

## SEASONAL VARIATION IN PRICES

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Prices of vegetables are governed by the law of supply and demand. When the supply of any vegetable exceeds the demand for that product, prices tend to be lower than average. Similarly, when the demand exceeds the supply, prices tend to rise. Often small changes in quantities offered for disposal on the National Markets have a magnified effect on prices.

The year-round availability of processed vegetables (frozen, canned and, to a lesser extent, dehydrated) may reduce demand for the fresh product, particularly when prices are inflated. The availability of other products, which can be used as substitutes for a particular vegetable, may also play a role. Thus, when potatoes are very expensive, there is a greater consumption of sweet potatoes, rice and maize products. Various vegetable marrows or squash may substitute for pumpkins.

The demand for a specific vegetable is also affected by changes in consumer preferences and eating patterns, and by change of the season. Salad crops are more popular during the warmer summer months, while those vegetables used for cooking and for soups are more in demand during the cooler, winter period. Changes in living standards, and increasing urbanisation of the population, affect the type of food that families consume.

When prices have been abnormally high for some while, many farmers who do not normally grow the particular crop attempt to capitalise on these prices by growing the crop. This leads to over-supply of the commodity, with resultant low prices. After periods of low prices, some growers discontinue production, resulting in a drop in supply and higher prices. It is usually only the consistent producer who makes a financial success of vegetable farming over the long term.

The prevailing climate in the production areas is the major cause of fluctuations in the seasonal supply of vegetables, and thus of prices. Frost-sensitive crops are usually only produced in summer in most areas of the country. The supply of vegetables intolerant of cold temperatures increases in summer, and lower prices prevail for these crops. In winter, and especially in spring, production of such warm-season crops is restricted to a few frost-free areas. Producers in such areas may thus expect higher prices for their products.

The opposite trend occurs with heat-sensitive crops, which require cooler conditions for best yields and quality. In such cases, prices tend to be lower in winter and spring, and higher in the summer-to-autumn period.

Another complicating factor is that, while the climate at a particular time of year may favour crop growth, it may also favour disease development or pest incidence. This may make production of a specific vegetable more difficult, or more costly, with the added input of necessary control measures. Losses from pests and diseases can affect the supply situation, and prices at that time of year will rise with shortages.

Apart from seasonal trends, the forces of nature can have a very marked effect on supplies and prices realised for vegetables. For example, floods, hail, storms or disease may cause an unseasonal shortage of a particular crop, and prices can rise dramatically. Heavy rains may delay harvesting operations. This could result in a sharp rise in fresh produce prices, followed by a slump when excess supplies reach the market with simultaneous harvesting of the delayed crops.

In spite of all the factors which are capable of affecting market prices, there are very

distinct seasonal price trends. This fact can be used to advantage by any prospective grower, provided that the environmental conditions at his production unit allow for the production of a specific crop at a time when more favourable prices are likely. In general, production of good yields of quality vegetables will be economic, even with relatively depressed prices. The following information on price trends for various time periods is provided for growers in order that they are able to make more informed decisions when planning their vegetable production. Data for the Durban National Market are given.. Prevailing prices for a commodity may be higher at another National Market in the country and may make it advantageous to re-direct produce deliveries to the more buoyant market.

Note that 100 denotes the mean annual price in each of the following graphs:

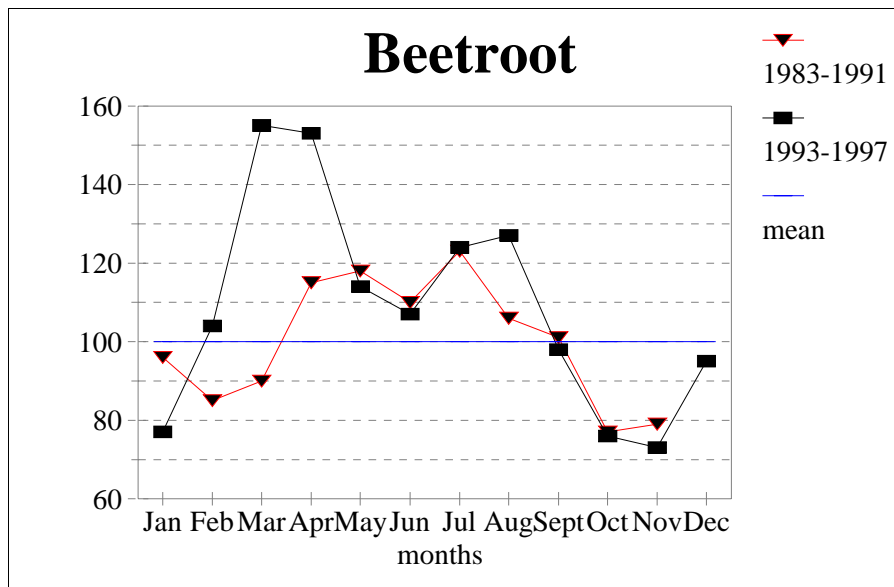


Figure 1(a): Market price trends for beetroot.

