



# **Fundamental Report**

## **13 January 2022**

## Financial Markets

### Currencies

| Currency           | Bid - Yesterday 12pm | Current Bid | Value Change | % Change |
|--------------------|----------------------|-------------|--------------|----------|
| USDollar/Rand      | 15.4784              | 15.3095     | -0.1689      | -1.09%   |
| Euro/Rand          | 17.5959              | 17.5275     | -0.0684      | -0.39%   |
| GBPound/Rand       | 21.0939              | 20.9920     | -0.1019      | -0.48%   |
| AusDollar/Rand     | 11.1633              | 11.1545     | -0.0088      | -0.08%   |
| Euro/USDollar      | 1.1365               | 1.1441      | 0.0076       | 0.67%    |
| GBPound/USDollar   | 1.3630               | 1.3711      | 0.0081       | 0.59%    |
| AusDollar/USDollar | 0.7212               | 0.7286      | 0.0074       | 1.03%    |
| JpyYen/USDollar    | 115.3500             | 114.5800    | -0.7700      | -0.67%   |

BDLive - Tech heavyweights Naspers and Prosus led the gains on the JSE on Wednesday, and European markets climbed as investors welcomed comments by the US Federal Reserve chair Jerome Powell.

The JSE all share closed at a record high — gaining the most in more than a month — with miners and Sasol also pushing the index higher. Stocks and commodities rose in relief and the dollar hit a six-week low on Wednesday, after Federal Reserve chair Jerome Powell sounded less hawkish than expected in testimony to Congress, as he charts a path out of pandemic policy settings.

Bonds have also steadied after beginning the year with a rout, though a new test looms later in the day when US inflation data is expected to come in red hot. MSCI's broadest index of Asia-Pacific shares outside Japan rose 1% to a one-month high, led by a 3.5% jump for tech stocks in Hong Kong. Japan's Nikkei rose 1.9%.



### Commodities

|           | Last    | Value Change | % Change |
|-----------|---------|--------------|----------|
| Platinum  | 975.04  | -2.03        | -0.21%   |
| Gold      | 1824.96 | -0.36        | -0.02%   |
| Silver    | 23.15   | 0.04         | 0.16%    |
| Copper    | 4.54    | -0.03        | -0.70%   |
| Gasoil    | 735.75  | -0.75        | -0.10%   |
| Brent Oil | 84.50   | -0.17        | -0.20%   |

BDLive - Gold prices eased on Wednesday as traders kept an eye out for US inflation data for rate clues after less hawkish comments from the Federal Reserve chief fuelled a bullion rally in the previous session.

Spot gold was down 0.2% at \$1,818.19/oz by 3.51am GMT, retreating from a one-week high hit on Tuesday. US gold futures were flat at \$1,818.70.

"Fed chair [Jerome] Powell's confirmation hearing did not bring any additional hawkish rhetoric beyond what the market was already looking for," said DailyFX currency strategist Ilya Spivak, adding that gold was in consolidation after rising more than 1% on Tuesday. Powell said the central bank was determined to battle inflation and far from diminishing job growth, a turn to higher policy interest rates and a runoff of its asset holdings was necessary to keep the current economic expansion under way.



### Financials

|            | Current Bid | Value Change | % Change |
|------------|-------------|--------------|----------|
| JSE TOP 40 | 69206.77    | 0.00         | 0.00%    |
| ALSI       | 69364.00    | 0.00         | 0.00%    |
| S&P 500    | 4713.07     | 13.28        | 0.28%    |
| FTSE       | 7491.37     | 60.35        | 0.81%    |
| CAC        | 7237.19     | 0.00         | 0.00%    |
| DAX        | 16010.32    | 0.00         | 0.00%    |
| Hang Seng  | 24402.17    | 32.13        | 0.13%    |



DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limited is provided to you for information purposes only. GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable. GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report. Neither GROCAPITAL AND AFGRI, nor any affiliate, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.

## 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 | 601.00         | 599.00             | The record          | -2.00                         | 597.50            | -1.50                              | -3.50                      |
| MAY 2022 | 602.00         | 600.75             | The record          | -1.25                         | 599.25            | -1.50                              | -2.75                      |
| JUL 2022 | 599.00         | 598.00             | The record          | -1.00                         | 596.75            | -1.25                              | -2.25                      |
| SEP 2022 | 570.00         | 571.00             | The record          | 1.00                          | 571.25            | 0.25                               | 1.25                       |
| DEC 2022 | 557.00         | 558.25             | The record          | 1.25                          | 559.50            | 1.25                               | 2.50                       |

FarmProgress - Corn prices tilted nearly 0.5% lower after a choppy session Wednesday as traders attempted to balance bin-busting yields in U.S. against some South American crop struggles. (Click here for our full coverage and exclusive analysis of today's WASDE report.) March and May futures each dropped 2.75 cents to \$5.9825 and \$5.9975, respectively.

