

Grain SA's Oilseed Market Commentary

GRAIN SA GRAIN SA	DATE	DATE		+ - WEEK AGO		+ - MONTH AGO		+ - YEAR AGO		
	2018/06/11	2018/06/08		2018/06/04		2018/05/14		2017/06/12		
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	Data
Brent (\$/b)	76.33	-1.11	-1.4%	77.44	-0.2%	76.47	-0.5%	76.71	57.4%	48.49
US\$: ? ZAR	13.01	-0.170	-1.3%	13.18	3.0%	12.63	6.2%	12.25	1.7%	12.79
Corn	R 1 933.98	-18.01	-0.9%	R 1 951.98	* CBOT Jul cents / bushel + -08 : 00 today vs CBOT Corn Jul + -12 : 00 the previous day					
Wheat	R 2 485.79	-64.44	-2.5%	R 2 550.23	* CBOT Jul cents / bushel + -08:00 today vs. CBOT Wheat Jul + -12 : 00 the previous day					
Soybean	R 4 633.12	-84.75	-1.8%	R 4 717.88	* CBOT Jul cents / bushel + -08 : 00 today vs. CBOT Soy Jul + -12 : 00 the previous day					
356										
Corn Jul '18	377.60	1.40	0.4%	376.20	-5%	396.00	396.00	396.50	-9%	415.50
Wheat Jul '18	520.00	-6.60	-1.3%	526.60	0%	522.00	522.00	491.00	2%	509.00
Soybean Jul '18	969.20	-5.00	-0.5%	974.20	-5%	1021.40	1021.40	1013.00	1%	962.00
Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / tonne)										
SORGHUM Jul '18	3070.00	0	0.0%	3070.00	2.0%	3010.00	-1.1%	3103.00		NA
WMAZ SPOT	2084.00	12	0.6%	2072.00	-1.8%	2123.00	1.9%	2046.00	19%	1753
WMAZ Jul '18	2094.00	16	0.8%	2078.00	-2.1%	2139.00	0.9%	2076.00	3%	2041
YMAZ SPOT	2177.00	13	0.6%	2164.00	-1.8%	2217.00	1.4%	2147.00	16%	1880
YMAZ Jul '18	2204.00	15	0.7%	2189.00	-2.0%	2248.00	1.1%	2181.00	3%	2150
SOY 50 SPOT	4427.00	5	0.1%	4422.00	-1.3%	4486.00	-0.8%	4461.00	-2%	4531
SOY Jul '18	4478.00	8	0.2%	4470.00	-1.5%	4545.00	-1.2%	4534.00	-2%	4571
SUN SPOT	4656.00	53	1.2%	4603.00	0.9%	4615.00	2.1%	4562.00	3%	4517
SUN Jul '18	4683.00	53	1.1%	4630.00	0.3%	4670.00	0.6%	4655.00	2%	4573
WHEAT Spot	3848.00	28	0.7%	3820.00	1.1%	3808.00	-1.0%	3887.00	-15%	4516
WHEAT Jul '18	3909.00	38	1.0%	3871.00	0.9%	3875.00	-0.7%	3935.00	-13%	4486
OILSEED (US\$/ton)	2018/06/08	Source: Oilworld			2018/06/01		2017/11/13		2016/12/12	
Soya-oil, Arg.	680	-	-1%	690	-12%	769	1%	676		
Soya-pell, Arg.	398	-	-5%	417	17%	339	8%	368		
Soybean, Brazil	425	-	-2%	434	4%	410	4%	410		
USA Runner 40/50	1360	-	-1%	1380	-15%	1600	5%	1300		
Sun-oil, Arg.	720	-	-1%	730	-5%	755	-10%	800		
Sun-oil, Black Sea	735	-	-2%	750	-2%	750	-2%	750		
Sunseed, Black Sea	390	-	-1%	393	-3%	400	-5%	409		
Rapeseed, EU cif	414	-	0%	415	-3%	425	4%	399		
Palmk oil Mal, EU	840	-	-4%	875	-43%	1470	-19%	1037		
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS										
<p>Soybeans: The US soybean market was mostly under pressure last week and traded lower for the week mainly due to the favourable production conditions in the US and further concerns about trade disputes between the US and China. US exports to China have fallen sharply in recent months, and China imports mainly soybeans from Brazil. This trend should continue until at least September before the Brazilian market can no longer meet their needs and then they will have to re-enter American soybeans. During May, soybean exports from the 5 largest exporting countries increased by about 1.7 million tons from a year ago. The lower soybean stocks in Argentina, Uruguay and Paraguay increase the dependence of Brazilian and American soybeans to meet the world's demand in the coming months. Brazilian soybean exports reached a new record in May despite the truck strike that took place at the end of the month, mainly due to the large amount of exports shipped to China. In the USA, the processing of soybeans showed strong growth in the first 4 months of 2018, which is a good indication of the increase in world demand for soybean meal. The lower soybean production in Argentina, which is the largest exporter of soybean meal, has reduced soybean meal production, which shifted the world dependence on importing more from other countries. Local: The local soybean market traded mostly mixed last week but closed lower for the week on Friday as it opened on Monday. Last week was a difficult week for the exchange rate and it was very volatile that had an impact on the local grain and oilseeds prices.</p> <p>Sunflower seed: The expectation in Ukraine is that the sunflower seed plantings will be prioritized for the next season rather than soybeans, as the possibility of lower farm gate prices due to changes in VAT refunds of soybean exports. This will cause more sunflowers to be planted in Ukraine, which is currently a large sunflower seed producing country. The sunflower meal and oil exports from Ukraine dropped during May, month on month and year on year, after being close to record levels in April. The major exports during April lowered inventory levels, which led to lower exports during May. Local: The local sunflower seed market also traded mixed last week, but mainly found support during the week to close higher Friday than it opened on Monday.</p> <p>Canola: The canola oil and oilcake exports from Canada reached a new peak in April, mainly due to the strong demand for these products in China. There was also a greater demand in China for canola seeds, which was mainly shipped from Canada, which also significantly increased canola exports, which was higher than average expectations in the market. The canola exports from Australia also reached a 12 month high with most of the canola shipped to the EU, UAE, and Japan. Local: The canola plantings in the Western Cape are mostly completed and the producers hope for good rain this season, which will be essential for production this season.</p> <p>Groundnuts: In the USA large stockpile stocks are available with the expectations that there will be a lot of carry-over stocks from the 2017 season. The new season plantings in the USA were reported at 83% last week, while production conditions were estimated at 59% good to excellent. The demand of local soybean processors in the US is still not high and the old season stocks move slowly. In Argentina, production conditions are difficult which will have a negative impact on the quality of the season's production, although quality problems cannot be determined at this time of the season. Local: Locally it was also a difficult season for peanut production, and production for the season is much lower than that was initially expected. There are also a lot of quality problems this season with local the production.</p>										
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