MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA: FEBRUARY 2013

Issued: 7 March 2013

Directorate: Statistics and Economic Analysis

Highlights:

- **During February 2013 significant rainfall events were mainly limited to the eastern parts of the country.**
- **The expected commercial production of wheat is 1,915 million tons, which is 4,5% less than the previous seasons' crop of 2,005 million tons.**
- **The projected closing stocks of wheat for the 2012/13 marketing year is 658 000 tons, which includes imports of 1,46 million tons.**
- **The expected commercial maize crop is 12,354 million tons, which is 4,43% more than the 11,830 million tons of the previous season.**
- **The projected closing stocks of maize for the current 2012/13 marketing year is 1,42 million tons, which 43% more than the previous year.**
- **Projected closing stocks of maize for the coming 2013/14 marketing year is 1,749 million tons, which is 23% more than the previous year.**
- **The expected closing stocks of sorghum for the current 2012/13 marketing year show a surplus of 57 400 tons, which is 10% more than the previous year.**
- **The projected closing stocks of sorghum for the coming 2013/14 marketing year is 54 500 tons, which is 5% less than the previous year.**
- **The headline CPI (for all urban areas) annual inflation rate in January 2013 was lower at 5,4%.**
- **The annual percentage change in the PPI was higher at 5,8% in January 2013.**
- **January 2013 tractor sales of 684 units were 13,4% lower than the 790 units reported in January 2012.**

agriculture, forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

Enquiries: Marda Scheepers or Queen Sebidi

Directorate: Statistics and Economic Analysis

Tel: +27 12 319 8033/8164

Tel: +27 12 319 8031

Email:MardaS@daff.gov.za or QueenS@daff.gov.za

Contents

1. Weather conditions

1.1 Rainfall for February 2013

During February 2013 significant rainfall events were mainly limited to the eastern parts of the country as well as isolated areas of the Free State, Gauteng and North West provinces **(Figure 1)**. Comparing rainfall totals to the long term average for February 2013, most of the eastern parts of the country, as well as the southern coastal regions received near-normal to above-normal rainfall **(Figure 2)**. The remainder of the country was characterised by below-normal rainfall.

Figure 1: Rainfall (mm) for February 2013

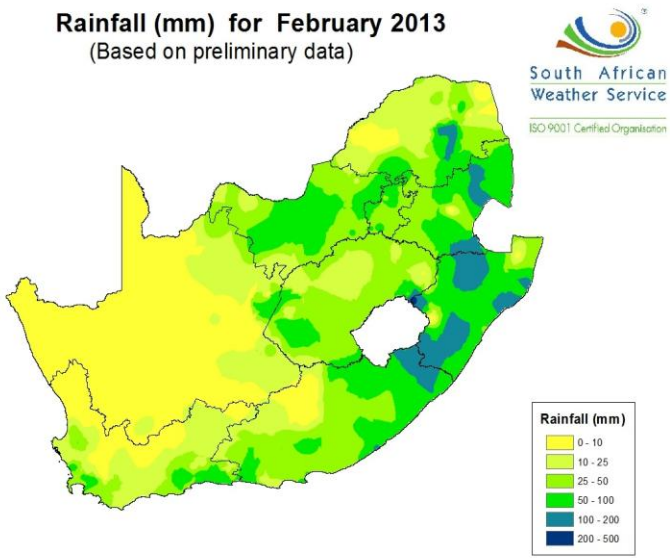
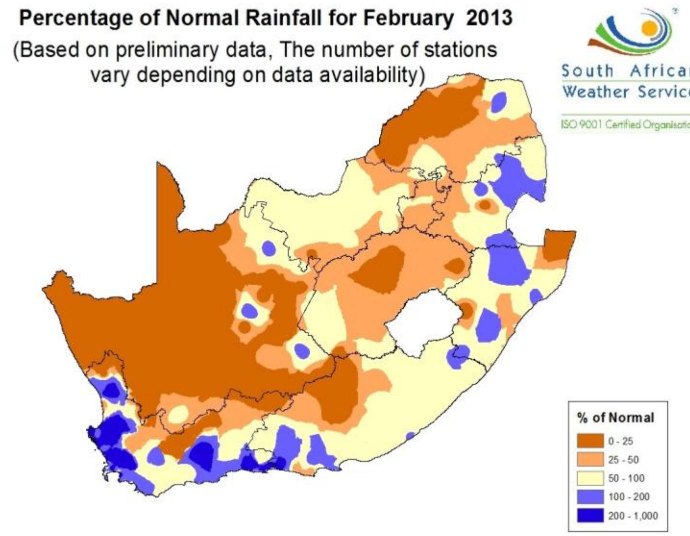


