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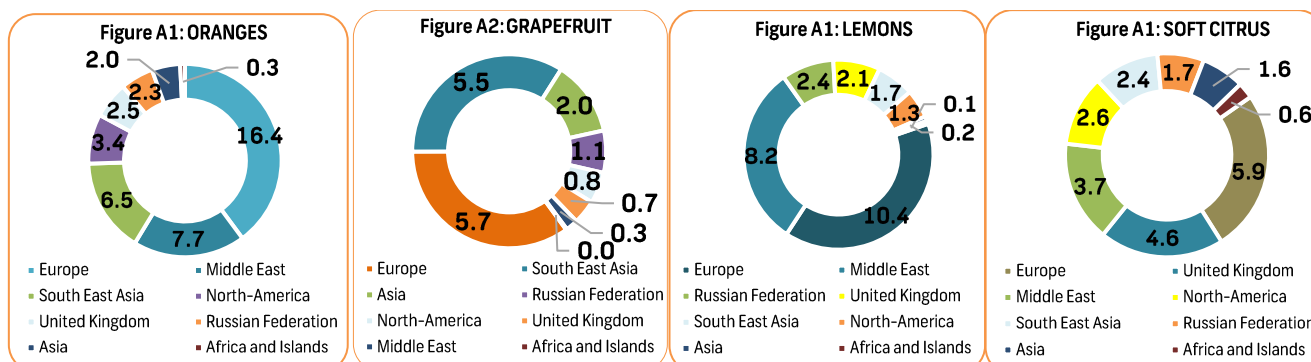


Paul Makube | Tumi Kgasago | Vhutshilo Mabela | 02 SEP 2021

Weekly update – Fruit and Vegetable Markets

- Latest news on the export front is that the unrest induced backlog on movement of citrus fruit at the Durban port is still not cleared with cold rooms at full capacity amid constraints with container availability according to the industry body, the Citrus Growers Association. This is business unusual and hopefully the prolonged in-transit time could be avoided as it has a potential to compromise quality.
- On export progress, the latest statistics show orange volumes are so far 14% behind last season at 41.05 million cartons as of week 34 of the current export season. Europe retained the lion share of 40% of the total orange shipments but volumes to the region contracted by 18% year-on-year (y/y). The Middle East is the only region to record growth in import volumes from South Africa with a 3% y/y increase and the second largest market share of 19%.
- The rest of the other fruit commodities posted good to excellent growth with both grapefruit and soft citrus volumes increasing by 19% y/y to 16.21m and 26.39m cartons respectively, while lemons advanced by 9% y/y to 23.03m cartons. Europe and the South East Asia are so far the largest destinations for grapefruit with shares of 35% and 34% respectively but the latter recorded a 51% y/y surge in imports from SA while the former posted a 4% y/y increase. For lemons, the leading destinations were Europe and the Middle East with 39% and 31% of the total. SA lemon exports to the European market surged by 19% y/y. Asia and South East Asia posted the biggest growth of 92% and 22% respectively y/y in lemon imports from SA.
- Meanwhile, the rand/ dollar exchange rate powered back and strengthened from recent losses. The average rand exchange rate for the past three months has appreciated by 15% relative to the 2020 levels at R14.40/US\$, but hopefully better international prices would offset its potential downside on export revenue.

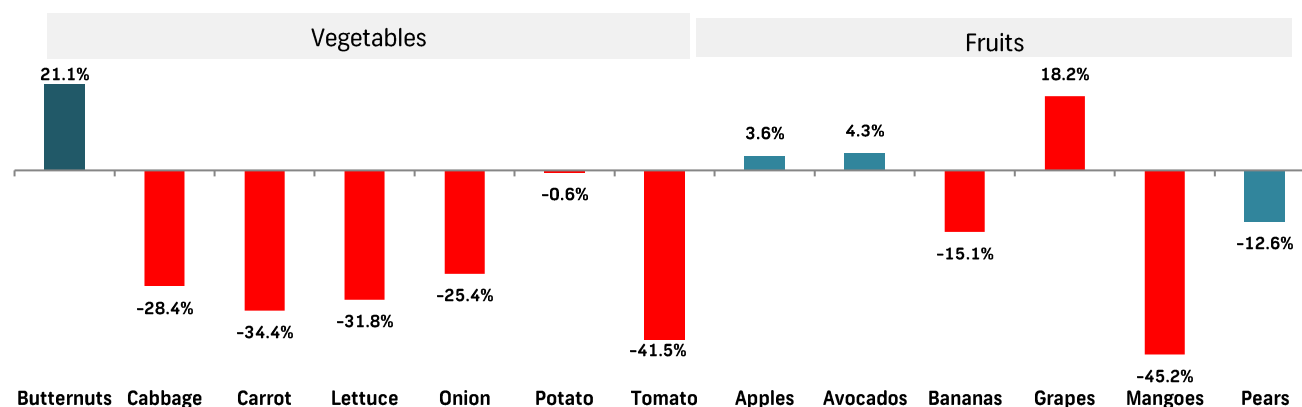
Figure A: Export volumes of selected citrus commodities – (million 15kg cartons): Week 43, 2021



