NAMC

Promoting market access for South African agriculture

POLICY ADVISORY

REPORT ON

MARKET INTELLIGENCE

QUARTER ONE

2026/27

Grains and Oilseeds

By Thabile Nkunjana and Matume Maila

1. GLOBAL PERSPECTIVE

In May, the Food and Agriculture Organisation (FAO) Cereal Price Index averaged 114.3 points, up 2.6% from April and 4.9% from the same month last year. All the major cereals had higher pricing, which was reflected in the ongoing increase.

1.1 SOYBEAN

The FAO Vegetable Oil Price Index saw its first monthly decrease since the start of 2026 in May, averaging 185.0 points, down 4.6% from April. Lower prices for palm and soy oils were the primary cause of the decline, more than offsetting price gains for rapeseed and sunflower oils. Global soybean production from May 20219 to May 2026 is shown in **Figure 1.** A ton of soybeans was selling for US$474 per month in May 2026, which was 7.2% more than US$462 in April of the same year.

Globally, a ton of soybeans increased by 14.5% annually, from US$414 in May 2025 to US$474 in 2026. because of increased demand in nations like India and concerns about the upcoming season's weather.

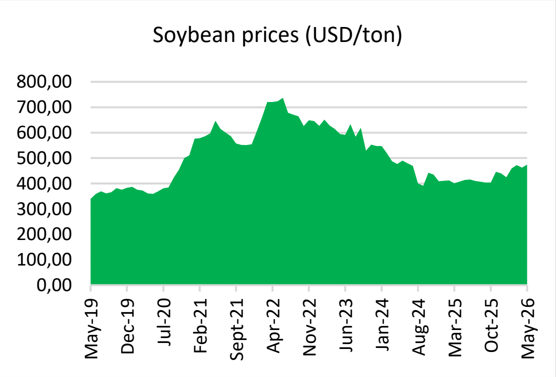

Figure 1: Global soybean export prices
Source: The World Bank, 2026

1.2 SUNFLOWER OIL

Sunflower seed is predicted to set a world record. Imports of sunflower seeds have surged by 92% among EU nations. The United States Department of Agriculture (USDA) recently increased and updated their estimate of 62 million tons of sunflower seeds produced worldwide in 2026–2027. But since December 2025, the cost of sunflower oil has been rising. A ton of sunflower oil sold for US$1,505.00 per month in May 2026, up 1.3 and 24.6% over the previous year.

1.3 GROUNDNUTS

Global groundnut prices levelled off between $1,190 and slightly above $1,200 per ton in May 2026. Reduced United States (US) acreage and consistent demand from Africa caused localized changes in the market, even as worldwide production remained at 51.2 million tons. Owing to these changes, a ton of groundnuts decreased 4.8% yearly in May but stayed unchanged month over month.

1.4 MAIZE

Demand for ethanol continued to strengthen maize prices supported by (i) stronger import demand in important countries, (ii) limited supply in Brazil and the US, and (iii) higher energy prices. Global maize prices over the period under consideration are shown in **Figure 2**. In May 2026, a ton of maize sold for US$216.17, up from US$214.00 in April. The monthly increase was 1.0%.

Globally, the price per ton of maize increased by 6.0% from US$203.87 in May 2025 to US$216.17 in May 2026.

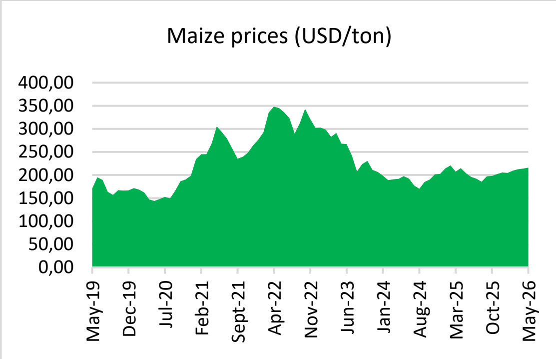

Figure 2: Global maize export prices
Source: The World Bank, 2026

1.5 WHEAT

In May, wheat prices increased for the fourth consecutive month due to lower-than-expected harvests from the USA, where winter wheat crop conditions are among the worst in decades. Higher fuel and fertilizer prices also contributed to the global increase. Global wheat per ton in US dollars is shown in **Figure 3**. A ton of wheat was selling for US$303.00 in May 2026, up 27.8% year over year and 7.4% month over month.

