

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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South Africa - Republic of

Grain and Feed Update

Corn Quarterly Update

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Report Highlights:

For the marketing year that will start in May 2010, it is estimated that 2.627 million commercial hectares were planted with corn, 8.23 percent more than the previous season. With most of South Africa's grain producing area receiving good rains in January, the country is likely to produce another corn surplus this season. South Africa's total corn crop for the marketing year that started in May 2009 was finalized at 12.567 million tons. Corn exports are expected to reach 2.0 million tons.

Post: Commodities:

Pretoria

Executive Summary:

The first area estimate for the marketing year starting May 2010 was released by the Crop Estimate Committee and indicated that commercial corn producers in South Africa planted 2.627 million hectares, 8.23 percent more than the previous year. With most of the country's grain producing area receiving good rains during January, South Africa is likely to produce another corn surplus this season.

South Africa's corn crop for the marketing year that started in May 2009 was finalized at 12.567 million tons, only 4.5 percent lower than the 13.164 million tons of the previous season. The hectares planted of 2.897 million were 12.2 percent less than the previous season's 3.300 million hectares. It is estimated that human and animal consumption of corn in the 2009/10 marketing year will increase mainly due to relatively lower corn prices, while South Africa will export about 2.0 million tons of corn

US\$1 = Rand 7.55 (01/28/10)

Sources:

www.sagis.org.za

www.grainsa.co.za

www.safex.co.za

www.nda.agric.za

Author Defined:

Production

The first area estimate for the marketing year starting May 2010, the 2010/11 marketing year, (split year 2009/10 in the PS&D table) was released by the Crop Estimate Committee (CEC) on January, 21. According to the CEC, commercial corn producers in South Africa planted 2.627 million hectares, 8.23 percent more than the previous year. White corn hectares increased by 10.93 percent to 1.652 million hectares and yellow corn hectares by 3.94 percent to 975,500. The CEC's area estimates clearly show a shift away from sunflower (a 32.89 percent decrease in hectares) and sorghum (a 19.30 percent decrease in hectares) production towards more corn and soya beans (15.60 percent increase in hectares planted) production.

This increase in hectares planted with corn happened despite the expectations of below normal rainfall due to El Nino conditions, a substantial drop in corn prices and Grain SA's recommendation to the farmers to plant only 2.2 million hectares of corn, 9.8 percent less than the 2009/10 marketing season. One possible reason for the increase in corn planting is the fact that 12 percent less wheat were planted during winter due to the unprofitability of wheat production in South Africa. Many of these wheat fields were planted with corn this season. Another reason is that corn production's profitability possibilities are better compared to other field crops due to

better corn cultivars and biotechnology.

With most of South Africa's grain producing area receiving good rains during December and January, an average commercial national corn yield of close to five tons per hectare is again possible this season. With 2.6 million commercial hectares planted with corn and approximately 500,000 hectares in the subsistence farming sector, South Africa is set to produce a corn surplus again this season. The following table details area planted and production figures of white and yellow commercial corn for the 2008/09 (actual), 2009/10 (actual) and 2010/11 (forecast) marketing years.

South Africa's commercial corn crop for the marketing year that started in May 2009 and will be ending in April 2010, the 2009/10 marketing year, (split year 2008/09 in the PS&D table) was finalized at 12.050 million tons on 2.428 million hectares. The expected corn crop for the subsistence farming sector is estimated at 516,633 tons on 468,683 hectares. Therefore, South Africa's final corn crop for the marketing year that started in May 2009 is 12.567 million tons, only 4.5 percent lower than the 13.164 million tons of the previous season. The hectares planted of 2.897 million are 12.2 percent less than the previous season's 3.300 million hectares.

The commercial white corn crop for the 2009/10 marketing year was finalized at 6.775 million tons, 9.4 percent less than the previous season. The commercial yellow corn crop for the 2009/10 marketing year was finalized at 5.275 million tons, 1.0 percent more than the previous season. The average commercial national corn yield increased from 4.54 tons/hectare in the previous season to a record 4.96 tons/hectare for the 2009/10 marketing year.

Table 1: Area planted and production of commercial corn in South Africa

CORN	Area 000ha	Yield t/ha	Prod. 000 t	Area 000ha	Yield t/ha	Prod. 000 t	Area 000ha	Yield t/ha	Prod. 000 t
Marketing year	2008/ 09			2009/ 10			2010/ 11		
White	1.737	4.3	7.480	1.489	4.6	6.775	1.652	4.4	7.335
Yellow	1.062	4.9	5.220	939	5.6	5.275	976	5.3	5.173
TOTAL	2.799	4.5	12.700	2.428	5.0	12.050	2.627	4.8	12.507

Source: SAGIS and CEC

Consumption

For the 2009/10 marketing season it is estimated that human and animal consumption of corn will increase mainly due to relatively lower corn prices. Commercial corn consumption is estimated at 9.5 million tons, an increase of 4.4 percent compared to the 2008/09 marketing

season. Consumption figures in the PS&D table include corn utilization by the commercial and subsistence (approximately 500,000 tons for the 2009/10 marketing year) farming sectors.

