

Agri-Weekly

15 February 2013

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Beef market trends (Graph 1)

International:

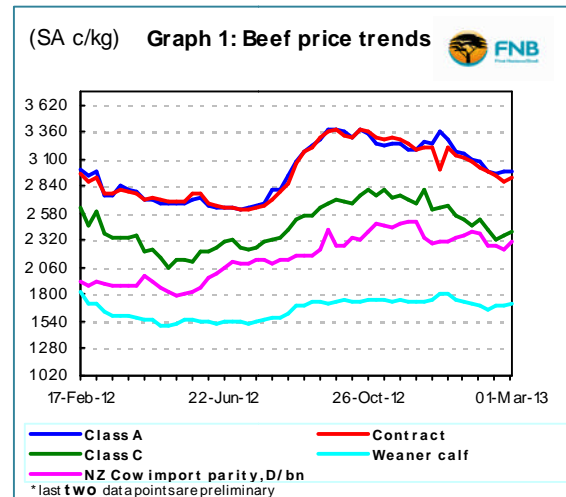
- US lean manufacturing beef prices continued to post strong gains on moderate demand despite increased supplies.
- Market activity on imported beef was reportedly slow and supplies remained tight, providing added support to the domestic prices.
- At wholesale level, US boxed beef cut-out values were steady to firmer on light to moderate demand.
- The latest World Agricultural Supply and Demand Estimates report by the USDA showed a slightly higher US beef production (+0.4% y/y) mostly on the back of heavier carcass weights. The expected increase in cow slaughter during the first quarter of 2013 was also cited as contributing factor to the higher forecast number.
- In Australia, the cattle market again posted marginal losses on improved supplies. The Eastern Young Cattle Indicator finished the week down by 1.5% w/w and 16.2% y/y to close at AU\$3.26/kg cwt.

Domestic:

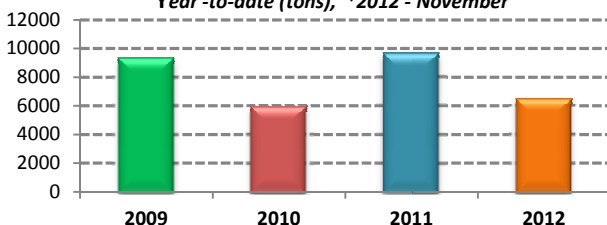
- The beef market continued to post losses as demand slipped further during mid-month. Weekly Class A beef prices fell by 0.9% w/w and 1.7% y/y to close at R29.59 per kg. Contract Class A beef fell by 1.3% w/w and 0.7% y/y, closing the week at R29.35 per kg.
- Class C beef posted sharp losses and closed at R23.27 per kg, down by 4.2% w/w and 11.4% y/y.
- Weaner calf prices regained some ground and finished slightly higher on limited supplies across markets. Weekly weaner calf prices advanced by 1.3% w/w but down by 8.1% y/y at R16.86 per kg live weight.
- Meanwhile, production conditions have improved in most areas due to good rains. This will ensure good grass cover which will be beneficial for over wintering in the months ahead.

OUTLOOK

The beef market is expected to remain under downward pressure in the short to medium term due to the seasonal decline in demand.

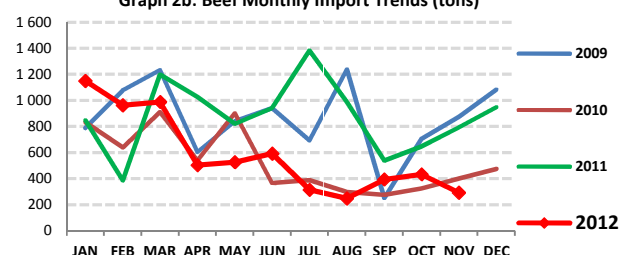


Graph 2a: Beef Import Trends
Year-to-date (tons), *2012 - November



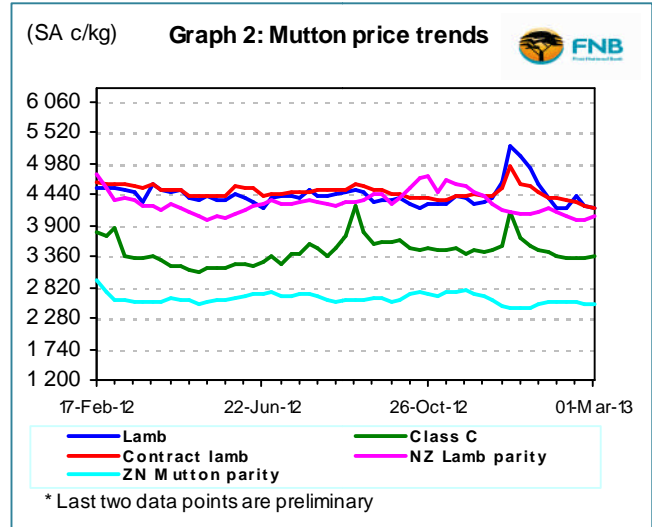
Source: SARS, Own Calculations

Graph 2b: Beef Monthly Import Trends (tons)



Mutton market trends (Graph 2)
International:

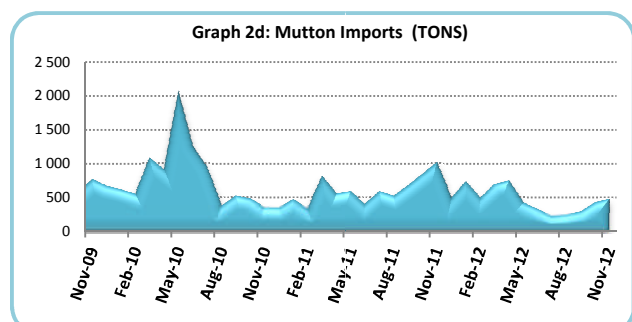
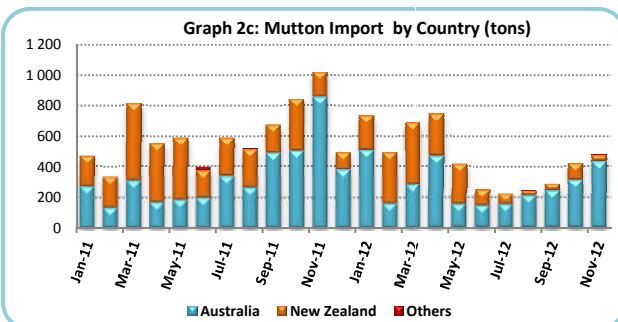
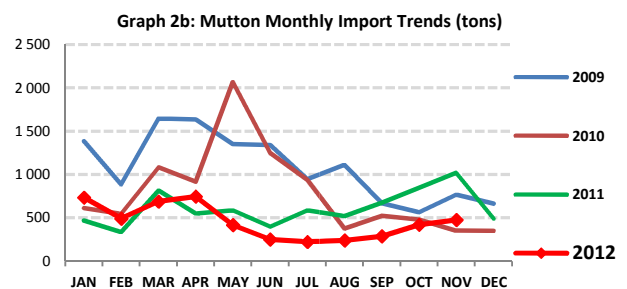
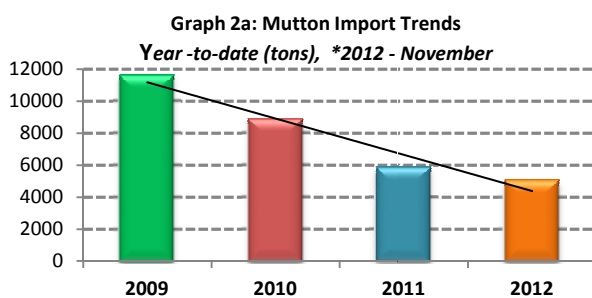
- In New Zealand (NZ), producer prices remained under pressure and trended lower. Weekly lamb prices closed at NZ\$78.80 per head, down by 30.0% y/y.
- In Australia, the lamb market saw slight gains in prices.
- The Eastern Trades Lamb Indicator (ESTLI) gained 1.9% w/w but still 20.3% lower y/y at AU\$3.69 per kg cwt.
- In the US, lamb carcass prices ended mixed with slight gains in the lighter categories.
- Meanwhile, total 2012 US lamb and mutton imports are reported to have declined by 6.0%, to 69,670 tons cwt. Much of the fall was in imports of mutton, while imported lamb volumes declined only 1.0% to 58,314 tons cwt. Imports of Australian lamb increased by 2.0% in 2012, to 41,364 tons cwt, accounting for 32.0% of the US lamb market, while US imports of New Zealand beef declined 7.0%, to represent 13.0% of the overall market.(MLA)


Domestic:

- The lamb and mutton markets ended firmer on tight supplies.
- Weekly Class A lamb prices gained 4.9% w/w but still 3.1% lower y/y at R44.06 per kg
- Contract lamb prices on the other hand continued to weaken, falling by 0.8% w/w and 7.4% y/y at R43.20 per kg.
- Mutton regained traction and finished marginally higher by 0.7% w/w at R33.44 per kg. This is however down 7.4% lower y/y.
- Weaner lamb prices rebounded on the back of limited supplies on markets. Weekly weaner lamb prices closed at R20.00 per kg live weight, up by 0.6% w/w but down 14.9% y/y.

OUTLOOK

It is expected that the market will improve slightly on tightening supplies across markets.

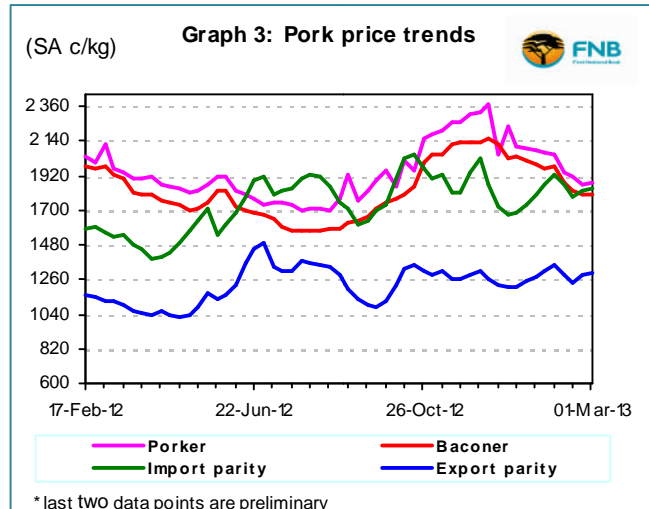


Pork market trends (Graph 3)
International:

- US domestic pork prices continued to weaken across most categories due to subdued demand.
- Loins fell by 1.5% w/w and 8.0% y/y to close at US\$88.75/cwt.
- Carcass prices closed at US\$80.88/cwt, down by 2.8% w/w and 6.1% y/y.
- Hams continued to decline under pressure due to weak export demand. Weekly ham prices fell by 4.8% w/w and 1.9% y/y to close at US\$64.18/cwt.
- Ribs were the exception, with prices posting marginal gains of 0.5% w/w at US\$125.33/cwt but still 13.9% lower y/y.

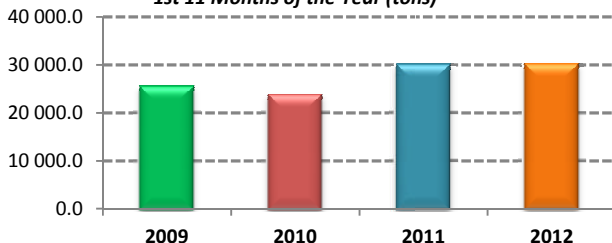
Domestic:

- As with other red meat types, the pork market continued to weaken due to subdued demand.
- Weekly porker prices closed lower by 1.6% w/w and 6.5% y/y at R19.11 per kg.
- Baconers again posted modest losses, falling by 2.6% w/w and 7.8% y/y to close at R18.25 per kg.
- Import parity prices eased lower mainly due to lower international prices. Weekly import parity prices decreased by 3.9% w/w but still 13.3% higher y/y.

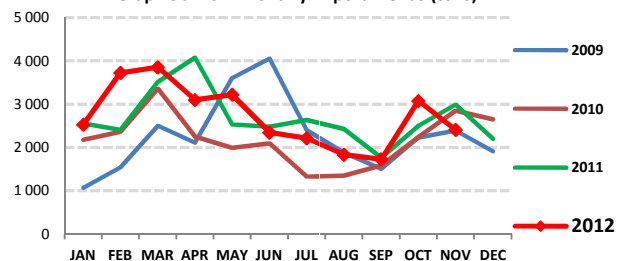

OUTLOOK

It is expected that prices will remain under pressure and move sideways to lower due to limited demand on markets.

