



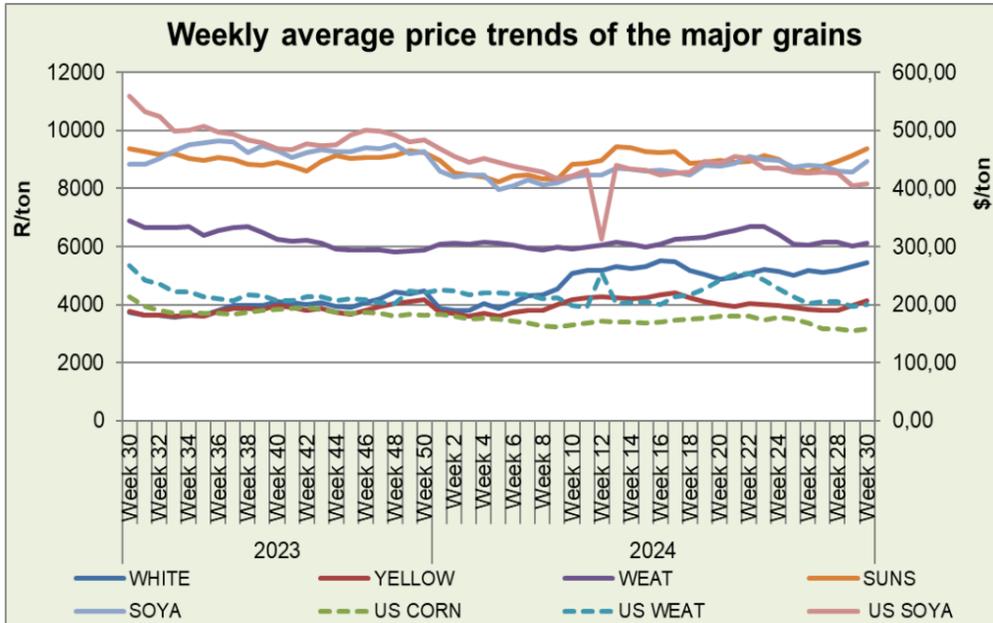
agriculture, land reform & rural development

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

Weekly Price Watch: 26 July 2024

Directorate: Statistics & Economic Analysis

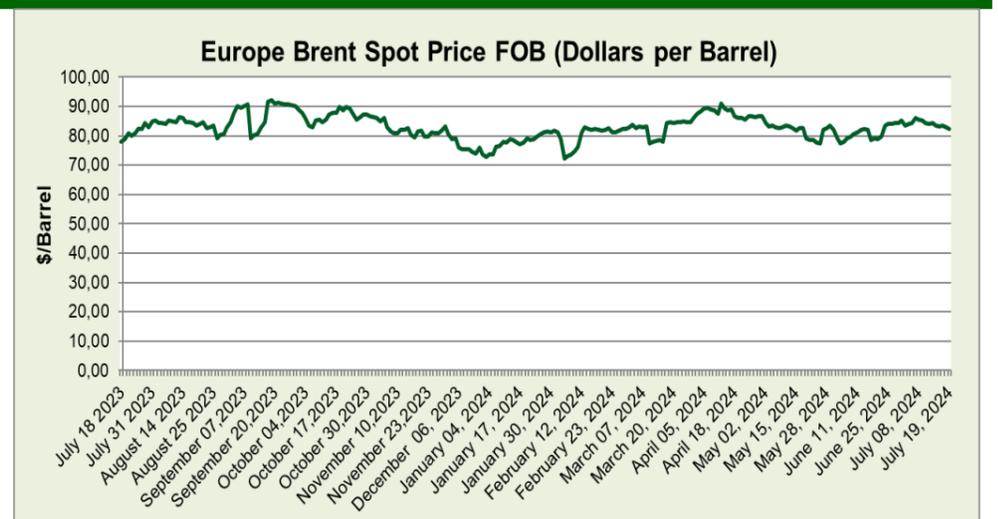
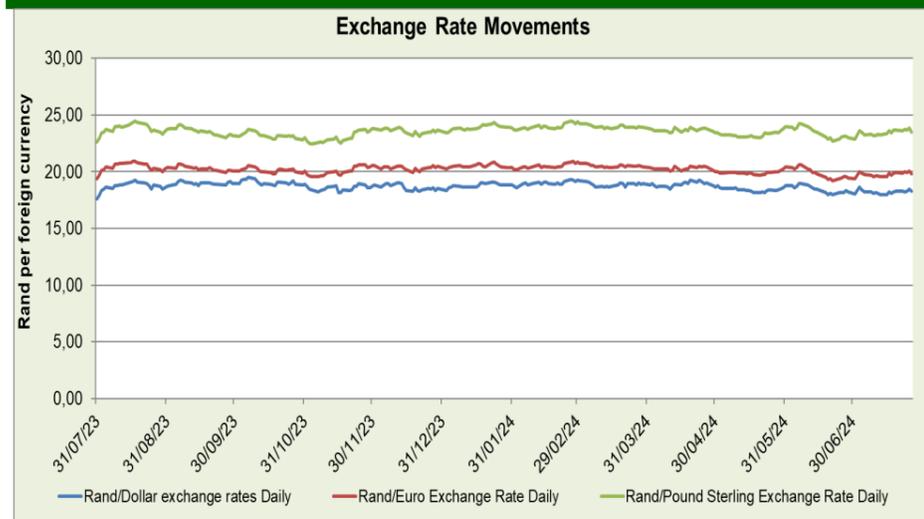
Sub-directorate: Economic Analysis



