

Food and Beverages Quarterly Brief: No. 3, 2024

Directorate: Agro-processing Support

Highlights of third quarter of 2024 (2024: Q3) (July to September)

In 2024: Q3, the consumer price index (CPI) for all items moderated by 0,6% following a 1,2% growth in the last quarter, similarly, the consumer price index moderated by 4,2% year-on-year.

In 2024: Q3, the producer price index (PPI) for all items contracted by 0,7% as compared to a 1,4% growth in the preceding quarter. However, the producer price index moderated by 2,7% year-on-year.

In 2024: Q3, the seasonally adjusted volume of production for the food division rebounded quarter-to-quarter by 0,4% as compared to a 1,6% growth in the preceding quarter. similarly, the volume of production rebounded by 2,0% year-on-year.

The seasonally adjusted volume of production for the beverages division, contracted by 0,8% quarter-to-quarter following a 10,7% growth in the last quarter. However, the volume of production expanded by 13,4% year-on-year.

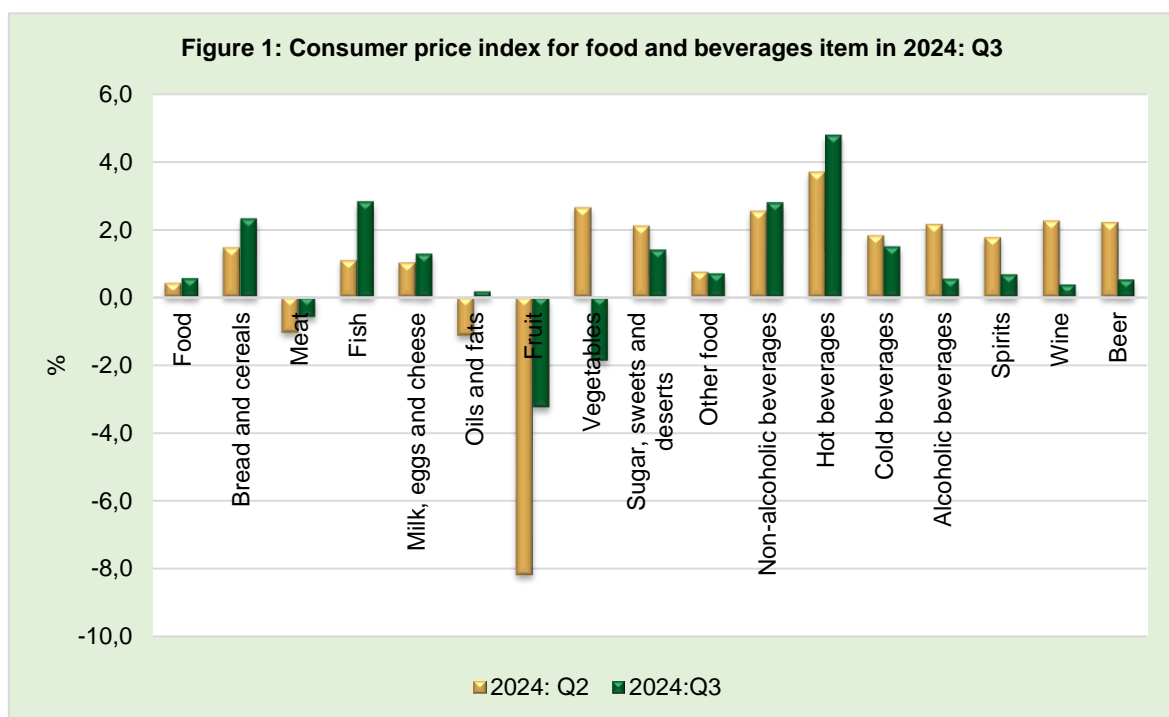
The nominal value of sales for the food division increased from R152 305,3 million in the previous quarter to R156 214,0 million in the current quarter, translating to a rebound of 2,6% in 2024: Q3.

The nominal value of sales for the beverages division moderated by 2,0% quarter-to-quarter, representing an increase in nominal value to R53 145,2 million in 2024: Q3 from R52 109,8 million in 2024: Q2.

