

Grains end lower on softer CBoT prices and rain expectations

South African maize futures closed the Thursday session lower due to softer Chicago Board of Trade (CBoT) prices, a firmer rand during the trading session, and expected local rainfall.



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"International Chicago corn prices were down and the rand strengthened during the trading session, weighing on grain prices," a local trader said.

Expected rain in most of the Free State and the North West bodes well for the current maize crop and this also contributed to softer prices, the trader said.

The March 2015 white maize contract closed R25 lower at R1,925 a ton and the July 2015 white maize contract slipped R4 to R1,952 a ton. The September 2015 white maize contract was down R10 to R1,975.

March 2015 yellow maize also fell R25 to R1,962 a ton and the July 2015 yellow maize contract dipped R3 to R1,987 a ton. The September 2015 yellow maize contract closed R16 lower at R2,015.

Wheat for delivery in March 2015 gave back R10 to R3,915 a ton.

Meanwhile, in the US, wheat futures sank on Wednesday amid continuing selling driven by concerns over large domestic supplies and lacklustre demand for the crop, Dow Jones Newswires reported.

Wheat futures for March delivery at the Chicago Board of Trade slid 10 1/4 cents, or 1.9%, to \$5.37 3/4 a bushel.

Corn prices fell to a five-week low thanks largely to broad selling across commodity markets and growing concerns over demand for corn from the US ethanol industry.

On Wednesday, the federal government said corn-based ethanol stockpiles had jumped to 20.2-million barrels in the week ended 9 January, marking a more than 7% increase from the week prior, and prompting worry that makers of the biofuel may trim production, decreasing demand for corn, the newswire said.

CBOT March corn dropped 4 3/4 cents, or 1.2%, to \$3.81 a bushel, the lowest closing price since 8 December.

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