Source: AgriHUB

- On the domestic front, our analysis of the latest trends in fresh produce prices still signal a potential extended downside in the consumer price inflation (CPI) for the fruit and vegetable categories. The yearly price trends still show declines across most commodities which is positive for fruit and vegetable inflation outcomes, see figure A1.
- From a production perspective, the seasonal outlook remains bullish on the back of a 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.
- Further, the 2021/22 rainfall season begins with dam levels across the country at good level which by the end of August 2021 stood at 80.8% full, with all provinces except the Eastern Cape over 60% full. This bodes well for irrigated crop operations and potentially higher output across the country. In the Eastern Cape, 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 5.4%, 22%, and 46.4% respectively full.

Figure B: Weekly fruit and vegetable price changes (y/y)
Week ended 27 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 27 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	5.56	20.1%	21.1%	1249	5.9%	-28.4%
Cabbage	2.51	2.1%	-28.4%	1,992	4.7%	18.4%
Carrot	2.14	-11.2%	-34.4%	2,454	12.5%	16.9%
Lettuce	8.45	-23.7%	-31.8%	250	11.7%	-11.4%
Onion	3.51	-0.5%	-25.4%	6,812	13.8%	21.2%
Potato	5.67	2.7%	-0.6%	7,116	12.6%	-40.3%
Tomato	4.10	1.4%	-41.5%	5,777	-7.9%	30.8%

Source: FNB AgriComms

Figure C1: Fresh Produce Markets
– Vegetable prices

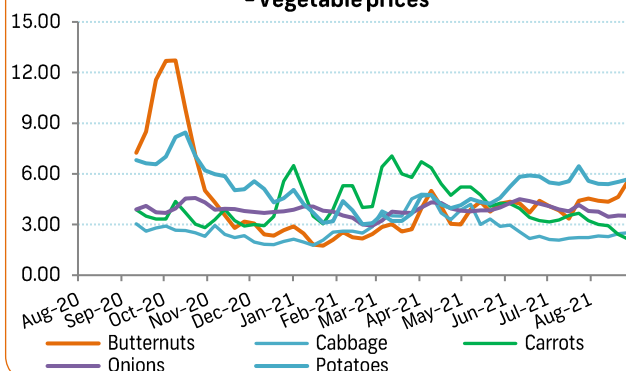
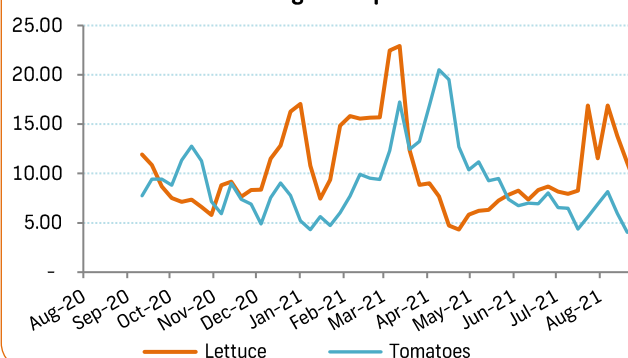


