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# Agri-Weekly

**FNB**  
First National Bank

12 June 2015

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

## Beef market trends (Graph 1)

### International:

- US imported beef extended recent gains with prices reportedly up across the board due to tight supplies. Offerings from New Zealand have reportedly slowed due to the reduced seasonal slaughter.
- At wholesale level, US domestic beef prices continued to soften with average Choice prices down 1.3% w/w but still up 6.3% y/y at US\$246.38/cwt. The Select prices were marginally down by 0.4% w/w but up 7.6% y/y at US\$239.77/cwt.
- In the cattle market, the CME Feeder Cattle Index extended recent gains and finished up 0.9% and 13.8% y/y at \$226.40/cwt.
- Weekly cattle slaughter in the US came in at an estimated 542,000 head, down 1.5% w/w and 10.6% y/y. The estimated year to date cattle slaughter reached 12.6m head, which is down by 7.2% y/y.
- The United States Department of Agriculture (USDA) lowered its estimate of US beef production for 2015 due to reduced fed cattle slaughter in the second quarter and a further decline in cow and bull slaughter during the year. Nonetheless, feedlot placements are expected to rebound in 2015 due to the increased availability of feed. This will result in higher production for 2016 as the number available for slaughter increases.
- In Australia, the prices trended mostly sideways with the Eastern Young Cattle Indicator finishing the week marginally down but still up 44% y/y at AU\$4.79/kg cwt.
- Meanwhile, world food prices continued to decline with the United Nations Food and Agricultural Organisation (FAO) Food Price Index reaching the lowest level since 2009 at 166.8 points in May 2015. The index was down by 1% m/m and 21% y/y. The meat sub-index fell by 1% m/m and 12% y/y with prices for bovine and ovine meat reportedly trending lower and slight changes to those of poultry and pork.

### Domestic:

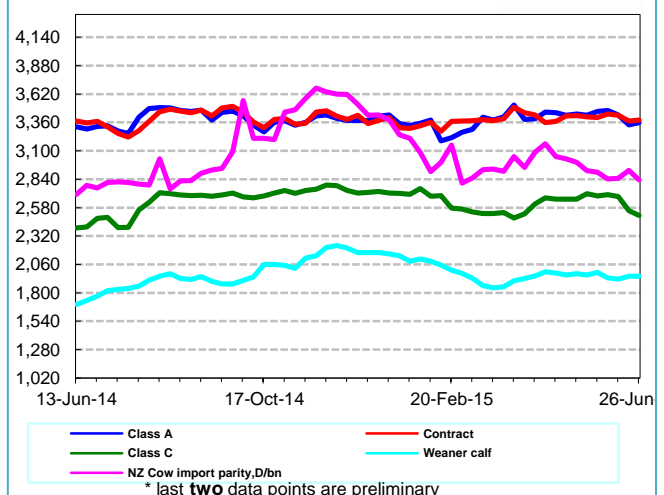
- Beef prices posted marginal losses across all classes on limited demand across markets.
- Weekly Class A beef prices decreased by 1.2% w/w at R34.29 per kg, but still up 3.3% y/y.
- Contract Class A beef prices were marginally down on the week at R34.25 per kg, but still up 1.5% y/y.
- Class C beef prices eased by 0.7% w/w but still 12% higher y/y at R26.83 per kg.
- In the weaner market, prices reversed recent gains on the back of limited demand. Weekly weaner calf prices dropped further by 0.6% w/w but still 13.6% higher y/y at R19.24 per kg live weight.

### OUTLOOK

The softer trend will continue in the short to medium term due to the seasonal increase in supplies and moderation in demand as cold weather limits outdoor activities. Demand for Class C beef and offal is however expected to rebound, which is a normal trend for this time of the year.

(SA c/kg)

Graph 1: Beef price trends



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**Mutton market trends (Graph 2)**

International:

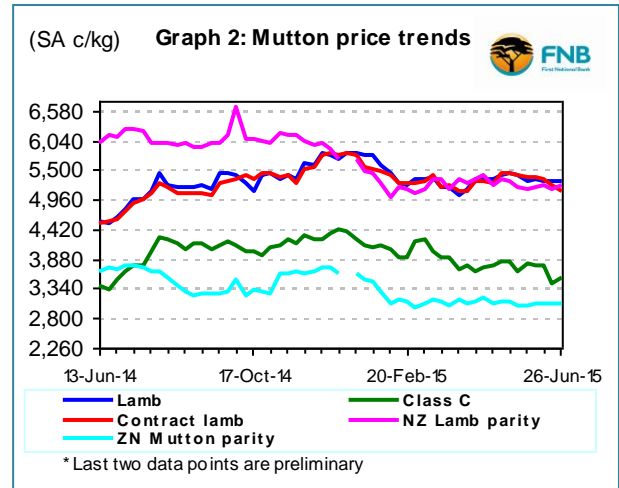
- In Australia, lamb and mutton prices ended mixed with the National Trades Lamb indicator up 4% on the week at AU\$5.69/kg cwt. The mutton indicator prices reversed course and fell by 2% on last week at AU\$3.73/kg cwt.
- Domestic slaughter trends came out mixed for Australian lamb and mutton. Lamb slaughter for April 2015 was reported up 16% y/y and 27% on the 5-year-average at 1.98m head, which saw production rising by 20% y/y on higher slaughter and increased carcass weights.
- Australian mutton slaughter on the other hand contracted by 14% y/y but remains 19% above the 5-year-average at 690,063 head. Mutton production fell by 9% y/y.
- In New Zealand (NZ), domestic producer prices were steady to firmer with the 17.5kg lamb unchanged at NZ\$85.60/ head but still down by 16% y/y. Mutton prices were a bit firmer at NZ\$51.70/ head, but still down by 23% y/y. International lamb markets remain weak with China seemingly full according to AgriHQ. NZ exports to China are reportedly back 35% on last year.
- US Lamb Carcass Cutout prices posted marginal losses and finished down 1.1% w/w and 0.8% y/y at US\$321.68/cwt. Weekly sheep slaughter number dropped by 2.8% w/w and 10.3% y/y at an estimated 35,000 head. The cumulative year to date sheep slaughter reached 893,000 head, but still down by 6.9% y/y.

Domestic:

- Prices were down across the most categories due to softer demand. The exception was in the mutton category where prices ended a bit firmer on improved demand.
- Weekly Class A lamb prices were marginally down at R53.05 per kg, but still up 16.1% y/y.
- Contract Class A lamb prices eased to R53.50 per kg, but up by 18% y/y.
- Mutton prices were marginally down at R37.64 per kg, but still 10.7% higher y/y.
- Weaner lamb prices extended losses as a result of limited uptake across markets. Weekly weaner lamb prices fell by 3.5% w/w but still 1.9% higher y/y at R23.17 per kg live weight.

