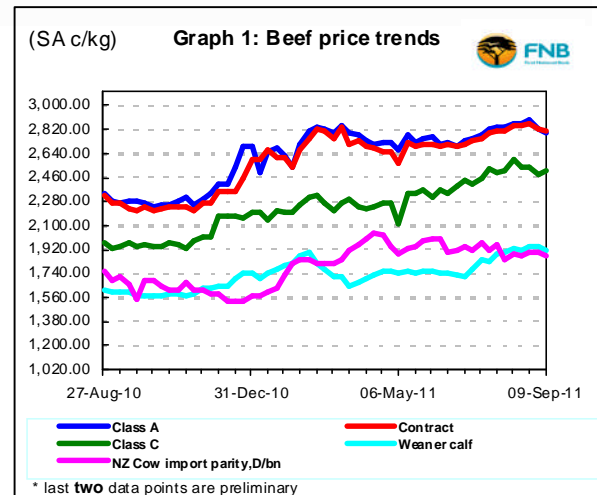


Beef market trends (Graph 1)

- International:** US lean boneless processing beef prices were steady to firmer supported by moderate demand. Market activity on imported beef was reportedly slow with prices mostly lower under pressure due to a weaker US dollar and lower domestic prices. Boxed beef cutout prices ended mixed with the Choice beef category ending firmer (+1.2% w/w) and Select category easing lower (-0.3% w/w). In the cattle market, CME Feeder Cattle Index fell by 0.6% w/w/ at \$133.60/cwt but still 16.5% higher y/y. In Australia, supplies were reportedly tight due to rains across most areas. The benchmark young cattle indicator EYCI finished up 1.4% w/w and 6.3% y/y at Au\$3.91/kg. Out of New Zealand, beef exports were reportedly slow due to tight seasonal supplies and weak demand.
- Domestic:** Beef prices ended steady to firmer on improved demand towards month end. Weekly Class A beef closed at R28.90/kg, up 0.7% w/w and 23.7% y/y. Contract Class A beef closed up 0.4% w/w and 23.0% y/y at R28.64/kg. Class C beef rebounded to close 0.2% higher w/w and 28.9% y/y at R25.41/kg. Weaner calves prices finished slightly higher on limited supplies. Weekly weaner calf prices advanced by 1.4% w/w and 20.4% y/y to close at R19.38/kg.

OUTLOOK

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

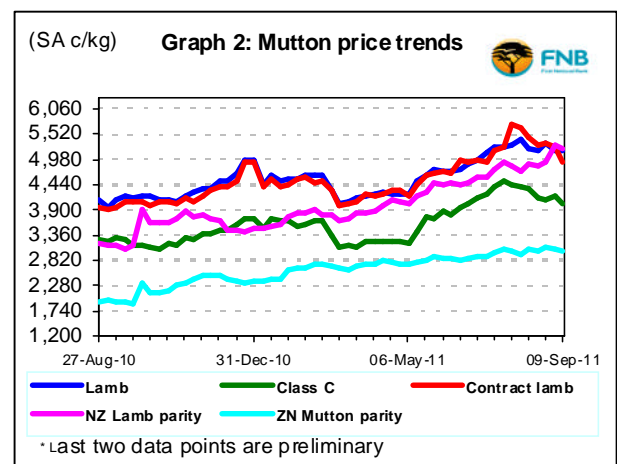


Mutton market trends (Graph 2)

- International:** US lamb carcass values were mixed, with the heavier categories mostly steady to firmer. The estimated carcass cutout price finished up 1.0% w/w and 40.1% y/y at \$380.42/cwt. Weekly number slaughtered was pegged at 37,000 head, unchanged compared to the previous week but still down 7.5% y/y. New Zealand lamb (NZ17.5kg) moved marginally higher by 0.1% w/w at NZ\$127.6/head, which is 31.0% higher y/y. Australian lamb market continued to post modest gains with larger increase reportedly in the light and merino lamb categories.
- Domestic:** The domestic lamb and mutton market rebounded and ended higher across the board. Weekly Class A lamb prices closed at R53.07/kg, up 2.9% w/w and 28.9% higher y/y. Contract Class A lamb closed at R53.26/kg, up 0.5% w/w and 35.0% higher y/y. Mutton prices came in at R43.11/kg, up 4.0% w/w and 32.6% higher y/y. Weaner lamb prices eased lower despite higher carcass prices due to reduced demand. Weekly weaner lamb prices closed at R28.67/kg live weight, down 1.7% w/w but still 45.1% higher y/y.

