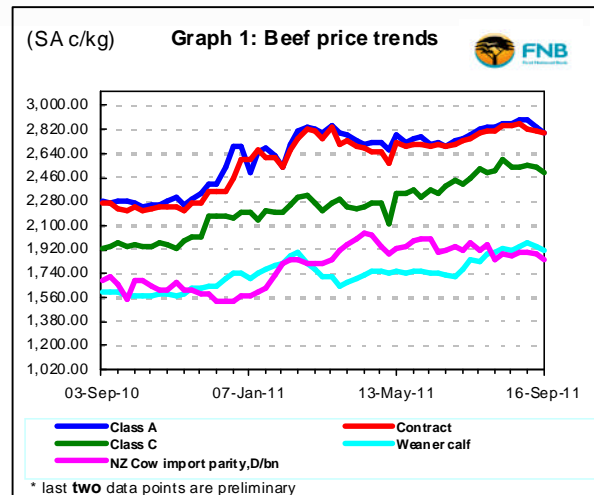


Beef market trends (Graph 1)

- International:** US lean boneless processing beef prices finished firmer on moderate demand and supplies. Market activity on imported beef was reportedly flat, coming under pressure late in the week due to weak pre-holiday demand. Boxed beef cutout prices were softer on both the Choice and Select categories under pressure due to moderate demand and heavy supplies. In Australia, the benchmark young cattle indicator EYCI finished up 0.1% w/w and 9.8% y/y at Au\$3.99/kg. Out of New Zealand, beef exports were reportedly slow due to tight seasonal supplies and weak demand.
- Domestic:** Beef prices ended mostly firmer on improved month end demand. Weekly Class A beef closed at R28.91/kg, almost unchanged w/w and 26.6% higher y/y. Contract Class A beef was the exception, softening somewhat at R28.28/kg but still 24.4% higher y/y. Class C beef finished 0.3% higher w/w and 32.2% y/y at R25.49/kg. Weaner calves prices remained strong on tight supplies across most markets. Weekly weaner calf prices advanced by 1.3% w/w and 23.1% y/y to close at R19.64/kg.

OUTLOOK

The firmer trend will continue for the short term, but prices will moderate somewhat in the medium term as supplies recover.

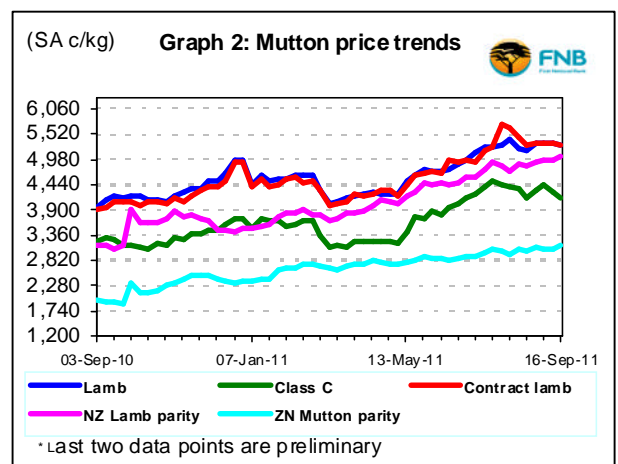


Mutton market trends (Graph 2)

- International:** US lamb carcass values were mixed, with bulk trades reportedly steady on moderate demand and supplies. New Zealand lamb (NZ17.5kg) moved marginally higher by 0.6% w/w at NZ\$128.50/head, up 30.0% higher y/y. Australian lamb market reversed last week's gains and finished softer on improved supplies.
- Domestic:** The domestic lamb and mutton market continued to trend higher on tight supplies. Weekly Class A lamb prices closed at R53.10/kg, up 0.1% w/w and 33.8% y/y. Contract Class A lamb closed at R53.41/kg, up 0.3% w/w and 36.2% y/y. Mutton prices came in at R44.32/kg, up 2.8% w/w and 37.8% y/y. Weaner lamb prices continued to weaken despite higher carcass prices due to reduced demand. Weekly weaner lamb prices closed at R28.17/kg live weight, down 1.7% w/w but still 43.9% higher y/y.

