



# **Fundamental Report**

## **06 July 2021**

## Financial Markets

### Currencies

| Currency           | Bid - Yesterday 12pm | Current Bid | Value Change | % Change |
|--------------------|----------------------|-------------|--------------|----------|
| USDollar/Rand      | 14.2361              | 14.2346     | -0.0015      | -0.01%   |
| Euro/Rand          | 16.9065              | 16.8973     | -0.0092      | -0.05%   |
| GBPound/Rand       | 19.7180              | 19.7497     | 0.0317       | 0.16%    |
| AusDollar/Rand     | 10.7238              | 10.7528     | 0.0290       | 0.27%    |
| Euro/USDollar      | 1.1876               | 1.1867      | -0.0009      | -0.08%   |
| GBPound/USDollar   | 1.3854               | 1.3874      | 0.0020       | 0.14%    |
| AusDollar/USDollar | 0.7533               | 0.7554      | 0.0021       | 0.28%    |
| JpyYen/USDollar    | 110.8300             | 110.8300    | 0.0000       | 0.00%    |

BDLive - Tech-heavy Naspers and Prosus led the JSE lower on Monday, while global markets were mixed as elevated Covid-19 cases and the rapid spread of the Delta variant in some countries threaten the pace of the economic recovery.

Shares in Steinhoff International, which lost about R200bn in market value due to one of SA's worst accounting scandals, fell the most in about 15 months after a Western Cape High Court ruling that threatens its multibillion-rand settlement process. The JSE added to Friday's losses on Monday as concern mounted about the rising third wave Covid-19 infections locally and abroad and its effect on economic recovery.

The continued spread of the Delta variant continues to spark global concern, with SA reporting record increases in new infections daily.



### Commodities

|           | Last    | Value Change | % Change |
|-----------|---------|--------------|----------|
| Platinum  | 1105.00 | 7.77         | 0.70%    |
| Gold      | 1796.86 | 5.25         | 0.29%    |
| Silver    | 26.55   | 0.09         | 0.36%    |
| Copper    | 4.37    | 0.09         | 2.11%    |
| Gasoil    | 620.50  | 5.00         | 0.81%    |
| Brent Oil | 77.60   | 0.44         | 0.57%    |

BDLive - Bengaluru — Gold held firm below a two-week high on Monday as concerns eased over an earlier-than-expected rate hike by the Federal Reserve after a mixed bag of US jobs data, while focus shifted to minutes from the US central bank's June policy meeting.

Spot gold was steady at \$1,787.59 per ounce by 5.27am, after hitting its highest since June 18 at \$1,794.86 on Friday. Most US markets are closed on Monday for the Independence Day holiday.

US gold futures rose 0.2% to \$1,787.60.

"Last week's payroll numbers provided a lot of mixed signals and the data wasn't solid enough to move that Fed needle," said Stephen Innes, managing partner at SPI Asset Management.



### Financials

|            | Current Bid | Value Change | % Change |
|------------|-------------|--------------|----------|
| JSE TOP 40 | 60292.64    | -210.44      | -0.35%   |
| ALSI       | 60081.00    | 0.00         | 0.00%    |
| S&P 500    | 4319.94     | 32.40        | 0.75%    |
| FTSE       | 7123.27     | 41.64        | 0.58%    |
| CAC        | 6567.54     | 0.00         | 0.00%    |
| DAX        | 15661.97    | 0.00         | 0.00%    |
| Hang Seng  | 28143.50    | -72.60       | -0.26%   |



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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 |
|----------|----------------|--------------------|---------------------|-------------------------------|-------------------|------------------------------------|----------------------------|
| JUL 2021 | 690.00         | 697.25             | The record          | 7.25                          | 0.00              | -697.25                            | -690.00                    |
| SEP 2021 | 591.50         | 592.00             | The record          | 0.50                          | 0.00              | -592.00                            | -591.50                    |
| DEC 2021 | 576.25         | 579.75             | The record          | 3.50                          | 0.00              | -579.75                            | -576.25                    |
| MAR 2022 | 571.00         | 586.25             | The record          | 15.25                         | 0.00              | -586.25                            | -571.00                    |
| MAY 2022 | 532.00         | 590.25             | The record          | 58.25                         | 0.00              | -590.25                            | -532.00                    |

FarmFutures - Corn prices eroded steadily throughout Friday's session on a round of technical selling and profit-taking as traders squared positions ahead of an extended holiday weekend. July futures lost 22.5 cents to \$6.9725, with September futures down 9.75 cents to \$5.92.

