



# **Fundamental Report**

## **26 February 2021**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.6587	15.0049	0.3462	2.36%
Euro/Rand	17.9064	18.2619	0.3555	1.99%
GBPound/Rand	20.7687	21.0220	0.2533	1.22%
AusDollar/Rand	11.7255	11.7893	0.0638	0.54%
Euro/USDollar	1.2218	1.2170	-0.0048	-0.39%
GBPound/USDollar	1.4171	1.4011	-0.0160	-1.13%
AusDollar/USDollar	0.8000	0.7857	-0.0143	-1.79%
JpyYen/USDollar	106.0400	106.0600	0.0200	0.02%

BDLive - The rand fell the most since September 2020 on Thursday as the reality of the country's dire fiscal situation sunk in, despite what was widely considered to be a positive budget. Even though finance minister Tito Mboweni's budget was largely welcomed by analysts, as it attempted to address debt while not raising personal or company taxes, some believe there is still a long way to go. Wall Street's main indices ended sharply lower on Thursday, with the Nasdaq index posting its largest daily percentage fall in four months, as technology-related stocks remained under pressure after a rise in US bond yields.

The benchmark 10-year Treasury yields hit a one-year high of 1.614%, prompting investors concerned about rich valuations to lock in profits on some high-flying growth stocks. The Treasury note yield rose above S&P 500 dividend yield, wiping out the stock market yield's strong advantage. "Rates matter. At 1.5%, the yield is comparable to S&P 500 dividend yield," said Peter Tuz, president of Chase Investment Counsel in Charlottesville, Virginia. "And there's no capital risk with a 10-year, you'll get your principal back. All of a sudden it's competitive with stocks."



### Commodities

	Last	Value Change	% Change
Platinum	1222.35	6.07	0.50%
Gold	1771.16	1.28	0.07%
Silver	27.34	-0.06	-0.22%
Copper	4.24	-0.02	-0.49%
Gasoil	540.25	-2.00	-0.37%
Brent Oil	66.90	0.02	0.03%

BDLive - Bengaluru — Gold eased on Thursday as US treasury yields hovered near a one-year peak, tarnishing bullion's appeal, though a softer dollar and Federal Reserve chair Jerome Powell's commitment to an accommodative policy limited its fall. Spot gold fell 0.5% to \$1,794.67/oz by 3.24am GMT. US gold futures eased 0.1% to \$1,795.80.

"Rising longer dated yields are a primary weighing factor on the precious metals ... given investors can get much better return in a risk free rate market," said DailyFX strategist Margaret Yang.

Benchmark US treasury yields held close to a one-year peak hit in the previous session, increasing the opportunity cost of holding gold, which pays no interest. A \$1.9-trillion US coronavirus relief aid that is expected to pass later this week remains in focus.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	60747.41	1315.94	2.17%
ALSI	61649.00	0.00	0.00%
S&P 500	3925.43	-96.09	-2.45%
FTSE	6658.97	-7.01	-0.11%
CAC	5783.89	0.00	0.00%
DAX	13976.00	-96.67	-0.69%
Hang Seng	30074.17	-631.99	-2.10%



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## Corn / Maize Market

### Chicago Board of Trade

Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2021	557.00	554.75	The record	-2.25	552.50	-2.25	-4.50
MAY 2021	556.00	549.75	The record	-6.25	546.75	-3.00	-9.25
JUL 2021	546.00	539.75	The record	-6.25	536.50	-3.25	-9.50
SEP 2021	497.00	493.00	The record	-4.00	490.00	-3.00	-7.00
DEC 2021	478.00	474.00	The record	-4.00	470.75	-3.25	-7.25

FarmProgress - Corn prices faced steep cuts this morning after USDA reported a marketing-year low for old crop sales but recovered some of those losses. Prices ultimately dropped about 1% today, however. March futures faded 5.25 cents to \$5.54, with May futures down 8 cents to \$5.49.

Corn basis bids held steady across most Midwestern locations Thursday but did tilt 3 cents lower at an Ohio elevator today. Corn exports saw 17.8 million bushels in old crop sales – a marketing year low – plus another 5.7 million bushels in new crop sales for a total tally of 23.5 million bushels. That was on the very low end of trade estimates, which ranged between 21.7 million and 63.0 million bushels. Cumulative totals for the 2020/21 marketing year remain well above last year's pace, with 951.1 million bushels.

Corn export shipments were better but still slid 11% below the prior four-week average to 46.9 million bushels. Mexico was the No. 1 destination, with 12.6 million bushels.

