

South Africa well on track for a record maize harvest

The National Crop Estimate Committee revised its maize production estimates up by 2% from the previous month to 15.97 million tonnes. This means South Africa would, ideally, export roughly 4.0 million tonnes of total maize this year. However, weak global demand for white maize could lead to relatively lower exports of 2.2 million tonnes – leaving a large carry-over stock.

- Figures released this afternoon by the National Crop Estimate Committee shows that 2017 total summer grains production could reach 18.44 million tonnes, which is a 96% annual increase (see Chart 1)¹. The favourable summer rainfall, higher yields and an increase in area plantings are the key drivers of this rebound.
- White and yellow maize production estimates were revised up, respectively, by 0.43% and 4.83% from the previous estimate to 9.51 million and 6.46 million tonnes. In total, reaching a record level of 15.97 million tonnes.
- Apart from the dry beans production estimate which was revised up by 1.87% from last month, all other estimates were left unchanged. The harvest process is virtually over across the country and many areas reported exceptional yields, particularly on soybeans and maize, which support the CEC's view of record crops.
- In terms of winter crops – the preliminary area estimate for wheat shows that farmers planted 498 850 hectares, which is 1.87% less than the previous season. The Western Cape province, which produces almost half of South Africa's wheat crop, has been experiencing drier weather conditions which is not good for crop development.
- Overall, today's data shows that South Africa will be well supplied this season and maize prices could remain at relatively lower levels for some time. With regards to wheat, the impact of the current dry weather conditions will be reflected in the first production estimates data which is due for release next month, 29 August 2017.

Wandile Sihlobo (wandile@agbiz.co.za)

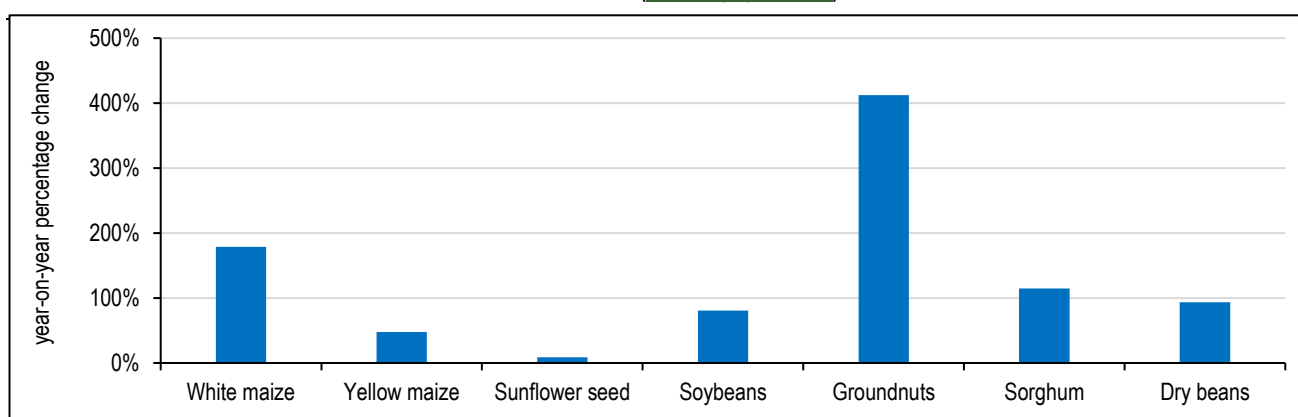


Chart 1: South Africa's summer crop production estimates (year-on-year percentage changes)

Source: CEC, Agbiz Research

¹ Summer grains represents maize, sunflower seed, soybean, groundnuts, sorghum and dry beans.