MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA: NOVEMBER 2021

Issued: 7 December 2021

Directorate: Statistics and Economic Analysis

Highlights:

- **During November 2021, significant rainfall events were limited to the central and eastern half of the country, as well as the southern coastal regions.**
- **The expected production of wheat for 2021 is 2,117 million tons, which is 0,1% less than the previous season.**
- **The projected closing stocks of wheat for the current 2021/22 marketing year are 552 339 tons, which includes imports of 1,525 million tons. It is also 18,2% more than the previous years' ending stocks.**
- **The expected commercial maize crop for 2021 is 16,234 million tons, which is 6,1% more than the previous season.**
- **Projected closing stocks of maize for the current 2021/22 marketing year are 3,098 million tons, which is 46,3% more than the previous years' ending stocks.**
- **The projected closing stocks of sorghum for the current 2021/22 marketing year are 110 495 tons, which is 113,3% more than the previous years' ending stocks.**
- **The projected closing stocks of sunflower seed for current 2021/22 marketing year are 49 504 tons, which is 18,8% less than the previous years' ending stocks.**
- **The projected closing stocks of soybeans for the current 2021/22 marketing year are 207 303 tons, which is 350,1% more than the previous years' ending stocks.**
- **The annual percentage change in the CPI was unchanged at 5,0% in October 2021.**
- **The annual percentage change in the PPI for final manufactured goods was higher at 8,1% in October 2021.**
- **September 2021 tractor sales of 724 units were almost 30% more than the 561 units sold in September 2020.**

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

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1. Weather conditions

1.1 Rainfall for November 2021

During November 2021, significant rainfall events were limited to the central and eastern half of the country, as well as the southern coastal regions (**Figure 1**). Comparing rainfall totals to the long term average for November 2021, rainfall received was normal over many summer rainfall areas except for most of the Northern Cape, KwaZulu-Natal and the north-eastern parts of Limpopo where it was below-normal (**Figure 2**). Above-normal rainfall was recorded mainly in the Western Cape, parts of the west coast and Gauteng Province. (Source: Directorate: Climate Change and Disaster Management at Department: Agriculture, Land Reform and Rural Development)

Figure 1: Rainfall (mm) for November 2021

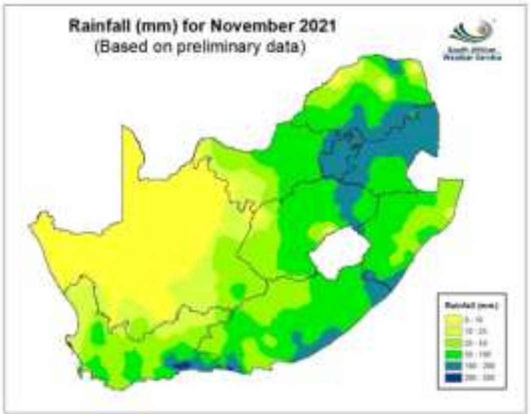
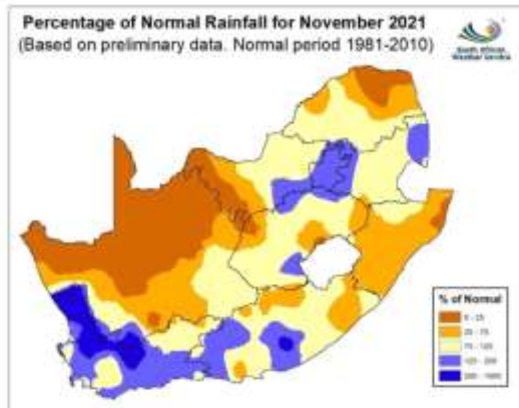


Figure 2: Percentage rainfall for November 2021



1.2 Level of dams

Available information on the level of South Africa's dams on 29 November 2021 indicates that the country has approximately 78% of its full supply capacity (FSC) available, which is 15% more than the corresponding period in 2020. The dam levels in Limpopo (17%), Free State (16%), KwaZulu-Natal (12%), Mpumalanga (12%), North West (7%), Northern Cape (6%), Western Cape (2%) and Eastern Cape (2%) provinces, all show improvements in the full supply capacity as compared to 2020. Only the Gauteng Province shows a decrease of 4% 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, 29 November 2021

