

Income & Cost Budgets

Summer Crops – 2025/26

A joint initiative between the
Bureau for Food and Agricultural Policy (BFAP)
and the
Protein Research Foundation (PRF)
and the
Oil & Protein Seeds Development Trust /
Oilseeds Advisory Committee
and
Grain South Africa

November 2025



INCOME & COST BUDGETS FOR SUMMER CROPS – 2025/26 SEASON

Foreword

The Protein Research Foundation (PRF) aims to make a meaningful contribution to the promotion of sustainable local protein production to meet the increasing demand for protein in animal production. This initiative also seeks to ensure the optimal use of locally produced protein, which will, in turn, contribute to improving the standard of living for all citizens of the Republic of South Africa. The PRF's primary objectives are to replace imported protein in animal feed with locally produced alternatives and to promote the more efficient utilization of these resources. These goals are advanced through research funding and the transfer of relevant technologies.

The collaboration between the PRF, Grain South Africa, the Bureau for Food and Agricultural Policy (BFAP), and various agribusinesses operating in key production regions across South Africa enhances this effort by drawing on the specialized knowledge and resources of each partner. Together, they focus on production systems and commodity enterprise budgets. This report presents the regional commodity enterprise budgets for the 2025/26 summer crop season.

It is important to note that variations within regions are expected, and enterprise budgets will differ from farm to farm. While this report has been prepared with care, adjustments should be made based on specific factors such as location, yield potential, cultivation practices, and strategic considerations.

Disclaimer

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Area coverage

Table 1.1, Table 1.2 and Figure 1.1 provide an overview of the area of coverage for dryland and irrigated summer crops in South Africa's key agro-ecological producing regions. The coordinators of this initiative are sincerely grateful for the interaction and assistance with data, knowledge and other inputs from each organisation, agribusiness and farmers.

Table 1.1: Area coverage: Dryland

Area	Dryland Crops	Source & Collaborators
KwaZulu-Natal		
Bloedrivier	Maize & Soybeans	GSA, Senwes & BFAP
Mpumalanga		
Middelburg / Trichardt	Maize, Soybeans & Grain Sorghum	GSA, Senwes & BFAP
Ermelo	Maize & Soybeans	GSA, Senwes & BFAP
Eastern Free State		
Reitz region	Maize, soybeans, sunflower & dry beans	GSA, VKB, Senwes & BFAP
Northern Free State		
Northern Free State – Water table soils / higher potential	Maize	GSA, Senwes & BFAP
Northern Free State – Normal potential	Maize	GSA, Senwes & BFAP
Northern Free State	Maize, soybeans, sunflower, ground nuts & grain sorghum	GSA, Senwes & BFAP
North West		
Koster	Maize, soybeans & sunflower	GSA, NWK, Senwes & BFAP
Lichtenburg	Maize, soybeans, sunflower & ground nuts	GSA, NWK, Senwes & BFAP

Table 1.2: Area coverage: Irrigation

Area	Irrigated Crops	Source & Collaborators
Northern Cape		
GWK Area	Maize, soybeans, ground nuts & sunflower	GWK, GSA & BFAP
KwaZulu-Natal		
Bergville	Maize & soybeans	GSA & Senwes
North West		
Brits / Northam / Koedoeskop	Maize, soybeans, sunflower & sorghum	GSA & NWK
Limpopo		
Loskop Irrigation Scheme	Maize & Soybeans	GSA & Senwes

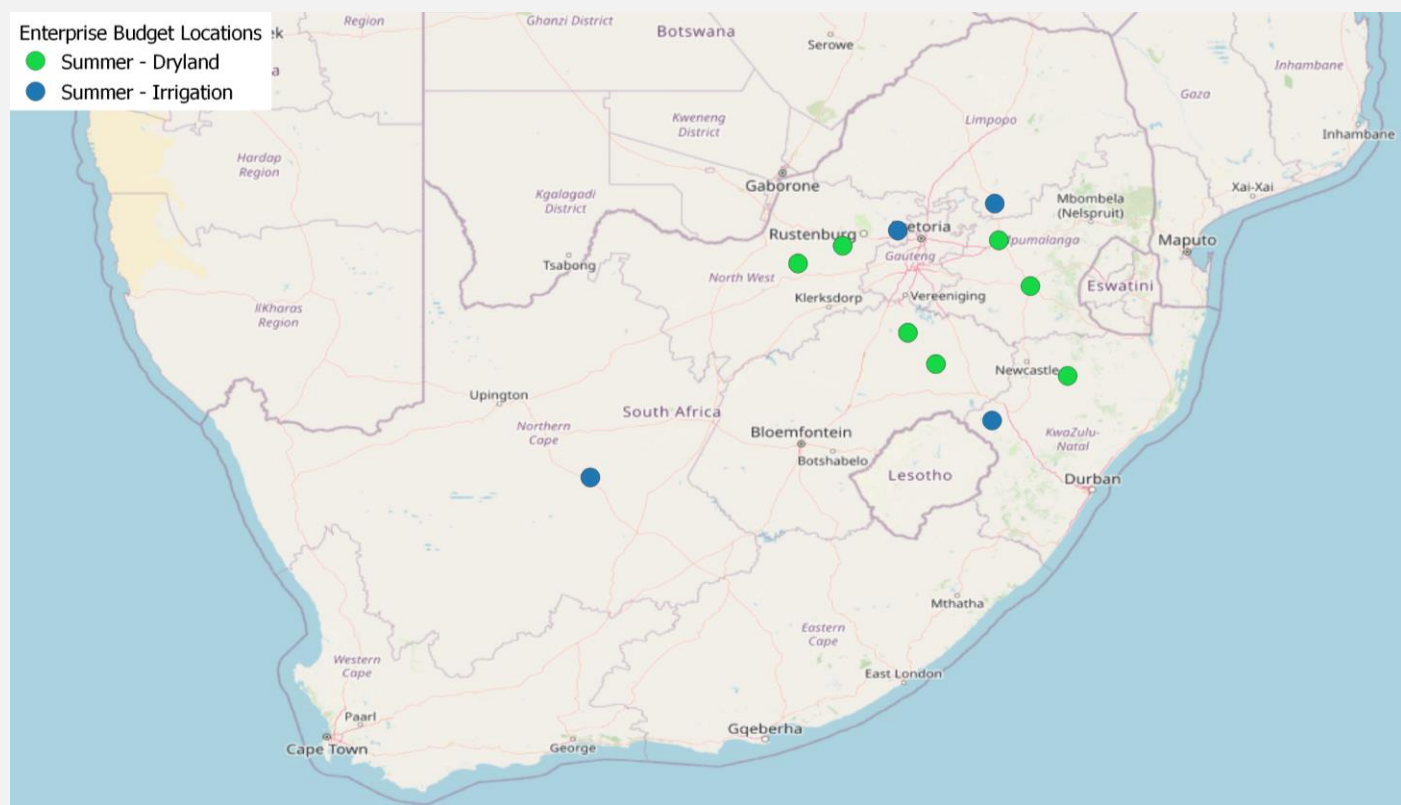


Figure 1.1: Dryland and irrigation area coverage

Model Assumptions

The Bureau for Food and Agricultural Policy (BFAP) annually provides a baseline outlook on agricultural production, consumption, prices, and trade in South Africa over a 10-year horizon. This outlook is developed using the BFAP system of models and is grounded in a coherent set of assumptions regarding a range of economic, technological, environmental, political, institutional, and social factors. Among these critical assumptions, one of the most significant is the expectation that stable weather conditions will prevail in Southern Africa and globally, allowing for consistent yield growth as technology advances. Therefore, the outlook is not a forecast but rather a plausible future scenario based on fundamental market drivers. It serves as a projection of a potential future equilibrium, providing a benchmark against which further analyses can be evaluated.

The assumptions regarding the future macroeconomic environment are based on a combination of projections from the International Monetary Fund (IMF), the World Bank, and the Bureau for Economic Research (BER) at Stellenbosch University. Baseline projections for global commodity markets are sourced from the Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri and the Food and Agriculture Organization (FAO) of the United Nations. Once these assumptions are integrated into the BFAP system of models, the outlook for all commodities is simulated within a closed system of equations. This process captures the interconnections between sectors—so that, for instance, shocks in the grain sector are transmitted to the livestock sector, and vice versa. For each commodity, key components of supply and demand are identified, and equilibrium is established through balance sheet principles, ensuring that total demand equals total supply.

Yield Assumptions

Figure 1.1 and Figure 1.2 indicate the yield assumptions for dryland and irrigated crops. These assumptions represent target yields which were formulated in round table discussions. These levels are based on crop potential in the respective regions, historic trends and expert opinions. It is important to note that intra-regional variations will occur, and it is recommended that producers adjust their target yields based on their location and potential.

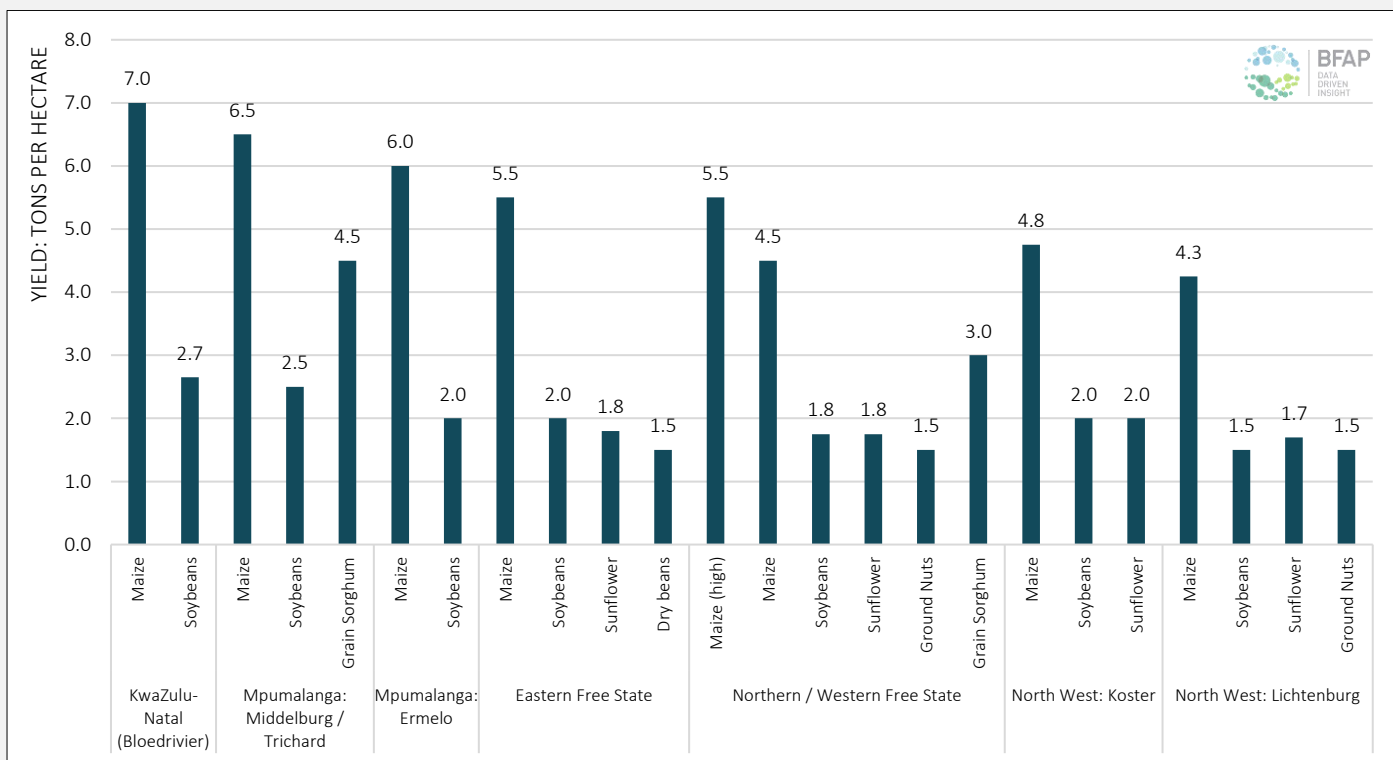


Figure 1.2: Dryland crops yield assumptions

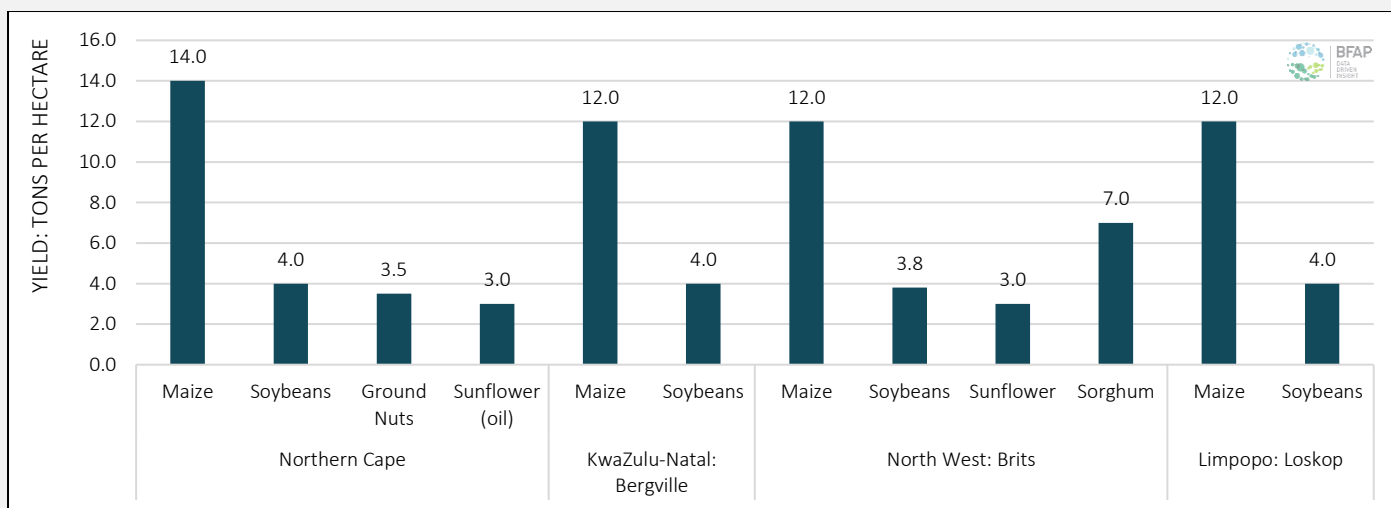


Figure 1.3: Irrigated crops yield assumptions

Crop Price Assumptions

Figure 1.3 illustrates the key commodity price assumptions for white maize and yellow maize, sorghum, sunflower and soybeans that were used in the summer crop budgets for the 2025/26 production season. Further deductions were made to calculate a farm gate price for each agro-ecological producing region. The sensitivity analysis in the respective crop budgets makes provision for variation in price and yield and indicates the gross margin under each price and yield combination.

Global crop prices have stabilised after an initial drop, but the medium-term trend remains downward in real terms. South African prices lag due to the 2024 drought, even though sharp declines occurred in between August and September 2025. On 30 September, South Africa's Crop Estimates Committee released its 8th forecast, revising maize production up from 15.80m to 16.18m tons — a 2.4% increase (376,200 tons). Soybean and sunflower output remain largely unchanged (CEC, 2025).

After reaching a peak in 2022, global commodity prices have generally declined, with the notable exception of sunflower, which experienced an increase between August 2024 and April 2025 (Grain SA, 2025). Since June, the price of global yellow maize (US) dropped below \$200 per ton, trading at \$183 per ton, marking a 48% decrease from its peak in the second quarter of 2022. Wheat, soybeans, and sunflower have followed similar downward trajectories (FAO, 2025). Domestically, a stronger Rand and a robust 2025 summer crop contributed to sharp price reductions in September. Compared to January 2025, yellow maize fell by 36%, soybeans by 24%, while sunflower and wheat saw modest increases of around 4%. Despite these recent declines, prices remain significantly higher than in 2019, with yellow maize, soybeans, and wheat being approximately 36% higher, and sunflower prices have nearly doubled. A strong 2026 harvest could bring maize prices closer to export parity.

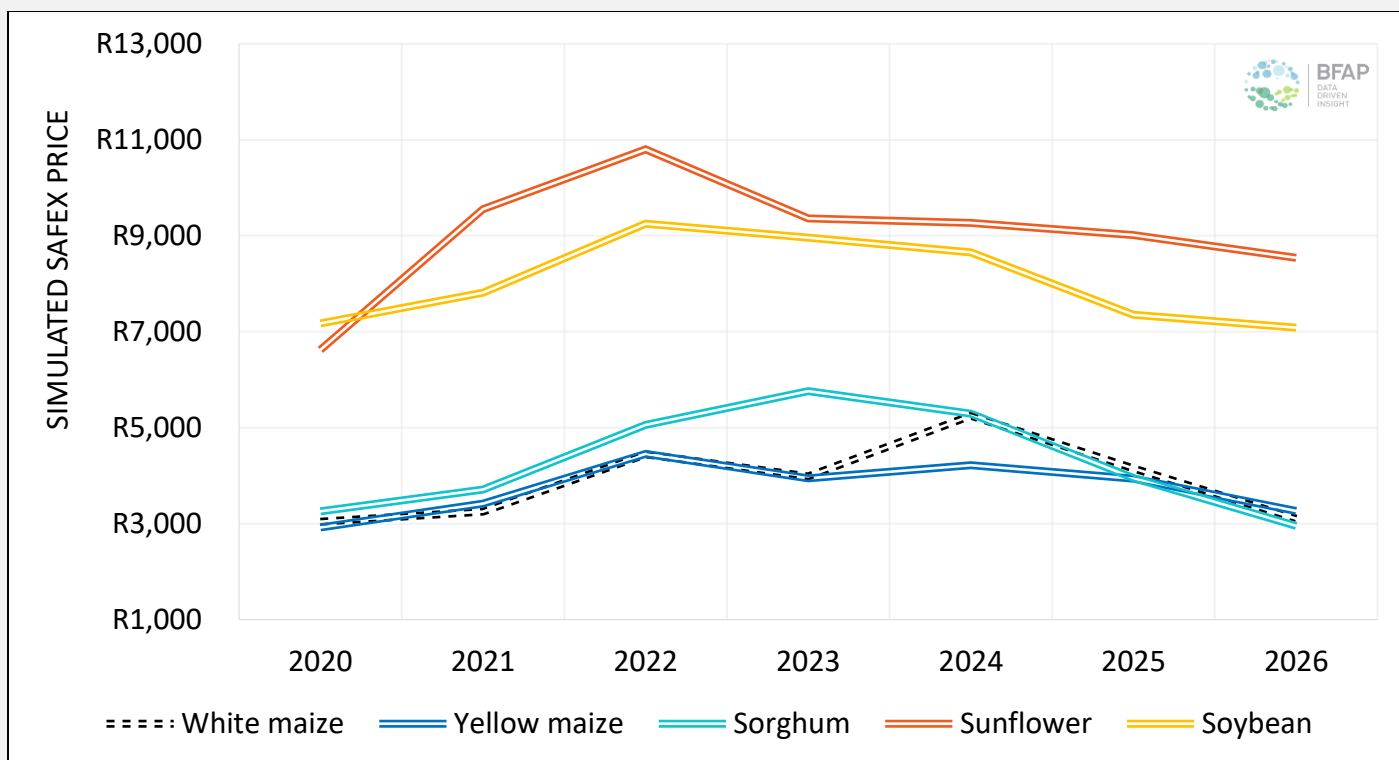


Figure 1.4: BFAP average annual commodity price projections: 2020-2026

Source: BFAP, November 2025

Key Input Cost Trends

Figure 1.4 illustrates the cost trends for fuel and fertilisers over the period from January 2022 to August 2025. Agricultural input costs remain high and volatile, driven by factors such as global tension and wars, trade uncertainties and global shifts. Furthermore, weather shifts and currency fluctuations are contributing to further uncertainty.

