MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA: APRIL 2021

Issued: 7 May 2021

Directorate: Statistics and Economic Analysis

Highlights:

- **During April 2021, significant rainfall events were experienced over the eastern and central parts of the country.**
- **Early indications are that producers intend to plant 512 500 ha of wheat for the 2021 production season, which is 0,5% more than the 509 800 ha planted to wheat in 2020.**
- **The projected closing stocks of wheat for the current 2020/21 marketing year are 415 208 tons, which includes imports of 1,580 million tons. It is also 13,8% more than the previous years' ending stocks.**
- **The expected commercial maize crop is 16,096 million tons, which is 5,2% more than the previous season.**
- **Projected closing stocks of maize for the 2020/21 marketing year are 1,943 million tons, which is 94,2% more than the previous years' ending stocks.**
- **Projected closing stocks of maize for the current 2021/22 marketing year are 2,740 million tons, which is 41,0% more than the previous years' ending stocks.**
- **The projected closing stocks of sorghum for the current 2021/22 marketing year are 62 470 tons, which is 20,6% more than the previous years' ending stocks.**
- **The projected closing stocks of sunflower seed for current 2021/22 marketing year are 52 354 tons, which is 14,1% less than the previous years' ending stocks.**
- **The projected closing stocks of soybeans for the current 2021/22 marketing year are 213 103 tons, which is 362,7% more than the previous years' ending stocks.**
- **The annual percentage change in the CPI was higher at 3,2% in March 2021.**
- **The annual percentage change in the PPI for final manufactured goods was higher at 5,2% in March 2021.**
- **April 2021 tractor sales of 540 units were almost 23% more than the 440 units sold in April 2020.**

agriculture, land reform & rural development

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1. Weather conditions

1.1 Rainfall for April 2021

During April 2021, significant rainfall events were experienced over the eastern and central parts of the country (**Figure 1**). Comparing rainfall totals to the long term average for April 2021, below-normal rainfall was received over most of the western half and north-eastern parts of the country while the remaining parts received normal to above-normal rainfall (**Figure 2**). (Source: Directorate: Climate Change and Disaster Management at Department: Agriculture, Land Reform and Rural Development)

Figure 1: Rainfall (mm) for April 2020

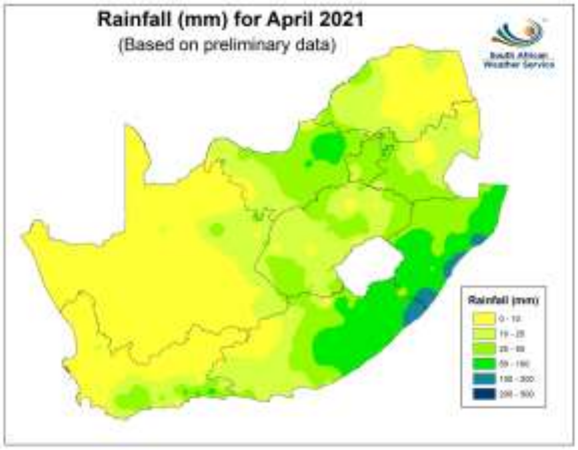
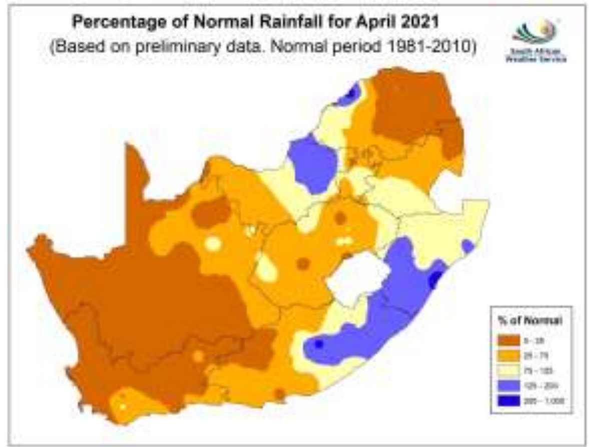


Figure 2: Percentage rainfall for April 2020



1.2 Level of dams

Available information on the level of South Africa's dams on 3 May 2021 indicates that the country has approximately 85% of its full supply capacity (FSC) available, which is 15% more than the corresponding period in 2020. The dam levels in the Limpopo (17%), Free State (15%), North West (12%), Mpumalanga (11%), Western Cape (11%) and KwaZulu-Natal (10%) provinces, all show improvements in the full supply capacity as compared to 2020. The Eastern and Northern Cape, as well as Gauteng provinces show decreases of -3%, 2% and 1%, respectively in the full supply capacity as compared to 2020. The provincial distribution of South Africa's water supply including Lesotho and Swaziland is contained in **Table 1** below.

