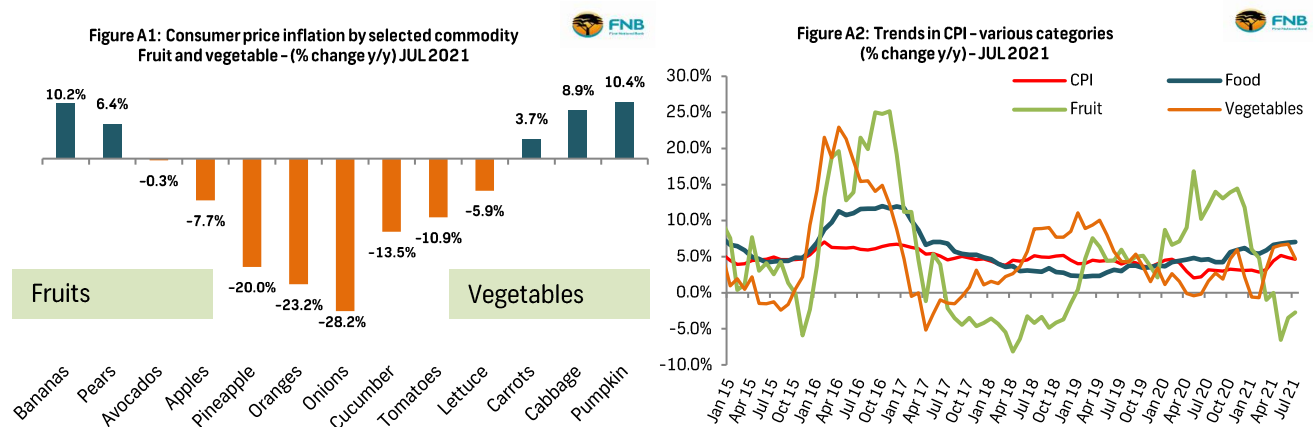


Paul Makube | Tumi Kgasago | Vhutshilo Mabela | 19 AUG 2021

Weekly update – Fruit and Vegetable Markets

- Our analysis of the latest trends in fresh produce prices signal a potential extended downside in the consumer price inflation (CPI) for the fruit and vegetable categories. From a production perspective, the seasonal outlook remains bullish on the back of prospects of normal to above normal rainfall due to the developing La Nina weather pattern during the summer ahead as per the recent weather forecasts.
- We are heading in to the 2021/22 rainfall season with good dam levels across the country which by mid-August stood at 81.3% full, with 67% of the dams well above 70% full. This bodes well for irrigated crop operations and potentially higher output across the country. The Eastern Cape however remains an exception with overall dam levels just above 50% at 50.8% full of which the most critical dams for agriculture such as the Kouga, Waterdown, and Katrivier dams remain at lows of 4.5%, 21.3%, and 47.3% respectively full.
- Most of the vegetable commodities we track show a sustained downtrend as illustrated in figure A3 which points to a further deceleration in the fruit and vegetable CPI. As reflected in the recent CPI update from Statistics South Africa (StatsSA), the data shows a downward trend in the fresh produce complex with fruits declining for the third consecutive month in July 2021 to -2.7% year-on-year (y/y) although edging marginally higher by 0.7% month-on-month (m/m).
- Vegetable CPI decelerated further to 4.7% y/y in July from 6.7% y/y in June 2021. The monthly vegetable CPI has been in negative territory since May 2021 and came in at -2.7% month-on-month (m/m) in July from -3.5% and -6.5% in June and May respectively as illustrated in figure A2.

