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## Weekly update – Fruit and Vegetable Markets

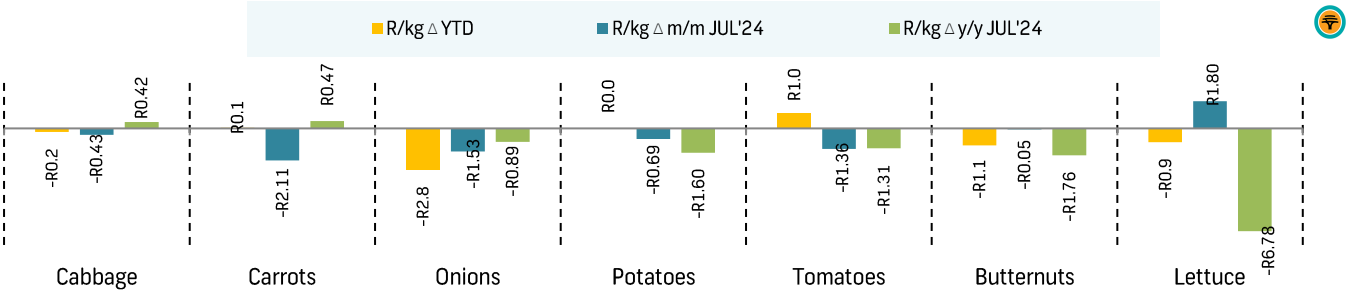
*Inclement weather dents the harvest outlook for vegetables and some fruits in Limpopo.*

- Just as we saw moderation in prices of most vegetable and fruit prices recently, weather conditions deteriorated over the weekend with black frost decimating crops such as potatoes, tomatoes, and other vegetables. Avocados were also hit which might affect their performance in the next season. The damage to crops will reduce availability in the months ahead and subsequently a significant spike in prices on markets across the country.
- The broader implication of this development is that after experiencing a deceleration recently, vegetable inflation might accelerate further in the months ahead thus complicating the inflation outlook. Vegetable inflation in May 2024 decelerated modestly to 0.3% m/m from 3.6% m/m in April but remaining sticky on the upside by 7.6% y/y from 7.4% y/y previously. Fruit inflation was down 6.6% m/m in May 2024 but still 6% higher y/y. Overall food inflation slowed to 4.3% y/y in May 2024 and has been in deceleration for since November 2023.

*What has been the trend in vegetable and fruit prices so far in July 2024?*

- Our analysis of weekly price trends on domestic fresh produce markets shows a slow start to July with most vegetable commodities positing declines in the first week. The biggest weekly decline was for tomatoes with decreases of 6.5% (-R0.59/kg) w/w and 13.4% (-R 1.31/kg) y/y under pressure due to increased availability. At R8.50/kg, average tomato prices during the first week of July 2024 were down by 13.8% (-R1.36/kg) relative to the same week in June (fig. A and table 1).
- They were followed closely by onions which fell by 3.8% (-R 0.32/kg) w/w and 9.9% (-R 0.89/kg) y/y at R8.15/kg during the first week of July 2024. At this level, onion prices were down by 15.8% (-R1.53/kg) relative to the same week last month. The relatively elevated supplies of onions across markets continue to weigh heavily on prices. The other big-ticket item, potatoes, saw losses of 2.0% (-R 0.12/kg) w/w and 20.9% (-R 1.60/kg) y/y at R6.03/kg, which is down by 10% (-R0.69/kg) m/m.

Figure A: Changes in average vegetable prices on South Africa's major Fresh Produce Markets – JULY 2024 (week 1)



Source: FNB AgriComms

- Weakness in the lettuce market continued as they posted a weekly decline of 3.1% (-R 0.37/kg) w/w and 37.2% (-R 6.78/kg) y/y during the first week of July 2024 due to elevated supplies. At R11.45/kg, lettuce prices were however 18.6% (+R1.80/kg) higher relatively to the same week last month.
- However, cabbages, carrots, and butternuts had a good start to July with moderate to sharp weekly gains. Cabbage jumped 21% (+R0.61/kg) w/w and were 13.9% (+R0.42/kg) higher y/y at R3.46/kg (fig. A and table 1).

