

# MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA: NOVEMBER 2013

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**Directorate: Statistics and Economic Analysis**

## **Highlights:**

- During November 2013, significant precipitation numbers were recorded in the eastern half, as well as the southern coastal regions of the country.
- The expected size of commercial wheat crop for 2013 is 1,752 million tons, which is 6% less than the previous seasons' crop of 1,870 million tons.
- The projected closing stocks of wheat for the previous 2012/13 marketing year were 489 000 tons, which included imports of 1,393 million tons.
- The projected closing stocks of wheat for the current 2013/14 marketing year are 479 000 tons, which includes imports of 1,650 million tons.
- The final calculated commercial maize crop is 11,690 million tons, which is 0,3% less than the September crop estimate figure of 11,723 million tons.
- Projected closing stocks of maize for the current 2013/14 marketing year are 747 000 tons, which is 47% less than the previous year.
- Projected closing stocks of maize for the coming 2014/15 marketing year are 977 000 tons, which is 31% more than the previous year.
- The projected closing stocks of sorghum for the current 2013/14 marketing year are 43 900 tons, which is 9% less than the previous year.
- The projected closing stocks of sorghum for the coming 2014/15 marketing year are 53 000 tons, which is 21% more than the previous year.
- The headline CPI (for all urban areas) annual inflation rate in October 2013 was lower at 5,5%.
- The annual percentage change in the PPI for final manufactured goods was lower at 6,3% in October 2013.
- South Africa's real gross domestic product (GDP) increased by 0,7% in the third quarter of 2013.
- October tractor sales of 935 units were 7% lower than the 1 009 units reported in October last year.



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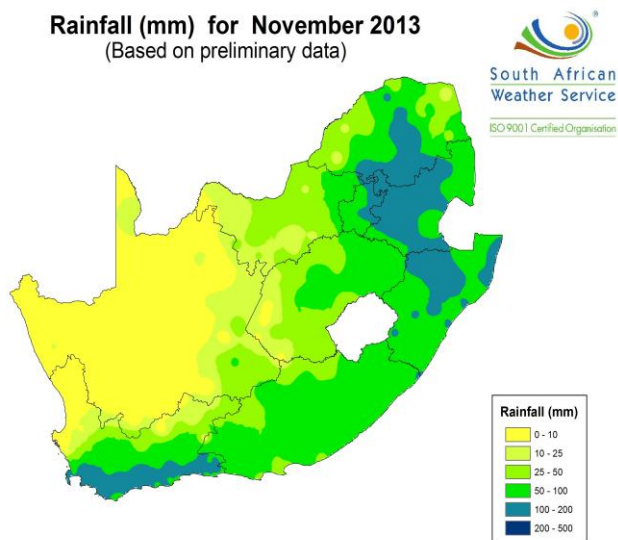
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# 1. Weather conditions

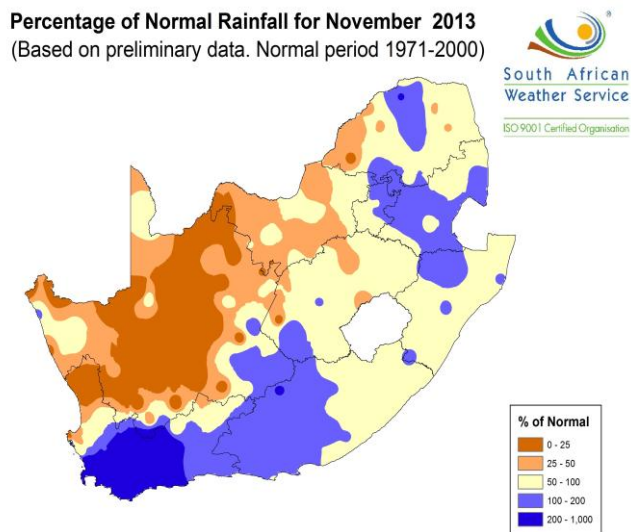
## 1.1 Rainfall for November 2013

During November 2013, significant precipitation numbers were recorded in the eastern half, as well as the southern coastal regions of the country (Figure 1). Comparing the rainfall totals for November 2013 to the long-term average, the most southern parts of the country, as well as isolated areas of the KwaZulu-Natal, Mpumalanga, Gauteng and Limpopo provinces received above-normal rainfall. The remaining regions of the country received near-normal to below-normal rainfall for the mentioned period (Figure 2).

