



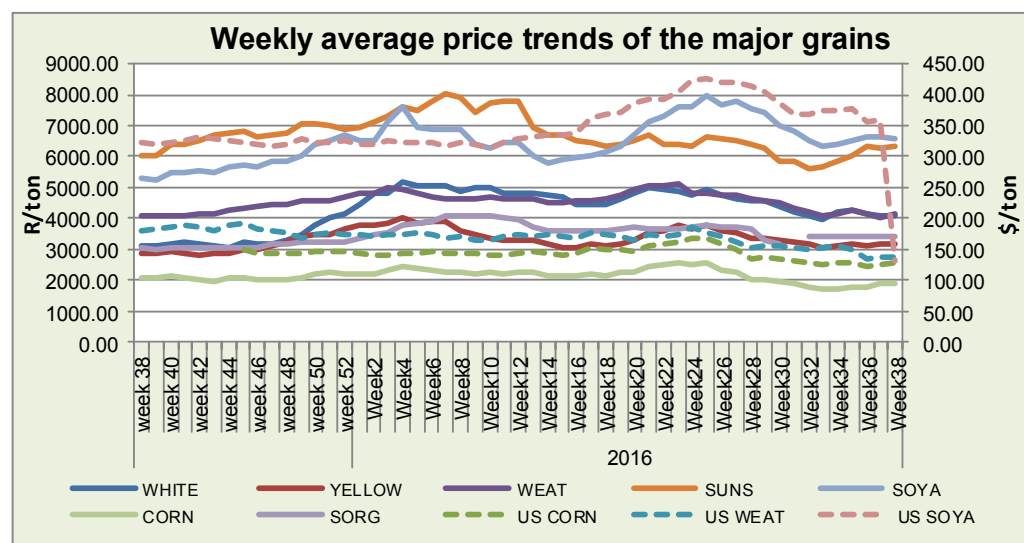
agriculture, forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

Weekly Price Watch: 16 September 2016

Directorate: Statistics & Economic Analysis

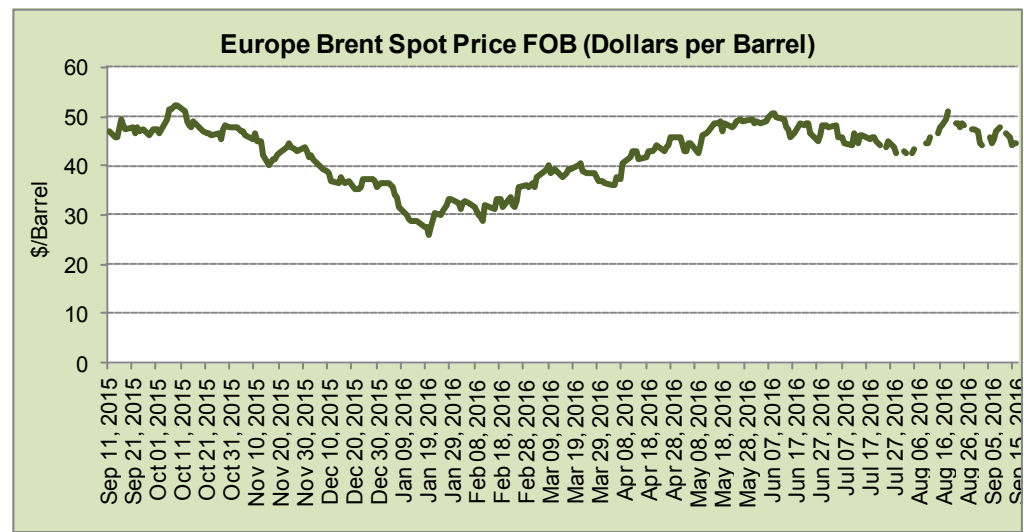
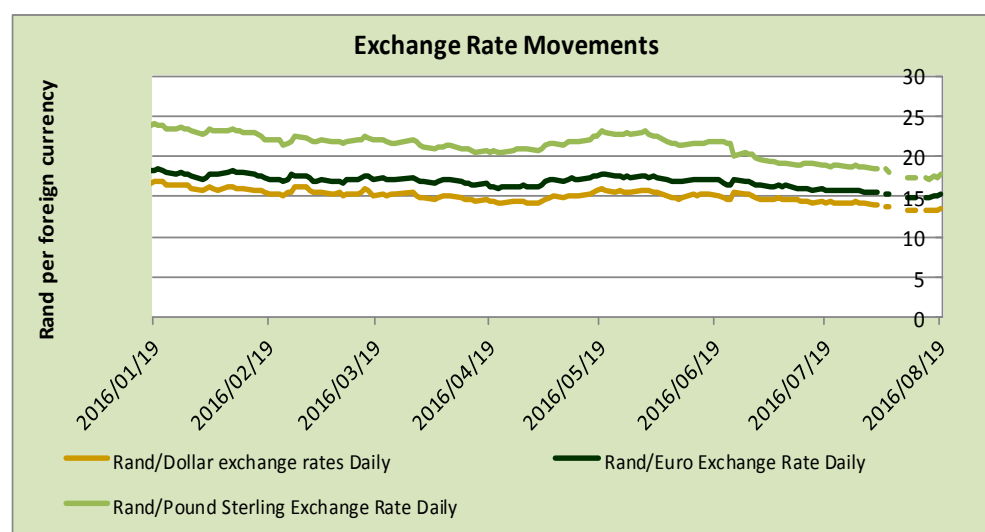
Sub-directorate: Economic Analysis



