MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA APRIL 2023

Issued: 5 May 2023

Directorate: Statistics and Economic Analysis

Highlights:

- **During April 2023, significant rainfall events were limited to the southern and eastern coastal areas, as well as the central parts of the country.**
- **The projected closing stocks of wheat for the current 2022/23 marketing year are 543 473 tons, which includes imports of 1,55 million tons. It is also 13,1% less than the previous years' ending stocks.**
- **The expected commercial maize crop for 2023 is 15,890 million tons, which is 2,7% more than the 15,470 million tons for the previous season.**
- **Projected closing stocks of maize for the current 2023/24 marketing year are 2,214 million tons, which is 14,2% more than the previous years' ending stocks.**
- **The projected closing stocks of sorghum for the current 2023/24 marketing year are 14 806 tons, which is 68,5% less than the previous years' ending stocks.**
- **The projected closing stocks of sunflower seed for current 2023/24 marketing year are 74 027 tons, which is 0,7% more than the previous years' ending stocks.**
- **The projected closing stocks of soybeans for the current 2023/24 marketing year are 528 847 tons, which is 207,7% more than the previous years' ending stocks.**
- **The annual percentage change in the CPI was higher at 7,1% in March 2023.**
- **The annual percentage change in the PPI for final manufactured goods was lower at 10,6% in March 2023.**
- **March 2023 tractor sales of 677 units were almost 6% more than the 641 units sold in March 2022.**

agriculture, land reform & rural development

Department: Agriculture, Land Reform and Rural Development

REPUBLIC OF SOUTH AFRICA

Enquiries: Marda Scheepers or Queen Makgoka

Directorate: Statistics and Economic Analysis

Tel: +27 12 319 8033/8164

Email:MardaS@dalrrd.gov.za or QueenS@dalrrd.gov.za

Contents

1. Weather conditions

1.1 Rainfall for April 2023

During April 2023, significant rainfall events were limited to the southern and eastern coastal areas, as well as the central parts of the country (**Figure 1**). Comparing rainfall totals to the long-term average for April, rainfall received was below-normal over most parts of the country with isolated areas of above-normal rainfall evident over the Free State, Western Cape, Mpumalanga and Limpopo provinces (**Figure 2**). (Source: Directorate: Climate Change and Disaster Management of Department: Agriculture, Land Reform and Rural Development)

Figure 1: Rainfall (mm) for April 2023

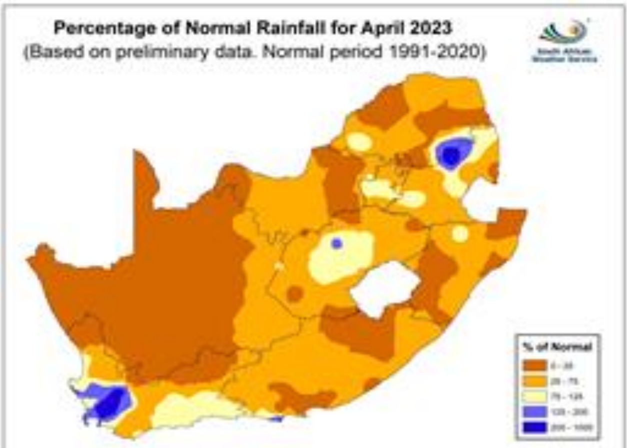
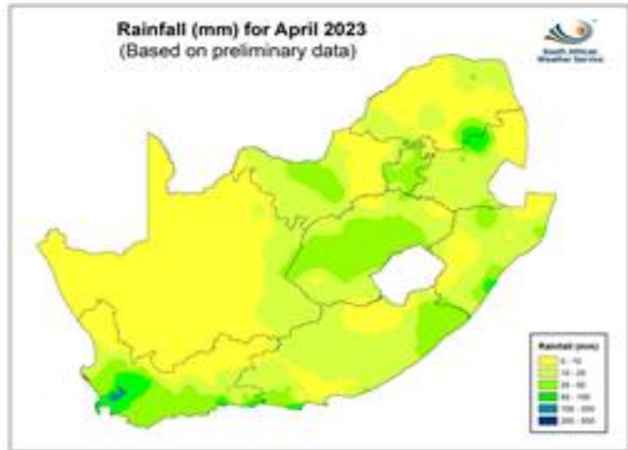


