

Agri-Weekly

22 March 2013

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Beef market trends (Graph 1)

International:

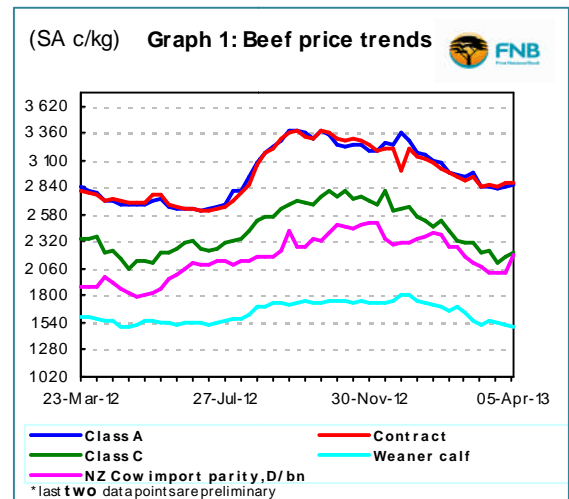
- US lean manufacturing beef prices trended sideways to firmer on moderate demand supplies.
- Market activity on imported beef was reportedly moderate with prices ending firm to higher.
- The drought in Australia (AU) and New Zealand (NZ) has led to a larger than expected cattle culling.
- In NZ, cattle slaughter for the week ended 16 March was reported at a single week record of just over 83,000 head. This was largely due to an all-time high cattle throughput and surpassed the 1998 record by 9.0%.
- At wholesale level, US boxed beef cut-out values reversed recent gains and eased lower on limited demand.
- Weekly US cattle slaughter totalled 601,000 head, down by 0.8% w/w and 0.3% y/y.
- In Australia, cattle prices continued to weaken with the Eastern Young Cattle Indicator falling by 2.2% w/w and 17.6% lower y/y at AU\$3.26/kg cwt.

Domestic:

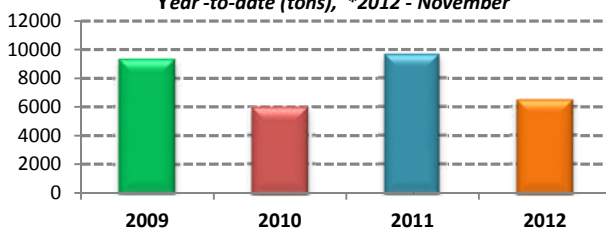
- The beef market was softer on volume pressure and a short trading week.
- Weekly Class A beef prices eased marginally lower by 0.5% w/w and 0.3% y/y to close at R28.29 per kg.
- Contract Class A beef prices were down by 0.5% w/w but still 1.1% higher y/y at R28.43 per kg.
- Class C beef prices fell by 5.2% w/w and 9.5% y/y at R21.20 per kg.
- Weaner calf prices fell by 2.0% w/w and 4.1% y/y to close at R15.34 per kg.

OUTLOOK

The beef market is expected to rebound on improved seasonal demand during the Easter period.

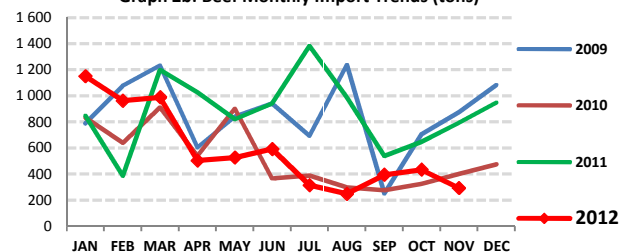


Graph 2a: Beef Import Trends
Year-to-date (tons), *2012 - November



Source: SARS, Own Calculations

Graph 2b: Beef Monthly Import Trends (tons)



Mutton market trends (Graph 2)
International:

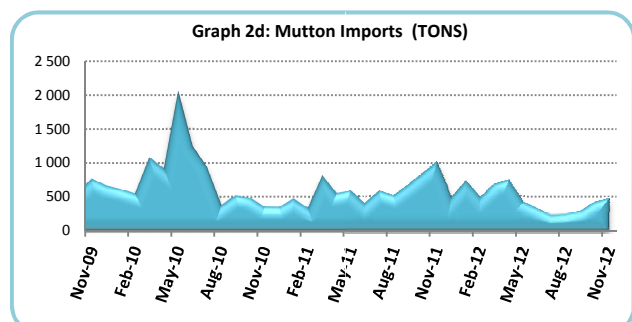
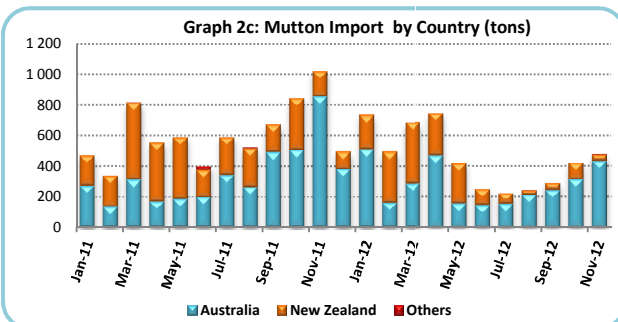
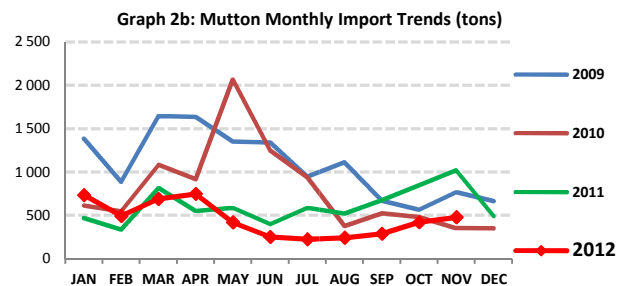
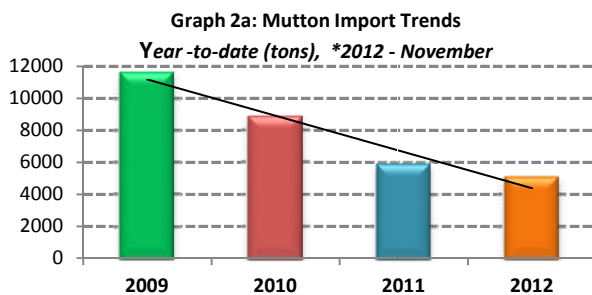
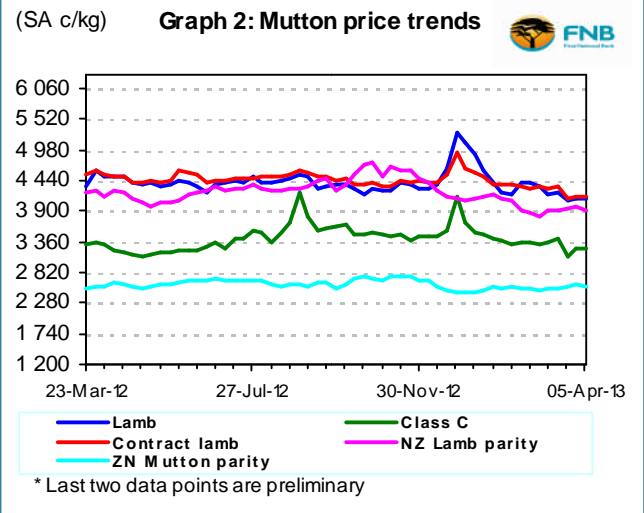
- In New Zealand (NZ), producer prices remained under pressure and trended sideways.
- Weekly lamb prices steadied at NZ\$74.70 per head for the 17.5kg live weight, but still down by 26.0% y/y. Mutton prices were unchanged w/w at NZ\$49.3 per head for the 21kg live weight.
- NZ experienced very dry conditions which saw lamb slaughter running at an elevated pace. This was however matched by good export demand with producers reportedly receiving good prices.
- In Australia, the lamb market reversed recent gains and eased lower under pressure due to improved supplies.
- The Eastern Trades Lamb Indicator (ESTLI) fell by 1.2% w/w and 9.3% y/y at AU\$4.28 per kg cwt.
- In the US, lamb carcass prices were mostly higher for the lighter weights and sideways for the heavier categories.
- US lamb carcass cut-out prices closed at US\$261.92/cwt.

