



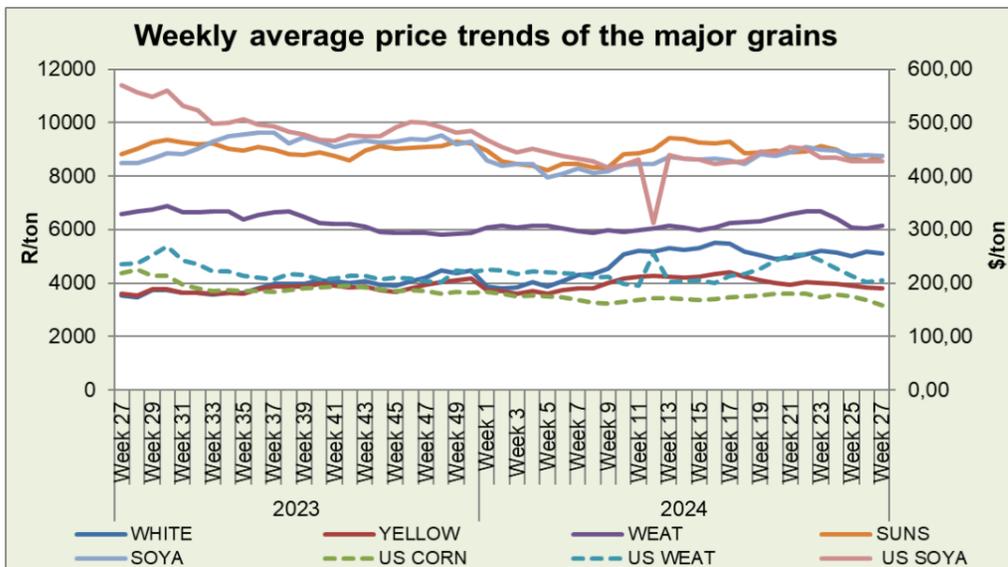
agriculture, land reform & rural development

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

Weekly Price Watch: 05 July 2024

Directorate: Statistics & Economic Analysis

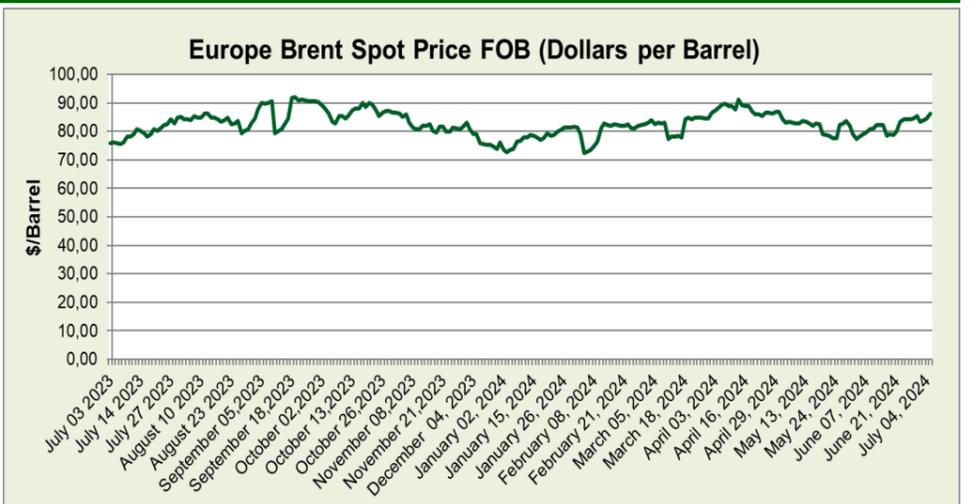
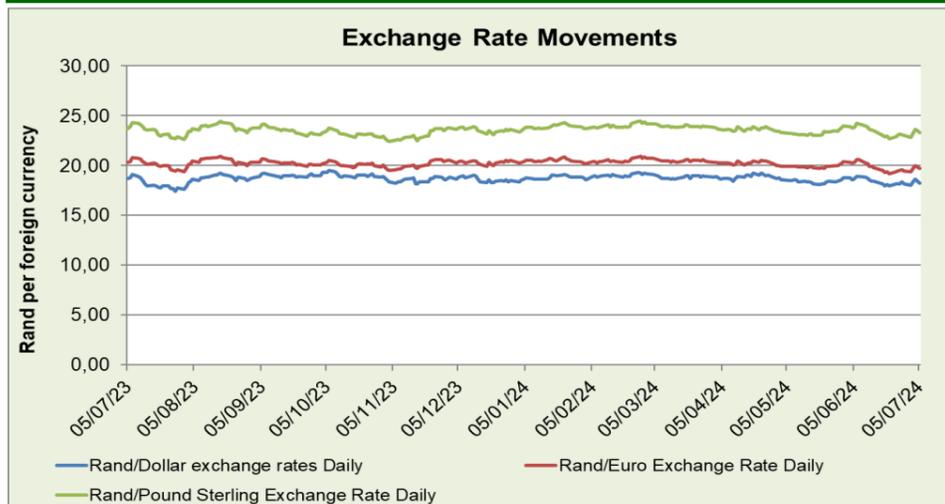
Sub-directorate: Economic Analysis



