agbiz agricultural business chamber
the way to prosperity

Wandile Sihlobo | Chief Economist | Email: wandile@agbiz.co.za

November 16, 2026

SA's agricultural performance in 2026 and the outlook for 2027

- South Africa's agricultural sector is ending another year of mixed fortunes and faces an even more uncertain environment heading into 2027. Broadly, we expect the sector to show solid growth of around 6% in gross value added in 2026. But the details across the different farming segments are highly mixed. The sector's gross value-added growth for this year is mainly underpinned by the robust harvest in field crops, particularly grains and oilseeds. The fruit industry also had decent harvests, which is another critical factor in this year's growth story. The poultry industry will also likely perform well, as affordable feed prices and a calm in animal disease occurrences this year meant production continued with minimal interruptions.

- But the livestock industry will still underperform, as foot and mouth disease remained the major challenge, especially in the earlier part of the year. The industry continues to see minimal traction in reopening export markets, as various countries remain temporarily closed. This means that while the vaccination campaign against foot and mouth disease is gaining traction across the country, the sector's economic gains may remain minimal.

- In some fruit value chains, floods between May and June in parts of the Eastern and Western Cape, as well as in the eastern regions of Limpopo and Mpumalanga earlier in the year, also created production challenges. Constraints at domestic ports are another challenge. As a result, the Citrus Growers Association of Southern Africa (CGA) recently lowered its export forecast for the year. The CGA now forecasts that Southern African citrus growers will pack 201 million 15kg cartons for export in the 2026 season. This is 1.5% below the 204 million cartons packed in 2025, and 4% below the original estimate of 209.4 million made in April before the season began. Of course, the season is not yet over; we will have a full view of the export volume by the end of the year. Prices will also affect our final analysis of the citrus industry's full-year export activity. Still, the industry's challenges are worth highlighting.

- The citrus industry's export challenges mirror what we are also observing in the table grapes industry, where export volumes could decline mildly, and port constraints remain a challenge. For example, the data from the South African Table Grape Industry show that the preliminary national crop estimate for 2026-27 is 78.4 million cartons inspected for export. This is down 4% from the previous season, which was an ample harvest, but 1% above the five-year average, indicating that the 2026-27 season is still broadly an excellent harvest.

- Again, export volumes for these two commodities are one factor. Prices will also be critical to watch. These industries are also key to South Africa's agricultural export activity. In 2025, citrus and table grape exports accounted for 24% of South Africa's agricultural exports of US$15.1 billion. The table grape and

EVERYTHING HAS BEEN DONE TO ENSURE THE ACCURACY OF THIS INFORMATION, HOWEVER, AGBIZ TAKES NO RESPONSIBILITY FOR ANY LOSS OR DAMAGE INCURRED DUE TO THE USAGE THEREOF.

raisin exports were valued at US$1.1 billion, while citrus exports were valued at US$2.5 billion. Both industries have wider access to the Euro Area markets, the Americas, and Africa. They also have access to some Middle East and Asian markets. Importantly, these two regions also offer immense potential for export expansion, despite the current geopolitical challenges in the Middle East.

- While exports of these two key fruits will fall slightly from last year, they remain above the five-year average and benefited from the excellent La Niña rains in the 2025-26 summer season. Indeed, the rains also caused damage, as we noted with the floods. Still, dam water levels improved notably, which is ultimately positive for the sector's production conditions. Again, the subsectors that will benefit most are vegetables and fruit, which mainly rely on irrigation. The wine industry is also amongst the key beneficiaries of the favourable weather conditions. Within the wine industry, stakeholders are primarily focused on export markets, and this year the industry has also focused on deepening access to the Chinese market, where zero-tariff access offers some hope of broadening exports, even as phytosanitary matters still need to be resolved for some products.

- Looking ahead to 2027, the agricultural sector may shift from a mixed, albeit positive, performance to a potentially negative overall performance. Indeed, some industries will still show resilience in 2027. The major challenge is the El Niño drought, which could weigh on field crop production and undermine yields in some fruits and vegetables, although higher dam levels will help sustain production somewhat. Potential disruptions to normal rainfall patterns and warmer conditions are a concern. The heatwave that we are experiencing in the country is proving to be a major challenge.

- We are already seeing a slight shift in farmers' decisions, with 2026-27 planting intentions down 2% year-on-year to 4.5 million hectares. Still, even if the farmers plant this expected area successfully, we worry about the likely poor yields in some regions. The input costs also remain a major challenge. Fertiliser and fuel account for roughly half of the grains and oilseeds farmers' input costs. The price surge is adding pressure on farmers. In essence, the year ahead is likely to be challenging for South African farmers, with continued financial pressure.