Domestic:

- The lamb and mutton markets eased lower due to weak uptake in a short trading week
- Weekly Class A lamb prices fell by 3.0% w/w and 5.5% y/y and closed at R40.85 per kg
- Contract Class A lamb fell by 5.3% w/w and 9.7% y/y at R41.04 per kg
- Mutton saw sharp losses and closed down by 9.4% w/w and 6.5% y/y at R31.08 per kg
- Weaner lambs saw marginal gains with prices closing up 0.9% w/w but still 12.5% lower y/y at R19.25 per kg live weight

OUTLOOK

Prices are expected to sideways with limited upside potential due to volume pressure..



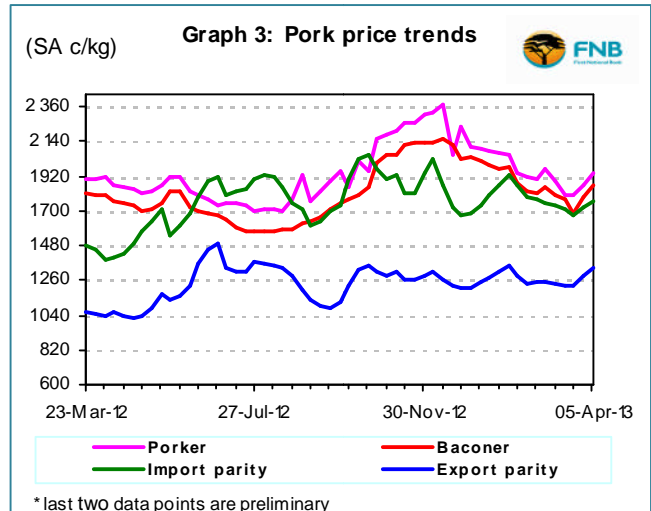
Source: SARS, Own Calculations

Pork market trends (Graph 3)
International:

- US domestic pork prices continued to weaken under pressure due to increased supplies and weak export demand.
- Weekly carcass prices closed at US\$77.98/cwt, down by 0.6% w/w and 3.1% y/y.
- Loin prices were down by 1.3% w/w and 11.8% y/y at US\$86.15/cwt.
- Ham prices were down by 3.1% w/w and 7.9% y/y at US\$56.50/cwt.
- Ribs were the exception, gaining 2.0% w/w but still down by 6.3% y/y at US\$129.79/cwt.

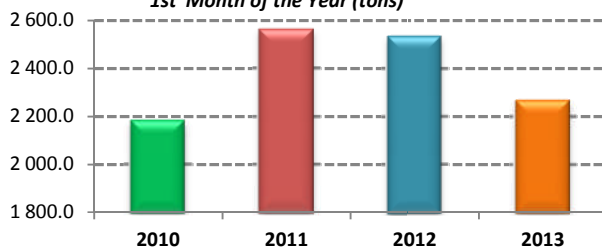
Domestic:

- Prices continued to soften due to subdued demand.
- Weekly porker prices closed at R18.02 per kg, down by 0.3% w/w and 5.5% y/y.
- Baconer prices moved modestly lower by 4.9% w/w and 7.2% y/y at R16.89 per kg.
- Import parity prices eased slightly lower mainly on the back of weaker international prices. Weekly import parity prices were down by 1.8% w/w but still 13.2% higher y/y.
- Monthly pork imports came in sharply lower during February.
- Total imports were pegged at 1,684 tons, down by 25.5% m/m and 54.8% y/y. Cumulative year to date imports reached 3,944 tons, down by 36.9% y/y.
- Major import sources for the year to date are Germany with 1,476 tons (37.4%), Canada with 924 tons (23.4%), Spain with 351 tons (8.9%), the United States with 295 tons (7.5%), the UK with 232 tons (5.9%), and others contributing 665 tons (16.9%).

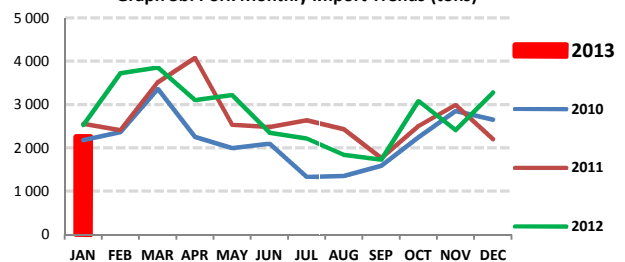

OUTLOOK

Prices are however expected to bottom out and trend sideways to firmer on improved demand. A sustained Rand weakness will help reduce imports.

