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Weekly update – Fruit and Vegetable Markets

- Indications so far are that there will be many losers in the current Russia-Ukraine war with many sectors of the world economy likely to be hit, from energy to agriculture markets. With no or limited trading activity with the rest of the world for both countries, products normally destined to them will now have to be redirected to alternative markets thereby creating short term oversupply in some instances.
- South Africa is not immune to these developments as its exposure to these countries include over 8% of total citrus exported, and almost 5% and 3% respectively of deciduous and subtropical fruits.
- Russia accounted for 21% of the total number of South Africa's pear cartons exported during the 2020 (figure A1). About 9% of the total apple volumes went to Russia with plums at 4% while peaches and nectarines both came in at only 1% of the total for each commodity exported.
- For 2022, total apple exports to Russia so far reached 5,306 cartons (12.5kg) which is down by 39% year-on-year (y/y) and only 0.3% of the 1.9 million cartons exported to the rest of the world for the year to week 8 of the marketing season. Pear exports to Russia enjoyed strong growth of 45% y/y to 221,681 cartons which accounts for 21% of the cumulative YTD total of 3.4 million cartons.
- In the citrus category, 10% of the total SA grapefruit exported went to Russia with lemons following closely with 9% of the total for the commodity (figure 1a and 1b). Oranges and soft citrus came in at 7% and 8% respectively for each commodity during 2020 (figure A1).
- So far there are no indications that the global logistics situation is worsening because of the war, but uncertainty remains high given that the conflict is no way near its end despite the recent talks.

Figure A1: South Africa's fruit shares exports by commodity to Russia

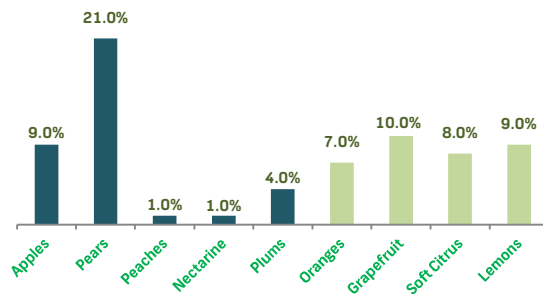


Figure A2: Citrus fruit export trends



Source: Hortgro, CGA,

- Back to the local trends on fresh produce markets, our analysis of the latest trends on local fresh produce markets still shows declines across most fruit commodities during February 2022 relative to the January level. Avocados remained the biggest losers and fell sharply by 31% month-on-month (m/m) and 14% y/y at R23.62/kg (figure A1). We now await the February inflation data later during March and so far, indications are that the fruit inflation will remain in negative territory.
- In the case of vegetables, the monthly average vegetables prices still show resilience across most commodities under review with butternuts increasing by a whopping 100.3% m/m and 34.1% m/m in February 2022 at R 4.71/kg (figure A3). Big ticket items such as tomatoes and potatoes posted gains of 18.9% and 4.6% respectively y/y at R1.87/kg and R3.74/kg. The current price trajectory points to a potential further acceleration in the vegetable inflation category which surprised on the upside at the opening of 2022 at 8.6% y/y after averaging 4.1% y/y for 2021.

Figure A3: Changes in average monthly fruit and vegetable prices on South Africa's major Fresh Produce Markets (% Δ m/m, y/y)
Avg for FEB 2022

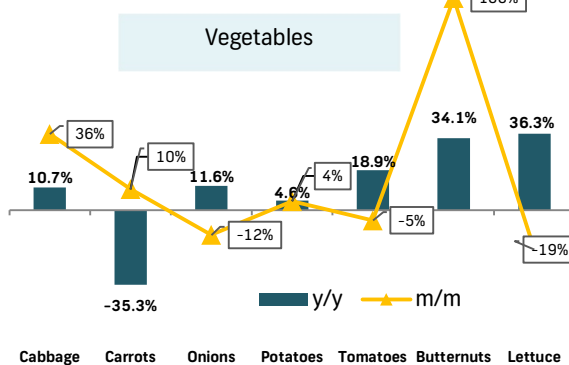
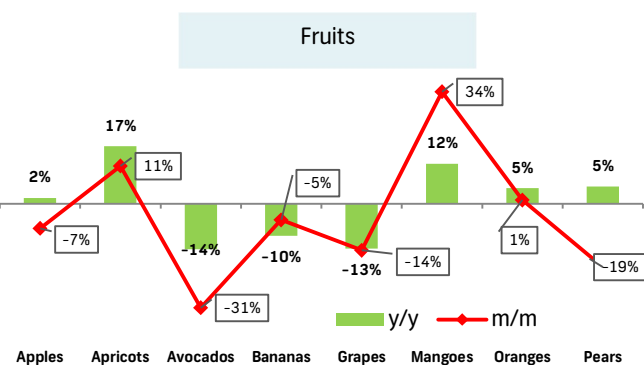


