MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA MARCH 2023

Issued: 12 April 2023

Directorate: Statistics and Economic Analysis

Highlights:

- **During March 2023, significant rainfall events were limited to the central and southern parts of the country.**
- **The projected closing stocks of wheat for the current 2022/23 marketing year are 568 973 tons, which includes imports of 1,55 million tons. It is also 9,0% 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 2,038 million tons, which is 4,1% less than the previous years' ending stocks.**
- **The expected commercial maize crop for 2023 is 15,880 million tons, which is 2,6% more than the 15,470 million tons for the previous season.**
- **Projected closing stocks of maize for the coming 2023/24 marketing year are 2,762 million tons, which is 35,5% more than the previous years' ending stocks.**
- **The projected closing stocks of sorghum for the current 2023/24 marketing year are 17 896 tons, which is 61,7% less than the previous years' ending stocks.**
- **The projected closing stocks of sunflower seed for current 2023/24 marketing year are 95 658 tons, which is 30,5% more than the previous years' ending stocks.**
- **The projected closing stocks of soybeans for the current 2023/24 marketing year are 483 952 tons, which is 181,5% more than the previous years' ending stocks.**
- **The annual percentage change in the CPI was higher at 7,0% in February 2023.**
- **The annual percentage change in the PPI for final manufactured goods was lower at 12,2% in February 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

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1. Weather conditions

1.1 Rainfall for March 2023

During March 2023, significant rainfall events were limited to the central and southern parts of the country (**Figure 1**). Comparing rainfall totals to the long-term average for March, above-normal rainfall was received over the south-western parts of the country becoming normal over most of the Eastern Cape and Free State provinces (**Figure 2**). The remainder of the country received below-normal rainfall for the mentioned period. (Source: Directorate: Climate Change and Disaster Management of Department: Agriculture, Land Reform and Rural Development)

Figure 1: Rainfall (mm) for March 2023

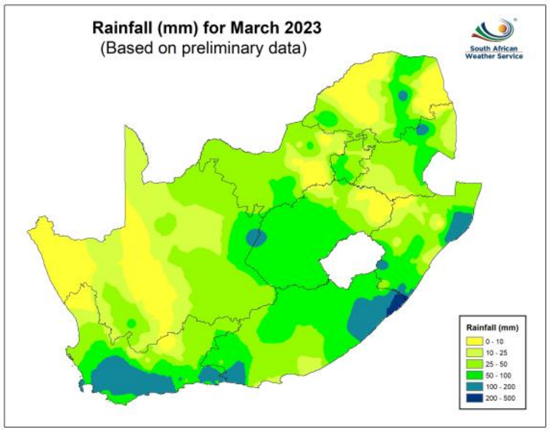
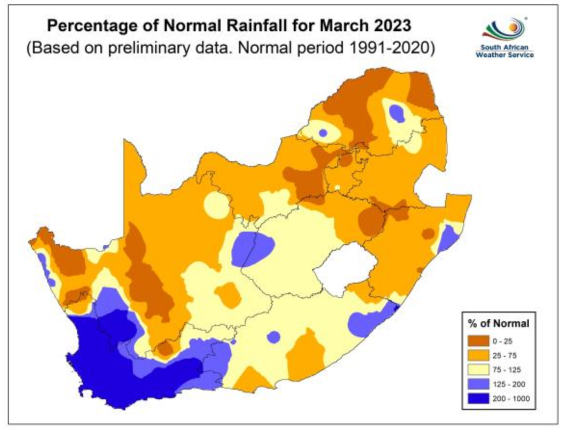


Figure 2: Percentage rainfall for March 2023



1.2 Level of dams

Available information on the level of South Africa's dams on 10 April 2023 indicates that the country has approximately 94% of its full supply capacity (FSC) available, which is unchanged from the corresponding period in 2022. The dam levels in Northern Cape (14%), Eastern Cape (8%), North West (5%) and KwaZulu-Natal (5%) provinces all show improvements in the full supply capacity as compared to 2022. However, the Western Cape, Free State and Gauteng provinces show decreases of 7%, 3% and 2%, respectively while the Mpumalanga and Limpopo 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, 10 April 2023

