

MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA: NOVEMBER 2012

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Directorate: Statistics and Economic Analysis

Highlights:

- During the month of November, rainfall occurrences were limited to the eastern half of the country.
- The expected commercial production of wheat is 1,784 million tons, which is 11,0% less than the previous seasons' crop of 2,005 million tons.
- The projected closing stocks of wheat for the 2012/13 marketing year is 515 000 tons, which includes imports of 1,400 million tons.
- The final calculated crop of commercial maize for 2012 is 11,830 million tons, which is 2,9% more than the final crop estimate figure of 11,495 million tons.
- The projected closing stocks of maize for the current 2012/13 marketing year is 1,470 million tons, which 47,9% more than the previous year.
- Projected closing stocks of maize for the coming 2013/14 marketing year is 2,312 million tons, which is 57,3% more than the previous year.
- The expected closing stocks of sorghum for the current 2012/13 marketing year show a surplus of 54 300 tons, which is 4,2% more than the previous year.
- The projected closing stocks of sorghum for the coming 2013/14 marketing year is 35 400 tons, which is 34,8% less than the previous year.
- The headline CPI (for all urban areas) annual inflation rate in October 2012 was higher at 5,6%.
- The annual percentage change in the PPI was higher at 5,2% in October 2012.
- Real gross domestic product at market prices for the (3rd Quarter of 2012) increased by 1,2% quarter-on-quarter, seasonally adjusted and annualised.
- October 2012 tractor sales of 1 009 units were marginally higher than the 979 units reported in October 2011



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1. Weather conditions

1.1 Rainfall for November 2012

During the month of November, rainfall occurrences were limited to the eastern half of the country (**Figure 1**). When comparing rainfall totals to the long term average for November 2012, near-normal rainfall is depicted in the eastern parts of the country but below-normal rainfall was received for the majority of the central and western parts (**Figure 2**).

Figure 1: Rainfall (mm) for November 2012

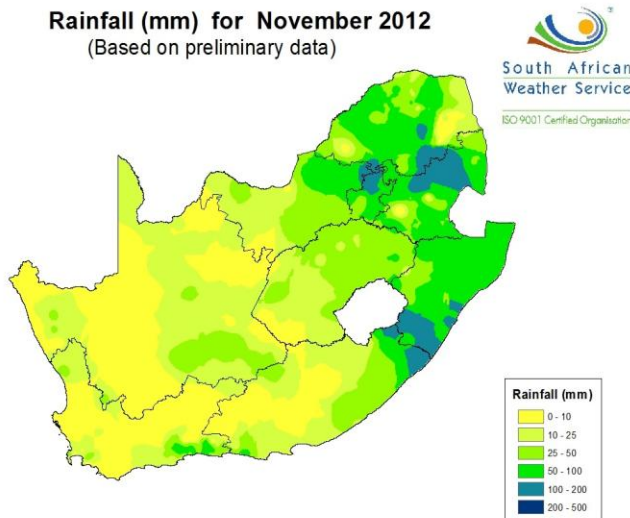
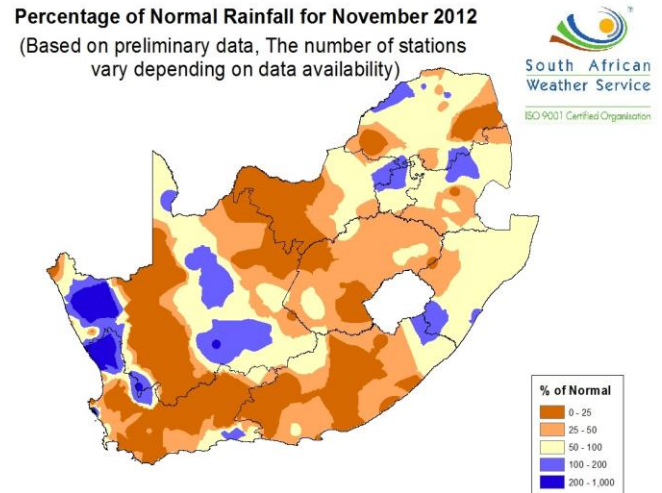