Figure A4: Changes in average monthly fruit and vegetable prices on South Africa's major Fresh Produce Markets (% Δ m/m, y/y)
Avg for FEB 2022



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 25 FEB 2022	Average Price (R/Kg)	Price change w/w	Price change y/y	Total Volume (t)	Volume change w/w	Volume Change y/y
Butternuts**	5.18	-1.6%	112.5%	1180	31.4%	-7.8%
Cabbage	3.25	18.4%	13.6%	1,192	3.7%	-17.9%
Carrot	3.35	19.1%	-17.8%	2,324	10.2%	8.1%
Lettuce**	10.96	-23.0%	-30.1%	410	18.3%	14.8%
Onion	3.49	-0.9%	18.9%	7,044	15.6%	7.9%
Potato	3.89	8.3%	26.3%	8,257	14.3%	-53.9%
Tomato	7.74	-23.2%	-17.6%	4,109	27.5%	7.4%

Source: FNB AgriComms; ** including all other markets

Figure B1: Fresh Produce Markets
– Vegetable prices

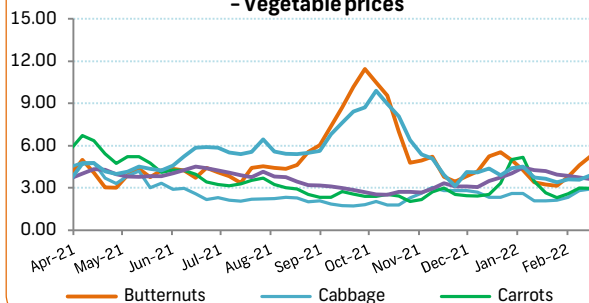
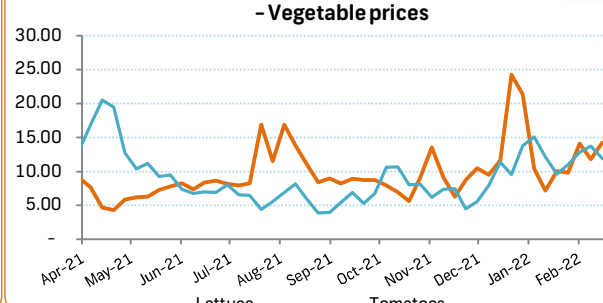


Figure B2: Fresh Produce Markets
– Vegetable prices



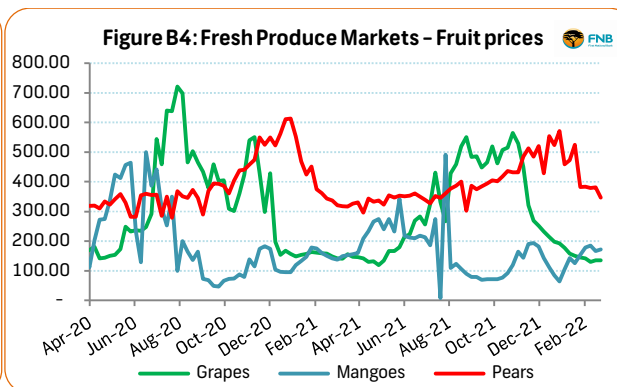
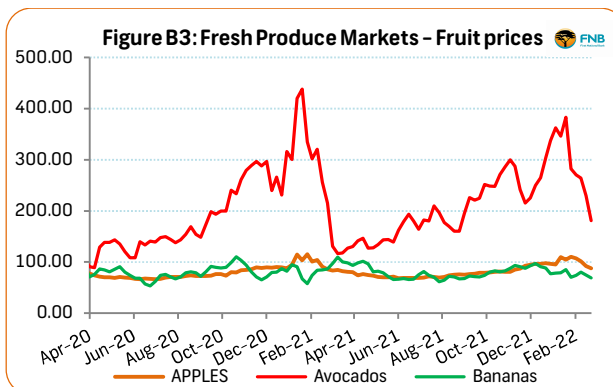
Source: FNB AgriComms

