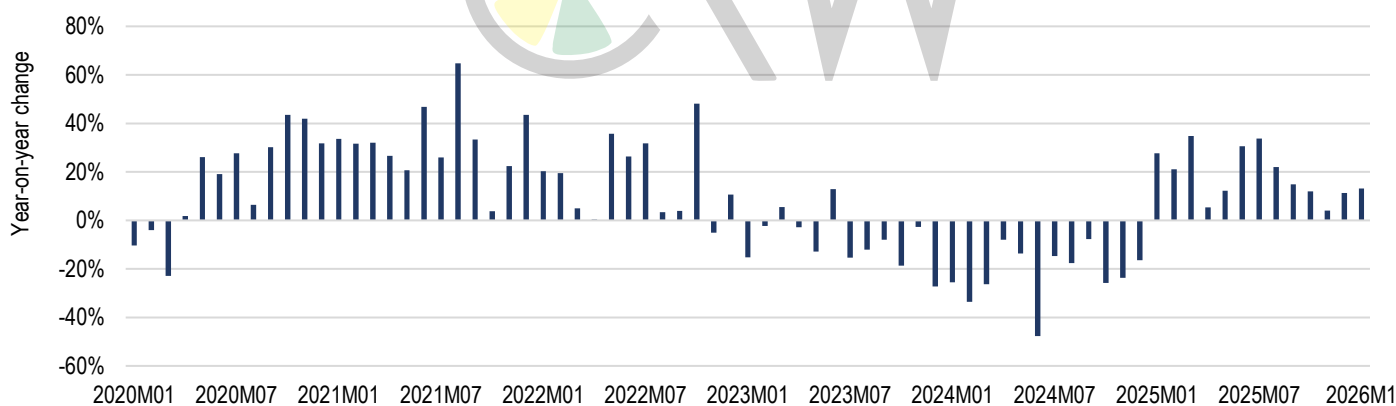


The SA agricultural machinery industry has a better start to 2026

- **South African agricultural machinery sales had a positive start to 2026, following a robust 2025 (South Africa's 2025 tractor sales amounted to 7,668 units, up 19% from 2024; combine harvester sales amounted to 207 units in 2025, up by 3% from the previous year).** The data released this morning by the South African Agricultural Machinery Association shows that tractor sales amounted to 517 units in January 2026, up 13% year-on-year, while combine harvester sales were 5 units, in line with January 2025.
- The expansion in summer grains and oilseeds area plantings in the 2025-26 season, combined with relatively better financial gains from the robust production in the previous 2024-25 agricultural season, particularly in field crops, horticulture, and wine grape harvests, mainly supported these sales.
- South Africa's 2025-26 preliminary area plantings for summer grains and oilseeds are 4.54 million hectares, up 2% from the previous season. This comprises maize, sunflower, soybeans, groundnuts, sorghum, and dry beans. There is a broad expansion in the area under major crops, with sorghum, groundnuts, and dry beans being the only crops showing a decline in the area farmers tilled.
- Admittedly, we are still in the early days of the 2025-26 season, but judging from these planting data and the favourable rainfall in South Africa's major crop-producing regions, we are inclined to believe that 2025-26 may yet be another better year for South Africa's summer grains and oilseeds. Given such a promising season, it is likely that agricultural machinery sales will remain strong this year. Moreover, the cost of capital remains reasonably affordable, strengthening some farmers' financial positions and again underscoring our optimism about this year.

Exhibit I: South Africa's tractor sales



Source: South African Agricultural Machinery Association and Agbiz Research