


Grain SA's Morning Grain Market Commentary

	DATE 2017/05/26	DATE 2017/05/25				+ - LAST WEEK 2017/05/15				+ - LAST MONTH 2017/04/24				+ - LAST YEAR 2016/05/23			
	Data	Δ	Δ%		Data	Δ	Δ%		Data	Δ	Δ%		Data	Δ	Δ%		Data
DJIA-index	21083	70.53	↑	0.3%	21012	↑	0.5%		20982	↑	2.6%		20548	↑	20.5%		17493
Goud (Spot)	1257.95	-1.20	↓	-0.1%	1259.15	↑	2.2%		1230.46	↓	-1.4%		1275.90	↑	1.0%		1246.00
Brent \$/vat	51.17	-3.28	↓	-6.0%	54.45	↓	-1.1%		51.72	↓	-1.0%		52.24	↑	6.3%		48.15
1 € / US\$	1.1195	-0.004	↓	-0.3%	1.1234	↑	1.9%		1.0988	↑	3.1%		1.0862	↓	-0.2%		1.1213
1 US\$ / ZAR	12.95	0.070	↑	0.5%	12.88	↓	-1.7%		13.17	↓	-0.5%		13.02	↓	-1.7%		15.74
Corn	R 1,881.21	-15	↓	-0.8%	R 1,896.51												
Wheat	R 2,046.07	-8	↓	-0.4%	R 2,053.94												
Soybeans	R 4,468.05	-23	↓	-0.5%	R 4,491.23												
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	369.00	-3.00	↓	-0.8%	372.00	↑	1%		367.00	↑	3%		357.00	↓	-11%		413.25
Wheat May '17	430.00	-4.00	↓	-0.9%	434.00	↑	2%		423.00	↑	3%		405.00	↓	-17%		517.50
Soybeans May '17	939.00	-10.00	↓	-1.1%	949.00	↓	-3%		965.00	↓	-1%		951.00	↓	-7%		1011.50
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	2900.00	0.00	↑	0.0%	2900.00	↓	-0.0%		3020.00	↓	-1.0%		3020.00	↓	-22.0%		3720.00
WMAZ Spot	1760.00	22.00	↑	1.3%	1738.00	↓	-1.3%		1839.00	↓	-1.0%		1852.00	↓	-46.3%		5076.00
WMAZ July 17	1781.00	24.00	↑	1.4%	1757.00	↓	-1.9%		1853.00	↓	-2.8%		1833.00	↓	-46.8%		3346.00
WMAZ Sept 17	1837.00	19.00	↑	1.0%	1818.00	↓	-1.7%		1907.00	↓	-1.9%		1892.00	↓	-64.4%		5166.00
YMAZ Spot	1900.00	32.00	↑	1.7%	1868.00	↓	-1.0%		1939.00	↓	-1.6%		1950.00	↓	-46.9%		3575.00
YMAZ July 17	1918.00	26.00	↑	1.4%	1892.00	↓	-1.7%		1971.00	↓	-1.5%		1947.00	↓	-38.6%		3125.00
YMAZ Sept 17	1972.00	28.00	↑	1.4%	1944.00	↓	-1.4%		2020.00	↓	-1.2%		1996.00	↓	-46.0%		3655.00
SOY Spot	4491.00	-33.00	↓	-0.7%	4524.00	↓	-1.9%		4775.00	↓	-1.5%		4705.00	↓	-37.9%		7230.00
SOY July 17	4545.00	-49.00	↓	-1.1%	4594.00	↓	-1.5%		4862.00	↓	-1.5%		4808.00	↓	-37.5%		7276.00
SUN Spot	4633.00	-14.00	↓	-0.3%	4647.00	↓	-1.3%		4692.00	↑	9.0%		4413.00	↓	-31.8%		6795.00
SUN July 17	4705.00	-27.00	↓	-0.6%	4732.00	↓	-1.9%		4797.00	↑	3.6%		4540.00	↓	-28.2%		6549.00
WHEAT Spot	4410.00	-55.00	↓	-1.2%	4465.00	↑	0.5%		4390.00	↓	-0.6%		4435.00	↓	-13.5%		5097.00
WHEAT July 17	4387.00	-4.00	↓	-0.1%	4391.00	↑	0.4%		4370.00	↓	-1.5%		4455.00	↓	-13.3%		5180.00
WHEAT Dec 17	4180.00	-11.00	↓	-0.3%	4191.00	↓	-0.1%		4185.00	↑	0.7%		4150.00	↓	-13.7%		4845.00
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS																	
<p>Market Overview: The rand is trading slightly weaker than yesterday midday, the rand currently trading at around R12.98 to the dollar. In the economic data released yesterday, the South African Reserve Bank has left interest rates unchanged; repo rate still remains at 7%. Statistics SA announced the year-on-year decline in food producer price inflation at 6.4% versus the 6.9% in March. This can once again be attributed to an increase in the production of grain and oilseed for the new season. On the commodities front, Brent crude oil prices declined following the meeting by OPEC members to extend oil cuts for the next 9 months. While the market expected oil cuts, investors hoped producers would agree to longer or deeper cuts to drain the global stocks. At the time of writing, Brent crude oil was trading at around US\$51.16 per barrel.</p> <p>Maize: US maize prices ended the day a little lower in light trading following disappointing export sales this week, despite the USDA announcement of the daily sale of 115 322 tons to unknown destinations. In the weekly export sales released by the USDA, maize export sales amounted to 457 224 tons, which was less-than-expected and lower than the previous week's sale of 706 157 tons. On the weather forecasts, wet conditions are still expected in the Midwest which is likely to delay the last of the maize plantings and could also delay the replanting of the soggy fields which were affected by the flooding. Local: The South African maize prices managed to end the day higher on Thursday, showing off modest gains. White and yellow spot ended the day higher by 1.3% and 1.7% at R1 760 and R1 900, respectively. The July contract, which is the most actively traded contract for both commodities, also settled the day higher.</p> <p>Soybeans: US soybeans came in under pressure on Thursday's session, dropping to its lowest in 6 weeks as more rain is forecast in the Midwest which means that farmers are likely to shift unplanted maize fields to soybeans. On the weekly export sales reported by USDA, soybean's export sales came in better-than-expected at 478 990 tons, higher than the previous week's sale of 353 799 tons. Currently, soybean plantings are on a good track, with 53% planted as of Sunday, which is 1% higher than the 1% higher than the 5 year average. Local: Soybean prices came in under pressure again on Thursday, with prices ending the day lower for all contract months. Soybean prices were mostly lower this week, showing off big losses and this recent pressure can be attributed to a stronger rand and lower international soybean prices. The spot ended the day lower by 1.1% at R4 491, while the July contract also inched lower by 1.1% at R4 545.</p> <p>Wheat: Winter wheat markets also followed suit, settling lower in light trading, meanwhile the spring wheat ended the day higher. In the weekly export sales, wheat sales came in better-than-expected at 544 307 tons, which is also higher than the week prior of 449 053 tons. The new wheat crop, which starts of 1st of June, has taken most of the business in this weekly export report. Wheat crop, which is due for harvest next month, requires drier weather for drying however the wet conditions in the Plains could impact negatively on the process. In the latest crop progress report, USAD said the crop improved 1 point to 52% good/excellent last week. Local: Wheat prices ended the day lower, with the spot price remaining unchanged at R4 410. The July and December contract showed off marginal losses, each settling the day lower by 0.1% and 0.3% at R4 387 and R4 180, respectively. Wheat prices are pressured by lower international prices.</p>																	
<p>Domestic Market Insights & Data: www.grainsa.co.za / www.sagis.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</p>																	
