

Agri-Weekly

30 November 2012

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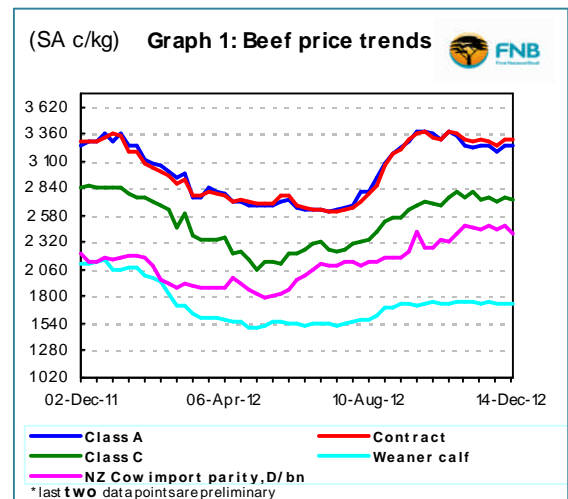
Beef market trends (Graph 1)

International:

- US domestic manufacturing beef prices rebounded and ended firmer on improved demand. Market activity on imported beef was reportedly moderate with tight supplies (Australia, New Zealand) continuing to support the market.
- At wholesale markets, boxed beef cut-out values extended recent gains on moderate demand and limited supplies. Choice beef gained 0.4% w/w but still 0.9% lower y/y at US\$195.65/cwt. Select beef prices gained 0.5% w/w but still 0.4% lower y/y at US\$174.73/cwt.
- In the cattle market, the Feeder Cattle Index rose by 2.2% w/w and 1.1% y/y at US\$146.24/cwt. Weekly US cattle slaughter reached 635,000 head, up by 8.9% w/w but still 3.8% lower y/y. The cumulative year to date cattle slaughter numbers were estimated at 30m head, down 3.8% compared to the corresponding period last year.
- In Australia, cattle prices extended losses on increased supplies due to unfavourable production conditions. The benchmark Eastern Young Cattle Indicator (EYCI) fell by 2.4% w/w and 18.2% y/y at AU\$3.31/kg cwt.

Domestic:

- Beef prices were down across the board on softer demand. Weekly Class A beef prices fell by 1.4% w/w and 1.8% y/y to close at R31.95 per kg. Class C beef prices decreased by 1.8% w/w and 4.9% y/y to close at R27.04 per kg. Contract Class A beef prices decreased by 1.3% w/w and 1.2% y/y to close at R32.47 per ton.
- In the weaner calf market, prices weakened under pressure due to improved supplies as dry conditions persist in some areas. More rain is needed in the producing areas of the Northern Cape following the recent veld fires that destroyed vast tracts of grazing area.
- Weekly weaner calf prices fell by 0.9% w/w and 17.7% y/y to close at R17.36 per kg live weight.



OUTLOOK

The weaner market is expected to trend sideways in the short to medium term due to weak demand and increased supplies.

Mutton market trends (Graph 2)
International:

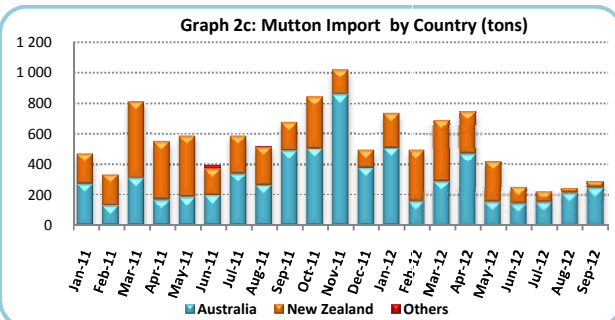
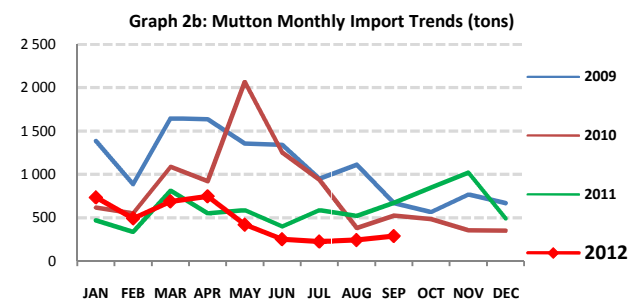
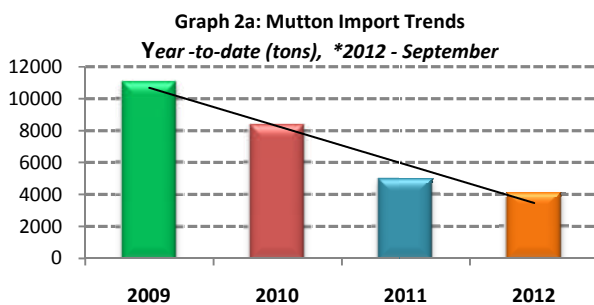
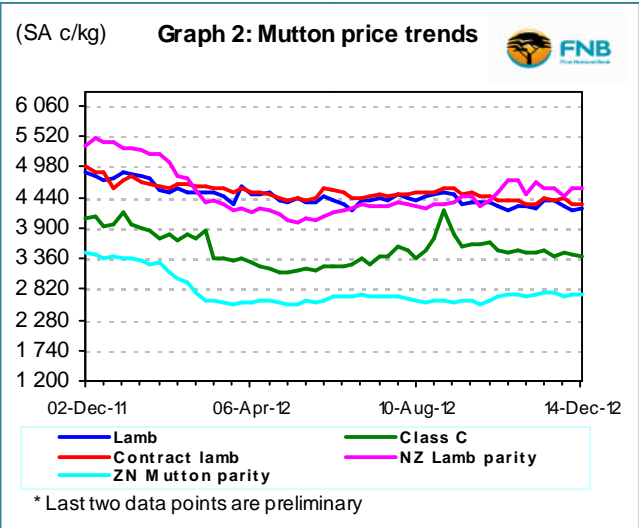
- Australian lamb market regained some ground on the back of improved demand and tight supplies. The Eastern States Trade Lamb Indicator (ESTLI) fell by 4.6% w/w but still 37.9% lower y/y at AU\$3.16/kg cwt.
- In New Zealand (NZ), producer prices extended losses with lamb finishing at NZ\$89.90 per head. This is down by 2.5% w/w and 35.0% y/y. According to the NZX Agrifax, the NZ processing had a stronger start to the season compared to last year with the lamb crop up 5.4% y/y.
- The US Lamb carcass sales were softer for the week. Weekly Lamb Cut-out values closed at US\$269.80/cwt, down by 1.1% w/w and 28.6% y/y. Weekly sheep slaughter came in at 40,000 head, up by 37.9% w/w and 8.1% y/y. The cumulative number slaughtered for the year to date was 1.84m head, which is 0.4% lower y/y.

