Western Cape Government

FOR YOU

Agriculture

Western Cape Department of Agriculture

# WESTERN CAPE
# AGRICULTURAL PRICE TRACKER

How global shocks are driving local agricultural costs

6 July 2026

# PRESENTATION OUTLINE

- 🌍 **Middle East Geopolitical Tensions: Implications for South Africa**
  **- Key drivers of value chain costs**

- 📈 **Consumer Level (*CPI – Impact on households*)**

- 🚢 **Trade Movements *(Price and volume trends)***

- ✅ **Take away points**

- 📡 **On the radar (Week ahead)**

- 📰 **News**

# MIDDLE EAST TRADING COUNTRIES


- Bahrain
- Egypt
- Iran
- Iraq
- Israel
- Jordan
- Kuwait
- Lebanon
- Oman
- Palestinian Territory, Occupied
- Qatar
- Saudi Arabia
- Syrian Arab Republic
- Turkey
- United Arab Emirates
- Yemen

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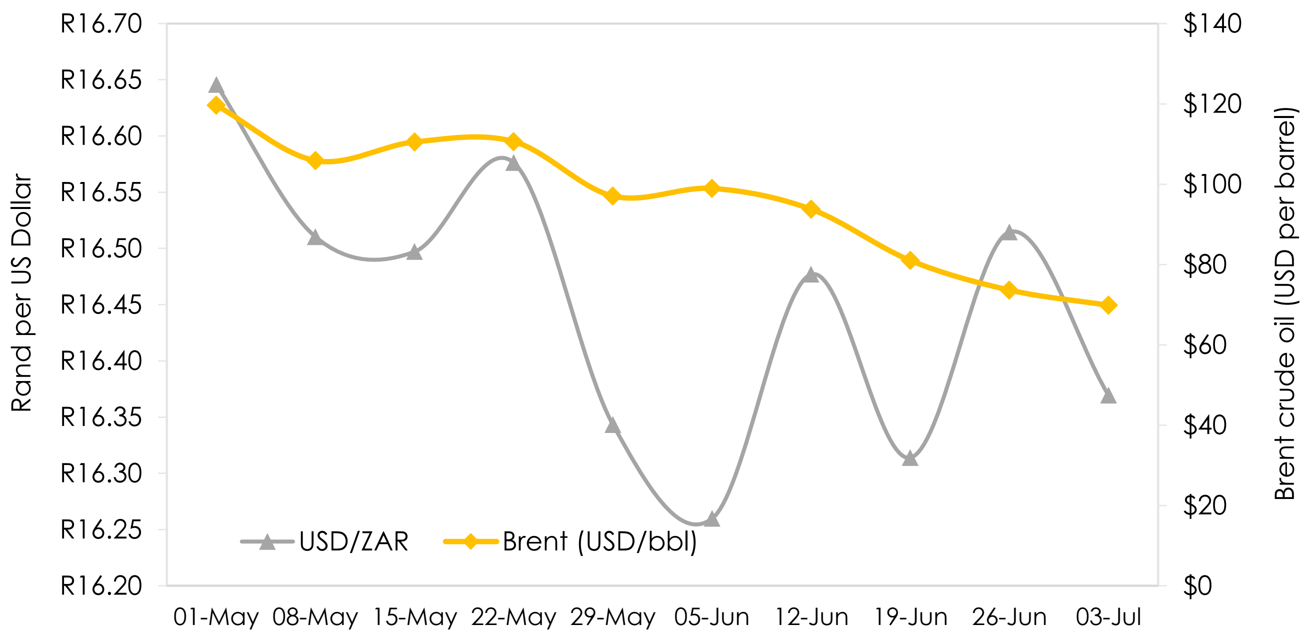
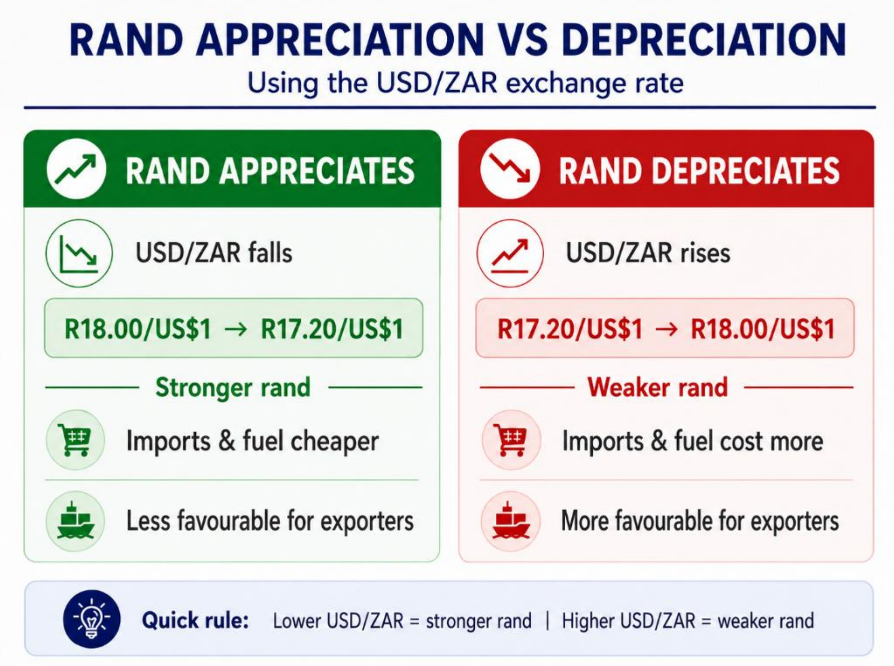
Source: www.factinstitute.com

# WEEKLY BRENT CRUDE PRICES AND USD/ZAR EXCHANGE RATE




- 🔻 Brent crude fell from ~US$95–US$98/bbl in early June to ~US$70–US$72/bbl by early July.
- 💱 USD/ZAR remained stable in the R16.2–R16.6/US$ range, with slight rand strengthening.
- ⛽ Lower oil prices are easing fuel and freight costs, supporting July fuel price declines.
- 🌍 Trends reflect easing supply pressures and a relatively firm rand.

