

# MAIZE



AUGUST 2025

## Grain Market Outlook

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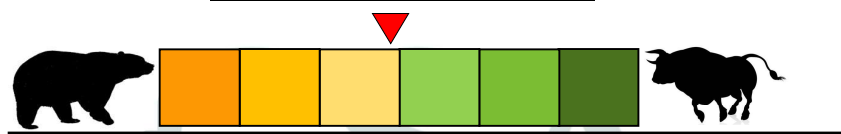
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This report was compiled by the applied economics team of Grain SA. If you would like any further information or to be added to the monthly contact list, please feel free to contact the team at [economist@grainsa.co.za](mailto:economist@grainsa.co.za).

## 1. Bearish and Bullish Factors

Global markets are currently keeping a watchful eye on the crop development in the Northern Hemisphere. Crop conditions in the US are particularly favourable, with harvesting looming closer- which could apply pressure to global markets. It is however important to keep in mind that global consumption is above production this season, putting pressure on global ending stocks – which could provide global price support.

### SHORT-TERM PRICE TREND



### LONG-TERM PRICE TREND



#### Bearish Factors

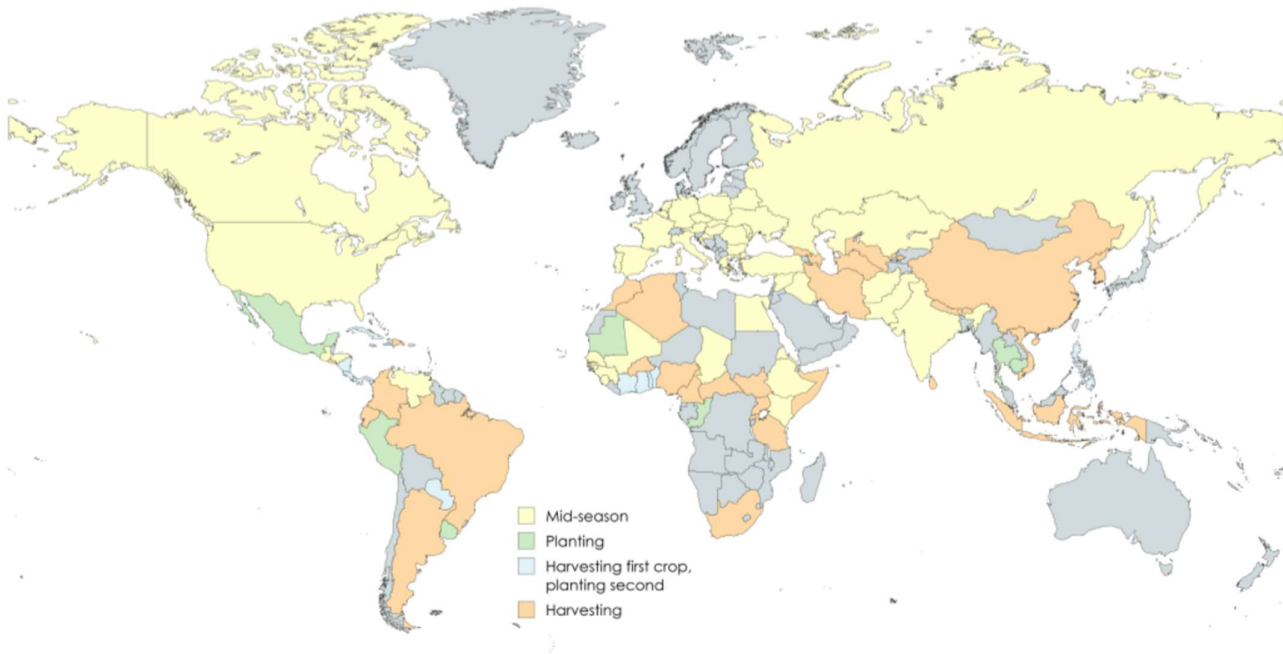
- The world is expected to produce a record-breaking maize crop this year, which has, and could apply pressure to markets.
- The United States is projected to produce a record maize crop this season, which is set to be harvested starting September. This would lead to an influx of supply to the global market, which could apply pressure to prices.
- The global crop is rated as 91% good-to-excellent, which is high but slightly down from the previous estimation. This remains a watchpoint for global markets.

