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

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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, specifically on economic transformation and job creation, the agro-processing industry is 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 the 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 2025. 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.

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EXECUTIVE SUMMARY

South Africa's economic activity expanded in 2025: Q4 as the real gross domestic product (GDP) rose by 0,4% following a growth of 0,3% in 2025: Q3. The real output in the tertiary sector grew, however, it contracted in both the primary and secondary sectors.

In 2025: Q4, the seasonally adjusted volume of production of the food and beverages division contracted quarter-to-quarter by 0,8% from a 2,3% growth in 2025: Q3, similarly, the volume of production contracted by 1,2% year-on-year. In 2025: Q4, the quarter-to-quarter seasonally adjusted value of sales in the food and beverages division decelerated by 3,4% from a 0,2% contraction in 2025: Q3, however, the value of sales for the food and beverages division rebounded by 0,7% year-on-year.

In 2025: Q4, the seasonally adjusted quarter-to-quarter and year-on-year food and beverages exports contracted by 1,2% and 1,8% from a growth of 3,5% and 5,1% in 2025: Q3, respectively. However, quarter-to-quarter and year-on-year imports moderated by 9,8% and 0,8% following a 10,7% and 3,1% growth respectively, in 2025: Q3. As a result, the trade surplus of food and beverages narrowed from R5 101,5 million in 2025: Q3 to R2 221,6 million in 2025: Q3.

In 2025: Q4, Africa accounted for the highest share of South African food exports. Africa accounted for about 53% share of South African food exports, followed by Europe, Asia and the Americas. Oceania had the least share of approximately 2%. Asia accounted for a 46% share of food imports in 2025: Q4, followed by the Americas then Europe and Africa. Oceania accounted for the least of South African food imports at around 2%.

In 2025: Q4, Africa and Europe accounted for 53% and 30% of exports, respectively, followed by the Americas (6%). Oceania has the least share of South African beverages exports at less than 1%. Europe accounted for approximately 75% share for sources of beverages imports, followed by Africa, the Americas and Oceania. Asia's share was minimal at less than 1%.

The formal employment in the food, beverages and tobacco division rebounded quarter-to-quarter by 1,2% in 2025: Q4 from a contraction of about 1,6% in 2025: Q3. However, year-on-year, employment rose by 2,1% in 2025: Q3. As a result, the number of formal employment increased to 272 613 in 2025: Q4 from about 269 463 in 2025: Q3; this translates to 3 153 jobs created in the division in 2025: Q4.

1. INTRODUCTION

Real economic activity in South Africa expanded further in 2025: Q4 as growth in real gross domestic product (GDP) increased by 0,4% following a revised growth of 0,3% in 2025: Q3. The expansion was notably from the activity in the tertiary sector, although the primary and secondary sectors experienced contractions. The real output in the agricultural sector moderated by 0,4% from a 0,7% growth registered in 2025: Q3. This growth was mainly due to the higher production of field crops and horticultural products that benefited from improved horticultural conditions and La Niña-related rainfall. Despite these, the sector continued to face challenges of outbreaks of animal diseases such as foot-and-mouth disease and avian influenza (SA Reserve Bank, 2025).

This quarterly review provides an 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. This 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]

In 2025: Q4, the quarter-to-quarter consumer price index of all items moderated by 0,4% from a 0.9% growth in the last quarter, however, food products contracted by 0,4% as compared to a growth of 1,2% in 2025: Q3. The items that moderated during the period under review were: meat (1,3%), fish and other seafood (0,4%), sugar, confectionery and desserts (0,6%) and "other food products" (1,1%). Cereal products (0,3%) contracted. Milk, other dairy products and eggs (0,4%) and vegetables (8,8%) decelerated and oils and fats (1,9%) and fruits and nuts (3,1%) rebounded.

The year-on-year CPI for all items grew the same as compared to the last quarter by 3,8%, however, food products moderated by 4,1% in 2025: Q4. The items that expanded during the period were: meat (11,7%) and fish and other seafood (3,0%). "Other food products" (3,4%), food products (4,1%) and sugar, confectionery and desserts (3,0%) expanded. Cereal products (2,3%) and oils and fats (5,0%) maintained the same growth as seen in the last quarter, while fruits and nuts (2,7%) and vegetables (3,2%) contracted and milk, other dairy products and eggs (1,4%) decelerated (see Table 2.1).

Table 2.1: Consumer price index of food products

Food products		Indices			% Change between	
	Weight	2024: Q4	2025: Q3	2025: Q4	2024: Q4 and 2025: Q4	2025: Q3 and 2025: Q4
All items (CPI Headline)	100,0	98,8	101,3	102,4	0.4	3,8
Food products	14,2	100,0	100,8	103,3	4,1	1,2
Cereal products	3,5	100,1	101,6	102,9	2,3	-0,3
Meat	4,6	99,6	100,7	104,1	11,7	5,5
Fish and other seafood	0,4	100,4	100,7	101,7	3,0	1,2

[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.

Milk, other dairy products and eggs	1,7	100,2	99,4	99,3	-1,4	-0,1
Oils and fats	0,5	99,6	100,7	103,1	5,0	-0,4
Fruits and nuts	0,2	95,8	99,7	96,4	-2,7	-6,3
Vegetables	1,6	101,7	101,2	111,0	-3,2	-2,8
Sugar, confectionery and desserts	0,6	99,8	100,1	101,4	3,0	0,8
Other food products	0,9	100,0	100,7	101,0	3,4	1,4

Source: Stats SA (2026)

Producer Price Index (PPI)[2]

In 2025: Q4, the quarter-to-quarter producer price index for final manufactured goods remained unchanged as compared to the last quarter's growth of 0,9%. The food items that contracted during the period under review were: food products (0,5%), fruits and vegetables (1,3%), dairy products (0,2%), "other food products" (0,3%) and bakery products (0,2%). Grain mill products (4,7%), starches and starch products, animal feeds (2,7%) and sugar (3,5%) decelerated. Meat and meat products (1,4%) and oils and fats (1,4%) moderated, while fish and fish products (0,2%) grew the same as the last quarter.

In 2025: Q4, the year-on-year PPI for final manufactured goods rose by 2,9% from a growth of 1,9% in 2025: Q3, however, food products moderated by 2,1% from a 3,5% growth in 2025: Q3. The items that decelerated year-on-year were: meat and meat products (16,7%), fish and fish products (4,1%), "other food products" (1,4%) and fruits and vegetables (0,4%). Oils and fats (1,9%) and bakery products (2,2%) expanded. Grain mill products (6,7%) and sugar (11,4%) decelerated, while starch and starch products, animal feeds (3,8%) contracted (see 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		Indices			% Change between	
	Weight	2024: Q4	2025: Q3	2025: Q4	2024: Q4 and 2025: Q4	2025: Q3 and 2025: Q4
Final manufactured goods (PPI Headline)	100,0	102,2	101,7	102,6	2,9	0,0
Food products	26,3	104,1	106,8	106,3	2,1	-0,5
Meat and meat products	4,5	98,0	112,8	114,4	16,7	1,4
Fish and fish products	1,6	108,2	112,4	112,6	4,1	0,2
Fruits and vegetables	2,4	109,4	111,3	109,8	0,4	-1,3
Oils and fats	0,5	101,7	102,2	103,6	1,9	1,4
Dairy products	3,3	103,0	104,9	104,7	1,6	-0,2
Grain mill products	1,8	104,9	102,7	97,9	-6,7	-4,7
Starch and starch products, animal feeds	1,6	103,1	101,9	99,2	-3,8	-2,7
Other food products	0,9	104,9	106,6	106,3	1,4	-0,3
Bakery products	6,9	105,4	107,9	107,7	2,2	-0,2
Sugar	1,9	96,4	88,5	85,4	-11,4	-3,5

Source: Stats SA (2026)

Import Unit Value Index[3]

Table 2.3 presents the import unit value index of selected food products during 2025: Q4. In 2025: Q4, the quarter-to-quarter import unit value for food products receded further by 1,9%, however, it decelerated by 9,3% year-on-year. The import unit value for fats and oils receded further by 0,5% quarter-to-quarter, however, it contracted by 3,5% year-on-year, while grain

[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.*

mill products decelerated quarter-to-quarter and year-on-year by 7,1% and 20,4%, respectively.

Table 2.3 presents the import unit value index of selected food products during 2025: Q4.

Food products	Indices			% Change between	
	2024: Q4	2025: Q3	2025: Q4	2024: Q4 and 2025: Q4	2025: Q3 and 2025: Q4
Food (total)	95,1	88,0	86,3	-9,3	-1,9
Fats and oils	93,4	90,5	90,1	-3,5	-0,5
Grain mill products	103,4	88,6	82,3	-20,4	-7,1

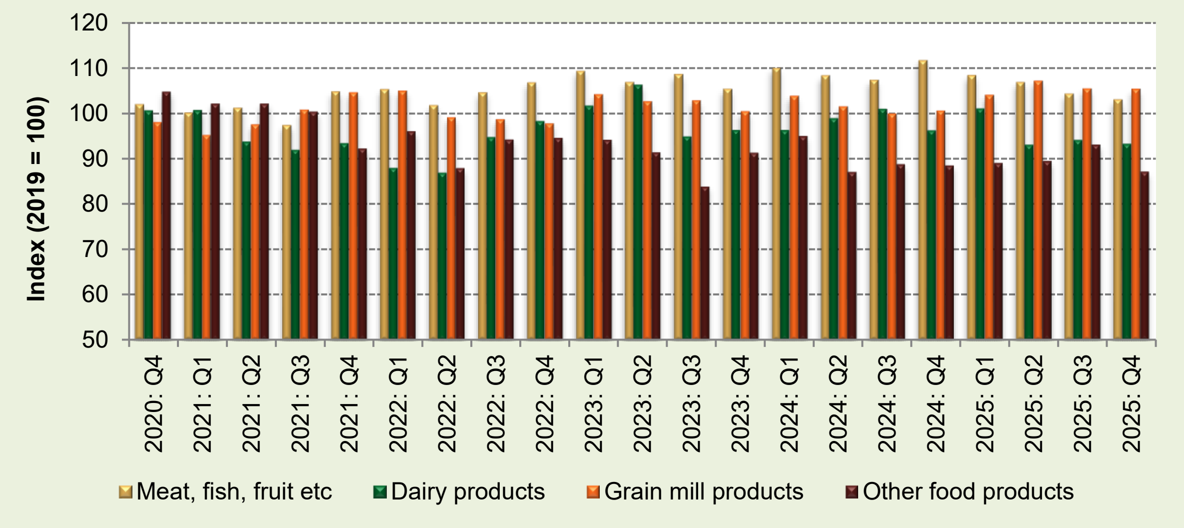
Source: Stats SA (2026)

2.2 PRODUCTION

Figure 2.1 presents the seasonally adjusted physical volume of production for the food products division in 2025: Q4. In 2025: Q4, the quarter-to-quarter seasonally adjusted volume of production for meat, fish and fruit, and grain mill products receded further by 1,2% and 0,1% following a contraction of 2,3% and 1,6% in 2025: Q3, respectively; dairy products and “other food products” contracted by 0,9% and 6,4% following a growth of 1,1% and 4,1%, respectively, in 2025: Q3.

In terms of year-on-year, the meat, fish, fruit, etc., decelerated by 7,7%; dairy products receded further by 3,1%; grain mill products rose by 4,8% and “other food products” contracted by 1,5% in 2025: Q4.

