



Agri Trends

13 April 2018

Trade Wars don't pay

While the USA and China are engaging in a trade war South African producers need to consider how this will impact their profits. In the long run an increase in protectionism globally will not be to our benefit. South Africa is a net exporter of agricultural commodities and global market access is key for economic growth. However, in the short term a trade war between the two global giants may create unique opportunities. If China increases their import tariffs on USA soybeans it will pose an opportunity for South Africa to substitute the imports of oilcake in favor of an increase in the production of soybeans. President Trump made a promise this week to US producers that his protectionist policy drive will not impact the US agricultural sector negatively but that producers will be cared for 100%. The new Farm Bill is due and US producers is expecting support as 82% of US farmer's household incomes depends on off- farm work. In the long run we cannot compete with competitors in our market who receive increased subsidies from their respective governments. Keep an eye on developments in the USA and China. Consider to increase the planting of soybeans to substitute hectares under maize for the coming 2018/19 production season.

Contents

Maize market trends	1
Wheat market trends	3
Oilseeds market trends.....	5
Beef market trends.....	7
Sheep meat market trends.....	9
Pork market trends.....	10
Poultry market trends.....	12
Wool market trends.....	14
Cotton market trends	15
Vegetables market trends	17

Contact us at Absa AgriBusiness:

Karabo.Takadi@absa.co.za

Wessel.Lemmer@absa.co.za

Conce.Moraba@absa.co.za

<https://www.absa.co.za/business/sector-solutions/agribusiness/trends-and-reports/>

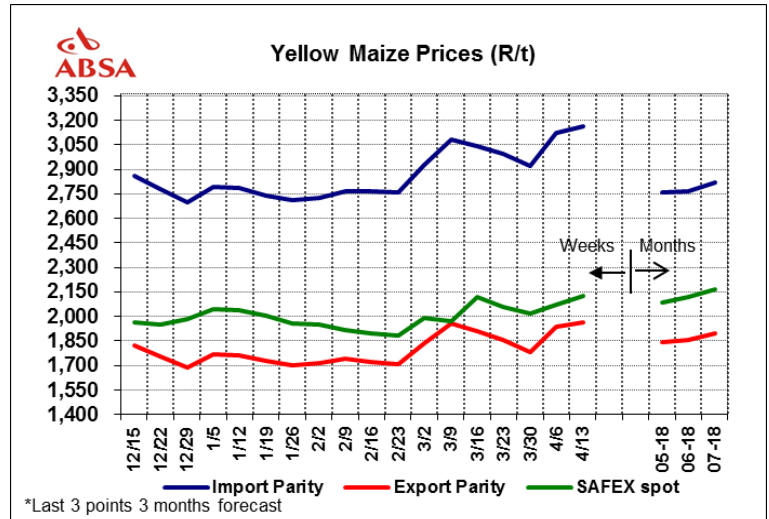
Maize market trends

International

Week-on-week yellow maize No 2 gulf price increased from US\$171.51/ton to US\$176.22/ton. Maize prices traded higher supported by continuous export demand for US maize and concern over seeding delays in the US maize belt.

Bullish factors

- Solid price gains were supported by continuous export demand for US maize and concern over seeding delays in the US maize belt.
- US maize prices gained some ground this week, stemming from spill over gains from the higher US wheat and soybean prices.
- Global 2017/18 world maize crop was estimated at 1,036 million tons (down from 1,042 million ton). Reduction in global maize size, significantly due to reduced crop prospects in Argentina.



Bearish factors

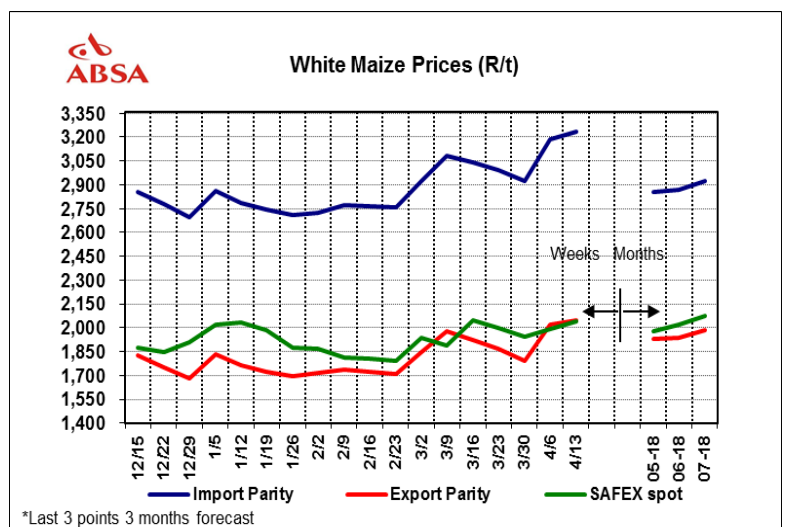
- 10th April WASDE update report had a bearish undertone, US ending stocks are seen rising to 55.4 million (previous year's ending stock was 58 million ton). Lacklustre demand attributed to this trend.
- In the Midwest planting proceeded at the average rate even in comparison with the previous years, despite wet and cold conditions.

