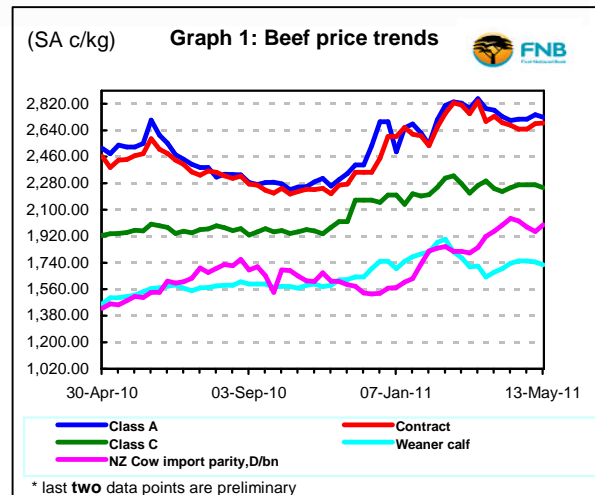


## Beef market trends (Graph 1)

- International:** US domestic lean processing beef prices were mostly steady to lower on moderate demand and improved supplies. Market activity on imported beef was reportedly slow with prices trending lower. Boxed beef cutout values settled lower at \$184.56/cwt, down 1.5% w/w but 8.5% higher y/y. U.S. slaughtering for the week came in at 615,000 head, down 5.2% w/w and 7.1% y/y. CME Feeder Cattle Index settled at \$133.39/cwt, up 0.7% w/w and 18% higher y/y.
- Domestic:** Beef prices remained steady due to short trading week. Weekly Class A beef prices still at R27.17/kg, Contract Class A beef prices at R26.75/kg and Class C beef prices at R22.49/kg. Weaner calf prices remained strong at R17.36/kg live weight.

### OUTLOOK

It is expected that prices will move sideways in the short term.

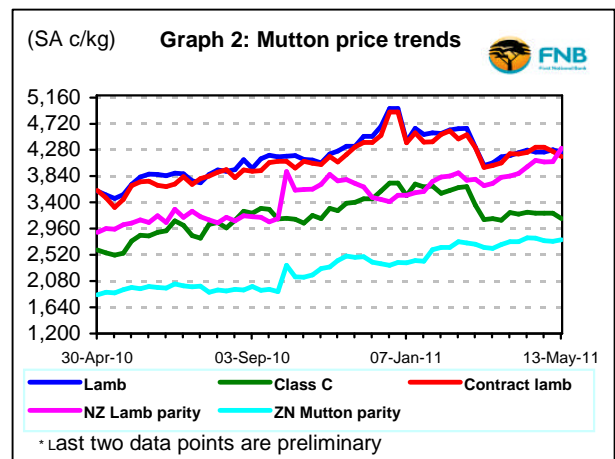


## Mutton market trends (Graph 2)

- International:** US domestic slaughter lambs, ewes and weaner lambs moved sideways. Lamb cutout values (Choice & Prime) ended up 0.3% w/w and 46% y/y at \$186.43/cwt. Weekly sheep slaughter numbers came in at 37,000, up 23% w/w and 10% y/y. Meanwhile, US cold storage inventories as of 28-Feb-2011 were reported down 2% y/y largely due to reduced import supplies and domestic production. New Zealand exports to the US were reported down 12% y/y during the 1st quarter of 2011.
- Domestic:** Lamb and mutton prices remained steady for the week. Weekly Class C prices were steady at R32.21/kg, Class A unchanged at R42.45/kg. Contract Class A lamb remained firm at R43.24/kg. Weekly weaner lamb prices settled at R20.67/kg live weight.

