

Quarterly Economic Review of the Food and Beverages Industry in South Africa

October to December 2024

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DIRECTORATE: AGRO-PROCESSING SUPPORT



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PREFACE

The National Development Plan (NDP) identifies the agro-processing industry for its potential to spur economic growth and create sustainable employment. The agriculture and agro industries are postulated as having the latent potential to contribute to inclusive economic growth through forward and backward linkages by providing various opportunities for earning income in the food production, processing, distribution and retailing phases of the agro/food value chain. At policy level, the Medium-Term Strategic Framework (MTSF), **specifically outcome 1: Economic transformation and job creation**, notes the agro-processing industry as a key pillar for inclusive economic growth. At sector level, the Agriculture and Agro-processing Master Plan (AAMP), **specifically pillars 5 and 6**, notes the crucial role the agro-processing industry should play towards mitigating post-harvest losses, providing access to markets for farmers and ensuring household food security. At operational level, the competitive performance of agribusinesses is directly linked to the competitiveness of the industry and sector.

Consequently, the Department of Agriculture, (DoA) established the Directorate: Agro-processing Support within the Branch: Economic Development, Trade and Marketing (EDTM) to develop and facilitate implementation of policies and strategies to enhance competitive performance of agro-processing agribusinesses. Among others, the function of the directorate is to provide timely and updated agro-processing economic and statistical information geared to monitor the performance of the industry and provide insight into the effects of economic policies and exogenous factors. To achieve this purpose, the directorate publishes regular quarterly reviews of the agro-processing industry.

This publication, *“Quarterly Economic Review of Food and Beverages Industry in South Africa: October to December”*, evaluates the performance of the food and beverages divisions during the fourth quarter of 2024. The main economic indicators reviewed are the changes in producer price, production volume, value of sales, capacity utilisation by large enterprises, formal employment and trade balance.

Any comments and suggestions on the content of this publication are welcome.

Directorate: Agro-processing Support.

Disclaimer: The Department of Agriculture did everything to ensure the accuracy of the information reported in this publication. The department will, however, not be liable for the results of actions based on this publication.

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EXECUTIVE SUMMARY

South Africa's economic activity recovered in the fourth quarter of 2024 as real gross domestic product (GDP) expanded by 0,6% following a revised contraction of 0,1% in 2024: Q3. The primary and tertiary sectors' real gross value added (GVA) expanded in 2024: Q4, while the real output of the secondary sector shrank.

In 2024: Q4, the volume of production of the food and beverages division expanded quarter-to-quarter by 8,3% from a 4,9% growth in 2024: Q3. However, volume of production moderated by 5,4% year-on-year. The quarter-to-quarter value of sales in the food and beverages division moderated by 0,6% in 2024: Q4 from a 2,5% growth in 2024: Q3. The value of sales of the food and beverages division, similarly, moderated by 6,6% year-on-year.

The quarter-to-quarter food and beverages exports rose by 5,9% in 2024: Q4 from an unchanged growth in 2024: Q3, similarly imports rose by 12,3% from a growth of 4,5% in 2024: Q3. In terms of year-on-year, exports moderated by 0,2%, while imports expanded by 14,3%. As a result, the trade surplus narrowed from R4 450,7 million in the last quarter to R3 100,1 million in the current quarter under review.

In 2024: Q4, Africa accounted for about 48% share of South African food exports, followed by Europe, Asia and the Americas by 24%, 19% and 7% respectively. Asia accounted for a 48% share of food imports followed by the Americas, Europe and Africa with a share of about 21%, 20% and 9%, respectively.

Europe accounted for approximately 73% share of sources of beverages imports, followed by Africa, the Americas and Asia at 13%, 9% and 4%, respectively, and Africa accounted for a 45% share of beverages imports, followed by Europe, Asia and the Americas at 37%, 9% and 8%, respectively.

The formal employment in the food, beverages and tobacco division rebounded quarter-to-quarter by 0,2% in 2024: Q4 from a contraction of about 1,4% in 2024: Q3. However, year-on-year, employment contracted by 2,2% in 2024: Q4. As a result, the number of formal employment increased to 267 408 in 2024: Q4 from about 266 921 in 2024: Q3. This translates to 487 jobs lost in the division in 2024: Q4.

1. INTRODUCTION

The real GVA by the primary sector increased by 5,4% in 2024: Q4 following a revised decline of 6,9% in 2024: Q3. The real GVA by the agricultural sector expanded following two consecutive quarters of contraction. The real output of the agricultural sector increased significantly by 17,2% in 2024: Q4 contributing the most to overall real GDP by 0,4 percentage points, following a revised contraction of 19,7% in 2024: Q3. The reversal sprung from the increased production of animal products and field crops (SA Reserve Bank, 2025).

This quarterly review provides analysis of the South African food and beverages industry. It mainly looks at the following variables: consumer and producer price index, the utilisation capacity, volume of production, value of sales, employment and trade patterns. Moreover, the wholesale and retail trade sales of food, beverages and tobacco and income from bar sales are also analysed. The review is organised as follows: the first section provides the analysis of the food division. The second section analyses the beverages industry, and lastly, it is the conclusion.

2. FOOD PRODUCTS

According to the Standard Industrial Classification (SIC), the food industry incorporates groups of products that are categorised into the following four codes:

- Code 301: refers to manufacturing, processing and preservation of meat, fish, vegetables, fruits, oils and fats.
- Code 302: refers to manufacturing, processing and preservation of dairy products.
- Code 303: refers to manufacturing of grain mill products, starch products and prepared animal feeds.
- Code 304: refers to manufacturing of other food products like bread, sugar, chocolate, pasta, coffee, nuts and spices.

Hereafter, food products refer to those primary agricultural and fisheries products that have undergone some form of change through manufacturing and processing or performed some value addition activities such as preservation.

2.1 PRICE

Consumer Price Index (CPI)¹

The quarter-to-quarter consumer price index for all items moderated by 0,1% in 2024: Q4, as compared to the last quarter. Similarly, it moderated by 2,8% year-on-year. Items that moderated quarter-to-quarter were food and non-alcoholic beverages (0,7%), fish and other seafood (0,2%), oils and fats (1,9%), and “other food products” (0,1%). Meat (0,5%), fruits and nuts (13,9%) and vegetables (1,8%) rebounded, cereals (0,2%), milk, other dairy products and eggs (0,2%) contracted, sugar, confectionary and desserts (1,5%) stagnated, while food (0,6%) expanded.

In terms of year-on-year, the CPI moderated for food and non-alcoholic beverages (3,0%), food (2,3%), cereal products (4,6%), milk, other dairy products and eggs (2,7%), vegetables (0,2%), sugar, confectionary and desserts (6,8%) and “other food products” (3,2%), fish and other seafood (5,3%), and fruits and nuts (3,1%) rose, oils and fats rebounded (0,5%), while meat remain unchanged as compared to a growth of 1,1% in the previous year (see Table 2.1).

Table 2.1: Consumer Price Index of food products

Food products	Weight	Indices			% Change between	
		2023: Q4	2024: Q3	2024: Q4	2024: Q3 and 2024: Q4	2023: Q4 and 2024: Q4
All items (CPI Headline)	100	97,2	98,1	99,3	0,1	2,8
Food and non-alcoholic beverages	15,4	97,1	97,9	98,6	0,7	3,0
Food	14,2	97,8	98,5	98,9	0,6	2,3
Cereal products	3,5	95,7	96,7	98,1	-0,3	4,6
Meat	4,6	99,6	100,8	99,7	0,5	0,0
Fish and other seafood	0,4	95,3	96,3	97,4	0,2	5,3
Milk, other dairy products and eggs	1,7	97,5	98,1	99,1	-0,2	2,7

¹ Stats SA defines CPI as a current social and economic indicator that is constructed to measure changes over time in the general level of prices of consumer goods and services that households acquire, use, or pay for.

Oils and fats	0,5	99,2	98,7	97,5	1,9	0,5
Fruits and nuts	0,2	92,9	94,7	86,9	13,9	3,1
Vegetables	1,6	101,5	99,1	101,8	1,8	0,2
Sugar, confectionery and desserts	0,6	93,5	95,1	97,1	1,4	6,8
Other food	0,9	96,9	98,5	99,3	0,1	3,2

Source: (Stats SA, 2025)

Producer Price Index (PPI)²

In 2024: Q4, the quarter-to-quarter producer price index of final manufactured goods decelerated by 0,9% from a 0,7% contract in the last quarter. Most items moderated during the period under review and those were: food products (0,8%), fruits and vegetables (1,1%), oils and fats (0,5%) and “other food products” (0,9%). The dairy products (1,0%), grain mill products (0,6%) and bakery products (0,2%) contracted, meat and meat products (2,5%) and sugar (3,4%) rebounded, while fish and fish products (2,5%) and starch and starch products and animal feeds (1,5%) expanded during the under review.

The year-on-year PPI of final manufactured goods remained unchanged in the period under review as compared to a growth of 2,7% in the last year. Most items expanded year-on-year during the period under review, and those were: food products (4,0%), fish and fish products (8,5%), dairy products (3,6%), “other food products” (4,7%) and bakery products (5,5%). The fruits and vegetables (9,8%) and grain mill products (4,8%) moderated, starch and starch products and animal feeds (2,9%) rebounded, meat and meat products (0,4%) contracted, while oils and fats (4,3%) and sugar (5,2%) receded further as shown in Table 2.2.

² OECD defines the Producer Price Index (PPI) as a measure of the change in the prices of goods either as they leave their place of production or as they enter the production process. The PPI can be used as an economic indicator of inflation, as an escalator in contracts and as a deflator in the calculation of the national accounts.

Table 2.2: Producer Price Index of food products

Food products	Weight	indices			% Change between	
		2023: Q4	2024: Q3	2024: Q4	2024: Q3 and 2024: Q4	2023: Q4 and 2024: Q4
Final manufactured goods (Headline PPI)	100,0	96,0	98,9	100,6	0,9	0,0
Food products	26,3	100,1	103,2	104,1	0,8	4,0
Meat and meat products	4,5	98,4	95,6	98,0	2,5	-0,4
Fish and fish products	1,6	99,7	105,6	108,2	2,5	8,5
Fruits and vegetables	2,4	99,6	108,1	109,4	1,1	9,8
Oils and fats	0,5	106,2	101,1	101,7	0,5	-4,3
Dairy products	3,3	99,4	104,0	103,0	-1,0	3,6
Grain mill products	1,8	100,1	105,5	104,9	-0,6	4,8
Starch and starch products, animal feeds	1,6	100,2	101,5	103,1	1,5	2,9
Other food products	0,9	100,2	104,0	104,9	0,9	4,7
Bakery products	6,9	99,9	105,7	105,4	-0,2	5,5
Sugar	1,9	101,7	93,2	96,4	3,4	-5,2

Source: Stats SA (2025)

Import Unit Value Index³

Table 2.3 presents the import unit value index of selected food products during 2024: Q4. The quarter-to-quarter import unit value for food products rebounded by 1,2%, however, it moderated by 1,7% year-on-year. Fats and oils rebounded by 10,9% quarter-to-quarter, however, it rose by 17,0% year-on-year. Grain mill products decelerated by 5,2% quarter-to-quarter, however, it contracted by 5,8% year-on-year in 2024: Q4

³ IMF defines export and import unit value index as a measure the overall change in the prices of transactions in goods and services between the residents of an economic territory and residents of the rest of the world. The average unit value is obtained by dividing the value of exported/imported goods in monetary terms with the respective volume/weight of the goods.

Table 2.3 presents the import unit value index of selected food products during 2024: Q4.

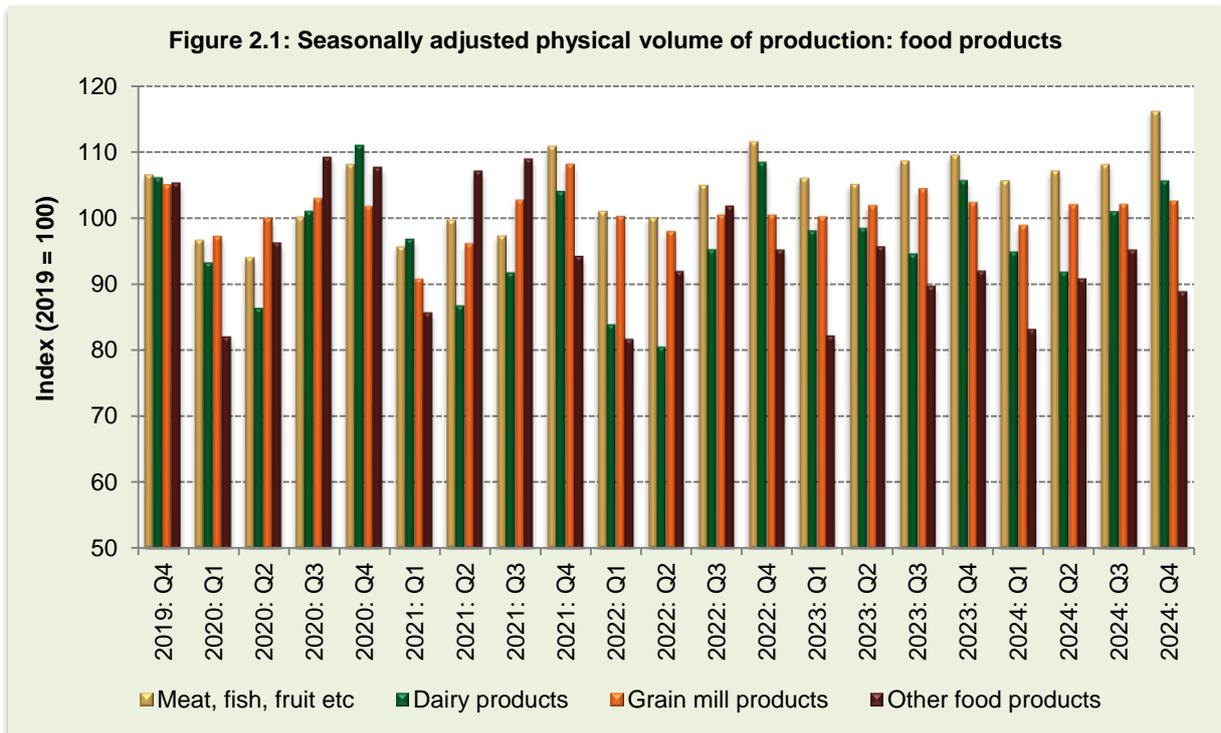
Food products	Indices			% Change between	
	2022: Q4	2023: Q3	2023: Q4	2022: Q4 and 2023: Q4	2023: Q3 and 2023: Q4
Food (total)	96,3	96,8	98,0	1,2	1,7
Fats and oils	79,8	84,2	93,4	10,9	17,0
Grain mill products	109,8	109,0	103,4	-5,2	-5,8

Source: Stats SA (2025)

2.2 PRODUCTION

Figure 2.1 presents the seasonally adjusted physical volume of production for the food products division in 2024: Q4. In 2024: Q4, the quarter-to-quarter seasonally adjusted volume of production for meat, fish and fruit and grain mill products rose by 7,5% and 0,5% from a growth of 0,9% and 0,1% in the last quarter, respectively, dairy products moderated by 4,6% from a 9,9% growth in the last quarter and “other food products” contracted by 6,6% from a 4,8% growth in the previous quarter.

