


Grain SA's Morning Grain Market Commentary

	DATE 2018/10/22	DATE 2018/10/19		DATE 2018/10/15		AT THE MONEY PUT OPTION			
	Data	Δ	Δ%	Data	Δ%	Data	WM	YM	
DJIA-index	25444	64.89	↑	25379	↓	25340	JUL '19 FUTURES PRICE	R 2 548.00	R 2 515.00
Goud (Spot)	1227.6	0.35	↑	1227.25	↓	1221.94	PUT STRIKE PRICE	R 2 540.00	R 2 520.00
Brent \$/vat	79.53	0.81	↑	78.72	↓	80.94	PUT PREMIUM	R 234.53	R 214.00
1 € / US\$	1.1534	0.01	↑	1.1467	↓	1.1554	MIN SAFEX PRICE	R 2 305.47	R 2 306.00
1 US\$ / ZAR	14.36	-0.020	↓	14.38	↓	14.51			
Corn	R 2 074.74	-23	↓	R 2 098.01	↓		* CBOT Corn Dec cents / bushel 08:00 today vs. CBOT Dec 12:00 the previous day		
Wheat	R 2 715.23	5	↑	R 2 710.56	↓		* CBOT Wheat Dec cents / bushel 08:00 today vs. CBOT Wheat Dec 12:00 the previous day		
Soybeans	R 4 519.76	-42	↓	R 4 561.99	↓		* CBOT Soy Nov cents / bushel 08:00 today vs. CBOT Soy Nov 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	367.00	-3.60	↓	370.60	↓	25	WM	YM	TM
Wheat Dec 18	514.60	1.60	↑	513.00	↓		WEEK TOTAL	4 419	25 570
Soybeans Nov 18	856.60	-6.80	↓	863.40	↓		YTD TOTAL	169 837	1 263 099
Latest MTM prices (SPOT = nearest contract month (Rand / ton))							EXPORTABLE	1 550 000	2 455 000
Sorghum Mar '19	3600.00	0.00	↑	3600.00	↓		YTD AS % OF EXPORTABLE	11%	51%
WMAZ Spot	2380.00	6.00	↑	2374.00	↓		PACE/WEEK NEEDED	51 117	44 144
WMAZ Dec 18	2407.00	6.00	↑	2401.00	↓				95 262
WMAZ Jul 19	2548.00	9.00	↑	2539.00	↓		MAIZE PRODUCER DELIVERIES		
YMAZ Spot	2392.00	-3.00	↓	2395.00	↓		WEEK TOTAL	18 335	14 728
YMAZ Dec 18	2433.00	3.00	↑	2430.00	↓		YTD TOTAL	6 112 134	5 373 598
YMAZ Jul 19	2515.00	3.00	↑	2512.00	↓		CEC FORECAST + ADJUSTMENT	6 601 560	5 779 650
SOY spot	4635.00	25.00	↑	4610.00	↓		% OF HARVESTED DELIVERIES	93%	93%
SOY May 19	4862.00	12.00	↑	4850.00	↓		PACE/WEEK NEEDED	25 759	21 371
SUN Spot 18	5035.00	41.00	↑	4994.00	↓				47 130
SUN Jul 19	5041.00	0.00	↑	5041.00	↓		WHEAT IMPORTS		
WHEAT spot 18	4377.00	12.00	↑	4365.00	↓		2018/19	2017/18	5 Jr. GEM
WHEAT Dec 18	4462.00	8.00	↑	4454.00	↓		WEEK TOTAL	12 557	84 743
WHEAT Mar 19	4590.00	17.00	↑	4573.00	↓		YTD TOTAL	17 133	119 509
							TOTAL NEEDED	1 400 000	2 176 546
							YTD AS % OF NEEDED	1%	5%
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS									
<p>Market Overview: The rand is trading at R14.36 against the dollar this morning. The South African economy is the biggest within the Southern African Customs Union (SACU); hence, it was inevitable that our neighbouring countries not be affected by the South African exchange rate, as their currencies are pegged to the rand- Lesotho, Namibia and Eswatini. The rand has been the worst performing major currency against the dollar, while these three countries together with Botswana derive revenue from a customs sharing pool that gains and falls on South African trade. This situation has made it hard for these economies to stimulate sluggish activities through looser monetary policies because they have to keep their rates in line to maintain the peg. South Africa's national treasury has reduced its estimates for payments to SACU this fiscal year and the next and there is martial downside risk to these forecast because the economy is not expanding as much as it was first predicted. In the quest to find more investors into the economy, one of Ramaphosa's three envoys tasked to attract \$100 billion into the country is confident that there are huge opportunities in mining, energy, water, manufacturing and agro-processing industries. Brent crude oil is trading at \$79.53/barrel this morning.</p> <p>Maize: US maize prices faced more technical selling on Friday, with a drop of more than 1% for futures during the session. Ukraine's 2018 maize harvest has reached a total production of 17.3 million tons, with harvest progress 56% completed as of 9 October. France has completed 81% of their maize harvest as of 15 October, up from 65% the previous week and 47% the same time last year. The Argentinian transportation union has indicated that there may be a strike this week against low hauling rates; this could cause a backlog since more than 80% of the country's grain is transported via truck to national ports.</p> <p>Local: Local maize prices closed the day relatively higher with December white maize trading at high of R2420 and a low of R2400 during Friday's session.</p> <p>Soybeans: See weekly oilseed report.</p> <p>Wheat: US wheat prices made modest gains on Friday after three days of consecutive lows. Ukraine wrapped up the 2018 harvest last week, with a total production of 25.1 million tons; winter grain wheat planting progress has reached 93% with 389 221 tons of winter wheat. The USDA has estimated Australia's 2018/19 wheat crop to continue to struggle due to hot, dry weather, with a total production of 17.9 million tons. France's 2018/19 wheat crop is 32% planted as of 15 October, compare to 15% last week. Local: Local wheat prices also gained slightly on Friday, with December wheat contracts trading at a low of R4456 and a high of 4476 and closed off at R4462, just below the session high.</p>									
<p>Domestic Market Insights & Data: www.grainsa.co.za / www.sagis.co.za International Market Insights & Data: www.usda.co.za</p> <p>Compiled by: Luan van der Walt and Ikageng Maluleke For any queries, contact Ikageng@grainsa.co.za Thank you for the Maize Trust for partially funding this project</p>									
