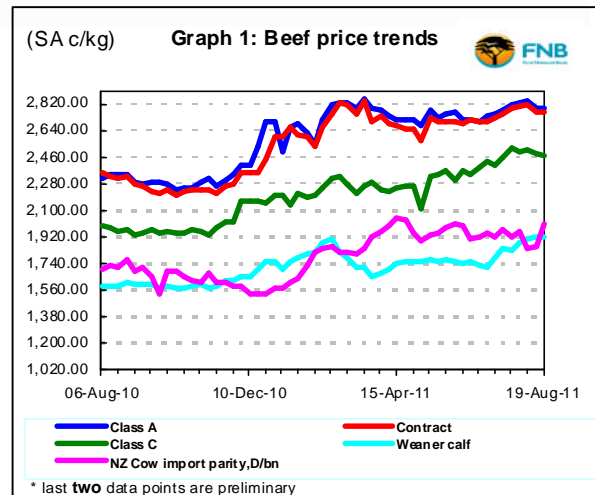


## Beef market trends (Graph 1)

- International:** US lean boneless processing beef prices weakened on the back of limited demand and heavy supplies on markets. Meanwhile, cow culling continues due to drought conditions in Southwestern and Plains states. Slaughter numbers are reportedly higher than the autumn peak in some areas. Boxed beef cutout prices, an indicator of prices at wholesale level, also trended lower at \$173.41/cwt. This is 0.9% lower w/w but still up 15.0% y/y. CME Feeder Cattle Index rose by 0.8% w/w and 19.2% y/y at \$135.05/cwt. In Australia, the young cattle indicator EYCI ended up 2.5% w/w and 3.9% y/y at Au\$3.81/kg. New Zealand beef exports were reportedly still subdued due to weak demand.
- Domestic:** Beef prices maintained a firmer trend across most markets. Weekly Class A beef closed at R28.39/kg, up 0.2% w/w and 22.3% y/y. Class C beef was up 0.9% w/w and 26.3% y/y at R25.15/kg. Contract Class A beef closed up 0.3% w/w and 19.5% y/y at R28.14/kg. Weaner calves prices ended slightly higher at R19.00/kg, up 1.1% w/w and 20.0% y/y.

### OUTLOOK

It is expected that prices will ease somewhat in the medium term as supplies recover.

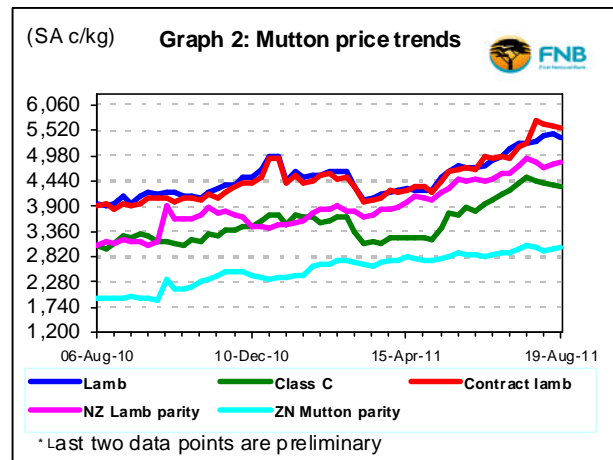


## Mutton market trends (Graph 2)

- International:** US lamb cuts moved sideways for the week with the estimated carcass cutout price closing at \$372.45/cwt, up 37.9% y/y. Weekly slaughter numbers were pegged at 37,000 head, unchanged w/w but down 9.8% y/y. In Australia, the lamb market was softer across most categories with the exception of the heavier type. Volumes were reportedly higher, placing downward pressure on prices. New Zealand lamb (NZ 17.5kg) eased marginally lower at NZ\$127.7/head, but still 35% higher y/y.
- Domestic:** The domestic lamb and mutton market pulled back from recent highs and ended softer for the week. Weekly Contract Class A lamb prices closed at R56.46/kg, down 1.6% w/w but still 44.5% higher y/y. Class A lamb was the exception, closing slightly higher at R53.90/kg, up 1.8% w/w and 36.6% y/y. Weaner lamb prices advanced marginally supported by tight supplies across most markets. Weekly weaner lamb prices reached R29.50/kg live weight, up 0.8% w/w and 66.2% y/y.