Figure 2: Percentage rainfall for April 2023



1.2 Level of dams

Available information on the level of South Africa's dams on 1 May 2023 indicates that the country has approximately 93% of its full supply capacity (FSC) available, which is 3% less than the from the corresponding period in 2022. The dam levels in North West (9%), Eastern Cape (6%) and Mpumalanga (3%) provinces all show improvements in the full supply capacity as compared to 2022. However, the Northern Cape (-24%), Free State (-8%), KwaZulu-Natal (-4%), Gauteng (-2%) and the Western Cape (-1%) provinces show decreases in full supply capacity, while the Limpopo province remained unchanged in the full supply capacity as compared to 2022 for the above-mentioned period. The provincial distribution of South Africa's water supply including Lesotho and Swaziland is contained in **Table 1** below.

Table 1: Level of dams, 1 May 2023

Province	Net FSC million cubic meters	**01/05/2023 (%)**	Last Year (2022) (%)	% Increase/Decrease 2023 vs. 2022
Eastern Cape	1 729	77	71	6,0
Free State	15 657	98	106	-8,0
Gauteng	128	99	101	-2,0
KwaZulu-Natal	4 910	90	94	-4,0
Kingdom of Lesotho	2 363	99	98	1,0
Limpopo	1 480	89	89	-
Mpumalanga	2 539	98	95	3,0
North West	867	90	81	9,0
Northern Cape	146	85	109	-24,0
Kingdom of Eswatini	334	100	100	-
Western Cape	1 866	53	54	-1,0
Total	**32 018**	**93**	**96**	**-3,0**

Source: Department of Water and Sanitation

2. Grain production

2.1 Summer grain crops - 2023

The revised area planted estimate and second production forecast of summer grains for the 2023 season was released by the Crop Estimates Committee (CEC) on 26 April 2023, and is as follows:

Table 2: Commercial summer crops: Area planted and 3rd production forecast - 2023 season

CROP	**Area planted 2023 Ha (A)**	**3rd forecast 2023 Tons (B)**	Area planted 2022 Ha (C)	Final estimate 2022 Tons (D)	Change % (B) ÷ (D)
Commercial:					
White maize	**1 521 300**	**8 361 175**	1 575 000	7 850 000	6,51
Yellow maize	**1 064 800**	**7 528 600**	1 048 000	7 620 000	-1,20
Total Maize	**2 586 100**	**15 889 775**	2 623 000	15 470 000	2,71
Sunflower seed	**555 700**	**797 610**	670 700	845 550	-5,67
Soybeans	**1 148 300**	**2 755 300**	925 300	2 230 000	23,56
Groundnuts	**31 300**	**49 080**	43 400	48 500	1,20
Sorghum	**34 000**	**107 180**	37 200	103 140	3,92
Dry beans	**36 650**	**46 710**	42 900	52 590	-11,18
TOTAL	**4 392 050**	**19 645 655**	4 342 500	18 749 780	4,78

Note: Estimate is for calendar year, e.g. production season 2022/23 = 2023

- The revised area estimate for maize is 2 586 100 ha, which is 1,41% or 36 900 ha less than the 2 623 000 ha planted for the previous season.
- The expected **commercial maize crop** is 15 889 775 tons, which is 2,71% or 419 775 tons more than the 15 470 000 tons of the previous season (2022). The yield for maize is 6,14 t/ha.
- The area estimate for **white maize** is 1 521 300 ha, which represents a decrease of 3,41% or 53 700 ha compared to the 1 575 000 ha planted last season. The production forecast of white maize is 8 361 175 tons, which is 6,51% or 511 175 tons more than the 7 850 000 tons of last season. The yield for white maize is 5,50 t/ha.
- In the case of **yellow maize,** the area estimate is 1 064 800 ha, which is 1,60% or 16 800 ha more than the 1 048 000 ha planted last season. The yellow maize production forecast is 7 528 600 tons, which is 1,20% or 91 400 tons less than the 7 620 000 tons of last season. The yield for yellow maize is 7,07 t/ha.
- The area estimate for **sunflower seed** is 555 700 ha, which is 17,15% or 115 000 ha less than the 670 700 ha planted the previous season. The production forecast for sunflower seed is 797 610 tons, which is 5,67% or 47 940 tons less than the 845 550 tons of the previous season. The expected yield is 1,44 t/ha.
- It is estimated that 1 148 300 ha have been planted to **soybeans**, which represents an increase of 24,10% or 223 000 ha compared to the 925 300 ha planted last season. The production forecast is 2 755 300 tons, which is 23,56% or 525 300 tons more than the 2 230 000 tons of the previous season. The expected yield is 2,40 t/ha.
- For **groundnuts**, the area estimate is 31 300 ha, which is 27,88% or 12 100 ha less than the 43 400 ha planted for the previous season. The expected crop is 49 080 tons – which is 1,20% or 580 tons more than the 48 500 tons of last season. The expected yield is 1,57 t/ha.
- The area estimate for **sorghum** decreased by 8,60% or 3 200 ha, from 37 200 ha to 34 000 ha against the previous season. The production forecast for sorghum is 107 180 tons, which is 3,92% or 4 040 tons more than the 103 140 tons of the previous season. The expected yield is 3,15 t/ha.

