

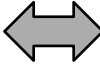






# Monthly Agri-Review: June 2024



**Table 1: Key Indicators that Impacts the performance of the Agriculture Sector**

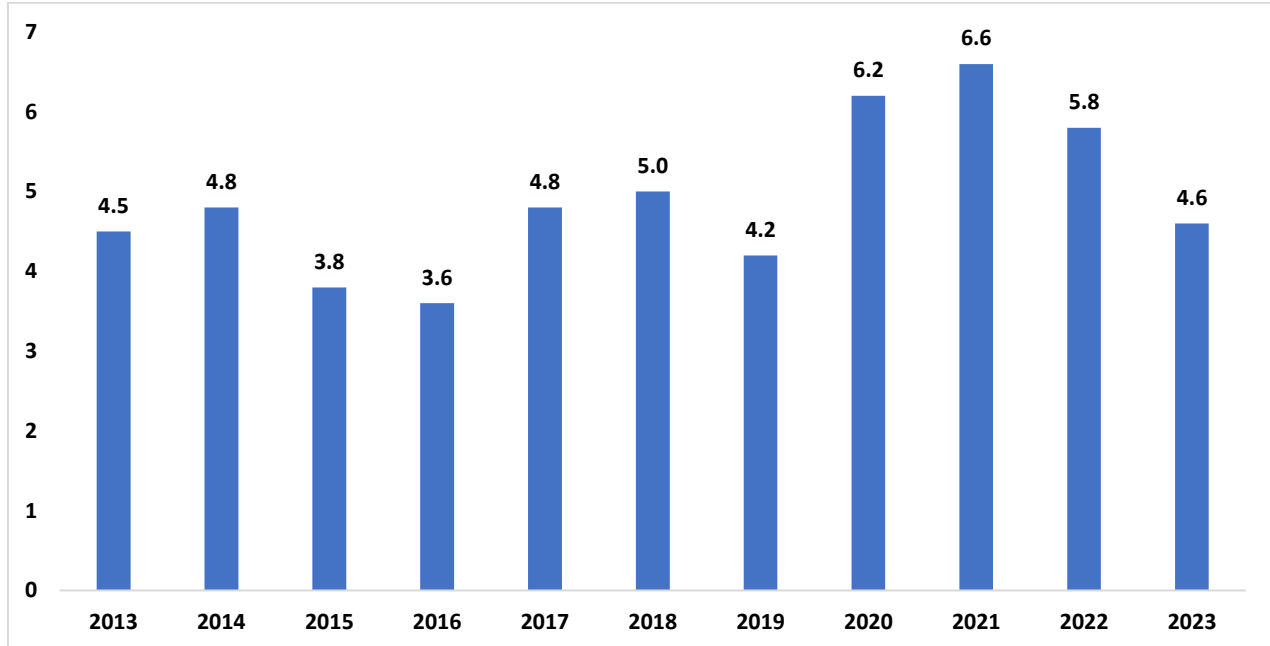
	Latest as of June 2024	M-O-M
Food inflation (y-o-y, %)	4.3	
NCPI (y-o-y, %)	4.6	
Repo rate %	7.25	
Prime rate %	11.50	
Average beef producer prices N\$	57.65 (May 2024)	
Average sheep producer prices N\$	48.36 (May 2024)	
Auction prices Weaners N\$	23.61 (May 2024)	

**1. Performance of the Agri-sector**

The importance of agriculture in Namibia cannot be overstated, as it significantly contributes to economic stability. Despite these critical roles, the sector continues to grapple with formidable challenges, including limited rainfall that persists as a concern affecting crop yields and livestock grazing capacities. High input costs further exacerbate the strain on farmers, threatening the sector's long-term sustainability.

While crop production has shown positive growth over the years, the sector remains vulnerable to external economic factors and climatic conditions. Efforts to enhance resilience and adopt sustainable practices are crucial for ensuring future stability. As farmers prepare for continued dry conditions, the sector's outlook remains under pressure.

