

Economic Indicators

	Quote at 12h00 previous day	Current quote	Change	% Change
Rand/Dollar	11.89	11.88	-0.01	-0.08
Euro/Dollar	1.2445	1.2498	0.0053	0.43
Gold	1340.41	1347.5	7.09	0.53
Platinum	995.6	1002.4	6.80	0.68
Brent Crude	69.51	69.82	0.31	0.45
JSE Top 40	52614	52453	-161.00	-0.31
Dow Jones Indus Avg	26149	26186	37.00	0.14

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

- The rand is mostly flat this morning and is currently trading around R11.88/\$ despite the fact that the dollar is under pressure this morning. South African equities came under some more pressure yesterday with the JSE Top40 ending 0.31% lower.
- In the US the dollar is under pressure this morning and is trading around 1.2498 to the euro this morning. The euro is gaining ground on an improved growth outlook. In the US the Dow ended 0.14% higher in the daytime session yesterday and this morning the Dow futures are under some pressure.
- Commodity prices are higher this morning with gold and platinum prices 0.53% and 0.68% higher this morning with the weaker dollar providing some support. Crude oil prices are also 0.45% higher than the levels seen at our market close yesterday.

US Dollar/South African Rand



Key data releases:

- European Union Dec PPI
- US non-farm payrolls
- US unemployment rate
- US FOMC member speaks
- US factory orders

International Market

	Quote at 12h00 previous day	Current quote	Change	% Change
CME Mar maize	360.25	361.5	1.25	0.35
CME Jul maize	376.25	377	0.75	0.20
CME Mar wheat	447.25	449.75	2.50	0.56
KCBT Mar wheat	461.5	466.5	5.00	1.08
KCBT May wheat	476.5	481.5	5.00	1.05
Matif Mar wheat (Euro/ton)	157.5	156.25	-1.25	-0.79
CME Mar soybeans	990.25	982.25	-8.00	-0.81
Mar CME maize R/ton	1686	1691	4.43	0.26
Jul CME maize R/ton	1761	1763	2.03	0.12
Mar CME wheat R/ton	1954	1963	9.27	0.47
Mar KCBT wheat R/ton	2016	2036	20.13	1.00
May KCBT wheat R/ton	2082	2102	20.07	0.96
Mar CME soybeans R/ton	4326	4288	-38.56	-0.89

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

Corn

- CME maize prices managed some gains in the daytime session yesterday with the solid export numbers providing some support. US corn futures outperformed soybeans and wheat yesterday. This morning the electronic prices are lower.
- The weekly US export sales figures of maize released yesterday was reported at 1.882 million tons old and new crops combined which was higher than the market expectation seen ranging between 1.0 and 1.7 million tons.
- The weather forecast in Argentina expects dry conditions in the next week but some of the extended forecasts expect cooler and wetter conditions in the 2nd half of February.
- On the technical chart for March CME maize we see that the market is getting some resistance at \$3.62 and some of the moving averages and indicators are pulling higher. Market is overbought.

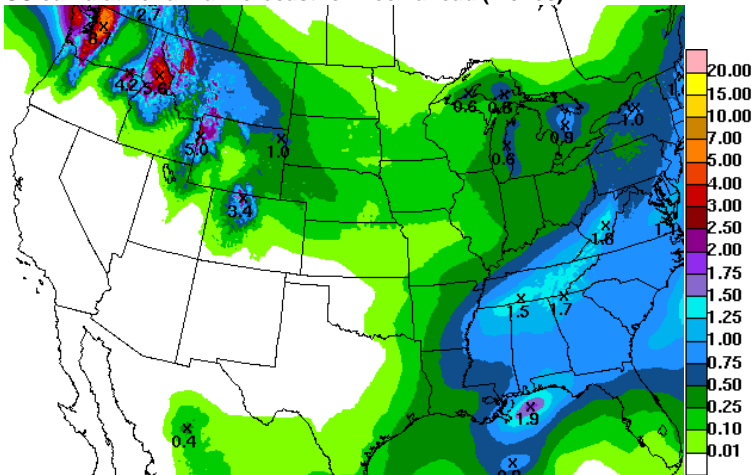
Soybeans

- US soybean contracts traded lower in the daytime session yesterday with the disappointing export sales figures and some technical selling weighing on the market. This morning the electronic soybean prices are also trading lower.
- The weekly US export sales figures of soybeans released yesterday was reported at 409 600 tons old and new crops combined which was lower than the market expectation seen ranging between 600 000 and 1.2 million tons.
- The private forecaster FC Stone estimated the Brazilian soybean crop at 111.08 million tons which is up from their previous forecast seen 110.09 million tons.
- The Buenos Aires Grains Exchange estimated the Argentine soybean crop at 51 million tons which is down from their previous estimate seen at 54 million tons.
- On the technical chart for March CME soybeans we see that the market sold off breaking below the 100-day average but managed to end the day well off the session lows. Market caught between the averages with 200-day as support \$9.80 and the 100-day as resistance seen at \$9.88.

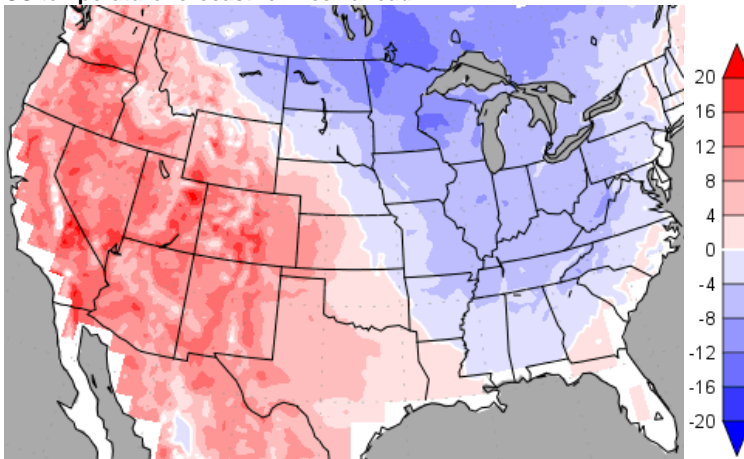
Wheat

- US wheat prices ended slightly lower on some long liquidation but the market is still higher than the levels seen at Safex close yesterday. This morning the electronic wheat prices are also trading slightly lower.
- The US wheat market is being supported by the drought conditions experienced in the US winter wheat areas.
- The weekly US export sales figures of wheat released yesterday was reported at 289 100 tons which was below the market expectations seen ranging between 300 000 and 500 000 tons.

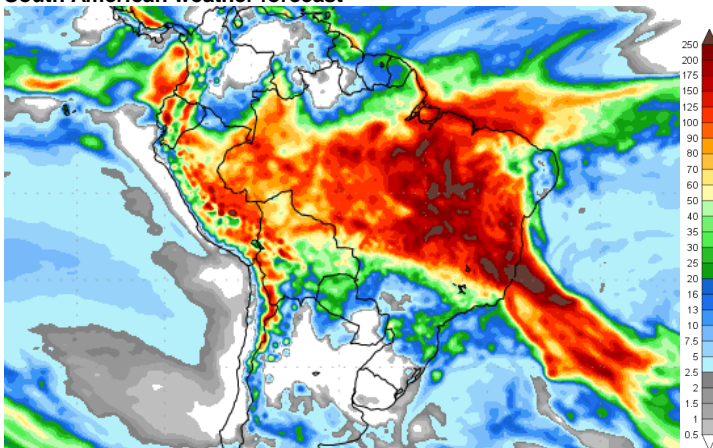
US cumulative rainfall forecast for week ahead (inches)



