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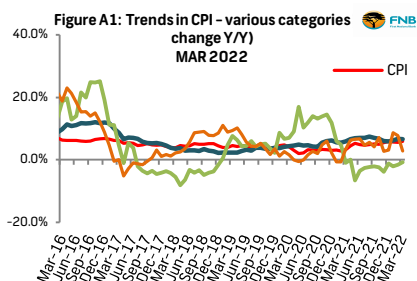
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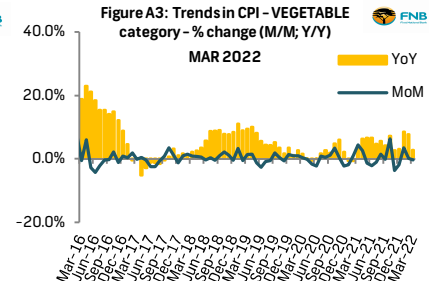
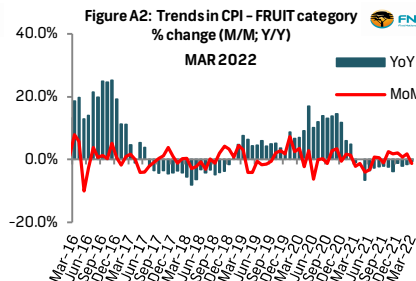
Paul Makube | Tumi Kgasago | Vhutshilo Mabela | 25 APR 2022

Weekly update – Fruit and Vegetable Markets

- The latest update on South Africa's consumer price inflation (CPI) shows a mixed trend for fresh produce commodities with fruits remaining in negative territory for the 11th consecutive month while vegetables were on the upside but still decelerating during March 2022. According to Statistics South Africa (StatsSA), the overall March 2022 consumer price inflation print accelerated by 1% month-on-month (m/m) and was 5.9% year-on-year (y/y) (figure A1). Its food subcomponent however was unchanged at 0.7% m/m and although still elevated above the upper end of the South African Reserve Bank's overall CPI target (3%-6%), it decelerated to 6.2% y/y as the spill over global price pressures continued to influence local market conditions.
- The CPI for fruits fell by 1.3% m/m and 0.7% y/y in March 2022 as the increased availability placed downward pressure on prices. A further analysis of the data reflects decreases across most commodities with oranges, bananas, apples, pears, paw paw, and pineapple prices falling by 1.2%, 5.8%, 1.8%, 6.8%, 24.2%, and 6.0% respectively y/y at R29.27/kg, R17.50/kg, R16.61/kg, and R20.28/kg. Avocados were the only exception with prices increasing sharply by 29.5% y/y but still down by 23.4% m/m at R13.90/kg (figures A4 & A5).
- Our analysis of the latest trends on the fresh produce markets shows a continued downside for fruit prices during April 2022. About 63% of the major fruit commodities tracked showed declines of 2% to 12% y/y during the first four weeks of April led by bananas which fell by 12% y/y but still up by 5% m/m at R13.11/kg (figure B2). Average fruit prices for the YTD showed a similar trend with decreases of 11%, 10%, and 8% respectively for avocados, bananas, and oranges at R25.54/kg, R8.01/kg, and R8.70/kg. At this rate, we can expect the fruit CPI to continue trending in negative territory y/y in the next update.
- In the vegetable category, its CPI declined by 0.4% m/m and decelerated further to 2.8% y/y from 6.7% and 8.6% respectively y/y in February and January 2022. A drill-down into the vegetable CPI data shows the biggest increase in pumpkin prices which were up 4.9% m/m and 58.7% y/y at R15.43/kg.