The latest SAGIS import and export figures for the week indicated that there was no white maize imported last week, while the yellow maize imports recorded 59 507 tons. Local white maize, wheat and sunflower seed prices increased by 0.2%, 2.5% and 0.9% respectively this week compared to the previous week. While yellow maize and soybean prices decreased by 0.2% and 0.9% respectively this week. Sorghum prices remained unchanged from last week. Internationally, US yellow maize and wheat prices increased by 2.1% respectively this week compared to previous week, while US soybean prices decreased by 0.5% this week. Internationally the expectations are that the demand for soybean would remain at high levels this season that would support the international prices despite the expected large US crop. The weather forecast in the US would remain a critical factor in the US markets especially now during harvesting.

Spot price trends of major grains commodities

	1 year ago Week 38 (14-09-15 to 18-09-15)	Last week Week 37 (05-09-16 to 09-09-16)	This week Week 38 (12-09-16 to 16-09-16)	w-o-w % change
RSA White Maize per ton	R 3 091.60	R4 082.60	R 4 090.60	0.2%
RSA Yellow Maize per ton	R 2 841.80	R3 207.00	R 3 199.80	-0.2%
USA Yellow Maize per ton	\$139.51	\$125.77	\$ 128.39	2.1%
RSA Wheat per ton	R4 238.40	R4 029.80	R 4 130.80	2.5%
USA Wheat per ton	\$171.09	\$137.39	\$ 140.34	2.1%
RSA Soybeans per ton	R5 470.80	R6 627.80	R 6 566.60	-0.9%
USA Soybeans per ton	\$324.98	\$359.68	\$ 358.04	-0.5
RSA Sunflower seed per ton	R6 045.00	R6 256.40	R 6 313.40	0.9%
RSA Sorghum per ton	R3 050.00	R3 400.00	R 3 400.00	0.0%
Crude oil per barrel	\$47.60	\$46.12	\$ 45.11	-2.2%



The Rand depreciated against major currencies this week compared to last week, depreciating by 1.0%, 1.1% and 0.2% against the dollar, the Euro and the pound respectively. But it strengthened against the dollar on Friday, as investors pushed back bets on a rate hike by the Federal Reserve next week after a set of weak data from the US.

The price of crude oil averaged \$45.11 in the reporting week, which is 2.2% lower than the \$46.12 reported last week. Oil prices fell as the prospects of higher output from Libya and Nigeria further fuelled oversupply concerns, cutting short a nascent rebound.



National South African Price information (RMAA) : Beef

Week 36 (05/09/2016 to 09/09/2016)	Units	Avg Purchase Price	Avg Selling Price	Week 37 (12/09/2016 to 18/09/2016)	Units	Avg Purchase Price	Avg Selling Price
Beef				Beef			
Class A2	11 394	38.33	37.85	Class A2	12028	38	37.59
Class A3	1 370	38.35	38.14	Class A3	1130	37.96	37.84
Class C2	2 219	32.08	32.66	Class C2	1900	32.03	32.54

The weekly average selling price and purchasing price for class A2, class A3 and class C2 decrease slightly this week. The purchasing price for class A2, class A3 and class C2 decreased by 0.9%, 1.0% and 0.2% respectively this week compared to last week. The selling price for class A2, class A3 and class C2 also decrease by 0.7%, 0.8% and 0.4% respectively this week compared to last week.

