



WHEAT MARKET REPORT

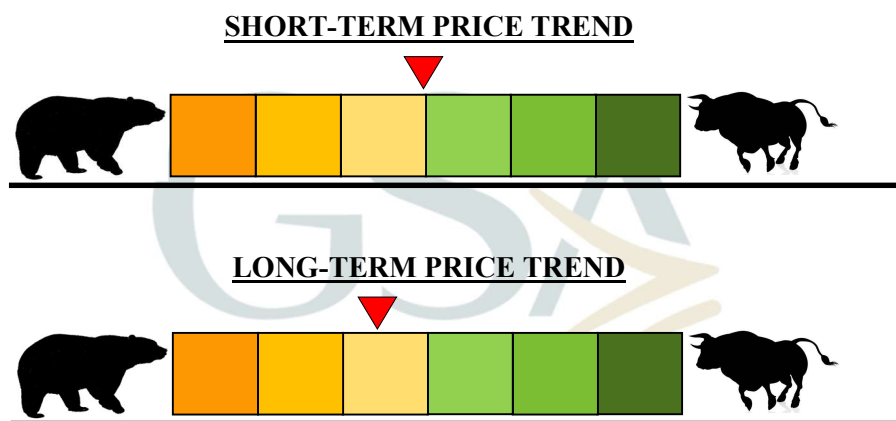
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International & Local Market Trends

Bearish and Bullish Factors



Bullish Factors

Bearish Factors

Concerns remain about the size and quality of the upcoming Russian crop.

Price support was limited because global supplies are still relatively comfortable, and export competition remains intense.

US Hard Red Winter wheat production is projected to be one of the smallest crops in decades. Poor crop conditions gave significant price support.

Russia is still expected to produce and export another very large crop, with strong shipments into North Africa and the Middle East.

Risks around the Strait of Hormuz and broader regional instability supported commodity risk premiums.

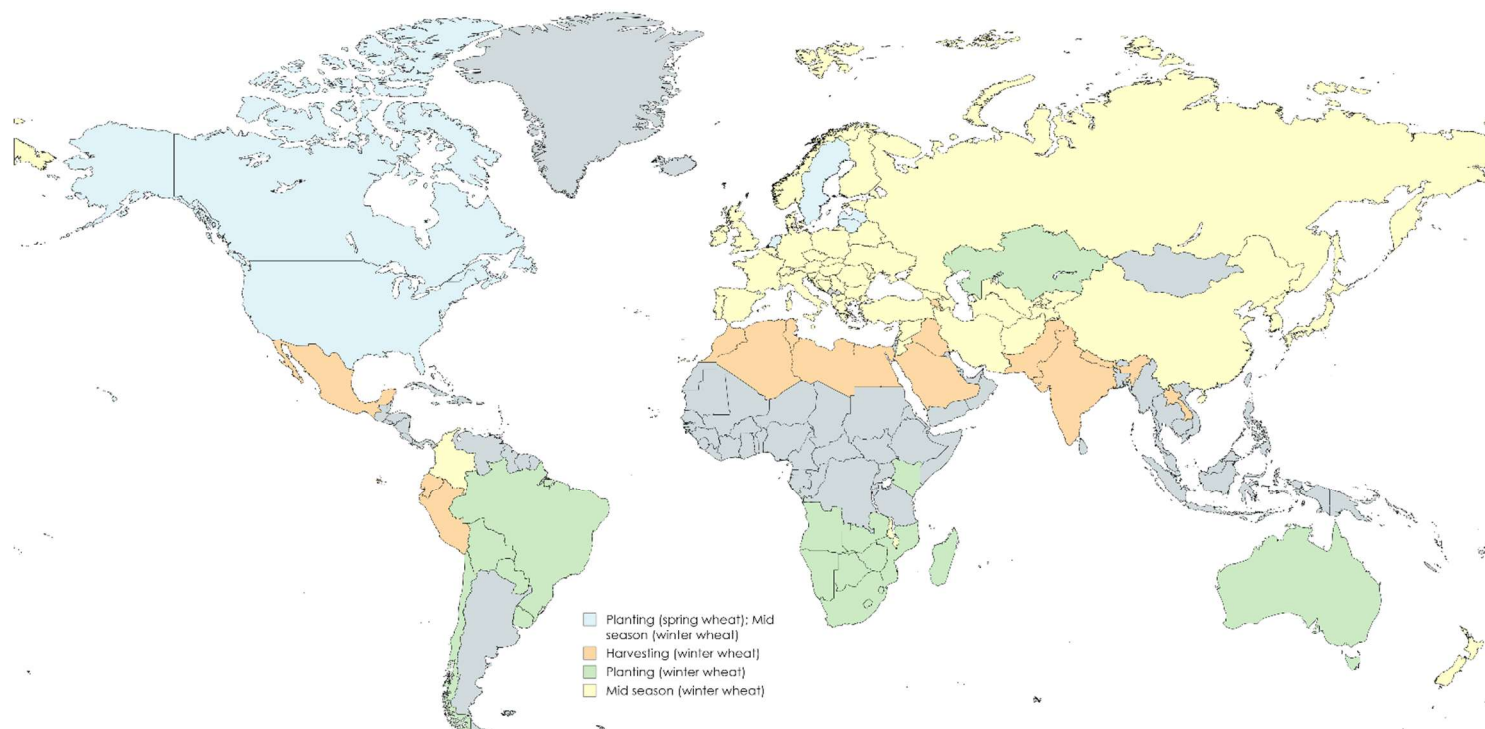
Ukrainian wheat remains competitively priced and continues to flow into Mediterranean and Asian markets.

