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Report Highlights:

The lower corn crop in marketing year 2023/24, coupled with strong regional demand, especially for white corn, has prompted higher prices in Southern Africa. Therefore, Post forecasts that producers will be motivated to expand corn area in marketing year 2024/25. South Africa is continuing to export corn to its neighboring countries, creating a situation where South African corn consumption demands require imports. This generates a market for United States corn, though South Africa only allows imports for countries that are cultivating genetically engineered events that have been approved for food, feed and/or cultivation purposes in South Africa. Post has worked closely with stakeholders to resolve asynchronous events to allow trade and expects that U.S. corn imports will be forthcoming.

Executive Summary

South Africa should maintain its status as a net exporter of corn in marketing year (MY¹) 2024/25 with an expected commercial crop of above 15.8 million metric tons (MMT) based on an expanded area. Commercial and subsistence production is forecast at 16.5 MMT. The El Niño-induced mid-summer drought caused the smallest corn crop in five years in MY 2023/24 and prompted elevated local corn prices. As producers tend to be motivated by prices at time of planting, expansion in corn area is expected. The white corn area is projected to surge due to the major drop in production across the region in MY 2023/24 that has pushed local white corn prices to record levels. White corn is the preferred grain for consumption in Southern Africa when milled into the form of a meal.

Despite diminishing production, South Africa is expected to export about 2 MMT of corn in MY 2023/24. South Africa's corn exports are focused mainly on neighboring countries where import demand is elevated after the drought-stricken season. This created a situation where South African corn consumption demands require imports. Post estimates that South Africa will import approximately 500,000 MT of corn in MY 2023/24.

¹ *The MYs used in the text refer to the USDA marketing years in the PS&D table, and do not necessarily correspond with the marketing years used by the South African grain industry.*

CORN

Production

Post kept its July forecast for an expansion in corn area in MY 2024/25 unchanged. Post forecasts that South Africa's corn area will expand by 4 percent to 3.1 million hectares (MHa) in MY 2024/25, driven mainly by bullish regional corn prices. Due to a significant decline in South Africa's corn crop to 13.4 MMT in MY 2023/24 and strong regional demand after drought diminished corn production in Southern Africa, local white corn prices reached record levels, while local yellow corn prices surged by almost 20 percent year-on-year. The stronger local corn prices will trigger an expansion in the area to be planted with corn in MY 2024/25. The white corn area is projected to surge most significantly at 9 percent in MY2024/25, as a 28 percent drop in white corn production occurred in MY 2023/24. Yellow corn production fell by 15 percent. However, Post foresees that the oilseed area in South Africa will be maintained at elevated levels in MY 2024/25, as soybean production was also limited due to the drought, causing a 35 percent decline in MY 2023/24, restricting the land available for an extensive expansion in corn area.

In addition to bullish prices, producers appear optimistic over forecasts indicating the possibility for favorable rainfall in the summer crop areas during the production season (October 2024 – April 2025). Though many producers have not yet started corn plantings, as early season rainfall has been limited and scattered, there is still sufficient time to plant corn. In the eastern regions of South Africa, including the provinces of Mpumalanga, KwaZulu-Natal, and the eastern Free State, the optimal planting window for corn is from the middle of October to the middle of November. For the western regions (Northwest and western Free State provinces) the optimal planting window is between the middle of November to late December. These four provinces represent more than 85 percent of corn production in South Africa.

Post's estimates on area planted with corn in MY 2024/25 is marginal higher than the results of the Department of Agriculture, Land Reform and Rural Development's Crop Estimates Committee's (CEC) "intention to plant survey" that was released on October 29, 2024. According to the CEC survey, commercial producers plan to plant 2.6 MHa of corn in MY 2024/25, including 1.6 MHa of white corn and 1.1 MHa of yellow corn. Producers' intention is to plant 1.2 MHA with soybeans, keeping it at the same elevated levels as in MY 2023/24.

Assuming a 5-year average yield and normal weather conditions, South Africa's corn crop for MY 2024/25 could reach 16.5 MMT on 3.1 MHa, which is 23 percent larger than the corn crop in MY 2023/24. Table 1 details area planted, yield, and production figures for commercial white corn and yellow corn as well as corn produced by subsistence farmers for MY 2022/23 (actual), MY 2023/24 (estimate), and MY 2024/25 (forecast).