Figure 2.1: Seasonally adjusted physical volume of production: food products



Source: Statistics SA (2026)

Production capacity

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

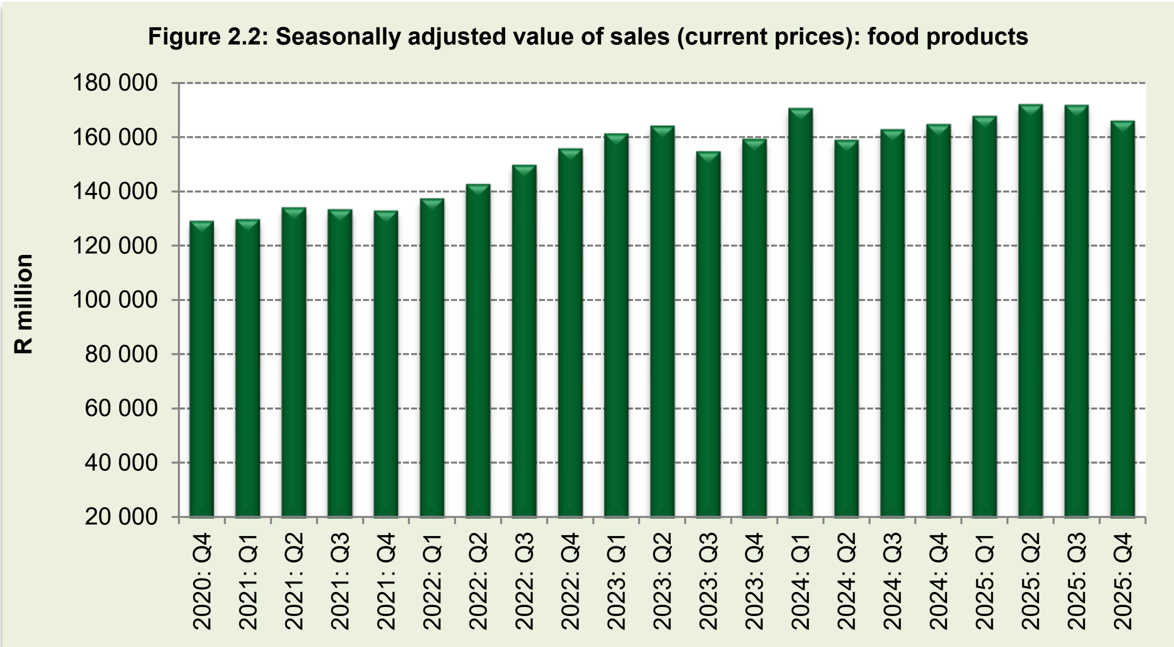
Period	Utilisation	Reasons for underutilisation					
		Total under-utilisation	Shortage of			Insufficient demand	Other
			Raw materials	Labour			
				Skilled	Semi- and unskilled		
2024: Q4	82,6	17,4	1,5	1,1	0,2	10,4	4,3
2025: Q3	83,6	16,4	1,7	0,8	0,2	9,3	4,5
2025: Q4	83,1	16,9	2,1	0,6	0,2	9,2	4,8

Source: Statistics SA (2026)

As Table 2.4 shows, the utilisation of production capacity by large enterprises in the food products division decreased quarter-to-quarter, however, it increased year-on-year. The quarter-to-quarter decrease was 0,5 percentage points. Insufficient demand remained the main reason for underutilisation in 2025: Q4, followed by other reasons such as seasonal factors.

2.3 VALUE OF SALES

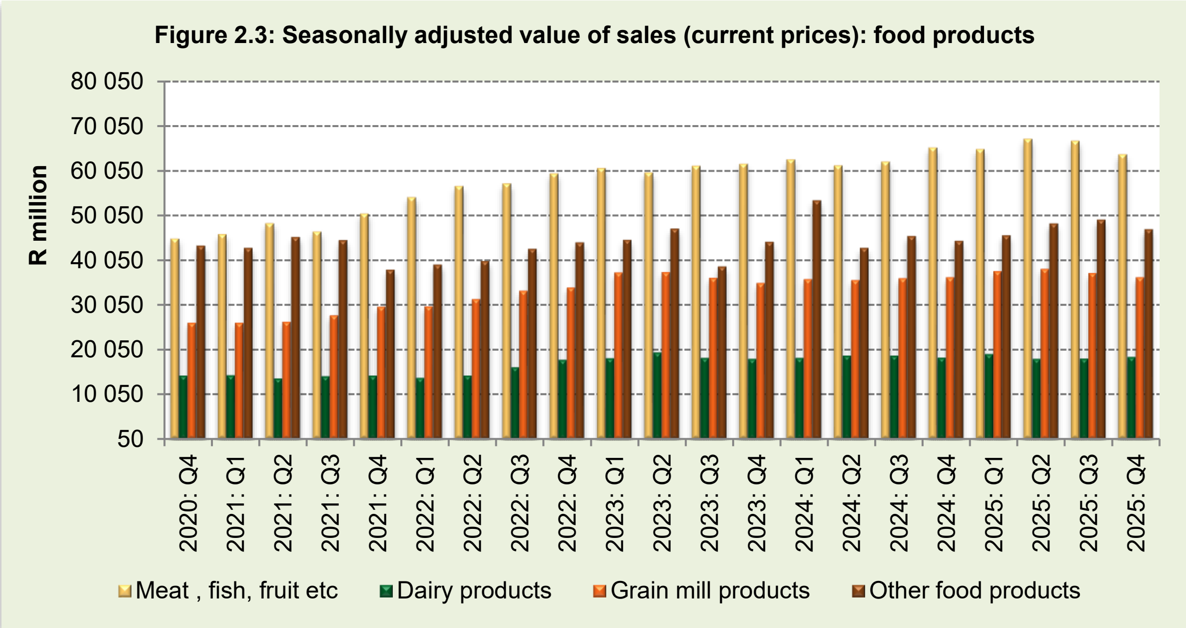
In 2025: Q4, the quarter-to-quarter value of sales of food products decelerated by 3,4% as compared to a 0,2% contraction in the last quarter. However, the value of sales moderated year-on-year by 0,8% as illustrated in Figure 2.2.



Source: Statistics SA (2026)

Figure 2.3 shows the seasonally adjusted value of sales for the food products. In 2025: Q4, the quarter-to-quarter value of sales for meat, fish and fruit decelerated by 4,5% from a 0,6% contraction in the last quarter. Dairy products rose by 1,7% from a 0,7% growth in the last quarter. Grain mill products receded further by 2,4% from a 2,5% contraction in the last quarter and "other food products" contracted by 4,5% as compared to a 1,9% growth in the last quarter.

In terms of year-on-year, the seasonally adjusted value of sales for meat, fish and fruit, and grain mill products contracted by 2,3%. Dairy products rebounded by 0,6%. Grain mill products remained unchanged as compared to growth of 3,2% in the last quarter, and "other food products" moderated by 5,9% in 2025: Q4.



Source: Statistics SA (2026)

Wholesale and retail sales[4]

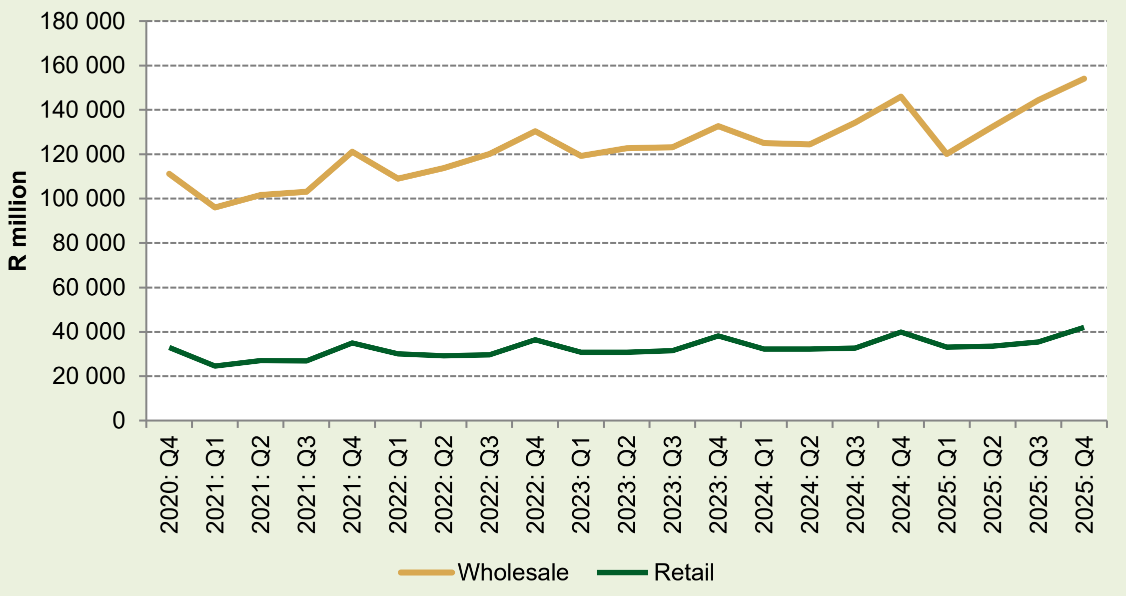
In 2025: Q4, the quarter-to-quarter wholesale trade sales and retail trade sales of the food, beverages and tobacco divisions moderated by 6,8% as compared to a growth of 8,9% in 2025: Q3; the wholesale trade sales, on the other hand, expanded by 18,9% from a growth of 5,2% in 2025: Q3.

The year-on-year wholesale trade sales and retail trade sales of the food, beverages and tobacco divisions moderated by 5,5% and 5,4%, respectively, in 2025: Q4.

As a result, the wholesale trade sales increased to R154 039,0 million in 2025: Q4 from R144 292,0 million in 2025: Q3. The retail trade sales, similarly, increased from R35 320,0 million in 2025: Q3 to R41 984,0 million in 2025: Q4, 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.*

Figure 2.4: Wholesale and retail trade sales of food, beverages and tobacco (current prices)



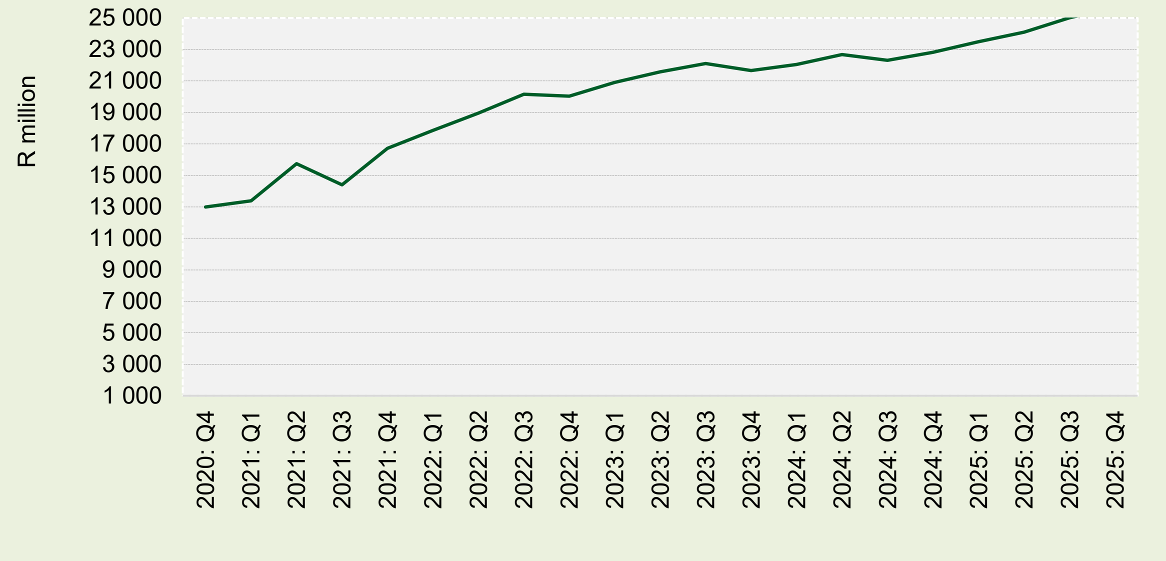
Source: Statistics SA (2026)

2.4 INCOME FROM FOOD SALES IN THE SERVICE INDUSTRY[5]

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 moderated by 2,5% quarter-to-quarter in 2025: Q4 as compared to a 3,8% growth in 2025: Q3. However, the total income from food sales rose by 12,4% year-on-year. As a result, the income from food sales increased to R25 651,8 million in 2025: Q4 from R25 025,1 million in 2025: Q3.

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

Figure 2.5: Seasonaly adjusted Income from food sales in the service industry (current prices)

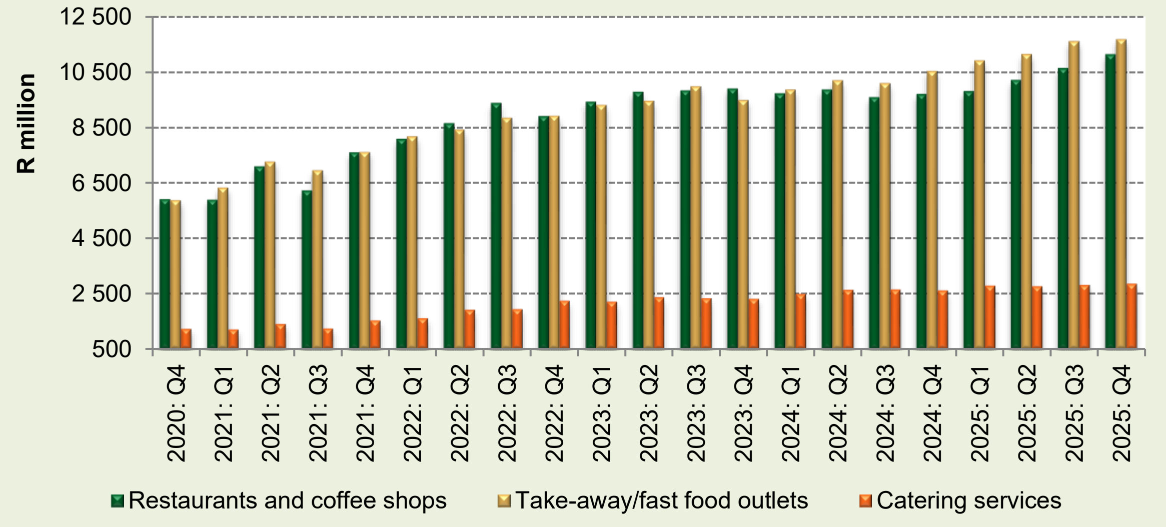


Source: Statistics SA (2026)

Figure 2.6 shows the income from food sales in the service industry. In 2025: Q4, the quarter-to-quarter income from food sales in the restaurants and coffee shops rose by 4,8% from a 4,1% growth in 2025: Q3, takeaway/fast food outlets and catering services moderated by 0,6% and 1,7% following a 4,1% and 1,8% growth in 2025: Q3, respectively.