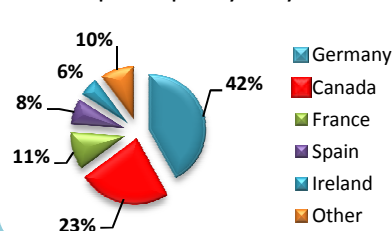
Graph 3a: Pork Import Trends
1st 11 Months of the Year (tons)



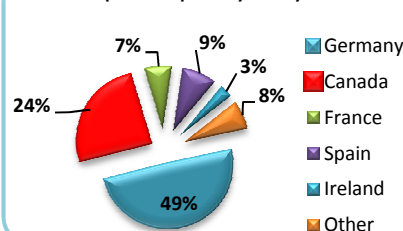
Graph 3b: Pork Monthly Import Trends (tons)



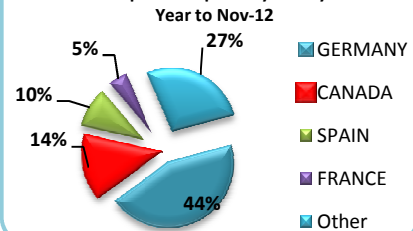
Graph 3c: Imports by Contry - 2010



Graph 3d: Imports by Contry - 2011



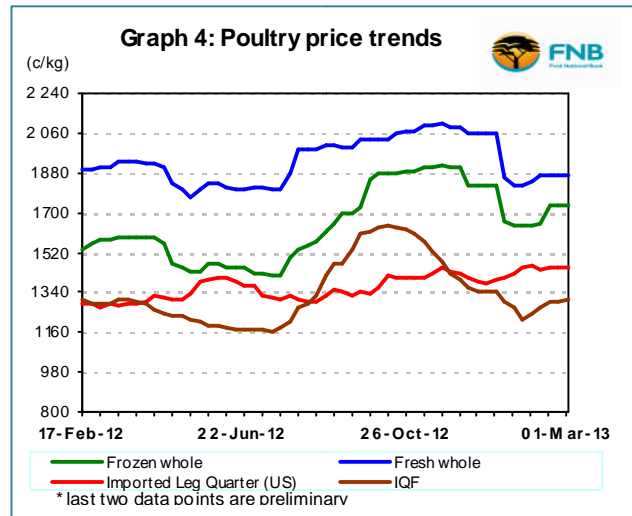
Graph 4e: Imports by Contry Year to Nov-12



Source: SAPPO, SARS, Own Calculations

Poultry market trends (Graph 4)
International:

- US domestic prices trended mostly higher for the week. Demand at retail and food service was reportedly light to moderate ahead of the weekened.
- Weekly leg quarter prices closed at US54.17c/lb, up by 0.6% w/w and 1.2% y/y.
- Breast cut prices were up by 1.4% w/w and 17.2% y/y at US107c/lb.
- Whole bird prices gained 0.3% w/w and 9.9% y/y to close at US100.17c/lb.
- Wing prices were the exception, falling by 3.2% w/w but still 6.0% higher y/y at US195c/lb.
- USDA forecast a slightly higher broiler production for the first quarter of 2013 due to increased bird numbers and slaughter weights.
- First quarter production for 2013 was forecast to reach 4.1m tons, up by 0.1% y/y. Total production for 2013 is expected to reach 16.8m tons, up by 1.4% m/m and 0.7% y/y.
- According to the Weekly USDA Broiler Hatchery report, broiler eggs set for the week ended 09 February 2012 increased by 1.0% y/y to 197m. Average hatchability for chicks hatched again stood at 84.0%. Broiler chick placements were unchanged compared to the week earlier at 162m head.
- Cumulative broiler placements from December 30, 2012 through February 9, 2013 were up by 1.0% y/y at 977m head.

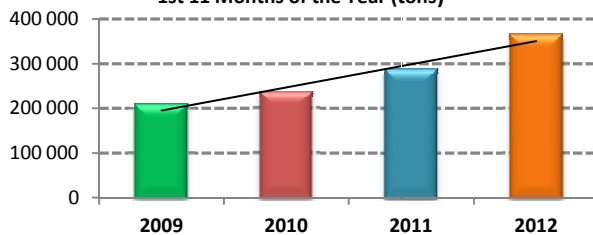

Domestic:

- The broiler market continued to recover with price gains across most categories.
- Weekly frozen whole bird prices closed at R17.32 per kg, up by 4.9% w/w and 13.2% y/y.
- Fresh whole bird prices steadied at R18.66 per kg, but were still 1.5% lower y/y.
- Individually Quick Frozen whole birds gained 2.5% w/w to close at R13.02 per kg, but 0.6% lower y/y
- Import parity prices were again higher due to better international prices. Weekly import parity prices increased by 0.5% w/w and 12.7% y/y.

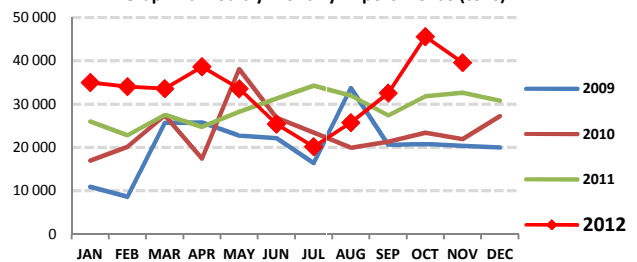
OUTLOOK

Prices are expected to maintain the current momentum in the short to medium term. Moderation in grain and oilseed prices in the medium term will help improve producer margins.