Table 1*Area Planted, Yield, and Production of Commercial and Subsistence Corn in South Africa*

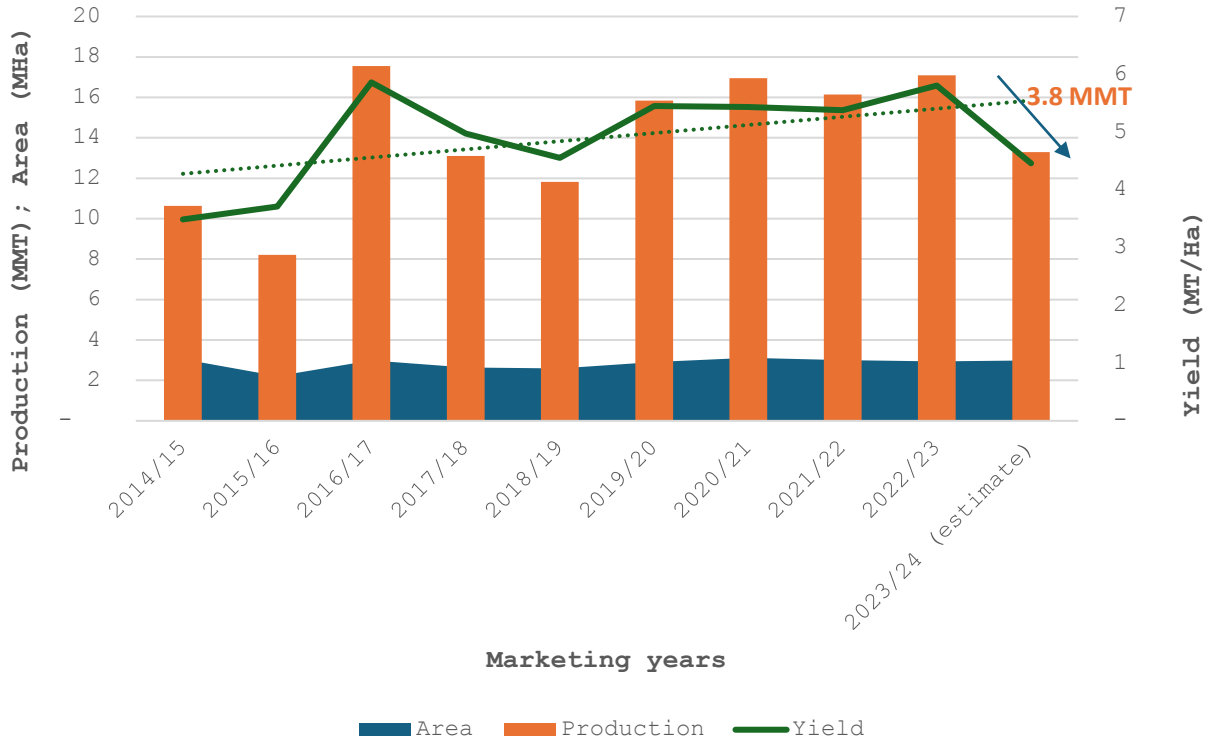
	2022/23 (actual)			2023/24 (estimate)			2024/25 (forecast)		
	Area (1,000ha)	Yield (MT/ Ha)	Prod. (1,000MT)	Area (1,000ha)	Yield (MT/ Ha)	Prod. (1,000MT)	Area (1,000ha)	Yield (MT/ Ha)	Prod. (1,000MT)
<u>Commercial Production</u>									
White	1,521	5.6	8,505	1,555	3.9	6,007	1,700	5.0	8,500
Yellow	1,065	7.4	7,925	1,081	6.2	6,717	1,050	7.0	7,340
Sub Total	2,586	6.4	16,430	2,636	4.8	12,724	2,750	5.8	15,840
<u>Subsistence Production</u>									
White	279	1.7	473	268	1.5	408	280	1.7	470
Yellow	80	2.4	191	79	2.1	167	80	2.4	190
Sub Total	359	1.8	664	347	1.7	575	360	1.8	660
TOTAL	2,945	5.8	17,094	2,983	4.5	13,299	3,110	5.5	16,500

