

Grain SA's Morning Grain Market Commentary

DATE 2019/08/21	DATE 2019/08/20		+ - LAST WEEK 2019/08/12		AT THE MONEY CALL OPTION FOR DECEMBER DELIVERY					
	Δ	Δ%	Data	Δ%	Data					
DJIA-index	25962	-173.35 ↓	-0.66%	26136	-1.2%	26287	Dec '19 FUTURES PRICE	R 3 011.00	R 2 852.00	
Goud (Spot)	1503.5	8.13 ↑	0.54%	1495.37	0.4%	1496.89	Call STRIKE PRICE	R 3 020.00	R 2 860.00	
Brent \$/vat	60.42	0.59 ↑	1.0%	59.83	3.4%	58.41	Call PREMIUM	R 186.59	R 115.78	
1 € / US\$	1.1095	0.00 ↑	0.11%	1.1083	-1.0%	1.1207	SAFEX BE PRICE	R 3 206.59	R 2 975.78	
1 US\$ / ZAR	15.33	-0.08 ↓	-0.5%	15.41	0.6%	15.24				
Corn Mar 19	R 2 169.01	-45 ↓	-2.0%	R 2 214.31			*CBOT Corn Sep cents / bushel 08:00 today vs. CBOT Sep 12:00 the previous day			
Wheat Mar 19	R 2 591.09	-44 ↓	-1.7%	R 2 635.19			*CBOT Wheat Sep cents / bushel 08:00 today vs. CBOT Wheat Sep 12:00 the previous day			
Soybeans Mar 19	R 4 819.43	-16 ↓	-0.3%	R 4 835.52			*CBOT Soy Aug cents / bushel 08:00 today vs. CBOT Soy Aug 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 Sep 19	359.40	-5.60 ↓	-1.5%	365.00	Parity prices delivered in					
Wheat Sep 19	460.00	-5.40 ↓	-1.2%	465.40	Randfontein. WEAT BDN					
Soybeans Aug 19	855.60	1.60 ↑	0.19%	854.00	import par not export par					
Latest MTM prices (SPOT = nearest contract month (Rand / ton))										
SORGHUM Sep '19	3288.00	0.00 ↑	0.0%	3288.00	3694.00	2040.00				
WMAZ Spot	2911.00	-11.00 ↓	-0.4%	2922.00	4380.00	2940.00				
WMAZ Sep 19	2921.00	-16.00 ↓	-0.5%	2937.00	3790.00	2350.00	week 15 MAIZE PRODUCER DELIVERIES			
WMAZ Dec 19	3014.00	-19.00 ↓	-0.6%	3033.00	3820.00	2380.00	WEEK TOTAAL	1 306 949	581 087	1 888 036
YMAZ Spot	2772.00	-3.00 ↓	-0.1%	2775.00	3330.00	1860.00	JTD TOTAAL	3 795 638	4 665 008	8 460 646
YMAZ Sep 19	2782.00	-1.00 ↓	0.0%	2783.00	3790.00	2350.00	NOK SKATTING + REGSTELLINGS	5 328 040	5 062 220	10 390 260
YMAZ Dec 19	2852.00	0.00 ↑	0.0%	2852.00	3820.00	2380.00	% GELEWER VAN OES	71.2%	92.2%	81.4%
SOY spot	5644.00	-1.00 ↓	0.0%	5645.00	6150.00	4246.00				
SOY Sep 19	5618.00	-41.00 ↓	-0.7%	5659.00	6555.00	4512.00	Week 45 WHEAT IMPORTS			
SUN Spot	5524.00	1.00 ↑	0.0%	5523.00	6190.00	4630.00	2018/19	2017/18	5 Jr. GEM	
SUN Sep 19	5565.00	6.00 ↑	0.1%	5559.00	6190.00	4630.00	WEEK TOTAL	30 928	101 572	44 550
WHEAT Spot	4710.00	1.00 ↑	0.0%	4709.00	4770.00	4450.00	YTD TOTAL	974 633	1 425 163	1 181 230
WHEAT Sep 19	4703.00	16.00 ↑	0.3%	4687.00	4995.00	4675.00	TOTAL NEEDED	1 500 000	2 173 234	1 727 637
WHEAT Dec 19	4693.00	50.00 ↑	1.1%	4643.00	5096.00	4780.00	YTD AS % OF NEEDED	65%	66%	68%

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

Market overview: The rand is trading at R15.33 against the dollar this morning. The rand closed at R15.34/\$ on Tuesday, the local currency is currently a passenger in the global sentiment train and news events from abroad constantly affect the direction of the rand. The Banking Association SA (Basa) is concerned that certain sections of the proposed new legislation concerning lending and borrowing, which was gazetted this week, are poorly considered and badly crafted. According to Basa these poorly considered sections do not achieve the intended objective of helping over indebted consumers. British farmers are rushing to sell their big harvests of wheat and barley before October to avoid the potential market chaos of a no-deal Brexit. Crude oil is trading at \$60.36/barrel this morning. Oil rose for a third consecutive day after a drone attack on a Saudi Arabian oil field brought geopolitical risks back into focus, and as the prospect of more US-China trade meetings spurred some investor optimism, with the hope that tensions will ease.

Maize: US maize prices traded lower during yesterday's trade. Bear spreading between old and new crop was again noted yesterday, as December futures made a new low close for the contract. Despite what appears to be lower yield estimates from Ohio and South Dakota, compared to the USDA, and continuation of private sources indicating lower yields on a national basis, maize futures continue to slide. The wet rag over the market is growing concern that demand is diminishing rapidly over the last several months, as exports remain slow and ethanol usage questionable. That, along with rain on the radar and a lack of new positive news, allowed US maize prices to finish weaker. **Local:** Local maize prices traded lower during yesterday's session. December white maize contracts traded to a high of R3035 and a low of R3008 before closing the session off at R3035.

Soybeans: Beneficial rains are likely responsible for capping US soybean prices yesterday, which finished minimally higher. Weakness in US wheat and maize, along with a lack of new positive news, has pressured soybean prices. As we look to the Pro Farmer crop tour, lower bean counts in Ohio and South Dakota were recorded, with more information regarding Indiana and Nebraska due soon. Crop ratings continue to suggest a sub-par crop. **Local:** Local soybean prices traded lower during yesterday's session. December soybean contracts traded to a high of R5758 and a low of R5690 before closing the session off at R5707.

Wheat: US wheat futures continued their slide with another round of losses yesterday. A firming US dollar, as well as lack of positive news, are the likely reasons for traders to continue to be on the defensive. Continued wet conditions are hampering harvest progress. As news in general is lacking to provide support, prices find it easy to slide. In particular, the wheat market usually struggles when the US dollar rallies. Expectations that world inventories will continue to be ample and likely confirmed on the September Supply and Demand report will also act as overhead cap. **Local:** Local wheat prices traded higher during yesterday's session. December wheat contracts traded to a low of R4650 and a high of R4700 before closing the session off at R4693.

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

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Thank you for the Maize Trust for partially funding this project

