



# **Fundamental Report**

## **07 January 2022**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.7997	15.7156	-0.0841	-0.53%
Euro/Rand	17.8767	17.7713	-0.1054	-0.59%
GBPound/Rand	21.3559	21.2960	-0.0599	-0.28%
AusDollar/Rand	11.3165	11.2555	-0.0610	-0.54%
Euro/USDollar	1.1309	1.1298	-0.0011	-0.10%
GBPound/USDollar	1.3516	1.3546	0.0030	0.22%
AusDollar/USDollar	0.7158	0.7162	0.0004	0.06%
JpyYen/USDollar	115.7300	115.8600	0.1300	0.11%

BDLive - The rand firmed, somewhat unexpectedly say some analysts, even though the US Federal Reserve said on Wednesday it would speed up the tapering of its stimulus programme and may hike rates at a faster pace than previously expected.

"It is unusual for the rand to have firmed quite this much," said TreasuryONE currency strategist Andre Cilliers. "The US Fed's minutes didn't really amount to much apart from more of the same. One thing that could have helped the rand is that as businesses start to open again after the holidays, exporters are selling their dollars for rands as they are paid for their goods leaving the country,"

stock markets were deep in the red and some key government bond yields climbed to their highest level in years on Thursday after the Federal Reserve signalled the possibility of faster-than-expected US rate hikes and stimulus withdrawal.

Bourses in Asia and Europe fell heavily after Wall Street's tech-heavy Nasdaq plunged more than 3% on Wednesday and two- and five-year treasury yields, important drivers of global borrowing costs, surged to post-Covid pandemic highs.



### Commodities

	Last	Value Change	% Change
Platinum	968.50	3.86	0.40%
Gold	1792.20	3.52	0.20%
Silver	22.13	-0.02	-0.10%
Copper	4.38	0.03	0.57%
Gasoil	714.25	1.75	0.25%
Brent Oil	82.53	0.54	0.65%

BDLive - Bengaluru — Gold prices slid to one-week low on Thursday as minutes of the US Federal Reserve's December meeting signalled quicker increases to interest rates, boosting the dollar and treasury yields.

Spot gold fell 0.3% to \$1,804.60/oz by 10.38am GMT, having touched its lowest since December 29 at \$1,792.30/oz. US gold futures dropped 1.5% to \$1,797.70.

The "very hawkish" Fed minutes sent the dollar and the yields significantly higher, which has not helped gold, said independent analyst Ross Norman.

The dollar resumed its climb towards a recent 14-month high while benchmark US 10-year treasury yields rose to their strongest since April 2021.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	67420.20	0.00	0.00%
ALSI	67710.00	0.00	0.00%
S&P 500	4700.58	-4.53	-0.10%
FTSE	7516.87	-66.50	-0.88%
CAC	7249.66	0.00	0.00%
DAX	16052.03	0.00	0.00%
Hang Seng	23072.86	265.10	1.15%



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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 2022	599.00	603.75	The record	4.75	603.50	-0.25	4.50
MAY 2022	599.00	604.50	The record	5.50	604.00	-0.50	5.00
JUL 2022	597.00	602.25	The record	5.25	601.50	-0.75	4.50
SEP 2022	564.00	567.25	The record	3.25	565.25	-2.00	1.25
DEC 2022	552.00	554.25	The record	2.25	552.25	-2.00	0.25

FarmProgress - Corn prices crawled back into the green on Thursday after suffering small overnight losses. Traders remain focused on some dry forecasts in South America that could trim production potential there and shrugged off a disappointing round of export data from USDA this morning. March and May futures each picked up 2.25 cents to reach \$6.0450 and \$6.05, respectively.

Corn basis bids were steady to mixed across the central U.S. on Thursday, moving as much as 4 cents lower at an Ohio elevator and as much as 10 cents higher at an Iowa processor today.

Corn export sales only made it to 10.1 million bushels in the week through December 30, which was 81% below the prior four-week average. That was also well below the range of trade estimates, which came in between 19.7 million and 50.2 million bushels. Cumulative sales for the 2021/22 marketing year are still a bit behind last year's pace, with 576.8 million bushels.

