



Perspektief | Perspective

Nuusbrief | Newsletter

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Collaboration between Grain SA and the Argentinians

Dr Hendrik Smith (conservation agriculture facilitator: Grain SA)

»Four official demonstration trials in various agro-ecological regions of South Africa have formed the basis of this project, aiming to demonstrate Argentinian Conservation Agriculture (CA) technology to producers.

Results from the 2012/2013 growing season have shown significant yield increases in most CA treatments compared to conventional systems. From 14 - 19 October 2013, a joint South African and Argentinian delegation assessed the project strategy for further improvements, including trial sites, trial designs, activities, roles and responsibilities (see photo 1).

Three official sites have been identified to continue, namely at Nigel, Odendaalsrus and Settlers, while technical and institutional protocols have been redefined. The possibility of a fourth site is being investigated.

CA research

Two Maize Trust funded research projects, which are hosted under the banner of the CA Farmer Innovation Programme (FIP) at Grain SA, are currently launching various activities in the different study areas. In the North West Province, the project is implemented through the Ottosdal No-till Club and investigates commercial CA practices under semi-arid, sandy soil conditions.

For the KwaZulu-Natal (Bergville) and Eastern Cape (Matatiele) project, the focus is on challenges facing small holder farmers in the adoption of CA. Mahlathini Organics, in collaboration with other non-governmental organisations and producer structures, implements the project on behalf of Grain SA (see photo 2)

These CA-FIP projects advocate Grain SA and the Maize Trust's new strategy on CA and strictly follows an on-farm, producer-led approach, whereby producers conduct their own experiments, which are properly designed and well supported by researchers, input suppliers and manufacturers. The prime objectives of these projects are to empower producers and to scale out appropriate CA systems to as many other interested producers as possible.



Photo 1: The joint South African and Argentinian delegation team during the project review in October 2013. Fltr: Pietman Botha, Dr Hendrik Smith, Carlos Galarza, Cristiano Casini and Dr Danie Beukes



Ian Househam demonstrates a no-till hand planter to CA project stakeholders in Matatiele, Eastern Cape

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Read more about the recent Grain Producers of the Year function

Estie de Villiers (assistant editor: SA Graan/Grain)

»Be sure to get your November edition of SA Graan/Grain (with the Grain Producers of the Year on the cover); it will be in your mailbox soon.

In this edition you can read more about Anthony Evans of the Rhys Evans Group, Viljoenskroon, who was announced as the Grain SA/Syngenta Grain Producer of the Year, and Maurice Boki of the farm Horncroft, situated between Cedarville and Taylorville, who was announced as the Grain SA/Absa Developing Grain Producer of the year.

In this edition the focus is on water and energy and SA Graan/Grain spoke to experts in the industry in order to best inform our readers about ways to preserve and save water and electricity as effectively as possible in agriculture.

Remember that SA Graan/Grain is now also available as an eBook. This electronic flipbook has exactly the same content as the printed version. You can get it on your smart phone, tablet, laptop and personal computer - free of charge. Download it at <http://www.grainsa.co.za/sagrain/> with the applicable month and year after the forward slash.

Enjoy the read; until next month!

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What to expect of fertiliser prices in November this year

Corné Louw (senior economist: Industry Services, Grain SA)

»The price expectations for fertiliser for November 2013 are as follows:

Internationally

» International phosphate and potassium chloride prices kept decreasing in October.

International trends in fertiliser prices can be used with relative accuracy to predict changes in local fertiliser prices. From September 2013 to 24 October 2013 international fertiliser prices were seen to change as follows (Table 1):

Table 1: Average international fertiliser prices (dollar value).

Fertiliser	September 2013	24 October 2013	% change
	dollar/ton	dollar/ton	%
Ammonia (Middle East)	432	438	+1,4%
Urea (46) (Eastern Europe)	309	311	+0,6%
DAP (USA Gulf)	373	366	-1,9%
Potassium chloride (CIS)	363	343	-5,5%
rand/dollar exchange rate	9,985	9,910	-0,8%

Table 2 shows the international fertiliser price movements in rand terms. From this table it can be seen that the international fertiliser prices for DAP and potassium chloride decreased in October, while the prices of nitrogen sources practically moved sideways. It can therefore be expected that the prices of local phosphate and potassium chloride products can decrease in November.

Table 2: Average international fertiliser prices (rand value).