Corn basis bids were narrowly mixed at three interior river terminals on Friday while dropping 5 cents at an Iowa processor and 18 cents at an Ohio elevator. Other locations across the Midwest held steady today.

USDA-FAS estimates that China's 2020/21 corn imports will come in around 1.102 billion bushels, with relatively strong demand from high domestic prices and efforts to restock supplies. Once those supplies have been replenished, and if China can ramp up domestic production, import needs for 2021/22 could fall to around 787 million bushels.

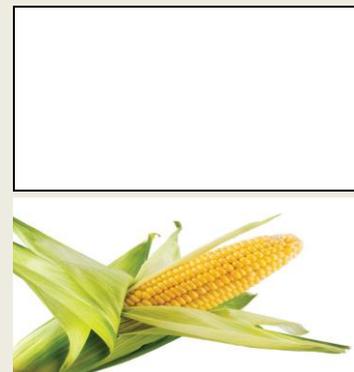
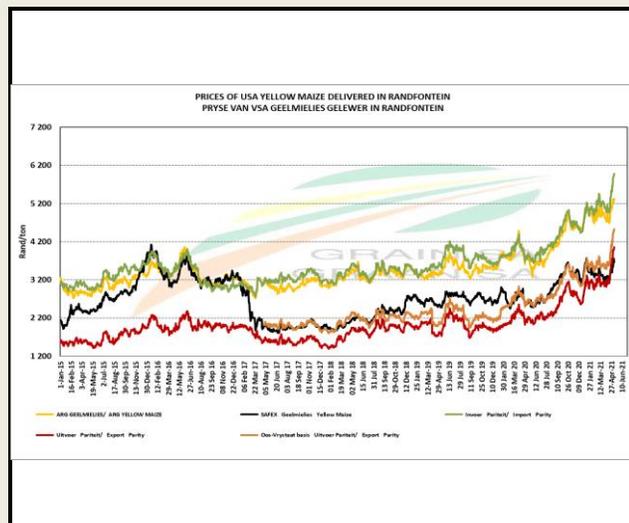
China's grain stockpiler Sinograin continues to generate corn auctions to quell high prices and meet domestic demand needs, selling another 1.1 million bushels of imported corn from its reserves earlier today, although that was only 18% of the total amount on offer. "There is a lot wheat, rice and many other things that can replace (corn)," noted one grain purchasing manager in northern China. It remains worth noting that sales of imported corn supplies are relatively rare in China, which has not done so in several years. Preliminary volume estimates were for 248,908 contracts, coming in well below Thursday's final count of 399,324.



### South African Futures Exchange

|                            | MTM        | Volatility | Parity Change | Parity Price |
|----------------------------|------------|------------|---------------|--------------|
| <b>White Maize Future</b>  |            |            |               |              |
| Jul 2021                   | R 3 231.00 | 37%        | R -3 867.08   | R -636.08    |
| Sep 2021                   | R 3 290.00 | 28%        | R -3 315.04   | R -25.04     |
| Dec 2021                   | R 3 368.00 | 29.5%      | R -3 229.57   | R 138.43     |
| Mar 2022                   | R 3 393.00 | 27.5%      | R -3 200.15   | R 192.85     |
| May 2022                   | R 3 343.00 | 0%         | R -2 981.58   | R 361.42     |
| Jul 2022                   | R 3 312.00 | 24%        |               | R 3 312.00   |
| Sep 2022                   |            |            |               |              |
| <b>Yellow Maize Future</b> |            |            |               |              |
| Jul 2021                   | R 3 390.00 | 33%        | R -3 867.08   | R -477.08    |
| Sep 2021                   | R 3 445.00 | 28.5%      | R -3 315.04   | R 129.96     |
| Dec 2021                   | R 3 517.00 | 29%        | R -3 229.57   | R 287.43     |
| Mar 2022                   | R 3 509.00 | 23.5%      | R -3 200.15   | R 308.85     |
| May 2022                   | R 3 343.00 | 0%         | R -2 981.58   | R 361.42     |
| Jul 2022                   | R 3 349.00 | 22%        |               | R 3 349.00   |
| Sep 2022                   |            |            |               |              |

