



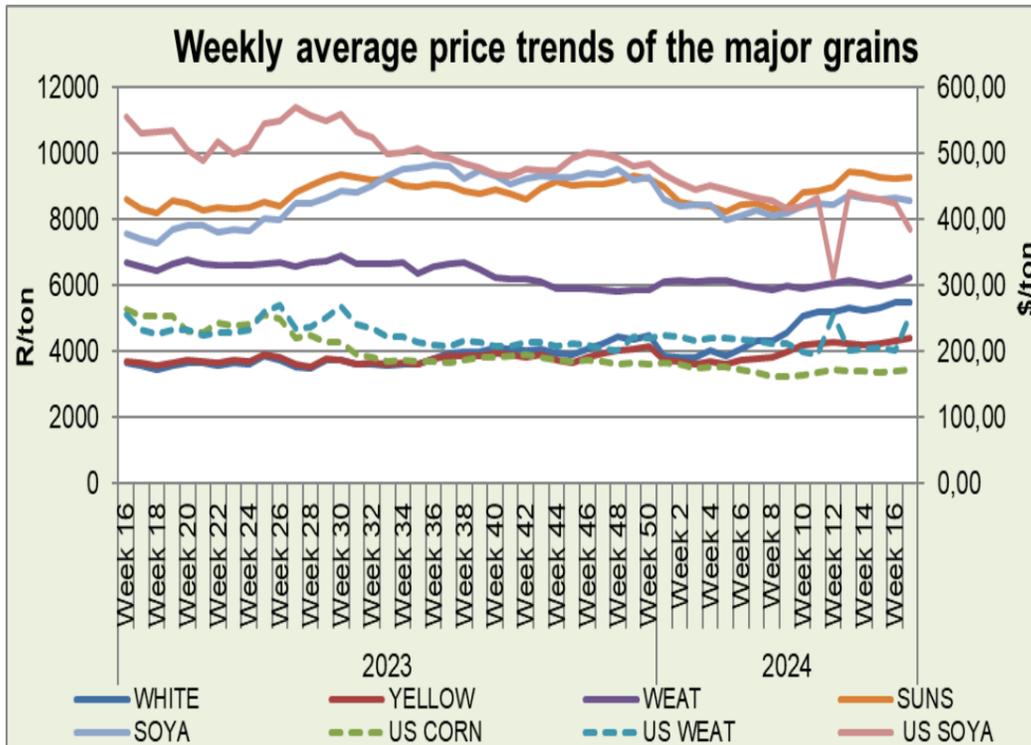
agriculture, land reform & rural development

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

Weekly Price Watch: 26 April 2024

Directorate: Statistics & Economic Analysis

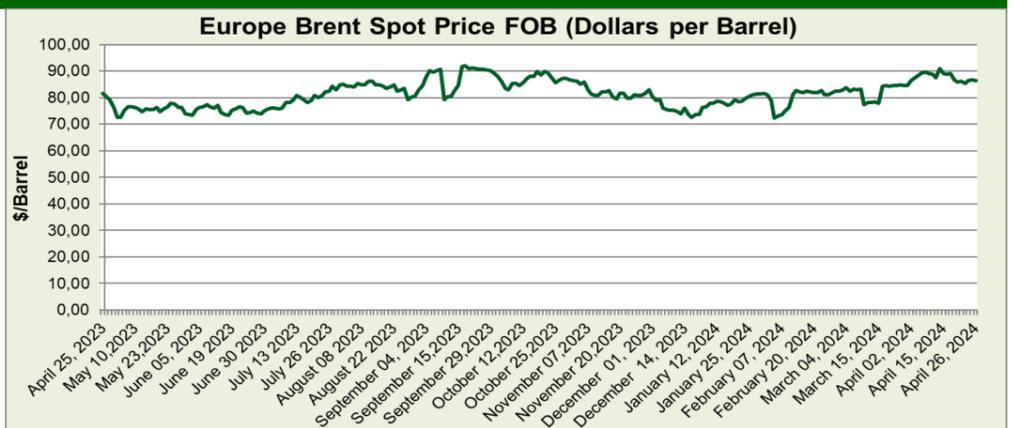
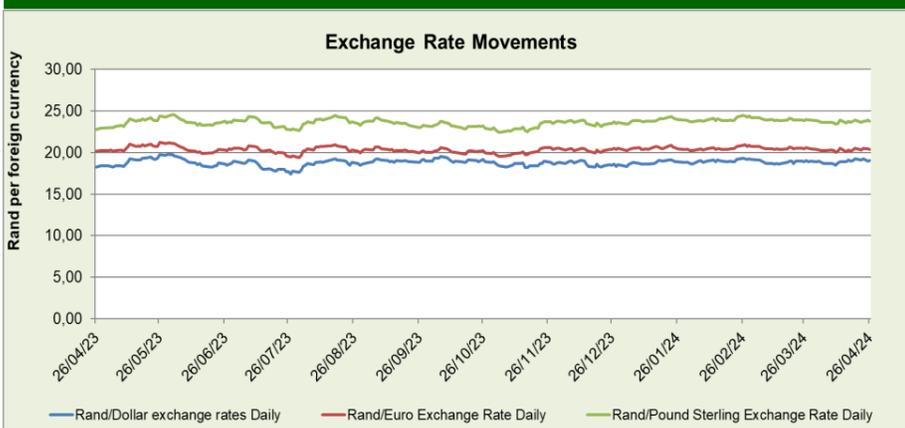
Sub-directorate: Economic Analysis



