MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA NOVEMBER 2022

Issued: 7 December 2022

Directorate: Statistics and Economic Analysis

Highlights:

- **During November, significant rainfall events were limited to the central and eastern parts of the country.**
- **The expected production of wheat for 2022 is 2,226 million tons, which is 2,6% 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 681 278 tons, which includes imports of 1,5 million tons. It is also 9,0% more than the previous years' ending stocks.**
- **The expected commercial maize crop for 2022 is 15,387 million tons, which is 5,7% less than the previous season' crop of 16,315 million tons.**
- **Projected closing stocks of maize for the current 2022/23 marketing year are 2,237 million tons, which is 5,3% more than the previous years' ending stocks.**
- **The projected closing stocks of sorghum for the current 2022/23 marketing year are 45 642 tons, which is 57,0% less than the previous years' ending stocks.**
- **The projected closing stocks of sunflower seed for current 2022/23 marketing year are 59 090 tons, which is 85,9% more than the previous years' ending stocks.**
- **The projected closing stocks of soybeans for the current 2022/23 marketing year are 193 287 tons, which is 14,8% more than the previous years' ending stocks.**
- **The annual percentage change in the CPI was higher at 7,6% in October 2022.**
- **The annual percentage change in the PPI for final manufactured goods was lower at 16,0% in October 2022.**
- **October 2022 tractor sales of 1 268 units were significantly (48%), more than the 856 units sold in October 2021. These sales are the highest monthly sales in the last 40 years.**

agriculture, land reform & rural development

Department: Agriculture, Land Reform and Rural Development

REPUBLIC OF SOUTH AFRICA

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1. Weather conditions

1.1 Rainfall for November 2022

During November, 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 November, rainfall received was above-normal mainly over the central parts of the country becoming normal towards the east (**Figure 2**). The western parts of the country received below-normal rainfall. (Source: Directorate: Climate Change and Disaster Management of Department: Agriculture, Land Reform and Rural Development)

Figure 1: Rainfall (mm) for November 2022

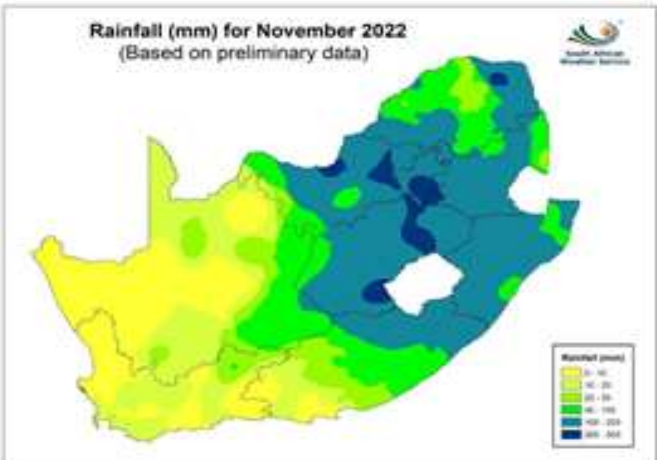
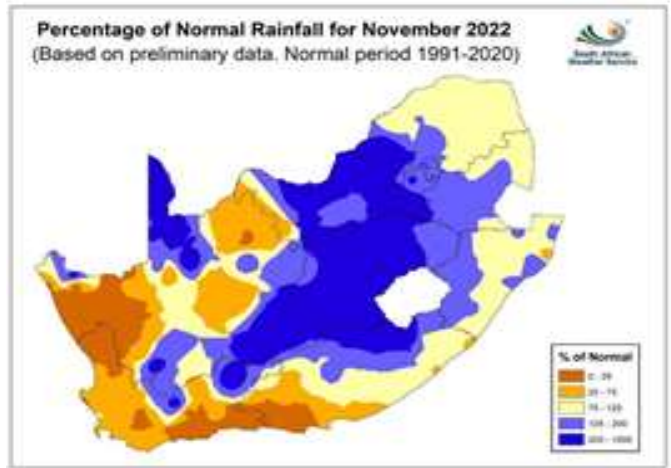