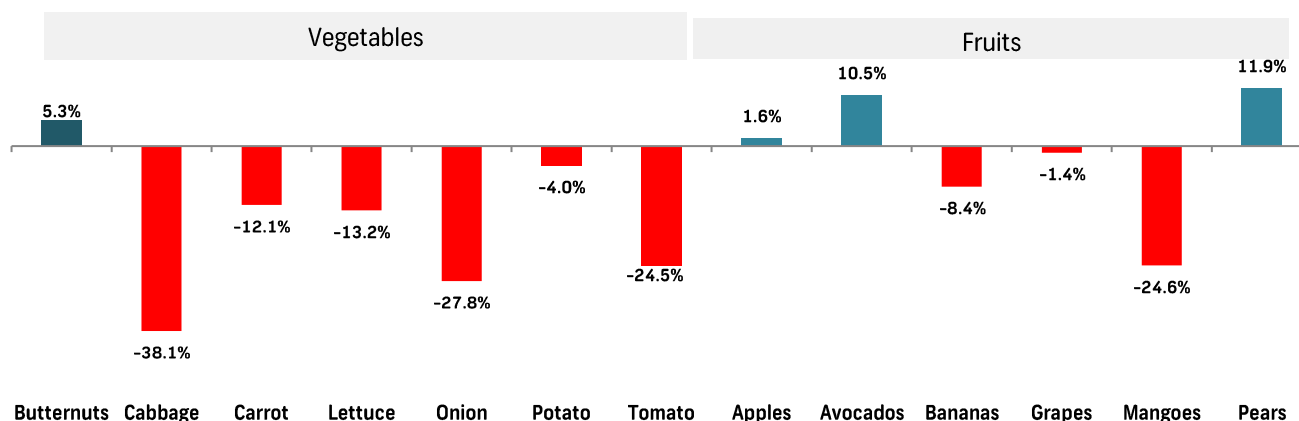


Source: StatsSA

- The overall CPI slowed to 4.6% year-on-year (y/y) in July from 4.9% y/y recorded in June 2021. Food inflation steadied at 0.2% m/m and 7% y/y in July 2021 with the deceleration in the bread and cereals, vegetables, sugars (sugar, sweets, and desserts), as well as the decline in fruits more than offsetting the stickiness in the meat and oils and fats categories.
- A further analysis of the selected major individual fruit commodities in the CPI basket shows sharp declines for oranges and pineapple prices with decreases of 23.2% y/y and 20.0% respectively y/y. They were followed by apples and avocados which saw prices falling by 0.7% and 0.3% respectively y/y in July 2021 (figure A1).
- In the vegetable category, onions, cucumbers, and tomatoes prices posted the biggest declines of 23.2%, 13.5%, and 10.9% respectively y/y in July 2021. Lettuce prices also came in on the downside, falling by 1.8% m/m and 5.9% y/y in July 2021.

Figure A3: Weekly fruit and vegetable price changes (y/y)

Week ended 13 AUG 2021



Source: Own calculations from FNB AgriComms.

Table 1: Vegetable prices – South Africa's Major Fresh Produce Markets – (Average Pretoria, Bloemfontein, Johannesburg, Cape Town, and Durban)

Week ending 13 AUG 2021	Average Price (R/Kg)	Price change w/w	Price change y/y	Total Volume (t)	Volume change w/w	Volume Change y/y
Butternuts	4.36	-1.2%	5.3%	1238	-22.1%	-14.6%
Cabbage	2.28	-2.3%	-38.1%	1 794	-8.9%	15.1%
Carrot	2.92	-2.9%	-12.1%	1 982	-18.2%	-1.3%
Lettuce	13.82	-18.1%	-13.2%	204	-9.4%	-1.7%
Onion	3.45	-8.2%	-27.8%	5 145	-30.1%	0.0%
Potato	5.39	-0.5%	-4.0%	6 610	-20.2%	-44.0%
Tomato	5.97	-26.8%	-24.5%	4 546	8.8%	13.0%

Source: FNB AgriComms

Figure B1: Fresh Produce Markets – Vegetable prices

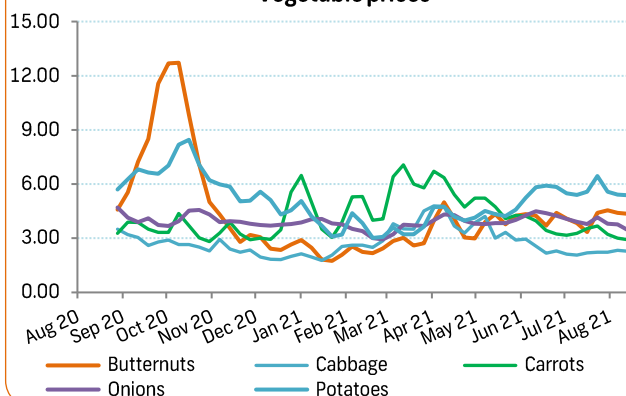
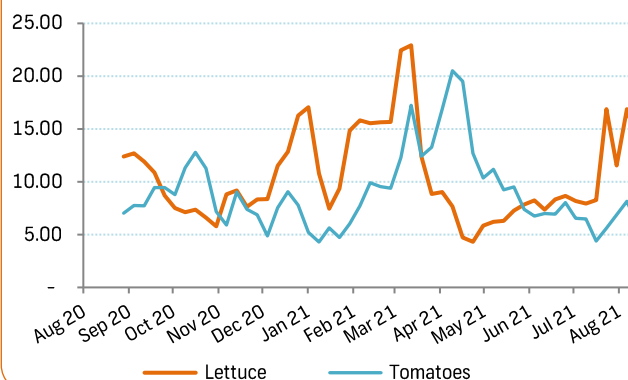


