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WESTERN CAPE MONTHLY FOOD PRICE INFLATION BRIEF: SEPTEMBER 2026

1. Introduction

This brief provides an update of the September 2026 food price changes in South Africa (SA) and the Western Cape (WC) Province. The impact of food price changes is disproportional among households due to socio-economic challenges such as inequality, poverty, and unemployment. While South Africa is considered food secure in terms of food availability; economic access to food remains a critical challenge at household level. With low-income households being severely exposed to food prices hikes and affected. This September brief provides valuable insights into agricultural commodity markets and price dynamics, enabling policymakers to observe food price pressures, assess food security risks, and design appropriate interventions that protect vulnerable consumers. The next section of this report briefly provides a global overview of food price inflation fluctuations, followed by domestic level food price dynamics, energy price changes, and the outlook for food prices in the near term.

Global food price inflation fluctuations in September 2026

The global prices of key food commodities (cereals, vegetable oils, dairy products, meat and sugar) increased by 1.5% in September 2026 compared to August 2026 (m-on-m), and 5.8% rise compared to September 2025 (year-on-year) (FAO, 2026). The global food price increase of 5.8%(y/y) was primary underpinned by higher prices in cereals, vegetable oils, and sugar products reflecting a broader view of constrained supplies, adverse weather conditions reported (i.e. North America), logistical disruptions in key trade routes, and the strong import demand projected by global markets, particularly for palm oil and dairy products including demand from biofuel industry driving vegetable oil and maize prices up. Wheat and maize prices globally strengthened due to tightening supplies (i.e. reduced yields in the USA), shipping disruptions in the Black Sea region and trade-related challenges experienced. While global sugar prices increased on the anticipated lower production in major several producing countries such as in Thailand and India, and declining sugar beet production in the European Union. Contrary, global meat prices deaccelerated slightly due to amply supply of poultry and pork, while dairy products prices remained broadly stable over the review.

2. Domestic Food Price Changes

In this section, inflationary rate (food and all items) of South Africa and the Western Cape province are illustrated in Figure 1 and discussed, covering September 2019 to September 2026 period on year-on-year basis (y/y). In September 2026, the SA's annual headline inflation reached 4.5%, higher than its record levels (3.4%) in 2025(y/y) and relatively contained within the South African Reserve Bank's target range (3-6%). The South African food inflation fell to below 0.96%, lower than its record of 4.4% in September 2025, and the global food inflation record of 5.8%(y/y) in September 2026. The SA food inflation record suggests that inflationary pressures have swiftly shifted away from food and agricultural commodities to more persistent domestic drivers.

The relatively low food price inflation of 1.0% recorded in September was driven by ample domestic agricultural supplies of grains and oilseeds harvest, good fruit and vegetable production, and meat supplies. Despite the notable weaker food inflationary rate, household in South Africa continue to be confronted by elevated living costs due to structural constrains in the economy, including high energy costs, logistics inefficiencies and the much-needed infrastructure maintenance. Major drivers of the rise September 2026 food price inflation (1%) is attributed to fish and other seafood (8.0%), followed by vegetables (3.5%), oils and fats (3.0%), milk and other dairy products and eggs (2.4%), sugar-rich foods (1.5%), other food (4.0%), and non-alcoholic beverages (4.5%), respectively (Table 1). SA's year price deaccelerations were observed in fruits and nuts (-4.8%), and cereals including bread (-1.9%). The prices declines were the results of eased by favorable weather conditions and amply supply harvested in the domestic market.

