

how can we help you?



Agri-Weekly

FNB
First National Bank

02 October 2015

pmakube@fnb.co.za

<https://www.fnbagricomms.co.za>

Beef market trends (Graph 1)

International:

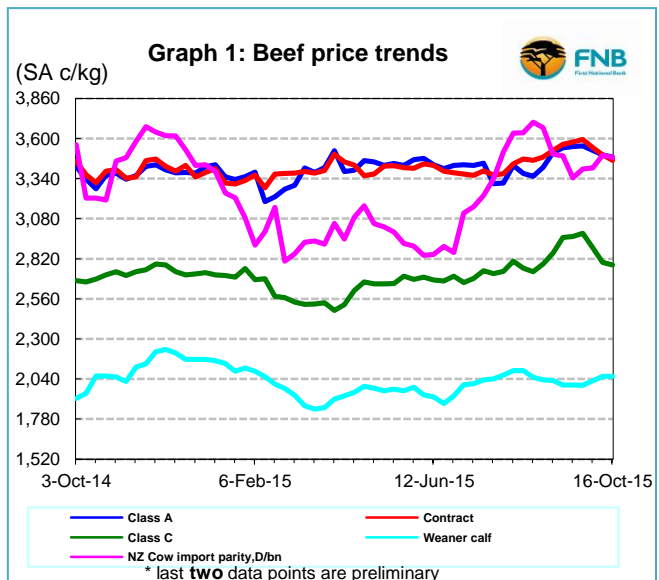
- It was another week of losses on the US imported beef market led by a sharp drop in domestic prices. Market activity on imports was reportedly slow to moderate with prices continuing to trend lower.
- The United States Department of Agriculture (USDA) reported a further decline in wholesale prices with Choice beef falling under pressure due to heavier carcass weights and higher volumes. Choice beef prices fell by 4.7% w/w and 12.5% y/y at US\$208.44/cwt. The select beef prices were down by 4.3% w/w and 9.5% y/y at US\$205.18/cwt.
- In the cattle market, the downward trend continued with US fed cattle prices reaching their lowest level since 2013. The CME feeder cattle index fell by 3.6% w/w and 20.5% y/y to close at US\$187.89/cwt.
- US cattle slaughter slowed with weekly number coming in at 571,000 head, down 0.5% w/w and 1% y/y. The year to date cattle slaughter reached 21.39m head, which is still down by 6.3% y/y.
- In Australia, cattle prices trended a bit firmer with the benchmark Eastern Young Cattle Indicator (EYCI) closing up 0.6% w/w and 62.4% y/y at AU\$5.95/kg cwt.

Domestic:

- Beef prices trended sideways to lower for the week.
- Weekly Class A beef prices closed at R35.24 per kg, which is up 3.0% y/y.
- Contract Class A beef prices were down 1.4% w/w but still up 2.6% y/y at R35.43 per kg.
- Class C beef prices were down 3.2% w/w but still up 8.0% y/y at R28.91 per kg.
- There was a rebound in the weaner calf market as supplies tightened across markets. Weekly weaner calf prices gained 1.5% w/w and 6.0% y/y at R20.28 per kg live weight.
- The depressed international demand continues to weigh heavily on the local hide market and prices are expected to continue to trend at weaker levels in the short to medium term.

OUTLOOK

It is expected that prices will trend upwards in the medium term on strong demand heading into the December holidays. Internationally, prices remain relatively firm despite weakness in the global economy.



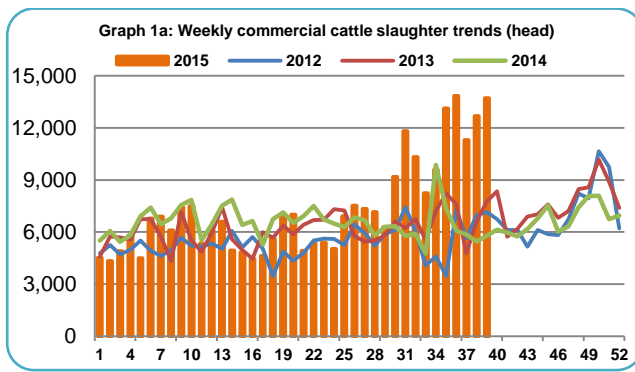
how can we help you?

pay for anything your farm needs.

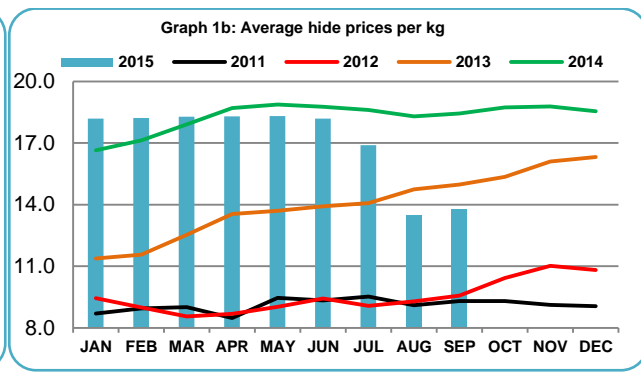
An FNB Agriculture Cheque Account is the secret behind a successful farming business.

Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.



Source: RMMA;

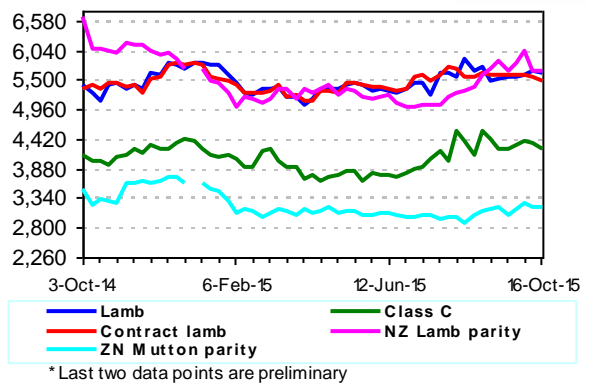


Sheep market trends (Graph 2)

International:

- Australian domestic prices retained the weaker trend with the National Trades Lamb indicator closing marginally down on last week at AU\$5.19/kg cwt. The mutton indicator prices fell sharply by 7% w/w to close at AU\$3.06/kg cwt.
- In New Zealand (NZ), the domestic producer prices maintained a firmer trend with the 17.5kg lamb closing at NZ\$103.00/ head, but down 3% y/y. Mutton prices advanced slightly to close at NZ\$55.20/ head, but still down by 10% y/y.
- The medium term supply outlook is reportedly tight according recent forecasts out of Australia and NZ. Reduced lamb slaughter and export availability will help lift prices in export markets. Meanwhile, the Chinese demand for lamb and mutton is reportedly on a rebound as buyers gear themselves ahead of the Chinese New Year early in February 2016.
- In the US, Lamb Carcass Cutout prices eased to US\$325.71/cwt, which is still down by 4.4% y/y. The weekly sheep slaughter number dropped sharply by 20.9% w/w and 26% y/y, coming in at 34,000 head. The cumulative year to date sheep slaughter reached 1.5m head, down by 6.8% y/y. Lamb production for the year to date was down 5.2% compared to the same period last year at 105.40 million pounds.

