Monthly Wheat Market Report

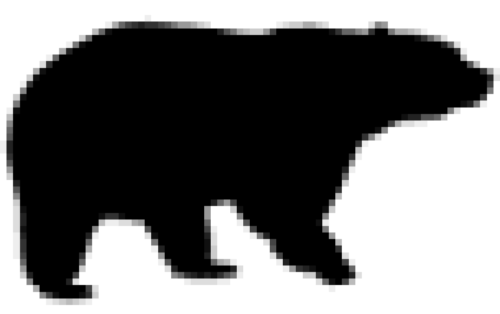
This report delivers an overview of essential market indicators in the international wheat market for August 2026.

International Market

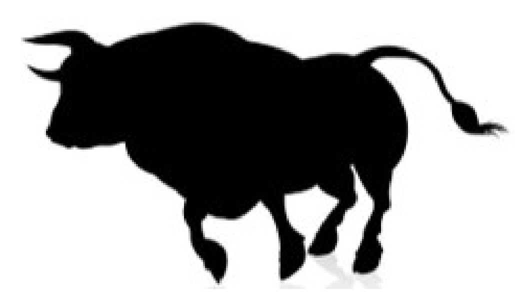
Short Term Price Trend

Price Suppresive

Price Supportive



Long Term Term Price Trend



Bearish Factors	Bullish Factors
Diplomatic de-escalation risk	Black Sea export disruption
Reduced Russian logistics costs being absorbed	Firm European prices
Russia still holds a large crop	Historically weak US crop
Weak US export demand	Lower production expected vor the 2026/27 season
	Ukraine slashing export forecasts
	USDA cutting Black Sea exporter forecasts

Comments on El Nino

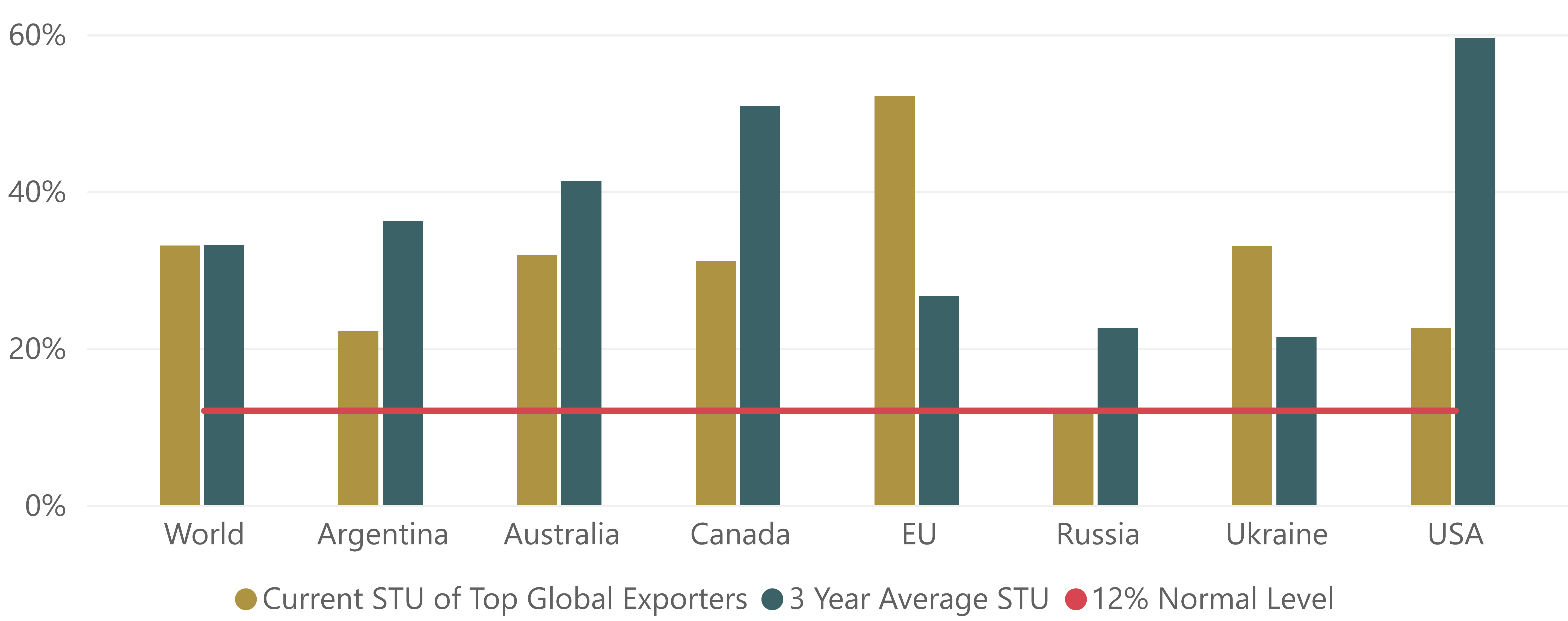
An El Nino event is currently underway and strengthening in the Northern Hemisphere. Analysts expect this season to have the strongest El Niño event on record, and an extremely dry summer is expected for the South African summer grain regions.