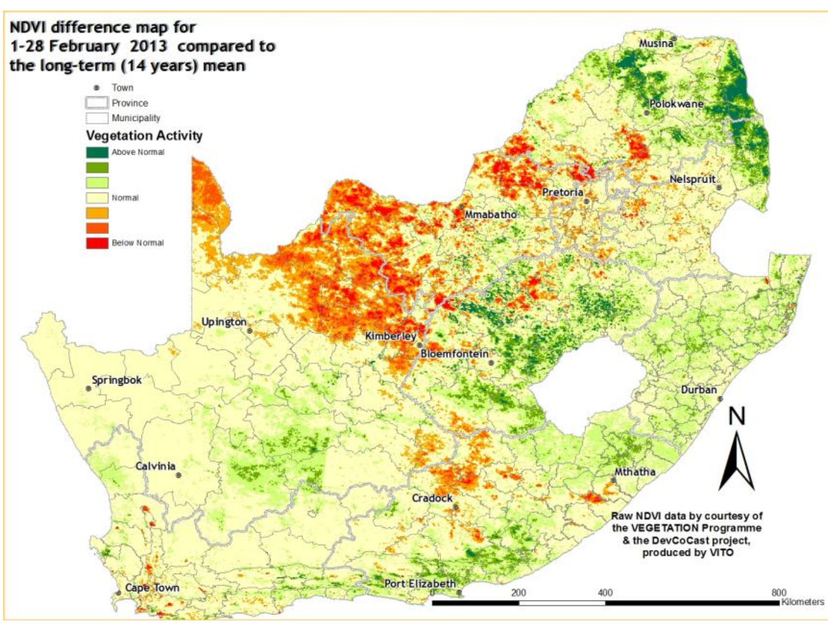
Figure 2: Percentage rainfall for February 2013



1.2 Vegetation activity

Vegetation conditions for February 2013 were normal to above-normal throughout the central parts of the country. In large regions of the North West, Free State, Mpumalanga, as well as the Eastern and Northern Cape provinces - below-normal vegetation conditions were evident. Above-normal vegetation conditions could be observed in isolated areas of the Free State, Limpopo and Mpumalanga provinces.

Figure 3: The NDVI difference map for February 2013 compared to the 13 year long term mean



Source: ARC:ISCW

2. Grain production

2.1 Summer grain crops

The Crop Estimates Committee (CEC) released the first production forecast for the commercial summer crops for 2013 on 26 February 2013; and is as follows:

Table 1: Preliminary area planted and first production forecast of commercial summer crops for 2013

CROP	**Area planted 2013** **Ha** **(A)**	**1st forecast 2013** **Tons** **(B)**	Area planted 2012 Ha (C)	Final crop 2012 Tons (D)	Change % (B) ÷ (D)
White maize	**1 617 200**	6 749 600	1 636 200	6 740 000	0,14
Yellow maize	**1 164 000**	5 604 750	1 063 000	5 090 000	10,11
Maize	**2 781 200**	12 354 350	2 699 200	11 830 000	4,43
Sunflower seed	**504 500**	624 210	453 350	522 000	19,58
Soya-beans	**515 000**	914 350	472 000	650 000	40,67
Groundnuts	**46 900**	64 600	45 450	59 000	9,49
Sorghum	**62 620**	181 544	48 550	135 500	33,98
Dry beans	**43 550**	55 500	39 750	47 695	16,36
TOTAL	**3 953 770**	14 194 554	3 758 300	13 244 195	7,18