**Figure 1: Agriculture % share to GDP, (2013 – 2023)**



Source: NSA & HEI Research

## 2. Inflation

Inflation eased slightly in June 2024 to 4.6%, down from 5.3% and 4.9% recorded in June 2023 and May 2024, respectively.

**Table 2: Food Items with High Inflation, June 2024**

Grapes	41.9
Broccoli, cauliflower	23.4
Bananas	22.3
Green pepper/Paprika	21.1
Chocolate	16.9
Peanut butter	16.3
Water melons	16.3
Preserved milk	16.1
Citrus fruits	16.1
Coffee	15.3

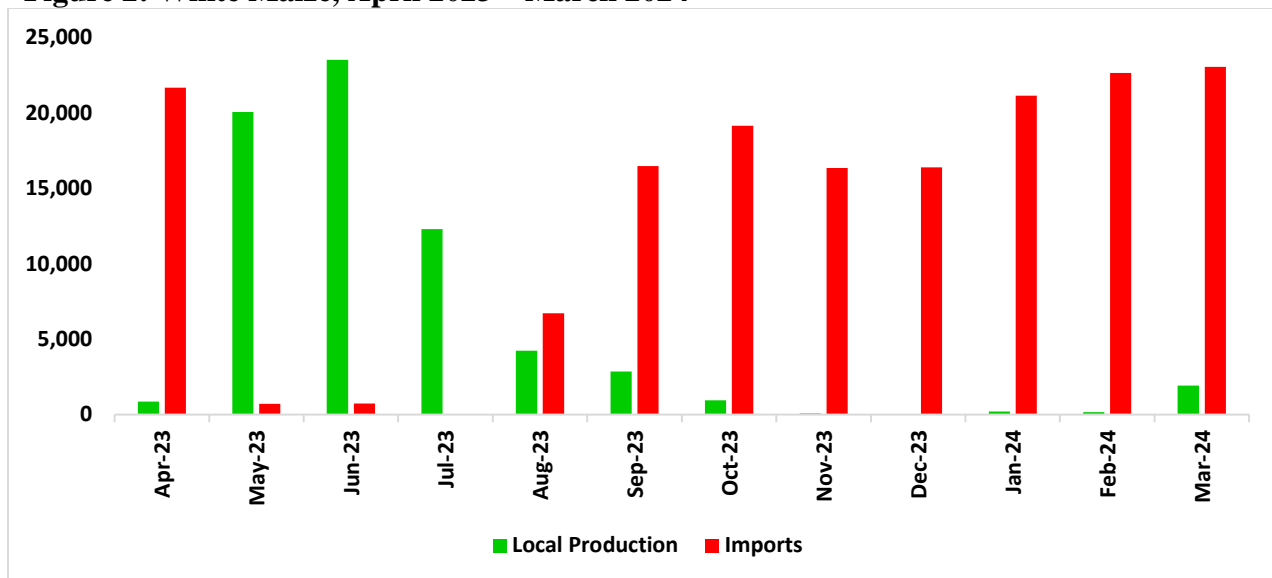
### 3. Crops production

Local crop production for the financial year 2023/2024 stood at 86,827 tons compared to 126,603 tons for the financial year 2022/2023 representing a decrease of 31% in production level. The decline is a result of insufficient rainfall during 2023/2024 rain season.

For the first six months of 2024 crop production stood at 25,657 tons compared to 46,840 tons in the corresponding months of 2023 representing a decrease of 45% in production level. This decrease is attributed to white maize that recorded a decline in production by 47% respectively.

