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Agriculture
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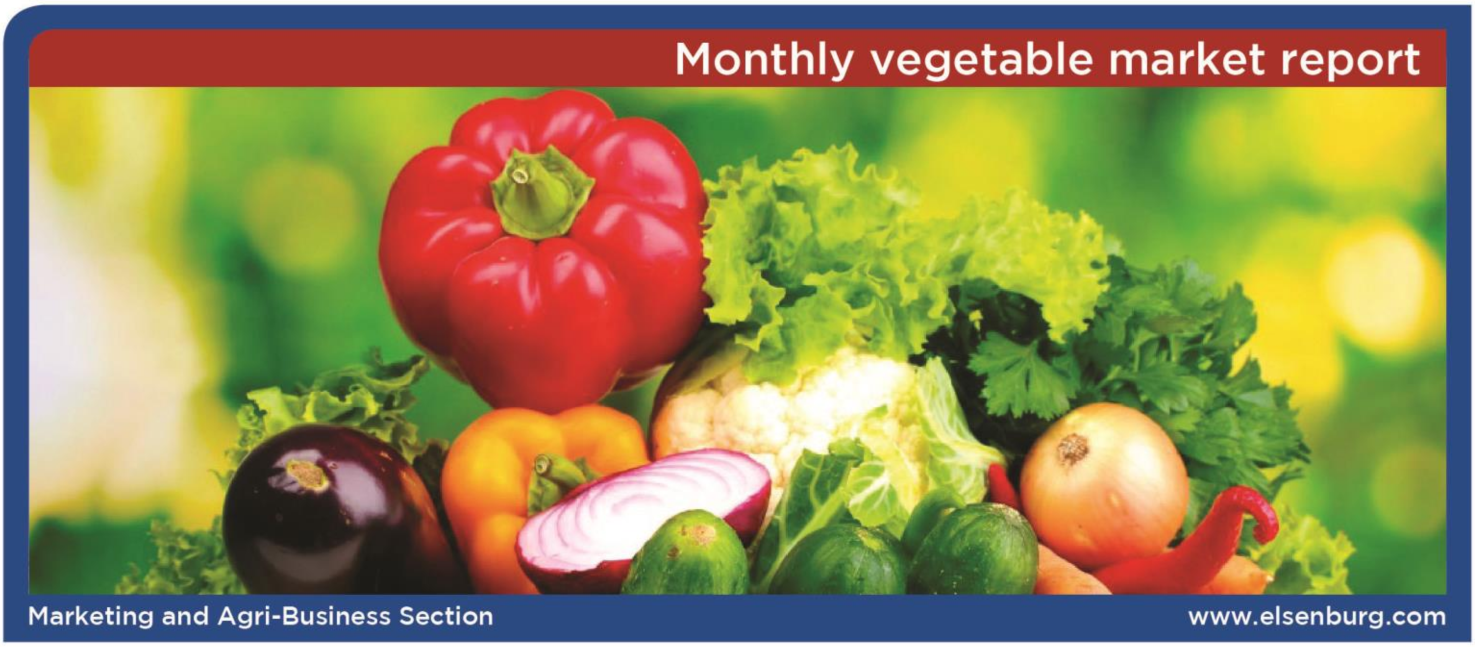


