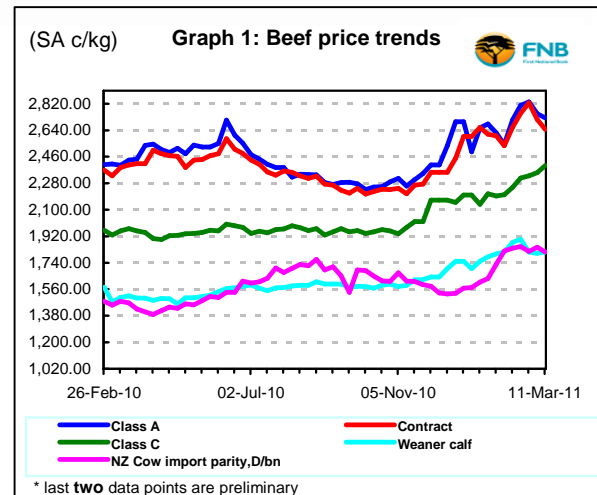


Beef market trends (Graph 1)

- International:** US domestic manufacturing beef prices eased lower on improved supplies and subdued demand. Market activity on imported beef was reportedly slow with prices mostly higher. In the futures market, CME cattle feeder index ended marginally lower by 0.1% w/w, but up 27% y/y. Cattle slaughtered were reported down 1.4% w/w, but up 0.9% y/y. In Australia, cattle prices continued to strengthen despite improved volumes. This saw the Eastern Young Cattle Indicator (EYCI) closing at a record 395.75 cents, up 0.5% w/w and 17.1% y/y.
- Domestic:** Beef prices continued the trend higher on the back of tight supplies and improved uptake across most markets. Weekly Class A, Class C and Class A contract beef prices were at a record high for February, closing at R28.34/kg, R23.29/kg and R28.28/kg respectively. Weaner calf prices on the other hand softened slightly to end the week at R18.12/kg live weight, which is still up 15% y/y.
- Meanwhile, an outbreak of Foot-and-mouth disease (FMD) was reported in the KwaZulu-Natal province putting at risk the country's FMD free status. FMD disease is a highly communicable disease that affects cattle, pigs, sheep, goats, and other animals. The agriculture ministry hopes to have the disease under control and further placed an immediate ban on the export of all cloven-hoofed animals (including cattle, goats and sheep) and their products - with the exception of those products that have been fully processed to inactivate the virus. Losses from the export ban could run into billions of rand, mainly raw hides and skins, red meat and live animals and wool.

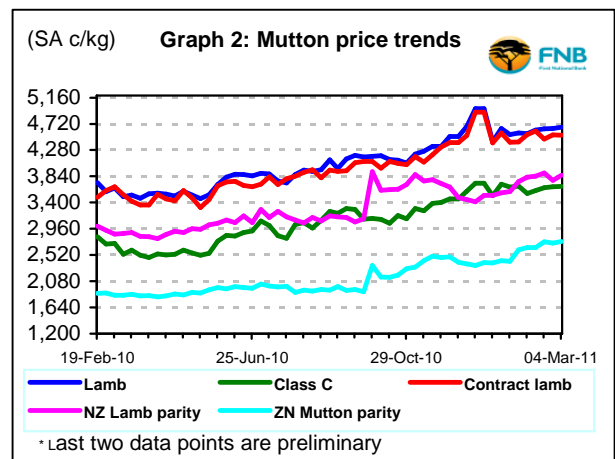


OUTLOOK

The rallying beef market is due for a correction of about 7% but still be a bull market in the medium term as Easter holidays draws nearer.

Mutton market trends (Graph 2)

- International:** US domestic slaughter lambs were mostly firm to higher. Slaughter ewes on the other hand eased lower. Feeder lamb prices continued to trend higher. Weekly sheep slaughter number came in at 37,000, down 2.6% w/w and 15.9% y/y. The Australian lamb and sheep market posted strong gains with prices up across most categories due to strong demand.
- Domestic:** Lamb and mutton prices ended firmer on good demand on markets. Weekly Class A lamb, Class Cs and Contract Class A lamb closed at R46.46/kg, R36.64/kg and R45.34/kg respectively. Feeder lamb prices continued to soften, closing down 0.8% w/w at R21.17/kg live weight. This is however still 38% higher y/y.

