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agriculture &
rural development

Department:
Agriculture and Rural Development
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

AMT
MONTHLY MAIZE REPORT

JUNE 2023

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ENQUIRIES

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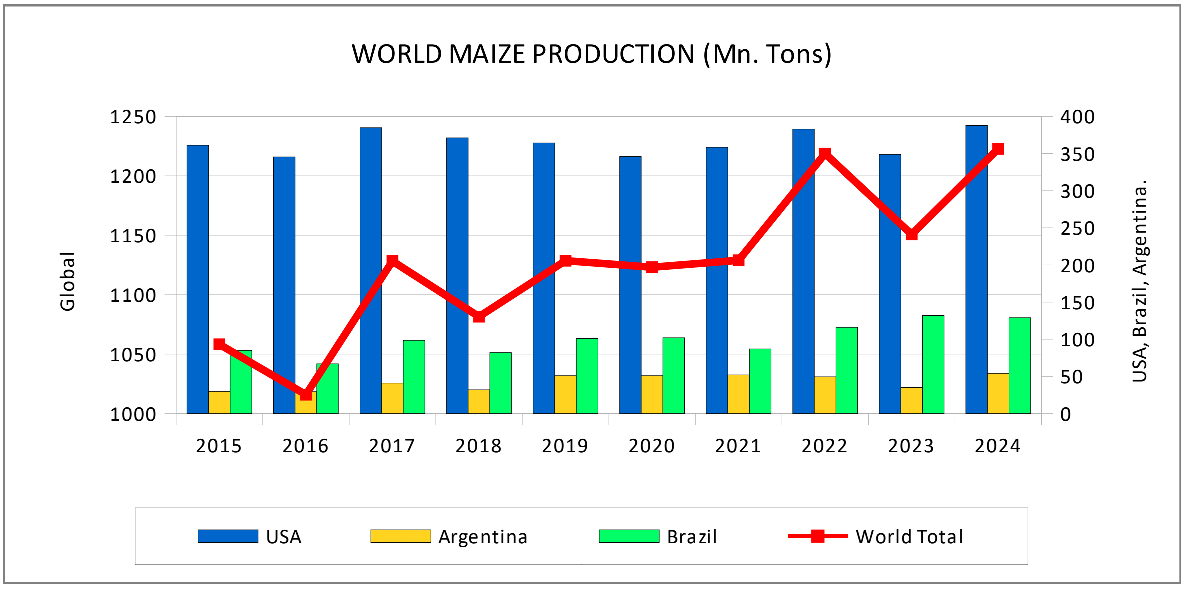
AMT MONTHLY MAIZE REPORT – JUNE 2023

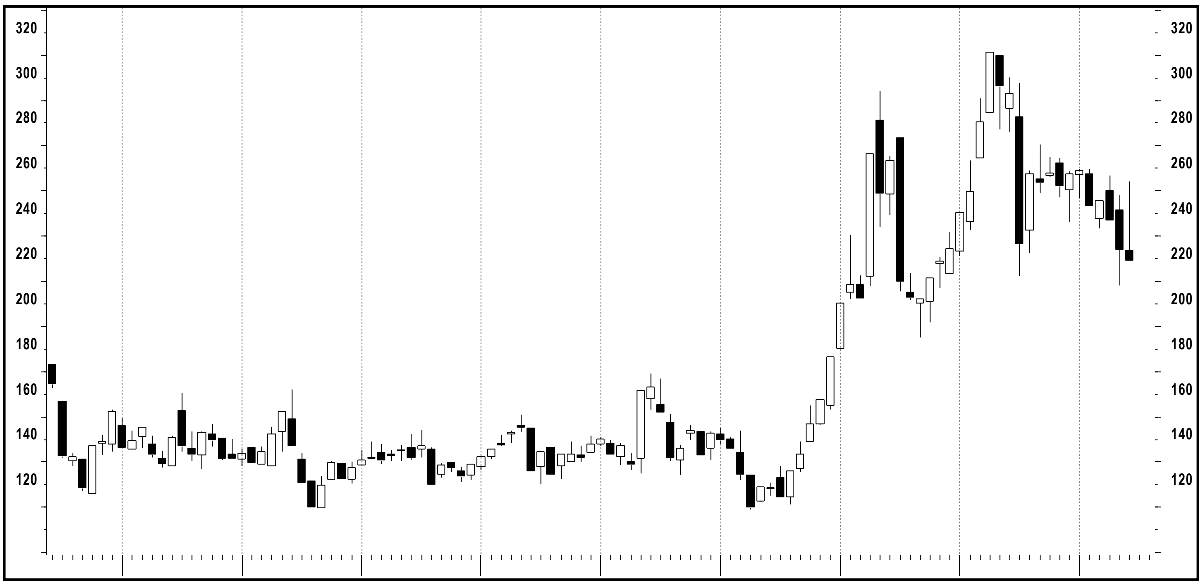
Monthly Prices	June 2023	m-on-m	May 2023	y-on-y	June 2022
CBOT Maize ($/t)	228.73	-2.19%	233.85	-24.56%	303.21
SAFEX WMAZ (Spot) (R/t)	3 634	-0.30%	3 645	-16.61%	4 358
SAFEX YMAZ (Spot) (R/t)	3 721	-1.43%	3 775	-14.24%	4 339
US$/ZAR- exchange rate	18.8458	-4.67%	19.7685	15.62%	16.3000