**OUTLOOK**

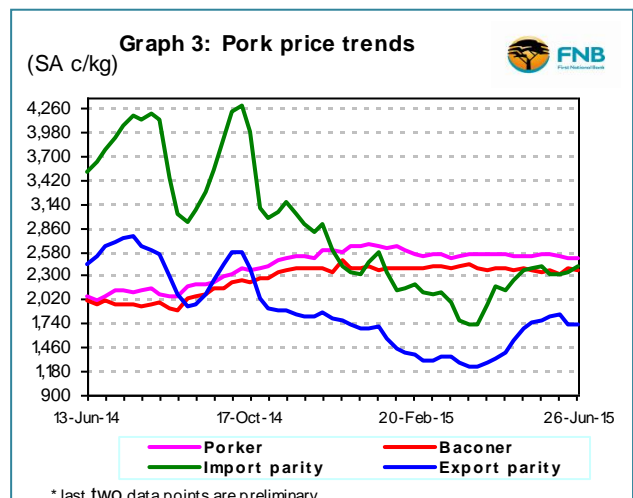
Prices are expected to trend sideways with limited upward potential in the medium term due to seasonal decrease in demand.



**Pork market trends (Graph 3)**

International:

- In the weekly USDA livestock, poultry and grain market report, US Pork Carcass (FOB Plant) Cutout prices were marginally down by 0.7% w/w and 29.4% y/y at US\$86.08/cwt.
- Weekly estimated US pig slaughter -came in higher for the second consecutive week at 2.13m head, up 0.4% w/w and 11.2% y/y.
- The cumulative year to date pig slaughter reached 51.08m head, up 6.1% y/y.
- USDA raised its projection of the 2015 US pork production slightly from last month to 11.1m tons, which is up 7% y/y. Production is expected to increase further in 2016 at 11.12m tons, unchanged from the May projection. Projections for 2015 pork imports were lowered while those of exports were raised based on the pace of trade to date.
- During April 2015, US pork exports were reported up by 9.8% y/y at 162,393 tons, which is the largest monthly export volume since October 2012. The increase was largely due to the lower domestic prices.



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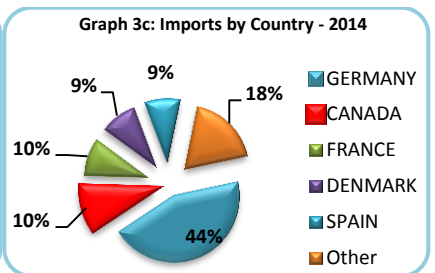
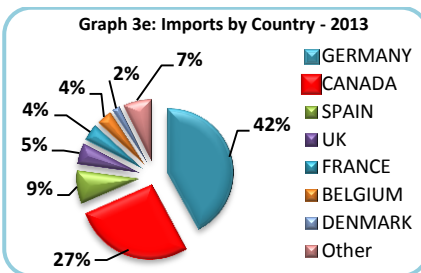
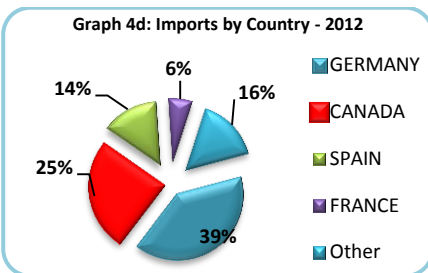
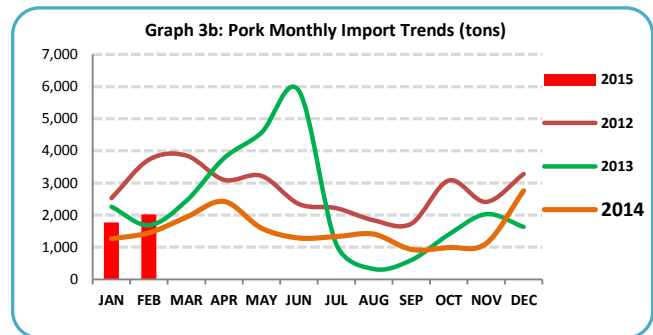
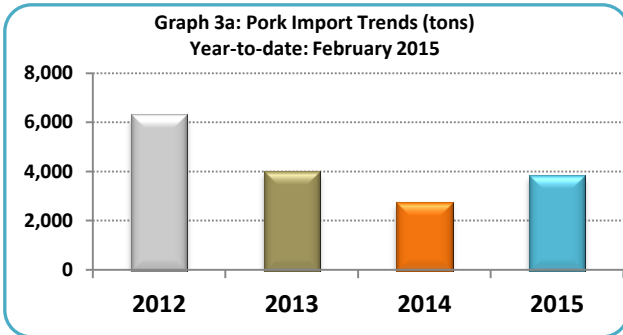
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**Domestic:**

- Prices posted slight losses on the back of increased supplies ahead of the holiday weekend.
- Weekly porker prices softened by 0.9% on the week at R25.28 per kg, but 23.4% higher y/y.
- Baconer prices fell by 2.2% w/w but up by 15.7% y/y at R23.12 per kg.
- Import parity prices rebounded slightly mainly due to a further depreciation in the Rand/ US dollar exchange rate. Weekly import parity prices were marginally higher on last week but still down by 33.8% y/y.

**OUTLOOK**

Prices are expected to trend sideways with some upside potential in the medium term due to moderation in supplies.

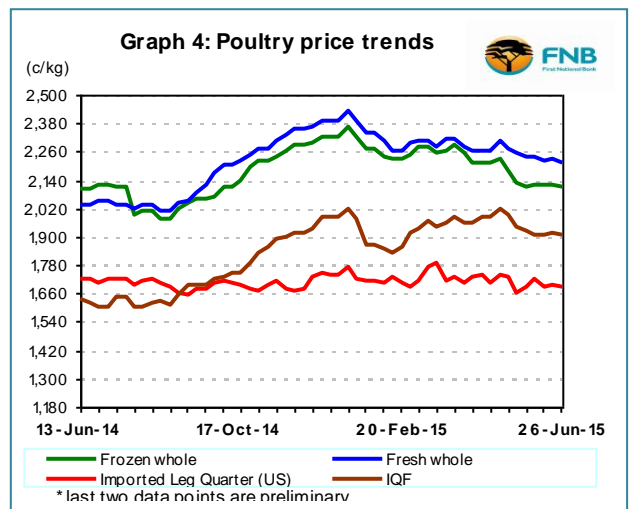


Source: SAPPO, SARS, Own Calculations

**Poultry market trends (Graph 4)**

**International:**

- In its June WASDE report, USDA raised the US broiler production for 2015 and 2016 based on hatchery data. The Highly Pathogenic Avian Influenza (HPAI) seems to have not had a dent on production as it was largely confined to the turkeys. Broiler exports for 2015 were lowered due to weak demand.
- Weekly average US prices trended mostly lower with the exception of whole birds.
- Demand at retail and food service was reportedly light to good ahead of the weekend.
- Whole bird prices continued to trend sideways but still 3.8% higher y/y at US114.50 cents/lb.
- Leg quarter prices posted modest losses and finished the week at US46.00 cents/lb, down 3.2% w/w and 17.1% y/y.
- Breast cuts steadied at US131.00 cents/lb, which is up 0.8% y/y.
- Wings softened to close at US165.50 cents/lb, but still 24.1% higher y/y.
- In the case of drum sticks, prices fell by 6.1% w/w and 8.6% y/y at US62.00 cents/lb.
- In the weekly US Broiler Hatchery report, egg sets for the week ended June 6, 2015 were up 2% y/y at 220m. Average hatchability for chicks remains at 84.0%. The broiler chick placements were also up by 4% y/y at 181m head. Cumulative broiler placements from January 10, 2015 through June 6, 2015 were up 3% y/y at 3.88b head.



