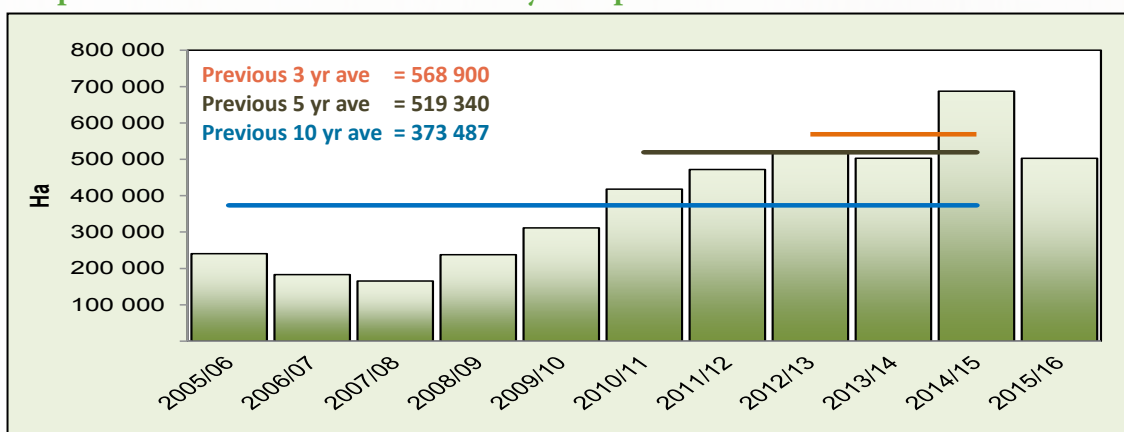


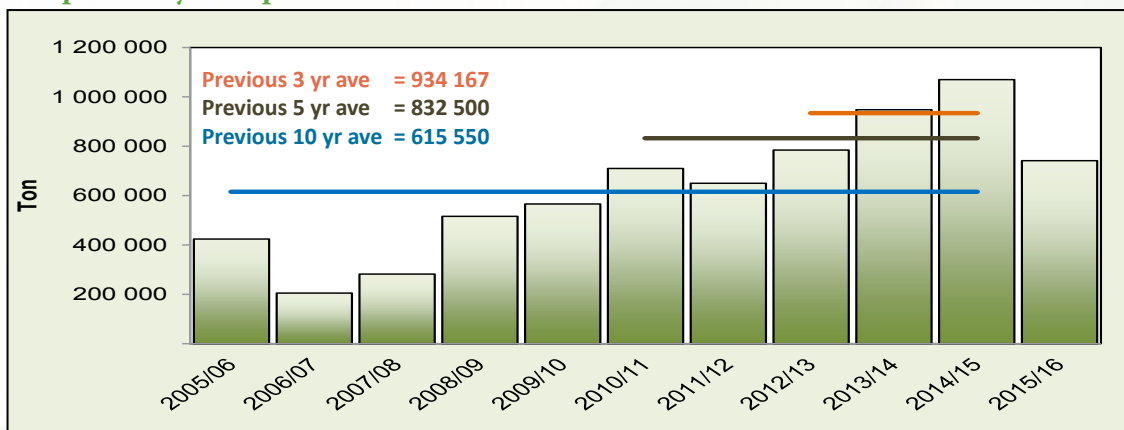
According to the *BFAP Baseline, Agricultural Outlook 2016 – 2025*, a high demand for soybeans arising from expanded crushing capacity, is expected to cause a sharp increase in area utilised for soybean production in 2017, assuming normal rainfall patterns. The expectation is that the area will continue to grow by on average 5% per annum, to just under 1 million hectares by 2025. Production is expected to exceed 2.2 million tons by 2025, providing realisation of the expected increase in production area as well as average growth in yield of 4% per year.

Soybeans account for more than half of the world oilseed production. According to the *World Agricultural Supply and Demand Estimates Report (WASDE - 563)* an estimated 312.81 million metric tons of soybeans were produced during the 2015/2016 season. The United States contributed 34%, Brazil 31% and Argentina 18% to this total. The world soybean production during the 2016/2017 season is projected to be 340.79 million metric tons.

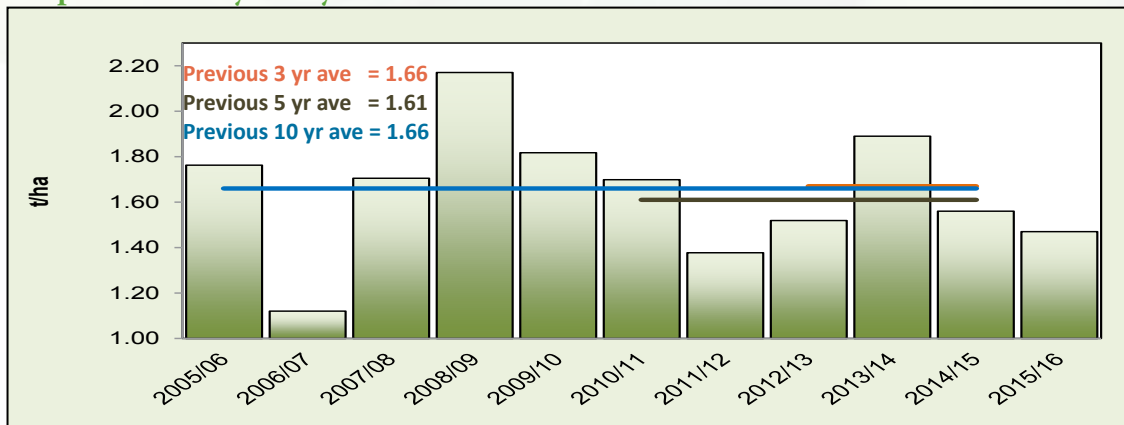
Graph 2: Total RSA area utilised for soybean production from 2005/06 to 2015/16



Graph 3: Soybean production in RSA from 2005/06 to 2015/16



Graph 4: RSA soybean yield from 2005/06 to 2015/16



Figures provided by the CEC.