

MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA: AUGUST 2013

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Directorate: Statistics and Economic Analysis

Highlights:

- During August 2013, significant rainfall events were limited to the Western Cape Province, as well as the west coast and adjacent areas of the Northern Cape Province.
- The expected size of commercial wheat crop for 2013 is 1,785 million tons, which is 5% less than the previous seasons' crop of 1,870 million tons.
- The projected closing stocks of wheat for the current 2012/13 marketing year are 427 000 tons, which includes imports of 1,3 million tons.
- The projected closing stocks of wheat for the coming 2013/14 marketing year are 540 000 tons, which includes imports of 1,7 million tons.
- The expected size of the commercial maize crop for 2013 is 11,513 million tons, which is 5% less than the 12,121 million tons of the previous season.
- Projected closing stocks of maize for the current 2013/14 marketing year are 864 000 tons, which is 39% less than the previous year.
- The projected closing stocks of sorghum for the current 2013/14 marketing year are 42 200 tons, which is 13% less than the previous year.
- The headline CPI (for all urban areas) annual inflation rate in July 2013 was higher at 6,3%.
- The annual percentage change in the PPI for final manufactured goods was higher at 6,6% in July 2013.
- South Africa's real gross domestic product (GDP) increased by 3,0% in the second quarter of 2013.
- July tractor sales of 660 units were almost 2% lower than the 670 units reported in July 2012.



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1. Weather conditions

1.1 Rainfall for July 2013

During August 2013, significant rainfall events were limited to the Western Cape Province, as well as the west coast and adjacent areas of the Northern Cape Province (Figure 1). Comparing rainfall totals to the long term average for August 2013, the majority of the extreme western parts of the country received above-normal rainfall, while remaining areas received near-normal to below-normal rainfall (Figure 2).

Figure 1: Rainfall (mm) for August 2013

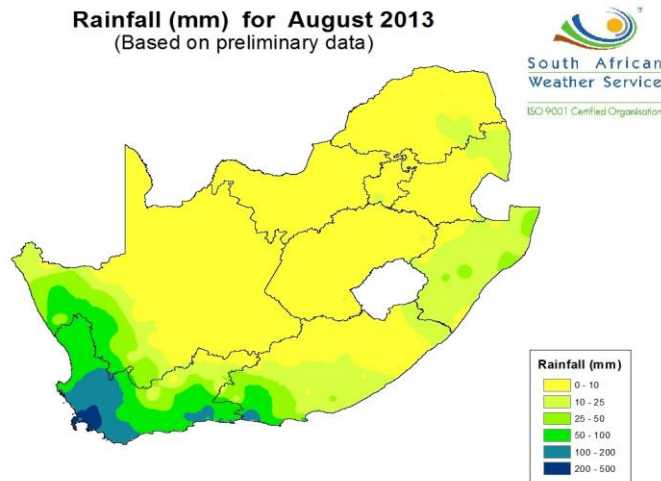
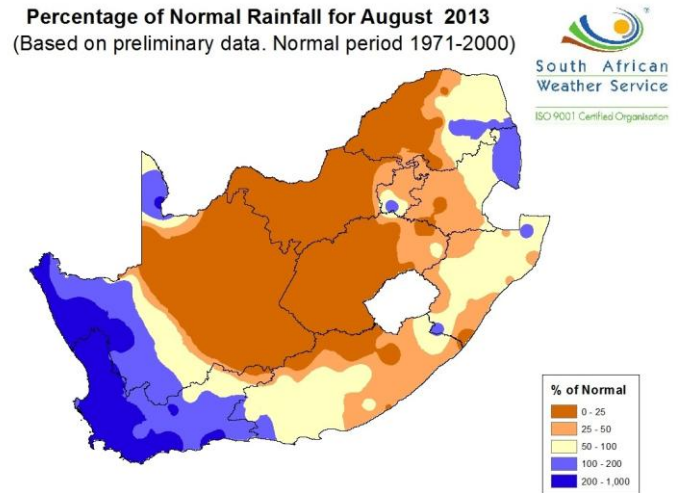


