



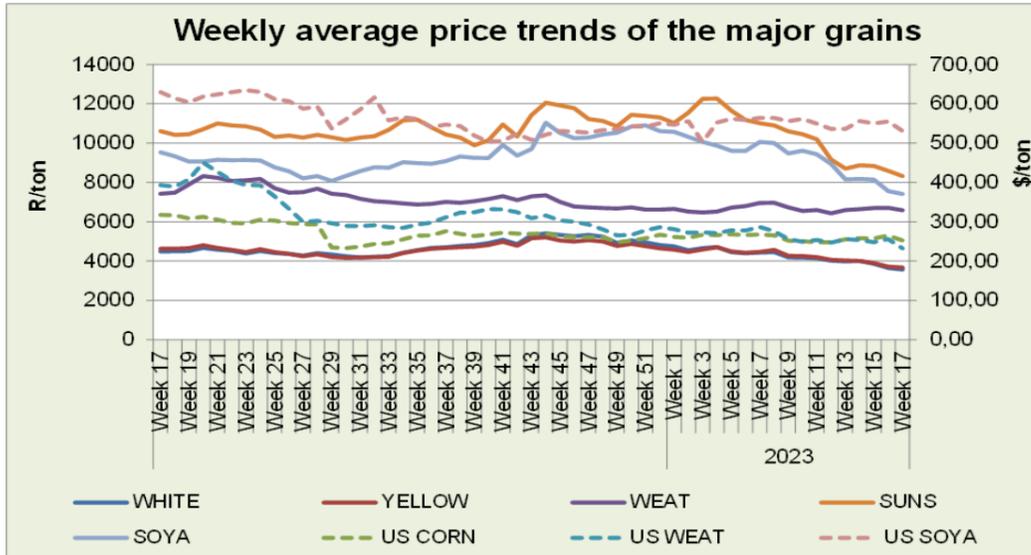
agriculture, land reform & rural development

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

Weekly Price Watch: 28 April 2023

Directorate: Statistics & Economic Analysis

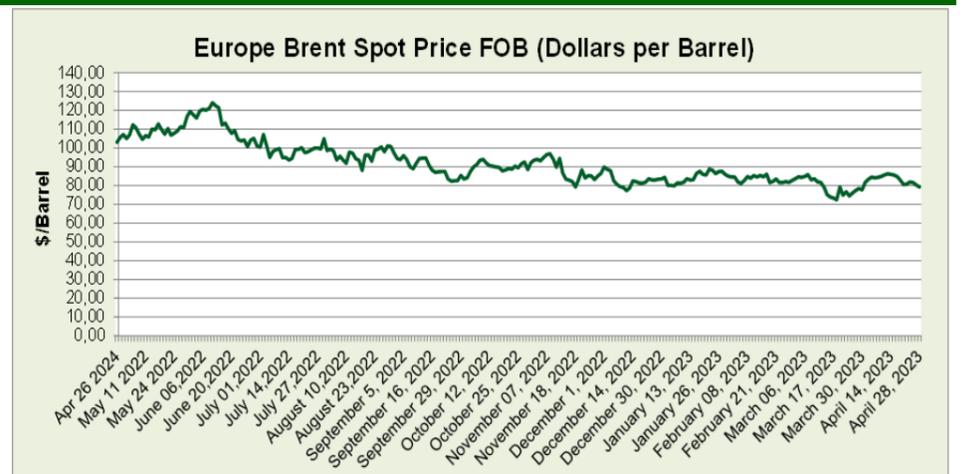
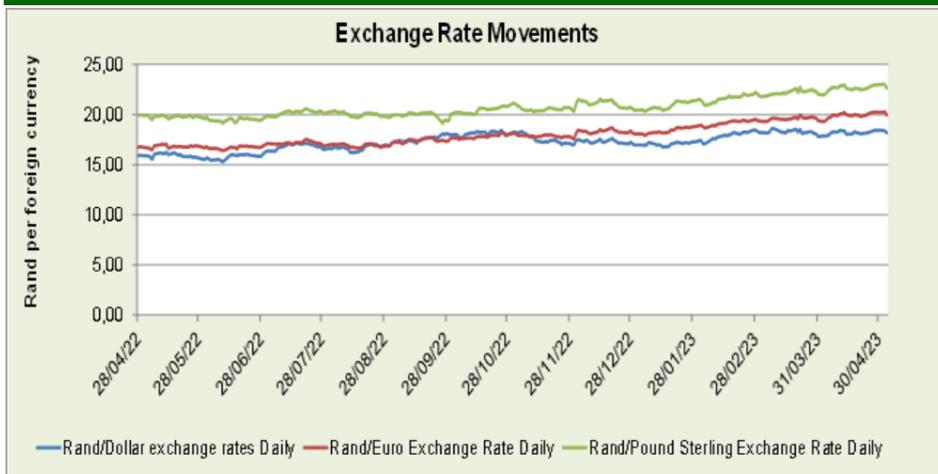
Sub-directorate: Economic Analysis