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 – 01 February 2018

White Maize				
	MTM	Change	High	Low
Mar-18	1811.00	-34.00	1850.00	1804.60
May-18	1865.00	-30.00	1903.60	1860.00
Jul-18	1913.00	-36.00	1950.00	1907.60
Yellow Maize				
Mar-18	1903.00	-41.00	1939.00	1900.00
May-18	1956.00	-30.00	1975.00	1955.00
Jul-18	1976.00	-29.00	2006.00	1973.00
Wheat				
Mar-18	3559.00	11.00	3575.00	3547.00
May-18	3628.00	4.00	3645.00	3615.00
Jul-18	3665.00	3.00	3688.80	3655.00
Sunflower				
Mar-18	4672.00	-33.00	4710.00	4645.00
May-18	4690.00	-33.00	4710.00	4668.00
Soybeans				
Mar-18	4412.00	-68.00	4450.00	4400.00
May-18	4493.00	-44.00	4500.20	4462.00
CME Corn				
Mar-18	1691.00	2.00	1695.00	1688.20
Jul-18	1797.00	-5.00	1809.00	1793.00

Maize

South African maize prices opened the day lower with some more follow through selling that was seen after the opening. March white maize opened the day at R1837 and briefly traded to a high of R1850 before some renewed selling was seen. The market came under pressure after that trading to a low of R1804 and the market ended the day rather close to the session low. On the charts we see that March white maize set new contract lows yesterday which attracted some long liquidation.

This morning the US maize prices are slightly higher than the levels seen at Safex close yesterday and the rand is mostly flat. Our market sold off in the past 2 sessions on a larger area estimate and some rainfall that was seen which could continue to limit some of the buying interest in our market. Some weekend short covering could be seen today.

Wheat

South African wheat prices started the day slightly higher with the market trading on both sides of the opening level. March white maize opened the day at R3557 and the market did come under some more pressure after that with the market trading to a low of R3547 before some buying/short covering that was seen. The market traded to an intraday high of R3575 and the market ended the day rather close to the session high.

This morning the US CME and KCBT wheat prices are higher than the levels seen at Safex close yesterday and the rand is trading around R11.88/\$ this morning. We did see some late buying interest in our wheat market yesterday which could provide some support.

Oilseeds

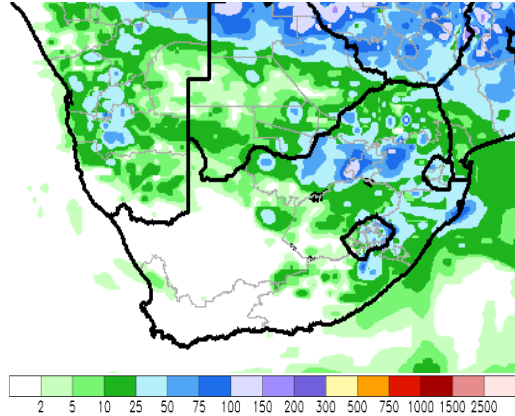
South African soybean contracts gapped lower from the start of the session with some more follow through selling that was seen after the opening. March soybean contracts opened the day at R4450 which was also the intraday high of the session yesterday with some selling that was seen after the opening. March soybean contracts sold off trading to an intraday low of R4400 (new contract low) and the market ended the day slightly off the session lows.

South African sunflower seed contracts opened the day mostly flat with some more selling that was seen after the opening. March sunflower seed contracts opened the day at R4710 which was also the intraday high of the session with our market coming under pressure after that. The market traded to an intraday low of R4645 with the market finding some support at the 40-day average and sunflower seed contracts ended the day slightly off the session lows.

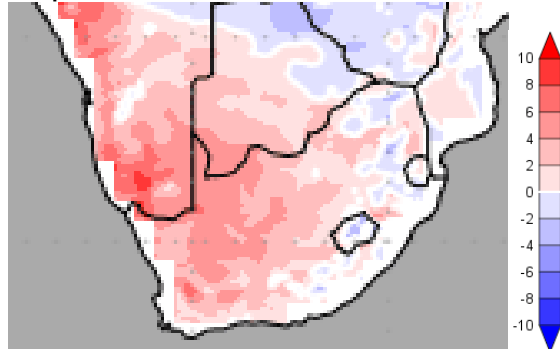
This morning the US soybean contracts are well below the levels seen at Safex close yesterday which is putting some pressure on parity prices. The lower parity prices and selloff seen in our oilseed contracts yesterday could put some more pressure on local sunflower seed and soybean contracts in the session today.

Weather conditions

Rainfall forecast for week ahead



Temperature forecast for week ahead



Technical Graphs

- Safex March WM prices
- CME March corn prices