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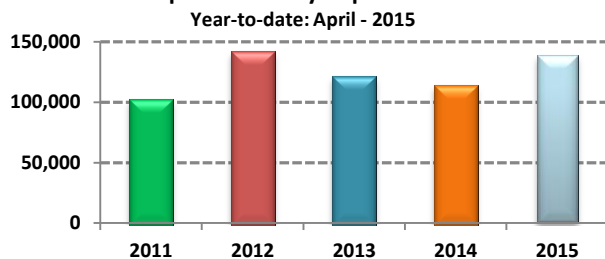
**Domestic:**

- Prices were unchanged across most categories ahead of the weakened and the Youth Day holiday. Stocks are reportedly on the rise but demand prospects remains weak as winter manifests. Low value product prices maintained a stronger trend on the back of good demand and limited availability.
- In the whole bird category, weekly frozen whole bird prices steadied at R21.17 per kg, which is almost unchanged y/y.
- Fresh whole bird prices softened to R22.19 per kg, but still up 9.3% y/y.
- In the portions category, Individually Quick Frozen cuts (IQF) were unchanged for the week but still up by 16.9% y/y at R19.11 per kg.
- Import parity prices dropped slightly mainly due to lower international prices despite weakness in the Rand/ US dollar exchange rate.
- In the much anticipated agreement regarding the US chicken imports to South Africa, a deal was reached in which the US will initially ship in 65,000 tons per year. The agreement reportedly provides for the return of exports of US bone-in chicken after the two governments complete the necessary implementations steps.
- Following a sharp rise during March, poultry imports for April dropped by 5% m/m but still up 3% y/y at 38,334 tons. Broiler imports accounted for 96% of the total imports, coming in at 36,825 tons which is down 4% m/m but still 6% higher y/y.

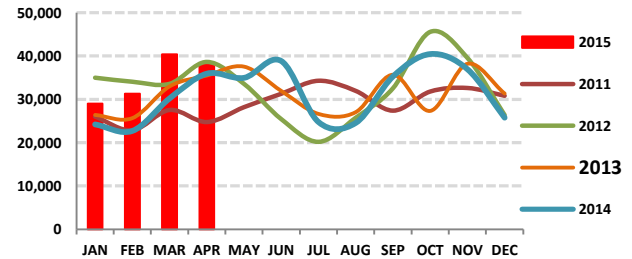
**OUTLOOK**

The short to medium term outlook remains bearish on prospects of increased domestic and import supplies as well as seasonal moderation in demand. However, a sustained Rand weakness (breaching R12.50/USD) will help curb imports in the medium term.

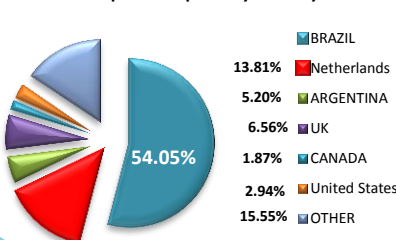
**Graph 4a: Poultry Import Trends**



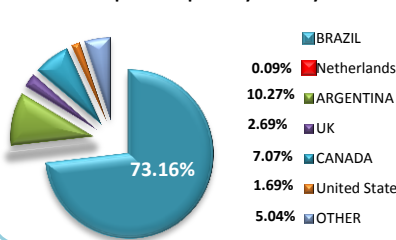
**Graph 4b: Poultry Monthly Import Trends (tons)**



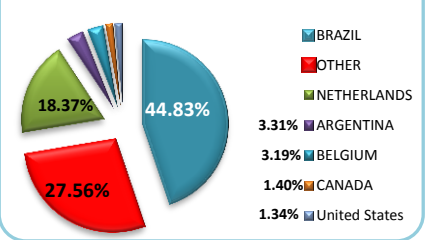
**Graph 4c: Imports by Country - 2012**



**Graph 4d: Imports by Country - 2013**



**Graph 4e: Imports by Country - 2014**



Source: SARS, Own Calculations; \*Excluding BNLS

Producer prices for selected livestock commodities 12 June 2015	Beef	Mutton	Pork	Poultry
Open market: Class A / Porker / Fresh whole birds(R/kg)	34.29	53.05	25.28	22.19
Open market: Class C / Baconer / Frozen whole birds(R/kg)	26.83	37.64	22.15	21.17
Contract: A2/A3* / Baconer/ IQF (*includes fifth quarter) (R/kg)	34.25	53.50	23.12	19.11
Import parity price (R/kg)	28.48	30.67	23.20	16.91
Weaner Calves / Feeder Lambs (R/kg)	19.24	23.17		

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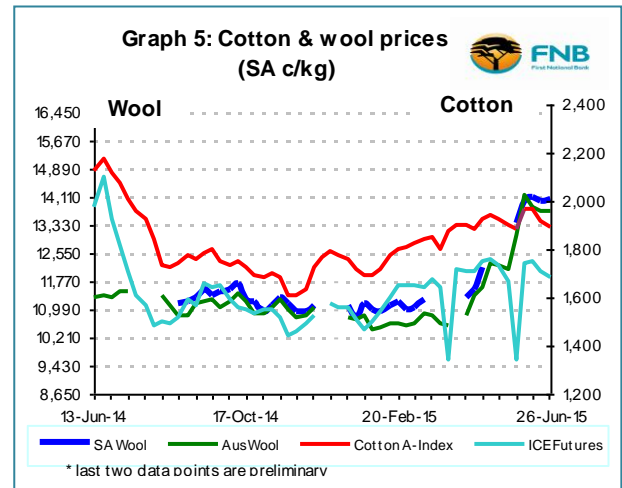
**Wool and cotton market trends (Graph 5)**

International:

- US cotton prices were virtually unchanged for the week as planting progressed swiftly taking advantage of the drier conditions. The downside effect was offset by the 21,000 bales reduction in world ending stocks released late in the week by the USDA.
- Planting progress in the US remains well behind the seasonal average. Progress was reported at 81% of the cotton crop planted, 6 percentage points behind last year and 8 percentage points behind the 5 year average.
- US export sales rebounded slightly at 312,100 bales, up 4% w/w and 3% from the four week average. Major destinations were China, Vietnam, Turkey, South Korea and Mexico.
- China is reportedly beginning to sell cotton from its reserves, this will exert a downward pressure on cotton prices moving forward, however traders got some reassurance from Chinese officials who indicated that the plan to sell its reserves will be designed to maintain stable cotton market. .
- Weekly cotton prices trended sideways at 73.38 US cents/lb, which is down by almost 20% y/y.
- In the futures market, prices moved sideways with the Oct-15 contract closing at 65.78 US cents/lb and Dec-15 at 64.66 US cents/lb.
- Wool market: Prices ended weaker in the Australian wool market, with the AWEX Eastern Market Indicator (EMI) down 3% w/w at AU\$14.46 per kg clean wool. Volumes of sales reached 95% of the 25,641 bales offered.

