

28 March 2017

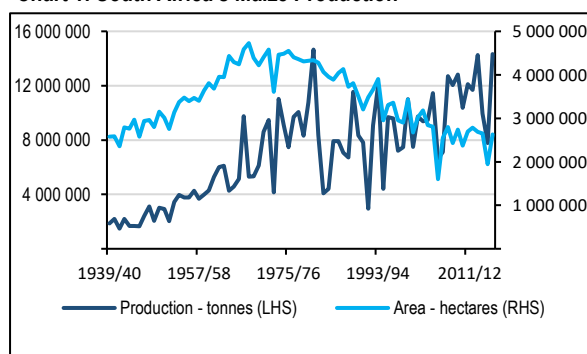
South Africa could harvest the second biggest maize crop on record

South Africa is set to harvest the second biggest maize crop on record. This comes after the National Crop Estimate Committee revised up its forecast by 3% from the previous one to 14.32 million tonnes. Thus, making this season's crop the second biggest after the 1980/81 bumper crop of 14.66 million tonnes. This means that South Africa will regain its status as a net exporter of maize this season. We believe that total maize exports could at least reach 2.5 million tonnes. About 56% of this could be white maize, with 44% being yellow maize.

- White and yellow maize production estimates were revised up by 2% and 4% from the previous estimates to 8.5 million tonnes and 5.8 million tonnes, respectively (**Chart 1**). This is largely on the back of an increase in area plantings, as well as expected higher yields on the back of favourable weather conditions.
- It was not just maize that had a *gold trophy*, **soybean crop is set to be the biggest on record**, estimated at 1.16 million tonnes (**Chart 2**). This is 9% higher than the previous estimate and 57% higher than the previous season. This is on the back of an increase in area plantings, as well as expected higher yields. As a result, **we do not foresee any soybean imports this season.**
- **On the negative side**, sunflower seed production forecast was revised down by 4% from the previous one to 896 060 tonnes, owing to expected lower yields. Although we are confident in this estimate, reports of *sclerotinia* disease in the western parts of the North West province remain a risk that could negatively affect the sunflower seed crop. In that regard, we will get a better judgement of sunflower seed production in the next estimates. The groundnuts production estimate was also revised down by 2% from the previous one to 86 600 tonnes. That said, this will still be the largest crop since 2009/10 season.
- Overall, **today's data cemented the idea of possible record grain and oilseed supplies in South Africa.** At the time of writing, conditions were favourable on the fields as many crops enter the maturation stages of development.

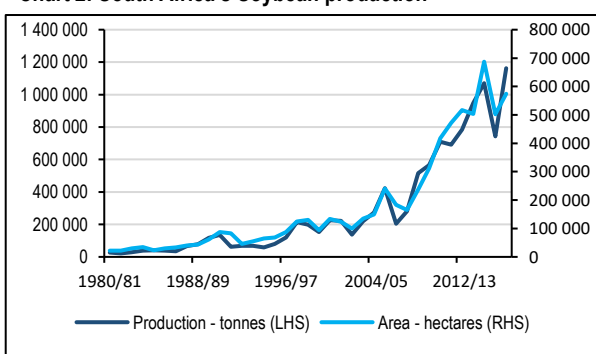
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Chart 1: South Africa's Maize Production



Source: CEC, Agbiz Research

Chart 2: South Africa's Soybean production



Source: CEC, Agbiz Research

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