



## Monthly vegetable market report



Marketing and Agri-Business Section

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## MONTHLY MARKET INFORMATION REPORT: VEGETABLES

Period under review: May 2013 to May 2014

Issue: 2014/4

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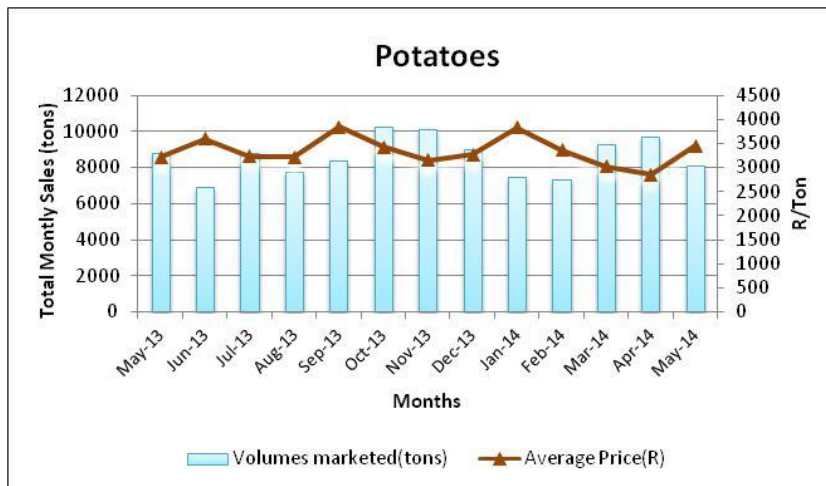
## INTRODUCTION

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

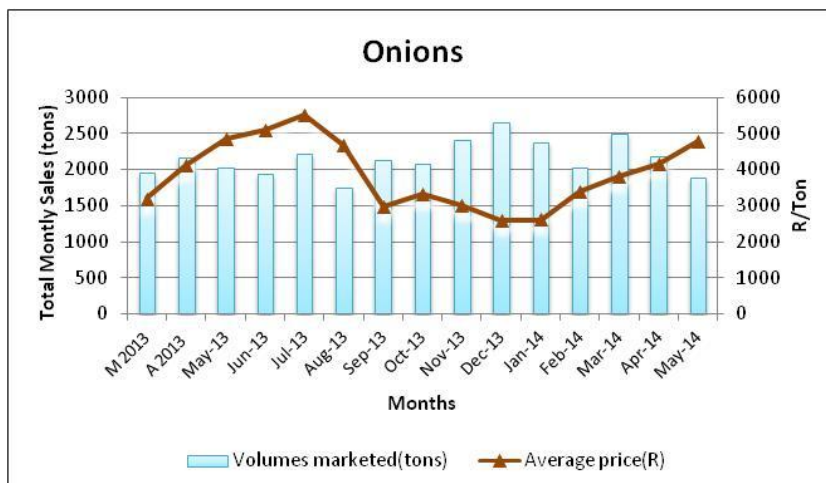


The total marketed volumes decreased by 8.5% y/y, which resulted in the average prices obtained being 7.4% y/y higher than the same period in the previous year. The average price realised was R3470 per ton.

On a monthly basis, the volumes marketed decreased by 16.5% y/y, which pushed the average prices upwards by 21.3% y/y to R3470 per ton.

### 1.2 Onions

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



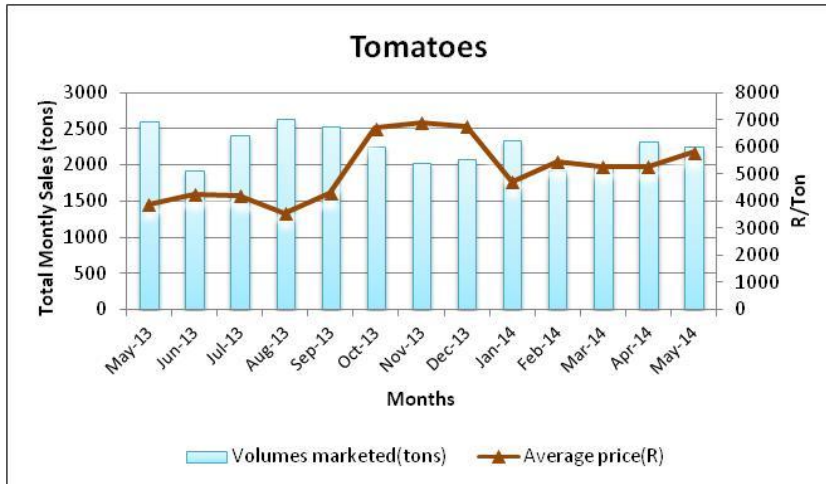
The total volumes marketed decreased by 7% y/y to reach 1889 tons in May 2014, which pressurised prices downward by a 1.1% y/y to reach R4790 per ton.

