



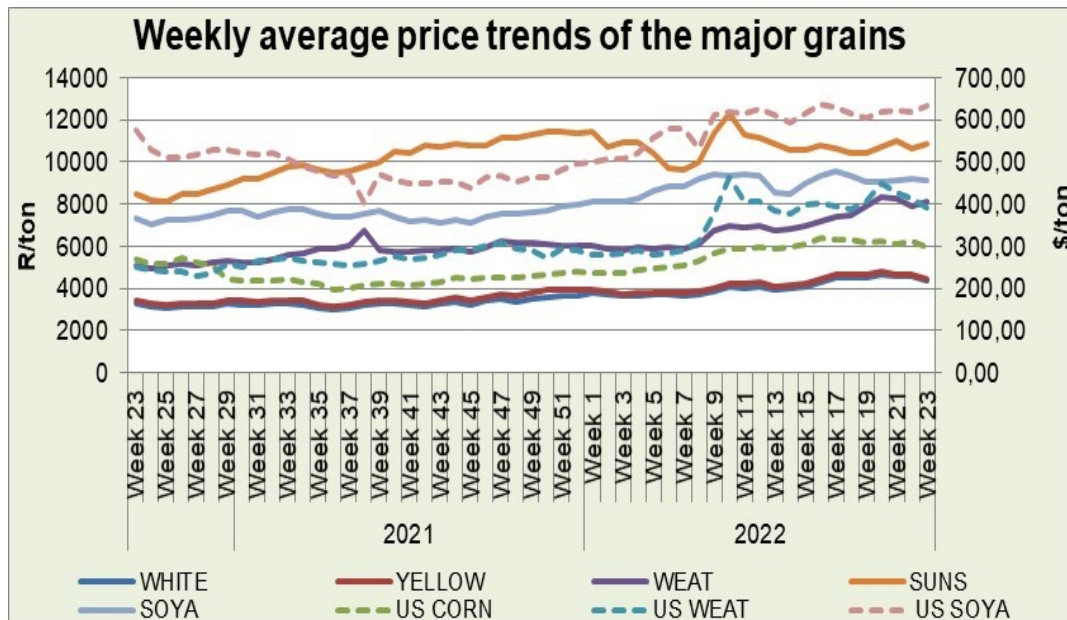
agriculture, land reform & rural development

