agriculture
Department:
Agriculture
REPUBLIC OF SOUTH AFRICA

Agro-processing Quarterly Brief: No. 1, 2026

Directorate: Agro-processing Support

Highlights of the first quarter of 2026 (2026: Q1) (January to March)

In 2026: Q1, the year-on-year producer price inflation for final manufactured goods moderated by 2,1% year-on-year.

The agro-processing industry's seasonally adjusted volume of production contracted by 2,4% in 2026: Q1 from a 0,2% growth in 2025: Q4.

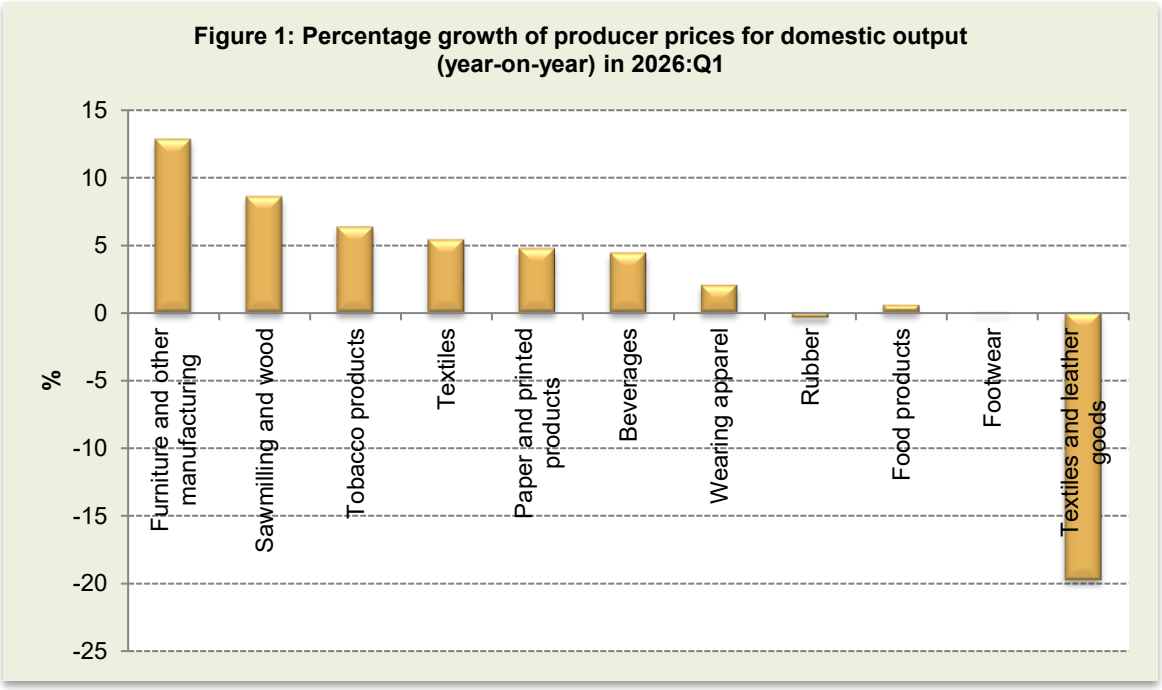
The seasonally adjusted value of sales for the agro-processing industry receded further by 0,5% in 2026: Q1 from a 1,7% contraction in the last quarter. This represented an increase in nominal value of sales from R294 488,4 million in 2025: Q4 to R292 877,7 million in 2026: Q1.

In 2026: Q1, the trade deficit of the agro-processing industry widened to R14 182,3 million from R13 443,9 million in 2025: Q2, which represents a rebound of 5,5% from a 4,7% contraction in the last quarter.

In 2026: Q1, the agro-processing industry recorded about 464 805 jobs from 457 727 jobs in 2025: Q4, representing 7 078 jobs created in 2026: Q1.

