

Agri-Weekly

20 June 2014

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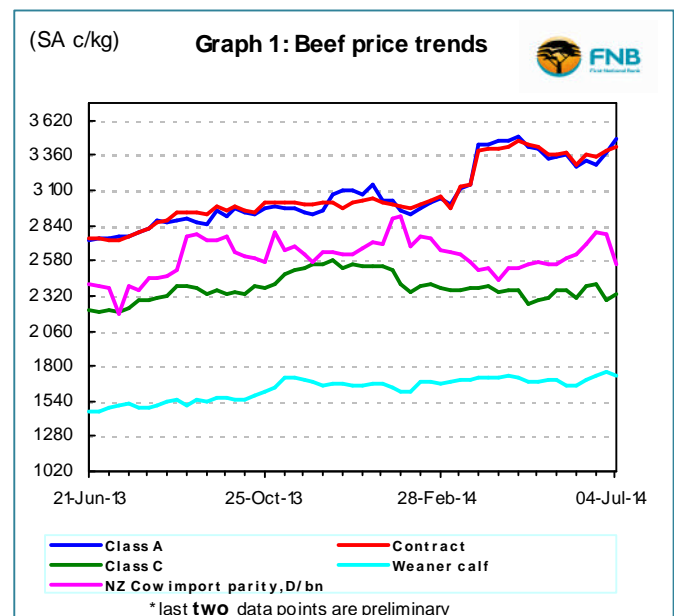
Beef market trends (Graph 1)

International:

- The US manufacturing beef prices continued to trend higher on the back of tight import supplies.
- Beef prices were mostly higher with the boxed beef cutout value for Choice closing at US\$238.39/cwt, up 3% w/w and 19% y/y. The Select carcass cutout prices advanced by 4% w/w and 25% y/y to close at US\$230.78/cwt).
- Feeder cattle prices posted modest gains on good demand. The CME Feeder Cattle Index closed at US\$204.92/cwt, up 3% w/w and 50% y/y.
- The weekly US cattle slaughtered totalled 613,000 head, up 1% w/w but still down 7% y/y. The total cattle slaughtered for the year to date reached 14.23m head, which is down by 6% y/y.
- The US feedlot cattle and calves for the slaughter market slowed by 2% y/y on June 1 to 10.6m head, according to the latest USDA Cattle on Feed report. This relates to feedlots with capacity of 1,000 or more head. Placements in feedlots dropped 7% during May to 1.91m head.
- In the June 2014 USDA World Agricultural Demand and Supply Estimates (WASDE), US beef production was lowered by 5% y/y to 11m tons in 2014 as the pace of steer and heifer slaughter in the second quarter is reduced. However, carcass weights are forecast slightly higher as feed prices have moderated.
- The 2014 beef imports forecasts were raised as demand for processing grade beef remains strong, while exports were unchanged from the previous month.
- In Australia, herd liquidation has reportedly continued over the past 22 months as a result of drought conditions across the producing areas. The increased slaughter particularly of the female cattle is expected to continue in the short to medium term and only slow down when feed conditions improve and herd rebuilding resumes. The strong demand and tight supplies of breeding cattle for herd rebuilding will boost beef prices in the longer term.
- The benchmark Eastern Young Cattle Indicator (EYCI) was almost unchanged w/w but up 5% y/y at AU\$3.32/kg cwt.

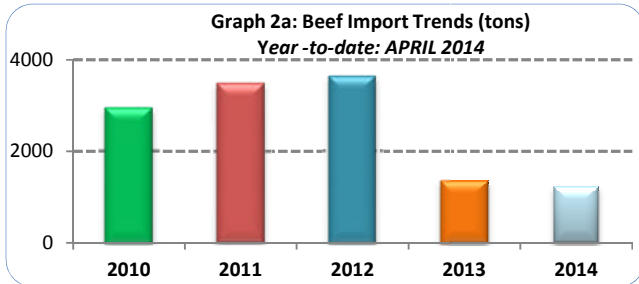
Domestic:

- Beef prices posted marginal losses across most categories during mid-month.
- Weekly Class A beef prices eased to close at R32.99 per kg, but still 21% higher y/y.
- Contract Class A beef prices also softened, finishing the week at R33.55 per kg, but up 22% y/y.
- Class C beef was the exception, trending firmer at R24.03 per kg and up 9% y/y.
- In the weaner market, prices increased by 2% w/w and 18% y/y at R17.30 per kg live weight.

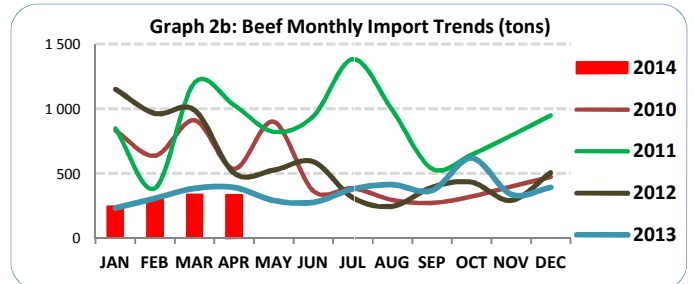


OUTLOOK

Prices are expected to rebound slightly in the short term on tight supplies, but the medium term outlook remains bearish on slowdown in demand.



Source: SARS, Own Calculations



Mutton market trends (Graph 2)

International:

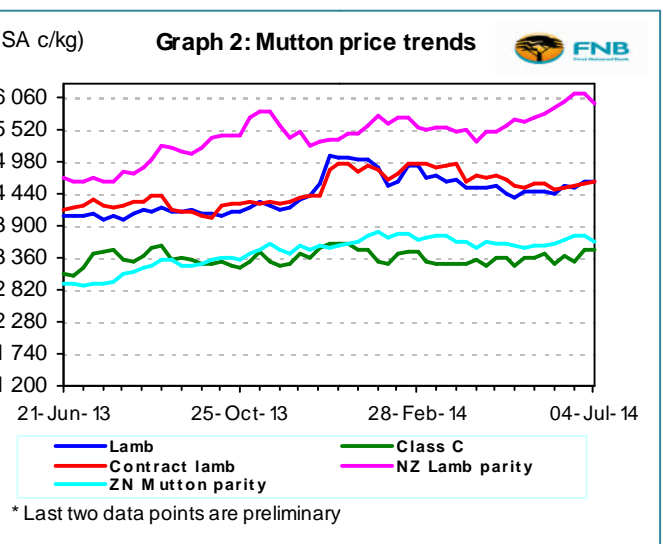
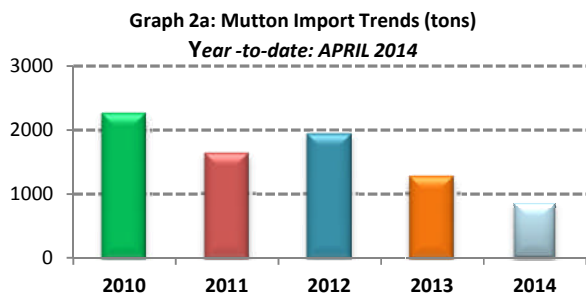
- In New Zealand (NZ), the 17.5kg lamb closed firmer at NZ\$101.50/ head, up by 16% y/y. Mutton prices continued to trend sideways, finishing the week at NZ\$66.90/ head and up 17% y/y,
- AgriFax reports that NZ suppliers are now facing increased competition from the UK products in the European market. However, overall demand is reportedly subdued in European markets.
- In China, stocks of sheep meat are reportedly high and demand has been weak but it is expected rebound in the short term.
- In Australia, the benchmark Eastern Trades Lamb indicator (ESTLI) gained 1% w/w and 20% y/y to close at AU\$5.88/kg cwt.

