



## Monthly vegetable market report



Marketing and Agri-Business Section

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## MONTHLY MARKET INFORMATION REPORT: VEGETABLES

Period under review: June 2014 to June 2015

Issue: 2015/7

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# INTRODUCTION

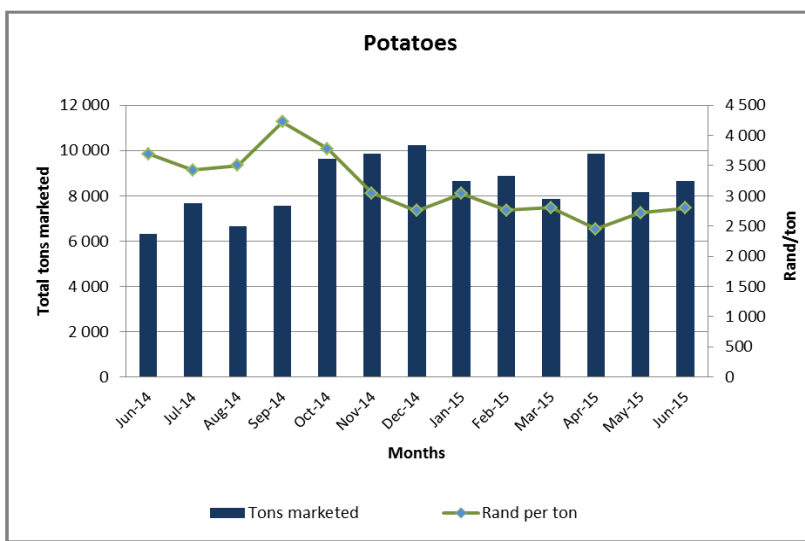
This report is a review of **selected vegetable sales at the Cape Town Fresh Produce Market**, the largest fresh produce market in the Western Cape.

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

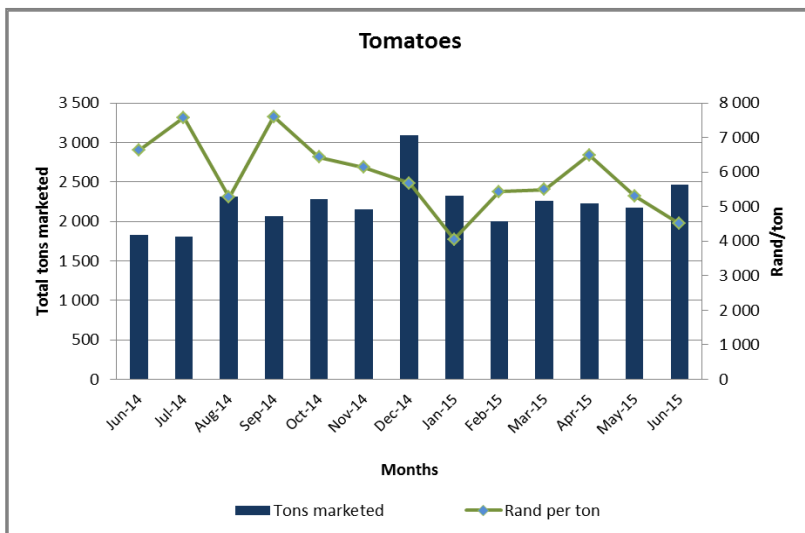


The quantity produce supplied to the market increased by 6% m/m, whilst the average price per ton continued to move in an upward trend, increasing by 3% m/m ( from R 2 716 to R 2 799 per ton).

If compared on an annual basis, the tonnage supplied was higher by 37% y/y, compared to the same period in the previous year. This however impacted on the average prices, sliding downward by 24% y/y, from R 3 695 to R 2 799 per ton. According to Potatoes SA (2015), an additional 1.5 million 10kg bags (amounting to 15 000 tons) have been sold nationally, compared to the five months (January to May 2015) in the previous period.