Source: FAS/Pretoria estimates and data from the Crop Estimates Committee

The CEC released its ninth production estimate for summer rainfed crops for MY 2023/24 at the end of October. The estimate demonstrated that South Africa produced the smallest corn crop in 5 years at 13.3 MMT, 22 percent less than the previous marketing year. The CEC estimates an average yield of 4.5 MT/ha, a drop of 23 percent from the previous season. An *El Niño* induced mid-summer drought in 2024 coupled with excessive heat across South Africa during the crucial vegetative and flowering stages for corn reduced the yield potential of the crop. The white corn crop is estimated at 6.4 MMT and the yellow corn crop at 6.9 MMT, respectively, 2.6 MMT and 1.2 MMT smaller than in MY 2022/23 (also refer to Figure 1).

Figure 1

Area Planted, Production, and Yields of Corn in South Africa over the Past 10 Years



Source: United States Department of Agriculture (USDA)

Consumption

Post maintains its previous estimates for commercial corn demand in MY 2023/24 and MY 2024/25 at 12 MMT and 12.2 MMT, respectively. This represents a marginal growth rate from MY 2022/23 and correlates with the average per annum growth rate in the consumption of corn during the past 10 years in South Africa. Additionally, relatively high local corn prices will limit a substantial surge in corn demand.

South Africa consumes both white and yellow corn. White corn, in the form of a meal, is the staple food for many households as it is a relatively inexpensive source of carbohydrates. Yellow corn is used primarily by the animal feed sector as the main ingredient of most feed rations, particularly in the broiler industry. While white corn can also be used as animal feed, the price difference compared with yellow corn will prevent use of white corn in feed in MY 2023/24 and likely for MY 2024/25 as well. On the other hand, yellow corn is not considered culturally acceptable as a staple food.

Table 2 outlines the commercial consumption for white corn and yellow corn in South Africa for MY 2022/23 (estimate), MY 2023/24 (estimate), and MY 2024/25 (forecast).

Please note consumption figures in the Production, Supply, and Distribution (PS&D) table (Table 5) also include on-farm usage and corn utilized by the subsistence farming sector.

Table 2

Commercial Consumption of White and Yellow Corn in South Africa

CORN (1,000 MT)	White	Yellow	Total	White	Yellow	Total	White	Yellow	Total
	2022/23			2023/24			2024/25		
Human	5,364	578	5,942	5,500	600	6,100	5,650	600	6,250
Animal	1,097	4,696	5,793	100	5,700	5,800	500	5,350	5,850
Other	22	34	56	50	50	100	50	50	100
TOTAL	6,483	5,308	11,791	5,650	6,350	12,000	6,200	6,000	12,200

Source: FAS/Pretoria using data from the South Africa Grain Information Services

Trade

Exports

South Africa should maintain its status as a net exporter of corn in MY 2024/25 with an expected commercial crop of above 15.0 MMT. However, Post dropped its previous estimate for South Africa’s corn exports in MY 2024/25 to 2.1 MMT, as relatively less carry-over stocks will reduce corn availability for the export markets.

Despite diminishing production, South Africa is expected to export about 2 MMT of corn in MY 2023/24. South Africa’s corn exports focus mainly on neighboring countries where import demand is elevated after the drought-stricken season. In the first 25 weeks of MY 2023/24, South Africa already exported 1.1 MMT of corn, including 711,000 MT of white corn and 368,000 MT of yellow corn (see Table 3). However, a year-to-date comparison indicates 50 percent less exports which is proof of tight stocks after the drought and a ceasing of corn exports to markets in Asia that imported more than 1.7 MMT of corn, especially yellow corn, from South Africa in MY 2022/23 (also refer to Figure 2). On the other hand, year-to-date white corn exports are almost 70 percent higher. As in South Africa, white corn is the staple food for many households in the region as it is an important source of carbohydrates. For the second half of MY 2023/24, Post expects corn exports to continue at the current rate to neighboring countries until the start of the next corn harvest in May 2025.