Figure 2: Percentage rainfall for August 2013



1.2 Level of dams

Available information on the level of South Africa's dams on 2 September 2013 indicates that the country has approximately 81% of its full supply capacity (FSC) available, 1% less 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, Free State, 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, 2 September 2013

Province	Net FSC million cubic meters	2/09/2013 (%)	Last Year (%)	% Increase/Decrease 2013 vs 2012
Eastern Cape	1 818	75	81	-6,0
Free State	15 971	80	88	-8,0
Gauteng	115	75	82	-7,0
KwaZulu-Natal	4 529	87	69	18,0
Lesotho	2 376	70	68	2,0
Limpopo	1 159	85	68	17,0
Mpumalanga	2 520	85	79	6,0
North West	807	66	77	-11,0
Northern Cape	146	82	89	-7,0
Western Cape	1 857	93	90	3,0
Total	31 298	81	82	-1,0

Source: Department of Water Affairs

2. Grain production

2.1 Summer grain crops

The Crop Estimates Committee (CEC) released the seventh production forecast for the commercial summer crops for 2013 on 27 August 2013; and is as follows:

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

CROP	Area planted 2013 Ha (A)	7th forecast 2013 Tons (B)	Area planted 2012 Ha (C)	Final crop 2012 Tons (D)	Change % (B) ÷ (D)
White maize	1 617 200	5 580 300	1 636 200	6 903 656	-19,17
Yellow maize	1 164 000	5 933 100	1 063 000	5 217 000	13,73
Maize	2 781 200	11 513 400	2 699 200	12 120 656	-5,01
Sunflower seed	504 700	566 600	453 350	522 000	8,54
Soya-beans	516 500	787 100	472 000	650 000	21,09
Groundnuts	46 900	42 300	45 450	59 000	-28,31
Sorghum	62 620	154 494	48 550	135 500	14,02
Dry beans	43 550	60 200	39 750	47 695	26,22
TOTAL	3 955 470	13 124 094	3 758 300	13 534 851	-3,03

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

- The expected size of commercial maize crop is 11,513 million tons, which is 5,01% less than the 12,121 million tons of the previous season. The expected yield is 4,14 t/ha, as against the 4,49 t/ha 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 5,580 million tons, which is 19,2% less than the 6,904 million tons of the previous season. The yield for white maize is 3,45 t/ha, as against the previous 4,22 t/ha. In the case of yellow maize the production forecast is 5,933 million tons, which is 13,7% more than the 5,217 million tons of the previous season. The yield for yellow maize is 5,10 t/ha as against the previous 4,91 t/ha.
- The production forecast for sunflower seed is 566 600 tons, which is 8,5% more than the 522 000 tons of the previous season. The area estimate for sunflower seed is 504 700 ha, which is 11,3% more than the 453 350 ha planted the previous season. The expected yield is 1,12 t/ha, against the 1,15 t/ha in 2012.
- The production forecast for soya-beans is 787 100 tons, which is 21,1% 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 9,4% compared to the 472 000 ha planted last season. The expected yield is 1,52 t/ha, compared to the 1,38 t/ha of 2012.
- The expected groundnut crop is 42 300 tons, which is 28,3% less than the 59 000 tons of last season. For groundnuts, the area estimate is 46 900 ha, which is 3,2% more than the 45 450 ha planted for the previous season. The expected yield is 0,90 t/ha, compared to the 1,30 t/ha of the previous season.
- The production forecast for sorghum is 154 494 tons, which is 14,0% higher than the 135 500 tons of the previous season. The area estimate for sorghum also increased by 29,0%, from 48 550 ha to 62 620 ha against the previous season. The expected yield is 2,47 t/ha, against the 2,79 t/ha of 2012.

- In the case of dry beans the production forecast is 60 200 tons, which is 26,2% more than the 47 695 tons of the previous season. For dry beans, the area estimate is 43 550 ha, which is 9,6% more than the 39 750 ha planted for the previous season. The expected yield is 1,38 t/ha, against the 1,20 t/ha of 2012.

Please note that the final production estimate for summer field crops for 2013 will be released on 26 September 2013.

