KEY MARKET SIGNALS FOR THE DAIRY INDUSTRY

(A presentation to the online General Meeting of SAMPRO by the CEO of SAMPRO based on research reports of SAMPRO) on

23 July 2026

This presentation is available to any interested party and copies can be obtained from the Office of SAMPRO – telephone number 012 991 4164.

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sampro

South African Milk Processors' Organisation

The voluntary organisation of milk processors for the promotion of the development of the secondary dairy industry to the benefit of the dairy industry, the consumer and the South African society.

Key Market signals for the Dairy Industry are about:

- CONDITIONS IN THE WORLD
- THE INTERNATIONAL MARKETS FOR DAIRY PRODUCTS
- THE UNPROCESSED MILK MARKETS IN MAJOR DAIRY COUNTRIES
- CONDITIONS IN SOUTH AFRICA
- THE UNPROCESSED MILK MARKET IN SOUTH AFRICA
- THE SOUTH AFRICAN MARKETS FOR DAIRY PRODUCTS

CONDITIONS IN THE WORLD

- **From 28 February 2026, the conflict in the Middle East resulted in:**

  - **A drastic increase in the prices of oil and other commodities;**
  - **Slower economic growth;**
  - **Higher inflation;**
  - **Record high uncertainty; and**
  - **Extremely low predictability**

- **In June 2026, the intensity of the conflict decreased, reducing its negative impact on economic growth and increasing optimism.**

CONDITIONS IN THE WORLD (Continue)

- However, in July 2026:
  - The intensity of the conflict increased;
  - The June optimism disappeared largely;
  - The outcome of the conflict remained uncertain and predictability remained extremely low; and
  - The IMF expected lower economic growth in 2026, than it had forecast in January 2026.
- The impact of the Middle East conflict differs across countries.

ECONOMIC GROWTH RATES AND FUTURE GROWTH RATES IN SELECTED COUNTRIES, AS EXPECTED IN JANUARY 2026 AND JULY 2026.

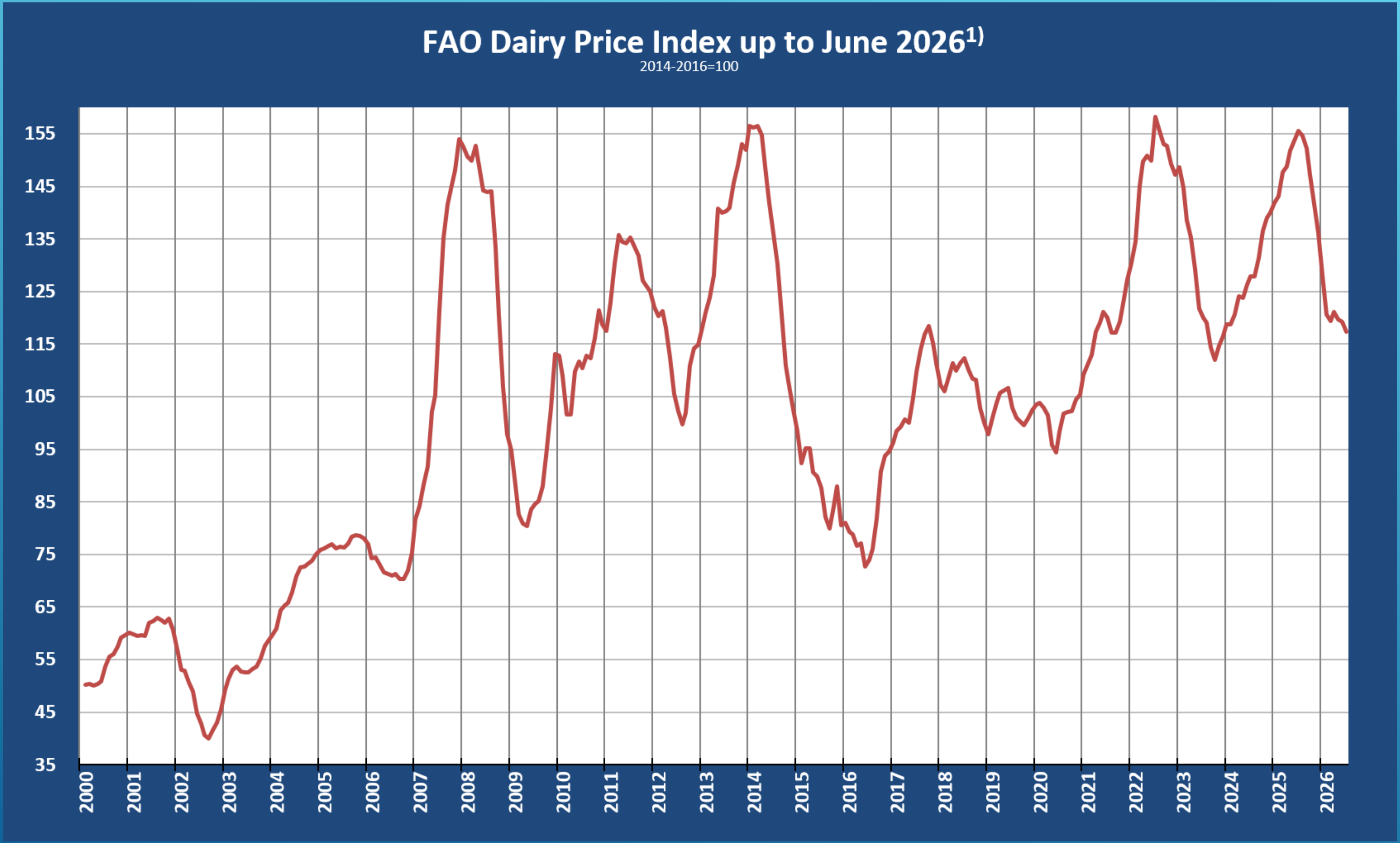
	2023	2024	2025	2026		2027	
Region / country	Actual			Forecast			
				January	July	January	July
World	3.5	3.3	3.3	3.3	3.0	3.2	3.4
Advanced economies	1.7	1.8	1.7	1.8	1.7	1.7	1.8
United States	2.9	2.8	2.1	2.4	2.3	2.0	2.2
Euro area	0.4	0.9	1.4	1.3	0.9	1.4	1.2
United Kingdom	0.4	1.1	1.4	1.3	1.0	1.5	1.3
Japan	1.2	0.2	1.1	0.7	0.6	0.6	0.7
Emerging and developing countries	4.7	4.3	4.4	4.2	3.8	4.1	4.5
Brazil	3.2	3.4	2.5	1.6	2.4	2.3	2.2
Russia	4.1	4.3	0.6	0.8	1.1	1.0	1.1
India	9.2	6.5	7.3	6.4	6.4	6.4	6.7
China	5.4	5.0	5.0	4.5	4.6	4.0	4.1
Sub-Saharan Africa	3.7	4.1	4.4	4.6	4.3	4.6	4.5
Nigeria	3.3	4.1	4.2	4.4	4.1	4.1	4.3
South Africa	0.8	0.5	1.3	1.4	1.1	1.5	1.3

Table prepared by the Office of SAMPRO based on information published in the "IMF World Economic Outlook, January 2026 and July 2026".

THE INTERNATIONAL MARKETS FOR DAIRY PRODUCTS

Graph 1

PRICE INDEX OF DAIRY PRODUCTS TRADED INTERNATIONALLY UP TO JUNE 2026



Graph as published by the Food and Agricultural Organisation (FAO) of the United Nations.

Table 1

VOLATILITY PER YEAR OF THE PRICE INDEX OF THE FAO OF DAIRY PRODUCTS IN THE INTERNATIONAL MARKET

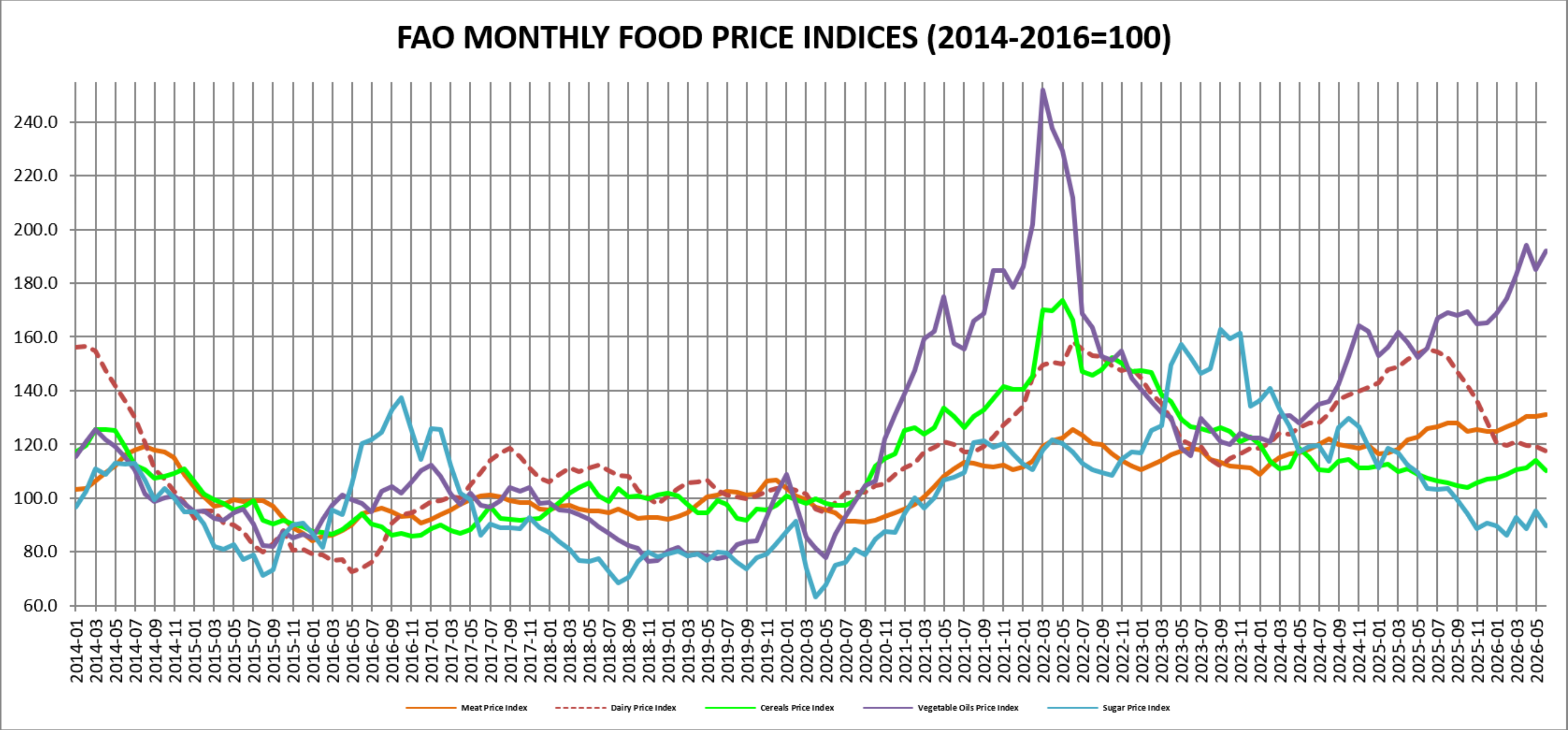
Index: 2014-2016=100

YEAR	A Highest Monthly Index	B Lowest Monthly Index	A Higher than B Percent
2000	60.1	50.1	20.0
2001	62.9	56.9	10.6
2002	53.0	40.1	32.2
2003	59.7	51.3	16.5
2004	75.8	60.9	24.4
2005	78.7	76.2	3.4
2006	81.7	70.3	16.2
2007	154.0	84.2	82.8
2008	152.6	94.9	60.9
2009	113.1	80.4	40.7
2010	121.4	101.6	19.5
2011	135.8	122.0	11.3
2012	121.2	99.7	21.6
2013	156.5	121.0	29.3
2014	156.4	98.5	58.8
2015	95.2	79.9	19.0
2016	96.2	72.7	32.3
2017	118.4	98.6	20.1
2018	112.3	97.8	14.7
2019	106.6	99.6	7.0
2020	108.7	94.5	15.0
2021	130.4	111.1	17.4
2022	158.2	134.3	17.8
2023	144.7	112.0	29.3
2024	141.2	118.7	18.9
2025	155.5	128.2	21.3
Average	113.5	90.6	25.4

Table prepared by the Office of SAMPRO based on information published by the FAO.

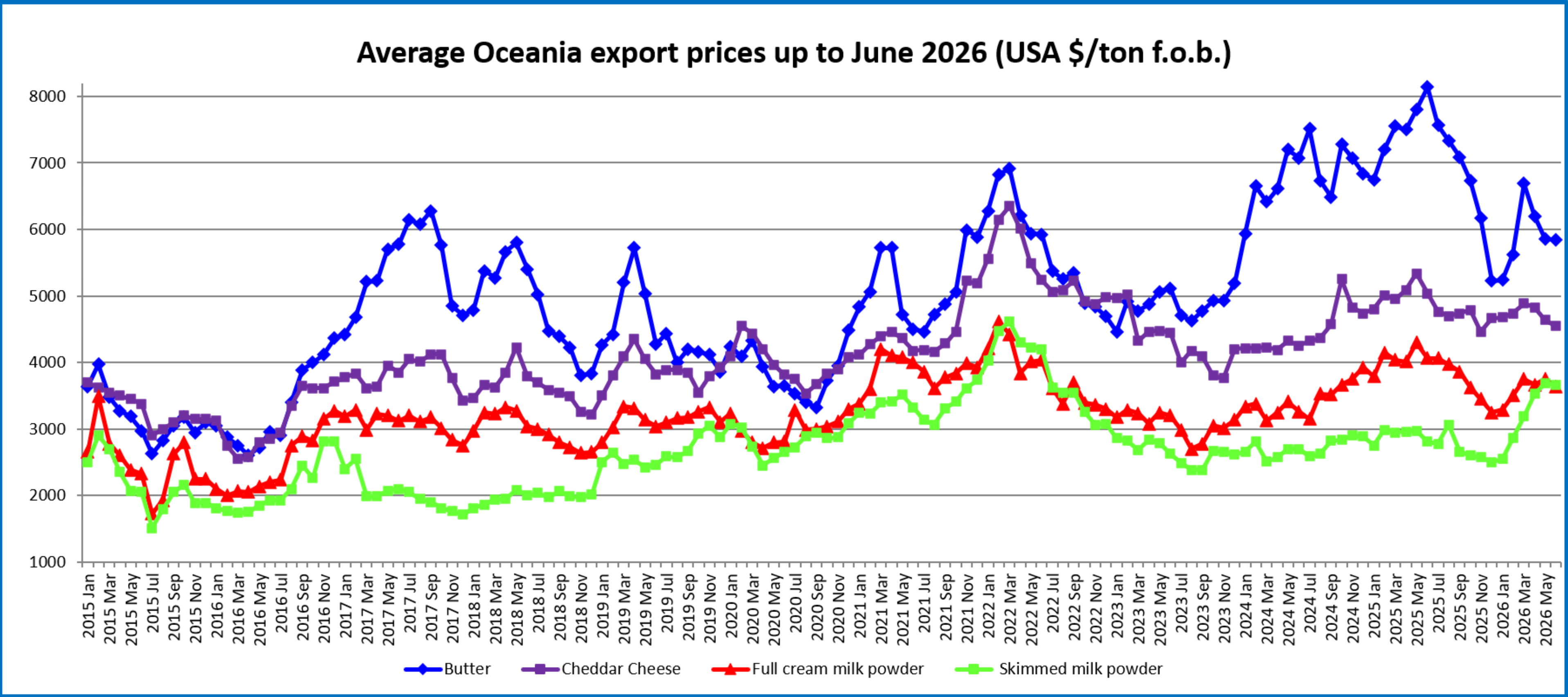
Graph 2

THE PRICE HISTORY OF DIFFERENT FOOD PRODUCTS IN THE INTERNATIONAL MARKET FROM 2014 TO JUNE 2026



Graph prepared by the Office of SAMPRO based on information published by the FAO, in the "Global Food Price Monitor".

