

Sep 2023

Monthly Oilseeds

report

AMT

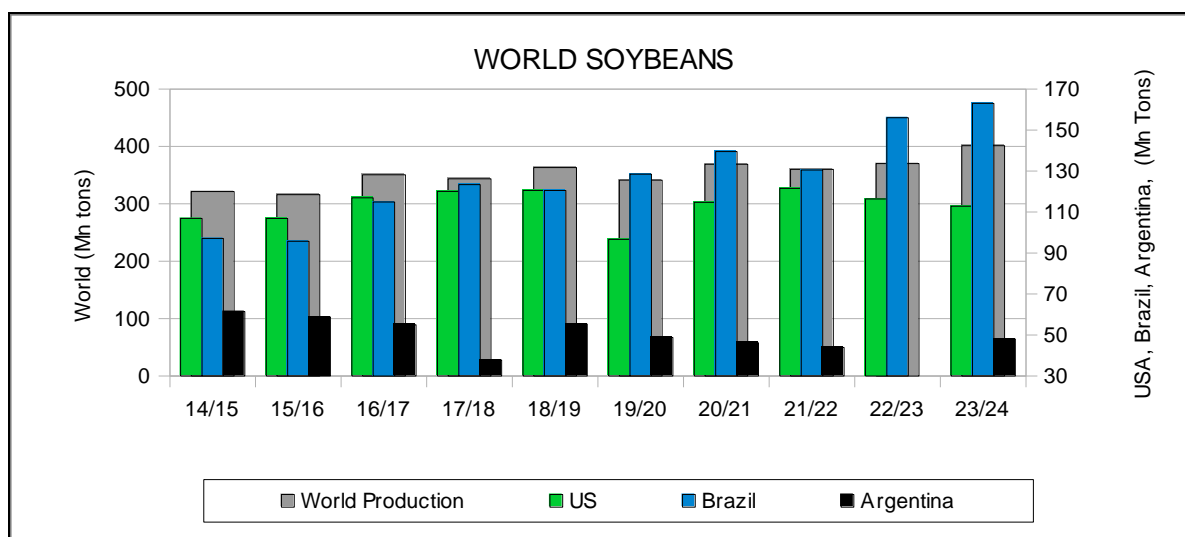


SETTING THE TREND

AMT MONTHLY OILSEEDS REPORT – September 2023.

Monthly Prices	Sept. 2023	m-on-m	Aug. 2023	y-on-y	Sept. 2022
CBOT Soybeans (\$/t)	477.82	-5.85%	507.50	0.31%	476.35
SAFEX Soybeans (R/t)	9 450	-0.94%	9 540	1.39%	9 320
US\$/ZAR- exchange rate	18.8783	-0.12%	18.9017	4.38%	18.0857

SOYBEANS



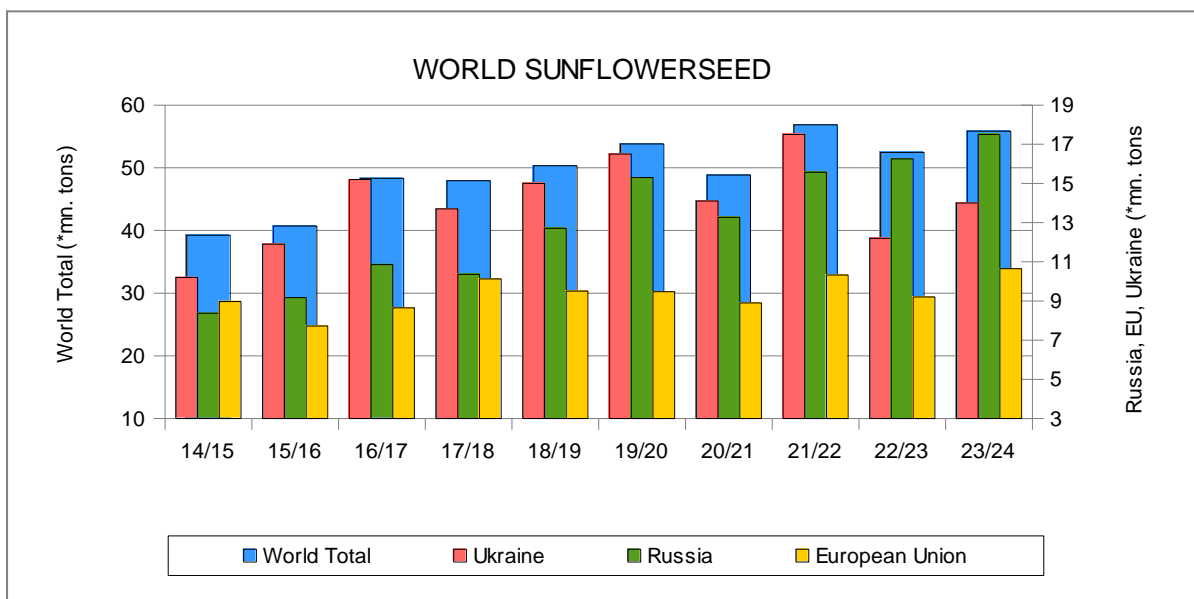
US soybean futures started the new month of positioning. The US Weekly Crop Progress report had the soybean harvest advancing to 23% finished. The average pace is to be 22% finished. Crop conditions increased 5 points. US exports reached a season total of 1.974 million tons, up by 158 000 tons from last season's pace. NASS counted 268.2 million bushels of soybean stocks on September 1, implying Q4 disappearance at 528.2 million bushels. NASS also revised the 2022 crop size downward by 5.93 million bushels to 4.270 billion.