Domestic

On the 12th April local maize market traded higher week on week. New season white maize prices for delivery in May2018 increased marginally from R1943/ton up by 1.7% (R33/ton) to R1976/ton, Jul2018 contracts increased marginally week-on-week by 1.9% (R38/ton) from R1985/ton to R2023/ton. Week-on-week new season yellow maize prices for delivery in May2018 traded higher by 1.9% (R39/ton difference) from R2045/ton to R2084/ton. Prices for delivery in Jul2018 for yellow maize were recorded at R2117/ton a 2.3% increase from R2069/ton. The domestic market traded higher on the back of higher US maize prices induced by adverse weather conditions.

Bullish factors

- Weaker domestic currency supported the maize price.
- Domestic maize prices posted gains week-on-week, underpinned by higher international (US) maize prices.
- SAGIS reported 56 594 tons of maize exported for the past week. Total maize exports so far this season is 2.1 million tons.
- Very late planted crops may still be susceptible to frost damage, lower heat exposure, disease infections (like Diplodia maize ear rot), which may impact maize quality.



Bearish factors

- Good rains received in the central and western parts of the country could potentially lead to an even larger maize crop size than the 12.4 million ton estimated size.

Outlook

Local

Good rains received in the central and western parts of the country could potentially lead to an even larger maize crop size than the 12.4 million ton estimated size. Prices will continue to follow Rand fluctuations and any major global shifts in production (South American and US weather worries, impact on the crop sizes and Trade relations talks between China and the US).

International

US maize prices traded higher this week supported by cool and wet conditions in the US Midwest which delayed some planting preparation. The weather developments in the US Midwest will be a key factor in the coming months to keep track of.

Yellow Maize Futures: 13 April 2018	May-18			Jul-18			Sep-18			Dec-18		
CBOT (\$/t)	152.35			155.80			158.55			162.20		
SAFEX (R/t)	2084			2117			2164			2220		
SAFEX (R/t) Change week on week (w/w)	39			48			44			51		
May-18			Jul-18			Sep-18						
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call				
2,120	53	17	2,160	103	60	2,200	130	94				
2,080	30	34	2,120	81	78	2,160	108	112				
2,040	14	58	2,080	61	98	2,120	88	132				

Table 2: Weekly average white maize futures and estimated option prices

White Maize Futures 13 April 2018	May-18			Jul-18			Sep-18			Dec-18		
SAFEX (R/t)	1976			2023			2078			2145		
SAFEX (R/t) Change w/w	33			38			54			44		
May-18			Jul-18			Sep-18						
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call				
2,020	64	20	2,060	101	64	2,120	141	99				
1,980	39	35	2,020	79	82	2,080	119	117				
1,940	22	58	1,980	60	103	2,040	99	137				

Wheat market trends

International

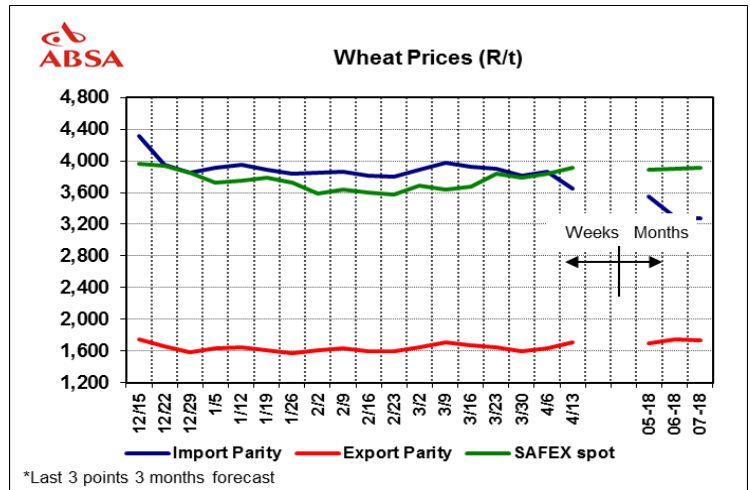
The weekly average old season HRW wheat Gulf price declined from US\$188.59/ton to US\$187.42/ton for the past week. Weekly average SRW wheat price increased by 6.8% from US\$190.51/ton to US\$203.41/ton.

Bullish factors

- Winter wheat condition in the US remains a going concern. A cold spell of cold weather adding to the dryness woes. Cold conditions in the US and Canada hampered spring wheat planting.

Bearish factors

- The increase in world wheat supplies continue to outweigh the increased global consumption. Ending stocks are estimated higher in the latest WASDE (World Agricultural Supply & Demand Estimates) report. Stocks are 2.3 million tons higher at 271 million tons.



Domestic

On April 12th 2018, wheat prices for delivery in May2018 increased by 2.2% (R84/ton) from R3822/ton to R3906/ton. During the past week Jul2018 wheat prices also increased 1.8% (R70/ton) from R3846/ton to R3916/ton.

Bullish factors

- Higher US wheat prices underpinned domestic wheat prices.
- Planting season is about to commence in the next month. Wheat Seed sales have declined significantly.
- Drought conditions still prevail in parts of the Northern cape and Western Cape. The Western Cape rainfall probability outlook remains an uncertainty.

Bearish factors

- Global wheat stocks still ample and will pressure prices. Latest WASDE reports, shows 2017/18 US wheat stocks still at record levels (2nd highest in recent US history)
- The new wheat import tariff of R394/ton was published last week Friday. The lower tariff of R293/ton is still to be published. The rallying of US wheat prices could potentially lower the import tariff further (lower the level of protection for local wheat).