The International and local market traded marginally lower this week when compared to the previous week. The average prices of domestic white maize, yellow maize and soya bean decreased by 1.3%, 0.5% and 0.2% respectively, whilst prices for wheat and sunflower seed increased by 1.6% and 2.5% respectively, week on week. Internationally, the grain price of US corn decreased by 5.0%, while prices of US wheat and US soybean increased by 1.2% and 0.1% respectively when compared to the previous week. Expectations for a positive crop progress update from the US Department of Agriculture pulled corn and soybean futures to four-year lows last week. The wheat complex futures also dropped sharply on forecasts for favorable harvest weather in the United States, better crop weather in Russia and Canada, ample corn supplies and a stronger US dollar.

Spot price trends of major grains commodities

	1 year ago Week 26 (03-07-23 to 07-07-23)	Last week Week 26 (24-06-24 to 28-06-24)	This week Week 27 (01-07-24 to 05-07-24)	w-o-w % change
RSA White Maize per ton	R3 535,80	R5 174,00	R5 108,60	-1,3%
RSA Yellow Maize per ton	R3 596,20	R3 834,60	R3 814,00	-0,5%
USA Yellow Maize per ton	\$219,17	\$167,50	\$159,09	-5,0%
RSA Wheat per ton	R6 576,20	R6 061,80	R6 161,20	1,6%
USA Wheat per ton	\$235,31	\$202,55	\$204,99	1,2%
RSA Soybeans per ton	R8 490,20	R8 794,00	R8 775,40	-0,2%
USA Soybeans per ton	\$569,82	\$427,22	\$427,86	0,1%
RSA Sunflower seed per ton	R8 830,20	R8 560,80	R8 776,20	2,5%
Crude oil per barrel	\$75,96	\$84,14	\$84,70	0,7%



The rand depreciated by 0.8%, 1.3% and 1.1% against the US dollar, the Euro and the Pound respectively, when compared to the previous week. The US dollar rose on last week as investors weighed the possibility of another Donald Trump presidency after last week's poor debate performance by incumbent Joe Biden.

Brent crude oil price averaged \$84.70/barrel in the reporting week which is 0.7% higher than \$84.14/barrel week on week. Oil prices gained about 1% last week after a larger-than-expected decline in U.S. crude stocks, but gains were capped by concerns about rising global inventories in thin trading ahead of the U.S. Independence Day holiday.



National South African Price information (RMAA) : Beef

Week 25 (17/06/2024 to 23/06/2024)	Units	Avg Purchase Price	Avg Selling Price	Week 26 (24/06/2024 to 30/06/2024)	Units	Avg Purchase Price	Avg Selling Price
Class A2	7283	55,74	55,83	Class A2	10540	55,71	56,09
Class A3	657	55,49	54,67	Class A3	1065	55,69	56,21
Class C2	702	43,10	45,39	Class C2	641	43,16	45,77

The units sold for class C2 beef decreased by 8.7%, while units sold for class A2 and A3 beef increased by 44.7% and 62.1% respectively when compared to the previous week. On the other hand average purchase price for class A2 beef decreased by 0.1%, while average purchase prices for class A3 and C2 beef increased by 0.4% and 0.1% respectively week on week. Likewise, average selling price for class A2, A3 and C2 beef increase by 0.5%, 2.8% and 0.8% respectively when compared to the previous week.

