


## Grain SA's Oilseed Market Commentary

|                                             | DATE       | DATE             |    |       | + - WEEK AGO |                                                                                            | + - MONTH AGO |         | + - YEAR AGO |       |         |      |       |         |
|------------------------------------------------------------------------------------------------------------------------------|------------|------------------|----|-------|--------------|--------------------------------------------------------------------------------------------|---------------|---------|--------------|-------|---------|------|-------|---------|
|                                                                                                                              | 2019/05/20 | 2019/05/17       |    |       | 2019/05/06   |                                                                                            | 2019/04/15    |         | 2018/05/14   |       |         |      |       |         |
|                                                                                                                              | Data       | Δ                | Δ% | Data  | Δ%           | Data                                                                                       | Δ%            | Data    | Δ%           | Data  |         |      |       |         |
| Brent (\$/b)                                                                                                                 | 72.33      | -0.40            | ↓  | -0.5% | 72.73        | ↑                                                                                          | 4.2%          | 69.42   | ↑            | 1.1%  | 71.55   | ↓    | -7.5% | 78.16   |
| US\$: ? ZAR                                                                                                                  | 14.41      | 0.100            | ↑  | 0.7%  | 14.31        | ↓                                                                                          | -0.4%         | 14.47   | ↑            | 3.2%  | 13.96   | ↑    | 16.6% | 12.36   |
| ΔCBOT Maize 8vm : 12nm*                                                                                                      | R 2 173.86 | 38.75            | ↑  | 1.8%  | R 2 135.11   | *CBOT Jul cents / bushel + -08:00 today vs CBOT Corn Jul + -12 : 00 the previous day       |               |         |              |       |         |      |       |         |
| ΔCBOT Wheat 8vm : 12nm*                                                                                                      | R 2 462.07 | 6.57             | ↑  | 0.3%  | R 2 455.50   | *CBOT Jul cents / bushel + -08:00 today vs CBOT Wheat Jul + -12 : 00 the previous day      |               |         |              |       |         |      |       |         |
| ΔCBOT Soy 8vm : 12nm*                                                                                                        | R 4 350.18 | -64.46           | ↓  | -1.5% | R 4 414.64   | *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 May '19                                                                                                                 | 383.20     | 4.20             | ↑  | 1.1%  | 379.00       | ↑                                                                                          | 6%            | 363.00  | ↑            | 6%    | 361.00  | ↓    | -10%  | 428.00  |
| Wheat May '19                                                                                                                | 465.00     | -2.00            | ↓  | -0.4% | 467.00       | ↑                                                                                          | 9%            | 428.00  | ↓            | 0%    | 464.40  | ↓    | -17%  | 559.00  |
| Soybean May '19                                                                                                              | 821.60     | -18.00           | ↓  | -2.1% | 839.60       | ↓                                                                                          | -1%           | 829.40  | ↓            | -8%   | 895.20  | ↓    | -19%  | 1011.60 |
| Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / tonne) |            |                  |    |       |              |                                                                                            |               |         |              |       |         |      |       |         |
| SORGHUM                                                                                                                      | 3300.00    | 0                | ↑  | 0.0%  | 3300.00      | ↓                                                                                          | -7.5%         | 3568.00 | ↓            | -7.5% | 3568.00 | ↑    | 6.3%  | 3103.00 |
| WMAZ Spot                                                                                                                    | 2682.00    | 94               | ↑  | 3.6%  | 2588.00      | ↑                                                                                          | 2.2%          | 2625.00 | ↑            | 1.9%  | 2631.00 | ↑    | 31.1% | 2046.00 |
| WMAZ Jul '19                                                                                                                 | 2731.00    | 99               | ↑  | 3.8%  | 2632.00      | ↑                                                                                          | 1.6%          | 2687.00 | ↑            | 0.3%  | 2722.00 | ↑    | 18.1% | 2312.00 |
| YMAZ Spot                                                                                                                    | 2618.00    | 74               | ↑  | 2.9%  | 2544.00      | ↑                                                                                          | 2.3%          | 2560.00 | ↑            | 2.7%  | 2548.00 | ↑    | 21.9% | 2147.00 |
| YMAZ Jul '19                                                                                                                 | 2659.00    | 84               | ↑  | 3.3%  | 2575.00      | ↑                                                                                          | 2.7%          | 2590.00 | ↑            | 2.6%  | 2592.00 | ↑    | 13.6% | 2340.00 |
| SOY Spot                                                                                                                     | 4701.00    | 52               | ↑  | 1.1%  | 4649.00      | ↑                                                                                          | 0.7%          | 4670.00 | ↓            | -0.6% | 4730.00 | ↑    | 5.4%  | 4461.00 |
| SOY Mei '19                                                                                                                  | 4770.00    | 50               | ↑  | 1.1%  | 4720.00      | ↑                                                                                          | 0.2%          | 4759.00 | ↓            | 0.0%  | 4771.00 | ↑    | 5.2%  | 4534.00 |
| SUN Spot                                                                                                                     | 5009.00    | 99               | ↑  | 2.0%  | 4910.00      | ↑                                                                                          | 0.6%          | 4980.00 | ↑            | 1.4%  | 4940.00 | ↑    | 9.8%  | 4562.00 |
| SUN Mei '19                                                                                                                  | 5091.00    | 116              | ↑  | 2.3%  | 4975.00      | ↑                                                                                          | 0.4%          | 5070.00 | ↑            | 1.9%  | 4996.00 | ↑    | 9.4%  | 4655.00 |
| WHEAT Spot                                                                                                                   | 4428.00    | -22              | ↓  | -0.5% | 4450.00      | ↓                                                                                          | -4.9%         | 4654.00 | ↓            | -2.5% | 4543.00 | ↑    | 13.9% | 3887.00 |
| WHEAT May '19                                                                                                                | 4429.00    | -42              | ↓  | -0.9% | 4471.00      | ↓                                                                                          | -5.8%         | 4701.00 | ↓            | -3.5% | 4588.00 | ↑    | 12.6% | 3935.00 |
| OILSEED (US\$/ton)                                                                                                           | 2019/05/17 | Source: Oilworld |    |       | 2019/05/10   |                                                                                            | 2019/03/22    |         | 2018/04/13   |       |         |      |       |         |
| Soya-oil, Arg.                                                                                                               | 655        |                  |    |       | ↑            | 5%                                                                                         | 625           | ↓       | -4%          | 685   | ↓       | -3%  | 676   |         |
| Soya-pell, Arg.                                                                                                              | 312        |                  |    |       | ↑            | 5%                                                                                         | 297           | ↓       | -4%          | 326   | ↓       | -15% | 368   |         |
| Soybean, Brazil                                                                                                              | 347        |                  |    |       | ↑            | 4%                                                                                         | 333           | ↓       | -8%          | 379   | ↓       | -15% | 410   |         |
| USA Runner 40/50                                                                                                             | 1325       |                  |    |       | ↑            | 4%                                                                                         | 1275          | ↑       | 2%           | 1300  | ↑       | 2%   | 1300  |         |
| Sun-oil, Arg.                                                                                                                | 675        |                  |    |       | ↑            | 2%                                                                                         | 660           | ↑       | 2%           | 665   | ↓       | -16% | 800   |         |
| Sun-oil, Black Sea                                                                                                           | 690        |                  |    |       | ↑            | 3%                                                                                         | 670           | ↑       | 2%           | 675   | ↓       | -8%  | 750   |         |
| Sunseed, Black Sea                                                                                                           | 375        |                  |    |       | ↑            | 0%                                                                                         | 375           | ↑       | 1%           | 370   | ↓       | -8%  | 409   |         |
| Rapeseed, EU cif                                                                                                             | 412        |                  |    |       | ↑            | 0%                                                                                         | 410           | ↓       | -1%          | 417   | ↑       | 3%   | 399   |         |
| Palmk oil Mal, EU                                                                                                            | 600        |                  |    |       | ↑            | 3%                                                                                         | 585           | ↓       | -17%         | 720   | ↓       | -42% | 1037  |         |
| LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS                                        |            |                  |    |       |              |                                                                                            |               |         |              |       |         |      |       |         |

