

MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA: APRIL 2013

Issued: 3 May 2013

Directorate: Statistics and Economic Analysis

Highlights:

- **Significant rainfall events, during April 2013, were limited to the central and eastern regions, as well as the south-western parts of the country.**
- **Early indications are that producers intend to plant 516 600 ha of wheat for the 2013 season, which is 1% more than the area planted to wheat in 2012**
- **The projected closing stocks of wheat for the current 2012/13 marketing year is 623 000 tons, which includes imports of 1,350 million tons.**
- **The projected closing stocks of wheat for the coming 2013/14 marketing year is 619 000 tons, which includes imports of 1,650 million tons.**
- **The expected commercial maize crop is 11,562 million tons, which is 2% less than the 11,830 million tons of the previous season.**
- **The projected closing stocks of maize for the current 2012/13 marketing year is 1,263 million tons, which 27% more than the previous year.**
- **Projected closing stocks of maize for the coming 2013/14 marketing year is 1,139 million tons, which is 10% less than the previous year.**
- **The expected closing stocks of sorghum for the current 2012/13 marketing year show a surplus of 47 200 tons, which is 9% less than the previous year.**
- **The projected closing stocks of sorghum for the coming 2013/14 marketing year is 34 100 tons, which is 28% less than the previous year.**
- **The headline CPI (for all urban areas) annual inflation rate in March 2013 was unchanged at 5,9%.**
- **The annual percentage change in the PPI was higher at 5,7% in March 2013.**
- **March tractor sales of 595 units were almost 8% less than the 645 units reported in March 2012.**



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1. Weather conditions

1.1 Rainfall for April 2013

Significant rainfall events, during April 2013, were limited to the central and eastern regions, as well as the south-western parts of the country (**Figure 1**). Comparing the rainfall totals to the long term average for April, normal to above-normal rainfall was restricted to the far western and the majority of the eastern parts of the country. The central parts were characterized by normal to below-normal rainfall (**Figure 2**).

Figure 1: Rainfall (mm) for April 2013

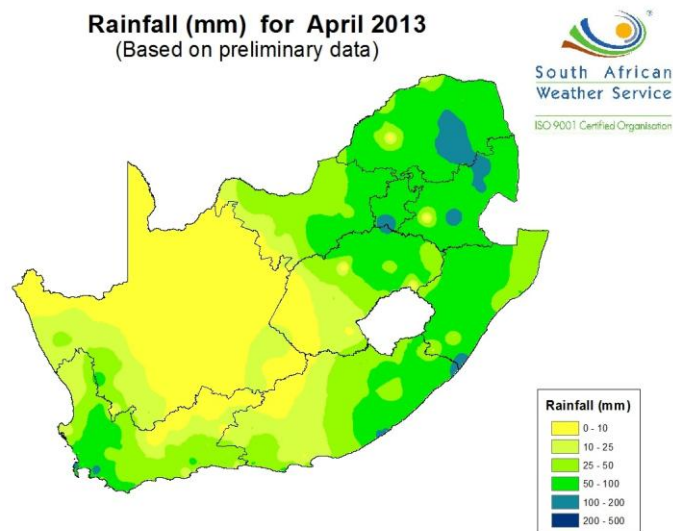
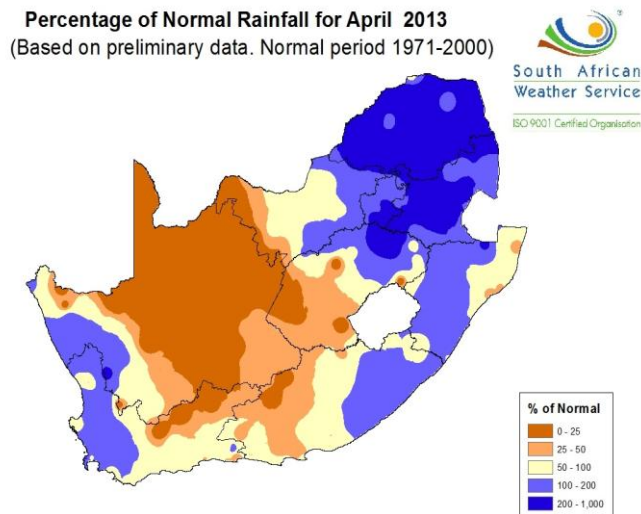


