



# **Fundamental Report**

## **24 March 2021**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.8790	14.8890	0.0100	0.07%
Euro/Rand	17.7000	17.6300	-0.0700	-0.40%
GBPound/Rand	20.5050	20.4285	-0.0765	-0.37%
AusDollar/Rand	11.4144	11.3216	-0.0928	-0.81%
Euro/USDollar	1.1897	1.1844	-0.0053	-0.45%
GBPound/USDollar	1.3783	1.3723	-0.0060	-0.44%
AusDollar/USDollar	0.7671	0.7604	-0.0067	-0.87%
JpyYen/USDollar	108.4700	108.5000	0.0300	0.03%

BDLive - Sydney — Asian shares hit a two-week low on Wednesday, oil weakened further and the dollar neared four-month highs as coronavirus lockdowns in Europe and potential US tax hikes hit risk appetite, leading to a flight to safety. MSCI's broadest index of Asia-Pacific shares outside Japan was off 1% after falling 0.9% on Tuesday. It went as low as 676.46 points, a level last seen on March 9. The index has had a disappointing run in March after five consecutive months of gains, as risk assets were earlier spooked by fears inflation will pick up at a faster-than-expected pace led by successful coronavirus vaccine rollouts and huge US fiscal stimulus. Japan's Nikkei stumbled 1.8% while South Korea's Kospi slipped 0.5%. Chinese shares were in the red for a second day with the blue-chip CSI300 index down 1.2%. Hong Kong's Hang Seng skidded 1.7%. On Wall Street overnight, the Dow Jones industrial average fell 0.94%, the S&P 500 lost 0.76% and the Nasdaq composite dropped 1.12%. "The combination of increasing lockdowns in much of Europe, and some risk reduction in the EM [emerging market] space, led to a risk-off day where Treasuries rallied on the back of a flight-to-quality bid," John Briggs, global head of strategy for NatWest, wrote in a note to clients.



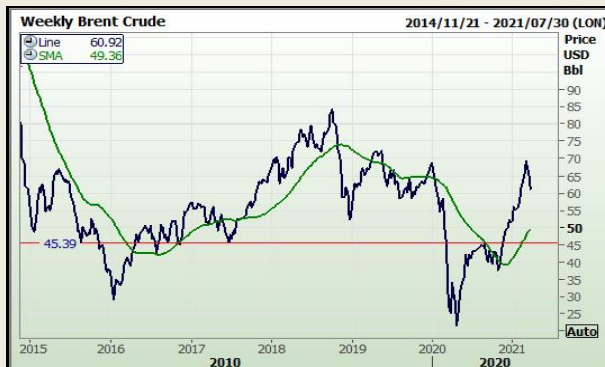
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### Commodities

	Last	Value Change	% Change
Platinum	1169.11	1.03	0.09%
Gold	1732.72	5.61	0.32%
Silver	25.21	0.13	0.50%
Copper	4.05	-0.03	-0.77%
Gasoil	488.25	-9.00	-1.84%
Brent Oil	60.89	0.10	0.16%

BDLive - Bengaluru — Gold prices rose on Wednesday as US Treasury yields held close to a one-week low, with bullion shrugging off strength in the dollar after Federal Reserve chair Jerome Powell's reassurance that inflation would not spiral out of control. Spot gold was up 0.3% at \$1,731.75 per ounce by 5pm. US gold futures were up 0.4% at \$1,732.70 per ounce. "Gold looks to have found some buyers in early Asia, but it is just investors buying the dip ... If yields keep falling, that should be supportive for gold," said Oanda senior market analyst Jeffrey Halley. Treasury yields slipped to the lowest since March 16, while the dollar jumped above a two-week high after Powell told US lawmakers on Tuesday he expects inflation to rise over the year but it would be "neither particularly large nor persistent". Treasury secretary Janet Yellen said the US economy remains at risk as she fielded lawmakers' questions about possible infrastructure and tax increase plans under consideration. "The possibility of higher taxes, whether corporate or individual, tends to raise the demand for bullion as a safe haven," James Steel, chief precious metals analyst wrote in a note.