Figure C2: Fresh Produce Markets
– Vegetable prices

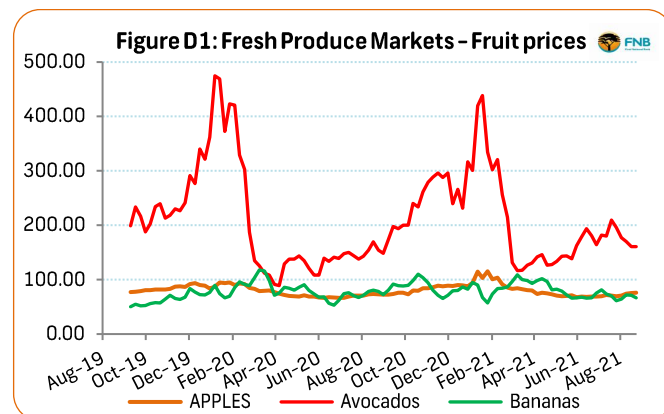


Source: FNB AgriComms

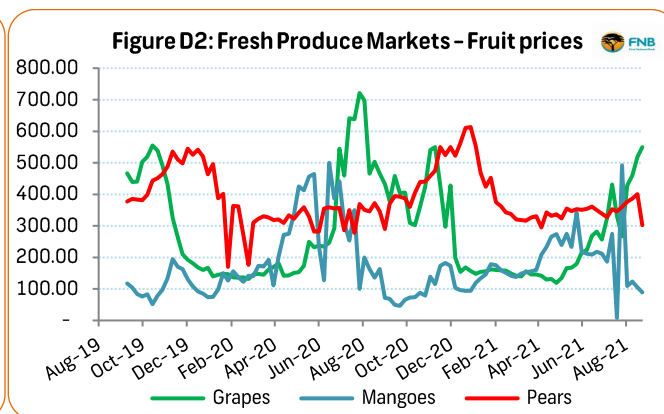
Table 2: Fruit prices – South Africa's Major Fresh Produce Markets – (Average Pretoria, Bloemfontein, Johannesburg, Cape Town, and Durban)

Week ending 27 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	7.57	0.7%	3.6%	2,042	4.0%	10.5%