Outlook

Local

Drought conditions still prevail in parts of the Northern cape and Western Cape. The Western Cape rainfall probability outlook remains an uncertainty. Planting season is about to commence in the next month. Wheat planting intentions still unclear, mostly dependent on the amount of rains received. Also industry expects reduced wheat planting in favour of some feed crops, barley and canola in the hope to alleviate the profit margin squeeze.

International

Uncertainty surrounding the China's proposed import tariffs on US imports, weighed on global wheat prices. However, the weather concerns secured price gains.

Wheat Futures 13 April 2018	May-18			Jul-18			Sep-18			Dec-18		
CME (\$/t)	185.28			192.08			200.53			207.05		
SAFEX (R/t)	3906			3916			3890			3850		
SAFEX (R/t) <i>Change w/w</i>	84			70			44			42		
			May-18			Jul-18			Sep-18			
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call	Ask	Put	Call	
3,940	64	30	3,960	132	88	3,940	178	128	3,940	178	128	
3,900	42	48	3,920	110	106	3,900	156	146	3,900	156	146	
3,860	26	72	3,880	91	127	3,860	135	165	3,860	135	165	

Oilseeds market trends

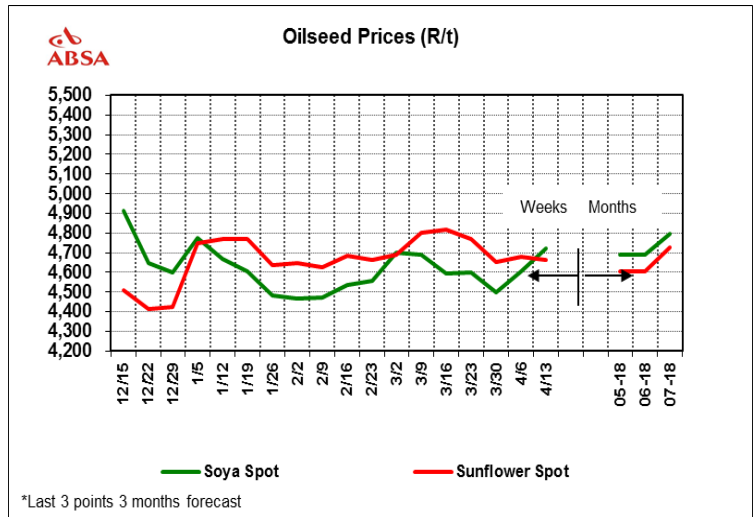
International

The weekly average USA soybean price increased week-on-week from US\$388.65/ton to US\$408.95/ton. US soya oil prices declined from US\$31.87/ton to US\$31.67/ton and soymeal prices traded higher from US\$381.80/ton to US\$383.48/ton.

Bullish factors

Soybean:

- Argentine soybean crop was lowered, at best the Argentine crop will reach 37 million tons due to poor yields. Total South American crop is pegged at 168.6 million tons, 16 million tons less than the previous year.
- The WASDE update report was mildly bullish for US soybeans. US ending stocks were reduced slightly, exports unchanged at 56 million tons and domestic US consumption raised from 55 million tons to 57 million tons.
- USDA revised its Argentine 2017/18 soybean production estimate even lower in its WASDE report dated 10th April 2018.



Sunflowerseed:

- According to the latest USDA's WADE report global sunflowerseed production estimated to be lower, because of adverse weather impacting Russia and Ukraine's production potential.

Other Oilseeds:

- ICE Canola traded higher week on week, on the back favourable exchange rates coupled with poor planting weather.

Bearish factors

Soybean:

- US-China trade war fears pressured soybean prices throughout the week.

Other Oilseeds:

- Matif rapeseed declined week-on-week due to lower palm oil prices.
- Coconut Oil & Coconut meal: Southeast Asian production of copra and products have started to recover, causing decline in coconut oil prices in the recent months.

Domestic

On April 12th, new season sunflower seed prices (May2018) declined marginally week on week by 1.6% (R76/ton) from R4683/ton to R4607/ton. New season sunflowerseed prices (Jul2018) also declined by 1.2% (R58/ton) from R4782/ton to R4724/ton.

New season soybean prices increased week on week from (May2018) prices increased by 1.1% (R53/ton) from R4639/ton to R4692/ton, while Jul2018 soybean prices increased marginally by 1.3% (R61/ton) from R47377/ton to R4798/ton.

Bullish factors

- Harvest progress could be hindered by potential rains forecasted for the coming week. Late planted oilseed will benefit from these rains, but farmer's that didn't plant late, might be affected negatively.
- Weaker Rand and expected declines in the Argentinian soybean crop supported prices. Frost
- Weather forecasters mentioned that frost and very low temperatures do not seem likely before May, but however the necessary heat may be limited to support late planted summer crops.

Bearish factors

- Good rainfall covered large parts of the Central, Northern, Eastern parts of the summer crop growing region.

Outlook

Local

Sunflower and soybean seed prices traded higher following international lower soybean and sunflower seed prices amid a mildly bullish WASDE report. Prices to remain following the international prices and Rand fluctuations.