National South African Price information (RMAA) : Lamb

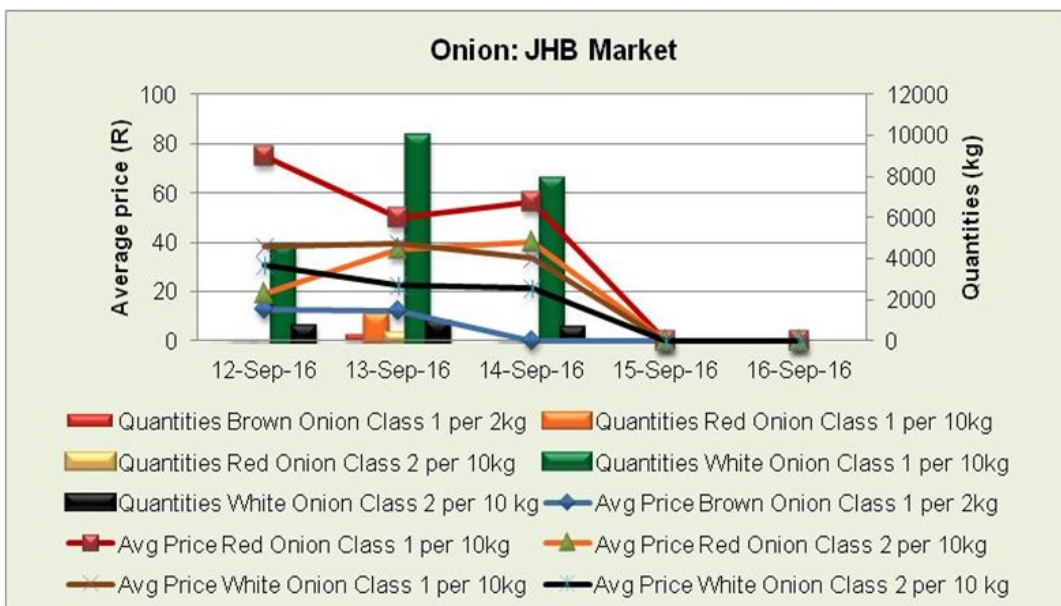
Week 36 (05/08/2016 to 09/09/2016)	Units	Avg Purchase Price	Avg Selling Price	Week 37 (12/09/2016 to 18/09/2016)	Units	Avg Purchase Price	Avg Selling Price
Lamb				Lamb			
Class A2	9837	62.16	60.05	Class A2	11055	61.58	60.13
Class A3	1757	62.09	58.69	Class A3	2381	61.87	59.79
Class C2	418	49.91	51.82	Class C2	707	48.13	48.77

The weekly average purchasing price lamb class A2, class A3 and class C2 decreased 0.9%, 0.4 and 3.61% respectively this week compared to the previous week. The selling price for class A2 and class A3 also decreased by 0.1% and 1.9% respectively, while the selling price for class C2 increased by 5.9 this week compared to the previous week.

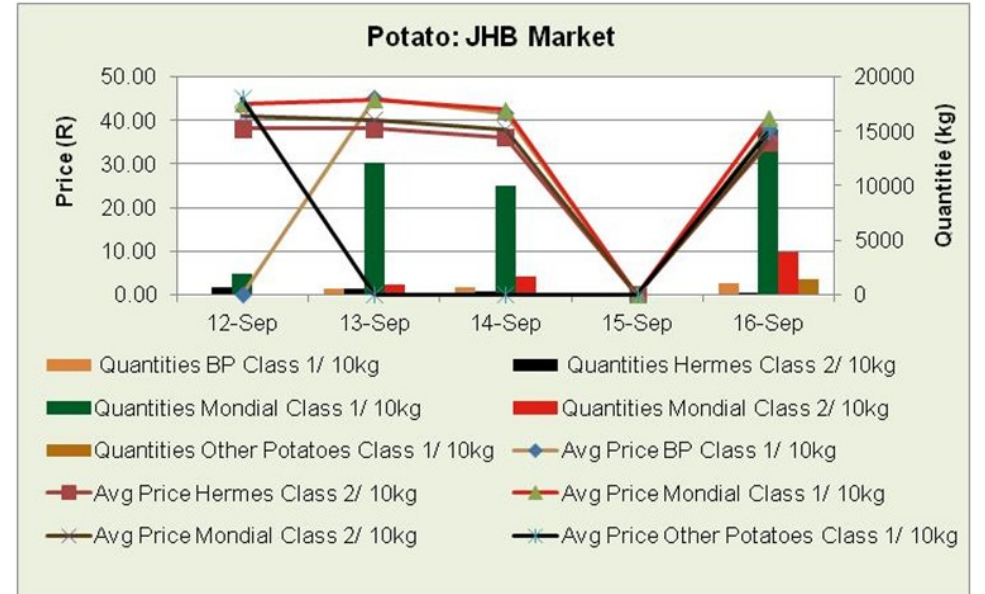
National South African Price information (RMAA) : Pork