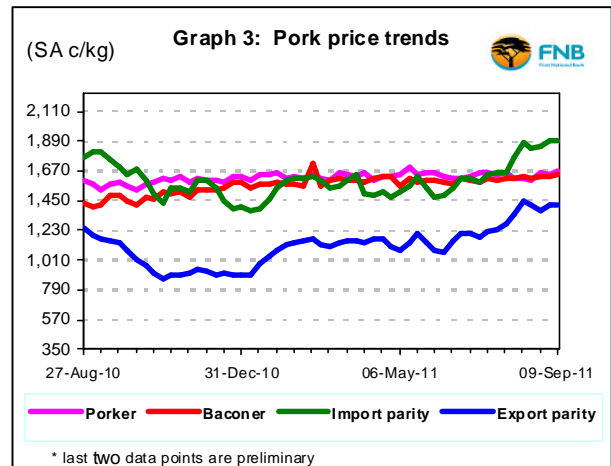
OUTLOOK

The weaner lamb market is expected to moderate somewhat in the short term, but still 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 0.1% w/w but still up 8.7% y/y at \$86.56/ cwt. Carcass prices fell by 3.5% w/w at \$125.12/cwt, but up 9.5% on a y/y basis. Loins fell by 3.2% w/w at \$129.29/cwt but still up 13.0% y/y. Rib cuts fell by 5.4% w/w at \$146.09/cwt, up 4.6% y/y.
- Domestic: Porker and baconer prices were firm to modestly higher on improved demand towards month end. Weekly porker closed at R16.50/kg, up 3.2% w/w and 3% y/y. Baconers closed at R16.33/kg, up 0.9% w/w and 14% y/y. Import parity prices ended firmer on the back of a weaker Rand. Weekly import parity prices closed up 0.7% w/w and 5% y/y.

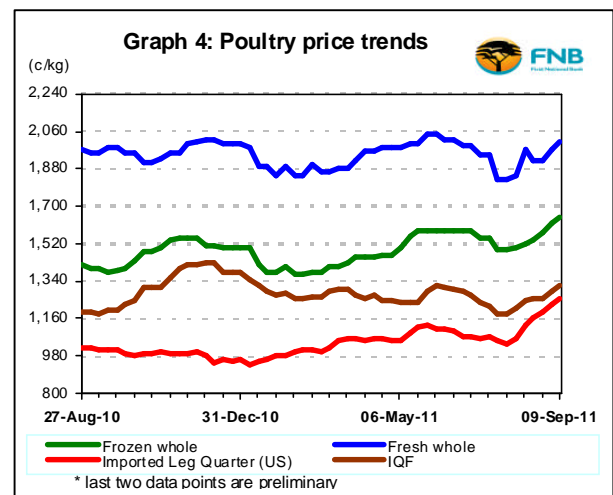


OUTLOOK

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 firm to modestly higher across most categories. Weekly leg quarter prices rose by 3.0% w/w and 30.0% y/y, closing at US\$2.00/lb. Breast cuts were firmer, up 0.6% w/w at 85.20c/lb, but still down 21.9% y/y. Whole birds were firmer at 88.20c/lb, up 0.3% w/w and 0.5% y/y. Demand at retail and food service was reportedly light to moderate. Market activity was reportedly slow to moderate due to supply concerns as a result of bad weather conditions. US broiler egg sets and chick placements continued to trend lower. As of 20 Aug-2011, broiler egg sets and chick placements were reported down 7.0% w/w and 6.0% y/y respectively. The estimated number available for marketing during the week ending 01 Oct-2011 was reported at 149.5m head, down 0.8% w/w and 7.8% y/y.
- Domestic: Poultry prices ended steady to firmer for the week. Supplies of medium frozen whole birds remained a bit tight and continued to support the upward trend. Weekly medium frozen whole birds advanced by 2.4% w/w and 10.7% y/y at R15.71/kg. IQF posted a marginal increase of 0.3% w/w to close at R12.59/kg, which is up 5.2% y/y. Medium fresh whole birds were the exception, remaining steady at R19.16/kg, but still down 3.0% y/y. Import parity for poultry (LQ) maintained an upward trend supported by better international prices and a weaker Rand. Weekly import parity prices finished the week up 2.6% w/w and 17.3% y/y. Meanwhile, cost pressures are starting to build up due to the rising maize prices. This will squeeze producer margins going forward given that maize is a significant input in poultry feed.



