

Grain SA's Morning Grain Market Commentary

| Grain SA CITRAN SA | DATE | DATE | | + - LAST WEEK | | AT THE MONEY PUT OPTION | | | |
|--|------------|------------|----|---------------|----|----------------------------------|---------------|------------|-----------|
| | 2018/09/19 | 2018/09/18 | | 2018/09/10 | | JUL '19 FUTURES PRICE | | WM | YM |
| | Data | Δ | Δ% | Data | Δ% | Data | R | R | R |
| DJIA-index | 26247 | 184.84 | ↑ | 26062 | ↑ | 25917 | R 2 525.00 | R 2 521.00 | |
| Goud (Spot) | 1202.24 | 4.12 | ↑ | 1198.12 | ↑ | 1192.85 | R 2 520.00 | R 2 520.00 | |
| Brent \$/vat | 78.21 | 0.81 | ↑ | 77.4 | ↑ | 77.31 | R 225.36 | R 225.00 | |
| 1 € / US\$ | 1.1678 | 0.00 | ↑ | 1.1675 | ↑ | 1.1547 | | | |
| 1 US\$ / ZAR | 14.87 | -0.040 | ↓ | 14.91 | ↓ | 15.24 | | | |
| Corn | R 2 007.92 | -32 | ↓ | R 2 040.33 | ↓ | | | | |
| Wheat | R 2 792.00 | -5 | ↓ | R 2 797.32 | ↓ | | | | |
| Soybeans | R 4 436.60 | -57 | ↓ | R 4 493.46 | ↓ | | | | |
| *CBOT Corn Sep cents / bushel 08:00 today vs. CBOT Sep 12:00 the previous day | | | | | | | | | |
| *CBOT Wheat Sep cents / bushel 08:00 today vs. CBOT Wheat Sep 12:00 the previous day | | | | | | | | | |
| *CBOT Soy Sep cents / bushel 08:00 today vs. CBOT Soy Sep 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) | | | | | | WEEK NR. | MAIZE EXPORTS | | |
| Corn Dec 18 | 343.00 | -4.60 | ↓ | 347.60 | ↓ | 20 | WM | YM | TM |
| Wheat Dec 18 | 511.00 | 0.40 | ↑ | 510.60 | ↓ | | 4 623 | 3 767 | 8 390 |
| Soybeans Nov 18 | 812.00 | -8.20 | ↓ | 820.20 | ↓ | | 142 949 | 1 071 083 | 1 214 032 |
| Latest MTM prices (SPOT = nearest contract month (Rand / ton)) | | | | | | Daily parity prices delivered in | | | |
| Sorghum Mar '19 | 3600.00 | 0.00 | ↑ | 3600.00 | ↑ | 3970.00 | 2236.00 | | |
| WMAZ Spot | 2380.00 | -10.00 | ↓ | 2390.00 | ↓ | 4127.00 | 2005.00 | | |
| WMAZ Dec 18 | 2434.00 | -20.00 | ↓ | 2454.00 | ↓ | 3645.00 | 2150.00 | | |
| WMAZ Jul 19 | 2525.00 | -24.00 | ↓ | 2549.00 | ↓ | 3726.00 | 2229.00 | | |
| YMAZ Spot | 2409.00 | -14.00 | ↓ | 2423.00 | ↓ | 3645.00 | 2005.00 | | |
| YMAZ Dec 18 | 2479.00 | -17.00 | ↓ | 2496.00 | ↓ | 3645.00 | 2150.00 | | |
| YMAZ Jul 19 | 2521.00 | -21.00 | ↓ | 2542.00 | ↓ | 3726.00 | 2229.00 | | |
| SOY spot | 4538.00 | -61.00 | ↓ | 4599.00 | ↓ | 6654.00 | 4552.00 | | |
| SOY May 19 | 4850.00 | -52.00 | ↓ | 4902.00 | ↓ | 6990.00 | 4870.00 | | |
| SUN Spot 18 | 5155.00 | -31.00 | ↓ | 5186.00 | ↓ | 6659.00 | 5072.00 | | |
| SUN May 19 | 5127.00 | 0.00 | ↑ | 5127.00 | ↑ | 6990.00 | 4870.00 | | |
| WHEAT spot 18 | 4380.00 | -7.00 | ↓ | 4387.00 | ↓ | 4873.00 | 4553.00 | | |
| WHEAT Dec 18 | 4531.00 | -11.00 | ↓ | 4542.00 | ↓ | 5227.00 | 4907.00 | | |
| WHEAT Mar 19 | 4643.00 | -6.00 | ↓ | 4649.00 | ↓ | 5109.00 | 4790.00 | | |
| LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS | | | | | | WEEK TOTAL | | | |
| | | | | | | YTD TOTAL | | | |
| | | | | | | EXPORTABLE | | | |
| | | | | | | YTD AS % OF EXPORTABLE | | | |
| | | | | | | PACE/WEEK NEEDED | | | |
| | | | | | | MAIZE PRODUCER DELIVERIES | | | |
| | | | | | | WEEK TOTAL | | | |
| | | | | | | YTD TOTAL | | | |
| | | | | | | CEC FORECAST + ADJUSTMENT | | | |
| | | | | | | % OF HARVESTED DELIVERIES | | | |
| | | | | | | PACE/WEEK NEEDED | | | |
| | | | | | | WHEAT IMPORTS | | | |
| | | | | | | 2017/18 | | | |
| | | | | | | 2016/17 | | | |
| | | | | | | 5 Yr. AVG | | | |
| | | | | | | WEEK TOTAL | | | |
| | | | | | | YTD TOTAL | | | |
| | | | | | | TOTAL NEEDED | | | |
| | | | | | | YTD AS % OF NEEDED | | | |

