Western Cape Government
FOR YOU
Agriculture

Western Cape Department of Agriculture

WESTERN CAPE
AGRICULTURAL PRICE TRACKER

How global shocks are driving local agricultural costs

31 Aug -11 Sept 2026

PRESENTATION OUTLINE

- 🌍 **Special Focus: Middle East Shock — Where Are We Now?**
- 📈 **Consumer Prices (*CPI – Impact on households*)**
- 🚢 **Fresh Produce Market Movements *(Price and volume trends)***
- ✅ **Energy Cost Shock Impact on Agriculture**
- 📡 **On the Radar (Weeks ahead)**
- 📰 **News**

GLOBAL PRICE RISKS AND AGRICULTURAL COST PRESSURES

August 2026 Agricultural Price Tracker

GLOBAL MARKETS

- Brent crude oil near US$90/bbl
- Global energy markets remain volatile
- Supply-side risks continue to be monitored

FUEL COSTS

- Oil prices influence diesel costs
- Fuel remains a key input cost
- Transport costs remain sensitive to energy prices

FREIGHT & LOGISTICS

- Imported fertilisers affected by shipping costs
- Freight influences landed input prices
- Logistics remain an important cost channel

EXCHANGE RATE

- Rand strengthened below R16.00/US$
- Reduces imported-cost pressures
- Can offset part of global price increases

AGRICULTURAL COSTS

- Earlier input costs remain embedded
- Fuel and logistics affect production costs
- Impacts vary across commodities

AUGUST 2026 MONITORING FOCUS

- Brent crude oil recovered to around US$90/bbl.
- Stronger rand helped cushion imported cost pressures.
- Freight and logistics remain key transmission channels.
- Fuel costs continue to influence agricultural production expenses.

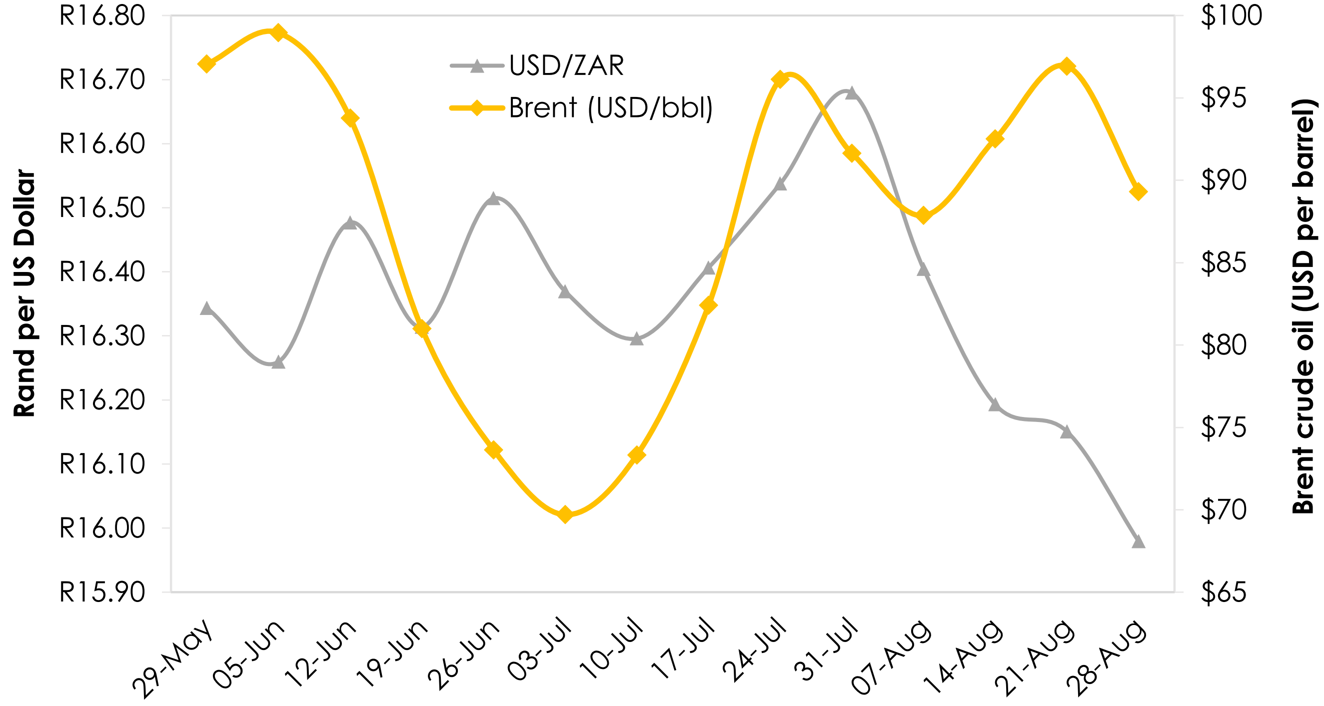
Source: EIA, SARB, DMRE, Trading Economics, August 2026.

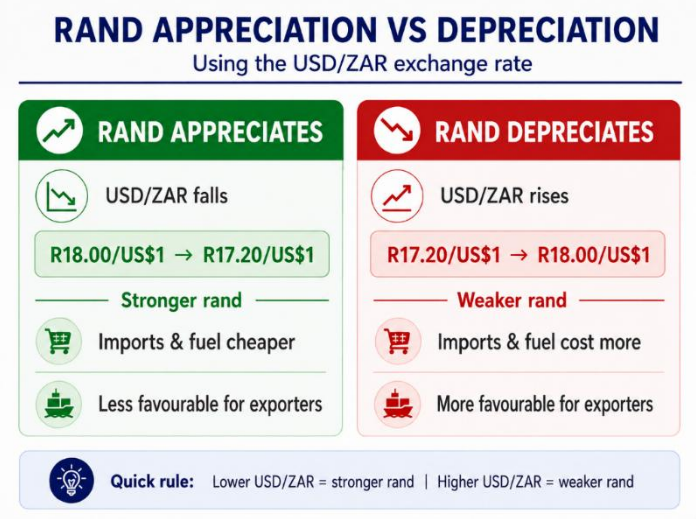
MIDDLE EAST TRADING COUNTRIES

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

Source: www.factinstitute.com

WEEKLY BRENT CRUDE PRICES AND USD/ZAR EXCHANGE RATE





- Brent rose to about US$90.6/bbl at end-August amid ongoing global supply-risk concerns.
- The rand strengthened to around R15.98/US$, cushioning some of the impact of higher oil prices.
- Continued uncertainty over Middle East energy supply routes has maintained upward pressure on crude-oil prices.