In terms of year-on-year, restaurants and coffee shops; and catering services rose by 14,9%, and 9,4%, respectively; however, takeaway/fast food outlets moderated by 10,8% in 2025: Q4.

Figure 2.6: Seasonally adjusted Income from food sales in the service industry (current prices)



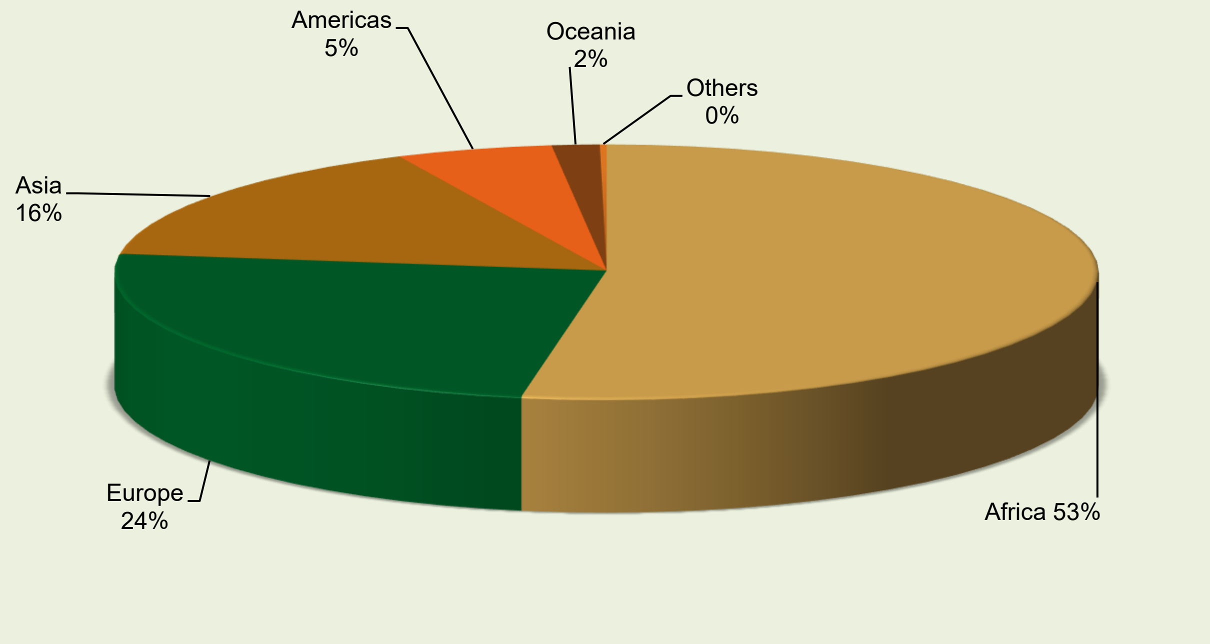
Source: Statistics SA (2026)

2.5 TRADE

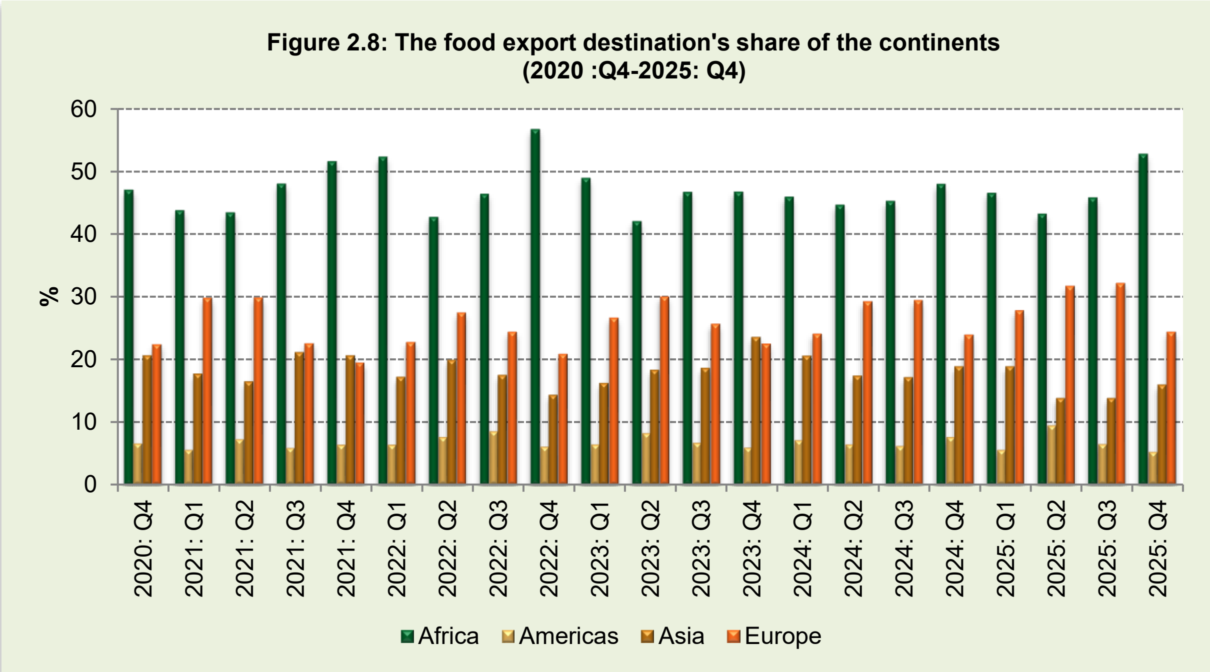
Main food export destinations and products

Figure 2.7 shows food export destinations’ share of the continents. Africa accounted for the highest share of South African food exports in 2025: Q4. Africa accounted for about 53% share of South African food exports, followed by Europe with 24%. Asia and the Americas have a share of 16% and 5%, 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.

Figure 2.7: The food export destinations'share of continents in 2025: Q4

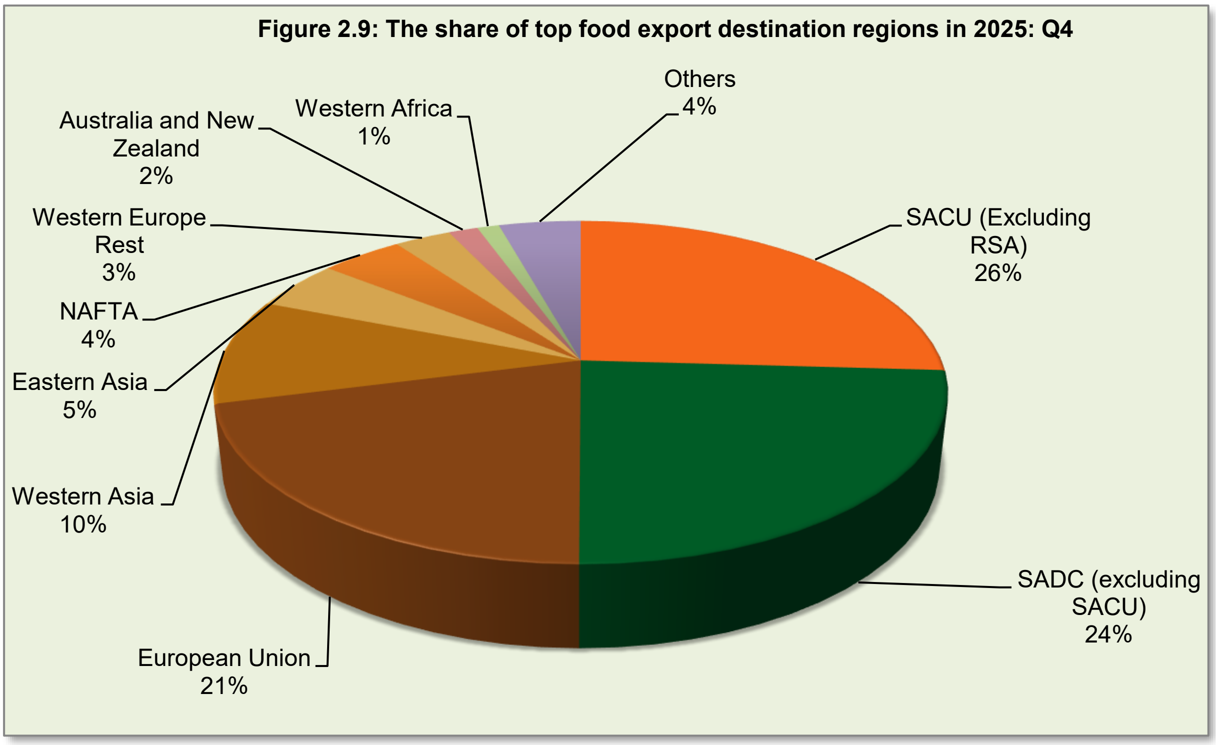


Source: Quantec (2026)

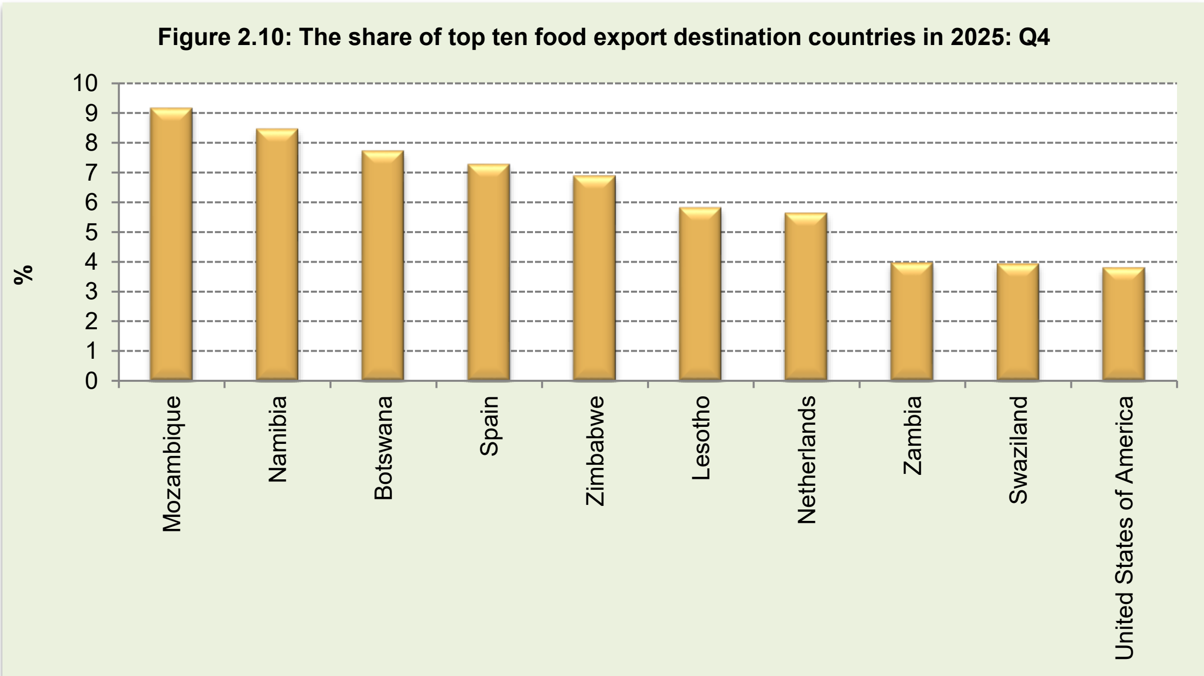


Source: Quantec (2026)

Figure 2.9 shows the food export destinations' share of the main regions in 2025: Q4. Among the main regions, the Southern African Customs Union (SACU) (excl. Republic of South Africa) accounted for a large share of food exports at 26%, followed by the Southern African Development Community (SADC) (excluding SACU) (24%), the European Union (EU) (21%), western Asia (10%), eastern Asia (5%), North American Free Trade Agreement (NAFTA) (4%), Western Europe Rest (3%), Australia and New Zealand (2%) and western Africa (1%).



