

Agri-Weekly

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pmakube@fnb.co.za
<https://www.fnbagricomms.co.za>

Beef market trends (Graph 1)

International:

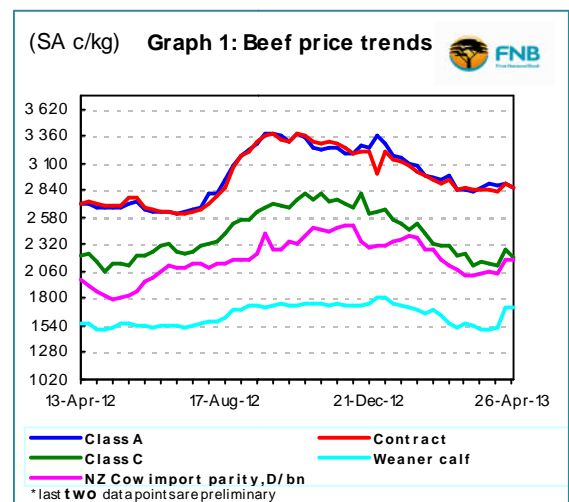
- US lean manufacturing beef prices moved sideways to lower on limited demand and moderate supplies.
- Market activity on imported beef was reportedly slow with prices mostly lower.
- At wholesale level, US boxed beef cut-out values eased lower on light to moderate demand and moderate supplies.
- Choice beef was down by 0.4% w/w but still 7.2% y/y to close at US\$190.60/cwt. Select beef was down by 1.5% w/w but up by 4.7% y/y at US\$185.44cwt.
- In the cattle market, the CME Feeder Cattle Index fell by 1.5% w/w and 7.3% y/y at \$138.18/cwt.
- Weekly US cattle slaughter increased by 2.2% w/w and 4.3% y/y at 606,000 head.
- In Australia, cattle price continued to trend lower with the Eastern Young Cattle Indicator finishing the week down by 2.2% w/w and 18.1% y/y to close at AU\$3.19/kg cwt.

Domestic:

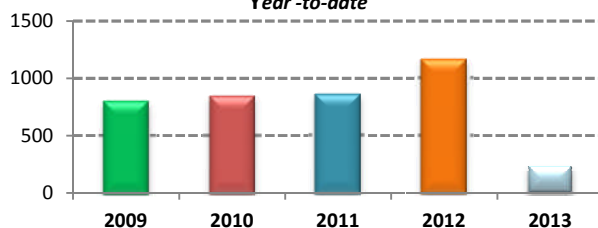
- Beef prices were down across the board during midmonth. Weekly Class A beef prices eased marginally lower by 0.6% w/w but still 6.6% higher y/y at R28.87 per kg.
- Contract Class A beef prices were down by 0.3% w/w but up by 4.2% y/y R28.33 per kg.
- Class C beef was down by 0.2% w/w and 4.1% y/y at R21.22 per kg.
- Weaner calf prices gained 1.6% w/w but still 3.1% lower y/y at R15.18 per kg live weight.

OUTLOOK

Prices are expected to come under pressure in the short to medium term due to the seasonal increase in supplies.

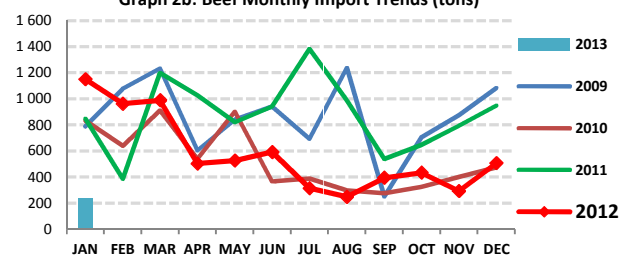


Graph 2a: Beef Import Trends (tons)
Year-to-date



Source: SARS, Own Calculations

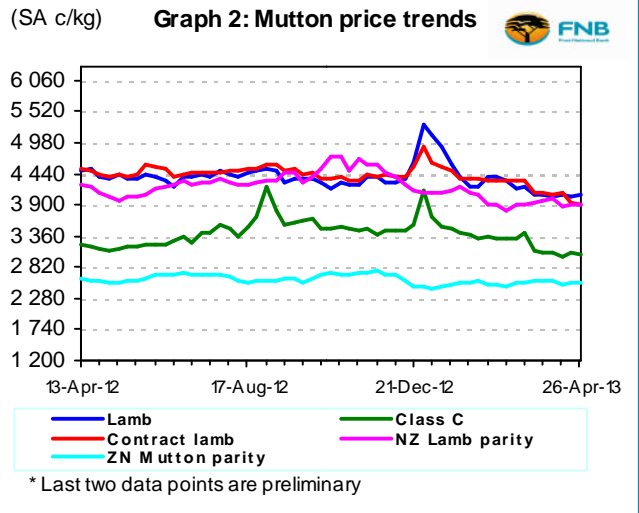
Graph 2b: Beef Monthly Import Trends (tons)



Mutton market trends (Graph 2)

International:

- In New Zealand (NZ), producer prices posted marginal gains for the week.
- Weekly lamb prices traded at NZ\$75.00 per head for the 17.5kg live weight, up by 0.1% w/w but still down by 24.0% y/y. Mutton prices gained 1.4% w/w to closed at NZ\$50.00 per head for the 21kg live weight, but down by 20.0% y/y.
- In Australia, the lamb market continued to weaken with the Eastern Trades Lamb Indicator (ESTLI) falling by 6.1% w/w and 12.3% y/y at AU\$4.01 per kg cwt.
- In the US, lamb carcass prices were mostly lower across most categories. US lamb carcass cut-out prices closed at US\$256.62/cwt, down by 1.0% w/w and 24.0% y/y.
- Weekly US sheep slaughter steadied at 36,000 tons, but still 20.0% lower y/y. The estimated year-to-date sheep slaughter was down by 0.9% y/y at 571,000 head.