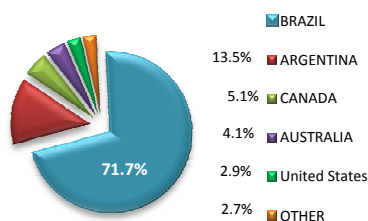
Graph 4a: Poultry Import Trends
1st 11 Months of the Year (tons)



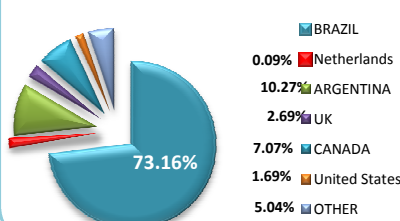
Graph 4b: Poultry Monthly Import Trends (tons)



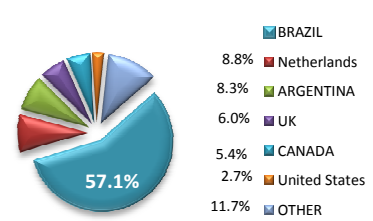
Graph 4c: Imports by Country - 2009



Graph 4d: Imports by Contry - 2010



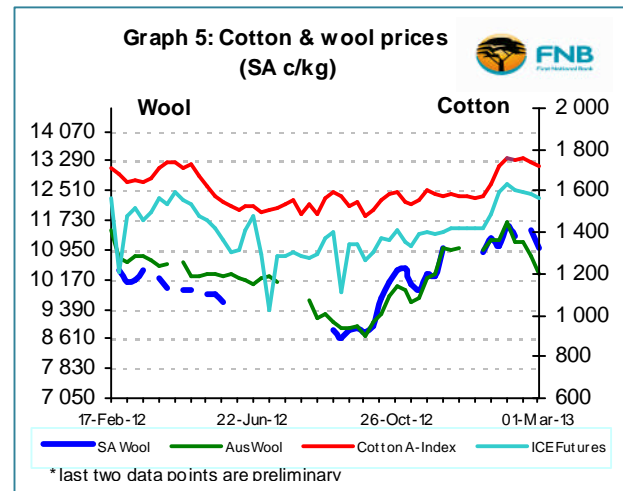
Graph 4e: Imports by Country - 2011



Producer prices for selected livestock commodities 15 February 2013	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	29.59	44.06	19.11	18.66
Open market: Class C / Baconer / Frozen whole birds(R/kg)	23.27	33.44	17.67	17.32
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	29.35	43.20	18.25	13.02
Import parity price (R/kg)	22.70	25.71	17.88	14.51
Weaner Calves / Feeder Lambs (R/kg)	16.86	20.00		

Wool and cotton market trends (Graph 5)
International:

- Cotton prices retained the recent upward trend on improved demand prospects. Prices have been increasing since the second half of January and retained the firmer trend into February.
- Weekly average cotton prices closed at US89.61c/lb, up by 0.3% w/w but still down 10.6% y/y.
- USDA's WASDE report showed a slight increase in the expected world production (+0.1%*m/m*) and ending stocks (+0.2%*m/m*) for 2012/13. This is mainly due to increases in China and Kazakhstan.
- China's imports were raised by 1.5m bales to 14.0m.
- The world export forecast was modest (+4.0%*m/m*), reflecting increases for among others the United States, Australia, Brazil, Uzbekistan, the African Franc Zone and Greece.
- Higher stocks were forecast for China, up by 4.9% from the previous estimate at 42.6m and accounting for 52.0% of world stocks. However, China's imports were raised by 12.0% from the January forecast to 14m bales.
- Futures on the InterContinental Exchange: Cotton for May-13 delivery fell by 0.1% w/w at US83.19c/lb, and Oct-13 was up 0.4% w/w at US83.83c/lb.
- Wool: In Australia, the wool market extended recent losses with the weekly Eastern Market Indicator falling by 1.0% w/w and 8.4% y/y to close at AU\$11.17 per kg clean wool. Volumes offered were pegged at 49,426 bales with sales of 90.6%.


Domestic:

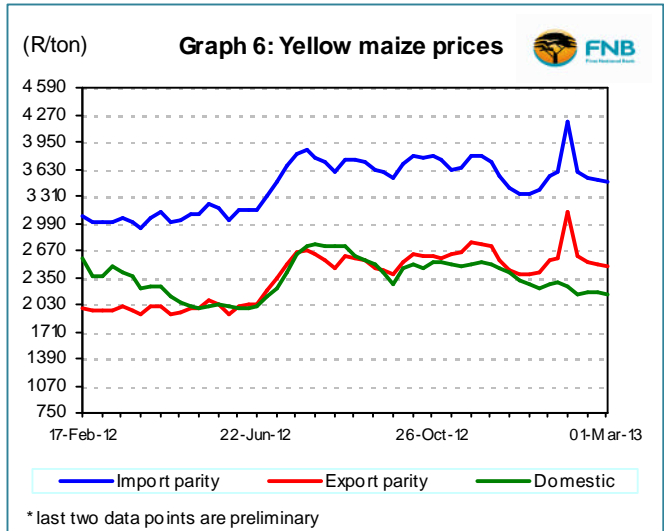
- There was no sale for the week. Last week's sales saw wool prices losing ground and falling on the back of a stronger Rand and spill over weakness from the Australian market. The Cape Wools Merino Indicator was down by 2.1% w/w but 9.3% higher y/y at R111.32 per kg clean wool. This is however 13.3% and 29.6% higher than the current season's average and the opening sale respectively.
- Sales reached 99.0% of the 6,525 bales offered.
- Major buyers Lempriere SA with 1,810 bales (27.7%), G Modiano SA with 1,682 bales (25.8%), and Stucken & Co with 1,308 bales (20.1%).

Fibre market prices 15 February 2013	SA prices (R/kg)	Australian prices (R/kg)	Australian futures Mar-13 (AU\$/kg)	Australian futures May-13 (AU\$/kg)
Wool market indicator (R/kg)	113.22	111.66		
19 μ long length wool (R/kg)	119.91	121.38	12.20	11.45
21 μ long length wool (R/kg)	112.33	112.63	10.95	10.20
23 μ long length wool (R/kg)	-	108.23	9.55	8.80
	SA derived Cotton (R/kg)	New York A-Index (US\$/kg)	Cotton Futures May-12 (US\$/kg)	Cotton Futures Oct-13 (US\$/kg)
Cotton Prices (R/kg)	17.55	1.97	1.83	1.84

Cotton Futures on ICE;

Yellow maize market (Graph 6)
International:

- US yellow maize prices extended recent losses on the back of weak export demand and expectations for large crops in South America.
- Improved weather conditions for South America's crops areas coupled with improved export sales for the region pressured the market.
- Last week, the USDA raised its 2012/13 world production estimate by 2.1m to 854.4m tons, with increases in Brazil, Mexico, India and the Ukraine more than offsetting a reduction in Argentina.
- Brazil's production was pegged at 72.5m tons, up by 1.5m due to increased planted area and yields for the first-season crop and good early prospects for second-season.
- For Argentina, production was lowered by 1.0m to 27.0m tons due to poor production conditions during January and early February, particularly for the late-planted crop.