(SA c/kg) Graph 2: Sheep price trends



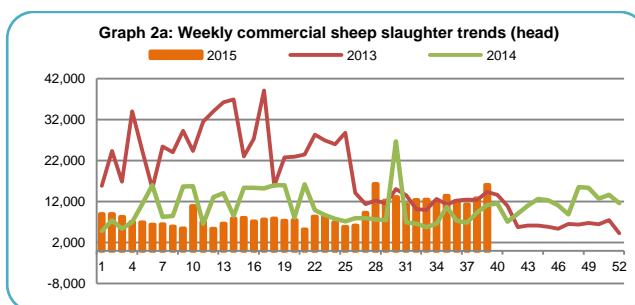
* Last two data points are preliminary

Domestic:

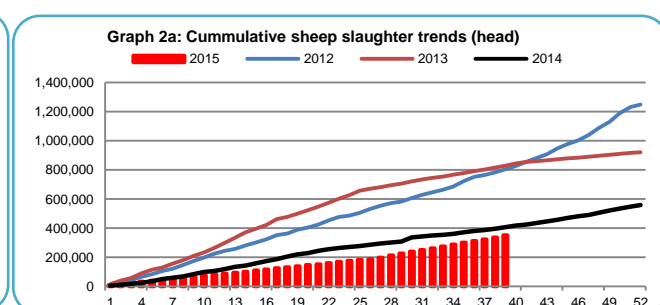
- Lamb and mutton prices trended sideways to firmer on the back of good demand.
- Weekly Class A lamb prices gained 0.4% w/w and 3.2% y/y to close at R55.84 per kg.
- Contract Class A lamb prices ended a bit firmer at R56.05 per kg, which is 4.8% higher y/y.
- Mutton prices advanced by 1.8% w/w and 5.8% y/y at R43.77 per kg.
- In the weaner lamb market, prices reversed course and weakened due to improved volumes. Weekly weaner lamb prices fell by 2.5% w/w but still 12.4% higher y/y at R27.17 per kg live weight.

OUTLOOK

It is expected that price will maintain a firmer trend in the medium term on increased seasonal demand and moderation in supplies. Internationally, prices are expected to remain relatively firm as supplies from the traditional suppliers tighten. The market will trend upwards on increased seasonal demand ahead of the Christmas period and the Chinese New Year.



Source: RMMA



how can we help you?

pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

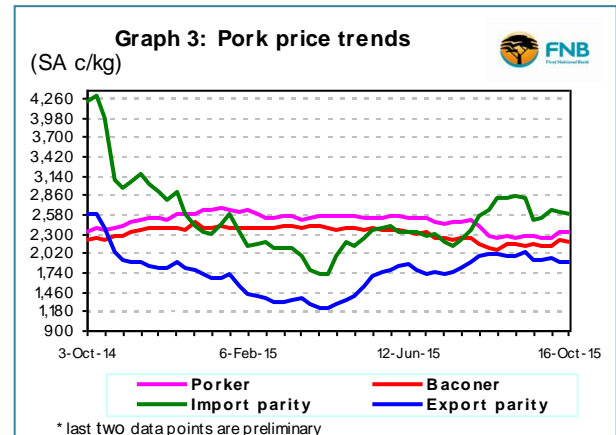
Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.

Pork market trends (Graph 3)

International:

- US pork carcass cutout values recovered modestly and finished the week up 2.6% at US\$85.40/cwt, but still down 30.1% y/y.
- Rib prices dropped further by 3.1% w/w and 11.2% y/y at US\$132.58/cwt.
- Loin prices reversed recent gains and dropped sharply by 8.7% w/w and 36.7% y/y at US\$84.64/cwt.
- Ham prices posted sharp gains, closing up 8.4% w/w at US\$64.67/cwt but still down by 53% y/y.
- Weekly US estimated pig slaughter number came in marginally down on the week at 2.27m head, but still up 8.9% y/y. The year-to-date estimated pig slaughter reached 85.45m head, up 8% y/y.
- In China, authorities are reportedly proposing that importers conduct audits on their suppliers for a wide range of foods including meat. According to the AHDB Pork report, this would apply to all exporting countries. This, in practice, will mean that importers will shoulder additional responsibilities and that the exporters will bear more controls and administrative duties in addition to existing CNCA and AQSIQ requirements.
- In the European Union (EU), pig slaughter during the first half of 2015 was reported up 4% y/y due to the increase in the breeding herd during 2014. Major increases in pig slaughter were in Spain (+8%), followed by the Netherlands, Germany, France and Denmark. Total meat production during the six months to June 2015 was reported up 5% y/y at 11.4m tons largely due to increased carcass weights.

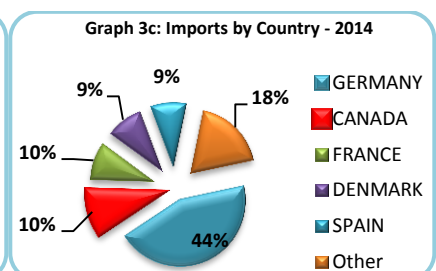
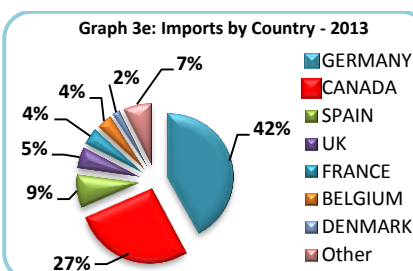
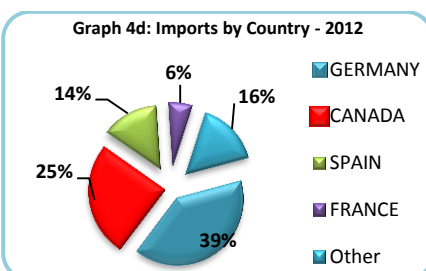
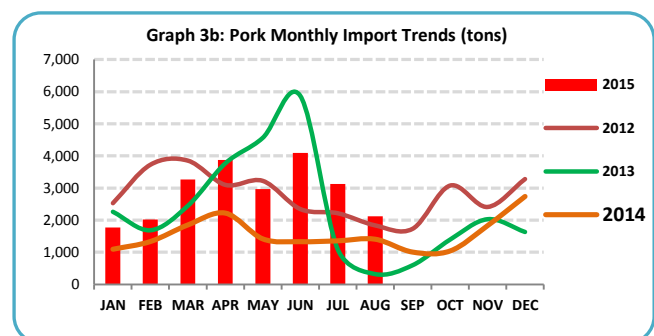
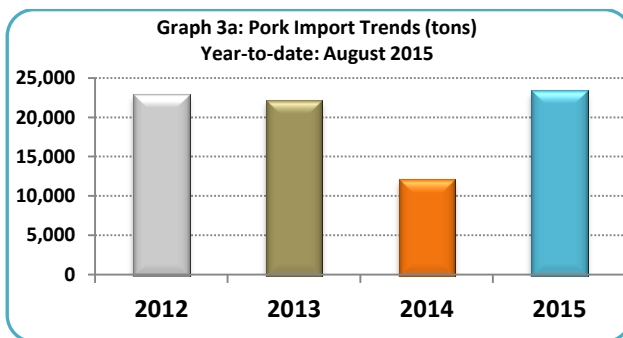


