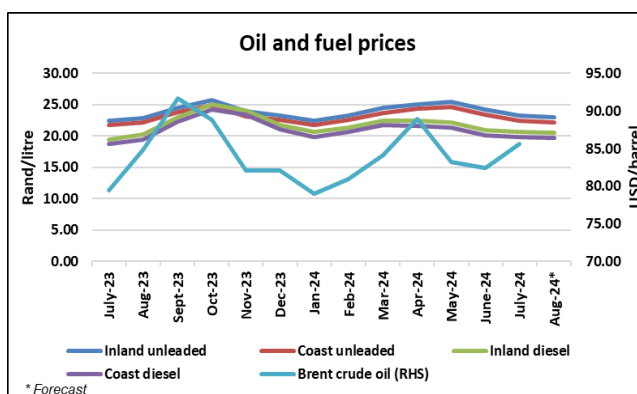
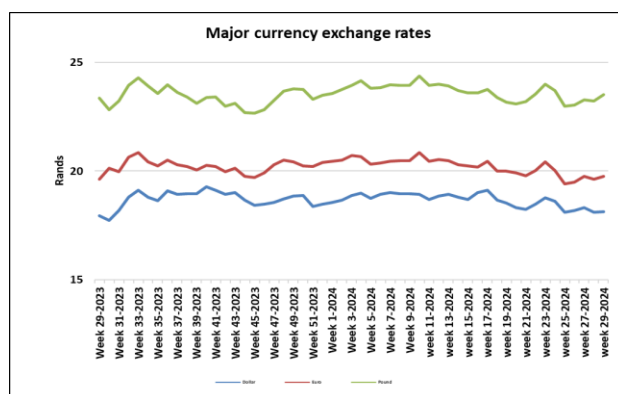




## Summary

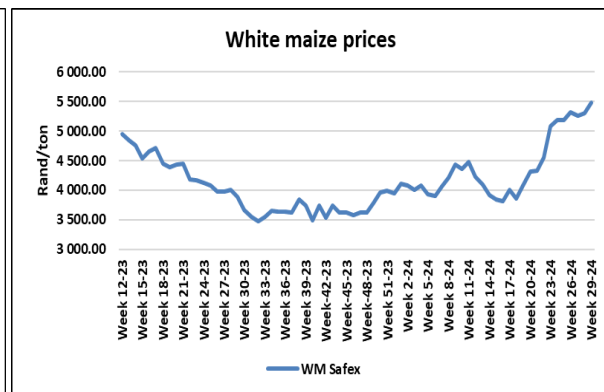
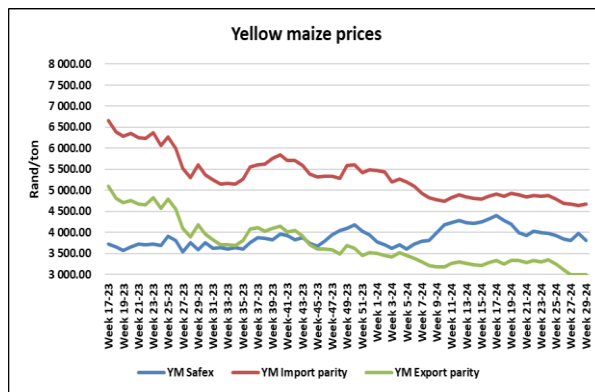
El Niño weather conditions have now fortunately subsided, and we are now in El Niño Southern Oscillation (ENSO)-neutral conditions. Better still, La Niña conditions (that are usually associated with above average rainfall for Southern Africa) are forecast to develop during August-October 2024 at 70% chance and persist into the Southern Hemisphere's 2024/25 summer at 79% chance during November-January. This bodes well for the 2024/25 summer crop production season of South Africa, which commences in October 2024. According to the South African Agricultural Machinery Association (SAAMA), in June 2024 South Africa's agricultural machinery sales receded following a marginal increase in May 2024 that was attributed to the NAMPO harvest day. SAAMA noted that in June 2024, 487 units of tractors were sold, which shows a decrease of 48% y/y, while combine harvester sales amounted to 21 units, showing a strong decline of 67% y/y. This decline was inevitable, following a period of robust agricultural machinery sales. Fortunately, due to the weather forecast and historical trends in the industry, there is an expectation that agricultural machinery sales will recover towards the end of this year.