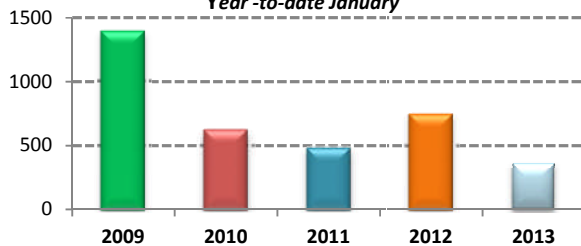
Domestic:

- The lamb and mutton markets ended mixed for the week.
- Weekly Class A lamb prices gained 1.3% w/w but still 9.1% lower y/y at R40.91 per ton.
- Contract Class A lamb prices were up by 0.8% w/w but down by 9.1% y/y at R41.09 per kg.
- Mutton was the exception, coming in slightly lower by 1.4% w/w and 5.9% y/y at R30.18 per kg.
- Weaner saw modest gains on tight supplies. Weekly weaner lamb prices increased by 4.0% w/w but still 11.5% lower y/y at R19.63 per kg.

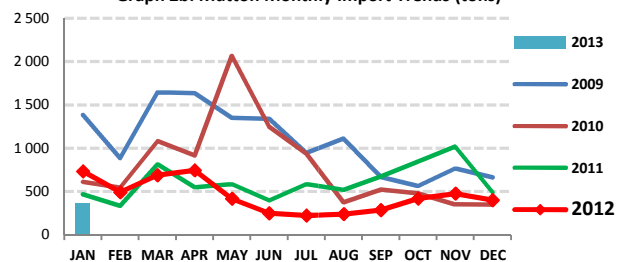
OUTLOOK

Prices are expected to sideways with limited upside potential due to softer demand.

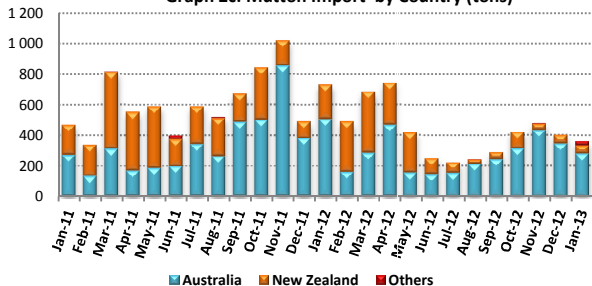
Graph 2a: Mutton Import Trends (tons)
Year-to-date January



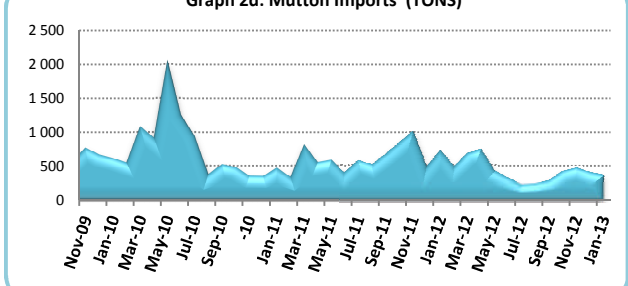
Graph 2b: Mutton Monthly Import Trends (tons)



Graph 2c: Mutton Import by Country (tons)



Graph 2d: Mutton Imports (TONS)



Source: SARS, Own Calculations

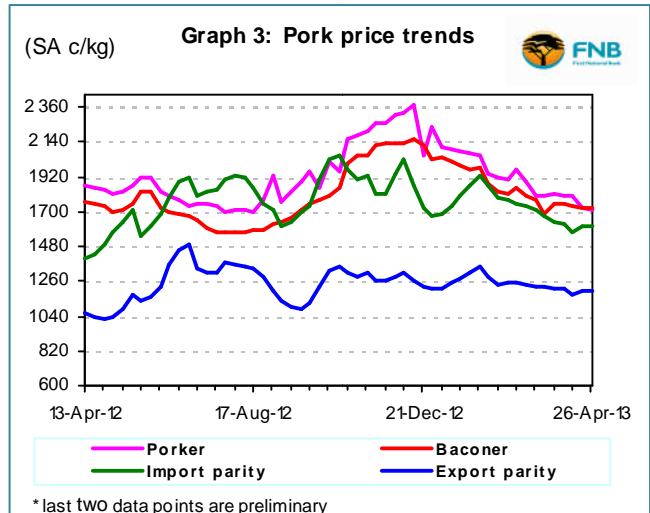
Pork market trends (Graph 3)

International:

- US pork production was forecast higher by 1.0% y/y in the April USDA report.
- The increase is due to a slightly higher-than-expected first quarter pig crop and anticipated heavier carcasses as feed prices decline.
- Price forecasts were lowered as greater inventories and weaker exports are expected to exert downward pressure on the market.

Domestic:

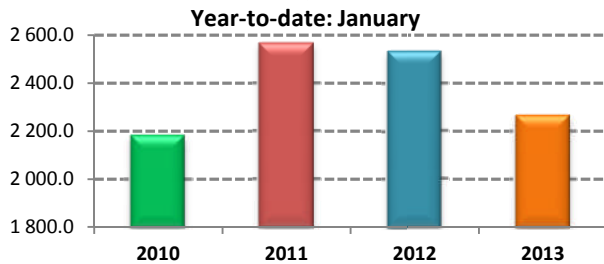
- Prices ended mixed with baconers under pressure due to subdued demand.
- Weekly baconer prices closed at R17.42 per kg, down by 0.2% w/w and 1.0% y/y.
- Porker prices were a bit firmer at R18.01 per kg, up by 0.3% w/w but still 3.4% lower y/y.