Domestic:

- The pork market bottomed out and strengthened supported by good demand during month end.
- Weekly porker prices increased by 2.9% w/w at R23.13 per kg, but still down by 2.5% y/y.
- Baconer prices closed at R22.01 per kg, up 3.4% w/w but still down by 1.3% y/y.
- Import parity prices continued to strengthen due to higher international prices and a weaker Rand. Weekly import parity prices were up by 4.6% w/w but still down by 35.7% y/y.

OUTLOOK

It is expected that prices will retain the recent uptrend in the medium term due to increased seasonal demand. Internationally, downside pressure remains due the increased production particularly in the US where the industry is recovering from the Porcine Epidemic Diarrhoea virus (PEDv) outbreak. Additionally, the weaker global feed commodity prices will bolster production and improve producer margins.



Source: SAPPO, SARS, Own Calculations

how can we help you?

pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

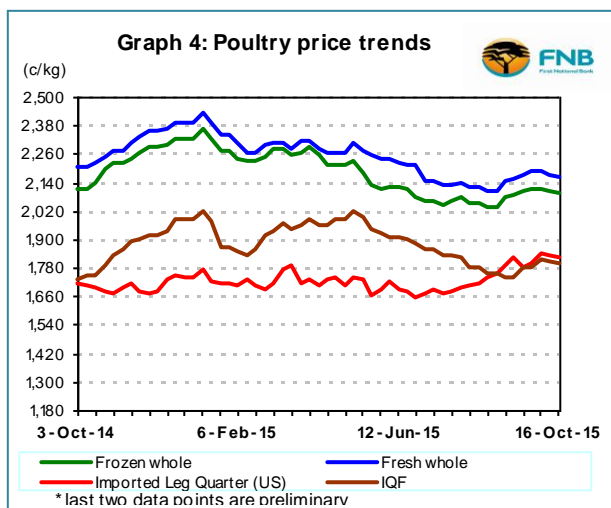
Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.

Poultry market trends (Graph 4)

International:

- US broiler prices trended lower across most categories on moderate to heavy offerings. Market activity was reportedly slow to moderate.
- Demand was reportedly light to good at retail and food service ahead of the weekend.
- Whole bird prices were almost unchanged w/w at US114.50 cents/lb, which is marginally higher on last year ago.
- Leg Quarter prices steadied at US45.50 cents/lb, but still down by 13.1% y/y.
- Breast cuts closed at US125.50 cents/lb, down by 1.6% w/w and 2.6% y/y.
- Wing prices closed at US152.50 cents/lb, down by 1.0% w/w and 3.9% y/y.
- Drumsticks prices were the biggest losers and finished the week down 3.6% w/w and 15.2% y/y at US53.00 cents/lb.
- Meanwhile, the USDA's Cold Storage report showed that total frozen poultry supplies on August 31, 2015 were slightly down m/m but up 13% y/y. Total stock of chickens were reported up 2% m/m and 25% y/y.



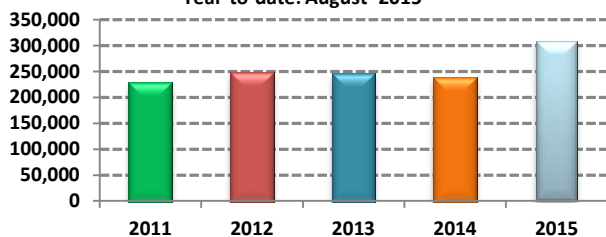
Domestic:

- The poultry were steady to higher supported by improved demand.
- Individually Quick Frozen (IQF) prices gained 1.8% w/w and 5% y/y at R18.17 per kg.
- In the whole bird category, prices continued to trend sideways with the weekly medium frozen prices closing at R21.15 per kg.
- Medium fresh whole bird prices were unchanged w/w at R21.85 per kg, but marginally down by 0.9% y/y.

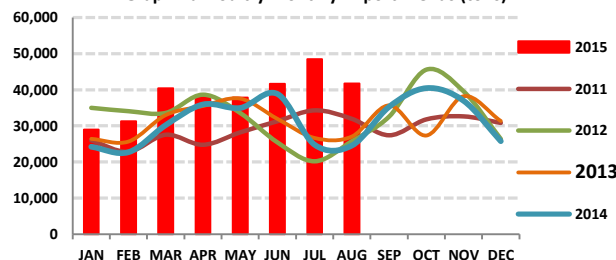
OUTLOOK

Prices are expected to trend firmer in the medium term due to the seasonal rebound in demand as the December festive draws nearer. Nonetheless, the higher feed grain prices will continue to erode producer margins with maize prices currently up 64% y/y.

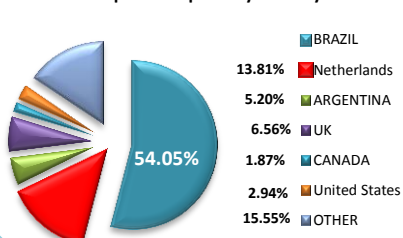
Graph 4a: Poultry Import Trends
Year-to-date: August- 2015



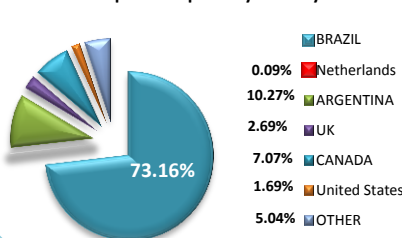
Graph 4b: Poultry Monthly Import Trends (tons)



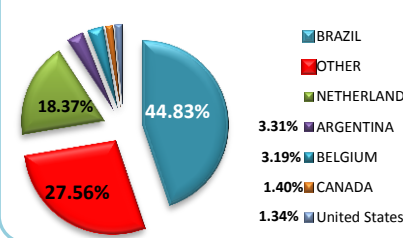
Graph 4e: Imports by Country - 2012



Graph 4c: Imports by Country - 2013



Graph 4e: Imports by Country - 2014



Source: SARS, Own Calculations; *Excluding BNLS

Producer prices for selected livestock commodities 02 October 2015	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	35.24	55.84	22.47	21.85
Open market: Class C / Baconer / Frozen whole birds(R/kg)	28.91	43.77	21.00	21.15
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	35.43	56.05	21.29	18.17
Import parity price (R/kg)	34.08	32.50	26.34	18.38
Weaner Calves / Feeder Lambs (R/kg)	20.28	27.17		

how can we help you?

pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.