In terms of the year-on-year, meat, fish, fruit, etc., and grain mill products rebounded by 6,1% and 0,2%, respectively, dairy products and “other food products” contracted by 0,1% and 3,4%, respectively, in 2024: Q4.



Source: Statistics SA (2025)

Production capacity

Table 2.4: Utilisation and reasons for underutilisation of production capacity by large enterprises: Food products (percentage)

Period	Utilisation	Reasons for underutilisation					
		Total under-utilisation	Shortage of			Insufficient demand	Other
			Raw materials	Labour			
				Skilled	Semi- and unskilled		
2022: Q4	82,4	17,6	2,0	1,2	0,2	8,8	5,5
2023: Q3	83,3	16,7	1,3	1,2	0,2	10,4	3,6
2023: Q4	82,5	17,5	1,6	1,0	0,2	10,7	4,2

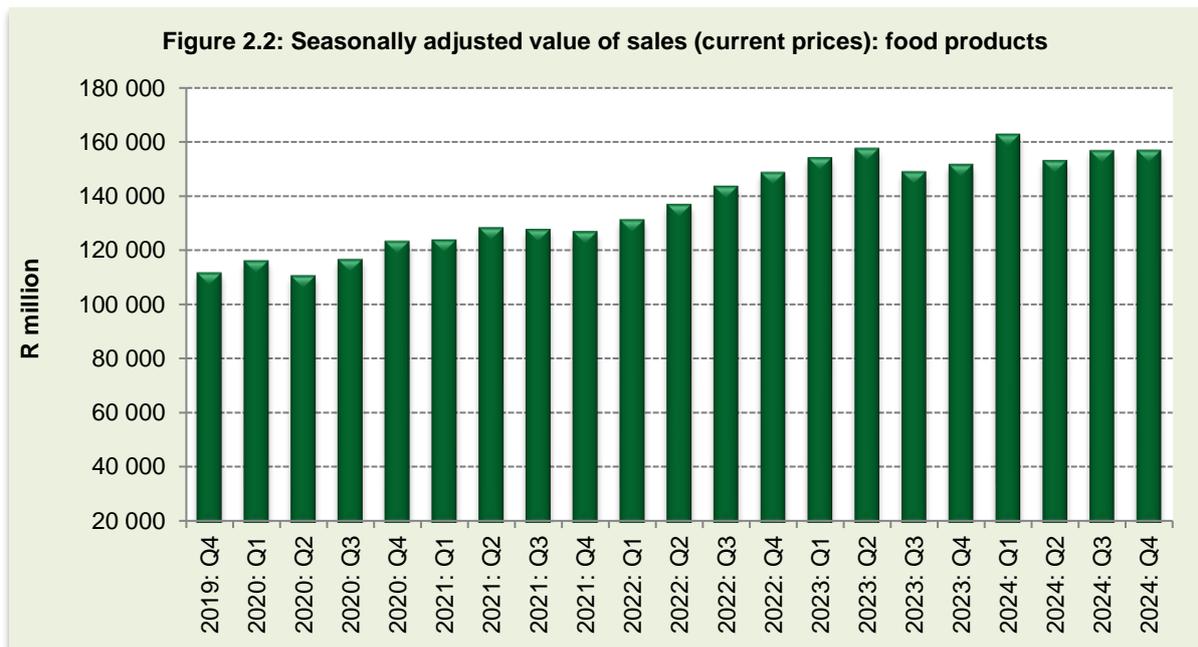
Source: Statistics SA (2025)

As Table 2.4 shows, the utilisation of production capacity by large enterprises of the food products division decreased quarter-to-quarter, however, it increased slightly year-on-year. The quarter-to-quarter decrease of 0,8% percentage points. Insufficient demand remained the

main reason for underutilisation in 2024: Q4, followed by other reasons such as seasonal factors.

2.3 VALUE OF SALES

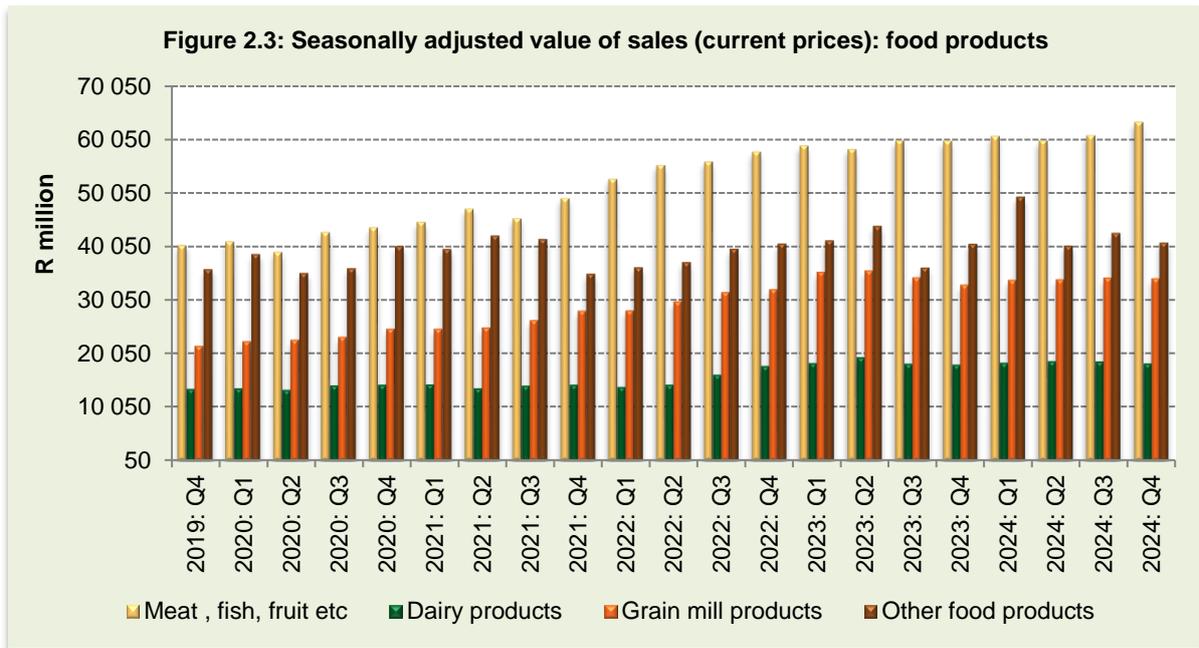
In 2024: Q4, the quarter-to-quarter value of sales of food products moderated by 0,1% as compared to a 2,4% growth in the last quarter. Similarly, the value of sales moderated year-on-year by 3,4% as illustrated in Figure 2.2.



Source: Statistics SA (2025)

Figure 2.3 shows the seasonally adjusted value of sales for the food products. In 2024: Q4, the quarter-to-quarter value of sales for meat, fish and fruit expanded by 4,2% as compared to a growth of 1,5% in the last quarter. Dairy products, however, decelerated by 2,3% from a contraction of 0,1% in the preceding quarter, while grain mill products and “other food products” sales contracted by 0,5% and 4,2% from a 0,9% and 6,0% growth in the preceding quarter respectively.

In terms of year-on-year, the seasonally adjusted value of sales for meat, fish and fruit, rose by 5,9%, dairy products and “other food products” moderated by 1,3% and 0,5%, respectively, and grain mill products rebounded by 3,6% in 2024: Q4.



Source: Statistics SA (2025)

Wholesale and retail sales⁴

In 2024: Q4, the quarter-to-quarter wholesale trade sales and retail sales of the food, beverages and tobacco divisions expanded by 12,1% and 21,9% as compared to a growth of 4,4% and 1,5% in the last quarter, respectively. The wholesale trade sales and retail trade sales expanded by 9,5% and 4,3% year-on-year, respectively. As a result, the wholesale trade sales increased to R144 273 million in 2024: Q4 from R128 746 million in 2024: Q3. The retail trade sales similarly increased to R34 274 million in 2024: Q4 from R28 110 million in 2024: Q3 as shown in Figure 2.4.

⁴ Statistics South Africa (Stats SA) conducts a monthly survey covering enterprises in the wholesale and retail trade industry. The results of the monthly wholesale and retail trade sales survey are used to compile estimates of the gross domestic product (GDP) and its components, which are used in monitoring the state of the economy and formulation of economic policy. These statistics are also used in the analysis of comparative business and industry performance.

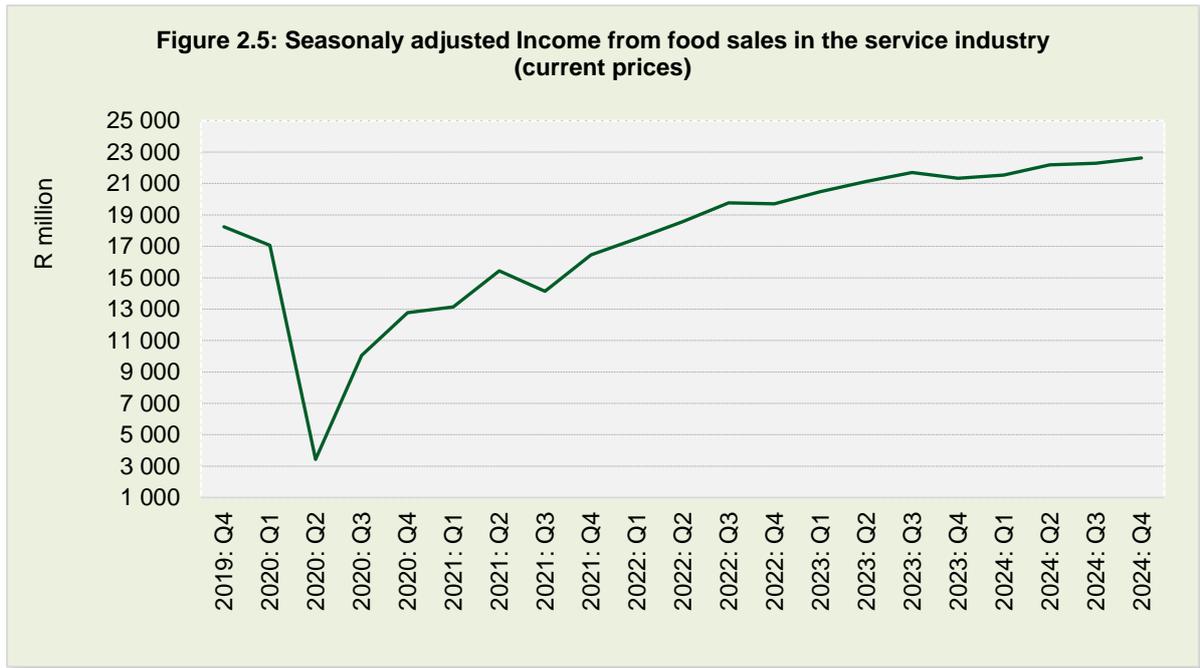


Source: Statistics SA (2025)

2.4 INCOME FROM FOOD SALES IN THE SERVICE INDUSTRY⁵

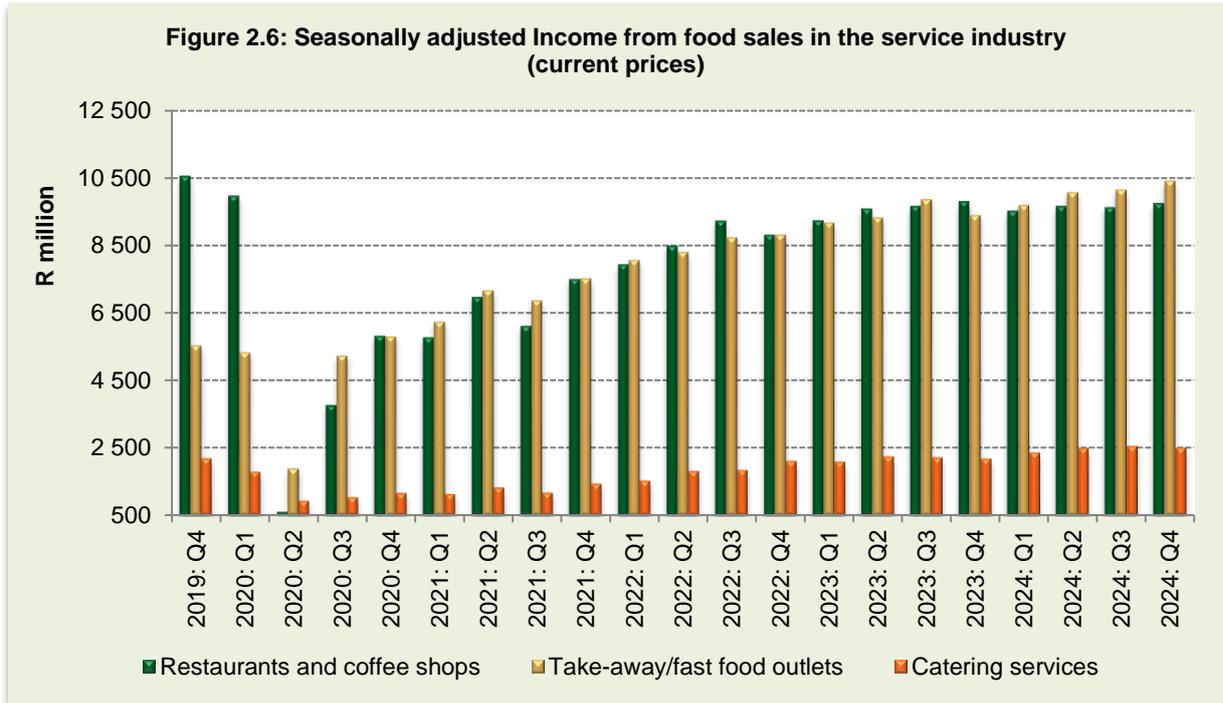
Figure 2.5 below shows the income from food sales in the service industry, which includes food sales in restaurants and coffee shops, take-away/fast food outlets and catering services. The seasonally adjusted total income from food sales in the service industry rose by 1,5% quarter-to-quarter in 2024: Q4 as compared to a 0,4% growth in 2024: Q3. Similarly, the total income from food sales rose by 6,0% year-on-year. As a result, the income from food sales increased to R22 628,1 million in 2024: Q4 from R22 286,9 million in 2024: Q3.

⁵ 5 Income from food sales in the service industry refers to income from the sale of meals and non-alcoholic drinks.



