



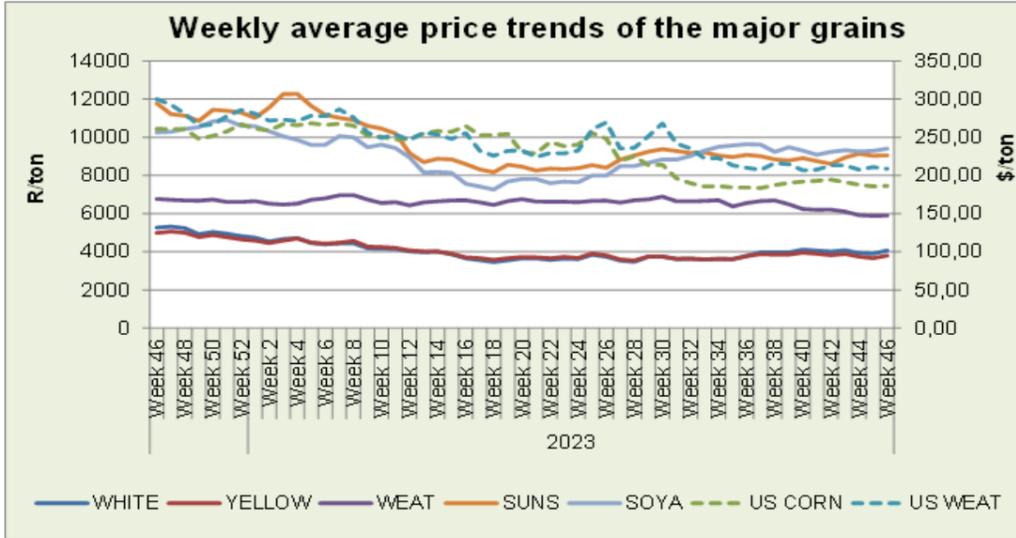
# agriculture, land reform & rural development

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

## Weekly Price Watch: 17 November 2023

Directorate: Statistics & Economic Analysis

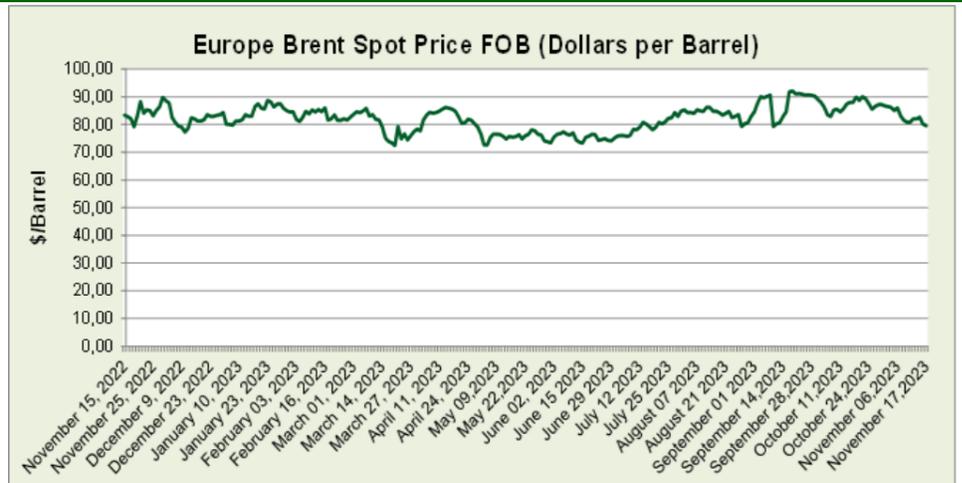
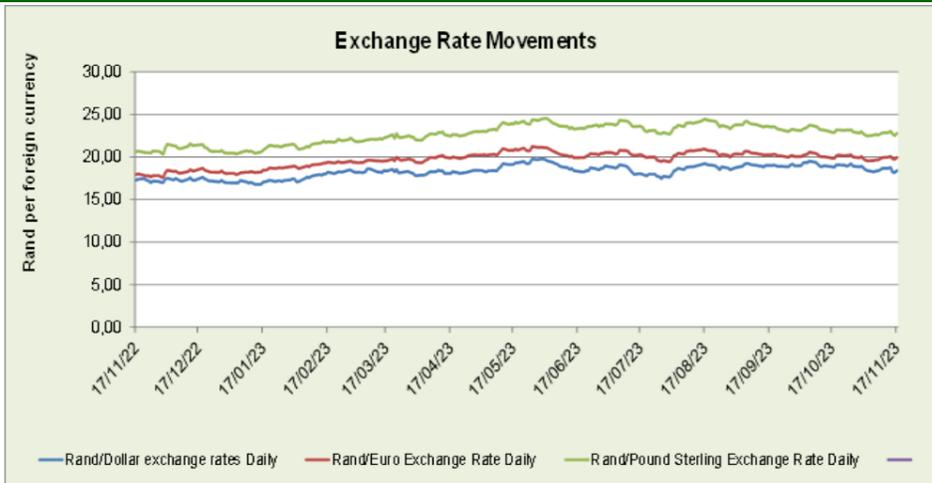
Sub-directorate: Economic Analysis



