MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA MAY 2023

Issued: 7 June 2023

Directorate: Statistics and Economic Analysis

Highlights:

- **During May 2023, significant rainfall events were confined to the eastern and southern coastal areas of the country, as well as most of the central and eastern interior.**
- **The projected closing stocks of wheat for the current 2022/23 marketing year are 520 883 tons, which includes imports of 1,55 million tons. It is also 16,7% less than the previous years' ending stocks.**
- **The expected commercial maize crop for 2023 is 16,188 million tons, which is 4,6% more than the 15,470 million tons for the previous season.**
- **Projected closing stocks of maize for the current 2023/24 marketing year are 2,614 million tons, which is 33,8% more than the previous years' ending stocks.**
- **The projected closing stocks of sorghum for the current 2023/24 marketing year are 10 426 tons, which is 77,8% less than the previous years' ending stocks.**
- **The projected closing stocks of sunflower seed for current 2023/24 marketing year are 74 127 tons, which is 0,8% more than the previous years' ending stocks.**
- **The projected closing stocks of soybeans for the current 2023/24 marketing year are 527 747 tons, which is 207,0% more than the previous years' ending stocks.**
- **The annual percentage change in the CPI was lower at 6,8% in April 2023.**
- **The annual percentage change in the PPI for final manufactured goods was lower at 8,6% in April 2023.**
- **April 2023 tractor sales of 543 units were sixteen units less than the 559 units sold in April 2022.**

agriculture, land reform & rural development

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1. Weather conditions

1.1 Rainfall for May 2023

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

Figure 1: Rainfall (mm) for May 2023

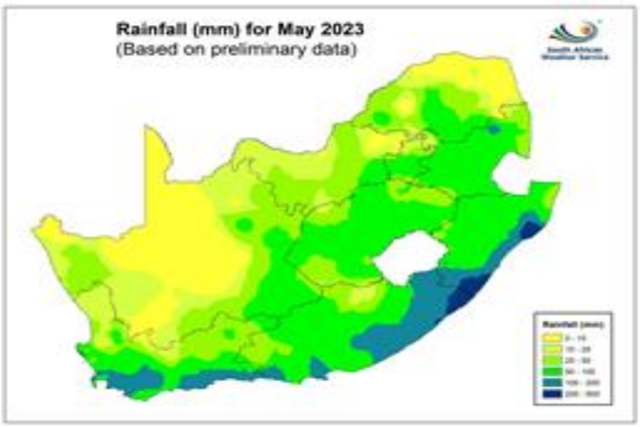
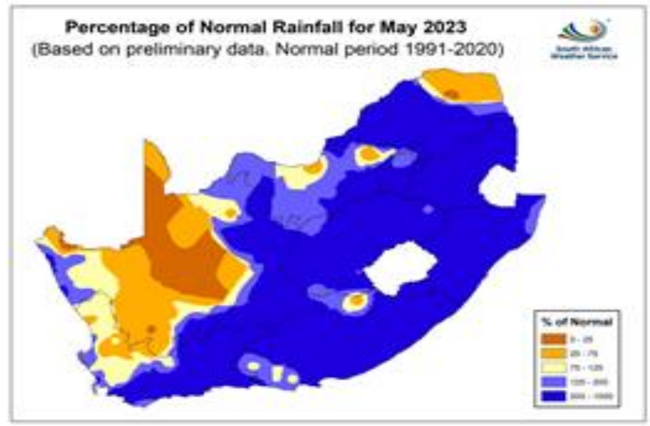


Figure 2: Percentage rainfall for May 2023



1.2 Level of dams

Available information on the level of South Africa's dams on 5 June 2023 indicates that the country has approximately 95% of its full supply capacity (FSC) available, which is 1% less than the from the corresponding period in 2022. The dam levels in the North West (8%), Eastern Cape (8%), and Western Cape (8%) provinces, as well as the Mpumalanga Province (4%) all show improvements in the full supply capacity as compared to 2022. However, the Northern Cape (-12%), Gauteng (-2%), Free State (-1%) and KwaZulu-Natal (-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, 5 June 2023

Province	Net FSC million cubic meters	**05/06/2023 (%)**	Last Year (2022) (%)	% Increase/Decrease 2023 vs. 2022
Eastern Cape	1 729	79	71	8,0
Free State	15 657	101	102	-1,0
Gauteng	128	99	101	-2,0
KwaZulu-Natal	4 910	91	92	-1,0
Kingdom of Lesotho	2 363	100	97	3,0
Limpopo	1 480	89	89	-
Mpumalanga	2 539	99	95	4,0
Northern Cape	146	85	97	-12,0
North West	867	90	82	8,0
Kingdom of Eswatini	334	100	100	-
Western Cape	1 866	60	52	8,0
Total	**32 019**	**95**	**94**	**1,0**

