

Economic Indicators

	Quote at 12h00 previous day	Current quote	Change	% Change
Rand/Dollar	11.84	11.85	0.01	0.08
Euro/Dollar	1.2455	1.2420	-0.0035	-0.28
Gold	1342.9	1344.5	1.60	0.12
Platinum	1002.1	998.4	-3.70	-0.37
Brent Crude	68.52	69.02	0.50	0.73
JSE Top 40	52700	52614	-86.00	-0.16
Dow Jones Indus Avg	26076	26149	73.00	0.28

The changes in the table above is from previous Safex close (12h00)

- The rand is mostly flat this morning and is quoted at R11.84/\$ with the dollar slightly stronger this morning. South African equities did come under some pressure yesterday with the JSE Top40 ending 0.16% lower yesterday.
- The South African trade balance for December was reported at a surplus of R15.7bn which is up from the R13.05bn seen in November and the 11th consecutive month of surplus.
- In the US the dollar is slightly stronger and is trading around 1.2420 to the euro this morning and US equities managed some gains with the Dow ending 0.28% higher in the daytime session and this morning the Dow futures are also trading higher. Yesterday the US Fed indicated that more interest rate hikes are on the cards.
- Commodity prices are mixed this morning with platinum prices under some pressure and are 0.37% lower than the levels seen yesterday while gold and crude oil prices are 0.12% and 0.73% higher than the levels seen yesterday.

US Dollar/South African Rand



Key data releases:

- European Union manufacturing PMI
- US jobless claims
- US Manufacturing PMI

International Market

	Quote at 12h00 previous day	Current quote	Change	% Change
CME Mar maize	361.25	361	-0.25	-0.07
CME Jul maize	377.5	376.75	-0.75	-0.20
CME Mar wheat	453	446.5	-6.50	-1.43
KCBT Mar wheat	464.5	458.75	-5.75	-1.24
KCBT May wheat	478.75	473.5	-5.25	-1.10
Matif Mar wheat (Euro/ton)	160	158.25	-1.75	-1.09
CME Mar soybeans	994.5	991.25	-3.25	-0.33
Mar CME maize R/ton	1684	1684	0.26	0.02
Jul CME maize R/ton	1760	1758	-2.01	-0.11
Mar CME wheat R/ton	1971	1944	-26.64	-1.35
Mar KCBT wheat R/ton	2021	1997	-23.33	-1.15
May KCBT wheat R/ton	2083	2062	-21.10	-1.01
Mar CME soybeans R/ton	4327	4316	-10.50	-0.24

The changes in the table above is from Safex close (12h00)

Corn

- US maize prices initially came under some pressure yesterday but some late buying erased most of the losses with the export demand for US maize providing some support. This morning the electronic maize prices are slightly lower.
- The weather forecast expects the dry weather conditions in Argentina to continue in the week ahead which pushed prices higher recently. Some of the weather forecasts expect some rainfall by mid-February.
- The USDA yesterday announced another private export sale of 145 000 tons of maize that was sold to an unknown destination. The weekly US export sales figures of maize are expected to range between 1 million and 1.7 million tons.
- The weekly US ethanol production was reported at 1.04 million barrels/day which is 22 000 barrels lower than the production reported last week.

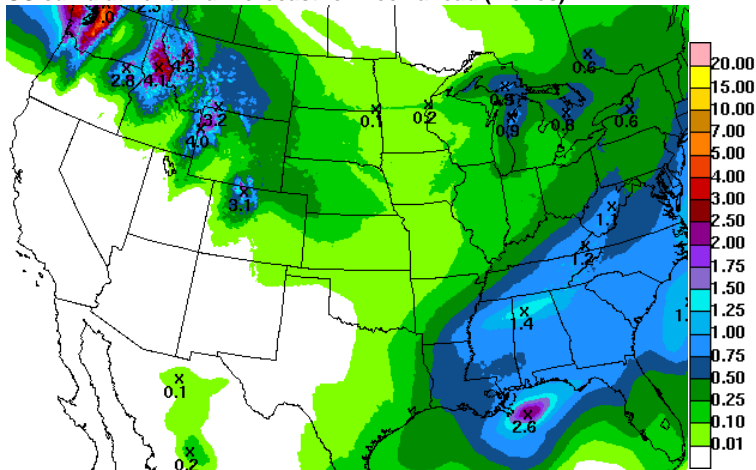
Soybeans

- CME soybean contracts ended slightly lower in the daytime session on some profit taking/long liquidation with some weather forecasts calling for some rainfall in Argentina by mid-February. This morning the electronic soybean prices are also slightly lower.
- US soybean prices were also pressured by an increase in producer sales with producers taking advantage for the recent spike in soybean prices. Cash market is under pressure.
- The weekly US export sales figures of soybeans to be released today are expected to range between 600 000 and 1.2 million tons.
- On the technical chart for March CME soybeans we see that the market did get some resistance at the \$10.00 level and sold off after that. The next area of support is seen at the 100-day average seen around \$9.88/bushel.