**Figure 1: Rainfall (mm) for November 2013**



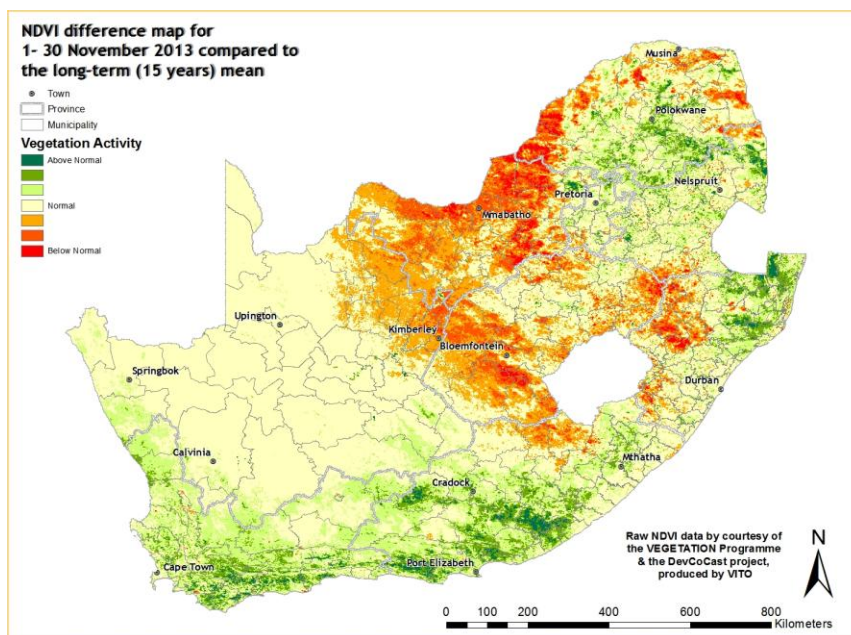
**Figure 2: Percentage rainfall for November 2013**



## 1.2 Vegetation activity

Vegetation conditions for November 2013 were above-normal over the southern and north-eastern parts of the country, including eastern KwaZulu-Natal. However, below-normal vegetation conditions could be observed in the central to western regions of the country (Figure 3).

**Figure 3: The NDVI difference map for November 2013 compared to the 15 year long-term mean**



Source: ARC: ISCW

## 2. Grain production

### 2.1 Summer grain crops

The Crop Estimates Committee (CEC) released the final area planted and crop production figures of commercial summer crops for 2013 on 29 November 2013; and is as follows:

**Table 1: Final area planted and crop production figures of commercial summer crops for 2013**

CROP	<b>FINAL AREA PLANTED 2013 HA (A)</b>	<b>FINAL CROP 2013 TONS (B)</b>	CEC AREA PLANTED SEP 2013 HA (C)	CEC FINAL ESTIMATE <sup>1)</sup> SEP 2013 TONS (D)	FINAL CROP vs FINAL ESTIMATE % (B) ÷ (D)
White Maize	<b>1 617 200</b>	<b>5 545 000</b>	1 617 200	5 580 300	-0,63
Yellow Maize	<b>1 164 000</b>	<b>6 145 000</b>	1 164 000	6 142 250	0,04
Total Maize	<b>2 781 200</b>	<b>11 690 000</b>	2 781 200	11 722 550	-0,28
Sunflower seed	<b>504 700</b>	<b>557 000</b>	504 700	566 600	-1,69
Soya beans	<b>516 500</b>	<b>784 500</b>	516 500	787 100	-0,33
Groundnuts	<b>46 900</b>	<b>41 500</b>	46 900	42 300	-1,89
Sorghum	<b>62 620</b>	<b>147 200</b>	62 620	151 064	-2,56

1) As estimated by the CEC on 26 September 2013

- At a meeting held on 29 November 2013, the Crop Estimates Liaison Committee (CELC) oversaw the process for the finalisation of the crop production figures of commercial white and yellow maize, sunflower seed, soya beans, groundnuts and sorghum for 2013.
- The estimated total production figures as released by the national 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 2013, the size of the commercial maize crop is now 11,690 million tons, which is 32 550 tons or 0,28% less than the final crop estimate figure of 11,723 million tons. For white maize, the recalculated crop size is 5,545 million tons, which is 0,63% or 35 300 tons less than the final crop estimate figure, and for yellow maize the recalculated crop size is 6,145 million tons, which is 0,04% or 2 750 tons higher than the final crop estimate figure.
- In the case of commercial sunflower seed, the final calculated crop figure was adjusted downward by 1,69% or 9 600 tons, from 566 600 tons to 557 000 tons. Soya-beans, groundnuts and sorghum were also adjusted downward by 0,33% (or 2 600 tons), 1,89% (or 800 tons) and 2,56% (or 3 864 tons), respectively.

