

Grain SA's Morning Grain Market Commentary

GRAIN SA GRAAN SA	DATE	DATE			+ - LAST WEEK			+ - LAST MONTH			+ - LAST YEAR			
	2017/04/25	2017/04/24			2017/04/18			2017/03/27			2016/04/25			
	Data	Δ	Δ%	Data	Δ	Δ%	Data	Δ	Δ%	Data	Δ	Δ%	Data	
DJIA-index	20764	216.13	↑	1.1%	20548	↑	0.6%	20637	↑	0.8%	20597	↑	15.5%	17977
Goud (Spot)	1273.90	-2.00	↓	-0.2%	1275.90	↓	-1.2%	1290.01	↑	1.4%	1256.72	↑	3.0%	1236.22
Brent \$/vat	51.86	-0.38	↓	-0.7%	52.24	↓	-1.4%	55.42	↑	2.2%	50.74	↑	15.9%	44.76
1 € / US\$	1.0867	0.000	↓	0.0%	1.0870	↑	2.1%	1.0646	↑	0.2%	1.0850	↓	-1.5%	1.1265
1 US\$ / ZAR	13.02	0.080	↓	0.6%	12.94	↓	-1.8%	13.40	↑	5.0%	12.40	↓	-10.0%	14.46
Corn	R 1,840.13	-31	↓	-1.6%	R 1,870.88	*CBOT Corn May cents / bushel 08:00 today vs. CBOT Corn May 12:00 the previous day								
Wheat	R 1,923.18	-93	↓	-4.6%	R 2,015.97	*CBOT Wheat May cents / bushel 08:00 today vs. CBOT Wheat May 12:00 the previous day								
Soybeans	R 4,597.45	0	↓	0.0%	R 4,597.73	*CBOT Soy May 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 day)														
Corn May '17	359.00	-6.00	↓	-1.6%	365.00	↓	2%	366.00	↑	1%	356.00	↓	-1.1%	401.75
Wheat May '17	402.00	-22.00	↓	-5.2%	424.00	↓	5%	421.00	↓	5%	424.00	↓	-2.4%	527.75
Soybeans May '17	961.00	-6.00	↓	-0.6%	967.00	↑	1%	953.00	↓	-1%	975.00	↓	-3%	993.75
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	3020.00	0.00	↑	0.0%	3020.00	↑	0.0%	3020.00	↓	-1.7%	3168.00	↓	-17.3%	3650.00
WMAZ Spot	1821.00	-31.00	↓	-1.7%	1852.00	↓	-1.0%	2069.00	↑	4.1%	1750.00	↓	-58.9%	4432.00
WMAZ July 17	1805.00	-28.00	↓	-1.5%	1833.00	↓	-10.8%	2024.00	↑	4.8%	1722.00	↓	-59.6%	4464.00
WMAZ Sept 17	1866.00	-26.00	↓	-1.4%	1892.00	↓	-5.9%	1982.00	↑	9.8%	1700.00	↓	-44.9%	3385.00
YMAZ Spot	1909.00	-41.00	↓	-2.1%	1950.00	↓	-10.6%	2135.00	↑	1.8%	1876.00	↓	-41.9%	3287.00
YMAZ July 17	1918.00	-29.00	↓	-1.5%	1947.00	↓	-8.6%	2099.00	↑	3.8%	1847.00	↓	-38.9%	3140.00
YMAZ Sept 17	1969.00	-27.00	↓	-1.4%	1996.00	↓	-6.2%	2100.00	↓	7.0%	1841.00	↓	-38.4%	3195.00
SOY Spot	4561.00	-144.00	↓	-3.1%	4705.00	↓	-8.6%	4992.00	↓	-4.8%	4791.00	↓	-25.4%	6116.00
SOY July 17	4672.00	-136.00	↓	-2.8%	4808.00	↓	-6.6%	5001.00	↓	-1.9%	4761.00	↓	-23.6%	6116.00
SUN Spot	4285.00	-128.00	↓	-2.9%	4413.00	↓	-5.9%	4554.00	↑	1.3%	4230.00	↓	-32.6%	6355.00
SUN July 17	4430.00	-110.00	↓	-2.4%	4540.00	↓	-3.7%	4599.00	↑	3.0%	4301.00	↓	-30.3%	6355.00
WHEAT Spot	4420.00	-15.00	↓	-0.3%	4435.00	↑	0.7%	4390.00	↑	10.6%	3995.00	↓	-1.3%	4620.00
WHEAT July 17	4445.00	-10.00	↓	-0.2%	4455.00	↑	0.7%	4412.00	↑	10.2%	4035.00	↓	-8.8%	4620.00
WHEAT Dec 17	4150.00	0.00	↑	0.0%	4150.00	N/A	0.00	N/A	0.00	N/A	0.00	N/A	0.00	