US soybean futures fell to below \$12.8 per bushel, the lowest in 16 weeks after data showed soybean stocks stood at 268 million bushels as of September 1, above market expectations of 242 million bushels. Still, it was the lowest level for this time of year since 2021 as strong demand from crushers depleted supplies. Meanwhile, the US soybean harvest is progressing, adding to ample supplies from Brazil.

SUNFLOWER SEED

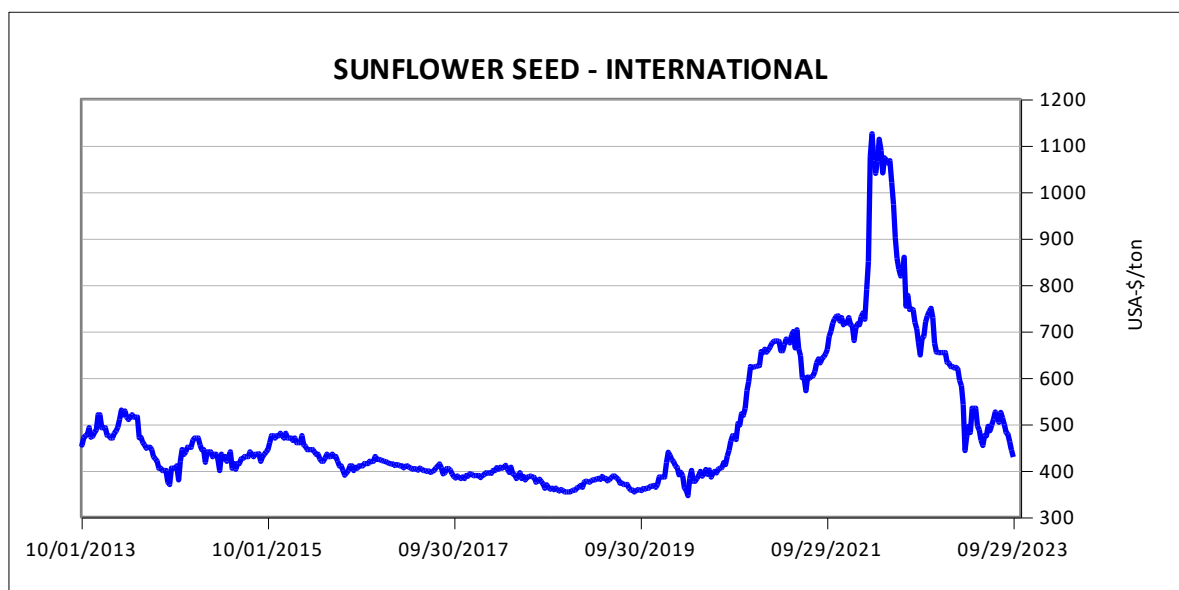
Monthly Prices	Sept. 2023	m-on-m	Aug. 2023	y-on-y	Sept. 2022
Sunflower Seed Int. (\$/t)	453	-10.30%	505	-35.19%	699
SAFEX Sunflower Seed (R/t)	9 015	0.73%	8 950	-10.65%	10 090
US\$/ZAR- exchange rate	18.8783	-0.12%	18.9017	4.38%	18.0857



Sunflower seed prices at US crush plants are feeling the spillover effect from weakness in global sunflower seed and oil values. Vegetable oil prices have trended downward because of ample global supplies, especially sunflower oil. Strong selling pressure from Black Sea region sunflower oil has been the major bearish factor in the vegetable oil market. Key buyers such as China and India are sitting on large oil inventories, and this is adding further pressure to oil values.

