

Maize crop estimate rises slightly

The agriculture department's crop estimates committee has made a slightly upward adjustment of SA's maize crop estimate for 2016.



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In its eighth production forecast for the year, the crop estimates committee said on Thursday, 25 August, that summer-crop farmers would harvest 7.297-million tonnes of maize, a staple food in SA. That is 0.48% higher than the previous forecast and combines the expected crops and white and yellow maize.

The committee expects wheat production to be 1.683-million tonnes, which is 16,88% or 243,040 tonnes more than the previous seasons' crop of 1,440-million tonnes.

Severe drought in the main maize and oilseed production areas of North West and the Free State triggered a rally in prices earlier in 2016 as concern over supply matched the duration of the drought.

The actively traded white maize futures for December delivery peaked at R5,226 a ton before easing to current levels of R4,289 a tonne. Yellow maize for December delivery peaked at R3,954 a ton before easing to R3,218 a tonne.

The country is expected to consume 10.47-million tonnes in the current marketing period, which ends in April. Including exports, the figure will rise to 11.33-million tonnes.

Apart from maize meal from white maize, yellow maize is a basic input for the production of red meat, chicken, eggs and milk.

Among other summer crop estimates, sunflower-seed production is now expected to come in unchanged at 742,750 tonnes, as is soybean at 750,250 tonnes.

Source: BDpro

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