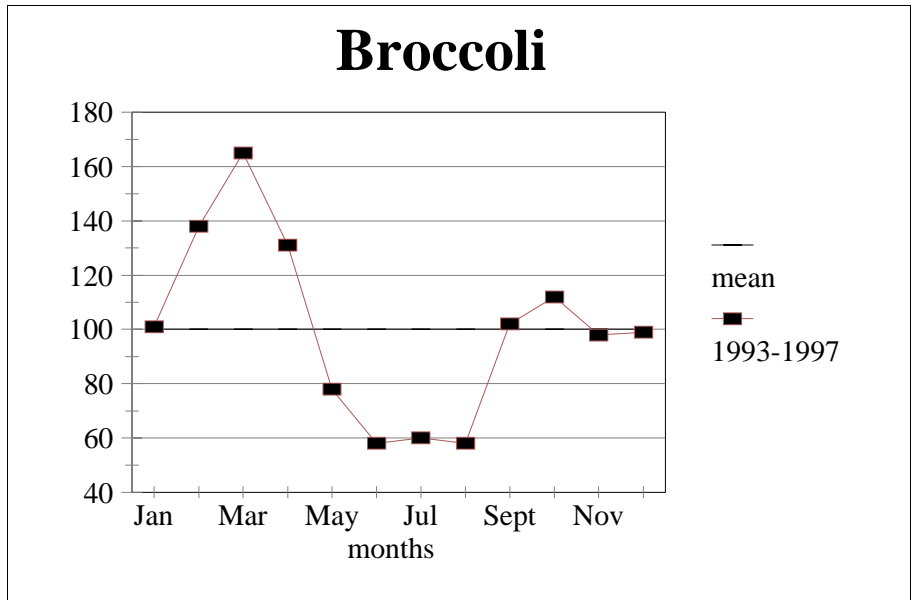


Figure 1(b): Market price trends for broccoli.

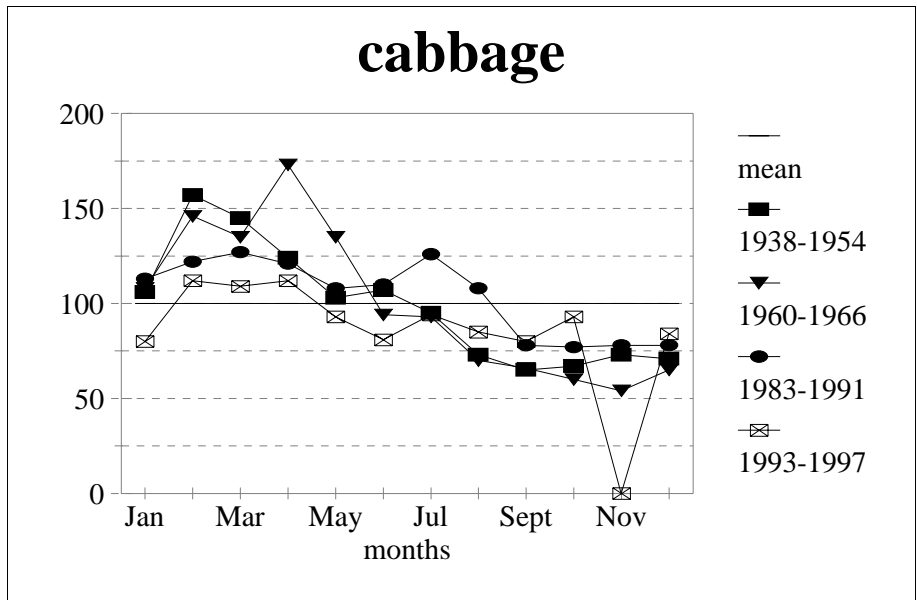


Figure 1(c): Market price trends for cabbage.

