



# WHEAT FORUM

27 September 2022

Bernard Schultz  
General Manager

# Supply & Demand

(National & International) per Marketing season

	SAGIS	NAMC		USDA	
Marketing year	Oct - Sep			Jul - Jun	
	2021/22 Oct '21-Jul '22	Projection 2021/22	Projection 2022/23	Estimate 2021/22	Projection 2022/23
	'000t			'Mil ton	
Opening stocks	467.4	467.4	597.3	290.6	275.7
Production	2 239.4	2 245.0	2 138.9	779.9	783.9
Imports	1 381.3	1 535.0	1 530.0	198.0	204.1
Total use	2 830.3 <sup>(a)</sup>	3 389.1 <sup>(a)</sup>	3 404.9	789.6	786.3
Exports	239.2	269.0	174.0	203.2	208.9
Sundries	-10.3 <sup>(b)</sup>	-8.0	-7.5		
Closing stocks	1 028.9 <sup>(c)</sup>	597.3 <sup>(b)</sup>	694.8	275.7	268.6

(a) Including producer withdrawals, seed and end users

(b) Net dispatches(+)/Receipts(-) plus Surplus (-)/Deficit(+)

(c) All stocks, regardless ownership thereof, in commercial structures

Source: SAGIS, NAMC: S&DEC, USDA

# Production, Retention & Deliveries

## Crop Estimate vs. SAGIS Producer Deliveries

	2019/20 Oct - Sep	2020/21 Oct - Sep	2021/22 Progr. Oct - Jul
	Ton		
CEC Production *	1 535 000	2 120 000	2 285 000
Less Retentions	32 000	41 000	40 000
Total available	1 503 000	2 079 000	2 245 000
SAGIS Deliveries	1 513 300	2 077 136	2 252 211
Difference	-10 300	1 864	-7 211