Province	Net FSC million cubic meters	**29/11/2021 (%)**	Last Year (2020) (%)	% Increase/Decrease 2021 vs. 2020
Eastern Cape	1 824	51	49	2,0
Free State	15 657	88	72	16,0
Gauteng	128	94	98	-4,0
KwaZulu-Natal	4 912	66	54	12,0
Lesotho	2 363	60	18	42,0
Limpopo	1 480	75	58	17,0
Mpumalanga	2 539	75	63	12,0
North West	867	70	63	7,0
Northern Cape	147	95	89	6,0
Swaziland	334	86	42	44,0
Western Cape	1 866	81	79	2,0
Total	**32 117**	**78**	**63**	**15,0**

Source: Department of Water and Sanitation

2. Grain production

2.1 Summer grain crops - 2021

The area planted and final production estimate of summer grains for the 2021 season was released by the Crop Estimates Committee (CEC) on 25 November 2021, and is as follows:

Table 2: Commercial summer crops: Area planted and final production estimate - 2021 season

CROP	**Area planted 2021 Ha (A)**	**Final estimate 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**	**8 608 815**	1 616 300	8 547 500	0,72
Yellow maize	**1 063 500**	**7 625 450**	994 500	6 752 500	12,93
Total Maize	**2 755 400**	**16 234 265**	2 610 800	15 300 000	6,11
Sunflower seed	**477 800**	**677 240**	500 300	788 500	-14,11
Soybeans	**827 100**	**1 890 450**	705 000	1 245 500	51,78
Groundnuts	**38 550**	**59 950**	37 500	50 080	19,71
Sorghum	**49 200**	**213 645**	42 500	158 000	35,22
Dry beans	**47 390**	**57 672**	50 150	64 800	-11,00
TOTAL	**4 195 440**	**19 133 222**	3 946 250	17 606 880	8,67

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

- The size of the expected **commercial maize** crop has been set at 16 234 265 tons, which is 6,11% or 934 265 tons more than the previous season of 15 300 000 tons. The area estimate for maize is 2 755 400 ha, while the expected yield is 5,89 t/ha.
- The three main maize producing areas, namely the Free State, Mpumalanga and North West provinces is expected to produce 84% of the 2021 crop.
- The area estimate for white maize is 1 691 900 ha and for yellow maize the area estimate is 1 063 500 ha.
- The production forecast of **white maize** is 8 608 815 tons, which is 0,72% or 61 315 tons more than the 8 547 500 tons of last season. The yield for white maize is 5,09 t/ha. In the case of **yellow maize** the production forecast is 7 625 450 tons, which is 12,93% or 872 950 tons more than the 6 752 500 tons of the previous season. The yield for yellow maize is 7,17 t/ha.
- The production forecast for **sunflower seed** is 677 240 tons, which is 14,11% or 111 260 tons less than the 788 500 tons of the previous season. The area estimate for sunflower seed is 477 800 ha, while the expected yield is 1,42 t/ha.
- The production forecast for **soybeans** is 1 890 450 tons, which is 51,78% or 644 950 tons more than the 1 245 500 tons of the previous season. The estimated area planted to soybeans is 827 100 ha and the expected yield is 2,29 t/ha.
- The expected **groundnut** crop is 59 950 tons – which is 19,71% or 9 870 tons more than the 50 080 tons of last season. For groundnuts, the area estimate is 38 550 ha, with an expected yield of 1,56 t/ha.
- The production forecast for **sorghum** increased by 35,22% or 55 645 tons, from 158 000 tons to 213 645 tons. The area estimate for sorghum is 49 200 ha and the expected yield is 4,34 t/ha.
- In the case of **dry beans**, the production forecast is 57 672 tons, which is 11,00% or 7 128 tons less than the 64 800 tons of the previous season. The area estimate of dry beans is 47 390 ha, with an expected yield of 1,22 t/ha.

