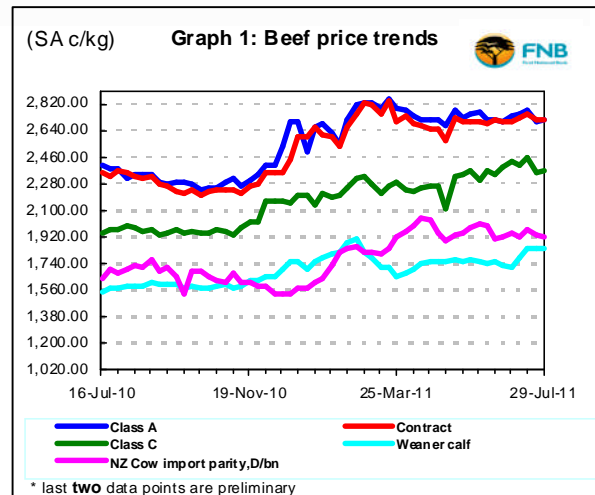


Beef market trends (Graph 1)

- International:** US lean boneless processing beef prices moved sideways under pressure due to moderate to heavy supplies. Market activity on imported beef was reportedly slow to moderate with prices trending higher due to improved demand and tight supplies. In the cattle market, slaughter cattle were reportedly low in the Northern states of the US due to improved production conditions, however herd liquidation continues in the Southern states due to drought. CME Feeder Cattle Index rose by 1.2% w/w and 23.4% y/y to close at \$139.12/cwt. In Australia, the young cattle indicator EYCI moved marginally higher on the back of reduced supplies across most markets. The indicator finished the week at Au\$3.76/kg, up 0.4% w/w and 7.3% y/y.
- Domestic:** Beef prices maintained a firmer trend on tight supplies. Weekly Class A beef closed at R27.73/kg, up 0.6% w/w and 15.2% y/y. Class C beef was up 2.1% w/w and 26.5% y/y at R24.58/kg. Contract Class A beef closed up 0.7% w/w and 16.8% y/y at R27.51/kg. Weaner calves continued to post strong gains due to renewed demand on markets. Weekly weaner calf prices closed at R18.43/kg, up 3.5% w/w and 18.9% y/y.
- OUTLOOK**
 Supplies of slaughter cattle have tightened up and will support price in the short term.

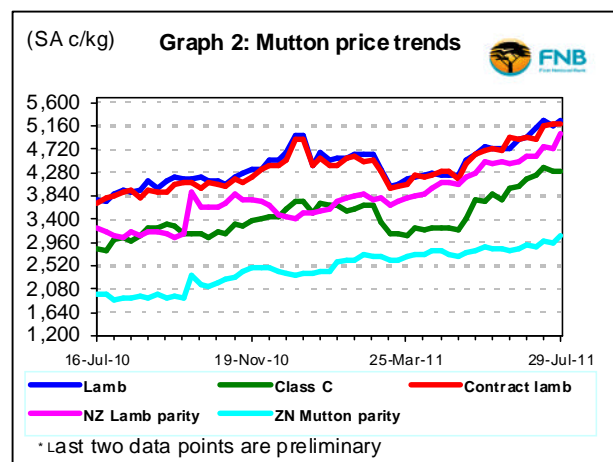


Mutton market trends (Graph 2)

- International:** Trade activity for US lamb cuts was reportedly slow to moderate with light to moderate demand and supplies. Lamb Carcass Cutout values ended marginally higher; up 0.1% w/w and 32.8% at \$369/cwt. Weekly slaughter numbers rose sharply for the week at 37,000 head, up 15.6% w/w but still down 14.0% y/y. In Australia, lamb prices eased lower under pressure due to increased supplies. Lamb supplies were reportedly up 16.0% w/w.
- Domestic:** Mutton prices continued to strengthen supported by tight supplies across markets. Weekly mutton prices closed at R43.74/kg, up 3.0% w/w and 53.9% y/y. Weekly Contract Class A lamb prices ended modestly higher at R51.58/kg, up 5.0% w/w and 39.4% y/y. Class A lamb prices finished modestly higher at R52.57/kg, up 2.8% w/w and 39.8% y/y. Weaner lamb prices maintained a strong trend supported by tight supplies across most markets. Weekly weaner lamb prices advanced by 0.9% w/w and 58.8% y/y to close at R28.50/kg live weight.