Corn export shipments were more robust, inching 7% higher week-over-week to 38.8 million bushels. Japan was the No. 1 destination, with 8.7 million bushels. Ukraine's corn exports during the 2021/22 marketing year have reached 452.7 million bushels and could ultimately climb to 1.216 billion bushels by the end of June, per the latest data from the country's agriculture ministry. That would be a year-over-year increase of 34%, if realized.

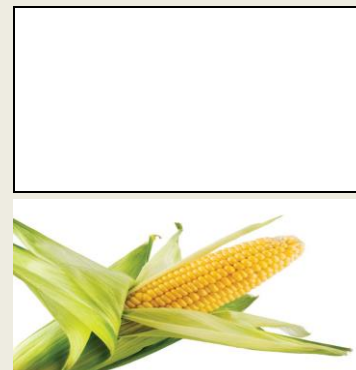
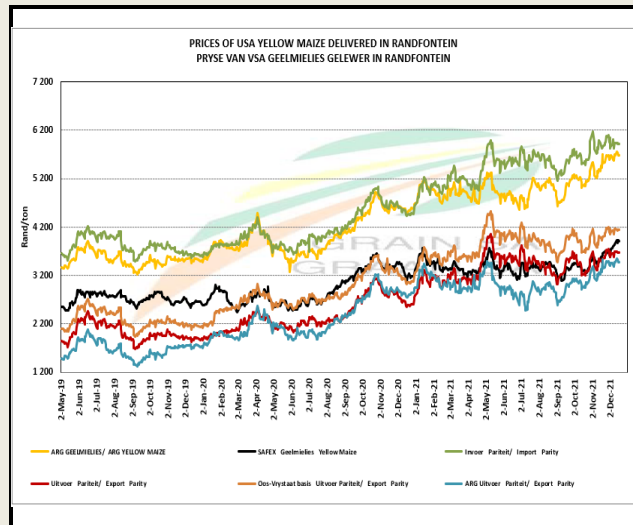
Preliminary volume estimates were for 229,568 contracts, trending just above Wednesday's final count of 226,799.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2021				
Mar 2022	R 3 725.00	31.5%	R 8.01	R 3 733.01
May 2022	R 3 587.00	26.5%	R 11.10	R 3 598.10
Jul 2022	R 3 573.00	24.75%	R 8.08	R 3 581.08
Sep 2022	R 3 634.00	0%	R -10.94	R 3 623.06
Dec 2022	R 3 704.00	23.25%	R -16.73	R 3 687.27
Dec 2022	R 3 704.00	23.25%	R -16.73	R 3 687.27
<b>Yellow Maize Future</b>				
Dec 2021				
Mar 2022	R 3 896.00	28.75%	R 8.01	R 3 904.01
May 2022	R 3 627.00	24.5%	R 11.10	R 3 638.10
Jul 2022	R 3 623.00	23%	R 8.08	R 3 631.08
Sep 2022	R 3 685.00	0%	R -10.94	R 3 674.06
Dec 2022	R 3 761.00	0%	R -16.73	R 3 744.27
Dec 2022	R 3 761.00	0%	R -16.73	R 3 744.27

The local Maize market traded lower yesterday. The Mar'22 WMAZ contract ended R49.00 down and Mar'22 YMAZ closed R74.00 lower. The May'22 WMAZ closed lower by R51.00 and May'22 YMAZ ended R72.00 down. The parity move for the Mar'22 Maize contract for yesterday was R6.00 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 2022	753.00	746.00	The record d	-7.00	743.25	-2.75	-9.75	MAR 2012	777.00	768.50	The record	-8.50	763.00	-5.50	-14.00
MAY 2022	757.00	749.75	The record c	-7.25	746.50	-3.25	-10.50	MAY 2012	779.00	770.50	The record	-8.50	765.00	-5.50	-14.00
JUL 2022	752.00	748.75	The record c	-3.25	743.75	-5.00	-8.25	JUL 2012	776.00	770.50	The record	-5.50	764.50	-6.00	-11.50
SEP 2022	755.00	752.25	The record c	-2.75	746.75	-5.50	-8.25	SEP 2012	780.00	774.25	The record	-5.75	0.00	-774.25	-780.00
DEC 2022	760.00	757.75	The record c	-2.25	529.00	-228.75	-231.00	DEC 2012	786.00	781.25	The record	-4.75	775.00	-6.25	-11.00