Domestic:

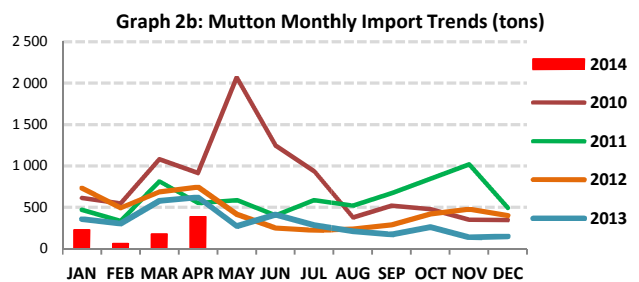
- Prices ended mixed with mutton prices posting modest losses as a result of softer demand.
- Weekly Class A lamb prices were marginally lower at R45.53 per kg, but still 12% higher y/y.
- Contract Class A lamb prices were the exception, moving marginally higher w/w and up 9% y/y at R45.61 per kg.
- Mutton prices decreased by 3% w/w but still up 8% y/y at R33.11 per kg.
- Weaner lamb prices weakened on the back of lower carcass prices, finishing down 2% w/w but still 11% higher y/y at R22.33 per kg live weight.

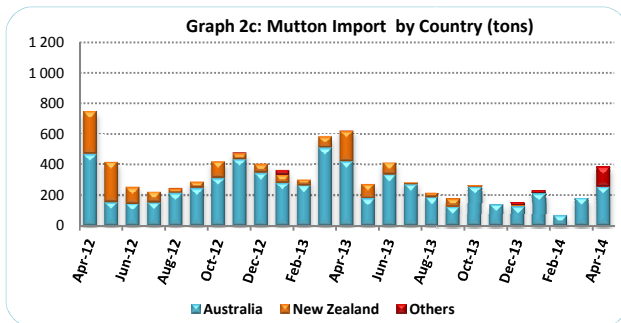
OUTLOOK

Prices are expected to trend sideways with limited upward potential in the medium term on softer demand.

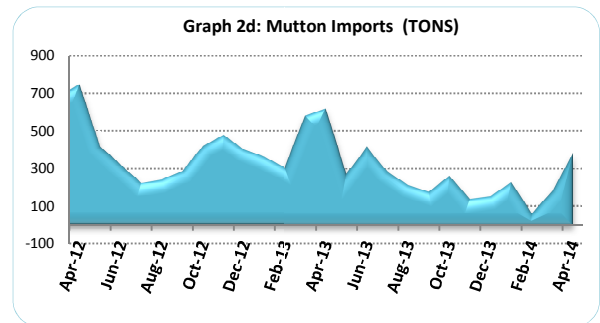


* Last two data points are preliminary





Source: SARS, Own Calculations



Pork market trends (Graph 3)

International:

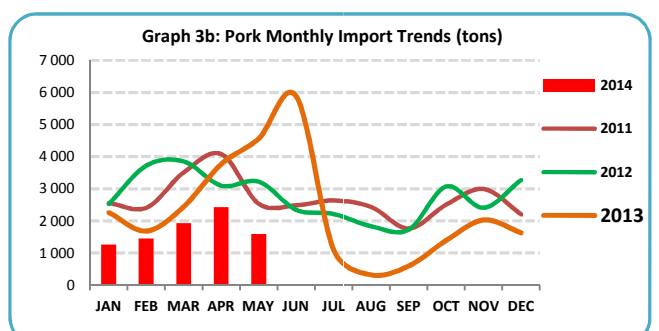
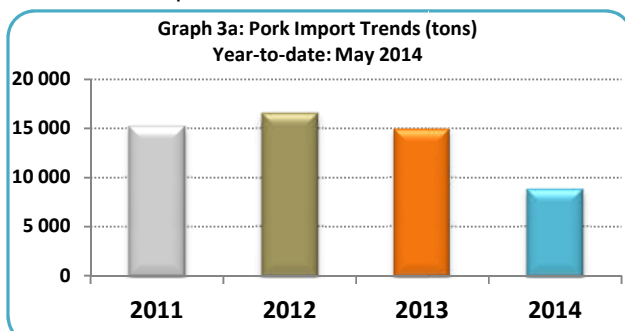
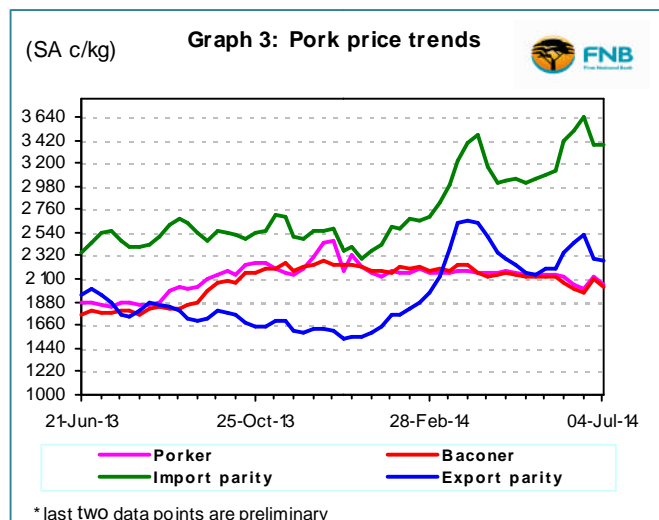
- The US Pork Carcass (FOB Plant) Cutout prices continued to post strong gains, closing the week at US\$125.81/cwt, up 3% w/w and 18% y/y.
- Weekly number slaughtered dropped by 1% w/w and 4% y/y, coming in at 1.9m head.
- The cumulative year to date pigs slaughtered in the US reached 50.040m head, still down by 4% y/y.
- In the latest USDA's WASDE report, US pork production for 2014 was forecast higher from the May estimate due to a combination of larger second-quarter slaughter and higher carcass weights for the year. The June pork production was pegged at 10.28m and 10.50m tons for 2014 and 2015 respectively.
- According USDA, the Quarterly Hogs and Pigs report due on June 27 will provide an indication of producer farrowing intentions for the remainder of the year.

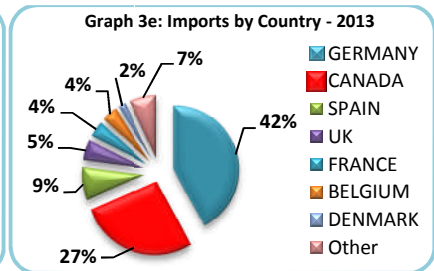
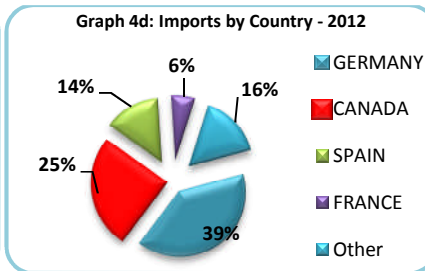
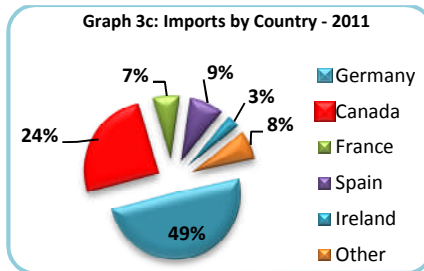
Domestic:

- The porker and baconer market extended recent losses as a result of weak demand during midmonth.
- Weekly porker prices fell by 2% w/w at R20.14 per kg, but still up 7% y/y.
- Baconer prices ended at R19.62 per kg, down 2% w/w but up 12% y/y.
- Import parity prices however continued to strengthen mainly due to weakness in the Rand/ US dollar exchange rate and better international prices. Weekly import parity prices were up by 4% w/w and 55% y/y.
- Monthly import sales for May 2014 came in sharply lower by 34% m/m and 65% y/y at 1,594 tons. On a year to date basis, total pork imports for 2014 were down by 41% y/y and reached 8,663 tons.
- Major import sources were Germany which accounted for 44% in May and 50% year to date, France (17% and 8% yr-date), Canada (14% and 18% yr-date), and Spain (11% and 7% yr-date).