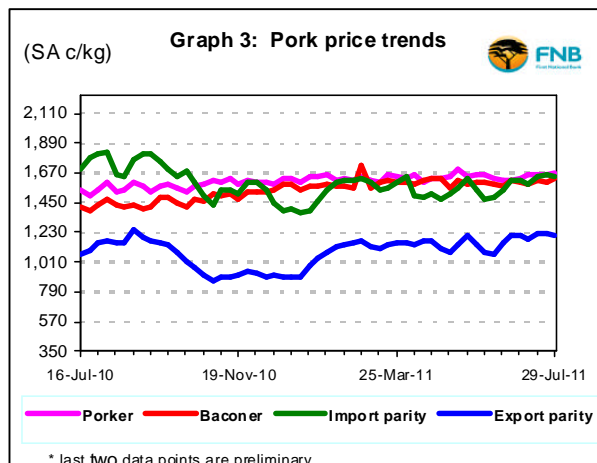
OUTLOOK

The market is expected to maintain the strong trend underpinned by tight supplies across most markets.



Pork market trends (Graph 3)

- International: US pork prices rebounded and finished higher on reduced supplies. Weekly ham prices advanced by 1.9% w/w and 8.2% y/y at \$79.73/ cwt. Carcass prices increased by 1.4% w/w and 20.1% y/y at \$98.22/cwt. Loins advanced by 2.2% w/w and 27.4% y/y at \$114.12/cwt. Rib cuts were the exception, falling by 0.5% w/w but up 28.3% y/y at \$148.01/cwt. Weekly slaughter number increased by 16.6% w/w and were 0.9% higher y/y at an estimated 2.02m head.
- Domestic: Prices ended mixed with baconers bottoming out and strengthened on tight supplies. Weekly porker prices closed at R16.52/kg, down 0.2% w/w and 6.0% y/y. Baconers advanced by 1.5% w/w and 14.0% y/y to close at R16.15/kg. Import parity prices closed 4.0% higher w/w on the back of a weaker Rand and better international prices. Monthly imports for May 2011 came in at 2,483 tons; up 18.6% y/y. Cumulative imports for the year to date were pegged at 17,571 tons, up 23.4% y/y.

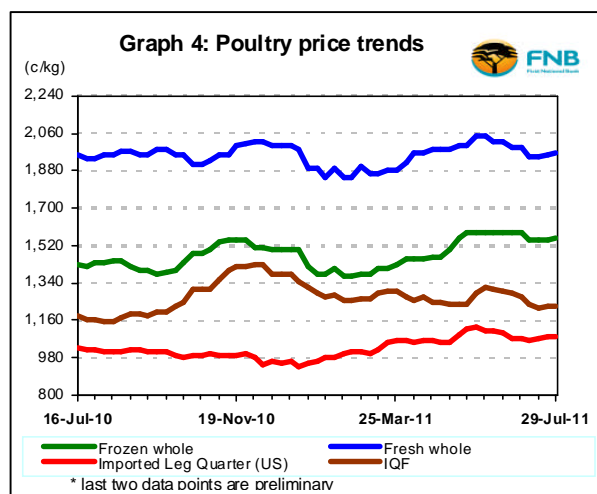


OUTLOOK

It is however expected that domestic prices will trend firm to lower in the short to medium term influenced by sluggish demand.

Poultry market trends (Graph 4)

- International: US domestic prices continued to trend lower across most categories with the exception of whole birds and leg quarters. Weekly leg quarter prices were up by 0.4% w/w and 19.5% y/y at US\$47.00/lb. Breast cuts were softer, closing down 0.8% w/w and 24.2% y/y. Whole birds advanced by 0.1% w/w but still down 0.9% y/y at 87.30c/lb. Wings advanced by 0.6% w/w, but still down 30.3% y/y at 84.80c/lb. Demand at retail and food service was reportedly light to good. US broiler egg sets and chick placements as of 09 July 2011 were reported down 5.0% and 4.0% y/y respectively. The estimated number available for marketing during the week ending 20-Aug-2011 came in at 154.7m head, down by 0.8% compared to the week earlier and 6.1% y/y.
- Domestic: Poultry prices were steady to lower under pressure due to increased volumes and sluggish demand. Weekly fresh whole bird prices were unchanged w/w at R19.51/kg, but still down 0.5% y/y. Medium frozen whole bird prices moved sideways at R15.45/kg, but still 8.4% higher y/y. The exception was IQF category, which continued to soften. Weekly IQF prices fell by 1.6% w/w to close at R12.19/kg, but still up 2.7% y/y. Import parity for poultry (LQ) moved slightly higher on the back of weaker Rand and better international prices. Weekly import parity prices increased by 1.6% w/w and 4.5% y/y.