#### Bullish Factors

- Global maize consumption is higher than global production for this season, leading to pressure on global ending stocks. The USDA estimates global ending stocks to be the lowest in the past three seasons.
- Local white maize quality concerns provide support to local prices.
- South Africa is estimated to import approximately 600 000 tons of yellow maize this season. South Africa have not imported any yellow maize as of August. Local prices are approximately R700/ton away from import parity, there is space for local prices to move closer to import parity as imports progress.



## 2. World Maize Production



Source: USDA

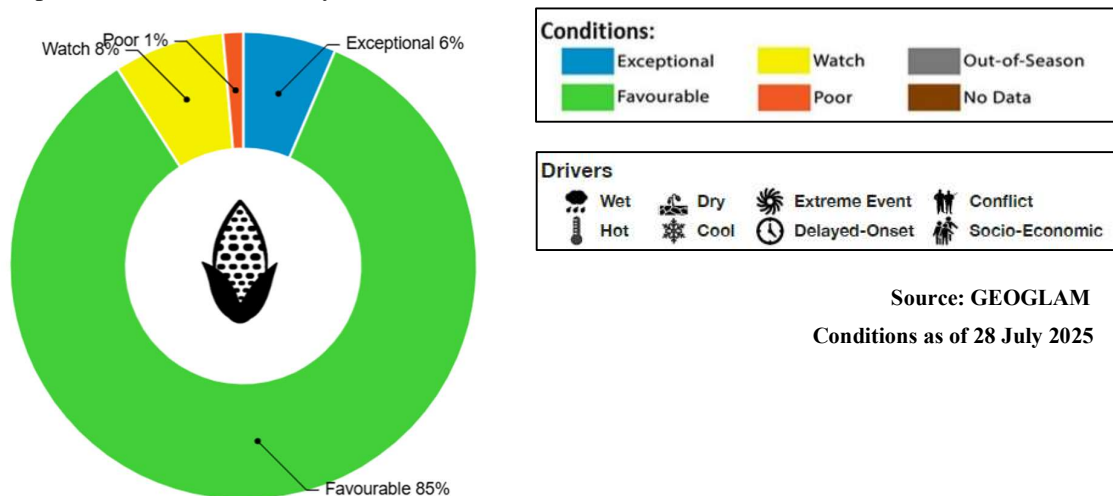
### A. Global crop production conditions

In Southern Hemisphere most countries are wrapping up the harvesting process for this season. In the Northern Hemisphere the crop is developing with mostly favourable conditions. Conditions in the US are particularly favourable.

### B. Comments on El Niño:

The status of the El Niño–Southern Oscillation (ENSO) is neutral. Forecasts from most international models (6 out of 8) indicate that neutral ENSO conditions are likely to persist until at least January 2026, while 2 models suggest borderline La Niña levels could emerge during the southern spring and early summer. The relatively large spread in model projections signals higher-than-usual uncertainty in the outlook. This suggests that while neutral conditions dominate for now, the potential for La Niña development later in 2025 cannot be ruled out. In addition, the Indian Ocean Dipole (IOD) is currently neutral.