Figure B2: Fresh Produce Markets – Vegetable prices

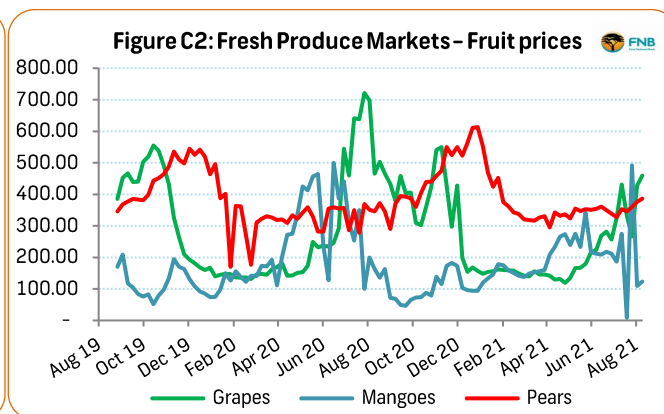
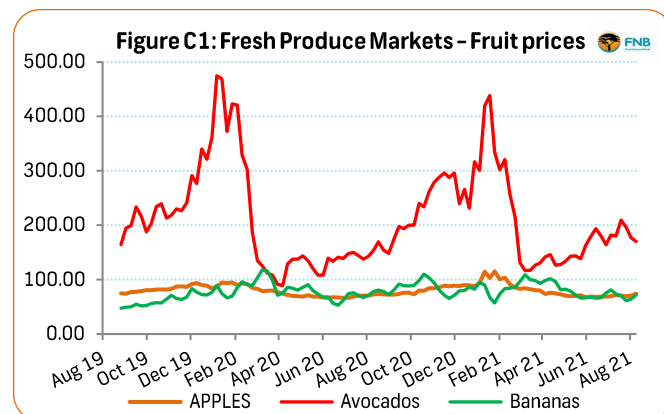


Source: FNB AgriComms

Table 2: Fruit prices – South Africa's Major Fresh Produce Markets – (Average Pretoria, Bloemfontein, Johannesburg, Cape Town, and Durban)

Week ending 13 AUG 2021	Average Price (R/Kg)	Price change w/w	Price change y/y	Total Volume (t)	Volume change w/w	Volume Change y/y
Apples	7.42	4.6%	1.6%	1 938	-16.5%	4.9%
Avocados	17.01	-3.9%	10.5%	303	11.3%	-25.3%
Bananas	7.20	11.9%	-8.4%	2 941	-17.5%	12.3%
Grapes	45.91	7.2%	-1.4%	44	-26.5%	7.8%
Mangoes	12.31	12.6%	-24.6%	0.20	34.0%	8.6%
Pears	38.67	2.7%	11.9%	594	-11.7%	-18.3%

Source: FNB AgriComms



Source: FNB AgriComms

Vegetable trends on 5 Major Fresh Produce Markets in SA (Figures 1a to 1e)

(Average 5 major markets – Pretoria, Bloemfontein, Johannesburg, Cape Town, and Durban)

*Note: The last six data points are preliminary for all vegetable prices and quantity graphs.

