

South Africa ends an excellent 2024-25 grain and oilseeds harvest and begins another promising season

- **South Africa's 2024-25 summer grain and oilseeds production season was excellent. In its 9th production estimate released this afternoon, the Crop Estimate Committee lifted South Africa's 2024-25 production harvest by 1% from the September estimate to 20.08 million tonnes. This figure comprises maize, soybean, sunflower seed, groundnuts, sorghum, and dry beans. The upward revision was mainly on maize, while other production estimates remained unchanged from the September figure. The current estimate for the 2024-25 summer grain and oilseed season is up 30% from the previous season. There is an annual uptick in all the crops, mainly supported by favourable summer rains and the decent area plantings. The base effects also help, as we struggled with a drought last year that weighed on the harvest. This ample crop will likely continue to put downward pressure on prices, which bodes well for a moderating path of consumer food price inflation.**
- **The new 2025-26 production season is just starting and is shaping up to be excellent. The farmers intend to plant 4,49 million hectares, up by 1% from the 2024-25 season we are ending. We will have a lot more to say about this new season in our upcoming notes, with views on possible harvest size. It suffices to say that we remain optimistic about another favourable season, given the expected La Niña rains.**
- A closer look at the data reveals that South Africa's 2024-25 maize harvest is now at 16.32 million tonnes, 27% higher than the 2023-24 season's crop. Importantly, these forecasts are well above South Africa's annual maize needs of approximately 12.00 million tonnes, indicating a surplus and continued net maize exports.
- Regarding oilseeds, the soybean harvest is estimated at 2.75 million tonnes, up 49% year over year. Sunflower seeds are up 12% from the last season and are estimated at 708,300 tonnes. The groundnut harvest is estimated at 61,389 tonnes (up 18% y/y), sorghum production is forecast at 144,665 tonnes (up 48% y/y), and the dry beans harvest is at 90,556 tonnes (up 79%).
- Overall, South Africa has an ample supply of summer grains and oilseeds, and we will see the benefits of the harvest in softer commodity prices, which bodes well for consumer food price inflation. **The focus is now shifting to the 2025-26 season, which also promises to be favourable, with prospects of La Niña rains. The farmers also intend to increase area plantings for the new year slightly, and planting activity has started positively in the eastern and central regions of the country.** Against this promising outlook, we believe South Africa's food price inflation may continue to moderate into 2026, though there is potential upside risk from the outbreak of foot-and-mouth disease.