MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA SEPTEMBER 2023

Issued: 10 October 2023

Directorate: Statistics and Economic Analysis

Highlights:

- **During September 2023, significant rainfall events were confined to the south-western parts of the country, the eastern regions of Limpopo and Mpumalanga, as well as the south coast of KwaZulu-Natal.**
- **The projected closing stocks of wheat for the past 2022/23 marketing year are 568 383 tons, which includes imports of 1,7 million tons. It is also 9,1% less than the previous years' ending stocks.**
- **The expected production of wheat is 2,131 million tons, which is 1,01% more than the previous seasons' crop of 2,110 million tons.**
- **The projected closing stocks of wheat for the current 2023/24 marketing year are 504 658 tons, which includes imports of 1,600 million tons. It is also 11,2% less than the previous years' ending stocks.**
- **The expected commercial maize crop for 2023 is 16,395 million tons, which is 6,0% more than the 15,470 million tons for the previous season.**
- **Projected closing stocks of maize for the current 2023/24 marketing year are 2,816 million tons, which is 44,1% more than the previous years' ending stocks.**
- **The projected closing stocks of sorghum for the current 2023/24 marketing year are 24 936 tons, which is 46,9% less than the previous years' ending stocks.**
- **The projected closing stocks of sunflower seed for current 2023/24 marketing year are 69 157 tons, which is 5,9% less than the previous years' ending stocks.**
- **The projected closing stocks of soybeans for the current 2023/24 marketing year are 434 147 tons, which is 152,6% more than the previous years' ending stocks.**
- **The annual percentage change in the CPI was higher at 4,8% in August 2023.**
- **The annual percentage change in the PPI for final manufactured goods was higher at 4,3% in August 2023.**
- **September 2023 tractor sales of 715 units were 8% less than the 777 units sold in September last year.**

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 September 2023

During September 2023, significant rainfall events were confined to the south-western parts of the country, the eastern regions of Limpopo and Mpumalanga, as well as the south coast of KwaZulu-Natal (**Figure 1**). Comparing rainfall totals to the long-term average for September, rainfall received was above-normal mainly in the south-western parts of the country. The eastern parts of Limpopo and Mpumalanga also received above-normal rainfall. The remainder of the country received below-normal rainfall (**Figure 2**). (Source: Directorate: Climate Change and Disaster Management of Department: Agriculture, Land Reform and Rural Development)

Figure 1: Rainfall (mm) for September 2023

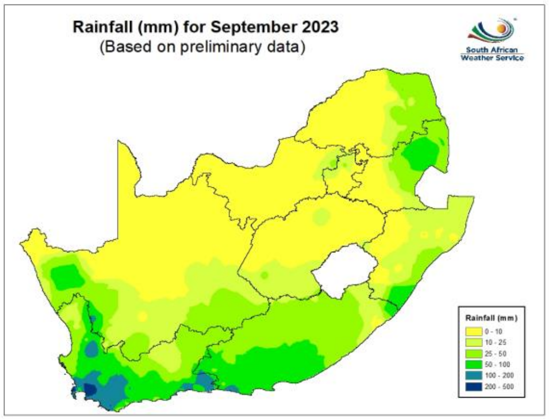
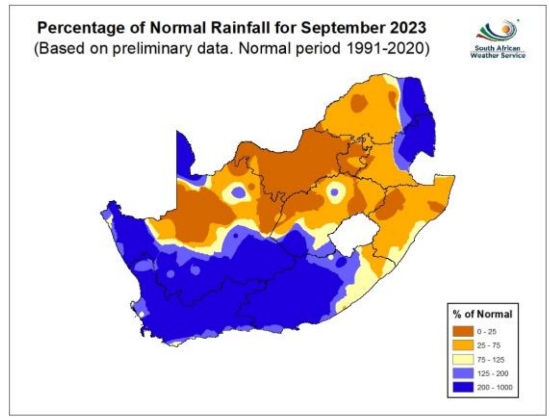


