

QUARTERLY

Economic Overview of the Agriculture, Forestry and Fisheries Sector

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PREFACE

The core business of the Directorate: Statistics and Economic Analysis is to provide economic and statistical services to monitor the economic performance of the Agriculture, Forestry and Fisheries (AFF) sector. To support this important task, the Economic and Statistical Research division/unit conducts economic analyses of the performance of and external impact on the AFF sector and its industries.

This publication, the *Quarterly Economic Overview of the Agriculture, Forestry and Fisheries sector*, was developed because of a need within the Department of Agriculture, Forestry and Fisheries (DAFF) to be regularly informed on developments and expected economic trends in the agriculture sector. The quarterly report has now been established as a regular feature in the directorate's work plan. Since the beginning of 2004 the report has also been published for outside use to add value to a number of regular economic publications on the agriculture sector. It is our vision to maintain it as indispensable reading for everyone interested in developments in the AFF and the South African AFF sector.

This issue looks at the economic developments in the third quarter of 2011 as well as the expected economic trends in the South African AFF sector as the domestic and global economies continue to face economic uncertainties.

Any new comments on the content of this quarterly report series are most welcome.

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EXECUTIVE SUMMARY

The global economic prospects remain bleak amid weak economic activity, falling consumer and business confidence levels and growing downside risks. The European sovereign debt crisis and fiscal difficulties in the US remain the main drivers behind the slowdown in global economic activity. The global economic growth rate is expected to slowdown to 4% in 2011, after a 5,1% growth rate in 2010.

The global grain production forecast for 2011/2012 has been raised by 13 million tons to a record 1 819 million tons while global grain consumption is expected to rise by only 2,4% to 1 828 million tons. The improvement in global grain production prospects significantly reduces the 2011/2012 deficit to 9 million tons, down from a previously forecasted 16 million tons. Global grain trade is expected to increase by 7 million tons to 250 million tons as compared to the 2010/2011 season.

On the domestic side, the SA economy performed below market expectations during the third quarter of 2011, growing by just 1,4% which is a slight improvement from the 1,3% growth rate recorded in the second quarter of 2011. The main drivers behind the slowing economic growth were the manufacturing, mining as well as the agriculture, forestry and fisheries sectors which all contracted during the third quarter of 2011. The agriculture, forestry and fisheries sector contracted for the third consecutive quarter, recording a quarter-on-quarter negative growth of 4,3% in the third quarter of 2011 from a revised 6,0% contraction in the second quarter of 2011.

Employment figures for the third quarter showed a slight improvement with 193 000 jobs created during the quarter, bringing the unemployment rate to 25% from 25,7% on the second quarter of 2011. The trade and finance sectors were the main drivers of job-creation, creating 68 000 and 40 000 jobs respectively during the third quarter. After recording job losses for four quarters in a row, agriculture employment rose by 4,3% to 624 000 quarter-on-quarter, with 26 000 new jobs created during the third quarter of 2011 compared to the third quarter of 2010. The Limpopo province accounted for the largest increase in agriculture employment with employment rising by 17,6% quarter-on-quarter.

Real gross farm income from all agricultural products increased by 17,4% year-on-year, from R34,5 billion in the third quarter of 2010 to R40,7 billion in the third quarter of 2011. This was

mainly due to a significant improvement in gross income from field crops from R9,1 billion in the third quarter of 2010 to R13,6 billion in the third quarter of 2011; a 50,5% increase. Real gross income from animal products increased marginally by 6,2% from R16,2 billion in the third quarter of 2010 to R17,2 billion in the third quarter of 2011; while gross income from horticultural products increased by 7,0% from R9,3 billion to R9,9 billion during the same period. Following significant declines during the first two quarters of 2011, the net farm income increased sharply by 36,3% from R10,2 billion in the third quarter of 2010 to R13,9 billion in the third quarter of 2011. This was mainly as a result of the 17,4% increase in income from all agricultural products. Private consumption expenditure on agricultural products increased by 7,5% year-on-year during the third quarter of 2011 with oils and fats remaining the main expenditure items recording a 27% increase.

The value of agricultural exports increased by 6% year-on-year, reaching R15,2 billion in the third quarter of 2011. The value of agricultural imports increased by 23% from R9,5 billion in the third quarter of 2010 to R11,6 billion in the third quarter of 2011. The total export value of fish and seafood increased by 5% from R532 million to R556 million while the total import value increased by 4% from R333 million to R347 million during the period under review. Forestry products, on the other hand, recorded an increase of 11% in export value from R2,6 billion to R2,9 billion and a 4% increase in import value from R1,7 billion to R1,8 billion between the third quarters of 2010 and 2011.

1. GLOBAL OVERVIEW OF THE AGRICULTURAL ECONOMY

The global economic recovery has become more uncertain than anticipated at the start of 2011, with global economic activity showing weakness and unevenness; consumer and business confidence levels falling to unprecedented levels and growing downside risks (IMF, 2011). The slowdown in economic activity in the second quarter of 2011 has been influenced by two diverse developments – the European sovereign debt crisis and fiscal difficulties in the US.

The biggest concern regarding the global growth outlook remain focused on Europe's fiscal difficulties and as a result, the IMF has warned that if governments fail to take swift action on fiscal policy there is increased risk of a return to recession. Albeit the downside risks, current lower commodity prices and softer growth prospects as compared to the end of the second quarter have kept global inflation outlook positive (BER, 2011). Following a projected sluggish recovery, the world economic growth forecast has been lowered to 4% for 2011 and 2012, from 5% in 2010 and it is expected to pick up from 2013.

Global grain production prospects have improved for the 2011/2012 season. The production forecast has been lifted by 13 million tons, to a record 1,819 million tons

following increased estimates for wheat crops in Kazakhstan and the EU, and for maize in China, the EU, Ukraine and South America. Global grain consumption, fuelled by China's increasing demand for feed, is expected to rise by 2,4% to 1 828 million tons. Global grain intended for feed use is projected to rise by 3% to 769 million tons. As the increase in grain production is larger than the demand for it, carryover stocks are expected to reach 360 million tons in 2011/2012, though lower than 368 million tons in 2010/2011.

Global grain trade is forecast to increase by 7 million tons to 250 million as compared to the 2010/2011 season. Global wheat production is forecast at a near-record 684 million tons, higher than 651 million tons gained in 2010/2011. Much of the production increase is coming from Russia, as it rebounded from last year's severe drought. Russia's wheat production is estimated to be up 37% over last year. World wheat consumption is forecast to increase at a quicker than normal pace in 2011/2012 to 677 million tons, a 3,4% increase from last season, and is expected to be about double the ten-year average.

Global maize production is expected to increase by 3,5% to 855 million tons during 2011/2012. The ample supply of maize is expected to fuel demand for feed especially in China and the EU, with total consumption

forecast at 863 million tons, higher than expected production. World grain prices have been falling to their lowest levels for several months now and as a result, world food prices as measured by the FAO hit an 11 month low in October.

2. THE STATE OF THE DOMESTIC ECONOMY OF AGRICULTURAL, FORESTRY AND FISHERIES

2.1 Growth

The real Gross Domestic Product (GDP) at market prices grew at a repressed annualized pace of only 1,4% in the third quarter of 2011, as compared to 1,3% in the previous quarter, and 3,1% as compared to the previous year. The slack in output growth came mainly from lower agriculture, mining and manufacturing production. In contrast, activity in the services sector was generally stronger than expected, supported by strong consumer spending and increased trade on the financial markets. Growth in the manufacturing sector declined by 1,9% quarter-on-quarter, mainly due to weaker exports as well as the strike action in the metals and petroleum industries in July this year. The mining sector output fell sharply by 17,4% quarter-on-quarter while output in agriculture fell for the third consecutive quarter, contracting by 4,3%.

Figure 1 indicates that the real value added by agriculture, forestry and fisheries sector continued to contract, falling by 4,3% in the third quarter of 2011, as compared to a negative growth of 6,0% recorded in the previous quarter. The agricultural sector was the second worst performer after the mining sector.

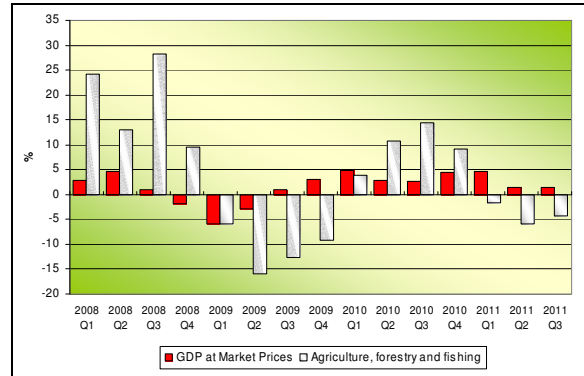


Figure 1: Trends in the real GDP growth and the growth in the real value added by the sector.

Source: Stats SA

In figure 2, the economy's real value added moderately increased from R1,89 trillion recorded in the previous quarter to R1,90 trillion in the third quarter of 2011. On the other hand, the agriculture, forestry and fisheries sector's value added continued to decline in the third quarter of 2011, from R42,51 billion in the second quarter to R42,05 billion in the third quarter of 2011.

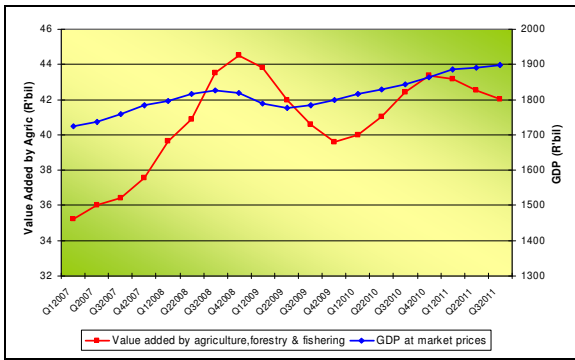


Figure 2: Trends in the real GDP and the real value added by the sector.

Source: Stats SA

2.2 Inflation

The Producer Price Index (PPI) inflation for domestic products picked up further in October 2011, rising to 10,6% year-on-year, from 10,5% in June. The main drivers of producer inflation have been increases in the prices of petroleum and coal products, which rose by 29,7%, followed by prices of agricultural products, which rose by 12,9%. Food prices at the agricultural level rose by 4,8% month-on-month, due to higher prices for vegetables which went up by 6,7%.

Figure 3 shows that producer prices for the agricultural sector increased from 4,7% in the second quarter to 8,1% in the third quarter of 2011. Producer prices in the forestry sector continued to slow down, with prices increasing by 0,8% in the third quarter of 2011, from a 7,2% price increase in the second quarter. Meanwhile, producer prices in the fisheries sector declined for the third quarter in a row, contracting by 4,3% in

the third quarter of 2011, after a 6,3% contraction in the second quarter.