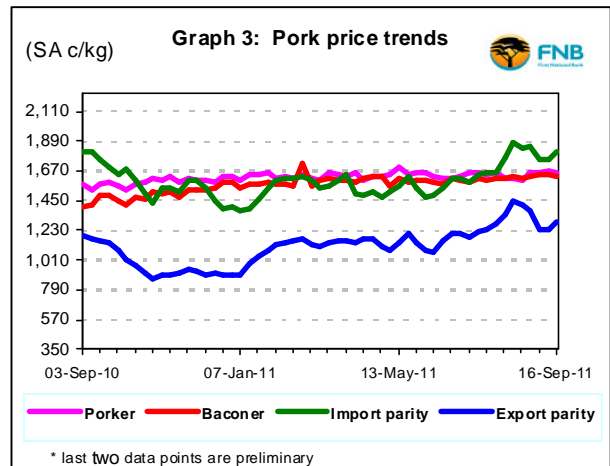
OUTLOOK

The weaner lamb market is expected to moderate somewhat in the short term, but still settle at firmer levels due to tight supplies.



Pork market trends (Graph 3)

- International: US pork prices continued to weaken on improved supplies. Weekly ham prices fell by 4.0% w/w but were still 0.9% higher y/y at \$83.09/cwt. Carcass prices fell by 6.7% w/w at \$97.02/cwt, but were still 5.7% higher y/y. Loins fell by 6.5% w/w at \$117.01/cwt but still 19.9% higher y/y. Rib cuts fell sharply by 10.9% w/w at \$130.16/cwt, up 7.5% y/y.
- Domestic: Porker and baconer prices continued to trend firmer supported by improved month end demand. Weekly porker closed at R16.57/kg, up 0.4% w/w and 6% y/y. Baconers closed at R16.37/kg, up 0.2% w/w and 16% y/y. Import parity prices fell modestly due to the combined influence of a stronger Rand and lower international prices. Weekly import parity prices closed down 5.6% w/w and 3% y/y.

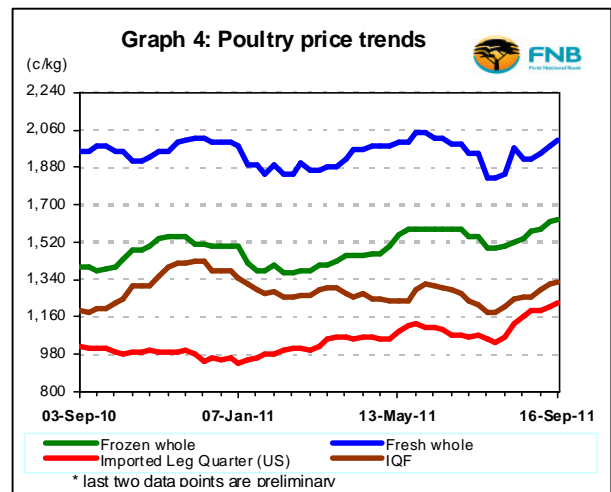


OUTLOOK

It is expected that domestic prices will trend sideways in the short term with some upward potential in medium term as demand improves.

Poultry market trends (Graph 4)

- International: US domestic prices ended mostly firmer. Weekly leg quarter prices rose by 1.9% w/w and 32.5% y/y, closing at US53.00c/lb. Breast cuts were firmer, up 0.2% w/w at 85.30c/lb, but still down 22.6% y/y. Whole birds were softer at 87.90c/lb, down 0.6% w/w and 0.1% y/y. Retail and food service demand was reportedly light to good ahead of the holiday weekend. US broiler egg sets and chick placements continued to trend lower. As of 31 Aug-2011, broiler egg sets and chick placements were reported down by 7.0% w/w and 4.0% y/y respectively. The estimated number available for marketing during the week ending 08 Oct-2011 was reported at 149.7m head, up 0.1% w/w and 7.4% y/y.
- Domestic: Poultry prices ended steady to firmer for the week. Supplies of medium frozen whole birds remained tight and continued to support prices. Weekly medium frozen whole birds advanced by 0.9% w/w and 13.1% y/y at R15.85/kg. IQF prices gained 2.7% w/w to close at R12.93/kg, which is up 8.1% y/y. Medium fresh whole birds gained 1.7% w/w and closed at R19.48/kg, but still down 0.5% y/y. Import parity prices for poultry (LQ) fell by 0.4% w/w but were still 17.3% higher y/y. Meanwhile, cost pressures are starting to build up due to rising maize prices. This will squeeze producer margins going forward given that maize is a significant input in poultry feed.



