



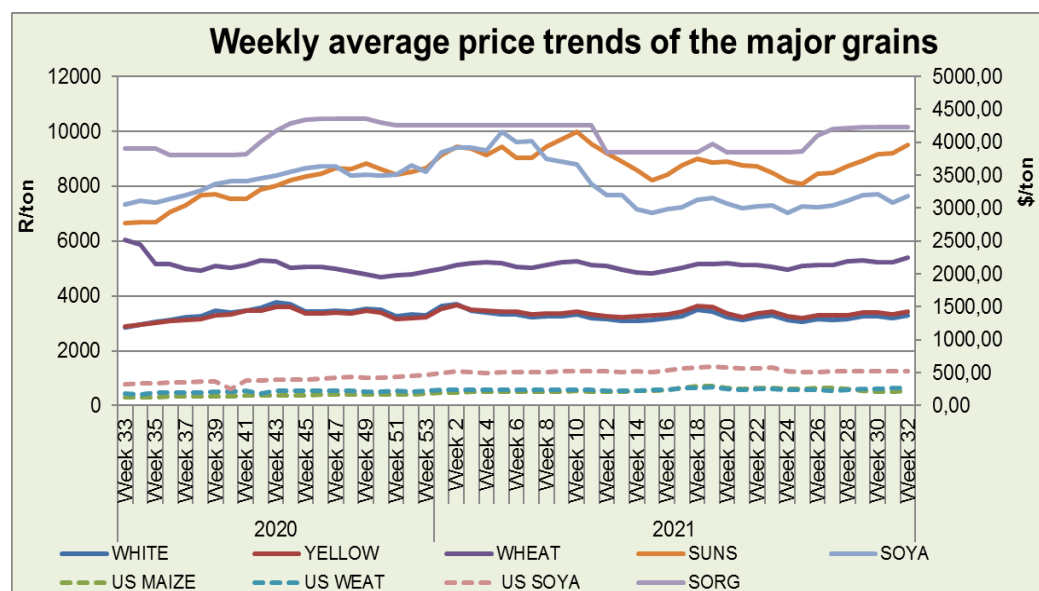
agriculture, forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