2012/13 Projections		Production	Exports	Ending Stocks
World	<i>Estimate Month</i>			
	Jan	852.3	89.77	115.99
	Feb	854.38	90.03	118.04
United States	Jan	273.83	24.13	15.3
	Feb	273.83	22.86	16.06
*Major Exporters	Jan	41.5	22	4.14
	Feb	40.5	21.5	4.04
**Major Importers	Jan	107.31	1.34	11.45
	Feb	108.12	1.34	11.72

Source: USDA & WASDE

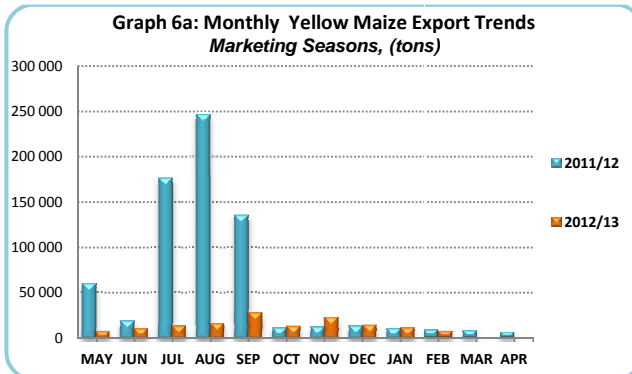
* Argentina and South Africa; ** Egypt, the EU-27, Mexico, Japan, South Korea, Taiwan, and Southeast Asia

Domestic:

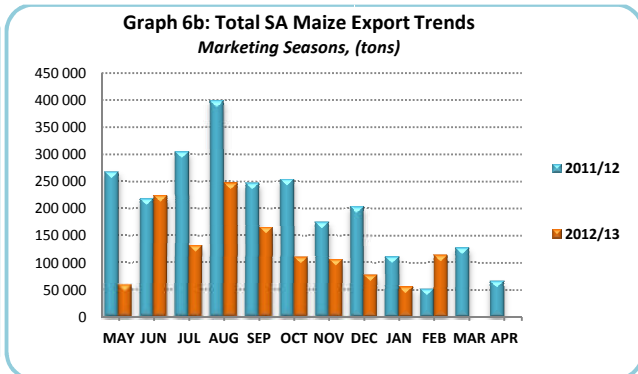
- Yellow maize (YMAZ) prices trended firmer despite weakness on CBOT.
- Weekly yellow maize prices ended firmer at R2,168 per ton, up by 0.9% w/w but still 15.5% lower y/y.
- Weekly export sales came in at 3,137 tons, which brings the cumulative sales for the 2012/13 marketing season to 146,323 tons.
- YMAZ Futures on the JSE: YMAZ for May-13 delivery gained 3.8% w/w (+R75/t), and Jul-13 advanced by 4.1% w/w (+R79/t).

OUTLOOK

The South American weather will continue to determine the direction for international prices in the short to medium term.



Source: SAGIS



Yellow Maize Futures 15 February 2013	May-13	Jul-13	Sep-13	Dec-13	Mar-14
CBOT (\$/t)	274.62	269.97	229.39	221.82	225.92
JSE (R/t)	2 055	1 992	2 020	2 077	-
CHICAGO CORN (R/t)	2 459	2 430	2 083	2 041	-

Calculated Yellow 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
2 100	125	80	2 040	153	105	2 060	176	136
2 060	103	98	2 000	130	122	2 020	153	153
2 020	83	118	1 960	110	142	1 980	133	173

White maize market trends (Graph 7)

International:

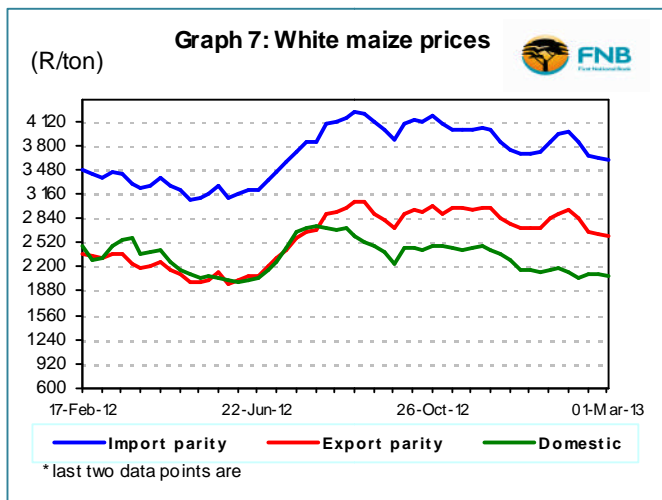
- US white maize spot prices continued to post modest losses under pressure due to weakness in the grains complex and slow exports.
- The weekly average white maize prices closed at US\$294 per ton, down by 6.3% w/w and 4.3% y/y.

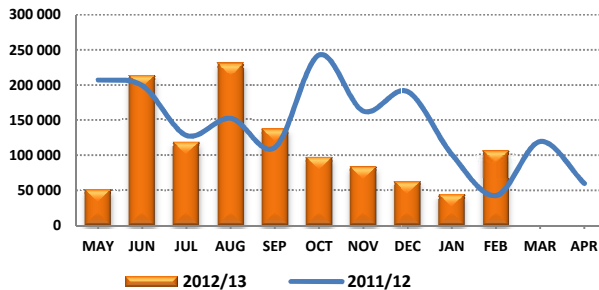
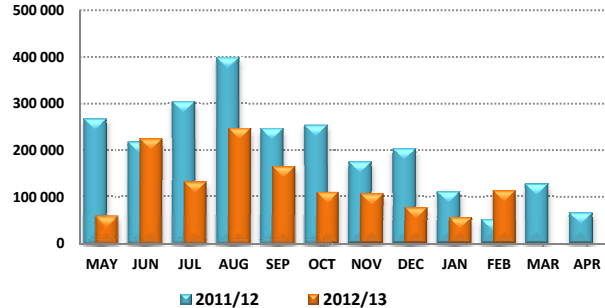
Domestic:

- White maize prices regained some ground despite losses on CBOT.
- Weekly white maize prices advanced by 3.0% w/w but still 14.4% lower y/y at R2,111 per ton.
- Weekly white maize export sales came in at 17,469 tons, with total sales for the season reaching tons 1.15m tons. Cumulative maize export sales for the 2012/13 season reached 1.30m tons (White and Yellow maize).
- WMAZ for May-13 delivery rose by 5.0% w/w (+R 98/t), and Jul-13 gained 5.6% w/w (+R105/t).