Fertiliser prices rose sharply in early 2025 due to strong demand, supply disruptions, and export restrictions, especially impacting urea and DAP. Fuel and fertiliser prices remain closely linked to the energy market. Oil and energy markets are posting gains after OPEC+ announced a modest production increase for October, signalling a strategic shift from price stabilization toward reclaiming market share amid forecasts of a supply surplus. However, prices remain volatile due to geopolitical tensions, including drone strikes on Russian refineries and the threat of new EU sanctions related to the Ukraine conflict. The World Bank projection for 2026 indicates that Brent crude prices and European natural gas prices may dip slightly, while natural gas in the US could rise. When focusing on fertiliser, a slight reduction in DAP, triple super phosphate, potassium chloride and urea prices is expected for 2026, but an increase in phosphate rock. However, South African fertiliser prices are projected to increase slightly in 2026 as local prices still need to catch-up to global fertiliser prices. A further strengthening in the Rand could assist with a downward price movements. Compared to 2019, domestic agricultural input costs are still elevated, with fertiliser being nearly 70% higher and diesel 36% higher. Administered costs like wages and electricity have also outpaced inflation over the past decade.

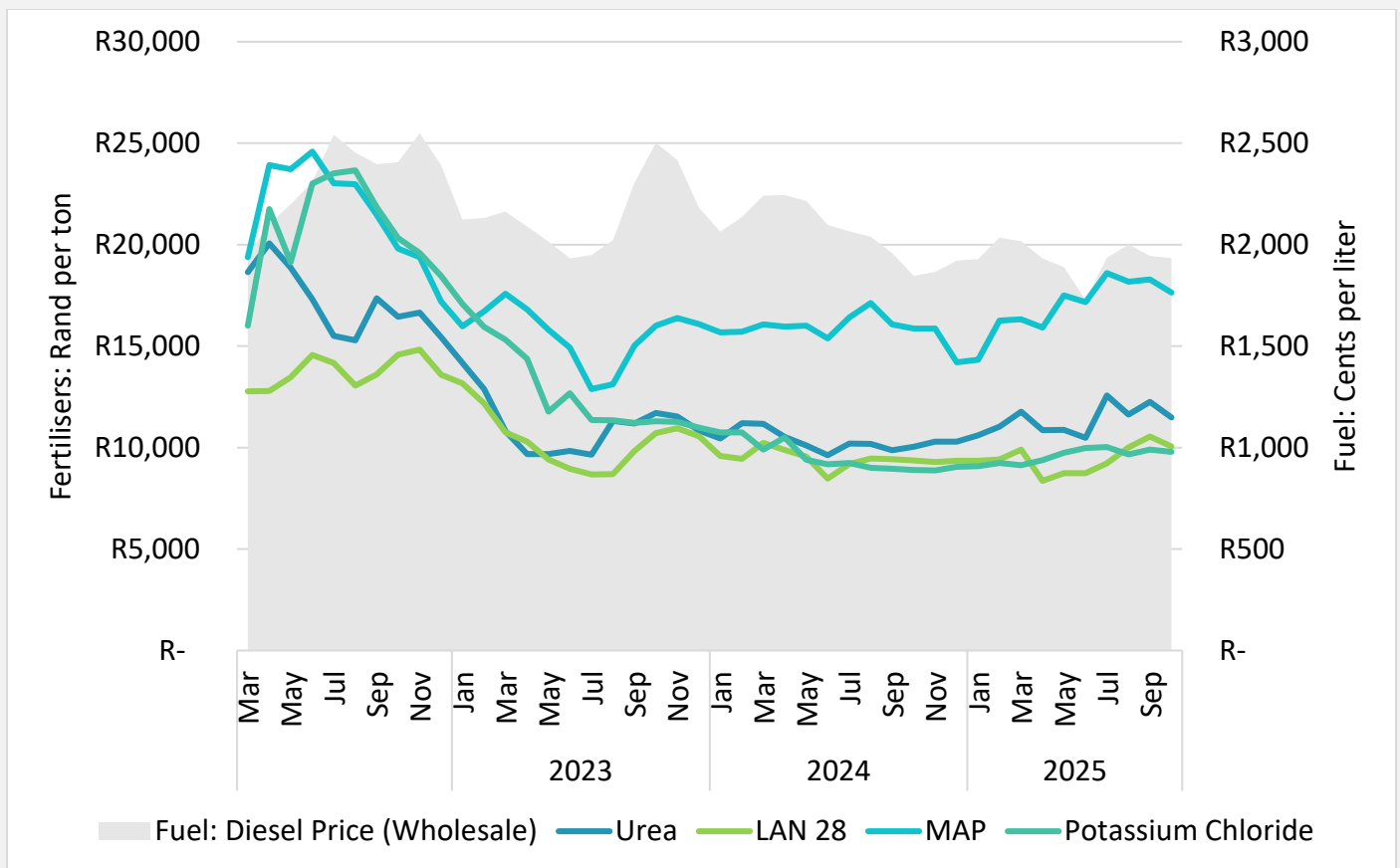


Figure 1.5: Fertiliser & fuel cost trends: January 2022 to August 2025
Source: Grain SA, October 2025

Figure 1.5 presents an overview of the average year-on-year (calendar) percentage changes for key agricultural inputs over the period from 2023 to 2026 (2023 and 2024 are actual changes, and 2025 captures the year to date and the estimated change, while 2026 is an estimated projection). While the GDP inflation was slightly lower in 2025, it is expected to increase again to 4% in 2026. This increase is driven by global economic uncertainty coupled with geopolitical tension, a strong possibility in increased tariffs, as well as domestic increase in electricity cost (13%), minimum wage (6%) and municipal tariffs. Fuel is expected to remain relatively flat.

Herbicide and insecticide costs have seen significant declines over the past three years, and are expected to start increasing again. When comparing the 2025 year to date prices to 2019 average prices, herbicide costs are 6% higher, while insecticide costs are 29% lower. As previously mentioned, fertiliser prices have depicted significant fluctuation over the past few years, but are projected to decline in 2026.

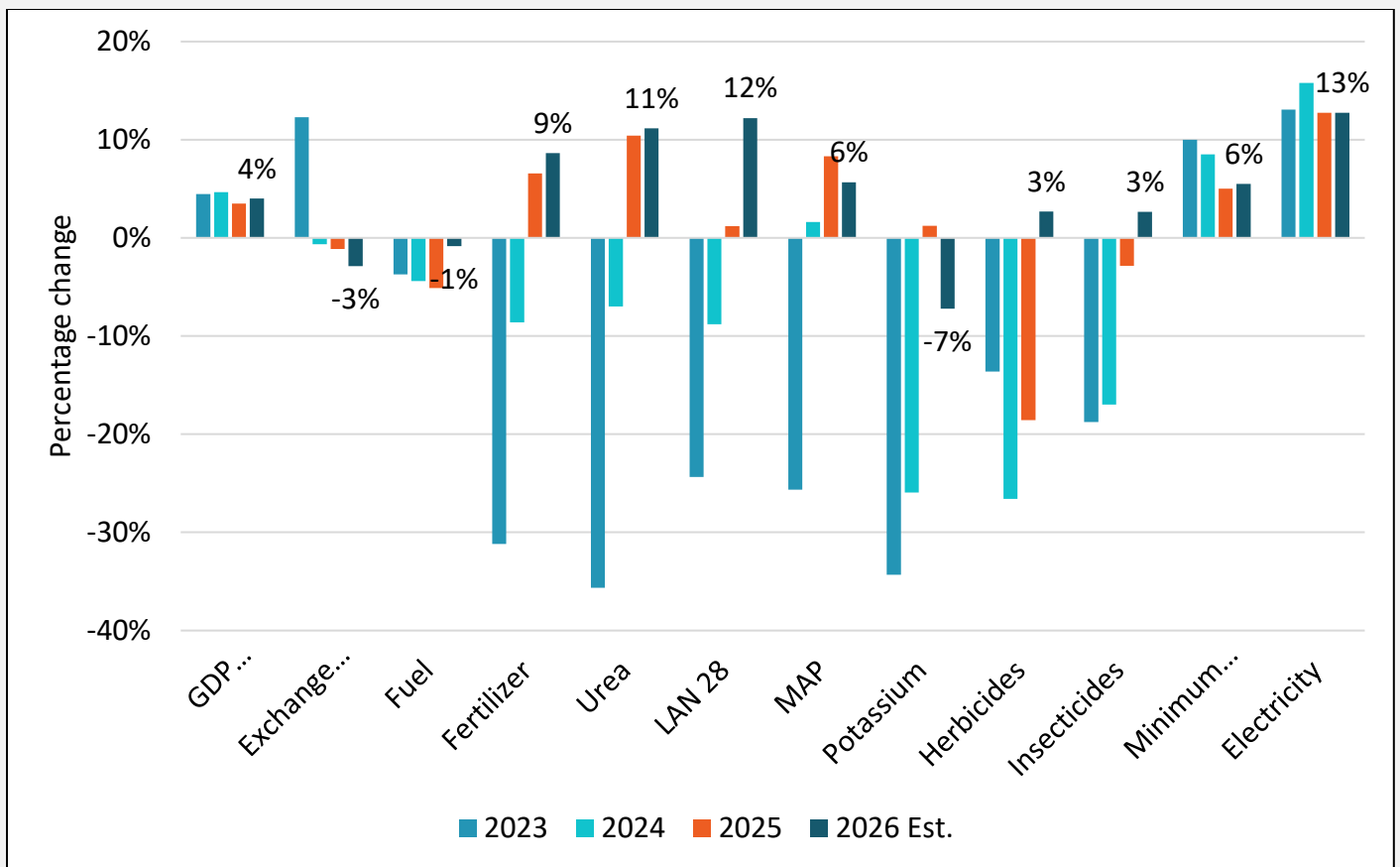


Figure 1.6: Agricultural input cost inflation: Year-on-year (calendar) percentage change from 2023 – 2026 (estimated)

Source: BFAP & Grain SA, October 2025

Methodology, Approach & Definitions

- ❖ A standard operating procedure was used across all crops and regions for generating the cost and income budgets for the 2025/26 production season.
- ❖ Deterministic or target yields were based on industry discussions which refers to a yield that should be obtained given a normal production season with normal weather in the respective agro-ecological production regions.
- ❖ The farm gate price for each crop was calculated by deducting transport differential, grade differential, handling fees, commission and levies (statutory for seed breeding and technology) from the simulated SAFEX price. For white- and yellow maize, industry averages for grade discounts were used to calculate grade differentials.
- ❖ The gross production value is then calculated by multiplying the yield with the farm gate price.
- ❖ The direct costs are calculated by multiplying the cost per unit by the estimated quantity of input use or application rate.
- ❖ For the majority of the crops, it was assumed that own machinery was used, except for speciality operations that is coupled with economies of scale. In such cases, a contracting cost item was allocated. For all crops, provision was made for hail insurance.
- ❖ Fertiliser and lime application will vary significantly in regions and across crops, however, an attempt was made to follow a standardised approach across the regions. Micro-elements and foliar feed for selective crops are included in the total fertiliser cost.
- ❖ The price for fertiliser nutrients (N, P & K) was calculated by using a weighted approach that accounts for 1. variation in discounts received from suppliers and 2. the time period when fertilisers were purchased.
- ❖ Fuel consumption is based on the prevalence production system in each region. The fuel price does not take agricultural rebate into account.
- ❖ For plant protection, herbicide, insecticide and fungicides are accounted for based on interaction with industry experts and producers. For instance, in certain regions provision was made for fungicide sprays, but for others where the practise is not common, fungicides were excluded from plant protection costs.
- ❖ Repairs and maintenance costs are calculated based on the production system operations.
- ❖ For seed, an assumption was made in terms of the majority of crop type area that is cultivated in each region. For instance, the cost of maize seed in Northern-Natal, Mpumalanga and Eastern Free State is based on the assumption that the majority of the area under maize cultivation is yellow maize whereas for the western producing regions, white maize was assumed. An average seed price across various seed companies was used for 1) conventional seeds and 2) GM-technology. The cost of seed per hectare is calculated by multiplying the cost per unit (either kilograms or plant population) by the application rate per hectare. For selective crops, seed treatment was included where relevant. For predominantly oilseeds production, the seed application rate was sub-divided according to own and purchased seed. For own seed use, a cost was also allocated which is based on a realistic crop price (hence, opportunity cost) and seed preparation costs such as sifting and treatment.
- ❖ For irrigated crops, the cost of water and electricity was calculated according to typical irrigation application rates at their respective regional costs per millimetre. For instance, variations will occur in the cost for water in areas where predominantly boreholes are used compared to irrigation/water scheme areas.
- ❖ The gross margin was calculated by subtracting the direct cost from the gross production value.

2025/26 INCOME & COST BUDGETS – DRYLAND PRODUCTION REGIONS

KwaZulu-Natal

Table 2.1: Income & cost budgets for maize & soybeans for KwaZulu-Natal (Bloedrivier Region) – Dryland

KwaZulu-Natal: Bloedrivier			
Crop		Maize	Soybeans
Production System		Dryland	Dryland
1) INCOME			
Yield: Deterministic	T/HA	7.00	2.65
SAFEX SIMULATED PRICE / PRODUCER PRICE: 2026	R/TON	R3,326	R7,085
Total deductions	R/TON	R534	R367
- Transport differential	R/TON	R452	R236
- Grade differential	R/TON	R20	R-
- Handling & commission	R/TON	R62	R61
- Seed breeding & technology levy	R/TON	R-	R70
Price premiums	R/TON	R-	R-
Net Farm Gate Price	R/TON	R2,792	R6,718
GROSS INCOME	R/HA	R19,546	R17,802
2) VARIABLE EXPENDITURES			
Contracting	R/HA	R-	R-
Crop insurance	R/HA	R743	R2,172
Fertilizer	R/HA	R5,723	R2,566
Lime	R/HA	R653	R-
Seed	R/HA	R4,455	R2,046
Fuel	R/HA	R1,380	R837
Herbicide	R/HA	R2,049	R1,493
Insecticide/Fungicide	R/HA	R722	R937
Marketing costs	R/HA	R-	R-
Repairs and maintenance	R/HA	R790	R497
Casual labour	R/HA	R451	R-
Aerial spray	R/HA	R-	R-
Other expenditure	R/HA	R-	R-
TOTAL VARIABLE EXPENDITURE	R/HA	R16,965	R10,548
TOTAL VARIABLE EXPENDITURE	R/TON	R2,424	R3,980
3.1) GROSS MARGIN:	R/HA	R2,581	R7,254
3.2) GROSS MARGIN:	R/TON	R369	R2,737
BREAK-EVEN YIELD	T/HA	5.73	1.52
BREAK-EVEN PRICE	R/TON	R2,414	R4,005

Source: BFAP, GSA & Individual Farmers, 2025

Notes:

- The cost items reflect the input allocation based on the target yield for the respective crops.
- Although some expenditure items are zero, it is reflected in the budgets to allow for individual inclusion.
- Other macro- & microelements such as calcium, magnesium and zinc are included in the fertiliser costs.
- The cost of fuel includes pre-harvest and harvesting costs with the assumption that own machinery is used.
- The cost for soybean seed reflects a combination of own- and purchased seed.
- There will be large fluctuations for insurance cost (hail) based on the associated risk in respective areas. It is advised that producers adjust this cost based on their individual premiums.
- It is important to note that overhead costs are not included and should be accounted for.

Mpumalanga

Table 2.2: Income & cost budgets for maize, soybeans & grain sorghum for Mpumalanga - Dryland

Middelburg / Trichardt					Ermelo	
Crop		Maize	Soybeans	Grain Sorghum	Maize	Soybeans
Production System		Dryland	Dryland	Dryland	Dryland	Dryland
1) INCOME						
Yield: Deterministic	T/HA	6.50	2.50	4.50	6.00	2.00
SAFEX SIMULATED PRICE / PRODUCER PRICE: 2026	R/TON	R3,326	R7,085	R2,955	R3,326	R7,085
Total deductions	R/TON	R405	R184	R66	R468	R271
- Transport differential	R/TON	R323	R53	R-	R386	R140
- Grade differential	R/TON	R20	R-	R-	R20	R-
- Handling & commission	R/TON	R62	R61	R66	R62	R61
- Seed breeding & technology levy	R/TON	R-	R70	R-	R-	R70
Price premiums	R/TON	R-	R-	R-	R-	R-
Net Farm Gate Price	R/TON	R2,921	R6,901	R2,889	R2,858	R6,814
GROSS INCOME	R/HA	R18,989	R17,252	R13,002	R17,150	R13,627
2) VARIABLE EXPENDITURES						
Contracting	R/HA	R-	R-	R-	R-	R-
Crop insurance	R/HA	R722	R1,415	R390	R652	R1,117
Fertilizer	R/HA	R5,144	R1,646	R3,068	R4,903	R1,492
Lime	R/HA	R653	R-	R653	R653	R-
Seed	R/HA	R4,010	R1,787	R984	R3,564	R1,658
Fuel	R/HA	R1,359	R837	R1,292	R1,338	R811
Herbicide	R/HA	R1,763	R1,474	R1,808	R1,763	R1,424
Insecticide/Fungicide	R/HA	R522	R852	R1,260	R522	R852
Marketing costs	R/HA	R-	R-	R-	R-	R-
Repairs and maintenance	R/HA	R989	R755	R783	R887	R753
Casual labour	R/HA	R419	R-	R113	R386	R-
Aerial spray	R/HA	R-	R-	R-	R-	R-
Other expenditure	R/HA	R-	R-	R-	R-	R-
TOTAL VARIABLE EXPENDITURE	R/HA	R15,581	R8,765	R10,351	R14,669	R8,107
TOTAL VARIABLE EXPENDITURE	R/TON	R2,397	R3,506	R2,300	R2,445	R4,054
3.1) GROSS MARGIN:	R/HA	R3,408	R8,486	R2,652	R2,481	R5,520
3.2) GROSS MARGIN:	R/TON	R524	R3,395	R589	R414	R2,760
BREAK-EVEN YIELD	T/HA	5.33	1.27	3.58	5.13	1.19
BREAK-EVEN PRICE	R/TON	R2,397	R3,506	R2,300	R2,445	R4,054

