

Economic Indicators

	Quote at 12h00 previous day	Current quote	Change	% Change
Rand/Dollar	14.23	14.02	-0.21	-1.48
Euro/Dollar	1.1404	1.1462	0.0058	0.51
Gold	1233.34	1229.85	-3.49	-0.28
Platinum	865.6	874.1	8.50	0.98
Brent Crude	72.77	72.09	-0.68	-0.93
JSE Top 40	48537	48124	-413.00	-0.85
Dow Jones Indus Avg	25461	25635	174.00	0.68

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

- The rand is stronger this morning and is trading at R14.02/\$ with the weaker dollar supporting the rand. The rand broke below its 100-day average this morning. South African equities did come under pressure yesterday with the JSE Top40 ending 0.85% lower.
- In the US the dollar is weaker and trading around 1.1465 to the euro this morning. World markets are watching the outcome of the US mid-term elections. At this stage result point to a split congress in the US. US equities posted some gains yesterday with the Dow ending 0.68% higher in the daytime session while this morning the Dow futures are 0.28% higher.
- Commodity prices are mixed with platinum prices 0.98% higher while gold and crude oil prices are 0.28% and 0.93% lower than the levels seen at Safex close yesterday. The weaker dollar usually supports commodity prices.

US Dollar/South African Rand



Key data releases:

- US Mid-term election results
- Weekly South African producer deliveries
- South African business confidence index
- South African net reserves
- European Union retail sales



International Market

	Quote at 12h00 previous day	Current quote	Change	% Change
CME Dec maize	374	372.25	-1.75	-0.47
CME Mar maize	385.5	384.5	-1.00	-0.26
CME Dec wheat	510	512.5	2.50	0.49
KCBT Dec wheat	507.75	508	0.25	0.05
KCBT Mar wheat	531	531.75	0.75	0.14
Matif Dec wheat (Euro/ton)	200.5	201.25	0.75	0.37
CME Nov soybeans	873.5	871.5	-2.00	-0.23
Dec CME maize R/ton	2095	2055	-40.58	-1.94
Mar CME maize R/ton	2160	2122	-37.39	-1.73
Dec CME wheat R/ton	2667	2640	-26.47	-0.99
Dec KCBT wheat R/ton	2655	2617	-37.89	-1.43
Mar KCBT wheat R/ton	2776	2739	-37.11	-1.34
Nov CME soybeans R/ton	4567	4490	-77.70	-1.70

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

Corn

- US maize prices traded slightly lower in the daytime session yesterday with some technical selling that was seen as well as some long liquidation/profit taking following the recent gains. This morning the electronic maize prices are slightly lower.
- In the USDA report due on Thursday the average market expectation of the US 2018 maize crop is seen at 14.721 billion bushels which is down from the October USDA estimate seen at 14.778 billion bushels.
- The average market expectation of the 2018/19 maize ending stocks is seen at 1.773 billion bushels which is down from the October USDA estimate seen at 1.813 billion bushels.
- On the technical chart for December CME maize we see that prices once again found some resistance in the \$3.75-\$3.75 area and prices pulled lower. Support is seen at \$3.68-\$3.67 and resistance is seen in the \$3.75-\$3.77 area.