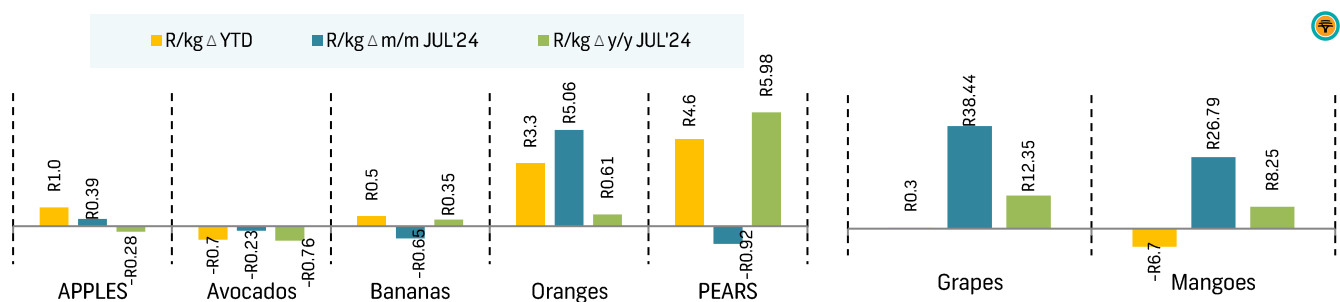
Table 1: Vegetable prices – South Africa's Major Fresh Produce Markets

(Average Major Markets: Pretoria, Bloemfontein, Johannesburg, Cape Town, and Durban, & other markets)								
Week ending 05 JUL 2024	Average Price (R/Kg)	Price change (% Δ w/w)	Price change (R/kg) Δ w/w	Price change (% Δ y/y)	Price change (R/kg) Δ y/y	Total Volume (t)	Volume change w/w	Volume Change y/y
Butternuts	3.76	0.7%	R 0.03	-32.0%	-R 1.76	1363	14.9%	20.0%
Cabbage	3.46	21.2%	R 0.61	13.9%	R 0.42	1,667	-10.0%	1.8%
Carrot	3.93	4.0%	R 0.15	13.8%	R 0.47	2,556	8.8%	2.8%
Lettuce	11.45	-3.1%	-R 0.37	-37.2%	-R 6.78	281	6.5%	10.3%
Onion	8.15	-3.8%	-R 0.32	-9.9%	-R 0.89	7,066	12.6%	-3.7%
Potato	6.03	-2.0%	-R 0.12	-20.9%	-R 1.60	8,616	4.6%	6.1%
Tomato	8.50	-6.5%	-R 0.59	-13.4%	-R 1.31	4,076	14.5%	12.0%

Source: FNB AgriComms

- In the fruit market, the weekly price trend came in on the upside across most commodities tracked. Seasonal supply constraints saw mango prices surging by a whopping 97.9% (+R17.54/kg) w/w and 30.3% (+R8.25/kg) y/y at R35.45/kg during the first week of July 2024. At this level, mango prices surged by 309% (+R26.79/kg) relative to the same week in June (fig. B and table 2).
- The second big weekly gainer was grapes with average prices increasing by 22.2% (+R14.97/kg) w/w and 17.7% (+R12.35/kg) y/y at R82.29/kg, which is 88% (+R38.44/kg) higher relative to the same week last month. Again, seasonal supplies were tight thus exerting upside pressure on prices across markets.
- Bananas followed closely with weekly gains of 11.7% (+R0.72/kg) w/w and 5.3% (+R0.35/kg) at R6.92/kg during the first week of July 2024. This however represents a decrease of 9% (-R0.65/kg) relative to the same week in June.
- Ample supplies across markets weighed heavily on avocado prices during the first week of July 2024. Average avocado prices fell by 0.8% (-R0.12/kg) w/w and 4.9% (-R0.76/kg) y/y at R14.84/kg, which is down by 2% (-R0.23/kg) relative to the same week last month.

