Market monitor: The first 13 weeks of 2023 at fresh produce markets

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The average weekly price of potatoes at fresh produce markets (FPMs) was suppressed from the second week of 2023 onwards, and started to follow a downward trend until a linear trend became evident and showed an upward trend from weeks 3 to 5. By week 13 of 2023 it had declined but remained higher than the five-year average and that of 2022, with a difference of R20.30 and R19.81 respectively.

Weekly average prices and stocks

Figure 1 indicates the weekly average price on all markets for all classes and sizes. By the end of week 13, the average weekly price was R57.82 per 10 kg bag, which represented a 2% decrease week on week. *Figure 2* indicates the daily average stock levels and daily average price.

Figure 3 compares the average stock levels of each month to that of the same month a year ago. Daily stock levels underwent an increase since February 2023 when it averaged around 565 000 bags and 754 000 bags per day in March. March 2023 reflects an increase of 188 000 bags compared to February 2023 but approximately 18 000 bags less than the same time last year. The average inventory trend supported the price trend; the price experienced downward pressure since the last week of February.

Decreased sales

During the first 13 weeks of 2023, sales on the FPMs decreased by 10% from 2022's corresponding figure, as reflected by *Figure 4*. The average price for the first 13 weeks is also depicted in *Figure 4* with 2023's average price at its highest compared to the previous five years. Sales on the FPMs after the first 13 weeks of the year are 3.2 million fewer 10 kg bags than the five-year average.

Figure 1: Weekly daily average price on all FPMs (all classes and sizes).

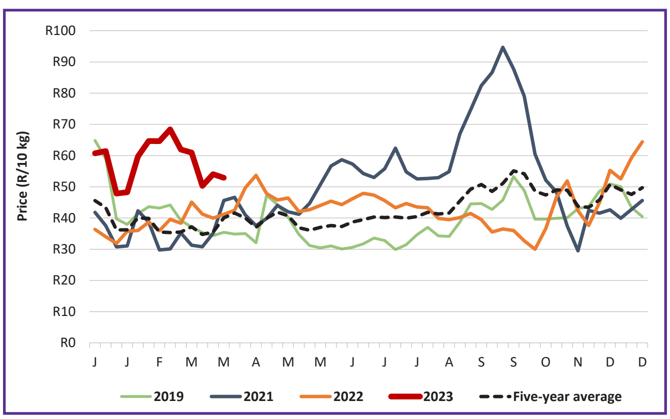


Figure 2: Daily average stock levels compared to daily average price (all classes and sizes).

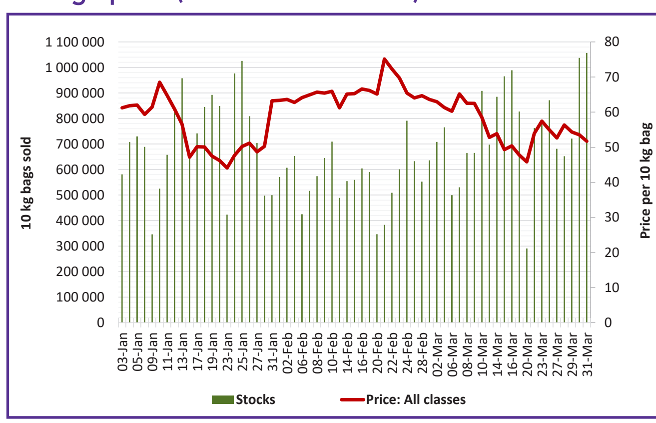


Figure 3: Average daily stock levels per month in 2022 versus 2023.