Source: Statistics SA (2025)

Figure 2.6 shows the income from food sales in the service industry. In 2024: Q4, the quarter-to-quarter income from food sales in the restaurants and coffee shops rebounded by 1,3% from a 0,4% contraction in the previous quarter, takeaways/fast food outlets rose by 2,6% from a 0,8% growth in the last quarter and catering services contracted by 1,9% from a 2,1% growth in the previous quarter. In terms of year-on-year, restaurants and coffee shops decelerated by 0,5%, takeaway/fast food outlets and catering services rose by 10,9% and 14,9 %, respectively, in 2023: Q4.

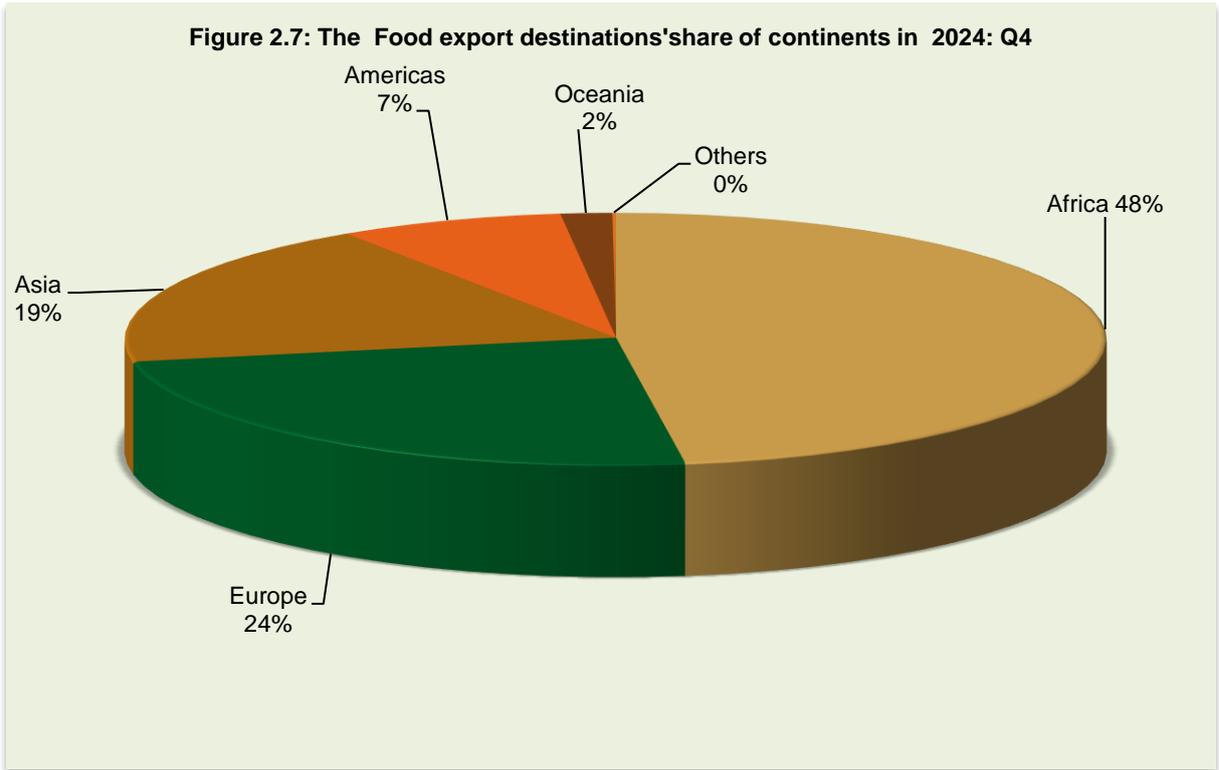


Source: Statistics SA (2025)

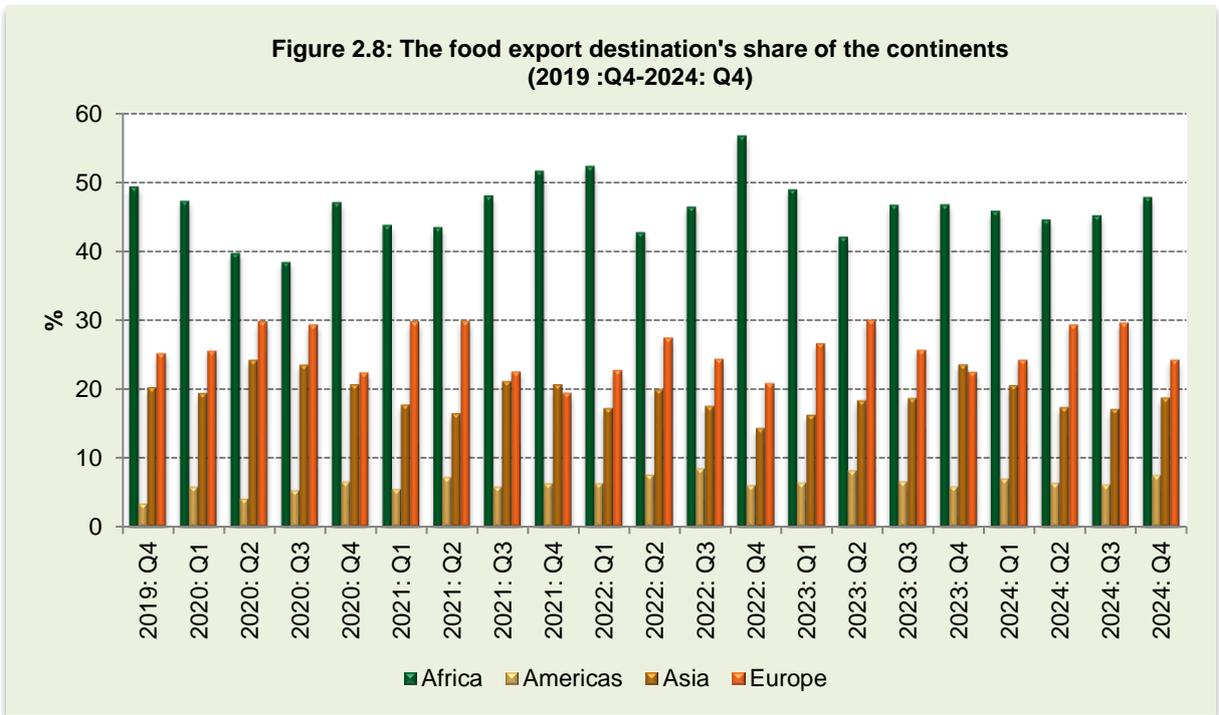
2.5 TRADE

Main food export destinations and products

Figure 2.7 shows food export destinations' share of the continents. Africa accounted for the highest share of South African food exports in 2024: Q4. Africa accounted for about 48% share of South African food exports, followed by Europe with 24%. Asia and the Americas have a share of 19% and 7%, respectively. Oceania had the least share of approximately 2%. Figure 2.8 shows that, for the past five years, Africa accounted for the largest share of food export destination in the world.



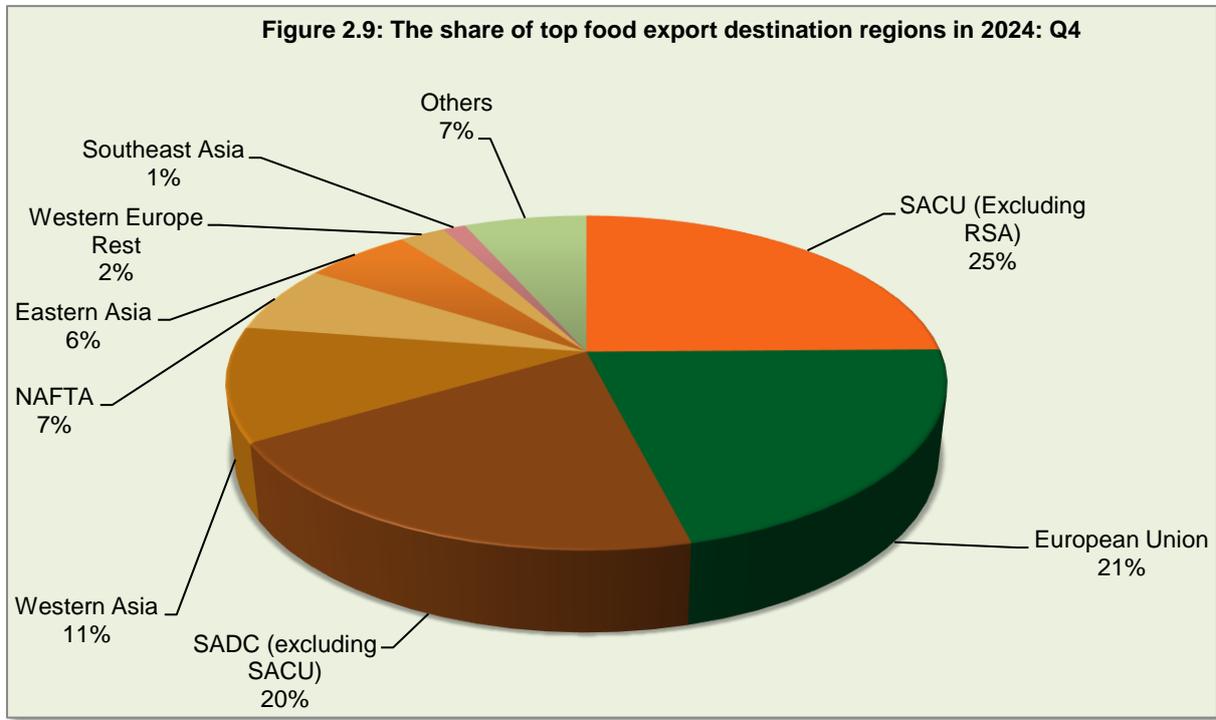
Source: Quantec (2025)



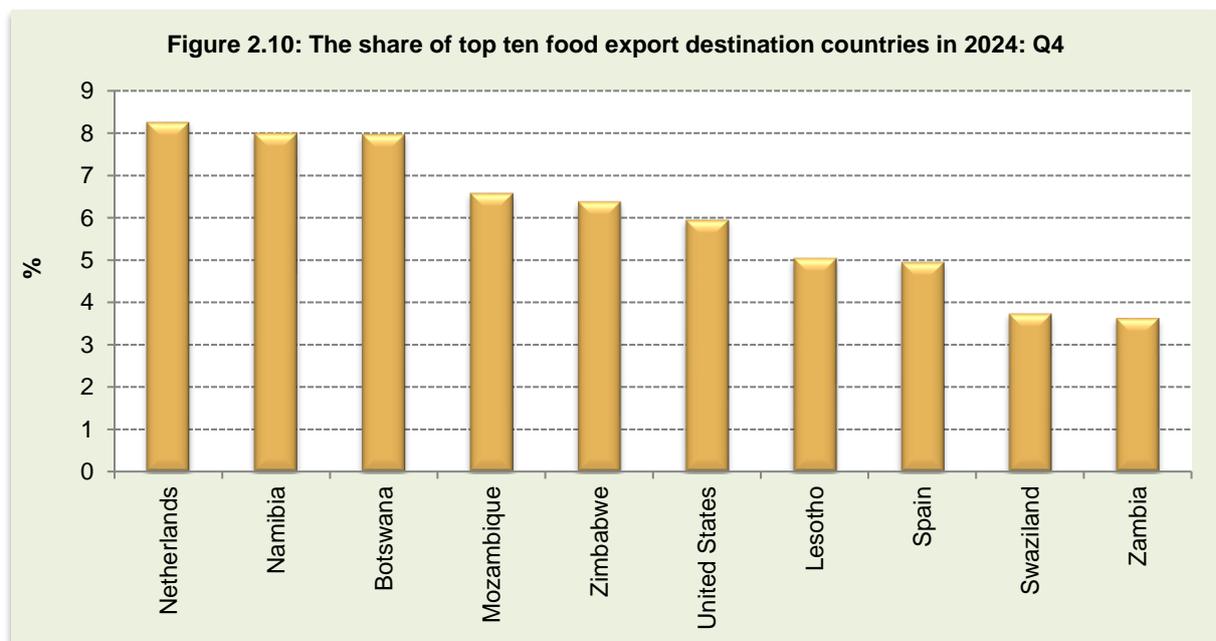
Source: Quantec (2025)

Figure 2.9 shows the food export destinations' share of the main regions in 2024: Q4. Among the main regions, SACU (excluding RSA) accounted for the highest share of South African

food exports by 25%, followed by the European Union (21%), SADC (excluding SACU) (20%), Western Asia (11%), NAFTA (7%), Eastern Asia (6%), Western Europe rest (2%) and Southeast Asia (1%).



Source: Quantec (2025)



Source: Quantec (2025)

Figure 2.10 shows the top ten food export destinations by countries in 2024: Q4. The top ten countries with a high share of South African food exports were: the Netherlands (8,3%), Namibia (8,0%), Botswana (8,0%), Mozambique (6,6%), Zimbabwe (6,4%), the United States of America (5,9%), Lesotho (5,1%), Spain (4,9%), Swaziland (3,7%) and Zambia (3,6%).

Table 2.5 presents the major exports of food products during 2024: Q4 and their year-on-year percentage change in the food category. The leading South African exports of food products were maize (excluding seed for sowing) (HS100590), food preparations, n.e.s. (HS210690) and raw cane sugar (HS170114) with an export value of R4 177,47 million, R1 057,51 million and R893,12 million, respectively, in 2024: Q4.

Table 2.5: Major exported food products 2024: Q4

HS code	Product description	Export value R_million	Year-on-year-change %
100590	Maize (excl. seed for sowing)	4 177,47	16,42
210690	Food preparations, n.e.s.	1 057,51	10,77
170114	Raw cane sugar, in solid form, not containing added flavouring or colouring matter (excl. cane sugar of 170113)	893,12	-62,32
210390	Preparations for sauces and prepared sauces; mixed condiments and seasonings (excl. soya sauce, tomato ketchup and other tomato sauces, mustard, and mustard flour and meal)	822,77	-1,27
110313	Groats and meal of maize "corn"	809,78	-26,45
230990	Preparations of a kind used in animal feeding (excl. dog or cat food put up for retail sale)	803,94	9,19
170199	Cane or beet sugar and chemically pure sucrose, in solid form (excl. cane and beet sugar containing added flavouring or colouring and raw sugar)	624,51	-15,32
200919	Orange juice, unfermented, whether or not containing added sugar or other sweetening matter	508,68	52,69

	(excl. containing spirit, frozen, and of a Brix value <= 20 at 20°C)		
230400	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil	504,85	82,27
100199	Wheat and meslin (excl. seed for sowing, and durum wheat)	476,93	-11,78

Source: Quantec (2025)

Table 2.6 shows the major imports of food products during 2024: Q4 and their percentage change in the food category. The leading imports of food products were semi-milled or wholly milled rice, whether or not polished or glazed (HS100630), palm oil and its fractions, whether or not refined (excl. chemically modified and crude) (HS151190) and raw cane sugar, in solid form, not containing added flavouring or colouring matter, obtained without centrifugation, with a sucrose content of 69° to 93°, containing only natural anhydral microcrystals (see subheading note 2) (HS170113) with export values of R3 132,10 million, R2 860,09 million and R1 063,20 million, respectively, in 2024: Q4.

