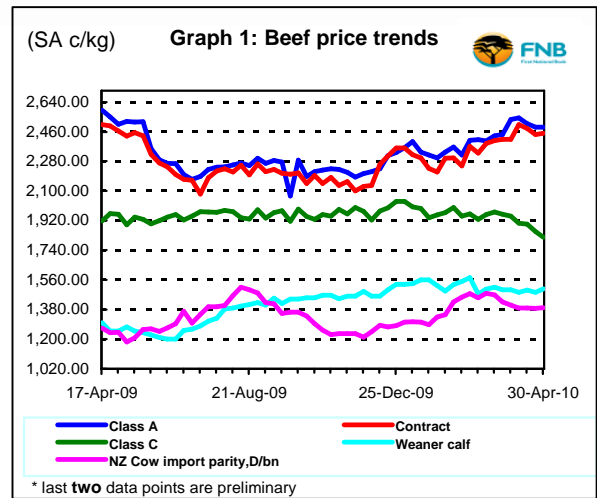


## Beef market trends (Graph 1)

- **International:** US domestic beef prices continued to strengthen due to tight supplies, lower imports and strong food service demand. The tight supply situation resulted from cow retention due to herd rebuilding and expansion. Market activity on imported was reported generally slow with prices mostly firm to higher, supported by a strong domestic market.
- **Domestic:** Beef prices eased lower as a result of limited demand on markets. Weekly Class A, Class C and Contract Class A prices closed at R25.09/kg, R18.98/kg and R24.80/kg. Weaner calf prices on the other hand improved marginally due to reduced volumes on markets. Weekly weaner calf prices closed at R14.98/kg live weight, which is almost 10% higher year on year.

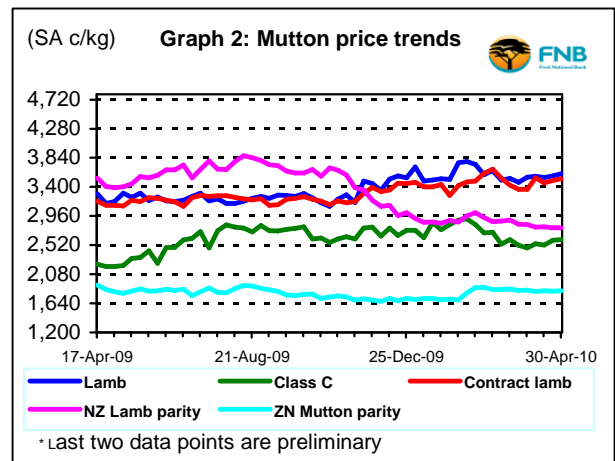


## OUTLOOK

It is however expected that weaner calf prices will come under pressure in the medium term as a result of the seasonal increase in volumes due to weaning.

## Mutton market trends (Graph 2)

- **International:** New Zealand export prices ended firmer on limited product availability. Prices have been on the increase during the past months as a result of declining in sheep due to drought conditions in major producing countries. However in Australia production conditions have improved, encouraging farm retentions and feeder demand.
- **Domestic:** Domestic prices softened slightly for the week. Weekly prices for Class A, Class C and Contract Class A beef closed at R35.40/kg, R25.19/kg and R34.59/kg respectively. Feeder lamb prices eased marginally lower at R15.60/kg live weight, which is almost 12% higher when compared to last year this time.



## OUTLOOK

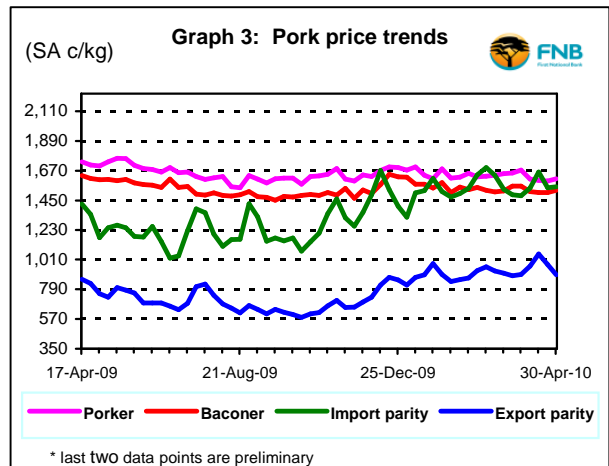
Lamb and mutton prices are expected to move sideways in the short term but will strengthen in the medium term due to declining supplies.

