



Fresh Produce Market Trends

05 July 2019

The demand for onions remains healthy this week

For this week, the prices of cabbages and tomatoes declined by 10.3% and 9.9% respectively when compared to the previous week. The prices of onions, carrots and potatoes however increased week on week by 6.4%, 22.8% and 6.3% respectively. The demand for onions is still good, which is reflected in the change in prices week-on-week. Tomato prices continue to be low and they reflect the impact of the unfavourable economic conditions the most.

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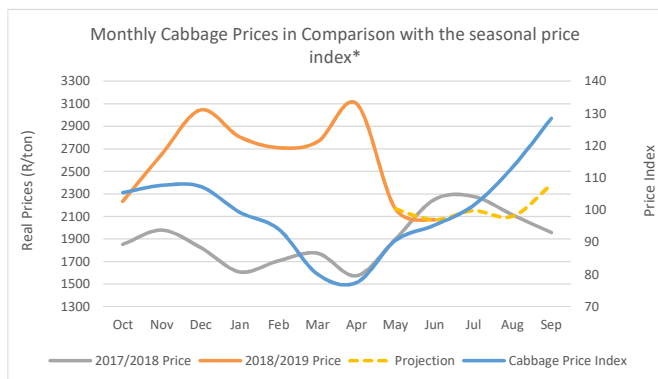
Cabbage Market Trends

The price of cabbage, for the week ending 5 June, decreased by 10.3% compared to the previous week. This price decrease follows a momentary increase in price at month end. Currently the demand for cabbages is low and this is reflected in the change in prices week-on-week. Prices are expected to remain low for the next 2 months whilst volumes follow the seasonal index.

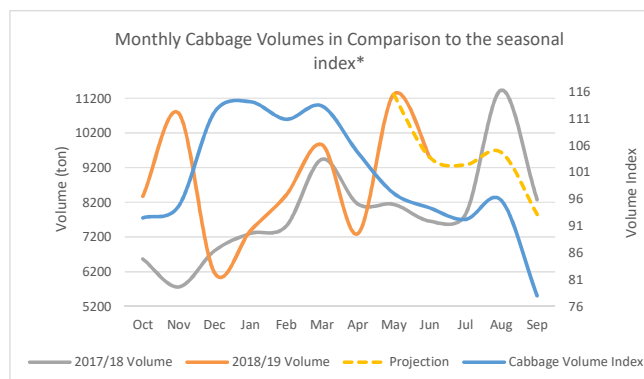
Local Market

Weekly Cabbage Volumes and Prices			
	Volume (ton)	Price (R/ton)	
Week Ending 5 July	2332	R	2,137
w/w	2.4%		-10.3%
m/m	-14.2%		13.9%
y/y	42.3%		-8.4%

Outlook



*Jan 2000 - June 2019



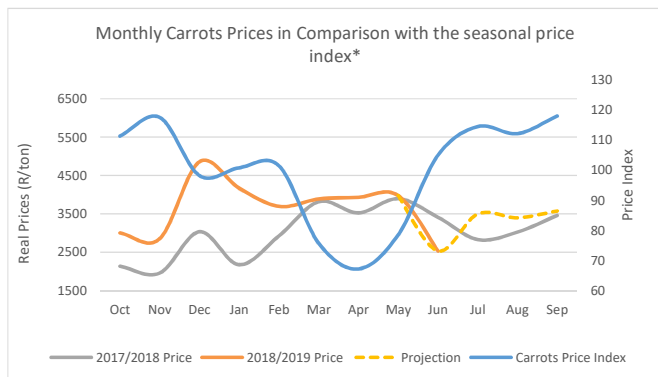
Carrot Market Trends

The supply of carrots was low for the week ending 5 June. This was also driven by the cold weather conditions especially in the Cape Town region as farmers were not able to harvest. The cold weather conditions also slow down the growth process. As such, volumes sold decreased by 0.9% week-on-week. Prices increased by 22.8% this week, however we expect prices to decline in the coming week as demand is slowing down and this will in turn cause prices to decline.

