


Grain SA's Morning Grain Market Commentary

	DATE		DATE		+ - WEEK AGO		+ - MONTH AGO		+ - YEAR AGO				
	2016/02/12		2016/02/11		2016/02/02		2016/01/12		2015/02/10				
	Data	Δ	Δ%	Data	Δ	Data	Δ	Data	Δ	Data			
DJIA-index	15660	-254.56 ↓	-1.6%	15915	↓	-3.1%	16154	↓	-5.2%	16516	↓	-12.4%	17869
Goud (Spot)	1234.35	26.43 ↑	2.2%	1207.92	↑	9.5%	1127.14	↑	13.9%	1083.82	↓	-0.3%	1237.75
Brent \$/vat	31.72	1.06 ↑	3.5%	30.66	↓	-2.4%	32.51	↑	1.9%	31.14	↓	-45.0%	57.68
1 € : ? US\$	1.1293	-0.003 ↓	-0.3%	1.1322	↓	3.5%	1.0912	↑	4.3%	1.0828	↓	-0.2%	1.1315
1 US\$: ? ZAR	15.90	-0.044 ↓	-0.3%	15.94	↓	-2.5%	16.30	↓	-3.8%	16.52	↑	36.1%	11.68
Corn	R 2 254.32	-5 ↓	-0.2%	R 2 258.95	↑	*CBOT Corn Mar cents / bushel 08:00 today vs. CBOT Corn Mar 12:00 the previous day							
Wheat	R 2 682.27	-31 ↓	-1.1%	R 2 713.07	↑	* CBOT Wheat Mar cents / bushel 08:00 today vs. CBOT Wheat Mar 12:00 the previous day							
Soybeans	R 5 109.01	53 ↑	1.1%	R 5 055.71	↑	* CBOT Soybean Mar cents / bushel 08:00 today vs. CBOT Soybean Mar 12:00 the previous day							
Latest CBOT prices during overnight trading (Recorded between 6 a.m. to 07:00 am vs 12:00 pm the previous trading day)													
Corn Mar 16	360.25	0.25 ↑	0.1%	360.00	↓	-3.3%	372.50	↑	1.0%	356.75	↓	-15.6%	426.75
Wheat Mar 16	459.25	-4.00 ↓	-0.9%	463.25	↓	-3.4%	475.25	↓	-4.6%	481.25	↓	-17.3%	555.50
Soybeans Mar 16	874.75	11.50 ↑	1.3%	863.25	↓	-1.3%	886.25	↑	0.0%	874.50	↓	-9.3%	964.75
Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / tonne)													
SORGHUM Mar 16	4080.00	0.00 ↑	0.0%	4080.00	↑	6.0%	3850	↑	16.9%	3491	↑	83.0%	2230
WMAZ Feb 16	5019.00	-1.00 ↓	0.0%	5020.00	↑	0.1%	5014	↑	3.5%	4848	↑	102.0%	2485
WMAZ Jul 16	4885.00	5.00 ↑	0.1%	4880.00	↑	0.4%	4865	↑	6.6%	4581	↑	99.4%	2450
YMAZ Feb 16	3870.00	-40.00 ↓	-1.0%	3910.00	↑	0.1%	3868	↑	4.1%	3717	↑	69.4%	2284
YMAZ Jul 16	3495.00	-17.00 ↓	-0.5%	3512.00	↓	-2.5%	3583	↓	-1.3%	3540	↑	53.6%	2275
SOY Feb 16	6900.00	50.00 ↑	0.7%	6850.00	↑	1.1%	6825			NA	↑	32.2%	5220
SOY Mar 16	6860.00	40.00 ↑	0.6%	6820.00	↑	0.9%	6801	↑	1.0%	6790	↑	33.0%	5158
SUN Feb 16	8106.00	6.00 ↑	0.1%	8100.00	↑	4.6%	7750	↑	12.1%	7228	↑	58.8%	5103
SUN Mar 16	8038.00	88.00 ↑	1.1%	7950.00	↑	4.4%	7700	↑	12.1%	7270	↑	58.1%	5085
WHEAT Feb 16	4629.00	56.00 ↑	1.2%	4573.00	↓	-2.8%	4763	↑	10.6%	5051	↑	20.2%	3850
WHEAT Mar 16	4657.00	37.00 ↑	0.8%	4620.00	↓	-3.2%	4813	↓	-9.0%	5118	↑	20.0%	3880
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS													
<p>External Market Factors: It has been a volatile week in the South African grain and oilseed market, as uncertainty about the weather conditions continues to be the driver of the market, particularly summer crops. Generally, maize prices were largely under pressure this week on the back of profit-taking and forecasted rains across the summer crop growing areas. While, sunflowerseed prices had continued to gain support on the back of lower domestic stocks. Wheat prices were largely driven by external factors and were mostly under pressure on the back of large global supplies. Weather: Weather forecasts this morning were still showing signs of possible rains in the next 8-days. Please view the link for a detailed precipitation outlook: http://www.wxmaps.org/pix/prec10.html. Currency: This morning the Rand has strengthened by 0.3% against the US dollar from the level seen at midday yesterday, at the time of writing the Rand traded around R15.90. A stronger Rand is not supportive of domestic grain and oilseed prices.</p> <p>MAIZE: Domestic perspective – In yesterday's trade session maize prices were lower than the previous day's prices. However, this was with the exception of white maize July 16 contract month price which was up by R5/ton and closed at R4885/ton. While, white maize Spot price was down by R1/ton and closed at R5019/ton. At the same time, yellow maize Spot and July 16 contract month prices were respectively down by R40/ton and R17/ton and closed at R3870/ton and R3495/ton. International perspective – This morning Chicago maize prices were slightly higher than the levels seen in yesterday's trade session, following a recent sale of 243 000 tons of US maize to an unknown destination. Nonetheless, there's generally a bearish sentiment in the global maize market owing to large supplies. Moreover, the US weekly export sales data came out well below the market expectation, reported at 405 000 tons compared to expectations of 800 000 to 1.1 million tons. In South America, Argentina expects favourable rains across the summer crop producing areas in the next 7-10 days.</p> <p>Bottom line: <i>Weather remains a key fundamental driver of the South African maize prices. In short-term, the forecasted rains might add slight downward pressure on domestic maize price movements.</i></p> <p>WHEAT: Domestic perspective – Yesterday's domestic wheat prices closed higher than the previous day's prices on the back higher parity prices. The February 16 and March 16 contract month prices were up by R56/ton and R37/ton, and closed at R4629/ton and R4657/ton, respectively. International perspective – International wheat prices were down this morning on the back of large global supplies. The US weekly wheat export data came out at 263 300 tons, which was in line with market expectations. In the Black Sea, speculations continue about Russia's intentions to increase their wheat export duties, in order to lower their domestic price increases.</p> <p>Bottom line: <i>Large global supplies will continue to weigh on global wheat prices. The calculated February 2016 parity prices were down this morning and that might, in short-term, add downward pressure on domestic wheat prices.</i></p>													
<p>Domestic Market Insights & Data: RSA Grain Trade Data: 16/02/2016 International Market Insights & Data: US Grain Weekly Export Sales Data: 19/02/2016</p> <p style="text-align: center;"><i>For any queries, please contact: Wandile Sihlobo, Email: wandile.sihlobo@grainsa.co.za</i></p>													