Figure 2: Percentage rainfall for September 2023



1.2 Level of dams

Available information on the level of South Africa's dams on 9 October 2023 indicates that the country has approximately 91% of its full supply capacity (FSC) available, which is 2,0% more as compared to the corresponding period in 2022. The dam levels in the Western Cape (22%), Eastern Cape (11%), North West (9%), Mpumalanga (3%) and KwaZulu-Natal provinces (1%) all show improvements in the full supply capacity as compared to 2022. However, the Northern Cape (-5%), Free State (-1%) and Limpopo provinces (-1%), all show decreases in full supply capacity, while the Gauteng 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, 9 October 2023

Province	Net FSC million cubic meters	**09/10/2023 (%)**	Last Year (2022) (%)	% Increase/Decrease 2023 vs. 2022
Eastern Cape	1 729	84	73	11,0
Free State	15 657	94	95	-1,0
Gauteng	128	96	96	-
Kindom of Lesotho*	2 363	88	87	1,0
Kingdom of Eswatini*	334	96	95	1,0
KwaZulu-Natal	4 910	85	84	1,0
Limpopo	1 480	83	84	-1,0
Mpumalanga	2 539	93	90	3,0
North West	867	82	73	9,0
Northern Cape	147	89	94	-5,0
Western Cape	1 868	95	73	22,0
Total	**32 022**	**91**	**89**	**2,0**

Source: Department of Water and Sanitation

2. Grain production

2.1 Summer grain crops - 2023

The revised area planted estimate and eighth production forecast of summer grains for the 2023 season was released by the Crop Estimates Committee (CEC) on 27 September 2023, and is as follows:

Table 2: Commercial summer crops: Area planted and 8th production forecast - 2023 season

CROP	**Area planted 2023 Ha (A)**	**8th forecast 2023 Tons (B)**	Area planted 2022 Ha (C)	Final estimate 2022 Tons (D)	Change % (B) ÷ (D)
Commercial:					
White maize	**1 521 300**	**8 499 965**	1 575 000	7 850 000	8,28
Yellow maize	**1 064 800**	**7 895 260**	1 048 000	7 620 000	3,61
Total Maize	**2 586 100**	**16 395 225**	2 623 000	15 470 000	5,98
Sunflower seed	**555 700**	**729 110**	670 700	845 550	-13,77
Soybeans	**1 148 300**	**2 755 300**	925 300	2 230 000	23,56
Groundnuts	**31 300**	**51 910**	43 400	48 500	7,03
Sorghum	**34 000**	**94 360**	37 200	103 140	-8,51
Dry beans	**36 650**	**50 260**	42 900	52 590	-4,43
TOTAL	**4 392 050**	**20 076 165**	4 342 500	18 749 780	7,07

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

- The 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 16 395 225 tons, which is 5,98% or 925 225 tons more than the 15 470 000 tons of the previous season (2022). The yield for maize is 6,34 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 8 499 965 tons, which is 8,28% or 649 965 tons more than the 7 850 000 tons of last season. The yield for white maize is 5,59 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 7 895 260 tons, which is 3,61% or 275 260 tons more than the 7 620 000 tons of last season. The yield for yellow maize is 7,41 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 729 110 tons, which is 13,77% or 116 440 tons less than the 845 550 tons of the previous season. The expected yield is 1,31 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 51 910 tons – which is 7,03% or 3 410 tons more than the 48 500 tons of last season. The expected yield is 1,66 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 94 630 tons, which is 8,51% or 8 780 tons less than the 103 140 tons of the previous season. The expected yield is 2,78 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 50 260 tons, which is 4,43% or 2 330 tons less than the 52 590 tons of the previous season. The expected yield is 1,37 t/ha.

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

2.2 Winter cereal crops – 2022

The revised area estimate and second production forecast for winter cereals for the 2023 season was also released by the Crop Estimates Committee (CEC) on 27 September 2023, and is as follows

Table 3: Commercial winter cereals: 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:					
Wheat	**537 950**	**2 131 375**	566 800	2 110 000	1,01
Malting barley*	**107 600**	**389 920**	101 000	302 000	29,11
Canola	**131 200**	**230 950**	123 510	210 000	9,98
Cereal oats*	**27 500**	**51 050**	27 000	27 550	85,30
Sweet lupines	**16 000**	**19 200**	21 000	15 750	21,90
Total winter cereals	**820 250**	**2 822 495**	839 310	2 665 300	5,90