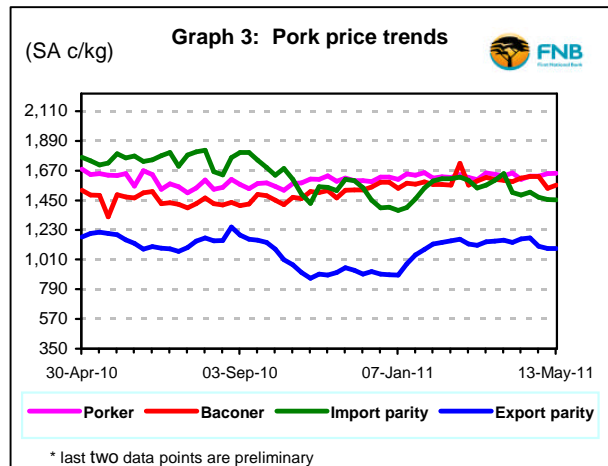
### OUTLOOK

The mutton market is expected to strengthen in the medium term due to moderation in supplies.



**Pork market trends (Graph 3)**

- **International:** US pork prices were down across most categories. Weekly ham prices fell by 0.4% w/w and 9% y/y at US\$72.24/cwt. Carcass prices fell by 2.6% w/w and settled at US\$94/cwt, but still up 4% y/y. Loins fell by 2.7% w/w at US\$104/cwt. Spareribs settled at US\$143.61/cwt, down 0.1% w/w but almost 10% higher y/y. Pork slaughter numbers were estimated at 1.95m, down 5.2% and 3.6% y/y.
- **Domestic:** Domestic porker and baconer prices were unchanged for the week. Weekly porker and baconer prices were steady R16.29/kg and R16.27/kg. Import parity prices fell by 2% w/w and 17% y/y, due to lower international prices and a stronger Rand. Meanwhile, pork imports increased by 7.3% m/m in Mar-2011, coming in at 3,513 tons and 8,477 tons for the year to date. Major suppliers were Germany and Canada, accounting for 64% and 14.4% of total imports respectively.

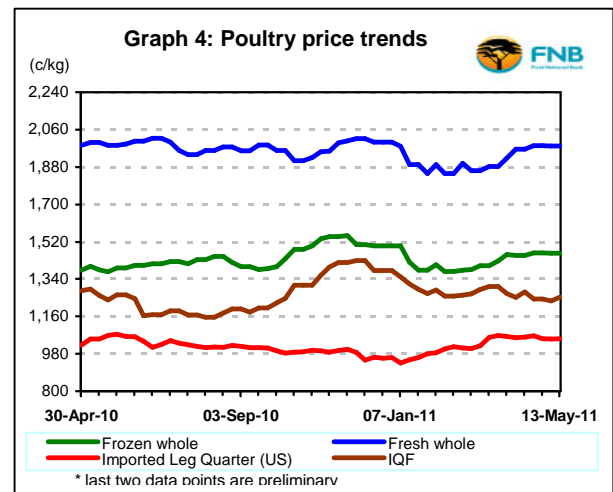


**OUTLOOK**

Domestic porker and baconer prices are expected to trend a bit firmer in the short to medium term.

**Poultry market trends (Graph 4)**

- **International:** US domestic prices ended mixed with whole birds and leg quarters trending higher on improved uptake and tight supplies due to production problems in some areas. Retail and food service demand was light to moderate. Whole birds remained steady. Weekly leg quarter prices were up 0.2% w/w and 19% y/y. Wings continued to trend lower, dropping by 5% w/w and 42% y/y. Meanwhile, US broiler egg sets and chick placements as of 23-Apr-2011 were up 1% and 2% y/y respectively. The estimated number available for marketing during the week ending 04-Jun-2011 was pegged at 159.4m head, compared to 160.8m head a year ago.
- **Domestic:** Poultry prices were unchanged due to a short trading week. IQF remained under pressure in the past few weeks due to increase volumes. The exception was the frozen and the fresh categories which remained firm. Meanwhile, rising fuel prices and firming maize prices will squeeze producer margins due to their effect on input and distribution costs. Maize is a major ingredient in broiler feeding and prices have risen by almost 45% since last year.



**OUTLOOK**

Domestic poultry prices are expected to trend sideways with limited upward potential in the short to medium term.