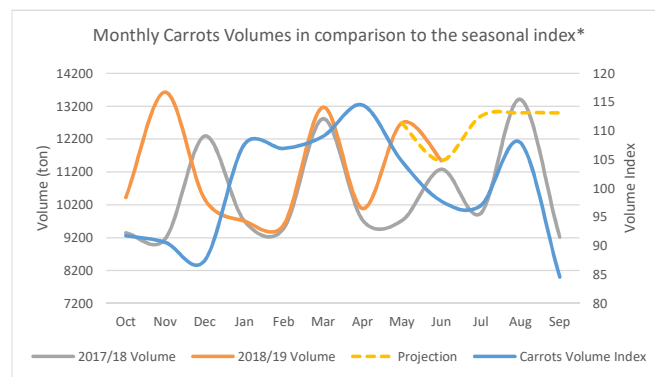
Local Market

Weekly Carrot Volumes and Prices			
	Volume (ton)	Price (R/ton)	
Week Ending 5 July	2969	R	3,138
w/w	-0.9%		22.8%
m/m	-2.5%		5.7%
y/y	28.3%		1.9%

Outlook



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Disclaimer: Although everything has been done to ensure the accuracy of the information, Absa Bank takes no responsibility for actions or losses that might occur due to the use of this information.

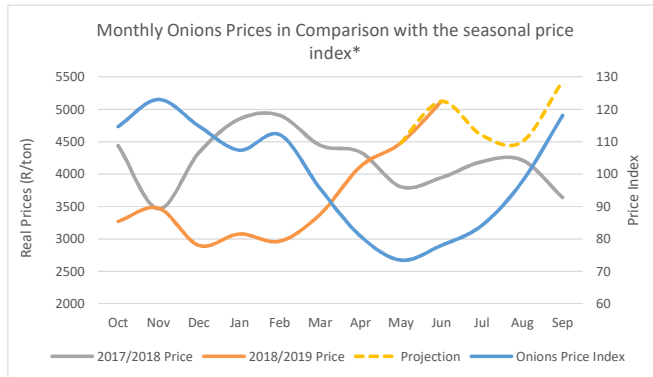
Onion Market Trends

The demand for onions is still good and the price has increased once again by 6.4% for the week ending 5 July. Currently the volumes sold increased by 4.8% week-on-week. "Early onion" farmers haven't had a good yield however that is considered as a good thing as the added supply could flood the market. The demand for onions is due to slow down in the coming week or two. We expect prices to decline to around R4.70/kg over the next two months and to then increase from September onwards.

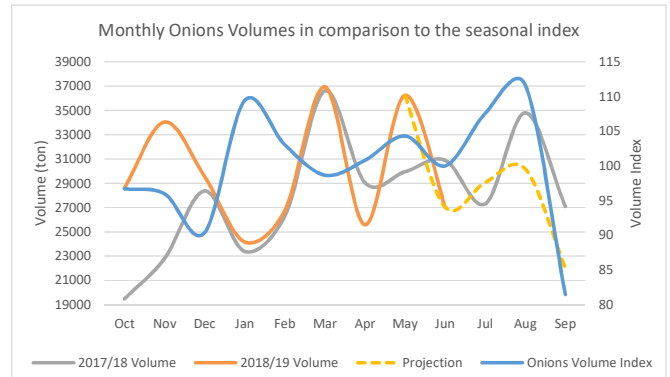
Local Market

Weekly Onion Volumes and Prices			
	Volume (ton)	Price (R/ton)	
Week Ending 5 July	7161	R	5,820
w/w	4.8%		6.4%
m/m	-12.9%		22.2%
y/y	5.4%		30.8%

Outlook



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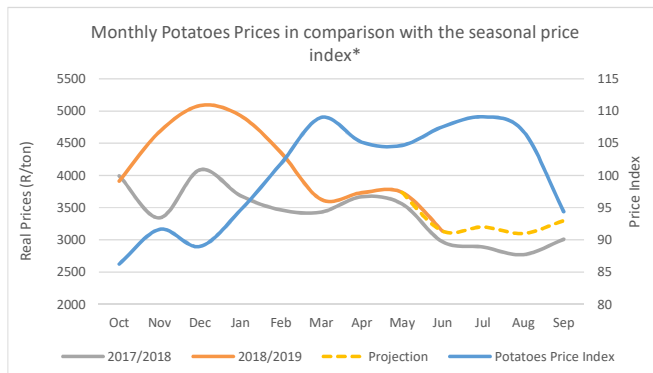
Potato Market Trends

The total volume of potatoes sold increased by 5.5% compared to the previous week. These volume levels are also 15.6% higher than the volumes sold this time last year. The price of potatoes also increased week-on-week by 6.3%. A kilogram of potatoes therefore trades at R3.40 for this week. We expect that the supply of potatoes will increase over the coming weeks and we expect prices to continue to trade sideways for the next two to three months.