MONTHLY MARKET INFORMATION REPORT: VEGETABLES

Period under review: January 2014 to January 2015

Issue: 2015/2

IN THIS ISSUE

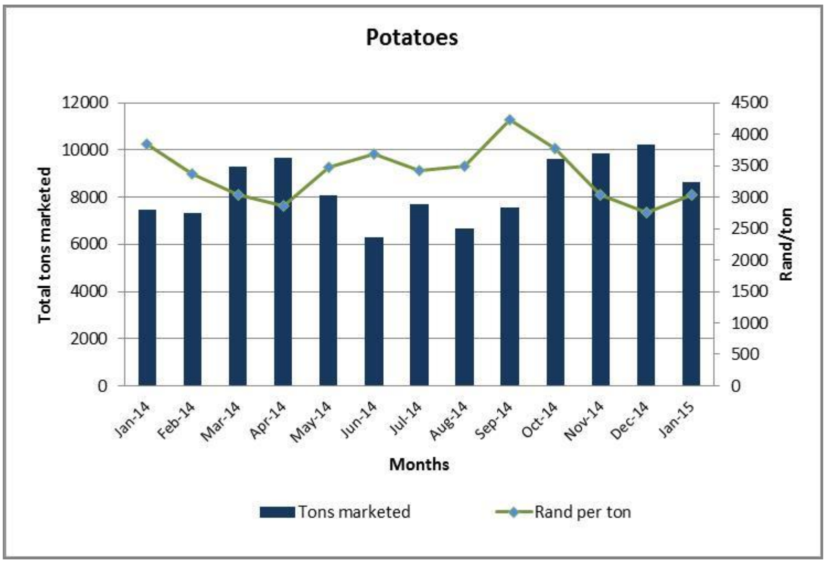
INTRODUCTION

This report is a review of **selected vegetable sales at the Cape Town Fresh Produce Market,** the largest fresh produce market in the Western Cape. The review will be issued on a monthly basis and will cover trend analysis relating to prices (Rand per ton) and volumes (tons) of the selected vegetables sold on the market, considered to be of importance due to the area under production or marketed volumes, however the combination of selected vegetables might change over time due to relevance.

1. PRICE AND VOLUME TREND ANALYSIS

1.1 Potatoes

Figure 1: Potatoes sales on the Cape Town Fresh Produce Market

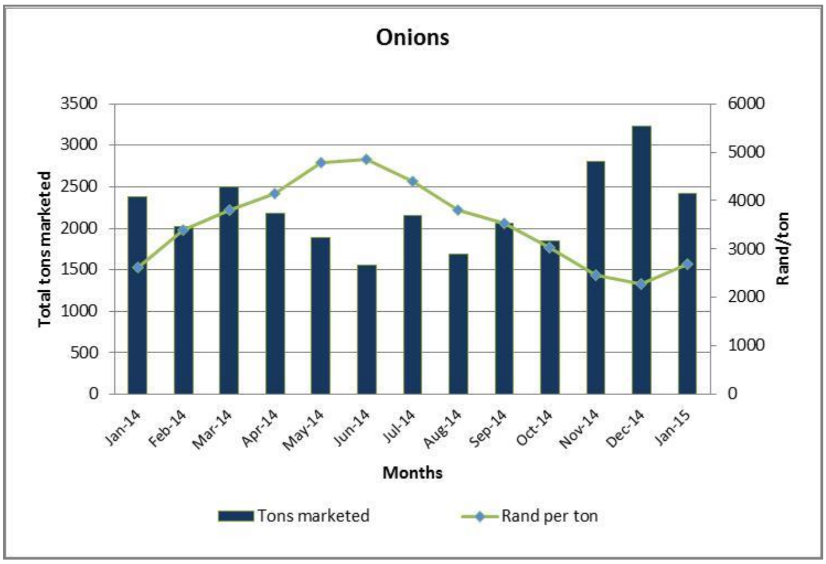


Quantities supplied to the market during the month of January 2015, improved by 16% y/y in comparison with the same period in the previous year when volumes amounted to 7450 tons. Consequently, the average price declined by 21% y/y and reached 3037 per ton.

The volumes supplied during January declined by 16% m/m to 8640 tons, from 10 236 tons if compared to the previous monthly basis. The average price was subsequently pushed upward by10% m/m to R 2752 per ton.