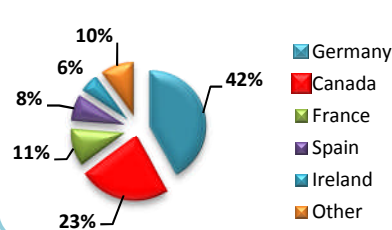
Graph 3a: Pork Import Trends
1st Month of the Year (tons)



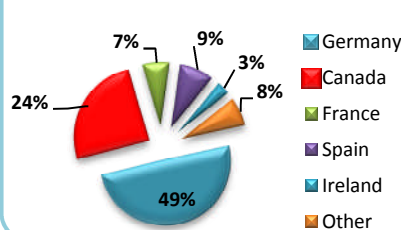
Graph 3b: Pork Monthly Import Trends (tons)



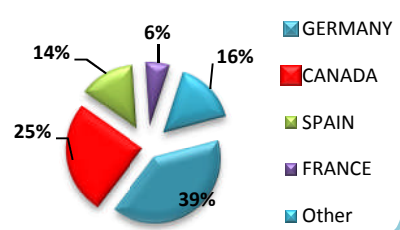
Graph 3c: Imports by Country - 2010



Graph 3d: Imports by Country - 2011



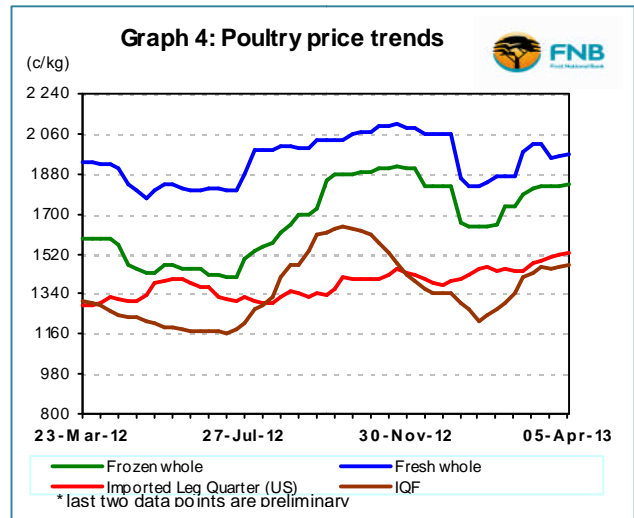
Graph 4e: Imports by Country - 2012



Source: SAPPO, SARS, Own Calculations

Poultry market trends (Graph 4)
International:

- US domestic prices continued to post good gains across most categories. Demand at retail and food service was reportedly light to moderate ahead of the weekend.
- Weekly whole bird prices gained 0.2% w/w and 9.1% y/y to close at US101.67c/lb.
- Leg quarters were up by 0.9% w/w and 0.9% y/y at US54.83c/lb.
- Breast cuts were up by 0.9% w/w and 11.4% y/y at US110.67c/lb.
- Wing prices were the exception, falling by 0.6% w/w and 5.0% y/y at US177.50c/lb.
- According to the Weekly USDA Broiler Hatchery report (19 States), broiler eggs set for the week ended 16 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 165m head, up by 1.0% y/y.
- Cumulative broiler placements from December 30, 2012 through March 16, 2013 were up by 1.0% y/y at 1.80b head.

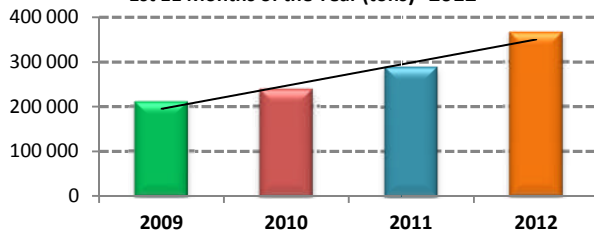

Domestic:

- The broiler market moved sideways to lower for the week.
- Weekly frozen whole bird prices were steady at R18.20 per kg, but were 14.4% higher y/y.
- Fresh whole birds eased slightly lower to finish at R19.54 per kg, down by 2.8% w/w but still 1.3% higher y/y.
- Individually Quick Frozen (IQF) portions slowed down after posting modest gains over the past few weeks. Weekly IQF prices eased marginally by 0.5% w/w but still 11.5% higher y/y at R14.54 per kg.
- Import parity prices continued to strengthen on the back of better international prices and a weaker Rand.

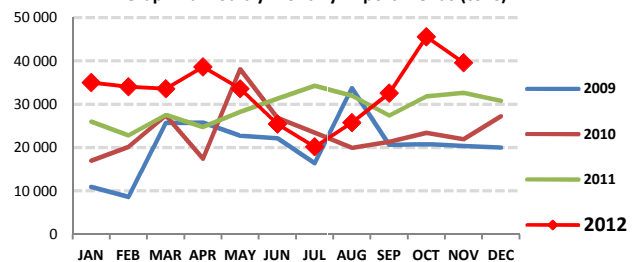
OUTLOOK

Prices are expected to move sideways with slight upward potential in the short to medium term. A sustained Rand weakness will help reduce imports but may erode feeding margins due to its inflationary impact on grain prices.