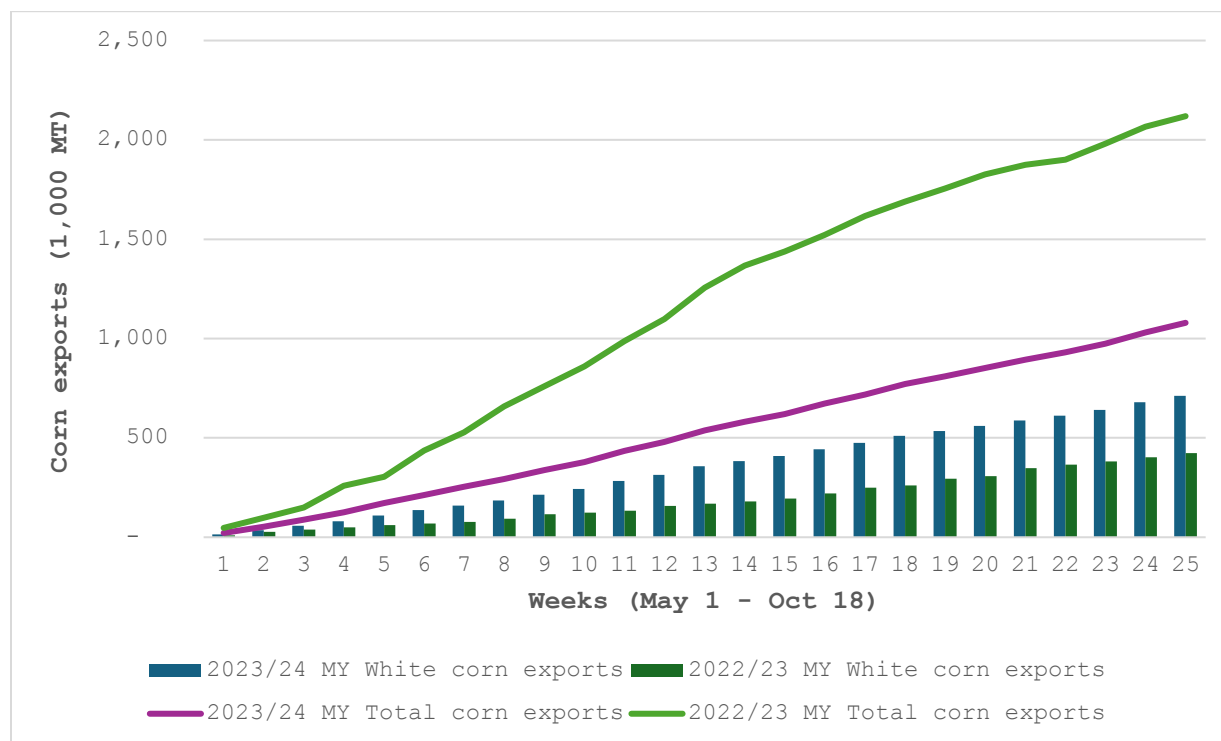
Table 3*South Africa's Exports of Corn in MY 2022/23 and MY 2023/24*

<u>MY 2022/23</u> <i>Full year</i> (May 1, 2023 – Apr 30, 2024)				<u>MY 2023/24</u> <i>First 25 weeks</i> (May 1, 2024, to October 18, 2024)			
<u>Countries</u>	<u>White corn</u>	<u>Yellow corn</u>	<u>Total</u>	<u>Countries</u>	<u>White corn</u>	<u>Yellow corn</u>	<u>Total</u>
	(1,000 MT)				(1,000 MT)		
<u>Export Destinations</u>				<u>Export Destinations</u>			
Zimbabwe	447	191	638	Zimbabwe	384	207	591
South Korea	0	492	492	Botswana	102	51	153
Japan	0	468	468	Namibia	102	29	131
Taiwan	0	463	463	Mozambique	54	32	86
Botswana	262	46	308	Eswatini	20	42	62
Namibia	178	62	240	Lesotho	49	3	52
Mozambique	137	65	202	Saudi Arabia	0	4	4
Vietnam	0	179	179				
Eswatini	61	84	145				
China	0	112	112				
Lesotho	69	3	72				
Kenya	68	0	68				
Guatemala	43	0	43				
Ghana	4	2	6				
Saudi Arabia	0	5	5				
Malawi	0	1	1				
Total Exports	1,270	2,173	3,443	Total Exports	711	368	1,079