- For **dry beans**, the area estimate is 36 650 ha, which is 14,57% or 6 250 ha less the 42 900 ha planted for the previous season. The production forecast is 46 710 tons, which is 11,18% or 5 880 tons less than the 52 590 tons of the previous season. The expected yield is 1,27 t/ha.

Please note that the fourth production forecast for summer field crops for 2023 will be released on 25 May 2023.

2.2 Winter cereal crops – 2022

The intentions to plant winter cereals for the 2023 season was also released by the Crop Estimates Committee (CEC) on 26 April 2023, and is as follows

Table 3: Commercial winter cereals: Intentions to plant - 2023 season

CROP	**Intentions* 2023 Ha (A)**	Area planted 2022 Ha (B)	Final estimate 2022 Tons (C)	Change % (A) ÷ (B)
Wheat	**542 600**	566 800	2 088 590	-4,27
Malting barley	**109 100**	101 000	308 675	8,02
Canola	**127 500**	123 510	210 530	3,23
Cereal oats	**29 600**	27 000	29 900	9,63
Sweet lupines	**11 500**	21 000	15 750	-45,24
Total winter cereals	**820 300**	839 310	2 653 445	-2,26

* Based on conditions at the middle of April 2023

- The figures for wheat represent the total number of hectares that are intended to be planted for grain, excluding any hectares that will be planted for fodder and grazing.
- Early indications are that producers intend to plant 542 600 ha of **wheat** for the 2023 production season. This is 4,27% or 24 200 ha less than the 566 800 ha planted to wheat in 2022.
- The main producing areas are within the Western Cape with 362 500 ha (67%), followed by the Free State with 77 000 ha (14%) and the Northern Cape with 40 000 ha (7%).
- The expected area planted to **malting barley** is 109 100 ha, which is 8,02% or 8 100 ha more than the 101 000 ha of the previous year. The expected area planted to **canola** is also 127 500 ha, which is 3,23% or 3 990 ha more than the 123 510 ha planted in 2022. Producers intend to plant 29 600 ha of **cereal oats**, which is 9,63 or 2 600 ha more than the 27 000 ha of the previous season. The expected area planted to **sweet lupines** is 11 500 ha, which is 45,24% or 9 500 ha less than the previous season.

Please note that the preliminary area estimate of winter crops for 2023 will be released on 26 July 2023.

2.3 Non-commercial maize - 2023

The CEC also release the preliminary area planted and production estimate of the non-commercial maize sector for the 2023 season on 26 April 2023.

Table 4: Non-commercial maize: Preliminary area planted and production estimate - 2023 season

CROP	**Area planted 2023 Ha (A)**	**Production 2023 Tons (B)**	Area planted 2022 Ha (C)	Final crop 2022 Tons (D)	Change % (B) ÷ (D)
Non-commercial agriculture:					
White maize	**278 655**	**472 765**	296 950	482 000	-1,92
Yellow maize	**79 965**	**191 275**	81 850	185 000	3,39
Maize	**358 620**	**664 040**	378 800	667 000	-0,44