Province	Net FSC million cubic meters	**10/04/2023 (%)**	Last Year (2022) (%)	% Increase/Decrease 2023 vs. 2022
Eastern Cape	1 729	78	70	8,0
Free State	15 657	101	104	-3,0
Gauteng	128	100	102	-2,0
KwaZulu-Natal	4 910	100	95	5,0
Kingdom of Lesotho	2 363	100	101	-1,0
Limpopo	1 480	91	91	-
Mpumalanga	2 539	89	89	-
North West	867	99	94	5,0
Northern Cape	146	90	76	14,0
Kingdom of Eswatini	334	94	103	-9,0
Western Cape	1 866	51	58	-7,0
Total	**32 018**	**94**	**94**	**-**

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 28 March 2023, and is as follows:

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

CROP	**Area planted 2023 Ha (A)**	**2nd forecast 2023 Tons (B)**	Area planted 2022 Ha (C)	Final estimate 2022 Tons (D)	Change % (B) ÷ (D)
Commercial:					
White maize	**1 521 300**	**8 344 375**	1 575 000	7 850 000	6,30
Yellow maize	**1 064 800**	**7 535 150**	1 048 000	7 620 000	-1,11
Total Maize	**2 586 100**	**15 879 525**	2 623 000	15 470 000	2,65
Sunflower seed	**555 700**	**797 610**	670 700	845 550	-5,67
Soybeans	**1 148 300**	**2 710 150**	925 300	2 230 000	2,21
Groundnuts	**31 300**	**49 080**	43 400	48 500	1,20
Sorghum	**34 000**	**109 400**	37 200	103 140	6,07
Dry beans	**36 650**	**47 930**	42 900	52 590	-8,86
TOTAL	**4 392 050**	**19 593 695**	4 342 500	18 749 780	4,50

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, and 0,14% or 3 600 ha more than the area estimate of 2 582 500 ha released in February 2023.
- The expected **commercial maize crop** is 15 879 525 tons, which is 2,65% or 409 525 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 8 344 375 tons, which is 6,30% or 494 375 tons more than the 7 850 000 tons of last season. The yield for white maize is 5,49 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 7 535 150 tons, which is 1,11% or 84 850 tons less than the 7 620 000 tons of last season. The yield for yellow maize is 7,08 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 2 710 150 tons, which is 21,53% or 480 150 tons more than the 2 230 000 tons of the previous season. The expected yield is 2,36 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 109 400 tons, which is 6,07% or 6 260 tons more than the 103 140 tons of the previous season. The expected yield is 3,22 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 47 930 tons, which is 8,86% or 4 660 tons less than the 52 590 tons of the previous season. The expected yield is 1,31 t/ha.

Please note that the third production forecast for summer field crops for 2023 will be released on 26 April 2023.