\* 2021/22: Final forecast

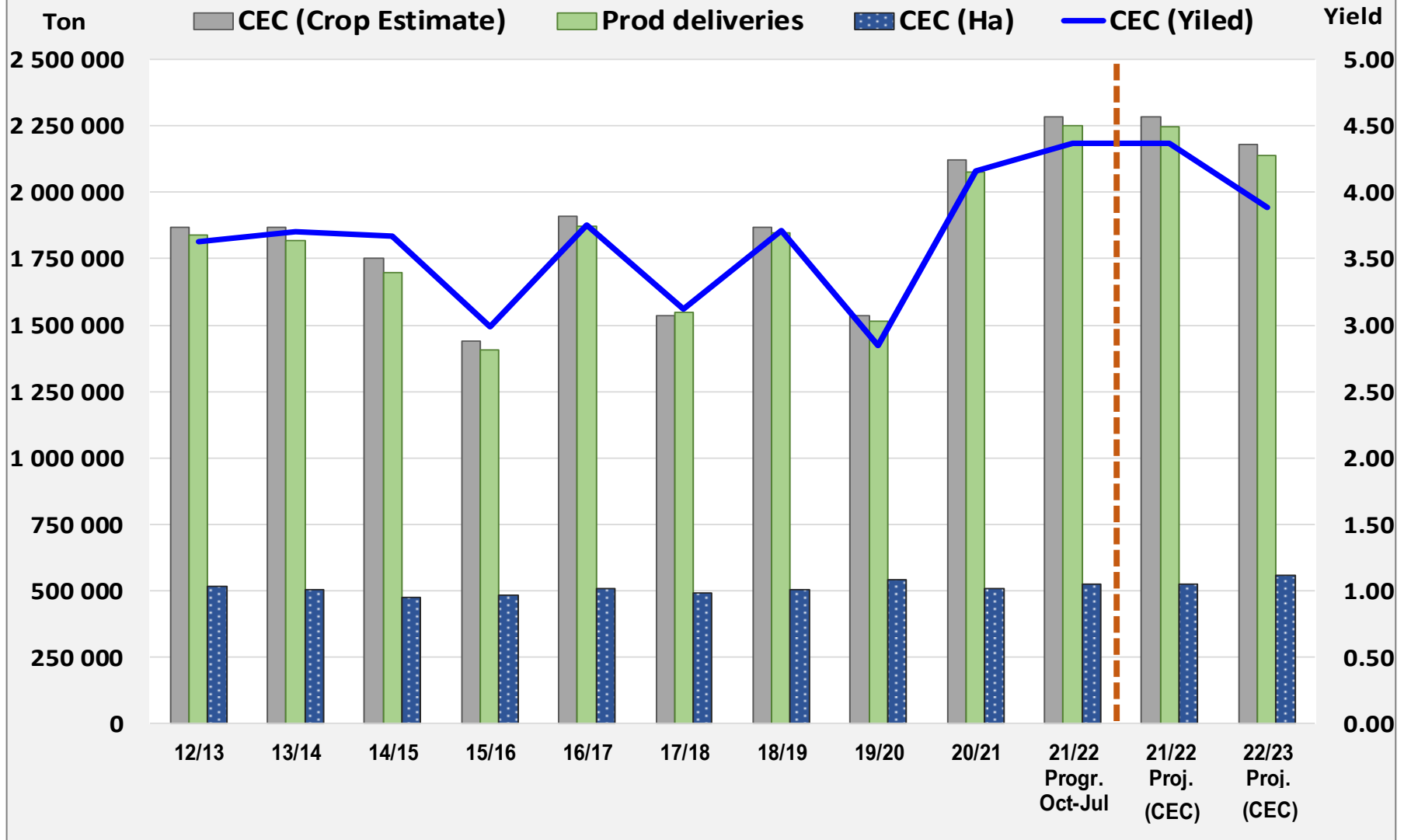
Source: SAGIS, CEC



# CEC Estimate, Yield, Ha & SAGIS Deliveries

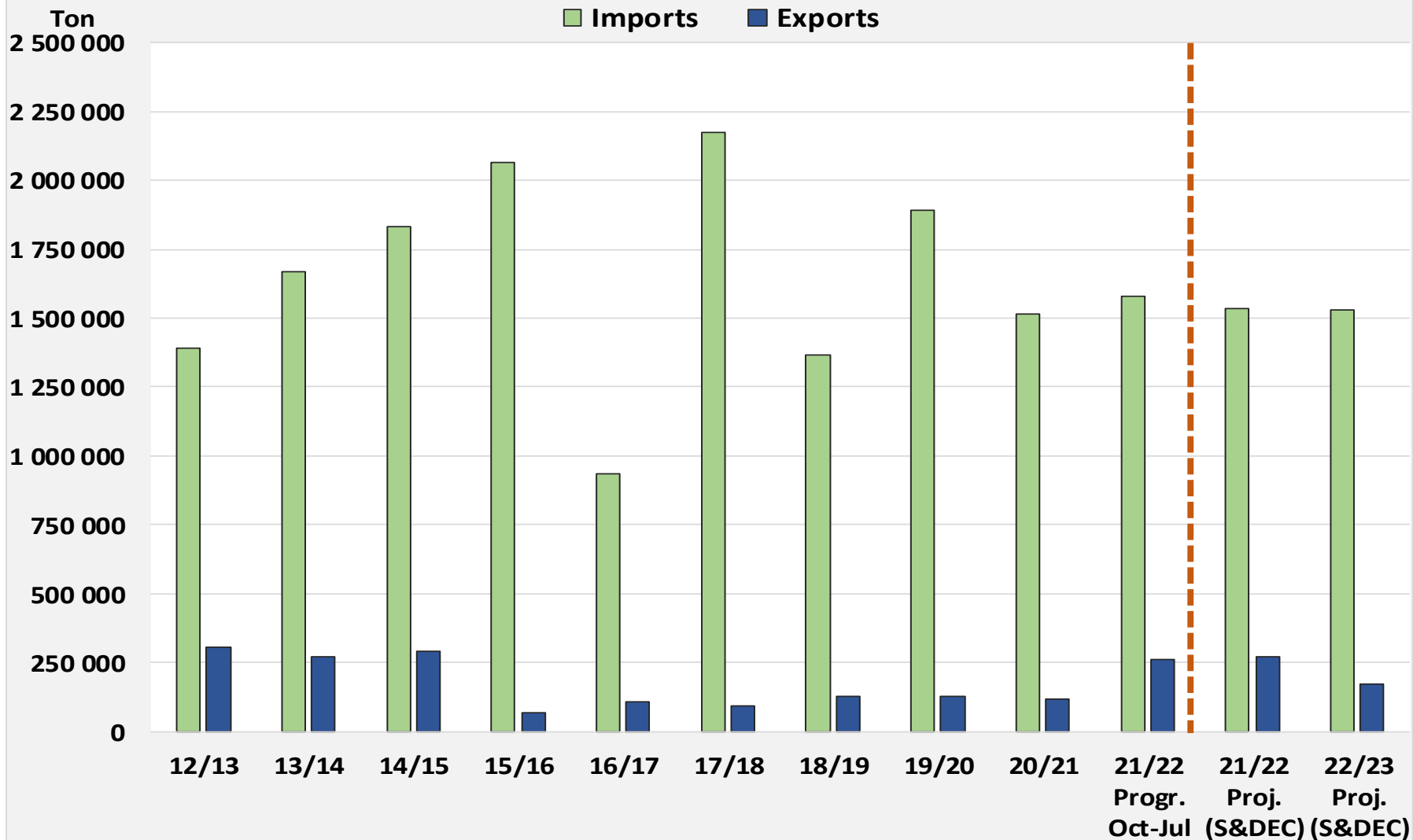


WHEAT: CEC ESTIMATES vs. SAGIS DELIVERIES

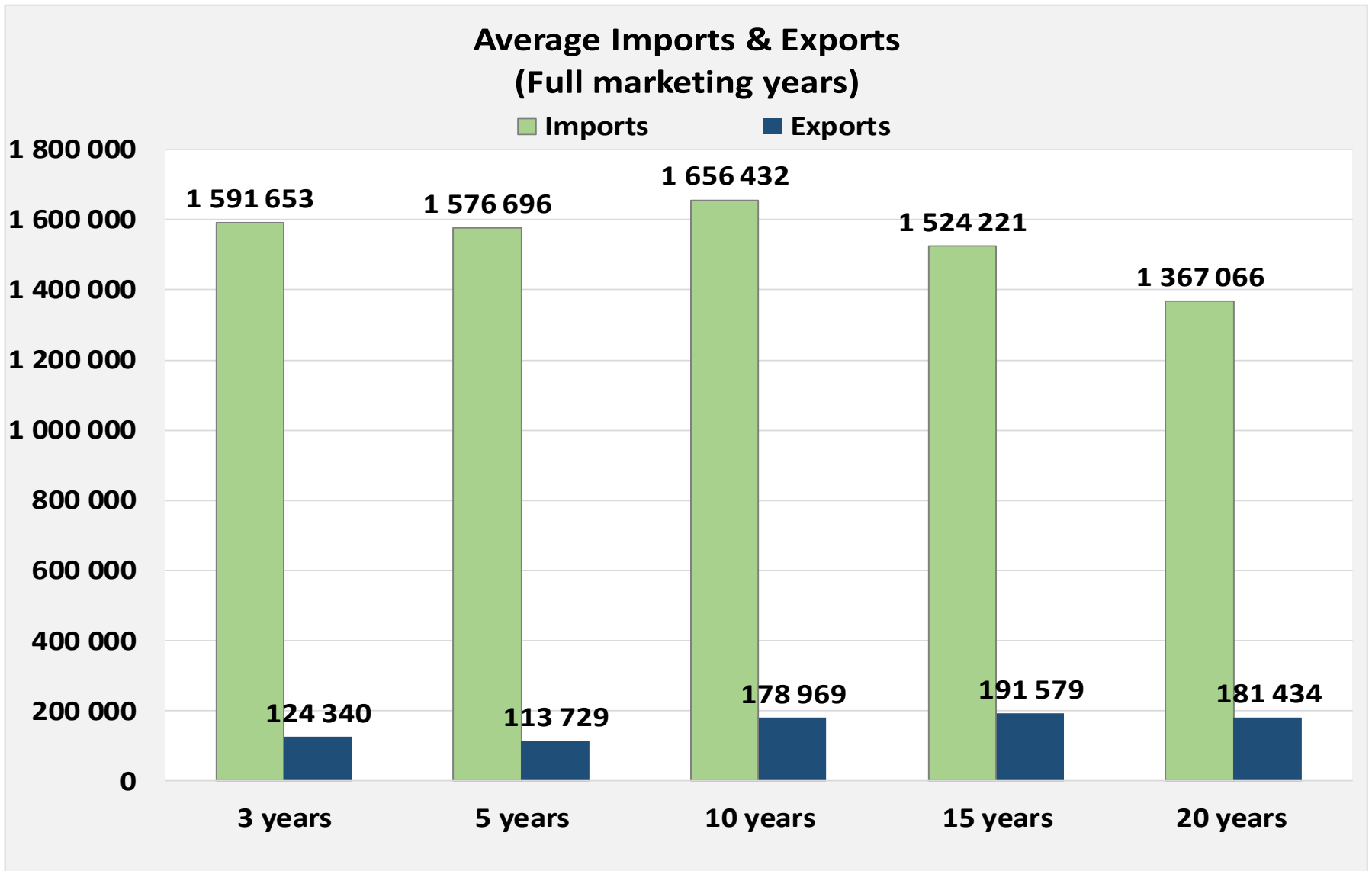


# Imports & Exports (Raw material)

## WHEAT (RAW MATERIAL) : IMPORTS & EXPORTS



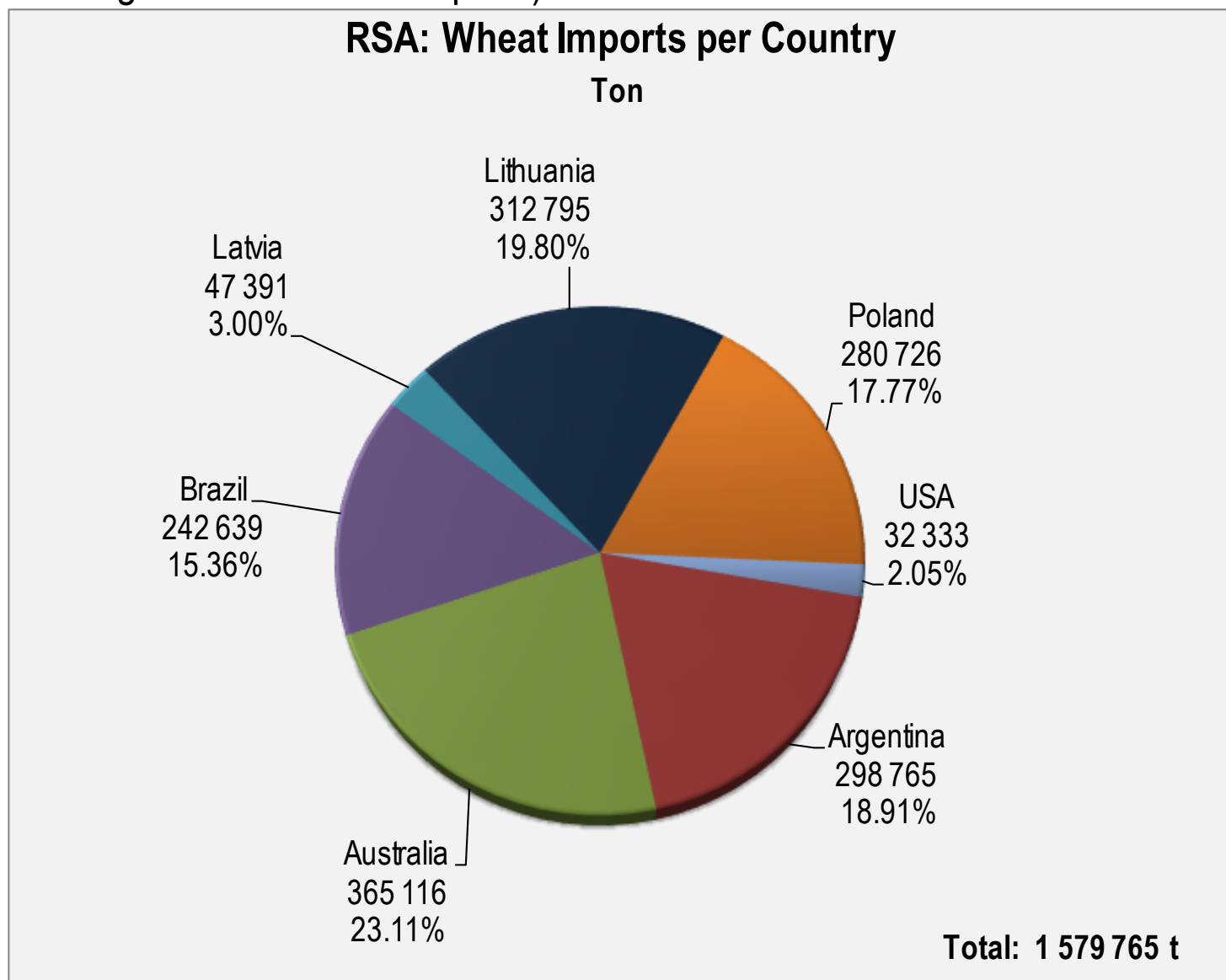
# Average Imports & Exports (Full marketing years)





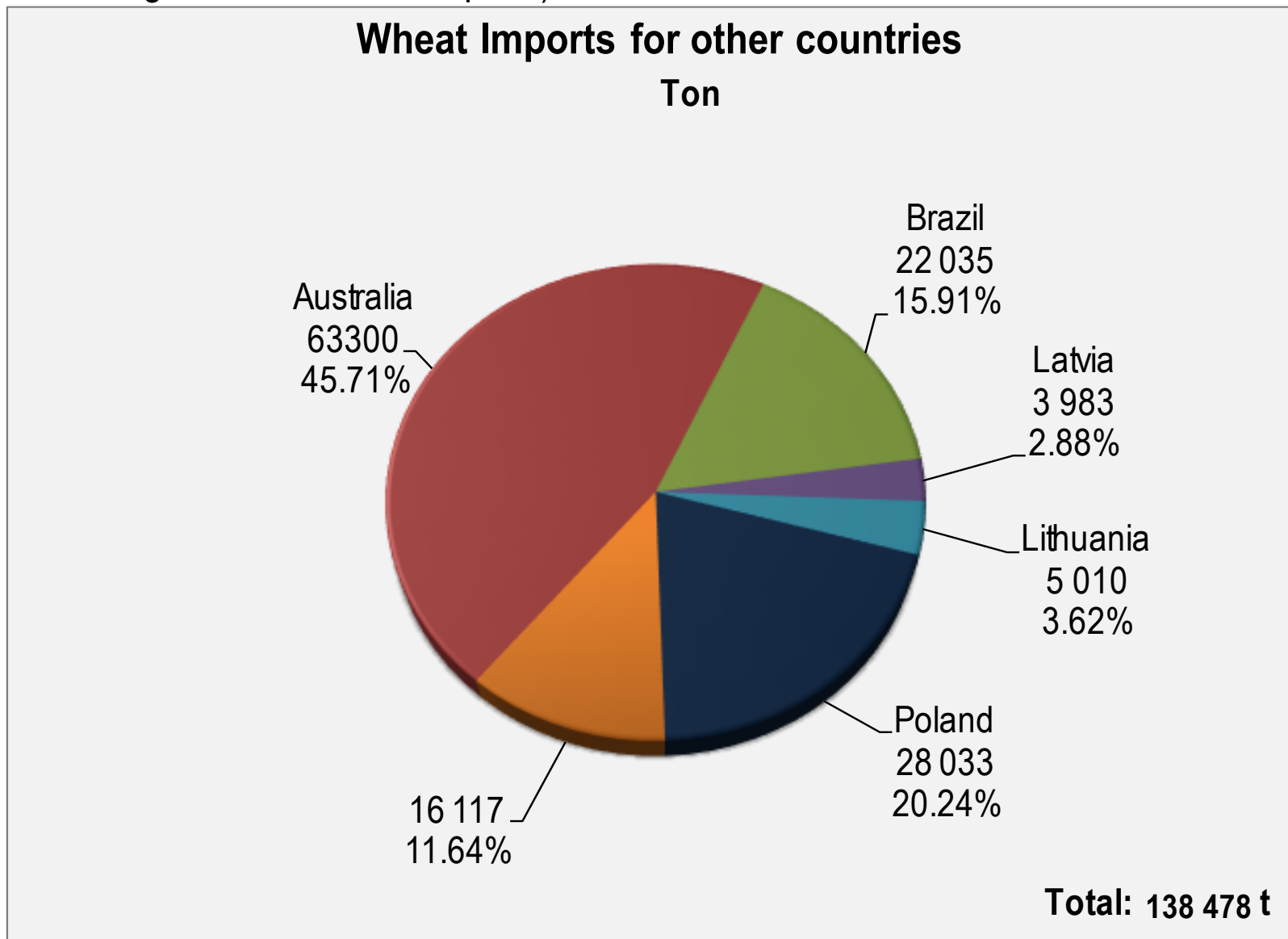
# Imports: Major origin of imports

(2021/22: Progr. 1 Oct '21 – 16 Sep '22)



# Imports for Other Countries

(2021/22: Progr. 1 Oct '21 – 16 Sep '22)

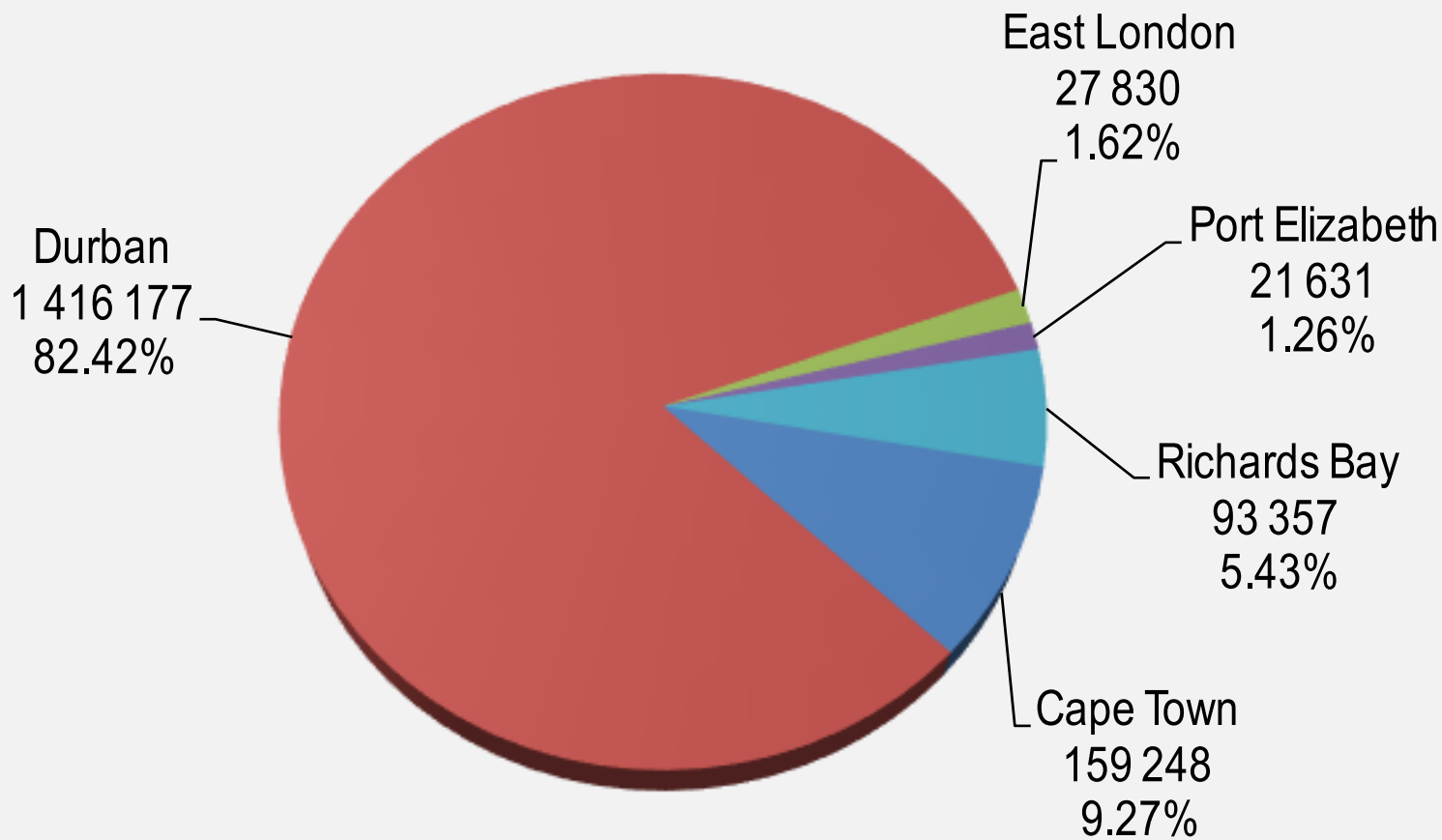




# Imports per Harbour (RSA & Other countries)

(2021/22: Progr. 1 Oct '21 – 16 Sep '22)