Domestic:

- The market closed the week with modest gains, which saw the Cape Wools Merino indicator slightly higher than last week at R141.20 per kg clean wool. At that level the indicator was up 27% compared to the opening sale and 23% compared to the season to date average.
- Major wool buyers were Lempriere SA with 4,004 bales (38.6%), Standard Wool SA with 3,737 bales (36.0%), and G. Modiano SA with 1,716 bales (16.6%)



Fibre market prices 12 June 2015	SA prices (R/kg)	Australian prices (R/kg)	Australian futures Sep-15 (AU\$/kg)	Australian futures Dec-15 (AU\$/kg)
Wool market indicator (R/kg)	141.20	129.07		
19µ long length wool (R/kg)	-	144.68	13.50	13.30
21µ long length wool (R/kg)	-	139.73	13.10	12.90
23µ long length wool (R/kg)	-	132.11	11.90	11.70
Fibre market prices 12 June 2015	SA derived Cotton (R/kg)	New York A-Index (US\$/kg)	Cotton Futures Oct-15 (US\$/kg)	Cotton Futures Mar-16 (US\$/kg)
Cotton Prices (R/kg)	19.64	1.59	1.45	1.43

*Cotton Futures on the InterContinental Exchange (ICE);*

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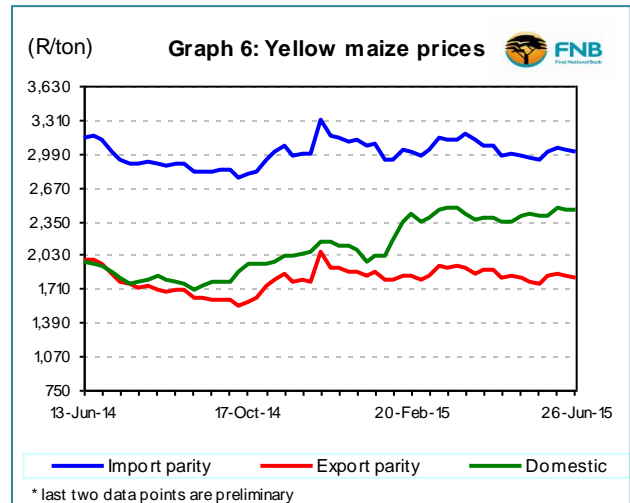
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**Yellow maize market (Graph 6)**

**International:**

- US maize prices trended a bit firmer on last week as rain reduced field work. Expectations of crop damages were offset by the higher than expected ending stocks.
- In the latest USDA's WASDE report, the 2015/16 US crop was left unchanged at 346.2m tons, down by 4% y/y. Consumption was however lowered on lower ethanol use, with ending stocks raised to 44.98m tons, up by 630, 000 tons from the May estimate but down by just below 3m tons from last year.
- The US crop has benefited greatly from the heavy showers with 97% of the crop already emerged, this is slightly ahead of last year and the 5 year average.
- Overall, the USDA's WASDE report put world ending stocks at an estimated 195.2m tons, up by 3.24m tons from the May estimate. This was on the back of lower than expected ethanol use, thus weighing heavily on the market. The International Grain Council (IGC) is anticipating a fourth consecutive year of stock build-up with carryover stocks estimated at 200m tons.

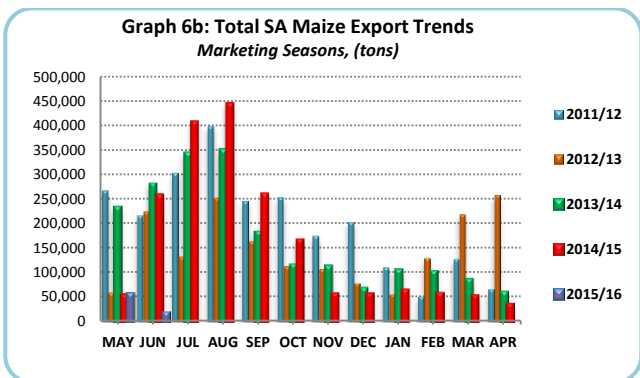
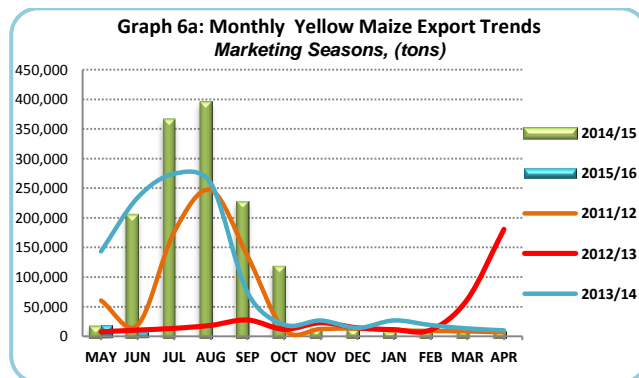


**Domestic:**

- Maize posted good gains on spill over gains from the international market coupled with the weaker Rand.
- Yellow maize prices were up 4% w/w and 26% y/y, closing at R2,482 per ton.
- Exports for the week were pegged at 2,449 tons, with the cumulative season to date reaching 26,273 tons and all destined to neighbouring countries. Imports for the week were reported at 29,422 tons, with cumulative year to date import at 62,560 tons all sourced from Argentina.

**OUTLOOK**

Prices are expected to continue to trend sideways with further downside potential in the short term on harvest pressure. However, the medium term outlook remains bullish given a significantly lower expected harvest than last year. Internationally, it remains a weather market with the US experiencing favourable production conditions so far.