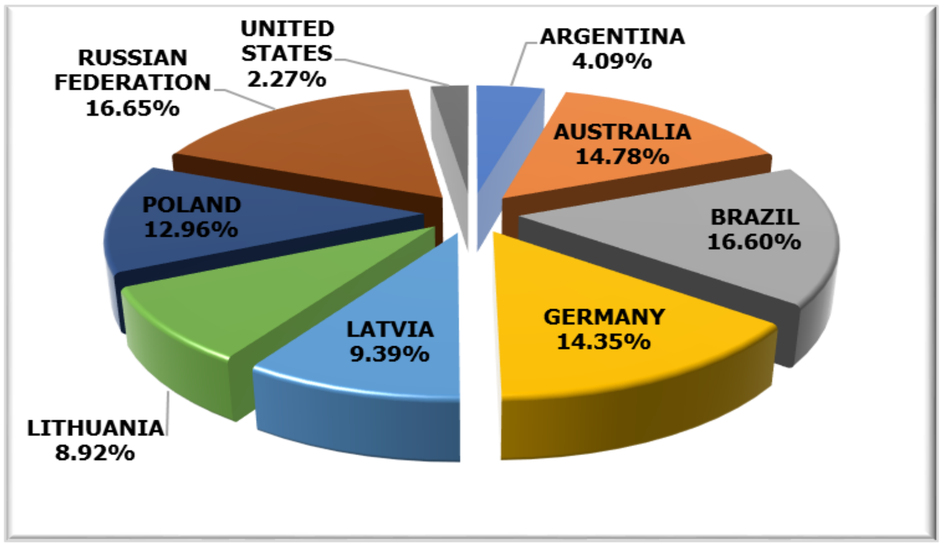
- The preliminary area planted to maize in the non-commercial agricultural sector is estimated at 358 620 ha, which represents a decrease of 5,33%, compared to the 378 800 ha of the previous season. The expected maize crop for this sector is 664 040 tons, which is 0,44% less than the 667 000 tons of last season. It is important to note that about 48% of the maize produced in the non-commercial sector, is planted in the Eastern Cape, followed by KwaZulu-Natal with 21%.

3. Cereal balance sheets

For the latest Cereal Balance Sheets (supply and demand tables) on maize, wheat, sorghum, sunflower seed and soybeans please refer to the attachment called FSB APR23 Annexure A.

3.1 Imports and exports of wheat for the 2022/23 marketing year

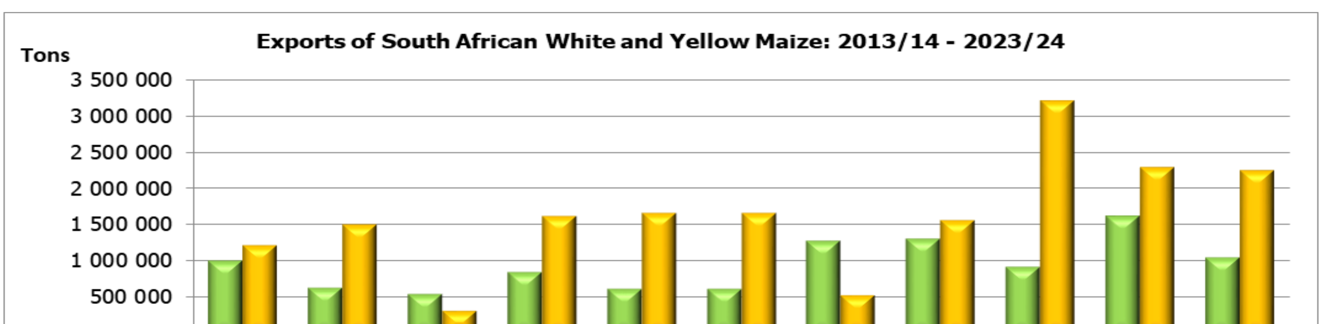
Graph 1: Major countries of wheat imports to South Africa: 2022/23 marketing year



- The progressive wheat imports (human consumption) for the 2022/23 marketing year (1 October 2022 to 28 April 2023) amount to 818 442 tons, with 16,65% or 136 310 tons from the Russian Federation, followed by 16,60% or 135 833 tons from Brazil, 14,78% or 120 940 tons from Australia, 14,35% or 117 449 tons from Germany, 12,96% or 106 086 tons from Poland, 9,39% or 76 832 tons from Latvia, 8,92% or 73 001 tons from Lithuania, 4,09% or 33 444 tons from Argentina, and only 2,27% or 18 547 tons from the United States. The exports of wheat (human consumption) for the above-mentioned period amount to 151 436 tons, of which 58,50% or 88 596 tons went to the BLNS countries (Botswana, Lesotho, Namibia and Eswatini (Swaziland)), 35,55% or 53 834 tons went to Zimbabwe and only 5,95% or 9 006 tons went to Zambia.

