MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA FEBRUARY 2023

Issued: 8 March 2023

Directorate: Statistics and Economic Analysis

Highlights:

- **During February 2023, significant rainfall events were limited to the central and eastern parts of the country.**
- **The final production estimate of wheat for 2022 is 2,089 million tons, which is 8,6% less than the previous seasons' crop of 2,285 million tons.**
- **The projected closing stocks of wheat for the current 2022/23 marketing year are 584 673 tons, which includes imports of 1,55 million tons. It is also 6,5% less than the previous years' ending stocks.**
- **The commercial maize crop for 2022 is 15,470 million tons, which is 5,2% less than the previous season' crop of 16,315 million tons.**
- **Projected closing stocks of maize for the current 2022/23 marketing year are 2,195 million tons, which is 3,3% more than the previous years' ending stocks.**
- **The expected commercial maize crop for 2023 is 15,615 million tons, which is 0,9% more than the 16,315 million tons for the previous season.**
- **Projected closing stocks of maize for the coming 2023/24 marketing year are 2,615 million tons, which is 19,1% more than the previous years' ending stocks.**
- **The projected closing stocks of sorghum for the current 2022/23 marketing year are 42 387 tons, which is 60,1% less than the previous years' ending stocks.**
- **The projected closing stocks of sorghum for the coming 2023/24 marketing year are 18 627 tons, which is 56,1% less than the previous years' ending stocks.**
- **The projected closing stocks of sunflower seed for current 2022/23 marketing year are 62 290 tons, which is 95,9% more than the previous years' ending stocks.**
- **The projected closing stocks of sunflower seed for coming 2023/24 marketing year are 62 000 tons, which is 0,5% less than the previous years' ending stocks.**
- **The projected closing stocks of soybeans for the current 2022/23 marketing year are 167 437 tons, which is 0,6% less than the previous years' ending stocks.**
- **The projected closing stocks of soybeans for the coming 2023/24 marketing year are 464 517 tons, which is 177,4% more than the previous years' ending stocks.**
- **The annual percentage change in the CPI was lower at 6,9% in January 2023.**
- **The annual percentage change in the PPI for final manufactured goods was lower at 12,7% in January 2023.**
- **January 2023 tractor sales of 475 units were significantly less (15%) than the 559 units sold in January 2022.**

agriculture, land reform & rural development

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Contents

1. Weather conditions

1.1 Rainfall for February 2023

During February 2023, significant rainfall events were limited to the central and eastern parts of the country (**Figure 1**). Comparing rainfall totals to the long-term average for February, normal to above-normal rainfall was received countrywide becoming below-normal over most of the Northern Cape Province (**Figure 2**). (Source: Directorate: Climate Change and Disaster Management of Department: Agriculture, Land Reform and Rural Development)

Figure 1: Rainfall (mm) for February 2023

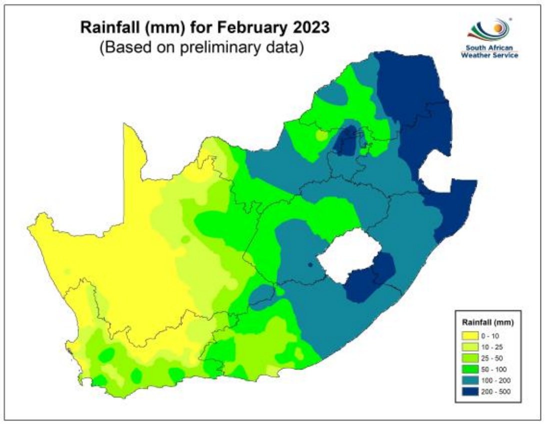
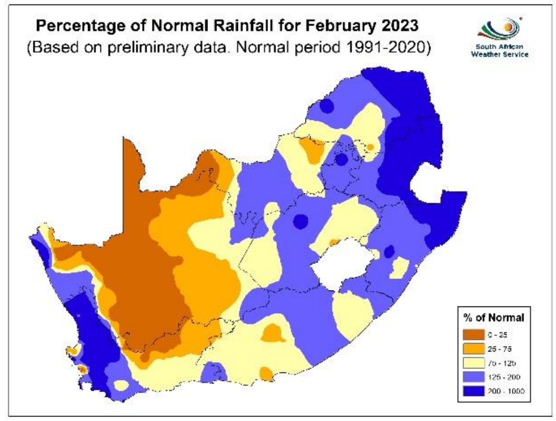