Graph 3



Graph prepared by the Office of SAMPRO based on information published by the USDA on 2 July 2026

Table 2

EUROPEAN PRICES (F.O.B.) OF SPECIFIC DAIRY PRODUCTS END JUNE 2026

PRODUCT	PRICE $ / kg	PRICE R / kg (R16.39=$)
BUTTER	4.25 - 4.50	69.66 - 73.76
WHOLE MILK POWDER	3.33 - 3.63	54.58 - 59.50
SKIMMED MILK POWDER	2.95 - 3.23	48.35 - 52.94

Table 2 prepared by the Office of SAMPRO based on information published in the USDA Agricultural Marketing Service. The prices are free on board prices from Western Europe.

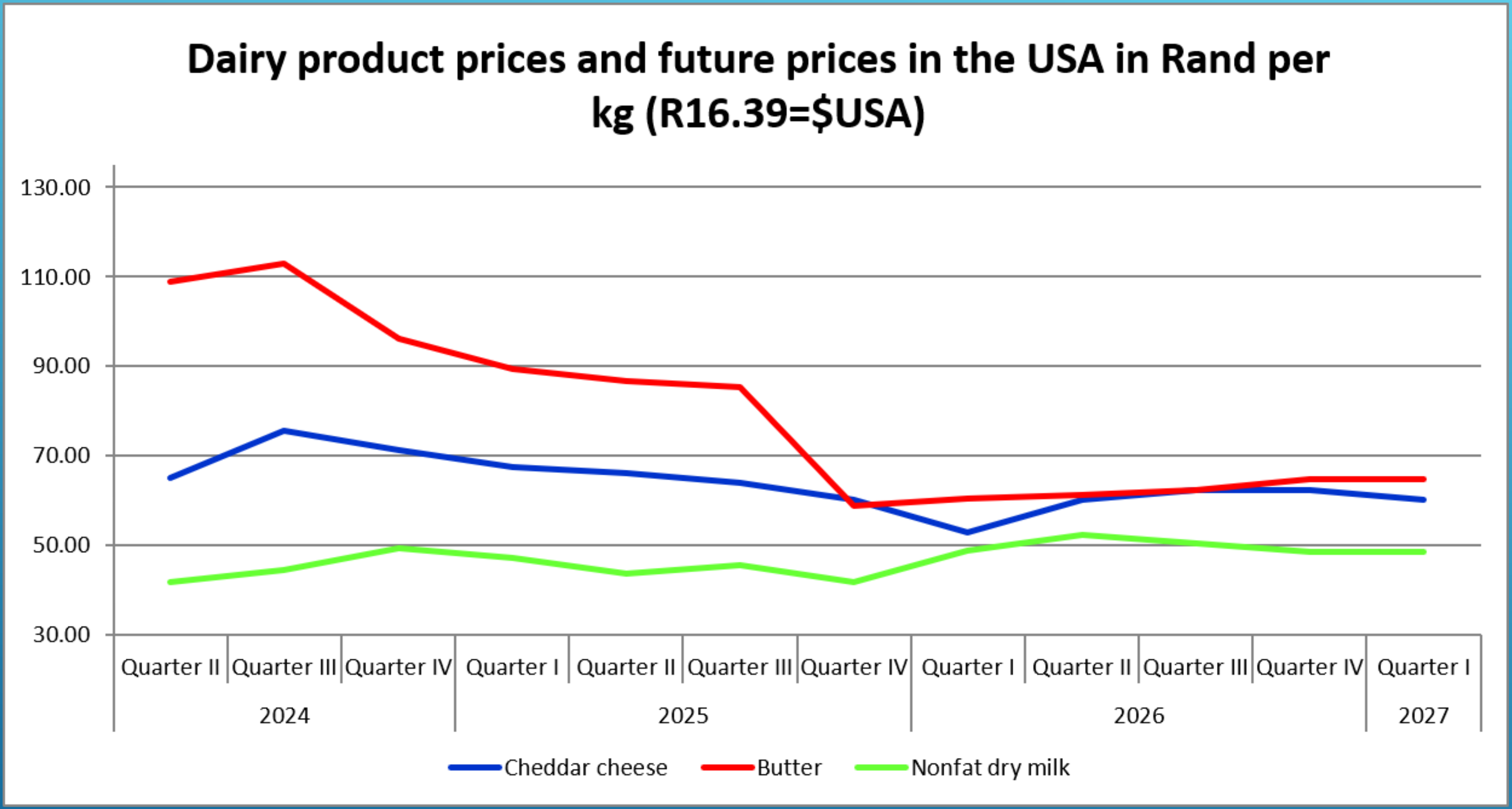
Table 3

PRICES (F.O.B.) OF SPECIFIC DAIRY PRODUCTS FROM OCEANIA MID JUNE 2026

PRODUCT	PRICE $ /kg	PRICE R / kg (R16.39=$)
BUTTER	5.63 – 6.05	92.28 - 99.16
WHOLE MILK POWDER	3.55 – 3.73	58.18 - 61.13
SKIMMED MILK POWDER	3.38 – 3.95	55.40 - 64.74

Table 3 prepared by the Office of SAMPRO based on information published in the USDA Agricultural Marketing Service. The prices are free on board prices from Western Europe.

Graph 4



Graph prepared by the Office of SAMPRO based on information contained in the United States Department of Agriculture, Livestock, Dairy, and Poultry Outlook, 18 May 2026

Table 4

FUTURE PRICES IN USA$ AND RAND ($=R16.39) PER TON ACHIEVED AT GLOBAL DAIRY TRADE AUCTION ON 7 JULY 2026, FOR DELIVERY IN AUGUST 2026 TO NOVEMBER 2026

	2026			
	Aug	Sep	Oct	Nov
Whole Milk Powder				
PRICE: $	3 499	3 428	3 413	3 417
PRICE: R	57 349	56 185	55 939	56 005
Index	100.0	98.0	97.5	97.7
Skimmed Milk Powder				
PRICE: $	3 257	3 112	3 188	3 104
PRICE: R	53 382	51 006	52 251	50 875
Index	100.0	95.5	97.9	95.3
Cheddar				
PRICE: $	n.a	n.a	3 905	3 873
PRICE: R	n.a	n.a	64 003	63 478
Index	n.a	n.a	100.0	99.2
Butter				
PRICE: $	5 224	5 374	5 262	5 395
PRICE: R	85 621	88 080	86 244	88 424
Index	100.0	102.9	100.7	103.3

Table prepared by the Office of SAMPRO based on prices as published by "Global Dairy Trade" 7 July 2026

SUMMARY OF CONDITIONS IN THE INTERNATIONAL DAIRY MARKETS

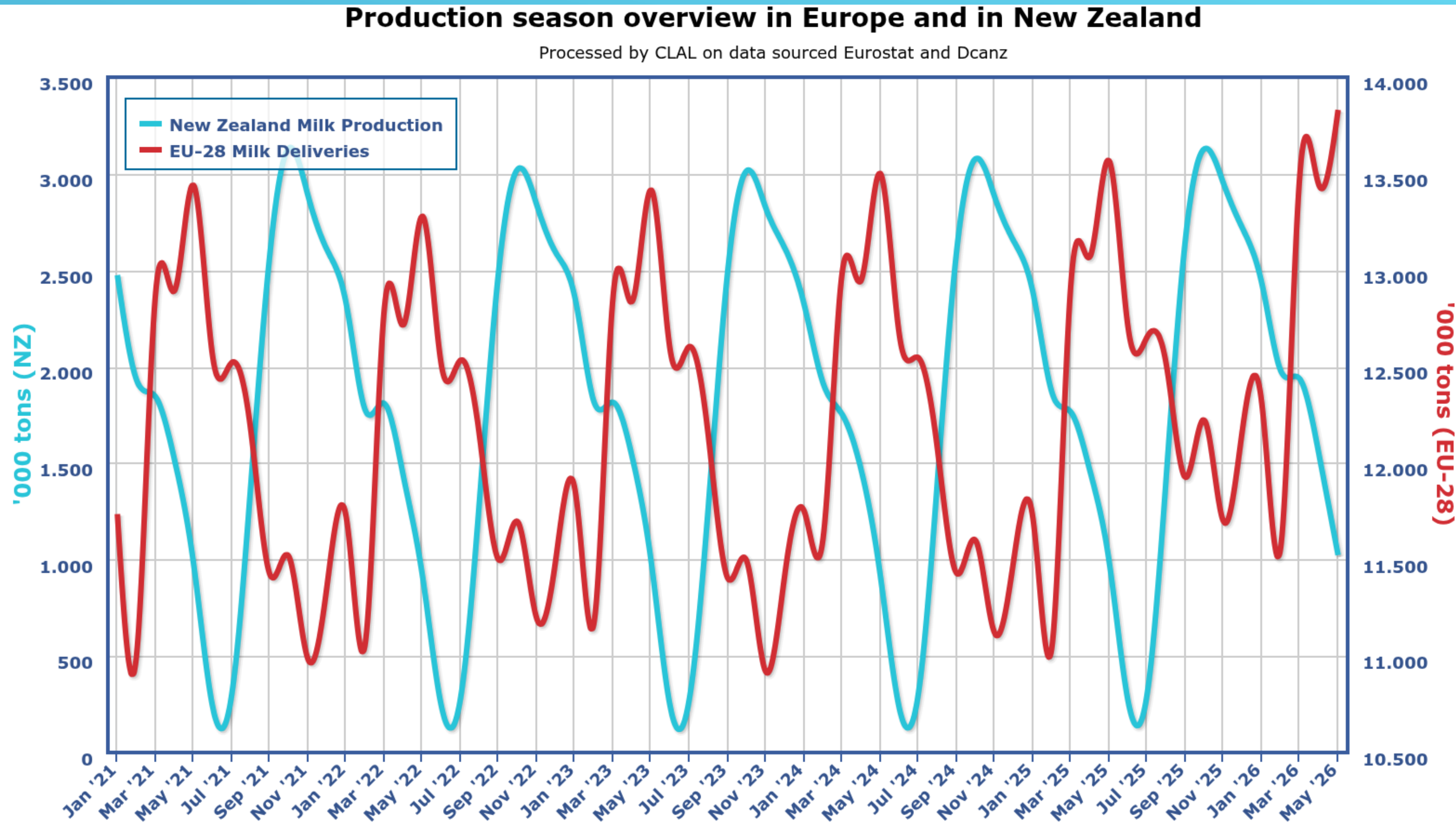
- **Future developments in the international dairy market and markets for other products, will be heavily influenced by developments in respect of especially the conflict in the Middle East and the Russian invasion in Ukraine.**
- **Predictability is extremely low and new developments should continuously be monitored and interpreted.**
- **Sharp reduction in the FAO price index, the result of supply higher than demand in the international market.**
- **Price of butter is more volatile than that of cheddar cheese and whole milk powder.**
- **In the first five months of 2026, the price of skimmed milk powder increased to a level similar to that of whole milk powder, in contrast with the position in 2023, 2024 and 2025.**

SUMMARY OF CONDITIONS IN THE INTERNATIONAL DAIRY MARKETS

- **The future prices achieved on 7 July 2026, for delivery in August 2026 to November 2026, of**
  - **Whole milk powder decreases by 2.3 percent;**
  - **Skimmed milk powder decreases by 4.7 percent; and**
  - **Butter increases by 3.3 percent.**
- **The future price of cheddar cheese achieved on 7 July 2026 for delivery in November 2026, is 0.8 percent lower than in October 2026.**

UNPROCESSED MILK MARKETS IN MAJOR DAIRY COUNTRIES

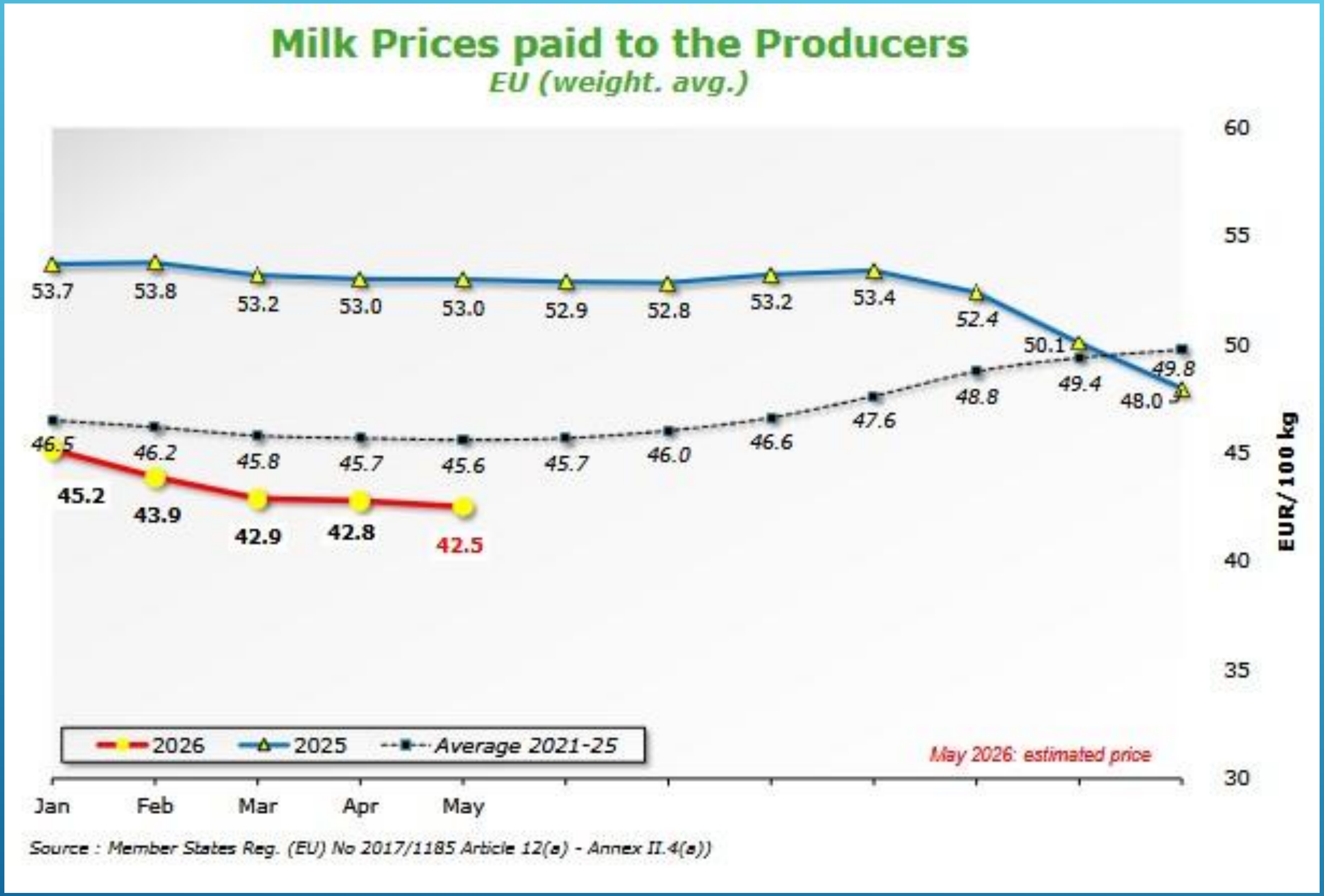
Graph 5



Graph published by CLAL.it.