1.2Onions

Figure 2: Onion sales on the Cape Town Fresh Produce Market

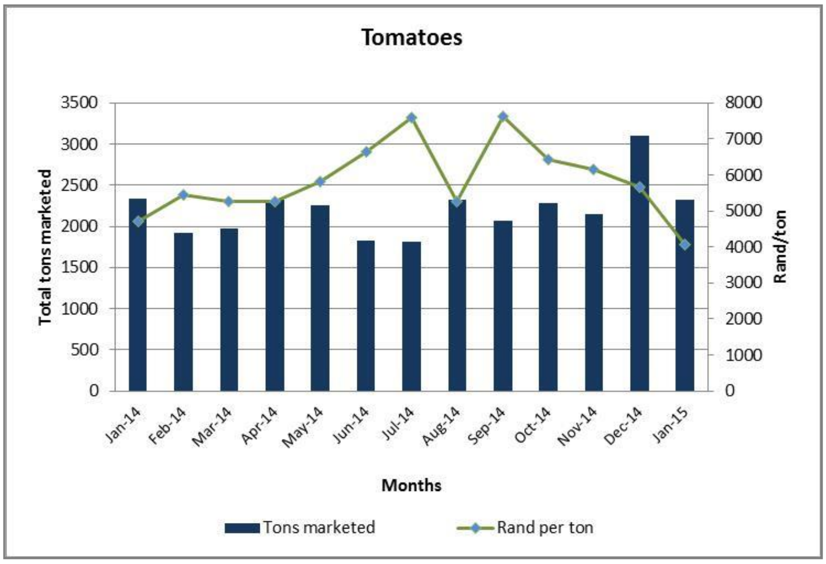


The volumes marketed slightly improved by 2% y/y if compared to the same period in the previous year when 2384 tons was delivered to the market. Average prices realised for January 2015 slightly improved by 2.5% y/y to R 2694 per ton.

If compared on a monthly basis, the tonnage supplied decreased by 25% m/m from 3236 tons to 2419 tons. Supply shortages resulted in average prices being pushed upward by 19% m/m which resulted in prices to escalate from R 2267 to R 2674 per ton.

1.3Tomatoes

Figure 3: Tomatoes sales on the Cape Town Fresh Produce Market

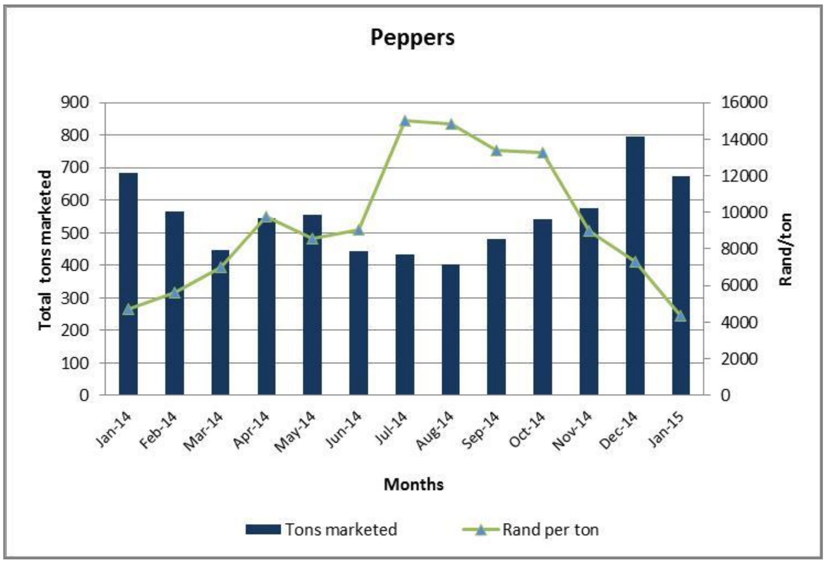


Tomatoes volumes supplied during January 2015 primarily remained unchanged if compared to the same period in the previous year. The market however reacted indifferent to the availability of supplied produce as average prices declined by 14% y/y to R 4057 per ton.

On the other hand, volumes supplied for the month of January 2015, was 25% m/m lesser than the previous month when 3095 tons was delivered to the market. The average price per ton responded adversely in this regard as prices was pressurised downward by 29% m/m from R 5674 to R 4057 per ton.

