

**WEEKLY**  
**FOOD-FOR**  
**THOUGHT**

**DATE: 7 May 2021**





## WEATHER

- USA weekly weather forecast
- USA drought



## PARITIES

Import and export parities for yellow maize



## INTERNATIONAL AGRICULTURE

- Argentinian plant progress
- South American harvest progress
- China
- Namibia



## NATIONAL AGRICULTURE

Producer deliveries



## EXCHANGE RATE

Overview – USD/ZAR



## RAND AGRI SNAPSHOT

- Trader snapshot
- Field report

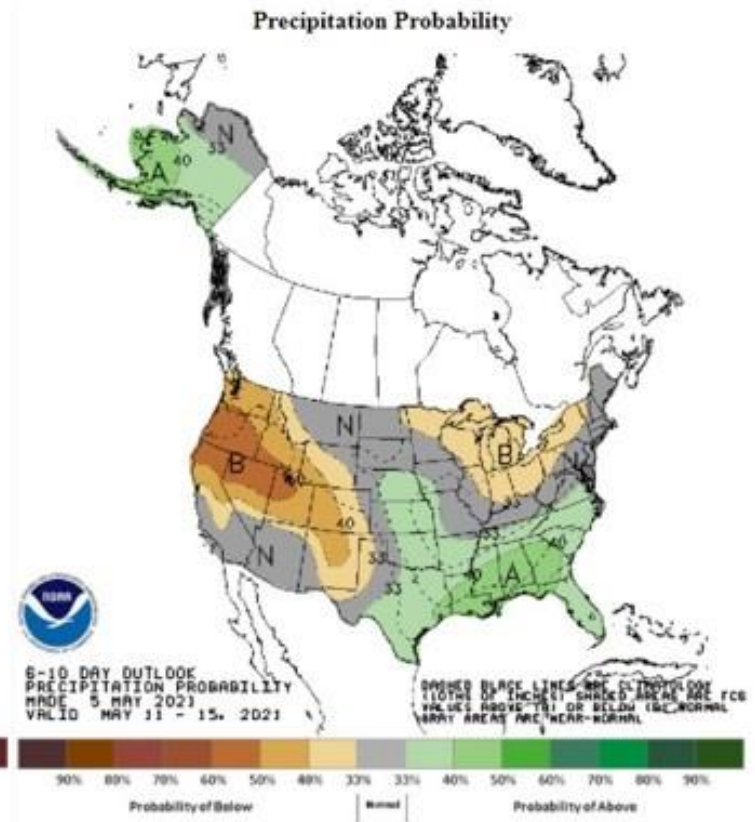
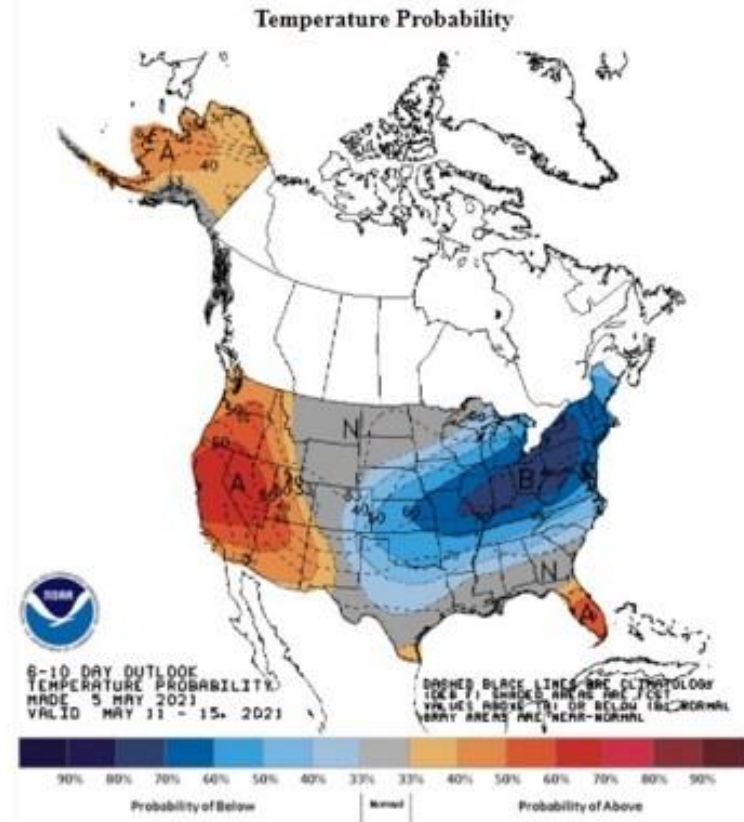




# INTERNATIONAL WEATHER

## USA WEEKLY FORECAST

Below normal temperatures are expected over most of the corn belt with very little rain forecast for the next week.