Graph 6

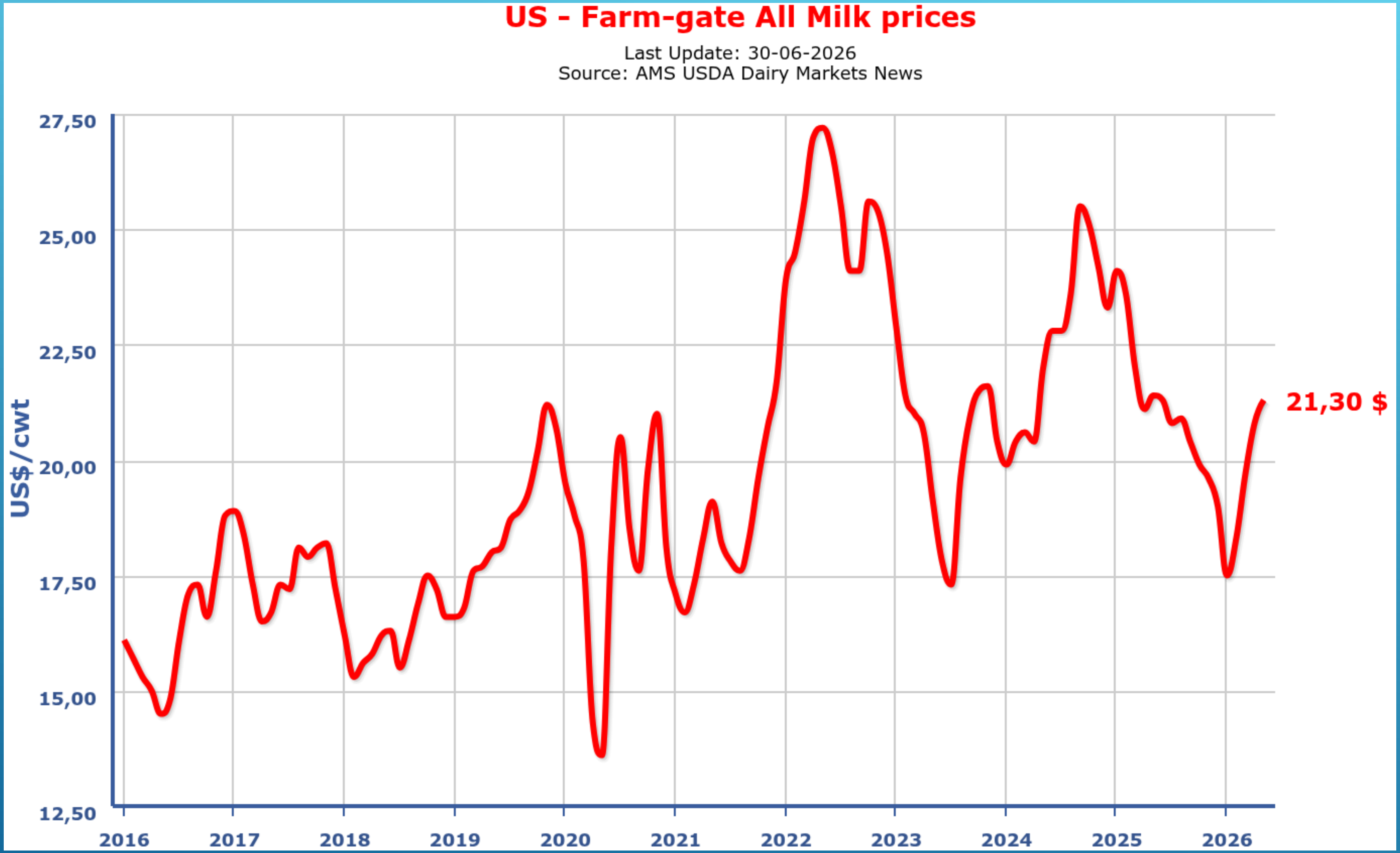
UNPROCESSED MILK PRICES IN THE EUROPEAN UNION



Graph published by EU Prices of Cows milk in Euro/100g. Europa.eu

Graph 7

UNPROCESSED MILK PRICES IN THE USA



Graph published by CLAL.it.

SUMMARY, UNPROCESSED MILK MARKETS IN MAJOR DAIRY COUNTRIES:

- **FAO expects that milk production in the world will increase in 2026 by 1 percent mainly due to increased production in Asia, but production in the EU will decrease.**

- **Price of unprocessed milk in the EU decreased in 2025 and thus far in 2026, which is indicative of supply side pressure.**

- **Price in USA is very volatile relative to the EU and South Africa and has increased thus far in 2026.**

CONDITIONS IN SOUTH AFRICA

- **Negative impact of Middle East conflict on the GDP and inflation, very visible;**

- **Future developments in respect of the Middle East conflict will largely determine its impact in the near future;**

- **Due to the Middle East conflict and the domestic situation, uncertainty remains extremely high and predictability extremely low;**

CONDITIONS IN SOUTH AFRICA

- **GDP growth rate expected by the Reserve Bank:**

- In 2024, from 69.8% to 145.2% higher than the actual rate of 0,5349%
- In 2025, from 18.1% lower to 54,5% higher than the actual rate of 1,1146%

- **GDP growth rate in 2026 expected by the IMF**

- 1.4% in January 2026
- 1.0% in April 2026
- 1.1% in July 2026

- **GDP growth rate in 2026 expected by the Reserve Bank**

- 1.5% in November 2025
- 1.6% in February 2026
- 1.4% in March 2026

Table 5

The GDP of South Africa at constant 2015 prices[1)]

	GDP		
	R million	Index	Growth rate year on year %
2018	4 571 783	100.0000	1.5568
2019	4 583 667	100.2599	0.2599
2020	4 300 904	94.0750	-6.1689
2021	4 509 870	98.6458	4.8587
2022	4 602 690	100.6760	2.0582
2023	4 639 792	101.4876	0.8061
2024 [2&3)]	4 664 608	102.0304	0.5349
2025 [4)]	4 716 601	103.1676	1.1146
2026 Estimates			
IMF [5)]	4 768 484	104.3025	1.1 (est)
The Minister of Finance[6)]	4 782 633	104.6120	1.4 (est)

1) Table prepared by the Office of SAMPRO based on information published by Statistics South Africa (Stats SA), the South African Reserve Bank (SARB) and the IMF.

2) In respect of 2024, the IMF stated in January 2024 an expected growth rate of 1.0 percent, 0.9 percent in April 2024, 1.1 percent in October 2024 and 0.8 percent in January 2025. The actual growth rate in 2024 was 0,5349 percent (published on 3 June 2025 by Stats SA).

3) In respect of 2024, the SARB stated in January 2024 an expected growth rate of 1.2 percent and in October 2024 1.1 percent. The actual growth rate in 2024 was 0.5349 percent.

4) In October 2024 and again in January 2025, the IMF stated an expected growth rate of 1.5 percent in 2025 but in April and July 2025 the IMF changed the expected growth rate to 1 percent. On 14 October 2025, the IMF changed it to 1.1 percent and again on 19 January 2026 to 1.3 percent. On 15 April 2026, the IMF adjusted the 2025 GDP for South Africa to 1.1 percent In March 2025, the Monetary Policy Committee (MPC) of the SARB predicted a growth rate of 1.7 percent for 2025 but in May 2025 the MPC changed it to 1.2 percent and on 31 July 2025, the MPC changed it to 0.9 percent. On 18 September 2025, the MPC changed it to 1.2 percent and confirmed their 1.2 percent estimate at their 23 October 2025 meeting. The MPC has changed it to 1.3 percent on 20 November 2025. The Governor of the SARB has changed the growth rate for 2025 to 1.4 percent on 25 February 2026 (Budget for 2026) . The actual growth rate for 2025 was 1.1146 percent.

5) On 14 October 2025, the IMF stated an expected growth rate of 1.2 percent for 2026 and changed the expected growth to 1.4 percent on 19 January 2026. During April 2016, the IMF has changed their expected growth rate for South Africa to 1.0 percent. During July 2026, the IMF has changed it again to 1.1 percent.

6) The Miniter of Finance has predicted on 25 February 2026 a growth rate of 1.6 percent for 2026 in the 2026 Budget. On 26 March 2026, the MPC of the SARB predicted a growth rate of 1.4% for 2026. On 28 May 2026 the MPC stated the following "We have lowered our growth forecasts for the next two years".

Table 6

INDICES OF RATE OF UNEMPLOYMENT[7] IN SOUTH AFRICA (FIRST QUARTER 2015 = 100)

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Average[8]
2015	100.00	94.64	96.59	92.80	96.00
2016	101.13	100.75	102.65	100.37	101.22
2017	104.92	104.92	104.92	101.13	103.97
2018	101.13	103.03	104.16	102.65	102.74
2019	104.54	109.84	110.22	110.22	108.70
2020	114.01	88.25	116.66	123.10	110.50
2021	123.48	130.30	132.19	133.71	129.92
2022	130.68	128.40	124.62	123.86	126.89
2023	124.62	123.48	120.83	121.54	122.63
2024	124.62	126.89	121.59	120.83	123.49
2025	124.62	125.76	120.83	118.94	122.54
2026	123.86				

7) *Table prepared by the Office of SAMPRO based on information published by Statistics South Africa in its STATISTICAL RELEASE P0211 titled "Quarterly Labour Force Survey Quarter 1, 2026" and previous editions of PO211.*

8) *Average calculated by the Office of SAMPRO by dividing the sum of the quarterly figures of the year by four.*

Conclusion

- **Extreme uncertainty and predictability is extremely low.**
- **GDP growth rates expected before 28 February 2026 in respect of 2026, were revised downwards.**
- **Inflation increased and the room for reduction in the interest rate decreased.**
- **Past and expected increases in administered prices and high exposure of consumers to credit, limit the buying power of consumers.**
- **Due to the dynamic situation and the number of relevant variables, developments should continuously be monitored and reacted to.**

THE UNPROCESSED MILK MARKET IN SOUTH AFRICA

Table 7

TOTAL QUANTITY OF UNPROCESSED MILK PURCHASED IN SOUTH AFRICA DURING THE YEARS 2008 TO 2025

YEAR	UNPROCESSED MILK KILOGRAM	PERCENTAGE CHANGE FROM PREVIOUS YEAR	INDEX 2008 = 100
2008	2 624 511 678	2.50	100.00
2009	2 586 868 067	-1.43	98.57
2010	2 711 236 032	4.81	103.30
2011	2 720 402 147	0.34	103.65
2012	2 842 810 159	4.50	108.32
2013	2 905 811 947	2.22	110.72
2014	2 982 734 569	2.65	113.65
2015	3 172 655 770	6.37	120.89
2016	3 158 466 390	-0.45	120.34
2017	3 253 682 081	3.02	123.97
2018	3 410 535 904	4.82	129.95
2019	3 432 802 396	0.65	130.80
2020	3 427 335 378	-0.16	130.56
2021	3 403 100 413	-0.71	129.67
2022	3 349 861 004	-1.56	127.64
2023	3 339 272 379	-0.32	127.23
2024	3 458 059 967	3.56	131.76
2025	3 483 992 858	0.74	132.75

Table prepared by the Office of SAMPRO based on information obtained from Milk SA

Table 8

AVERAGE AGGREGATE COMPOUND GROWTH RATE PER YEAR OF THE MASS OF PRODUCTION OF UNPROCESSED MILK IN SOUTH AFRICA

Years	Average aggregate compound growth rate per year Percent
2008 to 2011 (3 years)	1.20
2011 to 2014 (3 years)	3.12
2014 to 2017 (3 years)	2.94
2017 to 2020 (3 years)	1.75
2020 to 2023 (3 years)	-0.86
2008 to 2023 (15 years)	1.52
2008 – 2025 (17 years)	1.59

Table prepared by the Office of SAMPRO based on information obtained from Milk SA.

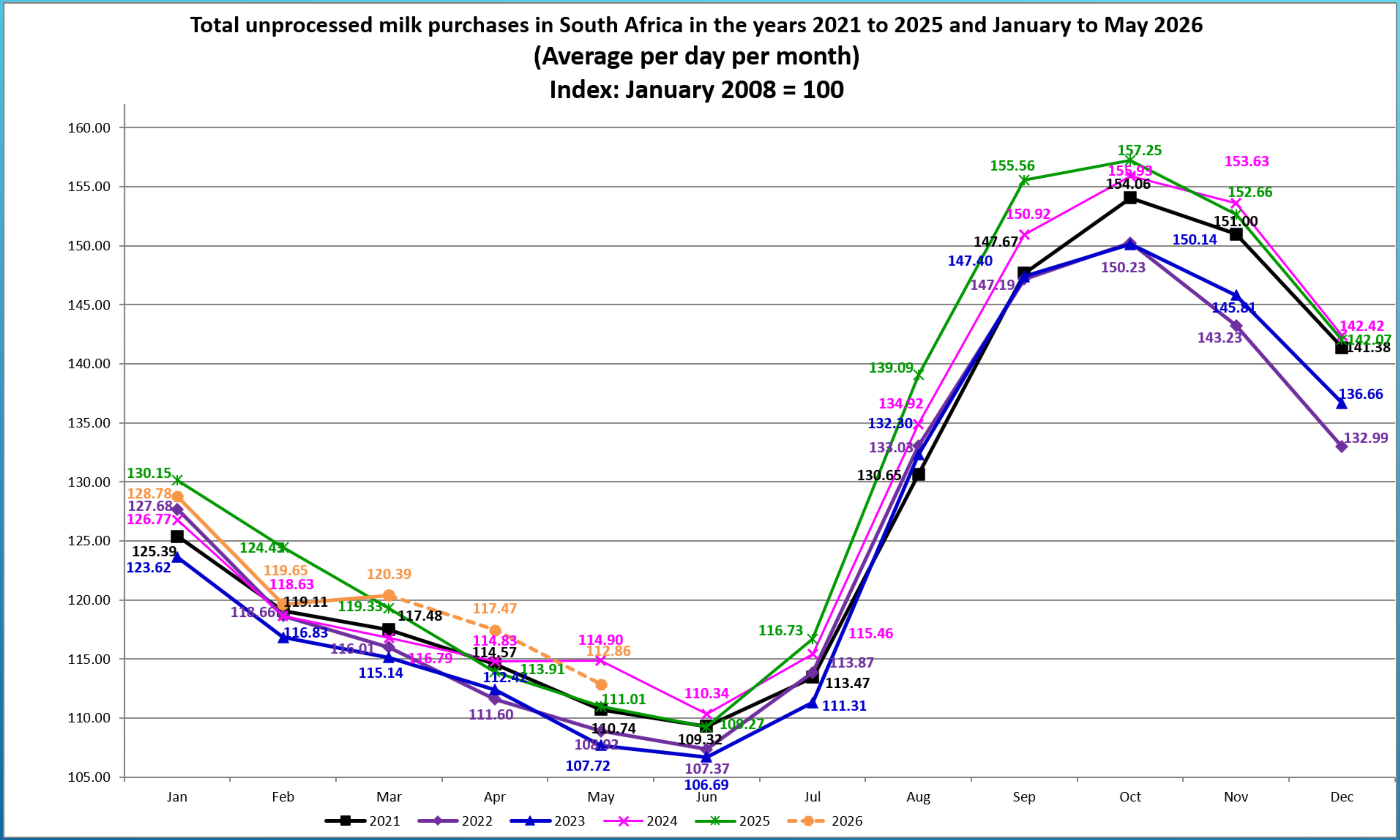
Table 9

DIFFERENCE BETWEEN THE HIGHEST AND LOWEST MASS OF PRODUCTION OF UNPROCESSED MILK PER DAY IN SOUTH AFRICA, IN THE YEARS 2009 TO 2025

Year	Percent
2009	35.3
2010	32.2
2011	32.0
2012	29.0
2013	29.9
2014	37.7
2015	25.2
Average percent 2011 to 2015	30.8
2016	32.9
2017	39.5
2018	35.3
2019	35.3
2020	36.3
Average percent 2016 to 2020	35.8
2021	40.9
2022	39.9
2023	40.7
2024	41.3
2025	43.9
Average percent 2021 to 2025	41.3
Average 2009 to 2025	36.0

Table prepared by the Office of SAMPRO based on information obtained from Milk SA.