Source: SAGIS

Yellow Maize Futures 12 June 2015	Jul-15	Sep-15	Dec-15	Mar-16	Jul-16			
CBOT (\$/t)	139	141	146	150	155			
JSE (R/t)	2 479	2 520	2 564	2 544	2 320			
CHICAGO CORN (R/t)	1 732	1 792	1 869	-	-			
Calculated Yellow Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Sep-15			Dec-15			Mar-16		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
2,640	121	86	2,680	138	106	2,680	308	258
2,600	100	105	2,640	116	124	2,640	285	275
2,560	80	125	2,600	97	145	2,600	263	293

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**White maize market trends (Graph 7)**

International:

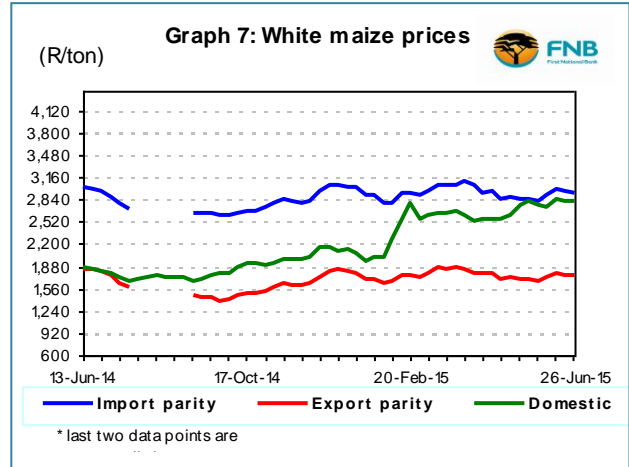
- US prices ended firmer on quality concerns for the new crop as wet conditions covered most of the US Maize Belt.
- Weekly white maize prices were up 2% w/w but down 16% y/y at US\$145/ton.

Domestic:

- Prices rebounded from last week's losses on spill over gains from the international market and strong export demand.
- Weekly white maize prices closed at R2,833 per ton, up 4% w/w and 53% y/y.
- Exports for the week were pegged at 5,543 tons, with the cumulative season to date reaching 47,046 tons, all destined to neighbouring countries.
- Imports for the week were estimated at 67 tons, the first import registered and all sourced from Zambia.

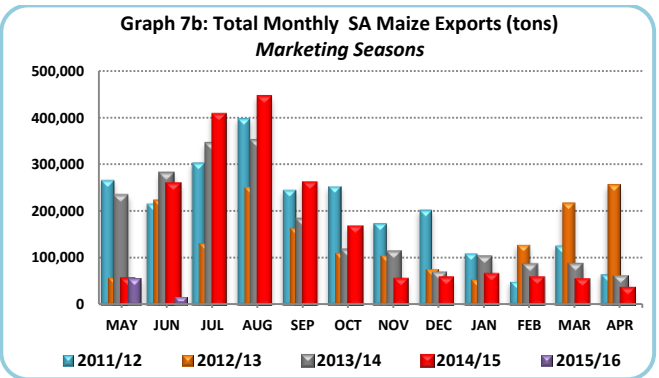
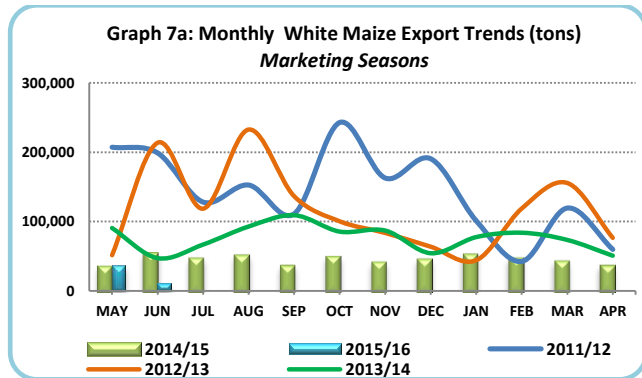
**OUTLOOK**

Prices are expected to continue to trend sideways with further downside potential in the short term on harvest pressure. However, the medium term outlook remains bullish given a significantly lower expected harvest than last year. Internationally, it remains a weather market with the US experiencing favourable production conditions so far.



White Maize Futures 12 June 2015	Jul-15	Sep-15	Dec-15	Mar-16	Jul-16
JSE (R/t) WM <sub>1</sub>	2 847	2 890	2 946	2 942	2 510

Calculated White Maize Options prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Sep-15			Dec-15			Mar-16		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
3,000	156	111	3,040	206	175	3,060	276	230
2,960	134	129	3,000	184	193	3,020	254	248
2,920	114	149	2,960	164	213	2,980	233	267



Source: SAGIS;

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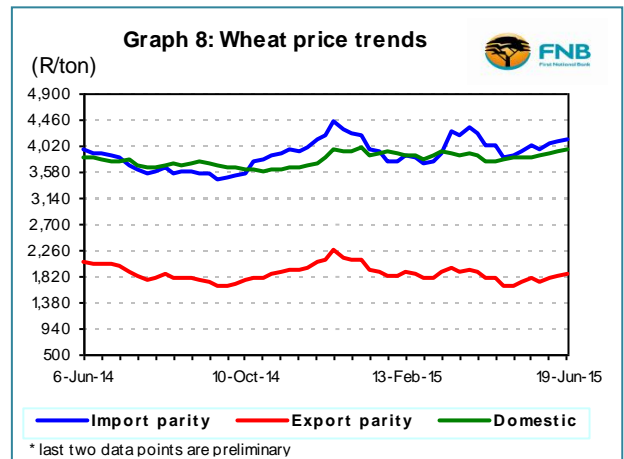
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**Wheat market trends (Graph 8)**

**International:**

- Wheat prices moved sideways to firmer on poor production prospects in the Black sea region. Reports of prolonged dryness in Canada, Russia and the EU added to the firmer tone.
- In the latest USDA's WASDE report, US crop was estimated at 57.7m tons, up by 91, 000 tons from the previous estimate and 5% y/y. Exports were estimated at 25.17m tons unchanged from the May estimate however up 8% y/y notwithstanding the strong US\$ index, however these volumes are well below the 5-year average of 29.3m tons
- World production forecast to 722m tons, well above the May estimate however lower compared to the 2014/15 record of 726m tons.
- Overall black sea production is expected to fall by 6.3m tons from last year on prolonged dryness in Russia, trade from this region is thus expected to ease by 3% y/y.
- FAO's latest forecast for 2015 wheat production was pegged at 719m tons, down 1.4% y/y. The decline is largely attributable to a lower production forecast in Europe, following a contraction in the area planted, only partly compensated by small increases in Asia and North America.