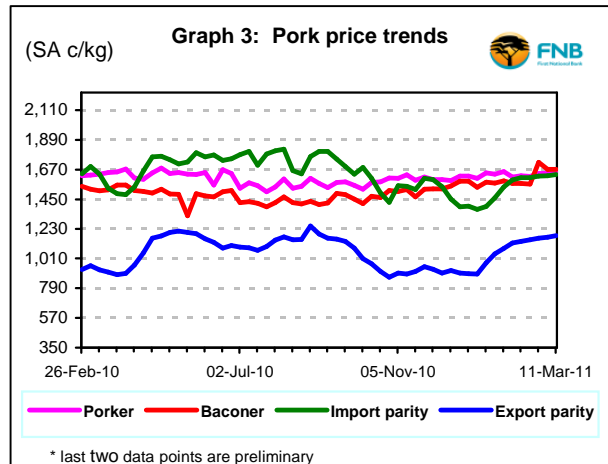


OUTLOOK

Lamb and mutton prices are still expected to remain at firmer levels with further upward potential due to tight supplies.

Pork market trends (Graph 3)

- **International:** US pork prices bottomed out and strengthened across most categories due to improved demand. Ribs were however the exception, closing down 3% w/w. Weekly carcass and ham prices were up 3% respectively w/w. Loins closed 2% higher w/w. The estimated number of pigs slaughtered came in at 2.18m, up 0.9% w/w but still down 2.4% y/y.
- **Domestic:** Local porker and baconer prices posted good gains supported by improved uptake on markets. Weekly porker and baconer prices finished the week at R16.41/kg and R17.25/kg respectively, up 1% and 12% y/y. Import parity prices ended 1% higher w/w, mainly due to higher international prices.

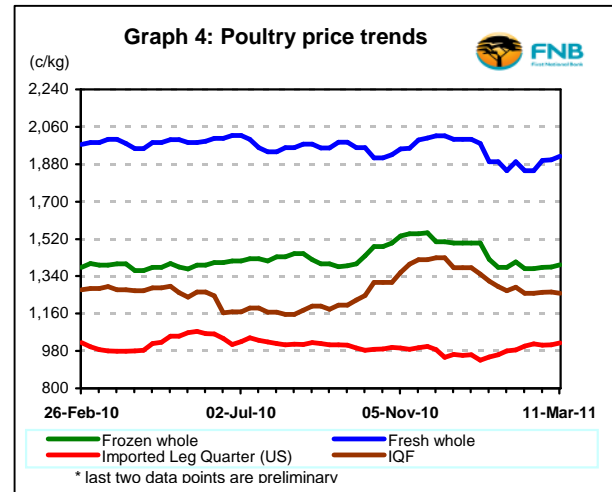


OUTLOOK

Domestic porker and baconer prices are expected to move sideways in the short term.

Poultry market trends (Graph 4)

- **International:** US domestic prices maintained a firmer trend across most categories on moderate demand and limited supplies. Meanwhile, the USDA projected an increase in exports up to 2012 due to strong demand in most markets. The exception will be Russia, the EU-27 and Japan, while Brazil is expected to remain the largest exporter of poultry products due to low production costs and competitive export prices.
- **Domestic:** Poultry prices ended slightly firmer. Weekly frozen whole birds, fresh whole birds and IQF closed at R13.75/kg, R18.48/kg and R12.58/kg respectively. Meanwhile, cost pressures will start manifesting as fuel prices continue to increase. However on the feeding side, there was a reprieve as maize prices pulled back from the recent highs. Maize prices dropped 2.7% w/w but almost 40% y/y. Import parity prices continued trending higher, mainly due to a stronger Rand.



OUTLOOK

Domestic poultry prices are expected to trend sideways with some upward potential towards Easter..

