

WEEKLY
FOOD-FOR
THOUGHT

DATE: 6 AUGUST 2021





WEATHER

- USA international weather forecast
- USA precipitation



PARITIES

- Import and export parities for yellow maize
- Import parities for oilseeds



INTERNATIONAL AGRICULTURE

- Brazil corn harvest tempo
- North American maize condition
- Brazil corn exports
- Argentina transport protest
- CBOT



NATIONAL AGRICULTURE

- Winter crop estimates
- RSA weather seasonal report



EXCHANGE RATE

- Overview – USD/ZAR



RAND AGRI SNAPSHOT

- Trader snapshot: producer deliveries

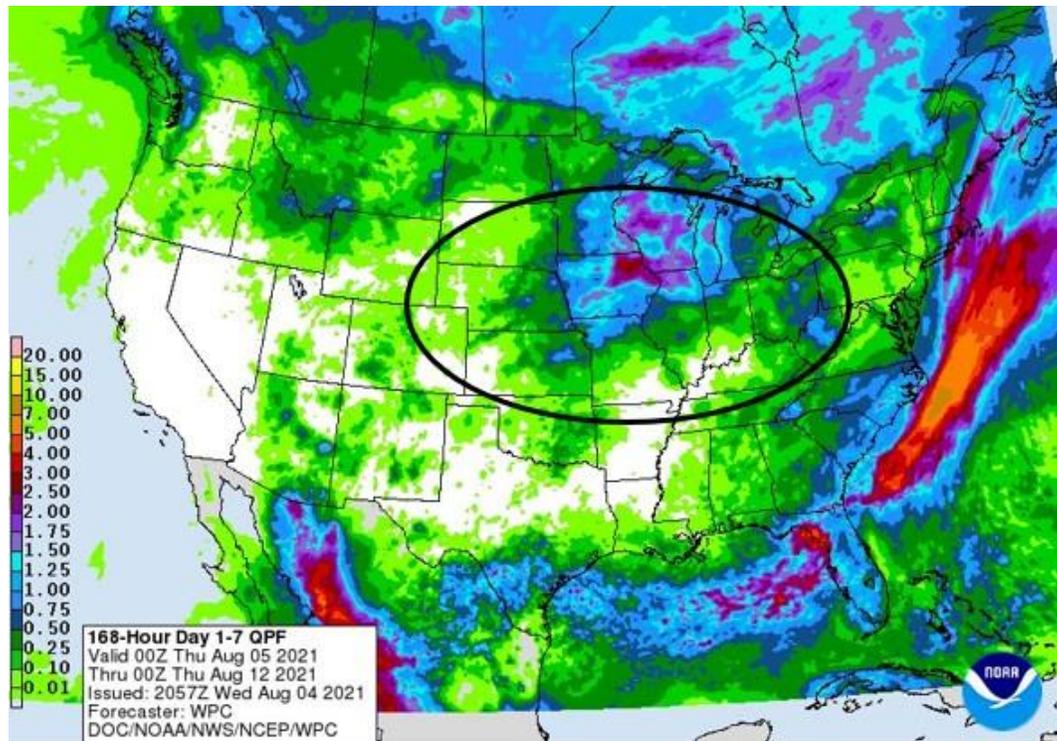




INTERNATIONAL WEATHER

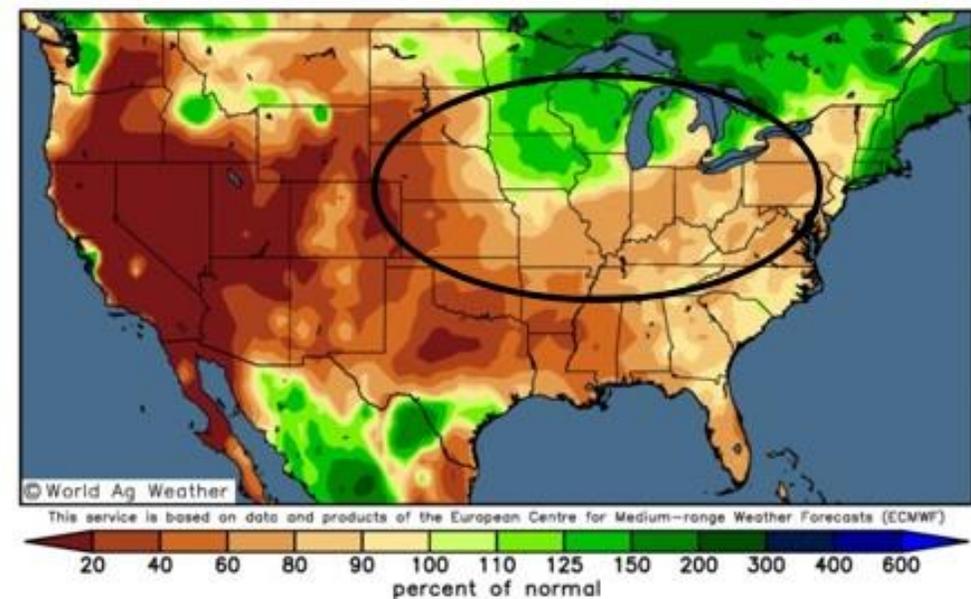
USA WEEKLY FORECAST:

Next week's precipitation probability is still below normal levels, apart from Minnesota and Iowa, expecting normal levels of precipitation.



ECMWF Ensemble Median: Percent of Normal Precip
Days 1-14: 00UTC 5 Aug 2021 - 00UTC 19 Aug 2021

