



# **Fundamental Report**

## **18 August 2021**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.8816	14.8543	-0.0273	-0.18%
Euro/Rand	17.5219	17.4061	-0.1158	-0.66%
GBPound/Rand	20.5295	20.4295	-0.1000	-0.49%
AusDollar/Rand	10.8517	10.7826	-0.0691	-0.64%
Euro/USDollar	1.1772	1.1718	-0.0054	-0.46%
GBPound/USDollar	1.3800	1.3751	-0.0049	-0.36%
AusDollar/USDollar	0.7293	0.7260	-0.0033	-0.45%
JpyYen/USDollar	109.2600	109.5600	0.3000	0.27%

BDLive - The JSE closed slightly firmer on Tuesday, bucking the weaker global trend where concerns persisted that the Delta strain of the Covid-19 virus could yet derail an economic recovery.

The local bourse broke a three-day losing streak, with miners doing the heavy lifting, but losses in Naspers — thanks to continued regulatory action in China's technology sector by authorities there — capped the gains. Global shares stumbled on Tuesday, rattled by concerns over China's regulations for its once-free-wheeling internet sector and a worldwide spike in Covid-19 infections driven by the Delta variant.

US treasury and German bond yields fell to the lowest in over a week ahead of the release of US retail sales data due later in the day, expected to offer further signs of slowing economic momentum.



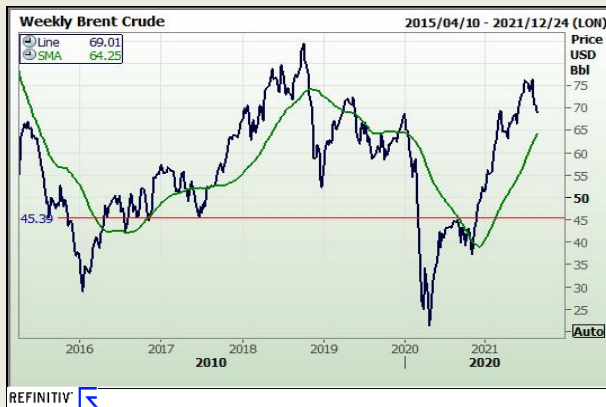
### Commodities

	Last	Value Change	% Change
Platinum	1006.68	9.47	0.94%
Gold	1790.26	4.30	0.24%
Silver	23.76	0.12	0.53%
Copper	4.23	0.03	0.64%
Gasoil	567.00	-7.25	-1.28%
Brent Oil	68.99	-0.04	-0.06%

BDLive - Bengaluru — Gold prices inched lower on Tuesday as a firmer dollar outweighed safe-haven demand due to intensifying coronavirus Delta variant cases and ease in bets on early tapering by the US Federal Reserve.

Spot gold fell 0.1% to \$1,785.80 an ounce by 3.47am GMT, lingering below an over one-week peak of \$1,788.97 touched on Monday. US gold futures eased 0.1% to \$1,788.00.

The US dollar, also often seen as the ultimate safe-haven currency, was up 0.1%. Stephen Innes, managing partner at SPI Asset Management, said that there seemed to be a little bit of demand for dollar but it was not really turning gold off completely because there was a possibility that the Federal Reserve would not push forward any taper agenda at the Jackson Hole symposium.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	62657.34	0.00	0.00%
ALSI	62497.00	0.00	0.00%
S&P 500	4479.71	-31.63	-0.71%
FTSE	7153.98	27.13	0.38%
CAC	6819.84	0.00	0.00%
DAX	15921.95	0.00	0.00%
Hang Seng	25745.87	155.40	0.60%



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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
SEP 2021	566.00	558.25	The record	-7.75	557.50	-0.75	-8.50
DEC 2021	570.00	563.50	The record	-6.50	562.50	-1.00	-7.50
MAR 2022	577.00	571.00	The record	-6.00	569.75	-1.25	-7.25
MAY 2022	582.00	575.50	The record	-6.50	574.00	-1.50	-8.00
JUL 2022	582.00	575.25	The record	-6.75	573.50	-1.75	-8.50

FarmFutures - Corn prices faded Tuesday after a round of technical selling and spillover weakness from a wide range of other commodities (particularly wheat) pushed prices down nearly 1% by the close. September futures dropped 5.25 cents to \$5.5950, with December futures down 4.25 cents to \$5.6450.

Corn basis bids were mostly steady to soft Tuesday after falling 10 to 11 cents lower at two Midwestern processors and an interior river terminal. An Indiana ethanol plant bucked the overall trend, firming 5 cents higher today.