OUTLOOK

The weakening Rand will provide some support for domestic products in the short term as it increases the cost on imports.





Source: SAPPO, SARS, Own Calculations

Poultry market trends (Graph 4)

International:

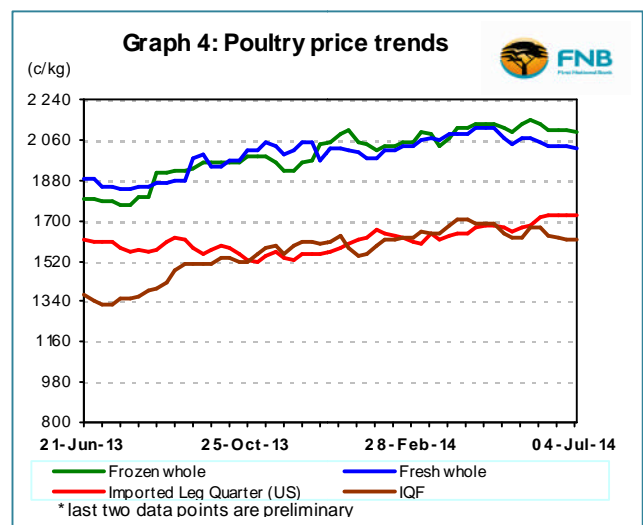
- US prices continued to trend sideways to firmer across most categories with the exception of drumsticks.
- Demand at retail was reportedly light to good ahead of the weekend, while light to moderate food service
- Whole bird prices posted marginal gains at US111c/lb, which is up 5% y/y.
- Leg quarters steadied at US56c/lb, but up 2% y/y.
- Prices for breast cuts eased slightly w/w and were down 3% y/y at US129c/lb.
- Wings advanced marginally at US134c/lb, but still down by 3% y/y.
- Drumstick prices were almost unchanged w/w at US68c/lb, which is down 7% y/y.
- In the weekly US Broiler Hatchery report, egg sets for the week ended 14 June 2014 were slightly down on year ago level at 212m. Average hatchability for chicks remains at 83.0%. The broiler chick placement dropped slightly y/y at 175m head. Cumulative broiler placements from December 29, 2013 through June 14, 2014 were slightly down y/y at 4.11 billion head.
- USDA lowered its forecast of US broiler production for 2014 and 2015 to 17m and 17.5m tons respectively compared with last month, citing slow expansion in the industry. However, this was slightly higher compared to last year. As result, exports for 2014 were trimmed by 3% y/y but raised by 2% y/y for 2015.

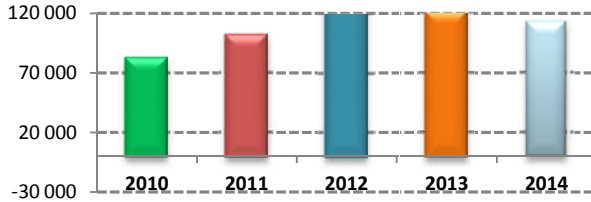
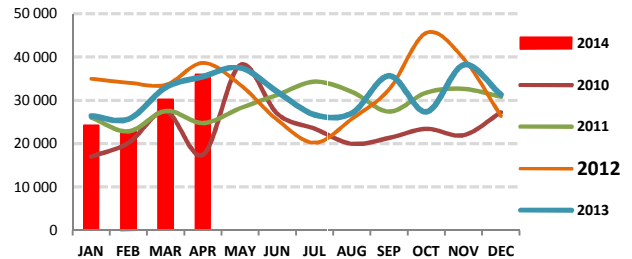
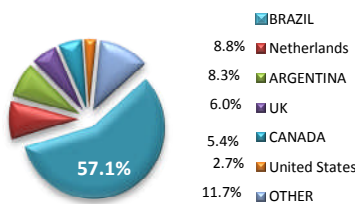
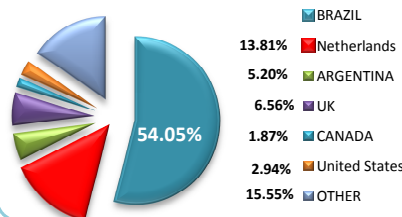
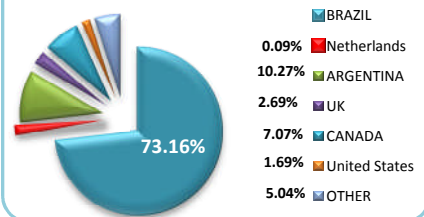
Domestic:

- Prices ended mixed with the whole bird category trending sideways while the Individually Quick Frozen portions posted marginal losses as a result of sluggish demand. Meanwhile, the low value continued to trend higher supported by strong demand.
- Sentiment remains bearish on pricing as recent indicators point to a further weakening of the economy.
- Meanwhile, the poultry/ maize price ratio continues to improve mainly due to the decrease in the price of maize. The ratio is widely used as an indicator of profitability in the industry.
- Import parity prices extended recent gains on the back of a weaker Rand/ US dollar exchange rate. Import parity prices are almost 7% higher y/y.
- Weekly fresh whole bird prices were unchanged at R20.31 per kg, up by 7% y/y.
- Frozen whole bird prices steadied at R21.03/ kg, up by 17% y/y.
- Individually Quick Frozen portions (IQF) closed at R16.22/ kg, down 1% w/w but still up 19% y/y.

OUTLOOK

Prices are expected remain under pressure in the medium term on weak seasonal demand. The second half of the year will however see some improvement in producer margins as feeding costs decrease on the back of lower maize prices.