Newly confirmed Secretary of Agriculture, Tom Vilsack, told reporters today that USDA's priorities in the near term will focus on coronavirus aid and expanding U.S. export markets beyond China.

The International Grains Council moved its projections for 2020/21 global corn production fractionally higher, to 1.134 billion metric tons. China's ministry of agriculture reported today that the country plans to increase its corn footprint by more than 1.6 million acres this year in an attempt to capture more domestic supplies amid rising prices.

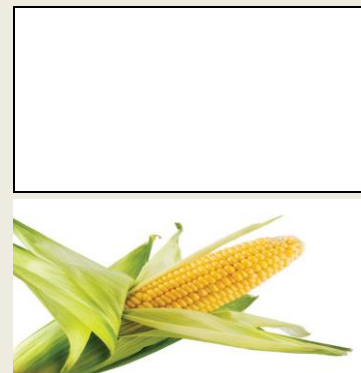
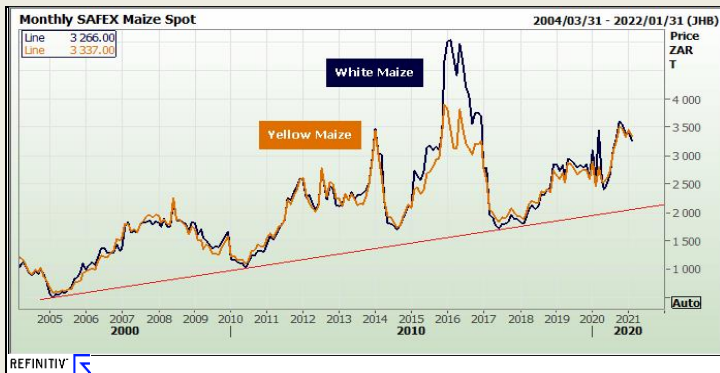
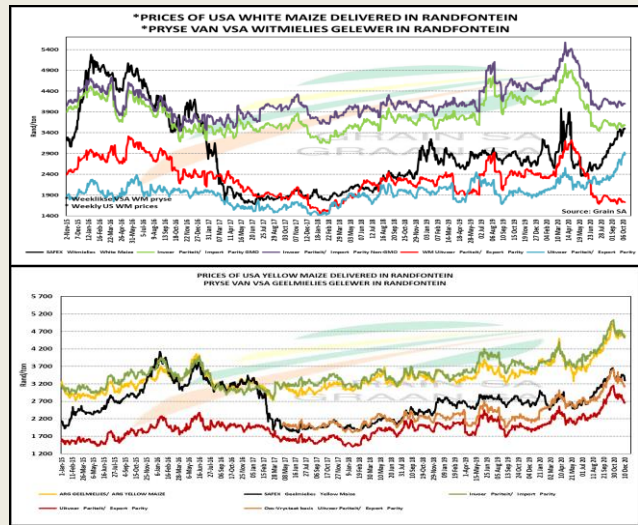
Preliminary volume estimates were for 520,340 contracts, moving another 13% above Wednesday's final count of 458,319.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2021	R 3 266.00	35.25%	R 49.33	R 3 315.33
May 2021	R 3 154.00	31.5%	R 21.14	R 3 175.14
Jul 2021	R 3 098.00	22.5%	R 18.30	R 3 116.30
Sep 2021	R 3 151.00	26%	R 26.39	R 3 177.39
Dec 2021	R 3 237.00	27%	R 22.32	R 3 259.32
Mar 2022	R 3 233.00	24%		R 3 233.00
May 2022				
<b>Yellow Maize Future</b>				
Mar 2021	R 3 337.00	31.25%	R 49.33	R 3 386.33
May 2021	R 3 269.00	23%	R 21.14	R 3 290.14
Jul 2021	R 3 218.00	21.5%	R 18.30	R 3 236.30
Sep 2021	R 3 276.00	19%	R 26.39	R 3 302.39
Dec 2021	R 3 343.00	21%	R 22.32	R 3 365.32
Mar 2022	R 3 328.00	19%		R 3 328.00
May 2022				

The local Maize market traded mixed yesterday. The Mar'21 WMAZ contract ended R6.00 up while Mar'21 YMAZ closed R2.00 lower. The May'21 WMAZ closed higher by R27.00 and May'21 YMAZ ended R13.00 up. The parity move for the Mar'21 Maize contract for yesterday was R40.00 positive.