**Pork market trends (Graph 3)**

- International: US pork prices posted modest gains due to tight supplies as a result of reduced slaughtering. Pork import parity prices ended modestly higher on the back of higher international prices a weaker Rand/US dollar exchange rate.
- Domestic: Weekly prices eased slightly lower as demand weakened during mid-month. Weekly prices for porkers and baconers closed at R15.98/kg and R15.09/kg respectively, which is almost 8% lower when considered year on year.

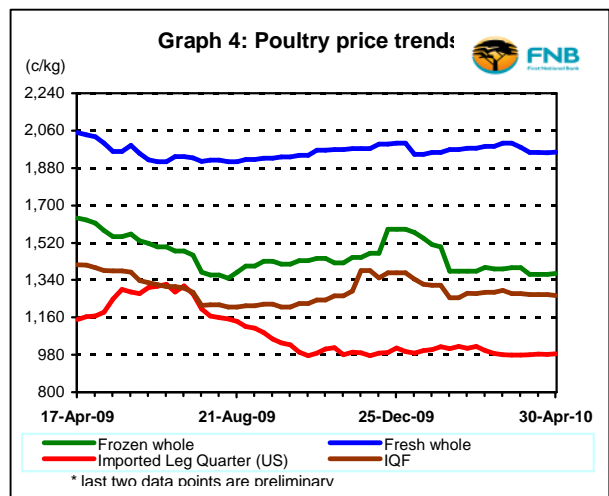
**OUTLOOK**

Prices are expected to move a bit higher in the short term to medium term. The stronger Rand will however continue to limit further upside potential as it makes imports relatively cheaper.



**Poultry market trends (Graph 4)**

- International: US prices ended steady to firmer across most portions. Retail and food service demand was light to moderate, slightly better into fast food channels. Supplies of all sizes were at least adequate to satisfy market requirements. Weekly US broiler egg sets and chick placements for the week ending 10-Apr-10 were reported slightly higher by 2% and 4% respectively compared to the previous year. The expected number available for marketing during the week ending 22-May-10 is estimated at 157m head, down 1% compared to the week earlier. Import parity prices (LQ) ended firmer on the back of better international prices a weaker Rand/US dollar exchange rate.
- Domestic: Domestic prices remained weak during mid-month, with higher stock levels placing downward pressure on IQF. The current frozen, fresh whole birds and IQF prices are down 16.7%, 4.6% and 10.3% respectively year on year. Feed prices remain relatively low, helping to maintain some profitability.



**OUTLOOK**

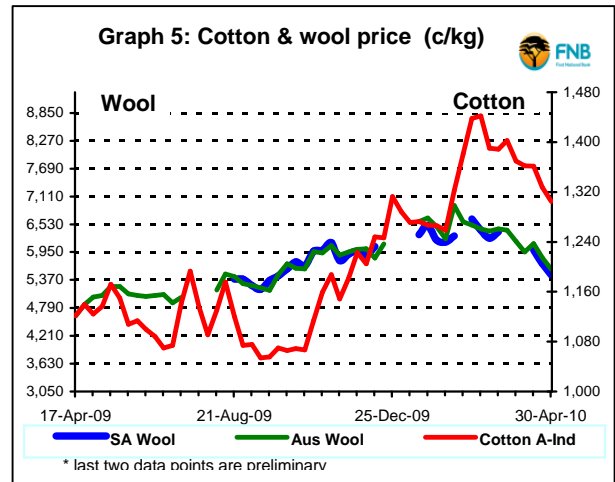
Domestic prices are expected to bottom out in the medium term due to bullish demand prospects in the medium term. However competition from cheaper imports will limit further gains.