International

The WASDE update report was mildly bullish for US soybeans. US ending stocks were reduced slightly, exports unchanged at 56 million tons and domestic US consumption raised from 55 million tons to 57 million tons. Further price support stemmed from receding Argentine soybean crop prospects, due to bad weather.

Oilseeds Futures 13 April 2018	May-18	Jul-18	Sep-18	Dec-18				
CBOT Soybeans (US\$/t)**	384.98	389.02	386.18	385.72				
CBOT Soy oil (US c/lb)	32.15	32.30	34.82	33.55				
CBOT Soy cake meal (US\$/t)*	417.80	422.31	418.90	414.18				
SAFEX Soybean seed (R/t)	4692	4798	4893	5000				
<i>SAFEX Soybean seed (R/t) change w/w</i>	53	61	53	60				
<i>SAFEX Sunflower seed (R/t)</i>	4607	4724	4855	4945				
<i>SAFEX Sunflower seed (R/t) change w/w</i>	-76	-58	-43	-57				
May-18			Jul-18			Sep-18		
Ask	Put	Call	Ask	Put	Call	Ask	Put	Call
4,640	83	50	4,760	179	143	4,940	241	156
4,600	61	68	4,720	158	162	4,900	218	173
4,560	44	91	4,680	138	182	4,860	196	191

*short ton

** Dec 2018 = Jan 2019

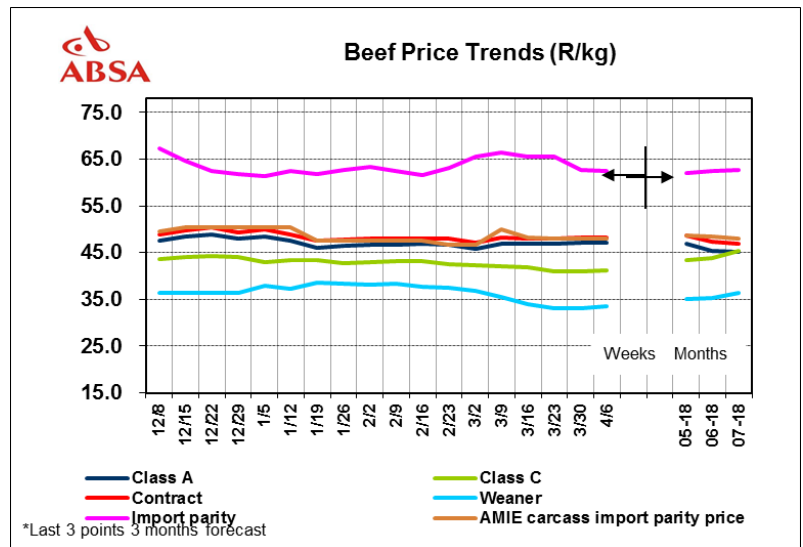
Beef market trends

International

New Zealand steers traded 1.67% lower over the past week at 5.31NZ\$/kg and cows traded 2.38% lower at 4.10NZ\$/kg compared to a week ago. In the US, beef prices for the week were mostly lower as follows: Topside traded 2.19% lower at \$215.02/cwt. Rump was 0.89% lower at \$327.35/cwt and strip loin was 7.06% lower at \$625.65/cwt. Chuck traded 4.56% lower at \$202.53/cwt. Brisket traded 6.06% lower at \$264.58/cwt. The carcass equivalent price was 5.63% lower at \$311.26cwt.

Bullish factors

- The monthly US Department of Agriculture World Agricultural Supply and Demand estimates (USDA Wasde)¹ released its update last week. In this report, US beef production forecast has been reduced from the previous month due to lower first-half slaughter and lighter weights, but this decline is partly offset by higher expected third-quarter slaughter.



Bearish factors

- US cattle price forecasts are reduced from last month as demand for cattle have softened and supplies are expected to be large in the coming quarters. USDA Wasde.
- Dry weather conditions in Argentina are forcing some producers to market cattle earlier.
- Global production is forecast to grow by 2% in 2018 to 63.0 million tons, primarily from gains in Brazil, the US, and Argentina. Brazil's expansion is driven largely by higher carcass weights, stronger domestic demand, and record exports.

Domestic

Week on week, beef prices continued with last week's gains and were mostly higher across the different classes. The average Class A price was 0.27% higher this week at R47.20/kg. Class C prices were 0.31% higher at R41.19/kg. The average weaner calf prices over the past week increased by 1.6% to R33.52/kg. The average hide price over the past week recovered slightly. Overall, the hide market remains bearish due relatively strong ZAR strength and the weak international market. The average hide prices traded 1.3% higher w/w at R8.98/kg green. NB* Hide prices are determined by the average of the RMAA (Red Meat Abattoir Association) and independent companies.

Bullish factors

- Due to the very late plantings, most crops still vulnerable to frost damage.
- Favourable rains improve soil moisture levels, veldt conditions ahead of winter.
- Weaner calf prices remain high compared to previous year levels. Beef feedlots pay too high prices to acquire weaner calves.

Bearish factors

- Cattle producers continue to sell a higher % of female stock (heifers) than normal limiting the rebuilding of the national herd.
- Normally, the increased supply for weaner calves during the weaner season from March until May weigh further on weaner calf prices. This will improve the price margin for feedlots.