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.

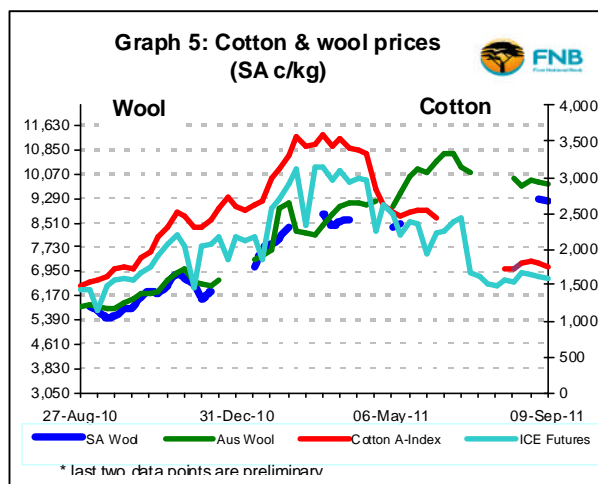


How can we help you?

Producer prices for selected livestock commodities 26 August 2011	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	28.90	53.07	16.50	19.16
Open market: Class C / Baconer / Frozen whole birds(R/kg)	25.41	43.11	15.95	15.71
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	28.64	53.26	16.33	12.59
Import parity price (R/kg)	19.05	30.84	18.57	11.96
Weaner Calves / Feeder Lambs (R/kg)	19.38	28.67		

Wool and cotton market trends (Graph 5)

- **International:** Cotton prices advanced marginally by 0.4% w/w and 24.6% at 115.38c/lb. Meanwhile, the August USDA estimate report pegged US cotton production at 3.6m tons for the 2011/12 season, down 7.7% y/y. World production was pegged at 26.7m tons, a 7.2% increase from the previous year. Production gains are expected in Pakistan (+15.8% y/y), Australia (+11.1% y/y), China (+9% y/y) and India (+7.3% y/y). World consumption is forecast at 25.1m tons, up 1.2% y/y.
- Cotton futures reversed last week's gains and softened. Cotton for Oct-11 delivery fell by 2.7% w/w to close 103.92c/lb; Dec-11 fell by 1.8% w/w at 104.32c/lb; Mar-12 fell by 1.0% w/w at 101.88c/lb; May-12 fell by 0.7% w/w at 100.86c/lb.
- Wool: The Australian wool market recovered slightly with the EMI closing firmer at Au\$12.64/kg, up 0.1% w/w and 45.0% y/y.
- **Domestic:** There were no sales for the week. The wool market opening sale for the 2011/12 season was softer note due to concerns over impact of weakness of global economy on demand and the spillover weakness from the Australian market. The weekly market indicator (Cape Wools Merino) fell by 5.4% compared to the closing sale of the 2010/11 season, but still 59% higher y/y. Sales resume at the end of Aug-2011 when an expected 7,000 bales will come under the hammer.



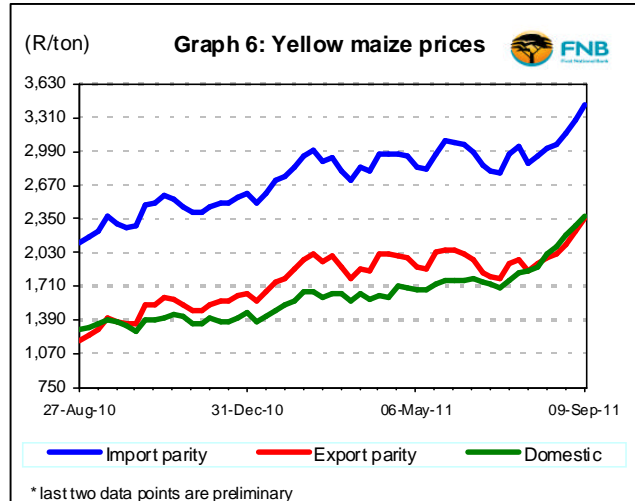
Fibre market prices 26 August 2011	SA prices (R/kg)	Australian prices (R/kg)	Australian futures Jan-12 (AU\$/kg)	Australian futures Mar-12 (AU\$/kg)
Wool market indicator (R/kg)	92.02	98.56		
19µ long length wool (R/kg)	112.91	118.37	13.88	13.63
21µ long length wool (R/kg)	96.37	100.51	12.13	11.78
23µ long length wool (R/kg)	86.04	88.44	10.13	9.78
	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)	18.30	2.54	2.30	2.24

