

Graan SA Oggend Markkomentaar

DATE	DATE		+ - LAST WEEK		AT THE MONEY CALL OPTION FOR DEC 2021 DELIVERY					
	2021/08/05	2021/08/04	2021/07/26			WM	YM			
DJIA-index	34793	-323.73 ↓	-0.92%	35116	↓	35062	Dec '21 FUTURES PRICE	R 3,262.00	R 3,408.00	
Goud (Spot)	1811.16	-2.79 ↓	-0.2%	1813.95	↑	1806.24	Call STRIKE PRICE	R 3,260.00	R 3,400.00	
Brent \$/vat	70.56	-1.78 ↓	-2.5%	72.34	↓	72.65	Call PREMIUM	R 208.83	R 224.70	
1 € / US\$	1.1834	-0.004 ↓	-0.30%	1.1870	↑	1.1780	BREAKEVEN SAFEX PRICE	3,468.83	3,624.70	
1 US\$ / ZAR	14.34	0.06 ↑	0.4%	14.28	↓	14.80				
Corn	R 3,080.11	-14 ↓	-0.5%	R 3,094.20			*CBOT Corn Jul cents / bushel 08:00 today vs. CBOT Jul 12:00 the previous day			
Wheat	R 3,778.96	-22 ↓	-0.6%	R 3,800.93			*CBOT Wheat Jul cents / bushel 08:00 today vs. CBOT Wheat Jul 12:00 the previous day			
Soybeans	R 7,018.37	73 ↑	1.1%	R 6,944.93			*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)					WEEK NR.					
Corn Sep 21	545.60	-4.80 ↓	-0.9%	550.40	Parity prices delivered in Randfontein.					
Wheat Sep 21	717.20	-7.20 ↓	-1.0%	724.40	WEAT BDN import par not export parity					
Soybeans Sep 21	1332.00	8.40 ↑	0.6%	1323.60	WEEK TOTAL 12					
PLAASLIKE MARKINLIGTING					MAIZE EXPORTS					
SORGHUM Dec 21	4230.00	0.00 ↑	0.0%	4230.00	6300.00	3800.00	WEEK TOTAL	7,902	99,013	106,915
WMAZ Spot	3153.00	-21.00 ↓	-0.7%	3174.00	-	-	YTD TOTAL	99,453	800,203	899,656
WMAZ Sep 21	3183.00	-24.00 ↓	-0.8%	3207.00	-	-	EXPORTABLE	1,117,000	1,630,000	2,747,000
WMAZ Dec 21	3262.00	-32.00 ↓	-1.0%	3294.00	-	-	YTD AS % OF EXPORTABLE	9%	49%	33%
YMAZ Spot	3303.00	-35.00 ↓	-1.0%	3338.00	5600.00	3300.00	PACE/WEEK NEEDED	25,439	20,745	46,184
YMAZ Sep 21	3335.00	-37.00 ↓	-1.1%	3372.00	5600.00	3300.00	MAIZE PRODUCER DELIVERIES			
YMAZ Dec 21	3408.00	-41.00 ↓	-1.2%	3449.00	5600.00	3400.00	WEEK TOTAL	202,410	130,289	332,699
SOY spot	7283.00	-151.00 ↓	-2.1%	7434.00	9800.00	7400.00	YTD TOTAL	7,159,317	6,280,905	13,440,222
SOY Sep 21	7342.00	-124.00 ↓	-1.7%	7466.00	10600.00	7500.00	CEC ESTIMATE- CORRECTIONS	8,742,190	6,758,150	15,500,340
SUN Spot	9135.00	-96.00 ↓	-1.0%	9231.00	10200.00	8400.00	% DELIVERED FROM HARVEST	82%	93%	87%
SUN Sep 21	9173.00	-81.00 ↓	-0.9%	9254.00	10200.00	8400.00	WEEK 43			
WHEAT Spot	5245.00	15.00 ↑	0.3%	5230.00	5400.00	3100.00	WHEAT IMPORTS			
WHEAT Dec 21	5162.00	12.00 ↑	0.2%	5150.00	6000.00	4200.00	2020/21	2019/20	5 Jr. GEM	
WHEAT Mar 22	5243.00	4.00 ↑	0.8%	5239.00	6100.00	3700.00	WEEK TOTAL	9,027	4,834	26,360
LATEST MARKET INFORMATION UNTIL 23:00 (RSA TIME) AS OBTAINED FROM SEVERAL MARKET REPORTS					YTD TOTAL					
					1,349,515					
					1,580,000					
					1,889,868					
					1,631,661					
					85%					
					82%					
					81%					

