30 JULY 2024

Production Report

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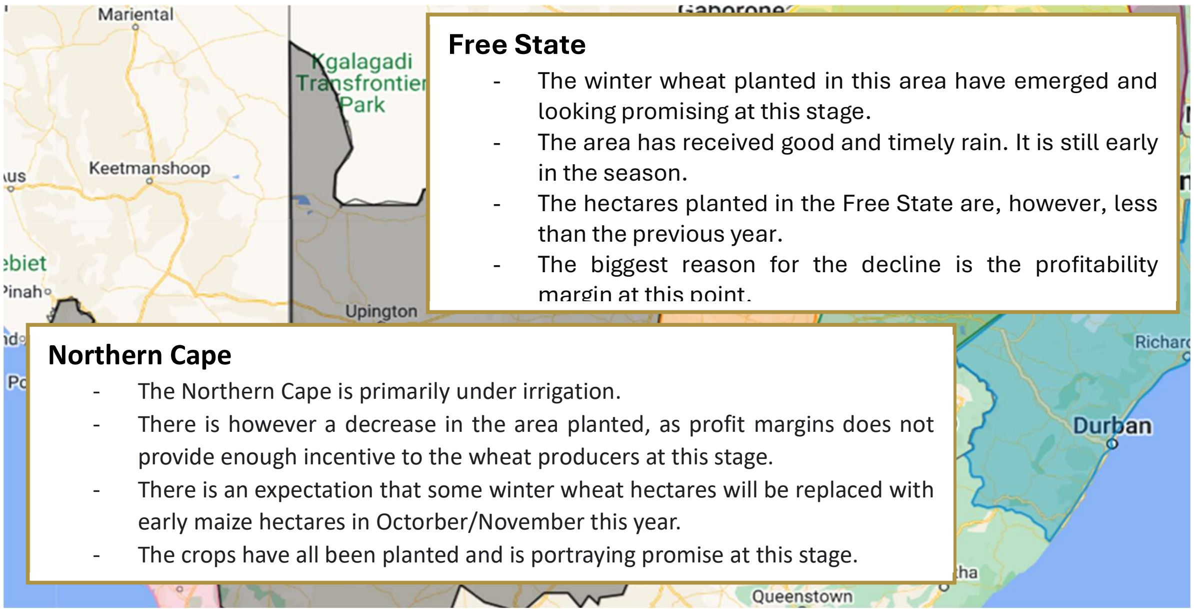
1. Production Conditions

General overview

The winter grain planting season received abundant rain and in some parts stormy weather, the effects of this was damaging to certain parts of the overberg region. At this stage the canola crop came under strain with the rain while the majority of the wheat crop still looks favourable. The 1st production forecast will be released on 28 August 2024.

