



agriculture

Department:
Agriculture
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Agro-processing Quarterly Brief: No. 2, 2025

Directorate: Agro-processing Support

Highlights of the second quarter of 2025 (2025: Q2) (April to June)

In 2025: Q2, the year-on-year producer price inflation for final manufactured goods moderated by 0,4% from a 0,9% growth in 2025: Q1.

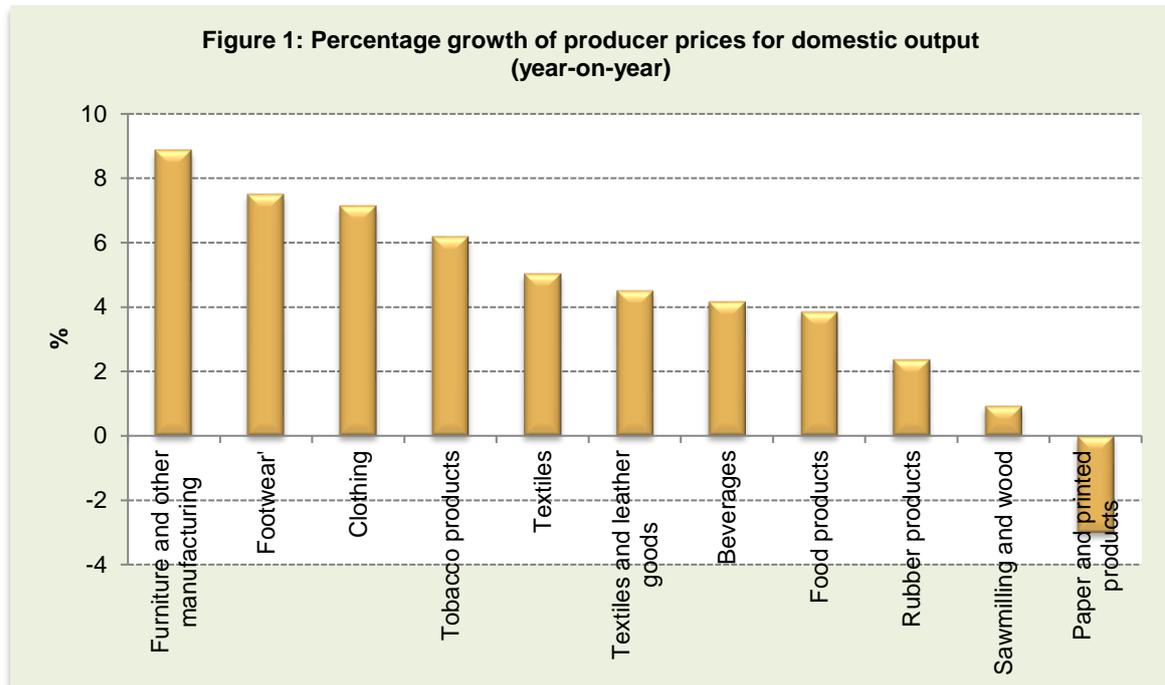
The agro-processing industry's seasonally adjusted volume of production contracted by 0,2% in 2025: Q2 from a 0,5% growth in 2025: Q1.

The seasonally adjusted value of sales for the agro-processing industry rose by 2,2% in 2025: Q2 from a 1,4% growth in 2025: Q1. This represented an increase in nominal value of sales from R292 975,5 million in 2025: Q1 to R299 512,6 million in 2025: Q2.

The trade deficit of the agro-processing industry narrowed from R14 515,9 million in 2025: Q1 to R6 418,3 million in 2025: Q2, which represents a contraction of 55,8% from a 6,6% growth in 2025: Q1.

The agro-processing industry recorded about 465 097 jobs from 474 404 jobs in 2025: Q1, representing 9 307 jobs shed in 2025: Q2.