Domestic:

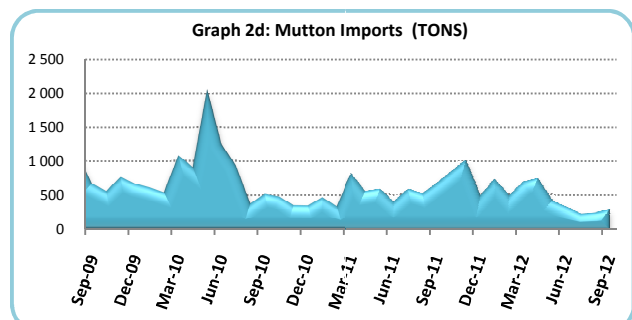
- Prices ended mixed with slight gains for mutton. Weekly Class A lamb prices fell by 2.1% w/w and 12.3% y/y to close at R42.86 per kg.
- Mutton prices gained 2.1% w/w but still down by 15.2% y/y at R34.64 per kg.
- Contract Class A lamb prices ended a bit firmer at R44.38 per kg, up 0.8% w/w but still 11.2% lower y/y.
- Weaner lambs ended softer under pressure due weak demand. Weekly weaner lamb prices fell by 2.4% w/w and 19.1% y/y to close at R20.50 per kg.

OUTLOOK

Prices are expected to trend sideways with some upward potential on improved festive demand.



Source: SARS, Own Calculations

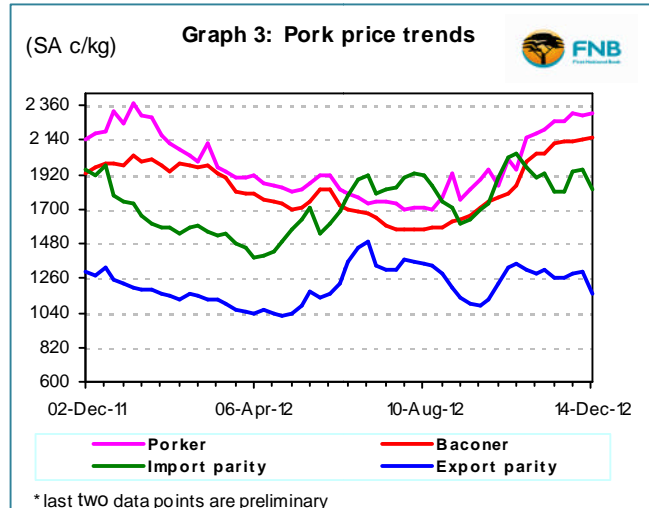


Pork market trends (Graph 3)
International:

- The US domestic pork prices were up across most categories with the exception of ribs. Weekly carcass prices closed at US\$84/cwt, up 2.8% w/w but still 6.0% lower y/y.
- Weekly loin prices gained 0.1% w/w but still down by 9.9% y/y at US\$86.16/cwt. Rib prices fell by 1.0% w/w and 11.7% y/y to close at US\$126.78/cwt.
- Hams were the biggest gainers, increasing by 9.7% w/w but still down 8.6% y/y at US\$71.77/cwt.

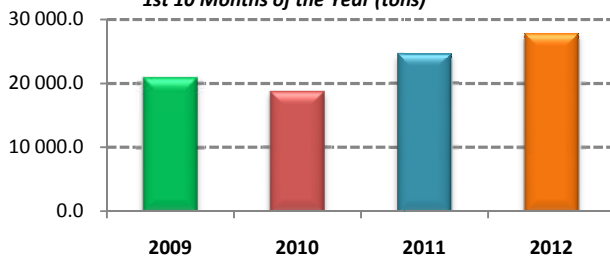
Domestic:

- The domestic market retained the firmer trend on the back of tight supplies. Weekly baconer prices gained 0.1% w/w to close at R21.33 per kg, which is 10.7% higher y/y.
- Porker prices advanced by 2.0% w/w and 7.4% y/y, closing the week at R23.06 per kg.
- Import parity prices continued to increase mainly due to better international prices. Weekly import parity prices increased by 6.8% w/w but still 1.0% lower y/y.

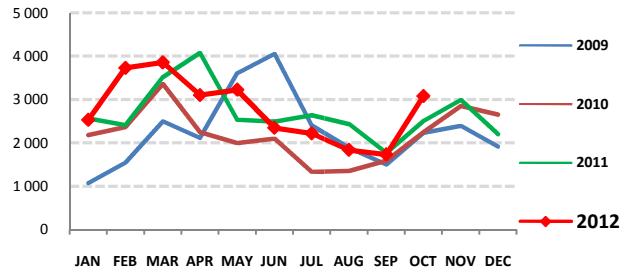

OUTLOOK

Prices are expected to trend firmer as the festive season draws nearer.