1.1. Summer region



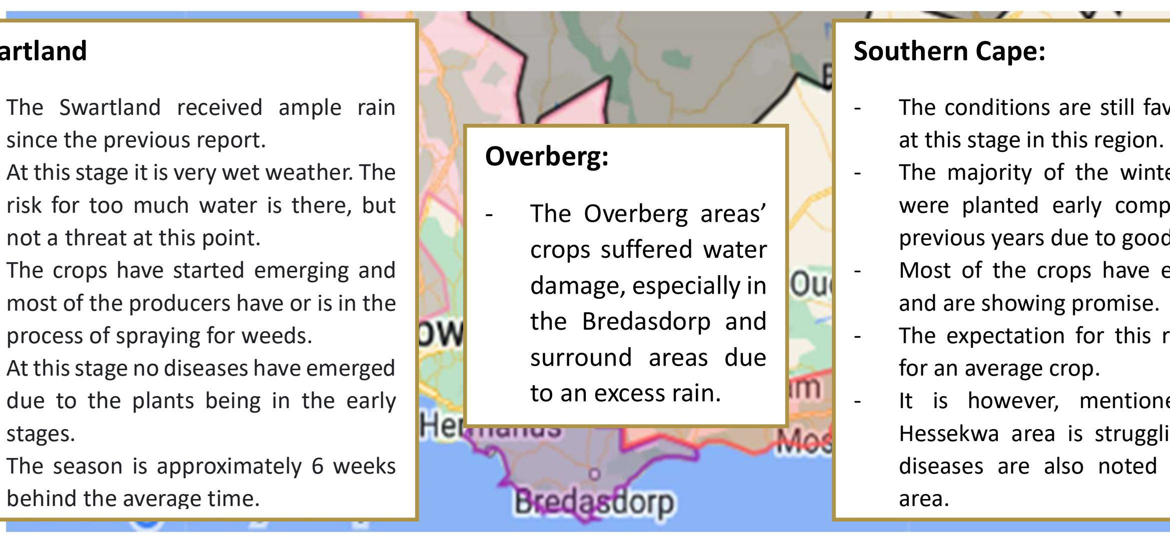
Free State

- The winter wheat planted in this area have emerged and looking promising at this stage.
- The area has received good and timely rain. It is still early in the season.
- The hectares planted in the Free State are, however, less than the previous year.
- The biggest reason for the decline is the profitability margin at this point.

Northern Cape

- The Northern Cape is primarily under irrigation.
- There is however a decrease in the area planted, as profit margins does not provide enough incentive to the wheat producers at this stage.
- There is an expectation that some winter wheat hectares will be replaced with early maize hectares in Octorber/November this year.
- The crops have all been planted and is portraying promise at this stage.

1.2. Winter rainfall regions



Swartland

- The Swartland received ample rain since the previous report.
- At this stage it is very wet weather. The risk for too much water is there, but not a threat at this point.
- The crops have started emerging and most of the producers have or is in the process of spraying for weeds.
- At this stage no diseases have emerged due to the plants being in the early stages.
- The season is approximately 6 weeks behind the average time.

Overberg:

- The Overberg areas' crops suffered water damage, especially in the Bredasdorp and surround areas due to an excess rain.

Southern Cape:

- The conditions are still favourable at this stage in this region.
- The majority of the winter crops were planted early compared to previous years due to good rain.
- Most of the crops have emerged and are showing promise.
- The expectation for this region is for an average crop.
- It is however, mentioned that Hessekwa area is struggling, and diseases are also noted for this area.

1.3. International Overview

- Looking at **North America**, heat with showers for the Midwest this week, triple-digit heat in the central and southern plains, hot with limited showers for the northern plains, and largely drier in the delta.
- **South America** showcased dryness in Argentina.
- Taking a look at **Europe and Australia**, burst of showers moving through Europe, limited showers for black sea drought and showers favouring western, southern Australia.
- **For more information follow the link:** https://uofmd.maps.arcgis.com/apps/dashboards/61a5af3168264ba68755e49a73cbf851

2. Crop Estimates and Producer Deliveries

2.1. Crop Estimates

Summary of the revised area planted and the 6th production figures and the preliminary area planted for winter grains.

SOMERGEWASSE – OPPERVLAKTE- EN SESDE PRODUKSIESKATTING: 2024 **CROP/GEWAS**	**Area planted/ Opp beplant 2024 Ha (A)**	**6th forecast/ 6de skatting 2024 Tons (B)**	5th forecast/ 5de skatting **2024** **Tons** **(C)**	Area planted/ Opp beplant 2023 Ha (D)	Final crop/ Finale oes 2023 Tons (E)	Change/ Verandering % (B) ÷ (C)
Commercial/Kommersieël:						
White maize/Witmielies	**1 554 750**	**6 347 700**	6 347 700	1 521 300	8 505 000	0,00%
Yellow maize/Geelmielies	**1 081 500**	**6 985 650**	7 056 900	1 064 800	7 925 000	-1,01%
Total Maize/Totale Mielies	**2 636 250**	**13 333 350**	13 404 600	2 586 100	16 430 000	-0,53%
Sunflower seed/Sonneblomsaad	**529 000**	**649 250**	649 250	555 700	720 000	0,00%
Soybeans/Sojabone	**1 150 500**	**1 778 790**	1 778 790	1 148 300	2 770 000	0,00%
Groundnuts/Grondbone	**41 200**	**53 755**	54 440	31 300	53 000	-1,26%
Sorghum	**42 100**	**95 830**	95 830	34 000	94 360	0,00%