## Wheat Weekly Imports per Harbour

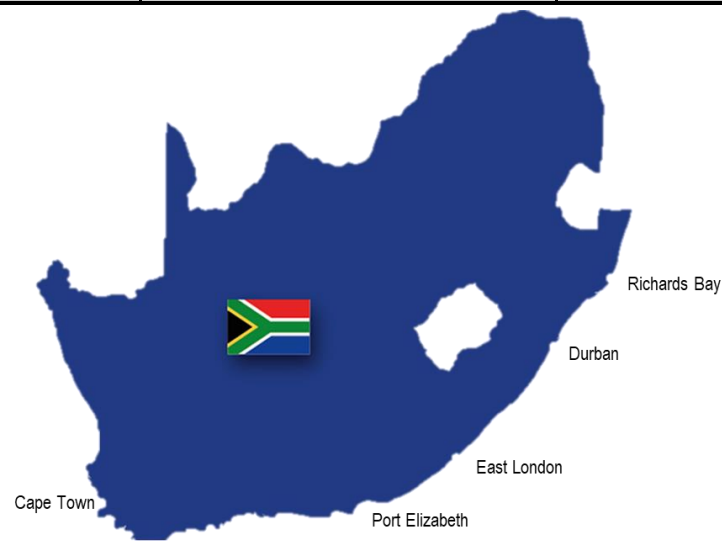


**Total Imports per Harbour: 1 718 243 t (Incl. Imports for RSA & other countries)**

# Wheat Imports

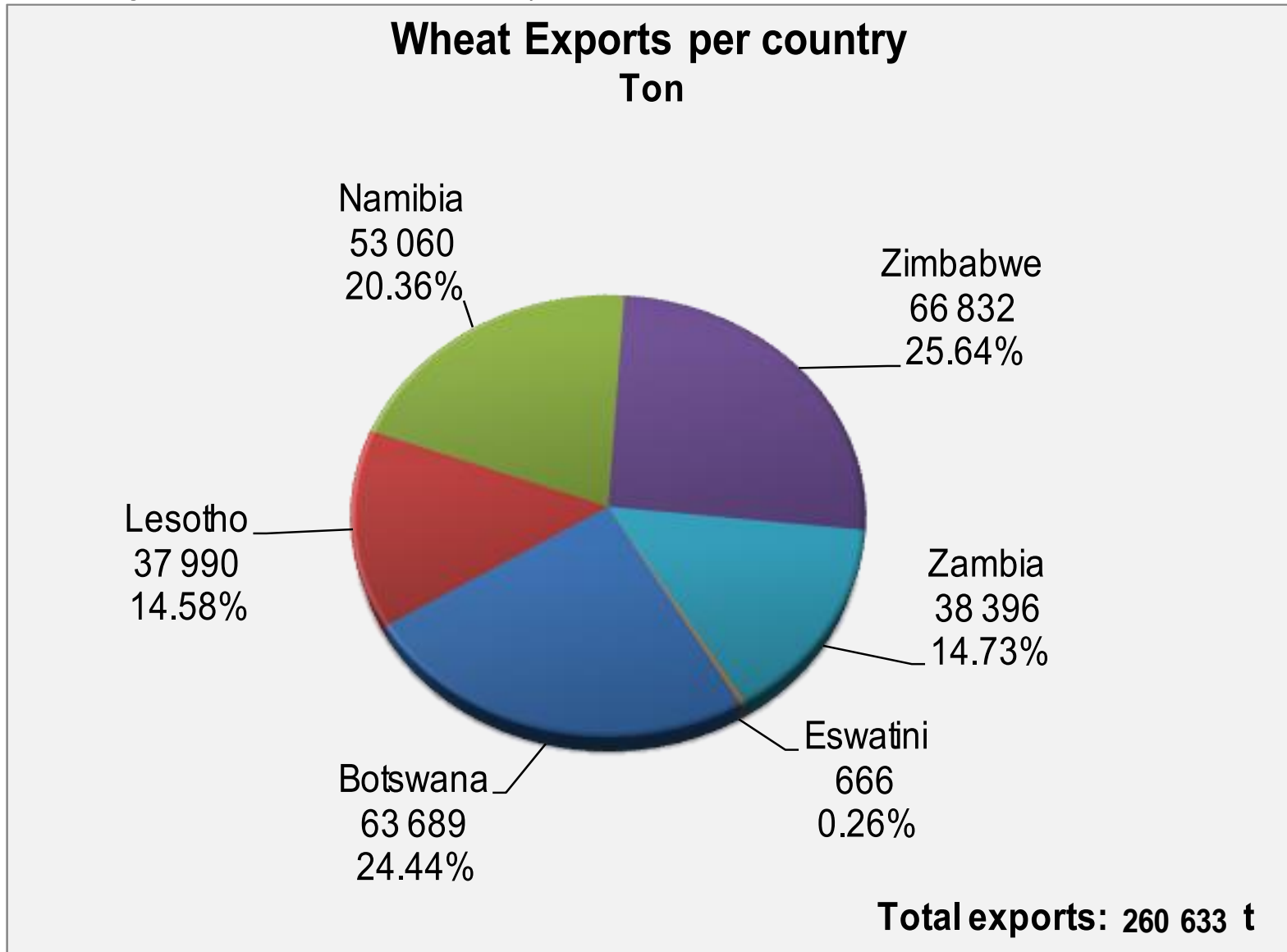
(2021/22: Progr. 1 Oct '21 – 31Jul '22)

Wheat	Oct '20 - Jul '21 Progr. 10 months		Oct '21 - Jul '22 Progr. 10 months	
Total Imports (RSA + Other)		1 633 502 t		1 509 047 t
Number of Vessels		52		43
Number of Countries		10		7
Number of Ports offloaded		5		5
Harbour facilities visited		156		116
Average per vessel		31 414 t		35 098 t
Largest vessel	Australia	48 783 t	Lithuania	51 701 t
Smallest vessel	Canada	3 327 t	Argentina	8 010 t
Bussiest month	October 2020	44	February 2022	22