Model Initialized 00UTC 4 Aug 2021

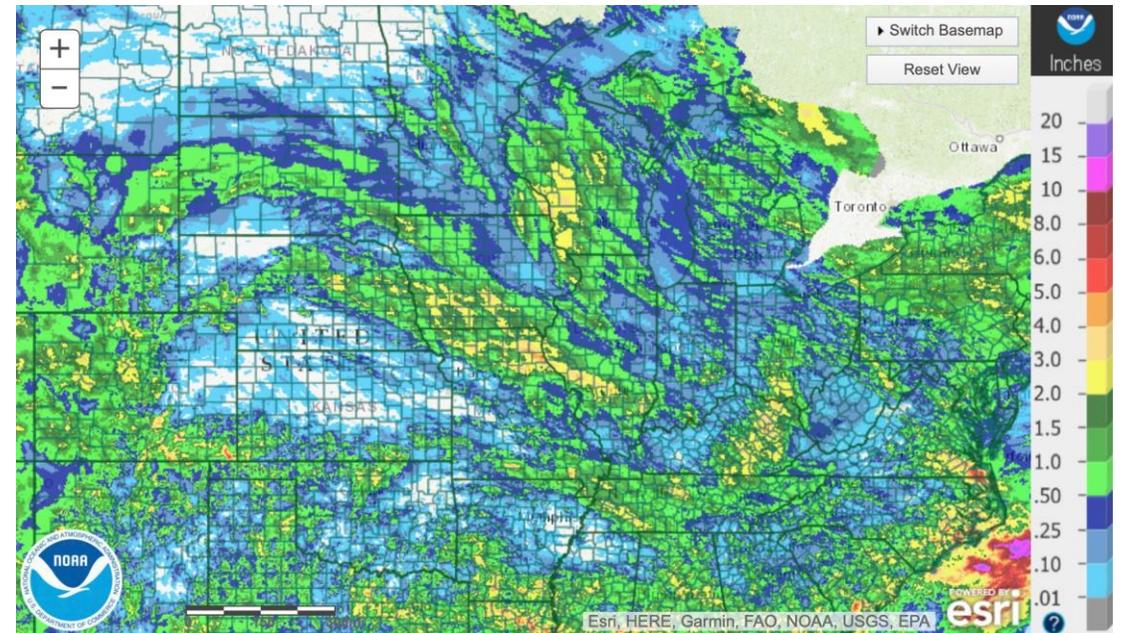
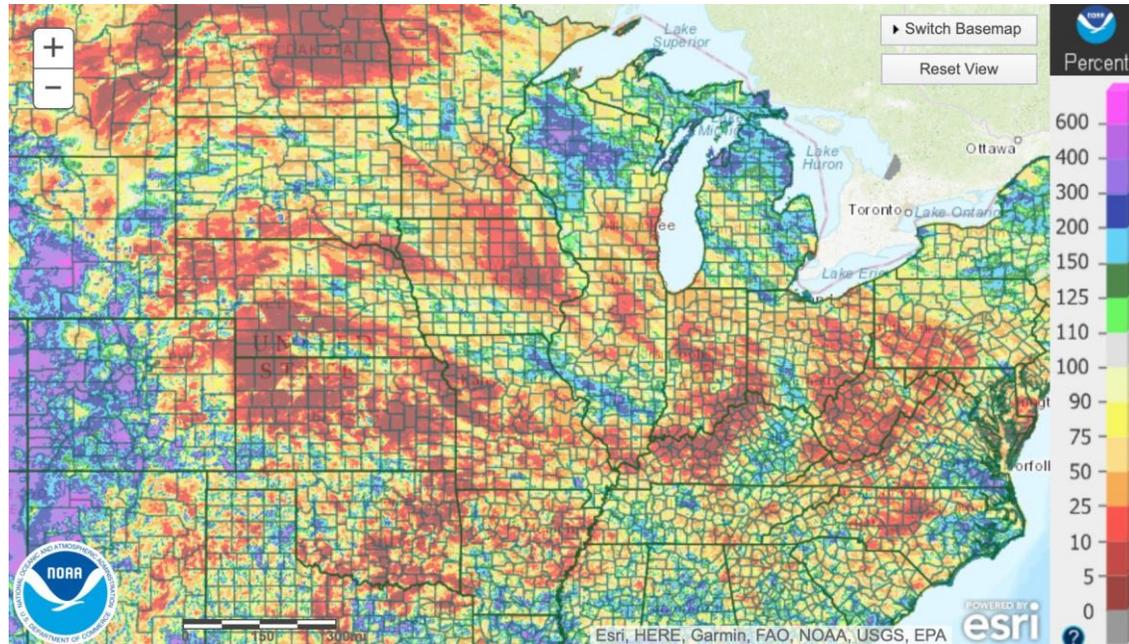




INTERNATIONAL WEATHER

NORTH DAKOTA DROUGHT:

The observed precipitation in the corn belt, the past two weeks was below normal for most of the corn belt, although a few regions in Iowa, Wisconsin and Illinois received up to 50mm (2 inches) rain.