Figure B: Changes in average fruit prices on South Africa's major Fresh Produce Markets – JULY 2024 (week 1)



Source: FNB AgriComms

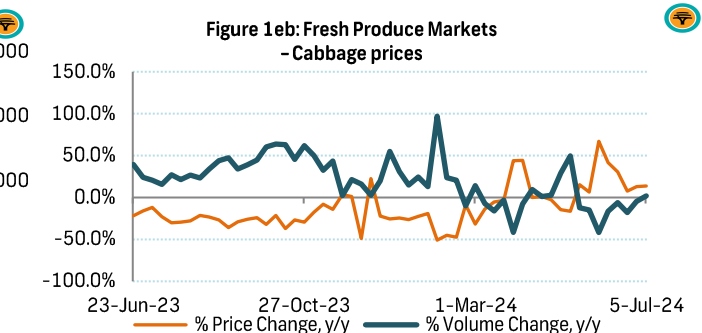
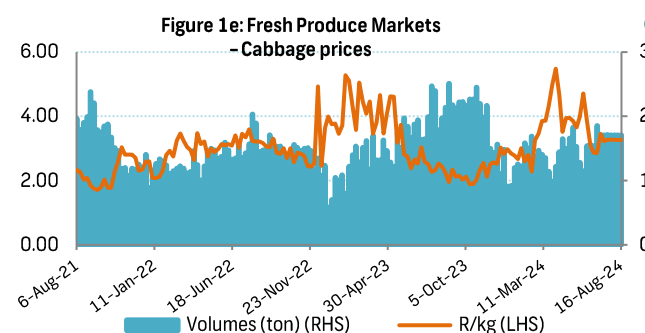
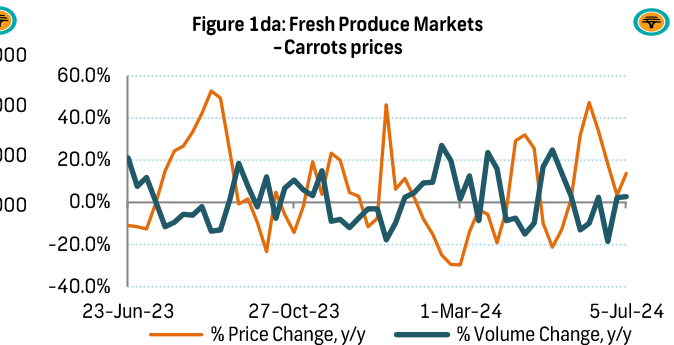
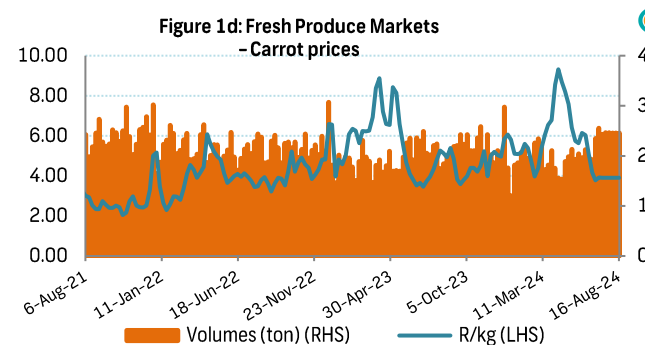