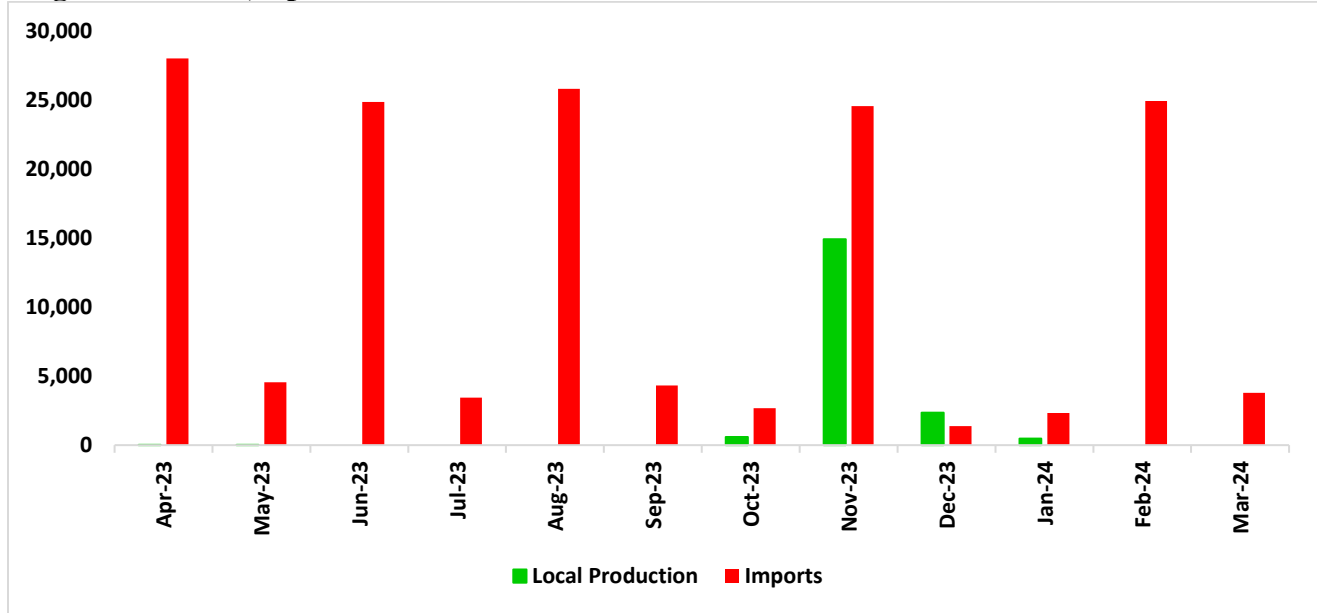
During the period under review, white maize stood at 24,180 tons (a share of 94%) compared to 45,715 tons recorded in the same months of 2023. Production of wheat and mahangu recorded during the review period amounted to 471 and 1,007 tons, respectively.

**Figure 2: White Maize, April 2023 – March 2024**



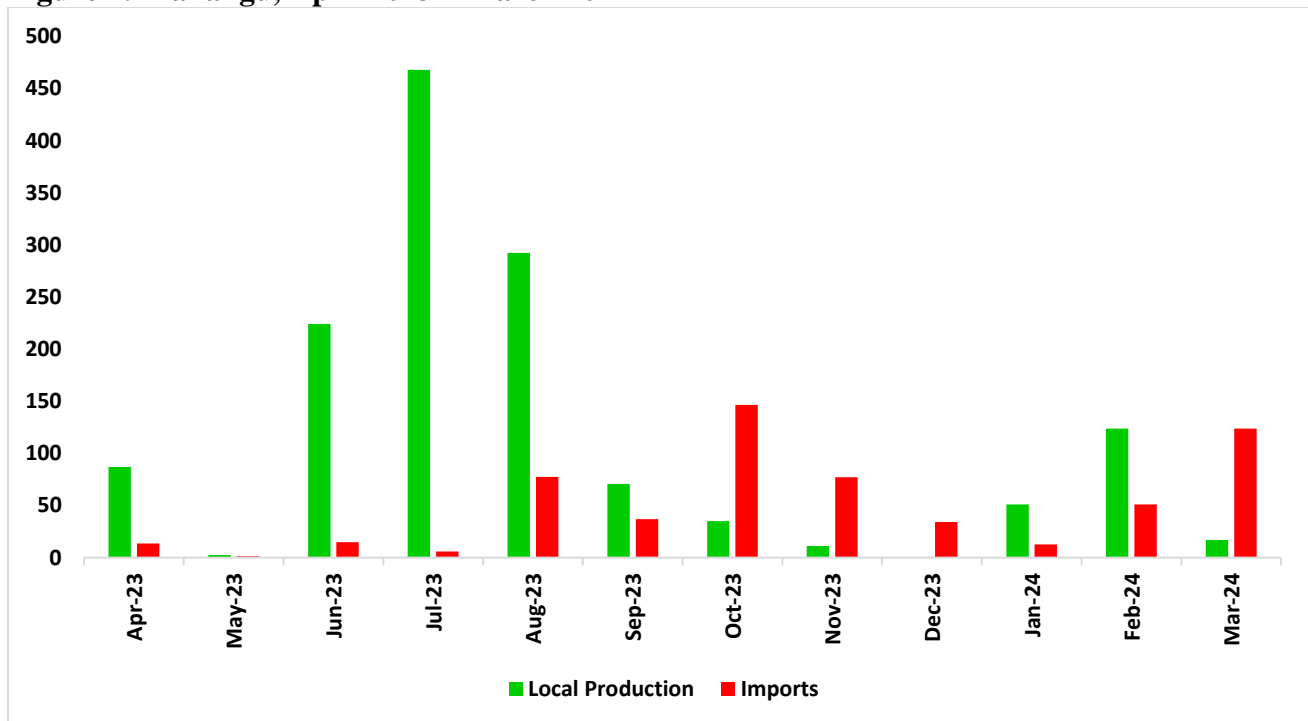
Source: Namibia Agronomic Board & HEI Research

