

### Grain SA's Morning Grain Market Commentary

DATE 2018/04/23 Data	DATE 2018/04/20		DATE 2018/04/16		AT THE MONEY PUT OPTION				
	Δ	Δ%	Δ	Δ%	WM		YM		
DJIA-index	24665	-83.00 ↓	-0.3%	24748	↑	0.7%	24483		
Goud (Spot)	1334.56	-7.66 ↓	-0.6%	1342.22	↓	-0.9%	1346.3		
Brent \$/vat	74.07	0.28 ↑	0.4%	73.79	↑	3.1%	71.85		
1 € / US\$	1.2274	0.00 ↑	0.0%	1.2271	↓	-0.5%	1.2331		
1 US\$ / ZAR	12.09	0.068 ↑	0.6%	12.02	↑	0.1%	12.07		
Corn	R 1 798.82	10 ↑	0.6%	R 1 788.70	*CBOT Corn Mei cents / bushel 08:00 today vs. CBOT May 12:00 the previous day				
Wheat	R 2 074.22	7 ↑	0.4%	R 2 066.97	* CBOT Wheat Mei cents / bushel 08:00 today vs. CBOT Wheat May 12:00 the previous day				
Soybeans	R 4 579.27	-1 ↓	0.0%	R 4 580.01	* CBOT Soy Mei cents / bushel 08:00 today vs. CBOT Soy May 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 May 18					50				
Wheat May 18					WEEK TOTAL				
Soybeans May 18					YTD TOTAL				
Latest MTM prices (SPOT = nearest contract month (Rand / ton))					EXPORTABLE				
SORGHUM Mar '18					YTD AS % OF EXPORTABLE				
WMAZ Spot					PACE/WEEK NEEDED				
WMAZ May 18					MAIZE PRODUCER DELIVERIES				
WMAZ Jul 18					WEEK TOTAL				
YMAZ Spot					YTD TOTAL				
YMAZ May 18					CEC ESTIMATE + ADJUSTMENTS				
YMAZ Jul 18					% CROP DELIVERED				
SOY Spot					PACE/WEEK NEEDED				
SOY May 18					WHEAT IMPORTS				
SUN Spot					2017/18				
SUN May 18					2016/17				
WHEAT Spot					5 Yr. AVG				
WHEAT May 18					WEEK TOTAL				
WHEAT Jul 18					YTD TOTAL				
					TOTAL NEEDED				
					YTD AS % OF NEEDED				

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

**Market Overview:** On Friday, the rand retracted to weakness, after trading stronger for the half of the week following positive local economic data. The rand's weakness on Friday was as a result of a strengthening of the dollar and the rising US treasury yields. A stronger dollar by the end of the week, which lasted through the weekend, placed pressure on emerging markets. The rand's weakness could be short lived, as Statistics SA is due to release important economic data such as the producer prices index and industry data this week which could support the rand stronger. At the time of writing, the rand was trading at around R12.08 to the dollar, which is relatively unchanged from Friday midday. In a general sense, South Africa's economy is picking up currently with a slowdown in price increases but this may soon change as price gains are expected to accelerate as the SARB's inflation forecast for the next 18 to 24 months is forecasted higher at around 5%.

**Maize:** US maize prices ended the day lower, continuing in the negative territory from Thursday's losses and posting a 2.5% decline for the week. Maize prices are currently trading at its lowest since March 28<sup>th</sup>, with both key contract months closing moderately lower. The planting activity seems to be the driver for maize prices with the Midwest 10-day weather outlook promising to remain dry, which should pick up the planting pace. There is however other areas that show slight possibility of showers such as Indiana and Ohio, however, the forecast currently suggests there is no reason to expect any concerning levels of maize planting. Farmer sales are expected to remain slow in the near future as the planting season begins to run in full swing. Elsewhere, production in China is expected to trend higher by 1.1% in 2018. The 2018 maize planting in France is also underway, currently estimated at 6% planted up 1% from the week prior. **Local:** South African maize prices finished Friday's session slightly higher, posting small gains at the back of a weaker rand as markets closed. Last week's trade was largely influenced by the local currency's movements. White and yellow maize spot posted relatively small gains while o=later contract months peaked slightly higher. Recent rains in the maize production regions is likely to boost the country's production slightly higher but this will be confirmed in the latest Crop Estimates Committee production forecast which will be released on Wednesday.

**Soybeans:** See weekly Oilseed Market Commentary

**Wheat:** Once again, US wheat prices post significant losses for all wheat contracts, closing down 2.7% from the previous session and 1.9% down for the week. Wheat came under pressure last week amid a widespread forecast for rains in the Plains which eased concerns about potential yields losses. This comes after heightened concerns regarding dry weather across the key production regions which affected the crops condition which is currently at 31% good/excellent. Spring wheat futures also dropped double-digits as favorable planting conditions are not far off. Spring wheat planting is currently at 3% complete, with 3 of the 6 states that are growing the spring wheat significantly ahead with the planting progress. **Local:** South African wheat prices ended the day higher, ignoring the lower international prices but rather posting gains at the back of a weaker rand. The wheat spot was the exception however, ending the day unchanged at R3 828 per ton, while other contract months posted moderately good gains.

Domestic Market Insights & Data: [www.grainsa.co.za](http://www.grainsa.co.za) / [www.sagis.co.za](http://www.sagis.co.za)  
International Market Insights & Data: [www.usda.co.za](http://www.usda.co.za)

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