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



Yellow maize market (Graph 6)

- International: US yellow maize prices trended higher on concerns that yields will continue to decline due to unfavourable weather conditions. Weekly prices advanced by 3.4% w/w and 76.8% y/y, closing at \$317/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 up 5.4% w/w at \$307/t; May-12 closed up 5.4% w/w at \$308/t. Weekly crop progress was posted at 57% in good to excellent condition, compared to 60% and 70% last year.
- Domestic: Yellow maize prices posted further gains supported by better CBOT prices. Weekly yellow maize prices increased by 1.6% w/w and 60.8% y/y to close at R2,053/t, a new record high since Sep-2008. Yellow maize import parity price increased by 1.6% w/w and was 40.9% 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 19 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 increased modestly by 5.2% w/w (+R112/t); Mar-12 closed up 4.8% w/w (+R104/t); Jul-12 closed up 3.9% w/w (+R71/t).



OUTLOOK

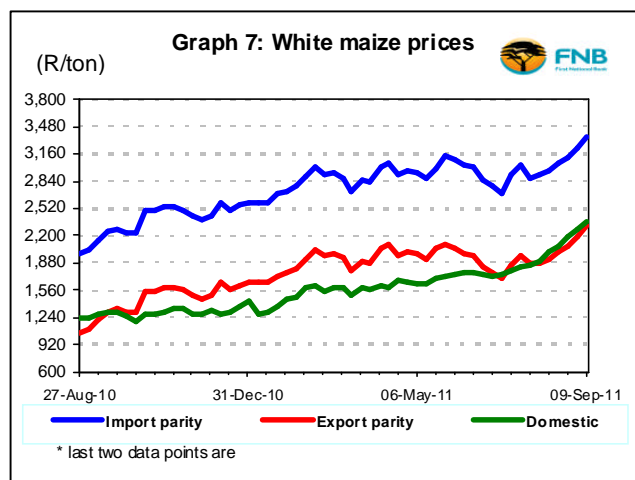
It is expected that prices will maintain the current momentum on the back on renewed strength on international markets.

Yellow Maize Futures 26 August 2011	Dec-11	Mar-12	May-12	Jul-12	Sep-12
CBOT (\$/t)	302.20	306.61	308.11	308.90	281.32
SAFEX (R/t)	2,263	2,260	-	1,910	-
CHICAGO CORN (R/t)	2,137	2,194	-	2,245	-

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
2,300	158	121	2,300	221	181	1,940	230	194
2,260	136	139	2,260	199	199	1,900	207	211
2,220	116	159	2,220	178	218	1,860	186	230

White maize market trends (Graph 7)

- International: US white maize prices advanced modestly, reversing prior week's losses on weather concerns and a weaker US dollar. Weekly average white maize prices rose by 4.0% w/w and 92.3% y/y to close at \$285/ton.
- Domestic: White maize prices continued their upward trend supported due to the spillover strength from the international market. White maize prices closed at R2,063/ton, up 3.1% w/w and 70.5% y/y. White maize import parity prices finished up 3.3% w/w and 52.9% y/y. Weekly white maize export sales for the week ended 19Aug-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 rose by 6.7% w/w (+R142/t); Mar-12 closed up 7.0% w/w (+R151/t); Jul-12 closed up 3.1% w/w (+R56/t). The expected commercial maize crop for the 2010/11 production season was pegged at 10.7m tons, down 1.6% from the previous estimate, according to the Aug-2011 Crop Estimates Committee report. Area under maize was estimated at 2.4m ha with an expected yield of 4.50 t/ha. The drop in the production estimate was mainly due to poor harvest conditions in some areas. White maize production was estimated at 6.2m tons, down 1.6% from last month.