Figure 2: Percentage rainfall for November 2012



1.2 Level of dams

Available information on the level of South Africa's dams on 3 December 2012 indicates that the country has approximately 81% of its full supply capacity (FSC) available, which is 3% less than the same period last year. Most of the provinces show a decrease, except for the Western Cape and KwaZulu-Natal provinces which shows increases of 9% and 1%, respectively. The Eastern Cape Province remained the same as last year 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, 3 December 2012

Province	Net FSC million cubic meters	3/12/2012 (%)	Last Year (%)
Eastern Cape	1 819	82	82
Free State	15 971	83	87
Gauteng	115	89	99
KwaZulu-Natal	4 529	77	76
Lesotho*	2 376	73	79
Limpopo	1 159	68	79
Mpumalanga	2 520	85	88
North West	808	74	84
Northern Cape	146	88	93
Western Cape	1 851	87	78
Total	31 296	81	84

Source: Department of Water Affairs

2. Grain production

2.1 Summer grain crops

The Crop Estimates Committee (CEC) released the final area planted and crop production figures of the commercial summer grain crops for 2012 on 29 November 2012; and is as follows:

Table 2: Final area planted and crop production figures of commercial summer crops for 2012

CROP	FINAL AREA PLANTED 2012 HA (A)	FINAL CROP 2012 TONS (B)	CEC AREA PLANTED SEP 2012 HA (C)	CEC FINAL ESTIMATE ¹⁾ SEP 2012 TONS (D)	FINAL CROP vs FINAL ESTIMATE % (B) ÷ (D)
White Maize	1 636 200	6 740 000	1 636 200	6 505 800	+3,60
Yellow Maize	1 063 000	5 090 000	1 063 000	4 988 850	+2,03
Total Maize	2 699 200	11 830 000	2 699 200	11 494 650	+2,92
Sunflower seed	453 350	522 000	453 350	527 110	-0,97
Soya beans	472 000	650 000	472 000	646 950	+0,47
Groundnuts	45 450	59 000	45 450	60 290	-2,14
Sorghum	48 550	135 500	48 550	137 150	-1,20

Note: Estimate is for calendar year, e.g. production season 2011/12 = 2012

- The estimated total production figures as released by the Crop Estimates Committee (CEC) were revised, using the published figures of the South Africa Grain Information Services (SAGIS) of actual deliveries as the basis for the calculations. The figures from the maize utilisation survey to determine on-farm usage and retentions, which was conducted by the Department of Agriculture, Forestry and Fisheries (DAFF) and the telephonic survey conducted by the National Crop Statistics Consortium (NCSC), were added to the SAGIS delivery figures to calculate the final crop production figures.
- Comparing the final calculated crop figures with the numbers set by the CEC during September 2012, the size of the commercial maize crop is now 11,830 million tons, which is 335 350 tons or 2,92% more than the final crop estimate figure of 11,495 million tons. For white maize, the recalculated crop size is 6,740 million tons, which is 3,60% higher than the final crop estimate figure, and for yellow maize the recalculated crop size is 5,090 million tons, which is 2,03% higher than the final crop estimate figure.
- The CELC noted the following main reasons for the under-estimation of the maize crop:
 - Mid-season dry spells in February and March 2012;
 - Dry land maize did not look good on the fields, but realised better yields than expected;
 - More irrigation maize was planted compared to the previous season (240 500 ha vs 187 450 ha);
 - Irrigation yields were also higher than in 2011, and contributed 20-25% of the total crop; and
 - Yields were estimated too low in certain provinces, in other words the impact of the mid-summer drought was over-estimated.
- In the case of commercial sunflower seed, the final calculated crop figure was slightly adjusted downward by 0,97% from 527 110 tons to 522 000 tons. Groundnuts and sorghum were also adjusted downward by 2,14% and 1,20%, respectively. With regard to commercial soya beans, the recalculated crop showed an increase of 0,47%, from 646 950 tons to 650 000 tons.