*Please note that the preliminary area planted to summer grain crops for 2014 will be released on 28 January 2014.*



## 2.2 Winter cereal crops

The revised area planted estimate and fourth production forecast for winter cereals for the 2013 production season was released by the Crop Estimates Committee (CEC) on 26 November 2013, and is as follows:

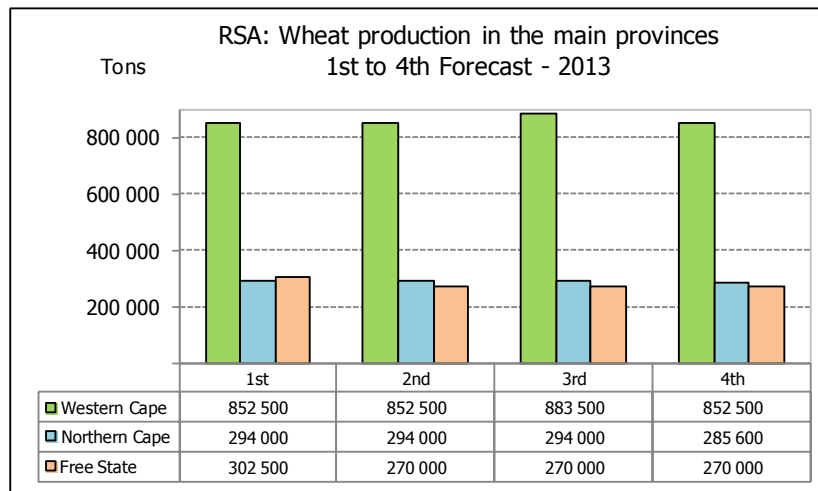
**Table 2: Commercial winter crops: Revised area planted estimate and fourth production forecast- 2013 production season**

CROP	Area planted 2013  Ha (A)	4 <sup>th</sup> forecast 2013  Tons (B)	Area planted 2012  Ha (C)	Final crop 2012  Tons (D)	Change  % (B) ÷ (D)
Wheat	<b>505 500</b>	<b>1 752 350</b>	511 200	1 870 000	-6,29
Malting barley	<b>81 320</b>	<b>279 115</b>	84 940	298 000	-6,34
Canola	<b>72 165</b>	<b>108 441</b>	44 100	79 000	37,27
Total	<b>658 985</b>	<b>2 139 906</b>	640 240	2 247 000	-4,77

Note: Estimate is for calendar year, e.g. production season 2013/14 = 2013

- The expected production of wheat is 1,752 million tons, which is 6,3% less than the previous seasons' crop of 1,870 million tons, whilst the expected yield is 3,47 t/ha.
- The expected production in the Western Cape is 852 500 tons (49%), in the Northern Cape 285 600 tons (16%) and in the Free State 270 000 tons (15%).
- The area estimate for wheat for 2013 remained unchanged at 505 500 ha.
- The production forecast for malting barley is 279 115 tons, which is 6,3% less than the previous seasons' crop of 298 000 tons. The area planted is estimated at 81 320 ha, while the expected yield is 3,43 t/ha.
- The expected canola crop is 108 441 tons, which is 37,3% more than the previous seasons' crop of 79 000 tons. The area estimate for canola is 72 165 ha, with an expected yield of 1,50 t/ha.

**Graph1: Wheat production in the main provinces from the first to the fourth forecast for 2013**



Please note that the fifth production forecast for winter cereals for 2013 will be released on 20 December 2013.