¹ US Department of Agriculture World Agricultural Supply and Demand: USDA Wasde

- Lower pork prices may weigh on the beef market.

Outlook

Internationally, plentiful beef production may weigh on market prices.

Locally, beef prices strengthened during the Easter period on the back of increased consumer demand during that time. Prices are expected to soften as demand is expected to ease and there is more supply availability in the market.

Sheep meat market trends

International

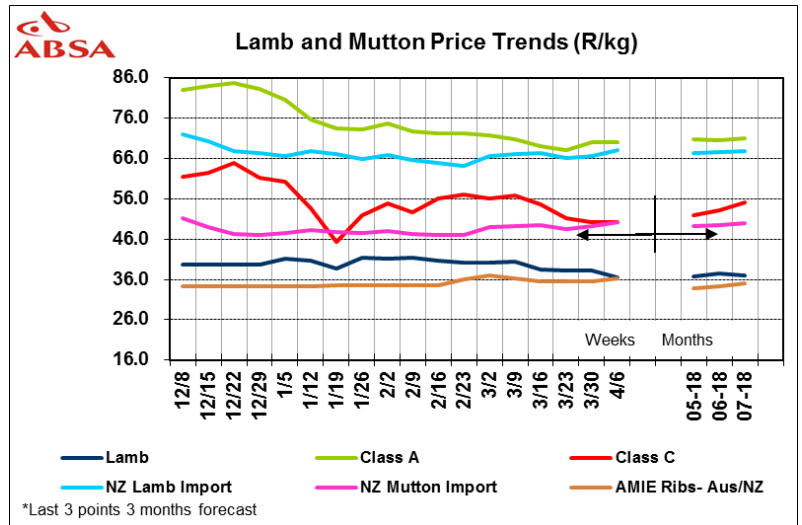
New Zealand lamb prices traded sideways this week compared to last week. Lamb prices closed sideways at NZ\$106.1/head for 15kg lamb. Lamb prices were sideways at NZ\$148.6/head for 21kg lamb. Ewe prices traded sideways at NZ\$101.9/head for a 21kg ewe. The import parity price for lamb was 2.0% higher at R68.06/kg, while the import parity price for mutton was 2.0% higher at R50.15/kg.

Bullish factors

- Global lamb markets remain strong and stable.
- New Zealand lamb slaughter prices are up 30% year on year.

Bearish factors

- New Zealand supply is expected to build in April, which may bring some easing trend to prices.



Domestic

This week, lamb and mutton prices were mixed when compared to the previous week. Lamb and mutton prices were as follows: The national average Class A carcass lamb prices decreased by 0.1% to R70.03/kg and the average Class C carcass prices increased by 0.2% to R50.32/kg. The average price for feeder lambs traded 4.5% lower at R36.50/kg. The average price for dorper skin is 4.6% lower at R35.00/skin and merinos were 1.5% lower at R81.25/skin.

Bullish factors

- Weather forecasters have confirmed that the best rainfall for the season occurred in the last part of March 2018 over large parts of the summer rainfall area. Favourable rains improve soil moisture levels, veldt conditions and dam levels ahead of winter.

Bearish factors

- Subdued demand during mid-month.
- As of 1 April 2018 there was an increase in VAT (value added tax) from 14% to 15%. This will weigh on the consumer's spendable income. An increase in VAT will also lead to increases in meat product prices and mean that the cost of living is going up and the cost of groceries will most likely increase.

Outlook

Internationally, market conditions continue to support prices, due to tight global supplies. Locally, it can be expected that prices may trade sideways to lower due to limited demand during mid-month.

Pork market trends

International

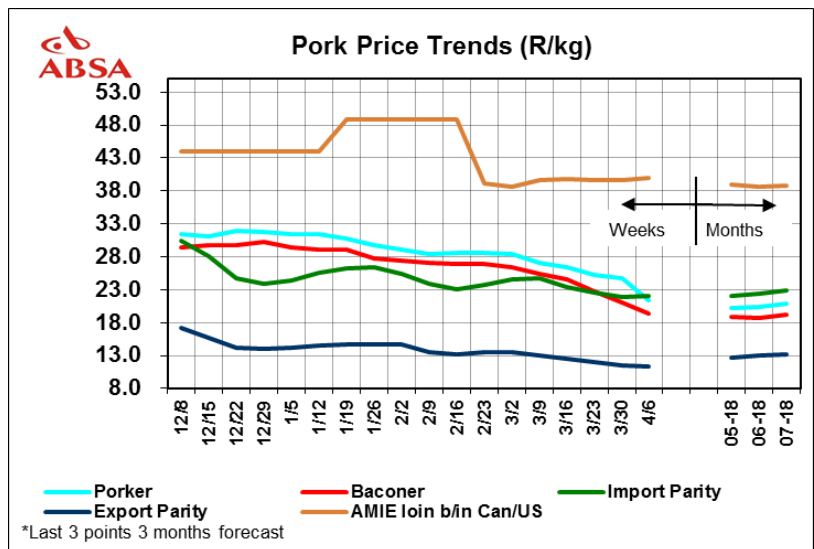
The average weekly US pork prices were mostly lower over the past week. Carcass prices were 1.6% lower at US\$68.65cwt, loin prices were 3.3% lower at US\$67.96/cwt, rib prices were 0.9% lower at US\$130.64cwt and ham was 2.1% lower at US\$51.05/cwt.