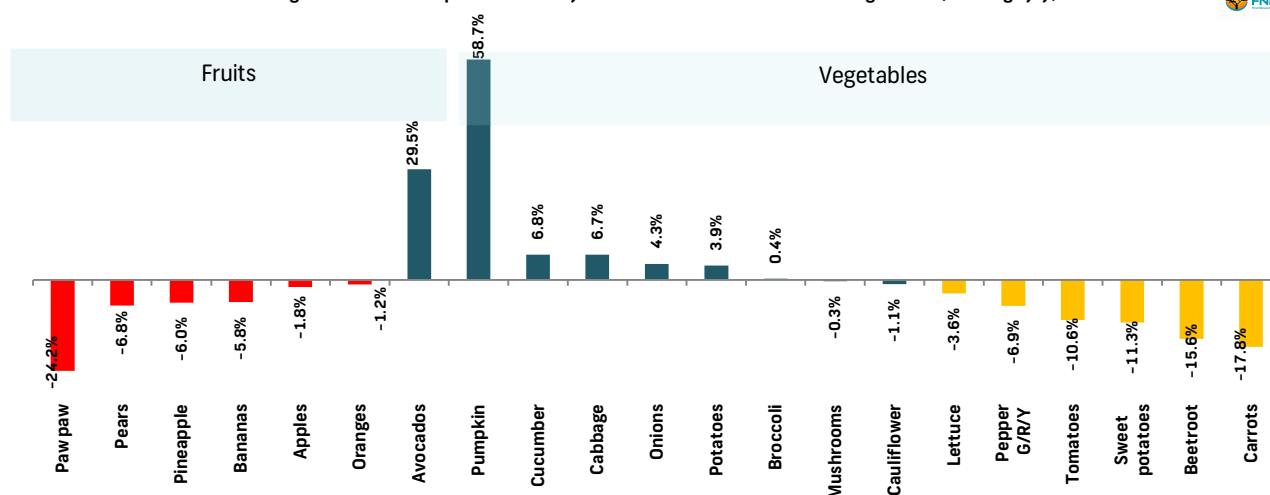


Source: StatsSA.



- Other big-ticket items in the vegetable CPI basket mainly cabbage, onions, and potatoes posted modest increases of 6.7%, 4.3%, and 3.9% respectively y/y R17.62/kg, R15.19/kg, and R13.64/kg. Tomatoes however surprised on the downside and fell by 6.8% m/m and 10.6% y/y at R25.06/kg (figures A4 & A5).
- At producer level, the analysis of prices on fresh produce markets shows declines across most vegetable commodities under review. The biggest decrease was for tomatoes which fell by 48% y/y although having jumped 15% m/m at R8.98/kg. The average price of tomatoes for the year to the week ending 22 April 2022 (YTD) is however 11.4% lower relative to the same period in 2021. After a weak start early in 2022 due to inclement weather, tomato volumes rebounded strongly on markets and helped maintain downward pressure on prices in April relative to the same period last year.

Figure A4: Consumer price inflation by selected commodities - Fruit and vegetable - (% change y/y) - MAR 2022



- Other vegetable commodities that recorded losses included cabbage with prices falling by 1.8% m/m and a whopping 24.5% y/y at R3.12/kg. They were followed closely by butternuts with decreases of 1.6% m/m and 15.1% y/y at R3.95/kg. Nonetheless, the average weekly butternuts prices for the year to the week ending 22 April 2022 reached R4.20/kg which is almost 50% higher relative to the same period in 2021 (figure B1).
- Carrots prices averaged R 5.06/kg which is down 12.8% y/y although having rebounded strongly by 20.0% m/m. The average weekly carrot prices for the year to the week ending 22 April 2022 reached R3.76/kg which is 28% lower relative to the same period in 2021.

Figure A5: Consumer price index for selected fruit and vegetables (MAR, 2022 - % change y/y)