## 3. Cereal balance sheets

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

### 3.1 Winter cereals

**Table 3: Supply and demand for Wheat as at 29 November 2013**

<b>Marketing year (October to September)</b>	<b>2011/12</b>	<b>2012/13*</b>	<b>2013/14*</b>
<b>Production &amp; Calendar year</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
	<b>1000 tons</b>	<b>1000 tons</b>	<b>1000 tons</b>
<b>Supply</b>			
<b>Opening stocks: 1 October</b>	<b>478</b>	<b>651</b>	<b>489</b>
SAGIS opening stocks	478	651	489
<b>Gross production</b>	<b>2,008</b>	<b>1,881</b>	<b>1,761</b>
Commercial production	1,973	1,837	1,717
Retentions by producers	27	35	35
<b>Non-commercial</b>	<b>9</b>	<b>9</b>	<b>9</b>
<b>Total domestic supply</b>	<b>2,486</b>	<b>2,532</b>	<b>2,250</b>
Plus: Imports	1,724	1,393	1,650
<b>Total supply</b>	<b>4,210</b>	<b>3,925</b>	<b>3,900</b>
<b>Demand</b>			
<b>Commercial consumption</b>	<b>3,202</b>	<b>3,040</b>	<b>3,050</b>
Human	3,066	3,008	3,020
Animal	136	32	30
Gristing	0	0	0
<b>Retentions by producers</b>	<b>27</b>	<b>35</b>	<b>35</b>
<b>Withdrawn by producers</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Released to end consumers</b>	<b>7</b>	<b>7</b>	<b>7</b>
<b>Seed for planting purposes</b>	<b>18</b>	<b>16</b>	<b>16</b>
<b>Balancing item</b>	<b>5</b>	<b>21</b>	<b>5</b>
<b>Non-commercial</b>	<b>9</b>	<b>9</b>	<b>9</b>
<b>Total domestic consumption</b>	<b>3,271</b>	<b>3,132</b>	<b>3,126</b>
<b>Plus: Exports</b>	<b>288</b>	<b>304</b>	<b>295</b>
Products	19	26	25
Whole grain	269	278	270
<b>Total demand</b>	<b>3,559</b>	<b>3,436</b>	<b>3,421</b>
<b>Closing stocks: 30 September</b>	<b>651</b>	<b>489</b>	<b>479</b>
<b>Pipeline requirements (80 days of human consumption)</b>	<b>672</b>	<b>659</b>	<b>662</b>
<b>Domestic shortfall / surplus</b>	<b>-1,457</b>	<b>-1,259</b>	<b>-1,538</b>
<b>Import gap</b>	<b>1,457</b>	<b>1,259</b>	<b>1,538</b>
<b>Surplus/Shortage above pipeline</b>	<b>-21</b>	<b>-170</b>	<b>-183</b>

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

- The closing stocks of wheat for the previous 2012/13 marketing year (ending 30 September 2013) were 489 000 tons, which was 24,9% less than the previous year (651 000 tons). This decrease could mainly be attributed to the lower production and lower import figures of wheat for the 2012 calendar year.
- The total supply of wheat for the current 2013/14 marketing year is projected at 3,900 million tons, including projected imports of 1,650 million tons.
- The total demand of wheat for the current 2013/14 marketing year is projected at 3,421 million tons, including exports of 295 000 tons. Thus, the closing stocks are 479 000 tons, which is 2,0% less than the 489 000 tons of the previous year.
- From 28 September 2013 up to 29 November 2013, the progressive grand total of imports is 351 460 tons, with the origin of imports from the Ukraine (210 755 tons or 60,0%), Russia (123 614 tons or 35,2%) and the USA (17 091 tons or 4,9%). The progressive exports to Africa for the mentioned period are 20 495 tons.



### 3.2 Summer grains

**Table 4: Supply and demand for White Maize as at 29 November 2013**

<b>Marketing Year: May – April</b>	<b>2012/13</b>	<b>2013/14*</b>	<b>2014/15*</b>
<b>Calendar Year</b>	<b>2012</b>	<b>2013*</b>	<b>2014*</b>
	<b>1000 tons</b>	<b>1000 tons</b>	<b>1000 tons</b>
<b>Supply</b>			
<b>Opening Stocks: 1 May</b>	<b>518</b>	<b>757</b>	<b>342</b>
SAGIS Opening Stocks	518	757	342
<b>Gross Production</b>	<b>7 423</b>	<b>6 005</b>	<b>6 672</b>
Commercial production	6 880	5 434	6 101
Retentions by producers	114	111	111
<b>Non-commercial</b>	<b>429</b>	<b>460</b>	<b>460</b>
<b>Total Domestic Supply</b>	<b>7 942</b>	<b>6 762</b>	<b>7 014</b>
Imports	11		
<b>Total Supply</b>	<b>7 953</b>	<b>6 762</b>	<b>7 014</b>
<b>Demand</b>			
<b>Commercial Consumption</b>	<b>5 047</b>	<b>4 850</b>	<b>4 890</b>
Human	4 095	4 200	4 200
Animal	904	610	650
Gristing	48	40	40
<b>Retentions by producers</b>	<b>98</b>	<b>95</b>	<b>95</b>
<b>Seed for planting purposes</b>	<b>16</b>	<b>16</b>	<b>16</b>
<b>Withdrawn by producers</b>	<b>36</b>	<b>31</b>	<b>31</b>
<b>Released to end-consumers</b>	<b>95</b>	<b>58</b>	<b>58</b>
<b>Balancing item</b>	<b>6</b>	<b>20</b>	<b>20</b>
<b>Non-commercial</b>	<b>429</b>	<b>460</b>	<b>460</b>
<b>Total Domestic Consumption</b>	<b>5 727</b>	<b>5 530</b>	<b>5 570</b>
<b>Exports</b>	<b>1 468</b>	<b>890</b>	<b>870</b>
Products	68	70	70
Whole grain	1 400	820	800
<b>Total Demand</b>	<b>7 195</b>	<b>6 420</b>	<b>6 440</b>
<b>Closing Stocks: 30 April</b>	<b>757</b>	<b>342</b>	<b>574</b>
<b>Pipeline Requirements</b> (45 days of human & animal consumption + gristing)	<b>622</b>	<b>598</b>	<b>603</b>
<b>Domestic Shortfall / Surplus</b>	<b>1 592</b>	<b>634</b>	<b>841</b>
<b>Surplus/ Shortage above pipeline</b>	<b>135</b>	<b>-256</b>	<b>-29</b>