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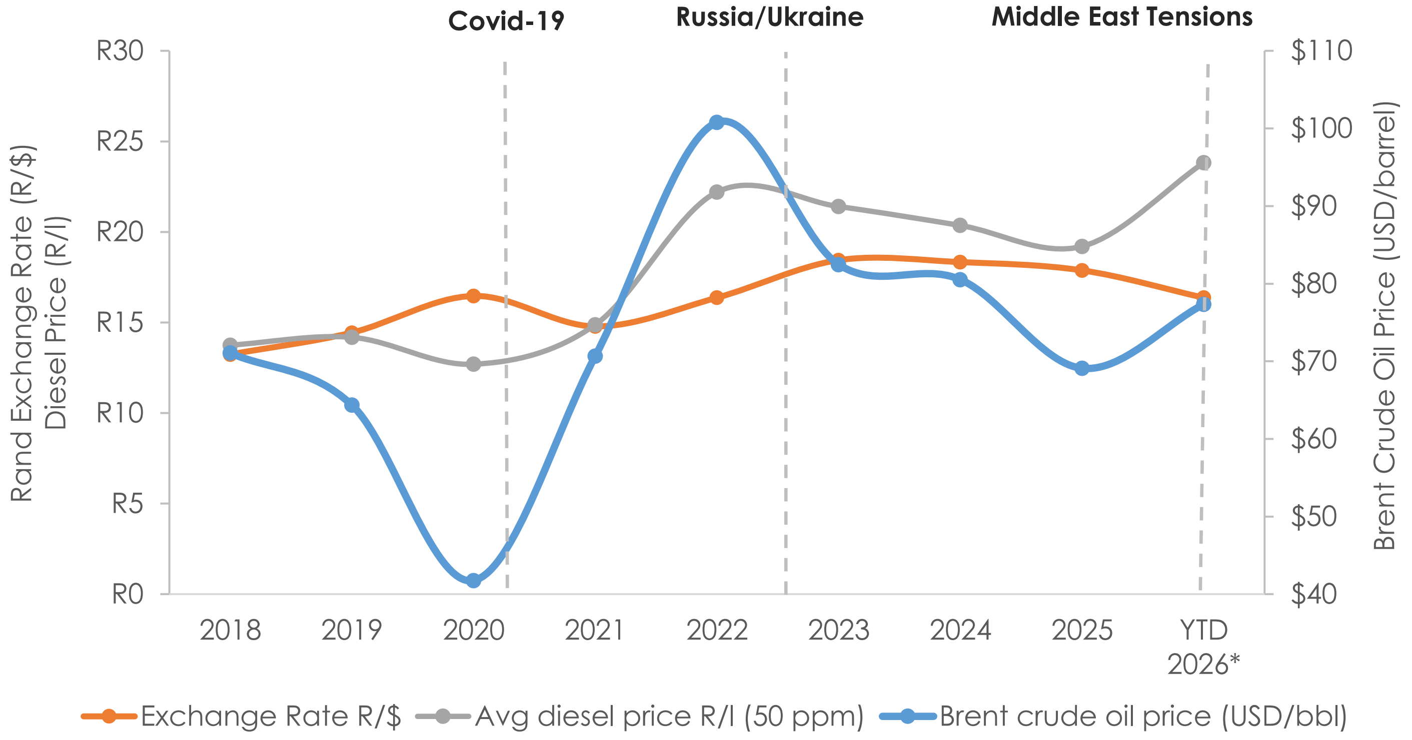
Source: US Energy Information Administration;
South African Reserve Bank; Reuters, 31 August 2026