Market overview: Global economic outlook remains promising as many countries expect strong growth rates for their 2021 Gross Domestic Product (GDP). This expectation reinforces the current supercycle for commodity prices. In June, foreign demand for South African commodities and exports increased the trade surplus to a remarkable level of R57.7 billion. This foreign demand, coupled with the weaker Rand, led to shares on the JSE continuing weekly gains. The JSE All-Share Index traded up 0.28% yesterday, the Resources-10 index rose 0.77%, the Industrial-25 index rose 0.08% and the Financial-15 index fell 0.26%. The Rand traded stronger yesterday and made up part of the July losses and reached an intraday high of R14.22/ \$. However, the Rand could not maintain this positive momentum and weakened over the course of the day, trading at R14.38/\$ by the JSE's market closing time. According to the Department of Health, South Africa recorded 13 263 new Covid-19 infections and 423 deaths yesterday. Asian markets traded stronger on Wednesday as traders weighed in on the prospect of economic recovery against concerns over the rapidly spreading Delta virus variant and China's regulatory collapse. South Korea's Kospi index closed 1.34% higher, the Chinese Hang Seng index climbed 0.88%, Japan's Nikkei 225 index fell 0.21%, and China's Shanghai Composite Index closed 0.85% green. Australia's retail sales were announced yesterday, indicating that the Country's retail sales fell sharply in June due to Coronavirus restrictions that restricted retail sales. Australia's retail sales in June fell 1.8% and are in line with analysts' expectations. Australia's S&P/ASX-200 index traded 0.38% stronger yesterday. European markets traded higher on Wednesday due to earnings reports that boosted investor sentiment. Big name companies such as Commerzbank, Siemens Energy, Hugo Boss and Intesa Sanpaolo announced their financial results yesterday. The German Dax performance index climbed 0.88%, France's CAC-40 was up 0.33%, and the U.K.'s FTSE-100 index closed up 0.26% higher. The United Kingdom's Composite Purchasing Managers' Index (PMI) was released yesterday, reporting 59.2 index points in July compared to June's reading of 62.2 index points. Oil prices fell to a two-week low for a third consecutive day on Wednesday due to a surprising increase in U.S. crude oil supplies, negative U.S. economic reports and concerns that the spread of the delta variant will affect global energy demand. The Energy Information Administration (EIA) released America's crude oil inventories yesterday, showing that crude oil inventories increased by 3.626 million barrels compared to analysts' expected decline of 3.102 million barrels. At 17:00 South African time, Brent crude traded at \$ 72.16/barrel and West Texas Intermediate crude at \$ 69.31/barrel. The U.S. ADP non-farm payrolls were released yesterday and showed that private payrolls increased by 330 000 in July compared to analysts' expected 695 000 payrolls. U.S. stocks traded weaker yesterday. The S&P500 index was down 0.46%, the Dow Jones Industrial Average was down 0.92%, and the Nasdaq Composite Index was up 0.13%.

