South African Milk Processors' Organisation

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TRENDS OF THE RETAIL SALES OF NINE DAIRY AND EIGHT OTHER GENERALLY USED FOOD PRODUCTS, BASED ON INFORMATION UP TO MARCH 2026 OBTAINED FROM NIELSENIQ

(A report prepared by the Office of SAMPRO for Milk SA)

This report was compiled by the Office of SAMPRO and forms part of the Industry Information Project of Milk SA. The purpose of the project is to make market signals available to members and other interested parties, which is a prerequisite for effective competition, as envisaged by the Competition Act.

All activities of the Industry Information Project of Milk SA are designed and implemented in accordance with the Competition Act and independently from any commercial interest.

SYNOPSIS

- ***This report covers the retail sales of nine dairy products. The report is based on information obtained from "NielsenIQ".***
- ***This report also covers the performance (sales quantities and average prices) of 8 other generally used food products in the retail market.***
- ***The performance (retail sales quantity and price) of any particular food product can, and typically does, change meaningfully during a period of even as short as a few months.***
- ***The performance (retail sales quantity and price) of the different food products differs.***
- ***The figures and analyses in this report are of a macro nature and the position of the different role-players may differ meaningfully from the macro position***

Important observations in respect of the retail sales quantities (Table 9) were as follows:

a) In the year which ended in March 2026, the retail sales quantities of fourteen of the seventeen food products, were higher than in the year which ended in March 2025, and nine of the fourteen food products were dairy products;

b) In the six-months which ended in March 2026, the retail sales quantities of twelve of the seventeen food products, were higher than in the same months of 2024 and 2025, and eight of the twelve food products were dairy products; and

c) In March 2026, the retail sales quantities of eleven of the seventeen food products were higher than in March 2025 and seven of the eleven food products were dairy products.

Important observations in respect the average retail prices (Table 10) were as follows:

a) In March 2026, the retail prices of fifteen of the seventeen food products were higher than in March 2025 (12 months ago) and nine of the fifteen food products were dairy products;

b) In March 2026, the retail prices of twelve of the seventeen food products were higher than in September 2025 (6 months ago) and seven of the twelve food products were dairy products; and

c) From February 2026 to March 2026, the retail prices of eight of the seventeen food products increased and three of the eight products were dairy products.

Introduction

1. In the report attention is given to trends of retail sales (quantity and average price) of nine dairy products and eight other generally used food products which consist of four starch products, one fat product and three beverages. The products are listed in Table 1.

TABLE 1: PRODUCTS COVERED BY THIS REPORT

DAIRY PRODUCTS	OTHER FOOD PRODUCTS
Fresh milk	Instant cereal
Long life milk (UHT)	Bread
Flavoured Milk	Rice
Yoghurt	Maize meal
Maas	Margarine
Pre–packaged cheese	Tea
Cream cheese	Coffee
Butter	Short life juice
Cream	

2. In the next sections of this report, separate attention is given to the performance in terms of quantity and price in the retail market of:

(a) Nine dairy products,

(b) Eight other food products consisting of four starch products, one fat product and three beverages; and

(c) A comparison between (a) and (b).

Dairy Products

3. The trends in the retail markets for the different dairy products in the recent past are important market signals to stimulate timeous adjustment of the supply of each of the different products to follow demand. Such adjustment is in the interests of the consumer, the dairy industry, the appropriate use of national resources and effective competition in the markets concerned.

4. "NielsenIQ" provides information based on monthly surveys of the retail sales of milk and other dairy products. Non-retail sales, such as sales to wholesalers and industrial buyers, which form significant parts of the total sales of dairy products, are not part of the NielsenIQ surveys.

