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Development should reduce pressure on agricultural producers

Eskom actively works on diminishing load shedding

Recent developments out of Eskom have seen some plants achieving a 70% energy availability factor. This achievement should reduce pressure on agricultural producers that have a higher electricity need for their operations, according to Paul Makube, Senior Agricultural Economist, FNB Commercial.

He said this after Statistic South Africa announced the latest update on the country's headline inflation accelerated to 7% y/y in February 2023 underpinned food and non-alcoholic beverages, housing and utilities, transport, and miscellaneous goods and services on Wednesday. In the food category, prices jumped to the record high of 14% y/y since March 2009.

Makube said that the unrelenting cost pressures emanating from elevated feed costs and load shedding were the biggest drivers of higher meat inflation as producers especially of intensive production systems were left with no choice but to recover costs.

Source: iol.co.za

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