Table 2: Fruit prices – South Africa's Major Fresh Produce Markets –

(Average Major Markets: Pretoria, Bloemfontein, Johannesburg, Cape Town, and Durban, & other markets)

Week ending 25 FEB 2022	Average Price (R/Kg)	Price change w/w	Price change y/y	Total Volume (t)	Volume change w/w	Volume Change y/y
Apples	8.74	-5.1%	2.2%	1,968	-0.4%	-2.2%
Avocados	18.09	-21.3%	-15.9%	373	29.0%	36.9%
Bananas	6.87	-7.8%	-20.6%	4,166	6.0%	34.7%
Grapes	13.50	-0.4%	-9.2%	636	-8.7%	-4.5%
Mangoes	17.21	3.2%	21.5%	397	-1.8%	-2.8%
Pears	10.62	1.0%	5.7%	401	56.0%	59.7%

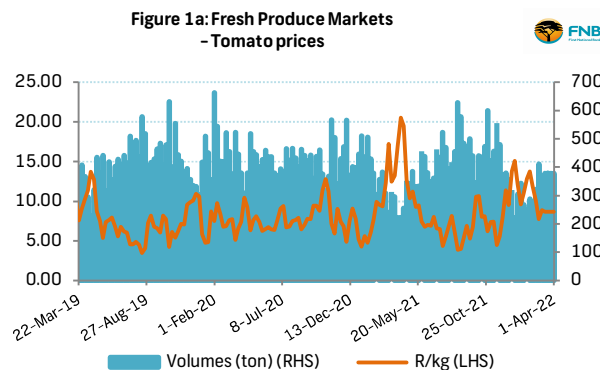
Source: FNB AgriComms



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.*

Source: FNB AgriComms

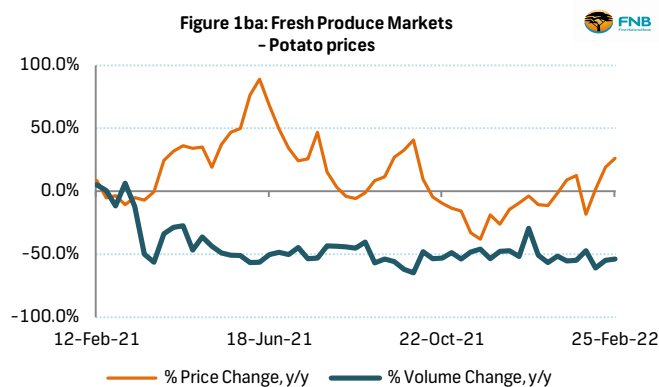
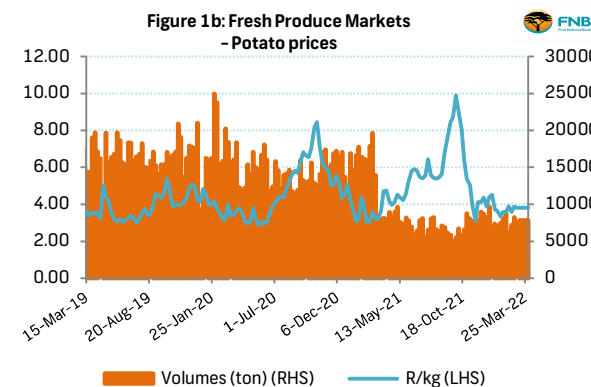
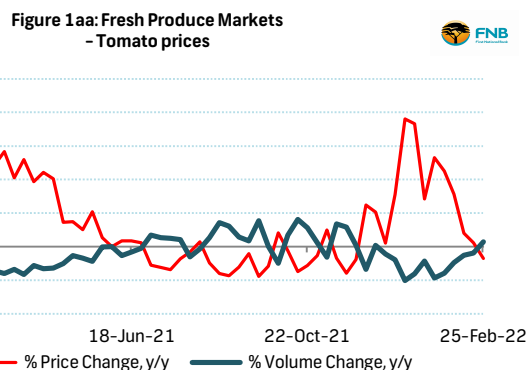
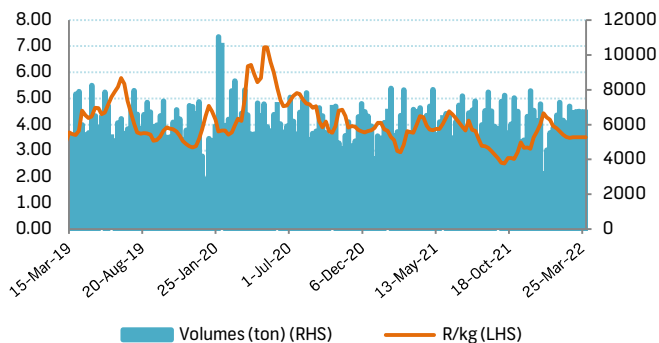
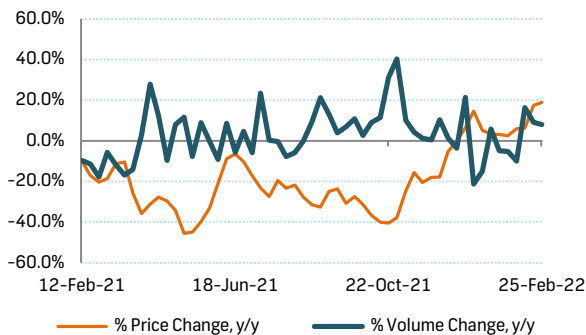
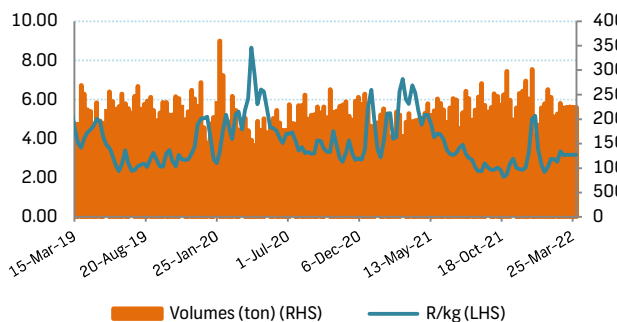
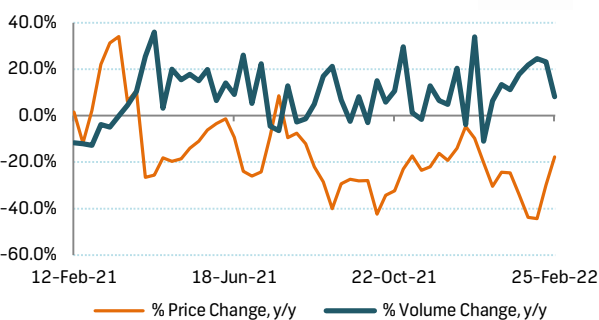
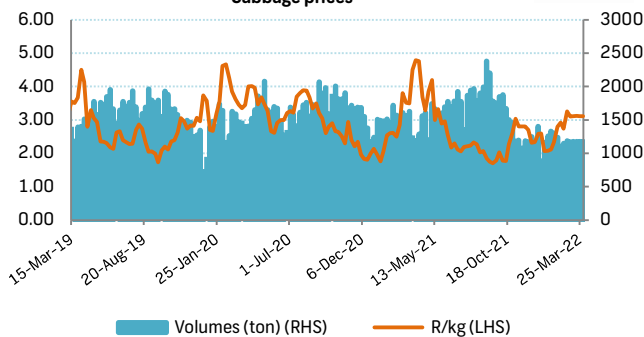
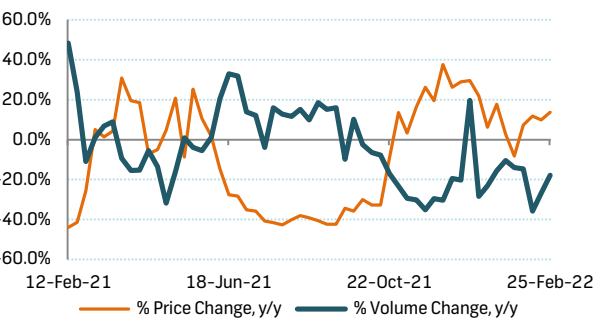