OUTLOOK

The market is expected to continue gaining upward momentum during the braai months leading to the December holidays.

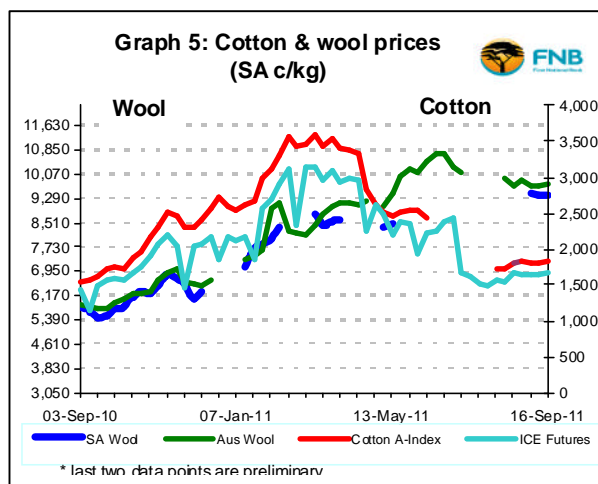


How can we help you?

Producer prices for selected livestock commodities 02 September 2011	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	28.91	53.10	16.57	19.48
Open market: Class C / Baconer / Frozen whole birds(R/kg)	25.49	44.32	16.20	15.85
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	28.28	53.41	16.37	12.93
Import parity price (R/kg)	19.07	30.78	17.54	11.91
Weaner Calves / Feeder Lambs (R/kg)	19.64	28.17		

Wool and cotton market trends (Graph 5)

- International:** Cotton prices retained a firmer trend, closing 0.2% higher w/w and 21.7% y/y at 115.63c/lb. Cotton futures on ICE trended on the upside across the board. Cotton for Dec-11 rose by 1.5% w/w at 105.89c/lb; Mar-12 was up 0.8% w/w at 102.66c/lb; May-12 was up 1.1% w/w at 101.94c/lb.
- Wool:** The Australian wool market ended firmer with the EMI closing at Au\$12.70/kg, up 0.5% w/w and 43.7% y/y.
- Domestic:** The wool market resumed on a strong note on reduced volumes and the spillover support from the firmer Australian market. This saw the weekly market indicator Cape Wools Merino advancing by 2.5% on the previous sale a fortnight ago to close at R94.32/kg clean wool. Sales reached 94.0% of the wool offered. Major buyers were Standard Wool SA with 2,393 bales, Stucken & Co with 1,225 bales, Modiano SA with 1,145 bales, and Lempriere SA with 659 bales.
- In the case of cotton, the Aug production estimate was revised downwards by 2.0% m/m to 88,316 lint bales according to the 8th estimate report for 2010/11 season (CottonSA). The expected production is comprised of 84,316 lint bales estimated to be produced from RSA grown seed cotton and 4,000 lint bales from the Swaziland produced cotton.