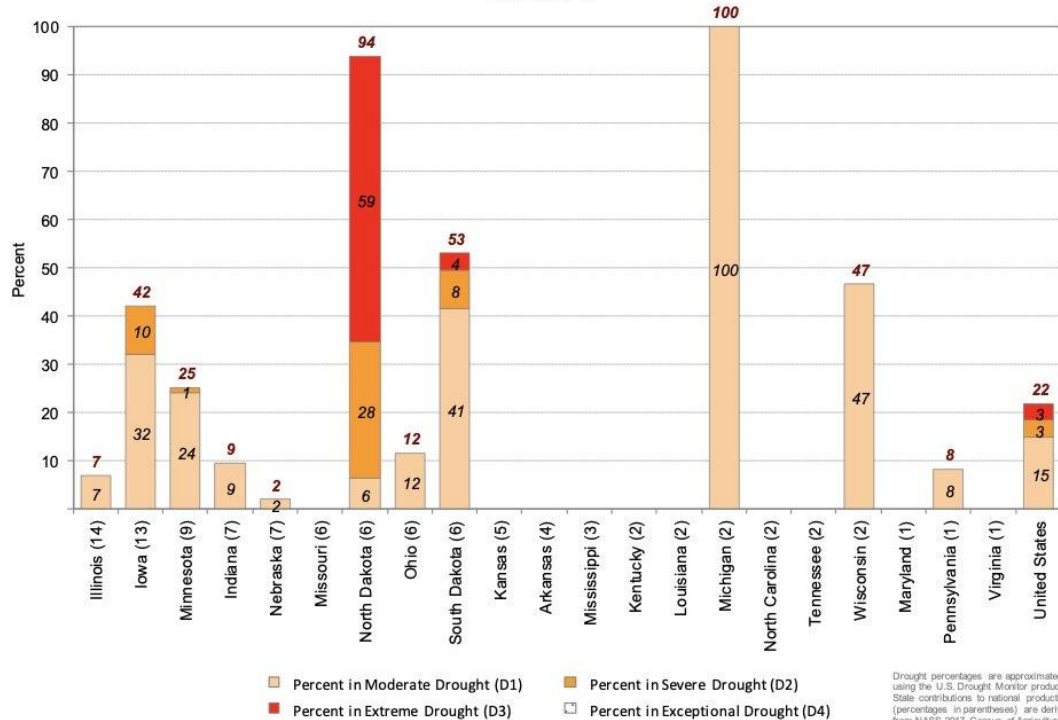


# INTERNATIONAL WEATHER

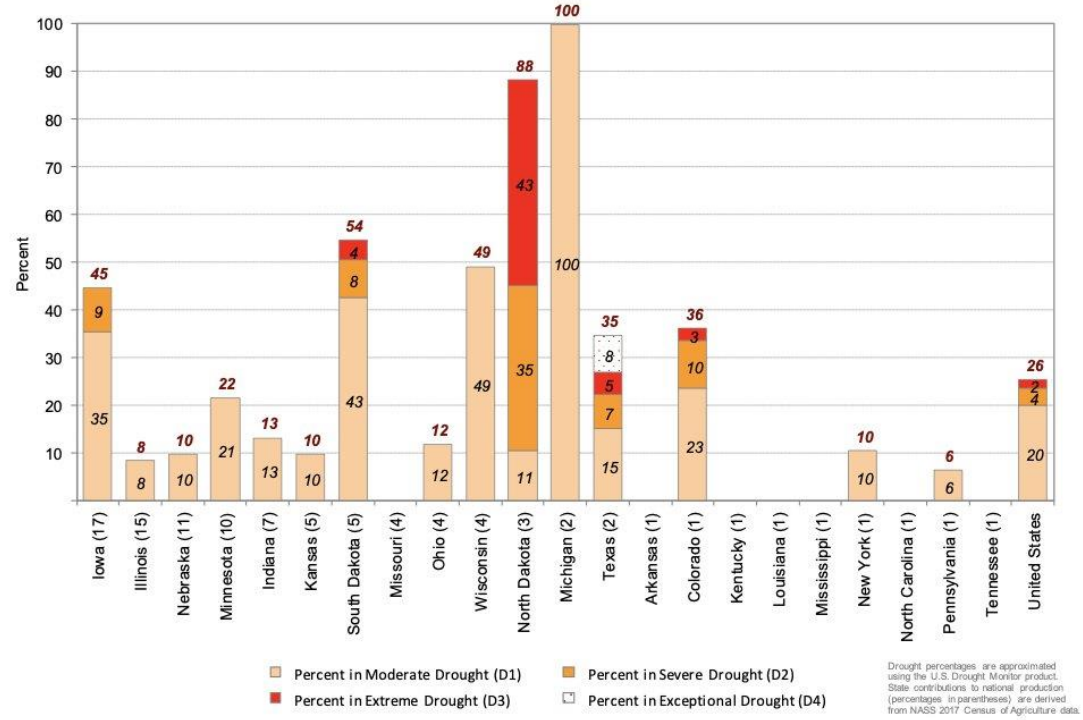
## USA DROUGHT:

North Dakota is suffering extreme drought in areas with soybean and corn plantings. Several other states are experiencing moderate drought.

**Percent of Soybeans Located in Drought**  
May 4, 2021



**Percent of Corn Located in Drought**  
May 4, 2021





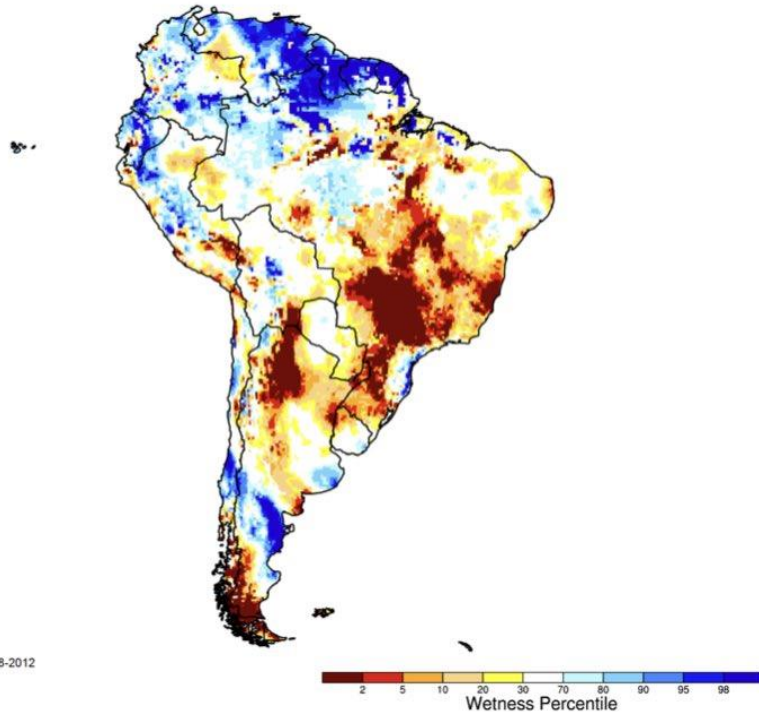
# INTERNATIONAL WEATHER

## BRAZIL



GRACE-Based Root Zone Soil Moisture Drought Indicator

May 03, 2021



Wetness percentiles are relative to the period 1948-2012  
The root zone is defined as the top 1 meter of soil  
Cell Resolution 0.25 degrees

Drought in central and southern Brazil continues, Safrinha corn that was planted late and has been without rain since the last week in March is suffering.

Harvest condition of the Safrinha maize in the state of Parana is progressing as:

	Good	Average	Poor
5 April	92%	7%	1%
12 April	76%	21%	3%
19 April	62%	31%	7%
26 March	40%	42%	18%
3 May	28%	45%	27%