Source: BFAP, GSA & Individual Farmers, 2025

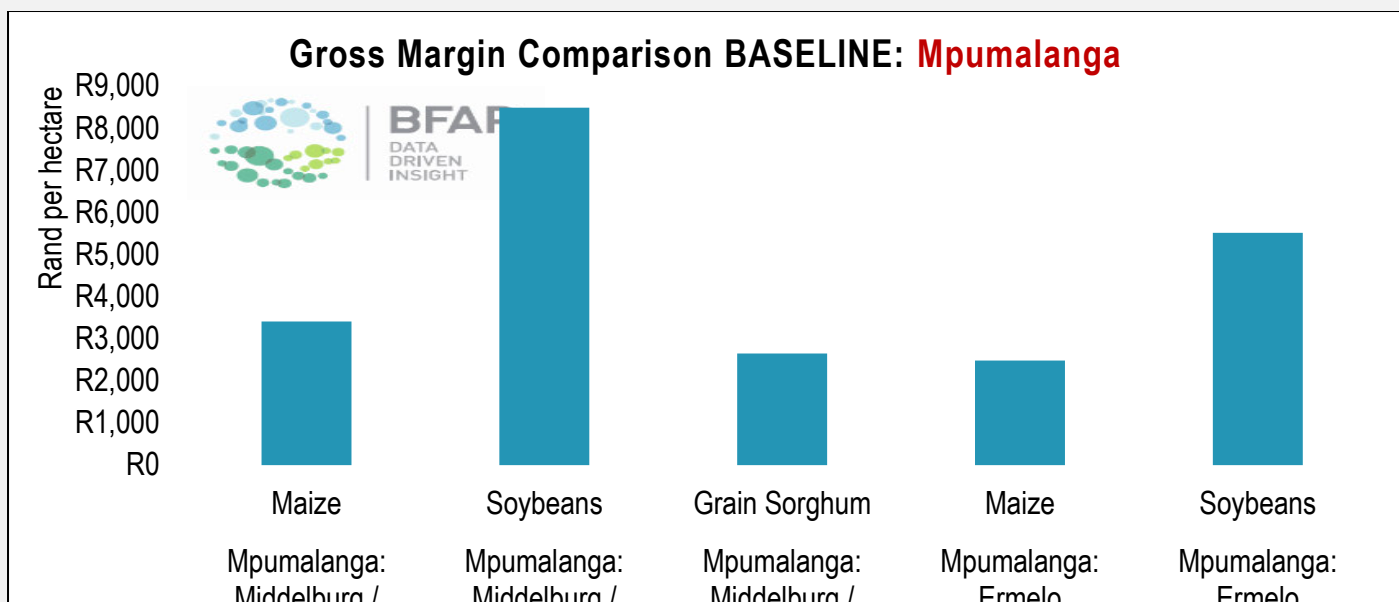


Figure 2.2: Gross margin comparison – Baseline: Mpumalanga

MAIZE SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): MPUMALANGA: MIDDELBURG / TRICHARD												
PRODUCERS YIELD (T/HA)												
PRICE	5.00	5.50	6.00	6.50	7.00	7.50	8.00					
R2,521 -R	2,974 -R	1,713 -R	453 R	808 R	2,069 R	3,329 R	4,590 R					
R2,621 -R	2,474 -R	1,163 R	147 R	1,458 R	2,769 R	4,079 R	5,390 R					
R2,721 -R	1,974 -R	613 R	747 R	2,108 R	3,469 R	4,829 R	6,190 R					
R2,821 -R	1,474 -R	63 R	1,347 R	2,758 R	4,169 R	5,579 R	6,990 R					
R2,921 -R	974 R	487 R	1,947 R	3,408 R	4,869 R	6,329 R	7,790 R					
R3,021 -R	474 R	1,037 R	2,547 R	4,058 R	5,569 R	7,079 R	8,590 R					
R3,121 R	26 R	1,587 R	3,147 R	4,708 R	6,269 R	7,829 R	9,390 R					
R3,221 R	526 R	2,137 R	3,747 R	5,358 R	6,969 R	8,579 R	10,190 R					
R3,321 R	1,026 R	2,687 R	4,347 R	6,008 R	7,669 R	9,329 R	10,990 R					

SOYBEANS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): MPUMALANGA: MIDDELBURG / TRICHARD												
PRODUCERS YIELD (T/HA)												
PRICE	1.75	2.00	2.25	2.50	2.75	3.00	3.25					
R6,501 R	2,611 R	4,236 R	5,861 R	7,486 R	9,112 R	10,737 R	12,362 R					
R6,601 R	2,786 R	4,436 R	6,086 R	7,736 R	9,387 R	11,037 R	12,687 R					
R6,701 R	2,961 R	4,636 R	6,311 R	7,986 R	9,662 R	11,337 R	13,012 R					
R6,801 R	3,136 R	4,836 R	6,536 R	8,236 R	9,937 R	11,637 R	13,337 R					
R6,901 R	3,311 R	5,036 R	6,761 R	8,486 R	10,212 R	11,937 R	13,662 R					
R7,001 R	3,486 R	5,236 R	6,986 R	8,736 R	10,487 R	12,237 R	13,987 R					
R7,101 R	3,661 R	5,436 R	7,211 R	8,986 R	10,762 R	12,537 R	14,312 R					
R7,201 R	3,836 R	5,636 R	7,436 R	9,236 R	11,037 R	12,837 R	14,637 R					
R7,301 R	4,011 R	5,836 R	7,661 R	9,486 R	11,312 R	13,137 R	14,962 R					

SOYBEANS MARGIN ABOVE / BELOW MAIZE (GROSS MARGIN PER HECTARE): MPUMALANGA: MIDDELBURG / TRICHARD												
PRICE (R/TON)												
YIELD	6,601 R	6,701 R	6,801 R	6,901 R	7,001 R	7,101 R	7,201 R					
1.50	-R 2,272	-R 2,122	-R 1,972	-R 1,822	-R 1,672	-R 1,522	-R 1,372					
1.75	-R 622	-R 447	-R 272	-R 97	R 78	R 253	R 428					
2.00	R 1,028	R 1,228	R 1,428	R 1,628	R 1,828	R 2,028	R 2,228					
2.25	R 2,678	R 2,903	R 3,128	R 3,353	R 3,578	R 3,803	R 4,028					
2.50	R 4,328	R 4,578	R 4,828	R 5,078	R 5,328	R 5,578	R 5,828					
2.75	R 5,979	R 6,254	R 6,529	R 6,804	R 7,079	R 7,354	R 7,629					
3.00	R 7,629	R 7,929	R 8,229	R 8,529	R 8,829	R 9,129	R 9,429					
3.25	R 9,279	R 9,604	R 9,929	R 10,254	R 10,579	R 10,904	R 11,229					
3.50	R 10,929	R 11,279	R 11,629	R 11,979	R 12,329	R 12,679	R 13,029					

MAIZE SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): MPUMALANGA: ERMELO

PRODUCERS YIELD (T/HA)											
PRICE	4.50	5.00	5.50	6.00	6.50	7.00	7.50				
R2,458	-R 3,606	-R 2,377	-R 1,148	R 81	R 1,310	R 2,540	R 3,769				
R2,558	-R 3,156	-R 1,877	-R 598	R 681	R 1,960	R 3,240	R 4,519				
R2,658	-R 2,706	-R 1,377	-R 48	R 1,281	R 2,610	R 3,940	R 5,269				
R2,758	-R 2,256	-R 877	R 502	R 1,881	R 3,260	R 4,640	R 6,019				
R2,858	-R 1,806	-R 377	R 1,052	R 2,481	R 3,910	R 5,340	R 6,769				
R2,958	-R 1,356	R 123	R 1,602	R 3,081	R 4,560	R 6,040	R 7,519				
R3,058	-R 906	R 623	R 2,152	R 3,681	R 5,210	R 6,740	R 8,269				
R3,158	-R 456	R 1,123	R 2,702	R 4,281	R 5,860	R 7,440	R 9,019				
R3,258	-R 6	R 1,623	R 3,252	R 4,881	R 6,510	R 8,140	R 9,769				

SOYBEANS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): MPUMALANGA: ERMELO

PRODUCERS YIELD (T/HA)											
PRICE	1.25	1.50	1.75	2.00	2.25	2.50	2.75				
R6,414	-R 90	R 1,513	R 3,117	R 4,720	R 6,324	R 7,927	R 9,531				
R6,514	R 35	R 1,663	R 3,292	R 4,920	R 6,549	R 8,177	R 9,806				
R6,614	R 160	R 1,813	R 3,467	R 5,120	R 6,774	R 8,427	R 10,081				
R6,714	R 285	R 1,963	R 3,642	R 5,320	R 6,999	R 8,677	R 10,356				
R6,814	R 410	R 2,113	R 3,817	R 5,520	R 7,224	R 8,927	R 10,631				
R6,914	R 535	R 2,263	R 3,992	R 5,720	R 7,449	R 9,177	R 10,906				
R7,014	R 660	R 2,413	R 4,167	R 5,920	R 7,674	R 9,427	R 11,181				
R7,114	R 785	R 2,563	R 4,342	R 6,120	R 7,899	R 9,677	R 11,456				
R7,214	R 910	R 2,713	R 4,517	R 6,320	R 8,124	R 9,927	R 11,731				

SOYBEANS MARGIN ABOVE / BELOW MAIZE (GROSS MARGIN PER HECTARE): MPUMALANGA: ERMELO

PRICE (R/TON)											
YIELD	R 6,514	R 6,614	R 6,714	R 6,814	R 6,914	R 7,014	R 7,114				
1.00	-R 4,075	-R 3,975	-R 3,875	-R 3,775	-R 3,675	-R 3,575	-R 3,475				
1.25	-R 2,446	-R 2,321	-R 2,196	-R 2,071	-R 1,946	-R 1,821	-R 1,696				
1.50	-R 818	-R 668	-R 518	-R 368	-R 218	-R 68	R 82				
1.75	R 811	R 986	R 1,161	R 1,336	R 1,511	R 1,686	R 1,861				
2.00	R 2,439	R 2,639	R 2,839	R 3,039	R 3,239	R 3,439	R 3,639				
2.25	R 4,067	R 4,292	R 4,517	R 4,742	R 4,967	R 5,192	R 5,417				
2.50	R 5,696	R 5,946	R 6,196	R 6,446	R 6,696	R 6,946	R 7,196				
2.75	R 7,324	R 7,599	R 7,874	R 8,149	R 8,424	R 8,699	R 8,974				
3.00	R 8,953	R 9,253	R 9,553	R 9,853	R 10,153	R 10,453	R 10,753				

Notes:

- The cost items reflect the input allocation based on the target yield for the respective crops.
- Although some expenditure items are zero, it is reflected in the budgets to allow for individual inclusion.
- Other macro- & microelements such as calcium, magnesium and zinc are included in the fertiliser costs.
- The cost of fuel includes pre-harvest and harvesting costs with the assumption that own machinery is used.
- The cost for soybean seed reflects a combination of own- and purchased seed.
- There will be large fluctuations for insurance cost (hail) based on the associated risk in respective areas. It is advised that producers adjust this cost based on their individual premiums.
- It is important to note that overhead costs are not included and should be accounted for.

Eastern Free State

Table 2.3: Income & cost budgets for maize, soybeans, sunflower & dry beans for Eastern Free State - Dryland

Eastern Free State					
Crop		Maize	Soybeans	Sunflower	Dry beans
Production System		Dryland	Dryland	Dryland	Dryland
1) INCOME					
Yield: Deterministic	T/HA	5.50	2.00	1.80	1.50
SAFEX SIMULATED PRICE / PRODUCER PRICE: 2026	R/TON	R3,326	R7,085	R8,775	R22,033
Total deductions	R/TON	R474	R329	R387	R-
- Transport differential	R/TON	R392	R193	R290	R-
- Grade differential	R/TON	R20	R-	R-	R-
- Handling & commission	R/TON	R62	R66	R97	R-
- Seed breeding & technology levy	R/TON	R-	R70	R-	R-
Price premiums	R/TON	R-	R-	R-	R-
Net Farm Gate Price	R/TON	R2,852	R6,756	R8,388	R22,033
GROSS INCOME	R/HA	R15,688	R13,513	R15,099	R33,049
2) VARIABLE EXPENDITURES					
Contracting	R/HA	R-	R-	R-	R1,466
Crop insurance	R/HA	R565	R1,513	R649	R2,313
Fertilizer	R/HA	R4,173	R1,709	R1,673	R3,308
Lime	R/HA	R750	R-	R-	R638
Seed	R/HA	R2,495	R1,787	R1,144	R5,805
Fuel	R/HA	R1,419	R1,121	R1,073	R2,115
Herbicide	R/HA	R1,293	R1,183	R1,059	R953
Insecticide/Fungicide	R/HA	R612	R571	R432	R1,188
Marketing costs	R/HA	R-	R-	R-	R450
Repairs and maintenance	R/HA	R949	R884	R899	R847
Casual labour	R/HA	R354	R-	R-	R2,321
Aerial spray	R/HA	R-	R-	R-	R538
Other expenditure	R/HA	R-	R-	R-	R125
TOTAL VARIABLE EXPENDITURE	R/HA	R12,610	R8,769	R6,929	R22,067
TOTAL VARIABLE EXPENDITURE	R/TON	R2,293	R4,385	R3,849	R14,712
3.1) GROSS MARGIN:	R/HA	R3,078	R4,744	R8,170	R10,982
3.2) GROSS MARGIN:	R/TON	R560	R2,372	R4,539	R7,321
BREAK-EVEN YIELD	T/HA	4.42	1.30	0.83	1.00
BREAK-EVEN PRICE	R/TON	R2,293	R4,385	R3,849	R14,712

Source: BFAP, GSA, VKB & Individual Farmers, 2025

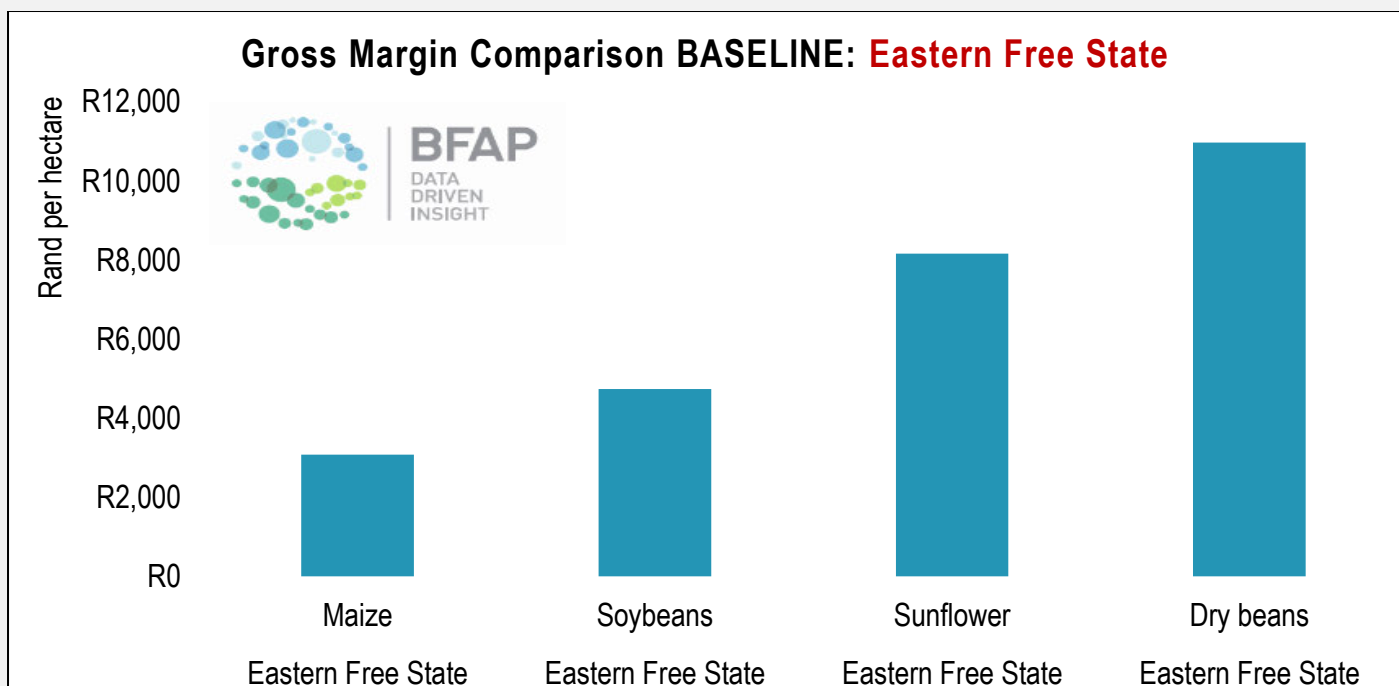


Figure 2.3: Gross margin comparison – Baseline: Eastern Free State

MAIZE SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): EASTERN FREE STATE											
PRODUCERS YIELD (T/HA)											
PRICE	4.00	4.50	5.00	5.50	6.00	6.50	7.00				
R2,452 -R	2,800	-R 1,574	-R 348	R 878	R 2,104	R 3,331	R 4,557				
R2,552 -R	2,400	-R 1,124	R 152	R 1,428	R 2,704	R 3,981	R 5,257				
R2,652 -R	2,000	-R 674	R 652	R 1,978	R 3,304	R 4,631	R 5,957				
R2,752 -R	1,600	-R 224	R 1,152	R 2,528	R 3,904	R 5,281	R 6,657				
R2,852 -R	1,200	R 226	R 1,652	R 3,078	R 4,504	R 5,931	R 7,357				
R2,952 -R	800	R 676	R 2,152	R 3,628	R 5,104	R 6,581	R 8,057				
R3,052 -R	400	R 1,126	R 2,652	R 4,178	R 5,704	R 7,231	R 8,757				
R3,152 -R	0	R 1,576	R 3,152	R 4,728	R 6,304	R 7,881	R 9,457				
R3,252 R	400	R 2,026	R 3,652	R 5,278	R 6,904	R 8,531	R 10,157				

SOYBEANS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): EASTERN FREE STATE											
PRODUCERS YIELD (T/HA)											
PRICE	1.25	1.50	1.75	2.00	2.25	2.50	2.75				
R6,356 -R	823	R 766	R 2,355	R 3,944	R 5,533	R 7,122	R 8,711				
R6,456 -R	698	R 916	R 2,530	R 4,144	R 5,758	R 7,372	R 8,986				
R6,556 -R	573	R 1,066	R 2,705	R 4,344	R 5,983	R 7,622	R 9,261				
R6,656 -R	448	R 1,216	R 2,880	R 4,544	R 6,208	R 7,872	R 9,536				
R6,756 -R	323	R 1,366	R 3,055	R 4,744	R 6,433	R 8,122	R 9,811				
R6,856 -R	198	R 1,516	R 3,230	R 4,944	R 6,658	R 8,372	R 10,086				
R6,956 -R	73	R 1,666	R 3,405	R 5,144	R 6,883	R 8,622	R 10,361				
R7,056 R	52	R 1,816	R 3,580	R 5,344	R 7,108	R 8,872	R 10,636				
R7,156 R	177	R 1,966	R 3,755	R 5,544	R 7,333	R 9,122	R 10,911				

SUNFLOWER SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): EASTERN FREE STATE

PRODUCERS YIELD (T/HA)															
PRICE		1.00		1.25		1.50		1.80		2.00		2.25		2.50	
R7,988	R	1,059	R	3,056	R	5,053	R	7,450	R	9,047	R	11,045	R	13,042	
R8,088	R	1,159	R	3,181	R	5,203	R	7,630	R	9,247	R	11,270	R	13,292	
R8,188	R	1,259	R	3,306	R	5,353	R	7,810	R	9,447	R	11,495	R	13,542	
R8,288	R	1,359	R	3,431	R	5,503	R	7,990	R	9,647	R	11,720	R	13,792	
R8,388	R	1,459	R	3,556	R	5,653	R	8,170	R	9,847	R	11,945	R	14,042	
R8,488	R	1,559	R	3,681	R	5,803	R	8,350	R	10,047	R	12,170	R	14,292	
R8,588	R	1,659	R	3,806	R	5,953	R	8,530	R	10,247	R	12,395	R	14,542	
R8,688	R	1,759	R	3,931	R	6,103	R	8,710	R	10,447	R	12,620	R	14,792	
R8,788	R	1,859	R	4,056	R	6,253	R	8,890	R	10,647	R	12,845	R	15,042	

SOYBEANS MARGIN ABOVE / BELOW MAIZE (GROSS MARGIN PER HECTARE): EASTERN FREE STATE

PRICE (R/TON)														
YIELD	R	6,456	R	6,556	R	6,656	R	6,756	R	6,856	R	6,956	R	7,056
1.00	-R	5,391	-R	5,291	-R	5,191	-R	5,091	-R	4,991	-R	4,891	-R	4,791
1.25	-R	3,777	-R	3,652	-R	3,527	-R	3,402	-R	3,277	-R	3,152	-R	3,027
1.50	-R	2,163	-R	2,013	-R	1,863	-R	1,713	-R	1,563	-R	1,413	-R	1,263
1.75	-R	548	-R	373	-R	198	-R	23	R	152	R	327	R	502
2.00	R	1,066	R	1,266	R	1,466	R	1,666	R	1,866	R	2,066	R	2,266
2.25	R	2,680	R	2,905	R	3,130	R	3,355	R	3,580	R	3,805	R	4,030
2.50	R	4,294	R	4,544	R	4,794	R	5,044	R	5,294	R	5,544	R	5,794
2.75	R	5,908	R	6,183	R	6,458	R	6,733	R	7,008	R	7,283	R	7,558
3.00	R	7,522	R	7,822	R	8,122	R	8,422	R	8,722	R	9,022	R	9,322

Notes:

- The cost items reflect the input allocation based on the target yield for the respective crops.
- Although some expenditure items are zero, it is reflected in the budgets to allow for individual inclusion.
- Other macro- & microelements such as calcium, magnesium and zinc are included in the fertiliser costs.
- The cost of fuel includes pre-harvest and harvesting costs with the assumption that own machinery is used.
- The cost for soybean seed reflects a combination of own- and purchased seed.
- There will be large fluctuations for insurance cost (hail) based on the associated risk in respective areas. It is advised that producers adjust this cost based on their individual premiums.
- It is important to note that overhead costs are not included and should be accounted for.