After weakened last week local prices strengthened this week with white maize, yellow maize, soyabean, sunflower and wheat prices increased by 4.2%, 3.7%, 1.2%, 0.3% and 0.1% respectively this week compared to the previous week. Domestic prices were supported by the weaker rand and higher Chicago maize prices. Chicago maize prices recovered on a United States Department of Agriculture (USDA) report showing export sales which were above trade expectations. US yellow maize and soybean prices increased by 0.2% and 1.2% respectively week-on-week. US soya bean export sales were solid, reaching a new MY high of 3.92 million tons. China, the Netherlands, Bangladesh, Mexico, and Vietnam were the top five destinations. Meanwhile wheat price decreased by 1.0% during the same period.

### Spot price trends of major grains commodities

	1 year ago Week 46 (14-11-22 to 18-11-22)	Last week Week 45 (06-11-23 to 10-11-23)	This week Week 46 (13-11-23 to 17-11-23)	w-o-w % change
RSA White Maize per ton	R 5 262.60	R 3 897.40	R 4 062.40	4.2%
RSA Yellow Maize per ton	R 4 988.20	R 3 664.80	R 3 799.60	3.7%
USA Yellow Maize per ton	\$ 260.96	\$ 185.76	\$ 186.18	0.2%
RSA Wheat per ton	R 6 772.80	R 5 885.60	R 5 892.00	0.1%
USA Wheat per ton	\$ 300.14	\$ 210.89	\$ 208.70	-1.0%
RSA Soybeans per ton	R 10 253.60	R 9 284.80	R 9 400.00	1.2%
USA Soybeans per ton	\$ 529.14	\$ 491.78	\$ 500.83	1.8%
RSA Sunflower seed per ton	R 11 772.40	R 9 031.80	R 9 057.00	0.3%
RSA Sweet Sorghum per ton	-	-	-	-
Crude oil per barrel	\$ 94.32	\$ 82.46	\$ 81.31	-1.4%



After the appreciation last week against the major currencies, the rand depreciated by 0.1%, 0.9% and 0.5% against the dollar, Euro and Pound Sterling this week compared to the previous week. The rand averaged R18.44/US\$, weaker by 0.1%. The rand came under pressure despite positive local retail sales data, as the US\$ firmed on better-than-expected US retail sales and manufacturing data.

Brent crude oil continue to drop for two weeks in a row and averaged \$81.31 which is 1.4% less than \$82.46 reported the previous week. Oil prices dipped as markets do not anticipate the Middle East conflict to draw in oil-rich neighbouring countries. Although the rand has been volatile, it has been stable against the US\$ on average. As a result, the following local fuel price decreases are predicted for December 2023: petrol (95 unleaded) by 63c/l, diesel 500 ppm and 50ppm by 205c/l and 207c/l, respectively.



### National South African Price information (RMAA) : Beef

Week 44 (30/10/2023 to 05/11/2023)	Units	Avg Purchase Price	Avg Selling Price	Week 45 (06/11/2023 to 12/11/2023)	Units	Avg Purchase Price	Avg Selling Price
Class A2	9 478	53,61	55,86	Class A2	8 966	53,90	55,64
Class A3	930	53,25	54,00	Class A3	1 102	53,55	54,10
Class C2	500	45,91	47,76	Class C2	534	46,04	47,45

Units sold for class A3 and class C2 beef increased by 18.5% and 6.8% respectively this week compared to the previous week, while units sold for class A2 decreased for two weeks in a row by 5.4%. The weekly average purchase prices for class A2, class A3 and class C2 beef bounced back and increased by 0.5%, 0.6% and 0.3% respectively in the reporting week compared to the previous week. After a decrease last week the weekly average selling prices for class A3 increased by 0.2% week on week, whilst the weekly average selling price for class A2 and class C2 beef decreased by 0.4% and 0.6% respectively during the same period.