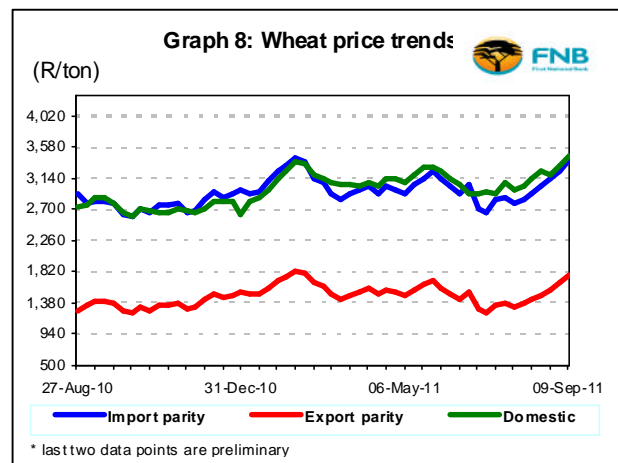
OUTLOOK

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

White Maize Futures 26 August 2011	Dec-11	Mar-12	May-12	Jul-12	Sep-12			
SAFEX (R/t) WM ₁	2,266	2,299	1,880	1,891	-			
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
2,300	146	112	2,340	238	197	1,920	233	193
2,260	124	130	2,300	216	215	1,880	210	210
2,220	104	150	2,260	195	234	1,840	188	228

Wheat market trends (Graph 8)

- International:** US Wheat prices continued to trend higher supported by concerns over dry weather conditions in central and southern plains. Hard Red Winter wheat advanced by 3.8% w/w and 57.5% y/y at \$339/t. Soft Red Winter wheat closed up 3.8% w/w and 22.3% y/y at \$288/t. Meanwhile, the U.S. spring wheat crop was reported at 62.0% in good to excellent condition compared to 66.0% last week. Wheat futures on Kansas: Wheat for Dec-11 delivery rose sharply by 17.2% w/w to close at \$328/t; Mar-12 was up 14.5% w/w at \$332/t; May-12 was up 12.9% w/w at \$332/t. Wheat futures on Chicago: Wheat for Dec-11 delivery fell by 5.4% w/w at \$293/t; Mar-12 was down 3.1% w/w at \$304/t; May-12 was down 2.5% w/w at \$307/t.
- Domestic:** Wheat prices reversed gains and eased slightly lower despite a weaker Rand. Weekly prices were down 1.4% w/w and closed at R3,187/t, up 29.1% y/y. Wheat import parity prices advanced further, closing up 3.5% w/w and 14.6% y/y, due to combined influence of better international prices and a weaker Rand (R/US\$). Weekly export sales for the week ended 19 Aug-2011 were pegged at 3,089 tons and 138,498 tons for the season to date. Imports remained at 1.50m tons for the season. Wheat futures on SAFEX: Wheat for Dec-11 delivery increased by 1.6% w/w (+R46/t), Mar-12 was up 1.7% w/w (+R51/t).



OUTLOOK

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

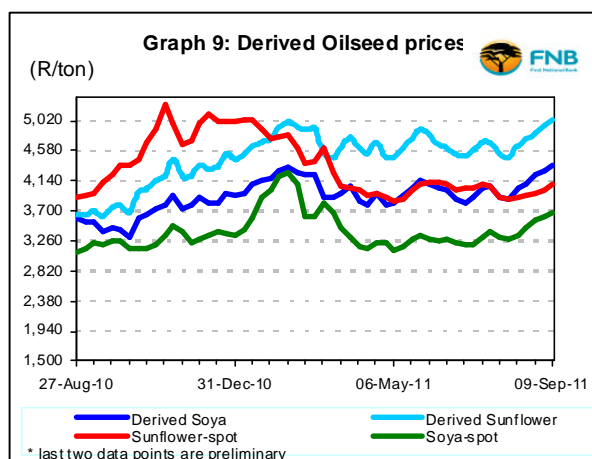


How can we help you?