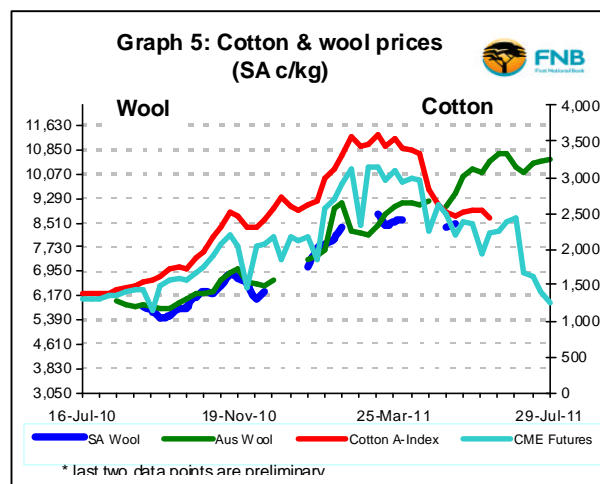
OUTLOOK

Prices are expected to retain downward potential in the medium term due to subdued demand and higher import volumes.

Producer prices for selected livestock commodities 15 July 2011	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	27.73	52.57	16.52	19.51
Open market: Class C / Baconer / Frozen whole birds(R/kg)	24.58	43.74	15.65	15.45
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	27.51	51.58	16.15	12.19
Import parity price (R/kg)	19.71	29.57	16.48	10.77
Weaner Calves / Feeder Lambs (R/kg)	18.43	28.50		

Wool and cotton market trends (Graph 5)

- International:** Cotton futures fell to new lows on the back a negative USDA outlook report. Lower demand added to the weaker tone. The USDA cut its outlook for China’s cotton imports for the 2011/12 season by 4.7% in anticipation for reduced demand due to higher interest rates. China’s central bank has raised interest rates three times this year to curb inflation and cool off overheated growth. World consumption estimate for 2010/11 declined by 577,000 bales with China accounting for the 500,000 bale decrease. World consumption for 2011/12 dropped by 2.2m bales to 116.7m. At country level, China's consumption estimate was reduced by 1.0m, India by 500,000, Pakistan by 250,000, and Turkey by 100,000 bales. Cotton for Oct-11 dropped by 13.0% w/w at 101.46c/lb; Dec-11 down 12.7% w/w at 99.46c/lb; Mar-12 down 11.2% w/w at 96.25c/lb; May-12 down 9.0% w/w at 95.89c/lb.
- Wool:** In Australia, the wool market rebounded and finished firmer for the week. The weekly market indicator EMI posted marginal gains of 0.1% w/w to close at A\$13.61/kg. This is 55.4% higher y/y.
- Domestic:** Cotton production has recovered after years of losing ground to competitive crops such as maize and sunflower. The 5th estimate for the 2010/11 production year came in at 94,599 lint bales, down 3% m/m but 123% higher y/y, according to Cotton SA. This is comprised of 90,599 lint bales estimated to be produced from RSA grown seed cotton and 4,000 lint bales from the Swaziland produced cotton.