Please note that the preliminary area planted estimate for summer field crops for 2022 will be released on 27 January 2022.

2.2 Winter cereal crops – 2021

The area planted and fourth production forecast of winter cereals for the 2021 production season was also released by the CEC on 25 November 2021, and is as follows:

Table 3: Commercial winter crops: Area planted and foruth production forecast: 2021 season

CROP	**Area planted 2021 Ha (A)**	**4th forecast 2021 Tons (B)**	Area planted 2020 Ha (C)	Final crop 2020 Tons (D)	Change % (B) ÷ (D)
Commercial:					
Wheat	**523 500**	**2 117 435**	509 800	2 120 000	-0,12
Malting barley	**94 730**	**339 800**	141 690	588 000	-42,21
Canola	**100 000**	**190 000**	74 120	165 200	15,01
Cereal oats	**36 250**	**80 450**	26 200	57 000	41,14
Sweet lupines	**22 000**	**30 800**	N/a	N/a	-

- The expected production of **wheat** is 2 117 435 tons, which is 0,12% or 2 565 tons less than the previous seasons' crop of 2,120 million tons, whilst the expected yield is 4,04 t/ha.
- The expected production in the Western Cape is 1 152 000 tons (54%), which is 49 000 tons more than the 1 103 000 tons produced in the previous season. In the Free State, the expected production is 346 500 tons (16%), which is 67 100 tons less than the previous seasons' crop of 413 600 tons. In the Northern Cape, 259 150 tons (12%) is expected to be produced – 12 800 tons less than the 271 950 tons produced in the previous season.
- The area estimate for wheat is 523 500 ha, which is 13 700 ha more than the 509 800 ha of the previous season. An estimated 360 000 ha or 69% is planted in the Western Cape, 70 000 ha or 13% in the Free State and 35 500 ha or 7% in the Northern Cape.
- The production forecast for **malting barley** is 339 800 tons, which is 42,21% or 248 200 tons less than the previous seasons' crop of 588 000 tons. The area planted is estimated at 94 730 ha, while the expected yield is 3,59 t/ha.
- The expected **canola crop** is 190 000 tons, which is 15,01% or 24 800 tons more than the previous seasons' crop of 165 200 tons. The area estimate for canola is 100 000 ha, with an expected yield of 1,90 t/ha.
- The expected crop for **oats (cereals)** for the 2021 season is 80 450 tons, which is 41,14% or 23 450 tons more than the 57 000 tons of the previous season. The area planted is 36 250 ha, while the expected yield is 2,22 t/ha.
- In the case of **sweet lupines,** the production forecast is 30 800 tons. The area estimate of sweet lupines is 22 000 ha, with an expected yield of 1,40 t/ha.

Please note that the area planted and fifth production forecast for winter cereals for 2021 will be released on 15 December 2021.

2.3 Non-commercial maize

The CEC released the area planted and production estimate of the non-commercial maize sector for the 2021 season on 28 July 2021.

Table 4: Non-commercial maize – 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	**276 100**	**445 335**	221 945	375 295	18,66
Yellow maize	**86 800**	**191 105**	75 515	168 250	13,58
Maize	**362 900**	**636 440**	297 460	543 545	17,09