Table 1: Level of dams, 3 May 2021

Province	Net FSC million cubic meters	03/05/2021 (%)	Last Year (2020) (%)	% Increase/Decrease 2021 vs. 2020
Eastern Cape	1 823	55	57	-2,0
Free State	15 657	98	83	15,0
Gauteng	128	100	101	-1,0
KwaZulu-Natal	4 912	74	64	10,0
Lesotho	2 363	64	30	34,0
Limpopo	1 480	87	70	17,0
Mpumalanga	2 539	87	76	11,0
North West	867	83	71	12,0
Northern Cape	147	92	95	-3,0
Swaziland	334	100	82	18,0
Western Cape	1 866	48	37	11,0
Total	**32 116**	**85**	**70**	**15,0**

Source: Department of Water and Sanitation

2. Grain production

2.1 Summer grain crops - 2020

The area planted and third production forecast of summer grains for the 2021 season was released by the Crop Estimates Committee (CEC) on 29 April 2021, and is as follows:

Table 2: Commercial summer crops: Area planted and 3rd production forecast - 2021 season

CROP	**Area planted 2021 Ha (A)**	**3rd forecast 2021 Tons (B)**	Area planted 2020 Ha (C)	Final estimate 2020 Tons (D)	Change 2021 vs 2020 % (B) ÷ (D)
Commercial:					
White maize	**1 691 900**	**8 933 690**	1 616 300	8 547 500	4,52
Yellow maize	**1 063 500**	**7 161 900**	994 500	6 752 500	6,06
Total Maize	**2 755 400**	**16 095 590**	2 610 800	15 300 000	5,20
Sunflower seed	**477 800**	**696 290**	500 300	788 500	-11,69
Soybeans	**827 100**	**1 793 650**	705 000	1 245 500	44,01
Groundnuts	**38 550**	**57 900**	37 500	50 080	15,62
Sorghum	**49 200**	**189 885**	42 500	158 000	20,18
Dry beans	**47 390**	**56 577**	50 150	64 800	-12,69
TOTAL	**4 195 440**	**18 889 892**	3 946 250	17 606 880	7,29

Note: Estimate is for calendar year, e.g. production season 2020/21 = 2021

- **Commercial maize**: The area estimate for maize is 2 755 400 ha, which is 5,54% or 144 600 ha more than the 2 610 800 ha planted for the previous season.
- The expected commercial maize crop is 16 095 590 tons, which is 5,20% or 795 590 tons more than the 15 300 000 tons of the previous season (2020). The yield for maize is 5,84 t/ha. This is the second largest expected maize crop ever produced in the RSA.
- The area estimate for **white maize** is 1 691 900 ha, which represents an increase of 4,68% or 75 600 ha compared to the 1 616 300 ha planted last season. The production forecast of white maize is 8 933 690 tons, which is 4,52% or 386 190 tons more than the 8 547 500 tons of last season. The yield for white maize is 5,28 t/ha.
- In the case of **yellow maize,** the area estimate is 1 063 500 ha, which is 6,94% or 69 000 ha more than the 994 500 ha planted last season. The yellow maize production forecast is 7 161 900 tons, which is 6,06% or 409 400 tons more than the 6 752 500 tons of last season. The yield for yellow maize is 6,73 t/ha.
- The revised area estimate for **sunflower seed** is 477 800 ha, which is 4,50% or 22 500 ha less than the 500 300 ha planted the previous season. The production forecast for sunflower seed is 696 290 tons, which is 11,69% or 92 210 tons less than the 788 500 tons of the previous season. The expected yield is 1,46 t/ha.
- It is estimated that 827 100 ha have been planted to **soybeans**, which represents an increase of 17,32% or 122 100 ha compared to the 705 000 ha planted last season. The production forecast is 1 793 650 tons, which is 44,01% or 548 150 tons more than the 1 245 500 tons of the previous season. The expected yield is 2,17 t/ha. This is the largest expected soybeans crop ever produced in the RSA.
- For **groundnuts**, the revised area estimate is 38 550 ha, which is 2,80% or 1 050 ha more than the 37 500 ha planted for the previous season. The expected crop is 57 900 tons – which is 15,62% or 7 820 tons more than the 50 080 tons of last season. The expected yield is 1,50 t/ha.