Producer prices for selected livestock commodities 16 April 2010	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	25.09	35.39	15.98	19.55
Open market: Class C / Baconer / Frozen whole birds(R/kg)	18.98	25.19	15.21	13.67
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	24.80	34.59	15.09	12.69
Import parity price (R/kg)	13.90	18.27	16.61	9.84
Weaner Calves / Feeder Lambs (R/kg)	14.98	15.60		



**Wool and cotton market trends (Graph 5)**

- International:** US cotton prices eased marginally lower for the week. Prices however traded higher during mid-week due to speculative buying influenced by strong economic growth numbers out of China (11.9% y/y), which signaled potential increase in demand for commodities. Weekly US cotton spot transactions were reported at 3,095 bales, down 69% week on week and 91% year on year. Total cotton spot transactions for the season were pegged at 844,870 bales, down 20% year on year. Weekly cotton futures on ICE (US): Jul-10 was up 2.6% at 81.59USc/lb; Oct-10 was up 2.1% at 77.08USc/lb; Dec-10 was up 0.9% at 75.94USc/lb; Mar-11 was up 1.1% at 77.16USc/lb.
- Wool:** In Australia, the Eastern Market Indicator was down to AU\$8.83/ kg clean wool despite the weaker exchange rate. A total of 51,369 bales were offered with sales reaching 75.5%.
- Domestic:** Wool sales resumed on a weaker note after the Easter recess under pressure due to a stronger Rand. The weekly market indicator (Cape Wools Merino) closed down 2.8% compared to the previous sale at R60.00/kg clean wool. This is however still 1% and 11% higher than current season's average and the opening sale respectively. Major buyers were Standard Wool SA with 3,393 bales (30.4%); G Modiano SA with 2,924 bales (26.2%); Stucken & Co with 2,214 bales (19.9%); Lempriere SA with 1,324 bales (11.9%); Segard Masurel SA with 470 bales (4.2%); New England Wool SA with 17 bales (0.2%). Sales reached 92.8% of the volumes offered. The next sale is scheduled for the 28th April when approximately 10,000 bales will be offered.

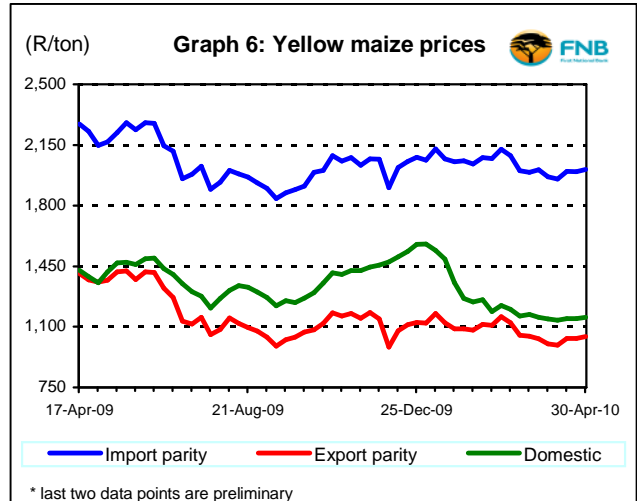


Fibre market prices 16 April 2010	SA prices (R/kg)	Australian prices (R/kg)	Australian futures Jun-10 (AU\$/kg)	Australian futures Oct-10 (AU\$/kg)
Wool market indicator (R/kg)	60.00	61.30		
19µ long length wool (R/kg)	69.72	71.64	9.71	9.51
21µ long length wool (R/kg)	61.66	61.77	8.71	8.51
23µ long length wool (R/kg)	59.22	59.38	7.91	7.71
	<b>SA derived Cotton (R/kg)</b>	<b>New York A-Index (US\$/kg)</b>	<b>New York future Jul-09 (US\$/kg)</b>	<b>New York future Sep-10 (US\$/kg)</b>
Cotton Prices (R/kg)	13.61	1.86	1.79	1.79



**Yellow maize market (Graph 6)**

- **International:** US yellow maize prices extended their rally supported by improved export demand, higher crude oil prices coupled with reduced producer selling. The weaker US dollar added to the firmer tone. Meanwhile planting was reportedly slow due to rain in some areas. Weekly US export sales were pegged at 1.01m tons for current marketing year and 140,900 tons for next year. Yellow maize import parity bottomed out and increased due to higher international prices and renewed Rand weakness. Yellow maize import parity advanced by 2.2% compared to last week but still 12% down on last year.
- **Domestic:** Yellow maize prices improved marginally supported by the weaker Rand and spill over strength from the international market. Weekly yellow maize prices closed up 0.8% compared to last week at R1,148/ton, but still down 20% year on year. Weekly yellow maize Safex futures moved marginally higher across the board: Jul-10 closed up 0.3% w/w (+R3/t); Sep-10 was up 0.7% w/w (+R8/t); Dec-10 was up 0.9% w/w (+R11/t); Jul-11 was up 0.5% w/w (+R6/t). Weekly Chicago Corn on Safex: Jul-10 was up 1% w/w (+R16/t); Dec-10 was up 2% w/w (+R19/t); Jul-11 was up 2% w/w (+R23/t).