Week 36 (05/09/2016 to 11/09/2016)	Units	Avg Purchase Price	Week 37 (12/09/2016 to 18/09/2016)	Units	Avg Purchase Price
Pork			Pork		
Class BP	6 155	23.35	Class BP	6481	23.54
Class HO	5 024	23.14	Class HO	5044	23.01
Class HP	4 348	23.18	Class HP	4645	23.06

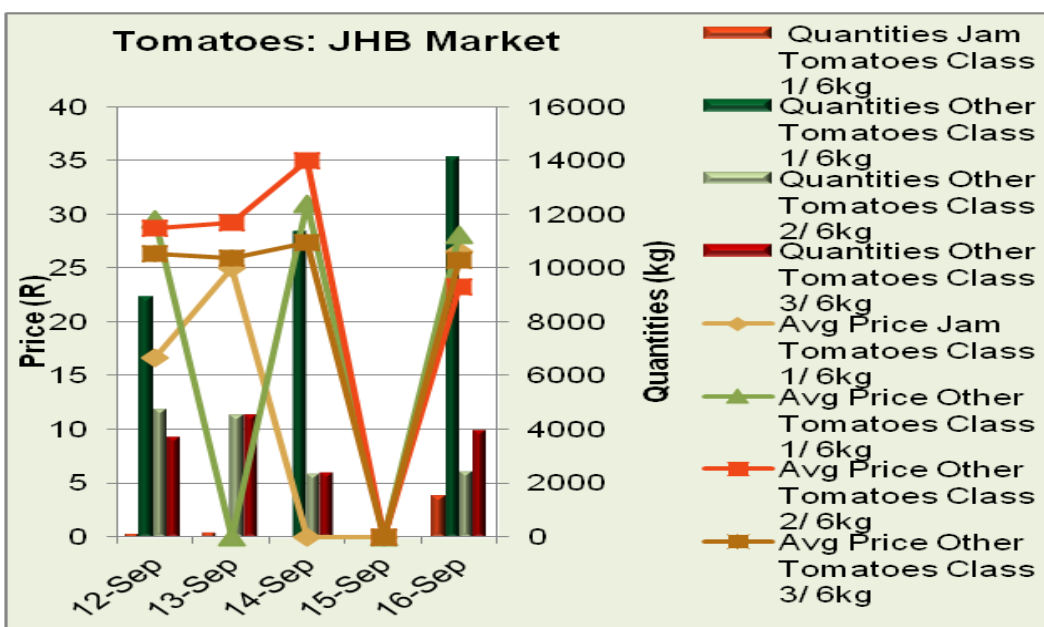
The weekly average purchasing price for pork class HO and class HP decreased by 0.6% and 0.5% respectively this week compared to the previous week. While the purchasing price for class BP increased by 0.8% this week compared to last week.