Figure 2: Percentage rainfall for April 2013



1.2 Level of dams

Available information on the level of South Africa's dams on 29 April 2013 indicates that the country has approximately 85% of its full supply capacity (FSC) available, 2% more than the corresponding period in 2012. KwaZulu-Natal, Limpopo, Mpumalanga, and the Western Cape provinces show increases for the mentioned period compared to last year. The Eastern Cape, Gauteng, North West and Northern Cape provinces show decreases for the mentioned period. The provincial distribution of South Africa's water supply (including Lesotho) is contained in Table 1 below.

Table 1: Level of dams, 29 April 2013

Province	Net FSC million cubic meters	29/04/2013 (%)	Last Year (%)	increase/decrease 2013 vs 2012
Eastern Cape	1 818	83	85	-2,0
Free State	15 971	87	87	-
Gauteng	115	86	93	-7,0
KwaZulu-Natal	4 529	92	77	15,0
Lesotho	2 376	79	97	-18
Limpopo	1 159	92	79	13,0
Mpumalanga	2 520	92	90	2,0
North West	807	72	82	-10,0
Northern Cape	146	86	88	-2,0
Western Cape	1 851	57	42	15,0
Total	31 292	85	83	2,0

Source: Department of Water Affairs



2. Grain production

2.1 Summer grain crops

The Crop Estimates Committee (CEC) released the third production forecast for the commercial summer crops for 2013 on 25 April 2013; and is as follows:

Table 2: Area planted and third production forecast of commercial summer crops for 2013

CROP	Area planted 2013 Ha (A)	3 rd forecast 2013 Tons (B)	Area planted 2012 Ha (C)	Final crop 2012 Tons (D)	Change % (B) ÷ (D)
White maize	1 617 200	6 155 200	1 636 200	6 740 000	-8,68
Yellow maize	1 164 000	5 406 800	1 063 000	5 090 000	6,22
Maize	2 781 200	11 562 000	2 699 200	11 830 000	-2,27
Sunflower seed	504 700	554 500	453 350	522 000	6,23
Soya-beans	516 500	851 000	472 000	650 000	30,92
Groundnuts	46 900	57 900	45 450	59 000	-1,86
Sorghum	62 620	168 114	48 550	135 500	24,07
Dry beans	43 550	56 100	39 750	47 695	17,62
TOTAL	3 955 470	13 249 614	3 758 300	13 244 195	0,04

Note: Estimate is for calendar year, e.g. production season 2012/13 = 2013

- The size of the expected commercial maize crop has been set at 11,562 million tons, which is 2,27% less than the 11,830 million tons of the previous season. The expected yield is 4,16 t/ha, as against the 4,38 t/h of 2012.
- The area estimate for maize is 2,781 million ha, while the area estimate for white maize is 1,617 million ha, and for yellow maize the area estimate is 1,164 million ha.
- The production forecast of white maize is 6,155 million tons, which is 8,68% less than the 6,740 million tons of last season. The yield for white maize is 3,81 t/ha, compared to 4,12 t/ha in 2012. In the case of yellow maize the production forecast is 5,407 million tons, which is 6,22% more than the 5,090 million tons of last season. The yield for yellow maize is 4,65 t/ha, compared to 4,79 t/ha in 2012.
- The production forecast for sunflower seed is 554 500 tons, which is 6,23% more than the 522 000 tons of the previous season. The area estimate for sunflower seed is 504 700 ha, which is 11,33% more than the 453 350 ha planted the previous season. The expected yield is 1,10 t/ha, against the 1,15 t/ha in 2012.
- The production forecast for soya-beans is 851 000 tons, which is 30,92% more than the 650 000 tons of the previous season. It is estimated that 516 500 ha have been planted to soya-beans, which represents an increase of 9,43% compared to the 472 000 ha planted last season. The expected yield is 1,65 t/ha, compared to the 1,38 t/ha of 2012.
- The expected groundnut crop is 57 900 tons, which is 1,86% less than the 59 000 tons of last season. For groundnuts, the area estimate is 46 900 ha, which is 3,19% more than the 45 450 ha planted for the previous season. The expected yield is 1,23 t/ha, compared to the 1,30 t/ha of the previous season.
- The production forecast for sorghum is 168 114 tons, which is 24,07% higher than the 135 500 tons of the previous season. The area estimate for sorghum also increased by 28,98%, from 48 550 ha to 62 620 ha against the previous season. The expected yield is 2,68 t/ha, against the 2,79 t/ha of 2012.