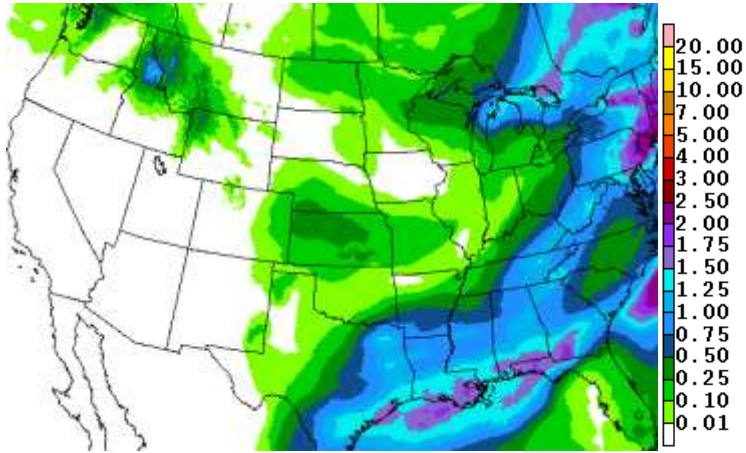
Soybeans

- US soybean contracts ended slightly lower in the session yesterday on some technical selling that was seen with the market awaiting the outcome of the mid-term elections and the USDA report due later this week. This morning the electronic soybean prices are slightly higher.
- In the USDA report on Thursday the average market expectation of the US 2018 soybean crop is seen at 4.676 billion bushels which is down from the October estimate seen at 4.690 billion bushels.
- In South America the forecaster Abiove raised the Brazilian soybean export estimate to 79 million tons which is up from the previous estimate seen at 77 million tons. Argentina will also start to export soybean meal as livestock feed to China.

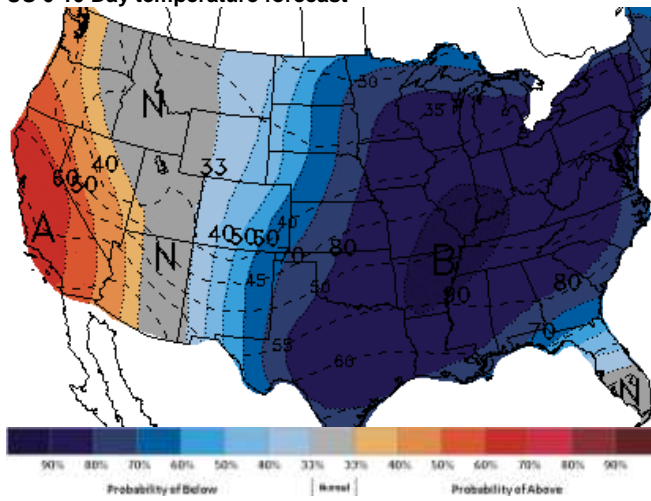
Wheat

- US wheat prices managed some gains in the session yesterday with the drop in the winter wheat crop conditions supporting prices. Some more short covering was also seen. This morning the electronic wheat prices are mostly flat.
- In the USDA report on Thursday the average market expectation of the US 2018/19 all wheat ending stocks is seen at 958 million bushels which is very much flat from the October estimate seen at 956 million bushels.
- On the chart for December KCBT wheat we see that the market posted some gains with prices finding some resistance around \$5.10 and prices pulled off the session lows. Resistance is seen at \$5.10 and the 40-day average seen at \$5.13/bushel.

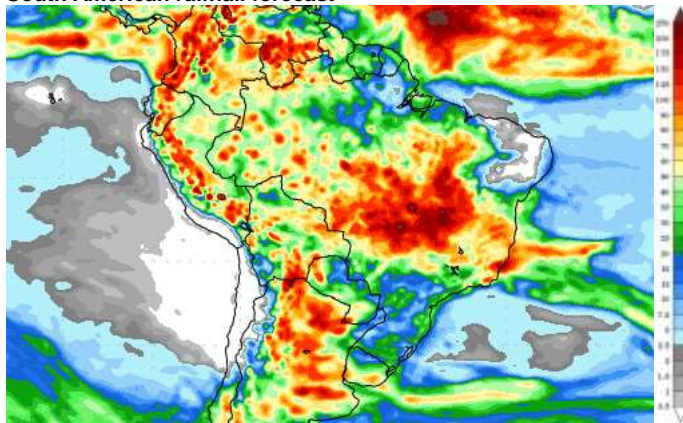
US rainfall forecast for the week ahead



US 6-10 Day temperature forecast



South American rainfall forecast



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South African Market – 06 November 2018