- The area estimate for **sorghum** increased by 15,76% or 6 700 ha, from 42 500 ha to 49 200 ha against the previous season. The production forecast for sorghum is 189 885 tons, which is 20,18% or 31 885 tons more than the 158 000 tons of the previous season. The expected yield is 3,86 t/ha.
- For **dry beans**, the area estimate is 47 390 ha, which is 5,50% or 2 760 ha less than the 50 150 ha planted for the previous season. The production forecast is 56 5777 tons, which is 12,69% or 8 223 tons less than the 64 800 tons of the previous season. The expected yield is 1,19 t/ha.

Please note that the area estimate and fouth production forecast for summer field crops for 2021 will be released on 27 May 2021.

2.2 Winter cereal crops – 2019

The intentions to plant winter crops for the 2021 season was also released by the CEC on 29 April 2021, and is as follows:

Table 3: Commercial winter crops: Intentions to plant - 2021 season

CROP	**Intentions* 2021 Ha (A)**	Area planted 2020 Ha (B)	Final estimate** 2020 Tons (C)	Change % (A) ÷ (B)
Wheat	**512 500**	509 800	2 120 000	0,53
Malting barley	**95 000**	141 690	588 000	-32,95
Canola	**95 000**	74 120	165 200	28,17
Cereal oats	**34 500**	26 200	57 000	31,68
Sweet lupines	**20 000**	N/a	N/a	N/a

*Based on conditions at mid-April 2021. **Released on 6 May 2021.

- Early indications are that producers intend to plant 512 500 ha of **wheat** for the 2021 production season. This is 0,53% or 2 700 ha more than the 509 800 ha planted to wheat in 2020.
- The main producing areas are within the Western Cape with 352 000 ha (69%), followed by the Free State with 77 000 ha (15%) and the Northern Cape with 35 000 ha (7%).
- The expected area planted to **malting barley** is 95 000 ha, which is 32,95% or 46 690 ha less than the 141 690 ha of the previous year. The expected area planted to **canola** is also 95 000 ha, which is 28,17% or 20 880 ha more than the 74 120 ha planted in 2020. Producers intend to plant 34 500 ha of **cereal oats**, which is 31,68 or 8 300 ha more than the 26 200 ha of the previous season. The expected area planted to **sweet lupines** is 20 000 ha.

Please note that the preliminary area estimate of winter crops for 2021 will be released on 28 July 2021.

2.3 Non-commercial maize

The CEC also released the preliminary area planted and production estimate of the non-commercial maize sector for the 2021 season on 29 April 2021.

Table 4: Non-commercial maize – Preliminary area planted and production estimate: 2021

CROP	**Area planted 2021 Ha (A)**	**Production 2021 Tons (B)**	Area planted 2020 Ha (C)	Final crop 2020 Tons (D)	Change % (B) ÷ (D)
Non-commercial agriculture					
White maize	**236 600**	**399 330**	221 945	375 295	6,40
Yellow maize	**82 860**	**187 320**	75 515	168 250	11,33
Maize	**319 460**	**586 650**	297 460	543 545	7,93