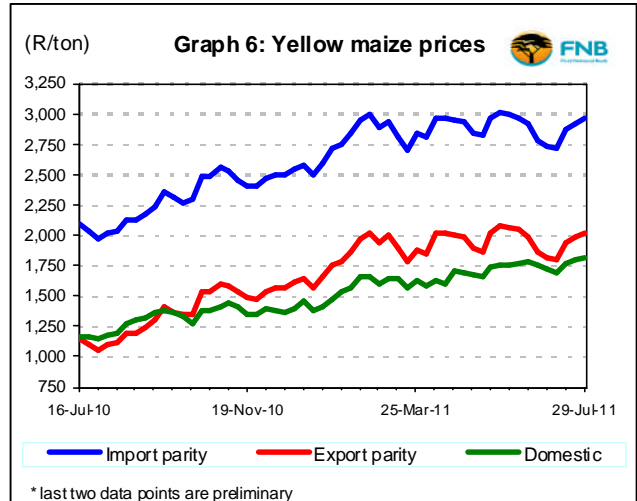
Fibre market prices 15 July 2011	SA prices (R/kg)	Australian prices (R/kg)	Australian futures Nov-11 (AU\$/kg)	Australian futures Jan-12 (AU\$/kg)
Wool market indicator (R/kg)	97.29	104.16		
19µ long length wool (R/kg)	127.81	122.22	15.25	14.88
21µ long length wool (R/kg)	101.35	105.90	13.00	12.70
23µ long length wool (R/kg)	-	93.61	11.00	10.70
	SA derived Cotton (R/kg)	New York A-Index (US\$/kg)	New York future Oct-11 (US\$/kg)	New York future Dec-11 (US\$/kg)
Cotton Prices (R/kg)	16.19	2.36	2.23	2.19

South Africa: Closing figures for the season



Yellow maize market (Graph 6)

- **International:** US yellow maize prices posted modest gains in response to a tighter than expected US and world supply and demand outlook. The USDA pegged US ending stocks for 2010/11 at 22.34m tons compared to 18.53 tons last month but below market expectations of 24.45m tons. The 2011/12 estimate came in at 22.09m tons with stock to use ratio of 6.4%. World ending stocks for 2011/12 season came in at 115.66m tons, up 111.89m tons from last month. Weekly Maize futures on Chicago: Maize for Sep-11 rose by 9.2% w/w at \$276/t; Dec-11 up 7.5% w/w at \$270/t; Mar-12 up 7.1% w/w at \$274/t; May-12 up 6.7% w/w at \$276/t.
- **Domestic:** Weekly yellow maize prices rebounded and closed higher supported by better CBOT prices and renewed Rand weakness. Yellow maize prices closed up 3.9% w/w and 51.9% y/y at R1,764/t. Yellow maize import parity price increased by 5.8% w/w and were 37.4% higher y/y. Weekly export sales for the week came in at 68,671 tons, bringing total sales for the new marketing season increasing to 152,058 tons. Weekly yellow maize futures on Safex: Yellow maize for Sep-11 delivery increased by 5.8% w/w (+R100/t); Dec-11 up 5.7% w/w (+R101/t); Mar-12 up 4.6% w/w (+R82/t); Jul-12 up 3.1% w/w (+R51/t).



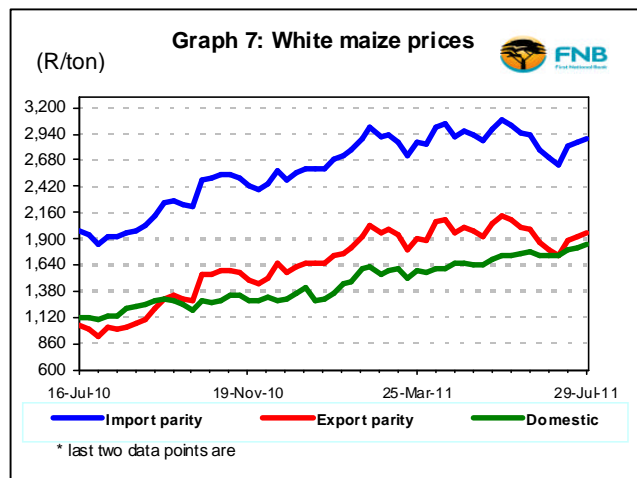
OUTLOOK

Prices are expected to trend higher in the short term due to renewed Rand weakness.

