

Impressive agriculture export earnings in Q2 despite trade challenges

The latest trade data for the second quarter of 2022 shows another stellar performance from the agriculture sector with a 5% quarter-on-quarter jump in export earnings to the tune of US\$3.4bn.

 By [Paul Makube](#) 6 Sep 2022



Source: tawatchai07 via [Freepik](#)

Indeed an impressive performance despite the earlier trade-related challenges from the Foot-and-mouth Disease-induced halts in wool exports, to global logistical issues that curtailed citrus volumes.

The stellar export earnings and subsequently an agriculture trade surplus was underpinned by robust export demand coupled with strong commodity prices. Maize seems to have made a structural break in export trends with volumes way above the historical levels.

The implication for producers is that higher earnings will help them navigate the current high-cost environment and further make the necessary production expansions and necessary replenishment of equipment and machinery.

We have already seen a healthy performance in the agriculture machinery sector with the cumulative tractor and combine sales for the seven months to July 2022 rising by 20% and 50% respectively relative to the same period in 2021.

The further spinoff from the excellent exports is a positive contribution to the country's balance of payment as well as overall gross domestic output growth.

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