CROP/GEWAS	**Area planted/ Opp beplant 2024 Ha (A)**	Intentions/ Voorneme* Mid April 2024 Ha (B)	Area planted/ Opp beplant 2023 Ha (C)	Final crop/ Finale oes 2023 Tons (D)	Change/ Verandering % (A) ÷ (C)
Commercial/Kommersieël:					
Wheat/Koring	**502 000**	520 200	537 950	2 050 000	-6,7%
Barley/Gars	**102 050**	102 000	107 600	377 000	-5,2%
Canola/Kanola	**146 200**	141 100	131 200	236 300	11,4%
Oats/Hawer	**28 400**	20 500	27 500	41 000	3,3%
Sweet lupines/Soetlupine	**16 000**	15 000	16 000	16 000	0,0%
Total winter/Totaal winter	**794 650**	798 800	820 250	2 720 300	-3,1%

General overview:

Based on the 6th production estimate released by the CEC, **total maize production** is estimated at 13,3 million tons. This is approximatly 3 million tons less than the previous season. Yellow maize was reduced once again by 1,01% or 71 000 tons. Total sunflower, soybeans and sorghum estimates remained unchanged. **Overall, the seasons drought and heat conditions led to total summer grain production reducing by just over 4 million tons.**

The prelimary wintergrain estimates showed that both wheat and barley hactares planted decreased. Canola's area planted increased the most by 11,4%. If this should realise it would be another record year for canola. The overall decrease for wintergrain seen is due to enormous pressure on producers' profit margins.

2.2. Deliveries

2.2.1. Maize deliveries

2024/25 bemarkingsjaar

	White/Wit	Yellow/Geel	Total/Totaal	
Early deliveries (Mar & Apr) (tons) *(Note 1)*	398 292	709 366	1 107 658	Vroeë lewerings (Mrt & Apr) (tonne) *(Nota 1)*
Deliveries (May-Feb) (tons) (Note 2)	4 468 346	4 724 486	9 192 832	Lewerings (Mei-Febr) (tonne) (Nota 2)
Total deliveries (tons) (Note 3)	**4 866 638**	**5 433 852**	**10 300 490**	**Totale lewerings (tonne) (Nota 3)**
CEC 6de production estimate (tons)	6 347 700	6 985 650	13 333 350	NOK 6de produksieskatting (ton)
Adjustment for on farm consumption & storage (tons) (Note: 4) (Retention)	190 000	420 000	610 000	Aanpassing vir op plaas verbruik en stoor (Terughouings)
Crop estimate MINUS farm consumption, storage, seed retention etc	**6 157 700**	**6 565 650**	**12 723 350**	**Produksieskatting MIN plaasverbruik, stoor, saad terughouings ens**
Deliveries as % of CEC estimate minus retensions (%)	**79%**	**83%**	**81%**	**Lewerings as % van die NOK skatting minus terughoudings(%)**
Outstanding after adjustment (tons)	1 291 062	1 131 798	2 422 860	Uitstaande op NOK na aanpassings (tonne)
Remaining weeks for delivery (Note 5)	31	31	31	Uitstaande weke vir lewering (Nota 5)
Delivery tempo needed to obtain CEC estimate	**41 647**	**36 510**	**78 157**	**Lewerings tempo benodig**

Notas/Notes

Nota 1: Maart en April 2024 se lewerings word geneem as vroeë lewerings. Ouseisoenlewerings is moontlik maar waarskynlik minimaal

Nota 2: Slegs lewerings vanaf Mei tot Feb word in ag geneem omdat 'n aanname vir Maart en April se vroeë lewerings reeds gemaak is