2.2 Winter cereal crops - 2022

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

2.3 Non-commercial maize - 2023

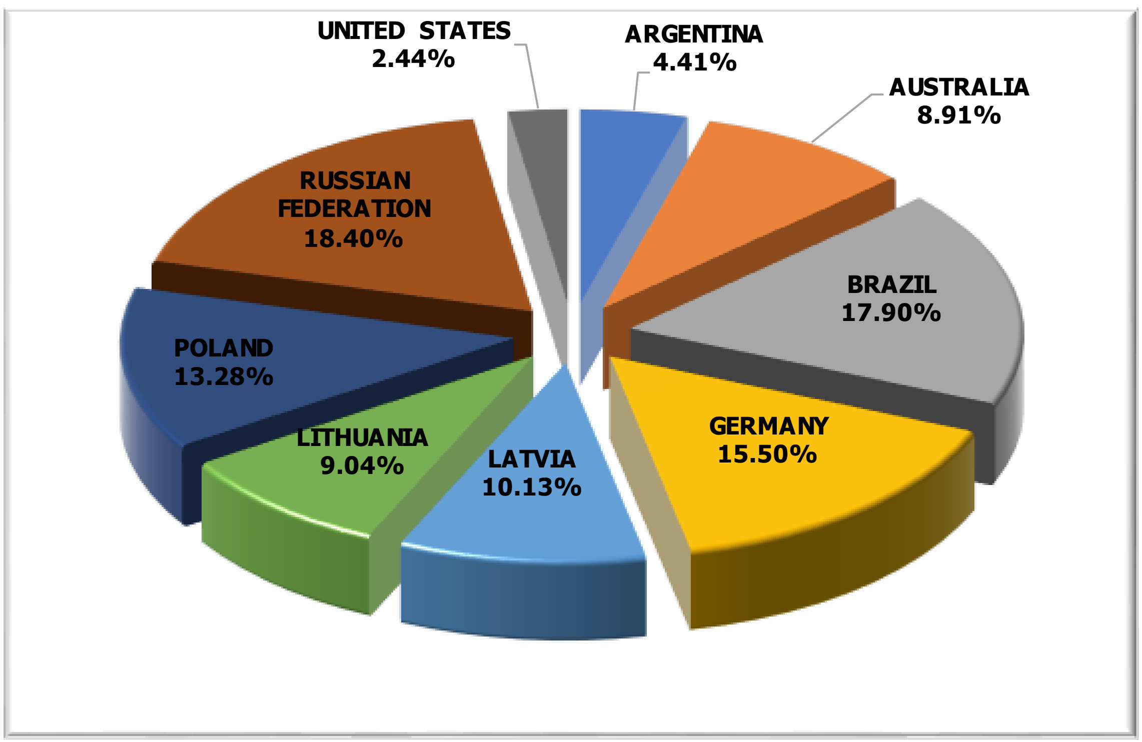
The CEC will release the area planted and production estimate of the non-commercial maize sector for the 2023 season on 25 May 2023.

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 MAR23 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