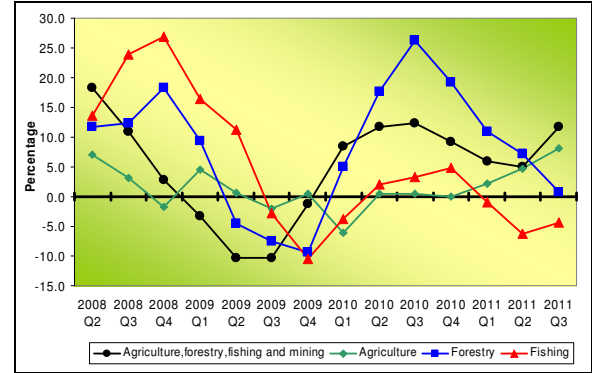


Figure 3: Trends in the PPI inflation

Source: Stats SA

Consumer inflation came out higher than market expectations in October, increasing to 6% year-on-year, from 5,3% and 5,7% year-on-year in August and September, respectively. The main culprits to rising inflation continued to be food prices, transport costs and services prices. Food inflation continued to pick up, increasing to 11% from 8,7% in September. Over the month, food prices rose by 2,2% month-on-month largely due to higher prices of bread (up 1,4%), vegetables (up 7,5%) and meat (up 2,7%). Rising transport costs, which make up nearly 19% of the basket, also added to inflation pressures. Inflation in this category rose to 6,7% up from 6,6% in the previous month, largely driven by higher fuel costs, which rose by 30% year-on-year. Services inflation picked up slightly in October, increasing to 5,5% from 5,4% in the previous month due to increases in

insurance premiums as well as other services.

Figure 4 shows changes in selected major South African food products and compares the items with the overall inflation. The annual inflation of bread and cereals; meat; as well as milk, eggs and cheese rose to 9,5%, 11,4%, and 1,1%, respectively, in July 2011. The annual inflation of bread and cereals continued to rise between August and October, from 8,5% and 8,6% in August and September to 8,9% in October. Meat inflation rose to eight times more than it was a year ago, increasing by 14,6%, from 1,8% last year. Milk, egg and cheese inflation rose by 2,7% in October, from 1,4% and 2,5% in August and September. Meanwhile, vegetables inflation broke into the two digit level for the first time in October, rising to 11,8%, from 2,7% in September.

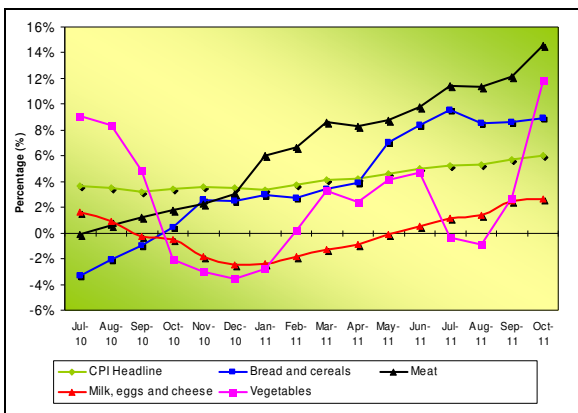


Figure 4: Trends in the CPI inflation
Source: Stats SA

2.3 Employment

The number of unemployed people declined by 2,1%, from 4,5 million to 4,4 million

people bringing the unemployment rate to 25% in the third quarter from 25,7% in the second quarter of 2011. A total of 193 000 jobs were created over the quarter. The pace of new entrants into the labour market slowed to 98 000, from 181 000 in the previous quarter, bringing the total labour force, which is a category of ages between 15-64 years to 17,8 million people in the third quarter of 2011. The rate of decline in the number of discouraged work seekers moderated during the third quarter, easing to 3 000 following a 16 000 drop on the previous quarter, pushing the labour force participation rate up to 54,6% from 54,5%.

The formal sector gained 238 000 jobs, while the informal sector contracted by 53000 jobs as compared to the previous quarter. During the third quarter, 90 000 women were absorbed into the labour market which is a 1,6% increase, while employment among men rose by 1,3% (103 000) during the same period. The number of women employed in the agricultural sector rose by 7,3% to 205 000 as compared to the previous quarter. Meanwhile, the number of men employed in the agricultural sector increased by 2,9% quarter-on-quarter to 419 000, which is a year-on-year decline in employment of 4,3%. The trade and finance sectors were the main drivers of employment over the quarter, creating 68 000 and 64 000 jobs respectively, followed by the construction (43 000) and the mining

sector (42 000), while the manufacturing sector slacked behind, creating employment to only 2 000 people over the quarter. The agricultural sector employment rose by 4,3% to 624 000 quarter-on-quarter, which is equivalent to a 2,5% decline year-on-year and 16 000 job losses in a year. The largest knock in job losses was taken by the transport sector, which accounted for 21 000 job losses, followed by utilities (20 000) and private households (19 000).

In terms of employment among the population groups, blacks and coloureds fared well in employment, gaining 146 000 and 93 000 jobs, respectively, as compared to the previous quarter. Meanwhile, employment among the indians and whites slowed down, with 26 000 people among indians losing their jobs followed by whites who lost 19 000 jobs.

Figure 4, illustrates the distribution of agricultural sector employment across the nine provinces.

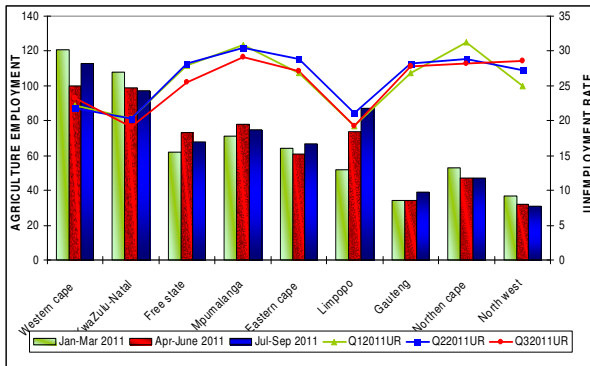


Figure 5: Provincial agricultural employment

Source: Stats SA

The highest rate of job losses in the agricultural sector was experienced in the Free State (6,8%), followed by Mpumalanga (3,8%), and North West (3,1%). Limpopo continued to account for the largest increase in agriculture employment for the second quarter in a row, with employment rate rising to 17,6% quarter-on-quarter, followed by Gauteng (14,7%), the Western Cape (13%) and Eastern Cape (9,7%). The Northern Cape showed no loss or any job gains in the agricultural sector during the third quarter of 2011.

2.4 Expenditure on intermediate goods and services by the agricultural sector

During the third quarter of 2011, the expenditure on intermediate goods and services increased by 15,7% to reach R22,6 billion, compared to R19,5 billion in the third quarter of 2010. The increase in intermediate expenditure was supported by the increase in expenditure on dips and spray which increased by 22,0% and expenditure on seeds and plants which increased by 18,0%. The expenditure on maintenance and repairs of machinery and implements increased by 17,0%, while expenditure on packing materials increased by 16,5%. Both farm services and water tax expenditure increased by 15,0% respectively. The expenditure on insurance and electricity increased by 11,7% and

11,1% respectively. The expenditure on fuel, farm feed and fertilizer increased by 10,9%, 8,2% and 4,3% respectively. (Appendix A.1)

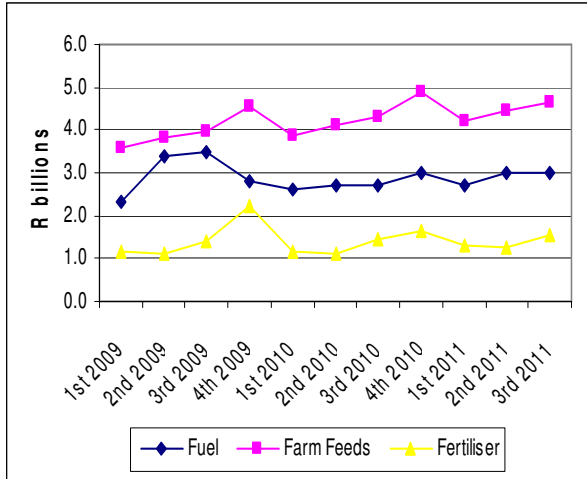


Figure 6: Trends in the expenditure on fuel, farm feeds and fertilizers between 2009 and 2011

Source: DAFF

Figure 6 depicts the total expenditure on fuel, farm feeds and fertilizers between the third quarters of 2011, 2010 and 2009. After peaking at R3,5 billion in the third quarter of 2009, the expenditure on fuel increased by 11,1% to R3,0 billion during the third quarter of 2011 compared to R2,7 billion in the third quarter of 2010. During the same period the expenditure on fertilizer remained flat at R1,5 billion. The expenditure on farm feeds increased to R4,6 billion in the third quarter of 2011 compared to R4,3 billion in the third quarter of 2010, an increase of 7,0%.

2.5 Nominal gross farm income and net farm income from agricultural products

Real gross farm income from all agricultural products amounted to R40,7 billion in the third quarter of 2011 compared to the R34,5 billion reported in the third quarter of 2010, an increase of 17,4%. Gross income from field crops increased significantly by 50, 5% from R9,1 billion reported in the third quarter of 2010 to R13,7 billion recorded in the third quarter of 2011. The significant increase in field crops is mainly as a result of the 67,0% increase in income from maize. Also, there were large increases in income from cotton and sunflower seed, which increased by 126,7% and 267,0%, respectively. According to Cotton SA, this large increase is motivated by the fact that the 10th estimate for the 2010/11 production year indicated a total crop of 89 395 lint bales, up 2% from last month's estimate and 111% from the previous season which marks the first increase in local cotton production in seven years. It is estimated that about 85 135 lint bales are to be produced from RSA grown seed cotton, 121% up from the previous season. (Appendix A.2)

Other huge increases in income from field crops were recorded in crops such as lucerne seed and soya beans, which increased by 86,0% and 83,0% respectively. It is reported that a decrease in plantings due to lack of rain during the early season will have a positive effect on

oilseeds quantity in the new season. Gross income from wheat decreased slightly by 11,7%.

The real gross income from animal products increased marginally by 6,2% to R17,2 billion in the third quarter of 2011 from R16,2 billion in the third quarter of 2010. This was largely fuelled by gross income from wool which increased significantly by 89,0% in the third quarter of 2011, due to the increase in wool prices. Gross income from cattle and calves slaughtered increased by 18,4%, while gross income from goats slaughtered increased by 32,0%. Income from eggs increased by 12,1%, while income from poultry meat decreased slightly by 0,1%. Gross income from mohair also decreased by 28,0%, while gross income from ostrich feathers and products decreased by 34,0%.

Gross income from horticultural products increased by 7,0% to R9,9 billion in the third quarter of 2011 from R9,3 billion in the same quarter of 2010. This increase is largely attributed to significant increases in rooibos tea and dried fruits which surged by 62,8% and 80,0% respectively. Income from vegetables increased by 13,9% in the third quarter of 2011, while income from deciduous and other fruit, declined by 10,1% during the same period. (Appendix A.2)

The steady increase in the gross farm income from all agricultural products in the third quarter of 2011 was mainly fuelled by a significant rise in income from field crops and slight increases in incomes from both horticulture and animal products.

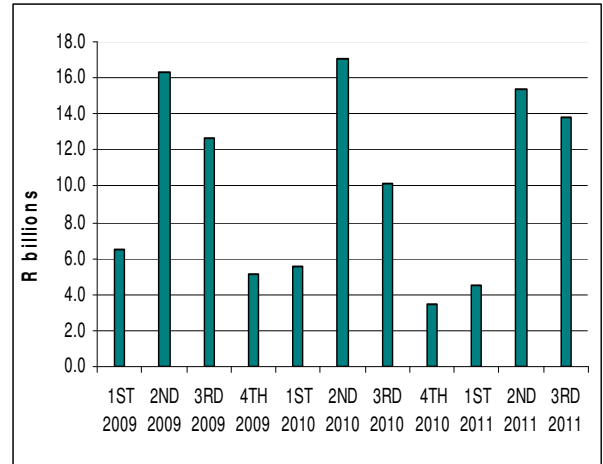


Figure 7: Trends in the net farm income between 2009 and 2011

Source: DAFF

Figure 7 shows that the net farm income in the third quarter of 2011 was higher compared to the net farm incomes for third quarters of both 2010 and 2009. The net farm income in the third quarter of 2011 was R13,9 billion, an increase of 36,3% compared to R10,2 billion in the third quarter of 2010 and a 9,4% increase compared to the third quarter of 2009. The increase in net farm income was mainly as a result of an increase of 17,4% in income from all agricultural products which amounted to R40,7 billion in the third quarter of 2011 compared to the R34,5 billion reported in the third quarter of 2010.

2.6 Private consumption expenditure on agricultural products

During the third quarter of 2011, private expenditure on food reached R97,1 billion, an increase of 7,5% compared to the R90,3 billion reported for the third quarter of 2010. The main expenditure items were on oils and fats which increased significantly by 27,0% together with the expenditure on sugar which increased by 21,2% in the third quarter of 2011. The expenditure on bread and grains increased by 11,5%, while expenditure on potatoes and meat increased by 8,7% and 5,6%, respectively. The expenditure on milk, milk products and eggs also increased by 4,0%, while the expenditure on fruit and vegetables increased slightly by 0,4%. (Appendix A.3)

2.7 Trade of agricultural, forestry and fisheries products

2.7.1 Agricultural trade

Trading of agricultural products increased significantly between the third quarter of 2010 and the third quarter of 2011. According to data on table A.4, the total export value of agricultural products increased by 6%, from R14,4 billion to R15,2 billion between the third quarter of 2010 and the third quarter of 2011. During the third quarter of 2011, South Africa gained most of its agricultural export

revenue from products exported to the Netherlands. From this country alone, SA gained R1,3 billion of agricultural export revenue which represents 9% of the total export value. Zimbabwe was the second leading export destination for SA's agricultural exports with R1,1 billion of agricultural export revenue received, representing 7% of the total export value. Other countries from which a considerable amount of agricultural export revenue was received include United Kingdom, Mozambique, United States, Japan, Angola, Mexico, Hong Kong and South Korea. According to data on table A.4, all of these countries accounted for 49% of the total export revenue received from agricultural products.

Agricultural products which contributed a considerable amount to the total agricultural export value include fresh oranges (19%), maize (12%), wine (6%), fresh apples (4%) as well as lemons and limes (4%), see Table A.5.

The total import value of agricultural products increased significantly between the third quarter of 2010 and the third quarter of 2011. According to data on Table A.6, the total import value of agricultural products increased by 23% from R 9,5 billion to R 11,6 billion between the third quarter of 2010 and the third quarter of 2011. The top ten leading sources of agricultural imports

into South Africa during the third quarter of 2011 collectively accounted for 63% of the total import value of agricultural products (see Table A.6). Brazil, United States, Argentina and United Kingdom were the 4 leading sources of agricultural imports during the third quarter of 2011, accounting for 9%, 9%, 7% and 7% respectively, of the total import value of agricultural products. The 4 key agricultural products which contributed a considerable amount to the total import value include wheat and meslin (10%), rice (7%), palm oil (7%) and whiskies (7%), see table A.7. According to data on table A.7, all of these products accounted for 30% of the total import value of agricultural products.

2.7.2 Fisheries trade

The total export value of fish and seafood increased significantly between the third quarter of 2010 and the third quarter of 2011. According to data on table A.8, the total export value of fish and seafood increased by 5% from R532 million to R556 million between the third quarter of 2010 and the third quarter of 2011. Major export destinations for South African fish and seafood were Spain, Italy, Hong Kong, Portugal, United States, Australia, China, Germany, Cameroon and Mauritius which jointly accounted for 77% of the total export revenue from fish and seafood. The biggest proportion of fish and seafood exported during the third quarter of 2011 include fish

with bones (frozen), whitening and hake (frozen except fillets, liver and roe), cuttle fish and squid (frozen, dried, salted or in brine), fish with bones (fresh or chilled), and fish (prepared or preserved, whole or in pieces), see Table A.9.

According to data on Table A.10, the total import value of fish and seafood increased by 4% from R333 million to R347 million between the third quarter of 2010 and the third quarter of 2011. The 10 major sources of imports which accounted for 88% of the total import value of fish and seafood in the third quarter of 2011 include Thailand, China, United States, Norway, India, Spain, New Zealand, Peru, Taiwan and Falkland Islands. Imported products which accounted for 75% of the total import value of fish and seafood include sardines/sardinella/brisling (prepared or preserved and not minced), tunas/skipjack/bonito (prepared or preserved and not minced), cuttle fish and squid (frozen, dried, salted or in brine), whitening and hake (except fillets, liver, roe) and shrimps and prawns (prepared or preserved) see Table A.11.

2.7.3 Forestry trade

According to the latest State of Forests report, commercial forest areas are showing a slight decrease in the size of plantation area, declining at an average rate of 0,9% a year. There are various factors attributed to the decrease in the size of plantation area,

including underreporting by landowners, compliance with environmental legislation, land-use change and improved technology used for mapping purposes. Between the third quarter of 2010 and the third quarter of 2011, the total export value of forestry products decreased by 11 % from R2,6 billion to 2,9 billion (Table A.12). Export destinations of forestry products during the third quarter of 2011 include Indonesia, China, India, United Kingdom, Thailand, Zimbabwe, Netherlands, South Korea, Mozambique and Zambia which jointly accounted for 70% of the total export revenue from forestry products. The most important forestry products which accounted for 79% of the total export revenue of forestry products include chemical woodpulp (dissolving grades), chemical woodpulp (soda etc, N Dis BI and BI nonconif), kraftliner (uncoated, bleached, in rolls or sheets), newsprint (in rolls or sheets) and carton, boxes and cases, corrugated paper and paper boards see Table A.13.

The total import value of forestry products increased by 4% from R1,7 billion to R 1,8 billion between the third quarter of 2010 and the third quarter of 2011 (Table A.14).

South Africa's major forestry import sources include China, United Kingdom, United States, Germany, Sweden, Indonesia, Hungary, Finland, Argentina and Italy, which jointly accounted for 69% of the total import

value of forestry products. The most important forestry products imported during the third quarter of 2011 include printed books, brochures etc, sanitary napkins, diapers and sanitary art of paper, chemical wood pulp, paper or paper boards (light weight writing etc, clay coated over 10mech) and paper/paper boards (cellulose wadd etc), see Table A.15. All of these products accounted for 49% of the total import value of forestry products.

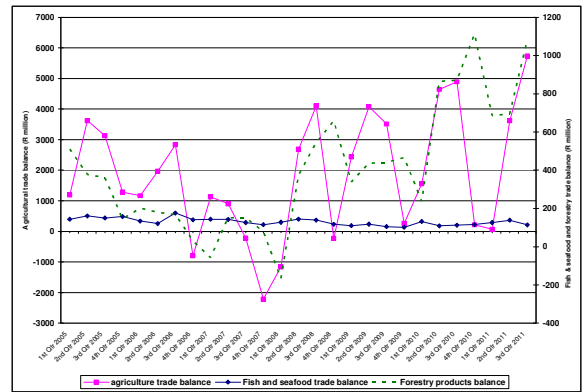


Figure 8: Trends in trade balances for agriculture, fish and seafood and forestry products.

Source: South African Revenue Services

Figure 8 shows trends in the trade balances of agricultural, fish and seafood as well as forestry products. Between the first quarter of 2005 and the third quarter of 2011, agriculture's trade balance fluctuated significantly experiencing a negative trade balance in five quarters, i.e the fourth quarter of 2006, the third quarter of 2007, the fourth quarter of 2007, the first quarter of 2008 and the fourth quarter of 2008. Only after the first quarter of 2009 did agriculture's trade balance enter a positive

territory continuing with its fluctuating trend. During the third quarter of 2011, agriculture's trade balance sky rocketed, peaking at R5,7 billion. This is the highest level agriculture's trade balance has ever reached after peaking at R4,9 billion during the third quarter of 2010.

The fish and seafood trade balance fluctuated significantly between the first quarter of 2005 and the third quarter of 2011 and has remained in positive territory throughout. The trade balance for fish and seafood reached R209 million during the third quarter of 2011.

The trade balance for forestry products fluctuated significantly between the first quarter of 2005 and the third quarter of 2011, experiencing negative trade in two quarters; the first quarter of 2007 and the first quarter of 2008. Since then, the trade balance for forestry products has been in positive territory, peaking at R 1,1 billion in the third quarter of 2011.

2.8 Review of agricultural markets

2.8.1 Grain market review

Table B.1 shows monthly and quarterly proxies of supply and demand of major grains in South Africa, i.e maize, wheat, sunflower and soya beans. Since August 2010, agricultural commodity markets experienced renewed and significant volatility as the balance between supply and

demand tightened. Markets were also significantly influenced by a wide range of exogenous forces such as a chain of adverse weather conditions in key producing areas, low stock levels for coarse grains and reduced world supplies (BFAP, 2011).

During the third quarter of 2010, the average opening stock for white and yellow maize was 5,3 million tons and 3,1 million tons respectively, while the average total opening stock (white maize plus yellow maize) was 8,4 million tons. Due to producers responding to lower maize prices during 2010, the total maize area harvested in 2011 decreased by 13%. White maize plantings decreased by 18% to 1,4 million hectares while yellow maize plantings decreased by 7% to 954 000 hectares (BFAP, 2011). Thus during the third quarter of 2011, the average opening stock for white and yellow maize was 3,0 million tons and 2,2 million tons respectively while the average total opening stock (white maize and yellow maize) was 5,2 million tons, approximately 42% less than in the third quarter of 2010. Consumption of maize in South Africa totaled 2,25 million tons in the third quarter of 2010. Of this total, 1,42 million tons were white maize while 832 000 tons were yellow maize. Consumption of maize during the third quarter of 2011 totaled 2,3 million tons, 2% higher than in the third quarter of 2010. Of this total, 1,4

million tons were white maize while 910 000 tons were yellow maize. The total maize exported during the third quarter of 2011 reached 980 000 tons which was 426 000 tons more than the 554 000 tons of maize exported during the third quarter of 2010.

Internationally, the wheat market appeared generally well supplied, especially with medium and lower quality types, with India's decision to allow exports of up to 2 million tons adding to global availabilities (Grain Market Report No 415, 2011). Domestically, wheat plantings declined significantly during the past season resulting in a smaller wheat crop for the 2010/11 marketing year (Monthly Food Security Bulletin, September 2011). However during 2011, it was projected that wheat plantings will increase by 10% due to the expectation of higher wheat prices together with the higher availability of fallow lands in the summer rainfall areas (BFAP, 2011).

During the third quarter of 2010, the average opening stock of wheat for human consumption was 960 000 tons while the average opening stock of wheat for animal feeds reached 8 000 tons. The average opening stock of wheat for human consumption during the third quarter of 2011 declined by 23% to reach 741 000 tons, meanwhile, the average opening stock of wheat for animal feeds increased by 25% to reach 10 000 tons. The average total opening stock of wheat decreased by 22%

from 968 000 tons to 751 000 tons between the third quarter of 2010 and the third quarter of 2011.

Consumption of wheat in the third quarter of 2010 amounted to 814 000 tons. Of this total, 812 000 tons were for human consumption while the rest was kept at producer level as seed for the next planting season. During the third quarter of 2011, consumption of wheat decreased by 4% to reach 777 000 tons. Of this total, all 777 000 tons were used for human consumption.

According to the BFAP, the upward trend in world prices for oilseeds and derived products continues into the current 2010/11 marketing year. The renewed surge in prices mainly reflects a progressive tightening in global supplies combined with steady demand growth and robust buying interest by major importing countries. Thus the initial forecast for 2011/12 suggest that the current tightness in the world could carry on as supplies in the coming season may not be sufficient to satisfy the steadily expanding oil and meal demand. As a result, world oilseed production is expected to increase based on higher plantings and yield improvements. Locally, lower maize prices and better oilseed prices caused producers in the summer rainfall areas to increase sunflower and soybean plantings. Local sunflower seed acreage increased by 61% to 642 000 hectares while soybean

acreage increased by 34% to 418 000 hectares in 2010/11. During the third quarter of 2011, the total opening stock of sunflower averaged 587 000 tons which was 308 000 tons (110%) more than the recorded 279 000 tons in the third quarter of 2010. Consumption of sunflower increased by 8% from 205 000 tons to 222 000 tons between the third quarter of 2010 and the third quarter of 2011. Imports of this commodity decreased by 21% from 5 600 tons to 4 000 tons between the third quarter of 2010 and the third quarter of 2011.

The average opening stock of soya beans averaged 469 000 tons in the third quarter of 2011, approximately 61% more than 292 000 tons recorded for the third quarter of 2010. Consumption of soya beans increased by 2% from 119 000 tons to 121 000 tons between the third quarter of 2010 and the third quarter of 2011.

The domestic prices of white and yellow maize averaged R 1 189/ton and R 1 252/ton respectively, in the third quarter of 2010 while wheat, sunflower and soya bean prices averaged R 2 634/ton, R 3 730/ton and R 3 016/ton respectively, during the same period. In the third quarter of 2011, the price of white and yellow maize increased by 70% and 61% to average R 2 025/ton and R 2 012/ton respectively. During the same period, the price of wheat, sunflower and soya bean increased by 17%, 7% and 14% respectively, to average R 3

075/ton, R 4 004/ton and R 3 424/ton respectively.

2.8.2 Fruit and vegetable market review

Table B.2 shows quarterly average prices of various fruits that were traded at Fresh Produce Markets (FPMs) during the third quarter of 2009, 2010 and 2011.

Between the third quarter of 2010 and the third quarter of 2011, the average prices of apples, avocados, bananas, oranges, pears and mangoes increased by 12%, 36%, 18%, 10%, 8%, and 2% respectively influenced by a combination of a fall in supplies and good uptake in markets. During the same period, the average price of grapes weakened, decreasing by 13%. According to BFAP, the volume of grapes marketed locally is projected to have increased by another 5 percent in 2010/11. The higher supply, together with quality problems resulting from the rain during harvest time, exerted downward pressure on prices.

The quantity of selected fruits traded through the FPMs increased significantly between the third quarter of 2010 and the third quarter of 2011 except for avocados, bananas and pears which decreased by 27%, 8% and 8% respectively on account of lower stock levels. The quantity of oranges, mangoes and grapes increased by 2%, 25%

and 24% respectively, while the quantity of apples remained unchanged.

Prices of a number of vegetables traded through the FPMs increased between the third quarter of 2010 and the third quarter of 2011 on account of reduced supplies on markets. The prices of cucumber, lettuce, potatoes, spinach, cabbage, green beans and sweet potatoes increased by 28%, 28%, 7%, 31%, 17%, 62% and 82% respectively (Table B.4). On the contrary, the prices of beetroot, carrots, onions and tomatoes decreased by 6%, 21%, 21% and 23% respectively due to increased supplies on markets.

During the period under review, quantities of most vegetables traded through FPM decreased significantly with the quantities of cucumber, lettuce, spinach, cabbage, green beans and sweet potatoes decreasing by 78%, 9%, 14%, 11%, 25% and 41% respectively (Table B.5). On the other hand, the quantities of beetroot, carrots, onions, potatoes and tomatoes increased by 10%, 17%, 14%, 13% and 12% respectively. The decline in the volumes of cucumber, lettuce, spinach, cabbage, green beans and sweet potatoes supplied to FPM's can be attributed to an increase in direct sales to wholesalers, retailers, processors and informal markets as well as a decrease in production of some of these vegetables.

2.8.3 Meat Industry Review

According to the BFAP report, domestic meat markets are characterized by exceptional volatility with the price margins between the various types of meat changing continuously as the impact of key exogenous drivers differ from one industry to the next. Although cross substitution relationships do exist, the fundamental equilibrium pricing conditions differ between the various industries thus implying that over the short run, the margins between various types of meat fluctuated as exogenous drivers shifted. The outbreak of the recent foot and mouth disease also played an important role in influencing the behaviour of role players in the market.

Between the third quarter of 2010 and the third quarter of 2011, the demand for beef grew and is projected to grow at a constant pace over the long run, matching the growth that was recorded over the past decade. Prices are currently in the upswing which is anticipated to last until 2012, after which prices are expected to trade sideways for a period of time (BFAP, 2011). Typical cycles are expected to recur as restocking of herd numbers take place on the back of significant increases in prices as in the current 2011 season, which will be followed by periods of slower growth in prices due to increased supply.

Between the third quarter of 2010 and the third quarter of 2011, the gross production value of beef increased by 18% from R 3,2 billion to R 4,3 billion. During the same period, the average price of beef trended higher, increasing by 23% from R 22,48/kg to R 27,72/kg. The number of cattle slaughtered decreased by 5% between the third quarter of 2010 and the third quarter of 2011 from 625 357 to 594 323 (Table B.6).

The poultry industry came under pressure in 2011 as feed costs and the level of import parity prices played an important role in the formation of prices. The appreciation of the rand outweighed the increase in international chicken prices, making imported chicken more attractive. According to the BFAP, lower prices boosted consumption while production increased during the same time. This resulted in more chicken meat being imported, putting local poultry producers under immense pressure. The profitability of local poultry producers plummeted in 2011 with higher feed cost and stagnant producer prices of chicken.

As a result, between the third quarter of 2010 and the third quarter of 2011, the gross production value of poultry trended lower, by less than 1% to R5, 9 billion. During the same period, the average price of poultry per ton decreased by 1% from R 15 973/ton to R 15 847/ton. Commercial production of poultry increased by 1% from

352 545 metric tons to 354 808 metric tons between the third quarter of 2010 and the third quarter of 2011 (Table B.7).

2.8.4 Eggs and dairy Industry Review

2.8.4.1 Eggs

The egg market is characterized by exceptional volatility as the price margins are continuously impacted by key exogenous drivers. According to BFAP, the producer price of eggs has on average increased at a faster rate than feed costs (maize) and this trend is projected to continue over the coming decade despite the high level of volatility that has been occurring over the past decade. This positive output: input price ratio supports the expansion of the local industry in order to match the increase in per capita consumption.

Between the third quarter of 2010 and the third quarter of 2011, the gross production value of eggs increased by 12% from R 1,6 billion to R 1,8 billion. During the same period, the average price per dozen of eggs increased by 3% from R 8,80/ dozen to R 9,07/dozen. Total production of eggs between the third quarter 2010 and the third quarter of 2011 increased by 9% from 186,3 million dozens to 202,5 million dozens.

2.8.4.2 Milk

International dairy markets have been exceptionally volatile with excessive price

swings from one season to the next as shifts in key exogenous drivers influenced the equilibrium pricing conditions of world markets. According to BFAP, the collapse in 2009 is in the process of being repeated as world prices seem to be backing down from levels that were reached in 2010 and in the beginning of 2011.

Locally, a tight balance has existed between production and utilization of fluid milk and this trend has been continuing for many years in South Africa. The recent decrease in milk prices is putting pressure on local milk producers causing production to slow down and thus the price cycle being repeated (BFAP, 2011). During September 2011, the Milk Producer's Organization (MPO) reported of the weakening value of the Rand which has resulted in higher dairy import parity. This comes as good news to local milk producers who are hard hit by sharp increases in input prices and have, in addition, suffered from price reductions since last year. According to the MPO, if this trend continues, it will put pressure on local prices of milk and might further open markets for SA dairy exports. Between the third quarter of 2010 and the third quarter of 2011, the gross production value of milk decreased slightly, by less than 1%. The gross production value remained at R 3,5 billion. During the same period, the average price per litre of milk increased by 1% from R 2,91/l to R2,93/l. Total production of milk

between the third quarter 2010 and the third quarter of 2011 decreased by 1% from 812,1 million litres to 803,2 million litres.

3. OUTLOOK OF THE AGRICULTURAL ECONOMY

3.1 Production

The third quarter of 2011 received normal rainfall in most coastal areas and adjacent interiors, while in the remaining parts of the country the rain was below normal. The seasonal forecast from South African Weather Service expects below normal rainfall for the remainder of the first half of summer becoming above normal in the latter half of summer. It is anticipated that maximum temperatures will be below normal for the entire period.

The expected area planted to maize for 2012 is estimated to be 9,7% hectares (ha) more than the area planted last season, with higher prices and strong export demand being some of the reasons that encouraged a diversification to maize production.

The figures show that producers intend to plant 1,564 million ha to white maize, which is 145 900 ha (10,3%) more than in the previous season. In the case of yellow maize, the expected planting is 1,038 million ha, which is 84 000 ha (8,8%) more than in

the previous season, although the estimates might change as fundamentals change.

In the case of sunflower seed, the expected area planted is estimated to be 13,6 % ha less than the area planted last season. The intended plantings of soya-beans show an increase of 10 % in ha compared to the previous season.

The expected plantings of groundnuts increased by 5,2% compared to the previous season.

The intended plantings of sorghum and dry beans are expected to decrease by 31,8% and 16,5% respectively, as compared to the previous season.

The expected production of wheat is 3,2% less than the previous forecast of 1,903 million, with most of the wheat expected to be harvested between November and December 2011. The decrease in the expected production of wheat may be attributed to declining prices and unfavourable weather conditions in some provinces during September/October 2011 months. The area estimate for wheat remained unchanged at 604 700 ha.

The production forecast for malting barley is 6,1% or 14 400 tons more than the previous forecast of 237 560 tons. The expected canola crop remained unchanged at 57 340 tons.

3.2 Employment

The quarterly labour force survey indicates that the unemployment rate stood at 25% in the third quarter of 2011. Unemployment declined by 2,1% quarter-on-quarter, whereas year-on-year it has increased by 1%. Employment rose by 193 000 in the third quarter of 2011 compared to the second quarter of 2011 while year-on-year employment has increased by 2,2%. Employment in the agricultural sector increased by 4,3% in the third quarter of 2011 compared to the second quarter of 2011 while year-on-year employment has declined by 2,5%. Employment of skilled agricultural workers declined by 14,1% while year-on-year it has declined by 19,7%.

Currently, growth in advanced economies has been revised downwards; and advanced economies are expected to grow by an average of 1,6% this year (IMF 2011) while exports are expected to be softer than initially expected (BER & IMF (2011)). Locally the growth forecast has been revised downwards to 3,1% from 3,8% in July (BER.2011). Employment in the agricultural sector is likely to be affected by the global economic slowdown sparked by uncertainty in the Euro area; as a result luxury food items are usually the first to be affected.

3.3 Inflation

The Food and Agricultural Organization (FAO)'s international food price index for the three months ending in October 2011 has increased by 15,5% compared to the same months last year although it has declined compared to the three months ending in July 2011. The international food price indices for meat, dairy, cereals and oil price has increased by 14,3%; 7,6%; 18,8% and 15,5% respectively, in the three months ending in October 2011 compared to the same period in 2010. Compared to the three months ending in July 2011 the indices have declined respectively by 0,2%; 7,5%; 5% and 8,2%. FAO estimates food prices to increase by 24,4% in 2011 compared to 2010 as depicted in figure 9.

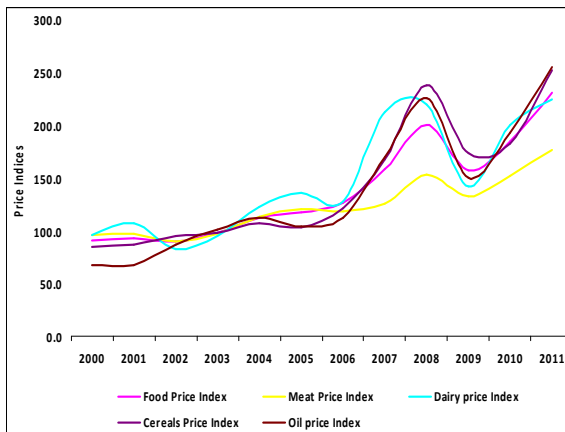


Figure 9: International Food Price indices

Source: FAO

The meat, dairy, cereals and oil price indices are expected to rise by 15,6%; 11,9%; 37,8% and 32%, respectively, in 2011 compared to 2010.

Locally, the headline CPI annual inflation rate in October 2011 was 6%. This rate was 0,3 of a percentage point higher than the corresponding annual rate of 5,7% in September 2011. On average, prices increased by 0,5% between September 2011 and October 2011.

The food and non-alcoholic beverages index increased by 2,1% between September 2011 and October 2011. The annual rate increased to 10,6% in October 2011 from 8,5% in September 2011. The following components in the food and non-alcoholic beverages index increased: vegetables (7,5%), meat (2,7%), bread and cereals (1,4%), sugar, sweets and desserts (1,3%), oils and fats (1,1%), other food (0,9%), cold beverages (0,9%), hot beverages (0,5%), fish (0,4%) and milk, eggs and cheese (0,1%). Fruit on the other hand decreased by 0,6% (Statssa, 2011).

The annual percentage change in the producer price index (PPI) increased by 10,6% in October 2011. The PPI for agriculture increased from 10,7% in September 2011 to 12,9% in October 2011.

Bread and cereals index increased by 1,4% in October 2011 from 0,9% in September 2011 and though the price of wheat is declining, upward pressures are still emanating from the rise in the price of maize. The bread and cereals index has

been high since the beginning of the year, declining for the first time in August 2011 before rising again in September and October 2011.

The spot prices for white and yellow maize have increased sharply in the three months ending in October 2011 compared to the same period last year, increasing by 75,4% and 62,5% respectively in 2011. Compared to the three months ending in July, the prices have increased by 24,6% and 22,5% respectively. The rising maize prices have been fuelled by higher international prices, lower production in 2011 and strong export demand (FAO, 2011).

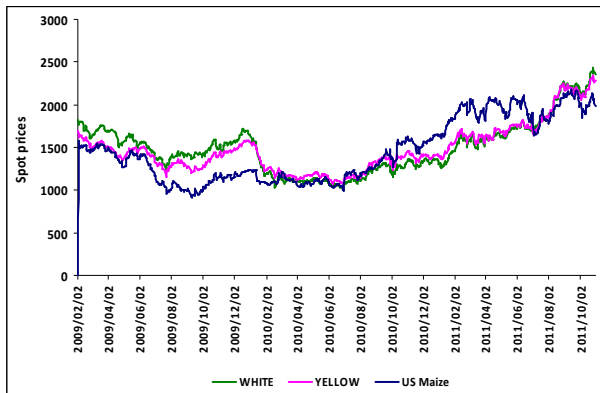


Figure 10: Maize Prices

Source: Safex

The US maize price is currently trading below the domestic maize price due to, inter-alia, dollar appreciation against the Rand. The US maize price, however, is 47,8% higher for the three months ending in October 2011 compared to the same period last year.

The domestic wheat price has increased by 12% in the three months ending in October 2011 compared to the same period in 2010. Compared to the previous three months ending in July 2011, the price has declined by 1,2%. “The tendency for wheat export prices to slide intensified, as large supplies from the Black Sea put downward pressure on prices from other origins” (FAO, 2011).

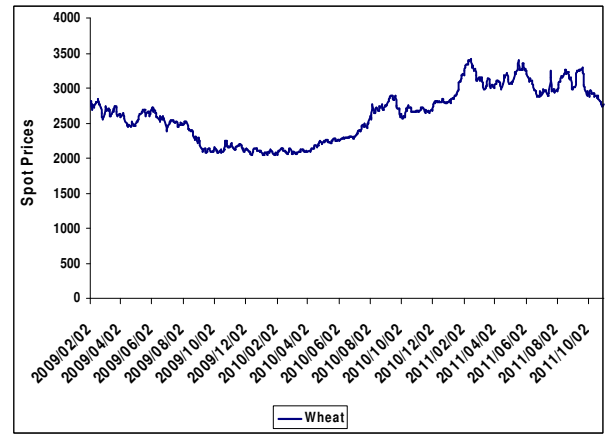


Figure 11: Wheat Price

Source: Safex

All fundamentals point to a rise in the bread and cereals index contribution to an increase in the food and beverages index in the month of November 2011.

Oils and fats prices increased by 1,1% in the food and alcoholic index in October 2011. The spot price for sunflower has declined by 2,7% in the three months ending in October 2011 compared to the same period last year, however, compared to three months ending in July 2011 the price has risen by 0,5%. The spot price of soybeans has increased by 9,4% in the three months ending in October 2011

compared to the same period last year. Compared to the three months ending in July 2011 both sunflower and soybeans have risen by 2,7% and 5,3% respectively. There is currently ample carry over stocks from 2010/11; however, the FAO stated that “with steady expansion in demand for oilseed products, a tightening in the world supply and demand balance is foreseeable. The anticipated tightening in global supply and demand seems to call for a gradual strengthening in prices of both oilmeals products. As the season unfolds, the market will face a drawdown in global inventories as well as a reduction in overall stock-to-use ratios, the reverse of the past two seasons” FAO (2011).

The oil price index’s contribution to the food and beverages index of the CPI is likely to be higher again in November 2011 compared to October 2011.

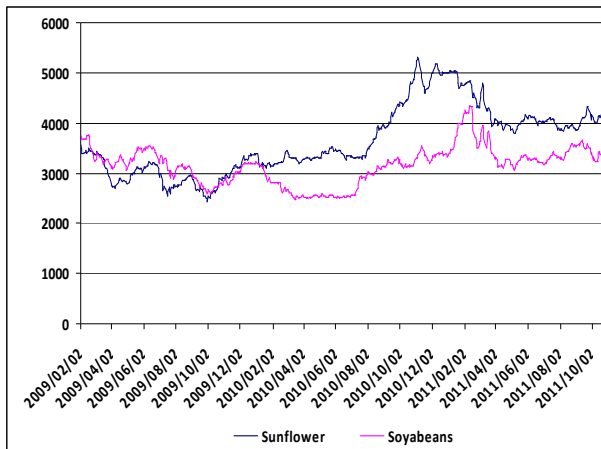


Figure 12: Oil seeds prices

Source: Safex

alcoholic beverages index’s contribution to the CPI by 7,5% in October 2011. Figure 13 gives an indication of the price movements of major vegetable prices. The vegetable price index has increased since August 2011 and currently the prices of major vegetables have increased in the month of October compared to September 2011 except for the price of onions. The prices of cabbage, carrots, potatoes and tomatoes increased by 0,9%; 11,9%; 11,5% and 22,3% respectively in October compared to September 2011.

During the three months ending in October 2011, the prices of carrots and onions decreased by 11,8% and 15,8% respectively compared to the same period in 2010. In the three months ending in October 2011 compared to the three months ending in July 2011 the prices have declined by 6,5%; and 34,4% respectively.

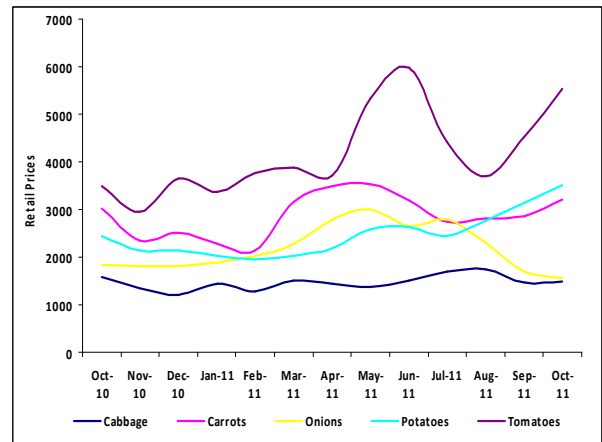


Figure 13: Major Vegetables Prices

Source: DAFF

Vegetable prices increased in the food and

The prices of cabbages, potatoes and

tomatoes have risen by 8,2%; 2,9% and 4,2% respectively, in the three months ending in October 2011 compared to the same period in 2010. Compared to the previous three months ending in July 2011, the prices of cabbages and potatoes have risen by 2,3% and 23,2% respectively; while the price of tomatoes decreased by 12,4%.

The price of tomatoes displayed an upward trend between the period October 2010 and October 2011, whilst other major vegetable prices are displaying a slightly upward to stable trend.

Meat contributed a price increase of 2,7% in October 2011 in the meat and alcoholic beverages index. The graph indicates that the producer price of slaughtered stock has been high since the beginning of the year. High feed prices, adverse weather, disease outbreaks and livestock herd rebuilding have kept meat prices at record highs in 2011 (FAO, 2011).

Locally, in July 2011 livestock mortalities were reported in a few provinces due to very cold conditions. Currently veld and livestock conditions are reasonable to good, although veld fires were reported in all provinces except the Western Cape.

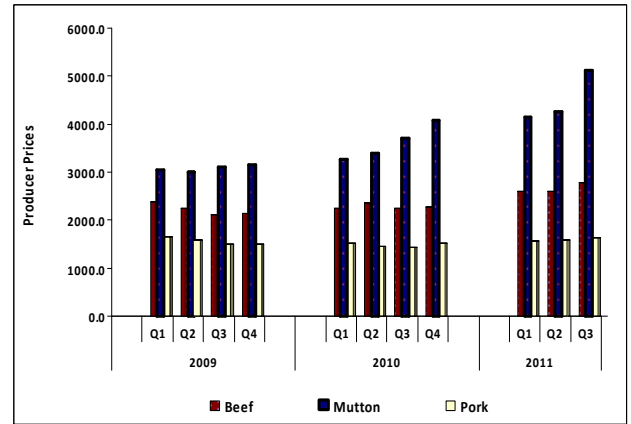


Figure 14: Slaughtered meat PPI prices

Source: DAFF

The producer prices of beef, mutton and pork increased by 23,3%; 38,3% and 14,1% respectively, in the third quarter of 2011 compared to the same period in 2010. Quarter to quarter changes show that the prices have risen by 96,8%; 20,2% and 2,9% respectively.

Internationally, meat prices have strengthened due to robust import demand, particularly from Asian markets and the Russian Federation, which has pushed world meat trade up by 3,6% (FAO,2011).

Figure 15 shows that the producer prices for poultry products are stable. The price of broilers declined by 0,8% in the third quarter of 2011 compared to the same period last year, while on a quarter to quarter basis, the price has declined by 6,9%. The price of eggs increased by 3% in the third quarter of 2011 compared to the same period last year, while on a quarter to quarter basis it has increased by 1,6%.

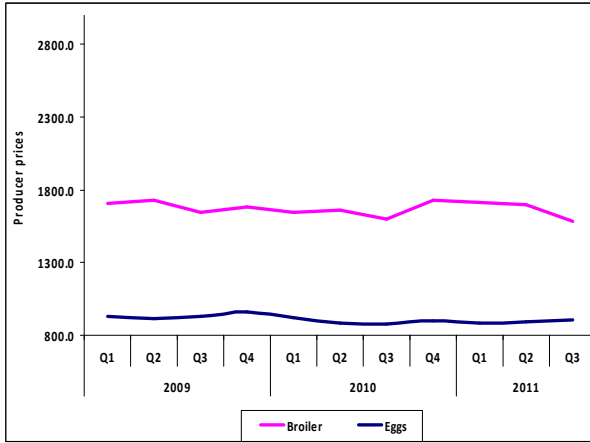


Figure 15: Poultry PPI prices

Source: DAFF

The price of pastoral products depicted an upward trend (Figure 16), with wool prices displaying a sharper upward trend. Wool prices have increased by 63,3% in the third quarter of 2011 compared to the same period in 2010. On a quarter to quarter basis the price has increased by 3,9%. Wool prices seem to have benefited from the weaker Rand in the third quarter of 2011 compared to the same period in 2010, although the price is starting to feel the effect of the global slowdown, (Cape Wool, 2011).

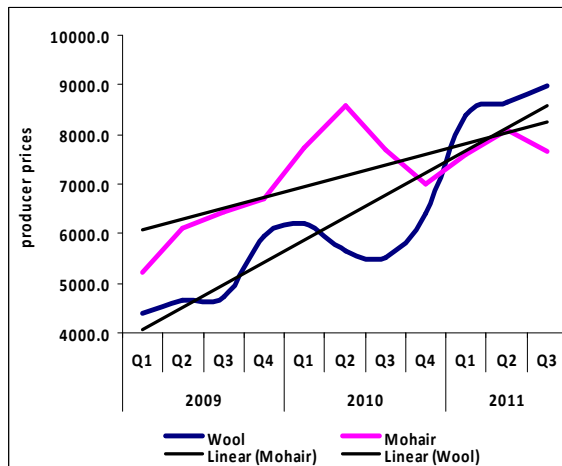


Figure 16: Pastoral Products PPI prices

Source: DAFF

As depicted in figure 17, dairy prices have displayed a downward trend between the first quarter of 2009 and the third quarter of 2011. Dairy prices for the third quarter of 2011 are 2,3% higher compared to the same period last year. Compared to the second quarter of 2011, the prices have increased by 1,4%.

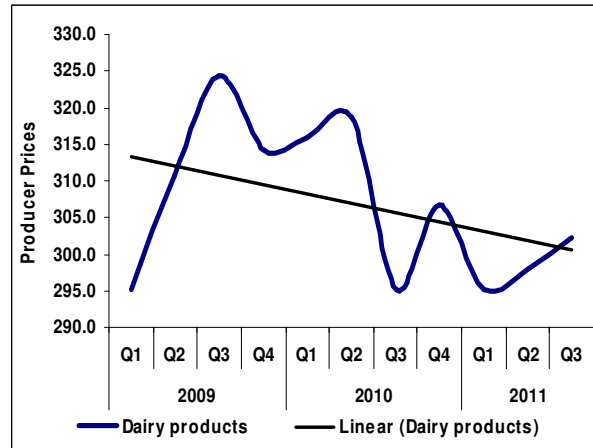


Figure 17: Dairy PPI Prices

Source: DAFF

3.4 Exchange rate

The Rand is expected to track global fundamentals such as the uncertainty in the Euro area. Consensus forecasts are of the Rand depreciating in the fourth quarter of 2011. Table 1 below presents forecasts from several institutions.

Quarter 2 2011		Quarter 3 2011	Quarter 4 2011
6.78	BER	7.03	8.05
	STD Bank	7.80	8.20
	Absa	10.43	10.56
	Average	8.42	8.94

Table 1: Forecast of the exchange rate

Source: BER, STD Bank and ABSA

The Rand averaged R7,86 to the Dollar in the three months ending in October 2011 compared to an average of R6,83 to the Dollar in the same period in 2010. The global economic slowdown is expected to have a negative impact on SA agricultural trade even with a weaker Rand.

The Baltic Dry Freight is an index reflecting changes in the value of the overseas shipments of basic commodities: metal, iron ore, coal and grain. The Baltic freight index is considered as the main indicator of future economic growth if the index increases and if it falls it may indicate recession (Blackseagrain, 2011).

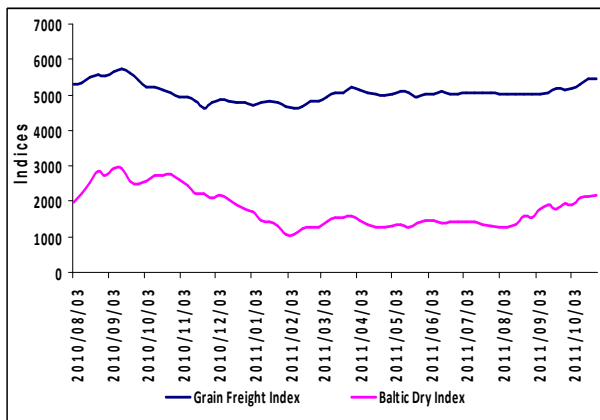


Figure 18: Baltic and Grain Freight Index

Source: Sagis

The Baltic dry index has increased by 12,2% in October 2011 compared to September 2011. The grain freight index increased by 4,7% during the same period

4. CONCLUSION

The IMF has warned of a gloomy outlook for the global economy if Europe’s debt crisis is not addressed, highlighting fears that the global economy could be facing a repeat of the great depression of 1930s if the issues are not dealt with decisively. Food prices are expected to remain high; however, an increase in global grain production forecast for 2011/2012 might put further pressure on world grain prices which have been falling for several months before hitting an eleven month low in October 2011.

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Appendix A: Agricultural economic variables

Table A.1: Intermediate expenditure on goods and services by agriculture

Expenditure on intermediate goods and services (R million)														
	Farm services	Building and fencing material	Fuel	Dips and sprays	Electricity	Maintenance and repair of machinery and implements	Fertilizers	Packing material	Seeds and plants	Farm feeds	Insurance	Water tax	Other	Total
3 rd Qtr 2009	2 001	780	3 499	1 111	300	2 014	1 411	1 090	1 623	3 969	289	163	39	18 298
3 rd Qtr 2010	2 392	877	2 690	1 356	333	2 346	1 470	1 270	1 915	4 293	324	188	40	19 492
3 rd Qtr 2011	2 751	973	2 984	1 654	370	2 745	1 533	1 479	2 260	4 643	362	216	42	22 559
3 rd Qtr 2009 to 3 rd Qtr 2010	19.5%	12.4%	-23.1%	22.1%	11%	16.5%	4.2%	16.5%	18.0%	8.2 %	12.1%	15.3%	2.6%	6.5%
3 rd Qtr 2010 to 3 rd Qtr 2011	15.0%	10.9%	10.9%	22.0%	11.1%	17.0%	4.3%	16.5%	18.0%	8.2%	11.7%	15.0%	5%	15.7%

Source: DAFF

Table A.2: Nominal gross income from agricultural products between 2009 and 2011

Year	2009				2010				2011	3 rd Qtr 2009 to 3 rd Qtr 2010	3 rd Qtr 2010 to 3 rd Qtr 2011
	Quarter	3rd	4th	1st	2nd	3rd	4th	1st	2nd		
Real gross income from agricultural products (R billion)											
Field crops	11 881,08	5297,98	1740,33	12 328,74	9067,80	4528,19	1755,34	12 252,40	13 566,64	-23,7%	49,6%
Horticulture	8548,25	7155,84	8317,03	11 140,54	9297,62	6643,26	8299,79	11 152,73	9 939,22	8,8%	6,9%
Animal products	15 469,97	16 940, 41	16 603,17	16 270,18	16 112,50	17 766,45	17 285,31	17 067,70	17 156,18	4,2%	6,5%
Total	35 899,30	29 394,24	26 660,54	39 739,46	34 477,92	28 937,93	27 340,43	40 472,83	40 662,04	-3,9%	17,9%

Source: DAFF

Table A.3: Private consumption expenditure on food between 2009 and 2011

	Private consumption expenditure on food (R million)									
	Meat	Bread and grain	Sugar	Milk, milk products and eggs	Oils and fats	Potatoes	Fruit and veg.	Coffee, tea	Other	Total food
3 rd Qtr 2009	26 646	24 294	1 292	9 557	1 944	2 809	8 805	2 546	7 535	85 428
4 th Qtr 2009	27 679	23 559	1 368	10 610	1 847	3 422	9 516	2 636	7 800	88 437
1 st Qtr 2010	28 708	22 332	1 208	9 404	1 678	3 096	8 584	2 535	7 501	85 044
2 nd Qtr 2010	28 361	22 187	1 348	9 015	1 779	3 186	8 996	2 530	7 487	84 891
3 rd Qtr 2010	28 736	24 353	1 376	10 028	1 904	3 180	10 075	2 691	7 965	90 310
4 th Qtr 2010	31 568	23 951	1 546	10 536	1 907	3 769	9 677	2 803	8 295	94 053
1 st Qtr 2011	30 237	22 770	1 057	9 382	1 893	3 002	9 187	2 620	7 753	87 900
2 nd Qtr 2011	31 306	24 595	1 665	9 041	2 237	3 520	9 329	2 760	8 169	92 624
3 rd Qtr 2011	30 354	27 162	1 668	10 430	2 418	3 456	10 113	2 892	8 560	97 054
3 rd Qtr 2010 to 3 rd Qtr 2011	5,6%	11,5%	21,2%	4,0%	27,0%	8,7%	0,4%	7,5%	7,5%	7,5%

Source: DAFF

Table A.4: Export values of agricultural products by destination between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Export values by destination (R millions)				Export value as % of total export value		Cumulative %	
Total	14 784	12 712	14 348	15 194	-	-	-	-
Netherlands	1 437	1 001	1 403	1 306	10%	9%	10%	9%
Zimbabwe	1 047	784	877	1 088	6%	7%	16%	16%
United Kingdom	1 385	1 225	1 218	1 076	8%	7%	24%	23%
Mozambique	681	612	707	676	5%	4%	29%	27%
United States	594	571	608	621	4%	4%	34%	31%
Japan	510	462	521	620	4%	4%	37%	35%
Angola	514	331	333	576	2%	4%	39%	39%
Mexico	239	258	371	546	3%	4%	42%	43%
Hong Kong	262	282	408	526	3%	3%	45%	46%
Korea South	2	2	4	472	0%	3%	45%	49%

Source: South African Revenue Services

Table A.5: Export values of agricultural products by product between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Export values by product (R millions)				Export value as % of total export value		Cumulative %	
Total	14 784	12 712	14 348	15 194	-	-	-	-
Oranges (Fresh)	2 621	2 415	3 257	2 883	23%	19%	23%	19%
Corn (Maize), other than seed corn	1 564	536	603	1 840	4%	12%	27%	31%
Wine, Fr Grape Nesoi & Gr Must With Alc, Nesoi	1 237	1 129	1 030	913	7%	6%	34%	37%
Apples (Fresh)	723	651	560	600	4%	4%	38%	41%
Lemons and Limes, fresh or dried	255	293	329	566	2%	4%	40%	45%
Wine, Fr Grape Nesoi & Gr Must W Alc, Nov 2 Liters	428	388	447	424	3%	3%	43%	48%
Cane Sugar, Raw, Solid Form, W/O Added Flav/Color	451	805	334	404	2%	3%	46%	50%
Macadamia Nuts, Fresh Or Dried	122	137	241	390	2%	3%	47%	53%
Cane/Beet Sug Chem Pure Sucrose Refind Nesoi	162	270	366	318	3%	2%	50%	55%
Food Preparations Nesoi	189	172	218	294	2%	2%	51%	57%

Source: South African Revenue Services

Table A.6: Import values of agricultural products by exporting country between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Import values by exporting country (R millions)				Import value as % of import value		Cumulative %	
Total	10 686	9 202	9 457	11 590	-	-	-	-
Brazil	1 075	875	574	1 061	6%	9%	6%	9%
United States	1 153	393	528	1 005	6%	9%	12%	18%
Argentina	1 657	1 386	1 075	859	11%	7%	23%	25%
United Kingdom	581	580	663	830	7%	7%	30%	32%
Thailand	994	842	880	697	9%	6%	39%	38%
Germany	438	698	572	619	6%	5%	45%	44%
Malaysia	696	311	602	585	6%	5%	52%	49%
Australia	206	196	289	579	3%	5%	55%	54%
Netherlands	353	485	245	533	3%	5%	57%	58%
China	392	491	654	516	7%	4%	64%	63%

Source: South African Revenue Services

Table A.7: Import values of agricultural products by product between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Import values by product (R millions)				Import value as % of import value		Cumulative %	
Total	10 686	9 202	9 457	11 590	-	-	-	-
Wheat (Other Than Durum Wheat), And Meslin	1 393	716	421	1 127	4%	10%	4%	10%
Rice, Semi- Or Wholly Milled, Polished Etc Or Not	902	820	718	830	8%	7%	12%	17%
Palm Oil, Refined But Not Chemically Modified	646	410	607	796	6%	7%	18%	24%
Whiskies	524	541	603	772	6%	7%	25%	30%
Soybean Oil, Refined, And Fractions, Not Modified	430	139	196	654	2%	6%	27%	36%
Chicken Cuts And Edible Offal (Inc Livers), Frozen	271	260	219	475	2%	4%	29%	40%
Tobacco, Partly Or Wholly Stemmed/Stripped	176	325	268	377	3%	3%	32%	43%
Soybean Oilcake & Oth Solid Residue, Wh/Not Ground	670	727	702	341	7%	3%	39%	46%
Cotton, Not Carded or Combed	85	112	165	317	2%	3%	41%	49%
Food Preparations Nesoi	307	230	242	288	3%	2%	44%	52%

Source: South African Revenue Services

Table A.8: Export values of fish and seafood by destination between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Export values by destination (R millions)				Export value as % of total export value		Cumulative %	
Total	623	500	532	556	-	-	-	-
Spain	180	126	98	97	18%	17%	18%	17%
Italy	114	89	75	72	14%	13%	33%	30%
Hong Kong	50	44	59	51	11%	9%	44%	40%
Portugal	38	16	32	41	6%	7%	50%	47%
United States	46	29	40	39	8%	7%	57%	54%
Australia	8	14	8	32	2%	6%	59%	60%
China	7	16	17	30	3%	5%	62%	65%
Germany	2	13	16	28	3%	5%	65%	70%
Cameroon	4	15	19	24	4%	4%	68%	74%
Mauritius	11	19	18	16	3%	3%	72%	77%

Source: South African Revenue Services

Table A.9: Export values of fish and seafood by product between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Export values by product (R millions)				Export value as % of total export value		Cumulative %	
Total	623	500	532	556	-	-	-	-
Fish, Nesoi, With Bones, Frozen	70	60	62	91	12%	16%	12%	16%
Whiting & Hake, Except Fillets, Liver, Roe, Frozen	74	36	50	74	9%	13%	21%	30%
Cuttle Fish & Squid, Froz, Dri, Salted Or In Brine	132	109	85	60	16%	11%	37%	40%
Fish, Nesoi, With Bones, Fresh Or Chilled	83	71	51	45	10%	8%	47%	49%
Fish, Prepared Or Preserved, Whole Or Pieces Nesoi	4	1	36	44	7%	8%	53%	56%

Source: South African Revenue Services

Table A.10: Import values of fish and seafood by exporting country between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Import values by exporting country (R millions)				Import value as % of import value		Cumulative %	
Total	255	344	333	347	-	-	-	-
Thailand	103	198	210	168	63%	48%	63%	48%
China	22	29	33	40	10%	12%	73%	60%
United States	7	6	5	22	2%	6%	74%	66%
Norway	11	12	15	18	5%	5%	79%	71%
India	0.9	9	4	13	1%	4%	80%	75%
Spain	12	6	8	12	2%	3%	83%	79%
New Zealand	17	13	13	11	4%	3%	86%	82%
Peru	24	12	3	7	1%	2%	87%	84%
Taiwan	2	4	4	7	1%	2%	89%	86%
Falkland Islands	7	7	3	6	1%	2%	89%	88%

Source: South African Revenue Services

Table A.11: Import values of fish and seafood by product between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Import values by product (R millions)				Import value as % of import value		Cumulative %	
World	255	344	333	347	-	-	-	-
Sardines/Sardinella/Brisling Prep/Pres, Not Minced	56	139	128	119	38%	34%	38%	34%
Tunas/Skipjack/Bonito Prep/Pres Not Minced	57	65	100	63	30%	18%	68%	52%
Cuttle Fish & Squid, Froz, Dri, Salted Or In Brine	31	23	21	42	6%	12%	75%	65%
Whiting & Hake, Except Fillets, Liver, Roe, Frozen	1	4	4	19	1%	5%	76%	70%
Shrimps And Prawns, Prepared Or Preserved	4	10	6	17	2%	5%	78%	75%

Source: South African Revenue Services

Table A.12: Export values of forestry products by destination between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Export values by destination (R millions)				Export value as % of total export value		Cumulative %	
Total	2 518	1 943	2 587	2 865	-	-	-	-
Indonesia	463	370	591	530	23%	18%	23%	18%
China	251	148	140	426	5%	15%	28%	33%
India	98	47	118	197	5%	7%	33%	40%
United Kingdom	177	132	165	188	6%	7%	39%	47%
Thailand	80	120	154	148	6%	5%	45%	52%
Zimbabwe	77	98	179	142	7%	5%	52%	57%
Netherlands	15	42	47	101	2%	4%	54%	60%
Korea South	113	81	128	88	5%	3%	59%	64%
Mozambique	58	97	77	87	3%	3%	62%	67%
Zambia	61	55	63	86	2%	3%	64%	70%

Source: South African Revenue Services

Table A.13: Export values of forestry by product between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Export values by product (R millions)				Export value as % of total export value		Cumulative %	
World	2 518	1 943	2 587	2 865	-	-	-	-
Chemical Woodpulp, Dissolving Grades	929	795	1 196	1 341	46%	47%	46%	47%
Chem Woodpulp, Soda Etc, N Dis S Bl & Bl Nonconif	127	122	331	383	13%	13%	59%	60%
Kraftliner, Uncoated, Bleached, In Rolls Or Sheets	412	246	363	367	14%	13%	73%	73%
Newsprint, In Rolls Or Sheets	73	60	65	91	3%	3%	76%	76%
Cartons, Boxes & Cases Corrugated Paper & Paperbd	76	49	78	69	3%	2%	79%	79%

Source: South African Revenue Services

Table A.14: Import values of forestry products by exporting country between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Import values by exporting country (R millions)				Import value as % of import value		Cumulative %	
Total	1 975	1 501	1 715	1 784	-	-	-	-
China	207	182	268	286	16%	16%	16%	16%
United Kingdom	247	224	237	242	14%	14%	29%	29%
United States	205	171	197	224	11%	13%	41%	42%
Germany	214	145	148	143	9%	8%	50%	50%
Sweden	88	57	83	77	5%	4%	54%	54%
Indonesia	58	42	64	62	4%	3%	58%	58%
Hungary	53	45	26	61	2%	3%	60%	61%
Finland	84	54	65	47	4%	3%	63%	64%
Argentina	8	38	17	47	1%	3%	64%	66%
Italy	53	38	45	47	3%	3%	67%	69%

Source: South African Revenue Services

Table A.15: Import values of forestry by product between 2008 and 2011

	3 rd Qtr 2008	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2010	3 rd Qtr 2011
	Import values by product (R millions)				Import value as % of import value		Cumulative %	
Total	1 975	1 501	1 715	1 784	-	-	-	-
Printed Books, Brochures, Etc., Nesoi	354	292	232	333	14%	19%	14%	19%
Sanitary Napkins, Diapers & Sanit Art Of Paper Etc	405	215	165	248	10%	14%	23%	33%
Chemical Woodpulp, Soda Etc. N Dis S Bl & Bl Conif	34	69	47	114	3%	6%	26%	39%
Ppr/Pbrd Ex Lit-Wgh Writng Etc Clay Ctd Ov 10% Mec	135	66	129	95	8%	5%	33%	44%
Paper, Paperbd, Cellulose Wadd Etc, Coat Etc Nesoi	60	48	63	86	4%	5%	37%	49%

Source: South African Revenue Services

Appendix B: Review of agricultural markets
Table B.1: Proxies of grain supply and consumption and grain prices

	July 2010	Aug 2010	Sep 2010	3 rd Qtr 2010	July 2011	Aug 2011	Sep 2011	3 rd Qtr 2011	3 rd Qtr 2010 to 3 rd Qtr 2011% change
	Volumes (1000 tons)								
White maize opening stock*	3 654	5 935	6 235	5 275	1 587	3 342	4 189	3 039	-42%
Yellow maize opening stock*	2 531	3 451	3 344	3 109	1 723	2 501	2 482	2 235	-28%
Total maize opening stock*	6 185	9 386	9 579	8 383	3 310	5 843	6 671	5 275	-37%
White maize processed for local consumption	469	462	493	1 424	454	476	464	1 394	-2%
Yellow maize processed for local consumption	278	280	274	832	302	301	307	910	9%
Total maize processed for local consumption	747	742	767	2 256	756	777	771	2 304	2%
Total white maize exports	57	63	61	181	139	154	108	401	122%
Total yellow maize exports	112	126	135	373	190	268	121	579	55%
Total maize exports	169	189	196	554	329	422	229	980	77%
Wheat opening stock: human market*	1128	934	817	960	874	757	593	741	-23%
Wheat opening stock: feed market*	9	8	7	8	10	10	10	10	25%
Wheat opening stock*	1137	942	824	968	884	767	603	751	-22%
Wheat consumption: human consumption	265	266	281	812	248	265	264	777	-4%
Wheat consumption: animal feed	0	0	0	0	0	0	0	0	-
Total wheat consumption	267	266	281	814	248	265	264	777	-5%
Wheat imports (for human consumption only)	90	158	52	300	146	97	158	401	34%
Wheat exports	19	16	24	59	14	13	14	41	-31%
Average opening sunflower stock*	332	284	222	279	599	614	547	587	110%
Sunflower seed imports	0.5	2.8	2.3	5.6	0.4	1.4	2.6	4	-21%
Total processed sunflower for consumption	72	68	65	205	62	78	82	222	8%
Average soya bean opening stock*	358	293	224	292	501	473	433	469	61%
Soya bean consumption	42	40	37	119	41	44	36	121	2%
	Market prices (R/ton)								3rd Qtr 2011% change
White maize	1 104	1 185	1 277	1 189	1 798	2 067	2 211	2 025	70%
Yellow maize	1 150	1 248	1 357	1 252	1 784	2 077	2 175	2 012	61%
Wheat	2 417	2 695	2 791	2 634	2 975	3 133	3 116	3 075	17%
Sunflower	3 324	3 747	4 118	3 730	4 020	3 906	4 086	4 004	7%
Soya bean	2 776	3 053	3 218	3 016	3 304	3 433	3 536	3 424	14%

* Quarterly figures are reported in averages and where there is no asterik, quarterly figures are reported in totals

Source: Sagis

Table B.2: Prices of selected fruits traded at the FPM

	Average prices at FPM (R/ton)			Percentage changes	
	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2009 to 3 rd Qtr 2010	3 rd Qtr 2010 to 3 rd Qtr 2011
Apples	3 780	4 275	4 797	13%	12%
Avocados	6 303	5 604	7 594	-11%	36%
Bananas	3 412	3 553	4 178	4%	18%
Oranges	1 307	1 423	1 571	9%	10%
Pears	3 986	4 199	4 540	5%	8%
Mangoes	4 265	7 845	8 012	84%	2%
Grapes	15 473	15 372	13 381	-1%	-13%

Source: DAFF

Table B.3: Quantities of selected fruits traded at the FPM

	Total quantities sold at FPM (1000 tons)			Percentage changes	
	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2009 to 3 rd Qtr 2010	3 rd Qtr 2010 to 3 rd Qtr 2011
Apples	45 429	41 545	41 545	-9%	0%
Avocados	5 598	8 099	5 922	45%	-27%
Bananas	54 992	58 968	54 105	7%	-8%
Oranges	57 382	59 511	60 724	4%	2%
Pears	11 247	13 602	12 569	21%	-8%
Mangoes	34	34	42	-1%	25%
Grapes	432	585	728	35%	24%

Source: DAFF

Table B.4: Prices of selected vegetables traded at the FPM

	Average prices at FPM (R/ton)			Percentage changes	
	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2009 to 3 rd Qtr 2010	3 rd Qtr 2010 to 3 rd Qtr 2011
Beetroot	1 589	5 266	4 928	231%	-6%
Carrots	1 797	3 549	2 806	97%	-21%
Cucumber	6 041	5 044	6 442	-17%	28%
Lettuce	3 489	3 243	4 162	-7%	28%
Onions	3 363	2 877	2 264	-14%	-21%
Potatoes	2 783	2 590	2 783	-7%	7%
Spinach	2 808	3 413	4 460	22%	31%
Tomatoes	4 162	5 516	4 221	33%	-23%
Cabbage	1 343	1 405	1 640	5%	17%
Green beans	7 028	5 809	9 389	-17%	62%
Sweet potatoes	2 276	1 877	3 413	-18%	82%

Source: DAFF

Table B.5: Quantities of selected vegetables traded at the FPM

	Total quantities sold at FPM (1000 tons)			Percentage changes	
	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2009 to 3 rd Qtr 2010	3 rd Qtr 2010 to 3 rd Qtr 2011
Beetroot	9 507	6 153	6 793	-35%	10%
Carrots	26 686	21 045	24 578	-21%	17%
Cucumber	100	128	29	27%	-78%
Lettuce	6 050	6 011	5 459	-1%	-9%
Onions	76 523	82 205	94 060	7%	14%
Potatoes	203 731	221 507	249 426	9%	13%
Spinach	3 006	3 053	2 641	2%	-14%
Tomatoes	64 747	61 681	68 784	-5%	12%
Cabbage	30 634	33 574	29 790	10%	-11%
Green beans	3 228	3 978	2 988	23%	-25%
Sweet potatoes	7 307	10 741	6 344	47%	-41%

Source: DAFF

Table B.6: Beef

	Units	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2009 to 3 rd Qtr 2010	3 rd Qtr 2010 to 3 rd Qtr 2011
Gross value	R'000	3 161	3 621	4 286	15%	18%
Average price	R/kg	21,12	22,48	27,72	6%	23%
Total slaughtering	Heads	570 770	625 357	594 323	10%	-5%

*Heads refer to the number of cattle slaughtered

Source: DAFF

Table B.7: Poultry

	Units	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2009 to 3 rd Qtr 2010	3 rd Qtr 2010 to 3 rd Qtr 2011
Gross value	R'000	5 703	5 877	5 870	3%	0%
Average price	R/Mt	16 440	15 973	15 847	-3%	-1%
Commercial Production	Mt	331 795	352 545	354 808	6%	1%

Source: DAFF

Table B.8: Eggs

	Units	3 rd Qtr 2009	3 rd Qtr 2010	3 rd Qtr 2011	3 rd Qtr 2009 to 3 rd Qtr 2010	3 rd Qtr 2010 to 3 rd Qtr 2011
Gross value	R'000	1 708	1 639	1 836	-4%	12%
Average price	R/dozen	9,32	8,80	9,07	-6%	3%
Total Production	1000 dozen	183 242	186 247	202 538	2%	9%

Source: DAFF

Table B.9: Milk

	Units	3rd Qtr 2009	3rd Qtr 2010	3rd Qtr 2011	3rd Qtr 2009 to 3rd Qtr 2010	3rd Qtr 2010 to 3rd Qtr 2011
Gross value	R'000	2 430	2 366	2 357	-3%	0%
Average price received by farmers	R/litre	3.15	2.91	2.93	-7%	1%
Total Production	1000 liter	771 526	812 107	803 241	5%	-1%

Source: DAFF

Appendix C: Descriptions of forestry import and export products

Table C.1: Descriptions of forestry import and export products

<p><u>Export products descriptions</u></p> <p>Fuel In Log;Chips,etc.: Fuel wood, in logs, in billets, in twigs, in faggots or in similar forms; wood in chips or particles; sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms Fuel wood, wood in chips and sawdust and wood waste</p> <p>Wood Charcoal: Wood charcoal (including shell or nut charcoal), whether or not agglomerated</p> <p>Blders' Joinry+Carpntr: Builders and apos; joinery and carpentry of wood, including cellular wood panels, assembled parquet panels, shingles and shakes</p> <p>Fibrbrd Of Wd/Ot Lign: Fibreboard of wood or other ligneous materials, whether or not bonded with resins or other organic substances</p> <p>Rough,Not Sapwood: Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared</p>
<p><u>Import product descriptions</u></p> <p>Lumber > 6 mm thick: Wood sawn or chipped length-wise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness exceeding 6 mm</p> <p>Cask,Barr,Vat,etc.+Pts: Casks, barrels, vats, tubs and other coopers and apos; products and parts thereof, of wood, including staves</p> <p>Fibrbrd Of Wd/Ot Lign: Fibreboard of wood or other ligneous materials, whether or not bonded with resins or other organic substances</p> <p>Plywood,Veneer,etc.: Plywood, veneered panels and similar laminated wood</p> <p>Blders' Joinry+Carpntr: Builders and apos; joinery and carpentry of wood, including cellular wood panels, assembled parquet panels, shingles and shakes</p>