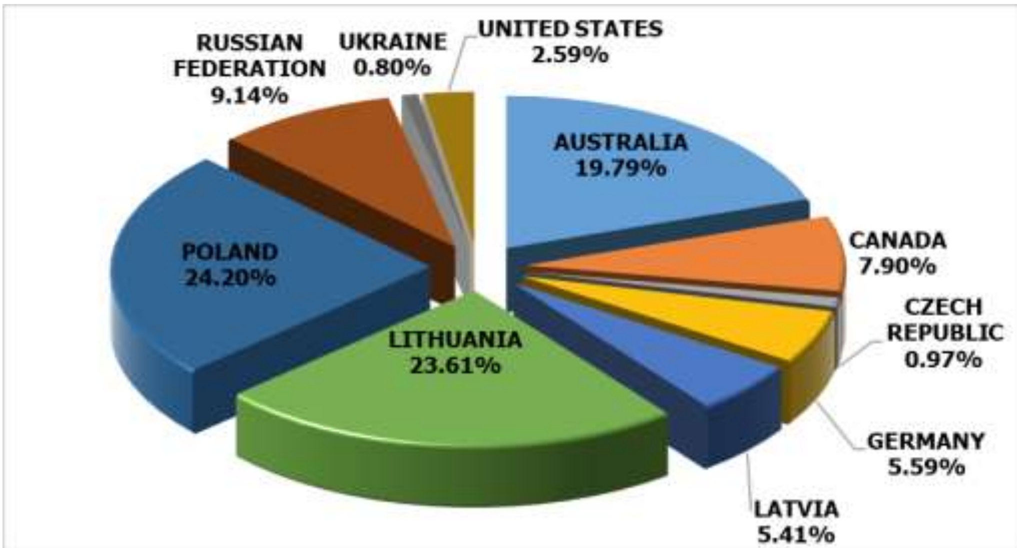
- The preliminary area planted to maize in the non-commercial agricultural sector is estimated at 319 460 ha, which represents an increase of 7,40%, compared to the 297 460 ha of the previous season. The expected maize crop for this sector is 586 650 tons, which is 7,93% more than the 543 545 tons of last season. It is important to note that about 45% of the maize produced in the non-commercial sector, is planted in the Eastern Cape, followed by KwaZulu-Natal with 28%.

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 APR21 Annexure A.

3.1 Imports and exports of wheat for the 2020/21 marketing year

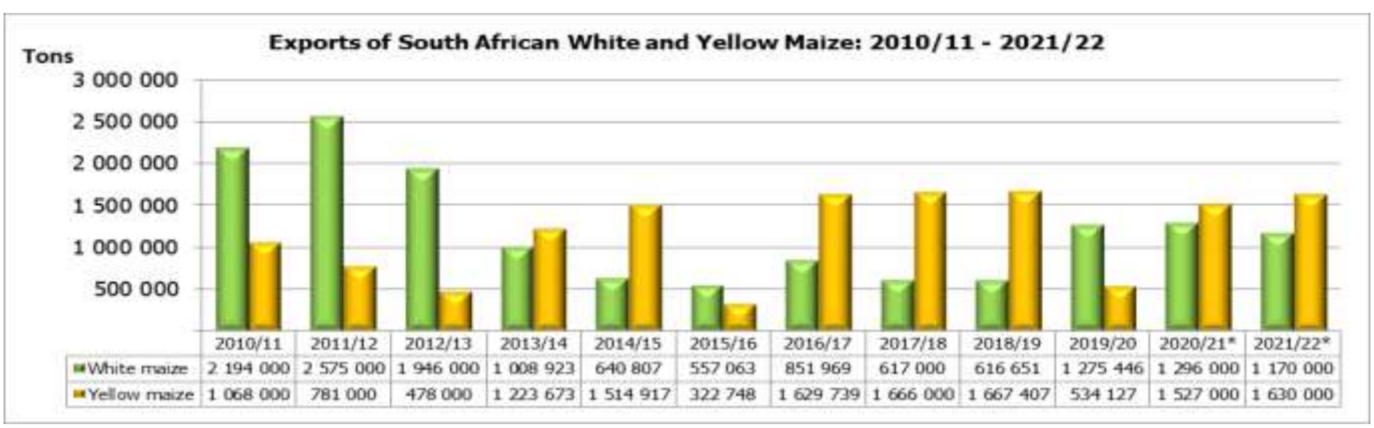
Graph 1: Major countries of wheat imports to South Africa: 2020/21 marketing year