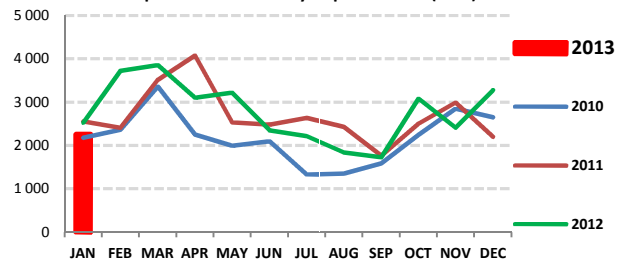
OUTLOOK

The short term outlook for prices remains bearish due to subdued demand.

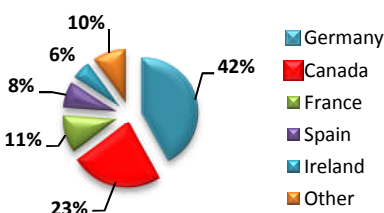
Graph 3a: Pork Import Trends (tons)



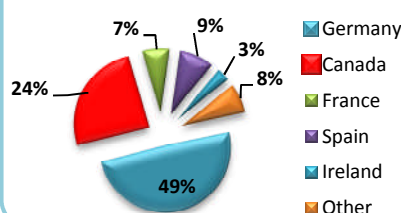
Graph 3b: Pork Monthly Import Trends (tons)



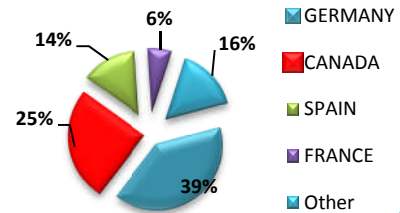
Graph 3c: Imports by Country - 2010



Graph 3d: Imports by Country - 2011



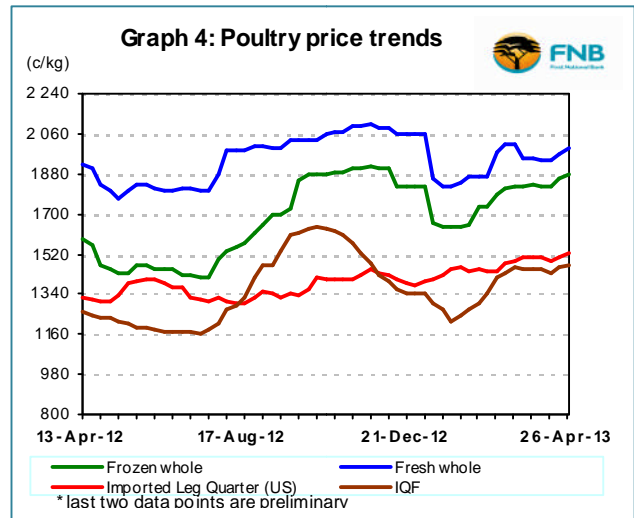
Graph 4e: Imports by Country - 2012



Source: SAPPO, SARS, Own Calculations

Poultry market trends (Graph 4)
International:

- US domestic prices were up across most categories on light to moderate. The exception were wings, finishing modestly lower.
- Demand at retail and food service was reportedly moderate to good.
- Whole bird prices gained 0.2% w/w and 9.8% y/y to close at US102.42c/lb.
- Weekly leg quarter prices closed at US55.50c/lb, up by 0.9% w/w and 2.8% y/y.
- Breast cuts were up 0.3% w/w and 11.3% y/y at US111.67c/lb.
- Wing prices fell by 3.2% w/w and 12.5% y/y at US165c/lb.
- According to the Weekly USDA Broiler Hatchery report (19 States), broiler eggs set for the week ended 30 March 2013 increased by 1.0% y/y to 200m. Average hatchability for chicks hatched remained at 84.0%. Broiler chick placements came in at 164.0m head, up by 1.0% y/y.
- Cumulative broiler placements from December 30, 2012 through March 30, 2013 were up by 1.0% y/y at 2.2b head.

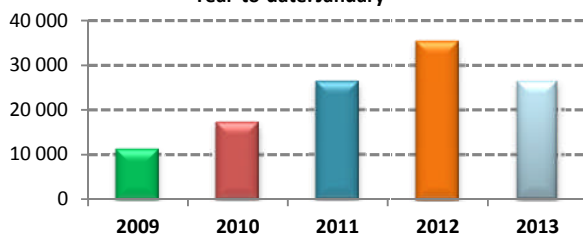

Domestic:

- The broiler market saw marginal losses across most categories.
- Weekly frozen whole bird prices steadied at R18.26 per kg, which is 15.2% higher y/y.
- Fresh whole bird prices were unchanged at R19.38 per kg, but 0.8% higher y/y.
- Prices for the Individually Quick Frozen (IQF) portions fell by 1.4% w/w but still 13.3% higher y/y at R14.34 per kg.
- Import parity prices eased slightly lower mainly gains in the Rand/ US dollar exchange rate. Weekly import parity prices were down by 1.7% w/w but still 16.7% higher y/y.

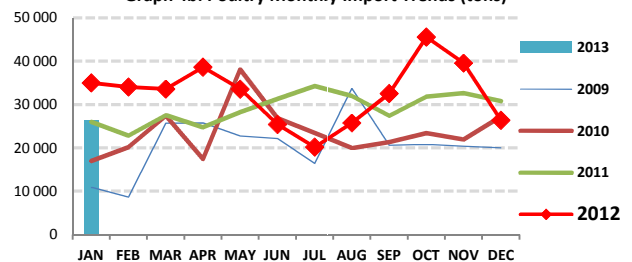
OUTLOOK

It is expected that prices will move sideways with limited upward potential in the short to medium term.