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

- The area estimate for **wheat** is 537 950 ha, which is 5,09% or 28 850 ha less than the 566 800 ha planted for the previous season. The expected production of wheat is 2 131 375 tons, which is 1,01% or 21 375 tons more than the previous seasons' crop of 2 110 000 tons, whilst the expected yield is 3,96 t/ha.
- The area estimate for **barley** is 107 600 ha, which is 6,53% or 6 600 ha more than the 101 000 ha of last season. The production forecast for **barley** is 389 920 tons, which is 29,11% or 87 920 tons more than the previous seasons' crop of 302 000 tons. The expected yield is 3,62 t/ha.
- The area planted to **canola** is 131 200 ha, which is 6,23% or 7 690 ha more than the 123 510 ha planted for the previous season. The expected **canola crop** is 230 950 tons, which is 9,98% or 20 950 tons more than the previous seasons' crop of 210 000 tons. The expected yield is 1,76 t/ha.
- The expected crop for **oats** for the 2023 season is 51 050 tons and the area planted is 27 500 ha. The expected yield is 1,86 t/ha. In the case of **sweet lupines,** the production forecast is 19 200 tons. The area estimate of sweet lupines is 16 000 ha, with an expected yield of 1,20 t/ha.

Please note that the third production forecast for winter cereals for 2023 will be released on 26 October 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

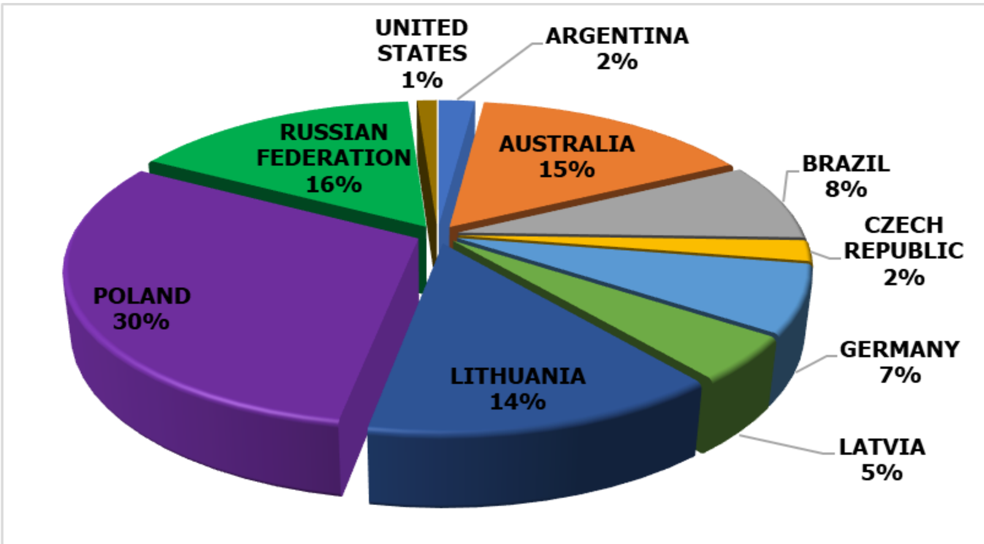
- The preliminary area planted to maize in the non-commercial agricultural sector is estimated at 358 620 ha, which represents a decrease of 5,33%, compared to the 378 800 ha of the previous season. The expected maize crop for this sector is 664 040 tons, which is 0,44% less than the 667 000 tons of 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 SEP23 Annexure A.