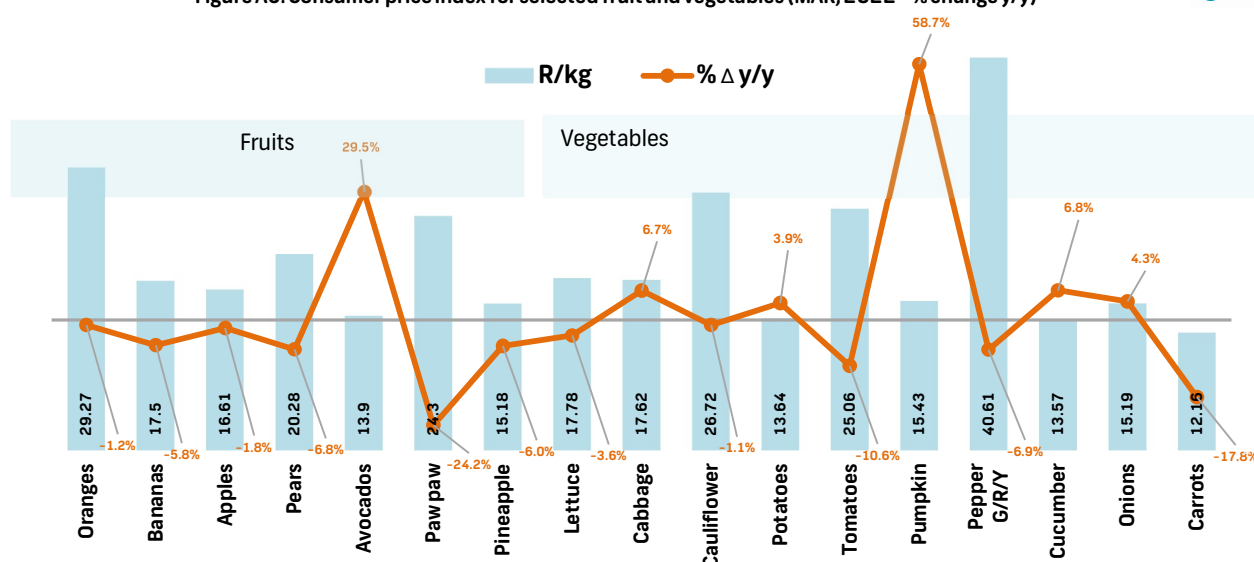


Figure B1: Changes in average monthly vegetable prices on South Africa's major Fresh Produce Markets (% Δ m/m, y/y)
Avg for APR 2022 – first 4 weeks

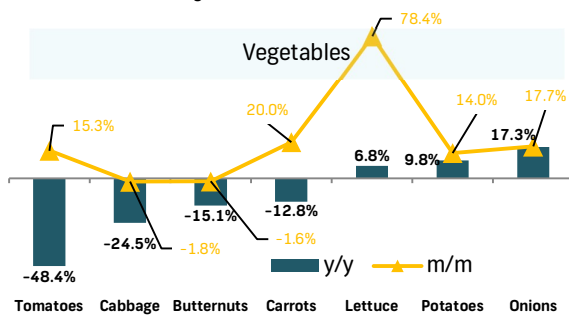
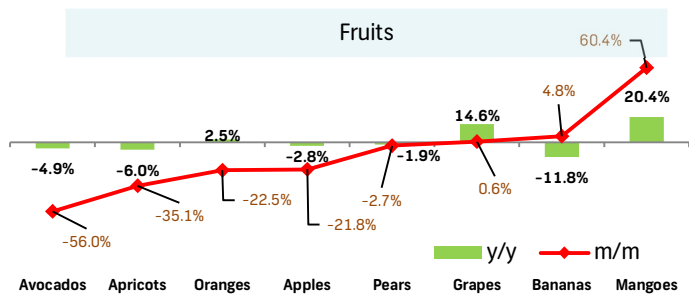


Figure B2: Changes in average monthly fruit prices on South Africa's major Fresh Produce Markets (% Δ m/m, y/y)
Avg for APR 2022 – first 4 weeks



Source: Own calculations from FNB AgriComms.

- As reflected in figure B1 and B2, indications are that the weakness in fresh produce prices so far during April 2022 could have provided some benefit for consumers. Our expectation is that CPI for vegetable will decelerate further while fruits remain in negative territory in the May update.

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

Week ending 22 APR 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**	3.64	-5.5%	19.4%	1147	1.7%	-22.3%
Cabbage	3.22	2.6%	-2.3%	1,227	22.2%	-23.8%
Carrot	5.55	-8.6%	17.4%	2,008	7.5%	-0.5%
Lettuce**	11.04	-3.3%	155.6%	276	-5.0%	-34.4%
Onion	4.92	-2.7%	24.4%	5,822	17.6%	-10.9%
Potato	5.47	6.4%	37.5%	6,121	-0.7%	-25.5%
Tomato	6.77	-20.8%	-46.8%	3,861	8.9%	9.5%

Source: FNB AgriComms; ** including all other markets

Figure C1: Fresh Produce Markets – Vegetable prices

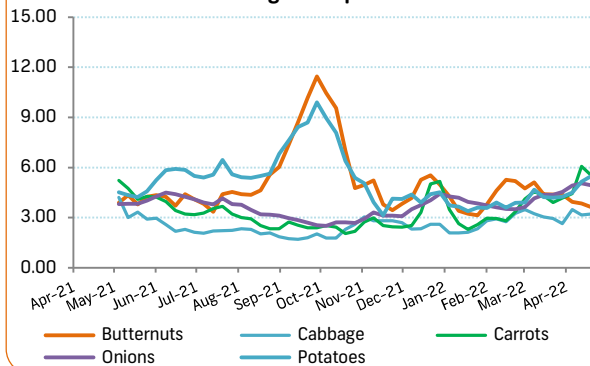
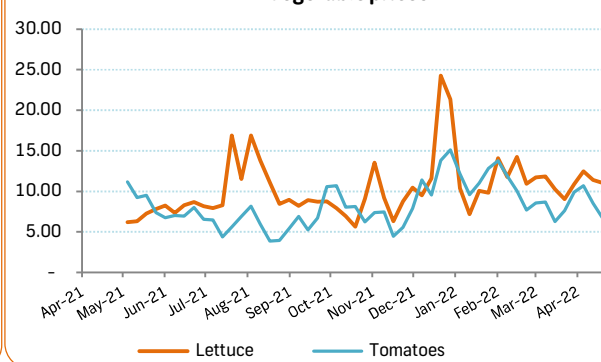