The preliminary area planted forecast for summer grain crops for the 2013 season will be released on 24 January 2013.



2.2 Winter cereal crops

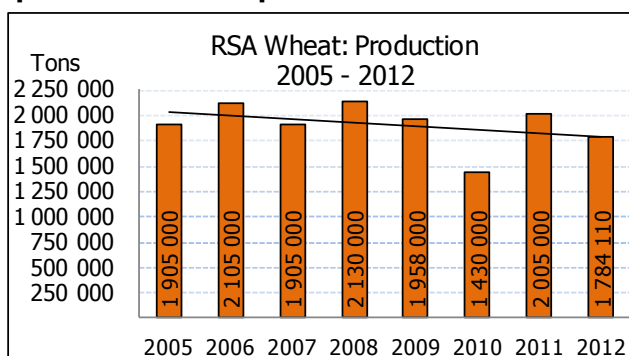
The area estimate and fourth production forecast for winter cereals for the 2012 production season was released by the Crop Estimates Committee (CEC) on 22 November 2012, and is as follows:

Table 3: Commercial winter crops: Area planted estimate and fourth production forecast - 2012 production season

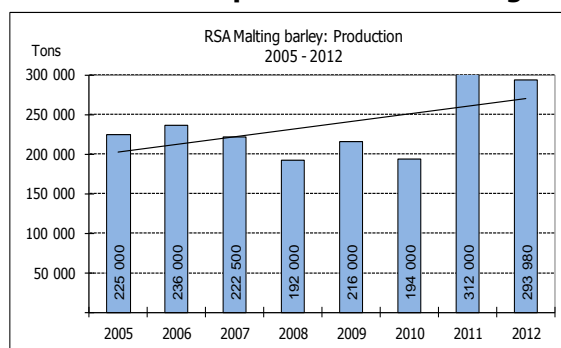
CROP	Area planted 2012 Ha (A)	4 th forecast 2012 Tons (B)	Area planted 2011 Ha (C)	Final crop 2011 Tons (D)	Change % (B) ÷ (D)
Wheat	511 200	1 784 110	604 700	2 005 000	-11,0
Malting barley	84 940	293 980	80 150	312 000	-5,8
Canola	44 100	69 400	43 510	58 800	18,0
Total	640 240	2 147 490	728 360	2 375 800	-9,6

- The expected commercial production of wheat is 1,784 million tons, which is 11,0% less than the previous seasons' crop of 2,005 million tons, while the expected yield is 3,49 t/ha.
- The estimated production in the Western Cape is 775 200 tons (43%), in the Free State 370 500 tons (21%) and in the Northern Cape 277 200 tons (16%).
- The area estimate for wheat remained unchanged at 511 200 ha.
- The production forecast for malting barley is 293 980 tons, which is 5,8% less than the previous seasons' crop of 293 980 tons. The area planted is estimated at 84 940 ha, while the expected yield is 3,46 t/ha.
- The expected canola crop increased to 69 400 tons, which is an increase of 18,0% or 10 600 tons. The area estimate for canola is 44 100 ha, with an expected yield of 1,57 t/ha.

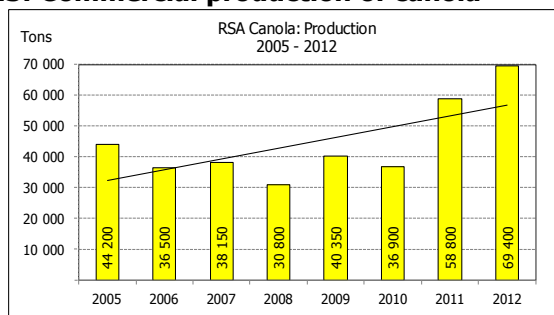
Graph 1: Commercial production of wheat



Graph 2: Commercial production of malting barley



Graph3: Commercial production of canola



- From the graphs it is evident that although the production of wheat is showing a decreasing trend, the production of both malting barley and canola are showing an increasing trend.