Source: Quantec (2026)



Source: Quantec (2026)

Figure 2.10 shows the top ten food export destination countries in 2025: Q4. The top ten countries with a high share of South African food exports were: Mozambique (9,2%), Namibia (8,5%). Botswana (7,7%), Spain (7,3%), Zimbabwe (6,9%), Lesotho (5,8%), the Netherlands (5,6%), Zambia (4,0%), Swaziland (3,9%) and the United States of America (3,8%).

Table 2.5 presents the major exports of food products during 2025: Q4 and their year-on-year percentage change in the food category. The leading South African exports of food products were maize (excl. seed for sowing) (HS100590), food preparations, n.e.s. (HS210690) and 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) (HS210390) with an export value of R3 391,6 million, R1 146,5 million and R1 087,2 million, respectively, in 2025: Q4.

Table 2.5: Major exported food products 2025: Q4

HS code	Product description	Export value R_million	Year-on-year-change %
100590	Maize (excl. seed for sowing)	3 391,6	-18,6
210690	Food preparations, n.e.s.	1 146,5	8,4
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)	1 087,2	32,4
170114	Raw cane sugar, in solid form, not containing added flavouring or colouring matter (excl. cane sugar of (HS170113))	1 035,8	15,9
230990	Preparations of a kind used in animal feeding (excl. dog or cat food put up for retail sale)	898,4	11,8
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)	836,5	33,9
120190	Soya beans, whether or not broken (excl. seed for sowing)	644,4	86,9
110313	Groats and meal of maize "corn"	605,0	-25,2
170490	Sugar confectionery not containing cocoa, incl. white chocolate (excl. chewing gum)	534,1	29,7
210410	Soups and broths and preparations thereof	491,1	11,2

Source: Trade map (2026)

Table 2.6 shows the major imports of food products in 2025: 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), wheat and meslin (excl. seed for sowing, and durum wheat) (HS1151190) and cane sugar (HS170113) specified in subheading note 2 to this chapter with export values of R2 364,0 million, R1 980,5 million and R1 389,1 million, respectively, in 2025: Q2.

Table 2.6: Major imported food products in 2025: Q4

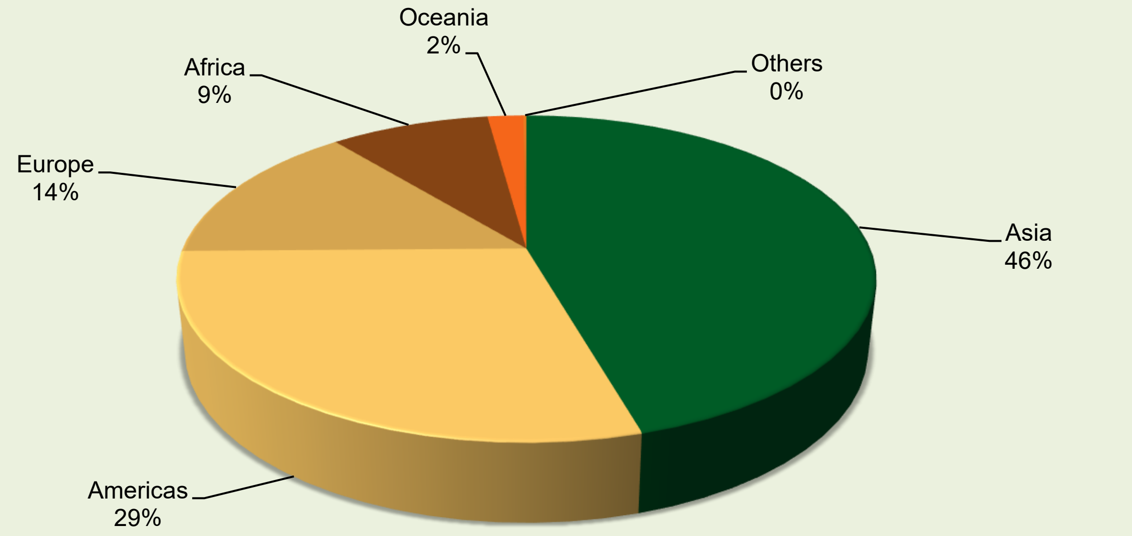
HS code	Product description	Export value R million	Year-on-year- % change
100630	Semi-milled or wholly milled rice, whether or not polished or glazed	2 364,0	-24,5
100199	Wheat and meslin (excl. seed for sowing, and durum wheat)	1 980,5	170,5
170113	Cane sugar specified in subheading note 2 to this chapter	1 389,1	30,6
210690	Food preparations, n.e.s.	970,5	-7,2
200979	Apple juice, unfermented, Brix value > 20 at 20°C, whether or not containing added sugar or other sweetening matter (excl. containing spirit)	832,2	-7,1
230990	Preparations of a kind used in animal feeding (excl. dog or cat food put up for retail sale)	538,6	-20,8
160413	Sardines, sardinella and brisling or sprats	493,1	31,5
190219	Uncooked pasta, not stuffed or otherwise prepared, not containing eggs	422,4	23,8
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)	419,7	136,3
180310	Cocoa paste (excl. defatted)	409,6	105,4

Source: Trade map (2026)

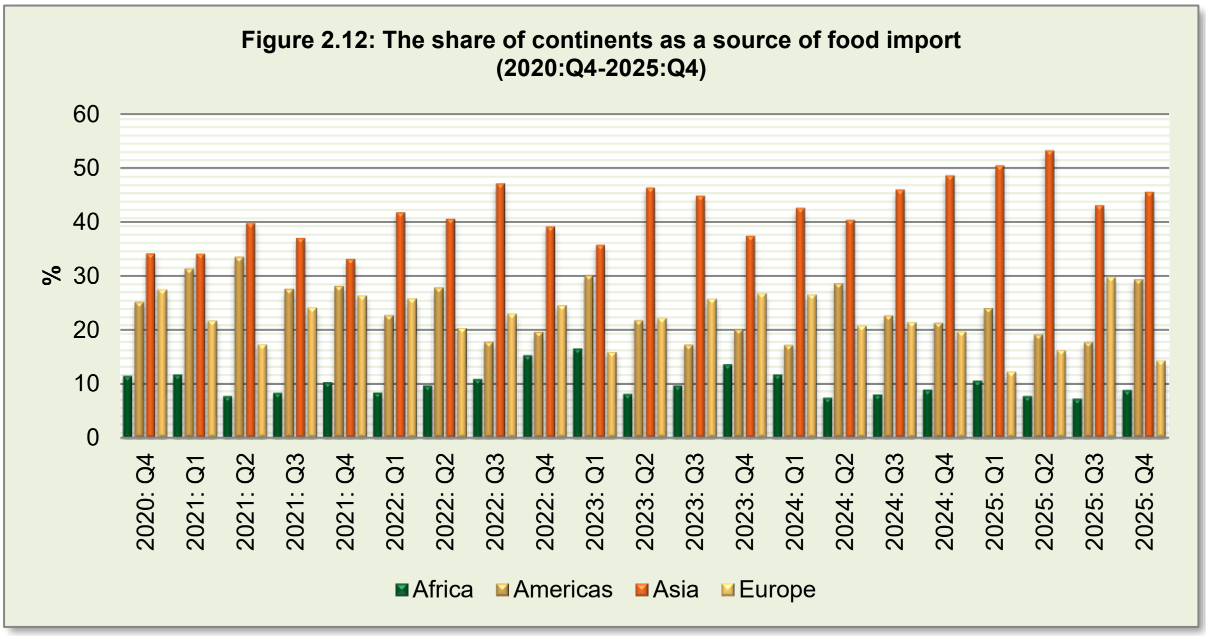
Main source of imported food products

South Africa's main source of food imports during 2025: Q4 is presented in Figure 2.11. Asia accounted for a 46% share of food imports in 2025: Q4, followed by the European Union with a share of about 29%, then Europe and Africa with a 14% 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 Europe accounted for the larger share of South African food imports.

Figure 2.11: The share of continents as a source of food import (2025:Q4)

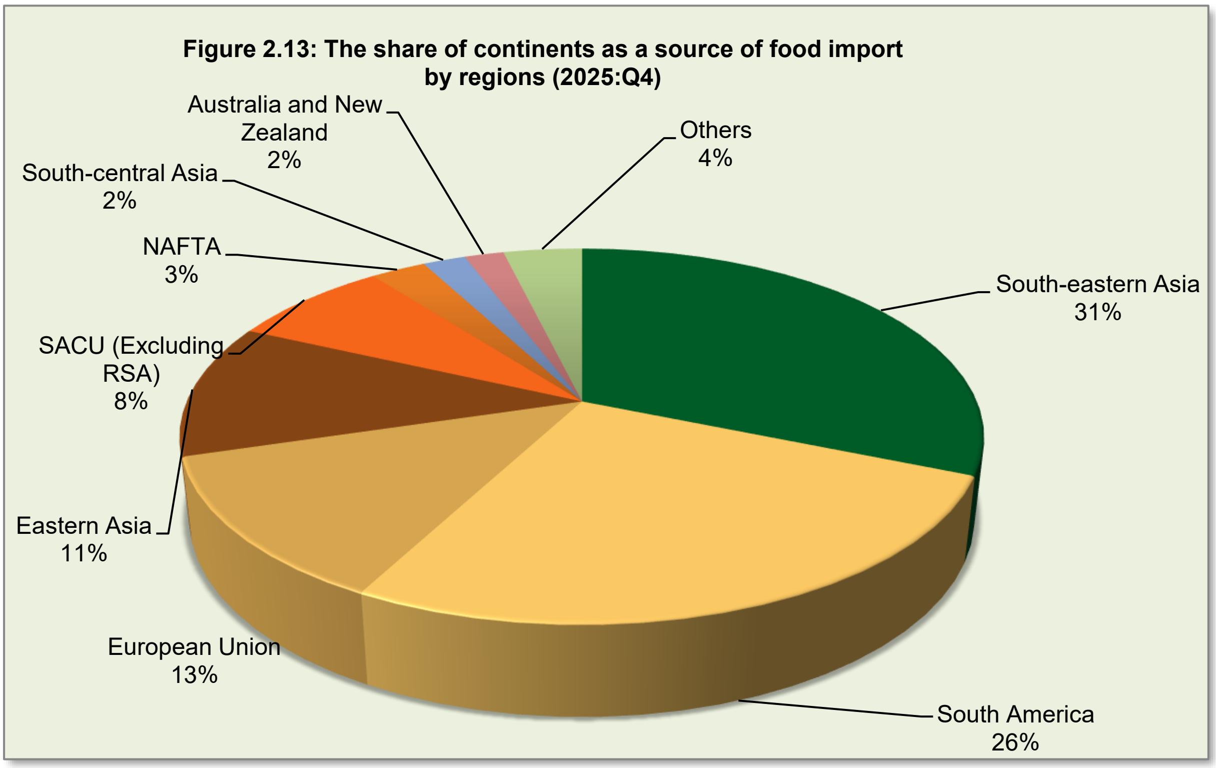


Source: Quantec (2026)



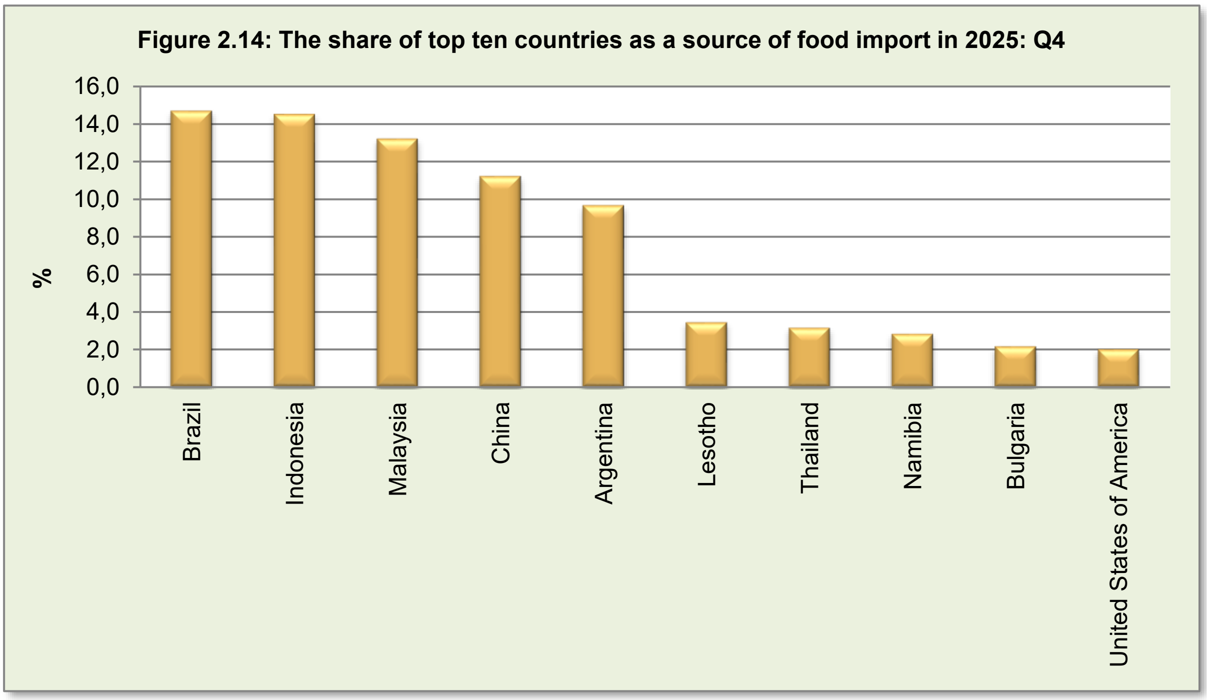
Source: Quantec (2026)

Amongst the trading regions, Southeast Asia accounted for an approximate 31% share of South African food imports, followed by South America (26%), the European Union (13%), Eastern Asia (11%), SACU (excl. RSA) (8%), NAFTA (3%), South-central Asia (2%) and Australia and New Zealand (2%) as presented in Figure 2.13.