Producer prices

Figure 1: Percentage growth of producer prices for domestic output (year-on-year) in 2026:Q1

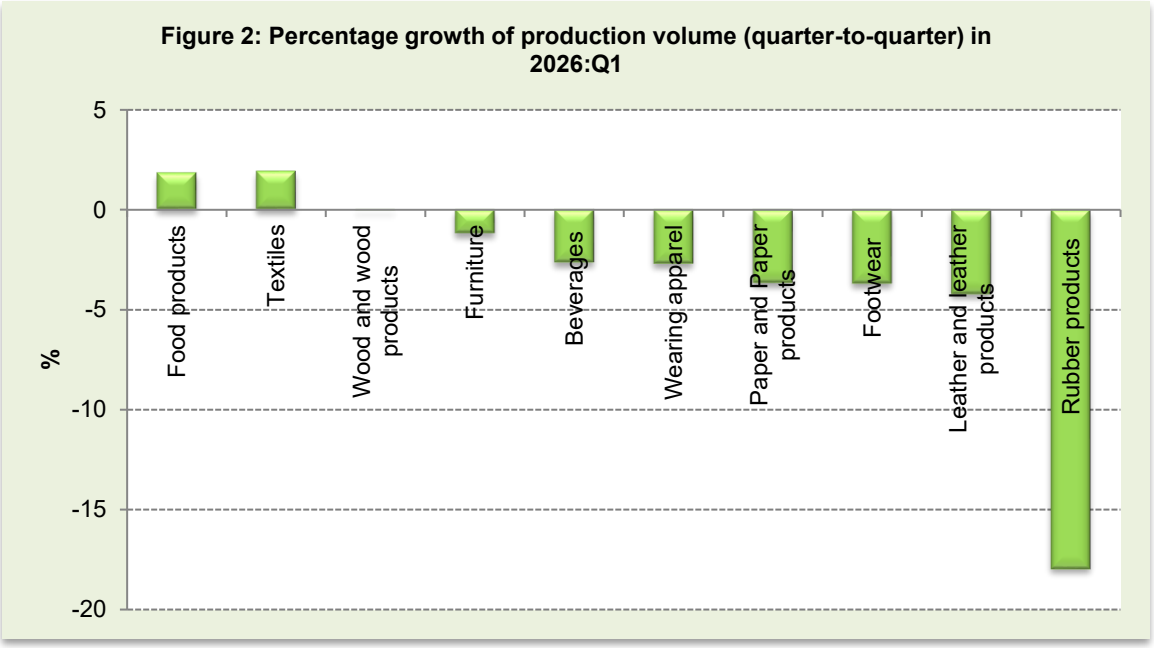


Source: Statistics SA, 2026

In 2026: Q1, the year-on-year producer price inflation for final manufactured goods moderated by 2,1% year-on-year. In 2026:Q1, the following divisions expanded in growth during the period under review: furniture and other manufacturing (12,8%), sawmilling and wood (8,6%), tobacco products (6,3%), textiles (5,4%), paper and printed products (4,7%) and beverages (4,4%), however, wearing apparel (2,0%) and food products (0,6%) divisions moderated; footwear (0,1%) division contracted, rubber products division (0,4%) receded further, while textiles and leather goods division decelerated by 19,8% (see Figure 1).