1.4Peppers

Figure 4: Pepper sales on the Cape Town Fresh Produce Market

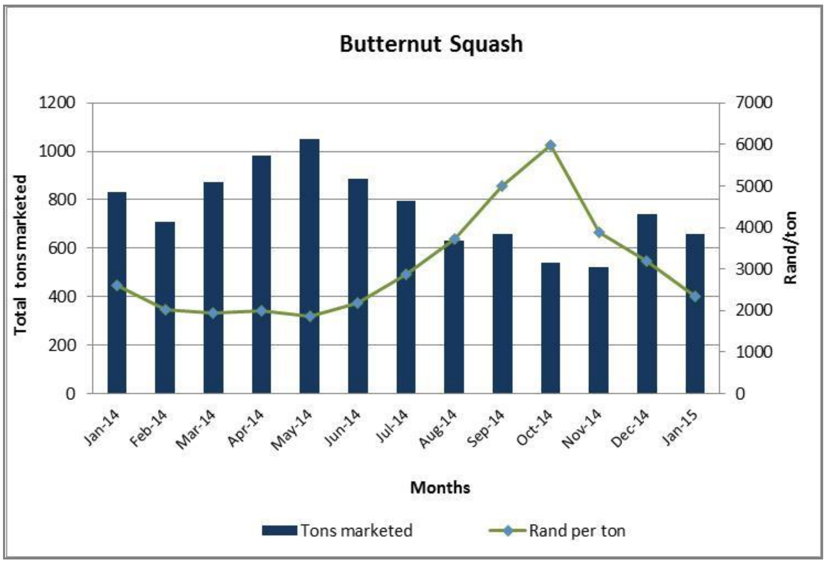


Quantities supplied to the market decreased by 2% y/y compared to the same period in the previous year. On the contrary, the market reacted indifferently as average price per ton were lower by 9% y/y and reached R 4334 per ton compared to R 4738 in the previous year.

On a monthly basis, the tonnage supplied to the market decreased by 16% m/m from 795 tons to 672 tons. Although supply has declined, it was accompanied by a decrease in the average price per ton of 41% m/m from R 7309 to R 4334.

1.5 Butternut squash

Figure 5: Butternut sales on the Cape Town Fresh Produce Market

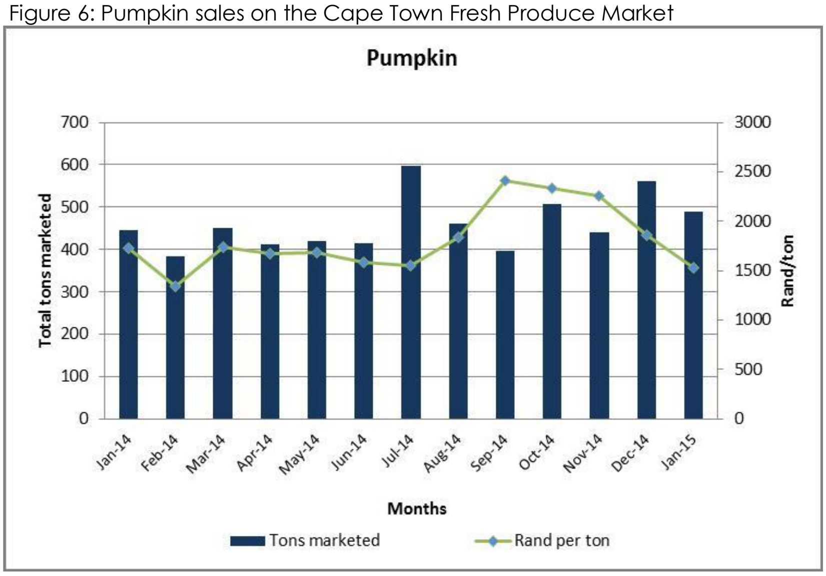


Butternut Squash volumes supplied decreased by 21% y/y and reached 659 tons during the month of January 2015, if compared to the same period in the previous year. The average price per ton has declined by 10% y/y to R 2352 per ton.

On a monthly basis, the volumes supplied for marketing decreased by 11% m/m to 659 tons. Average prices however continued on a downward trend as from October 2014, which is not satisfactory as the average price per ton reached its lowest level for the 12 month period ending January 2015.