If compared to the previous month, the volumes marketed decreased by 13.2% m/m, which pushed the average price marketed to maintain an increasing trend and to increase by 15.4% m/m to reach R4790 per ton compared to R4150 per ton

reached in the previous month.

### 1.3 Tomatoes

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

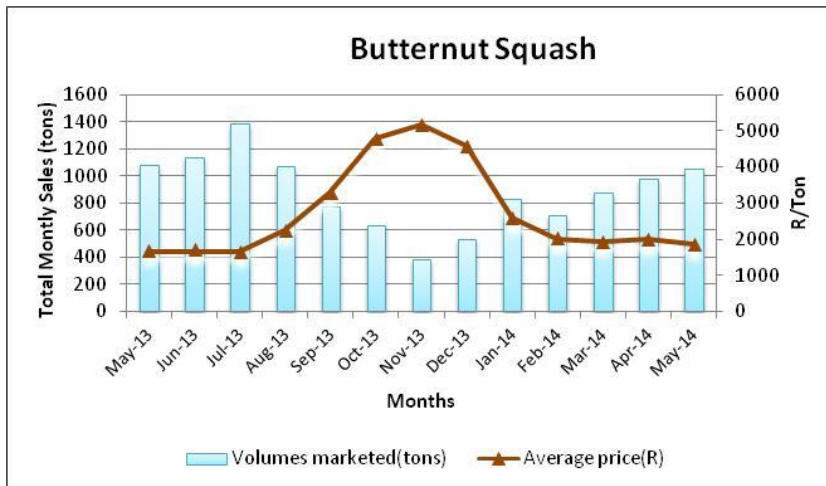


Volumes marketed for May 2014, decreased by 13.1% y/y to 2259 tons, which pushed prices by 50.2% y/y to reach R5800 per ton.

If compared to the previous month, marketed volumes decreased by 2.5% m/m, which pushed prices up by 10.5% m/m. Since February 2014, the average prices maintained only a slight increase on a monthly basis.

### 1.4 Butternut squash

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

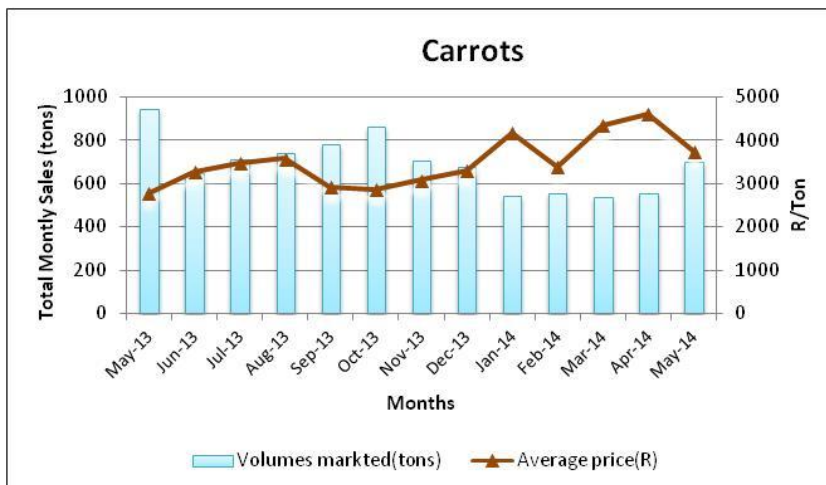


The total volumes marketed decreased by 2.7% y/y to reach 1052 tons, which contributed to better prices being obtained as a result of the 11.1% y/y increase which pushed prices to reach R1870 per ton.

If compared on a monthly basis, the volumes marketed increased by 7.1%, which pressurised prices downward by 6.5%. This could be a direct result of the monthly increase in the volumes marketed.