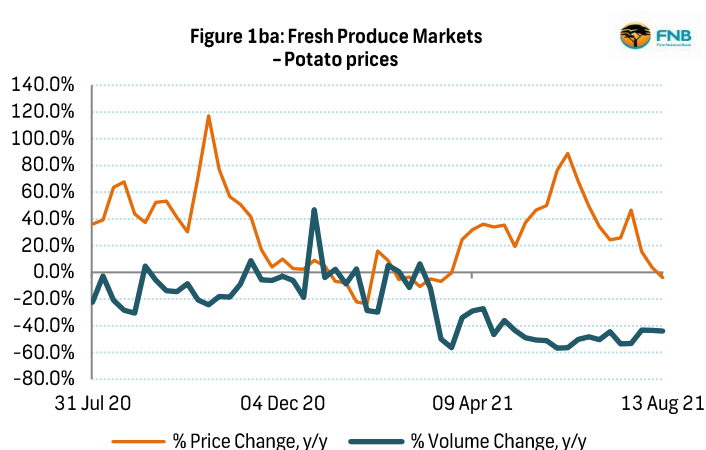
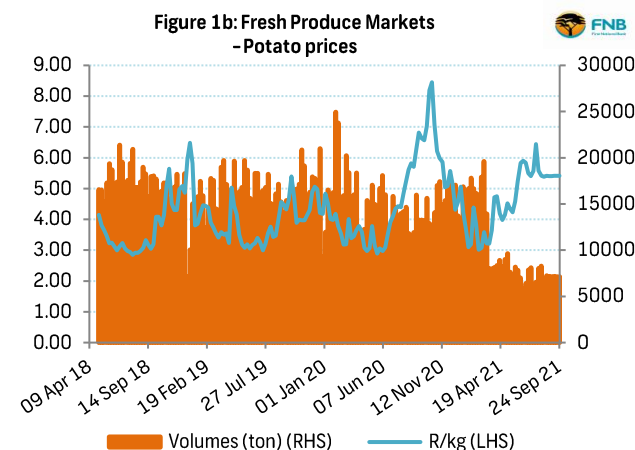
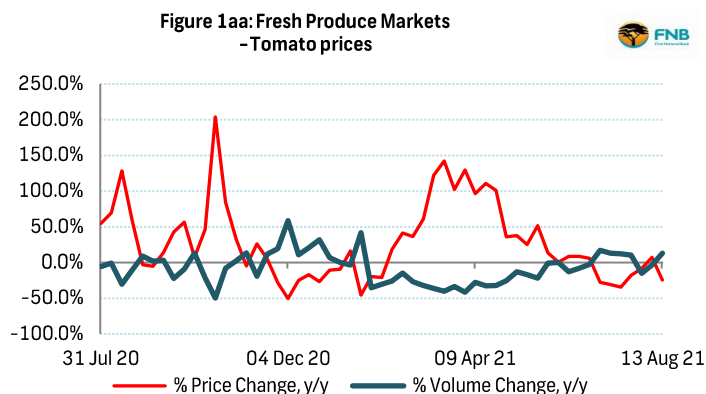
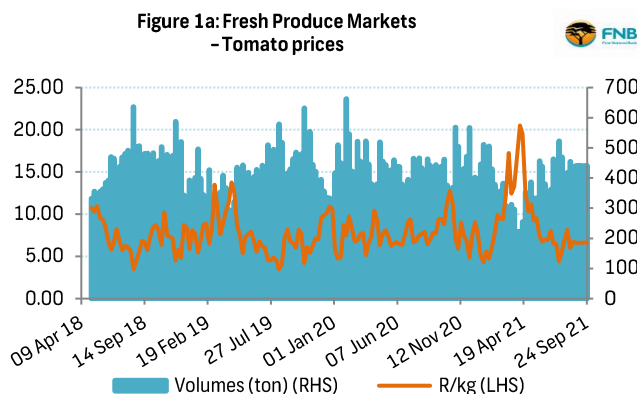