Wheat Futures 26 August 2011	Dec-11	Mar-12	May-12	Jul-12	Sep-12			
KCBT (\$/t)	327.75	331.98	332.44	329.77	331.98			
SAFEX (R/t)	2,927	2,972	-	-	-			
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
2,960	148	115	3,020	218	170			
2,920	126	133	2,980	196	188			
2,880	106	153	2,940	175	207			

Oilseed market trends (Graph 9)

- International:** The US soybean complex continued to post good gains underpinned by weather concerns, expectations of lower yields and poor crop condition ratings. The soybeans crop progress was reported 59% in good to excellent condition, trailing compared to 61% last week and 64% last year. Soybean complex on Chicago: Nov-11 Soybeans finished 4.0% higher w/w at \$523/t; Jan-12 closed up 3.9% w/w at \$526/t; Mar-12 closed up 3.5% w/w at \$526/t. Soymeal (\$/short ton): Dec-11 Soymeal closed 5.6% higher at \$381/t; Mar-12 closed up 5.1% w/w at \$384/t. Soyoil for Dec-11 closed up 2.4% w/w at 57.32c/lb; Mar-12 was up 2.1% w/w at 57.68c/lb.
- Domestic:** Oilseed prices finished higher across the board on spillover support from CBOT. Soybean prices continued to post strong gains, closing up 3.2% w/w and 15.0% y/y at R3,557/t. Weekly sunflower prices finished marginally higher by 0.9% w/w to close at R3,948/t, which is 1.6% higher y/y. Meanwhile, the production estimate for sunflower seed was raised by 4.84% from the previous estimate to 861,770 tons (642,700 ha and expected yield of 1,34 t/ha). In the case of soybeans, the estimate came in unchanged at 708,750 tons from 418,000 ha (1,70 t/ha). Sunflower futures trended lower across the board: Sunflower for Dec-11 delivery fell by 1.2% w/w (-R47/t), May-12 unchanged w/w. Soybean futures on SAFEX ended firmer across the board: Soybean for Dec-11 delivery closed 1.3% higher w/w (+R45/t), Mar-12 was up 2.5% w/w (+R90/t), May-12 was up 0.9% w/w (+R30/t), Jul-12 was up 1.7% w/w (+R61/t).
- OUTLOOK**



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



Oilseeds Futures 26 August 2011	Dec-11	Mar-12	May-12	Jul-12	Sep-12
CBOT Soybeans (US \$/t)	-	526.32	524.70	525.43	508.17
CBOT Soya oil (US c/lb)	57.32	57.68	57.72	57.82	57.77
CBOT Soya cake meal (US\$/t)	381.10	384.10	382.70	382.30	368.30
SAFEX Sunflower seed (R/t)	4,013	-	4,000	-	-
SAFEX Soybean seed (R/t)	3,595	3,648	3,550	3,616	-

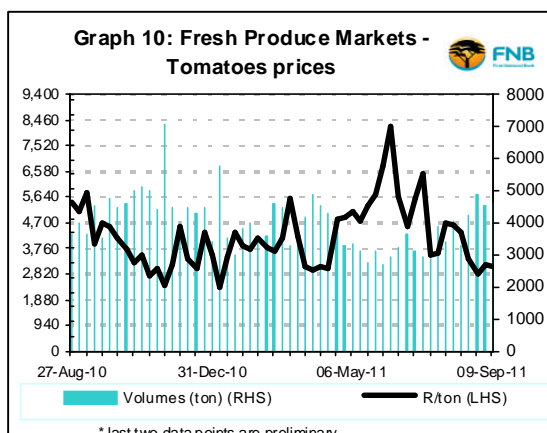
Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)

Dec-11			Mar-12			May-12		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
4,060	231	184				4,040	424	384
4,020	209	202				4,000	402	402
3,980	188	221				3,960	380	420

Vegetable Market Trends (Graphs 10 to 14)

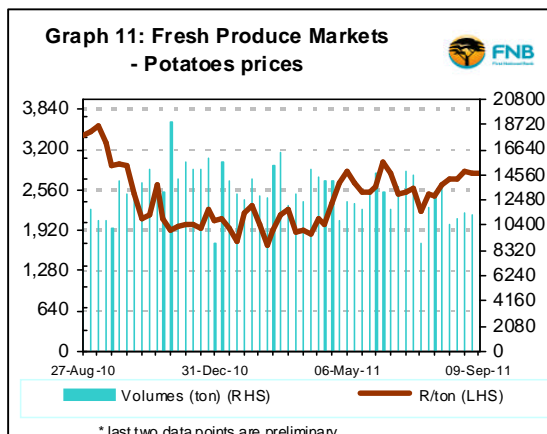
• Tomatoes

Tomato prices continued to drift lower on the back of increased supplies on markets. Prices were down 15.9% w/w and 48.1% y/y, closing at R2,823/ton. Volumes traded were up 14.6% w/w and 33.1% y/y, coming in at 4,878 tons. Prices are however expected to improve slightly in the short term, but with limited upward potential in the medium term due to higher volumes.



