

## Grain SA's Morning Grain Market Commentary

Grain SA GRAIN SA GRAIN SA	DATE	DATE		+ - WEEK AGO		+ - MONTH AGO		+ - YEAR AGO		
	2016/04/29	2016/04/28		2016/04/19		2016/03/29		2015/04/28		
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	
DJIA-index	17831	-210.79 ↓	-1.2%	18042 ↓	-1.2%	18054 ↑	1.1%	17633 ↓	-1.5%	18110
Goud (Spot)	1276.09	27.41 ↑	2.2%	1248.68 ↑	2.0%	1251.13 ↑	3.2%	1236.15 ↑	5.5%	1209.88
Brent \$/vat	47.76	0.87 ↑	1.9%	46.89 ↑	10.8%	43.09 ↑	19.3%	40.03 ↓	-26.0%	64.53
1 €: ? US\$	1.1395	0.004 ↓	0.3%	1.1357 ↓	0.3%	1.1359 ↑	1.3%	1.1254 ↑	4.8%	1.0876
1 US\$: ? ZAR	14.26	-0.160 ↓	-1.1%	14.42 ↓	-0.6%	14.35 ↓	-6.2%	15.20 ↑	20.3%	11.85
Corn	R 2 169.56	5 ↑	0.2%	R 2 164.17	*CBOT Corn May cents / bushel 08:00 today vs. CBOT Corn May 12:00 the previous day					
Wheat	R 2 474.20	-46 ↓	-1.8%	R 2 520.59	*CBOT Wheat May cents / bushel 08:00 today vs. CBOT Wheat May 12:00 the previous day					
Soybeans	R 5 305.97	-68 ↓	-1.3%	R 5 373.63	*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 16	386.50	5.25 ↑	1.4%	381.25 ↑	0.5%	384.50 ↑	3.6%	373.00 ↓	-3.7%	401.50
Wheat May 16	472.25	-3.50 ↓	-0.7%	475.75 ↓	-2.9%	486.25 ↓	-0.9%	476.75 ↓	-11.1%	531.00
Soybeans May 16	1012.75	-1.50 ↓	-0.1%	1014.25 ↑	2.8%	985.50 ↑	10.6%	916.00 ↑	4.9%	965.25
Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / tonne)										
SORGHUM Jul 16	3650.00	0.00 ↑	0.0%	3650.00 ↑	0.0%	3650 ↑	0.0%	3650 ↑	43.4%	2545
WMAZ Spot	4449.00	-5.00 ↓	-0.1%	4454.00 ↑	1.2%	4395 ↓	-8.3%	4850 ↑	67.2%	2661
WMAZ Jul 16	4514.00	5.00 ↑	0.1%	4509.00 ↑	1.6%	4443 ↓	-7.4%	4875 ↑	82.8%	2470
YMAZ Spot	3140.00	-24.00 ↓	-0.8%	3164.00 ↑	0.3%	3132 ↓	-3.8%	3265 ↓	30.7%	2403
YMAZ Jul 16	3205.00	-19.00 ↓	-0.6%	3224.00 ↑	0.6%	3187 ↓	-1.6%	3257 ↓	35.6%	2363
SOY Spot	6160.00	3.00 ↑	0.0%	6157.00 ↑	3.2%	5971 ↑	2.8%	5995 ↓	30.6%	4718
SOY Jul 16	6242.00	7.00 ↑	0.1%	6235.00 ↑	2.9%	6065 ↑	2.8%	6070 ↓	30.5%	4784
SUN Spot	6300.00	-10.00 ↓	-0.2%	6310.00 ↓	-2.1%	6435 ↓	-9.4%	6950 ↓	29.8%	4852
SUN Jul 16	6285.00	10.00 ↑	0.2%	6275.00 ↓	-0.8%	6335 ↓	-5.8%	6675 ↑	27.0%	4950
WHEAT Spot	4647.00	17.00 ↑	0.4%	4630.00 ↑	1.8%	4565 ↑	0.5%	4625 ↑	22.9%	3782
WHEAT Dec16	4464.00	14.00 ↑	0.3%	4450.00 ↑	0.9%	4425 ↓	-1.1%	4515 ↑	18.0%	3784

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

**Viewpoint in Domestic Market:** Yesterday's trade session was fairly quiet, with the ZAR/USD still remaining the key driver of the domestic grains and oilseeds market. The recent strengthening of the currency continues to add downward pressure on prices. Yesterday before the start of the trading session, the ZAR/USD was 0.1% stronger than the previous day's level. At the closing time of the session, the currency had further strengthened by 0.4%. This morning, the Rand was 1.1% stronger than the levels seen at midday yesterday – at the time of writing the currency traded at R14.26. **Weather:** The weather forecasts this morning still show clear skies across the country, with the exception of some areas in the southern Cape, which could potentially get some light showers in the next eight days. If that materialises, it could be beneficial as producers in the area are entering the planting season.

**MAIZE: Domestic perspective** – In yesterday's trade session maize prices lost some gains from the previous day's session, owing to the stronger Rand. This was with the exception of white maize July 16 contract month price, which was up by R5/ton and closed at R4514/ton. White maize Spot price was down by R5/ton and closed at R4449/ton. Yellow maize Spot and July 16 contract month prices were respectively down by R24/ton and R19/ton and closed at R3140/ton and R3205/ton. **International perspective** – Chicago maize prices were higher this morning following the release of US weekly maize export data. The data indicated that US weekly maize export sales reached 2.6 million tons, well above market expectations of 1 million tons and the highest rate in the past four years. On the bearish side, the *International Grains Council (IGC)*, in their monthly report, indicated that 2016/17 global maize production could reach 998 million tons, up by 2.6% from the previous season and the third largest crop ever.

**WHEAT: Domestic perspective** – Wheat prices saw some gains on Tuesday's trade session, owing to higher parity prices. Wheat Spot and December 16 contract month prices were up by R17/ton and R14/ton, and closed at R4647/ton and R4464/ton, respectively. **International perspective** – Chicago wheat prices were down this morning, with downward pressure emanating from the *IGC* report. The report indicated that 2016/17 global wheat production could reach 717 million tons, which is 4 million tons higher than the previous estimate. Production increase is mainly forecasted in Canada (+7%/y), Australia (+3%/y), Argentina (+29%/y) and India (+4%/y). In the US, the weekly wheat export sales came out at 806 600 tons, at the higher end of market expectations.

**SOYBEANS: Domestic perspective** – In yesterday's trade session soybean prices saw some gains due to higher parity prices. The Spot and July 16 contract month prices respectively up by R3/ton and R7/ton and closed at R6160/ton and R6242/ton. **International perspective** – International soybean prices were down this morning as the weather in Argentina seems to be improving. On the bullish side, the US weekly soybean export sales data was reported at 946 400 tons, well above market expectations. Moreover, the *IGC*, in their monthly report indicated that 2016/17 global soybean production could reach 319 million tons; this was lower than last month estimate of 320 million tons.

**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:** *USDA's Crop Progress Report: 02/05/2016*

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