### 1.5 Carrots

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



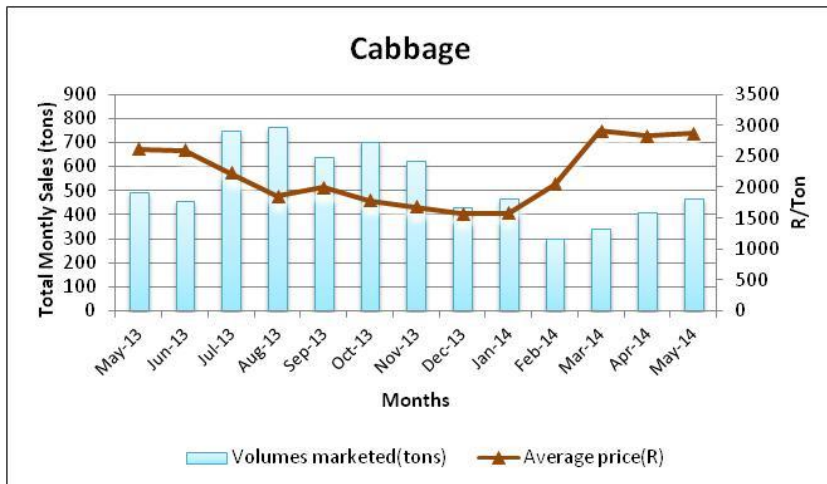
Volumes marketed decreased by 25.9% y/y if compared to the same period in the previous year. Higher prices were obtained as compared to the previous year in May – the average price per ton increased by 34.6%, which resulted in R3700 per ton.

If compared to the previous month, the volumes marketed increased by 26.6% m/m to 698 tons, which pressurised prices downward by 18.7% to reach R3730 per ton as compared to the previous months, R4590 per

ton.

## 1.6 Cabbage

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



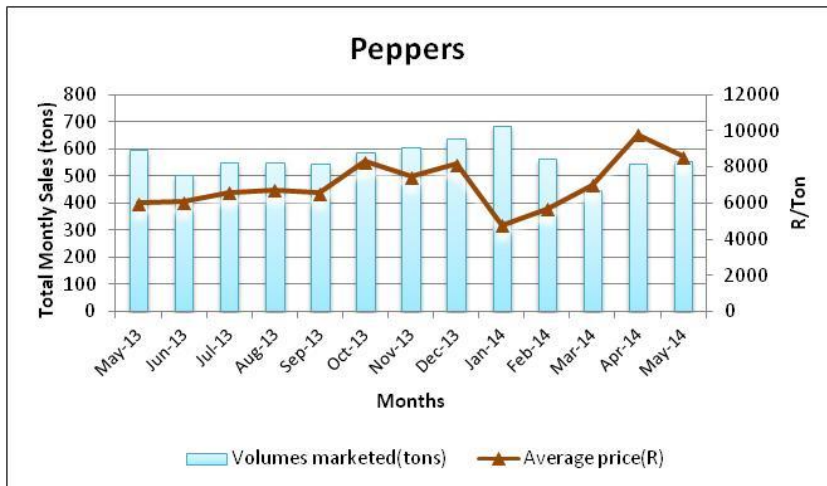
The total volumes marketed for May 2014, decreased by 5.9% y/y if compared to the same period in the previous year. The average price obtained per ton was 9.9% higher than the previous year, which resulted in an average price obtained of R2880 per ton.

If compared to the previous month, the volumes marketed increased by 13.5% m/m, which pushed the average price per ton by a mere 1.8% m/m to reach

R2880 per ton.

