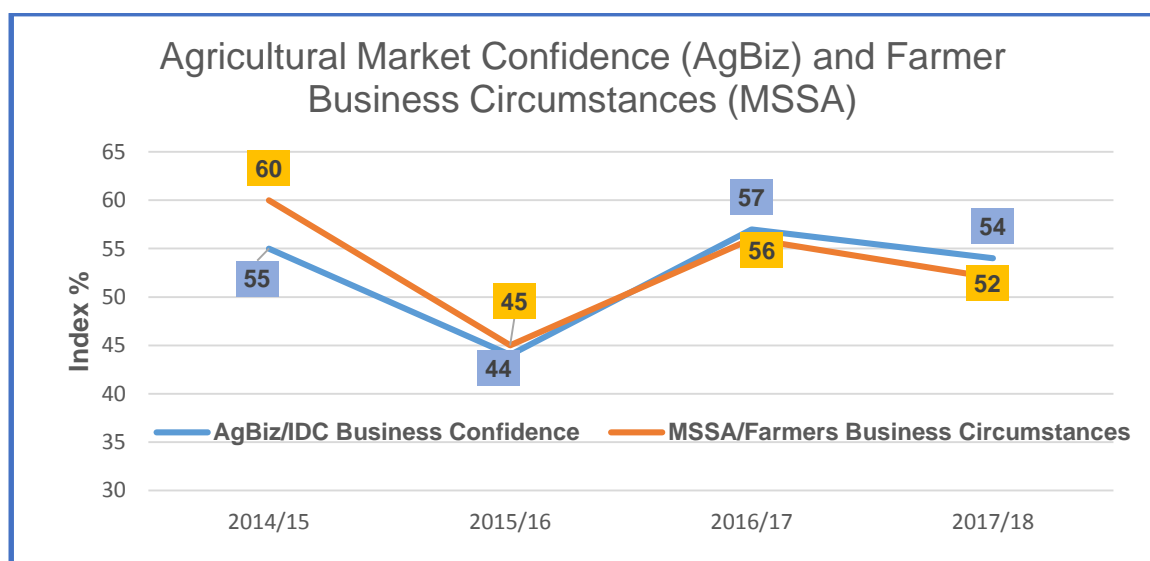


MSSA PRESS RELEASE: BUSINESS VIEWS OF FARMERS AND AGRIBUSINESS REPRESENTATIVES ARE RELATED

Marketing Surveys & Statistical Analysis (MSSA), as part of their annual Commercial Farming Study 2018, released its annual Business Circumstances Index of farmers during January 2019. The graph below shows the interpretation of farmers, who participated in the study, their business circumstances they experienced. Included is AgBiz/IDC Business Confidence Index up to the second quarter 2018, with quarterly figures annualized. It is the fourth year that MSSA gathered the information of farmers as part of the annual Commercial Farmer Studies. About 500 farmers took part in the surveys each year, using representative samples.



Farmer's views are based on the past season while the Agricultural business representatives are based on a quarterly measure as they experience the agriculture business during the different quarters. The measure (AgBiz) of the 3rd and 4th quarter of 2018 was below 50%. However, more farmers expect good circumstances (6 out of 10 farmers) for the 2018/19 season measured my MSSA Circumstances Index.

Additional analysis of MSSA Business Circumstances Index, show significant geographical regional differences for each province. The Free State, Gauteng and Eastern Cape recorded the highest percentage in comparison to the Mpumalanga and the Western Cape with the lowest percentage for the 2017/18 season. All provinces are more positive for the 2018/19 season.

The research also reported on the Main farming sectors' business circumstances and reported that Stock farming Beef, Stock farming Mutton/Goat, Wool/Mohair and Poultry industries showed better circumstances in 2017/18 season. However, Game/Tourism and Vineyards reported worse business circumstances for 2017/18. Most Main farming industries have higher expectations for the 2018/19 season, except Dairy Farming and Game/ Tourism.

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