- Still, we must remember that South African farmers have spent decades building resilience and incorporating technology into their farming methods, undertaking research into better seed cultivars that can better withstand tough conditions, better irrigation technology, and livestock and pasture management expertise. All of this will help them navigate the tough 2026- 27 season better.

WEEKLY HIGHLIGHT

SA farm jobs fell mildly in the third quarter of 2026

- Employment in the South African farming sector declined mildly in the third quarter of 2026. The Quarterly Labour Force Survey data released by Statistics South Africa last week show that agricultural employment in the third quarter of 2026 fell by 4% from the second quarter and by 1% from the same period a year ago, to 911k jobs. While this trend is disappointing, these job levels remain well above the long-term average employment level of around 800k, showing the sector's employment remains resilient.

EVERYTHING HAS BEEN DONE TO ENSURE THE ACCURACY OF THIS INFORMATION, HOWEVER, AGBIZ TAKES NO RESPONSIBILITY FOR ANY LOSS OR DAMAGE INCURRED DUE TO THE USAGE THEREOF.

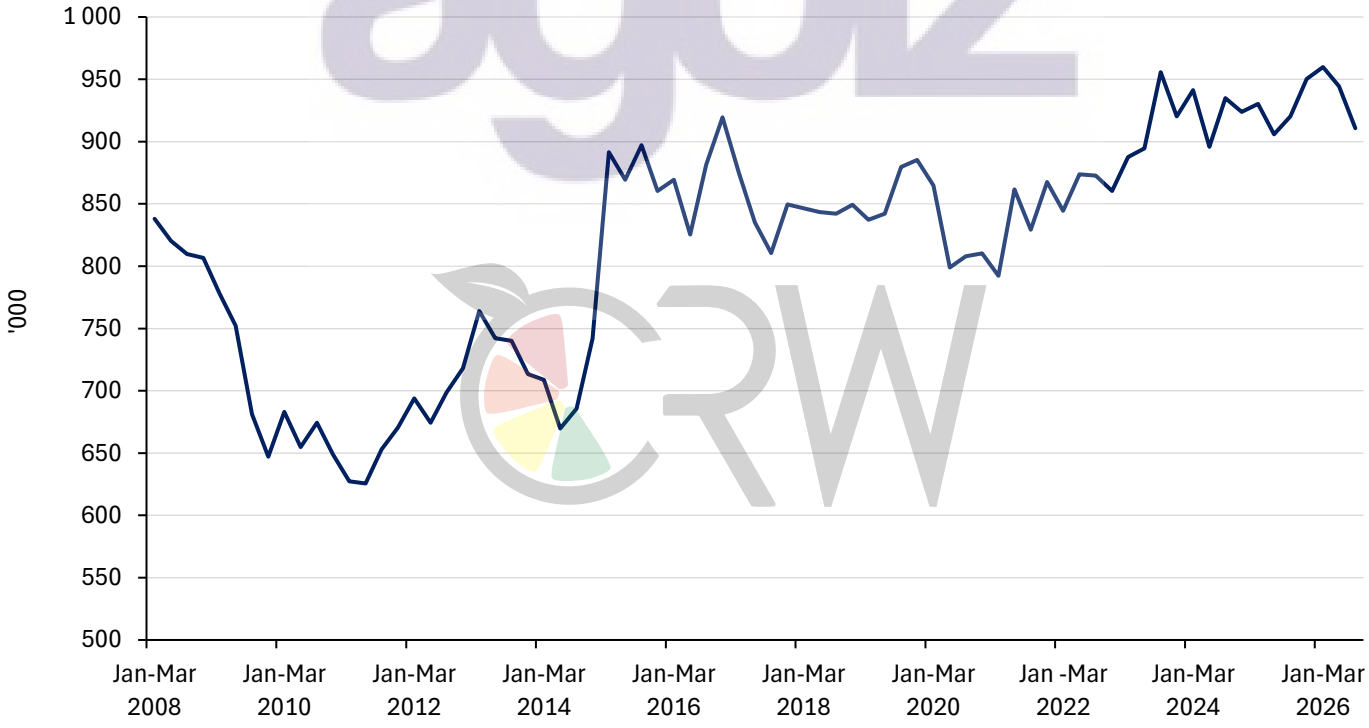
- From a provincial perspective, we see annual job losses across most provinces, except the Western Cape and Limpopo. Job gains in these provinces can be attributed to the robust, labour-intensive fruit production industry. It is also important to view employment conditions in agriculture this year in the context of the sector's performance. We are in a challenging space, with the farming industry facing rising input costs from the Iran-U.S. war and broader trade friction driven by rising geopolitical tensions.