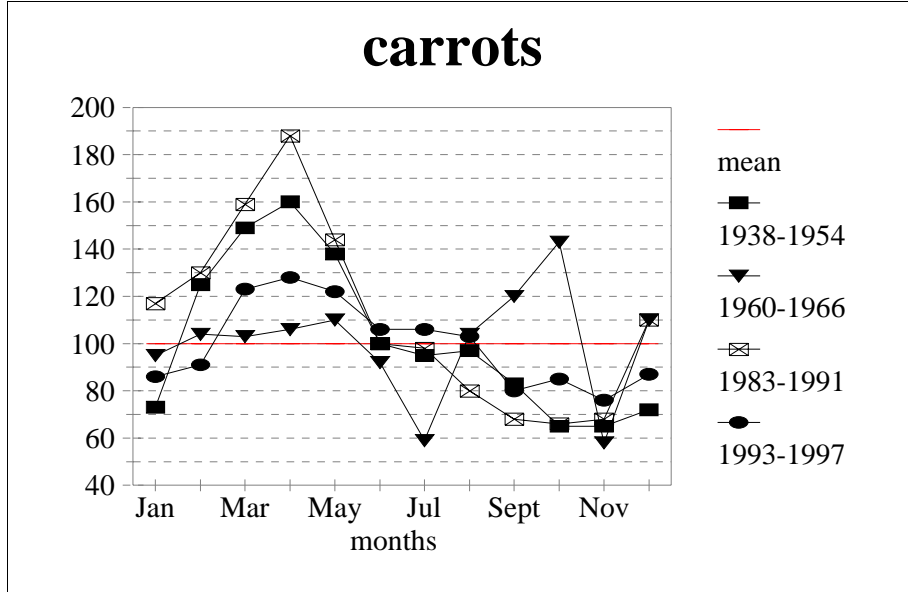


Figure 1(d): Market price trends for carrots.

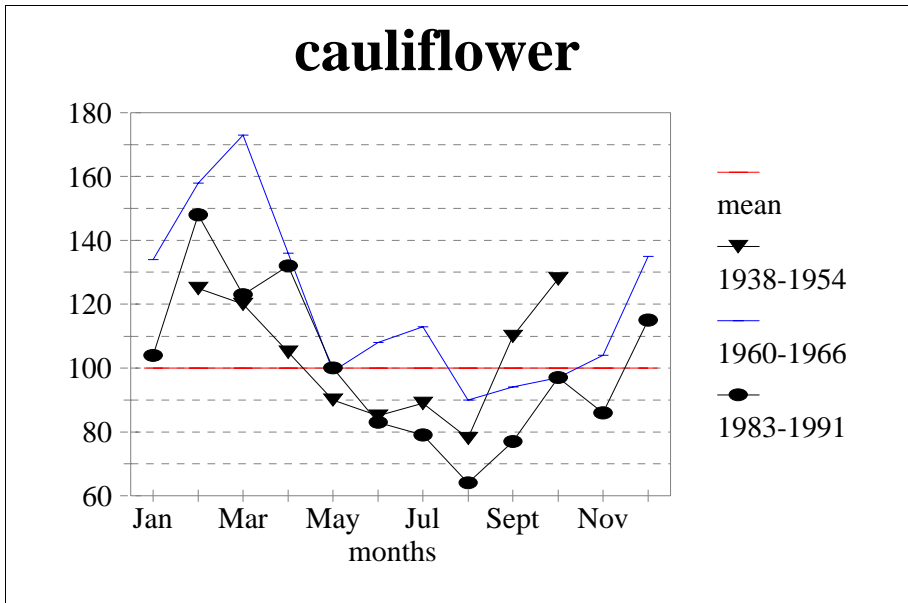


Figure 1(e): Market price trends for cauliflower.

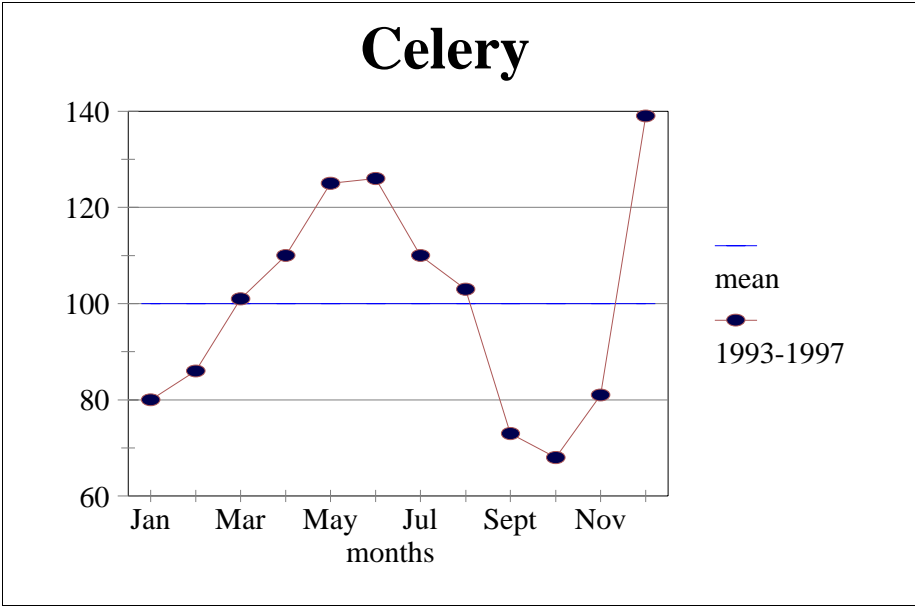


Figure 1(f): Market price trends for celery.

