


Grain SA's Morning Grain Market Commentary

	DATE	DATE				+ - LAST WEEK				+ - LAST MONTH				+ - LAST YEAR			
	2017/07/05	2017/07/04				2017/06/26				2017/06/05				2016/07/04			
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	Data			
DJIA-index	21479	0.00	0.0%	21479	0.4%	21397	1.4%	21184	1.7%	17949							
Goud (Spot)	1225.30	0.51	0.0%	1224.79	-0.2%	1252.52	-0.6%	1284.65	-0.8%	1343.58							
Brent \$/vat	49.34	0.16	0.3%	49.18	0.4%	45.93	-0.6%	50.65	-0.4%	49.55							
1 € / US\$	1.1351	0.000	0.0%	1.1353	0.6%	1.1167	0.7%	1.1273	2.0%	1.1127							
1 US\$ / ZAR	13.17	-0.040	-0.3%	13.21	0.7%	12.95	3.7%	12.70	-19.2%	14.66							
Corn	R 1 959.84	-88	-4.3%	R 2 047.98	*CBOT Corn Jul cents / bushel 08:00 today vs. CBOT Corn Jul 12:00 the previous day												
Wheat	R 2 593.78	-100	-3.7%	R 2 693.88	* CBOT Wheat Jul cents / bushel 08:00 today vs. CBOT Wheat Jul 12:00 the previous day												
Soybeans	R 4 664.94	-92	-1.9%	R 4 756.77	* 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 Jul 17	378.00	-17.00	-4.3%	395.00	5%	359.00	-7%	407.75	-2%	385.75							
Wheat Jul 17	536.00	-19.00	-3.4%	555.00	19%	450.00	9%	493.25	10%	488.50							
Soybeans Jul 17	964.00	-16.00	-1.6%	980.00	6%	906.75	2%	947.50	10%	1075.00							
Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / tonne)																	
SORGHUM Jul '17	2700.00	0.00	0.0%	2700.00	0.0%	2700.00	-6%	2800.00	-15.6%	3200.00							
WMAZ Spot	1786.00	-19.00	-1.1%	1805.00	6%	1691.00	4.6%	1707.00	-5.9%	4455.00							
WMAZ Sept 17	1834.00	-28.00	-1.5%	1862.00	6%	1746.00	2.8%	1784.00	-5.6%	4544.00							
WMAZ Dec 17	1901.00	-24.00	-1.2%	1925.00	3%	1805.00	2.4%	1857.00	-5.5%	4577.00							
YMAZ Spot	1905.00	-20.00	-1.0%	1925.00	0%	1814.00	3.7%	1837.00	-2.6%	3320.00							
YMAZ Sept 17	1958.00	-25.00	-1.3%	1983.00	4%	1858.00	2.4%	1912.00	-2.1%	3382.00							
YMAZ Dec 17	2027.00	-17.00	-0.8%	2044.00	4%	1923.00	2.3%	1982.00	-4.8%	3424.00							
SOY Spot	4578.00	-33.00	-0.7%	4611.00	7%	4502.00	1.9%	4494.00	-4.4%	7680.00							
SOY Sept 17	4687.00	42.00	0.9%	4645.00	4%	4578.00	1.0%	4642.00	-3.7%	7775.00							
SUN Spot	4596.00	-25.00	-0.5%	4621.00	4%	4410.00	2.3%	4494.00	-2.1%	6394.00							
SUN Sept 17	4748.00	-24.00	-0.5%	4772.00	4%	4561.00	1.5%	4677.00	-2.4%	6539.00							
WHEAT Spot	4323.00	51.00	1.2%	4272.00	4%	4144.00	2.2%	4420.00	-2.2%	4610.00							
WHEAT Dec 17	3766.00	-8.00	-0.2%	3774.00	9%	3917.00	9.6%	4165.00	-18.8%	4640.00							
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS																	
<p>Market overview: The rand trades at R13.18/\$ this morning 3 cents stronger than the R13.21/\$ it traded on yesterday with market closing. The rand dropped earlier the week mainly due to international factors which influenced the dollar as well as the Euro. This week is a quite week with few local economic data to be released. The new vehicle sales figures released in Monday indicated a year on year increase in the new vehicle sales for May. The market will also keep an eye on the conclusion of the ANC's policy meeting to see whether there are any new ideas from this meeting. The local economy remain under pressure as which is mainly due to the uncertainties in the country. This uncertain situations place the business confidence under pressure which halt the new developments in various sectors of the country which are negative for economic growth outlooks and job creation. South Africa currently has large unemployment rates amongst the youth and job creation will be critical, but in order to achieve that economic growth must be stimulated. The current situation with the local credit rating at junk status make this difficult due to several factors such as more expensive capital for the fiscal budget as well as uncertainty in the private sector. '</p> <p>Maize: The US market were closed yesterday due to a public