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### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	59793.26	0.00	0.00%
ALSI	59416.00	0.00	0.00%
S&P 500	3940.59	-30.07	-0.76%
FTSE	6726.10	-26.91	-0.40%
CAC	5945.30	0.00	0.00%
DAX	14662.02	0.00	0.00%
Hang Seng	28497.38	-542.86	-1.90%



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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
MAY 2021	550.00	551.25	The record	1.25	549.75	-1.50	-0.25
JUL 2021	531.00	534.25	The record	3.25	533.50	-0.75	2.50
SEP 2021	483.00	486.00	The record	3.00	485.25	-0.75	2.25
DEC 2021	467.00	469.75	The record	2.75	469.00	-0.75	2.00
MAR 2022	476.00	477.75	The record	1.75	477.25	-0.50	1.25

FarmProgress - Corn prices shed the morning's losses in today's trading session, rising half a percent as the May 2021 contract maintained its position just above \$5.50/bushel. The day's gains were supported by ongoing planting delays in Brazil, which could increase 2020/21 export volumes if the Brazilian crop falls short of estimates. The rains continued in Brazil, but also in Argentina which supported corn growing progress in the region. Gains to new crop corn prices were capped by an anticipated acreage expansion in the U.S. during 2021. Next week's Prospective Plantings Report from USDA will shed more light on those estimates. New cash sales have quieted as corn futures prices have moved sideways over the past several weeks. Merchandisers report that many farmers are waiting for prices to rally higher, especially with summer on the horizon.

Farm Futures contributing analyst Bryce Knorr expects that farmer who wait till the summer to book more sales could be potentially rewarded. While weather plays a large role in determining 2021 yields, Knorr points out that it could also factor in to summer rallies. "This month's forecast from the NWS calls for neutral conditions to develop by summer, with neither El Nino or La Nina," Knorr explains. "That makes rally potential much more of a dice roll." Knorr suggests that the looming weather patterns could favor soybean yields in 2021. Plus, grain prices soared in 2012/13 following the last La Niña weather pattern. "Gains off summer lows during years with neutral summer after La Nina winter averaged 24% for corn and 20% for soybeans – nothing to sneeze at," Knorr muses in the latest Ag Marketing IQ column. South Africa will likely harvest 6% more bushels this year, due in large part to favorable growing conditions over the growing season. A Reuters survey released today predicts South Africa's 2020/21 crop will total 641.3 million bushels. The uptick was also influenced by increased acreage. South Africa is the world's sixth largest exporter of corn. Corn planting in the Southern U.S. states is blazing forward ahead of historical paces this year.