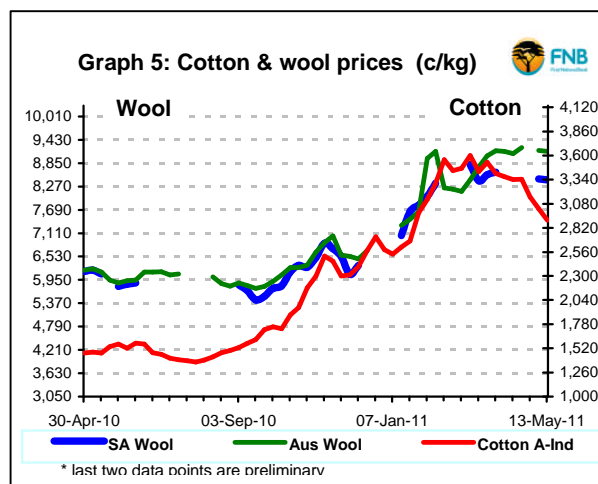


How can we help you?

Producer prices for selected livestock commodities 22- 29 April 2011	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	27.17	42.45	16.29	19.83
Open market: Class C / Baconer / Frozen whole birds(R/kg)	22.69	32.21	16.12	14.67
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	26.49	43.24	16.27	12.43
Import parity price (R/kg)	19.82	27.55	14.73	10.53
Weaner Calves / Feeder Lambs (R/kg)	17.52	20.67		

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

- International:** Global cotton prices trended lower in the past few weeks on concerns over reduced Chinese demand and increased production in the new season. Prices reached record levels earlier in the year influenced by low global stocks, lower than expected global production, strong demand and panic demand in the beginning of the season. Estimates suggest that global production will increase by 11% in 2010/11 and by a further 12% in 2011/2012. Cotton ICE futures: Cotton for Jul-11 delivery fell by 5.7% w/w at 158.02c/lb, Oct-11 fell by 1.6% w/w at 145.80c/lb, Dec-11 fell by 0.9% w/w at 130.93c/lb. Wool: In Australia, the wool market eased lower before the Easter break. The weekly market indicator EMI settled at A\$13.25/kg, down 2% w/w.
- Domestic:** There were no sales due to the Easter recess. The domestic wool market was softer at R85.36/kg clean during the last sale two weeks ago. Sales will resume after the Easter recess on 3<sup>rd</sup> of May-2011.



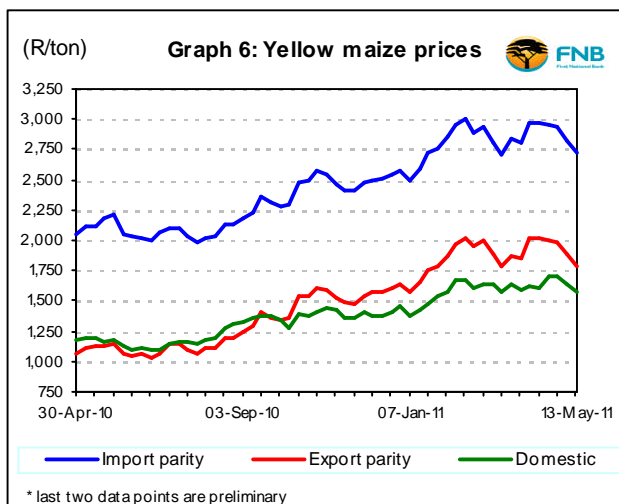
Fibre market prices 29 April 2011	SA prices (R/kg)	Australian prices (R/kg)	Australian futures Sep-11 (AU\$/kg)	Australian futures Nov-11 (AU\$/kg)
Wool market indicator (R/kg)	85.36	92.42		
19µ long length wool (R/kg)	112.83	117.39	14.63	14.38
21µ long length wool (R/kg)	88.10	93.20	11.73	11.38
23µ long length wool (R/kg)	-	88.23	11.30	10.90
	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)	33.46	4.92	3.48	3.21