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

- The revised area estimate for maize is 2,781 million ha, which is 3,04% or 82 000 ha more than the 2,699 million ha planted for the previous season.
- The expected commercial maize crop is 12,354 million tons, which is 4,43% more than the 11,830 million tons of the previous season, with an expected yield of 4,44 t/ha, as against the 4,38 t/h of 2012.
- The area estimate for white maize is 1,617 million ha, which represents a decrease of 1,16% or 19 000 ha compared to the 1,636 million ha planted last season. In the case of yellow maize the area estimate is 1,164 million ha, which is 9,50% or 101 000 ha more than the 1,063 million ha planted last season.
- The production forecast of white maize is 6,75 million tons, which is 0,14% more than the 6,740 million tons of last season. The yield for white maize is 4,17 t/ha, compared to 4,12 t/ha in 2012. In the case of yellow maize the production forecast is 5,605 million tons, which is 10,11% more than the 5,090 million tons of last season. The yield for yellow maize is 4,82 t/ha, compared to 4,79 t/ha in 2012.
- The revised area estimate for sunflower seed is 504 500 ha, which is 11,28% more than the 453 350 ha planted the previous season. The production forecast for sunflower seed is 624 210 tons, which is 19,58% more than the 522 000 tons of the previous season. The expected yield is 1,24 t/ha, against the 1,15 t/ha in 2012.
- It is estimated that 515 000 ha have been planted to soya-beans, which represents an increase of 9,11% compared to the 472 000 ha planted last season. The production forecast for soya-beans is 914 350 tons, which is 40,67% more than the 650 000 tons of the previous season. The expected yield is 1,78 t/ha, compared to the 1,38 t/ha of 2012.
- 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 groundnut crop is 64 600 tons, which is 9,49% more than the 59 000 tons of last season. The expected yield is 1,38 t/ha, compared to the 1,30 t/ha 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 production forecast for sorghum is 181 544 tons, which is 33,98% higher than the 135 500 tons of the previous season. The expected yield is 2,90 t/ha, against the 2,79 t/ha of 2012.
- 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. In the case of dry beans the production forecast is 55 500 tons, which is 16,36% more than the 47 695 tons of the previous season. The expected yield is 1,27 t/ha, against the 1,20 t/ha of 2012.

Please note that the second production forecast for summer field crops for 2013 will be released on 26 March 2013.

2.2 Winter cereal crops

The area planted and final production estimate for winter cereals for the 2012 production season was also released by the Crop Estimates Committee (CEC) on 26 February 2013, and is as follows:

Table 2: Commercial winter crops: Area planted estimate and final production estimate- 2012 production season

CROP	Area planted 2012 Ha (A)	Final estimate 2012 Tons (B)	Area planted 2011 Ha (C)	Final crop 2011 Tons (D)	Change % (B) ÷ (D)
Wheat	511 200	1 915 310	604 700	2 005 000	-4,47
Malting barley	84 940	296 230	80 150	312 000	-5,05
Canola	44 100	79 650	43 510	58 800	35,46
Total	640 240	2 291 190	728 360	2 375 800	-3,56