Corn quality eroded two points lower this past week, with 62% of the crop now rated in good-to-excellent condition. Analysts though USDA would leave the high end of quality ratings unchanged. Another 25% of the crop is rated fair (steady from last week), with the remaining 13% rated poor or very poor (up two points from last week).

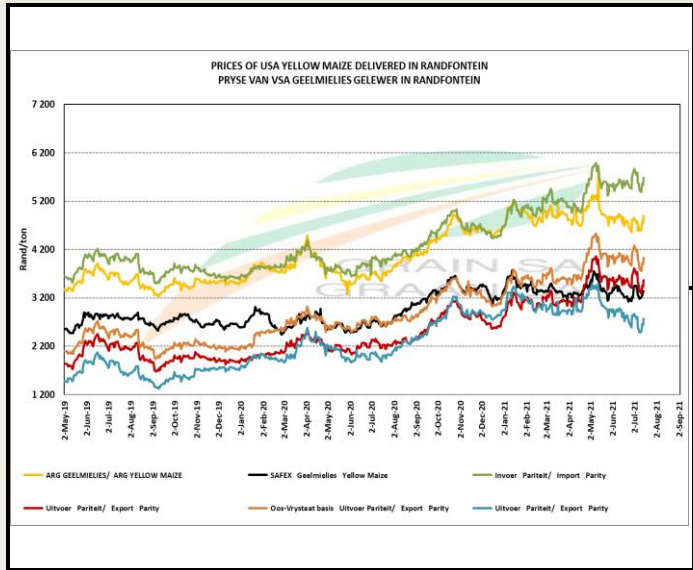
Physiologically, the crop has continued to mature more quickly in 2021 than it has in recent years. Seventy-three percent of the crop has reached the dough stage, up from 56% a week ago. That's slightly behind 2020's pace of 74% but still moderately ahead of the prior five-year average of 68%. And 22% of the crop is now dented, up from 8% a week ago and mirroring the prior five-year average. South Korea purchased 5.4 million bushels of feed corn, likely sourced from South America, in an international tender that closed earlier today. The grain is for arrival in November.

Preliminary volume estimates were for 207,733 contracts, tilting slightly higher than Monday's final count of 198,460.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Jul 2021				
Sep 2021	R 3 266.00	32.5%	R -55.79	R 3 210.21
Dec 2021	R 3 358.00	28%	R -49.98	R 3 308.02
Mar 2022	R 3 375.00	28%	R -48.60	R 3 326.40
May 2022	R 3 319.00	0%	R -53.04	R 3 265.96
Jul 2022	R 3 320.00	24%	R -55.96	R 3 264.04
Sep 2022				
<b>Yellow Maize Future</b>				
Jul 2021				
Sep 2021	R 3 447.00	33%	R -55.79	R 3 391.21
Dec 2021	R 3 529.00	28.5%	R -49.98	R 3 479.02
Mar 2022	R 3 501.00	26%	R -48.60	R 3 452.40
May 2022	R 3 352.00	0%	R -53.04	R 3 298.96
Jul 2022	R 3 376.00	24%	R -55.96	R 3 320.04
Sep 2022				



The local Maize market traded mixed yesterday. The Aug'21 WMAZ contract ended R1.00 down while Aug'21 YMAZ closed R2.00 higher. The Sep'21 WMAZ closed lower by R2.00 and Sep'21 YMAZ ended R1.00 down. The parity move for the Aug'21 Maize contract for yesterday was R55.00 negative.



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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
SEP 2021	752.00	734.50	The record c	-17.50	732.50	-2.00	-19.50	SEP 2011	731.00	716.75	The record	-14.25	713.25	-3.50	-17.75
DEC 2021	767.00	748.50	The record c	-18.50	746.50	-2.00	-20.50	DEC 2011	744.00	729.25	The record	-14.75	725.75	-3.50	-18.25
MAR 2022	778.00	761.25	The record c	-16.75	758.50	-2.75	-19.50	MAR 2012	752.00	738.00	The record	-14.00	734.00	-4.00	-18.00
MAY 2022	780.00	764.25	The record c	-15.75	763.25	-1.00	-16.75	MAY 2012	752.00	738.75	The record	-13.25	734.25	-4.50	-17.75
JUL 2022	737.00	730.25	The record c	-6.75	529.00	-201.25	-208.00	JUL 2012	718.00	713.75	The record	-4.25	713.00	-0.75	-5.00