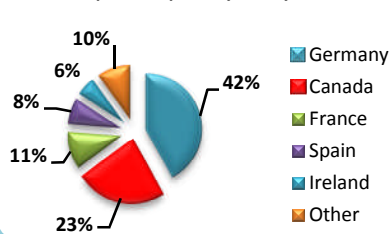
Graph 3a: Pork Import Trends
1st 10 Months of the Year (tons)



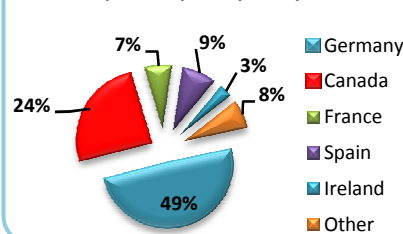
Graph 3b: Pork Monthly Import Trends (tons)



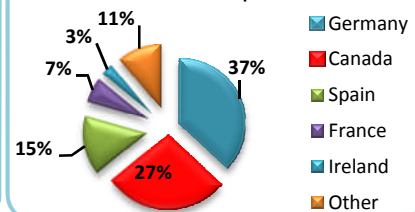
Graph 3c: Imports by Contry - 2010



Graph 3d: Imports by Contry - 2011



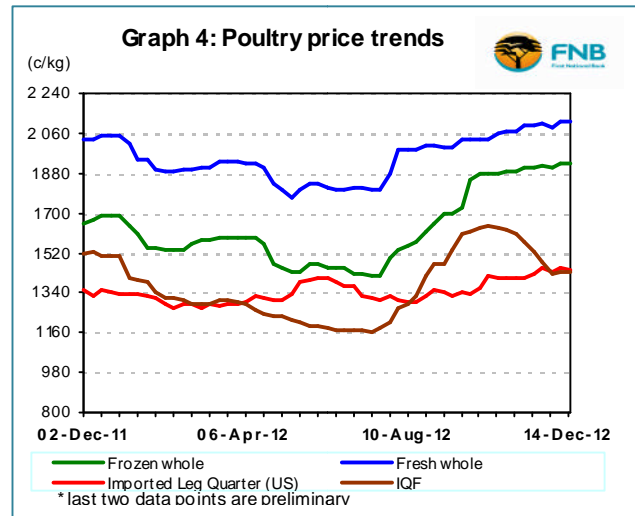
Graph 4e: Imports by Contry
Year to Sep-12



Source: SAPPO, SARS, Own Calculations

Poultry market trends (Graph 4)
International:

- US domestic prices were mostly lower with the exception of whole birds. Retail and food service demand was reportedly light to moderate for end of the month business.
- Weekly whole bird prices reached US97.17c/lb, up by 0.4% w/w and 8.4% y/y.
- Breast cuts traded at US99.83c/lb, down by 1.4% w/w but up by 20.8% y/y.
- Drumsticks fell by 2.4% w/w but still 1.0% higher y/y at US68.33c/lb.
- Leg quarters traded at US53.83c/lb, by down 0.3% w/w but up by 1.3% y/y.
- Wings increased by 0.2% w/w and 36.0% y/y and closed at US183.67c/lb.
- US broiler egg sets for the week ended 24 November 2012 were slightly lower while chick placements fell by 4.0% y/y. The expected number of broilers available for marketing during the first week of Jan 2013 are estimated at 141.3m head, up by 1.4% w/w but still 1.6% lower y/y.

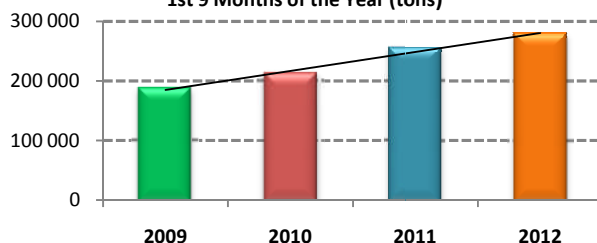

Domestic:

- On the domestic front, broiler prices eased lower under pressure due to the subdued demand and increased supplies in the IQF category.
- Weekly frozen whole bird prices closed at R19.04 per kg, down by 0.5% w/w but still 15.4% higher y/y. Fresh whole birds were also softer, coming in 0.5% lower w/w but still 2.8% higher y/y at R20.90 per kg.
- In the case of IQF, prices extended recent losses and finished down 3.9% w/w and 5.9% y/y to close at R14.22 per kg.
- Weekly import parity prices weakened due to the combined effect of a stronger Rand and lower international prices. Weekly import parity prices fell by 1.0% w/w but were still 6.2% higher y/y.
- Meanwhile, feed costs remain high and continue to exert downward pressure on producer margins. Imports have rebounded since midyear and increased for the third consecutive month to 32,548 tons in September, up by 26.4% m/m and 18.8% y/y. Year to date broiler meat imports reached 278,708 tons, up by 9.6% y/y.

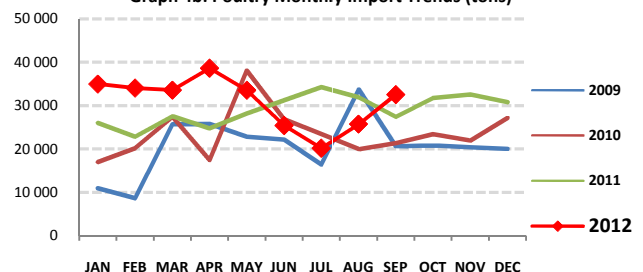
OUTLOOK

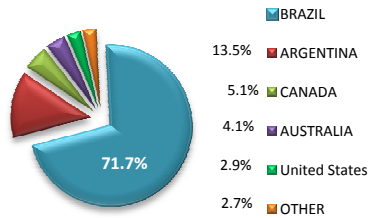
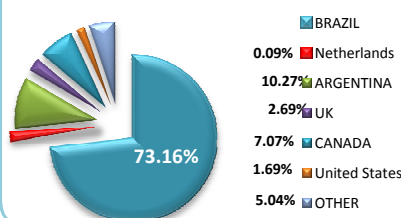
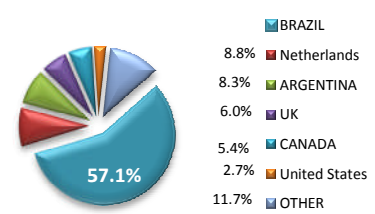
Prices are expected to trend sideways in the short term but with downward potential for the IQF category due to volume pressure. However, the market will bottom out in the medium to longer term as supplies tighten due to production cutbacks.