Market overview: The rand is trading at R14.86 against the dollar this morning. The rand held on firmly yesterday as developments in the US-China trade war turned for the worst. The US announced that it would levy 10% tariffs on additional Chinese goods worth \$200 billion, which will come into effect next week; these are in addition to tariffs in place for China worth \$50 billion instated in June. Economists expect South Africa to move out of a recession in the third quarter; it is anticipated that GDP will grow by 1.5% in the third quarter and 0.7% for the year. Crude oil is trading at \$78.21/barrel this morning; yesterday the oil flirted with the \$80 mark during trade, this was due to the news that Saudi Arabia is comfortable with Brent above \$80/barrel, offsetting the concerns that have been building over US-China trade war.

Maize: US maize prices landed at contract lows for the second time this week, due to worries over the US-China trade war and harvest pressure. Informa Economics expects that there will be an increase in area planted for maize next year reaching 37.6million hectares, significantly higher than the current USDA forecast of 36 million hectares. Ukraine says that their maize production for 2018 could reach 30 million tons, with an exportable surplus of 22 million tons. **Local:** Local maize prices opened the day lower with the rand adding some pressure. December white maize contract opened the day at R2425 and traded to a low of R2422, before going to a high of 2439 towards the close of the session.

Soybeans: US soybean prices reached new contract lows on yesterday due to concerns regarding harvest progress and escalating US-China trade conflict. US Soybean harvest has reached 6%, which is 4% ahead of the 2017 pace and 6% ahead of the 5 year average according to USDA. Informa Economics predicts that there will be less area planted for soybean in 2018, moving it down to 33.2million hectares; this is significantly lower than the USDA forecast of 35.2million hectares. Planting progress for Brazil has reached 9% completion this week, compared to 1% the previous year; this is attributed to adequate soil moisture. **Local:** Local soybean prices opened the day lower yesterday. December soybean contract started the day at R4710, which was also the intraday high and traded to a low of R4660 before session close.

Wheat: US wheat prices gained back some of Monday's losses yesterday due to possible tightening of global supplies. Russia's agricultural ministry has lowered its estimates for 2018/19 wheat exports to 29.9 million tons; which is 14% lower than the previous year. Ukraine's wheat harvest for 2018 could reach 24 million tons. **Local:** Local wheat contracts opened the day lower with the market trading at a narrow range during yesterday's session. December wheat contracts started the day at R4530 and traded to a low of R4526 and then the market closed off in the lows.

Domestic Market Insights & Data: www.grainsa.co.za / www.sagis.co.za
International Market Insights & Data: www.usda.co.za

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