Corn basis bids firmed a penny higher at an Ohio elevator, dipped a penny lower at an Illinois ethanol plant and held steady elsewhere across the central U.S. on Tuesday.

Private exporters announced to USDA the sale of 3.9 million bushels of corn for delivery to unknown destinations during the 2021/22 marketing year, which began September 1.

In today's WASDE report, USDA raised its 2021 U.S. production estimates by another 53 million bushels after adding 300,000 harvested acres, for a new total of 15.115 billion bushels. Analysts were only expecting a fractional increase, with an average trade guess of 15.069 billion bushels. Yield estimates were unchanged, at 177.0 bushels per acre.

Meantime, USDA lowered its estimates for 2021/22 corn exports by 75 million bushels, to 2.425 billion bushels, "reflecting expectations of increased competition from other exporters." However, this was offset by a 75-million-bushel increase in corn used for ethanol, which is now at 5.325 billion bushels. Feed and residual use remained unchanged, at 5.650 billion bushels. Ending stocks moved unexpectedly higher, to 1.540 billion bushels.

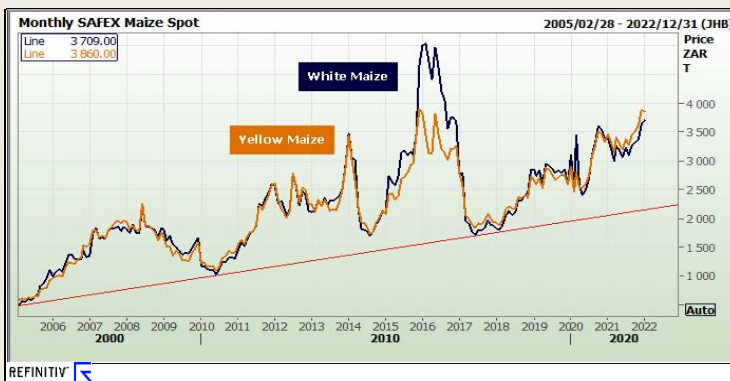
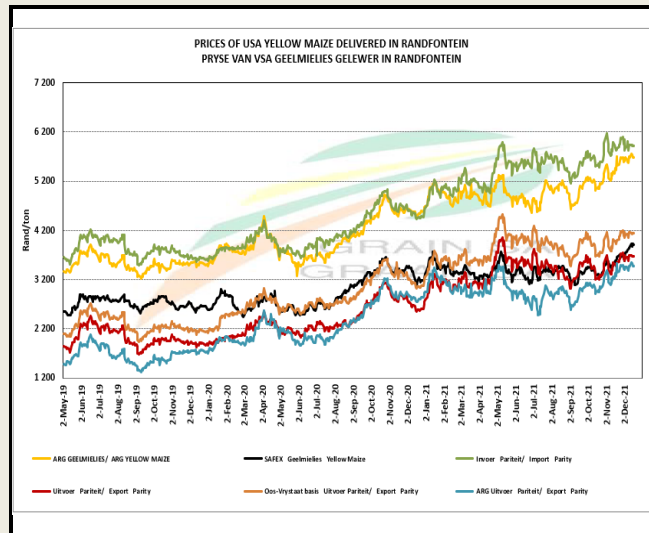