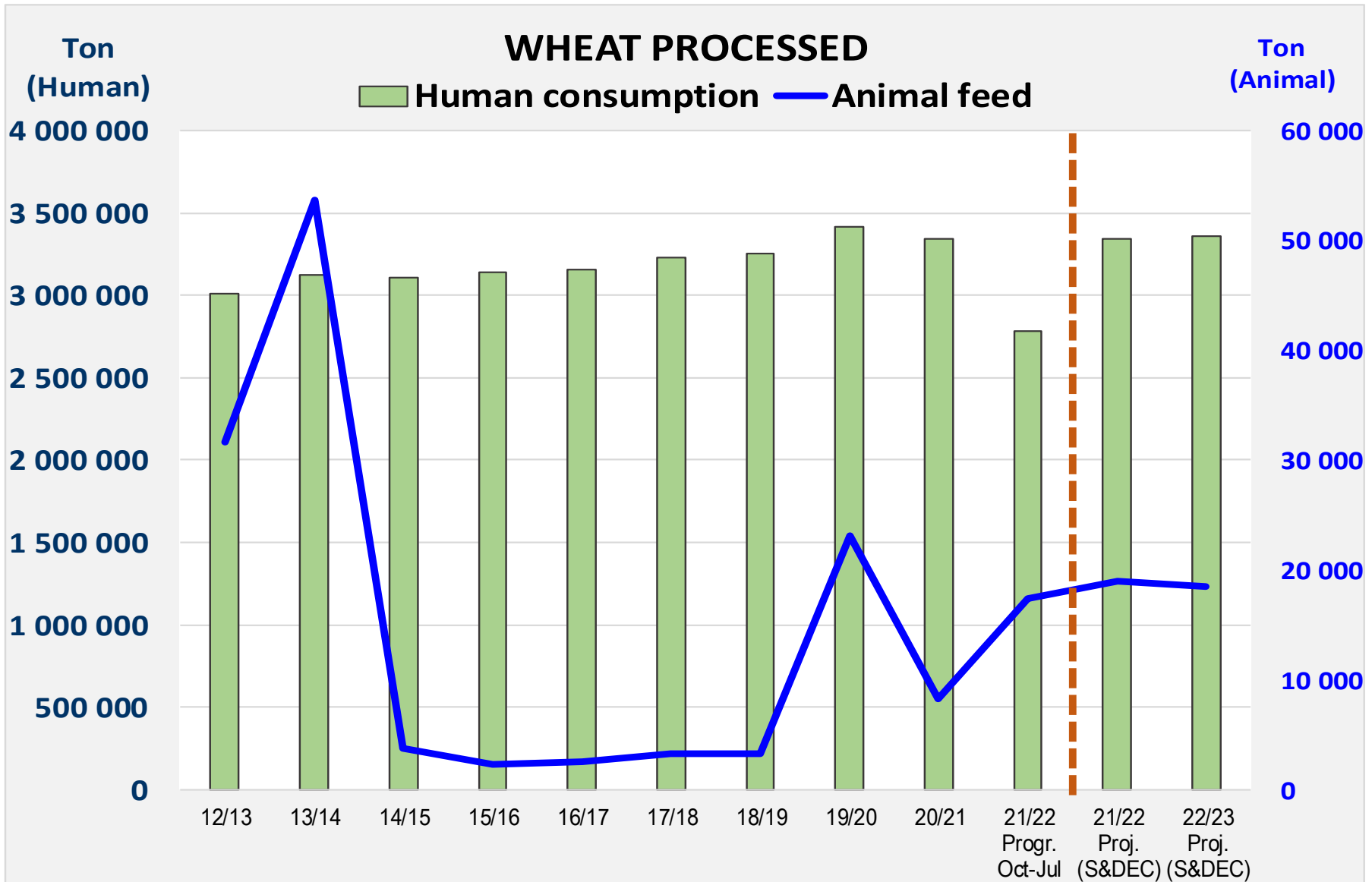


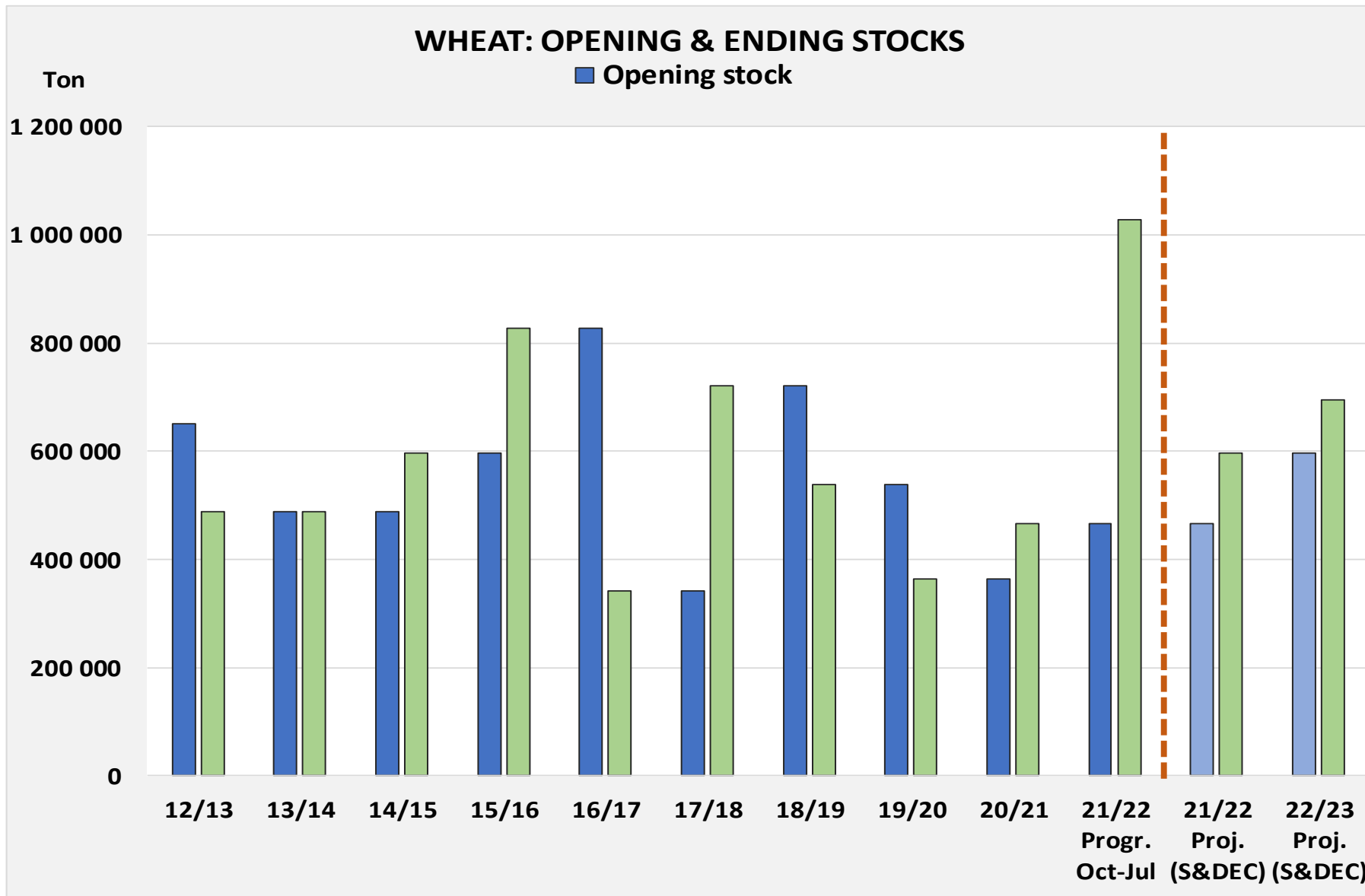
# Export destinations

(2021/22: Progr. 1 Oct '21 – 16 Sep '22)



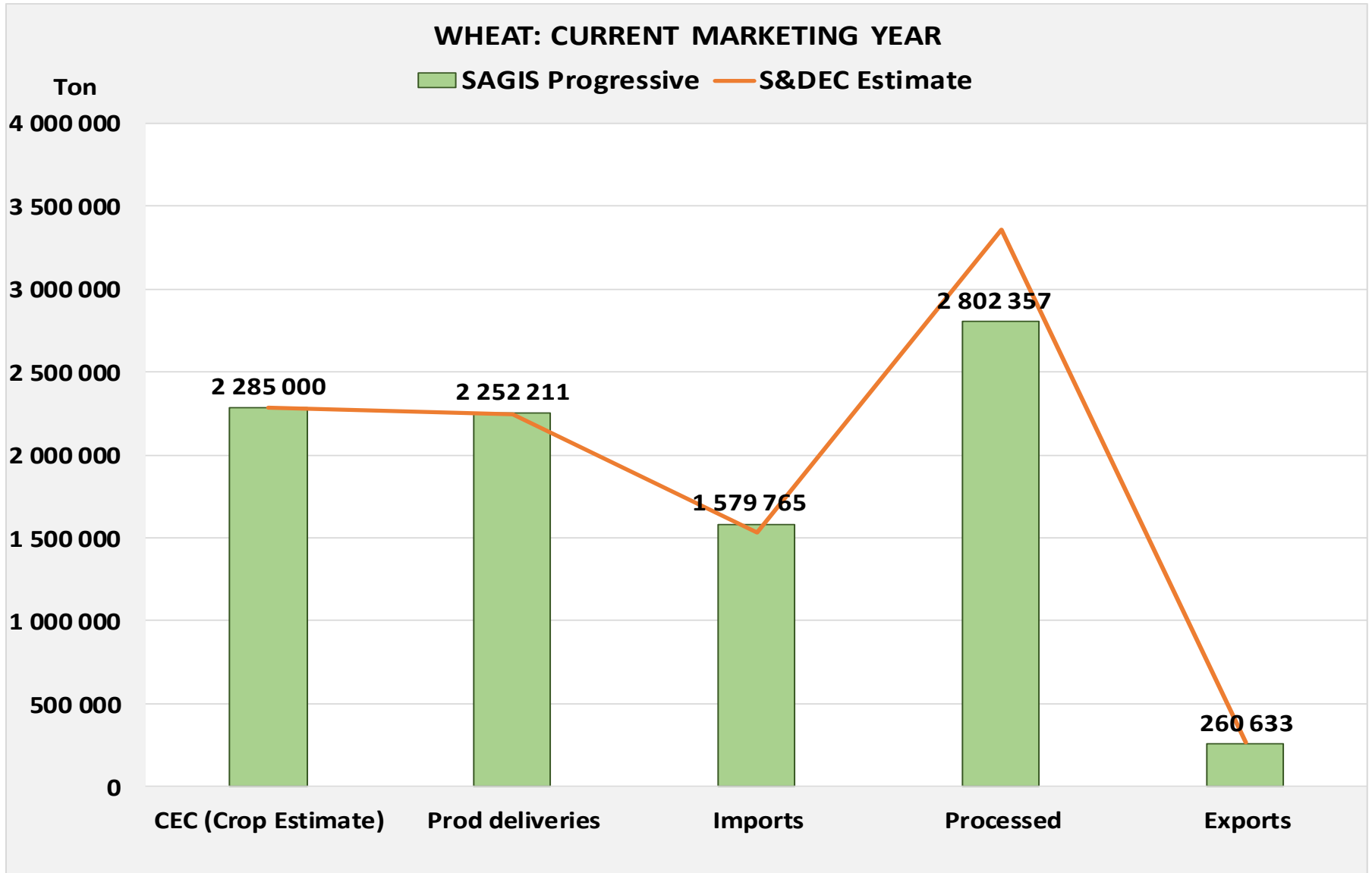
# Consumption





# 2021/22 Marketing year

(Progr. 1 Oct '21 – 31 Jul '22)

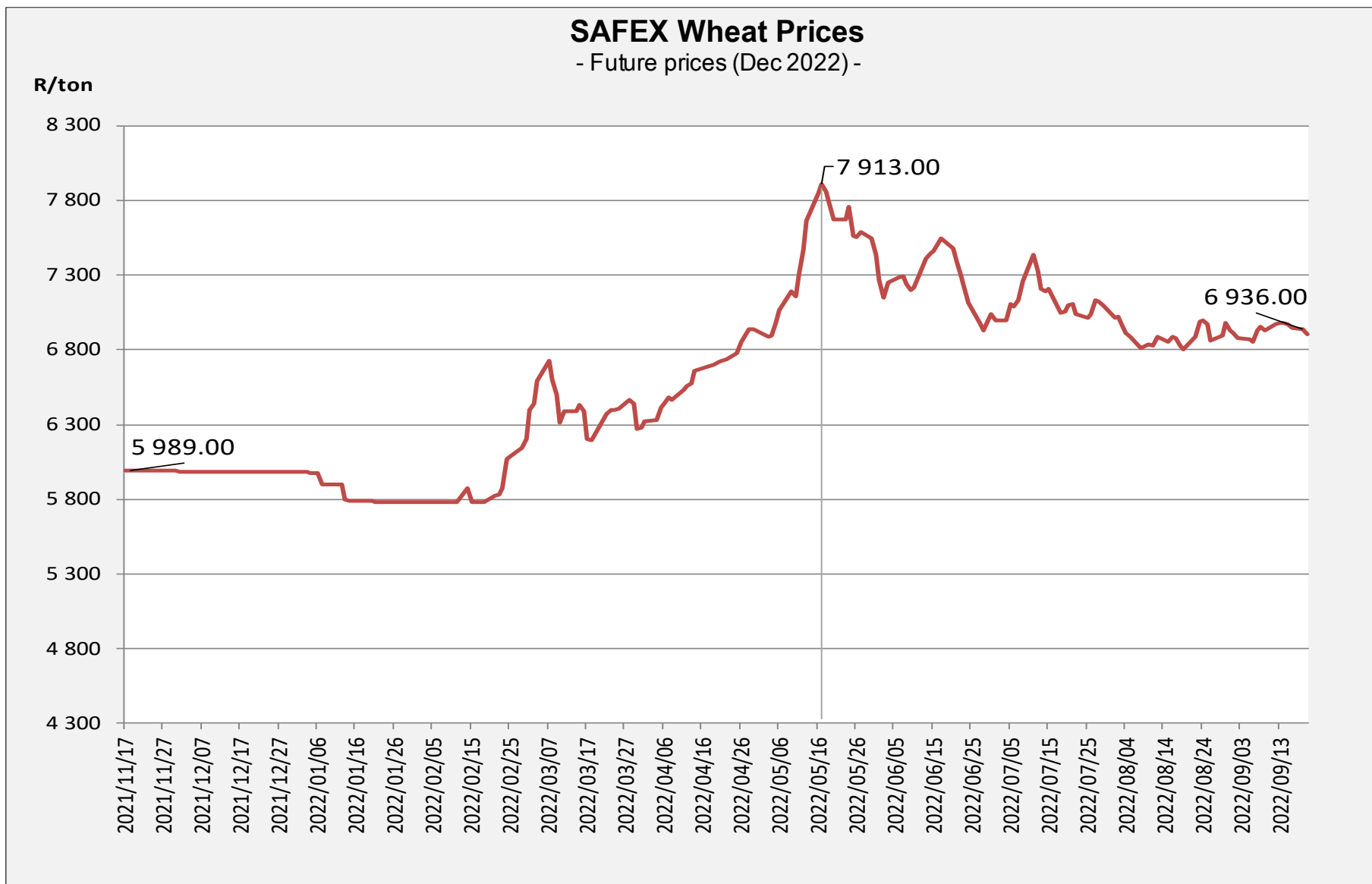


# Price movements





# Prices JSE nearby contract



# Price movements

Comparison **JSE Commodities** (Dec and Mar contracts)

	2022/09/20	% Month on Month	2022/08/19	% Year on Year	2021/09/20
	Price		Price		Price
Dec 2022	6 908.00	1.59	6 800.00	25.87	5 488.00
Mar 2023	7 052.00	1.98	6 915.00	26.09	5 593.00

Source: SAFEX

# Price movements

Comparison **KCBT** (Dec and Mar contracts)