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

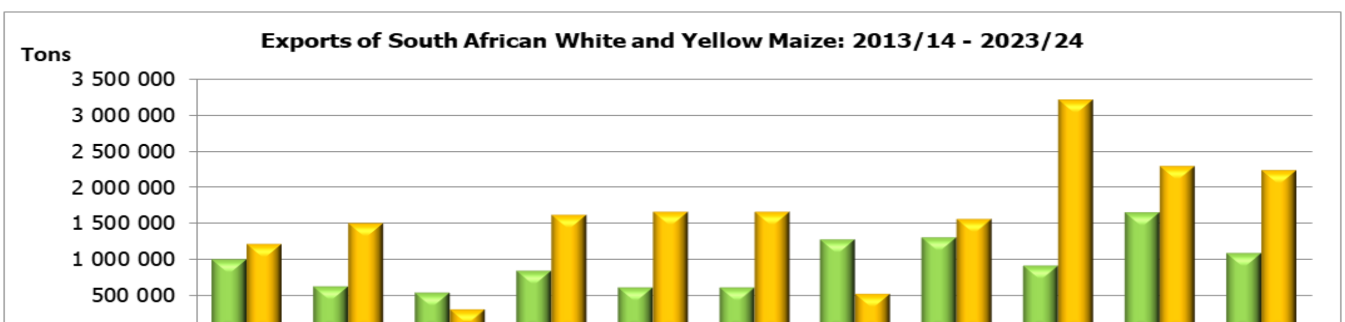
Graph 1: Major countries of wheat imports to South Africa: 2022/23 marketing year



- The progressive wheat imports (human consumption) for the 2022/23 marketing year (1 October 2022 to 29 September 2023) amount to 1,692 million tons, with 30,14% or 510 114 tons from Poland, followed by 15,48% or 262 037 tons from Australia, 15,89% or 268 846 tons from the Russian Federation, 13,76% or 232 887 tons from Lithuania, 8,03% or 135 833 tons from Brazil, 6,94% or 117 449 tons from Germany, 4,54% or 76 832 tons from Latvia, 2,13% or 36 056 tons from Czech Republic, 1,99% or 33 719 tons from Argentina and only 1,10% or 18 547 tons from the United States. The exports of wheat (human consumption) for the above-mentioned period amount to 253 214 tons, of which 48,67% or 123 232 tons went to the BLNS countries (Botswana, Lesotho, Namibia and Eswatini (Swaziland)), 33,27% or 84 240 tons went to Zimbabwe and only 18,06% or 45 742 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

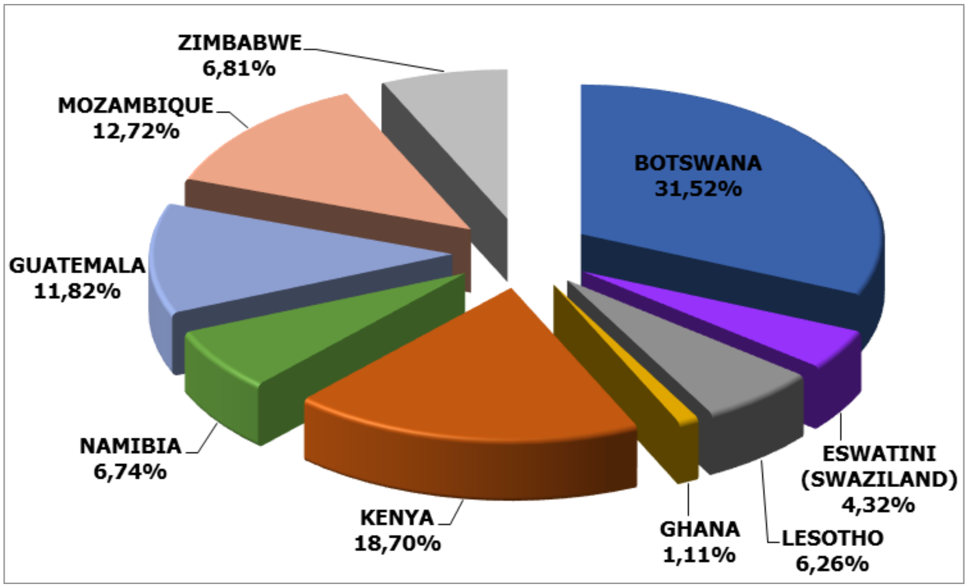


	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23*	2023/24*
White maize	1 008 923	640 807	557 063	851 969	617 000	616 651	1 275 446	1 304 475	924 434	1 654 525	1 090 000
Yellow maize	1 223 673	1 514 917	322 748	1 629 739	1 666 000	1 667 407	534 127	1 563 315	3 210 777	2 295 281	2 240 000