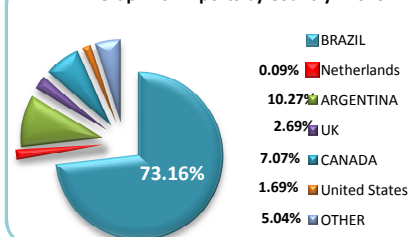
Graph 4a: Poultry Import Trends
 Year-to-date: January



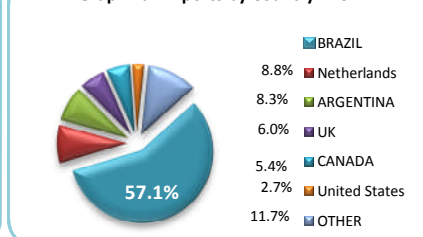
Graph 4b: Poultry Monthly Import Trends (tons)



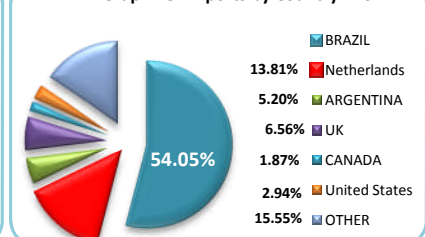
Graph 4c: Imports by Country - 2010



Graph 4d: Imports by Country - 2011



Graph 4e: Imports by Country - 2012



Source: SARS, Own Calculations

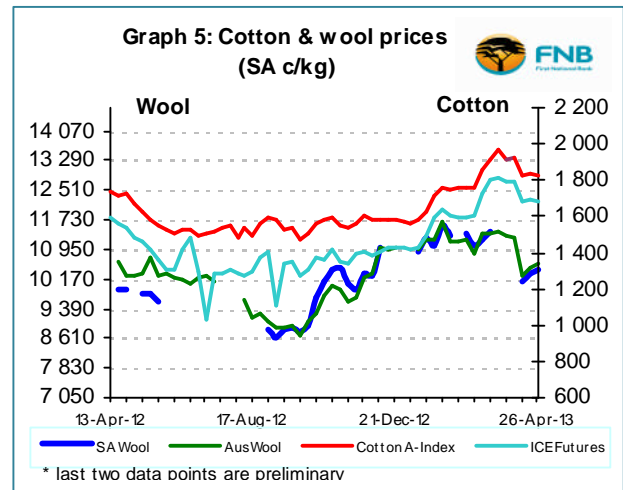
Producer prices for selected livestock commodities 12 April 2013	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	28.87	40.91	18.01	19.38
Open market: Class C / Baconer / Frozen whole birds(R/kg)	21.22	30.18	16.60	18.26
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	28.33	41.09	17.42	14.34
Import parity price (R/kg)	20.37	25.30	15.71	14.84
Weaner Calves / Feeder Lambs (R/kg)	15.18	19.63		

Wool and cotton market trends (Graph 5)
International:

- Cotton prices eased lower for the week.
- The cotton A index fell by 2.6% w/w and 6.7% y/y to close at US92.50c/lb.
- Futures were however down across the board: ICE Cotton futures for Jul-13 fell by 2.6% w/w at US87.62c/lb, Oct-13 was down by 2.9% w/w at US86.62c/lb, and Dec-13 was down by 1.8% w/w at US86.34c/lb.
- Wool: In Australia, the wool market extended recent losses which saw the Eastern Market Indicator falling by 5.9% w/w to close the week at AU\$9.99 per kg clean wool. Volumes offered were pegged at 52,465 bales with sales reaching 74.0%.

Domestic:

- The wool market resumed on a negative note with prices falling sharply on Rand gains and the spill over weakness from the Australian trade. The Cape Wools Merino Indicator fell by 1.2% w/w but still 15.7% higher y/y at R101.09 per kg clean wool.
- Sales reached 94.0% of the 12,005 bales offered.
- Major buyers were Standard Wool SA with 4,745 bales (39.5%), G Modiano SA with 2,535 bales (21.1%), Lempriere SA with 2,088 bales (17.4%), and Stucken & Co with 1,095 bales (9.1%)



Fibre market prices 12 April 2013	SA prices (R/kg)	Australian prices (R/kg)	Australian futures May-13 (AU\$/kg)	Australian futures Oct-13 (AU\$/kg)
Wool market indicator (R/kg)	101.09	102.79		
19 μ long length wool (R/kg)	108.48	103.98	11.15	10.75
21 μ long length wool (R/kg)	104.06	100.48	10.65	10.25
23 μ long length wool (R/kg)	-	107.38	9.45	9.05
	SA derived Cotton (R/kg)	New York A-Index (US\$/kg)	Cotton Futures Jul-12 (US\$/kg)	Cotton Futures Oct-13 (US\$/kg)
Cotton Prices (R/kg)	18.24	2.04	1.93	1.91

Cotton Futures on the InterContinental Exchange (ICE);

Yellow maize market (Graph 6)
International:

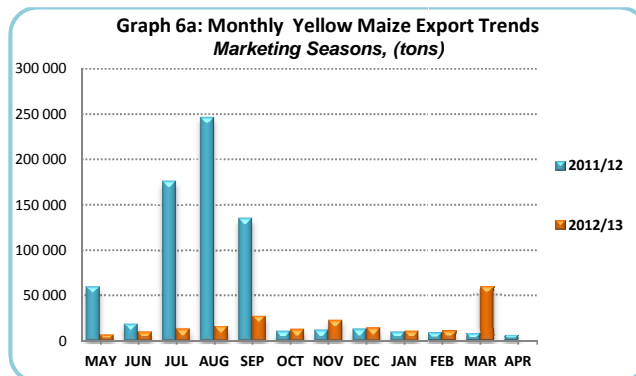
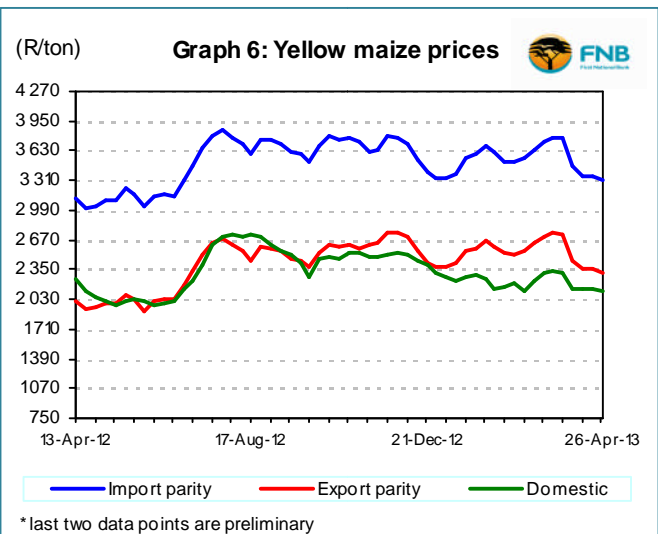
- US maize prices continued to weaken under pressure due to bearish USDA report, lower energy prices and weak economic news.
- However, US crop planting were off to a slow start when compared to last year, but still plenty early.
- The expected planted area for the US came in at a record 39.4m ha, which is the highest since 1936. Market focus has now turned to concerns over potential surpluses than shortages. This will see prices coming under pressure in the short to medium term.

Domestic:

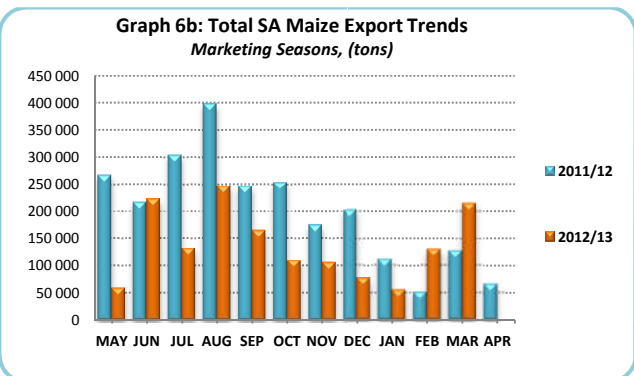
- Domestic prices regained some ground on renewed concerns over the size of the crop.
- Weekly yellow maize prices gained 0.4% w/w but still 4.5% lower y/y at R2,141 per ton.

OUTLOOK

Prices are expected to remain under pressure in the short to medium term on renewed weakness on international markets. However, lingering domestic supply tightness will help limit further losses.



Source: SAGIS



Yellow Maize Futures 12 April 2013	Jul-13	Sep-13	Dec-13	Mar-14	May-14			
CBOT (\$/t)	259.41	252.63	227.34	216.70	220.72			
JSE (R/t)	2 148	2 180	2 223	2 181	-			
CHICAGO CORN (R/t)	2 270	2 047	1 985	-	-			
Calculated Yellow Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Jul-13			Sep-13			Dec-13		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
2 180	126	94	2 220	172	132	2 260	201	164
2 140	105	113	2 180	149	149	2 220	179	182
2 100	85	133	2 140	129	169	2 180	158	201

White maize market trends (Graph 7)
International:

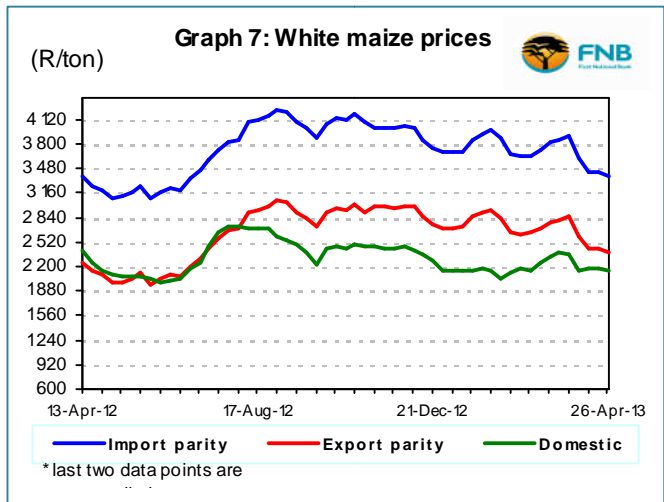
- US white maize spot prices moved modestly lower on higher planting area estimate and spill over weakness in energy markets.
- The weekly average white maize prices closed at US\$269 per ton, down by 3.0% w/w and 6.5% y/y.

Domestic:

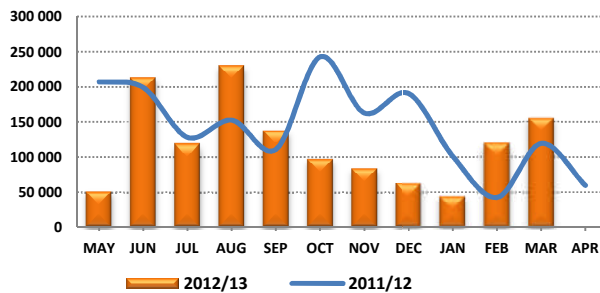
- White maize prices reversed losses and advanced marginally on harvest concerns.
- Weekly white maize prices increased by 0.5% w/w but still 10.4% higher y/y at R2,165 per ton.