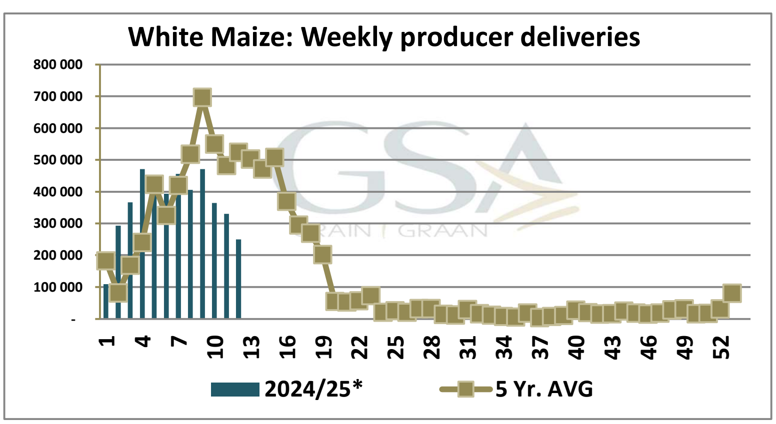
Nota 3: Totale lewerings tot datum in 52 weke periode (Let op: Periode geneem as Mar - Feb en nie volgens amptelike bemarkingsjaar, Mei - Apr)

Nota 4: Aanname: Volgens NOK se opnamesyfer onder produsente einde van Nov elke jaar - sien ook Graan SA se vraag- en aanbodbalansstaat.

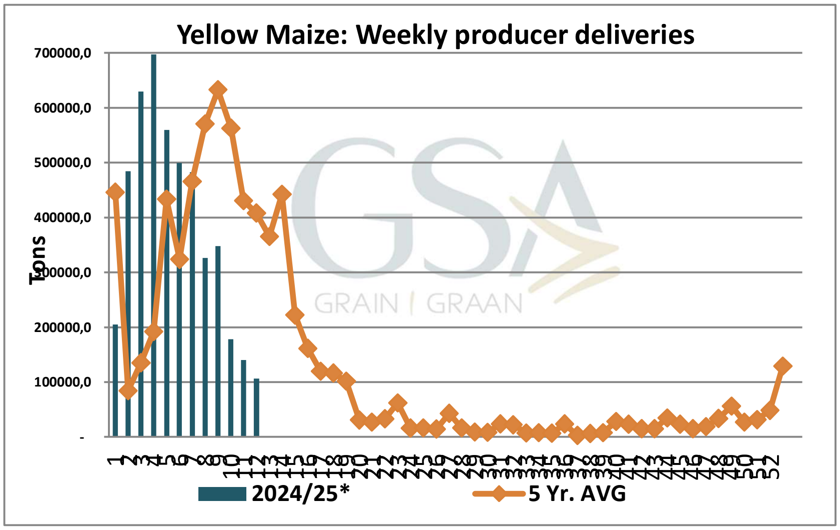
Nota 5: [52 weke minus (Aantal vroeë lewerings weke plus weke sedert Meimaand)]

Maize delivery overview:

- **White maize:** 4 866 638 tons delivered (79%), 1 291 062 tons still required.
- **Yellow maize:** 5 433 852 tons delivered (83%), 1 131 798 tons still required.
- **Total maize:** 10 300 490 tons delivered (81%), 2 422 860 tons stille required.
- There are still 31 weeks remaining for delivery.



The figure shows the weekly white maize deliveries. To date 79% of the total estimated white maize crop has been delivered. The delivery pace started faster compared to the five-year average but slowed after week nine. **1,3 million tons or 41 647 ton per week should be delivered.**



The figure shows the weekly yellow maize deliveries. To date 83% of the total estimated yellow maize crop has been delivered. The delivery pace started significantly faster compared to the five-year average. 1 131 798 ton or 36 510ton per week is still required.

2.2.2. Soybean deliveries

The figure below shows the weekly soybean deliveries. To date 97,4% of the total soybean crop has been delivered.