*Projection

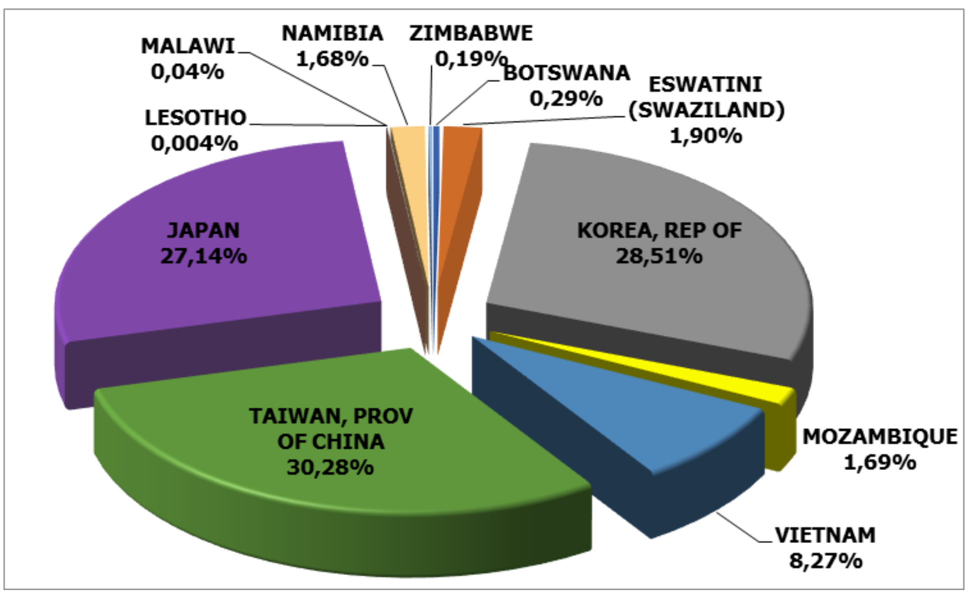
- The exports of white maize for the 2023/24 marketing year are projected at 1,090 million tons, which represents a decrease of 34,12% or 564 525 tons compared to the 1,654 million tons of the previous marketing year. Yellow maize exports for the mentioned period are projected at 2,240 million tons, which represents a decrease of 2,41% or 55 281 tons compared to the 2,295 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 29 September 2023, progressive white maize exports for the 2023/24 marketing year amount to 361 829 tons, with the main destinations being Botswana (31,52% or 114 052 tons), followed by Kenya (18,70% or 67 649 tons), Mozambique (12,72% or 46 020 tons), Guatemala (11,82% or 42 770 tons), Zimbabwe (6,81% or 24 640 tons), Namibia (6,74% or 24 400 tons), Lesotho (6,26% or 22 663 tons), Eswathini (Swaziland) (4,32% or 15 617 tons) and Ghana (1,11% or 4 018 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 29 September 2023, progressive yellow maize exports for the 2022/23 marketing year amount to 1,529 million tons, with the main destinations being Taiwan (30,28% or 463 086 tons), followed by Republic of Korea (28,51% or 436 041 tons), Japan (27,14% or 415 162 tons), Vietnam (8,27% or 126 555 tons), Eswathini (Swaziland) (1,90% or 28 986 tons), Mozambique (1,69% or 25 914 tons), Namibia (1,68% or

25 627 tons), Botswana (0,29% or 4 474 tons), Zimbabwe (0,19% or 2 960 tons), Malawi (0,040% or 618 tons) and Lesotho (0,004% or 63 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 4,8% in August 2023, up from 4,7% in July 2023. The CPI increased by 0,3% month-on-month in August 2023.
- The main contributors to the 4,8% annual inflation rate were:
  - Food and non-alcoholic beverages (increased by 8,0% year-on-year and contributed 1,4%);
  - Housing and utilities (increased by 5,5% year-on-year and contributed 1,3%); and
  - Miscellaneous goods and services (increased by 6,2% year-on-year and contributed 0,9%).
- In August the annual inflation rate for goods was 5,6%, up from 5,5% in July; and for services it was 4,0%, unchanged from July.