The trade surplus for the food division narrowed from R2 656,5 million in the last quarter to R2 022,1 million in the current quarter. The trade surplus for the beverages division, similarly, narrowed from R2 849,7 million in 2024: Q2 to R2 481,6 million in 2024: Q3.

In 2024: Q3, the quarter-to-quarter employment in the beverages and tobacco division decelerated by 6,0% following a 4,4% contraction in the last quarter. It, however, rebounded by 1,7% year-on-year.

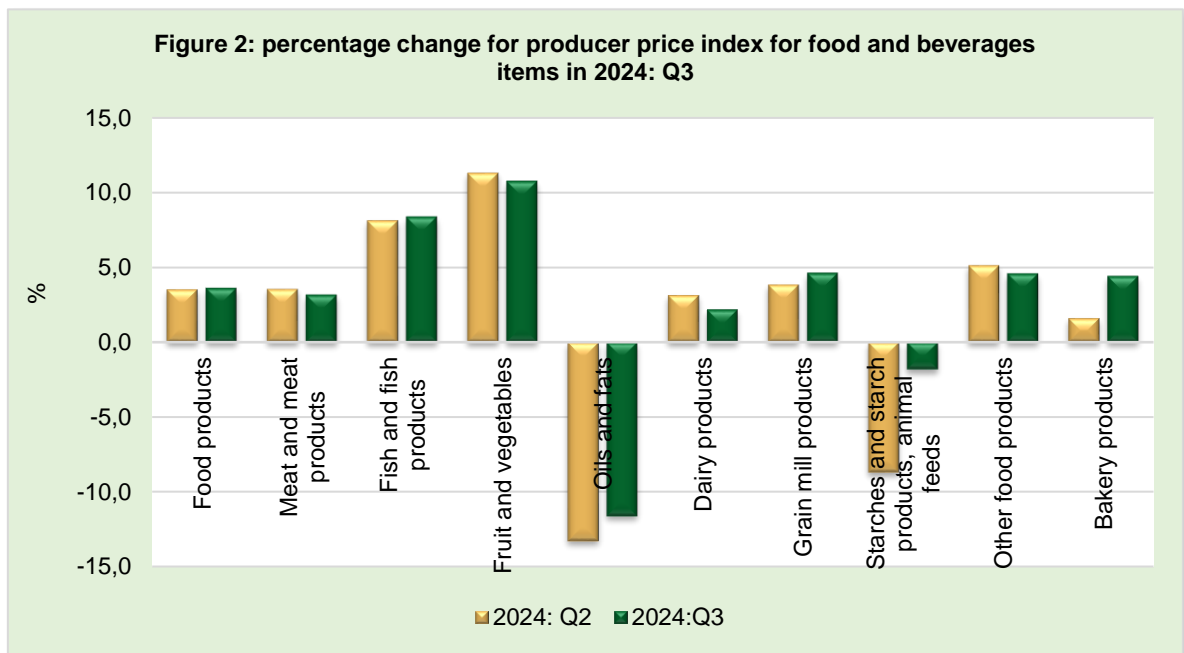
1. Consumer prices



Source: Statistics SA, 2024

Figure 1 above shows the consumer price index for food items in 2024: Q2 and 2024: Q3. In 2024: Q3, the consumer price index for all items moderated by 0,6% following a 1,2% growth in the last quarter, similarly, the CPI moderated by 4,2% year-on-year. Most items moderated quarter-to-quarter, and those items were: food (0,6%), sugar, sweets and desserts (1,4%), “other food” (0,7%), cold beverages (1,5%), alcoholic beverages (0,5%), spirits (0,7%), wine (0,4%) and beer (0,5%). Bread and cereals (2,3%) fish (2,8%), milk eggs and cheese (1,3%), non-alcoholic beverages (2,8%), and hot beverages (4,8%) rose during the period of review. However, meat (0,6%) and fruit (3,2%) receded further, while vegetables (1,9%) contracted in 2024: Q3.