Avocados	16.06	0.1%	4.3%	302	-7.9%	-25.6%
Bananas	6.67	-6.0%	-15.1%	2,746	-5.9%	4.8%
Grapes	55.03	6.1%	18.2%	64	27.2%	55.5%
Mangoes	8.95	-15.2%	-45.2%	9	296.6%	4528.6%
Pears	30.23	-24.6%	-12.6%	634	1.2%	-12.9%

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.

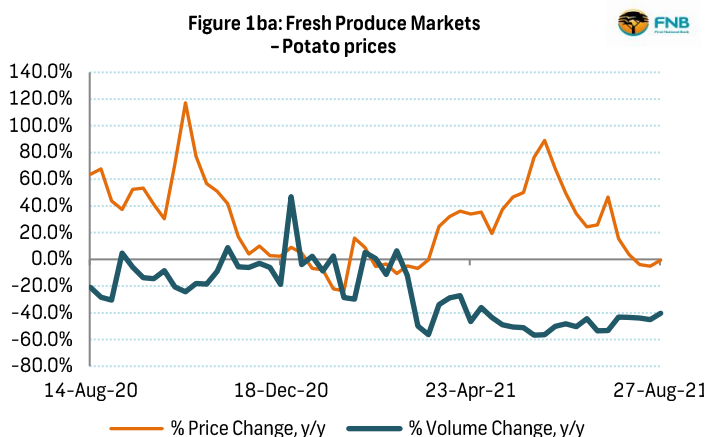
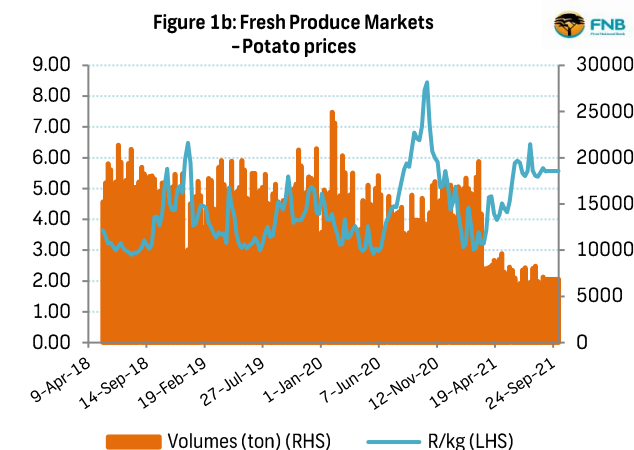
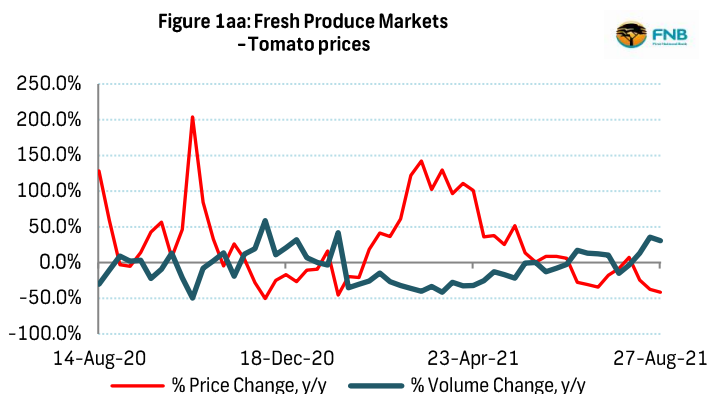
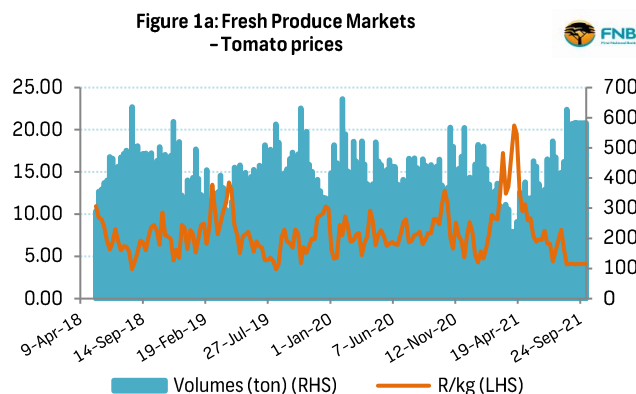