Table 2.6: Major imported food products in 2024: Q4

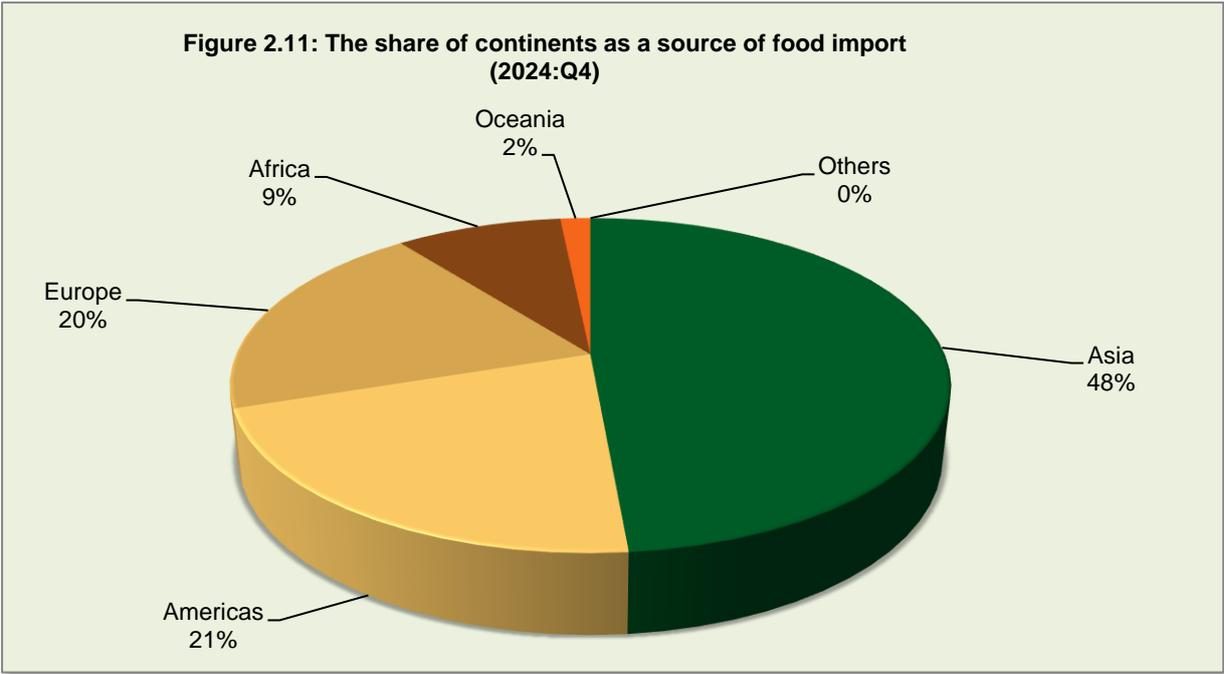
HS code	Product description	Export value R million	Year-on-year-change %
100630	Semi-milled or wholly milled rice, whether or not polished or glazed	3 132,10	-19,19
151190	Palm oil and its fractions, whether or not refined (excl. chemically modified and crude)	2 860,09	41,78
170113	Raw cane sugar, in solid form, not containing added flavouring or colouring matter, obtained without centrifugation, with a sucrose content of 69° to 93°, containing only natural anhydral microcrystals (see subheading note 2.)	1 063,20	15,20
210690	Food preparations, n.e.s.	1 055,07	31,70
100590	Maize (excl. seed for sowing)	1 020,04	34664,24
151211	Crude oil	1 010,30	-11,61

200979	Apple juice, unfermented, Brix value > 20 at 20°C, whether or not containing added sugar or other sweetening matter (excl. containing spirit)	896,02	378,52
100199	Wheat and meslin (excl. seed for sowing, and durum wheat)	732,13	-63,09
230990	Preparations of a kind used in animal feeding (excl. dog or cat food put up for retail sale)	680,88	30,74
230400	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil	559,25	1 078,11

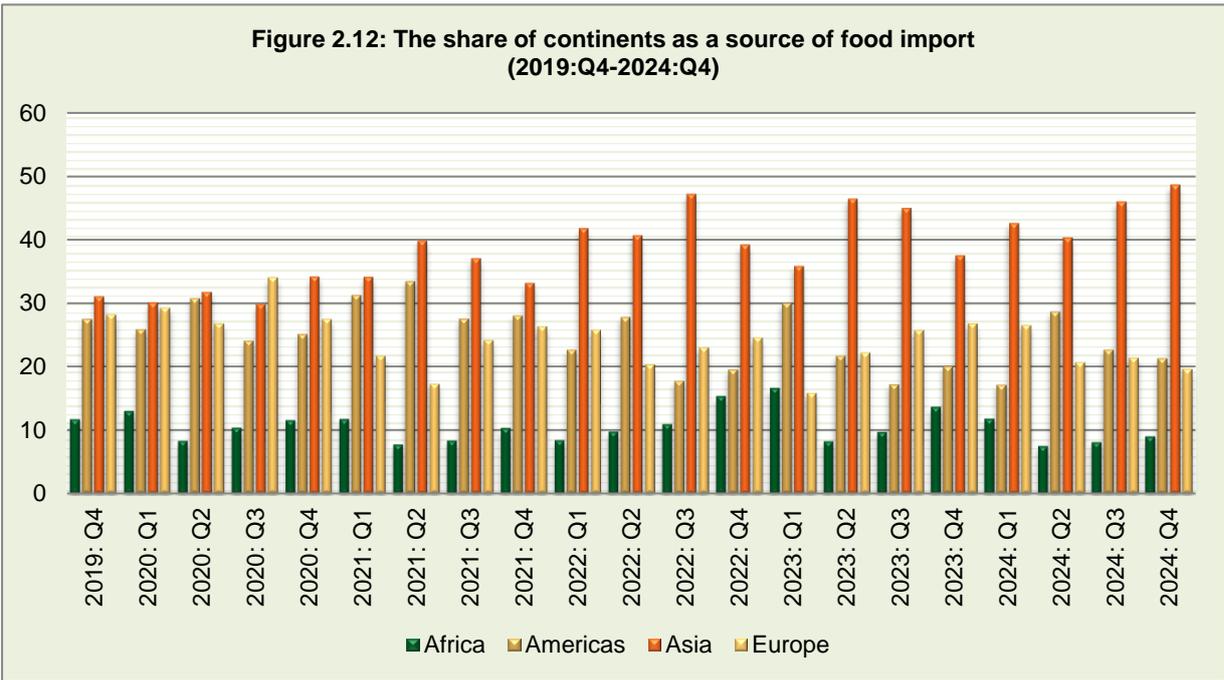
Source: Quantec (2025)

Main source of imported food products

South Africa's main source of food imports during 2024: Q4 is presented in Figure 2.11. Asia accounted for a 48% share of food imports in 2024: Q4, followed by the Americas with a share of about 21%, then Europe and Africa with a 20% and 9% share, respectively. Oceania accounted for the least of South African food imports at around 2%. Figure 2.12 below shows that, for the past five years, Asia and the Americas accounted for the larger share of South African food imports.



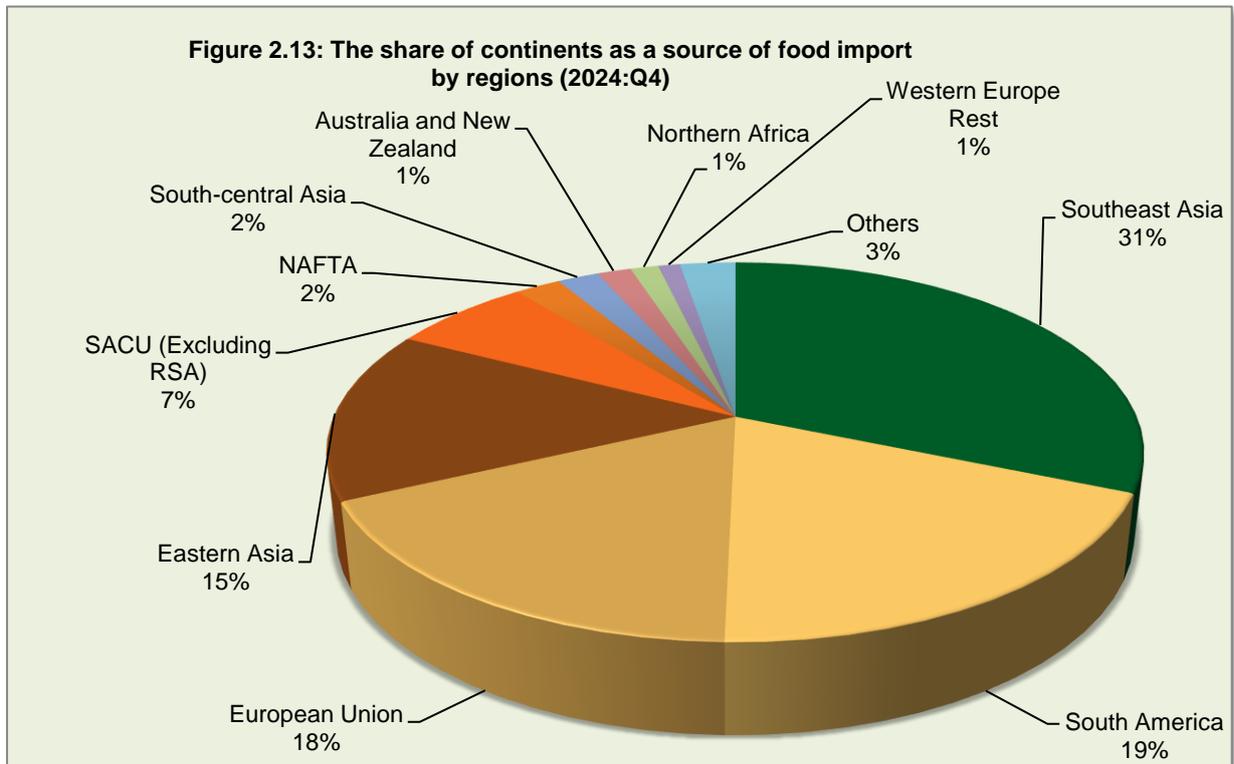
Source: Quantec (2025)



Source: Quantec (2025)

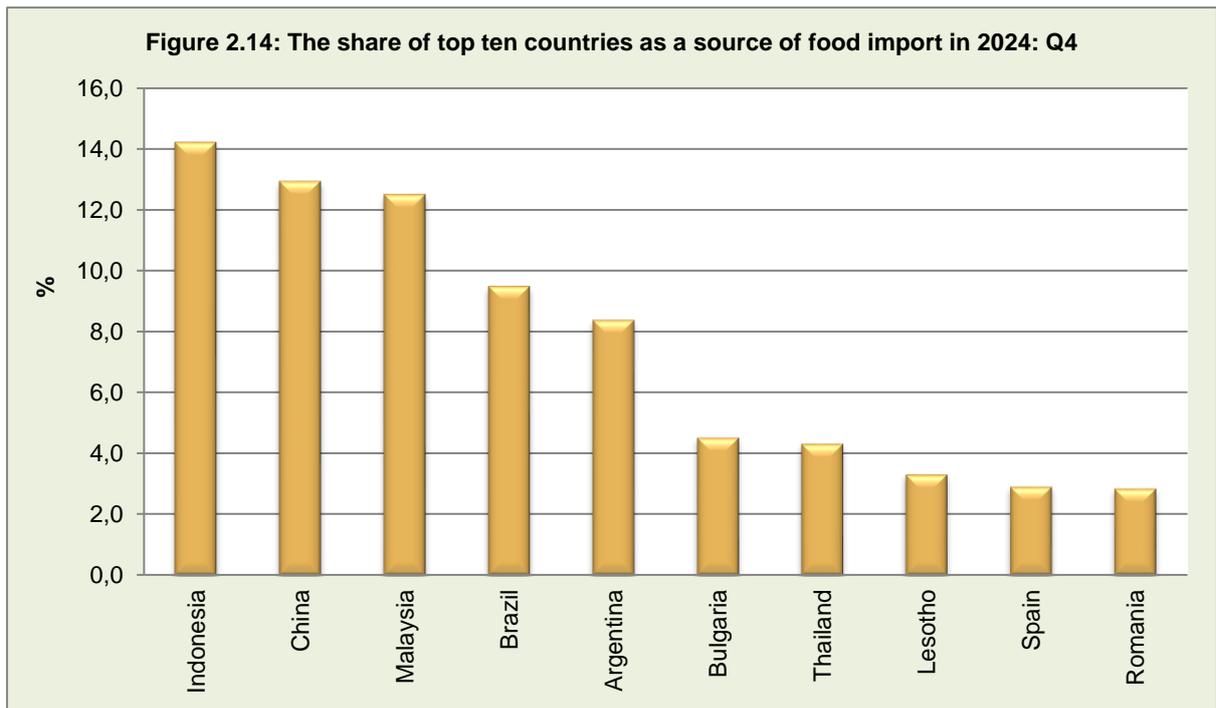
Amongst the trading regions, Southeast Asia accounted for an approximate 31% share of South African food imports, followed by South America (19%), the European Union (18%), Eastern Asia (15%), SACU (excluding SA) (7%), South-central Asia (2%), Australia and New

Zealand (1%), Northern Africa (1%) and Western Europe rest (1%) as presented in Figure 2.13.