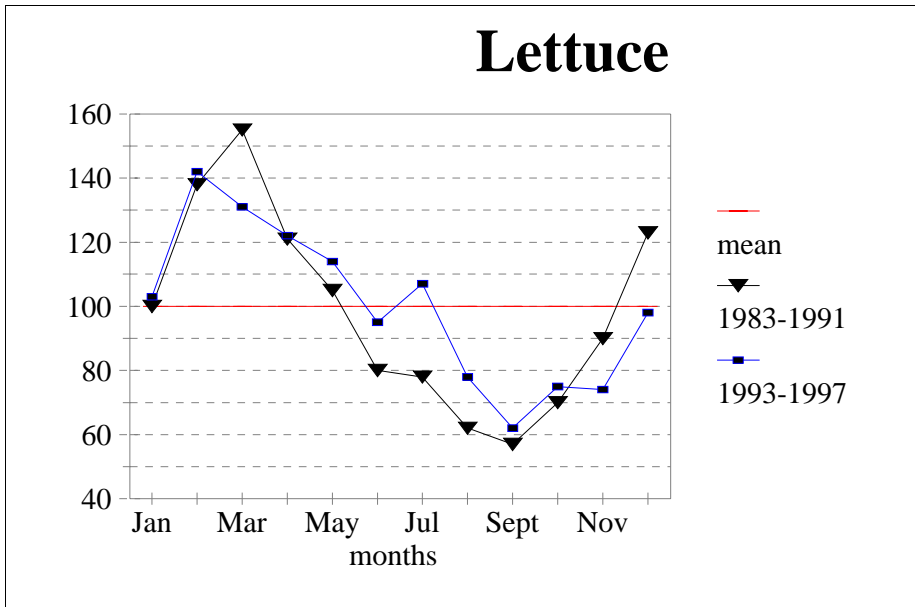


Figure 1(g): Market price trends for lettuce.

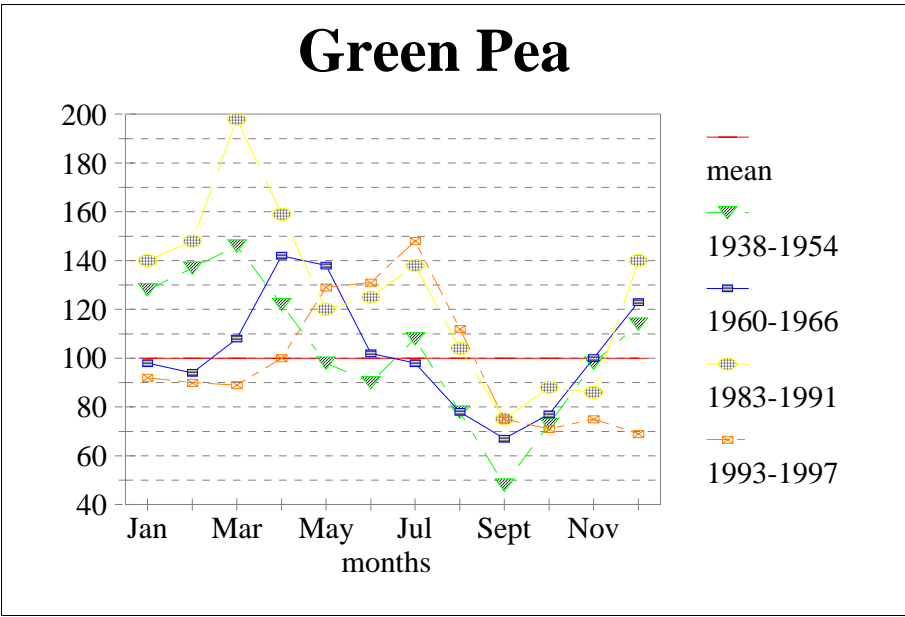


Figure 1(h): Market price trends for green pea.