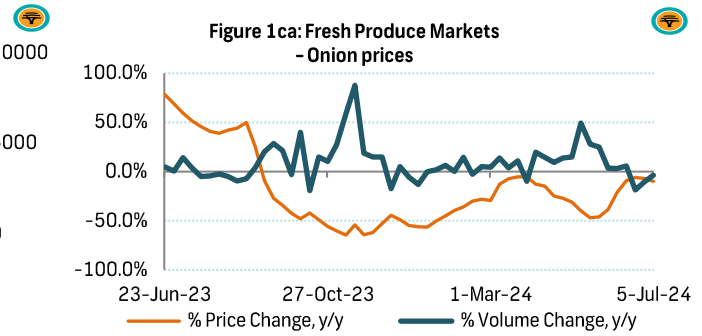
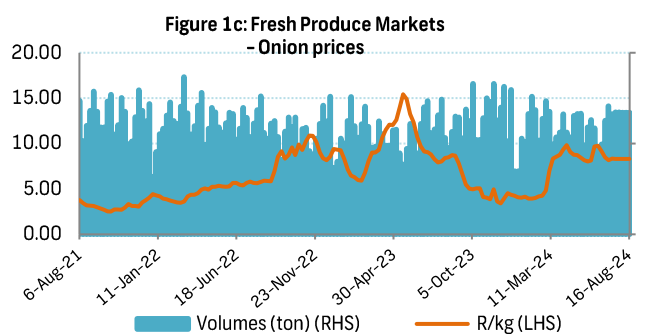
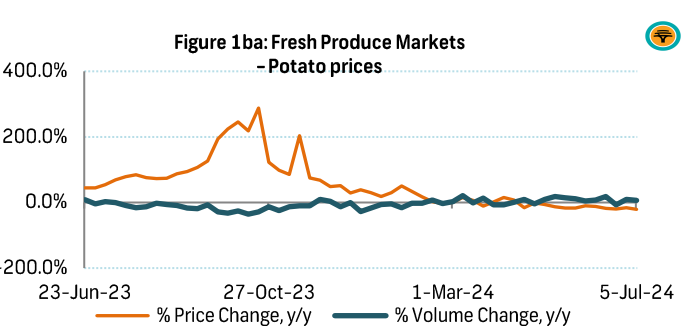
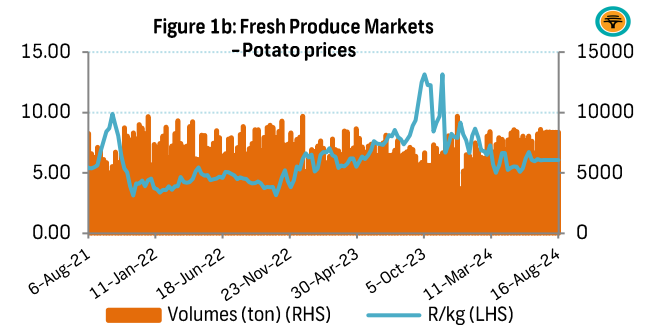
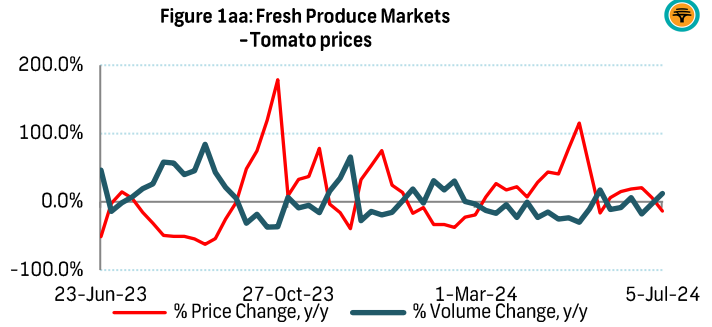
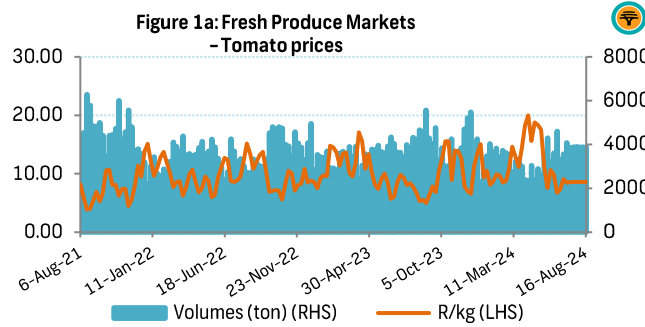
Table 2: Fruit prices – South Africa's Major Fresh Produce Markets