The local Maize market traded lower yesterday. The Jul'21 WMAZ contract ended R73.00 down and Jul'21 YMAZ closed R63.00 lower. The Sep'21 WMAZ closed lower by R74.00 and Sep'21 YMAZ ended R64.00 down. The parity move for the Jul'21 Maize contract for yesterday was R1.00 positive.

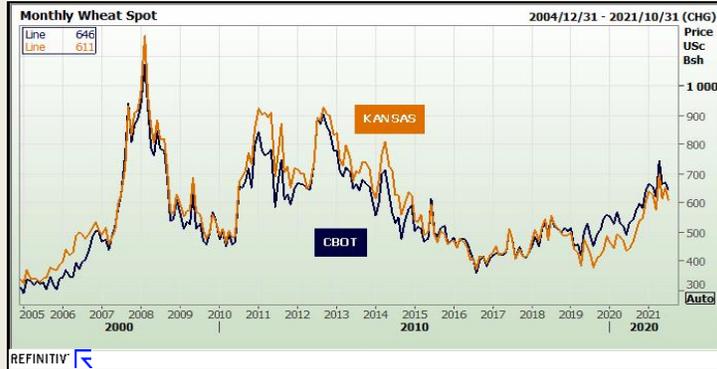


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## Wheat Market

### 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 |
| JUL 2021   | 635.00         | 645.75             | The record c        | 10.75                         | 0.00              | -645.75                            | -635.00                    | JUL 2011 | 600.00         | 611.25             | The record          | 11.25                         | 0.00              | -611.25                            | -600.00                    |
| SEP 2021   | 651.25         | 652.75             | The record c        | 1.50                          | 0.00              | -652.75                            | -651.25                    | SEP 2011 | 614.00         | 619.25             | The record          | 5.25                          | 0.00              | -619.25                            | -614.00                    |
| DEC 2021   | 655.75         | 661.50             | The record c        | 5.75                          | 0.00              | -661.50                            | -655.75                    | DEC 2011 | 614.25         | 630.00             | The record          | 15.75                         | 0.00              | -630.00                            | -614.25                    |
| MAR 2022   | 663.25         | 669.75             | The record c        | 6.50                          | 0.00              | -669.75                            | -663.25                    | MAR 2012 | 617.00         | 639.75             | The record          | 22.75                         | 0.00              | -639.75                            | -617.00                    |
| MAY 2022   | 670.75         | 673.25             | The record c        | 2.50                          | 529.00            | -144.25                            | -141.75                    | MAY 2012 | 620.00         | 644.75             | The record          | 24.75                         | 0.00              | -644.75                            | -620.00                    |