INTERNATIONAL



The US Crop Progress Report shows US summer plantings were on schedule. The focus has now shifted to crop conditions, which have been poorly rated because of the damage caused by extreme heat in various regions of the country. For instance, during June only 50% of the planted maize was rated good-to-excellent, down significantly last year.

In their report, the FAO Food Price Index averaged 124.3 points in May 2023, down 3% from April and as much as 22% from the all-time high it reached in March 2022. The decline in May was underpinned by significant drops in the price indices for vegetable oils, cereals, and dairy.



DOMESTIC

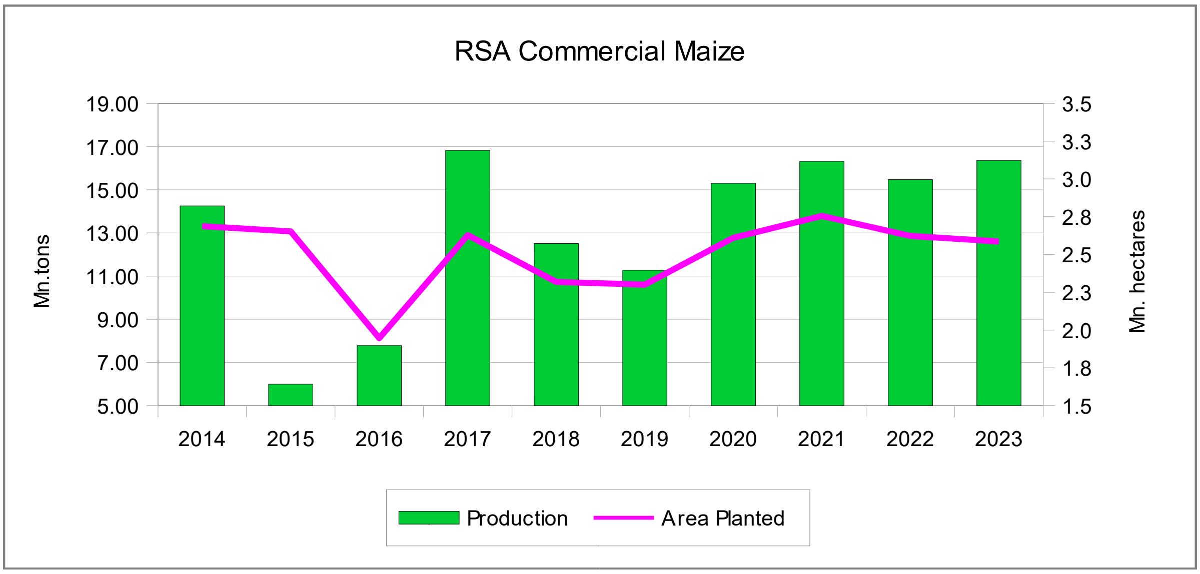
South Africa's agricultural exports fell by 2% year-on-year in the first quarter of 2023. However, when viewed quarterly, the exports are up 5% from Q4, 2022.

South Africa is experiencing one the best production seasons. The 2022/23 maize harvest could reach 16,4 million tons, which will be 6% higher than 2021/22, and the second-largest crop on record.

In the first quarter of 2023, South Africa agricultural imports were down 9% year-on-year, but up 4% quarter-on-quarter.

Summer crop harvest is underway. The Crop Estimates Committee lifted the 2022/23 maize production estimate by 1% from a month earlier. Most of the larger crop is due to improved yields, as the planted area is slightly down from 2021/22. Around 8,64 million tons produced is white maize, and 7,71 million tons being yellow maize.

Current expected supplies will be sufficient to meet the domestic needs of roughly 11,40 million tons, and availability of more than 3,0 million tons for exports in the 2023/24 marketing year.