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

- Projected closing stocks of white maize for the current 2013/14 marketing year are 342 000 tons, which is 54,9% less than the previous year (757 000 tons). Projected closing stocks of white maize (based on the intentions to plant and a projected yield of 4,0 t/ha) for the coming 2014/15 marketing year are 574 000 tons, which is 67,8% more than the previous year (342 000 tons).
- From 27 April 2013 up to 29 November 2013, progressive white maize exports stand at 576 414 tons of which 223 574 tons or 38,8% were exported to the BLNS countries, followed by Mexico with 190 097 tons or 33,0% and Zimbabwe with 119 112 tons or 20,7%. No imports were reported for the mentioned period.





**Table 5: Supply and demand for Yellow Maize as at 29 November 2013**

<b>Marketing Year: May - April</b>	<b>2012/13</b>	<b>2013/14*</b>	<b>2014/15*</b>
<b>Calendar Year</b>	<b>2012</b>	<b>2013*</b>	<b>2014*</b>
	<b>1000 tons</b>	<b>1000 tons</b>	<b>1000 tons</b>
<b>Supply</b>			
<b>Opening Stocks: 1 May</b>	<b>476</b>	<b>660</b>	<b>405</b>
SAGIS Opening Stocks	476	660	405
<b>Gross Production</b>	<b>5 578</b>	<b>6 357</b>	<b>5 875</b>
Commercial production	5 049	5 795	5 313
Retentions by producers	319	347	347
<b>Non-commercial</b>	<b>209</b>	<b>215</b>	<b>215</b>
<b>Total Domestic Supply</b>	<b>6 054</b>	<b>7 017</b>	<b>6 280</b>
Imports		<b>100</b>	
<b>Total Supply</b>	<b>6 054</b>	<b>7 117</b>	<b>6 280</b>
<b>Demand</b>			
<b>Commercial Consumption</b>	<b>3 888</b>	<b>4 325</b>	<b>4 165</b>
Human	404	450	400
Animal	3 474	3 860	3 750
Gristing	10	15	15
<b>Retentions by producers</b>	<b>304</b>	<b>330</b>	<b>330</b>
<b>Seed for planting purposes</b>	<b>15</b>	<b>17</b>	<b>17</b>
<b>Withdrawn by producers</b>	<b>102</b>	<b>130</b>	<b>120</b>
<b>Released to end-consumers</b>	<b>383</b>	<b>370</b>	<b>350</b>
<b>Balancing item</b>	<b>15</b>	<b>145</b>	<b>50</b>
<b>Non-commercial</b>	<b>209</b>	<b>215</b>	<b>215</b>
<b>Total Domestic Consumption</b>	<b>4 916</b>	<b>5 532</b>	<b>5 247</b>
<b>Exports</b>	<b>478</b>	<b>1 180</b>	<b>630</b>
Products	65	80	60
Whole grain	413	<b>1 100</b>	<b>570</b>
<b>Total Demand</b>	<b>5 394</b>	<b>6 712</b>	<b>5 877</b>
<b>Closing Stocks: 30 April</b>	<b>660</b>	<b>405</b>	<b>403</b>
<b>Pipeline Requirements</b> (45 days of human & animal consumption + gristing)	<b>479</b>	<b>533</b>	<b>513</b>
<b>Domestic Shortfall / Surplus</b>	<b>659</b>	<b>952</b>	<b>520</b>
<b>Surplus/ Shortage above pipeline</b>	<b>181</b>	<b>-128</b>	<b>-110</b>

*\*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 405 000 tons, which is 38,6% less than the previous year (660 000 tons). Projected closing stocks of yellow maize (based on the intentions to plant and a projected yield of 5,0 t/ha) for the coming 2014/15 marketing year are 403 000 tons, which is 0,5% less than the previous year (405 000 tons).
- From 27 April 2013 up to 29 November 2013, progressive yellow maize exports stand at 1,040 million tons, with the main destinations being Japan (596 315 tons or 57,3%), followed by Taiwan (168 444 tons or 16,2%) and Korea (148 044 tons or 14,2%). No imports were reported for the mentioned period.





