Market monitor: The first 22 weeks of 2023 at fresh produce markets

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The weekly average price of potatoes exhibited a consistent upward trajectory commencing from week 17 of 2023 at R53.53 and persisted in following a steady upward trend in subsequent weeks until week 22. The price trend in 2023 has consistently shown an upward trend, surpassing both the five-year average by R20.82 and the prices observed in 2022 by R17.30.

Weekly and daily average prices

Figure 1 indicates the weekly average price on all markets for all classes and sizes. By the end of week 22, the average weekly price was R58.43 per 10 kg bag, which was a 6% increase week on week. *Figure 2* indicates the daily average stock levels and the daily average price for the 22-week period of 2023.

Stock levels

Figure 3 illustrates the average stock levels of each month compared to the corresponding month in the previous year. Starting in April 2023, the daily stock levels exhibited an increase, averaging around 786 000 bags, compared to the average of 754 000 bags in March. However, May 2023 witnessed a decrease of 95 000 bags compared to April 2023 and a lower level compared to the same period last year, with approximately 209 000 bags. The average inventory trend aligned with the price trend, as the price consistently faced upward pressure starting from April.

Sales figures

During the initial 22 weeks of 2023, sales on the FPMs increased by 6% from 2022's corresponding figure, as indicated by *Figure 4*. Additionally, *Figure 4* shows that the average price for this period in 2023 reached its highest point in the past five years. However, the sales on the FPMs after

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

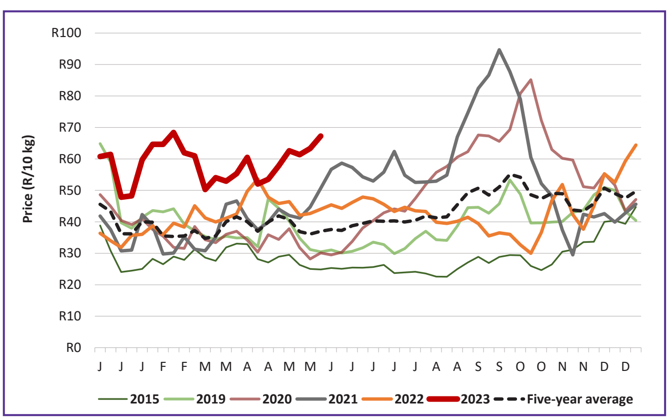


Figure 2: Daily average stock levels compared to daily average price (all classes and sizes).

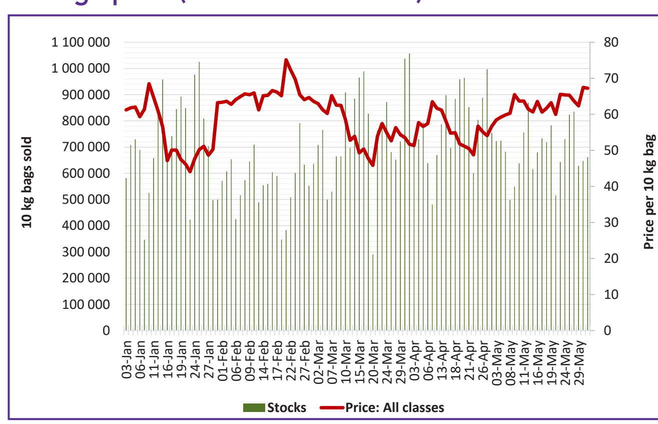


Figure 3: Average daily stock levels per month in 2022 versus 2023.

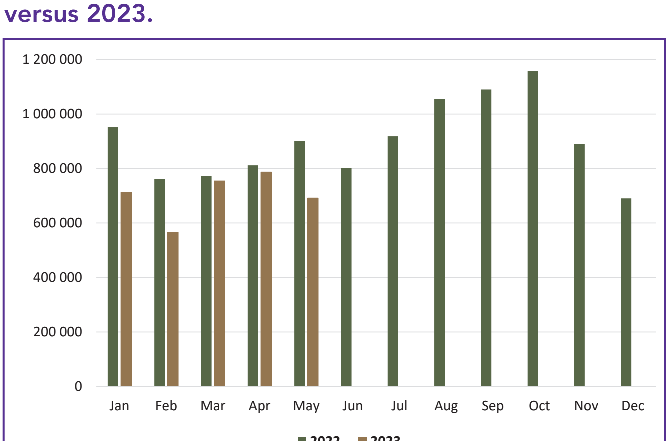
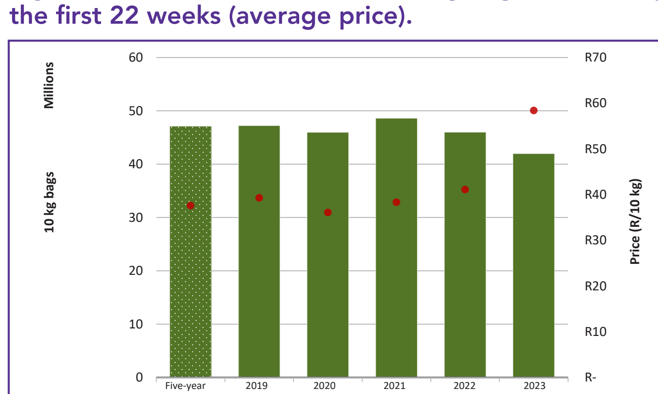


Figure 4: Cumulative number of 10 kg bags sold during the first 22 weeks (average price).



