



Fundamental Report

13 June 2022

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.5734	15.9951	0.4217	2.71%
Euro/Rand	16.5034	16.7725	0.2691	1.63%
GBPound/Rand	19.3908	19.6279	0.2371	1.22%
AusDollar/Rand	11.0867	11.2206	0.1339	1.21%
Euro/USDollar	1.0595	1.0489	-0.0106	-1.00%
GBPound/USDollar	1.2453	1.2276	-0.0177	-1.42%
AusDollar/USDollar	0.7119	0.7015	-0.0104	-1.46%
JpyYen/USDollar	133.8200	134.8200	1.0000	0.75%

BDLive - The JSE weakened along with the US and European markets on Friday, while the rand fell the most in a month after US inflation data came in worse-than-expected.

The May consumer price index came in at its highest level since 1981, putting pressure on markets across the board. The report showed prices rising 8.6% year over year, and 6% for core inflation, which excludes food and energy prices. The market expectation was an increase of 8.3% for the main index and 5.9% for the core index.

Investors were keeping a close eye on the inflation report, which will be instrumental in shaping the US Federal Reserve's next move. Inflation has been surging all year, leading the Fed to raise rates to mitigate those pricing pressures. The US started raising rates in March and implemented a 50-basis-point hike in May, its largest in 22 years.



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Commodities

	Last	Value Change	% Change
Platinum	958.76	-14.49	-1.51%
Gold	1863.17	-7.79	-0.42%
Silver	21.65	-0.22	-1.02%
Copper	4.26	-0.04	-0.87%
Gasoil	1265.00	-16.75	-1.32%
Brent Oil	119.87	-2.14	-1.79%

BDLive - Bengaluru — Gold edged down on Friday and was set for a weekly fall, as treasury yields rose, with investors awaiting key monthly US inflation data for cues on the future of the Federal Reserve's monetary policy.

Spot gold eased 0.2% to \$1,844.78/oz at 3.11am GMT, while US gold futures eased 0.3% to \$1,848.10/oz. Benchmark US 10-year treasury yields edged up, hurting demand for zero-yield gold.

US consumer price index (CPI) data expected later in the day has market participants anxiously waiting for confirmation that decades-high inflation peaked in March. "The market is very much in consolidation mode this week ahead of tonight's key US CPI, which could significantly influence the Federal Reserve beyond September," said Stephen Innes, managing partner at SPI Asset Management.



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Financials

	Current Bid	Value Change	% Change
JSE TOP 40	61348.19	0.00	0.00%
ALSI	61353.00	0.00	0.00%
S&P 500	4017.82	-116.96	-2.91%
FTSE	7476.21	-158.69	-2.12%
CAC	6187.23	0.00	0.00%
DAX	13761.83	0.00	0.00%
Hang Seng	21806.18	-530.50	-2.43%



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Corn / Maize Market

Chicago Board of Trade

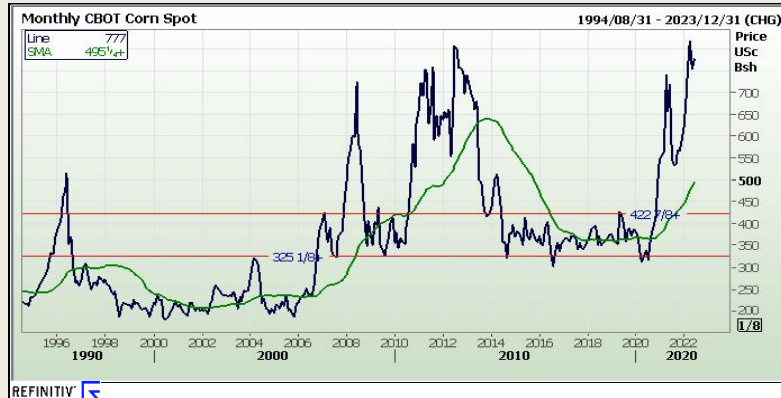
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2022	767.00	773.25	The record	6.25	777.00	3.75	10.00
SEP 2022	724.50	732.75	The record	8.25	736.25	3.50	11.75
DEC 2022	712.00	720.50	The record	8.50	725.00	4.50	13.00
MAR 2023	721.50	724.75	The record	3.25	728.75	4.00	7.25
MAY 2023	722.75	726.25	The record	3.50	731.50	5.25	8.75

FarmProgress - Corn prices fought through a choppy session to emerge with modest gains after USDA's WASDE report failed to show anything that would shock prices in either direction. (Click here to read our full coverage and exclusive analysis of the report's key numbers.) July futures picked up 0.25 cents to reach \$7.7325, while September futures added 3.5 cents to \$7.3275.

Corn basis bids were steady to firm after rising 2 to 10 cents higher at three Midwestern locations on Friday. An Illinois ethanol plant bucked the overall trend after dropping 5 cents today.

USDA's outlook for corn in today's WASDE report includes assumptions of "larger beginning stocks, slightly higher use and increased ending stocks," according to the June report. Beginning stocks increased by 45 million bushels, which is mostly due to a decline in exports this marketing year. Export expectations were lowered 50 million bushels, while food, seed and industrial use trended 5 million bushels higher.