Figure 1c: Fresh Produce Markets
- Onion pricesFigure 1ca: Fresh Produce Markets
- Onion pricesFigure 1d: Fresh Produce Markets
- Carrot pricesFigure 1da: Fresh Produce Markets
- Carrots pricesFigure 1ea: Fresh Produce Markets
- Cabbage pricesFigure 1eb: Fresh Produce Markets
- Cabbage prices

Source: FNB AgriComms

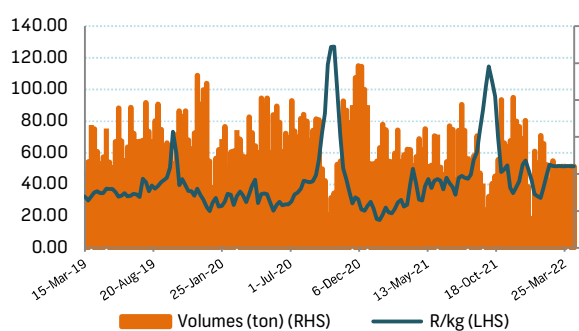
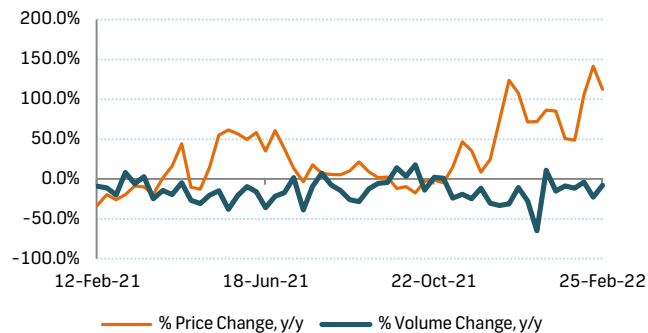
Figure 1fa: Fresh Produce Markets
- Butternut pricesFigure 1fb: Fresh Produce Markets
- Butternut prices

Figure 1g: Fresh Produce Markets
- Lettuce prices

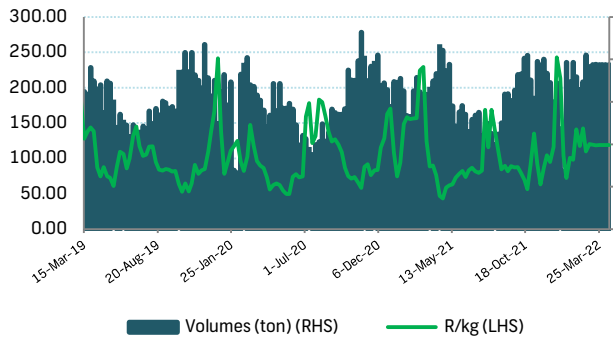
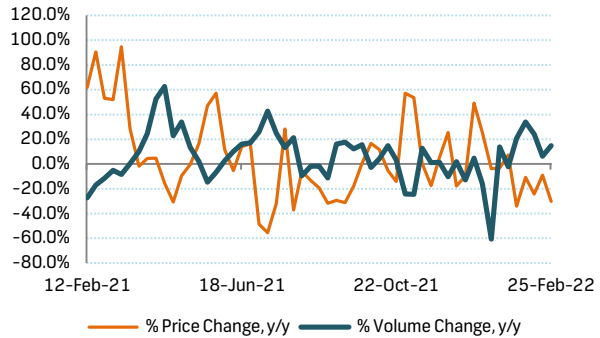