The price of white and yellow maize increased by 2.4% and 4.2% this week relative to the previous week. While the international Maize price also increased by 1.4%. Local maize increased as the latest forecast by DALRRD Crop estimates Committee indicates that maize production outlook has been reduced by 0.5% from the previous forecast while already the country is experiencing a 19% reduction in maize crop outlook compared to last year. The US Maize price increased due uncertain weather outlook for August. The price of wheat increased by 1.5% as the local latest estimates indicate low SA wheat outlook. While the international wheat price increased by 1.6%. The price of soybeans increased by 4% while the US price increased by 1.1%. The latest outlook for local soybeans estimates the crop outlook to remain the same which is still lower than the previous year output. US Soybeans price increased with more attention turning towards a hot and dry forecast for August across central US.

Spot price trends of major grains commodities

	1 year ago Week 30 (24-07-23 to 28-07-23)	Last week Week 29 (15-07-24 to 19-07-24)	This week Week 30 (22-07-24 to 26-07-24)	w-o-w % change
RSA White Maize per ton	R3 738,0	R5 320,00	R5 447,20	2,4%
RSA Yellow Maize per ton	R3 754,6	R3 987,20	R4 153,80	4,2%
USA Yellow Maize per ton	\$214,0	\$155,52	\$157,68	1,4%
RSA Wheat per ton	R6 886,2	R6 019,80	R6 111,60	1,5%
USA Wheat per ton	\$268,1	\$196,61	\$199,72	1,6%
RSA Soybeans per ton	R8 846,6	R8 581,20	R8 936,20	4,1%
USA Soybeans per ton	\$559,8	4\$04,06	\$408,53	1,1%
RSA Sunflower seed per ton	R9 375	R9 148,60	R9 369,80	2,4%
Crude oil per barrel	\$82,58	\$83,17	\$ 80,74	-2,9%



The rand depreciated against the dollar, euro and pound this week relative to the previous week. The rand depreciated against the U.S. currency on Tuesday after trading weaker for much of last week amid risk-off sentiment. As traders and investors reduced their exposure to risk and focused on protecting their capital.

The price of crude oil decreased by 2.9% this week relative to the previous week. Oil falls as a result of declining Chinese demand and hopes of a Gaza ceasefire agreement that could ease Middle East tensions and accompanying supply concerns.



National South African Price information (RMAA) : Beef

Week 27 (08/07/2024 to 14/07/2024)	Units	Avg Purchase Price	Avg Selling Price	Week 28 (15/07/2024 to 21/07/2024)	Units	Avg Purchase Price	Avg Selling Price
Class A2	7 506	55,37	57,19	Class A2	8424	55,38	55,69
Class A3	712	55,42	55,53	Class A3	796	55,39	54,66
Class C2	684	43,05	46,00	Class C2	644	42,91	44,92

The quantities sold for beef increased by 12% for class A2 and 11% for A3 respectively, while class C2 decreased by 5.8%. The producer prices increased for A2 by 0.2% and class A3 decreased by 0.1% class C2 by 0.2%. The market prices decreased for class A2(-2.6%) and C2(-1.6%), while the price of class A3 increased by 2.3%.