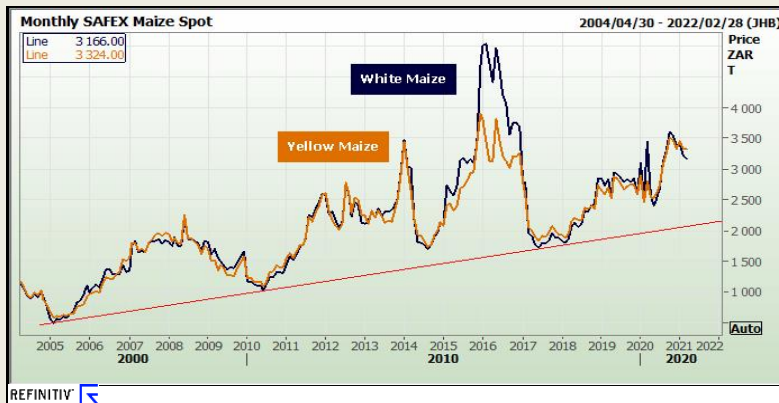
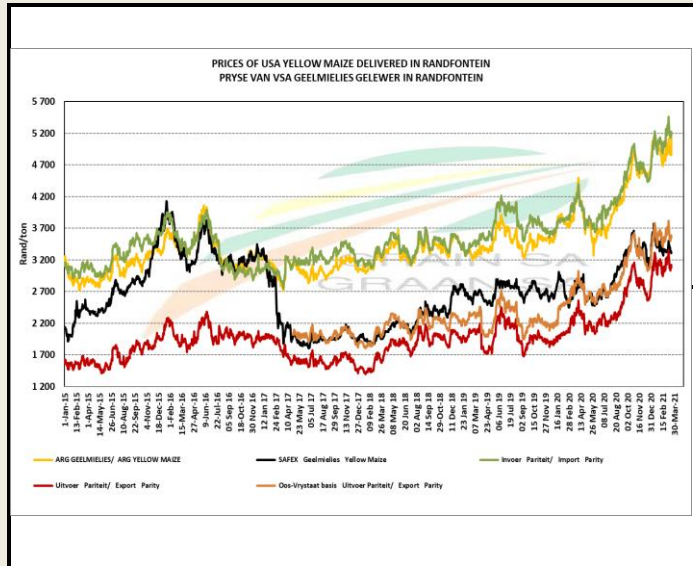


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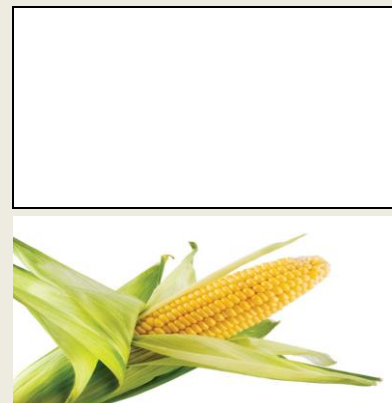
### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2021	R 3,166.00	35.25%		R 3,166.00
May 2021	R 3,068.00	31.5%	R 0.70	R 3,068.70
Jul 2021	R 3,061.00	20.25%	R 16.74	R 3,077.74
Sep 2021	R 3,113.00	26%	R 15.09	R 3,128.09
Dec 2021	R 3,201.00	25.5%	R 13.56	R 3,214.56
Mar 2022	R 3,208.00	24%	R 9.20	R 3,217.20
May 2022				
<b>Yellow Maize Future</b>				
Mar 2021	R 3,324.00	31.25%		R 3,324.00
May 2021	R 3,198.00	23%	R 0.70	R 3,198.70
Jul 2021	R 3,184.00	19%	R 16.74	R 3,200.74
Sep 2021	R 3,240.00	19%	R 15.09	R 3,255.09
Dec 2021	R 3,310.00	21%	R 13.56	R 3,323.56
Mar 2022	R 3,292.00	19%	R 9.20	R 3,301.20
May 2022				

The local Maize market traded mixed yesterday. The May'21 WMAZ contract ended R7.00 down while May'21 YMAZ closed R13.00 higher. The Jul'21 WMAZ closed higher by R18.00 and Jul'21 YMAZ ended R21.00 up. The parity move for the May'21 Maize contract for yesterday was R27.00 positive.