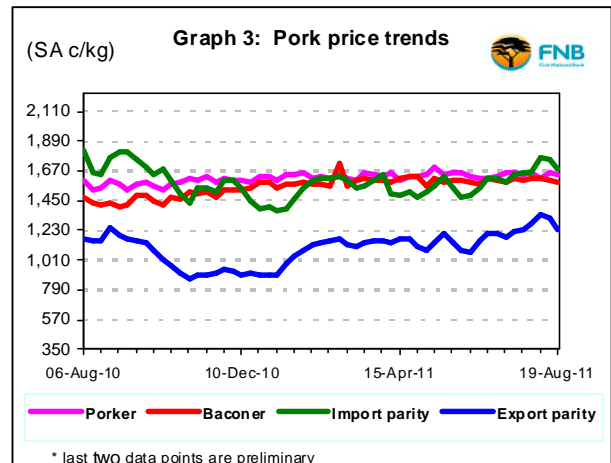
### OUTLOOK

The weaner lamb market is expected to retain upward momentum in the short to medium term underpinned by tight supplies across most markets.



**Pork market trends (Graph 3)**

- **International:** US pork prices posted strong gains on limited supplies across most markets. Weekly ham prices advanced by 6.4% w/w and 4.7% y/y at \$87.60/ cwt. Carcass prices increased by 3.7% w/w and 18.2% y/y at \$107.38/cwt. Loins advanced by 2.9% w/w and 32.4% y/y at \$127.14/cwt. Rib cuts increased by 1.5% w/w and 26.8% y/y at \$154.70/cwt. Weekly slaughter number fell by 1.7% w/w and 0.5% y/y at an estimated 1.96m head.
- **Domestic:** Weekly porker prices closed at R16.11/kg, down 2.6% w/w and 1.0% y/y. Baconers moved sideways and closed at R16.09/kg but still 10.0% higher y/y. Import parity prices closed up 7.0% w/w, due to the combined effect of a weaker Rand and higher international prices. Monthly imports for Jul-2011 came in modestly higher at 2,636 tons. This is up 6.2% m/m and 97.9% y/y. Cumulative imports for the year to date were pegged at 20,207 tons, up 29.8% y/y.