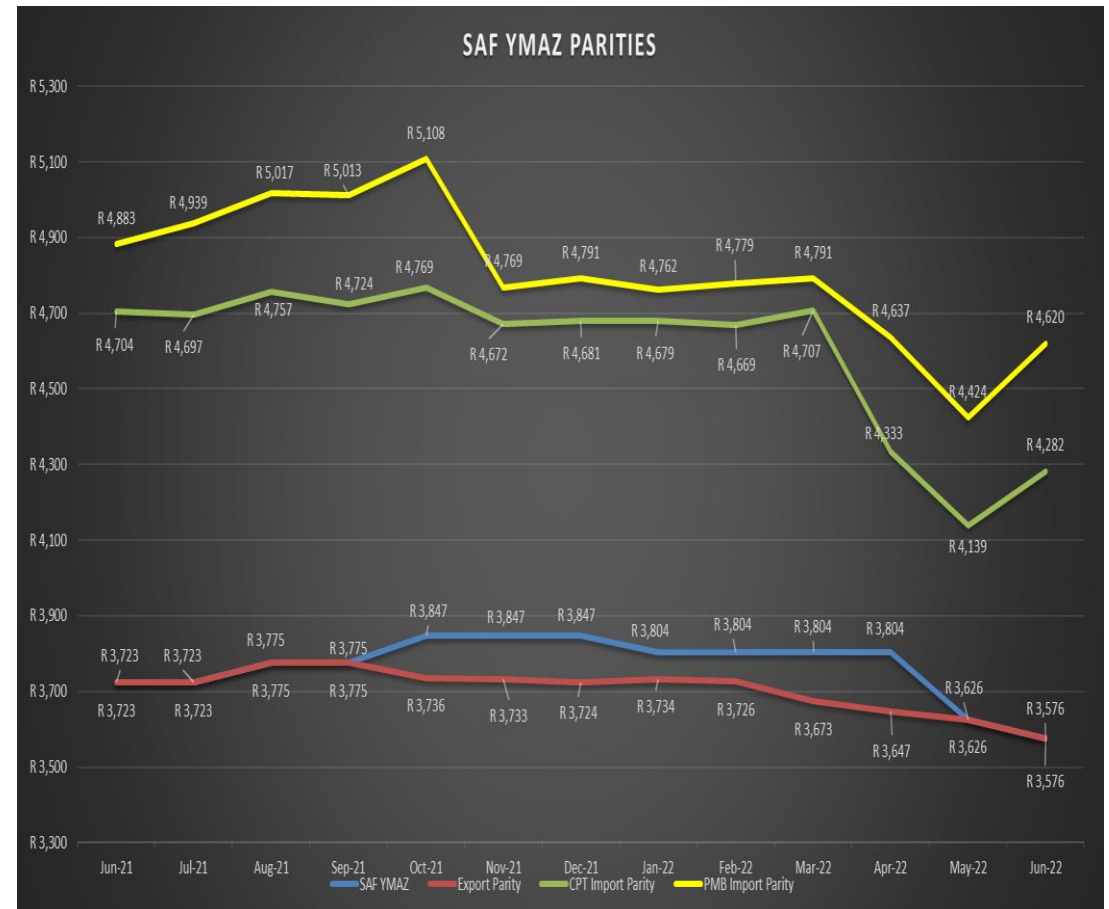


# PARITIES



## YELLOW MAIZE IMPORT & EXPORT

	Jul'21	Sept'21	Dec'21	May'22
PMB-import parity	R4 939	R5 013	R4 791	R4 791
CPT-import parity	R4 697	R 4 724	R 4 681	R4 707
SAFEX-yellow maize	R3 723	R3 775	R3 847	R3 804
DBN-export parity	R3 723	R3 775	R3 724	R3 673



# AGRICULTURE

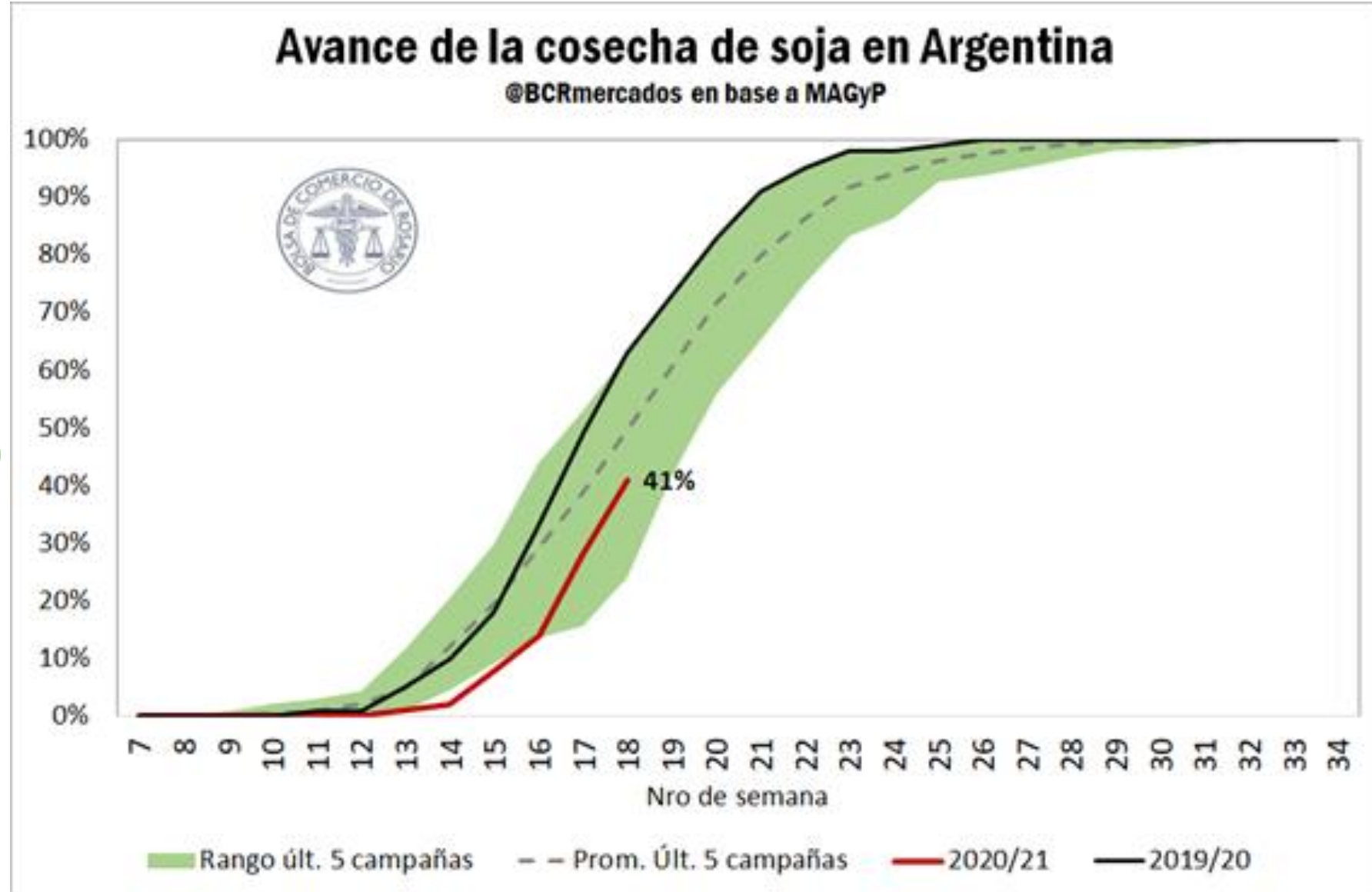
## ARGENTINA

### Maize-harvest tempo

19,5% of maize was harvested in Argentina last week.