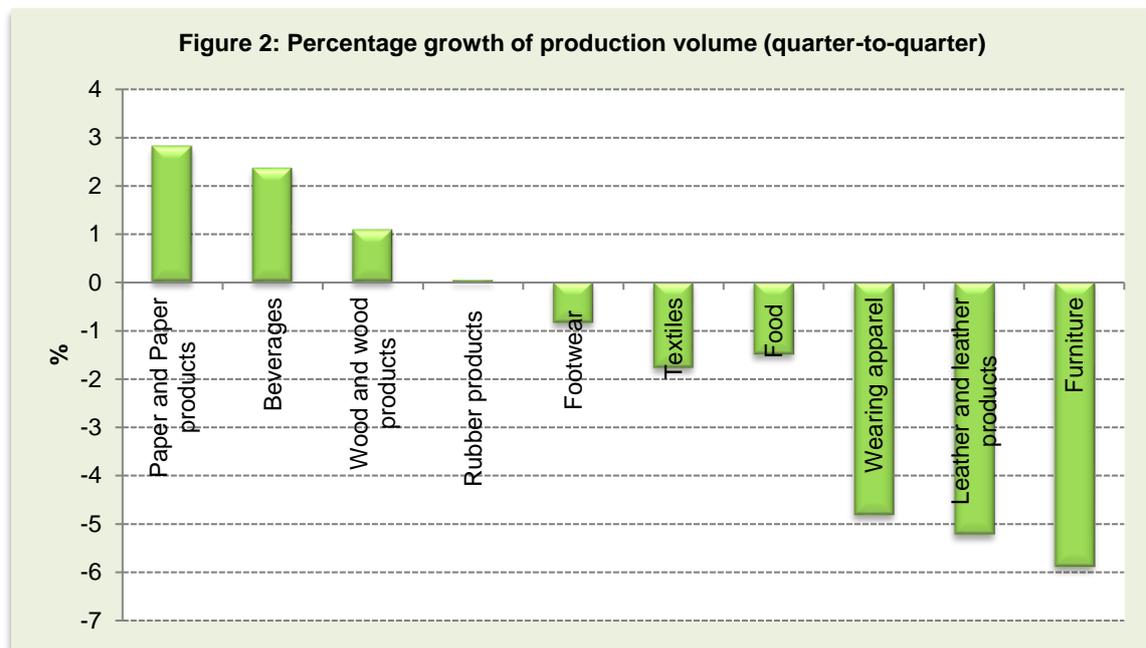
Producer prices



Source: Statistics SA, 2025

In 2025: Q2, the year-on-year producer price inflation for final manufactured goods moderated by 0,4% from a 0,9% growth in 2025: Q1. The following divisions rose during the period under review: furniture and manufacturing (8,9%), footwear (7,5%), wearing apparel (7,1%), tobacco products (6,2%), beverages (4,2%), rubber products (2,4%) and sawmilling and wood (0,9%%). However, textiles (5,0%) stagnated, while textiles and leather goods (4,5%) and food products (3,8%) moderated in 2025: Q2 (see Figure 1).