	2022/09/20	% Month on Month	2022/08/19	% Year on Year	2021/09/20
	Price		Price		Price
Dec 2022	353.84	13.70	311.22	37.57	257.20
Mar 2023	352.52	13.22	311.36	35.32	260.51

Source: KCBT

# Price movements

## Indicative Import parity prices

2022/09/20	US HRW	US DNS	Argentine Trigo Pan	EU Germany B quality	Russia Black Sea
	\$/t				
FOB value	437.00	430.00	406.00	356.00	318.00
Freight rates	43.00	43.00	37.00	38.00	48.00
Insurance (0.3% of FOB)	1.31	1.29	1.22	1.07	0.95
COST, INSURANCE & FREIGHT (CIF)     \$/t	481.31	474.29	444.22	395.07	366.95
<i>Converted to R/t</i>					
R/\$ Exchange rate on: 2022/09/20	17.6711	17.6711	17.6711	17.6711	17.6711
	R/t				
COST, INSURANCE & FREIGHT (CIF)	8 505.28	8 381.23	7 849.86	6 981.32	6 484.41
Financing cost	62.92	62.00	58.07	51.64	47.97
COST, INSURANCE, FREIGHT & FINANCING	8 568.20	8 443.23	7 907.93	7 032.96	6 532.38
Discharging cost					
Durban (Mainly spout method)	219.30	219.30	219.30	219.30	219.30
Import tariff on Wheat	0.00	0.00	0.00	0.00	0.00
FREE ON RAIL (FOR)					
Durban harbour	8 787.50	8 662.53	8 127.23	7 252.26	6 751.68
Railage cost Durban to Randfontein	263.25	263.25	263.25	263.25	263.25
Delivered Durban to Randfontein	9 050.75	8 925.78	8 390.48	7 515.51	7 014.93
<b>SAFEX spot price</b> (2022/09/20)	<b>6 880.00</b>	<b>6 880.00</b>	<b>6 880.00</b>	<b>6 880.00</b>	<b>6 880.00</b>

# Price movements

## Indicative **Export** parity prices

2022/09/20	US HRW Wheat Gulf	US DNS 14% Wheat PNW
	Oct '22	Oct '22
	<b>\$/t</b>	
FOB Gulf value (\$/t)	437.00	430.00
SA fob price (\$/t)	437.00	430.00
R/\$ Exchange rate on: 2022/09/20	17.6711	17.6711
	<b>R/t</b>	
FOB Gulf value (R/t)	7 722.27	7 598.57
<b>Marketing costs:</b>		
Financing (Prime rate 9.00% - 30 days) (R/t)	57.12	56.21
Railage:		
Randfontein – Durban harbour	263.25	263.25
Loading costs: (R/t)		
Durban Harbour (Mainly spout method)	230.00	230.00
<b>Export realisation</b>		
Randfontein	7 171.90	7 049.11
<i>SAFEX spot price (2022/09/20)</i>	<i>6 880.00</i>	<i>6 880.00</i>



# Price movements

## SARS FOB prices

(2021/22: Progr. 1 Oct '21 – 31 Jul '22)

Wheat - Other 1001.99		2019/20	2020/21	2021/22 Progr. Oct-Jul
<b>Imports</b>	Quantity (Ton)	2 115 937	1 667 076	1 406 737
<b>Total value of imports</b>	FOB value (R'000)	7 655 101	6 629 214	7 467 715
<b>Value per ton</b>	FOB R/Ton	3 617.83	3 976.55	5 308.54

Source: SARS

# Imports: SARS FOB prices per country:

Wheat Other: 1001.99

(2021/22: Progr.1 Oct '21 – 31 Jul '22)

Country	Ton	FOB value R'000	FOB Rand/ton
Argentina	335 036.082	1 689 150.94	5 041.70
Australia	419 393.132	2 361 548.06	5 630.87
Bangladesh	0.005	0.13	28 051.39
Botswana	0.007	0.10	14 000.00
Brazil	245 960.711	1 227 683.76	4 991.38
China	0.019	0.64	33 473.68
Gabon	0.015	2.04	136 200.00
India	23.510	185.03	7 870.18
Japan	0.017	1.79	105 424.53
Latvia	80 037.252	281 825.85	3 521.18
Lithuania	137 224.170	695 195.49	5 066.13
Namibia	0.028	0.36	12 876.31
Netherlands	1.000	26.05	26 054.00
Nigeria	1.400	2.09	1 493.57
Poland	188 808.740	1 210 190.37	6 409.61
Spain	3.920	77.24	19 704.85
United Kingdom	0.017	1.75	
United States	0.003	1.32	506 923.08
Unknown	246.560	1 821.56	7 387.91
<b>Total</b>	<b>1 406 736.587</b>	<b>7 467 714.572</b>	<b>5 308.54</b>

Progr. Oct '21 - Jul '22





# Price movements

## SARS FOB prices

(2021/22: Progr. 1 Oct 21 – 31 Jul '22)

Wheat - Other 1001.99		2019/20	2020/21	2021/22 Progr. Oct-Jul
<b>Exports</b>	Quantity (Ton)	158 514	169 497	272 480
<b>Total value of exports</b>	FOB value (R'000)	751 056	940 171	1 681 439
<b>Value per ton</b>	FOB R/Ton	4 738.10	5 546.81	6 170.86

Source: SARS

# Exports: SARS FOB prices per country:

Wheat Other: 1001.99

(2021/22: Progr. 1 Oct '21 – 31 Jul '22)

Country	Ton	FOB value R'000	FOB Rand/ton
Botswana	56 005.697	361 953.28	6 462.79
Congo, Dem Rep Of	3.500	16.04	4 581.71
Eswatini	44 307.657	251 902.10	5 685.29
Kenya	3.216	121.71	37 841.61
Lesotho	44 592.964	278 646.02	6 248.65
Malawi	0.038	0.49	
Mozambique	1 428.420	6 664.85	
Namibia	39 987.060	201 969.57	5 050.87
New Zealand	0.001	0.47	471 000.00
Unknown	426.400	2 802.41	
Zambia	32 499.846	171 201.80	5 267.77
Zimbabwe	53 225.651	406 159.81	7 630.90
<b>Total</b>	<b>272 480.450</b>	<b>1 681 438.534</b>	<b>6 170.86</b>



# Products



# Wheaten Products (Manufactured, Imported & Exported)

(Progr. Oct '21 – Jul '22)

Wheaten Products	Oct '21 - Jul '22 (10 months)			
	Manufactured	Imported	Exported	% of Total Manufactured
	Tons			
Cake Flour	826 483	3 412	1 030	29.3
Self-Raising Flour	12 887	19	3 338	0.5
White Bread Flour	1 068 626	10 884	4 465	37.9
Brown Bread Flour	234 092	5 631	7 570	8.3
Other Flour (Industrial)	96 906	0	0	3.4
Whole Wheat Meal	4 953	0	9	0.2
Bran	568 341	6 505	0	20.2
Semolina	3 927	0	13	0.1
<b>Total</b>	<b>2 816 215</b>	<b>26 451</b>	<b>16 425</b>	<b>100.0</b>
<b>Whole Wheat Milled</b>	2 805 952	<b>Whole wheat milled =</b> <i>Processed for human consumption</i> <i>Processed for gristing</i> <i>Product exports</i>		
Diff's milled and products	-10 263			
% Bran	20			



# Wheaten Products: Per Capita Consumption

(Progr. Oct '21 – Jul '22)

Per capita consumption	Total Wheaten products	Total Pan baked bread	Total Maize products <sup>2)</sup>	Total Oilseeds products
	Oct '21 - Jul '22 (10 months)			
	Ton	Kg	Ton	Ton
Manufactured	2 816 215	2 005 812 149	3 101 510	1 963 708
+ Imports	26 451		2 924	911 025
- Exports	-16 425		-189 555	-113 846
<b>Total "consumed"</b>	<b>2 826 241</b>	<b>2 005 812 149</b>	<b>2 914 879</b>	<b>2 760 887</b>
Total population <sup>1)</sup>	60 143 000	60 143 000	60 143 000	60 143 000
	Kg	Kg	Kg	Kg
<b>Per capita consumption (Kg)</b>	<b>46.99</b>	<b>33.35</b>	<b>48.47</b>	<b>45.91</b>

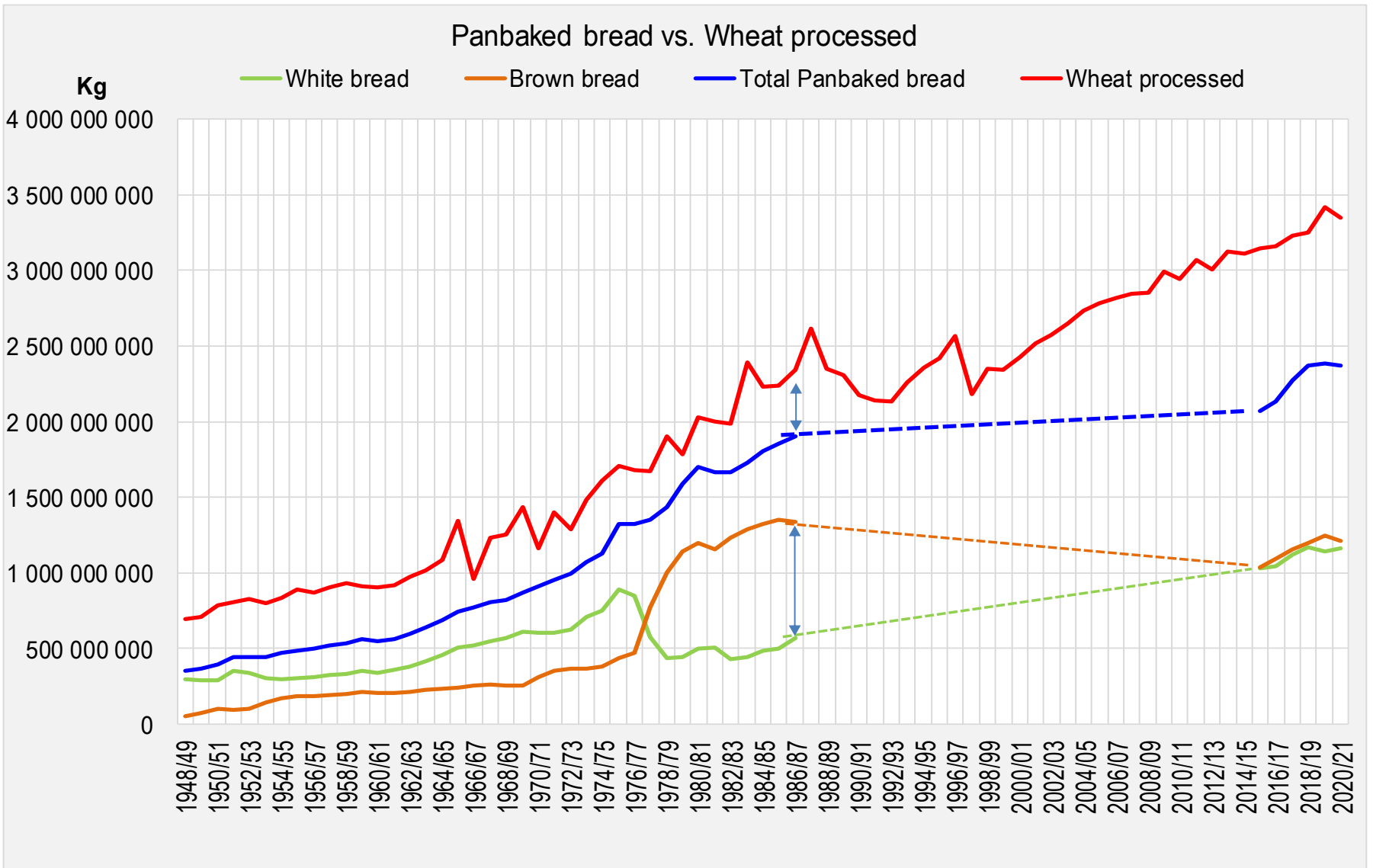
Note: 1) Preliminary Total population - Abstract of Agricultural Statistics 2022 (January to December)

