



# **Fundamental Report**

## **09 February 2022**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.4905	15.3432	-0.1473	-0.95%
Euro/Rand	17.6705	17.5426	-0.1279	-0.72%
GBPound/Rand	20.9793	20.8044	-0.1749	-0.83%
AusDollar/Rand	11.0432	10.9934	-0.0498	-0.45%
Euro/USDollar	1.1405	1.1429	0.0024	0.21%
GBPound/USDollar	1.3548	1.3557	0.0009	0.07%
AusDollar/USDollar	0.7129	0.7166	0.0037	0.52%
JpyYen/USDollar	115.3300	115.3800	0.0500	0.04%

BDLive - Metals and retailers led the JSE higher on Tuesday, while its global peers were mixed as markets struggle for direction amid conflicting signs about the US Federal Reserve's medium-term intentions.

Fed chair Jerome Powell has repeatedly stated that the bank will give advance notice of policy changes, but an increase in concern about inflation from Fed members recently has led to divergence in investors' expectations. The Fed is widely expected to hike rates in March, but beyond that things get unclear. A bumper profit from oil giant BP helped lift European stocks on Tuesday, but the euro was pegged back as the head of the European Central Bank, Christine Lagarde, tried to rein in interest rate hike expectations.

Oil and mining shares were among the biggest gainers on the pan-European Stoxx 600, after FTSE-listed BP reported a \$12.8bn annual profit, its highest in eight years, boosted by soaring gas and oil prices.



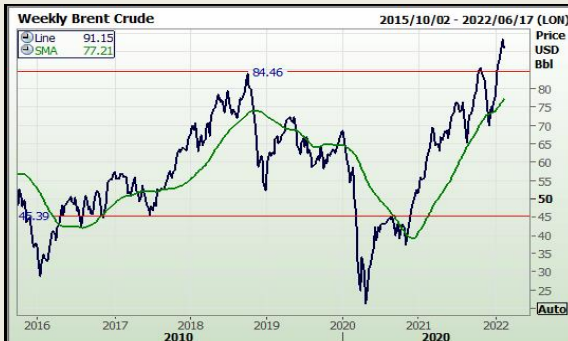
### Commodities

	Last	Value Change	% Change
Platinum	1030.64	-1.60	-0.16%
Gold	1827.89	2.41	0.13%
Silver	23.27	0.09	0.40%
Copper	4.47	0.01	0.16%
Gasoil	822.50	10.00	1.22%
Brent Oil	91.15	0.37	0.41%

BDLive - Bengaluru — Gold held steady on Tuesday as Russia-Ukraine concerns kept the safe-haven metal supported near the previous session's over one-week high, while markets await US inflation data that is crucial for the US Federal Reserve's tapering timeline.

Spot gold rose 0.1% to \$1,821.61 an ounce by 4.34am GMT, having risen to the highest level since January 26 on Monday. US gold futures were steady at \$1,822.50. "Geopolitical tensions surrounding Russia and Ukraine are pushing gold prices higher. Besides, investors are waiting for Thursday's US inflation data," said Margaret Yang, a strategist at DailyFX, adding that January inflation is projected to rise higher than December levels.

According to a Reuters poll, the US consumer price index for January is expected at an annual rise of 7.3%, which would be the largest such increase since 1982, and could pile on pressure on the Fed for aggressive tightening. Gold is considered a hedge against inflation and geopolitical risks, yet rate hikes would raise the opportunity cost of holding non-yielding bullion.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	69526.76	0.00	0.00%
ALSI	69778.00	0.00	0.00%
S&P 500	4483.87	37.67	0.84%
FTSE	7573.47	-6.40	-0.08%
CAC	7028.41	0.00	0.00%
DAX	15242.38	0.00	0.00%
Hang Seng	24329.49	495.91	2.04%



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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	633.00	632.25	The record	-0.75	637.50	5.25	4.50
MAY 2022	634.00	634.00	The record	0.00	636.25	2.25	2.25
JUL 2022	630.00	630.25	The record	0.25	631.25	1.00	1.25
SEP 2022	593.00	595.75	The record	2.75	595.00	-0.75	2.00
DEC 2022	579.00	582.00	The record	3.00	581.25	-0.75	2.25

FarmProgress - Corn prices spilled moderately lower after a round of technical selling and profit-taking today, closing with losses of 0.5%. March futures faded 3 cents to \$6.3225, with May futures down 3.5 cents to \$6.3375.