- The progressive wheat imports (human consumption) for the 2020/21 marketing year (26 September 2020 to 30 April 2021) amount to 920 688 tons, with 24,20% or 222 801 tons from Poland, followed by 23,61% or 217 380 tons from the Lithuania, 19,79% or 182 215 tons from Australia, 9,14% or 84 159 tons from Russian Federation, 7,90% or 72 724 tons imported from Canada, 5,59% or 51 421 tons from Germany, 5,41% or 49 827 tons from Latvia, 2,59% or 23 855 tons from United States, 0,97% or 8 965 tons from the Czech Republic and 0,80% or 7 341 tons from Ukraine.. The exports of wheat (human consumption) for the above-mentioned period amount to 49 783 tons, of which 68,43% or 34 068 tons went to BLNS countries (Botswana, Lesotho, Namibia and Eswatini (Swaziland)), 21,41% or 10 661 tons to Zambia, 8,12% or 4 044 tons to Zimbabwe and only 2,03% or 1 010 tons went to Mozambique.

- **3.2 Exports of white and yellow maize**

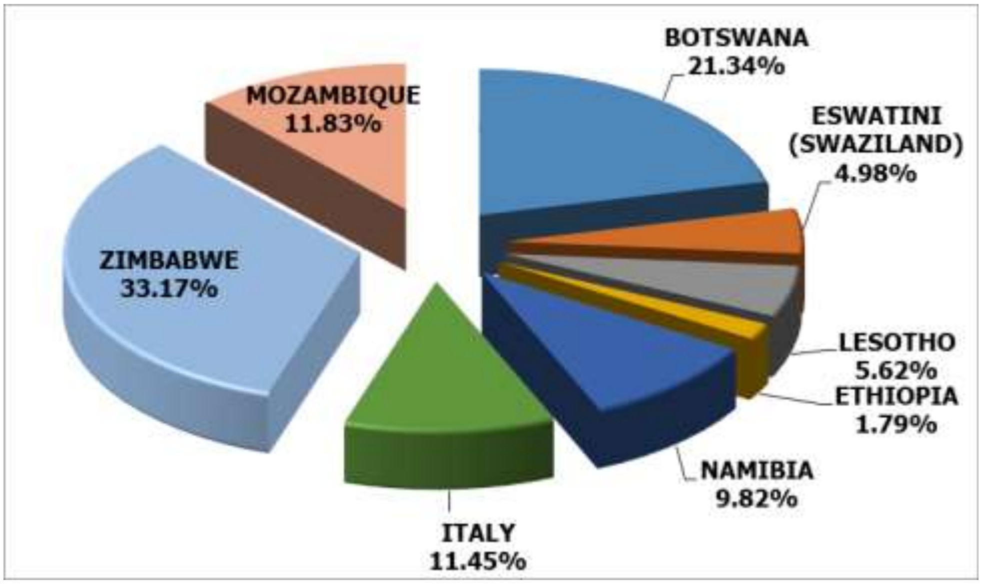
Graph 2: Exports of South African white and yellow maize for the 2010/11 to 2021/22 marketing year



*Projection

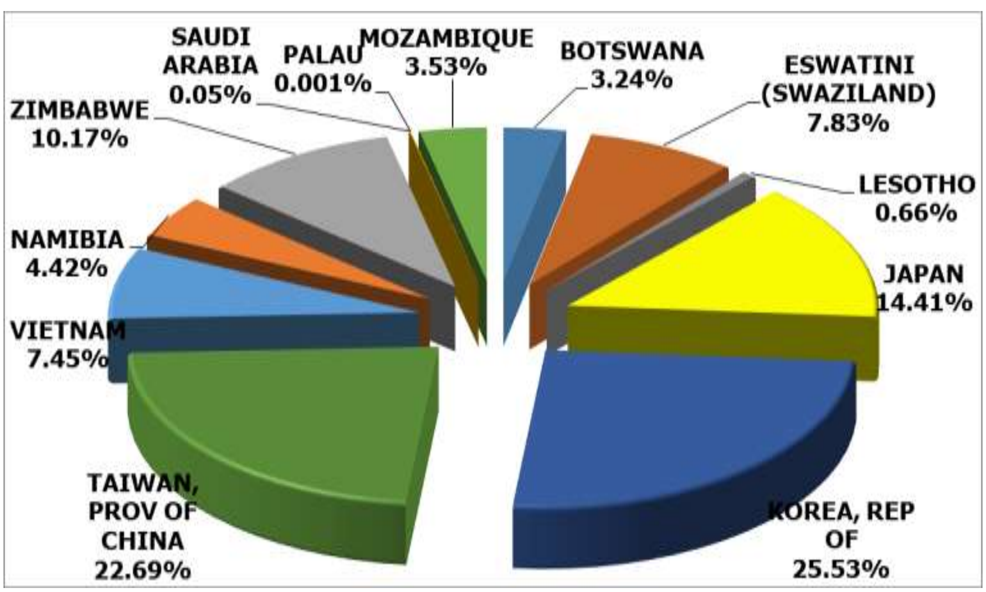
- The exports of white maize for the 2020/21 marketing year are projected at 1,296 million tons, which represents an increase of 1,61% or 20 554 tons compared to the 1,275 million tons of the previous marketing year. Yellow maize exports for the mentioned period are projected at 1,527 million tons, which represents an increase of 185,89% or 992 873 tons compared to the 534 127 tons of the previous marketing year.
- The exports of white maize for the 2021/22 marketing year are projected at 1,170 million tons, which represents a decrease of 9,72% or 126 000 tons compared to the 1,296 million tons of the previous marketing year. Yellow maize exports for the mentioned period are projected at 1,630 million tons, which represents an increase of 6,75% or 103 000 tons compared to the 1,527 million tons of the previous marketing year.

