MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA JANUARY 2024

Issued: 5 February 2024

Directorate: Statistics and Economic Analysis

- **During January 2024, significant rainfall was confined to the central and eastern parts of the country.**
- **The expected production of wheat is 2,089 million tons, which is 1,0% less than the previous seasons' crop of 2,110 million tons.**
- **The projected closing stocks of wheat for the current 2023/24 marketing year are 437 784 tons, which includes imports of 1,650 million tons. It is also 22,3% less than the previous years' ending stocks.**
- **Projected closing stocks of maize for the current 2023/24 marketing year are 2,678 million tons, which is 37,1% more than the previous years' ending stocks.**
- **The projected closing stocks of sorghum for the current 2023/24 marketing year are 70 046 tons, which is 49,2% more than the previous years' ending stocks.**
- **The projected closing stocks of sunflower seed for the current 2023/24 marketing year are 126 577 tons, which is 72,2% more than the previous years' ending stocks.**
- **The projected closing stocks of soybeans for the current 2023/24 marketing year are 294 147 tons, which is 71,1% more than the previous years' ending stocks.**
- **The annual percentage change in the CPI was lower at 5,1% in December 2023.**
- **The annual percentage change in the PPI for final manufactured goods was lower at 4,0% in December 2023.**
- **December 2023 tractor sales of 531 units were significantly (27%) less than the 729 units sold in December 2022.**

agriculture, land reform & rural development

Department: Agriculture, Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA

Enquiries: Marda Scheepers or Queen Makgoka

Directorate: Statistics and Economic Analysis

Tel: +27 12 319 8033/8164

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

Contents

1. Weather conditions

1.1 Rainfall for January 2024

During January 2024, significant rainfall was confined to the central and eastern parts of the country (**Figure 1**). Comparing rainfall totals to the long-term average for January 2024, mainly near-normal rainfall was received in the central and eastern parts of the country with patches of above-normal rainfall evident (**Figure 2**). The western half of the country, and most of Gauteng received below-normal rainfall. (Source: Directorate: Climate Change and Disaster Management of Department: Agriculture, Land Reform and Rural Development).

Figure 1: Rainfall (mm) for January 2024

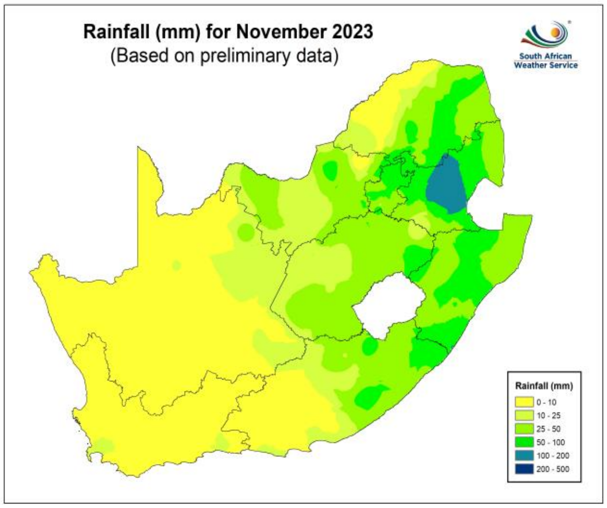
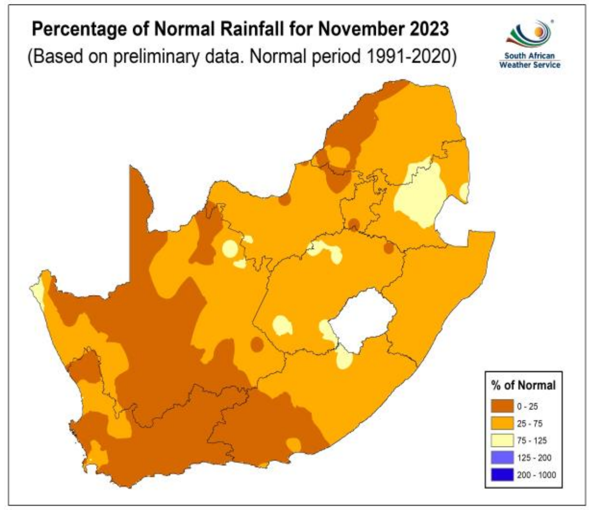