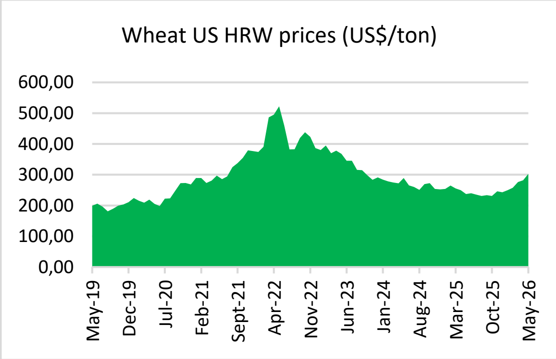

Figure 3: Global wheat export prices
Source: The World Bank, 2026

Grains and Oilseeds

2. DOMESTIC AND REGIONAL PERSPECTIVE

According to the fifth production forecast and area estimates released by the Crop Estimates Committee on 25 June 2026, the 2026 summer crop season is expected to produce significantly higher grain and oilseed volumes than the previous season. The improved outlook is largely attributed to (i) favourable weather conditions, (ii) and improvement in new breeding techniques hence higher yields, resulting in increased production of major crops such as maize, soybeans, and sunflower seed.

The production forecast of white maize is 9 283 000 tons, which is 1.13% or 104 000 tons more than the 9 179 000 tons of the previous forecast, while the production forecast for yellow maize is 7 972 000 tons, which is 1.10% or 86 500 tons more than the 7 885 000 tons of the previous forecast.

The production forecast for sunflower seed is 910 530 tons, which is 3.74% or 32 850 tons more than the previous forecast of 877 680 tons. The production forecast for soybeans increased by 4.56%, while the production forecast for sorghum also remained unchanged at 149 053 tons.

2.1 MAIZE

Figure 4 shows the cost of spot prices per ton for yellow and white maize between June 2025 and June 2026. The year-on-year comparison shows that the price of yellow and white maize declined by 0.24% and 0.33%, respectively.

Moreover, a month-to-month comparison showed that the price of yellow maize and white maize decreased by 0.06% and 0.06%, respectively. The decline in maize spot price can be attributed to the increase domestic supply of maize.

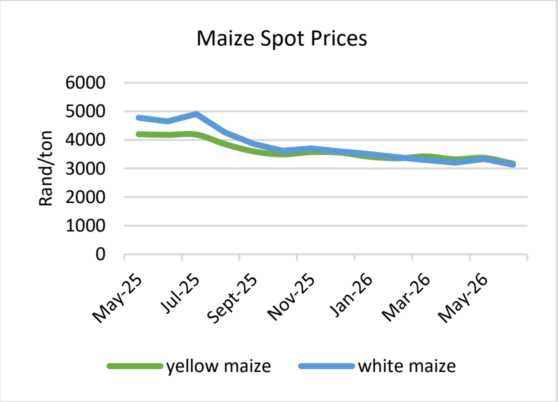

Figure 4: Spot price for yellow and white maize
Source: SAFEX 2026

2.2 SOYBEAN

Figure 5 depicts the cost of spot prices per ton for Soybeans between June 2025 and June 2026. The price of Soybeans decreased by 0.07% in June 2026 compared to June 2025. The month-to-month comparison shows that Soybeans spot prices decreased by 0.02%.

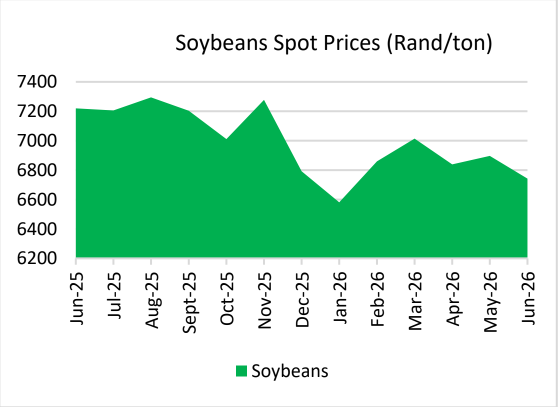

Figure 5: Spot price for Soybeans
Source: SAFEX 2026

2.3 SORGHUM

Figure 6 depicts the cost of spot prices per ton for sorghum between June 2025 and June 2026. In June 2026, the price of sorghum increased by 0.04% compared to February 2025. However, a month-to-month comparison showed that the price of the spot price of sorghum decreased by 0.09%.

