



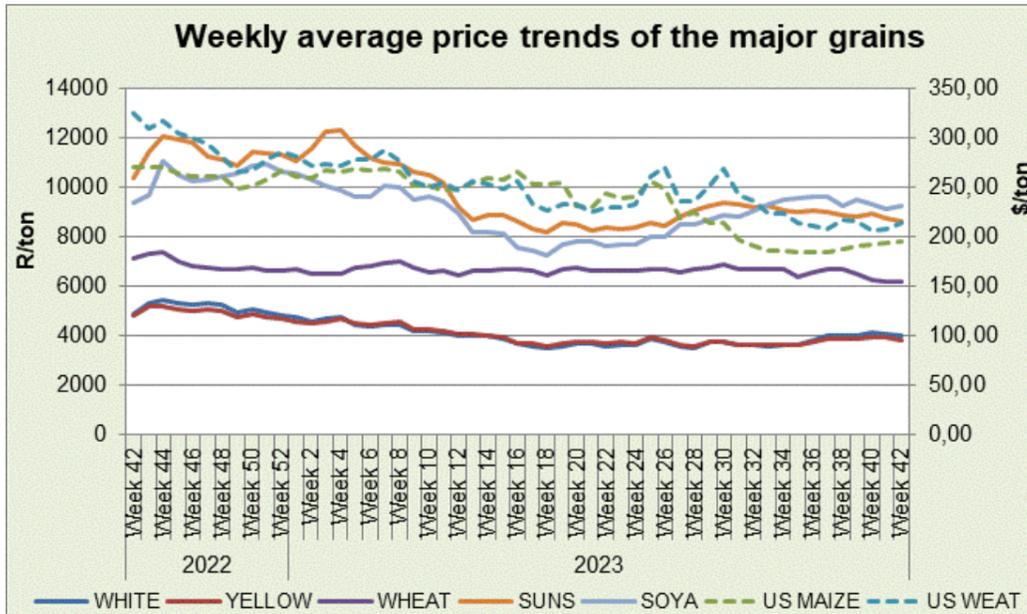
# agriculture, land reform & rural development