- The final production estimate for wheat is 1,915 million tons, which is 89 690 tons or 4,47% less than the previous seasons' final crop of 2,005 million tons. The area planted to wheat is 511 200 ha, representing a decrease of 15,46% compared to 2011. The average yield of wheat is 3,75 t/ha, against the 3,32 t/ha of 2011.
- The final production estimate for malting barley is 296 230 tons, which is 15 770 tons or 5,05% less than the previous seasons' final crop of 312 000 tons. The area planted to malting barley is at 84 940 ha, which is 5,98% more than the plantings of 2011. The expected yield is 3,49 t/ha, compared to the 3,89 t/ha of 2011.
- The final estimate for canola is 79 650 tons, which is 20 850 tons or 35,46% more than the 2011 crop of 58 800 tons. The area estimate for canola is 44 100 ha, which is 1,36% more than the plantings of 2011. The expected yield is 1,81 t/ha, compared the previous seasons' yield of 1,35 t/ha.

Please note that the intentions to plant winter cereals for 2013 will be released on 25 April 2013.

3. Cereal balance sheets

Supply and demand data for January 2013 was released by SAGIS on 22 February 2013. *(Preliminary information is subject to change on a monthly basis).*

3.1 Winter cereals

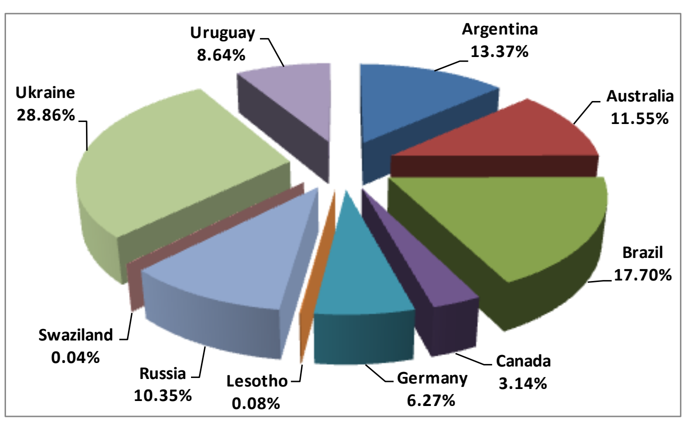
Table 3: Supply and demand for Wheat as at 1 March 2013

Marketing year (October to September) Production & Calendar year	2010/11 2010	2011/12 2011	2012/13* 2012
Supply			
Opening stocks: 1 October	**579**	**478**	**651**
SAGIS opening stocks	579	478	651
Gross production	**1,436**	**2,014**	**1,924**
Commercial production	1,401	1,976	1,886
Retentions by producers	29	29	29
Non-commercial	**6**	**9**	**9**
Total domestic supply	**2,015**	**2,492**	**2,575**
Plus: Imports	1,649	1,724	1,460
Total supply	**3,664**	**4,216**	**4,035**
Demand			
Commercial consumption	**3,001**	**3,268**	**3,062**
Human	2,944	3,066	2,960
Animal	1	136	38
Retentions by producers	29	29	29
Seed for planting purposes	13	18	15
Other consumption (released to end con's+withdrawn by prod's+retentions+gristing)	14	19	20
Non-commercial	**6**	**9**	**9**
Total domestic consumption	**3,007**	**3,277**	**3,071**
Plus: Exports	**179**	**288**	**306**
Products	24	19	27
Whole grain	155	269	279
Total demand	**3,186**	**3,565**	**3,377**
Closing stocks: 30 September	**478**	**651**	**658**
Pipeline requirements (80 days of human consumption)	**645**	**672**	**649**
Domestic shortfall / surplus	**-1,637**	**-1,457**	**-1,145**
Import gap	**1,637**	**1,457**	**1,145**
Surplus above pipeline	**-167**	**-21**	**9**

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

- The total supply of wheat for the 2012/13 marketing year is 4,035 million tons, including projected imports of 1,46 million tons, while the total demand is seen at 3,377 million tons bringing the projected closing stocks (30 September 2013) of wheat for the same year to 658 000 tons, which is 1,1% more than the 651 000 tons of the previous year.