OUTLOOK

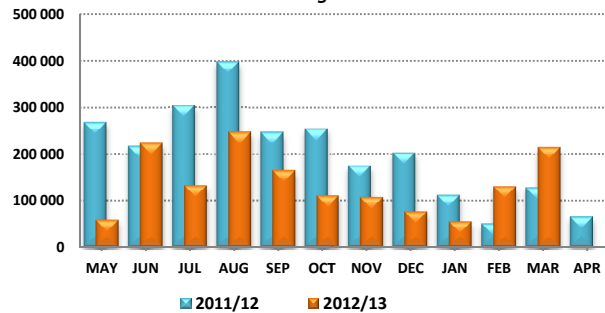
Prices are expected to remain under pressure in the short to medium term on renewed weakness on international markets. However, lingering domestic supply tightness will help limit further losses.



Graph 7a: Monthly White Maize Export Trends (tons)
Marketing Seasons



Graph 7b: Total Monthly SA Maize Exports (tons)
Marketing Seasons



Source: SAGIS;

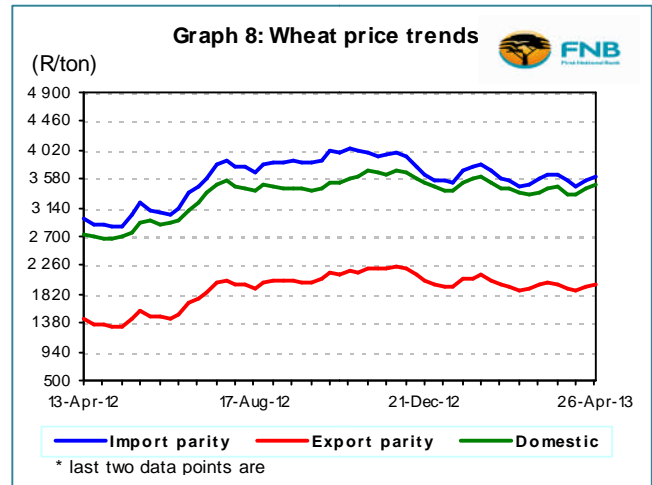
White Maize Futures 12 April 2013			Jul-13	Sep-13	Dec-13	Mar-14	May-14	
JSE (R/t) WM ₁			2 180	2 217	2 267	2 239	-	
Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
May-13			Jul-13			Sep-13		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
	2 220	127	87	2 260	168	125	2 300	220
	2 180	105	105	2 220	146	143	2 260	198
	2 140	85	125	2 180	125	162	2 220	177

Wheat market trends (Graph 8)
International:

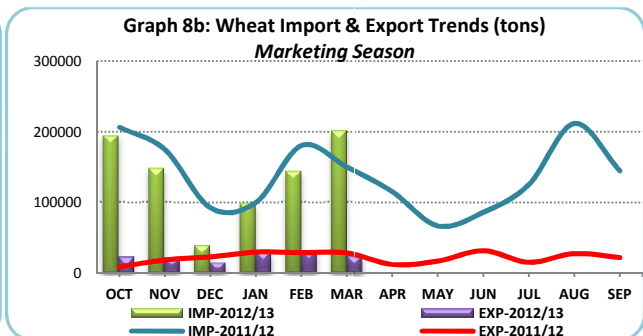
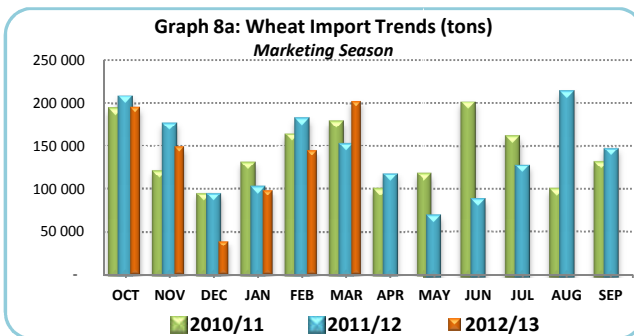
- Wheat prices bottomed out and increased on the back of unfavourable weather conditions in the growing areas of the US.
- Freezing conditions due to the winter storm across the Northern Plains and parts of the Southern Plains of the US could have a negative impact on the crop.
- US weekly export sales came in at 339,500 tons with 263,500 tons for the 2012/13 marketing season.

Domestic:

- Wheat prices were almost unchanged for the week.
- Weekly wheat prices closed at R3,342 per ton, but up by 24.1% y/y.
- Wheat import parity prices finished down by 1.7% w/w but up by 15.1% y/y.


OUTLOOK

Prices are however expected to trend firmer in the short term as the international wheat market recovers from the recent slump.



Source: SAGIS;

Wheat Futures 12 April 2013	Jul-13	Sep-13	Dec-13	Mar-14	May-14			
KCBT (\$/t)	271.54	276.02	282.19	287.34	288.66			
JSE (R/t)	3 418	3 386	3 258	-	-			
Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Jul-13			Sep-13			Dec-13		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
3 460	127	85	3 420	210	176	3 300	282	240
3 420	106	104	3 380	188	194	3 260	260	258
3 380	86	124	3 340	168	214	3 220	239	277

Oilseed market trends (Graph 9)
International:

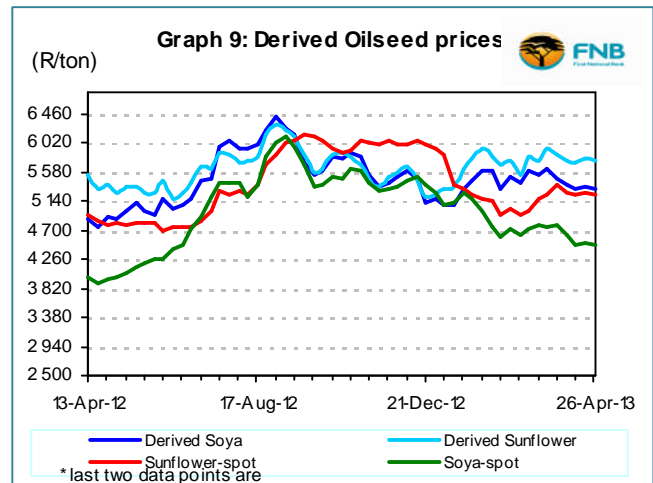
- Soybean prices saw gains across the soybean complex on improved export demand.
- However, concerns over the higher world stock and increased harvest in Brazil limited further gains.
- US weekly export sales were however bullish, coming in at 747,800 tons with 392,700 tons for 2012/13 and 355,100 tons for next marketing year.
- Soybean prices gained 1.8% w/w but still 0.4% lower y/y at US\$546 per ton.
- Soymeal closed at US\$412 per ton, up 1.1% w/w and 6.0% y/y. Soyoil prices gained 3.0% w/w at US50c/lb, but still 11.3% lower y/y.

Domestic:

- Oilseeds traded on the JSE were down across the board on Rand gains.
- Weekly sunflower prices closed at R5,240 per ton, down by 0.6% w/w but still 6.6% higher y/y.
- Soybean prices fell by 3.6% w/w but still 12.3% higher y/y at R4,468 per ton.

OUTLOOK

Attention now shifts to weather and crop developments in the US where the planting season has just commenced. Favourable crop conditions will exert more downward pressure on prices.



Oilseeds Futures 12 April 2013	Jul-13	Sep-13	Dec-13	Mar-14	May-14
CBOT Soybeans (US \$/t)	506.77	467.82	-	456.80	458.56
CBOT Soya oil (US c/lb)	49.11	49.08	48.68	48.82	48.76
CBOT Soya cake meal (US\$/t)	429.35	391.10	367.73	373.02	375.12
JSE Sunflower seed (R/t)	5 325	5 436	5 560	-	-
JSE Soybean seed (R/t)	4 576	4 601	4 701	-	-

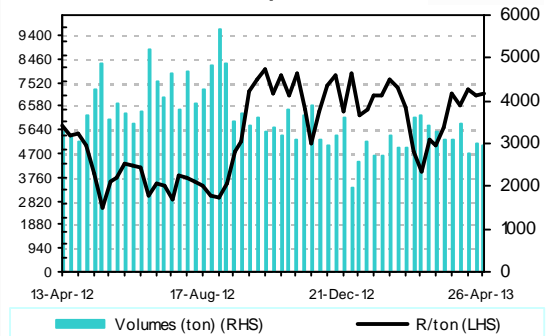
Calculated Sunflower Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)

Jul-13			Sep-13			Dec-13		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
5 360	298	263	5 480	416	372	5 600	542	502
5 320	276	281	5 440	394	390	5 560	520	520
5 280	256	301	5 400	373	409	5 520	498	538

Vegetable Market Trends (Graphs 10 to 14)
Tomatoes

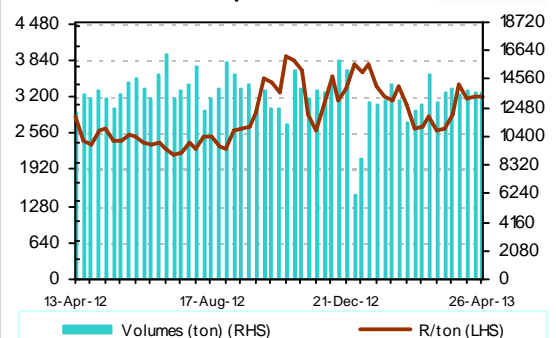
Tomato prices extended recent gains supported by reduced volumes across markets. Weekly tomato prices closed at R7,267 per ton, up by 10.1% w/w and 25.4% y/y. Volumes traded were pegged at 2,764 tons, down by 19.8% w/w and 15.5% y/y.

It is however expected that prices will trend sideways to lower as volumes recover.

Graph 10: Fresh Produce Markets - Tomatoes prices

Potatoes

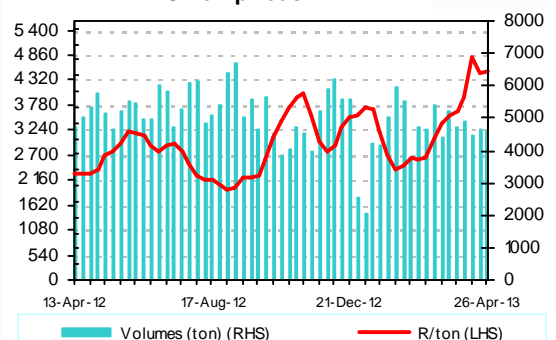
Potato prices reversed gains and finished modestly lower for the week. Weekly potato prices fell by 7.5% w/w but still 10.5% higher y/y at R3,148 per ton. Volumes of potatoes traded were up by 2.5% w/w and 12.7% y/y at 13,755 tons.

Prices are expected to maintain the current momentum on improved supplies.

Graph 11: Fresh Produce Markets - Potatoes prices

Onions

Onion prices continued to post strong gains on reduced volumes across markets. Weekly onion prices closed at R4,840 per ton, up by 22.4% w/w and 110.4% y/y. Volumes traded came in 4,479 tons, down by 8.9% w/w and 4.7% y/y.

Prices are expected trend sideways in the short term on volume pressure.