### 1.2 Tomatoes

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

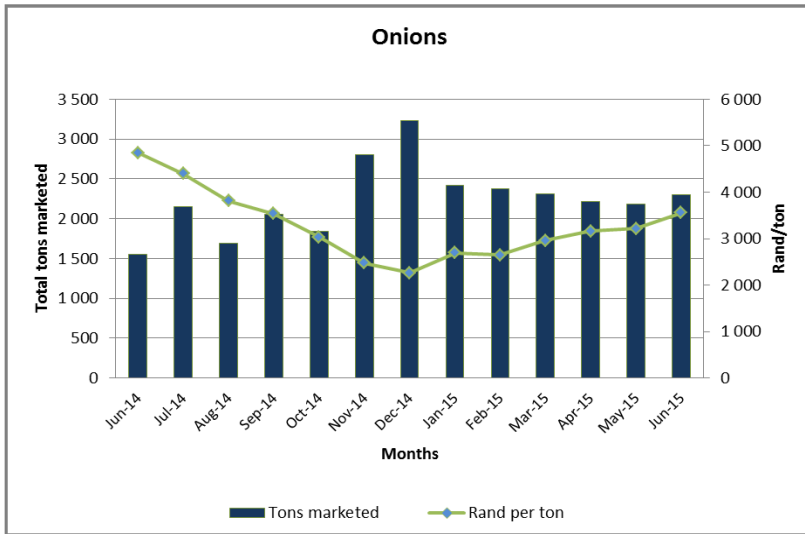


The volumes supplied during June 2015, increased by 13% m/m to 2 469 tons. Increases in supply resulted in average prices to experience downward pressure and to continue on a downward trend which declined by 15% m/m to reach R 4 504 per ton.

If compared on an annual basis, the volumes supplied to the market increased by 34% y/y and was accompanied by downward pressure on average prices amounting to 32% y/y.

### 1.3 Onions

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

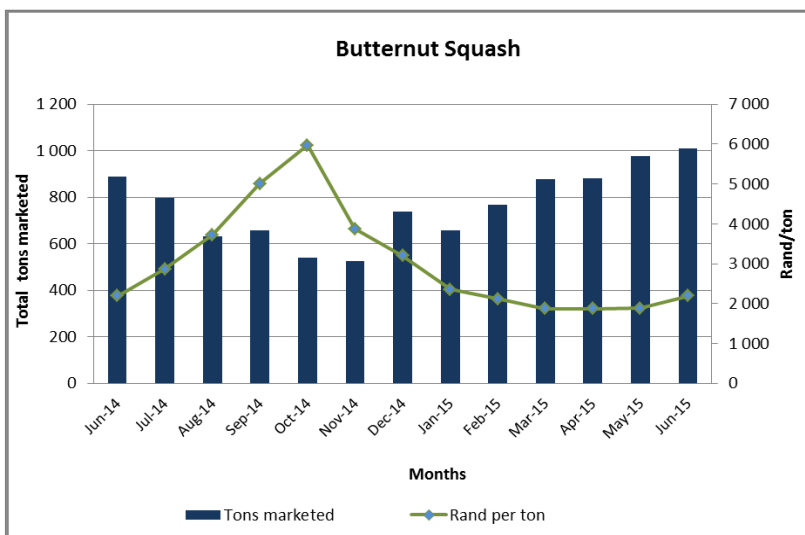


Onion volumes increased by 5% m/m, and was accompanied by upward pressure on average prices which amounted to a further increase of 10% m/m from R 3 218 to R 3 551 per ton. Prices are moving on an upward trend on a monthly basis, as from January 2015 (figure 3).

On an annual basis, the volumes supplied to the market improved by 48% y/y (from 1 550 to 2296 tons), compared to the same period in the previous year. As a result the average price per ton declined by 27% y/y from R 4 843 to R 3 551.