REFINITIV

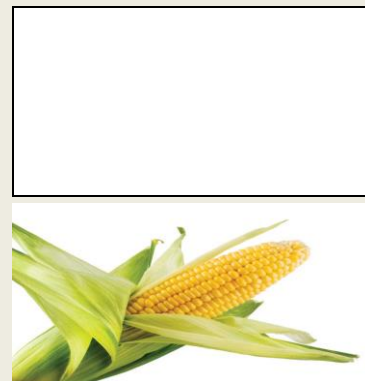
### South African Futures Exchange

|                            | MTM        | Volatility | Parity Change | Parity Price |
|----------------------------|------------|------------|---------------|--------------|
| <b>White Maize Future</b>  |            |            |               |              |
| Dec 2021                   |            |            |               |              |
| Mar 2022                   | R 3 670.00 | 31.5%      | R -61.06      | R 3 608.94   |
| May 2022                   | R 3 570.00 | 26.5%      | R -56.60      | R 3 513.40   |
| Jul 2022                   | R 3 539.00 | 24.75%     | R -53.39      | R 3 485.61   |
| Sep 2022                   | R 3 598.00 | 0%         | R -30.37      | R 3 567.63   |
| Dec 2022                   | R 3 673.00 | 23.25%     | R -21.97      | R 3 651.03   |
| Dec 2022                   | R 3 673.00 | 23.25%     | R -21.97      | R 3 651.03   |
| <b>Yellow Maize Future</b> |            |            |               |              |
| Dec 2021                   |            |            |               |              |
| Mar 2022                   | R 3 824.00 | 28.75%     | R -61.06      | R 3 762.94   |
| May 2022                   | R 3 612.00 | 24.5%      | R -56.60      | R 3 555.40   |
| Jul 2022                   | R 3 595.00 | 23%        | R -53.39      | R 3 541.61   |
| Sep 2022                   | R 3 646.00 | 21.5%      | R -30.37      | R 3 615.63   |
| Dec 2022                   | R 3 725.00 | 21%        | R -21.97      | R 3 703.03   |
| Dec 2022                   | R 3 725.00 | 21%        | R -21.97      | R 3 703.03   |

The local Maize market traded lower yesterday. The Mar'22 WMAZ contract ended R47.00 down and Mar'22 YMAZ closed R38.00 lower. The May'22 WMAZ closed lower by R3.00 and May'22 YMAZ ended R13.00 down. The parity move for the Mar'22 Maize contract for yesterday was R59.00 negative.



REFINITIV



DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limitedis provided to you for information purposes only.GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable.GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report.Neither GROCAPITAL AND AFGRI, nor any affiliate, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.

## Wheat Market

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

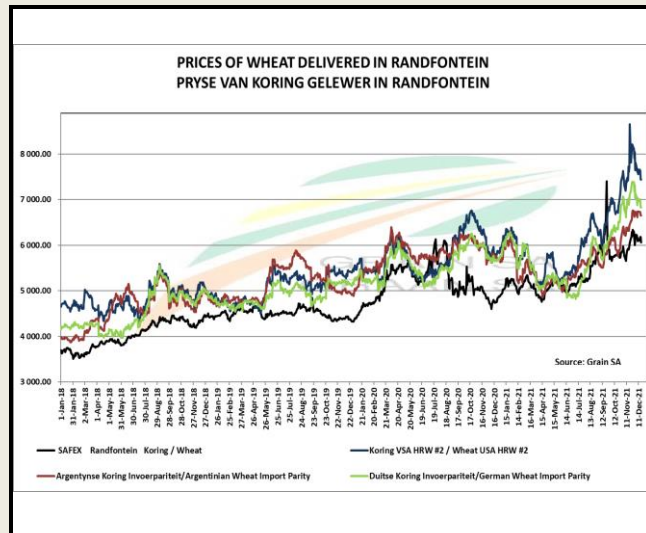
| CBOT Wheat |                |                    |                     |                               |                   |                                    |                            | KBOT Wheat |                |                    |                     |                               |                   |                                    |                            |
|------------|----------------|--------------------|---------------------|-------------------------------|-------------------|------------------------------------|----------------------------|------------|----------------|--------------------|---------------------|-------------------------------|-------------------|------------------------------------|----------------------------|
| 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   | 770.00         | 757.75             | The record d        | -12.25                        | 752.25            | -5.50                              | -17.75                     | MAR 2012   | 793.00         | 778.00             | The record          | -15.00                        | 770.25            | -7.75                              | -22.75                     |
| MAY 2022   | 773.00         | 760.25             | The record d        | -12.75                        | 754.25            | -6.00                              | -18.75                     | MAY 2012   | 792.00         | 779.00             | The record          | -13.00                        | 772.00            | -7.00                              | -20.00                     |
| JUL 2022   | 769.00         | 755.25             | The record d        | -13.75                        | 749.00            | -6.25                              | -20.00                     | JUL 2012   | 790.00         | 779.00             | The record          | -11.00                        | 772.50            | -6.50                              | -17.50                     |
| SEP 2022   | 771.00         | 758.00             | The record d        | -13.00                        | 751.25            | -6.75                              | -19.75                     | SEP 2012   | 792.00         | 782.25             | The record          | -9.75                         | 774.75            | -7.50                              | -17.25                     |
| DEC 2022   | 776.00         | 764.00             | The record d        | -12.00                        | 529.00            | -235.00                            | -247.00                    | DEC 2012   | 799.00         | 789.00             | The record          | -10.00                        | 784.50            | -4.50                              | -14.50                     |