5. In assessing the research results of NielsenIQ, the following should be taken into account:

- *The research is based on surveys which do not cover all retail outlets in South Africa,*
- *The research results show the performance of the retail outlets covered by the surveys and cannot in an unqualified way be described as the performance of the total South African consumer market,*
- *In respect of UHT milk, flavoured milk, yoghurt, maas and pre-packaged cheese, the surveys cover a significantly higher number of different types of retail shops than is the case in respect of fresh milk, cream, butter, cottage cheese and cream cheese,*
- *The surveys do not cover non-retail sales of dairy products. Non-retail sales represent a meaningful part of the total sales of dairy products,*
- *The surveys cover the retail sales of South African and imported products,*
- *As market signals, it is important <u>not to report on only the change in the quantity (mass or volume) of sales but also the changes of the average price</u> due to the very obvious fact that there is significant interaction between the price and the quantity of sales,*
- *The figures and analyses in this report are of a macro nature and the position of the different role-players may differ meaningfully from the macro position,*
- *The consumer market consists of different segments, like segments based on the income of consumers. The dairy products which are regarded by higher income consumers as necessities and which are used daily, are for lower income consumers luxuries purchased in smaller quantities or less frequently. This situation explains why a change of the price of even the most basic dairy product, namely pasteurised milk, influences the quantity sold. Similarly, changes in the income of consumers impact on the quantity sold,*
- *In terms of the production-orientated approach, the different dairy products are closely related but, in terms of a market-orientated approach the differences between the different dairy products are significant. This is due to especially the differences in respect of the nature, use, price and image of the different dairy products; and*

- *The retail situation is much more complex than, for example, a few decades ago. <u>Dairy products are not only competing with substitute products, but also with a host of other products and services which are offered by different industries to the consumer.</u> For example, in some market segments, the consumer weighs up the benefits of purchasing dairy products versus the benefit of buying totally unrelated products and services.*

6. In the case of fresh milk, cream and butter, the surveys of "NielsenIQ" cover only "major stores" as described in paragraph 5.

7. The performance of the dairy products concerned in the retail market, as measured by NielsenIQ, is set out in Tables 3 to 5.

8. Although the surveys of NielsenIQ in respect of the products mentioned in the previous paragraph only cover "major stores", the results of the surveys should be regarded as meaningful indicators of the trends in retail sales. In the table below, the NielsenIQ sample for 2025, is expressed as a percentage of the estimated total demand[1)] in the same period.

TABLE 2: NIELSENIQ SAMPLE AS PERCENTAGE OF THE ESTIMATED TOTAL DEMAND

PRODUCT		A NIELSENIQ SAMPLE [2)]	C ESTIMATED TOTAL DEMAND [1)] BMI	D = (A AS PERCENTAGE OF C)
Pasteurised milk and ESL milk	(Litre)	206 708 109	523 804 600	39.5
UHT and sterilised Milk	(Litre)	552 938 522	1 008 127 038	54.8
Flavoured milk	(Litre)	15 159 104	47 229 409	32.1
Yoghurt and snacks	(Litre)	180 649 248	231 967 577	77.9
Maas	(Litre)	233 197 354	274 717 200	84.9
Pre-Packaged cheese	(Kg)	40 260 385	98 146 970 [3)]	41.0
Cream cheese	(Kg)	3 416 369	5 119 642	66.7
Butter	(Kg)	7 543 602	24 858 002	30.3
Cream	(Litre)	11 101 521	22 445 361	49.5

1) ***Estimated total demand for 2025, as obtained by BMI.***
2) ***NielsenIQ sample of retail sales for certain dairy product categories***
3) ***Includes hard and semi-hard cheeses, pre-packaged and other (excluding cream cheese).***

TABLE 3:

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

9. According to Table 3:

a) The total retail sales quantity of unflavoured and unsweetened milk (fresh and long-life milk) in the year which ended in March 2026, is estimated to be 3.1 percent higher than in the previous year[4]. Unflavoured and unsweetened milk utilises in 2025, approximately 47.0 percent of the total unprocessed milk production in South Africa.

b) In the year which ended in March 2026, the retail sales quantities of all nine dairy products were from 0.2 to 8.2 percent higher than in the year which ended in March 2025.

c) In the year which ended in March 2026, the retail sales prices of all nine dairy products increased and two of the nine products' retail sales prices increased at rates more than the inflation rate of 3.1 percent in March 2026; and

4. Based on the assumption that fresh milk and long-life milk represents 31 and 69 percent respectively of the total sales of unflavoured and unsweetened milk

d) The percentage changes in retail sales quantities indicated in Table 3, do not mean that the sales quantities changed continuously at the same rate, during the period concerned. This situation is illustrated in Table 4.