3.2 Exports of South African white and yellow maize

Graph 2: Exports of South African white and yellow maize: 2013/14 - 2023/24 marketing year

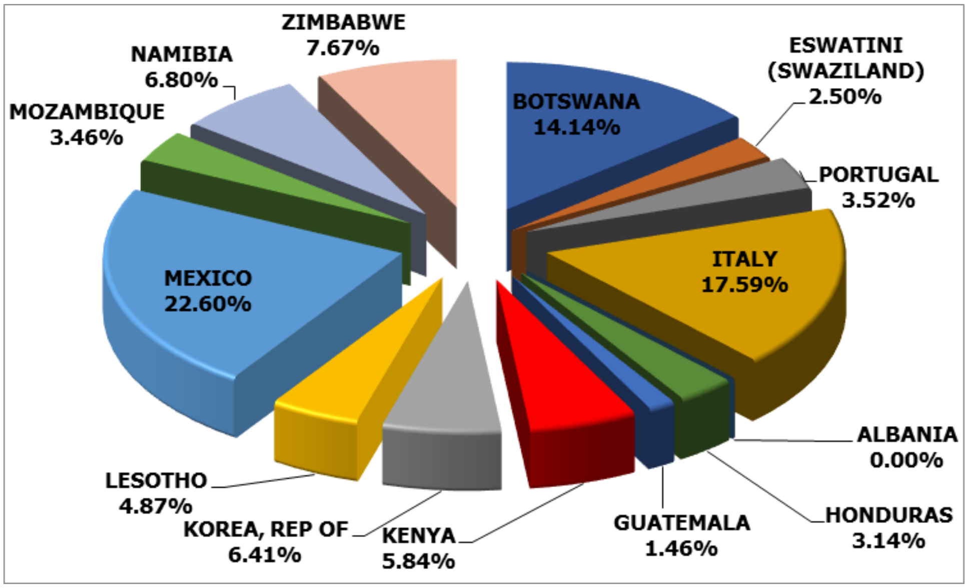


	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23*	2023/24*
White maize	1 008 923	640 807	557 063	851 969	617 000	616 651	1 275 446	1 304 475	924 434	1 630 000	1 050 000
Yellow maize	1 223 673	1 514 917	322 748	1 629 739	1 666 000	1 667 407	534 127	1 563 315	3 210 777	2 300 000	2 255 000

*Projection

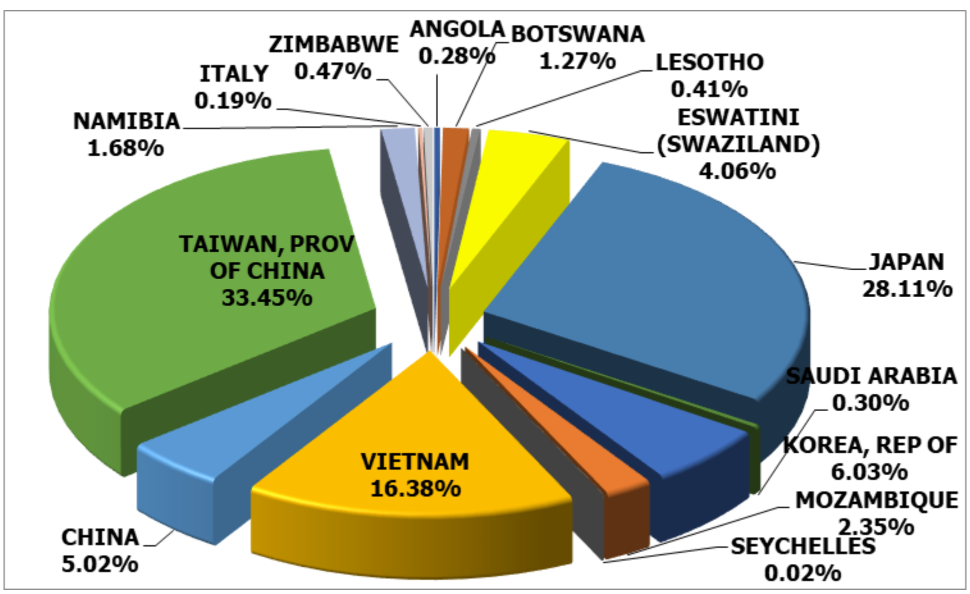
- The exports of white maize for the 2023/24 marketing year are projected at 1,050 million tons, which represents a decrease of 35,58% or 580 000 tons compared to the 1,630 million tons of the previous marketing year. Yellow maize exports for the mentioned period are projected at 2,255 million tons, which represents a decrease of 1,96% or 45 000 tons compared to the 2,300 million tons of the previous marketing year.