Maize: U.S. maize prices experienced a volatile session on Wednesday and could not maintain any positive momentum, and ended the session with losses of about 0.5%. According to the EIA, Ethanol production weakened slightly for the week ending July 30 to a daily average of 1.013 million barrels. Daily ethanol production has remained above the one million barrels per day level for the past 11 weeks but is still below pre-pandemic levels. In the run-up to today's USDA export report, analysts expect the agency to show maize sales between 50 802 tons and 80 014 tons for the week ending July 29. Brazil's Anec expects the Country's maize exports to fall sharply to 50% of last year's exports due to the Country's second maize crop being reduced by drought. Anec predicts that maize exports will fall to 1 700 117 tons, which is the lowest level since the 2015/2016 marketing year if the forecasts materialize. Pakistan's improved production potential of maize during the current financial year provided new export opportunities for the Country. Pakistan's maize crop is likely to increase by 10 per cent during this season and is currently estimated at around 6.5-7 million tons. With improved maize production, Pakistan is likely to export more goods, according to Pakistan Cereal Association (PCA) Local: SAGIS announced the weekly producer deliveries yesterday and indicate that in the week ending 30 July, a total of 332 699 tons maize was delivered. Last week's total maize deliveries were composed of 130 289 tons of yellow maize and 202 410 tons of white maize. The 130 289 tons of yellow maize are composed of 125 953 tons YM1, 4 148 tons YM2, 76 tons YM3 and 112 tons YMO. The 202 410 tons of white maize are composed of 194 208 tons of WM1, 7 321 tons of WM2, 304 tons of WM3 and 577 tons of WMO. Total maize deliveries to date for the 2021/22 marketing year stand at 12 492 151 tons and are composed of 6 723 355 tons of white maize and 5 768 796 tons of yellow maize. The total of 6 723 355 tons of white maize deliveries for the 2021/22 marketing year was composed of 6 464 387 tons WM1 (96.14%), 239 048 tons WM2 (3.56%), 18 761 tons WM3 (0.28%) and 1 159 tons WMO (0.02%). The total 5 768 796 tons of yellow maize deliveries for the 2021/22 marketing year were composed of 5 617 845 tons YM1 (97.38%), 145 444 tons YM2 (2.52%), 2 943 tons (0.05%) and 2 564 tons YMO (0.04%). The local maize market traded weaker yesterday. The September white maize futures contract decreased by 0.75% (R24/ton) and closed the session at R3183/ton. The September yellow maize futures contract decreased by 1.1% (R37/ton) and closed the session at R3335/ton.

Soybeans: U.S. soybean prices traded moderately higher yesterday after a round of technical purchases, as long-term questions about production potential are still being asked and as exports end the 2020/21 marketing year with big profits year-on-year. In today's USDA export report, analysts expect the agency to show soybean sales between 100 696 tons and 650 446 tons for the week ending July 29. Analysts also expect last week's soybean meal sales to range between 75 000 tons and 425 000 tons and soybean oil sales to 10 000 tons. Brazil's ANEC expects the country's soybean production to reach a new record in 2021/22 and is estimated at 143 915 200 tons. Brazil's soybean exports are also expected to increase in the coming marketing year and are estimated at 94 248 000 tons. Local: The producer delivery report shows that a total of 1 378 tons of soybeans were delivered locally last week. The local soybean market fell sharply yesterday. The September soybean futures contract fell by 1.66% (R124/ton) and closed the session at R7342. The December soybean futures contract fell by 1.57% (R119/ton) and closed the session at R7450/ton.

Wheat: U.S. wheat prices fell between 1% and 2% yesterday, driven by technical sales caused in part by significant reductions in energy prices. In today's USDA export report, growers expect wheat sales to fluctuate between 250 381 tons and 699 433 tons for the week ending July 29. France's Ministry of Agriculture on Tuesday lowered its estimate for France's 2021 soft wheat crop to 36.69 million tons from the previous month's forecast of 37.10 million tons. France is the European Union's largest grain producer. Floods in Germany have led to the country's winter wheat production being cut by almost 8% in 2021 to 20 999 346 tons. Germany's harvest rate has slowed down over the past few days due to heavy rain. Germany is Europe's second-largest wheat producer. Algeria bought an estimated 299 368 tons of milled wheat from optional origins in an international tender that closed on Monday. The grain is for shipment between August and September. Turkey has so far purchased 394 622 tons of wheat of optional origin in an international tender that closed yesterday. The grain is for shipment by the end of September. Jordan turned down all offers for its international tender to buy 119 747 tons of milled wheat. The country is likely to issue a new tender on 11 August. Japan plans to buy 78 924 tons of feed wheat and 100 152 tons of barley from optional sources at a simultaneous buy-and-sell auction that will take place on 18 August. Local: The local wheat market traded sideways yesterday. The September wheat futures contract decreased by 0.15% (R8/ton) and closed the session at R5238/ton. The December wheat futures contract increased by 0.23% (R12/ton) and closed the session at R5162/ton.

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

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