## 1.7 Peppers

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

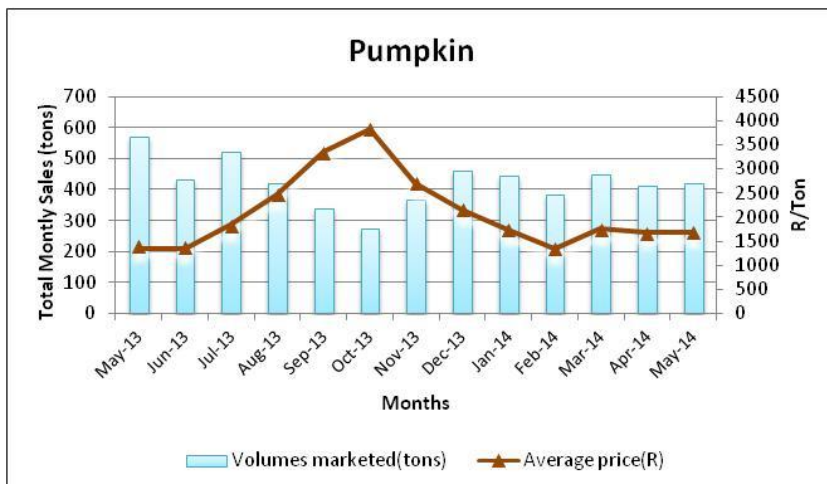


The volumes marketed decreased by 7.5% y/y to 553 tons, which pushed prices by 43.2% y/y to R8550 per ton if compared to the same period in the previous year.

If compared on a monthly basis, the volumes marketed increased by a mere 1.3% from 546 tons, which pressurised the average price per ton by 12.3% from R9750 obtained in the previous month to R8550 per ton in May 2014.

## 1.8 Pumpkin

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

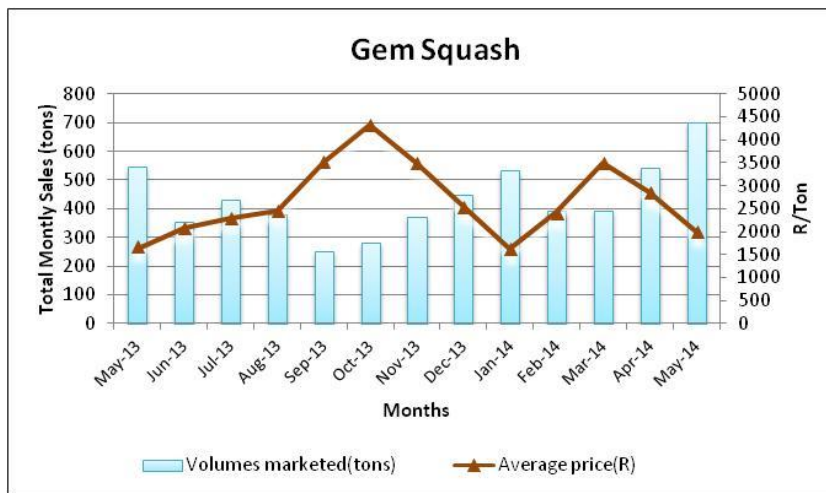


Pumpkin volumes marketed decreased by 26.8% y/y to 419 tons, which resulted in much higher prices being obtained if compared to the same period in the previous year – the average prices increased by 21% y/y to reach R1680 per ton.

On a monthly basis, the volumes marketed increased by 1.5% m/m, which slightly pushed prices by 0.6% - which is a R10 price difference from the previous month price of R1670 per ton.

## 1.9 Gem Squash

Figure 9: Gem squash sales on the Cape Town Fresh Produce Market

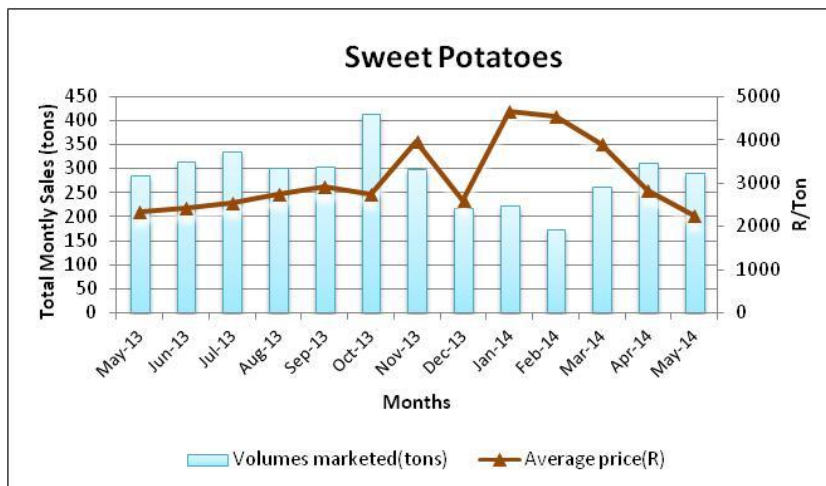


The total marketed volumes increased by 28.6% y/y to 703 tons, accompanied by an increase in the average price by 18.9% y/y to reach R2010 per ton.

