



agriculture & rural development

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PROVINCE OF KWAZULU-NATAL

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Fresh Produce Market Analysis Report for Quarter 1 (Jan-March 2016)

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1. INTRODUCTION

The main purpose of this publication is to present a quarterly analysis of KwaZulu-Natal (KZN) Fresh Produce Markets volumes, prices and trends at the Pietermaritzburg and Durban Fresh Produce Markets (FPM). The bulletin will cover trend analysis relating to prices (R/ ton) and volumes (tons) of the selected vegetables sold at the two markets, considered to be of importance due to the area under production within KZN and/or marketed volumes. The interval covered in the current issue quarter 1 of 2015 (January-March 2015) which will be compared with Quarter 1 of 2016 (January- March 2016).

This document focuses only on the following commodities: potatoes, sweet potatoes, onions, carrots, cabbage, lettuce, pumpkins, gem squashes, butternut squashes, tomatoes, peppers and English cucumber however the combination of selected vegetables might change over time due to relevance.

2. SUMMARY

Volumes have declined overall in both the Pietermaritzburg and Durban FPMs, this can be attributed to the drought that affected the province and most parts of South Africa last year 2015 into 2016 as well. Prices have responded as expected by showing an upward trends overall as well. The Pietermaritzburg FPM is the most volatile market in terms quantities and prices fluctuations. Vegetables that have declined the most in term of quantities for the quarter looking at both PMB and DBN markets were potatoes (34%), followed by pumpkins (23%), gem squash (23%) and lettuce (22%). Vegetables that have shown the highest price increase were pumpkins (64%), followed by potatoes at 53%, cabbage (53%), butternut (53%) and peppers at 43%.

A detailed analysis and discussion is presented herein for the various fresh produce in both Pietermaritzburg and Durban Fresh Produce Markets, comparing Jan-March 2015 to Jan-March 2016.

2.1. POTATOES

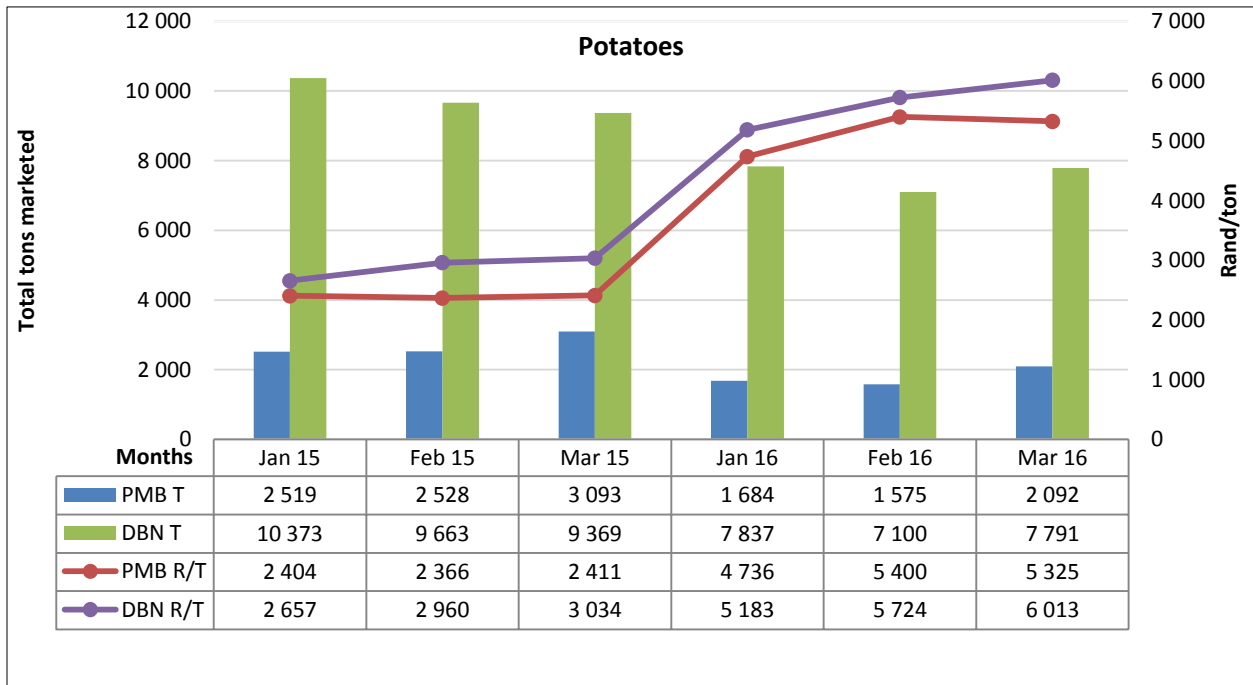


Figure 1: Trends for potatoes in PMB and DBN FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

In Pietermaritzburg FPM, the supply of potatoes was highest in March 2016 at 2, 092 tons which is 32% lower than the volume supplied in the same month of 2015. Prices were the highest in February 2016 at R5, 400/t representing a 56% increase compared to R2, 366/t during the same month in 2015. There was an overall 34% reduction in supply of potatoes for the quarter from 2015 to 2016. The average potato price for the 1st quarter in 2015 was R2, 394/t and R5, 154/t in 2016 which is a 53% increase from 2015 price.

- **Durban**

In Durban FPM, the supply of potatoes was highest in January 2016 at 7, 837 tons which is a 24.4% decline from 2015 volumes for the same month. Prices were the highest in March 2016 at R6, 013/t representing a 50.5% increase compared to R3, 034/t during the same month in 2015. There was an overall 22.7% reduction in supply from 2015 to 2016, a slightly lower decline compared to the Pietermaritzburg FPM. Average potato price for the quarter increased by 51.1% from R2, 884/t in 2015 to R5, 640/t in 2016.