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

Weekly Price Watch: 10 June 2022

Directorate: Statistics & Economic Analysis

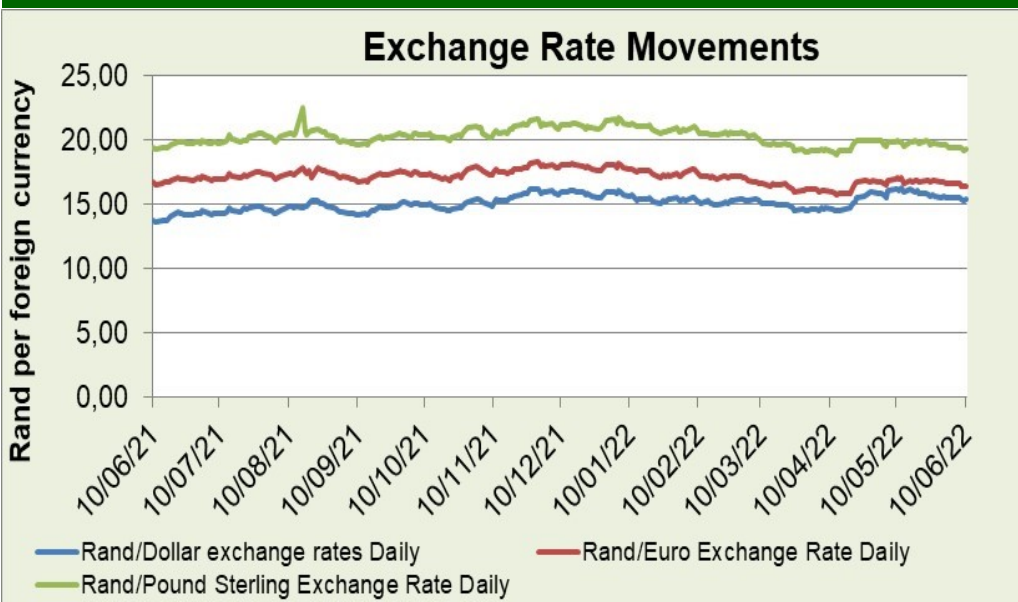
Sub-directorate: Economic Analysis



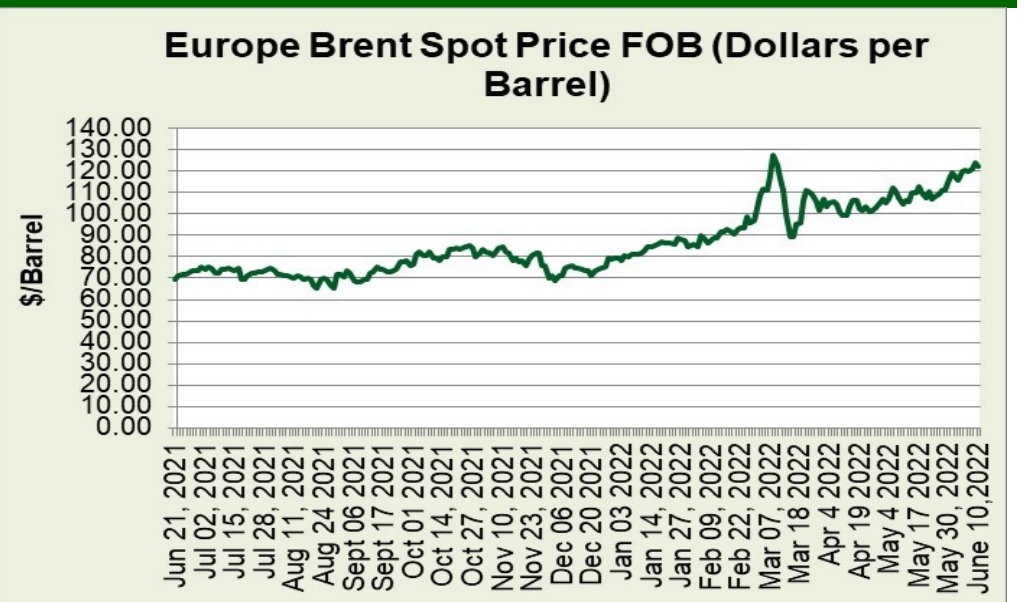
The white and yellow maize price decreased by 2.9% and 2.6% respectively compared to last week, while the international maize price also decreased by 0.1% this week. News that Russia would allow exports from Ukraine and Ukraine forecasting an abundant maize outlook kept prices lower. Local Wheat price increased this week by 0.3%, while international wheat prices declined by 2.7% because Russia will allow Ukraine to export. Local sunflower price decreased by 0.4%. The local soya prices increased by 0.1% and the international soya price increased by 0.8%. South Africa is expecting a bumper crop of Soya because it was the only crop that could be planted in the wet conditions that prevailed.

Spot price trends of major grains commodities

	1 year ago Week 23 (07-06-21 to 11-06-21)	Last week Week 22 (30-05-22 to 03-06-22)	This week Week 23 (06-06-22 to 10-06-22)	w-o-w % change
RSA White Maize per ton	R3 281.40	R 4 519.80	R4 388.80	-2.9%
RSA Yellow Maize per ton	R3 416.20	R 4 570.40	R4 453.80	-2.6%
USA Yellow Maize per ton	\$270.18	\$ 296.65	\$296.35	-0.1%
RSA Wheat per ton	R5 053.608	R 8 080.00	R8 107.2	0.3%
USA Wheat per ton	\$251.21	\$ 404.30	\$393.19	-2.7%
RSA Soybeans per ton	R7 314.00	R 9 126.00	R9 136.20	0.1%
USA Soybeans per ton	\$575.42	\$ 629.56	\$634.49	0.8%
RSA Sunflower seed per ton	R8 494.20	R 10 898.80	R10 856.20	-0.4%
Crude oil per barrel	\$72.40	\$ 117.86	\$121.64	3.2%



The rand appreciated by 0.6%, 0.9% and 1.1% against the US dollar, Euro and Pound respectively this week compared to the previous week.



Crude oil price posted their seventh weekly gain, the price of crude oil increased this week after OPEC meeting only agreed on a modest increase in oil amidst a global supply deficit. The price of crude oil increased by 3.2% this week -above last week's price increase.



National South African Price information (RMAA) : Beef							
Week 21 (23/05/2022 to 29/05/2022)	Units	Avg Purchase Price	Avg Selling Price	Week 22 (30/05/2022 to 05/06/2022)	Units	Avg Purchase Price	Avg Selling Price
Class A2	8 279	61,47	63,26	Class A2	6 977	61.34	63.44
Class A3	844	59,27	63,05	Class A3	531	57.46	62.22
Class C2	650	47,99	51,08	Class C2	563	47.93	51.64

The quantities of class A2,A3 and C2 beef decreased 15.7%, 37.1% and 13.4% respectively this week relative to the previous week. The producer prices for class A2, A3 and C2 decreased by 0.2%, 3.1% and 0.1% respectively as compared with last week. The retail prices increased for both class A2 and C2 by 0.3% and 1.1% respectively while class A3 decreased by 1.3%.