OUTLOOK

The South American weather will determine the direction of international prices in the short to medium term.



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 15 February 2013	May-13	Jul-13	Sep-13	Dec-13	Mar-14
JSE (R/t) WM ₁	2 049	1 966	1 996	2 054	-

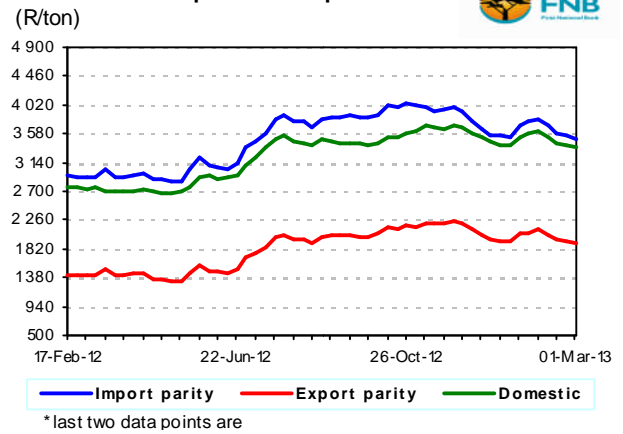
Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
May-13			Jul-13			Sep-13		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
2 080	101	70	2 000	143	109	2 040	176	132
2 040	79	88	1 960	121	127	2 000	154	150
2 000	61	110	1 920	101	147	1 960	133	169

Wheat market trends (Graph 8)
International:

- US wheat prices again posted modest losses despite improved export sales.
- Improved weather forecasts in the US southern plains and the spill over weakness from the maize markets kept wheat under downward pressure.
- US weekly export sales came in at 706,300 tons and comprised of 651,700 tons for old crop and 54,600 for the new crop.
- The earlier tightening of ending stocks estimates by USDA helped limit losses. US ending stocks were reduced by 0.7m to 18.8m tons, due to the increase in feed demand.
- The US export projection was unchanged at 28.6m tons.
- On the world front, production was reduced marginally by 0.7m to 653.61m tons.
- World ending stocks were almost unchanged at 176.73m tons.
- Elsewhere, Australia and Argentina's projections were unchanged at 22.0m and 11m tons respectively with the former's crop reportedly under stress. For Brazil, the crop is now seen marginally lower at 4.3m tons (-0.5m tons m/m).

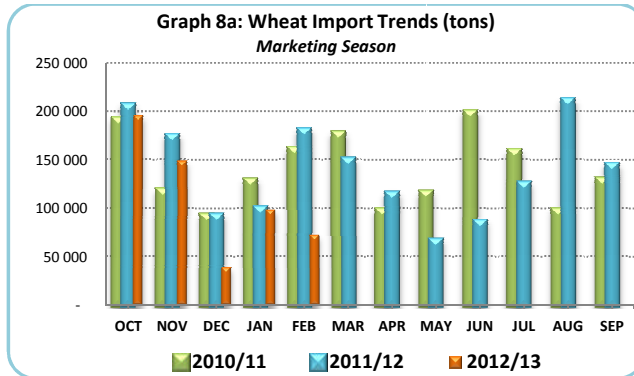
Domestic:

- Wheat prices declined due to the spill over weakness from international markets.
- Weekly wheat prices fell by 2.5% w/w but still 25.4% higher y/y at R 3,441 per ton.
- Import parity prices again weakened, falling by 2.9% w/w but still 21.5% higher y/y.
- Weekly import sales came in at 57,525 tons, which brings the cumulative imports for the current marketing season to date to 545,701 tons.
- Major import sources for the season to date are Ukraine (27.3%), Argentina (16.0%), Russia (12.4%), Brazil (12.4%) and Australia (12.0%).
- Wheat futures on the JSE: Wheat for Jul-13 delivery gained 0.4% w/w (+R16t) and Dec-13 was almost unchanged w/w (+R1t).

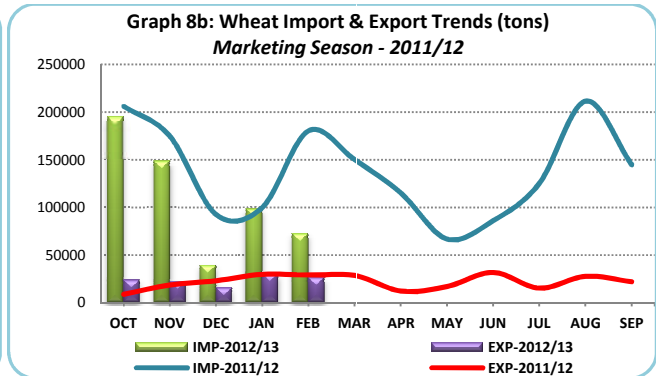
Graph 8: Wheat price trends


OUTLOOK

Domestic prices will continue to follow the weaker trend on international markets in the short to medium term.