2) Maize = Total less chop



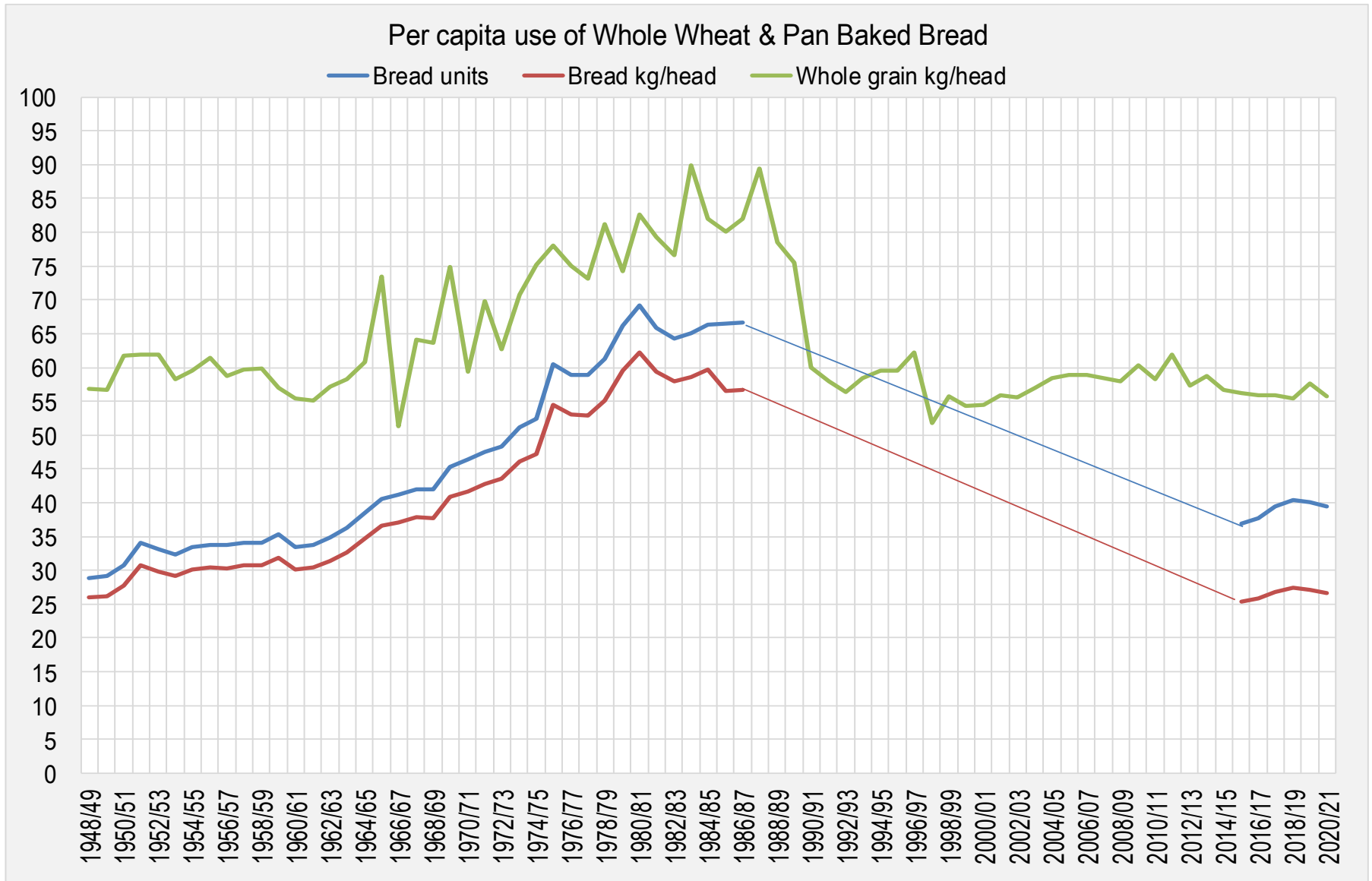
# Pan baked bread vs Wheat Processed: Historic Info

(1949/50 – 2020/21)



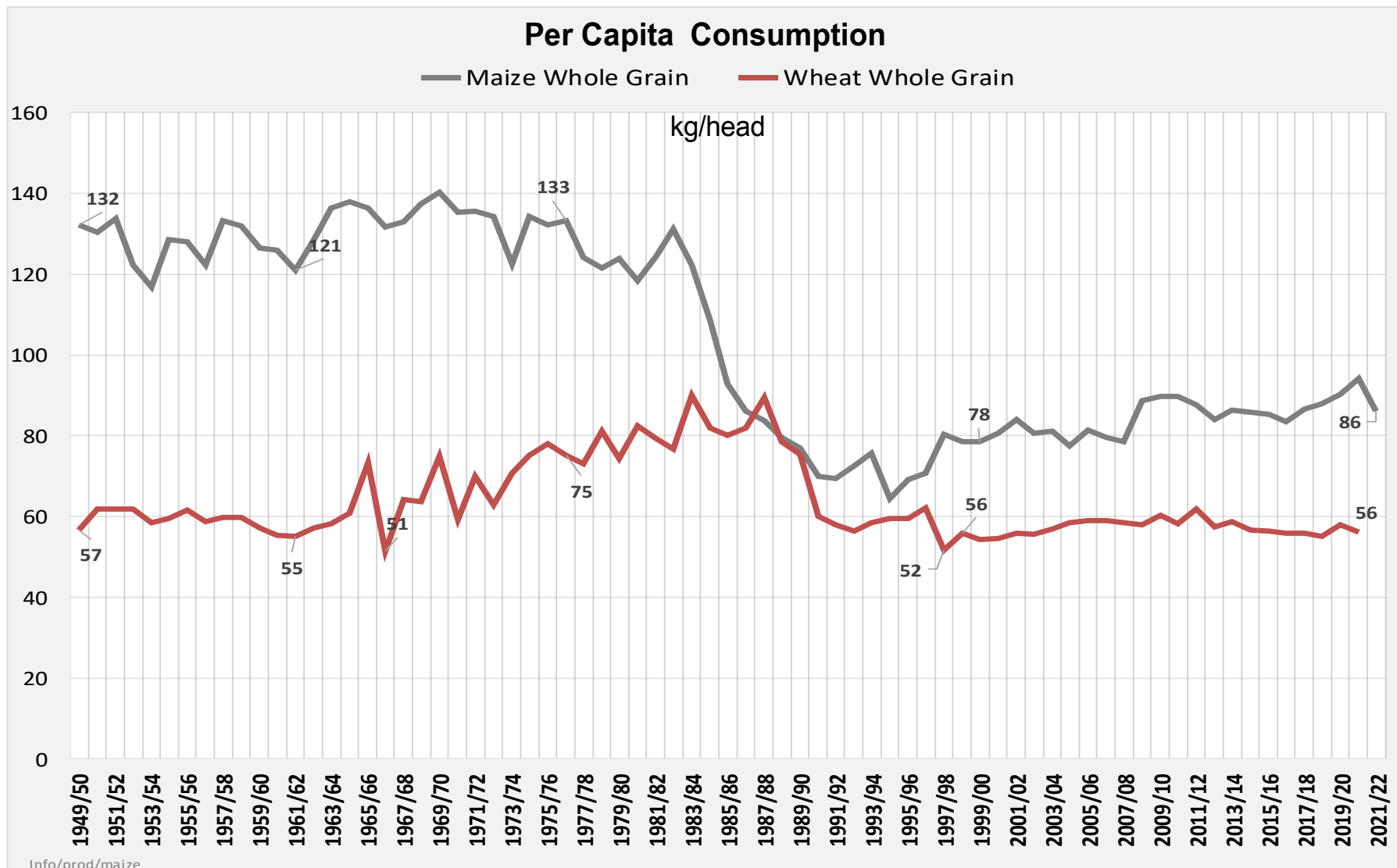


# Historic Info: Per capita use of whole wheat & pan baked bread (1949/50 – 2020/21)



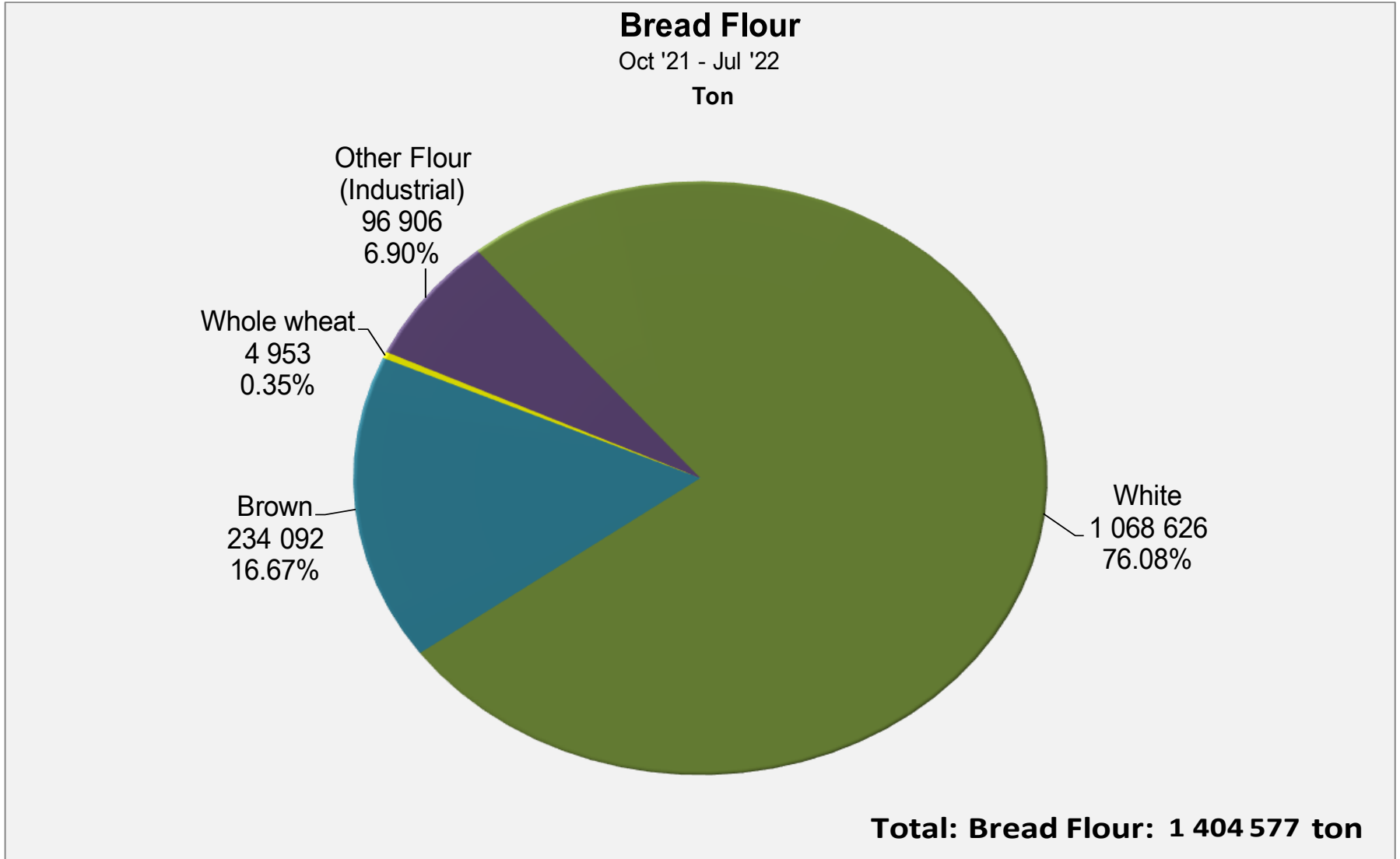


# Historic Info: Wheat vs Maize : Whole Grain per capita consumption (1949/50 – 2021/22)



# Wheaten Products : Bread Flour (Ton)

(Progr. Oct '21 – Jul '22)