4.2 Producer Price Index (PPI)

- Annual producer price inflation (final manufacturing) was 4,3% in August 2023, up from 2,7% in July 2023. The producer price index (PPI) increased by 1,0% month-on-month in August 2023.
- The main contributors to the headline PPI annual inflation rate were:
  - Metals, machinery, equipment and computing equipment (increased by 10,1% year-on-year and contributed 1,4%);
  - Food products, beverages and tobacco products (increased by 4,9% year-on-year and contributed 1,3%); and
  - Paper and printed products (increased by 13,4% year-on-year and contributed 1,1%).
- The main contributor to the headline PPI monthly increase was coke, petroleum, chemical, rubber and plastic products (increased by 2,4% month-on-month and contributed 0,6%).
- The annual percentage change in the PPI for intermediate manufactured goods was -0,5% in August 2023 (compared with -0,1% in July 2023). The index increased by 0,2% month-on-month. The main negative contributors to the annual rate were chemicals, rubber and plastic products (-0,9%) and basic and fabricated metals (-0,5%). The main contributors to the monthly rate were textiles and leather goods (0,2%) and chemicals, rubber and plastic products (0,2%).
- The annual percentage change in the PPI for electricity and water was 17,9% in August 2023 (compared with 18,3% in July 2023). The index increased by 1,2% month-on-month. Electricity contributed 16,8% and water contributed 0,9% to the annual rate. Electricity contributed 1,2% to the monthly rate.
- The annual percentage change in the PPI for mining was 2,8% in August 2023 (compared with -0,5% in July 2023). The index decreased by 0,1% month-on-month. The main positive contributors to the annual rate were gold and other metal ores (5,5%) and coal and gas (1,4%). The main negative contributor to the monthly rate was non-ferrous metal ores (-1,5%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 6,3% in August 2023 (compared with 6,5% in July 2023). The index decreased by 0,2% month-on-month. The main contributors to the annual rate were agriculture (3,9%) and fishing (2,1%). The main negative contributor to the monthly rate was agriculture (-0,4%).

4.3 Future contract prices

Table 5: Closing prices on Friday, 6 October 2023

	6 October 2023	6 September 2023	% Change
RSA White Maize per ton (Oct. 2023 contract)	R4 100,00	R3 829,00	7,08
RSA Yellow Maize per ton (Oct. 2023 contract)	R3 998,00	R3 820,00	4,66
RSA Wheat per ton (Oct. 2023 contract)	R6 203,00	R6 375,00	-2,70
RSA Sunflower seed per ton (Oct. 2023 contract)	R8 950,00	R9 232,00	-3,05
RSA Soya-beans per ton (Oct. 2023 contract)	R9 356,00	R9 795,00	-4,48
Exchange rate R/$	R19,35	R19,24	0,57

Source: JSE/SAFEX

4.4 Agricultural machinery sales

- September 2023 tractor sales of 715 units were 8% less than the 777 units sold in September last year. On a year-to-date basis tractor sales are now approximately 5% down on last year. Eighteen combine harvesters were sold in September 2023, one more than the 17 units sold in September last year. On a year-to-date basis combine harvester sales are now 38% more than last year.
- September is usually a "neutral" month for tractor and combine harvester sales. Summer-crop farmers are waiting for the first rains in order for them to finalise their soil preparation operations and plan for crop planting in the next month or two. This year farmers are showing caution in the face of uncertainty, particularly in regard to weather expectations. Buying decisions can be postponed until external factors are clearer. Within the next few weeks, the short-term course of tractor and combine harvester sales should be apparent. However, there is little doubt that year-on-year comparative tractor sales will continue to show a downward trend after record sales in recent months.
- Industry forecasts for tractor sales for the 2023 calendar year are still that they will be between 10 and 15% down on last year. It is expected that combine harvester for the 2023 calendar year will be between 10 and 20% up on last year.

Table 6: Agricultural machinery sales

Equipment class	Year-on-year September 2023	Year-on-year September 2022	Percentage Change %	Year-to-date September 2023	Year-to-date September 2022	Percentage Change %
Tractors	715	777	-7,98	6 127	6 475	-5,37
Combine harvesters	18	17	5,88	401	290	38,28

Source: SAAMA press release, October 2023

PLEASE NOTE: The Food Security Bulletin for October 2023 will be released on **7 November 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