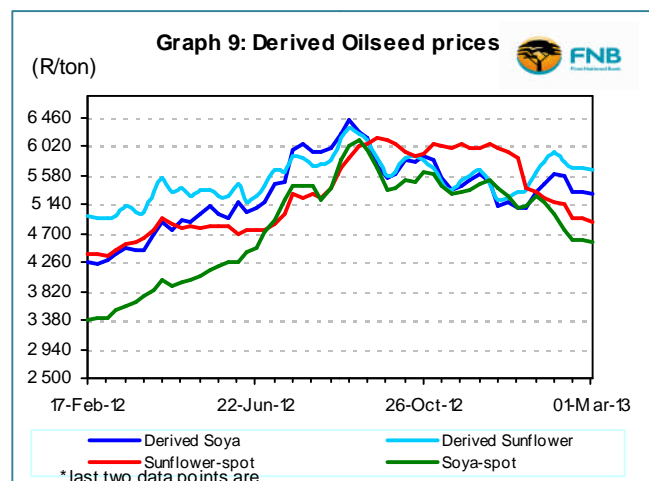
Source: SAGIS;



Wheat Futures 15 February 2013	May-13	Jul-13	Sep-13	Dec-13	Mar-14			
KCBT (\$/t)	289.82	292.66	297.44	303.32	306.63			
JSE (R/t)	3 488	3 515	3 449	3 293	-			
Calculated Wheat Option 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
3 520	145	113	3 560	206	161	3 480	229	198
3 480	124	132	3 520	184	179	3 440	208	217
3 440	105	153	3 480	163	198	3 400	188	237

Oilseed market trends (Graph 9)
International:

- The soybean complex saw moderate to sharp losses under pressure due to improved weather outlook for Argentina and weak export demand from China.
- US soybeans export sales were below expectations with 109,200t for current marketing year and 345,000 tons for next marketing year.
- US soybean ending stocks for 2012/13 were cut by 0.3m from the January estimate to 3.4m tons, reflecting increased crushing.
- US soybean crush was pegged at 4.4m tons, with an expected increase in soybean meal exports and domestic use.
- Soybean oil production was also raised on higher soybean crush and soybean oil extraction rate.
- World soybean production came in marginally higher at 269.5m tons, with improved production prospects in Brazil offsetting deteriorating conditions in Argentina.
- Brazil's soybean crop is seen at a record 83.5m tons, up by 1.0m m/m. Poor production conditions in Argentina's crop reduced by 1.0m m/m to 53.0m tons.
- In the case of sunflower, the world forecast was raised by 0.5m tons m/m to 36.4m tons. The increase is due to gains for Russia and Kazakhstan.



Domestic:

- Oilseeds traded on the JSE remained on an extended downward trend on spill over weakness from the international market.
- Weekly soybean prices decreased by 2.8% w/w but still 35.9% higher y/y at R4,604 per ton.
- Sunflower prices fell by 4.3% w/w and 12.6% y/y to close at R4,925 per ton.
- Soybean futures trended lower with the Jul-13 delivery falling by 4.9% w/w (+R230/t).
- Sunflower futures for May-13 delivery fell by 3.7% w/w (-R190/t).

OUTLOOK

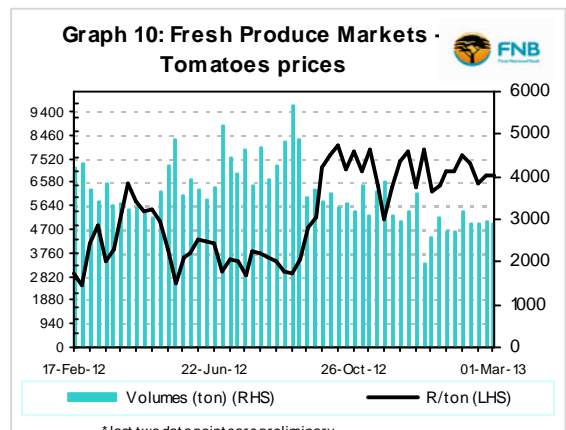
Weather will be critical for price direction in the short to medium term. Good conditions will enhance crop development, further raising yields.

Oilseeds Futures 15 February 2013	May-13	Jul-13	Sep-13	Dec-13	Mar-14
CBOT Soybeans (US \$/t)	519.78	516.10	479.51	-	466.28
CBOT Soya oil (US c/lb)	52.01	52.32	51.92	51.36	51.81
CBOT Soya cake meal (US\$/t)	450.73	445.33	404.66	381.18	385.70
JSE Sunflower seed (R/t)	4 955	5 031	-	5 125	-
JSE Soybean seed (R/t)	4 442	4 500	-	4 550	-

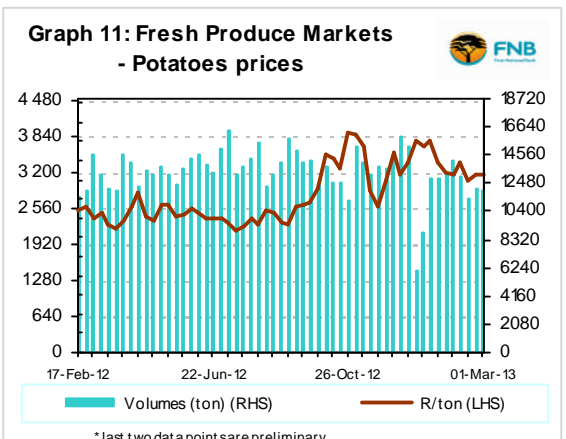
Calculated Sunflower Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
May-13			Jul-13			Dec-13		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
5 000	240	195	5 080	380	331	5 160	555	520
4 960	218	213	5 040	358	349	5 120	533	538
4 920	198	233	5 000	337	368	5 080	511	556

Vegetable Market Trends (Graphs 10 to 14)
Tomatoes

Tomato prices decrease sharply due to weak demand on markets. Prices decreased by 10.5% w/w but were 122.0% higher y/y, closing the week at R6,540 per ton. Volumes traded increased slightly by 0.5% w/w but were 31.0% lower y/y at 2,909 tons. It is expected that prices will improve somewhat on good uptake during the month end period.


Potatoes

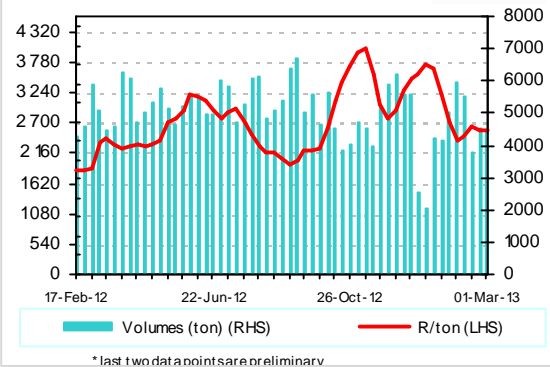
Potato prices decreased sharply due to weak demand across markets. Prices decreased by 9.7% w/w but were 21.3% higher y/y, closing the week at R3,042 per ton. Weekly volumes of potatoes traded decreased by 12.7% w/w and 1.8% y/y, coming in at 11,355 tons. Prices are however expected to improve slightly on improved demand towards month end.