Source: FAS/Pretoria using data from the South Africa Grain Information Services

Figure 2

Year-to-date Comparison of South Africa's Corn Exports



Source: FAS/Pretoria using data from the South Africa Grain Information Services

Imports

Post does not foresee any corn imports for South Africa in MY 2024/25. However, Post estimates that South Africa will import approximately 500,000 MT of corn in MY 2023/24. South Africa already imported 243,000 MT of yellow corn so far in MY 2023/24, exclusively from Argentina. As South Africa is expected to continue exporting corn to its neighboring countries where the demand is high, a situation is created where domestic corn consumption demands require imports.

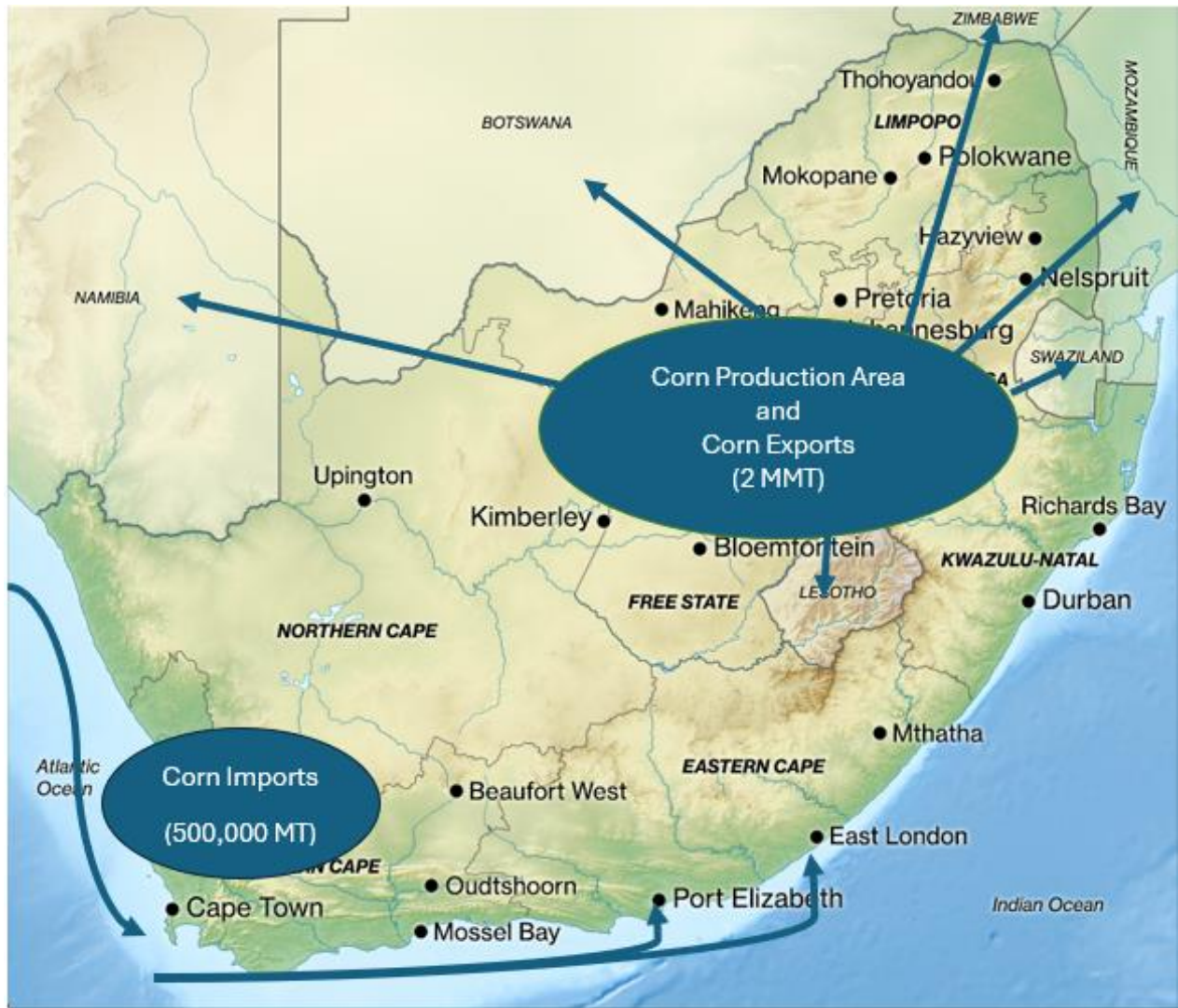
The high cost of transportation from South Africa's summer rainfall production regions indicates that it could cost less to import corn at the current price levels to the southern ports of South Africa than to transport South Africa's domestic crop to millers and feed manufacturers located in the southern and western coastal areas. South Africa's corn in the northern region will continue to serve the demand in neighboring countries (also refer to Figure 3).