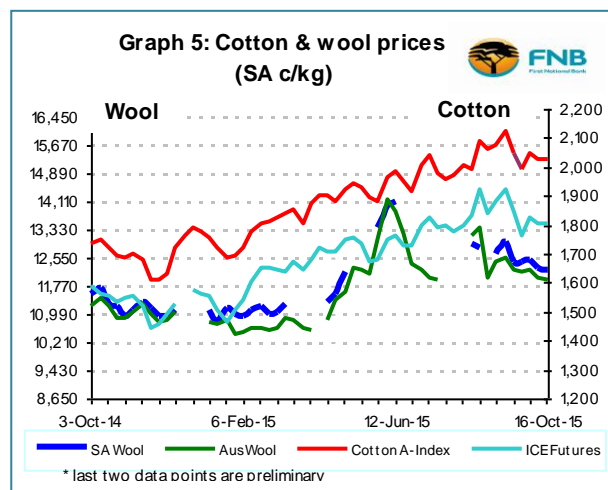
Wool and cotton market trends (Graph 5)

International:

- Cotton prices moved sideways on lack of supportive news. US crop conditions have however deteriorated by 2-percentage points with the National crop rated at 50% in the good to excellent condition.
- Harvesting and ginning has reportedly begun in US Texas, with yields reportedly good estimated at 625-800 pounds on dry land. There are also reports of above average yields in irrigated areas.
- Elsewhere, the market has turned focus on weather developments especially in parts where the crop is mature and vulnerable.
- Cotton prices settled the week at US67.03 cents/lb, virtually unchanged w/w but down 4% y/y.
- In the futures market, prices rebounded strongly with the Dec-15 contract hitting the highest level since mid-September at US61.87 US cents per lb, up 2% w/w. The Mar-15 Contract was also firmer, up 2% from last week closing at US61.68 cents/ lb.
- Wool market: The softer trend continued on the Australian wool market on lack of buying support despite low offerings compared to the same period last year. The AWEX Eastern Market Indicator (EMI) was down slightly w/w but 11% higher y/y at AU\$12.17 per kg clean wool. Volumes of sales reached 89% of the 38,762 bales offered.

Domestic:

- Prices moved sideways under pressure due to weakness the international market. The weekly Cape Wools Merino indicator was quoted at R124.80 per kg (clean) virtually unchanged w/w but 9% higher y/y. At current levels, the indicator is down 3% compared to the opening sale of the season and 2% down compared to the season to date average.
- Major wool buyers were Standard Wool SA with 3,223 bales (33.9%), Lempriere SA with 2,240 bales (23.6%), G Modiano SA with 1,874 bales (19.7%), and Stucken & Co with 817 bales (8.6%).



Fibre market prices 02 October 2015	SA prices (R/kg)	Australian prices (R/kg)	Australian futures Mar-15 (AU\$/kg)	Australian futures May-15 (AU\$/kg)
Wool market indicator (R/kg)	124.80	117.37		
19µ long length wool (R/kg)	130.54	130.03	12.68	12.58
21µ long length wool (R/kg)	122.16	122.21	11.95	11.85
23µ long length wool (R/kg)	-	121.44	11.15	11.05
Fibre market prices 02 October 2015	SA derived Cotton (R/kg)	New York A-Index (US\$/kg)	Cotton Futures Dec-15 (US\$/kg)	Cotton Futures Mar-16 (US\$/kg)
Cotton Prices (R/kg)	20.49	1.47	1.32	1.32

Cotton Futures on the InterContinental Exchange (ICE);

how can we help you?

pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

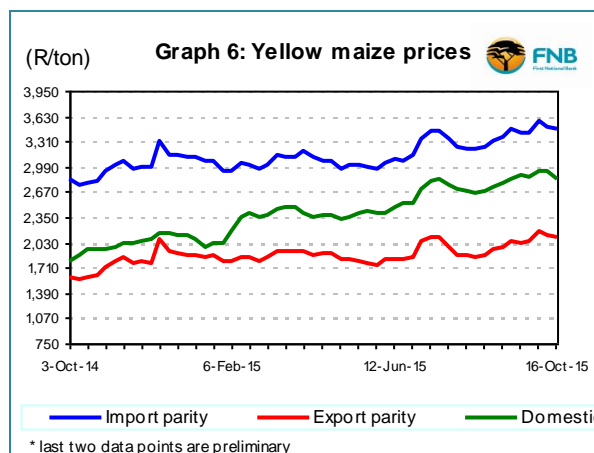
Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.

Yellow maize market (Graph 6)

International:

- Maize prices posted moderate gains as commodity markets stabilised and expectations of a much calmer Chinese market as it reopens after a four-day break.
- Maturity was reported at 71%, 14 percentage points ahead of last year. The quality of the crop was rated, 68% in the good to excellent condition, 6-percentage points below last year. Harvest is underway albeit a slow pace, reported at 18% complete. This is 5-percentage points slower than the 5-year average.
- In the EU, rains have reportedly shifted to the South East regions, boosting soil moisture levels while allowing fieldwork in the summer grain areas.
- In China, wet weather conditions slowed harvesting and delayed the maturing crop.

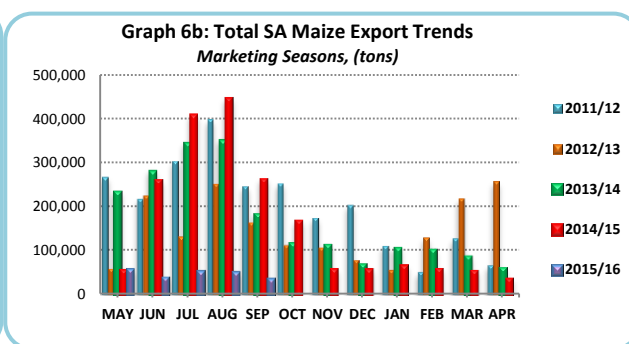
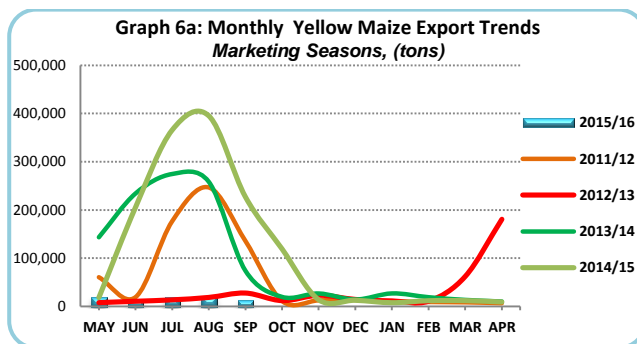


Domestic:

- Prices advanced slightly finding support from strength on the international market and overall shortages in Southern Africa region.
- The weekly average yellow maize prices settled at R2,928 per ton, up 2% w/w and 64% y/y.
- Exports for the week came in at 4,548 tons, all destined for the neighbouring countries.
- Imports for the week came in at 28,682 tons, all sourced from Brazil. Cumulative year to date imports were pegged at 388,823 tons.