Producer prices for selected livestock commodities 25 February 2011	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	28.34	46.46	16.41	18.98
Open market: Class C / Baconer / Frozen whole birds(R/kg)	23.29	36.64	16.20	13.82
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	28.28	45.34	17.25	12.63
Import parity price (R/kg)	18.17	27.18	16.22	10.08
Weaner Calves / Feeder Lambs (R/kg)	18.13	21.17		

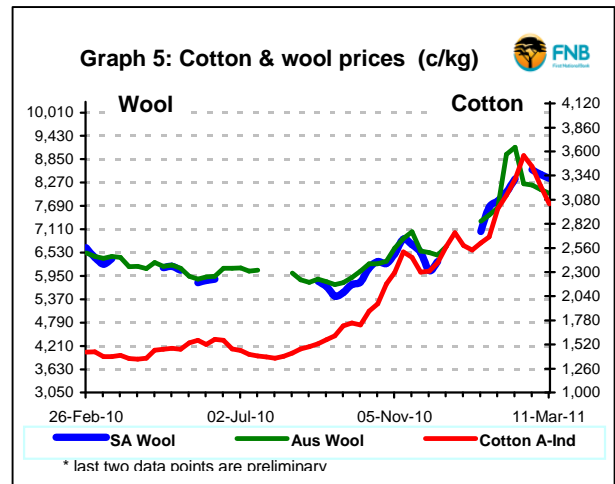
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How can we help you?

Wool and cotton market trends (Graph 5)

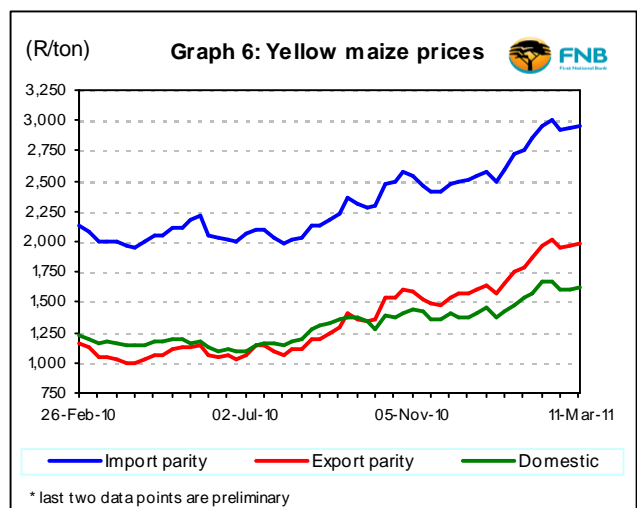
- International: US Cotton prices trended lower throughout the week and closed at 219.51 US c/lb, down 1.3% w/w but still up 159.7% y/y. Cotton ICE futures: Cotton for May-11 delivery was down 5.5% w/w at 184.23c/lb, Jul-11 down 5.9% w/w at 175.59c/lb, Oct-11 down 2.9% w/w at 148.09c/lb. Wool market: In Australia, the wool market posted solid gains on strong demand. This saw the weekly market indicator EMI at a 20 year record of A\$12.86/kg, which is up 13.4% w/w and 40% y/y.
- Domestic: Domestic wool market maintained the uptrend which saw the weekly market indicator reaching a new seasonal record of R85.89/kg clean wool, which is up 2.8% compared to the last sale two weeks ago. This is 30.3% and 49% higher compared to the current season's average and the opening sale respectively. This trend is expected to continue in the medium to longer term due to tight global supplies and improving global demand. Major buyers were Standard Wool SA with 4,124 bales(38.2%), G Modiano SA with 2,283 bales (21.2%), Stucken & Co with 1,989 bales (18.4%), and Lempriere SA with 1,309 bales (12.1%). Sales reached 98% of the 10,787 bales sold.



Fibre market prices 25 February 2011	SA prices (R/kg)	Australian prices (R/kg)	Australian futures Jul-11 (AU\$/kg)	Australian futures Sep-11 (AU\$/kg)
Wool market indicator (R/kg)	85.89	82.06		
19µ long length wool (R/kg)	114.25	116.27	14.73	14.35
21µ long length wool (R/kg)	86.72	83.80	10.25	10.08
23µ long length wool (R/kg)	-	76.56	9.08	8.85
	SA derived Cotton (R/kg)	New York A-Index (US\$/kg)	New York future Jul-11 (US\$/kg)	New York future Oct-11 (US\$/kg)
Cotton Prices (R/kg)	34.48	4.83	3.86	3.26

Yellow maize market (Graph 6)