Graph 4a: Poultry Import Trends
 Year-to-date: APRIL -2014

Graph 4b: Poultry Monthly Import Trends (tons)

Graph 4d: Imports by Country - 2011

Graph 4e: Imports by Country - 2012

Graph 4c: Imports by Country - 2013


Source: SARS, Own Calculations

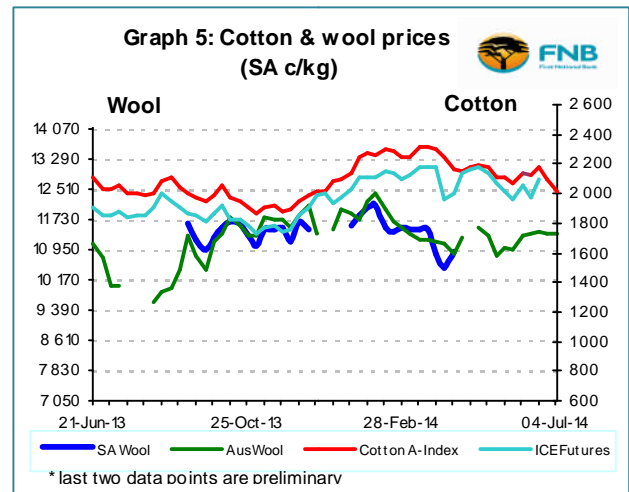
| Producer prices for selected livestock commodities 20 May 2014 | Beef | Mutton | Pork | Poultry |
|---|-------|--------|-------|---------|
| Open market: Class A / Porker / Fresh whole birds(R/kg) | 32.99 | 45.43 | 20.14 | 20.31 |
| Open market: Class C / Baconer / Frozen whole birds(R/kg) | 24.03 | 33.11 | 20.00 | 21.03 |
| Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg) | 33.55 | 45.61 | 19.62 | 16.22 |
| Import parity price (R/kg) | 27.83 | 37.27 | 36.30 | 17.23 |
| Weaner Calves / Feeder Lambs (R/kg) | 17.30 | 22.33 | | |

Wool and cotton market trends (Graph 5)
International:

- The world cotton indicator price, Cotlook "A" Index, rebounded strongly on last week but still down 3% y/y at US92.26c/lb
- The ICE Oct settlement prices were marginally lower at US\$77.49c/lb. The Dec-14 settlement prices fell by 1% w/w at US\$77.08c/lb.
- The USDA raised world production and consumption estimates for both 2013/14 and 2014/15. The world production figure for 2013/14 increased 1.0m bales (from 117.1m to 118.1m) and was entirely a result of greater expectations for the Indian harvest (+1.0m, from 29.5 to 30.5m).
- For the upcoming 2014/15 crop year, the world estimate was raised by 465,000 bales (from 115.5 to 115.9m).
- World stocks for 2014/15 are expected to rise for the fifth consecutive season, reaching a record of 102.7m bales, nearly 4 percent (or 3.7m bales) above 2013/14.

Domestic:

- The wool market is currently on recess. The final sale of the 2013/14 season saw gains on the domestic wool market as a result of good demand and a supportive Rand.
- The Cape Wools Merino indicator increased by 3.2% compared to the previous sale and 2.4% higher than the last year, closing at R112.91/ kg clean wool.
- At this level, the indicator was down by almost 1% compared to the current season's average but 7% higher than the opening sale of the 2013/14 season.
- Major buyers were Standard Wool SA with 4,844 bales (31.1%), Lempriere SA with 3,645 bales (23.4%), G Modiano SA with 2,904 bales (18.6%), and Stucken & Co with 2,000 bales (12.8%).



* last two data points are preliminary

| Fibre market prices 20 May 2014 | SA prices (R/kg) | Australian prices (R/kg) | Australian futures Sep-14 (AU\$/kg) | Australian futures Nov-14 (AU\$/kg) |
|------------------------------------|--------------------------------|----------------------------------|---|---|
| Wool market indicator (R/kg) | - | 102.69 | | |
| 19 μ long length wool (R/kg) | - | 114.20 | 10.75 | 10.75 |
| 21 μ long length wool (R/kg) | - | 113.75 | 10.70 | 10.70 |
| 23 μ long length wool (R/kg) | - | 113.65 | 9.50 | 9.50 |
| Fibre market prices 20 May 2014 | SA derived Cotton (R/kg) | New York A-Index (US\$/kg) | Cotton Futures Oct-14 (US\$/kg) | Cotton Futures Dec-14 (US\$/kg) |
| Cotton Prices (R/kg) | 21.75 | 2.03 | 1.70 | 1.70 |

Cotton Futures on the InterContinental Exchange (ICE); South Africa – wool market on recess

Yellow maize market (Graph 6)

International:

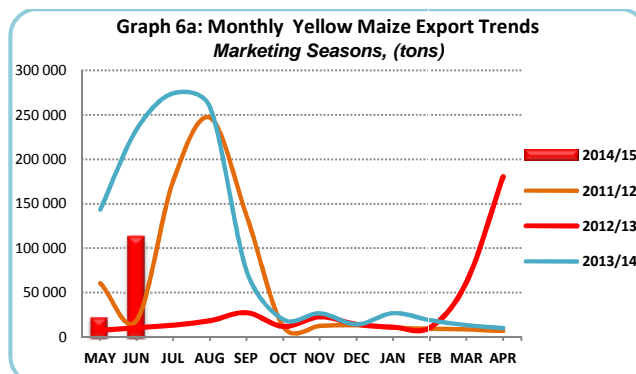
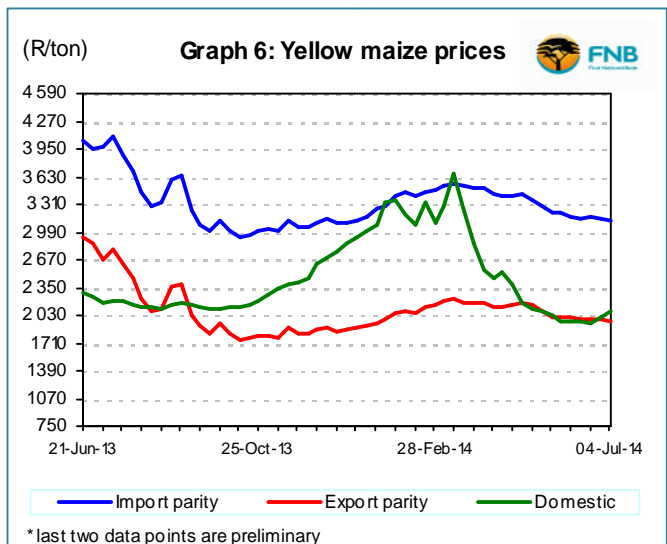
- US maize prices opened the week on a weaker note but rebounded later on increased ethanol production and good export demand.
- Good rains were reported for the US Midwest while some areas of the Northern regions were flooded, providing further support for grain prices.
- On crop progress, the crop emergence rating came in at 97% which is 6% higher than last year and slightly ahead of the 5 year average.
- The crop rated in good to excellent condition was 76%, the highest rating since 1999.
- In Brazil, the southern areas reportedly received abundant rainfall while seasonal dryness expanded across the central regions. This will boost maize and winter wheat yields across the southern regions.
- In the season ahead the US 2014/15 maize production is estimated at 353.7m tons, slightly higher than the previous season.
- For the world, the USDA projected the 2014/15 world maize crop at 981.12m tons and ending stocks at 182.65m tons, which is significantly higher than the 169.1m in the previous season.

Domestic:

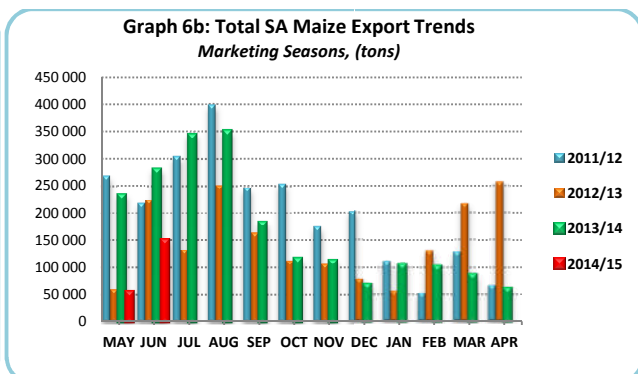
- Yellow maize remained on an extended downtrend on the back of the bullish domestic supply outlook.
- Weekly yellow maize prices fell by 1% w/w and 15% y/y at R1,944 per ton.
- Exports so far were pegged at 67,243 tons, which includes 10,921 tons of white maize and 56,322 tons of yellow maize. The major export destination is China.

