

Economic Indicators

	Quote at 12h00 previous day	Current quote	Change	% Change
Rand/Dollar	12.07	11.97	-0.10	-0.83
Euro/Dollar	1.2265	1.2278	0.0013	0.11
Gold	1316.18	1323.67	7.49	0.57
Platinum	968.5	966	-2.50	-0.26
Brent Crude	64.55	63.4	-1.15	-1.78
JSE Top 40	49934	49287	-647.00	-1.30
Dow Jones Indus Avg	23860	24190	330.00	1.38

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

- The rand is stronger this morning and has broken below R12.00/\$ and is currently trading at R11.97/\$. The dollar is slightly weaker this morning. South African equities did come under some pressure with the JSE Top40 ending 1.3% lower on Friday. The expectation is that negotiations for Zuma to step down could be finalized within the next few days.
- In the US the dollar is slightly weaker this morning and is trading around 1.2278 to the euro and US equities posted some gains with the Dow ending 1.38% higher in the daytime session on Friday and this morning the equity futures are also 0.65% higher.
- Commodity prices are mixed with gold prices 0.57% higher than the levels seen at Safex close on Friday and platinum and crude oil prices are 0.26% and 1.78% lower than the levels seen at Safex close on Friday.

US Dollar/South African Rand

^USDZAR - U.S. Dollar/South African Rand - Daily Candlestick Chart



Key data releases:

- US monthly budget statement

International Market

	Quote at 12h00 previous day	Current quote	Change	% Change
CME Mar maize	364.5	366	1.50	0.41
CME Jul maize	379.75	381.75	2.00	0.53
CME Mar wheat	452.25	457.25	5.00	1.11
KCBT Mar wheat	470.5	474.75	4.25	0.90
KCBT May wheat	485.25	489.5	4.25	0.88
Matif Mar wheat (Euro/ton)	159	159	0.00	0.00
CME Mar soybeans	984.5	999.75	15.25	1.55
Mar CME maize R/ton	1732	1725	-7.28	-0.42
Jul CME maize R/ton	1804	1799	-5.53	-0.31
Mar CME wheat R/ton	2006	2011	5.37	0.27
Mar KCBT wheat R/ton	2087	2088	1.40	0.07
May KCBT wheat R/ton	2152	2153	0.86	0.04
Mar CME soybeans R/ton	4366	4397	30.90	0.71

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

Corn

- CME maize prices ended lower in the daytime session on Friday with the spillover weakness from the lower US maize and soybean prices as well as the lower non-agricultural commodities. This morning the electronic prices are trading higher.
- Some rainfall relief in some of the central parts of Argentina on Friday brought some relief. However the warm and dry weather conditions are once again expected to dominate in the week ahead.
- In the world maize export market some Chinese buyers decided to cancel some US maize purchases and switched over to maize out of the Ukraine as Chinese buyers tighten controls on GMO imports.
- On the technical chart for March CME maize we see that the market did pull lower after finding some resistance around \$3.65. Support is seen at the 100-day average seen at \$3.57 and the 40-day average seen at \$3.53/bushel.

