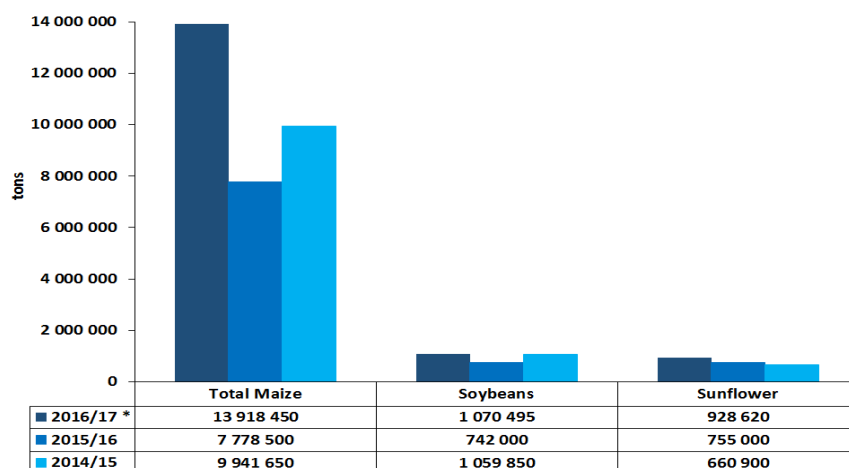


28 February 2017

## South Africa: lots of grains and oilseeds on the horizon

*South Africa could potentially harvest a bumper crop in the 2016/17 production season. This comes after the Crop Estimate Committee's first production estimates for summer crops reached 16.21 million tonnes, up by 72% from the previous season<sup>1</sup>. Moreover, this could be the largest crop since the 2013/14 production season.*

- White and yellow maize production are set to increase by 144% year-on-year (y/y) and 28% y/y to 8.31 million tonnes and 5.61 million tonnes, respectively. This notable uptick on white maize is due to an increase in area plantings, as well as expected higher yields. Meanwhile, the uptick in yellow maize is largely driven by expected higher yields. Overall, South Africa's total maize production is estimated at 13.92 million tonnes, which is 78% annual increase. This is 17% higher than our estimate of 11.90 million tonnes.
- Moreover, soybean production is estimated at 1 070 495 tonnes, which is 44% higher than the previous season, also driven by an increase in area plantings, as well as higher expected yields. Sunflower seed production is forecast at 928 620 tonnes, which is a 23% annual increase (despite the drop in area, which has been compensated by higher yields). Following a historic decline in the previous season, groundnuts production is set to increase by three-fold from last season's crop to 88 175 tonnes. This is also driven by an uptick in area plantings, as well as expected higher yields.
- Also worth noting is that South Africa's final wheat production estimate was revised up by 1% from the previous estimate to 1.90 million tonnes due to higher yields on the back of favourable weather conditions. More importantly, this is 32% higher than the previous season's crop of 1.44 million tonnes. Subsequently, wheat imports for this season could decline by 25% from 2015/16 marketing year to 1.5 million tonnes.
- Although this is an encouraging picture, it is important to note that **these are first estimates for the season, we will get a much clearer view of the crop over the coming months**. With that said, recent indications suggest that the crop is in fairly good condition throughout the country. The next two weeks could present dry weather, with scattered showers and that should offer a "breathing gap" after weeks of high rainfall.



**Chart 1: South Africa's 2016/17 first summer crop production estimates**

Source: CEC, Agbiz Research

<sup>1</sup> Summer crop = maize, sunflower seed, soybean, groundnuts, sorghum and dry beans.

## Appendix A: South Africa's summer crop production estimates

**SUMMER CROPS – REVISED AREA PLANTED AND FIRST PRODUCTION FORECAST: 2017**

**SOMERGEWASSE – HERSIENE OPPERVLAKTE- EN EERSTE PRODUKSIESKATTING: 2017**

CROP/GEWAS	Area planted/ Opp beplant 2017 Ha (A)	1 <sup>st</sup> forecast/ 1 <sup>ste</sup> skatting 2017 Tons (B)	Area planted/ Opp beplant 2016 Ha (C)	Final crop/ Finale oes 2016 Tons (D)	Change/ Verandering/ % (B) ÷ (D)
<b>Commercial/Kommersieel:</b>					
White maize/Witmielies	1 643 100	8 312 950	1 014 750	3 408 500	+143,89
Yellow maize/Geelmielies	985 500	5 605 500	932 000	4 370 000	+28,27
Total Maize/Totale Mielies	2 628 600	13 918 450	1 946 750	7 778 500	+78,93
Sunflower seed/Sonneblomsaad	635 750	928 620	718 500	755 000	+23,00
Soybeans/Sojabone	565 850	1 070 495	502 800	742 000	+44,27
Groundnuts/Grondbone	52 500	88 175	22 600	17 680	+398,73
Sorghum	42 350	140 950	48 500	70 500	+99,93
Dry beans/Droëbone	45 550	64 345	34 400	35 445	+81,53
TOTAL/TOTAAL	3 970 600	16 211 035	3 273 550	9 399 125	+72,47

Note: Estimate is for calendar year, e.g. production season 2016/17 = 2017

Nota: Skatting is vir kalenderjaar, bv. produksie-seisoen 2016/17 = 2017

Source: CEC

## Appendix B: South Africa's winter crop production estimates

**WINTER CEREALS – AREA PLANTED ESTIMATE AND FINAL PRODUCTION ESTIMATE: 2016**

**WINTERGEWASSE – OPPERVLAKTE- EN FINALE PRODUKSIESKATTING: 2016**

CROP/GEWAS	Area planted/ Opp beplant 2016 Ha (A)	Final estimate/ Finale skatting 2016 Tons (B)	6 <sup>th</sup> forecast/ 6 <sup>de</sup> skatting 2016 Tons (C)	Area planted/ Opp beplant 2015 Ha (D)	Final crop/ Finale oes 2015 Tons (E)	Change/ Verandering % (B) ÷ (C)
<b>Commercial/Kommersieel:</b>						
Wheat/Koring	508 365	1 909 540	1 893 390	482 150	1 440 000	+0,85
Malting barley/Moutgars	88 695	354 065	354 065	93 730	332 000	-
Canola/Kanola	68 075	105 460	105 460	78 050	93 000	-
Total/Totaal	665 135	2 369 065	2 352 915	653 930	1 865 000	+0,69

\* Note: Estimate is for calendar year, e.g. production season 2016 = 2016

\* Nota: Skatting is vir kalenderjaar, bv. produksie-seisoen 2016 = 2016

Source: CEC