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

Market Overview: The rand has retracted its gains seen yesterday midday after it breached the R12.90 mark. The rand trades 0.8% weaker but still within the continued strength range and much of yesterday's movements were supported by a stronger Euro against the dollar at the back of the France Presidential elections. At the time of writing, the Rand was trading at around R13.02 to the dollar. On the commodities front, Brent crude oil has extended losses for a week with lost confidence in US output cuts. US drilling was said to rise last week and this would increase its inventory. OPEC-led committee is still planning on prolonging output cuts in support of higher Brent crude oil prices. At the time of writing, Brent crude oil was trading at around US\$51.86 per barrel.

Maize: US maize ended the day a little higher as more rain is expected in the Midwest which delays planting. The seven-day outlook has placed 5 – 6 inches of total rain in parts of the western Midwest. USDA has announced that 17% of US maize has been planted for the week ending 23 April 2017. This is up from the 6% of the week prior and slightly lower than the 18% 5 year average. In the export sales, US maize exports amounted to 1.5 million tons, which is higher than trade forecasts. Israel seeks to buy 100 000 tons of maize from optional origin and the tender closes on Wednesday and Taiwan group seeks to buy 65 000 tons of maize to be sourced from any destination, with the tender also closing on Wednesday for shipment in July. **Local:** South African maize prices have continued to be under pressure, with pressure mainly emanating from a stronger rand. The CEC will release the 3rd crop estimates of summer grains for the season later today.

Soybeans: The US soybean prices closed around 4 cents higher yesterday to post the best daily percentage gain in nearly a month. The expected planting delays in the US due to the excessive rain and wet fields, a higher international soybean meal price and a weaker dollar contributed to the sharp rise in the US soybean prices of yesterday. The soybean plantings for the season this far has actually went well and according to the latest USDA crop progress report the soybean plantings in the US are 6% done. This is higher than the 5 year average which is 3% for this time in the season. The soybean plantings in Louisiana and Mississippi are estimated to be 59% and 60% done respectively. In Canada the expectations are also that producers there would plant more canola and soybeans this season. According to Statistics Canada farmers there are likely to plant nearly 10% more canola than last season and 27.2% more soybeans than last season. If the expected area of these two crops realize it would be record levels for both crops in Canada. Good production that were seen in the South American countries as well as higher expected plantings of soybeans in other international countries contributes to the high stock levels of soybeans globally. The main focus in the international soybean market are likely to remain on the plantings in the US as the weather will be watched closely to for any delays in planting of soybean there. **Local:** The local soybean market were largely under pressure yesterday and traded lower for most of the contract months which are currently listed on the market. The rand has strengthened yesterday to levels just below the R13/\$ which were seen as mental resistance levels for the exchange rate. The 3rd crop estimates of summer grains for the season will be released later today by the CEC.

Wheat: The US wheat markets closed mostly lower yesterday with the winter wheat market that came under pressure lately after the recent rain that were seen in the plains. The markets did however still trades above last week's low levels that were seen in the markets. The weekly export inspections that were reported were on the higher side of what the market's trade forecast were for the week, but still below the levels needed to meet the USDA's annual projections with only a few week left of the crop year. The US spring wheat contracts was about unchanged yesterday as cold and wet conditions in the northern plains have slowed the plantings in that regions. According to the latest USDA crop progress report the spring wheat plantings is estimated to be 22% done, which is well below the 34% 5 year average and lower than the 40% done the same time last year. **Local:** The local wheat market loss some ground yesterday trading slightly lower for the day. The National Crop Estimates Committee will release the first intentions to plant winter grains later today.

Domestic Market Insights & Data: www.grainsa.co.za / www.saqis.co.za

International Market Insights & Data: www.usda.co.za



Compiled by: Michelle Mokone & Luan Van der Walt / For any queries, contact: michelle@grainsa.co.za & Luan@grainsa.co.za

Thank you for the Maize Trust for partially funding this project