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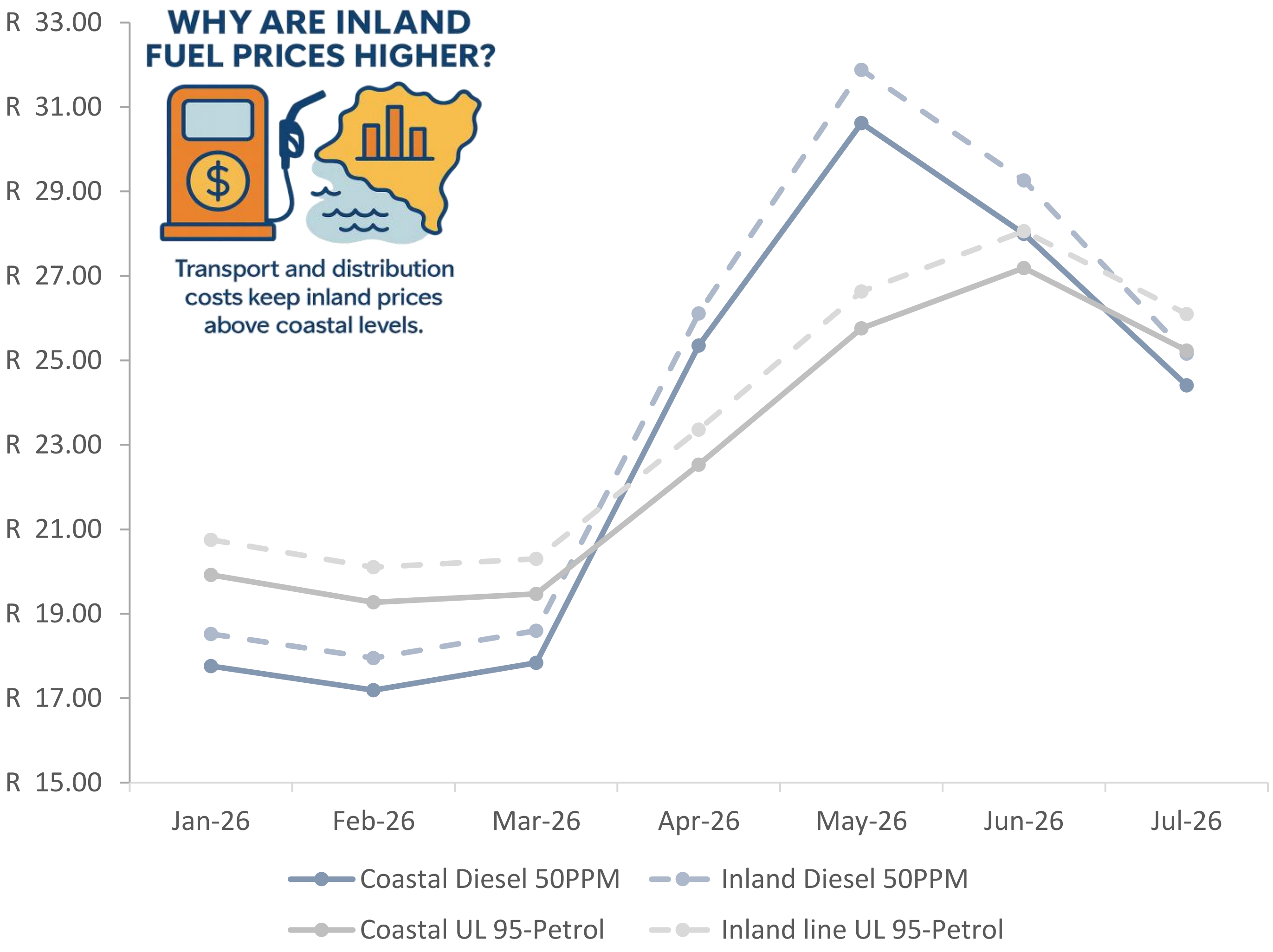
Source: US Energy Information Administration; South African Reserve Bank, www.countryeconomy.com (latest weekly data used for Brent crude)

# SOUTH AFRICAN DOMESTIC MARKET FUEL PRICE TRENDS: DIESEL AND PETROL (INLAND AND COASTAL)




⛽ Fuel prices surged from March, led by diesel, increasing cost pressures.