Delivery Estimate versus CEC Estimate / Beraamde lewering versus NOK skatting 2024/25 bemarkingsjaar		
	Sojabone /Soybeans	
Total deliveries (tons)	**1 687 709**	**Totale lewerings (tonne)**
CEC 6th production estimate (tons)	1 778 790	NOK 6de produksieskatting (ton)
Adjustment for on farm consumption & storage (tons)	46 000	Aanpassing vir plaasverbruik & stoor (tonne)
Adjustment for seed retention		Aanpassing vir saad terughouding
Crop estimate MINUS farm consumption, storage, seed retention etc	**1 732 790**	**Produksieskatting MIN plaasverbruik, stoor, saad terughouding ens**
Deliveries as % of CEC estimate minus retensions (%)	**97,4%**	**Lewerings as % van die NOK skatting minus terughoudings(%)**
Outstanding after adjustment (tons)	45 081	Uitstaande op NOK na aanpassings (tonne)
Remaining weeks for delivery	30	Uitstaande weke vir lewering
Delivery tempo needed to obtain CEC estimate	**1 502,70**	**Lewerings tempo benodig**

Soybean delivery overview:

- To date 97,4% of the soybeans expected has been delivered.
- To reach the estimated crop of 1 732 790 tons, a total of 1 461tons should be delivered each week for the weeks remaining in the season.
- There are still 30 weeks remaining for delivery.
- *Of the 96% deliveries to date only 18 629 tons have been green soybeans.

2.2.3. Sunflower deliveries

The figure below shows the weekly sunflower seed deliveries. To date **93,4%** of the total sunflower crop has been delivered.

Delivery Estimate versus CEC Estimate / Beraamde lewering versus NOK skatting 2024/25 bemarkingsjaar		
	Sonneblom / Sunflower	
Total deliveries (tons)	**606 347**	**Totale lewerings (tonne)**
CEC 6de production estimate (tons)	649 250	NOK 6de produksieskatting (ton)
Adjustment for on farm consumption & storage (tons)	-	Aanpassing vir plaasverbruik & stoor (tonne)
Adjustment for seed retention		Aanpassing vir saad terughouding
Crop estimate MINUS farm consumption, storage, seed retention etc	**649 250**	**Produksieskatting MIN plaasverbruik, stoor, saad terughouding ens**
Deliveries as % of CEC estimate minus retensions (%)	**93,4%**	**Lewerings as % van die NOK skatting minus terughoudings(%)**
Outstanding after adjustment (tons)	42 903	Uitstaande op NOK na aanpassings (tonne)
Remaining weeks for delivery	31	Uitstaande weke vir lewering
Delivery tempo needed to obtain CEC estimate	**1 384**	**Lewerings tempo benodig**

Sunflower delivery overview:

- To date 93,4% of the sunflowers expected has been delivered.
- To reach the estimated crop of 649 250 tons, a total of 1 384tons should be delivered each week for the weeks remaining in the season.
- There are still 31 weeks remaining for delivery.

3. Supply and Demand

3.1. Maize

SUPPLY AND DEMAND OF MAIZE IN RSA	GSA PROJECTION WHITE MAIZE 2024/25*	GSA PROJECTION YELLOW MAIZE 2024/25*	GSA PROJECTION TOTAL MAIZE 2024/25*
29-Jul-24	**(6TH PRODUCTION ESTIMATE)**	**(6TH PRODUCTION ESTIMATE)**	**(6TH PRODUCTION ESTIMATE)**
CEC (Crop Estimate'000ton)	6 347 700	6 985 650	13 333 350
Available for the commercial market	6 209 700	6 506 284	12 715 984
Supply			
Opening stock (1 May)	1 346 568	1 053 987	2 400 555
Prod deliveries*	6 157 700	6 565 650	12 723 350
Imports	0	363 000	363 000
Demand			
Food	5 364 000	584 000	5 948 000
Feed	100 000	5 693 000	5 793 000
Other	25 000	56 000	81 000

SUPPLY AND DEMAND OF MAIZE IN RSA	GSA PROJECTION WHITE MAIZE 2024/25*	GSA PROJECTION YELLOW MAIZE 2024/25*	GSA PROJECTION TOTAL MAIZE 2024/25*
29-Jul-24	**(6TH PRODUCTION ESTIMATE)**	**(6TH PRODUCTION ESTIMATE)**	**(6TH PRODUCTION ESTIMATE)**
Total RSA consumption	5 489 000	6 333 000	11 822 000
Exports			
Products	440 000	120 000	560 000
Whole maize	1 100 000	665 000	1 765 000
Total Exports	1 540 000	785 000	2 325 000
Total Demand	7 029 000	7 118 000	14 147 000
Carry-out as a % of RSA consumption	10%	13%	12%

Maize supply and demand overview:

White maize:

- Looking at month on month consumption trends compared to the previous five years, it is evident that less white maize was used for human consumption.
- Looking at white maize exports as well as animal consumption, it is seen that on a month to month basis the quantity has significanlty decreased.
- At this stage the white maize supply is tight, but sufficient for local consumption.