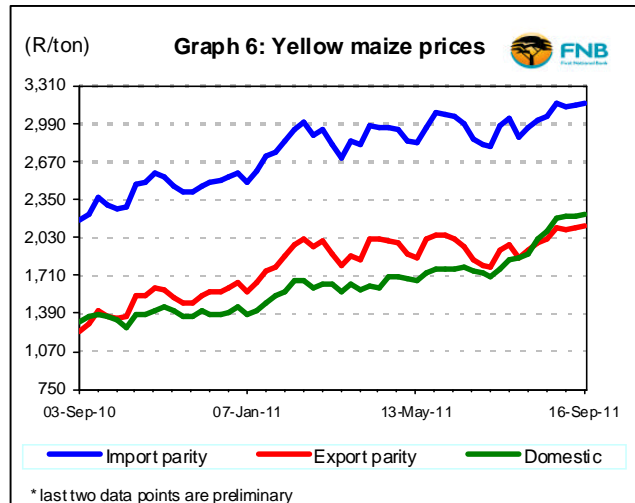
Fibre market prices 02 September 2011	SA prices (R/kg)	Australian prices (R/kg)	Australian futures Jan-12 (AU\$/kg)	Australian futures Mar-12 (AU\$/kg)
Wool market indicator (R/kg)	94.32	97.16		
19µ long length wool (R/kg)	115.33	116.80	13.88	13.63
21µ long length wool (R/kg)	97.48	99.75	12.43	12.08
23µ long length wool (R/kg)	88.31	87.07	10.43	10.08
	SA derived Cotton (R/kg)	New York A-Index (US\$/kg)	Cotton Futures Dec-11 (US\$/kg)	Cotton Futures Mar-11 (US\$/kg)
Cotton Prices (R/kg)	17.92	2.54	2.33	2.26

South Africa: Second sale of the 2011/12 season; Cotton Futures on ICE.



Yellow maize market (Graph 6)

- International: US yellow maize prices continued to strengthen due to concerns over reduced yields and supply outlook. However, bearish news of US employment and a drop in energy prices helped limit gains. Weekly yellow maize prices advanced by 1.5% w/w and 72.0% y/y, closing at \$322/t. Maize futures on Chicago were stronger across the board: Dec-11 maize finished 5.8% higher w/w at \$302/t; Mar-12 closed 5.4% higher w/w at \$307/t; May-12 closed 5.4% higher w/w at \$308/t.
- Domestic: Yellow maize prices advanced marginally; with the stronger Rand limit further gains. Weekly yellow maize prices increased by 0.1% w/w and 66.6% y/y to close at R2,202/t. Yellow maize import parity prices fell by 0.8% w/w, but were still 43.8% higher y/y. Yellow maize production estimate came in at 4.5m tons, down 1.6% from last month. The expected yield for yellow maize is 4.70 t/ha. Weekly export sales for the week ended 26 Aug-2011 came in at 79,446 tons, bringing cumulative sales for the new marketing season to 503,039 tons. Weekly yellow maize futures on Safex: Dec-11 yellow maize fell by 2.6% w/w (-R59/t); Mar-12 was down 2.0% w/w (-R46/t); Jul-12 was down 4.0% w/w (-R76/t).



OUTLOOK

It is expected that prices will maintain the current momentum on the back on renewed strength on international markets.

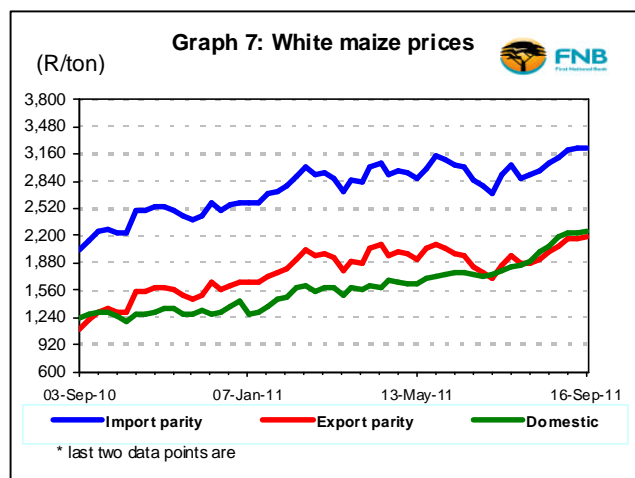
Yellow Maize Futures 02 September 2011	Dec-11	Mar-12	May-12	Jul-12	Sep-12
CBOT (\$/t)	299.44	304.25	306.69	308.11	277.77
SAFEX (R/t)	2,204	2,214	-	1,834	-
CHICAGO CORN (R/t)	2,151	2,211	-	0	-

Calculated Yellow Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)

Dec-11			Mar-12			May-12		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
2,260	145	102	2,280	224	192	1,960	239	189
2,220	123	120	2,240	202	210	1,920	216	206
2,180	103	140	2,200	181	229	1,880	194	224