2.2. SWEET POTATOES

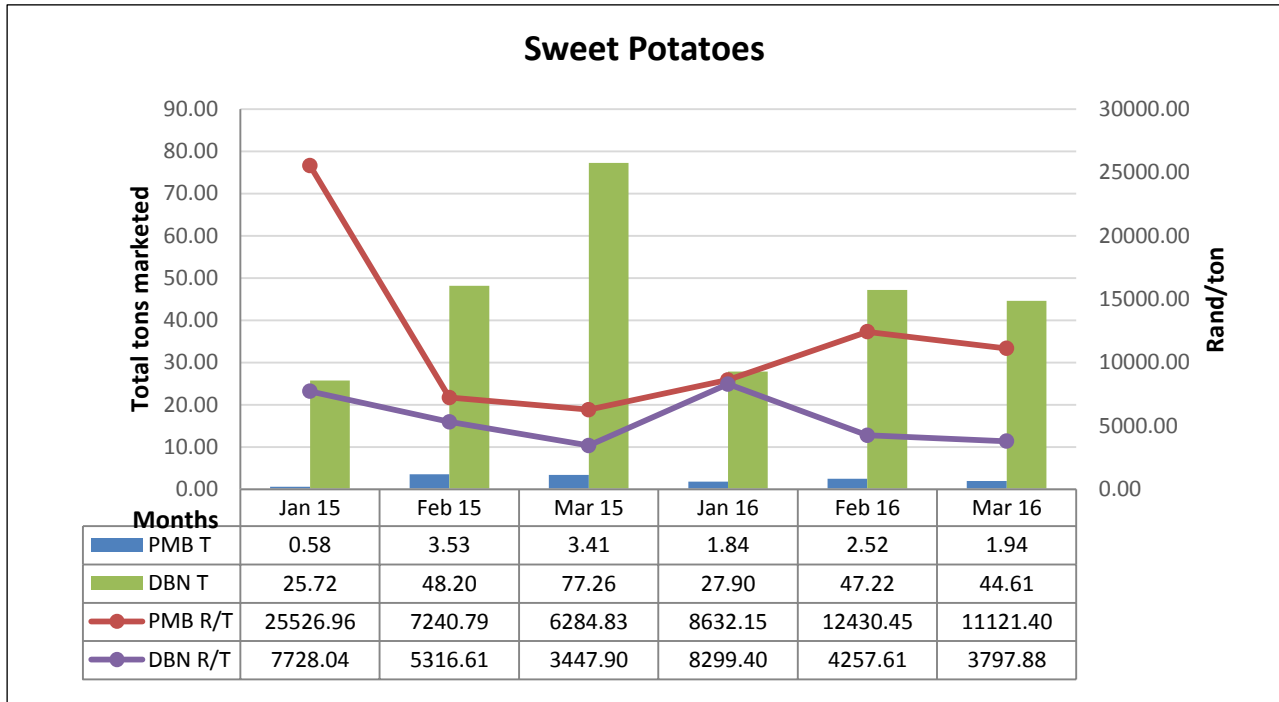


Figure 2: Trends for sweet potatoes in PMB and DBN FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

Pietermaritzburg FPM had the highest volumes of sweet potatoes in February 2016 at 2.52 tons which was 28% higher than the volume supplied in the same month of 2015. Prices were the highest in February 2016 at R12, 430.45/t representing a 41% increase compared to R7, 240.79/t during the same month in 2015. There was an overall 33% reduction in supply of sweet potatoes for the quarter from 2015 to 2016.

- **Durban**

Supply of sweet potatoes in the Durban FPM was highest in February 2016 at 47.75 tons which is slightly below the volumes supplied in the same month 2015. Prices were the highest in January 2016 at R8, 299.40/t representing a 6.9% increase from the same time in 2015. There was an overall reduction in supply from 2015 to 2016 while on the other hand average prices remained more or less the same from R5, 497.52/t to R5, 451.63/t, translating to a price decline of about R45.89/ton during quarter one of 2016.

2.3. ONIONS

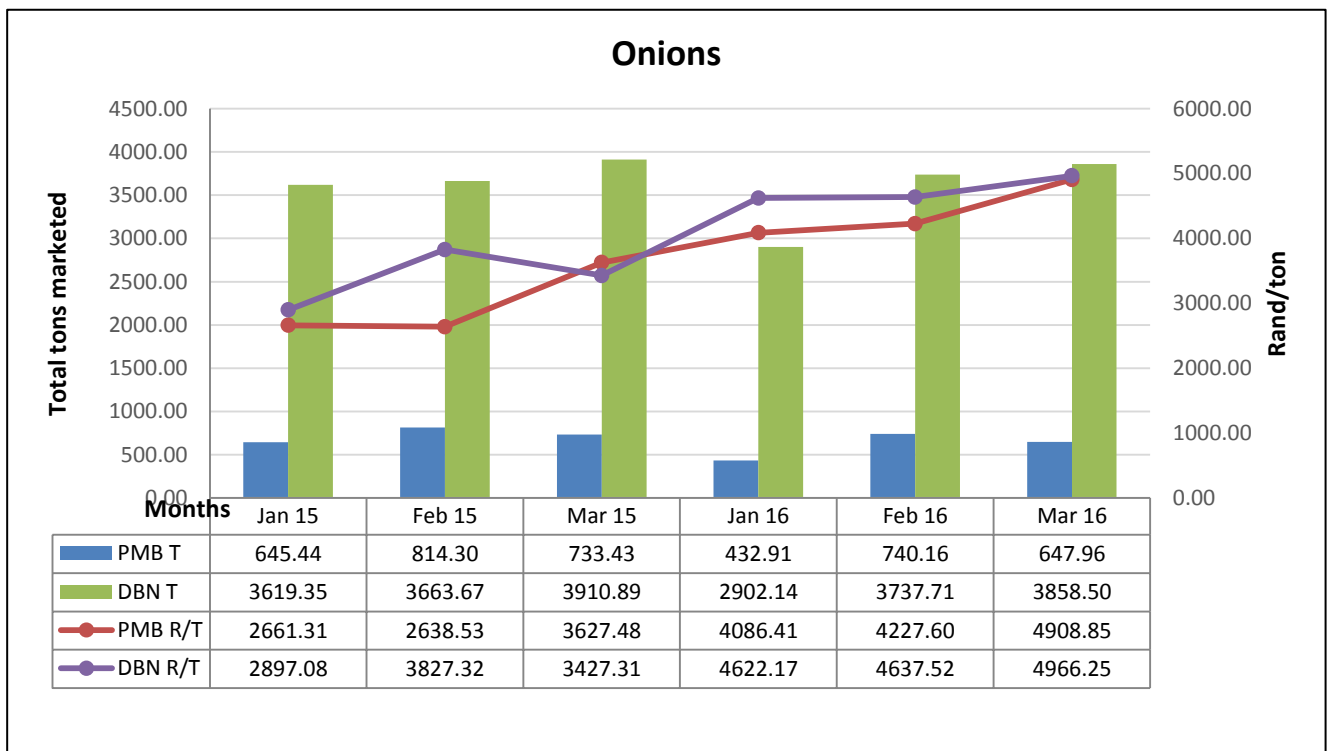


Figure 3: Trends for onions in PMB and DBN FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

The highest volume of onions recorded in this market for Q1 2016 was in February at 740.16 tons which was 9.1% lower than the volume in the same month of 2015. Average prices responded through an increase and reached the highest price of R4, 908.85/ton in March 2016 which is higher than the price of R3627.48/t during the same month in 2015. Overall average changes in quantities and prices were a 16% reduction and increase of 32% in this FPM from 2015 to 2016 respectively.

