

Tractor sales surge in December: Saama

By [Dominic Preuss](#)

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Tractor sales leaped 27.8% year on year in December to 349 units, but for the whole of 2016 sales fell 11.3% to 5,855 units, according to the South African Agricultural Machinery Association (Saama).



jackmac34 via [pixabay](#)

Tractor sales were hurt in 2016 due to uncertainty over crop yields and exchange rates, whether the weather had transitioned from a dry El Niño global cycle to a wet La Niña cycle, land restitution issues and farm worker shares in farms.

Saama said: "General summer rains have fallen over most of the country now and most farmers, even in the west, which was dry for a time, have completed their planting. Standing crops are looking good and market sentiment is positive.

"What is required now is follow-up rains through to the end of February in order for the planted crops to realise their full yield potential."

Industry expectations for 2017 are that overall tractor sales should be at least as good as those of 2016.

The US Department of Agriculture estimated the 2016-17 South African maize crop would be about 60% more than that of 2015-16 "as rainfall returned to a more normal pattern".

"Local corn (maize) prices are expected to still trade at import parity price levels in the near future, giving farmers enough initiative to plant more fields to corn.

"In addition widespread rain has fallen in the corn producing areas of the country the past week, enabling farmers on the eastern side to start planting corn within the optimum planting window," the department said.

Source: BDpro

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