### Soybean-Harvest Tempo:

Argentina harvested 41% soybeans in the last week, compared to 68% the same period last year.



# AGRICULTURE

## USA

### Corn:

46% of corn was planted as of 2 May, compared to last years tempo of 48% and the 5-year average of 36%.

### Soybeans:

Soybeans were 24% planted as of 2 May, compared to the 5-year average of 11% and 21% last year.

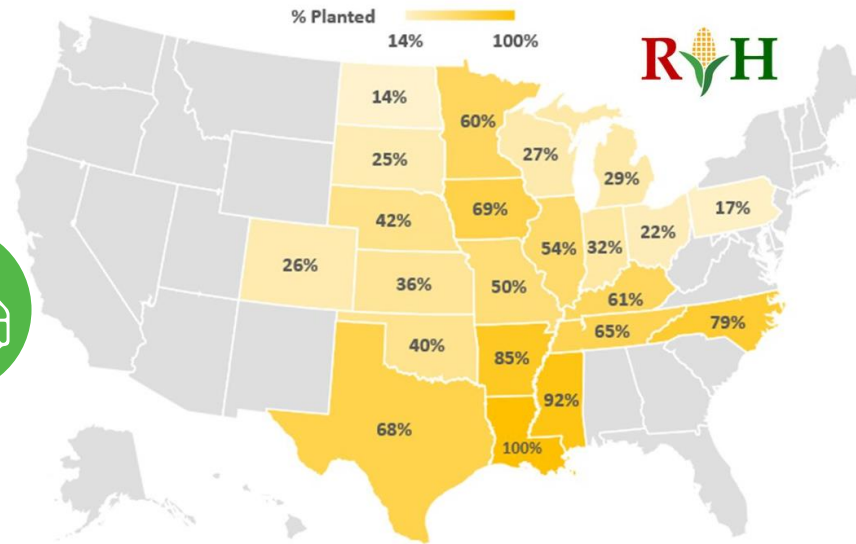
### Wheat:

49% of spring wheat was planted as of 2 May, which is 17% above the 5-year average planting tempo of 32%.

Winter wheat conditions were rated 48% good/excellent, compared to 49% last week.



CORN PLANTING PROGRESS - AS OF 05/02/2021

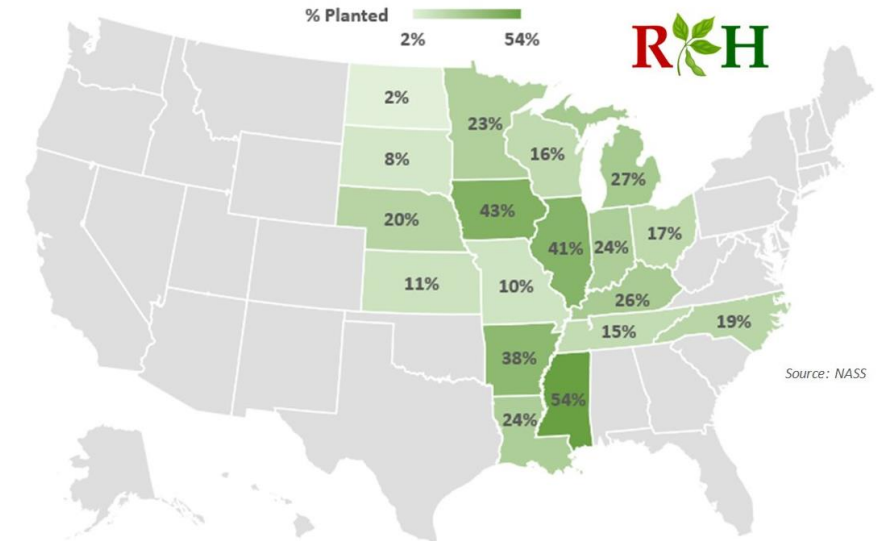


<b>U.S. TOTAL</b>	<b>46%</b>
Last Week	17%
Last Year	48%
5-Year Ave	36%

Source: NASS



SOYBEAN PLANTING PROGRESS - AS OF 05/02/2021



<b>U.S. TOTAL</b>	<b>24%</b>
Last Week	8%
Last Year	21%
5-Year Average	11%

Source: NASS







# INTERNATIONAL AGRICULTURE

## CHINA

China imported 438% more corn in the first quarter of 2021 than last year. In March this year, China imported 1.93 million tons of maize. The first quarter's maize imports of 6.73 million tons have a value of \$936 million.

49% of China's corn imports have already been shipped from the USA, for the market year, with another 463 million bushels to be shipped before 31 August.

China imported 21.18 million tons of soybeans from the USA in the first quarter of 2021 with a value of \$ 3483 million.

### Value of U.S. Agricultural & Related Products Exported to China: Q1 2021

*(January – March; millions of U.S. dollars)*

Soybeans	\$3,483
Corn	\$936
Sorghum	\$623

### China's Agriculture Imports 2021

*(thousands of tonnes)*

	March	YOY	Jan-Mar	YOY
Wheat	440	(24%)	2,920	131%
Corn	1,930	507%	6,730	438%
Barley	1,070	284%	2,390	135%
Pork	460	16%	1,160	22%
Sugar	200	137%	1,240	206%
Sorghum	640	92%	2,040	222%
Soybeans	7,770	82%	21,180	19%