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



- The progressive wheat imports from 29 September 2012 to 1 March 2013, stand at 653 399 tons, with the largest quantity (29% or 188 542) imported from Ukraine followed by Brazil (18% or 115 651 tons), Argentina (13% or 87 344 tons), Australia (12% or 75 476 tons), Russia (10% or 67 608 tons), Uruguay (9% or 56 448 tons), Germany (6% or 40 997 tons), and Canada (3% or 20 490 tons). It is interesting to note that small quantities (288 and 555 tons) were also imported from Swaziland and Lesotho.

3.2 Summer grains

Table 4: Supply and demand for White Maize as at 1 March 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**	**825**
SAGIS Opening Stocks	1,609	518	825
Gross Production	**6,601**	**7,169**	**7,179**
Commercial production	6,105	6,626	6,636
Retentions by producers	100	114	114
Non-commercial	**396**	**429**	**429**
Total Domestic Supply	**8,210**	**7,688**	**8,004**
Imports	133	15	
Total Supply	**8,343**	**7,703**	**8,004**
Demand			
Commercial Consumption	**5,635**	**5,154**	**5,159**
Human	4,119	4,140	4,150
Animal	1,202	750	725
Gristing	53	50	50
Retentions by producers	85	98	98
Seed for planting purposes	15	16	16
Other consumption (released to end-con & withdrawn by producers)	161	100	120
Non-commercial	**396**	**429**	**429**
Total Domestic Consumption	**6,031**	**5,583**	**5,588**
Exports	**1,794**	**1,295**	**1,528**
Products	60	55	50
Whole grain	1,734	1,240	1,478
Total Demand	**7,825**	**6,878**	**7,116**
Closing Stocks: 30 April	**518**	**825**	**888**
Pipeline Requirements (45 days of human & animal consumption + gristing)	**663**	**609**	**607**
Domestic Shortfall / Surplus	**1,516**	**1,496**	**1,809**
Surplus/ Shortage above pipeline	**-144**	**216**	**281**

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

- Projected closing stocks of white maize for the current 2012/13 marketing year is 825 000 tons, which is 59,3% 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 2012 calendar year. The projected export figure of 1,295 million tons is 27,8% less than the 1,794 million tons of the previous year.

- From 1 May up to 1 March 2013, progressive white maize exports stand at 1,172 million tons of which 778 166 tons or 66% were exported to Mexico, followed by the BLNS countries with 309 237 tons or 26%. The progressive white maize imports from 1 May to 1 March 2013, stand at 10 202 tons, with Zambia the main source of imports.
- Projected closing stocks of white maize for the coming 2013/14 marketing year is 888 000 tons, which 7,6% more than the previous year (825 000 tons). This increase can mainly be attributed to the expected increase in the production figure of white maize for the 2013 calendar year.

Table 5: Supply and demand for Yellow Maize as at 1 March 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	**727**	**476**	**597**
SAGIS Opening Stocks	727	476	597
Gross Production	**4,777**	**5,299**	**5,813**
Commercial production	4,235	4,771	5,285
Retensions by producers	374	319	319
Non-commercial	**168**	**209**	**209**
Total Domestic Supply	**5,504**	**5,775**	**6,410**
Imports	288		
Total Supply	**5,792**	**5,775**	**6,410**
Demand			
Commercial Consumption	**4,367**	**4,689**	**4,573**
Human	393	390	370
Animal	3,160	3,520	3,450
Gristing	14	10	10
Retentions by producers	360	304	304
Seed for planting purposes	14	15	15
Other consumption (released to end-con & withdrawn by producers)	426	450	424
Non-commercial	**168**	**209**	**209**
Total Domestic Consumption	**4,535**	**4,898**	**4,782**
Exports	**781**	**280**	**765**
Products	69	90	55
Whole grain	712	190	710
Total Demand	**5,316**	**5,178**	**5,547**
Closing Stocks: 30 April	**476**	**597**	**863**
Pipeline Requirements (45 days of human & animal consumption + gristing)	**440**	**483**	**472**
Domestic Shortfall / Surplus	**529**	**394**	**1,156**
Surplus/ Shortage above pipeline	**36**	**114**	**391**

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

- Projected closing stocks of yellow maize for the current 2012/13 marketing year is 597 000 tons, which 25,4% more than the previous year (476 000 tons). This increase can mainly be attributed to the increase in the production figure of yellow maize, from 4,6 million tons to 5,1 million tons for the 2012 calendar year.