OUTLOOK

It is a weather market on both the international and domestic market. Warm and dry weather conditions will continue to aid harvesting in US, with prices coming under pressure from the new crop. On the domestic front, wet weather conditions should benefit soil preparations for the new planting season.



Source: SAGIS

Yellow Maize Futures 02 October 2015	Dec-15	Mar-16	May-16	Jul-16	Sep-16			
CBOT (\$/t)	153	157	160	162	159			
JSE (R/t)	2 916	2 916	2 685	2 675	2 675			
CHICAGO CORN (R/t)	2 111	2 200	-	2 314	-			
Calculated Yellow Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Dec-15			Mar-16			May-16		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
3,000	125	91	2,980	197	158	2,720	223	183
2,960	103	109	2,940	176	177	2,680	200	200
2,920	84	130	2,900	155	196	2,640	180	220

how can we help you?

pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.

White maize market trends (Graph 7)

International:

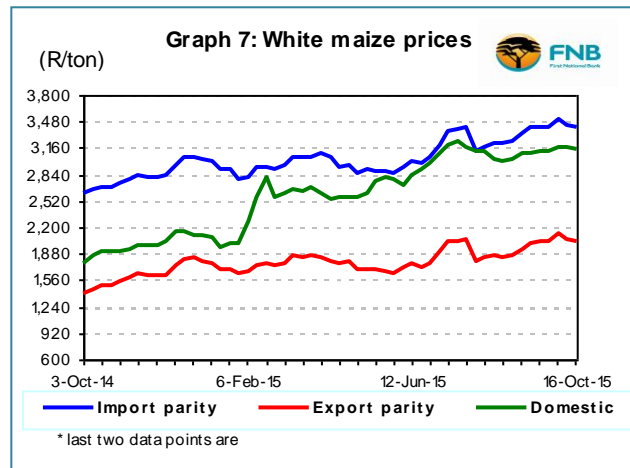
- White maize prices ended firmer on slow harvest progress.
- Weekly average white maize prices came in at US\$153/ton, up 2% w/w and 20% higher y/y.

Domestic:

- Prices ended firmer on spill over gains from the international market and a supportive Rand.
- White maize prices averaged R3,164 per ton, gaining R45 over the week and up 78% y/y.
- Exports for the week were pegged at 6,901 tons, with the cumulative season to date reaching 169,821 tons, all destined to neighbouring countries.
- Imports for the week came in at 633 tons, all sourced from Zambia. Cumulative year to date imports is currently at 8,292 tons.
- There are reports that the Zambian millers are appealing to the government to curb white maize exports in order to control the rising costs of maize meal.

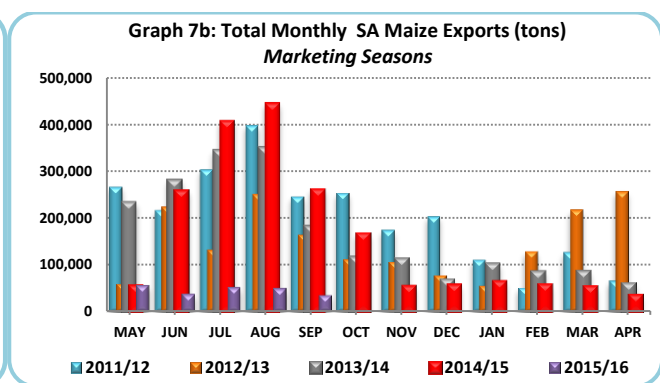
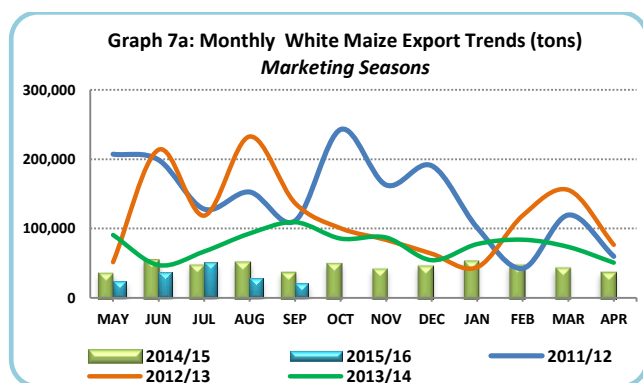
OUTLOOK

Weather remains the major driver in the short term on both the international and the domestic markets. Warm and dry weather conditions will continue to aid harvesting in US, with prices coming under pressure from the new crop. On the domestic front, wet weather conditions will be beneficial for the crop ahead of the new planting season.



White Maize Futures 02 October 2015	Dec-15	Mar-16	May-16	Jul-16	Sep-16
JSE (R/t) WM ₁	3 280	3 235	2 899	2 897	-

Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Dec-15			Mar-16			May-16		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
3,260	170	125	3,220	251	208	2,880	275	244
3,220	148	143	3,180	229	226	2,840	253	262
3,180	128	163	3,140	208	245	2,800	232	281



Source: SAGIS;

how can we help you?

pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

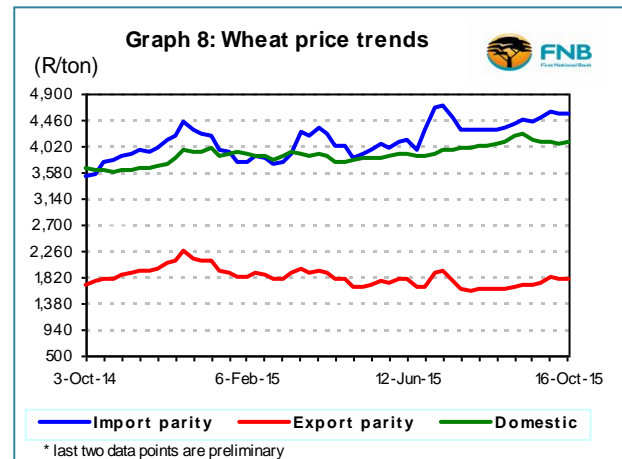
Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.

Wheat market trends (Graph 8)

International:

- Wheat prices posted moderate gains on concerns over crop damages in the Black Sea and Australia.
- The market continues to ignore a bullish supply outlook and prospects of more export competition coming from Russia as a result of relaxation export duties. However, there are reports of a persistent dry weather conditions were planting for the winter crop is already underway.
- US export sales were reported at a new marketing low of 77,100 tons, down 73% w/w and 75% from the 4-week average. Export sales were also well below market expectations of 250,000 to 450,000 tons.
- The analyst firm Statscan increased its estimate of Canadian wheat production to 26.1m ton. Although higher than the August estimate, the crop is reportedly the smallest in 4 years.
- In its September outlook report, the International Grain Council (IGC) raised the 2015/16 crop to a record 727m tons well above the USDA's 715m tons indicating upward revisions in the EU, Russia, Ukraine and China. Turnaround in weather conditions supported yield prospects in these countries. At this level, production will be up 2% y/y.