Yellow maize:

- Looking at white maize exports it is seen that on a month to month basis the export quantity has decreased.
- There is a significant increase on a month to month basis, compared to the past five years, in animal and industrial use of yellow maize. The price difference between yellow and white maize, yellow maize being the cheaper between the two, contributes to this increase.

3.2. Soybeans

SUPPLY AND DEMAND OF MAIZE IN RSA	GSA PROJECTION Soybeans 2024/25*
29-Jul-24	**(6TH PRODUCTION ESTIMATE)**
CEC (Crop Estimate'000ton)	1 778 790
Retention	46 000
Available for the commercial market	1 732 790
Supply	
Opening stock (1 May)	320 637
Commercial deliveries	1 732 790
Imports	5 000
Total commercial supply	**2 065 927**
Demand	
Food	22 500
Feed (Full fat soya)	122 000
Crushed for oil & oilcake	1 690 000
Other	11 600
Total RSA consumption	**1 846 100**
Exports	130 000
Total Demand	**1 976 062**
Carry-out as a % of RSA consumption	**4,5%**

Soybeans supply and demand overview:

- The quantity soybeans crushed on a month to month basis have been lower compared to past five years. Therefore, the expectation is that overall crushed soybean will decrease for this season.
- Fullfat soybean is significanlty lower on a month to month basis compared to the past five years.
- Human consumption of soybeans have been slightly more on a month to month basis compared to the past five years.
- However, due to the extreme weather conditions the past season, the total commercial deliveries is lower and this is also seen in the carry-out stock as % of RSA consumption. The 4,5% is currently on 18 days stock which is much lower than the 45 day rule.

3.3. Sunflowers

SUPPLY AND DEMAND OF MAIZE IN RSA	GSA PROJECTION Sunflowers 2024/25*
29-Jul-24	**(6TH PRODUCTION ESTIMATE)**
CEC (Crop Estimate'000ton)	649 250
Supply	
Opening stock (1 May)	127 144
Commercial deliveries	649 000
Imports	3 000
Total commercial supply	**788 144**
Demand	
Food	1 800
Feed	5 900
Crushed for oil & oilcake	690 000
Other	3 350
Total RSA consumption	**701 050**
Exports	150
Total Demand	**701 200**
Carry-out as a % of RSA consumption	12%

Sunflowers supply and demand overview:

- Total commercial deliveries is less than the previous two seasons. This is primarily due to less hactares plantes as well as slightly lower yields due to extreme weather conditions this past season.
- The total demand and supply is less than the 3-year average.
- The sunflower carry out stock as % of RSA consumption is still sufficient for local consumption.

4. Summary

In conclusion…

The winter grain season is progressing and showing promise with regard to the grain that already emerged, however profit margin constraints, caused less hectares being planted.

Summer crop conditions for the 2023/24 season is characterised by drought and exterme heat. This led to just over 4 million tons reduction in the estimated crop to be harvested compared to tthe precious year.

The deliveries are progressing well. The majority of the expected sunflower and soybeans have been delivered. Maize is progressing well, however approximately 21% of the total maize is still expected to be delivered.

Supply and demand figures for July show that white maize carry over stock as a % of total RSA consumption is tight at this stage. However, it is sufficient to satisfy local demand. The yellow maize carry over stock as a % of total RSA consumption is more than sufficient. Soybean stocks are tight, significant reduction in exports compared to last year.

The report was compiled by the applied economics and membership team of Grain SA. If you have any questions or require additional information, contact marguerite@grainsa.co.za.

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