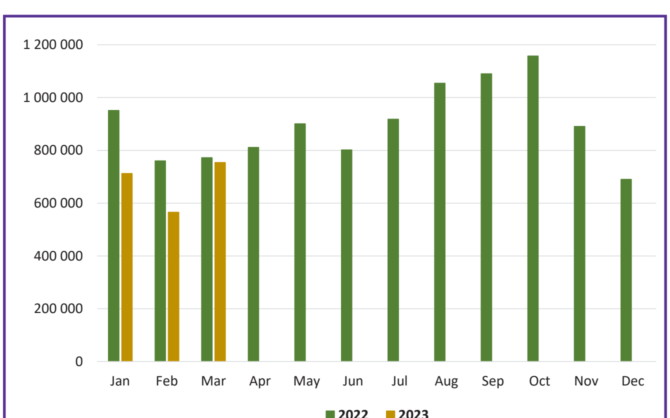
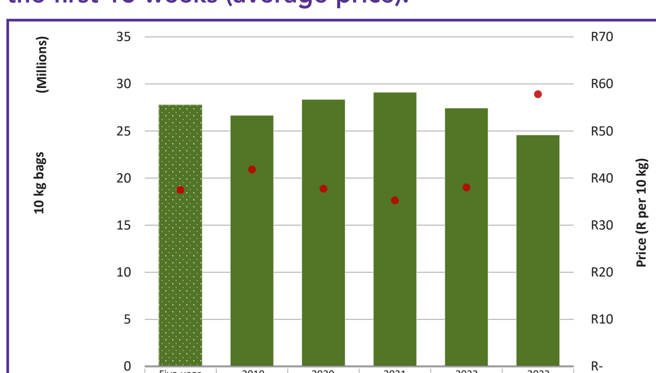


Figure 4: Cumulative number of 10 kg bags sold during the first 13 weeks (average price).



	Five-year average	2019	2020	2021	2022	2023
Number of bags sold	27 788 840.58	26 663 411	28 351 879	29 121 412	27 444 182	24 583 240
Average price	37.52292402	41.84955982	37.75556729	35.28675789	38.01169167	57.82120709

Table 1: Sales on FMPs until week 13 of 2023.

Market	Number of bags 10 kg	% of total	Avg price (R/10 kg)	Percentage of sales on FPMs			
				Class 1	Class 2	Class 3 & 4	Class 1 M
Johannesburg Market	9 883 354	40.2%	56.88	81%	13%	7%	19%
Tshwane Market	4 608 733	18.7%	56.39	67%	21%	12%	15%
Durban Market	2 346 042	9.5%	59.25	82%	11%	7%	23%
Cape Town Market	1 947 855	7.9%	61.76	78%	18%	4%	26%
Springs Market	1 316 845	5.4%	72.08	65%	20%	14%	13%
Bloemfontein Market	712 738	2.9%	60.06	59%	26%	15%	16%
East London Market	700 098	2.8%	62.09	77%	15%	7%	23%
Klerksdorp Market	675 257	2.7%	56.66	66%	19%	15%	14%
Welkom Market	658 642	2.7%	55.78	55%	30%	15%	11%
Port Elizabeth Market	602 608	2.5%	50.85	75%	18%	7%	25%
Pietermaritzburg Market	562 612	2.3%	55.11	67%	21%	11%	14%
Vereeniging Market	201 475	0.8%	53.96	75%	12%	13%	11%
Witbank Market	116 805	0.5%	54.89	70%	17%	13%	15%
Kimberley Market	112 216	0.5%	64.3	75%	16%	9%	24%
Nelspruit Market	72 806	0.3%	52	72%	18%	10%	11%
George Market	55 808	0.2%	65.08	82%	17%	1%	23%
Kei Market (Umtata)	8 418	0.0%	27.34	0%	0%	0%	0%
Total	**24 582 312**	**100%**	**57.82**	**75%**	**16%**	**9%**	**18%**

Figure 5 illustrates monthly sales on the FPMs from 2020. For the first 13 weeks of 2023, sales were above the eight million 10 kg bag mark and sales increased since January. February sales dropped to 7.7 million 10 kg bags compared to the January sales of 8.1 million 10 kg bags. In March 2023 sales increased by 841 000 10 kg bags but remained below the nine million mark compared to March 2022 when it stood at 9.2 million 10 kg bags.

