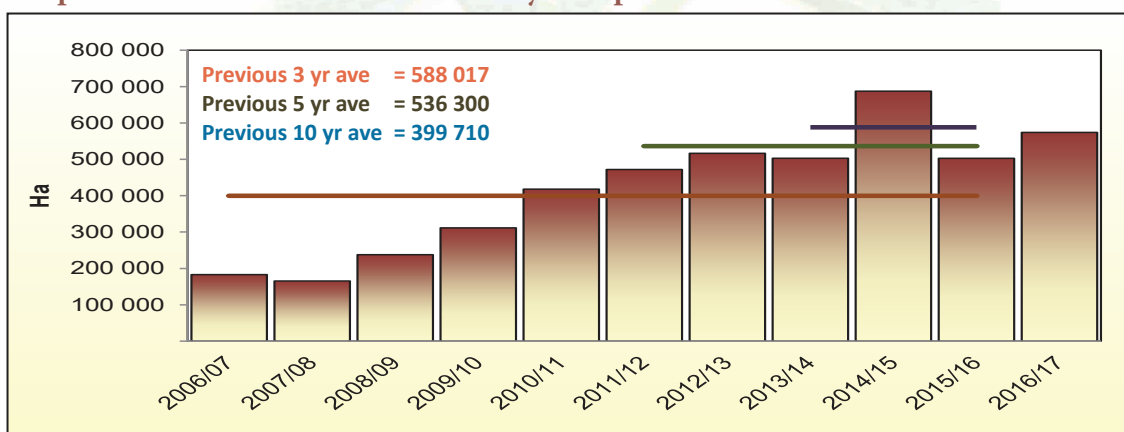


According to the *BFAP Baseline, Agricultural Outlook 2017 – 2026*, the average yield is projected to increase at an annual rate of 4.4% over the outlook period, amounting to a total soybean crop of 2.1 million tons by 2026. The projected yield and resulting crop increases, will follow the introduction of endpoint royalties that will support the availability of new technology to South African producers in coming years.

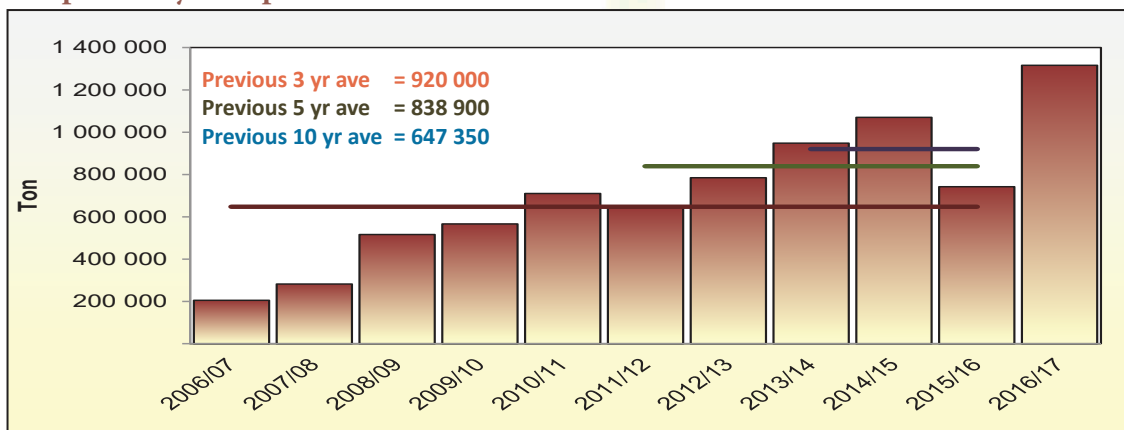
The area planted for soybean production increased by 14% to 573 950 hectares this season, as farmers most probably opted for lower risk alternatives following the impact of the previous season's drought. The expectation is that the soybean area will increase at an average of 4% per year to just under 900 000 hectares by 2026.

Soybeans account for more than half of the world oilseed production. According to the *World Agricultural Supply and Demand Estimates Report (WASDE - 575)* an estimated 351.32 million metric tons of soybeans were produced during the 2016/2017 season. The United States, Brazil and Argentina are the biggest contributors to this total. The world soybean production during the 2017/2018 season is projected to be 340.86 million metric tons.

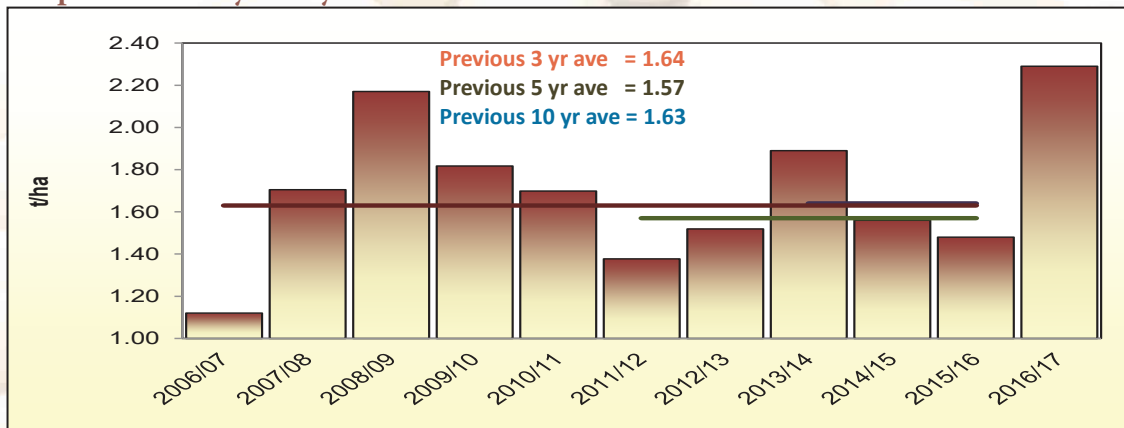
Graph 2: Total RSA area utilised for soybean production from 2006/07 to 2016/17



Graph 3: Soybean production in RSA from 2006/07 to 2016/17



Graph 4: RSA soybean yield from 2006/07 to 2016/17



Figures provided by the CEC.