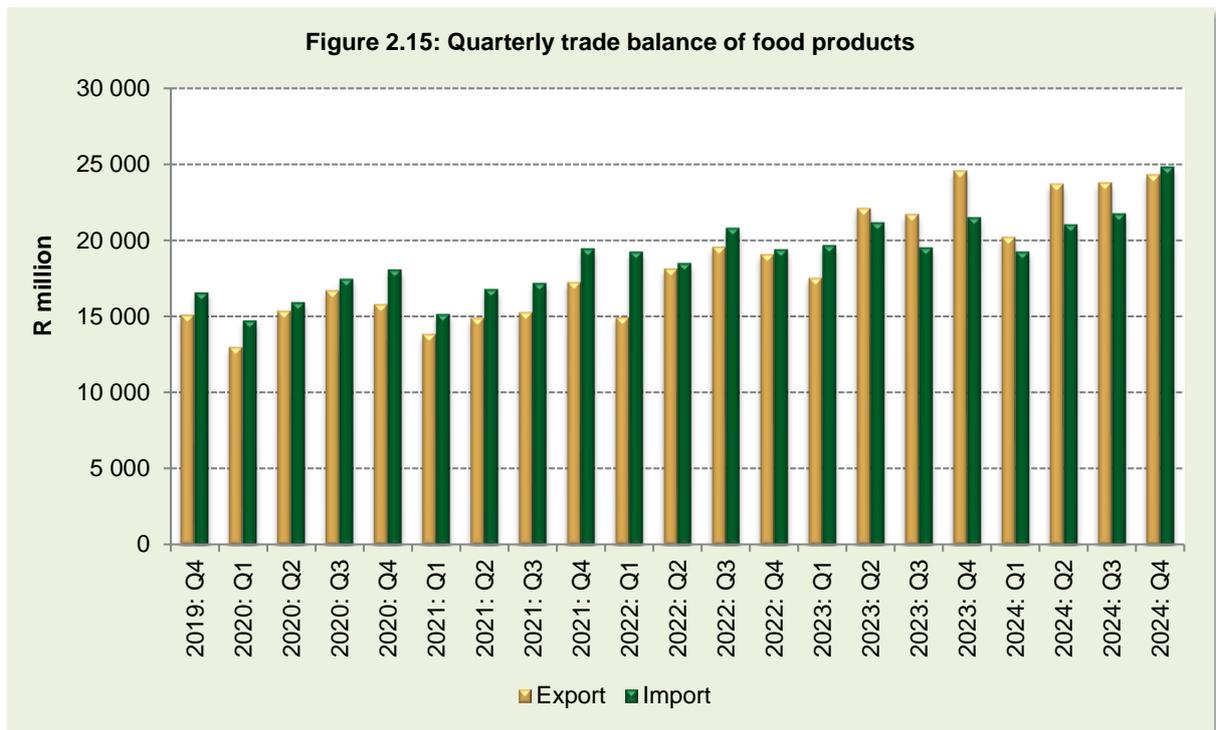


Source: Quantec (2025)

Figure 2.14 shows the top ten countries as a source of South African food imports in 2024: Q4. South Africa's imported food products mainly come from Indonesia (14,2%), China (12,9%), Malaysia (12,5%), Brazil (9,5%), (5,3%), Argentina (8,4%), Bulgaria (4,5%), Thailand (4,3%), Lesotho (3,3%), Spain (2,9%) and Romania (2,8%).



Source: Quantec (2025)

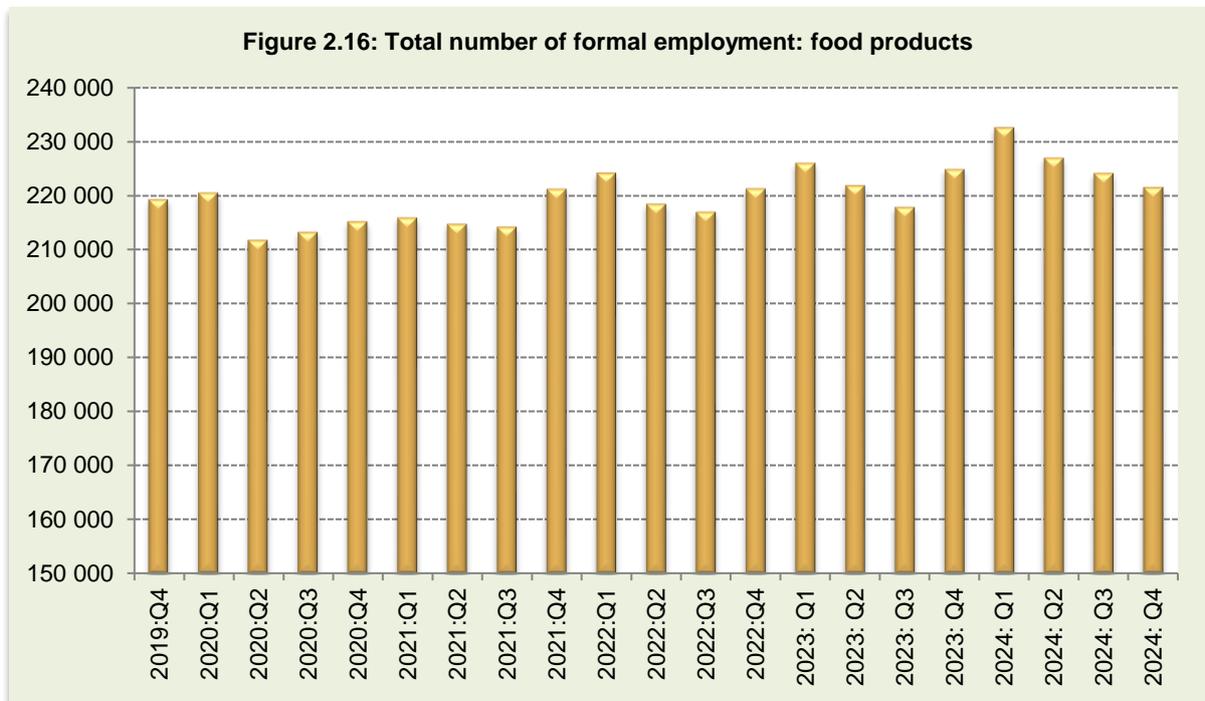


Source: Quantec (2025)

Figure 2.15 shows the quarterly trade balance of food products in 2024: Q4. In 2024: Q4, the quarter-to-quarter food exports and imports rose by 2,2% and 14,1% from a 0,4% and 3,5% contraction, respectively, in 2024: Q3.

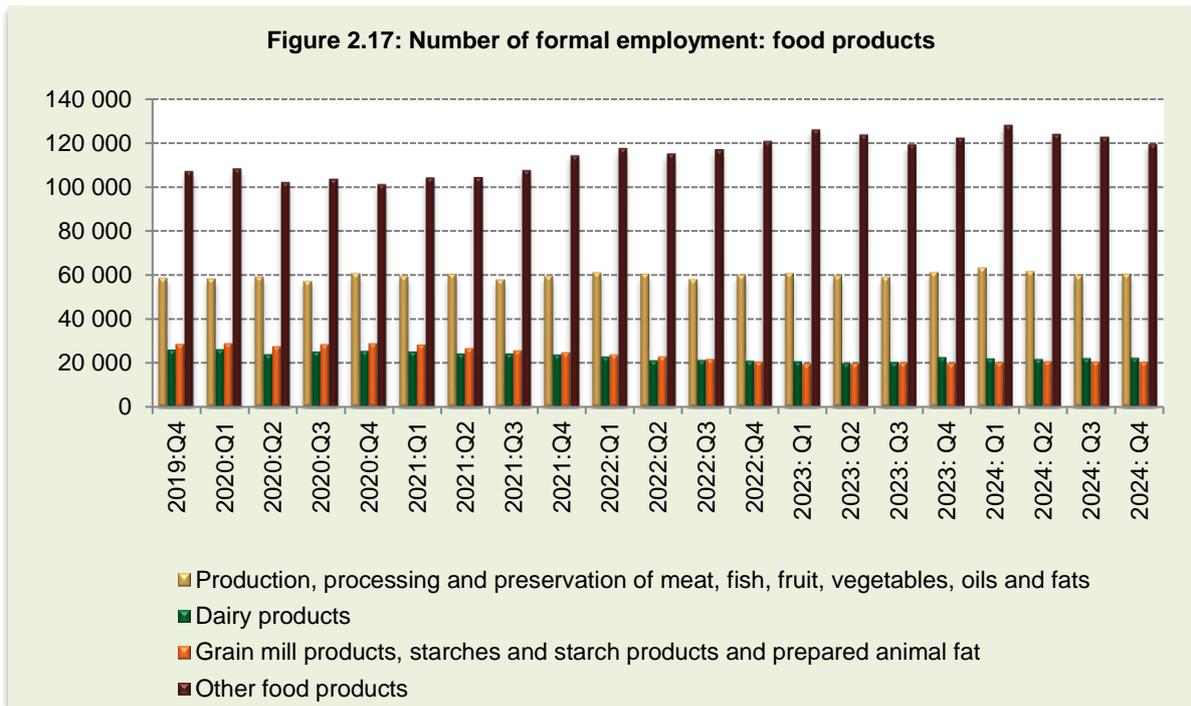
In terms of year-on-year, food exports contracted by 1,0%, while food imports rose by 15,5%. As a result, a trade deficit of R512,5 million was recorded in 2024: Q4 from a trade surplus of about R2 036,7 million in 2024: Q3.

2.6 EMPLOYMENT



Source: Statistics SA (2025)

Figure 2.16 shows formal employments in the food products division. In 2024: Q4, the quarter-to-quarter formal employment in the food products division receded further by 1,1% as compared to a contraction of 1,3% in 2024: Q3. However, employment contracted by 1,5% year-on-year. As a result, 2 569 jobs were shed in 2024: Q4.



Source: Statistics SA (2025)

Figure 2.17 shows formal employment in the food products divisions in 2024: Q4. In 2024: Q4, the quarter-to-quarter employment in the meat, fish and fruits and vegetables, etc. rebounded by 1,0% from a 2,9% contraction in the last quarter, dairy products moderated by 1,0% from a growth of 1,6% in the last quarter, grain mill products and “other food products” decelerated by 0,7% and 2,7% from a 0,5% and 1,1% contraction, respectively, in the last quarter.

In terms of year-on-year, the employment in the meat, fish and fruits and vegetables, etc., dairy products and “other food products” contracted by 1,2%, 1,1% and 2,3%, respectively, while grain mill products expanded by 2,6%.

BEVERAGES

Beverages, according to the SIC, is code 305 and comprises of the following beverage products:

- Distilling, rectifying and blending of spirits; ethyl alcohol production from fermented materials;
- Manufacture of wine;
- Manufacture of beer and other malt liquors and malt;
- Breweries, except sorghum beer breweries;
- Sorghum beer breweries;
- Manufacture of malt; and
- Manufacture of soft drinks; production of mineral waters.

2.4 PRICE

Table 3.1 below shows the consumer price indices, producer price indices and export unit value of the beverages division in 2024: Q4. The quarter-to-quarter consumer price index moderated for alcoholic beverages (0,4%), wine (0,3%), beer (0,3%), non-alcoholic beverages (1,6%), hot beverages (2,6%) and cold beverages (1,0%). However, spirits and liqueurs (1,1%) expanded in the period under review. The beverages ppi rose by 0,8% from a stagnant growth in the last quarter, however, remained unchanged by 4,2% year-on-year. The quarter to-quarter export unit value of beverages division rose by 0,8% from a 0,6% growth in the last quarter, however rebounded by 2,2% year-on-year.

The year-on-year producer price index moderated for wine (3,5%), beer (4,0%), non-alcoholic beverages (9,0%) and hot beverages (13,5%). Spirits and liqueurs (5,1%) and cold beverages (6,1%) expanded, while alcoholic beverages stagnated at 1,4% in 2024: Q4.

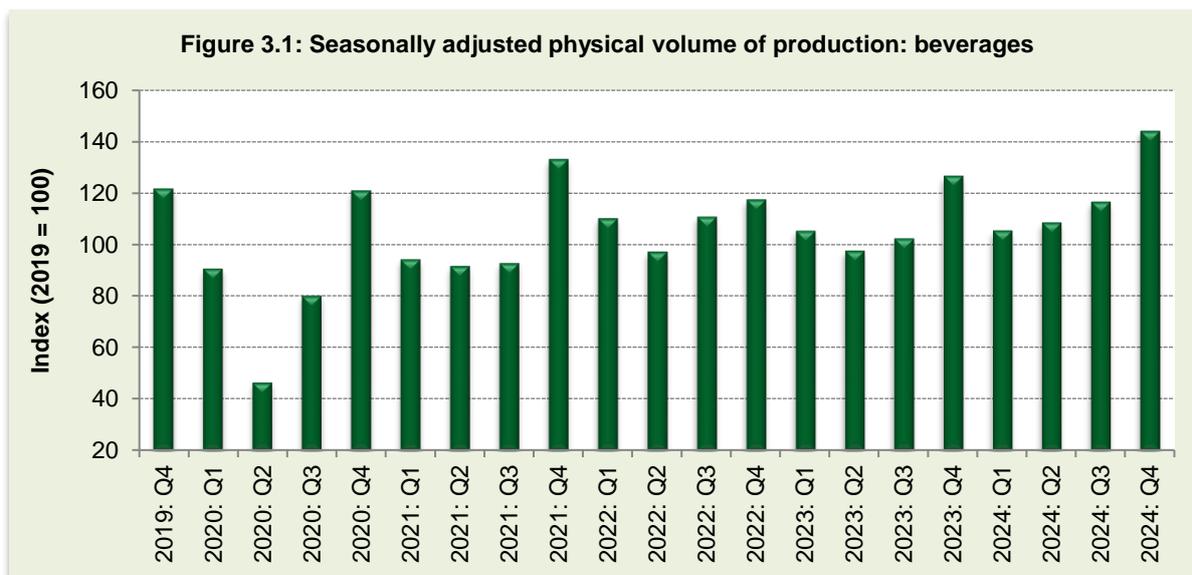
Table 3.1: Price indices of beverages

Beverage products	Weight	Indices			% Change between	
		2023: Q4	2024: Q3	2024: Q4	2024: Q3 and 2024: Q4	2023: Q4 and 2024: Q4
		Consumer price indices				
All items (CPI Headline)	100	97,2	98,1	99,3	0,1	2,8
Alcoholic beverages	3,9	96,1	99,7	100,1	5,4	0,4
Spirits and liqueurs	0,8	95,3	99,0	100,1	5,9	-0,3
Wine	0,7	96,4	99,5	99,8	7,3	0,5
Beer	2,5	96,4	99,9	100,2	4,3	0,7
Non-alcoholic beverages	1,2	91,9	98,5	100,1	8,5	2,4
Hot beverages	0,3	87,9	97,2	99,7	10,6	5,5
Cold beverages	0,9	94,6	99,4	100,3	7,2	0,5
		Producer price index				
Beverages	8,5	100,0	103,3	104,2	0,8	4,2
		Export unit value				
Beverages	135,2	97,0	98,3	99,1	0,8	2,2

Source: Stats SA (2025)

2.5 PRODUCTION

Figure 3.1 presents the seasonally adjusted physical volume of production for the beverages division in 2024: Q4. The quarter-to-quarter seasonally adjusted physical volume of production for the beverages division expanded by 23,6% from a 7,4% contraction in 2024: Q3. Conversely, the year-on-year seasonally adjusted physical volume of production for the beverages division moderated by 13,7% in 2024: Q4.