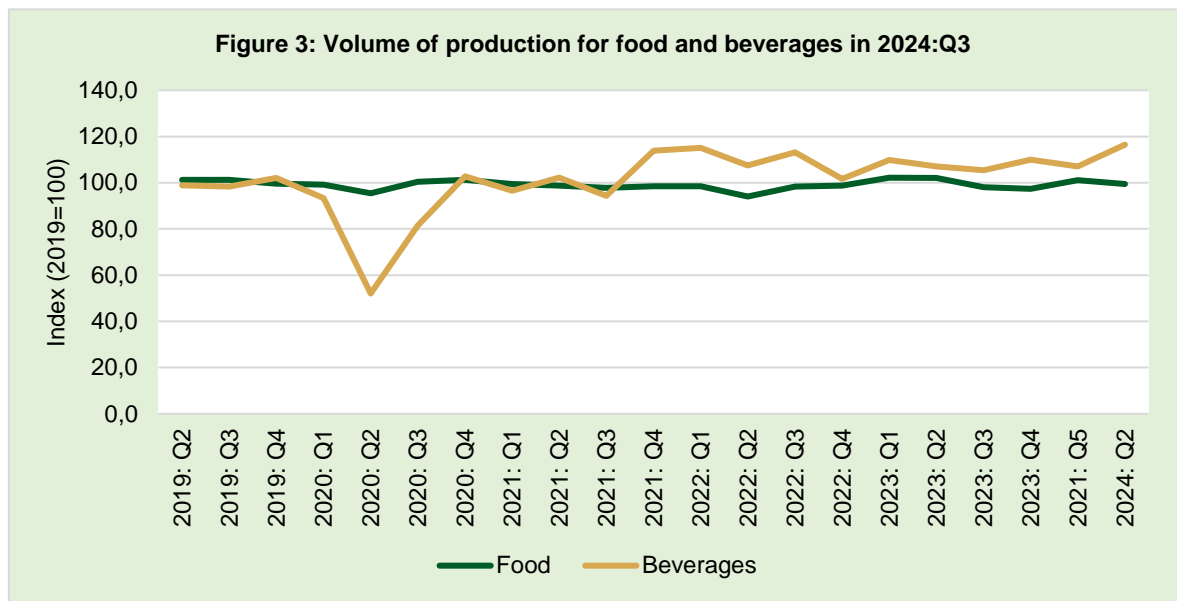
2. Producer prices



Source: Quantec, 2024

The PPI for food and beverages is depicted in Figure 2. In 2024: Q3, the producer price index for all items contracted by 0,7% as compared to a 1,4% growth in the preceding quarter. However, the PPI moderated by 2,7% year-on-year. The quarter-to-quarter producer price index expanded for food products (0,9%), fish and fish products (0,6%), fruit and vegetables (2,3%), dairy products (0,1%), grain mill products (0,6%), “other food products” (1,1%) and bakery products (2,1%). However, meat and meat products (0,6%) contracted, starches and starch products (1,4%) rebounded, while sugar 0,5% receded further.

