

Grain SA's Morning Grain Market Commentary

DATE 2019/06/25	DATE 2019/06/24		+ - LAST WEEK 2019/06/21		AT THE MONEY CALL OPTION FOR DECEMBER DELIVERY								
	Data	Δ	Δ%	Data	Δ%	Data							
DJIA-index	26728	-25.63	↓	-0.10%	26753	↑	0.8%	26504	Dec '19 FUTURES PRICE	R	2 959.00	R	2 932.00
Goud (Spot)	1428.77	23.70	↑	1.7%	1405.07	↑	3.6%	1379.08	Call STRIKE PRICE	R	2 960.00	R	2 940.00
Brent \$/vat	64.06	-0.67	↓	-1.0%	64.73	↑	2.1%	62.76	Call PREMIUM	R	207.53	R	158.94
1 € / US\$	1.1395	0.00	↑	0.09%	1.1385	↑	1.2%	1.1265	SAFEX BE PRICE	R	3 167.53	R	3 098.94
1 US\$ / ZAR	14.35	0.06	↑	0.4%	14.29	↑	0.1%	14.33					
Corn Mar 19	R 2 522.97	35	↑	1.4%	R 2 487.67				*CBOT Corn May cents / bushel 08:00 today vs. CBOT May 12:00 the previous day				
Wheat Mar 19	R 2 836.72	75	↑	2.7%	R 2 761.86				*CBOT Wheat May cents / bushel 08:00 today vs. CBOT Wheat May 12:00 the previous day				
Soybeans Mar 19	R 4 792.90	54	↑	1.1%	R 4 739.26				*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	446.60	4.40	↑	1.0%	442.20				Parity prices delivered in				
Wheat Jul 19	538.00	12.00	↑	2.3%	526.00				Randfontein. WEAT BDN				
Soybeans Jul 19	909.00	6.40	↑	0.71%	902.60				import par not export par				
Latest MTM prices (SPOT = nearest contract month (Rand / ton))													
SORGHUM Sep '19	3280.00	0.00	↑	0.0%	3280.00			3728.00	2100.00				
WMAZ Spot	2810.00	-49.00	↓	-1.7%	2859.00			4096.00	2370.00				
WMAZ Jul 19	2846.00	-22.00	↓	-0.8%	2868.00			3529.00	2129.00	week 7 MAIZE PRODUCER DELIVERIES			
WMAZ Sep 19	2864.00	-64.00	↓	-2.2%	2928.00			3584.00	2182.00	WEEK TOTAAL	227 929	513 200	741 129
YMAZ Spot	2804.00	-49.00	↓	-1.7%	2853.00			3529.00	2129.00	JTD TOTAAL	876 707	2 186 023	3 062 730
YMAZ Jul 19	2860.00	-3.00	↓	-0.1%	2863.00			3529.00	2129.00	NOK SKATTING + REGSTELLINGS	5 328 040	5 062 220	10 390 260
YMAZ Sep 19	2932.00	15.00	↑	0.5%	2917.00			3584.00	2182.00	% GELEWER VAN OES	16.5%	43.2%	29.5%
SOY spot	5351.00	-39.00	↓	-0.7%	5390.00			6222.00	4486.00				
SOY Jul 19	5455.00	53.00	↑	1.0%	5402.00			6485.00	4475.00	week 36 WHEAT IMPORTS			
SUN Spot	5203.00	-47.00	↓	-0.9%	5250.00			6343.00	4855.00	2018/19	2017/18	5 Jr. GEM	
SUN Jul 19	5210.00	-43.00	↓	-0.8%	5253.00			6343.00	4855.00	WEEK TOTAL	42 239	101 572	44 550
WHEAT Spot	4498.00	15.00	↑	0.3%	4483.00			4646.00	4326.00	YTD TOTAL	797 298	1 425 163	1 181 230
WHEAT Jul 19	4462.00	-30.00	↓	-0.7%	4492.00			4718.00	4398.00	TOTAL NEEDED	1 500 000	2 173 234	1 727 637
WHEAT Sep 19	4335.00	-100.00	↓	-2.3%	4435.00			4676.00	4356.00	YTD AS % OF NEEDED	53%	66%	68%

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

Market review: The rand traded at R14.35 this morning against the dollar. Zimbabwe will pay \$10m to South Africa's electricity provider Eskom this week as part of plans to unlock at least 400MW to ease power shortages in the country. The southern African country, which, according to Zesa, manufactures 1200 MW from Sunday, requires at least 1,700 MW per day to meet demand. Over the years, it relied on Eskom and Mozambique's HCB for additional power. The US has an "intense interest" in Africa and the perception that the continent has little interest, but President Donald Trump's administration and the US Assistant Secretary for Africa think it is wrong. Pres. Cyril Ramaphosa's latest promise to support Eskom is good news for the cash-linked electricity company, but some investors are looking at the increase in the sovereign bond issue to pay the bill. Ramaphosa announced last week that it would spend a portion of the R230 billion for Eskom over the next 10 years. The Treasury did not budget for additional support over and above the 23 billion rand allocated in February for this and the next two years. Eskom told Fin24 on Monday that the debt crisis it had locked up with several municipalities across the country had not improved since last year, despite the establishment of an inter-ministerial task force and a number of concessions to make council repayments easier.

Maize: Yesterday in the US market, the maize price moved higher due to the movement of weather charts showing more positive weather conditions. Maize saw 617 000 tons of export inspections last week, slightly down from last week's 678 000 tons score and on the low end of trade estimates. Japan was the no. 1 destination, with 243,000 tons. **Local:** The local maize markets were suppressed and moved downwards yesterday, owing to the movement in the international markets as well as the slow-paced local harvesting rate. The white maize is R58 and closes the day's trading at R2810. Yellow maize is R 59 and closes the day's deal at R 2804.

Soybeans: The US soybean price had moderate inclines to start this week, as traders were worried about planting progress and yield potential from late planted crops. Soybean export inspections reached 683,000 tonnes last week, fractionally from last week's 680,000 tonnes, and on the high end of the trade estimates with China no. 1 destination, with 530 000 tons. **Local:** In the local market the soybean price was also under pressure yesterday, with several factors contributing to the downward movement in the market. Certainly the biggest factor is the new stock that is currently entering the market during harvest time. The soybean price moved down R 51 and closed the day's deal at R 5 351.

Wheat: Yesterday, US wheat prices moved up 2% or more, as the crop rate for the 2018/19 winter wheat crop slowly started, and Europe's hot, dry weather forward crops are rising. Wheat export inspections climbed over the week to reach 405,000 tons, reaching mid-average trade estimates with Algeria reaching the top destinations by 111,000 tons. **Local:** There have been small movements in the wheat market which led to an upward movement yesterday. The wheat prices are R 6 upwards yesterday and close the day's trading at R 4 498.

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