### 1.4 Butternut Squash

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

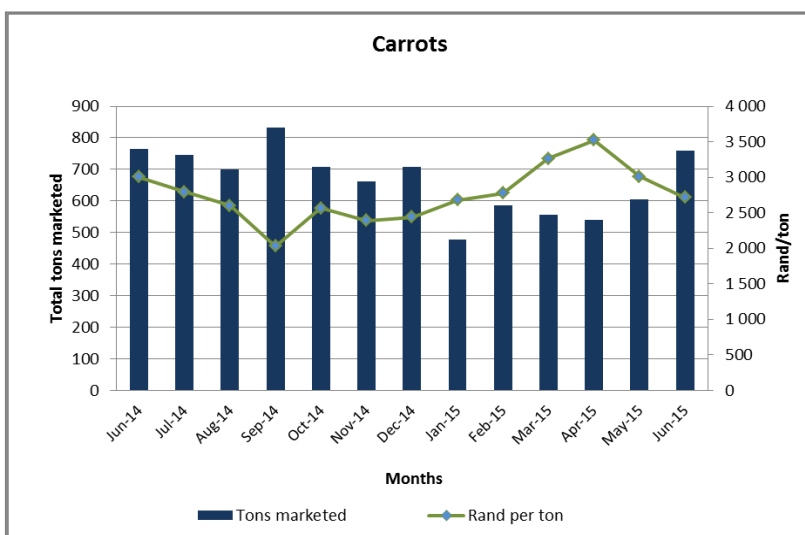


The quantities supplied to the market increased by 3% m/m and reached 1 010 tons, if compared to the previous month. Supplies have been on an upward trend as from January 2015 (figure 4), whilst the average price per ton has been on a decreasing trend as from October 2014, where after prices moved in an upward direction, increasing by 17% m/m from June 2015.

If compared to the same period in the previous year, the quantities supplied to the market increased by 14% y/y from 888 to 1 010 tons. The average price obtained per ton, has however moved sideways (i.e. resistant to change).

### 1.5 Carrots

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

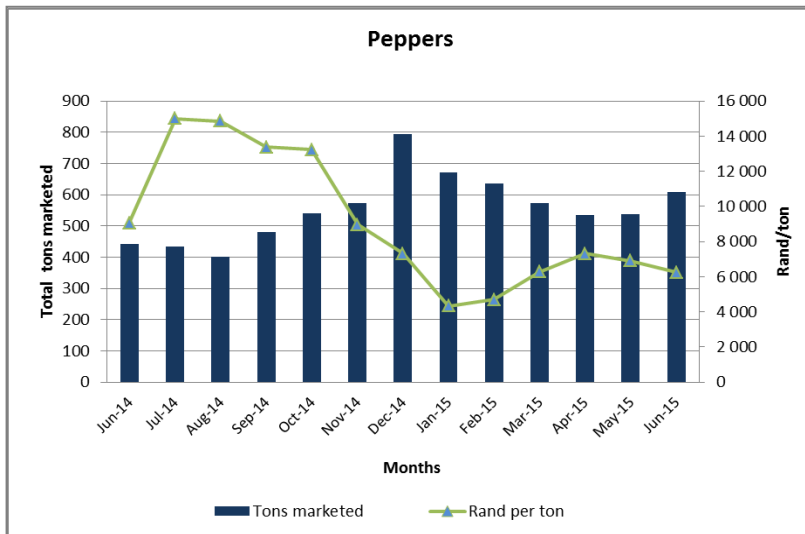


Quantities supplied to the market, increased by 25% m/m and reached 760 tons, compared to the 606 tons in the previous month. This however impacted on the average prices which was further pressurised downward by 10% m/m, reaching R 2 718 per ton.

If compared to the same period in the previous year, the quantity supplied to the market remained more or less unchanged (< 1%). The average price per ton however decreased by 10% y/y from R 3 003 to R 2 718 per ton.

## 1.6 Peppers

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

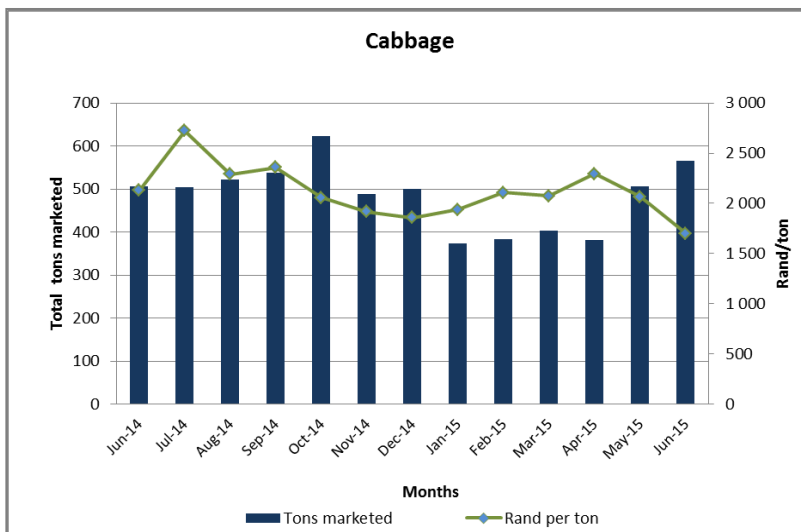


Quantities supplied to the market increased by 14% m/m to 609 tons, which resulted in the average price to be further pressurised downward by 10% m/m, to amount to R 6 259 per ton. Supplies to the Fresh Produce Market moved on a downward trend from January 2015, and started to obtain momentum from June 2015 (figure 6).