Source: Department of Water and Sanitation

2. Grain production

2.1 Summer grain crops - 2023

The revised area planted estimate and fourth production forecast of summer grains for the 2023 season was released by the Crop Estimates Committee (CEC) on 25 May 2023, and is as follows:

Table 2: Commercial summer crops: Area planted and 4th production forecast - 2023 season

CROP	**Area planted 2023 Ha (A)**	**4rd forecast 2023 Tons (B)**	Area planted 2022 Ha (C)	Final estimate 2022 Tons (D)	Change % (B) ÷ (D)
Commercial:					
White maize	**1 521 300**	**8 359 925**	1 575 000	7 850 000	8,79
Yellow maize	**1 064 800**	**7 648 450**	1 048 000	7 620 000	0,37
Total Maize	**2 586 100**	**16 188 375**	2 623 000	15 470 000	4,64
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**	**51 510**	43 400	48 500	6,21
Sorghum	**34 000**	**104 700**	37 200	103 140	1,51
Dry beans	**36 650**	**48 560**	42 900	52 590	-7,66
TOTAL	**4 392 050**	**19 946 055**	4 342 500	18 749 780	6,38

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 16 188 375 tons, which is 4,64% or 718 375 tons more than the 15 470 000 tons of the previous season (2022). The yield for maize is 6,26 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 8 539 925 tons, which is 8,79% or 689 925 tons more than the 7 850 000 tons of last season. The yield for white maize is 5,61 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 7 648 450 tons, which is 0,37% or 28 450 tons less than the 7 620 000 tons of last season. The yield for yellow maize is 7,18 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 51 510 tons – which is 6,21% or 3 010 tons more than the 48 500 tons of last season. The expected yield is 1,65 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 104 700 tons, which is 1,51% or 1 560 tons more than the 103 140 tons of the previous season. The expected yield is 3,08 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 48 560 tons, which is 7,66% or 4 030 tons less than the 52 590 tons of the previous season. The expected yield is 1,32 t/ha.

Please note that the fifth production forecast for summer field crops for 2023 will be released on 27 June 2023.

2.2 Winter cereal crops – 2022

The intentions to plant winter cereals for the 2023 season was 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 released 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

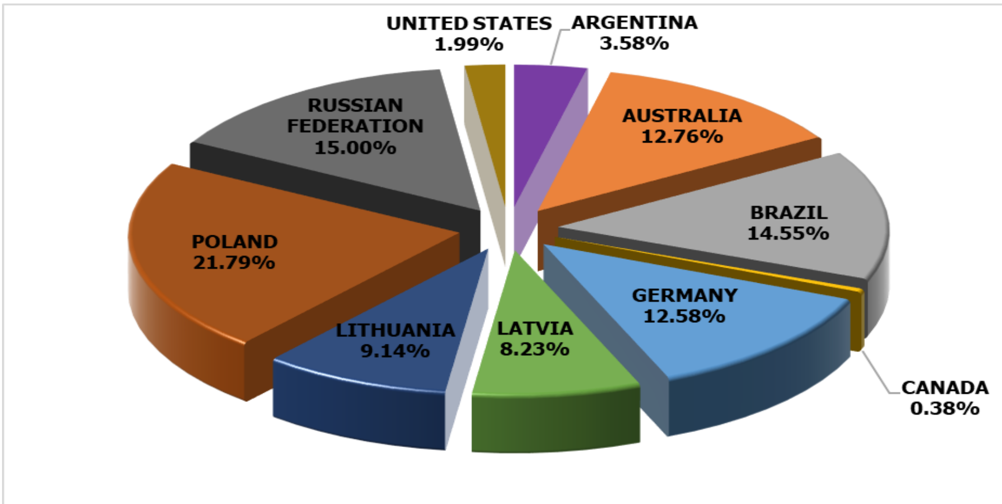
- The preliminary area planted to maize in the non-commercial agricultural sector is estimated at 358 620 ha, which represents a decrease of 5,33%, compared to the 378 800 ha of the previous season. The expected maize crop for this sector is 664 040 tons, which is 0,44% less than the 667 000 tons of 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 MAY23 Annexure A.