Figure 2: Percentage rainfall for February 2023



1.2 Level of dams

Available information on the level of South Africa's dams on 6 March 2023 indicates that the country has approximately 95% of its full supply capacity (FSC) available, which is 3% more than the corresponding period in 2022. The dam levels in North West (13%), Eastern Cape (11%), Mpumalanga (7%), KwaZulu-Natal (4%) and Limpopo (2%) provinces all show improvements in the full supply capacity as compared to 2022. However, the Northern Cape and Western Cape provinces show a decrease of 8% and 16%, respectively while the Gauteng and Free State provinces 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, 6 March 2023

Province	Net FSC million cubic meters	6/03/2023 (%)	Last Year (2022) (%)	% Increase/Decrease 2023 vs. 2022
Eastern Cape	1 729	78	67	11,0
Free State	15 657	102	102	0,0
Gauteng	128	101	101	0,0
KwaZulu-Natal	4 910	90	86	4,0
Kingdom of Lesotho	2 363	101	92	9,0
Limpopo	1 480	90	88	2,0
Mpumalanga	2 539	100	93	7,0
North West	867	88	75	13,0
Northern Cape	146	95	103	-8,0
Kingdom of Eswatini	334	100	100	0,0
Western Cape	1 866	49	65	-16,0
Total	**32 018**	**95**	**92**	**3,0**

Source: Department of Water and Sanitation

2. Grain production

2.1 Summer grain crops - 2023

The revised area planted estimate and first production forecast of summer grains for the 2023 season was released by the Crop Estimates Committee (CEC) on 28 February 2023, and is as follows:

Table 2: Commercial summer crops: Revised area planted and 1st production forecast - 2023 season

CROP	**Area planted 2023 Ha (A)**	**1st forecast 2023 Tons (B)**	Area planted 2022 Ha (C)	Final estimate 2022 Tons (D)	Change % (B) ÷ (D)
Commercial:					
White maize	**1 520 500**	**8 187 150**	1 575 000	7 850 000	4,29
Yellow maize	**1 062 000**	**7 427 900**	1 048 000	7 620 000	-2,52
Total Maize	**2 582 500**	**15 615 050**	2 623 000	15 470 000	0,94
Sunflower seed	**555 700**	**775 260**	670 700	845 550	-8,31
Soybeans	**1 148 300**	**2 651 680**	925 300	2 230 000	18,91
Groundnuts	**32 300**	**51 155**	43 400	48 500	5,47
Sorghum	**34 000**	**112 330**	37 200	103 140	8,91
Dry beans	**36 400**	**49 755**	42 900	52 590	-5,39
TOTAL	**4 389 200**	**19 255 230**	4 342 500	18 749 780	2,70