Graph 3: Major countries of white maize exports from South Africa: 2022/23 marketing year



- From 30 April 2022 to 28 April 2023, progressive white maize exports for the 2022/23 marketing year amount to 1,491 million tons, with the main destinations being Mexico (22,60% or 336 920 tons), followed by Italy (17,59% or 262 211 tons), Botswana (14,14% or 210 785 tons), Zimbabwe (7,67% or 114 296 tons), Namibia (6,80% or 101 378 tons), Korea, Rep of (6,41% or 95 500 tons), Kenya (5,84% or 87 046 tons), Lesotho (4,87% or 72 638 tons), Portugal (3,52% or 52 500 tons), Mozambique (3,46% or 51 507 tons), Honduras (3,14% or 46 811 tons), Eswathini (Swaziland) (2,50% or 37 331 tons), Guatemala (1,46% or 21 811 tons) and Albania (0,00% or 42 tons). The imports of white maize for the mentioned period amount to zero.

Graph 4: Major countries of yellow maize exports from South Africa: 2022/23 marketing year



- From 30 April 2022 to 28 April 2023, progressive yellow maize exports for the 2022/23 marketing year amount to 2,153 million tons, with the main destinations being Taiwan (33,45% or 720 010 tons), followed by Japan (28,11% or 605 146 tons), Vietnam (16,38% or 352 689 tons), Korea, Republic of (6,03% or 129 803 tons), China (5,02% or 108 104 tons), Eswathini (Swaziland) (4,06% or 87 301 tons), Mozambique (2,35% or

50 527 tons), Namibia (1,68% or 36 103 tons), Botswana (1,27% or 27 369 tons), Zimbabwe (0,47% or 10 028 tons), Lesotho (0,41% or 8 883 tons), Saudi Arabia (0,30% or 6 432 tons), Angola (0,28% or 5 983 tons), Italy (0,19% or 4 021 tons) and Seychelles (0,02% or 347 tons). The imports of yellow maize for the mentioned period amount to zero.

4. Market information

4.1 Consumer Price Index (CPI)

- Annual consumer price inflation was 7,1% in March 2023, up from 7,0% in February 2023. The consumer price index increased by 1,0% month-on-month in March 2023.
- The main contributors to the 7,1% annual inflation rate were:
    - Food and non-alcoholic beverages increased by 14,0% year-on-year, and contributed 2,4% to the total CPI annual rate of 7,1%;
    - Housing and utilities increased by 4,0% year-on-year, and contributed 1,0%;
    - Transport increased by 8,9% year-on-year, and contributed 1,3%; and
    - Miscellaneous goods and services increased by 5,9% year-on-year and contributed 0,9%.
- In March the annual inflation rate for goods was 9,4%, down from 9,5% in February; and for services it was 4,5% down from 4,6% in February.