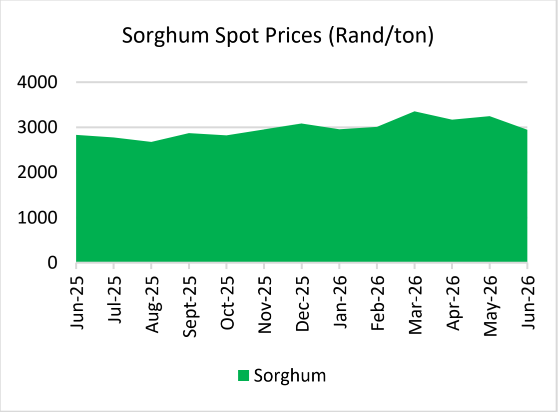

Figure 6: Spot price for Sorghum
Source: SAFEX 2026

CLOSING REMARKS

In the EU region, French wheat prices climbed to a three-month high after record-breaking temperatures across Europe raised concerns about crop stress and potential yield losses. As result of this heat, EU corn prices are firming amid euro-dollar exchange rates and a heat wave affecting crops, market participants in Spain, Italy and the Netherlands said.

At a domestic level, El Niño predictions are above 61% chance of occurring this summer. El Niño historically responsible for crippling droughts in South Africa's summer rainfall regions, particularly the maize belt which includes parts of the Free State, Northwest, and Mpumalanga. Potentially, food commodity prices are likely to rise later in the year including South Africa depending on the demand.

Fruits and Vegetables

By Simphiwe Mlotshwa, Lesedi Mokoena, Ricardo Smith and Phelelani Sibiya

1. GLOBAL PERSPECTIVE

The global agricultural commodities market continues to evolve in response to shifting consumer preferences, climate variability, uncertain geo-politics, and trade dynamics. Among the high-value crops, avocados, macadamias, and olives stand out for their economic significance, nutritional appeal, and growing global demand.

1.1 AVOCADOS

According to the USDA (2026), the global avocado industry continues to expand with demand concentrated in North America and Europe. Mexico remains the global leader in production, accounting for an estimated 28% of global avocado production that is forecast at 2.80 million tons in 2026, a 3% increase from 2025. The increase could be attributable to favourable climatic conditions and improved agricultural practices. Beyond Mexico, Peru is the second largest producer. In Africa, Kenya is a leading producer, with exports primarily destined for the Middle East and Europe, while South Africa supplies mainly the EU and UK markets. **Figure 6** shows leading global avocado producers in 2024.

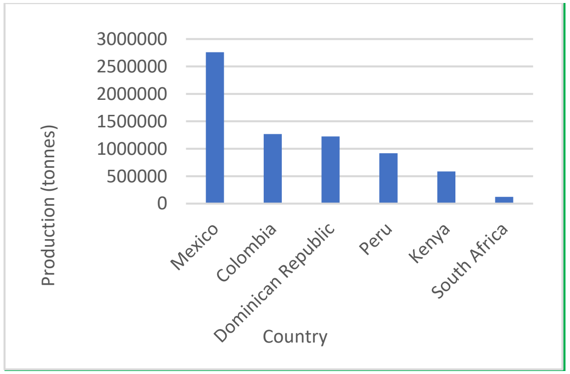

Figure 5: Global orange prices
Source: The World Bank, 2025

Despite strong demand, oversupply risks are emerging in Europe due to seasonal peaks from Peru, Columbia and Kenya. Climate variability, particularly drought in Mexico threatens yields and fruit quality. Expanding demand in Asia offers diversification potential, but sustainability and certification will be critical in the long term.

1.2 MACADAMIA

South Africa leads global production of macadamias, followed by Australia and Kenya, with China emerging as both a producer and consumer. According to the USDA (2025), South Africa's production is expected to decline by 4% year on year due to adverse weather. Despite this short-term decline, expansion of planted areas will drive growth in the coming years. Macadamias South Africa (SAMAC) projects long term growth, with young orchards expected to deliver higher yields. However, challenges include long orchard maturation cycles, price volatility and rising input costs.