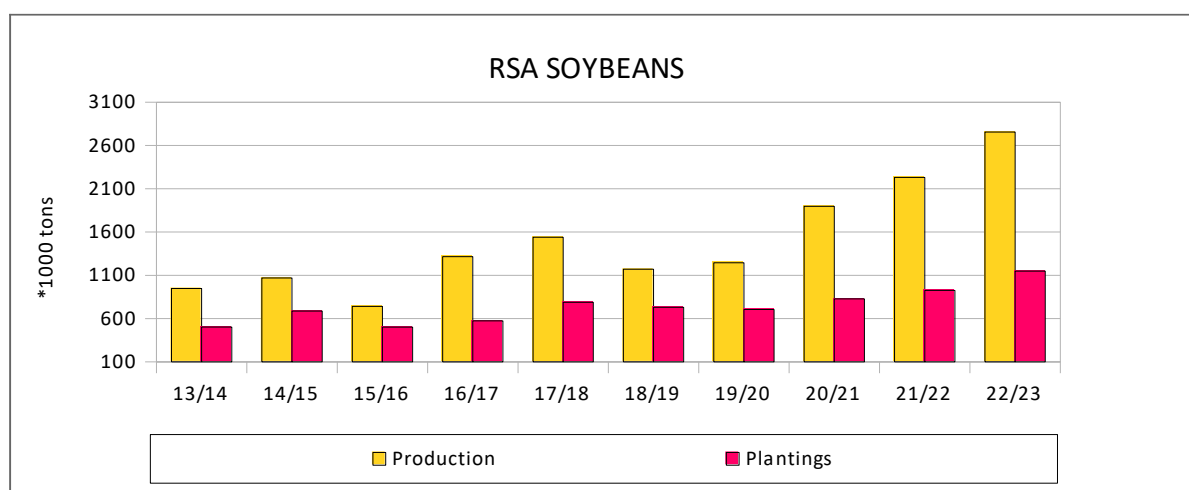
The USDA reports US old-crop sunflower stocks, at 367 million pounds, up 25% from a year ago.

On October 12, USDA will give its first estimate of 2023 US harvested sunflower acres and total seed production.



DOMESTIC

SOYBEANS



THE SOUTH AFRICAN SUPPLY-AND-DEMAND PROJECTIONS FOR SOYBEANS AT THE END OF SEPTEMBER 2023:

SOYBEANS (2023/24 Season)

Supply: The total supply of soybeans is projected at 2 884 197 tons for the 2023/24 marketing season. This includes an opening stock level (on 1 March 2023) of 171 897 tons, local commercial deliveries of 2 705 300 tons, 2 000 tons of soybean imports for South Africa and a surplus of 5 000 tons.

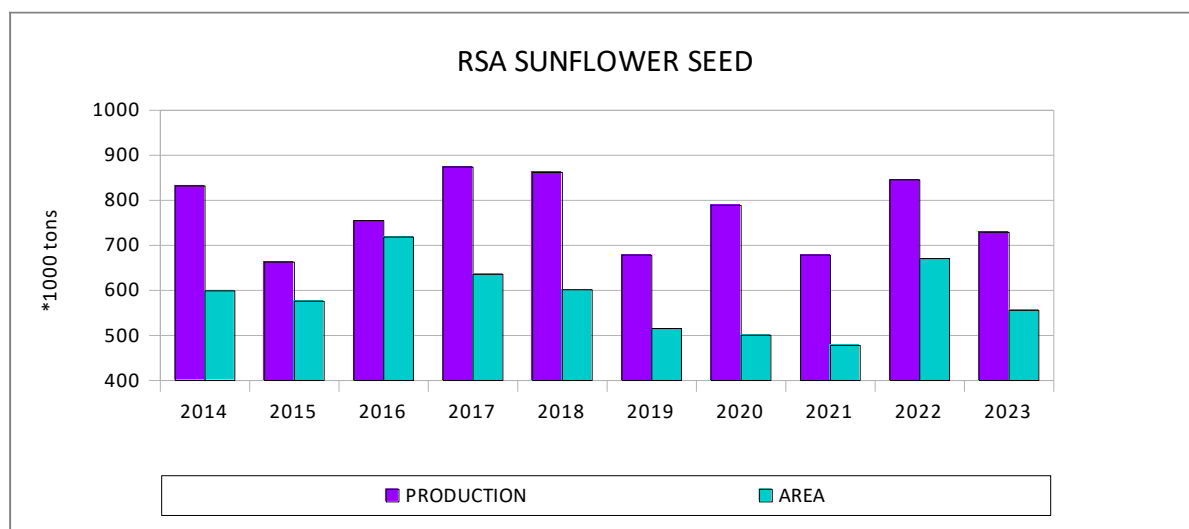
Demand: The total demand (domestic plus exports) for soybeans is projected at 2 450 050 tons. This includes 23 000 tons processed for human consumption, 195 000 tons processed for animal (full-fat) feed, 1 800 000 tons for crush (oil and oilcake), 200 tons withdrawn by producers, 400 tons released to end-consumers, 11 000 tons seed for planting purposes, and a balancing figure of 450 tons (net receipts and net dispatches). A quantity of 420 000 tons soybeans is estimated for exports in the 2023/24 marketing season.