Volume of production

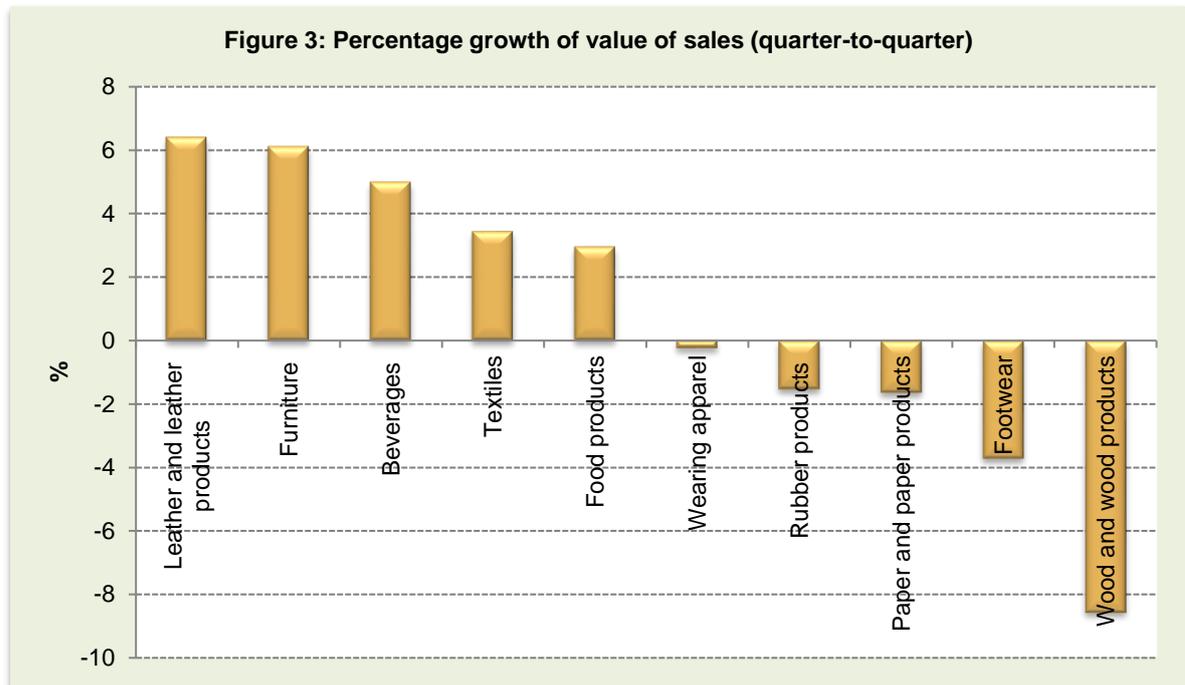


Source: Statistics SA, 2025

*Tobacco data not supplied

Figure 2 above shows the seasonally adjusted physical volume of production for the agro-processing divisions in 2025: Q2. The agro-processing industry's seasonally adjusted volume of production contracted by 0,2% in 2025: Q2 from a 0,5% growth in 2025: Q1. Most divisions contracted during the period under review and those were: wearing apparel (4,8%), wood and wood products (4,2%), rubber products (5,1%), footwear (5,2%) and food products (1,4%). However, textiles (4,9%) and beverages (1,3%) divisions rebounded, leather and leather products (0,7%) division moderated, while paper and paper products (4,6%) and furniture (4,2%) divisions, rose in 2025: Q2.

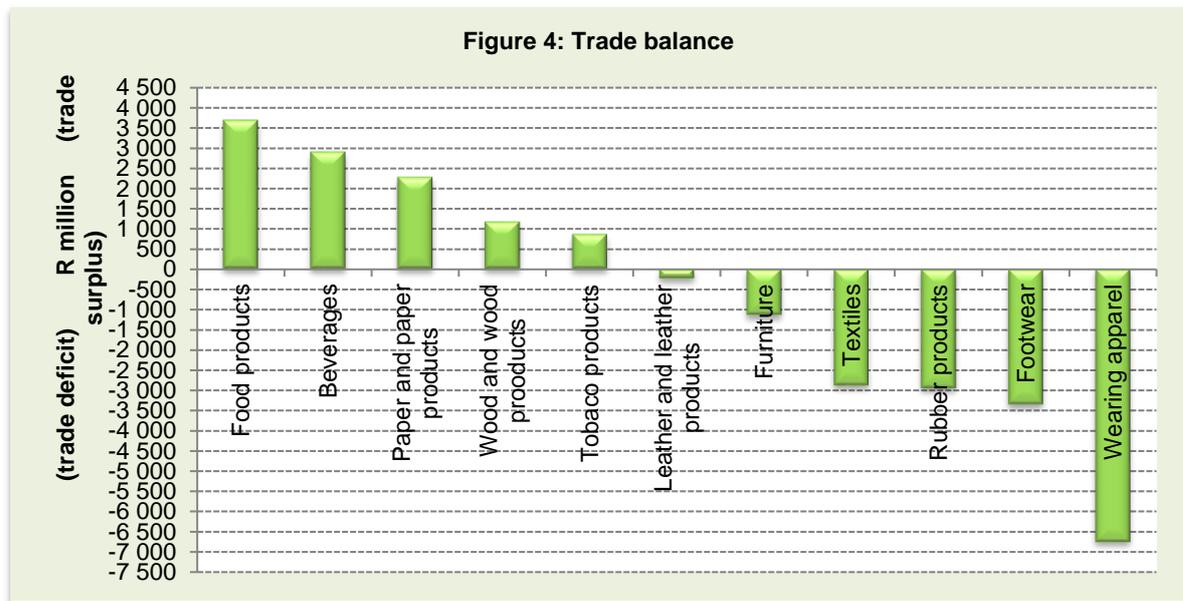
Value of sales



Source: Statistics SA, 2025

Figure 3 above shows the seasonally adjusted value of sales for the agro-processing divisions in 2025: Q2. The seasonally adjusted value of sales for the agro-processing industry rose by 2,2% in 2025: Q2 from a 1,4% growth in 2025: Q1. This represented an increase in nominal value of sales from R292 975,5 million in 2025: Q1 to R299 512,6 million in 2025: Q2. The seasonally adjusted value of sales contracted for the following divisions: wearing apparel (0,2%), rubber products (1,5%) and footwear (3,7%). However, leather and leather products (6.4%), furniture (6,1%) and food products (3,0%) rose, textiles (3,4%) moderated; and wood and wood products (8,6%) decelerated in 2025: Q2.