KEY DRIVERS OF DIESEL PRICES: OIL PRICE, USD/ZAR EXCHANGE RATE AND GLOBAL SHOCKS

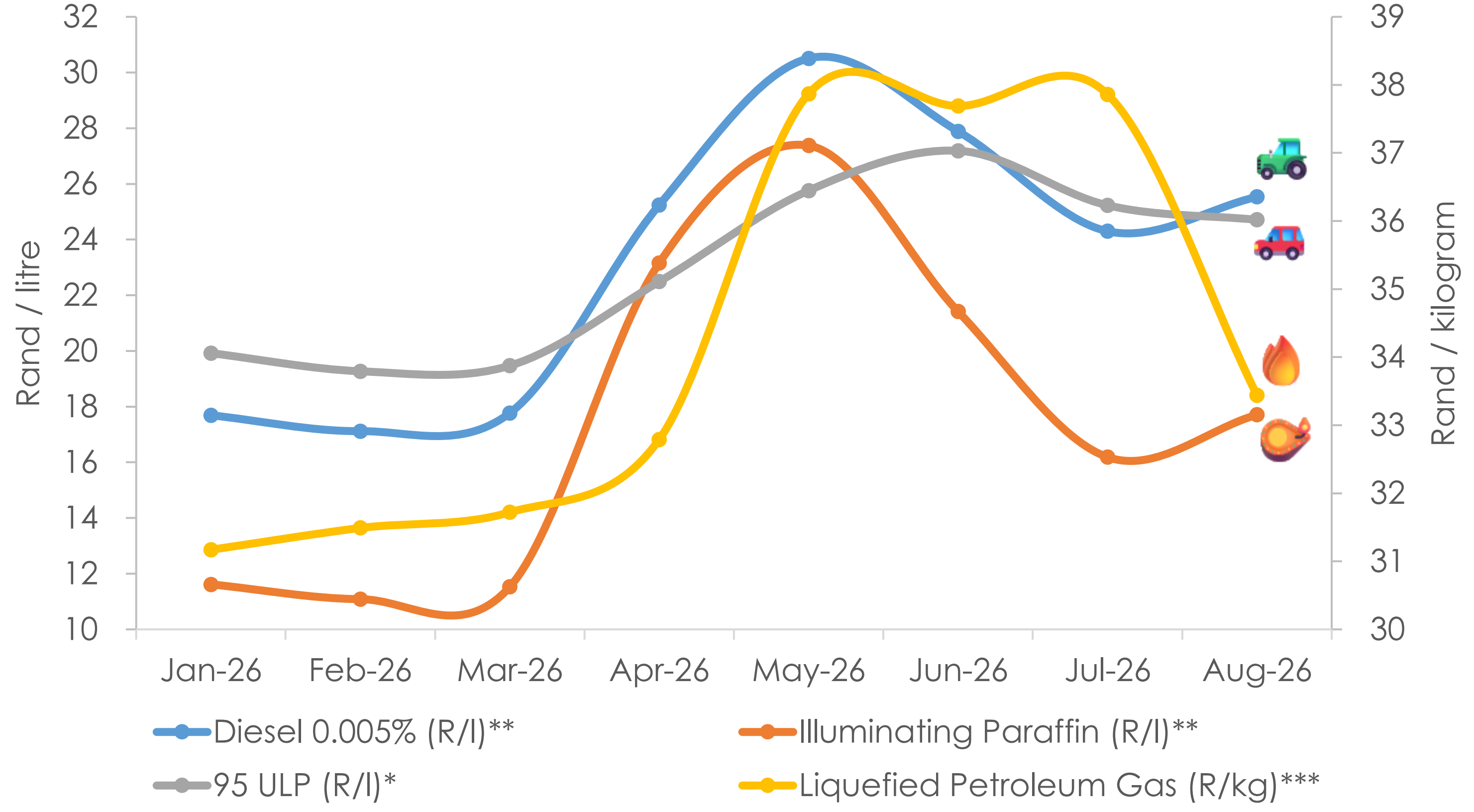


Note: Annual averages for 2018–2025; YTD average to Aug 2026.

- Jan-May 2026: Higher crude-oil prices and a weaker rand increased diesel-cost pressures.
- Jun-Jul 2026: Lower oil prices and exchange-rate support provided temporary relief in fuel costs.
- Aug 2026: Brent strengthened to about US$90/bbl, partly offset by rand appreciation.

Sources: EIA, Brent crude oil price; FRED, USD/ZAR exchange rate; DMRE, 50 ppm diesel price.

COASTAL FUEL PRICES



🚜 Diesel rebounded by R1.23/l to R25.53/l in August but remains below its May peak.

🪔 Paraffin increased by R1.52/l to R17.71/l, after the sharp May–July decline.

🚙 🔥 Petrol eased by R0.52/l, while LPG fell R4.42/kg in August, providing some relief to fuel costs.

Source: FIASA

CONSUMER INFLATION

NEWS ROUNDUP

⛽ Likely September fuel price:

Month-end fuel price data from the Central Energy Fund is pointing to **petrol price increases** in the region of 96 cents for 93 Unleaded and **R1.07 for 95 Unleaded.**

The outlook is even more severe for diesel, with the CEF data showing that **prices** could **rise** by around R2.71 in the case of 500ppm diesel **and R2.92 for 50ppm.**

Illuminating paraffin is looking set for an **increase i**n the region of **R2.12**.

https://iol.co.za/motoring/industry-news/2026-08-31-september-fuel-price-heres-what-youre-likely-to-pay-for-petrol-and-diesel-from-wednesday/

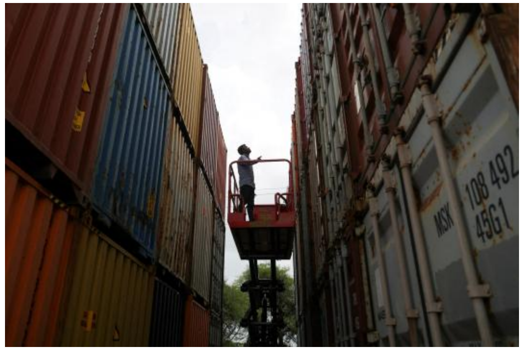
🛢️ Oil rises as US, Iran resume military attacks

https://www.reuters.com/business/energy/oil-jumps-more-than-2-after-us-attack-irans-larak-island-2026-08-30/

🌱 A farmer's lessons on canola, survival and success

https://www.farmersweekly.co.za/crops/field-crops/a-farmers-lessons-on-canola-survival-and-success/

🌍 India, Southern African customs bloc revive trade pact talks



https://www.reuters.com/world/india/india-five-african-countries-sign-terms-reference-launch-trade-talks-2026-08-12/

⚓ Cape Town port cuts delays as fruit export season nears

https://www.businessday.co.za/news/2026-08-13-cape-town-port-performance-improves-before-fruit-export-season/