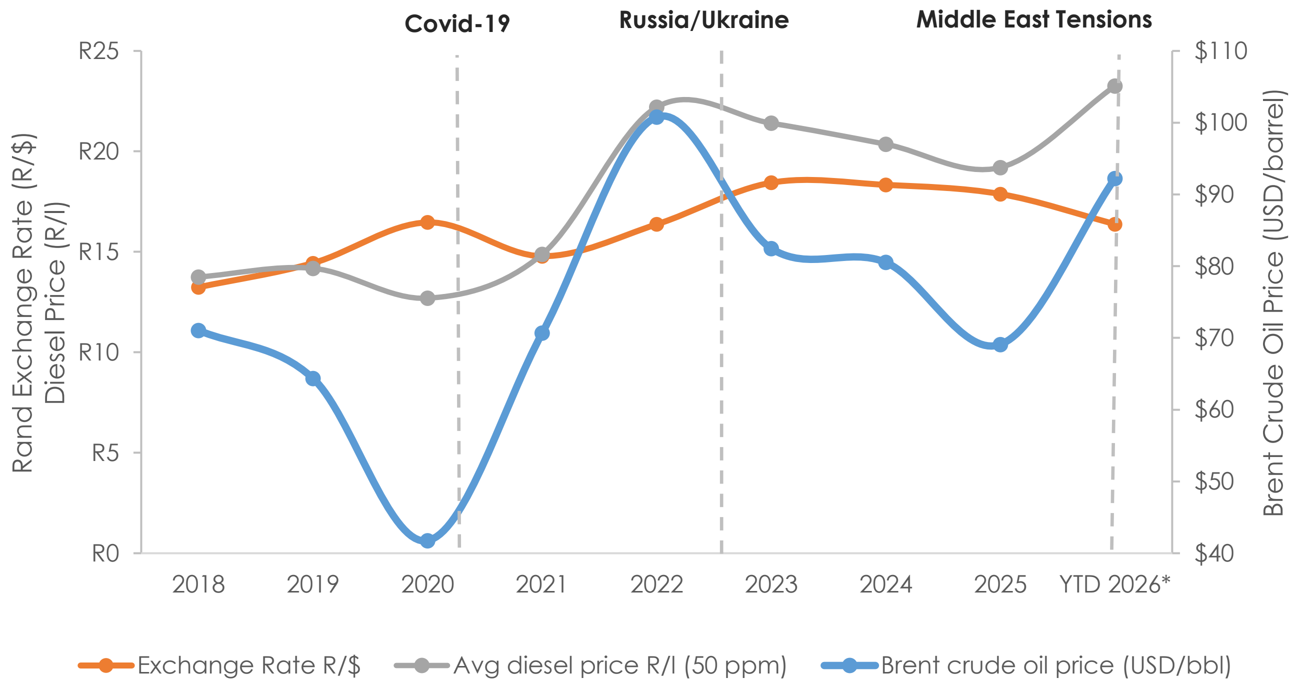
⚠️ June saw mixed movements: petrol rose (levy reinstatement), while diesel declined.

📊 In July, prices eased further, particularly diesel, reflecting lower global oil prices.

🔄 Despite easing, inland prices remain above early-2026 levels, keeping input costs elevated.

Source: DMRE

# KEY DRIVERS OF DIESEL FUEL PRICES: OIL PRICE, EXCHANGE RATE AND GLOBAL SHOCKS




🌎 Global shocks and easing supply conditions drove sharp oil price volatility into 2026.

⛽ Diesel prices peaked in 2022 and remained elevated into 2025–YTD 2026, sustaining cost pressures.

📉 In 2026, diesel prices remain closely linked to oil prices and the rand, reinforcing volatility in input costs.

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Sources: FRED (St. Louis Fed), DMRE, EIA

# CONSUMER INFLATION

# NEWS ROUNDUP

## Minister Gwede Mantashe announces adjustment of fuel prices effective from 1 July 2026

- Petrol 93 (ULP and LRP): 201.00 c/l decrease.
- **Petrol 95 (ULP and LRP): 196.00 c/l decrease.**
- **Diesel 0.05% sulphur: 313.80 c/l decrease.**
- Diesel 0.005% sulphur: 358.80 c/l decrease.
- **Illuminating paraffin wholesale: 523.00 c/l decrease.**
- SMNRP for IP: 697.00 c/l decrease.
- **Maximum Retail Price of LPGas: 16.00 c/kg increase and 19.00 c/kg increase in the Western Cape.**

*https://www.gov.za/news/media-statements/minister-gwede-mantashe-announces-adjustment-fuel-prices-effective-1-july*

## All efforts must focus on fixing performance at the Port of Cape Town ahead of the 2025/26 export season

*https://www.elsenburg.com/all-efforts-must-focus-on-fixing-performance-at-the-port-of-cape-town-ahead-of-the-2025-26-export-season/*

## Oil falls by more than 1% after OPEC+ agrees to raise output targets

*https://www.reuters.com/business/energy/oil-slips-after-opec-agrees-raise-output-targets-2026-07-06/*