2.2 Winter cereal crops

The revised area estimate and first production forecast for winter cereals for the 2013 production season was also released by the Crop Estimates Committee (CEC) on 27 August 2013, and is as follows:

Table 3: Commercial winter crops: Revised area estimate and first production forecast- 2013 production season

CROP	Area planted 2013 Ha (A)	1 st forecast 2013 Tons (B)	Area planted 2012 Ha (C)	Final crop 2012 Tons (D)	Change % (A) ÷ (B)
Wheat	525 500	1 784 950	511 200	1 870 000	-4,55
Malting barley	81 320	280 961	84 940	298 000	-5,72
Canola	75 165	113 001	44 100	79 000	43,04
Total	681 985	2 178 912	640 240	2 247 000	-3,03

- The expected production of wheat is 1,785 million tons, which is 4,6% less than the previous seasons' crop of 1,870 million tons, whilst the expected yield is 3,40 t/ha, as against the 3,66 t/ha of 2012.
- The expected production in the Western Cape is 852 500 tons (48%), which is 45 100 tons lower than the 897 600 tons produced in the previous season. In the Free State, the expected production is 302 500 tons (17%), which is 57 500 tons less than the previous seasons' crop of 360 000 tons. In the Northern Cape, 294 000 tons (16%) is expected to be produced.
- The area estimate for wheat was revised to 525 500 ha, which is 10 300 ha more than the 515 200 ha of the previous forecast. An estimated 310 000 ha or 59% is planted in the Western Cape, 110 000 ha or 21% in the Free State and 42 000 ha or 8% in the Northern Cape.
- The production forecast for malting barley is 280 961 tons, which is 5,7% less than the previous seasons' crop of 298 000 tons. The area planted is estimated at 81 320 ha, while the expected yield is 3,46 t/ha, as against the 3,51 t/ha of 2012.
- The expected canola crop is 113 001 tons, which is 43,0% more than the previous seasons' crop of 79 000 tons. The area estimate for canola is 75 165 ha, with an expected yield of 1,50 t/ha, as against the 1,79 t/ha of 2012.

Please note that the second production forecast for winter cereals for 2013 will be released on 26 September 2013.

3. Cereal balance sheets

Supply and demand data for July 2013 was released by SAGIS on 23 August 2013. *(Preliminary information is subject to change on a monthly basis).*



3.1 Winter cereals

Table 4: Supply and demand for Wheat as at 4 September 2013

Marketing year (October to September)	2011/12	2012/13*	2013/14*
Production & Calendar year	2011	2012	2013
	1000 tons	1 000 tons	1 000 tons
Supply			
Opening stocks: 1 October	478	651	427
SAGIS opening stocks	478	651	427
Gross production	2,009	1,879	1,794
Commercial production	1,973	1,835	1,755
Retentions by producers	27	35	30
Non-commercial	9	9	9
Total domestic supply	2,487	2,530	2,221
Plus: Imports	1,724	1,300	1,700
Total supply	4,211	3,830	3,921
Demand			
Commercial consumption	3,202	3,008	3,025
Human	3,066	2,970	3,000
Animal	136	38	25
Gristing	0	0	0
Retentions by producers	27	35	30
Withdrawn by producers	4	4	6
Released to end consumers	7	10	10
Seed for planting purposes	18	16	17
Balancing item	5	19	10
Non-commercial	9	9	9
Total domestic consumption	3,272	3,101	3,107
Plus: Exports	288	302	274
Products	19	21	24
Whole grain	269	281	250
Total demand	3,560	3,403	3,381
Closing stocks: 30 September	651	427	540
Pipeline requirements (80 days of human consumption)	672	651	658
Domestic shortfall / surplus	-1,457	-1,222	-1,544
Import gap	1,457	1,222	1,544
Surplus/Shortage above pipeline	-21	-224	-118

*Projection, Source: SAGIS, Directorate: Statistics and Economic Analysis, S&DE Report

- Projected closing stocks of wheat for the current 2012/13 marketing year are 427 000 tons, which is 34,4% less than the previous year (651 000 tons). This decrease can mainly be attributed to the lower production and lower projected import figures of wheat for the 2012 calendar year.
- The total supply of wheat for the coming 2013/14 marketing year is projected at 3,921 million tons, including projected imports of 1,7 million tons.
- The total demand of wheat for the coming 2013/14 marketing year is projected at 3,381 million tons, including exports of 274 000 tons. Thus, the closing stocks are 540 000 tons, which is 26,5% more than the 427 000 tons of the previous year.
- From 29 September 2012 up to 30 August 2013, the progressive grand total of imports is 1,083 million tons, while progressive exports are 254 390 tons, for the mentioned period.