Corn basis bids were steady to mixed on Tuesday after falling 3 cents lower at two Midwestern processors and firming 5 cents higher at two interior river terminals today.

The February WASDE report sometimes fails to move the needle significantly on grain prices, but that might be different this time around, according to Farm Futures grain market analyst Jacqueline Holland. "There are still several key factors that farmers should keep an eye on in Wednesday's report, especially South American production and domestic corn and soybean stock volumes," she writes in today's E-corn-omics blog. "Volatility has been about the only consistent factor moving prices so far this year and the new round of USDA data could add to the recent market upheaval." Don't miss Holland's latest round of analysis - click here to learn more.

European Union corn imports during the 2021/22 marketing year reached 385.4 million bushels through February 6, according to the latest data from the European Commission. That's slightly below last year's pace so far. Ukraine supplied just over half of that total.

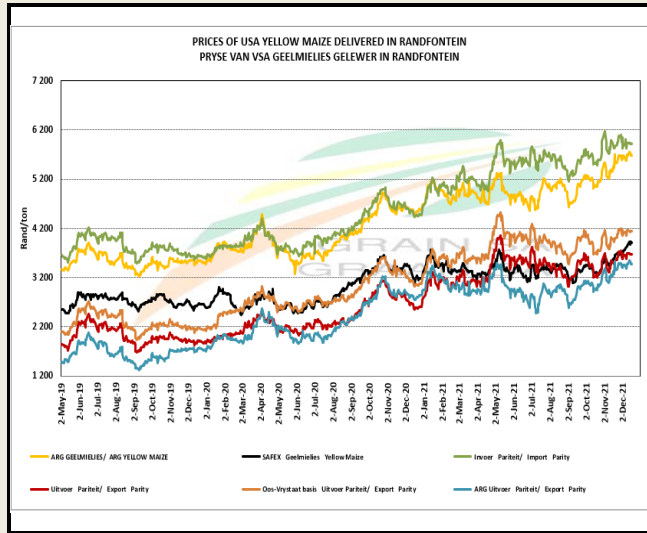


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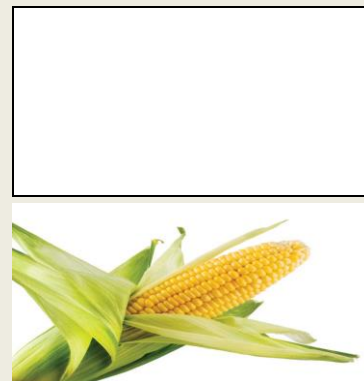
### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2021				
Mar 2022	R 3 671.00	26.5%	R -9.53	R 3 661.47
May 2022	R 3 626.00	26.5%	R -23.17	R 3 602.83
Jul 2022	R 3 636.00	24%	R -28.98	R 3 607.02
Sep 2022	R 3 693.00	0%	R -22.31	R 3 670.69
Dec 2022	R 3 774.00	23.25%	R -19.98	R 3 754.02
Dec 2022	R 3 774.00	23.25%	R -19.98	R 3 754.02
<b>Yellow Maize Future</b>				
Dec 2021				
Mar 2022	R 3 818.00	28%	R -9.53	R 3 808.47
May 2022	R 3 748.00	24.5%	R -23.17	R 3 724.83
Jul 2022	R 3 746.00	22.5%	R -28.98	R 3 717.02
Sep 2022	R 3 803.00	21.5%	R -22.31	R 3 780.69
Dec 2022	R 3 868.00	21%	R -19.98	R 3 848.02
Dec 2022	R 3 868.00	21%	R -19.98	R 3 848.02

The local Maize market traded lower yesterday. The Mar'22 WMAZ contract ended R32.00 down and Mar'22 YMAZ closed R25.00 lower. The May'22 WMAZ closed lower by R17.00 and May'22 YMAZ ended R16.00 down. The parity move for the Mar'22 Maize contract for yesterday was R9.00 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
MAR 2022	759.00	778.75	The record d	19.75	777.75	-1.00	18.75	MAR 2012	783.00	801.25	The record	18.25	802.75	1.50	19.75
MAY 2022	768.00	784.00	The record c	16.00	784.00	0.00	16.00	MAY 2012	788.00	804.50	The record	16.50	804.75	0.25	16.75
JUL 2022	762.00	777.00	The record c	15.00	776.00	-1.00	14.00	JUL 2012	790.00	806.50	The record	16.50	806.50	0.00	16.50
SEP 2022	765.00	777.75	The record c	12.75	778.00	0.25	13.00	SEP 2012	795.00	810.25	The record	15.25	807.25	-3.00	12.25
DEC 2022	771.00	782.25	The record c	11.25	529.00	-253.25	-242.00	DEC 2012	803.00	819.00	The record	16.00	817.50	-1.50	14.50