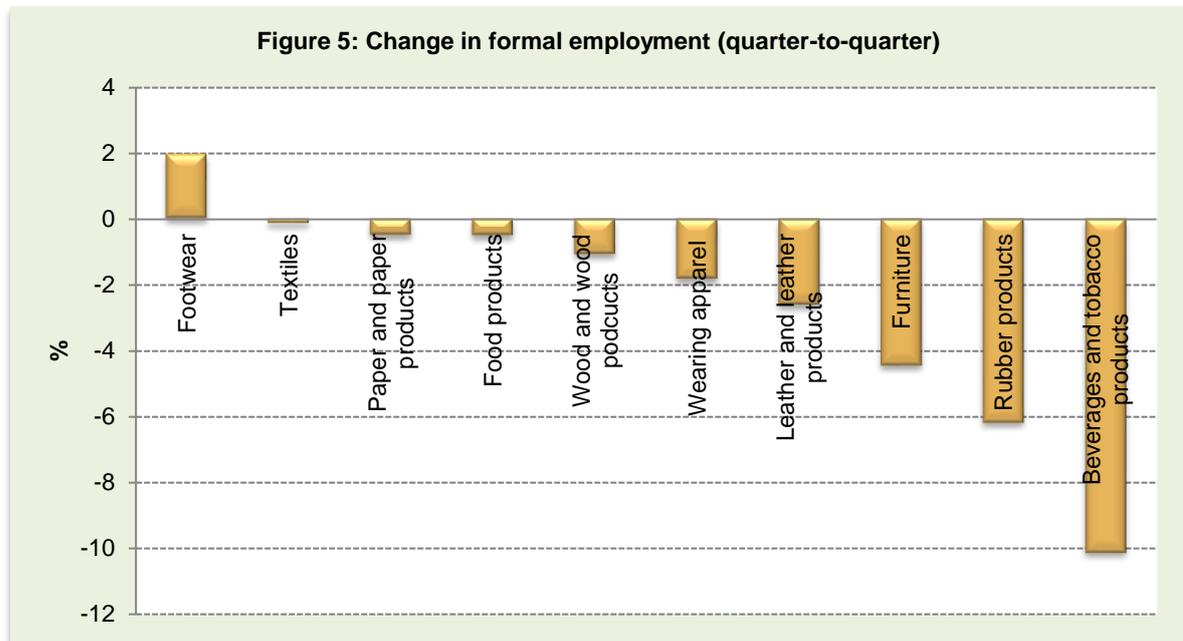
Trade



Source: Quantec, 2025

The trade deficit of the agro-processing industry narrowed from R14 515,9 million in 2025: Q1 to R6 418,3 million in 2025: Q2, which represents a contraction of 55,8% from a 6,6% growth in the last quarter. The divisions that recorded a trade deficit during the period were: wearing apparel (R6 738,6 million), footwear (R3 347,8 million), rubber (R2 947,8 million), textiles (R2 883,1 million) and furniture (R1 136,9 million) and leather and leather products (R237,5 million). However, tobacco (R857,8 million), wood and wood products (R1 173,7 million), paper and paper products (R2 272,5 million), beverages (R2 894,0 million) and food products (R3 675,4 million) divisions registered a positive trade surplus in 2025: Q2 (see Figure 4).

Formal employment



Source: Stats SA, 2025

In 2025: Q2, the agro-processing industry recorded about 465 097 jobs from 474 404 jobs in 2025: Q1, representing 9 307 jobs shed in 2025: Q2. This can be attributed to the contraction in the following divisions: food products (0,5%), wood and wood products (1,1%), furniture (4,5%) and beverages and tobacco products (10,1%) divisions. The wearing apparel (1,8%) and leather and leather products (2,6%) divisions decelerated, textiles (0,1%), paper and paper products (0,5%) and rubber products (6,2%) receded further, while footwear (2,0%) rebounded in 2025: Q2 (see Figure 5).

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