Figure 2: Percentage rainfall for November 2022



1.2 Level of dams

Available information on the level of South Africa's dams on 5 December 2022 indicates that the country has approximately 92% of its full supply capacity (FSC) available, which is 13% more than the corresponding period in 2021. The dam levels in Eastern Cape (21%), KwaZulu-Natal (17%), Mpumalanga (16%), Free State and Limpopo (10% each), North West (8%), Gauteng (2%) and Northern Cape (1%) provinces, all show improvements in the full supply capacity as compared to 2021. However, the Western Cape Province show a 18% decrease in the full supply capacity as compared to 2021. 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 December 2022

Province	Net FSC million cubic meters	**05/12/2022 (%)**	Last Year (2021) (%)	% Increase/Decrease 2022 vs. 2021
Eastern Cape	1 729	75	54	21,0
Free State	15 657	100	90	10,0
Gauteng	128	101	99	2,0
KwaZulu-Natal	4 910	83	66	17,0
Kingdom of Lesotho	2 363	100	63	37,0
Limpopo	1 480	85	75	10,0
Mpumalanga	2 539	93	77	16,0
North West	867	79	71	8,0
Northern Cape	146	99	98	1,0
Kingdom of Eswatini	334	100	89	11,0
Western Cape	1 866	62	80	-18,0
Total	**32 019**	**92**	**79**	**13,0**

Source: Department of Water and Sanitation

2. Grain production

2.1 Summer grain crops - 2022

The area planted and final production estimate of summer grains for the 2022 season was released by the Crop Estimates Committee (CEC) on 29 November 2022, and is as follows:

Table 2: Commercial summer crops: Area planted and final production estimate - 2022 season

CROP	**Area planted 2022 Ha (A)**	**Final estimate 2022 Tons (B)**	Area planted 2021 Ha (C)	Final crop 2021 Tons (D)	Change % (B) ÷ (D)
Commercial:					
White maize	**1 575 000**	**7 789 750**	1 691 900	8 600 000	-9,42
Yellow maize	**1 048 000**	**7 597 450**	1 063 500	7 715 000	-1,52
Total Maize	**2 623 000**	**15 387 100**	2 755 400	16 315 000	-5,69
Sunflower seed	**670 700**	**845 550**	477 800	678 000	24,71
Soybeans	**925 300**	**2 201 000**	827 100	1 897 000	16,03
Groundnuts	**43 400**	**49 000**	38 550	64 300	-23,79
Sorghum	**37 200**	**103 140**	49 200	215 000	-52,03
Dry beans	**42 900**	**52 590**	47 390	57 672	-8,81
TOTAL	**4 342 500**	**18 638 480**	4 195 440	19 226 972	-3,06