Graph 4a: Poultry Import Trends
1st 9 Months of the Year (tons)



Graph 4b: Poultry Monthly Import Trends (tons)



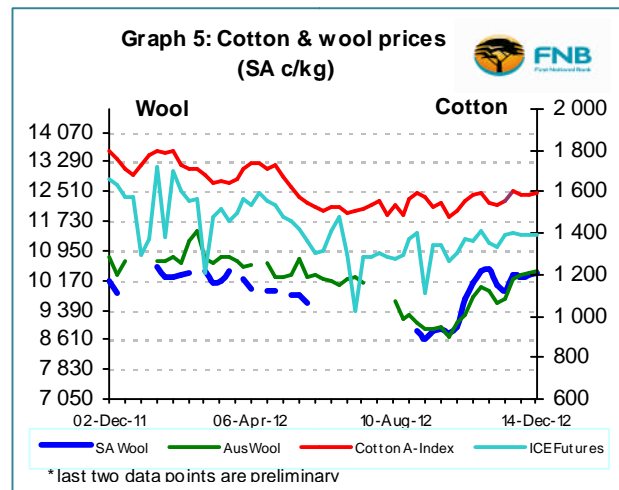
Graph 4c: Imports by Country - 2009

Graph 4d: Imports by Country - 2010

Graph 4e: Imports by Country - 2011


Source: SARS, Own Calculations

Producer prices for selected livestock commodities 30 November 2012	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	31.95	42.86	23.06	20.90
Open market: Class C / Baconer / Frozen whole birds(R/kg)	27.04	34.64	21.37	19.04
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	32.47	44.38	21.33	14.22
Import parity price (R/kg)	24.50	26.95	19.41	14.34
Weaner Calves / Feeder Lambs (R/kg)	17.36	20.50		

Wool and cotton market trends (Graph 5)
International:

- Cotton prices eased marginally lower for the week; however the renewed demand prospects helped limit losses. Meanwhile, the International Cotton Advisory Committee (ICAC) expects the 2013/14 world cotton production to fall by almost 11.0% y/y to 23.2m tons. ICAC sees reduced output for the USA (-26%), Turkey (-30%), China (-11%), Pakistan (-9%), Central Asia (-3%) and West Africa (-10%). World mill use is expected to grow at a snail pace on the back of an expected slow recovery in the world economy.
- Cotton futures on the InterContinental Exchange (ICE): Cotton for Mar-13 delivery gained 3.5% w/w at US73.91c/lb, May-13 was up by 3.2% w/w at US74.51c/lb and Oct-13 was 2.1% higher w/w at US76.49c/lb.
- Wool: In Australia, the wool market continued to strengthen. This saw the Eastern Market Indicator gaining 1.5% w/w but was still down by 14.5% y/y at AU\$10.34 per kg clean wool. Volumes offered were pegged at 49,150 bales with sales of 94.5%.


Domestic:

- The wool market eased marginally lower to close at R102.70 per kg clean wool, down by 0.3% w/w but still 1.0% higher y/y. This is 7.9% and 17.5% higher than the current season's average and the opening sale respectively.
- Major buyers were: G Modiano SA with 3,891 bales (28.6%), Standard Wool SA with 3,566 bales (26.3%), Lempriere SA with 2,685 bales (19.8%) and Stucken & Co with 1,886 bales (13.9%).
- In the case of cotton, the 2011/12 production was pegged at 64,049 lint bales (Cotton SA) with 60,319 being SA grown seed cotton and the balance of 3,730 lint bales produced in Swaziland. According to Cotton SA, the 2012/13 production could reach 37,000 lint bales.

Fibre market prices 30 November 2012	SA prices (R/kg)	Australian prices (R/kg)	Australian futures Jan-13 (AU\$/kg)	Australian futures Mar-13 (AU\$/kg)
Wool market indicator (R/kg)	102.70	103.07		
19µ long length wool (R/kg)	111.39	112.71	11.40	11.35
21µ long length wool (R/kg)	103.62	104.55	9.90	9.85
23µ long length wool (R/kg)	96.79	99.75	8.50	8.45

	SA derived Cotton (R/kg)	New York A-Index (US\$/kg)	Cotton Futures Mar-12 (US\$/kg)	Cotton Futures May-13 (US\$/kg)
Cotton Prices (R/kg)	15.82	1.79	1.63	1.64

Cotton Futures on ICE;

Yellow maize market (Graph 6)

International:

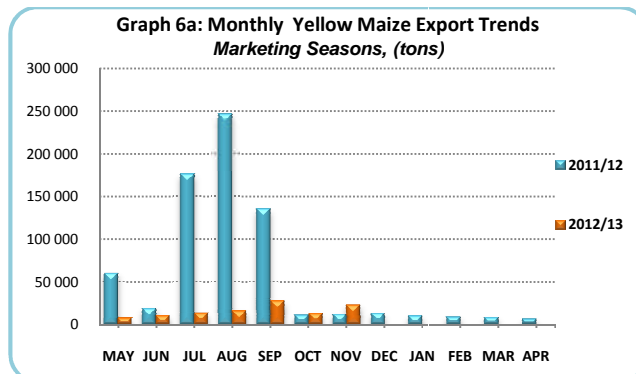
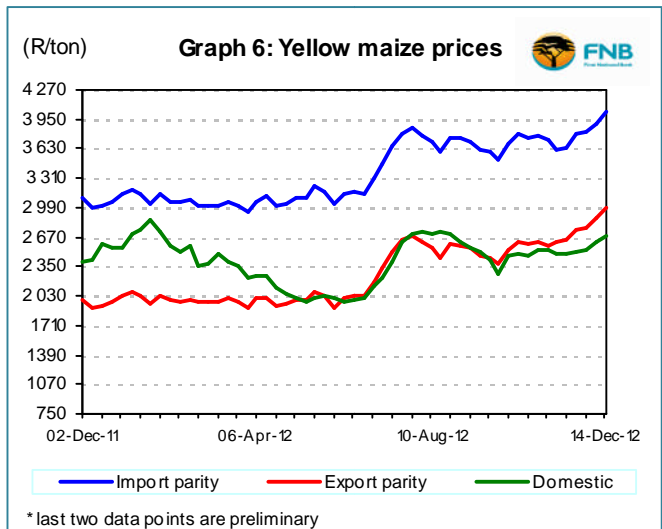
- Prices posted good gains on spill over support from strength in the soybean and wheat markets.
- US weekly export sales were somewhat subdued, coming in at 236,100 tons for current marketing year.
- The International Grains Council pegged world production for 2011/12 at 876.0m tons, with ending stocks seen at 134.4m tons. However, the 2012/13 production figure dropped to 830.1m tons with the ending stocks of 115.5m tons.
- Weather is reportedly improving in South America with better rains expected in some growing areas of Brazil. However, planting in Argentina is reportedly delayed due to wet conditions. Further delays could see the planting window closed and focus may shift towards soybeans, which may support a price rally in the maize market.