- In the case of dry beans the production forecast is 56 100 tons, which is 17,62% more than the 47 695 tons of the previous season. For dry beans, the area estimate is 43 550 ha, which is 9,56% more than the 39 750 ha planted for the previous season. The expected yield is 1,29 t/ha, against the 1,20 t/ha of 2012.

Please note that the fourth production forecast for summer field crops for 2013 will be released on 23 May 2013.

2.2 Winter cereal crops

The intentions to plant winter cereals for the 2013 production season was also released by the Crop Estimates Committee (CEC) on 25 April 2013, and is as follows:

Table 3: Commercial winter crops: Intentions to plant - 2013 production season

CROP	Intentions* 2013 Ha (A)	Area planted 2012 Ha (B)	Final estimate 2012 Tons (C)	Change % (A) ÷ (B)
Wheat	516 600	511 200	1 915 310	1,06
Malting barley	78 700	84 940	296 230	-7,35
Canola	55 000	44 100	79 650	24,72
Total	650 300	640 240	2 291 190	1,57

*Based on conditions at the middle of April 2013.

- Early indications are that producers intend to plant 516 600 ha of wheat for the 2013 season. This is 5 400 ha or 1,1% more than the area planted to wheat in 2012. The main producing areas are within the Western Cape with 285 000 ha (55%), followed by the Free State with 125 000 ha (24%) and the Northern Cape with 43 000 ha (8%).
- Lately, rains were favourable for wheat production in the Western Cape, as well as parts of the interior. The current wheat price is also higher than at the same time last year, and could encourage producers to expand production. However, despite the rains, it seems that producers in the interior are going to reduce their wheat plantings.
- The expected area planted to malting barley is 78 700 ha, which is 6 240 ha or 7,3% less than the 84 940 ha planted the previous season.
- The expected area planted to canola is 55 000 ha, which is 10 900 ha or 24,7% more than the 44 100 ha planted in 2012. On record, this is the largest area planted to canola.

Please note that the preliminary area estimate of winter crops for 2013 will be released on 25 July 2013.

3. Cereal balance sheets

Supply and demand data for March 2013 was released by SAGIS on 24 April 2013. *(Preliminary information is subject to change on a monthly basis).*



