

Grain SA's Morning Grain Market Commentary

DATE 2018/07/16	DATE 2018/07/13		+ - LAST WEEK 2018/07/09		AT THE MONEY PUT OPTION		
	Δ	Δ%	Δ	Δ%	WM	YM	
DIJA-index	25019	94.52 ↑	0.4%	24925	2.3%	24456	DEC '18 FUTURES PRICE R 2 089.00 R 2 175.00
Goud (Spot)	1244.47	-1.04 ↓	-0.1%	1245.51	-1.0%	1256.69	CALL STRIKE PRICE R 2 080.00 R 2 180.00
Brent \$/vat	74.92	0.45 ↑	0.6%	74.47	-3.3%	77.49	CALL PREMIUM R 114.91 R 107.56
1 € / US\$	1.1699	0.01 ↑	0.6%	1.1632	-0.5%	1.1759	BREAKEVEN SAFEX PRICE R 2 194.91 R 2 287.56
1 US\$ / ZAR	13.22	-0.110 ↓	-0.8%	13.33	-1.6%	13.44	
Corn	R 1 729.95	-35 ↓	-2.0%	R 1 764.82			*CBOT Corn Jul cents / bushel 08:00 today vs. CBOT Jul 12:00 the previous day
Wheat	R 2 410.30	39 ↑	1.6%	R 2 371.58			* CBOT Wheat Jul cents / bushel 08:00 today vs. CBOT WheatJul 12:00 the previous day
Soybeans	R 3 966.65	-105 ↓	-2.6%	R 4 072.14			* CBOT Soy Jul cents / bushel 08:00 today vs. CBOT Soy Jul 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)					WEEK NR.		
Corn July 18	332.40	-3.90 ↓	-1.2%	336.30	Daily parity prices delivered in		
Wheat July 18	496.20	12.00 ↑	2.5%	484.20	Randfontein. WEAT BDN		
Soybeans July 18	816.60	-14.80 ↓	-1.8%	831.40	import par not export par		
Latest MTM prices (SPOT = nearest contract month (Rand / ton))					WEEK TOTAL		
SORGHUM Jul '18	3250.00	0.00 ↑	0.0%	3250.00	11	WM	YM
WMAZ Spot	1979.00	-12.00 ↓	-0.6%	1991.00	6 026	116 272	122 298
WMAZ Sep 18	2024.00	-14.00 ↓	-0.7%	2038.00	93 923	574 407	668 330
WMAZ Dec 18	2089.00	-18.00 ↓	-0.9%	2107.00	YTD TOTAL	1 550 000	2 455 000
YMAZ Spot	2046.00	-16.00 ↓	-0.8%	2062.00	EXPORTABLE	6%	23%
YMAZ Sep 18	2105.00	-13.00 ↓	-0.6%	2118.00	PACE/WEEK NEEDED	35 514	45 868
YMAZ Dec 18	2175.00	-15.00 ↓	-0.7%	2190.00	MAIZE PRODUCER DELIVERIES		
SOY spot	4231.00	-37.00 ↓	-0.9%	4268.00	WEEK TOTAL	500 481	429 280
SOY Sep 18	4320.00	-40.00 ↓	-0.9%	4360.00	YTD TOTAL	2 111 673	2 982 021
SUN Spot 18	4558.00	-31.00 ↓	-0.7%	4589.00	CEC FORECAST + ADJUSTMENT	6 379 660	5 797 150
SUN Sep 18	4661.00	-29.00 ↓	-0.6%	4690.00	% OF HARVESTED DELIVEIRES	33%	51%
WHEAT July 18	4020.00	-3.00 ↓	-0.1%	4023.00	PACE/WEEK NEEDED	129 333	85 307
WHEAT Sep 18	4097.00	1.00 ↑	0.0%	4096.00	WHEAT IMPORTS		
WHEAT Dec 18	4148.00	-2.00 ↓	0.0%	4150.00	2017/18	2016/17	5 Yr. AVG
					WEEK TOTAL	56 050	25 883
					YTD TOTAL	1 637 148	581 125
					TOTAL NEEDED	1 930 000	930 728
					YTD AS % OF NEEDED	85%	62%

LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS

Market overview: The rand is trading at R13,22 against the dollar this morning. On Friday, the rand opened strong, before weakening against the dollar; after being one of the top performers on Thursday amid improved emerging market sentiments as China held off from retaliating against fresh US tariff threats. The rand was also boosted by somewhat better than expected mining and manufacturing production data. It has been a good time for the rand since the last meeting of the South African Reserve Bank (SARB), according to the central bank, not much can be done to cushion the currency in the coming months. Crude oil is trading at \$74,92/barrel this morning. Russia is getting ready to invest \$50 billion in Iran's oil and gas industry as the two countries seek closer ties just as the US is looking to cut as Iranian crude oil exports from the market as possible.

Maize: US maize prices lost the gained from Thursday as markets returned to worry about the trade relations with China and promising weather forecasts as this year's crop goes quickly into pollination. For the week, September maize futures are almost down 5.3%. Taiwan purchased 66 056 tons in an international tender on Friday that can be sourced from the US or Brazil; the grain is due for shipment in late September and early October. South Korea has purchased another 68 597 tons of maize from optional origins on Thursday brining the country's total purchase in June and July to 2.0 million tons. Brazil estimate their crop hectares for 2018/2019 to be 1.6% fewer, with Brazilian producers opting for alternative crops like soybean and cotton this coming season. China sold another 942 581 tons of state reserves of maize at an auction on Friday, which is about 23.5% of the total available for sale. France estimated their current crop condition to be 1% lower than the previous week at 73% good to excellent. **Local:** Local maize prices opened the day lower with some follow through selling seen after the opening. December white maize contract opened the day at R2100, which was also the session high, the contract went on to trade at a low of R2087 before the session ended.

Soybeans: See weekly oilseed report

Wheat: US wheat prices continued on Thursday's momentum, with reinforced production concerns in key overseas markets after the release of the WASDE report. Russia is expecting wheat production to the total of 64 million tons for 2018. France's 2018 soft wheat harvest has reached 20% completion as of July 9, up 3% from last week. The condition of the France's wheat crop is 72% good to excellent, down 1% from last week. **Local:** Local wheat contracts opened the day unchanged/slightly lower Friday morning. December wheat contracts started the day at R4146 and traded to a low of R4144, before closing the day near a session high of R4160.

Domestic Market Insights & Data: www.grainsa.co.za / www.sagis.co.za
International Market Insights & Data: www.usda.co.za

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