Figure 2: Percentage rainfall for January 2024



1.2 Level of dams

Available information on the level of South Africa's dams on 29 January 2024 indicates that the country has approximately 91% of its full supply capacity (FSC) available, which is 2,0% less as compared to the corresponding period in 2023. The dam levels in the Western Cape (19%), Eastern Cape (9%) and Mpumalanga (1%) provinces, all show improvements in the full supply capacity as compared to 2023. However, the Northern Cape (-13%), Gauteng (-13%), Free State (-5%), North West (-3%) and KwaZulu-Natal (-2%) provinces, all show decreases in full supply capacity as compared to 2023. The Limpopo Province remained unchanged in its full supply capacity for the above-mentioned period. The provincial distribution of South Africa's water supply including Lesotho and Swaziland is contained in **Table 1** below.

Table 1: Level of dams, 29 January 2024

Province	Net FSC million cubic meters	**29/01/2024 (%)**	Last Year (2023) (%)	% Increase/Decrease 2024 vs. 2023
Eastern Cape	1 729	86	77	9,0
Free State	15 657	94	99	-5,0
Gauteng	128	87	100	-13,0
Kindom of Lesotho*	2 363	99	100	-1,0
Kingdom of Eswatini*	334	100	99	1,0
KwaZulu-Natal	4 910	89	91	-2,0
Limpopo	1 480	86	86	-
Mpumalanga	2 539	97	96	1,0
North West	867	79	82	-3,0
Northern Cape	147	84	97	-13,0
Western Cape	1 868	74	55	19,0
Total	**32 022**	**91**	**93**	**-2,0**

Source: Department of Water and Sanitation

2. Grain production

2.1 Summer grain crops - 2023

The preliminary area estimate for summer grains for the 2024 season was released by the Crop Estimates Committee (CEC) on 30 January 2024, and is as follows:

Table 2: Commercial summer grains: Preliminary area planted - 2024 season

CROP	**Area planted 2024 Ha (A)**	Intentions[1)] 2024 Ha (B)	Area planted 2023 Ha (C)	Final estimate 2023 Tons (D)	Change 2024 vs 2023 % (A) ÷ (C)
Commercial:					
White maize	**1 557 250**	1 584 250	1 521 300	8 499 965	2,4
Yellow maize	**1 080 500**	1 052 500	1 064 800	7 895 260	1,5
Total Maize	**2 637 750**	2 636 750	2 586 100	16 395 225	2,0
Sunflower seed	**613 200**	640 000	555 700	724 110	10,4
Soybeans	**1 036 600**	1 068 200	1 148 300	2 755 300	-9,7
Groundnuts	**41 200**	42 550	31 300	52 660	31,6
Sorghum	**39 600**	38 000	34 000	94 360	16,5
Dry beans	**39 400**	42 300	36 650	50 260	7,5
TOTAL	**4 407 750**	4 467 800	4 392 050	20 071 915	0,4

1) As mid October 2023
Note: Estimate is for calendar year, e.g. production season 2023/24 = 2024

- The preliminary area estimate for **maize** is 2,638 million ha, which is 2,00% or 51 650 ha more than the 2,586 million ha planted for the previous season, and also 0,04% or 1 000 ha more than the intentions to plant figure of 2,637 million ha released in October 2023.
- The preliminary area estimate for **white maize** is 1,557 million ha, which represents an increase of 2,36% or 35 950 ha compared to the 1,521 million ha planted last season. In the case of **yellow maize,** the area estimate is 1,080 million ha, which is 1,47% or 15 700 ha more than the 1,065 million ha planted last season.
- The preliminary area estimate for **sunflower seed** is 613 200 ha, which is 10,35% or 57 500 ha more than the 555 700 ha planted the previous season.
- It is estimated that 1,037 million ha have been planted to **soybeans**, which represents a decrease of 9,73% or 111 700 ha compared to the 1,148 million ha planted last season.
- For **groundnuts**, the area estimate is 41 200 ha, which is 31,63% or 9 900 ha more than the 31 300 ha planted for the previous season.
- The area estimate for **sorghum** increased by 16,47% or 5 600 ha, from 34 000 ha to 39 600 ha against the previous season.
- For **dry beans**, the area estimate is 39 400 ha, which is 7,50% or 2 750 ha more than the 36 650 ha planted for the previous season.