## FAO Food Price Index little changed amid mixed commodity price trends


*https://www.fao.org/worldfoodsituation/foodpricesindex/en/*

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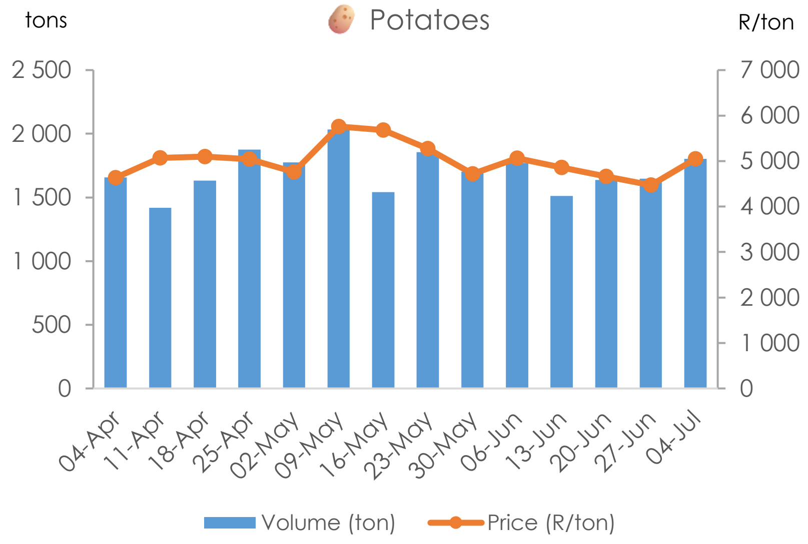
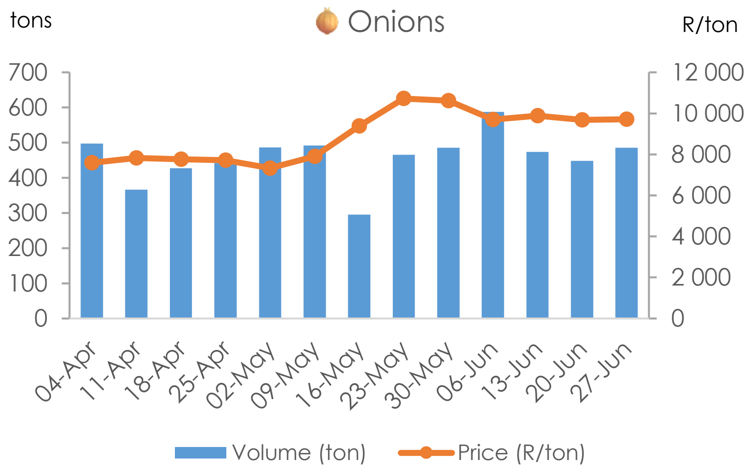
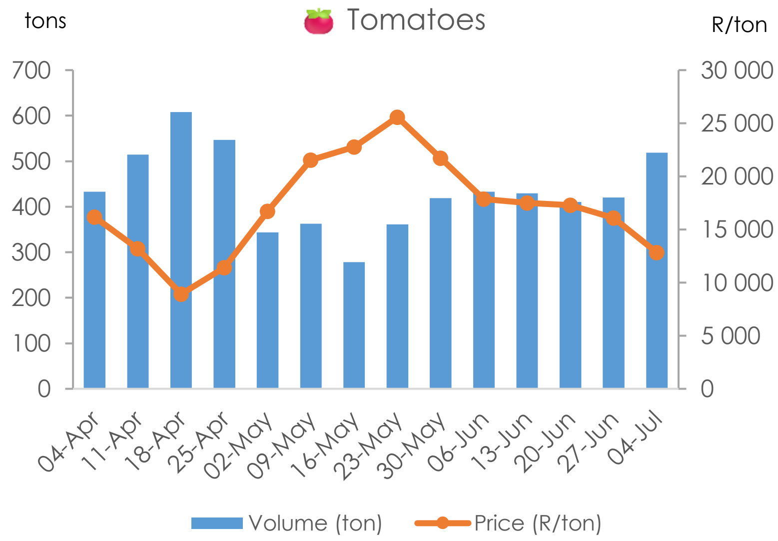
# WESTERN CAPE FRESH PRODUCE MARKET: VEGETABLE MARKET TRENDS

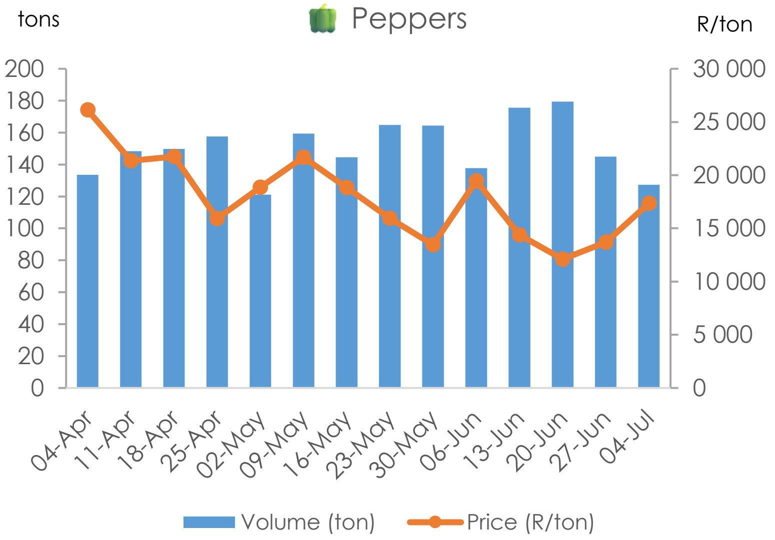
**From early April to early July**, tomato (-20–25%) and pepper (-30–40%) prices declined, while potato (+5–10%) and onion (+10–15%) prices remained firm.

- **Potatoes:** Stable at ~R5,200–R6,000/t, with slight upward movement in July.
- **Onions:** Remain high at ~R9,500–R11,000/t, broadly stable.
- **Tomatoes:** Peaked near R28,000/t, easing further to ~R18,000–R20,000/t.
- **Peppers:** Declined from ~R25,000/t to ~R15,000/t, with a slight late price recovery.

