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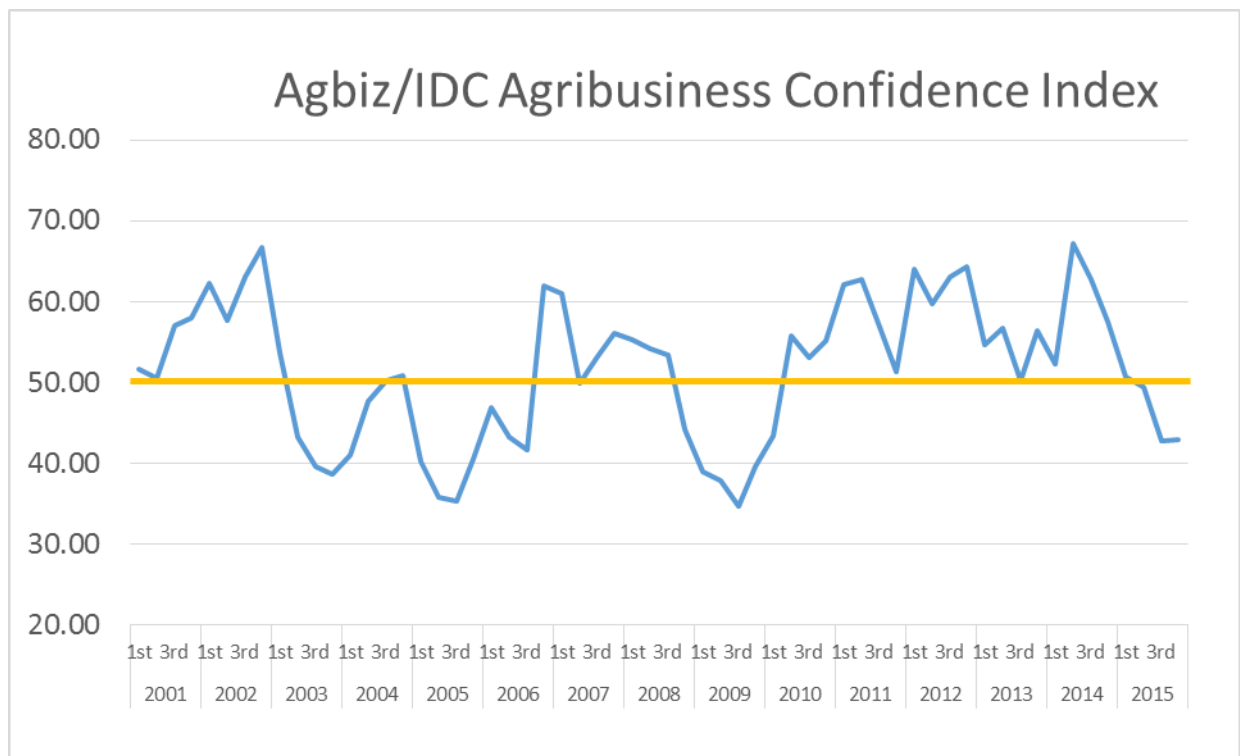
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Agbiz/IDC Agribusiness Confidence Index 2015 Quarter 4

The Agbiz/IDC Agribusiness Confidence Index for the 4th Quarter of 2015 remained virtually unchanged from the relatively low level of the 3rd Quarter (see graph below). However, on a Year-on-Year basis, the Confidence Index has dropped significantly (25%) from the 4th Quarter of 2014 and the Index is well below the neutral 50.0 points line, indicating that overall confidence in the agribusiness environment is currently low to very low.



The main contributing factors, when analysing the sub-indices (see table below), were the deteriorating economic growth prospects of the economy and the poor general agricultural conditions due to the disaster drought situation that has manifested itself at a national level.

The decreases in the turnover and net operating income sub-indices further undermined confidence in the Agribusiness sector in the 4th Quarter of 2015.

Sub-Indices	2015 Quarter 4			
	Quarter to Quarter		Year-on-Year	
Turnover	1%	Small decrease	-23%	Decrease
Net operating income	-14%	Decrease	-23%	Decrease
Market share of the business	8%	Small increase	0%	No change
Employment	29%	Increase	-5%	Small decrease
Capital investment	3%	Small increase	-19%	Decrease
Volume exports	48%	Increase	17%	Increase
Economic growth in South Africa	-44%	Decrease	-82%	Large decrease
General agricultural conditions	-35%	Decrease	-70%	Large decrease
Debtor provision for bad debt	4%	Small increase	45%	Large increase
Financing costs	7%	Small increase	16%	Increase
Overall index	1%	Small increase	-25%	Decrease

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