# Pan baked bread (Units)

(Progr. Oct '21 – Jul '22)

Pan baked bread manufactured	12 months Aug '21 - Jul '22	% of Total
	Units	
<b>WHITE BREAD</b>		
400g	1 522 159	0.1
600g	210 283 999	10.5
700g	802 317 185	40.0
Other	9 784 646	0.5
<b>Total White Bread</b>	<b>1 023 907 989</b>	<b>51.0</b>
<b>BROWN BREAD</b>		
400g	281 654	0.0
600g	284 360 749	14.2
700g	663 209 162	33.1
Other	12 231 143	0.6
<b>Total Brown Bread</b>	<b>960 082 708</b>	<b>47.9</b>
<b>WHOLE WHEAT</b>		
400g	9 239	0.0
600g	393 466	0.0
700g	3 817 327	0.2
Other	16 546 731	0.8
<b>Total Whole Wheat</b>	<b>20 766 763</b>	<b>1.0</b>
<b>OTHER</b>		
400g	10 104	0.0
600g	87 362	0.0
700g	53 084	0.0
Other	904 139	0.0
<b>Total Other</b>	<b>1 054 689</b>	<b>0.1</b>
<b>Total all bread</b>	<b>2 005 812 149</b>	<b>100.0</b>

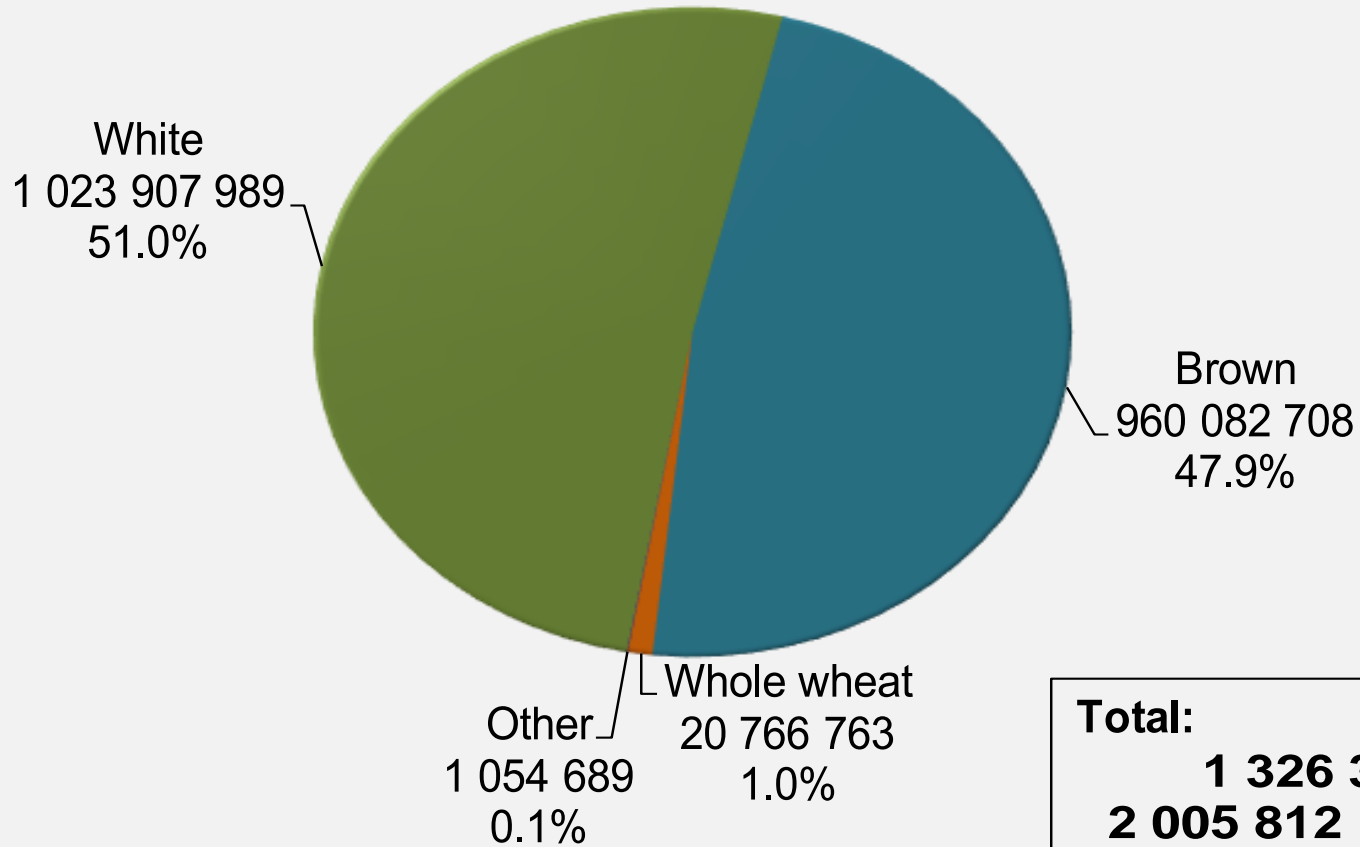


# Pan baked bread per type

(Progr. Oct '21 – Jul '22)

**Pan Baked Bread per type**  
Oct '21 - Jul '22

Units



# Price movements

## Wheaten products: Year on year price changes

		August				
		2022	% Year on Year	2021	% Year on Year	2020
		Price R		Price R		Price R
White Bread	700g	18.38	20.13	15.30	-0.52	15.38
Brown Bread	700g	16.32	29.22	12.63	-7.13	13.60
Cake Flour	2.5kg	39.48	33.15	29.65	4.11	28.48
Bread Flour	2.5kg	44.45	25.11	35.53	-1.31	36.00

Source: SA Stats

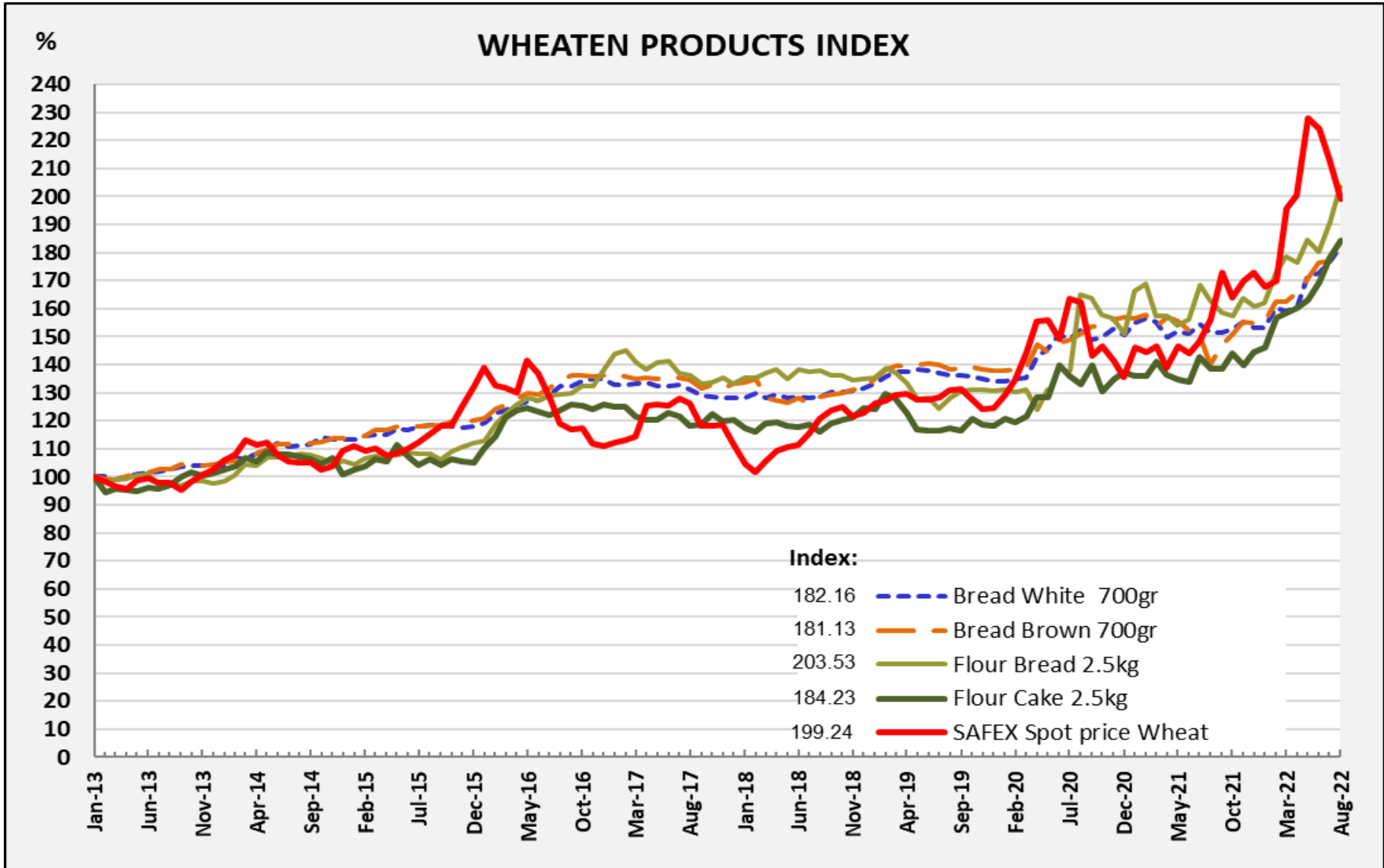


The South Africa I know, the home I understand



# Wheaten products: Price movement Index

(Jan '13 – Aug '22)



# Import / Export Intentions

- Statutory Measure to report intentions to import and/or export wheat – promulgated on 23 September 2022.
- Same requirements for wheat and maize.





- Volumes of wheat imports / exports should be aggregated nationally.
- Information of wheat volumes imported / exported be collected and/or disseminated weekly.
- Data or volumes of weekly wheat imports / exports must contain information of not less than 5 traders or industry players.
- NO pricing information be collected or disseminated by SAGIS.

- Percentage of weeks which can be published:

Marketing year	Every week	Every 2 <sup>nd</sup> week
	%	
2018/19	32.69	30.77
2019/20	50.00	50.00
2020/21	57.69	64.54

- Possible weeks is not spread out evenly throughout the marketing year.

- The 8 weeks for a specific week be aggregated into one total.
- The aggregated total will only be published if 5 or more co-worker's data are included in the next 8 weeks.