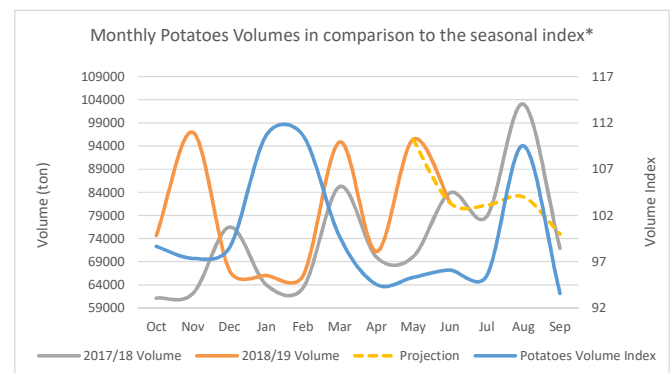
Local Market

Weekly Potato Volumes and Prices			
	Volume (ton)	Price (R/ton)	
Week Ending 5 July	22035	R	3,411
w/w	5.5%		6.3%
m/m	-4.2%		7.4%
y/y	15.6%		4.6%

Outlook



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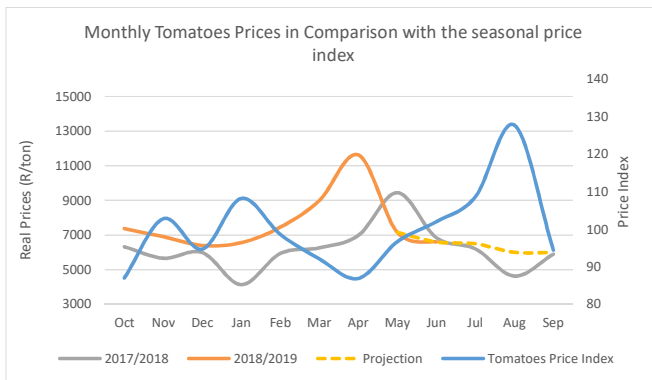
Tomato Market Trends

The price for tomatoes this week has declined by 10% compared to the previous week. This decline in price continues to be driven by the low demand for tomatoes this season. Prices are also significantly lower than they were this time last year and show a year-on-year decline of 23.3%. This is another indication of the negative effects that the unfavourable economic conditions have had on the trading activities of some fresh produce. The supply of tomatoes has been average and the volumes sold per ton increased by 12.5% week-on-week. We expect tomato prices to decline further over the next three months.

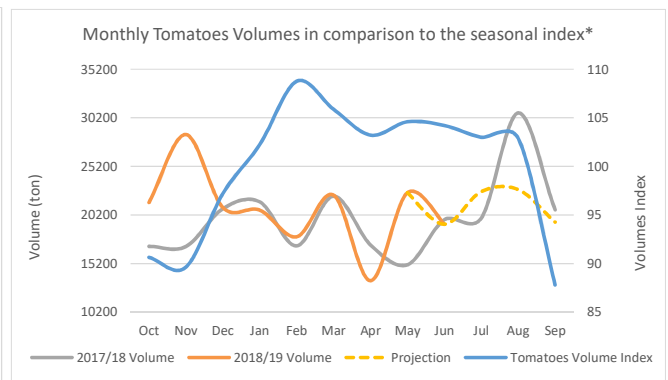
Local Market

Weekly Tomato Volumes and Prices			
	Volume (ton)	Price (R/ton)	
Week Ending 5 July	5415	R	6,046
w/w	12.5%		-9.9%
m/m	21.0%		-20.8%
y/y	41.8%		-23.3%

Outlook



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