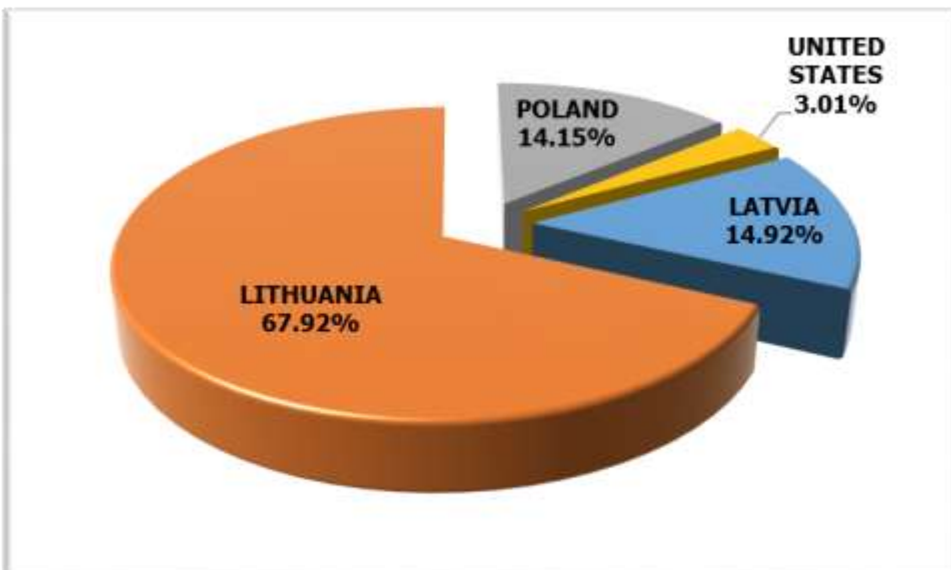
- The preliminary area planted to maize in the non-commercial agricultural sector is estimated at 362 900 ha, which represents an increase of 22,00%, compared to the 297 460 ha of the previous season. The expected maize crop for this sector is 636 440 tons, which is 17,09% more than the 543 545 tons of last season. It is important to note that about 53% of the maize produced in the non-commercial sector, is planted in the Eastern Cape, followed by KwaZulu-Natal with 23%.

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 NOV21 Annexure A.

3.1 Imports and exports of wheat for the 2021/22 marketing year

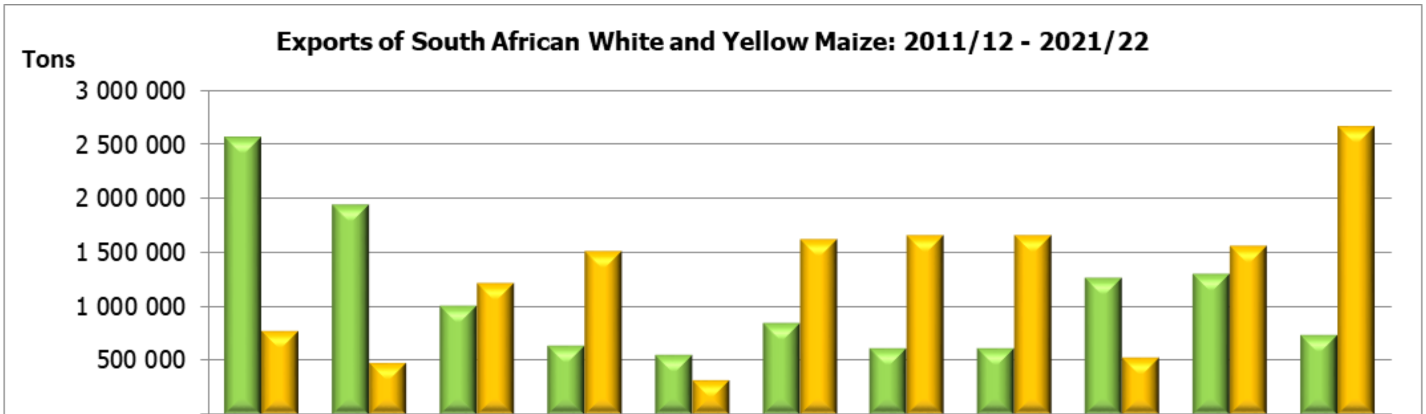
Graph 1: Major countries of wheat imports to South Africa: 2021/22 marketing year



- The progressive wheat imports (human consumption) for the 2021/22 marketing year (25 September to 26 November 2021) amount to 348 398 tons, with 67,92% or 236 640 tons from Lithuania, 14,92% or 51 973 tons from Latvia, 14,15% or 49 285 tons from Poland and only 3,01% or 10 500 tons from the United States. The exports of wheat (human consumption) for the above-mentioned period amount to 7 462 tons, of which 96,82% or 7 225 tons went to the BLNS countries (Botswana, Lesotho, Namibia and Eswatini (Swaziland)) and only 3,18% or 237 tons went to Zimbabwe.