Graph 3: Major countries of white maize exports from South Africa: 2020/21 marketing year



- From 25 April 2020 to 30 April 2021, progressive white maize exports for the 2020/21 marketing year amount to 1,117 million tons, with the main destinations being Zimbabwe (33,17% or 370 554 tons), followed by Botswana (21,34% or 238 341 tons), Mozambique (11,83% or 132 094 tons), Italy (11,45% or 127 901 tons), Namibia (9,82% or 109 752 tons), Lesotho (5,62% or 62 804 tons), Eswathini (Swaziland) (4,98% or 55 613 tons) and Ethiopia (1,79% or 20 014 tons). The imports of white maize for the mentioned period amount to zero.

Graph 4: Major countries of yellow maize exports from South Africa: 2020/21 marketing year



- From 25 April 2020 to 30 April 2021, progressive yellow maize exports for the 2020/21 marketing year amount to 1,424 million tons, with the main destinations being Korea, Republic of (25,53% or 363 625 tons), followed by Taiwan, Province of China (22,69% or 323 189 tons), Japan (14,41% or 205 250 tons), Zimbabwe (10,17% or 144 804 tons), Vietnam (7,45% or 106 068 tons), Eswathini (Swaziland) (7,83% or 111 534 tons), Namibia (4,42% or 63 010 tons), Mozambique (3,53% or 50 274 tons), Botswana (3,24% or 46 086 tons), Lesotho (0,66% or 9 452 tons), Saudi Arabia (0,05% or 780 tons) and Palau (0,001% or 21 tons). The imports of yellow maize for the mentioned period is 463 tons from Ukraine.

4. Market information

4.1 Consumer Price Index (CPI)

- Annual consumer price inflation was 3,2% in March 2021, up from 2,9% in February 2021. The consumer price index increased by 0,7% month-on-month in March 2021.
- The main contributors to the 3,2% annual inflation rate were as follows:
    - Food and non-alcoholic beverages increased by 5,7% year-on-year, and contributed 1,0% to the total CPI annual rate of 3,2%;
    - Housing and utilities increased by 2,2% year-on-year, and contributed 0,5%;
    - Transport increased by 3,8% year-on-year, and contributed 0,5%; and
    - Miscellaneous goods and services increased by 4,0% year-on-year, and contributed 0,7%.
- The annual inflation rates for goods and for services were 3,9% and 2,6%, respectively. Provincial annual inflation rates ranged from 3,1% in Gauteng and Mpumalanga to 3,7% in North West and Limpopo.