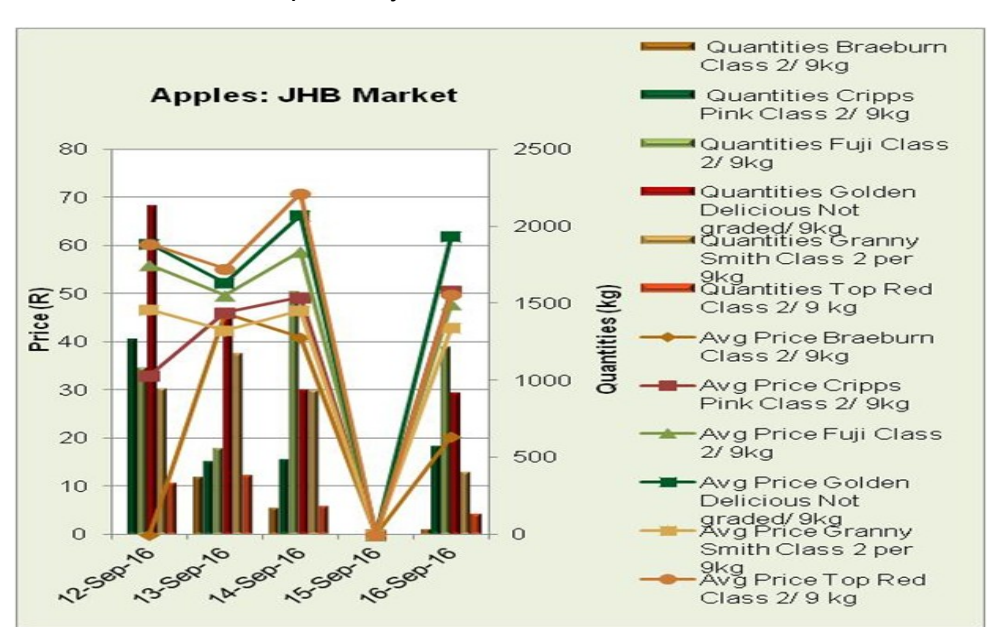
The weekly average price for red onion class 1 (10kg) and white onion class 1 (10kg) at the JHB market decreased by 66% and 48% respectively end of week while quantities sold also decreased for white onion and brown onion decreased by 48% and 12% respectively by end of the week compare to last



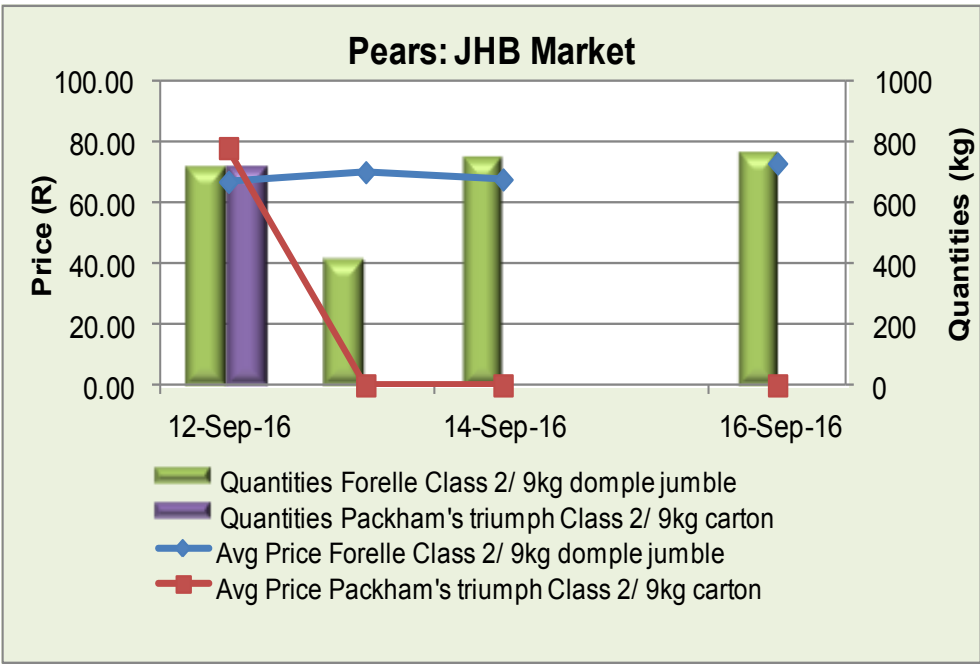
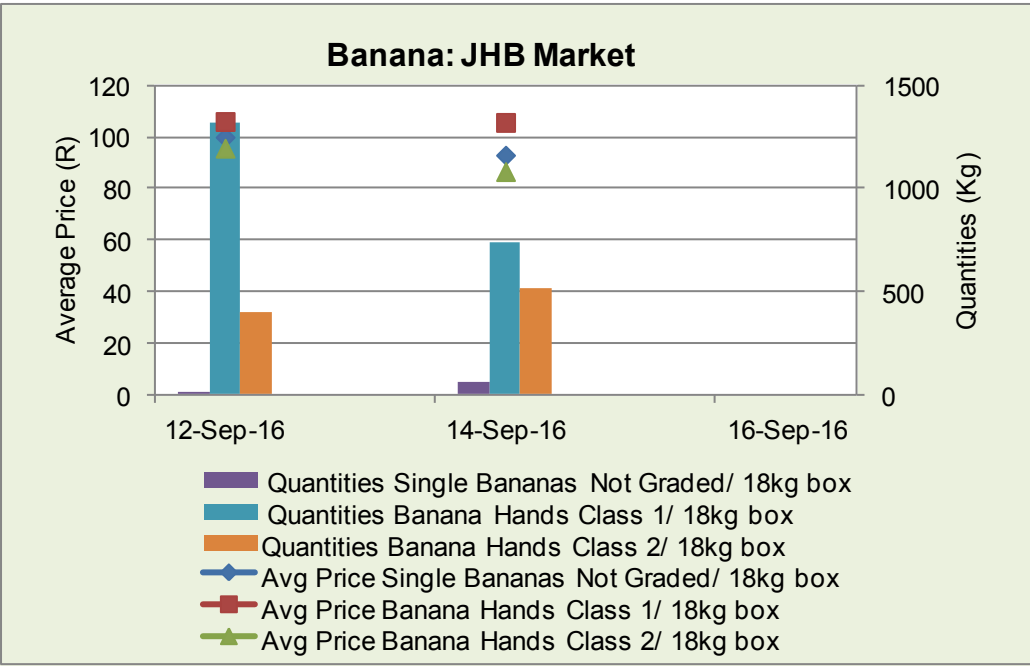
The weekly average price for mondial class 1 (10kg) potatoes and mondial class 2 (10kg) potatoes decreased by 22% respectively end of the week, while quantities sold at the JHB market for mondial class 1 and quantities sold for mondial class 2 (10kg) potatoes increased by 269% and 84% respectively.