	Five-year average	2019	2020	2021	2022	2023
Number of bags sold	47119550.98	47214804	45957652	48615504	45987123	41974844
Average price	37.61028316	39.32184174	36.1106251	38.3787139	41.12744493	58.43090331

Table 1: Sales on FMPs until week 22 of 2023.

				Percentage of sales on FPMs			
Market	**Number of bags 10 kg**	**% of total**	**Avg price (R/10 kg)**	**Class 1**	**Class 2**	**Class 3 & 4**	**Class 1 M**
Johannesburg Market	16 741 447	39.9%	58.07	79%	13%	7%	18%
Tshwane Market	7 740 474	18.4%	58.1	67%	21%	12%	15%
Durban Market	4 191 336	10%	56.51	81%	12%	7%	24%
Cape Town Market	3 367 908	8%	68.93	78%	17%	5%	26%
Springs Market	2 259 094	5.4%	53.58	65%	21%	14%	13%
Bloemfontein Market	1 236 758	2.9%	59.37	60%	26%	13%	16%
East London Market	1 176 447	2.8%	60.13	77%	14%	9%	22%
Klerksdorp Market	1 139 180	2.7%	55.67	66%	20%	14%	14%
Welkom Market	1 072 972	2.6%	55.07	58%	24%	18%	12%
Port Elizabeth Market	1 025 248	2.4%	60.83	72%	19%	9%	24%
Pietermaritzburg Market	1 003 747	2.4%	51.57	66%	22%	12%	14%
Vereeniging Market	360 598	0.9%	54.87	73%	15%	12%	10%
Witbank Market	215 386	0.5%	57.62	69%	19%	12%	14%
Kimberley Market	183 942	0.4%	60.9	74%	17%	10%	25%
Nelspruit Market	137 794	0.3%	64.65	75%	16%	9%	9%
George Market	101 379	0.2%	61.99	75%	18%	7%	20%
Kei Market (Umtata)	10 083	0%	28.14	0%	0%	0%	0%
Total	**41 963 793**	**100%**	**58.43**	**74%**	**17%**	**9%**	**18%**

the initial 22 weeks of the year fell short by 5.1 million 10 kg bags in comparison to the average sales over the past five years. *Figure 5* provides an overview of the monthly sales on the FPMs starting from 2020.

In May 2023, sales surpassed the eight million 10 kg bag mark and sales decreased since March. Specifically, in April, sales dropped to 8.2 million 10 kg bags compared to March's sales of 8.6 million 10 kg bags, representing a decrease of 328 000 x 10 kg bags. In May 2023, there was a slight increase in sales by 124 000 x 10 kg bags, and sales remained above the eight million mark. It is worth noting that in May 2022, sales reached 8.9 million 10 kg bags.

Table 1 contains the number of bags sold by the various markets during the first 22 weeks of 2023. The five largest 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*.

Individual market performance

Among the five largest markets, Durban and Springs market's average prices were R1.92 and R4.85 lower than the country's average price of R58.43 respectively. In terms of market composition, Durban and Johannesburg markets had the highest proportion of Class 1 bags in their total sales, accounting for 81 and 79% respectively, which were the highest percentages among the top five markets.

Figure 6 provides insights into the year-on-year price change for the top five markets. In all these markets, prices experienced an increase. Among them, the Cape Town market exhibited the highest

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

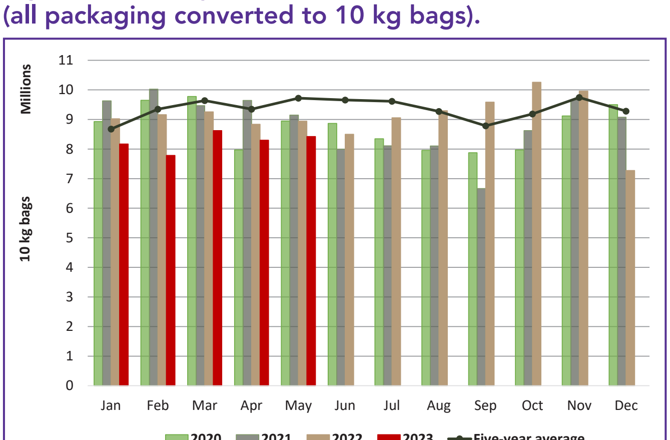


Figure 6: Year-on-year price change at top five markets.