Note: Estimate is for calendar year, e.g. production season 2021/22 = 2022

- The size of the expected **commercial maize crop** has been set at 15 387 200 tons, which is 5,69% or 927 800 tons less than the previous season of 16 315 000 tons. The area estimate for maize is 2 623 000 ha, while the expected yield is 5,87 t/ha.
- The three main maize producing areas, namely the Free State, Mpumalanga and North West provinces are expected to produce 82% of the 2022 crop.
- The area estimate for white maize is 1 575 000 ha and for yellow maize the area estimate is 1 048 000 ha.
- The production forecast of **white maize** is 7 789 750 tons, which is 9,42% or 810 250 tons less than the 8 600 000 tons of the previous season. The yield for white maize is 4,95 t/ha. In the case of **yellow maize** the production forecast is 7 597 450 tons, which is 1,52% or 117 550 tons less than the 7 715 000 tons of the previous season. The yield for yellow maize is 7,25 t/ha.
- The production forecast for **sunflower seed** is 845 550 tons, which is 24,71% or 167 550 tons more than the previous season's crop of 678 000 tons. The area estimate for sunflower seed is 670 700 ha, while the expected yield is 1,26 t/ha.
- The production forecast for **soybeans** is 2 201 000 tons, which is 16,03% or 304 000 tons more than the 1 897 000 tons of the previous season. The estimated area planted to soybeans is 925 300 ha and the expected yield is 2,38 t/ha.
- The expected **groundnut** crop has been set at 49 000 tons, which is 23,79% or 15 300 tons less than the previous season of 64 300 tons. For groundnuts, the area estimate is 43 400 ha, with an expected yield of 1,13 t/ha.
- The production forecast for **sorghum** is 103 140 tons, which is 52,03% or 111 860 tons less than the 215 000 tons of the previous season. The area estimate for sorghum is 37 200 ha and the expected yield is 2,77 t/ha.
- The production forecast for **dry beans** is 52 590 tons, which is 8,81% or 5 082 tons less than the 57 672 tons of the previous season. The area estimate of dry beans is 42 900 ha, with an expected yield of 1,23 t/ha.

Please note that the preliminary area estimate for summer field crops for 2023 will be released on 26 January 2023.

2.2 Winter cereal crops - 2022

The area planted and fourth production forecast for winter crops for the 2022 production season was also released by the CEC on 29 November 2022, and is as follows:

Table 3: Commercial winter crops: Area planted and fourth production forecast - 2022 season

CROP	**Area planted 2021 Ha (A)**	**4th forecast 2022 Tons (B)**	Area planted 2021 Ha (C)	Final estimate 2021 Tons (D)	Change % (B) ÷ (D)
Wheat	**566 800**	**2 225 895**	523 500	2 285 000	-2,59
Barley*	**101 000**	**356 850**	94 730	334 000	6,84
Canola	**123 510**	**210 530**	100 000	198 100	6,27
Oats*	**27 000**	**37 700**	36 250	59 000	-36,10
Sweet lupines	**21 000**	**16 800**	22 000	28 600	-41,26
TOTAL	**839 310**	**2 847 775**	776 480	2 904 700	-1,96

* 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 2,226 million tons, which is 2,59% or 59 105 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 3,93 t/ha.
- The production forecast for **barley** is 356 850 tons, which is 6,84% or 22 850 tons more than the previous seasons' crop of 334 000 tons. The area planted is estimated at 101 000 ha, while the expected yield is 3,53 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 37 700 tons and the area planted is 27 000 ha. The expected yield is 1,40 t/ha.
- In the case of **sweet lupines,** the production forecast is 16 800 tons. The area estimate of sweet lupines is 21 000 ha, with an expected yield of 0,80 t/ha.

Please note that the area planted estimate and fifth production forecast of winter crops for 2022 will be released on 21 December 2022.

2.3 Non-commercial maize - 2022

The CEC also release the area planted and production estimate of the non-commercial maize sector for the 2022 season on 26 May 2022.

Table 4: Non-commercial maize: Area planted and production estimate - 2022 season

CROP	**Area planted 2022 Ha (A)**	**Production 2022 Tons (B)**	Area planted 2021 Ha (C)	Final crop 2021 Tons (D)	Change % (B) ÷ (D)
Non-commercial agriculture:					
White maize	**296 950**	**482 000**	276 100	445 335	8,23
Yellow maize	**81 850**	**185 000**	86 800	191 105	-3,19
Maize	**378 800**	**667 000**	362 900	636 440	4,80