Data sources: China Customs; Reuters

@kannbwx



# INTERNATIONAL AGRICULTURE

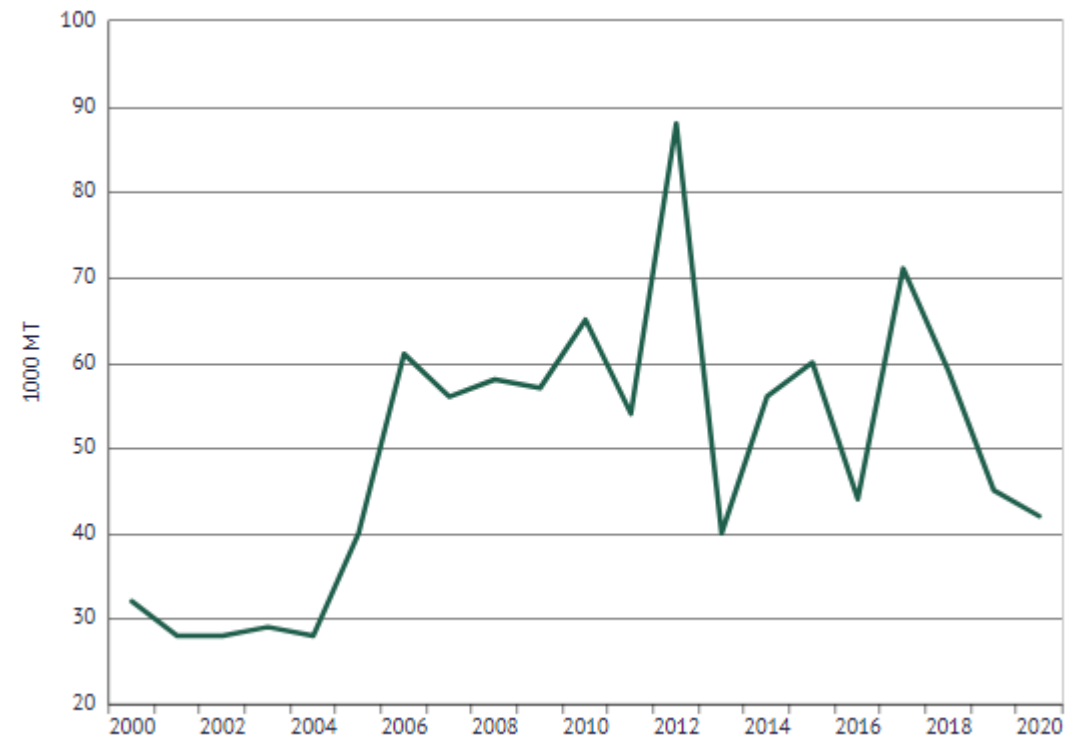
## NAMIBIA

Namibia's maize production over the past 20 years has fluctuated quite a bit, but it has declined in the last four years from 71 000 tons in 2016 to 42 000 tons in 2020.

Namibia needs more maize than what they produce and therefore regularly imports maize, mostly from South Africa.

Imports from South-Africa (Ton)	White Maize	Yellow Maize	Wheat
2020/21	109 752	63 010	8 270 (1 Oct – 30 Apr)
2019/20	180 993	65 920	14 985
2018/19	61 718	47 191	9 865

**Namibia's maize production for the past 20 years.**





# CBOT

## CORN AND SOYBEANS



### CBOT SOYBEANS

- The market trend is still up, and receiving support from colder temperatures in the corn belt of the USA.
- Soybeans are trading above the 25- and 50-day moving averages.



### CBOT CORN

- The market trend is still up, and is receiving support from the drought in Brazil and colder temperatures in the USA.





# EXCHANGE RATE

## USD/ZAR



The chart shows that the USD/ZAR pair found a strong resistance at the R14,54 level this week. This level was along the upper side of the ascending channel that is shown in black. Today, the USD/ZAR moved below this channel and the 25-day moving average. This is usually a bearish signal especially when the volume is rising. Recent economic data from South Africa has been relatively strong. On Wednesday, Standard Bank said that the country's PMI increased from 50.3 in March to 53.7. This is a sign that the country's economy is recovering a little faster than anticipated.





## Load administration and coordination during the harvest season

The administration and coordination of loads in the harvest season are crucially important factors to ensure the optimisation of the producer's income.

### Harvest time deliveries (Ex farm):

Rand Agri specialises in the contracting of loads at the producer's farm, for delivery directly to the end user.

We facilitate the process of loading grain during harvest time and help minimise the risk of theft by providing a load book to producers at the beginning of each harvest season. Producers only load trucks booked in by Rand Agri and record the truckloads in the book. This ensures that unknown trucks won't disappear with a load.

### Harvest time deliveries (Ex silo):

Due to the high volumes of deliveries at silos, correct delivery procedures are important, and the correct buyers code and folio must be recorded on the delivery documents. When producers make a transfer from their own folio to the Rand Agri folio in an Afgri silo, a transfer fee of R3,67 per ton (excluding VAT) will be charged.

Where producers initially deliver on their own folios and a silo certificate is issued, a certificate issue fee of R3,67 per ton (excluding VAT) will be charged, as well as an Electronic Silo Certificate (ESC) levy calculated according to a sliding scale according to tonnage\*. Delivery against a silo certificate is quick, since the certificate indicates any storage and handling fees payable, and the producer has control over the transfer of the certificate to the buyer.



# TRADER SNAPSHOT



*Article continues from previous page*

When a producer delivers a Safex certificate, there will be a certificate issue fee of R3,67 per ton (excluding VAT) as well as the applicable ESC levy referred to above. All handling fees are paid by the producers directly to the silo owner. The type of certificate can only be issued in units in which the commodity is traded on Safex. Again, the producer has control over his stock as well as when it is transferred to the buyer.

#### **\*ESC levies**

Rand Agri strives to offer top quality customer service, including quick pay-outs. We pride ourselves on the quality of our administration.

Category	ESC levy	R/t for maximum ton	Certificates that fall into This category
0-25.999 t	R 36,00	R 1,44	25 ton
26-50,999 t	R 69,00	R 1,38	50 ton
51-100,999 t	R 141,00	R 1,41	100 ton
101-200,999 t	R 315,00	R 1,58	200 ton
201-500,999 t	R 695,00	R 1,39	500 ton
501-1000 t	R 1 389,00	R 1,39	1 000 ton (maximum size for a certificate)