White maize market trends (Graph 7)

- International: US white maize prices posted strong gains on crop concerns and spillover strength from other markets. Weekly average white maize prices rose by 6.5% w/w and 97.3% y/y to close at \$309/ton.
- Domestic: White maize prices continued to trend higher due to the spillover strength from the international market. White maize prices closed at R2,225/ton, up 1.7% w/w and 78.8% y/y. White maize import parity prices finished the week up 2.9% w/w and 57.6% y/y. Weekly white maize export sales for the week ended 26 Aug-2011 were pegged at 67,657 tons, increasing to



690,198 tons for the season. Cumulative total maize sales for the season increased to 1.2m tons. White maize (WM) futures on Safex: Dec-11 white maize fell by 2.2% w/w (-R49/t); Mar-12 was 2.2% lower w/w (-R51/t); Jul-12 was 2.8% lower w/w (-R52/t).

OUTLOOK

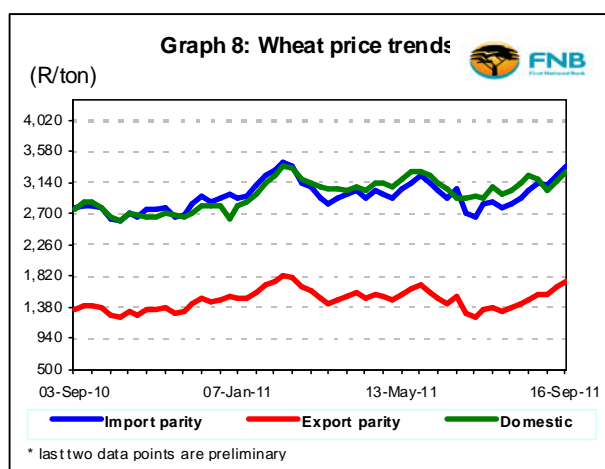
It is expected that prices will maintain the current momentum on the back of renewed strength on international markets.

White Maize Futures 02 September 2011	Dec-11	Mar-12	May-12	Jul-12	Sep-12
SAFEX (R/t) WM ₁	2,217	2,248	1,910	1,839	-

Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Dec-11			Mar-12			May-12		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
2,240	149	113	2,260	217	171	1,920	225	189
2,200	127	131	2,220	194	188	1,880	202	206
2,160	107	151	2,180	173	207	1,840	181	225

Wheat market trends (Graph 8)

- International:** US Wheat prices increased supported by continued concerns over dry weather conditions in central and southern plains. Reports of poor crop conditions out of Argentina added to the firmer tone. Hard Red Winter wheat advanced by 2.4% w/w and 57.5% y/y at \$347/t. Soft Red Winter wheat increased marginally by 0.7% w/w and 22.3% y/y at \$290/t. Wheat futures were however down across markets. Kansas: Wheat for Dec-11 delivery fell by 1.3% w/w at \$323/t; Mar-12 fell by 1.4% w/w at \$327/t; May-12 fell by 1.4% w/w at \$328/t. Wheat futures on Chicago: Wheat for Dec-11 delivery fell by 2.7% w/w at \$285/t; Mar-12 was down 2.0% w/w at \$298/t; May-12 was down 1.4% w/w at \$302/t.
- Domestic:** Wheat prices continued to weaken as the Rand strengthened against major currencies. Weekly prices were down 4.9% w/w and closed at R3,032/t, but still up 14.6% y/y. Wheat import parity prices eased marginally lower by 0.1% w/w on Rand strength (R/US\$), but still 4.6% higher y/y. Weekly export sales for the week ended 26 Aug-2011 were pegged at 3,313 tons and 144,017 tons for the season to date. Imports were pegged at 1.50m tons for the season. Wheat futures on SAFEX: Wheat for Dec-11 delivery advanced by 0.1% w/w (+R3/t); Mar-12 was up 0.3% w/w (+R8/t).



OUTLOOK

Prices are expected to trend upwards on the back of renewed strength on international markets.