- From 1 May up to 1 March 2013, progressive yellow maize exports stand at 151 370 tons, with the main destinations being the BLNS countries (114 350 tons or 76%). No imports were reported for the mentioned period.
- Projected closing stocks of yellow maize for the coming 2013/14 marketing year is 863 000 tons, which 44,6% more than the previous year (597 000 tons). This increase can mainly be attributed to the expected increase in the production figure of yellow maize, from 5,1 million tons to 5,6 millions tons for the 2013 calendar year.

Table 6: Supply and demand for Maize as at 1 March 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	**2,336**	**994**	**1,420**
SAGIS Opening Stocks	2,336	994	1,420
Gross Production	**11,378**	**12,468**	**12,993**
Commercial production	10,340	11,396	11,921
Retensions by producers	474	434	434
Non-commercial	**564**	**638**	**638**
Total Domestic Supply	**13,714**	**13,462**	**14,413**
Imports	421	15	
Total Supply	**14,135**	**13,477**	**14,413**
Demand			
Commercial Consumption	**10,002**	**9,844**	**9,733**
Human	4,512	4,530	4,520
Animal	4,362	4,270	4,175
Gristing	67	60	60
Retentions by producers	445	402	402
Seed for planting purposes	29	32	32
Other consumption (released to end-con & withdrawn by producers)	587	550	544
Non-commercial	**564**	**638**	**638**
Total Domestic Consumption	**10,566**	**10,482**	**10,371**
Exports	**2,575**	**1,575**	**2,293**
Products	129	145	105
Whole grain	2,446	1,430	2 188
Total Demand	**13,141**	**12,057**	**12,664**
Closing Stocks: 30 April	**994**	**1,420**	**1,749**
Pipeline Requirements (45 days of human & animal consumption + gristing)	**1,102**	**1,092**	**1,079**
Domestic Shortfall / Surplus	**2,046**	**1,888**	**2,963**
Surplus/ Shortage above pipeline	**-108**	**328**	**670**

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

- Projected closing stocks of maize for the current 2012/13 marketing year is 1,42 million tons, which is 42,9% 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 up to 1 March 2013, the progressive grand total of exports is 1,323 million tons, with the largest quantity (778 166 tons or 59%) exported to Mexico followed by BLNS countries (423 587 tons or 32%),

Mozambique (64 390 tons or 5%), Italy (33 176 tons or 3%) and Korea (20 661 tons or 2%). The progressive maize imports from 1 May to 1 March 2013, stand at 10 202 tons, with Zambia being the main source of imports.

- Projected closing stocks of maize for the coming 2013/14 marketing year is 1,749 million tons, which is 23,2% more than the previous year (1,420 million tons). This increase can mainly be attributed to the expected increase in the production figure of maize as well as the increase in the opening stocks for the 2013 calendar year.