**Figure 3: Wheat, April 2023 – March 2024**



Source: Namibia Agronomic Board & HEI Research

**Figure 4: Mahangu, April 2023 – March 2024**



Source: Namibia Agronomic Board & HEI Research

#### 4. Livestock Marketing

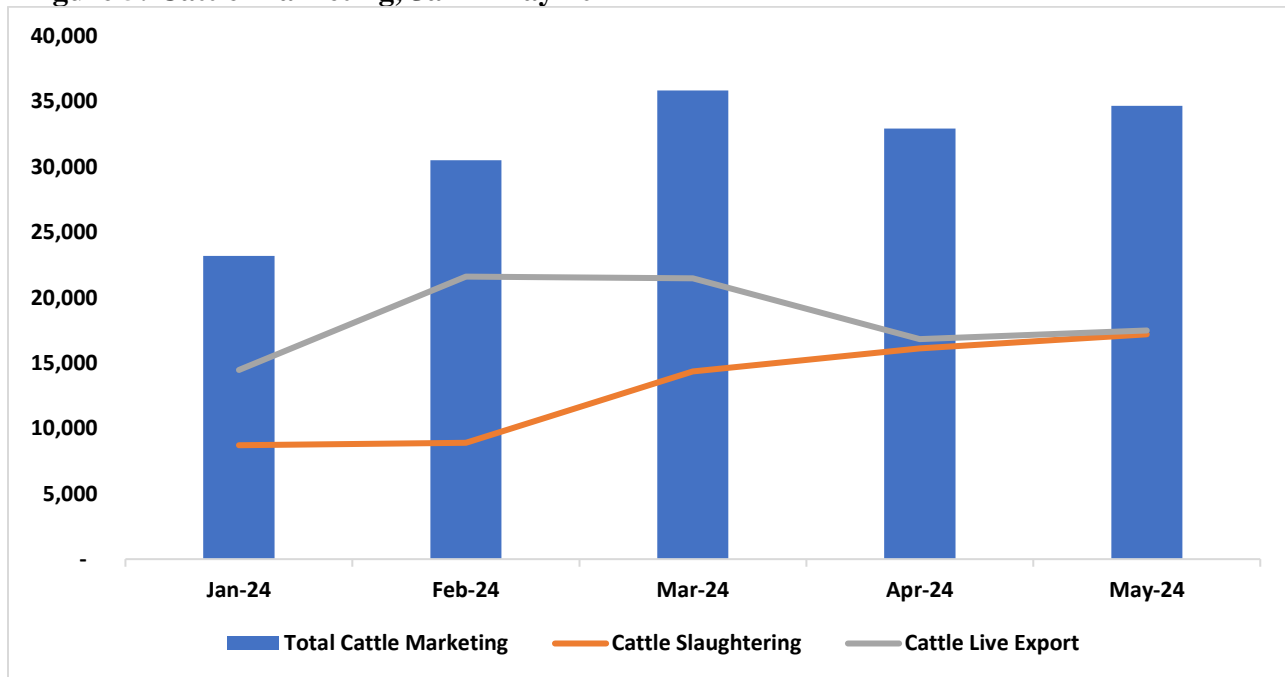
For the first five months of 2024, a total of 157 136 cattle were marketed across all marketing channels. Of this total, 91 866 were exported live on hoof to neighboring SADC member states, 50 046 heads were slaughtered at local A-class abattoirs and 15 224 heads were slaughtered at various Livestock and Livestock Products Board of Namibia (LLPBN)- registered B & C class abattoirs nationwide. This brings the growth of the cattle sector up by 43.3% from 109 632 heads marketed during the same quarter of 2023.

