


Grain SA's Morning Grain Market Commentary

	DATE	DATE				+ - LAST WEEK		+ - LAST MONTH		+ - LAST YEAR				
	2017/06/28	2017/06/27				2017/06/19		2017/05/29		2016/06/27				
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	Data				
DJIA-index	21311	-98.89	↓	-0.5%	21410	↓	-0.3%	21384	↑	1.1%	21080	↑	24.3%	17140
Goud (Spot)	1252.27	6.97	↑	0.6%	1245.30	↑	0.0%	1251.91	↓	-1.2%	1266.95	↓	-4.8%	1315.12
Brent \$/vat	46.66	0.72	↑	1.6%	45.94	↓	-1.1%	47.18	↓	-10.4%	52.08	↓	-2.5%	47.86
1 € / US\$	1.1351	0.015	↑	1.4%	1.1198	↑	1.4%	1.1192	↑	1.6%	1.1177	↑	2.6%	1.1059
1 US\$ / ZAR	12.98	0.100	↑	0.8%	12.88	↑	1.3%	12.81	↑	0.7%	12.89	↓	-15.2%	15.31
Corn	R 1 834.47	-5	↓	-0.3%	R 1 839.58	↑	*CBOT Corn Jul cents / bushel 08:00 today vs. CBOT Corn Jul 12:00 the previous day							
Wheat	R 2 160.51	-54	↓	-2.5%	R 2 214.85	↑	* CBOT Wheat Jul cents / bushel 08:00 today vs. CBOT Wheat Jul 12:00 the previous day							
Soybeans	R 4 344.86	-9	↓	-0.2%	R 4 353.98	↑	* 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 day)														
Corn May '17	359.00	-1.00	↓	-0.3%	360.00	↓	-7%	384.00	↓	-3%	369.00	↓	-11%	405.00
Wheat May '17	453.00	-15.00	↓	-3.2%	468.00	↓	-3%	465.25	↑	5%	430.00	↓	-10%	505.50
Soybeans May '17	911.00	-9.00	↓	-1.0%	920.00	↓	-3%	939.00	↓	-3%	939.00	↓	-14%	1053.25
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	2700.00	0.00	↑	0.0%	2700.00	↓	-2.1%	2757.00	↓	-6.9%	2900.00	↓	-27.2%	3707.00
WMAZ Spot	1695.00	4.00	↑	0.2%	1691.00	↓	-2.6%	1741.00	↓	-1.1%	1713.00	↓	-63.8%	4688.00
WMAZ Sept 17	1750.00	4.00	↑	0.2%	1746.00	↓	-0.2%	1753.00	↑	1.0%	1732.00	↓	-45.3%	3201.00
WMAZ Dec 17	1818.00	13.00	↑	0.7%	1805.00	↑	0.2%	1814.00	↑	1.3%	1794.00	↓	-61.6%	4740.00
YMAZ Spot	1807.00	-7.00	↓	-0.4%	1814.00	↓	-3.1%	1864.00	↓	-2.6%	1856.00	↓	-49.5%	3575.00
YMAZ Sept 17	1860.00	2.00	↑	0.1%	1858.00	↓	-0.9%	1877.00	↓	-0.6%	1871.00	↓	-39.6%	3077.00
YMAZ Dec 17	1933.00	10.00	↑	0.5%	1923.00	↑	0.2%	1930.00	↑	0.5%	1923.00	↓	-46.7%	3630.00
SOY Spot	4425.00	-77.00	↓	-1.7%	4502.00	↓	-1.9%	4510.00	↑	0.1%	4419.00	↓	-42.7%	7720.00
SOY Sept 17	4530.00	-48.00	↓	-1.0%	4578.00	↓	-0.5%	4553.00	↑	1.3%	4472.00	↓	-41.3%	7720.00
SUN Spot	4420.00	10.00	↑	0.2%	4410.00	↓	-1.9%	4505.00	↓	-4.5%	4630.00	↓	-33.3%	6630.00
SUN Sept 17	4560.00	-1.00	↓	0.0%	4561.00	↑	0.0%	4559.00	↓	-2.6%	4680.00	↓	-31.2%	6630.00
WHEAT Spot	4180.00	36.00	↑	0.9%	4144.00	↓	-6.5%	4471.00	↓	-5.0%	4400.00	↓	-12.8%	4791.00
WHEAT Dec 17	3860.00	-57.00	↓	-1.5%	3917.00	↓	-8.1%	4198.00	↓	-7.9%	4191.00	↓	-19.6%	4801.00
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS														
<p>Market Overview: The rand retracted some of its gains on Tuesday following the latest employment data released by Stats SA. Stats SA's quarterly employment figures indicate that jobs fell by 48 000 in the first quarter of 2017 which further shows a stagnant growth in the local economy. The rand weakened 0.8% currently trading at around R12.98 to the dollar. On the commodities front, gold price held steady gains supported by a weaker dollar following Janet Yellen's speech on the outlook of the US monetary policy. Brent crude oil showed some gains on Tuesday, mainly supported by US government data forecast to show that crude stockpiles have extended declines from the record high previously reported. Brent crude oil global stocks still remain a concern as prices are still relatively low. At the time of writing, Brent crude oil was trading at around US\$46.66 per barrel.