the latest Stats SA Income and Expenditure Survey 2022/23).

For a household supported by one minimum wage earner and two CSG's, the THFB was equal to a significantly higher 55% of the total household income in August 2026.

Case study examples:

A value-for-money perspective on fresh whole raw chicken vs fresh skinless deboned chicken

Even though most South African consumers prepare chicken with skin and bones to add elements such as flavour and satiety to meals, the South African Food-based Dietary Guidelines recommend “A serving of lean meat, as defined by the regulations, can be eaten daily, but should be limited to 90g/day. Trim the visible fat from red meat and remove the skin and fat from chicken. Prepare the meat with little or no added fat and salt.” (Source: Schönfeldt et al., 2013). Thus, ideally skin and visible fat should be removed from chicken prior to cooking if adhering to the SA FBDGs. But what are the cost implications of removing the skin, visible fat and bones from a whole fresh chicken? In this case study we investigate the question: How does the cost of the meat component of a fresh whole chicken with skin and bones compare to the cost of deboned skinless chicken?

Estimated current retail prices*

Fresh whole raw chicken (no gizzards) or Fresh raw mixed chicken portions



Contains about 60% meat**, thus the cost of meat in a fresh whole chicken, amounts to approximately **R110/kg** (excluding skin, visible fat & bones).

Deboned skinless fresh chicken thigh fillets



Weighted average*** price of deboned skinless fresh chicken portions:

R93/kg

Deboned skinless fresh chicken breast fillets



(Thus 11% less expensive than the estimated cost of meat in a fresh whole raw chicken)

Conclusion & recommendations:

Despite the value addition and convenience associated with deboned, skinless chicken portions, which are typically expected to attract a price premium at retail level, these findings suggest that these products may represent a more cost-effective source of edible meat than fresh whole chickens or mixed raw chicken portions. When the proportion of non-edible components, such as bones and skin, is considered, deboned skinless chicken portions may provide consumers with a lower cost per kilogram of edible meat, while simultaneously offering convenience, reduced preparation time and a lean source of high-quality protein.

These findings have important implications in the context of ongoing economic pressures and food affordability challenges. Consumers frequently make purchasing decisions based on the displayed retail price rather than the yield of edible meat obtained from the product. Improving consumer awareness of the composition of meat products sold at retail level, including the relative proportions of meat, bone, skin and visible fat, could assist consumers in making more informed, healthier and economically efficient food purchasing decisions. This may be particularly relevant for lower-income households seeking to maximise the quantity of high-quality protein obtained within constrained food budgets.

Furthermore, the introduction of clearer product information and labelling relating to edible meat yield could support consumer decision-making by enabling more meaningful comparisons between different retail meat options. Such information may help consumers better assess product value rather than relying solely on purchase price. However, the feasibility and practicality of implementing such labelling would require further investigation. Importantly, the development of comprehensive, up-to-date and representative scientific data on the composition and edible meat yields of retail meat products in South Africa is essential. Such information would not only support consumer education initiatives and evidence-based labelling strategies but could also contribute to improved dietary planning, nutrition policy development and food affordability assessments.

Notes: * Source: BFAP observations of current online retail prices; ** Source: https://eatthehealthy365.com/a-butchers-guide-to-whole-chicken-yield-value/#google_vignette; *** (* Based on ratio of 1/3 dark meat & 2/3 white meat)

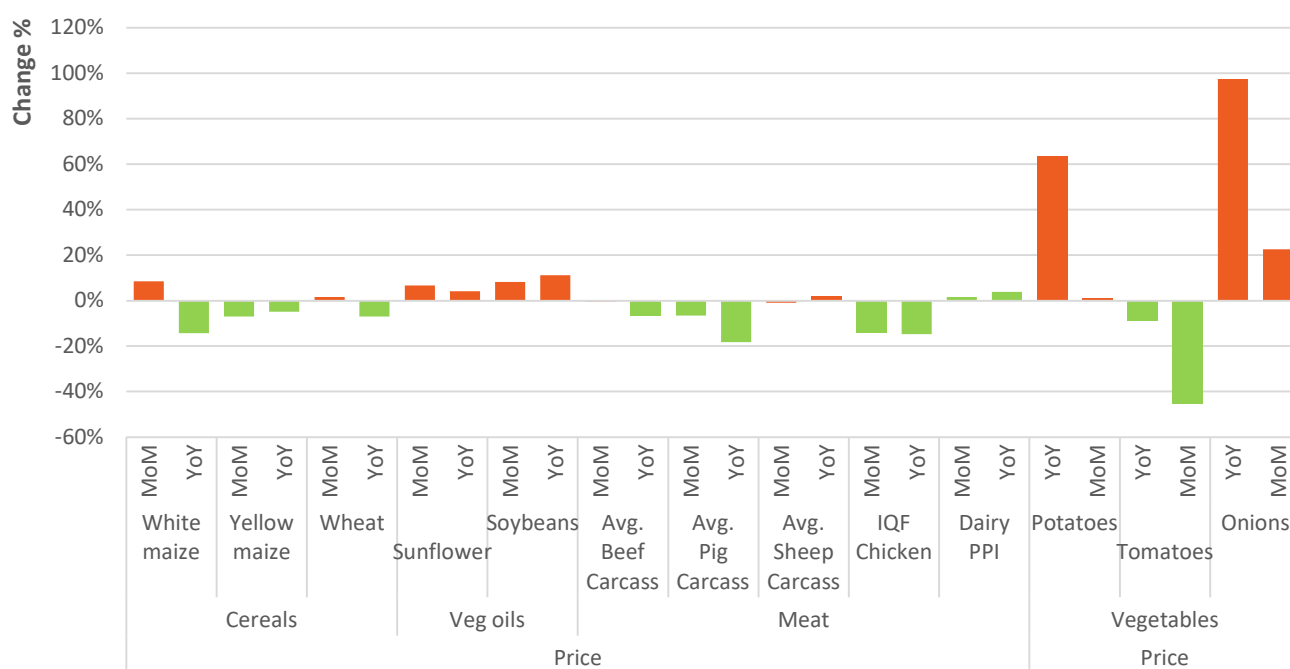
Interested in understanding how generational dynamics and preferences affect your product and market?
Contact the BFAP consumer division (hester.v@bfap.co.za) for custom consumer insight solutions.