Figure 1c: Fresh Produce Markets
- Onion prices

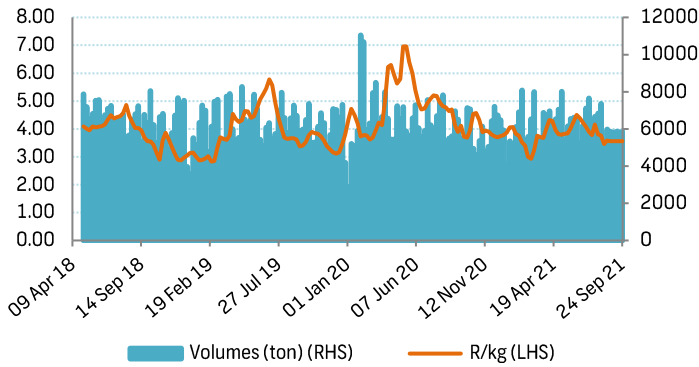


Figure 1ca: Fresh Produce Markets
- Onion prices

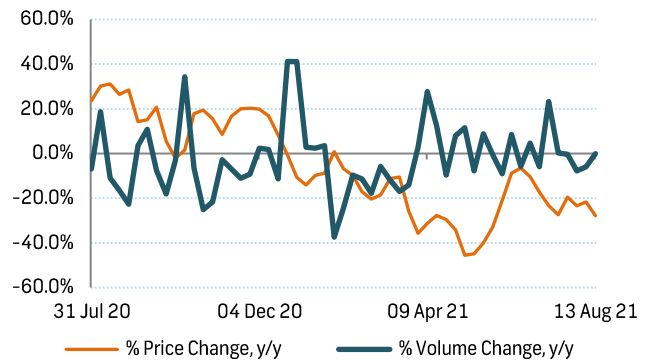


Figure 1d: Fresh Produce Markets
- Carrot prices

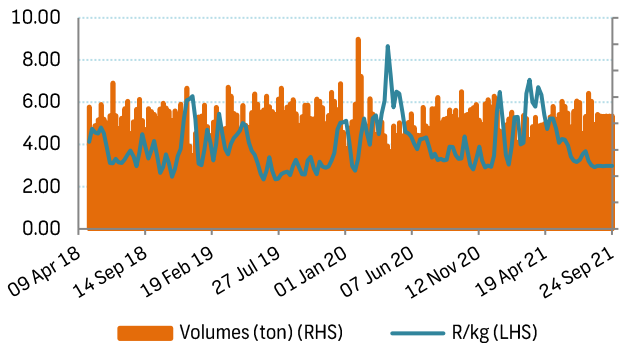


Figure 1da: Fresh Produce Markets
- Carrots prices

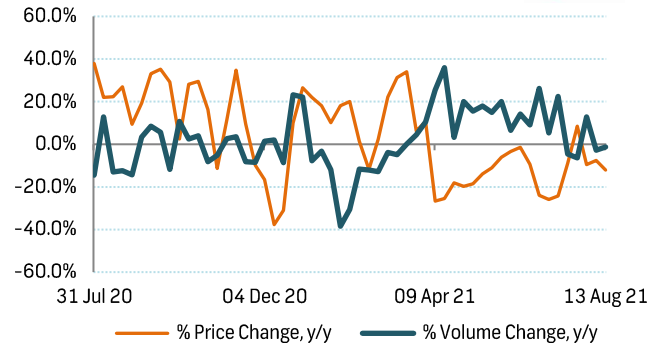


Figure 1ea: Fresh Produce Markets
- Cabbage prices

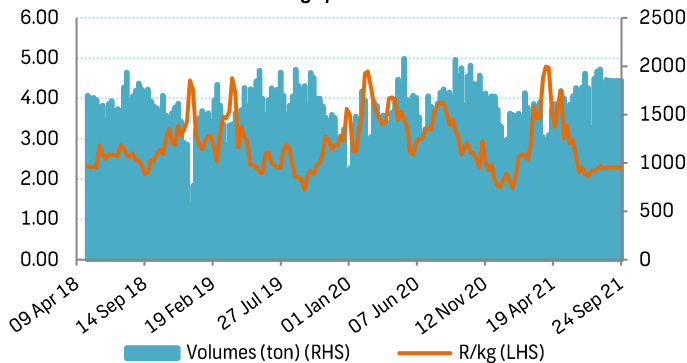


Figure 1eb: Fresh Produce Markets
- Cabbage prices

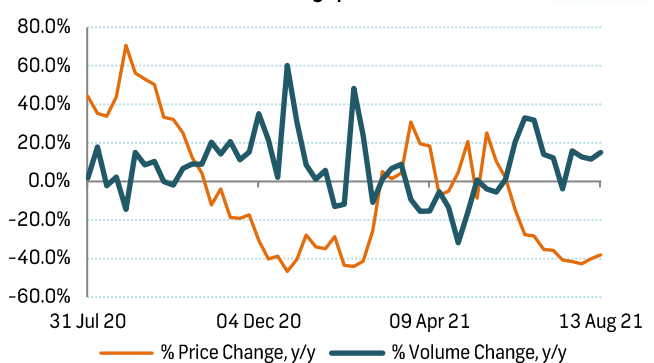


Figure 1fa: Fresh Produce Markets
- Butternut prices

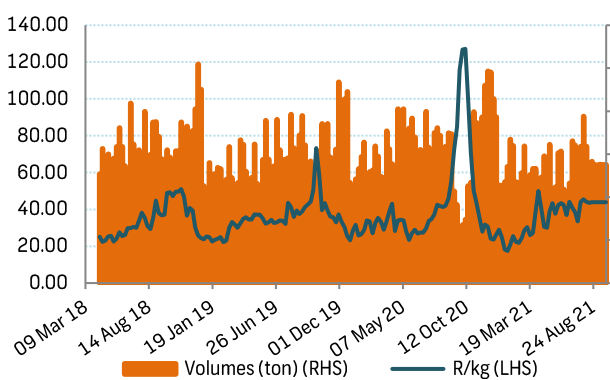
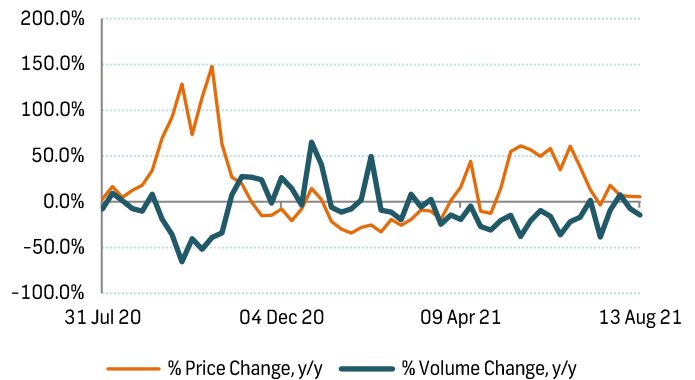
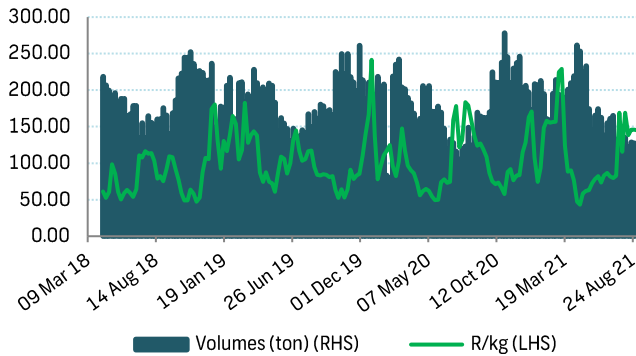