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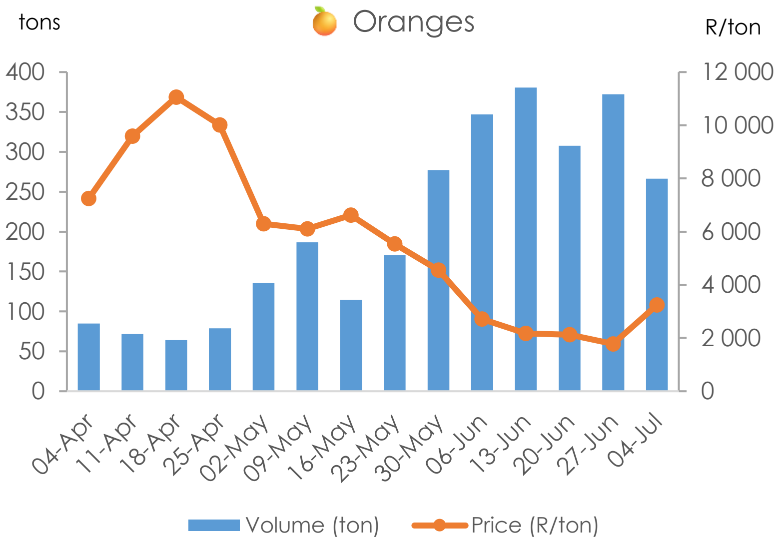
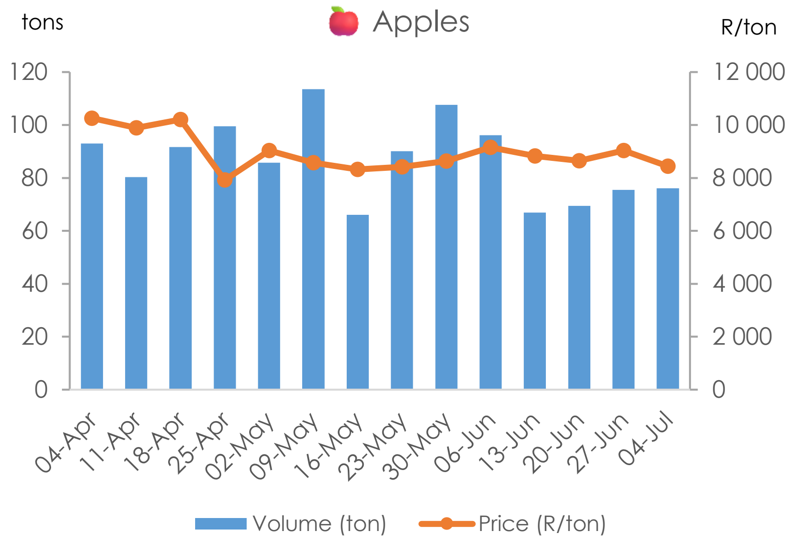
Source: Techno Fresh, Cape Town Fresh Produce Market

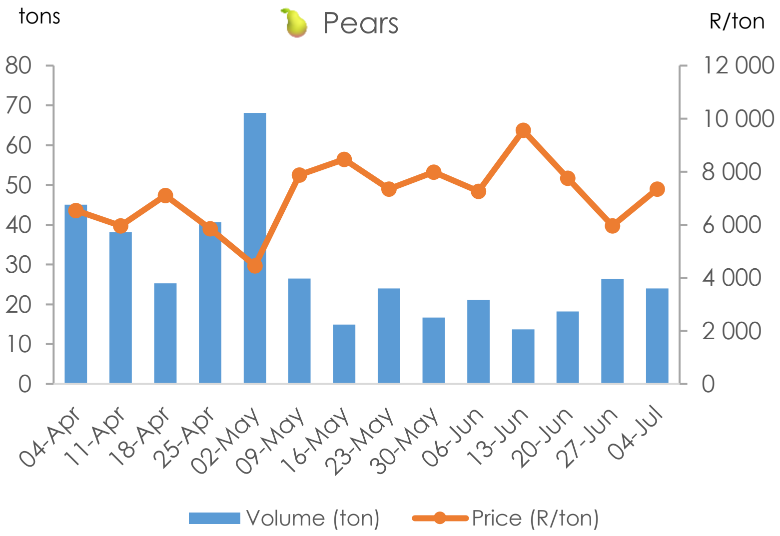
# WESTERN CAPE FRESH PRODUCE MARKET: FRUIT MARKET TRENDS

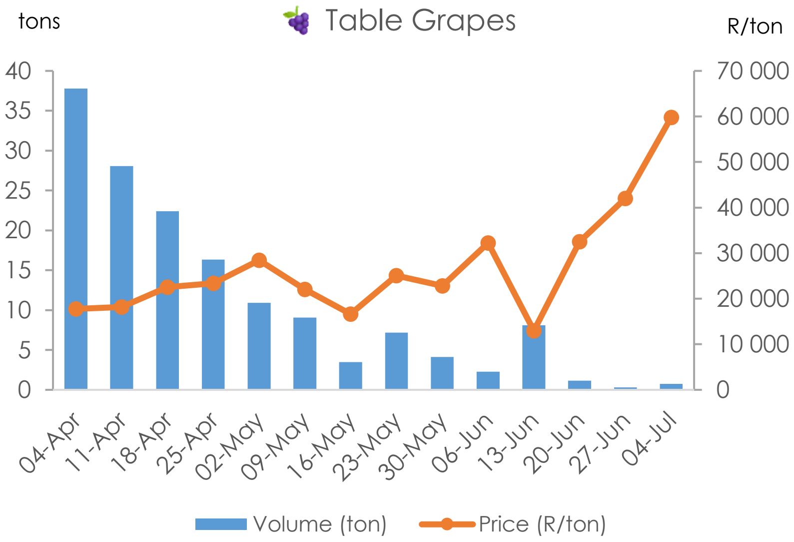
**Key insight:**
Table grape prices rose sharply (+80–100%) on lower volumes, while citrus (-50–60%) declined on improved supply.

