



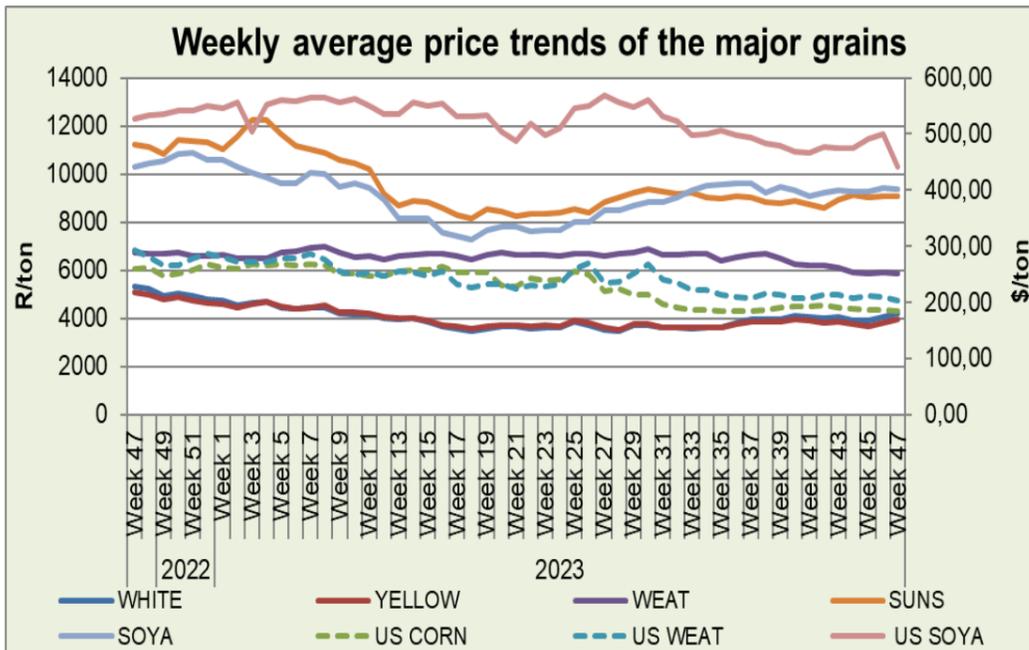
agriculture, land reform & rural development