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

**Soybeans:** The US soybean futures market dropped to a 10 year low last week before it found support and trade stronger. The US soybean market is under pressure due to the large amount of soybeans available in the US after trade between the US and China were very low this year. The expectation in the market is that the US soybean ending stock will be 28.5 million tons at the end of August, a record high. The market received support at the end of last week due to delays in the plantings currently being in the US. Too wet conditions in large parts of US production areas may cause the planting not to take place optimally and it currently offers support to the markets. Other international news reports that China is still a major buyer of South American soybeans. Most of the imports come from Brazil, but soybeans are also imported from Argentina. Both these South American countries had good soybean crops this season and their prices are relatively low. Although large soybean stocks are available in the international context, the main focus in the next few weeks will be on the US plantings. The rate at which planting takes place will be an important determinant of international price trends. **Local:** The local soybean market received good support last week and traded more higher in most of the contract months currently listed.

**Sunflower Seed:** Global sunflower seed processing is expected to continue to grow from April to September 2019, exceeding that of the previous season as well as the previous record processing during this period. The large amount of sunflower seed available internationally together with the large import demand for sunflower oil contributes to the processing of sunflower seed in especially the Black Sea countries. The biggest processing should be in Ukraine and Russia this season. In Argentina, sunflower seed processing was lower than expected despite good sunflower seed production for the season. However, sunflower seed processing in Argentina should improve in the rest of the season. **Local:** The local sunflower seed market found support last week and traded stronger for the week in most of the contract months currently listed.

**Kanola:** In Canada, the canola ending stock for the season is expected to reach a new record level of at least 4.2 million tons, which is 1.7 million tons more than last season's closing stock. The sharp increase in Canadian stocks is due to the restrictions on trade between China and Canada and so Canadian exports for the season have been much lower. In the EU, the production outlook for the season does not look too good and production is expected to be lower for the season. **Local:** The canola plantings in the Western Cape are already well underway and have already been completed in some areas.

**Groundnuts:** The groundnut plantings in the US are progressing fairly well and are more in line with the previous season's plantings than most of the other crops. The groundnut plantings are reported at 40% complete compared to the previous season's 42% complete at the same time of season. The 5 year average peanut planting rate is 36% complete by this time of season. **Local:** In the local market, it remains a difficult peanut production year with especially the plantings that this season could not optimally take place due to drought in the production areas.

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