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

- The revised area estimate for maize is 2 582 500 ha, which is 1,54% or 40 500 ha less than the 2 623 000 ha planted for the previous season, and 1,51% or 38 500 ha more than the preliminary area estimate of 2 544 000 ha released in January 2023.
- The expected commercial maize crop is 15 615 050 tons, which is 0,94% or 145 050 tons more than the 15 470 000 tons of the previous season (2022). The yield for maize is 6,05 t/ha.
- The area estimate for **white maize** is 1 520 500 ha, which represents a decrease of 3,46% or 54 500 ha compared to the 1 575 000 ha planted last season. The production forecast of white maize is 8 187 150 tons, which is 4,29% or 337 150 tons more than the 7 850 000 tons of last season. The yield for white maize is 5,38 t/ha.
- In the case of **yellow maize,** the area estimate is 1 062 000 ha, which is 1,34% or 14 000 ha more than the 1 048 000 ha planted last season. The yellow maize production forecast is 7 427 900 tons, which is 2,52% or 192 100 tons less than the 7 620 000 tons of last season. The yield for yellow maize is 6,99 t/ha.
- The revised 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 775 260 tons, which is 8,31% or 70 290 tons less than the 845 550 tons of the previous season. The expected yield is 1,40 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 2 651 680 tons, which is 18,91% or 421 680 tons more than the 2 230 000 tons of the previous season. The expected yield is 2,31 t/ha.
- For **groundnuts**, the area estimate is 32 300 ha, which is 25,58% or 11 100 ha less than the 43 400 ha planted for the previous season. The expected crop is 51 155 tons – which is 5,47% or 2 655 tons more than the 48 500 tons of last season. The expected yield is 1,58 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 112 330 tons, which is 8,91% or 9 190 tons more than the 103 140 tons of the previous season. The expected yield is 3,30 t/ha.
- For **dry beans**, the area estimate is 36 400 ha, which is 15,15% or 6 500 ha less the 42 900 ha planted for the previous season. The production forecast is 49 755 tons, which is 5,39% or 2 835 tons less than the 52 590 tons of the previous season. The expected yield is 1,37 t/ha.

Please note that the second production forecast for summer field crops for 2023 will be released on 28 March 2023.

2.2 Winter cereal crops - 2022

The area planted and final production estimate for winter crops for the 2022 production season was also released by the CEC on 28 February 2023, and is as follows:

Table 3: Commercial winter crops: Area planted and final production estimate - 2022 season

CROP	**Area planted 2021 Ha (A)**	**Final estimate 2022 Tons (B)**	Area planted 2021 Ha (C)	Final estimate 2021 Tons (D)	Change % (B) ÷ (D)
Wheat	**566 800**	**2 088 590**	523 500	2 285 000	-8,60
Barley*	**101 000**	**308 675**	94 730	334 000	-7,58
Canola	**123 510**	**210 530**	100 000	198 100	6,27
Oats*	**27 000**	**29 900**	36 250	59 000	-49,32
Sweet lupines	**21 000**	**15 750**	22 000	28 600	-44,93
TOTAL	**839 310**	**2 653 265**	776 480	2 904 700	-8,66

* Commercial only. Excluding barley or oats used as pasture, silage, hay and/or on the farm as fodder for livestock.

- The expected production of **wheat** is 2,089 million tons, which is 8,60% or 196 410 tons less than the previous seasons' crop of 2,285 million tons. The area planted is estimated at 566 800 ha, whilst the expected yield is 3,68 t/ha.
- The production forecast for **barley** is 308 675 tons, which is 7,58% or 25 325 tons less than the previous seasons' crop of 334 000 tons. The area planted is estimated at 101 000 ha, while the expected yield is 3,06 t/ha.
- The expected **canola crop** is 210 530 tons, which is 6,27% or 12 430 tons more than the previous seasons' crop of 198 100 tons. The area estimate for canola is 123 510 ha, with an expected yield of 1,70 t/ha.
- The expected crop for **oats** for the 2022 season is 29 900 tons and the area planted is 27 000 ha. The expected yield is 1,11 t/ha.
- In the case of **sweet lupines,** the production forecast is 15 750 tons. The area estimate of sweet lupines is 21 000 ha, with an expected yield of 0,75 t/ha.

Please note that the intentions to plant winter cereals for 2023 will be released on 26 April 2023.