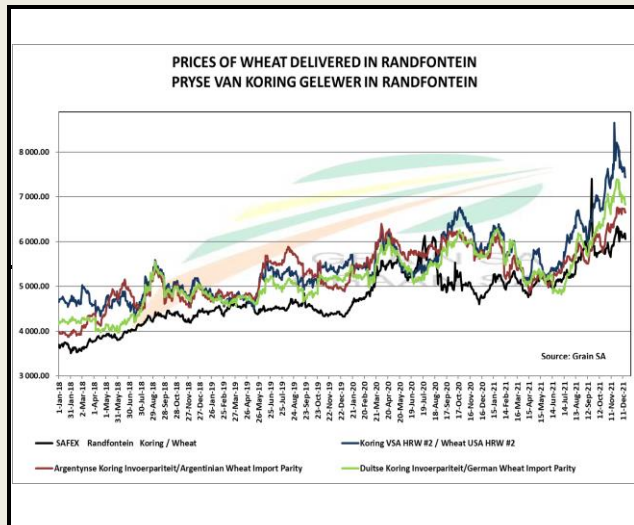
FarmProgress - Wheat prices dropped substantially Thursday on a major round of technical selling largely spurred by big harvests expected for areas such as Argentina and Australia, which will replenish global supplies. March Chicago SRW futures fell 14.25 cents to \$7.4650, March Kansas City HRW futures faded 17.75 cents to \$7.6925, and March MGEX spring wheat futures tumbled 25.5 cents to \$9.2275.

Wheat exports also spilled to a marketing-year low of 1.9 million bushels in combined old and new crop sales. That was 87% below the prior four-week average and under the entire range of trade estimates, which ranged between 5.5 million and 16.5 million bushels. Cumulative totals for the 2021/22 marketing year are still more than 100 million bushels below last year's pace, reaching 406.0 million bushels.

Wheat export shipments slid 17% below the prior four-week average to 7.7 million bushels. Nigeria was the No. 1 destination, with 1.9 million bushels. Russian consultancy Sovecon estimates that the country exported 132.3 million bushels of wheat in December, a month-over-month increase of 20% and the highest monthly total since September. Russia is the world's top wheat exporter.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2021				
Mar 2022	R 6 059.00	20%	R -79.57	R 5 979.43
May 2022	R 6 092.00	19.5%	R -84.02	R 6 007.98
Jul 2022	R 6 112.00	0%	R -70.88	R 6 041.12
Sep 2022	R 6 027.00	0%	R -70.97	R 5 956.03
Dec 2022				
Dec 2022				
<b>Cape Wheat</b>				
Dec 2021				
Mar 2022				
May 2022				
Jul 2022				
Sep 2022				
Dec 2022				
Dec 2022				



The local Wheat market closed lower yesterday. The Mar'22 Wheat contract closed R96.00 down and May'22 Wheat closed R88.00 lower. The parity move for the Mar'22 Wheat contract for yesterday was R85.00 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
JAN 2022	1364.00	1377.25	The record	13.25	902.00	-475.25
MAR 2022	1375.00	1387.25	The record	12.25	1384.25	-3.00
MAY 2022	1383.00	1396.00	The record	13.00	1392.25	-3.75
JUL 2022	1387.00	1400.75	The record	13.75	1397.25	-3.50
AUG 2022	1367.00	1382.25	The record	15.25	1379.75	-2.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2012	420.4	0.00
MAR 2012	411	409.50
MAY 2012	408.6	406.90
JUL 2012	409.1	407.40
AUG 2012	404.7	403.10

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2012	58.78	0.00
MAR 2012	58.9	58.93
MAY 2012	58.93	59.01
JUL 2012	58.79	58.94
AUG 2012	58.34	58.45



FarmProgress - Soybean prices faced moderate cuts of around 0.5% after some technical selling and profit-taking today, although traders are still closely monitoring dry, hot conditions in South America that have left some experts already predicting major production cuts this season. January futures dropped 7 cents to \$13.7725, with March futures down 7.25 cents to \$13.8750.

