



HORTICULTURE BIWEEKLY 2023

Report No. 21 2023

01 December 2023

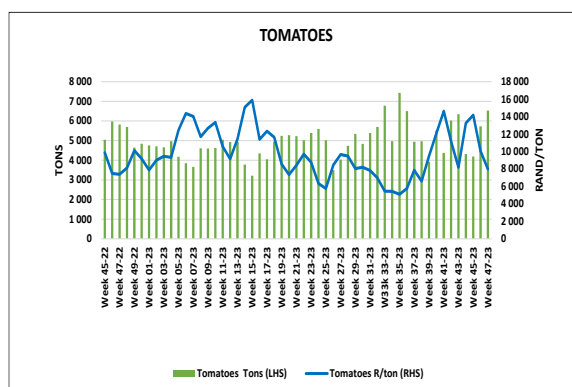
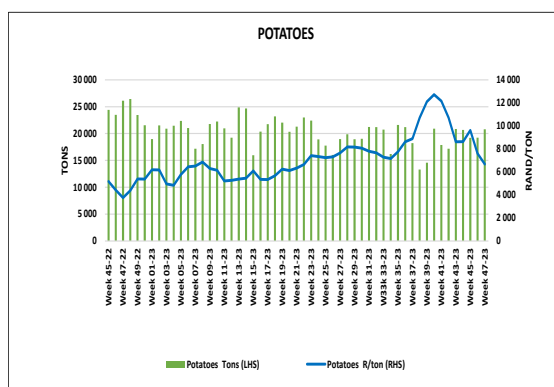
AgribusinessInsights@standardbank.co.za

Standard Bank **IT CAN BE...**

Summary

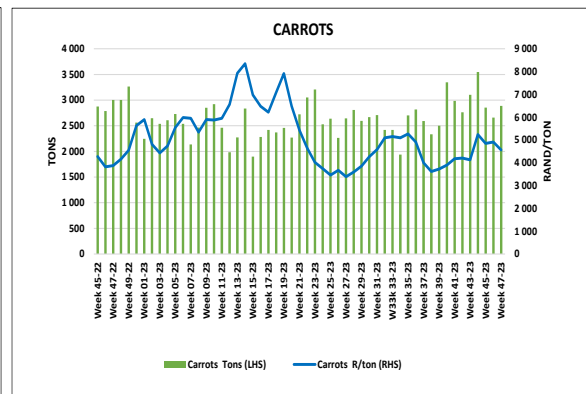
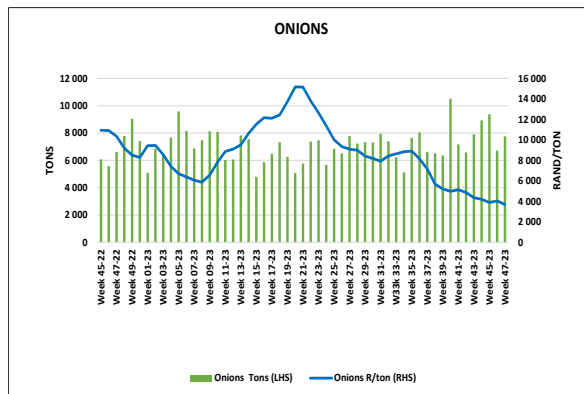
The deciduous fruit industry association, Hortgro, provided an update on the seaport logistics crisis this week. It was mentioned that numerous industries from several sectors under the National Logistics Crisis Committee (NLCC) are exploring options and vehicles to fund equipment and expertise from the private sector, and then recoup the expenses from Transnet. However, this is expected to be a rather difficult task due to the deteriorating financial position of Transnet. While concerns around the low availability and operational ability of the Rubber-Tyred Gantries (RTGs) are high, there are seven second-hand RTGs expected to arrive in South Africa around the middle of this month from the United States (US). This is expected to greatly alleviate the pressure at the Cape Town container terminal. The El Niño weather phenomenon has resulted in harsh weather conditions for Peru's blueberry industry. This has resulted in a decline in Peruvian blueberry production and exports, which has driven blueberry prices to be relatively higher than a year ago. To circumvent the seaport crises that South Africa is currently facing, local blueberry exporters have turned to airfreight. According to BerriesZA, approximately more than half of the domestic blueberry crop has been flown to the EU instead of being shipped.

Potatoes and Tomatoes



- In week 47-2023, **potato** prices decreased by 12% w/w to R6 675/ton as supply rose by 8% w/w. Prices are expected to remain muted due to increased market supply.
- **Tomato** prices decreased by 20% w/w to R7 990/ton due to higher market volumes and sluggish demand. Market volumes increased by 14% w/w to 6 529 tons. This month may see an uptick in prices due to higher festive demand.

Onions and Carrots



- **Onion** prices decreased by 9% w/w to R3 694/ton as supply firmed by 16% w/w to 7 765 tons. While prices continue to trend lower, the festive season may see a spike in prices as demand picks up.
- **Carrot** prices decreased by 7% w/w to R4 560/ton on higher market volumes and lower demand. Supply increased by 9% w/w to 2 887 tons. Prices are expected to increase around the middle of this month from higher festive demand.