WESTERN CAPE FRESH PRODUCE MARKET: VEGETABLE MARKET TRENDS

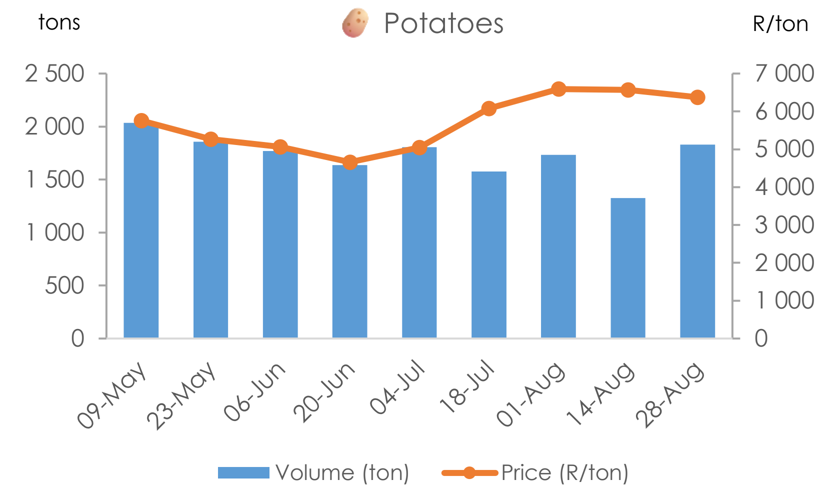
From May to late August, vegetable prices remained mixed. Potatoes and onions stayed firm, tomatoes remained below their May peak, while peppers strengthened..

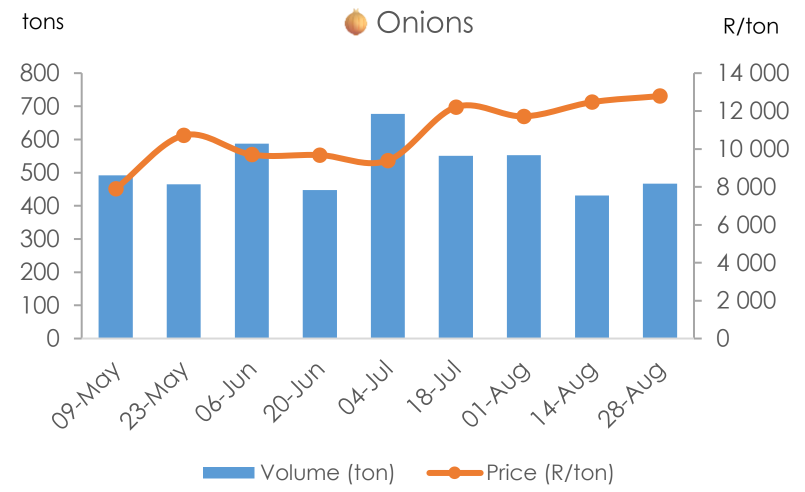
Potatoes: Rose from R4,700/t to R6,300/t by late August.

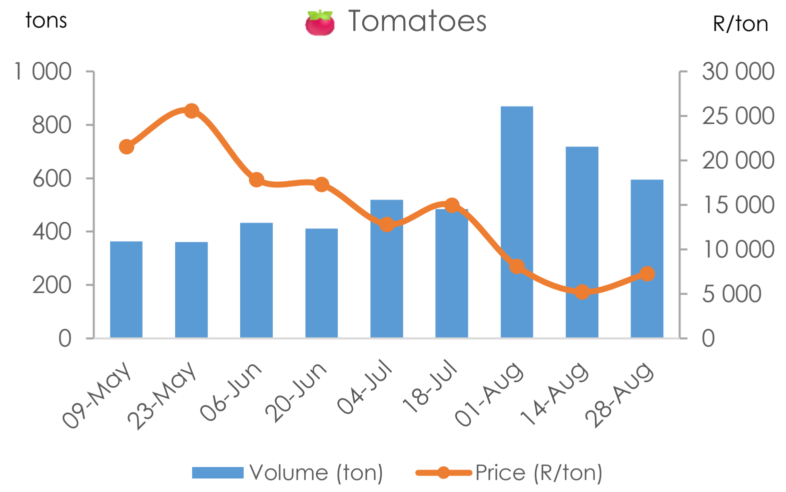
Onions: Increased from R8,000/t to R12,500/t.

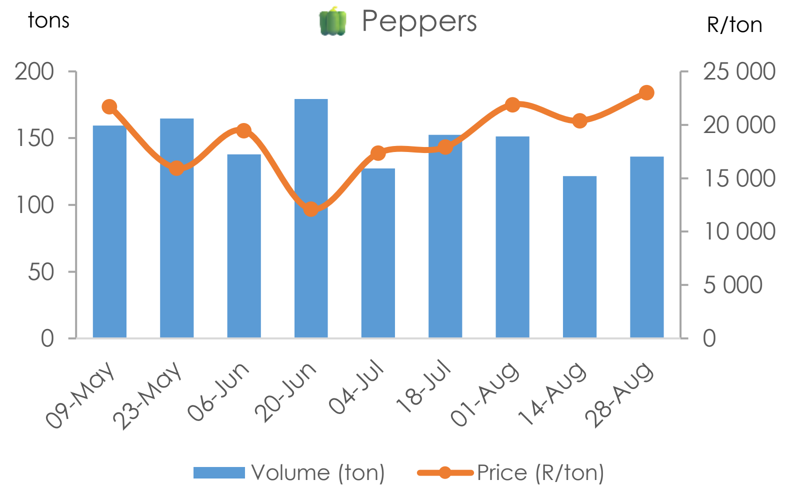
Tomatoes: Fell from a May peak of R26,000/t to R8,000/t by late August.

Peppers: Recovered from R11,500/t to R23,000–R24,000/t.