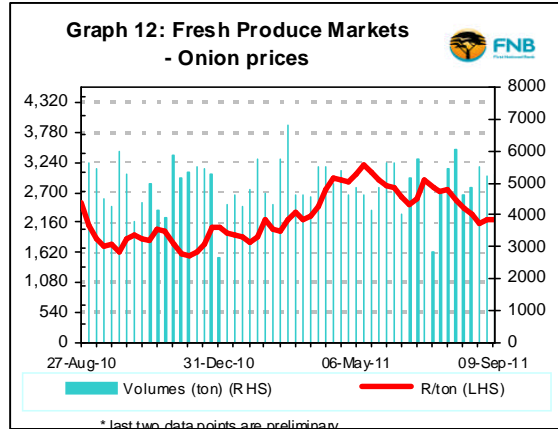
• Potatoes

Potato prices advanced modestly due to improved uptake on markets. Weekly prices were up 4.6% w/w but down 16.6% y/y, closing at R2,866/ton. Volumes traded were pegged at 11,485 tons, up 5.7% w/w and 10.5% y/y closing. Prices are however expected to move sideways with some upside potential due to moderation in supplies.



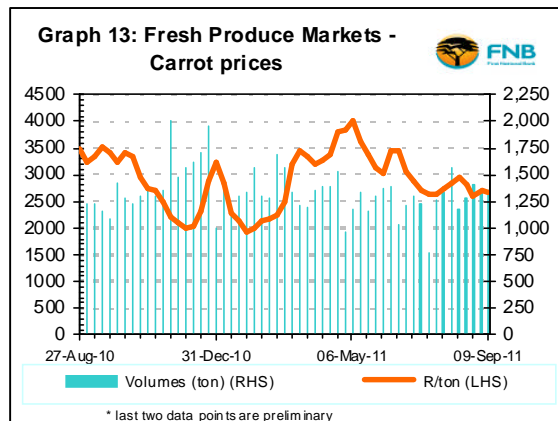
• Onions

Onion prices lost further ground due to increased volumes on markets. Weekly onion prices decreased to R2,128/ton, down 8.3% w/w and 16.0% y/y. Volumes traded rose by 13.0% w/w and 21.7% y/y to close the week at 5,487 tons. Prices are however expected to bottom out and firm slightly in the short term, but with limited further upside potential due to volume pressure.



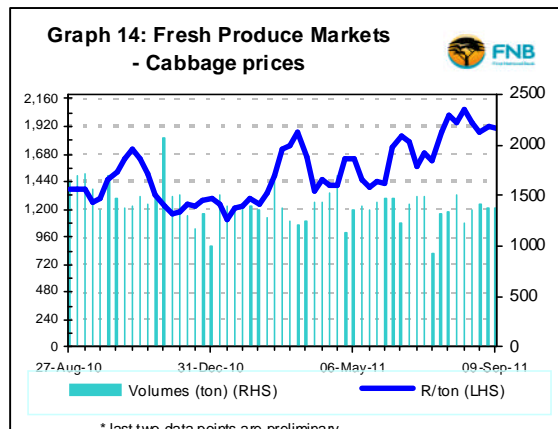
• Carrots

Carrot prices moved sharply lower under pressure due to higher volumes across most markets. Weekly carrot prices dropped by 8.0% w/w and 25.5% y/y, closing at R2,588/ton. Volumes traded came in at 1,410 tons, up 10.9% w/w and 10.8% y/y. Prices are expected however firm slightly in the short term due to moderation in supplies on markets.



• Cabbages

Cabbage prices lost momentum due to a combination of limited uptake and increased supplies on markets. Prices were down 4.2% w/w but up 35.4% y/y to close at R1,874/ton. Volumes traded reached 1,404 tons, up 2.9% w/w but down 14.1% y/y. Prices are expected to move sideways in the short term.