Figure C2: Fresh Produce Markets – Vegetable prices



Source: FNB AgriComms

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

Week ending 22 APRIL 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	7.28	-2.2%	-2.4%	2,239	6.5%	-1.5%
Avocados	13.54	-1.8%	6.9%	434	33.8%	2.3%
Bananas	8.42	2.2%	-12.6%	3,397	22.2%	53.2%
Grapes	15.29	-3.8%	16.0%	427	7.8%	-32.2%
Mangoes	28.03	4.2%	5.6%	57	-7.8%	-2.7%
Pears	4.31	-10.1%	-12.1%	1,252	48.0%	7.2%

Source: FNB AgriComms

Figure D1: Fresh Produce Markets – Fruit prices

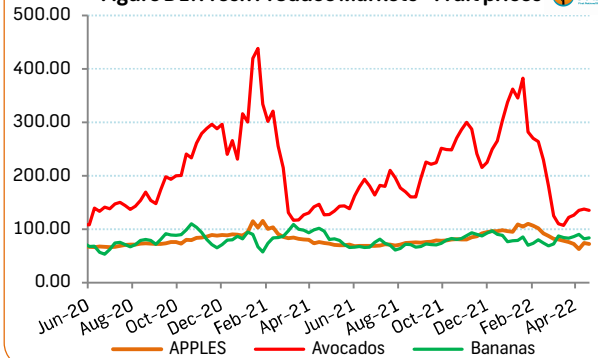
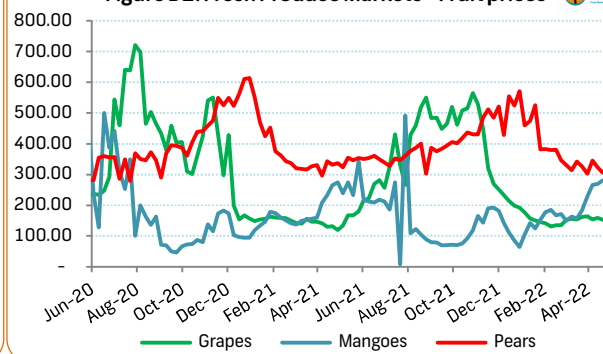


Figure D2: Fresh Produce Markets – Fruit prices



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 1a: Fresh Produce Markets – Tomato prices

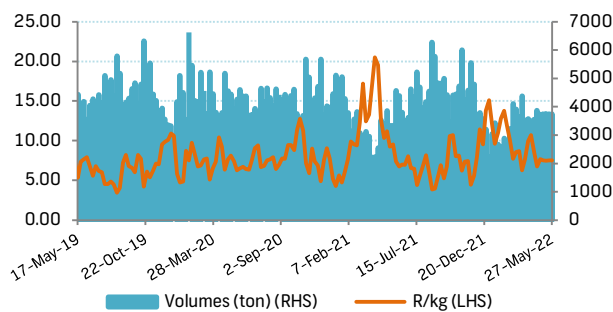
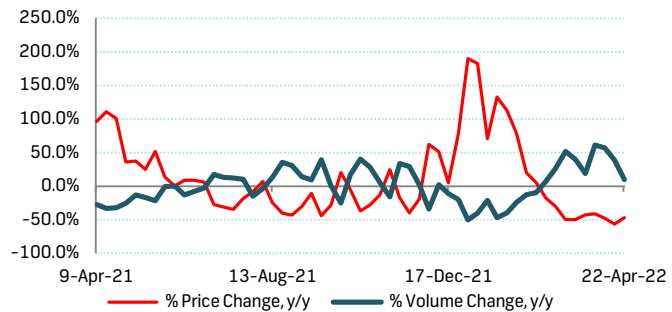