Please note that the revised area planted and first production forecast for summer field crops for 2024 will be released on 28 February 2024.

2.2 Winter cereal crops – 2022

The area estimate and sixth production forecast for winter cereals for the 2023 season was also released by the Crop Estimates Committee (CEC) on 30 January 2024, and is as follows:

Table 3: Commercial winter cereals: Revised area planted and 6th production forecast - 2023 season

CROP	**Area planted 2023 Ha (A)**	**6th Forecast 2023 Tons (B)**	Area planted 2022 Ha (C)	Final estimate 2022 Tons (D)	Change % (B) ÷ (D)
Commercial:					
Wheat	**537 950**	**2 089 225**	566 800	2 110 000	-0,98
Malting barley*	**107 600**	**376 195**	101 000	302 000	24,57
Canola	**131 200**	**237 450**	123 510	210 000	13,07
Cereal oats*	**27 500**	**40 250**	27 000	27 550	46,10
Sweet lupines	**16 000**	**16 000**	21 000	15 750	1,59
Total winter cereals	**820 250**	**2 759 120**	839 310	2 665 300	3,52

* Commercial only. Excluding barley or oats used as pasture, silage, hay and/or on the farm as fodder for livestock.

- The area estimate for **wheat** is 537 950 ha, which is 5,09% or 28 850 ha less than the 566 800 ha planted for the previous season. The expected production of wheat is 2 089 225 tons, which is 0,98% or 20 775 tons less than the previous seasons' crop of 2 110 000 tons, whilst the expected yield is 3,88 t/ha.
- The area estimate for **barley** is 107 600 ha, which is 6,53% or 6 600 ha more than the 101 000 ha of last season. The production forecast for **barley** is 376 195 tons, which is 24,57% or 74 195 tons more than the previous seasons' crop of 302 000 tons. The expected yield is 3,50 t/ha.
- The area planted to **canola** is 131 200 ha, which is 6,23% or 7 690 ha more than the 123 510 ha planted for the previous season. The expected **canola crop** is 237 450 tons, which is 13,07% or 27 450 tons more than the previous seasons' crop of 210 000 tons. The expected yield is 1,81 t/ha.
- The expected crop for **oats** for the 2023 season is 40 250 tons and the area planted is 27 500 ha. The expected yield is 1,46 t/ha. In the case of **sweet lupines,** the production forecast is 16 000 tons. The area estimate of sweet lupines is 16 000 ha, with an expected yield of 1,00 t/ha.

Please note that the final production estimate for winter cereals for 2023 will be released on 28 February 2024.

2.3 Non-commercial maize - 2023

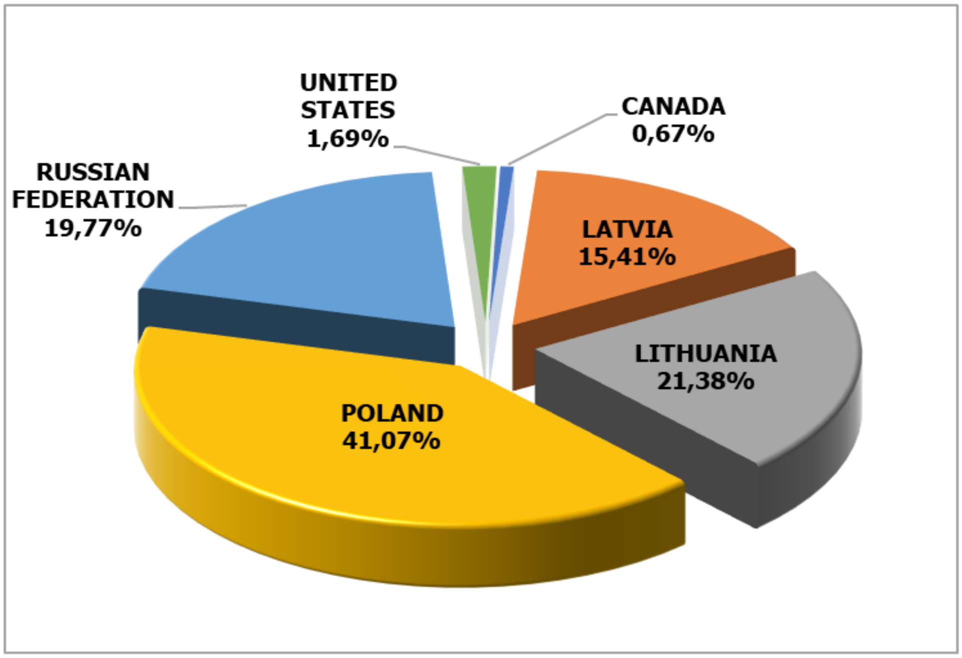
Please note that the preliminary area planted and production estimate of the non-commercial maize sector for the 2024 season on 25 April 2024.