FarmProgress - Wheat prices were slashed by as much as 1.8% after USDA reported larger-than-expected U.S. acres and higher-than-expected ending stocks, which triggered a round of technical selling. March Chicago SRW futures fell 13 cents to \$7.5725, March Kansas City HRW futures lost 14.5 cents to \$7.7725, and March MGEX spring wheat futures faded 7.75 cents to \$9.2050. USDA's first look at 2022 U.S. wheat acreage was calculated at 34.4 million acres – the largest U.S. winter wheat acreage since 2016's sowing of 36.1 million acres. Soft red winter wheat acres recorded the largest increase, rising over half a million acres to 7.07 million acres. USDA lowered its estimates for 2021/22 wheat exports by 15 million bushels, to 825 million bushels. The agency says all of those lost bushels comes from a reduction in hard red winter wheat exports. "U.S. wheat sales and shipments continue to be sluggish as U.S. wheat remains uncompetitive in several markets," the agency notes. Projected U.S. ending stocks for 2021/22 moved 30 million bushels higher, to 628 million bushels. That's still down 26% from a year ago and is at the lowest level since 2013/14. Ahead of Thursday morning's export report from USDA, analysts think the agency will show wheat sales ranging between 5.5 million and 16.5 million bushels for the week ending January 6.

### South African Futures Exchange

|                            | MTM        | Volatility | Parity Change | Parity Price |
|----------------------------|------------|------------|---------------|--------------|
| <b>Bread Milling Wheat</b> |            |            |               |              |
| Dec 2021                   |            |            |               |              |
| Mar 2022                   | R 6 009.00 | 20%        | R -147.63     | R 5 861.37   |
| May 2022                   | R 6 039.00 | 19.5%      | R -153.45     | R 5 885.55   |
| Jul 2022                   | R 6 055.00 | 11%        | R -160.23     | R 5 894.77   |
| Sep 2022                   | R 5 952.00 | 0%         | R -158.95     | R 5 793.05   |
| 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 R18.00 down and May'22 Wheat closed R16.00 lower. The parity move for the Mar'22 Wheat contract for yesterday was R142.00 negative.



DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limited is provided to you for information purposes only. GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable. GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report. Neither GROCAPITAL AND AFGRI, nor any affiliate, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.



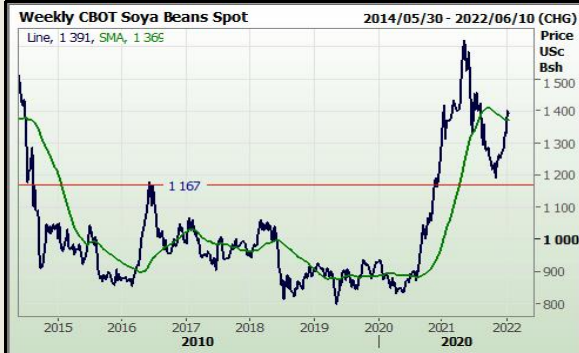
## Oil Seed Market

### 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 | Overnight Change from 12pm |
| JAN 2022          | 1371.50        | 1391.25            | The record          | 19.75                         | 902.00            | -489.25                            | -469.50                    |
| MAR 2022          | 1383.00        | 1399.25            | The record          | 16.25                         | 1391.50           | -7.75                              | 8.50                       |
| MAY 2022          | 1392.00        | 1408.25            | The record          | 16.25                         | 1400.25           | -8.00                              | 8.25                       |
| JUL 2022          | 1397.00        | 1413.75            | The record          | 16.75                         | 1406.25           | -7.50                              | 9.25                       |
| AUG 2022          | 1374.00        | 1390.75            | The record          | 16.75                         | 1381.25           | -9.50                              | 7.25                       |

| CBOT Soybean Meal |                    |                   |
|-------------------|--------------------|-------------------|
| Month             | Main Session Close | Current Overnight |
| JAN 2012          | 431                | 0.00              |
| MAR 2012          | 416.2              | 413.60            |
| MAY 2012          | 414.2              | 411.40            |
| JUL 2012          | 413.7              | 410.70            |
| AUG 2012          | 407.7              | 404.60            |

| CBOT Soybean Oil |                    |                   |
|------------------|--------------------|-------------------|
| Month            | Main Session Close | Current Overnight |
| JAN 2012         | 59.28              | 0.00              |
| MAR 2012         | 59.37              | 58.98             |
| MAY 2012         | 59.45              | 59.01             |
| JUL 2012         | 59.44              | 59.05             |
| AUG 2012         | 59.07              | 58.60             |



FarmProgress - Soybean prices firmed 1% on a round of technical buying after both USDA and Abiove lowered their estimates for Brazilian production as harvest there begins. January futures rose 15 cents to \$13.9175, with March futures up 12.5 cents to \$13.99.

