

WEEKLY

FOOD-FOR THOUGHT

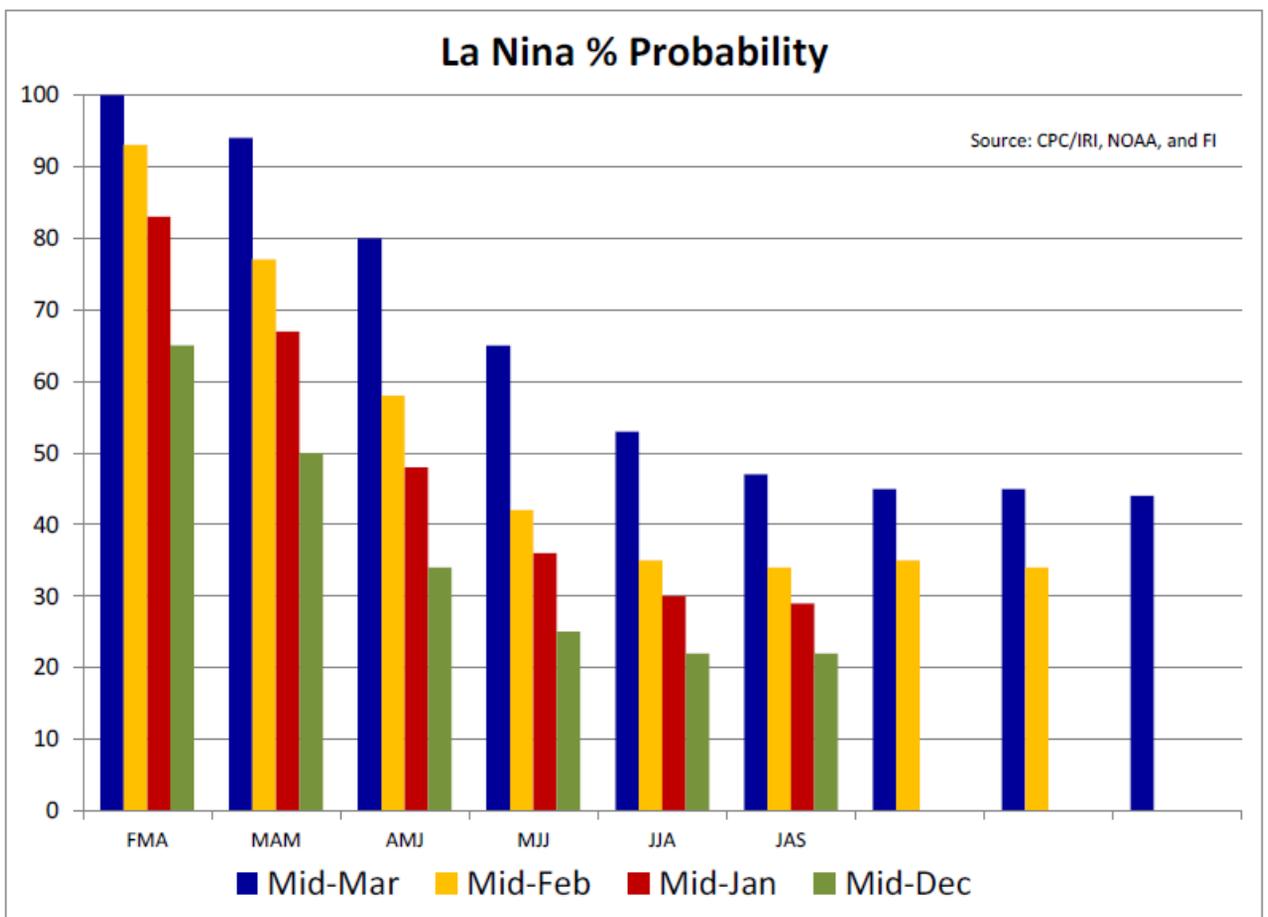


CONTENT

International weather	2
Market briefing	3-4
Africa news highlights	5
Field Agent	6

INTERNATIONAL WEATHER

- The below-normal rainfall in Brazil is draining soil moisture – for all but southern zones this week – which is unfavourable for the development of the safrinha maize crop and delaying the remaining soybean harvest.
- Recent and forecast showers in Argentina are moderately helpful for late-planted maize and soybeans.
- U.S. Delta and south-eastern states will experience waves of rain during the next ten days, favouring the spring planting moisture. Above-normal soil moisture makes it difficult for fieldwork in the eastern Corn Belt.
- The Northern U.S. Plains region will experience brief periods of snow and rain that will develop from 26 until 28 March. The precipitation events might improve topsoil moisture in a few western areas.
- This week, states gearing up for planting in the Corn Belt saw no change or worsening in conditions. Despite forecast rain across the Midwest, much of which did not occur, states have received insufficient rainfall. Without that much-needed precipitation, soil moisture will be below levels needed for an ideal planting season.