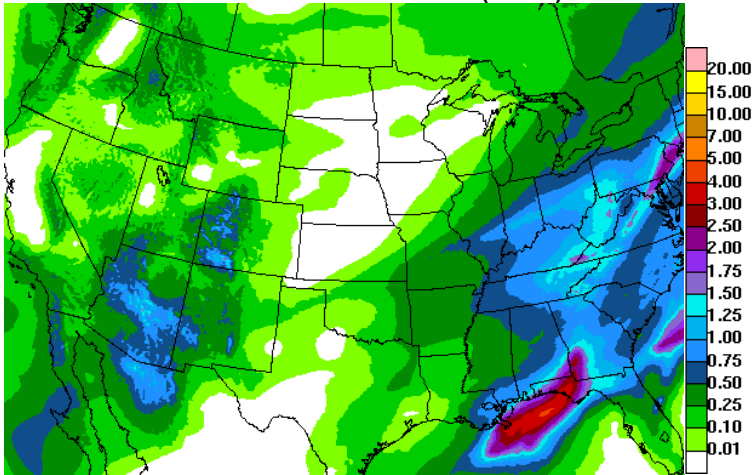
Soybeans

- CME soybean contracts ended slightly lower in the daytime session on Friday with rainfall in parts of Argentina limiting some of the buying interest in the market. This morning the electronic soybean prices are sharply higher.
- Looking at the weather forecast for Argentina it seems that the warmer and drier weather conditions are expected to return in the 7-day forecast but the extended 8-14 day forecast expect some rainfall amounts.
- On the technical chart for March CME soybeans we see that the market did get some overhead resistance at the 100-day average and prices pulled lower after that. The market is caught between the averages with the 200-day as support at \$9.80 and the 100-day as resistance seen at \$9.88/bushel.

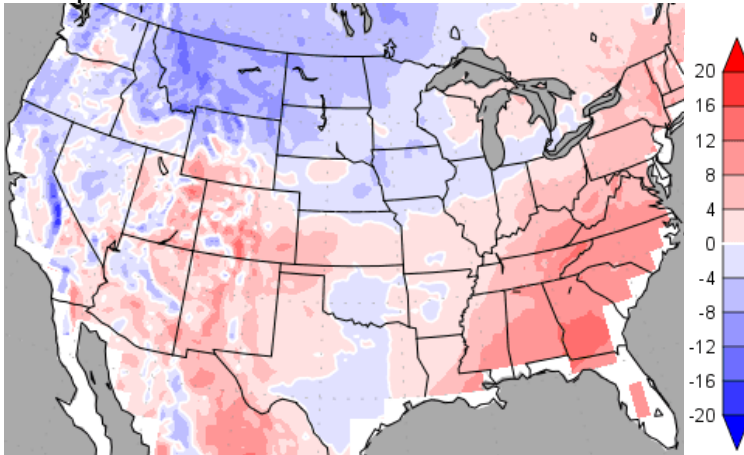
Wheat

- US CME and KCBT wheat prices ended lower in the daytime session on Friday mainly due to some profit taking by market longs. Some moisture relief is possible for the southern winter wheat areas which also added some pressure. This morning the electronic wheat prices are higher.
- In the world wheat export market Egypt in their tender decided to buy 240 000 tons of Russian wheat and 120 000 tons of Romanian wheat. No US wheat was offered in the tender.
- On the technical chart for March KCBT wheat we see that the market once again failed to sustain a break above \$4.80 and prices has pulled lower since. The moving averages are still pulling higher but some of the indicators have started to pull lower.

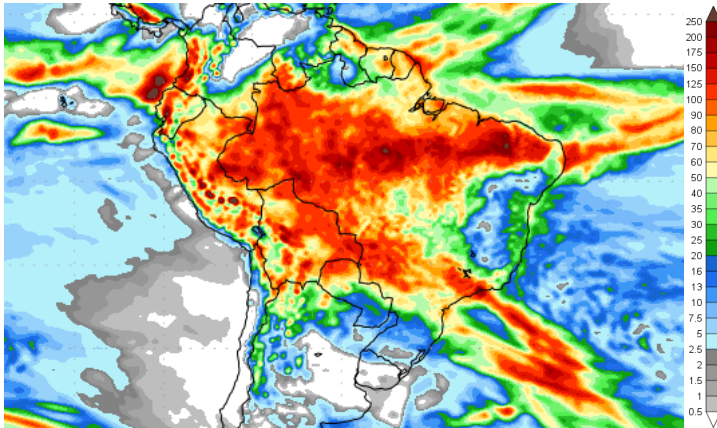
US cumulative rainfall forecast for week ahead (inches)



