


Grain SA's Morning Grain Market Commentary

	DATE	DATE		+ - LAST WEEK		AT THE MONEY PUT OPTION				
	2019/05/23	2019/05/22		2019/05/13						
	Data	Δ	Δ%	Data	Δ%	Data	JUL '19 FUTURES PRICE	WM	YM	
DJIA-index	25777	-100.72	↓	25877	↓	25942	PUT STRIKE PRICE	R 2 642.00	R 2 613.00	
Goud (Spot)	1273.08	-1.02	↓	1274.1	↓	1283.85	PUT PREMIUM	R 87.89	R 71.54	
Brent \$/vat	70.48	-1.21	↓	71.69	↓	70.83	MIN SAFEX PRICE	R 2 552.11	R 2 548.46	
1 € / US\$	1.1147	0.00	↓	1.1153	↓	1.1229				
1 US\$ / ZAR	14.39	0.050	↑	14.34	↑	14.21				
Corn Mar 19	R 2 234.29	9	↑	R 2 225.40	↓		*CBOT Corn May cents / bushel 08:00 today vs. CBOT May 12:00 the previous day			
Wheat Mar 19	R 2 498.83	-23	↓	R 2 521.77	↑		* CBOT Wheat May cents / bushel 08:00 today vs. CBOT Wheat May 12:00 the previous day			
Soybeans Mar 19	R 4 380.10	49	↑	R 4 331.16	↓		* 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	394.40	0.20	↑	394.20		Parity prices delivered in				
Wheat Jul 19	472.60	-6.00	↓	478.60		Randfontein. WEAT BDN				
Soybeans Jul 19	828.40	6.40	↑	822.00		import par not export par				
Latest MTM prices (SPOT = nearest contract month (Rand / ton))							Import parity	Export parity		
SORGHUM Sep '19	3280.00	-20.00	↓	3300.00	↓	3728.00	2100.00			
WMAZ Spot	2604.00	-85.00	↓	2689.00	↓	4096.00	2370.00			
WMAZ Jun 19	2625.00	-90.00	↓	2715.00	↓	3529.00	2129.00			
WMAZ Jul 19	2642.00	-84.00	↓	2726.00	↓	3584.00	2182.00			
YMAZ Spot	2585.00	-68.00	↓	2653.00	↓	3529.00	2129.00			
YMAZ Jun 19	2595.00	-64.00	↓	2659.00	↓	3529.00	2129.00			
YMAZ Jul 19	2613.00	-73.00	↓	2686.00	↓	3584.00	2182.00			
SOY spot	4669.00	-62.00	↓	4731.00	↓	6222.00	4486.00			
SOY Jul 19	4667.00	-79.00	↓	4746.00	↓	6485.00	4475.00			
SUN Spot	4976.00	-32.00	↓	5008.00	↓	6343.00	4855.00			
SUN Jul 19	5041.00	-28.00	↓	5069.00	↓	6343.00	4855.00			
WHEAT Spot	4396.00	6.00	↑	4390.00	↓	4646.00	4326.00			
WHEAT Jun 19	4547.00	0.00	↑	4547.00	↓	4718.00	4398.00			
WHEAT Jul 19	4402.00	-10.00	↓	4412.00	↓	4676.00	4356.00			
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS										
							MAIZE PRODUCER DELIVERIES			
							WEEK TOTAAL	23 465	64 975	88 440
							JTD TOTAAL	106 813	247 899	354 712
							NOK SKATTING + REGSTELLINGS	5 126 540	5 018 820	10 145 360
							% GELEWER VAN OES	2.1%	4.9%	3.5%
							WHEAT IMPORTS			
							2018/19	2017/18	5 Jr. GEM	
							WEEK TOTAL	32 140	-	28 795
							YTD TOTAL	500 331	1 145 540	917 219
							TOTAL NEEDED	1 520 000	2 173 234	1 727 637
							YTD AS % OF NEEDED	33%	53%	53%

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

Market Review: The rand has weakened little from market closing time and is trading at R 14.38 / \$ this morning. South Africa's mining companies need to re-think recent decisions to reduce jobs in the industry to revive the economy and promote investor confidence, according to Public Enterprises Minister Pravin Gordhan. The annual consumer price inflation headline for April moderated to 4.4%. Stats SA announced Wednesday morning, a figure that is in line with the expectations of economists. This is within the target range of between 3% and 6% set by the SA Reserve Bank, and slightly off the 4.5% CPI in March. At month-to-month, inflation rose 0.6%. Before Wednesday's announcement, NK Economics analysts projected inflation to remain flat, by 4.5%, as did Treasury Manager at Peregrine Treasury Solutions, Bianca Botes. Goods inflation increased by 4.2%, from 4.1% in March. Inflation for services decreased by 4.6% from 4.9% in March. The SA Reserve Bank (SARB) is expected to remain unchanged at 6.75% on Thursday afternoon. The repo rate is the interest rate at which the central bank lends money to other banks.

Maize: The US maize price made updated fractional profits Wednesday as traders attempted to balance profits with concerns about plant delays. Before Thursday morning's USDA export reports, analysts offered a wide variety of guesses. The agency expects to announce maize sales of between 248,000 tons and 1,049 million tons for the week ending May 16. US ethanol production increased for a third consecutive week, reaching a daily average of 1,071 million barrels for the week ending May 17. It also indicates the highest weekly production since August last year. June ethanol futures were almost 2% down due to the OIE's weekly report. Grain that visited the country's railways reached 23,194 loads last week. However, this year's cumulative total of 440,443 loads remains down by 4.2% year-on-year. **Local:** The maize markets were under heavy pressure yesterday with sharp declines that could be seen in the various contracts traded. White and yellow maize are R85 and R68, respectively. May white and yellow maize close the day's trade at R2 604 and R2 585, respectively.

Soybeans: US soybean prices have returned almost 1% higher today on some technical manoeuvring and recovered about two-thirds of Tuesday's losses. Private exporters reported to USDA selling 130,000 tons of soybeans for delivery to unknown destinations. Of the total, 84% are for delivery this year, with the rest for delivery in 2019/20. Before today's USDA export reports, analysts expect the agency to show soybean sales between 100,000 tons and 800,000 tons for the week ending May 16. Analysts also expect USDA to report 75,000 to 400,000 tons of soybean meal sales last week, plus another 4,000 to 25,000 MT of soy flour sales. **Local:** The soybean market was also under heavy pressure yesterday and sharp reductions were also observed on the various contracts traded. With soybean price falling by R 62 and closing at R4 669.

Wheat: US wheat prices were mixed but mostly lower on Wednesday due to a round of technical sales fuelled by ordinary suspects (large domestic and global stocks, plus concerns about export demand). Analysts last week had mixed expectations for wheat sales. They shared estimates between zero and 699,000 tons before Thursday morning's USDA export reports. Earlier this week, the Philippines bought 46 000 tons of feed from Australia, completed early in September. Jordan made no purchases in its last tender for 119 000 tons of wheat of optional origin, but issued a new one yesterday for the same amount, closing May 28. **Local:** The wheat market has travelled tremendously with price rises and on some contracts and declines that can be seen on others. The May wheat price is R 6 upwards and closes at R 4 396.

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

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