Source: Techno Fresh, Cape Town Fresh Produce Market

WESTERN CAPE FRESH PRODUCE MARKET: FRUIT MARKET TRENDS

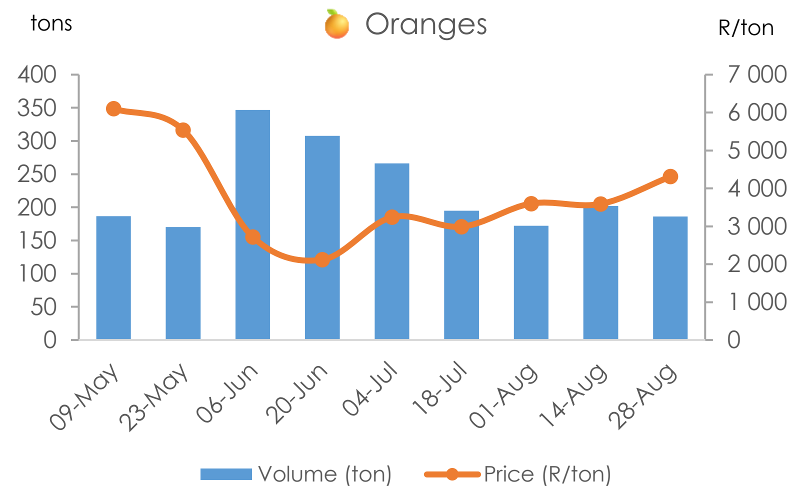
From May to late August, fruit prices remained mixed. Oranges weakened, apples stayed relatively stable, pears strengthened, while table grape prices rose sharply on low volumes.

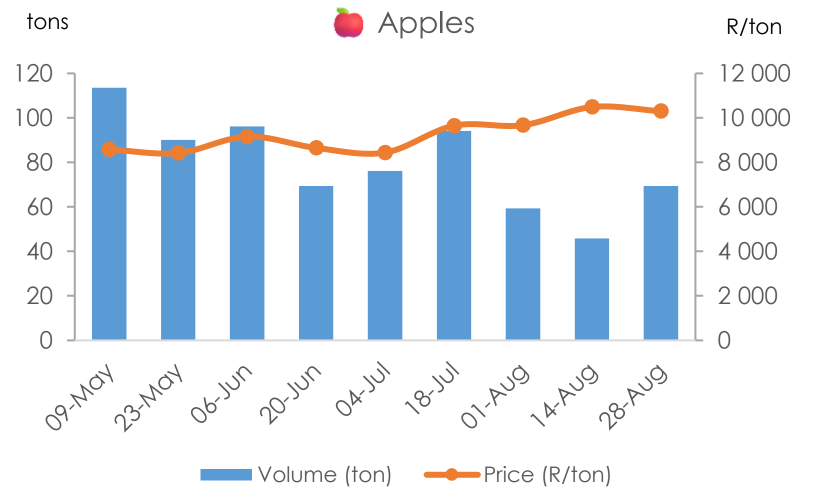
Oranges: Fell from R6,000/t to R4,000/t by late August.

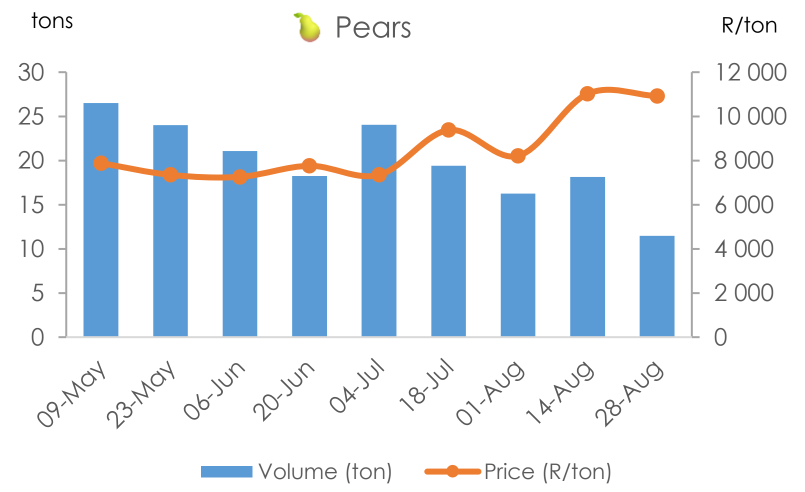
Apples: Remained relatively stable at R8,000/t–R10,500/t.

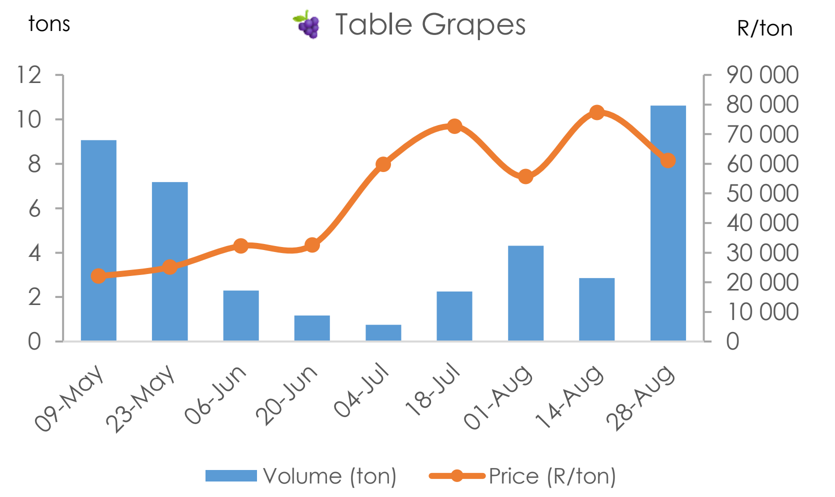
Pears: Increased from R8,000/t to R11,000/t.

Table grapes: Increase from R22,000/t to R60,000/t by late August.