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## Wheat Market

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

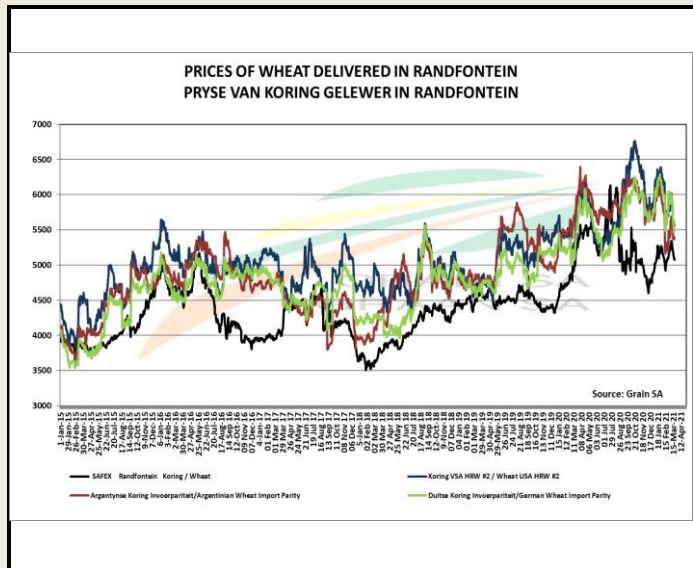
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAY 2021	624.00	634.75	The record c	10.75	633.75	-1.00	9.75	MAY 2011	574.00	582.00	The record	8.00	578.25	-3.75	4.25
JUL 2021	616.00	626.25	The record c	10.25	625.00	-1.25	9.00	JUL 2011	580.00	588.25	The record	8.25	584.00	-4.25	4.00
SEP 2021	616.00	624.25	The record c	8.25	623.50	-0.75	7.50	SEP 2011	586.00	594.00	The record	8.00	590.50	-3.50	4.50
DEC 2021	622.00	630.00	The record c	8.00	629.50	-0.50	7.50	DEC 2011	594.00	602.75	The record	8.75	599.00	-3.75	5.00
MAR 2022	627.00	634.75	The record c	7.75	529.00	-105.75	-98.00	MAR 2012	600.00	609.75	The record	9.75	605.75	-4.00	5.75



FarmProgress - heat futures prices followed those of corn and soybeans higher today, up \$0.04-\$0.08/bushel, thanks in large part to new export tenders issued by South Korea and Thailand. Gains were capped by rains forecast in the Plains over the next day, which would help improve drought conditions in the region. A stronger dollar also limited wheat's upward price mobility. Rains over the past weekend in the Central and Southern Plains helped spur a second straight week of improving crop ratings to winter wheat plants in the region. In top wheat-producing state of Kansas, a 30% drop in short to very short soil moisture levels over the past two weeks boosted winter wheat condition ratings up 7% from last week to 45% good to excellent. Oklahoma's winter wheat crops also benefited from the rain, rising 5% from last week's report to 62% good to excellent. A warm and dry winter has brought winter wheat crops out of dormancy a little earlier than usual this year with 36% of the state's winter wheat crop already reaching the jointing phase, about 5% ahead of the five-year average for the same time period. Winter wheat crops in Colorado and Texas both saw improved ratings after snowmelt and rains over the past week helped replenish soil moisture levels. Colorado's crop improved 8% from the previous week to 33% good to excellent while Texas winter wheat saw a 2% weekly rating increase to 29% good to excellent.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2021	R 5,106.00	11%		R 5,106.00
May 2021	R 5,071.00	9.5%	R 55.63	R 5,126.63
Jul 2021	R 5,074.00	10%	R 51.50	R 5,125.50
Sep 2021	R 4,980.00	0%	R 43.29	R 5,023.29
Dec 2021	R 4,900.00	0%	R 43.32	R 4,943.32
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 neutral yesterday. The May'21 Wheat contract closed R2.00 down and Jul'21 Wheat closed R8.00 lower. The parity move for the May'21 Wheat contract for yesterday was R23.00 negative.



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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
MAY 2021	1426.00	1423.25	The record	-2.75	902.00	-521.25
JUL 2021	1411.00	1411.25	The record	0.25	1414.25	3.00
AUG 2021	1360.00	1364.00	The record	4.00	1366.75	2.75
SEP 2021	1272.00	1272.75	The record	0.75	1273.25	0.50
NOV 2021	1219.00	1223.50	The record	4.50	1224.00	0.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAY 2011	398.8	399.60
JUL 2011	399.5	400.40
AUG 2011	394.1	394.60
SEP 2011	385.2	385.50
OCT 2011	373.5	373.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAY 2011	57.02	56.69
JUL 2011	53.82	53.64
AUG 2011	51.06	51.07
SEP 2011	49.1	49.14
OCT 2011	47.88	47.85