3.1 Winter cereals

Table 4: Supply and demand for Wheat as at 3 May 2013

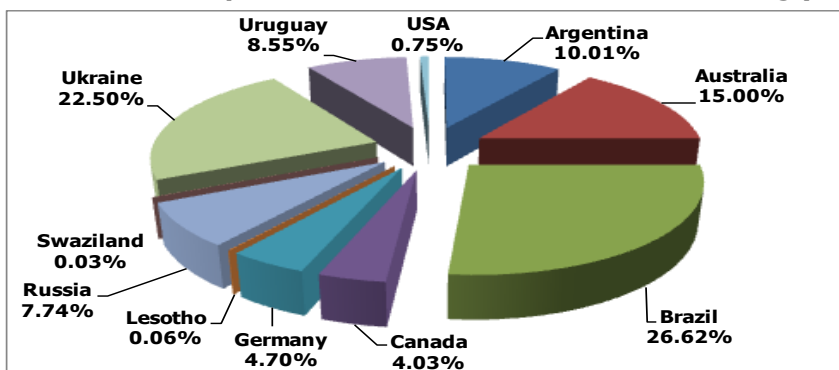
Marketing year (October to September)	2011/12	2012/13*	2013/14*
Production & Calendar year	2011	2012	2013
Supply			
Opening stocks: 1 October	478	651	623
SAGIS opening stocks	478	651	623
Gross production	2,014	1,924	1,662
Commercial production	1,976	1,886	1,624
Retentions by producers	29	29	29
Non-commercial	9	9	9
Total domestic supply	2,492	2,575	2,285
Plus: Imports	1,724	1,350	1,650
Total supply	4,216	3,925	3,935
Demand			
Commercial consumption	3,268	2,994	3,052
Human	3,066	2,892	2,965
Animal	136	40	25
Retentions by producers	29	29	29
Seed for planting purposes	18	15	15
Other consumption (released to end con's +withdrawn by prod's +retentions + gristing)	19	18	18
Non-commercial	9	9	9
Total domestic consumption	3,277	3,003	3,061
Plus: Exports	288	299	255
Products	19	20	21
Whole grain	269	279	234
Total demand	3,565	3,302	3,316
Closing stocks: 30 September	651	623	619
Pipeline requirements (80 days of human consumption)	672	634	650
Domestic shortfall / surplus	-1,457	-1,062	-1,426
Import gap	1,457	1,062	1,426
Surplus above pipeline	-21	-11	-31

**Projection, Source: SAGIS, Directorate: Statistics and Economic Analysis*

- Projected closing stocks of wheat for the current 2012/13 marketing year is 623 000 tons, which is 4,3% less than the previous year (651 000 tons). This decrease can mainly be attributed to the lower production figure of wheat for the 2012 calendar year.
- The intentions to plant wheat for 2013 is estimated at 516 600 ha and by applying a 3 year average yield of 3,2 t/ha, brings the projected total commercial production (including retentions) to 1,653 million tons. The total supply of wheat for the same year is projected at 3,935 million tons, including projected imports of 1,650 million tons.
- The total demand of wheat for the 2013/14 marketing year is projected at 3,316 million tons, including exports of 255 000 tons. Thus, the closing stocks is 619 000 tons, which is 0,6% less than the 623 000 tons for the previous year.
- The progressive wheat imports from 29 September 2012 to 26 April 2013, stand at 872 998 tons, with the largest quantity (232 434 or 27%) imported from Brazil followed by Ukraine (196 392 tons or 22%), Australia (130 968 tons or 15%), Argentina (87 344 tons or 10%), Uruguay (74 648 tons or 9%), Russia (67 608 tons or 8%), Germany (40 997 tons or 5%), and Canada (35 181 tons or 4%). Apart from the USA (6 583 tons), it is interesting to note that small quantities (555 and 288 tons) were also imported from Lesotho and Swaziland.



Graph 1: Major countries of wheat imports for South Africa: 2012/13 marketing year



3.2 Summer grains

Table 5: Supply and demand for White Maize as at 3 May 2013

Marketing Year: May – April Calendar Year	2011/12 2011	2012/13* 2012*	2013/14* 2013*
	1 000 tons	1 000 tons	1 000 tons
Supply			
Opening Stocks: 1 May	1,609	518	690
SAGIS Opening Stocks	1,609	518	690
Gross Production	6,601	7,332	6,584
Commercial production	6,105	6,789	6,041
Retentions by producers	100	114	114
Non-commercial	396	429	429
Total Domestic Supply	8,210	7,850	7,274
Imports	133	11	
Total Supply	8,343	7,861	7,274
Demand			
Commercial Consumption	5,635	5,257	5,393
Human	4,119	4,065	4,151
Animal	1,202	900	950
Gristing	53	47	47
Retentions by producers	85	98	98
Seed for planting purposes	15	16	16
Other consumption (released to end-con & withdrawn by producers)	161	131	131
Non-commercial	396	429	429
Total Domestic Consumption	6,031	5,686	5,822
Exports	1,794	1,485	855
Products	60	60	45
Whole grain	1,734	1,425	810
Total Demand	7,825	7,171	6,677
Closing Stocks: 30 April	518	690	597
Pipeline Requirements (45 days of human & animal consumption + gristing)	663	618	635
Domestic Shortfall / Surplus	1,516	1,546	817
Surplus/ Shortage above pipeline	-144	72	-38