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

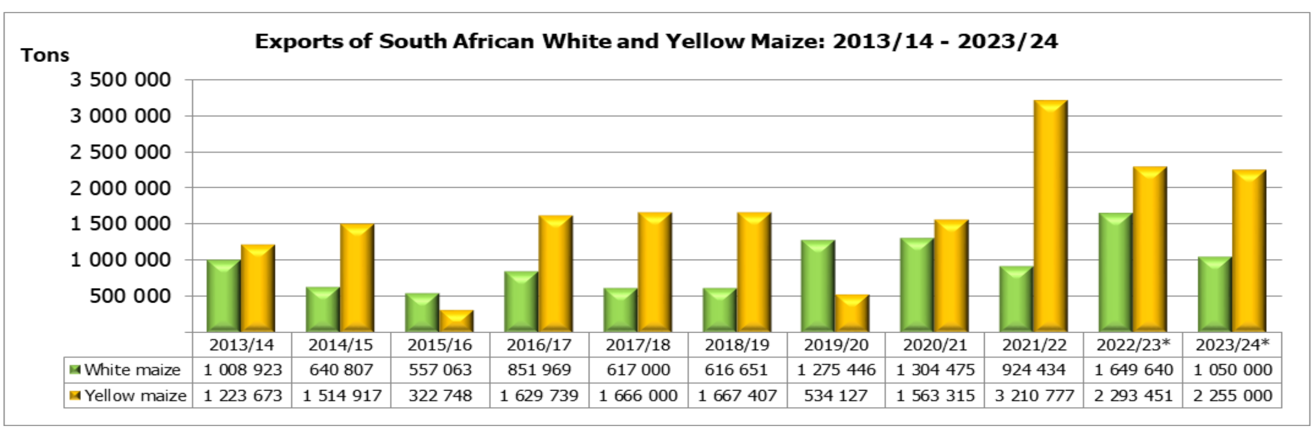
Graph 1: Major countries of wheat imports to South Africa: 2022/23 marketing year



- The progressive wheat imports (human consumption) for the 2022/23 marketing year (1 October 2022 to 26 May 2023) amount to 933 837 tons, with 21,79% or 203 504 tons from Poland, followed by 15,00% or 140 098 tons from the Russian Federation, 14,55% or 135 833 tons from Brazil, 12,76% or 119 156 tons from Australia, 12,58% or 117 449 tons from Germany, 9,14% or 85 396 tons from Lithuania, 8,23% or 76 832 tons from Latvia, 3,58% or 33 444 tons from Argentina, 1,99% or 18 547 tons from the United States, and only 0,38% or 3 578 tons from Canada. The exports of wheat (human consumption) for the above-mentioned period amount to 180 590 tons, of which 56,51% or 102 051 tons went to the BLNS countries (Botswana, Lesotho, Namibia and Eswatini (Swaziland)), 35,43% or 63 978 tons went to Zimbabwe and only 8,06% or 14 561 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

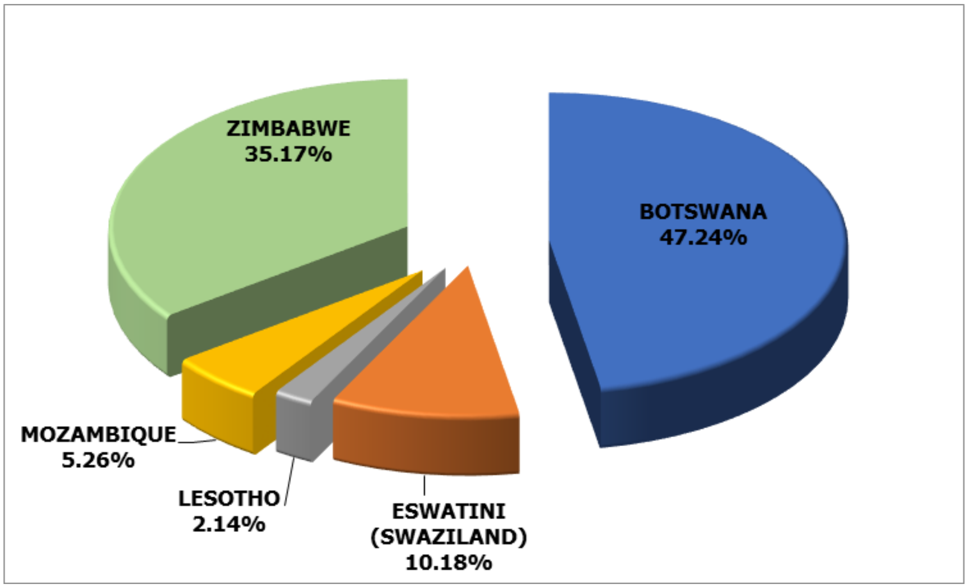


	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23*	2023/24*
White maize	1 008 923	640 807	557 063	851 969	617 000	616 651	1 275 446	1 304 475	924 434	1 649 640	1 050 000
Yellow maize	1 223 673	1 514 917	322 748	1 629 739	1 666 000	1 667 407	534 127	1 563 315	3 210 777	2 293 451	2 255 000

