



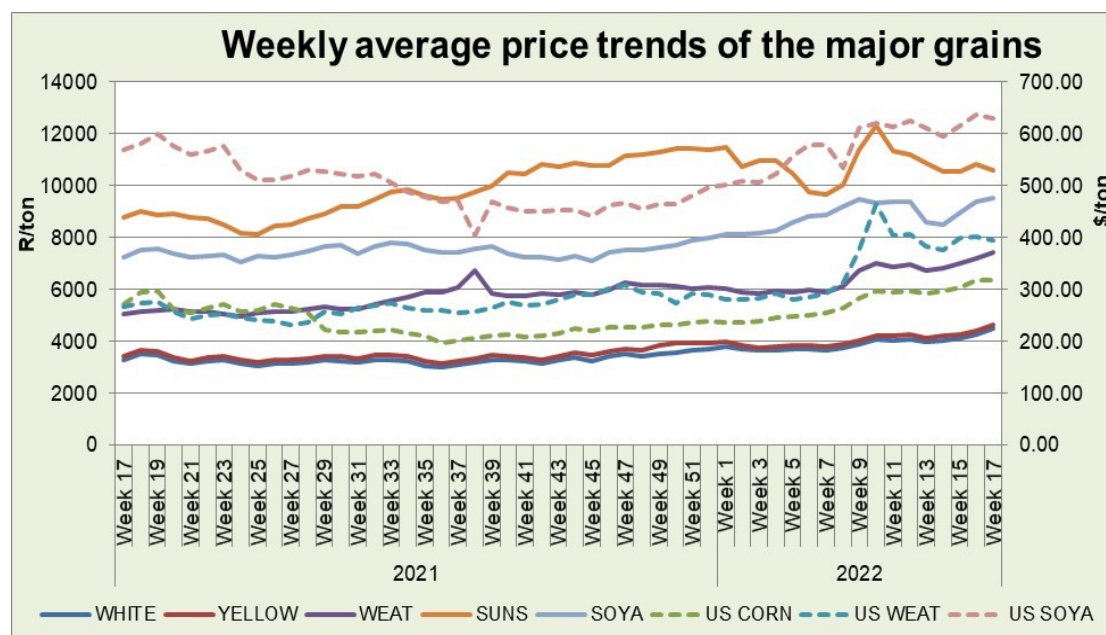
agriculture, land reform & rural development