1.6 Pumpkin

Figure 6: Pumpkin sales on the Cape Town Fresh Produce Market

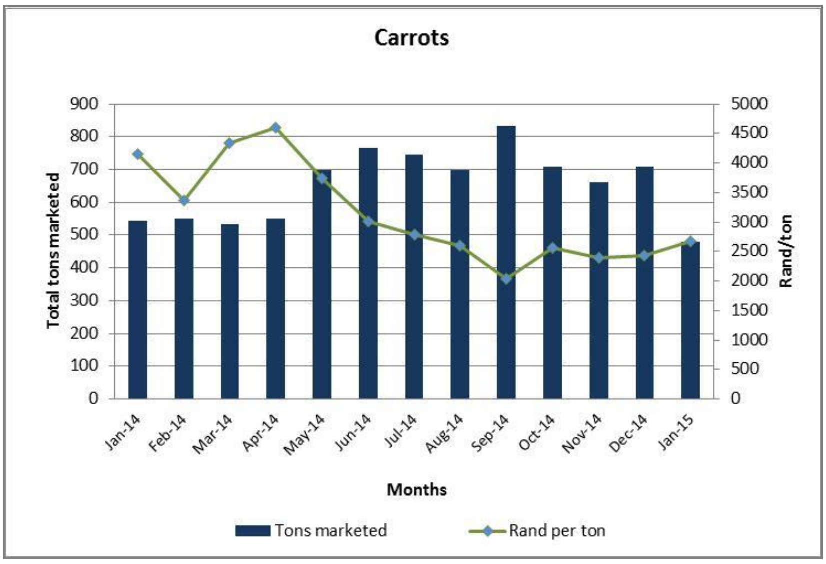


The quantities offered to the market improved significantly if compared to the same period in the previous year, as a result of the 10% y/y increase that reached 489 tons. The average price per ton has declined by 12% y/y amounting to R 1526.

Comparing trade on a monthly basis, the tonnage supplied to the market decreased by 13% m/m. The average price per ton subsequently decreased from R 1539 to R1390 which is a 18% m/m change from the previous month.

1.7 Carrots

Figure 7: Carrots sales on the Cape Town Fresh Produce Market

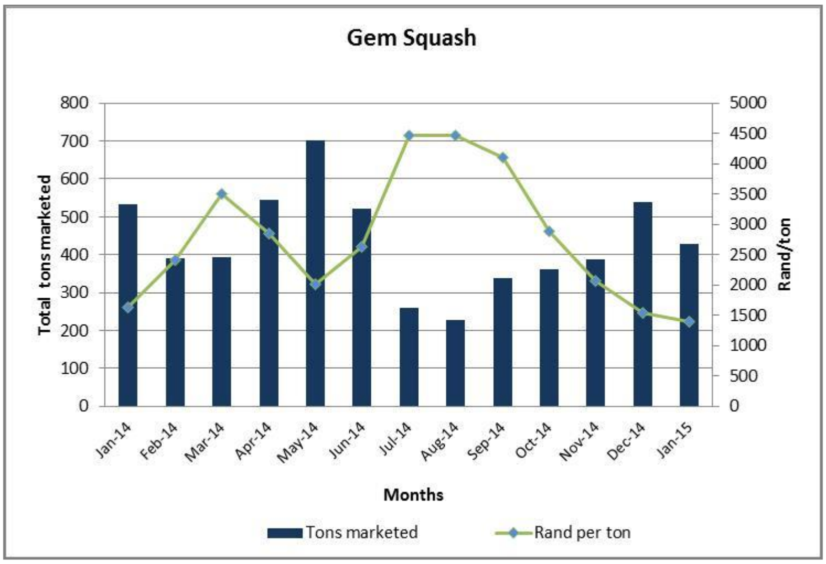


Volumes supplied decreased by 12% y/y and reached 479 tons if compared to the same period in the previous year. The average price per ton however decreased by 36% y/y compared to the R 4151 per ton obtained in January 2014 as compared to the R 2678 obtained in January 2015.

On a monthly basis, the tons marketed decreased by 32% m/m from 707 tons to 479 tons for the period of December 2014 and January 2015. The change in quantities supplied, subsequently pushed prices by10% to R 2678 per ton.