**Table 6: Supply and demand for Maize as at 29 November 2013**

<b>Marketing Year: May - April</b>	<b>2012/13</b>	<b>2013/14*</b>	<b>2014/15*</b>
<b>Calendar Year</b>	<b>2012</b>	<b>2013*</b>	<b>2014*</b>
	<b>1000 tons</b>	<b>1000 tons</b>	<b>1000 tons</b>
<b>Supply</b>			
<b>Opening Stocks: 1 May</b>	<b>994</b>	<b>1 417</b>	<b>747</b>
SAGIS Opening Stocks	994	1 417	747
<b>Gross Production</b>	<b>13 001</b>	<b>12 362</b>	<b>12 547</b>
Commercial production	11 930	11 229	11 414
Retentions by producers	433	458	458
<b>Non-commercial</b>	<b>638</b>	<b>675</b>	<b>675</b>
<b>Total Domestic Supply</b>	<b>13 995</b>	<b>13 779</b>	<b>13 294</b>
Imports	11	100	
<b>Total Supply</b>	<b>14 006</b>	<b>13 879</b>	<b>13 294</b>
<b>Demand</b>			
<b>Commercial Consumption</b>	<b>8 935</b>	<b>9 175</b>	<b>9 055</b>
Human	4 499	4 650	4 600
Animal	4 378	4 470	4 400
Gristing	58	55	55
<b>Retentions by producers</b>	<b>402</b>	<b>425</b>	<b>425</b>
<b>Seed for planting purposes</b>	<b>31</b>	<b>33</b>	<b>33</b>
<b>Withdrawn by producers</b>	<b>138</b>	<b>161</b>	<b>151</b>
<b>Released to end-consumers</b>	<b>478</b>	<b>428</b>	<b>408</b>
<b>Balancing item</b>	<b>21</b>	<b>165</b>	<b>70</b>
<b>Non-commercial</b>	<b>638</b>	<b>675</b>	<b>675</b>
<b>Total Domestic Consumption</b>	<b>10 643</b>	<b>11 062</b>	<b>10 817</b>
<b>Exports</b>	<b>1 946</b>	<b>2 070</b>	<b>1 500</b>
Products	133	150	130
Whole grain	1 813	1 920	1 370
<b>Total Demand</b>	<b>12 589</b>	<b>13 132</b>	<b>12 317</b>
<b>Closing Stocks: 30 April</b>	<b>1 417</b>	<b>747</b>	<b>977</b>
<b>Pipeline Requirements</b> (45 days of human & animal consumption + gristing)	<b>1 102</b>	<b>1 131</b>	<b>1 116</b>
<b>Domestic Shortfall / Surplus</b>	<b>2 250</b>	<b>1 586</b>	<b>1 361</b>
<b>Surplus/ Shortage above pipeline</b>	<b>315</b>	<b>-384</b>	<b>-139</b>

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

- Projected closing stocks of maize for the current 2013/14 marketing year are 747 000 tons, which is 47,3% less than the previous year (1,417 million tons). Projected closing stocks of maize (based on the intentions to plant and a projected yield) for the coming 2014/15 marketing year are 977 000 tons, which is 30,8% more than the previous year (747 000 tons).
- From 27 April 2013 up to 29 November 2013, the progressive grand total of exports is 1,616 million tons, with the largest quantity (596 315 tons or 36,9%) exported to Japan, followed by the BLNS countries (309 107 tons or 19,1%), Mexico (190 097 tons or 11,8%), Taiwan (168 444 tons or 10,4%), and Korea (148 044 tons or 10,4%). No imports were reported for the mentioned period.