- Sales two weeks ago



**Yellow maize market (Graph 6)**

- **International:** US yellow maize prices have been volatile in the past two weeks. Prices rallied last week on the back of unfavourable weather conditions and a slow start to the season. Weather is critical for market direction given the tight supply situation as reported in the April estimate. Meanwhile, US planting was estimated at 9% complete compared to 7% a week ago. Weekly yellow maize prices rose by 1.6% w/w to settle at \$320.11/ton, but still 100% higher y/y. Maize futures on Chicago: Maize for Jul-11 delivery rose by 1.6% w/w at \$298/t, Sep-11 rose by 1.7% w/w at \$282/t.
- **Domestic:** Yellow maize prices drifted lower as the Rand strengthened against the US dollar. Weekly yellow maize prices were down by 0.3% w/w to settle at R1,700/ton, but still 45% y/y. Yellow maize import parity fell by 0.7% w/w, but still 44% higher y/y. Weekly yellow maize futures on Safex: Jul-11 delivery fell 1.2% w/w (-R21/t), Sep-11 fell 1.2% w/w (-R21/t), Dec-11 fell 0.9% w/w (-R16/t).



**OUTLOOK**

Prices are expected to weaken in the short term. However the medium to long term outlook remains bullish given the tight global supply situation.

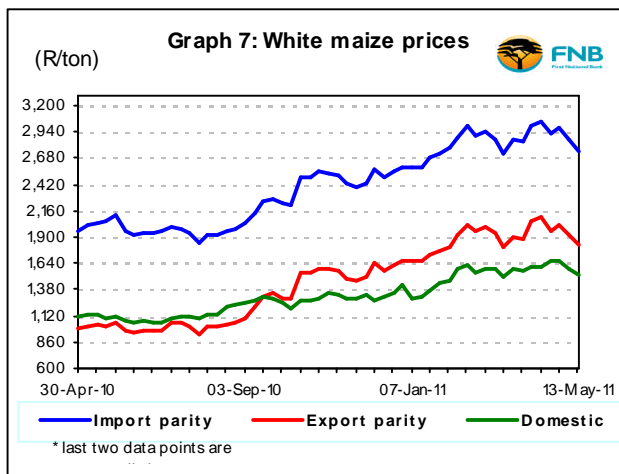
Yellow Maize Futures 29 April 2011	Jul-11	Sep-11	Dec-11	Mar-12	May-12
CBOT (\$/t)	298.02	282.10	263.74	267.92	271.07
SAFEX (R/t)	1,700	1,731	1,781	1,790	-
CHICAGO CORN (R/t)	1,934	1,831	1,727	1,727	-

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

Jul-11			Sep-11			Dec-11		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
1,740	100	60	1,780	164	115	1,820	209	170
1,700	78	78	1,740	142	133	1,780	187	188
1,660	58	98	1,700	120	151	1,740	165	206

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

- **International:** US white maize prices posted modest gains on weather concerns and tightening balance sheet for the medium to longer term. Weekly prices increased by 5.1% w/w to settle at \$309/t, which is 124% higher y/y.
- **Domestic:** White maize prices continued to trend lower on Rand strength. Weekly white maize prices were down 0.6% w/w at R1,655/ton, but 50% higher y/y. White maize import parity prices rose by 1.9% w/w and were 51% higher y/y. White maize (WM) futures on Safex: White maize for Jul-11 delivery fell by 1.8% w/w (-R30/t), Sep-11 fell by 1.4% w/w (-R24/t), Dec-11 fell by 1.9% w/w (-R34/t).



**OUTLOOK**

Prices are expected to weaken in the short term. However the medium to long term outlook remains bullish given the tight global supplies.