2.3 Non-commercial maize - 2023

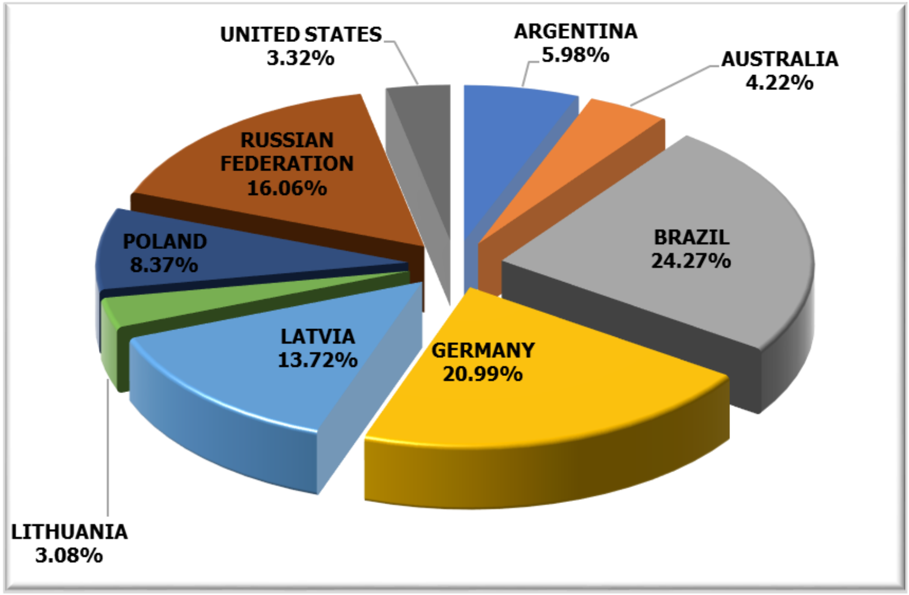
The CEC will release the area planted and production estimate of the non-commercial maize sector for the 2023 season on 25 May 2023.

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 FEB23 Annexure A.

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

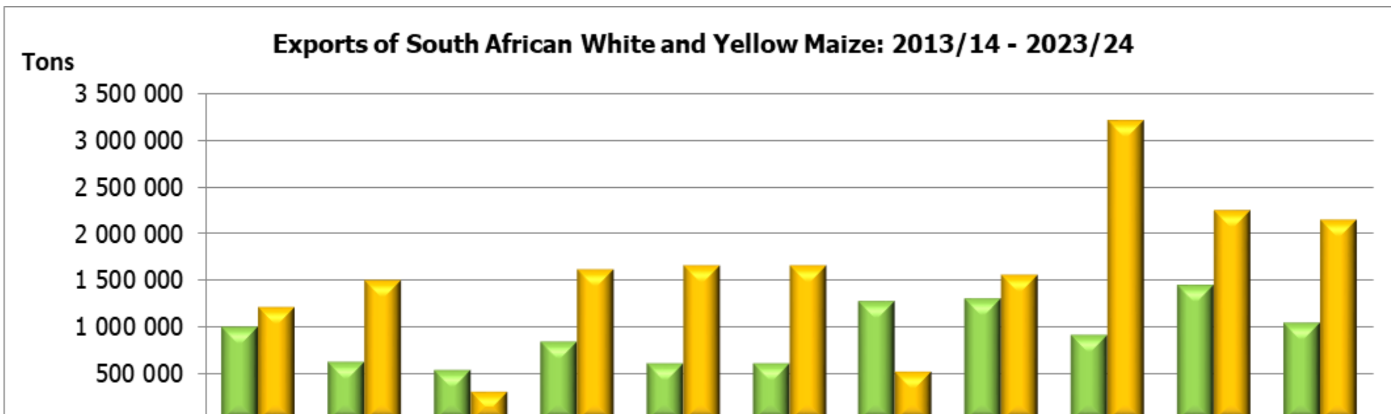
Graph 1: Major countries of wheat imports to South Africa: 2022/23 marketing year