1.3 OLIVES

According to the International Olive Council (IOC) (2026), global olive oil production has tripled over the last 60 years, reaching 2,589,000 tonnes in the 2023/24 crop year. For the 2025/26 crop year, production in the 2025/26 crop years is forecast at 3.44 million tonnes. Spain remains the largest producer, contributing approximately half of global supplies (SA Olive, 2026). Other major producers include Greece, Italy, and Turkey, which together form the Mediterranean basin's production hub.

Global olive oil imports between October-November of the 2025/26 crop year increased by 15.1% compared with the same period of the 2024/25 crop year (IOC, 2026). The increase reflects higher import volumes across most major markets, except for the USA which saw a slight decline of -1.6%. The EU, Brazil, Japan, Canada, and China all registered strong growth. Virgin olive oils remain the dominant category, representing 73.5% of the imports. The rise in imports could be attributed to both supply recovery and consumer demand for Mediterranean and healthier cooking oils.

Table1: Major global olive oil importers

	2025-Q1	2025-Q2	2025-Q3	2025-Q4	2026-Q1
EU	332792213	292911768	274568153	286406734	320173827
USA	104747353	137162108	99544607	81384219	81944366
Brazil	16214493	20219739	28921618	23648962	20715921
UK	16984130	17330676	15682737	19218181	17984990
Can	18309898	22484567	21023230	12856141	15546405
Japan	6460380	10510711	11630307	11216988	9656055
China	3061703	9249096	13404024	10382211	8668542

Source: Trade Map, 2026

2. DOMESTIC PERSPECTIVES

2.1 Avocados

Avocado supply is forecasted to increase in 2026 due to expansion of area under production and with new orchards coming into production in KwaZulu-Natal (Pienaar, 2026). The South African avocado season runs from February to November, with the Limpopo province being the largest avocado production area, accounting for 55% of the total production, followed by Mpumalanga (20%), KwaZulu-Natal (19%), the Western Cape (6%) and the Eastern Cape with an estimated production of less than 1%. Prices are expected to decline between June and December due to a larger volume of class 2 and 3 fruits that are likely to be supplied to the domestic market because of fruits damaged by hail (Pienaar, 2026). As shown in figure 8 South Africa exported $36,5 million value of avocado in the first quarter of 2026, a 30% growth from Q1 2025.

Fruits and Vegetables

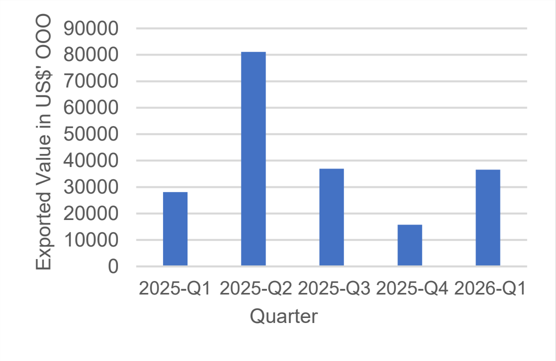

Figure8: South Africa's quarterly avocado exports
Source: Trade Map, 2026

Europe is the main destination for South African avocados exports, even though there is a growing competition from Peru and Chile (Pienaar, 2026). Europe accounted for approximately 95% of exports absorbed by this market in Quarter 1 of 2026, followed by Asia (3%) and Africa (2%) (Trade Map, 2026). In Quarter 1 of 2026, South Africa's avocado exports totalled about US$36.59 million with the EU accounting for a share of 80%, followed by the UK (11%), Asia (3%), and Africa (2%), respectively. Due to favourable cool weather conditions together with good rainfall, which benefited the crop between September and December in 2025, the industry is expected to have a good run, with an estimated 22 million cartons of 4kg expected to be shipped this year.

2.1 MACADAMIA

Macadamia season in South Africa runs from March through to June. The industry has grown significantly, with production increasing by 285% between 2010 and 2025, from 28 428 tonnes to 81 139 tonnes, respectively (Macadamias South Africa (SAMAC), 2025). Mpumalanga is by far the leading producer of macadamia nuts in South Africa, followed by KwaZulu-Natal, which has seen the fastest growth in its planted areas, and Limpopo province, with few emerging growers in the Eastern Cape and Western Cape. The country exports its macadamias as kernels (shelled) and in-shell (DNIS) and is the leading exporter of both types, accounting for about 45% of the world's in-shell exports and 36% of the world's kernel