Sheep marketing recorded an increase in activity of 15.7% led by live exports and slaughtering at A-class abattoirs. Live exports increased by 29.3% growing from 118 853 heads in the first quarter of 2023 to 153 713 heads in 2024.

Similarly, goat marketing witnessed a growth of 17.3% during the period under review. A total of 24 442 goats were marketed during 2024 compared to 20 839 goats marketed during same period in 2023. The growth is owed to an increase in live exports that grew by 18.84%.

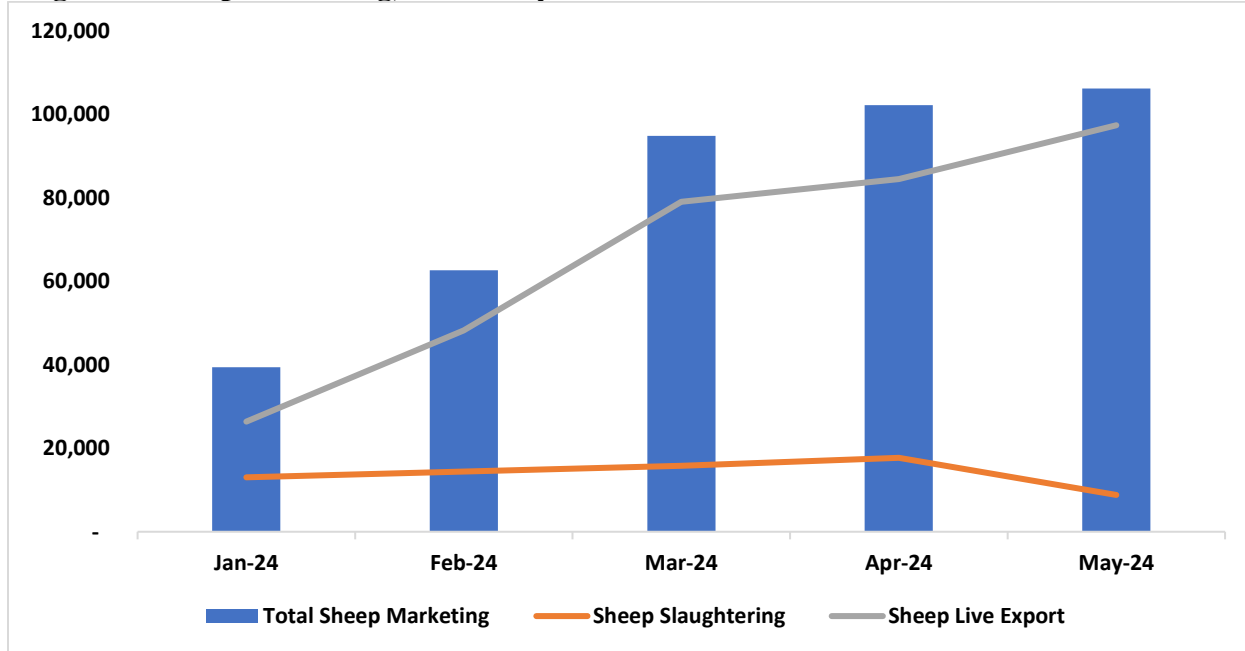
Livestock marketing activities increased during the first quarter of 2024, primarily driven by activities at export approved abattoirs amidst the ongoing drought conditions.