If compared on an annual basis, the average price per ton was lesser by 31% y/y compared to the same period in the previous year. This is due to the increase in volumes supplied, which was 38% y/y higher than the same period in the previous year.

## 1.7 Cabbage

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

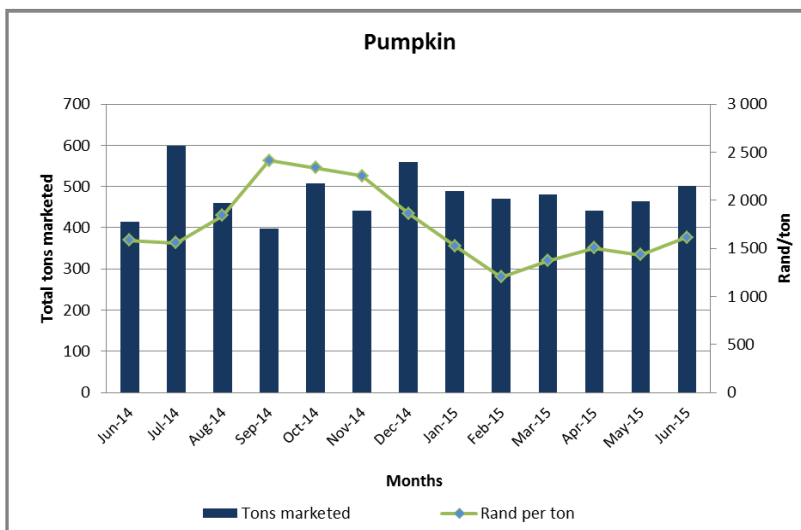


The volumes supplied during the month increased by 11% m/m (from 507 to 565 tons). The increased supply, resulted in average prices to experience downward pressure and further decrease by 18% from R 2 068 to R 1 701 per ton.

The quantity supplied to the market decreased by 12% y/y from 2 130 to 1701 tons, if compared to the same period in the previous year. This resulted in the average price per ton to decrease by 20% from R 2 131 to R 1 701 per ton.

## 1.8 Pumpkin

Figure 8: Pumpkin sales on the Cape Town Fresh Produce Market

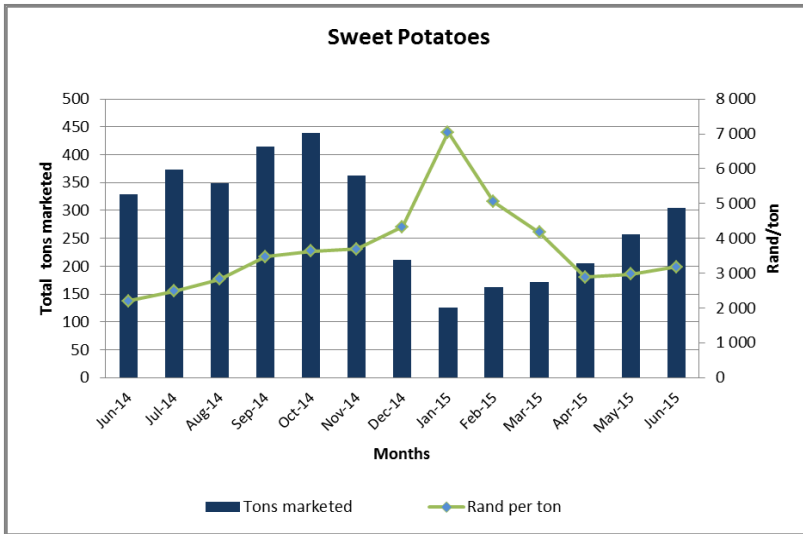


The volumes supplied to the market, increased by 8% m/m to 502 tons and was accompanied by upward pressurised prices which increased by 13% m/m from R 1 432 to R 1 614 per ton.

If compared to the same period in the previous year, the quantities supplied to the market improved by 21% y/y from 415 to 503 tons. Although volumes improved, the average price per ton moved upward by 2% y/y.