Graph 8



Graph prepared by the Office of SAMPRO based on information obtained from MILK SA. The information in respect of 2021 to May 2026, is in respect of the total unprocessed milk purchased by all registered unprocessed milk buyers, declared in terms of Regulation 1652 of the Marketing of Agricultural Products Act and previous similar regulations. The figures for April and May 2026, are estimated figures determined on the assumption that the market share of the sample in the total unprocessed milk purchased is 89.31 percent, as was the case in the three-month period, January to March 2026.

Table 10

MASS OF UNPROCESSED MILK PURCHASES IN PARTICULAR MONTHS, RELATIVE TO THE PURCHASES IN THE SAME MONTHS OF PARTICULAR PREVIOUS YEARS

	Percentage increase
August 2023 relative to August 2022	-0.6
September 2023 relative to September 2022	0.1
October 2023 relative to October 2022	-0.1
November 2023 relative to November 2022	1.8
December 2023 relative to December 2022	2.8
January 2024 relative to January 2023	2.6
February 2024 relative to February 2023	1.5
March 2024 relative to March 2023	1.4
April 2024 relative to April 2023	2.2
May 2024 relative to May 2023	6.7
June 2024 relative to June 2023	3.4
July 2024 relative to July 2023	3.7
August 2024 relative to August 2023	2.0
September 2024 relative to September 2023	2.4
October 2024 relative to October 2023	3.9
November 2024 relative to November 2023	5.4
December 2024 relative to December 2023	4.2
January 2025 relative to January 2024	2.7
February 2025 relative to February 2024	4.9
March 2025 relative to March 2024	2.2
April 2025 relative to April 2024	-0.8
May 2025 relative to May 2024	-3.4
June 2025 relative to June 2024	-1.0
July 2025 relative to July 2024	1.1
August 2025 relative to August 2024	3.1
September 2025 relative to September 2024	3.1
October 2025 relative to October 2024	0.9
November 2025 relative to November 2024	-0.6
December 2025 relative to December 2024	-0.3
January 2026 relative to January 2025	-1.1
February 2026 relative to February 2025	-3.8
March 2026 relative to March 2025	0.9
April 2026 relative to April 2025 (est)	3.1
May 2026 relative to May 2025 (est)	1.7

Table prepared by the Office of SAMPRO based on information obtained from Milk SA and the figures for April and May 2026 are estimates.

Table 11

UNPROCESSED MILK PURCHASES PER QUARTER OF EACH OF THE YEARS 2009 TO 2026 (JANUARY TO MARCH)

UNPROCESSED MILK PURCHASES PER QUARTER OF EACH OF THE YEARS 2009 to 2026 (January to March)										
Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Total	
	Kg	%	Kg	%	Kg	%	Kg	%	Kg	%
2009	620 043 005	23.969	560 531 455	21.668	658 577 140	25.458	747 716 467	28.904	2 586 868 067	100
2010	640 933 409	23.640	595 998 091	21.983	699 002 502	25.782	775 302 030	28.596	2 711 236 032	100
2011	654 701 438	24.066	597 343 799	21.958	694 671 935	25.536	773 684 975	28.440	2 720 402 147	100
2012	676 129 726	23.784	638 011 059	22.443	725 458 007	25.519	803 211 367	28.254	2 842 810 159	100
2013	683 707 219	23.529	646 811 485	22.259	746 796 407	25.700	828 496 836	28.512	2 905 811 947	100
Total (2009-2013)	**3 275 514 797**	**23.792**	**3 038 695 889**	**22.072**	**3 524 505 991**	**25.601**	**3 928 411 675**	**28.535**	**13 767 128 352**	**100**
Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Total	
	Kg	%	Kg	%	Kg	%	Kg	%	Kg	%
2014	683 060 914	22.900	650 998 523	21.826	766 083 031	25.684	882 592 129	29.590	2 982 734 597	100
2015	770 769 019	24.294	726 975 249	22.914	799 968 233	25.214	874 943 269	27.578	3 172 655 770	100
2016	743 935 710	23.616	701 859 008	22.280	806 386 965	25.598	897 973 819	28.506	3 150 155 502	100
2017	756 689 792	23.256	703 893 532	21.634	837 867 145	25.751	955 231 612	29.358	3 253 682 081	100
2018	814 831 903	23.892	750 437 490	22.004	873 519 325	25.612	971 747 186	28.493	3 410 535 904	100
Total (2014-2018)	**3 769 287 338**	**23.603**	**3 534 163 802**	**22.130**	**4 083 824 699**	**25.572**	**4 582 488 015**	**28.695**	**15 969 763 854**	**100**
Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Total	
	Kg	%	Kg	%	Kg	%	Kg	%	Kg	%
2019	816 208 186	23.777	757 906 127	22.078	882 584 853	25.710	976 103 230	28.435	3 432 802 396	100
2020	831 232 775	24.253	744 621 901	21.726	874 078 494	25.503	977 402 208	28.518	3 427 335 378	100
2021	791 682 284	23.264	739 610 710	21.733	874 291 458	25.691	997 515 959	29.312	3 403 100 413	100
2022	792 616 775	23.661	724 752 937	21.635	879 548 171	26.256	952 943 120	28.447	3 349 861 003	100
2023	777 738 787	23.291	722 335 713	21.632	872 561 910	26.130	966 635 969	28.948	3 339 272 379	100
Total (2019-2023)	**4 009 478 807**	**23.651**	**3 689 227 388**	**21.762**	**4 383 064 886**	**25.855**	**4 870 600 486**	**28.731**	**16 952 371 567**	**100**
Total (2009-2023)	**11 054 280 941**	**23.676**	**10 262 087 079**	**21.980**	**11 991 395 576**	**25.683**	**13 381 500 176**	**28.661**	**46 689 263 773**	**100**
2024	800 881 701	23.160	751 811 286	21.741	895 542 213	25.897	1 009 824 767	29.202	3 458 059 966	100
2025	817 439 936	23.463	738 673 289	21.202	917 971 128	26.348	1 009 908 505	28.987	3 483 992 858	100
2026	807 008 722									

Table prepared by the Office of SAMPRO based on information obtained from Milk SA and the total quantity of unprocessed milk purchased in 2025, is finalised in March 2026.

Table 12

DECREASE IN THE MONTHLY UNPROCESSED MILK PURCHASES IN SOUTH AFRICA, FROM OCTOBER TO DECEMBER, OCTOBER TO FEBRUARY, OCTOBER TO APRIL AND OCTOBER TO JUNE, IN THE YEARS 2008 TO 2026

Year	October to December percent	October to February percent	October to April percent	October to June percent
2008/9	5.5	16.9	24.4	25.4
2009/10	3.9	14.6	20.4	21.2
2010/11	5.0	15.6	23.4	23.7
2011/12	5.6	14.5	19.5	18.2
2012/13	6.6	14.9	20.9	20.5
2013/14	5.3	18.0	22.9	21.8
2014/15	4.2	12.9	17.1	19.4
2015/16	7.7	15.9	20.5	22.0
2016/17	7.9	17.8	22.2	24.9
2017/18	4.0	13.8	18.7	23.3
2018/19	5.7	16.8	21.9	25.6
2019/20	7.3	17.4	24.4	26.2
2020/21	7.8	21.2	24.2	27.7
2021/22	8.2	23.0	27.6	30.3
2022/23	11.5	22.2	25.2	29.0
2023/24	9.0	20.8	23.7	27.0
2024/25	8.7	20.2	26.9	25.1
Average 2008/9 to 2024/25	**6.7**	**17.4**	**22.6**	**24.2**
2025/26	9.7	23.9	25.3	

Table prepared by the Office of SAMPRO on the basis of information obtained from MILK SA. The information in respect of 2008 to 2025, is in respect of the total unprocessed milk purchased by all registered milk buyers declared in terms of Regulation 1652 of the Marketing of Agricultural Products Act and previous similar regulations October 2025 to April 2026 are estimated figures.

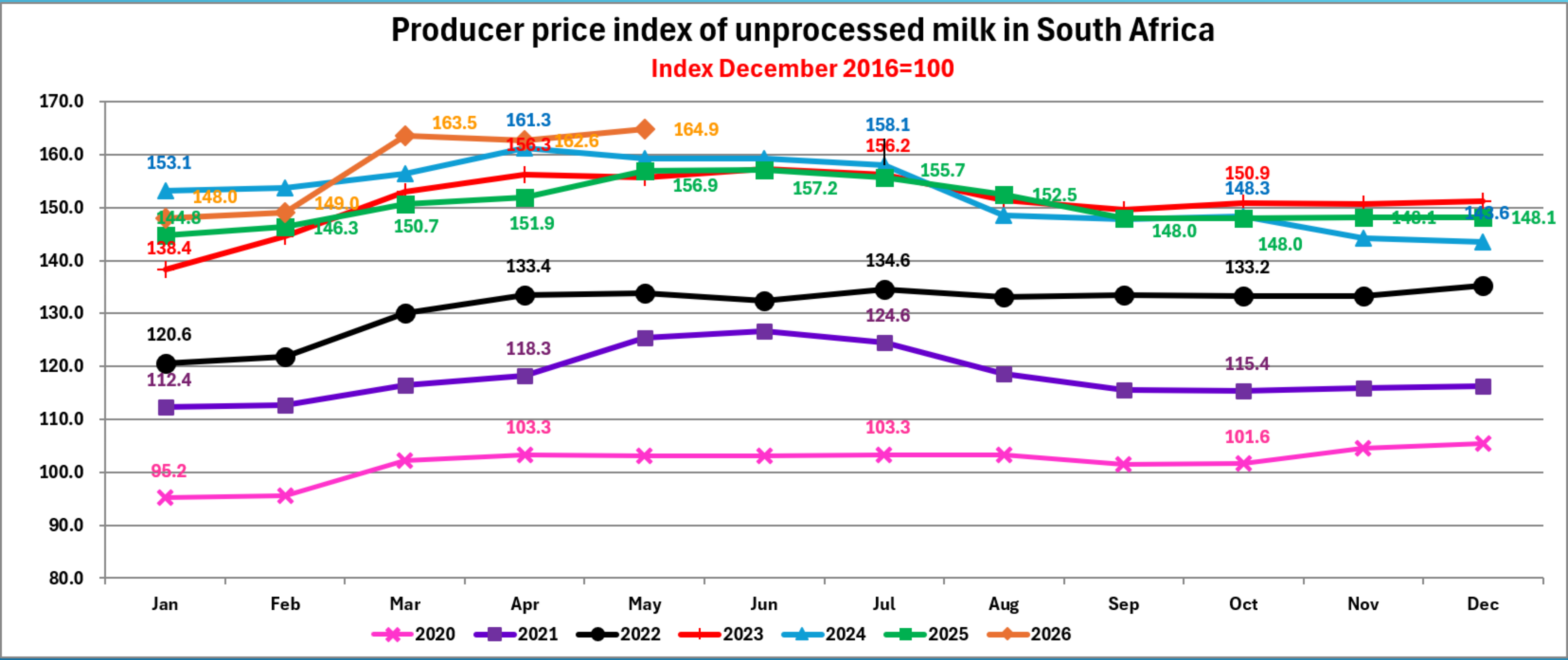
Table 13

INCREASE IN THE MASS OF MONTHLY UNPROCESSED MILK PURCHASES IN SOUTH AFRICA, FROM JULY TO AUGUST, JULY TO SEPTEMBER AND JULY TO OCTOBER IN EACH OF THE YEARS 2008 TO 2025

Year	July to August Percent	July to September Percent	July to October Percent
2008	10.8	22.2	24.6
2009	12.4	24.5	29.3
2010	9.7	19.8	24.2
2011	10.6	26.3	28.2
2012	10.3	21.8	25.6
2013	11.4	23.0	26.4
2014	13.0	27.2	32.9
2015	10.6	20.7	25.1
2016	12.9	27.3	30.8
2017	15.7	28.7	32.0
2018	13.6	24.7	29.0
2019	16.0	28.1	30.8
2020	14.5	27.2	31.9
2021	15.1	30.1	35.8
2022	16.8	29.3	31.9
2023	18.9	32.4	34.9
2024	16.9	30.7	35.0
2025	19.2	33.4	34.9
Average 2008 to 2025	13.8	26.5	30.2

Table prepared by the Office of SAMPRO on the basis of information obtained from MILK SA. The information in respect of 2008 to 2025, is in respect of the total unprocessed milk purchased by all registered milk buyers declared in terms of Regulation 1652 of the Marketing of Agricultural Products Act and previous similar regulations.

Graph 9



Graph prepared by the Office of SAMPRO and is based on the information as published by Statistics SA.

Table 14

MONTHLY INCREASE IN THE PRODUCER PRICE INDEX OF UNPROCESSED MILK

Index: Dec 2016=100

	Percentage increase
September 2023 relative to August 2023	-1.25
October 2023 relative to September 2023	0.87
November 2023 relative to October 2023	-0.20
December 2023 relative to November 2023	0.33
January 2024 relative to December 2023	1.32
February 2024 relative to January 2024	0.39
March 2024 relative to February 2024	1.76
April 2024 relative to March 2024	3.13
May 2024 relative to April 2024	-1.24
June 2024 relative to May 2024	0.00
July 2024 relative to June 2024	-0.75
August 2024 relative to July 2024	-6.01
September 2024 relative to August 2024	-0.54
October 2024 relative to September 2024	0.34
November 2024 relative to October 2024	-2.76
December 2024 relative to November 2024	-0.42
January 2025 relative to December 2024	0.84
February 2025 relative to January 2025	1.04
March 2025 relative to February 2025	3.00
April 2025 relative to March 2025	0.80
May 2025 relative to April 2025	3.29
June 2025 relative to May 2025	0.19
July 2025 relative to June 2025	-0.95
August 2025 relative to July 2025	-2.06
September 2025 relative to August 2025	-2.76
October 2025 relative to September 2025	0.00
November 2025 relative to October 2025	0.07
December 2025 relative to November 2025	0.00
January 2026 relative to December 2025	-0.07
February 2026 relative to January 2026	0.68
March 2026 relative to February 2026	9.73
April 2026 relative to March 2026	-0.55
May 2026 relative to April 2026	1.41

Table prepared by the Office of SAMPRO based on information published by Statistics SA.