Source: Statistics SA (2025)

Production capacity

Table 3.2: Utilisation and reasons for underutilisation of production capacity by large enterprises: Beverages division (percentage)

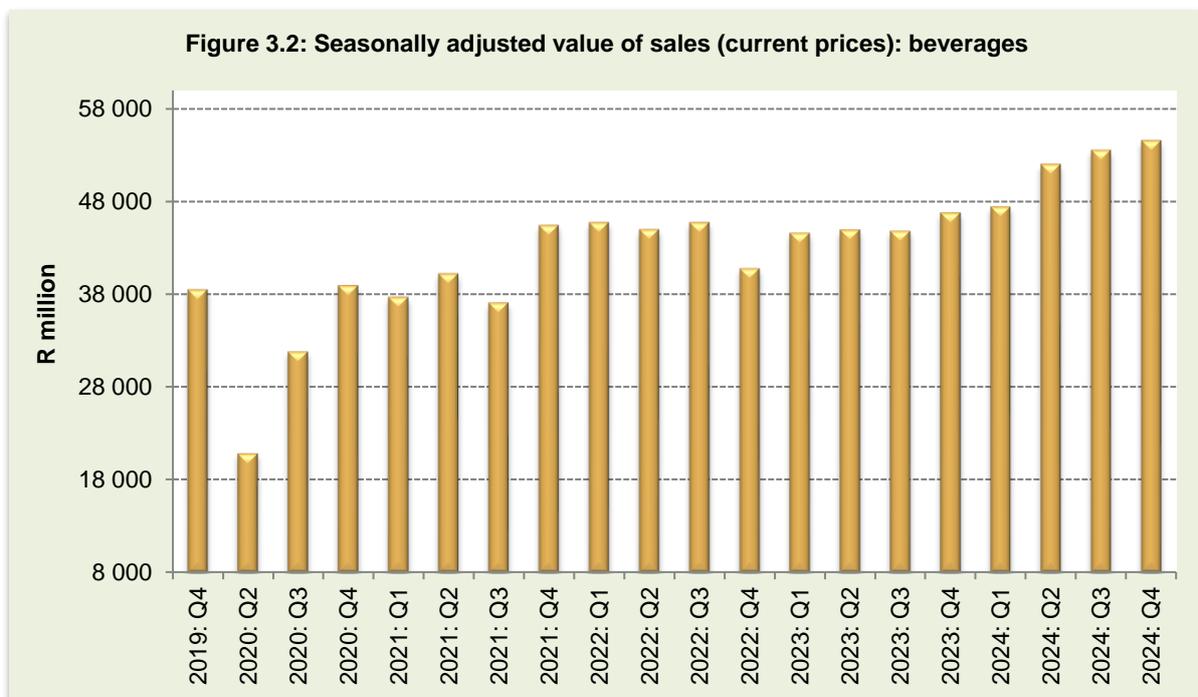
Period	Utilisation	Reasons for underutilisation					
		Total under-utilisation	Shortage of			Insufficient demand	Other
			Raw materials	Labour			
				Skilled	Semi- and unskilled		
2022: Q4	84,0	16,0	2,6	3,2	0,2	7,1	3,0
2023: Q3	82,3	17,7	1,8	3,3	0,2	9,9	2,6
2023: Q4	84,5	15,5	2,0	3,3	0,2	7,3	2,7

Source: Statistics SA (2025)

Table 3.2 shows the utilisation capacity by large enterprises for the beverages division. The utilisation capacity increased quarter-to-quarter by 2,2 percentage points, and similarly increased year-on-year by 0,5 percentage points. As Table 3.2 shows, insufficient demand remained the main reason for underutilisation during 2024: Q4, followed by a shortage of skilled labour.

2.6 VALUE OF SALES

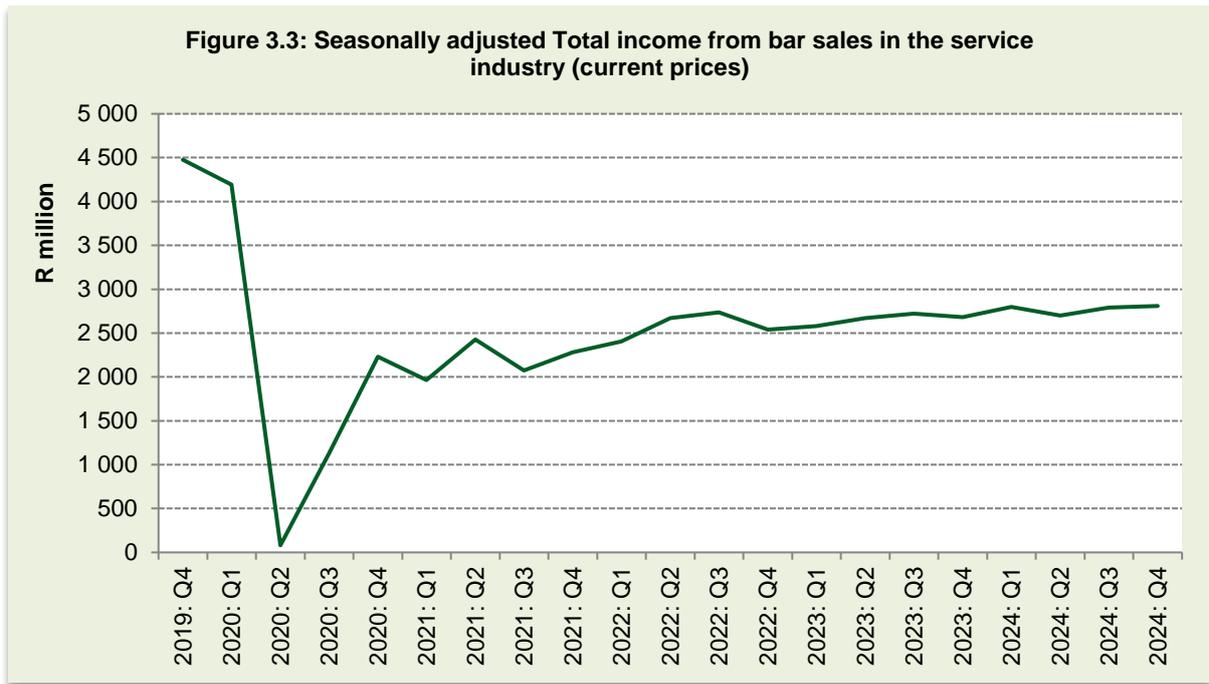
In 2024: Q4, the quarter-to-quarter seasonally adjusted value of sales for the beverages division moderated by 1,9% from a 2,9% growth recorded in 2024: Q3. As a result, beverages sales increased from R53 522,5 million in 2024: Q3 to R54 559,1 million in 2024: Q3. Similarly, year-on-year, seasonally adjusted value of sales for the beverages division moderated by 16,7% as shown in Figure 3.2



Source: Statistics SA (2025)

3.4 INCOME FROM BAR SALES IN THE SERVICE INDUSTRY

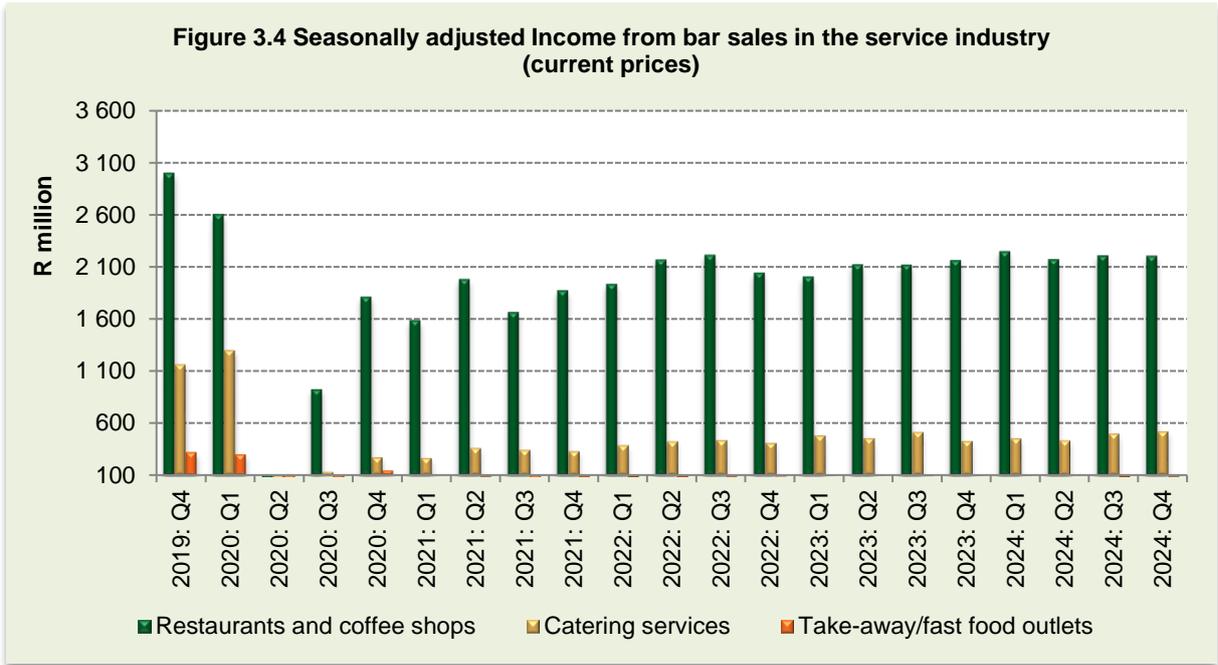
Figure 3.3 below shows the income from bar sales in the food and beverages service division in 2024: Q4. The income from bar sales in the food and beverages service industry moderated quarter-to-quarter by 0,7% in 2024: Q4 from a 3,3% growth in the last quarter. However, the income rose by 4,7% year-on-year. Therefore, the income from bar sales increased from R2 789,3 million in 2024: Q3 to R2 808,6 million in 2024: Q4.



Source: Statistics SA (2025)

Figure 3.4 below shows income from bar sales in the service industry, which includes restaurants and coffee shops, take-away/fast food outlets and catering services. In 2024: Q4, the quarter-to-quarter income from restaurants and coffee shops contracted by 0,1% from a 1,6% growth in the last quarter, take-away/fast food outlets rebounded by 1,9% from a 13,4% contraction in the last quarter and catering services moderated by 4,0% following a 14,9% contraction in the preceding quarter.

In terms of year-on-year, income from restaurants and coffee shops moderated by 2,0% take-away/fast food outlets decelerated by 9,4%, while catering services rebounded by 21,3%.



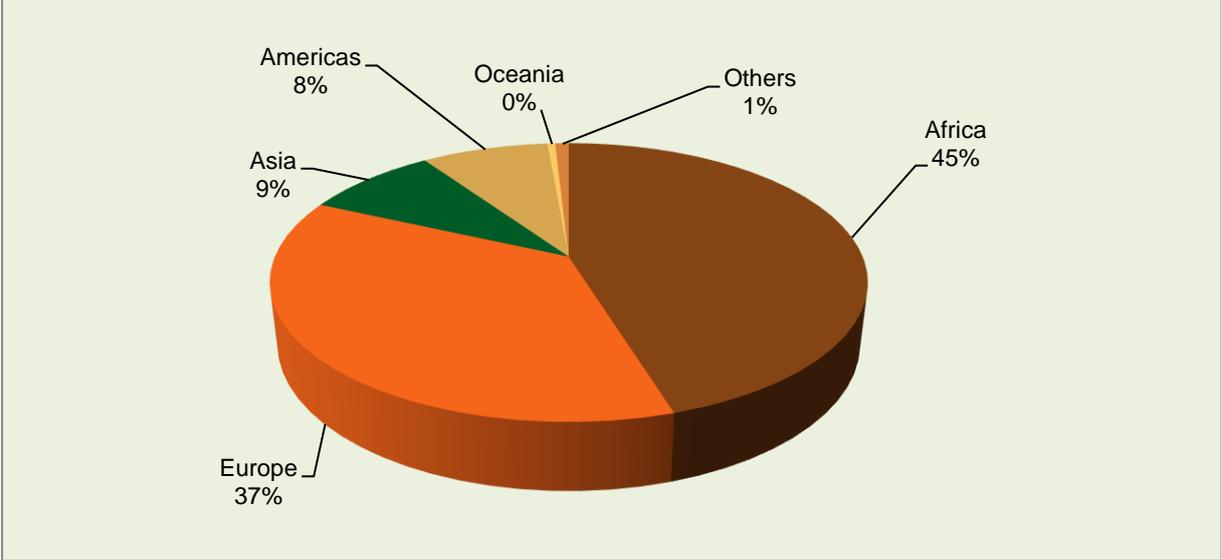
Source: Statistics SA (2025)

3.5 TRADE

Main export destinations of beverages products

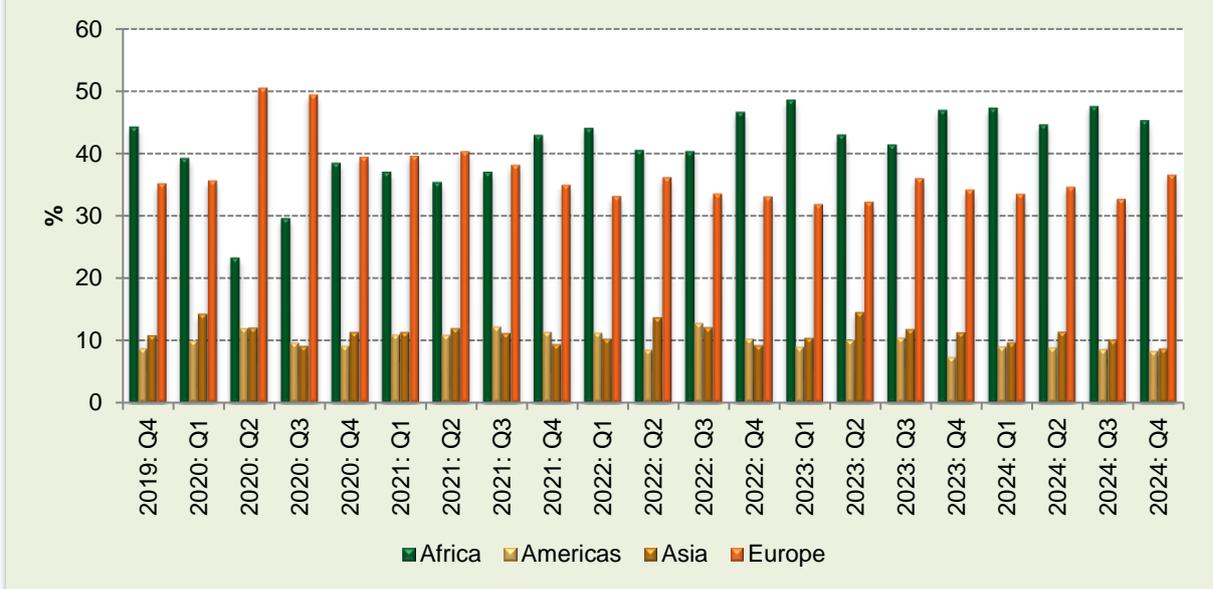
As Figure 3.5 shows, during the quarter under review, Africa accounted for the largest share of South African exports of beverages. Africa accounted for 45%, followed by Europe (37%), Asia (9%) and the Americas (8%). Oceania has the least share of South African beverages exports at 1%. The trend of exports destination's share shows that Africa has the larger share, followed by Europe, the Americas, Asia and Oceania as presented in Figure 3.6.