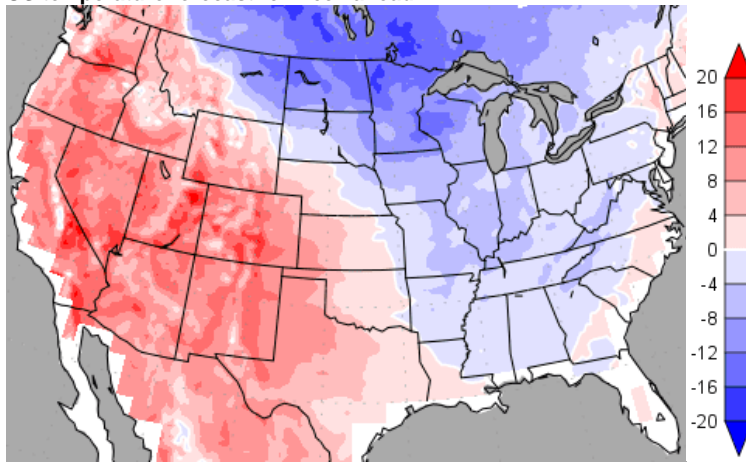
Wheat

- US wheat prices did come under some pressure on some profit taking that was seen following the rally seen recently. The weather conditions in the winter wheat areas limited some of the losses in the market. This morning electronic wheat prices are also slightly lower.
- The weekly US export sales figures of wheat to be released today are expected to range between 300 000 and 600 000 tons compared to the 453 739 tons seen in the export report last week.
- On the technical for March KCBT wheat we see that the market did get some resistance around \$4.70 and some selling was seen after that. The market could be targeting the gap left open earlier this week around \$4.53 and the 100-day average seen at \$4.41/bushel.

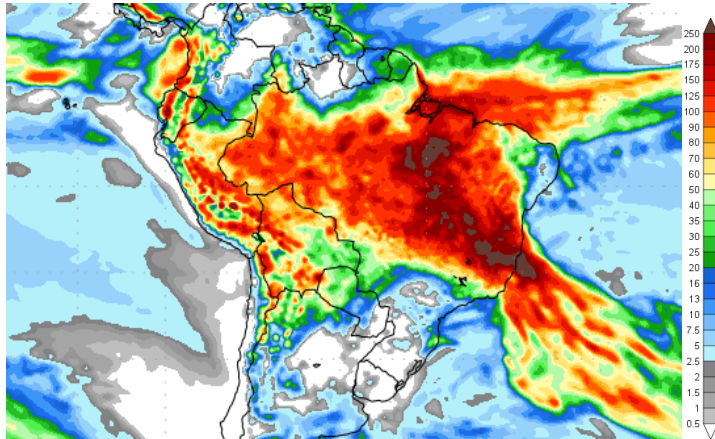
US cumulative rainfall forecast for week ahead (inches)



US temperature forecast for week ahead



South American weather forecast



Although everything has been done to ensure the accuracy of the report Unigrain (Pty) Ltd cannot be held responsible for any losses incurred as a result of the use of the information contained in the report

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South African Market – 31 January 2018

White Maize				
	MTM	Change	High	Low
Mar-18	1845.00	-44.00	1901.00	1842.00
May-18	1895.00	-45.00	1950.80	1891.20
Jul-18	1949.00	-41.00	1997.60	1943.00
Yellow Maize				
Mar-18	1944.00	-22.00	1964.00	1938.00
May-18	1986.00	-26.00	2004.00	1984.00
Jul-18	2005.00	-20.00	2034.00	2002.00
Wheat				
Mar-18	3548.00	-67.00	3620.00	3528.00
May-18	3624.00	-64.00	3658.80	3615.00
Jul-18	3662.00	-64.00	3675.00	3640.00
Sunflower				
Mar-18	4705.00	30.00	4825.00	4690.00
May-18	4723.00	50.00	4823.00	4711.00
Soybeans				
Mar-18	4480.00	-3.00	4529.00	4470.00
May-18	4537.00	-21.00	4615.00	4535.00
CME Corn				
Mar-18	1689.00	-4.00	1708.00	1687.00
Jul-18	1802.00	-1.00	1820.80	1798.40