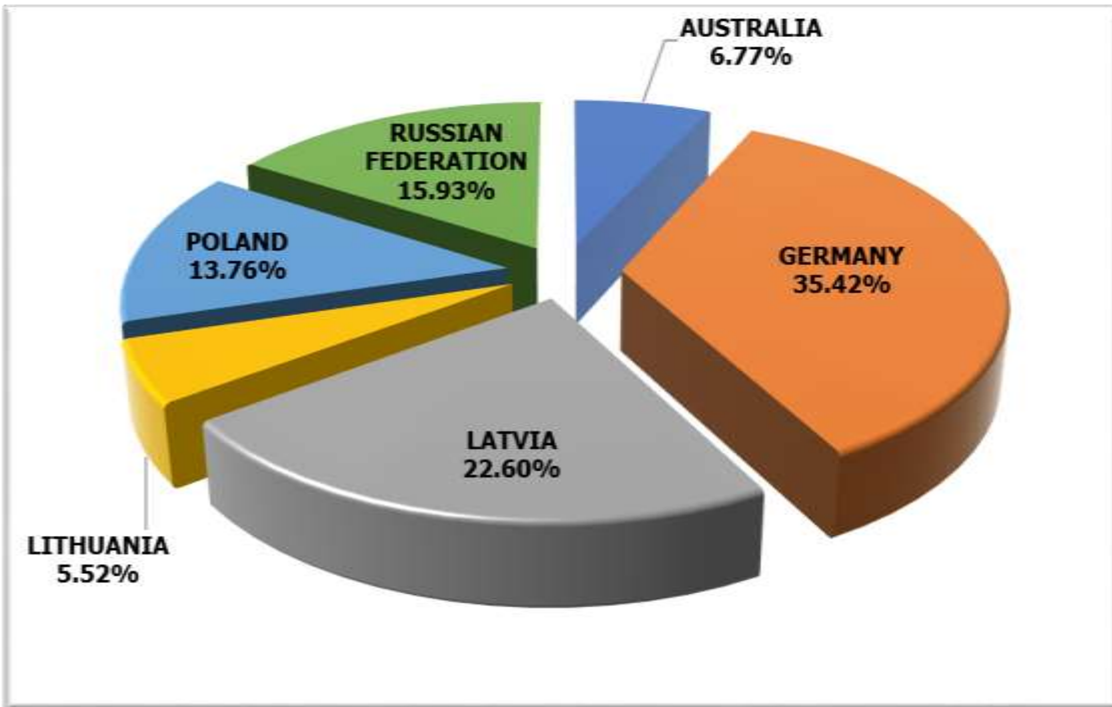
- The area planted to maize in the non-commercial agricultural sector is estimated at 378 800 ha, which represents an increase of 4,38%, compared to the 362 900 ha of the previous season. The expected maize crop for this sector is 667 000 tons, which is 4,80% more than the 636 440 tons of last season. It is important to note that about 47% of the maize produced in the non-commercial sector, is planted in the Eastern Cape, followed by KwaZulu-Natal with 22%.

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 NOV22 Annexure A.

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

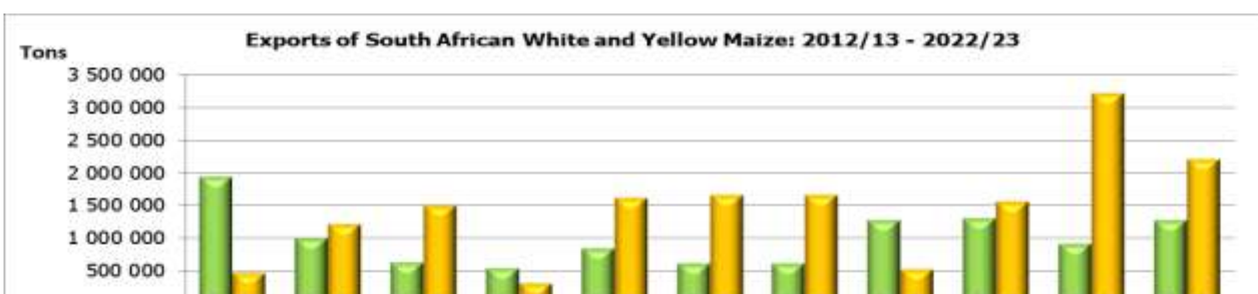
Graph 1: Major countries of wheat imports to South Africa: 2022/23 marketing year