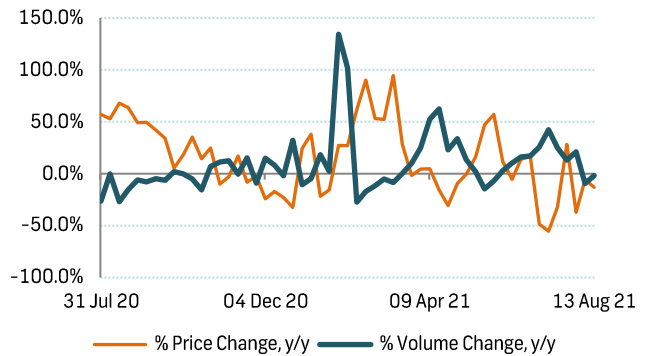
Figure 1fb: Fresh Produce Markets
- Butternut prices



**Figure 1g: Fresh Produce Markets
- Lettuce prices**



**Figure 1ga: Fresh Produce Markets
- Lettuce prices**

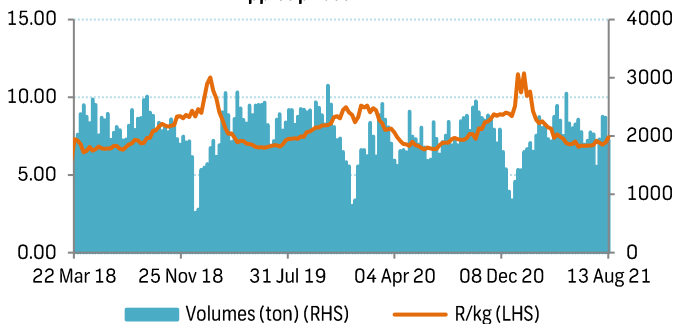


Source: FNB AgriComms

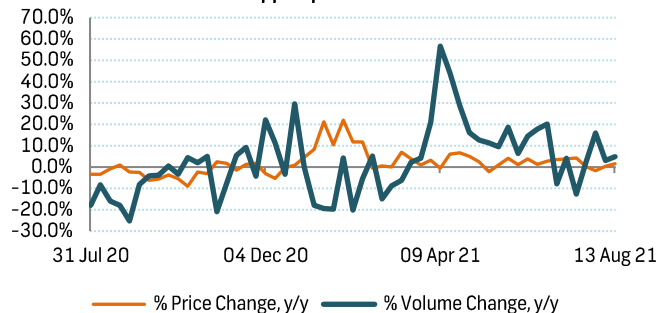
Fruit trends on Major Fresh Produce Markets in SA (figures 2a to 2f)

(Average 5 major markets - Pretoria, Bloemfontein, Johannesburg, Cape Town, and Durban)

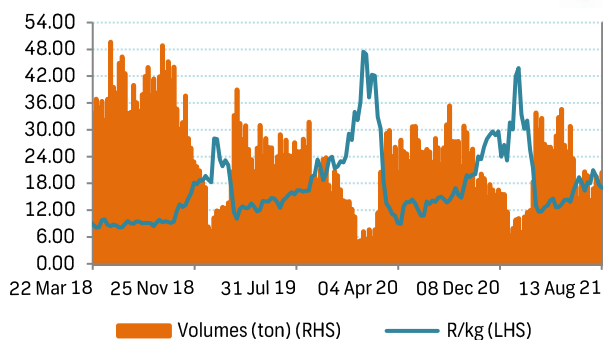
**Figure 2a: Fresh Produce Markets
- Apples prices**



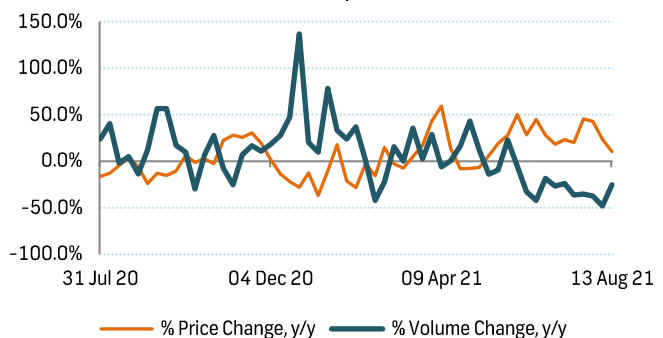
**Figure 2aa: Fresh Produce Markets
- Apples prices**