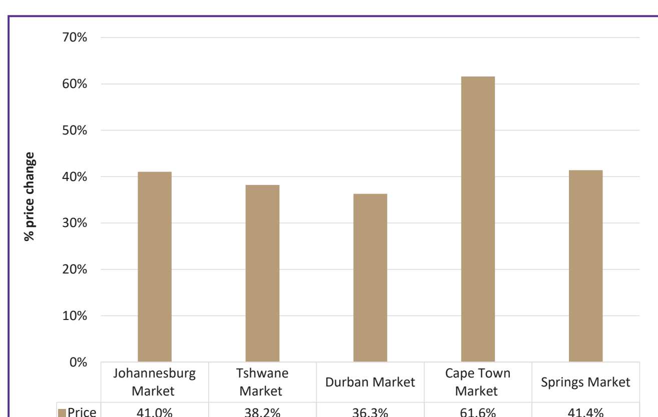
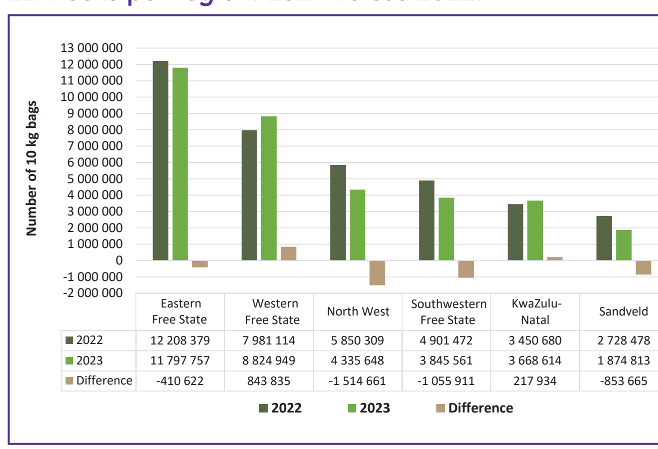


Table 2: Sales per region on FPMs until week 22 of 2023.

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	11 797 757	28%	57.63	70%	17%	**13%**	13%
Western Free State	8 824 949	21%	59.12	77%	15%	8%	23%
North West	4 335 648	10%	60.16	79%	13%	8%	15%
Southwestern Free State	3 845 561	9%	63.8	80%	10%	9%	21%
KwaZulu-Natal	3 668 614	9%	57.1	78%	17%	5%	13%
Sandveld	1 874 813	4%	66.55	78%	19%	2%	27%
Gauteng	1 578 674	4%	51.94	84%	10%	5%	23%
Limpopo	1 563 607	4%	50.89	80%	18%	3%	25%
Northern Cape	1 134 330	3%	59.42	59%	18%	22%	16%
Northeastern Cape	1 064 688	3%	56	69%	22%	9%	23%
Other regions	926 721	2%	41.10	36%	53%	11%	12%
Ceres	695 265	2%	70.80	82%	9%	8%	25%
Mpumalanga	561 518	1.34%	51.89	66%	25%	9%	14%
Eastern Cape	50 329	0.12%	54.71	76%	19%	5%	19%
Southern Cape	40 970	0.10%	53.38	90%	5%	6%	35%
Southwestern Cape	349	0.00%	29.4	0%	0%	0%	0%
Total	**41 963 793**	**100%**	**58.43**	**74%**	**17%**	**9%**	**18%**

Figure 7: Number of 20 kg bags sold per region during the first 22 weeks of 2023.

Figure 8: Number of 10 kg bags sold during the first 22 weeks per region: 2021 versus 2022.



percentage expansion with a price increase of 61.6%. On the other hand, *Figure 7* displays the volumes sold at the Springs market, which saw the smallest year-on-year increase among the top five markets, standing at 281.1%. This relatively lower growth in sales volume at the Springs market supported the observed price increase.

Regional performance

According to *Figure 8*, when comparing the sales of the six largest regions in 2023 with 2022, it is evident that four regions sold fewer 10 kg bags, while the remaining two regions sold more during the first 22 weeks. This indicates a mixed performance across the regions during this period.

In terms of market presence, the three largest regions in the market during this period (first 22 weeks) accounted for 59% of the total potato sales, as indicated in *Table 2*. *Table 2* also illustrates the percentage composition of each region's Class 1, 2, 3 and 4 supplied during this period. Among the production regions, five of them, Eastern Free State, Western Free State, North West, Southwestern Free State, and KwaZulu-Natal, had a percentage of Class 1 sales above 70%. Among them, Southwestern Free State had the highest percentage of Class 1 sales, standing at 80%. C

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