MONTHLY FOOD SECURITY BULLETIN OF SOUTH AFRICA
MAY 2022

Issued: 7 June 2022

Directorate: Statistics and Economic Analysis

Highlights:

- **According to the latest Seasonal Climate Watch of the South African Weather Service for the period June to October 2022, the El Niño-Southern Oscillation (ENSO) is currently in a La Niña state and forecasts indicate that it will likely remain in this state during the coming seasons.**
- **The projected closing stocks of wheat for the current 2021/22 marketing year are 620 304 tons, which includes imports of 1,475 million tons. It is also 32,7% more than the previous years' ending stocks.**
- **The expected commercial maize crop for 2022 is 14,723 million tons, which is 10,0% less than the previous season (2021).**
- **Projected closing stocks of maize for the current 2022/23 marketing year are 1,742 million tons, which is 18,1% less than the previous years' ending stocks.**
- **The projected closing stocks of sorghum for the current 2022/23 marketing year are 88 472 tons, which is 16,7% less than the previous years' ending stocks.**
- **The projected closing stocks of sunflower seed for current 2022/23 marketing year are 140 750 tons, which is 342,7% more than the previous years' ending stocks.**
- **The projected closing stocks of soybeans for the current 2022/23 marketing year are 282 687 tons, which is 67,9% more than the previous years' ending stocks.**
- **The annual percentage change in the CPI was higher unchanged 5,9% in April 2022.**
- **The annual percentage change in the PPI for final manufactured goods was higher at 13,1% in April 2022.**
- **May 2022 tractor sales of 752 units were significantly, almost 36%, more than the 554 units sold in May 2021.**

agriculture, land reform & rural development

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Contents

1. Weather conditions

1.1 Seasonal Climate Watch

According to the latest Seasonal Climate Watch of the South African Weather Service for the period June to October 2022, the El Niño-Southern Oscillation (ENSO) is currently in a La Niña state, and forecasts indicate that it will likely remain in this state during the coming seasons. During winter, the presence of ENSO has less of an impact. Thus, the presence of the current La Niña event is not expected to have any significant impact on rainfall in the coming seasons. The multi-model rainfall forecast indicates below-normal rainfall for the south-western half of the country and notably above-normal rainfall over parts of Kwa-Zulu-Natal throughout the winter season. Both maximum and minimum temperatures are expected to be above-normal for most of the country.

Summary implications for the agricultural sector:

Below-normal rainfall is expected for most parts of the country except for the central and eastern coastal areas in early winter and the eastern coastal areas during mid- and late-winter. However, the south-western part, which normally receives significant rainfall during the winter season, is expected to receive mostly below-normal rainfall during this period. Therefore, the relevant decision makers are encouraged to advise farmers in these regions to practice soil and water conservation, proper water harvesting and storage, and other appropriate farming practices.

1.2 Level of dams

Available information on the level of South Africa's dams on 30 May 2022 indicates that the country has approximately 94% of its full supply capacity (FSC) available, which is 10% more than the corresponding period in 2021. The dam levels in KwaZulu-Natal (36%), Limpopo (19%), Eastern Cape (17%), North West Province (10%), Free State (5%), Mpumalanga (2%) and Gauteng (2%) provinces, all show improvements in the full supply capacity as compared to 2021. However, the Northern and Western Cape provinces both show a 2% decrease in full supply capacity as compared to 2021. The provincial distribution of South Africa's water supply including Lesotho and Swaziland is contained in **Table 1** below.

