



competition commission
south africa

Media Statement

For Immediate Release

06 May 2024

COMMISSION RELEASES LATEST ESSENTIAL FOOD PRICING MONITORING REPORT

The latest edition of the Essential Food Pricing Monitoring (EFPM) Report released by the Competition Commission (Commission) today, 06 May 2024, continues tracking essential food prices and examining commodity cost drivers along the value chain. The Commission has been monitoring the price of essential foods since the on-set of the COVID-19 pandemic in March 2020.

These continued efforts support transparency regarding the profit margins set by producers and retailers of products that include sunflower oil, brown bread, and individually quick frozen (IQF) chicken. In response to the price inflation induced by the avian flu outbreak, this report includes analysis of the egg value chain. Our methodology is detailed in the report.

Food price monitoring has continued during the inflationary period as households have come under severe pressure from rising prices. The EFPM Report indicates that together with lower food price inflation, the volatility in spreads and rocket-and-feather dynamics across food value chains documented in the previous editions of the EFPM reports, are beginning to settle despite ongoing load-shedding, rail and port constraints, and sporadic disturbances in the global shipping market. In addition, the report outlines evidence of narrowing spreads and cost absorption at either the retail level and/or the producer level, which has contributed to slower price increases for consumers.

This edition of the EFPM includes a deep dive into the canned pilchards value chain. In response to rising food prices, consumers have shifted their buying patterns in search of more affordable foods. This substitution has led to increased demand for canned pilchards. Despite this increased demand, there is evidence that producers and retailers have absorbed some of the cost increases throughout the canned pilchards value chain. This cost absorption is likely to support the continued affordability of this staple food.

The complete report can be accessed on the Commission's website at https://www.compcom.co.za/wp-content/uploads/2024/05/EFPM-Report_Mar-2024.pdf

[ENDS]

Issued by:

Siyabulela Makunga, Spokesperson

On behalf of: The Competition Commission of South Africa

Tel: 012 394 3493 / 067 421 9883

Email: SiyabulelaM@compcom.co.za

Find us on the following social media platforms:

Twitter: @CompComSA

Instagram: Competition Commission SA

Facebook, LinkedIn and YouTube: The Competition Commission South Africa