



# Perspektief | Perspective

Nuusbrief | Newsletter

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## **WE CELEBRATE DISTINGUISHED GRAIN PRODUCERS**

» Grain SA once again celebrated the successes of its grain producers during an esteemed gala event, held at The Theatre on the Track on Friday, 14 October 2016. This year's awards ceremony, the 17th of its kind, since replacing the previous Maize Man of the Year in 2000, was attended by the honourable Member of Parliament, Ms Machwene Rosina Semenya, Committee Chairperson of Agriculture, Forestry and Fisheries, representatives of the various Agricultural Trusts, organised agriculture and government, as well as academia, fellow industry leaders and our guests of honour - grain producers from around the country.

And for the first time in a couple of years, Grain SA announced the winners of two prestigious categories on Friday night - both the **New Era Commercial Farmer of the Year** as well as the **Grain Producer of the Year**.

You have been introduced to them and taken a visual tour of their farms in the magazine, but we are extremely proud to congratulate our winners of the 2016 Grain SA/ABSA/John Deere Financial New Era Commercial Farmer of the Year, Mr Frans Mokoena and the 2016 Grain SA/Syngenta Grain Producer of the Year, Mr Jozua du Plessis.



*The 2016 Grain Producer of the Year is Jozua du Plessis from Delmas, here with Jaco Minnaar, Chairperson, Grain SA, Antonie Delport, Managing Director, Syngenta, Ruan du Plessis, Chandre du Plessis, Jozua and Sonja du Plessis and Jozua and Carolien du Plessis*



*The 2016 New Era Commercial Farmer of the Year is Frans Mokoena from Tweespruit in the Free State, here with Ferdie Marx, Credit Sales & Marketing Manager, John Deere Financial, Cobus Wells, Head, Absa AgriBusiness, Agnes Motse, Andries Theron, Vice Chairperson, Grain SA and Caleb Varner, Manager: Retail finance Sub-Sahara Africa, John Deere Financial*

Click on the links below to view the amazing stories of each of our 2016 Finalists



We wish to extend a heartfelt thanks to all our finalists, the respective judging panels for the different categories as well as all our sponsors, members, stakeholders and guests who joined us on the evening.

For more videos and messages from the Chairperson, ViceChair and the sponsors, be sure to visit the Grain SA Facebook page: <https://www.facebook.com/grainsa/>

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## DIARISE THESE GRAIN SA CONGRESS DATES

» Be sure to diarise the Grain SA Congress dates for next year.



Details of the regional meetings preceding congress will be published in due course

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## SUNFLOWER AND SOYBEAN REVIEW

*Luan van der Walt, Economist, Grain SA*

» The oilseeds market is often prevailed with uncertainty about how oilseed consumption progresses throughout the season and which months can be classified as important. It is however imperative to keep in mind that consumption and production do correlate and thus factors when observing data trends should be taken into account concurrently. Oilseeds information, included in the supply and demand figures of all commodities, is published by SAGIS monthly and this important information should be tracked with similar frequency. The information shows the monthly supply and consumption figures for the different commodities. Below is an overview of the processing of sunflower and soybean over the past two years.

### Sunflower seed

Sunflower hectares planted increased with 24.7% from the previous season. This increase can be largely attributed to the later-than-normal rain season. As a result, the maize plant window became risky in most parts of the country, resulting in producers opting to plant more sunflower which is a shorter grower. The increase in hectares planted, similarly increased production with 19.3% compared to the previous season. However, it remains necessary to compare supply with the season's processing. Figure 1 indicate total processed sunflower which include human consumption, animal feed as well as crushing for oil and oil cake.

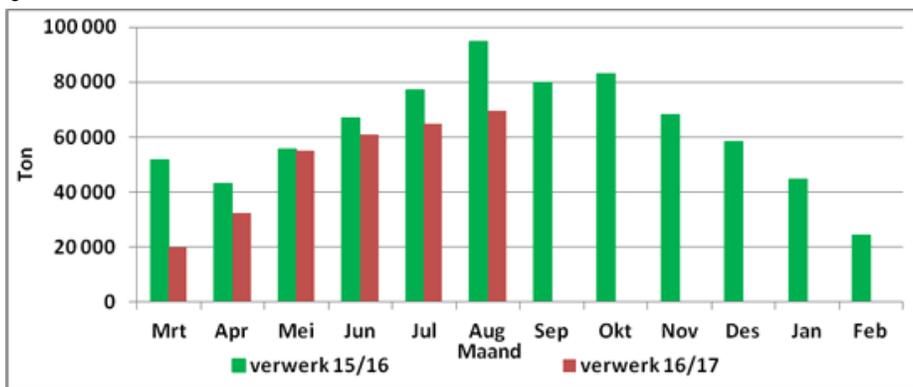


Figure 1: Sunflower processing figures per month for the 2015/16 and 2016/17 season  
Source: SAGIS

It is clear from Figure 1 that sunflower is processed cyclical and accompanied by the supply during the season, with a clear indication that the 2016/17 season are lower. However, the lower rate of domestic processing could lead to greater transfer stocks end of season, causing a possible domestic surplus sunflower at the end of the 2016/17 marketing season. Processing should be viewed in context with the total supply and figure 2 indicate SA to sit can cause SA with a surplus sunflowers sits at the end of the 2016/17 marketing season. However, the arrangements must be seen in context of the overall supply with Figure 2 indicating processing as a percentage of monthly supply.