The following table outlines the commercial consumption for white and yellow corn for the 2008/09 (actual), 2009/10 (estimate) and 2010/11 (forecast) marketing years:

Table 2: The commercial consumption of white and yellow corn in South Africa

CORN 000 t	White	Yello w	Total	White	Yello w	Total	White	Yello w	Total
Marketin g year	2008 / 09			2009 / 10			2010 / 11		
Human	4.199	326	4.52 5	4.300	365	4.66 5	4.400	350	4.75 0
Animal	661	3.358	4.01 9	200	4.000	4.20 0	200	4.100	4.30 0
Other	218	344	562	250	400	650	200	400	600
TOTAL	5.078	4.028	9.10 6	4.850	4.765	9.51 5	4.800	4.750	9.65 0

Source: SAGIS, Grain SA

Trade

For the 2009/10 marketing year so far, from May 1, 2009 to January 15, 2010, South Africa exported 1.270 million tons of corn, mostly white corn. Kenya (772,661 tons), Botswana (110,843 tons) and Mozambique (108,370 tons) were the primary destinations. The decline in exports to Zimbabwe is likely due to food aid purchases and commercial purchases sourcing corn in Malawi, which had lower prices than South Africa. It is estimated that South Africa will export about 2.0 million tons of corn in the 2009/10 marketing year. Table 3 indicates the destination of South Africa's corn exports.

Table 3: Export and Import Countries for white and yellow corn for marketing years 2008/09 and 2009/10 (1 000 tons)

Marketing year	2008/09 (1 May 2008 – 30 April 2009)		2009/10 (1 May 2009 – 15 January 2010)	
	White corn	Yellow corn	White corn	Yellow corn
Export Destinations				
Angola	2	1		
Botswana	277	1	88	23
Benin	4			
Cameroon	4		1	2
Chad			1	
Congo	1			

Ethiopia	9			
Ghana	2			
Guinea	1	3		
Iran	33	104		37
Kenya	387		758	15
Lesotho	91	5	71	1
Mauritius	12			
Madagascar			1	6
Malaysia		34		
Malawi	8			
Mozambique	279	25	89	19
Namibia	124	19	38	18
Senegal	5			8
Seychelles				1
Somalia	43			
Swaziland	16	39	9	35
Tanzania	50			
Yemen		28		
Zambia	23			
Zimbabwe	526	7	44	4
TOTAL EXPORTS	1.899	266	1.102	168
Import Suppliers				
Brazil		27		
TOTAL IMPORTS	0	27	0	0

Source: SAGIS

Import Trade Matrix

Country	South Africa		
Commodity	Corn		
Time Period	May/April	Units:	MT
Imports for:	2008/09		2009/10*
U.S.	0	U.S.	0
Others		Others	
Brazil	27		
Total for Others	27		0
Others not Listed	0		0
Grand Total	27		0

*(1 May 2009 – 15 January 2010)

Export Trade Matrix

Country	South Africa		
Commodity	Corn		
Time Period	May/April	Units:	MT
Exports for:	2008/09		2009/10*
U.S.	0	U.S.	0
Others		Others	

			Data			Data			Data
Area Harvested	3,300	3,300	3,300	2,896	2,897	2,897	3,100	2,700	3,100
Beginning Stocks	1,661	1,661	1,661	3,090	3,130	3,130	3,182	3,412	3,722
Production	13,164	13,164	13,164	12,567	12,257	12,567	11,500	9,600	13,000
MY Imports	27	27	27	25	25	25	25	25	25
TY Imports	521	521	521	27	25	25	25	25	25
TY Imp. from U.S.	1	1	1	2	0	0	0	0	0
Total Supply	14,852	14,852	14,852	15,682	15,412	15,722	14,707	13,037	16,747
MY Exports	2,162	2,162	2,162	2,500	2,000	2,000	1,500	1,500	2,500
TY Exports	1,124	1,124	1,124	2,111	2,500	2,500	2,500	2,000	2,000
Feed and Residual	4,300	4,300	4,300	4,400	4,400	4,400	4,500	4,500	4,500
FSI Consumption	5,300	5,260	5,260	5,600	5,600	5,600	5,700	5,650	5,700
Total Consumption	9,600	9,560	9,560	10,000	10,000	10,000	10,200	10,150	10,200
Ending Stocks	3,090	3,130	3,130	3,182	3,412	3,722	3,007	1,387	4,047
Total Distribution	14,852	14,852	14,852	15,682	15,412	15,722	14,707	13,037	16,747
Yield	4.	4.	3.9891	4.	4.	4.3376	4.	4.	4.1534