Figure 1aa: Fresh Produce Markets – Tomato prices



Source: FNB AgriComms

Figure 1b: Fresh Produce Markets – Potato prices

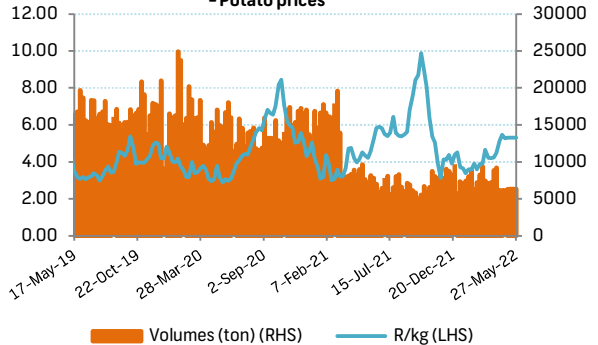


Figure 1ba: Fresh Produce Markets – Potato prices

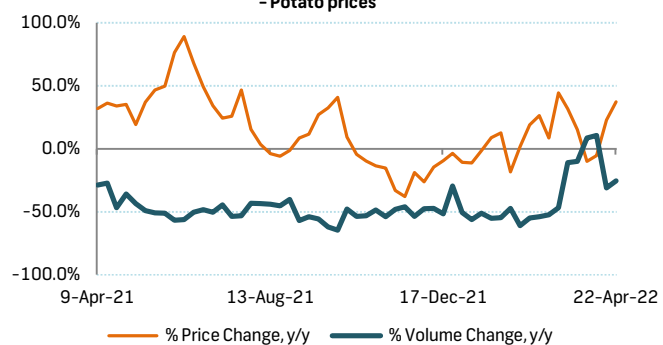


Figure 1c: Fresh Produce Markets – Onion prices

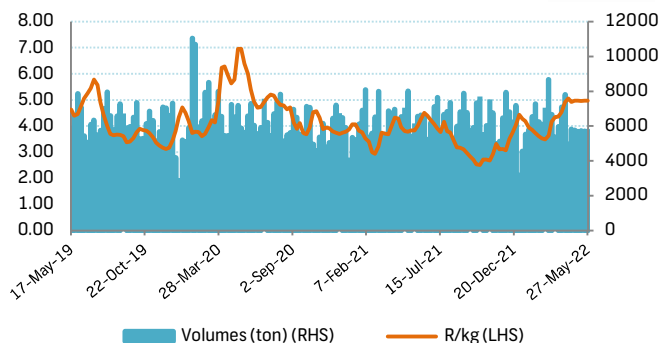


Figure 1ca: Fresh Produce Markets – Onion prices