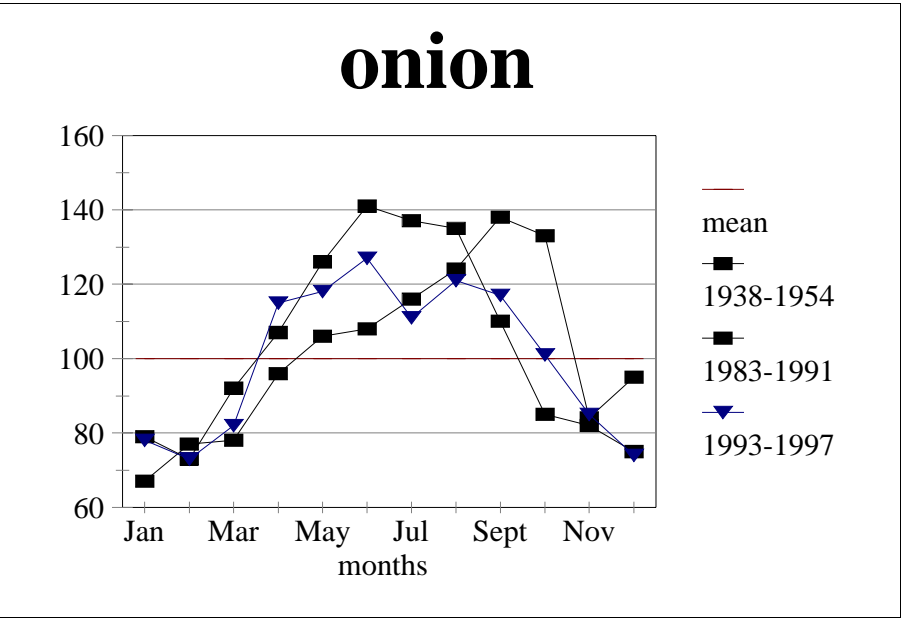


Figure 1(i): Market price trends for onion.

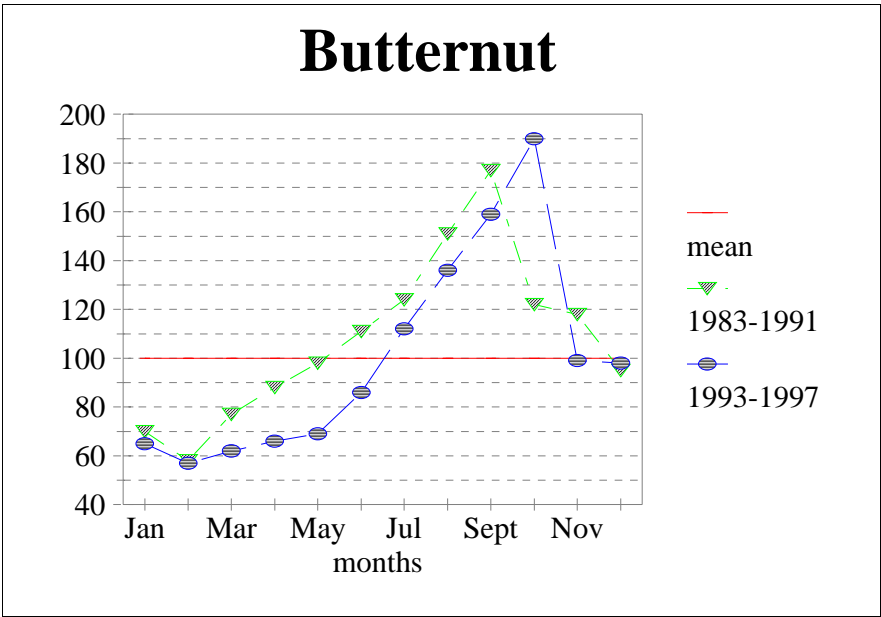


Figure 1(j): Market price trends for butternut.

