

Economic Indicators

	Quote at 12h00 previous day	Current quote	Change	% Change
Rand/Dollar	13.92	13.83	-0.09	-0.65
Euro/Dollar	1.1520	1.1527	0.0007	0.06
Gold	1292.36	1292.06	-0.30	-0.02
Platinum	820.5	822.7	2.20	0.27
Brent Crude	60.64	61.53	0.89	1.47
JSE Top 40	47140	47164	24.00	0.05
Dow Jones Indus Avg	23879	24001	122.00	0.51

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

- The rand is strong this morning and is trading around R13.83/\$ this morning with the dollar mostly unchanged compared to the levels seen yesterday. South African equities ended mostly flat in the session yesterday.
- In the US the dollar is trading around 1.1527 to the euro this morning and US equities managed some more gains with the Dow ending 0.51% higher in the daytime session yesterday and this morning the Dow futures are flat. Market still awaits news on the US/China trade talks and the US government shutdown.
- Commodity prices are mixed this morning with gold mostly flat while platinum prices are 0.27% higher. Crude oil prices posted some more gains with Brent crude oil 1.47% higher than the levels seen at Safex close yesterday.

US Dollar/South African Rand



Key data releases:

- UK GDP estimates
- UK Manufacturing output
- US December CPI

International Market

	Quote at 12h00 previous day	Current quote	Change	% Change
CME Mar maize	382.25	378.25	-4.00	-1.05
CME Jul maize	397.75	394	-3.75	-0.94
CME Mar wheat	517	518	1.00	0.19
KCBT Mar wheat	502.75	503	0.25	0.05
KCBT Jul wheat	524.75	524	-0.75	-0.14
Matif Mar wheat (Euro/ton)	205	203.5	-1.50	-0.73
CME Mar soybeans	923.25	910.25	-13.00	-1.41
Mar CME maize R/ton	2095	2059	-35.32	-1.69
Jul CME maize R/ton	2180	2145	-34.51	-1.58
Mar CME wheat R/ton	2644	2632	-12.02	-0.45
Mar KCBT wheat R/ton	2571	2556	-15.36	-0.60
Jul KCBT wheat R/ton	2684	2663	-21.16	-0.79
Mar CME soybeans R/ton	4722	4626	-96.59	-2.05

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

Corn

- US maize prices ended lower in the daytime session yesterday on some technical selling that was seen while no new developments from the US/China trade talks to date also added some pressure. This morning the electronic prices are slightly higher.
- The Brazilian forecaster CONAB estimated their total maize crop at 91.19 million tons which was slightly higher than their previous estimate seen at 91.10 million tons. The market was looking for a cut due to the warm and dry conditions seen recently.
- On the technical chart for March CME maize we see that the market traded lower in the session yesterday breaking below the 40-day and 100-day averages ending the day very close to the session lows. The break below the averages could result in some follow through weakness.

