


Grain SA's Morning Grain Market Commentary

	DATE	DATE			+ LAST WEEK		AT THE MONEY PUT OPTION FOR JULY 2021 DELIVERY			
	2020/09/23	2020/09/22			2020/09/14					
	Data	Δ	Δ%	Data	Δ%	Data		WM	YM	
DJIA-index	27288	140,48	0,52%	27148	-1,4%	27666	Jul '21 FUTURES PRICE	R 2 916,00	R 2 913,00	
Goud (Spot)	1887,24	-28,19	-1,47%	1915,43	-3,1%	1947,24	Put STRIKE PRICE	R 2 920,00	R 2 920,00	
Brent \$/vat	41,43	-0,06	-0,1%	41,49	3,8%	39,91	Put PREMIUM	R 261,19	R 192,33	
1 € / US\$	1,1685	-0,01	-0,64%	1,1760	-1,3%	1,1844	BREAKEVEN SAFEX PRICE	R 2 658,81	R 2 727,67	
1 US\$ / ZAR	16,81	0,04	0,2%	16,77	0,7%	16,69				
Corn Sep	R 2 443,27	3	0,1%	R 2 440,10	*CBOT Corn Sep cents / bushel 08:00 today vs. CBOT Sep 12:00 the previous day					
Wheat	R 3 446,55	29	0,9%	R 3 417,40	*CBOT Wheat Sep cents / bushel 08:00 today vs. CBOT Wheat Sep 12:00 the previous day					
Soybeans	R 6 297,68	-2	0,0%	R 6 299,95	*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 day)							WEEK NR.	MAIZE EXPORTS		
Corn Dec 20	369,20	-0,40	-0,1%	369,60	Parity prices delivered in Randfontein. WEAT BDN import par not export par		20	WM	YM	TM
Wheat Dec 20	558,00	3,40	0,6%	554,60			WEEK TOTAL	13 820	96 730	110 550
Soybeans Nov 20	1019,60	-2,80	-0,3%	1022,40			YTD TOTAL	346 297	1 075 665	1 421 962
Latest MTM prices (SPOT = nearest contract month (Rand / ton))				Import parity		Export parity	EXPORTABLE	1 170 000	1 370 000	2 540 000
SORGHUM Sep'20	3800,00	0,00	0,0%	3800,00	5300,00	3200,00	YTD AS % OF EXPORTABLE	30%	79%	56%
WMAZ Spot	3412,00	-24,00	-0,7%	3436,00	3990,00	2400,00	PACE/WEEK NEEDED	25 741	9 198	34 939
WMAZ Dec 20	3382,00	33,00	1,0%	3349,00	4300,00	2500,00	MAIZE PRODUCER DELIVERIES			
WMAZ Jul 21	2916,00	3,00	0,1%	2913,00	4400,00	2500,00	WEEK TOTAAL	79 612	21 841	101 453
YMAZ Spot	3280,00	-4,00	-0,1%	3284,00	4300,00	2500,00	JTD TOTAAL	7 557 653	5 770 849	13 328 502
YMAZ Dec 20	3325,00	17,00	0,5%	3308,00	4300,00	2500,00	NOK SKATTING + REGSTELLINGS	8 863 776	6 104 258	14 968 034
YMAZ Jul 21	2913,00	6,00	0,2%	2907,00	4400,00	2590,00	% GELEWEN VAN OES	85,3%	94,5%	89,0%
SOY spot	8096,00	6,00	0,1%	8090,00	8400,00	6000,00				
SOY May 21	7088,00	-22,00	-0,3%	7110,00	8600,00	6000,00	WEEK 50	WHEAT IMPORTS		
SUN Spot	7691,00	-134,00	-1,7%	7825,00	8700,00	6700,00		2019/20	2018/19	5 Jr. GEM
SUN May 21	6912,00	-108,00	-1,5%	7020,00	8700,00	6700,00	WEEK TOTAL	67 270	78517	47 752
WHEAT Spot	5030,00	-173,00	-3,3%	5203,00	5600,00	5100,00	YTD TOTAL	1 723 401	1 140 137	1 534 691
WHEAT Dec 20	4916,00	12,00	0,2%	4904,00	5700,00	5200,00	TOTAL NEEDED	1 820 000	1 355 881	1 671 817
WHEAT Mar 21	5011,00	11,00	0,2%	5000,00	5790,00	5270,00	YTD AS % OF NEEDED	95%	84%	92%
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS										
<p>Market overview: The JSE faces mostly subdued Asian markets on Wednesday morning, with US markets snapping a five-session losing streak overnight, led by tech stocks. In morning trade, the Shanghai Composite and Hang Seng were both little changed, while Japan's Nikkei was down 0.41%, returning after two days of public holidays in that country. Tencent, which influences the JSE via Naspers, was up 0.29%. Gold was down 0.58% to \$1,888.56/oz while platinum was flat at \$865.33. Brent crude was 0.72% lower at \$42.46 a barrel. The rand was 0.29% weaker at R16.83/\$. Former Johannesburg mayor Herman Mashaba will no longer put his hand up to lead the city he governed for more than three years and has set his sights on the national political stage. The businessman turned politician's new political party, ActionSA, which was launched end-August, was officially registered as a political party at the Electoral Commission of SA (IEC) last week. As the government weighs options on which overseas countries will be open for travel to and from SA and some key sources of tourists consider new measures to contain spikes in Covid-19 infections, players in the multibillion-rand industry said further travel restrictions or bans will derail any recovery. The government has already indicated that travel within Africa will be open from October 1 in line with President Cyril Ramaphosa's announcement earlier in September that the country was moving to level 1 of the national lockdown.