Table 15

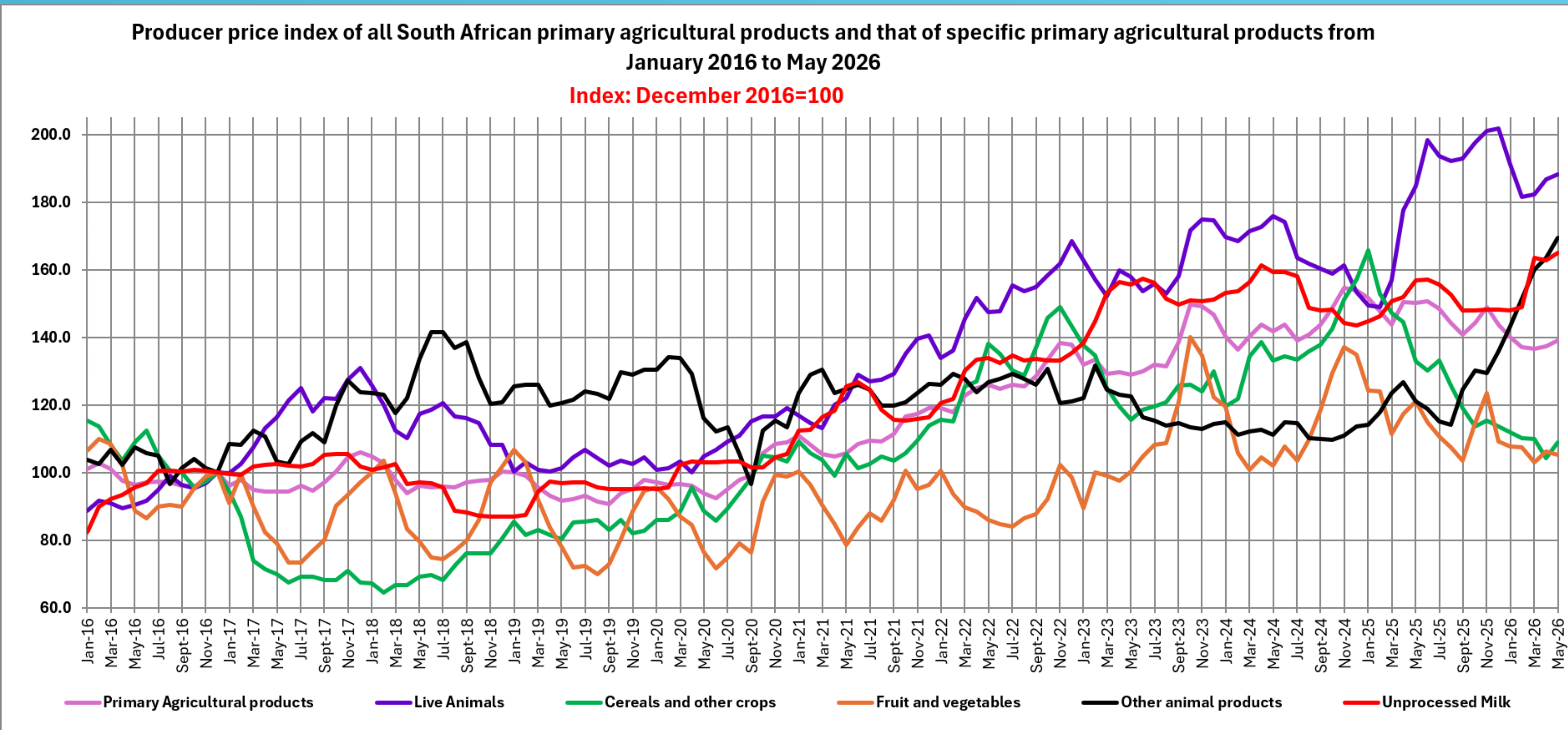
THE DIFFERENCE BETWEEN THE HIGHEST AND LOWEST PRODUCER PRICE INDEX OF UNPROCESSED MILK IN SOUTH AFRICA IN EACH OF THE YEARS 2015 TO 2025

Index: Dec 2016=100

Year	Percent
2015 (Highest in May and June, Lowest in December)	18.2
2016 (Highest in October, Lowest in January)	22.5
2017 (Highest in October and November, Lowest in February)	6.5
2018 (Highest in March, Lowest in December)	18.1
2019 (Highest in April, Lowest in January)	12.0
2020 (Highest in December, Lowest in January)	10.7
2021 (Highest in June, Lowest in January)	12.8
2022 (Highest in December, Lowest in January)	12.2
2023 (Highest in June, Lowest in January)	13.7
2024 (Highest in April, Lowest in December)	12.3
2025 (Highest in June, Lowest in January)	8.6
Average	13.4

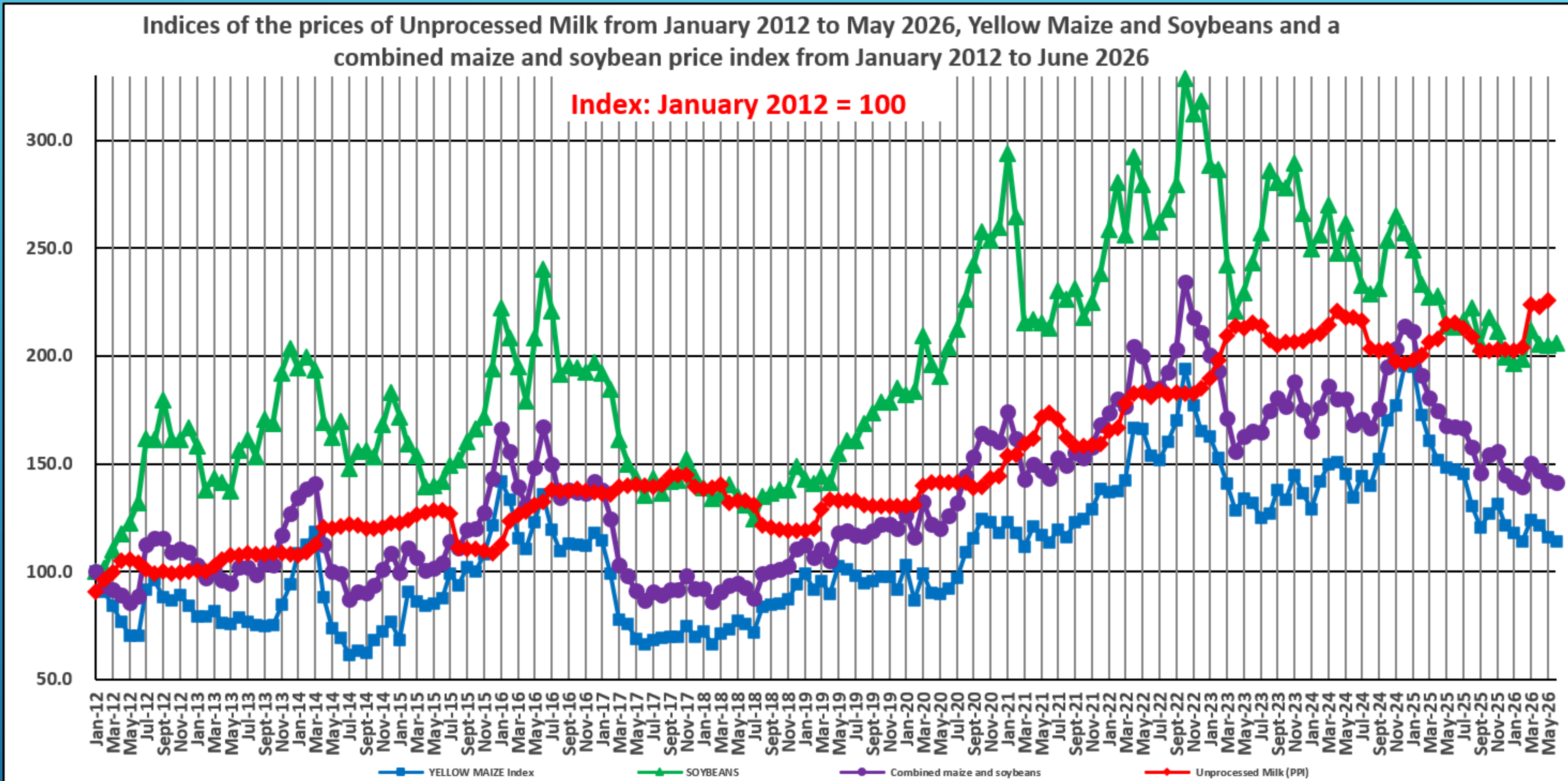
Table prepared by the Office of SAMPRO based on information published by Statistics SA.

Graph 10



Graph prepared by the Office of SAMPRO and is based on the information as published by Statistics SA.

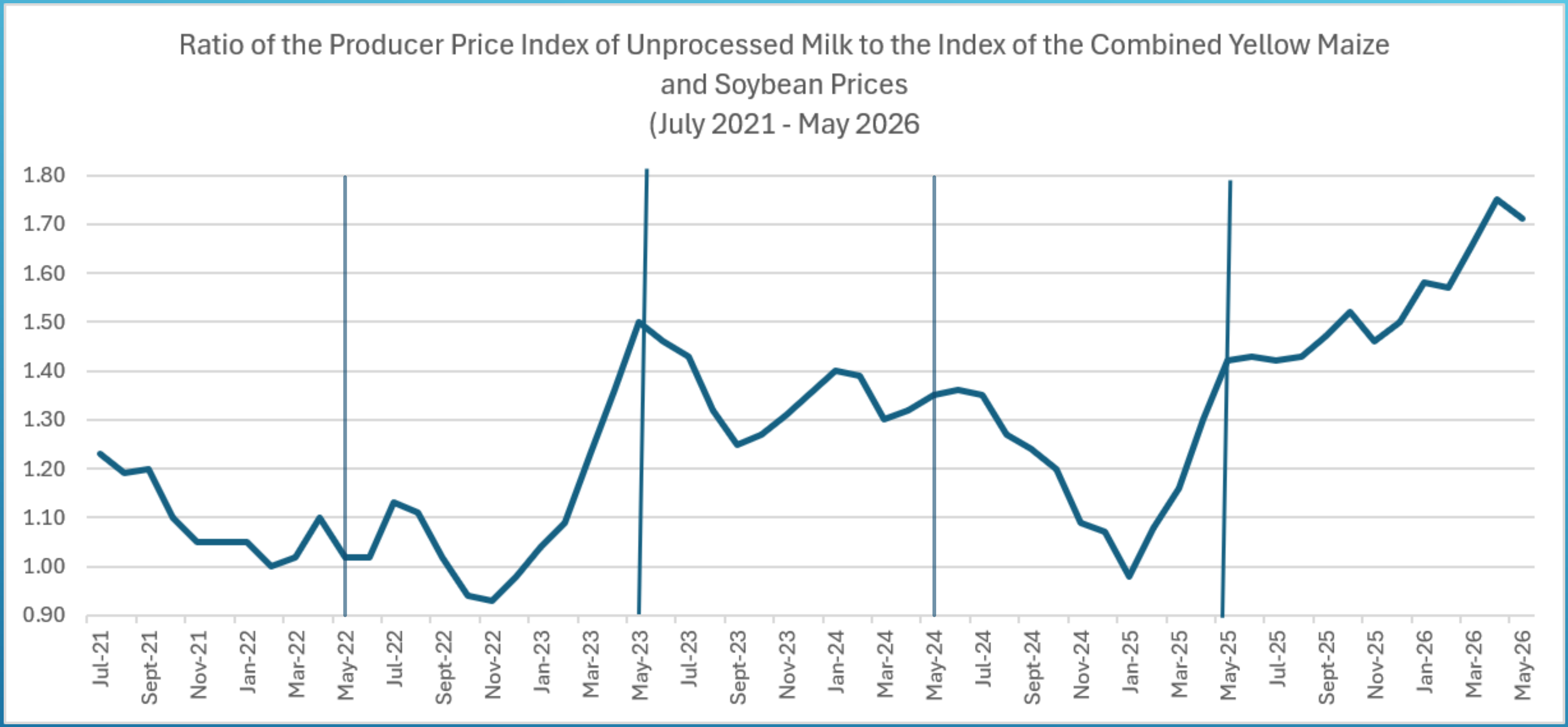
Graph 11



INCREASE IN UNPROCESSED MILK PURCHASES RELATIVE TO PREVIOUS YEAR (PERCENT)													
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
4.5	2.22	2.65	6.37	-0.45	3.02	4.82	0.65	-0.16	-0.71	-1.56	-0.32	3.56	0.75

23) The combined maize and soya price index is an index of prices equal to 70 percent of the maize price, plus 30 percent of the soya price.
Graph prepared by the Office of SAMPRO based on information obtained from Statistics SA, SAFEX last day of the month prices and unprocessed milk purchases from Milk SA.

Graph 12



Graph prepared by the Office of SAMPRO based on the PPI Index of unprocessed milk published by Stats SA and the combined price of yellow maize and soybeans on Safex
The combined price of yellow maize and soybeans is the sum of 70 percent of yellow maize price and 30 percent of the soybean price

Table 16

FUTURE PRICES OF YELLOW MAIZE IN SOUTH AFRICA (R/TON) ON 13 APRIL 2026 AND 6 JULY 2026, ACCORDING TO GRAIN SA

	A CLOSING BID 13 April 2026 R/Ton	B CLOSING BID 6 July 2026 R/Ton	C Percentage change from A to B
July 2026	3 310	3 235	-2.3
August 2026		3 263	
September 2026	3 415	3 335	-2.3
October 2026		3 342	
December 2026	3 515	3 425	-2.6
March 2027	3 548	3 482	-1.9
May 2027	3 619	3 530	-2.5
July 2027	3 550	3 527	-0.6
September 2027		3 572	
December 2027		3 658	

Table prepared by the Office of SAMPRO based on information as obtained from the GRAIN SA website

Table 17

FUTURE PRICES OF SOYBEANS IN SOUTH AFRICA (R/TON) ON 13 APRIL 2026 AND 6 JULY 2026, ACCORDING TO GRAIN SA

	A CLOSING BID 13 April 2026 R/Ton	B CLOSING BID 6 July 2026 R/Ton	C Percentage change from A to B
July 2026	6 955	7 084	1.9
August 2026		7 046	
September 2026	7 097	7 215	1.7
October 2026		6 958	
December 2026	7 244	7 390	2.0
March 2027	7 195	7 334	1.9
May 2027		7 236	
December 2027		7 422	

Table prepared by the Office of SAMPRO based on information as obtained from the GRAIN SA website

Table 18

FERTILIZER PRICES IN SOUTH AFRICA

Fertilizer	June 2025 Rand / Ton	June 2026 Rand / Ton	Percentage change from June 2025 to June 2026
MAP	17 587	22 860	29.98
KCL	10 224	11 242	9.95
Urea (46)	11 018	21 009	90.67
LAN (28)	9 318	19 125	105.26

Table prepared by the Office of SAMPRO based on information published by Grain SA