Top five markets

Table 1 contains the number of bags sold at the various markets during the first 13 weeks of 2023. The five major markets during this period were collectively responsible for 82% of the country's sales. The average price (all classes and sizes) for each market also appears in *Table 1*. Out of the five largest markets, Tshwane and Johannesburg markets' average price respectively were R1.43 and R0.94 lower than the country's average price of R57.82. Johannesburg and Durban markets' total sales consisted of 81 and 82% Class 1 bags respectively, the highest of the top five markets.

Figure 6 indicates the year-on-year price change for the top five markets.

Figure 5: Monthly sales on FPMs from 2019 to 2023 (all packaging converted to 10 kg bags).

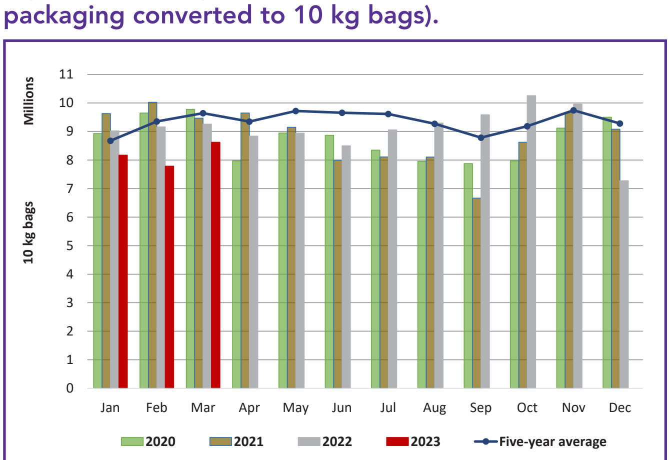


Figure 6: Year-on-year price change at top five markets.

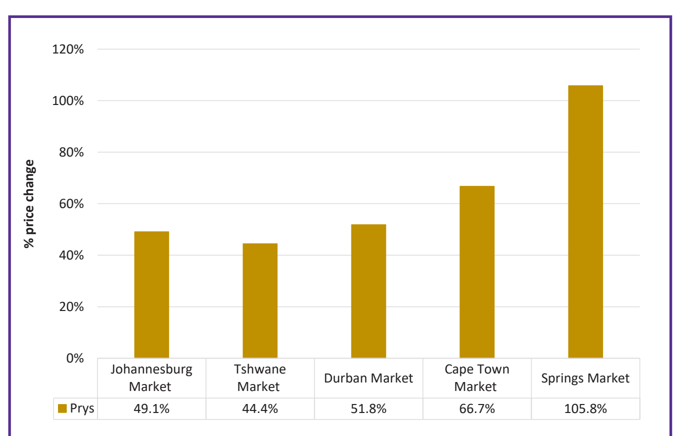


Table 2: Sales per region on FPMs until week 13 of 2023.

Region	Number of bags 10 kg	% of total	Avg price (R/10 kg)	Percentage of sales on FPMs: Class 1	Class 2	Class 3 & 4	Class 1 M
Eastern Free State	5 847 257	24%	56.49	67%	18%	**15%**	12%
Southwestern Free State	3 677 408	15%	63.89	81%	10%	9%	21%
North West	3 128 451	13%	61.33	77%	14%	9%	16%
Western Free State	2 825 033	11%	55.96	80%	14%	7%	25%
KwaZulu-Natal	2 741 199	11%	56.73	78%	17%	5%	15%
Gauteng	1 531 467	6%	51.93	84%	10%	5%	22%
Limpopo	1 437 799	6%	49.52	79%	18%	3%	25%
Sandveld	1 237 284	5%	70.93	78%	20%	3%	27%
Northeastern Cape	719 197	3%	57.53	73%	20%	7%	24%
Other regions	640 044	3%	40.17	40%	49%	11%	13%
Mpumalanga	540 828	2%	52.15	66%	25%	9%	14%
Ceres	184 190	1%	70.39	72%	18%	9%	19%
Eastern Cape	40 908	0.17%	52.55	74%	20%	6%	17%
Southern Cape	24 907	0.10%	60.62	87%	4%	10%	34%
Northern Cape	5 991	0.02%	46.02	82%	11%	7%	57%
Southwestern Cape	349	0.00%	29.4	0%	0%	0%	0%
Total	**24 582 312**	**100%**	**57.82**	**75%**	**16%**	**9%**	**18%**