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

Weekly Price Watch: 29 April 2022

Directorate: Statistics & Economic Analysis

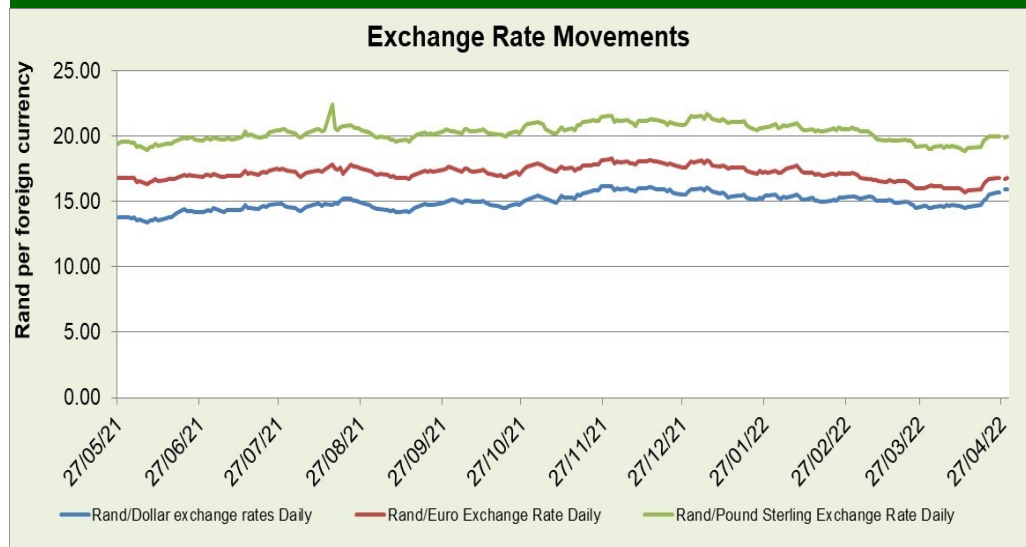
Sub-directorate: Economic Analysis



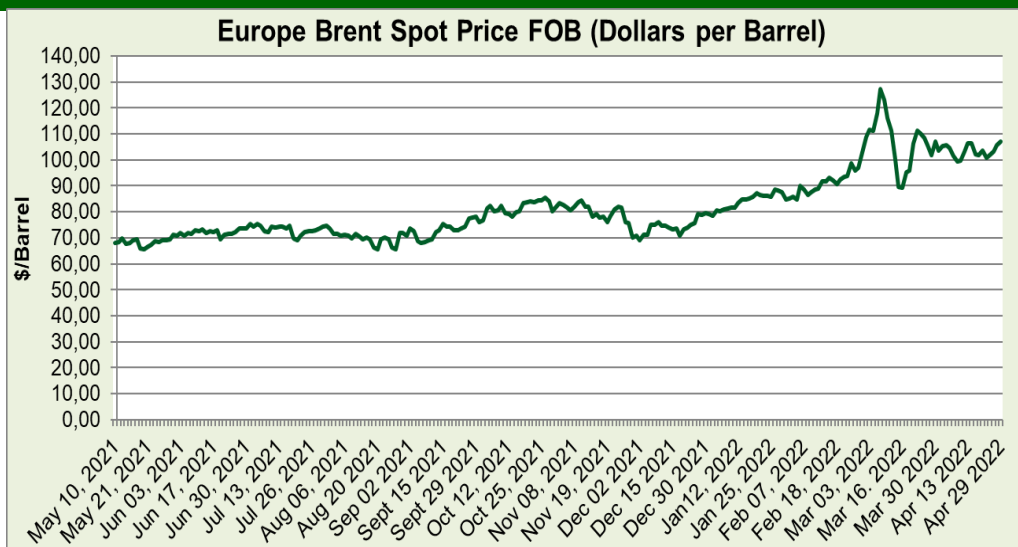
The local white and yellow maize price increased by 5.3% and 5% respectively compared to last week. The local white and yellow maize price increased due to the latest DALRRD's Crop Estimates that indicated that white maize and yellow production is forecasted to decline by 14% and 7.6% compared to last season. The international maize price decreased by 0.2%. The local wheat price increased by 3.3% whilst the international wheat price decreased by 2.1%. The local wheat price benefited from the weaker exchange rate this week. The price of soybeans increased by 1.7% while internationally the price decreased by 1.1%. The local soybeans price increased due to forecasts that indicated that soybeans production will be 0.6% lower than last year amidst the steady demand. The price of sunflower decreased by 1.8% as sunflower production is expected to be 29.6% higher this season relative to 2021-pushing the sunflower price lower.

Spot price trends of major grains commodities

	1 year ago Week 17 (26-04-21 to 30-04-21)	This week Week 16 (18-04-22 to 22-04-22)	This week Week 17 (25-04-22 to 29-04-22)	w-o-w % change
RSA White Maize per ton	R3 266,25	R 4 265.50	R4 491,00	5,3%
RSA Yellow Maize per ton	R3 421,25	R 4 402.75	R4 624,00	5,0%
USA Yellow Maize per ton	\$269,575	\$ 318.10	\$317,37	-0,2%
RSA Wheat per ton	R5 028,5	R 7 190.00	R7 426,50	3,3%
USA Wheat per ton	\$266,98	\$ 401.92	\$393,29	-2,1%
RSA Soybeans per ton	R7 219,75	R 9 367.25	R9 527,50	1,7%
USA Soybeans per ton	\$568,53	\$ 636.20	\$629,44	-1,1%
RSA Sunflower seed per ton	R8 775,75	R 10 799.75	R10 609,50	-1,8%
RSA Sweet Sorghum per ton	R3 850,20	-	-	-
Crude oil per barrel	\$66.47	\$ 102.16	\$ 104,36	2,2%



The rand depreciated but 4.5%, 2.5% and 1.5% against the US dollar, Euro and Pound respectively compared to last week, as power cuts and deadly floods in KZN dented growth prospects. Additionally, uncertainty in international markets, growth worries amidst high energy prices also affected the local currency.



The price of Brent crude oil increased further by 2.2% this week compared to last week. Oil prices rose over fears of Russian oil supply constraints. According to Reuters, Russian oil production could fall by as much as 17%. Sanctions have also made it increasingly difficult for Russian ships to supply oil to destinations.