Northern Free State

Table 2.4: Income & cost budgets for maize, soybeans, sunflower, ground nuts & grain sorghum for Western / Northern Free State - Dryland

Area		Western / Northern Free State					
Crop		Maize: Higher potential	Maize: Normal potential	Soybean	Sun- flower	Ground Nuts	Grain Sorghum
Production System		Dryland	Dryland	Dryland	Dryland	Dryland	Dryland
1) INCOME							
Yield: Deterministic	T/HA	5.50	4.50	1.75	1.75	1.50	3.00
SAFEX SIMULATED PRICE / PRODUCER PRICE: 2026	R/TON	R3,326	R3,216	R7,085	R8,775	R15,451	R2,955
Total deductions	R/TON	R464	R392	R315	R399	R66	R66
- Transport differential	R/TON	R379	R298	R179	R302	R-	R-
- Grade differential	R/TON	R20	R28	R-	R-	R-	R-
- Handling & commission	R/TON	R66	R66	R66	R97	R66	R66
- Seed breeding & technology levy	R/TON	R-	R-	R70	R-	R-	R-
Price premiums	R/TON	R-	R-	R-	R-	R-	R-
Net Farm Gate Price	R/TON	R2,862	R2,824	R6,770	R8,376	R15,385	R2,889
GROSS INCOME	R/HA	R15,742	R12,708	R11,848	R14,658	R23,078	R8,668
2) VARIABLE EXPENDITURES							
Contracting	R/HA	R-	R-	R-	R-	R-	R-
Crop insurance	R/HA	R173	R140	R581	R411	R361	R277
Fertilizer	R/HA	R3,854	R3,051	R1,164	R1,866	R1,738	R2,861
Lime	R/HA	R281	R281	R-	R-	R154	R164
Seed	R/HA	R2,139	R1,657	R1,425	R744	R2,404	R492
Fuel	R/HA	R1,470	R1,457	R1,040	R1,135	R2,000	R1,352
Herbicide	R/HA	R1,373	R1,293	R1,289	R1,207	R1,353	R1,199
Insecticide/Fungicide	R/HA	R704	R704	R571	R432	R1,174	R1,085
Marketing costs	R/HA	R-	R-	R-	R-	R-	R-
Repairs and maintenance	R/HA	R1,109	R962	R930	R833	R1,044	R810
Casual labour	R/HA	R354	R290	R-	R-	R564	R75
Aerial spray	R/HA	R-	R-	R-	R-	R-	R-
Other expenditure	R/HA	R-	R-	R-	R-	R352	R-
TOTAL VARIABLE EXPENDITURE	R/HA	R11,457	R9,834	R7,000	R6,629	R11,144	R8,315
TOTAL VARIABLE EXPENDITURE	R/TON	R2,083	R2,185	R4,000	R3,788	R7,429	R2,772
3.1) GROSS MARGIN:	R/HA	R4,285	R2,874	R4,849	R8,029	R11,933	R353
3.2) GROSS MARGIN:	R/TON	R779	R639	R2,771	R4,588	R7,956	R118
BREAK-EVEN YIELD	T/HA	4.00	3.48	1.03	0.79	0.72	2.88
BREAK-EVEN PRICE	R/TON	R2,083	R2,185	R4,000	R3,788	R7,429	R2,772

Source: BFAP, GSA & Senwes, 2025

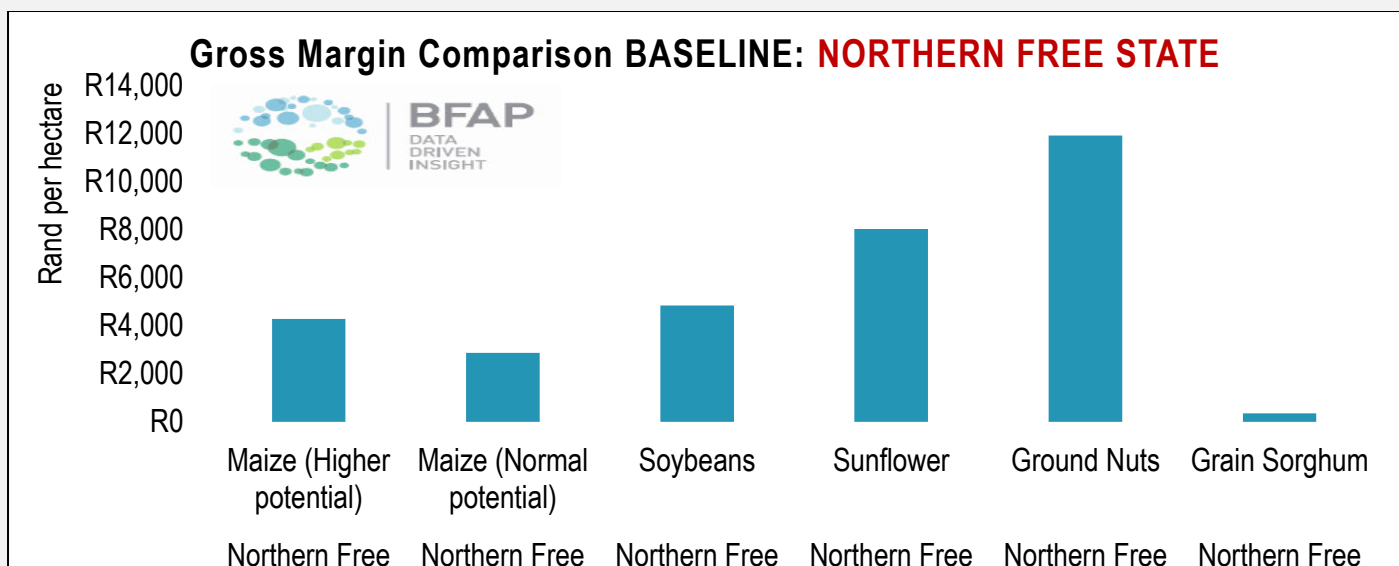


Figure 2.4: Gross margin comparison – Baseline: Western / Northern Free State

MAIZE SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTHERN FREE STATE HIGHER POTENTIAL SOILS												
PRODUCERS YIELD (T/HA)												
PRICE	4.00		4.50		5.00		5.50		6.00		6.50	7.00
R2,462 -R	1,608	-R	377	R	854	R	2,085	R	3,316	R	4,547	R 5,778
R2,562 -R	1,208	R	73	R	1,354	R	2,635	R	3,916	R	5,197	R 6,478
R2,662 -R	808	R	523	R	1,854	R	3,185	R	4,516	R	5,847	R 7,178
R2,762 -R	408	R	973	R	2,354	R	3,735	R	5,116	R	6,497	R 7,878
R2,862 -R	8	R	1,423	R	2,854	R	4,285	R	5,716	R	7,147	R 8,578
R2,962 R	392	R	1,873	R	3,354	R	4,835	R	6,316	R	7,797	R 9,278
R3,062 R	792	R	2,323	R	3,854	R	5,385	R	6,916	R	8,447	R 9,978
R3,162 R	1,192	R	2,773	R	4,354	R	5,935	R	7,516	R	9,097	R 10,678
R3,262 R	1,592	R	3,223	R	4,854	R	6,485	R	8,116	R	9,747	R 11,378

SOYBEANS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTHERN FREE STATE NORMAL POTENTIAL SOILS												
PRODUCERS YIELD (T/HA)												
PRICE	1.00		1.25		1.50		1.75		2.00		2.25	2.50
R6,370 -R	629	R	964	R	2,556	R	4,149	R	5,741	R	7,334	R 8,927
R6,470 -R	529	R	1,089	R	2,706	R	4,324	R	5,941	R	7,559	R 9,177
R6,570 -R	429	R	1,214	R	2,856	R	4,499	R	6,141	R	7,784	R 9,427
R6,670 -R	329	R	1,339	R	3,006	R	4,674	R	6,341	R	8,009	R 9,677
R6,770 -R	229	R	1,464	R	3,156	R	4,849	R	6,541	R	8,234	R 9,927
R6,870 -R	129	R	1,589	R	3,306	R	5,024	R	6,741	R	8,459	R 10,177
R6,970 -R	29	R	1,714	R	3,456	R	5,199	R	6,941	R	8,684	R 10,427
R7,070 R	71	R	1,839	R	3,606	R	5,374	R	7,141	R	8,909	R 10,677
R7,170 R	171	R	1,964	R	3,756	R	5,549	R	7,341	R	9,134	R 10,927

SUNFLOWER SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTHERN FREE STATE												
PRODUCERS YIELD (T/HA)												
PRICE	1.00		1.25		1.50		1.75		2.00		2.25	2.50
R7,976 R	1,347	R	3,341	R	5,335	R	7,329	R	9,323	R	11,317	R 13,311
R8,076 R	1,447	R	3,466	R	5,485	R	7,504	R	9,523	R	11,542	R 13,561
R8,176 R	1,547	R	3,591	R	5,635	R	7,679	R	9,723	R	11,767	R 13,811
R8,276 R	1,647	R	3,716	R	5,785	R	7,854	R	9,923	R	11,992	R 14,061
R8,376 R	1,747	R	3,841	R	5,935	R	8,029	R	10,123	R	12,217	R 14,311
R8,476 R	1,847	R	3,966	R	6,085	R	8,204	R	10,323	R	12,442	R 14,561
R8,576 R	1,947	R	4,091	R	6,235	R	8,379	R	10,523	R	12,667	R 14,811
R8,676 R	2,047	R	4,216	R	6,385	R	8,554	R	10,723	R	12,892	R 15,061
R8,776 R	2,147	R	4,341	R	6,535	R	8,729	R	10,923	R	13,117	R 15,311

GROUND NUTS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTHERN FREE STATE

PRODUCERS YIELD (T/HA)															
PRICE		0.75		1.00		1.25		1.50		1.75		2.00		2.25	
R14,985	R	770	R	4,741	R	8,712	R	12,683	R	16,655	R	20,626	R	24,597	
R15,085	R	845	R	4,841	R	8,837	R	12,833	R	16,830	R	20,826	R	24,822	
R15,185	R	920	R	4,941	R	8,962	R	12,983	R	17,005	R	21,026	R	25,047	
R15,285	R	995	R	5,041	R	9,087	R	13,133	R	17,180	R	21,226	R	25,272	
R15,385	R	1,070	R	5,141	R	9,212	R	13,283	R	17,355	R	21,426	R	25,497	
R15,485	R	1,145	R	5,241	R	9,337	R	13,433	R	17,530	R	21,626	R	25,722	
R15,585	R	1,220	R	5,341	R	9,462	R	13,583	R	17,705	R	21,826	R	25,947	
R15,685	R	1,295	R	5,441	R	9,587	R	13,733	R	17,880	R	22,026	R	26,172	
R15,785	R	1,370	R	5,541	R	9,712	R	13,883	R	18,055	R	22,226	R	26,397	

SOYBEANS MARGIN ABOVE / BELOW MAIZE (GROSS MARGIN PER HECTARE): NORTHERN FREE STATE

PRICE (R/TON)														
YIELD	R	6,470	R	6,570	R	6,670	R	6,770	R	6,870	R	6,970	R	7,070
0.75	-R	6,432	-R	6,357	-R	6,282	-R	6,207	-R	6,132	-R	6,057	-R	5,982
1.00	-R	4,814	-R	4,714	-R	4,614	-R	4,514	-R	4,414	-R	4,314	-R	4,214
1.25	-R	3,197	-R	3,072	-R	2,947	-R	2,822	-R	2,697	-R	2,572	-R	2,447
1.50	-R	1,579	-R	1,429	-R	1,279	-R	1,129	-R	979	-R	829	-R	679
1.75	R	39	R	214	R	389	R	564	R	739	R	914	R	1,089
2.00	R	1,656	R	1,856	R	2,056	R	2,256	R	2,456	R	2,656	R	2,856
2.25	R	3,274	R	3,499	R	3,724	R	3,949	R	4,174	R	4,399	R	4,624
2.50	R	4,891	R	5,141	R	5,391	R	5,641	R	5,891	R	6,141	R	6,391
2.75	R	6,509	R	6,784	R	7,059	R	7,334	R	7,609	R	7,884	R	8,159

Notes:

- The Northern Free State high potential maize budget represents the cultivation of yellow maize under high potential conditions such as water table soils.
- Farm gate price for ground nuts is calculated according to assumptions based on the share of the crop that is graded according to selection grade (40/50-60/70 & 70/80), diverse and crush (human & oil).
- The cost items reflect the input allocation based on the target yield for the respective crops.
- Although some expenditure items are zero, it is reflected in the budgets to allow for individual inclusion.
- Other macro- & microelements such as calcium, magnesium and zinc are included in the fertiliser costs.
- The cost of fuel includes pre-harvest and harvesting costs with the assumption that own machinery is used.
- The cost for soybean seed reflects a combination of own- and purchased seed.
- There will be large fluctuations for insurance cost (hail) based on the associated risk in respective areas. It is advised that producers adjust this cost based on their individual premiums.
- It is important to note that overhead costs are not included and should be accounted for.

North West: Koster

Table 2.5: Income & cost budgets for maize, soybeans & sunflower for North West: Koster region - Dryland

Area		North West: Koster		
Crop		Maize	Soybeans	Sunflower
Production System		Dryland	Dryland	Dryland
1) INCOME				
Yield: Deterministic	T/HA	4.75	2.00	2.00
SAFEX SIMULATED PRICE / PRODUCER PRICE: 2026	R/TON	R3,216	R7,085	R8,775
Total deductions	R/TON	R304	R145	R325
- Transport differential	R/TON	R210	R9	R228
- Grade differential	R/TON	R28	R-	R-
- Handling & commission	R/TON	R66	R66	R97
- Seed breeding & technology levy	R/TON	R-	R70	R-
Price premiums	R/TON	R-	R-	R-
Net Farm Gate Price	R/TON	R2,912	R6,940	R8,450
GROSS INCOME	R/HA	R13,832	R13,881	R16,900
2) VARIABLE EXPENDITURES				
Contracting	R/HA	R-	R-	R-
Crop insurance	R/HA	R291	R1,554	R491
Fertilizer	R/HA	R3,548	R1,464	R2,046
Lime	R/HA	R300	R-	R-
Seed	R/HA	R1,582	R1,166	R1,001
Fuel	R/HA	R1,341	R1,100	R1,093
Herbicide	R/HA	R1,252	R1,240	R1,190
Insecticide/Fungicide	R/HA	R518	R1,118	R521
Marketing costs	R/HA	R-	R-	R-
Repairs and maintenance	R/HA	R1,088	R881	R1,008
Casual labour	R/HA	R306	R-	R-
Aerial spray	R/HA	R-	R-	R-
Other expenditure	R/HA	R-	R-	R-
TOTAL VARIABLE EXPENDITURE	R/HA	R10,225	R8,523	R7,350
TOTAL VARIABLE EXPENDITURE	R/TON	R2,153	R4,261	R3,675
3.1) GROSS MARGIN:				
	R/HA	R3,607	R5,358	R9,550
3.2) GROSS MARGIN:				
	R/TON	R759	R2,679	R4,775
BREAK-EVEN YIELD				
	T/HA	3.51	1.23	0.87
BREAK-EVEN PRICE				
	R/TON	R2,153	R4,261	R3,675