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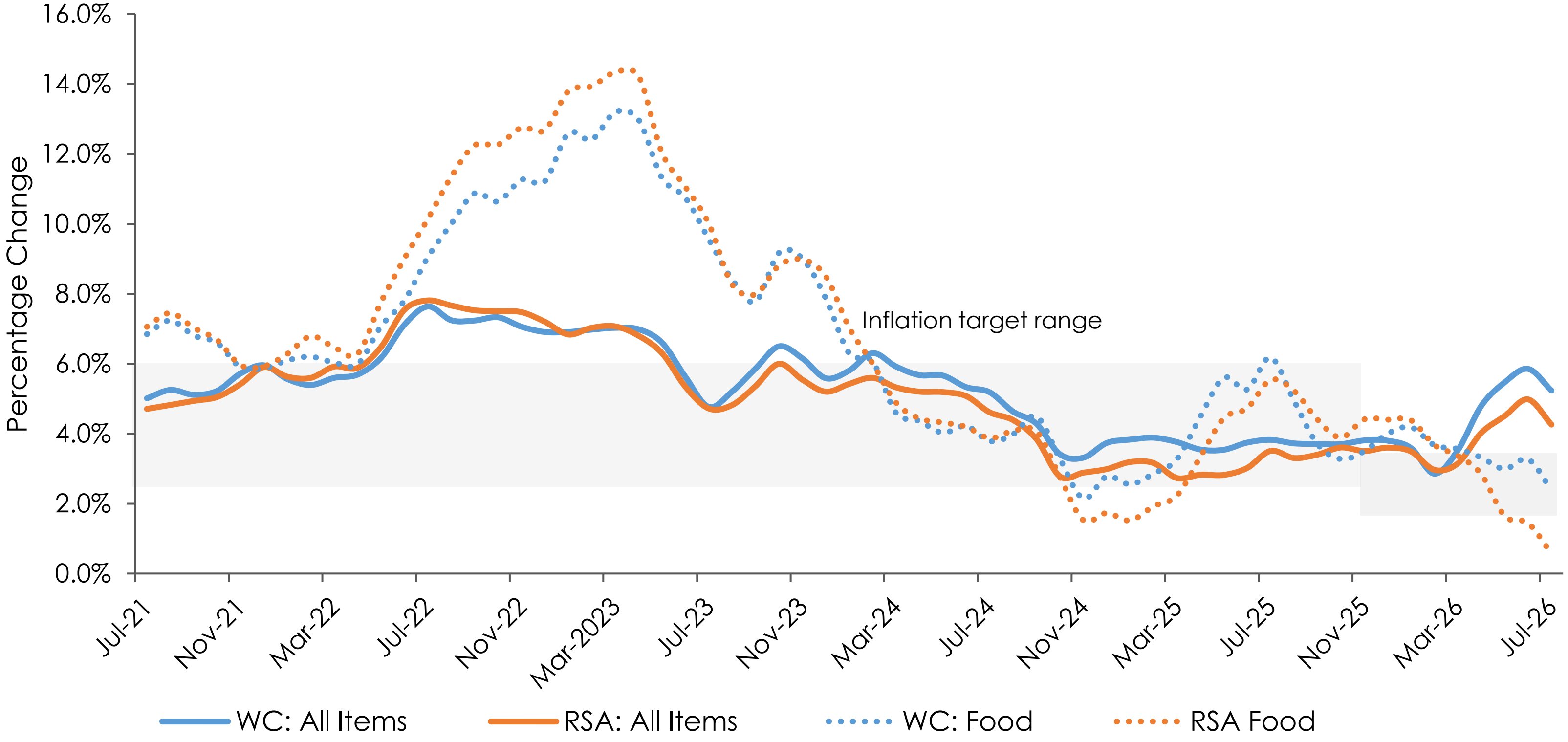
Source: Techno Fresh, Cape Town Fresh Produce Market

SOUTH AFRICA AND WESTERN CAPE CONSUMER INFLATION: FIVE-YEAR TREND



📉 Food inflation peaked at 14.4% nationally and 13.2% in the Western Cape in early 2023 amid global commodity and energy shocks.

📈 By June 2026, food inflation had moderated to 1.4% nationally and 3.2% in the Western Cape, although headline inflation remained at 5.0% and 5.8%, respectively.

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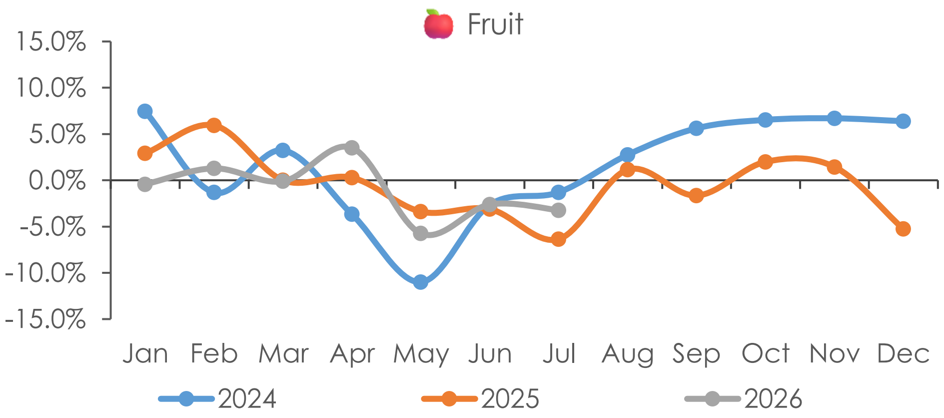
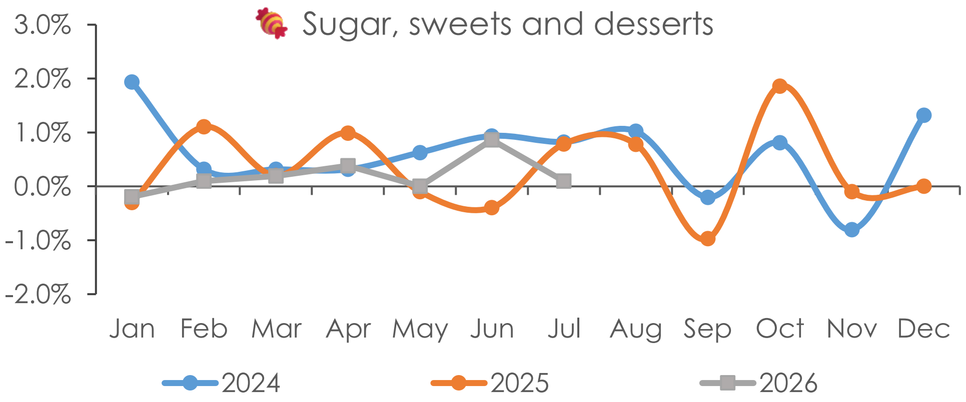
Source: StatsSA

