


Grain SA's Oilseed Market Commentary

	DATE	DATE			+ - WEEK AGO		+ - MONTH AGO		+ - YEAR AGO	
	2017/12/11	2017/12/08			2017/12/04		2017/11/13		2016/12/12	
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	Data
Brent (\$/b)	63.34	0.69	1.1%	62.65	-0.6%	63.74	-0.5%	63.68	13.9%	55.63
US\$: ? ZAR	13.64	0.01	0.1%	13.63	-0.9%	13.77	-5.3%	14.40	0.1%	13.63
Corn	R 1 825.73	6.70	0.4%	R 1 819.02	* CBOT Dec cents / bushel + -08 : 00 today vs CBOT Corn Dec + -12 : 00 the previous day					
Wheat	R 1 964.64	-28.61	-1.4%	R 1 993.25	*CBOT Dec cents / bushel + -08:00 today vs. CBOT Wheat Dec + -12 : 00 the previous day					
Soybean	R 4 956.71	-61.47	-1.2%	R 5 018.18	* CBOT Nov cents / bushel + -08 : 00 today vs. CBOT Soy Nov + -12 : 00 the previous day					
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Corn Dec '17	340.00	1.00	0.3%	339.00	-1%	344.00	-1%	343.00	-13%	389.25
Wheat Dec '17	392.00	-6.00	-1.5%	398.00	-5%	414.00	-9%	431.00	-17%	470.25
Soybean Jan '18	989.00	-13.00	-1.3%	1002.00	-1%	994.00	1%	977.00	-3%	1023.00
Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / tonne)										
SORGHUM Dec '17	2850.00	0	0.0%	2850	8.8%	2620	8.8%	2620	274%	762
WMAZ SPOT	1900.00	18	1.0%	1882	1.1%	1879	-6.2%	2025	438%	353
WMAZ Jul '18	2043.00	-4	-0.2%	2047	0.0%	2043	-5.9%	2172	384%	422
YMAZ SPOT	1992.00	7	0.4%	1985	0.2%	1988	-5.9%	2117	59%	1250
YMAZ Jul '18	2117.00	-2	-0.1%	2119	-0.5%	2128	-5.5%	2241	179%	760
SOY 50 SPOT	4965.00	123	2.5%	4842	2.4%	4847	-1.1%	5022	553%	760
SOY May '18	5099.00	58	1.2%	5041	1.3%	5034	-2.2%	5216	1286%	368
SUN SPOT	4580.00	122	2.7%	4458	4.1%	4401	-3.5%	4746	968%	429
SUN May '18	4677.00	55	1.2%	4622	2.5%	4562	-5.2%	4936	244%	1360
WHEAT Dec '17	3997.00	-95	-2.3%	4092	-2.0%	4080	-4.7%	4196	2%	3920
WHEAT Mar '17	4109.00	-98	-2.3%	4207	-2.1%	4196	-2.7%	4221	2%	4034
OILSEED (US\$/ton)	2017/12/08	Source: Oilworld			2017/12/01	May 2017		June 2015		
Soya-oil, Arg.	762				-2%	774	-1%	769	13%	676
Soya-pell, Arg.	353				4%	338	4%	339	-4%	368
Soybean, Brazil	422				0%	420	3%	410	3%	410
USA Runner 40/50	1250				0%	1250	-22%	1600	-4%	1300
Sun-oil, Arg.	760				-1%	765	1%	755	-5%	800
Sun-oil, Black Sea	760				0%	762	1%	750	1%	750
Sunseed, Black Sea	368				0%	368	-8%	400	-10%	409
Rapeseed, EU cif	429				-3%	440	1%	425	8%	399
Palmk oil Mal, EU	1360				-3%	1405	-7%	1470	31%	1037
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS										
<p>Soybeans: The soybean meal prices in Argentina has increased significantly during the past three weeks and reached a 9 month high excee ding the high's that were seen in the market around 2 years ago. The soybean meal prices were supported by the rising concerns about the soybean production and crushing in Argentina as the country is the largest exporter of soybean meal. The concerns about the crop is still premature and the extend of the damage caused by the dry conditions still cannot be projected accurately. The next two weeks will still be critical and although dry conditions are expected if good rain occur the production could still be fairly good but it won't be optimal as there are already around 5 million hectares planted with shorter growing varieties which has a lower yield potential. Despite the concerns in the South American production regions there are still large stock levels available in Brazil and Argentina from the previous season's record production. The US also have large soybean stocks available due to the two consecutive bumper soybean crops that were produced there and therefore the damage in the South American production have to be substantial before the world soybean market becomes really tight in terms of stock levels. The international soybean prices did post some gains lately due to the abovementioned factors and the market are likely to be very volatile in the next few weeks as the South American markets will be watched for more certainty in the production prospects. Local: The local soybean market traded mixed last week as the market traded slightly lower early in the week but found support towards the end of the week to close higher on Friday than the levels the market opened on Monday.</p> <p>Sunflower seed: The world sunflower seed production estimate for the season was revised downwards to 48.5 million tons which is 1.5 million t ons lower than the record production that were recorded last season. The main reason for the lower estimated world production is the lower expected production in Russia where 17% of the crop still needs to be harvested comparing to the 5% of the same time last year of the season. The conditions of the crop that still needs to be harvested in also reported to be poor to very poor implying lower yields. The reported yields in Russia this far declined by 4% and the expectations are that the yields may decline further as the harvesting progressed. In contrast with the Russian production the EU sunflower seed production was revised upwards for the season mainly due to good production in Spain. The export demand for EU sunflower seed has however fall short of the expectations mainly because of a lack of sales. The lower export sales has placed some pressure on the sunflower seed prices in the Black Sea regions as the world crushing for the season are expected to be lower than the levels that were crushed last year. Local: The local sunflower seed market found some support last week and traded mostly higher to close higher on Friday than the levels that were seen Monday. The local market showed some large volatilities recently with large prices movements that were seen in the market in both directions. The weather conditions will be watched especially in the more western parts of the country. The timing of sufficient rainfall will be a key factor determining the amount of sunflower seeds to be planted in the western parts of the country.</p> <p>Canola: The record Canadian production and the better than expected harvest results in Australia have sharply raised the world supplies of rapeseed and canola which placed the international prices under pressure. The canola and rapeseed imports to the EU has exceeded the expectations and reached a new high of 1.8 million ton in July to November 2017. Local: The local canola harvesting is mostly done in the Western Cape and a wide range of yields were reported from the various production areas.</p> <p>Groundnuts: Ample world supplies of groundnuts has brought the prices of groundnuts and groundnut products under pressure in the recent f ew months. The world production of groundnuts has increase by 8% in 2016/17 season and another increase of 3% is expected for the 2017/18 season. The international export supplies of groundnuts are expected to increase significantly in the 2017/18 season under the lead of the USA. The exports from India are also expected to remain relatively high given the surprisingly high yields achieved there.</p> <p>Local: Locally the plantings of groundnuts has progressed well this far and the groundnuts that has already been planted is reported to be looking good in some areas. The weather conditions for the season will however be watched closely as the season progresses.</p>										
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