In 2025, the main export destinations for South Africa's in-shelled macadamias were China, accounting for about 80%, followed by Vietnam (15%) and Lithuania (2%). R9.1 million worth of in-shell macadamias were exported in Q1 2026, mostly to Mozambique and Lithuania, with more exports expected from Q2 onwards, which is considered the peak of the macadamia season. In terms of shelled macadamias, a year-on-year increase of 20% was seen between 2024 and 2025, with the country's overall exports totalling US$191.1 million. The EU accounted for 40% of the country's total shelled exports, followed by Asia (31%), the USA (22%), and the UK and Oceania, each with 2%. In Q1 2026, South Africa exported shelled macadamia nuts worth R595.6 million (see table 2), of which 36% went to the USA, 34% to the EU, and 23% to Asia, with exports to these regions expected to increase further in subsequent quarters.

Table 2: South Africa's leading export destinations for in shell and shelled macadamia.

Exports of in-shell		**Exports of shelled**	
Importing Countries	Value in Q1 2026 (R'000)	Importing Countries	Values in Q1 2026 (R'000)
World	9 142	World	595 575
Mozambique	2 961	United States	212 227
Lithuania	2 585	Germany	67 403
Germany	1 455	Japan	66 256
China	1 301	Netherlands	47 098

Source: Trade Map (2026)

2.2 OLIVES

The Western Cape is South Africa's leading producer of olives, accounting for 95%, followed by the Eastern Cape (2%), with the Northern Cape, Free State, and Limpopo each at 1% (SA Olive, 2025). Approximately 90% of all harvested olives are processed into olive oil, of which 95% is classified as extra virgin, while the remainder is used for table olives (SA Olive, 2024). Between 2021 and 2025, the industry has seen a 4% increase in the value of its fresh/chilled olives, from US$79 thousand to US$82 thousand, with a value of around R1.465 million in 2025 (see **table 3** below). The main destinations were Mozambique, Botswana, Lesotho, and the UK. On the other hand, there was a 20% increase in the value of exported olive oil between 2021 and 2025, from US$4.8 million to US$5.8 million. In 2025, South Africa exported olive oil valued at R103 million, with Namibia, Botswana, Zimbabwe, and Mozambique as the leading destinations.

CLOSING REMARKS

The global and South African avocado, macadamia, and olive industries demonstrate strong long-term potential driven by rising consumer demand for healthy, premium products. While South Africa maintains a competitive edge as a leading macadamia producer and a significant avocado and olive oil exporter, sustained growth will depend on overcoming climate variability, hail damage, and input cost pressures.

Export markets remain robust, particularly in Europe, Asia, and regional African neighbours, offering opportunities for value addition and market diversification. Continued investment in orchard expansion, sustainable practices, and quality certification will be essential to mitigate oversupply risks and enhance resilience.

Livestock and Animal Products

By Thabile Nkunjana, Buhlebemvelo Dube, Khethiwe Mnguni and Nonhlanhla Gwamanda

1. GLOBAL PERSPECTIVE

In May, the FAO Meat Price Index averaged 130.5 points, which was 6.3% higher than its level a year earlier and nearly steady from its April value. A decrease in the cost of pig meat nearly offset higher quotations for beef and mutton meat as well as a rise in the cost of chicken meat. May saw a further increase in the price of beef meat internationally due to strong import demand, especially from China, where import quota allocations were still being implemented by the US due to continuously limited domestic supply. The global beef price index as of May 2026 is shown in **Figure 1.** The cost of meat in 2026 is still higher than

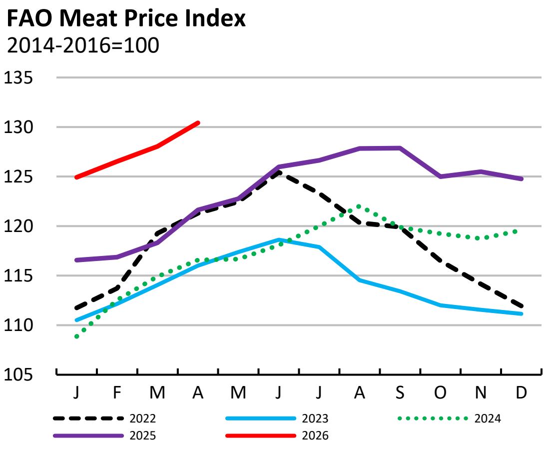

Figure 7: FAO global meat price index
Source: FAO (2026)

1.2 PORK

May 2026 saw a decrease in the price of pig meat globally, primarily as a result of reduced prices in the EU amid plentiful supplies and muted import demand. Global pork prices from January 2025 to May 2026 are depicted in **Figure 8.** In May 2026, a ton of pork from the USA sold for US$2,949, up 1.3% year over year, while a ton from Brazil sold for US$2,479, down 4.3%. The pork process in Germany recorded the biggest year-over-year reduction of 17.2%. Brazil reported a 0.7% month-over-year decline, while Germany saw a 4.9% decline.