3.2 Summer grains

Table 5: Supply and demand for White Maize as at 4 September 2013

Marketing Year: May - April	2011/12	2012/13	2013/14*
Calendar Year	2011	2012	2013*
	1000 tons	1000 tons	1000 tons
Supply			
Opening Stocks: 1 May	1 609	518	757
SAGIS Opening Stocks	1 609	518	757
Gross Production	6 601	7 423	6 040
Commercial production	6 105	6 880	5 473
Retentions by producers	100	114	107
Non-commercial	396	429	460
Total Domestic Supply	8 210	7 941	6 797
Imports	133	11	15
Total Supply	8 343	7 952	6 812
Demand			
Commercial Consumption	5 374	5 047	4 940
Human	4 119	4 095	4 170
Animal	1 202	904	720
Gristing	53	48	50
Retentions by producers	85	98	91
Seed for planting purposes	15	16	16
Withdrawn by producers	46	36	30
Released to end-consumers	126	95	55
Balancing item	- 11	6	96
Non-commercial	396	429	460
Total Domestic Consumption	6 031	5 727	5 688
Exports	1 794	1 468	720
Products	60	68	70
Whole grain	1 734	1 400	650
Total Demand	7 825	7 195	6 408
Closing Stocks: 30 April	518	757	404
Pipeline Requirements (45 days of human & animal consumption + gristing)	663	622	609
Domestic Shortfall / Surplus	1 516	1 592	500
Surplus/ Shortage above pipeline	-145	135	-205

*Projection, Source: SAGIS, Directorate: Statistics and Economic Analysis, S&DE Report

- Projected closing stocks of white maize for the current 2013/14 marketing year is 404 000 tons, which is 46,6% less than the previous year (757 000 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.
- From 27 April 2013 up to 30 August 2013, progressive white maize exports stand at 314 160 tons of which 151 428 tons or 48,2% were exported to Mexico, followed by the BLNS countries with 109 745 tons or 34,9%. No imports were reported for the mentioned period.



Table 6: Supply and demand for Yellow Maize as at 4 September 2013

Marketing Year: May - April	2011/12	2012/13	2013/14*
Calendar Year	2011	2012	2013*
	1000 tons	1000 tons	1000 tons
Supply			
Opening Stocks: 1 May	727	476	660
SAGIS Opening Stocks	727	476	660
Gross Production	4 777	5 578	6 148
Commercial production	4 235	5 049	5 548
Retentions by producers	374	319	385
Non-commercial	168	209	215
Total Domestic Supply	5 504	6 054	6 808
Imports	288		100
Total Supply	5 792	6 054	6 908
Demand			
Commercial Consumption	3 567	3 888	4 223
Human	393	404	410
Animal	3 160	3 474	3 800
Gristing	14	10	13
Retentions by producers	360	304	370
Seed for planting purposes	14	15	15
Withdrawn by producers	96	102	100
Released to end-consumers	358	383	300
Balancing item	-28	15	145
Non-commercial	168	209	215
Total Domestic Consumption	4 535	4 916	5 368
Exports	781	478	1 080
Products	69	65	80
Whole grain	712	413	1 000
Total Demand	5 316	5 394	6 448
Closing Stocks: 30 April	476	660	460
Pipeline Requirements (45 days of human & animal consumption + gristing)	440	479	521
Domestic Shortfall / Surplus	529	659	919
Surplus/ Shortage above pipeline	36	181	-61

*Projection, Source: SAGIS, Directorate: Statistics and Economic Analysis, S&DE Report

- Projected closing stocks of yellow maize for the current 2013/14 marketing year are 460 000 tons, which is 30,3% less than the previous year (660 000 tons). This decrease can mainly be attributed to the expected increase in the projected export figure of yellow maize for the 2013 calendar year.
- From 27 April 2013 up to 30 August 2013, progressive yellow maize exports stand at 907 170 tons, with the main destinations being Japan (547 476 tons or 60,4%), followed by Taiwan (161 918 tons or 17,9%) and Korea (145 500 tons or 16,0%). No imports were reported for the mentioned period.