Yellow Maize Futures 15 July 2011	Sep-11	Dec-11	Mar-12	May-12	May-12			
CBOT (\$/t)	276.27	269.89	273.91	275.96	277.53			
SAFEX (R/t)	1,835	1,880	1,885	1,721	-			
CHICAGO CORN (R/t)	1,883	1,869	1,923	-	1,990			
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
1,880	110	65	1,920	179	139	1,920	204	169
1,840	87	82	1,880	157	157	1,880	182	187
1,800	68	103	1,840	136	176	1,840	160	205

White maize market trends (Graph 7)

- **International:** US white maize prices bottomed out and increased on the back of bullish USDA supply and demand report. Weekly average white maize prices increased by 6.8% w/w and 91.2% y/y to close at \$276/ton.
- **Domestic:** Weekly white maize prices finished the week slightly higher on the back of better CBOT prices and a weaker Rand. Weekly white maize prices increased by 2.9% w/w and 60.4% y/y to close at R1,785/ton. White maize import parity prices ended up 6.8% w/w and 41.8% y/y. Weekly white maize export sales came in at 41,538 tons and 492,231 for the season.



Cumulative maize sales for the season increased to 644,289 tons. White maize (WM) futures on Safex: White maize for Sep-11 delivery rose by 3.9% w/w (+R70/t); Dec-11 was up 3.9% w/w (+R71/t); Mar-12 up 3.1% w/w (+R57/t); Jul-12 up 4.9% w/w (+R81/t).

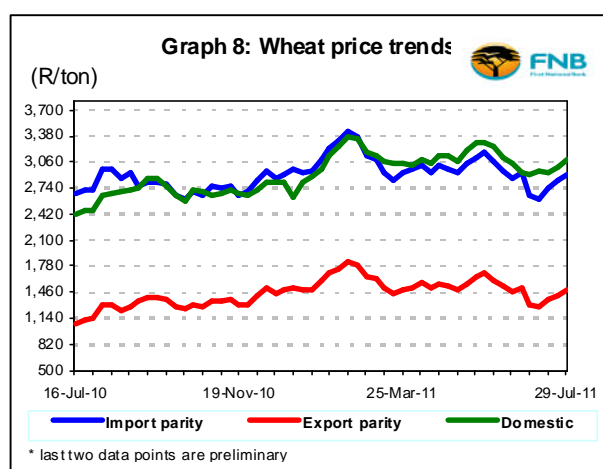
OUTLOOK

Prices are expected to trend higher in the short term due to renewed Rand weakness.

White Maize Futures 15 July 2011	Sep-11	Dec-11	Mar-12	May-12	Jul-12			
SAFEX (R/t) WM ₁	1,847	1,896	1,908	-	1,740			
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
1,880	93	60	1,940	156	112	1,940	216	184
1,840	71	78	1,900	133	129	1,900	194	202
1,800	52	99	1,860	113	149	1,860	173	221

Wheat market trends (Graph 8)

- International:** US Wheat prices continued to trend higher on spill over support from the maize market. US wheat production came in at 57.32m tons, up from 56m tons last month. Ending stocks for 2011/12 came in at 18.24m tons, down from 18.70m ton last month. Wheat futures on Kansas: Wheat for Sep-11 delivery rose by 5.1% w/w at \$281/t; Dec-11 up 4.7% w/w at \$290/t; Mar-12 up 4.5% w/w at \$295/t. Wheat futures on Chicago: Wheat for Sep-11 delivery rose by 6.8% w/w at \$255/t; Dec-11 up 11.1% w/w at \$266/t; Mar-12 up 9.2% w/w at \$277/t.



- Domestic:** Wheat prices eased slightly lower despite a weaker Rand. Weekly prices fell by 1.3% to close at R2,920/t, up 29.6% y/y. Wheat import parity prices increased modestly by 5.7% w/w and 20.3% y/y, largely due to better international prices. Weekly import sales came in at 39,951 tons and 1.36m tons for the 2011/12 season. Export sales were pegged at 3,876 tons and 123,232 tons for the season to date. Wheat futures on SAFEX: Wheat for Sep-11 delivery increased by 1.6% w/w (+R46/t); Dec-11 up 3.1% w/w (+R85/t); Mar-12 up 2.3% w/w (+R63/t).