Bullish factors

- US shipments will be negatively affected by higher tariffs and lower Chinese demand, however, the impact on overall export volume will be largely offset by increased shipments to other markets including Mexico, Japan, and the Philippines.

Bearish factors

- Pork production is raised for the first quarter based on estimated production data, but lowered for outlying quarters on a slower pace of slaughter and lighter carcass weights. USDA Waste.
- The USDA Quarterly Hogs and Pigs report of March 29, estimated producers farrowed 2% more sows during December to February and indicated intentions to farrow about 2% more sows in March to May. These hogs will be ready for slaughter in the second half of 2018.
- US pork exports are reduced on weaker expected exports to China although exports to other markets are expected to increase.
- Demand for cattle and hogs has softened and supplies are expected to be large in the coming quarters. USDA Waste.
- Despite increased production by major exporters Brazil and the US, barriers to trade constrain additional export growth, according to Rabobank.



Domestic

Average pork prices have shown a steady declining trend since January 2018.

This week, pork prices continued with their declines. The latest average pork prices are as follows: The average porker prices are 13.7% lower at R21.38/kg, while the average baconer prices are 7.8% lower at R19.41/kg. The average cutters prices were 3.3% lower at R19.9/kg and the average heavy baconer price was 3.0% lower at R19.57. The SAU price was 5.8% lower at R14.42/kg.

Bullish factors

- Marketing and promotion campaigns by the pork industry may drive increased pork sales.
- The current low prices of pork may increase consumer uptake of fresh pork cuts.

Bearish factors

- Plentiful supplies in the market.
- As of 1 April 2018 there was an increase in VAT (value added tax) from 14% to 15%. This will weigh on the consumer's spendable income. An increase in VAT will also lead to increases in meat product prices. An increase in VAT from 14% to 15% will mean that the cost of living is going up and the cost of groceries will most likely increase.

Outlook

Internationally, despite increased production by major exporters Brazil and the US, barriers to trade constrain additional export growth.

Locally, there are plentiful supplies of pork in the market, which weigh on prices.

Poultry market trends

International

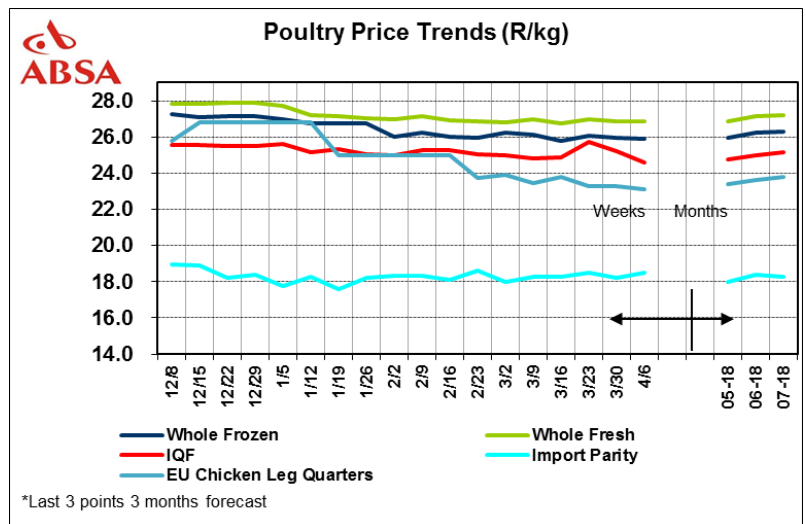
Poultry prices in the US were mixed over the past week. Whole bird prices were 0.14% higher at 108.74USc/lb. Breast traded 6.52% lower at 129.00USc/lb, while leg quarters traded sideways at 39.00USc/lb.

Bullish factors

- The US broiler price forecast is increased from last month as stronger demand in the first quarter is expected to carry into subsequent quarters. USDA Wasde.
- AI pressure is considered to be significant, but not at the same levels registered in 2016/2017.

Bearish factors

- Rabobank's latest outlook points out that in the coming months, the global poultry market is set to go through turbulent times, especially due to ongoing restrictions because of AI, the weak-flesh investigation in Brazil, and recent temporary restrictions on exports to the EU for one of Brazil's leading exporters, as well as the pending ban on exported products into Saudi Arabia.



Domestic

The average poultry prices over the past week were mostly lower. The average prices for frozen birds were 0.18% lower at R25.92/kg during the week. Whole fresh medium bird prices were 0.13% lower at R26.85/kg, while IQF prices were 2.56% lower at R24.58kg.

Bullish factors

- The possibility of new occurrences of bird flu towards June with the return of migratory birds and current detections of AI-infected seabirds in coastal areas.

Bearish factors

- The Stats SA monthly prices for February 2018 show that consumer egg prices are showing some slight recovery after having followed increasing trends in the past months due to bird flu.
- Lower pork prices may weigh on the poultry market.
- Favourable feed price environment.

Outlook

Internationally, larger broiler supplies are expected to keep prices subdued, but developments in avian influenza and barriers to trade constrain additional export growth.

Locally, the lower pork market may pose competition to the poultry market.