**OUTLOOK**

Prices are expected to move sideways in the short term but with downward potential in the medium term as harvesting gets into full swing.

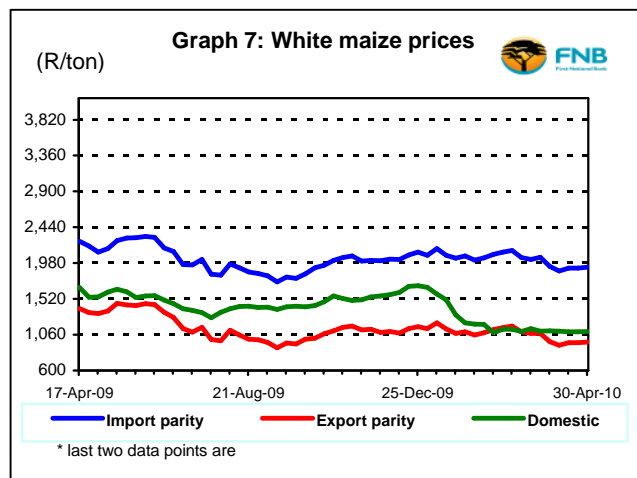
Yellow Maize Futures 16 April 2010	May-10	July-10	Sep-10	Dec-10	Mar-11
CBOT (\$/t)	143.42	147.36	151.30	155.31	160.12
SAFEX (R/t)	1,176	1,189	1,222	1,270	1,298
CHICAGO CORN (R/t)	-	1,087	-	1,177	1,230

Calculated Yellow Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
May-10			Jul-10			Sep-10		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
1,220	75	44	1,260	119	81	1,320	158	108
1,180	53	62	1,220	96	98	1,280	135	125
1,140	35	84	1,180	76	118	1,240	113	143

**White maize market trends (Graph 7)**

- **International:** US white maize prices reversed last week's losses and ended slightly higher. Weekly prices were up 2.8% compared to last week but still 12% lower year on year. White maize import parity closed 2% higher week on week, due to the combined effect of slightly higher international prices and a weaker Rand/US dollar exchange rate.
- **Domestic:** Unlike yellow maize, white maize prices continued to decline due to the bearish domestic supply outlook. Weekly white maize prices were down 0.8% compared to last week and 34% year on year, closing at R1,096/ton. White maize (WM) futures on Safex ended firmer across the board:



May-10 was up 0.5% w/w (+R6/t); Jul-10 was up 0.6% w/w (+R7/t); Sep-10 was up 1% w/w (+R11/t); Dec-10 was up 0.8% w/w (+R10/t).

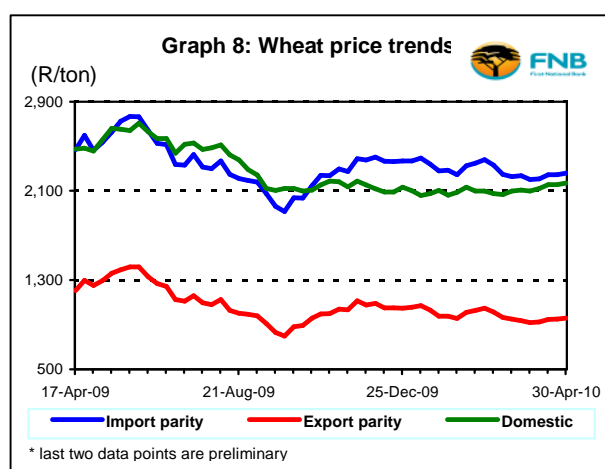
**OUTLOOK**

Prices are expected to remain under downward pressure and trade lower in the short to medium term - upside potential remains limited due to a large global and domestic supply outlook.