South Africa allows for the importation of genetically engineered (GE) crops. However, according to the local Genetically Modified Organism Act, the list of GE events cultivated in an exporting country must be synchronized with the GE crops that have been approved by the South African regulators for food, feed and/or cultivation purposes. These asynchronous approvals can

pose significant risks to trade since South Africa applies zero tolerance for unintentional presence of GE events in food and feed imports. Post has worked closely with stakeholders to resolve the asynchronous GE events to allow trade and expect that import permits for United States' GE corn will soon be issued.

Figure 3

South Africa's Expected Corn Trade in MY 2023/24



Marketing

South Africa's local corn prices moved away from export parity towards import parity levels during the past production season due to the impact of the mid-summer drought on the crop (see also Figure 4). Currently, year-on-year local white corn prices are 42 percent higher, trading at R5,633/MT (\$320/MT), after reaching a record price level of R5,778/MT (\$328) on October 10, 2024. The El Niño-induced drought diminished white corn production in the region, most notably in Zambia and Zimbabwe. This has bolstered demand for South Africa's white corn stock, pushing local prices at elevated levels. Local white corn is currently trading at more than R1,000/MT (\$57) above yellow corn, illustrating the higher demand for white corn compared to yellow corn in the region. Local yellow corn prices rose year-on-year by 19 percent and traded at R4,465/MT (\$254/MT) on October 18, 2024. Table 4 indicates the current and futures prices of South African corn as of October 18, 2024.

Table 4

Local Corn Prices

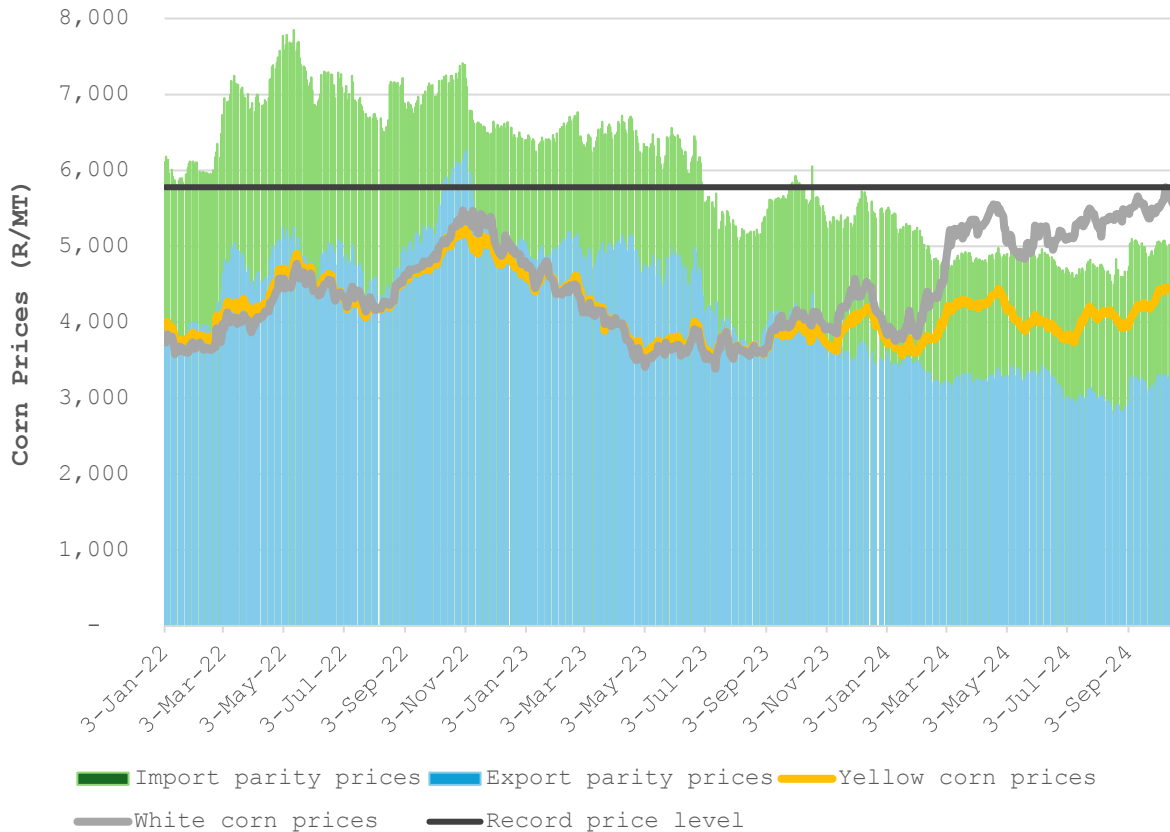
Commodity	Current and futures prices (year/month)				
	2024/10	2024/12	2025/03	2025/05	2025/07
White corn	R5,633/MT (\$320/MT)	R5,588/MT (\$318/MT)	R5,373/MT (\$305/MT)	R3,990/MT (\$227/MT)	R4,814/MT (\$274/MT)
Yellow corn	R4,465/MT (\$254/MT)	R4,473/MT (\$254/MT)	R4,375/MT (\$248/MT)	R3,690/MT (\$210/MT)	R3,666/MT (\$208/MT)