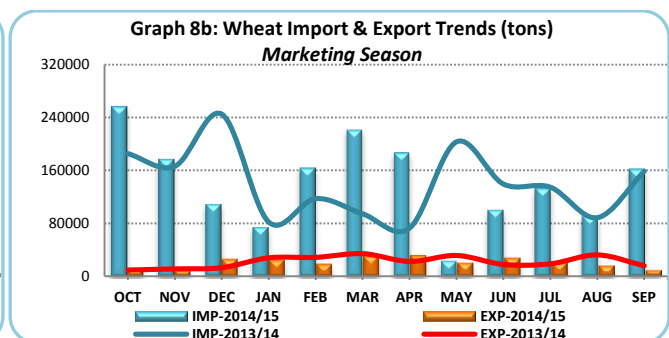
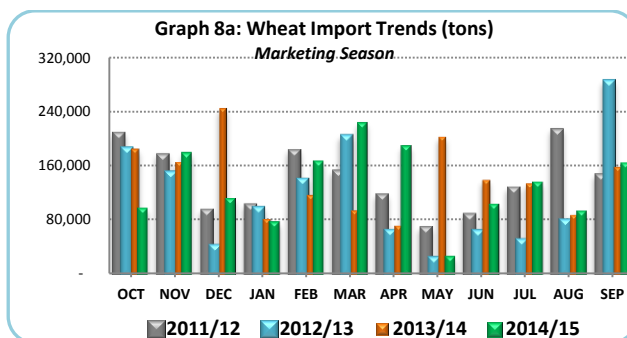


Domestic:

- Prices moved slightly firmer on spill over gains from the international market and a supportive Rand. Gains were however limited as the new crop becomes available.
- Weekly wheat prices closed at R4,104 per ton, slightly higher on last week and up 13% y/y.
- The new marketing season imports were reported at 75,642 tons, well above the 15,062 tons registered in the opening of the 2014/15 marketing season.

OUTLOOK

Domestic prices will continue to follow trends on the international market as we remain a net importer of wheat. Price outlook internationally remains on the downside due to plentiful supplies.



Source: SAGIS;

Wheat Futures 02 October 2015	Dec-15	Mar-16	May-16	Jul-16	Sep-16			
KCBT (\$/t)	183.79	189.08	192.76	196.06	201.14			
JSE (R/t)	4 119	4 214	4 277	4 297	-			
Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Dec-15			Mar-16			May-16		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
4,200	119	85	4,300	192	152	4,320	240	200
4,160	97	103	4,260	170	170	4,280	218	218
4,120	78	124	4,220	150	190	4,240	198	238

how can we help you?

pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

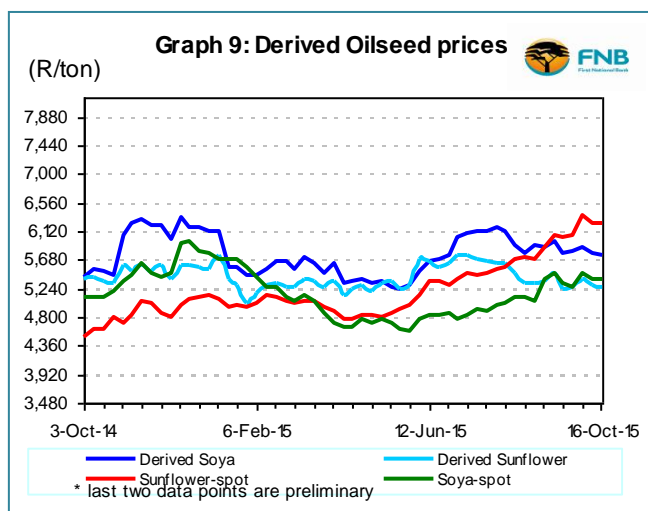
Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.

Oilseed market trends (Graph 9)

International:

- Soya bean prices edged slightly higher late in the week upon the release on a slightly tighter USDA's quarterly stocks report.
- The report indicated a downward revision of the 2014 crop. However prices remained under pressure as harvest continues swiftly aided by dry and warm weather conditions.
- In its September report, the IGC made a downward revision of its international soybean production estimate to 317m tons, slightly down on last year.
- Yields are expected to retreat slightly from last season's peak. Consumption was revised lower from the previous estimate to 315m tons, however up 3% y/y.
- Market sentiment is that there is still buying interest from China, however traders reportedly remain sceptical given the slowdown in its economy. The IGC therefore expects import demand to ease in China, limiting trade. World trade is estimated at 126m tons, 2m tons higher compared to last year.



Domestic:

- Prices ended with good gains in the oilseed market, tracking the upward trend on the international market.
- Weekly soya bean prices were up 4% w/w and 7% higher y/y at R5,487 per ton.
- Sunflower prices averaged R6,368 per ton up 5% w/w and 41% compared to last year this time.
- Final crop estimate figures came in slightly optimistic than the previous figures. Soybean crop was estimated at 1.1m tons, slightly higher y/y mostly due to increased plantings while yields deteriorated. The final sunflower crop was pegged at 660,900 tons, down 20% y/y.

OUTLOOK

Internationally, the short to medium term outlook for oilseed prices remains bearish due to the abundant global supplies. On the domestic market, prices will continue to stabilise at current levels due to relatively higher import parity prices.

Oilseeds Futures 02 October 2015	Dec-15	Mar-16	May-16	Jul-16	Sep-16			
CBOT Soybeans (US \$/t)	-	324.08	325.62	327.53	324.96			
CBOT Soya oil (US c/lb)	28.06	28.55	28.72	28.89	28.99			
CBOT Soya cake meal (US\$/t)	332.02	329.48	327.50	327.72	327.17			
JSE Sunflower seed (R/t)	6 151	5 651	5 131	-	-			
JSE Soybean seed (R/t)	5 410	5 260	5 130	-	-			
Calculated Sunflower Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Dec-15			Mar-16			May-16		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
6,440	187	147	5,720	262	222	5,440	426	386
6,400	166	166	5,680	241	241	5,400	404	404
6,360	146	186	5,640	221	261	5,360	383	423

how can we help you?

pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.