Source: Quantec (2026)

Figure 2.14 shows the top ten countries as a source of South African food imports in 2025: Q4. South Africa's imported food products mainly come from Brazil (14,7%), Indonesia (14,5%), Malaysia (13,2%), China (11,2%), Argentina (9,7%), Lesotho (3,4%), Thailand (3,1%), Namibia (2,8%), Bulgaria (2,2%) and the United States of America (2,0%).



Source: Quantec (2026)

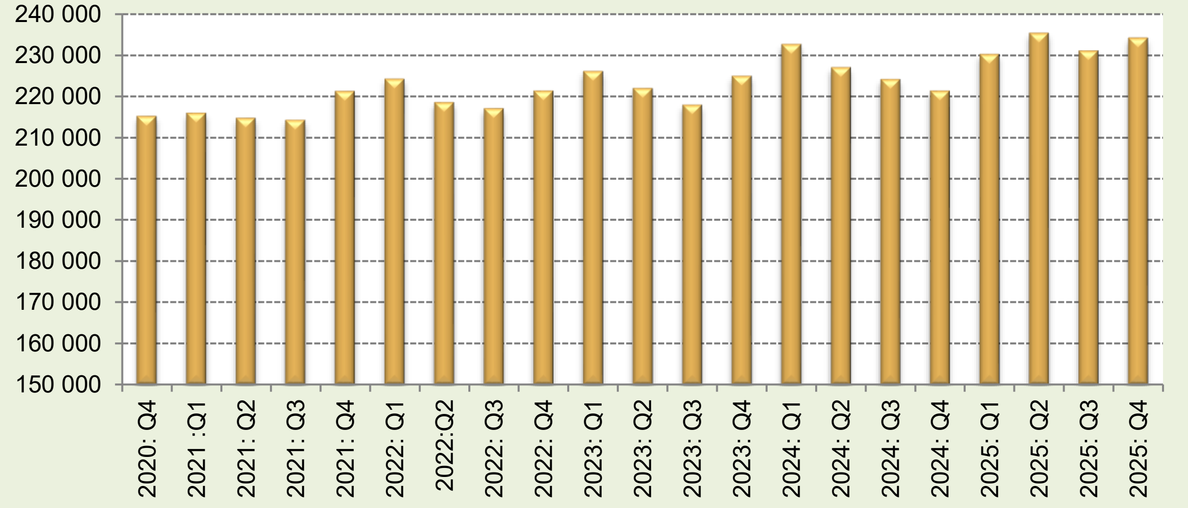
Source: Quantec (2026)

Figure 2.15 shows the quarterly trade balance of food products in 2025: Q4. In 2025: Q4, the quarter-to-quarter food exports contracted by 0,8% from a 0,4% growth 2025: Q3. The quarter-to-quarter food imports, on the other hand, expanded by 12,2% from a 7,7% growth in 2025: Q3.

In terms of year-on-year, food exports contracted by 0,2%, while food imports moderated by 0,8%. As a result, a trade deficit of R847,8 million was registered in 2025: Q4 from a trade surplus of R2 166,7, million in 2025: Q3.

2.6 EMPLOYMENT

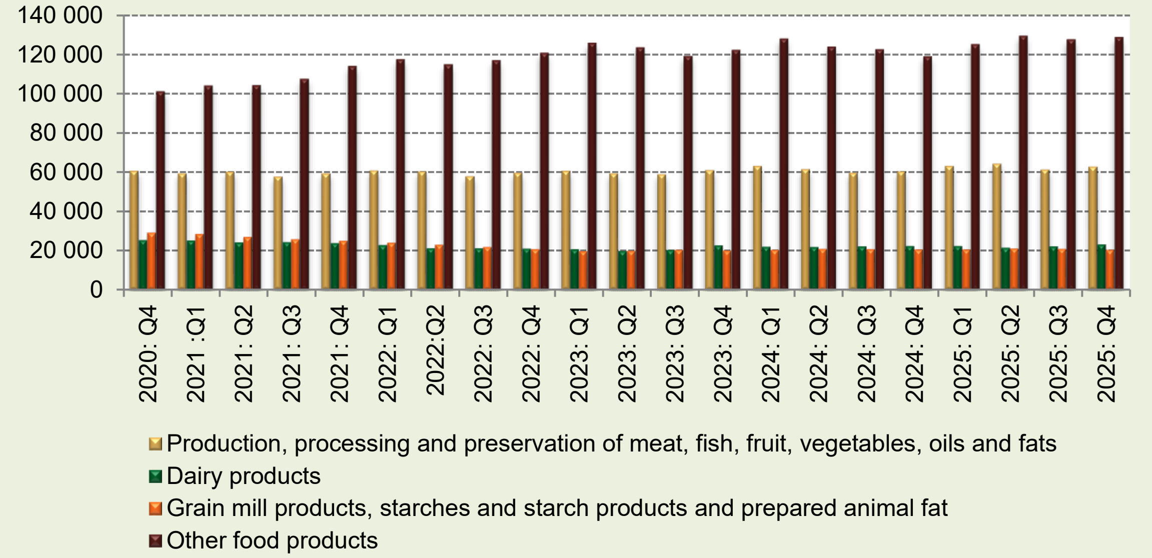
Figure 2.16: Total number of formal employment: food products



Source: Statistics SA (2026)

Figure 2.16 shows formal employment in the food products division. In 2025: Q4, the quarter-to-quarter formal employment in the food products division rebounded by 1,4% as compared to a contraction of 1,8% in 2025: Q3. However, employment expanded by 5,8% year-on-year. As a result, 3 145 jobs were created in 2025: Q4.

Figure 2.17: Number of formal employment: food products



Source: Statistics SA (2026)

Figure 2.17 shows formal employment in the food products divisions in 2025: Q4. In 2025: Q4, the quarter-to-quarter employment in the meat, fish and fruits and vegetables, etc. and "other food products" rebounded by 2,4% and 0,9% from a contraction of 4,6% and 1,5%, respectively, in 2025: Q3; dairy products expanded by 4,9% from a growth of 3,0%, while grain mill products decelerated by 2,4% from a 0,3% contraction in 2025: Q3.

In terms of year-on-year, employment in the meat, fish and fruits and vegetables, etc., dairy products and "other food products" rose by 4,1%, 3,9% and 8,1%, respectively, in 2025: Q4, however, grain mill products contracted by 0,5% in 2025: Q4.

3. 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.

3.1 PRICE

Table 3.1 below shows the consumer price indices, producer price indices and export unit value of the beverages division in 2025: Q4. The quarter-to-quarter consumer price index moderated for spirits and liqueurs (0,2%), wine (0,1%), hot beverages (2,4%) and cold beverages (0,5%), however, alcoholic beverages (0,7%) and non-alcoholic beverages (1,0%) expanded in 2025: Q4.

The year-on-year consumer price index moderated for non-alcoholic beverages (3,6%), hot beverages (8,9%), cold beverages (1,7%), spirits and liqueurs (3,2%) and wine (5,4%). However, alcoholic beverages (4,7%) and beer (5,1%) expanded in 2025: Q4.
In 2025: Q4, the producer price index for the beverages division rose by 0,8% quarter-to-quarter while the index grew the same year-on-year as compared to the last quarter of 4,3%. The beverages export unit value moderated quarter-to-quarter and year-on-year by 0,2% and 6,4% from a 2,8% and 6,4% growth, respectively, in the last quarter.

Table 3.1: Price indices of beverages

Beverage products		**Indices**			**% Change between**	
	Weight	2024: Q4	2025: Q3	2025: Q4	2024: Q4 and 2025: Q4	2025: Q3 and 2025: Q4
		Consumer price indices				
All items (CPI Headline)	100	99,9	103,3	103,7	3,8	0,4
Alcoholic beverages	3,9	100,1	104,1	104,8	4,7	0,7
Spirits and liqueurs	0,8	100,1	103,1	103,3	3,2	0,2
Wine	0,7	99,8	105,1	105,2	5,4	0,1
Beer	2,5	100,2	104,1	105,3	5,1	1,2
Non-alcoholic beverages	1,2	100,1	102,7	103,7	0,7	1,0
Hot beverages	0,3	99,7	106,1	108,6	8,9	2,4
Cold beverages	0,9	100,3	101,5	102,0	1,7	0,5
		Producer price index				
Beverages	8,5	104,2	105,0	107,6	4,3	0,8
		Export unit value				

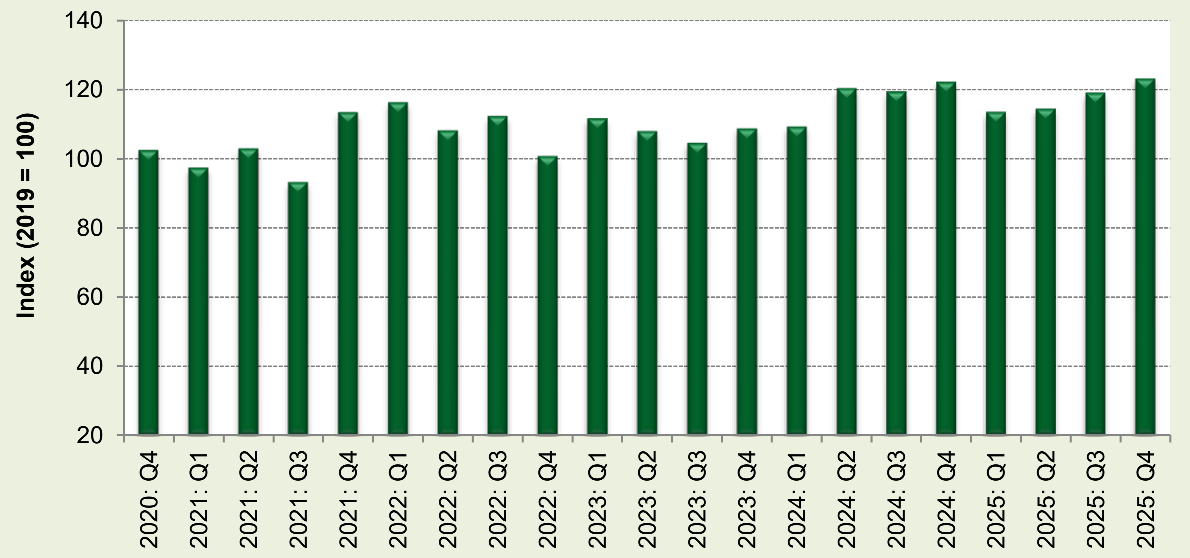
Beverages	135,2	99,1	100,7	102,4	6,4	0,2

Source: Stats SA (2026)

3.2 PRODUCTION

Figure 3.1 presents the seasonally adjusted physical volume of production for the beverages division in 2025: Q4. The quarter-to-quarter seasonally adjusted physical volume of production for the beverages division moderated by 3,4% from a 4,1% growth in 2025: Q3. Conversely, the year-on-year seasonally adjusted physical volume of production for the beverages division rebounded by 0,8% in 2025: Q4.