- International: US yellow maize prices weakened as global economic concerns linked to unrest in Libya encouraged traders to reduce risk in agricultural markets. However strong export demand and a weaker US dollar helped limit losses. US export sales were impressive, reported at 1.5m for the 2010/11 marketing year. Meanwhile, USDA projected US planting area for maize to reach 37.3m hectares which is higher than market expectations. Total US maize for 2011 was projected at 349m tons, up 10.5% y/y. CBOT maize for May-11 delivery closed 4% higher w/w, Jul-11 up 4% w/w, Sep-11 up 3% w/w.
- Domestic: Yellow maize prices declined on the back of a stronger Rand and the spill over weakness from the international market. Weekly yellow maize prices were down 4% w/w, closing at R1,598/ton which is still 31% higher y/y. Yellow maize import parity weakened, closing 27% lower w/w, but still 38% higher y/y. Weekly yellow maize export sales dropped sharply during the week ended 18-Feb-2011, coming in at 2,273 tons.



Cumulative yellow maize export sales for the season to date reached 843,767 tons. The production estimate for yellow maize crop was pegged at 4.68m tons, down 6% y/y with planted area declining to 965,000ha (-5.64%/y/y) according to the latest CEC report. Weekly yellow maize on Safex futures: May-11 closed down 2.7% w/w (-R45/t), Jul-11 was down 2.4% w/w (-R41/t), Sep-11 down 2% w/w (-R34/t).

OUTLOOK

Uncertainty regarding the direction of world economy will continue to keep the markets under downward pressure.

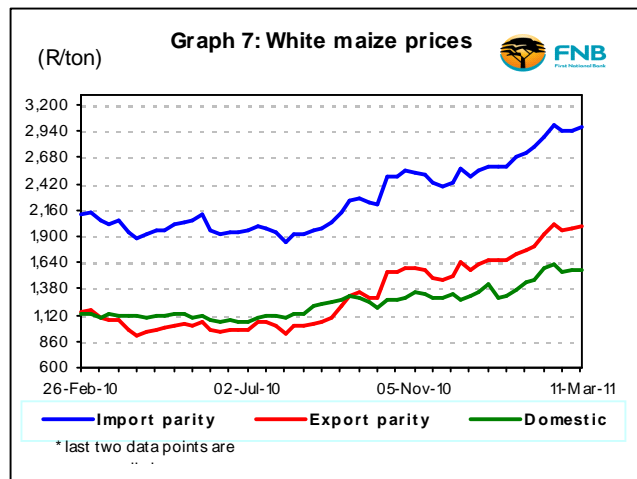
Yellow Maize Futures 25 February 2011	May-11	Jul-11	Sep-11	Dec-11	Mar-12
CBOT (\$/t)	284.47	286.28	254.52	237.03	240.42
SAFEX (R/t)	1,636	1,672	1,703	1,754	-
CHICAGO CORN (R/t)	-	1,985	1,800	1,699	-

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

May-11			Jul-11			Sep-11		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
1,720	108	60	1,740	156	119	1,800	198	152
1,680	85	77	1,700	133	136	1,760	175	169
1,640	65	97	1,660	113	156	1,720	153	187

White maize market trends (Graph 7)

- International: US white maize prices eased lower on sell-off in agricultural commodity markets related to unrests in the Middle East. Weekly prices ended marginally lower by 0.9% w/w to close at \$277/ton, which is almost 79% higher y/y.
- Domestic: White maize prices posted modest losses on the back of a stronger Rand and weakness on international markets. Weekly white maize prices closed down 4.1% w/w at R1,551/ton. but still 37% higher y/y. White maize import parity decreased by 2.4% w/w, but still up 39% y/y. Weekly export sales for the week ended 18-Feb 2011 were pegged at 24,297 tons, bringing total white maize sales for the season-to-date at 633,403 tons. Total country maize sales (YM+WM) reached 1.48m tons. The area under maize came in sharply lower by 13.1% y/y at 2.4m hectares according to the first estimate report. The expected commercial crop was estimated at just over 11m tons, down 13.8% y/y. Nonetheless, this is still a large crop given the high carry over stock. Production of white maize drops by 18.7% to 6.4m tons. Planted area decreased by 17.6% to 1.4m ha. White maize (WM) futures on Safex: May-11 closed down 3.6% w/w (-R60/t), Jul-11 down 2.8% w/w (-R47/t), Sep-11 was down 2.7% w/w (-R46/t), Dec-11 down 2.2% w/w (-R38/t).