Livestock prices (R/kg) week 12 April 2018	Beef			Mutton			Pork			Poultry		
	%	Current week	Prior week	%	Current week	Prior week	%	Current week	Prior week	%	Current week	Prior week
Class A/ Porker/ Fresh birds	0.27	47.20	47.07	-0.1	70.03	70.12	-14	21.38	24.78	-0.13	26.85	26.89
Class C/ Baconer/ Frozen birds	0.31	41.19	41.06	0.2	50.32	50.24	-7.8	19.41	21.05	-0.18	25.92	25.96
Contract/Baconer/ IQF	0.17	48.30	48.21	-0.2	70.76	70.89	-11	20.40	22.91	-2.56	24.58	25.23
Import parity price	-0.41	62.43	62.68	2.0	50.15	49.19	0.7	27.7	27.5	1.3	18.5	18.2
Weaner calves/ Feeder lambs	1.6	33.52	33.00	-4.5	36.50	38.23		-	-			
Specific imports: Beef trimmings 80vl/b/ Mutton shoulders/Loin b/in/ chicken leg 1/4	0.42	48.10	47.90	0	57.90	57.90	0.8	40.00	39.70	-0.65	23.10	23.25

Wool market trends

International

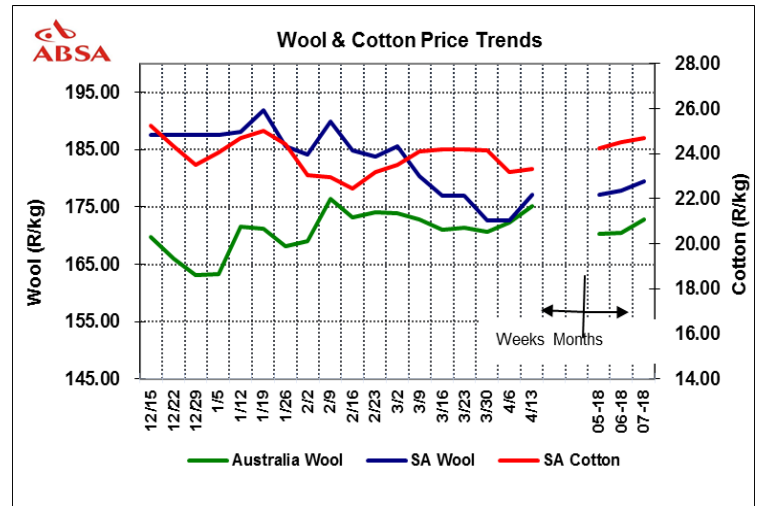
The Australian wool market prices picked up nicely after a one-week recess. Prices traded at Au1777c/kg up by 4%.

Bullish factors

- The Australian wool prices gained momentum this week on the back of a surge in demand and lower supplies.
- Crossbred wools still on the rise. Buyers have a high appetite for locks, thus pushing prices higher.

Bearish factors

- Australian wool sheep is expected to recover, driven by a 6% production increase over the past 2 consecutive years.



Domestic

The wool market performed stronger at the end of this week. Domestic wool market prices increased and the merino indicator was 2.6% higher to close at R177.14(clean) at the sale.

Bullish factors

- Demand for quality and fine wool remains strong.
- A weaker South African currency supported strong gains in the wool market week-on-week.
- The market is driven by the growth in demand, notably from China.

Bearish factors

- Analysts do caution that some degree of a downward correction is to be expected.

Outlook

Internationally, prospects for wool are swaying positive driven by growing disposable incomes in the key wool consuming countries.

Locally, the South African wool market is positive, driven by strong demand.

Cotton market trends

International

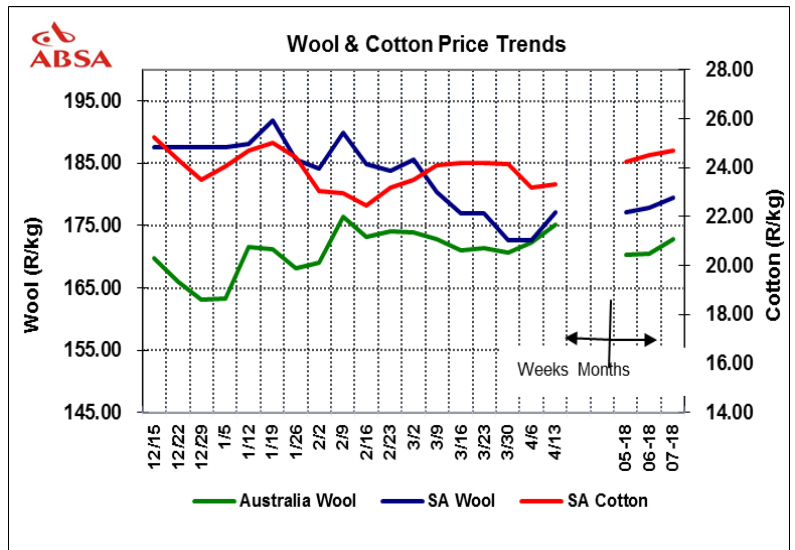
Cotton prices traded lower over the past week and closed at US77.93c/lb from US78.34c/lb. Cotton prices came under immense pressure as trade war fears escalated between the US and China.

Bullish factors

- Latest USDA Supply and Demand estimates report published on the 10th April 2018, shows a decline in global ending stocks (29% decline y/y) and increased exports.
- Due to brisk export demand, USDA raised export forecast to 15 million bales.