Fertiliser	September 2013	24 October 2013	% change
	rand/ton	rand/ton	%
Ammonia (Middle East)	4 315	4 339	+0,6%
Urea (46) (Eastern Europe)	3 083	3 082	-0,0%
DAP (USA Gulf)	3 719	3 625	-2,5%
Potassium chloride (CIS)	3 622	3 402	-6,1%

Historical fertiliser price statistics

Tables 3 and 4 indicate what happened to international fertiliser prices in dollar and rand terms over a period of a year.

Table 3: Average international fertiliser prices (dollar value).

Fertiliser	September 2012	September 2013	% change
	dollar/ton	dollar/ton	%
Ammonia (Middle East)	676	432	-36,1%
Urea (46) (Eastern Europe)	410	309	-24,6%
DAP (USA Gulf)	537	373	-30,5%
Potassium chloride (CIS)	470	363	-22,8%
rand/dollar exchange rate	8,271	9,985	+20,7%

Table 4: Average international fertiliser prices (rand value).

Fertiliser	September 2012 rand/ton	September 2013 rand/ton	% change %
Ammonia (Middle East)	5 594	4 315	-22,9%
Urea (46) (Eastern Europe)	3 390	3 088	-9,1%
DAP (USA Gulf)	4 440	3 719	-16,2%
Potassium chloride (CIS)	3 887	3 622	-6,8%

Table 5 shows what happened with local fertiliser prices over a year period. It is conspicuous and also a reason for concern that local fertiliser prices did not decrease in the same manner as international fertiliser prices.

Table 5: Average local fertiliser prices.

Fertiliser	October 2012 rand/ton	October 2013 rand/ton	% change %
LAN (28)	4 774	4 862	+1,8%
Urea (46)	5 942	5 891	-0,9%
MAP	8 003	7 562	-5,5%
Potassium chloride	6 768	6 688	-1,2%

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Which way will fuel prices go this November?

Wandile Sihlobo (economist: Industry Services, Grain SA)

»According to the Central Energy Fund's fuel update report on **30 October 2013**, the petrol price is expected to **DECREASE** on 6 November 2013 by 26 cents per litre, while the diesel price is expected to **DECREASE** by 14 cents per litre.

International fuel prices are still seen as the major contributing factor to the expected domestic fuel price changes. The international petrol price decreases are contributing 21 cents per litre to the expected domestic fuel price decrease; at the same time international diesel price decreases are contributing 9 cents per litre to the expected diesel price.

Crude oil prices are seen to be trading down, largely pressured by the recent reports by the American Petroleum Institute that there is a significant increase in crude oil supplies.

The exchange rate has a slight impact on the current fuel price expectations - while trading at around R9,86 to the dollar on the morning of 30 October, the rand hadn't changed from the levels seen at the same time the previous day.

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Agricultural conditions as recorded on 30 October 2013

Petru Fourie (economist: Industry Services, Grain SA)

»Patchy rain occurred in the **North West Province**, but it is not really enough to start with soil preparations. Underground moisture is very poor and that is why good, penetrative rain is sorely needed. The optimal time to plant maize starts between 15 - 30 November.

Mpumalanga producers are keenly busy planting and 30% of Mpumalanga's maize plantings have been done. Good rains generally fell and the subsoil moisture looks promising. Big hail stones fell in the Nigel/Secunda area, but the maize is still young, so there hasn't been any major damage.

Rain fell in patches in the **Northwest Free State**. Most producers are busy with soil preparations. Certain areas, such as Hertzogville, however still needs more rain before they can start preparing for planting. Hail fell among others in Bothaville, Welkom, Vuurfontein, Theunissen, Virginia and Hennenman. Because no maize had been planted, there was no hail damage on grain crops.

The **Eastern Free State** generally received good, widespread rain. It is currently optimal planting time and producers started slowly with their maize plantings. Producers in the Ladybrand, Clocolan and Tweespruit areas are still busy with soil preparations. Serious hail fell in the Frankfort, Tweeling, Reitz, Clocolan and Ladybrand areas. Insignificant damage was reported on wheat and very little maize has been planted to date.

In **KwaZulu-Natal** between 1 mm - 40 mm of rain widespread occurred. Currently very little maize has been planted due to the rains being late. There has however now been enough rain in order for producers to plant. The season is approximately three weeks later than usual.

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