Stock levels: The projected closing stock level for 28 February 2024 is estimated at 434 147 tons. At an average processed quantity of 168 167 tons per month, this represents available stock levels for 2.6 months or 79 days.

Source: NAMC



SUNFLOWER SEED



THE SOUTH AFRICAN SUPPLY-AND-DEMAND PROJECTIONS FOR SUNFLOWER SEED AT THE END OF SEPTEMBER 2023:

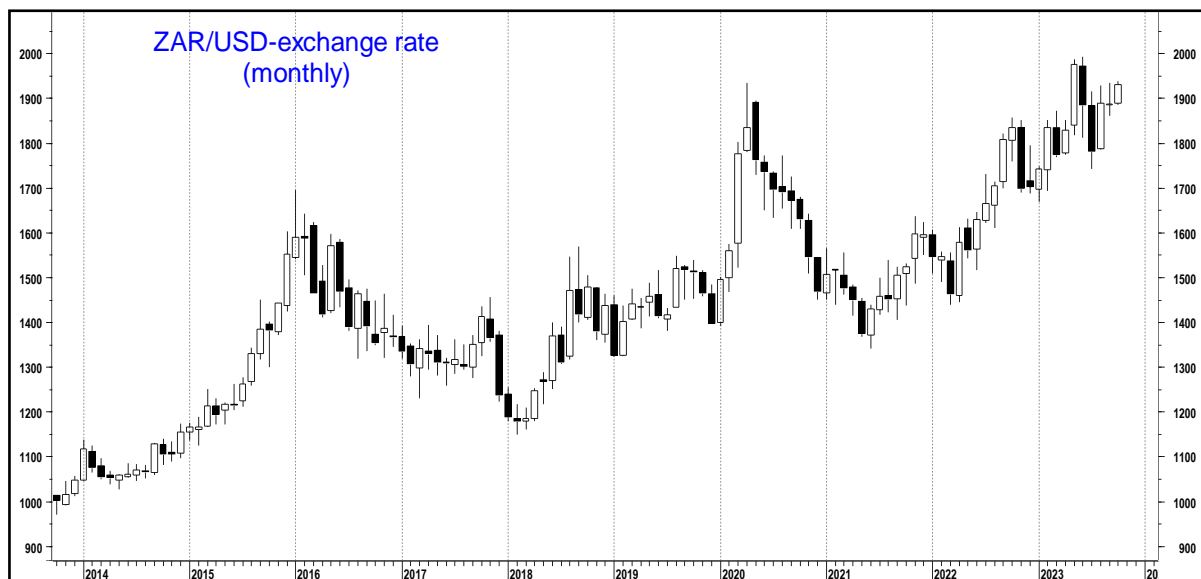
SUNFLOWER SEED (2023/24 Season)

Supply: The total supply of sunflower seed is projected at 815 627 tons for the 2023/24 marketing season. This includes an opening stock level (on 1 March 2023) of 73 517 tons, local commercial deliveries of 729 110 tons, sunflower seed imports of 8 000 tons for South Africa and a surplus of 5 000 tons.

Demand: The total demand (domestic plus exports) for sunflower seed is projected at 746 470 tons. This includes 1 900 tons processed for human consumption, 6 000 tons processed for animal consumption, 735 000 tons for crush (oil and oilcake), 400 tons withdrawn by producers, 200 tons released to end-consumers, 2 200 tons seed for planting purposes and a balancing figure of 600 tons (net receipts and net dispatches). A quantity of 170 tons is estimated for exports in the 2023/24 marketing season.

Stock levels: The projected closing stock level for 28 February 2024 is estimated at 69 157 tons. At an average processed quantity of 61 908 tons per month, this represents available stock levels for 1.1 months or 34 days.

Source: NAMC



The South African Rand is expected to trade at R19.39 by the end of this quarter, according to Trading Economics global macro models. The estimate is for R20.86 in 12 months' time.