- The progressive wheat imports (human consumption) for the 2022/23 marketing year (1 October to 25 November 2022) amount to 340 385 tons, with 35,42% or 120 567 tons from Germany, followed by 22,60% or 76 921 tons from Latvia, 15,93% or 54 221 tons from the Russian Federation, 13,76% or 46 843 tons from Poland, 6,77% or 23 058 tons from Australia and only 5,52% or 18 775 tons from Lithuania. The exports of wheat (human consumption) for the the above-mentioned period amount to 27 560 tons, of which 76,89% or 21 192 tons went to the BLNS countries (Botswana, Lesotho, Namibia and Eswatini (Swaziland)) and only 23,11% or 6 368 tons went to Zimbabwe.

3.2 Exports of South African white and yellow maize

Graph 2: Exports of South African white and yellow maize: 2012/13 - 2022/23 marketing year

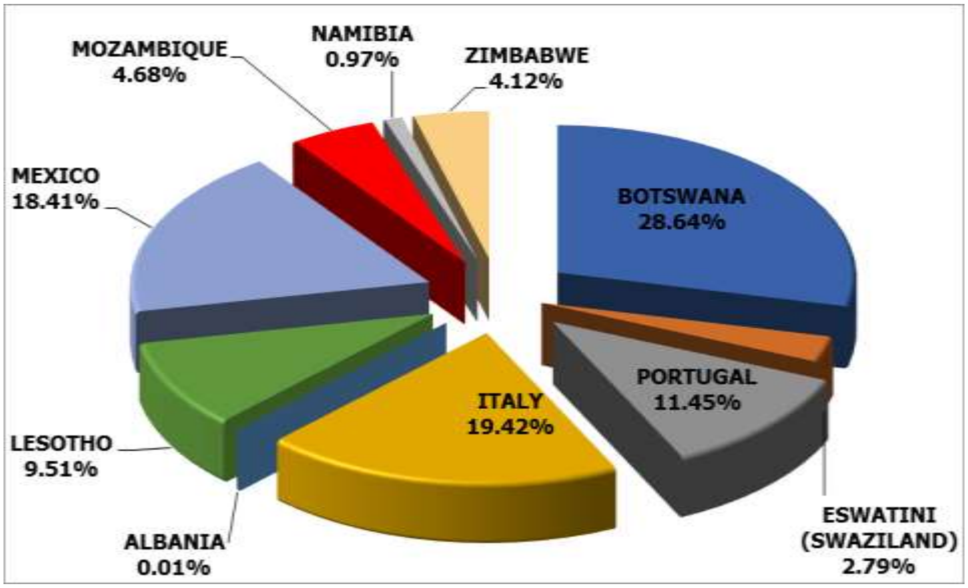


	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23*
White maize	1 946 000	1 008 923	640 807	557 063	851 969	617 000	616 651	1 275 446	1 304 475	924 434	1 275 000
Yellow maize	478 000	1 223 673	1 514 917	322 748	1 629 739	1 666 000	1 667 407	534 127	1 563 315	3 210 777	2 220 000