OBSERVATIONS ON PRIMARY PRODUCTION & VALUE CHAIN COSTS THAT CAN INFLUENCE FOOD PRICES Source: BFAP, 2026; FAO FPI, August 2026

Local trends and food commodity price expectations in coming months:

- Grains & Oilseeds** – Maize prices increased for the second consecutive month, driven by higher export parity prices amid concerns over global production levels following adverse weather conditions in key producing regions in the Northern Hemisphere and disruptions to export flows from the Black Sea region. However, a strong Rand against the US Dollar, abundant supplies from the 2026 record harvest and high stock levels helped to cushion the increase. Prices remain lower YoY and domestic weather conditions will be a key determinant of near-term prices as the current El Nino event unfolds.
- Meat** – Beef prices continue to moderate supported by slaughter volumes as vaccination efforts progress. Lower feed costs have bolstered chicken production, placing downward pressure on prices.
- Dairy** – Seasonal shifts in milk supply continue to influence producer prices. At the same time, input and operating costs across the value chain, together with consumer demand amid prevailing economic conditions play an important role in determining dairy price movements.
- Vegetables** – Tomato prices remained under pressure amid elevated stock levels, with product likely discounted to facilitate movement through the market. Onion prices are showing substantial variability, suggesting that product may be held back during periods of lower prices and released as market conditions improve. In the potato market, prices are normalising relative to last year, with prices and sales volumes increasing despite higher stock levels compared with the previous month. Looking ahead, warmer weather conditions and regional shifts in seasonal supply are expected to be key determinants of supply levels and prices in the coming months.

Important primary commodity price indicators for domestic food inflation: Aug 2026



Other critical food price drivers & expectations:

Fuel and electricity inflation have placed sustained pressure on consumers since March/April 2026. This has largely reflected the global energy price shock, while the implementation of the 8.7% annual electricity tariff increase on 1 April 2026 has contributed to higher electricity prices on a year-on-year basis. These also drive operational costs in the agriculture and food value chain higher, potentially driving food inflation upwards.

Month-on-month, fuel inflation eased in August, supported by a stronger rand relative to the dollar. This occurred despite persistently high international oil prices, which remained elevated amid supply disruptions associated with unresolved geopolitical tensions. The latest projections from the Central Energy Fund indicate an under recovery for both petrol and diesel products heading into October. Developments surrounding the ceasefire negotiations between the US and Iran, together with movements in the rand-dollar exchange rate, will therefore be key determinants of the final over- or under recoveries in the domestic fuel price adjustments.

Food commodity price movements are expected to remain relatively moderate in the coming months. Meat prices are likely to continue trending lower as vaccination efforts against animal diseases, particularly FMD and bird flu, progress and slaughter activity gains further momentum.

However, several upside risks to the food inflation outlook remain in the medium-term. The recent decision by the Reserve Bank to increase the repo rate by 25 basis points will raise borrowing costs, adding to pressure from higher production inputs, particularly fuel and fertiliser, should geopolitical tensions in the Middle East persist. At the same time, the anticipated (super) El Niño weather cycle could affect yields, resulting in lower summer crop production heading into 2027, potentially placing upward pressure on food prices over the medium term. Nevertheless, large carry-over stocks accumulated following the previous two bumper production seasons should provide some buffer against these potential price pressures.



Enquiries on this brief? Please contact hester.v@bfap.co.za

Suggested citation: Bureau for Food and Agricultural Policy (BFAP). 2026. BFAP Food Inflation Brief – August 2026 food prices.
Release date 30 September 2026. Available at: <https://www.bfap.co.za/library/>