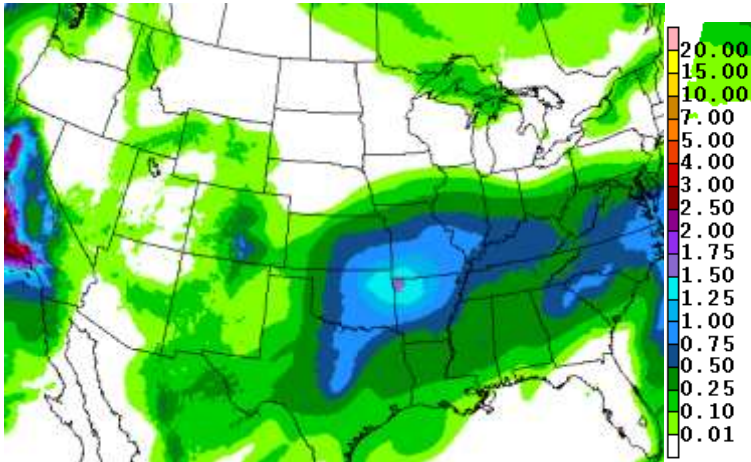
Soybeans

- US soybean contracts traded lower in the daytime session yesterday with a lack of demand out of China following the recent trade talks adding some pressure. This morning the electronic prices are slightly higher.
- The Brazilian forecaster CONAB estimated their 2018/19 soybean crop at 118.8 million tons which is down from their previous estimate seen at 120.1 million tons. Some traders expected a larger production cut.
- On the chart for March CME soybeans we see that the market sold off breaking below the 40-day average but this morning the electronic prices are higher and above the 40-day once again. Support at \$9.08 and \$9.00.

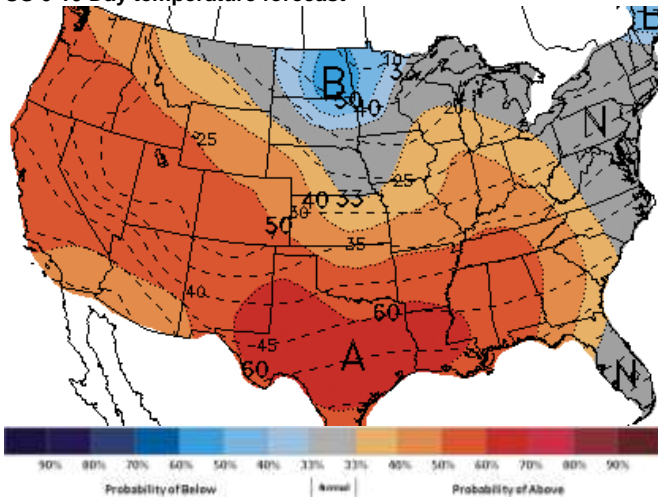
Wheat

- US wheat prices ended lower in the daytime session yesterday on some technical selling that was seen and profit taking follow the recent gains. This morning the electronic wheat prices are trading slightly higher.
- US wheat is still facing competition out of Russia in the global export market with Egypt in their recent tender buying Russian wheat.
- On the chart for March KCBT wheat we see that the market traded lower in the daytime session and prices broke below the 40-day average but the electronic prices rebounded this morning after finding some support around \$5.00/bushel.

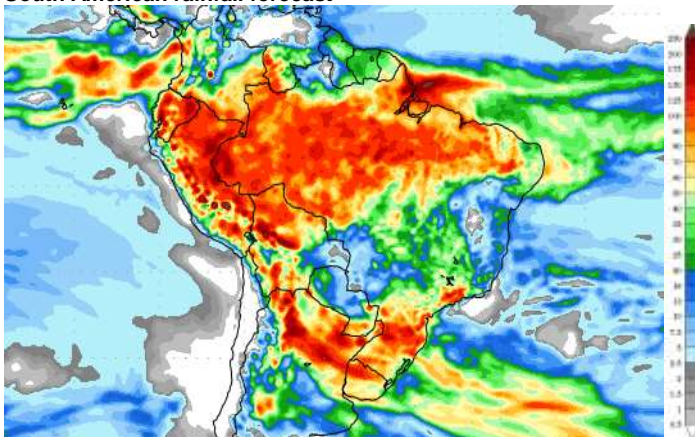
US rainfall forecast for the week ahead



US 6-10 Day temperature forecast



South American rainfall forecast



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South African Market – 10 January 2019