White Maize Futures 16 April 2010	May-10	July-10	Sep-10	Dec-10	Mar-11			
SAFEX (R/t) WM <sub>1</sub>	1,119	1,120	1,152	1,202	1,237			
Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
May-10			Jul-10			Sep-10		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
1,160	79	39	1,200	109	61	1,240	146	108
1,120	56	56	1,160	85	77	1,200	123	125
1,080	37	77	1,120	65	97	1,160	102	144

**Wheat market trends (Graph 8)**

- International:** US wheat prices remained upward bound due to US dollar weakness and rising crude oil prices. However wheat fundamentals remain bearish due to abundant global stocks, thus limiting further gains. Weekly prices advanced 1.8% compared to last week but still down 7% year on year. US weekly wheat export sales were reported at 101,100 tons for current marketing year and 310,800 tons for next year. Import parity prices 1.6% higher due to higher international prices and weaker Rand/US dollar exchange rate.
- Domestic:** Wheat prices continued to increase on the back of higher international prices and renewed Rand weakness. Weekly wheat prices closed up 1.7% compared to last week at R2,155/ton, but still 29% down year on year. Weekly wheat futures on Safex bottomed out and ended firmer across the board: May-10 closed up 1.4% w/w (+R30/t); Jul-10 was up 1.3% w/w (+R28/t); Sep-10 was up 2.1% w/w (+R46/t); Dec-10 was up 3.5% w/w (+R76/t).



**OUTLOOK**

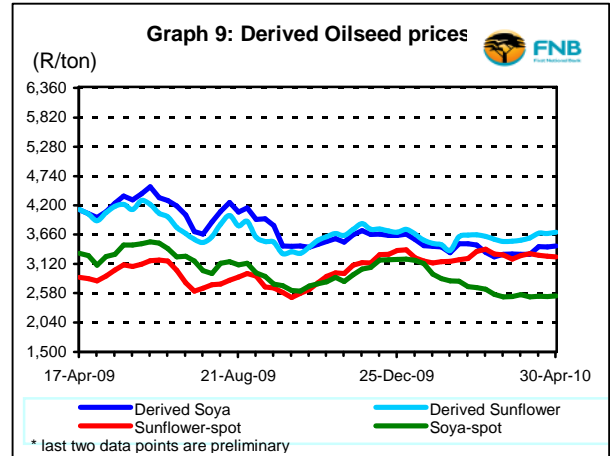
Prices are expected to follow the upward trend on the international market in the short term.

Wheat Futures 16 April 2010	May-10	July-10	Sep-10	Dec-10	Mar-11			
KCBT (\$/t)	186.11	190.15	194.56	201.08	207.51			
SAFEX (R/t)	2,184	2,203	2,228	2,248	2,290			
Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
May-10			Jul-10			Sep-10		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
2,240	125	88	2,260	157	125	2,280	185	153
2,200	103	106	2,220	135	143	2,240	163	171
2,160	83	126	2,180	115	163	2,200	142	190



**Oilseed market trends (Graph 9)**

- International:** US soybean prices ended slightly higher on dollar weakness, higher crude oil prices and improved export demand. Meanwhile China increased its appetite for feed grains due to the strong economy, with almost 4m tons more soybeans imported compared to last year. US weekly soybean export sales came in at 158,000 tons for current year and 293,200 tons for next year. Prices were up across the soybean complex with soymeal leading the pack, up 7.4% week on week. Soybean and soyoil prices closed slightly higher by 2.7% and 1.0% respectively compared to last week. Derived soybean and sunflower prices closed firmer due to a weaker Rand/US dollar exchange rate and higher international prices.
- Domestic:** Weekly domestic oilseed prices on Safex ended mixed with soybeans closing marginally higher due to the spill over support from the international market and the supportive Rand. Sunflower on the other hand eased slightly lower, ending the rally seen over the past few weeks. Weekly sunflower prices closed down 1% compared to last week at R3,276/ton. However this is 14% higher when considered year on year. Soybeans were up 0.5%, closing at R2,520/ton which is still 24% lower compared to last year this time. Soybean futures on Safex however ended marginally higher across the board: May-10 closed up 0.9% w/w (+R22/t); Jul-10 was up 1.6% w/w (+R40/t); Sep-10 was up 1.5% w/w (+R38/t); Dec-10 was up 0.6% w/w (+R15/t). Sunflower futures on Safex were all down: May-10 was down 1.6% w/w (-R54/t); Jul-10 was down 2.4% w/w (-R83/t); Sep-10 was down 2.7% w/w (-R93/t); Dec-10 was down 1.9% w/w (-R67/t).



**OUTLOOK**

Domestic oilseed prices are expected to move sideways in the short term.

