



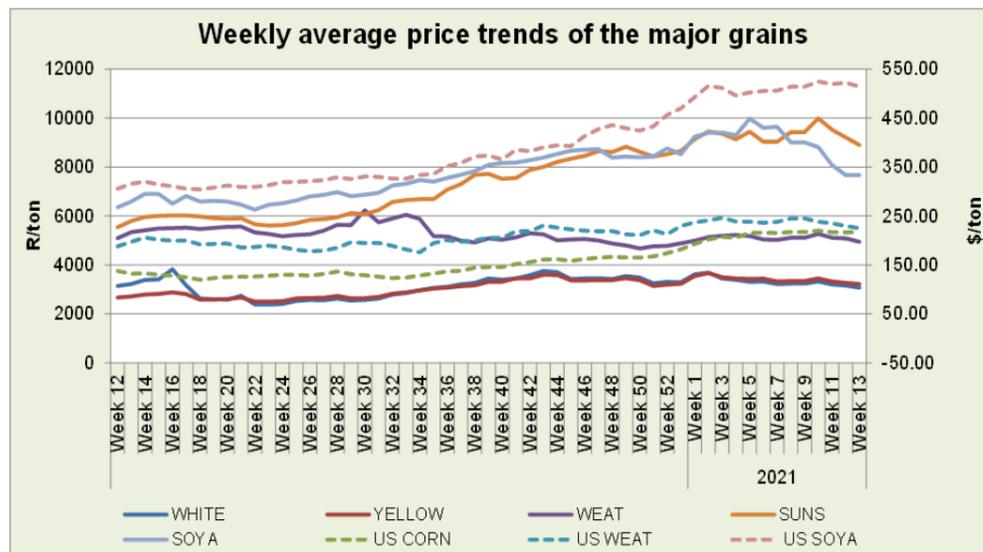
# agriculture, land reform & rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA

## Weekly Price Watch: 01 April 2021

Directorate: Statistics & Economic Analysis

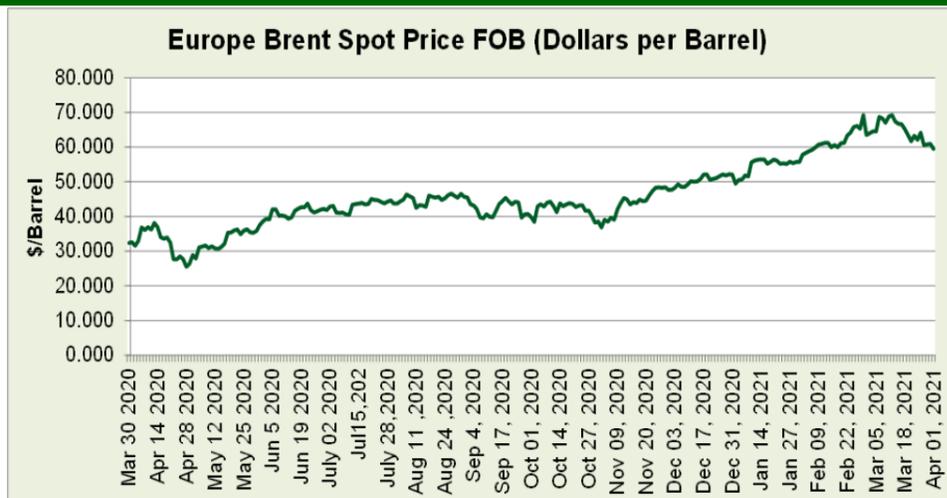
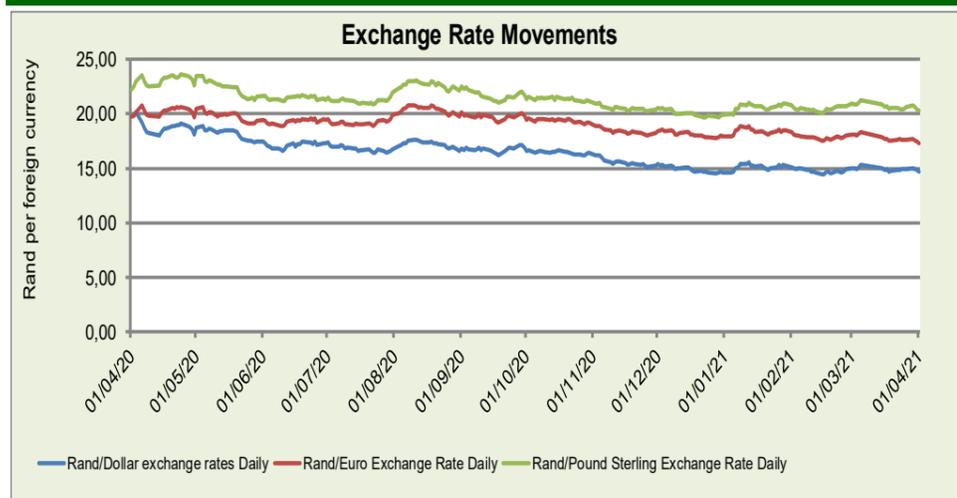
Sub-directorate: Economic Analysis