Please note that the fifth production forecast for winter cereals for 2012 will be released on 20 December 2012.

3. Cereal balance sheets

Supply and demand data for October 2012 was released by SAGIS on 23 November 2012. *(Preliminary information is subject to change on a monthly basis.)*



3.1 Winter cereals

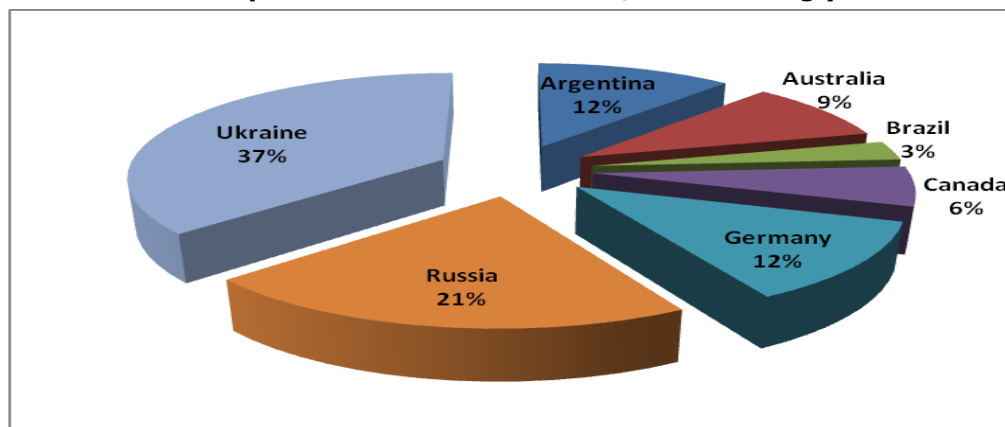
Table 4: Supply and demand for Wheat as at 30 November 2012

Marketing year (October to September)	2010/11*	2011/12*	2012/13*
Production & Calendar year	2010	2011	2012
Supply	1 000 tons	1 000 tons	1 000 tons
Opening stocks: 1 October	579	478	651
SAGIS opening stocks	579	478	651
Gross production	1,436	2,014	1,793
Commercial production	1,401	1,976	1,755
Retentions by producers	29	29	29
Non-commercial	6	9	9
Total domestic supply	2,015	2,492	2,444
Plus: Imports	1,649	1,724	1,400
Total supply	3,664	4,216	3,844
Demand			
Commercial consumption	3,001	3,268	3,086
Human	2,944	3,066	3,000
Animal	1	136	20
Retentions by producers	29	29	29
Seed for planting purposes	13	18	20
Other consumption (released to end con's+withdrawn by prod's+retentions)	14	19	17
Non-commercial	6	9	9
Total domestic consumption	3,007	3,277	3,095
Plus: Exports	179	288	234
Products	24	19	21
Whole grain	155	269	212
Total demand	3,186	3,565	3,329
Closing stocks: 30 September	478	651	515
Pipeline requirements (80 days of human consumption)	645	672	658
Domestic shortfall / surplus	-1,637	-1,457	-1,309
Import gap	1,637	1,457	1,309
Surplus above pipeline	-167	-21	-143

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

- The final closing stocks (30 September 2012) of wheat for the past 2011/12 marketing year was 651 000 tons, which is 36,2% more than the previous year (478 000 tons).

Graph 4: Major countries of wheat imports for South Africa: 2012/13 marketing year



- The progressive wheat imports from 29 September 2012 to 30 November 2012, stand at 340 971 tons, with the largest quantity (125 103 or 37%) imported from Ukraine followed by Russia (72 666 or 21%), Germany (40 997 tons or 12%), Argentina (40 468 tons or 12%) and Australia (31 258 tons or 9%).
- The total supply of wheat for the 2012/13 marketing year is 3,844 million tons, including projected imports of 1,4 million tons, while the total demand is seen at 3,329 million tons bringing the projected closing stocks (30 September 2013) of wheat for the same year to 515 000 tons, which is 20,9% less than the 651 000 tons of the previous year.