Oilseeds Futures 16 April 2010	May-10	July-10	Sep-10	Dec-10	Mar-11
CBOT Soybeans (US \$/t)	362.00	365.60	357.59	-	359.43
CBOT Soya oil (US c/lb)	41.88	39.80	40.48	40.81	41.40
CBOT Soya cake meal (US \$/t)	280.90	280.70	272.10	262.20	264.70
SAFEX Sunflower seed (R/t)	3,305	3,350	3,410	3,500	-
SAFEX Soybean seed (R/t)	2,547	2,598	2,638	2,700	-

Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
May-10			Jul-10			Sep-10		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
3,400	218	168	3,460	259	209	3,540	352	312
3,360	196	186	3,420	236	226	3,500	330	330
3,320	175	205	3,380	215	245	3,460	308	348



**Vegetable market trends (Graph 10)**

• **Tomatoes**

Tomato prices declined due to increased supplies on markets. Weekly tomato prices decreased by 18.9% week on week and by 9.2% year on year, closing at R3,470/ton. Tomato volumes traded were pegged at 4,420 tons, up 16.3% week on week and 19.8% year on year. Prices are however expected to weaken slightly in the short term.

• **Potatoes**

Potato prices decreased sharply due to higher volumes on markets. Weekly potato prices were down 15.4% week on week and 18.8% year on year, closing at R2,575/ton. Potato volumes traded increased by 27.2% week on week, coming in at 12,685 tons, a year on year increase of 49.0%. Prices are however expected to move sideways with some upside potential due to limited supplies.

• **Onions**

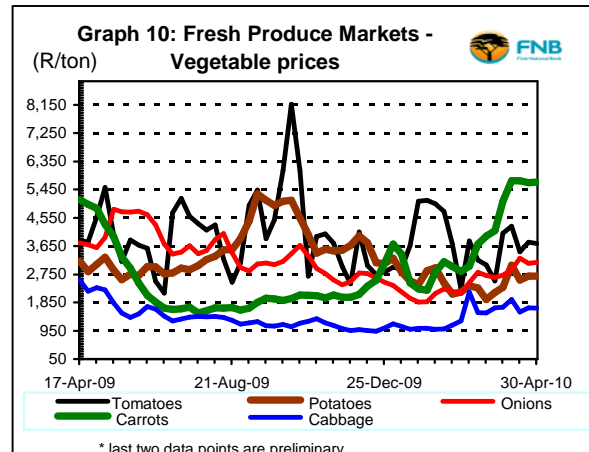
Onion prices increased due to improved uptake on markets. Weekly onion prices increased to R3,263/ton, up 12.4% week on week but down 13.0% year on year. Weekly volumes traded increased slightly by 1.2% week on week and came in at 3,836 tons, which is 32.4% higher compared to the same period last year. Prices are however expected to ease somewhat in the short term with limited upside potential as supplies recover.

• **Carrots**

Carrot prices increased slightly due to increased uptake on markets. Weekly carrot prices increased by 0.1% week on week closing at R5,729/ton, which is 11.7% higher year on year. Carrot volumes traded came in at 1,002 tons, up 23.9% week on week and 37.1% year on year. Prices are expected to move sideways with some downward potential.

• **Cabbages**

Cabbage prices declined due to increased supplies on markets. Prices decreased by 20.4% week on week and by 39.6% year on year closing at R1,547/ton. Weekly volumes traded were pegged 1,363 tons up 17.7% week on week and 29.9% year on year. Prices are expected to improve somewhat in the short term.



<b>Vegetable prices: Fresh Produce Markets. (Average Pretoria, Bloemfontein, Johannesburg, Cape Town and Durban)</b>						
<b>Week ending 16 April 2010</b>	<b>Average Price (R/t)</b>	<b>w/w</b>	<b>y/y</b>	<b>Total Volume (t)</b>	<b>w/w</b>	<b>y/y</b>
Tomato	3,470	-18.9%	-9.2%	4420	16.3%	19.8%
Potato	2,575	-15.4%	-18.8%	12685	27.2%	49.0%
Onion	3,263	12.4%	-13.0%	3836	1.2%	32.4%
Carrot	5,729	0.1%	11.7%	1002	23.9%	37.1%
Cabbage	1,547	-20.4%	-39.6%	1363	17.7%	29.9%

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