### C. Crop Conditions Commentary



Source: GEOGLAM

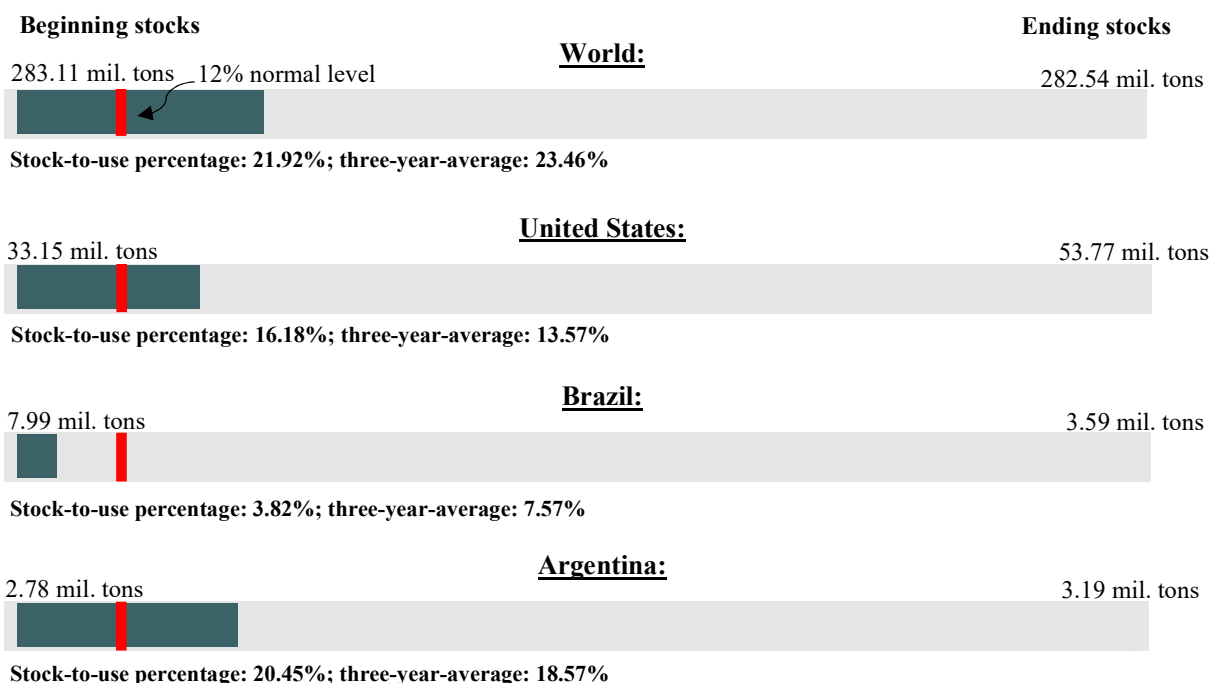
Conditions as of 28 July 2025



<b>Brazil</b>	As the harvesting process continues in Brazil, excellent conditions is seen, especially in the Southern-central parts of the country. The majority of the crop have been harvested.
<b>Argentina</b>	The harvesting process is well underway in the Northern parts of Argentina. Conditions are generally favourable. However, there are parts that is rated as poor quality, due to prolonged drought conditions.
<b>China</b>	In China the maize crop is currently in the development stage, with conditions being generally favourable.
<b>Mexico</b>	The planting process is nearing the final stages for this season. Conditions are generally mixed, with drought conditions affecting the planting-phase in the Northern parts of the country.
<b>United States</b>	The US crop is currently in the doughing phase, heading into the dented phase. The 2025 crop is rated in an excellent condition, compared to the previous four seasons.
<b>European Union</b>	Conditions in the EU is generally favourable across most of the countries. There are however some dryness concerns in the Southern parts of France.
<b>Ukraine</b>	Conditions remain concerning between prolonged dry conditions as well as conflict areas hindering production.

### 3. World Maize Production

#### World Agricultural Supply and Demand (WASDE) AUGUST 2025/2026 Overview



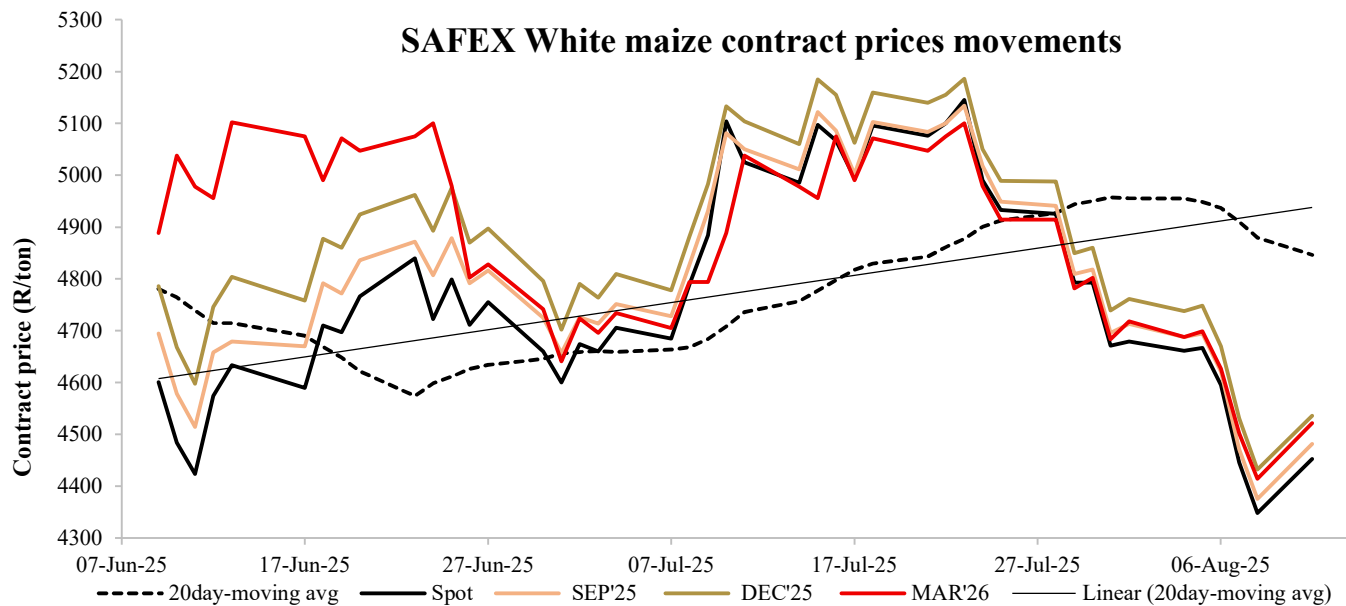
Below the normal stock-to-use level, prices tend to react sharply in the market environment. By comparing current year stock-to-use percentages to the norm, an indication can be concluded regarding the direction of price trends.