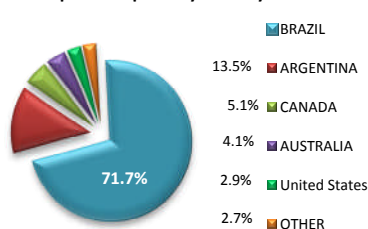
Graph 4a: Poultry Import Trends
1st 11 Months of the Year (tons) -2012



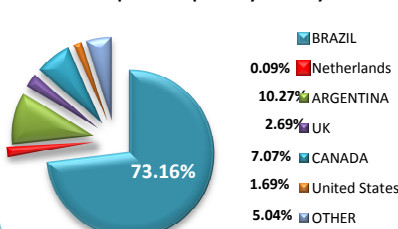
Graph 4b: Poultry Monthly Import Trends (tons)



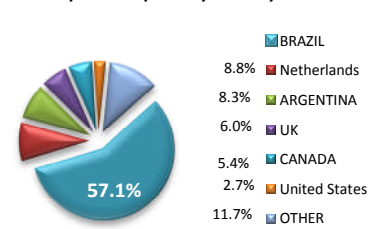
Graph 4c: Imports by Country - 2009



Graph 4d: Imports by Country - 2010



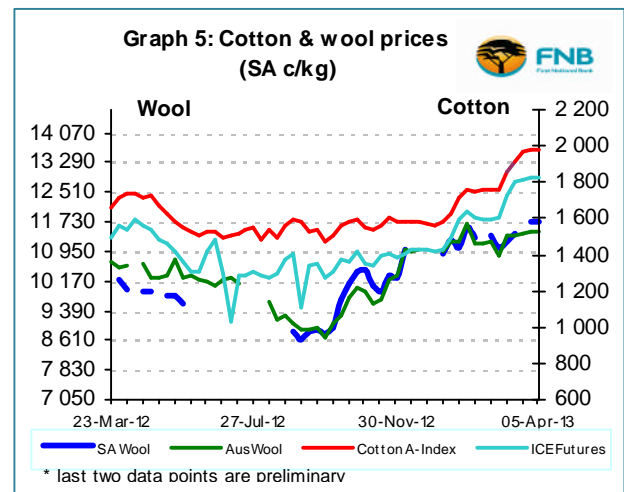
Graph 4e: Imports by Country - 2011



| Producer prices for selected livestock commodities 22 March 2013 | Beef | Mutton | Pork | Poultry |
|---|-------------|---------------|-------------|----------------|
| Open market: Class A / Porker / Fresh whole birds(R/kg) | 28.29 | 40.85 | 18.02 | 19.54 |
| Open market: Class C / Baconer / Frozen whole birds(R/kg) | 21.20 | 31.08 | 16.40 | 18.20 |
| Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg) | 28.43 | 41.04 | 16.89 | 14.54 |
| Import parity price (R/kg) | 20.17 | 25.85 | 16.78 | 15.10 |
| Weaner Calves / Feeder Lambs (R/kg) | 15.34 | 19.25 | | |

Wool and cotton market trends (Graph 5)
International:

- Cotton prices continued to post modest gains on good export sales and renewed demand prospects. However, gains were limited due to reports that India and China would release supplies into to the market in order to lower domestic prices.
- The cotton A index increased by 2.4% w/w to close at US96.83c/lb, but still down by 1.8% y/y.
- Futures on the InterContinental Exchange (ICE): Cotton for Jul-13 increased by 4.4% w/w at US91.38c/lb, Oct-13 gained 2.5% w/w at US89.09c/lb, and Dec-13 gained 2.0% w/w at US88.39c/lb.
- Wool: In Australia, the wool market extended recent losses which saw the Eastern Market Indicator falling by 1.5% w/w 11.7% y/y to close the week at AU\$10.81 per kg clean wool. Volumes offered were pegged at 45,631 bales with sales reaching 89.0%.


Domestic:

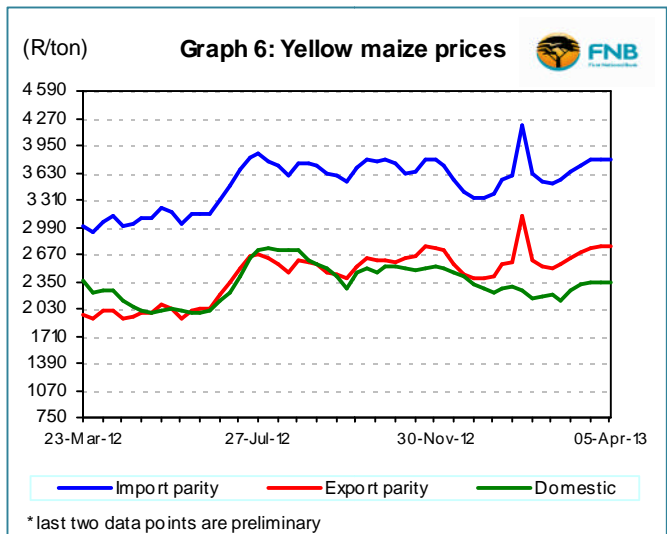
- There were no sales for the week. The weaker currency (R/US\$) was the major driver of gains on the market during the last sale which saw the weekly Cape Wools Merino Indicator increasing by 1.9% w/w and 9.7% y/y to close at R114.25 per kg clean wool. This was 12.0% and 30.8% higher than the current season's average and the opening sale respectively.
- Sales reached 99.0% of the 7,996 bales offered.
- Major buyers were Standard Wool SA with 2,180 bales (27.3%), G Modiano SA with 1,964 bales (24.6%), Lempriere SA with 1,661 bales (20.8%), and Stucken & Co with 1,311 bales (16.4%).

| Fibre market prices 22 March 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) | 114.25 | 114.29 | | |
| 19 μ long length wool (R/kg) | 121.04 | 114.85 | 11.85 | 11.10 |
| 21 μ long length wool (R/kg) | 113.64 | 110.87 | 11.70 | 10.35 |
| 23 μ long length wool (R/kg) | - | 113.95 | 9.50 | 8.75 |
| | 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) | 19.69 | 2.13 | 2.00 | 1.96 |

Cotton Futures on ICE;

Yellow maize market (Graph 6)
International:

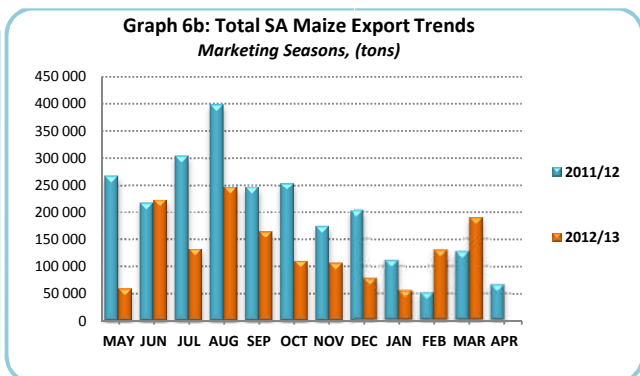
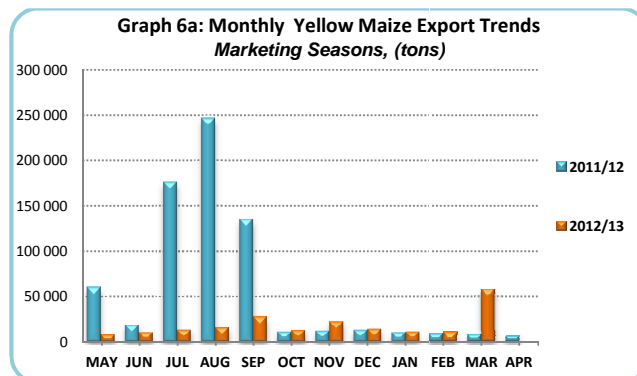
- US maize prices extended recent gains on weather concerns and improved feed and ethanol demand.
- However, weak export demand limited gains. US weekly export sales came in 275,300 tons with 92,200 tons for 2012/13 season.
- The International Grains Council (GC) left its estimate of the 2012/13 world maize production unchanged m/m at 850m tons, but still 3.1% lower y/y. Ending stocks were also unchanged m/m at 114m tons, but still down by 13.0% y/y.
- The agency however indicated that there is a potential for a greater rebound in maize production, which is projected up by 9.0% y/y in 2013/14.
- The USDA's planting intentions report in the week ahead will provide further direction for the market.
- Futures on CME: Maize for Jul-13 delivery closed 1.2% higher w/w at US\$279/t, Sep-13 was up by 1.7% w/w at US\$235/t, and Dec-13 gained 0.6% w/w at US\$223/t.


Domestic:

- We again saw the maize market bouncing higher on concerns over domestic yields and a supportive Rand. The currency remained under pressure and weakened to an average of R9.25/US\$ for the week.
- Weekly yellow maize prices increased by 1.0% w/w but still 1.4% lower y/y at R2,328 per ton.
- Weekly export sales were pegged at 2,133 tons and 207,650 tons for the season to date.
- In the futures market (JSE): YMAZ for May-13 delivery gained 1.5% w/w (+R34/t), and Jul-13 was up by 2.4% w/w (+R54/t).

OUTLOOK

Prices are expected to trade firm to higher on tight domestic outlook and a Rand.



Source: SAGIS

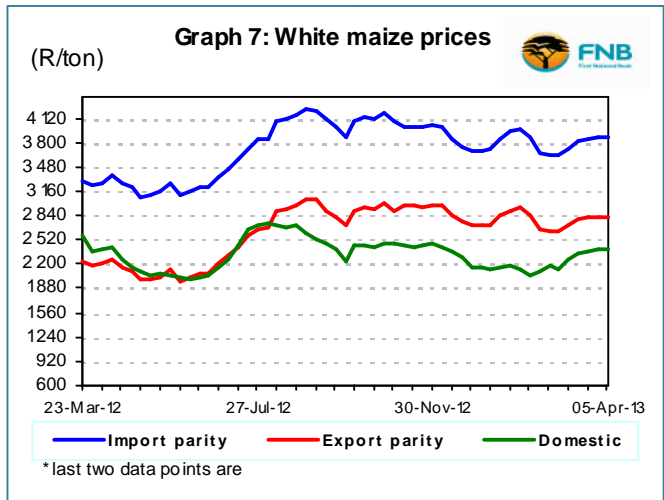
| Yellow Maize Futures 22 March 2013 | May-13 | Jul-13 | Sep-13 | Dec-13 | Mar-14 | | | |
|--|------------|-------------|---------------|------------|-------------|---------------|------------|-------------|
| CBOT (\$/t) | 286.12 | 279.11 | 235.06 | 222.69 | 226.31 | | | |
| JSE (R/t) | 2 319 | 2 328 | 2 350 | 2 382 | 2 282 | | | |
| CHICAGO CORN (R/t) | 2 685 | 2 660 | 2 245 | 2 154 | - | | | |
| 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 |
| 2 360 | 101 | 60 | 2 360 | 152 | 120 | 2 400 | 189 | 139 |
| 2 320 | 79 | 78 | 2 320 | 130 | 138 | 2 360 | 167 | 157 |
| 2 280 | 59 | 98 | 2 280 | 110 | 158 | 2 320 | 146 | 176 |

White maize market trends (Graph 7)
International:

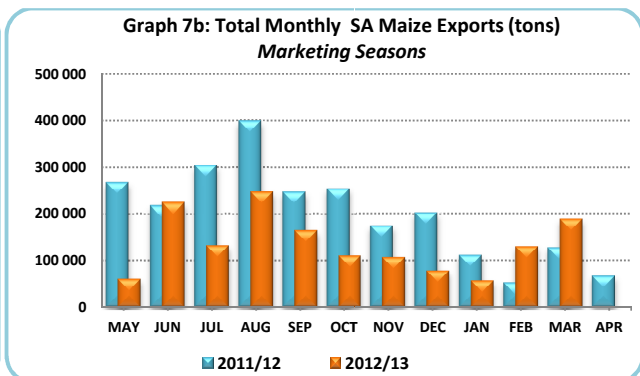
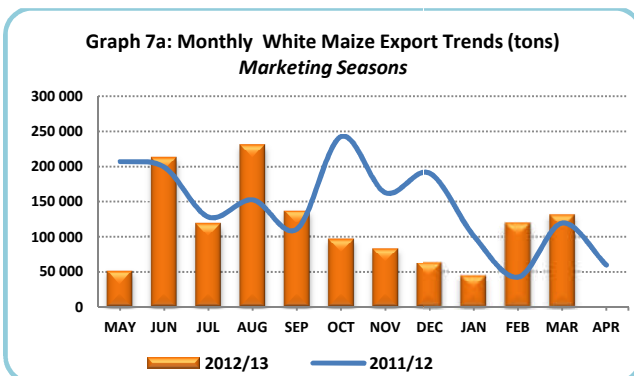
- Unlike the yellow counterpart, the US white maize spot prices softened on expectations of increase planted area and weak export demand.
- The weekly average white maize prices closed at US\$299 per ton, down by 0.1% w/w but still up by 1.1% y/y.