3.2 Summer grains

Table 5: Supply and demand for White Maize as at 30 November 2012

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	1 609	518	1 004
SAGIS Opening Stocks	1 609	518	1 004
Gross Production	6 601	7 169	7 229
Commercial production	6 105	6 626	6 686
Retentions by producers	100	114	114
Non-commercial	396	429	429
Total Domestic Supply	8 210	7 687	8 233
Imports	133	20	
Total Supply	8 343	7 707	8 233
Demand			
Commercial Consumption	5 635	5 024	5 324
Human	4 119	4 150	4 160
Animal	1 202	560	890
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	150	110
Non-commercial	396	429	429
Total Domestic Consumption	6 031	5 453	5 753
Exports	1 794	1 250	1 023
Products	60	50	63
Whole grain	1 734	1 200	960
Total Demand	7 825	6 703	6 776
Closing Stocks: 30 April	518	1 004	1 457
Pipeline Requirements (45 days of human & animal consumption + gristing)	663	587	629
Domestic Shortfall / Surplus	1 517	1 647	1 851
Surplus/ Shortage above pipeline	- 144	417	828

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

- Projected closing stocks of white maize for the current 2012/13 marketing year is 1,004 million tons, which is 93,8% 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 1,250 million tons is 30,3% less than the 1,794 million tons of the previous year.



- From 1 May up to 30 November 2012, progressive white maize exports stand at 933 346 tons of which 656 549 tons or 74,6% were exported to Mexico. The progressive white maize imports from 1 May to 30 November 2012, 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 1,457 million tons, which 45,1% more than the previous year (1,004 million tons). This increase can mainly be attributed to the expected increase in the production figure of white maize for the 2013 calendar year.

Table 6: Supply and demand for Yellow Maize as at 30 November 2012

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	467
SAGIS Opening Stocks	727	476	467
Gross Production	4 777	5 299	5 600
Commercial production	4 235	4 771	5 072
Retentions by producers	374	319	319
Non-commercial	168	209	209
Total Domestic Supply	5 504	5 775	6 067
Imports	288		
Total Supply	5 792	5 775	6 067
Demand			
Commercial Consumption	4 367	4 859	4 502
Human	393	400	364
Animal	3 160	3 700	3 320
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	430	489
Non-commercial	168	209	209
Total Domestic Consumption	4 535	5 068	4 711
Exports	781	240	500
Products	69	50	50
Whole grain	712	190	450
Total Demand	5 316	5 308	5 211
Closing Stocks: 30 April	476	467	856
Pipeline Requirements (45 days of human & animal consumption + gristing)	440	507	455
Domestic Shortfall / Surplus	529	200	901
Surplus/ Shortage above pipeline	36	-40	401

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

- Projected closing stocks of yellow maize for the current 2012/13 marketing year is 467 000 tons, which 1,9% less than the previous year (476 000 tons). This decrease can mainly be attributed to the increase in the expected animal consumption figure of yellow maize, from 3,2 million tons to 3,7 million tons for the 2012 calendar year.
- From 1 May up to 30 November 2012, progressive yellow maize exports stand at 112 635 tons, with the main destinations being the BLNS countries (83 248 tons or 73,9%). No imports were reported for the mentioned period.



- Projected closing stocks of yellow maize for the coming 2013/14 marketing year is 856 000 tons, which 83,3% more than the previous year (467 000 tons). This increase can mainly be attributed to the expected increase in the production figure of yellow maize for the 2013 calendar year.