The price of white maize declined by 0.3% this week relative to the previous week, as the Dalrrd's Crop Estimates Committee show that white maize production outlook has been adjusted-up by 2.1% relative to the previous forecast and the Elnino has faded. The price of yellow maize increased by 1.5% tracking the international maize price which increased by 1.9% relative to the past week. The price of yellow maize increased as production is expected to be 11.9% lower compared to last year even though there was a 0.1% slight adjustment in the yellow maize outlook. The price of local wheat increased by 2.9% as projections point to a 3.3% reduction in intentions to plant wheat relative to 2023, while the USA wheat price increased by 6.2%. The price of soybeans decreased by 0.8% this week as forecasts remain the same, while the international soybeans price increased by 0.8%. The price of sunflower increased by 0.6%.

Spot price trends of major grains commodities

	1 year ago Week 17 (24-04-23 to 28-04-23)	Last week Week 16 (15-04-24 to 19-04-24)	This week Week 17 (22-04-24 to 26-04-24)	w-o-w % change
RSA White Maize per ton	R3 565.67	R 5 503.00	R5 484,80	-0,3%
RSA Yellow Maize per ton	R3 665.00	R 4 335.80	R4 399,60	1,5%
USA Yellow Maize per ton	\$253.56	\$ 169,64	\$172,79	1,9%
RSA Wheat per ton	R6 584.67	R 6 072.60	R6 250,80	2,9%
USA Wheat per ton	\$232.30	\$ 200.86	\$213,26	6,2%
RSA Soybeans per ton	R7 417.67	R 8 645.00	R8 580	-0,8%
USA Soybeans per ton	\$531.19	\$ 423,35	\$426,77	0,8%
RSA Sunflower seed per ton	R8 315.67	R 9 223.80	R9 283,4	0,6%
Crude oil per barrel	\$80,74	\$ 87.95	\$86,24	-1,9%



The rand depreciated against the dollar by 0.2%, Euro by 0.8% and Pound by 0.1% this week relative to last week. Risk aversion sentiments fuelled markets as a result of the ongoing conflicts in the Middle East and concerns over potential escalation.

The price of oil decreased by 1.9% this week relative to the previous week, due to weaker-than-expected US GDP quarterly data, released last week Friday showing that the US economy is losing steam.



National South African Price information (RMAA) : Beef

Week 15 (08/04/2024 to 14/04/2024)	Units	Avg Purchase Price	Avg Selling Price	Week 16 (15/04/2024 to 21/04/2024)	Units	Avg Purchase Price	Avg Selling Price
Class A2	7 762	55,08	55,75	Class A2	7963	54,91	54,46
Class A3	713	54,52	55,25	Class A3	825	54,54	54,16
Class C2	663	43,24	45,15	Class C2	736	42,64	45,30

Units of beef sold this week increased by 2.6%; 15.7% and 11% for class A2; A3 and C2 beef. The producer prices decreased for class A2 and C2 by 0.3% and 1.4% while remaining the same for class A3. The market prices decreased for class A2 and A3 by 2.3% and 2% respectively while increasing by 0.3% for class C2.