## 1.9 Sweet Potatoes

Figure 9: Sweet potatoes sales on the Cape Town Fresh Produce Market

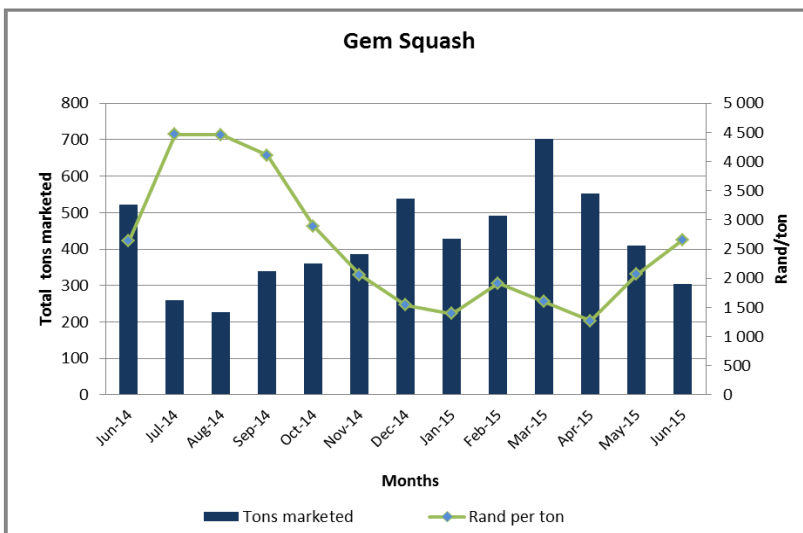


As per figure 9, the monthly volumes supplied to the market have been on an increasing trend as from January 2015 and continued to increase by 18% m/m to 305 tons in June 2015. The aforementioned was accompanied by prices that was pushed upward by 7% m/m reaching R 3 181 per ton.

If compared to the same period in the previous year, the average price per ton increased by 44% y/y which is evident due to the shortage in volumes supplied which was 8 % lesser ( from 330 to 304 tons) compared to the same period in the previous year.

## 1.10 Gem Squash

Figure 10: Gem squash sales on the Cape Town Fresh Produce Market

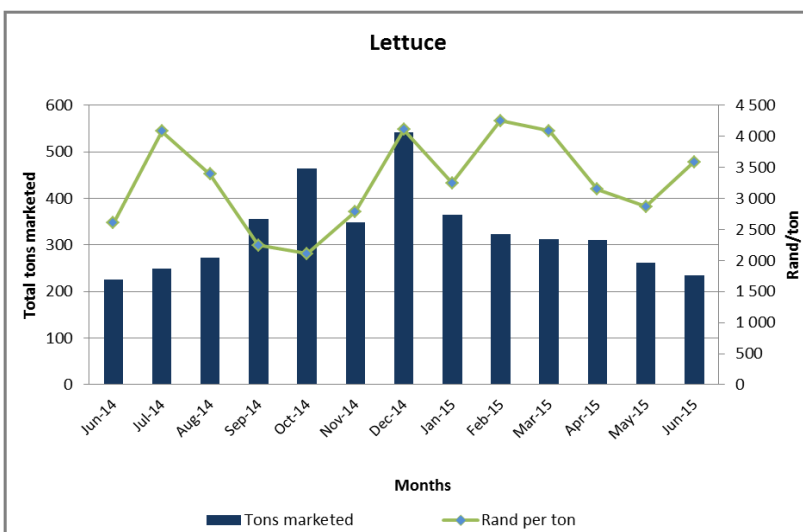


The volumes supplied to the market decreased by 26% m/m and reached 303 tons. This was accompanied by upward pressurised prices which further increased by 29% m/m, reaching R 2 658 per ton. As per figure 10, average prices have been on an increasing trend as from April 2015, due to the shortage in volumes supplied to the market.

If compared to the same period in the previous year, the volumes were lesser by 42% y/y from 522 to 303 tons. The average price obtained in June 2015, was however resistant to change and hence the % change was less than 1% y/y, compared to the previous year.