*Projection

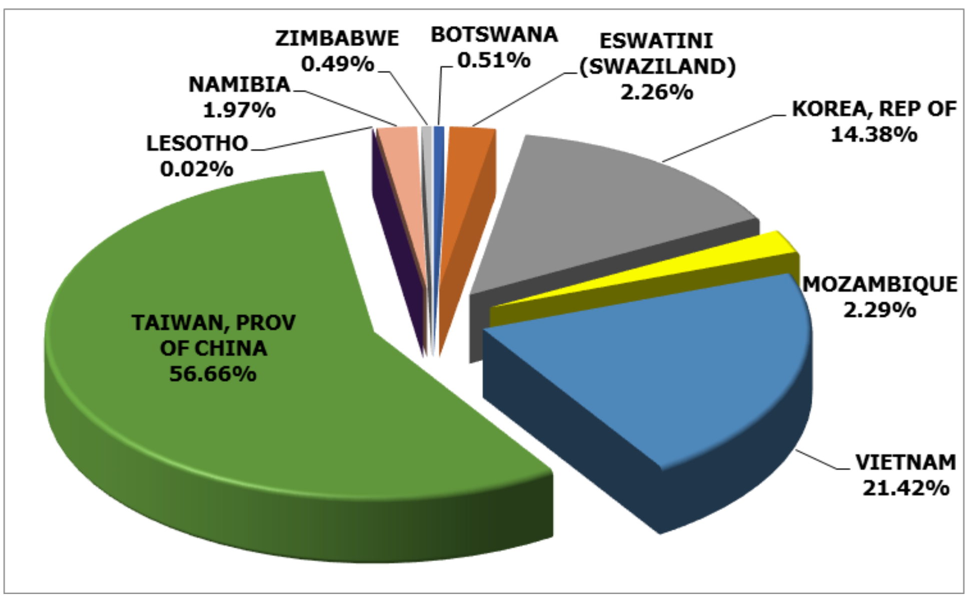
- The exports of white maize for the 2023/24 marketing year are projected at 1,050 million tons, which represents a decrease of 36,35% or 599 640 tons compared to the 1,650 million tons of the previous marketing year. Yellow maize exports for the mentioned period are projected at 2,255 million tons, which represents a decrease of 1,68% or 38 451 tons compared to the 2,293 million tons of the previous marketing year.

Graph 3: Major countries of white maize exports from South Africa: 2023/24 marketing year



- From 29 April to 26 May 2023, progressive white maize exports for the 2023/24 marketing year amount to 44 330 tons, with the main destinations being Botswana (47,24% or 20 941 tons), Zimbabwe (35,17% or 15 593 tons), Eswathini (Swaziland) (10,18% or 4 515 tons), Mozambique (5,26% or 2 332 tons) and Lesotho (2,14% or 949 tons). The imports of white maize for the mentioned period amount to zero.

Graph 4: Major countries of yellow maize exports from South Africa: 2023/24 marketing year



- From 29 April to 26 May 2023, progressive yellow maize exports for the 2022/23 marketing year amount to 208 561 tons, with the main destinations being Taiwan (56,66% or 118 170 tons), followed by Vietnam (21,42% or 44 677 tons), Korea, Republic of (14,38% or 29 994 tons), Mozambique (2,29% or 4 785 tons), Eswathini (Swaziland) (2,26% or 4 718 tons), Namibia (1,97% or 4 112 tons), Botswana (0,51% or 1 057 tons), Zimbabwe (0,49% or 1 015 tons) and Lesotho (0,02% or 33 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 6,8% in April 2023, down from 7,1% in March 2023. The consumer price index increased by 0,4% month-on-month in April 2023.
- The main contributors to the 6,8% annual inflation rate were:
  - Food and non-alcoholic beverages increased by 13,9% year-on-year, and contributed 2,4% to the total CPI annual rate of 6,8%;
  - Housing and utilities increased by 4,1% year-on-year, and contributed 1,0%;
  - Transport increased by 7,6% year-on-year, and contributed 1,1%; and
  - Miscellaneous goods and services increased by 6,3% year-on-year, and contributed 0,9%.
- In April the annual inflation rate for goods was 9,0%, down from 9,4% in March; and for services it was 4,7%, up from 4,5% in March.

