



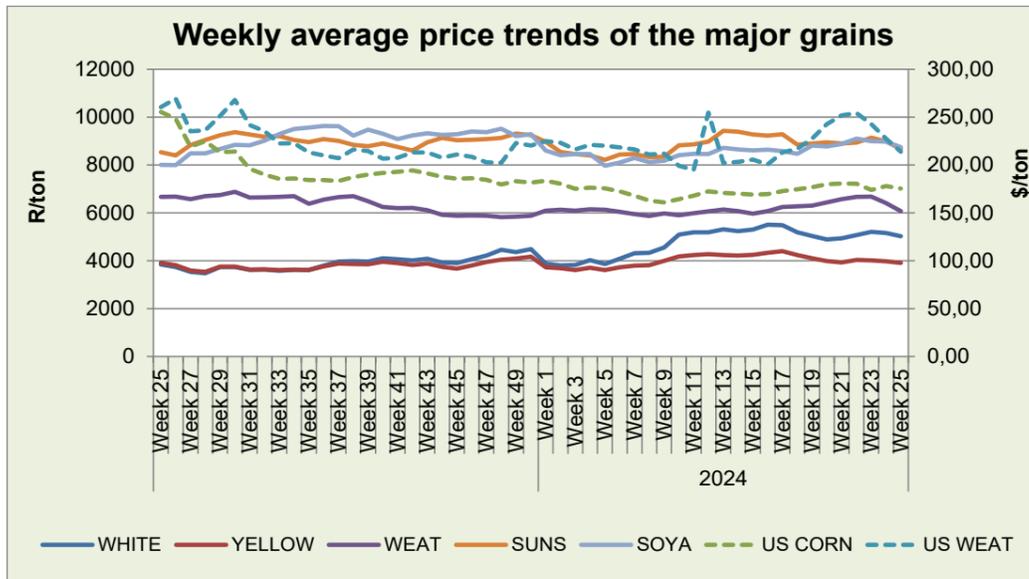
agriculture, land reform & rural development

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

Weekly Price Watch: 21 June 2024

Directorate: Statistics & Economic Analysis

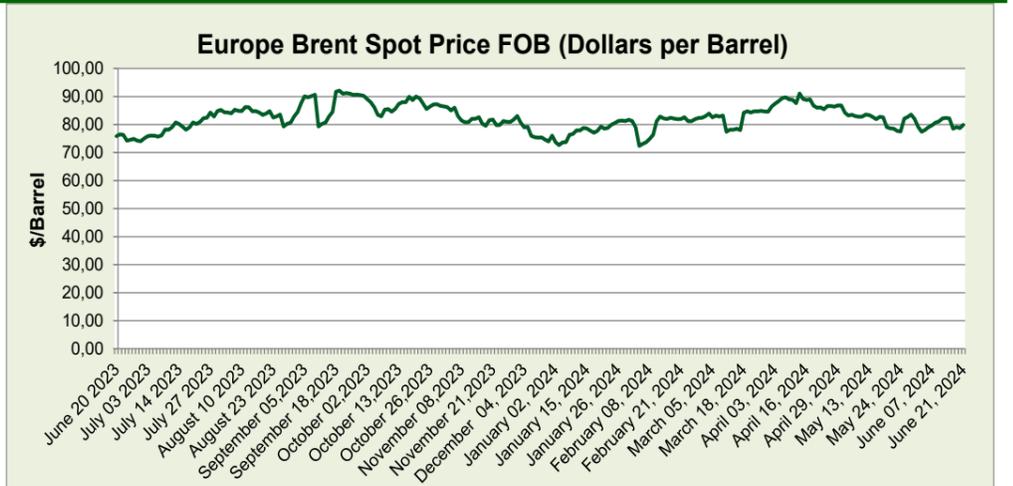
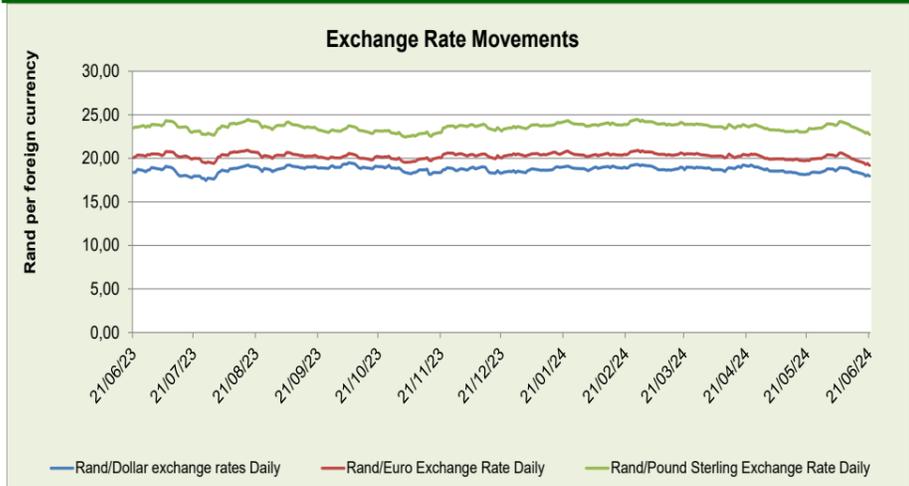
Sub-directorate: Economic Analysis