Domestic:

- White maize prices extended gains on Rand weakness and concerns over the domestic harvest.
- Weekly white maize prices were up by 1.5% w/w but still 7.8% lower y/y at R2,372 per ton.
- Weekly white maize export sales came in at 57,892 tons, with total sales for the season reaching tons 1.3m tons. Cumulative maize export sales for the 2012/13 season reached 1.5m tons (White and Yellow maize).
- WMAZ futures on the JSE: WMAZ for May-13 delivery gained 1.3% w/w (+R31/t), and Jul-13 was up by 2.8% w/w (+R64/t).


OUTLOOK

Prices are expected to trade firm to higher on tight domestic outlook and a Rand.

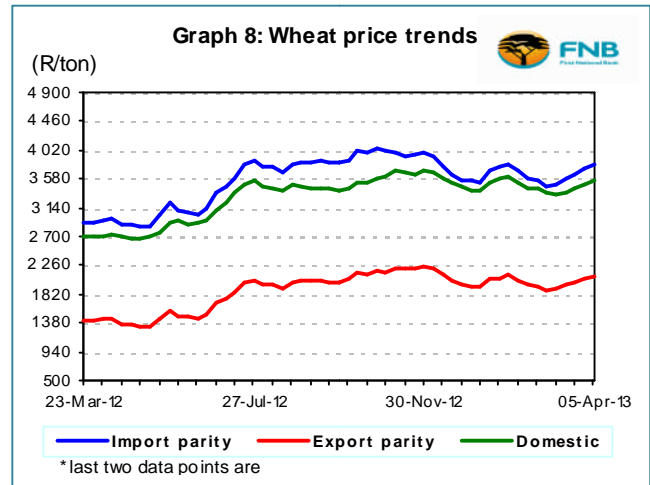


Source: SAGIS;

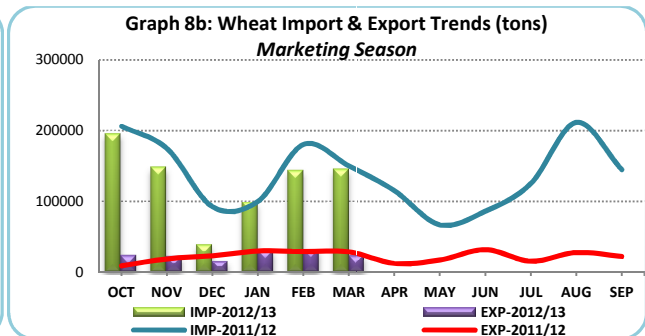
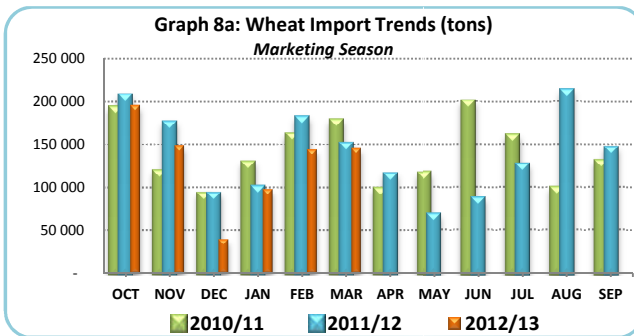
| White Maize Futures 22 March 2013 | May-13 | Jul-13 | Sep-13 | Dec-13 | Mar-14 | | | |
|---|--------|--------|--------|--------|--------|--------|-----|------|
| JSE (R/t) WM ₁ | 2 363 | 2 391 | 2 421 | 2 456 | 2 356 | | | |
| Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005) | | | | | | | | |
| May-13 | | | Jul-13 | | | Sep-13 | | |
| Ask | Put | Call | Ask | Put | Call | Ask | Put | Call |
| 2 400 | 97 | 60 | 2 440 | 163 | 114 | 2 460 | 191 | 152 |
| 2 360 | 75 | 78 | 2 400 | 140 | 131 | 2 420 | 169 | 170 |
| 2 320 | 56 | 99 | 2 360 | 120 | 151 | 2 380 | 148 | 189 |

Wheat market trends (Graph 8)
International:

- US wheat prices posted slight gains on spill over gains in the grain complex.
- However, gains were limited as crop prospects improved in the HRW wheat region. Weak export demand added further pressure.
- US weekly export sales were pegged at 573,300 tons with 484,500 tons for 2012/13.
- The IGC kept its world wheat production estimate for 2012/13 unchanged m/m at 656m tons, but still 5.8% lower y/y in the March outlook report.
- It further noted that while wheat output is expected to rise by 4.0%, a recovery in global use will leave little room to rebuild stocks, which are forecast to increase by just 5m tons y/y.


Domestic:

- Wheat prices extended recent gains on the back of weaker Rand and better international prices.
- Weekly wheat prices closed at R3,421 per ton, up by 0.5% w/w and 22.3% y/y.
- Wheat import parity prices were up by 1.9% w/w and 25.6% y/y.
- Weekly import sales came in at 31,126 tons, which brings the cumulative imports for the current marketing season to date to 755,487 tons.
- Wheat futures on the JSE: Wheat for May-13 gained 1.5% w/w (+R53/t), and Jul-13 was up 1.6% w/w (+R55/t).
- **OUTLOOK**
It is expected that domestic prices strengthen on spill over gains in the grains complex and a supportive Rand.