Both International and domestic grain prices have been weakened this week compared to the previous week. Local white maize, yellow maize, wheat, sunflower and soyabean prices all decreased by 2.3%, 1.2%, 1.8%, 3.2% and 1.9% respectively this week compared to the previous week. Local maize prices were weighed down by rand recovery and lower US maize prices. Domestic oilseed prices were pressured by the rand recovery and lower international soya bean prices. On the international front, US yellow maize, wheat and soyabean prices also decreased by 4.6%, 9.1% and 4.3% during the same period. Wheat hit its lowest and were set for their monthly biggest drop since November, as forecast of rains in US Plains and expectations of ample world supplies weighed on the market. Corn also hit its lowest in nine months while soybean also ticked lower.

Spot price trends of major grains commodities

	1 year ago Week 16 (25-04-22 to 29-04-22)	Last week Week 16 (17-04-23 to 21-04-23)	This week Week 16 (24-04-23 to 28-04-23)	w-o-w % change
RSA White Maize per ton	R 4 491.00	R 3 648.75	R 3 565.67	-2.3%
RSA Yellow Maize per ton	R 4 624.00	R 3 709.50	R 3 665.00	-1.2%
USA Yellow Maize per ton	\$ 317.37	\$ 264.71	\$ 252.56	-4.6%
RSA Wheat per ton	R 7 426.50	R 6 703.75	R 6 583.67	-1.8%
USA Wheat per ton	\$ 393.29	\$ 255.57	\$ 232.30	-9.1%
RSA Soybeans per ton	R 9 527.50	R 7 561.50	R 7 417.67	-1.9%
USA Soybeans per ton	\$ 629.44	\$ 554.83	\$ 531.19	-4.3%
RSA Sunflower seed per ton	R 10 609.50	R 8 591.75	R 8 315.67	-3.2%
RSA Sweet Sorghum per ton	-	-	-	-
Crude oil per barrel	\$ 104.36	\$ 82.86	\$ 80.73	-2.6%



The rand depreciated by 0.7% against the US dollar, appreciated by 1.1% against the Pound Sterling and appreciated by 0.9% against the Euro this week compared to the previous week. Rand got a boost on US\$ weakness as US economic indicators pointed to the Federal Reserve raising interest rates again in May 2023. However, the rand was rocked by the higher domestic inflation data release.

Brent crude oil averaged \$80.73 week-on-week, which is 2.6% less than \$82.86 reported the previous week. Oil prices dipped as recession fears resurfaced, coupled with expectations of another US interest rate hike in May 2023. Despite OPEC+ production cut announcements, the price of Brent crude oil has subsided somewhat since mid-April 2023, as global demand has slowed.



National South African Price information (RMAA) : Beef

Week 15 (10/04/2023 to 16/04/2023)	Units	Avg Purchase Price	Avg Selling Price	Week 16 (17/04/2023 to 23/04/2023)	Units	Avg Purchase Price	Avg Selling Price
Class A2	7 391	55,03	59,07	Class A2	7 715	54,97	58,11
Class A3	797	55,09	56,75	Class A3	844	54,95	56,23
Class C2	459	47,16	50,25	Class C2	556	47,44	48,82

Units sold for class A2, class A3 and class C2 beef increased by 4.4%, 5.9% and 21.1% this week compared to the previous week. The weekly average purchase prices for class A2 and class A3 beef decreased by 0.1% and 0.3% respectively, while the weekly average purchase price for class C2 increased by 0.6 in the reporting week compared to the previous week. During the same period, the weekly average selling prices for class A2, class A3 and C2 beef decreased by 1.6%, 0.9% and 2.8%.

