

Grain SA's Morning Grain Market Commentary

Grain SA GRAIN SOUTH AFRICA	DATE	DATE		+ - WEEK AGO		+ - MONTH AGO		+ - YEAR AGO						
	2016/10/24	2016/10/21		2016/10/17		2016/09/26		2015/10/26						
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%					
DJIA-index	18146	-16.64	↓	-0.1%	18162	↑	0.0%	18138	↓	0.3%	18095	↑	3.0%	17623
Goud (Spot)	1263.95	1.57	↑	0.1%	1262.38	↑	0.8%	1253.62	↓	-5.3%	1335.00	↑	8.5%	1164.61
Brent \$/vat	51.59	0.35	↑	0.7%	51.24	↓	-0.6%	51.88	↑	9.3%	47.22	↑	8.9%	47.36
1 € / US\$	1.0869	-0.003	↓	-0.3%	1.0901	↓	-1.0%	1.0983	↓	-3.3%	1.1245	↓	-1.8%	1.1063
1 US\$ / ZAR	13.95	-0.070	↓	-0.5%	14.02	↓	-2.6%	14.32	↑	2.7%	13.58	↑	2.1%	13.66
Corn	R 1,933.12	5	↑	0.3%	R 1,927.63	↑								
Wheat	R 2,122.06	-26	↓	-1.2%	R 2,148.16	↑								
Soybeans	R 5,038.61	0	↑	0.0%	R 5,038.14	↑								
Latest CBOT prices during overnight trading (Recorded between 6 a.m. to 07:00 am vs 12:00 pm the previous trading day)														
Corn Dec 16	352.00	1.00	↑	0.3%	351.00	↓	-1%	354.00	↑	7%	329.00	↓	-14%	408.00
Wheat Dec 16	414.00	-3.00	↓	-0.7%	417.00	↓	-2%	421.00	↑	5%	396.00	↓	-24%	543.25
Soybeans Nov 16	983.00	5.00	↑	0.5%	978.00	↑	2%	962.00	↑	4%	945.00	↑	11%	886.50
Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / tonne)														
SORGHUM Jul '17	3381.00	0.00	↑	0.0%	3381.00	↓	-1.4%	3430.00	↑	0.0%	3381.00			NA
WMAZ Spot	3702.00	84.00	↑	2.3%	3618.00	↑	7.9%	3432.00	↓	-1.2%	3747.00	↑	19.1%	3108
WMAZ Mar 17	3642.00	100.00	↑	2.8%	3542.00	↑	7.8%	3377.00	↓	1.8%	3578.00	↑	16.1%	3138
WMAZ Jul 17	2685.00	-25.00	↓	-0.9%	2710.00	↑	1.2%	2653.00	↓	-1.1%	2715.00	↓	-6.4%	2868
YMAZ Spot	3241.00	6.00	↑	0.2%	3235.00	↑	1.6%	3191.00	↑	6.9%	3032.00	↓	13.0%	2869
YMAZ Mar 17	3151.00	-18.00	↓	-0.6%	3169.00	↑	1.0%	3121.00	↑	3.2%	3054.00	↓	9.5%	2878
YMAZ Jul 17	2611.00	-14.00	↓	-0.5%	2625.00	↑	0.8%	2591.00	↑	1.2%	2580.00	↓	-3.4%	2702
SOY Spot	6600.00	-50.00	↓	-0.8%	6650.00	↑	0.3%	6580.00	↑	6.5%	6200.00	↓	17.4%	5620
SOY May 17	6070.00	-20.00	↓	-0.3%	6090.00	↓	-1.3%	6150.00	↑	2.1%	5948.00	↓	13.5%	5350
SUN Spot	6400.00	17.00	↑	0.3%	6383.00	↑	1.1%	6328.00	↑	4.4%	6130.00	↓	2.5%	6241
SUN May 17	5995.00	45.00	↑	0.8%	5950.00	↓	-1.0%	6053.00	↓	0.8%	5950.00	↑	2.5%	5850
WHEAT Spot	4138.00	37.00	↑	0.9%	4101.00	↓	-0.2%	4148.00	↓	-1.3%	4191.00	↓	-6.5%	4424
WHEAT May 17	4126.00	46.00	↑	1.1%	4080.00	↓	-4.0%	4300.00	↓	-4.4%	4316.00	↓	-7.3%	4451
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS														
<p>Market: The rand trades around R13.95/\$ this morning slightly stronger than the R14.02/\$ of Friday 12:00. The rand trades relative stable at this levels, but there are a few things taking place this week that will contribute to the volatility of the rand. The political situation will be watched closely as the minister of Finances will deliver his medium term budget speech on Wednesday. The actions of the Hawks will be watched closely since any actions against Pravin Gordhan just before the medium term budget speech are likely to be seen as a tactic to interfere with the Finance minister just before the budget speech. The medium term budget speech will be critical as South Africa is in a difficult space and the credit rating agencies will be likely to keep a close eye on the medium term budget speech.</p> <p>Maize: The US maize prices ended slightly higher on Friday and the December futures were kept on the inside day trading of the prices chart. Much of the US Corn Belt is expected to be dry before storms are anticipated next week which would result in above normal precipitation in the first week of November. The harvesting continues in the US and the focus will remain on the weather conditions as this will have a large influence on the pace of the harvesting. The weekly crop progress report will be important since it will be a good indication how many of the crop has been harvested this far. The pace of the harvesting last week was recorded to be slightly slower than the 5 year average at this stage in the season. The maize prices were mainly lower last week as the buyers anticipate the new stocks arrivals in the market to be a higher pace and that place pressure on the cash market. The rally that was seen in the markets lately encourages farmers to do some hedge selling and that placed the prices under pressure in the US. The weather conditions as well as the pace of the harvesting will be watched by traders in the US. The South American maize plantings will also be highlighted with the expected increase in maize plantings in Argentina due to the free market system in place there.</p> <p>Local: The local market traded mixed on Friday with the prices of white maize that traded stronger, while the yellow maize prices ended the day lower. The white maize prices closed two days in a row at limits up and the prices would therefore be at extended limits today. The market is likely to be sensitive towards weather conditions for the new season contracts. The favourable rain that fell over large parts of the maize producing areas during last week and over the weekend will be favourable for plantings to start in some of these regions.</p> <p>Soybeans: See weekly oilseed report</p> <p>Wheat: The US wheat prices came under pressure on Friday and ended the day lower for all three types of wheat. The losses that were seen on Friday were however small and the prices movements wasn't large. The stronger dollar that was seen is largely described as a attribute to the wheat prices that were under pressure Friday. The Australian wheat prices were a little higher in Friday due to a weaker currency and unexpected storms in the eastern parts of the country that create fears of flooding there. In the US the western plains were dry during last week in many key winter producing areas. The USDA is likely to put out a crop condition report in the weekly crop progress report released later today. Large world stocks are still anticipated although there are some concerns of quality problems in some countries' crops. Local: The local wheat market found some support on Friday and closed the day a little higher. The contract volumes in the wheat market are still relatively low and the price movements are not that large. The Producers in the Western Cape region is getting ready to start the wheat harvesting with the crop conditions that look favourable for good yields. There were some concerns about hale that fell in the Eastern Free State and the some of the wheat could have get damaged there, but the full extent of the possible damage isn't determined yet.</p>														
<p>Domestic Market Insights & Data: www.grainsa.co.za / www.sagis.co.za International Market Insights & Data: www.usda.co.za Compiled by: Luan van der Walt / For any queries, contact: luan@grainsa.co.za</p>														