Figure 3.1: Seasonally adjusted physical volume of production: beverages



Source: Statistics SA (2026)

Production capacity

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

<table>
<tr><th rowspan="4">Period</th><th rowspan="4">Utilisation</th><th colspan="6">Reasons for underutilisation</th></tr>
<tr><td rowspan="3">Total under-utilisation</td><td colspan="3">Shortage of</td><td rowspan="3">Insufficient demand</td><td rowspan="3">Other</td></tr>
<tr><td rowspan="2">Raw materials</td><td colspan="2">Labour</td></tr>
<tr><td>Skilled</td><td>Semi- and unskilled</td></tr>
</table>

2024: Q4	84,2	15,8	2	3,3	0,2	7,6	2,7
2025: Q3	81,3	18,7	2,3	3,3	0,2	10,4	2,6
2025: Q4	83,6	16,4	2,6	3,3	0,2	7,7	2,7

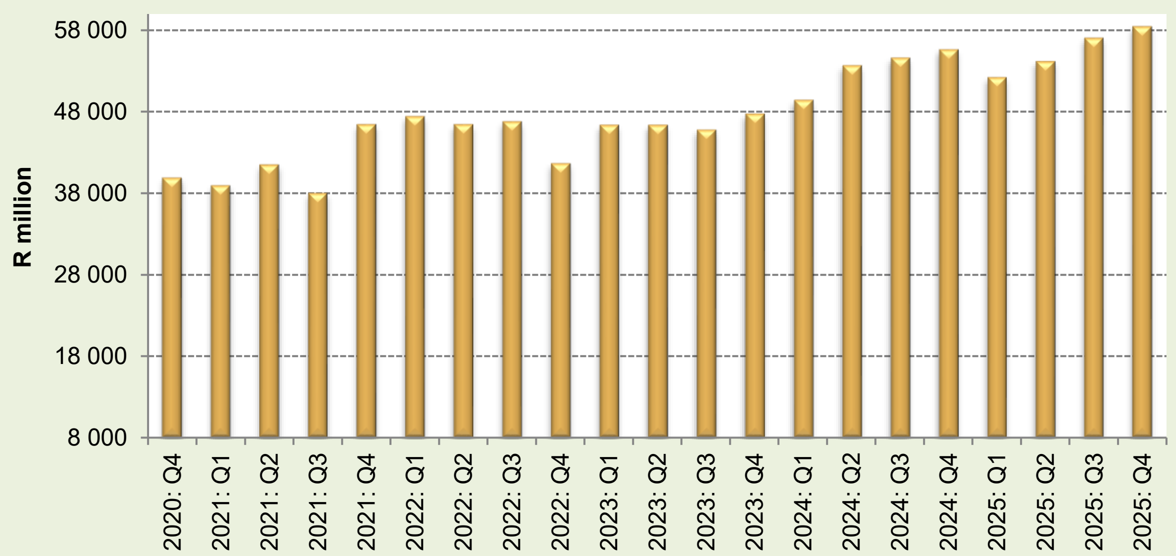
Source: Statistics SA (2026)

Table 3.2 shows the utilisation capacity by large enterprises for the beverages division. The utilisation capacity increased quarter-to-quarter by 2,3 percentage points, however, the year-on-year utilisation capacity decreased by 0,6 percentage points. As Table 3.2 shows, insufficient demand remained the main reason for underutilisation during 2025: Q4, followed by a shortage of skilled labour.

3.3 VALUE OF SALES

In 2025: Q4, the quarter-to-quarter seasonally adjusted value of sales for the beverages division moderated by 2,5% from a 5,3% growth recorded in 2025: Q3, however, the year-on-year seasonally adjusted value of sales for the beverages division rose by 5,1%. As a result, beverages sales increased from R57 049,7 million in 2025: Q3 to R58 453,1 million in 2025: Q4, as shown in Figure 3.2

Figure 3.2: Seasonally adjusted value of sales (current prices): beverages

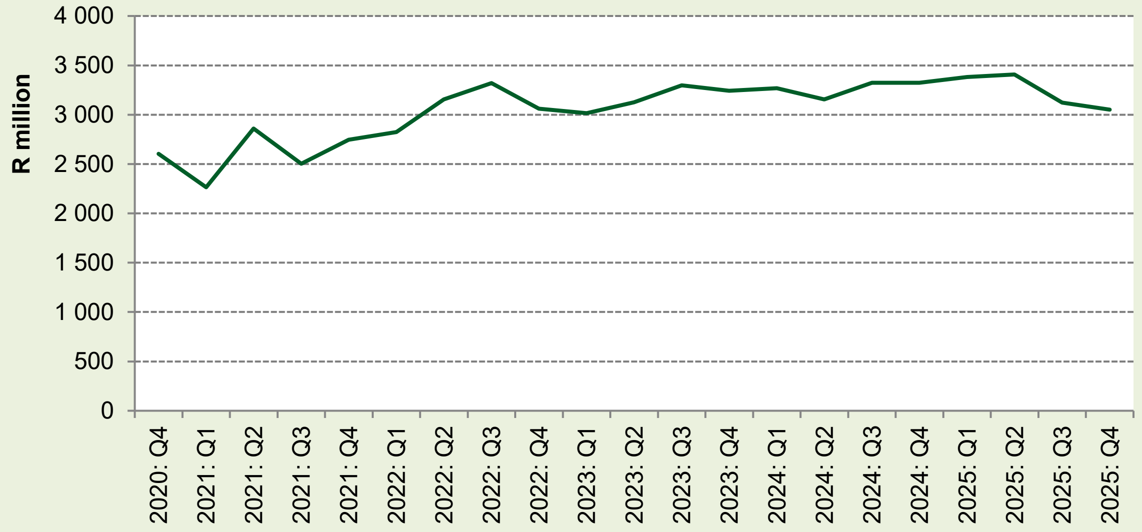


Source: Statistics SA (2026)

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 2025: Q4. The income from bar sales in the food and beverages service industry receded further quarter-to-quarter by 2,2% in 2025: Q4 from an 8,2% contraction in the last quarter. However, the income decelerated by 8,1% year-on-year. Therefore, the income from bar sales increased from R3 121,2 million in 2025: Q3 to R3 052,1 million in 2025: Q4.

Figure 3.3: Seasonally adjusted total income from bar sales in the service industry (current prices)

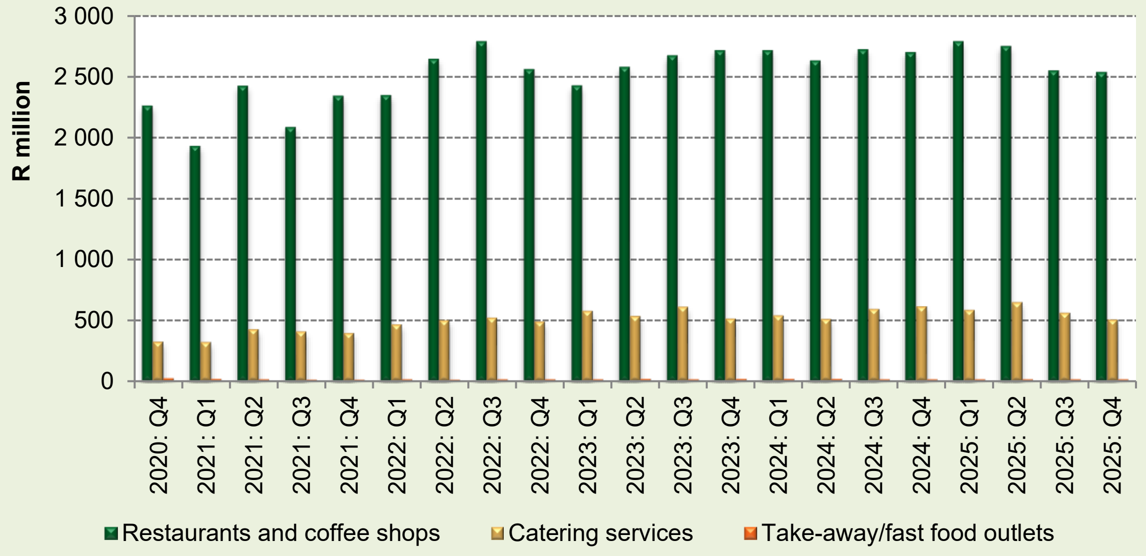


Source: Statistics SA (2026)

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 2025: Q4, the quarter-to-quarter income from restaurants and coffee shops and catering services receded further by 0,6% and 9,8% from a 7,2% and 13,6% contraction in the last quarter; take-away/fast food outlets rose by 13,5% from a 13,3% growth in the last quarter.

In terms of year-on-year, income from restaurants and coffee shops receded further by 6,0%, take-away/fast food outlets rebounded by 7,1%, while catering services decelerated by 17,8%.

Figure 3.4 Seasonally adjusted Income from bar sales in the service industry (current prices)



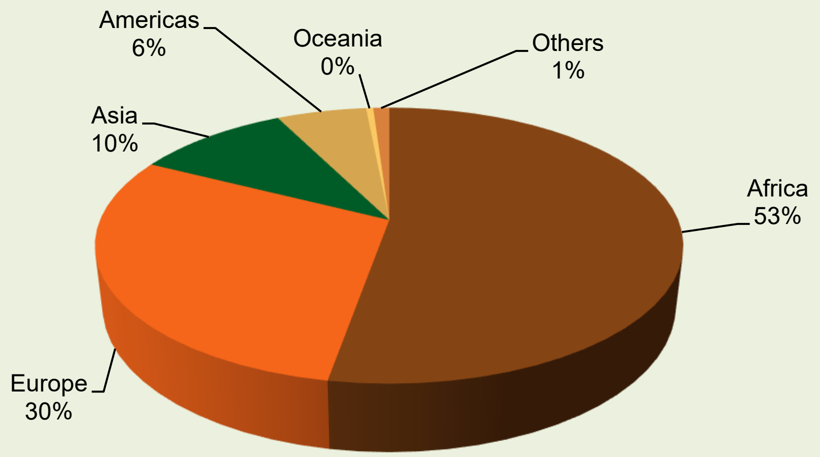
Source: Statistics SA (2026)

3.5 TRADE

Main export destinations of beverages products

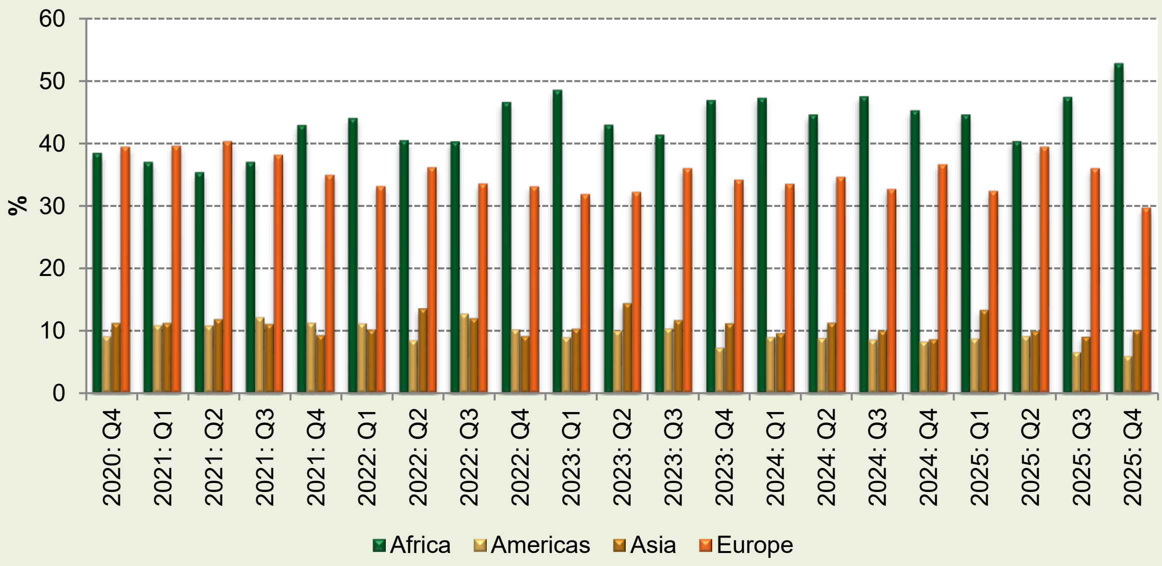
As Figure 3.5 shows, during the quarter under review, Africa and Europe accounted for 53% and 30%, respectively, followed by Asia (10%) and the Americas (6%). Oceania has the least share of South African beverages exports at less than 1%. The trend of exports destinations' share shows that Africa has the larger share of beverages export destination, followed by Europe, the Americas, Asia and Oceania as presented in Figure 3.6.