3.2 Exports of South African white and yellow maize

Graph 2: Exports of South African white and yellow maize: 2011/12 - 2021/22

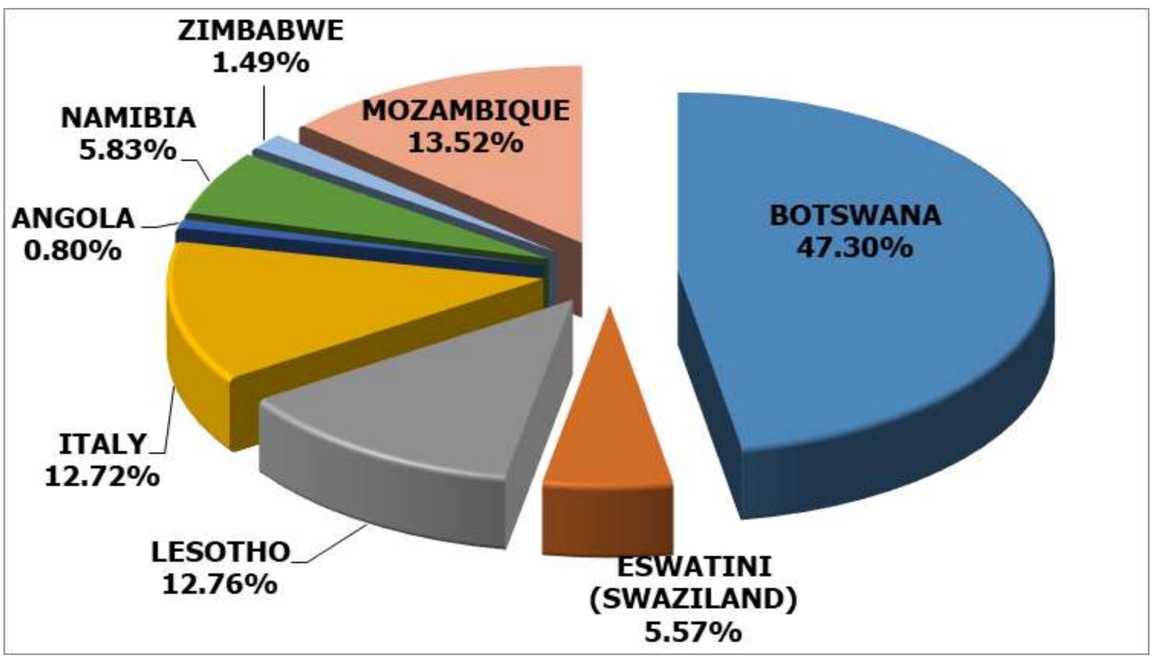


	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21*	2021/22*
White maize	2 575 000	1 946 000	1 008 923	640 807	557 063	851 969	617 000	616 651	1 275 446	1 304 475	740 000
Yellow maize	781 000	478 000	1 223 673	1 514 917	322 748	1 629 739	1 666 000	1 667 407	534 127	1 563 315	2 675 000