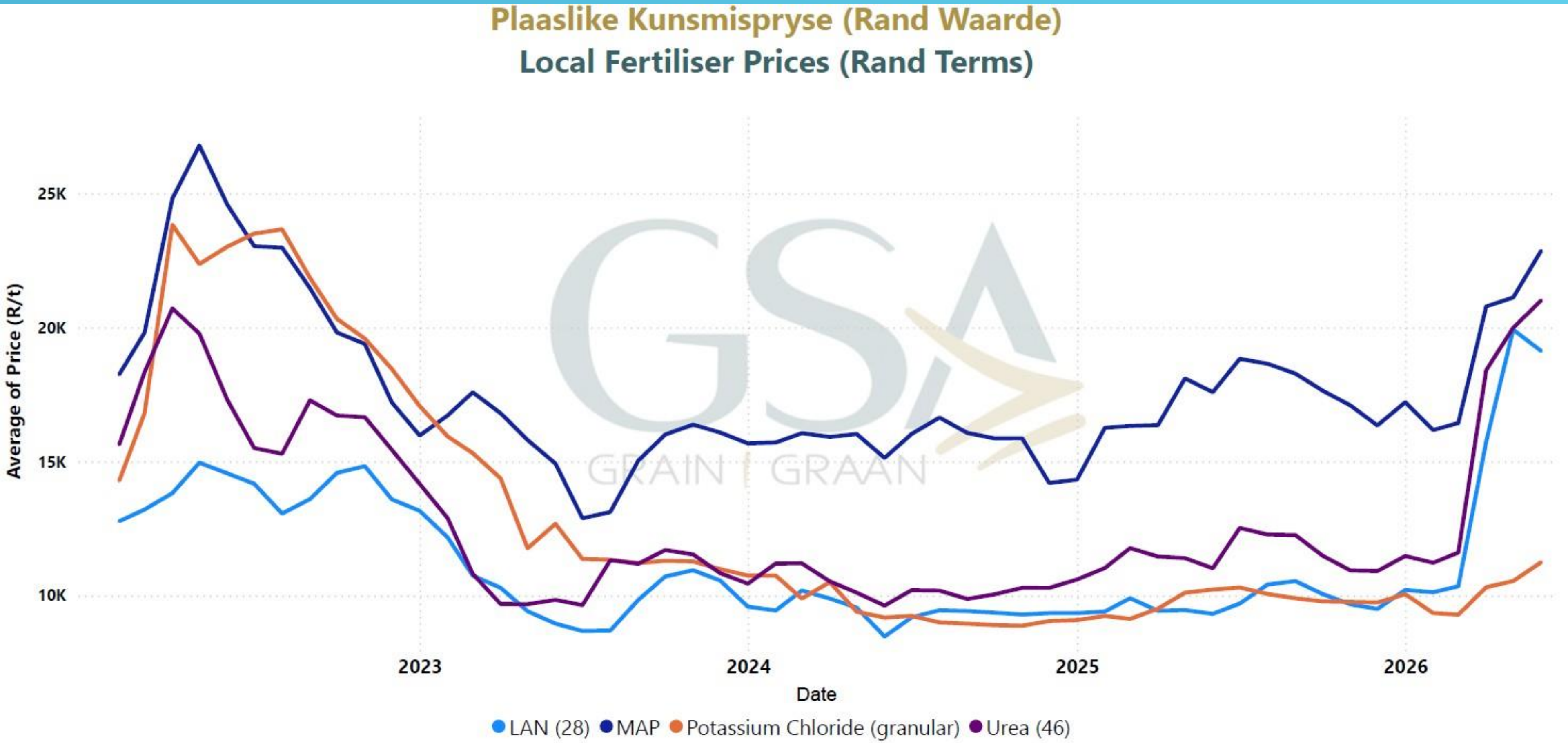
Table 19

FERTILIZER PRICES IN SOUTH AFRICA

Fertilizer	May 2026 Rand / Ton	June 2026 Rand / Ton	Percentage change from May 2026 to June 2026
MAP	21 119	22 860	8.2
KCL	10 542	11 242	6.6
Urea (46)	19 989	21 009	5.1
LAN (28)	19 918	19 125	-4.0

Table prepared by the Office of SAMPRO based on information published by Grain SA

Graph 13



Graph as published by Grain SA

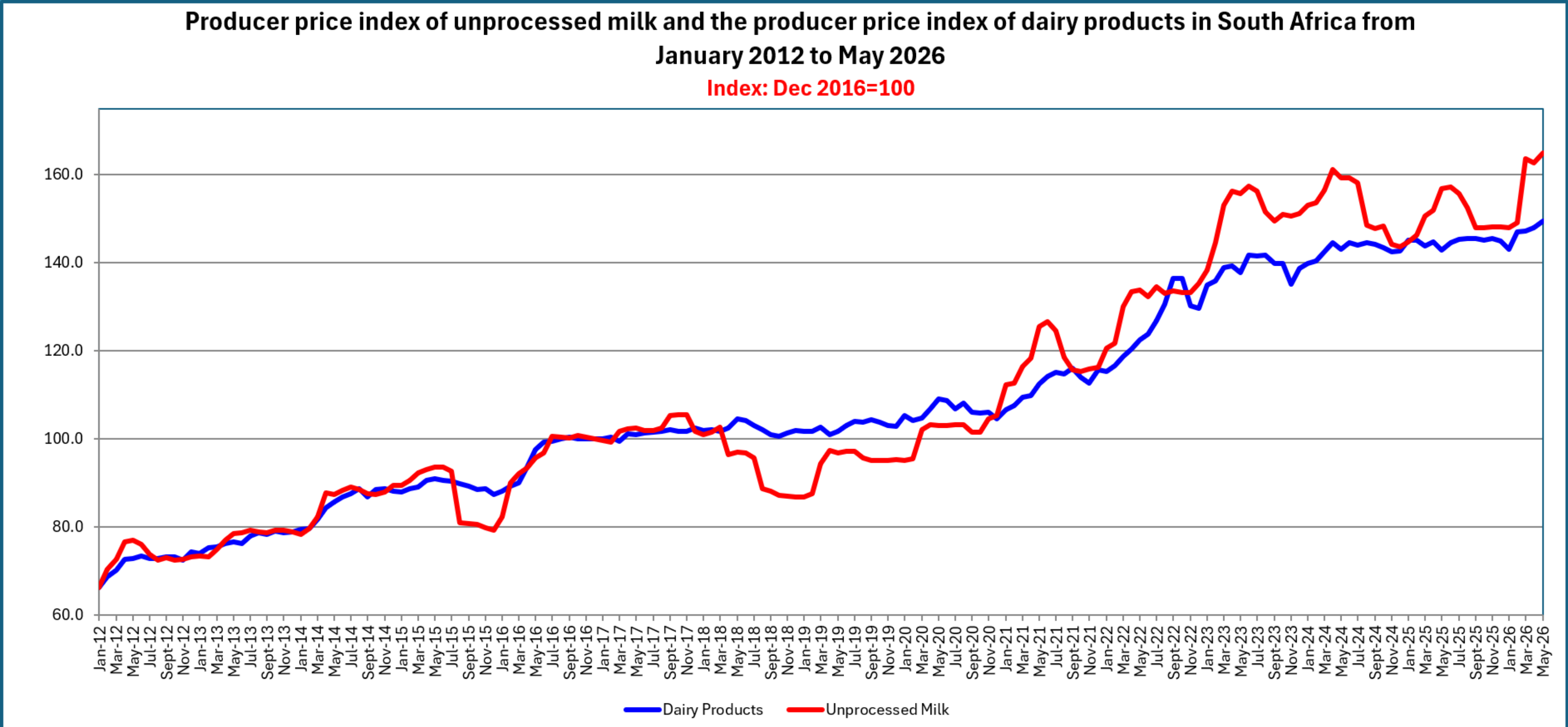
Table 20

INCREASE IN THE PRODUCER PRICE INDICES OF UNPROCESSED MILK AND DAIRY PRODUCTS INDEX 2016 = 100

	Unprocessed milk Percentage increase	Dairy Products Percentage increase
April to May 2026	1.4	1.0
February to May 2026 (3-month period)	10.7	1.7
November 2025 to May 2026 (6-month period)	11.3	2.7
May 2025 to May 2026 (12-month period)	5.1	4.7
May 2024 to May 2026 (24-month period)	3.5	4.5
May 2023 to May 2026 (36-month period)	5.9	8.5
May 2022 to May 2026 (48-month period)	23.2	21.9
January 2012 to May 2026 (172-month period)	149.1	125.5

The producer price index of dairy products reflects the changes in the producer prices of pasteurised and UHT milk, yoghurt, cheddar cheese and ice cream and not that of the other dairy products like maas, cheese other than cheddar cheese and milk powder.
Table prepared by the Office of SAMPRO based on information published by Statistics SA.

Graph 14



Graph prepared by the Office of SAMPRO based on information published by Statistics SA

SUMMARY OF UNPROCESSED MILK MARKET IN SA

- **Production of unprocessed milk**

  - **Decreased in the 4 years (2020 – 2023);**
  - **In 2023, lower than in the previous 5 years (2018 – 2022);**
  - **In 2024, 3.56% higher than in 2023 and higher than in each of the previous 16 years;**
  - **In 2025, 0.75% higher than in 2024 and higher than in the previous 17 years;**
  - **Average seasonality of production in the last three periods of five years (2011 to 2015, 2016 to 2020 and 2021 to 2025) increased from 30.8% to 41.1%; and**
  - **Production of the first 5 months of 2026 was 0.12% higher than in the same months of 2025 and 0.56 % and 4.10% higher than in the same months of 2024 and 2023.**

- **PPI of unprocessed milk in:**
  - **December 2023, 11.65% higher than in December 2022;**
  - **December 2024, 4.96% lower than December 2023;**
  - **December 2025, 3.1 % higher than December 2024;**
  - **May 2026, 11.34 % higher than in December 2025 and 5.10 % higher than in May 2025.**

- **The PPI for unprocessed milk was in 2023, 2024, 11 months of 2025 and in the first 5 months of 2026, higher than the PPI of dairy products. In some months the extent to which the PPI of unprocessed milk was higher than the PPI of dairy products was small but in the first 5 months of 2026, it increased sharply.**

- **Prices of maize and soybeans, which are major sources of ingredients of concentrated feed, are at low levels.**

- **Favourable relationship between the producer price index of unprocessed milk and the index of the combined yellow maize and soybean price, disappeared at the end of 2024, but appeared again in 2025 and moved to a record high favourable position in April 2026 and May 2026.**
- **High increase in electricity and water prices in the recent past.**
- **High increases in the price of fuel.**
- **Dramatic high increase in the prices of urea and LAN from June 2025 to June 2026. In the middle of July 2026, sharp decrease of the prices, but the recent increase in the intensity of the Middle East conflict can push prices up.**
- **Prevention of the spread of Foot and Mouth Disease is of critical importance in respect of especially exports of dairy products.**
- **Uncertainty about future weather conditions (due to especially the expected El Nino) and the impact of it on the production of grain, pasture, silage and hay.**

SOUTH AFRICAN MARKETS FOR DAIRY PRODUCTS

Table 21

MASS OF IMPORT IN 2022, 2023, 2024, 2025 AND 2026 ESTIMATED

Product	A 2022 Ton	B 2023 Ton	C 2024 Ton	D 2025 Ton	E 2026 Est Ton
(04.01) Milk and cream	3 965	5 760	329	177	160
(04.02) Concentrated milk	15 988	18 881	12 174	12 835	23 178
(04.03) Buttermilk and yoghurt	3 387	4 041	4 745	5 104	6 575
(04.04) Whey	18 436	11 589	10 995	8 738	10 006
(04.05) Butter	3 602	1 527	1 237	350	2 391
(04.06) Cheese	7 540	6 670	4 429	3 580	4 193

Table prepared by the Office of SAMPRO based on information published by SARS and estimated figures calculated by the Office of SAMPRO.

Table 22

MASS OF EXPORT IN 2022, 2023, 2024, 2025 AND 2026 ESTIMATED

Product	A 2022 Ton	B 2023 Ton	C 2024 Ton	D 2025 Ton	E 2026 Ton
(04.01) Milk and cream	21 544	23 039	20 166	21 471	23 831
(04.02) Concentrated milk	10 422	10 844	11 736	18 896	15 719
(04.03) Buttermilk and yoghurt	10 472	11 669	9 726	10 609	12 526
(04.04) Whey	1 931	1 811	1 752	2 494	1 891
(04.05) Butter	1 226	1 049	1 395	2 598	1 418
(04.06) Cheese	6 349	7 662	8 773	13 067	10 433

Table prepared by the Office of SAMPRO based on information published by SARS and estimated figures calculated by the Office of SAMPRO.

Table 23

AVERAGE IMPORT AND EXPORT PRICES (F.O.B.) OF THE DIFFERENT TYPES OF DAIRY PRODUCTS, BY SOUTH AFRICA, IN 2025 AND 2026 (JANUARY TO APRIL)

PRODUCT	Import Price (f.o.b.) R/kg		Export Price (f.o.b.) R/kg	
	2025	2026 (Jan-Apr)	2025	2026 (Jan-Apr)
(04.01) Milk and Cream	52.80	60.24	18.12	17.04
(04.02) Concentrated Milk	61.46	54.61	67.78	68.07
(04.03) Buttermilk and Yoghurt	47.47	36.82	29.72	30.94
(04.04) Whey	38.95	41.24	24.16	22.72
(04.05) Butter and Oils	165.58	90.25	106.82	112.58
(04.06) Cheese	146.24	132.17	79.73	75.61

Table prepared by the Office of SAMPRO based on information published by SARS

Table 24

TOTAL IMPORT AND EXPORT OF DAIRY PRODUCTS BY SOUTH AFRICA AND THE EXPOSURE OF THE SOUTH AFRICAN DAIRY INDUSTRY TO INTERNATIONAL COMPETITION

(INDEX OF THE SUM OF THE MASS OF IMPORTS AND EXPORTS)

INDEX: 2002 = 100

YEAR	IMPORT		EXPORT		IMPORT PLUS EXPORT	
	TON	INDEX	TON	INDEX	TON	INDEX
2002	24 617.40	100.0	34 328.20	100.0	58 945.60	100.0
2003	24 458.80	99.4	22 905.20	66.7	47 364.00	80.4
2004	18 289.50	74.3	23 508.10	68.5	41 797.60	70.9
2005	30 771.40	125.0	17 216.00	50.2	47 987.40	81.4
2006	30 878.60	125.4	26 543.30	77.3	57 421.90	97.4
2007	44 313.00	180.0	18 516.50	53.9	62 829.50	106.6
2008	34 009.40	138.2	42 781.00	124.6	76 790.40	130.3
2009	32 373.40	131.5	41 770.70	121.7	74 144.10	125.8
2010	35 061.20	142.4	33 950.60	98.9	69 011.80	117.1
2011	37 714.40	153.2	41 817.10	121.8	79 531.50	134.9
2012	59 102.53	240.1	52 500.96	152.9	111 513.49	189.2
2013	35 673.76	144.9	70 481.90	205.3	106 155.66	180.1
2014	40 199.03	163.3	71 098.95	207.1	111 297.98	188.8
2015	69 353.98	281.7	61 296.87	178.6	130 650.85	221.6
2016	58 000.35	235.6	50 247.54	146.4	108 247.89	183.6
2017	83 504.44	339.2	48 626.69	141.7	132 131.13	224.2
2018	68 652.58	278.9	45 257.49	131.8	113 910.08	193.2
2019	75 596.08	307,1	45 051.75	131.2	120 647.83	204.7
2020	60 579.33	246.1	46 695.39	136.0	107 274.72	182.0
2021	75 618.94	307.2	50 990.95	148.5	126 609.89	214.8
2022	52 917.65	215.0	51 944.67	151.4	104 862.32	177.9
2023	48 468.87	196.9	56 074.63	163.3	104 543.50	177.4
2024	33 909.33	137.7	53 547.92	156.0	87 457.25	148.4
2025	30 783.87	125.0	69 135.19	201.4	99 919.06	169.5

Table prepared by the Office of SAMPRO based on information published by SARS and estimated figures calculated by the Office of SAMPRO.