## 1.11 Lettuce

Figure 11: Lettuce sales on the Cape Town Fresh Produce Market

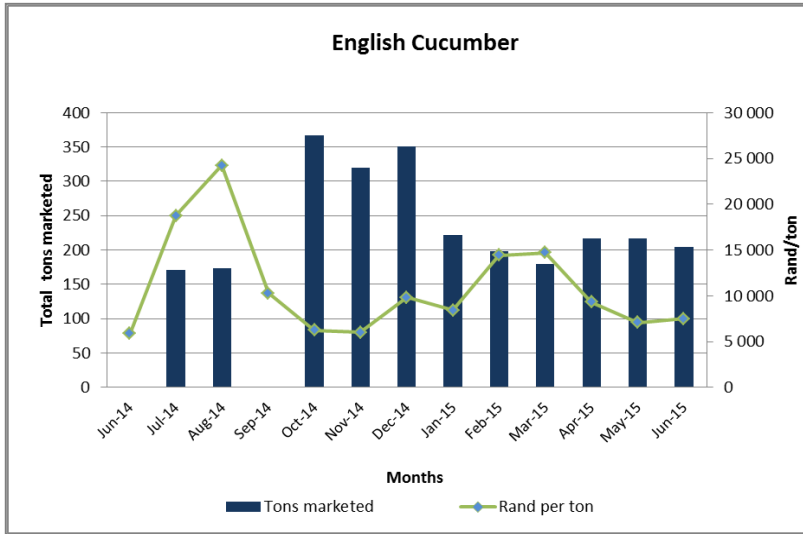


Volumes supplied during June 2015, decreased by 11% m/m from 261 to 234 tons. This was accompanied by a price increase of 25% m/m which resulted in prices to move upward from R 2 866 to R 3 588 per ton.

If compared on an annual basis, the volumes supplied increased by 4% y/y compared to the same period in the previous year. The average price was however pushed upward by 38% y/y, which could be due to changing weather conditions which is in general much drier than the norm (News24, 6 June 2015).

## 1.12 English Cucumber

Figure 12: English Cucumber sales on the Cape Town Fresh Produce Market



Quantities supplied to the market were lesser by 6% m/m (from 217 to 204 tons), if compared to the previous month. The average price per ton however increased by 6% m/m (from R 7 064 to R 7 519 per ton).

On the other hand, the volumes supplied during June 2015 increased by more than a 100% y/y from less than a ton to 204 tons. The weather conditions (i.e. frost and hail damage) mainly resulted in the shortage in supplies last year. Improved supplies, resulted in the average price per ton to move on an upward by 28% y/y from R 5 881 to R 7 519 per ton.



**TREND ANALYSIS OF NICHE VEGETABLE TYPES ON THE CAPE TOWN FRESH PRODUCE MARKET**

<b>PRODUCE NAME:</b> ( in order of the highest to lowest volumes sold during this month)	<b>AVERAGE TONS TRADED FOR JUNE 2015: (fons)</b>  <b>( A-Z)</b>	<b>CHANGE IN THE AVERAGE TONS TRADED FOR JUNE 2015: (m/m)</b>	<b>AVERAGE PRICE OBTAINED FOR JUNE 2015: (Rand per ton)</b>	<b>CHANGE IN THE AVERAGE PRICE MARKETED FOR JUNE 2015: (m/m)</b>
<b>Cauliflower</b>	<b>220</b>	< 100%	<b>4 489</b>	-27%
<b>Brinjals (Eggplant)</b>	<b>124</b>	40%	<b>2 965</b>	-17%
<b>Baby Marrow</b>	<b>117</b>	21%	<b>7 146</b>	-6%
<b>Green Beans</b>	<b>93</b>	-19%	<b>12 411</b>	84%
<b>Broccoli</b>	<b>69</b>	11%	<b>8007</b>	-17%
<b>Sweetcorn</b>	<b>58</b>	-49%	<b>10 786</b>	63%
<b>Beetroot</b>	<b>51</b>	3%	<b>4 496</b>	8%
<b>Leeks</b>	<b>47</b>	42%	<b>3 391</b>	9%
<b>Spinach</b>	<b>37</b>	15%	<b>7 346</b>	-4%
<b>Hubbard Squash</b>	<b>28</b>	-28%	<b>1 356</b>	-26%
<b>Spring Onions</b>	<b>18</b>	-44%	<b>12 211</b>	60%
<b>Mushrooms</b>	<b>4.69</b>	-4%	<b>44 149</b>	4%
<b>Radish</b>	<b>4</b>	9%	<b>4 717</b>	10%
<b>Patty Pans</b>	<b>3.57</b>	-34%	<b>9 722</b>	36%
<b>Marrow</b>	<b>2.4</b>	13%	<b>1 234</b>	-18%
<b>Quinces</b>	<b>0.5</b>	-87%	<b>5 705</b>	13%



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

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### 2.1 Key points noted at the Fertiliser Association of Southern Africa (FERTASA) Annual Congress 2016

FERTASA has held its annual congress during April 2015 in Somerset West, Cape Town. The theme of the congress was “*Food production for a growing population in Southern Africa*”.