*Report compiled by Liezel Janse van Nieuwenhuizen, Administration Manager*



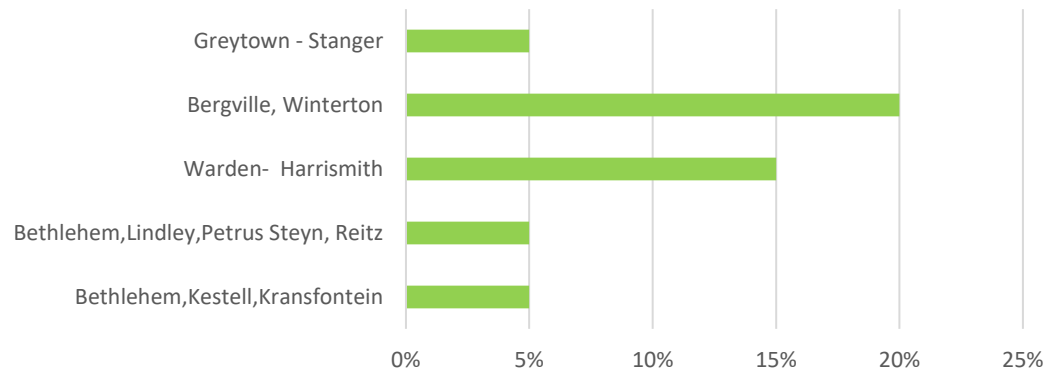
# TRADER SNAPSHOT



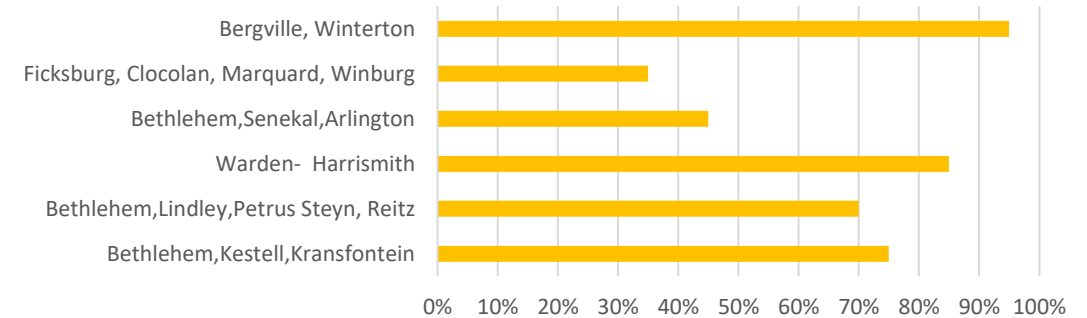
# FIELD AGENT OVERVIEW

## FREE STATE

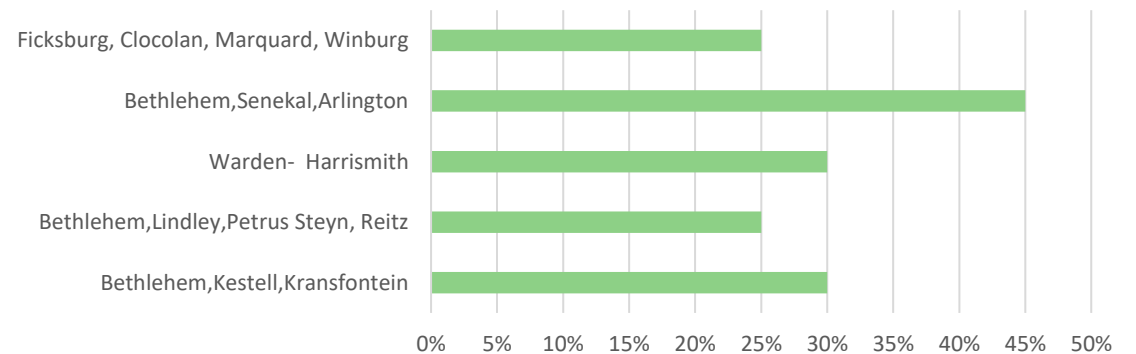
### Maize % Harvested



### Soybeans % Harvested



### Sunflower % Harvested



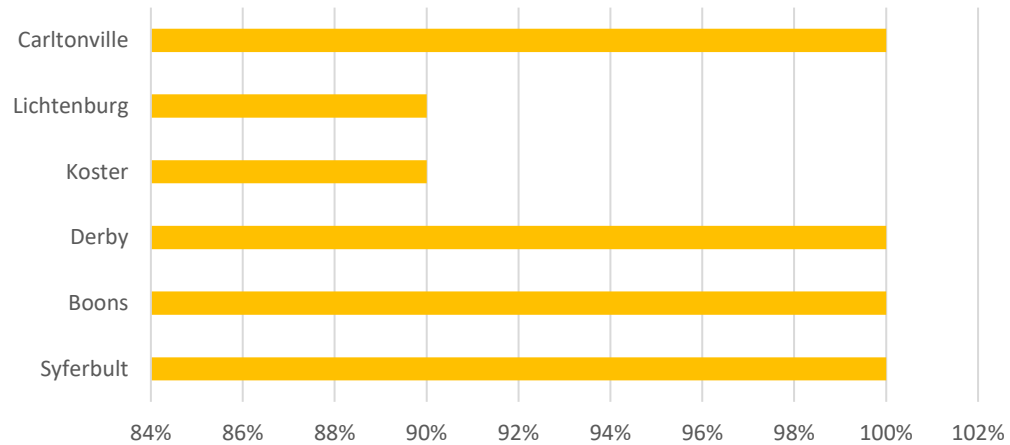


# FIELD AGENT OVERVIEW

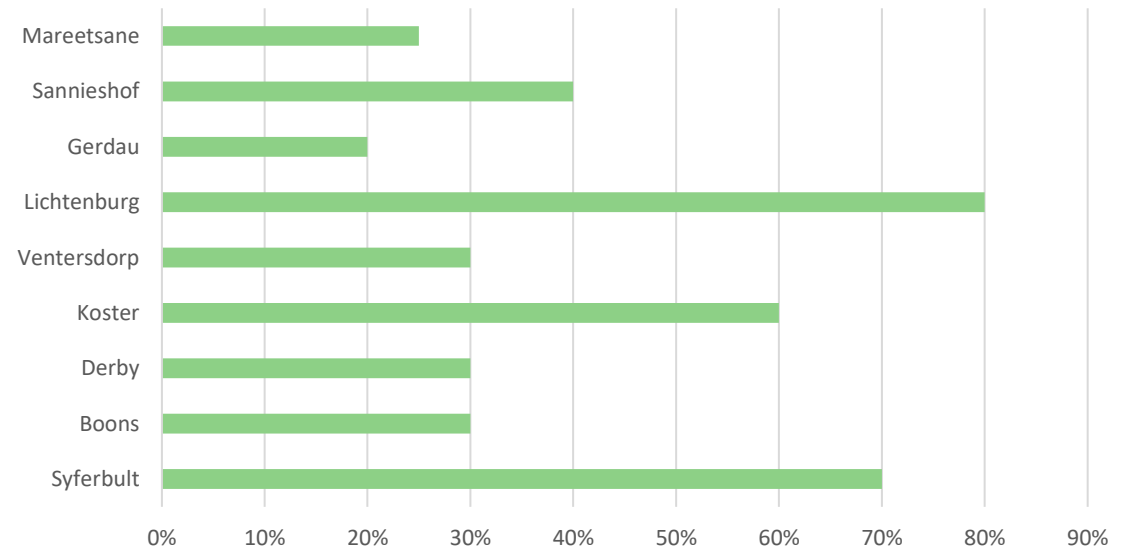
## NORTH WEST PROVINCE

No maize has yet been harvested in this province.