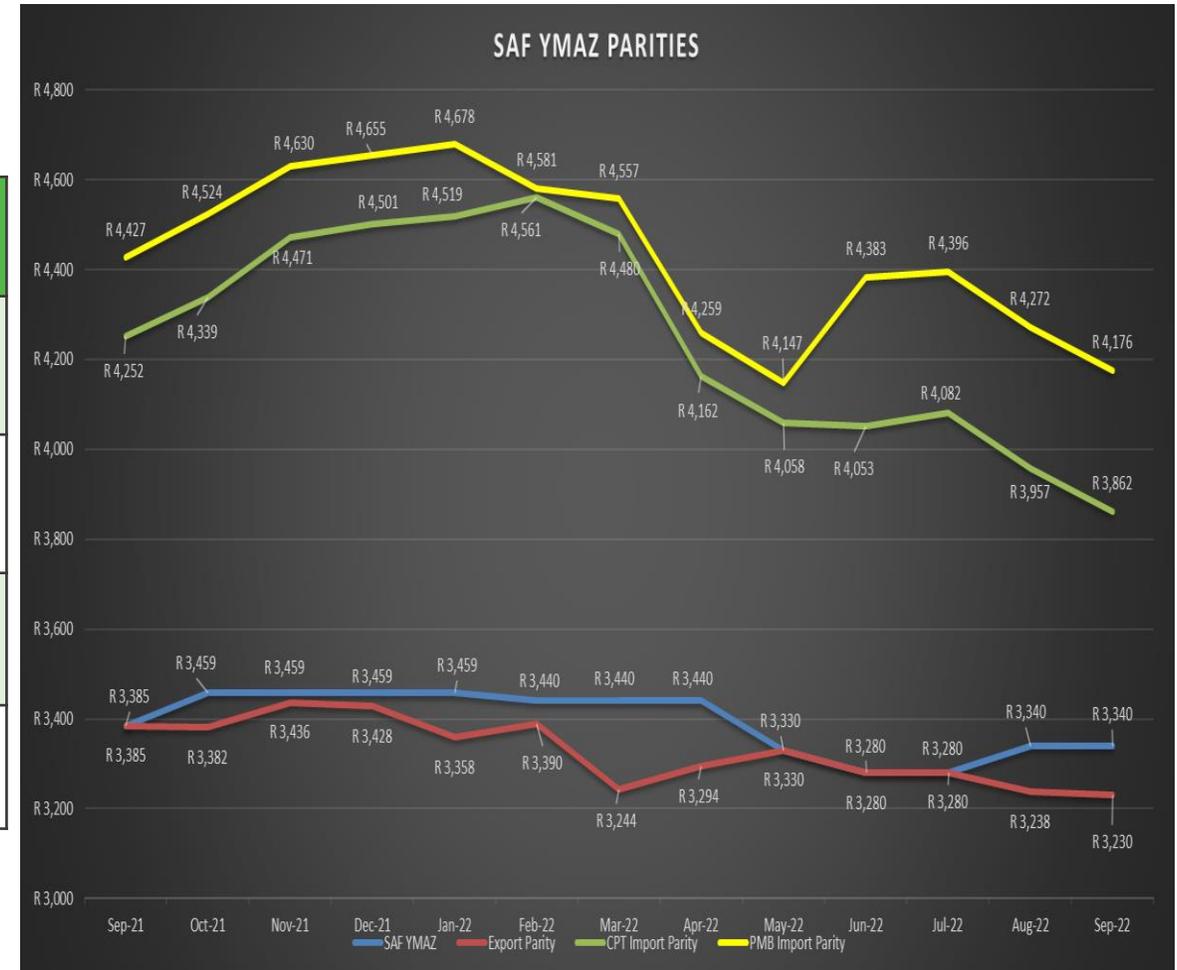


PARITIES



YELLOW MAIZE IMPORT & EXPORT

	Sept'21	Dec'21	Mar'22	Jul'22
PMB-import parity	R4 427	R4 655	R4 557	R4 396
CPT-import parity	R4 252	R4 501	R4 480	R4 082
SAFEX-yellow maize	R3 385	R3 459	R3 440	R3 280
DBN-export parity	R3 385	R3 428	R3 244	R3 280





PARITIES

IMPORT PARITY PRICES OF OILSEEDS

As on the 3 Augustus 2021



ITEM	Nota/ Note	Sojabone/ Soybeans	Sojabone/ Soybeans	Sojabone/ Soybeans	Sonneblom/ Sunflower	Sonneblom/ Sunflower	ITEM
		VSA/ USA Golf/Gulf	Argentynse/ Argentine Up River	Brazilië/ Brazil Paranagua	EU Franse/ French Bordeaux	Swart See / Black Sea	
Internasionale VAB pryse	a	\$/t	\$/t	\$/t	\$/t		International FOB prices
Vraggeld	b	546.00	523.00	543.00	604.00	620.00	Freight Rates
Assuransie (0.3% van VAB)		58.00	52.00	44.00	53.00	64.00	Insurance (0.3% of FOB)
1 KOSTE, ASSURANSIE EN VRAG (KAV) \$/T		1.64	1.57	1.63	1.81	1.86	1 COST, INSURANCE AND FREIGHT (CIF) \$/T
Omskakel na R/t		605.64	576.57	588.63	658.81	685.86	Converted to R/t
R/\$ Wisselkoers op: 2021/08/03	c	14.3188	14.3188	14.3188	14.3188	14.3188	R/\$ Exchange rate on: 2021/08/03
2 KOSTE, ASSURANSIE EN VRAG (KAV) R/t		R/t	R/t	R/t	R/t		2 COST, INSURANCE AND FREIGHT (CIF) R/t
		8672.04	8255.79	8428.48	9433.37	9820.69	
Finansieringskoste	d	49.89	47.50	48.49	54.27	56.50	Financing cost
3 KOSTE, ASSURANSIE, VRAG EN FINANSIERING R/t		8721.93	8303.29	8476.97	9487.64	9877.19	3 COST, INSURANCE, FREIGHT AND FINANCING R/t
Aflaaikoste: Durban	e, f	204.95	204.95	204.95	219.95	219.95	Discharging cost: Durban
Invoertarif:	g	625.45	599.10	622.01	0.00	0.00	Import Tariff:
4 VRY OP SPOOR (VOS) R/t: Durban		9552.33	9107.34	9303.93	9707.59	10097.14	4 FREE ON RAIL (FOR) R/t: Durban
Spoorvragkoste	h						Railage cost
- Durban na Randfontein		239.70	239.70	239.70	239.70	239.70	- Durban to Randfontein
5 GELEWER:							5 DELIVERED:
- Durban na Randfontein R/ton		9792.03	9347.04	9543.63	9947.29	10336.84	- Durban to Randfontein R/ton

AGRICULTURE BRAZIL

Corn harvest tempo

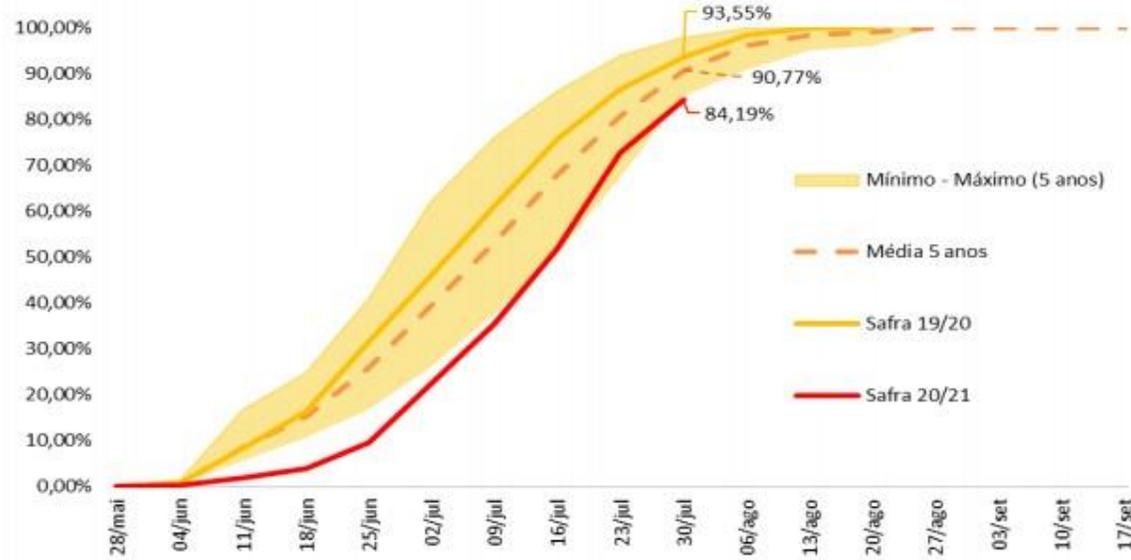
Only 49% of the corn has been harvested in all of Brazil

In Mato Grosso, 84,1% of the Safrinha corn has been harvested. This is far below last years tempo of 93,5% and the 5-year average of 90,7%.

