AGRIBUSINESS
RESEARCH

agbiz
agricultural business chamber
the way to prosperity

Wandile Sihlobo | Chief Economist | Email: wandile@agbiz.co.za

May 27 2025

SA's 2024-25 summer grain and oilseeds harvest slightly lowered from last month but remains on a path for a better season

- The 2024-25 summer grain and oilseeds harvest is underway across South Africa. However, the season and harvest progress are lagging behind last year's pace due to the late start and the prolonged rains through to April. The late rains also raised concerns about crop quality, but so far, we have not received many complaints, and the crops delivered to the silos thus far are of fair quality.

- Notably, in its fourth production estimate for the season, the Crop Estimates Committee has also not significantly slashed the output, although this has been a lingering concern. In data released this afternoon, the 2024-25 summer grain and oilseeds harvest is lowered slightly by 0.19% from the April estimate to 17.98 million tonnes. This is still 16% higher than the previous season, which again illustrates the recovery this year after a drought period in the 2023-24 production season.

- A closer look at the data reveals that the monthly downward revisions were primarily in maize (-0.14%), sunflower seed (-2.02%), and groundnut (-1.68%). Meanwhile, the rest of the other crops were roughly unchanged from the previous month.

- More specifically, South Africa's maize harvest is now forecast at 14.64 million tonnes, which is 14% higher than the 2023-24 season. Of these 14.64 million tonnes, about 7.65 million tonnes is white maize, and 6.99 million tonnes is yellow maize. Importantly, these forecasts are well above South Africa's annual maize needs of approximately 11.80 million tonnes, implying that South Africa will have a surplus and remain a net exporter of maize.

- Regarding oilseeds, the soybean harvest is estimated at 2.33 million tonnes, unchanged from April 2025 but still up 26% year-over-year. The annual uptick is primarily due to improved yields resulting from last year's drought. Sunflower seeds are down 2.02% from April, but still up 15% from the previous season and are estimated at 727,800 tonnes.

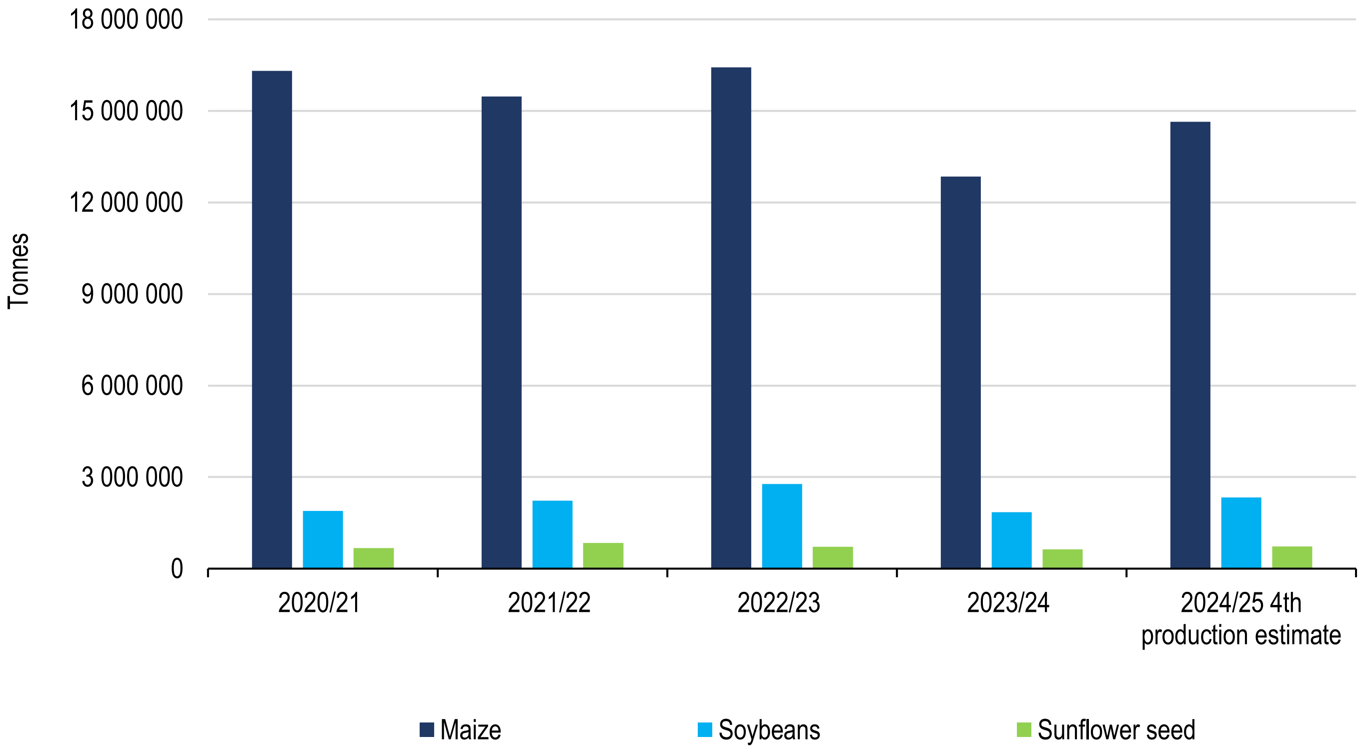
- The groundnut harvest is estimated at 63 510 tonnes (up 22% y/y), sorghum production is estimated at 137 970 tonnes (up 41% y/y), and the dry beans harvest is at 71 415 tonnes (up 41%). The base effects also boost the significant annual increases, given the poor harvest we recorded in 2023-24 during the drought.

- In essence, while the overall harvest has been slightly lower than last month, this is shaping up to be a better agricultural season and a year of recovery in the sector. Moreover, the sunnier and drier conditions will help support the harvest in the coming months. We will learn more about the quality of the crop as the harvest gains momentum in the coming weeks and months.

- When the market closed on May 27, the white maize spot price traded around R4,470 per tonne, down roughly 13% from the same period last year. The yellow maize spot price traded around R4,030 per tonne, roughly unchanged from a year ago. The soybean spot price traded around R7,157 per tonne, down approximately 20% from a year ago, and the sunflower seed spot price was around R9,070 per tonne, which is roughly 2% higher than a year ago.

- From a consumer perspective, we continue to observe generally softening commodity prices, driven by the expected large harvest, which bodes well for a more comfortable food inflation path in the second half of the year. This quarter, specifically for grain-related products in the food inflation basket, may still reflect the effects of the recent higher prices and tight grain supplies at the start of this year before we receive the new season's deliveries.

Exhibit 1: SA's second summer crop production estimates (selected crops)



Source: CEC and Agbiz Research