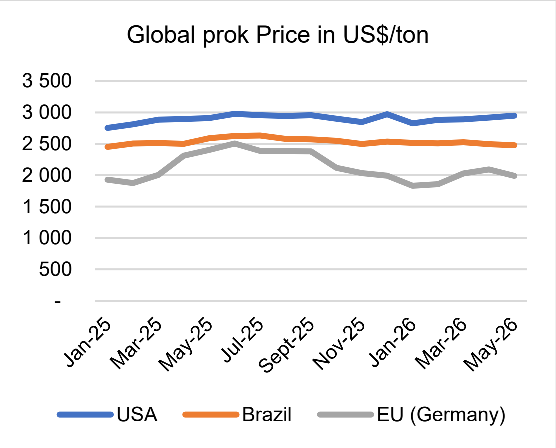

Figure 8: Global pork prices in US Dollars per ton
Source: FAO (2026)

1.3 BEEF

May 2026 saw a further increase in the price of beef meat globally due to strong import demand, especially from China, where import quota allocations were being implemented by the USA despite continuously limited domestic supply. At the same time, exportable availability was nevertheless limited by ongoing herd rebuilding in a number of significant producing countries, including the USA.

Global beef prices from January 2025 to May 2026 are shown in **Figure 9**. The price per ton from Australia was US$8,511, up 15%, while the price from the USA was US$10,410, up 4% year over year. Brazil experienced a notable 25% year-over-year growth. Global beef prices may rise further due to limited supply, which is still under pressure.

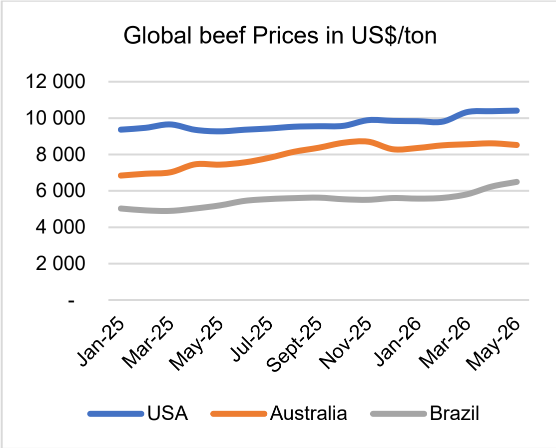

Figure 9: Global beef prices in US Dollars per ton
Source: FAO (2026)

1.4 POULTRY

Prices for poultry meat increased somewhat because of slightly lower quotations in the USA, which indicated plenty of supply, and higher prices in Brazil, which were bolstered by strong worldwide import demand. A ton of poultry from the USA dropped by 0.3% from US$1 335 to US$1 331 during the same period, whereas a ton of poultry from Brazil increased by US$0.8% from US$1 878 in April 2025 to US$1 892 in May 2026. The amount of chicken from the USA decreased by 4.8% annually, while the amount from Brazil increased slightly by 5.2%.

2. DOMESTIC AND REGIONAL PERSPECTIVE

Livestock is a crucial resource in the Southern African Region, and over 60% of the region's total land area is suitable for livestock farming. Thus, contributing

Livestock and Animal Products

significantly to Food Security across the Southern African Development Community (SADC) region. The region is characterised by a diverse livestock population, estimated at about (i) 64 million cattle, (ii) 39 million sheep, (iii) 38 million goats, (iv) 7 million pigs, and (v) 1 million horses. These farm animals are a source of food, skins, fertiliser, traction power, medicine, and other raw materials for the region's population.