**Table 7: Supply and demand for Sorghum as at 29 November 2013**

<b>Marketing year: April - March</b>	<b>2012/13</b>	<b>2013/14*</b>	<b>2014/15*</b>
<b>Calendar year</b>	<b>2012</b>	<b>2013</b>	<b>2014*</b>
	<b>1000 tons</b>	<b>1 000 tons</b>	<b>1 000 tons</b>
<b>Supply</b>			
<b>Opening stocks: 1 April</b>	<b>52,1</b>	<b>48,3</b>	<b>43,9</b>
SAGIS opening stocks	52,1	48,3	43,9
<b>Gross production</b>	<b>157,0</b>	<b>172,4</b>	<b>214,2</b>
Commercial production	133,2	144,3	186,1
Retentions by producers	3,5	2,9	2,9
Non-commercial	20,3	25,2	25,2
<b>Total domestic supply</b>	<b>209,1</b>	<b>220,7</b>	<b>258,1</b>
Plus: Imports	55,0	<b>60,0</b>	30,0
<b>Total supply</b>	<b>264,1</b>	<b>280,7</b>	<b>288,1</b>
<b>Demand</b>			
<b>Food consumption</b>	<b>158,0</b>	<b>171,0</b>	<b>161,0</b>
Indoor malting	12,8	13,0	13,0
Floor malting	56,7	58,0	58,0
Meal, rice & grits	88,5	100,0	90,0
<b>Feed consumption</b>	<b>5,7</b>	<b>5,5</b>	<b>5,5</b>
Pet food	0,9	1,0	1,0
Poultry	4,2	3,5	3,5
Livestock feed	0,6	1,0	1,0
<b>Total commercial consumption</b>	<b>163,7</b>	<b>176,5</b>	<b>166,5</b>
<b>Retentions by producers</b>	<b>3,5</b>	<b>2,9</b>	<b>2,9</b>
<b>Withdrawn by producers</b>	<b>6,0</b>	<b>7,0</b>	<b>7,0</b>
<b>Released to end-consumers</b>	<b>2,5</b>	<b>3,5</b>	<b>3,5</b>
<b>Balancing item</b>	<b>0,8</b>	<b>2,7</b>	<b>2,7</b>
<b>Non-commercial</b>	<b>20,3</b>	<b>25,2</b>	<b>25,2</b>
<b>Total domestic consumption</b>	<b>196,8</b>	<b>217,8</b>	<b>207,8</b>
<b>Plus: Exports</b>	<b>19,0</b>	<b>19,0</b>	<b>27,3</b>
Exports through border posts	15,7	15,7	23,9
Exports through harbours	-	-	-
Products to African countries	3,3	3,3	3,4
<b>Total demand</b>	<b>215,8</b>	<b>236,8</b>	<b>235,1</b>
<b>Closing stocks</b>	<b>48,3</b>	<b>43,9</b>	<b>53,0</b>
<b>Pipeline Requirements</b> (45 days of human & animal consumption + gristing)	<b>20,2</b>	<b>21,8</b>	<b>20,5</b>
<b>Domestic surplus / deficit</b>	<b>-7,9</b>	<b>-18,9</b>	<b>29,8</b>
<b>Import gap</b>	<b>7,9</b>	<b>18,9</b>	<b>-29,8</b>
<b>Surplus/ Shortage above pipeline</b>	<b>28,1</b>	<b>22,1</b>	<b>32,5</b>

\*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 280 700 tons, including imports of 60 000 tons, which is the highest total recorded since the 75 100 tons in the 2002/03 marketing year. The total demand stands at 236 800 tons, which includes exports of 19 000 tons for the above-mentioned period.
- The expected closing stocks of sorghum for the current 2013/14 marketing year show a surplus of 43 900 tons, which is 9,1% less than the previous year (48 300 tons).
- The projected production of sorghum for the coming 2014/15 marketing year is estimated at 189 000 tons (based on the intentions to plant and a projected yield of 2,7 t/ha). The total supply is projected at 288 100 tons, including imports of 30 000 tons.



- The projected closing stocks of sorghum for the coming 2014/15 marketing year is 53 000 tons, which is 20,7% more than the previous year (43 900 tons).

## 4. Market information

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### 4.1 Consumer Price Index (CPI)

- The headline CPI (for all urban areas) annual inflation rate in October 2013 was 5,5%. This rate was 0,5% lower than the corresponding annual rate of 6,0% in September 2013.
- On average, prices increased by 0,2% between September 2013 and October 2013. The food and non-alcoholic beverages index increased by 0,9% between September 2013 and October 2013. The annual rate decreased to 4,3% in October 2013 from 5,9% in September 2013. The following components in the food and non-alcoholic beverages index increased: Vegetables (2,9%), other food (2,0%), meat (1,0%), milk, eggs and cheese (0,5%), cold beverages (0,5%), bread and cereals (0,4%) and fish (0,1%). The following components decreased: Sugar, sweets and desserts (-0,6%), oils and fats (-0,4%), fruit (-0,4%) and hot beverages (-0,1%).
- The transport index decreased by 0,3% between September 2013 and October 2013, mainly due to a 19c/litre decrease in the price of petrol. The annual rate decreased to 6,2% in October 2013 from 6,9% in September 2013.
- The communication index increased by 0,5% between September 2013 and October 2013. The annual rate increased to 2,2% in October 2013 from 1,7% in September 2013.
- The provinces with an annual inflation rate lower than or equal to headline inflation were Western Cape (5,5%), Northern Cape (5,3%), Eastern Cape (5,2%), KwaZulu-Natal (5,1%), Mpumalanga (5,1%) and North West (4,5%). The provinces with an annual inflation rate higher than headline inflation were Free State (5,9%), Limpopo (5,7%) and Gauteng (5,6%).