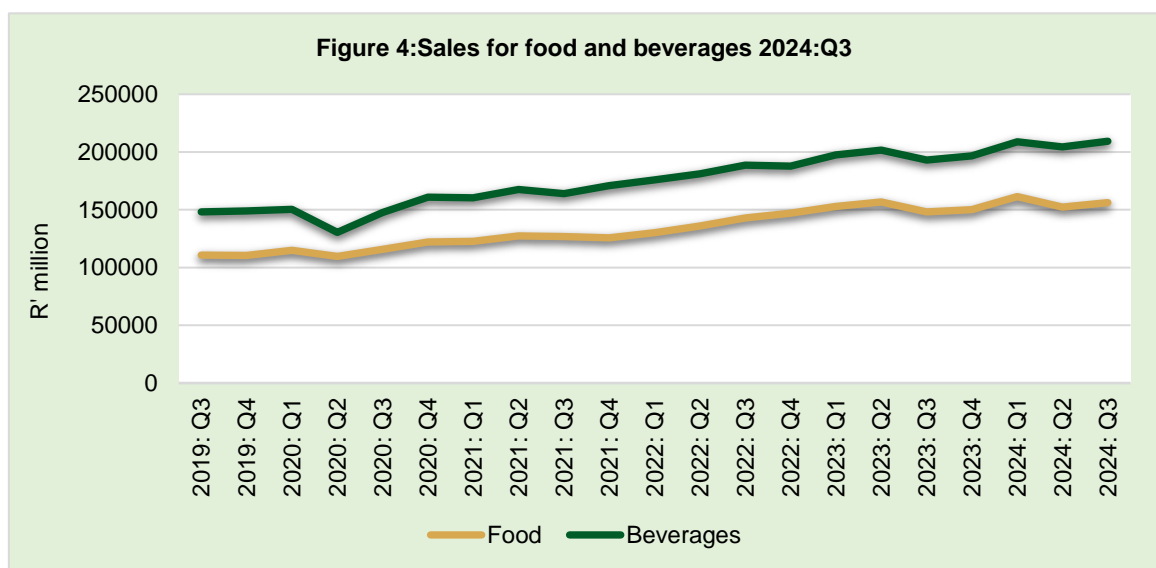
3. Volume of production



Source: Quantec, 2024

In 2024: Q3, the seasonally adjusted volume of production for the food division rebounded quarter-to-quarter by 0,4% as compared to a 1,6% contraction in the preceding quarter. Similarly, the volume of production rebounded by 2,0% year-on-year. The seasonally adjusted volume of production for the beverages division, contracted by 0,8% quarter-to-quarter following a 10,7% growth in the last quarter. However, the volume of production expanded by 13,4% year-on-year (see Figure 3).

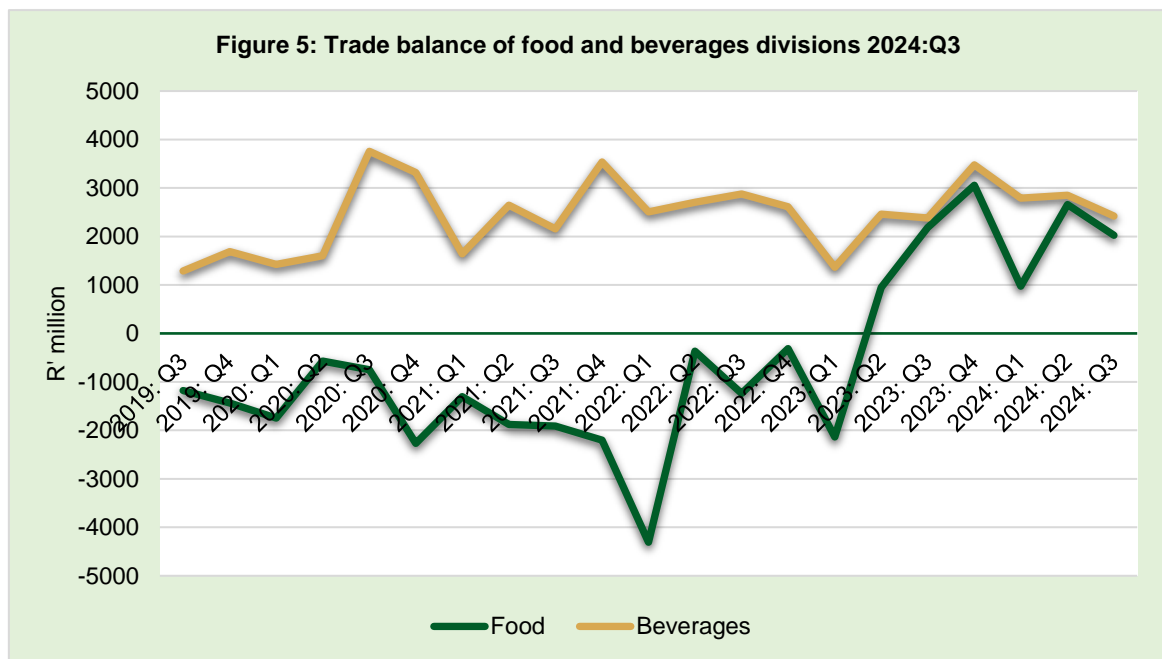
4. Sales



Source: Quantec, 2024

Figure 4 above shows the seasonally adjusted value of sales for the food and beverages divisions for the past five years. As depicted in Figure 4, the nominal value of sales for the food division increased from R152 305,3 million in the previous quarter to R156 214,0 million in the current quarter, translating to a rebound of 2,6% in 2024: Q3. The nominal value of sales for the beverages division moderated by 2,0% quarter-to-quarter, representing an increase in nominal value to R53 145,2 million in 2024: Q3 from R52 109,8 million in 2024: Q2.