Source: FAS/Pretoria using data from GrainSA as of 10/18/2024

Note: US\$1 = Rand 17.60 (10/18/2024)

Figure 4

The Trend in the Local Price for Corn since January 2022



Source: FAS/Pretoria using data from GrainSA

Stocks

Year-end stocks are estimated to recover from the abnormally low levels estimated for MY 2023/24, expanding by 100 percent to 1.4 MMT in MY 2024/25 on higher local production, to equal about six weeks of commercial utilization. In MY 2023/24 stock levels are expected to drop by 70 percent to 702,000 MT, the lowest level in 10 years, due to decreased local production and higher corn demand in the region. The South African Grain Information Services (Sagis) calculated year-end stocks for MY 2022/23 at 2.4 MMT. Stocks are primarily stored by producer-owned agribusinesses (formerly cooperatives), traders, and processors. South Africa’s combined storage capacity for grain and oilseeds exceeds 20 MMT.

Table 5*Corn Production, Supply and Distribution*

Corn Market Year Begins South Africa	2022/2023		2023/2024		2024/2025	
	May 2023		May 2024		May 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	2945	2945	3000	2983	3150	3110
Beginning Stocks (1000 MT)	1954	1954	2405	2403	1055	702
Production (1000 MT)	17100	17094	13400	13299	17000	16500
MY Imports (1000 MT)	33	33	350	500	0	0
TY Imports (1000 MT)	0	0	220	252	150	248
TY Imp. from U.S. (1000 MT)	1	1	0	0	0	0
Total Supply (1000 MT)	19087	19081	16155	16202	18055	17202
MY Exports (1000 MT)	3443	3443	2000	2000	3200	2100
TY Exports (1000 MT)	3619	3619	2500	2515	2700	2700
Feed and Residual (1000 MT)	6614	6610	6400	6700	6900	6800
FSI Consumption (1000 MT)	6625	6625	6700	6800	6500	6900
Total Consumption (1000 MT)	13239	13235	13100	13500	13400	13700
Ending Stocks (1000 MT)	2405	2403	1055	702	1455	1402
Total Distribution (1000 MT)	19087	19081	16155	16202	18055	17202
Yield (MT/HA)	5.8065	5.8044	4.4667	4.4583	5.3968	5.3055

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2024/2025 = October 2024 - September 2025

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)**Attachments:**

No Attachments