Fruit Trends on all NFPMs in South Africa

Commodity	Rand per ton		% change (w/w)	Ton		% change (w/w)
	Week ending			Week ending		
	17 Nov	24 Nov		17 Nov	24 Nov	
Apples	13 500	13 480	↓ -0.15%	2 533	2 466	↓ -3%
Pears	14 890	15 760	↑ 6%	520	419	↓ -19%
Bananas	12 830	12 890	↑ 0.47%	3 911	3 911	→ 0.0%
Oranges	10 980	11 200	↑ 2%	382	334	↓ -13%
Avocados	23 100	22 810	↓ -1%	429	399	↓ -7%

- **Apple** prices declined marginally by 0.15% w/w to R13 480/ton from lower demand, even though market supply tightened by 3% w/w. However, prices are expected to firm over the festive period.
- **Pear** prices increased by 6% w/w to R15 760/ton on higher demand and supply that decreased by 19%w/w. Conversely to apples, bearish pear prices are expected over the next four weeks.
- **Banana** prices increased slightly by 0.5% w/w to R12 890/ton on good consumer demand and stable supply. Prices could remain firm for the remainder of the year due to tighter supply.
- **Orange** prices increased by 2% w/w to R11 200/ton from higher demand and limited supply. Prices should remain elevated this month due to higher expected demand.
- **Avocado** prices decreased by 1% w/w to R22 810/ton as consumer demand toned down, even as supply decreased by 7% w/w. Limited supply due to seasonality is expected to support prices over the coming months.

Pome Fruit Exports

Week 46 Weekly Volumes 12.50 kg Cartons	2022 Exports (a)	2023 Exports (b)	y/y Change (a/b)	Cumulative Volumes YTD 2022 (c)	Cumulative Volumes YTD 2023 (d)	y/y Change (c/d)
Apples	239 820	303 517	↑ 27%	36 201 508	38 016 585	↑ 5%
Pears	132 639	158 139	↑ 19%	19 311 534	17 572 078	↓ -9%

Week 46-2023 exports:

- South Africa exported 303 517 cartons (12.5kg) of **apples** in week 46-2023, an increase of 27% y/y. **Pear** exports increased by 19% y/y to 158 139 cartons. The cumulative export volume of apples increased by 5% y/y, while pears declined by 9% y/y.
- The bulk of the consignment of apples was shipped to the Far East and Asia (47%) and Africa (42%). South African pears were mainly shipped to the Far East and Asia (47%) and the Russian Federation (33%).

Stone Fruit Exports

Weekly Volumes Week 47	2022 Exports (a)	2023 Exports (b)	y/y Change (a/b)	Cumulative Volumes YTD 2022 (c)	Cumulative Volumes YTD 2023 (d)	y/y Change (c/d)
Apricots (4.75 kg carton)	105 198	66 796	↓ -37%	156 763	120 829	↓ -23%
Nectarines (2.5 kg carton)	286 188	548 870	↑ 92%	878 309	1 475 329	↑ 68%
Peaches (2.5 kg carton)	106 658	140 592	↑ 32%	526 348	549 222	↑ 4%
Plums/Prunes (5.25 kg carton)	135 000	162 281	↑ 20%	158 011	227 561	↑ 44%
Cherries (2.5 kg carton)	57 530	65 695	↑ 14%	177 675	198 276	↑ 12%

Week 47-2023 exports:

- **Apricot** exports declined by 37% y/y to 66 796 cartons (4.75kg). About 39% of the exports were destined to the EU; other markets included the Middle East (32%) and the UK (27%).
- **Nectarine** exports surged by 92% y/y to 548 870 cartons (2.5kg). Cumulative exports rose by 68% y/y to nearly 1.5 million cartons year-to-date (YTD). Major export markets include the EU (40%), UK (32%), Middle East (15%), and US (12%).
- **Peach** exports increased 32% y/y to 140 592 cartons (2.5kg). Total cumulative volumes are expected to increase by 4% y/y to 549 222 cartons YTD. Main export markets include the UK (39%), EU (35%), and Middle East (23%).
- **Plum** exports increased by 20% y/y to 162 281 cartons (5.25kg). Exports began almost a month later compared to the previous season. The consignment was shipped to the UK (45%), EU (31%), and Middle East (17%).
- **Cherry** exports were up by 14% y/y to 65 695 cartons (2.5kg). The bulk of the consignment was shipped to the UK (80%) and Middle East (15%).

Weekly Volumes 4kg Cartons	SA Exports to EU			EU Imports from the World		w/w Change
	Week 48	Week 49	w/w Change	Week 48	Week 49	
Hass	188 000	111 000	↓ -41%	3 448 000	3 588 000	↑ 4%
Green Skin	0	0	→ 0.0%	843 000	863 000	↑ 2%
Total	188 000	111 000	↓ -41%	4 291 000	4 451 000	↑ 4%

Week 49-2023 exports:

- In week 49-2023, South Africa's **avocado** exports to the EU market are expected to close with a total of 111 000 cartons to be shipped, solely comprising of Hass avocados.
- Green Skin exports ended in week 46-2023, with a cumulative total of 5.4 million cartons being shipped over this season.
- A total of 4.4 million cartons of avocados should be received by the EU market in week 49-2023, an increase of 4% w/w with Chile dominating the market with an expected shipment of 1.4 million cartons.

Sources

Agri-Market Trends.

Bureau of Food and Agricultural Policy

Citrus Growers Association.

Department of Agriculture Land Reform and Rural Development.

Fresh Plaza.

Hortgro.

South African Avocado Growers Association.

South African Table Grape Industry.

Disclaimer: Standard Bank South Africa accepts no responsibility for any application, use or interpretation of the information contained in this report and disclaims all liability for direct, indirect, or consequential damages resulting from the use of this report.