- **Durban**

Volumes were highest in March 2016 at 3, 859 tons which is a 1% less than 2015 volumes for the same month. Prices were the highest in March 2016 at R4, 966/t representing a 30% increase compared to R3, 427/t during the same month in 2015. In this market there was an overall 6% reduction in supply of onions from 2015 to 2016 whilst the average prices for the quarter increased by 29% from R3, 383.90/t in 2015 to R4, 741.98/t in 2016.

2.4. CARROTS

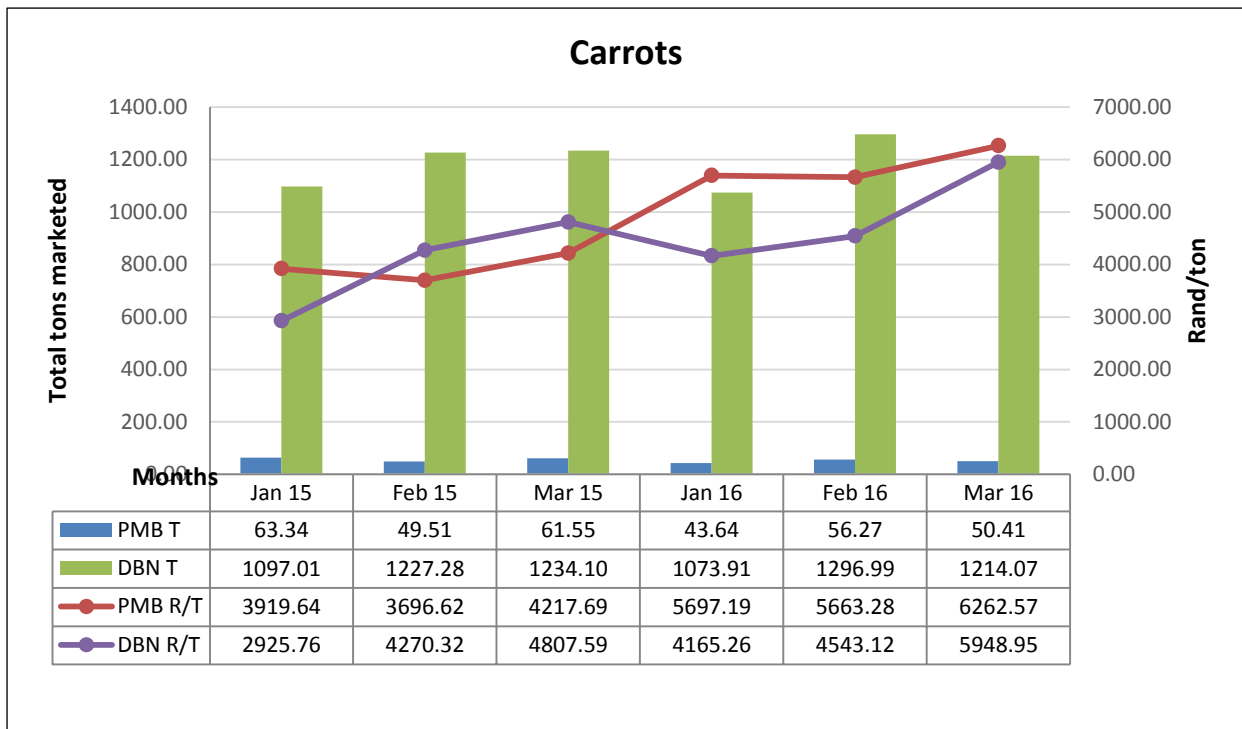


Figure 4: Trends for carrots in PMB and DBN FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

This FPM marketed the highest volumes of carrots in February 2016 at 56.27 tons which is 12% more than the volume supplied in the same month of 2015. Prices were the highest in March 2016 at R6, 263/t representing a 32% increase compared to R4, 218/t during the same month in 2015. The recent drought conditions have not significantly affected the volumes of carrots supplied to market in this quarter as evidenced by an 11% drop in volumes from 2015 to 2016. As volumes dropped, average price responded by an increase of about 32% from 3,945/t in 2015 to R5, 874/t in 2016.

- **Durban**

In this FPM the highest volumes of carrots were marketed in February 2016 at 1296.99 tons which was a 5% increase from 2015 volumes for the same month. Prices were the highest in March 2016 at R5, 949/t representing a 19% increase compared to R4, 807/t during the same month in 2015. Whilst the Durban FPM experienced less than a per cent (0.72%) decrease from 2015 to 2016 in quantities of carrots supplied in this quarter, average prices responded by an upward shift of about 18% from R4, 001/t in 2015 to R4, 886 /t in 2016.