- Moreover, some subsectors, such as livestock, also continue to struggle with foot-and-mouth disease, although vaccination has gained momentum over time. Thus, it is unsurprising that the livestock industry is amongst those that showed a decline in employment compared to last year. Employment in some field crops also declined compared to last year, although this year has been a year of ample harvest.

- The agricultural industries that showed a mild annual uptick in employment were forestry and fishing. Still, these are relatively small and didn't change the overall national picture. Thus, annual agricultural jobs fell 1% year on year to 911k jobs, as mentioned above.

- Looking ahead, the 2026-27 agricultural season will be challenging as farmers face rising input costs due to the Iran-U.S. war. An El Niño drought will also weigh on agricultural production. Thus, we remain concerned that employment in the sector will be under pressure over the coming year and will likely recover as agricultural fortunes improve. The weather outlook improves in the coming seasons.

Exhibit 1: South Africa's agricultural jobs



Source: Statistics South Africa and Agbiz Research

EVERYTHING HAS BEEN DONE TO ENSURE THE ACCURACY OF THIS INFORMATION, HOWEVER, AGBIZ TAKES NO RESPONSIBILITY FOR ANY LOSS OR DAMAGE INCURRED DUE TO THE USAGE THEREOF.

What are we watching this week?

- We start the week with a global focus, and this is a quiet week. Today, the U.S. Department of Agriculture (USDA) will release the **weekly U.S. crop progress report**, which provides insight into crop harvest progress, primarily for maize, sorghum, soybeans, and other major grains, for the 2026-27 production season. Harvest of these crops has advanced across the U.S., with over two-thirds already harvested.

- On the domestic front, on Wednesday, Statistics South Africa will release **the Consumer Price Index (CPI) data** for October 2026. In the recent release, Statistics South Africa said consumer food price inflation accelerated to 1.0% in September 2026, up from 0.7% in the previous months. Fish and other seafood mainly drove the uptick, along with milk, other dairy, eggs, oils and fats, and vegetables.

- Also on Wednesday, the South African Grain Information Services (SAGIS) will publish its **weekly data on South Africa's Grain and Oilseed Producer Deliveries**. The harvest for the 2025-26 production season is complete, and the focus is shifting towards the 2026-27 season, which started this month. In the first 28 weeks of the new marketing year, farmers delivered 15.5 million tonnes of maize to commercial silos. South Africa is poised to harvest an ample 17.7 million tonnes of maize, the largest harvest on record.

- The 2026-27 soybean marketing year soybean harvest is complete, and farmers continue to deliver to the commercial silos the last volumes of grains for the season. In the first 36 weeks, deliveries totalled 2.9 million tonnes against an estimated crop of 3.01 million tonnes. For sunflower seeds, producer deliveries in the first 36 weeks of the new 2026-27 marketing year totalled 826,265 tonnes against an expected crop of 874,805 tonnes.

- South Africa's 2025-26 winter wheat harvest is complete, and the focus is on the new 2026-27 season. In the first six weeks of this 2026-27 marketing year, farmers have delivered about 518,615 tonnes of wheat to commercial silos. The expected harvest for the season is 1.81 million tonnes, down 5% year on year. This is the lowest harvest in eight years. The decline in area planted, combined with the prospect of poor yields due to dryness in parts of the Western Cape over the past few months, is a major factor behind the expected lower harvest.

- SAGIS will also publish its **weekly South Africa's Grains and Oilseeds Trade data** on Thursday. Last week, South Africa exported 33,365 tonnes of maize. About 64% went to Zimbabwe, and the rest to neighbouring countries. In the 2026-27 marketing year, which started in May 2026, South Africa could export roughly 3.0 million tonnes of maize. This would be up from 2.4 million tonnes in the past season. South Africa has ample maize supplies, supported by robust production. South Africa's maize exports so far in the 2026-27 marketing year total 1.4 million tonnes, out of the expected 3.0 million tonnes.

- South Africa is a net wheat importer, and November 6, 2026, marked the first six weeks of the new 2026-27 marketing year, with cumulative imports of 239,495 tonnes of wheat from Australia, Latvia, Lithuania, and the U.S.

EVERYTHING HAS BEEN DONE TO ENSURE THE ACCURACY OF THIS INFORMATION, HOWEVER, AGBIZ TAKES NO RESPONSIBILITY FOR ANY LOSS OR DAMAGE INCURRED DUE TO THE USAGE THEREOF.