Figure 3.5: The beverages export destination's share of continents in 2025: Q4



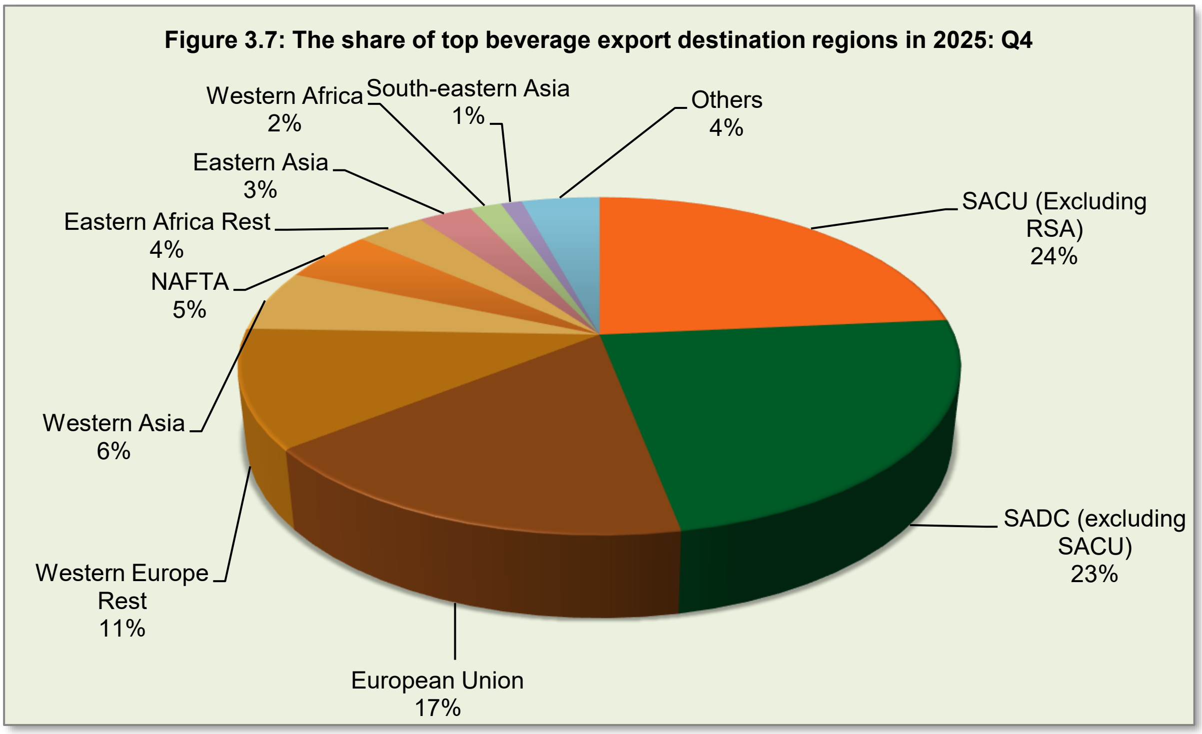
Source: Quantec (2026)

Figure 3.6: The beverages export destination's share of the continents in (2020: Q4 - 2025:Q4)



Source: Quantec (2026)

Among the main trading regions in 2025: Q4, SACU (excl. RSA) accounted for the largest share of South African beverages exports at 24%, followed by SADC (excl. SACU) (23%), the European Union (17%), Western Europe Rest (11%), Western Asia (6%), NAFTA (5%), Eastern Asia Rest (4%), Eastern Africa (3%), Western Africa (2%) and Southeast Asia (1%), as illustrated in Figure 3.7.



Source: Quantec (2026)

Table 3.3 below presents the major exported beverages products during 2025: 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 (HS220421); waters, incl. mineral and aerated, with added sugar, sweetener or flavour, for direct consumption (HS220210) and other fermented beverages (for example, cider, perry, mead, saké); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included (HS220600) with an export value of R1 875,0 million, R1 161,8 million and R934,5 million, respectively, in 2025: Q4.

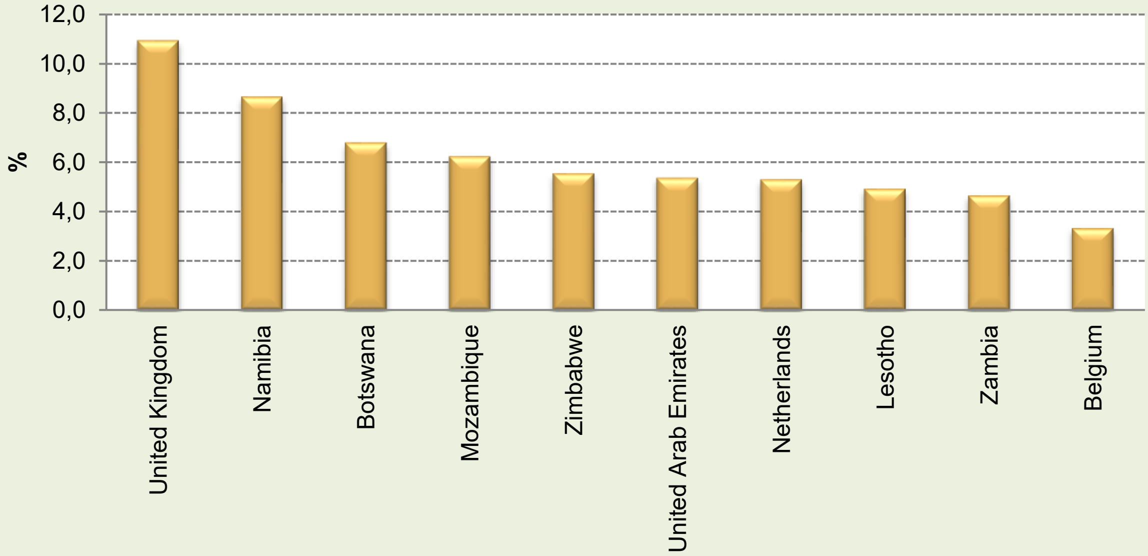
Table 3.3: Major exported beverages products in 2025: Q4 and their percentage change.

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)	1 875,0	-22,3

220210	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured	1 161,8	24,7
220600	Other fermented beverages (for example, cider, perry, mead, saké); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included	934,5	30,7
220299	Non-alcoholic beverages (excl. water, fruit or vegetable juices, milk and beer)	691,7	9,3
220300	Beer made from malt	678,6	3,7
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)	584,7	-22,7
220710	Undenatured ethyl alcohol, of actual alcoholic strength of >= 80%	473,2	-12,8
220720	Ethyl alcohol and other spirits, denatured, of any strength	344,5	21,4
220870	Liqueurs and cordials	263,4	-2,6
220820	Spirits obtained by distilling grape wine or grape marc	186,8	-12,6

Source: Trade map (2026)

Figure 3.8: The share of top ten beverages export destination countries in 2025: Q4



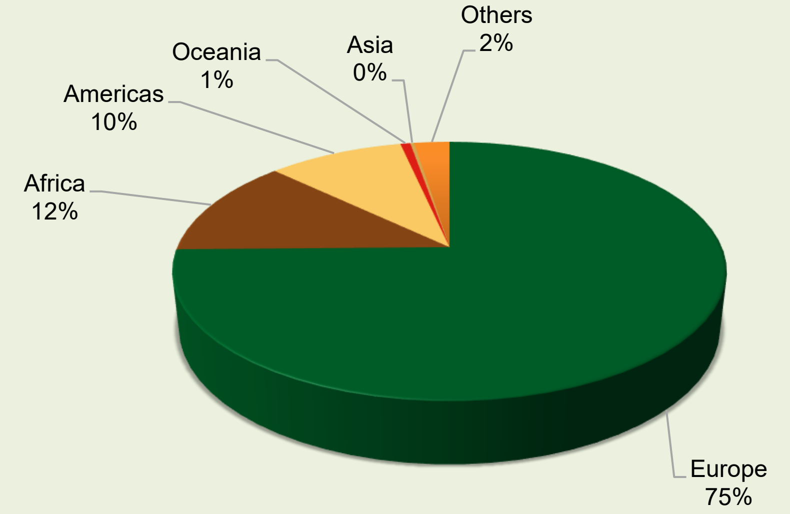
Source: Quantec (2026)

Figure 3.8 above shows the shares of the top ten beverages export destinations in 2025: Q4. The following are the main countries that accounted for a higher share of South Africa's beverages exports in 2025: Q4: the United Kingdom (10,9%), Namibia (8,7%), Botswana (6,8%), Mozambique (6,2%), Zimbabwe (5,5%), the United Arab Emirates (5,4%), the Netherlands (5,3%), Lesotho (4,9%), Zambia (4,6%) and Belgium (3,3%).

Main imported beverages products and their sources

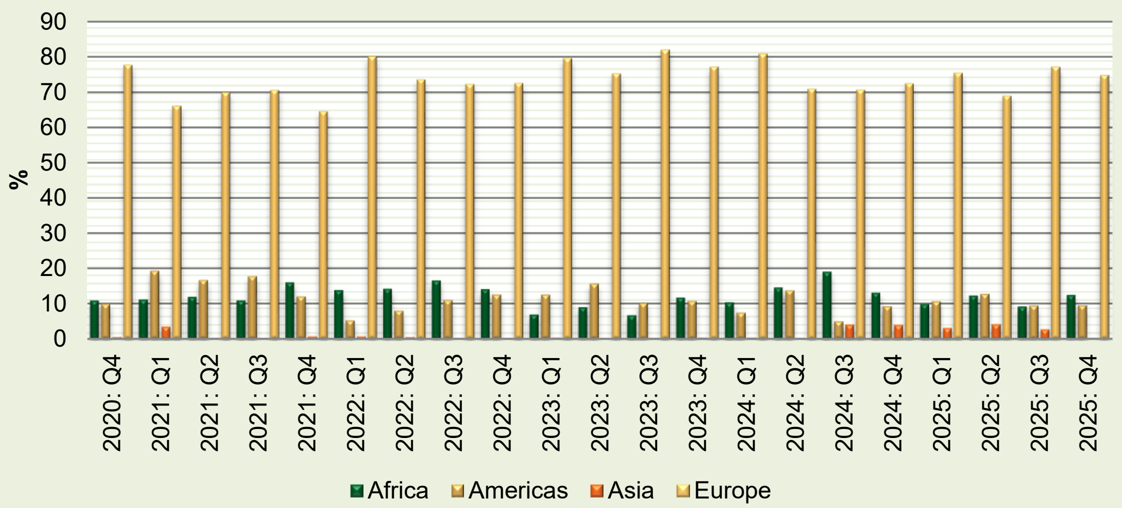
Figure 3.9 illustrates the share of continents as a source of beverages imports in 2025: Q4. Europe accounted for approximately 75% share for sources of beverages imports, followed by Africa (12%), the Americas (10%) and Oceania (1%). Asia's share was minimal at less than 1%. Figure 3.10 shows that, for the past five years, Europe has been a consistent source of South African beverages imports followed by Africa, the Americas, Asia and Oceania.

Figure 3.9: The share of continents as a source of beverages import (2025: Q4)



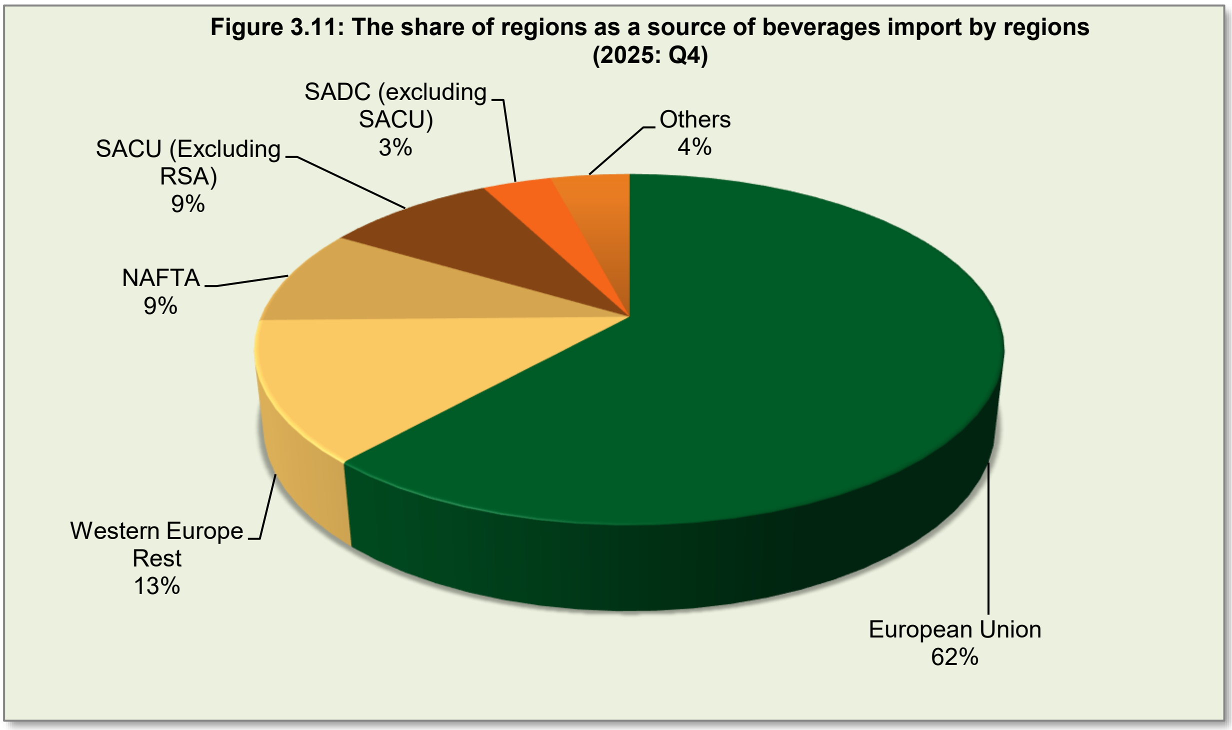
Source: Quantec (2026)

Figure 3.10: The share of continents as a source of beverages import (2020: Q4 - 2025: Q4)



Source: Quantec (2026)

The European Union, as the leading source of South Africa's imports of beverages, accounted for about 62% share in 2025: Q4, followed by Western Europe Rest with a share of around 13%, then NAFTA (9%), SACU (excl. RSA) (9%) and SADC (excl. SACU) (3%), as illustrated in Figure 3.11.



