


## Grain SA's Morning Grain Market Commentary

	DATE	DATE		+ - LAST WEEK		AT THE MONEY PUT OPTION FOR JUL 2020 DELIVERY				
	2020/02/24	2020/02/21		2020/02/17						
	Data	Δ	Δ%	Data	Δ%	Data	WM	YM		
DJIA-index	28992	-227.57	↓ -0.78%	29220	↓ -1.4%	29398	Jul '20 FUTURES PRICE	R 2 271.00	R 2 415.00	
Goud (Spot)	1643.46	17.32	↑ 1.07%	1626.14	↑ 3.8%	1582.84	Put STRIKE PRICE	R 2 280.00	R 2 420.00	
Brent \$/vat	56.53	-2.35	↓ -4.0%	58.88	↓ -1.2%	57.19	Put PREMIUM	R 99.91	R 110.74	
1 € / US\$	1.0819	0.00	↑ 0.22%	1.0795	↓ -0.2%	1.0838	MIN SAFEX PRICE	R 2 180.09	R 2 309.26	
1 US\$ / ZAR	15.06	-0.04	↓ -0.3%	15.10	↑ 1.4%	14.85				
Corn Mar 19	R 2 235.16	-14	↓ -0.6%	R 2 249.42	*CBOT Corn Dec cents / bushel 08:00 today vs. CBOT Dec 12:00 the previous day					
Wheat Mar 19	R 3 049.02	-58	↓ -1.9%	R 3 107.05	* CBOT Wheat Dec cents / bushel 08:00 today vs. CBOT Wheat Dec 12:00 the previous day					
Soybeans Mar 19	R 4 927.12	-25	↓ -0.5%	R 4 952.41	* CBOT Soy Jan cents / bushel 08:00 today vs. CBOT Soy Jan 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 Mar 20	377.00	-1.40	↓ -0.4%	378.40	Parity prices delivered in Randfontein. WEAT BDN import par not export par					
Wheat Mar 20	551.00	-9.00	↓ -1.6%	560.00						
Soybeans Mar 20	890.40	-2.20	↓ -0.25%	892.60						
Latest MTM prices (SPOT = nearest contract month (Rand / ton))					Import parity	Export parity				
SORGHUM Mar '20	3215.00	0.00	↑ 0.0%	3215.00	3660.00	2114.00				
WMAZ Spot	2743.00	44.00	↑ 1.6%	2699.00	4415.00	1950.00				
WMAZ Mar 20	2655.00	2.00	↑ 0.1%	2653.00	3570.00	2220.00	week 42	MAIZE PRODUCER DELIVERIES		
WMAZ Jul 20	2271.00	-24.00	↓ -1.0%	2295.00	3640.00	2280.00	WEEK TOTAAL	11 480	6 850	18 330
YMAZ Spot	2537.00	-51.00	↓ -2.0%	2588.00	3350.00	1950.00	JTD TOTAAL	5 360 136	5 169 207	10 529 343
YMAZ Mar 20	2550.00	-28.00	↓ -1.1%	2578.00	3570.00	2220.00	NOK SKATTING + REGSTELLINGS	5 378 240	5 369 610	10 747 850
YMAZ Jul 20	2415.00	-26.00	↓ -1.1%	2441.00	3640.00	2280.00	% GELEWER VAN OES	99.7%	96.3%	98.0%
SOY spot	5915.00	-39.00	↓ -0.7%	5954.00	6540.00	4670.00				
SOY May 20	5727.00	-33.00	↓ -0.6%	5760.00	7040.00	5030.00	WEEK 20	WHEAT IMPORTS		
SUN Spot	5205.00	22.00	↑ 0.4%	5183.00	6370.00	4890.00		2019/20	2018/19	5 Jr. GEM
SUN May 20	5303.00	48.00	↑ 0.9%	5255.00	6370.00	4890.00	WEEK TOTAL	30 078	44 918	30 658
WHEAT Spot	4750.00	0.00	↑ 0.0%	4750.00	5000.00	4680.00	YTD TOTAL	568 556	127 813	338 965
WHEAT Mar 20	4740.00	3.00	↑ 0.1%	4737.00	5061.00	4740.00	TOTAL NEEDED	1 750 000	1 355 881	1 671 817
WHEAT May 20	4780.00	-16.00	↓ -0.3%	4796.00	5061.00	4740.00	YTD AS % OF NEEDED	32%	9%	20%