*Projection, Source: SAGIS, Directorate: Statistics and Economic Analysis



- Projected closing stocks of white maize for the current 2012/13 marketing year is 690 000 tons, which is 33,2% more than the previous year (518 000 tons). This increase can mainly be attributed to the higher production figure, as well as the lower projected export figure for the 2012 calendar year. The projected export figure of 1,485 million tons is 17,2% less than the 1,794 million tons of the previous year.
- From 1 May 2012 up to 26 April 2013, progressive white maize exports stand at 1,395 million tons of which 819 965 tons or 59% were exported to Mexico, followed by the BLNS countries with 388 512 tons or 28%. The progressive white maize imports from 1 May 2012 to 26 April 2013, stand at 10 562 tons, with Zambia the main source of imports.
- Projected closing stocks of white maize for the coming 2013/14 marketing year is 597 000 tons, which is 13,5% less than the previous year (690 000 tons). This decrease can mainly be attributed to the expected decrease in the production figure of white maize for 2013 due to the prolonged drought conditions experienced earlier in the year in the major production regions.

Table 6: Supply and demand for Yellow Maize as at 3 May 2013

Marketing Year: May – April	2011/12	2012/13*	2013/14*
Calendar Year	2011	2012*	2013*
Supply	1 000 tons	1 000 tons	1 000 tons
Opening Stocks: 1 May	727	476	572
SAGIS Opening Stocks	727	476	572
Gross Production	4,777	5,425	5,615
Commercial production	4,235	4,897	5,087
Retentions by producers	374	319	319
Non-commercial	168	209	209
Total Domestic Supply	5,504	5,901	6,187
Imports	288		
Total Supply	5,792	5,901	6,187
Demand			
Commercial Consumption	4,367	4,660	4,536
Human	393	395	395
Animal	3,160	3,460	3,400
Gristing	14	10	12
Retentions by producers	360	304	304
Seed for planting purposes	14	15	15
Other consumption (released to end-con & withdrawn by producers)	426	476	410
Non-commercial	168	209	209
Total Domestic Consumption	4,535	4,869	4,745
Exports	781	460	901
Products	69	60	51
Whole grain	712	400	850
Total Demand	5,316	5,329	5,646
Closing Stocks: 30 April	476	572	541
Pipeline Requirements (45 days of human & animal consumption + gristing)	440	476	469
Domestic Shortfall / Surplus	529	556	973
Surplus/ Shortage above pipeline	36	96	72

**Projection, Source: SAGIS, Directorate: Statistics and Economic Analysis*



- Projected closing stocks of yellow maize for the current 2012/13 marketing year is 572 000 tons, which 20,2% more than the previous year (476 000 tons). This increase can mainly be attributed to the increase in the production figure of yellow maize for the 2012 calendar year.
- From 1 May 2012 up to 26 April 2013, progressive yellow maize exports stand at 392 095 tons, with the main destinations being by Japan (139 317 tons or 36%), followed by the BLNS countries (131 095 tons or 34%). No imports were reported for the mentioned period.
- Projected closing stocks of yellow maize for the coming 2013/14 marketing year is 541 000 tons, which 5,4% less than the previous year (572 000 tons). This decrease can mainly be attributed to the expected increase in the projected export figure of yellow maize for the 2013 calendar year.