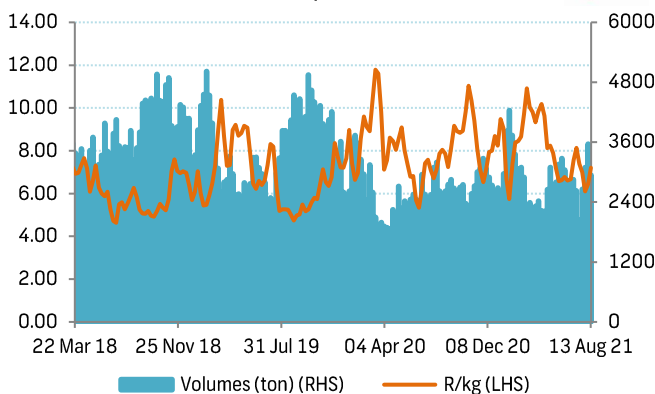
**Figure 2b: Fresh Produce Markets
- Avocado prices**



**Figure 2ba: Fresh Produce Markets
- Avocado prices**



**Figure 2c: Fresh Produce Markets
- Banana prices**



**Figure 2ca: Fresh Produce Markets
- Banana prices**

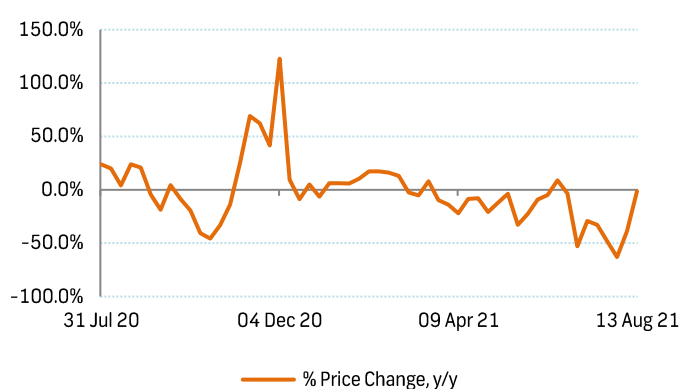


Figure 2d: Fresh Produce Markets
- Mango prices

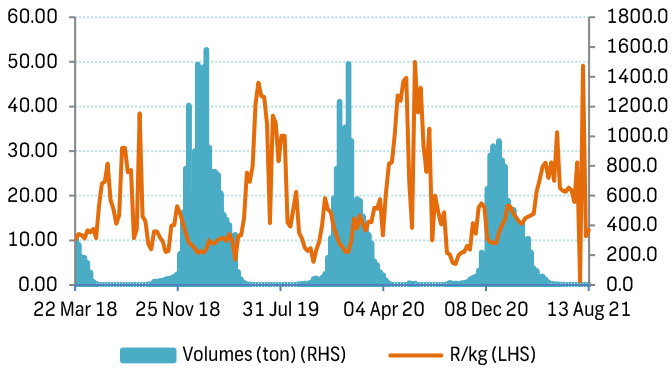


Figure 2da: Fresh Produce Markets
- Mango prices

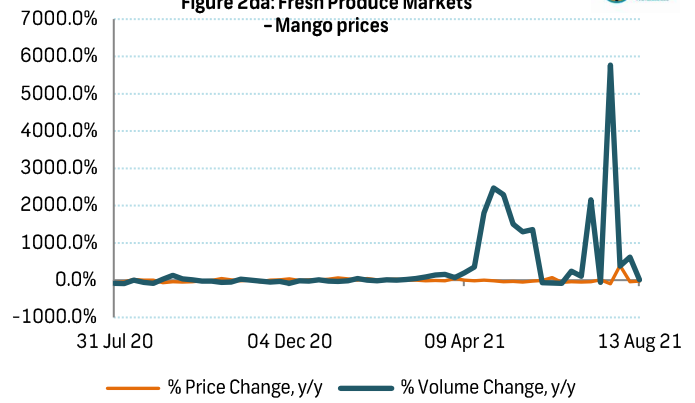


Figure 2e: Fresh Produce Markets
- Pear prices

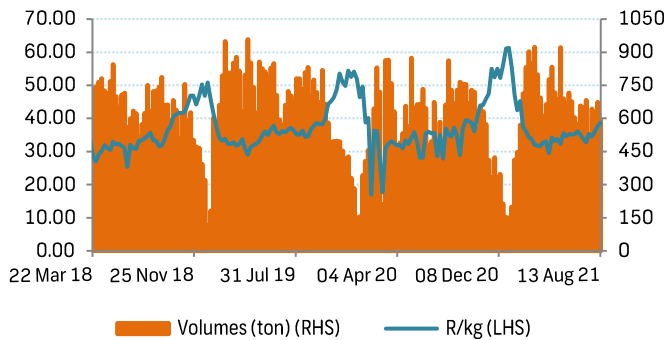


Figure 2bb: Fresh Produce Markets
- Pear prices

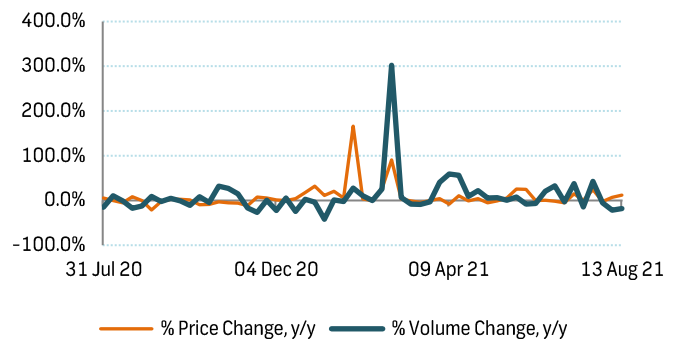


Figure 2d: Fresh Produce Markets
- Grapes prices

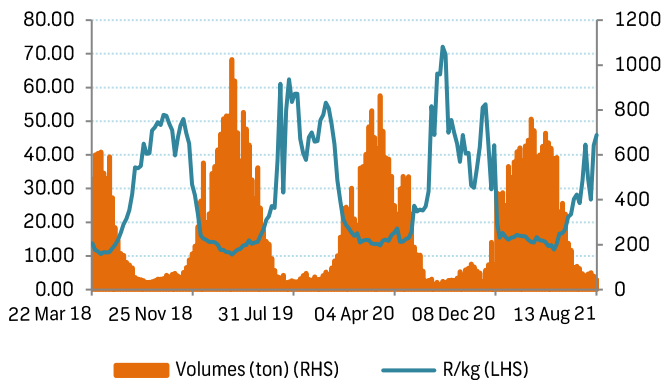


Figure 2bb: Fresh Produce Markets
- Grape prices



Source: FNB AgriComms.

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To find out more or to speak to one of our **agricultural specialists**, please contact us.

Name	City	Cell	Email
Grewar, Oosthuizen	Eastern Cape - Port Elizabeth	071 607 6850	grewar.oosthuizen@fnb.co.za
Edmund, De Beer	Eastern Cape - Port Elizabeth	084 656 5634	edebeer1@fnb.co.za
Fred, Terblanche	Eastern Cape - Graaff Reinet	064 500 5880	frederik.terblanche@fnb.co.za
Martin, Louw	Free State - Theunissen	082 784 8880	mlouw1@fnb.co.za
Chris, Bekker	Free State - Bloemfontein	082 560 1894	cbekker@fnb.co.za
Leon, Bergman	Free State - Bethlehem	083 387 7977	leon.bergman@fnb.co.za