3. Cereal balance sheets

For the latest Cereal Balance Sheets (supply and demand tables) on maize, wheat, sorghum, sunflower seed and soybeans please refer to the attachment called FSB JAN24 Annexure A.

3.1 Imports and exports of wheat for the 2023/24 marketing year

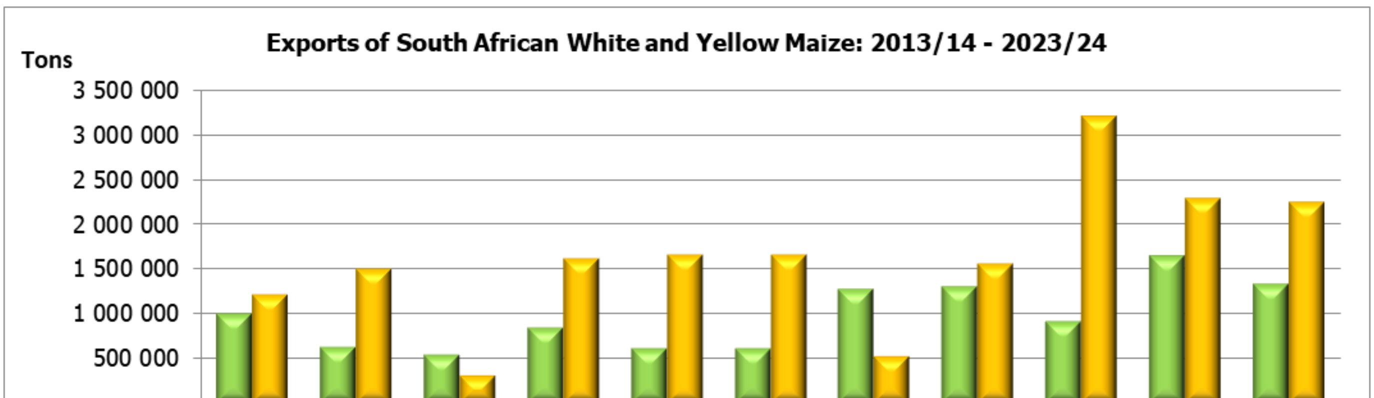
Graph 1: Major countries of wheat imports to South Africa: 2023/24 marketing year



- The progressive wheat imports (human consumption) for the 2023/24 marketing year (30 September 2023 to 26 January 2024) amount to 641 129 tons, with 41,07% or 263 298 tons from Poland, followed by 21,38% or 137 103 tons from Lithuania, 19,77% or 126 762 tons from the Russian Federation, 15,41% or 98 801 tons from Latvia, 1,69% or 10 865 tons from the United States and 0,67% or 4 300 tons from Canada. The exports of wheat (human consumption) for the above-mentioned period amount to 49 310 tons, of which 43,92% or 21 656 tons went to Zimbabwe, 23,98% or 11 821 tons went to Botswana, 22,46% or 11 075 tons went to Lesotho and 9,64% or 4 754 tons went to Namibia.

3.2 Exports of South African white and yellow maize

Graph 2: Exports of South African white and yellow maize: 2013/14 - 2023/24 marketing year