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

Week ending 26 August 2011	Average Price (R/t)	w/w	Y/y	Total Volume (t)	w/w	Y/y
Tomato	2,823	-15.9%	-48.1%	4872	14.6%	33.1%
Potato	2,866	4.6%	-16.6%	11485	5.7%	10.5%
Onion	2,128	-8.3%	-16.0%	5487	13.0%	21.7%
Carrot	2,588	-8.0%	-25.5%	1410	10.9%	10.8%
Cabbage	1,874	-4.2%	35.4%	1404	2.9%	-14.1%

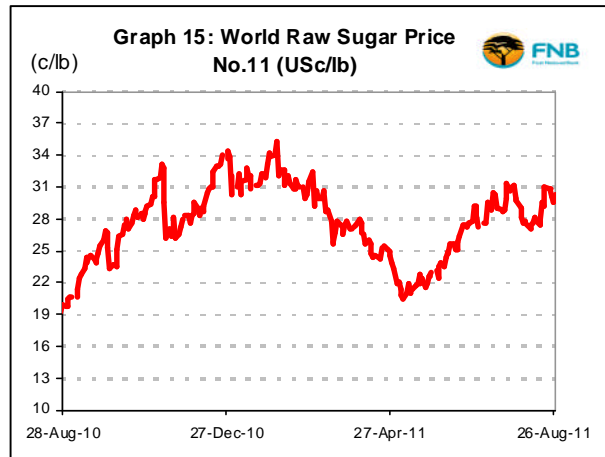
* Daily prices also available at <https://www.fnbagricomms.co.za>



How can we help you?

Sugar market trends (Graph 15)

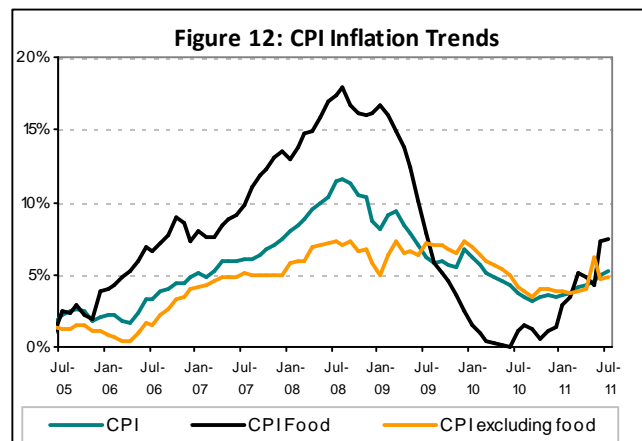
- **International:** World raw sugar prices continued to post strong gains on uncertainties regarding the Brazilian output due to poor crop conditions in the centre-south production area. Weekly raw sugar prices advanced by 4.5% w/w and 52.4% y/y, closing at 30.33c/lb. Weekly US ICE sugar futures (US c/lb): the Mar-12 raw sugar fell by 1.2% w/w at 29.33c/lb; May-12 closed down 0.4% w/w at 27.74c/lb; Mar-13 was a bit firmer at 25.23c/lb, up 0.7% w/w; May-13 closed up 1.6% w/w at 24.43c/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 26 August 2011	Mar-12	May-12	July-12	Oct-12	Mar-13
Sugar No.11 (US c/lb)	29.33	27.74	26.51	25.64	25.23
% Change w/w	-1.2%	-0.4%	-0.2%	0.2%	0.7%

South Africa Inflation Trends (Graph 11)

- The headline inflation for all urban areas stood at 5.3% y/y in July, up 0.3% m/m from June 2011. CPI excluding food, non alcoholic beverages, petrol and energy rose from 3.5% to 3.9% y/y. The following components of the CPI increased during July: the food and non alcoholic beverages, housing and utilities, restaurant and hotels and miscellaneous goods and services indices increased by 0.6%, 3.1%, 0.2%, and 0.5% m/m respectively. Nonetheless, the transport index decreased by 0.3% m/m.
- The food and non alcoholic beverages (FNAB) index which directly deals with in the behaviour of food prices increased by an annual rate of 7.4% in July 2011, up 0.3% m/m. The increase in the FNAB index was influenced by increase (m/m) in the following subcomponents: fish (2.2%), meat (1.8%), bread and cereals (0.8%), hot beverages (0.6%), oils and fats (0.4%), other food (0.4%), milk, eggs and cheese (0.3%). Nonetheless, the fruit, vegetables, sugar, sweets and desserts and cold beverages sub components decreased by 4.0%, 1.1%, 0.2% and 0.2% respectively.



Disclaimer:

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