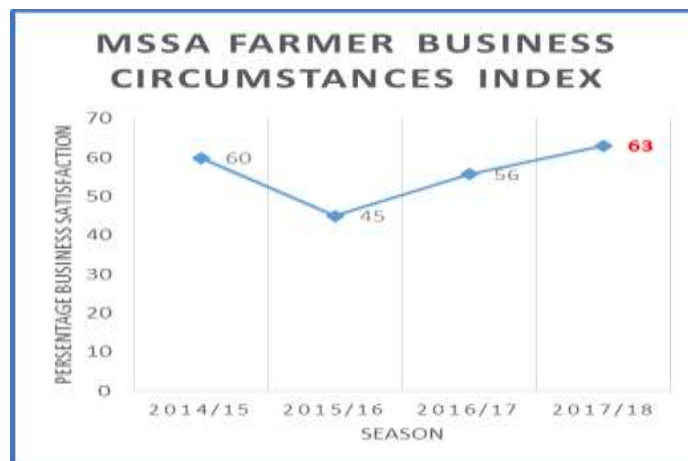


MSSA PRESS RELEASE:

MSSA RELEASES COMMERCIAL FARMER BUSINESS CIRCUMSTANCES INDEX FOR THE PAST SEASON AND EXPECTED NEW 2017/2018 SEASON

Marketing Surveys & Statistical Analysis (MSSA), as part of their annual Commercial Farming Study 2017, released its annual Business Circumstances Index of farmers during January 2018. The graph below shows the interpretation of farmers who participated in the study, their business circumstances they experienced, as well as their expectations for the next season (shown in red). It is the third year that MSSA gathered the information from different samples of farmers as part of the annual Commercial Farmer Study. More than 500 farmers have taken part in the surveys each year using representative samples.



The 2015/16 overall farmer business circumstances index measured as 45%. The circumstances percentage increased dramatically to 56% for all farmers in the 2016/17 season to almost the same level as the 2014/15 season. The index shows the percentage of farmers who indicated that they were satisfied with the business circumstances for that season. The 2017 study, completed in October, found that farmers' expectations for the next session (2017/18) increased, expecting better circumstances as reflected on the graph. However, business opportunities, input cost and especially the weather can influence the business conditions. It should be interpreted in that light and consequently the expectations were positive amongst 6 out of 10 farmers.

Further analysis of the Business Circumstances Index, shows significant geographical regional differences for each province. The Free State and Gauteng recorded the highest percentage in comparison to the North West and the Western Cape with the lowest percentage for the 2016/17 season. The Western Cape had the lowest business circumstances expectation of all provinces for the 2017/18 season, measuring only 34%. The research report also focuses on the main farming sectors' business circumstances for the past 3 years as well as the expectations for the next season.

The research findings, summarised in a report are available at cost from MSSA.

The report also covers the reasons for their successful or unsuccessful farming for the season.

Contact Marketing Surveys & Statistical Analysis for more details about the report.

To participate in the 2018 Commercial Farmer Study, please contact Schalk Van Vuuren at 012 346 0718 or mssa2@mssa-research.co.za.