

KAAP AGRI

GRAANVERHANDELING

Daily Market Call: Tuesday, February 07, 2012

Indicators, News and Views

- **U.S. soybeans slid from a three-month top on Tuesday, snapping five sessions of gains**, while wheat fell around half a percent, pressured by a stronger dollar and Greek resistance to strict conditions attached to a bailout.
- **Corn dropped for a second day as a survey showed that farmers in the U.S., the world's largest grower, will plant the most acres since 1944, offsetting the crop losses from a drought in South America.**
- **In its chaotic final days, MF Global's floundering brokerage used increasingly large chunks of customer money in an effort to keep the company afloat, creating a massive shortfall in customer funds**, the trustee liquidating the brokerage has found.
- **China, the world's biggest food shopper, is likely to buy more U.S. soybeans this quarter**, as a withering drought is expected to cut the South American harvest, pushing soy prices up to fresh highs.
- **The U.S. government will likely slash its estimate of corn and soybean harvests in key crop producers Argentina and Brazil due to drought-like conditions throughout much of the growing season**, analysts polled by Reuters said.

View for the day:

The Rand is stronger this morning. In the overnight market (CBOT) corn, wheat and soybeans are trading lower. We expect the maize market to open lower this morning; support at 2350-2320 for Mar12WMAZ. We expect the wheat market to open lower, support at 2770 for Mar12Wheat. The oilseed market is expected to open lower today; support at 3275 and 3185 for Mar12SOYA and 4270 and 4240 for Mar12SUNS.

CURRENCIES, GOLD, OIL & KANSAS @ 07-Feb-12 8:12:21

	(Yest)	(Today)	Movement
Rand/Dollar (R/\$)	R 7.6078	R 7.5659	(R 0.0419)
Euro/Dollar (€/€)	\$ 1.3042	\$ 1.3113	\$ 0.0071
Rand/Euro (R/€)	R 9.9222	R 9.9200	(R 0.0022)
Gold (\$/oz)	\$ 1,716.00	\$ 1,723.50	\$ 7.50
Light Crude Oil (\$/bar) Spot	\$ 96.71	\$ 96.77	\$ 0.06
Kansas (HRW) Mar 2012	\$ 7.1375	\$ 7.1725	3.50 c

SAFEX MOVEMENT FROM YESTERDAY

Contract	Closing R/t	Up/Down	% Move
White Maize Mar 2012	2,466.80	-14.20	-0.57%
Yellow Maize Mar 2012	2,486.80	16.80	0.68%
Wheat March 2012	2,809.00	-20.00	-0.71%
Wheat May 2012	2,866.00	-14.00	-0.49%

DAILY INDICATIVE PARITY CHANGE @ 07-Feb-12 8:12:52

COMMODITY	ORIGIN	IMP SAFEX	IMP (12:00)	IMP MOVEMENT	
	Mar	SRW	2710	2724	(R13.29)
	Mar	HRW	3036	3051	(R14.54)
	Mar	GER	3099	3113	(R13.97)
	Dec	Arg	2743	2825	(R82.68)
COMMODITY	ORIGIN	IMP SAFEX	IMP (12:00)	EXP MOVEMENT	
Corn White	Mar	US	2969	2992	(R23.06)
Corn Yellow	Mar	US	2787	2810	(R22.07)
	Mar	Ukraine	2622	2653	(R30.82)

Weather

WORLD CROP WEATHER

SOUTHEAST AUSTRALIA:

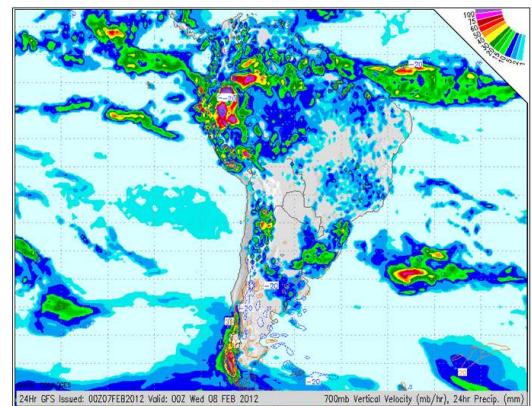
Increasing cloudiness in northern areas today; pleasant with clouds and sun elsewhere. High 70 in Nuriootpa to 89 in Barraba. Winds south-southwest 8-16 mph. A passing shower tonight; clear in southern areas. Low 49 in Castlemaine to 65 in Sydney. Winds south 4-8 mph. Rain amounts generally less than 0.10 inch. Clouds and sun tomorrow; a brief shower or two; however, dry in southern areas. High 68 on Mt Gambier to 89 in Coonamble. Low 46 in Castlemaine to 64 in Sydney. Winds southeast 3-6 mph. Rain amounts generally less than 0.10 inch.

RUSSIA (UKRAINE/BELARUS):

Cold today. A couple of flurries in western Ukraine; increasing cloudiness in northern Belarus. Sunny in eastern Ukraine; sun through high clouds in central Ukraine. High 10 in Vil'Jandi to 39 in Poctovoe. Winds east-southeast 4-8 mph. Bitterly cold tonight. Cloudy in the evening, then partly cloudy late in northern Belarus and central Ukraine; clear in eastern Ukraine. Cloudy in western Ukraine. Low -5 in Dar'Evka to 19 in Poctovoe. Winds southeast 3-6 mph. Turning cloudy in northern Belarus tomorrow; bright sunshine in eastern and central Ukraine. Clouds giving way to some sun in western Ukraine. High 4 in Dar'Evka to 25 in Poctovoe. Low -5 in Dar'Evka to 11 in Silute. Winds south 3-6 mph. Wednesday: frigid; a flurry in the afternoon in northern Belarus.

SOUTH AFRICA:

A couple of showers and a thunderstorm in the north and east today. Occasional rain and drizzle in the south during the morning. Winds gusting past 40 mph this morning; hot in the west with increasing cloudiness. High 76 in Vryheid to 96 in Riversdale. Winds east-southeast 6-12 mph. Rain amounts generally less than 0.25 inch but locally higher. A couple of showers and a thunderstorm tonight; during the evening in the east and central areas, any time in the north. Low 59 in Newcastle to 73 in Riversdale. Winds east-southeast 4-8 mph. Rain amounts generally less than 0.25 inch but locally higher. A couple of showers and a thunderstorm spreading from east to west tomorrow. High 70 in Port Nolloth to 94 in Aliwal North. Low 58 in Newcastle to 73 in Durban. Winds east 4-8 mph.



Sources: Reuters, Dow Jones, Bloomberg, CBOT and GRADS.

Compiled by:  PSG | online

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