FarmProgress - Wheat prices got a solid boost after a round of technical buying today, with most contracts capturing double-digit gains by the close. March Chicago SRW futures gained 10.75 cents to \$7.7950, March Kansas City HRW futures rose 11 cents to \$8.0275, and March MGEX spring wheat futures climbed 18.75 cents to \$9.40.

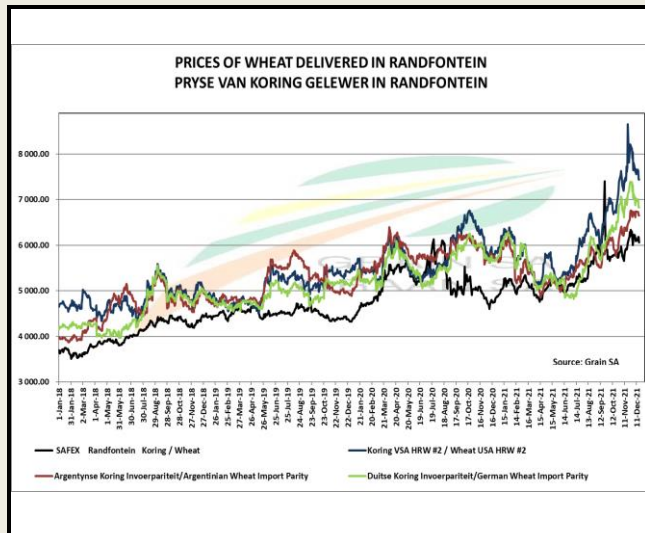
European Union soft wheat exports during the 2021/22 marketing year reached 621.7 million bushels through February 6, trending slightly higher year-over-year. France, Romania and Germany were the top three exporting nations. EU barley exports are also slightly above last year's pace, with 236.1 million bushels.

The results of a Statistics Canada farm survey were released earlier today, showing the country's all-wheat stocks were at 573.2 million bushels through December 31, which is a 38% reduction from a year earlier. That was also well below analyst estimates of 635.7 million bushels ahead of today's report.

Preliminary volume estimates were for 180,024 CBOT contracts, moving moderately above Monday's final count of 151,463.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2021				
Mar 2022	R 6 026.00	20%	R 64.63	R 6 090.63
May 2022	R 6 075.00	17%	R 48.64	R 6 123.64
Jul 2022	R 6 095.00	11%	R 37.69	R 6 132.69
Sep 2022	R 5 905.00	0%	R 31.89	R 5 936.89
Dec 2022				
<b>Cape Wheat</b>				
Dec 2021				
Mar 2022				
May 2022				
Jul 2022				
Sep 2022				
Dec 2022				



The local Wheat market closed mixed yesterday. The Mar'22 Wheat contract closed R6.00 down while May'22 Wheat closed R1.00 higher. The parity move for the Mar'22 Wheat contract for yesterday was R58.00 positive.



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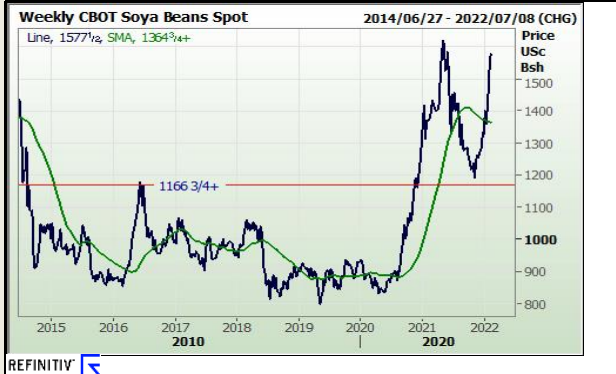
## Oil Seed Market