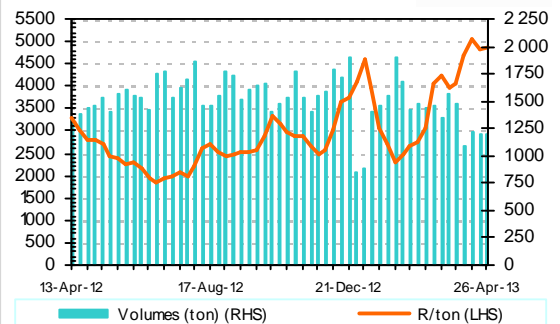
Graph 12: Fresh Produce Markets - Onion prices


Carrots

Carrot prices continued to post modest gains on the back of improved uptake across markets. Weekly carrot prices closed at R5,044 per ton, up by 7.5% w/w and 53.6% y/y. Volumes traded were pegged at 1,216 tons, up by 11.9% w/w but still 9.9% lower y/y.

It is however expected that prices will ease somewhat in the short term on improved supplies.

Graph 13: Fresh Produce Markets - Carrot prices



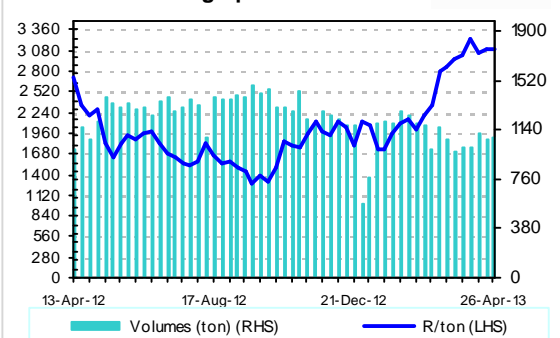
* Last two data points are preliminary.

Cabbages

Cabbage prices reversed recent gains and closed modestly lower for the week. Weekly cabbage prices fell by 5.9% w/w but were still 11.8% higher y/y at R3,049 per ton. Volumes of cabbages traded closed up by 10.9% w/w and 13.1% y/y at 1,115 tons.

Prices are expected to trend sideways with some upward potential in the short term on improved uptake.

Graph 14: Fresh Produce Markets - Cabbage prices



* Last two data points are preliminary.

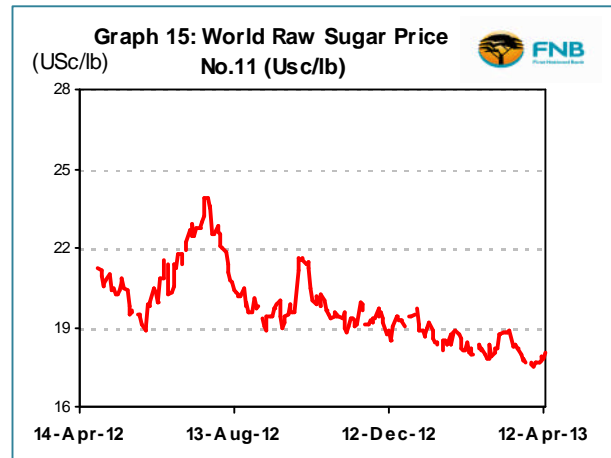
**Vegetable prices: South Africa's Major Fresh Produce Markets.
(Average Pretoria, Bloemfontein, Johannesburg, Cape Town and Durban)**

Week ending 12 April 2013	Average Price (R/t)	w/w	y/y	Total Volume (t)	w/w	y/y
Tomato	7 267	10.1%	25.4%	2764	-19.8%	-15.5%
Potato	3 148	-7.5%	10.5%	13755	2.5%	12.7%
Onion	4 840	22.4%	110.4%	4479	-8.9%	-4.7%
Carrot	5 044	7.5%	53.6%	1216	11.9%	-9.9%
Cabbage	3 049	-5.9%	11.8%	1115	10.9%	13.1%

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

Sugar market trends (Graph 15)
International:

- Raw Sugar prices reversed losses seen over the past few weeks. Harvest delays in Brazil due to rains supported prices.
- Meanwhile, the International Sugar Organization is reported to have forecast 8.5m tons of excess sugar for the current season partly due to a large crop expected from Brazil. This is negative for prices in the short to medium term.
- However the increased blending requirements in Brazil and subsequent diversion of cane to ethanol will offset the downward impact of the large crop on prices due to the reduced availability for the production of the sweetener.
- Weekly raw sugar prices were up by 1.2% w/w but still 25.6% y/y, closing at US17.84c/lb.
- Futures on the InterContinental Exchange: Raw sugar futures for Jul-13 gained 1.0% w/w at US 17.84c/lb, Oct-13 was up by 0.8% w/w at US18.21c/lb, and Mar-14 was up by 0.6% w/w at US19.06c/lb.


Domestic:

According to the Cane Growers Association, the final RV price in respect of cane delivered in 2012/13 season was declared at R3 197.32 per ton. The price was R42.12 per ton higher than the previous estimated price (cane delivered in January 2013). The increase in the final price was due to the impact of the sugar notional price adjustment that came into effect on 12 February 2013. Earlier estimates had anticipated that the final price would reach R3 200 per ton. This expectation was not achieved because of late adjustments, which saw final sugar production for the season falling by 6 653 tons. The resultant drop in the sugar: RV ratio (93.27% vs. 93.49%) was the main reason that the final price just failed to reach R3 200 per ton.

ICE Sugar Futures 12 April 2013	Jul-13	Oct-13	Mar-14	May-14	Jul-14
Sugar No.11 (US c/lb)	17.84	18.21	19.06	19.19	19.32
% Change w/w	1.0%	0.8%	0.6%	0.4%	0.3%

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.