


Grain SA's Oilseed Market Commentary

 GRAIN SA	DATE	DATE			+ - WEEK AGO		+ - MONTH AGO		+ - YEAR AGO	
	2018/09/17	2018/09/14			2018/09/10		2018/08/20		2017/09/18	
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	Data
Brent (\$/b)	77.52	1.08	1.4%	76.44		77.02	7.7%	71.99	44.1%	53.79
US\$: ? ZAR	14.92	0.120	0.8%	14.80		15.25	1.4%	14.72	15.1%	12.96
Corn	R 1 979.43	13.59	0.7%	R 1 965.84	* CBOT Sep cents / bushel + -08 : 00 today vs CBOT Corn Sep + -12 : 00 the previous day					
Wheat	R 2 631.44	59.23	2.3%	R 2 572.21	*CBOT Sep cents / bushel + -08:00 today vs. CBOT Wheat Sep + -12 : 00 the previous day					
Soybean	R 4 500.85	18.80	0.4%	R 4 482.06	* CBOT Sep cents / bushel + -08 : 00 today vs. CBOT Soy Sep + -12 : 00 the previous day					
356										
Corn Sep '18	337.00	-0.40	-0.1%	337.40		354.00	-7%	364.20	-14%	390.25
Wheat Sep '18	480.00	7.00	1.5%	473.00		486.20	-14%	560.40	-4%	498.75
Soybean Sep '18	821.00	-3.20	-0.4%	824.20		832.00	-7%	881.40	-17%	987.75
Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / tonne)										
SORGHUM mar '19	3500.00	0	0.0%	3500.00		3500.00	-2.8%	3600.00	#VALUE!	NA
WMAZ Sep '18	2340.00	-33	-1.4%	2373.00		2417.00	-1.6%	2378.00	10.7%	2113
WMAZ Jul '19	2513.00	-32	-1.3%	2545.00		2600.00	4.8%	2398.00	21.3%	2072
YMAZ Sep '18	2387.00	-37	-1.5%	2424.00		2468.00	-2.6%	2451.00	8.9%	2191
YMAZ Jul '19	2508.00	-29	-1.1%	2537.00		2596.00	1.6%	2468.00	16.1%	2160
SOY Sep '18	4547.00	17	0.4%	4530.00		4524.00	-2.3%	4652.00	-3.6%	4716
SOY May '19	4870.00	33	0.7%	4837.00		4830.00	4.0%	4683.00	-2.3%	4987
SUN Sep '18	5140.00	30	0.6%	5110.00		5172.00	1.1%	5085.00	6.7%	4818
SUN May '19	5095.00	45	0.9%	5050.00		5130.00	-0.5%	5122.00	1.1%	5040
WHEAT Sep '18	4350.00	-30	-0.7%	4380.00		4347.00	0.2%	4341.00	3.3%	4211
WHEAT Dec '18	4498.00	-32	-0.7%	4530.00		4490.00	2.8%	4376.00	13.6%	3961
OILSEED (US\$/ton)	2018/09/14	Source: Oilworld			2018/09/07	2017/11/13		2016/12/12		
Soya-oil, Arg.	635					652	-17%	769	-6%	678
Soya-pell, Arg.	351					344	4%	339	-5%	368
Soybean, Brazil	405					405	-1%	410	-1%	410
USA Runner 40/50	1380					1380	-14%	1600	6%	1300
Sun-oil, Arg.	705					715	-7%	755	-12%	800
Sun-oil, Black Sea	700					705	-7%	750	-7%	750
Sunseed, Black Sea	350					352	-13%	400	-14%	405
Rapeseed, EU cif	428					435	1%	425	7%	395
Palmk oil Mal, EU	855					885	-42%	1470	-18%	1037

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

Soybeans: The US soybean prices continued last week to trade in a close trading band with US production for the season expected to reach a new record. Production conditions are currently favourable in the USA, and so is expected that US soybean production can reach 127 million tons for the season. Once again, the trade agreements between the US and China will be discussed and could possibly lead to support in US soybean prices. However, there is still no definite period when this will take place. China imported most of the South American available soybean stocks and it caused stocks to fall in countries such as Brazil and Argentina. The price differential between the American and Brazilian soybeans is such that it is becoming more profitable for China to import from the US despite the 25% rate on imports of soybeans. Buyers will still wait a long time to see if trade agreements between these two countries will not slow down. The soybean plantings in Brazil are underway and the expectation for the season is that Brazilian producers will plant an record area of soybeans this season. The weather conditions in Brazil will be monitored as it is currently dry in large producing areas. **Local:** The local soybean market was mostly under pressure last week and closed lower for the week in most of the contract months currently listed. The exchange rate also strengthened last week, putting the local market under pressure.

Sunflower seed: In Russia, exports of sunflower oil reached a new peak during July, which was about 39% higher than the sunflower oil exports seen in May and June. However, the sunflower seed oilcake exports were still below average for the month with the local demand thereof in Russia which was large during this period. The prices of sunflower seed products in the Black Sea region are kept under pressure with the new season stocks that enters the market. **Local:** The local sunflower seed market came under pressure last week and traded mostly lower for the week in most of the contract months currently listed.

Canola: The Australian canola production for the season is expected to reach a 7 year low as a result of adverse weather conditions prevailing in large producing areas. This will limit Australian exports of canola this season. Canadian exports of canola to China were lower than expectations during July, but it is still expected that exports to China will increase over the next few months. **Local:** The main focus in the local market is on Western Cape production conditions which are currently good and positive for the season's production.

Groundnuts: The groundnut production in Brazil for the season has reached a record, Brazilian exports of groundnuts increased by 28% between January and August 2018, but it was still insufficient to replenish the deficits from Argentina. **Local:** Local preparations for the new season's plantings will start soon and weather conditions will once again play a major role in production expectations for the coming season.

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