Local white maize and yellow maize prices continue to decrease for two consecutive weeks they decreased by 2.7% and 1.5% respectively. Sunflower and wheat prices also decreased by 3.3% and 2.7% respectively. Local soybean prices increased slightly by 0.1% this week compared to the previous week. While sweet sorghum remained unchanged. On the international front, US yellow maize prices increased slightly by 0.1%, while both US wheat and soybean prices decreased by 2.0% and 1.6% respectively this week compared to the previous week. Russian agriculture consultancy Sovecon said on Friday it had lowered its forecast for Russia's 2020/21 wheat exports by 0.2 million tonnes to 38.9 million tonnes. Russia doubled its wheat export tax to 50 euros (\$59) per tonne last month in an attempt to curb high food price inflation amid the coronavirus pandemic. The current low pace of wheat exports brought the estimate down, as did the fall in export prices in March, Sovecon.

### Spot price trends of major grains commodities

	1 year ago Week 13 (27-03-20 to 31-03-20)	This week Week 12 (23-03-21 to 26-03-21)	This week Week 13 (29-03-21 to 01-04-21)	w-o-w % change
RSA White Maize per ton	R 3 217.80	R 3 156.75	R 3 071.75	-2.7%
RSA Yellow Maize per ton	R 2 7169.60	R 2 269.25	R 2 219.25	-1.5%
USA Yellow Maize per ton	\$ 132.22	\$ 216.51	\$ 216.76	0.1%
RSA Wheat per ton	R 5 336.80	R 5 087.00	R 4 948.00	-2.7%
USA Wheat per ton	\$ 197.21	\$ 229.54	\$ 224.98	-2.0%
RSA Soybeans per ton	R 6 592.60	R 7 669.75	R 7 676.50	0.1%
USA Soybeans per ton	\$ 315.94	\$ 522.44	\$ 514.10	-1.6%
RSA Sunflower seed per ton	R 5 796.00	R 9 207.00	R 8 904.75	-3.3%
RSA Sweet Sorghum per ton	R 3215.00	R 3 850.20	R 3 850.20	0.0%
Crude oil per barrel	\$ 33,26	\$ 62.80	\$ 60.45	-3.7%



The rand was slightly firmer against major currencies by 0,02% against the US dollar, by 0,89% against the Euro and depreciate by 0.11% against Pound Sterling this week compared to the previous week. This week, the rand averaged R14.88 to the US\$, w/w, but firming by almost 15% y/y.

Brent crude oil averaged \$60.45 week-on-week, 3.7% less than \$62.80 reported the previous week. However, it edged up as investors awaited a meeting of OPEC and other major producers as they discuss output. With market watchers tipping them to maintain the status quo following recent price volatility and concern about demand in particular Europe.



### National South African Price information (RMAA) : Beef

Week 11 (15/03/2021 to 21/03/2021)	Units	Avg Purchase Price	Avg Selling Price	Week 12 (22/03/2021 to 28/03/2021)	Units	Avg Purchase Price	Avg Selling Price
<b>Beef</b>							
Class A2	8 349	50.50	53.00	Class A2	9 051	51.71	55.42
Class A3	447	50.45	53.38	Class A3	681	51.55	55.24
Class C2	800	43.62	46.14	Class C2	549	43.00	44.98

Units sold for class A2, and A3 beef increased by 8.4% and 52.3% respectively, while unit sold for class C2 decreased by 31.4% in the reporting week compared to the previous week. The weekly average purchase prices for class A2 and A3 beef increased by 2.4% and 2.2% respectively in the reporting week compared to the previous week, while the weekly average purchase price for class C2 beef decreased by 1.4% week-on-week. During the same period, the weekly average selling prices for class A2 and A3 beef also increased by 4.6% and 3.5% respectively, whilst the weekly average selling price for class C2 beef decreased by 2.5% week-on-week.