**Figure 5: Cattle Marketing, Jan – May 2024**



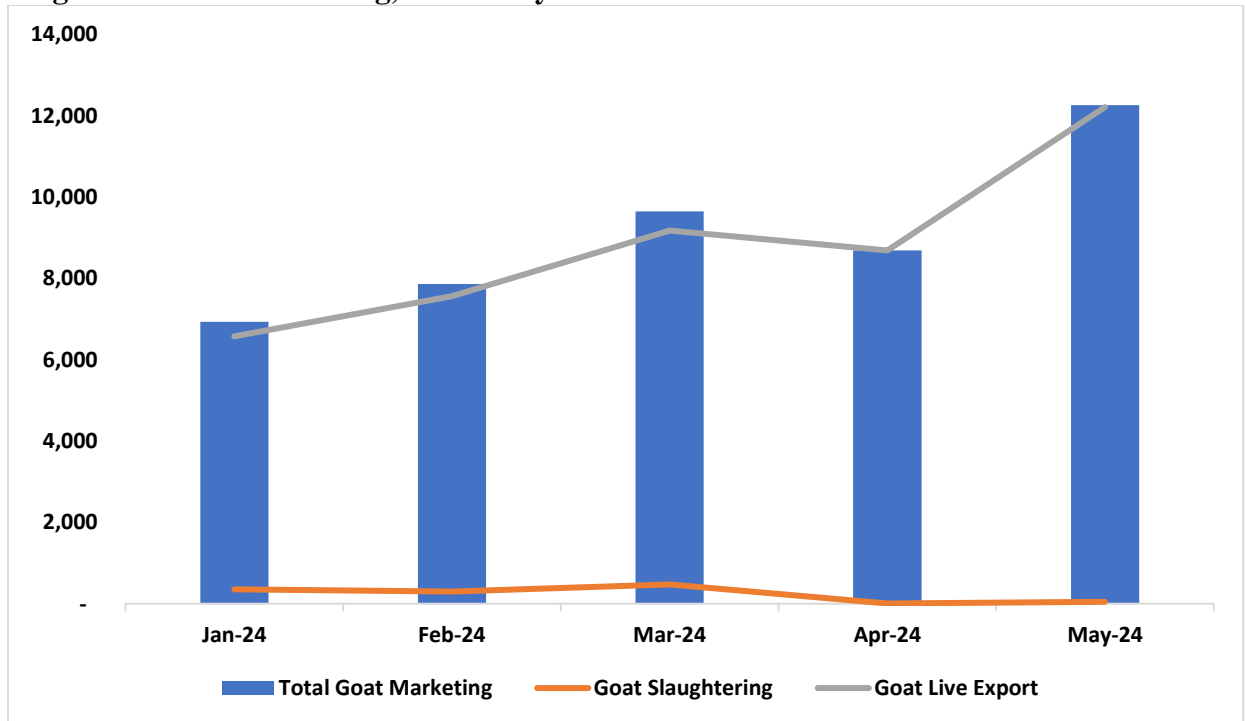
Source: Meat Board of Namibia & HEI Research