Domestic:

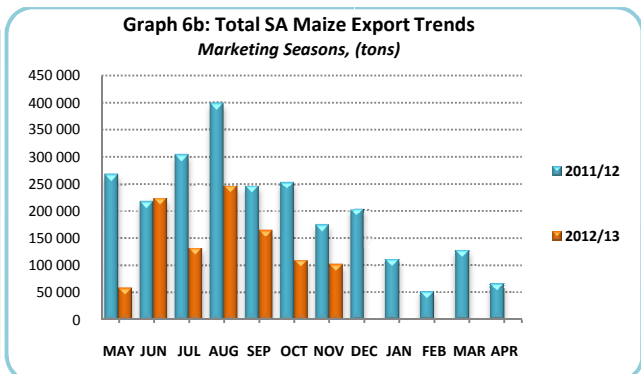
- Yellow maize prices retained the recent uptrend on spill over support from CBOT. Weekly yellow maize prices ended at R2,542 per ton, up 1.7% w/w and 5.6% y/y. Import parity prices increased by 0.5% w/w and 23.3% y/y, mainly on better international prices.
- Meanwhile, the final crop estimate indicated a slightly higher crop than previously anticipated. The 2011/12 production was pegged at 11.8m tons, up 2.9% from the last estimate. The yellow maize crop was revised upwards by 2.0% to 5.1m tons.
- Export sales for the week came in at 3,210 tons, bringing the progressive total for the 2012/13 marketing season to 113,686 tons.

OUTLOOK

Prices are expected to trend firmer in the short term on spill over gains on the international market. However, weather will determine price direction in the medium term.



Source: SAGIS



Yellow Maize Futures 30 November 2012	Mar-13	May-13	Jul-13	Sep-13	Dec-13
CBOT (\$/t)	296.52	296.29	293.21	258.70	250.35
JSE (R/t)	2 535	2 435	2 389	2 425	2 435
CHICAGO CORN (R/t)	2 642	2 642	-	2 660	2 367

Calculated Yellow Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Mar-13			May-13			Jul-13		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
2 580	150	105	2 480	183	138	2 420	205	174
2 540	128	123	2 440	161	156	2 380	183	192
2 500	108	143	2 400	140	175	2 340	163	212

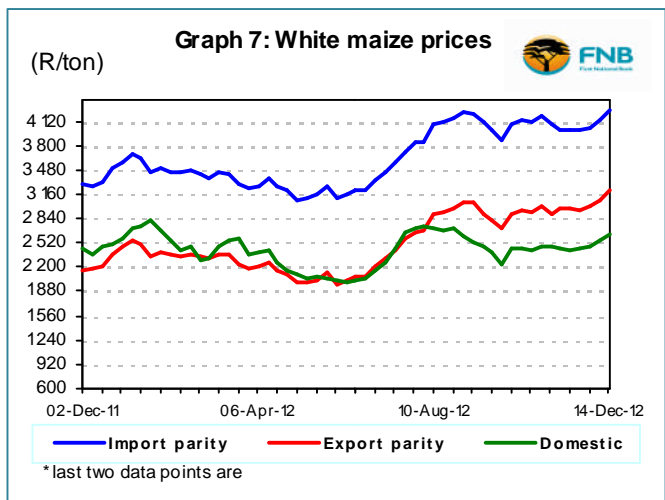
White maize market trends (Graph 7)

International:

- US White maize prices reversed losses and increased on strength in the grain complex. The weekly average white maize prices closed at US\$332 per tons, which is up by 1.7% w/w and 25.7% y/y.

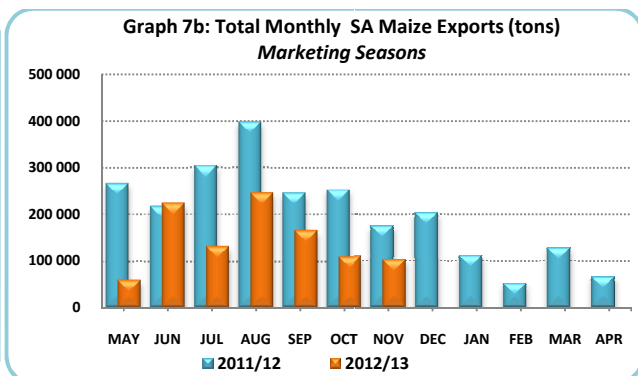
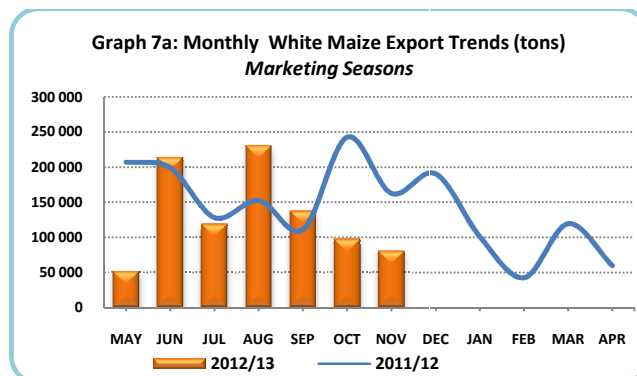
Domestic:

- White maize prices finished slightly higher supported by gains on CBOT. Weekly white maize prices increased by 1.6% w/w and 1.7% y/ to close at R2,483 per ton.
- White maize import parity prices increased due to mainly due to higher international prices. Weekly import parity prices increased by 0.8% w/w and 23.0% y/y.
- Weekly white maize export sales were pegged at 26,857 tons, with total sales for the season to date reaching 930,3847 tons. Cumulative maize export sales for the 2012/13 season surpassed the 1m level to 1.04m tons (White and Yellow maize)..



OUTLOOK

Prices are expected to trend firmer in the short term on spill over gains on the international market. However, weather will determine price direction in the medium term.