2.1 BEEF

Beef prices remain above pre-FMD outbreak levels but are lower than the peak recorded during the 2025 outbreak. Reduced cattle marketing continues to support prices, with slaughter rates remaining approximately 15% below those recorded in 2025. Following declines earlier in the year, beef prices have shown signs of recovery since April 2026, increasing by approximately 2% month-on-month. In June 2026, average prices reached R63.75/kg for Class A beef, R59.00/kg for Class B beef, and R58.00/kg for Class C beef. The combination of constrained slaughter volumes and tighter market supply has contributed to the recent strengthening in beef prices see **figure 11** below.

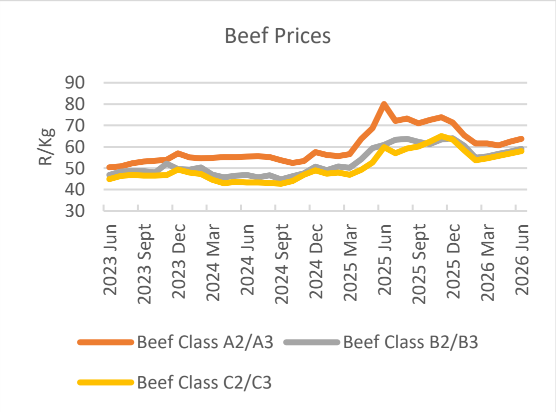

Figure 11: Beef price trends in R/kg
Source: ATM,2026

2.2 PORK

Pork prices have declined significantly since April 2026, reflecting a continued recovery of the industry following the African Swine Fever (ASF) outbreak experienced in 2025. Over the past three months, porker prices decreased by 18.5%, from R40.06/kg in April to R32.61/kg in June, while baconer prices declined by 17.6%, from R41.03/kg to R34.20/kg over the same period. Despite these declines, 2026 prices remain above the levels recorded in 2025.

However, the year-on-year price has narrowed considerably as market conditions have improved. For porkers, prices were 22% higher than 2025 levels in April, 12% higher in May, and only 2% higher in June. Similarly, baconer prices were 22% higher year-on-year in April, declining to 12% in May and 1.2% in June. This trend suggests that pork prices are gradually returning to pre-outbreak levels as supply recovers and market pressures ease.

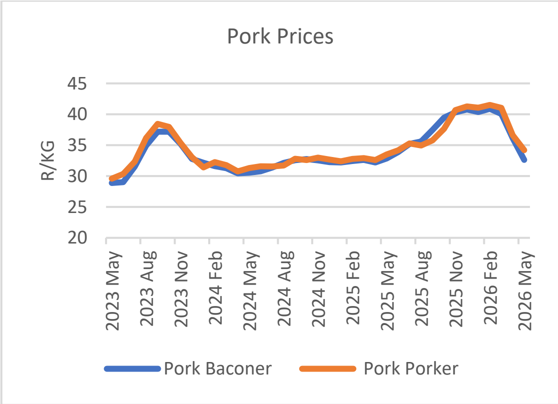

Figure 12: Pork price trends in R/kg
Source: ATM,2026

2.3 Poultry

Frozen chicken prices declined by 0.8%, from R35.08/kg in April to R34.80/kg in June. Fresh chicken prices also softened, decreasing by 1.6% over the same period to R41.93/kg. In contrast, IQF chicken prices remained relatively stable, averaging R37.42/kg, in line with largely stable global poultry prices observed in recent months.

Despite the recent easing in domestic prices, average prices during the second quarter of 2026 remained above those recorded in the corresponding period of 2025. Fresh chicken prices were approximately 10.4% higher year-on-year, while IQF chicken prices were 8.9% higher. Frozen chicken was the exception, with second-quarter prices averaging 1.3% below 2025 levels. Overall, the data suggest that although chicken prices have moderated in recent months, fresh and IQF products continue to trade at elevated levels relative to the previous year.

CLOSING REMARKS

Firm beef prices are the result of the ongoing structural supply contraction in the global market. Globally, tight supplies continue to be the most prevalent trait, and rising retail prices are starting to affect widespread consumer demand.

Domestically, weaner calf and lamb prices are still rising in South Africa's livestock markets, but local consumers' high living expenses are putting pressure on poultry and pork meat prices.

With FMD still amongst us, South African government in collaboration with the private sector, the country has managed to make some progress in combatting the disease. But it is it important to mention that there's still a long way to go to deal with the disease.

As a results, as of June 2026, the country is exporting beef to its traditional markets with Jordan being one of them and key market for South Africa's beef exports globally.

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