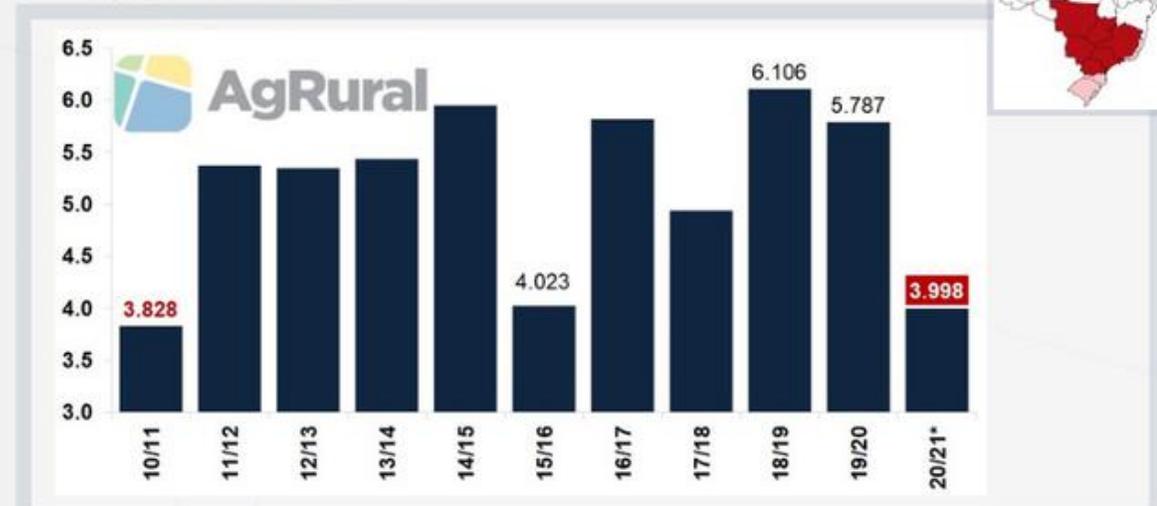
AgRural has cut south-central Brazil's Safrinha corn crop once again. The estimated average yield is now the lowest in ten years at 3,998 tons per hectare.



EVOLUÇÃO DO PERCENTUAL DE ÁREA COLHIDA DE MILHO EM MATO GROSSO



2nd CORN CROP - "SAFRINHA"
Average yield in South-Central Brazil



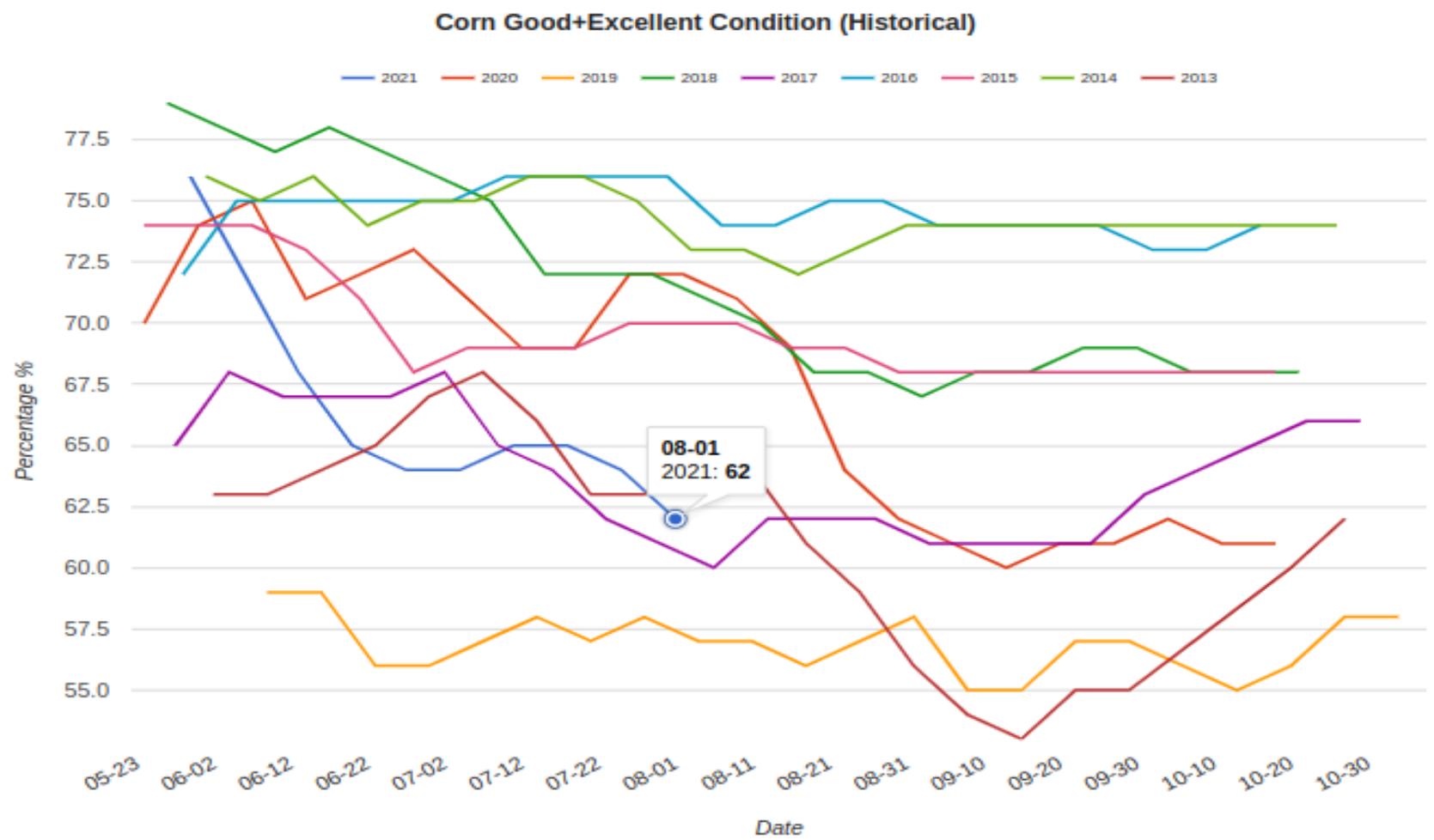
CONAB/AGRURAL Metric tons per hectare. *AgRural Jul 29, 2021.