2.5. CABBAGE

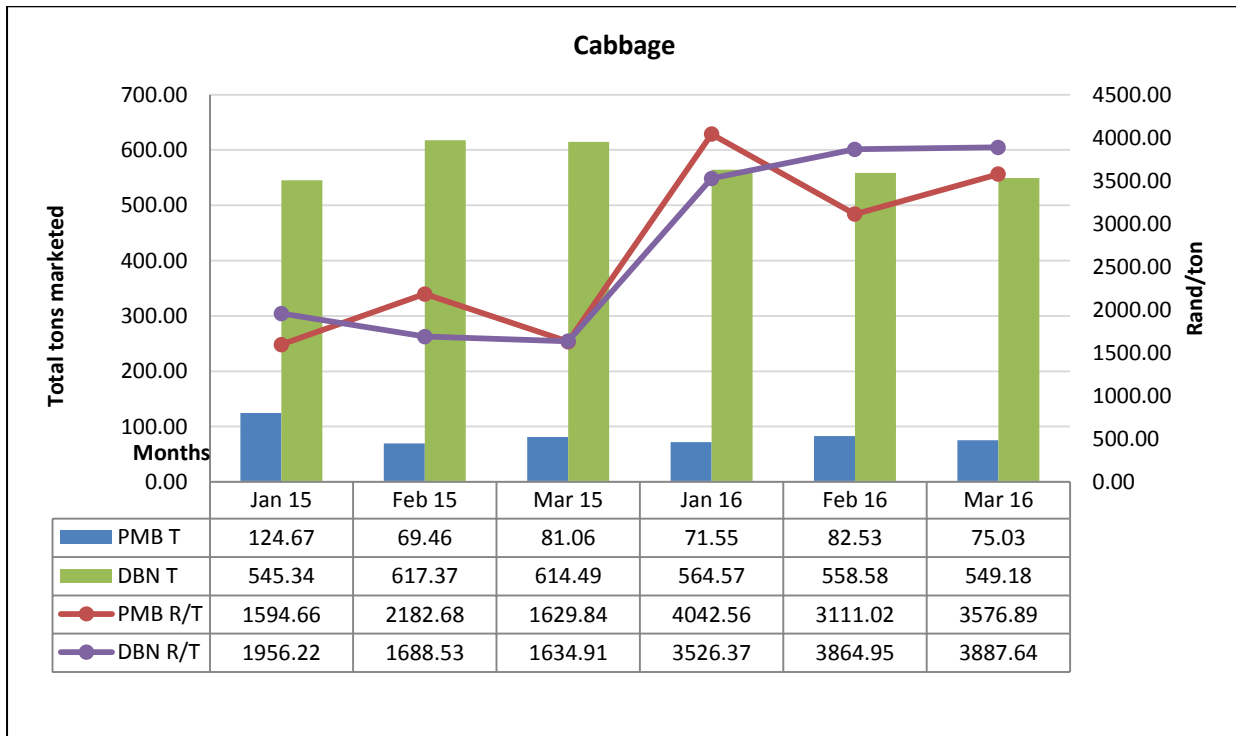


Figure 5: Trends for cabbage in PMB and DBN FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

In Pietermaritzburg FPM the volume of cabbage marketed in quarter one declined by 17% which was accompanied by a subsequent price increase of 49% or approximately R1, 700/t, due to the unfavourable drought conditions experienced in the province. On the other hand the market received the highest volumes in March 2016 at 75 tons which was 7% lower than the volume supplied in the same month of 2015. Prices responded with an increase and reached the highest price of R4, 042.56/t in January 2016.

- **Durban**

In Durban FPM, the supply of cabbages was highest in January 2016 at 564.57 tons which is a 3% less than 2015 volumes for the same month. Prices were the highest in March 2016 at R3, 888/t representing a 57.9% increase compared to R1, 635/t during the same month in 2015. On overall, quantities received in Durban FPM slightly decrease by 5.8% whereas average prices significantly increased by more than 53% or approximately R2, 000/t.

2.6. LETTUCE

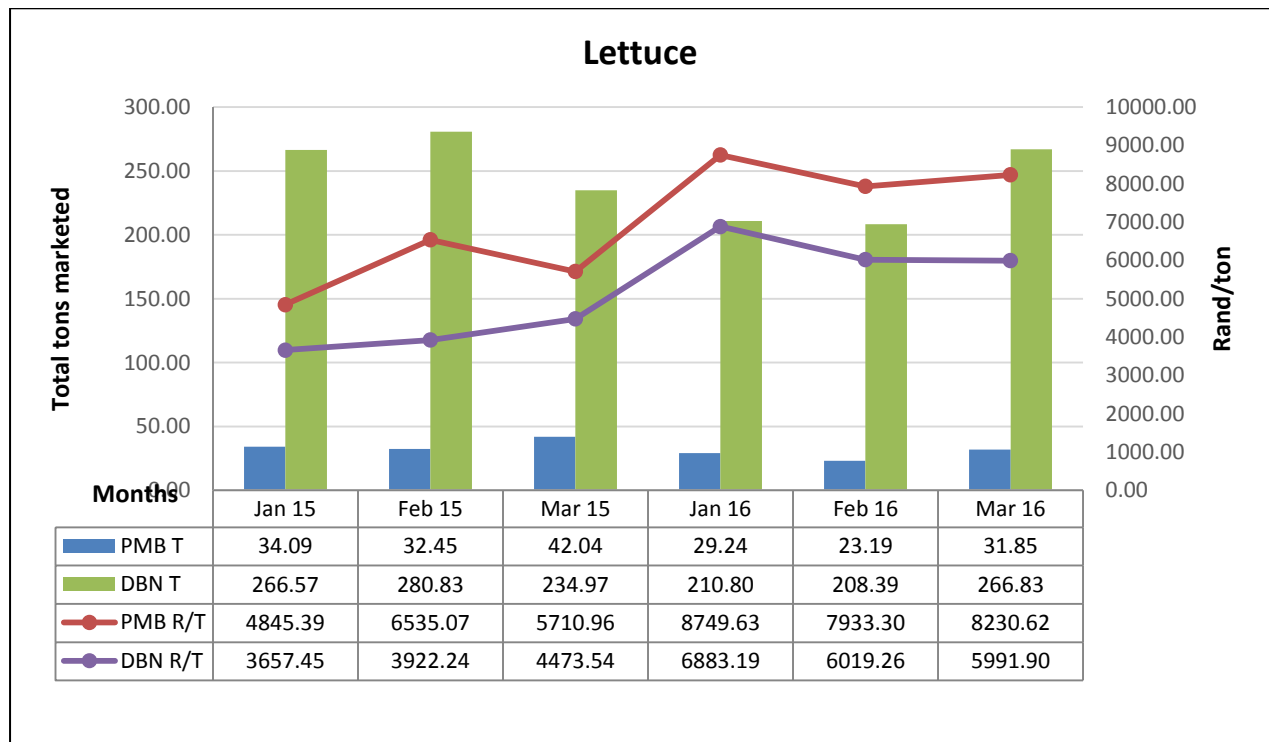


Figure 6: Trends for lettuce in PMB and DBN FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

In the Pietermaritzburg FPM, lettuce supplies were the highest in March 2016 at 31.85 tons which is 24% lower than the volume supplied in the same month of 2015. Prices were the highest in January 2016 at R8, 749.63/t representing a 45% increase compared to R4, 845.39/t during the same month in 2015. In general, Pietermaritzburg FPM experienced a decline in supplies by 22% which resulted in upward shift on average prices which was 31% above the average price obtained in same quarter last year.