Source: SAGIS;

| Wheat Futures 22 March 2013 | May-13 | Jul-13 | Sep-13 | Dec-13 | Mar-14 | | | |
|--|------------|-------------|---------------|------------|-------------|---------------|------------|-------------|
| KCBT (\$/t) | 279.80 | 281.64 | 285.96 | 291.47 | 295.60 | | | |
| JSE (R/t) | 3 504 | 3 544 | 3 525 | 3 353 | - | | | |
| 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 |
| 3 540 | 94 | 58 | 3 580 | 143 | 107 | 3 560 | 174 | 139 |
| 3 500 | 72 | 76 | 3 540 | 121 | 125 | 3 520 | 153 | 158 |
| 3 460 | 54 | 98 | 3 500 | 102 | 146 | 3 480 | 133 | 178 |

Oilseed market trends (Graph 9)
International:

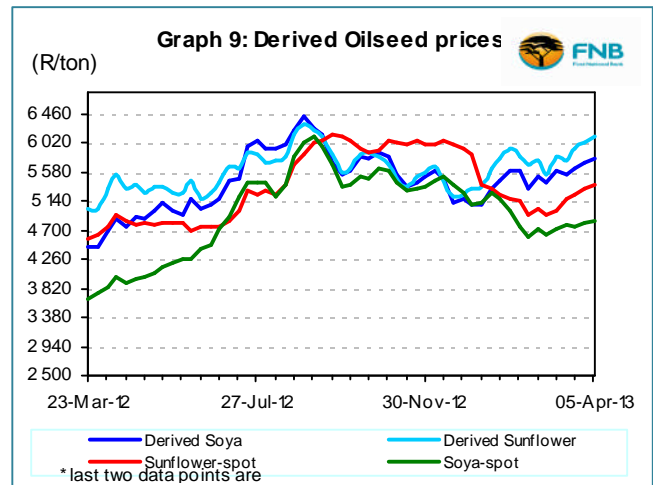
- Prices ended mixed in the soybean complex with gains in soyoil while soybean and meal eased slightly lower for the week.
- Soybeans however recovered late in the week and posted sharp gains on increased demand and logistical concerns in Brazil.
- Meanwhile, the latest IGC outlook report showed a slightly lower world production estimate of 266m tons. This is down by 1.1% on the February estimate but would be 11.0% higher y/y on a rebound in South American crops.
- The 2012/13 world soybean ending stocks carryover is expected to increase by 13.0% y/y to 26m tons. This however a slight reduction on the February estimate of 28m tons.
- Trade estimate jumped 5.4% y/y to 97m mainly due to increased Asian demand, mainly China.

Domestic:

- Oilseeds traded on the JSE ended mixed with sunflower retaining the recent upward trend due to Rand weakness.
- Weekly sunflower prices closed at R5,244 per ton, up by 1.4% w/w and 14.6% y/y.
- Soybean prices softened on spill over weakness from the international market. Soybean prices fell by 1.2% w/w but were still 29.3% higher y/y at R4,732 per ton.
- Soybean futures for May-13 gained 0.6% w/w (+R27/t), Jul-13 was up by 0.4% w/w (+R21/t), and Sep-13 was up by 0.3% w/w (+R17/t).
- Sunflower for May-13 gained 3.2% w/w (+R169/t), Jul-13 was up by 1.6% w/w (+R84/t), and Dec-13 was up by 1.4% w/w (+R75/t).

OUTLOOK

It is expected that prices will strengthen in the short t to medium term on reduced harvest outlook.



| Oilseeds Futures 22 March 2013 | May-13 | Jul-13 | Sep-13 | Dec-13 | Mar-14 |
|-----------------------------------|--------|--------|--------|--------|--------|
| CBOT Soybeans (US \$/t) | 529.26 | 521.03 | 478.11 | - | 466.79 |
| CBOT Soya oil (US c/lb) | 50.43 | 50.68 | 50.39 | 49.90 | 50.10 |
| CBOT Soya cake meal (US\$/t) | 462.20 | 456.36 | 408.41 | 389.89 | 394.74 |
| JSE Sunflower seed (R/t) | 5 390 | 5 484 | 5 464 | 5 480 | - |
| JSE Soybean seed (R/t) | 4 802 | 4 859 | 4 900 | 4 900 | - |

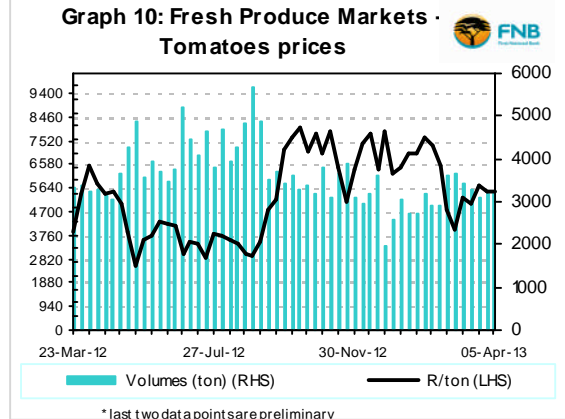
Calculated Sunflower Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)

| May-13 | | | Jul-13 | | | Sep-13 | | |
|--------|-----|------|--------|-----|------|--------|-----|------|
| Ask | Put | Call | Ask | Put | Call | Ask | Put | Call |
| 5 440 | 189 | 139 | 5 520 | 347 | 311 | 5 500 | 554 | 518 |
| 5 400 | 168 | 158 | 5 480 | 325 | 329 | 5 460 | 532 | 536 |
| 5 360 | 147 | 177 | 5 440 | 305 | 349 | 5 420 | 511 | 555 |

Vegetable Market Trends (Graphs 10 to 14)
Tomatoes

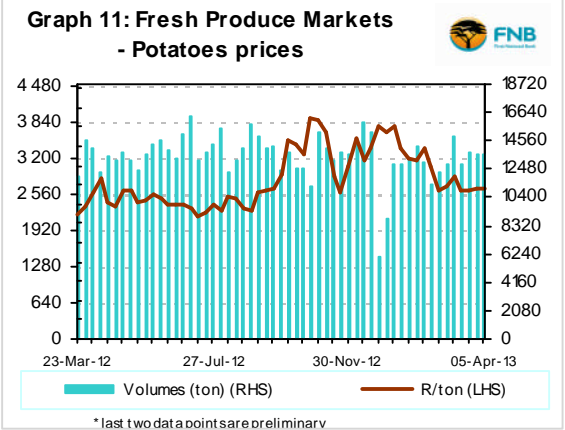
Tomato prices increased sharply due to limited supplies on markets. Weekly tomato prices rose by 15.3% w/w and were 48.3% higher y/y at R5,773 per ton. Volumes traded decreased by 4.7% w/w and 6.2% y/y, closing the week at 3,112 tons.