Weekly Price Watch: 13 August 2021

Directorate: Statistics & Economic Analysis

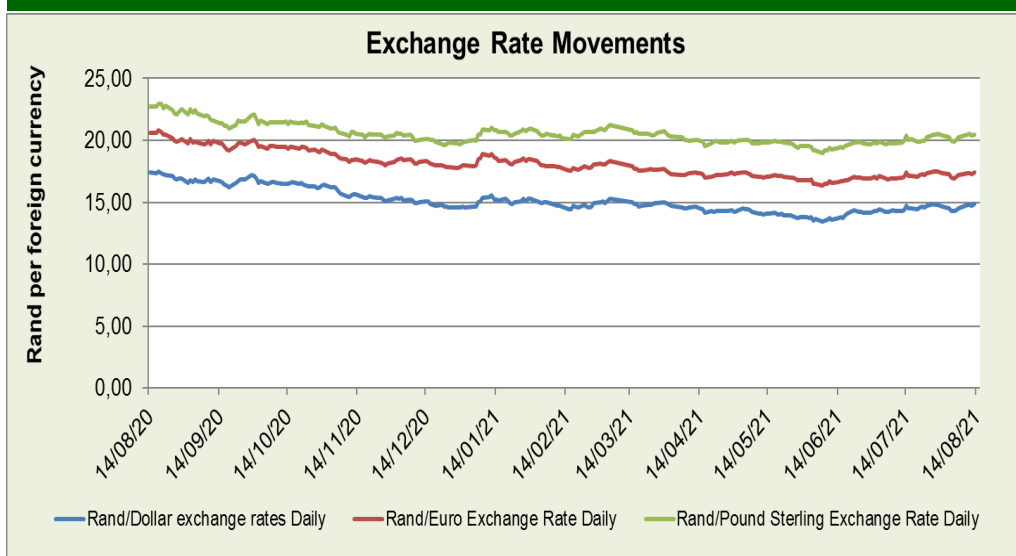
Sub-directorate: Economic Analysis



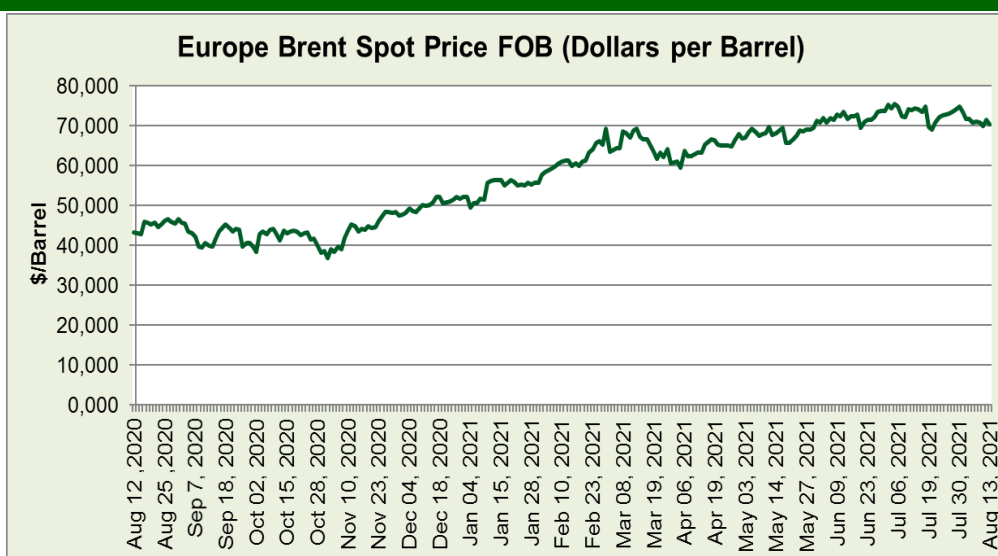
The price of both local and international maize increased this week compared to last week. Local maize prices tracked international prices which rose as the Wasde report showed an unexpected drop in US maize crop and also, the local maize price benefited from the weaker rand. Local maize prices increased by 3.1% and 3% respectively for white and yellow maize, whilst the US maize price increased by 0.8%. The price of local and international wheat increased by 2.9% and 1.7% respectively. Wheat prices rose as a result of the lower than expected production outlook in the US, Russia and Canada. The price of soybeans increased by 3.3% and internationally soybeans prices increased by 1.1%. The weaker rand and market volatility in the soybeans market pushed prices higher. The price of sunflower increased by 3.3% compared to last week due to strong local demand. The price of sweet sorghum remained stable compared to last week.

Spot price trends of major grains commodities

	1 year ago Week 32 (11-08-20 to 14-08-20)	This week Week 31 (02-08-21 to 06-08-21)	This week Week 32 (10-08-21 to 13-08-21)	w-o-w % change
RSA White Maize per ton	R 2 789,00	R 3 180.60	R 3 280,75	3,1%
RSA Yellow Maize per ton	R 2 828,00	R 3 332.60	R 3 434,00	3,0%
USA Yellow Maize per ton	\$ 123,13	\$ 217.09	\$ 218,75	0,8%
RSA Wheat per ton	R 5 901,80	R 5 243.60	R 5 394,25	2,9%
USA Wheat per ton	\$ 189,02	\$ 263.62	\$ 268,10	1,7%
RSA Soybeans per ton	R 7 251,40	R 7 394.60	R 7 641,25	3,3%
USA Soybeans per ton	\$ 326,35	\$ 516.71	\$ 522,48	1,1%
RSA Sunflower seed per ton	R 6 574,80	R 9 188.00	R 9 491,00	3,3%
RSA Sweet Sorghum per ton	R 3 900,00	R 4 230.00	R 4 230,00	0,0%
Crude oil per barrel	\$ 42,92	\$ 71.78	\$ 70,64	-1,6%



The rand depreciated by 2.7%, 1.6% and 2% respectively against the dollar, euro and pound compared to last week. The rand weakness come after the strengthening US dollar as US inflation pressures seem to have eased.



The Brent crude oil price decreased by 1.6% this week compared to last week, due to weaker demand. Forecasts are predicting demand to be weaker throughout the year as a result of surging infections from the Delta variant of the coronavirus.