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

## Weekly Price Watch: 20 October 2023

Directorate: Statistics & Economic Analysis

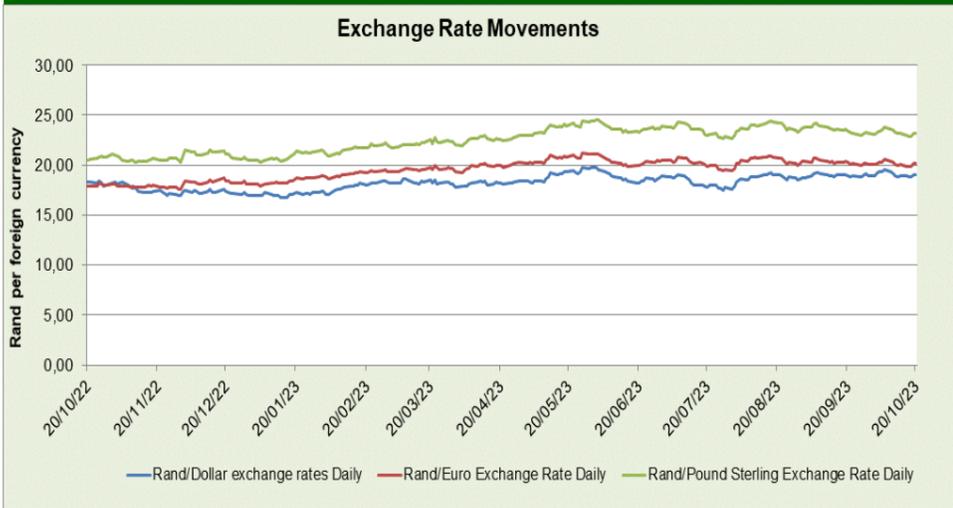
Sub-directorate: Economic Analysis



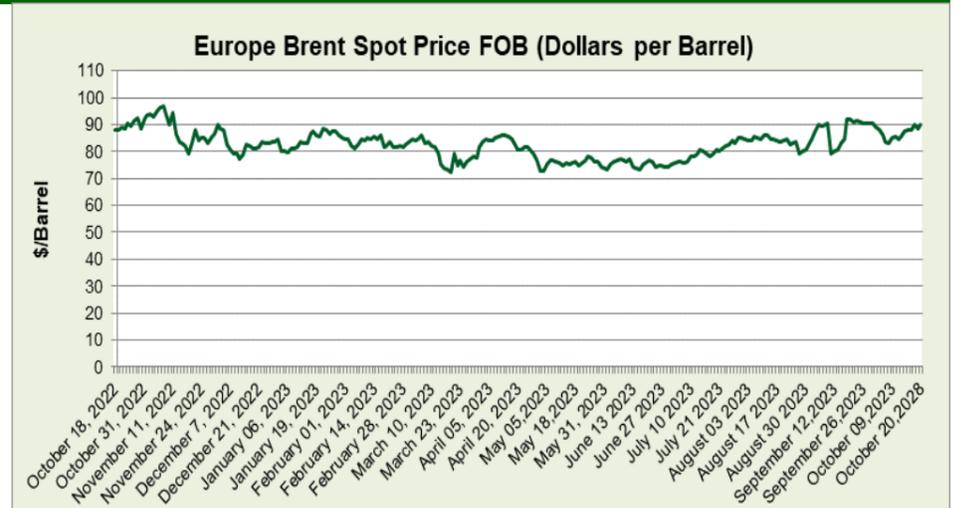
The price of maize declined by 1.2% and 2.1% for both white and yellow maize respectively compared to last week, while the USA maize price increased by 0.8%. Above normal rainfalls coupled with high ending stocks have put pressure on local prices. USA maize price increased as result of downward revision of yield forecast for grain in the EU. The local and USA wheat price increased by 0.2% and 2.6% respectively. The rise in wheat prices is due to the expectation of limited export opportunities for Ukraine as result of the uncertainty around the black sea. Also, a reduction in planted areas is expected in Ukraine due to high fuel and fertilizer costs. RSA soybeans prices rose by 1.7%, while USA prices increased by 2.3% as World soybean prices are at an upward trend following the persistent dryness in Brazil (one of the major World producers), which is causing planting challenges. The price of sunflower decreased by 1.7%.

### Spot price trends of major grains commodities

	1 year ago Week 42 (17-10-22 to 21-10-22)	Last week Week 41 (09-10-23 to 13-10-23)	This week Week 42 (16-10-23 to 20-10-23)	w-o-w % change
RSA White Maize per ton	R4 854,56	R 4 059,40	R4 011,80	-1,2%
RSA Yellow Maize per ton	R4 778,68	R 3 903,00	R3 819,20	-2,1%
USA Yellow Maize per ton	\$269,80	\$ 192,87	\$194,41	0,8%
RSA Wheat per ton	R7 097,00	R 6 197,80	R6 207,40	0,2%
USA Wheat per ton	\$324,42	\$ 207,72	\$213,22	2,6%
RSA Soybeans per ton	R9 359,68	R 9 082,40	R 9 233,80	1,7%
USA Soybeans per ton	\$523,80	\$ 466,20	\$476,89	2,3%
RSA Sunflower seed per ton	R10 340,80	R 8 755,20	R 8 603,80	-1,7%
Crude oil per barrel	\$88,68	\$ 85,66	\$ 88,93	3,8%



The rand appreciated by 0,6%, 0,9% and 1,4% against the dollar, Euro and the Pound respectively this week relative to the previous week, as there is uncertainty in the markets as a result of the conflict in the Middle East.



The Brent crude oil price increased by 3.8% this week relative to the previous week, oil prices posted a second weekly gain as fears mount that the conflict in the Middle East might spread.