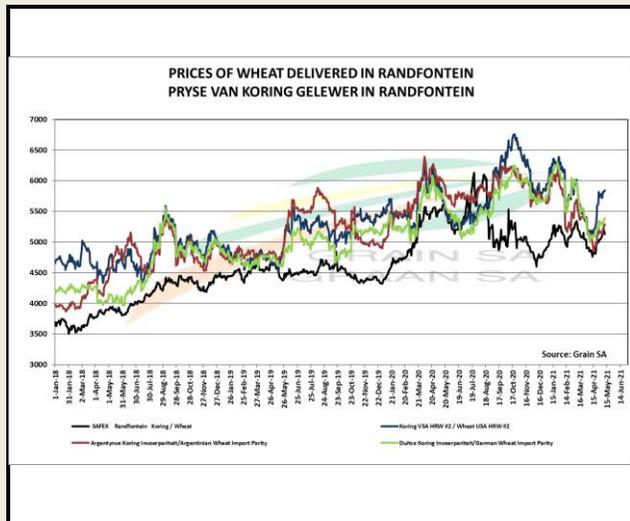


FarmFutures - Wheat prices were mixed but mostly lower after an uneven round of technical maneuvering Friday. MGEX spring wheat contracts continued to firm on worries over crop quality, with September futures picking up another 3 cents to \$8.39. But winter wheat prices stumbled after another round of technical selling today, with September Chicago SRW futures dropping 14.25 cents to \$6.5125 and September Kansas City HRW futures down 19.25 cents to \$6.19. Ukraine's agriculture ministry predicts the country's 2021 wheat production will rebound 14.5% from a year ago to reach 1.047 billion bushels. Ukraine's total grain harvest could eclipse its record-breaking effort from 2019 if current projections hold. Wheat exports so far during the current marketing year have reached an estimated 609.9 million bushels. French farm office FranceAgriMer estimates that 79% of the country's soft wheat crop is in good-to-excellent condition through June 28, holding steady from a week ago. Winter barley condition fell a point, with 74% of the crop rated in good-to-excellent condition, and harvest has kicked off with 2% progress so far. France is the European Union's top grain producer.

Preliminary volume estimates were for 98,976 CBOT contracts, sliding moderately below Thursday's final count of 140,885.

### South African Futures Exchange

|                            | MTM        | Volatility | Parity Change | Parity Price |
|----------------------------|------------|------------|---------------|--------------|
| <b>Bread Milling Wheat</b> |            |            |               |              |
| Jul 2021                   | R 5 140.00 | 12%        | R -3 321.60   | R 1 818.40   |
| Sep 2021                   | R 5 060.00 | 0%         | R -3 406.60   | R 1 653.40   |
| Dec 2021                   | R 4 939.00 | 9.75%      | R -3 430.14   | R 1 508.86   |
| Mar 2022                   | R 5 051.00 | 0%         | R -3 469.37   | R 1 581.63   |
| Jul 2022                   |            |            |               |              |
| Sep 2022                   |            |            |               |              |
| <b>Cape Wheat</b>          |            |            |               |              |
| Jul 2021                   |            |            |               |              |
| Sep 2021                   |            |            |               |              |
| Dec 2021                   |            |            |               |              |
| Mar 2022                   |            |            |               |              |
| Jul 2022                   |            |            |               |              |
| Sep 2022                   |            |            |               |              |



## 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 |
| JUL 2021          | 1408.00        | 1451.75            | The record          | 43.75                         | 902.00            | -549.75                            |
| AUG 2021          | 1434.50        | 1433.25            | The record          | -1.25                         | 0.00              | -1 433.25                          |
| SEP 2021          | 1414.25        | 1408.00            | The record          | -6.25                         | 0.00              | -1 408.00                          |
| NOV 2021          | 1391.00        | 1399.00            | The record          | 8.00                          | 0.00              | -1 399.00                          |
| JAN 2022          | 1375.00        | 1402.25            | The record          | 27.25                         | 0.00              | -1 402.25                          |

| CBOT Soybean Meal |                    |                   |
|-------------------|--------------------|-------------------|
| Month             | Main Session Close | Current Overnight |
| JUL 2011          | 379.9              | 0.00              |
| AUG 2011          | 381.5              | 0.00              |
| SEP 2011          | 383.6              | 0.00              |
| OCT 2011          | 384.6              | 0.00              |
| DEC 2011          | 388.3              | 0.00              |

| CBOT Soybean Oil |                    |                   |
|------------------|--------------------|-------------------|
| Month            | Main Session Close | Current Overnight |
| JUL 2011         | 66.82              | 0.00              |
| AUG 2011         | 63.47              | 0.00              |
| SEP 2011         | 62.87              | 0.00              |
| OCT 2011         | 62.47              | 0.00              |
| DEC 2011         | 62.28              | 0.00              |



FarmFutures - Soybean prices managed to hold onto a portion of solid overnight gains, which mostly evaporated as Friday's session dragged on. July futures picked up 5 cents to \$14.5175, while August futures firmed 4.75 cents to \$14.3450.