• **OUTLOOK**

Uncertainty regarding the direction of world economy will continue to keep the markets under downward pressure.

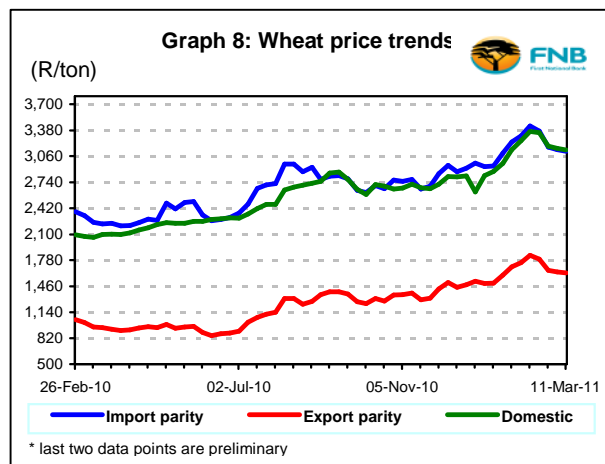


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White Maize Futures 25 February 2011	May-11	Jul-11	Sep-11	Dec-11	Mar-12			
SAFEX (R/t) WM ₁	1,590	1,625	1,658	1,710	-			
Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
May-11			Jul-11			Sep-11		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
1,640	108	58	1,660	136	101	1,700	186	144
1,600	85	75	1,620	113	118	1,660	163	161
1,560	65	95	1,580	93	138	1,620	142	180

Wheat market trends (Graph 8)

- International:** Wheat prices continued to weaken due to demand concerns associated with the continuing unrest in Libya and protests throughout the North African and the Middle East regions. Meanwhile, the USDA projected a lower planted area for US wheat at 21.71m hectares, which is down 9.5% compared to the previous season. Production was projected at 60m tons. Exports were however ramped up by 48% to 35.4m tons due to an expected increase in demand especially for higher quality wheat. Wheat futures on KCBT: Wheat for May-11 delivery closed up 3.4% w/w, Jul-11 was up 3.4% w/w, Sep-11 up 3.8% w/w. Wheat futures on CBOT: May-11 rose by 3.4% w/w, Jul-11 was up 3.8% w/w, Sep-11 up 4.1% w/w.



- Domestic:** Domestic wheat prices declined in unison with their international counterparts with the appreciating Rand adding further pressure. Wheat prices on SAFEX posted modest losses and closed at R3,188/ton, down 4.9% w/w but still 53% higher y/y. Wheat import parity prices declined by 6% w/w, but still up 41% y/y. Weekly export sales for the week ended 18-Feb-2011 slowed further to 2,054 tons, down 10% w/w. The total export sales for the season reached 60,410 tons. Weekly imports were pegged at 72,838 tons, up 61% w/w and bringing total imports for the season to date to 666,957 tons. Wheat futures on SAFEX continued to trend lower: wheat for May-11 delivery closed down 6.4% w/w (-R216/t), Jul-11 was down 6.5% w/w (-R220/t), Sep-11 down 5.5% w/w (-R187/t), Dec-11 down 5.3% w/w (-R167/t).

OUTLOOK

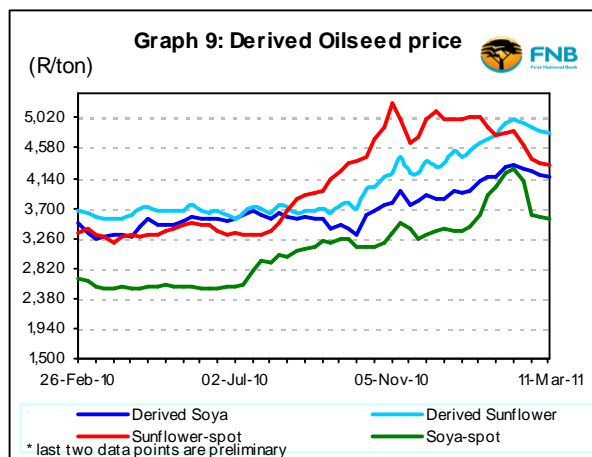
Prices are expected to remain under pressure as the ongoing political unrest produces an uncertain future for the global economy and demand for commodities.