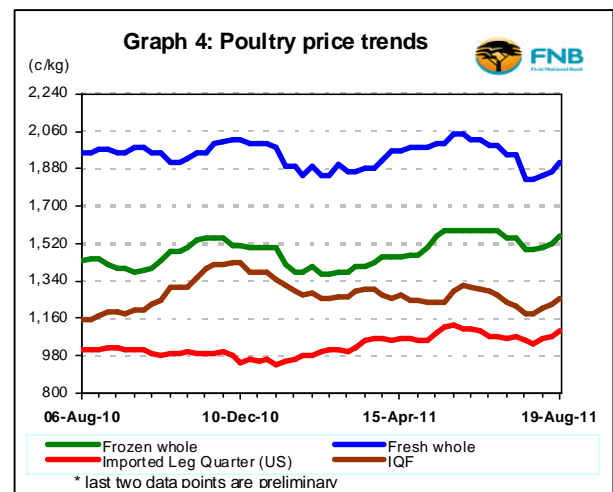


**OUTLOOK**

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

**Poultry market trends (Graph 4)**

- **International:** US domestic prices trended firmer across most categories with the exception of wings. Weekly leg quarter prices rose by 2.6% w/w and 17.2% y/y, closing at US\$46.70c/lb. Breast cuts were up 2.0% w/w at 83.30c/lb, but still down 14.1% y/y. Whole birds advanced by 0.2% w/w and 0.2% y/y at 87.70c/lb. Wings were the exception, falling by 1.0% w/w and 30.8% y/y at 84.50c/lb. Demand at retail and food service was reportedly light to moderate ahead of the weekend. US broiler egg sets and chick placements continued to trend lower signaling cutbacks in production. As of 30-Jul-2011, broiler egg sets and chick placements were reported down 6.0% w/w and 4.0% y/y respectively. The estimated number available for marketing during the week ending 10-Sep-2011 was reported at 150.4m head, down 0.7% w/w and 6.9% y/y.
- **Domestic:** Poultry prices regained some ground after modest falls in recent weeks. Weekly fresh whole bird prices closed 0.9% higher w/w at R18.47/kg, but still down 5.8% y/y. Medium frozen whole bird prices ended marginally higher by 0.4% w/w and 4.7% y/y, closing at R15.02/kg. Weekly IQF prices rose by 2.1% w/w and 4.8% y/y to close at R12.12/kg. Import parity for poultry (LQ) increased due to the combined effect of a weaker Rand and higher international prices. Weekly import parity prices rose by 2.6% w/w and 5.4% y/y.



**OUTLOOK**

It is expected that prices will continue to recover in the short to medium as braai months return. On a more positive note for the poultry market, prices of other meat types are at record highs heading into warmer months and this should give poultry a competitive edge over other animal protein sources.

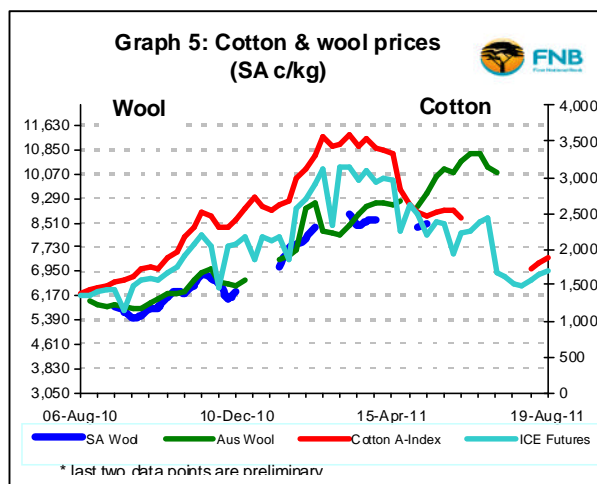


How can we help you?

Producer prices for selected livestock commodities 05 August 2011	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	28.39	53.90	16.11	18.47
Open market: Class C / Baconer / Frozen whole birds(R/kg)	25.15	43.80	15.30	15.02
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	28.14	56.46	16.09	12.12
Import parity price (R/kg)	18.42	29.45	17.69	10.65
Weaner Calves / Feeder Lambs (R/kg)	19.00	29.50		

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

- International:** Cotton futures were down across the board. Cotton for Oct-11 fell by 0.6% w/w at 101.48c/lb; Dec-11 down 0.2% w/w at 101.58c/lb; Mar-12 down 0.2% w/w at 99.12c/lb; May-12 up 0.3% w/w at 98.79c/lb. Meanwhile, the season-average Cotlook A Index was reported at a record of \$1.64 per pound for 2010/11 season, twice as high as the 2009/10 average. However the season-average A Index is expected to fall in 2011/12, as an increase in production will replenish stocks, according to the International Cotton Advisory Committee (ICAC) report. The report projects world cotton production to rise by 8% to 26.9m tons in 2011/2012, mainly in most large producing countries, with the exception of the United States. Cotton mill use is expected to reach 25.0m tons in 2011/12, up 2% from last season.
- Wool:** The Australian wool market is currently on recess and the next available report will be on August 12, 2011.
- Domestic:** The wool market is on recess and the new wool season reopens on 17 August 2011. Cotton production has been revised downwards by 1% m/m to 90,157 lint bales according to the 7th estimate report for 2010/11 season (CottonSA). This is nonetheless 112% higher y/y. Yields are reportedly low due to unfavourable crop conditions during the season. The expected production is comprised of 86,157 lint bales estimated to be produced from RSA grown seed cotton and 4,000 lint bales from the Swaziland produced cotton.