Key outcomes of the congress, includes the following (though not limited to):

- The Department of Agriculture, Forestry and Fisheries (DAFF) has agreed to separate the Fertiliser Bill, in an attempt to regulate the industry more rigorously. In addition it aims to protect the environment and the consumers which are affected through the primary use of fertilisers, as well as to protect producers from the suspicious trade of fertiliser products.
- Proposed changes to the Fertiliser, Fertiliser Feeds, Agricultural Remedies and Stock Remedies Act 36 of 1947 were tabled before the Registrar, to control the use of zinc-cyanide as a key ingredient in fertiliser products.
- In addition, the industry association has a drafted guidelines for the registration of ‘group 3’ fertiliser category, in addition to the existing legislation.

Sources: DAFF news (May 2015) and FERTASA (2015).

### 2.2 Department of Trade and Industry (DTI) national pavilion list 2015/16

Click [here](#) to view the DTI national pavilion list for international trade exhibitions that has been prioritised for the current financial year ending 31 April 2016.

Source: DTI (2015)

### 2.3 Ghanaian exports requested to pull-socks in order to maintain European Union (EU) market

Vegetable exports destined for the European Union (EU), has been requested to be compliant to EU regulations, as the EU country has approximately 60% market share in

Ghana's edible vegetable, roots and tubers exports (HS07) in 2014.

A task team from the Ministry of Food and Agriculture has once again reiterated the importance of traceability and good agricultural practices to ensure that market conditions are being met.

Ghana currently exports 4,000 metric tonnes of vegetables and is in a process to launch the Ghana Green Label – to provide farmers whom comply with certification, in an attempt to enhance exports.

Source: Freshplaza (2015) and ITC (2015).

### 2.4 Uganda imposed a self-ban on fresh produce exports destined to the EU

The Ugandan government and industry stakeholders agreed to a one month self-imposed ban for all fresh produce affected by infestation of undesirable harmful organisms for all exporters whom are non-compliant with the EU standards regulations with immediate effect from May 2015. The ban expired in June, and reinstated export companies that have been under evaluation and obtain clearance by the Ministry of Agriculture, Animal Industry and Fisheries to resume exports.

The country has lost approximately USD 63.9 million in export revenue in the one month self-imposed ban. The European Union remains the biggest export market for Ugandan fresh produce and fresh products such as fish, flowers and agricultural products earning the economy more than USD 800 million per annum.

Source: Freshplaza (2015).

### 2.5 Southern African Development Community (SADC) and the EU closer in settling the Economic Partnership Agreement (EPA)

The SADC EPA group consists of the seven SADC member states out of the 15 countries situated in the Southern section of Africa, which are the five Southern Africa Customs Union (SACU) member states: Botswana,



Namibia, Swaziland, Lesotho and South Africa, plus Angola and Mozambique.

The Trade Ministry of Botswana (coordinator of SADC states) and the EU Commissioner have reiterated their commitment to conclude the process leading to the signing, ratification, and enforcing the EPA.

Source: Freshplaza (2015)

## **2.6 Resistance against new pest destroying vegetables in Uganda**

Ugandan agriculture experts have warned that new pests and diseases are destroying most of the indigenous crop varieties such as cassava, maize, bananas, sweet potatoes, ground-nut and rice among other staple crops. Plans are underway to develop disease resistant crops. Agricultural crop losses were mainly caused by indigenous varieties that become resistant to new diseases and pests.

Source: Fresh plaza (2015).

## ACKNOWLEDGMENTS

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*The following institutions and organisations are hereby acknowledged:*

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

FERTASA: [www.fassa.org.za](http://www.fassa.org.za)

Freshplaza: [www.freshplaza.com](http://www.freshplaza.com)

International Trade Centre (TradeMap): [www.trademap.org](http://www.trademap.org)

News24: [www.news24.com](http://www.news24.com)

Potatoes South Africa (SA): [www.potatoes.co.za](http://www.potatoes.co.za)

Techno Fresh CRM: [www.technofresh.co.za](http://www.technofresh.co.za)

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