Figure 1ga: Fresh Produce Markets
- Lettuce prices



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

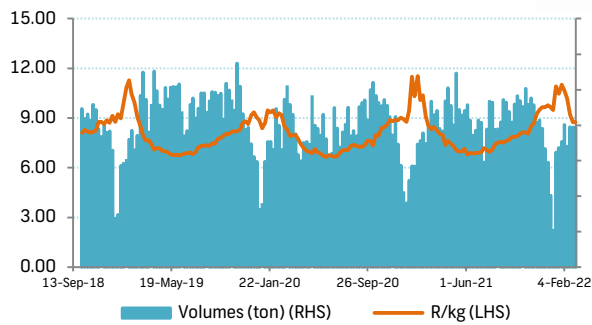


Figure 2aa: Fresh Produce Markets
- Apples prices

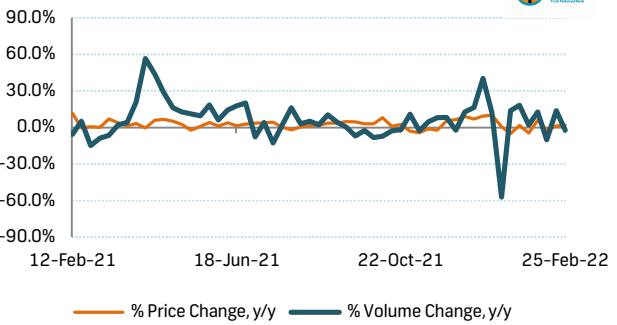


Figure 2b: Fresh Produce Markets
- Avocado prices

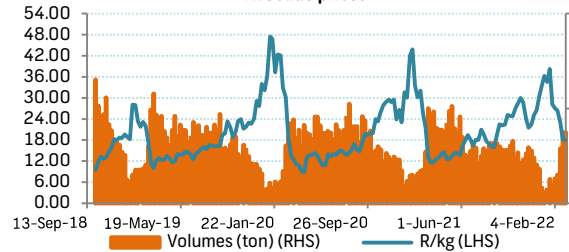
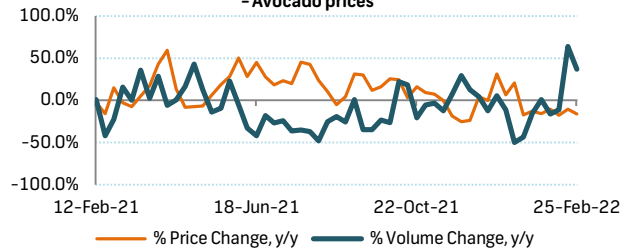