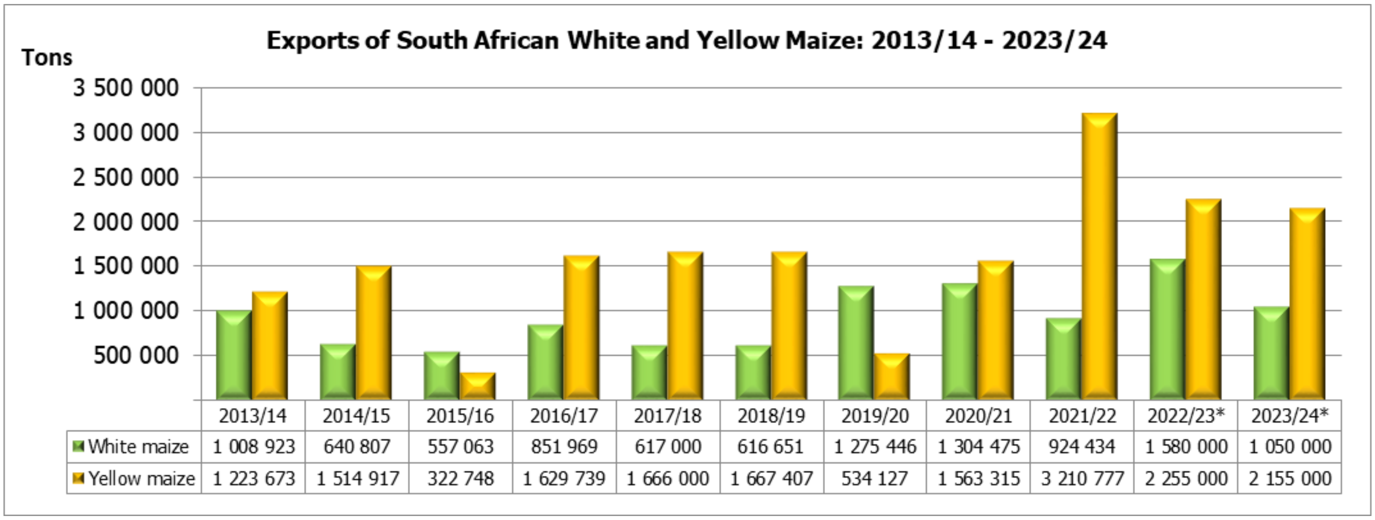


- The progressive wheat imports (human consumption) for the 2022/23 marketing year (1 October 2022 to 31 March 2023) amount to 758 794 tons, with 18,40% or 139 649 tons from the Russian Federation, followed by 17,90% or 135 815 tons from Brazil, 15,50% or 117 592 tons from Germany, 13,28% or 100 732 tons from Poland, 10,13% or 76 832 tons from Latvia, 9,04% or 68 563 tons from Lithuania, 8,91% or 67 620 tons from Australia, 4,41% or 33 444 tons from Argentina, and only 2,44% or 18 547 tons from the United States. The exports of wheat (human consumption) for the above-mentioned period amount to 127 278 tons, of which

59,23% or 75 390 tons went to the BLNS countries (Botswana, Lesotho, Namibia and Eswatini (Swaziland)), 35,35% or 44 987 tons went to Zimbabwe and only 5,42% or 6 901 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

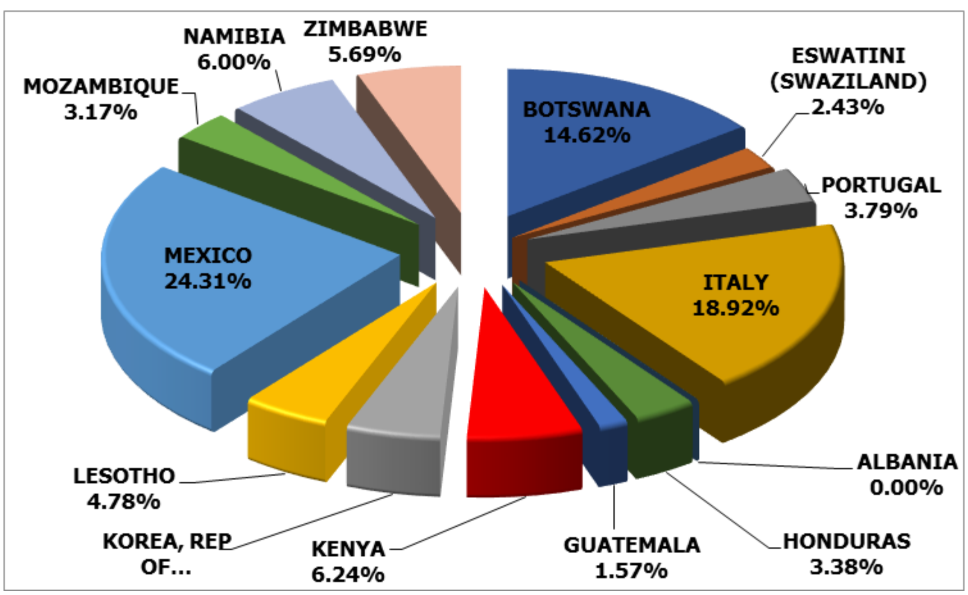


	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23*	2023/24*
White maize	1 008 923	640 807	557 063	851 969	617 000	616 651	1 275 446	1 304 475	924 434	1 580 000	1 050 000
Yellow maize	1 223 673	1 514 917	322 748	1 629 739	1 666 000	1 667 407	534 127	1 563 315	3 210 777	2 255 000	2 155 000

*Projection

- The exports of white maize for the 2022/23 marketing year are projected at 1,580 million tons, which represents an increase of 70,92% or 655 566 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 a decrease of 33,54% or 530 000 tons compared to the 1,580 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.