- **Oranges**: Fell from ~R10,000/t to ~R4,000/t as volumes increased through May–June.
- **Apples:** Stable at ~R9,000–R11,000/t, with minor fluctuations.
- **Pears:** Increased from ~R5,000/t to ~R8,000/t, with volatility at lower volumes.
- **Table grapes:** Highly volatile, rising sharply in late June to ~R50,000–R60,000/t on low volumes.

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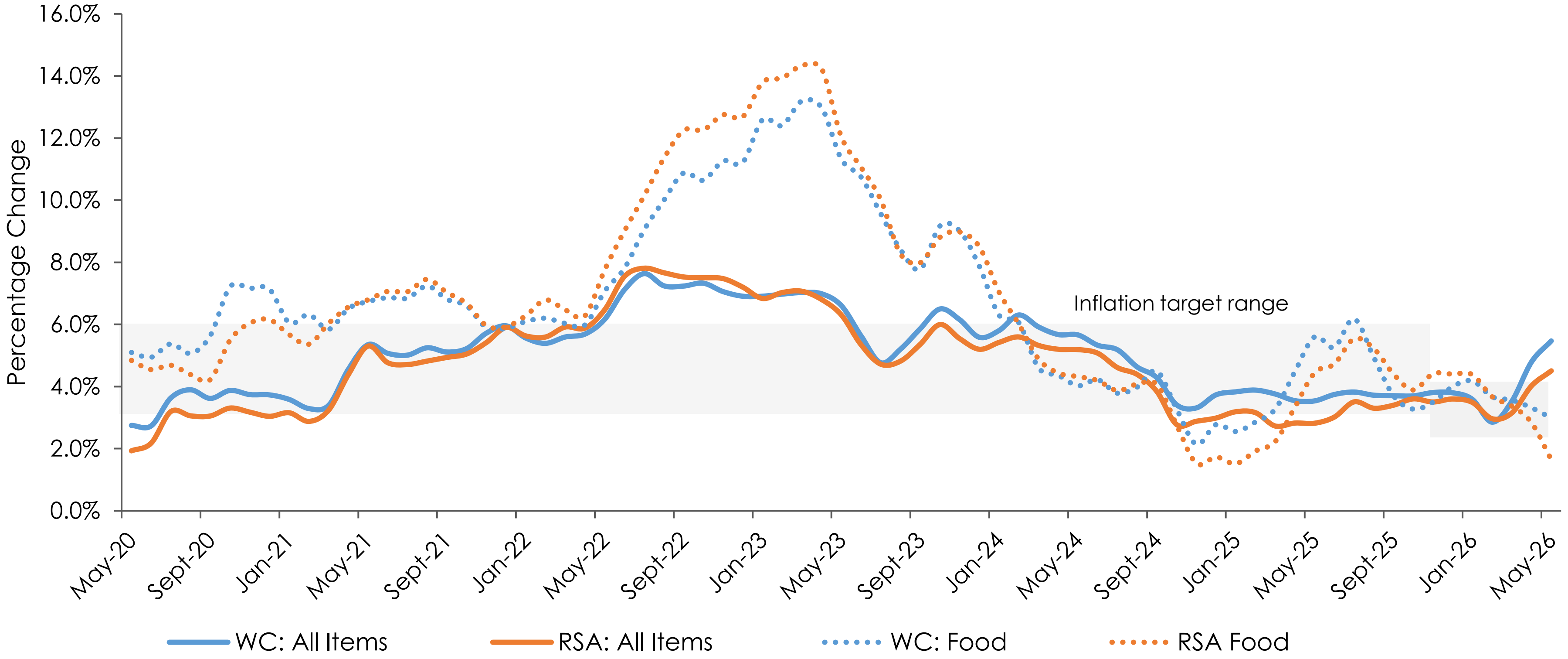
Source: Techno Fresh, Cape Town Fresh Produce Market

# SOUTH AFRICA AND WESTERN CAPE CONSUMER INFLATION : ALL ITEMS AND FOOD




📦 SA annual headline inflation rose to 4.5% in May 2026, up from 3.4% in April, while Western Cape inflation increased to 5.5% from 4.8%.

🎯 Current headline inflation is well below the 2022–2023 highs and is broadly comparable to levels seen in mid-2021 and parts of late-2024/early-2025. Under the previous 3%–6% target range, both SA and WC remain within range, but under the new 2%–4% target range, both are currently above target.