Source: BFAP, GSA, NWK & Individual Farmers, 2025

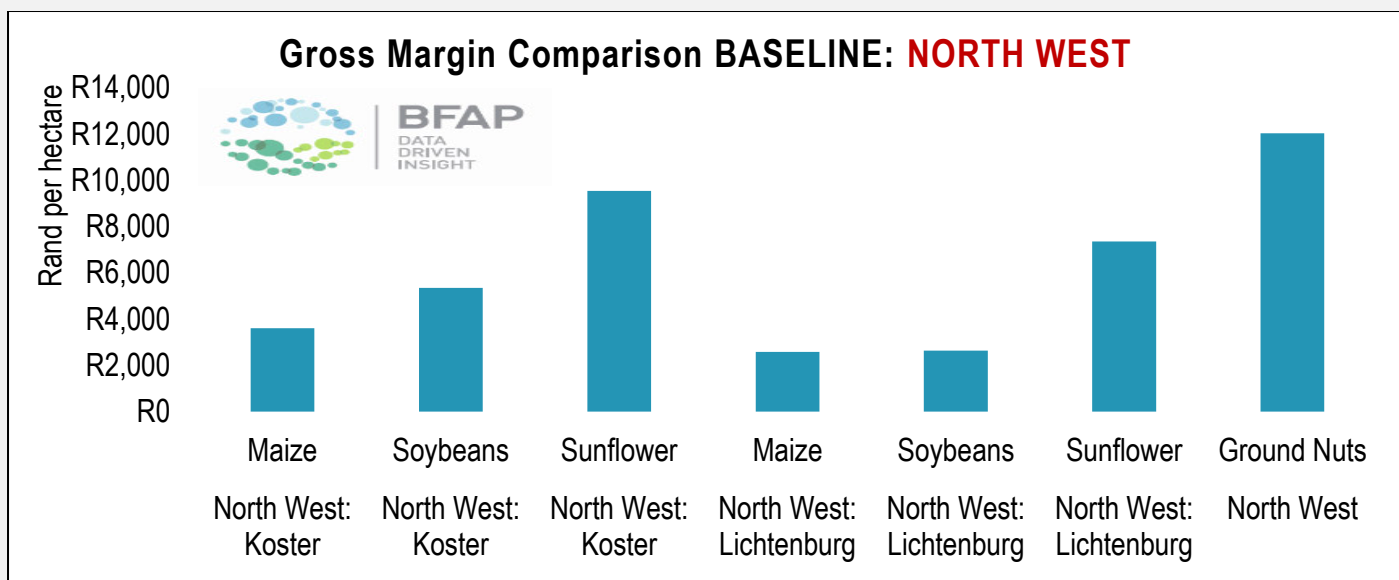


Figure 2.5: Gross margin comparison – Baseline: North West: Koster & Lichtenburg

MAIZE SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTH WEST KOSTER

PRODUCERS YIELD (T/HA)															
PRICE		3.25		3.75		4.25		4.75		5.25		5.75		6.25	
R2,512	-R	2,061	-R	805	R	451	R	1,707	R	2,963	R	4,219	R	5,475	
R2,612	-R	1,736	-R	430	R	876	R	2,182	R	3,488	R	4,794	R	6,100	
R2,712	-R	1,411	-R	55	R	1,301	R	2,657	R	4,013	R	5,369	R	6,725	
R2,812	-R	1,086	R	320	R	1,726	R	3,132	R	4,538	R	5,944	R	7,350	
R2,912	-R	761	R	695	R	2,151	R	3,607	R	5,063	R	6,519	R	7,975	
R3,012	-R	436	R	1,070	R	2,576	R	4,082	R	5,588	R	7,094	R	8,600	
R3,112	-R	111	R	1,445	R	3,001	R	4,557	R	6,113	R	7,669	R	9,225	
R3,212	R	214	R	1,820	R	3,426	R	5,032	R	6,638	R	8,244	R	9,850	
R3,312	R	539	R	2,195	R	3,851	R	5,507	R	7,163	R	8,819	R	10,475	

SOYBEANS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTH WEST KOSTER

PRODUCERS YIELD (T/HA)															
PRICE		1.25		1.50		1.75		2.00		2.25		2.50		2.75	
R6,540	-R	347	R	1,288	R	2,923	R	4,558	R	6,194	R	7,829	R	9,464	
R6,640	-R	222	R	1,438	R	3,098	R	4,758	R	6,419	R	8,079	R	9,739	
R6,740	-R	97	R	1,588	R	3,273	R	4,958	R	6,644	R	8,329	R	10,014	
R6,840	R	28	R	1,738	R	3,448	R	5,158	R	6,869	R	8,579	R	10,289	
R6,940	R	153	R	1,888	R	3,623	R	5,358	R	7,094	R	8,829	R	10,564	
R7,040	R	278	R	2,038	R	3,798	R	5,558	R	7,319	R	9,079	R	10,839	
R7,140	R	403	R	2,188	R	3,973	R	5,758	R	7,544	R	9,329	R	11,114	
R7,240	R	528	R	2,338	R	4,148	R	5,958	R	7,769	R	9,579	R	11,389	
R7,340	R	653	R	2,488	R	4,323	R	6,158	R	7,994	R	9,829	R	11,664	

SUNFLOWER SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTH WEST KOSTER

PRODUCERS YIELD (T/HA)															
PRICE		1.25		1.50		1.75		2.00		2.25		2.50		2.75	
R8,050	R	2,713	R	4,725	R	6,738	R	8,750	R	10,763	R	12,775	R	14,788	
R8,150	R	2,838	R	4,875	R	6,913	R	8,950	R	10,988	R	13,025	R	15,063	
R8,250	R	2,963	R	5,025	R	7,088	R	9,150	R	11,213	R	13,275	R	15,338	
R8,350	R	3,088	R	5,175	R	7,263	R	9,350	R	11,438	R	13,525	R	15,613	
R8,450	R	3,213	R	5,325	R	7,438	R	9,550	R	11,663	R	13,775	R	15,888	
R8,550	R	3,338	R	5,475	R	7,613	R	9,750	R	11,888	R	14,025	R	16,163	
R8,650	R	3,463	R	5,625	R	7,788	R	9,950	R	12,113	R	14,275	R	16,438	
R8,750	R	3,588	R	5,775	R	7,963	R	10,150	R	12,338	R	14,525	R	16,713	
R8,850	R	3,713	R	5,925	R	8,138	R	10,350	R	12,563	R	14,775	R	16,988	

SOYBEANS MARGIN ABOVE / BELOW MAIZE (GROSS MARGIN PER HECTARE): NORTH WEST KOSTER

PRICE (R/TON)														
YIELD	R	6,640	R	6,740	R	6,840	R	6,940	R	7,040	R	7,140	R	7,240
1.00	-R	5,489	-R	5,389	-R	5,289	-R	5,189	-R	5,089	-R	4,989	-R	4,889
1.25	-R	3,828	-R	3,703	-R	3,578	-R	3,453	-R	3,328	-R	3,203	-R	3,078
1.50	-R	2,168	-R	2,018	-R	1,868	-R	1,718	-R	1,568	-R	1,418	-R	1,268
1.75	-R	508	-R	333	-R	158	R	17	R	192	R	367	R	542
2.00	R	1,152	R	1,352	R	1,552	R	1,752	R	1,952	R	2,152	R	2,352
2.25	R	2,812	R	3,037	R	3,262	R	3,487	R	3,712	R	3,937	R	4,162
2.50	R	4,472	R	4,722	R	4,972	R	5,222	R	5,472	R	5,722	R	5,972
2.75	R	6,132	R	6,407	R	6,682	R	6,957	R	7,232	R	7,507	R	7,782
3.00	R	7,792	R	8,092	R	8,392	R	8,692	R	8,992	R	9,292	R	9,592

Notes:

- The cost items reflect the input allocation based on the target yield for the respective crops.
- Although some expenditure items are zero, it is reflected in the budgets to allow for individual inclusion.
- Other macro- & microelements such as calcium, magnesium and zinc are included in the fertiliser costs.
- The cost of fuel includes pre-harvest and harvesting costs with the assumption that own machinery is used.
- The cost for soybean seed reflects a combination of own- and purchased seed.
- There will be large fluctuations for insurance cost (hail) based on the associated risk in respective areas. It is advised that producers adjust this cost based on their individual premiums.
- It is important to note that overhead costs are not included and should be accounted for.

North West: Lichtenburg

Table 2.6: Income & cost budgets for maize, soybeans & sunflower for North West: Lichtenburg region - Dryland

Area		North West: Lichtenburg			
Crop		Maize	Soybeans	Sunflower	Ground Nuts
Production System		Dryland	Dryland	Dryland	Dryland
1) INCOME					
Yield: Deterministic	T/HA	4.25	1.50	1.70	1.50
SAFEX SIMULATED PRICE / PRODUCER PRICE: 2026	R/TON	R3,216	R7,085	R8,775	R15,451
Total deductions	R/TON	R373	R215	R380	R66
- Transport differential	R/TON	R279	R79	R283	R-
- Grade differential	R/TON	R28	R-	R-	R-
- Handling & commission	R/TON	R66	R66	R97	R66
- Seed breeding & technology levy	R/TON	R-	R70	R-	R-
Price premiums	R/TON	R-	R-	R-	R-
Net Farm Gate Price	R/TON	R2,843	R6,870	R8,395	R15,385
GROSS INCOME	R/HA	R12,083	R10,306	R14,272	R23,078
2) VARIABLE EXPENDITURES					
Contracting	R/HA	R-	R-	R-	R-
Crop insurance	R/HA	R182	R1,154	R400	R369
Fertilizer	R/HA	R3,189	R1,275	R1,683	R1,731
Lime	R/HA	R300	R-	R-	R165
Seed	R/HA	R1,376	R933	R1,001	R2,115
Fuel	R/HA	R1,323	R1,057	R1,075	R2,034
Herbicide	R/HA	R1,252	R1,240	R1,190	R1,538
Insecticide/Fungicide	R/HA	R518	R1,118	R551	R1,153
Marketing costs	R/HA	R-	R-	R-	R-
Repairs and maintenance	R/HA	R1,083	R886	R1,011	R1,008
Casual labour	R/HA	R274	R-	R-	R564
Aerial spray	R/HA	R-	R-	R-	R-
Other expenditure	R/HA	R-	R-	R-	R352
TOTAL VARIABLE EXPENDITURE	R/HA	R9,496	R7,663	R6,912	R11,029
TOTAL VARIABLE EXPENDITURE	R/TON	R2,234	R5,109	R4,066	R7,352
3.1) GROSS MARGIN:	R/HA	R2,587	R2,643	R7,360	R12,049
3.2) GROSS MARGIN:	R/TON	R609	R1,762	R4,329	R8,033
BREAK-EVEN YIELD	T/HA	3.34	1.12	0.82	0.72
BREAK-EVEN PRICE	R/TON	R2,234	R5,109	R4,066	R7,352

Source: BFAP, GSA, NWK & Individual Farmers, 2025

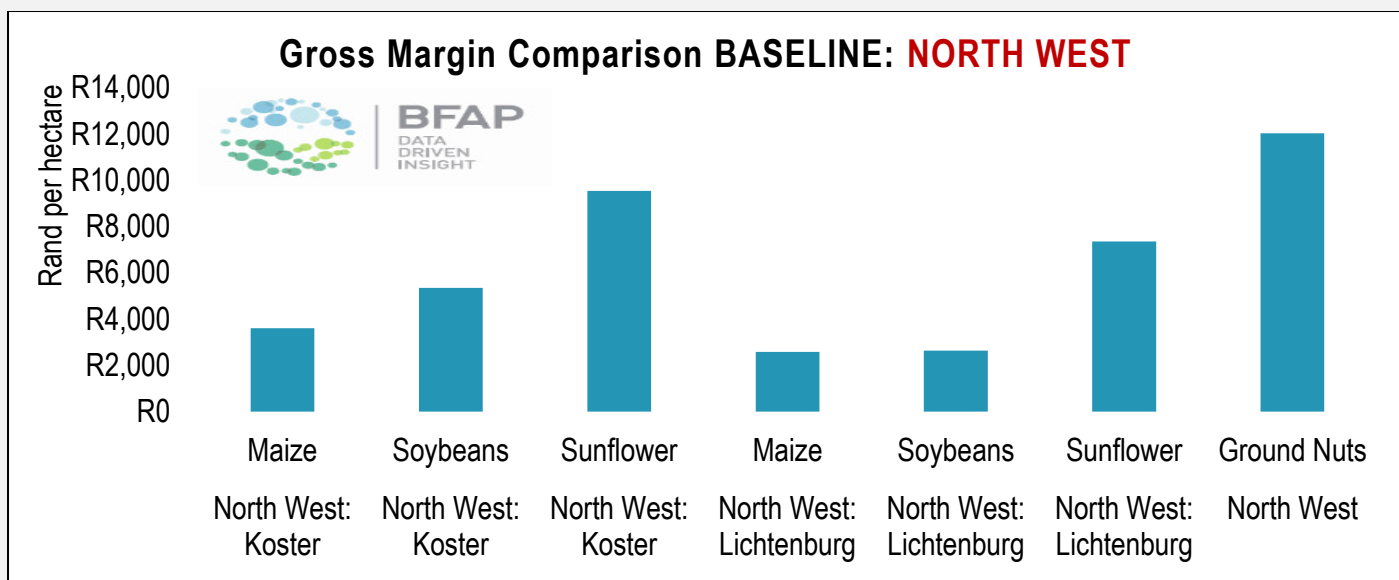


Figure 2.6: Gross margin comparison – Baseline: North West: Koster & Lichtenburg

MAIZE SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTH WEST LICHTENBURG

PRODUCERS YIELD (T/HA)												
PRICE	2.75		3.25		3.75		4.25		4.75		5.25	
R2,443 -R	2,778	-R	1,556	-R	335	R	887	R	2,108	R	3,330	R
R2,543 -R	2,503	-R	1,231	R	40	R	1,312	R	2,583	R	3,855	R
R2,643 -R	2,228	-R	906	R	415	R	1,737	R	3,058	R	4,380	R
R2,743 -R	1,953	-R	581	R	790	R	2,162	R	3,533	R	4,905	R
R2,843 -R	1,678	-R	256	R	1,165	R	2,587	R	4,008	R	5,430	R
R2,943 -R	1,403	R	69	R	1,540	R	3,012	R	4,483	R	5,955	R
R3,043 -R	1,128	R	394	R	1,915	R	3,437	R	4,958	R	6,480	R
R3,143 -R	853	R	719	R	2,290	R	3,862	R	5,433	R	7,005	R
R3,243 -R	578	R	1,044	R	2,665	R	4,287	R	5,908	R	7,530	R

SOYBEANS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTH WEST LICHTENBURG

PRODUCERS YIELD (T/HA)												
PRICE	0.75		1.00		1.25		1.50		1.75		2.00	
R6,470 -R	2,810	-R	1,193	R	425	R	2,043	R	3,660	R	5,278	R
R6,570 -R	2,735	-R	1,093	R	550	R	2,193	R	3,835	R	5,478	R
R6,670 -R	2,660	-R	993	R	675	R	2,343	R	4,010	R	5,678	R
R6,770 -R	2,585	-R	893	R	800	R	2,493	R	4,185	R	5,878	R
R6,870 -R	2,510	-R	793	R	925	R	2,643	R	4,360	R	6,078	R
R6,970 -R	2,435	-R	693	R	1,050	R	2,793	R	4,535	R	6,278	R
R7,070 -R	2,360	-R	593	R	1,175	R	2,943	R	4,710	R	6,478	R
R7,170 -R	2,285	-R	493	R	1,300	R	3,093	R	4,885	R	6,678	R
R7,270 -R	2,210	-R	393	R	1,425	R	3,243	R	5,060	R	6,878	R

SUNFLOWER SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTH WEST LICHTENBURG

PRODUCERS YIELD (T/HA)												
PRICE	1.00		1.25		1.50		1.70		2.00		2.25	
R7,995 R	1,083	R	3,082	R	5,081	R	6,680	R	9,078	R	11,077	R
R8,095 R	1,183	R	3,207	R	5,231	R	6,850	R	9,278	R	11,302	R
R8,195 R	1,283	R	3,332	R	5,381	R	7,020	R	9,478	R	11,527	R
R8,295 R	1,383	R	3,457	R	5,531	R	7,190	R	9,678	R	11,752	R
R8,395 R	1,483	R	3,582	R	5,681	R	7,360	R	9,878	R	11,977	R
R8,495 R	1,583	R	3,707	R	5,831	R	7,530	R	10,078	R	12,202	R
R8,595 R	1,683	R	3,832	R	5,981	R	7,700	R	10,278	R	12,427	R
R8,695 R	1,783	R	3,957	R	6,131	R	7,870	R	10,478	R	12,652	R
R8,795 R	1,883	R	4,082	R	6,281	R	8,040	R	10,678	R	12,877	R

GROUND NUTS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTH WEST

PRODUCERS YIELD (T/HA)															
PRICE		0.75		1.00		1.25		1.50		1.75		2.00		2.25	
R14,985	R	885	R	4,856	R	8,828	R	12,799	R	16,770	R	20,741	R	24,713	
R15,085	R	960	R	4,956	R	8,953	R	12,949	R	16,945	R	20,941	R	24,938	
R15,185	R	1,035	R	5,056	R	9,078	R	13,099	R	17,120	R	21,141	R	25,163	
R15,285	R	1,110	R	5,156	R	9,203	R	13,249	R	17,295	R	21,341	R	25,388	
R15,385	R	1,185	R	5,256	R	9,328	R	13,399	R	17,470	R	21,541	R	25,613	
R15,485	R	1,260	R	5,356	R	9,453	R	13,549	R	17,645	R	21,741	R	25,838	
R15,585	R	1,335	R	5,456	R	9,578	R	13,699	R	17,820	R	21,941	R	26,063	
R15,685	R	1,410	R	5,556	R	9,703	R	13,849	R	17,995	R	22,141	R	26,288	
R15,785	R	1,485	R	5,656	R	9,828	R	13,999	R	18,170	R	22,341	R	26,513	

SOYBEANS MARGIN ABOVE / BELOW MAIZE (GROSS MARGIN PER HECTARE): NORTH WEST LICHTENBURG

PRICE (R/TON)														
YIELD	R	6,570	R	6,670	R	6,770	R	6,870	R	6,970	R	7,070	R	7,170
0.50	-R	6,965	-R	6,915	-R	6,865	-R	6,815	-R	6,765	-R	6,715	-R	6,665
0.75	-R	5,322	-R	5,247	-R	5,172	-R	5,097	-R	5,022	-R	4,947	-R	4,872
1.00	-R	3,679	-R	3,579	-R	3,479	-R	3,379	-R	3,279	-R	3,179	-R	3,079
1.25	-R	2,037	-R	1,912	-R	1,787	-R	1,662	-R	1,537	-R	1,412	-R	1,287
1.50	-R	394	-R	244	-R	94	R	56	R	206	R	356	R	506
1.75	R	1,248	R	1,423	R	1,598	R	1,773	R	1,948	R	2,123	R	2,298
2.00	R	2,891	R	3,091	R	3,291	R	3,491	R	3,691	R	3,891	R	4,091
2.25	R	4,534	R	4,759	R	4,984	R	5,209	R	5,434	R	5,659	R	5,884
2.50	R	6,176	R	6,426	R	6,676	R	6,926	R	7,176	R	7,426	R	7,676

Notes:

- Farm gate price for ground nuts is calculated according to assumptions based on the share of the crop that is graded according to selection grade (40/50-60/70 & 70/80), diverse and crush (human & oil).
- The cost items reflect the input allocation based on the target yield for the respective crops.
- Although some expenditure items are zero, it is reflected in the budgets to allow for individual inclusion.
- Other macro- & microelements such as calcium, magnesium and zinc are included in the fertiliser costs.
- The cost of fuel includes pre-harvest and harvesting costs with the assumption that own machinery is used.
- The cost for soybean seed reflects a combination of own- and purchased seed.
- There will be large fluctuations for insurance cost (hail) based on the associated risk in respective areas. It is advised that producers adjust this cost based on their individual premiums.
- It is important to note that overhead costs are not included and should be accounted for.