Figure 2ba: Fresh Produce Markets
- Avocado prices



Source: FNB AgriComms

Figure 2c: Fresh Produce Markets
- Banana prices

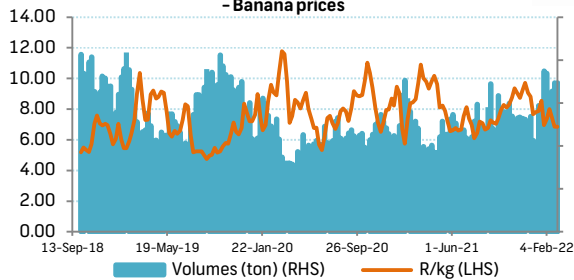
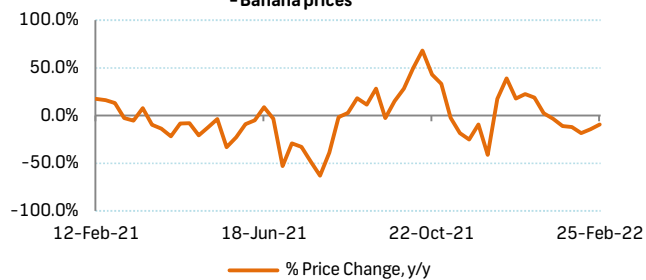
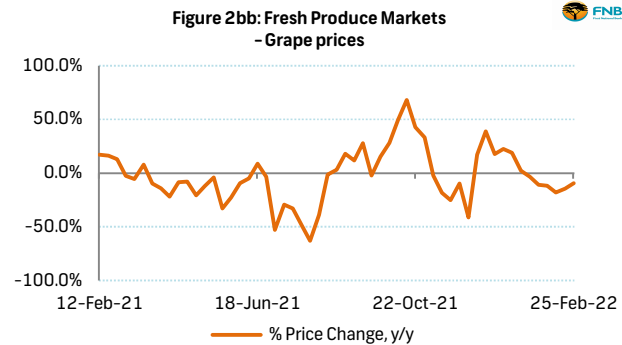
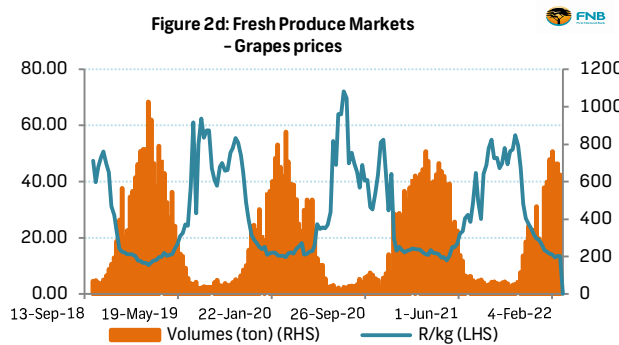
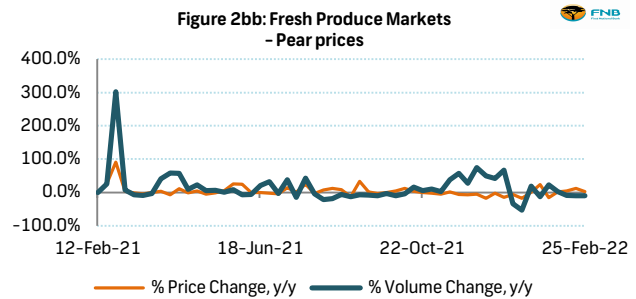
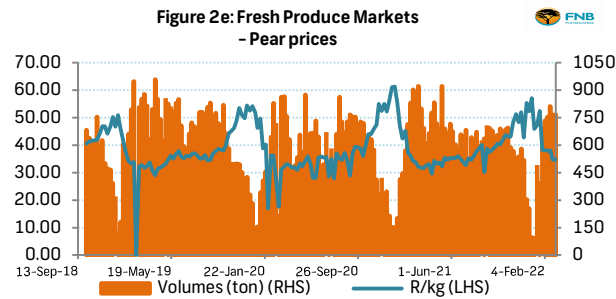
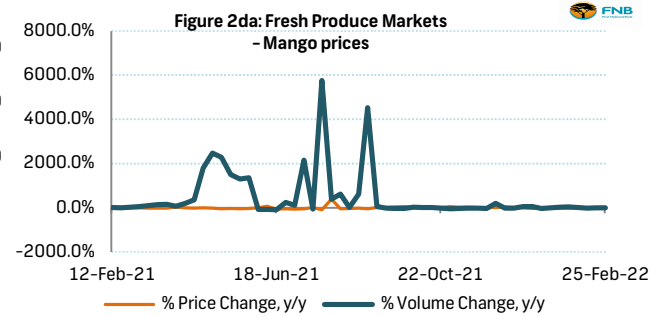
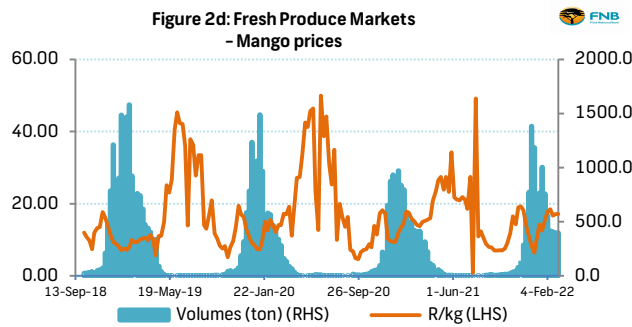


Figure 2ca: Fresh Produce Markets
- Banana prices





Source: FNB AgriComms.

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