TABLE 4:

CHANGES IN THE QUANTITIES OF RETAIL SALES OF SPECIFIC DAIRY PRODUCTS

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

10. Important observations in respect of Table 4, were as follows:

a) <u>In the year which ended in March 2026</u>, the retail sales quantities of all nine dairy products were from 0.2 percent to 8.2 percent higher;

b) <u>In the six months which ended in March 2026</u>, the retail sales quantities of eight of the nine dairy products were from 0.3 percent to 9.7 percent higher and the retail sales quantity of one was 2.1 percent lower;

c) <u>In the quarter which ended in March 2026</u>, the retail sales quantities of eight of the nine dairy products were from 0.7 percent to 14.2 percent higher than in the same quarter of 2024 and the retail sales quantity of one was 2.3 percent lower;

d) In March 2026, the retail sales quantities of seven of the nine dairy products were from 0.3 percent to 12.8 percent higher than in March 2025 and the prices of two were 1.5 percent and 4.8 percent lower.

11. The percentage changes in the average retail prices indicated in Table 3, do not mean that the prices changed continuously at the same rate, during the period concerned. This situation is illustrated in Table 5.

TABLE 5:

CHANGES IN THE AVERAGE RETAIL PRICES OF SPECIFIC DAIRY PRODUCTS

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	1.1	-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

12. Important observations in respect of Table 5, were as follows:

a) In the year which ended in March 2026, the retail sales prices of all nine dairy products increased by 0.2 percent to 7.5 percent;

b) In the six months which ended in March 2026, the retail sales price of seven of the nine dairy products, increased by 0.1 percent to 3.5 percent, while the retail sales prices of two of the nine dairy products decreased by 0.1 percent to 0.7 percent;

c) In the quarter which ended in March 2026, the retail sales prices of seven of the nine dairy products increased by 1.0 percent to 4.8 percent and the retail sales prices of two of the nine dairy products decreased by 1.3 percent to 3.1 percent;

d) From February 2026 to March 2026, the retail sales prices of three of the nine dairy products increased by 0.1 percent to 0.5 percent, the retail sales prices of six of the nine dairy products decreased by 0.6 percent to 1.1 percent.

OTHER FOOD PRODUCTS

13. The performance of the eight food products concerned in the retail market, as measured by NielsenIQ, is set out in Tables 6 to 8.

TABLE 6:

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 OF SPECIFIC FOOD PRODUCTS

FOOD PRODUCTS	CHANGE IN RETAIL SALES QUANTITY PERCENT	CHANGE IN RETAIL PRICES PERCENT
INSTANT CEREALS	3.3	3.9
BREAD	0.5	2.8
RICE	11.6	-20.7
MAIZE MEAL	0.6	-20.4
MARGARINE	-1.3	4.3
TEA	-0.4	7.4
COFFEE	-0.1	8.0
SHORT LIFE JUICE	2.1	1.0

14. According to Table 6:

a) In the year which ended in March 2026, the retail sales quantities of five of the eight other food products were from 0.5 to 11.6 percent higher than in the year which ended in March 2025 and the retail sales quantities of three were from 0.1 percent to 1.3 percent lower; and

b) In the year which ended in March 2026, the retail sales prices of six of the eight other food products increased by 1.0 percent to 8.0 percent and the retail sales prices of four of the six products increased at a rate higher than the inflation rate of 3.1 percent in the year which ended in March 2026, while the retail sales prices of two decreased by 20.4 percent and 20.7 percent..

15. The percentage changes in retail sales quantities indicated in Table 6, do not mean that the sales quantities changed continuously at the same rate, during the period concerned. This situation is illustrated in Table 7.