Maize

South African maize prices opened the day higher but the early gains were short-lived and prices sold off sharply after the opening. March white maize opened the day at R1901 which was also the intraday high of the session with our market coming under pressure after that especially into the close. The fact that the rand gained back some ground during our session also added some pressure. March white maize traded to a low of R1842 and the market ended the day slightly off the session lows. On the chart key support is seen in the R1840-R1830 area.

The weekly South African producer deliveries of maize for the past week indicated that 13 450 tons was delivered including 9 269 tons of white maize and 4 181 tons of yellow maize.

This morning the US maize prices are lower than the levels seen at Safex close yesterday and the rand is mostly unchanged from the levels seen yesterday. Local maize prices were under pressure yesterday which could limit some of the buying interest in our market with key support for March white maize is seen around R1840.

Wheat

South African wheat contracts opened the day unchanged to slightly lower with some strong selling that was seen after the opening. March wheat contracts opened the day at R3615 with our market coming under pressure after that. The selling interest gained some momentum in the 2nd half of the session with the stronger rand also adding some pressure. March wheat traded to a new contract low of R3528 and the market managed to end the day off the session lows. The moving averages and indicators remain under some pressure.

The weekly producer deliveries of wheat for the past week was reported at 11 105 tons bringing the cumulative total for the season to date at 1.368 million tons.

This morning the US CME and KCBT wheat prices are lower than the levels seen yesterday and the rand is still trading around R11.84/\$ which is putting some pressure on parity prices this morning. Our wheat market sold off sharply in the session yesterday which could limit some of the buying interest in our market in the session today.

Oilseeds

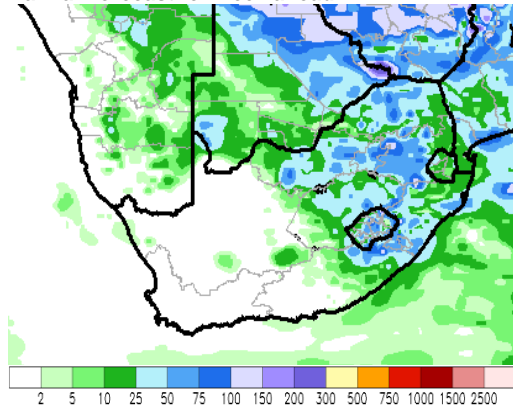
South African soybean contracts opened the day higher but the early gains were short-lived as some selling was seen after the opening. March soybean contracts opened the day at R4528 which was very close to the intraday highs with the market coming under pressure after that. The market broke below the 9-day average and sold off even further trading to an intraday low of R4470 and the market ended the day slightly off the session lows. Support is seen at R4450 and R4410.

South African sunflower seed contracts opened the day sharply higher with the supportive new crop area estimates providing some support at the opening. March sunflower seed contracts opened the day at R4805 and traded to a high of R4825 (limits up) before some selling/long liquidation was seen. The market sold off into the close breaking below the 100-day average and traded to a low of R4690 and the market ended the day close to the session low.

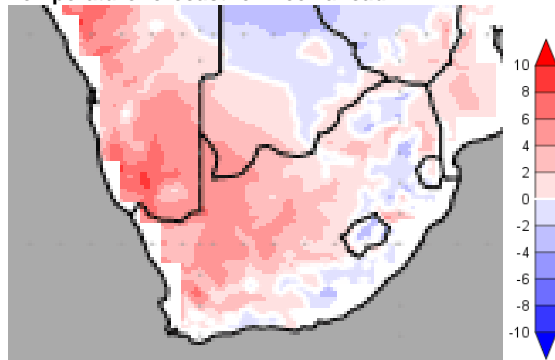
This morning the US soybean contracts are lower than the levels seen at Safex close yesterday and the rand is trading around R11.84/\$ which is putting some pressure on parity prices. The lower parity prices could put some pressure on local soybeans today while the lower than expected new crop sunflower seed area estimates seen earlier this week could limit some of the losses in sunflower seed contracts.

Weather conditions

Rainfall forecast for week ahead



Temperature forecast for week ahead



Technical Graphs

- Safex March WM prices
- CME March corn prices



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