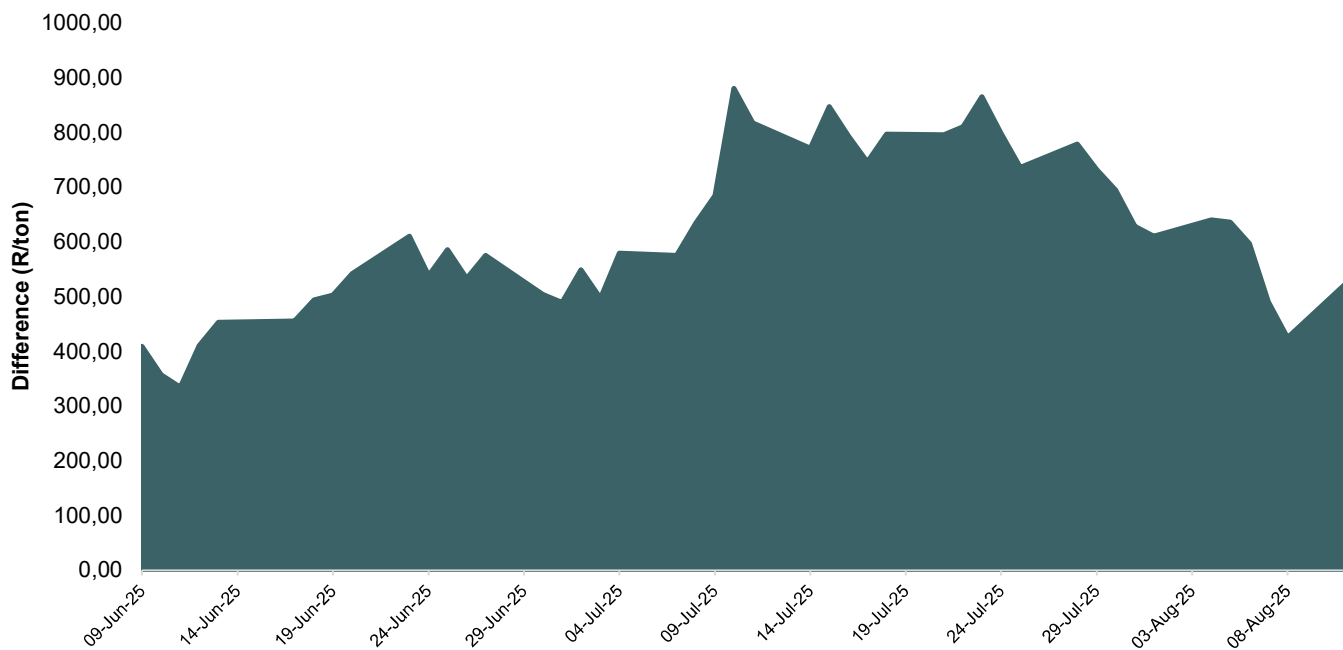
## 4. Monthly Contract Price Movements (White Maize)

### Comments on market movements for white maize contracts:

White maize, especially WM1 graded, has been all the task this past month. Shortage concerns have been supporting prices until middle July. Post middle July, supply concerns lessened as the market started adopting WM2 grade into the milling market.



