


Grain SA's Oilseed Market Commentary

	DATE	DATE			+ - WEEK AGO			+ - MONTH AGO			+ - YEAR AGO		
	2018/11/19	2018/11/16			2018/11/12			2018/10/22			2017/11/20		
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	Data			
Brent (\$/b)	67.13	-0.16	-0.2%	67.29	-0.5%	71.00	-1.5%	79.49	-7.8%	62.30			
US\$: ? ZAR	14.04	-0.180	-1.3%	14.22	-2.0%	14.33	-2.2%	14.36	-0.1%	14.03			
ΔCBOT Maize 8vm : 12nm*	R 2 015.24	-41.51	-2.0%	R 2 056.75	*CBOT Dec cents / bushel + -08:00 today vs CBOT Wheat Dec + -12 : 00 the previous day						49%		
ΔCBOT Wheat 8vm : 12nm*	R 2 612.42	-29.31	-1.1%	R 2 641.74	* CBOT Nov cents / bushel + -08 : 00 today vs CBOT Soybeans Nov + -12 : 00 the previous day								
ΔCBOT Soy 8vm : 12nm*	R 4 602.70	-32.88	-0.7%	R 4 635.58									
Latest CBOT prices during overnight trading (Signed between 06:00 - 07:00 vm 12:00 PM on the previous trading day)													
Corn Dec '18	364.60	-2.80	-0.8%	367.40	-1%	369.60	-1%	369.50	-6%	388.00			
Wheat Dec '18	506.40	0.80	0.2%	505.60	1%	502.00	0%	508.00	2%	494.50			
Soybean Nov '18	892.20	5.00	0.6%	887.20	2%	875.20	2%	872.50	11%	1008.00			
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	3650.00	0	0.0%	3650.00	1.4%	3600.00	1.4%	3600.00		NA			
WMAZ Nov '18	2396.00	-44	-1.8%	2440.00	2.2%	2502.00	0.5%	2383.00	19.1%	2012			
WMAZ Jul '19	2536.00	-44	-1.7%	2580.00	2.0%	2642.00	0.2%	2530.00	5.5%	2403			
YMAZ Nov '18	2420.00	-38	-1.5%	2458.00	2.0%	2470.00	1.0%	2395.00	14.7%	2110			
YMAZ Jul '19	2492.00	-33	-1.3%	2525.00	2.1%	2545.00	0.0%	2493.00	11.6%	2233			
SOY Nov '18	4595.00	0	0.0%	4595.00	0.0%	4596.00		NA	4.8%	4825			
SOY Mei '19	4822.00	-13	-0.3%	4835.00	0.1%	4816.00	0.5%	4800.00	3.3%	4989			
SUN Nov '18	5200.00	1	0.0%	5199.00	0.4%	5180.00	2.9%	5053.00	7.8%	4825			
SUN Mei '19	5050.00	-3	-0.1%	5053.00	0.2%	5040.00	2.3%	4935.00	1.2%	4989			
WHEAT Nov '18	4259.00	-12	-0.3%	4271.00	1.7%	4331.00	3.3%	4404.00	1.1%	4170			
WHEAT Des '18	4293.00	-12	-0.3%	4305.00	1.9%	4376.00	3.8%	4461.00	2.7%	4180			
OILSEED (US\$/ton)	2018/11/16	Source: Oilworld			2018/11/09		2017/11/13		2016/12/12				
Soya-oil, Arg.	637				-1%	642	-17%	769	-6%	676			
Soya-pell, Arg.	333				-1%	336	-2%	339	10%	368			
Soybean, Brazil	378				1%	373	-8%	410	-8%	410			
USA Runner 40/50	1250				0%	1250	22%	1600	-4%	1300			
Sun-oil, Arg.	660				0%	660	13%	755	18%	800			
Sun-oil, Black Sea	638				-2%	648	15%	750	15%	750			
Sunseed, Black Sea	340				-1%	342	15%	400	17%	409			
Rapeseed, EU cif	428				-1%	432	1%	425	7%	399			
Palmk oil Mal, EU	655				-2%	670	55%	1470	37%	1037			

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

Soybeans: The recent downward adjustment to US production expectations for the season has helped to keep the expected world surplus soybeans slightly lower, although the 15 million tons are still high surplus levels. World surpluses are largely caused by the large amount of soybeans available in the US, as exports from the US to other world destinations are not enough to make up for lower exports to China. The processing of soybeans has also increased drastically in the US, but it is not enough to get rid of the big surpluses and storage space is even becoming a problem in some parts of the US. However, there is hope that the US and China will once again talk to each other about the trade opportunities that can provide market support if it is favorable. The major US export period to China is until February when the new South American stock comes into the market. Then China will import more from there than American soybeans. The expectation in South America is that production will be good this season and that the soybeans harvesting in Brazil will start 2 to 3 weeks earlier than usual. Weather forecasts in South America will be an important determinant in the international soybean market over the next few weeks. In Argentina there are large areas that are currently very wet due to excess rain that occurred and soybeans needed to be planted over in some areas. The weather prospects for the next two weeks look more favorable in these areas. In Brazil, there are also areas where it is currently very wet and it causes fears in the market that it will cause diseases on the soybeans. **Local:** The local soybean market traded mixed last week, but it was mainly under pressure at the end of the week to close lower on Friday than the levels the market opened on Monday. Although the plantings have already progressed quite well in some parts of the country, sufficient moisture is a problem and soybean plantings cannot continue optimally. Good rain is needed over the largest parts of the summer grain production areas in the next two weeks.

Sunflower seed: The higher than expected production of sunflower seed in the Black Sea region will cause the international processing of sunflower seed to increase this season to a new estimated record of 46.9 million ton. It is 2.3 million tons more than the previous season's processing of sunflowers in the international market. However, world exports should be lower this season than initially expected. This is mainly due to lower import demand in countries such as Pakistan and Russia. The large processing of sunflower seed, which is particularly in the Black Sea region, also puts the price of sunflower oil under pressure. The Black Sea sunflower oil prices have so far been downward in November and have recently been traded at a multi-year low. **Local:** The local sunflower seed market was mainly under pressure last week and traded lower for the week in most of the contract months currently listed. Most sunflower seed is produced in the west of the country and in most of these areas, generally few summer crops are planted for the season due to conditions that are still too dry. The sunflower seed plantings usually occur later than the other crops occur in these areas.

Canola: In the international market's outlook for the season, the upward adjustment made in this year's canola and rapeseed production in the EU and Ukraine exceeded the downward revision in the Australian production for the season. It is also expected that canola production in Canada will reach a new record this season. However, total world production for the season should still be slightly lower than last season's production. **Local:** The harvesting of canola in the Western Cape continues. There was major damage to the local production in the Western Cape due to the strong winds, and in some areas losses are reported as much as a ton per hectare.

Groundnuts: The world's production of groundnuts is estimated at a 3 year low of approximately 29.4m tons for the season. It is 7% lower than last season's production. The expectation in the international market is that the processing of groundnuts for peanut oil and flour should be about 900 000 tons lower this season than the previous season. In recent months, the international groundnut market has largely characterized the shortage of groundnuts in Argentina. The larger quantities of groundnuts shipped from Brazil and the United States only partially compensated for losses from Argentina. **Local:** In the local groundnut market, few groundnuts have been planted for the new season. The soil moisture is still very low which impairs its plantings.

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