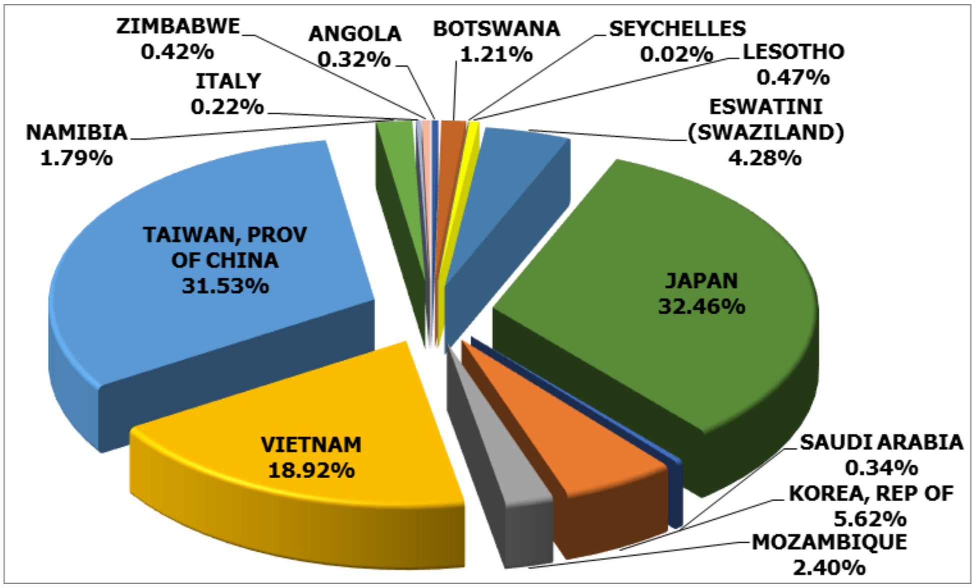
Graph 3: Major countries of white maize exports from South Africa: 2022/23 marketing year



- From 30 April 2022 to 31 March 2023, progressive white maize exports for the 2022/23 marketing year amount to 1,386 million tons, with the main destinations being Mexico (24,31% or 336 920 tons), followed by Italy (18,92% or 262 210 tons), Botswana (14,62% or 202 703 tons), Kenya (6,24% or 86 499 tons), Namibia (6,00% or 83 153 tons), Zimbabwe (5,69% or 78 901 tons), Korea, Rep of (5,11% or 70 835 tons), Lesotho (4,78% or 66 204 tons), Portugal (3,79% or 52 500 tons), Honduras (3,38% or 46 811 tons), Mozambique

(3,17% or 43 913 tons), Eswathini (Swaziland) (2,43% or 33 643 tons), Guatemala (1,57% 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 31 March 2023, progressive yellow maize exports for the 2022/23 marketing year amount to 1,864 million tons, with the main destinations being Japan (32,46% or 605 146 tons), followed by Taiwan (31,53% or 587 797 tons), Vietnam (18,92% or 352 689 tons), Korea, Republic of (5,62% or 104 797 tons), Eswathini (Swaziland) (4,28% or 79 767 tons), Mozambique (2,40% or 44 719 tons), Namibia (1,79% or 33 424 tons), Botswana (1,21% or 22 637 tons), Lesotho (0,47% or 8 817 tons), Zimbabwe (0,42% or 7 873 tons), Saudi Arabia (0,34% or 6 432 tons), Angola (0,32% or 5 983 tons), Italy (0,22% or 4 023 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 7,0% in February 2023, up from 6,9% in January 2023. The consumer price index increased by 0,7% month-on-month in February 2023.
- The main contributors to the 7,0% annual inflation rate were:
    - Food and non-alcoholic beverages increased by 13,6% year-on-year, and contributed 2,3% to the total CPI annual rate of 7,0%;
    - Housing and utilities increased by 4,0% year-on-year, and contributed 1,0%;
    - Transport increased by 9,9% year-on-year, and contributed 1,4%; and
    - Miscellaneous goods and services increased by 6,1% year-on-year, and contributed 0,9%.
- In February the annual inflation rate for goods remained unchanged at 9,5%; and for services it was 4,6% up from 4,3% in January.