Bearish factors

- The US is the biggest exporter of cotton and China the largest consumer in the world. Prices spiked amid the deepening trade war concerns between China and US. China imposed 25% import duty on US cotton imports.



Domestic

The derived SA cotton prices traded 0.52% lower to close at R23.33/kg.

Outlook

Internationally, the US is the biggest exporter of cotton and China the largest consumer in the world. Latest USDA Supply and Demand estimates report published on the 10th April 2018, shows a decline in global ending stocks (29% decline y/y) and increased exports.

Locally, the world market and exchange rate movement may continue to affect the domestic market prices.

Fibres market trends
Week ended 13 April 2018

Wool prices	%	SA prices (c/kg)	%	Australian prices (SA c/kg)	%	Australian future May 2018 (AU\$/kg)	%	Australian future Jul 2018 (AU\$/kg)
Wool market indicator		17714	2.61	16597		-		-
19µ micron		19199	2.48	19103	2.11	19.80	1.02	18.90
21µ micron		17728	5.07	17646	1.58	18.60	-1.56	17.70
Cotton prices 29 March 2018		SA derived cotton (R/kg)		New York A Index (US\$/kg)		New York future May 2018 (US\$/kg)		New York future Jul 2018 (US\$/kg)
Cotton prices	1.53	23.33	0.52	1.98	-1.00	1.79	2.00	1.79

Vegetables market trends

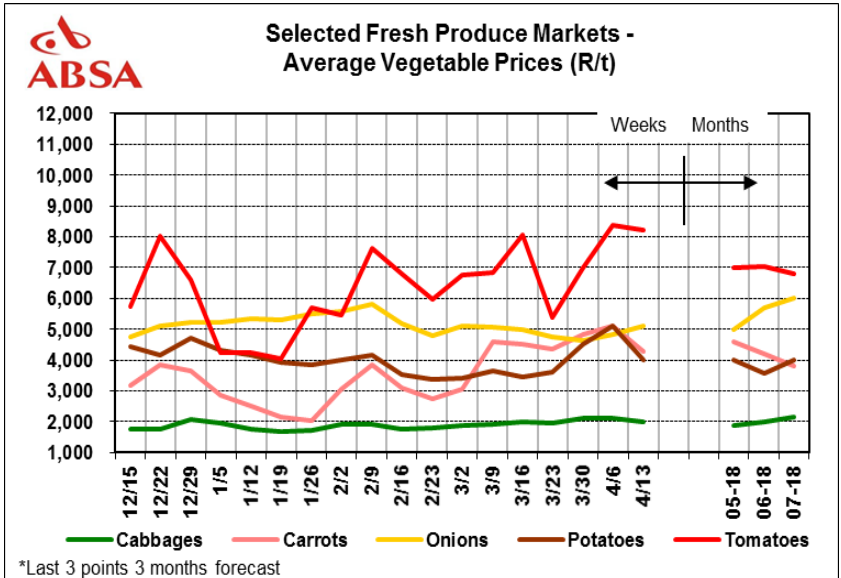
Tomatoes

Good quality tomato crop is scares and volumes remain low. We noticed a slight dip week-on-week in prices but prices currently trading average (R6-8/kg for poorer quality and R9-10/kg for very good quality).

Volumes will likely pick up in the next few months as the Southern Laeveld and Limpopo producers start to market their produce.

Onions

Onion prices did not trade as high as previously expected. We saw a slight pick-up of 3% week on week driven by lower volumes. We anticipate a slight pick-up and sideways price movement in the next 2 weeks. Prices will likely trade between R57-R60/bag for the next 3 months. North West and Limpopo onion producers will start to market their produce. Onion crop is expected to be larger than initial estimates. These volumes will compensate for the lower volumes driven by the Western Cape drought.



Potatoes

Prices were very low this week. Rains had subsided and producers were able to harvest. The market was over supplied and post Easter- weekend-demand wasn't sufficient to offset the volumes. Potato prices declined the most by 23% week-on-week.

Carrots

The market on carrot has took a plunge this week after the Easter demand subsided. Demand was just not sufficient to pick up the volumes available at the Fresh Produce Markets.

Peppers

Increased consumer demand supported prices. Most of the produce delivered is fit for the mass market/lower market quality, therefore not earning higher premiums, however managed to increase uptake this week.

Vegetable Prices: Fresh Produce Market (Averages for the Pretoria, Bloemfontein, Johannesburg, Cape Town and Durban markets)						
Week ending	Difference in weekly prices	This week's Average Price (R/t)	Previous week's Average Price (R/t)	Difference in weekly volumes	This week's Total Volumes (t)	Previous week's Total Volumes (t)
13 April 2018						
Cabbages	-13%	1976	2284	-21%	1600	2012
Carrots	-19%	4290	5272	-15%	2051	2424
Onions	3%	5100	4956	-24%	6268	8246
Potatoes	-23%	3992	5158	-11%	15849	17903
Tomatoes	-2%	8232	8372	-13%	4086	4673
Peppers	18%	6137	5222	-20%	1018	1274

Disclaimer: Although everything has been done to ensure the accuracy of the information, Absa Bank takes no responsibility for actions or losses that might occur due to the use of this information.