2025/26 INCOME & COST BUDGETS – IRRIGATION

Northern Cape

Table 3.1: Income & cost budgets for maize, soybeans, ground nuts & sunflower (oil) for Northern Cape - Irrigation

Area		Northern Cape: Irrigation			
Crop		Maize	Soybeans	Ground Nuts	Sunflower
Production System		Irrigation	Irrigation	Irrigation	Irrigation
1) INCOME					
Yield: Deterministic	T/HA	14.00	4.00	3.50	3.00
SAFEX SIMULATED PRICE / PRODUCER PRICE: 2026	R/TON	R3,326	R7,085	R16,417	R8,775
Total deductions	R/TON	R577	R473	R66	R654
- Transport differential	R/TON	R497	R337	R-	R557
- Grade differential	R/TON	R14	R-	R-	R-
- Handling & commission	R/TON	R66	R66	R66	R97
- Seed breeding & technology levy	R/TON	R-	R70	R-	R-
Price premiums	R/TON	R-	R-	R1,600	R-
Net Farm Gate Price	R/TON	R2,750	R6,612	R17,951	R8,121
GROSS INCOME	R/HA	R38,498	R26,450	R62,829	R24,363
2) VARIABLE EXPENDITURES					
Contracting	R/HA	R1,400	R1,400	R3,560	R1,400
Crop insurance	R/HA	R385	R1,587	R628	R731
Fertilizer	R/HA	R12,891	R7,549	R9,937	R6,921
Lime	R/HA	R770	R-	R770	R-
Seed	R/HA	R8,020	R2,730	R4,282	R1,145
Fuel	R/HA	R1,389	R971	R1,515	R1,477
Herbicide	R/HA	R854	R598	R1,161	R526
Insecticide/Fungicide	R/HA	R1,864	R1,840	R3,641	R290
Marketing costs	R/HA	R-	R-	R-	R-
Repairs and maintenance	R/HA	R754	R235	R1,109	R1,215
Casual labour	R/HA	R902	R-	R259	R-
Aerial spray	R/HA	R549	R-	R-	R-
Irrigation Electricity	R/HA	R7,095	R7,095	R7,301	R5,038
Water	R/HA	R1,504	R1,504	R1,548	R1,068
Other expenditure: Scheduling / Irrigation Equipment R&M	R/HA	R1,395	R1,395	R4,232	R1,026
TOTAL VARIABLE EXPENDITURE	R/HA	R39,771	R26,905	R39,943	R20,838
TOTAL VARIABLE EXPENDITURE	R/TON	R2,841	R6,726	R11,412	R6,946
3.1) GROSS MARGIN:	R/HA	-R1,274	-R455	R22,887	R3,525
3.2) GROSS MARGIN:	R/TON	-R91	-R114	R6,539	R1,175
BREAK-EVEN YIELD	T/HA	14.46	4.07	2.23	2.57
BREAK-EVEN PRICE	R/TON	R2,841	R6,726	R11,412	R6,946

Source: BFAP, GSA & GWK, 2025

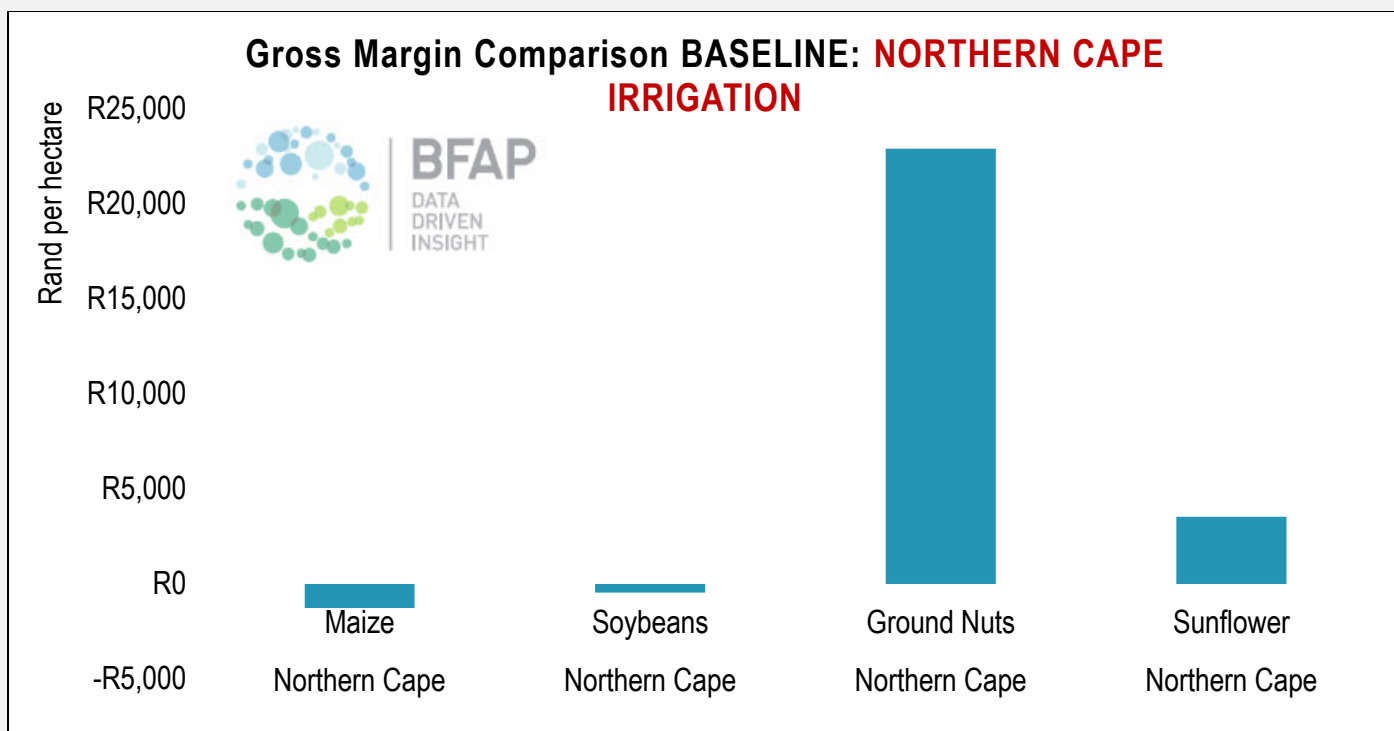


Figure 3.1: Gross margin comparison – Baseline: Northern Cape Irrigation

Cautionary remarks:

- Under conventional input cost structures—comprising fertilisers, agrochemicals, fuel, and related resources—the production of maize in the Northern Cape currently yields close to negative gross margins, rendering it economically unviable.
- Producers are expected to evaluate their individual break-even thresholds. Should adverse margins persist, it is likely that input levels will be scaled back, or producers may pivot to alternative crops offering more favourable returns.
- In periods where input costs remain elevated while commodity prices decline sharply, high-intensity production systems such as irrigation will face increased financial pressure compared to dryland operations.
- Ultimately, producers cannot sustain operations at a loss, particularly when fixed overheads must still be accounted for. Strategic adjustments in crop selection and input application will be necessary to preserve financial viability.

MAIZE SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTHERN CAPE IRRIGATION

PRODUCERS YIELD (T/HA)												
PRICE		12.50		13.00		13.50		14.00		14.50		15.00
R2,350	-R	10,399	-R	9,224	-R	8,049	-R	6,874	-R	5,699	-R	4,524
R2,450	-R	9,149	-R	7,924	-R	6,699	-R	5,474	-R	4,249	-R	3,024
R2,550	-R	7,899	-R	6,624	-R	5,349	-R	4,074	-R	2,799	-R	1,524
R2,650	-R	6,649	-R	5,324	-R	3,999	-R	2,674	-R	1,349	-R	24
R2,750	-R	5,399	-R	4,024	-R	2,649	-R	1,274	R	101	R	1,476
R2,850	-R	4,149	-R	2,724	-R	1,299	R	126	R	1,551	R	2,976
R2,950	-R	2,899	-R	1,424	R	51	R	1,526	R	3,001	R	4,476
R3,050	-R	1,649	-R	124	R	1,401	R	2,926	R	4,451	R	5,976
R3,150	-R	399	R	1,176	R	2,751	R	4,326	R	5,901	R	7,476
												9,051

SOYBEANS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTHERN CAPE IRRIGATION

PRODUCERS YIELD (T/HA)												
PRICE		3.25		3.50		3.75		4.00		4.25		4.50
R6,212	-R	6,714	-R	5,161	-R	3,608	-R	2,055	-R	502	R	1,051
R6,312	-R	6,389	-R	4,811	-R	3,233	-R	1,655	-R	77	R	1,501
R6,412	-R	6,064	-R	4,461	-R	2,858	-R	1,255	R	348	R	1,951
R6,512	-R	5,739	-R	4,111	-R	2,483	-R	855	R	773	R	2,401
R6,612	-R	5,414	-R	3,761	-R	2,108	-R	455	R	1,198	R	2,851
R6,712	-R	5,089	-R	3,411	-R	1,733	-R	55	R	1,623	R	3,301
R6,812	-R	4,764	-R	3,061	-R	1,358	R	345	R	2,048	R	3,751
R6,912	-R	4,439	-R	2,711	-R	983	R	745	R	2,473	R	4,201
R7,012	-R	4,114	-R	2,361	-R	608	R	1,145	R	2,898	R	4,651
												6,404

GROUND NUTS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTHERN CAPE IRRIGATION

PRODUCERS YIELD (T/HA)												
PRICE		2.75		3.00		3.25		3.50		4.00		5.00
R17,551	R	10,523	R	15,111	R	19,699	R	24,287	R	33,462	R	42,638
R17,651	R	10,798	R	15,411	R	20,024	R	24,637	R	33,862	R	43,088
R17,751	R	11,073	R	15,711	R	20,349	R	24,987	R	34,262	R	43,538
R17,851	R	11,348	R	16,011	R	20,674	R	25,337	R	34,662	R	43,988
R17,951	R	11,623	R	16,311	R	20,999	R	25,687	R	35,062	R	44,438
R18,051	R	11,898	R	16,611	R	21,324	R	26,037	R	35,462	R	44,888
R18,151	R	12,173	R	16,911	R	21,649	R	26,387	R	35,862	R	45,338
R18,251	R	12,448	R	17,211	R	21,974	R	26,737	R	36,262	R	45,788
R18,351	R	12,723	R	17,511	R	22,299	R	27,087	R	36,662	R	46,238
												55,813

SUNFLOWER OIL SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTHERN CAPE IRRIGATION

PRODUCERS YIELD (T/HA)												
PRICE		2.25		2.50		2.75		3.00		3.50		4.00
R7,721	-R	3,465	-R	1,535	R	395	R	2,325	R	6,186	R	10,047
R7,821	-R	3,240	-R	1,285	R	670	R	2,625	R	6,536	R	10,447
R7,921	-R	3,015	-R	1,035	R	945	R	2,925	R	6,886	R	10,847
R8,021	-R	2,790	-R	785	R	1,220	R	3,225	R	7,236	R	11,247
R8,121	-R	2,565	-R	535	R	1,495	R	3,525	R	7,586	R	11,647
R8,221	-R	2,340	-R	285	R	1,770	R	3,825	R	7,936	R	12,047
R8,321	-R	2,115	-R	35	R	2,045	R	4,125	R	8,286	R	12,447
R8,421	-R	1,890	R	215	R	2,320	R	4,425	R	8,636	R	12,847
R8,521	-R	1,665	R	465	R	2,595	R	4,725	R	8,986	R	13,247
												17,507

SOYBEANS MARGIN ABOVE / BELOW MAIZE (GROSS MARGIN PER HECTARE): NORTHERN CAPE IRRIGATION														
PRICE (R/TON)														
YIELD	R	6,312	R	6,412	R	6,512	R	6,612	R	6,712	R	6,812	R	6,912
3.00	-R	6,694	-R	6,394	-R	6,094	-R	5,794	-R	5,494	-R	5,194	-R	4,894
3.25	-R	5,116	-R	4,791	-R	4,466	-R	4,141	-R	3,816	-R	3,491	-R	3,166
3.50	-R	3,537	-R	3,187	-R	2,837	-R	2,487	-R	2,137	-R	1,787	-R	1,437
3.75	-R	1,959	-R	1,584	-R	1,209	-R	834	-R	459	-R	84	R	291
4.00	-R	381	R	19	R	419	R	819	R	1,219	R	1,619	R	2,019
4.25	R	1,197	R	1,622	R	2,047	R	2,472	R	2,897	R	3,322	R	3,747
4.50	R	2,775	R	3,225	R	3,675	R	4,125	R	4,575	R	5,025	R	5,475
4.75	R	4,353	R	4,828	R	5,303	R	5,778	R	6,253	R	6,728	R	7,203
5.00	R	5,931	R	6,431	R	6,931	R	7,431	R	7,931	R	8,431	R	8,931

Notes:

- Farm gate price for ground nuts is calculated according to assumptions based on the share of the crop that is graded according to selection grade (40/50-60/70 & 70/80), diverse and crush (human & oil).
- The cost items reflect the input allocation based on the target yield for the respective crops.
- Although some expenditure items are zero, it is reflected in the budgets to allow for individual inclusion.
- Other macro- & microelements such as calcium, magnesium and zinc are included in the fertiliser costs.
- The cost of fuel includes pre-harvest and harvesting costs with the assumption that own machinery is used.
- The cost for soybean seed reflects a combination of own- and purchased seed.
- There will be large fluctuations for insurance cost (hail) based on the associated risk in respective areas. It is advised that producers adjust this cost based on their individual premiums.
- It is important to note that overhead costs are not included and should be accounted for.

KwaZulu-Natal: Bergville

Table 3.2: Income & cost budgets for maize & soybeans for KwaZulu-Natal: Berggrivier - Irrigation

Area		KwaZulu-Natal: Berggrivier	
Crop		Maize	Soybeans
Production System		Irrigation	Irrigation
1) INCOME			
Yield: Deterministic	T/HA	12.00	4.00
SAFEX SIMULATED PRICE / PRODUCER PRICE: 2026	R/TON	R3,326	R7,085
Total deductions	R/TON	R527	R399
- Transport differential	R/TON	R451	R268
- Grade differential	R/TON	R14	R-
- Handling & commission	R/TON	R62	R61
- Seed breeding & technology levy	R/TON	R-	R70
Price premiums	R/TON	R-	R-
Net Farm Gate Price	R/TON	R2,799	R6,686
GROSS INCOME	R/HA	R33,587	R26,743
2) VARIABLE EXPENDITURES			
Contracting	R/HA	R-	R-
Crop insurance	R/HA	R1,276	R3,263
Fertilizer	R/HA	R9,888	R3,517
Lime	R/HA	R653	R-
Seed	R/HA	R6,416	R2,625
Fuel	R/HA	R1,831	R1,842
Herbicide	R/HA	R978	R1,493
Insecticide/Fungicide	R/HA	R1,623	R1,050
Marketing costs	R/HA	R-	R-
Repairs and maintenance	R/HA	R923	R623
Casual labour	R/HA	R773	R-
Aerial spray	R/HA	R-	R-
Irrigation Electricity	R/HA	R4,134	R3,518
Water	R/HA	R1,807	R1,538
Other expenditure: Scheduling / Irrigation Equipment R&M	R/HA	R989	R860
TOTAL VARIABLE EXPENDITURE	R/HA	R31,291	R20,328
TOTAL VARIABLE EXPENDITURE	R/TON	R2,608	R5,082
3.1) GROSS MARGIN:	R/HA	R2,297	R6,415
3.2) GROSS MARGIN:	R/TON	R191	R1,604
BREAK-EVEN YIELD	T/HA	11.18	3.04
BREAK-EVEN PRICE	R/TON	R2,608	R5,082

Source: BFAP, GSA & Individual Farmers, 2025

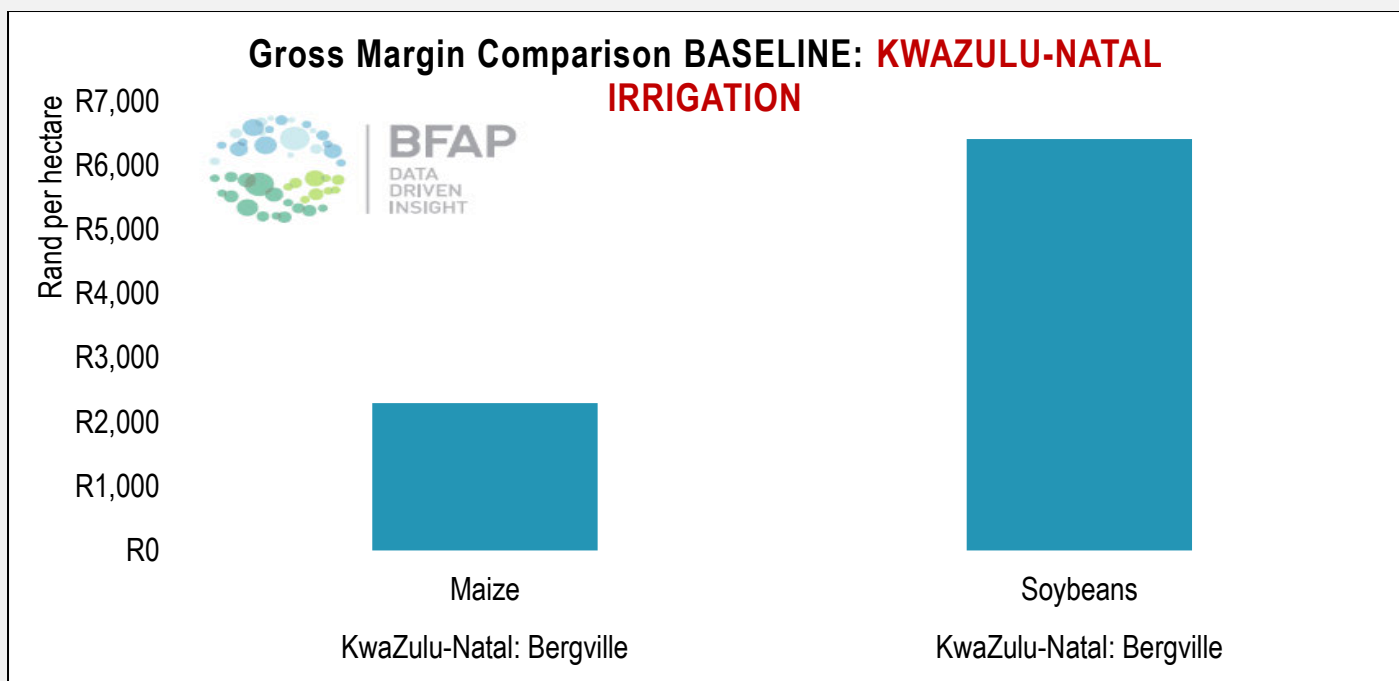


Figure 3.2: Gross margin comparison – Baseline: KwaZulu-Natal: Berggrivier

MAIZE SENSIVITY ANALYSIS (GROSS MARGIN PER HECTARE): KWAZULU-NATAL:BERGVILLE															
PRODUCERS YIELD (T/HA)															
PRICE		10.50		11.00		11.50		12.00		12.50		13.00		13.50	
R2,399	-R	6,102	-R	4,902	-R	3,703	-R	2,503	-R	1,304	-R	104	R	1,095	
R2,499	-R	5,052	-R	3,802	-R	2,553	-R	1,303	-R	54	R	1,196	R	2,445	
R2,599	-R	4,002	-R	2,702	-R	1,403	-R	103	R	1,196	R	2,496	R	3,795	
R2,699	-R	2,952	-R	1,602	-R	253	R	1,097	R	2,446	R	3,796	R	5,145	
R2,799	-R	1,902	-R	502	R	897	R	2,297	R	3,696	R	5,096	R	6,495	
R2,899	-R	852	R	598	R	2,047	R	3,497	R	4,946.09	R	6,396	R	7,845	
R2,999	R	198	R	1,698	R	3,197	R	4,697	R	6,196	R	7,696	R	9,195	
R3,099	R	1,248	R	2,798	R	4,347	R	5,897	R	7,446	R	8,996	R	10,545	
R3,199	R	2,298	R	3,898	R	5,497	R	7,097	R	8,696	R	10,296	R	11,895	