Figure 3.5: The beverage export destination's share of continents in 2024: Q4



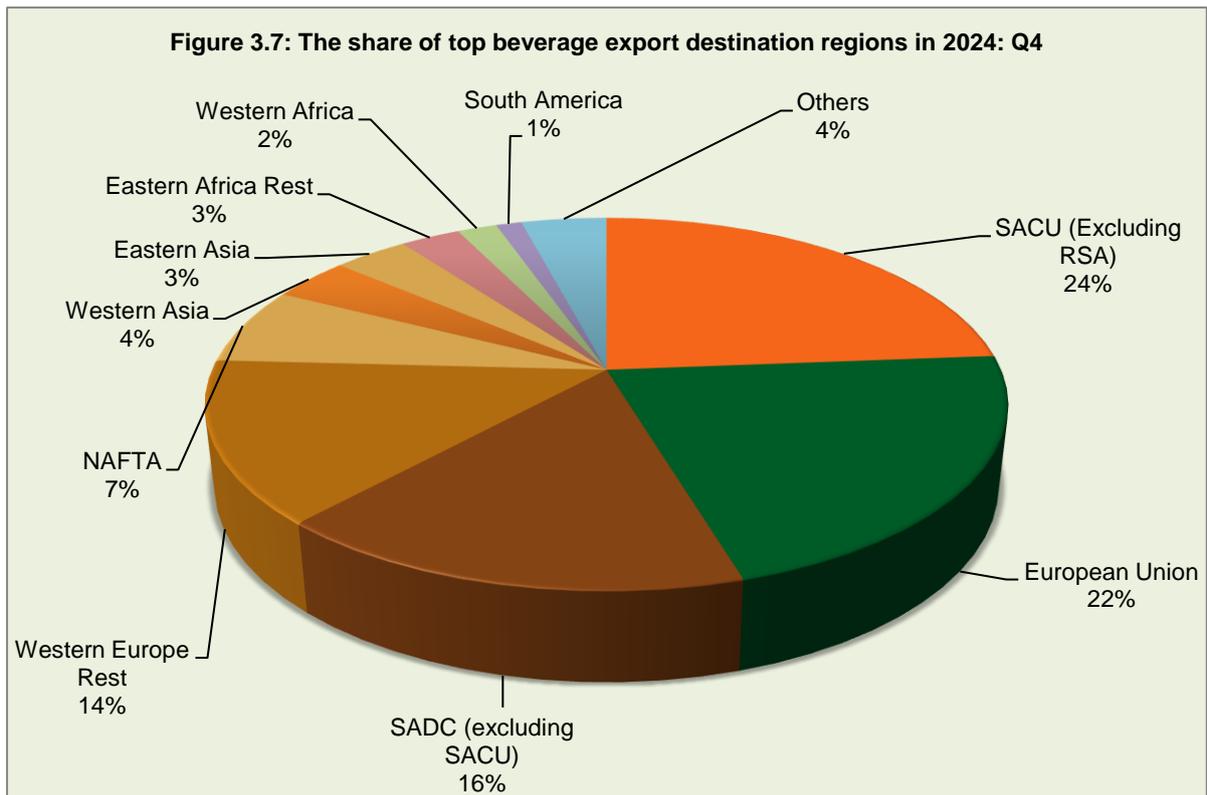
Source: Quantec (2025)

Figure 3.6: The beverages export destination's share of the continents in (2019: Q4 -2024:Q4)



Source: Quantec (2024)

Among the main trading regions in 2024: Q4, the SACU (excluding SA) accounted for the largest share of South African beverages exports at 24%, followed by the European Union (22%), SADC (excluding SACU) (16%), the Western Europe rest (14%), NAFTA (7%), Western Asia (4%), Eastern Asia (3%), Eastern Africa rest (3%), Western Africa (2%) and South America (1%) as illustrated in Figure 3.7.



Source: Quantec (2025)

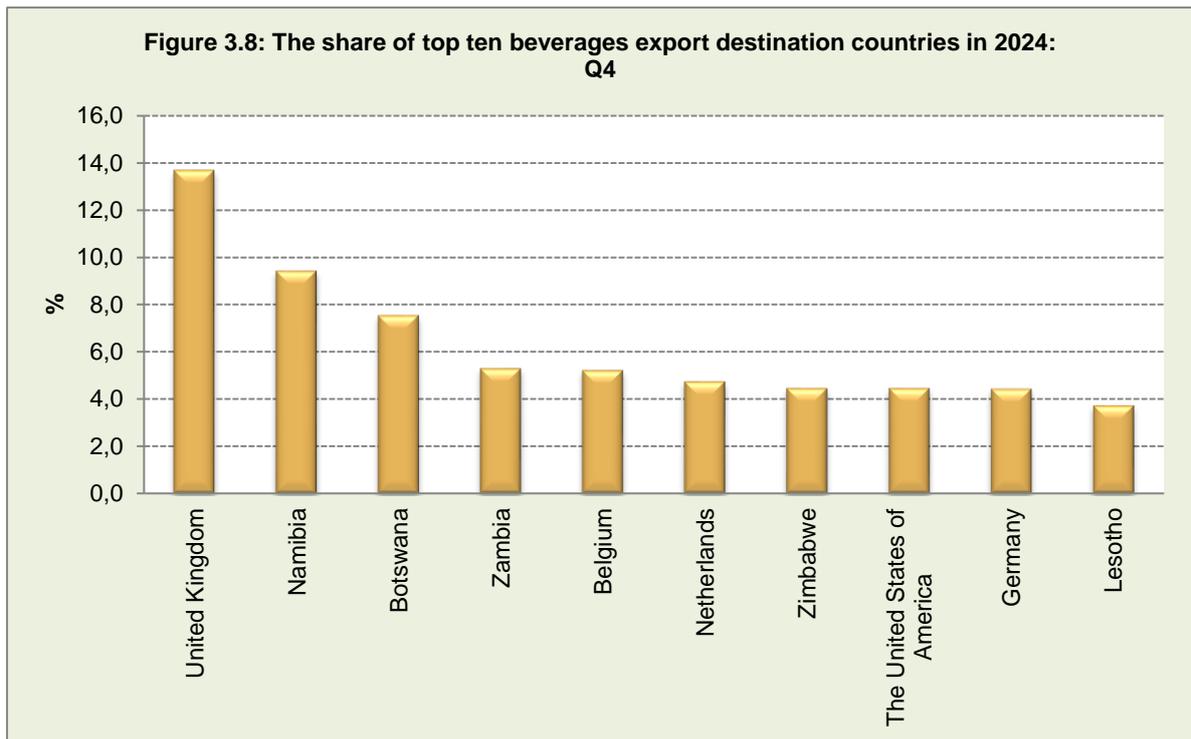
Table 3.3 below presents the major exported beverages products during 2024: Q4 and their percentage change. The leading South African beverages export was wine of fresh grapes, incl. fortified wines, and grape must whose fermentation has been arrested by the addition of alcohol, in containers of ≤ 2 l (excl. sparkling wine) (HS220421); waters, incl. mineral and aerated, with added sugar, sweetener or flavour, for direct consumption as a beverage (HS220210) and wine of fresh grapes, incl. fortified wines, and grape must whose fermentation has been arrested by the addition of alcohol, in containers of > 10 l (excl. sparkling wine) (HS220429) with an export value of R2 415,66 million, R930,74 million and R757,35 million, respectively.

Table 3.3: Major exported beverages products in 2024: Q4 and their percentage change.

HS code	Product description	Export value R_million	Year-on-year % change
220421	Wine of fresh grapes, incl. fortified wines, and grape must whose fermentation has been arrested by the addition of alcohol, in containers of ≤ 2 l (excl. sparkling wine)	2 415,66	9,53

220210	Waters, incl. mineral and aerated, with added sugar, sweetener or flavour, for direct consumption as a beverage	930,74	19,23
220429	Wine of fresh grapes, incl. fortified wines, and grape must whose fermentation has been arrested by the addition of alcohol, in containers of > 10 l (excl. sparkling wine)	757,35	6,17
220600	beverages, not elsewhere specified or included	715,67	-4,21
220300	Beer made from malt	655,6	38,43
220299	alcoholic beverages (excl. water, fruit or vegetable juices, milk and beer)	633,48	15,29
220710	Undenatured ethyl alcohol, of actual alcoholic strength of $\geq 80\%$	543,74	-14,93
220720	Ethyl alcohol and other spirits, denatured, of any strength	283,61	-23,98
220870	Liqueurs and cordials (1996-)	270,75	36,74
220820	Spirits obtained by distilling grape wine or grape marc	213,87	23,40

Source: Quantec (2025)

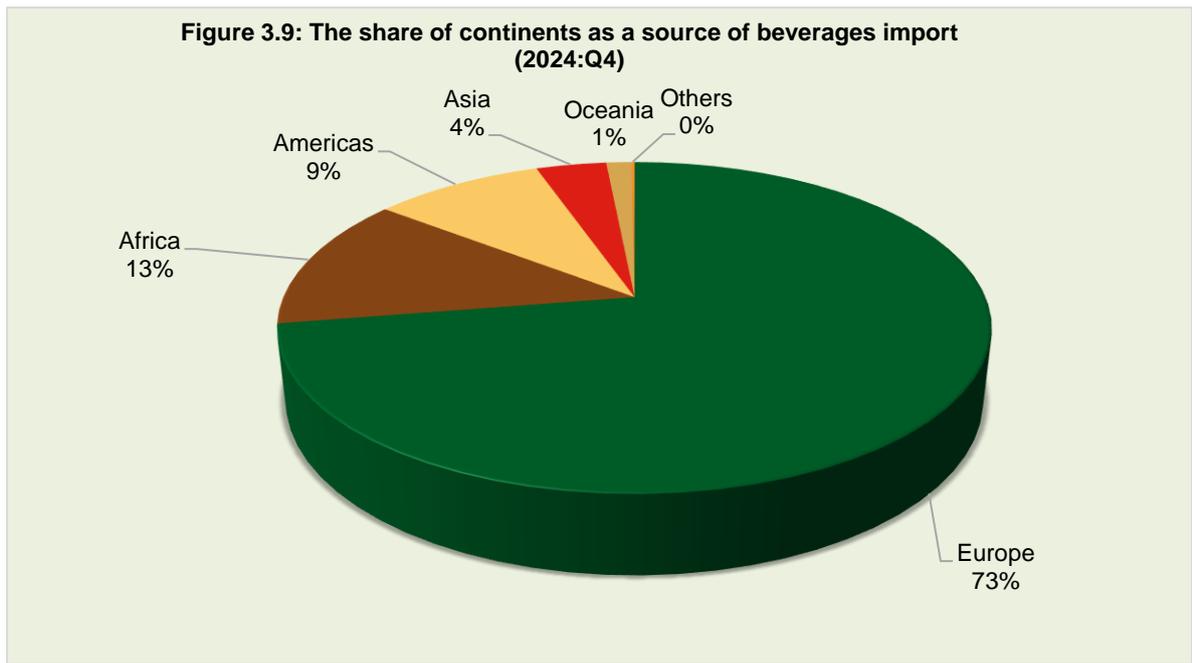


Source: Quantec (2025)

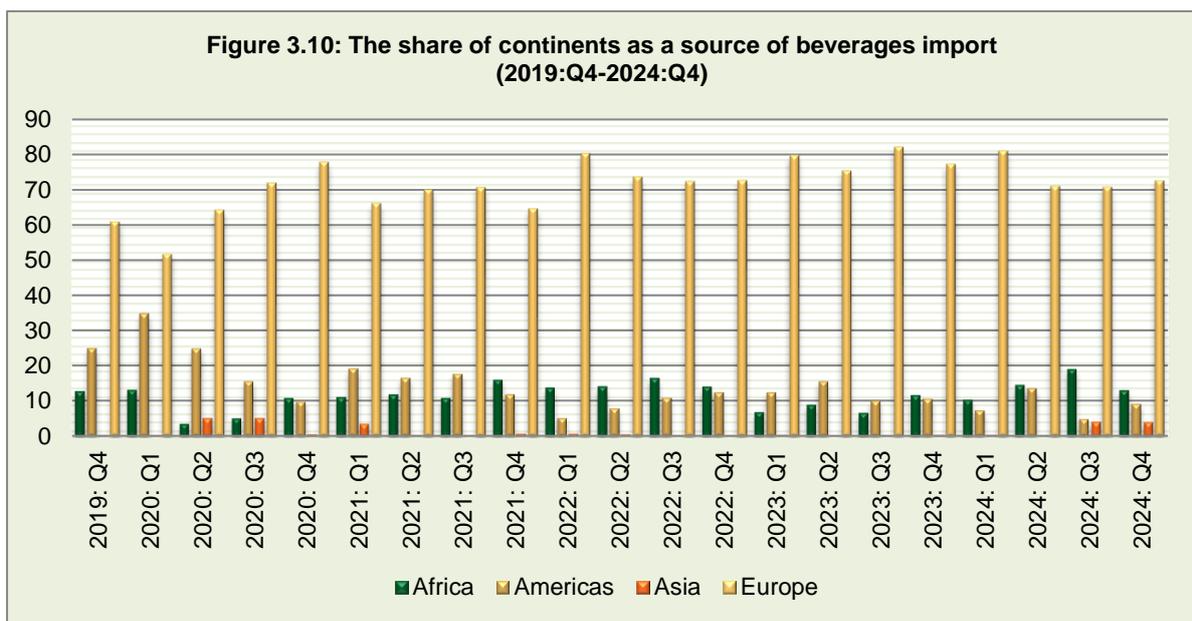
Figure 3.8 above shows the shares of the top ten beverages export destinations during 2024: Q4. The following are the main countries that accounted for a higher share of South Africa's beverages exports in 2024: Q4: the United Kingdom (13,7%), Namibia (9,4%), Botswana (7,5%), Zambia (5,3%), Belgium (5,2%), the Netherlands (4,7%), Zimbabwe (4,5%), the United States of America (4,5%), Germany (4,4%) and Lesotho (3,7%).

Main imported beverages products and their sources

Figure 3.9 illustrates the share of continents as a source of beverages imports in 2024: Q4. Europe accounted for approximately 73% share for sources of beverages imports, followed by Africa (13%) and the Americas (9%). Asia's share was 4% and Oceania was with the least share of 1%. Figure 3.10 shows that, for the past five years, Europe has been a consistent source of South African beverages imports followed by Africa, the Americas, Asia and Oceania.