1.8 Gem Squash

Figure 8: Gem squash sales on the Cape Town Fresh Produce Market

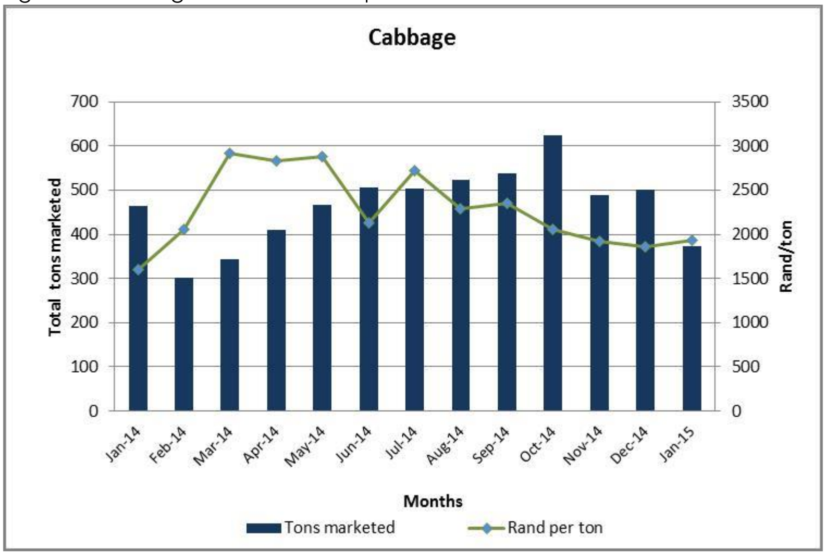


The tonnage supplied to the market was 20% y/y lesser than the same period in the previous year, supply declined from 533 to 429 tons. The market reacted indifferently as the average price per ton continued to decrease. R 1623 per ton was obtained in the previous year as compared to the R 1390 per ton obtained in January 2015.

If compared on a monthly basis, the volumes supplied decreased by 21% m/m from 539 to 429 tons. The decrease in supply did not impact on trade as the average price continued on a downward pressurised trend, which reached R 1390. As depicted in figure 8, there has been a constant decline in the average price per ton from August 2014.

1.9 Cabbage

Figure 9: Cabbage sales on the Cape Town Fresh Produce Market

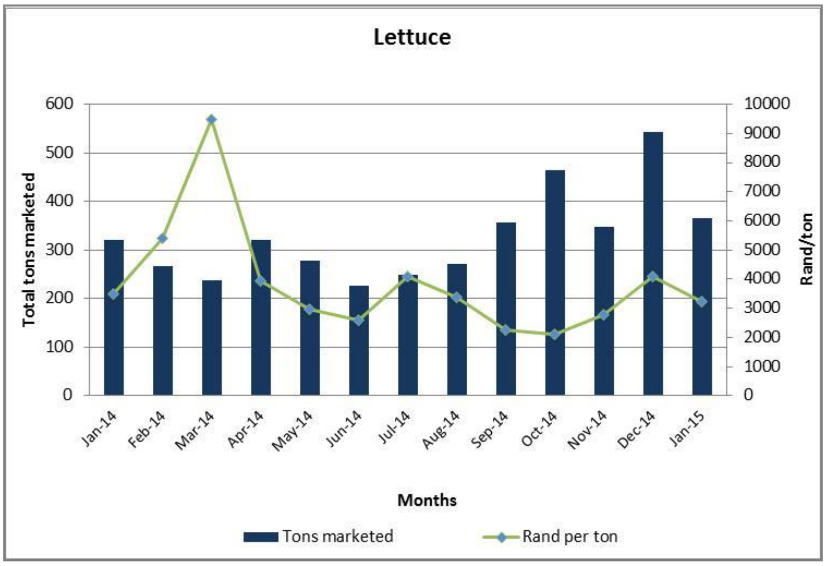


Quantities supplied decreased by 20% y/y from 465 tons to 373 tons. Prices were subsequently pushed upward by 22% y/y and reached R 1938 per ton.

On a monthly basis, the volumes supplied to the market decreased by 26% m/m from 501 to 373 tons. The average price obtained slightly increased by 4% m/m to an amounted to R 1938 per ton.