Figure 1c: Fresh Produce Markets
- Onion prices

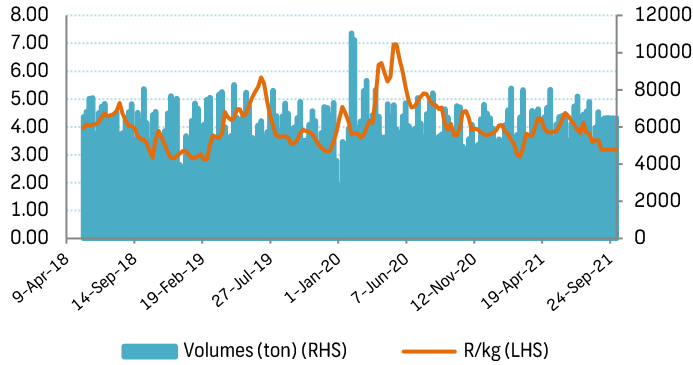


Figure 1ca: Fresh Produce Markets
- Onion prices

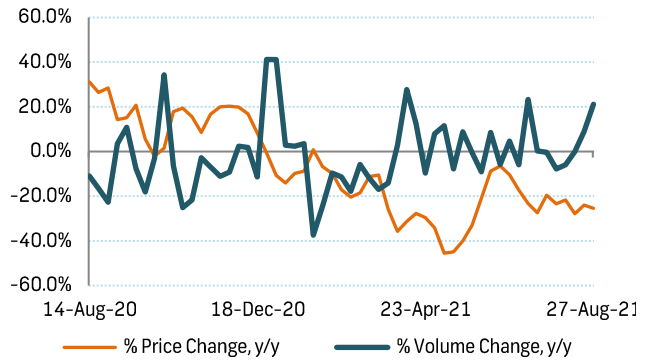


Figure 1d: Fresh Produce Markets
- Carrot prices

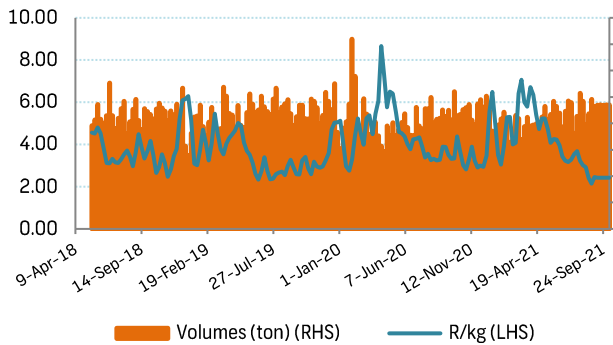


Figure 1da: Fresh Produce Markets
- Carrots prices

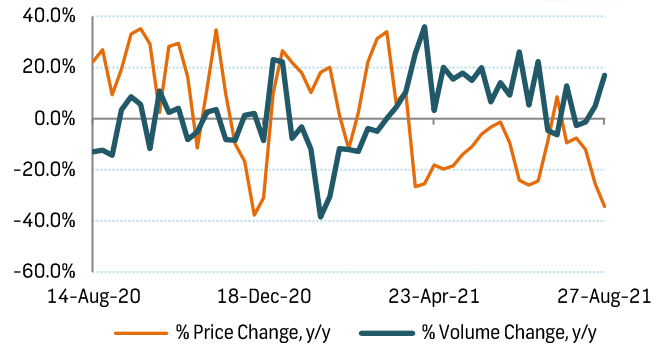


Figure 1ea: Fresh Produce Markets
- Cabbage prices