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 – 09 February 2018

White Maize				
	MTM	Change	High	Low
Mar-18	1839.00	3.00	1844.00	1813.00
May-18	1895.00	5.00	1900.00	1870.00
Jul-18	1948.00	1.00	1952.80	1925.00
Yellow Maize				
Mar-18	1934.00	8.00	1936.00	1914.00
May-18	1975.00	5.00	1958.00	1958.00
Jul-18	2013.00	9.00	2015.00	1975.80
Wheat				
Mar-18	3652.00	0.00	3675.00	3644.80
May-18	3725.00	0.00	3739.00	3722.00
Jul-18	3766.00	-1.00	3780.00	3763.00
Sunflower				
Mar-18	4690.00	35.00	4700.00	4646.00
May-18	4728.00	44.00	4750.00	4655.00
Soybeans				
Mar-18	4516.00	-4.00	4520.00	4494.00
May-18	4596.00	2.00	4605.20	4560.00
CME Corn				
Mar-18	1738.00	-5.00	1740.00	1732.00
Jul-18	1841.00	-4.00	1845.00	1836.00

Maize

South African maize prices started the day mostly flat with some profit taking by market longs that was seen after the opening. March white maize opened the day at R1836 and prices did come under some pressure after that trading to a low of R1813 before some buying was seen. The market managed to pull higher late in the session trading to an intraday high of R1844 and the market ended the day at the session high. The strong close that was seen could be supportive for our market in the sessions ahead.

This morning the US maize prices are higher than the levels seen at Safex close on Friday mainly due to the higher electronic prices this morning but the rand is stronger which is limiting some of the gains in the parity prices. We did see some buying interest in our market towards the end of last week which could be supportive but some rainfall was seen and the forecast calls for some more showers in the week ahead.

Wheat

South African wheat contracts opened the day slightly lower with some buying interest that was seen after the opening. March wheat contracts started the day at R3644 which was also the intraday low of the session with our market gaining some ground after that. The market traded to an intraday high of R3675 but the market did pull off the highs into the close. On the technical chart we see that some of the shorter moving averages and indicators are pulling higher which could be supportive for our market in the sessions ahead.

This morning the US CME and KCBT wheat prices are higher than the levels seen at Sfaex close on Friday but the rand is stronger which could limited some of the buying interest in local wheat prices in the session today.

Oilseeds

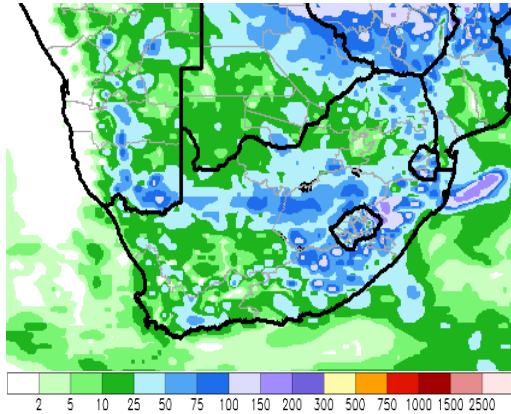
South African soybean contracts opened the day lower with some buying that was seen after the opening. March soybean contracts started the day at R4494 which was also the intraday low of the session with our market gaining some more ground after that. The market gained back some ground after the opening and traded to an intraday high of R4520 with soybeans ending the day close to the session high. The strong close that was seen could be supportive for our market in the sessions ahead.

South African sunflower seed contracts opened the day flat with some buying that was seen after the opening. March sunflower seed contracts started the day at R4652 with some buying interest that was seen after that and sunflower seed contracts broke above the 40-day average and surged higher after that. The market traded to an intraday high of R4700 and ended the day at the session high. The strong close that was seen could be supportive for our market in the sessions ahead.

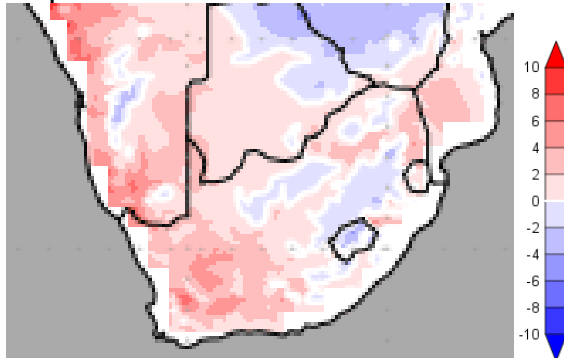
This morning the US soybean contracts are higher due to the sharply higher electronic soybean prices this morning. The higher US soybean prices could be supportive for local oilseeds in the trading session today.

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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