International Crop Conditions

Country/ Region	Crop Condition
Argentina	Planting is nearing completion with some delays in the southern regions due to wet soils.
Australia	Despite some drought in Queensland conditions are exceptional.
China	Spring wheat is growing under favourable conditions.
European Union	Extremely dry weather severly affected yields, alhough Bulgaria and Romania experienced above average yields.
Russia	Drought is affecting yields in Siberia, but the southern regions have above-average yields.
Ukraine	Harvesting is continuing away from the war front with above average yields.
USA	Harvesting is continuing in the Great Plains and the East Coast with below-average yields due to drought.

International Stock to Use (WASDE)

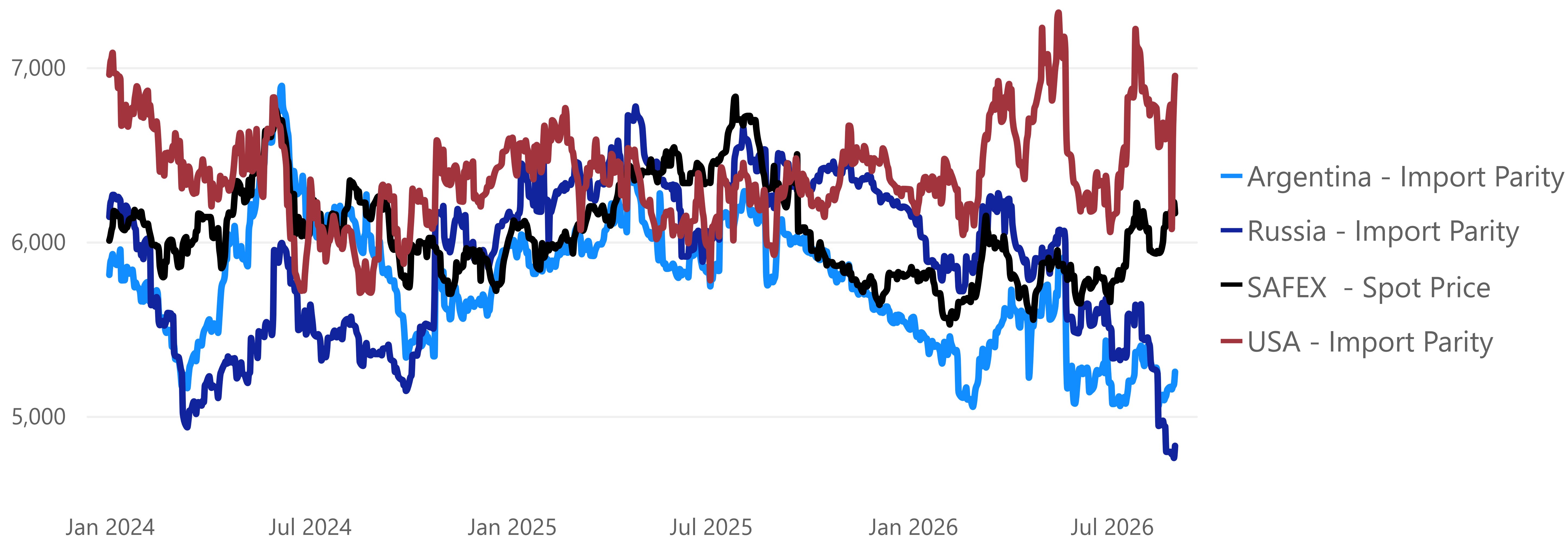
Stock to Use Ratio of Top Global Exporters



**Below the 12% normal line market prices tend to react sharply and become more volatile*

Price Movements

Global Parity Price Movements



SAFEX wheat has followed a similar early-dip, mid-month-rally shape to maize and soybeans, but the size of the move has been far more muted. Wheat drifted from R6,099/t (Aug 4) down to a low of R5,965/t by August 14, which is about a 2% pullback. It then recovered through the rest of the month, peaking at R6,226/t on August 27 before easing back to R6,162/t on August 28. Net change over the full period: just +1% (R6,099 → R6,162). That's a striking contrast to the international market. CBOT wheat surged from the low-$6 range to a two-year high above $7.48/bu on August 26, a move well into double-digit percentage gains amid the export crisis. The muted local pass-through comes down to one key structural difference from maize and soybeans in that South Africa is a net importer of wheat. This means that the local price is anchored to import parity rather than export parity, and two things have been working against a full pass-through of the CBOT rally, namely: 1. The rand held relatively firm through most of August (trading in the R15.9-16.5/USD range), which cushioned the rand cost of dollar-priced wheat imports even as the dollar price itself spiked. 2. South Africa typically sources a meaningful share of its wheat imports from origins other than the Black Sea (including Argentina and Western Europe), so the acute disruption driving the CBOT/Black Sea premium doesn't map one-for-one onto SA's actual import cost basis.

Local Price Movements