holiday and no trading took place yesterday. The maize market did however closed higher on Monday as there were support in the market due to concerns about possible weather problems during the pollination phase with hot and dry weather which is predicted for large parts of the country. The US crop progress report will be released later today by the USDA as it were postponed on Monday due to yesterday's public holiday. The crop progress will be watched by the traders as this will give an good indication of what happened to the crop from last week's report. The market is sensitive towards weather and crop conditions and recent gains were seen in the market. In China heavy rains caused floods over large parts of the country where grains is produced as well and although there are no clear indication of the exact damages to the crops it will be watched as this could have an impact on the Chinese imports as well. Local: The local maize market were mainly under pressure yesterday trading lower and closed the day lower for most of the contract months of both white and yellow maize. In the latest SAGIS weekly import and export report released yesterday the weekly exports of white maize were reported to be 44 556 ton for the week and the YM exports for the week are reported on 68 018 ton for the week. The total maize exports for the season this far is 428 779 ton. The local producer deliveries report will be released later today and the producer deliveries picked up the pace lately.</p> <p>Soybeans: US soybeans skyrocketed as traders pushed for position ahead of the holiday in the US as they observed Independence Day on July 4th. As at 30 June 2017, soybeans were trading at a six week high and recent gains were mainly supported by strong gains seen in the wheat market despite a bearish acreage report by USDA. Soybean planted area for 2017 is estimated at record high 89.5 million acres, which is 7% up from last year. In the export sales, Mexico has bought 120 650 tons of US soybean meal. In Brazil, farmers have sold about 58% of the projected soybean crop in the current season versus the 76% of the same time last year while the average for this time of the season of 74%. Farmers are keeping grains in hopes for better prices. Prices in Brazil came in under pressure at the back of a stronger Brazilian currency. Local: South African soybean prices settled mix, mainly lower an unchanged. The local soybean price still trades well below the derived price and the crushing margin is still positive.</p> <p>Wheat: US winter wheat markets have shown strong gains recently, with the spring wheat trading at its highest in 4 years. Spring wheat prices are trending higher at the back of unfavourable hot temperatures in the northern Plains where much rain is needed. The drought-like conditions in the spring wheat production areas helped spring wheat jump above the \$8 per bushel mark. Bullish USDA acreage report indicates that the 2017 winter wheat planted area is down 9% from last year, but global wheat stocks still remain plentiful. With a month away from spring wheat harvest, attention will remain strongly on how weather outlook turns out over the next few weeks. Local: In the domestic market, wheat markets ended the day mixed, with the earlier months showing off significant gains, while later months came in under pressure, settling the day slightly lower. Wheat spot price ended the day higher by 1.2% at R4 323, while the September and December price ended the day in the negative territory. In the weekly export sales reported by SAGIS, for the week ending 30 June 2017, 408 tons of wheat was exported, while 11 408 tons of wheat was imported from Germany. Total wheat imports for the 2016/17 season amount to 592 555 tons.</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>																	