National South African Price information (RMAA) : Lamb

Week 27 (08/07/2024 to 14/07/2024)	Units	Avg Purchase Price	Avg Selling Price	Week 28 (15/07/2024 to 21/07/2024)	Units	Avg Purchase Price	Avg Selling Price
Class A2	12 039	88,86	90,18	Class A2	15647	88,55	89,41
Class A3	1 448	86,54	87,77	Class A3	1882	86,67	87,91
Class C2	926	63,33	69,58	Class C2	1207	63,65	70,03

The quantities of lamb sold this week for class A2, A3 and C2 decreased similarly by 23.1% for all the classes. The producer prices for class A2 increased by 0.4% while increasing by 0.1% and 0.5% for class A3 and C2. The market prices for class A3 and C2 increased by 0.2% and 0.6% while decreasing by 0.9% for class A2.

National South African Price information (RMAA) : Pork

Week 27 (08/07/2024 to 14/07/2024)	Units	Avg Purchase Price	Week 28 (15/07/2024 to 21/07/2024)	Units	Avg Purchase Price
Class BP	12 826	31,01	Class BP	10876	31,25
Class HO	5 470	30,54	Class HO	5376	30,64
Class HP	6 377	30,68	Class HP	4681	30,76

The units sold for pork decreased for class HP, HO and BP by 17.9%, 1.7% and 36.2% respectively, while the producer prices increased for all the classes by 0.8%, 0.3% and 0.3%.

Latest News Developments

President Cyril Ramaphosa announced that the Government of National Unity will look into expanding the range of essential food items exempt from value-added tax (VAT) has been welcomed by all importers. The key; is "essential food items", says FairPlay, which has been on an ongoing lobby for the removal of VAT on chicken. The advocacy group believes chicken is certainly an essential food in South Africa, making about 66% of the meat consumed in the country, but it is the main source of meat protein for millions of poor people and their families. Chicken failed to meet the exemption criteria in 2018 when the VAT-free basket was reviewed following the increase in VAT to 15%, on the grounds that members of the review panel could not agree on the chicken products to be exempted and what the impact would be on producers and consumers. South African Poultry Association (SAPA) says lower food prices will alleviate pressure for low-income households, particularly as chicken is South Africa's most popular and affordable meat source.

Minister of Electricity Ramokgopa announces electricity tariff review amid affordability 'crisis' for poor households. Electricity and Energy Minister Dr Kgosisentsho Ramokgopa reports that a review of South Africa's electricity pricing policy will be launched with the aim of addressing a rising affordability "crisis", which is undermining electricity access for a growing number of poor consumers. The review would be undertaken in consultation with the South African Local Government Association, Eskom, the National Energy Regulator of South Africa (Nersa) and other stakeholders, and could have far-reaching implications for the way electricity tariffs are set and how low-income households are subsidised.

Forestry, Fisheries and the Environment Minister Dr Dion George and trade union UASA have welcomed the Climate Change Bill's assent into law by President Cyril Ramaphosa on July 23. According to the Minister the Bill marks a significant milestone in nation's commitment to addressing climate change. The Climate Change Act sets out a national climate change response, including mitigation and adaptation actions, which also constitutes South Africa's fair contribution to the global climate change response.

The Presidential Climate Commission (PCC) is cautioning that South Africa may miss its 2030 decarbonisation target in light of a decision to further delay the decommissioning of three aged coal power stations and if new clean sources are not introduced in line with the country's electricity generation roadmap. The commission's inaugural 'South African State of Climate Action' report cautioned against this ahead of COP26 in Glasgow in 2021.

South Africa lodged a new Nationally Determined Contribution (NDC) outlining a goal of reducing its CO₂-equivalent (CO₂-eq) emissions to between 420-million and 350-million CO₂-eq tons in 2030, an improvement on its previous NDC range of between 398-million and 510-million CO₂-eq tons.

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