OUTLOOK

Futures are already trending lower in response to the large harvest this winter and this trend is expected to continue in the medium term.



Source: SAGIS



| Yellow Maize Futures 20 May 2014 | Sep-14 | Dec-14 | Mar-15 | May-15 | Jul-15 |
|-------------------------------------|--------|--------|--------|--------|--------|
| CBOT (\$/t) | 177 | 178.09 | 182.11 | 184.79 | 187 |
| JSE (R/t) | 1996 | 2045 | 2067 | - | 2035 |
| CHICAGO CORN (R/t) | 1887 | 1931 | - | - | - |

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

| Jul-14 | | | Sep-14 | | | Dec-14 | | |
|--------|-----|------|--------|-----|------|--------|-----|------|
| Ask | Put | Call | Ask | Put | Call | Ask | Put | Call |
| 2 080 | 40 | 5 | 2 100 | 92 | 59 | 2 100 | 158 | 116 |
| 2 040 | 14 | 19 | 2 060 | 70 | 77 | 2 060 | 135 | 133 |
| 2 000 | 3 | 48 | 2 020 | 52 | 99 | 2 020 | 115 | 153 |

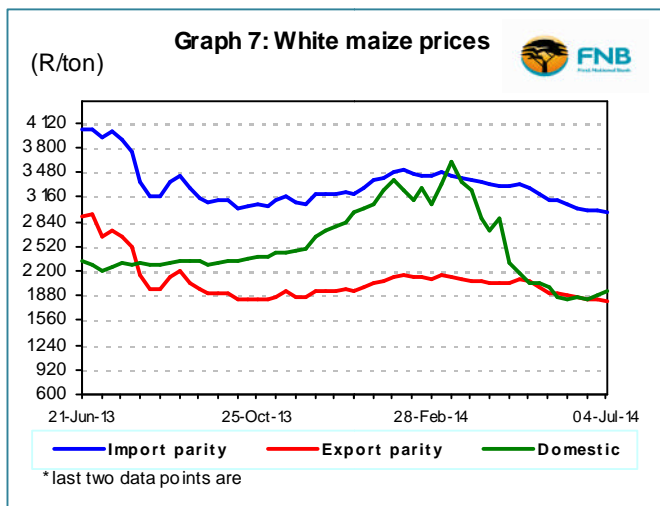
White maize market trends (Graph 7)

International:

- US white maize continued to trend lower on favourable crop conditions and better crop progress ratings.
- Weekly white maize prices moved marginally lower from last week at US\$172/ton, which is 21% y/y.

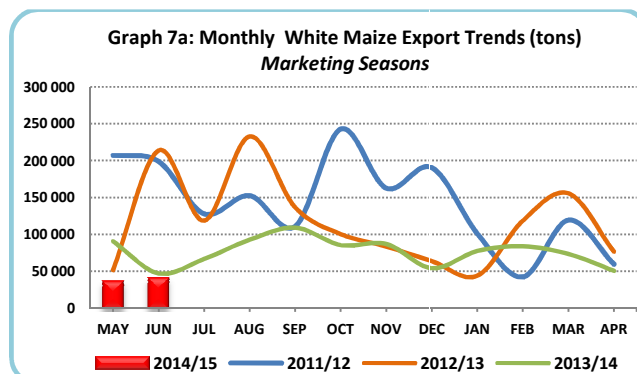
Domestic:

- The downward trend continues on the local white maize market with recent estimates showing even a larger crop for the current production season.
- Losses were however limited due to the renewed Rand weakness.
- Weekly white maize prices closed at R1,840 per ton, down 1% w/w and 21% y/y.

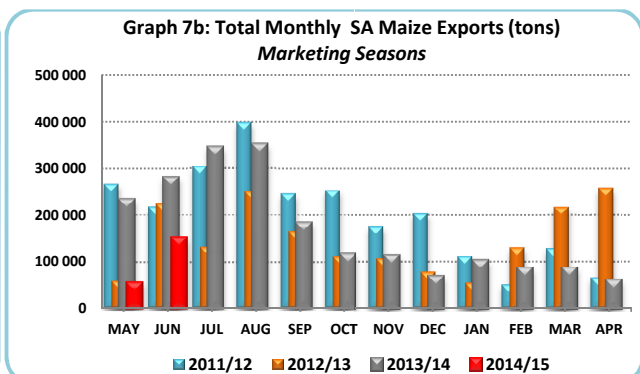


OUTLOOK

Maize futures are already trending lower in response to the large harvest this winter and this trend is expected to continue in the medium term.



Source: SAGIS;



| White Maize Futures 20 May 2014 | Sep-14 | Dec-14 | Mar-15 | May-15 | Jul-15 |
|------------------------------------|--------|--------|--------|--------|--------|
| JSE (R/t) WM ₁ | 1883 | 1941 | 1972 | - | 2035 |

| Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005) | | | | | | | | |
|--|-----|------|--------|-----|------|--------|-----|------|
| Jul-14 | | | Sep-14 | | | Dec-14 | | |
| Ask | Put | Call | Ask | Put | Call | Ask | Put | Call |
| 1 920 | 39 | 2 | 1 980 | 85 | 46 | 2 020 | 181 | 133 |
| 1 880 | 11 | 14 | 1 940 | 62 | 63 | 1 980 | 159 | 151 |
| 1 840 | 1 | 44 | 1 900 | 44 | 85 | 1 940 | 138 | 170 |

Wheat market trends (Graph 8)

International:

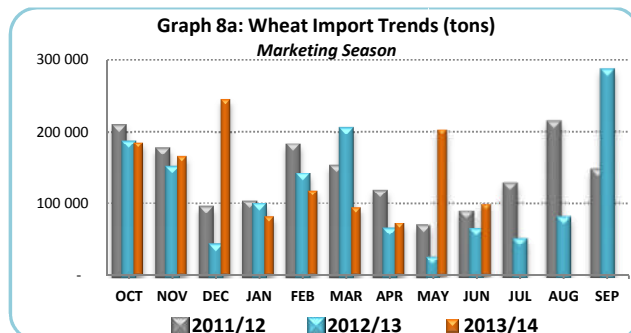
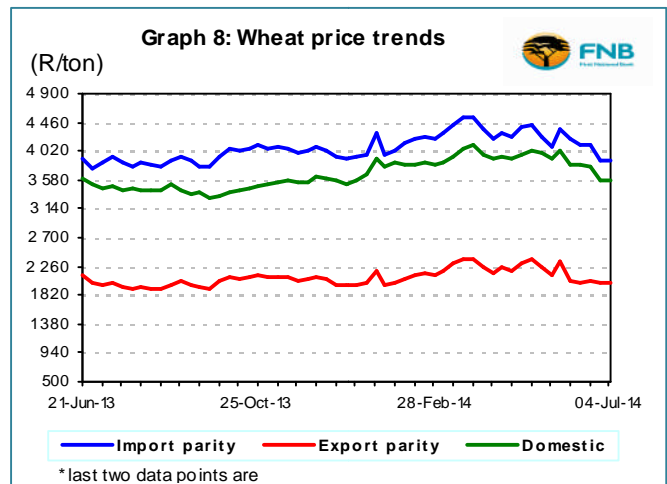
- US wheat prices posted marginal gains on concerns over quality as rains fell in most of the Northern and Midwest growing areas.
- Reports that Brazil will allow 1m tons of tariff free wheat into the country coupled with lower yields in Kansas will support prices in the short to medium term.
- Final wheat plantings were delayed due to wet weather conditions however the USDA reported that planting is almost finished with 72% of the crop rated good to excellent compared with the 68% in the previous year.
- The US winter wheat harvest progress was reported at 16% complete as of June 15, which is below a 5-year average of 20% this time of the year.
- Global supply is projected at 888m tons, slightly lower than the previous season. This was mainly attributed to a 24% fall in Canada, 9% fall in the US but mainly supported by a 19% increase in Argentina and some marginal increases in the EU. The price effect will be offset by a 2% decline in global feed use.
- Production in the EU is estimated at 146m tons up by 1.37m tons from the previous estimate due to better yields prospects.