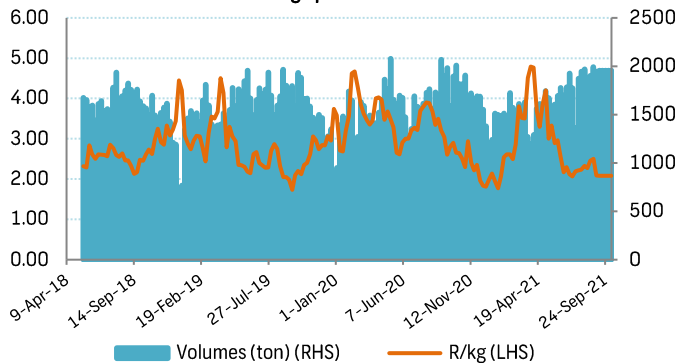


Figure 1eb: Fresh Produce Markets
- Cabbage prices

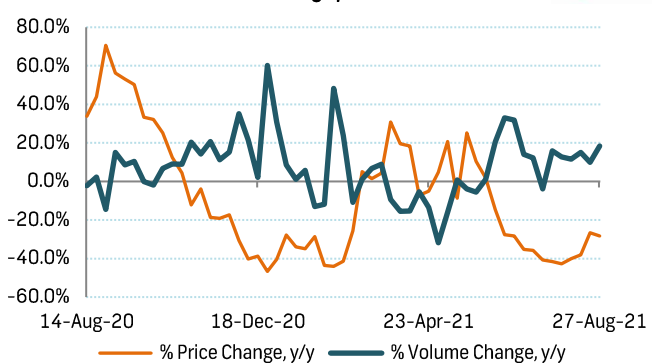


Figure 1fa: Fresh Produce Markets
- Butternut prices

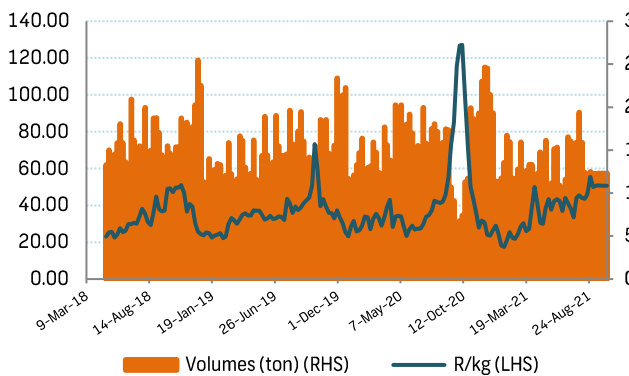


Figure 1fb: Fresh Produce Markets
- Butternut prices

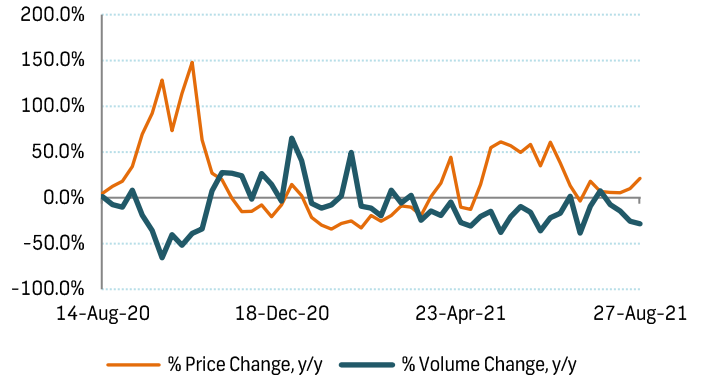


Figure 1g: Fresh Produce Markets
- Lettuce prices

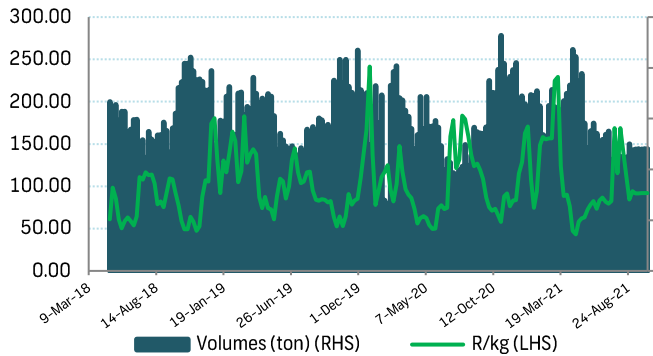
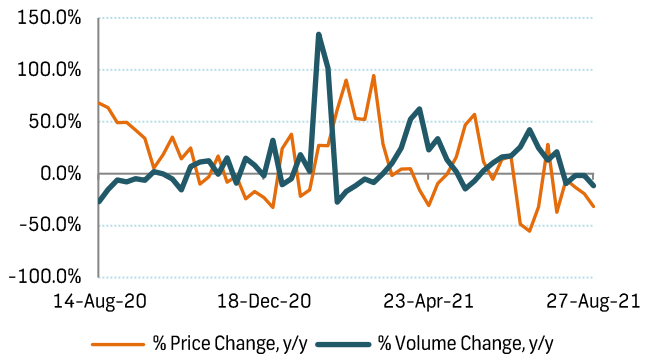