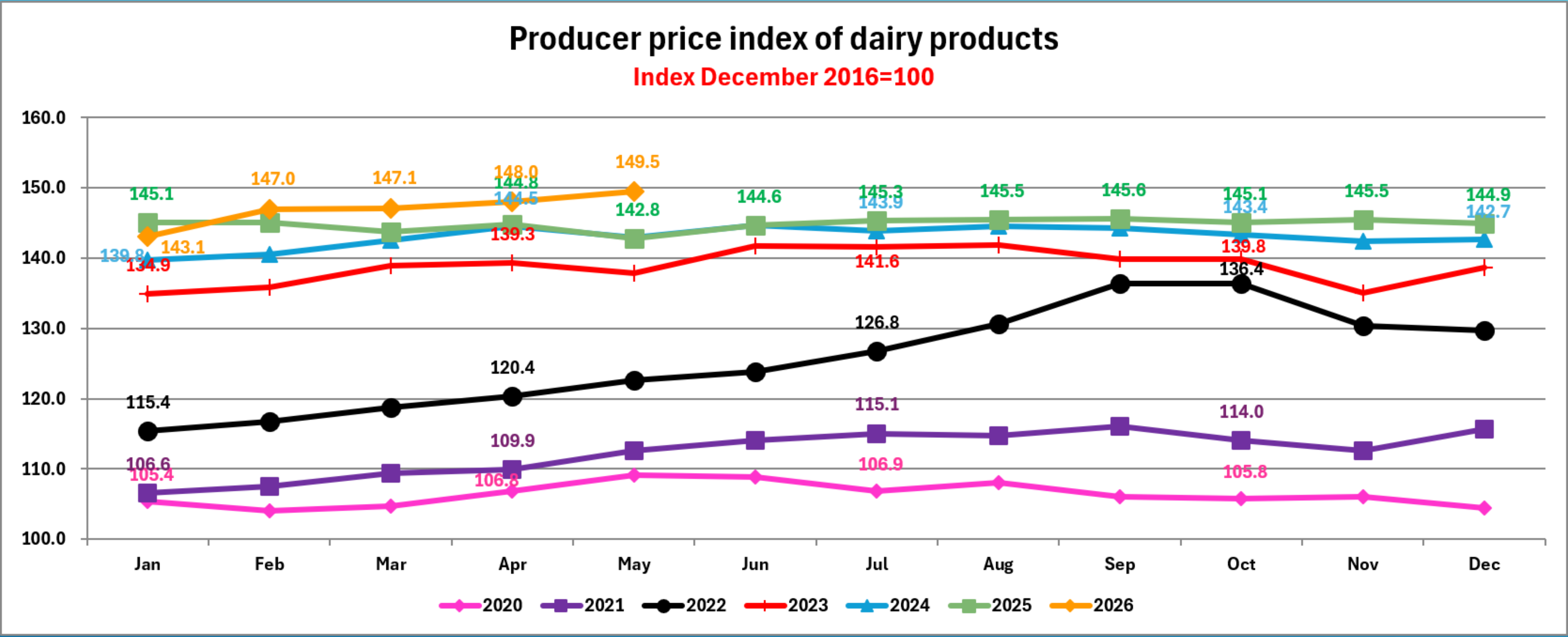
Table 25

MASS OF IMPORT AS PERCENTAGE OF THE MASS OF EXPORT, OF THE DIFFERENT TYPES OF DAIRY PRODUCTS BY SOUTH AFRICA

Heading	Description	2018	2019	2020	2021	2022	2023	2024	2025	2026
04.01	Milk and cream, unsweetened	103.7	90.2	26.4	95.2	18.4	25.0	1.6	0.8	0.7
04.02	Milk, concentrated	159.5	227.9	252.8	257.6	153.4	174.1	103.7	67.9	147.5
04.03	Buttermilk powder, yoghurt	27.9	31.7	40.3	32.6	32.3	34.6	48.8	48.1	52.5
04.04	Whey, whey powder, etc	1 741.3	2 917.9	1 257.6	888.3	954.9	640.0	627.6	350.4	529.2
04.05	Butter, butter spreads and butter oil	735.1	355.5	540.6	340.4	293.9	145.6	88.7	13.5	168.6
04.06	Cheese and curd	272.5	252.7	141.7	144.6	118.7	87.0	50.5	27.4	40.2
TOTAL		151.7	167.8	129.7	148.3	101.9	86.4	63.3	44.5	70.7

Table prepared by the Office of SAMPRO based on information published by SARS and estimated figures calculated by the Office of SAMPRO.

Graph 15



The producer price index of dairy products reflects the changes of the producer prices of pasteurised and UHT milk, yoghurt, cheddar cheese and ice cream and not that of the other dairy products like maas, cheese other than cheddar cheese and milk powder.
Graph prepared by the Office of SAMPRO based on information published by Statistics SA

Table 26

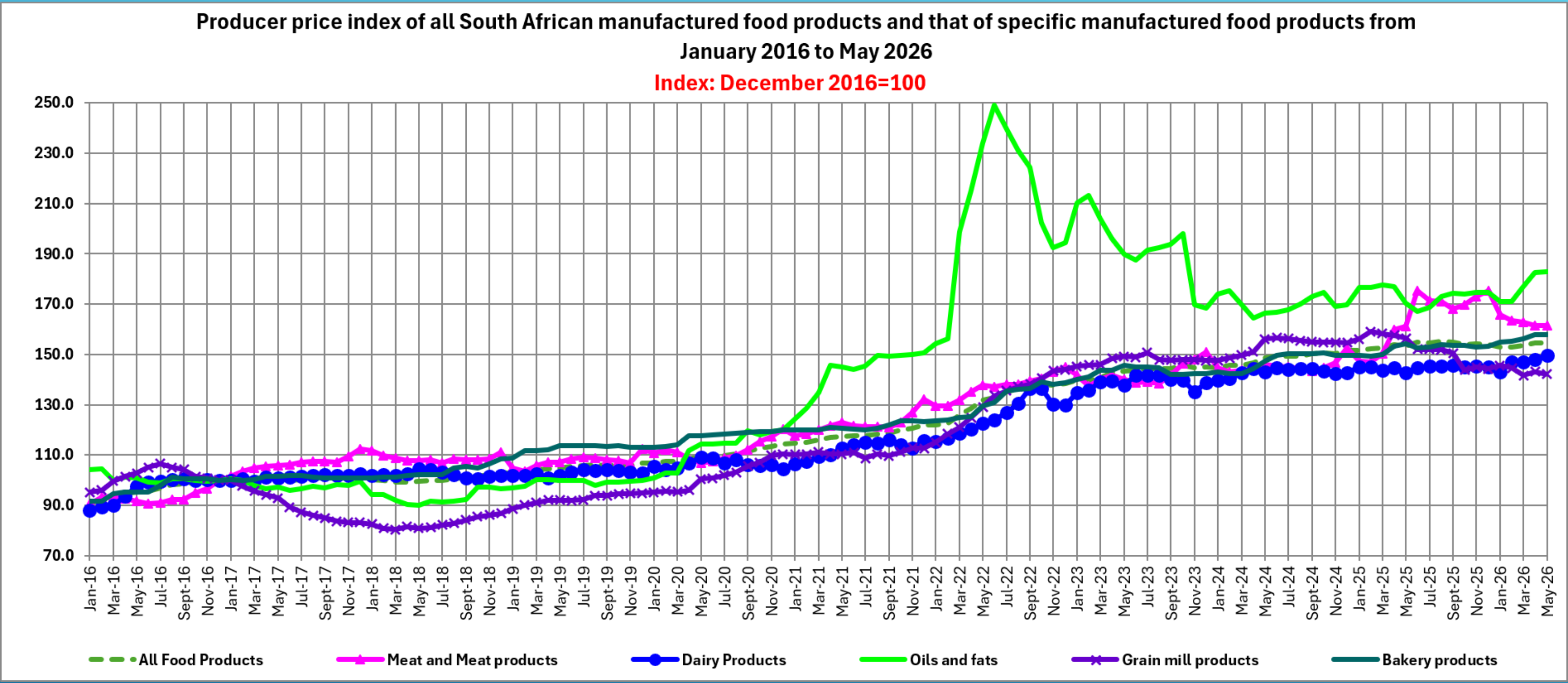
THE DIFFERENCES BETWEEN THE HIGHEST AND LOWEST PRODUCER PRICE INDEX OF DAIRY PRODUCTS IN SOUTH AFRICA, IN EACH OF THE YEARS 2015 TO 2025

Index: Dec 2016=100

Year	Percent difference
2015 (Highest in May, Lowest in January)	4.0
2016 (Highest in September, Lowest in January)	14.0
2017 (Highest in December, Lowest in March)	3.0
2018 (Highest in May, Lowest in October)	3.9
2019 (Highest in September, Lowest in April)	3.3
2020 (Highest in May, Lowest in February)	4.8
2021 (Highest in September, Lowest in January)	8.9
2022 (Highest in October, Lowest in January)	18.2
2023 (Highest in August, Lowest in January)	5.1
2024 (Highest in June, Lowest in January)	3.4
2025 (Highest in September, Lowest in May)	2.0
Average	**6.4**

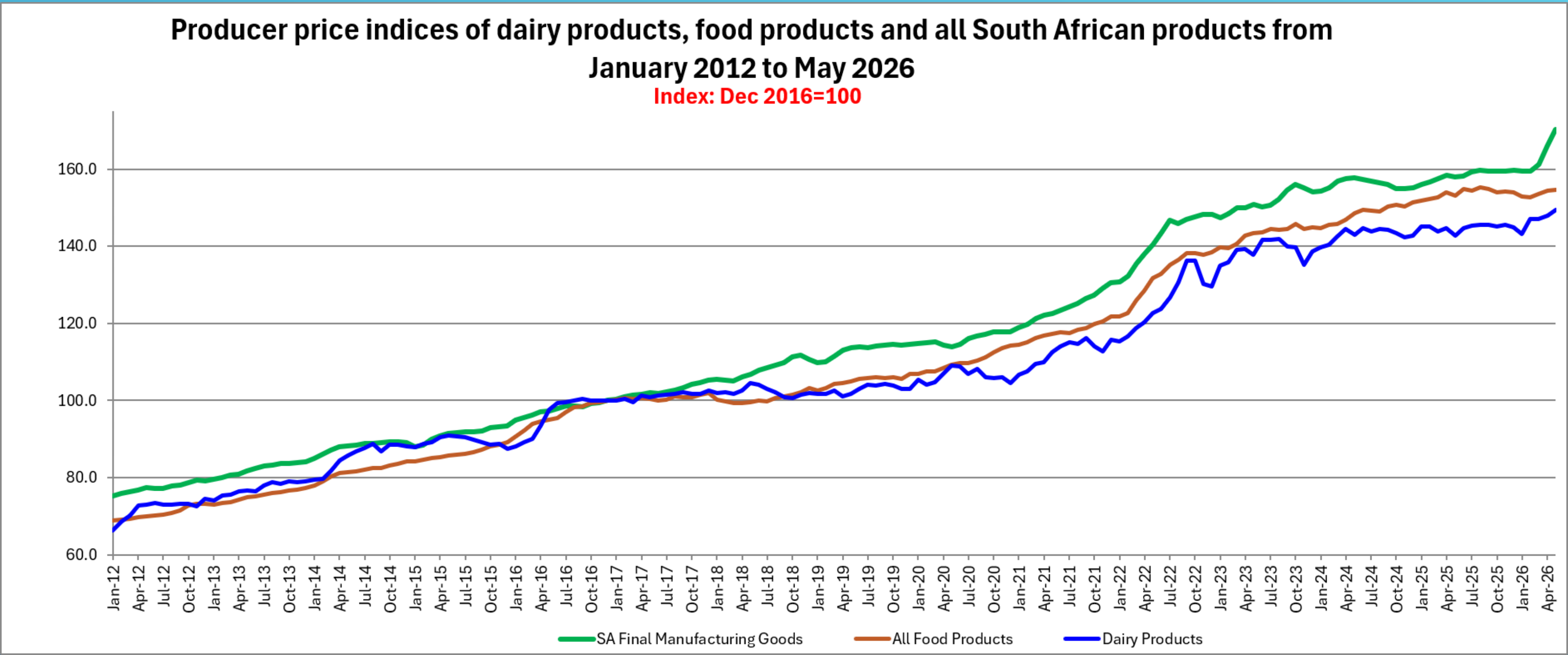
Table prepared by the Office of SAMPRO based on information published by SARS

Graph 16



Graph prepared by the Office of SAMPRO based on information published by Statistics SA

Graph 17



Graph prepared by the Office of SAMPRO based on information published by Statistics SA

Table 27

INCREASE IN PRODUCER PRICE INDICES OF PARTICULAR CATEGORIES OF PRODUCTS WHICH INCLUDE INPUTS OF THE DAIRY INDUSTRY, IN THE YEAR WHICH ENDED IN SEPTEMBER 2024 AND THE YEAR WHICH ENDED IN MAY 2026

GROUP OF PRODUCTS	Percentage increase in the year which ended in September 2024			Percentage increase in the year which ended in May 2026		
Textiles, clothing and footwear			6.0			5.2
• Textiles		7.5			16.0	
• Clothing		5.7			1.0	
• Footwear		2.8			-2.6	
Paper and printed products			2.3			8.7
Coke, petroleum, chemical, rubber and plastic products			-5.0			22.0
• Coal and petroleum products		-10.6			40.3	
- Petrol	-13.2			28.1		
- Diesel	-15.7			66.7		
- Other	-1.7			25.0		
• Chemical products		1.5			3.2	
• Rubber and plastic products		5.6			7.7	
Metals, machinery, equipment and computing equipment			3.4			2.9
• Structural and fabricated metal products		4.2			7.0	
• General and special purpose machinery		3.0			1.4	
• Household appliances & office machinery		4.5			-11.6	
Electrical machinery and communication and metering equipment			0.5			6.9
Electricity and water			9.8			12.3
• Electricity		10.6			12.4	
• Water		5.6			11.0	

Table prepared by the Office of SAMPRO based on information published by Statistics SA

Table 28

CHANGES IN THE RETAIL SALES QUANTITIES FROM THE YEAR APRIL 2024 TO MARCH 2025, TO THE YEAR APRIL 2025 TO MARCH 2026; AND CHANGES IN THE RETAIL PRICES FROM MARCH 2025 TO MARCH 2026

PRODUCT	CHANGE IN RETAIL SALES QUANTITIES PERCENT	CHANGE IN RETAIL PRICES PERCENT
FRESH MILK	0.2	0.2
LONG LIFE MILK (UHT MILK)	4.5	1.1
FLAVOURED MILK	4.3	3.5
YOGHURT	2.8	1.4
MAAS	4.4	1.7
PRE-PACKAGED CHEESE	3.3	0.2
CREAM CHEESE	8.2	0.8
BUTTER	1.3	7.5
CREAM	5.7	0.5

Table prepared by the Office of SAMPRO based on the results of surveys by “NielsenIQ”. Non-retail sales such as sales to industrial buyers are not part of the surveys