- **Durban**

In Durban FPM, The supply of Lettuce was highest in March 2016 at 266.83 tons which is a 11.9% more than the volumes supplied for the same month last year. Prices were the highest in January 2016 at R6, 883/t representing a 46% increase compared to R3, 657/t during the same month in 2015. Looking at the overall performance for the quarter, there was reduction in supply from 2015 to 2016 in both markets however the Durban FPM performed better in terms of quantity reductions accompanied by 36% increase in prices on average.

2.7. PUMPKINS

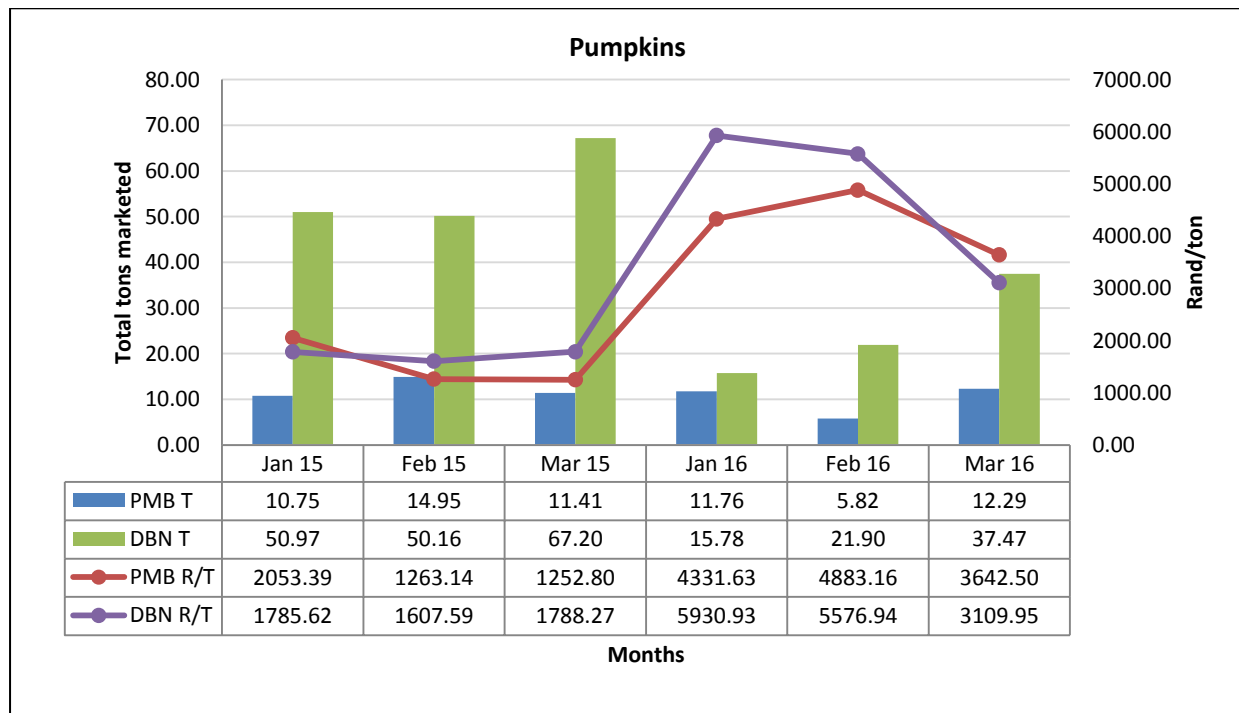


Figure 7: Trends for pumpkins in PMB and DBN FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

In this FPM, volumes of pumpkins were highest in March 2016 at 12.29 tons which was 7% higher than the volume supplied in the same month of 2015. Prices were the highest in February 2016 at R4, 883/t representing a 74% increase compared to R1, 264/t during the same month in 2015. There was an overall 16% reduction in supply of pumpkins for the quarter from 2015 to 2016. The average pumpkin price for the quarter in 2015 is R1, 523.00/t and R4, 286.00/t in 2016 which is 64% increase from 2015.

- **Durban**

In this FPM, the supply of pumpkins was highest in March 2016 at 37.47 tons which is a 44% decline from 2015 volumes for the same month. Prices were the highest in January 2016 at R5, 931/t representing a 70% increase compared to R1, 786/t during the same month in 2015. There was an overall 23% reduction in supply from 2015 to 2016, a slightly lower decline compared to the Pietermaritzburg FPM. Average pumpkins price for the quarter increased by 51% from R2, 884/t in 2015 to R5, 640/t in 2016.