Figure 1ga: Fresh Produce Markets
- Lettuce prices



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

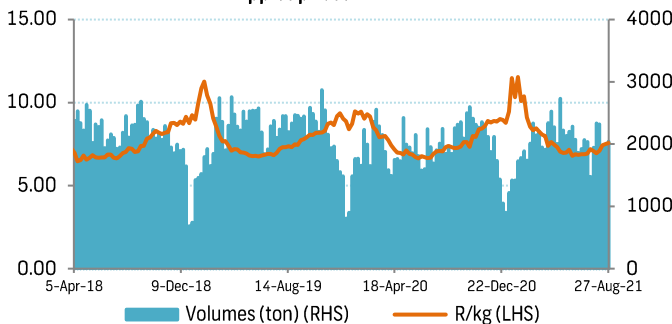


Figure 2aa: Fresh Produce Markets
- Apples prices

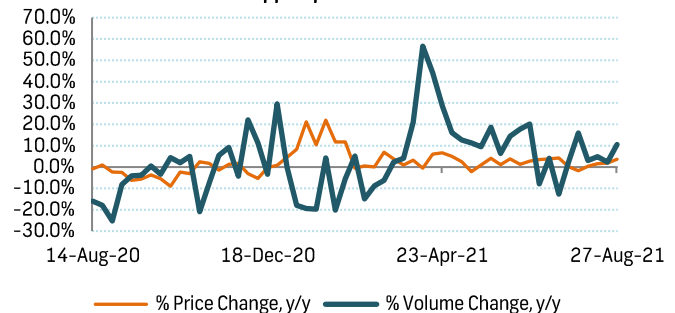


Figure 2b: Fresh Produce Markets
- Avocado prices

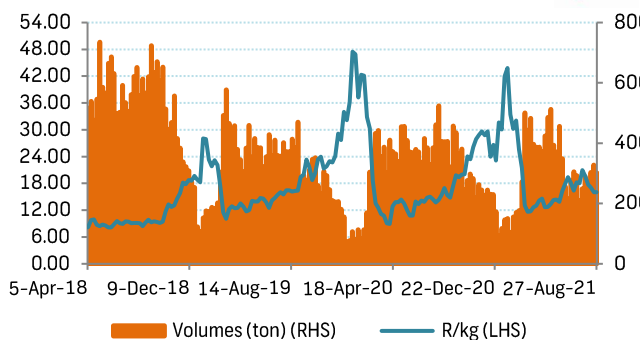


Figure 2ba: Fresh Produce Markets
- Avocado prices

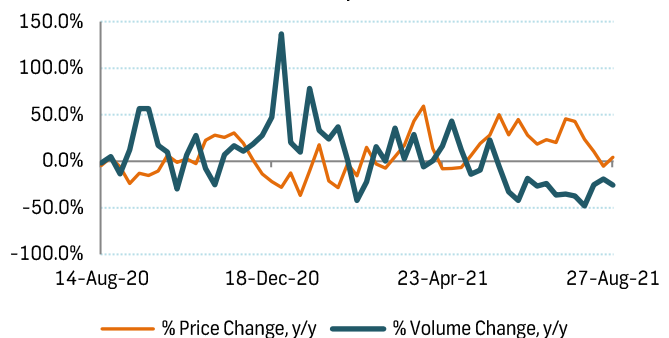


Figure 2c: Fresh Produce Markets
- Banana prices

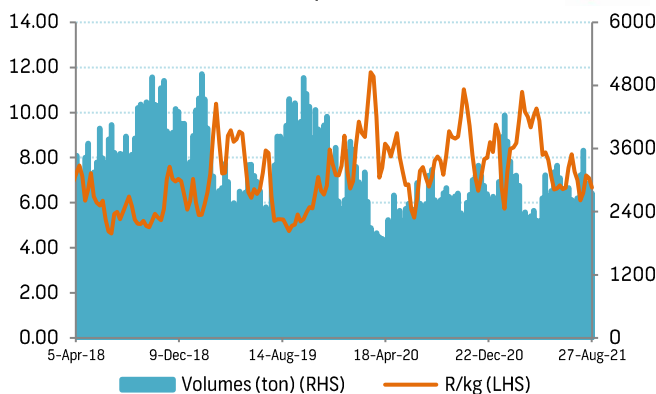


Figure 2ca: Fresh Produce Markets
- Banana prices

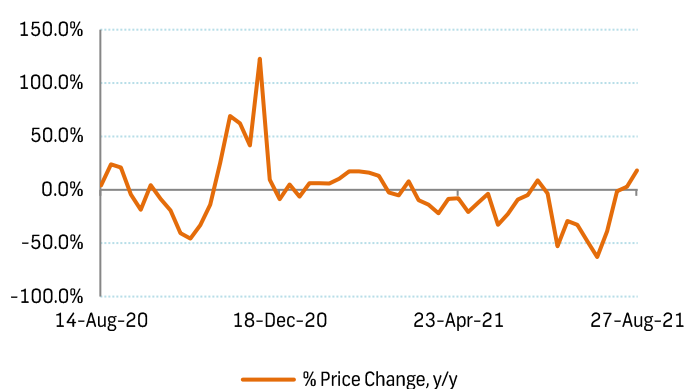


