



Perspektief | Perspective

Nuusbrief | Newsletter

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[KLIK HIER VIR DIE AFRIKAANSE WEERGAWE](#)

[CLICK HERE FOR THE ENGLISH VERSION](#)

In this issue...

- **GRAIN SA CONGRESS - A PHOTO IMAGE**
- **WINTER RAINFALL MAKE SURE YOU GET THE BEST VALUE FOR YOUR INPUT**
- **INPUT PRICE TRENDS UNDER THE MICROSCOPE**
- **REPORTING OF IMPORTS AND EXPORTS CONTRACTS IN GOVERNMENT GAZETTE**
- **GRAIN SA DAY OF PRAYER**
- **STAY INSPIRED...**

GRAIN SA CONGRESS - A PHOTO IMAGE

» The Grain SA Congress, which took place on 8 and 9 March 2017 on NAMPO Park was a huge success of which you can read more in the next edition of the SA Graan/Grain. Until then, look at a brief snapshot of the 2-day highlight on the Grain SA calendar.





Motivational Speaker: Dr David Molapo

In addition to being one of the most sought after motivational speakers, David Molapo holds two of South Africa's most prestigious awards, the Young Achiever of the Year – South Africa Award and Four Outstanding South African's Awards (FOYSA) and he has appeared in the Who's Who in South Africa from 1995 to date. He has consulted for the top 100 companies and his former designations have included being a Non-Executive Director of Dimension Data SA and other major corporations such as South African Airways and Spoornet. Dr David Molapo is a top management consultant, educationalist and renowned motivational speaker. By using a fine combination of humour, incredible stage presence and his personal life experiences, he has a unique ability to capture any audience with his message of hope" – Entertainment Online-website.

Listen to his Congress presentation on this link: <http://www.grainsa.co.za/upload/Motivational-Speaker.mp3>

Dr Molapo can be reached on the following links:



Dr David Molapo

www.icanfound.org and www.icanleadafrika.com

WINTER RAINFALL REGION - MAKE SURE YOU GET THE BEST VALUE FOR YOUR INPUT

Dirk Strydom, Manager: Grain Economy & Marketing, Grain SA

» The winter rainfall area is moving closer to its planting date and given the current price scenarios, it is very important to ensure that your inputs provides the most value for your farming business. Two ways to do this, is to ensure that the producer receives a good and fair price for the input, but also that the input is of high quality.

Grain SA has developed an "App" to assist in the evaluation of input prices. Thus it is very important to use this App and to input your prices in order to draw a comparison in your area as well as to the rest of the country. Of course, prices are not the only measure as you should also evaluate which services the provider offers you.

To read in input prices in the "App"

1. You have to first register on the App with your GSA number (eg. GSA1234), producers who have done so already need not repeat the process.
2. Go to *My farm* on the menu
3. Ensure that you have input your farm
4. Input the cost of the product you purchased

Very important, is that the App can be used on any electronic device which is connected to the internet. Just app.grainsa.co.za and log in with your information. As the App can thus be used on a computer as well, admin personnel will also be able to input information.

Furthermore, a fertiliser quality monitoring project will start in the winter rainfall area this season. Should members want to analyse their fertilisers, they should send their contact details to Corné Louw corne@grainsa.co.za.

The Summer Crop production areas are looking promising according to the crop estimate: How does your region look?

The recent crop estimate report indicates that South Africa may be producing its second largest crop yet. The App will give you an overview of what it looks like in your region as well as in the rest of the country. So it is important to input your harvest expectations in the App in order to get an overview of what the harvest predictions look like in your region, as well as in the rest of the country.

The oilseeds are also systematically being harvested and it remains critical that everyone input their data for producers to follow the harvest progress, but also to see the actual yields. To download the App go to app.grainsa.co.za and register with your GSA number.

[Back to Top](#)

INPUT PRICE TRENDS UNDER THE MICROSCOPE

Corné Louw, Snr Economist: Inputs, Grain SA

Agricultural Chemicals

Almost 100% of the active ingredients required to manufacture agricultural chemicals are imported to South Africa. International trends and the exchange rate thus play a decisive role in domestic price trends.

Tables 1 and 2 show trends in the prices of international agricultural chemicals (active ingredients). The tables clearly indicate the impact of the exchange rate on domestic prices. The second part of the table indicate international prices in Rand value. The Rand has over a year-period, from February 2016 to February 2017, strengthened with 156.5%.

When looking at insecticide prices, the most active indicate a rising trend in Dollar-terms. But when prices are converted to Rand, all active indicate a lowering trend over a year period, except for Acetamiprid.

Table 1: Pesticide prices: International in Dollar and Rand value

International prices (Dollar/ton)			
	Feb 2016	Feb 2017	% change
	\$/t	\$/t	
Acetamiprid (95%)	12 906	20 724	+60.6%
Lambda-cyhalothrin (95%)	21 130	21 831	+3.3%
Chlorpyrifos (95%)	4 192	4 851	+15.7%
Cypermethrin (94%)	10 016	10 353	+3.4%
R/\$	15.790	13.190	-16.5%
International prices (Rand/ton)			
	Feb 2016	Feb 2017	% change
	R/t	R/t	
Acetamiprid (95%)	203 786	273 354	+34.1%

Lambda-cyhalothrin (95%)	333 643	287 946	-13.7%
Chlorpyrifos (95%)	66 192	63 990	-3.3%
Cypermethrin (94%)	158 153	136 558	-13.7%

Where herbicide are concerned, all active ingredients indicate sharp year-on-year declines in Rand-values, except for glyphosate, which indicate an increase of 12.9.