THE SOUTH AFRICAN SUPPLY-AND-DEMAND PROJECTIONS FOR MAIZE AT THE END OF JUNE 2023:

TOTAL MAIZE (2023/24 Season)

Supply

The total supply of maize is projected at 17 676 532 tons for the 2023/24 marketing season. This includes an opening stock (on 1 May 2023) of 1 953 931 tons and local commercial deliveries of 15 714 100 tons. No imports are expected, early deliveries of a minus 23 499 tons and a surplus of 32 000 tons.

Demand

The total demand (domestic plus exports) for maize is projected at 14 862 200 tons. Total domestic demand is projected at 11 592 200 tons. This includes 5 490 000 tons processed for human consumption, 6 000 000 tons processed for animal and industrial consumption, 17 200 tons for gristing, 30 000 tons withdrawn by producers, 45 000 tons released to end-consumers and a balancing figure of 10 000 tons (net receipts and net dispatches). A projected export quantity of 320 000 tons of processed products and 2 950 000 tons of total whole maize is estimated for exports in the 2023/24 marketing season.

Stock levels

The projected closing stock level for 30 April 2024 is estimated at 2 814 332 tons. At an average processed quantity of 958 933 tons per month, this represents available stock levels for 2.9 months or 89 days.

SOURCE: NAMC

WHITE MAIZE (2023/24 Season)

Supply

The total supply of white maize is projected at 9 581 385 tons for the 2023/24 marketing season. This includes an opening stock level (on 1 May 2023) of 1 082 640 tons and local commercial deliveries of 8 427 950 tons. Whole white maize imports are estimated at 0 tons for the season, early deliveries of 55 795 tons and a surplus of 15 000 tons.

Demand

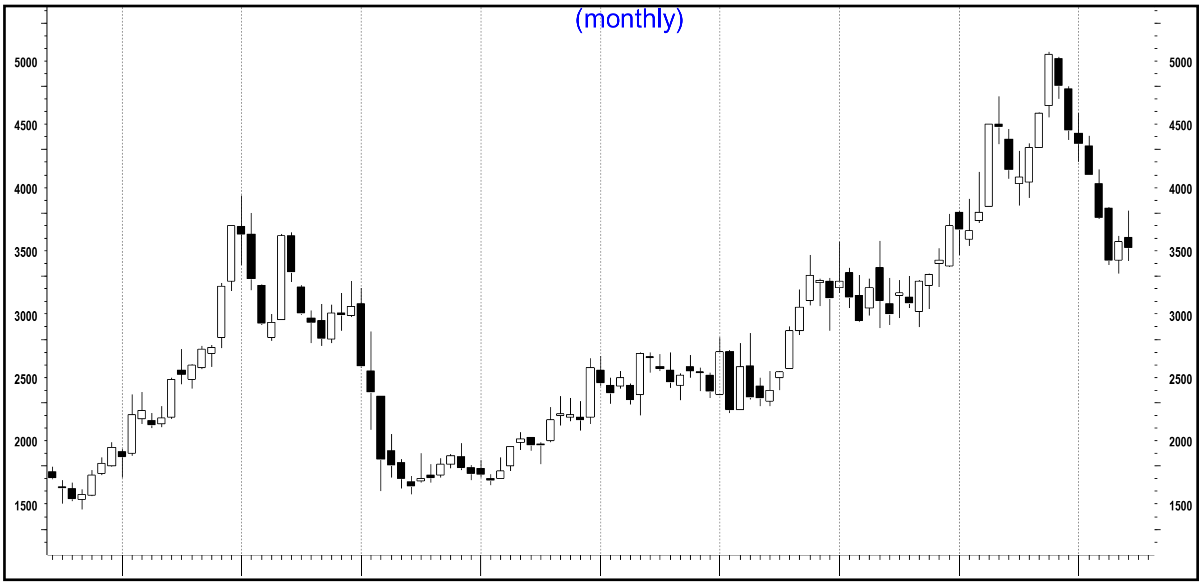
The total demand (domestic plus exports) for white maize is projected at 8 038 200 tons. The total domestic demand is projected at 6 973 200 tons. This includes 4 940 000 tons processed for human consumption, 2 000 000 tons processed for animal and industrial consumption, 11 200 tons for gristing, 12 000 tons withdrawn by producers, 5 000 tons released to end-consumers and a balancing figure of 5 000 tons (net receipts and net dispatches). A projected export quantity of 165 000 tons of processed products and 900 000 tons of white whole maize is estimated for exports in the 2023/24 marketing season.

Stock levels

The projected closing stock level for 30 April 2024 is estimated at 1 543 185 tons. At an average processed quantity of 579 267 tons per month, this represents available stock levels for 2.7 months or 81 days.