4.2 Producer Price Index (PPI)

- Annual producer price inflation (final manufacturing) was 5,2% in March 2021, up from 4,0% in February 2021. The producer price index increased by 1,3% month-on-month in March 2021.
- The main contributors to the headline PPI annual inflation rate were as follows:
    - Food products, beverages and tobacco products increased by 6,8% year-on-year and contributed 2,4%;
    - Coke, petroleum, chemical, rubber and plastic products increased by 4,2% year-on-year and contributed 0,9%; and
    - Metals, machinery, equipment and computing equipment increased by 5,2% year-on-year and contributed 0,7%.
- The main contributors to the headline PPI monthly increase were food products, beverages and tobacco products, which increased by 1,3% month-on-month and contributed 0,5%; and coke, petroleum, chemical, rubber and plastic products, which increased by 2,6% month-on-month and contributed 0,5%.
- The annual percentage change in the PPI for intermediate manufactured goods was 11,2% in March 2021 (compared with 9,9% in February 2021). The index increased by 1,0% month-on-month. The main contributors to the annual rate were basic and fabricated metals (6,4%) as well as chemicals, rubber and plastic products (3,4%). The main contributors to the monthly rate were sawmilling and wood (0,5%), as well as chemicals, rubber and plastic products (0,4%).
- The annual percentage change in the PPI for electricity and water was 7,8% in March 2021 (compared with 9,2% in February 2021). The index decreased by 1,1% month-on-month. Electricity contributed 6,8% to the annual rate and water contributed 1,0%. Electricity contributed -1,1% to the monthly rate.
- The annual percentage change in the PPI for mining was 14,2% in March 2021 (compared with 11,5% in February 2021). The index increased by 3,0% month-on-month. The main contributors to the annual rate were non-ferrous metal ores (8,2%), gold and other metal ores (4,6%) and coal and gas (3,3%). The main contributor to the monthly rate was non-ferrous metal ores (2,8%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 7,2% in March 2021 (compared with 10,0% in February 2021). The index decreased by 2,3% month-on-month. The main

contributor to the annual rate was agriculture (7,9%). The main contributor to the monthly rate was agriculture (-2,2%).

4.3 Future contract prices

Table 5: Closing prices on Thursday, 6 May 2021

	6 May 2021	6 April 2021	% Change
RSA White Maize per ton (May 2021 contract)	R3 535,00	R3 038,00	16,36
RSA Yellow Maize per ton (May 2021 contract)	R3 694,00	R3 176,00	16,31
RSA Wheat per ton (May 2021 contract)	R5 189,00	R4 853,00	6,92
RSA Sunflower seed per ton (May 2021 contract)	R8 964,00	R8 854,00	1,24
RSA Soya-beans per ton (May 2021 contract)	R7 541,00	R7 268,00	3,76
Exchange rate R/$	R14,26	R14,55	-1,99

Source: JSE/SAFEX

4.4 Agricultural machinery sales

- April 2021 tractor sales of 540 units were almost 23% more than the 440 units sold in April 2020. Year-to-date tractor sales are now 27% up on last year. In April 2021 there were 43 combine harvester sales, 23 units more than the 20 units sold in April 2020. On a year-to-date basis combine harvester sales are now 29% up on last year.
- Summer crop harvesting is in full swing in some areas. Initial indications are that crop yields are good but, in some cases, due to late rains and early frost, crop quality may have been affected adversely. The excellent combine harvester sales in April reflect the need to harvest the record and near-record summer crops on the fields. Overall agricultural machinery sales started picking up in the third quarter of 2020 and have been on an upward trajectory since then. It is likely that this trend will slow later this year. Nevertheless, estimates for the 2021 calendar year are encouraging, with tractor sales likely be up to 15% higher than in 2020.

Table 6: Agricultural machinery sales

Equipment class	Year-on-year April 2021	Year-on-year April 2020	Percentage Change %	Year-to-date April 2021	Year-to-date April 2020	Percentage Change %
Tractors	540	440	22,72	2 234	1 756	27,22
Combine harvesters	43	20	115,0	89	69	28,99

Source: SAAMA press release, May 2021

PLEASE NOTE: The Food Security Bulletin for May 2021 will be released on **4 June 2021**.

5. Acknowledgements

The Directorate: Statistics and Economic Analysis makes use of information sourced from various institutions and organisations within South Africa in order 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
- Farmer's Weekly
- Grain South Africa (GrainSA)
- IGC Grain Market Report
- National Agricultural Marketing Council (NAMC)
- South African Agricultural Machinery Association (SAAMA)
- South African Futures Exchange (SAFEX)
- South African Reserve Bank
- 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