On a monthly basis, the total monthly volumes has maintained an increasing trend from February/March 2014 and has increased by 29.3% m/m from April to May 2014, which pressurised prices by 29.5% m/m from R2850 per ton to R2010 per ton respectively.

## 1.10 Sweet Potatoes

Figure 10: Sweet potatoes sales on the Cape Town Fresh Produce Market

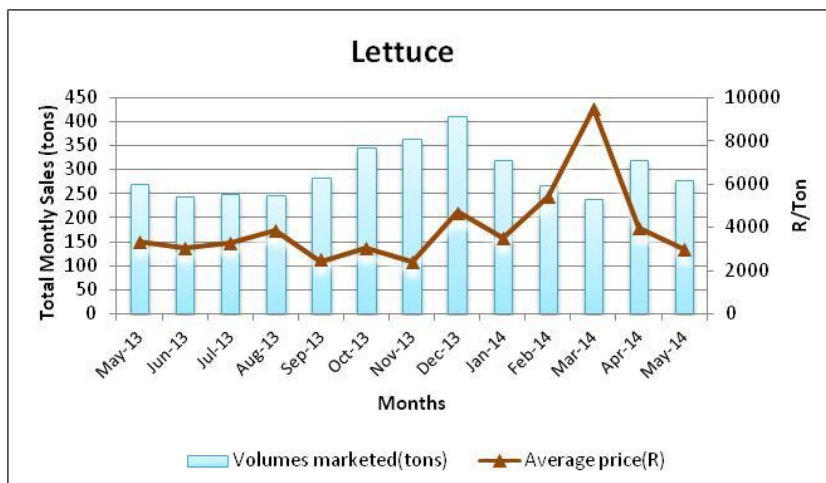


The total volumes marketed increased by 2.4% to reach 292 tons in May 2014, which pressurised prices downward by 3.2% to reach R2260 per ton.

If compared to the previous month, the volumes marketed decreased by 6.7%, which was accompanied by a decrease of 20.1% in the average price marketed in May.

## 1.11 Lettuce

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



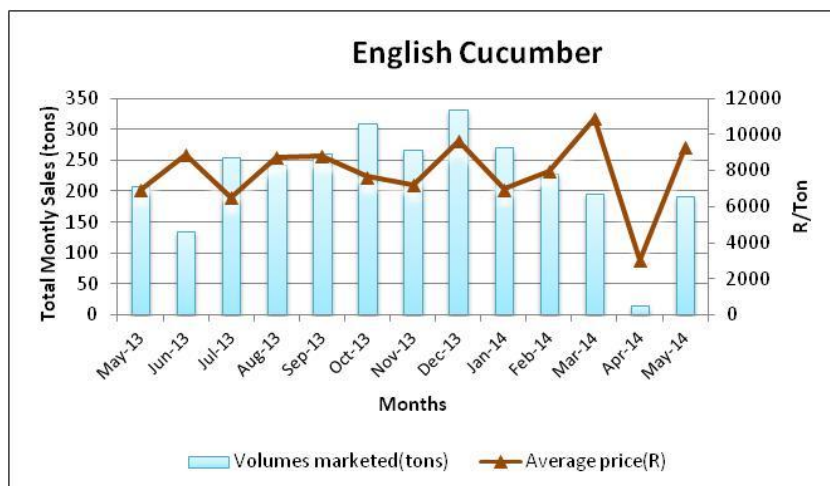
The total volumes marketed increased by 3% y/y if compare to the same period in the previous year to reach 277 tons in May 2014. As a result the average price per ton decreased 10.9 % y/y from R3334 to R2970 per ton.

On a monthly basis, the volumes marketed decreased by 13.5% m/m from 320 to 277 tons, which was accompanied by a pressurised prices obtained of R2970 – which is a 25%

decreased compared to the previous month.

## 1.12 English Cucumber

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



Pumpkin volumes marketed decreased by 8.2% y/y to 191 tons, which resulted in much higher prices being obtained if compared to the same period in the previous year – the average prices increased by 8% y/y to reach R9270 per ton.