Local intentions to plant wheat have lowered nearly 6% and are also lower than the 5-year average. The lower expected stock may lend some price support.

Local import trends for the past season are well above average, which keeps wheat prices at import parity.



International Production



Comments on El Niño:

The ENSO cycle remained neutral throughout most of May, but as the tropical Pacific continues to warm, the likelihood of a transition into El Niño this winter increases. El Niño conditions are confidently forecast from mid-2026 to early 2027 by the UCSB Climate Hazards Centre.

Crop Conditions Commentary

Country / Region Current situation

United States Drought continues to expand across winter wheat areas.

European Union Winter wheat is generally in good condition, but central and eastern Europe need more rainfall to avoid crop deterioration before the reproductive stages.

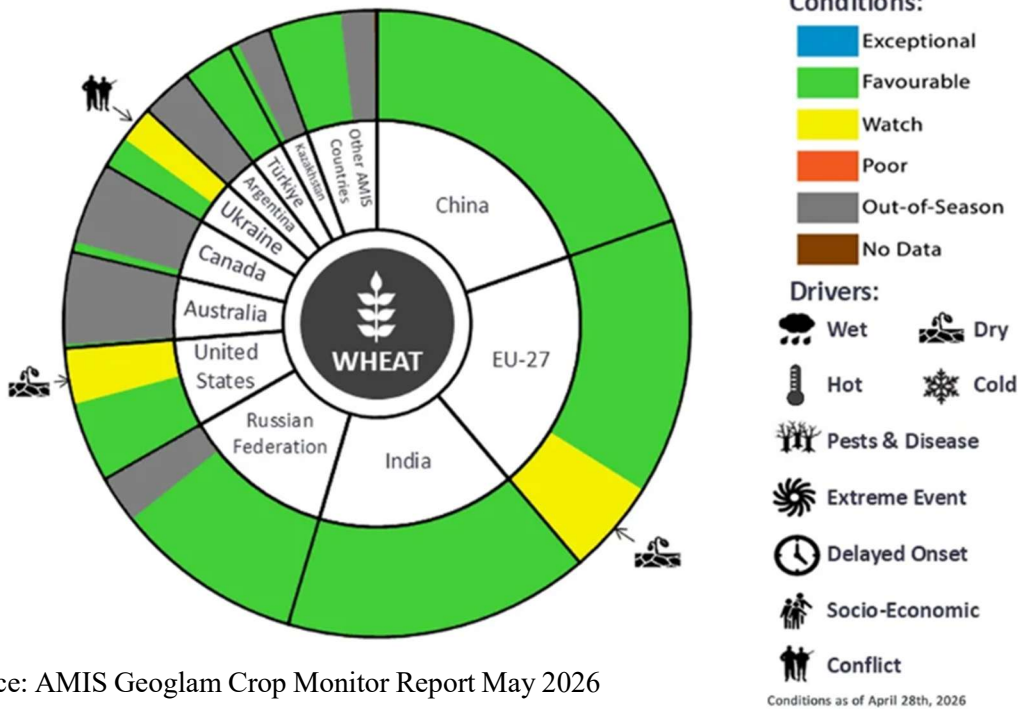
Russia Wheat is under favourable conditions. Spring wheat sowing is ongoing, albeit slowed by recent cold and wet weather.