## Exchange Rates and Oil Prices



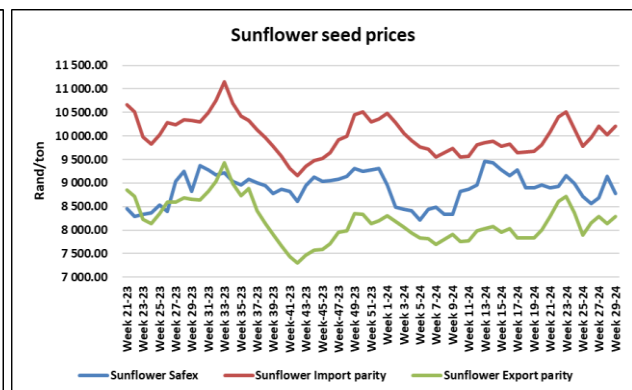
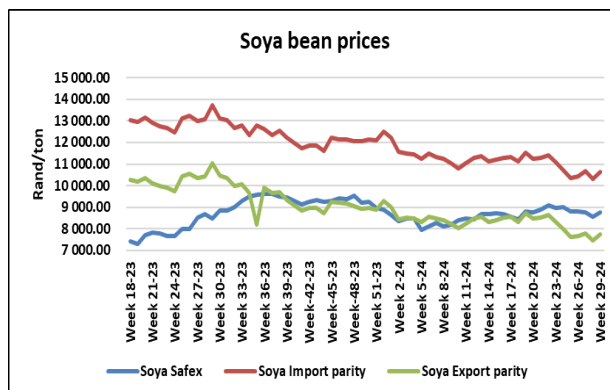
- This week, the **rand** averaged R18.12/US\$, weaker by 0.1% w/w and by 2.6% y/y. The rand weakened due to risk-aversion associated with the attempted assassination of the former US president Donald Trump. Later in the week, the rand recovered ahead of the Monetary Policy Committee's announcement to keep the repo rate unchanged at 8.25%.
- This week's **Brent crude oil** price averaged US\$84.71/barrel, down by 0.8% w/w but up by 6.5% y/y. China's sluggish crude oil demand outlook weighed on crude oil prices.
- Relative to last month, the price of Brent crude oil has risen slightly thus far, while the exchange rate has slightly appreciated. For the remainder of this month, oil prices are expected to remain stable, and the rand should continue to appreciate slightly. As a result, on 07 August 2024, the local fuel prices (95 unleaded) could decrease by 24c/l; while 500ppm and 50 ppm diesel could decrease by 17c/l and 2c/l, respectively.

# Yellow and White Maize



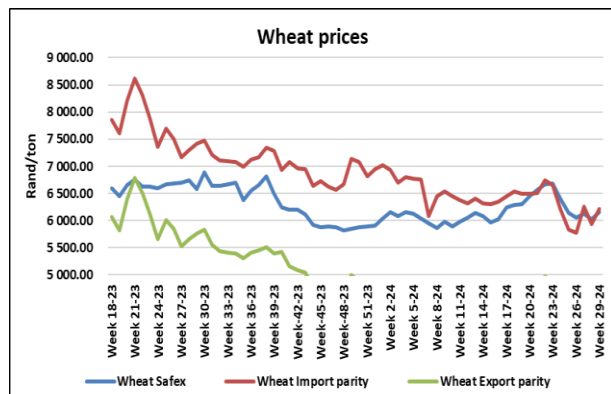
- This week, the **yellow maize** price averaged R3 814/ton, down by 4.1% w/w but up by 6.1% y/y. The **white maize** price averaged R5 104/ton, down by 4.3% w/w but up by 44.5% y/y. Despite the weaker rand, South African maize prices were bearish from international market drivers.
- Chicago maize futures posted some gains on bargain buying following several contracts setting new lows and several crop estimates falling in some parts of the world.
- In week-11 of the domestic 2024/25 maize marketing year (MY), 8.5 million tons of white and yellow maize had cumulatively been delivered. In the same week, cumulative exports of white and yellow maize reached a combined 421 947 tons.
- The top three export destinations of white maize were Zimbabwe (138 163 tons), Namibia (37 425 tons), and Mozambique (19 119 tons). The top three destinations of yellow maize were Zimbabwe (79 560 tons), Botswana (20 706 tons), and Eswatini (19 307 tons).

# Soya Bean and Sunflower Seed



- This week, the **soya bean** price averaged R8 775/ton, up by 2.6% w/w and by 3.4% y/y. The **sunflower seed** price averaged R8 776/ton, down by 4% w/w and by 0.6% y/y.
- The soya bean prices were largely supported by good domestic buying demand and the weaker rand.
- Chicago soya bean prices traded mixed despite large export sales reported by the US Department of Agriculture. Soya bean prices also showed some recovery in the previous sessions on bargain buying. This was after they fell to their lowest levels in four years due to strong US crop production prospects.
- Cumulative domestic oilseed deliveries by week-20 of the 2024/25 MY stood at 1.68 million tons of soya bean and 601 996 tons of sunflower seed.

# Wheat



- The **wheat** price averaged R6 161/ton, up by 2.3% w/w, but down by 6.3% y/y.
- The wheat prices were supported by domestic demand and the weaker rand.
- In week-41 of the local 2023/24 MY, cumulative deliveries were at 1.982 million tons.
- In the same week, cumulative wheat imports stood at 1.458 million tons, with 358 104 tons coming from Russia, 353 970 tons from Poland, and 315 474 tons from Lithuania, amongst others.

## Sources

*Agri-Market Trends.*

*Agricultural Business Chamber.*

*Automobile Association of South Africa.*

*Department of Agriculture Land Reform and Rural Development.*

*Grain South Africa.*

*Mint Commodities.*

*OPEC.*

*Reuters.*

*South African Agricultural Machinery Association.*

*South African Grain Information Service.*

*Standard Bank Group Economic Insights.*

*Standard Bank Group Knowledge Centre.*

*Trade Map.*

*Unigrain.*

*United States Department of Agriculture.*

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