### 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	Overnight Change from 12pm
MAR 2022	1572.00	1569.00	The record	-3.00	902.00	-667.00	-670.00
MAY 2022	1576.00	1572.50	The record	-3.50	1578.75	6.25	2.75
JUL 2022	1572.00	1568.50	The record	-3.50	1574.75	6.25	2.75
AUG 2022	1535.00	1533.00	The record	-2.00	1538.75	5.75	3.75
SEP 2022	1458.00	1456.50	The record	-1.50	1460.00	3.50	2.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2012	454.1	457.20
MAY 2012	453.7	456.50
JUL 2012	452.8	455.80
AUG 2012	442.1	443.50
SEP 2012	425.3	426.30

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2012	63.35	63.13
MAY 2012	63.45	63.25
JUL 2012	63.25	63.04
AUG 2012	62.53	62.27
SEP 2012	61.7	61.30



FarmProgress - Soybean prices carved out a fresh eight-month high on Monday but retreated moderately lower today after some technical selling and profit-taking as traders braced for tomorrow morning's WASDE report and shrugged off two more large flash sales announced this morning. March futures fell 13 cents to \$15.6875, with May futures down 14.25 cents to \$15.72.

Soybean basis bids were mostly steady to firm after trending 4 to 6 cents higher at two interior river terminals and improving 5 cents at two other Midwestern locations on Tuesday.


Private exporters announced two more large soybean sales to USDA on Tuesday. The first was for 4.9 million bushels to China, and the second was for 12.2 million bushels to unknown destinations. Both sales are for delivery during the 2022/23 marketing year, which begins September 1. European Union soybean imports during the 2021/22 marketing year reached 293.2 million bushels through February 6, trending 11% below last year's pace so far. EU soy meal imports are also down year-over-year, at 9.85 million metric tons.

Preliminary volume estimates were for 308,703 contracts, sliding slightly below Monday's final count of 329,455.

### South African Futures Exchange

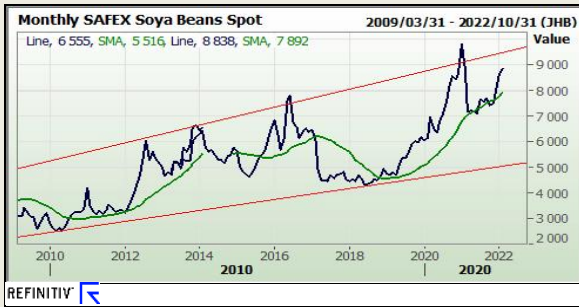
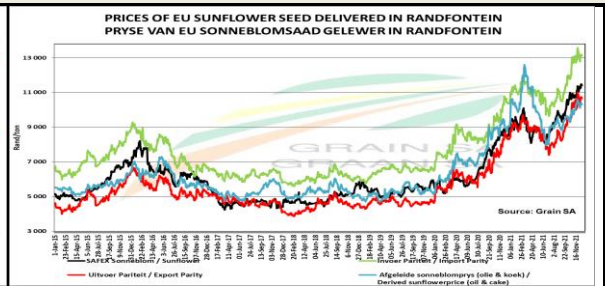
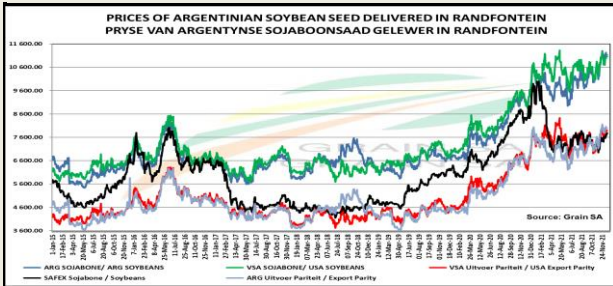
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2021				
Mar 2022	R 8 750.00	20%	R -3 862.31	R 4 887.69
May 2022	R 8 692.00	23%	R -69.80	R 8 622.20
Jul 2022	R 8 790.00	24.5%	R -69.58	R 8 720.42
Sep 2022	R 8 862.00	0%	R -67.64	R 8 794.36
Dec 2022				
Dec 2022				

Sunflower Seeds Future		
	MTM	Vols
Dec 2021		
Mar 2022	R 9 760.00	23.5%
May 2022	R 9 307.00	21%
Jul 2022	R 9 380.00	20%
Sep 2022		
Dec 2022		
Dec 2022		



The local Soya market traded higher yesterday. The Mar'22 Soya contract ended R49.00 up and May'22 Soya closed R51.00 higher. The parity move for the Mar'22 Soya contract for yesterday was R54.00 negative.

The local Suns market closed lower yesterday. The Mar'22 Suns contract closed R44.00 down and May'22 Suns closed R58.00 lower.



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