Table 1: Level of dams, 30 May 2022

Province	Net FSC million cubic meters	**30/05/2022 (%)**	Last Year (2021) (%)	% Increase/Decrease 2022 vs. 2021
Eastern Cape	1 729	72	55	17,0
Free State	15 657	102	97	5,0
Gauteng	128	101	99	2,0
KwaZulu-Natal	4 912	98	62	36,0
Lesotho	2 363	100	99	1,0
Limpopo	1 480	92	73	19,0
Mpumalanga	2 539	89	87	2,0
North West	867	96	86	10,0
Northern Cape	146	81	83	-2,0
Swaziland	334	100	90	10,0
Western Cape	1 866	52	54	-2,0
Total	**32 021**	**94**	**84**	**10,0**

Source: Department of Water and Sanitation

2. Grain production

2.1 Summer grain crops - 2022

The area planted and fourth production forecast of summer grains for the 2022 season was released by the Crop Estimates Committee (CEC) on 26 May 2022, and is as follows:

Table 2: Commercial summer crops: Area planted and fourth production forecast - 2022 season

CROP	**Area planted 2022 Ha (A)**	**4th forecast 2022 Tons (B)**	Area planted 2021 Ha (C)	Final crop 2021 Tons (D)	Change % (B) ÷ (D)
Commercial:					
White maize	**1 575 000**	**7 553 050**	1 691 900	8 600 000	-12,17
Yellow maize	**1 048 000**	**7 170 300**	1 063 500	7 715 000	-7,06
Total Maize	**2 623 000**	**14 723 350**	2 755 400	16 315 000	-9,76
Sunflower seed	**670 700**	**963 000**	477 800	678 000	42,04
Soybeans	**925 300**	**1 930 700**	827 100	1 897 000	1,78
Groundnuts	**43 400**	**70 400**	38 550	64 300	9,49
Sorghum	**37 200**	**137 220**	49 200	215 000	-36,18
Dry beans	**42 900**	**55 995**	47 390	57 672	-2,91
TOTAL	**4 342 500**	**17 880 665**	4 195 440	19 226 972	-7,00

Note: Estimate is for calendar year, e.g. production season 2021/22 = 2022

- The size of the expected **commercial maize crop** has been set at 14 723 350 tons, which is 9,76% or 1 591 650 tons less than the previous season of 16 315 000 tons. The area estimate for maize is 2 623 000 ha, while the expected yield is 5,61 t/ha.
- The three main maize producing areas, namely the Free State, Mpumalanga and North West provinces are expected to produce 82% of the 2022 crop.
- The area estimate for white maize is 1 575 000 ha and for yellow maize the area estimate is 1 048 000 ha.
- The production forecast of **white maize** is 7 553 050 tons, which is 12,17% or 1 046 950 tons less than the 8 600 000 tons of the previous season. The yield for white maize is 4,80 t/ha. In the case of **yellow maize** the production forecast is 7 170 300 tons, which is 7,06% or 544 700 tons less than the 7 715 000 tons of the previous season. The yield for yellow maize is 6,84 t/ha.
- The production forecast for **sunflower seed** is 963 000 tons, which is 42,04% or 285 000 tons more than the previous season's crop of 678 000 tons. The area estimate for sunflower seed is 670 700 ha, while the expected yield is 1,44 t/ha.
- The production forecast for **soybeans** is 1 930 700 tons, which is 1,78% or 33 700 tons more than the 1 897 000 tons of the previous season. The estimated area planted to soybeans is 925 300 ha and the expected yield is 2,09 t/ha.
- The expected **groundnut** crop has been set at 70 400 tons, which is 9,49% or 6 100 tons more than the previous season of 64 300 tons. For groundnuts, the area estimate is 43 400 ha, with an expected yield of 1,62 t/ha.
- The production forecast for **sorghum** is 137 220 tons, which is 36,18% or 77 780 tons less than the 215 000 tons of the previous season. The area estimate for sorghum is 37 200 ha and the expected yield is 3,69 t/ha.
- The production forecast for **dry beans** is 55 995 tons, which is 2,91% or 1 677 tons less than the 57 672 tons of the previous season. The area estimate of dry beans is 42 900 ha, with an expected yield of 1,31 t/ha.

Please note that the fifth production forecast for summer field crops for 2022 will be released on 28 June 2022.