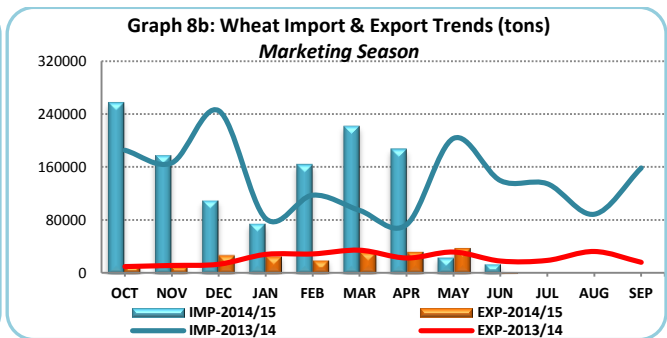
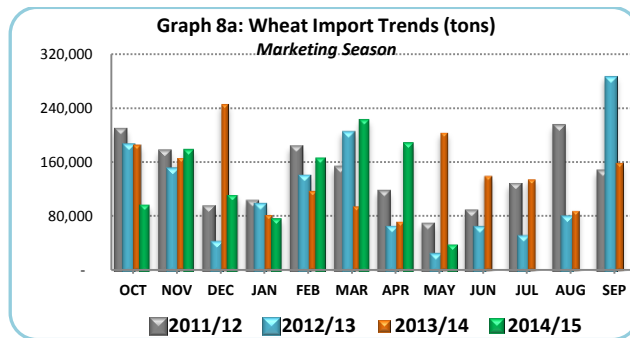


**Domestic:**

- Wheat prices eased slightly on turnaround in weather condition in the Western Cape. Reports of low production in the major supplying regions of the world (Canada, Russia and Ukraine) helped limit losses.
- Weekly wheat prices closed at R3,878 per ton, slightly down w/w but 2% higher than last year.
- According to SAGIS, imports for the week were estimated at 3,001 tons, all sourced from Canada and the cumulative year to date figure reached 1.3m tons.

**OUTLOOK**

Global stocks remain adequate and will continue to place downward pressure on the international market. Thus, prices are expected to remain subdued in the short to medium term.



Source: SAGIS;

Wheat Futures 12 June 2015	Jul-15	Sep-15	Dec-15	Mar-16	May-16			
KCBT (\$/t)	193.27	196.80	202.97	207.82	211.06			
JSE (R/t)	3 880	3 882	3 845	3 891	-			
<b>Calculated Wheat Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)</b>								
<b>Sep-15</b>			<b>Dec-15</b>			<b>Mar-16</b>		
<b>Ask</b>	<b>Put</b>	<b>Call</b>	<b>Ask</b>	<b>Put</b>	<b>Call</b>	<b>Ask</b>	<b>Put</b>	<b>Call</b>
3,960	95	62	3,900	134	87	3,960	157	109
3,920	74	81	3,860	112	105	3,920	135	127
3,880	55	102	3,820	92	125	3,880	115	147

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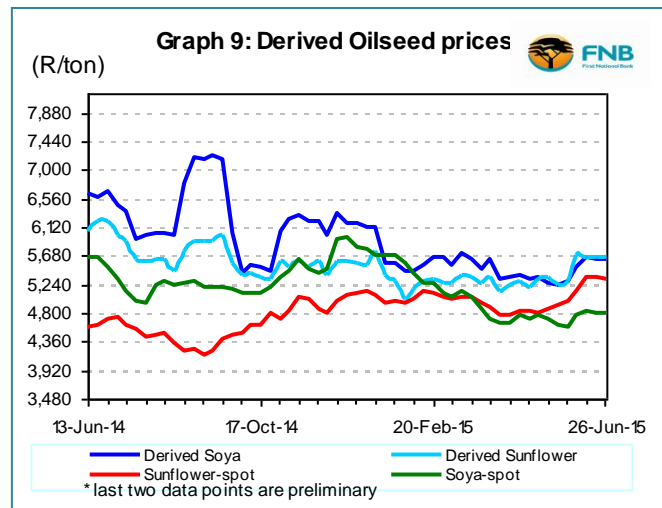
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**Oilseed market trends (Graph 9)**

International:

- US soybean prices continued to post marginal gains on good demand.
- In the USDA’s latest WASDE report, domestic crush was raised slightly from the May estimate to 49.8m tons, and slightly higher than last year. Beginning stocks were lowered, indicating good export demand of the old crop.
- Planting progress lags behind seasonal averages on rain induced delays. Progress was reported at 87% complete, 4 percentage points behind last year and 3 percentage behind the 5 year average. On crop developments, 75% of the crop had already emerged, 6 percentage points behind last year and 2 percentage points behind the 5 year average.
- World oilseed supply is estimated at 531.9m tons, well above the May estimate of 531.1m tons and below last year’s record of 535.6m tons. Soybean output was put at 317.6m tons, up 280,000 tons from the May estimate on good prospects from South America. Ending stocks are projected lower m/m at 93.22m tons on good demand for crushing.
- In South America, soybean production is expected to reach an all-time high on the back of favourable production conditions in key producing regions led by Brazil and followed closely by Argentina. The only exception is Paraguay where production is likely to decline on reduced planted area and productivity losses. In Uruguay, area gains should compensate for lower yields.



Domestic:

- Oilseed prices continue to post modest gains on spill-over gains from the international market.
- Weekly soybean prices averaged R4,818 per ton, up 1% w/w but still down 15% y/y.
- Sunflower prices were also up by 4% w/w at R5,349 per ton, which is up 17% y/y.

**OUTLOOK**

Internationally, soybean prices are expected to trend sideways with further downside potential on adequate global supplies. However, the short to medium term price outlook for the domestic market remains bullish due the poor harvest prospects.

Oilseeds Futures 12 June 2015	Jul-15	Sep-15	Dec-15	Mar-16	Jul-16
CBOT Soybeans (US \$/t)	345.39	336.65	-	336.35	339.29
CBOT Soya oil (US c/lb)	33.14	33.20	33.37	33.58	33.50
CBOT Soya cake meal (US\$/t)	349.87	332.90	324.41	320.55	322.65
JSE Sunflower seed (R/t)	5 377	5 536	5 536	-	-
JSE Soybean seed (R/t)	4 781	4 864	4 934	-	-

Calculated Sunflower Option prices (R/ton) RMB commodity desk (Tel: 011 269 9005)								
Sep-15			Dec-15			Mar-16		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
5,620	201	151	5,700	299	249	5,620	201	151
5,580	179	169	5,660	277	267	5,580	179	169
5,540	159	189	5,620	256	286	5,540	159	189

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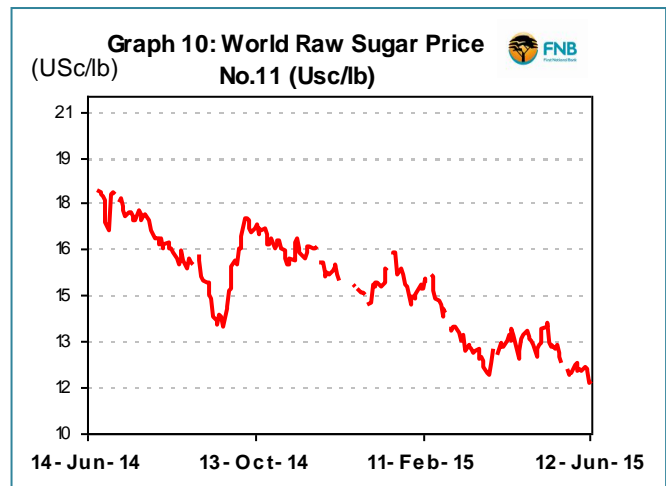
**Sugar market trends (Graph 15)**

International:

- Warm and dry weather conditions in Brazil spurred sugarcane harvesting in the region, thereby exerting downward pressure on World raw sugar prices on ICE (InterContinental nearby futures, No.11 contract).
- Similar weather patterns were beneficial for sugarcane in Mexico.
- Focus is now on the Brazilian currency as it is the main downside feature for prices.
- Additionally, weather outlooks entail persistent rainfall which may reduce sugar yields which is supportive for the market in the medium term.
- Raw sugar reversed last week's gains to close at 11.92 cents/lb, which is down by 2% w/w and almost 30% y/y.
- Future contract prices down across the board with the Oct-15 contract down 3% w/w at 12.07 US cents/lb and Mar-16 contract down 2% w/w at and 13.50 US cents/lb.