TABLE 7:

CHANGES IN THE QUANTITIES OF RETAIL SALES OF SPECIFIC FOOD PRODUCTS

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
INSTANT CEREALS	-1.8	0.8	2.4	3.6	3.3
BREAD	-3.2	-2.3	-1.3	0.4	0.5
RICE	6.9	9.4	11.8	12.4	11.6
MAIZE MEAL	1.7	1.8	2.2	2.9	0.6
MARGARINE	-3.8	-2.7	-2.3	-2.1	-1.3
TEA	-5.9	-5.0	-0.2	-0.5	-0.4
COFFEE	0.01	-2.7	-1.0	-0.5	-0.1
SHORT LIFE JUICE	4.4	6.2	2.1	2.9	2.1

16. Important observations in respect of Table 7, were as follows:

a) <u>In the year which ended in March 2026</u>, the retail sales quantities of five of the eight food products were from 0.5 percent to 11.6 percent higher than in the year which ended in March 2025 and the retail sales quantities of three were from 0.1 percent to 1.3 percent lower;

b) <u>In the six months which ended in March 2026</u>, the retail sales quantities of four of the eight food products were from 2.1 percent to 11.8 percent higher than in the same months of 2024 and 2025 and the retail sales quantities of four were from 0.2 percent to 2.3 percent lower;

c) <u>In the three months which ended in March 2026</u>, the retail sales quantities of four of the eight food products, were from 1.8 percent to 9.4 percent higher than in the same months of 2025 and the retail sales quantities of four were from 2.3 percent to 5.0 percent lower

d) <u>In March 2026,</u> the retail sales quantities of four of the eight food products, were 0.01 percent to 6.9 percent higher than in March 2025 and the retail sales prices of four were from 1.8 percent to 5.9 percent lower.

17. The percentage changes in retail prices indicated in Table 6, do not mean that the prices changed continuously at the same rate, during the period concerned. This situation is illustrated in Table 8.

TABLE 8:

CHANGES IN THE AVERAGE RETAIL PRICES OF SPECIFIC FOOD PRODUCTS

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
INSTANT CEREALS	0.6	8.4	6.2	9.7	3.9	7.3	8.5
BREAD	0.6	0.9	2.6	2.7	2.8	3.0	7.4
RICE	-1.7	-1.8	-9.1	-15.9	-20.7	-25.4	-24.7
MAIZE MEAL	-0.9	-4.3	-10.3	-14.1	-20.4	-8.9	2.7
MARGARINE	0.6	0.7	1.4	2.3	4.3	7.1	5.3
TEA	1.0	12.6	8.0	10.5	7.4	14.4	23.2
COFFEE	-0.5	9.4	10.2	16.1	8.0	20.0	27.0
SHORT LIFE JUICE	0.3	7.0	-2.1	-3.2	1.0	-0.0	7.0

18. Important observations in respect of Table 8, were as follows:

a) In the year which ended in March 2026, the retail prices of six of the eight food products, increased by from 1.0 percent to 5.0 percent while the retail sales prices of 2 decreases by 20.4 percent and 20.7 percent;

b) In the six months which ended in March 2026, the retail prices of five of the eight food products, increased by from 1.4 percent to 10.2 percent while the retail sales prices of three decreased by from 2.1 percent to 10.3 percent;

c) In the three months which ended in March 2026, the retail prices of six of the eight food products, increased by from 0.7 percent to 12.6 percent while the retail sales prices of two decreased by 1.8 percent and 4,3 percent;

d) From February 2026 to March 2026, the retail prices of five of the eight food products, increased by from 0.3 percent to 1.0 percent while the retail sales prices of three decreased by 0.5 percent to 1.7 percent.

Comparison of the performance in the retail market of the dairy products and the other food products concerned.

19. In Table 9, the changes in the retail sales quantities of the dairy products and the other food products concerned are indicated and ranked from the highest to the lowest. The highest increase in the relevant period is ranked as 1 and the lowest as 17.