*Projection

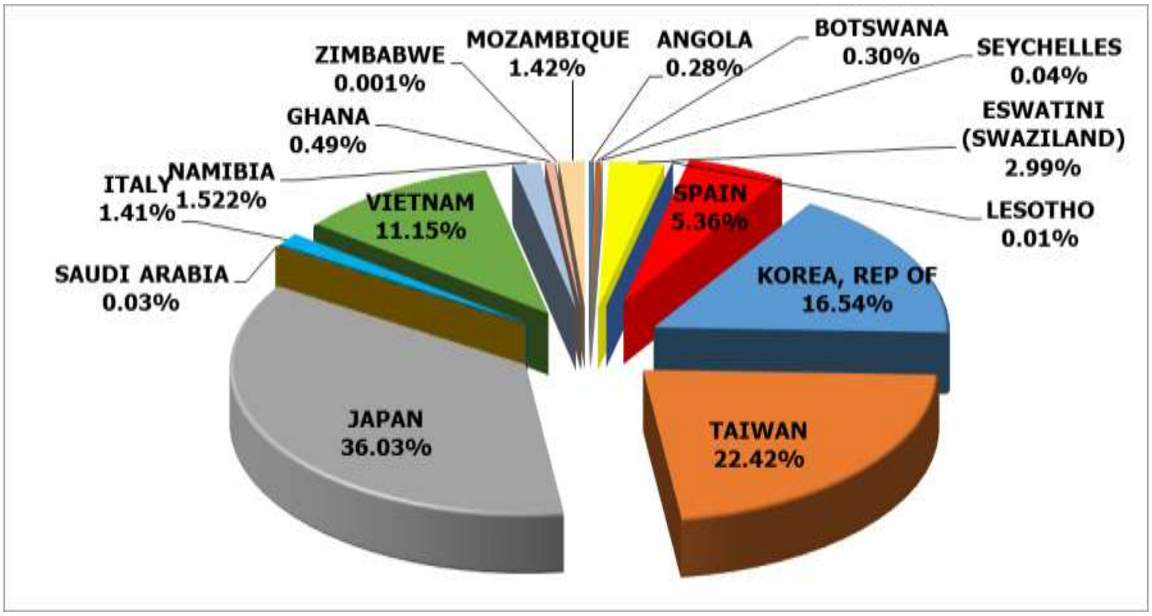
- The exports of white maize for the 2021/22 marketing year are projected at 740 000 tons, which represents a decrease of 43,27% or 564 475 tons compared to the 1,304 million tons of the previous marketing year. Yellow maize exports for the mentioned period are projected at 2,675 million tons, which represents an increase of 71,11% or 1,112 million tons compared to the 1,563 million tons of the previous marketing year.

Graph 3: Major countries of white maize exports from South Africa: 2021/22 marketing year



- From 1 May to 26 November 2021, progressive white maize exports for the 2021/22 marketing year amount to 309 998 tons, with the main destinations being Botswana (47,30% or 146 624 tons), followed by Mozambique (13,52% or 41 919 tons), Lesotho (12,76% or 39 553 tons), Italy (12,72% or 39 447 tons), Namibia (5,83% or 18 085 tons), Eswathini (Swaziland) (5,57% or 17 266 tons), Zimbabwe (1,49% or 4 616 tons), and Angola (0,80% of 2 488 tons). The imports of white maize for the mentioned period amount to 6 512 tons, all from Zambia.

Graph 4: Major countries of yellow maize exports from South Africa: 2021/22 marketing year



- From 1 May to 26 November 2021, progressive yellow maize exports for the 2021/22 marketing year amount to 1,929 million tons, with the main destinations being Japan (36,03% or 695 122 tons), followed by Taiwan (22,42% or 432 447 tons), Korea, Republic of (16,54% or 319 162 tons), Vietnam (11,15% or 215 058 tons), Spain (5,36% or 103 410 tons), Eswathini (Swaziland) (2,99% or 57 627 tons), Namibia (1,52% or 29 356 tons), Mozambique (1,42% or 27 434 tons), Italy (1,41% or 27 150 tons), Ghana (0,49% or 9 505 tons), Botswana (0,30% or 5 832 tons), Angola (0,28% or 5 441 tons), Seychelles (0,04% or 769 tons), Saudi Arabia (0,03% or 549 tons), Lesotho (0,01% or 265 tons) and Zimbabwe (0,001% or 27 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 5,0% in October 2021, unchanged from September 2021. The consumer price index increased by 0,2% month-on-month in October 2021.
- The main contributors to the 5,0% annual inflation rate were as follows:
  - Food and non-alcoholic beverages increased by 6,1% year-on-year, and contributed 1,1% to the total CPI annual rate of 5,0%;
  - Housing and utilities increased by 4,0% year-on-year, and contributed 1,0%;
  - Transport increased by 10,9% year-on-year, and contributed 1,5%; and
  - Miscellaneous goods and services increased by 4,3% year-on-year, and contributed 0,7%.
- In October the annual inflation rate for goods was 7,1%, unchanged from 7,1% in September; and for services it was 3,0%, up from 2,9% in September.