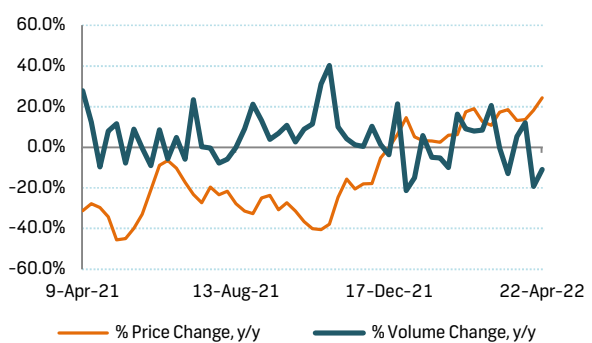


Figure 1d: Fresh Produce Markets
- Carrot prices

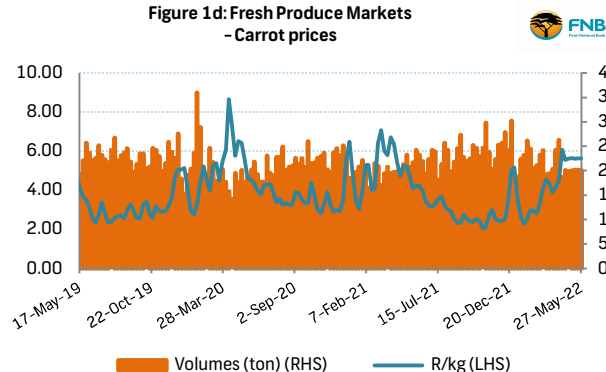


Figure 1da: Fresh Produce Markets
- Carrots prices

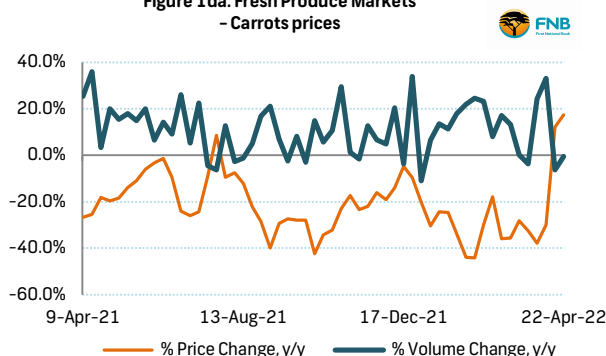


Figure 1ea: Fresh Produce Markets
- Cabbage prices

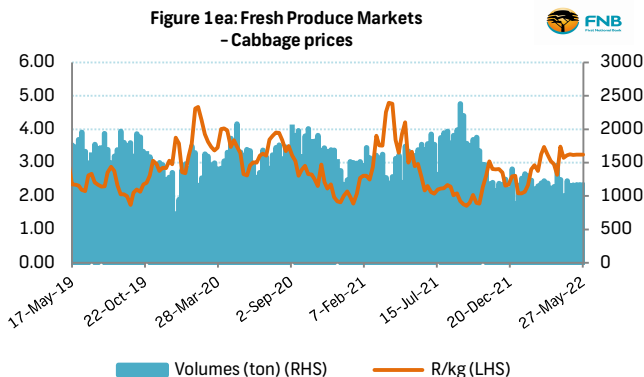
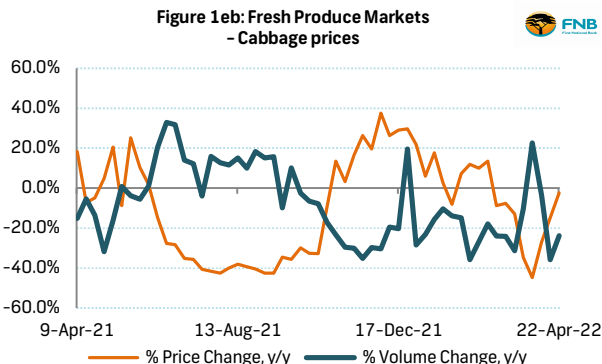