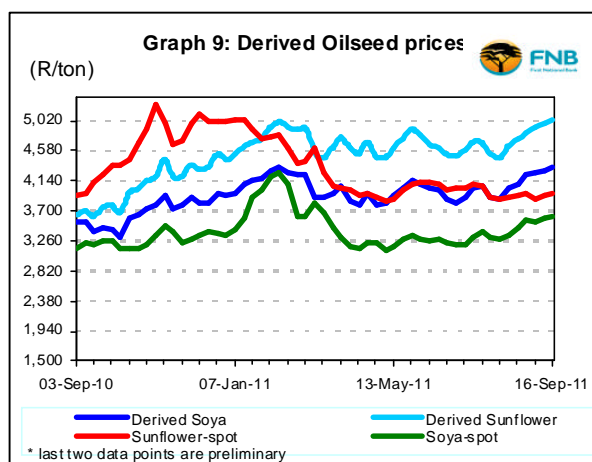


How can we help you?

Wheat Futures 02 September 2011	Dec-11	Mar-12	May-12	Jul-12	Sep-12			
KCBT (\$/t)	323.34	327.48	327.66	326.19	328.03			
SAFEX (R/t)	2,931	2,985	-	-	-			
Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Dec-11			Mar-12			May-12		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
2,980	138	88	3,020	210	170	3,060	222	187
2,940	116	106	2,980	188	188	3,020	200	205
2,900	96	126	2,940	167	207	2,980	180	225

Oilseed market trends (Graph 9)

- International:** The US soybean complex continued to post good gains underpinned by concerns over reduced yields and lost production. Soybean complex on Chicago: Nov-11 Soybeans finished 1.6% higher at \$531/t; Jan-12 was up 1.6% w/w at \$535/t; Mar-12 was up 1.9% w/w at \$536/t. Soymeal (\$/short ton): Dec-11 Soymeal closed 1.0% higher at \$385/t; Jan-12 was up 1.0% w/w at \$387/t; Mar-12 was up 1.2% w/w at \$389/t. Soyoil for Dec-11 closed up 1.6% w/w at 58.26c/lb; Jan-12 was up 1.6% w/w at 58.47c/lb; Mar-12 was up 1.5% w/w at 58.55c/lb
- Domestic:** Oilseed prices posted slight losses under pressure due to a stronger Rand. Weekly soybean prices eased marginally lower by 0.3% w/w to close at R3,545/t, but still 13.1% higher y/y. Weekly sunflower prices fell by 1.9% w/w and 1.3% y/y to close at R3,873/t. Sunflower futures: Sunflower for Dec-11 delivery fell by 0.4% w/w (-R17/t); May-12 closed 1.3% higher (+R50/t). Soybean futures on SAFEX however ended firmer across the board: Soybean for Dec-11 delivery finished up 1.3% w/w (+R45/t); Mar-12 was up 0.2% w/w (+R7/t); May-12 was up 1.5% w/w (+R52/t); Jul-12 was up 1.1% w/w (+R39/t).



OUTLOOK

It is expected that prices will maintain the current momentum with crop progress in the US providing further direction.

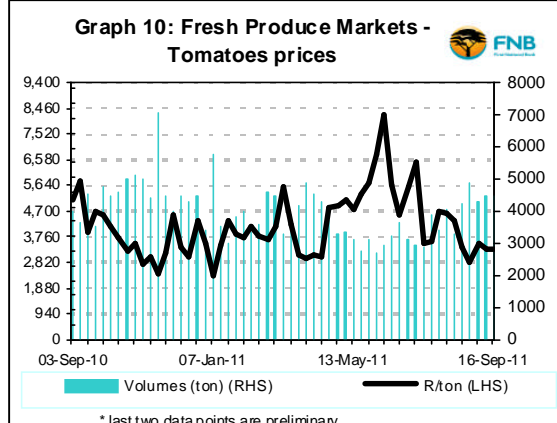
Oilseeds Futures 02 September 2011	Dec-11	Mar-12	May-12	Jul-12	Sep-12			
CBOT Soybeans (US \$/t)	-	536.31	534.47	536.24	519.92			
CBOT Soya oil (US c/lb)	58.26	58.55	58.48	58.56	58.42			
CBOT Soya cake meal (US\$/t)	385.00	388.90	388.60	389.90	377.80			
SAFEX Sunflower seed (R/t)	4,000	-	4,050	-	-			
SAFEX Soybean seed (R/t)	3,609	3,655	3,600	3,655	-			
Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Dec-11			Mar-12			May-12		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
4,040	220	176				4,100	429	379
4,000	198	194				4,060	406	396
3,960	178	214				4,020	385	415