White Maize				
	MTM	Change	High	Low
Mar-19	2985.00	10.00	3019.00	2940.00
May-19	3026.00	16.00	3050.00	3023.00
Jul-19	3078.00	12.00	3116.80	3037.20
Yellow Maize				
Mar-19	2787.00	-1.00	2793.00	2765.00
May-19	2751.00	-7.00	2759.00	2740.00
Jul-19	2769.00	-9.00	2779.00	2748.20
Wheat				
Mar-19	4505.00	9.00	4513.00	4460.00
May-19	4576.00	8.00	4580.00	4574.00
Jul-19	4601.00	2.00	4601.00	4590.00
Sunflower				
Mar-19	5543.00	13.00	5600.00	5540.00
May-19	5332.00	32.00	5400.00	5318.20
Soybeans				
Mar-19	4849.00	0.00	4865.00	4824.00
May-19	4936.00	5.00	4950.00	4911.00
CME Corn				
Mar-19	2112.00	2.00	2113.00	2094.00
Jul-19	2230.00	0.00	2233.40	2207.00

Maize

South African maize prices opened the day higher with the market trading on both sides of unchanged after the opening. March white maize started the day at R2985 and traded to a high of R3019 but the buying interest faded and prices pulled lower after that. The market sold off to an intraday low of R2940 but white maize managed to end the day off the session lows and slightly lower for the day.

The weekly South African maize exports for the week ending the 4th of January indicated that 5 147 tons of maize was exported including 3 343 tons of white maize and 1 804 tons of yellow maize.

US maize prices are lower this morning and the rand is stronger which is putting pressure on parity prices this morning. Weather forecast expect some more showers in the eastern parts of the country next week but slightly warmer and drier conditions are expected for the central and western growing areas.

Wheat

South African wheat contracts started the day lower with some buying interest that was seen after the opening. March wheat contracts started the day at R4460 which was also the intraday low of the session with our market gaining some ground after that. March wheat prices traded to an intraday high of R4513 with the market ending the day close to the session highs. The bullish engulfing seen yesterday could be supportive for local wheat in the sessions ahead. Immediate resistance is seen at R4524.

The weekly South African wheat imports for the week ending the 4th of January indicated that 11 611 tons of wheat was imported in the past week. The wheat that was imported originated from Argentina.

US wheat prices are mostly flat this morning and the rand is stronger resulting in lower parity prices this morning. We did see some strong buying in our market yesterday but the stronger rand could limit some of the gains in our market today.

Oilseeds

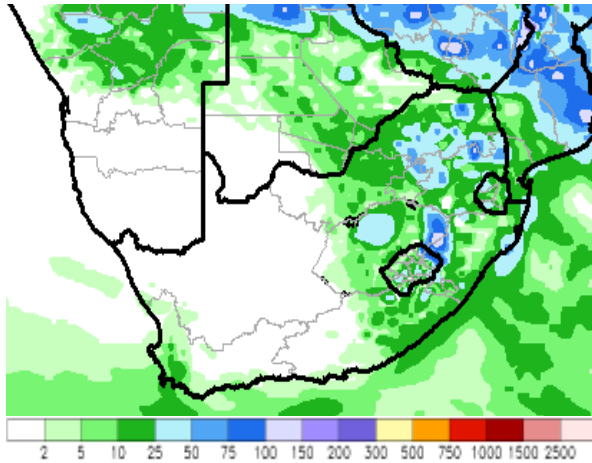
South African soybean contracts started the day lower with some buying that was seen after the opening. March soybean contracts started the day at R4835 and traded to a low of R4824 before some buying was seen. The market traded to an intraday high of R4865 with soybeans ending the day at the session highs. The strong performance and close that was seen yesterday could result in some follow through buying. Resistance is seen at the 40-day average at R4886.

South African sunflower seed contracts opened the day higher with the market trading on both sides of the opening after that. March sunflower seed contracts started the day at R5570 and posted some gains after that trading to an intraday high of R5600. The market failed to hold the early gains and sold off to a low of R5540 and prices ended the day around the opening levels.

US soybean contracts are lower this morning and the rand is also stronger resulting in sharply lower parity prices which could put some pressure on local sunflower seed and soybean contracts in the session today.

Weather conditions

Cumulative rainfall forecast for week ahead



Technical Graphs

- Safex Mar maize prices
- CME Mar corn prices



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