Volume of production

Figure 2: Percentage growth of production volume (quarter-to-quarter) in 2026:Q1



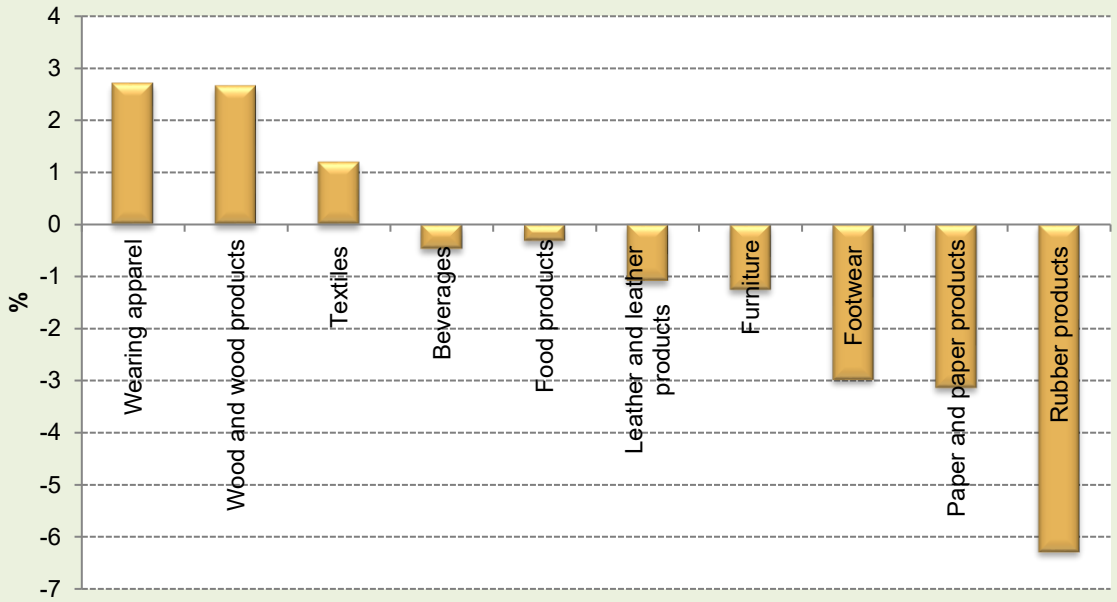
Source: Statistics SA, 2026

**Tobacco data not supplied*

Figure 2 above shows the seasonally adjusted physical volume of production for the agro-processing divisions in 2026: Q1. The agro-processing industry's seasonally adjusted volume of production contracted by 2,4% in 2026: Q1. In 2026: Q1, the divisions that contracted during the period under review were beverages (2,7%) and rubber products (18,0%), furniture (1,2%), wearing apparel (2,7%) and paper and paper products (3,7%) divisions receded further, footwear (3,7%) and leather and leather products (4,2%) divisions decelerated, food products (1,9%) division rebounded, textiles (1,9%) division expanded while wood and wood products division remained unchanged as compared to a growth of 6,1% in the last quarter.

Value of sales

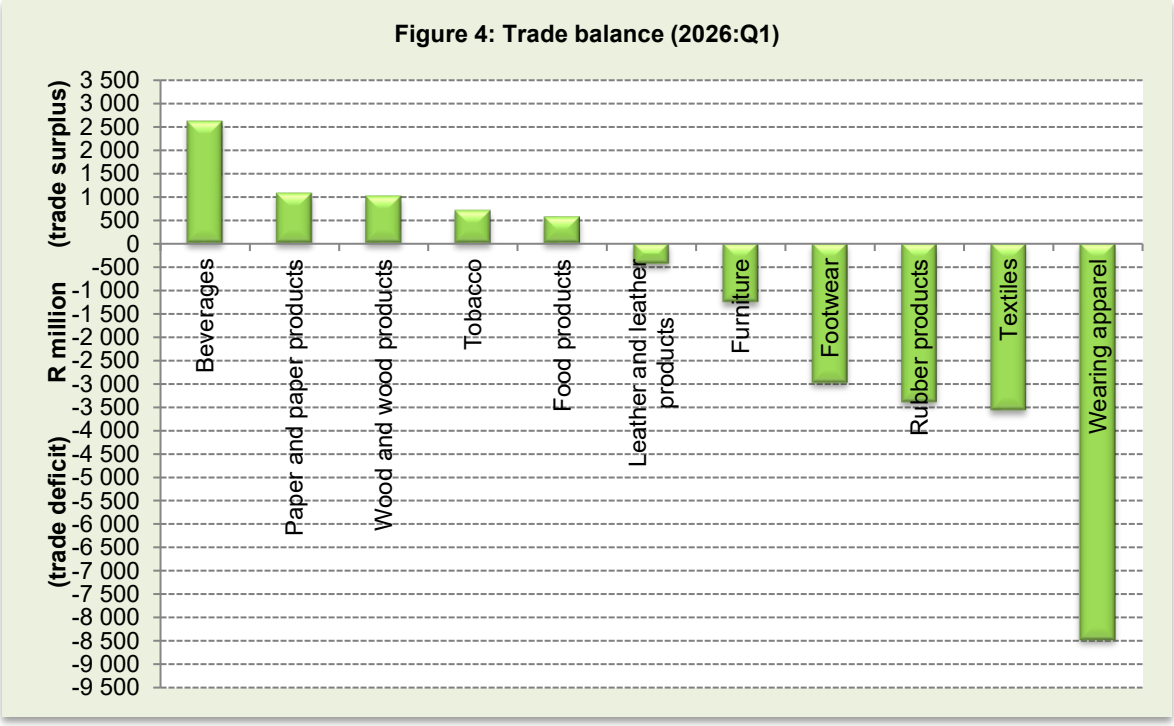
Figure 3: Percentage growth of value of sales (quarter-to-quarter) in 2026:Q1



Source: Statistics SA, 2026

Figure 3 above shows the seasonally adjusted value of sales for the agro-processing divisions in 2026: Q1. The seasonally adjusted value of sales for the agro-processing industry receded further by 0,5% in 2026: Q1 from a 1,7% contraction in the last quarter. This represented a decrease in nominal value of sales from R294 488,4 million in 2025: Q4 to R292 877,7 million in 2026: Q1. The seasonally adjusted value of sales receded further for the following divisions: food products (0,3%), leather and leather products (1,1%), footwear (3,0%) and paper and paper products (3,1%); beverages (0,5%), furniture (1,3%) and rubber products (6,3%) divisions contracted, wearing apparel (2,7%) and textiles (1,2%) divisions rebounded, while wood and wood products (2,7%) division moderated in 2026:Q1.

