

## Grain SA's Oilseed Market Commentary

GRAIN SA GRAIN SA	DATE	DATE			+ - WEEK AGO		+ - MONTH AGO		+ - YEAR AGO	
	2020/07/13	2020/07/10			2020/07/06		2020/06/15		2019/07/15	
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	Data
Brent (\$/b)	43.02	0.71 ↑	1.7%	42.31	0.5% ↑	42.82	1.8% ↑	42.26	-35.5% ↓	66.71
US\$: ? ZAR	16.73	-0.180 ↓	-1.1%	16.91	-1.1% ↓	16.92	-0.2% ↓	16.76	20.1% ↑	13.93
ΔCBOT Maize 8vm : 12nm*	R 2,241.96	-96.02 ↓	-4.1%	R 2,337.98	*CBOT Jul cents / bushel + -08:00 today vs CBOT Corn Jul + -12 : 00 the previous day					
ΔCBOT Wheat 8vm : 12nm*	R 3,292.45	22.98 ↑	0.7%	R 3,269.47	*CBOT Jul cents / bushel + -08:00 today vs CBOT Wheat Jul + -12 : 00 the previous day					
ΔCBOT Soy 8vm : 12nm*	R 5,479.63	-101.21 ↓	-1.8%	R 5,580.84	*CBOT Jul cents / bushel + -08 : 00 today vs CBOT Soybeans Jul + -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 Jul '20	340.40	-10.80 ↓	-3.1%	351.20	-1% ↓	342.40	3% ↑	329.20	-26% ↓	458.60
Wheat Jul '20	535.60	9.40 ↑	1.8%	526.20	9% ↑	490.00	6% ↑	504.60	-1% ↓	539.60
Sojabone Jul '20	891.40	-6.80 ↓	-0.8%	898.20	0% ↓	892.40	3% ↑	869.00	-7% ↓	956.00
Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / tonne)										
SORGHUM Spot	3900.00	0 ↑	0.0%	3900.00	0.0% ↑	3900.00	24.3% ↑	3138.00	18.9% ↑	3280.00
WMAZ Spot	2646.00	19 ↑	0.7%	2627.00	1.7% ↑	2603.00	7.3% ↑	2465.00	-11.2% ↓	2980.00
WMAZ Sep 20	2679.00	21 ↑	0.8%	2658.00	1.1% ↑	2649.00	6.6% ↑	2514.00	-8.1% ↓	2915.00
YMAZ Spot	2741.00	14 ↑	0.5%	2727.00	1.1% ↑	2711.00	6.5% ↑	2573.00	-4.6% ↓	2874.00
YMAZ Sep 20	2792.00	16 ↑	0.6%	2776.00	0.8% ↑	2769.00	6.4% ↑	2624.00	-4.8% ↓	2932.00
SOY Spot	6995.00	63 ↑	0.9%	6932.00	0.9% ↑	6930.00	5.6% ↑	6625.00	30.3% ↑	5369.00
SOY Sep '20	7033.00	43 ↑	0.6%	6990.00	0.5% ↑	6999.00	4.5% ↑	6727.00	29.5% ↑	5430.00
SUN Spot	5956.00	38 ↑	0.6%	5918.00	0.9% ↑	5904.00	5.2% ↑	5663.00	16.3% ↑	5120.00
SUN Sep '20	6074.00	37 ↑	0.6%	6037.00	0.7% ↑	6030.00	4.5% ↑	5810.00	16.0% ↑	5235.00
WHEAT Spot	5593.00	-58 ↓	-1.0%	5651.00	3.0% ↑	5430.00	7.6% ↑	5200.00	23.7% ↑	4520.00
WHEAT Sep '20	5198.00	1 ↑	0.0%	5197.00	3.0% ↑	5045.00	3.8% ↑	5010.00	15.5% ↑	4500.00
OILSEED (US\$/ton)	2020/07/10	Bron: Oilworld			2020/07/03	2019/03/22	2018/04/30			
Soya-oil, Arg.	694	5.5% ↑	1%	658	1%	685	3%	676		
Soya-pell, Arg.	329	3.8% ↑	1%	317	1%	326	-11%	368		
Soybean, Brazil	382	1.1% ↑	1%	378	1%	379	-7%	410		
USA Runner 40/50	1425	0.0% ↑	10%	1425	10%	1300	10%	1300		
Sun-oil, Arg.	775	0.0% ↑	17%	775	17%	665	-3%	800		
Sun-oil, Black Sea	780	-1.3% ↓	16%	790	16%	675	4%	750		
Sunseed, Black Sea	415	0.0% ↑	12%	415	12%	370	1%	409		
Rapeseed, EU cif	434	3.3% ↑	4%	420	4%	417	9%	399		
Palmk oil Mal, EU	690	-0.7% ↓	-4%	695	-4%	720	-33%	1037		

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

**Soybeans:** In the international soybean market, the main focus for the next few weeks will be mainly on US weather conditions and Chinese purchases. The international soybean market has found good support over the past two weeks and this can mainly be attributed to a spill-over effect from other commodities as well as the strong Chinese soybean purchases. China's soybean purchases have been good since the beginning of the year and China's soybean imports are expected to reach a new record of 98 million tons for the season. Initially, China bought many South American soybeans, which caused soybean stocks to decline in Brazil, in particular. China will now be forced to buy more US soybeans in the second half of the year. US soybean exports are expected to increase significantly during July to December compared to the same period last year. Soybean oil exports from the 6 largest exporting countries were 33% higher in June than the previous year's exports during the same month. Soybean meal exports decreased in June compared to the previous season's exports during the same month. In Argentina, soybean oil prices found support and traded stronger on the back of stronger demand and lower processing of soybeans currently reported in Argentina. Argentine soybean oil prices reached a four-month high early in July. In Brazil, soybean oil prices were even higher, with supplies expected to be limited in the next few months. **Local:** The local soybean market found good support on Friday and traded stronger for the day in most of the contract months currently listed. The local market for delivery in July 2020 traded R63 / ton higher to close at R6 995 / ton on Friday.

**Sunflower seed:** World sunflower oil exports increased around 24% during April to June compared to last season's exports reported during the same period. The largest increase in exports was reported from Russia and Ukraine. Both of these countries had good production this past season which supported the processing of sunflower seeds. The production expectations for the new season currently also look very good in these two countries. **Local:** The local sunflower seed market found good support on Friday and traded stronger for the day in most of the contract months currently listed. The domestic market traded R38 / ton higher for delivery in July 2020 to close at R5 956 / ton on Friday.

**Canola:** In the international context, the expectation is that the canola markets should be fairly volatile during the 2020/21 season given the current state of affairs in the world supply and demand balance sheet. The EU's canola stocks is very low which makes them very dependent on imports. Australia's old-season stock is also depleted which will make the major importers much more dependent on Canadian canola for import purposes. Production expectations in Canada are currently positive with the current production conditions looking good. The expectation in the market is that Canada's canola production for the season should be higher than the previous season's production. **Local:** Large parts of the Western Cape received good widespread rain at the end of last week and over the weekend, which is favorable for the season's canola production conditions so far.

**Groundnuts:** In the US, groundnut production conditions look good for the season. According to the latest USDA weekly production progress report, 69% of US groundnuts are in good to excellent condition. This is better than the previous week's 66% and the previous season's 68% which was estimated to be in good to excellent condition. **Local:** The local peanut production for the season is lower than initially expected.

For any queries, please contact: Luan van der Walt , Email: luan@grainsa.co.za