Table 7: Supply and demand for Maize as at 30 November 2012

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	1,470
SAGIS Opening Stocks	2,336	994	1,470
Gross Production	11 378	12 468	12 830
Commercial production	10 340	11 396	11 758
Retentions by producers	474	434	434
Non-commercial	564	638	638
Total Domestic Supply	13 714	13 462	14 300
Imports	421	20	
Total Supply	14 135	13 482	14 300
Demand			
Commercial Consumption	10 002	9 884	9 827
Human	4 512	4 550	4 524
Animal	4 362	4 260	4 210
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	580	599
Non-commercial	564	638	638
Total Domestic Consumption	10 566	10 522	10 465
Exports	2 575	1 490	1 523
Products	129	100	113
Whole grain	2 446	1 390	1 410
Total Demand	13 141	12 012	11 998
Closing Stocks: 30 April	994	1 470	2 312
Pipeline Requirements (45 days of human & animal consumption + gristing)	1 102	1 094	1 084
Domestic Shortfall / Surplus	2 046	1 846	2 751
Surplus/ Shortage above pipeline	-108	376	1 228

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

- Projected closing stocks of maize for the current 2012/13 marketing year is 1,470 million tons, which is 47,9% 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 30 November 2012, the progressive grand total of exports is 1,046 million tons, with the largest quantity (696 549 tons or 66,6%) exported to Mexico followed by BLNS countries (286 577 tons or 27,4%), Mozambique (42 883 tons or 4,1%) and Korea (17 970 tons or 1,7%). The progressive maize imports from 1 May to 30 November 2012, 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 2,312 million tons, which is 57,3% more than the previous year (1,470 million tons). This increase can mainly be attributed to the expected increase in the production figure of maize for the 2013 calendar year.



Table 8: Supply and demand for Sorghum as at 30 November 2012

Marketing year: April - March	2011/12*	2012/13*	2013/14*
Calendar year	2011*	2012*	2013*
	1 000 tons	1 000 tons	1 000 tons
Supply			
Opening stocks: 1 April	58,1	52,1	54,2
SAGIS opening stocks	58,1	52,1	54,2
Gross production	187,0	156,1	196,0
Commercial production	163,7	135,5	175,4
Non-commercial	23,3	20,6	20,6
Total domestic supply	245,1	208,2	250,2
Plus: Imports	57,8	75,0	34,2
Total supply	302,9	283,2	284,4
Demand			
Food consumption	182,2	173,7	179,4
Malt	81,3	74,1	81,2
Meal	100,9	99,6	98,2
Feed consumption	7,1	6,4	8,0
Pet food	1,1	0,9	1,0
Poultry	5,5	5,0	5,2
Other feed	0,5	0,5	1,8
Total commercial consumption	189,3	180,1	187,4
Other consumption	11,1	9,4	10,3
Balancing item	1,9	1,0	2,0
Non-commercial	23,3	20,6	20,6
Total domestic consumption	225,6	211,1	220,3
Plus: Exports	25,2	17,8	28,7
Exports through border posts	21,4	14,2	25,3
Exports through harbours	-	-	-
Products to African countries	3,8	3,6	3,4
Total demand	250,8	228,9	249,0
Closing stocks	52,1	54,3	35,4
Pipeline Requirements (45 days of human & animal consumption + gristing)	23,3	22,2	23,1
Domestic surplus / deficit	-3,8	-25,1	6,8
Import gap	3,8	25,1	
Surplus/ Shortage above pipeline	28,8	32,1	12,3

*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 54 300 tons, which is 4,2% more than the previous year (52 100 tons) and can be attributed to the higher projected imports



figure for 2012. Imports of sorghum for the mentioned year are projected at 75 000 tons, which is 29,8% more than the 57 800 tons of the previous year.