Domestic:

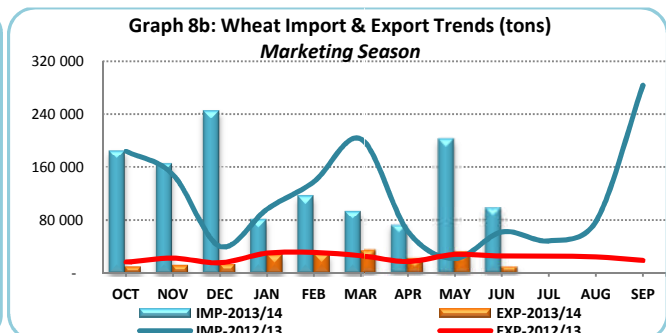
- Wheat prices saw marginal losses despite the weaker Rand.
- Weekly wheat prices ended at R3,800 per ton, marginally lower w/w but still up 6% y/y.
- On the import front, weekly import sales were pegged at 42,348 tons and 1.23m tons for the season to date, entirely sourced from Canada (47,348 tons)

OUTLOOK

Prices are expected to trend sideways with limited upside potential in the short term.



Source: SAGIS;



| Wheat Futures 20 May 2014 | Sep-14 | Dec-14 | Mar-15 | May-15 | Jul-15 | | | |
|--|------------|-------------|---------------|------------|-------------|---------------|------------|-------------|
| KCBT (\$/t) | 265.66 | 266.54 | 265.66 | 260.51 | 262.50 | | | |
| JSE (R/t) | 3773 | 3773.00 | 3694.00 | - | - | | | |
| Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005) | | | | | | | | |
| Jul-14 | | | Sep-14 | | | Dec-14 | | |
| Ask | Put | Call | Ask | Put | Call | Ask | Put | Call |
| 3 820 | 52 | 5 | 3 660 | 111 | 62 | 3 740 | 159 | 113 |
| 3 780 | 24 | 17 | 3 620 | 88 | 79 | 3 700 | 137 | 131 |
| 3 740 | 7 | 40 | 3 580 | 69 | 100 | 3 660 | 117 | 151 |

Oilseed market trends (Graph 9)
International:

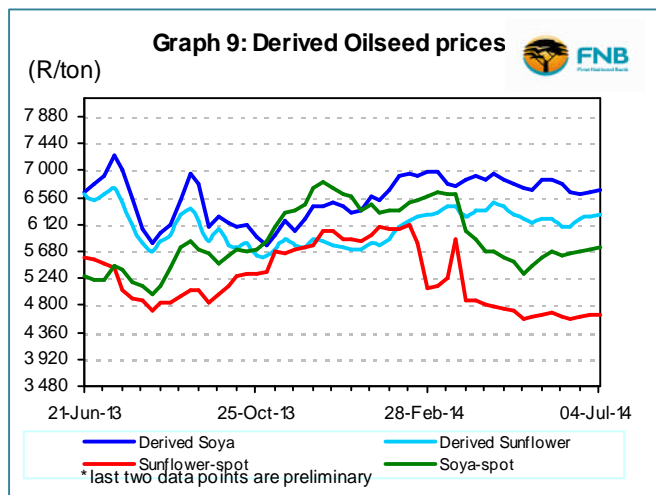
- US soybean prices continued to weaken on the back of a large crop outlook and improved crop progress ratings. The market saw further losses from demand concerns in China.
- According to the USDA report, soybeans were rated 76% in the good to excellent category due to the improved moisture conditions especially in the Midwest. This is the highest rating in 28 years.
- Better oilseed yields prospects will see production at record levels in the European Union.
- EU soybean is estimated significantly higher than the previous year at 1.4m tons compared with 1.2m tons. This is attributed to increased land area and above normal rainfall received during May 2014.
- On trade, Brazil's soybean imports are expected to increase to 500,000 from last year. Soybean meal import demand in Mexico is expected to increase to 1.4m tons on stable growth in demand. Soybean meal exports from the USA are estimated at a record 10.4m tons on good demand in Southeast Asia.
- USDA estimated the 2013/14 world soybean ending stocks at 67m tons, almost unchanged from the May estimate. The 2014/15 world soybean production was estimated at 300m tons and the new crop ending stocks were estimated at 82.9m tons, which was marginally higher than the 82.23m tons.

Domestic:

- Oilseeds traded on the JSE saw marginal gains on the back of a weaker Rand.
- Weekly soybean prices were firmer at R5,668 per ton, up 8% y/y.
- Sunflower prices also saw marginal gains and closed at R4,610 per ton, but still down by 17% y/y.

OUTLOOK

The medium term outlook for prices remains bearish given the good harvest expected for the oilseed crops.



| Oilseeds Futures 20 May 2014 | Jul-14 | Sep-14 | Dec-14 | Mar-15 | May-15 |
|---------------------------------|--------|--------|--------|--------|--------|
| CBOT Soybeans (US \$/t) | 520 | 464 | - | 457 | 458 |
| CBOT Soya oil (US c/lb) | 40.13 | 40.22 | 40.04 | 40.38 | 40.56 |
| CBOT Soya cake meal (US\$/t) | 506.18 | 458.23 | 439.71 | 437.95 | 437.51 |
| JSE Sunflower seed (R/t) | 4645 | 4665 | 4665 | 4775 | - |
| JSE Soybean seed (R/t) | 5721 | 5783 | 5821 | - | 5370 |

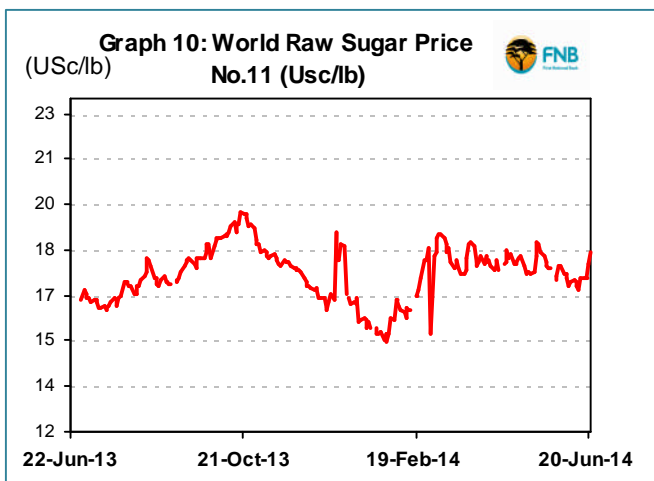
| Calculated Sunflower Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005) | | | | | | | | |
|---|-----|------|--------|-----|------|--------|-----|------|
| Jul-14 | | | Sep-14 | | | Dec-14 | | |
| Ask | Put | Call | Ask | Put | Call | Ask | Put | Call |
| 4 820 | 59 | 14 | 4 940 | 189 | 154 | 4 960 | 355 | 324 |
| 4 780 | 34 | 29 | 4 900 | 168 | 173 | 4 920 | 333 | 342 |
| 4 740 | 17 | 52 | 4 860 | 148 | 193 | 4 880 | 312 | 361 |

