**Market Review:**

The rand is trading at R4.09 this morning against the dollar, which is significantly weaker than yesterday with market closure. South Africa’s decision to move from double to single financial support to farmers is a welcome step for the rand, as it is an additional budget on the budget, Moody’s Investors Service said on Thursday. While the government can help reduce the cost of the plan in October to save money in the medium-term budget, the “room to move” is extremely limited,” said Moody in a report on his website. Stats SA announced on Thursday that its annual producer price index for June was 8.8%, up from 6.4% in May.

**Maize:** The US maize price fell more than 1% yesterday due to technical sales spurred by a day lower of sales data from USDA yesterday. The International Grains Council has lowered its forecast for global maize production for 2019/20 to 1,090 billion tons, and due to lower production in China, the increase in Brazil will be compensated. Latest: Yesterday, the IGC announced their latest crop estimate, indicating that the maize crop is 50,000 tons larger than expected. The latest maize prices were suppressed yesterday and closed lower.

**Soybeans:** The price of soybeans stagnated on Thursday and dropped almost 1% due to lower demand around the US market. The International Grains Council has lowered its global soybean production forecast for 2019/20 to 348 million tons, noting an expected downturn in US production this year. Latest: According to the IGC, soybean production has decreased from the previous crop estimate by nearly 40,000 tons. The price of soybeans experienced pressure yesterday and made small downward movements during trading yesterday.

**Wheat:** US wheat prices kept small premiums on Thursday, after getting better than expected export data yesterday morning, they are still trying to shake off the ongoing downward trend since mid-June. The International Grains Council reduced its worldwide wheat production estimates for 2019/20 by around 5,977 million tons to 762 million tons, taking into account lower production potential in Russia, the EU and Canada. The European Commission has cut its forecast for the European Union’s wheat production for 2019/20, as a heat wave sharpened the continent - reducing its estimate by 0.7%. However, the group has not changed its expectations for EU wheat exports a month ago. Latest: According to the EEC’s estimate, wheat hectares have been adjusted upwards in the Free State from the intention to plant to the first area estimate of nearly 20,000 hectares. The wheat price was stable yesterday and closed at the same levels as it opened.

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**Domestic Market Insights & Data:** www.grains.co.za, www.sagis.co.za

**International Market Insights & Data:** www.cftc.gov

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