- The projected production of sorghum for the 2013/14 marketing year is estimated at 175 400 tons, when applying an average yield of 2,71 t/ha to the area planted of 64 650 ha. The total supply is projected at 284 400 tons including imports of 34 200 tons.
- The projected closing stocks of sorghum for the coming 2013/14 marketing year is 35 400 tons, which is 34,8% less than the previous year (54 300 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 October 2012 was 5,6%. This rate was 0,1% higher than the corresponding annual rate of 5,5% in September 2012. On average, prices increased by 0,6% between September 2012 and October 2012.
- The food and non-alcoholic beverages index increased by 2,5% between September 2012 and October 2012.
- The monthly increase in the food index of 2,8% is the highest since August 1994 (4,1%). The annual rate increased to 6,3% in October 2012 from 5,8% in September 2012. The following components in the food and non-alcoholic beverages index increased: Vegetables (9,5%), fruit (5,4%), bread and cereals (2,8%), meat (2,2%), other food (1,7%), fish (0,8%), oils and fats (0,8%), milk, eggs and cheese (0,7%) and hot beverages (0,3%). The following component decreased: cold beverages (-0,2%).
- The transport index increased by 0,4% between September 2012 and October 2012, mainly due to a 21c/litre increase in the price of petrol. The annual rate decreased to 6,1% in October 2012 from 6,6% in September 2012.
- The miscellaneous goods and services index increased by 0,6% between September 2012 and October 2012. The annual rate increased to 5,3% in October 2012 from 5,2% in September 2012.
- The provinces with an annual inflation rate lower than or equal to headline inflation were Free State (5,5%), Gauteng (5,5%), Western Cape (5,4%) and Eastern Cape (5,4%). The provinces with an annual inflation rate higher than headline inflation were North West (6,5%), Mpumalanga (6,2%), Limpopo (6,2%), KwaZulu-Natal (5,9%) and Northern Cape (5,7%).

4.2 Producer Price Index (PPI)

- The Producer Price Index (PPI) for domestic output shows an annual rate of change of 5,2% in October 2012 (i.e. the PPI in October 2012 compared with October 2011). This rate is 1,0% higher than the corresponding annual rate of 4,2% in September 2012. This higher rate in October 2012 can be explained by increases in the annual rate of change in the Producer Price Index for:
 - Mining and quarrying: The annual rate increased from -0,1% in September 2012 to 3,0% in October 2012;
 - Food at manufacturing: The annual rate increased from 10,1% in September 2012 to 10,9% in October 2012;
 - Agriculture: The annual rate increased from 5,2% in September 2012 to 6,3% in October 2012;
 - Chemicals and chemical products: The annual rate increased from 4,5% in September 2012 to 6,4% in October 2012;
 - Beverages: The annual rate increased from 4,9% in September 2012 to 5,9% in October 2012;
 - Non-electrical machinery and equipment: The annual rate increased from 2,3% in September 2012 to 2,4% in October 2012;
 - Other manufactures: The annual rate increased from 1,3% in September 2012 to 1,7% in October 2012; and
 - Basic metals: The annual rate increased from -3,2% in September 2012 to -2,2% in October 2012.
- These increases were counteracted by decreases in the annual rate of change for:
 - Electricity: The annual rate decreased from 13,3% in September 2012 to 12,8% in October 2012.
- From September 2012 to October 2012 the PPI for domestic output increased by 0,6%.

- The monthly increase of 0,6% in the PPI for domestic output was mainly due to monthly contributions from increases in the price indices of mining and quarrying (0,6%), agriculture (0,4%), products of petroleum and coal (0,2%), food at manufacturing (0,1%), chemicals and chemical products (0,1%) and other manufactures (0,1%). These increases were partially counteracted by decreases in the price indices of electricity (-0,8%) and basic metals (-0,1%).

4.3 Gross Domestic Product – 3rd Quarter of 2012

- Real gross domestic product (GDP) at market prices increased by 1,2% quarter-on-quarter, seasonally adjusted and annualised.
- The largest contributions to the quarter-on-quarter growth of 1,2% were as follows:
 - Finance, real estate and business services and general government services each contributed 0,4% based on growth of 1,8% and 2,7%, respectively;
 - The agriculture, forestry and fishing industry, the manufacturing industry and the wholesale, retail, motor trade and catering and accommodation industry each contributed 0,2% based on growth of 7,4%, 1,2% and 1,7%, respectively; and
 - The transport, storage and communication industry and personal services each contributed 0,1% based on growth of 1,1% and 2,1%, respectively.