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

Weekly Price Watch: 24 November 2023

Directorate: Statistics & Economic Analysis

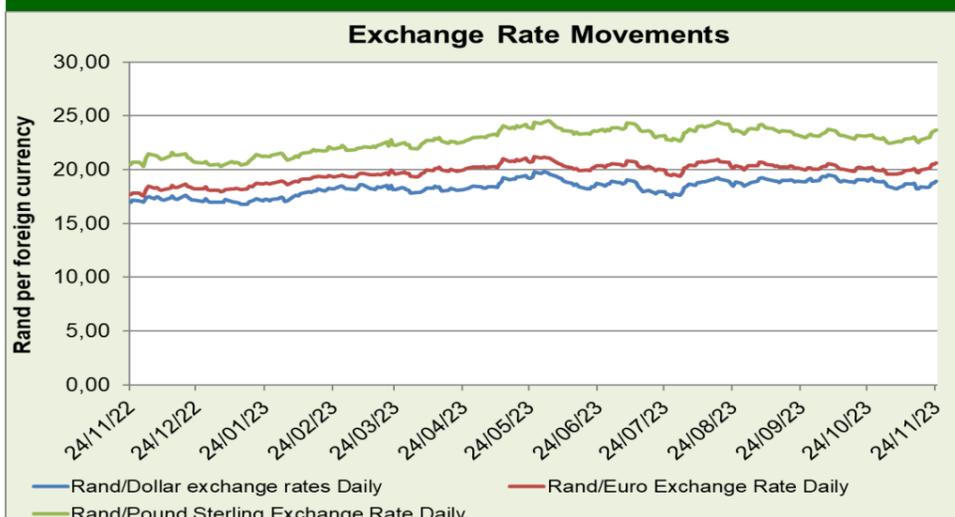
Sub-directorate: Economic Analysis



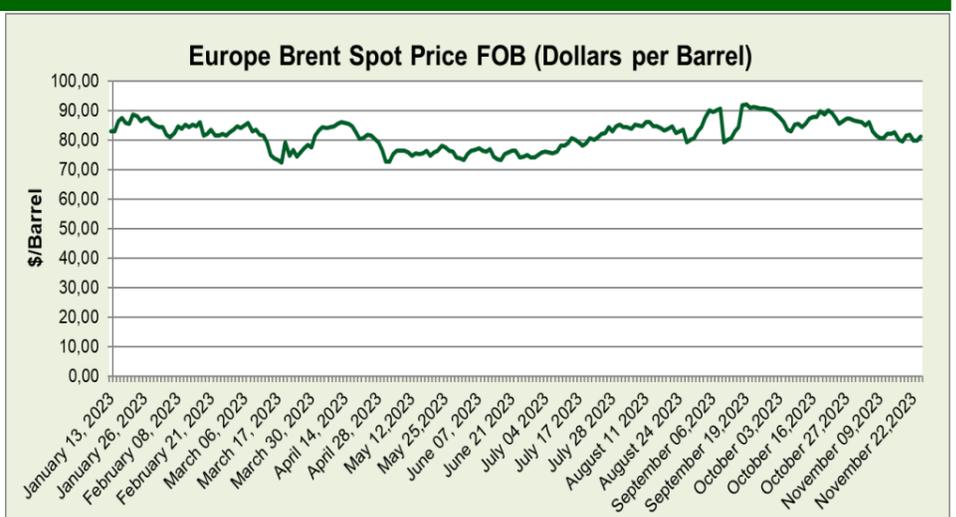
The price of maize increased by 3.8% and 3.9% whilst the world price decreased by 0.9%. The local price increased as panic set due to weather concerns as the South African Weather Service indicated that minimum and maximum temperatures are expected to be mostly above-normal countrywide. The World maize price decreased as larger U.S. maize crop is expected. The local and international wheat price decreased by 2.8% and 3.4% respectively, as demand slows and the weather improves. The price of local and international soybeans decreased by 3.4% and 0.3% this week as world soybean production for the 2023/24 season is forecast to increase by 7.6% compared to the previous season. The price of sunflower increased by 3.5%. Sunflower oil vanished from supermarket shelves when Russia invaded Ukraine, sending prices higher. The high prices increased sunflower plantings this season, but buyers' expectations remain uncertain.

Spot price trends of major grains commodities

	1 year ago Week 47 (21-11-22 to 25-11-22)	Last week Week 46 (13-11-23 to 17-11-23)	This week Week 47 (20-11-23 to 24-11-23)	w-o-w % change
RSA White Maize per ton	R5 325,80	R 4 062.40	R4 217,40	3,8%
RSA Yellow Maize per ton	R5 064,60	R 3 799.60	R3 946,80	3,9%
USA Yellow Maize per ton	\$260,50	\$ 186.18	\$184,53	-0,9%
RSA Wheat per ton	R6 724,80	R 5 892.00	R5 880,20	-0,2%
USA Wheat per ton	\$292,78	\$ 208.70	\$202,84	-2,8%
RSA Soybeans per ton	R11 218,20	R 9 400.00	R9 082,40	-3,4%
USA Soybeans per ton	\$526,39	\$ 500.83	\$499,52	-0,3%
RSA Sunflower seed per ton	R10 284,40	R 9 057.00	R9 377,00	3,5%
Crude oil per barrel	\$85,16	\$ 81.31	\$80,84	-0,6%



The rand depreciated by 1%, 2.3% and 2.4% this week relative to the previous week against the Dollar, Euro and the Pound respectively. The rand depreciated from earlier gains during the week following the Reserve Bank's MPC decision to keep rates on hold for the third meeting in a row.



The price of Brent Crude oil decreased by 0.6% this week relative to last week. Oil fell on Friday as the release of some hostages in Gaza reduced the geopolitical risk premium ahead of next week's OPEC+ meeting to decide on production cuts in 2024.