4.2 Producer Price Index (PPI)

- Annual producer price inflation (final manufacturing) was 8,1% in October 2021, up from 7,8% in September 2021. The producer price index increased by 0,7% month-on-month in October 2021.
- The main contributors to the headline PPI annual inflation rate were coke, petroleum, chemical, rubber and plastic products; food products, beverages and tobacco products, as well as metals, machinery, equipment and computing equipment
  - Coke, petroleum, chemical, rubber and plastic products increased by 17,5% year-on-year and contributed 3,4%;
  - Food products, beverages and tobacco products increased by 5,6% year-on-year and contributed 2,0%; and

  - Metals, machinery, equipment and computing equipment increased by 10,1% year-on-year and contributed 1,4%.
- The contributors to the headline PPI monthly increase were food products, beverages and tobacco products, which increased by 0,7% month-on-month and contributed 0,2%; coke, petroleum, chemical, rubber and plastic products, which increased by 0,9% month-on-month and contributed 0,2%; furniture and other manufacturing, which increased by 9,5% month-on-month and contributed 0,2%; and transport equipment, which increased by 0,8% month-on-month and contributed 0,1%.
- The annual percentage change in the PPI for electricity and water was 14,4% in October 2021 (compared with 23,3% in September 2021). The index decreased by 11,7% month-on-month. Electricity contributed 13,7% to the annual rate, and water contributed 0,7%. Electricity contributed -11,7% to the monthly rate.
- The annual percentage change in the PPI for mining was 4,8% in October 2021 (compared with 2,0% in September 2021). The index increased by 0,8% month-on-month. The main contributors to the annual rate were coal and gas (6,9%) and non-ferrous metal ores (3,7%). The main contributor to the monthly rate was coal and gas (3,4%). This increase was mainly counteracted by gold and other metal ores (-1,8%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 8,6% in October 2021 (compared with 9,6% in September 2021). The index increased by 4,5% month-on-month. The main contributor to the annual rate was agriculture (8,7%). The contributors to the monthly rate were agriculture (4,1%) and fishing (0,5%).

4.3 Future contract prices

Table 5: Closing prices on Friday, 3 December 2021

	3 December 2021	3 November 2021	% Change
RSA White Maize per ton (Dec. 2021 contract)	R3 485,00	R3 369,00	3,44
RSA Yellow Maize per ton (Dec. 2021contract)	R3 741,00	R3 603,00	3,83
RSA Wheat per ton (Dec. 2021contract)	R6 225,00	R5 940,00	4,80
RSA Sunflower seed per ton (Dec. 2021 contract)	R11 200,00	R10 850,00	3,22
RSA Soya-beans per ton (Dec. 2021 contract)	R7 619,00	R7 356,00	3,58
Exchange rate R/$	R15,97	R15,37	3,90

Source: JSE/SAFEX

4.4 Agricultural machinery sales

- September 2021 tractor sales of 724 units were almost 30% more than the 561 units sold in September 2020. Year-to-date tractor sales are now also almost 30% up on last year. Twenty-one combine harvesters were sold in September 2021, ten units more than the eleven units sold in September 2020. On a year-to-date basis combine harvester sales are now almost 30% up on last year.
- Market sentiment continues to be positive and commodity prices are holding up. The early rains have led to some farmers, particularly in the east, beginning to plant summer crops. Winter crop prospects are encouraging and this is reflected by good combine harvester sales in the Western Cape. Industry forecasts for the remainder of the year indicate that tractor sales for the 2021 calendar should be between 15 and 20% up on last year.

Table 6: Agricultural machinery sales

	Year-on-year		Percentage	Year-to-date		Percentage
	September		Change	September		Change
Equipment class	**2021**	**2020**	**%**	**2021**	**2020**	**%**
Tractors	724	561	29,06	5 382	4 155	29,53
Combine harvesters	21	11	90,91	197	152	29,61

Source: SAAMA press release, October 2021

PLEASE NOTE: The Food Security Bulletin for December 2021 will be released on **13 January 2022**.

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