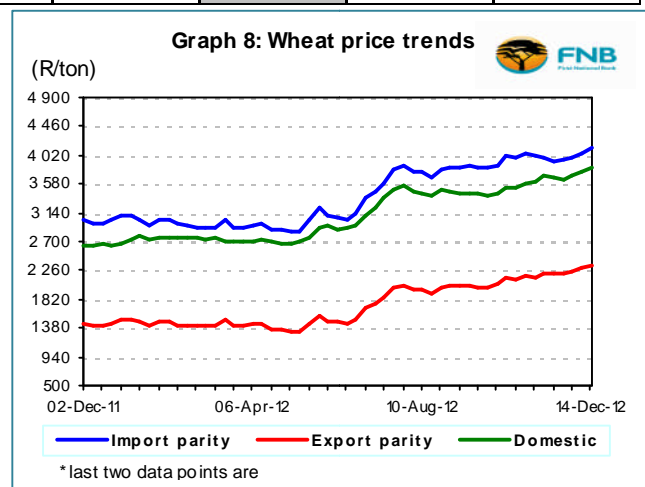
White Maize Futures 30 November 2012	Mar-13	May-13	Jul-13	Sep-13	Dec-13			
JSE (R/t) WM ₁	2 461	2 420	2 385	2 406	2 457			
Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Mar-13			May-13			Jul-13		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
2 500	152	113	2 460	183	143	2 420	207	172
2 460	130	131	2 420	161	161	2 380	185	190
2 420	110	151	2 380	140	180	2 340	164	209

Wheat market trends (Graph 8)
International:

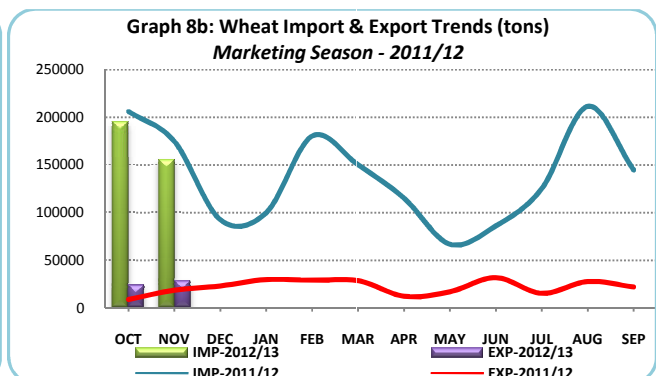
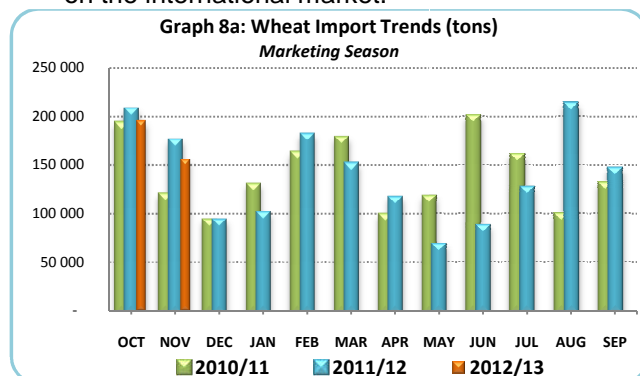
- US Wheat prices regained ground and finished higher on continued weather concerns over the winter wheat areas of the US. Deteriorating crop conditions saw progress ratings falling by another percentage point to 33.0% in good to excellent condition.
- US wheat export sales came in below expectations at 279,300 tons for the current marketing year.
- In other areas, conditions are reportedly favourable in Australia but there are concerns over dryness in the western areas.

Domestic:

- Wheat prices posted marginal gains despite a stronger Rand. Weekly wheat prices gained 1.4% w/w and 34.2% y/y to close at R3,709 per ton. Wheat import parity prices continued to increase mainly due to the effect of higher international prices. Weekly wheat import parity prices increased by 0.7% w/w and 28.4% y/y.
- The expected wheat harvest came in 1.3% higher than the previous estimate at 1.8m tons. Provincially, about 775,200 tons are expected for the Western Cape is (43%), 370 500 tons for the Free State (21%) and 277,200 tons for the Northern Cape (16%).
- Weekly import sales came in at 51,692 tons bringing the cumulative total for the new marketing season to 347,971 tons (2012/13).


OUTLOOK

Prices are expected to continue to trend firmer in the short term to medium term supported renewed gains on the international market.



Source: SAGIS;

Wheat Futures 30 November 2012	Mar-13	May-13	Jul-13	Sep-13	Dec-13			
KCBT (\$/t)	335.56	338.87	338.78	340.25	342.27			
JSE (R/t)	3 862	3 865	3 632	-	3 632			
Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Mar-13			May-13			Jul-13		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
3 860	158	108	3 900	233	195	3 900	272	237
3 820	136	126	3 860	212	214	3 860	250	255
3 780	115	145	3 820	191	233	3 820	229	274

Oilseed market trends (Graph 9)
International:

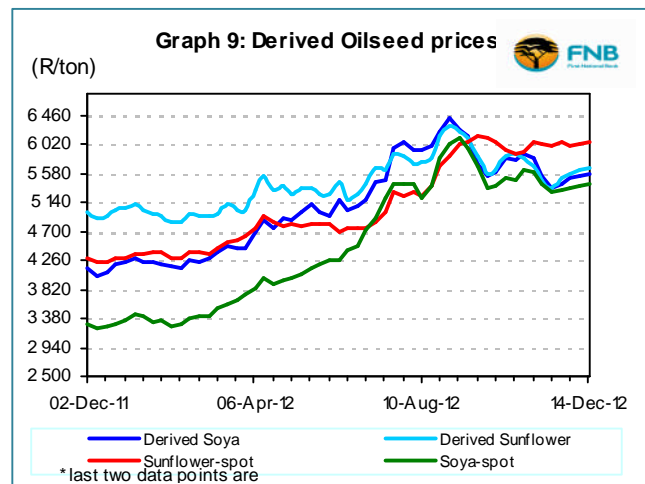
- Prices were up across the soybean complex on improved export demand and weather concerns in South America. Weekly US soybean export sales were above expectations at 319,100 tons for the current marketing year.
- The IGC expects world soybean ending stocks to recover in 2012/13, led by inventory accumulation in major exporters, but this hinges on forecasts for record crops in South America. The 2012/13 world ending stocks are forecast at 27.6m tons, up 16.9% y/y.
- World soybean imports are set to expand by 5% y/y to 96.8m tons, mainly on larger shipments to China.
- Prices in the soybean complex: Soybeans closed at US\$567 per ton, up 2.5% w/w and 28.9% y/y. Soymeal advanced by 3.0% w/w and 66.0% y/y to close at US\$463 per ton. Soyoil finished up 2.1% w/w at US\$47.15c/lb, but still 5.7% lower y/y.