Table 7: Supply and demand for Maize as at 3 May 2013

Marketing Year: May – April	2011/12	2012/13*	2013/14*
Calendar Year	2011	2012*	2013*
Supply	1 000 tons	1 000 tons	1 000 tons
Opening Stocks: 1 May	2,336	994	1,263
SAGIS Opening Stocks	2,336	994	1,263
Gross Production	11,378	12,759	12,200
Commercial production	10,340	11,687	11,128
Retentions by producers	474	434	434
Non-commercial	564	638	638
Total Domestic Supply	13,714	13,753	13,463
Imports	421	11	
Total Supply	14,135	13,764	13,463
Demand			
Commercial Consumption	10,002	9,918	9,930
Human	4,512	4,460	4,546
Animal	4,362	4,360	4,350
Gristing	67	57	59
Retentions by producers	445	402	402
Seed for planting purposes	29	32	32
Other consumption (released to end-con & withdrawn by producers)	587	607	541
Non-commercial	564	638	638
Total Domestic Consumption	10,566	10,556	10,568
Exports	2,575	1,945	1,756
Products	129	120	96
Whole grain	2,446	1,825	1,660
Total Demand	13,141	12,501	12,324
Closing Stocks: 30 April	994	1,263	1,139
Pipeline Requirements (45 days of human & animal consumption + gristing)	1,102	1,094	1,104
Domestic Shortfall / Surplus	2,046	2,103	1,791
Surplus/ Shortage above pipeline	-108	169	35

**Projection, Source: SAGIS, Directorate: Statistics and Economic Analysis*



- Projected closing stocks of maize for the current 2012/13 marketing year is 1,263 million tons, which is 27,1% more than the previous year (994 000 tons). This increase can mainly be attributed to the increase in the production figure for the 2012 calendar year.
- From 1 May 2012 up to 26 April 2013, the progressive grand total of exports is 1,787 million tons, with the largest quantity (819 965 tons or 46%) exported to Mexico followed by BLNS countries (520 417 tons or 29%), Japan (139 317 tons or 8%), Mozambique (82 928 tons or 4,6%), and Taiwan (81 080 tons or 4,5%). The progressive maize imports from 1 May 2012 to 26 April 2013, stand at 10 562 tons, with Zambia being the main source of imports.
- Projected closing stocks of maize for the coming 2013/14 marketing year is 1,139 million tons, which is 9,8% less than the previous year (1,263 million tons). This decrease can mainly be attributed to the expected decrease in the production figure of maize for the 2013 calendar year.

Table 8: Supply and demand for Sorghum as at 3 May 2013

Marketing year: April - March	2011/12	2012/13*	2013/14*
Production year	2010/11	2011/12*	2012/13*
Calendar year	2011	2012*	2013
Supply			
Opening stocks: 1 April	58,1	52,1	47,2
SAGIS opening stocks	58,1	52,1	47,2
Gross production	187,0	155,8	188,4
Commercial production	163,7	135,5	168,1
Non-commercial	23,3	20,3	20,3
Total domestic supply	245,1	207,9	235,6
Plus: Imports	57,8	55,0	40,0
Total supply	302,9	262,9	275,6
Demand			
Food consumption	182,2	157,8	181,2
Malt	81,3	69,4	85,2
Meal	100,9	88,4	96,0
Brew	-	-	-
Feed consumption	7,1	5,6	7,0
Pet food	1,1	0,9	1,0
Poultry	5,5	4,1	4,2
Other feed	0,5	0,6	1,8
Total commercial consumption	189,3	163,4	188,2
Other consumption	11,1	8,5	10,1
Balancing item	1,9	4,5	3,3
Non-commercial	23,3	20,3	20,3
Total domestic consumption	225,6	196,7	221,9
Plus: Exports	25,2	19,0	19,6
Exports through border posts	21,4	15,7	16,1
Exports through harbours	-	-	-
Products to African countries	3,8	3,3	3,5
Total demand	250,8	215,7	241,6
Closing stocks	52,1	47,2	34,1
Pipeline Requirements (45 days of human & animal consumption + gristing)	23,3	20,1	23,2
Domestic surplus / deficit	-3,8	-8,9	-9,5
Import gap	3,8	8,9	9,5
Surplus/ Shortage above pipeline	28,8	27,1	10,9