1.10 Lettuce

Figure 10: Lettuce sales on the Cape Town Fresh Produce Market

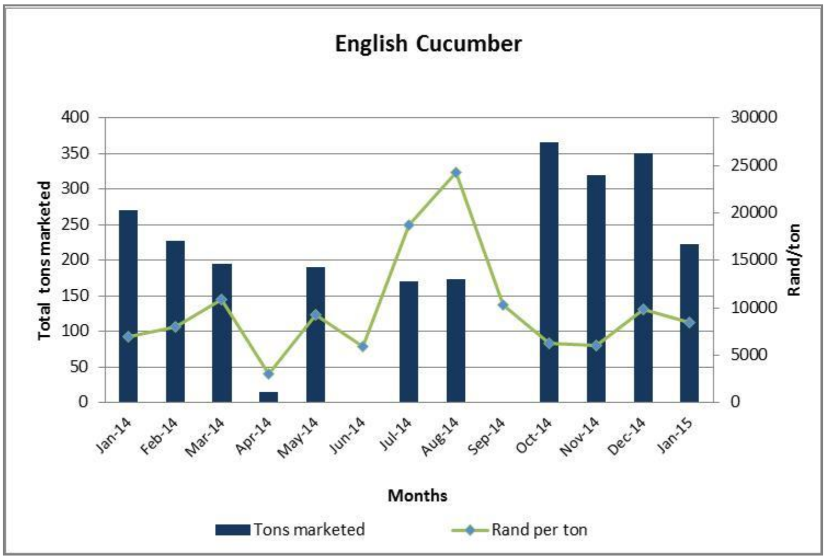


The tonnage marketed during January 2015, improved by 14% and amounted to 365 tons compared to the same period in the previous year. Average prices was pressurised downward by 7% y/y and reached R 3251 per ton.

On a monthly basis, the tonnage supplied decreased by 33% m/m from 542 to 365 tons. The mentioned change in supplied volumes available on the market was accompanied by a decrease of 21% m/m in the average price per ton which amounted to R 3251 in comparison with the R 4106 obtained in the previous period.

1.11 English Cucumber

Figure 11: English Cucumber sales on the Cape Town Fresh Produce Market

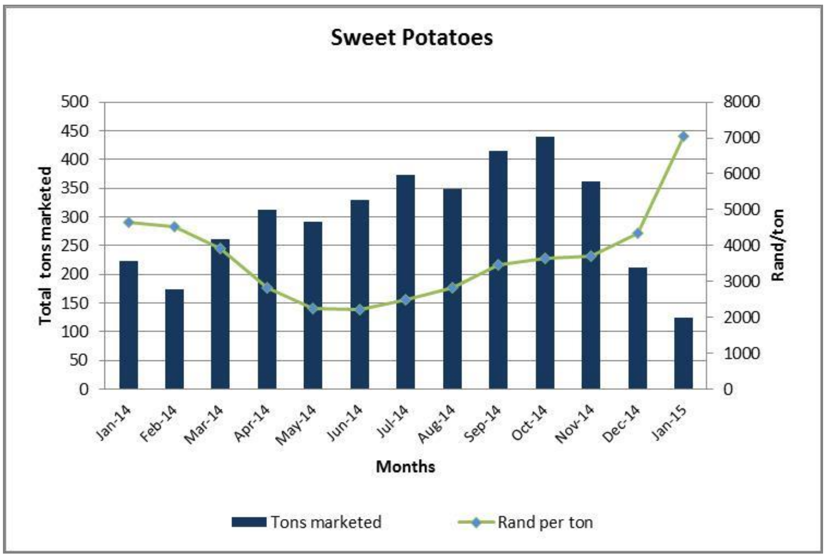


The volumes supplied decreased by 18% y/y from 271 to 222 tons, if compared to the same period in the previous year. The change in supply was accompanied by an increase of 21% y/y in the average price per ton from R 6959 to R 8406 per ton.

If compared on a monthly basis, the volumes supplied during the month of January 2015 was lesser by 37% m/m as only 222 tons were marketed compared to the same period in the previous year. The average price per ton however, declined by 21% m/m from R 9806 to R 8406.