2.2 Winter cereal crops - 2022

The intentions to plant winter crops for the 2022 production season was released by the CEC on 26 April 2022, and is as follows:

Table 3: Commercial winter crops: Intentions to plant - 2022 season

CROP	**Intentions* 2022 Ha (A)**	Area planted 2021 Ha (B)	Final estimate 2021 Tons (C)	Change % (A) ÷ (B)
Wheat	**538 350**	523 500	2 257 205	2,84
Malting barley	**109 100**	94 730	331 100	15,17
Canola	**120 000**	100 000	197 000	20,00
Cereal oats	**29 150**	36 250	69 950	-19,59
Sweet lupines	**25 000**	22 000	28 600	13,64
TOTAL	**821 600**	776 480	2 883 855	5,81

*Based on conditions at mid-April 2022.

- The figures for **wheat** represent the total number of hectares that are intended to be planted for grain, excluding any hectares that will be planted for fodder and grazing. Early indications are that producers intend to plant 538 350 ha of wheat for the 2022 production season. This is 2,84% or 14 850 ha more than the 523 500 ha planted to wheat in 2021.
- The main producing areas are within the Western Cape with 350 000 ha (65%), followed by the Free State with 95 000 ha (18%) and the Northern Cape with 35 250 ha (7%).
- The expected area planted to **malting barley** is 109 100 ha, which is 15,17% or 14 370 ha more than the 94 730 ha of the previous year. The expected area planted to **canola** is also 120 000 ha, which is 20,00% or 20 000 ha more than the 100 000 ha planted in 2021. Producers intend to plant 29 150 ha of **cereal oats**, which is 19,59% or 7 100 ha less than the 36 250 ha of the previous season. The expected area planted to **sweet lupines** is 25 000 ha, which is 13,64% or 3 000 ha more than the 22 000 ha planted in 2021.

Please note that the preliminary area estimate of winter crops for 2022 will be released on 27 July 2022.

2.3 Non-commercial maize - 2022

The CEC also release the area planted and production estimate of the non-commercial maize sector for the 2022 season on 26 May 2022.

Table 4: Non-commercial maize: Area planted and production estimate - 2022 season

CROP	**Area planted 2022 Ha (A)**	**Production 2022 Tons (B)**	Area planted 2021 Ha (C)	Final crop 2021 Tons (D)	Change % (B) ÷ (D)
Non-commercial agriculture:					
White maize	**296 950**	**482 000**	276 100	445 335	8,23
Yellow maize	**81 850**	**185 000**	86 800	191 105	-3,19
Maize	**378 800**	**667 000**	362 900	636 440	4,80

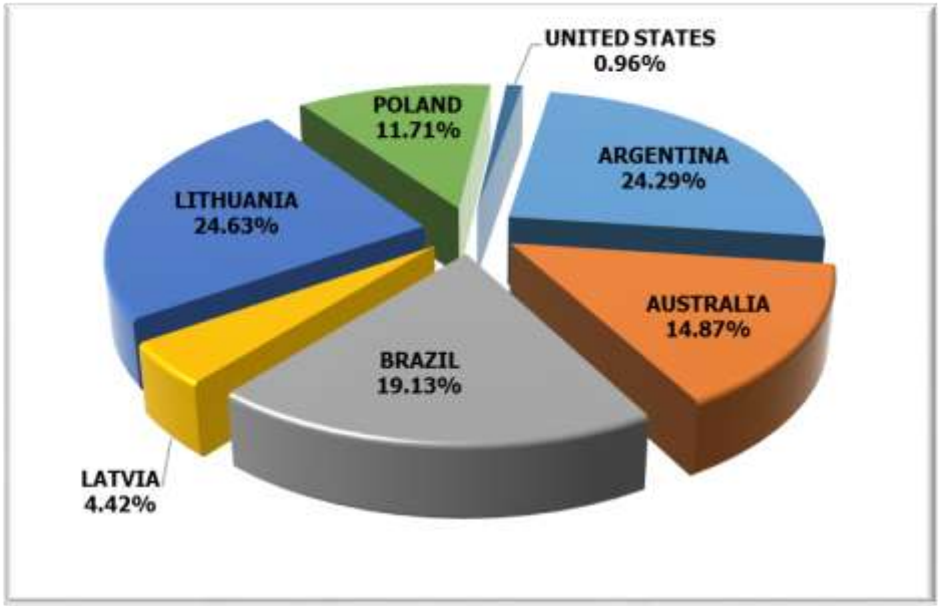
- The area planted to maize in the non-commercial agricultural sector is estimated at 378 800 ha, which represents an increase of 4,38%, compared to the 362 900 ha of the previous season. The expected maize crop for this sector is 667 000 tons, which is 4,80% more than the 636 440 tons of last season. It is important to note that about 47% of the maize produced in the non-commercial sector, is planted in the Eastern Cape, followed by KwaZulu-Natal with 22%.