### National South African Price information (RMAA) : Lamb

Week 11 (15/03/2021 to 21/03/2021)	Units	Avg Purchase Price	Avg Selling Price	Week 12 (22/03/2021 to 28/03/2021)	Units	Avg Purchase Price	Avg Selling Price
<b>Lamb</b>							
Class A2	8 317	80.70	82.34	Class A2	8 006	82.14	84.00
Class A3	866	79.56	80.07	Class A3	755	80.42	82.23
Class C2	1 079	64.50	66.46	Class C2	1 042	66.97	68.42

Units sold for class A2, A3 and C2 lamb decreased by 3.7%, 12.8% and 3.4% respectively in the reporting week compared to the previous week. The weekly average purchase prices for class A2, A3 and C2 lamb increased by 1.8%, 1.1% and 3.8% respectively in the reporting week compared to the previous week. During the same period, the weekly average selling prices for class A2, A3 and C2 lamb also increased by 2.0%, 2.7% and 2.9% respectively. Average meat prices have been trading mixed over the past few weeks as we approach the Easter weekend. Normally as we approach the Easter weekend, meat prices tend to be more bullish due to higher demand, as consumers are willing to spend more during this period.

### National South African Price information (RMAA) : Pork

Week 11 (15/03/2021 to 21/03/2021)	Units	Avg Purchase Price	Week 12 (22/03/2021 to 28/03/2021)	Units	Avg Purchase Price
<b>Pork</b>					
Class BP	9 837	28.48	Class BP	10 047	29.38
Class HO	7 011	28.90	Class HO	7 207	29.15
Class HP	5 072	28.02	Class HP	4 830	28.30

Units sold for class BP and HO pork increased by 2.1% and 2.8% respectively in the reporting week compared to the previous week, meanwhile units sold for class HP pork decrease by 4.8% week on week. The weekly average purchase prices for class BP, HO and HP increased by 3.2%, 0.9% and 1.0% respectively during the same period. Even for pork this year's mixed signal indicates that consumers are still under financial pressure due to the tough prevailing economic conditions in the country.

## Latest News Developments

The Crop Estimates Committee (CEC) published the second 2021 summer crop production forecasts on the 25th of March 2021. The commercial maize crop is now estimated at 15.92 million tons, which is 0.46% or 72 830 tons higher than the first production estimate. If this forecast materializes, this will be another bumper crop and it will be 4% or 621 790 tons higher than the 2020 bumper crop. The area planted to maize in 2021 is 2.76 million hectares (ha), which is 5.5% or 144 600 ha higher year-on-year (y/y). The second commercial sunflower seed crop estimate for 2021 is 696 290, which is down by 12% y/y, Soya bean production is estimated at a record 1.72 million tons, up by a significant 39% y/y. It is concerning that negotiations between the financially embattled Land and Agricultural Development Bank of South Africa (Land Bank), the National Treasury and the bank's lenders, have exceeded the 31 March 2021 deadline to develop a mutually acceptable Commitment Agreement for the Land Bank's operational restructuring and settlement of its substantial debt repayment requirements. This is according to Dr John Purchase, Agbiz's CEO, who explained that this failure to meet the deadline did not foster confidence that effective solutions to the Land Bank's varied and critical challenges are going to be achieved.

Despite a challenging season, it is expected that the South African Table Grape Industry's (SATI) crop estimate will be exceeded by more than two million cartons, making it the largest crop on record. SATI's intake figures for week 12 of the season were already indicating that the upper limit of the latest crop estimate, which was 70,9 million 4,5kg equivalent cartons, would be exceeded with a total intake of 71,8 million cartons to date. Four of the five regions had completed packing by the 08 April, with the last blocks of Crimson seedless and Scarlotta grapes expected to be packed in the Hex River region by the third week of April. According to Swart, most of the production regions performed very well this year. The increased volumes could mainly be attributed to very good harvesting conditions in the Western Cape, especially the Berg River region, which produced two million more cartons (19,2 million) than estimated (17,3 million).

**For more information contact: Directorate Statistics & Economic Analysis (SEA) at HeidiP@daff.gov.za or**

Source: SAFEX, Standard bank, Stats SA, Reuters, Red Meat Abattoir Association, Fnb and Absa.

*Disclaimer: DAFF will not be liable for results of actions based on this price watch.*