Vegetable Market Trends (Graphs 10 to 14)

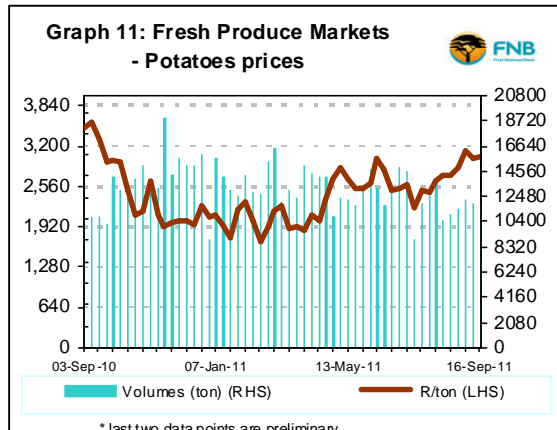
• **Tomatoes**

Tomato prices recovered losses witnessed in the last few weeks. Prices increased due to limited supplies on markets. Prices were up 24.5% w/w but down 31.8% y/y, closing at R3,515/ton. Volumes traded were down 12.3% w/w but still up 7.4% y/y closing the week at 4,273 tons. Prices are however expected to weaken under pressure as volumes improve.



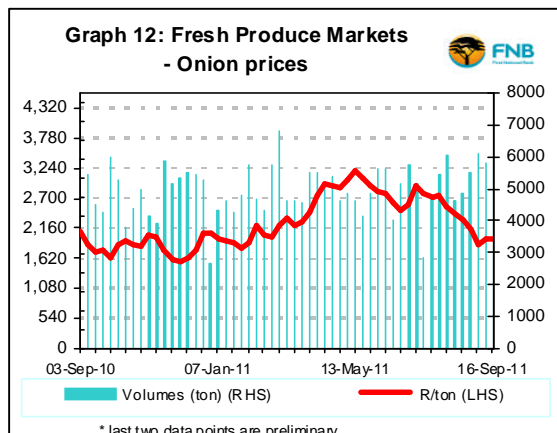
• **Potatoes**

Potato prices increased slightly due to good uptake on markets. Prices were up 8.8% w/w but down 10.3% y/y, closing at R3,118/ton. Volumes traded were up 6.1% w/w and 3.7% y/y closing at 12,190 tons. Prices are however expected to soften somewhat due to weak uptake toward midmonth.



• **Onions**

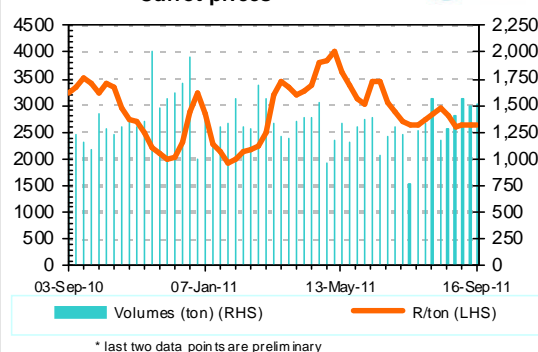
Onion prices decreased sharply due to a combination of weak uptake and increased supplies on markets. Prices decreased to R1,847/ton, down 13.2% w/w and 12.2% y/y. Volumes traded were up 10.6% w/w and 7.7% y/y closing the week at 6,071 tons. Prices are however expected to firm slightly in the short term on moderation in supplies.



Carrots

Carrot prices increased marginally due to good uptake on markets. Prices were up 2.2% w/w but down 17.9% y/y closing the week at R2,646/ton. Volumes traded reached 1,566 tons, up 11.0% w/w and 27.9% y/y. Prices are expected to move sideways with some upward potential due to limited volumes on markets.