SOYBEANS SENSIVITY ANALYSIS (GROSS MARGIN PER HECTARE): KWAZULU-NATAL:BERGVILLE															
PRODUCERS YIELD (T/HA)															
PRICE		3.25		3.50		3.75		4.00		4.25		4.50		4.75	
R6,286	R	100	R	1,672	R	3,243	R	4,815	R	6,386	R	7,957	R	9,529	
R6,386	R	425	R	2,022	R	3,618	R	5,215	R	6,811	R	8,407	R	10,004	
R6,486	R	750	R	2,372	R	3,993	R	5,615	R	7,236	R	8,857	R	10,479	
R6,586	R	1,075	R	2,722	R	4,368	R	6,015	R	7,661	R	9,307	R	10,954	
R6,686	R	1,400	R	3,072	R	4,743	R	6,415	R	8,086	R	9,757	R	11,429	
R6,786	R	1,725	R	3,422	R	5,118	R	6,815	R	8,511	R	10,207	R	11,904	
R6,886	R	2,050	R	3,772	R	5,493	R	7,215	R	8,936	R	10,657	R	12,379	
R6,986	R	2,375	R	4,122	R	5,868	R	7,615	R	9,361	R	11,107	R	12,854	
R7,086	R	2,700	R	4,472	R	6,243	R	8,015	R	9,786	R	11,557	R	13,329	

SOYBEANS MARGIN ABOVE / BELOW MAIZE (GROSS MARGIN PER HECTARE): KWAZULU-NATAL:BERGVILLE

YIELD	PRICE (R/TON)									
	R	6,386	R	6,486	R	6,586	R	6,686	R	6,786
3.00	-R	3,468	-R	3,168	-R	2,868	-R	2,568	-R	2,268
3.25	-R	1,871	-R	1,546	-R	1,221	-R	896	-R	571
3.50	-R	275	R	75	R	425	R	775	R	1,125
3.75	R	1,322	R	1,697	R	2,072	R	2,447	R	2,822
4.00	R	2,918	R	3,318	R	3,718	R	4,118	R	4,518
4.25	R	4,514	R	4,939	R	5,364	R	5,789	R	6,214
4.50	R	6,111	R	6,561	R	7,011	R	7,461	R	7,911
4.75	R	7,707	R	8,182	R	8,657	R	9,132	R	9,607
5.00	R	9,304	R	9,804	R	10,304	R	10,804	R	11,304

Notes:

- The cost items reflect the input allocation based on the target yield for the respective crops.
- Although some expenditure items are zero, it is reflected in the budgets to allow for individual inclusion.
- Other macro- & microelements such as calcium, magnesium and zinc are included in the fertiliser costs.
- The cost of fuel includes pre-harvest and harvesting costs with the assumption that own machinery is used.
- The cost for soybean seed reflects a combination of own- and purchased seed.
- There will be large fluctuations for insurance cost (hail) based on the associated risk in respective areas. It is advised that producers adjust this cost based on their individual premiums.
- It is important to note that overhead costs are not included and should be accounted for.

North-West

Table 3.3: Income & cost budgets for maize, soybeans, sunflower & sorghum for North West: Brits region - Irrigation

Area		North West: Brits / Northam / Koedoeskop			
Crop		Maize	Soybeans	Sunflower	Sorghum
Production System		Irrigation	Irrigation	Irrigation	Irrigation
1) INCOME					
Yield: Deterministic	T/HA	12.00	3.80	3.00	7.00
SAFEX SIMULATED PRICE / PRODUCER PRICE: 2026	R/TON	R3,326	R7,085	R8,775	R2,955
Total deductions	R/TON	R274	R136	R316	R66
- Transport differential	R/TON	R194	R-	R219	R-
- Grade differential	R/TON	R14	R-	R-	R-
- Handling & commission	R/TON	R66	R66	R97	R66
- Seed breeding & technology levy	R/TON	R-	R70	R-	R-
Price premiums	R/TON	R-	R-	R-	R-
Net Farm Gate Price	R/TON	R3,053	R6,949	R8,459	R2,889
GROSS INCOME	R/HA	R36,634	R26,408	R25,377	R20,226
2) VARIABLE EXPENDITURES					
Contracting	R/HA	R1,100	R1,250	R-	R-
Crop insurance	R/HA	R1,246	R1,452	R609	R515
Fertilizer	R/HA	R10,035	R3,282	R2,960	R6,078
Lime	R/HA	R500	R-	R-	R325
Seed	R/HA	R6,238	R2,718	R1,276	R1,125
Fuel	R/HA	R1,676	R1,434	R1,421	R1,503
Herbicide	R/HA	R1,247	R1,130	R904	R1,169
Insecticide/Fungicide	R/HA	R1,681	R1,118	R521	R590
Marketing costs	R/HA	R-	R-	R-	R-
Repairs and maintenance	R/HA	R1,018	R894	R1,257	R894
Casual labour	R/HA	R773	R-	R-	R175
Aerial spray	R/HA	R-	R-	R-	R269
Irrigation Electricity	R/HA	R5,577	R4,563	R2,535	R3,549
Water	R/HA	R1,382	R1,130	R628	R879
Other expenditure: Scheduling / Irrigation Equipment R&M	R/HA	R1,137	R952	R583	R768
TOTAL VARIABLE EXPENDITURE	R/HA	R33,607	R19,926	R12,694	R17,838
TOTAL VARIABLE EXPENDITURE	R/TON	R2,801	R5,244	R4,231	R2,548
3.1) GROSS MARGIN:	R/HA	R3,027	R6,483	R12,684	R2,388
3.2) GROSS MARGIN:	R/TON	R252	R1,706	R4,228	R341
BREAK-EVEN YIELD	T/HA	11.01	2.87	1.50	6.17
BREAK-EVEN PRICE	R/TON	R2,801	R5,244	R4,231	R2,548

Source: BFAP, GSA, NWK & Individual Farmers, 2025

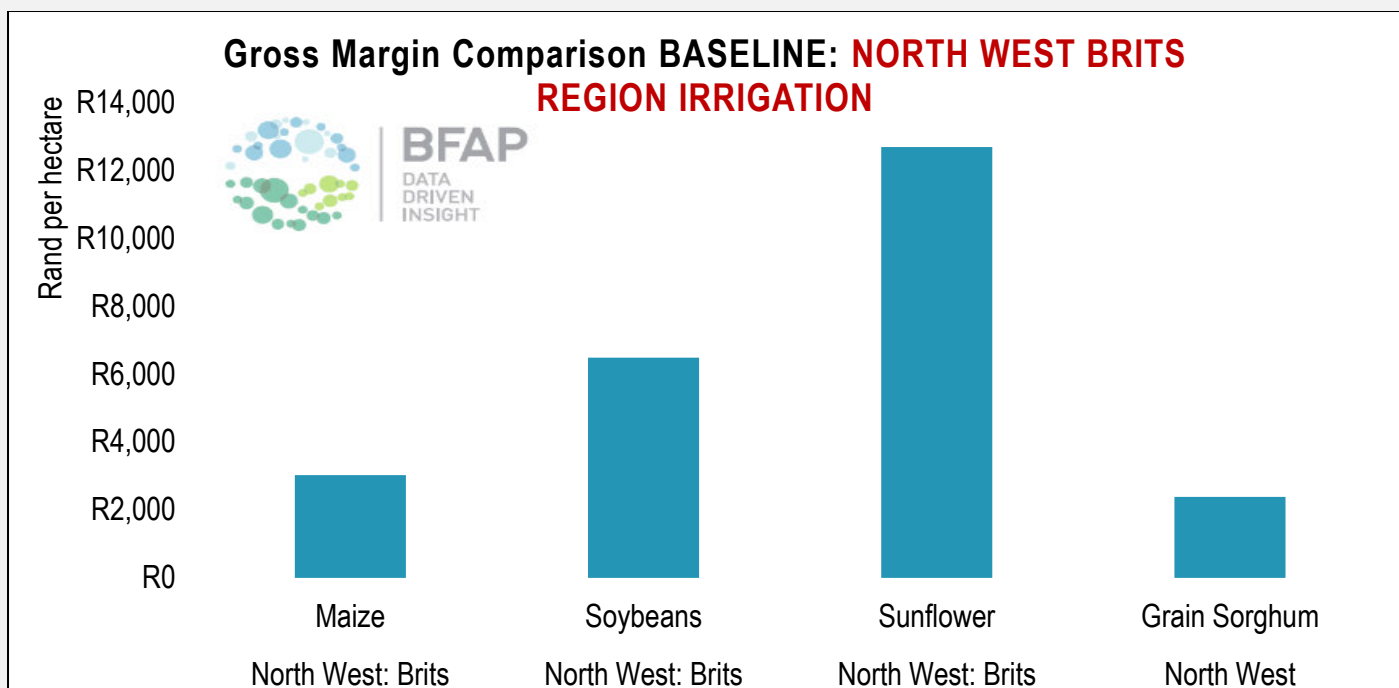


Figure 3.3: Gross margin comparison – Baseline: North West: Brits Region

MAIZE SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTH WEST BRITS												
PRODUCERS YIELD (T/HA)												
PRICE	10.50	11.00	11.50	12.00	12.50	13.00	13.50					
R2,653 -R	5,752 -R	4,426 -R	3,099 -R	1,773 -R	447 R	880 R	2,206 R					
R2,753 -R	4,702 -R	3,326 -R	1,949 -R	573 R	803 R	2,180 R	3,556 R					
R2,853 -R	3,652 -R	2,226 -R	799 R	627 R	2,053 R	3,480 R	4,906 R					
R2,953 -R	2,602 -R	1,126 R	351 R	1,827 R	3,303 R	4,780 R	6,256 R					
R3,053 -R	1,552 -R	26 R	1,501 R	3,027 R	4,553 R	6,080 R	7,606 R					
R3,153 -R	502 R	1,074 R	2,651 R	4,227 R	5,803.44 R	7,380 R	8,956 R					
R3,253 R	548 R	2,174 R	3,801 R	5,427 R	7,053 R	8,680 R	10,306 R					
R3,353 R	1,598 R	3,274 R	4,951 R	6,627 R	8,303 R	9,980 R	11,656 R					
R3,453 R	2,648 R	4,374 R	6,101 R	7,827 R	9,553 R	11,280 R	13,006 R					

SOYBEANS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTH WEST BRITS												
PRODUCERS YIELD (T/HA)												
PRICE	3.00	3.25	3.50	3.80	4.00	4.25	4.50					
R6,549 -R	277 R	1,360 R	2,998 R	4,963 R	6,272 R	7,910 R	9,547 R					
R6,649 R	23 R	1,685 R	3,348 R	5,343 R	6,672 R	8,335 R	9,997 R					
R6,749 R	323 R	2,010 R	3,698 R	5,723 R	7,072 R	8,760 R	10,447 R					
R6,849 R	623 R	2,335 R	4,048 R	6,103 R	7,472 R	9,185 R	10,897 R					
R6,949 R	923 R	2,660 R	4,398 R	6,483 R	7,872 R	9,610 R	11,347 R					
R7,049 R	1,223 R	2,985 R	4,748 R	6,863 R	8,272 R	10,035 R	11,797 R					
R7,149 R	1,523 R	3,310 R	5,098 R	7,243 R	8,672 R	10,460 R	12,247 R					
R7,249 R	1,823 R	3,635 R	5,448 R	7,623 R	9,072 R	10,885 R	12,697 R					
R7,349 R	2,123 R	3,960 R	5,798 R	8,003 R	9,472 R	11,310 R	13,147 R					

SUNFLOWER SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): NORTH WEST BRITS

PRODUCERS YIELD (T/HA)															
PRICE		2.30		2.55		2.80		3.00		3.30		3.55		3.80	
R8,059	R	5,842	R	7,857	R	9,872	R	11,484	R	13,901	R	15,916	R	17,931	
R8,159	R	6,072	R	8,112	R	10,152	R	11,784	R	14,231	R	16,271	R	18,311	
R8,259	R	6,302	R	8,367	R	10,432	R	12,084	R	14,561	R	16,626	R	18,691	
R8,359	R	6,532	R	8,622	R	10,712	R	12,384	R	14,891	R	16,981	R	19,071	
R8,459	R	6,762	R	8,877	R	10,992	R	12,684	R	15,221	R	17,336	R	19,451	
R8,559	R	6,992	R	9,132	R	11,272	R	12,984	R	15,551	R	17,691	R	19,831	
R8,659	R	7,222	R	9,387	R	11,552	R	13,284	R	15,881	R	18,046	R	20,211	
R8,759	R	7,452	R	9,642	R	11,832	R	13,584	R	16,211	R	18,401	R	20,591	
R8,859	R	7,682	R	9,897	R	12,112	R	13,884	R	16,541	R	18,756	R	20,971	

SOYBEANS MARGIN ABOVE / BELOW MAIZE (GROSS MARGIN PER HECTARE): NORTH WEST BRITS

PRICE (R/TON)														
YIELD	R	6,649	R	6,749	R	6,849	R	6,949	R	7,049	R	7,149	R	7,249
2.75	-R	4,666	-R	4,391	-R	4,116	-R	3,841	-R	3,566	-R	3,291	-R	3,016
3.00	-R	3,004	-R	2,704	-R	2,404	-R	2,104	-R	1,804	-R	1,504	-R	1,204
3.25	-R	1,342	-R	1,017	-R	692	-R	367	-R	42	R	283	R	608
3.50	R	321	R	671	R	1,021	R	1,371	R	1,721	R	2,071	R	2,421
3.80	R	2,316	R	2,696	R	3,076	R	3,456	R	3,836	R	4,216	R	4,596
4.00	R	3,645	R	4,045	R	4,445	R	4,845	R	5,245	R	5,645	R	6,045
4.25	R	5,308	R	5,733	R	6,158	R	6,583	R	7,008	R	7,433	R	7,858
4.50	R	6,970	R	7,420	R	7,870	R	8,320	R	8,770	R	9,220	R	9,670
4.75	R	8,633	R	9,108	R	9,583	R	10,058	R	10,533	R	11,008	R	11,483

Notes:

- The cost items reflect the input allocation based on the target yield for the respective crops.
- Although some expenditure items are zero, it is reflected in the budgets to allow for individual inclusion.
- Other macro- & microelements such as calcium, magnesium and zinc are included in the fertiliser costs.
- The cost of fuel includes pre-harvest and harvesting costs with the assumption that own machinery is used.
- The cost for soybean seed reflects a combination of own- and purchased seed.
- There will be large fluctuations for insurance cost (hail) based on the associated risk in respective areas. It is advised that producers adjust this cost based on their individual premiums.
- It is important to note that overhead costs are not included and should be accounted for.

Table 3.4: Income & cost budgets for maize & soybeans for Limpopo: Loskop region - Irrigation

Area		Limpopo: Loskop	
Crop		Maize	Soybeans
Production System		Irrigation	Irrigation
1) INCOME			
Yield: Deterministic	T/HA	12.00	4.00
SAFEX SIMULATED PRICE / PRODUCER PRICE: 2026	R/TON	R3,326	R7,085
Total deductions	R/TON	R426	R136
- Transport differential	R/TON	R346	R-
- Grade differential	R/TON	R14	R-
- Handling & commission	R/TON	R66	R66
- Seed breeding & technology levy	R/TON	R-	R70
Price premiums	R/TON	R-	R-
Net Farm Gate Price	R/TON	R2,901	R6,949
GROSS INCOME	R/HA	R34,810	R27,798
2) VARIABLE EXPENDITURES			
Contracting	R/HA	R1,100	R1,250
Crop insurance	R/HA	R1,184	R1,529
Fertilizer	R/HA	R10,035	R3,574
Lime	R/HA	R360	R-
Seed	R/HA	R6,238	R2,718
Fuel	R/HA	R1,676	R1,434
Herbicide	R/HA	R1,247	R1,130
Insecticide/Fungicide	R/HA	R1,623	R1,444
Marketing costs	R/HA	R-	R-
Repairs and maintenance	R/HA	R1,072	R1,099
Casual labour	R/HA	R773	R-
Aerial spray	R/HA	R-	R-
Irrigation Electricity	R/HA	R6,692	R4,816
Water	R/HA	R1,658	R1,193
Other expenditure: Scheduling / Irrigation Equipment R&M	R/HA	R1,340	R998
TOTAL VARIABLE EXPENDITURE	R/HA	R34,996	R21,187
TOTAL VARIABLE EXPENDITURE	R/TON	R2,916	R5,297
3.1) GROSS MARGIN:	R/HA	-R186	R6,611
3.2) GROSS MARGIN:	R/TON	-R15	R1,653
BREAK-EVEN YIELD	T/HA	12.06	3.05
BREAK-EVEN PRICE	R/TON	R2,916	R5,297

Source: BFAP, GSA & Individual Farmers, 2025

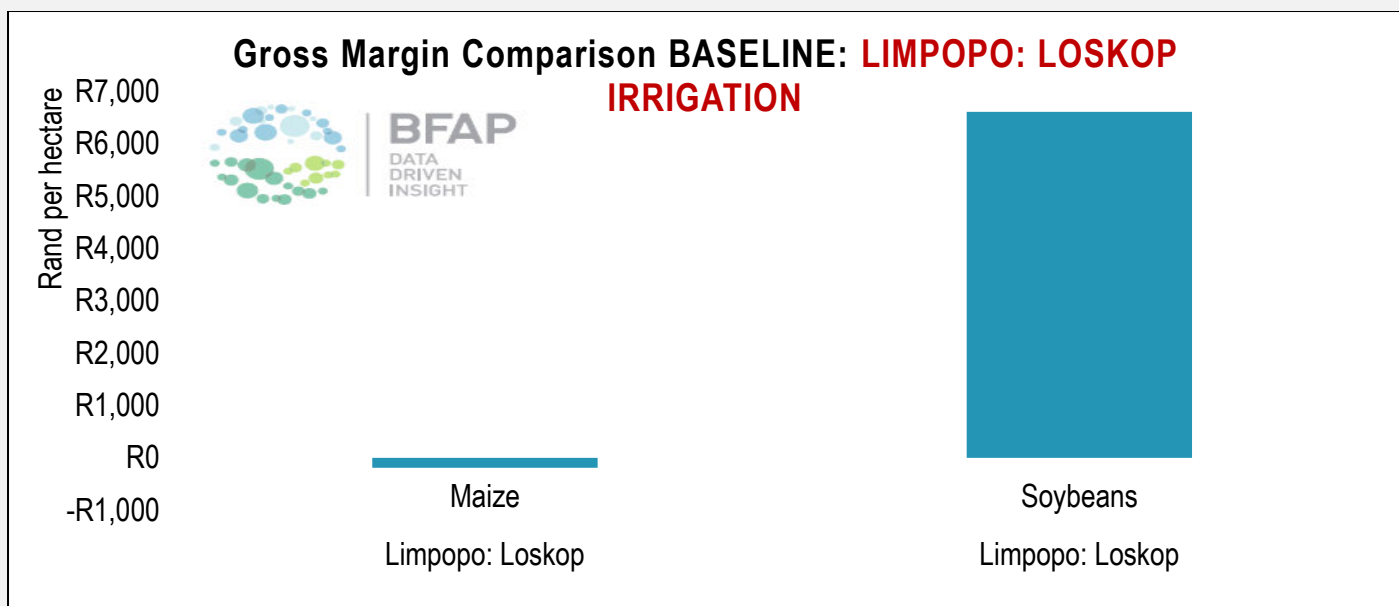


Figure 3.4: Gross margin comparison – Baseline: Limpopo: Loskop Region

MAIZE SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): LOSKOP AREA															
PRODUCERS YIELD (T/HA)															
PRICE		10.50		11.00		11.50		12.00		12.50		13.00		13.50	
R2,501	-R	8,737	-R	7,487	-R	6,236	-R	4,986	-R	3,735	-R	2,485	-R	1,235	
R2,601	-R	7,687	-R	6,387	-R	5,086	-R	3,786	-R	2,485	-R	1,185	R	115	
R2,701	-R	6,637	-R	5,287	-R	3,936	-R	2,586	-R	1,235	R	115	R	1,465	
R2,801	-R	5,587	-R	4,187	-R	2,786	-R	1,386	R	15	R	1,415	R	2,815	
R2,901	-R	4,537	-R	3,087	-R	1,636	-R	186	R	1,265	R	2,715	R	4,165	
R3,001	-R	3,487	-R	1,987	-R	486	R	1,014	R	2,515	R	4,015	R	5,515	
R3,101	-R	2,437	-R	887	R	664	R	2,214	R	3,765	R	5,315	R	6,865	
R3,201	-R	1,387	R	213	R	1,814	R	3,414	R	5,015	R	6,615	R	8,215	
R3,301	-R	337	R	1,313	R	2,964	R	4,614	R	6,265	R	7,915	R	9,565	