Figure 1eb: Fresh Produce Markets
- Cabbage prices



Source: FNB AgriComms

Figure 1fa: Fresh Produce Markets
- Butternut prices

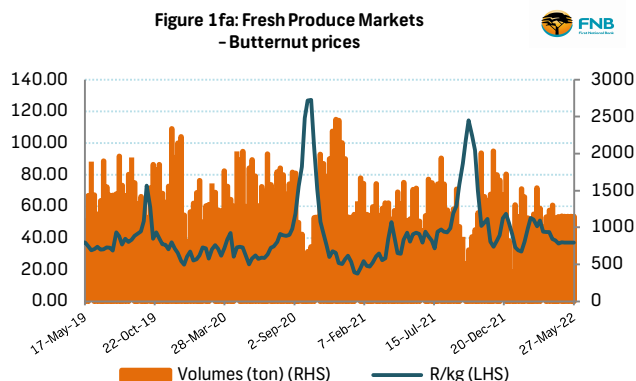


Figure 1fb: Fresh Produce Markets
- Butternut prices

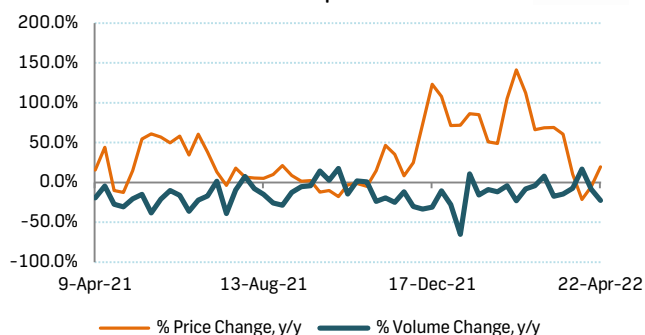


Figure 1g: Fresh Produce Markets
- Lettuce prices

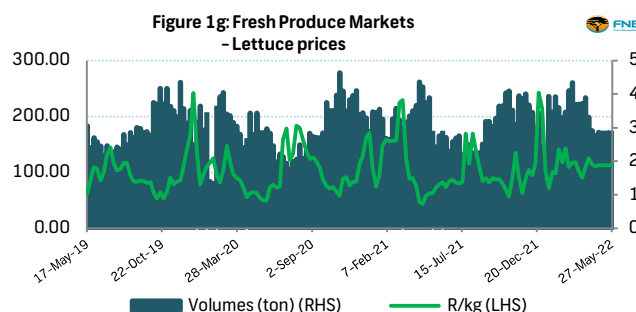
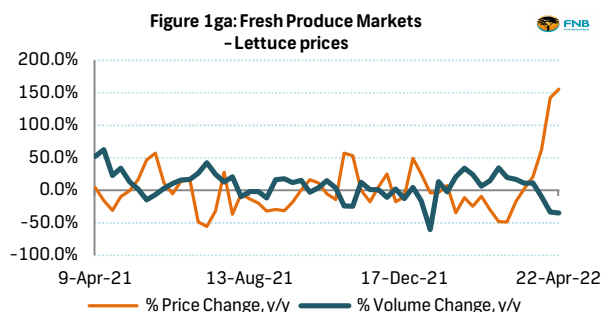


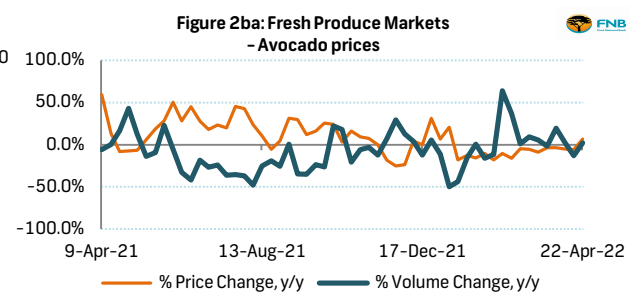
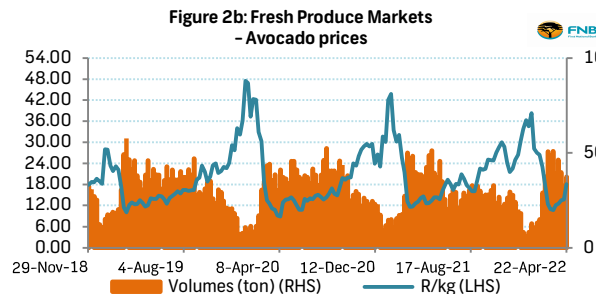
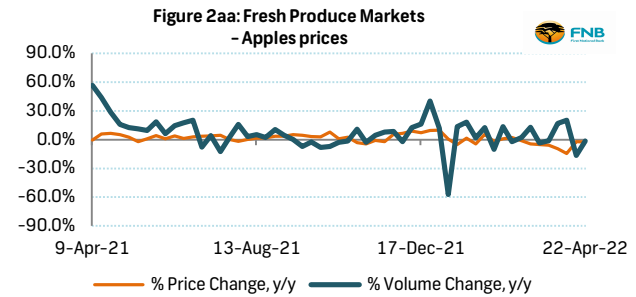
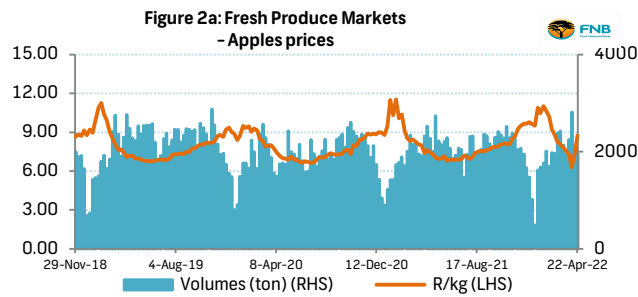
Figure 1ga: Fresh Produce Markets
- Lettuce prices



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)