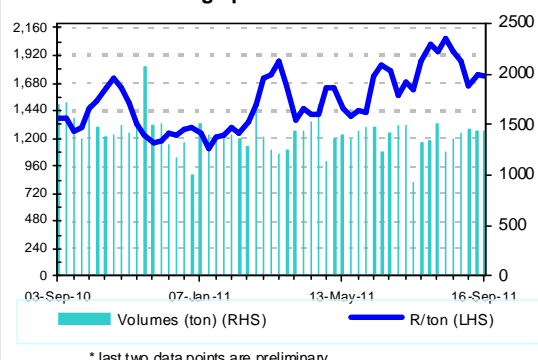
Graph 13: Fresh Produce Markets - Carrot prices



Cabbages

Cabbage prices decreased sharply due to a combination of limited uptake and increased supplies on markets. Prices were down 11.5% w/w but up 20.0% y/y closing at R1,658/ton. Volumes traded reached 1,458 tons; up 3.9% w/w but down 13.8% y/y. Prices are expected to bottom out and strengthen in the short term on tight supplies, but with limited further upward potential in the medium term.

Graph 14: Fresh Produce Markets - Cabbage prices



Vegetable prices: Fresh Produce Markets. (Average Pretoria, Bloemfontein, Johannesburg, Cape Town and Durban)

Week ending 02 September 2011	Average Price (R/t)	w/w	Y/y	Total Volume (t)	w/w	Y/y
Tomato	3,515	24.5%	-31.8%	4273	-12.3%	7.4%
Potato	3,118	8.8%	-10.3%	12190	6.1%	3.7%
Onion	1,847	-13.2%	-12.2%	6071	10.6%	7.7%
Carrot	2,646	2.2%	-17.9%	1566	11.0%	27.9%
Cabbage	1,658	-11.5%	20.0%	1458	3.9%	-13.8%

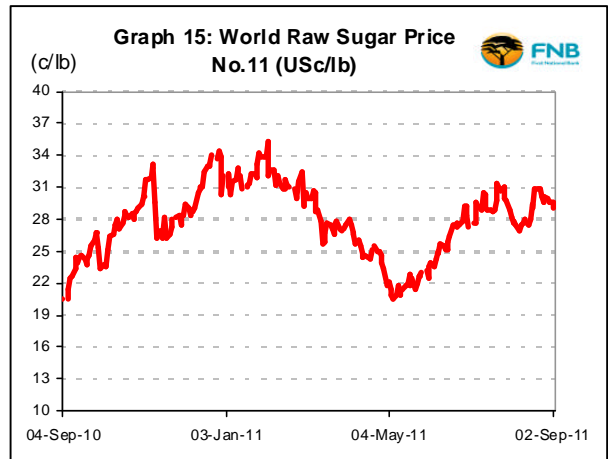
* Daily prices also available at <https://www.fnbagricomms.co.za>



How can we help you?

Sugar market trends (Graph 15)

- International: World raw sugar prices finished lower on spillover weakness from equity markets. Weekly raw sugar prices declined by 2.4% w/w and 46.1% y/y, closing at 29.59c/lb. Raw Sugar futures on ICE continued to decline (US c/lb): the Mar-12 raw sugar contract fell by 3.3% w/w to close at 28.36c/lb; May-12 fell by 2.9% w/w at 26.93c/lb; Mar-13 fell by 2.5% w/w at 24.59c/lb; May-13 fell by 2.0% w/w at 23.94c/lb.
- Domestic: The monthly 2011/12 RV (Recoverable Value) price, a measure of the value of sugar and molasses that will be recovered from the sugarcane delivered by the individual grower, increased by R71.10/t m/m to R2,915.34/t. The increase is attributable to a combination of higher world prices and a weaker Rand against the US dollar. The Cane Growers Association projects a final RV for the season at R2,905/t given the 6.0% increase in the notional price that comes into effect in the declaration of the September 2011 RV Price.



ICE Sugar Futures 02 September 2011	Mar-12	May-12	July-12	Oct-12	Mar-13
Sugar No.11 (US c/lb)	28.36	26.93	25.68	24.89	24.59
% Change w/w	-3.3%	-2.9%	-3.1%	-2.9%	-2.5%

Disclaimer:

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