National South African Price information (RMAA) : Beef

Week 30 (26/08/2021 to 01/08/2021)	Units	Avg Purchase Price	Avg Selling Price	Week 31 (02/08/2021 to 08/08/2021)	Units	Avg Purchase Price	Avg Selling Price
Class A2	8719	51.43	52.56	Class A2	7 630	51.49	52.46
Class A3	740	50.98	53.00	Class A3	721	50.87	53.18
Class C2	590	44.18	48.07	Class C2	707	45.10	47.44

The quantity of beef supplied to market this week increased by 19.8% for class C2 compared to last week, whilst decreasing by 12.5% and 2.6% for class A2 and A3 respectively. The producer prices for class A2 and C2 increased by 0.1% and 2.1% while decreasing by 0.2% for class A3. The market prices for class A2 and C2 decreased by 0.2% and 1.3% respectively whilst increasing by 0.3% for class A3 .

National South African Price information (RMAA) : Lamb

Week 30 (26/08/2021 to 01/08/2021)	Units	Avg Purchase Price	Avg Selling Price	Week 31 (02/08/2021 to 08/08/2021)	Units	Avg Purchase Price	Avg Selling Price
Class A2	8299	98.90	99.35	Class A2	4 976	96.04	96.89
Class A3	966	97.20	96.08	Class A3	734	95.35	92.51
Class C2	602	73.78	78.36	Class C2	605	73.44	77.71

The quantities of class A2 and A3 lamb supplied to the market decreased by 40% and 24% this week compared to last week, while the quantities of class C2 lamb increased by 0.5%. The producer prices for class A2,A3 and C2 all decreased this week compared to the previous week, prices decreased by 2.9%, 1.9% and 0.5% respectively. The market prices for all classes decreased as well, the price of class A2, A3 and C2 decreased by 2.5%,3.7% and 0.8% respectively.

National South African Price information (RMAA) : Pork

Week 30 (26/08/2021 to 01/08/2021)	Units	Avg Purchase Price	Week 31 (02/08/2021 to 08/08/2021)	Units	Avg Purchase Price
Class BP	8 627	25,51	Class BP	8 224	25.34
Class HO	9 687	25,13	Class HO	9 839	24.82
Class HP	8 627	24,65	Class HP	6 913	25.00

The quantities of pork supplied to the market this week increased by 1.6% for class HO whilst decreasing by 4.7% and 19.9% for class BP and HP respectively. Pork producer prices decreased by 0.7% and 1.2% for class BP and HO whilst increasing by 1.4% for class HP.

Latest News Developments

Transnet stated that it would collaborate with the provincial and local governments to find solutions to protect the railway infrastructure and ensure that the vital corridor is able to move freight safely and reliably, for the growth and competitiveness of the South African economy. Transnet Group CE Portia Derby further said; the continuing vandalism of Transnet infrastructure remained a significant constraint on the ability of this corridor to perform at design capacity. Stating further that it is critical that partnership exists between Transnet, provincial government, the municipalities and the surrounding communities to protect the integrity of the infrastructure and provide security to enable rail to reclaim its position as a significant freight mover. The Durban to Gauteng corridor is strategically placed to benefit from high volumes particularly from container traffic. These operational constraints remain a bottleneck towards the industry's ability to achieve growth along this corridor, which could result in beneficial externalities to the communities along the line and also to the provincial and national economy.

Minerals Resources and Energy Minister published the eagerly awaited amendments to Schedule 2 of the Electricity Regulation Act (ERA) to enable distributed generation plants of up to 100 MW to proceed without first obtaining a generation licence. To address the prevailing electricity deficit situation and reduce the impact of intermittent power supply to businesses and the economy. Load-shedding and electricity deficits in the country have had a detrimental effect on many industrial businesses, resulting in downtime and lost production as a result of the rolling blackouts. Publication of amendments to permit private electricity generators to build and commission plants of up to 100 MW without a generating licence was also welcomed by the South African Photovoltaic Industry Association (SAPVIA) . SAPVIA COO Nivesh Govender stated that the state recognised and responded with boldness to ensure we act with appropriate haste and use the opportunity to rebuild our economy. The increase of the licence exemption threshold from 1 MW to 100 MW will impact many intensive energy users looking to generate their own electricity from alternate technologies. The South African Wind Energy Association (SAWEA) also added that the licencing exemption provides a sure indication that the government is serious about driving investment in the energy generation sector, to support economic growth and diversify the generation sources away from just a single risk entity.

National Business Initiative (NBI) CEO Joanne Yawitch asserts. Said SA as a country with one of the most emissions-intensive power sectors in the world, and as a nation that is particularly vulnerable to the impacts of climate change, South Africa needs to commit to find ways to transition to a net-zero emission economy by 2050.

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