Domestic:

- The May 2015 RV price in respect of cane delivered in April 2015 was declared at R3,852.53 per ton, up by R10.83 m/m. According to the South African Cane Growers Association, this was attributable to the 44,886 ton drop in gross sugar production currently estimated at 1,77m tons, an improved average world market price and the weaker Rand. The downside pressure came from the decrease in the sugar:RV ratio.
- Export availability is estimated at 82,217 tons however significant revisions are expected in future given the uncertainty in the crop estimate as it is still early in the season.



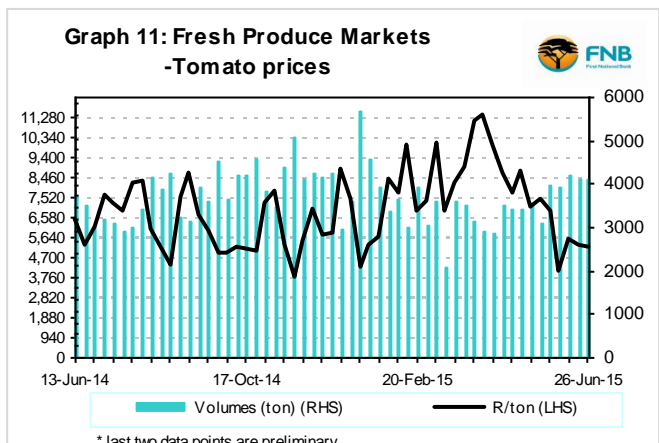
ICE Sugar Futures 12 June 2015	Oct-15	Mar-16	May-16	Jul-16	Oct-16
Sugar No.11 (US c/lb)	12.07	13.5	13.58	13.62	13.83
% Change w/w	-2.8%	-1.8%	-1.7%	-1.6%	-1.6%

**Vegetable Market Trends (Graphs 11 to 15)**

**Tomatoes**

Tomato prices rebounded strongly on good market uptake. Weekly tomato prices closed at R5,555 per ton, up 39% w/w but still down by 14% y/y. Volumes of tomatoes traded reached 4,182 tons, up 6% w/w and 12% y/y.

Prices are expected to ease slightly as demand moderate during midmonth.



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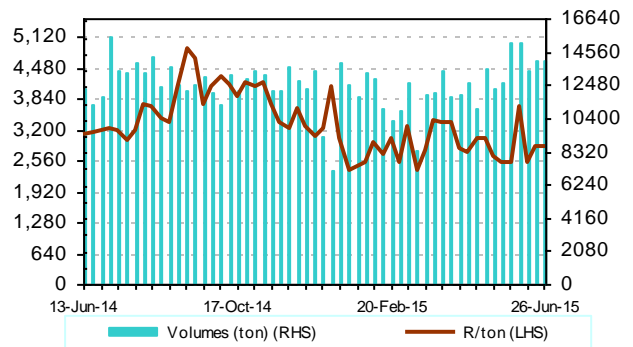
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**Potatoes**

Potato prices dropped sharply on weak market uptake across markets. Weekly potato prices were down 32% w/w and 19% y/y, closing at R2,511 per ton. Volumes of potatoes traded reached 13,373 tons down 11% w/w but still 9% higher y/y.

Prices are expected to rebound slightly on improved uptake across markets.

**Graph 12: Fresh Produce Markets - Potato prices**



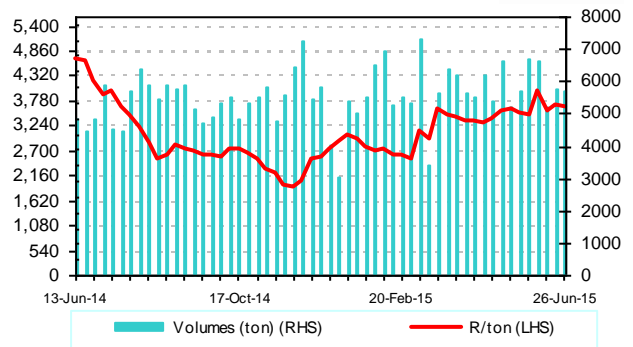
\* last two data points are preliminary

**Onions**

Onion prices posted sharp losses under pressure due to the subdued demand during midmonth. Weekly onion prices closed at R3,543 per ton, down by 11% w/w and 24% y/y. Volumes of onions sold were pegged at 5,211 tons, down 21% w/w but still 8% higher y/y.

Prices are expected to rebound slightly owing to moderation in demand and improved supplies.

**Graph 13: Fresh Produce Markets - Onion prices**



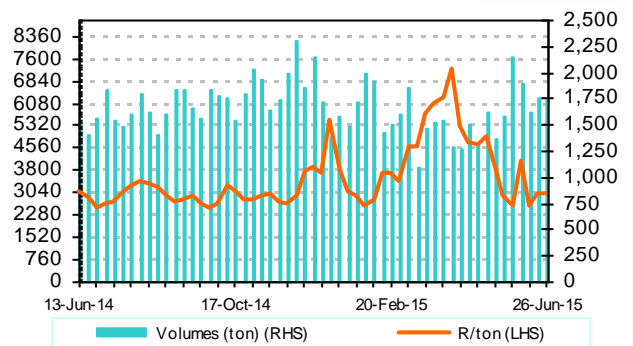
\* last two data points are preliminary

**Carrots**

The carrot market reversed recent gains and fell sharply as supplies improved across markets. Weekly carrot prices were down 38% w/w and 16% y/y at R2,542 per ton. Volumes of carrots traded reached 1,624 tons, down 14% w/w but 8% higher y/y.

Prices are however expected to rebound slightly as supplies tighten slightly across markets.

