

Grain SA's Morning Grain Market Commentary

DATE 2019/10/14	DATE 2019/10/11			+ - LAST WEEK 2019/10/07			AT THE MONEY PUT OPTION FOR JUL 2020 DELIVERY		
	Data	Δ	Δ%	Data	Δ%	Data	WM	YM	
DJIA-index	26817	319.92	1.21%	26497	0.9%	26574	Jul '20 FUTURES PRICE	R 2 738.00	R 2 681.00
Goud (Spot)	1488.74	-8.89	-0.59%	1497.63	-1.1%	1504.74	Put STRIKE PRICE	R 2 740.00	R 2 680.00
Brent \$/vat	59.98	0.44	0.7%	59.54	2.8%	58.33	Put PREMIUM	R 282.79	R 173.26
1 € / US\$	1.1030	0.00	0.16%	1.1012	0.5%	1.0979	MIN SAFEX PRICE	R 2 457.21	R 2 506.74
1 US\$ / ZAR	14.74	-0.27	-1.8%	15.01	-2.1%	15.06			
Corn Mar 19	R 2 307.20	61	2.7%	R 2 246.65			*CBOT Corn Dec cents / bushel 08:00 today vs. CBOT Dec 12:00 the previous day		
Wheat Mar 19	R 2 751.34	32	1.2%	R 2 719.01			* CBOT Wheat Dec cents / bushel 08:00 today vs. CBOT Wheat Dec 12:00 the previous day		
Soybeans Mar 19	R 5 069.40	-23	-0.5%	R 5 092.76			* 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)									
Corn Dec 19	397.60	17.40	4.6%	380.20			Parity prices delivered in		
Wheat Dec 19	508.00	15.00	3.0%	493.00			Randfontein. WEAT BDN		
Soybeans Nov 19	936.00	12.60	1.36%	923.40			import par not export par		
Latest MTM prices (SPOT = nearest contract month (Rand / ton))									
SORGHUM Mar '20	3469.00	0.00	0.0%	3469.00	3694.00	2040.00			
WMAZ Spot	2907.00	-30.00	-1.0%	2937.00	4380.00	2940.00			
WMAZ Dec 19	2945.00	-31.00	-1.0%	2976.00	3580.00	2100.00			
WMAZ Jul 20	2738.00	-38.00	-1.4%	2776.00	3700.00	2200.00			
YMAZ Spot	2815.00	-51.00	-1.8%	2866.00	3580.00	1900.00			
YMAZ Dec 19	2850.00	-50.00	-1.7%	2900.00	3580.00	2100.00			
YMAZ Jul 20	2681.00	-57.00	-2.1%	2738.00	3700.00	2200.00			
SOY spot	6021.00	-25.00	-0.4%	6046.00	6660.00	4640.00			
SOY May 20	5754.00	0.00	0.0%	5754.00	7180.00	5020.00			
SUN Spot	5650.00	-88.00	-1.5%	5738.00	6930.00	4881.00			
SUN May 20	5378.00	27.00	0.5%	5351.00	7180.00	5020.00			
WHEAT Spot	4502.00	-43.00	-0.9%	4545.00	4630.00	4312.00			
WHEAT Dec 19	4583.00	-32.00	-0.7%	4615.00	4690.00	4380.00			
WHEAT Jul 20	4773.00	0.00	0.0%	4773.00	5000.00	4680.00			
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS									

Market overview: The rand is trading at R14.73 against the dollar this morning, while crude oil is trading at \$60.12/barrel this morning. The oil jumped back above \$60 a barrel after reports of a missile strike on an Iranian tanker near the Saudi Arabian port city of Jeddah reignited fears over military escalation in the world's most important crude-producing region. Stats SA will release the August retail sales data on Wednesday. Most economists are expecting the data to have softened after a recent Bureau for Economic Research (BER) survey that shows confidence among retailers has dried up, along with sales volumes. With South Africa's very weak growth-momentum, there is a risk of the economy posting another quarter of negative growth. Economists expect third-quarter GDP to scrape in with growth of 0.3% against a consensus expectation of 1.3%, however; this forecast assumes a rebound in the volatile agriculture sector, after sharp contractions in the first half of the year.

Maize: US maize futures went up sharply by more than 4% on Friday due to poor weather conditions and trade optimism together with Thursday's USDA report causing a wave of selling, as reductions in ending stocks were not as sharp as the market was expecting. However, the ending stocks numbers and stocks to usage numbers were smaller than the September report despite the higher maize yields. On Friday, buyers reacted on the tighter balance sheets, as well as the successful test of nearby support levels on Thursday. France's maize harvest is now 14% complete, versus last year's pace of 65%. Excessive rains have slowed harvest in recent weeks. **Local:** Local maize prices traded lower during Friday's session. December white maize contracts traded from a high of R2953 and a low of R2914 before closing the session off at R2945.

Soybeans: See the Weekly Oilseed report

Wheat: US wheat markets traded sharply higher on Friday morning. Thursday's Supply and Demand report was bearish with lower usage numbers in both the US and world balance sheets pushing stocks to usage ratios higher. Adding to wave was some concerns about spring wheat harvest disruption and winter wheat planting also in the mix today. World export prices continue to push higher though global supplies are plentiful. Ukraine's central bank expects the country's 2019 grain harvest to reap a record 80 million tons this fall. Ukraine is a significant exporter of wheat and corn. **Local:** Local wheat prices traded lower during Friday's trade. December wheat contracts traded to a high of R4607 and a low of R4572 before closing the session off at R4583.

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

Compiled by: Ruan Schutte For any queries, contact lkageng@grainsa.co.za
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