OUTLOOK

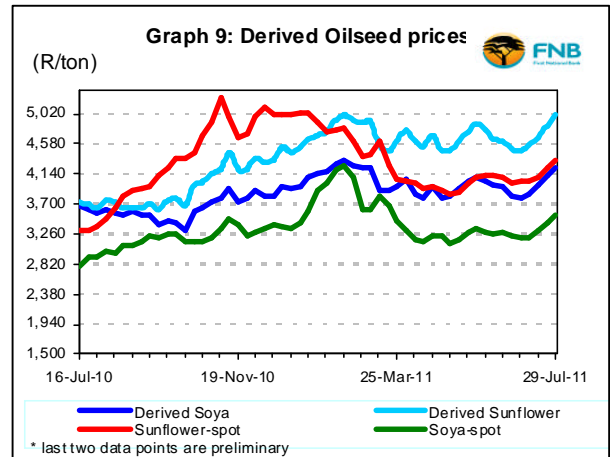
Prices are expected to strengthen influenced by a weakening Rand.

Wheat Futures 15 July 2011	Sep-11	Dec-11	Mar-12	May-12	Jul-12			
KCBT (\$/t)	274.11	280.91	290.18	295.42	297.62			
SAFEX (R/t)	2,920	2,883	2,791	2,840	-			
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
2,920	106	69	2,840	194	145	2,880	232	192
2,880	84	87	2,800	171	162	2,840	210	210
2,840	65	108	2,760	151	182	2,800	189	229



Oilseed market trends (Graph 9)

- International:** The US soybean complex posted slight gains on strength in maize and wheat markets. A weaker US dollar and dry weather outlook added to the firmer tone. US weekly soybean export sales were pegged at 656,200 tons (old and new crop), with old crop sales of 4,300 tons. Soybean complex on Chicago: For the week, soybean for Aug-11 delivery closed up 2.9% w/w at \$509/t; Nov-11 up 3.0% w/w at \$510/t; Jan-12 up 2.9% w/w at \$513/t. Soymeal (\$/short ton) for Aug-11 delivery closed up 13.8% w/w at \$360/t; Oct-11 up 14.4% w/w \$363/t; Jan-12 up 14.7% w/w at \$367/t. Soybean oil for Aug-11 closed up 0.1% w/w at 57.35c/lb; Oct-11 almost unchanged w/w at 57.78c/lb; Jan-12 almost unchanged w/w at 58.53c/lb.
- Domestic:** Oilseed prices traded on SAFEX ended firmer supported by better CBOT prices and a weaker Rand. Weekly sunflower prices advanced by 1.0% w/w at R4,083/t, up 23.1% y/y. Soybean prices increased by 0.6% w/w at R3,318/t, up 18.9% y/y. Weekly Sunflower futures on Safex: Sunflower for Sep-11 delivery closed down 0.5% w/w (-R22/t); Dec-11 was down 1.5% w/w (-R64/t). May-12 unchanged w/w. Weekly Soybean futures on SAFEX: Soybean for Sep-11 closed 2.3% higher w/w (+R75/t); Dec-11 was up 1.4% w/w (+R48/t); Mar-12 was up 1.8% w/w (+R61/t); May-12 was up 4.8% w/w (+R155/t).



OUTLOOK

Prices are expected to continue trend higher supported by renewed strength on international markets.

Oilseeds Futures 15 July 2011	Sep-11	Dec-11	Mar-12	May-12	Jul-12
CBOT Soybeans (US \$/t)	508.17	-	513.09	510.81	511.18
CBOT Soya oil (US c/lb)	57.56	58.26	58.78	58.86	59.01
CBOT Soya cake meal (US\$/t)	362.10	365.90	366.90	364.80	364.80
SAFEX Sunflower seed (R/t)	4,125	4,210	-	4,100	-
SAFEX Soybean seed (R/t)	3,390	3,426	3,375	3,350	-

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

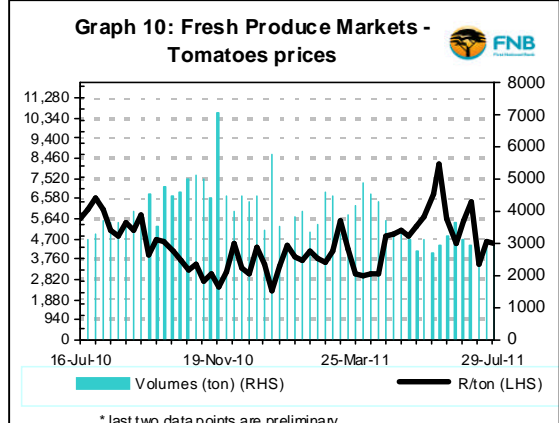
Sep-11			Dec-11			Mar-12		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
4,160	147	112	4,260	289	239	4,140	417	377
4,120	125	130	4,220	267	257	4,100	394	394
4,080	106	151	4,180	246	276	4,060	373	413