Source: Quantec (2026)

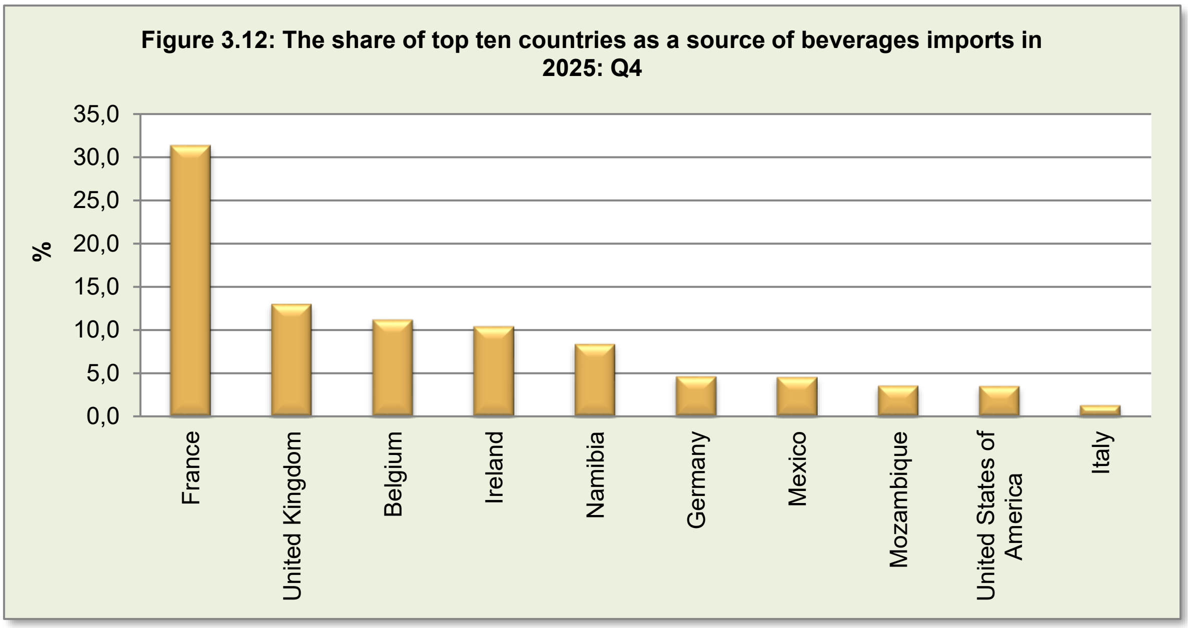
Table 3.5 below presents major imported beverages products during 2025: Q4 and the year-on-year percentage change. In 2025: Q4, the major beverages imports in South Africa were: waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured (HS220210), spirits obtained by distilling grape wine or grape marc (HS220820) and whiskies (HS220830) with a value R774,4 million, R754,7 million and R724,7 million, respectively.

Table 3.5: Imported beverages in 2025: Q4 and percentage change.

HS code	Product description	Export value R_million	Year-on-year % change
220210	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured	774,4	33,1
220820	Spirits obtained by distilling grape wine or grape marc	754,7	29,5

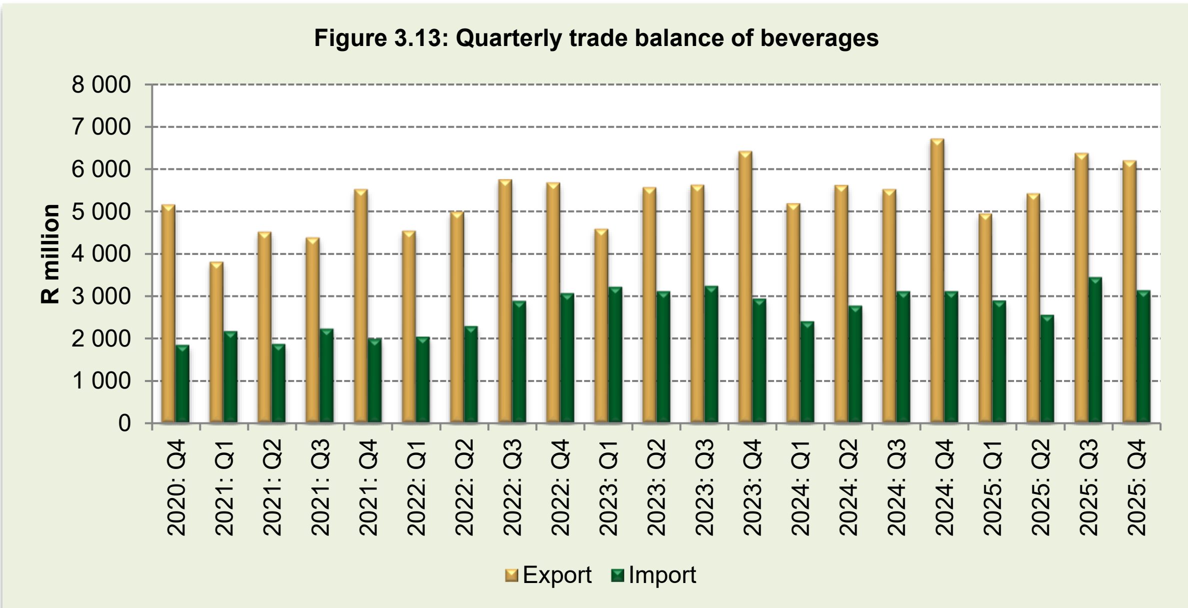
220830	Whiskies	724,7	-16,4
220300	Beer made from malt	435,3	-12,8
220600	Other fermented beverages (for example, cider, perry, mead, saké); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included	232,9	147,2
220870	Liqueurs and cordials	152,0	-16,8
220410	Sparkling wine	149,1	-10,3
220890	Ethyl alcohol of an alcoholic strength of < 80% vol, not denatured; spirits and other spirituous	149,0	13,2
220299	Non-alcoholic beverages (excl. water, fruit or vegetable juices, milk and beer)	80,8	48,0
220850:	Gin and Geneva	58,9	21,6

Source: Trade map (2026)



Source: Quantec (2026)

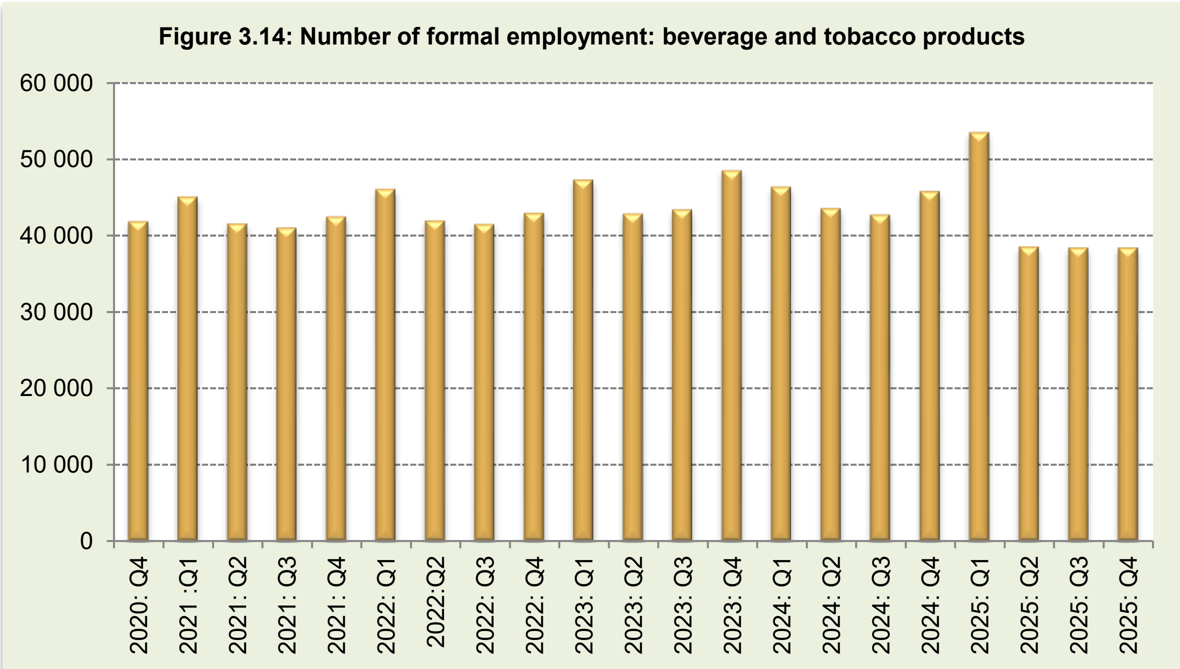
Figure 3.12 above shows the share of the top ten countries as a source of beverages imports. In 2025: Q4, France (31,3%) accounted for the highest share of South Africa's beverages imports, followed by the United Kingdom (13,10), Belgium (11,2%), Ireland (10,4%), Namibia (8,4%), Germany (4.6%), Mexico (4,5%), Mozambique (3,6%), the United States of America (3,5%) and Italy (1,3%).



Source: Trade Map (2026)

In 2025: Q4, the quarter-to-quarter beverages exports contracted by 1,2% following a growth of about 3,5% in 2025: Q3. However, imports moderated by 9,8% in 2025: Q4 as compared to a growth of 10,7% in 2025: Q3.
In terms of year-on-year, exports contracted by 1,8%, however, imports moderated by 0,8% in 2025: Q4. As a result, the trade surplus of the beverages division decreased from R5 101,5 million in 2025: Q3 to R2 221,6 million in 2025: Q4.

3.6 EMPLOYMENT



Source: Trade Map (2026)

Figure 3.14 shows formal employment in the beverages and tobacco products divisions. In 2025: Q4, the quarter-to-quarter formal employment in the beverages division remained unchanged as compared to a contraction of 0,4% in 2025: Q3, however, the division decelerated by 16,1% year-on-year. Therefore, about eight (8) jobs were created in the beverages and tobacco division in 2025: Q4.

4. CONCLUSION

South Africa's economic activity expanded during the period under review. The expansion was due to the activity in the tertiary sector, however, both the primary and the secondary sectors registered a contraction.

In 2025: Q4, the quarter-to-quarter seasonally adjusted volume of production in the food and beverages division contracted by 0,8% from a 2,3% growth in 2025: Q3, however, the value of sales in the food and beverages division decelerated by 3,4% from a 0,2% contraction in 2025: Q3.

In 2025: Q4, the seasonally adjusted quarter-to-quarter and year-on-year food and beverages exports contracted by 1,2% and 1,8% from a growth of 3,5% and 5,1% in 2025: Q3, respectively. However, quarter-to-quarter and year-on-year imports moderated by 9,8% and 0,8% following a 10,7% and 3,1%, growth respectively in 2025: Q3.

The formal employment in the food, beverages and tobacco division rebounded quarter-to-quarter by 1,2% in 2025: Q4 from a contraction of about 1,6% in 2025: Q3.

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Quantec (2026) (Trade) Exports and imports, continents, regional, top ten countries.

Trade map (2026) Top food and beverages items by value and percentage change

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NOTES: