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# A favourable winter crop season bodes well for food supplies in SA

- For much of the past few weeks, we have focused on the summer grains and oilseed, the plantings of which have recently started across South Africa. But other equally essential crops are winter grains and oilseeds. After a reasonably good production period during the winter season, the farmers are now busy harvesting the 2024-25 winter crops.

- Unlike other crops where we monitor the production conditions nationally, with winter crops, we pay close attention to the Western Cape because of the province's significant contribution to these crops. For example, about 70% of the winter wheat plantings for the 2024-25 season are in the Western Cape. The area planted for barley, canola, and oats is also significant in the province as a winter rainfall region.

- Other major winter crop-producing provinces are the Northern Cape, Free State, and Limpopo, and the production in these provinces is mainly under irrigation. This year's primary challenge for these provinces was the mid-summer drought, which made farmers risk averse, and when the 2024-25 winter season started, they reduced the area plantings. The home of this newspaper, the Eastern Cape, is a relatively small producer of wheat and other winter grains.

- The latest production data mirror these area reductions. For example, in the last week of November 2024, the Crop Estimates Committee released its fourth 2024-25 winter crop production estimates for South Africa. The Committee slashed its winter crop production estimate by 1,6% month-on-month (m/m) to 2,68 million tonnes. From an annual basis, the harvest is down by roughly the same percentage, 1,5%, from the 2023-24 season. This estimate comprises wheat, barley, canola, oats and sweet lupines.

- Wheat production is estimated at 1,94 million tonnes, down 1,3% m/m and 5% year-on-year (y/y). The crop losses are not in the Western Cape, the major wheat producer. The Western Cape expects a larger harvest than the 2023-24 season. The challenge is the poor harvest in other producing provinces, primarily the Northern Cape, Limpopo, and the Free State. These provinces have reduced area plantings for wheat this year. The relatively lower wheat prices at the start of the season may be one of the factors behind the decision to slash plantings.

- However, the challenge for the Free State and Limpopo is beyond the prices. These provinces experienced severe mid-summer drought, which led to significant summer grain losses. When the winter wheat season started in May, farmers' mood was downbeat, and they worried about soil moisture. Others may have wanted to conserve soil moisture for the new summer crop season. Thus, we saw lower plantings and relatively lower expected yields in some areas. These challenges have contributed to the 5% expected national decline in the 2024-25 South African winter wheat harvest.

- In a season like this with a reasonably expected lower harvest, one would assume that the imports would increase, especially as the consumption of wheat and wheat products in South Africa remains strong. However, the South African Grain and Oilseeds Supply and Demand Estimates Committee estimates suggest that 2024-25 wheat imports may fall 7% to 1,80 million tonnes. This closely aligns with a five-year average of wheat imports to South Africa. The major boost is the higher opening stocks, supplemented by the ample imports in the past season.

- Aside from wheat, the 2024-25 barley production is estimated at 371k tonnes, down 4% m/m and 1% y/y. On a more upbeat note, the 2024-25 canola production is forecast at 295k tonnes. This is the largest harvest on record, up 25% y/y. The improvement is underpinned by the expansion of the planted area and the better yields. Also worth highlighting is South Africa's 2024-25 oats production, estimated at 56k tonnes, down 9% m/m but up 37% y/y. This significant annual production results from a notable increase in the planted area, combined with positive yield prospects.

- These fourth production estimates paint a mixed picture of South Africa's winter crop prospects for the 2024-25 season. However, this should not be an issue, especially from a consumer perspective. The large imports in the last season have boosted the opening stocks when considering the major winter crop, wheat. This puts South Africa in a relatively good place regarding wheat supplies this new marketing year. Moreover, ample wheat supplies in the world market will help fill the import gap. Global wheat prices have also generally been under pressure, which is beneficial for the importing countries (of course, the opposite is true for farmers who may desire slightly higher prices).