2.8. GEM SQUASHES

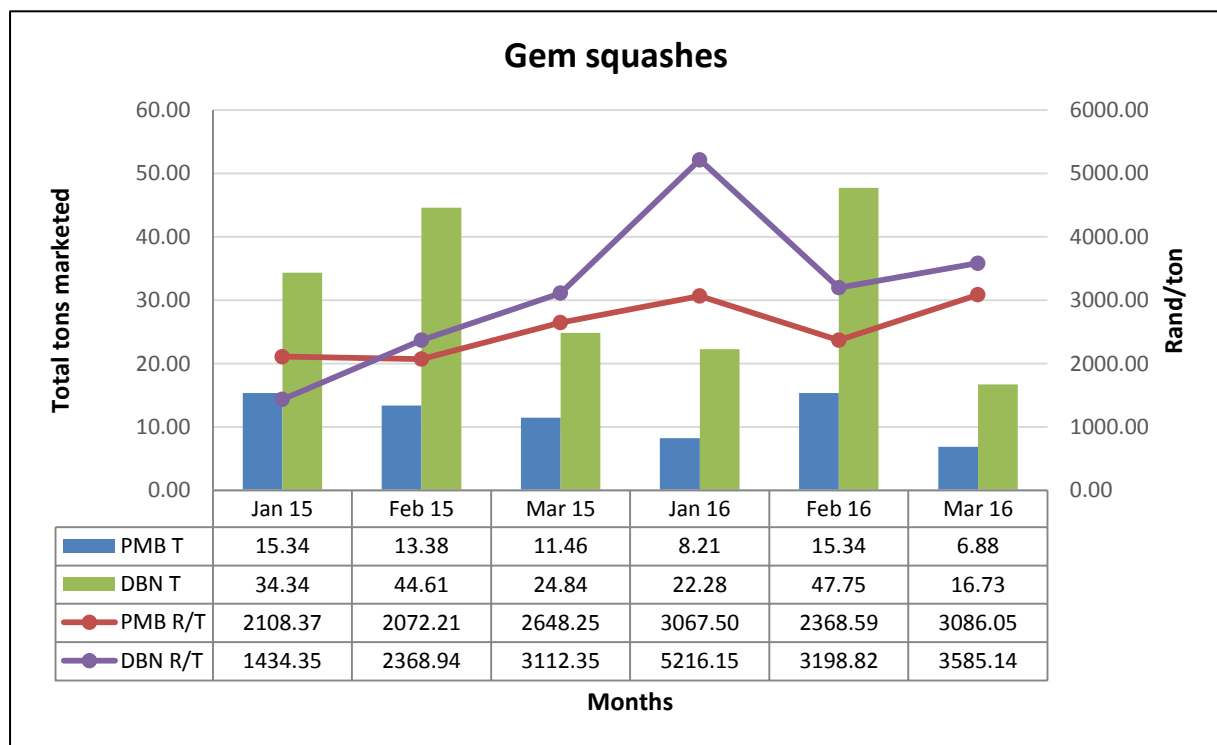


Figure 8: Trends for gem squashes in PMB and DBN FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

The supply of gem squashes at Pietermaritzburg FPM was the highest in February 2016 at 15.34 tons which was 13% higher than the volume supplied in the same month of 2015. Prices were the highest in March 2016 at R3, 086/t representing a 14% increase compared to R2, 648/t during the same month in 2015. There was an overall 23% reduction in supply of gem squashes for the quarter from 2015 to 2016. The average price for the quarter in 2015 is R2, 276/t and R2, 841/t in 2016 which is 44% increase from 2015.

- **Durban**

Volumes supplied in Durban FPM were the highest in February 2016 at 47.75 tons which is slightly the volumes supplied in the same month 2015. Prices were the highest in January 2016 at R5, 216.15/t representing a 72% increase compared to R1, 434.35/t during the same month in 2015. There was an overall reduction in supply from 2015 to 2016 which resulted in upward shift in average prices from R2305/t in 2015 to R4000/t in 2016, translates to a gain of about R1,600.00/ton of gem squashes sold during quarter one 2016.

2.9. BUTTERNUT SQUASHES

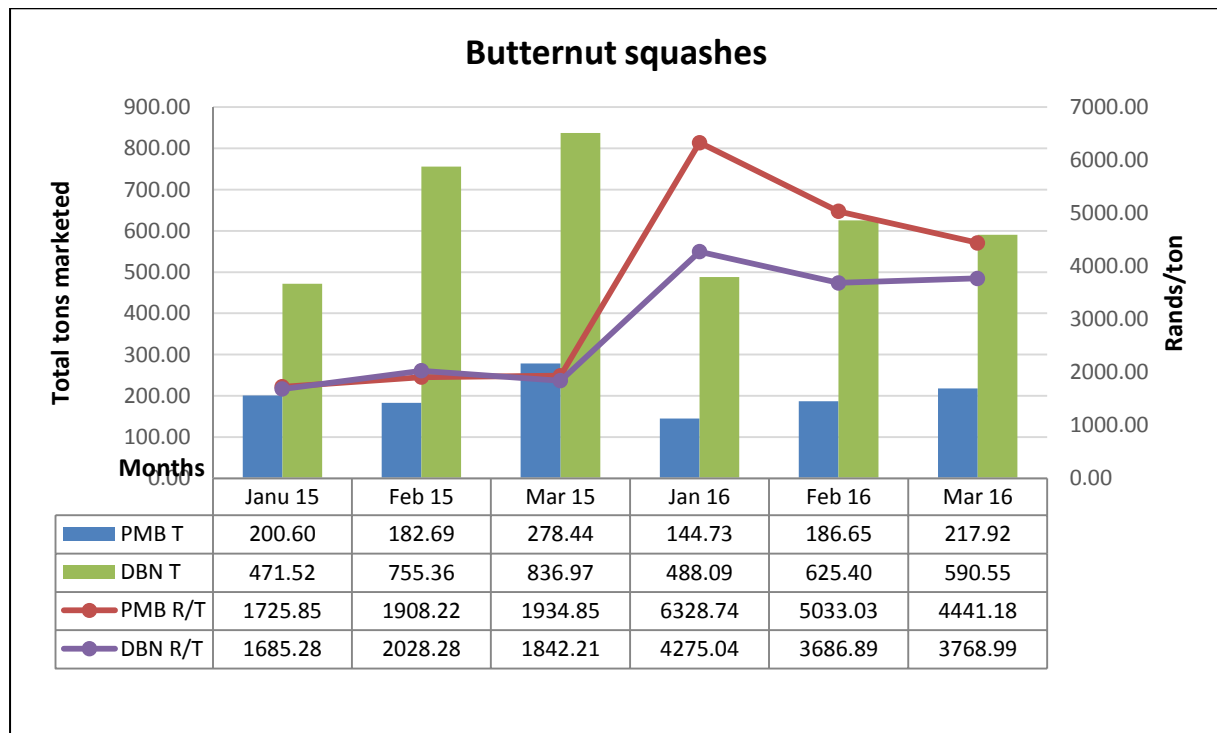


Figure 9: Trends for butternut squashes in DBN and PMB FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

In the Pietermaritzburg FPM, the highest volume of butternut recorded was in March 2016 at 217.92 tons which was 22% lower than the volume in the same month of 2015. Average prices responded through an increase and reached the highest price of R6, 328/t in January 2016 which is higher than the price of R1, 726/t during the same month in 2015.