Table 7: Supply and demand for Sorghum as at 1 March 2013

Marketing year: April - March **Production year** **Calendar year**	**2011/12*** **2010/11*** **2011***	**2012/13*** **2011/12*** **2012***	**2013/14*** **2011/12*** **2013**
	1 000 t	**1 000 t**	**1 000 t**
Supply			
Opening stocks: 1 April	**58,1**	**52,1**	**57,4**
SAGIS opening stocks	58,1	52,1	57,4
Gross production	**187,0**	**155,8**	**201,8**
Commercial production	163,7	135,5	181,5
Non-commercial	23,3	20,3	20,3
Total domestic supply	**245,1**	**207,9**	**259,2**
Plus: Imports	57,8	65,5	30,0
Total supply	**302,9**	**273,4**	**289,2**
Demand			
Food consumption	**182,2**	**158,9**	**176,4**
Malt	81,3	70,7	80,5
Meal	100,9	88,2	95,9
Brew	-	-	-
Feed consumption	**7,1**	**5,6**	**7,0**
Pet food	1,1	1,0	1,0
Poultry	5,5	4,0	4,2
Other feed	0,5	0,6	1,8
Total commercial consumption	**189,3**	**164,5**	**183,4**
Other consumption	**11,1**	**9,0**	10,2
Balancing item	**1,9**	**-0,6**	**-**
Non-commercial	**23,3**	**20,3**	**20,3**
Total domestic consumption	**225,6**	**193,2**	**213,9**
Plus: Exports	**25,2**	**22,8**	**20,8**
Exports through border posts	21,4	19,6	17,4
Exports through harbours	-	-	-
Products to African countries	3,8	3,2	3,4
Total demand	**250,8**	**216,0**	**234,7**
Closing stocks	**52,1**	**57,4**	**54,5**
Pipeline Requirements (45 days of human & animal consumption + gristing)	**23,3**	**20,3**	**22,6**
Domestic surplus / deficit	**-3,8**	**-5,6**	**22,7**
Import gap	**3,8**	**5,6**	**-22,7**
Surplus/ Shortage above pipeline	**28,8**	**37,1**	**31,9**

**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 57 400 tons, which is 10,2% more than the previous year (52 100 tons) and can be attributed to the higher projected imports and lower projected export figures for 2012. Imports of sorghum for the mentioned year are projected at 65 500 tons, which is 13,3% more than the 57 800 tons of the previous year. Exports of sorghum are projected at 22 800 tons, which is 9,5% less than the 25 200 tons of the previous year.

- The total commercial consumption for the above-mentioned period is 164 500 tons including food (158 900 tons) and feed (5 600 tons) consumption, which is the lowest since the 178 900 tons for the 2003/04 marketing season.
- The projected total supply of sorghum for the 2013/14 marketing year is at 289 200 tons, including imports of 30 000 tons. Total demand is projected at 234 700 tons, including exports of 20 800 tons.
- The projected closing stocks of sorghum for the above mentioned period is 54 500 tons, which is 5,1% less than the previous year (57 400 tons). This decrease can mainly be attributed to the expected decrease in the import 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 January 2013 was 5,4%. This rate was 0,3% lower than the corresponding annual rate of 5,7% in December 2012. On average, prices increased by 0,3% between December 2012 and January 2013.
- The food and non-alcoholic beverages index increased by 0,9% between December 2012 and January 2013. The annual rate decreased to 6,2% in January 2013 from 6,9% in December 2012. The following components in the food and non-alcoholic beverages index increased: Vegetables (3,0%), hot beverages (1,6%), fish (1,3%), other food (1,2%), cold beverages (1,2%), milk, eggs and cheese (1,0%), sugar, sweets and desserts (0,9%), bread and cereals (0,7%), meat (0,3%) and oils and fats (0,3%). The following component decreased: Fruit (-1,1%).
- The housing and utilities index increased by 0,1% between December 2012 and January 2013. The annual rate remained unchanged at 6,0% in January 2013.
- The transport index decreased by 0,2% between December 2012 and January 2013, mainly due to a 13c/litre decrease in the price of petrol. The annual rate decreased to 5,1% in January 2013 from 5,5% in December 2012.
- The miscellaneous goods and services index increased by 0,5% between December 2012 and January 2013, mainly due to a 4,5% increase in financial services. The annual rate decreased to 4,9% in January 2013 from 5,6% in December 2012.
- The provinces with an annual inflation rate lower than or equal to headline inflation were Western Cape (5,4%), KwaZulu-Natal (5,4%), Gauteng (5,4%), Free State (5,3%) and Eastern Cape (5,0%). The provinces with an annual inflation rate higher than headline inflation were North West (6,1%), Mpumalanga (5,9%), Limpopo (5,9%) and Northern Cape (5,8%).