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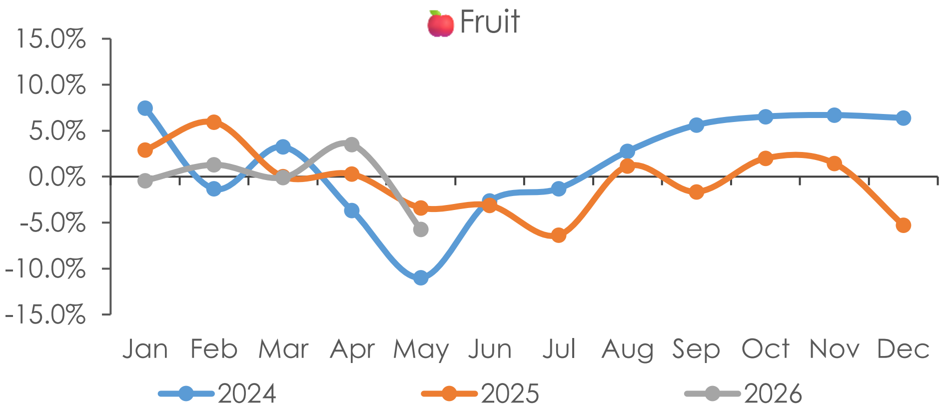
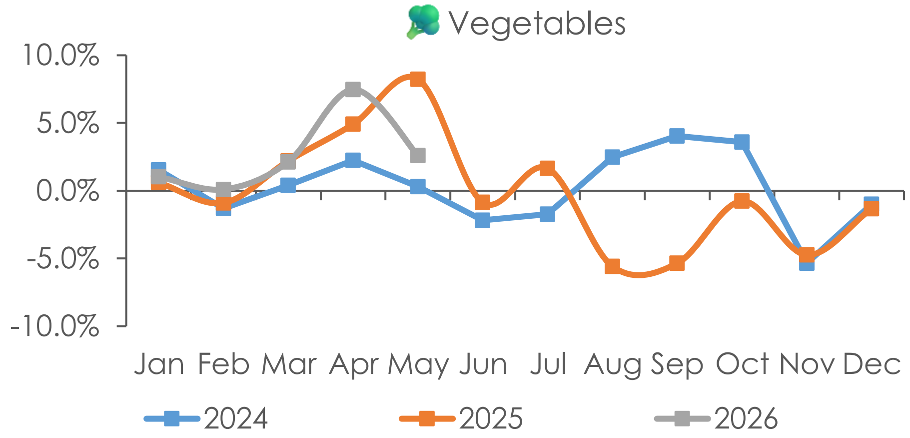
Source: StatsSA

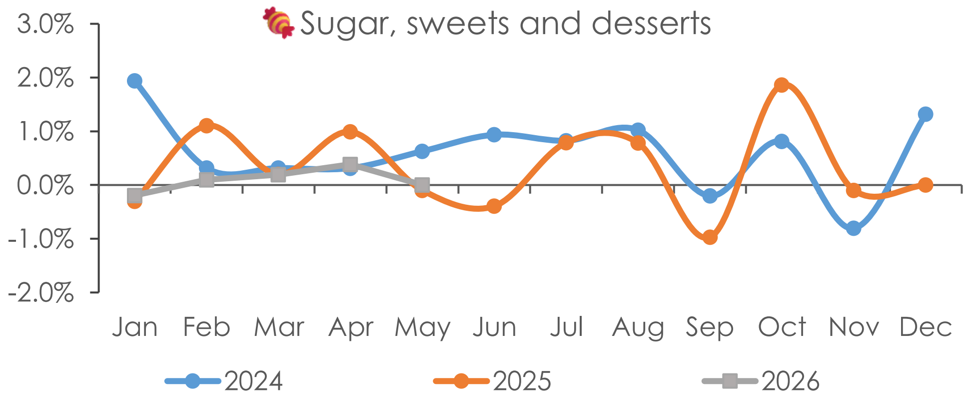
# SELECTED PRODUCTS AVERAGE CONSUMER INDEX PRICE CHANGES MONTH-ON-MONTH (%)

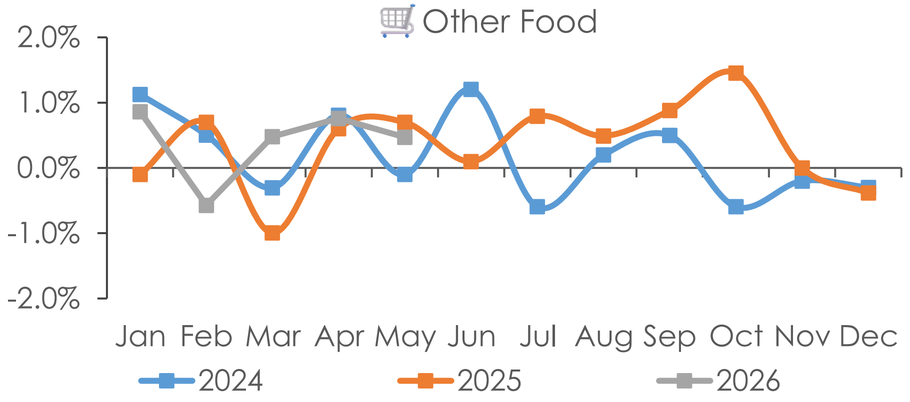
**In 2025, fruit and vegetable prices showed stronger month-on-month volatility than in 2024 and early 2026, with vegetables peaking near +8% and fruit falling sharply mid-year before stabilising.**




- **Fruit**: 2025 fell sharply to around −10% in May before recovering. 2026 remained more moderate, despite a May decline.
- **Vegetables**: 2025 was the most volatile, peaking near +8% in May. 2026 also rose early in the year, but less sharply.
- **Sugar, sweets and desserts**: 2025 stayed relatively stable. 2026 also showed only small monthly changes.
- **Other foods**: 2025 movements were mostly contained within a narrow range. 2026 has remained similarly subdued.