- The progressive wheat imports (human consumption) for the 2022/23 marketing year (1 October 2022 to 24 February 2023) amount to 559 432 tons, with 24,27% or 135 781 tons from Brazil, 20,99% or 117 418 tons from Germany, followed by 16,06% or 89 825 tons from the Russian Federation, 13,72% or 76 754 tons from Latvia, 8,37% or 46 852 tons from Poland, 5,98% or 33 444 tons from Argentina, 4,22% or 23 605 tons from Australia, 3,32% or 18 547 tons from the United States and only 3,08% or 17 206 tons from Lithuania. The exports of wheat (human consumption) for the the above-mentioned period amount to 94 143 tons, of which 64,75% or 60 960 tons went to the BLNS countries (Botswana, Lesotho, Namibia and Eswatini (Swaziland)), 33,35% or 31 400 tons went to Zimbabwe and only 1,89% or 1 783 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



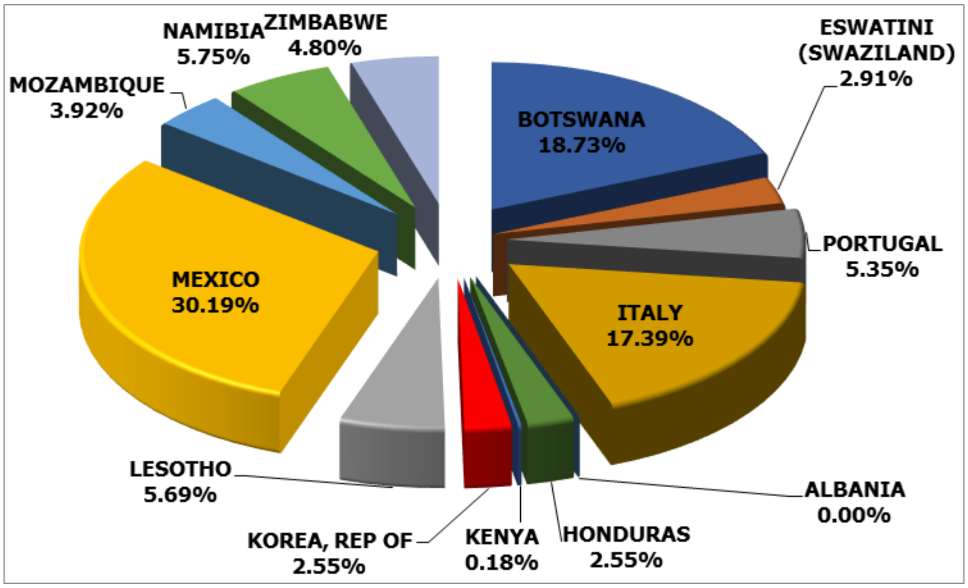
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23*	2023/24*
White maize	1 008 923	640 807	557 063	851 969	617 000	616 651	1 275 446	1 304 475	924 434	1 450 000	1 050 000
Yellow maize	1 223 673	1 514 917	322 748	1 629 739	1 666 000	1 667 407	534 127	1 563 315	3 210 777	2 255 000	2 155 000

*Projection

- The exports of white maize for the 2022/23 marketing year are projected at 1,450 million tons, which represents an increase of 56,85% or 525 566 tons compared to the 924 434 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 29,77% or 955 777 tons compared to the 3,211 million tons of the previous marketing year.