3. Cereal balance sheets

For the latest Cereal Balance Sheets (supply and demand tables) on maize, wheat, sorghum, sunflower seed and soybeans please refer to the attachment called FSB MAY22 Annexure A.

3.1 Imports and exports of wheat for the 2021/22 marketing year

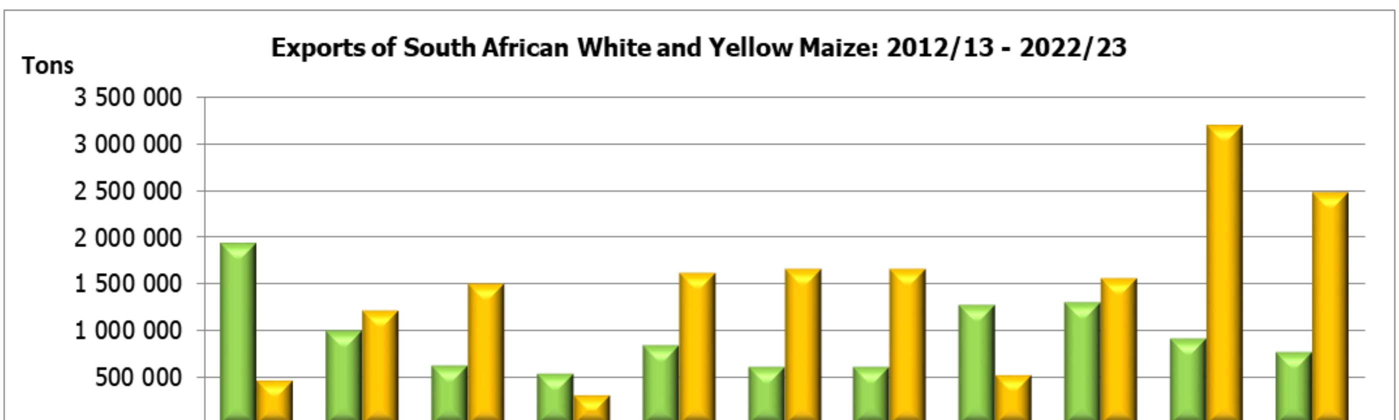
Graph 1: Major countries of wheat imports to South Africa: 2021/22 marketing year



- The progressive wheat imports (human consumption) for the 2021/22 marketing year (25 September 2021 to 27 May 2022) amount to 1 072 377 tons, with 24,63% or 264 091 tons from Lithuania, followed by 24,29% or 260 455 tons from Argentina, 19,13% or 205 094 tons from Brazil, 14,87% or 159 428 tons from Australia, 11,71% or 125 586 tons from Poland, 4,42% or 47 391 tons from Latvia and only 0,96% or 10 332 tons from the United States. The exports of wheat (human consumption) for the above-mentioned period amount to 148 671 tons, of which 69,52% or 103 353 tons went to the BLNS countries (Botswana, Lesotho, Namibia and Eswatini (Swaziland)), 19,58% or 29 115 tons to Zimbabwe and only 10,90% or 16 203 tons went to Zambia.