It is expected that prices will move sideways to firmer on improved demand in the short term, but will soften slightly in the medium term on volume pressure


Potatoes

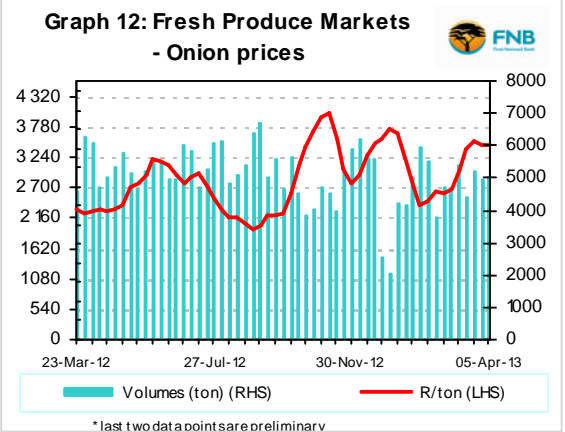
Potato prices increased marginally due to increased supplies on markets. Weekly potatoes prices increased by 0.8% w/w and 20.8% y/y; to close at R2,637 per ton. Volumes traded increased by 6.5% w/w and 13.8% y/y, coming in at 13,655 tons.

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


Onions

Onion prices posted modest gains on the back of good uptake on markets. Prices reached R3,540 per ton, up by 4.0% w/w and 51.6% y/y. Volumes traded increased by 17.5% w/w and 13.5% y/y, coming in at 5,201 tons.

Prices are however expected to ease somewhat in the week ahead on volume pressure.

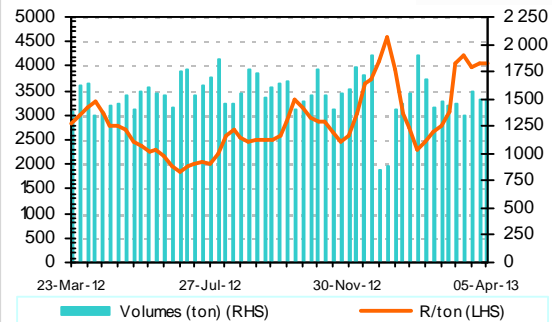


Carrots

Carrot prices closed the week sharply lower due to increased supplies on markets. Prices decreased by 6.1% w/w but were 41.0% higher y/y at R3,960 per ton. Volumes traded reached 1,563 tons, up by 15.6% w/w and 12.6% y/y.

A slight rebound is expected for the week ahead due to increased uptake. Prices will then trade sideways in the medium term as supplies improve..

Graph 13: Fresh Produce Markets - Carrot prices

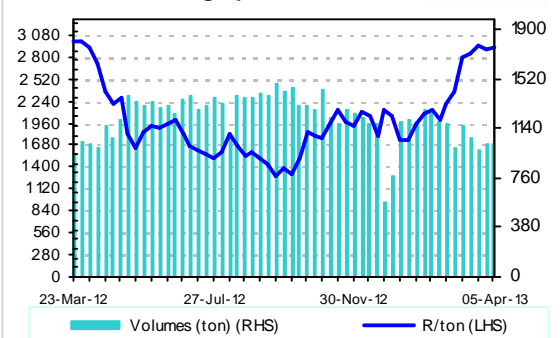


Cabbages

Cabbage prices posted modest gains due to limited supplies on markets. Weekly cabbage prices increased by 4.0% w/w but were 1.0% lower y/y at R2,958 per ton. Volumes traded reached 977 tons, down by 8.8% w/w but still 3.3% higher y/y.

Prices are expected to come under pressure in the short term due to volume pressure.

Graph 14: Fresh Produce Markets - Cabbage prices



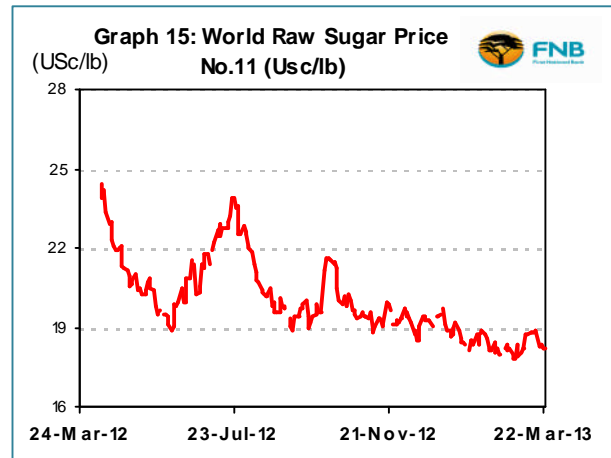
**Vegetable prices: South Africa's Major Fresh Produce Markets.
(Average Pretoria, Bloemfontein, Johannesburg, Cape Town and Durban)**

| Week ending 22 March 2013 | Average Price (R/t) | w/w | y/y | Total Volume (t) | w/w | y/y |
|------------------------------|------------------------|-------|-------|---------------------|-------|-------|
| Tomato | 5 773 | 15.3% | 48.3% | 3112 | -4.7% | -6.2% |
| Potato | 2 637 | 0.8% | 20.8% | 13655 | 6.5% | 13.8% |
| Onion | 3 540 | 4.0% | 51.6% | 5201 | 17.5% | 13.5% |
| Carrot | 3 960 | -6.1% | 41.0% | 1563 | 15.6% | 12.6% |
| Cabbage | 2 958 | 4.0% | -1.0% | 977 | -8.8% | 3.3% |

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

Sugar market trends (Graph 15)
International:

- Raw Sugar prices eased lower on reports that the port strike has been averted in Brazil. The delays and logistical problems due to congestion in ports have interrupted sugar exports in the past few weeks.
- The increased harvest outlook for Brazil and reports of weak imports for China during February weighed heavily on the market.
- Weekly raw sugar prices declined by 3.0% w/w and were 28.7% lower y/y at US18.27c/lb.
- Futures on the InterContinental Exchange:
- Raw sugar futures for Jul-13 fell by 3.4% w/w at US18.21c/lb, Oct-13 was down by 2.7% w/w at US18.60c/lb, and Mar-14 was down by 2.2% w/w at US19.47c/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 22 March 2013 | Jul-13 | Oct-13 | Mar-14 | May-14 | Jul-14 |
|--|---------------|---------------|---------------|---------------|---------------|
| Sugar No.11 (US c/lb) | 18.21 | 18.60 | 19.47 | 19.59 | 19.72 |
| % Change w/w | -3.4% | -2.7% | -2.2% | -2.0% | -1.7% |

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.