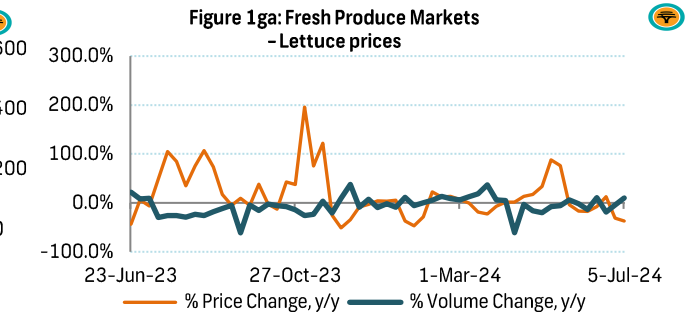
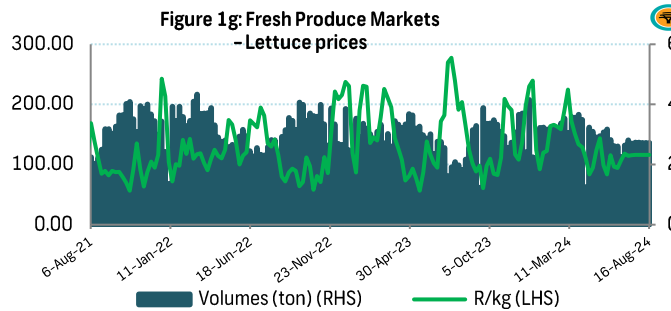
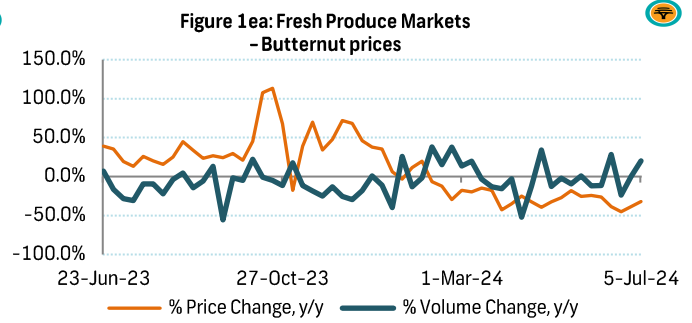
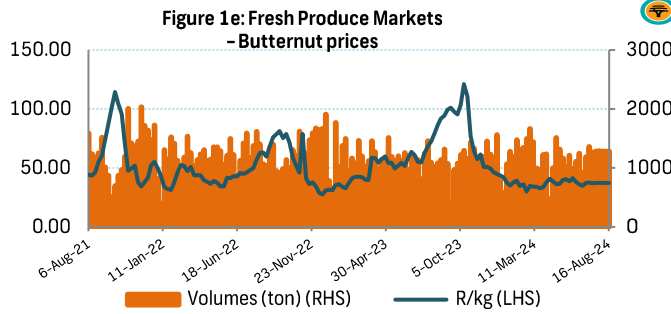
(Average Major Markets: Pretoria, Bloemfontein, Johannesburg, Cape Town, and Durban, & other markets)								
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Apples	8.67	1.3%	R0.11	-3.2%	-R0.28	1,913	14.4%	4.4%
Avocados	14.84	-0.8%	-R0.12	-4.9%	-R0.76	541	9.4%	25.4%
Bananas	6.92	11.7%	R0.72	5.3%	R0.35	4,419	4.8%	-2.5%
Grapes	82.29	22.2%	R14.97	17.7%	R12.35	24	-10.2%	-35.7%
Mangoes	35.45	97.9%	R17.54	30.3%	R8.25	0.1	-65.8%	-94.0%
Pears	47.99	1.7%	R0.79	14.2%	R5.98	476	5.7%	12.8%