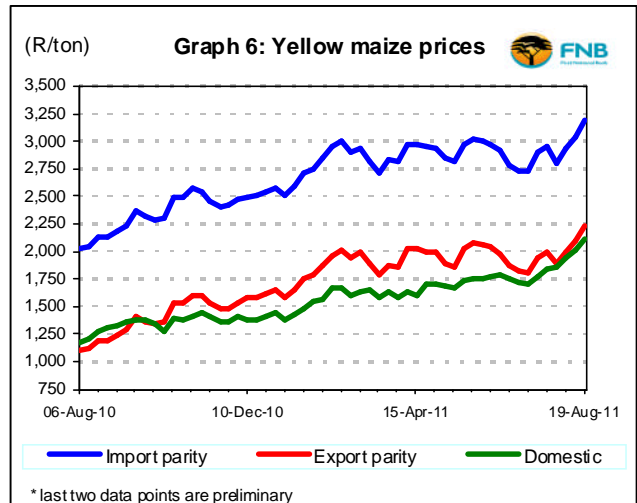
Fibre market prices 05 August 2011	SA prices (R/kg)	Australian prices (R/kg)	Australian futures Nov-11 (AU\$/kg)	Australian futures Jan-12 (AU\$/kg)
Wool market indicator (R/kg)	97.29	91.41		
19µ long length wool (R/kg)	127.81	116.97	15.25	14.75
21µ long length wool (R/kg)	101.35	92.45	11.93	11.55
23µ long length wool (R/kg)	-	87.67	11.50	11.08
	SA derived Cotton (R/kg)	New York A-Index (US\$/kg)	Cotton Futures Oct-11 (US\$/kg)	Cotton Futures Dec-11 (US\$/kg)
Cotton Prices (R/kg)	17.25	2.54	2.23	2.23

South Africa: Closing figures for the season; Cotton Futures on ICE; Australian prices – two weeks ago.



**Yellow maize market (Graph 6)**

- International: US yellow maize prices ended modestly higher on weather concerns as unfavourable weather conditions continue to threaten crop yields. However, prices dropped late in the week as the Stock Market and crude oil tumbled. Concerns about European and US economic problems had a negative impact on global markets. Weekly Maize futures on Chicago: Maize for Dec-11 delivery finished 5.1% higher w/w at \$277/t; Mar-12 up 5.1% w/w at \$282/t; May-12 up 4.9% w/w at \$284/t.
- Domestic: Yellow maize prices continued to strengthen supported by better CBOT prices and a sharply weaker Rand. Weekly yellow maize prices increased by 4.6% w/w and 65.8% y/y to close at R1,944/t, a record high since Sep-2008. Yellow maize import parity price increased by 4.6% w/w and was 45.2% higher y/y. Weekly export sales for the week came in at 50,960 tons, bringing total sales for the new marketing season to 256,433 tons. Weekly yellow maize futures on Safex: Dec-11 yellow maize increased by 3.2% w/w (+R62/t); Mar-12 up 3.1% w/w (+R60/t); Jul-12 was almost unchanged w/w (+R1/t).



**OUTLOOK**

It is expected that prices will maintain the current momentum on the back of a supportive Rand.

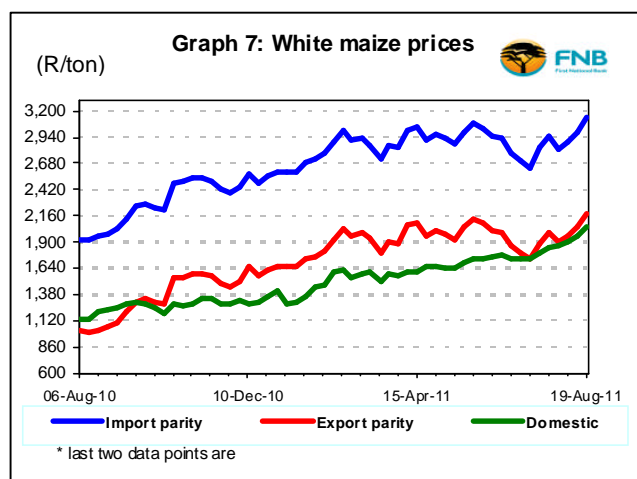
Yellow Maize Futures 05 August 2011	Sep-11	Dec-11	Mar-12	May-12	May-12
CBOT (\$/t)	273.04	276.98	282.10	284.07	285.26
SAFEX (R/t)	1,943	1,990	2,003	1,800	-
CHICAGO CORN (R/t)	1,876	1,915	1,981	-	2,040