The weekly average price of jam tomatoes class 1 (6kg) decreased by 57%, the weekly average price for other tomatoes class 1 (6kg) decreased by 33% While quantities for other tomatoes sold class 2 and 3 increased by 9% and 23% respectively. The average price for other tomatoes class 2 and 3 decreased by 26% and 36% respectively compared to last week.



The weekly average price of braeburn Class 2(9kg), granny smith class 2 (9kg), golden delicious (not graded/9kg) and fuji class 2 (9kg) decreased by 37%, 18%, 16% and 4% respectively. Quantities sold of cripps pink class 2 (9kg) granny smith class 2 and golden delicious not graded (9kg) decreased by 58%, 34% and 20% respectively. While quantities sold increased for fuji class 2 and braeburn class 2 by increased by 87% and 56% respectively.



The weekly average price for single bananas not graded (18kg box), banana hands class 1 (18kg box) and bananas hands class 2 (18kg box) decreased by 6%, 6% and 3% respectively compared to last week. Meanwhile, quantities sold for single bananas not graded (18kg box), banana hands class 1 (18kg box) and banana hands class 2 (18kg box) also decreased by 84%%, 10% and 16% respectively this week compared to last week.

The price of Forelle Class 2/ 9kg domple jumble and Packham's triumph Class 2/ 9kg carton increased by 11.5% and 8.4%; whilst the price of Packham's triumph Class 2/ 11kg domple jumble decreased by 2% compared to last week.

Latest News Developments

The court ruled the Department of Agriculture, Forestry and Fisheries must set up an appeals board by Thursday to hear a request by the nation's poultry association that its members be allowed to sell down current stocks of brined chicken. The department will limit the amount of fat and salt solutions injected into chicken pieces, a process known as brining, to 15% starting October 22. Some of the frozen chicken on the country's supermarket shelves has brine content that exceeds this level because it was produced before the lower cap was introduced, and if these stocks are destroyed rather than sold, R500m to R2bn of "safe, edible and nutritious food" will have to be thrown away, South African Poultry Chief Executive Officer Kevin Lovell said. Land Bank, a key lender to farmers, reported a 27% increase in annual profits to R396.2m (\$27m) on Tuesday, despite the country's severe drought. The structure of loan book is made up of a very diversified portfolio of counterparties, diversified across regions and across commodities. Total loans given by the bank increased by 3.2% in the face of the drought that cut the 2016 maize harvest by close to a third and has reduced the national cattle herd by around 15%. An El Nino weather pattern which ended in May triggered drought conditions across southern Africa with a government task force not expecting its effects to ease soon.

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