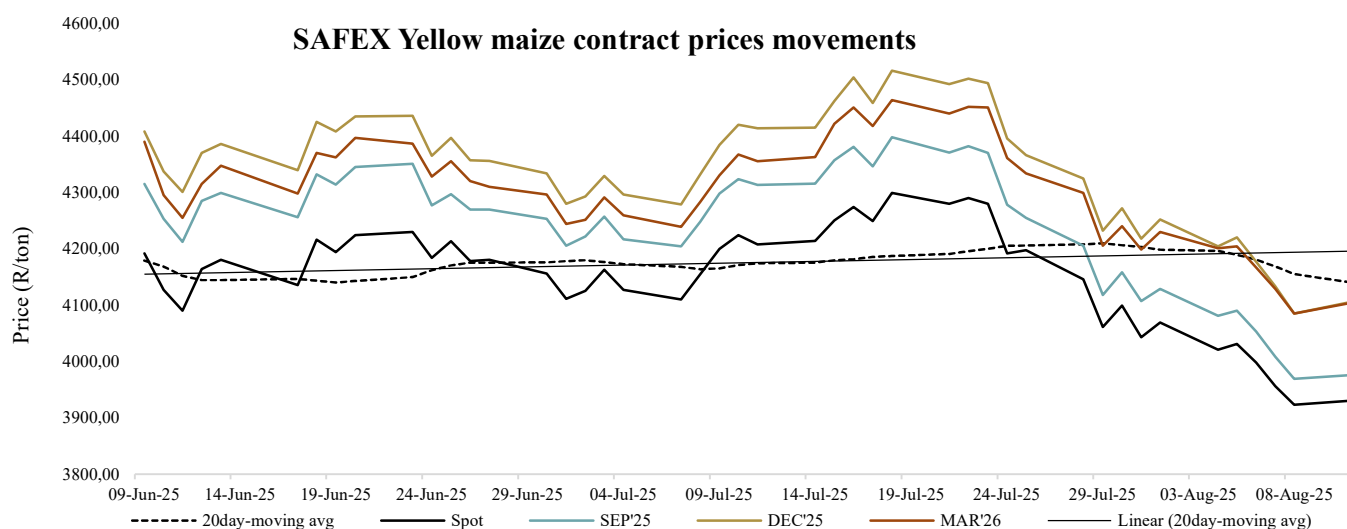
## 5. Spot Price Comparison of Yellow- and White Maize (WM - YM)



The spread between yellow and white maize has remained relatively consistent since June. Between July and August white maize prices found support, increasing the spread between white- and yellow maize contracts. Mid-August contracts were trading approximately R520/ton apart.



## 6. Monthly Contract Price Movements (Yellow Maize)

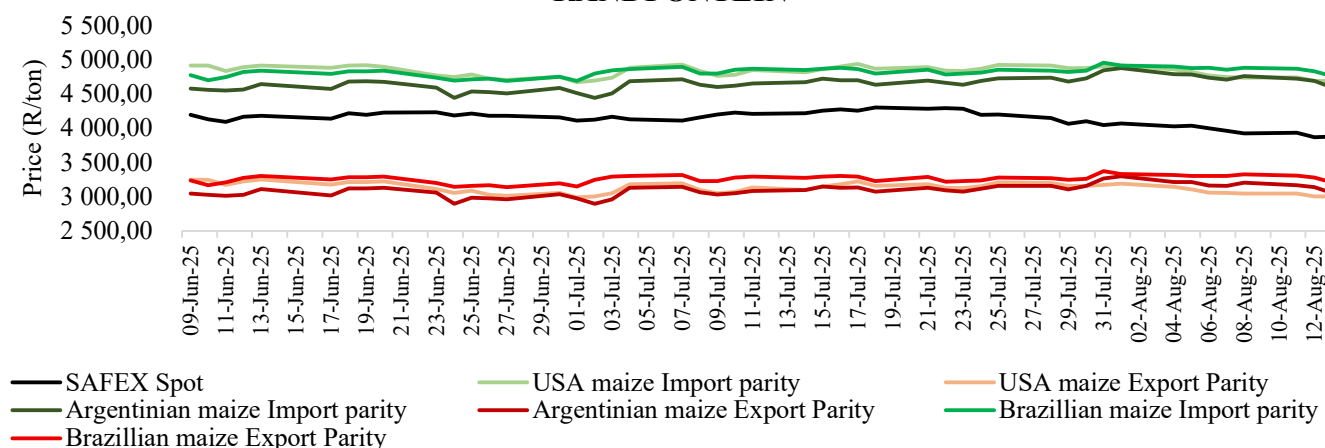


### Commentary on yellow maize:

Since June the spot maize prices have remained constant, with a slight upward trend. Since middle of July both spot month and future prices have traded with a slight downward trend.

## 7. Import- And Export Parity Movements

### PRICES OF INTERNATIONAL YELLOW MAIZE DELIVERED IN RANDFONTEIN



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Best regards,

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