Table 29

CHANGES IN THE QUANTITIES OF RETAIL SALES OF SPECIFIC DAIRY PRODUCTS IN SOUTH AFRICA

PRODUCT	Sales in the month of March 2026 versus the sales in the month of March 2025	Sales in the 3 months from January 2026 to March 2026 versus the sales in the 3 months from January 2025 to March 2025	Sales in the 6 months from October 2025 to March 2026 versus the sales in the 6 months from October 2024 to March 2025	Sales in the 9 months from July 2025 to March 2026 versus the sales in the 9 months from July 2024 to March 2025	Sales in the 12 months from April 2025 to March 2026 versus the sales in the 12 months from April 2024 to March 2025
	percent	percent	percent	percent	percent
Fresh Milk	0.3	0.7	0.7	0.7	0.2
UHT milk	1.3	2.1	4.6	4.6	4.5
Flavoured milk	12.8	14.2	6.0	6.5	4.3
Yoghurt	1.0	3.2	1.8	3.4	2.8
Maas	-1.5	0.7	0.3	3.3	4.4
Pre-packaged cheese	6.5	5.5	5.3	3.9	3.3
Cream cheese	7.6	12.6	9.7	8.9	8.2
Butter	-4.8	-2.3	-2.1	0.6	1.3
Cream	5.1	5.9	6.4	6.0	5.7

Table prepared by the Office of SAMPRO based on the results of surveys by "NielsenIQ". Non-retail sales such as sales to industrial buyers are not part of the surveys

Table 30

THE AVERAGE RETAIL PRICES OF SPECIFIC DAIRY PRODUCTS IN MARCH 2026, COMPARED TO THE AVERAGE RETAIL PRICES OF THE PRODUCTS CONCERNED IN SPECIFIC PREVIOUS MONTHS OF 2025 AND 2024

PRODUCT	March 2026 versus February 2026 (1 month ago)	March 2026 versus December 2025 (3 months ago)	March 2026 versus September 2025 (6 months ago)	March 2026 versus June 2025 (9 months ago)	March 2026 versus March 2025 (12 months ago)	March 2026 versus September 2024 (18 months ago)	March 2026 versus March 2024 (24 months ago)
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
FRESH MILK	0.1	1.0	0.4	0.8	0.2	-1.0	-0.8
UHT MILK	-0.8	2.7	-0.7	0.9	1.0	-1.0	0.8
FLAVOURED MILK	0.5	3.1	2.1	1.4	3.5	5.5	10.4
YOGHURT	-0.9	4.8	1.0	1.2	1.4	1.7	5.2
MAAS	0.3	2.8	2.7	2.3	1.7	1.3	3.0
PRE-PACKAGED CHEESE	-1.1	2.8	0.3	-1.3	0.2	3.6	2.6
CREAM CHEESE	-0.6	-3.1	-0.1	-3.5	0.8	1.9	4.7
BUTTER	-1.0	2.9	3.5	0.9	7.5	3.5	7.5
CREAM	-1.0	-1.3	0.1	-0.6	0.5	0.6	2.1

Table prepared by the Office of SAMPRO based on the results of surveys by "NielsenIQ". Non-retail sales such as sales to industrial buyers are not part of the surveys

Graph 18

THE PRODUCER PRICE INDEX (PPI) OF UNPROCESSED MILK, FROM DECEMBER 2016 TO MAY 2026 AND THE RETAIL PRICE INDICES (RPI) OF FRESH MILK AND UHT MILK, FROM DECEMBER 2016 TO MARCH 2026

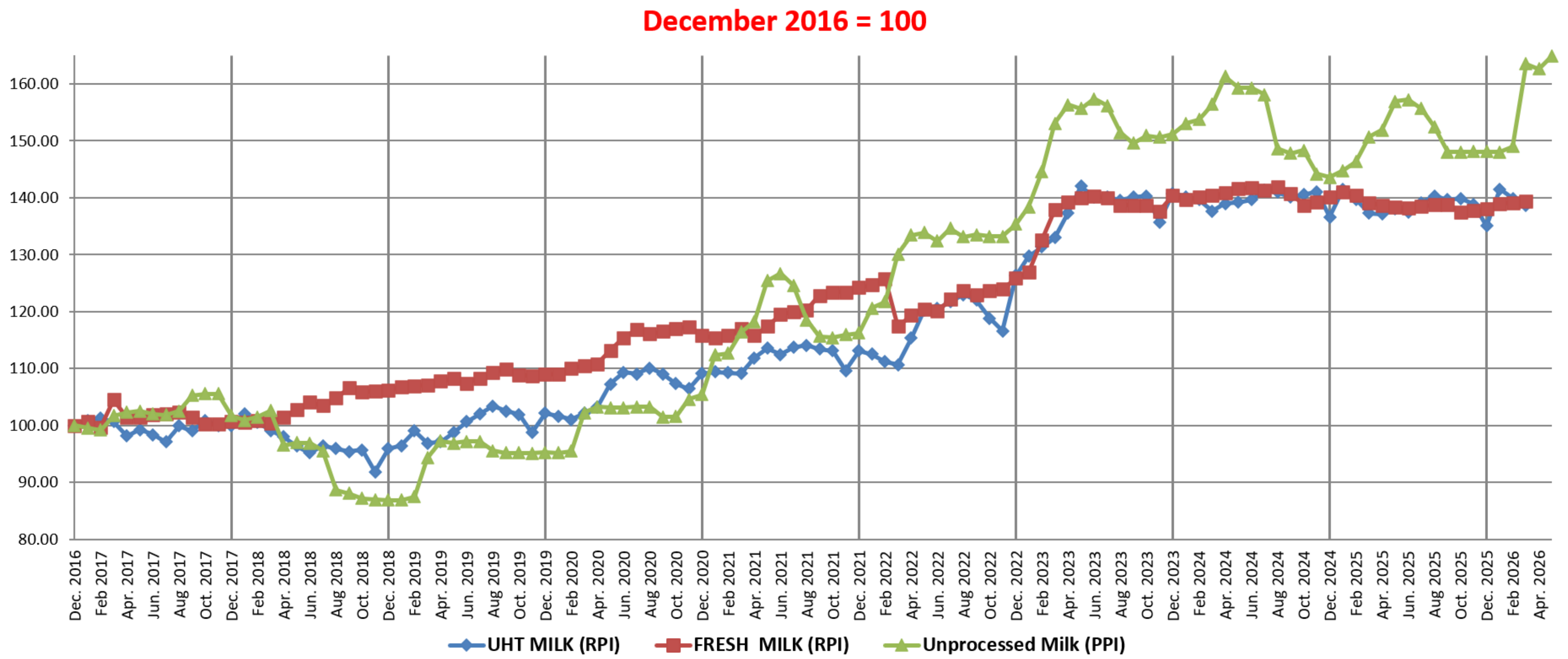


Table 32

INCREASE IN UNPROCESSED MILK PURCHASES RELATIVE TO PREVIOUS YEAR (PERCENT)													
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
4.5	2.22	2.65	6.37	-0.45	3.01	4.82	0.65	-0.16	-0.71	-1.56	-0.32	3.56	0.75

Graph prepared by the Office of SAMPRO based on information obtained from “NielsenIQ” and Statistics South Africa.
Table prepared by the Office of SAMPRO based on information obtained from Milk SA.

Graph 19

THE PRODUCER PRICE INDEX (PPI) OF UNPROCESSED MILK, FROM DECEMBER 2016 TO MAY 2026 AND THE RETAIL PRICE INDICES (RPI) OF YOGHURT, MAAS AND PRE-PACKAGED CHEESE, FROM DECEMBER 2016 TO MARCH 2026

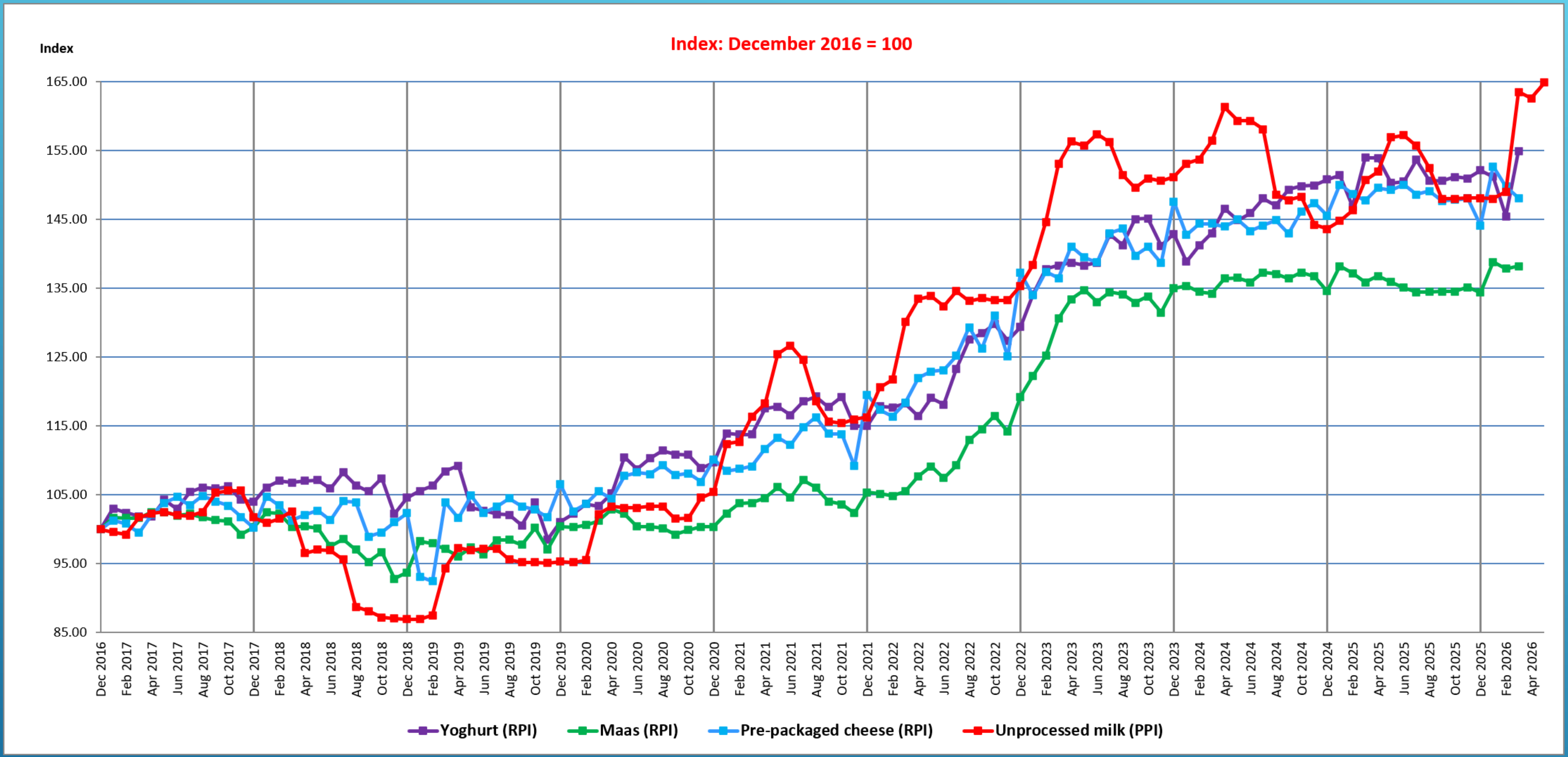


Table 33

INCREASE IN UNPROCESSED MILK PURCHASES RELATIVE TO PREVIOUS YEAR (PERCENT)													
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
4.5	2.22	2.65	6.37	-0.45	3.01	4.82	0.65	-0.16	-0.71	-1.56	-0.32	3.56	0.75

Graph prepared by the Office of SAMPRO based on information obtained from "NielsenIQ" and Statistics South Africa.
Table prepared by the Office of SAMPRO based on information obtained from Milk SA.

Table 31

THE HIGHEST AND LOWEST DIFFERENCES RECORDED BETWEEN THE AVERAGE MONTHLY RETAIL PRICES OF UHT MILK AND FRESH MILK AND THE DIFFERENCES BETWEEN THE AVERAGE ANNUAL RETAIL PRICES OF UHT MILK AND FRESH MILK, IN THE YEARS 2012 TO 2025

YEAR	Percentage difference [40)]		
	Highest monthly	Lowest monthly	Average Annual
2012	17.1	0.7	8.9
2013	8.9	2.8	5.9
2014	12.5	5.8	9.2
2015	11.9	-0.7	5.6
2016	6.9	0.7	3.8
2017	1.8	-2.6	-0.4
2018	0.0	-7.9	-4.0
2019	3.8	-3.8	0.0
2020	4.3	0.4	2.3
2021	-3.8	-2.4	-3.1
2022	-0.4	-3.3	-1.9
2023	2.9	3.6	3.3
2024	0.4	-1.2	-0.4
2025	1.4	-0.6	-0.4
Average	4.8	-0.6	2.1

The percentages indicated are the percentages which the average retail prices of UHT milk were higher than that of fresh milk.
Table prepared by the Office of SAMPRO based on the results of surveys by "NielsenIQ". Non-retail sales such as sales to industrial buyers are not part of the surveys.

SUMMARY AND CONCLUSION:

- **In 2024 and 2025**
  - **Unusual levels of imports and exports due to a set of factors, which can change significantly in a short period of time;**
  - **Producer price index of unprocessed milk decreased in 2024 (4.96 %) and increased in 2025 (3.1%);**
  - **Producer price index of dairy products increased in 2024 (2.9%) and in 2025 (1.6 %);**
  - **Increased production of unprocessed milk;**
  - **Negative impact of foot and mouth disease;**
  - **Increased retail sales quantities at the expense of price;**
  - **Supply side downward pressure on prices is visible; and**

- **In respect of 2026:**
- **The estimated mass of imports in 2026 is higher and the estimated mass of exports lower than in 2025;**
- **PPI of unprocessed milk increased from December 2025 to May 2026, by 11.34 % to a level of 3.56% higher than in May 2025;**
- **PPI of dairy products increased from December 2025 to May 2026, by 3.17% to a level of 4.83% higher than in May 2025;**
- **Production of unprocessed milk in the first 5 months, 0.12% higher than in the same months of 2025.**

- **Regarding the retail sales of the nine dairy products of which the retail sales are monitored by an independent institution:**
  - **In the year which ended in March 2026, the retail sales quantities and retail sales prices increased. The retail sales prices of 7 of the 9 products increased by less than 2.0% and the increase of 4 of the 7 products was less than 1.0%;**
  - **In the quarter which ended in March 2026, the retail quantities of 8 of the 9 products increased while the retail sales prices of 7 of the 9 products increased;**
  - **In March 2026, compared to March 2025, the retail sales quantities of 7 of the 9 dairy products increased, while the retail sales prices in March 2026, of 3 of the 9 products were higher than in February 2026;**
  - **The retail sales performance showed that the supply of dairy products created downward pressure on retail prices and the normal season increase from July to October 2026, can add to the downward pressure;**

- **Expected GDP growth rate in 2026 was sharply revised downwards. In January 2026, the IMF expected a growth rate of 1.4 % and 1.1% in July 2026, which is the same as in 2025 and which does not create optimistic expectations in respect of consumer demand including the demand, for dairy products, in 2026; and**
- **New developments in respect of the conflict in the Middle East and the Russian invasion in Ukraine, which cannot be predicted, can create further downwards pressure on the GDP growth rate in 2026.**
- **Past and expected increases in administered prices and high exposure of consumers to credit, limit the buying power of consumers.**
- **Situation can change rapidly and new developments should continuously be monitored and reacted to, to enable the supply of dairy products to follow demand.**

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July 2026

The following contributions to this presentation are acknowledged:	
De Wet Jonker (B.Econ/B.Com Hons), Dr Ndumiso Mazibuko (Bsc Agric Econ, Msc, MBA, PhD) Jan Theron, (B.Com Economy), and Marietjie le Roux (B.Com Human Resources)	Collecting information, compiling of tables and graphs and assessment of information.
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