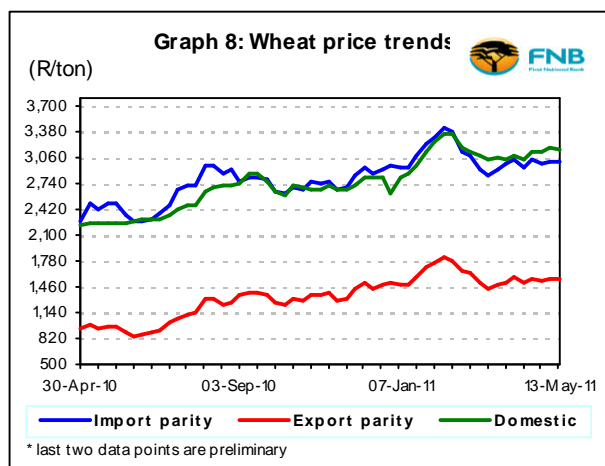
White Maize Futures 29 April 2011	Jul-11	Sep-11	Dec-11	Mar-12	May-12
SAFEX (R/t) WM <sub>1</sub>	1,638	1,675	1,717	-	1,876

Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Jul-11			Sep-11			Dec-11		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
1,680	100	58	1,720	158	113	1,760	195	152
1,640	77	75	1,680	135	130	1,720	172	169
1,600	58	96	1,640	114	149	1,680	151	188

**Wheat market trends (Graph 8)**

- International:** US Wheat prices fell sharply on improved production conditions in the wheat areas. Weekly US wheat export sales were pegged at 418,200 tons. In other areas, prices in the Black Sea region eased lower on reports that Ukraine and Russia may resume exports following devastating droughts last season. Wheat futures on Kansas: Wheat for Jul-11 delivery fell by 4.3% w/w at \$331/t, Sep-11 fell by 3.9% w/w at \$338/t, Dec-11 fell 3.6% w/w at \$346/t. Wheat futures on Chicago: Wheat for Jul-11 delivery fell by 4% w/w at \$294/t, Sep-11 down 3.3% w/w at \$311/t, Dec-11 down 2.5% w/w \$326/t.
- Domestic:** Domestic wheat prices continued to weaken on strengthening Rand and spill over weakness from international markets. However losses were marginal by 0.1% w/w but still 49% higher y/y. Weekly wheat prices on SAFEX settled at R3, 134/ ton. Wheat futures on SAFEX: Wheat for Jul-11 delivery fell 2.5% w/w (-R78/t), Sep-11 fell 2.7% w/w (-R85/t), Dec-11 fell 2.4% w/w (-R72/t).
- OUTLOOK**  
Domestic wheat prices are expected to maintain the current momentum in the short term.



Wheat Futures 29 April 2011	Jul-11	Sep-11	Dec-11	Mar-12	May-12
KCBT (\$/t)	331.43	338.23	346.13	351.91	351.18
SAFEX (R/t)	3,070	3,068	2,880	-	-

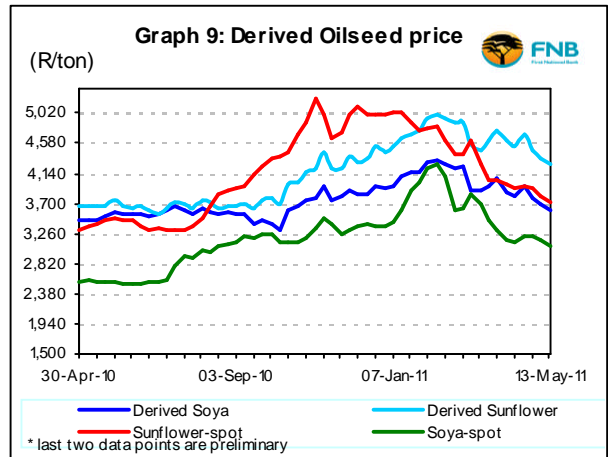
  

Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Jul-11			Sep-11			Dec-11		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
3,120	142	92	3,100	152	120	2,920	204	164
3,080	119	109	3,060	131	139	2,880	182	182
3,040	99	129	3,020	111	159	2,840	161	201