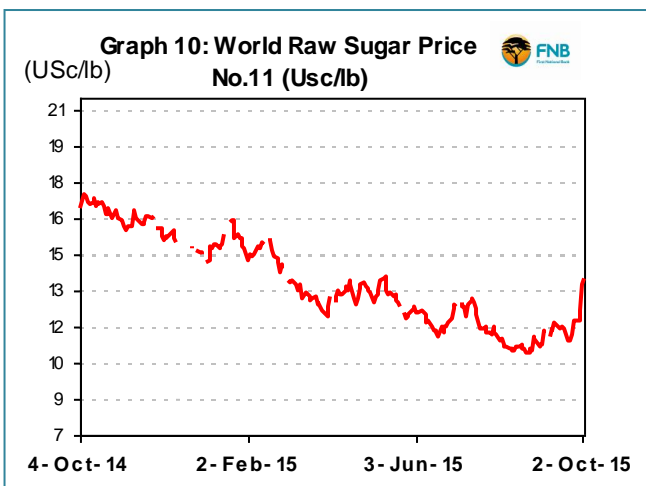
Sugar market trends (Graph 15)

International:

- Sugar prices rebounded strongly on rain induced harvest delays in Brazil and expectations of a lower than expected crop from India.
- Sugar processing in Brazil was reportedly down 2% y/y while output fell by 11% y/y. Low sugar prices throughout the season saw mills are refocusing on channelling sugar cane for ethanol production. Additionally, heavy rains are expected to continue into most of the harvest season, causing further harvest delays.
- In India, production was revised down to 28.3m tons, down 5% y/y on prolonged dryness in key areas.
- Raw sugar prices averaged US12.49 cents/lb, up 12% w/w but still down 22% y/y.
- Futures rose sharply owing to good buying support. Sugar for Mar-16 delivery was up 9% from last week at US13.53 cents/lb, and the May-16 closed up 8% w/w at US13.33 cents/lb.

Domestic:

- The September 2015 RV price in respect of cane delivered in August 2015 was declared at R3, 805.77 per ton, down by R20.51 m/m. According to the South African Cane Growers Association, this was attributable to the 35,143 drop in local market demand estimate (LMDE) which is currently estimated at 1.59m tons. Other negative factors were the lower sugar:RV ratio and the plummeting weighted average No.11 price. Losses were however limited by the 14,227 tons reduction in sugar output estimation currently at 1.7m tons.
- Export availability was revised up to 81,008 tons, up 12% from the August estimate on reduction in LMDE. Further significant revisions are on export availability are however expected given the uncertainty in the crop estimate as it is still early in the season



ICE Sugar Futures 02 October 2015	Mar-16	May-16	Jul-16	Oct-16	Mar-17
Sugar No.11 (US c/lb)	13.53	13.33	13.18	13.24	13.63
% Change w/w	9.0%	8.3%	7.9%	6.9%	6.0%

how can we help you?

pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

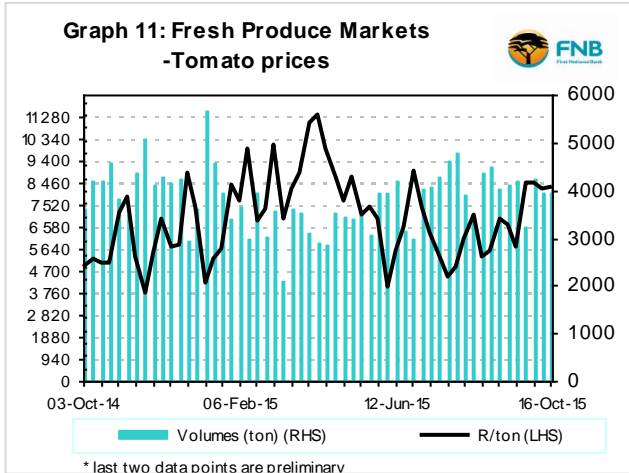
First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.

Vegetable Market Trends (Graphs 11 to 15)

Tomatoes

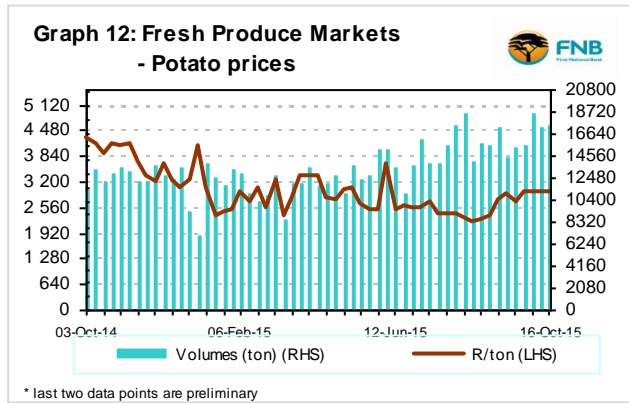
Tomato prices were flat with strong uptake offset by the large supplies across markets. Weekly tomato prices closed at R8,475 per ton virtually unchanged w/w and 74% y/y. Volumes of tomatoes traded reached 4,219 tons, up 30% w/w and 16% y/y.

Prices are expected to ease slightly in the short term on subdued demand during midmonth amidst higher volumes.



Potatoes

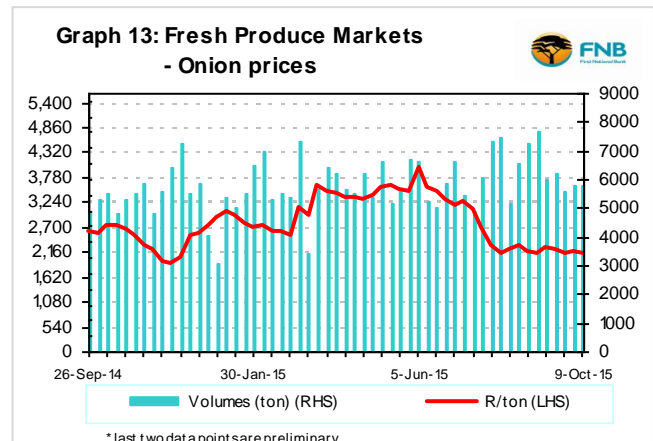
Potatoes prices trended firmer gaining on strong month end demand. The average weekly price of potatoes reached R2,956 per ton, but still 32% lower y/y. Volumes of potatoes traded came in at 18,482 tons, up 19% w/w and 64% y/y. The short to medium term price outlook remains on the downside due to volume pressure.



Onions

Weakness continued on the onion market due to abundant supplies across major markets. Weekly onion prices closed at R2,058 per ton, down 3% w/w and 20% y/y. Volumes of onions traded were pegged at 7,114 tons, up 28% w/w and 34% y/y.

The onion market is expected to retain the current momentum under pressure as the market remains adequately supplied.



how can we help you?

pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.

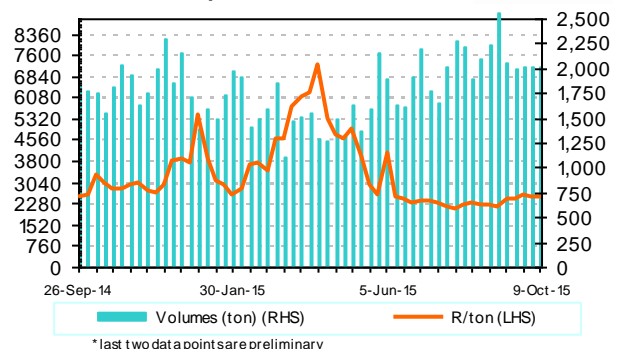
Carrots

Carrot prices continued to post a modest recovery on good uptake despite higher volumes across markets.