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## Wheat Market

### Chicago Board of Trade and Kansas Board of Trade

CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2021	677.00	671.75	The record d	-5.25	0.00	-671.75	-677.00	MAR 2011	653.00	644.25	The record	-8.75	0.00	-644.25	-653.00
MAY 2021	682.00	675.75	The record d	-6.25	672.50	-3.25	-9.50	MAY 2011	659.00	652.50	The record	-6.50	649.25	-3.25	-9.75
JUL 2021	668.00	663.50	The record d	-4.50	660.50	-3.00	-7.50	JUL 2011	662.00	656.25	The record	-5.75	652.50	-3.75	-9.50
SEP 2021	663.00	660.00	The record d	-3.00	656.75	-3.25	-6.25	SEP 2011	666.00	660.50	The record	-5.50	656.75	-3.75	-9.25
DEC 2021	667.00	663.25	The record d	-3.75	529.00	-134.25	-138.00	DEC 2011	672.00	667.25	The record	-4.75	0.00	-667.25	-672.00

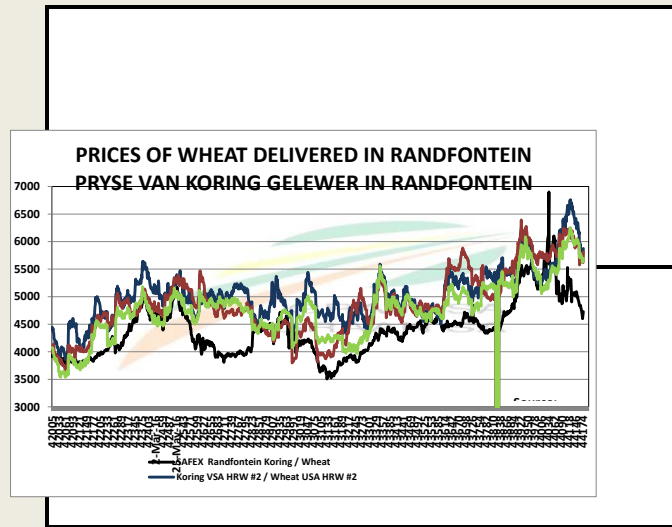


FarmProgress - Wheat prices followed corn and soybeans lower after a round of technical selling led to most contracts down by double digits today. The primary culprit was a bearish round of export data from USDA, which revealed wheat sales last week fell to the lowest levels in more than a year. March Chicago SRW futures fell 10 cents to \$6.7025, March Kansas City HRW futures lost 12.5 cents to \$6.4350, and March MGEX spring wheat futures dropped 5.25 cents to \$6.4125. Old crop wheat export sales stumbled to a marketing-year low, with 6.2 million bushels. New crop sales only added another 543,000 bushels, for a total of around 6.7 million bushels. That tepid tally was below all trade guesses, which ranged between 11.0 million and 31.2 million bushels. Cumulative totals for the 2020/21 marketing year are drifting further below last year's pace, with 632.7 million bushels. Wheat export shipments were more robust, with 14.4 million bushels, but that was still 14% worse than the prior four-week average. China led all destinations, with 2.6 million bushels. The Philippines declined all offers in its tender to purchase 5.3 million bushels of milling wheat that closed yesterday. Importers also passed on all offers in a similar tender issued last week.

Preliminary volume estimates were for 120,458 CBOT contracts, sliding slightly below Wednesday's final count of 134,623.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2021	R 5 127.00	11%	R -3 646.42	R 1 480.58
May 2021	R 5 195.00	9.5%	R 34.38	R 5 229.38
Jul 2021	R 5 234.00	10%	R 43.62	R 5 277.62
Sep 2021	R 5 060.00	0%	R 49.88	R 5 109.88
Dec 2021	R 4 933.00	0%	R -676.00	R 4 257.00
Mar 2022				
May 2022				
<b>Cape Wheat</b>				
Mar 2021				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				
Mar 2022				
May 2022				



The local Wheat market closed higher yesterday. The Mar'21 Wheat contract closed R32.00 up and May'21 Wheat closed R35.00 higher. The parity move for the Mar'21 Wheat contract for yesterday was R48.00 positive.