**Oilseed market trends (Graph 9)**

- International:** US soybean prices ended mixed with modest losses in the product category. Weather concerns played a supportive role together with a weaker US dollar. Weekly soybean settled 1.9% higher at \$532/t, up 41% y/y. Soybean meal down 2.7% w/w at \$333/t and soybean oil down 2.8% w/w at 55USc/lb. Soybean complex futures on Chicago: Soybean for Jul-11 delivery a bit firmer at \$512/t, up 0.3% w/w; Sep-11 fell by 0.3% w/w at \$506/t. Soybean meal for July delivery fell by 0.1% w/w at \$364/t, Sep-11 fell 0.4% w/w at \$363/t. Soybean oil for Jul-11 delivery fell by 0.6% w/w at 58.58USc/lb, Sep-11 fell by 0.6% w/w at 59.09USc/lb..
- Domestic** Oilseed prices traded on SAFEX continued to trend lower across the board. Weekly sunflower prices fell 1.1% w/w at R3,909/ton, but still 18% higher y/y. Soybean prices fell by 0.2% w/w, settling at R3,227/ton but still 27% higher y/y. Soybean futures on SAFEX: Soybean for Jul-11 delivery fell by 2.9% w/w (-R97/t), Sep-11 fell by 3.4% w/w (-R115/t), Dec-11 fell 4% w/w (-R139/t). Sunflower futures on Safex: sunflower for Sep-11 delivery fell by 2.9% w/w (-R121/t), Dec-11 fell by 3.6% (-R151/t).
- Meanwhile, the April crop estimate for the 2010/11 season pegged the expected sunflower seed crop at 831,220 tons, unchanged from the previous estimate. Area under sunflower seed came in at 642,700ha, also unchanged from previous estimate. The expected soybean crop came in at 676,850 tons, down 4.6% from the previous estimate. The area estimate under soybeans was pegged at 418,000ha, unchanged from the previous estimate.



**OUTLOOK**

Prices are expected to trend lower in the short to medium term.

Oilseeds Futures 29 April 2011	Jul-11	Sep-11	Dec-11	Mar-12	May-12
CBOT Soybeans (US \$/t)	512.21	507.58	-	507.43	504.86
CBOT Soya oil (US c/lb)	58.58	59.09	59.38	59.55	59.37
CBOT Soya cake meal (US \$/t)	363.60	362.90	359.10	361.60	359.60
SAFEX Sunflower seed (R/t)	3,940	4,009	4,084	-	-
SAFEX Soybean seed (R/t)	3,230	3,270	3,300	-	3,250

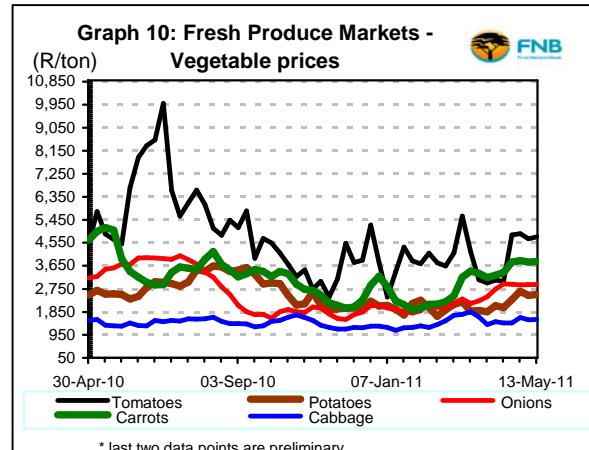
**Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)**

Jul-11			Sep-11			Dec-11		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
3,980	238	198	4,040	333	302	4,120	388	352
3,940	216	216	4,000	312	321	4,080	366	370
3,900	196	236	3,960	291	340	4,040	345	389