Soybean basis bids were largely steady across the central U.S. on Friday, with two notable exceptions – an Ohio river terminal tumbled 15 cents lower while an Iowa processor climbed 10 cents higher today.

USDA-FAS reports that U.S. soybean exports during the first quarter of this year reached a total value of \$7.7 billion – the second-highest level on record and nearly double the same period in 2020. "Export volumes are up substantially due to the rebound of trade with China owing to the removal of retaliatory tariffs, the rebuilding of the swine herd from African swine fever (ASF), and a delayed South American harvest extending the U.S. selling window," according to the agency's summary statement.

Preliminary volume estimates were for 132,040 contracts, falling moderately below Thursday's final count of 202,535.

### South African Futures Exchange

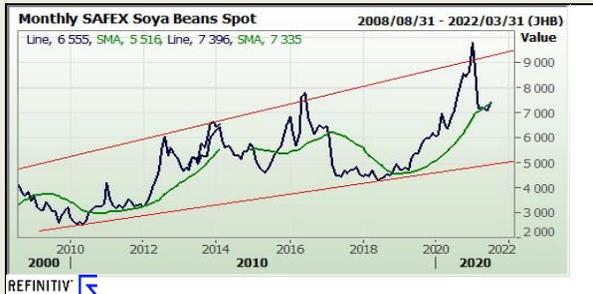
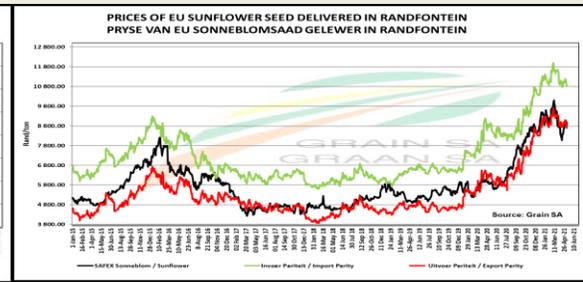
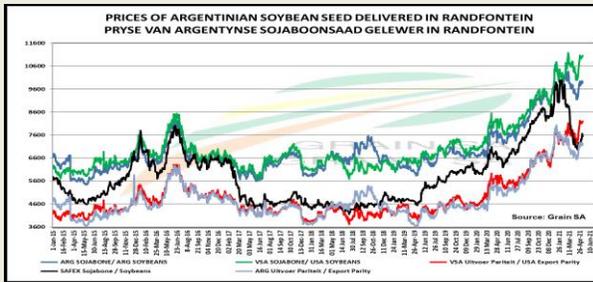
| Soybean Future |            |       |               |              |
|----------------|------------|-------|---------------|--------------|
|                | MTM        | Vols  | Parity Change | Market Price |
| Jul 2021       | R 7 396.00 | 21.5% | R -2 647.32   | R 4 748.68   |
| Sep 2021       | R 7 500.00 | 19.5% | R -7 397.76   | R 102.24     |
| Dec 2021       | R 7 595.00 | 20.5% |               | R 7 595.00   |
| Mar 2022       | R 7 580.00 | 0%    |               | R 7 580.00   |
| May 2022       | R 7 347.00 | 23%   |               | R 7 347.00   |
| Jul 2022       |            |       |               |              |
| Sep 2022       |            |       |               |              |

| Sunflower Seeds Future |            |        |
|------------------------|------------|--------|
|                        | MTM        | Vols   |
| Jul 2021               | R 8 452.00 | 21.5%  |
| Sep 2021               | R 8 541.00 | 0%     |
| Dec 2021               | R 8 564.00 | 21.75% |
| Mar 2022               | R 8 356.00 | 0%     |
| May 2022               | R 7 600.00 | 0%     |
| Jul 2022               |            |        |
| Sep 2022               |            |        |



The local Soya market traded lower yesterday. The Jul'21 Soya contract ended R127.00 down and Sep'21 Soya closed R108.00 lower. The parity move for the Jul'21 Soya contract for yesterday was R1.00 positive.

The local Suns market closed lower yesterday. The Jul'21 Suns contract closed R108.00 down and Sep'21 Suns closed R116.00 lower.



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