*Projection

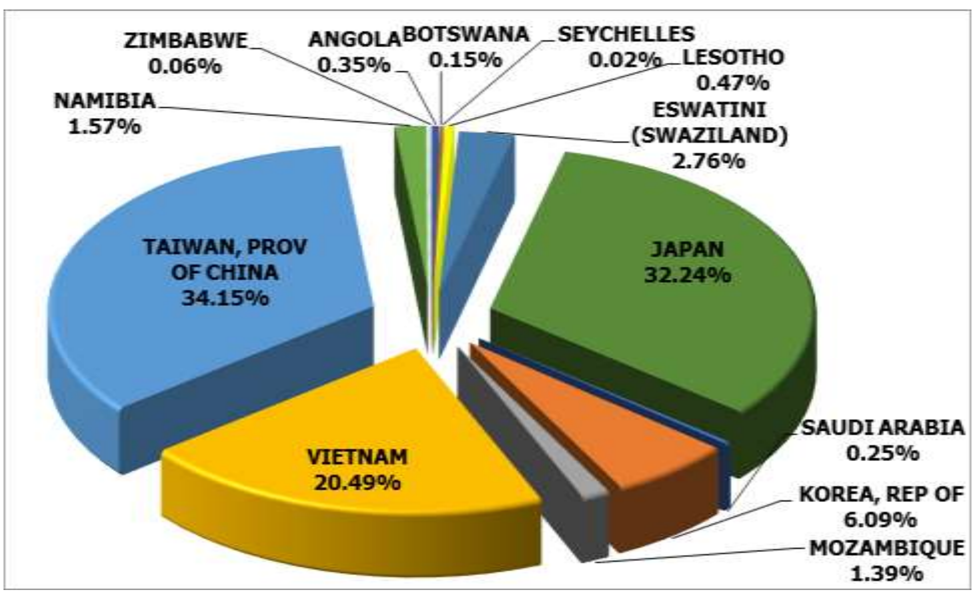
- The exports of white maize for the 2022/23 marketing year are projected at 1,275 million tons, which represents an increase of 37,92% or 350 566 tons compared to the 924 434 tons of the previous marketing year. Yellow maize exports for the mentioned period are projected at 2,220 million tons, which represents a decrease of 30,86% or 990 777 tons compared to the 3,211 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 to 25 November 2022, progressive white maize exports for the 2022/23 marketing year amount to 458 519 tons, with the main destinations being Botswana (28,64% or 131 341 tons), followed by Italy (19,42% or 89 060 tons), Mexico (18,41% or 84 400 tons), Portugal (11,45% or 52 500 tons), Lesotho (9,51% or 43 611 tons), Mozambique (4,68% or 21 463 tons), Zimbabwe (4,12% or 18 872 tons), Eswathini (Swaziland) (2,79% or 12 786 tons), Namibia (0,97% or 4 444 tons) and Albania (0,01% 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 to 25 November 2022, progressive yellow maize exports for the 2022/23 marketing year amount to 1,721 million tons, with the main destinations being Taiwan (34,15% or 587 798 tons), followed by Japan (32,24% or 555 000 tons), Vietnam (20,49% or 352 689 tons), Korea, Republic of (6,09% or 104 797 tons), Eswathini (Swaziland) (2,76% or 47 575 tons), Namibia (1,57% or 27 055 tons), Mozambique (1,39% or 23 861 tons), Lesotho (0,47% or 8 143 tons), Angola (0,35% or 5 983 tons), Saudi Arabia (0,25% or 4 387 tons), Botswana (0,15% or 2 544 tons), Zimbabwe (0,06% or 1 079 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 7,6% in October 2022, up from 7,5% in September 2022. The consumer price index increased by 0,4% month-on-month in October 2022.
- The main contributors to the 7,6% annual inflation rate were:
  - Food and non-alcoholic beverages increased by 12,0% year-on-year, and contributed 2,1% to the total CPI annual rate of 7,6%;
  - Housing and utilities increased by 4,3% year-on-year, and contributed 1,1%;
  - Transport increased by 17,1% year-on-year, and contributed 2,4%; and
  - Miscellaneous goods and services increased by 4,8% year-on-year, and contributed 0,7%.
- In October the annual inflation rate for goods was 10,5%, down from 10,7% in September; and for services it was 4,6%, up from 4,3% in September.