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

**Market Review:** The local currency ended Friday low and remains among the most emerging currencies in emerging markets as coronavirus problems have flared up again. By Friday 18h45, the rand was trading at R14.97 against the dollar, the rand was moving much sideways over the weekend and was trading at R15.06 / \$ this morning. Gold prices reached their highest level in seven years on Friday, as demand for safe haven assets increased amid a global stock sale. Silver gained 0.96% and platinum lost 0.75% daily. Beijing's plan to increase stimulus measures to offset the impact of the virus on the economy was not enough to raise crude prices Friday as investors continued to assess the economic impact of the epidemic. At 19h15 on Friday, a barrel of Brent crude was trading at \$ 58.27. This week, there is one item of prime importance on the economic calendar: the national budget for 2020 on Wednesday. For the man on the street, the most important question will be to what extent Finance Minister Tito Mboweni will levy taxes; For business, this will be the degree of decline in the country's debt dynamics. Cash-strapped Stats SA and Presidency Minister Jackson Mthembu will again approach Finance Minister Tito Mboweni for funding as he tries to resolve the dire financial situation. Mthembu, whose agency falls under the auspices, met with statistician General Risenga Maluleke and members of the Stats SA council on Sunday who threatened to resign in mass. Mthembu's spokesman, Nonceba Mhlauli, could not be reached for the detailed outcome of the meeting. A statement from Mthembu's office said that the meeting on Sunday was "common ground" to ensure continuity and integrity of the statistical system. In Foreign News, it is a good thing that the US does not appear to make the pleasant assumption that Africa is one big country. The less good news is that its trade relations could be shattered with the 55 states of the US. Michael Pompeo focused on business ties on his first trip to Africa as Secretary of State last week when he met officials in Senegal, Angola and Ethiopia. President Donald Trump "likes transactions" and "wants more to happen between the US and nations across Africa," Pompeo said in Addis Ababa.

**Maize:** Maize prices fell Friday, according to the USDA's forecast for sharply higher ending stocks for 2020/21, which the agency said at Friday morning's Ag Outlook Forum in Washington, D.C. launched. Maize exports rose from 967 000 tonnes the previous week to 1.249 million tonnes for the week ending February 13, with more than 99% of the total volume of old crop sales. This is also a 12% improvement over the previous four-week average and has exceeded all trade estimates. **Local:** Maize experienced a very volatile trading session on Friday and went mainly into the red over the weekend.

**Soybeans:** The price of soybeans fell about 0.5% on Friday, as traders mostly supported the 2020/21 production and focused instead on the agency's weekly export report for purchases. For the marketing year 2020/21, USDA expects the US soybean crop to reach 113 million tonnes, which is 18% higher year-on-year. With increasing global demand, especially from China, the agency continues to predict that 2020 soybean supply of soybean decline will end from 11.566 million tons this marketing year to 8,708 million tons. **Local:** Soybeans have experienced the same pressure as maize and also have varying levels of traffic. Soybeans mainly closed in the red on Friday.

**Wheat:** Wheat prices experienced a technical regression for the third consecutive session after rising more than 4% on Tuesday. A nice round of USDA export sales data raised additional concerns on Friday morning, with some contracts closing at 1.4% lower on Friday. Wheat export sales made a major decline last week, down 40% from the previous four-week average. **Local:** Wheat moved much sideways during Friday's session, concluding just two contracts in the red.

Domestic Market Insights & Data: [www.grainsa.co.za](http://www.grainsa.co.za) / [www.sagis.co.za](http://www.sagis.co.za)  
International Market Insights & Data: [www.usda.gov](http://www.usda.gov)

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