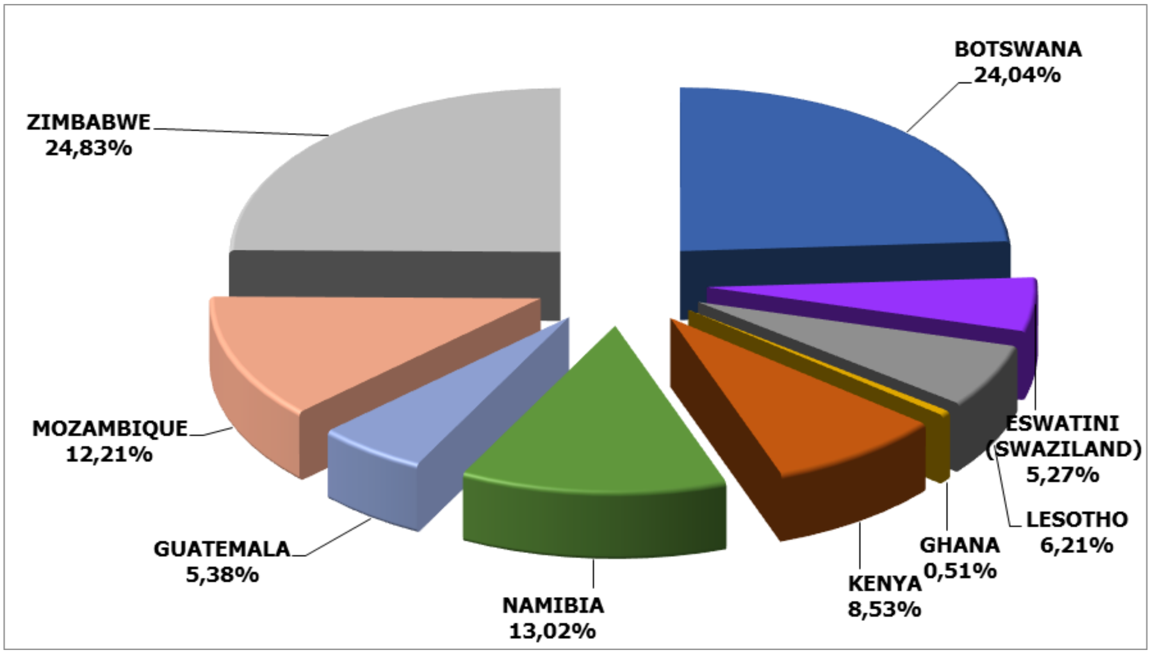


	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24*
White maize	1 008 923	640 807	557 063	851 969	617 000	616 651	1 275 446	1 304 475	924 434	1 654 525	1 335 000
Yellow maize	1 223 673	1 514 917	322 748	1 629 739	1 666 000	1 667 407	534 127	1 563 315	3 210 777	2 295 281	2 258 000

*Projection

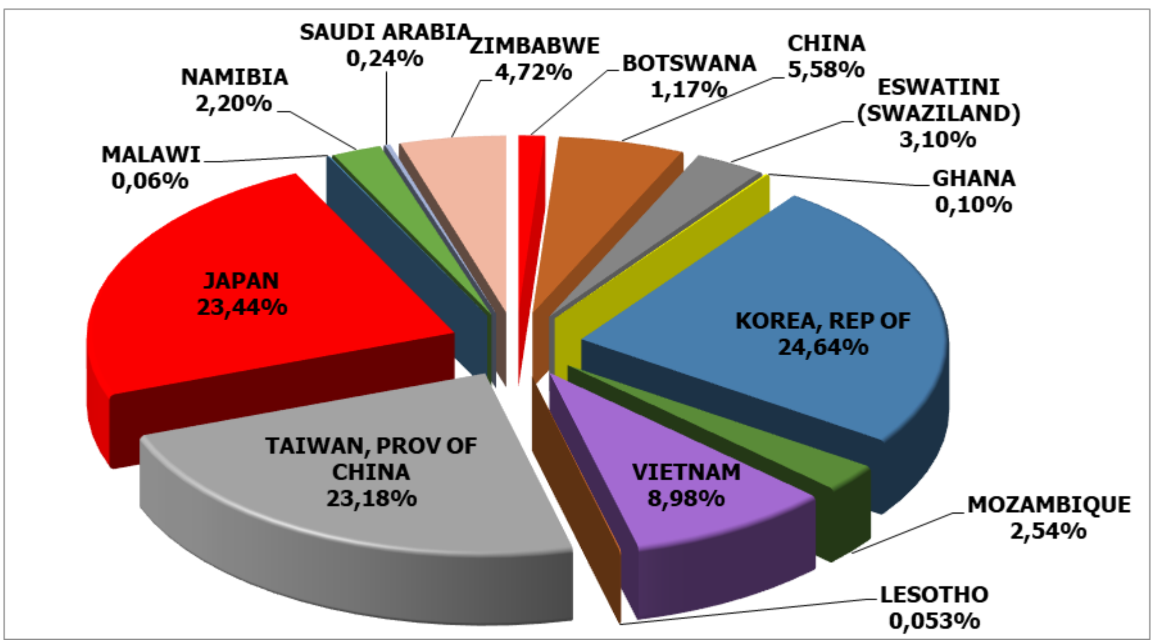
- The exports of white maize for the 2023/24 marketing year are projected at 1,335 million tons, which represents a decrease of 19,31% or 319 525 tons compared to the 1,654 million tons of the previous marketing year. Yellow maize exports for the mentioned period are projected at 2,258 million tons, which represents a decrease of 1,62% or 37 281 tons compared to the 2,295 million tons of the previous marketing year.