*Projection, Source: SAGIS, Directorate: Statistics and Economic Analysis



- The expected closing stocks of sorghum for the current 2012/13 marketing year show a surplus of 47 200 tons, which is 9,4% less than the previous year (52 100 tons) and can mainly be attributed to the lower production figure of sorghum for the 2012 calendar year.
- The projected closing stocks of sorghum for the coming 2013/14 marketing year is 34 100 tons, which is 27,8% less than the previous year (47 200 tons). This decrease can mainly be attributed to the expected increase in the food consumption figure for the 2013 calendar year.

4. Market information

4.1 Consumer Price Index (CPI)

- The headline CPI (for all urban areas) annual inflation rate in March 2013 was 5,9%. This rate was the same as the corresponding annual rate of 5,9% in February 2013. On average, prices increased by 1,2% between February 2013 and March 2013.
- The food and non-alcoholic beverages index decreased by 0,1% between February 2013 and March 2013. The annual rate decreased to 5,7% in March 2013 from 6,1% in February 2013. The following components in the food and non-alcoholic beverages index decreased: Vegetables (-1,9%), hot beverages (-0,9%), other food (-0,7%), bread and cereals (-0,4%), oils and fats (-0,3%) and cold beverages (-0,1%). The following components increased: Sugar, sweets and desserts (2,4%), milk, eggs and cheese (1,1%), fish (0,8%), fruit (0,8%) and meat (0,1%).
- The alcoholic beverages and tobacco index increased by 2,8% between February 2013 and March 2013, mainly due to increases in excise duties. The annual rate decreased to 5,8% in March 2013 from 7,9% in February 2013.
- The housing and utilities index increased by 0,8% between February 2013 and March 2013, mainly due to a 1,2% increase in actual rentals for housing and a 1,1% increase in owners' equivalent rent. The annual rate was unchanged at 5,9% in March 2013.
- The transport index increased by 2,7% between February 2013 and March 2013, mainly due to an 81c/litre increase in the price of petrol. The annual rate increased to 7,5% in March 2013 from 5,5% in February 2013.
- The education index increased by 9,0% between February 2013 and March 2013. The annual rate increased to 9,0% in March 2013 from 8,9% in February 2013.
- The provinces with an annual inflation rate lower than or equal to headline inflation were Free State (5,9%), Limpopo (5,9%), KwaZulu-Natal (5,8%), North West (5,8%), Northern Cape (5,7%), Mpumalanga (5,7%), Western Cape (5,6%) and Eastern Cape (5,5%). The province with an annual inflation rate higher than headline inflation was Gauteng (6,2%).

4.2 Producer Price Index (PPI)

- The annual percentage change in the PPI for final manufactured goods was 5,7% in March 2013, compared to 5,4% in February 2013. From February 2013 to March 2013 the PPI for final manufactured goods increased by 0,9%.
- The main contributors to the annual rate of 5,7% were food products, beverages and tobacco products (5,9% year-on-year and contributing 2,0%), as well as coke, petroleum, chemical, rubber and plastic products (9,2% year-on-year and contributing 1,6%). The main contributors to the monthly increase of 0,9% were food products, beverages and tobacco products (0,8% month-on-month and contributing 0,3%), as well as coke, petroleum, chemical, rubber and plastic products (2,3% month-on-month and contributing 0,4%).
- The annual percentage change in the PPI for intermediate manufactured goods was 7,7% in March 2013, compared to 6,0% in February 2013. From February 2013 to March 2013 the PPI for intermediate manufactured goods increased by 1,2%. The main contributors to the annual rate of 7,7% were chemicals, rubber and plastic products (6,2% year-on-year and contributing 2,5%) and basic and fabricated metals (7,1% year-on-year and contributing 2,1%). The main contributor to the monthly increase of 1,2% was chemicals, rubber and plastic products (1,9% month-on-month and contributing 0,7%).
- The annual percentage change in the PPI for electricity and water was 11,4% in March 2013, compared to 13,0% in February 2013. From February 2013 to March 2013 the PPI for electricity and water decreased by 1,7%.