1.12 Sweet Potatoes

Figure 12: Sweet potatoes sales on the Cape Town Fresh Produce Market



Supply to the fresh produce market significantly decreased by 44% y/y, if compared to the same period in the previous year. The shortage on the market, led to an increase of 52% y/y in the average price per ton which amounted to R 7042 per ton.

Analysing the monthly trend, quantities offered to the market decreased radically by 41% m/m from 212 to 125 tons. The shortage in supplies resulted in a 63% m/m price increase from R 4329 to R 7042 per ton.

COMMODITY MOVEMENTS OF OTHER VEGETABLE TYPES ON THE CAPE TOWN FRESH PRODUCE MARKET

Produce name:	Average tons marketed for January 2015: (tons)	Average price obtained for January 2015: (Rand per ton)
Cauliflower	137 (54% decrease m/m)	3862 (40% increase m/m)
Sweetcorn	93 (40 % decrease m/m)	7696 (1 % decrease m/m)
Beetroot	64 (43% decrease m/m)	2343 (21% decrease m/m)
Brinjals (eggplant)	90 (11% decrease m/m)	2578 (29% decrease m/m)
Broccoli	66 (28% decrease m/m)	9821 (21% increase m/m)
Spinach	20 (43% decrease m/m)	6763 (7% increase m/m)
Patty Pans	4 (60% decrease m/m)	6395 (19% increase m/m)
Mushrooms	5 (50 % decrease m/m)	44 527 (<1% decrease m/m)

2. NEWS CLIPS: COMMODITY MOVEMENTS IN THE INTERNATIONAL & DOMESTIC MARKET

2.1 Department of Trade and Industry (DTI): Trade pavilion list for the 2015/16 financial year

Click here to view the 2015/16 list.

Familiarise yourself with the Export Management and Investment Assistance (EMIA) guidelines applicable for both foreign and domestic trade exhibitions. Interested parties can apply for funding under the EMIA scheme in order to attend a trade pavilion.

Click here to view the EMIA guidelines.

2.2 Prevention of wet potatoes bags on the market

Potatoes SA has issued a notice during January 2015, in which potatoes producers and marketers are requested to exercise caution in the packaging of the produce.

Specific information pieces has been issued to address this issue, hence all stakeholders are requested to familiarise themselves with the content of the post-harvest protocols.

Please visit the Potatoes SA website at www.potatoes.co.za or alternatively click on the below links to view some of the information pertaining to post harvest handling of potatoes:

- Crop control protection against decay
  (Source: CHIPS Potatoes SA, Nov/Dec 2014)
- The role of calcium
  (Source: CHIPS Potatoes SA, Jul/Aug 2014)
- What causes decay in potatoes
  (Source: CHIPS Potatoes SA, Jul/Aug 2014)

2.3 Discussion regarding product registration for the vegetable sector

The Department of Agriculture, Forestry and Fisheries (DAFF): Agricultural Inputs Control (AIC) Directorate held a workshop at the ARC VOPI Institute in Roodeplaat late last year regarding crop product registration for the vegetable sector with industry stakeholders.

The following issues were discussed;

- The lack of interest by agrochemical companies to invest in research to develop agrochemicals for minor crops such as carrot, beetroot and cucumber etc. Ignoring the need to register chemicals could hamper the marketing of minor crop produce as trade cannot lawfully take place without ignoring the use of unregistered chemicals.
- Encourage the commitment amongst producers to avail trail data and assist in necessary research required for the registration of chemicals.
- Caution against the illegal importation of seeds treated with pesticides that are not registered in South Africa. Companies were requested to apply for import permits prior to the importations of such consignments.
- Producers were requested to formalise structures, which could act as a mouthpiece for the industry and address common issues such as the registration of agrochemicals and ensure compliance thereof both from a food safety and environmental point of view.
- Click here to read the article, as per the DAFF newsletter, page 4.

ACKNOWLEDGMENTS

The following institutions and organisations are hereby acknowledged:

Department of Agriculture, Forestry and Fisheries (DAFF): www.daff.gov.za

Department of Trade and Industry (DTI): www.dti.gov.za

Potatoes South Africa (SA): www.potatoes.co.za

Techno Fresh CRM: www.technofresh.co.za

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