4.2 Producer Price Index (PPI)

- The annual percentage change in the PPI for final manufactured goods was 5,8% in January 2013. From December 2012 to January 2013 the PPI for final manufactured goods increased by 0,5%.
- The main contributors to the annual rate of 5,8% were food products, beverages and tobacco products (6,5% and contributing 2,2%), as well as coke, petroleum, chemical, rubber and plastic products (7,8% and contributing 1,3%). The main contributors to the monthly increase of 0,5% were transport equipment (1,6% and contributing 0,2%), as well as metals, machinery, equipment and computing equipment (1,0% and contributing 0,2%).
- The annual percentage change in the PPI for electricity and water was 12,3% in January 2013. From December 2012 to January 2013 the PPI for electricity and water increased by 1,1%. Electricity increased by 1,3% month-on-month and by 13,0% 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 7,2% in January 2013. From December 2012 to January 2013 the PPI for mining increased by 2,5%. The main contributors to the annual rate of 7,2% were non-ferrous metal ores (8,9% and contributing 4,1%) and gold and other metal ores (9,4% and contributing 2,2%). The main

contributors to the monthly rate of 2,5% were non-ferrous metal ores (3,6% and contributing 1,7%) and gold and other metal ores (3,6% and contributing 0,8%).

- The annual percentage change in the PPI for agriculture, forestry and fishing was 3,0% in January 2013. From December 2012 to January 2013 the PPI for agriculture, forestry and fishing decreased by 1,4%. The main contributor to the annual rate of 3,0% was agriculture (3,5% and contributing 2,7%). The main contributor to the monthly rate of -1,4% was agriculture (-1,6% and contributing -1,2%).

4.3 Future contract prices and the exchange rate

Table 8: Closing prices on Monday, 4 March 2013

	4 March 2013	4 February 2013	% Change
RSA White Maize per ton (Mar. contract)	R2 307,00	R2 056,00	+12,21
RSA Yellow Maize per ton (Mar. contract)	R2 280,00	R2 200,00	+3,64
RSA Wheat per ton (Mar. contract)	R3 430,00	R3 605,00	-4,85
RSA Sunflower seed per ton (Mar. contract)	R5 000,00	R5 260,00	-4,94
RSA Soya-beans per ton (Mar. contract)	R4 721,00	R4 745,00	-0,51
Exchange rate R/$	R9,09	R8,91	+2,02

Source: SAFEX

4.4 Agricultural machinery sales

- January tractor sales of 684 units were 13,4% lower than the 790 units reported in January last year. January combine harvester sales of 27 units were more than double the 13 units sold in January 2012.
- Despite the lower January tractor sales, the market for agricultural machinery continues to be very buoyant, with market fundamentals still looking good. Weather conditions in the eastern parts of the country have been favourable and summer crops in most of these areas are looking good. However, in the western parts of the country there are areas which urgently require rainfall in order to realise the full potential of the crops.
- The prevailing mood in the market is one of cautious optimism. Some farmers will be buying tractors ahead of the inevitable price increases resulting from the recent rand devaluation. Current expectations are that tractor sales in the 2013 calendar year will be of the order of 7 000 units, approximately 10% down on the sales of 2012.

Table 9: Agricultural machinery sales

	Year-on-year		Percentage Change %	Year-to-date		Percentage Change %
	January			January		
Equipment class	**2013**	**2012**		**2013**	**2012**	
Tractors	684	790	-13,4	684	790	-13,4
Combine harvesters	27	13	107,7	27	13	107,7

Source: SAAMA press release, February 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