3.2 Exports of South African white and yellow maize

Graph 2: Exports of South African white and yellow maize: 2012/13 - 2022/23

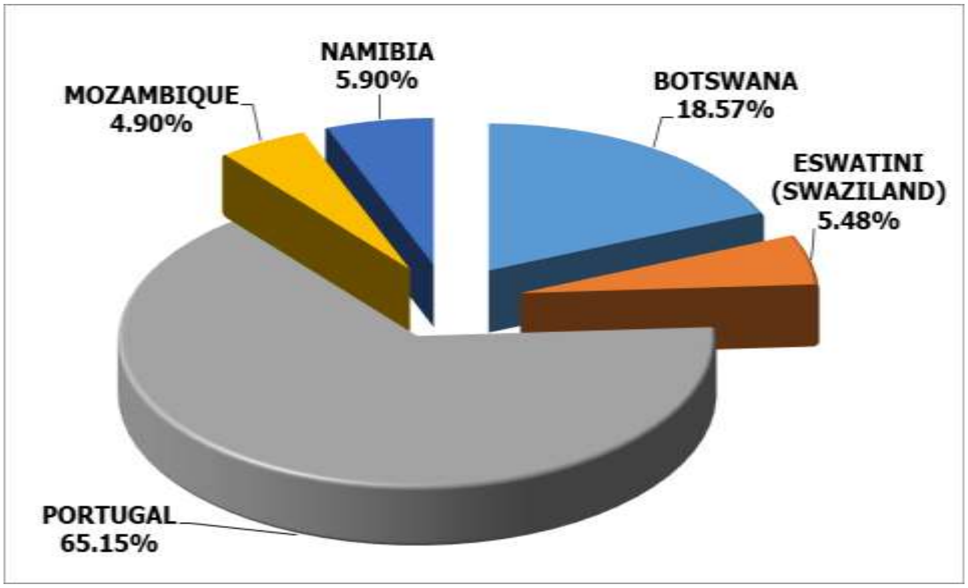


	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22*	2022/23*
White maize	1 946 000	1 008 923	640 807	557 063	851 969	617 000	616 651	1 275 446	1 304 475	916 547	780 000
Yellow maize	478 000	1 223 673	1 514 917	322 748	1 629 739	1 666 000	1 667 407	534 127	1 563 315	3 208 723	2 485 000

*Projection

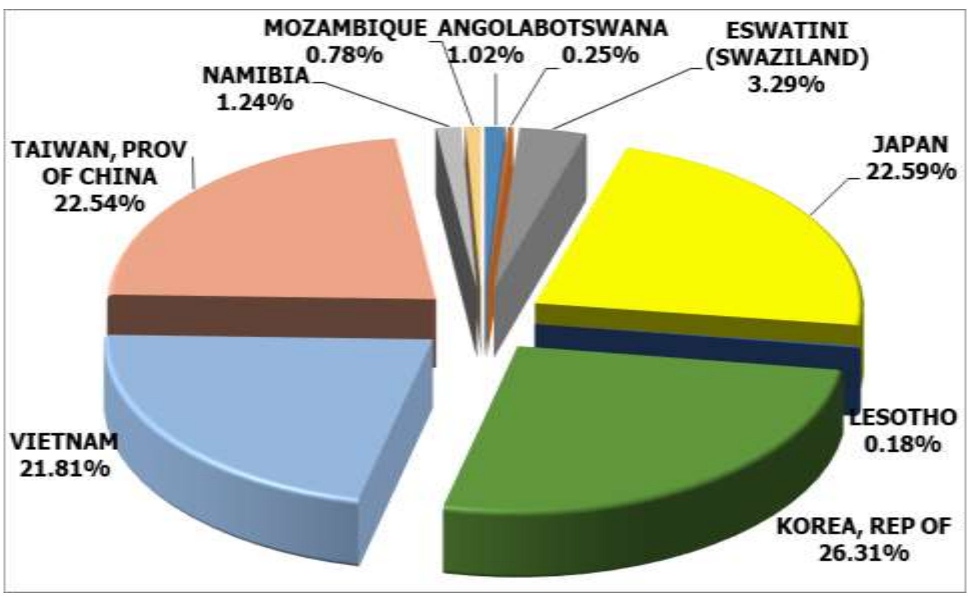
- The exports of white maize for the 2022/23 marketing year are projected at 780 000 tons, which represents a decrease of 14,90% or 136 547 tons compared to the 916 547 tons of the previous marketing year. Yellow maize exports for the mentioned period are projected at 2,485 million tons, which represents a decrease of 22,55% or 723 723 tons compared to the 3,209 million tons of the previous marketing year.