**Vegetable market trends (Graph 10)**

- Tomatoes**  
 Tomato prices continued with their upward trend experienced during the previous week due to limited supplies on markets. Prices were up 1% w/w and 8.5% y/y, closing at R4,897/ton. Volumes traded reached 3,269 tons, down 11.7% w/w and 6.3% y/y. Prices are however expected to weaken slightly in the short term.
- Potatoes**  
 Potato prices sustained gains from the previous week increasing by 14% w/w to close the week at R2,661/ton, up 6.2% y/y. The sharp increase in prices was influenced by limited supplies on markets. Volumes traded were down 22.5% w/w and 17.6% y/y closing at 10,839tons. Prices are however expected to move sideways with some upside potential due to moderation in supplies.
- Onions**  
 Onion prices continued their downward trend from the previous week on the back of limited supplies on markets. Prices decreased to R2,902/ton, down 0.9% w/w and 8.6% y/y. Volumes traded were down 14.3% w/w but still up 4% y/y closing the week at 4,634 tons. Prices are however expected to ease somewhat in the short term with limited upside potential.
- Carrots**  
 Carrot prices continued with their upward trend witnessed in the last few weeks. The upward trend was influenced by limited supplies on markets. Prices were up 1.6% w/w but down 17.1% y/y closing at R3,855/ton. Volumes traded reached 969 tons, down 36.4% w/w and 13.2% y/y. Prices are expected to remain firm due to limited supplies on markets.
- Cabbages**  
 Cabbage prices increased from the previous week due to limited supplies on markets. Prices were up 15.9% w/w and 8.1% y/y closing at R1,637/ton. Volumes traded reached 1,141tons, down 32.4% w/w and 18.9% y/y. Prices are expected to improve somewhat in the short term due to moderation in supplies.



<b>Vegetable prices: Fresh Produce Markets.</b> (Average Pretoria, Bloemfontein, Johannesburg, Cape Town and Durban)						
<b>Week ending</b> 29 April 2011	<b>Average Price (R/t)</b>	<b>w/w</b>	<b>y/y</b>	<b>Total Volume (t)</b>	<b>w/w</b>	<b>y/y</b>
Tomato	4,897	1.0%	8.5%	3269	-11.7%	-6.3%
Potato	2,661	14.0%	6.2%	10839	-22.5%	-17.6%
Onion	2,902	-0.9%	-8.6%	4634	-14.3%	4.0%
Carrot	3,855	1.6%	-17.1%	969	-36.4%	-13.2%
Cabbage	1,637	15.9%	8.1%	1141	-32.4%	-18.9%

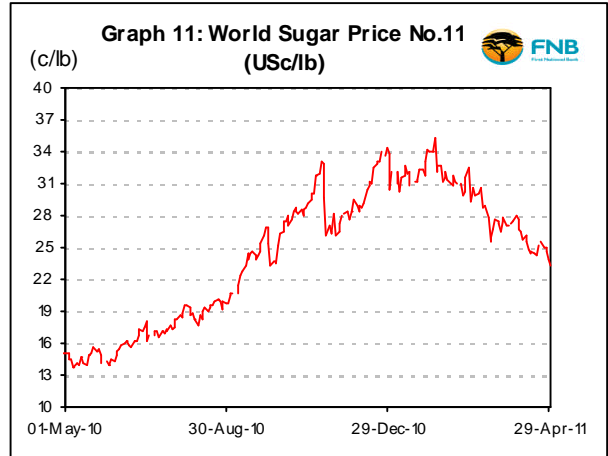
\* Daily prices also available at <https://www.fnbagricomms.co.za>



How can we help you?

**Sugar market trends (Graph 11)**

- International:** World sugar prices extended their correction down to 23.38US c/lb, a monthly low since Sep-2010. This was largely due to improved output in India and favourable harvest weather out of Brazil. India's output is expected to increase by 5% for the 2011/12 production season to 25m tons. Weekly prices fell by 1.9% w/w and settled at 24.37USc/lb. This is however 50% higher y/y. Weekly US ICE sugar futures saw losses in the nearby contracts (USc/lb): Raw sugar for Jul-11 delivery fell by 6.5% w/w at 22.25c/lb, Oct-11 fell by 3.9% w/w at 22.65c/lb.
- Domestic:** Locally, 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 R2,842.95/ton during March 2011, 10.5% higher ( R270.81/t) compared to February. However the declining world price together with the stronger exchange rate may limit further advances in price in the medium to longer term.



ICE Sugar Futures 29 April 2011	Jul-11	Oct-11	Mar-12	May-12	Jul-12
Sugar No.11 (US c/lb)	22.25	22.65	23.24	23.08	22.97
% Change w/w	-6.5%	-3.9%	-1.8%	-0.1%	1.2%

**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.



How can we help you?