

Grain SA's Morning Grain Market Commentary

DATE 2019/05/21 Data	DATE 2019/05/20		DATE 2019/05/20		+ - LAST WEEK 2019/05/13		AT THE MONEY PUT OPTION			
	Δ	Δ%	Data	Δ%	Data	Δ%	Data	JUL '19 FUTURES PRICE	WM	YM
DJIA-index	25680	-84.10	-0.33%	25764	-1.0%	25942		R 2 748.00	R 2 688.00	
Goud (Spot)	1275.3	-0.24	0.0%	1275.54	-0.7%	1283.85		R 2 740.00	R 2 680.00	
Brent \$/vat	72.06	-0.27	-0.4%	72.33	1.7%	70.83		R 91.24	R 58.17	
1 € / US\$	1.1156	0.00	-0.13%	1.1171	-0.7%	1.1229				
1 US\$ / ZAR	14.40	-0.010	-0.1%	14.41	1.3%	14.21				
Corn Mar 19	R 2 205.23	31	1.4%	R 2 173.86						
Wheat Mar 19	R 2 530.20	68	2.8%	R 2 462.07						
Soybeans Mar 19	R 4 400.07	50	1.1%	R 4 350.18						
Latest CBOT prices during overnight trading (Recorded between 6 a.m. to 07:00 am vs 12:00 pm the previous trading)										
Corn Mar 19	389.00	5.80	1.5%	383.20	Parity prices delivered in					
Wheat Mar 19	478.20	13.20	2.8%	465.00	Randfontein. WEAT BDN					
Soybeans Jan 18	831.60	10.00	1.22%	821.60	import par not export par					
Latest MTM prices (SPOT = nearest contract month (Rand / ton)										
SORGHUM Sep '19	3300.00	0.00	0.0%	3300.00	3728.00	2100.00				
WMAZ Spot	2704.00	22.00	0.8%	2682.00	4096.00	2370.00				
WMAZ May 19	2723.00	41.00	1.5%	2682.00	3529.00	2129.00				
WMAZ Jul 19	2748.00	17.00	0.6%	2731.00	3584.00	2182.00				
YMAZ Spot	2648.00	30.00	1.1%	2618.00	3529.00	2129.00				
YMAZ May 19	2657.00	36.00	1.4%	2621.00	3529.00	2129.00				
YMAZ Jul 19	2688.00	29.00	1.1%	2659.00	3584.00	2182.00				
SOY spot	4680.00	-21.00	-0.4%	4701.00	6222.00	4486.00				
SOY May 19	4697.00	-6.00	-0.1%	4703.00	6485.00	4475.00				
SUN Spot	5000.00	-9.00	-0.2%	5009.00	6343.00	4855.00				
SUN May 19	5010.00	0.00	0.0%	5010.00	6343.00	4855.00				
WHEAT Spot	4398.00	-30.00	-0.7%	4428.00	4646.00	4326.00				
WHEAT May 19	4547.00	0.00	0.0%	4547.00	4718.00	4398.00				
WHEAT Jul 19	4430.00	1.00	0.0%	4429.00	4676.00	4356.00				
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS										

Market Review: The rand has moved fairly sideways since yesterday morning's market report and is trading at R14.40 / \$ this morning. Against market closure, the rand was 14.38 / \$ but again weakened 2 cents until this morning. There is poor awareness and use of available and developing geospatial data in Africa that can actually help create the modernized water resource management, according to Rose Alabaster, co-chair of the Global Observatory Global Water Sustainability Initiative Group in Switzerland. Alabaster, who spoke in Cape Town on Tuesday during the African Utility, said some of these useful data could be provided to nature crews and managers, by nature observation and analytical services. "There was tremendous pressure on fresh water resources and it has increased over the past 25 years," she said. "It requires better cooperation across the water sector." Labor leader Jeremy Corbyn came closer to fully support a second Brexit referendum, saying the public should have a choice about any agreement to leave the European Union. Mr. Finance Minister Tito Mboweni is likely to remain at least another year's finances, as President Cyril Ramaphosa is moving investors and judges to ensure the economy is in good hands, according to two people who are familiar with the selection process. The former central bank governor, who was appointed in his post seven months ago, is best to ensure that the country continues to handle its debt burden and maintain market stability. The people asked to remain anonymous because they were not authorized to comment. The need to maintain stability in the finance ministry was underlined in late 2017, when pressured. Jacob Zuma appointed financial markets by three different ministers in five days.

Maize: US maize prices are moving up more than 1% on short-haul caused by worries about plant delays. Will this spring's slow plant pace change the trend ahead? Analysts expect USDA to reach 2019 maize planting progress by 50% from May 19, which is well behind the five-year average of 80%. Trade estimates ranged from 42% to 61%. Maize export inspections also paralyzed weekly and fell to 820 000 tons for the week ending May 16. However, this remained in the range of trade estimates of 584 000 tons and 990 000 tons. Japan was the no. 1 destination, with 248,000 tons. The European Union's MARS crop monitoring service increased its estimates for the year to 2019 for maize production to 2,992 per hectare. EU maize imports this marketing year, meanwhile it is 37% higher than the year after it reached 21,489 million tonnes on May. Russian consultant SovEcon expects the country's May maize exports to reach the lowest monthly total since October, and will only drop to 200,000 tons. Local: Yesterday was a positive day for the maize price. White and yellow maize all traded positively on all contracts traded. With white and yellow maize R22 and R30 are included and close at R2 704 and R2 648 respectively.

Soybeans: Soybean prices in the US showed double-digit profits on Monday after a round short-term print price was more than 1% higher. Analysts expect USDA to report 22% of the 2019 US soybean crop from May 19 in the next crop report. This is the previous five-year average of 47%. Soybeans have seen total export inspections reach 498 000 tons last week. It dropped slightly below last week's 514 000 tons, while in the midst of analysts' expectations it ranged between 381 000 tons and 680 000 tons. China has led all destinations by 206,000 tons. Soybean imports into the European Union have been revised up by 9% to 13,090 million tonnes. EU soybean meal imports are 6% and imports of palm oil into the EU have declined by 1% over the same period. Local: The local soybean markets were also under pressure yesterday and sharp price declines could be seen over the various contracts traded. With soybean prices R 21 downwards and closes the day's deal at R 4 680.

Wheat: The US wheat prices have risen higher amid a large round of short worries about worries that wet spring weather crops harmful yields for winter wheat and caused significant spring wheat planting delays. Earlier this year's USDA growth progress report, analysts expect the agency to slightly lower its 2018/19 US winter wheat crop estimate by 63% rated from 64 May to 64% (from 64% last week) and analysts estimate spring wheat planting 63% progress. Wheat export inspections reached 756 000 tons last week. This was down from the previous week's 879,000 tons, but before the average trade estimate, which ranged from 381,000 tons to 598,000 tons. Indonesia has led all destinations by 130,000 tons. The European Union's MARS harvest monitoring service slightly increased its crop yield estimates for the 2019 wheat production to 2,448 t / ha. EU soft wheat exports this marketing year, meanwhile, are 1% lower than last year after reaching 18,397 million tons on May 19. Russian consultant SovEcon expects the country's May wheat exports to drop to less than half of its normal monthly average and land around 900,000 tons. Egypt, one of the world's leading wheat importers, has so far bought 2,198 million tons of household this year and expects to buy more than 3,592 million tons this year. Local: The local market was suppressed yesterday and wheat price declines across the various contracts were observed. With wheat, R 30 is down and closes trading at R4 398.

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

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