Weekly carrot prices were up 6% w/w and 4% y/y, closing at R2,709 per ton. Volumes of carrots traded reached 2,391 tons, up 19% w/w and 34% y/y.

It is however expected that prices will ease slightly in the short term due to volume pressure.

Graph 14: Fresh Produce Markets - Carrot prices



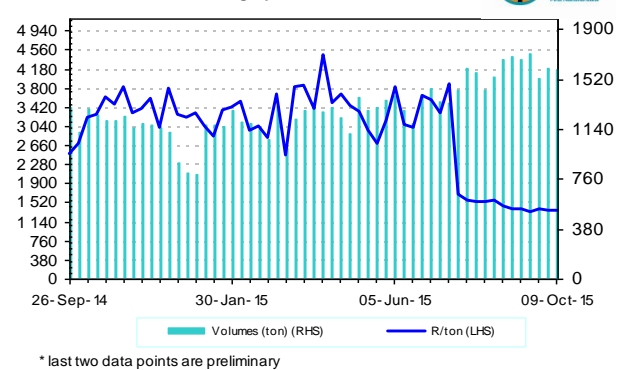
Cabbages

Cabbage prices carried last week's momentum ending with good gains on strong uptake across markets.

Weekly cabbage prices closed at R1,553 per ton, up 13% w/w but down 42% y/y. Volumes of cabbages traded reached 1,726 up 13% w/w and 54% y/y.

It is however expected that prices will trend sideways with limited upside potential on volume pressure.

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	Average Price (R/t)			Total Volume (t)		
		w/w	y/y		w/w	y/y
02 October 2015						
Tomato	8 475	0%	74%	4219	30%	16%
Potato	2 956	0%	-32%	18482	19%	64.3%
Onion	2 058	-3%	-20%	7114	28%	34%
Carrot	2 709	6%	4%	2391	19%	34%
Cabbage	1 553	13%	-42%	1726	13%	54%

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

how can we help you?

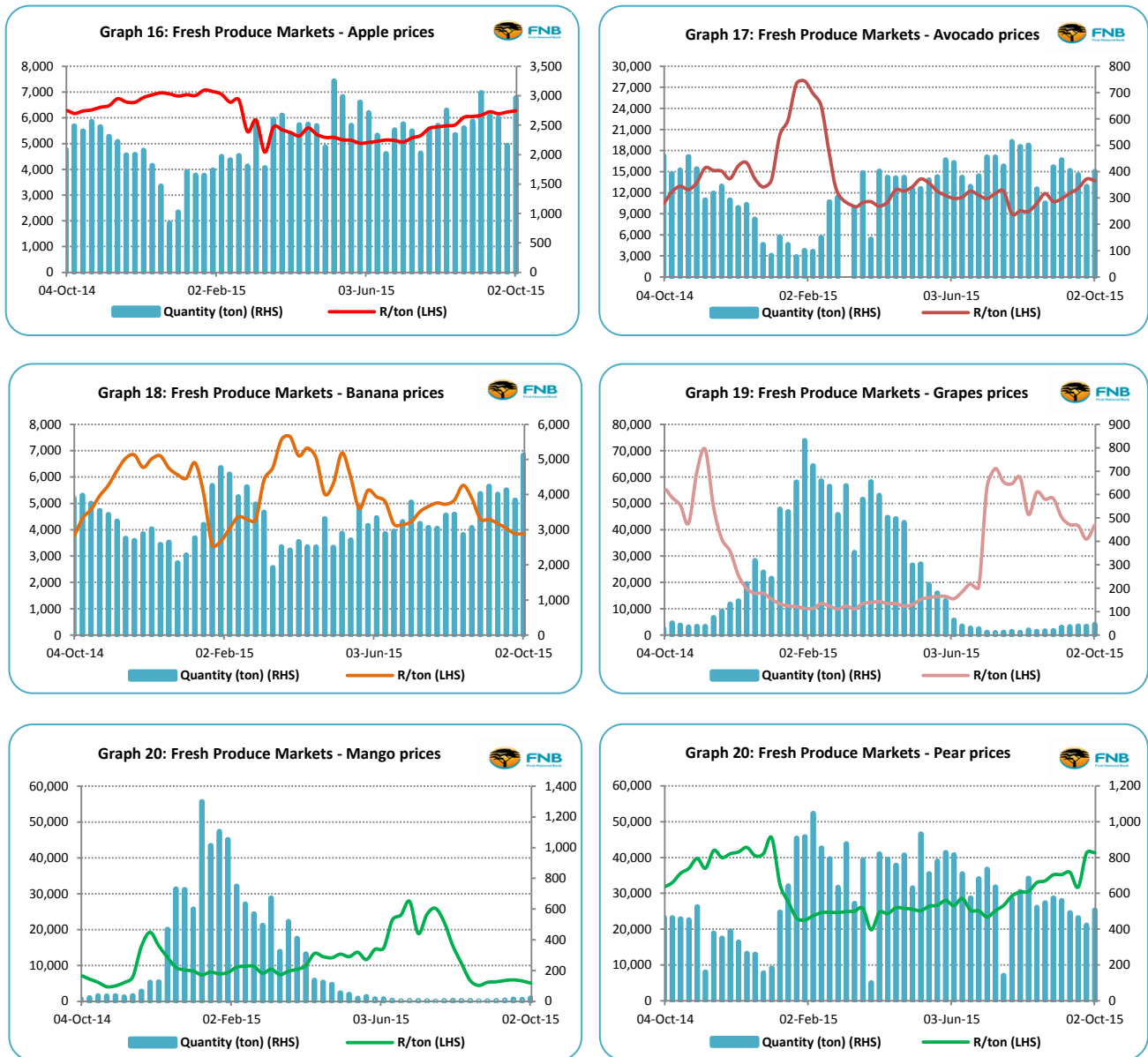
pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.

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 02 October 2015	Average Price (R/t)	w/w	y/y	Total Volume (t)	w/w	y/y
Apples	6,272	1%	0%	2969	38%	42%
Avocados	13,707	-2%	31%	401	17%	-13%
Bananas	3,845	0%	2%	5127	33%	31%
Grapes	41,804	15%	-24%	46	23%	67%
Pears	41,323	0%	30%	506	20%	8%

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

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.

how can we help you?

pay for anything your farm needs.

An FNB Agriculture Cheque Account is the secret behind a successful farming business.

Visit your nearest branch, email agric@fnb.co.za, contact your Banker or visit www.fnb.co.za

First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20). Terms and Conditions apply.