

# Fryer's Oilseed Report

Close		Premiums (¢/bu)						Fob (\$/mt)		
Beans	30-Aug			US	Brazil	Arg/Parag*	US	Brazil	Argentine	
Futures	¢/bu +/-									
Sep	936.25 13.25	Sep	75	85	72	Sep	371.58	375.26	370.48	
Nov	945.25 12.00	Oct	65	90	69	Oct	371.22	380.40	372.69	
Jan	954.75 12.00	Nov	67	95	n/a	Nov	371.95	382.24	n/a	

\*Basis 33 pro

SoyMeal		Premiums (\$/st)			Fob (\$/mt)		
Futures	\$/st +/-	US HiPro	Brazil 48	Argentine 46.5	US	Brazil	Argentine
Sep	294.30 2.10	Sep	-3	-22	-14	Sep	321.10 300.16 308.97
Oct	296.50 1.90	Oct	-4	-18	-14	Oct	322.42 306.99 311.40
Dec	299.50 2.10	Nov	-5	-15	-14	Nov	324.63 313.60 314.71

BeanOil		Premiums (¢/lb)			Fob (\$/mt)		
Futures	¢/lb +/-	US	Brazil	Argentine	US	Brazil	Argentine
Sep	34.71 0.38	Sep	2.50	0.50	0.10	Sep	818.62 774.62 765.82
Oct	34.81 0.37	Oct	-	0.40	0.10	Oct	n/a 774.62 768.02
Dec	35.06 0.37	Nov	-	0.40	-0.10	Nov	n/a 780.12 769.12

CBOT crush	Oil Share
¢/bu 93.02	37.10%
+/- 4.45	0.09%

Dalian				
Beans (F)	Meal (F)	Beanoil (F)	Rapeoil (F)	Olein (F)
3'851	2710	6'350	7'012	5'524
-39	11	52	56	58

Malaysian Palm	
KL (V)	Fob\$ ND
2'695	665.00
0	0.00

SX8/CZ8		Rapeseed/ Canola		US\$/CNY		US\$/MYR		Peso	Real	
Previous	2.465	Matif (X)	W'peg (X)	Sunseed	Sunoil			Close	17.370	3.144
Close Aug 31	2.427	369.50	499.50	France Sep	Argie			Previous	17.255	3.154
Change	-0.038	2.50	1.40	0.00	0.00			Change	0.67%	-0.32%

**Crops/Weather:** Rain in the US remains confined to the south-east, Delta and Atlantic coast, with the rest of the country staying dry. Temperatures will remain below normal in the eastern half of the country, whilst the unknown over the coming days will be the path of Irma which looks like another strong and potentially dangerous storm. There is again no change to the warm dry conditions in Canada, whilst rain in Europe is slowly moving further east with temps mostly near normal. Showers in Australia will be mostly concentrated in the south-east, and temps remain well below normal with more overnight frosts. India's monsoon continues to push north and east leaving dry conditions in the center and west.

**Trade:** Old crop bean sales were 123kt whilst new crop hit 1.56 Mmt, both at the high end of trade guesses. Meal at a combined 417kt was well above expectations whilst oil at 8kt was below.

**Markets:** The CBOT soy complex closed higher yesterday following short covering ahead of the long US weekend, on good export sales and on (at face value) a supportive Stats Canada report (but see additional comments below). Funds were estimated buyers of 9,000 beans and 3,000 each meal and oil. The market now moves into the long US weekend watching tonight's CFTC report and the progress of Irma, and today is likely to produce more short covering but in declining volume. The USDA September update will be just 6 trading days away when the trade returns from the holiday, with very little yield data so far to argue for any change, particularly given FC Stone's revised number yesterday of 49.8 bpa against 47.7 bpa last month and USDA's current 49.4 bpa.

S American premiums were little changed but the currencies went in opposite directions with the Real firming whilst the Peso weakened - which along with the higher board produced some decent domestic activity. Weekly farmer sales of the 2017 Argentine crop were put at 490kt leaving the season total of 32.8 Mmt still below last year's 34 Mmt, of which exporters own 8.8 Mmt. New crop 2018 sales rose 240kt to 2.4 Mmt against 1.3 Mmt last year, 80% of which is owned by exporters.

Matif rapeseed closed higher following the US and weaker Euro, whilst Canadian canola closed well off the intra-day highs and is trading lower again overnight. Stats Canada put the canola crop at 18.2 Mmt against USDA's 20.5 Mmt, but they also revised last year's crop up to 19.6 Mmt, and the StatsCan's August number has now proven to be too low in 11 of the last 12 years which suggests yesterday's number could also eventually go higher. However there are those in the trade who believe this year's weather has been so poor that the final crop will actually be even lower (early yields are termed 'disappointing'), and thus there will be some importance attached to next week's Canadian stocks report.

With the exception of Dalian beans, Asian markets are trading higher this morning but they will all end lower on the week. The Chinese Yuan remains at 14-month highs, Malaysia is still closed today.

**Outlook:** There is not much the market can do other than wait for the USDA's September update. November beans have been in a \$9.20-9.50 range since the sharp losses following the USDA's surprise August yield hike, and there seems little in the market to change that until more hard yield data is available. Overnight is up 4¢.