- **Durban**

Durban FPM marketed highest volumes of butternut squashes in February 2016 at 625.40 tons which is a 17.2% less than 2015 volumes for the same month. Prices were the highest in January 2016 at R4, 275/t representing a 61% increase compared to R1, 685.28/t during the same month in 2015. There was an overall 17.4% reduction in supply from 2015 to 2016, a slightly higher decline compared to the Pietermaritzburg FPM. Average butternut squashes price for the quarter increased by 53% from R1, 852.00/t in 2015 to R3, 910/t in 2016.

2.10. TOMATOES

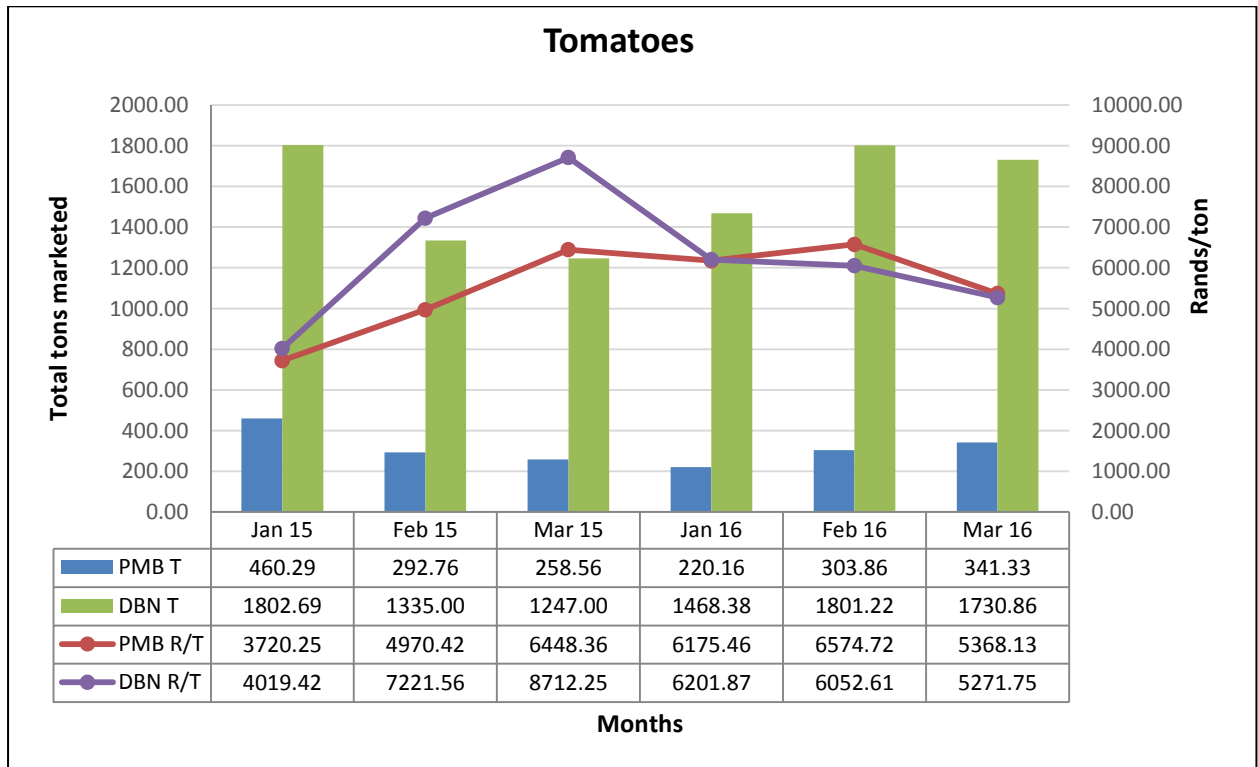


Figure 2: Trends for tomatoes in DBN and PMB FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

The supply of tomatoes was highest in March 2016 at 341.33 tons which is 24% higher than the volume supplied in the same month of 2015. Prices were the highest in February 2016 at R6, 574.72/t representing a 24% increase compared to R4, 970/t during the same month in 2015. There was an overall 15% increase in supply of tomatoes for the quarter from 2015 to 2016. The average tomato price for the quarter in 2015 is R5, 046/t and R6, 037.00 in 2016 which has increased by 16%.

- **Durban**

Durban FPM marketed highest volumes of tomatoes in February 2016 at 1,801 tons which is a 25% above from 2015 volumes for the same month. Prices were the highest in January 2016 at R6, 201.87t representing a 35% increase compared to R4, 019/t during the same month in 2015. Overall supply increased by 12% and average prices also declined by 12% from 2015 to 2016 in the same quarter in this market.