Soybean basis bids were steady to firm across the central U.S. on Thursday, moving 2 to 10 cents higher at three Midwestern locations today.

Private exporters announced to USDA the sale of 3.7 million bushels of soybeans for delivery to Mexico during the 2021/22 marketing year, which began September 1.

Old crop soybean sales fell 63% below the prior four-week average to a marketing-year low of 14.1 million bushels. New crop sales pitched in another 2.5 million bushels, for a total of 16.6 million bushels. That was on the very low end of analyst estimates, which ranged between 14.7 million and 49.6 million bushels. Cumulative totals for the 2021/22 marketing year remain moderately below last year's pace, with 1.125 billion bushels.

### South African Futures Exchange

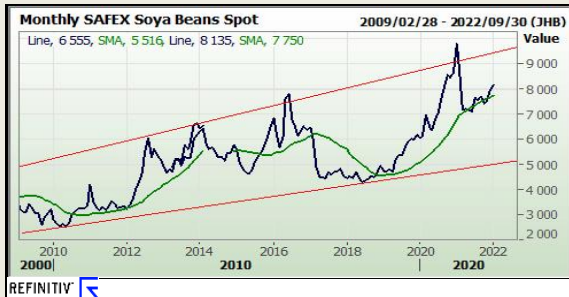
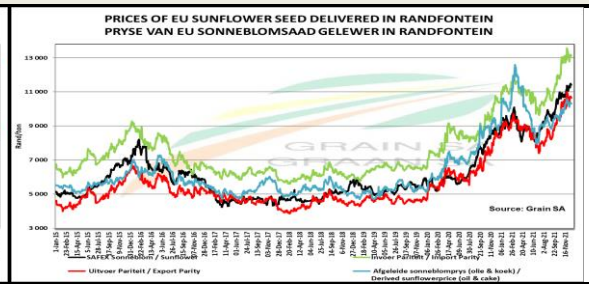
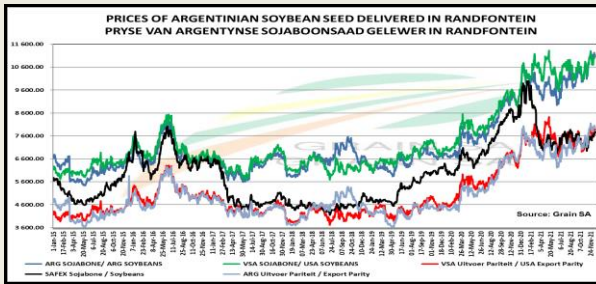
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2021				
Mar 2022	R 8 099.00	20%	R 10.92	R 8 109.92
May 2022	R 7 987.00	23%	R 10.68	R 7 997.68
Jul 2022	R 8 103.00	0%	R 16.33	R 8 119.33
Sep 2022	R 8 200.00	0%		R 8 200.00
Dec 2022				
Dec 2022				

Sunflower Seeds Future			
	MTM	Vols	
Dec 2021			
Mar 2022	R 11 103.00	23%	
May 2022	R 9 628.00	21%	
Jul 2022	R 9 699.00	0%	
Sep 2022			
Dec 2022			
Dec 2022			



The local Soya market traded lower yesterday. The Mar'22 Soya contract ended R131.00 down and May'22 Soya closed R125.00 lower. The parity move for the Mar'22 Soya contract for yesterday was R4.00 positive.

The local Suns market closed lower yesterday. The Mar'22 Suns contract closed R168.00 down and May'22 Suns closed R61.00 lower.



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