National South African Price information (RMAA) : Beef

Week 15 (11/04/2022 to 17/04/2022)	Units	Avg Purchase Price	Avg Selling Price	Week 16 (18/04/2022 to 24/04/2022)	Units	Avg Purchase Price	Avg Selling Price
Class A2	5 145	61.73	62.28	Class A2	6397	60,62	64,01
Class A3	526	62.27	63.06	Class A3	492	58,25	63,49
Class C2	231	52.02	52.03	Class C2	223	44,79	49,33

The quantity of beef sold this week was 24.3% higher for class A2 in relation to the previous week, while it declined by 1.8% and 3.5% for class A3 and C2. The producer prices decreased for all classes, the producer price for class A2, A3 and C2 decreased by 1.8%, 6.5% and 3.5%. The market prices increased for class A2 and A3 by 2.8% and 0.7% while it decreased by 5.2% for class C2.

National South African Price information (RMAA) : Lamb

Week 15 (11/04/2022 to 17/04/2022)	Units	Avg Purchase Price	Avg Selling Price	Week 16 (18/04/2022 to 24/04/2022)	Units	Avg Purchase Price	Avg Selling Price
Class A2	5 137	96.41	96.43	Class A2	6442	94,97	95,83
Class A3	564	94.74	95.35	Class A3	798	92,77	91,97
Class C2	802	69.61	70.08	Class C2	576	67,77	69,62

The units sold for class A2 and A3 lamb increased by 25.4% and 41.5% while decreasing by 28.2% for class C2. The producer prices for class A2, A3 and C2 decreased by 1.5% , 2.1% and 2.6 , while the market prices declined by 0.6%, 3.5% and 0.7% respectively.

National South African Price information (RMAA) : Pork

Week 15 (11/04/2022 to 17/04/2022)	Units	Avg Purchase Price	Week 16 (18/04/2022 to 24/04/2022)	Units	Avg Purchase Price
Class BP	8 946	25.79	Class BP	8088	26,20
Class HO	5 128	25.75	Class HO	6780	26,26
Class HP	4 439	25.65	Class HP	6784	25,97

The quantities sold for class HO and HP increased by 32.2% and 52.8% while decreasing by 9.6% for class BP. The producer prices for all classes increased this week compared to last week. The producer prices for class BP, HO and HP increased by 1.6%, 2% and 1.2% respectively.

Latest News Developments

South African Citrus Growers' Association (CGA) said the proposed EU pest regulations are expected to hurt domestic citrus exports. Newly proposed European Union (EU) regulations threaten the export of oranges from the Southern African region to Europe. Should the regulations be agreed to by member countries, they will have a devastating impact on orange exports from South Africa to EU. An imposition of such regulations could result in large gaps in the supply chain and higher prices of oranges for European consumers. In South Africa, these new regulations will put the sustainability of the citrus industry at risk and the 140 000, mostly rural jobs at stake.

African Development Bank (AfDB) Group president Dr Akinwumi Adesina has called for an increased sense of urgency as Africa must prepare for the inevitability of a global food crisis. The continent's most vulnerable countries have been hit hardest by conflict, climate change and the Covid-19 pandemic. Dr Akinwumi says Africa with the lowest GDP growth rates lost about 30 million jobs due to the pandemic. Now due to the conflict in Eastern Europe; fertiliser prices have also tripled and energy prices have increased, driving up inflation. Further stating that the tripling costs of fertiliser, rising energy prices and rising costs of food baskets could worsen in Africa in the coming months.

Western Cape Agriculture Minister Ivan Meyer stated that forecasts are of an increase in fruit exports in the Western cape following the good rainfall in the province since 2018. According to deciduous fruit organisation Hortgro's export estimates; apple exports are projected to increase by 6% this year, while pear exports are expected to increase by 12% year-on-year. He further stated that the ongoing war between Russia and Ukraine has resulted in a sharp increase in some commodity prices, such as those of fertilisers and wheat due to limited supply and growing uncertainty for future supply.

The World Bank Group stated that the food and energy price surges worsened as a result of the Ukraine war could last through the end of 2024 due to disruptions in trade and production. Increase in energy prices, the largest since the 1973 oil crisis and is expected to pass 50% in 2022 before easing in 2023 and 2024. Prices for agriculture and metals are projected to increase almost 20% in 2022 before moderating at elevated levels in the following years.

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