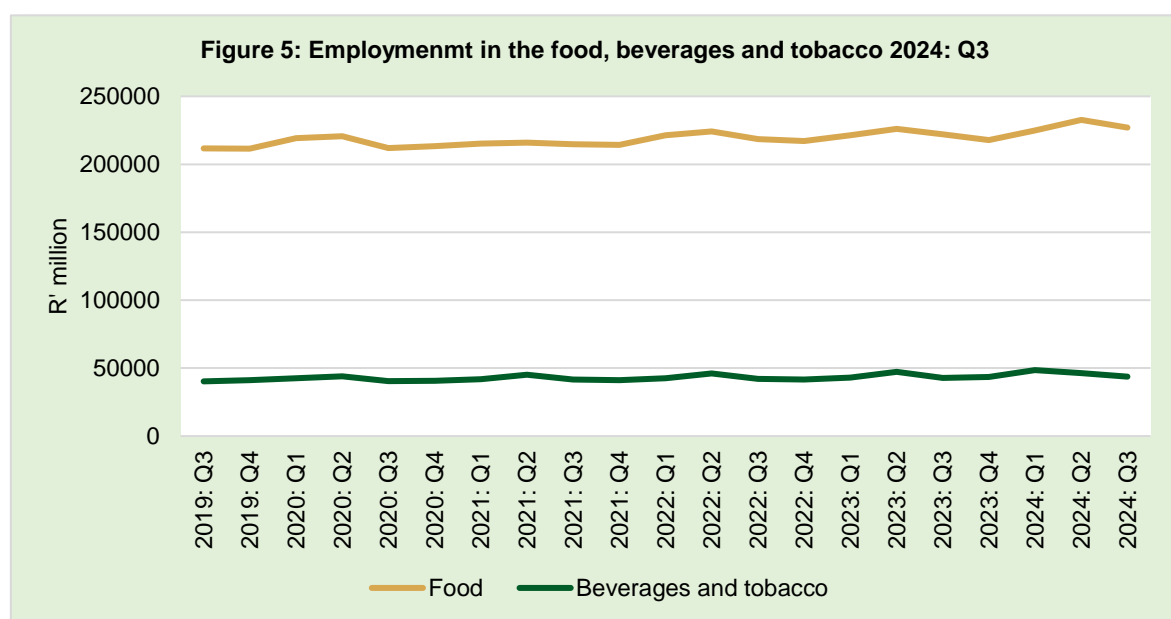
5. Trade



Source: Quantec, 2024

Figure 5 above shows the trade balance for the food and beverages divisions over the five-year period. The graph shows that the food and beverages divisions trade balance had been fluctuating since 2019: Q3 to 2024: Q3. The trade surplus for the food division narrowed from R2 656,5 million in the last quarter to R2 022,1 million in the current quarter. The trade surplus for the beverages division, similarly, narrowed from R2 849,7 million in 2024: Q2 to R2 481,6 million in 2024: Q3.

6. Employment



Source: Quantec, 2024

Figure 6 above shows employment in the food, beverages and tobacco divisions. In 2024: Q3, the quarter-to-quarter employment in the food division contracted by 2,4% from a 3,4% growth in the last quarter, however moderated by 2,3% year-on-year. The quarter-to-quarter beverages and tobacco division employment decelerated by 6,0% following a 4,4% contraction in the last quarter. It however, rebounded by 1,7% year-on-year. Therefore, 5 609 and 2 777 jobs were shed in the food; and beverages and tobacco divisions respectively in 2024: Q3.

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