Wheat Futures 25 February 2011	May-11	Jul-11	Sep-11	Dec-11	Mar-12			
KCBT (\$/t)	330.33	334.00	339.24	344.66	-			
SAFEX (R/t)	3,137	3,170	3,191	3,000	-			
Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
May-11			Jul-11			Sep-11		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
3,180	151	108	3,220	175	125	3,240	201	152
3,140	129	126	3,180	153	143	3,200	179	170
3,100	109	146	3,140	132	162	3,160	158	189



Oilseed market trends (Graph 9)

- **International:** US soybean prices remained under pressure and weakened due to improved production conditions in South America and harvest pressure in Brazil. Soymeal and soyoil declined in unison with soybeans. Weekly soybean, soymeal and soyoil prices closed 2.6%, 2.6% and 2.6% lower respectively w/w. Futures on CBOT: Soybean for May-11 delivery closed up 3% w/w, Jul-11 was up 3% w/w; Soymeal futures for May-11 deliver was up 2% w/w, Jul-11 up 2% w/w; Soyoil for May-11 delivery was up 3% w/w, Jul-11 up 3% w/w.
- **Domestic** Oilseed prices traded on SAFEX continued to trend lower due to the combined influence of the lower international prices and a stronger Rand. Higher crop estimate numbers added to the bearish tone. Soybeans were the biggest losers, dropping 11.8% w/w to close at R3,609/ ton. This is however still 35% higher y/y. Weekly sunflower prices closed down 4.3% w/w at R4,409/ ton, but still 32% higher y/y. Crop Estimates: The First Crop Estimates Committee report for the 2010/11 production season pegged the expected sunflower seed crop at 808,420 tons, up 64.98% (+490,000t) compared to the previous season. Area under sunflower seed is estimated at 619,700ha, up 55.8% (+397,700ha) from the previous season. The soybean crop was posted at 729,050 tons, up 28.81% y/y (+566,000t). Area under soybeans increased by 34.2% y/y to 311,450ha. Soybean futures on SAFEX: May-11 was down 3.9% w/w (-R137/t), Jul-11 was down 3.3% w/w (-R120/t), Sep-11 down 4% w/w (-R144/t), Dec-11 down 2.7% w/w. Sunflower futures on Safex: May-11 closed down 4.9% w/w (-R219/t), Jul-11 up 4.4% w/w (-R200/t).



OUTLOOK

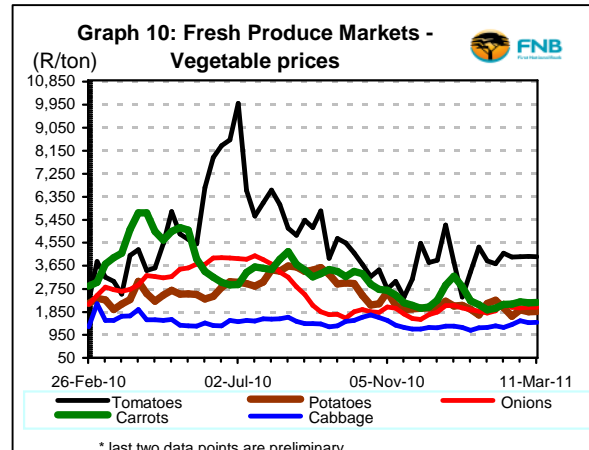
Domestic prices are expected to ease somewhat in the short term due to weakness on international markets.

Oilseeds Futures 25 February 2011	May-11	Jul-11	Sep-11	Dec-11	Mar-12			
CBOT Soybeans (US \$/t)	501.40	504.27	492.51	-	487.07			
CBOT Soya oil (US c/lb)	57.33	57.86	58.16	58.16	58.16			
CBOT Soya cake meal (US \$/t)	361.90	364.10	355.10	347.20	346.70			
SAFEX Sunflower seed (R/t)	4,221	4,315	-	-	-			
SAFEX Soybean seed (R/t)	3,400	3,470	3,476	3,562	-			
Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
May-11			Jul-11			Sep-11		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
4,260	153	114	4,360	372	327	4,260	153	114
4,220	131	132	4,320	350	345	4,220	131	132
4,180	112	153	4,280	328	363	4,180	112	153



Vegetable market trends (Graph 10)