4.4 Food Price Monitor - November 2012

- The October 2012 Consumer Price Index (CPI) released by Statistics South Africa (Stats SA) showed that the headline CPI was 5,6% between October 2011 and October 2012. The previous Food Price Monitor (FPM) of August 2012 reported that the food and non-alcoholic beverage index increased by 5,3% between July 2011 and July 2012. Since the last report, the inflation rate on food and non-alcoholic beverages slowed down on a year-on-year basis by 4,9% in August 2012 and 5,8% in September 2012. Inflation on food and non-alcoholic beverages gained momentum in October 2012 to 6,3%.
- At retail level, urban consumers paid R8,80 for a 700g loaf of brown bread and R9,88 for a 700g loaf of white bread during the month of October 2012, indicating an 8,91% and 9,41% increase, respectively, compared to October 2011. During October 2012, the real farm-to-retail-price-spread for brown bread was R7,82 and for white bread R7,08, indicating a 12,17% and 2,33% increase, respectively.
- When comparing costs associated with typical portion sizes of very poor consumers for the five most widely consumed food items in South Africa, based on October 2012 versus October 2011 prices, the results indicate an inflation of about 12,5% (from R 3,51 to R 3,95 for the selection of portions). This was, in particular, due to inflation on maize meal, even though the inflation on bread and milk also contributed significantly. This analysis could be viewed as a simple measurement of the impact of food inflation on the poor. The results indicate that the current food inflation conditions have a more significant impact on very poor consumers (12,5% inflation rate, comparing October 2012 with October 2011), compared to the 'average' consumer's food basket (10,6% inflation rate, as previously described).

4.5 Future contract prices and the exchange rate

Table 9: Closing prices on Wednesday, 5 December 2012

	5 December 2012	5 November 2012	% Change
RSA White Maize per ton (Dec. contract)	R2 422,00	R2 519,00	-3,9
RSA Yellow Maize per ton (Dec. contract)	R2 524,00	R2 552,00	-1,1
RSA Wheat per ton (Dec. contract)	R3 654,00	R3 720,00	-1,8
RSA Sunflower seed per ton (Dec. contract)	R6 010,00	R6 055,00	-0,7
RSA Soya-beans per ton (Dec. contract)	R5 450,00	R5 480,00	-0,5
Exchange rate R/\$	R8,77	R8,77	-

Source: SAFEX



4.6 Agricultural machinery sales

- October tractor sales of 1 009 units were marginally higher than the 979 units reported in October 2011. This is the first time since October 1982 that monthly tractor sales have been above 1 000 units. On a year-to-date basis, 2012 sales are almost 12% higher than 2011 sales. October combine harvester sales of 34 units were 24% less than the 45 units sold in October last year. On a year-to-date basis, however, combine harvester sales are now almost 33% more than 2011.
- The market for agricultural machinery continues to be very buoyant, with market fundamentals still looking good. Commodity prices are holding up well, and with local and international grain stocks at relatively low levels, it is likely that current grain prices will be sustained. Rains in some summer cropping areas, particularly in the east, have enabled farmers to start planting there and these crops are looking good at present. Follow-up rain is required in these areas, as well as planting rains in the west of the country.
- Industry predictions of tractor sales for the 2012 calendar year are now of the order of 8 000 to 8 800 units, between 10 and 20% higher than almost 7 400 units sold in 2011.

Table 10: Agricultural machinery sales

Equipment class	Year-on-year		Percentage Change %	Year-to-date		Percentage Change %
	October			October		
	2012	2011		2012	2011	
Tractors	1 009	979	3,1	7 011	6 286	11,5
Combine harvesters	34	45	-24,4	317	239	32,6

Source: SAAMA press release, November 2012

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