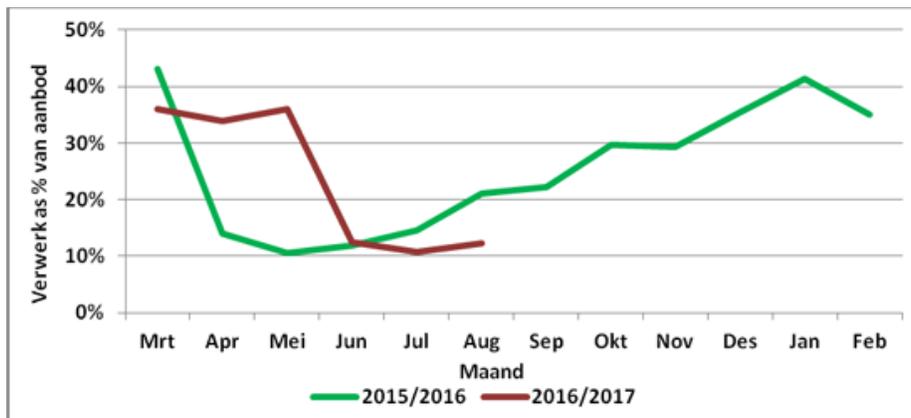


Figure 2: Sunflower processing per month as % of monthly total supply  
Source: SAGIS

Figure 2 clearly indicate that processing as a percentage of the monthly supply initially started at a higher rate than the previous season. Inventory levels were low during the first three months of the marketing season as a result of a late harvest this season. The processing in respect of the monthly supply was significantly higher than last year in the early season. Although it seems as if the processing is significantly less compared to the previous year, it correlates with last year's processing give the supply of sunflower in the market. Figure 3 state the monthly supply of sunflowers and the late season are clearly visible with the biggest supply in July and August for the 2016/17 season, compared to the highest supply in 2015/16, which were in May and June.

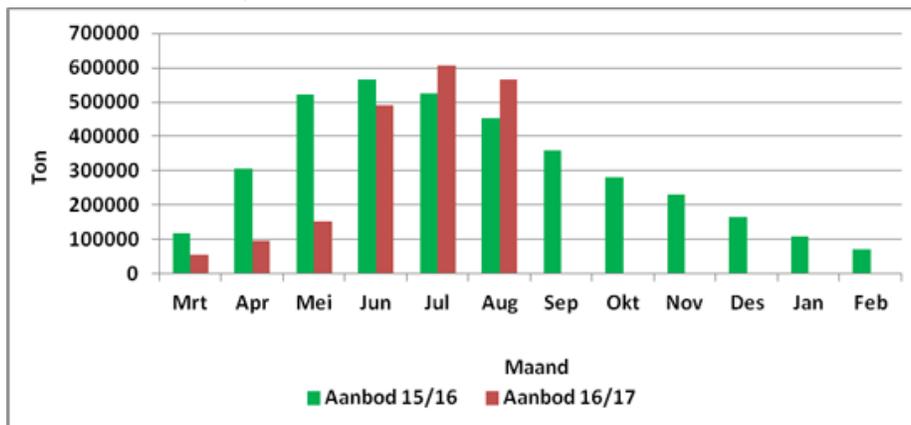
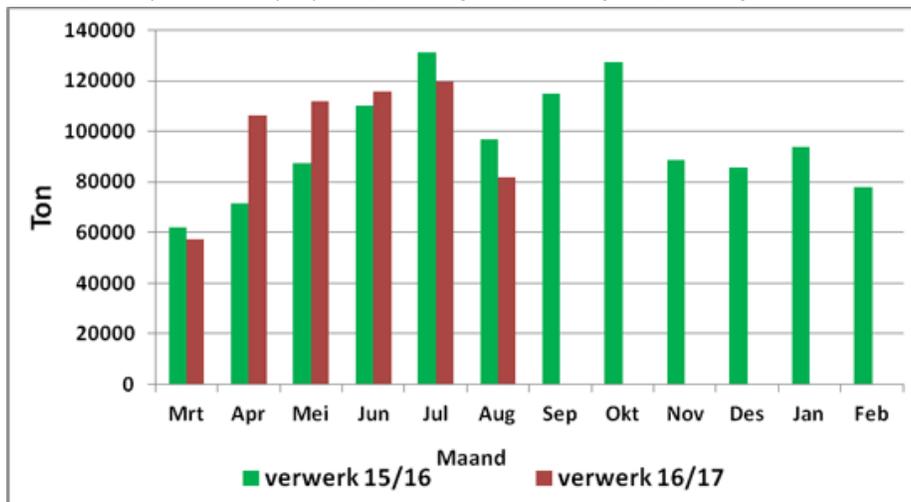