Please note: When utilizing 45 days' stock as a proxy, there is potential for 1 590 000 tons of white maize available for exports for the 2023/24 marketing season (provided there is efficient logistical capacity). Keep in mind that, as of 23 June 2023, 92 265 tons have already been exported (weekly SAGIS figures).

SOURCE: NAMC



YELLOW MAIZE (2023/24 Season)

Supply

The total supply of yellow maize is projected at 8 095 147 tons for the 2023/24 marketing season. This includes an opening stock (on 1 May 2023) of 871 291 tons and local commercial deliveries of 7 286 150 tons. No yellow maize imports estimated for the season, early deliveries of a minus 79 294 tons and a surplus of 17 000 tons.

Demand

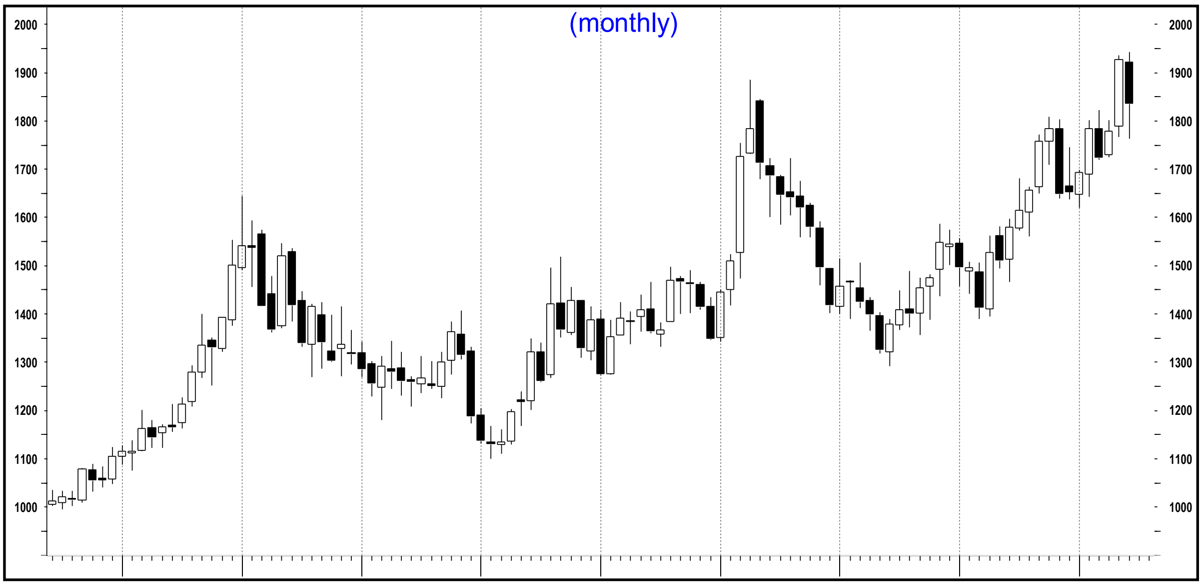
The total demand (domestic plus exports) for yellow maize is projected at 6 824 000 tons. The total domestic demand is projected at 4 619 000 tons. This includes 550 000 tons processed for human consumption, 4 000 000 tons processed for animal and industrial consumption, 6 000 tons for gristing, 18 000 tons withdrawn by producers, 40 000 tons released to end-consumers and a balancing figure of 5 000 tons (net receipts and net dispatches). A projected export quantity of 155 000 tons of processed products and 2 050 000 tons of yellow whole maize is estimated for exports in the 2023/24 marketing season.

Stock levels

The projected closing stock level for 30 April 2024 is estimated at 1 271 147 tons. At an average processed quantity of 379 667 tons per month, this represents available stock levels for 3.3 months or 102 days.

Please note: When utilizing 45 days' stock as a proxy, there is potential for 2 759 000 tons of yellow maize available for exports for the 2023/24 marketing season (provided there is efficient logistical capacity). Keep in mind that, as of 23 June 2023, 563 208 tons have already been exported (weekly SAGIS figures).

SOURCE: NAMC



In 1 week, Dollar to Rand forecast, exchange rate 18.87 Rands, maximum 19.15, minimum 18.59. USD to ZAR forecast on Friday, July 14.

In 2 weeks, USD to ZAR forecast exchange rate 19.23 Rands, maximum 19.52, minimum 18.94. Dollar to Rand forecast on Friday, July 21.

In 3 weeks, Dollar to Rand forecast exchange rate 19.18 Rands, maximum 19.47, minimum 18.89. USD to ZAR forecast on Friday, July 28.

In 4 weeks, USD to ZAR forecast exchange rate 18.44 Rands, maximum 18.72, minimum 18.16. Dollar to Rand forecast on Friday, August 4.

SOURCE: 30rates