- Tomatoes**
 Tomato prices increased marginally due to good uptake on markets. Prices increased by 0.5% w/w and 76.5% y/y, closing at R4,005/ton. Volumes traded reached 4,563 tons, up 26.8% w/w but down 16.3% y/y. Prices are however expected to weaken slightly during midmonth.
- Potatoes**
 Potato prices increased sharply due to good uptake on markets. Prices were up 15.1% w/w but down 11.4% y/y, closing at R1,931/ton. Volumes traded surged by 20.3% w/w but and 26.8 % y/y reaching 15,234 tons. Prices are however expected to move sideways with some upside potential due to moderation in supplies.
- Onions**
 Onion prices declined marginally due to poor uptake on markets. Prices decreased to R2,008/ton, down 1.4% w/w and 6.2% y/y. Volumes traded were up 32.7% w/w and 37.1% y/y reaching 5,718 tons. Prices are however expected to trend sideways due to higher volumes.
- Carrots**
 Carrot prices increased slightly due to good uptake on markets. Prices were up 3.7% w/w but down 21.4% y/y closing at R2, 243/ton. Volumes traded reached 1,688tons, up 31.1% w/w and 28.2% y/y. Prices are expected to strengthen due to limited supplies on markets.
- Cabbages**
 Cabbage prices increased sharply due to good uptake on markets. Prices were up 11.3% w/w and 18.5% y/y closing at R1,496/ton. Volumes traded reached 1,642tons; up 28.8% w/w and 10.5% y/y. It is expected that prices will firm slightly on improved uptake and limited supplies.



Vegetable prices: Fresh Produce Markets. (Average Pretoria, Bloemfontein, Johannesburg, Cape Town and Durban)						
Week ending 25 February 2011	Average Price (R/t)	w/w	y/y	Total Volume (t)	w/w	y/y
Tomato	4,005	0.5%	76.5%	4563	26.8%	-16.3%
Potato	1,931	15.1%	-11.4%	15234	20.3%	26.8%
Onion	2,008	-1.4%	-6.2%	5718	32.7%	37.1%
Carrot	2,243	3.7%	-21.4%	1688	31.1%	28.2%
Cabbage	1,496	11.3%	18.5%	1642	28.8%	10.5%

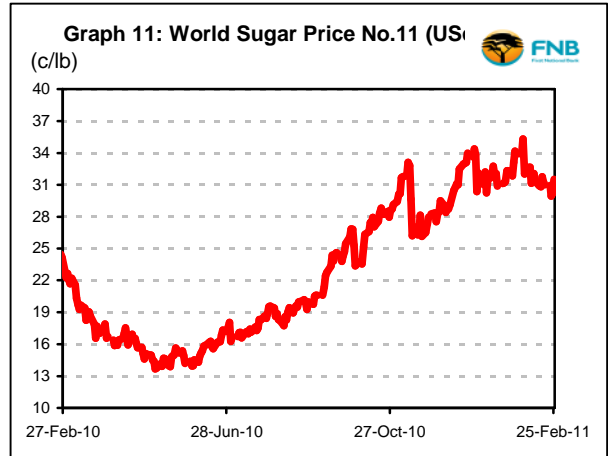
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Sugar market trends (Graph 11)

- International:** World sugar prices continued to soften after posting sharp gains in January and early February 2011. Weekly prices closed 1.6% lower w/w at 30.66 US c/lb, which is still up 24.8% y/y. Weekly US ICE sugar futures (USc/lb): May-11 closed 3.3% lower w/w at 29.39c/lb, Jul-11 down 2% w/w at 27.13c/lb, May-12 down 3.3% w/w at 22.72c/lb.
- Domestic:** On the domestic market, the monthly 2010/11 RV (Recoverable Value) price, a measure of the value of the sugar and molasses that will be recovered from the sugarcane delivered by the individual grower, was declared at R2,550.20/ton during January 2011, down 0.2% (R4.35/t) compared to December. The weaker trend is attributable to lower sugar production, which dropped by 1,800 tons, the lower sugar: RV ratio (93.02% versus 93.14%) and the lower weighted average world market price.



ICE Sugar Futures 25 February 2011	May-11	Jul-11	Oct-11	Mar-12	May-12
Sugar No.11 (US c/lb)	29.39	27.13	25.21	24.36	22.72
% Change w/w	-3.3%	-2.0%	-2.1%	-2.3%	-3.3%

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