White Maize				
	MTM	Change	High	Low
Dec-18	2476.00	14.00	2478.00	2452.00
Mar-19	2528.00	13.00	2531.00	2510.00
Jul-19	2598.00	10.00	2601.00	2585.00
Yellow Maize				
Dec-18	2456.00	8.00	2460.00	2448.00
Mar-19	2504.00	8.00	2509.00	2495.40
Jul-19	2547.00	3.00	2550.00	2535.00
Wheat				
Dec-18	4387.00	-19.00	4395.00	4370.20
Mar-19	4510.00	-24.00	4519.00	4495.20
Jul-19	4625.00	-3.00	0.00	0.00
Sunflower				
Dec-18	5156.00	38.00	5160.00	5066.00
Mar-19	5166.00	24.00	5172.00	5092.00
Soybeans				
Dec-18	4639.00	19.00	4648.00	4590.00
Mar-19	4760.00	22.00	4768.00	4705.00
CME Corn				
Dec-18	2107.00	5.00	2108.40	2091.00
Mar-19	2194.00	-1.00	2195.00	2180.00

Maize

South African maize prices opened the day higher with some weakness that was seen after the opening probably on some long liquidation and the lower parity prices. December white maize opened the day at R2467 and came under some pressure trading to a low of R2452 but some buying was seen into the close once again. December white maize traded to an intraday high of R2478 ending the day very close to the session highs. Resistance is seen at the R2500/R2505 highs seen in the beginning of October.

US maize prices are lower this morning and the rand is also stronger which is putting pressure on parity prices. We did see another strong performance in our market yesterday but the lower parity prices could weigh on our market in the session today. The weather forecast still expects very little rainfall relief in the week/10-days ahead which could possibly limit some of the losses in our market.

Wheat

South African wheat contracts opened the day lower with some more weakness that was seen after the opening with the stronger rand seen early in the session adding some pressure. December wheat opened the day at R4390 and traded to a low of R4370 but some buying/short covering was seen into the close and December wheat contracts traded to an intraday high of R4395 ending the day very close to the session highs. Support is seen at R4375 and R4340.

US wheat prices are slightly higher this morning but the rand is stronger and trading around R14.03/\$ this morning. The stronger rand seen this morning could put some more pressure on local wheat prices in the session today.

Oilseeds

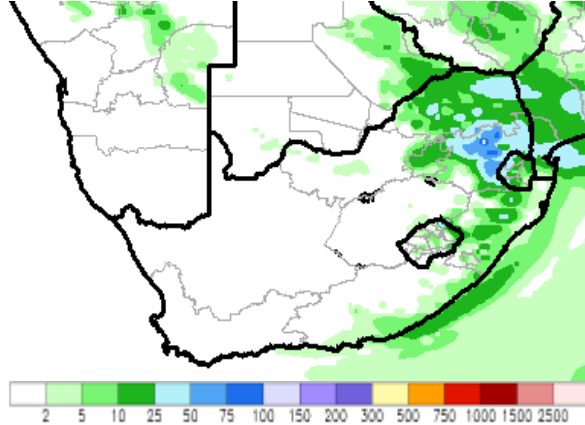
South African soybean contracts opened the day lower with some buying that was seen after the opening. December soybean contracts opened the day at R4602 and traded to a low of R4590 but some buying was seen after that. The market broke above the 100-day and 40-day averages and traded to a high of R4648 with the market ending the day very close to the session highs. The strong performance and close that was seen could be supportive for our market.

Sunflower seen contracts opened the day lower but some buying was seen after the opening. December sunflower seed contracts started the day at R5080 and found some support at the 100-day average with some buying/short covering that was seen after that. The market posted some good gains after that trading to a high of R5160 ending the day slightly off the session highs. Support is seen at R5072 and resistance at R5173.

US soybean contracts are unchanged to slightly lower this morning and the rand is stronger resulting in sharply lower parity prices this morning which could put some pressure on local oilseeds in the session today.

Weather conditions

Cumulative rainfall forecast for week ahead



Technical Graphs

- Safex Dec maize prices
- CME Dec corn prices



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