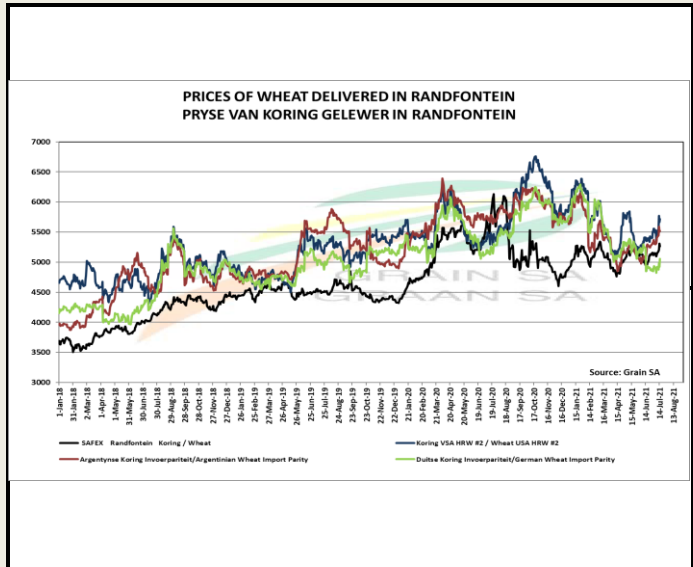


FarmFutures - Wheat prices faced significant cuts after a broad selloff in other commodities triggered a round of technical selling today. September Chicago SRW futures lost 27 cents to \$7.3350, September Kansas City HRW futures dropped 21.25 cents to \$7.1525, and September MGEX spring wheat futures fell 21.75 cents to \$9.2025. Spring wheat quality ratings remain terrible, with 11% rated in good-to-excellent condition. Another 26% is rated fair (down two points from last week), and the remaining 63% rated poor or very poor (up two points from a week ago). Harvest is progressing much more quickly than it has in recent years, with 58% progress through Sunday. Compare that to the prior five-year average of 36%. European Union soft wheat exports for the 2021/22 marketing year reached 85.6 million bushels through August 15. That's 5% above last year's pace so far. EU barley exports are moderately higher year-over-year, at 77.2 million bushels.

Germany's association of farm cooperatives is now estimating the country's 2021 wheat production potential has fallen 1.8% from last month, to 822.7 million bushels. That would still be a 1.3% improvement from last year, if realized. Germany is Europe's No. 2 wheat producer. Preliminary volume estimates were for 150,291 CBOT contracts, moving slightly above Monday's final count of 142,675.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Jul 2021				
Sep 2021	R 5 555.00	15%	R -113.97	R 5 441.03
Dec 2021	R 5 377.00	13.5%	R -119.58	R 5 257.42
Mar 2022	R 5 472.00	0%	R -114.24	R 5 357.76
May 2022				
Jul 2022				
Sep 2022				
<b>Cape Wheat</b>				
Jul 2021				
Sep 2021				
Dec 2021				
Mar 2022				
May 2022				
Jul 2022				
Sep 2022				



The local Weat market closed higher yesterday. The Aug'21 Weat contract closed R7.00 up and Sep'21 Weat closed R20.00 higher. The parity move for the Aug'21 Weat contract for yesterday was R121.00 negative.



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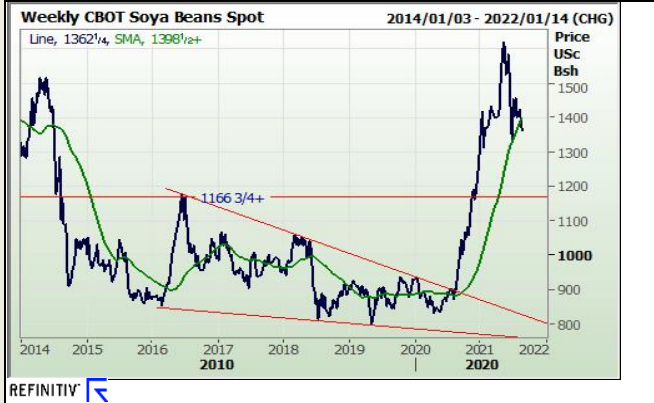
## Oil Seed Market

### 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
SEP 2021	1383.00	1369.00	The record	-14.00	902.00	-467.00
NOV 2021	1375.00	1361.50	The record	-13.50	1354.50	-7.00
JAN 2022	1379.00	1365.50	The record	-13.50	1358.00	-7.50
MAR 2022	1371.00	1359.75	The record	-11.25	1352.75	-7.00
MAY 2022	1366.00	1357.25	The record	-8.75	1352.00	-5.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2011	360.1	358.10
OCT 2011	359.3	357.30
DEC 2011	362.9	361.10
JAN 2012	363	361.20
MAR 2012	361.7	360.30

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2011	62.54	62.07
OCT 2011	62.19	61.69
DEC 2011	62.12	61.72
JAN 2012	61.86	61.37
MAR 2012	61.22	60.88



FarmFutures - Soybean prices trended lower Tuesday, despite declining quality ratings and a fresh round of bullish export news (more on that below) this morning. Prices tested modest gains but ultimately succumbed to spillover weakness from corn and wheat. September futures dropped 6.25 cents to \$13.6975, with November futures down 5.25 cents to \$13.63. Soybean basis bids spilled 12 cents lower at an Ohio elevator on Tuesday but held steady elsewhere across the central U.S. today.

