

Grain SA's Oilseed Market Commentary

GRAIN SA GRAIN SA	DATE	DATE		+ - WEEK AGO		+ - MONTH AGO		+ - YEAR AGO		
	2020/03/30	2020/03/27		2020/03/23		2020/03/02		2019/04/01		
	Data	Δ	Δ%	Data	Δ%	Data	Δ%	Data	Δ%	
Brent (\$/b)	26.77	-2.54	-8.7%	29.31	-2.7%	27.51	-53.3%	57.30	-59.8%	66.60
US\$: ? ZAR	17.87	0.540	3.1%	17.33	1.5%	17.60	19.1%	15.01	23.1%	14.52
ΔCBOT Maize 8vm : 12nm*	R 2 434.13	55.82	2.3%	R 2 378.31	*CBOT Mar cents / bushel + -08:00 today vs CBOT Corn Mar + -12 : 00 the previous day					
ΔCBOT Wheat 8vm : 12nm*	R 3 750.56	127.34	3.5%	R 3 623.21	*CBOT Mar cents / bushel + -08:00 today vs CBOT Wheat Mar + -12 : 00 the previous day					
ΔCBOT Soy 8vm : 12nm*	R 5 787.36	182.53	3.3%	R 5 604.84	*CBOT Mar cents / bushel + -08 : 00 today vs CBOT Soybeans Mar + -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 '20	346.00	-2.60	-0.7%	348.60	-2%	354.60	-8%	376.20	-17%	416.60
Wheat May '20	571.20	2.20	0.4%	569.00	15%	498.00	7%	534.60	10%	518.20
Sojabone May '20	881.40	1.20	0.1%	880.20	7%	821.60	0%	882.40	-8%	957.40
Latest MTM prices (Recorded between 07:00 am - 08:00 am on the last two dates) SPOT = nearest contract month (Rands / tonne)										
SORGHUM	3215.00	0	0.0%	3215.00	0.0%	3215.00	0.0%	3215.00	-9.9%	3568.00
WMAZ Spot	3606.00	353	10.9%	3253.00	22.1%	2953.00	36.5%	2641.00	24.9%	2886.00
WMAZ Jul 20	2564.00	47	1.9%	2517.00	2.0%	2513.00	8.6%	2360.00	-12.4%	2927.00
YMAZ Spot	2729.00	39	1.4%	2690.00	5.3%	2591.00	7.5%	2538.00	1.1%	2700.00
YMAZ Jul 20	2712.00	35	1.3%	2677.00	6.9%	2537.00	12.3%	2414.00	-0.3%	2719.00
SOY Spot	6686.00	137	2.1%	6549.00	6.1%	6300.00	13.9%	5869.00	38.3%	4833.00
SOY May '20	6726.00	150	2.3%	6576.00	10.6%	6080.00	18.8%	5662.00	37.7%	4885.00
SUN Spot	5825.00	85	1.5%	5740.00	5.0%	5550.00	10.1%	5292.00	6.5%	5468.00
SUN May '20	5873.00	8	0.1%	5865.00	5.4%	5570.00	11.0%	5291.00	7.1%	5483.00
WHEAT Spot	5320.00	70	1.3%	5250.00	6.8%	4982.00	11.6%	4766.00	15.2%	4620.00
WHEAT May '20	5217.00	-9	-0.2%	5226.00	4.5%	4991.00	8.3%	4815.00	11.6%	4673.00
OILSEED (US\$/ton)	2020/03/27	Bron: Oilworld		2020/03/20	2019/03/22	2018/04/30				
Soya-oil, Arg.	615			6	582	-10%	685	-9%	676	
Soya-pell, Arg.	368			10%	336	13%	326	0%	368	
Soybean, Brazil	371			5%	355	-2%	379	-10%	410	
USA Runner 40/50	1500			0%	1500	15%	1300	15%	1300	
Sun-oil, Arg.	650			1%	645	-2%	665	-19%	800	
Sun-oil, Black Sea	650			1.6%	640	-4%	675	-13%	750	
Sunseed, Black Sea	385			1%	380	4%	370	-6%	409	
Rapeseed, EU cif	394			3%	381	-6%	417	-1%	399	
Palmk oil Mal, EU	685			5%	650	-5%	720	-34%	1037	
LATEST MARKET INFORMATION TO 23:00 (RSA TIME) AS OBTAINED FROM VARIOUS MARKET REPORTS										
<p>Soybeans: Chinese soybean processing exceeded expectations during the first half of the season and this increased processing of soybeans for the season. China's soybean processing for the season is expected to be about 6% more than last season's processing. The higher processing in China is largely driven by the increased demand for soybean meal. International soybean meal prices have found support, driven largely by high demand and low stock levels in China, as well as delays in South American exports as a result of legislation surrounding the spread of the COVID-19 virus. World soybean imports are expected to reach 155 million tonnes during the 2019/20 season, which is 7.8 million tonnes more than last season's imports. The biggest increase in imports is expected in China, which will account for around 59% of world imports this season. World soybean production for the season should be lower than initially expected this season, with weather conditions in South America deteriorating as the season progresses. According to the latest estimate, world production is now estimated at 338.6 million tons, which is 4.2 million tons lower than the previous forecast a month ago. The biggest decline in production forecast for the season was in Argentina and Brazil. Although production in South America will be lower than initially expected, South American production will still reach record levels this season. Local: The local soybean market found support last week and traded stronger for the week. Last week the CEC released its 2nd production forecast for the season and soybean production for the season was revised upwards by 2.11% to 1.269 million tonnes.</p> <p>Sunflower Seeds: In the 2nd half of the season, the world processing of sunflower seeds should be lower than initially expected. This can largely be attributed to the pressure on international sunflower oil prices between January and mid-March. Lower sunflower oil prices put pressure on the Northern Hemisphere crushing margins and processing slowed down. Expected sunflower stocks in the EU has been adjusted upwards from the previous forecast. In Bulgaria, the producers of sunflower seed sales were limited in the first half of the season and now producers sit with large quantities of sunflower seeds available, while there is a limited demand for sunflower seeds on the buyer's side. The world sunflower seed ending inventory is also estimated higher than a month ago. Processing in the Black Sea region should also be lower than initially expected, while total production in both Russia and Ukraine has been adjusted upwards from the previous forecast. Local: The local sunflower seed market found support last week and traded mostly stronger for the week. The CEC's 2nd production forecast for the season was adjusted 4.59% upwards from the previous forecast made a month ago. The total sunflower production for the season is now estimated at 731 210 tons.</p> <p>Canola: World canola processing should be lower than initially anticipated this season and this is can largely be attributed to lower EU biodiesel demand as well as unresolved trade disputes between Canada and China. Expected world canola processing now stands at 60.3 million tonnes, which will be the lowest processing volume in the last 8 years. Local: In the local market, the producers start planning again for the new season's canola production. The CEC will announce the intention to plant for the season at the end of April.</p> <p>Groundnuts: The COVID-19 pandemic will also have an impact on the international groundnut market. India's groundnut exports were suspended for 21 days with measures put in place to curb the spread of COVID-19. The impact of the virus on large peanut oil consumption countries, such as Italy and the US, is putting pressure on the demand for peanut oil in these countries. In China, there is still a great demand for peanuts, as well as peanut products and China's imports have increased lately. Local: In last week's 2nd production forecast by the CEC, groundnut production for the season was adjusted upwards by 3.07% to 56 060 tons.</p>										
For any queries, please contact: Luan van der Walt , Email: luan@grainsa.co.za										