Graph 3: Major countries of white maize exports from South Africa: 2023/24 marketing year



- From 29 April 2023 to 26 January 2024, progressive white maize exports for the 2023/24 marketing year amount to 794 567 tons, with the main destinations being Zimbabwe (24,83% or 197 275 tons), followed by Botswana (24,04% or 191 020 tons), Namibia (13,02% or 103 490 tons), Mozambique (12,21% or 96 685 tons), Kenya (8,53% or 67 792 tons), Lesotho (6,21% or 49 327 tons), Guatemala (5,38% or 42 770 tons), Eswathini (Swaziland) (5,27% or 41 890 tons) and Ghana (0,51% or 4 018 tons). The imports of white maize for the mentioned period amount to zero.

Graph 4: Major countries of yellow maize exports from South Africa: 2023/24 marketing year



- From 29 April 2023 to 26 January 2024, progressive yellow maize exports for the 2023/24 marketing year amount to 1,998 million tons, with the main destinations being Republic of Korea (24,64% or 492 252 tons), followed by Japan (23,44% or 468 303 tons), Taiwan (23,18% or 463 086 tons), Vietnam (8,98% or 179 330 tons), China (5,58% or 111 513 tons), Zimbabwe (4,72% or 94 239 tons), Eswathini (Swaziland) (3,10% or 61 937 tons), Mozambique (2,54% or 50 780 tons), Namibia (2,20% or 43 875 tons), Botswana (1,17% or 23 292 tons), Saudi Arabia (0,24% or 4 720 tons), Ghana (0,10% or 1 981 tons), Malawi (0,06% or

1 145 tons) and Lesotho (0,05% or 1 052 tons). The imports of yellow maize for the mentioned period amount to zero.

4. Market information

4.1 Consumer Price Index (CPI)

- Annual consumer price inflation was 5,1% in December 2023, down from 5,5% in November 2023. The CPI was unchanged month-on-month in December 2023.
- The main contributors to the 5,1% annual inflation rate were:
  - Food and non-alcoholic beverages (increased by 8,5% year-on-year and contributed 1,5%);
  - Housing and utilities (increased by 5,7% year-on-year and contributed 1,3%);
  - Miscellaneous goods and services (increased by 5,1% year-on-year and contributed 0,7%); and
  - Transport (increased by 2,6% year-on-year and contributed 0,4%).
- In December, the annual inflation rate for goods was 6,4%, down from 7,1% in November; and for services it was 3,8%, unchanged from November.
- Average annual consumer price inflation was 6,0% in 2023 (i.e. the average CPI for all urban areas for 2023 compared with that for 2022). This was 0,9% lower than the corresponding average of 6,9% in 2022.