</p> <p>Maize: Maize prices in the US saw small declines Tuesday amid a choppy session as traders attempted to balance better-than-expected crop quality and harvest pressure against export optimism. Private exporters announced two large maize sales to USDA yesterday. The first was for 139 000 tons to China, plus another 320 000 tons to unknown destinations. Both sales are for delivery during the 2020/21 marketing year, which began September 1. With generally dry weather last week and a quickly maturing maize crop, analysts expected harvest to reach 11% completion this past week. But USDA reports that just 8% of the crop nationwide has been harvested through September 20 in its latest weekly crop progress report. Fifty-nine percent of the crop is fully mature. Quality-wise, analysts expected USDA to knock an additional point off ratings. In contrast, USDA says 61% of the crop is now rated in good-to-excellent condition, up a point from last week. Another 25% is rated fair (unchanged from a week ago), with the remaining 14% rated poor or very poor (down a point from a week ago). India's maize production is expected to move slightly higher this year, to 19.879 million tons. Local: The local maize market on Tuesday mostly found support and traded stronger for the day in most of the contracts of both white and yellow maize currently listed. The white maize market traded R24 / ton lower for delivery in September 2020 for the day to close at R3 412 / ton. The yellow maize market traded R4 / ton lower for delivery in September 2020 to close at R3 280 / ton.</p> <p>Soybeans: Soybean prices saw modest cuts Tuesday following Monday's steep declines. Another round of large export sales announced yesterday morning kept losses mostly in check, although better-than-expected crop quality triggered some technical selling again yesterday. Private exporters reported to USDA the sale of 266 000 tons of soybeans for delivery to China during the 2020/21 marketing year, which began September 1. USDA's soybean quality ratings held steady at 63% rated in good-to-excellent condition through Sunday. Another 27% of the crop is rated fair (up a point from last week), with the remaining 10% rated poor or very poor (down a point from last week). More than half (59%) of the crop is now dropping leaves, up from 37% last week and ahead of the prior five-year average of 50%. Measurable harvest has begun in 17 of the top 18 production states, with a nationwide average of 6%, mirroring the prior five-year average. Argentina's soy crushing volume in August fell 20% year-over-year to 3.3 million tons, per the country's agriculture ministry. Crushing volume is down 9% over the first eight months of 2020. Argentina is the world's No. 1 soymeal exporter. India's soybean production this year is expected to make a moderate jump forward, moving to 13.58 million tons. That would be a year-over-year increase of 21%, if realized. Local: The local soybean market mostly found support on Tuesday and traded stronger for the day in most of the contract months currently listed. The local soybean market traded for delivery in September 2020, R6 / ton higher for the day to close at R8 096 / ton.</p> <p>Wheat: Wheat prices captured back some of Monday's losses during yesterday's session after reports of rising prices overseas triggered a round of technical buying. Some contracts finished the session up more than 1%. This year's spring wheat harvest is nearly complete, moving from 92% a week ago up to 96%, which is right in line with the prior five-year average and moderately ahead of 2019's pace of 84%. Winter wheat planting progress doubled, going from 10% a week ago up to 20% through September 20. That's slightly ahead of the prior five-year average of 19%. And 3% of the crop is emerged, also slightly ahead of the prior five-year average of 2%. Local: The local wheat market on Tuesday mostly traded stronger with all contracts finding support. The local wheat market traded for delivery in December 2020, R12 / ton higher to close at R4 916 / ton.</p>										
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