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)

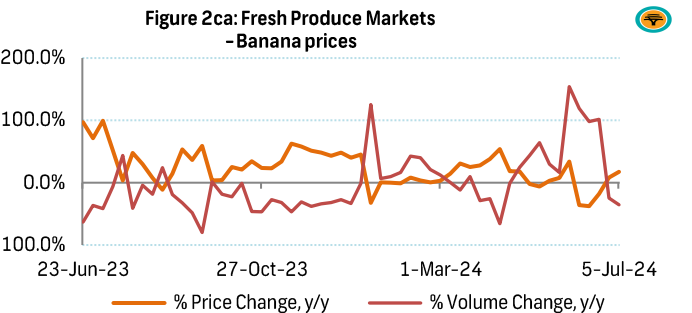
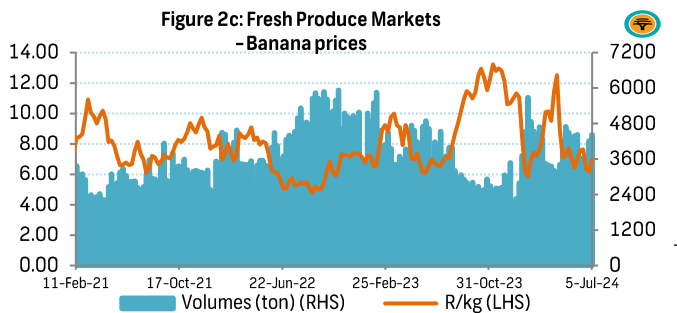
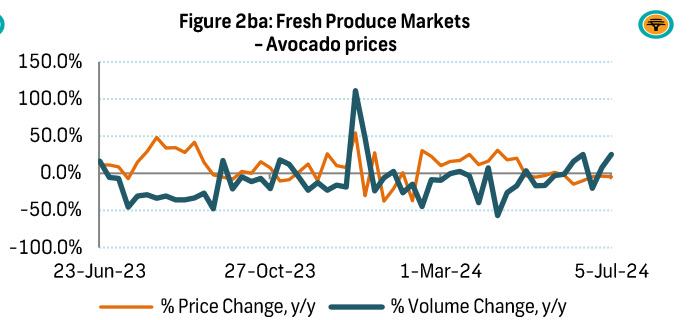
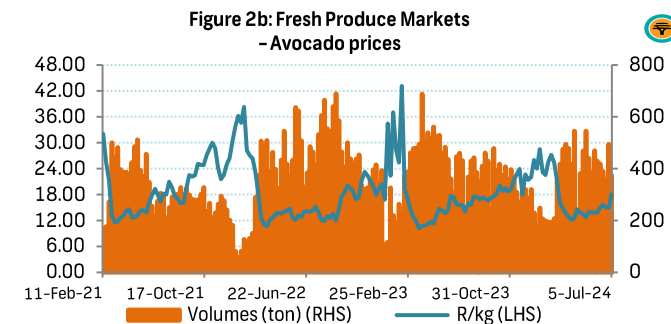
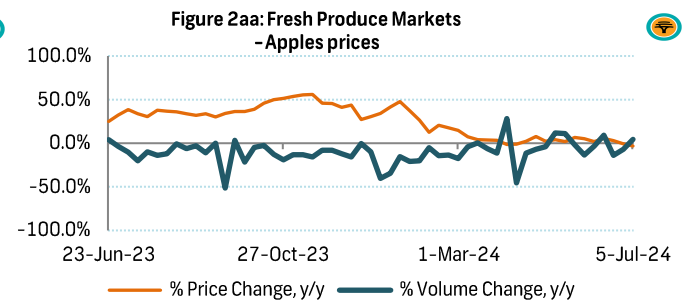
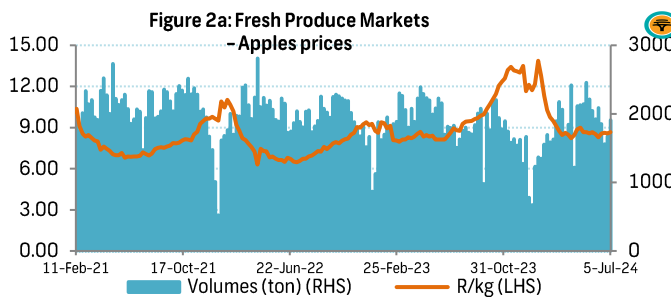
*\*Note: The last six data points are preliminary for all vegetable prices and quantity graphs.*