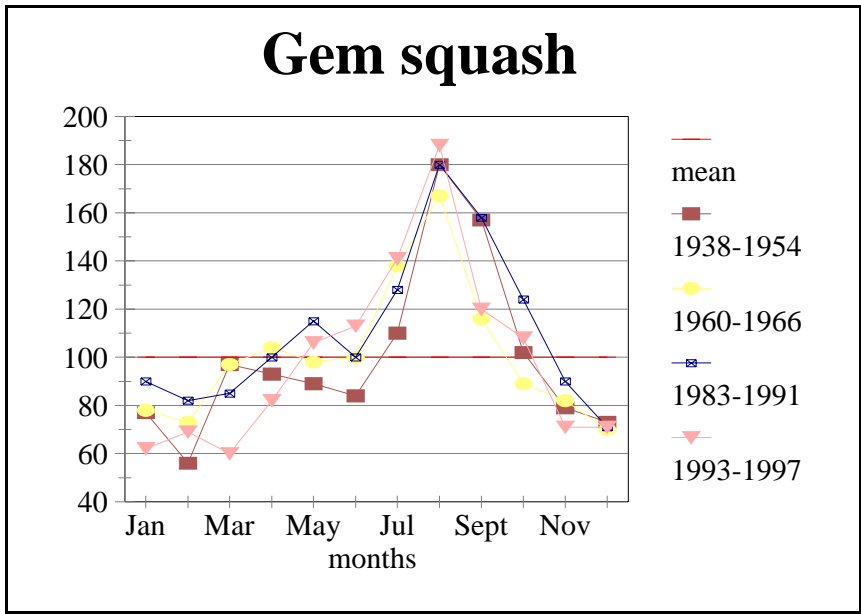


Figure 1(k): Market price trends for gem squash.

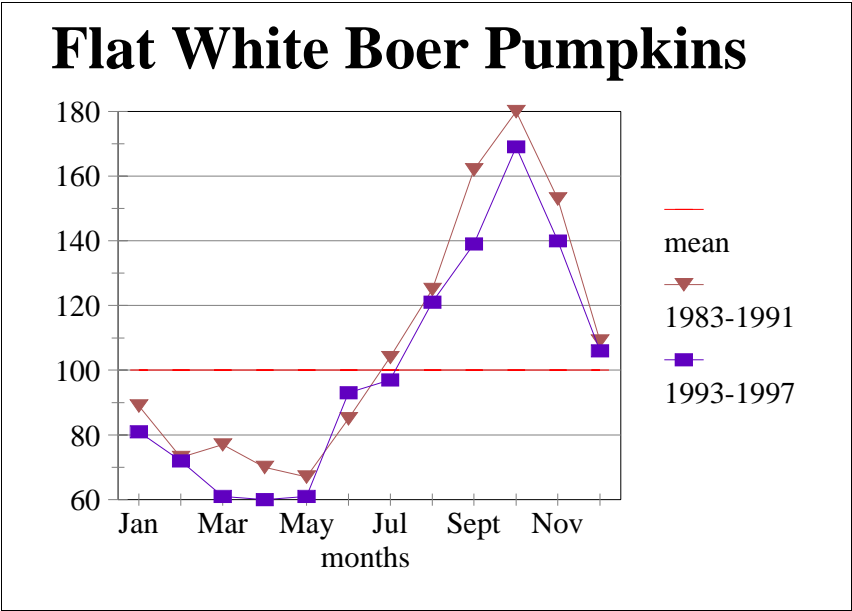


Figure 1(l): Market price trends for Flat White Boer pumpkins.

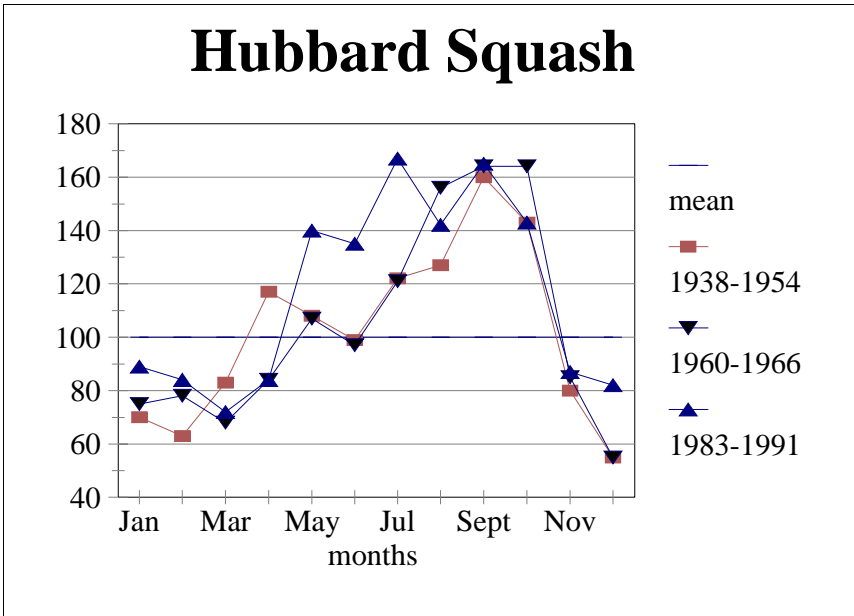


Figure 1(m): Market price trends for Hubbard squash.