Domestic:

- Oilseeds traded on the JSE ended mixed with soybeans finding support from gains on the international market. Weekly soybean prices gained 0.8% w/w and 62.8% y/y to close at R5,356 per ton. Sunflower on the other hand drifted lower, closing down 0.8% w/w but still 40.1% higher y/y at R5,996 per ton.
- Meanwhile, final sunflower production was revised downward by 0.97% to 522,000 tons. In the case of soybeans, the final crop was pegged at 650,000 tons (+0.5%).
- In the futures market (JSE): Soybeans for May-13 gained 1.3% w/w (+R60/t), and Jul-13 was up 2.0% w/w (+R94/t). Sunflower for Mar-13 fell by 0.4% w/w (-R20/t), May-13 gained 1.6% w/w (+R80/t).

OUTLOOK

It is however expected that prices will strengthen in the medium term on the back of growth in demand for vegetable oils globally.

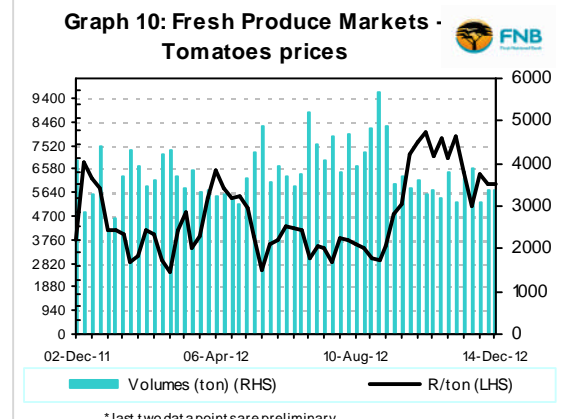


Oilseeds Futures 30 November 2012	Mar-13	May-13	Jul-13	Sep-13	Dec-13
CBOT Soybeans (US \$/t)	500.52	497.66	489.06	466.87	-
CBOT Soya oil (US c/lb)	55.73	56.17	56.53	56.24	55.59
CBOT Soya cake meal (US\$/t)	471.24	456.36	449.52	427.04	404.66
JSE Sunflower seed (R/t)	5 480	4 950	5 020	-	5 030
JSE Soybean seed (R/t)	5 145	4 840	4 914	-	-

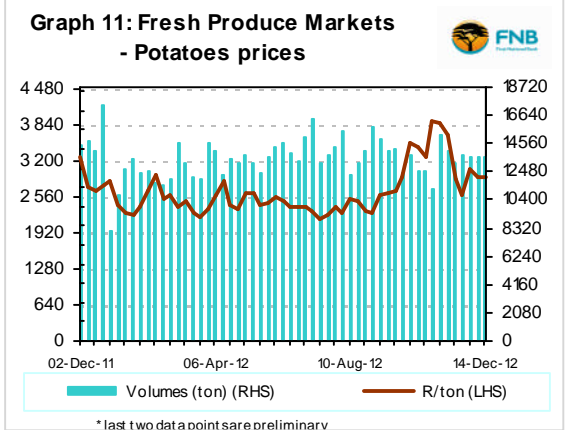
Calculated Sunflower Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Mar-13			May-13			Jul-13		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
5 520	303	263	5 000	411	361	5 060	469	429
5 480	281	281	4 960	389	379	5 020	447	447
5 440	261	301	4 920	368	398	4 980	426	466

Vegetable Market Trends (Graphs 10 to 14)
Tomatoes

Tomato prices posted sharp gains on the back of reduced volumes across most markets. Weekly tomato prices rose by a whopping 25.1% w/w and 67.7% y/y, settling the at R6,336 per ton. Volumes traded decreased by 20.6% w/w and 24.4% y/y, coming at 3,094 tons. It is however expected that prices will moderate slightly in the short term on improved supplies.


Potatoes

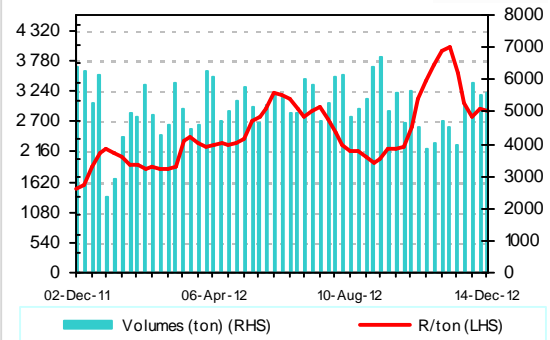
Potato prices increased sharply supported by good uptake across markets. The weekly average potato prices increased by 17.8% w/w but were 5.9% lower y/y at R3,061 per ton. Volumes of potatoes traded decreased by 1.0% w/w and 6.5% y/y, coming in at 13,545 tons. Prices are however expected to soften slightly in the short term on improved supplies.



Onions

Onion prices moved modestly lower under pressure due to higher volumes on markets. Weekly onion prices reached R2,791 per ton, down by 7.4% w/w but still 88.3% higher y/y. Volumes of onions traded were pegged at 5,918 tons, up by 13.4% w/w but were 7.1% lower y/y. It is however expected that prices will trend firmer in the short term on increased demand.

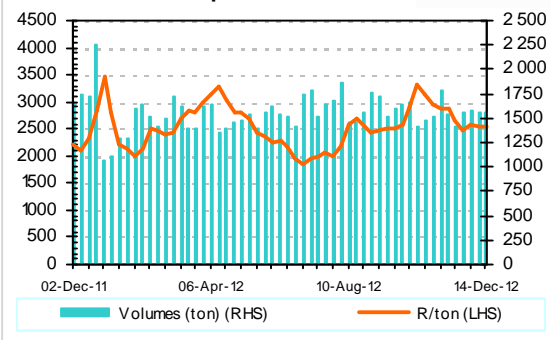
Graph 12: Fresh Produce Markets - Onion prices



Carrots

Carrot prices posted modest gains as a result of improved uptake on markets. Weekly carrot prices increased by 4.3% w/w and 15.6% y/y to close at R2,565 per ton. Volumes traded reached 1,580 tons, up by 1.7% w/w but still 4.6% lower y/y. Prices are expected to trend sideways for to firmer on good demand and moderation in supplies.