AGRICULTURE

USA

Corn Conditions

Corn conditions were rated 62% good/excellent, compared to 64% last week and compared to 72% last year.



Source: USDA/NASS

AGRICULTURE

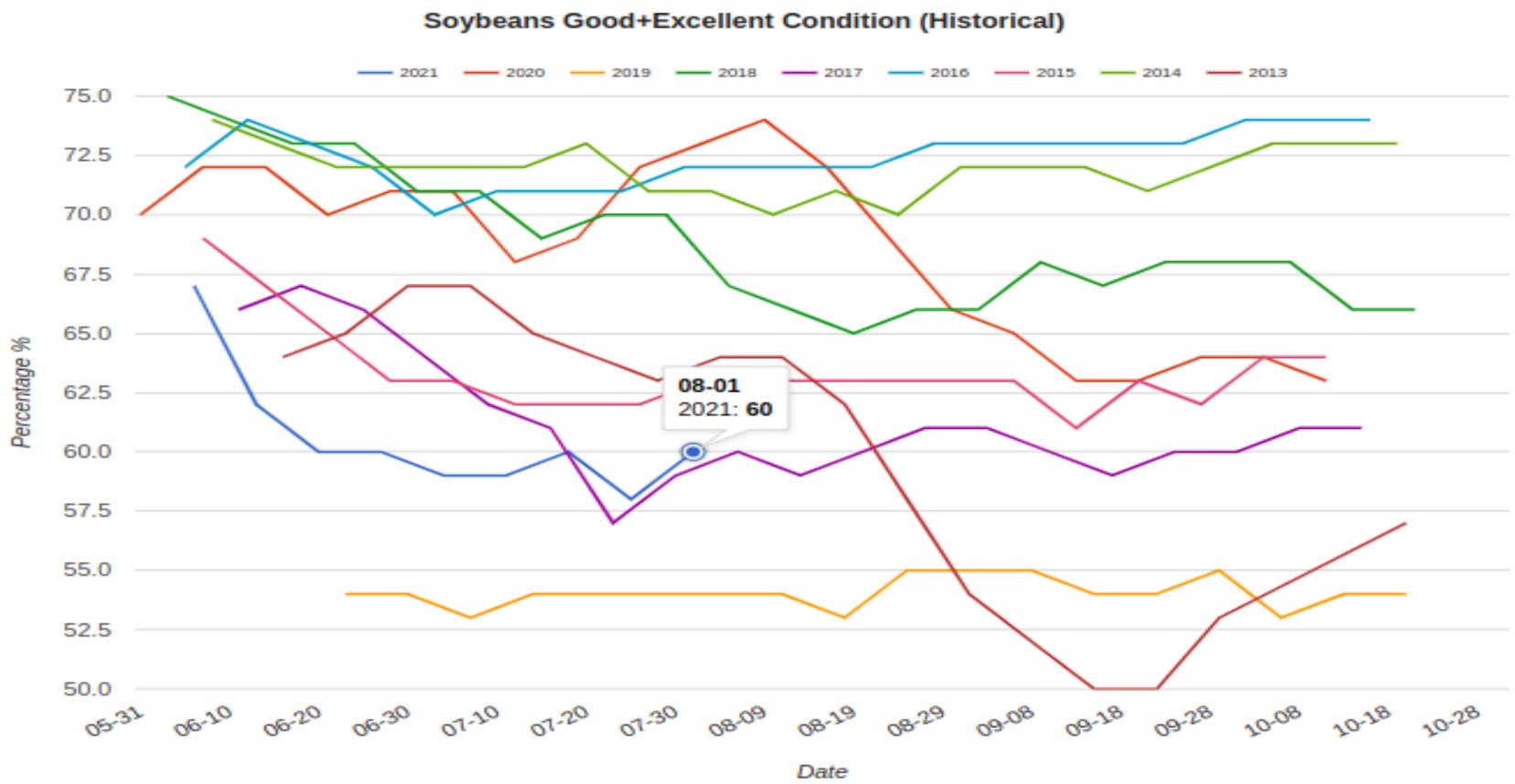
USA

Grain conditions

Soybeans:
Soybean conditions were rated 60% good/excellent, compared to 60% last week and 73% last year.

Wheat:
Spring wheat conditions were rated 10% good/excellent, compared to 9% last week and 73% last year.
17% of spring wheat has been harvested

91% of winter wheat has been harvested.



Source: USDA/NASS



INTERNATIONAL AGRICULTURE

BRAZIL CORN EXPORTS

Brazilian corn exports are expected to plunge to around 3 million tons in August, compared to 6,7 million tons last August, according to projections by grain exporters association Anec on Tuesday. Anec expects corn shipments this August to be at best only as high as 4 million tons amid severe crop failure.

Brazil's second corn crop, badly affected by drought and an ill-timed frosts in June and July, will be a lot smaller than initially forecast this year, hurting export prospects.