Source : StatsSA, 2026

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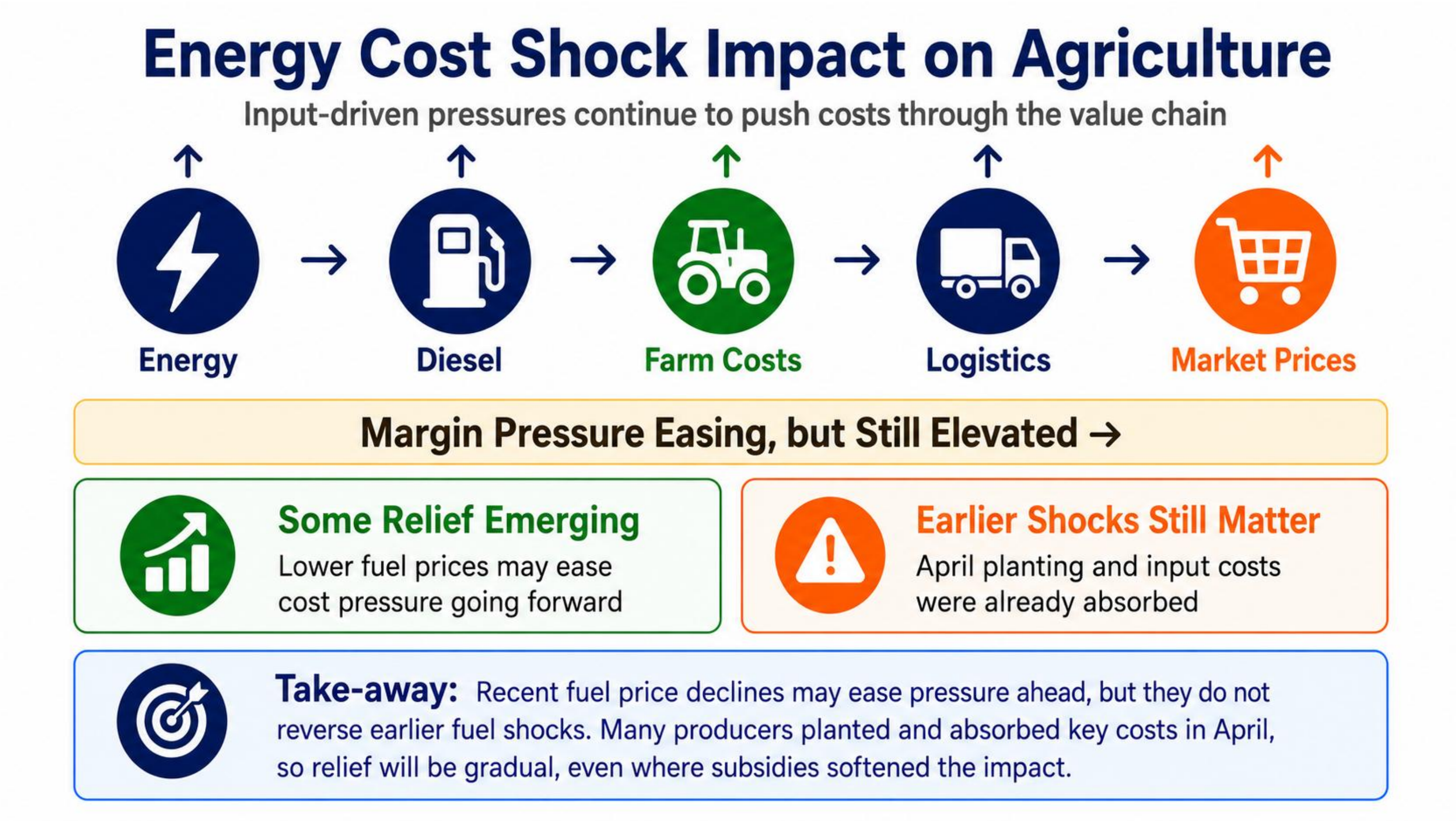
# TAKE AWAY MESSAGE:




Source: Chat GPT

# WEEK OF 6 JULY 2026

💱 **Exchange rate:** Rand stable around R16.2–R16.3/US$, moderating import cost pressures

🛢️ **Oil price:** Brent declined further to ~US$70–US$72/bbl, down from earlier conflict-driven spikes.

⛽ **Fuel prices (SA):** July cuts implemented, with diesel declining more sharply than petrol.

🚢 **Export logistics:** Lower fuel costs offer some relief, but freight and port costs remain elevated.

🌦️ **Weather outlook:** El Niño risk emerging, increasing medium-term uncertainty

🌱 **Global inputs (fertiliser):** Urea at ~US$360/t, easing but still above earlier levels.

🌾 **Global grains:** Prices softening modestly as supply outlook improves.

📅 Key dates (July):

- 🌾 10 July: USDA WASDE (global grain outlook)
- 📊 14 July: US CPI (global inflation / USD driver)
- 📊 22 July: SA CPI (food inflation)
- 🏛️ 23 July: SARB MPC (interest rates / rand)

Thank you

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