TABLE 9:

CHANGES IN THE QUANTITIES OF RETAIL SALES OF SPECIFIC DAIRY PRODUCTS AND SPECIFIC OTHER FOOD PRODUCTS

Product	SALES IN THE MONTH OF MARCH 2026 VERSUS THE SALES IN THE MONTH OF 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 12 MONTHS FROM APRIL 2025 TO MARCH 2026 VERSUS THE SALES IN THE 12 MONTHS FROM APRIL 2024 TO MARCH 2025	
	%	*Ranking*	*%*	*Ranking*	*%*	*Ranking*
Rice	6.9	3	11.8	1	11.6	1
Cream cheese	7.6	2	9.7	2	8.2	2
Cream	5.1	5	6.4	3	5.7	3
UHT milk	1.3	8	4.6	6	4.5	4
Maas	-1.5	12	0.3	12	4.4	5
Flavoured milk	12.8	1	6.0	4	4.3	6
Pre-packaged cheese	6.5	4	5.3	5	3.3	7
Instant Cereals	-1.8	13	2.4	7	3.3	8
Yoghurt	1.0	9	1.8	10	2.8	9
Short Life Juice	4.4	6	2.1	9	2.1	10
Butter	-4.8	16	-2.1	16	1.3	11
Maize Meal	1.7	7	2.2	8	0.6	12
Bread	-3.2	14	-1.3	15	0.5	13
Fresh Milk	0.3	10	0.7	11	0.2	14
Coffee	0.01	11	-1.0	14	-0.1	15
Tea	-5.9	17	-0.2	13	-0.4	16
Margarine	-3.8	15	-2.3	17	-1.3	17

20. Important observations in respect of Table 9, were as follows:

d) In <u>the year which ended in March 2026</u>, the retail sales quantities of fourteen of the seventeen food products, were higher than in the year which ended in March 2025, and nine of the fourteen food products were dairy products;

e) <u>In the six-months which ended in March 2026,</u> the retail sales quantities of twelve of the seventeen food products, were higher than in the same months of 2024 and 2025, and eight of the twelve food products were dairy products; and

f) <u>In March 2026</u>, the retail sales quantities of eleven of the seventeen food products were higher than in March 2025 and seven of the eleven food products were dairy products.

21. In Table 10, the increases and decreases in the average retail prices of the dairy products and the other food products in the different periods concerned, are indicated and ranked from the highest to the lowest.

TABLE 10:

INCREASES AND DECREASES IN THE AVERAGE RETAIL PRICES OF SPECIFIC DAIRY PRODUCTS AND SPECIFIC OTHER FOOD PRODUCTS

Product	MARCH 2026 VERSUS FEBRUARY 2026 (1 MONTH AGO)		MARCH 2026 VERSUS SEPTEMBER 2025 (6 MONTHS AGO)		MARCH 2026 VERSUS MARCH 2025 (12 MONTHS AGO)	
	%	*Ranking*	*%*	*Ranking*	*%*	*Ranking*
Coffee	-0.5	9	10.2	1	8.0	1
Butter	-1.0	14	3.5	4	7.5	2
Tea	1.0	1	8.0	2	7.4	3
Margarine	0.6	2	1.4	8	4.3	4
Instant Cereals	0.6	3	6.2	3	3.9	5
Flavoured milk	0.5	5	2.1	7	3.5	6
Bread	0.6	4	2.6	6	2.8	7
Maas	0.3	6	2.7	5	1.7	8
Yoghurt	-0.9	12	1.0	9	1.4	9
UHT milk	-0.8	11	-0.7	14	1.0	10
Short Life Juice	0.3	7	-2.1	15	1.0	11
Cream cheese	-0.6	10	-0.1	13	0.8	12
Cream	-1.0	15	0.1	12	0.5	13
Fresh Milk	0.1	8	0.4	10	0.2	14
Pre-packaged cheese	-1.1	16	0.3	11	0.2	15
Maize Meal	-0.9	13	-10.3	17	-20.4	16
Rice	-1.7	17	-9.1	16	-20.7	17

22. Important observations in respect of Table 10, were as follows:

a) In March 2026, the retail prices of fifteen of the seventeen food products were higher than in March 2025 (12 months ago) and nine of the fifteen food products were dairy products;

b) In March 2026, the retail prices of twelve of the seventeen food products were higher than in September 2025 (6 months ago) and seven of the twelve food products were dairy products; and

c) From February 2026 to March 2026, the retail prices of eight of the seventeen food products increased and three of the eight products were dairy products.

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