Electricity decreased by 2,0% month-on-month and increased by 12,0% year-on-year. Water was unchanged month-on-month and increased by 8,5% year-on-year.

- The annual percentage change in the PPI for mining was 8,6% in March 2013, compared to 6,6% in February 2013. From February 2013 to March 2013 the PPI for mining increased by 0,4%. The main contributors to the annual rate of 8,6% were non-ferrous metal ores (9,2% year-on-year and contributing 4,3%), gold and other metal ores (10,8% year-on-year and contributing 2,5%), as well as coal and gas (8,2% year-on-year and contributing 2,0%). The main contributors to the monthly rate of 0,4% were gold and other metal ores (1,4% month-on-month and contributing 0,3%), as well as coal and gas (2,0% month-on-month and contributing 0,5%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 0,4% in March 2013, compared to 1,2% in February 2013. From February 2013 to March 2013 the PPI for agriculture, forestry and fishing decreased by 1,2%. The main contributor to the annual rate of 0,4% was forestry (1,4% year-on-year and contributing 0,3%). The main contributor to the monthly rate of -1,2% was agriculture (-1,9% month-on-month and contributing -1,5%).

4.3 Future contract prices and the exchange rate

Table 9: Closing prices on Thursday, 2 May 2013

	2 May 2013	2 April 2013	% Change
RSA White Maize per ton (May contract)	R2 179,00	R2 252,00	-3,24
RSA Yellow Maize per ton (May contract)	R2 179,00	R2 225,00	-2,07
RSA Wheat per ton (May contract)	R3 445,00	R3 420,00	+0,73
RSA Sunflower seed per ton (May contract)	R5 210,00	R5 380,00	-3,16
RSA Soya-beans per ton (May contract)	R4 575,00	R4 775,00	-4,19
Exchange rate R/\$	R9,02	R9,20	-1,96

Source: SAFEX

4.4 Agricultural machinery sales

- March tractor sales of 595 units were almost 8% less than the 645 units reported in March 2012. On a year-to-date basis, tractor sales are almost 6% down on those of the first three months of last year. March combine harvester sales of 72 units were more than three times the 23 units sold in March 2012. Year-to-date combine harvester sales are sharply up on sales for the same period last year.
- Current industry expectations are that tractor sales in the 2013 calendar year will be in the order of 6 700 to 7 100 units, between 10 and 15% down on 2012 sales. Tractor sales, so far for 2013 reflect this trend. Although most of the market fundamentals affecting agricultural machinery purchases are still positive, some of the summer cropping areas has suffered drought damage and this has led to summer crop production estimates being cut by approximately 5% during March 2013. In the light of this, some potential buyers are holding back their purchases until these crops have been harvested and they are assured of the yield. Nevertheless, the market will remain buoyed in the short term as producers will be purchasing lower priced equipment ahead of price increases caused by the recent devaluation of the rand.

Table 10: Agricultural machinery sales

Equipment class	Year-on-year		Percentage Change %	Year-to-date		Percentage Change %
	March			March		
	2013	2012		2013	2012	
Tractors	595	645	-7,8	2 106	2 235	-5,8
Combine harvesters	72	23	213,0	136	56	142,9

Source: SAAMA press release, April 2013



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:

- Agfacts
- Department of Water Affairs (DWA)
- 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 Grain Information Service (SAGIS)
- The South African Weather Service (WeatherSA)
- USDA Foreign Service
- UT Grain Management (Pty) Ltd
- Weekly Price Watch, DAFF