4.2 Producer Price Index (PPI)

- Annual producer price inflation (final manufacturing) was 4,0% in December 2023, down from 4,6% in November 2023. The producer price index (PPI) decreased by 0,6% month-on-month in December 2023.
- The main contributors to the headline PPI annual inflation rate were:
  - Food products, beverages and tobacco products (increased by 4,6% year-on-year and contributed 1,2%);
  - Metals, machinery, equipment and computing equipment (increased by 6,8% year-on-year and contributed 1,0%); and
  - Transport equipment (increased by 6,7% year-on-year and contributed 0,6%).
- The main contributor to the headline PPI monthly decrease was coke, petroleum, chemical, rubber and plastic products, which decreased by 3,2% month-on-month and contributed -0,9%.
- The annual percentage change in the PPI for intermediate manufactured goods was -2,2% in December 2023 (compared with -2,3% in November 2023). The index increased by 0,5% month-on-month. The main negative contributor to the annual rate was chemicals, rubber and plastic products (-2,5%). The main contributor to the monthly rate was basic and fabricated metals (0,4%).
- The annual percentage change in the PPI for electricity and water was 15,5% in December 2023 (compared with 16,1% in November 2023). The index decreased by 0,4% month-on-month. Electricity contributed 14,3% and water contributed 1,2% to the annual rate. Electricity contributed -0,5% to the monthly rate.
- The annual percentage change in the PPI for mining was -7,6% in December 2023 (compared with -3,8% in November 2023). The index decreased by 0,9% month-on-month. The main negative contributors to the annual rate were non-ferrous metal ores (-11,2%) and coal and gas (-3,1%). The main negative contributors to the monthly rate were non-ferrous metal ores (-0,9%) and coal and gas (-0,9%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 6,8% in December 2023 (compared with 8,0% in November 2023). The index decreased by 1,4% month-on-month. The main contributors to the annual rate were agriculture (5,4%) and fishing (1,1%). The contributor to the monthly rate was agriculture (-1,4%).

4.3 Future contract prices

Table 4: Closing prices on Friday, 2 February 2024

	2 February 2024	2 January 2024	% Change
RSA White Maize per ton (Feb. 2024 contract)	R3 818,00	R3 852,00	-0,88
RSA Yellow Maize per ton (Feb. 2024 contract)	R3 605,00	R3 770,00	-4,38
RSA Wheat per ton (Feb. 2024 contract)	R6 095,00	R6 064,00	0,51
RSA Sunflower seed per ton (Feb. 2024 contract)	R8 100,00	R9 407,00	-13,89
RSA Soya-beans per ton (Feb. 2024 contract)	R7 759,00	R9 075,00	-14,50
Exchange rate R/$	R18,62	R18,30	1,75

Source: JSE/SAFEX

4.4 Agricultural machinery sales

- December 2023 tractor sales of 531 units were significantly (27%) less than the 729 units sold in December 2022. For the 2023 calendar year, tractor sales were approximately 9% down on the 2022 calendar year. Thirty-one combine harvesters were sold in December 2023, five more than the 26 units sold in December 2022. Calendar year 2023 combine harvester sales were significantly (35%) higher than those in 2022.
- With most summer crop plantings having been completed, the market is showing caution as to what will happen weather-wise in the next few weeks. Initial predictions were that the El Niño phenomenon was likely to result in lower-than-normal rainfall during the critical January and February months. Potential buyers of tractors therefore delayed their buying decisions until some degree of certainty in terms of rainfall developed. Present rainfall conditions are looking favourable, however, but rain will still be required through to the end of February in most areas.
- It is still early in the year to be predicting 2024 calendar year tractor sales. Nevertheless, expectations are that, despite the market being very competitive and this driving sales, calendar year 2024 tractor sales will be of the order of 10% down on last year.

Table 5: Agricultural machinery sales

Equipment class	Year-on-year December 2023	Year-on-year December 2022	Percentage Change %	Year-to-date December 2023	Year-to-date December 2022	Percentage Change %
Tractors	531	729	-27,16	8 374	9 175	-8,73
Combine harvesters	31	26	19,23	505	373	35,39

Source: SAAMA press release, January 2024

PLEASE NOTE: The Food Security Bulletin for February 2024 will be released on **5 March 2024**.

5. Acknowledgements

The Directorate: Statistics and Economic Analysis makes use of information sourced from various institutions and organisations within South Africa 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:

- Agbiz
- Agfacts
- BVG Commodities (Pty) Limited
- Department of Water and Sanitation
- Directorate: Climate Change and Disaster Management at DAFF
- Grain South Africa (Grain SA)
- IGC Grain Market Report
- National Agricultural Marketing Council (NAMC)
- South African Agricultural Machinery Association (SAAMA)
- South African Futures Exchange (SAFEX)
- Statistics South Africa (Stats SA)
- The South African Supply and Demand Estimates Report (SASDE)
- The South African Grain Information Service (SAGIS)
- The South African Weather Service (WeatherSA)
- USDA Foreign Service