Canada Conditions have improved for winter wheat owing to recent above-average precipitation in Ontario and Quebec.

Turkey Conditions remain favourable.

Ukraine In April, unusually cold weather persisted, but during May conditions became more favourable.

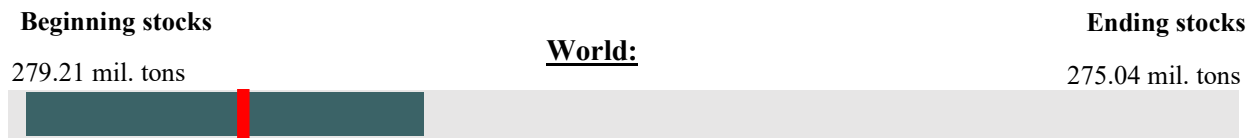




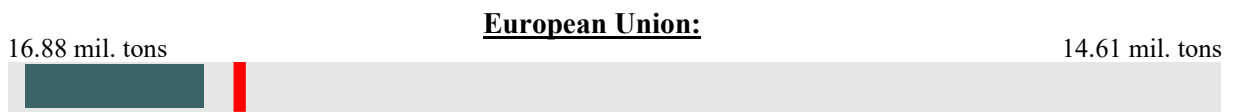
Source: AMIS Geoglam Crop Monitor Report May 2026

Supply and Demand (WASDE)

World Agricultural Supply and Demand (WASDE) May 2026 Overview



Stock-to-use percentage: 33.9%; three-year-average: 32.89%



Stock-to-use percentage: 14.8%; three-year-average: 13.09%



Stock-to-use percentage: 59.2%; three-year-average: 43.17%



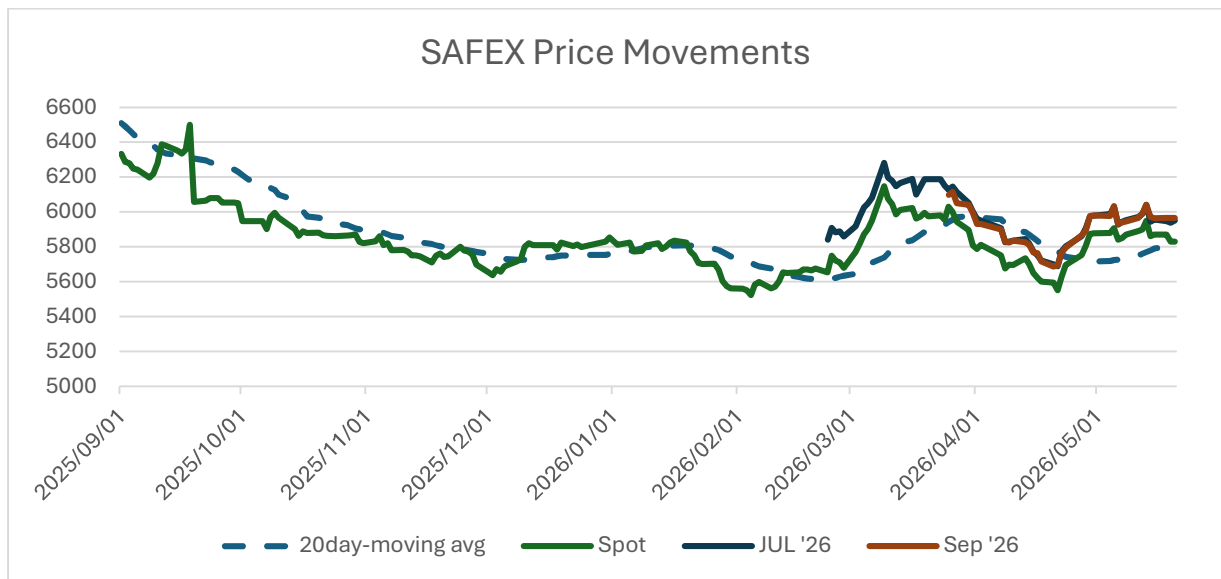
Stock-to-use percentage: 55.4%; three-year-average: 50.16%