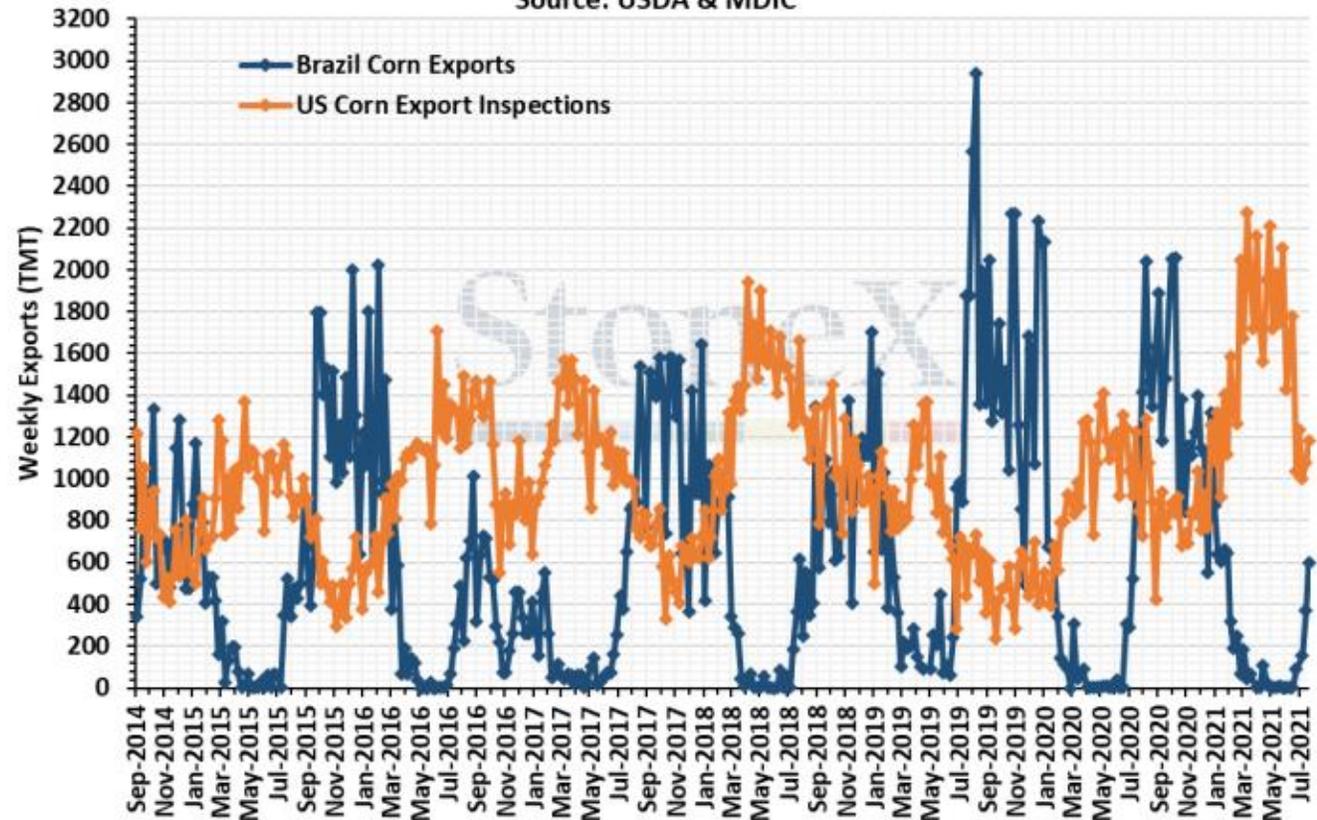
Anec's data indicates that in the first six months of 2021, Brazil sold most of its exported corn to key destinations- Egypt, Vietnam, Taiwan and Iran.

Luciano de Souza, president of Anec's board of directors, said Brazil was forecast to sell 17 million tons in export markets the current cycle, down from 34.8 million tons last year. If confirmed, corn exports would be below the level from the 2015/2016 cycle, when Brazil exported 18.8 million tons of corn, Anec data showed.

Read more: [Brazil-corn-exports](#) and [Brazil-Anec-Forecast](#)

United States vs. Brazil Corn Exports

Source: USDA & MDIC





INTERNATIONAL AGRICULTURE

ARGENTINA TRUCKDRIVER PROTEST

Since Friday, when the truckers began the protest, no grain trucks have entered the local port terminals at the Bahia Blanca port in Argentina.

The arrival of freshly harvested soybeans and corn has been halted at the height of export season due to protesters blocking roads to press their demands for better pay. Exports inside port terminals are being shipped, but terminals are not receiving new grain loads for export. If this continues ships will start to queue for cargo within the next two days.

The strike comes as traffic from Bahia Blanca was benefiting from problems in the country's main ports hub of Rosario. The low water level of the Parana River at Rosario has cut the cargo that can be loaded onto ships by 25%. The Parana at Rosario, Santa Fe province, is at its lowest level in 80 years due to a drought in Brazil, where the river starts.

The additional trucking has increased logistic costs by 300%, said Gustavo Idigoras, head of the local CIARA-CEC export and soy-crushing company chamber. He said that the provincial government must act quickly to guarantee free movement.

Read more: [Argentine-truckers strike](#)