Calculated Yellow Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Sep-11			Dec-11			Mar-12		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
1,980	81	44	2,040	167	117	2,040	210	173
1,940	58	61	2,000	145	135	2,000	188	191
1,900	40	83	1,960	124	154	1,960	167	210

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

- International: Unlike yellow maize, US white maize prices ended slightly softer for the week. Weekly average white maize prices softened by 0.4% w/w to close at \$282/ton, but still 92.3% higher y/y.
- Domestic: White maize prices continued to increase on the back of a weaker Rand. The currency shed 4.5% of its value to settle at R6.95/US\$. White maize prices briefly touched a high of R1,921/t late in the week before settling at a weekly average of R1,840/ton, up 1.8% w/w and 67.4% y/y. White maize import parity prices ended up 2.8% w/w and 49.7% y/y. Weekly white maize export sales came in at 34,640 and



533,952 tons for the season. Cumulative total maize sales for the season increased to 790,385 tons. White maize (WM) futures on Safex: Dec-11 white maize was up 2.5% w/w (+R48/t); Mar-12 up 2.7% w/w (+R53/t); Jul-12 up 1.1% w/w (+R20/t).

**OUTLOOK**

It is expected that prices will maintain the current momentum on the back of a supportive Rand

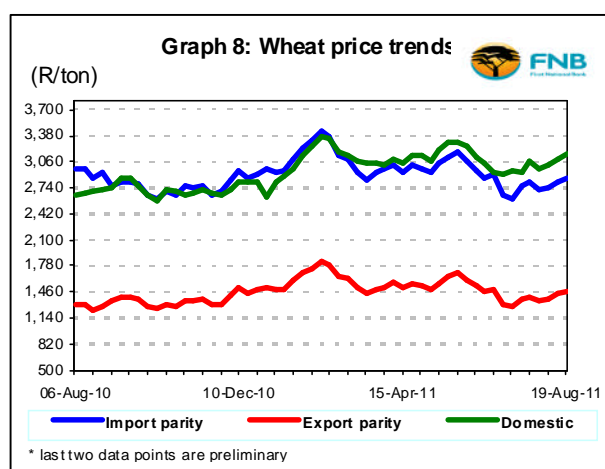
White Maize Futures 05 August 2011	Sep-11	Dec-11	Mar-12	May-12	Jul-12
SAFEX (R/t) WM <sub>1</sub>	1,930	1,985	2,008	-	1,770

Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Sep-11			Dec-11			Mar-12		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
1,980	92	42	2,020	143	108	2,040	220	188
1,940	68	58	1,980	121	126	2,000	198	206
1,900	48	78	1,940	101	146	1,960	177	225

**Wheat market trends (Graph 8)**

- International:** US Wheat prices were steady to firmer for the week. Prices started on a strong note but fell late in the week due to a sharp fall in global commodity and equity markets fueled by concerns over a downgrade of the US sovereign debt risk rating. Wheat futures on Kansas: Wheat for Dec-11 delivery fell by 3.4% at \$287/t; Dec-11 down 3.6% w/w at \$295/t; Mar-12 down 3.5% w/w at \$301/t; May-12 down 3.3% w/w at \$303/t. Wheat futures on Chicago: Wheat for Dec-11 delivery fell by 4.7% w/w at \$266/t; Mar-12 down 3.5% w/w at \$279/t; May-12 down 3.6% w/w at \$285/t.
- Domestic:** Wheat prices continued to strengthen on the back of a weaker Rand and better international prices. Weekly prices increased by 1.8% w/w to close at R3,018/t, up 28.3% y/y. Wheat import parity prices were up 1.3% w/w and 11.1% y/y, mainly due to a sharp weakening of the Rand/US\$ exchange rate. Weekly import sales came in at 6,308 tons and 1.40m tons for the 2011/12 season. Export sales were pegged at 2,441 tons and 131,454 tons for the season to date. Wheat futures on SAFEX: Wheat for Dec-11 delivery rose by 1.0% w/w (+R27/t); Mar-12 up 0.8% w/w (+R23/t).