Graph 3: Major countries of white maize exports from South Africa: 2022/23 marketing year



- From 30 April to 27 May 2022, progressive white maize exports for the 2022/23 marketing year amount to 80 582 tons, with the main destinations being Portugal (65,15% or 52 499 tons), followed by Botswana (18,57% or 14 968 tons), Namibia (5,90% or 4 752 tons), Eswathini (Swaziland) (5,48% or 4 412 tons) and Mozambique (4,90% or 3 951 tons). The imports of white maize for the mentioned period amount to zero.

Graph 4: Major countries of yellow maize exports from South Africa: 2022/23 marketing year



- From 30 April to 27 May 2022, progressive yellow maize exports for the 2022/23 marketing year amount to 197 902 tons, with the main destinations being Korea, Republic of (26,31% or 52 075 tons), followed by Japan (22,59% or 44 701 tons), Taiwan (22,54% or 44 599 tons), Vietnam (21,81% or 43 161 tons), Eswathini (Swaziland) (3,29% or 6 507 tons), Namibia (1,24% or 2 450 tons), Angola (1,02% or 2 022 tons), Mozambique (0,78% or 1 535 tons), Botswana (0,25% or 500 tons) and Lesotho (0,18% or 352 tons). The imports of yellow maize for the mentioned period amount to zero.

4. Market information

4.1 Consumer Price Index (CPI)

- Annual consumer price inflation was 5,9% in April 2022, unchanged from 5,9% in March 2022. The consumer price index increased by 0,6% month-on-month in April 2022.
- The main contributors to the 5,9% annual inflation rate were as follows:
  - Food and non-alcoholic beverages increased by 6,0% year-on-year, and contributed 1,0% to the total CPI annual rate of 5,9%;
  - Housing and utilities increased by 4,8% year-on-year, and contributed 1,2%;
  - Transport increased by 14,7% year-on-year, and contributed 2,0%; and
  - Miscellaneous goods and services increased by 3,8% year-on-year, and contributed 0,6%.
- In April the annual inflation rate for goods was 8,5%, down from 8,7% in March; and for services it was 3,5%, up from 3,4% in March.

4.2 Producer Price Index (PPI)

- Annual producer price inflation (final manufacturing) was 13,1% in April 2022, up from 11,9% in March 2022. The producer price index increased by 1,8% month-on-month in April 2022.
- The main contributors to the headline PPI annual inflation rate were as follows:
  - Coke, petroleum, chemical, rubber and plastic products increased by 28,4% year-on-year and contributed 6,9%;
  - Food products, beverages and tobacco products increased by 8,3% year-on-year and contributed 2,2%; and
  - Metals, machinery, equipment and computing equipment increased by 14,1% year-on-year and contributed 2,1%.
- The main contributor to the headline PPI monthly increase was coke, petroleum, chemical, rubber and plastic products, which increased by 4,4% month-on-month and contributed 1,2%.
- The annual percentage change in the PPI for intermediate manufactured goods was 17,6% in April 2022 (compared with 18,6% in March 2022). The index increased by 1,7% month-on-month. The main contributors to the annual rate were basic and fabricated metals (10,5%), chemicals, rubber and plastic products (5,5%), as well as sawmilling and wood (1,8%). The main contributor to the monthly rate was basic and fabricated metals (1,1%).
- The annual percentage change in the PPI for electricity and water was 12,8% in April 2022 (compared with 13,8% in March 2022). The index increased by 3,6% month-on-month. Electricity contributed 11,7% to the annual rate and water contributed 0,8%. Electricity contributed 3,4% to the monthly rate and water contributed 0,2%.
- The annual percentage change in the PPI for mining was 10,9% in April 2022 (compared with 7,7% in March 2022). The index increased by 2,7% month-on-month. The main contributors to the annual rate were coal and gas (8,8%), non-ferrous metal ores (1,7%), as well as gold and other metal ores (1,1%). The main contributors to the monthly rate were non-ferrous metal ores (2,1%), as well as coal and gas (0,7%).
- The annual percentage change in the PPI for agriculture, forestry and fishing was 17,8% in April 2022 (compared with 14,9% in March 2022). The index increased by 2,2% month-on-month. The main contributor to the annual rate was agriculture (16,4%). The main contributor to the monthly rate was agriculture (1,5%).