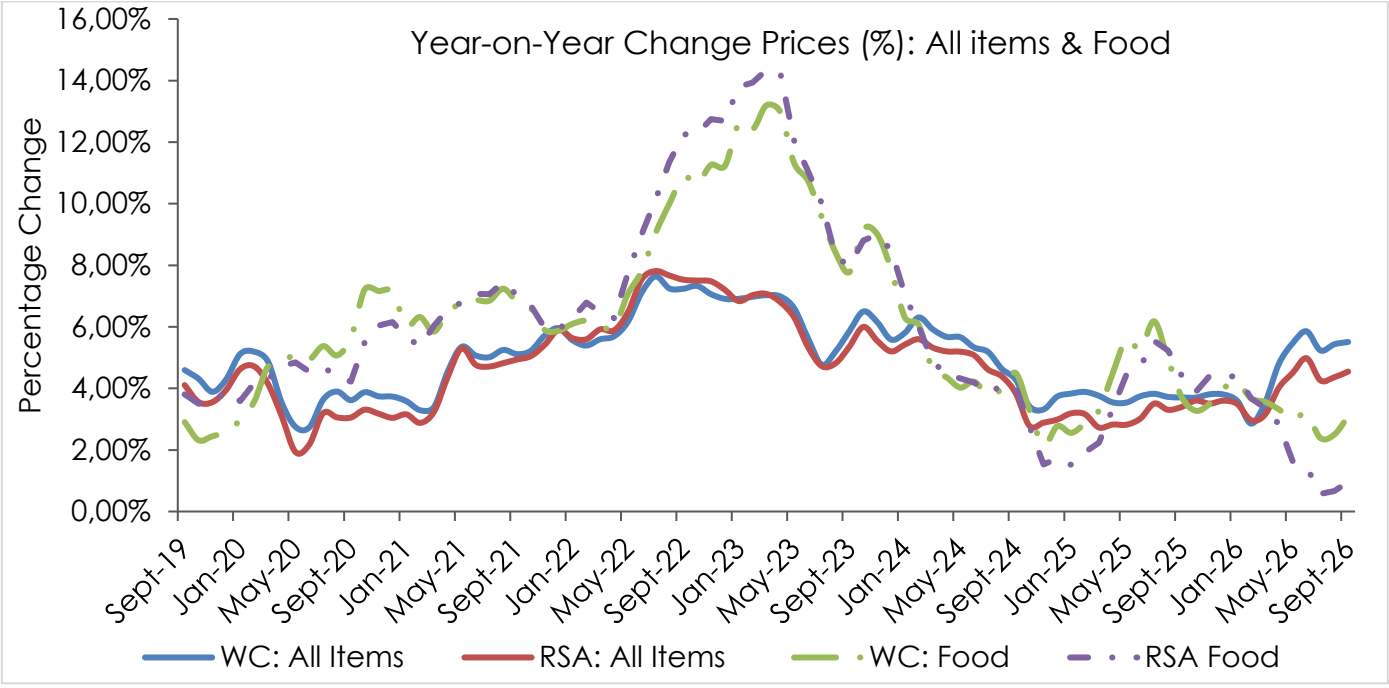


Figure 1: ***RSA and WC Year-on-Year (Y/Y) All items and food inflation rate September 2026.***
Source: (StatsSA, 2026)

The WC's annual food prices in September 2026 (y/y) reached 3.09%, almost 3-times higher than the country's food price inflation (0.96%). This was driven by fish and other seafood (9.1%), vegetables (5.9%), milk, other dairy products and eggs (4.5%), meat (3.1%), sugar, confectionery and desserts (2.8%), oil and fats (2.5%), alcoholic beverages (2.1%), other food (5.7%), and tobacco (4.7%) amongst others. The highest WC m/m price increase was in fish and other seafood (0.4%), followed by oils and fats (0.3%), cereals including bread (0.2%), and other food (0.3%) in September (Figure 2). Monthly declines of WC food price changes in fruits and nuts (-0.9%), sugar, confectionery and desserts (-03%), non-alcoholic beverages, and alcoholic beverages at -0.3%, respectively.

Table 1: The RSA & WC Inflation for Food and Beverage Products in September 2026

Food Product Items	***RSA Y/Y (%):2025/26***	***RSA M/M (%): Aug-Sept, 2026***	***WC Y/Y (%):2025/26***	***WC M/M (%): Aug-Sept, 2026***
Fish & other seafood	8,0%	0,8%	9,1%	0,4%
Vegetables	3,5%	-1,6%	5,9%	**-0,1%**
Other food	4,0%	0,3%	5,7%	0,7%
Non-alcoholic beverages	4,5%	-0,1%	5,4%	-0,3%
Tobacco	4,7%	0,4%	4,7%	0,3%
Milk, other dairy products & eggs	2,4%	-0,1%	4,5%	0,1%
Meat	0,7%	-0,3%	3,1%	0,0%
Sugar, confectionery & desserts	1,5%	-0,1%	2,8%	-0,3%
Oils & fats	3,0%	0,4%	2,5%	0,3%
Alcoholic beverages	3,2%	0,0%	2,1%	-0,1%
Cereals (Inc. Bread)	-1,9%	0,3%	0,9%	0,2%
Wine	1,9%	0,3%	-0,3%	0,3%
Fruit & nuts	-4,8%	0,1%	-6,7%	-0,9%

Source: (StatsSA, 2026)

Among other underpinning factors driving the country's food price inflation higher include international commodity prices particularly global palm oil markets, energy prices (i.e. risks of higher fuel and fertilizer prices), weather-related conditions associated with El Nino, and base effects in other vegetables categories in other parts of the country. Observing monthly or quarterly domestic food prices does not necessarily fully reflect the global agricultural market price changes; hence a yearly observation is preferable.

3. Concluding remarks

The SA's headline inflation was at 4.5% (y/y) in September 2026, higher than its record of 4.4% in September 2025. Whereas the country's annual food price inflation moderates to 1% in September 2026 compared to 4.4% in September 2025(y/y). The global food inflation reached 5.8%(y/y) in

September, primary driven by higher prices in cereals, vegetable oils and sugar in September 2026. Major drivers of year-on-year food price inflation were observed in fish and other seafood (8.0%), followed by vegetables (3.5%), oils and fats (3.0%), milk and other dairy products and eggs (2.4%), sugar-rich foods (2.0%), other food (4.0%), and non-alcoholic beverages (4.5%), respectively in September 2026. SA's monthly food price declines were observed in vegetables (-1.6%), meat (-0.3%), and sugar, confectionery & desserts (-0.1%). This can be attributed to larger domestic harvest, leading to a strong export of citrus, table grapes and stone fruit among other factors.

Outlook (the near term)

In the context of relatively low food inflation rate in September, but persistent headline inflation, South Africa's agricultural policy priorities should shift from managing food price spikes to improving long-term efficiency, resilience, and competitiveness of the domestic food systems.

- **Logistics and Market Infrastructure investment**: inefficiencies in rail, ports, and cold-chain systems continue to add the cost burden, and these should be corrected urgently.
- **Climate resilience and adaptation (El Nino**): increase investment in climate-smart agriculture, drought-tolerant crop cultivars, extension services, and agricultural insurance offerings that can reduce future food price volatility.
- **Trade diversification and export competitiveness:** expand export opportunities for fruits, wine, grains, and other high-value agricultural products to support growth, foreign exchange earnings, and rural employment.
- **Energy and water security** remains critical as rising electricity tariffs and unreliable energy supply increase production, irrigation, storage, and processing costs across agricultural value chains.

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