Both domestic and international grain prices experienced a decline last week compared to the previous week. Local wheat, sunflower and yellow maize prices decreased by 5.4%, 3.6% and 1.8% respectively in the reporting week compared to the previous week. During the same period both white maize and soybean prices decreased by 2.6% respectively. On the International front, the price of US wheat decreased by 6.1% this week compared to the previous week. Chicago wheat futures were headed for a fourth consecutive weekly loss on Friday as northern hemisphere harvests brought new supply into the market and the production outlook improved. Both US corn and soybean price decreased by 1.5% respectively week-on-week. Corn and soybean futures steadied after dropping sharply on Thursday when forecasts for rain in US cropping zones eased fears that a heat wave could stress crops.

Spot price trends of major grains commodities

	1 year ago Week 25 (19-06-23 to 23-06-23)	Last week Week 24 (10-06-24 to 14-06-24)	This week Week 25 (18-06-24 to 21-06-24)	w-o-w % change
RSA White Maize per ton	R 3 844.40	R 5 156.20	R 5 023.00	-2.6%
RSA Yellow Maize per ton	R 3 905.40	R 3 975.80	R 3 905.75	-1.8%
USA Yellow Maize per ton	\$ 255.52	\$ 178,12	\$ 175,51	-1.5%
RSA Wheat per ton	R 6 668.00	R 6 413.20	R 6 069.50	-5.4%
USA Wheat per ton	\$ 260.57	\$ 227.68	\$ 213.85	-6.1%
RSA Soybeans per ton	R 8 004.00	R 8 977.60	R 8 746.25	-2.6%
USA Soybeans per ton	\$ 545.64	\$ 434,46	\$ 428.14	-1.5%
RSA Sunflower seed per ton	R 8 534.80	R 8 992.00	R 8 668.50	-3.6%
Crude oil per barrel	\$ 75.66	\$ 81.72	\$ 79.08	-3.2%



The rand appreciated by 3.0% against the US dollar, 3.4% against the Pound Sterling and by 3.4% against the Euro this week compared to the previous week. The rand strengthened to below R18 to the dollar on Wednesday, breaking below the psychologically important level for the first time in 11 months. Rand nears strongest level in almost a year as market awaits Ramaphosa's GNU Cabinet.

Brent crude oil averaged \$79.08, a decrease of 3.2% from \$81.72 recorded the previous week. Oil prices dipped on Wednesday after hitting seven-week highs as summer demand optimism and concerns over escalating conflicts offset an industry report that said U.S. crude inventories unexpectedly rose. The potential escalation of tensions in the Middle East is adding some supply risk to the oil demand equation.



National South African Price information (RMAA) : Beef

Week 23 (03/06/2024 to 09/06/2024)	Units	Avg Purchase Price	Avg Selling Price	Week 24 (10/06/2024 to 16/06/2024)	Units	Avg Purchase Price	Avg Selling Price
Class A2	7 936	55,25	56,21	Class A2	9 271	55,65	55,34
Class A3	954	55,35	57,09	Class A3	1 086	55,69	54,37
Class C2	833	43,28	46,77	Class C2	808	42,18	45,24

Units sold for class A2 and class A3 beef increased by 16.8% and 13.8% respectively this week compared to the previous week, whereas unit sales of class C2 beef decreased by 3.0% week-on-week. The weekly average purchase prices for class A2 and class A3 beef increased by 0.7% and 0.6% respectively, meanwhile the weekly purchase price for class C2 decreased by 2.5% in the reporting week compared to the previous week. During the same period, the weekly average selling prices for class A2, class A3 and class C2 beef decreased by 1.5%, 4.8% and 3.3% respectively.