Figure 7: Number of 10 kg bags sold per region during the first 13 weeks of 2023.

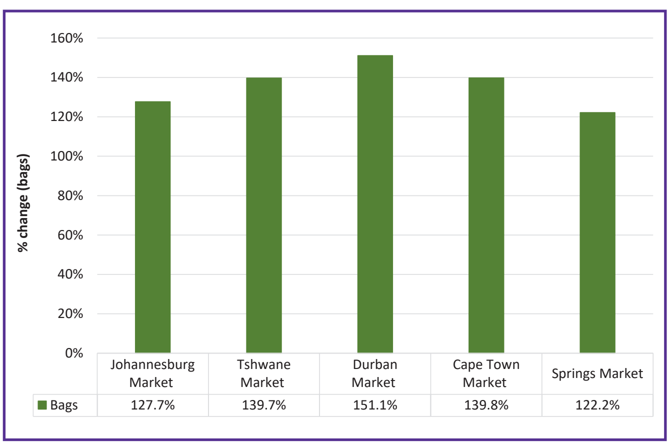
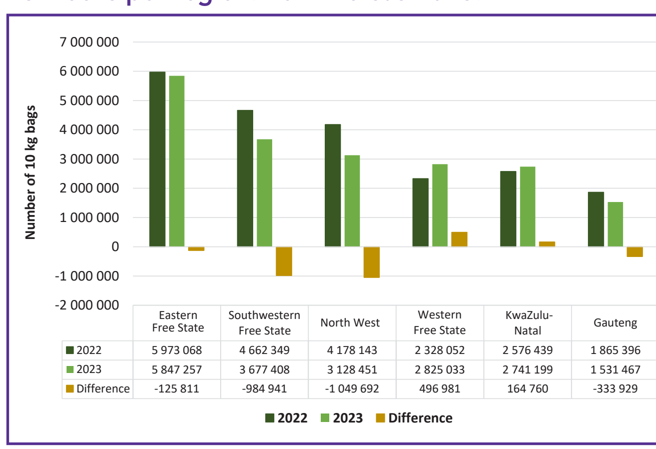


Figure 8: Number of 10 kg bags sold during the first 13 weeks per region: 2022 versus 2023.



All top five markets' prices showed an increase. Springs Market's price showed the greatest percentage expansion with a 105.8% increase in price. The volumes sold at Springs Market is at 122.2% year on year, the least of the top five markets, as shown in *Figure 7*, which supported the price increase.

Sales in largest regions

A comparison of the six largest regions' sales for 2023 with that of 2022, reveals that three regions – the Free State, North West and Gauteng – sold fewer 10 kg bags while the others sold more than during the first 13 weeks of the previous year (*Figure 8*).

The three largest regions that were in the market during the first 13 weeks of 2023, sold 52% of the potatoes on markets, as reflected in *Table 2*. *Table 2* also illustrates the percentage composition of each region's Class 1, 2, 3 and 4 potatoes supplied during this period. Five of the production regions, namely the Eastern Free State, Southwestern Free State, North West, Western Free State and KwaZulu-Natal, had a percentage of Class 1 sales above 70%. The region with the highest percentage of Class 1 was Southwestern Free State on 81%.

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