FarmProgress - Soybeans extended this morning's gains, ending today's trading session \$0.04-\$0.08/bushel higher. Rains in Brazil contributed to the gains. May 2021 soybean futures registered a life-of-contract high today on the soybean rally. Dwindling soyoil stocks underpinned much of the strength in today's gains in the soy complex. Malaysia's palm oil exports are expected to pull back in 2020/21 to the lowest level since 2017. Production in the region has been constrained due to pandemic restrictions. The news pushed soyoil futures higher, as palm oil is a direct competitor to soyoil. In the U.S., the recent push by the Biden administration to implement using more green fuel in vehicles will likely keep soyoil demand – and prices – high in the near future, especially as tight supplies and strong export demand compete for price dominance. Biodiesel is commonly used in heavy vehicles, namely semi-trucks, trains, and earth-moving and construction equipment. Freight costs in South America are rising as delayed soy vessels awaiting export congest ports across South America. Soybean shipments continue to be delayed after rains slowed harvest progress in February and March, after soybean planting season was already delayed due to abnormally dry soil conditions. It is likely to be the slowest soybean harvest season Brazil has seen in the past decade. But as the ships wait to be loaded, ports are becoming more backlogged as sugar traders also vie for coveted loading spots. Brazil's soybean shipping season typically begins in late January, with some of the heaviest volumes coming in February and March.

### South African Futures Exchange

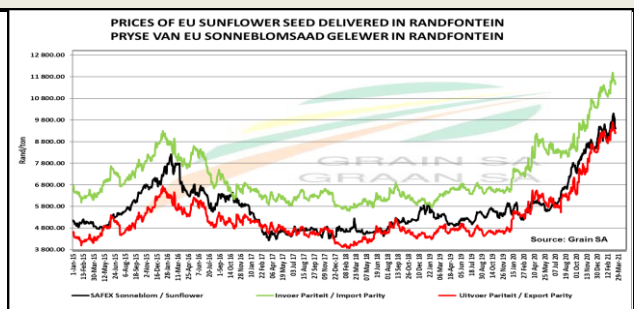
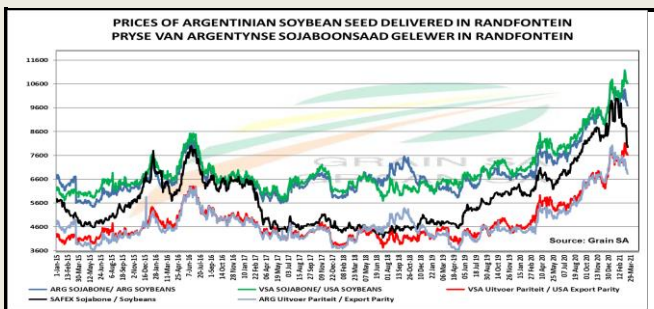
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2021	R 7,685.00	17%		R 7,685.00
May 2021	R 7,662.00	21%	R -2,861.44	R 4,800.56
Jul 2021	R 7,759.00	21.5%	R 22.96	R 7,781.96
Sep 2021	R 7,858.00	16.5%	R 11.51	R 7,869.51
Dec 2021	R 7,901.00	0%		R 7,901.00
Mar 2022				
May 2022				

Sunflower Seeds Future		
	MTM	Vols
Mar 2021	R 9,560.00	18%
May 2021	R 9,091.00	22%
Jul 2021	R 9,150.00	21%
Sep 2021	R 9,172.00	0%
Dec 2021		
Mar 2022		
May 2022		



The local Soya market traded higher yesterday. The May'21 Soya contract ended R62.00 up and Jul'21 Soya closed R61.00 higher. The parity move for the May'21 Soya contract for yesterday was R176.00 positive.

The local Suns market closed higher yesterday. The May'21 Suns contract closed R150.00 up and Jul'21 Suns closed R150.00 higher.



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