

## Grain SA's Oilseed Market Commentary

GRAIN SA GRAIN SA	DATE	DATE			+ - WEEK AGO		+ - MONTH AGO		+ - YEAR AGO	
	2019/11/11	2019/11/08			2019/11/04		2019/10/14		2018/11/12	
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	Data
Brent (\$/b)	62.51	0.77	1.2%	61.74	1.2%	61.79	4.2%	59.98	-9.9%	69.36
US\$: ? ZAR	14.93	0.100	0.7%	14.83	0.8%	14.81	1.3%	14.74	3.8%	14.39
ACBOT Maize 8vm : 12nm*	R 2 217.04	26.53	1.2%	R 2 190.51	*CBOT Dec cents / bushel + -08:00 today vs CBOT Corn Dec + -12 : 00 the previous day					
ACBOT Wheat 8vm : 12nm*	R 2 798.87	6.76	0.2%	R 2 792.11	*CBOT Dec cents / bushel + -08:00 today vs CBOT Wheat Dec + -12 : 00 the previous day					
ACBOT Soy 8vm : 12nm*	R 5 043.68	3.27	0.1%	R 5 040.41	* CBOT Nov cents / bushel + -08 : 00 today vs CBOT Soybeans Nov + -12 : 00 the previous day					
Latest CBOT prices during overnight trading (Signed between 06:00 - 07:00 vm 12:00 PM on the previous trading day)										
Corn Dec '19	377.20	2.00	0.5%	375.20	-3%	389.20	-5%	397.60	-6%	403.40
Wheat Dec '19	510.20	-2.20	-0.4%	512.40	-1%	516.00	0%	508.00	-10%	568.40
Sojabone Nov '19	919.40	-5.60	-0.6%	925.00	-1%	924.20	-2%	936.00	-2%	934.40
Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / tonne)										
SORGHUM	3469.00	0	0.0%	3469.00	0.0%	3469.00	0.0%	3469.00	-5.0%	3650.00
WMAZ Spot	2610.00	0	0.0%	2610.00	-6.6%	2795.00	-10.2%	2907.00	4.9%	2487.00
WMAZ Dec '19	2635.00	-1	0.0%	2636.00	-6.6%	2820.00	-10.5%	2945.00	5.5%	2498.00
YMAZ Spot	2605.00	-9	-0.3%	2614.00	-5.3%	2752.00	-7.5%	2815.00	5.5%	2470.00
YMAZ Dec '19	2630.00	-3	-0.1%	2633.00	-5.2%	2773.00	-7.7%	2850.00	5.8%	2485.00
SOY Spot	6006.00	42	0.7%	5964.00	-0.1%	6015.00	-0.2%	6021.00	30.2%	4612.00
SOY Dec '19	6039.00	57	1.0%	5982.00	-0.2%	6053.00	0.3%	6018.00	29.8%	4651.00
SUN Spot	5326.00	50	0.9%	5276.00	-4.4%	5570.00	-5.7%	5650.00	2.2%	5209.00
SUN Dec '19	5376.00	54	1.0%	5232.00	-4.3%	5619.00	-6.9%	5775.00	2.8%	5228.00
WHEAT Spot	4340.00	-10	-0.2%	4350.00	-2.7%	4460.00	-3.6%	4502.00	0.0%	4340.00
WHEAT Dec '19	4362.00	-20	-0.5%	4382.00	-3.0%	4497.00	-4.8%	4583.00	-0.3%	4375.00
OILSEED (US\$/ton)	2019/11/08	Source: Oilworld			2019/11/01	2019/03/22	2018/04/13			
Soya-oil, Arg.	696				2%	683	2%	685	3%	676
Soya-pell, Arg.	324				4%	312	-1%	326	-12%	368
Soybean, Brazil	380				-1%	383	0%	379	-7%	410
USA Runner 40/50	1350				0%	1350	4%	1300	4%	1300
Sun-oil, Arg.	685				3%	665	3%	665	-14%	800
Sun-oil, Black Sea	715				4.4%	685	6%	675	-5%	750
Sunseed, Black Sea	340				0%	340	-8%	370	-17%	409
Rapeseed, EU cif	430				1%	427	3%	417	8%	399
Palmk oil Mal, EU	680				4%	655	-6%	720	-34%	1037

**Soybeans:** Total soybean processing and exports from the US and 3 South American countries increased by approximately 3.4 million tons during Sept / Oct 2019 to a total of 45.9 million tons. This is about 8% more than at the same time of the season last year. In the US, the main focus is still on the rate at which the harvesting process is taking place and what the total production should be for the season. The latest WASDE report was released by the USDA on Friday, and although there were general expectations in the market that US production would be adjusted downward, the USDA kept US production prospects for the season unchanged from the previous month's forecast. In Brazil, it is reported that the plantings progressed well last week, but that the total area planted so far is still significantly lower than last season's area at this time of year. The drier conditions that prevailed over large parts of Brazil caused the soil moisture to be low and therefore the plantings could not take place optimally. Although good widespread rain occurred last week, the soil moisture is still low in large parts of the country and the plantings cannot yet take place optimally. There were also germination problems in large areas and producers had to replant in some of the areas. **Local:** The local soybean market found support last week and traded stronger for the week in most of the contract months currently listed. The good local processing rate of soybeans has put local stock levels under pressure and this season's stock levels will be significantly lower than last season's closing stock.

**Sunflower Seeds:** International sunflower seed prices are year on year lower than last season's prices at the same time of year. Prices in Russia in particular are under pressure due to record production this season. The lower sunflower seed prices are supportive to the crushing margin and it is expected that Russian processing of sunflower seeds will increase approximately 1.6 million tons this season compared to last season's processing. Russia's sunflower seed processing is expected to reach 13.3 million tons this season. Due to the large available sunflower seed stock in the international market and expected increase in processing, the excess sunflower seed oil should serve as a buffer for the shortages of other vegetable oils. **Local:** The local sunflower seed market came under pressure last week and closed lower for the week in most of the contract months currently listed. The lower local sunflower stock has put local processing of sunflower seed under pressure, while sunflower oil imports have increased sharply for the season compared to previous seasons' imports.

**Canola:** The problems with the Canada-China trade are keeping Canadian canola prices under pressure and, although negative for Canadian producers, is positive for the canola crushing margin in Canada which increases canola processing there. The lower Canadian prices also make imports more attractive to other countries and the higher demand in other countries serves as a buffer against the lower exports to China. **Local:** In the local market the canola harvesting is mostly done with the yields that were mostly below average.

**Groundnuts:** The groundnut production expectations in India have been adjusted upwards from the previous forecast and total production for the season is now estimated at 4.6 million tonnes. It is expected that Indian groundnut exports and processing will increase for the season. **Local:** In the local market, the focus is still on the planting of peanuts. There has already been widespread rain in some of the groundnut producing areas, but good widespread rain is needed to ensure that sufficient soil moisture for the plantings takes place optimally.

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