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

📊 **Monthly food-price movements remained relatively moderate during early 2026, with vegetables showing the largest short-term fluctuations, while fruit, sugar products and other food categories remained broadly stable.**



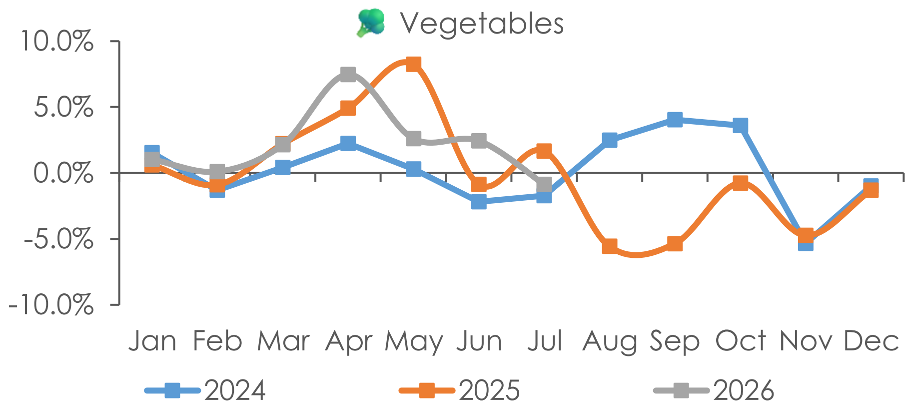


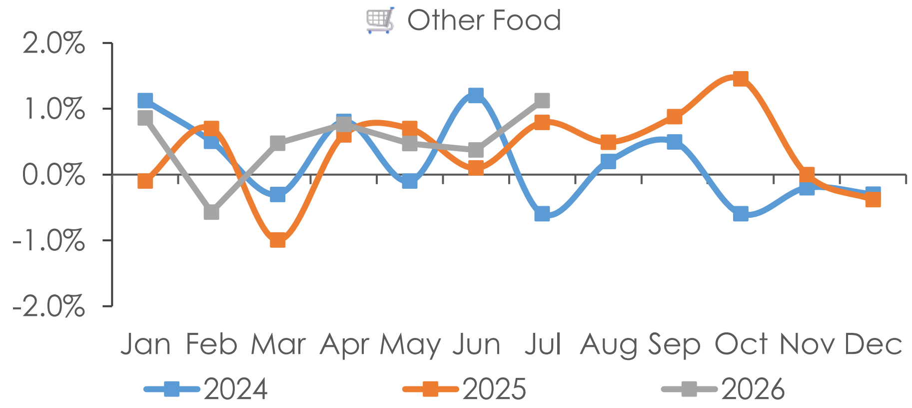
🍎 **Fruit:** Price volatility moderated during 2026 compared with the larger monthly swings observed in 2025.

🥦 **Vegetables:** The most pronounced movements occurred in the vegetable category, with prices rising by about 8% in April 2026 before moderating.

🍬 **Sugar, sweets and desserts:** Monthly price changes remained relatively contained, generally within ±1%.

🛒 **Other food:** Prices remained broadly stable, with monthly changes mostly limited to ±1.5%.





Source : Stats SA, 2026

Absolute Prices (Monthly): All Urban at national level
Food Basket for South Africans

Product Purchased	Unit of Measure	25-Jul	26-Jan	26-Feb	26-Mar	26-Apr	26-May	26-Jun	26-Jul	M-on-M (%)	Y-on-Y (%)
Rice	2 Kg	R43.37	R39.46	R39.00	R38.78	R38.13	R37.86	37.52	37.84	1%	-13%
Maize meal	5 Kg	R74.32	R70.97	R72.59	R69.52	R68.88	R68.51	67.31	65.09	-3%	-12%
Tomatoes	Per Kg	R30.69	R26.15	R26.70	R29.00	R31.69	R34.12	36.31	35.39	-3%	15%
Carrots	1 Kg	R18.87	R15.73	R15.64	R15.97	R17.14	R20.57	20.86	19.07	-9%	1%
Potatoes	Per Kg	R20.70	R18.05	R17.91	R17.83	R17.91	R18.17	17.98	18.12	1%	-12%