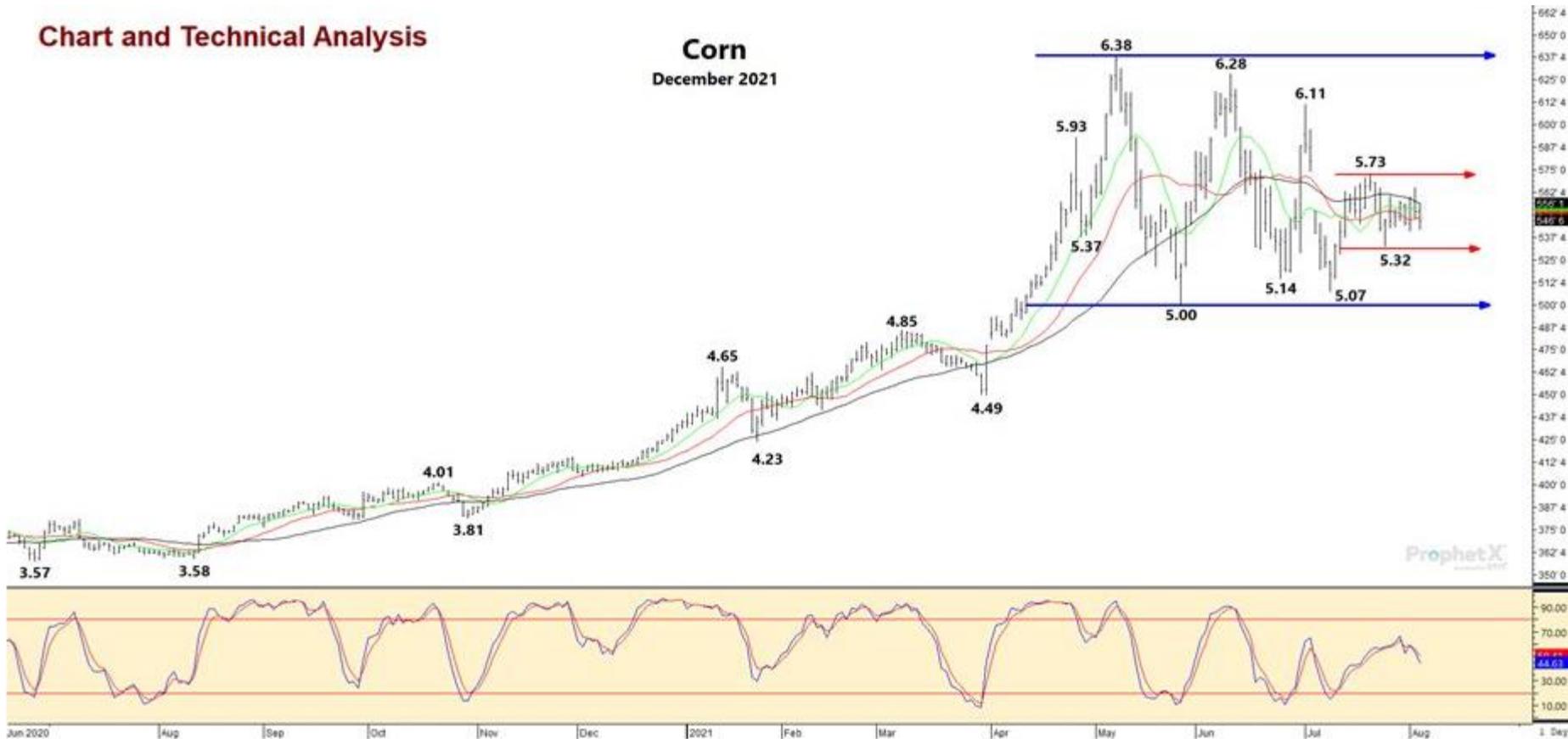


CBOT-CORN

CBOT-CORN DECEMBER

- Corns is currently trading sideways.
- Markets are waiting for next weeks WASDE report.

Chart and Technical Analysis





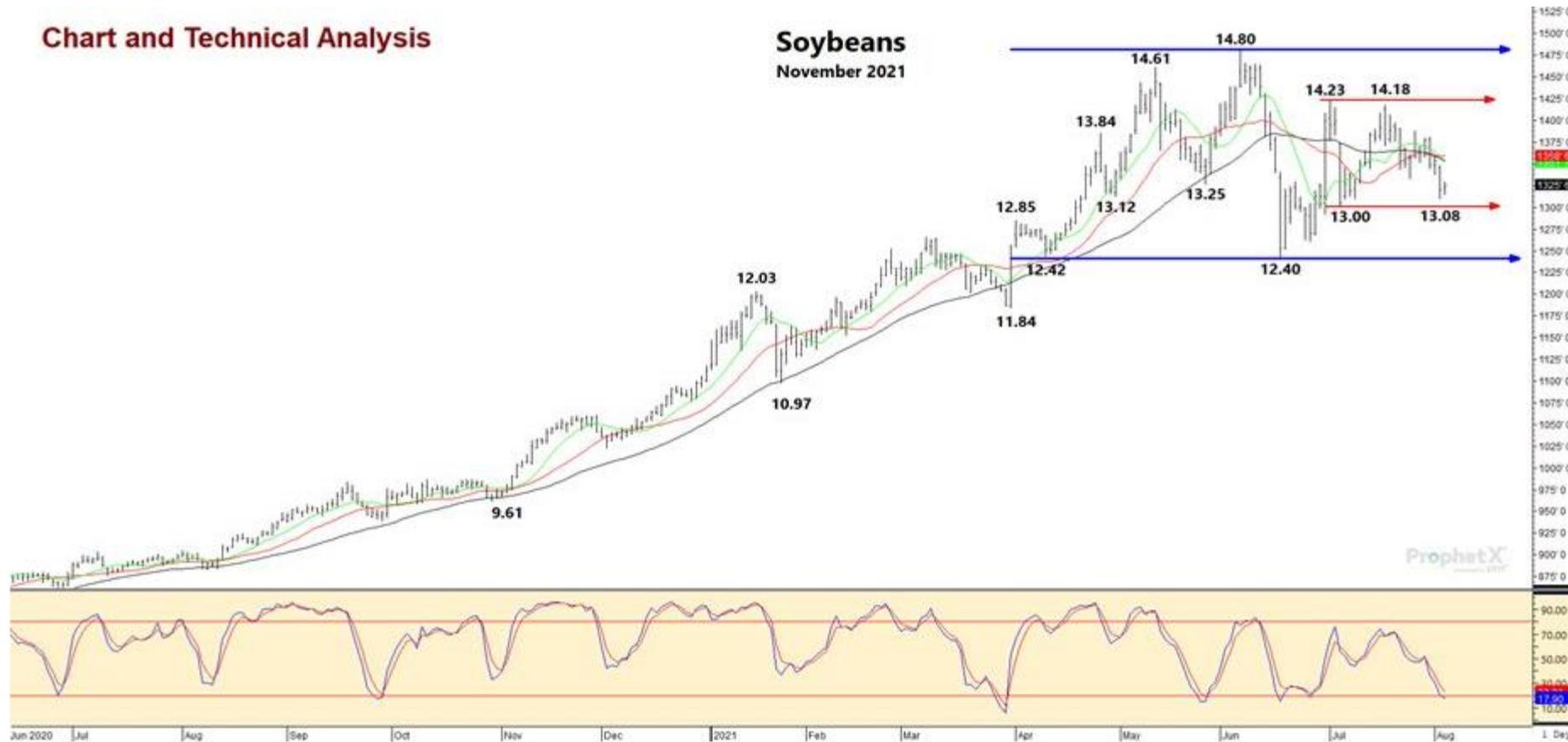
CBOT-SOYBEANS

CBOT-SOYBEANS NOVEMBER



- Soybeans are currently trading sideways in the short and long term.
- Markets are preparing for next weeks WASDE report.

Chart and Technical Analysis





NATIONAL AGRICULTURE

WINTER CROP AREA ESTIMATES

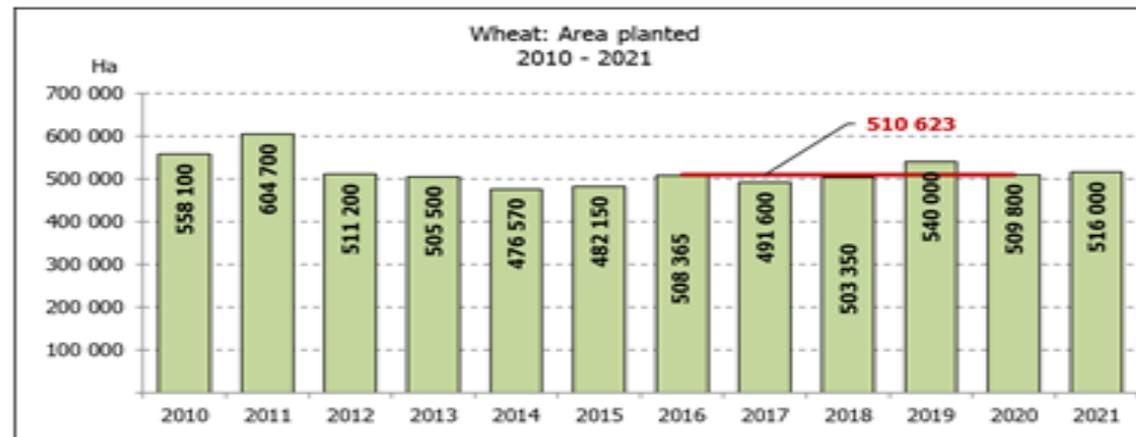
Recent analysis of South Africa's agricultural production for the 2019/20 and 2020/21 production seasons, by Wandile Sihlobo, Chief Economist of the Agriculture Business Chamber of South Africa (Agbiz), has largely carried a positive tone. Over the past month, the focus has been on summer crops with record yields. This optimistic production outlook extends to winter crops, especially in the Western Cape, where more than two-thirds of the winter crops are planted, has received favourable rain since the start of May.