Sugar market trends (Graph 15)
International:

- International Raw Sugar prices saw gains on improved demand and concerns over weather conditions in India.
- Meanwhile, harvest is reportedly progressing well in Brazil. The increased supply on the world market will again depress prices.
- The weekly world raw sugar prices on ICE (InterContinental nearby futures, No.11 contract) closed at US17.35c/lb, up 3% w/w and 4% y/y.
- Production is also projected lower for other countries, China is expected to produce 600 000 TRV less sugar on the back of lower expected crop yields. Production is also expected to decline by 400 000TRV to 11Mil TRV as yields return to normal offsetting increased land area.
- The weekly world raw sugar prices on ICE (InterContinental nearby futures, No.11 contract) closed at US17.44c/lb, up 3% w/w and 4% y/y.
- India is set to increase import tariffs and in turn extent export subsidies on sugar in order to protect local mills and farmers. The tariff on imports will be increased to 40% from 15% and a cash incentive of \$54.8/ton on raw sugar exports.

Domestic:

- The June 2014 RV price in respect of cane delivered in May 2014 for 2014/15 was declared at R3,337.56 per ton, down R1.02 compared to the previous month. According to the Cane Growers Association, the decrease was due to a US1.16c/lb drop in the weighted average world market price (17.30 C/lb vs. 18.46 c/lb).
- At this stage 66.3% of the estimated export availability in unpriced and 70.5% of the estimated dollar revenue is uncovered.
- Export availability for the 2014/15 season was estimated at 746,268 tons with 399,220 tons so far been allocated for marketing and pricing. A total of 260,396 tons have reportedly been priced at an average of 17.91 US c/lb.

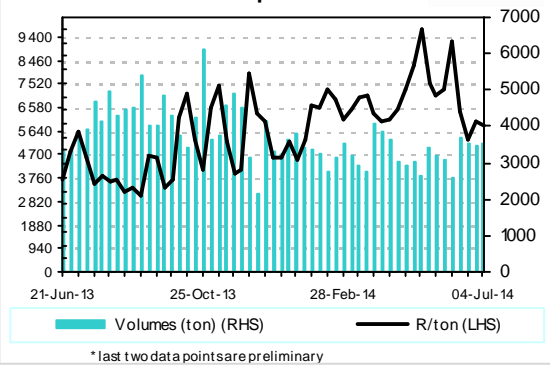


| ICE Sugar Futures 20 May 2014 | Mar-15 | May-15 | Jul-15 | Oct-15 | Mar-16 |
|----------------------------------|--------|--------|--------|--------|--------|
| Sugar No.11 (US c/lb) | 19.65 | 19.63 | 19.57 | 19.68 | 19.99 |
| % Change w/w | 4.0% | 3.9% | 3.7% | 3.2% | 2.8% |

Vegetable Market Trends (Graphs 11 to 15)
Tomatoes

Tomato prices saw further losses on weak market uptake. Weekly tomato prices fell by 6% w/w but still 44% higher y/y at R5,295 per ton. Volumes of tomatoes traded reached 3,510 tons, up by 60% w/w and 5% y/y.

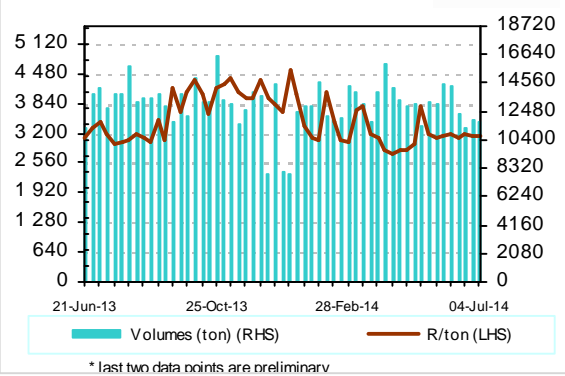
Prices are expected to strengthen in the short to medium term on reduced supply and good uptake.

Graph 11: Fresh Produce Markets - Tomato prices

Potatoes

Potato prices posted moderate gains on the back of lower supplies.

Weekly potato prices closed at R3,163 per ton, up by 3% w/w and 3% y/y. Volumes of potatoes traded were pegged at 11,318 tons, up 72% w/w but almost unchanged y/y.

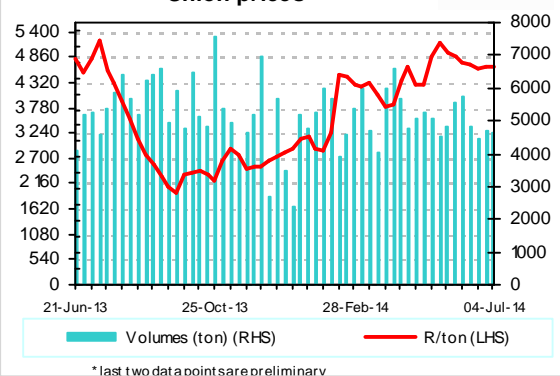
It is expected that prices will weaken in short to medium term on supply pressure.

Graph 12: Fresh Produce Markets - Potato prices

Onions

Onion prices saw modest losses on weak demand across markets.

Weekly onion prices closed at R4 630 per ton, down by 3% w/w and 4% y/y. Volumes of onions traded increased substantially on last week to reach 4,436 tons, which is 8% y/y.

Prices are expected to trend sideways to firmer on slight improvement in demand.

Graph 13: Fresh Produce Markets - Onion prices


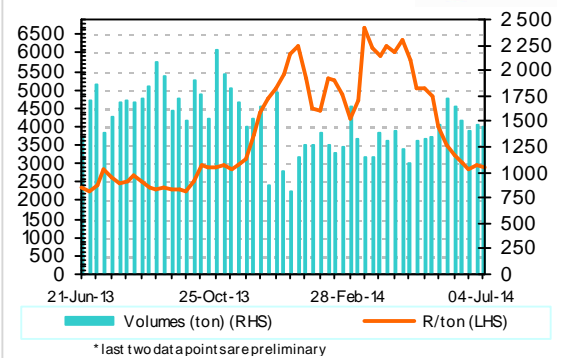
Carrots

Carrot prices continued to drift lower as a result of weak demand and increased supplies.

Weekly carrot prices fell by 1% w/w but still 22% higher y/y at R2, 848 per ton. Volumes of carrots traded came in at 1, 412 tons, up by 70% w/w and 4% y/y.

Prices expected to trend sideways with limited upside potential on moderation in demand.