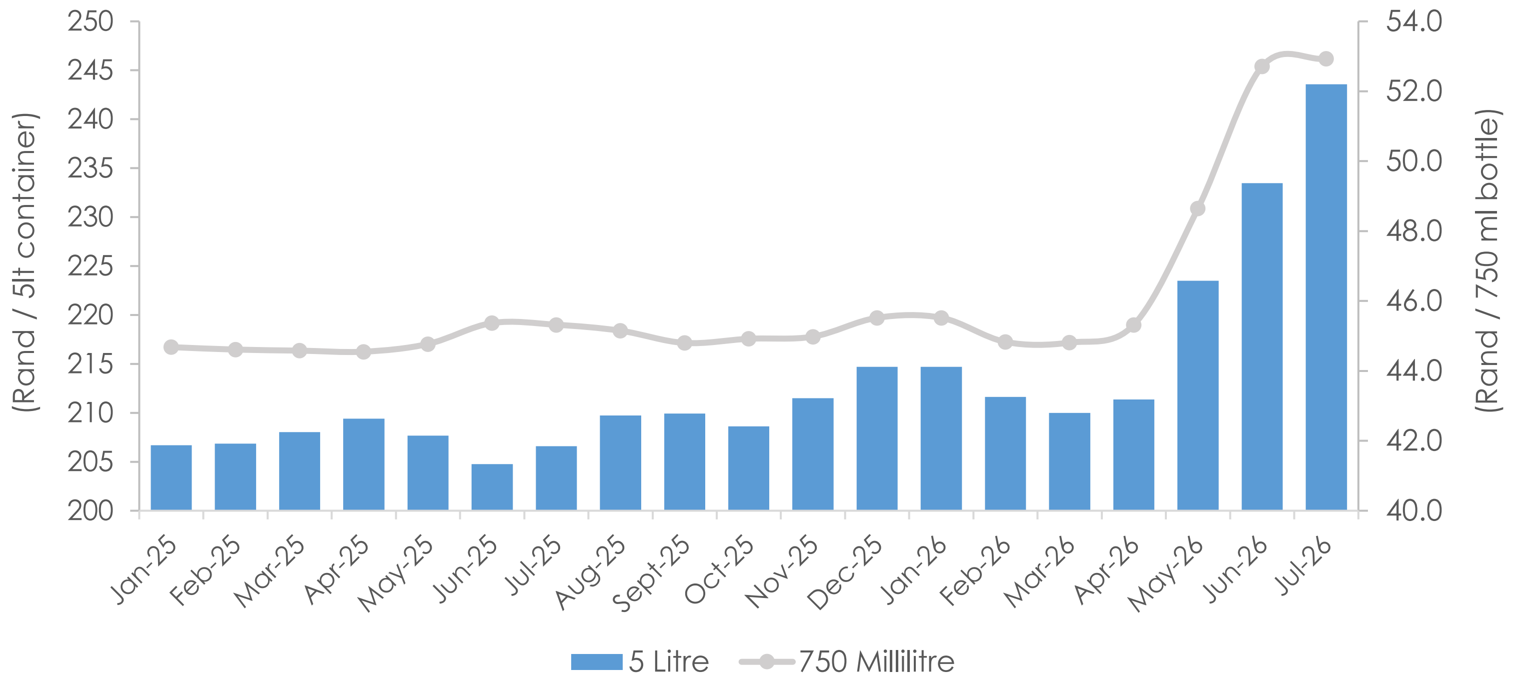
🌾 Rice and maize meal prices remained well below year-earlier levels, down 13% and 12%, respectively.

🍅 Tomato prices recorded the strongest annual increase among the selected products, rising 15% year-on-year despite a 3% monthly decline.

🥕 🥔 Carrot and potato prices showed limited monthly volatility, highlighting generally moderate inflationary pressures across key vegetables.

Source: StatsSA

Paraffin Prices (Urban SA): Monthly Trends by Pack Size
Jan 2025 – July 2026



🔥 Paraffin prices rose markedly between May and July 2026, reaching approximately R243 (5L) and R53 (750 ml).
🏠 Rising paraffin prices have increased energy-cost pressures on households reliant on paraffin for basic household needs.

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Source: StatsSA

ENERGY COST SHOCK IMPACT ON AGRICULTURE

What matters for the August Price Tracker

1. Brent oil → 2. Diesel → 3. Farm costs → 4. Logistics → 5. Market pressure & volatility

Margins: energy and logistics cost pressures remain elevated

Rand provides some cushion

A firmer rand near R16/US$ has helped moderate imported-cost pressures, partially offsetting higher international oil and input prices.

Renewed energy pressure

Brent returned above US$90/bbl as US–Iran attacks resumed and shipping through the Strait of Hormuz remained constrained, keeping fuel and freight risks elevated.

Brent:
~US$90.5/bbl
at end-August
Renewed geopolitical and shipping risk

USD/ZAR:
~R16.0/US$
in late August
Providing partial imported-cost relief

Diesel 50 ppm:
September increase
~R2.92/l
Month-end CEF data (31 Aug) – estimate

Shipping:
Strait of Hormuz risk remains high
Supporting freight and insurance costs

Take-away: Earlier input costs remain embedded, while renewed oil and shipping risks are adding fresh pressure. A firmer rand provides some cushion, but the sharp September diesel increase could raise farm and logistics costs further.

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Sources: Reuters (31 Aug 2026), IOL (31 Aug 2026), CEF (31 Aug 2026), SARB (28–31 Aug 2026)

ON THE RADAR 31 Aug – 11 Sept 2026

🛢️ Oil prices: Brent crude oil recovered to around US$90/bbl, reflecting ongoing supply-risk concerns and renewed volatility in energy markets.

💱 Exchange rate: The rand strengthened to below R16.00/US$, helping to cushion imported fuel and input-cost pressures.

🚢 Logistics and freight: Global shipping costs remain sensitive to disruptions along key trade routes, with implications for freight and imported agricultural inputs.

🌧️ Weather outlook: Weather developments for the 2026/27 summer-crop season remain an important area for monitoring, particularly regarding rainfall expectations.

🌱 Agricultural inputs: Fertiliser, fuel and other imported input costs continue to be influenced by global energy prices and exchange-rate movements.

🌾 Global grains: Global grain supplies remain generally adequate, although weather and logistics risks continue to influence market sentiment.

Key dates:

📊 17 Sept: South Africa CPI (August 2026)

🏭 25 Sept: South Africa PPI (August 2026)

Thank you

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