*Below the normal stock-to-use level, prices tend to react sharply in the market environment. By comparing current-year stock-to-use percentages to the norm, an indication of the direction of price trends can be inferred.



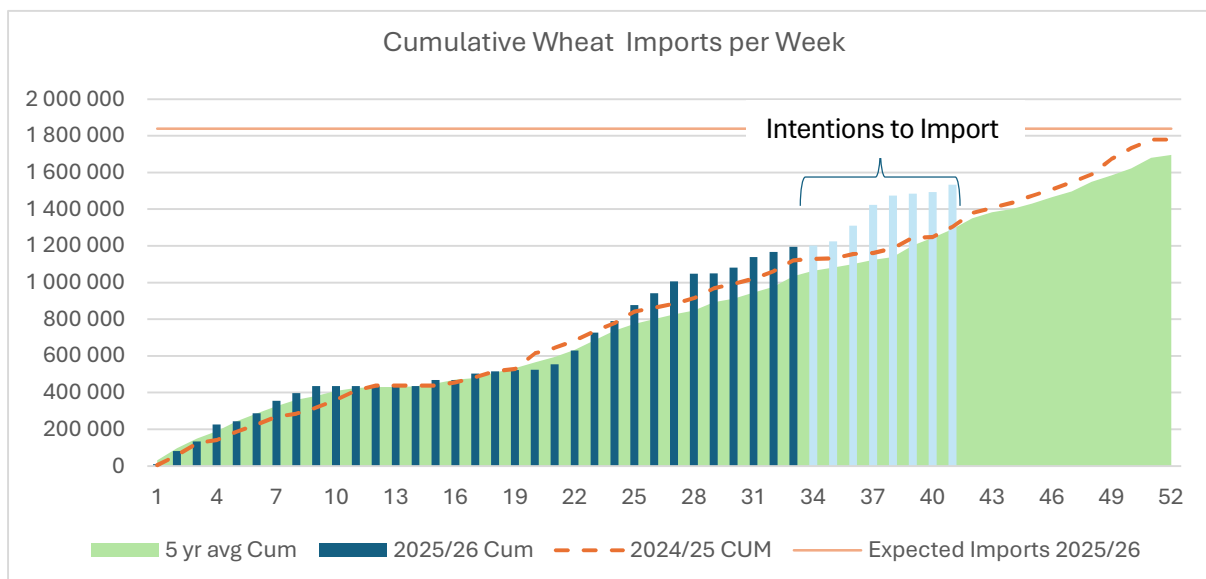
Local Market

Price Movements



The local SAFEX wheat price has mostly remained sideways at the beginning of the year. However, in February, it dropped by about R 200/t to R 5,500/t, due to stronger global supply expectations, which put pressure on international wheat futures. By mid-March, the spot price of wheat rebounded, increasing by approximately R 600/t to reach a peak of R 6,147 per tonne. The March rally was largely influenced by a significant change in global risk perception stemming from conflicts in the Middle East. The market quickly adjusted to account for increased geopolitical risk, freight risk, currency volatility, and concerns about drought in the U.S. plains, which could have had an impact on global wheat supply.

During April, as traders and the broader market realised global supply was still comfortable, the price weakened again and saw minimal gains towards the start of May. Since then, the spot price has continued to trade in a horizontal range. Wheat prices are currently cautiously supported due to international conflicts causing logistical uncertainties, but an ample global supply keeps pressure on both the local and international prices for the commodity.



PRYSE VAN KORING GELEWER IN DURBAN PRICES OF WHEAT DELIVERED IN DURBAN