SOYBEANS SENSITIVITY ANALYSIS (GROSS MARGIN PER HECTARE): LIMPOPO: LOSKOP AREA															
PRODUCERS YIELD (T/HA)															
PRICE		3.25		3.50		3.75		4.00		4.25		4.50		4.75	
R6,549	R	99	R	1,736	R	3,374	R	5,011	R	6,649	R	8,286	R	9,923	
R6,649	R	424	R	2,086	R	3,749	R	5,411	R	7,074	R	8,736	R	10,398	
R6,749	R	749	R	2,436	R	4,124	R	5,811	R	7,499	R	9,186	R	10,873	
R6,849	R	1,074	R	2,786	R	4,499	R	6,211	R	7,924	R	9,636	R	11,348	
R6,949	R	1,399	R	3,136	R	4,874	R	6,611	R	8,349	R	10,086	R	11,823	
R7,049	R	1,724	R	3,486	R	5,249	R	7,011	R	8,774	R	10,536	R	12,298	
R7,149	R	2,049	R	3,836	R	5,624	R	7,411	R	9,199	R	10,986	R	12,773	
R7,249	R	2,374	R	4,186	R	5,999	R	7,811	R	9,624	R	11,436	R	13,248	
R7,349	R	2,699	R	4,536	R	6,374	R	8,211	R	10,049	R	11,886	R	13,723	

SOYBEANS MARGIN ABOVE / BELOW MAIZE (GROSS MARGIN PER HECTARE): LIMPOPO: LOSKOP AREA														
PRICE (R/TON)														
YIELD	R	6,649	R	6,749	R	6,849	R	6,949	R	7,049	R	7,149	R	7,249
3.00	-R	1,052	-R	752	-R	452	-R	152	R	148	R	448	R	748
3.25	R	610	R	935	R	1,260	R	1,585	R	1,910	R	2,235	R	2,560
3.50	R	2,272	R	2,622	R	2,972	R	3,322	R	3,672	R	4,022	R	4,372
3.75	R	3,935	R	4,310	R	4,685	R	5,060	R	5,435	R	5,810	R	6,185
4.00	R	5,597	R	5,997	R	6,397	R	6,797	R	7,197	R	7,597	R	7,997
4.25	R	7,259	R	7,684	R	8,109	R	8,534	R	8,959	R	9,384	R	9,809
4.50	R	8,922	R	9,372	R	9,822	R	10,272	R	10,722	R	11,172	R	11,622
4.75	R	10,584	R	11,059	R	11,534	R	12,009	R	12,484	R	12,959	R	13,434
5.00	R	12,247	R	12,747	R	13,247	R	13,747	R	14,247	R	14,747	R	15,247

Notes:

- The cost items reflect the input allocation based on the target yield for the respective crops.
- Although some expenditure items are zero, it is reflected in the budgets to allow for individual inclusion.
- Other macro- & microelements such as calcium, magnesium and zinc are included in the fertiliser costs.
- The cost of fuel includes pre-harvest and harvesting costs with the assumption that own machinery is used.
- The cost for soybean seed reflects a combination of own- and purchased seed.
- There will be large fluctuations for insurance cost (hail) based on the associated risk in respective areas. It is advised that producers adjust this cost based on their individual premiums.
- It is important to note that overhead costs are not included and should be accounted for.

Summary: 2025/26 Income & Cost Budgets

Key messages & cautionary remarks for the upcoming 2025/26 summer crop season:

Going into October 2025, the Rand traded around R17.30/USD—an appreciation of nearly 8% since January. This stronger Rand helps reduce input cost inflation for imports like fertiliser and machinery but puts pressure on export-driven agricultural sectors. Commodity prices such as grains and oilseeds, which are closely tied to global markets, are also affected. A stronger Rand narrows price parity bands, lowering domestic crop prices.

Global grain production is projected to reach a record 2,412 million tons, up 87 million tons year-on-year. Total supply will exceed 3,000 million tons for the first time, with consumption also hitting a new high (IGC, 2025). Grain stocks are expected to grow by 17 million tons, although still slightly below the five-year average. Since the price surge in 2021/22, global supply has increased sharply: canola by 19%, soybean oil by 18%, soybeans by 16%, and maize by 11%.

On 30 September, South Africa's Crop Estimates Committee released its 8th forecast, revising maize production up from 15.80 million to 16.18 million tons—a 2.4% increase. Soybean and sunflower outputs remain largely unchanged. Following the 2024 drought and low ending stocks, the strong 2025 crop has improved commodity balance sheets. However, improved supply in Zambia, Malawi, and Zimbabwe is limiting regional export opportunities for South African white maize.

Global commodity prices have continued to decline since peaking in 2022, with sunflower being the exception, rising between August 2024 and April 2025. Since June, global yellow maize (US) dropped below \$200/ton, now trading at \$183/ton—48% lower than its 2022 Q2 peak. Wheat, soybeans, and sunflower followed similar downward trends. Domestically, a stronger Rand and a solid summer crop led to sharp price drops in September. Compared to January 2025, yellow maize fell 36%, soybeans 24%, while sunflower and wheat rose slightly (~4%). Despite recent declines, prices remain well above 2019 levels.

Agricultural input costs remain high and volatile. Brent crude is down 12% year-to-date, while natural gas is up 16%, both influencing fertiliser and fuel costs. Global urea is 26% higher than in 2024; local fertiliser prices rose 4%, while diesel dropped 6%. Compared to 2019, fertiliser is nearly 70% more expensive, diesel 34% higher, and administered costs like wages and electricity have outpaced inflation.

With falling crop prices and persistently high input costs, a cost-price squeeze is likely. Favourable soil moisture and a potential La Niña season could result in another bumper crop in 2026, adding further downward pressure on prices. Producers should reassess break-even points and conduct stress tests, especially irrigation farmers. Data-driven marketing strategies will be essential to manage margin pressures effectively.

The El Niño–Southern Oscillation (ENSO) is currently shifting from neutral to La Niña, expected to persist until February 2026. The chance of El Niño emerging by next winter remains low (under 25%) but is gradually increasing. The SA Weather Service forecasts above-average rainfall and temperatures across most summer crop regions. After a wet March–April 2025 that delayed harvesting due to waterlogging, careful planning and timing will be key for the upcoming planting season.

Farm-level profitability outlook:

Figures 4.1 - 4.3 provide a summary of the gross margin performance of dryland and irrigated crops over the period from 2018 (adjusted to account for actual yields and crop prices) to 2027 (2026 and 2027 are projected). It is important to note that the gross margins only consider direct costs and exclude overhead costs, and that the presented gross margins will differ based on the timing when producers have purchased agricultural inputs (fertilisers, fuel & chemicals) and when marketing takes place. Furthermore, uncertainty remains regarding the forecasted weather and its effect on yields. For the gross margins presented in this report, target yields were assumed.

The previous 2024/25 season realised mixed harvests across the country, depending on the timing and amount of rainfall. Within an area, some fields realised record yields, while others barely broke even. Nevertheless, overall the harvest performed better than expected, with the most recent crop estimate estimating a 16.2 million ton maize harvest (CEC, September 2025). This had a positive impact on dryland and irrigated gross margins across six crops in seven agro-ecological regions, as illustrated in Figure 4.1. During the upcoming 2025/26 season, gross margins are expected to decline as crop prices decrease and costs remain elevated.

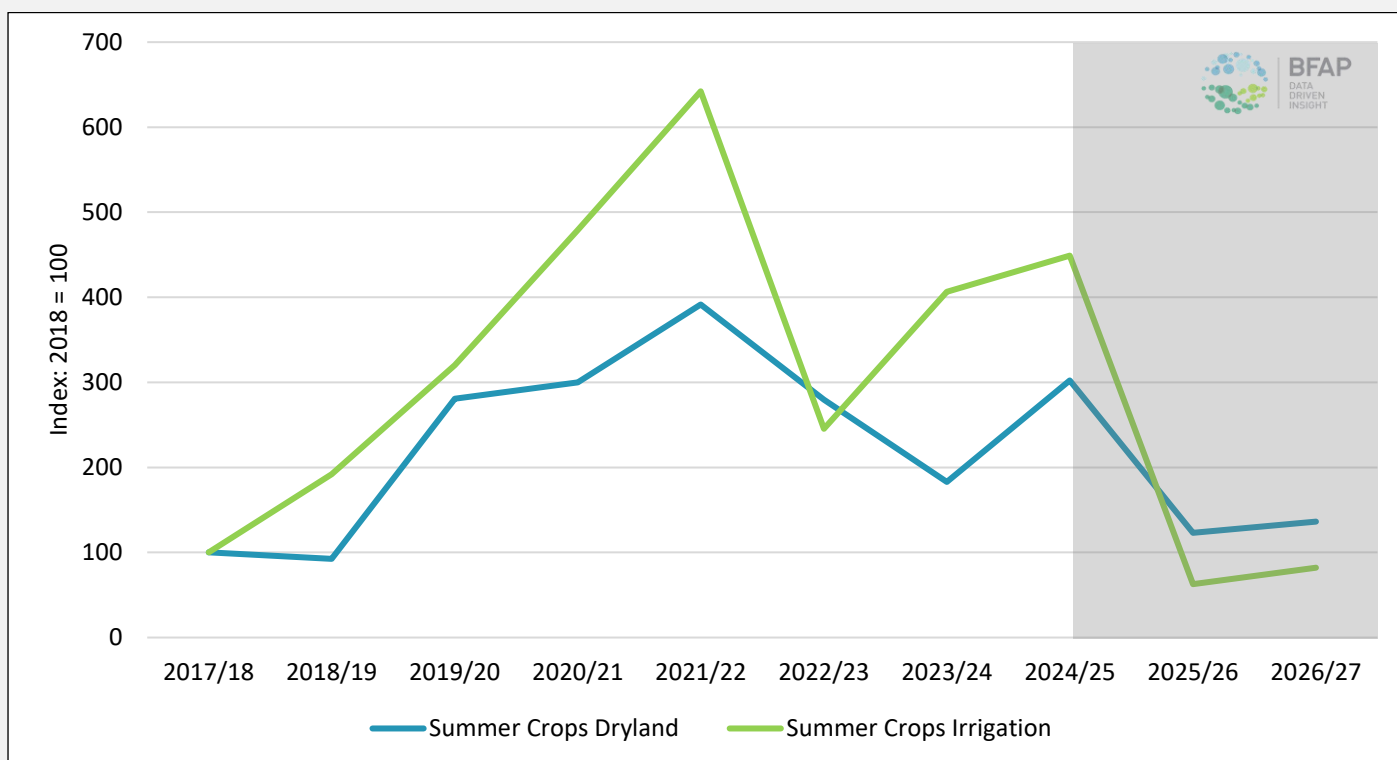


Figure 4.1: Gross margin index between dryland & irrigated summer crops: 2018-2027

In the seven agro-ecological dryland regions, maize gross margins are projected to decline by 76%, sunflower margins by 17%, and soybean margins by 26%, when comparing the 2025/26 season to the 2024/25. As a result, on average, both maize and soybean gross margins are expected to fall below sunflower margins in the 2025/26 and the 2026/27 production season.

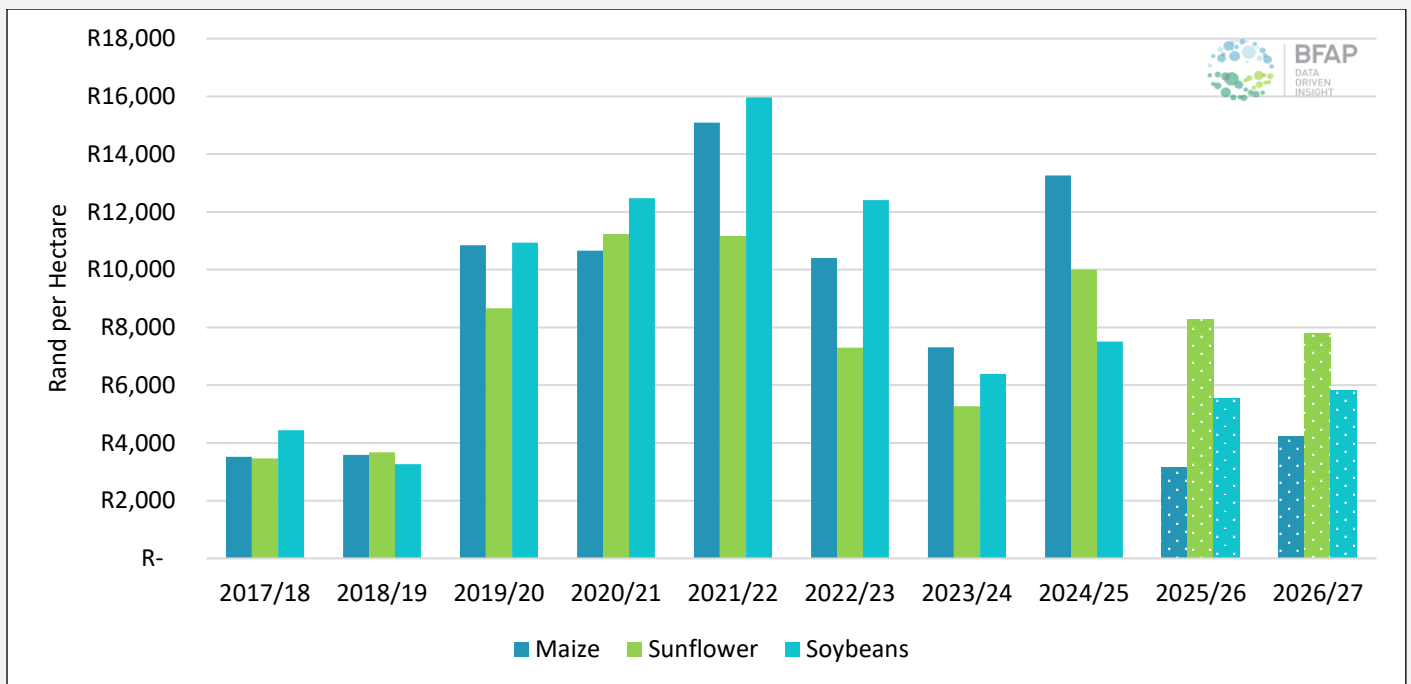


Figure 4.2: Dryland - **Deterministic** weighted gross margin average by crop type: 2018-2027

In the 2024/25 season, maize under irrigation performed exceptionally well, achieving above-average targeted yields. Looking ahead to 2025/26, if yields return to trend levels, sunflowers are projected to deliver the highest gross margin per hectare, followed by soybeans. This pattern is expected to continue into the 2026/27 season.

However, irrigation farmers may face pressure on margins due to anticipated crop price declines. If prices fall further toward export parity—especially in the case of a large harvest—gross margins could be significantly impacted. This poses a financial risk for irrigation producers, making careful planning and cost management essential.

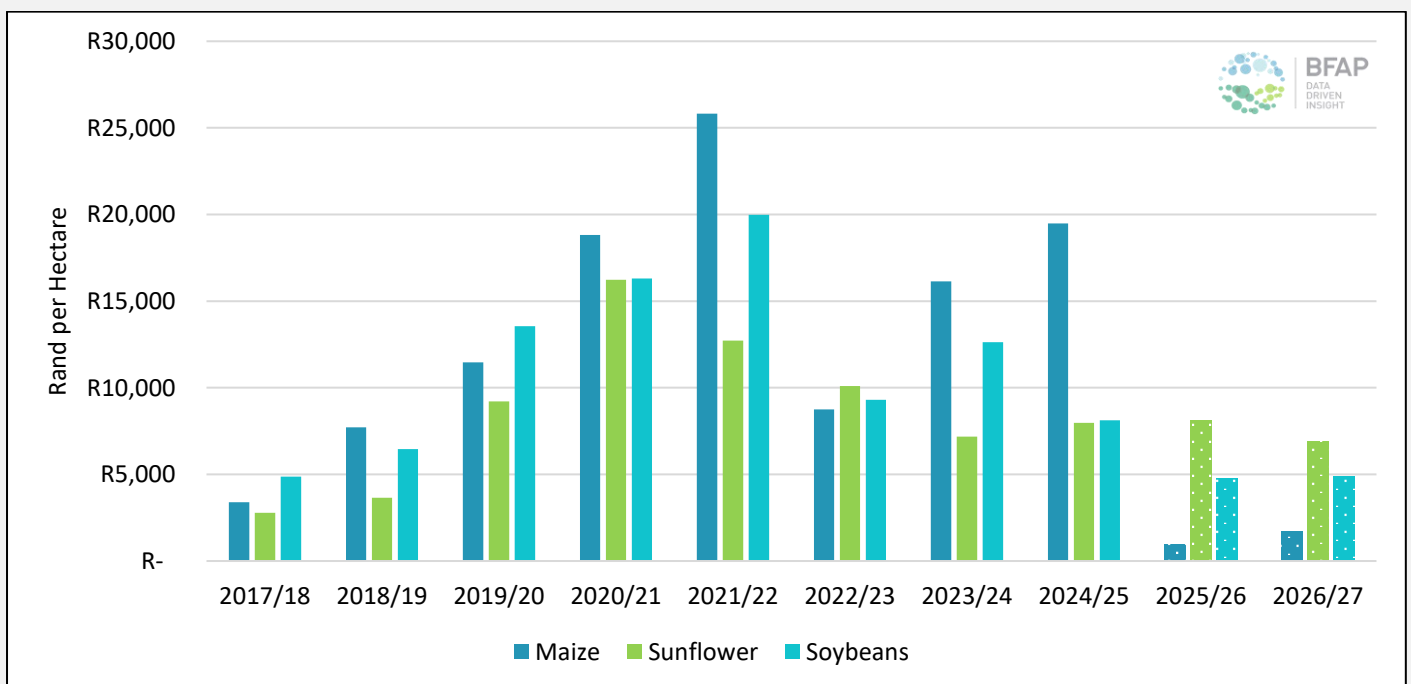


Figure 4.3: Irrigation - **Deterministic** gross margin average by crop type: 2018-2027