Table 7: Supply and demand for Maize as at 4 September 2013

Marketing Year: May - April	2011/12	2012/13	2013/14*
Calendar Year	2011	2012	2013*
	1000 tons	1000 tons	1000 tons
Supply			
Opening Stocks: 1 May	2 336	994	1 417
SAGIS Opening Stocks	2 336	994	1 417
Gross Production	11 378	13 001	12 188
Commercial production	10 340	11 930	11 021
Retentions by producers	474	433	492
Non-commercial	564	638	675
Total Domestic Supply	13 714	13 995	13 605
Imports	421	11	115
Total Supply	14 135	14 006	13 720
Demand			
Commercial Consumption	8 941	8 935	9 163
Human	4 512	4 499	4 580
Animal	4 362	4 378	4 520
Gristing	67	58	63
Retentions by producers	445	402	461
Seed for planting purposes	29	31	31
Withdrawn by producers	142	138	130
Released to end-consumers	484	478	355
Balancing item	-39	21	241
Non-commercial	564	638	675
Total Domestic Consumption	10 566	10 643	11 056
Exports	2 575	1 946	1 800
Products	129	133	150
Whole grain	2 446	1 813	1 650
Total Demand	13 141	12 589	12 856
Closing Stocks: 30 April	994	1 417	864
Pipeline Requirements (45 days of human & animal consumption + gristing)	1 102	1 102	1 130
Domestic Shortfall / Surplus	2 046	2 250	1 419
Surplus/ Shortage above pipeline	-108	315	-266

**Projection, Source: SAGIS, Directorate: Statistics and Economic Analysis, S&DE Report*

- Projected closing stocks of maize for the current 2013/14 marketing year are 864 000 tons, which is 39,0% less than the previous year (1,417 million tons). This decrease can mainly be attributed to the expected decrease in the production figure of maize for the 2013 calendar year.
- From 27 April 2013 up to 30 Augustus 2013, the progressive grand total of exports is 1,221 million tons, with the largest quantity (547 476 tons or 44,8%) exported to Japan, followed by Taiwan (161 918 tons or 13,3%), Mexico (151 428 tons or 12,4%), the BLNS countries (150 058 tons or 12,3%) and Korea (145 500 tons or 11,9%). No imports were reported for the mentioned period.



Table 8: Supply and demand for Sorghum as at 4 September 2013

Marketing year: April - March	2011/12	2012/13	2013/14*
Calendar year	2011	2012	2013
	1000 tons	1 000 tons	1 000 tons
Supply			
Opening stocks: 1 April	58,1	52,1	48,3
SAGIS opening stocks	58,1	52,1	48,3
Gross production	190,7	157,0	184,1
Commercial production	163,7	133,2	154,5
Retentions by producers	3,7	3,5	4,4
Non-commercial	23,3	20,3	25,2
Total domestic supply	248,8	209,1	232,4
Plus: Imports	57,8	55,0	50,0
Total supply	306,6	264,1	282,4
Demand			
Food consumption	182,2	158,0	166,0
Indoor malting	16,1	12,8	12,0
Floor malting	65,2	56,7	56,0
Meal, rice & grits	100,9	88,5	98,0
Feed consumption	7,1	5,7	5,5
Pet food	1,1	0,9	1,0
Poultry	5,5	4,2	3,5
Livestock feed	0,5	0,6	1,0
Total commercial consumption	189,3	163,7	171,5
Retentions by producers	3,7	3,5	4,4
Withdrawn by producers	6,7	6,0	8,0
Released to end-consumers	4,4	2,5	3,5
Balancing item	1,9	0,8	7,6
Non-commercial	23,3	20,3	25,2
Total domestic consumption	229,3	196,8	220,2
Plus: Exports	25,2	19,0	20,0
Exports through border posts	21,4	15,7	16,5
Exports through harbours	-	-	-
Products to African countries	3,8	3,3	3,5
Total demand	254,5	215,8	240,2
Closing stocks	52,1	48,3	42,2
Pipeline Requirements (45 days of human & animal consumption + gristing)	23,3	20,2	21,1
Domestic surplus / deficit	-3,8	-7,9	-8,9
Import gap	3,8	7,9	8,9
Surplus/ Shortage above pipeline	28,8	28,1	21,1

