


Grain SA's Morning Grain Market Commentary

	DATE		DATE		+ - LAST WEEK		AT THE MONEY PUT OPTION			
	2019/06/14		2019/06/13		2019/06/03					
	Data	Δ	Δ%	Data	Δ%	Data	JUL '19 FUTURES PRICE	WM	YM	
DJIA-index	26107	101.94	↑	0.39%	26005	↑ 5.2%	24815	PUT STRIKE PRICE	R 2 814.00	R 2 808.00
Goud (Spot)	1344.86	9.73	↑	0.7%	1335.13	↑ 2.5%	1312.57	PUT PREMIUM	R 69.37	R 50.46
Brent \$/vat	61.33	0.61	↑	1.0%	60.72	↑ 0.1%	61.26			
1 € / US\$	1.1271	0.00	↓	-0.25%	1.1299	↑ 0.8%	1.1177	MIN SAFEX PRICE	R 2 750.63	R 2 749.54
1 US\$ / ZAR	14.86	-0.04	↓	-0.3%	14.90	↑ 2.1%	14.55			
Corn Mar 19	R 2 585.73	63	↑	2.5%	R 2 522.30	*CBOT Corn May cents / bushel 08:00 today vs. CBOT May 12:00 the previous day				
Wheat Mar 19	R 2 923.35	42	↑	1.5%	R 2 880.85	*CBOT Wheat May cents / bushel 08:00 today vs. CBOT Wheat May 12:00 the previous day				
Soybeans Mar 19	R 4 848.58	42	↑	0.9%	R 4 806.89	*CBOT Soy May cents / bushel 08:00 today vs. CBOT Soy May 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)										
Corn Jul 19	442.00	12.00	↑	2.8%	430.00	Parity prices delivered in Randfontein. WEAT BDN import par not export par				
Wheat Jul 19	535.40	9.20	↑	1.7%	526.20					
Soybeans Jul 19	888.00	10.00	↑	1.14%	878.00					
Latest MTM prices (SPOT = nearest contract month (Rand / ton))					Import parity	Export parity				
SORGHUM Sep '19	3280.00	0.00	↑	0.0%	3280.00	3728.00	2100.00			
WMAZ Spot	2844.00	56.00	↑	2.0%	2788.00	4096.00	2370.00			
WMAZ Jul 19	2873.00	59.00	↑	2.1%	2814.00	3529.00	2129.00			
WMAZ Sep 19	2900.00	53.00	↑	1.9%	2847.00	3584.00	2182.00	MAIZE PRODUCER DELIVERIES		
YMAZ Spot	2834.00	48.00	↑	1.7%	2786.00	3529.00	2129.00	WEEK TOTAAL	192 390	470 146
YMAZ Jul 19	2859.00	51.00	↑	1.8%	2808.00	3529.00	2129.00	JTD TOTAAL	570 828	1 496 068
YMAZ Sep 19	2911.00	50.00	↑	1.7%	2861.00	3584.00	2182.00	NOK SKATTING + REGSTELLINGS	5 126 540	5 018 820
SOY spot	5440.00	174.00	↑	3.3%	5266.00	6222.00	4486.00	% GELEWER VAN OES	11.1%	29.8%
SOY Jul 19	5462.00	150.00	↑	2.8%	5312.00	6485.00	4475.00			20.4%
SUN Spot	5237.00	92.00	↑	1.8%	5145.00	6343.00	4855.00	WHEAT IMPORTS		
SUN Jul 19	5281.00	96.00	↑	1.9%	5185.00	6343.00	4855.00	2018/19	2017/18	5 Jr. GEM
WHEAT Spot	4452.00	2.00	↑	0.0%	4450.00	4646.00	4326.00	WEEK TOTAL	13 200	-
WHEAT Jul 19	4476.00	6.00	↑	0.1%	4470.00	4718.00	4398.00	YTD TOTAL	754 733	1 145 540
WHEAT Sep 19	4482.00	17.00	↑	0.4%	4465.00	4676.00	4356.00	TOTAL NEEDED	1 520 000	1 272 637
								YTD AS % OF NEEDED	50%	53%

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

Market overview: The rand is trading at R14.86 to the dollar this morning. The rand closed at R14.89 to the dollar on yesterday afternoon, with the day's range between R14.82 and R14.93. The seesawing by the rand and other emerging markets is largely impacted by the ongoing US-China trade war, which continues to rock investor confidence. According to the reserve bank governor, the bank's forecasting model suggests there might be room for interest rate cuts in the next year or two, given how weak the economy is. The business confidence index, released on Thursday was flat at 28 index points, unchanged from the first quarter, with seven out of 10 respondents remaining dissatisfied with current conditions, these results were collected from 1800 business people. Mining production contracted 1.5% year-on-year in April, extending the sector's fall to a sixth consecutive month. Factors that are likely to support recovery include improved electricity supply compared to the first quarter, as well as some normalisation in gold mining production following the end of the protracted strike at the Sibanye Still-water mine. Brent crude is trading at \$61.59/barrel this morning.

Maize: US maize futures finished with strong gains during yesterday's session due to continued concerns over planting delays as another round of heavy rain showers, along with cool overnight temperatures continues to suggest that this year's crop will not likely make a rebound anytime soon. Private exporters announced to USDA the sale of 175 260 tons of maize for delivery to Mexico during the 2019/20 marketing year. Maize exporters managed to make total sales of 261 620 tons, with 167 640 tons of old crop sales together with 93 980 tons of new crop last week. Argentina's grains exchange is projecting that the 2018/19 maize harvest will top 47.1 million tons, which is 4% higher than prior estimates after accounting for increased hectares in the country's Santa Fe region. **Local:** Local maize prices traded higher during yesterday's session. July white maize contracts traded to a low of R2854 and a high of R2898, before closing the session off at R2873.

Soybeans: The US soybean market found support yesterday and traded stronger for the day as concerns remain about the pace of planting in the US. Yesterday's weekly export sales report, announced by the USDA, reported exports at 530 700 tons. This includes both old and new season sales. The weekly export sales were slightly lower than last week's export sales, but were well in line with average weekly trading expectations. The weekly export shipments were good and reported at around 760 000 tons. China was the largest recipient of US soybeans this week. In Argentina, production expectations for the season were revised slightly downwards from the previous forecast and the total crop is now estimated at 56.5 million tons, which is still a very good crop. **Local:** The local soybean market found support yesterday and traded stronger for the day in most of the contract months currently listed.

Wheat: The US wheat market traded mixed yesterday, but closed mostly higher for the day. The support in the market can mainly be attributed to an spillover effect from other commodities. In the weekly export sales report released yesterday, total export sales were reported at 325 600 tons. The new wheat marketing season started in the US on June 1, and there are still export sales left over from the previous marketing season. The total wheat export sales from the previous marketing season are 1.57 million tons. In Argentina, the wheat production expectations for the season have been adjusted upwards from the previous forecast. The total production for the season should now be over 21.9 million tons, which is about 13% more than the previous season's production. **Local:** The local wheat market found support yesterday and traded stronger for the day in most of the contract months currently listed. In yesterday's weekly import report, 13 200 tons of wheat were reported. The total imports for the season so far are 754 733 tons.

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

Compiled by: Luan van der Walt, Ruan Schutte and Ikageng Maluleke For any queries, contact Ikageng@grainsa.co.za
Thank you for the Maize Trust for partially funding this project