National South African Price information (RMAA) : Beef

Week 45 (06/11/2023 to 12/11/2023)	Units	Avg Purchase Price	Avg Selling Price	Week 46 (13/11/2023 to 19/11/2023)	Units	Avg Purchase Price	Avg Selling Price
Class A2	8 966	53,90	55,64	Class A2	9470	53,64	55,48
Class A3	1 102	53,55	54,10	Class A3	920	53,46	54,04
Class C2	534	46,04	47,45	Class C2	318	47,73	48,57

The quantities of beef sold this week decreased for class A3 and C2 beef by 16.5% and 40.4% respectively, while increasing by 5.6% for class A2 beef relative to the previous week. The producer prices for class A2 and A3 decreased by 0.5% and 0.2% respectively, while increasing by 3.7% for class C2 beef. The market prices for class A2 and A3 beef decreased by 0.3%, 0.1% and increased by 2.4% for class C2 beef.

National South African Price information (RMAA) : Lamb

Week 45 (06/11/2023 to 12/11/2023)	Units	Avg Purchase Price	Avg Selling Price	Week 46 (13/11/2023 to 19/11/2023)	Units	Avg Purchase Price	Avg Selling Price
Class A2	13 029	83,39	83,64	Class A2	13410	82,26	82,78
Class A3	1 317	82,47	82,27	Class A3	1327	81,72	81,55
Class C2	1 048	60,51	64,70	Class C2	813	59,14	63,50

The quantities sold for class A2 and A3 lamb increased by 2.9% and 0.8% while decreasing by 22.4% for class C2 this week in relation to the previous week. The producer price for class A2,A3 and C2 decreased by 1.4%, 0.9% and 2.3% respectively this week. The market prices for class A2, A3 and C2 decreased by 1%, 0.9% and 1.9%.

National South African Price information (RMAA) : Pork

Week 45 (06/11/2023 to 12/11/2023)	Units	Avg Purchase Price	Week 46 (13/11/2023 to 19/11/2023)	Units	Avg Purchase Price
Class BP	10 530	37,54	Class BP	10085	37,21
Class HO	3 731	37,08	Class HO	6505	36,58
Class HP	6 427	36,95	Class HP	6824	36,80

The quantities sold for class BP pork decreased by 4.2% this week relative to the previous week, while HO and HP pork quantities sold increased by 74.4% and HP pork increased 6.2% this week. The producer prices for class BP,HO and HP prices decreased by 0.9%, 1.3% and 0.4%.

Latest News Developments

The South Africa central bank kept the interest rate unchanged on Thursday, while warning that inflationary risks persist and that it stands ready to act if they materialize. The monetary policy committee (MPC) held the rate at a 14-year high of 8.25% for the third consecutive meeting. The MPC decision matched the consensus forecasts of all 22 economists surveyed by Bloomberg.

The business rescue plan for the South African Post Office, published by the joint business rescue practitioners (BRPs) Anoosh Roopla and Juanito Damons stated that the Post Office's financial sustainability is a critical concern that demands attention. Its costs have consistently exceeded its revenue by 200% since its 2022 financial year. Employee costs accounted for 150% of this, and the organisation has inadequate investment into information technology systems, fleet management, mail processing centres, depots and its branch network. It is estimated that approximately 6000 employees may lose their jobs.

Astral posts R621m loss on the back of bird flu, load-shedding crises, JSE-listed integrated poultry producer Astral Foods has posted a loss of R621million for the financial year ended September 30, owing to detrimental impacts from load-shedding and avian influenza.

Business Leadership South Africa (BLSA) CEO Busisiwe Mavuso stated that the upcoming 2023 United Nations (UN) Climate Change Conference more commonly referred to as COP28. Would be an important opportunity for South Africa to develop global goodwill in support of the country's energy transition and translate it into flows of investment to fund the infrastructure needed to transition South Africa's economy.

Mozambique's government approved a strategy to reduce the nation's dependence on fossil fuels that it estimates will cost \$80-billion to implement by 2050. The government stated that the first steps envisioned in the Energy Transition Strategy, approved by the Council of Ministers on November 21, include the addition of 2 000 MW of hydropower capacity by 2030 and expanding the transmission grid to allow for the addition of more renewable energy. Mozambique is the latest developing country to seek international funding to finance an energy switch. Others include South Africa, Indonesia, Vietnam and Senegal who have won billion dollar pledges from some of the world's richest nations to reduce their reliance on coal and other fossil fuels.

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