Trade

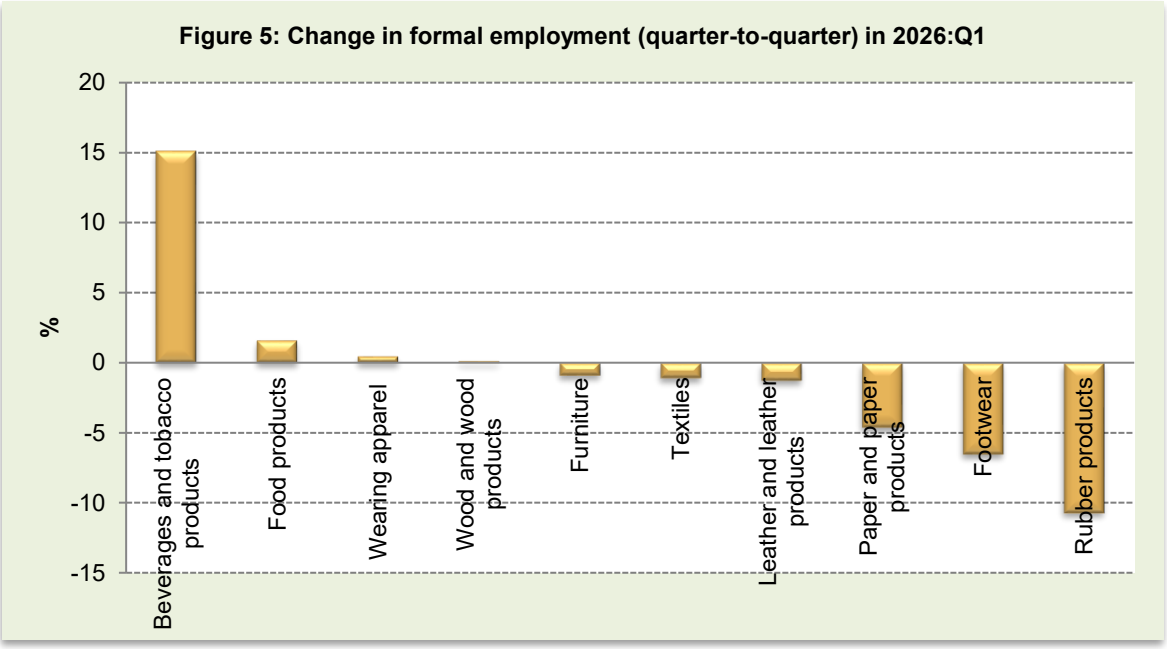


Source: Quantec, 2026

In 2026: Q1, the trade deficit of the agro-processing industry widened to R14 182,3 million from R13 443,9 million in 2025: Q4, which represents a rebound of 5,5% from a 4,7% contraction in the last quarter. The divisions that recorded a trade deficit during the period were wearing apparel (R8 479,9 million), textiles (R3 571,4 million), rubber products (R3 402,2 million million), footwear (R2 985,4 million), furniture (R1 261,8 million) and leather and leather products (R449,4 million). However, the following divisions registered a trade surplus during the period under review: beverages (R2 607,4 million) paper and paper products (R1 073,9 million), tobacco (R703,3 million) and food products (R570,8 million) (see Figure 4).

Formal employment

Figure 5: Change in formal employment (quarter-to-quarter) in 2026:Q1



Source: Stats SA, 2026

In 2026: Q1, the agro-processing industry recorded about 464 805 jobs from 457 727 jobs in 2025: Q4, representing 7 078 jobs created in 2026: Q1. The following divisions receded further during the period: rubber products (10,7%), furniture (0,9%), leather and leather products (1,3%) and footwear (6,5%) divisions contracted. beverages and tobacco products (15,1%) and food products (1,6%) divisions expanded; wearing apparel (0,4%) and wood and wood products (0,1%) divisions rebounded while textiles (1,1%) and paper and paper products (4,6%) divisions decelerated (see Figure 5).

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