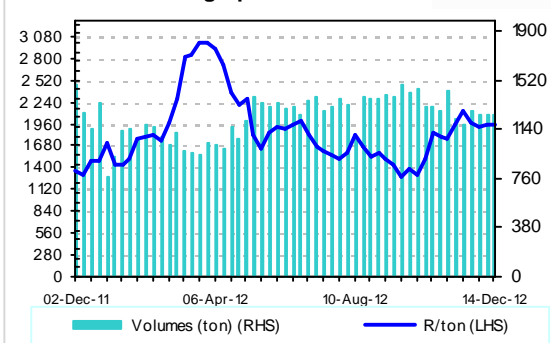
Graph 13: Fresh Produce Markets - Carrot prices



Cabbages

Cabbage prices closed the week slightly lower as a result of weak uptake on markets. Weekly cabbage prices fell by 2.5% w/w but were still 41.6% higher y/y at R1,925 per ton. Volumes traded came in at 1,245 tons, falling by 2.7% w/w and 16.3% y/y. Prices are expected however to trend firmer in the short term supported by improved demand.

Graph 14: Fresh Produce Markets - Cabbage prices



Vegetable prices: South Africa's Major Fresh Produce Markets.

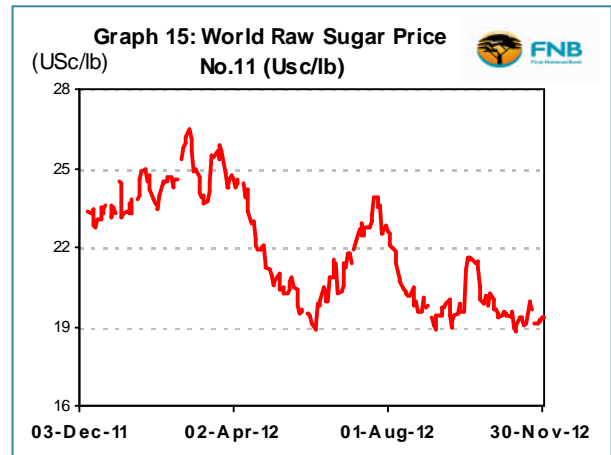
(Average Pretoria, Bloemfontein, Johannesburg, Cape Town and Durban)

Week ending 30 November 2012	Average Price (R/t)	w/w	y/y	Total Volume (t)	w/w	y/y
Tomato	6 336	25.1%	67.7%	3094	-20.6%	-24.4%
Potato	3 061	17.8%	-5.9%	13545	-1.0%	-6.5%
Onion	2 791	-7.4%	88.3%	5918	13.4%	-7.1%
Carrot	2 565	4.3%	15.6%	1580	1.7%	-4.6%
Cabbage	1 925	-2.5%	41.6%	1245	-2.7%	-16.3%

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

Sugar market trends (Graph 15)
International:

- Sugar prices reversed last week's gains, on weak demand and volume pressure due to harvesting Asia.
- Weekly average sugar prices fell by 2.1% w/w and 18.0% y/y to finish the week at US19.24c/lb.
- The International Sugar Organization earlier raised its forecast for the 2012/13 global surplus to 6.2m tons. Further, the agency indicated that output could reach 200m tons by 2020 if weather and various supporting factors prevail.
- Raw Sugar futures on InterContinental Exchange (ICE): Raw Sugar for May-13 delivery increased by 1.1% w/w at US19.38c/lb, Jul-13 was up 1.1% w/w at US19.41c/lb, and Mar-14 was up 1.6% w/w at US20.22c/lb.


Domestic:

- The November 2012 RV price in respect of cane delivered in October 2012 was declared at R3,160.59 per ton, down R11.26 per ton m/m. According to Cane Growers' Association, this was due to the 0.71% drop in the Sugar: RV ratio (94.06% vs. 94.77%) and the lower No.11 world market price (19.24USc/lb.vs.21.26 USc/lb).
- The 62,515 ton drop in sugar production did impact positively on the price but overall the negative input variables prevailed. With the reduction in sugar production the export availability has also decreased and the unpriced 14.5% is essentially made up of the crop buffer and some 23,000 tons that could not be priced because of fears that the crop estimate might fall considerably.
- With respect to the 2012/13 season, 315,589 ton has been made available for marketing and pricing. To date 291,145 tons has been priced at an average of US24.08c/lb. At this point 24,449 tons are unpriced and the crop buffer has shrunk to 18,623 tons with the latest drop in the crop estimate. This means that 43,069 tons of the estimated production in 2012/13 are currently subjected to world market price and R/\$ exchange rate volatility.

ICE Sugar Futures 30 November 2012	May-13	Jul-13	Oct-13	Mar-14	May-14
Sugar No.11 (US c/lb)	19.38	19.41	19.71	20.22	20.16
% Change w/w	1.1%	1.1%	1.4%	1.6%	1.8%

Inflation: October 2012

The headline CPI inflation for October was 5.6% y/y (above the 5.4% market consensus) up from 5.5% y/y in September. On average, prices increased by 0,6% between September 2012 and October 2012.

The pressure on CPI inflation came from food and non alcoholic beverage (FNAB) component due to higher grain prices that fed into higher bread and cereal prices. The pressure also came from high meat and dairy prices due to higher feed costs. The 23c/litre increase in October fuel prices due to higher global oil prices also influence the increase in CPI inflation.

The food and non alcoholic beverages (FNAB) index which directly deals with food prices remained increased to 6.3% y/y in October from 5.8% y/y in September. The monthly increase was 2.8% the highest recorded monthly increase since August 1994.

The increase in the FNAB index was influenced by the m/m increase in the following subcomponents; fruit (5.4%), vegetables (9.5%), oil and fats (0.8%), bread and cereals (2.8%), fish (0.8%), meat (2.2%), other food (1.7%), hot beverages (0.3%) and milk, eggs and cheese (0.7%). However, the cold beverages subcomponent declined by 0.2% m/m.

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.