Source: FNB AgriComms

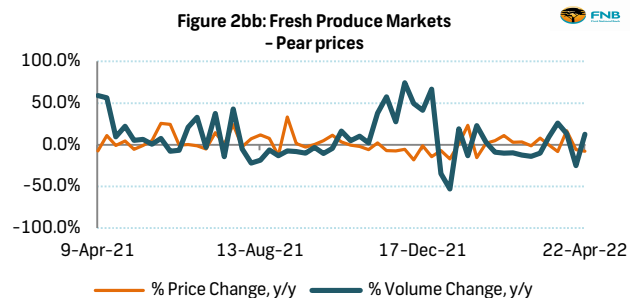
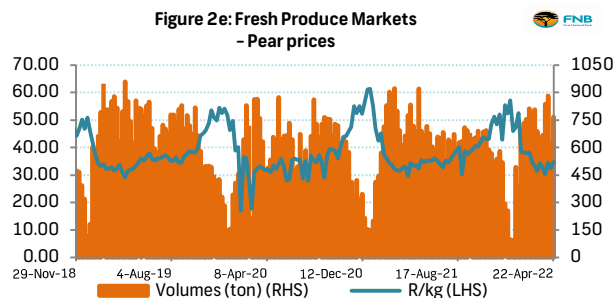
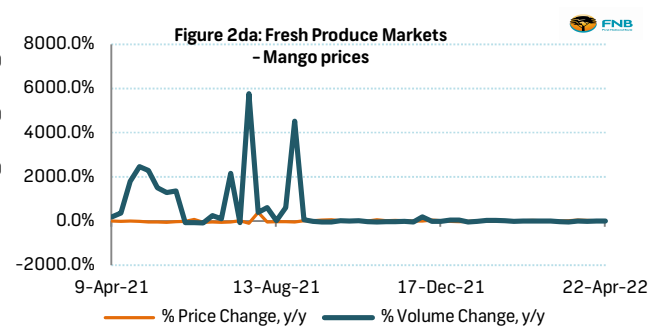
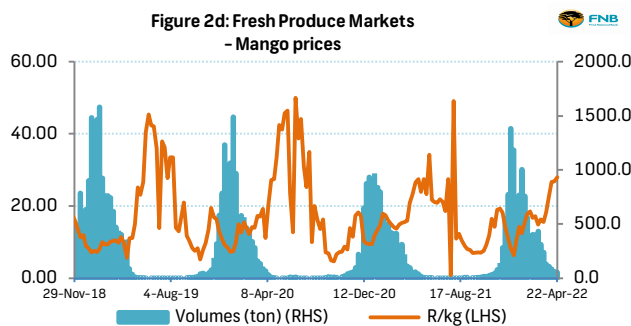
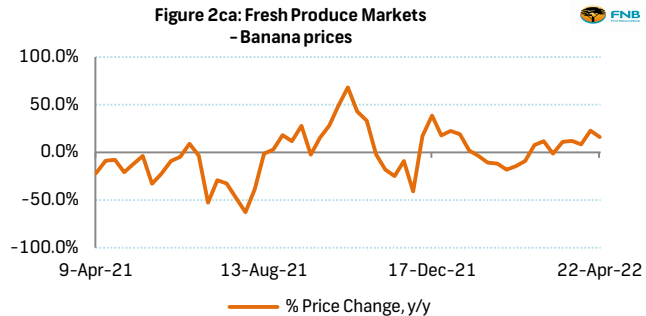
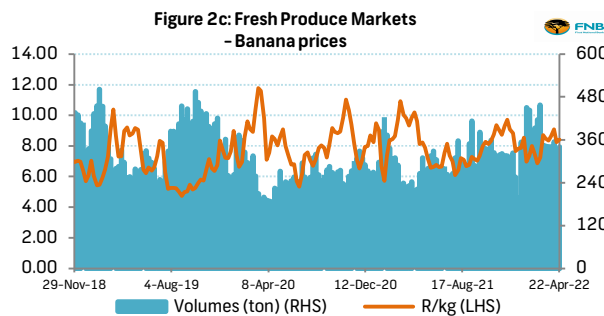
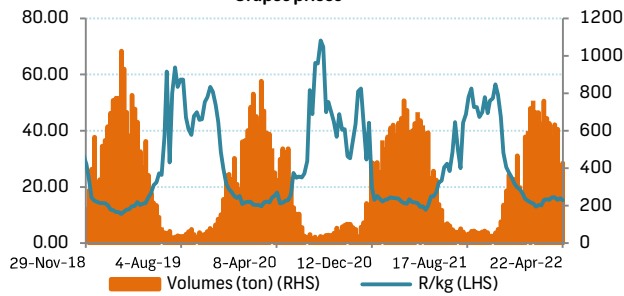
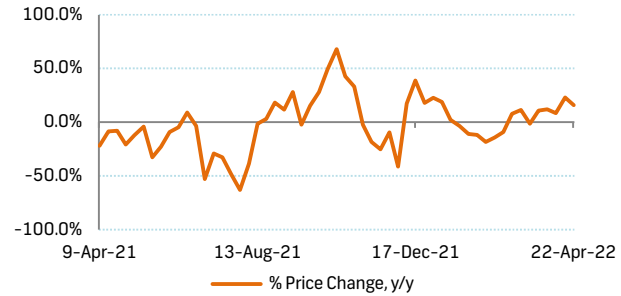


Figure 2d: Fresh Produce Markets
- Grapes prices



Source: FNB AgriComms.

Figure 2bb: Fresh Produce Markets
- Grape prices



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