Private exporters announced two more large soybean sales to USDA today. The first was for 7.3 million bushels to China, and the second was for 4.9 million bushels to unknown destinations. Both sales are for delivery during the 2021/22 marketing year, which begins September 1. Soybean quality faced a three-point drop this past week. Analysts had expected to see ratings stabilize with 60% of the crop rated in good-to-excellent condition; USDA's latest move puts the crop at 57% G/E. Another 28% is rated fair (up a point from last week), with the remaining 15% rated poor or very poor (up two points from a week ago). European Union soybean imports during the 2021/22 marketing year have reached 54 million bushels through August 15, which is a year-over-year decline of 28% so far. EU soymeal imports are also moderately lower compared to last year. Preliminary volume estimates were for 125,593 contracts, inching slightly ahead of Monday's final count of 121,709.

### South African Futures Exchange

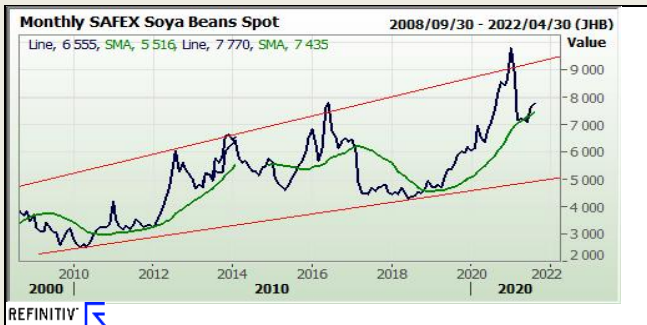
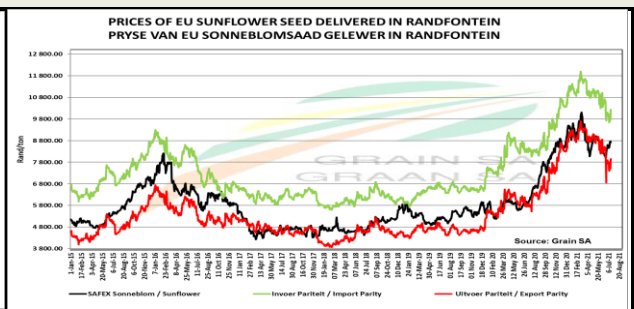
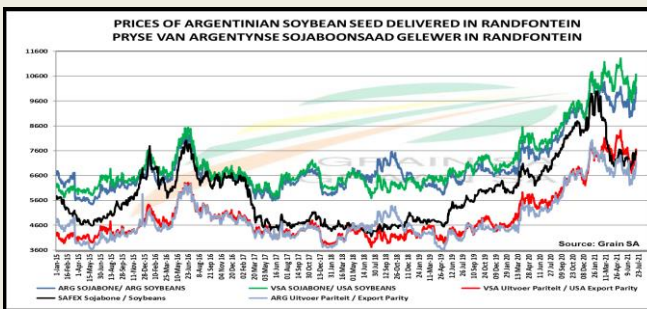
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Jul 2021				
Sep 2021	R 7 813.00	19.5%	R -2 639.18	R 5 173.82
Dec 2021	R 7 923.00	23%		R 7 923.00
Mar 2022	R 7 899.00	16%	R -113.36	R 7 785.64
May 2022	R 7 670.00	23%	R -90.11	R 7 579.89
Jul 2022				
Sep 2022				

Sunflower Seeds Future		
	MTM	Vols
Jul 2021		
Sep 2021	R 9 727.00	23%
Dec 2021	R 9 726.00	20.5%
Mar 2022	R 9 340.00	23%
May 2022	R 8 262.00	0%
Jul 2022		
Sep 2022		



The local Soya market traded higher yesterday. The Aug'21 Soya contract ended R82.00 up and Sep'21 Soya closed R77.00 higher. The parity move for the Aug'21 Soya contract for yesterday was R129.00 negative.

The local Suns market closed higher yesterday. The Aug'21 Suns contract closed R103.00 up and Sep'21 Suns closed R105.00 higher.



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