*Projection, Source: SAGIS, Directorate: Statistics and Economic Analysis, S&DE Report

- The total supply of sorghum for the current 2013/14 marketing year is estimated at 282 400 tons, including imports of 50 000 tons, while the total demand stands at 240 200 tons, which includes exports of 20 000 tons for the above-mentioned period.
- The projected closing stocks of sorghum for the current 2013/14 marketing year are 42 200 tons, which is 12,6% less than the previous year (48 300 tons). This decrease can mainly be attributed to the expected decrease in imports, as well as the expected increase in the food consumption of sorghum 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 July 2013 was 6,3%. This rate was 0,8% higher than the corresponding annual rate of 5,5% in June 2013. On average, prices increased by 1,1% between June 2013 and July 2013.
- The food and non-alcoholic beverages index was unchanged between June 2013 and July 2013. The annual rate was unchanged at 6,8% in July 2013. The following components in the food and non-alcoholic beverages index increased: Bread and cereals (0,7%), vegetables (0,6%), fish (0,2%) and milk, eggs and cheese (0,2%). The following components decreased: Fruit (-1,8%), oils and fats (-0,9%), cold beverages (-0,9%), sugar, sweets and desserts (-0,7%), hot beverages (-0,5%), meat (-0,3%) and other food (-0,1%).
- The housing and utilities index increased by 2,1% between June 2013 and July 2013, mainly due to a 9,4% increase in water tariffs, a 7,2% increase in electricity tariffs and a 6,1% increase in assessment rates. The annual rate decreased to 5,5% in July 2013 from 5,8% in June 2013.
- The transport index increased by 2,5% between June 2013 and July 2013, mainly due to an 84c/litre increase in the price of petrol. The annual rate increased to 8,2% in July 2013 from 3,7% in June 2013.
- The recreation and culture index decreased by 0,3% between June 2013 and July 2013. The annual rate decreased to 3,4% in July 2013 from 4,3% in June 2013.
- The provinces with an annual inflation rate lower than or equal to headline inflation were Northern Cape (6,3%), Limpopo (6,2%), North West (6,0%), Western Cape (5,8%), Mpumalanga (5,8%) and Eastern Cape (5,7%). The provinces with an annual inflation rate higher than headline inflation were Free State (6,5%), Gauteng (6,5%) and KwaZulu-Natal (6,4%).

4.2 Producer Price Index (PPI)

- The annual percentage change in the PPI for final manufactured goods was 6,6% in July 2013 (compared with 5,9% in June 2013). From June 2013 to July 2013 the PPI for final manufactured goods increased by 0,7%. The main contributors to the annual rate of 6,6% were food products, beverages and tobacco products (6,5% year on-year and contributing 2,2%) and coke, petroleum, chemical, rubber and plastic products (8,6% year-on-year and contributing 1,5%).
- The main contributors to the monthly increase of 0,7% were food products, beverages and tobacco products (0,5% month-on-month and contributing 0,2%) and metals, machinery, equipment and computing equipment (1,4% month-on-month and contributing 0,2%).
- The annual percentage change in the PPI for electricity and water was 5,6% in July 2013 (compared with 5,9% in June 2013). From June 2013 to July 2013 the PPI for electricity and water increased by 9,4%. The contributors to the annual rate of 5,6% were electricity (6,2% year-on-year and contributing 5,4%) and water (10,5% year-on-year and contributing 1,2%). The main contributor to the monthly increase of 9,4% was electricity (10,1% month-on-month and contributing 8,8%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 1,4% in July 2013 (compared with 3,2% in June 2013). From June 2013 to July 2013 the PPI for agriculture, forestry and fishing remained the same. The main contributors to the annual rate of 1,4% were forestry (2,9% year-on-year and contributing 0,6%) and agriculture (0,5% year-on-year and contributing 0,4%).