National South African Price information (RMAA) : Lamb

Week 15 (10/04/2023 to 16/04/2023)	Units	Avg Purchase Price	Avg Selling Price	Week 16 (17/04/2023 to 23/04/2023)	Units	Avg Purchase Price	Avg Selling Price
Class A2	13 728	86,65	87,25	Class A2	15 753	85,44	85,94
Class A3	1 847	83,73	85,83	Class A3	2188	83,14	85,79
Class C2	1 296	57,31	64,77	Class C2	2341	58,89	62,05

Units sold for class A2, class A3 and class C2 lamb increased by 14.8%, 18.5% and 80.6% respectively in the reporting week compared to the previous week. After an increase last week the weekly average purchase prices for class A2 and class A3 lamb decreased by 1.4% and 0.7% respectively, meanwhile the weekly average purchase price for class C2 increased by 2.8% this week compared to the previous week. During the same period, the weekly average selling prices for class A2 and class C2 lamb decreased by 1.5% and 4.2% respectively, whilst the weekly average selling price for class A3 lamb remained flat.

National South African Price information (RMAA) : Pork

Week 15 (10/04/2023 to 16/04/2023)	Units	Avg Purchase Price	Week 16 (17/04/2023 to 23/04/2023)	Units	Avg Purchase Price
Class BP	7 869	29,46	Class BP	11586	29,96
Class HO	6 672	29,72	Class HO	7454	29,60
Class HP	7 555	29,64	Class HP	7810	29,64

Units sold for class BP, class HO and class HP pork increased by 47.26%, 11,7% and 3.4% respectively in the reporting week compared to the previous week. During the same period the weekly average purchase price for class BP pork increased by 1.7%, whilst the weekly average purchase price for class HO pork decreased by 0.4%. The weekly average purchase price for pork HP remained flat during the same period under review.

Latest News Developments

It is estimated that 120 000 local birds have died or have been killed as avian flu has been detected on two farms in the Paardeberg area, amid fears that there could be a poultry supply shortage. This comes as the Western Cape Veterinary Services warned poultry farmers that avian influenza has been detected on two commercial layer farms in the Paardeberg area. The exact strain involved is still unknown and is being investigated. The Department of Agriculture, Land Reform, and Rural Development calls for caution, saying it would be a 'slap in [the] faces' of local producers who are taking extreme safety precautions to allow imports from infected countries. Industry stakeholders are calling on SA's government to take emergency steps to mitigate the impact of an avian flu pandemic in case it spreads to Brazil – a key supplier of poultry to SA – which could in turn spark a rise in food prices and further strain consumers' pockets. Should SA face a serious outbreak of avian flu, it could have significant implications for the country's food security.

President Cyril Ramaphosa condemned the EU for restrictions on citrus exports from South Africa to prevent the importation of non-indigenous moths which stranded tonnes of fruit at sea when introduced last year. The president said he was "disappointed at the (EU's) acts of protectionism against the country's agricultural products. The rules, which seek to combat the spread of a pest called the false codling moth, require South African farmers to apply extreme cold treatment to all Europe-bound oranges. In July 2022, the country filed a complaint with the World Trade Organization (WTO) after the EU introduced the new safety requirements on citrus imports. South Africa is now the world's second largest exporter of citrus and believe recent decisions by the EU are unfair, He said that while co-hosting a business roundtable with visiting President of Finland Sauli Niinisto in Pretoria.

The wholesale diesel price will be lowered next week, but petrol is getting more expensive. Petrol (both 93 and 95 unleaded) will be hiked by 37c a litre, while diesel will be cut by 47.5c (0.005% sulphur) and 73.5c (0.05% sulphur). Illuminating paraffin will drop by 33c a litre, while the maximum LP Gas Retail Price will be cut by R4.44 a kilogram. South Africa's producer inflation cooled more than forecast to a 13-month low in March, signalling price pressures along the value chain may be easing. Prices of final manufactured goods rose by 10.6% from a year earlier, compared with 12.2% in February, the Pretoria-based Statistics South Africa said in a statement on Wednesday. The median estimate of six economists in a Bloomberg survey was 11.3%. Prices of agriculture goods, mining and electricity and water also rose at a slower pace. The agriculture producer inflation rate fell 6.7 percentage points to 7.5% in March from a month earlier. The easing of upward pressures along the value chain may start to filter into headline price growth that has surprised to the upside for two months in a row, partly because of food inflation that is at a 14-year high.

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