National South African Price information (RMAA) : Lamb

Week 23 (03/06/2024 to 09/06/2024)	Units	Avg Purchase Price	Avg Selling Price	Week 24 (10/06/2024 to 16/06/2024)	Units	Avg Purchase Price	Avg Selling Price
Class A2	10 179	86,03	86,68	Class A2	13 075	85,78	86,41
Class A3	1 595	83,59	84,38	Class A3	1 702	82,91	85,31
Class C2	973	58,14	63,94	Class C2	2 330	58,95	64,85

After a decreased last week units sold for class A2, class A3 and class C2 lamb increased by 28.5%, 6.7% and 139,5% respectively in the reporting week compared to the previous week. The weekly average purchase prices for class A2 and class C3 lamb decreased by 0.3% and 0.8% respectively this week compared to the previous week. While the weekly average purchase price for class C2 lamb decreased by 1.4% week-on-week. The weekly average selling price for class A3 and class C2 lamb increased by 1.1% and 1.4% respectively during the same period, whilst the weekly average selling price for class A2 lamb decreased by 0.3% week-on-week.

National South African Price information (RMAA) : Pork

Week 23 (03/06/2024 to 09/06/2024)	Units	Avg Purchase Price	Week 24 (10/06/2024 to 16/06/2024)	Units	Avg Purchase Price
Class BP	9 744	30,53	Class BP	11 616	30,63
Class HO	6 165	29,68	Class HO	7 301	30,58
Class HP	7 901	30,02	Class HP	7 590	30,07

Units sales of class BP and class HO and class pork increased by 19.2% and 18.4% respectively this week compared to the previous week, meanwhile, units sold for class HP decreased by 3.9% week on week. The weekly average purchase prices for class BP, class HO and class HP pork increased by 0.3%, 3.0% and 0.2% respectively in reporting week compared to the previous week.

Latest News Developments

Annual consumer price inflation was unchanged at 5.2% in May in line with some expectations, Statistics SA reported last week. The annual inflation rate of goods last month was 5.7%, unchanged from April, and for services, it was 4.7%, up from 4.6%. Food and non-alcoholic beverages inflation remained steady at 4.7% in May, unchanged from April, while the miscellaneous goods and services category recorded an annual rate of 7.1%, slightly softer than 7.2% in April. Transport quickened to 6.3% from 5.7% in April - the highest rate for the category since October 2023's 7.4%. According to Statistics SA fuel was the major culprit, with petrol and diesel prices increasing on average by 9.3% on a one-year basis and by 0.6% since April. May also saw an uptick in inflation for hot beverages, oils & fats, fish, fruit, vegetables and meat. Hot beverages quickened from 11.4% in April to 14.2% in May, the highest since January 2023's 16.4%. SA's consumer inflation rate still hasn't been under 5% since August last year, and is still higher than the 4.5% midpoint of the Reserve Bank's target range of 3% to 6%. Reserve Bank governor Lesetja Kganyago said last month that the central bank expected to see inflation stabilising at its 4.5% objective in the second quarter of next year. This is an improvement on our March forecast, which only reached this milestone at the end of 2025.

Petrol and diesel prices are currently on track for further cuts at the beginning of July as Brent crude oil failed to strengthened and the rand gained some ground. The latest estimate from the Central Energy Fund (CEF) shows that the price of 95 unleaded petrol is due for a decrease of around R1.18 a litre, while the wholesale price of diesel could be lowered by between 49c and 55c a litre. Illuminating paraffin could be cut by almost 45c. Petrol prices were lowered by R1.24 a litre at the start of June, while wholesale diesel prices fell by between R1.09 and R1.19, depending on the sulphur content. Fuel prices will be adjusted on the first Wednesday of July. In Gauteng, petrol currently retails at R24.25 a litre, while on the coast, it costs R23.46. Petrol prices, which started the year at R22.49 in Gauteng, have seen four consecutive hikes since January. The wholesale diesel price is around R20.97 in Gauteng and R20.18 on the coast. This is close to its cheapest levels in 2024. At the start of the year, wholesale diesel was R20.63 in Gauteng. Former agriculture Minister Thoko Didiza was elected National Assembly Speaker at the first sitting of the National Assembly on Friday. In her place, Senzo Mchunu, the Minister of Water Affairs and Sanitation, was appointed acting minister of Agriculture, Land Reform and Rural Development.

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