

Grain SA's Oilseed Market Commentary

Grain SA GRAIN SA	DATE	DATE		+ - WEEK AGO		+ - MONTH AGO		+ - YEAR AGO		
	2017/11/20	2017/11/17		2017/11/13		2017/10/23		2016/11/21		
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	
Brent (\$/b)	62.30	-0.35	-0.6%	62.65	-2.2%	63.68	7.6%	57.92	26.0%	49.43
US\$: ? ZAR	14.03	0.000	0.0%	14.03	-2.6%	14.40	5.6%	13.29	-1.2%	14.20
Corn	R 1 905.54	11.05	0.6%	R 1 894.50	* CBOT Dec cents / bushel + -08 : 00 today vs CBOT Corn Dec + -12 : 00 the previous day					
Wheat	R 2 175.47	-27.06	-1.2%	R 2 202.53	* CBOT Dec cents / bushel + -08:00 today vs. CBOT Wheat Dec + -12 : 00 the previous day					
Soybean	R 5 103.59	-2.58	-0.1%	R 5 106.17	* CBOT Nov cents / bushel + -08 : 00 today vs. CBOT Soy Nov + -12 : 00 the previous day					
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Corn Dec '17	345.00	2.00	0.6%	343.00	1%	343.00	0%	344.00	-11%	386.00
Wheat Dec '17	422.00	-5.25	-1.2%	427.25	-2%	431.00	-1%	426.00	-13%	487.75
Soybean Jan '18	990.00	-0.50	-0.1%	990.50	1%	977.00	1%	978.00	-2%	1009.75
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	2620	0	0.0%	2620	0.0%	2620	4.8%	2500	-27%	3570
WMAZ SPOT	2012	30	1.5%	1982	-0.6%	2025	5.6%	1905	-49%	3952
WMAZ Jul '18	2176	42	2.0%	2134	0.2%	2172	4.9%	2075	-15%	2557
YMAZ SPOT	2110	21	1.0%	2089	-0.3%	2117	5.8%	1995	-35%	3255
YMAZ Jul '18	2233	24	1.1%	2209	-0.4%	2241	4.3%	2140	-9%	2453
SOY 50 SPOT	5087	17	0.3%	5070	1.3%	5022	5.7%	4813	-23%	6599
SOY May '18	5286	43	0.8%	5243	1.3%	5216	6.0%	4989	-14%	6175
SUN SPOT	4825	39	0.8%	4786	1.7%	4746	6.0%	4550	-20%	5999
SUN May '18	4989	29	0.6%	4960	1.1%	4936	6.1%	4700	-16%	5919
WHEAT SPOT	4170	0	0.0%	4170	-0.6%	4196	-0.7%	4200	5%	3959
WHEAT Dec '17	4180	-12	-0.3%	4192	-1.0%	4221	0.2%	4171	5%	3965
OILSEED (US\$/ton)	2017/11/17	Source: Oilworld			2017/11/10	May 2017	June 2015			
Soya-oil, Arg.	784				-2%	796	2%	769	16%	676
Soya-pell, Arg.	319				1%	315	-6%	339	-13%	368
Soybean, Brazil	414				-2%	423	1%	410	1%	410
USA Runner 40/50	1250				0%	1250	-22%	1600	-4%	1300
Sun-oil, Arg.	765				0%	765	1%	755	-4%	800
Sun-oil, Black Sea	762				0%	762	2%	750	2%	750
Sunseed, Black Sea	373				0%	373	-7%	400	-9%	409
Rapeseed, EU cif	443				0%	443	4%	425	11%	399
Palmk oil Mal, EU	1455				3%	1410	-1%	1470	40%	1037

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

Soybeans: The soybean production prospects in Brazil has improved lately with the weather conditions that has turned more favourable. The production there is estimated to be around 107 million ton for the season which is still fairly high although it is well below the record production of 114 million ton which was produced last season. In Argentina the weather conditions has also improved lately but the pace of the plantings is still well behind the pace of the plantings that was seen last season. The US soybean production for the season is also reported to reach a new record level which contributes to the high world stock levels. The Chinese imports of soybeans is likely to decline early in 2018 with large quantities of soybean imports which is due for December and would lead to the accumulation of stocks. The Chinese production for the season is also expected to be higher for the season. With the harvesting in the US that is nearing completion the main focus in the market will shift towards the South American markets. **Local:** The latest monthly SAGIS report will be released on Friday which will give good insight in the current stock levels in the country and the pace of the local processing. The local weather conditions will also be watched in the summer rainfall areas where the soybeans is produced.

Sunflower seed: The world production of sunflower seed for the 2017/18 marketing season are likely to be higher than what was expected currently and will only be marginally lower than the record world crop which was produced last season. The production in the CIS country are likely to be lower than the previous estimates with the average yields in Ukraine which was mostly significantly lower than the yields of a year ago. The yields in Russia is only 2 – 3% lower than last season's record yields, but the harvesting is running behind the average pace and therefore there are a larger risk of reduced yields towards the end of the season. In the EU the production for the season are expected to be higher which will reduce the EU's sunflower meal import demand. **Local:** The local sunflower seed prices traded mostly lower last week to end the week slightly lower than the levels it opened on Monday. The weather conditions will also be watched for the sunflower seed plantings although it is still early in the season in most of the sunflower seed producing areas.

Canola: Better than expected production of canola and rapeseed in the CIS countries will offset the losses that were seen in the EU for the season. The key uncertainties in the international canola production for the season remains however on the actual size of the Australian and Canadian crop. **Local:** The harvesting of canola in the Western Cape has progressed good this far in the season. The latest monthly SAGIS data will be released on Friday which will indicate the amount of canola which is delivered this far. The next crop estimates for winter grain will be released next week.

Groundnuts: The international groundnut and groundnut products prices were under pressure this far in the season mostly due to ample world supplies of groundnuts as the US has an record crop of around 2.6 million tons. The world groundnut production has increased by 8% during the previous season and are expected to rise by another 3% in the current season. The world exports of groundnuts has stagnated on the high level of 2.69 million ton and the declines in the Argentinian and US groundnuts exports were offset by higher exports from China and India. **Local:** Locally it is expected that more groundnuts are likely to be planted this season than last season and the plantings of groundnuts is under way in many areas of the country. The weather conditions will be critical for the groundnuts which is already planted and the unexpected cold fronts that were seen lately could cause some crop problems.

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