National South African Price information (RMAA) : Lamb

Week 25 (17/06/2024 to 23/06/2024)	Units	Avg Purchase Price	Avg Selling Price	Week 26 (24/06/2024 to 30/06/2024)	Units	Avg Purchase Price	Avg Selling Price
Class A2	13258	86,23	86,74	Class A2	15288	86,84	87,24
Class A3	1559	84,43	85,70	Class A3	2075	85,53	86,00
Class C2	2157	60,15	64,90	Class C2	1532	60,99	65,49

The units of lamb traded this week for class A2 and A3 increased by 15.3% and 33.1% respectively, while class C2 lamb decreased by 29.0% when compare to the previous week. The average purchase prices for class A2, A3 and C2 lamb increased by 0.7%, 1.3% and 1.4% respectively week on week. The average selling prices for class A2, A3 and C2 lamb increased by 0.6%, 0.4% and 0.9% respectively relative to the previous week.

National South African Price information (RMAA) : Pork

Week 25 (17/06/2024 to 23/06/2024)	Units	Avg Purchase Price	Week 26 (24/06/2024 to 30/06/2024)	Units	Avg Purchase Price
Class BP	10441	30,72	Class BP	12249	30,74
Class HO	5758	29,90	Class HO	4585	29,81
Class HP	6971	30,05	Class HP	4894	30,04

The quantities of pork traded this week for class BP increased by 17.3%, while class HO and HP pork decreased by 20.4% and 29.8% respectively, when compared to the previous week. The average purchase price for class BP pork increased by 0.1%, whilst class HO and HP pork decreased by 0.3% and 0.03% respectively, week on week.

Latest News Developments

Eskom has reached 100 days without load shedding, its longest streak in nearly four years, the power utility said in a statement. The last time the country went without load shedding for such a prolonged period was between September and December 2020, Eskom attributed the improvement to implementation of the recovery plan initiated in March last year, alongside aggressive planned maintenance, which it said was made possible by financial support from the National Treasury Eskom debt relief scheme. It also thanked the National Energy Crisis Committee for help in rolling out turnaround plans. Group chief executive Dan Marokane said taking into account the high levels of power cuts in 2023. He added that there had been an approximately R6.2 billion reduction in diesel expenditure for open-cycle gas turbines between 1 April and 30 June 2024 compared to the same period in 2023. Eskom said targeted initiatives had led to a gradual reduction of unplanned losses on its generation fleet from 18 000 MW to an average of 12 000 MW, which was an improvement of 6 000 MW since May 2023. This has contributed to a sustained improvement in the EAF, which has increased from 54.56% at the end of FY23/24 to a year-to-date achievement of 61.50%, an increase of 6.94% over the past three months, Eskom said. However, Marokane acknowledged that there was still a risk of load shedding. Group Executive for Generation, said maintaining an Energy Availability Factor of 70% and adding significant capacity within the country would ensure that demand could be met without a major risk of load shedding. The Organisation of Petroleum Exporting Countries' Fund for International Development (OPEC Fund) has signed a cooperation agreement with the UN International Fund for Agricultural Development (IFAD).

A broad rally in South African markets signalled investor relief after President Cyril Ramaphosa ended weeks of uncertainty by announcing a new cabinet that he said would prioritise economic growth. In a televised address late Sunday, Ramaphosa allocated some key ministerial posts to business-friendly opposition politicians, while retaining close ally Enoch Godongwana as finance minister. That's seen as a sign that fiscal policy aimed at curbing debt would remain on track. The announcement came a month after the African National Congress lost its parliamentary majority in the May 29 elections, forcing it to invite its rivals to join a broad coalition government. Almost a dozen parties accepted the offer, though the two main left-wing parties were left out in the cold. The presence of opposition parties may help the new administration tackle state ineptitude, power shortages and logistics snarl-ups that have curtailed economic growth and investment. Gross domestic product has expanded by less than 1% a year on average over the past decade well below what's needed to maintain living standards for the growing population. The rand rallied post the announcement as investors have been sitting on the sidelines waiting to see what the new cabinet looks like, said Matete Thulare, the Johannesburg-based head of foreign-exchange execution at FirstRand. The new cabinet will hit the ground running as they need to accelerate economic reforms so as to get the ailing economy back on track.

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