Vegetable Market Trends (Graphs 10 to 14)

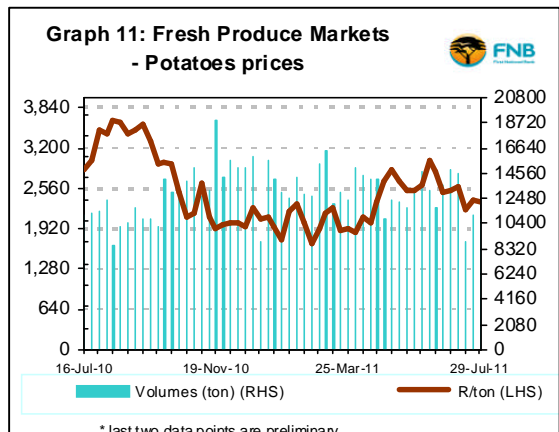
• **Tomatoes**

Tomato prices reversed recent gains due to limited uptake on markets. Prices were down 45.4% w/w and 37.0% y/y, closing at R3,533/ton. Volumes traded reached 2,877 tons, down 1.8% w/w and 15.8% y/y. Prices are however expected to firm slightly towards month end.



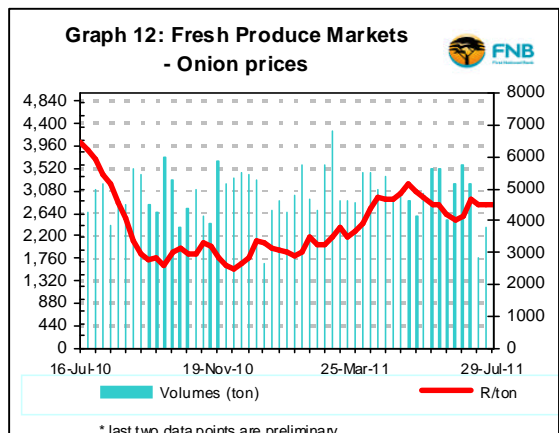
• **Potatoes**

Potato prices decreased marginally due to weak uptake on markets. Prices decreased by 14.0% w/w and 21.7% y/y, closing the week at R2,231/ton. Volumes traded were down 39.0% w/w and 19.7% y/y closing at 8,862 tons. Prices are however expected to move sideways with some upside potential during the month end period.



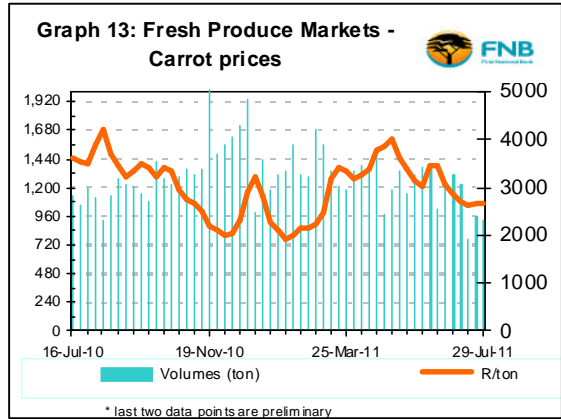
• **Onions**

Onion prices declined due to weak uptake on markets. Prices decreased to R2,804/ton, down 3.7% w/w and 30.5% y/y. Volumes traded were down 45.0% w/w and 24.4% y/y closing the week at 2,817 tons. Prices are expected to move sideways in the short term with limited upside potential.