### 4.2 Producer Price Index (PPI)

- The annual percentage change in the PPI for final manufactured goods was 6,3% in October 2013 (compared with 6,7% in September 2013). From September 2013 to October 2013 the PPI for final manufactured goods increased by 0,5%.
- The main contributors to the annual rate of 6,3% were food products, beverages and tobacco products (5,0% year-on-year and contributing 1,7%) and wood and paper products (12,0% year-on-year and contributing 1,0%). The contributors to the monthly increase of 0,5% were food products, beverages and tobacco products (0,5% month-on-month and contributing 0,2%), as well as wood and paper products (2,1% month-on-month and contributing 0,2%).
- The annual percentage change in the PPI for electricity and water was 14,6% in October 2013 (compared with 12,9% in September 2013). From September 2013 to October 2013 the PPI for electricity and water decreased by 4,9%. The contributors to the annual rate of 14,6% were electricity (15,5% year-on-year and contributing 12,8%), as well as water (10,5% year-on-year and contributing 1,9%). The main contributor to the monthly decrease of 4,9% was electricity (-5,9% month-on-month and contributing -4,9%).
- The annual percentage change in the PPI for mining was -0,2% in October 2013 (compared with 4,1% in September 2013). From September 2013 to October 2013 the PPI for mining decreased by 0,9%. The main contributor to the annual rate of -0,2% was gold and other metal ores (-8,7% year-on-year and contributing -2,1%). The main contributor to the monthly decrease of 0,9% was gold and other metal ores (-2,4% month-on-month and contributing -0,5%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 1,8% in October 2013 (compared with 4,5% in September 2013). From September 2013 to October 2013 the PPI for agriculture, forestry and fishing increased by 2,7%. The main contributors to the annual rate of 1,8% were agriculture (1,0% year-on-year and contributing 0,8%), as well as fishing (14,2% year-on-year and contributing 0,6%). The main contributor to the monthly increase of 2,7% was agriculture (3,4% month-on-month and contributing 2,6%).

### 4.3 Gross Domestic Product

- Real gross domestic product (GDP) (third quarter of 2013) at market prices increased by 0,7% quarter-on-quarter, seasonally adjusted and annualised. The largest contributions to the quarter-on-quarter growth of 0,7% were as follows:
  - The mining and quarrying industry contributed 0,6% based on growth of 11,4 per cent;
  - Finance, real estate and business services contributed 0,3% based on growth of 1,3%; and
  - The wholesale, retail and motor trade; catering and accommodation industry and the transport, storage and communication industry each contributed 0,2% based on growth of 1,3% and 2,6%, respectively.

### 4.4 Future contract prices and the exchange rate

**Table 8: Closing prices on Monday, 2 December 2013**

	<b>2 December 2013</b>	<b>1 November 2013</b>	<b>% Change</b>
<b>RSA White Maize per ton (Dec. 2013 contract)</b>	R2 585,00	R2 407,00	7,40
<b>RSA Yellow Maize per ton (Dec. 2013 contract)</b>	R2 593,00	R2 312,00	12,15
<b>RSA Wheat per ton (Dec. 2013 contract)</b>	R3 578,00	R3 533,00	1,27
<b>RSA Sunflower seed per ton (Dec. 2013 contract)</b>	R5 725,00	R5 561,00	2,95
<b>RSA Soya-beans per ton (Mar. 2014 contract)</b>	R6 660,00	R5 310,00	25,42
<b>Exchange rate R/\$</b>	R10,17	R10,09	0,79

Source: JSE/SAFEX

### 4.5 Agricultural machinery sales

- October tractor sales of 935 units were 7% lower than the 1 009 units reported in October last year. On a year-to-date basis tractor sales are almost 6% down on those of the first ten months of 2012. October combine harvester sales of 33 units were one unit less than the 34 units sold in October last year. On a year-to-date basis combine harvester sales are 5% up on sales for the same period in 2012.
- Fairly widespread rain fell in the eastern parts of the country during October and this enabled many producers to plant their summer crops. Most of the western parts of the country are still very dry and producers need significant rainfall before they can begin planting in these areas. However, significant rainfall totals has been reported in certain districts of the North West Province at the beginning of December 2013.
- Current industry expectations are that tractor sales in the 2013 calendar year will be of the order of 7 500 units, 5% down on the 2012 sales.

**Table 9: Agricultural machinery sales**

Equipment class	Year-on-year		Percentage Change %	Year-to-date		Percentage Change %
	October			October		
	2013	2012		2013	2012	
Tractors	935	1 009	-7,3	6 612	7 011	-5,7
Combine harvesters	33	34	-2,9	333	317	5,0

Source: SAAMA press release, November 2013



## 5. Acknowledgements

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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