**OUTLOOK**

Prices are expected to trend upwards on the back of renewed Rand weakness.

Wheat Futures 05 August 2011	Sep-11	Dec-11	Mar-12	May-12	Jul-12
KCBT (\$/t)	286.69	295.24	300.56	303.04	301.94
SAFEX (R/t)	3,093	2,802	2,853	-	-

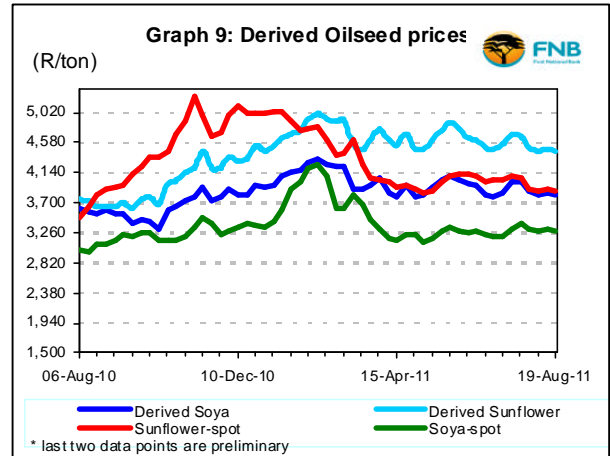
  

Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Sep-11			Dec-11			Mar-12		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
3,140	100	53	2,840	150	112	2,900	210	163
3,100	78	71	2,800	129	131	2,860	188	181
3,060	58	91	2,760	109	151	2,820	167	200



**Oilseed market trends (Graph 9)**

- International:** The US soybean complex was down across the board. Prices declined due to weakness in stock markets and improved production conditions. Soybean complex on Chicago: Soybean for Aug-11 delivery closed down 1.7% w/w at \$489/t; Nov-11 was down 1.6% w/w at \$491/t; Jan-12 down 1.5% w/w at \$495/t. Soymeal (\$/short ton) for Aug-11 delivery fell by 1.8% w/w at \$345/t; Oct-11 down 1.8% w/w at \$349/t; Jan-12 down 1.7% w/w at \$355/t. Soybean oil for Aug-11 closed 2.8% lower w/w at 54.90c/lb; Oct-11 down 3.2% w/w at 55.17c/lb; Jan-12 down 3.3% w/w at 55.83c/lb.
- Domestic:** Oilseed prices traded on SAFEX continued to drift lower under pressure due to renewed weakness on international markets. Weekly soybean prices fell by 0.7% w/w and closed at R3,298/t, but still up 9.8% y/y. Sunflower prices fell by 0.9% w/w to close at R3,868 /t, but still up 11.4% y/y. Weekly Sunflower futures on Safex: Sunflower for Dec-11 delivery fell by 0.3% w/w (-R13/t); May-12 down 3.4% w/w (-R140/t). Weekly Soybean futures on SAFEX: Soybean for Dec-11 delivery fell by 0.3% w/w (-R10/t); Mar-12 down 0.3% w/w (-R10/t), May-12 was up 1.8% w/w (+R60/t).



**OUTLOOK**

Uncertainty over the global economy will continue to place downward pressure on prices.

Oilseeds Futures 05 August 2011	Sep-11	Dec-11	Mar-12	May-12	Jul-12
CBOT Soybeans (US \$/t)	487.96	-	497.51	498.02	498.98
CBOT Soya oil (US c/lb)	55.00	55.55	56.08	56.25	56.42
CBOT Soya cake meal (US\$/t)	346.90	352.50	357.40	358.00	358.60
SAFEX Sunflower seed (R/t)	3,902	4,015	-	3,960	-
SAFEX Soybean seed (R/t)	3,320	3,380	3,420	3,380	-

**Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)**

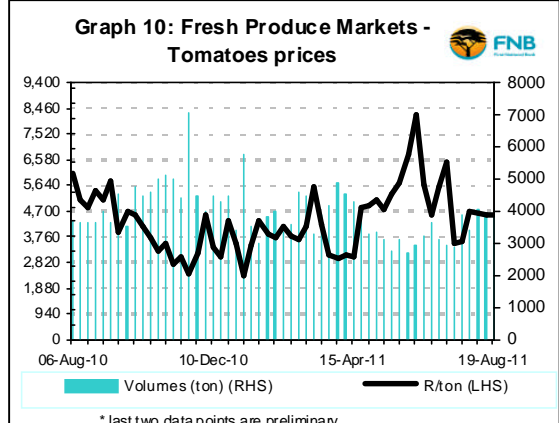
Sep-11			Dec-11			Mar-12		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
3,940	118	80	4,060	260	215			
3,900	97	99	4,020	238	233			
3,860	78	120	3,980	217	252			



**Vegetable Market Trends (Graphs 10 to 14)**

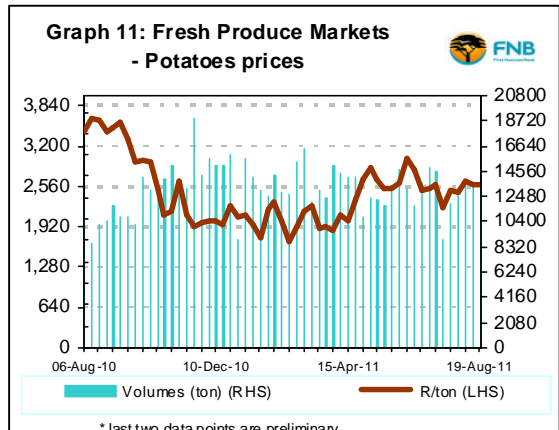
• **Tomatoes**

Tomato prices decreased marginally due to increased supplies on markets. Prices were down 1.8% w/w and 23.5% y/y, closing at R4,625/ton. Volumes traded reached 4,060 tons, up 20.2% w/w and 9.8% y/y. It is expected that prices will remain under pressure and weaken towards midmonth.



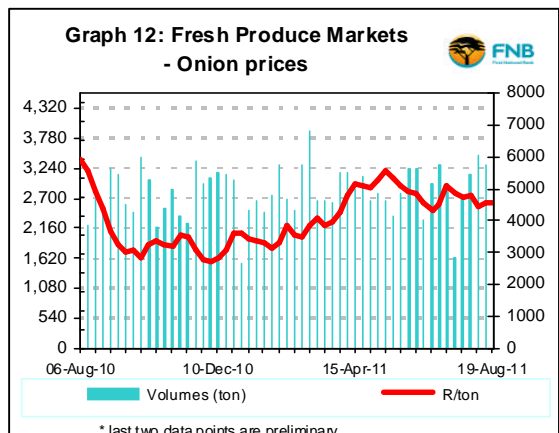
• **Potatoes**

Potato prices increased marginally due to good uptake on markets. Prices were up 7.5% w/w but down 22.8% y/y, closing the week at R2,652/ton. Volumes traded were up 4.5% w/w and 11.3% y/y closing at 13,647 tons. Prices are however expected to move sideways with some limited upward potential.



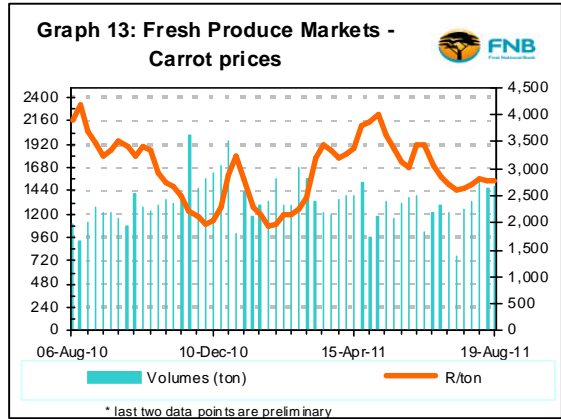
• **Onions**

Onion prices lost ground due to increased supplies on markets. Prices decreased to R2,562/ton, down 6.6% w/w and 24.7% y/y. Volumes traded were up 11.0% w/w and 17.8% y/y closing the week at 6,023tons. It is expected that prices will trend sideways to higher on moderation in supplies in the short term.



