

## SA agricultural trade surplus increased to R7.56 billion in March 2018

Following the note released last month, the total agricultural exports and imports for the first two months of 2018 were adjusted downward by R43.01 and R5.05 million respectively in March 2018. Despite the adjustment, the cumulative agricultural trade surplus increased to R7.563 billion boosted by summer fruits, beverages and fish products exports. The total agricultural exports were valued at R32.375 billion whereas imports were valued at R24.812 billion. Although, the agricultural sector has maintained a positive trade surplus in the early 2018, its total exports and imports are down by 0.4 and 6.8 percent respectively as compared to the same period last year. The decline can be attributed to low volumes for wine and summer fruits exports whilst imports reflects the impacts of the stronger exchange rate.

- ❖ Africa and Europe were the biggest destination markets, absorbing 43 and 32 percent of South Africa's agricultural exports at the end of March 2018. Exports to Europe were up by 5.6 percent while to Africa were down by 5.8 percent as compared to the same time in 2017. In the same period, exports to Asia and Americas increased by one and 5.5 percent respectively.
- ❖ South Africa largely exports its fruit and beverage products to Europe, wood products to Asia and the prepared foodstuff to Africa. Inversely, it imports animal products like poultry meat predominantly from America, grains such as rice from Asia and prepared food from Europe.
- ❖ In the next months, agricultural exports and imports are expected to remain somewhat lower than levels observed in 2017 due to the combined effects of drought and exchange rates.

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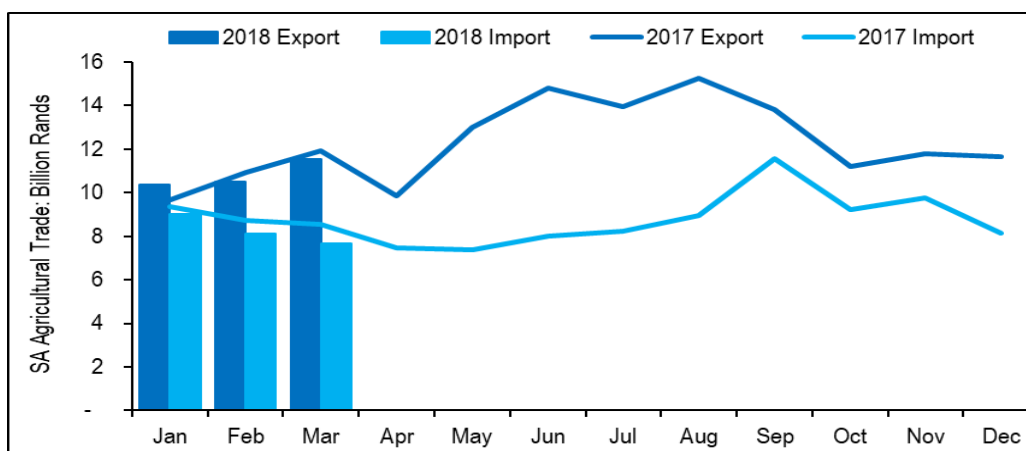


Chart: South Africa's monthly agricultural exports and imports for 2017 and 2018

Source: raw data from SARS, Agbiz, 2018

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