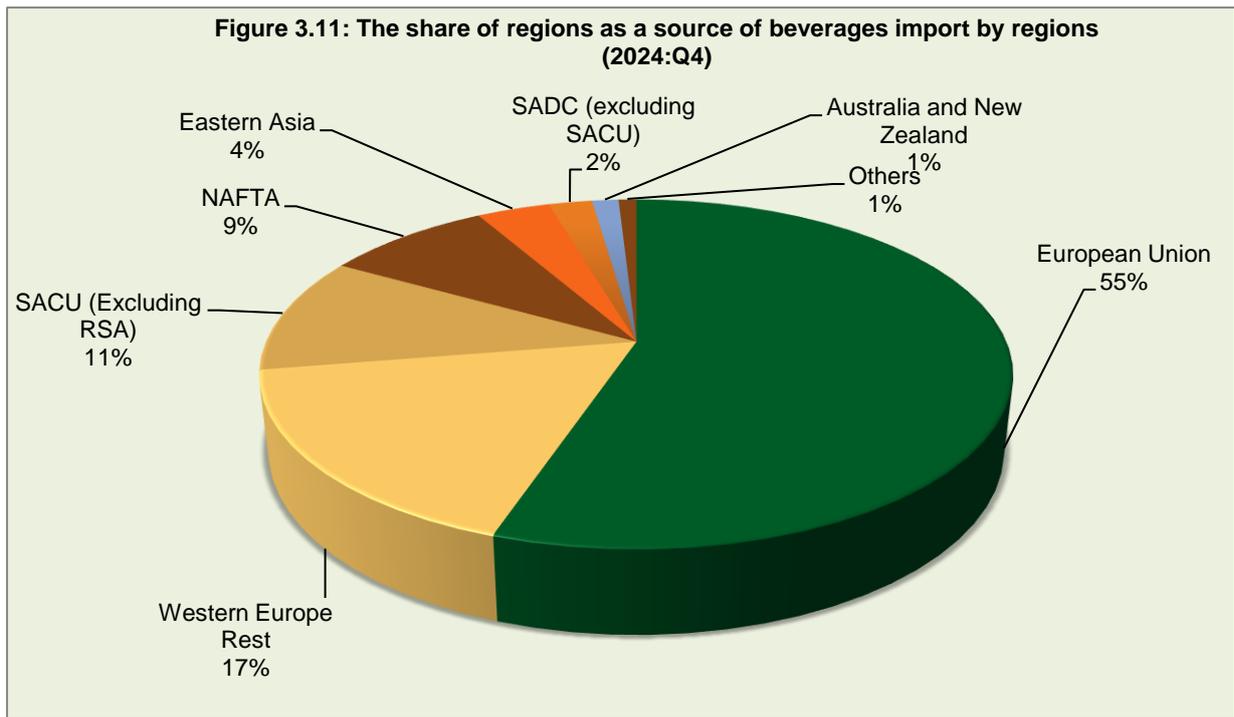


Source: Quantec (2025)



Source: Quantec (2025)

The European Union, as the leading source of South Africa’s imports of beverages, accounts for about 55% share in 2024: Q4, followed by Western Europe rest with a share of around 17%, then SACU (excluding RSA) (11%), NAFTA (9%), Eastern Asia (4%), SADC (excluding SACU) (2%) and Australia and New Zealand (1%) as illustrated in Figure 3.11.



Source: Quantec (2025)

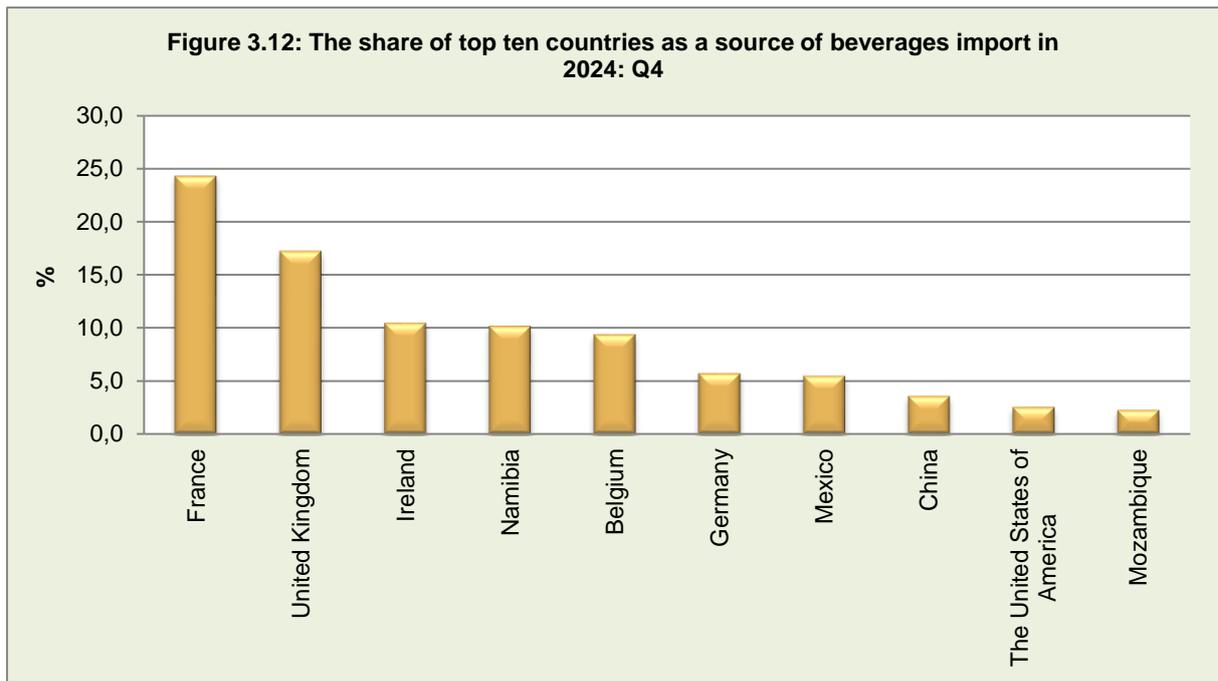
Table 3.5 below presents major imported beverages products during 2024: Q4 and the year-on-year percentage change. During 2024: Q4, the major beverage imports in South Africa were: whiskies (HS220830); spirits obtained by distilling grape wine or grape marc (HS220820) and waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured (HS220210) with a value R867,13 million, R582,54 million and R581,64 million, respectively.

Table 3.5: Imported beverages in 2024: Q4 and percentage change.

HS code	Product description	Export value R_million	Year-on-year % change
220830	Whiskies	867,13	23,62
220820	Spirits obtained by distilling grape wine or grape marc	582,54	14,04

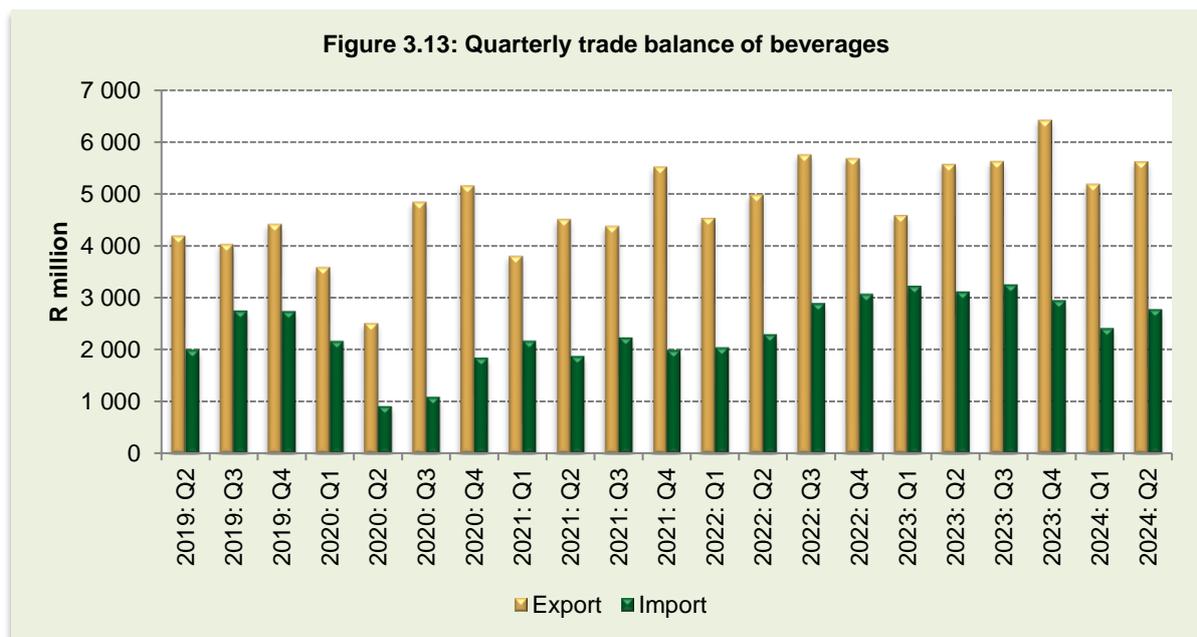
220210	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured	581,64	20,36
220300	Beer made from malt	499,52	-6,35
220870	Liqueurs and cordials (1996-)	182,89	-50,13
220410	Sparkling wine	166,41	-19,49
220890	Ethyl alcohol of an alcoholic strength of < 80% vol, not denatured; spirits and other spirituous beverages (excl. compound alcoholic preparations of a kind used for the manufacture of beverages, spirits obtained by distilling grape wine or grape marc, whiskies, rum and other spirits obtained by distilling fermented sugar cane products, gin, geneva, vodka, liqueurs and cordials)	130,77	0,24
220600	Other fermented beverages (for example, cider, perry, mead, saké); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages,	94,22	-35,28
220421	Wine of fresh grapes, incl. fortified wines, and grape must whose fermentation has been arrested by the addition of alcohol, in containers of <= 2 l (excl. sparkling wine)	56,47	34,65
220299	Non-alcoholic beverages (excl. water, fruit or vegetable juices, milk and beer)	54,59	7,80

Source: Quantec (2025)



Source: Quantec (2025)

Figure 3.12 above shows the share of the top ten countries as a source of beverages imports. During 2024: Q4, France (24,3%) accounted for the highest share of South Africa's beverages imports, followed by the United Kingdom (17,2%), Ireland (10,5%), Namibia (10,2%), Belgium (9,4%), Mexico (5,5%), China (3,6%), the United States of America (2,5%) and Mozambique (2,2%).

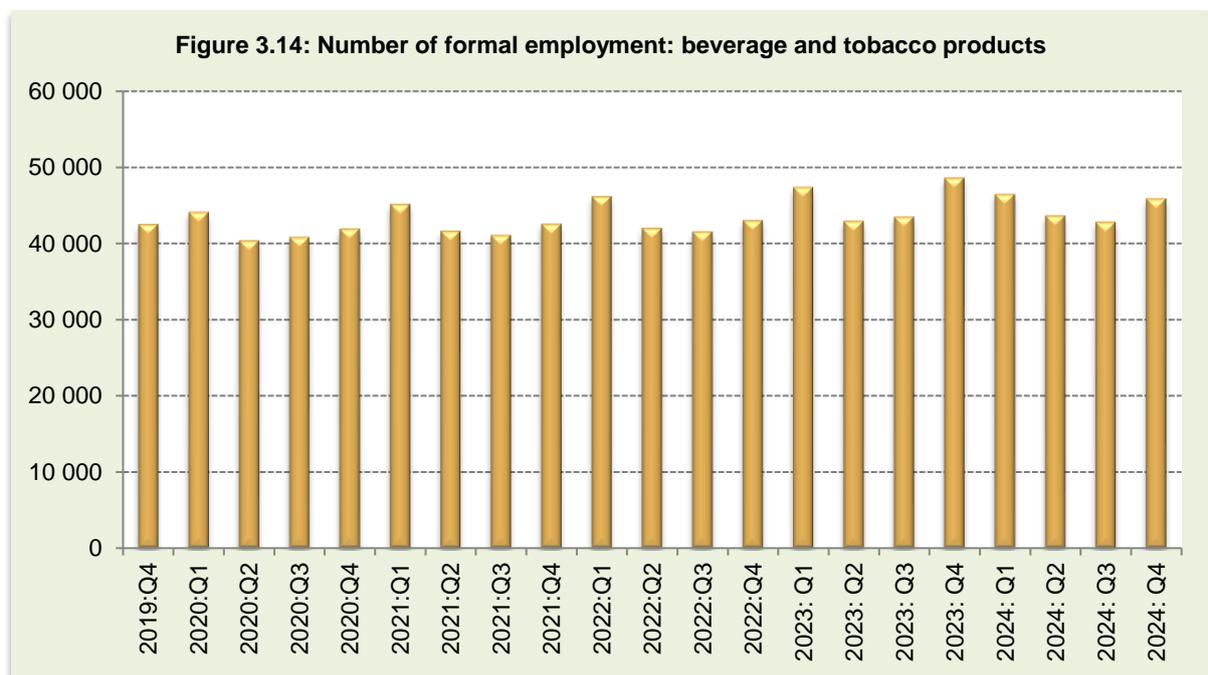


Source: Trade Map (2025)

During 2024: Q4, quarter-to-quarter beverages exports rebounded by 21,7% following a contraction of about 1,7% in 2024: Q3. However, imports remained unchanged in 2024: Q4 as compared to a growth of 12,3% in 2024: Q3.

In terms of year-on-year, exports and imports rebounded by 4,7% and 5,8%, respectively. As a result, the trade surplus of the beverages division increased from R2 414,0 million in 2024: Q3 to R3 612,6 million in 2024: Q4.

3.6 EMPLOYMENT



Source: Trade Map (2025)

Figure 3.14 shows formal employment in the beverages and tobacco products divisions. The quarter-to-quarter formal employment in the beverages division rebounded by 7,1% in 2024: Q4 from a 1,9% contraction in 2024: Q3. However, employment decelerated by 5,6% year-on-year. Therefore, about 3 056 jobs were created in the beverages and tobacco division in 2024: Q4.

4. CONCLUSION

South Africa's economic activity recovered in the fourth quarter of 2024 as real gross domestic product (GDP) expanded by 0,6% following a revised contraction of 0,1% in 2024: Q3

In 2024: Q4, the volume of production of the food and beverages division expanded quarter-to-quarter by 8,3% from a 4,9% growth in 2024: Q3.

The quarter-to-quarter value of sales in the food and beverages division moderated by 0,6% in 2024: Q4 from a 2,5% growth in 2024: Q3

The quarter-to-quarter food and beverages exports rose by 5,9% in 2024: Q4 from an unchanged growth in 2024: Q3. Similarly beverages' imports rose by 12,3% from a growth of 4,5% in 2024: Q3.

The formal employment in the food, beverages and tobacco division rebounded quarter-to-quarter by 0,2% in 2024: Q4 from a contraction of about 1,4% in 2024: Q3.

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