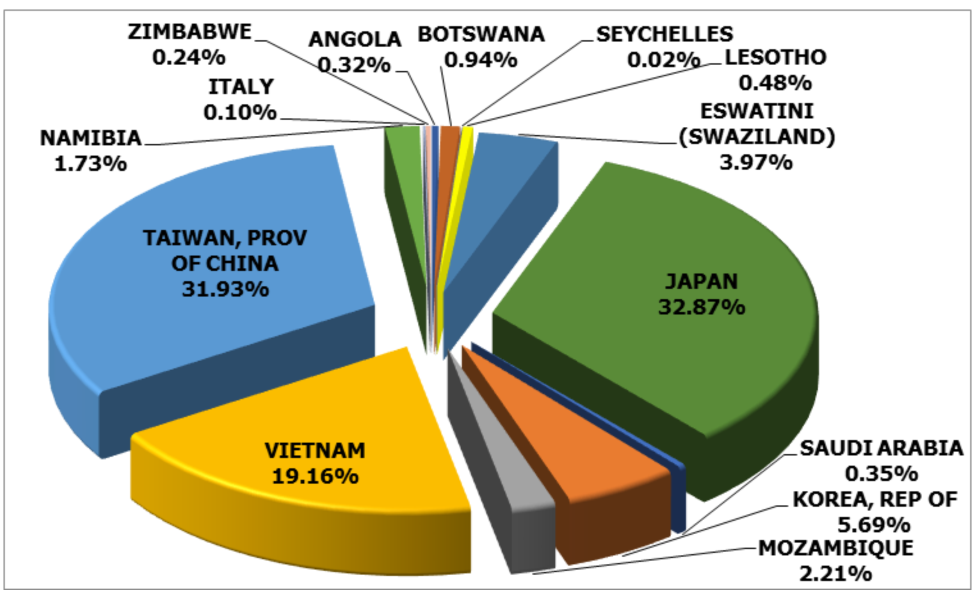
- The exports of white maize for the 2023/24 marketing year are projected at 1,050 million tons, which represents an decrease of 27,59% or 400 000 tons compared to the 1,450 million tons of the previous marketing year. Yellow maize exports for the mentioned period are projected at 2,155 million tons, which represents a decrease of 4,43% or 100 000 tons compared to the 2,255 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 24 February 2023, progressive white maize exports for the 2022/23 marketing year amount to 981 613 tons, with the main destinations being Mexico (30,19% or 296 393 tons), followed by Botswana (18,73% or 183 841 tons), Italy (17,39% or 170 711 tons), Lesotho (5,69% or 55 895 tons), Portugal (5,35% or 52 500 tons), Zimbabwe (4,80% or 47 099 tons), Mozambique (3,92% or 38 450 tons), Honduras (2,55% or 25 000 tons), Korea, Rep of (2,55% or 24 991 tons), Eswathini (Swaziland) (2,91% or 28 525 tons), Kenya (0,18% or 1 761 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 24 February 2023, progressive yellow maize exports for the 2022/23 marketing year amount to 1,841 million tons, with the main destinations being Japan (32,87% or 605 146 tons), followed by Taiwan (31,93% or 587 797 tons), Vietnam (19,16% or 352 689 tons), Korea, Republic of (5,69% or

104 797 tons), Eswathini (Swaziland) (3,97% or 73 069 tons), Mozambique (2,21% or 40 664 tons), Namibia (1,73% or 31 795 tons), Botswana (0,94% or 17 336 tons), Lesotho (0,48% or 8 818 tons), Saudi Arabia (0,35% or 6 432 tons), Angola (0,32% or 5 983 tons), Zimbabwe (0,24% or 4 419 tons), Italy (0,10% or 1 790 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 6,9% in January 2023, down from 7,2% in December 2022. The consumer price index decreased by 0,1% month-on-month in January 2023.
- The main contributors to the 6,9% annual inflation rate were:
  - Food and non-alcoholic beverages increased by 13,4% year-on-year, and contributed 2,3% to the total CPI annual rate of 6,9%;
  - Housing and utilities increased by 4,1% year-on-year, and contributed 1,0%;
  - Transport increased by 11,1% year-on-year, and contributed 1,6%; and
  - Miscellaneous goods and services increased by 4,8% year-on-year, and contributed 0,7%.
- In January the annual inflation rate for goods was 9,5%, down from 10,1% in December; and for services it remained unchanged at 4,3%.