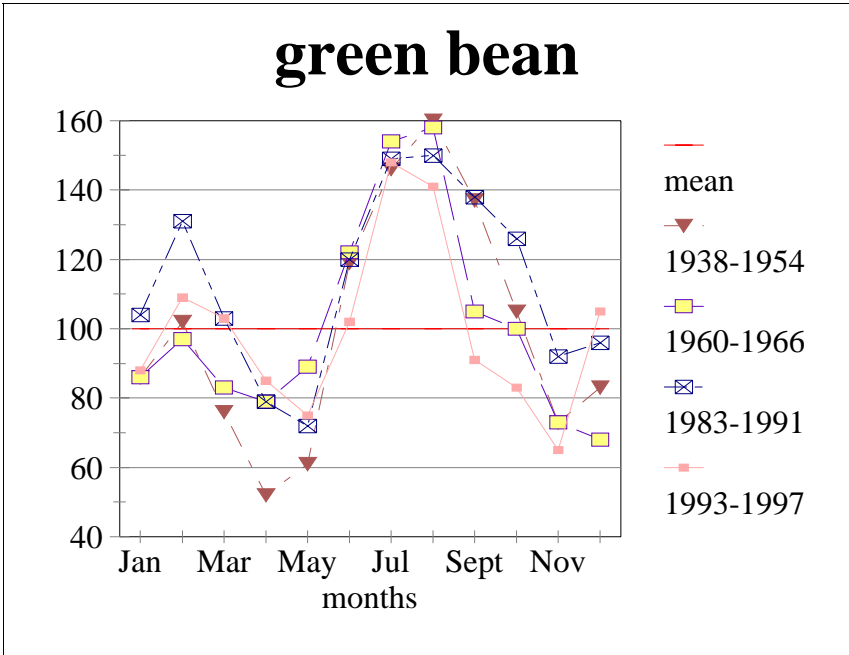


Figure 1(n): Market price trends for green beans.

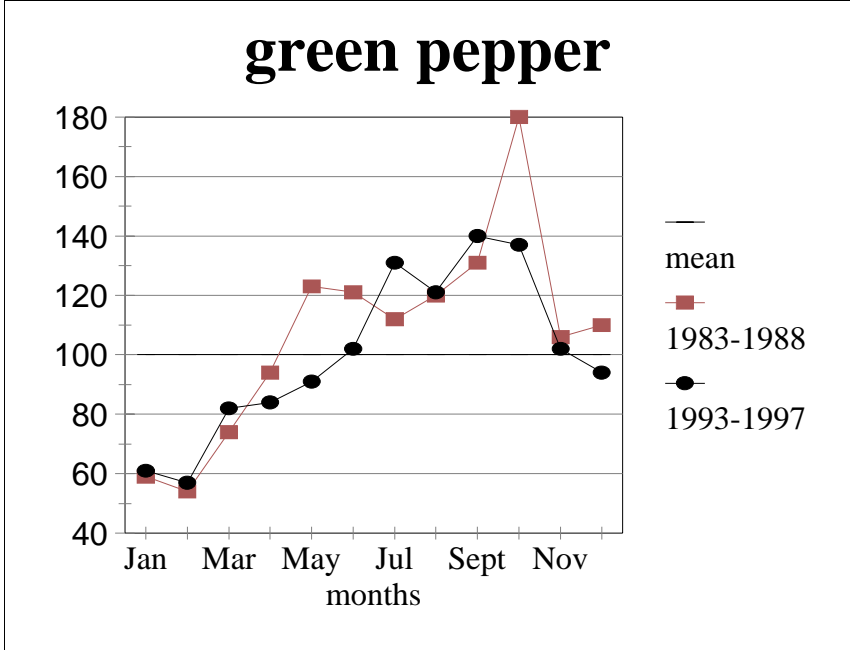


Figure 1(o): Market price trends for green pepper.