The volumes marketed for May 2014, increased by 1240% m/m, was pushed prices obtained by 208% - an R6262 per ton difference from the previous month price of R3008 per ton. This provides an

indication that the market has somehow recovered from the past month limited supply and distorted quality problems due to the weather challenge

### OTHER MARKET MOVEMENTS ON THE CAPE TOWN FRESH PRODUCE MARKET INCLUDE THE FOLLOWING:

Produce Name	Average tons marketed: May 2014	Average price obtained per ton: May 2014
Cauliflower	179	R4670
Beetroot	57	R8200
Mushrooms	2.28	R47000

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



### Australian vegetable industry growth<sup>1</sup>

The vegetable industry in Australia has grown by AU\$500 million for the 12 month from \$3, 3 billion (2011/12) to \$3, 8 billion (2012/13), according to the Australian Bureau of Statistics.

The main produce items which contributed to the growth in 2012/13 are:

- Potatoes: \$690 million (largest)
- Tomatoes: \$439 million
- Mushrooms: \$285 million
- Melon: \$234 million
- Onions: \$200 million
- Carrots: \$194 million
- Positive production growth was experienced in: lettuce (43%), melons (36%) and tomatoes (23%).
- Negative production growth was experienced in: carrots (-15%), onions (-13%) and capsicums (-8%)

<sup>1</sup> Refer to Fruit Plaza – [www.freshplaza.com](http://www.freshplaza.com)



### **World Tomato Congress: China competition highlighted<sup>2</sup>**

At the recently held World Tomato Congress, the competition provided by China was the highlight of the congress with special reference of food safety (toxin contamination), labelling of tomato from China as "real Italian tomatoes" was in the order of the day –Chinese production grew by 40% over a 2 year period.

### **EU to increase Chinese garlic import quota<sup>3</sup>**

As from 1 July 2014, the Chinese garlic import quota to the European Union (EU) has been increased by 12,375 tonnes to 46,075 tonnes.

### **Kenyan tomatoes disease battle<sup>4</sup>**

A new tomato disease (name unknown) is hampering the Kenyan tomato sector, which stands to lose the sector Kenyan shilling (Sh) 14 billion per annum. The Agriculture ministry is currently investigating mitigation measures to address the problem.

### **Global cucumber production exceeds 65,000 tons<sup>5</sup>**

Global production exceeded 65,000 million kilogram in 2012. The main market leaders are China (48,000 million kilograms = 73% of global production), followed by Turkey (1,742 million kilograms = 2.68%), Iran (2.46%) and lastly Spain (1,09 million kilograms).

### **South African vegetable industry volume and price growth<sup>6</sup>**

Volumes of horticultural produce have somewhat been stable (taken the production supply of produce into account against the demand thereof) over the past 20 years (1994 to 2014), with a 59% increase over the mentioned period. The major vegetable produce contributors are the potatoes (1, 3 to 2, 2 million ton) and tomatoes (400 thousand to 516 thousand ton). Produce such as cabbage has declined over this period. The average price increase of vegetables has increased by 200% over the 20 year period.

For more information, refer to the t of Agriculture, Forestry and Fisheries –Abstract of Agricultural Statistics 2014: [www.daff.gov.za/docs/statsinfo/Abstract2014.pdf](http://www.daff.gov.za/docs/statsinfo/Abstract2014.pdf)

## **ACKNOWLEDGMENTS**

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The following information sources are hereby acknowledged:

Fresh Plaza

<http://www.freshplaza.com>

Landbouweekblad

[www.landbou.com](http://www.landbou.com)

Techno Fresh CRM

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

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<sup>2</sup> Refer to Fruit Plaza – [www.freshplaza.com](http://www.freshplaza.com)

<sup>3</sup> Refer to Fruit Plaza – [www.freshplaza.com](http://www.freshplaza.com)

<sup>4</sup> Refer to Fruit Plaza – [www.freshplaza.com](http://www.freshplaza.com)

<sup>5</sup> Refer to Fruit Plaza – [www.freshplaza.com](http://www.freshplaza.com)

<sup>6</sup> <http://landbou.com/bedrywe/groei-in-volume-pryse-van-landbouprodukte/>

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