Graph 14: Fresh Produce Markets - Carrot prices



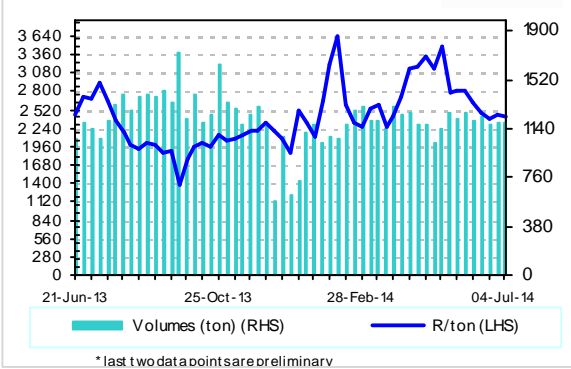
Cabbages

In the cabbage market, prices trended mostly sideways under pressure due to increased supplies on markets.

Weekly cabbage prices steadied at R2,389 per ton, but down by 2% y/y. Volumes of cabbages traded increased by 72% w/w and 10% y/y, coming in at 1,170 tons.

Prices are expected to rebound slightly in the short term on improved uptake across markets.

Graph 15: Fresh Produce Markets - Cabbage prices

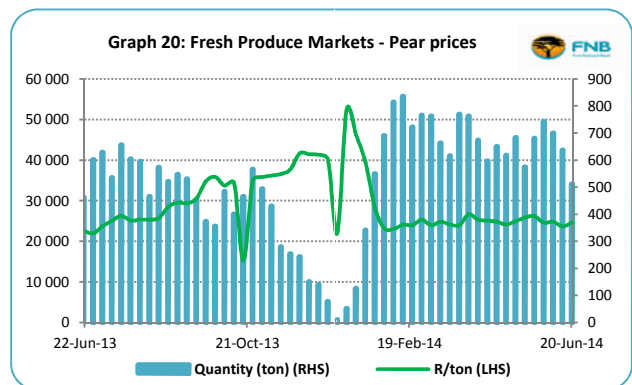
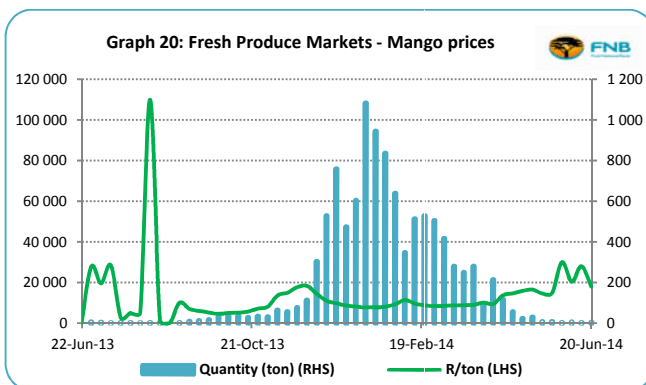
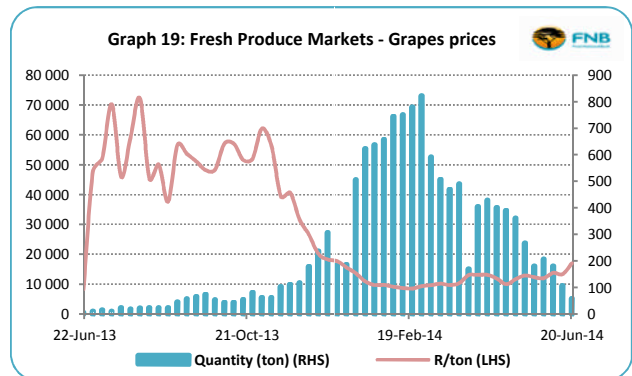
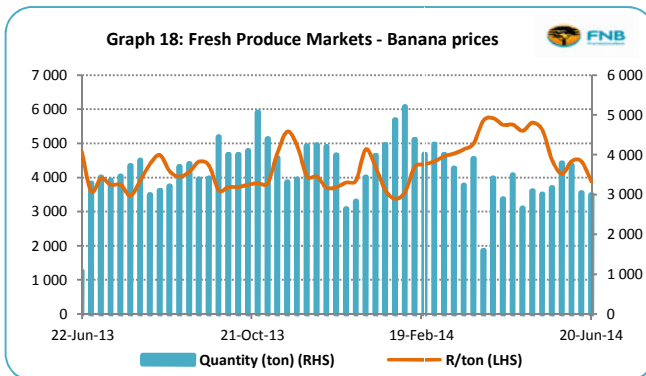
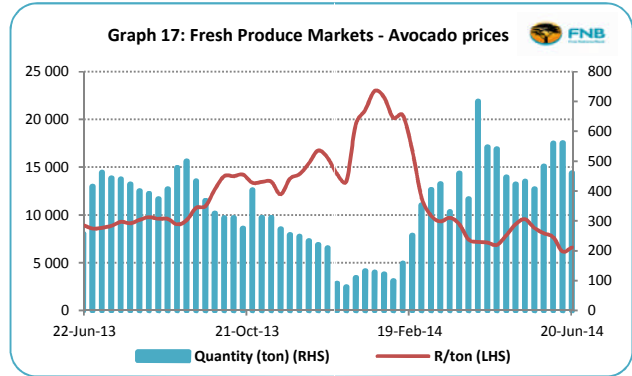
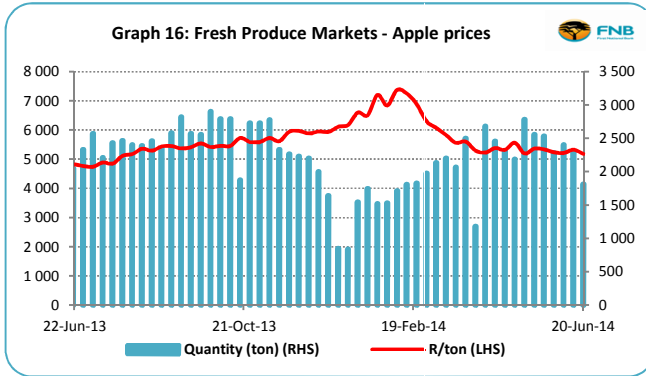


Vegetable prices: South Africa's Major Fresh Produce Markets.

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

| Week ending 20 May 2014 | Average Price (R/t) | w/w | y/y | Total Volume (t) | w/w | y/y |
|----------------------------|------------------------|-----|-----|---------------------|------|------|
| Tomato | 5 295 | -6% | 44% | 3510 | 60% | 5% |
| Potato | 3 163 | 3% | 3% | 11318 | 72% | 0.0% |
| Onion | 4 630 | -3% | -4% | 4436 | 102% | 8% |
| Carrot | 2 848 | -1% | 22% | 1412 | 70% | 4% |
| Cabbage | 2 389 | 0% | -2% | 1170 | 72% | 10% |

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

The Fruit Market Trends – Major Fresh Produce Markets in SA (Graphs 16 to 20)

FRUIT PRICES: Major FPM. (Average Pretoria, Bloemfontein, Johannesburg, Cape Town and Durban)

| Week ending 20 May 2014 | Average Price (R/t) | w/w | y/y | Total Volume (t) | w/w | y/y |
|----------------------------|------------------------|------|------|---------------------|------|------|
| Apples | 5 176 | -3% | 7% | 1809 | -21% | -26% |
| Avocados | 6 584 | 7% | -29% | 460 | -18% | 5% |
| Bananas | 3 881 | -13% | 2% | 2988 | -2% | -14% |
| Grapes | 17 021 | 27% | -63% | 59 | -45% | 150% |
| Pears | 24 576 | 4% | -6% | 511 | -20% | -22% |

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

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