4.3 Gross Domestic product – Second quarter of 2013

- South Africa's real gross domestic product (GDP) increased by 3,0% in the second quarter of 2013, Statistics SA announced.
- The largest contributions to the quarter-on-quarter growth of 3,0% were as follows:
 - The manufacturing industry contributed 1,7% based on growth of 11,5%;
 - Finance, real estate and business services contributed 0,8% based on growth of 3,5%; and
 - The wholesale, retail and motor trade; catering and accommodation industry contributed 0,4% based on growth of 3,2%.
- The following activities should be noted when analysing the recent performance of the economy:
 - Economic activity in the manufacturing industry reflected positive growth of 11,5%, due to higher production in the basic iron and steel, non-ferrous metal products, metal products and machinery division, the motor vehicles, parts and accessories and other transport equipment division, the glass and non-metallic products division and textiles, clothing and leather products;

- The growth in finance, real estate and business services was due to increased activities in the banking sector and equity, bond and other financial markets in auxiliary activities;
- The growth in the wholesale, retail and motor trade; catering and accommodation industry was due to increases reflected in turnover in all trade industries; and
- Economic activity in the mining and quarrying industry reflected negative growth of 5,6%, due to lower production in the mining of gold, the mining of 'other' metal ores (including platinum) and 'other' mining and quarrying (including diamonds).

4.4 Future contract prices and the exchange rate

Table 9: Closing prices on Monday, 2 September 2013

	2 September 2013	2 August 2013	% Change
RSA White Maize per ton (Sep. contract)	R2 336,00	R2 323,00	0,56
RSA Yellow Maize per ton (Sep. contract)	R2 173,00	R2 155,00	0,84
RSA Wheat per ton (Sep. contract)	R3 350,00	R3 415,00	-1,90
RSA Sunflower seed per ton (Sep. contract)	R4 985,00	R4 877,00	2,21
RSA Soya-beans per ton (Sep. contract)	R5 882,00	R5 165,00	13,88
Exchange rate R/\$	R10,19	R10,01	1,80

Source: JSE/SAFEX

- The JSE/SAFEX has introduced the trading of a 10 ton maize (white and yellow maize) contract on 15 August 2013. The objective of a 10 ton maize contract will afford participants with a number of opportunities:
 - By trading a contract that is a tenth of the current 100 ton contract, market access for smaller participants in the maize market is enabled on an individual basis;
 - Initial margin requirements will be calculated on the same basis as the 100 ton contract except the quantum is now a tenth of the current margin requirements;
 - Market participants who are exposed to odd lots of physical commodity will be able to more efficiently hedge their exposure in 10 ton increments; and
 - Option market participants who wish to hedge out their delta can do so more effectively in 10 ton increments.

4.5 Agricultural machinery sales

- July tractor sales of 660 units were almost 2% lower than the 670 units reported in July 2012. On a year-to-date basis, tractor sales are approximately 4% down on those of the first seven months of last year. July combine harvester sales of 15 units were significantly down on the 32 units sold in July 2012. On a year-to-date basis combine harvester sales are still approximately 4% up on sales for the same period last year.
- Most summer crops have now been harvested. Except for the western parts of the country, yields have been very favourable. This has led to many farmers finalising their buying decisions, resulting in continued good sales, particularly in the maize growing areas. Demand for agricultural machinery is still good, but predictions are that sales will slow down in the short term as newer, higher-priced stock, as a result of the weaker rand makes its way into the market.
- Industry expectations now are that tractor sales in the 2013 calendar year will be of the order of 7 000 to 7 500 units, between 5 and 10% down on 2012 sales.

Table 10: Agricultural machinery sales

Equipment class	Year-on-year		Percentage Change %	Year-to-date		Percentage Change %
	July			July		
	2013	2012		2013	2012	
Tractors	660	670	-1,49	4 527	4 723	-4,15
Combine harvesters	15	32	-53,13	261	250	4,40

Source: SAAMA press release, August 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