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## Oil Seed Market

### Chicago Board of Trade

CBOT Soybean Seed						
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session
MAR 2021	1442.00	1406.00	The record	-36.00	902.00	-504.00
MAY 2021	1444.00	1407.50	The record	-36.50	1398.75	-8.75
JUL 2021	1431.00	1397.25	The record	-33.75	1387.00	-10.25
AUG 2021	1388.00	1356.50	The record	-31.50	1346.00	-10.50
SEP 2021	1302.00	1275.50	The record	-26.50	1266.25	-9.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2021	424.1	421.80
MAY 2021	423	420.70
JUL 2021	420.4	418.10
AUG 2021	408.8	406.40
SEP 2021	396.3	393.80

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2021	50.96	50.70
MAY 2021	49.67	49.38
JUL 2021	48.67	48.39
AUG 2021	47.42	47.13
SEP 2021	46.09	46.03



FarmProgress - Soybean prices carved out solid overnight gains heading into Thursday's session, but a bad round of export sales data from USDA this morning spurred a round of technical selling and profit-taking today, leaving prices down double digits by the close. Spillover weakness from a broad range of other commodities created additional headwinds. March futures tumbled 16.75 cents to \$14.07, with May futures losing 17.5 cents to \$14.0825. Soybean basis bids were steady to slightly firm across the central U.S. Thursday after rising 1 to 2 cents higher at three Midwestern locations today. Old crop soybean sales tumbled 72% below the prior four-week average, to 6.2 million bushels. New crop sales chipped in another 2.6 million bushels, for a total of 8.8 million bushels. That was on the lower end of trade estimates, which had cast a wide range of 7.3 million to 47.8 million bushels. Cumulative totals for the 2020/21 marketing year are still nearly doubling last year's pace, with 1.898 billion bushels. Soybean export shipments inched 5% higher week-over-week but were still 42% below the prior four-week average, with 38.7 million bushels. China was the No. 1 destination, with 8.2 million bushels.

The International Grains Council slightly increased its forecast for 2020/21 global soybean production, now at 13.228 billion bushels.

Preliminary volume estimates were for 338,997 contracts, firming moderately above Wednesday's final count of 270,487.

### South African Futures Exchange

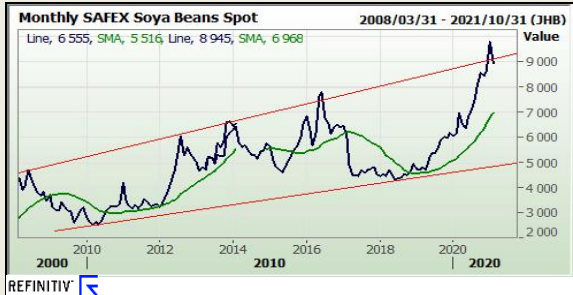
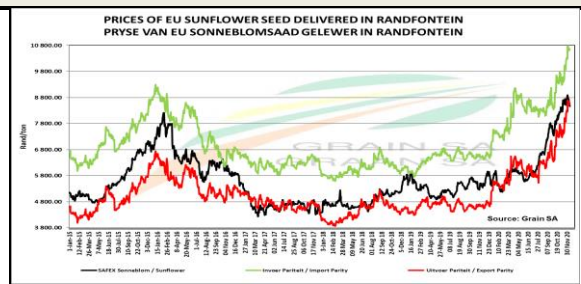
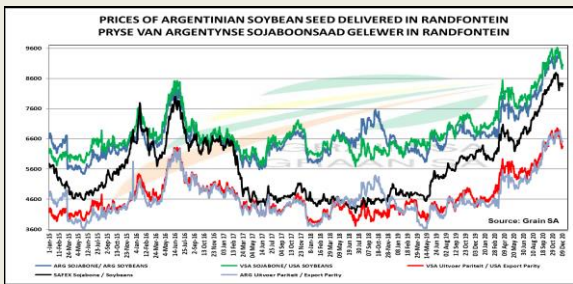
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2021	R 8 945.00	17%	#####	R 6 151.22
May 2021	R 7 746.00	21%	R -65.79	R 7 680.21
Jul 2021	R 7 850.00	21.5%	R -60.55	R 7 789.45
Sep 2021	R 7 935.00	0%	R -31.48	R 7 903.52
Dec 2021	R 7 995.00	0%		R 7 995.00
Mar 2022				
May 2022				

Sunflower Seeds Future		
	MTM	Vols
Mar 2021	R 9 630.00	18%
May 2021	R 8 606.00	22.5%
Jul 2021	R 8 630.00	22%
Sep 2021	R 8 661.00	0%
Dec 2021		
Mar 2022		
May 2022		



The local Soya market traded higher yesterday. The Mar'21 Soya contract ended R10.00 up and May'21 Soya closed R150.00 higher. The parity move for the Mar'21 Soya contract for yesterday was R63.00 negative.

The local Suns market closed higher yesterday. The Mar'21 Suns contract closed R270.00 up and May'21 Suns closed R140.00 higher.



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