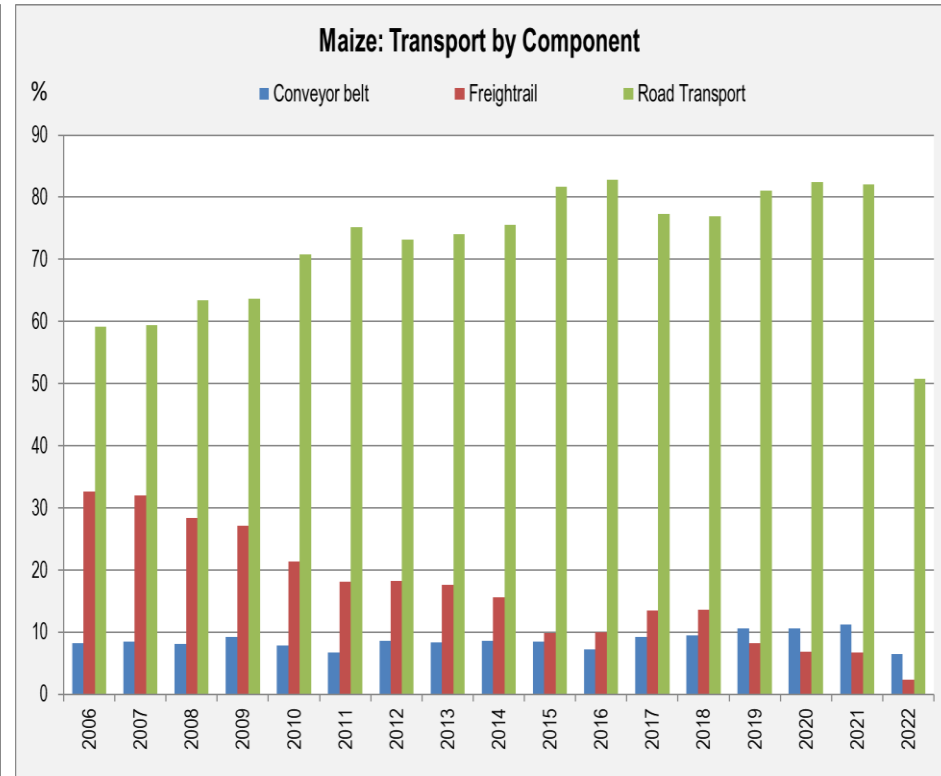
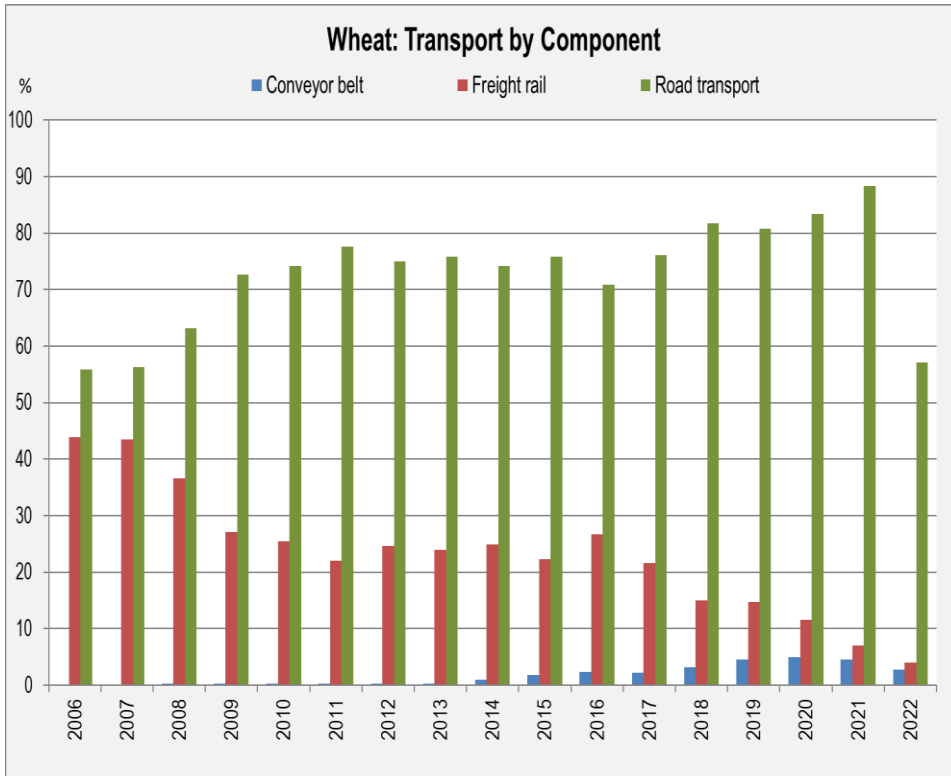
# General



# Transport by Component

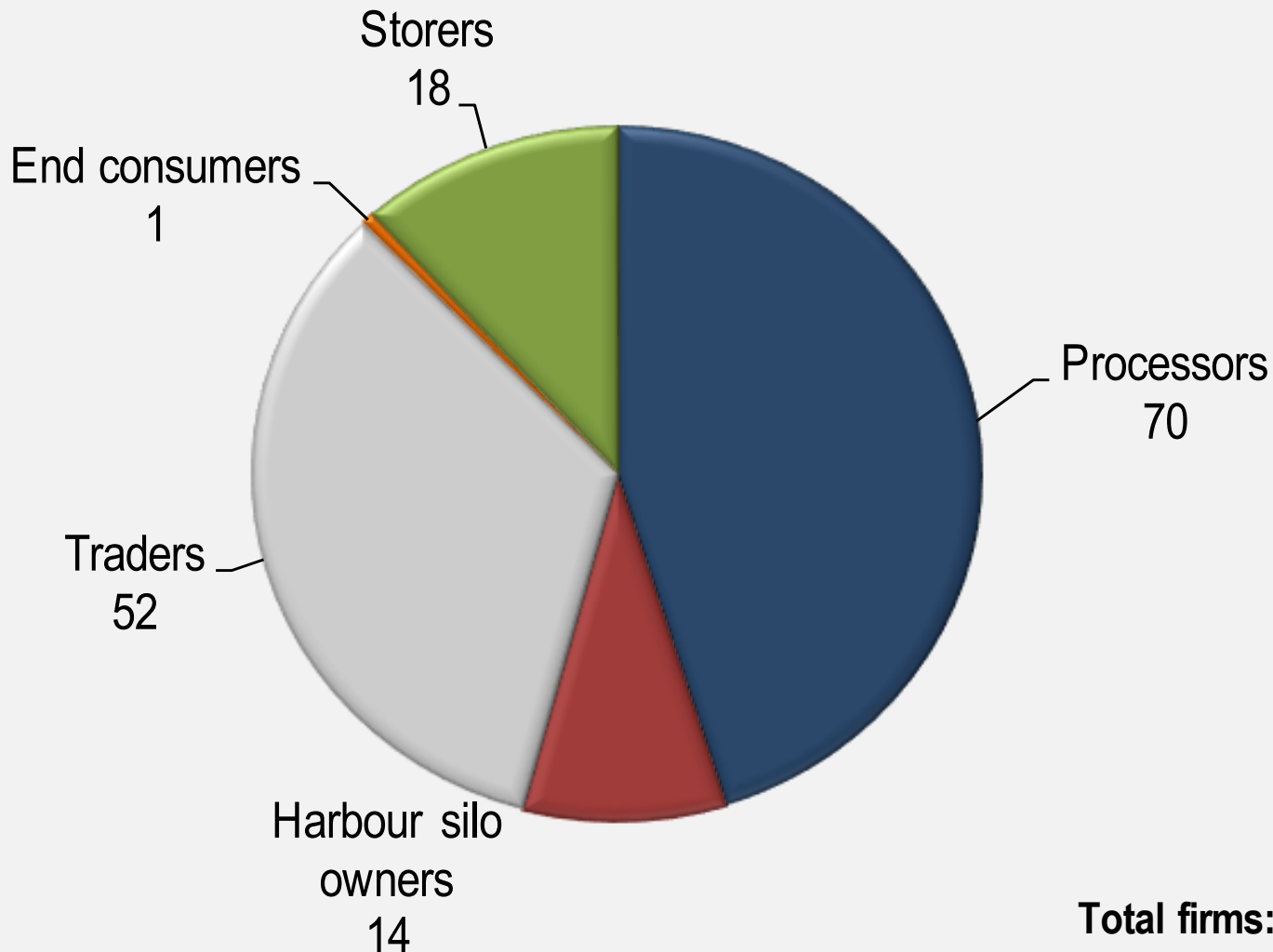
## Wheat

## Maize



# Wheat Co-workers (Whole Grain)

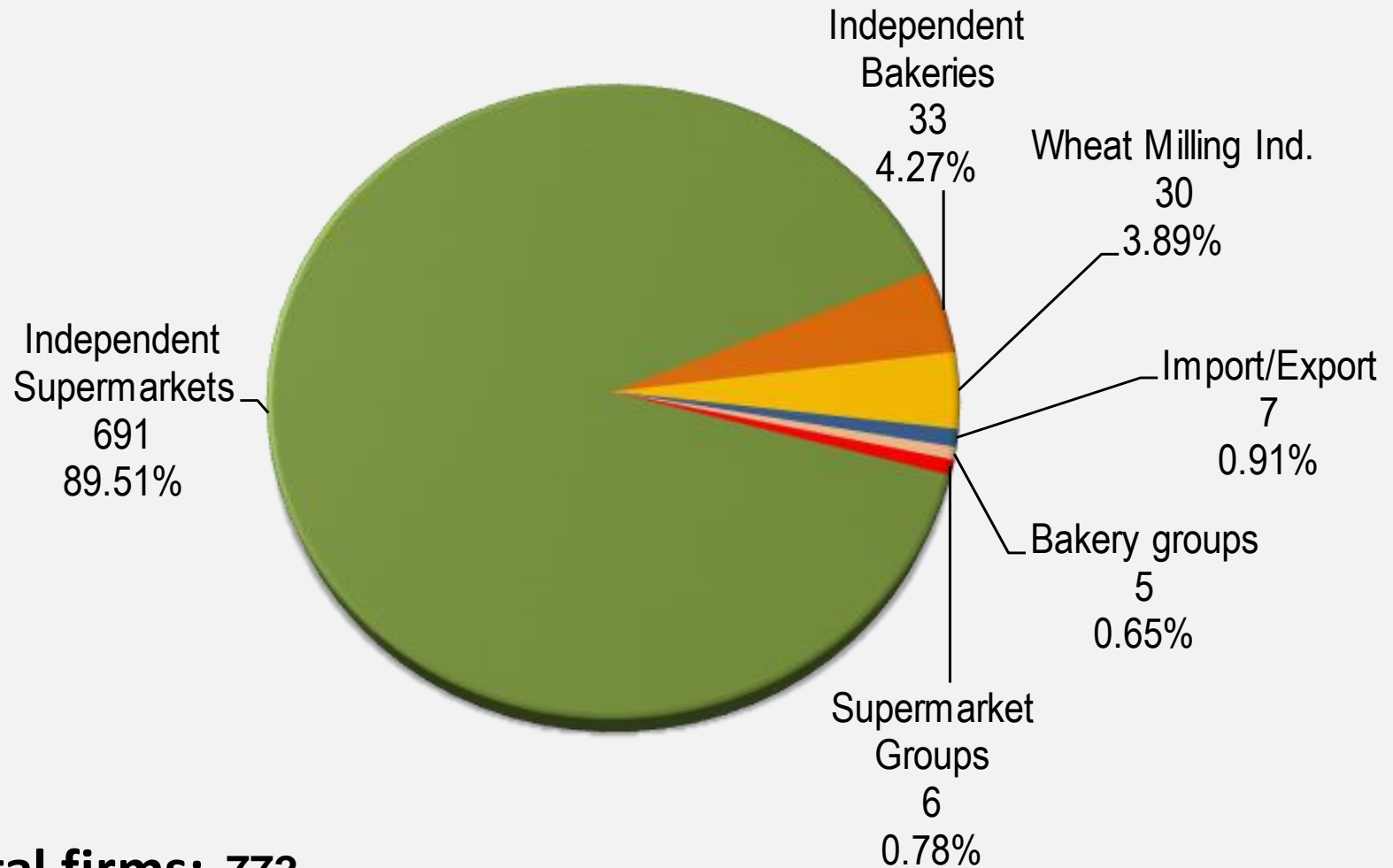
## Firm type registered (Whole Grain)





# Wheat Co-workers (Products)

## Wheat: Firms registered with SAGIS (Products)



**Total firms: 772**

# Acknowledgement

## Board of Directors

The Winter Cereal industry is represented by:



Mr Craig Binnion  
Director



Mr Wessel Lemmer  
Director



Dr Pieter Taljaard  
(Alternate)



Dr Erhard Briedenhann  
Chairperson



# Acknowledgement

## Gratitude

The following parties makes it possible to fulfil SAGIS' commitments:

- SA Winter Cereal Industry Trust
- Wheat Forum
- Relevant Associations
- Board of Directors
- Co-workers
- Staff

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### Note:

The complete presentation is available on the SAGIS website under Presentations