4.2 Producer Price Index (PPI)

- Annual producer price inflation (final manufacturing) was 16,0% in October 2022, down from 16,3% in September 2022. The producer price index increased by 0,4% month-on-month in October 2022.
- The main contributors to the headline PPI annual inflation rate were:
  - Coke, petroleum, chemical, rubber and plastic products increased by 31,8% year-on-year and contributed 8,0%;
  - Food products, beverages and tobacco products increased by 11,4% year-on-year and contributed 2,9%;
  - Metals, machinery, equipment and computing equipment increased by 11,6% year-on-year and contributed 1,7%; and
  - Paper and printed products increased by 18,8% year-on-year and contributed 1,6%.
- The main contributor to the headline PPI monthly increase was paper and printed products, which increased by 6,7% month-on-month and contributed 0,5%.
- The annual percentage change in the PPI for intermediate manufactured goods was 11,2% in October 2022 (compared with 13,7% in September 2022). The index decreased by 1,0% month-on-month. The main contributors to the annual rate were basic and fabricated metals (6,1%); chemicals, rubber and plastic products (3,9%); and sawmilling and wood (1,1%). The main contributor to the monthly rate was basic and fabricated metals (-1,6%).
- The annual percentage change in the PPI for electricity and water was 10,1% in October 2022 (compared with -1,0% in September 2022). The index decreased by 1,8% month-on-month. Electricity contributed 8,9% to the annual rate and water contributed 1,1%. Electricity contributed -1,8% to the monthly rate.
- The annual percentage change in the PPI for mining was 27,2% in October 2022 (compared with 30,1% in September 2022). The index decreased by 1,5% month-on-month. The main contributors to the annual rate were coal and gas (16,7%); non-ferrous metal ores (7,8%); and gold and other metal ores (1,8%). The main contributor to the monthly rate was coal and gas (-1,7%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 14,7% in October 2022 (compared with 16,0% in September 2022). The index increased by 3,4% month-on-month. The main contributors to the annual rate were agriculture (12,4%) and fishing (1,7%). The contributor to the monthly rate was agriculture (3,3%).

4.3 Future contract prices

Table 5: Closing prices on Wednesday, 7 December 2022

	7 December 2022	7 November 2022	% Change
RSA White Maize per ton (Dec. 2022 contract)	R4 904,00	R5 303,00	-7,52
RSA Yellow Maize per ton (Dec. 2022 contract)	R4 758,00	R5 162,00	-7,83
RSA Wheat per ton (Dec. 2022 contract)	R6 663,00	R7 210,00	-7,59
RSA Sunflower seed per ton (Dec. 2022 contract)	R10 750,00	R12 061,00	-10,87
RSA Soya-beans per ton (Dec. 2022 contract)	R10 500,00	R10 871,00	-3,41
Exchange rate R/$	R17,32	R17,85	-2,97

Source: JSE/SAFEX

4.4 Agricultural machinery sales

- October 2022 tractor sales of 1 268 units were significantly (48%), more than the 856 units sold in October 2021. These sales are the highest monthly sales in the last 40 years. Year-to-date tractor sales are now approximately 20% up on last year. Thirty-four combine harvesters were sold in October 2022, eleven units less than the 45 units sold in October 2021. On a year-to-date basis combine harvester sales are now almost 33% up on last year.
- With a favourable start to the summer rainfall season and better than expected winter crops, sentiment in the market remains good. This trend in sales should continue in the short term, at least into early 2023. Thereafter, with the inevitable higher equipment prices and input costs, initial predictions are that sales will stabilize. Future commodity prices will also have an important influence on sales.
- Expectations are that tractor sales for the 2022 calendar year will be of the order of 9 000 units and combine harvester sales 350 units.

Table 6: Agricultural machinery sales

Equipment class	Year-on-year October 2022	Year-on-year October 2021	Percentage Change %	Year-to-date October 2022	Year-to-date October 2021	Percentage Change %
Tractors	1 268	856	48,13	7 747	6 466	19,81
Combine harvesters	34	45	-24,44	324	244	32,79

Source: SAAMA press release, November 2022

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