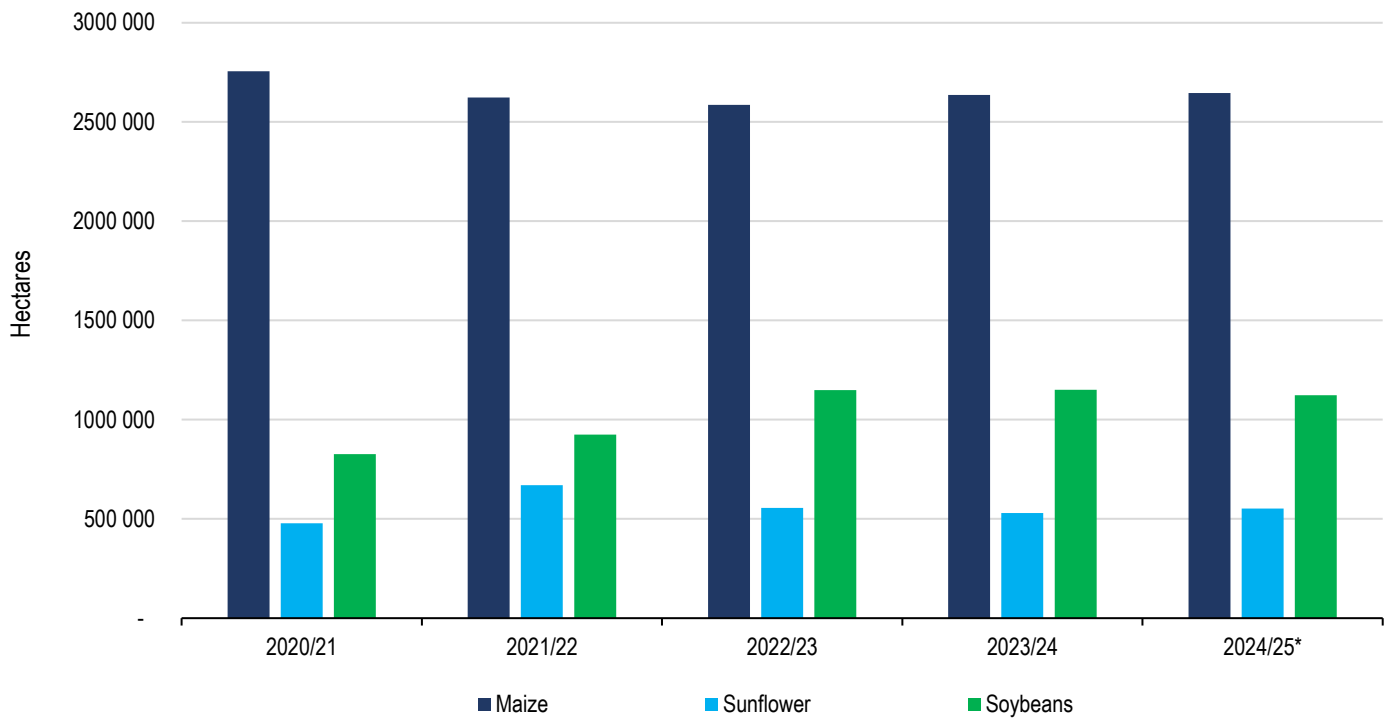


January 28 2025

## South African farmers likely planted a bigger area in the 2024-25 season

- While the start of South Africa's 2024-25 crop season was tricky, there remains optimism that farmers likely planted more area than the previous season. The preliminary plantings data released by the Crop Estimates Committee this afternoon shows that South African farmers likely planted 4,45 million hectares of summer grains and oilseeds in the 2024-25 season, up mildly by 0,3% from the previous season.
- Some of these plantings likely happen outside the typical optimal window because of some regions' unfavourable weather conditions at the start of the season. In such areas, there will be a need for better rains through to March, when the crops will likely pollinate. Encouragingly, the La Niña prospects suggest we may receive favourable rains during this period. This supports the view that the 2024-25 season could be a recovery period for South Africa's agriculture.
- A closer look at the data places South Africa's 2024-25 maize preliminary plantings at 2,64 million hectares, up by 0,4% year-on-year (y/y). White maize plantings are 1,59 million hectares (up 3% y/y), with yellow maize plantings at 1,05 million hectares (down 3% y/y). The uptick in the white maize area is understandable, given the attractive prices, which have increased by over 50% y/y in recent months, while the yellow maize prices are up roughly 30% from a year ago.
- Moreover, sunflower seed preliminary plantings are 552 000 hectares (up 4% y/y), with groundnuts at 46 175 hectares (up 12% y/y) and dry beans at 45 500 hectares (up 15% y/y). Meanwhile, the soybean preliminary plantings are at 1,12 million hectares (down 2% y/y), and sorghum at 39 500 hectares (down 6% y/y).
- Although, indeed, encouraging, these are preliminary planting data; we will have a more reliable view when the Crop Estimates Committee releases its revised area planting and first production estimates on February 27. The core message that we draw from the current figures is that while some regions of the country received rain far later than usual, they likely pushed through and planted. From now on, the focus will be on the follow-up rains in some regions, especially the western parts of South Africa.
- The main risk with the late plantings is the possibility of frost damage later in the season. Still, if the country is fortunate to be spared of frost, as we have seen in recent seasons, the prospects for a better harvest remain even for late plantings. So far, it is challenging to ascertain how much summer grains and oilseeds harvest will be. We will better understand when the Crop Estimate Committee releases the plantings data and the first production estimates at the end of February.

## Exhibit I: SA's preliminary summer crop plantings (selected crops)



Source: CEC and Agbiz Research