Soybean basis bids climbed 9 cents higher at an Ohio elevator on Tuesday while holding steady elsewhere across the central U.S. today.

Private exporters announced to USDA the sale of 4.8 million bushels of soybeans for delivery to China during the 2022/23 marketing year, which begins September 1. USDA added 10 million bushels to its 2021 soybean production estimates, moving that number to 4.435 billion bushels. Analysts were expecting to see that number come in at 4.433 billion bushels. Average yields inched 0.2 bushels per acre higher, to 51.4 bpa. That was also slightly above the average trade guess of 51.3 bpa. Harvested area trended slightly below USDA's prior report, moving to 86.3 million acres.

And as expected, USDA noted reductions in production potential in South America. In Argentina, that meant a 111-million-bushel decline, with a new estimate of 1.708 billion bushels. In Brazil, the reduction totaled 184 million bushels, falling to 5.107 billion bushels. Some private consultancies have predicted an even steeper decline for Brazil, with some estimates falling below the 5-billion-bushel mark.

### South African Futures Exchange

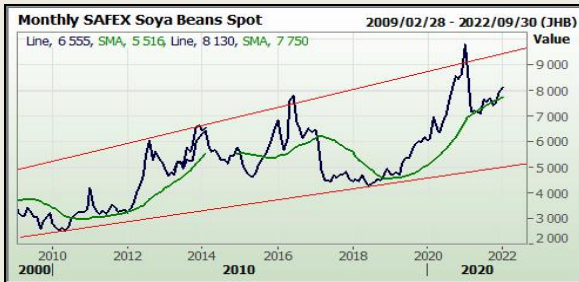
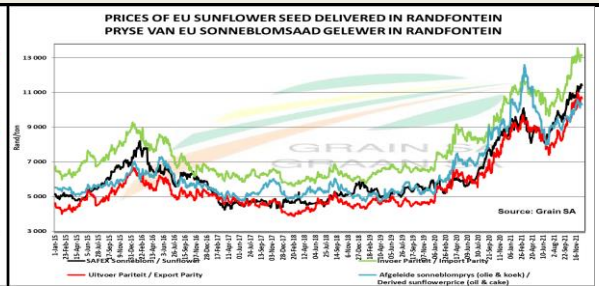
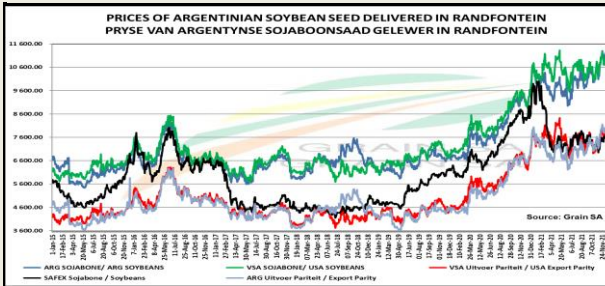
| Soybean Future |            |       |               |              |
|----------------|------------|-------|---------------|--------------|
|                | MTM        | Vols  | Parity Change | Market Price |
| Dec 2021       |            |       |               |              |
| Mar 2022       | R 8 102.00 | 20%   | R -38.01      | R 8 063.99   |
| May 2022       | R 7 977.00 | 23%   | R -39.98      | R 7 937.02   |
| Jul 2022       | R 8 068.00 | 24.5% | R -34.66      | R 8 033.34   |
| Sep 2022       | R 8 185.00 | 0%    |               | R 8 185.00   |
| Dec 2022       |            |       |               |              |

| Sunflower Seeds Future |             |      |
|------------------------|-------------|------|
|                        | MTM         | Vols |
| Dec 2021               |             |      |
| Mar 2022               | R 10 310.00 | 23%  |
| May 2022               | R 9 335.00  | 21%  |
| Jul 2022               | R 9 390.00  | 20%  |
| Sep 2022               |             |      |
| Dec 2022               |             |      |



The local Soya market traded higher yesterday. The Mar'22 Soya contract ended R42.00 up and May'22 Soya closed R12.00 higher. The parity move for the Mar'22 Soya contract for yesterday was R35.00 negative.

The local Suns market closed lower yesterday. The Mar'22 Suns contract closed R220.00 down and May'22 Suns closed R84.00 lower.



DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limited. It is provided to you for information purposes only. GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable. GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report. Neither GROCAPITAL AND AFGRI, nor any affiliate, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.