4.2 Producer Price Index (PPI)

- Annual producer price inflation (final manufacturing) was 12,7% in January 2023, down from 13,5% in December 2022. The producer price index decreased by 0,6% month-on-month in January 2023.
- The main contributors to the headline PPI annual inflation rate were:
  - Coke, petroleum, chemical, rubber and plastic products increased by 19,6% year-on-year and contributed 5,0%;
  - Food products, beverages and tobacco products increased by 10,1% year-on-year and contributed 2,6%;
  - Metals, machinery, equipment and computing equipment increased by 10,7% year-on-year and contributed 1,6%; and
  - Paper and printed products increased by 15,8% year-on-year and contributed 1,3%.
- The main contributor to the headline PPI monthly decrease was coke, petroleum, chemical, rubber and plastic products, which decreased by 5,0% month-on-month and contributed -1,4%.
- The annual percentage change in the PPI for intermediate manufactured goods was 5,6% in January 2023 (compared with 8,0% in December 2022). The index decreased by 1,7% month-on-month. The main contributors to the annual rate were basic and fabricated metals (3,6%), as well as sawmilling and wood (1,0%). The main contributor to the monthly rate was chemicals, rubber and plastic products (-1,7%).
- The annual percentage change in the PPI for electricity and water was 9,8% in January 2023 (unchanged from 9,8% in December 2022). The index decreased by 0,5% month-on-month. Electricity contributed 8,9% to the annual rate and water contributed 1,0% to the annual rate. Electricity contributed -0,5% to the monthly rate.
- The annual percentage change in the PPI for mining was 19,9% in January 2023 (compared with 27,3% in December 2022). The index decreased by 1,3% month-on-month. The main contributors to the annual rate were coal and gas (8,7%); non-ferrous metal ores (5,6%); and gold and other metal ores (3,1%). Negative contributors to the monthly rate were non-ferrous metal ores (-2,3%) and coal and gas (-1,5%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 11,7% in January 2023 (compared with 16,0% in December 2022). The index decreased by 3,6% month-on-month. The main contributors to the annual rate were agriculture (9,0%) and fishing (1,9%). The main contributor to the monthly rate was agriculture (-3,8%).

4.3 Future contract prices

Table 4: Closing prices on Tuesday, 7 March 2023

	7 March 2023	7 February 2023	% Change
RSA White Maize per ton (Mar. 2023 contract)	R4 149,00	R4 335,00	-4,29
RSA Yellow Maize per ton (Mar. 2023 contract)	R4 223,00	R4 431,00	-4,69
RSA Wheat per ton (Mar. 2023 contract)	R6 573,00	R6 807,00	-3,44
RSA Sunflower seed per ton (Mar. 2023 contract)	R10 546,00	R11 988,00	-12,03
RSA Soya-beans per ton (Mar. 2023 contract)	R9 600,00	R9 397,00	2,16
Exchange rate R/$	R18,33	R17,61	4,09

Source: JSE/SAFEX

4.4 Agricultural machinery sales

- January 2023 tractor sales of 475 units were significantly less (15%) than the 559 units sold in January 2022. Sixteen combine harvesters were sold in January 2023, twelve units more than the four units sold in January 2022.
- Market sentiment is still positive. However, several factors have caused potential buyers of agricultural machinery to adopt a cautious attitude. These are: the heatwave and lack of rainfall in most summer-cropping areas at the beginning of January, loadshedding, particularly in irrigated cropping areas, high input costs and the recent increase in interest rates.
- Despite these, expectations are that, while 2023 tractor sales may not reach the levels experienced in 2022, they should be at least of the order of the 2021 sales, that is between 7 500 and 8 000 units.

Table 5: Agricultural machinery sales

Equipment class	Year-on-year January 2023	Year-on-year January 2022	Percentage Change %	Year-to-date January 2023	Year-to-date January 2022	Percentage Change %
Tractors	475	559	-15,03	475	559	-15,03
Combine harvesters	16	4	300,00	16	4	300,00

Source: SAAMA press release, February 2023

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

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
- 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