Onions

Onion prices bottom out and increased due to tight supplies on markets. Prices were up across all markets with the exception of Cape Town. Weekly onion prices reached R2,632 per ton, up by 6.8% w/w and 41.1% y/y. Volumes traded decreased by 31.5% w/w and 10.8% y/y, coming in at 3,800 tons. Prices are expected to move sideways with limited upward potential on improved supplies.

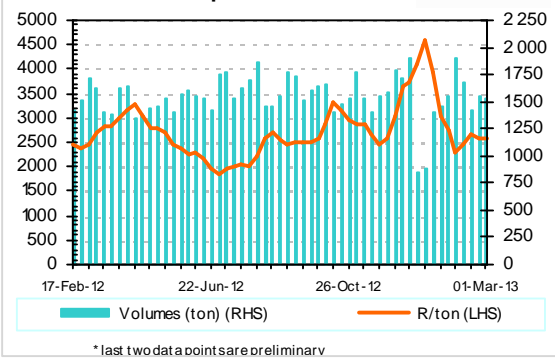
Graph 12: Fresh Produce Markets - Onion prices



Carrots

Carrot prices posted modest gains on the back of tight supplies on markets. Weekly carrot prices increased by 7.3% w/w and 7.7% y/y to close at R2,651 per ton. Volumes traded were pegged at 1,428 tons, down by 15.0% w/w but up by 0.4% y/y. Prices are expected to come under pressure in the short to medium term on improved supplies.

Graph 13: Fresh Produce Markets - Carrot prices

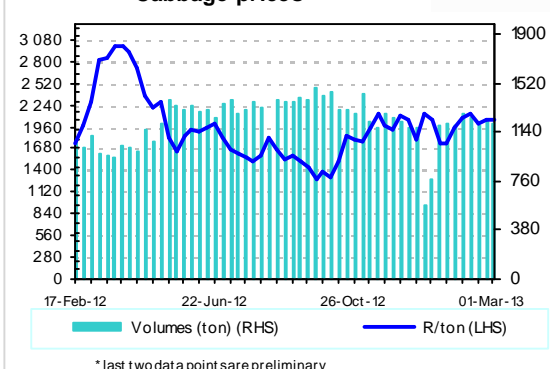


Cabbages

In the case of cabbages, prices reversed last week's gains and decreased due to weak demand on markets. Prices decreased by 6.0% w/w but were still 14.9% higher y/y at R2,009 per ton. Volumes traded reached 1,191 tons, down by 4.8% w/w but 10.4% higher y/y.

Prices are however expected to trend sideways with limited upward potential in the medium term as supplies improve.

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 15 February 2013	Average Price (R/t)	w/w	y/y	Total Volume (t)	w/w	y/y
Tomato	6 540	-10.5%	122.0%	2909	0.5%	-31.0%
Potato	3 042	-9.7%	21.3%	11355	-12.7%	-1.8%
Onion	2 632	6.8%	41.1%	3800	-31.5%	-10.8%
Carrot	2 651	7.3%	7.7%	1428	-15.0%	0.4%
Cabbage	2 009	-6.0%	14.9%	1191	-4.8%	10.4%

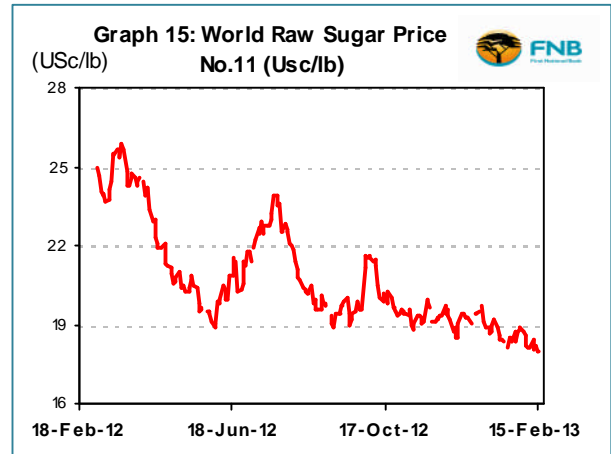
* Daily prices also available at <https://www.fnbagricomms.co.za>

Sugar market trends (Graph 15)
International:

- Raw Sugar prices reversed last week's gains and eased lower. Weekly raw sugar prices fell by 1.2% w/w and 26.0% y/y to close at US18.14c/lb.
- Futures on the InterContinental Exchange: Raw sugar futures were down across the board. Raw sugar for May-13 fell by 2.5% w/w at US17.74c/lb, Jul-13 was down by 3.0% w/w at US17.89c/lb, and Mar-14 was down by 3.0% w/w at US19.14c/lb.
- All indications are that Brazil will produce a record crop for season. However, lower prices and limited processing capacity for sugar will see the greater share of the crop shifting to ethanol production.
- In the latest report, the USDA projected an increase in the US sugar supply for fiscal year 2012/13 of 65,000 from last month to 14.03m short tons, raw value due to higher sugar production more than offsetting lower imports.
- The Louisiana cane sugar in the US and total US beet sugar production estimates were increased by 150,000 short tons, raw value, in line with reports from processors, and increased shortfall in filling the tariff rate quota accounts for reduced imports. Sugar use is unchanged at 11.8m short tons, raw value.
- US sugar ending stocks were raised by 3.0% from the January estimate to 2.3m short tons, raw value, with a stocks-to-use ratio rising to 19.3%.

Domestic:

- According to the Cane Growers Association, the February 2013 RV price in respect of cane delivered in January 2013 was declared at R3 155.20 per ton. The price was R3.38 per ton lower than the previous price (cane delivered in December 2012). The drop was due to the lower sugar:RV ratio (93.49% vs.93.60%) and the lower weighted average R/\$ exchange rate (8.32 vs. 8.33). The final RV price for 2012/13 will be declared in the second week of March and is expected to be in the order of R3 200 per ton due to the impact of the February 2013 notional price increase.



ICE Sugar Futures 15 February 2013	May-13	Jul-13	Oct-13	Mar-14	May-14
Sugar No.11 (US c/lb)	17.74	17.89	18.31	19.14	19.23
% Change w/w	-2.5%	-3.0%	-3.0%	-3.0%	-2.7%

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