National South African Price information (RMAA) : Lamb							
Week 21 (23/05/2022 to 29/05/2022)	Units	Avg Purchase Price	Avg Selling Price	Week 22 (30/05/2022 to 05/06/2022)	Units	Avg Purchase Price	Avg Selling Price
Class A2	5 317	101,35	103,58	Class A2	5 782	103.88	106.26
Class A3	919	101,47	101,70	Class A3	846	103.21	102.47
Class C2	562	71,98	77,68	Class C2	888	73.1	78.64

The quantities of lamb traded this week increased by 8.7% and 58.0% for class A2 and C2 respectively, while class A3 decreased by 7.9% relative to the previous week. The producer prices increased by 2.5%, 1.7% and 1.6% for class A2, A3 and C2 respectively as compared to the previous week. The average market prices increased by 2.6%;0.8% and 1.2% for class A2,A3 and C2 respectively.

National South African Price information (RMAA) : Pork							
Week 21 (23/05/2022 to 29/05/2022)	Units	Avg Purchase Price		Week 22 (30/05/2022 to 05/06/2022)	Units	Avg Purchase Price	
Class BP	8 663	27,24		Class BP	7 424	27.25	
Class HO	9 552	26,56		Class HO	7 186	26.59	
Class HP	8 302	26.61		Class HP	7 120	26.57	

The quantities of Pork traded this week increased by 14.3%, 24.8% and 14.2% for class BP, HO and HP respectively from the previous week. Producer prices for class BP remained unchanged. Class HO increased by 0.1% and HP decreased by 0.2%.

Latest News Developments

The coronavirus pandemic has emphasised the importance of the agriculture sector in South Africa of its potential to support economic growth, create and sustain jobs and boost exports. At a time when most industries were reducing employment, agriculture maintained employment in primary activities. While unemployment rises, agriculture has kept employment levels going because it is a labour-intensive sector by nature, directly employing nearly 900, 000 people in South Africa alone. Where countries are not self-sufficient with staples, exchange rate depreciation will make food much more expensive if it must be imported. This makes the production of affordable staple foods such a strategic imperative said Roux Wildenboer, Absa's head of Agriculture.

In wealthier countries, such as European nations and the USA, the demand for fresh fruit has increased dramatically, and we have seen strong price effects. There are varied reasons for this, but one is the renewed realisation of the importance of healthy diets. Another factor has been smaller harvests in other exporting countries, which has created an opportunity for South African produce. For exporters, currency depreciation is favourable over the short term. A depreciated currency also makes exported goods more competitive in international markets. Over the long term though the impact on exporters are not only positive, as most of the inputs in the Agri value chain are USD based: fertiliser, insecticides, shipping costs, machinery, and fuel.

This season, South Africa is expected to harvest its largest soya bean crop on record, due to an expansion in area plantings and favourable rainfall in the eastern part of the country, according to Wandile Sihlobo, chief economist at Agbiz. South African producers again started exporting citrus through the Port of Maputo in Mozambique in May. Dawie Scholtz, general manager of the Maputo Port Fruit Terminal, said previous exports via the port had come to an end in 2015, with various attempts to get it going again running aground. He said the current process was already a success, thanks to smooth operations and quick turnaround times, and the fact that the Port of Durban was experiencing increased logistical challenges and congestion problems. The latest initiative was started when co-operation between the Maputo Port Development Company and a newly created company, Maputo Port Fruit Terminal, commenced in 2020 to unlock the Maputo shipping corridor for citrus and other fruit. This was done with support from many role players, after breakthroughs were made in drawing up a comprehensive plan to get exports under way. Crucial to this had been the approval of protocols to allow the exporting of fruit from this port, with the produce being inspected at South African pack houses. A Perishable Products Export Control Board inspector had also been appointed in Maputo to oversee the cleaning and loading of containers. Port would have cold storage facilities available from 2023, which would provide export options for fruit and nut producers to all markets. In the absence of cold storage facilities, the main focus was on citrus, which could be loaded at ambient temperatures, with the main target markets being Southeast Asia, the Middle East and Russia. Maputo Port Fruit Terminal had the capacity to load 300 containers a week, and an expectation that the facility to handle at least 2 000 containers of citrus a month by the end of September.

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