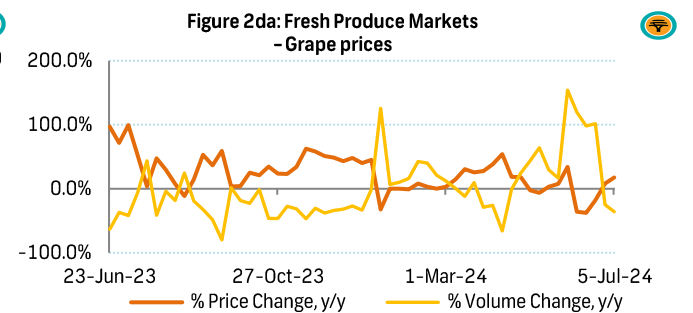
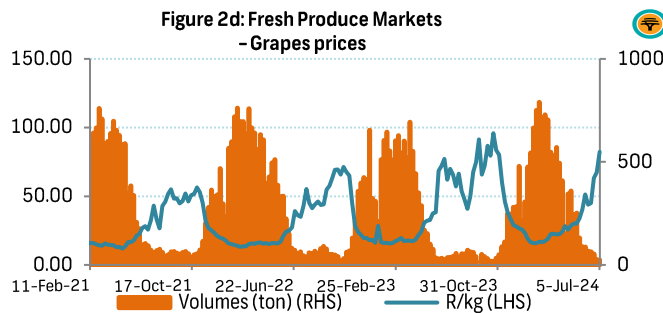
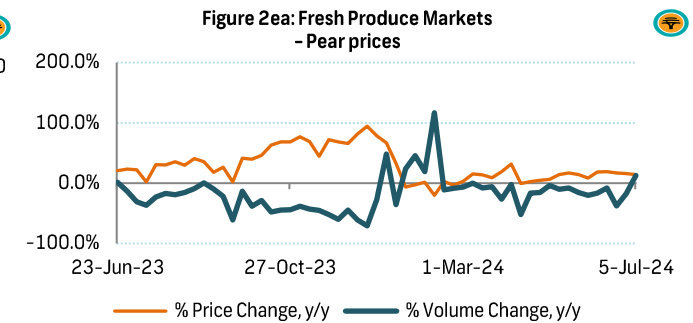
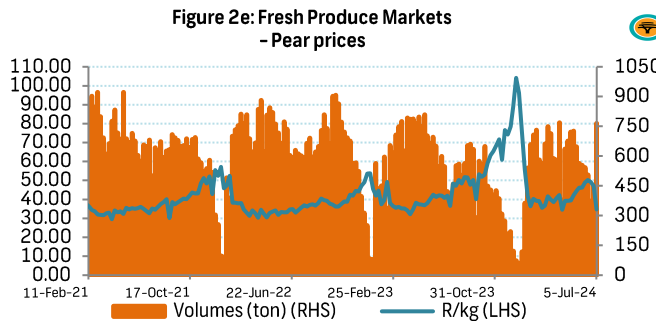
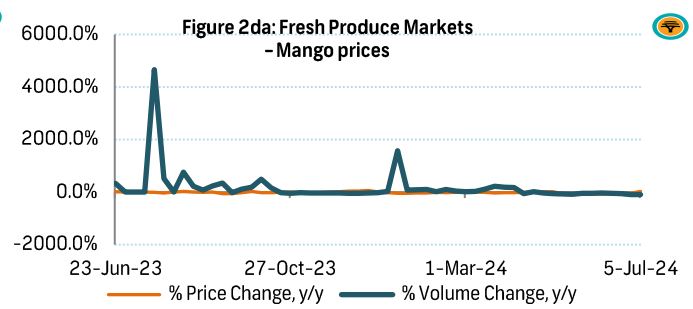
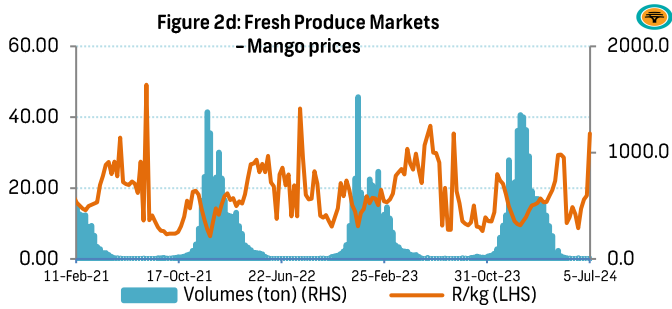
Source: FNB AgriComms

### 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



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