Krohn, Jo-Ann	Free State - Bloemfontein	064 542 3548	Jo-Ann.Krohn@fnb.co.za
Humphreys, Freddy	Free State - Bloemfontein	060 975 0273	freddy.humphreys@fnb.co.za
Voutsas, Philip	Gauteng - Sandton	082 820 4202	philip.voutsas@rmb.co.za
Da Silva, Kristin	Gauteng - Sandton	079 693 8268	Kristin.DaSilva@fnb.co.za
Greg, Sparrow	KwaZulu-Natal - Pietermaritzburg	071 684 8420	greg.sparrow@fnb.co.za
Sarah, van der Merwe	KwaZulu-Natal - Pietermaritzburg	082 371 1040	sarah.vandermerwe@fnb.co.za
Bertram, July	KwaZulu-Natal - Pietermaritzburg	061 518 7165	bertram.july@fnb.co.za
Strydom, Marc	KwaZulu-Natal - Pietermaritzburg	082 497 4781	mstrydom@fnb.co.za
De Klerk, Arno	Limpopo - Polokwane	082 538 5970	arno.deklerk@fnb.co.za
Moseki, Papi	Limpopo - Polokwane	071 136 4090	papi.moseki@fnb.co.za
Theo, Verwey	Mpumalanga - Emalahleni	082 419 6086	tverwey@fnb.co.za
Gao, Ngakantsi	Mpumalanga - Emalahleni	072 471 6040	gaopalelwe.ngakantsi@fnb.co.za
Du Plessis, Hanro	Mpumalanga - Emalahleni	082 895 1762	hanro.duplessis@fnb.co.za
Pedrie, Van der Merwe	Northern Cape - Kimberley	071 351 3439	pedrie.vandermerwe@fnb.co.za
Johan, De Klerk	North West - Brits	082 776 3477	jdeklerk2@fnb.co.za
Johan, Beukes	Western Cape - Stellenbosch	082 372 4656	johan.beukes@fnb.co.za
Michelle, Swarts	Western Cape - Willowbridge	072 020 5181	michelle.Swarts@fnb.co.za
Andries, Van Zyl	Western Cape - Willowbridge	073 280 8703	andries.vanzyl@fnb.co.za

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