Farmers intended to increase wheat, canola and oats plantings by 1% (to 516 000 hectares), 28% (to 96 000 hectares) and 32% (to 34 500 hectares) this year, respectively. Current Canola planting intentions are the largest in 8 years, whilst oats plantings are the highest on record, and wheat, planting intentions are roughly in line with the 10-year average,

Because of lower demand following temporary bans in alcohol sales at various intervals since the start of the pandemic, the 2021/22 barley crop plantings is expected to fall by 33% to 100 530 hectares from last year.

The weather outlook for the next two months will likely keep the crop in good condition until the end of the season, with the south of the Eastern Cape the only area still in drought.

Read more: [Winter crop estimates](#)





NATIONAL AGRICULTURE

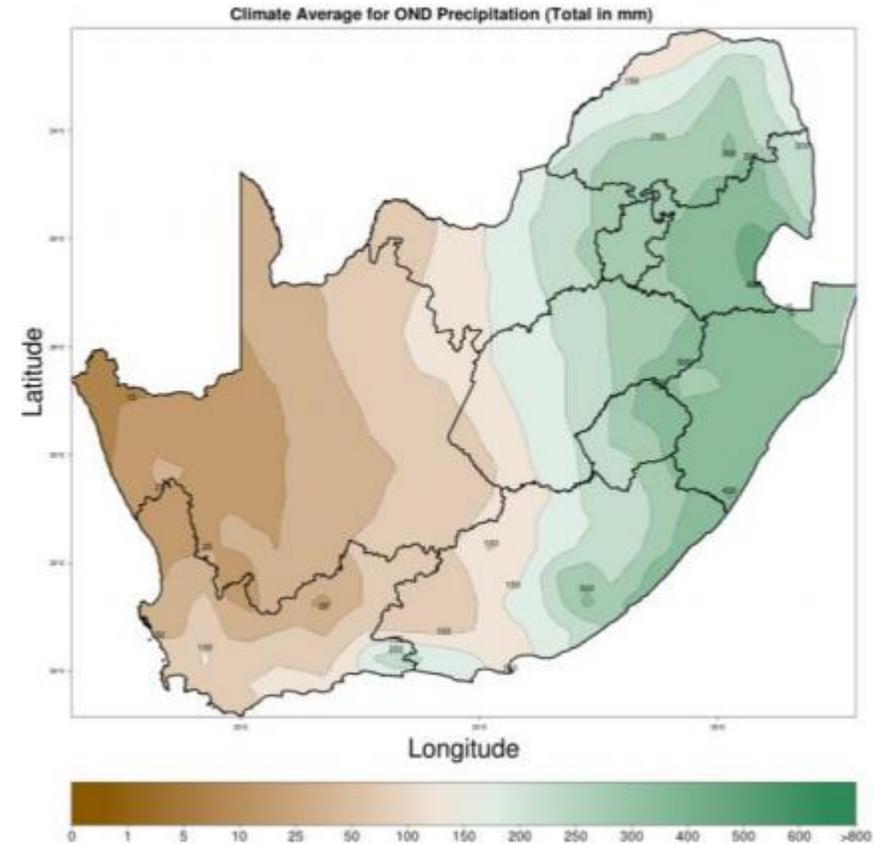
SEASONAL CLIMATE REPORT

According to the South African Weather Service's Seasonal Climate Watch Report (August -December 2021), the El Niño-Southern Oscillation (ENSO) is currently in a neutral state.

Forecast indicates that it will most likely remain in a neutral state during spring, with a weak La Niña during early-summer. The increased likelihood of a weak La Niña during early summer is expected to be favourable for above-normal rainfall in that period.

The multi-model rainfall forecast indicates mostly above-normal rainfall for the north-eastern half of the country throughout October, November and December. Above-normal minimum and maximum temperatures are expected across the country.

Read more: [Weater-SA forecast report](#) and [AgriSA weather report](#)



Forecast Precipitation – October, November and December.



EXCHANGE RATE

USD/ZAR



The USD/ZAR has strengthened this week following a weaker US Dollar as the private non-farm payrolls data showed that only 330 000 jobs were added in the past month, far below expectations of 653 000 jobs. The USD/ZAR has dropped by about 4,4% from its highest level in July this year. This was mostly due to the prevailing peace in South Africa following the unrests. The USD/ZAR is currently trading below the 25- and 50-day moving averages.

crispus9 published on TradingView.com, August 05, 2021 06:43:51 EEST

OANDA:USDZAR, 240 14.36001 ▼ -0.01279 (-0.09%) O:14.36826 H:14.37955 L:14.35760 C:14.36000





TRADER SNAPSHOT

PRODUCER DELIVERIES FOR 2020/21 SEASON

Maize	WM1	WM2	WM3	WMO	White maize Total (ton)	YM1	YM2	YM3	YMO	Yellow maize Total (ton)	Grand Total
Producer deliveries from 1 May till 30 July	5 804 527	239 048	18 796	1 159	6 063 530	5 211 438	144 997	2 943	6 724	5 366 102	11 429 632
Sixth production forecast figure					8 936 815					7 494 300	16 431 115
Difference - outstanding					-2 873 285					-2 128 198	-5 001 483

Oilseeds	Sunflower seed Total (ton)	Soyabean Total (ton)
Producer deliveries from 27 Feb till 30 July	634 542	1 809 977
Sixth production forecast figure	677 240	1 918 150
Difference - outstanding	-42 698	-108 173

Resource: SAGIS

This information is voluntarily submitted by co-workers registered with SAGIS where producer deliveries are commercially received



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.



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