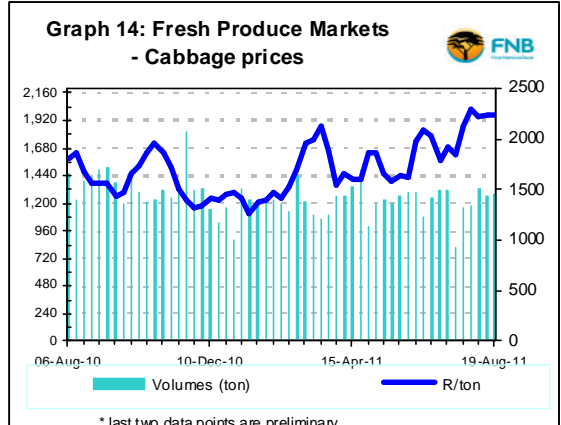
**Carrots**

Carrot prices increased due to good uptake on markets. Prices were up 3.7% w/w but down 27.5% y/y closing the week at R2,832/ton. Volumes traded reached 1,571 tons, up 17.9% w/w and 41.6% y/y. Prices are expected to maintain a firmer trend in the short term limited supplies on markets.



**Cabbages**

Cabbage prices decreased due to increased volumes on markets. Prices were down 3.8% w/w but up 22.9% y/y closing at R1,950/ton. Volumes traded reached 1,500 tons; up 11.8% w/w but down 9.4% y/y. Prices are expected to move sideways with some upward potential on moderation in supplies.



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

Week ending 05 August 2011	Average Price (R/t)	w/w	y/y	Total Volume (t)	w/w	y/y
Tomato	4,625	-1.8%	-23.5%	4060	20.2%	9.8%
Potato	2,652	7.5%	-22.8%	13647	4.5%	11.3%
Onion	2,562	-6.6%	-24.7%	6023	11.0%	17.8%
Carrot	2,832	3.7%	-27.5%	1571	17.9%	41.6%
Cabbage	1,950	-3.8%	22.9%	1500	11.8%	-9.4%

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

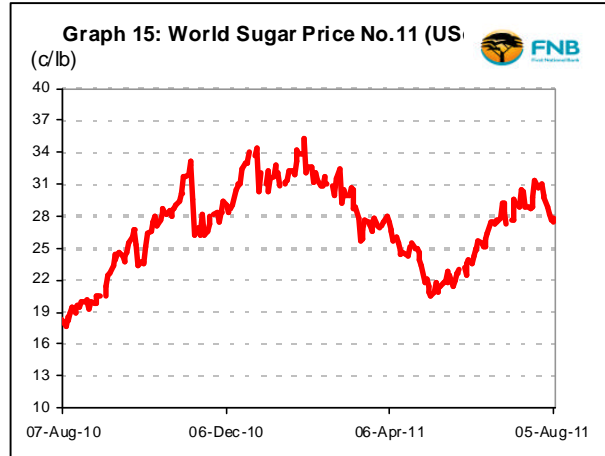


How can we help you?



**Sugar market trends (Graph 11)**

- International:** World sugar prices pulled back from recent gains despite strong fundamentals. Lingering concerns over harvest reduction in Brazil holds upward potential for prices in the medium term. Sugar futures fell sharply across the board. Weekly US ICE sugar futures (US c/lb): Raw sugar for Oct-11 delivery fell by 7.6% w/w at 27.54c/lb; Mar-12 fell by 6.9% w/w at 26.54c/lb; May-12 down 6.0% w/w at 25.39c/lb; Mar-13 down 2.4% w/w at 23.88c/lb; May-13 down 2.2% w/w at 23.18c/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% increase in the notional price that comes into effect in the declaration of the September 2011 RV Price.



ICE Sugar Futures 05 August 2011	Oct-11	Mar-12	May-12	July-12	Oct-12
Sugar No.11 (US c/lb)	27.54	26.54	25.39	24.60	24.09
% Change w/w	-7.6%	-6.9%	-6.0%	-4.9%	-3.6%

**Disclaimer:**

Although everything has been done to ensure the accuracy of the information, the Bank takes no responsibility for actions or losses that might occur due to the usage of this information.