MARKET BRIEFING

- **CBOT:** Corn futures were weaker during Tuesday's trading on the Chicago Board of Trade (CBOT), due to a profit-taking setback after rallying prices on Monday – closing at \$7.51 per bushel. Expectations of a prolonged conflict between Russia and Ukraine and Black Sea supply disruptions raised concerns over global grain supplies and pushed wheat futures higher overnight.
- **Ukraine:** The Ukrainian Agribusiness Club has reported that several agricultural companies have resumed shipments of feed corn through the western borders of Ukraine. Around 600 000 tonnes of grain a month could be exported via land as shipments via ports are still restricted. Land freight export is currently at only 10%-15% of export capacity.
- **Spain** has relaxed technical restrictions to allow for imports of corn from Argentina and Brazil.
- The soybean harvest in **the Brazilian state of Paraná** was 75% complete on March 21.
- On Sunday, **China** issued stay-at-home orders to people in the country's northeast to mitigate the spread of the coronavirus.
- The South African government confirmed on Tuesday that **foot and mouth disease** has broken out on a farm near Potchefstroom in the North West province. The farm and other surrounding farms have been quarantined, while further observations are being made to determine the extent of the outbreak.
- Parts of the Eastern Cape, Western Cape and Northern Cape are suffering from **locust swarm outbreaks**. It appears few poison reserves are left to combat the locust plague – the last reserves of the 600 000 litres of poison were unloaded in December and are now almost depleted.
- The **South African Reserve Bank (SARB)** meets today (Thursday 24 March) to decide by how much to raise interest rates. Expectations are for a 25 basis point (bps) hike to 4.25%, however, it is possible the central bank may hike the rate by 50bps in the wake of the sudden explosion in prices of commodities, specifically oil, since the beginning of the Russia/Ukraine war. The last time the SARB met was in January before the invasion began and it hiked the rate by 25bps. It has now raised rates by 25bps at each of its last



AFRICA

AGRICULTURAL NEWS HIGHLIGHTS

Nigeria: Dangote Fertiliser Plant, Africa's largest granulated fertiliser complex, to export to the USA, India and Brazil

- The Dangote Fertiliser Plant, owned by Africa's richest man, Aliko Dangote, has been commissioned by President Muhammadu Buhari as part of a planned drive to ensure food sufficiency and boost the nation's fertiliser needs.
- The fertiliser plant occupies 500 hectares of land and was built at a cost of \$2.5 billion. It was established to produce 3 million metric tonnes of urea fertiliser per annum in phase 1. Nigeria's estimated fertiliser need is estimated about 5-7 million metric tonnes per annum and the current level of fertiliser consumption in the country is 1.5 million metric tonnes.
- The Dangote Fertiliser Plant is the second-largest urea plant globally.
- Nigeria currently has 47 fertiliser blending plants in the country. With this new plant producing 3 million tonnes, the volume of imports will be reduced drastically.

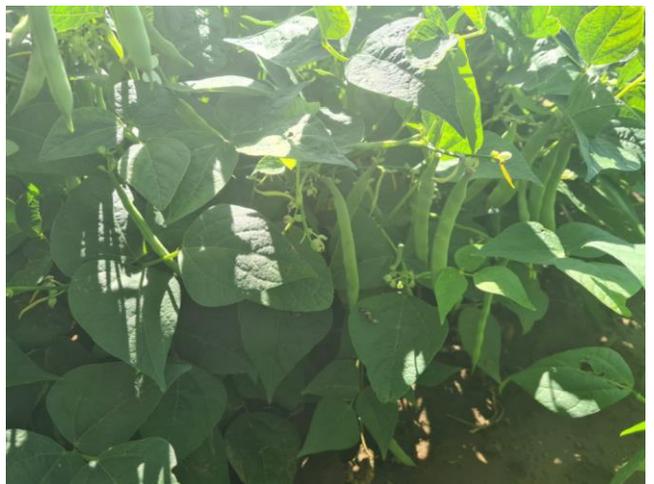


The Dangote Fertilizer plant in Nigeria

FIELD AGENT



Sugarbeans, North West



CONTACT US

+27 (013) 243 1166
Info@randagri.co.za
www.randagri.co.za

f in @