4.2 Producer Price Index (PPI)

- Annual producer price inflation (final manufacturing) was 12,2% in February 2023, down from 12,7% in January 2023. The producer price index increased by 0,6% month-on-month in February 2023.
- The main contributors to the headline PPI annual inflation rate were:
    - Coke, petroleum, chemical, rubber and plastic products increased by 16,9% year-on-year and contributed 4,4%;

- Food products, beverages and tobacco products increased by 9,8% year-on-year and contributed 2,6%;
- Metals, machinery, equipment and computing equipment increased by 10,1% year-on-year and contributed 1,5%;
- Paper and printed products increased by 16,5% year-on-year and contributed 1,4%; and
- Transport equipment increased by 10,5% year-on-year and contributed 1,0%.

- There are 7 main contributors to the headline PPI monthly increase, each contributing 0,1%. These were textiles, clothing and footwear, which increased by 1,4%; paper and printed products, which increased by 1,4%; coke, petroleum, chemical, rubber and plastic products, which increased by 0,4%; non-metallic mineral products, which increased by 3,0%; metals, machinery, equipment and computing equipment, which increased by 0,6%; transport equipment, which increased by 1,4%; and furniture and other manufacturing, which increased by 3,5%. These increases were counteracted by electrical machinery and communication and metering equipment, which decreased by -5,5% month-on-month and contributed -0,2%.
- The annual percentage change in the PPI for intermediate manufactured goods was 5,0% in February 2023 (compared with 5,6% in January 2023). The index decreased by 0,1% month-on-month. The main contributors to the annual rate were basic and fabricated metals (1,5%); sawmilling and wood (1,3%); and chemicals, rubber and plastic products (1,3%). The contributor to the monthly rate was basic and fabricated metals (-0,7%). This was counteracted by the increases in sawmilling and wood (0,2%); recycling and manufacturing n.e.c. (0,2%); textiles and leather goods (0,1%); and chemicals, rubber and plastic products (0,1%).
- The annual percentage change in the PPI for electricity and water was 11,2% in February 2023 (compared with 9,8% in January 2023). The index increased by 1,3% month-on-month. Electricity contributed 10,2% to the annual rate and water contributed 1,0% to the annual rate. Electricity contributed 1,3% to the monthly rate.
- The annual percentage change in the PPI for mining was 19,5% in February 2023 (compared with 19,9% in January 2023). The index increased by 3,6% month-on-month. The main contributors to the annual rate were non-ferrous metal ores (6,8%); coal and gas (6,7%); and gold and other metal ores (3,2%). The main contributors to the monthly rate were non-ferrous metal ores (3,1%); and gold and other metal ores (1,1%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 14,2% in February 2023 (compared with 11,7% in January 2023). The index increased by 1,2% month-on-month. The main contributors to the annual rate were agriculture (11,2%) and fishing (2,2%). The contributors to the monthly rate were agriculture (1,0%) and fishing (0,2%).

4.3 Future contract prices

Table 3: Closing prices on Thursday, 6 April 2023

	6 April 2023	6 March 2023	% Change
RSA White Maize per ton (Apr. 2023 contract)	R3 983,00	R4 119,00	-3,30
RSA Yellow Maize per ton (Apr. 2023 contract)	R3 980,00	R4 224,00	-5,78
RSA Wheat per ton (Apr. 2023 contract)	R6 662,00	R6 623,00	0,59
RSA Sunflower seed per ton (Apr. 2023 contract)	R8 950,00	R10 250,00	-12,68
RSA Soya-beans per ton (Apr. 2023 contract)	R8 290,00	R8 708,00	-4,80
Exchange rate R/$	R18,21	R18,23	-0,11

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 4: 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 April 2023 will be released on **5 May 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