</p> <p>Maize: US maize prices ended the day higher for the second session following USDA's crop ratings report that left the crop ratings unchanged at 67% good/excellent, which is less than last year's rating of 75% good/excellent, as such, the US maize is developing a little behind the 5 year average. Crop conditions are expected to improve as beneficial rain is forecast through early July, with temperatures expected to rise in the second week of July but that is not yet a concern for the traders. Elsewhere, temperatures seem to be moderating from the recent heatwave in Europe, particularly France and Germany and the recent heat wave has affected yield estimates in those area. Attention still remains on the weather as it progresses this week. Local: South African maize prices ended the day mixed. White maize spot ended the day slightly higher, while the yellow maize settled lower for the day. The September and December contract managed to inch higher, with modest gains. In the weekly import and export figures reported by SAGIS; white and yellow maize exports amounted to 44 835 and 42 085 tons. The total exports of maize for the season this far is 310 791 ton.</p> <p>Soybeans: The US soybean market closed higher for the third consecutive day, but still remains under some key moving averages and well below the levels of a week ago. The market had a bit of mixed emotions in the soybean markets with the lower crop rating that provided some support to the market while the wet forecast for this week and next week limited the gains in the market. Currently the crop ratings and production conditions will be the main focus in the international soybean market. Weather conditions will also be watched closely by traders in the USA as this will have a large influence on the crop ratings and production conditions. The market participants will also watch the planting report by the USDA which are due on Friday. The expectations in the market are that the area planted may be revised slightly higher than what is currently estimated by the USDA. Local: The local soybean market traded mostly lower yesterday and closed strongly lower for the day. The latest monthly SAGIS figures reports the soybean crushing for May to be 90 900 ton. This is well above the 3 and 5 year average crushing of soybean during May and the pace of the crushing is starting to increase from March month.</p> <p>Wheat: The US wheat markets traded higher with the spring wheat market that peaked close to an 3 year high after the USDA has lowered the crop ratings again. The winter wheat markets also closed higher yesterday, but the gains in these prices were not as much as those that were seen in the spring wheat market. The USDA has kept the winter wheat ratings unchanged from last week and the harvesting are progressing well. A wide range of yields are reported in the US HRW wheat as there were some weather related issues in the wheat production regions throughout the production season. In the EU weather forecasts shows that the heat is moderating in Western Europe which will be more favourable. Hot weather last week raised some concerns of the wheat production in France and Spain, while the production in Germany were reported to be more favourable. The overall crop conditions (both in USA and EU) will be watched by traders in the international wheat markets. Local: The local wheat market lost some serious ground since the new tariff formula was announced last week Thursday. The market traded initially strongly negative yesterday, but found some support as the day progressed. The July price closed the day higher while the further months closed lower but not as much as the previous days and as much as it traded lower early during the day. The trading activity in the wheat market much higher than what was seen lately and therefore there are more liquidity in the market. The latest SAGIS import and export report released yesterday showed wheat imports for the week of 25 905 tons. The total imports for the season this far is 581 147 ton. There are still a few factors that will be watched closely in the South African wheat market and the production conditions in the Western Cape as well as the local stock levels will be watched. Ultimately the market prices will react mostly to supply and demand.</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>														