4.3 Future contract prices

Table 5: Closing prices on Monday, 6 June 2022

	6 June 2022	6 May 2022	% Change
RSA White Maize per ton (June 2022 contract)	R4 411,00	R4 511,00	-2,22
RSA Yellow Maize per ton (June 2022 contract)	R4 453,00	R4 623,00	-3,68
RSA Wheat per ton (June 2022 contract)	R8 119,00	R7 490,00	8,40
RSA Sunflower seed per ton (June 2022 contract)	R10 931,00	R10 956,00	-0,23
RSA Soya-beans per ton (June 2022 contract)	R9 059,00	R9 330,00	-2,90
Exchange rate R/$	R15,35	R16,02	-4,18

Source: JSE/SAFEX

4.4 Agricultural machinery sales

- May 2022 tractor sales of 752 units were significantly, almost 36%, more than the 554 units sold in May 2021. Year-to-date tractor sales are now almost 16% up on last year. Fifty-three combine harvesters were sold in May 2022, 18 units more than the 35 units sold in May 2021. On a year-to-date basis combine harvester sales are now 29% up on last year.
- Although May sales were encouraging, the market is still being affected by international stock availability and delays at ports, particularly Durban, as a consequence of the local floods. Farmers are currently harvesting. Although yields are good, harvesting is proving to be challenging in some areas where lands are waterlogged. Commodity prices are holding up well and this should help with the increased input prices of fertilizer, fuel and seed which farmers will face for the forthcoming summer cropping season.
- Industry forecasts for the 2022 calendar year are that tractor and combine harvester sales will be similar to those in 2021.

Table 6: Agricultural machinery sales

Equipment class	Year-on-year May 2022	Year-on-year May 2021	Percentage Change %	Year-to-date May 2022	Year-to-date May 2021	Percentage Change %
Tractors	752	554	35,74	3 306	2 852	15,92
Combine harvesters	53	35	51,43	163	126	29,36

Source: SAAMA press release, June 2022

PLEASE NOTE: The Food Security Bulletin for June 2022 will be released on **6 July 2022**.

5. Acknowledgements

The Directorate: Statistics and Economic Analysis makes use of information sourced from various institutions and organisations within South Africa in order to compile the monthly report on South Africa's Food Security Situation. This report has been compiled with the aid of information and reports sourced from the following institutions and organisations:

- Agbiz
- Agfacts
- BVG Commodities (Pty) Limited
- Department of Water and Sanitation
- Directorate: Climate Change and Disaster Management at DAFF
- Grain South Africa (Grain SA)
- IGC Grain Market Report
- National Agricultural Marketing Council (NAMC)
- South African Agricultural Machinery Association (SAAMA)
- South African Futures Exchange (SAFEX)
- Statistics South Africa (Stats SA)
- The South African Supply and Demand Estimates Report (SASDE)
- The South African Grain Information Service (SAGIS)
- The South African Weather Service (WeatherSA)
- USDA Foreign Service