Figure 3: Total monthly supply of sunflower seed  
Source: SAGIS

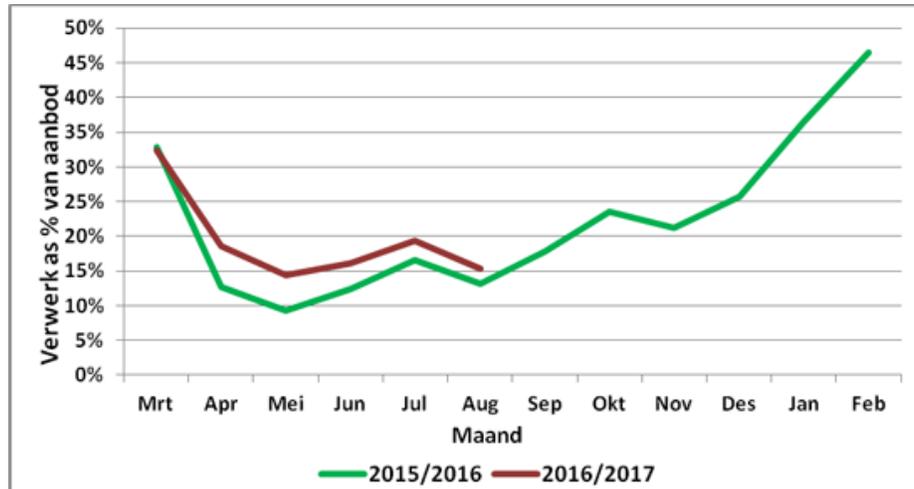
**Soybeans**

Soybeans is showing strong growth in demand domestically and globally. World demand for soybeans over the past few years increased at a faster pace than production, indicating that soybean is gaining importance as a crop globally. Soybean production and processing capacity has increased dramatically over the past few years in South Africa. However the past season saw local soybean production, as well as those of most other crops, under pressure as a result of the drought. Figure 4 and 5 respectively track monthly soybean processing and processing as a percentage of the offer.



**Figure 4: Soybean processing per month for the 2015/16 and 2016/17 seasons**  
Source: SAGIS

It is clear from Figure 4 that soybean processing progressed well early during the season and that processing for the 2016/17 season was initially higher than the 2015/16 season in spite of the smaller crop and lower plantings that were seen this year. Figure 5 clearly indicate a higher soybean production as a percentage of the total monthly supply, compared to last year over the same period. Processing of soybeans for this season is progressing well and at a steady pace with no fears in the market of large surplus stocks at the end of the marketing season.



**Figure 5: Soybean processing per month as % of total monthly supply**  
Source: SAGIS

#### In conclusion

Oilseeds can serve as good alternative to consider during the coming season when producers decide on risk management and distribution. The price relation between sunflowers and maize and soybeans and maize are more favourable for the oilseed than for maize given the current term prices for delivery in March, May and July 2017. It is important for producers to manage their price risk as far as possible in the coming season, which can be done with hedging or diversification of different crops. It is however essential for every producer to establish what is best suited to his environment and management practices.

The Breeding and Technology Levy will be administered by the SA Cultivar and Technology Agency (SACTA). Since the levy will be paid proportional to best performing seed companies, producers are requested to declare their cultivar per load at the silo. This information will ultimately assist to calculate each seed company's market share as accurate as possible.

With the introduction of the levy, the seed companies agreed to forfeit the current seed price royalties. This move present more ownership to local producers in the grain and grass industries and is one step closer to revive the local wheat industry.

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## SA GRAAN/GRAIN: OCTOBER EDITION FULL OF NEWS

*Estie de Villiers, redakteur, SA Graan/Grain*

» Look for the new edition of the SA Graan/Grain with its striking maize cover.

The October magazine amongst others, contain the following articles:

- Story of grains and oilseeds in SA - packaged in e-format
- Grain SA focuses on research, consortiums and multi-stakeholder partnerships
- When Grain SA and the Jobs Fund join hands ... and the story of two farmers
- Optimal planting date under the microscope
- How to choose the right nozzle
- Soybeans: an automatic choice as rotation crop

We also focus on animals in the issue - it should not miss!

#### Win! Win! Win!

Time is running out to enter for this year's Grain SA/Sasol photo competition. Don't delay, send your "colour" photo to [elmien@infoworks.biz](mailto:elmien@infoworks.biz).

You can also win a Bible for you or one of your employees just by sending your name and contact details to: [estiedv@mweb.co.za](mailto:estiedv@mweb.co.za) and include "Bible" in the subject line and your address in the body.

Enjoy the magazine and may it rain on your farm!

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## STAY INSPIRED...

"Let us make our future now, and let us make our dreams tomorrow's reality."

~ Malala Yousafzai

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