4.2 Producer Price Index (PPI)

- Annual producer price inflation (final manufacturing) was 8,6% in April 2023, down from 10,6% in March 2023. The producer price index remained unchanged month-on-month in April 2023.
- The main contributors to the headline PPI annual inflation rate were:
  - Food products, beverages and tobacco products increased by 8,4% year-on-year and contributed 2,2%;
  - Coke, petroleum, chemical, rubber and plastic products increased by 6,0% year-on-year and contributed 1,6%;
  - Paper and printed products increased by 16,1% year-on-year and contributed 1,3%;
  - Transport equipment increased by 13,8% year-on-year and contributed 1,2%; and
  - Metals, machinery, equipment and computing equipment increased by 6,9% year-on-year and contributed 1,0%.
- The annual percentage change in the PPI for intermediate manufactured goods was 4,6% in April 2023 (compared with 5,0% in March 2023). The index increased by 1,2% month-on-month. The main contributors to the annual rate were basic and fabricated metals (1,5%); chemicals, rubber and plastic products (1,2%); and sawmilling and wood (0,8%). The main contributor to the monthly rate was basic and fabricated metals (1,0%).
- The annual percentage change in the PPI for electricity and water was 13,1% in April 2023 (compared with 10,1% in March 2023). The index increased by 6,4% month-on-month. Electricity contributed 12,1% and water contributed 1,1% to the annual rate. Electricity contributed 6,1% and water contributed 0,3% to the monthly rate.
- The annual percentage change in the PPI for mining was 10,5% in April 2023 (compared with 17,1% in March 2023). The index decreased by 3,0% month-on-month. The main contributors to the annual rate were coal and gas (5,4%) and gold and other metal ores (3,1%). The main contributor to the monthly rate was non-ferrous metal ores (-3,3%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 6,0% in April 2023 (compared with 7,5% in March 2023). The index increased by 0,7% month-on-month. The main contributors to the annual rate were agriculture (3,1%) and fishing (2,3%). The main contributors to the monthly rate were forestry (0,4%) and agriculture (0,2%).

4.3 Future contract prices

Table 5: Closing prices on Monday, 5 June 2023

	5 June 2023	5 May 2023	% Change
RSA White Maize per ton (June 2023 contract)	R3 704,00	R3 487,00	6,22
RSA Yellow Maize per ton (June 2023 contract)	R3 816,00	R3 648,00	4,61
RSA Wheat per ton (June 2023 contract)	R6 630,00	R6 480,00	2,31
RSA Sunflower seed per ton (June 2023 contract)	R8 228,00	R8 503,00	-3,23
RSA Soya-beans per ton (June 2023 contract)	R7 760,00	R7 445,00	4,23
Exchange rate R/$	R19,39	R18,36	5,61

Source: JSE/SAFEX

4.4 Agricultural machinery sales

- April 2023 tractor sales of 543 units were sixteen units less than the 559 units sold in April 2022. On a year-to-date basis tractor sales are now approximately 3% down on last year. One hundred and four combine harvesters were sold in April 2023, 60 units more than the 44 units sold in April 2022. On a year-to-date basis combine harvester sales are now 80% more than last year.
- Although demand for new equipment remains positive, farmers are currently showing a degree of caution, as they begin to harvest their maize crops. They are watching their crop yields, crop quality and commodity prices as their harvesting proceeds. Late summer rains in many areas will delay harvesting to a certain degree. Expectations for tractor sales in the 2023 calendar year are that while they will be lower than in 2022, they should still be of the order of those of 2021, that is between 7 500 and 8 000 units.

Table 6: Agricultural machinery sales

	Year-on-year		Percentage	Year-to-date		Percentage
	April		Change	April		Change
Equipment class	**2023**	**2022**	%	**2023**	**2022**	%
Tractors	543	559	-2,86	2 470	2 554	-3,29
Combine harvesters	104	44	136,36	198	110	80,00

Source: SAAMA press release, May 2023

PLEASE NOTE: The Food Security Bulletin for June 2023 will be released on **6 July 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