National South African Price information (RMAA) : Lamb

Week 15 (08/04/2024 to 14/04/2024)	Units	Avg Purchase Price	Avg Selling Price	Week 16 (15/04/2024 to 21/04/2024)	Units	Avg Purchase Price	Avg Selling Price
Class A2	8 373	85,70	85,94	Class A2	12875	84,66	84,88
Class A3	572	82,14	84,62	Class A3	1406	81,30	83,31
Class C2	632	56,76	62,34	Class C2	1150	55,48	60,32

Units of lamb sold this increased significantly for class A2 ; A3 and C2 by 54%, 146% and 82% compared to last week. The producer prices for class A2, A3 and C2 decreased by 1.2%, 1% and 2.3% respectively, the market prices also decreased by 1.2%, 1.5% and 3.2%.

National South African Price information (RMAA) : Pork

Week 15 (08/04/2024 to 14/04/2024)	Units	Avg Purchase Price	Week 16 (15/04/2024 to 21/04/2024)	Units	Avg Purchase Price
Class BP	12 229	31,21	Class BP	11028	30,98
Class HO	7 401	30,36	Class HO	7 428	30,23
Class HP	9 633	30,73	Class HP	9162	30,57

The units of class BP, HP pork decreased by 9.8% and 4.9% respectively while increasing by 0.4% for class HO. The producer prices decreased for all classes, the price of class BP, HO and HP prices decreased y 0.7%, 0.4% and 0.5% respectively.

Latest News Developments

South Africa makes the second WTO complaint over EU citrus rules; a major market for South African citrus produce. The country is challenging the EU changes to phytosanitary requirements for imports of oranges and other citrus products related to the false codling moth (FCM) in July 2022 in a dispute that is still being adjudicated. According to the WTO; South Africa has requested WTO dispute consultations with the European Union concerning certain aspects of the regime imposed by the European Union on the importation of South African citrus fruit. WTO stated that Parties to the dispute have 60 days to discuss and resolve the matter. If consultations fail, the complainant may request adjudication by a panel. South African farmers are battling electricity supply shocks as well as logistics challenges including high input costs, increased CBS risk management requirements add about \$100 million annually in costs.

Electricity Minister Kgosientsho Ramokgopa describes surplus electricity arising from existing renewable energy facilities as “low hanging fruit” in improving the supply-demand balance and reports that discussions are under way to assess ways to make this energy available to the grid. The electricity minister spoke during a regular update on the Energy Action Plan, that the issue, which had been under consideration for years, had again been raised with him by the leadership of Scatec during his recent visit to the group’s Kenhardt solar-battery facility in the Northern Cape. The hybrid Kenhardt plant comprises 540 MW of solar photovoltaic capacity and 225 MW/1.1 GWh of battery storage to provide 150 MW of dispatchable electricity daily. However, it is restricted, owing to the design of the much-criticised risk-mitigation procurement programme, from delivering any surplus solar electricity into the grid. It is understood that this results in up to 30% of the plant’s solar generation being lost to the system. This despite the threat of daily loadshedding, which has eased somewhat in recent weeks, with Eskom having refrained from implementing rotational cuts for 26 days at the time of the briefing. The Minister said finding a way to absorb the surplus being generated by Kenhardt and other renewables independent power producers (IPPs) required a “three-way conversation” between Eskom, the IPPs and government’s IPP Office regarding a fair contractual model.

Industry organisation Minerals Council South Africa said in response to the Minister’s Budget Speech on February 21 stated that the Finance Minister Enoch Godongwana maintained focus on fiscal discipline and balancing the need to address socioeconomic challenges facing the country. National Treasury’s latest outlook for public infrastructure expenditure shows an increase, on average, of only 5% in nominal terms over the next three years. According to Minerals Council Chief Economist Hugo Pienaar; This is barely positive in real terms and not enough to lift South Africa’s growth potential, despite plenty of emphasis on enabling more investment in the Budget documentation. The R39.2-billion, or 50%, year-on-year fall in corporate income tax receipts from the mining industry in the first ten months of the fiscal year drove the total projected tax revenue shortfall for the 2023/24 financial year of R56.1-billion. Mr Pienaar pointed out that by comparison, corporate tax collected from the non-mining sectors of the economy declined by R1-billion during the same period“ The mining industry is severely constrained by a drastic downward correction in prices of various commodities, including platinum-group metals (PGMs).

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