**Graph 14: Fresh Produce Markets - Carrot prices**



\* last two data points are preliminary

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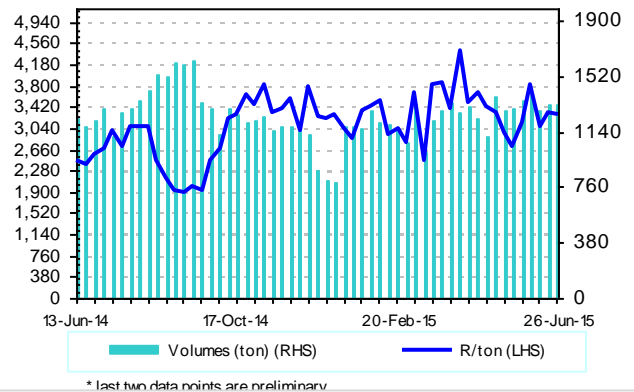
**Cabbages**

Cabbages prices posted sharp losses as a result of lack of demand.

Weekly cabbage prices closed at R3,074 per ton, down 20% w/w but up 25% y/y. Volumes of cabbages traded were down 8% w/w but up 5% y/y at 1,284 tons.

It is however expected that prices will bottom out and strengthen on reduced supplies.

**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 12 June 2015	Average Price (R/t)	w/w	y/y	Total Volume (t)	w/w	y/y
Tomato	5 555	39%	-14%	4182	6%	12%
Potato	2 511	-31.6%	-19.3%	13373	-11%	8.7%
Onion	3 543	-11%	-24%	5211	-21%	8%
Carrot	2 542	-38%	-16%	1624	-14%	8%
Cabbage	3 074	-20%	25%	1284	-8%	5%

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

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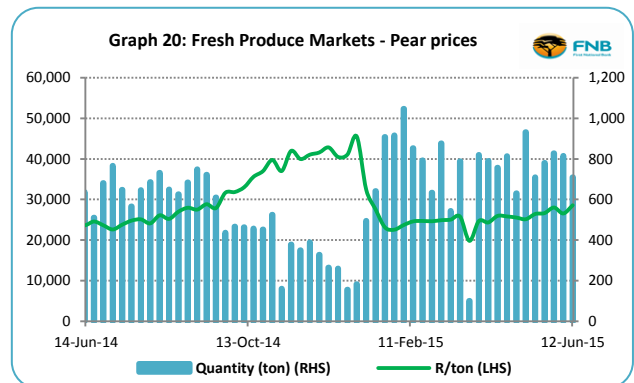
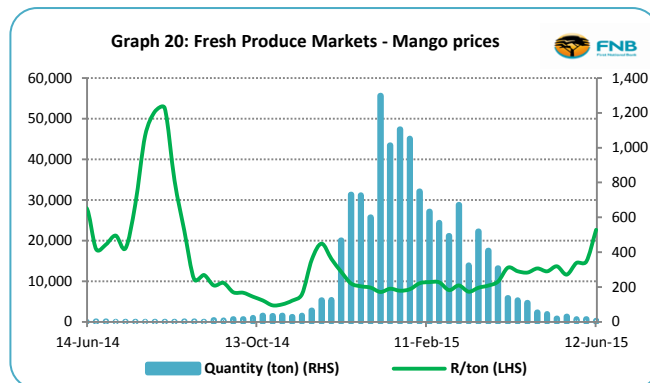
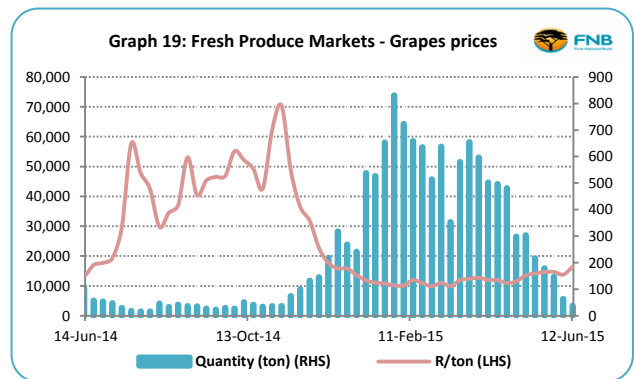
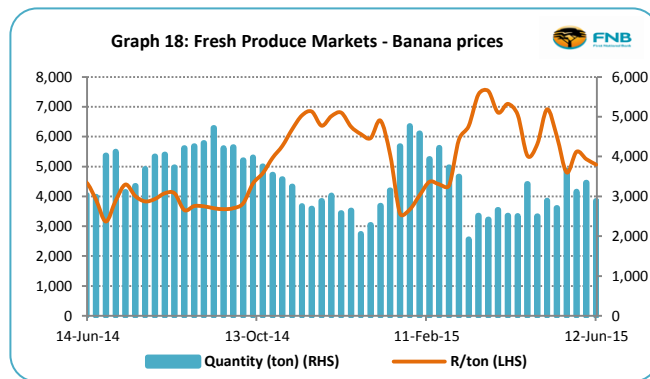
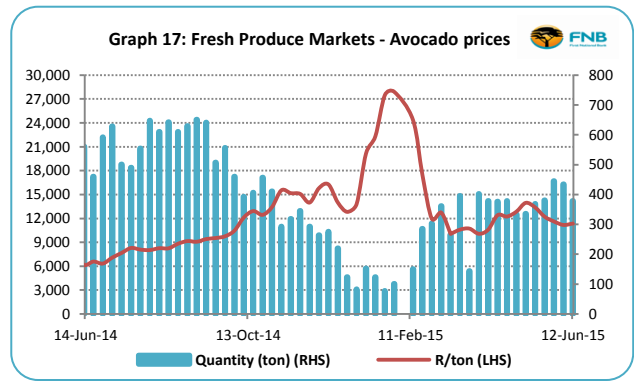
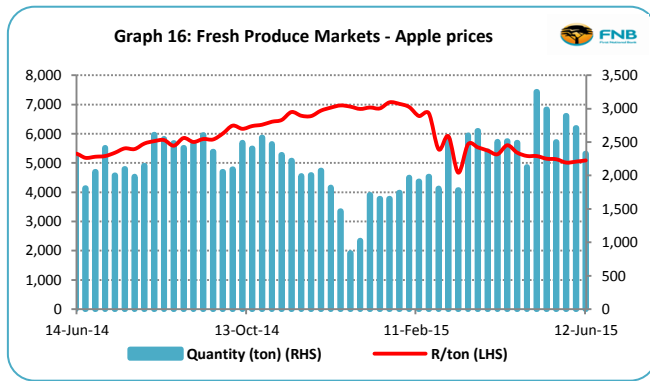
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The Fruit Market Trends – Major Fresh Produce Markets in SA (Graphs 16 to 20)



FRUIT PRICES: Major FPM. (Average Pretoria, Bloemfontein, Johannesburg, Cape Town and Durban)						
Week ending 12 June 2015	Average Price (R/t)	w/w	y/y	Total Volume (t)	w/w	y/y
Apples	5 088	1%	-4%	2330	-14%	2%
Avocados	11 357	2%	84%	378	-13%	-33%
Bananas	5 064	-3%	13%	2885	-14%	-5%
Grapes	16 427	19%	23%	39	-40%	-63%
Pears	28 578	8%	21%	709	-13%	11%

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

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