### Soybeans -% Harvested



### Sunflower- % Harvested



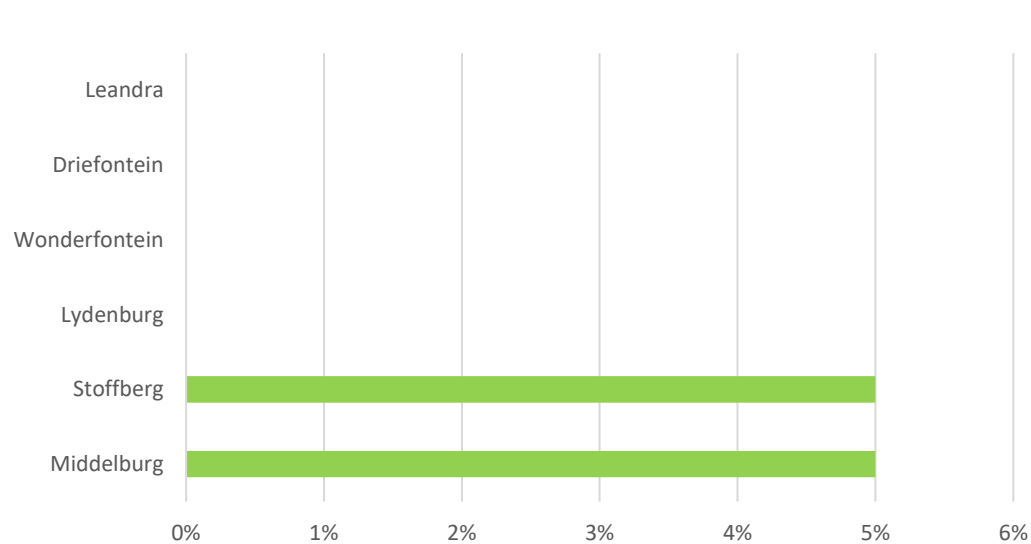




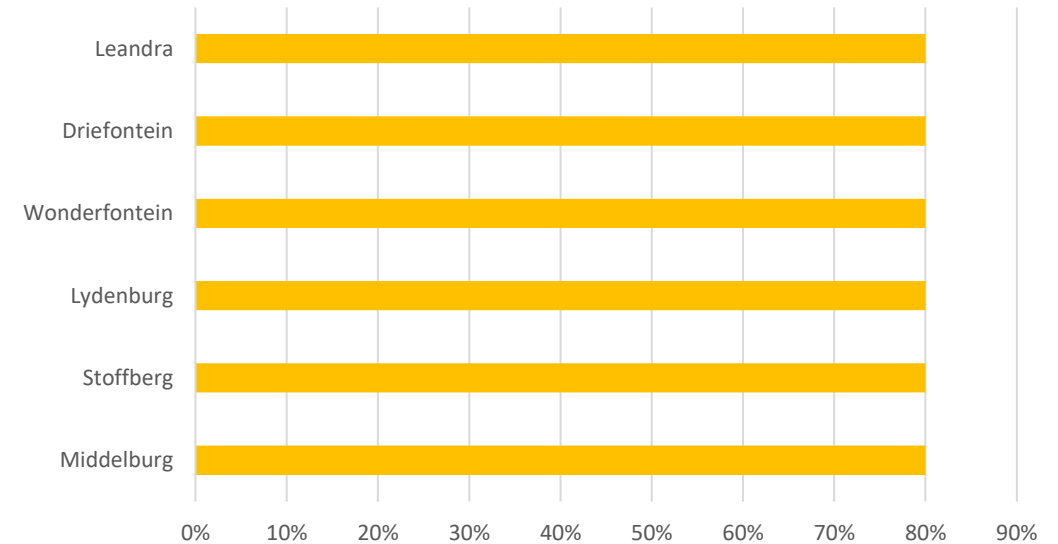
# FIELD AGENT OVERVIEW

## MPUMALANGA

Maize - % Harvested



Soybeans - % Harvested

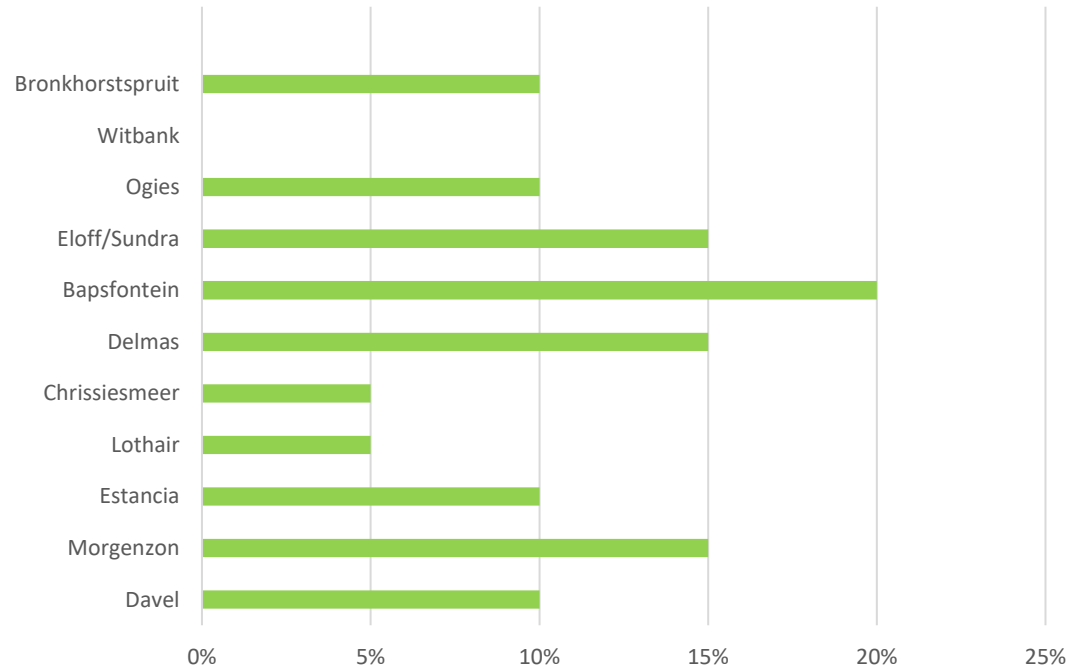




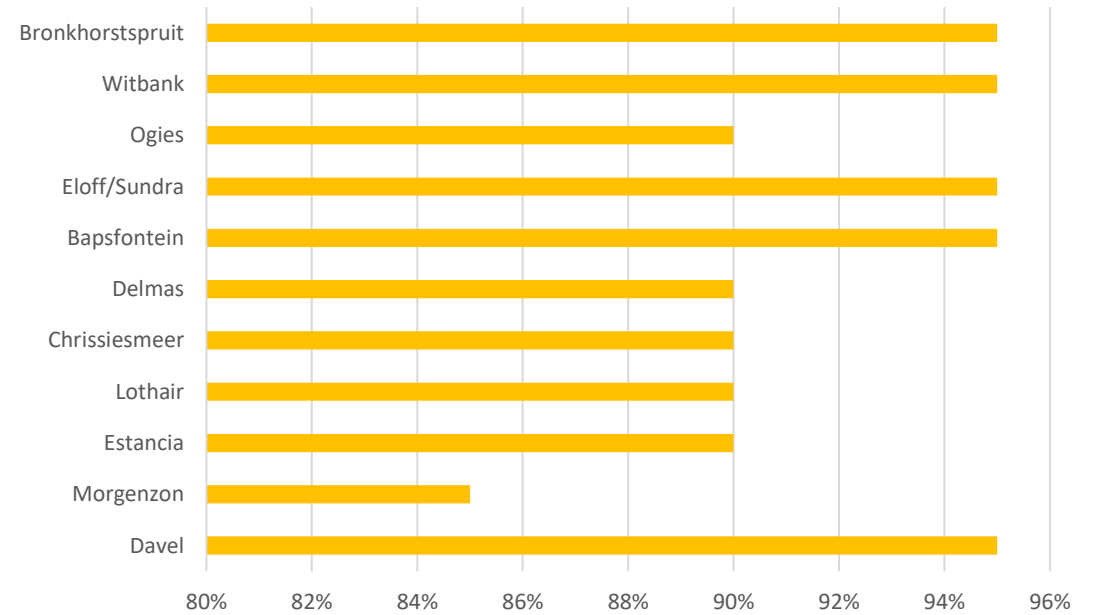
# FIELD AGENT OVERVIEW

## MPUMALANGA

Maize- % Harvested



Soybeans - % Harvested

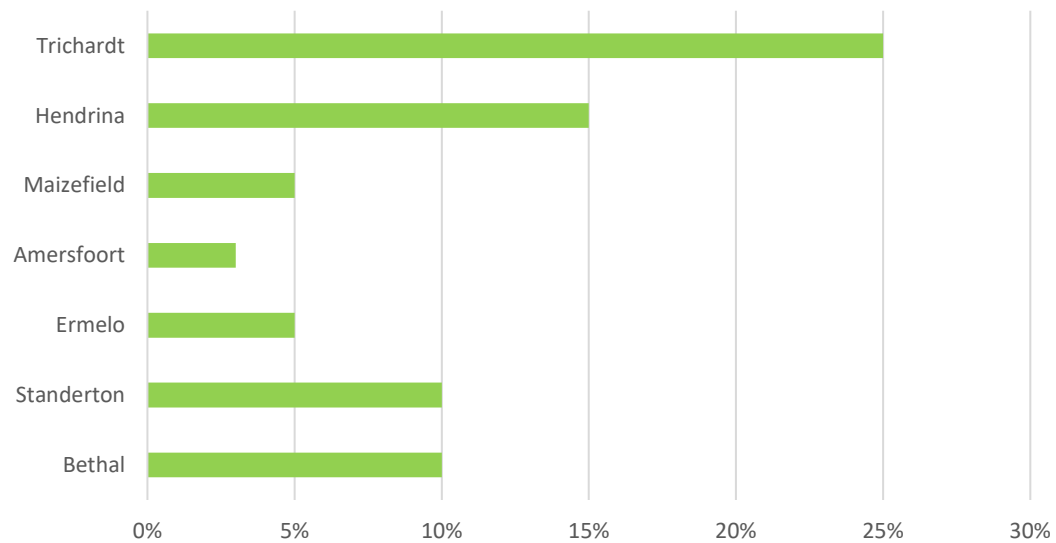




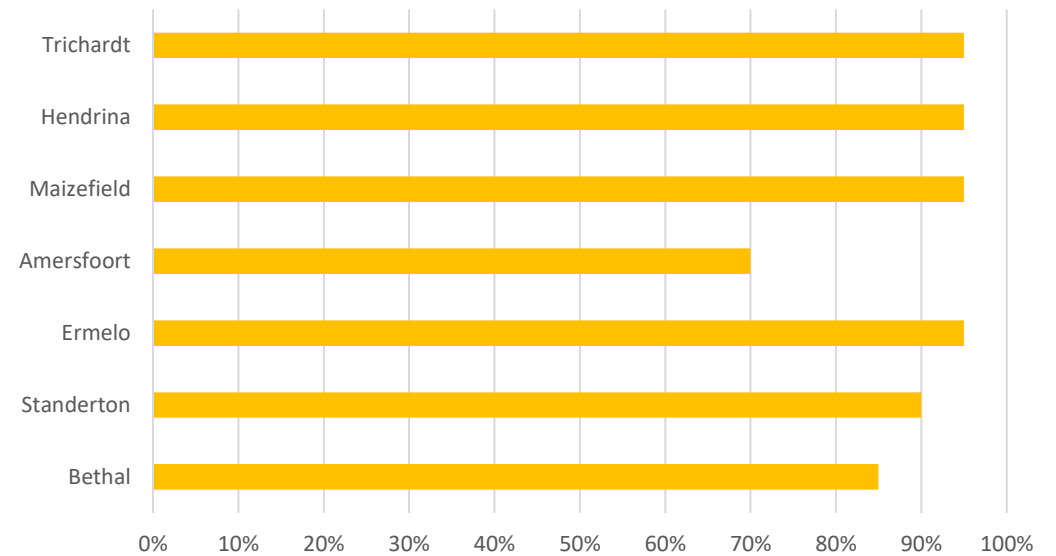
# FIELD AGENT OVERVIEW

## MPUMALANGA

Maize- % Harvested



Soybeans - % Harvested





# SAFEGUARDING FOOD PROSPERITY

Rand Agri, a bulk grain and supply chain trader, safeguards food prosperity in Southern Africa by connecting farmers and processors. Our services reach across the grain supply chain. It includes:



Trading grain crops such as soybean, wheat, sunflower, GMO/non-GMO white and yellow maize, sorghum and sugarbeans.



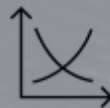
Logistics including sourcing, storage, export and delivery of grains and agricultural lime directly to customers.



Milling, processing and selling of white and yellow maize meal, yellow maize grits, starch and super fine maize meal.



Process and supply animal feed by-products such as hominy chop, wheat bran, molasses, as well as soybean, cotton and sunflower oilcakes.



Price and risk management by our experienced traders.

*Rand Agri - the vital connection between farm and plate*



Contact us today for your trading and supply chain needs.  
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