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

Week 40 (02/09/2023 to 08/10/2023)	Units	Avg Purchase Price	Avg Selling Price	Week 41 (9/10/2023 to 15/10/2023)	Units	Avg Purchase Price	Avg Selling Price
Class A2	8 634	53,45	55,76	Class A2	9155	53,55	55,02
Class A3	991	53,72	54,78	Class A3	974	53,09	53,80
Class C2	615	47,58	47,62	Class C2	675	46,04	48,13

The quantity of beef traded this week increased by 6% and 9% for class A2 and C2 beef while it decreased by 1.7% for class A3 beef compared to the previous week. The producer price of class A2 beef increased by 0.2%, while it decreased by 1.2% and 3.2% for class A3 and c2 beef. The market price for class A2 and A3 decreased by 1.3% and 1.8%, while the market price of class C2 increased by 1.1% .

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

Week 40 (02/09/2023 to 08/10/2023)	Units	Avg Purchase Price	Avg Selling Price	Week 41 (9/10/2023 to 15/10/2023)	Units	Avg Purchase Price	Avg Selling Price
Class A2	13 724	83,31	84,58	Class A2	12 075	83,98	85,10
Class A3	1 398	81,14	83,71	Class A3	1 103	82,94	84,24
Class C2	1 339	59,28	64,35	Class C2	1 168	56,65	62,71

The quantity of lamb traded this week decreased relative to the previous week. The quantity of lamb sold this week decreased by 12% for class A2, while it decreased by 21% and 12.8% for class A3 and C2. The producer price of class A2 and A3 increased by 0.8% and 2.2% respectively whilst it declined by 4.4% for class C2. The market prices for class A2 and A3 both increased by 0.6%, while it decreased by 2.5% for class C2.

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

Week 40 (02/09/2023 to 08/10/2023)	Units	Avg Purchase Price	Week 41 (9/10/2023 to 15/10/2023)	Units	Avg Purchase Price
Class BP	11 437	36,88	Class BP	12 025	37,26
Class HO	6 514	36,43	Class HO	6 721	36,60
Class HP	9 384	36,48	Class HP	8 961	36,72

The quantities sold for class BP, HO and HP increased by 5.1% and 3.2% respectively, while it decreased by 4.5% for class HP. The producer price for class BP, HO and HP increased by 1%, 0.5% and 0.7% respectively.

## Latest News Developments

South Africa Inflation rose in September although it still within the central bank's target range, data from Statistics South Africa shows that the CPI rose to 5.4% year-on-year in September from 4.8% in August. Food, fuel and transport sectors were the biggest contributors to the rise. Some analysts estimates that the CPI will remain above 5% maybe around quarter 3 of 2024.

JC Auditors CEO Oliver Naidoo which is a South African National Standard certification body which promotes safety, compliance and efficiency in commercial fleets; said at the 2023 Road Freight SME Summit that collaboration between all stakeholders in the road freight industry is critical to improving South Africa's poor road safety record. He said there was a greater need for companies contracting road freight operators to demand proof of good maintenance, roadworthiness of vehicles, good driver training, and safety systems being in place before signing. He stated that to get an idea of the scale of the problem, according to the N3 Toll Concession, there are 7 000 trucks a day travelling on the N3 between Johannesburg and Durban. This number is rising by a factor of about 10% every year.

SA has R660-billion shortfall on its R1.5-trillion just climate transition plan, despite wealthy nations \$R8.5-billion pledge or approximately R150 -billion), further pledges and investments, South Africa faces a R660-billion financing shortfall for the just energy transition, expected to cost R1.5-trillion over five years. Minister of Forestry, Fisheries and the Environment; Barbara Creecy tatted that " the total financing required for the Just Energy Transition Investment Plan (JET IP) is estimated at R1.5-trillion over the next five years. This will need to be mobilised from various public and private sources, such as multilateral development banks, international partner countries, private investors, philanthropies and the fiscus".

Rand Water says municipalities not meeting agreed targets, sating that it was continuing to experience an increase in water consumption, which was likely to result in no water for a longer period as the city reservoirs drop extraordinarily from time to time. Rand Water is struggling to keep up with demand, which has continued to exceed the consumption agreement with the municipalities.

Altron Fin Tech Household Resilience Index (AFHRI) shows that higher interest rates are offsetting the gains made in the post-Covid-19 recovery period, this is weighing on South African households finances and could dampen spending during Black Friday sales and the Festive Season.

For more information contact: Directorate Statistics & Economic Analysis (SEA) at HeidiP@dalrrd.gov.za or 0123198194.