2.11. PEPPERS

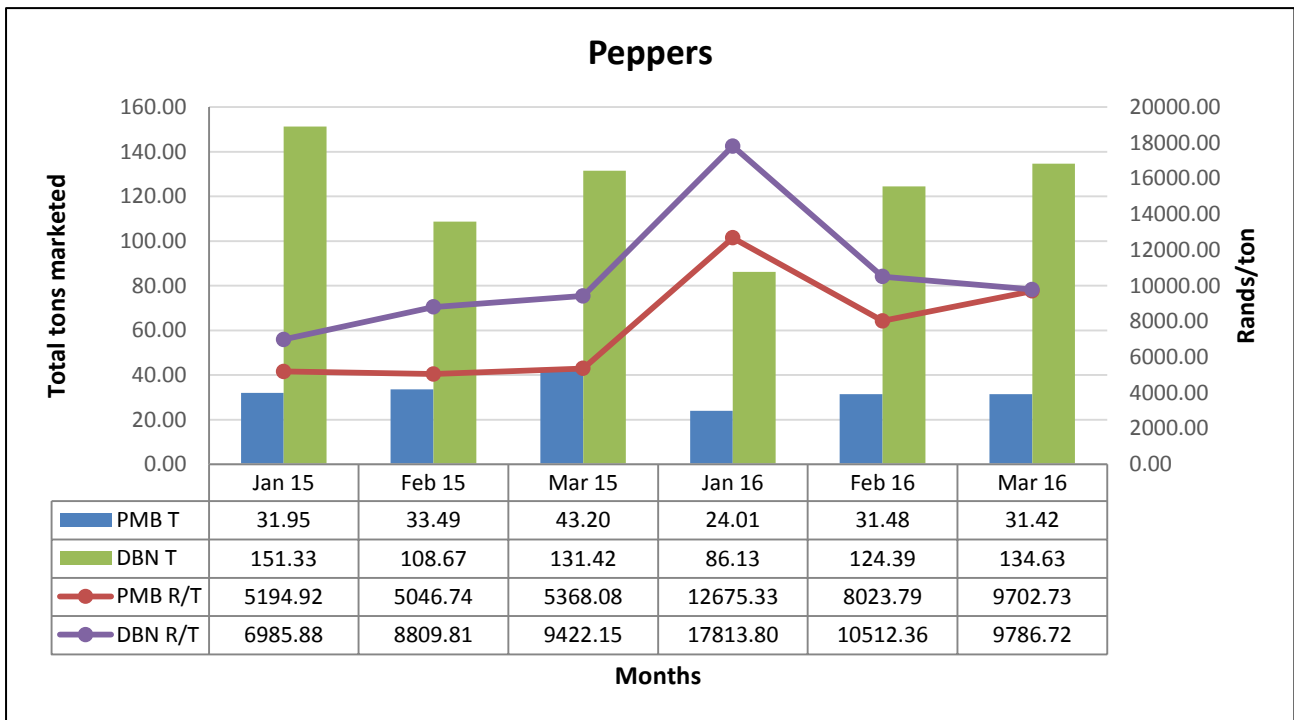


Figure 30: Trends for Pepper in DBN and PMB FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

Pietermaritzburg FPM marketed the highest volume of peppers in February 2016 at 31.48 tons which was 6% lower than the volume in the same month of 2015. This general downward shift in volumes pushed average prices up to R9, 926/t in 2016 from R5, 203/t in 2015. There was an overall 20% reduction in supply of peppers for the quarter from 2015 to 2016. The average pepper price for the 1st quarter in 2015 was R5, 203/t and R10, 137/t in 2016 which is a 43% increase from 2015 price.

- **Durban**

In Durban FPM, the highest volume of peppers was recorded at 134.63 tons in March 2016 which is 2% higher than recorded volume at the same month in 2015. However the average prices in this market were highest in March 2016 at R17, 813.80/t a price that is 50% higher than the price at the same month in 2015 which was R8, 809/t. Average prices for the quarter in this market have increased from R8, 406.00/t in 2015 to R12, 704.00/t in 2016 representing a 34% surge in prices while volumes reduced by 12%.

2.12. ENGLISH CUCUMBER

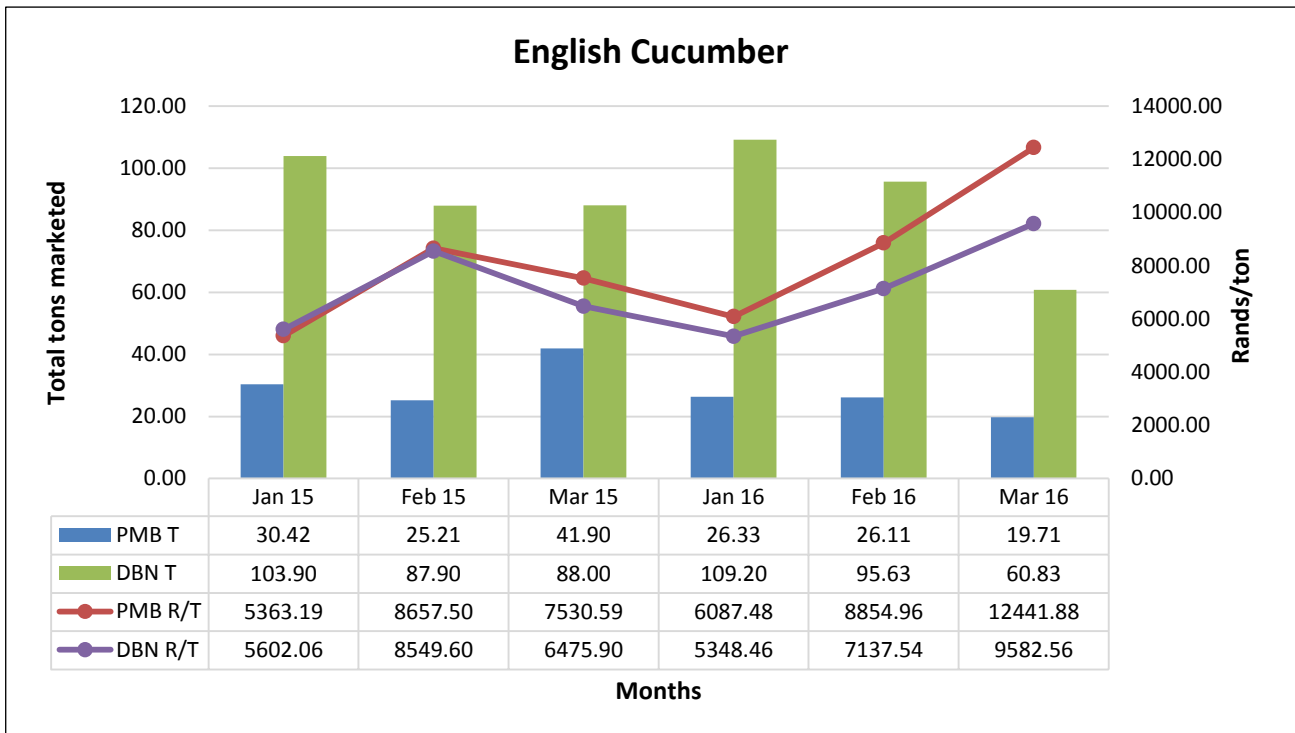


Figure 11 Trends for English cucumber in DBN and PMB FPM (2015 and 2016 Q1)

- **Pietermaritzburg**

In this FPM, the highest volume of English cucumber was recorded at 26.33 tons in January 2016 which is 13% lower than recorded volume at the same month in 2015. Prices were highest in March 2016 at 12, 442/t representing a 39% increase from the same time in 2015. Overall decline in volume was 26% and average prices increased by 21% from R7, 184/t to R9, 128/t.

- **Durban**

In the Durban FPM, highest volumes of English cucumber for 2016 were recorded in January at 109.2 tons which was 5% higher than the volumes in 2015 for the same month. Prices were the highest for the quarter in March 2016 at R9, 528/t, which is higher than the price of R6, 476/t during the same month in 2015. Average prices increased by 7% while volumes overall decreased by 5% from 2015 to 2016.

Fresh Produce Market Analysis Report for Quarter 1 (Jan-March 2016)

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