Figure 2d: Fresh Produce Markets
- Mango prices

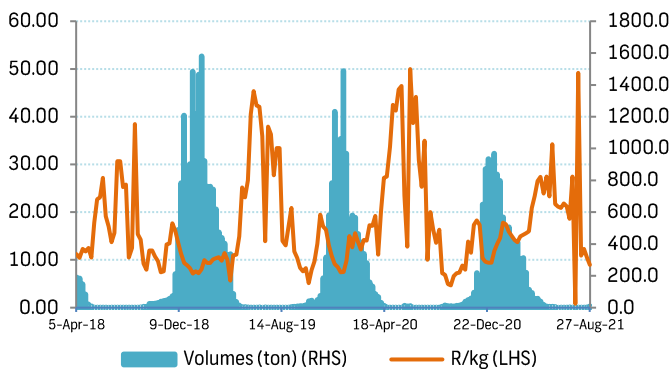


Figure 2da: Fresh Produce Markets
- Mango prices

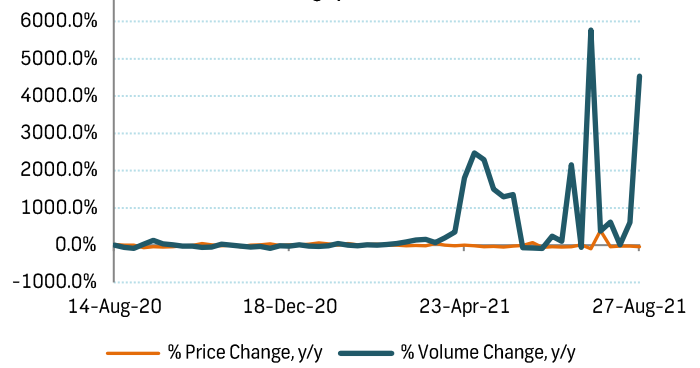


Figure 2e: Fresh Produce Markets
- Pear prices

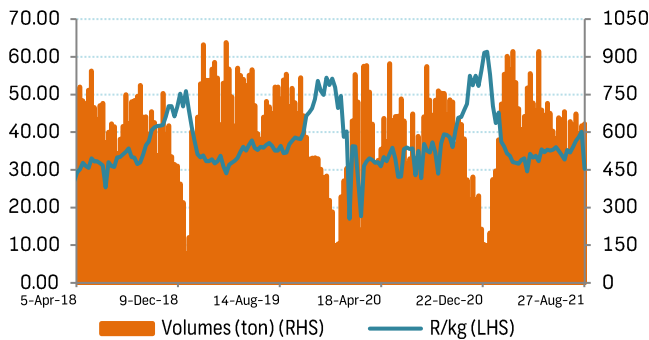


Figure 2bb: Fresh Produce Markets
- Pear prices

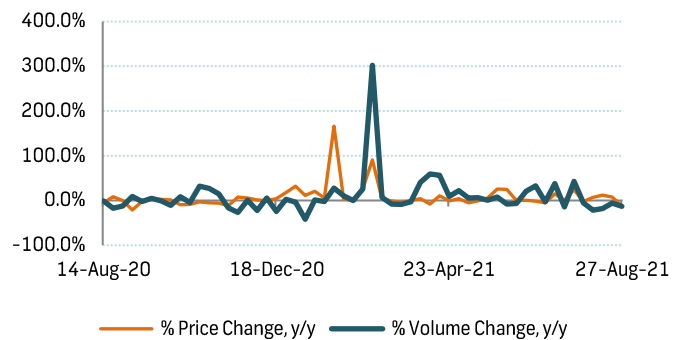


Figure 2d: Fresh Produce Markets
- Grapes prices

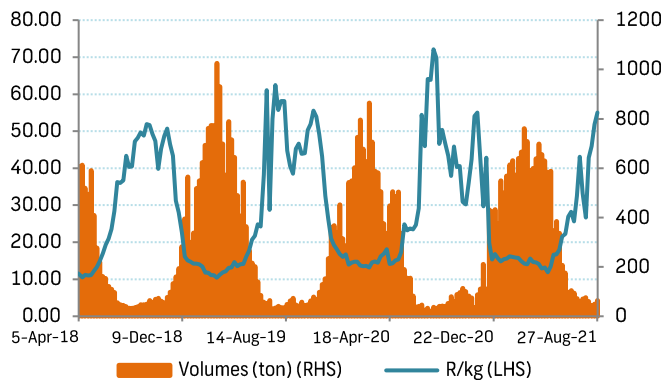
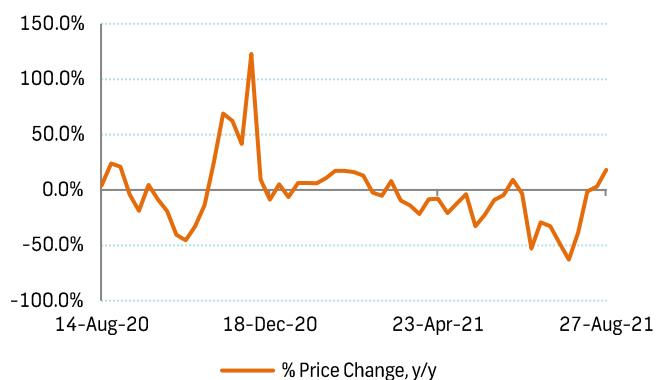


Figure 2bb: Fresh Produce Markets
- Grape prices



Source: FNB AgriComms.

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