**Figure 6: Sheep Marketing, Jan – May 2024**



Source: Meat Board of Namibia & HEI Research

**Figure 6: Goats Marketing, Jan – May 2024**



Source: Meat Board of Namibia & HEI Research

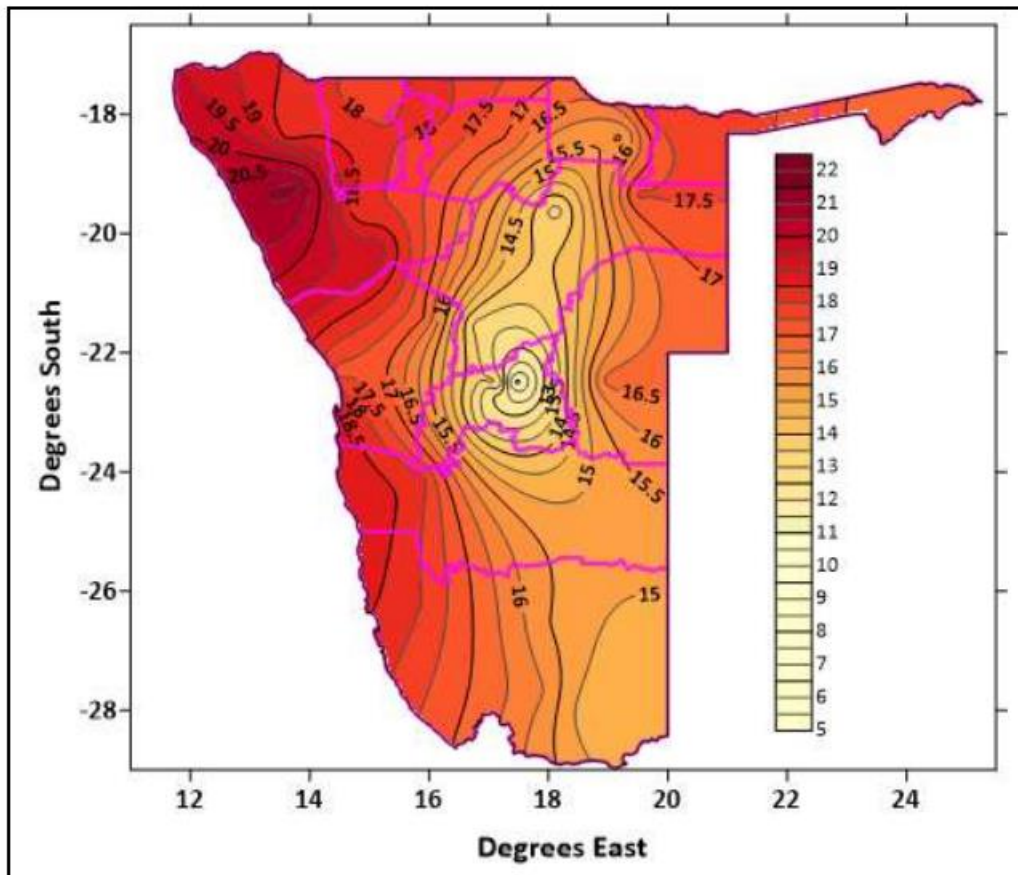


## 5. Rainfall Performance

Most of the country experienced temperatures above 14°C, with the warmest temperature observed over the northwestern part of the country. Cooler temperatures were observed over the central part of the interior. The temperatures over the central, northwest, parts of the Otjozondjupa, Oshikoto, Ohangwena, and Zambezi regions were between -2°C – 0.5°C cooler than normal. The significant feature is the southwest and the Omaheke regions where temperatures were 1.5°C to >2.5°C warmer than normal.

As we transition from winter to summer, the ensemble projections indicate a high chance of above-normal temperatures from August to October 2024 over the Northeastern, central north, and coastal regions. Meaning, that temperatures will gradually become warmer than normal over those regions. (Namibia Meteorological Service, ClimateWatch).

**Figure 7: Temperature (°C) for June 2024**



Source: Namibia Meteorological Service & HEI Research



## Conclusion

The agriculture sector continues to face significant challenges primarily due to adverse climatic conditions, particularly limited and erratic rainfall, which has heavily impacted crop production during the period under review. Despite these challenges, there was a notable growth in livestock marketing, with substantial increases in the number of cattle, sheep, and goats marketed. However, the high input costs and the ongoing drought conditions remain critical concerns that threaten the sector's long-term sustainability.