Table 2: Herbicide prices: International in Dollar en Rand value

Internasionale pryse (Dollar/ton)			
	Feb 2016	Feb 2017	% change
	\$/t	\$/t	
Glyphosate (95%)	3 130	4 231	+35.2%
Acetochlor (92%)	2 579	2 617	+1.5%
Atrazine (97%)	2 946	2 716	-7.8%
Metolachlor (97%)	3 616	3 421	-5.4%
Trifluralin (95%)	5 103	4 544	-11.0%
R/\$	15.79	13.19	-16.5%
Internasionale pryse (Rand/ton)			
	Feb 2016	Feb 2017	% change
	R/t	R/t	
Glyphosate (95%)	49 423	55 805	+12.9%
Acetochlor (92%)	40 722	34 518	-15.2%
Atrazine (97%)	46 517	35 819	-23.0%
Metolachlor (97%)	57 097	45 121	-21.0%
Trifluralin (95%)	80 576	59 929	-25.6%

Fertiliser

Since South Africa imports a large quantity of its fertiliser requirements, domestic and international prices should correlate well. **Table 3** indicates international prices in Dollar value over a year period, while **Table 4** is an indication of said prices in Rand value. From **Table 4** it is clear that the strengthening of the exchange rate can play a significant role in the manner which international price decreases, trickle into the local market. International fertiliser prices decreased sharply in Rand value year-on-year, except for Urea with an indicated increase of 0.5%.

Table 5 indicates average domestic fertiliser prices (price list prices). The domestic prices show the same trend as international prices, but it is clear that local prices have not yet fallen to the same extent. It is especially CAN, MAP and Potassium which have not decreased locally to the same extent as the case internationally. Remember that these prices aim to show trends and not necessarily focus on the physical price, since international prices are free on board in international ports and domestic prices are average price list prices.

Table 3: International fertiliser prices

Average international fertiliser prices (Dollar value)			
Fertiliser	Feb 2016	Feb 2017	% change
	Dollar/ton	Dollar/ton	%
Ammonia (Middle East)	316	296	-6.3%
Urea (46) (Eastern Europe)	207	249	+20.3%
DAP (USA Golf)	366	361	-1.4%
Potassium Chloride (CIS)	244	216	-11.5%
Rand/Dollar exchange	15.794	13.190	-16.5%

Table 4: International fertiliser prices

Average international fertiliser prices (Rand value)			
Fertiliser	Feb 2016	Feb 2017	% change
	Rand/ton	Rand/ton	%
Ammonia (Middle East)	4 991	3 904	-21.8%
Urea (46) (Eastern Europe)	3 269	3 284	+0.5%
DAP (USA Golf)	5 781	4 762	-17.6%
Potassium Chloride (CIS)	3 854	2 849	-26.1%

Table 5: Local fertiliser prices

Average local fertiliser prices			
Fertiliser	March 2016	March 2017	% change
	Rand/ton	Rand/ton	%
CAN (28)	5 688	5 911	+3.9%
Urea (46)	6 208	6 280	+1.2%
MAP	9 573	8 844	-7.6%
Potassium Chloride	7 462	6 547	-12.3%

Fuel price expectations for April

Fuel price changes for April are providing a possibility for a decrease, however the effect on the consumer will be minimal as they have to deal with the fuel tax increases to the general Fuel- and Road Accident Fund levies of 30 cents and 9 cents per litre (c/l), respectively.

According to the information from the Central Energy Fund, petrol and diesel prices are likely to decline on 05 April 2017. Without taking into account the new levies, it is expected that Petrol (95) could decrease by 63 c/l and diesel (0.05%) by 46 c/l. With the new levies in place, petrol could go down by 24 c/l and diesel by only 7 c/l.

Final fuel price changes will however depend on the performance of the rand and the movements in international product prices.

[Back to Top](#)

REPORTING OF IMPORT AND EXPORT CONTRACTS IN THE GOVERNMENT GAZETTE

Dirk Strydom, Manager: Grain Economy & Marketing, Grain SA

» The application submitted by Grain SA for the reporting of import and export contracts, have been published in the Government Gazette and is now open for comments until 7 April 2017. The comments are then compiled in order to formulate a proposal to the Minister of Agriculture (Please see the document here) <http://www.grainsa.co.za/upload/Gov-Gazette-24-March-2017.pdf>. Grain SA has, together with the application, lodged a strong motivation document, highlighting examples in addition to indicating which countries already implement this in their information systems.

Grain SA believes that the information should be available to the entire market and will empower our producers to make better marketing decisions. Grain SA understands and also hope that the rest of the value chain agribusinesses, traders and consumers will support this notion. Better information in the market not only assist farmers, but also authorities and consumers at the end of the day, due to a better functioning free market system with more stable prices.

[Back to Top](#)

GRAIN SA DAY OF PRAYER

» On 27 November 2015 we gathered to humble ourselves before the Lord and we pleaded for rain because of the severe drought. On 24 March 2017, following the abundance of the widespread rain this current season, we gathered to thank the Lord for His provision.

Have a look at this [short video clip](#) for highlights of the day's event on NAMPO Park.

[Back to Top](#)

STAY INSPIRED...

"Light Tomorrow with Today! "

~ Elizabeth Barrett Browning

[Back to Top](#)

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