### National South African Price information (RMAA) : Lamb

Week 44 (30/10/2023 to 05/11/2023)	Units	Avg Purchase Price	Avg Selling Price	Week 45 (06/11/2023 to 12/11/2023)	Units	Avg Purchase Price	Avg Selling Price
Class A2	13 078	84,36	85,60	Class A2	13 029	83,39	83,64
Class A3	1 544	83,41	84,26	Class A3	1 317	82,47	82,27
Class C2	1 101	59,43	65,37	Class C2	1 048	60,51	64,70

All units sold for class A2, class A3 and class C2 lamb decreased by 0.4%, 14.7% and 4.8% respectively in the reporting week compared to the previous week. During the same period, the weekly average purchase prices for class A2 lamb and class A3 lamb decreased by 1.2% and 1.1% respectively for two consecutive weeks. While the weekly average purchase price for class C2 lamb bounce back this week compared to the previous week increased by 1.8%. The weekly average selling price for class A2, class A3 and class C2 lamb all decreased by 2.3%, 2.4% and 1.0% respectively in the reporting week compared to the previous week.

### National South African Price information (RMAA) : Pork

Week 44 (30/10/2023 to 05/11/2023)	Units	Avg Purchase Price	Week 45 (06/11/2023 to 12/11/2023)	Units	Avg Purchase Price
Class BP	10 604	37,82	Class BP	10 530	37,54
Class HO	6 627	36,61	Class HO	3 731	37,08
Class HP	7 815	36,86	Class HP	6 427	36,95

Units sold for class BP, class HO and class HP pork decreased by 0.7%, 43.7% and 17.8% respectively this week compared to the previous week. After a decrease last week the weekly average purchase prices for class HO and class HP pork increased by 1.3% and 0.2% respectively this week compared to the previous week, whilst the weekly purchase price for class BP pork decreased by 0.7% week-on-week. Improving pork prices and bearish yellow maize prices are expected to provide some welcome relief to local pig producers.

## Latest News Developments

The unemployment rate dropped by 0.7 of a percentage point to 31.9% in the third quarter of 2023, compared with the previous three months. This mark a second consecutive decrease in SA's jobless rate. According to the QLFS the total number of those employed in the country increased by 399 000 to 16,7 million in the third quarter compared with 16,3 million in the second quarter of 2023. The survey showed a slight decline in the official unemployment rate, from 32,6% in the previous quarter to 31,9% in the third quarter. This reflected an employment increase of 979 378 in the third quarter with 2,46 million jobs added over the past eight consecutive quarters. Agriculture sector created approximately 61 000 new jobs in the third quarter, the total employment in agriculture has now increased to 956 000. According to Agriculture, Land Reform and Rural Development Minister Thoko Didiza, the statistics show that this is the highest employment figure in the sector since the start of democracy. The last time the agricultural sector recorded a million jobs was in 1993, the era which was underpinned by subsidies. The latest figures suggest that the economy is gradually recovering and starting to create jobs. The agricultural sector has demonstrated its resilience and capability to support the overall South Africa's economic recovery and growth, both in terms of jobs creation and contribution to the economy. The positive jobs in agriculture attest to the continuous commitment by government, industry, labour, and other value-chain players to implement inclusive growth and job-created measures contained under the Agriculture and Agro-processing Master Plan.

Based on the current oil, international fuel and rand prices, the latest data from the Central Energy Fund (CEF) shows that petrol prices could be cut by around R1.07 a litre in December, while diesel prices could be lowered by around R2.10 a litre. However, there is still more than two weeks to go before the final prices are set, fuel prices will only be adjusted on 6 December. South African fuel prices are largely determined by international oil costs and the rand exchange rate, as oil is priced in dollars. The price of Brent crude oil traded above \$86 a barrel at the start of November but has since fallen to around \$82. Despite a deterioration in South Africa's government debt burden, S&P Global Ratings affirmed the country's credit ratings and maintained a stable outlook. On Friday night, S&P announced that it is keeping its "BB-/B" rating on South Africa's foreign currency debt and a "BB/B" on local currency debt unchanged. A large public sector wage hike, disappointing tax revenue and rocketing borrowing costs have hit government finances this year. S&P now expects government debt to increase to 83% of GDP by 2026 – from its forecast of 79% earlier. Its debt forecast is higher than the government's, which stabilises at 77% of GDP in 2025.

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