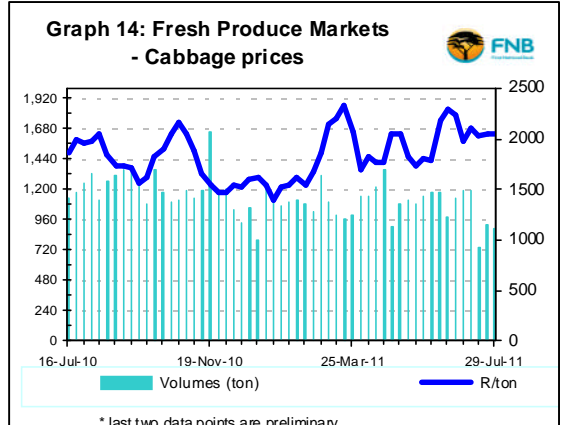
Carrots

Carrot prices continued to trend lower due to weak uptake on markets. Prices were down 3.5% w/w and 27.4% y/y, closing the week at R2,616/ton. Volumes traded reached 772 tons, down 36.7 % w/w and 31.4% y/y. Prices are expected to remain flat in the short term with limited upward potential in the medium term.



Cabbages

Cabbage prices tumbled influenced by weak uptake on markets. Prices were down 4.2% w/w but still up 9.4% y/y closing at R1,622/ton. Volumes traded reached 918 tons; down 38.4% w/w and 34.7% y/y. Prices are expected to move sideways with upward potential in the short term.



Vegetable prices: Fresh Produce Markets. (Average Pretoria, Bloemfontein, Johannesburg, Cape Town and Durban)						
Week ending 15 July 2011	Average Price (R/t)	w/w	y/y	Total Volume (t)	w/w	y/y
Tomato	3,533	-45.4%	-37.0%	2877	-1.8%	-15.8%
Potato	2,231	-14.0%	-21.7%	8862	-39.0%	-19.7%
Onion	2,804	-3.7%	-30.5%	2817	-45.0%	-24.4%
Carrot	2,616	-3.5%	-27.4%	772	-36.7%	-31.4%
Cabbage	1,622	-4.2%	9.4%	918	-38.4%	-34.7%

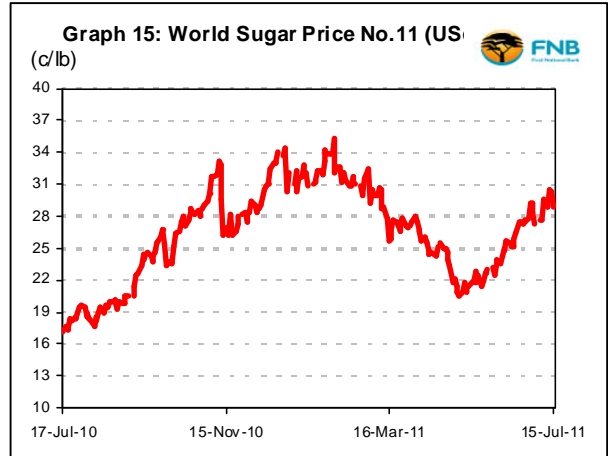
* Daily prices also available at <https://www.fnbagricomms.co.za>



How can we help you?

Sugar market trends (Graph 11)

- International:** World sugar prices continued to post strong gains on the back a disappointing Brazilian harvest and the seasonal increase in demand ahead of the Muslim holiday of Ramadan. Weather for Brazil's main centre-south sugarcane belt remains dry but favourable for harvesting in the southeastern areas. Private estimates are already projecting over 6% drop in production for the main centre-south area. Sugar futures were however down across the board. Weekly US ICE sugar futures (US c/lb): Raw sugar for Oct-11 delivery fell by 1.3% w/w at 28.97c/lb; Mar-12 down 1.8% w/w at 27.89c/lb; May-12 down 1.8% w/w at 26.47c/lb; Mar-13 down 2.3% w/w at 23.85c/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 R27.18/t m/m to R2,844.23/t. According to the Cane Growers Association, the main contributor to the increase was the higher world market price (23.84c/lb vs.20.94 c/lb) that was used to value the 87% of estimated export availability. The higher world sugar price significantly reduced the negative impact of higher sugar production and the lower sugar: RV ratio (94.84% vs. 94.85%) on the domestic price.



ICE Sugar Futures 15 July 2011	Oct-11	Mar-12	May-12	July-12	Oct-12
Sugar No.11 (US c/lb)	28.97	27.89	26.47	25.35	24.49
% Change w/w	-1.3%	-1.8%	-1.8%	-1.7%	-2.0%

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.