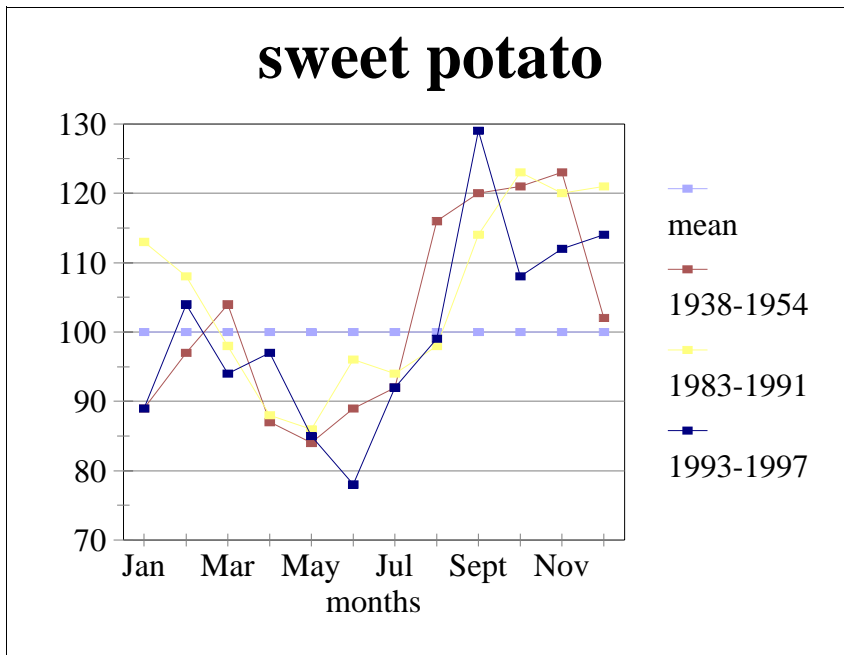


Figure 1(p) : Market price trends for sweet potato.

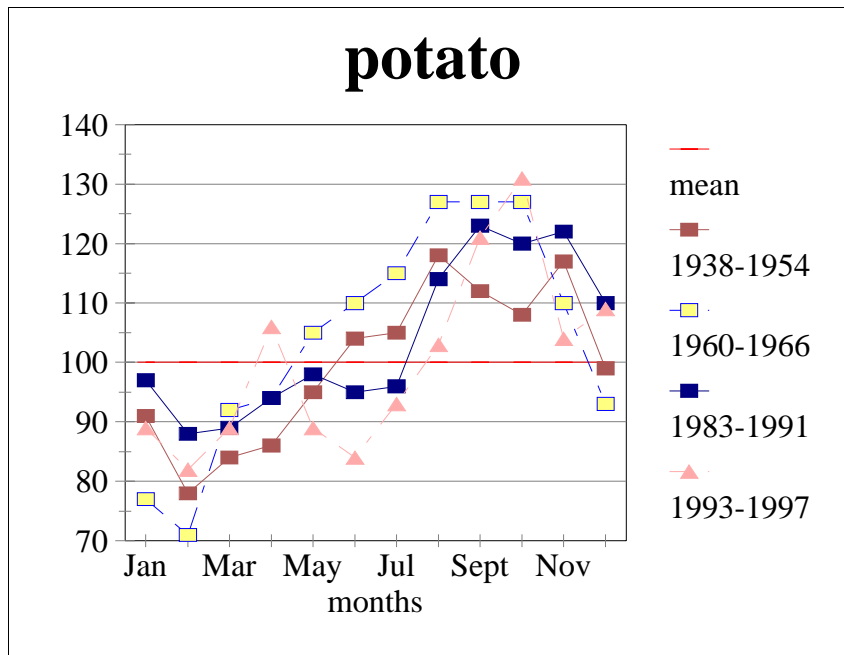


Figure 1(q): Market price trends for potato.

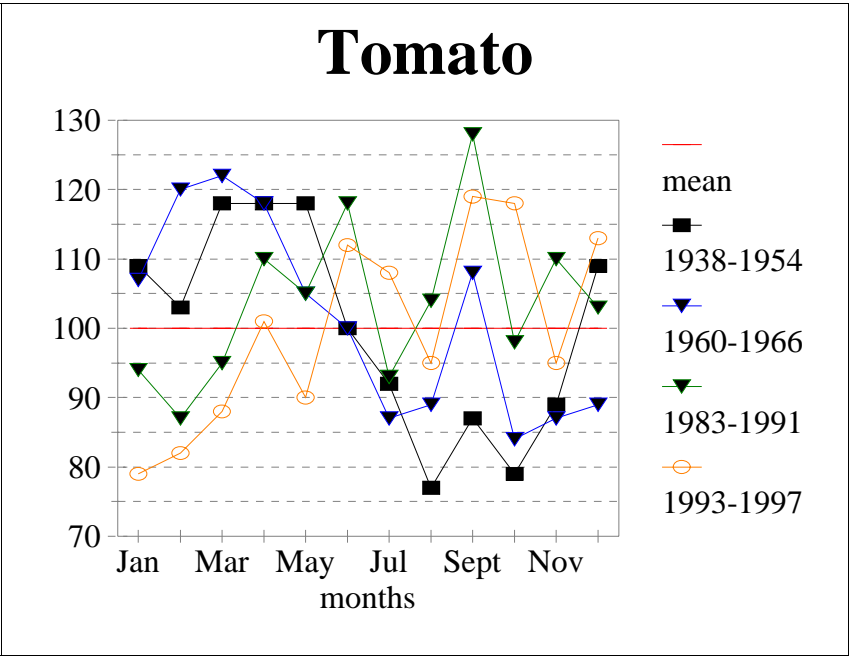


Figure 1(r) : Market price trends for tomato.