4.2 Producer Price Index (PPI)

- Annual producer price inflation (final manufacturing) was 10,6% in March 2023, down from 12,2% in February 2023. The producer price index increased by 1,0% month-on-month in March 2023.
- The main contributors to the headline PPI annual inflation rate were:
    - Coke, petroleum, chemical, rubber and plastic products increased by 12,2% year-on-year and contributed 3,3%;
    - Food products, beverages and tobacco products increased by 8,1% year-on-year and contributed 2,1%;
    - Metals, machinery, equipment and computing equipment increased by 9,2% year-on-year and contributed 1,4%;
    - Transport equipment increased by 14,5% year-on-year and contributed 1,3%; and
    - Paper and printed products increased by 14,1% year-on-year and contributed 1,2%.
- The main contributors to the headline PPI monthly increase were:
    - Coke, petroleum, chemical, rubber and plastic products, which increased by 1,9% month-on-month and contributed 0,5%; and
    - Food products, beverages and tobacco products, which increased by 1,0% month-on-month and contributed 0,3%.
- The annual percentage change in the PPI for intermediate manufactured goods was 5,0% in March 2023 (unchanged from 5,0% in February 2023). The index increased by 0,5% month-on-month. The main contributors to the annual rate were basic and fabricated metals (1,7%); chemicals, rubber and plastic products (1,6%); and sawmilling and wood (1,0%). The main contributor to the monthly rate was basic and fabricated metals (0,8%).
- The annual percentage change in the PPI for electricity and water was 10,1% in March 2023 (compared with 11,2% in February 2023). The index decreased by 1,3% month-on-month. Electricity contributed 9,2% and water contributed 1,0% to the annual rate. Electricity contributed -1,2% to the monthly rate.
- The annual percentage change in the PPI for mining was 17,1% in March 2023 (compared with 19,5% in February 2023). The index increased by 2,2% month-on-month. The main contributors to the annual rate were coal and gas (6,6%); non-ferrous metal ores (4,5%); and gold and other metal ores (3,1%). The main contributors to the monthly rate were gold and other metal ores (1,1%); coal and gas (0,9%); and non-ferrous metal ores (0,7%).

- The annual percentage change in the PPI for agriculture, forestry and fishing was 7,5% in March 2023 (compared with 14,2% in February 2023). The index decreased by 2,2% month-on-month. The main contributors to the annual rate were agriculture (4,5%) and fishing (2,4%). The main contributor to the monthly rate was agriculture (-2,5%).

4.3 Future contract prices

Table 5: Closing prices on Thursday, 4 May 2023

	4 May 2023	4 April 2023	% Change
RSA White Maize per ton (May 2023 contract)	R3 442,00	R3 913,00	-12,04
RSA Yellow Maize per ton (May 2023 contract)	R3 560,00	R4 025,00	-11,55
RSA Wheat per ton (May 2023 contract)	R6 432,00	R6 670,00	-3,57
RSA Sunflower seed per ton (May 2023 contract)	R8 113,00	R8 902,00	-8,86
RSA Soya-beans per ton (May 2023 contract)	R7 180,00	R8 177,00	-12,19
Exchange rate R/$	R18,22	R17,81	2,30

Source: JSE/SAFEX

4.4 Agricultural machinery sales

- March 2023 tractor sales of 677 units were almost 6% more than the 641 units sold in March 2022. On a year-to-date basis tractor sales are now approximately 3% down on last year. Thirty-nine combine harvesters were sold in March 2023, four units less than the 43 units sold in March 2022. On a year-to-date basis combine harvester sales are now 42% more than last year.
- Harvesting, particularly of soya beans, has just begun and farmers will soon have a better idea of what their crop yields are. Farmers will therefore remain cautious until they have a better idea of their crop yields. Negatives on the horizon are the latest interest rate increase and the current weakness of the rand. Nevertheless, expectations are that tractor sales, although they will be lower than in 2022, should still be in the order of those of 2021, that is between 7 500 and 8 000 units.

Table 6: Agricultural machinery sales

Equipment class	Year-on-year March		Percentage Change %	Year-to-date March		Percentage Change %
	2023	2022		2023	2022	
Tractors	677	641	5,62	1 933	1 995	-3,11
Combine harvesters	39	43	-9,30	94	66	42,42

Source: SAAMA press release, April 2023

PLEASE NOTE: The Food Security Bulletin for May 2023 will be released on **5 June 2023**.

5. Acknowledgements

The Directorate: Statistics and Economic Analysis makes use of information sourced from various institutions and organisations within South Africa to compile the monthly report on South Africa's Food Security Situation. This report has been compiled with the aid of information and reports sourced from the following institutions and organisations:

- Agbiz
- Agfacts
- BVG Commodities (Pty) Limited
- Department of Water and Sanitation
- Directorate: Climate Change and Disaster Management at DAFF
- Grain South Africa (Grain SA)
- IGC Grain Market Report
- National Agricultural Marketing Council (NAMC)
- South African Agricultural Machinery Association (SAAMA)
- South African Futures Exchange (SAFEX)
- Statistics South Africa (Stats SA)
- The South African Supply and Demand Estimates Report (SASDE)
- The South African Grain Information Service (SAGIS)
- The South African Weather Service (WeatherSA)
- USDA Foreign Service