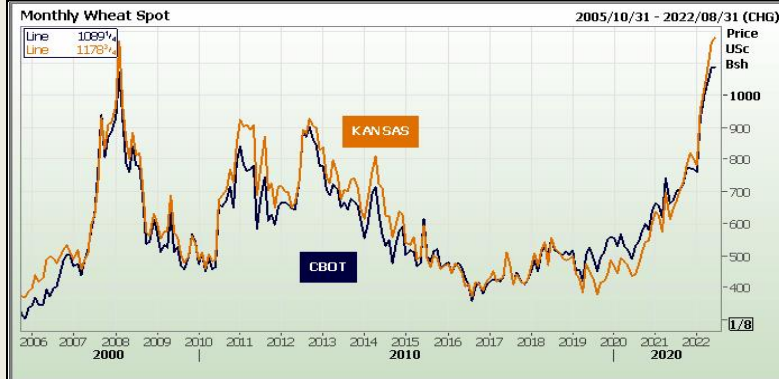
Domestic ending stocks for 2021/22 increased to 1.485 billion bushels, and 2022/23 ending stocks also moved higher, reaching 1.400 billion bushels. Analysts expected to see a modest decline for both numbers. The season-average farm price for producers held steady, at \$6.75 per bushel.



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 2022	1066.25	1070.75	The record c	4.50	1089.25	18.50	23.00	JUL 2012	1143.75	1162.50	The record	18.75	1178.75	16.25	35.00
SEP 2022	1079.50	1084.75	The record c	5.25	1102.50	17.75	23.00	SEP 2012	1152.75	1169.25	The record	16.50	1186.00	16.75	33.25
DEC 2022	1092.75	1098.00	The record c	5.25	1115.00	17.00	22.25	DEC 2012	1161.75	1177.25	The record	15.50	1191.50	14.25	29.75
MAR 2023	1101.25	1108.00	The record c	6.75	1124.50	16.50	23.25	MAR 2013	1171.75	1182.75	The record	11.00	1194.75	12.00	23.00
MAY 2023	1118.25	1112.00	The record c	-6.25	529.00	-583.00	-589.25	MAY 2013	1018.00	1176.50	The record	158.50	0.00	-1 176.50	-1 018.00



FarmProgress - Wheat prices moved mostly modestly higher on Friday after some technical buying on the heels of a mixed bag of USDA supply and demand data. July Chicago SRW futures picked up a penny to reach \$10.7225, July Kansas City HRW futures rose 10.25 cents to \$11.7250, and July MGEX spring wheat futures held steady at \$12.24.

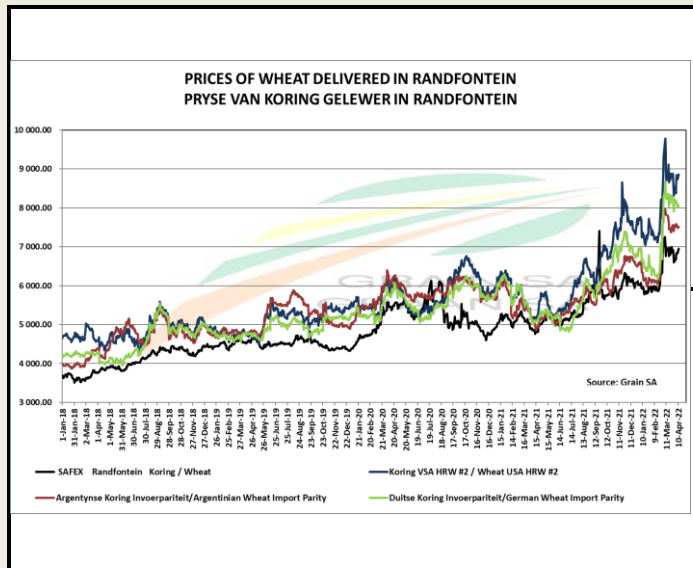
USDA's outlook for wheat includes a trend of increased supplies, steady domestic use, unchanged exports and higher stocks. Supplies firmed 8 million bushels from a month ago, reaching 1.737 billion bushels. In contrast, analysts were expecting to see a modest reduction, with an average trade guess of 1.713 billion bushels. 2022/23 ending stocks also moved 8 million bushels higher to reach 627 million bushels. The agency notes that this is still 4% lower from year-ago levels.

USDA projects the season-average farm price at \$10.75 per bushel, which is unchanged from May.

Russian consultancy IKAR increased its estimates for the country's 2022 wheat production, moving it to 3.197 billion bushels from its mid-May forecast of 3.123 billion bushels. It also raised its expectations for Russian wheat exports to 1.506 billion bushels.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Jul 2022	R 7 970.00	17%	R 300.39	R 8 270.39
Sep 2022	R 7 862.00	20.5%	R 302.44	R 8 164.44
Dec 2022	R 7 220.00	17%	R 300.09	R 7 520.09
Mar 2023	R 7 336.00	0%	R 307.28	R 7 643.28
May 2023				
Jul 2023				
Sep 2023				
Cape Wheat				
Jul 2022				
Sep 2022				
Dec 2022				
Mar 2023				
May 2023				
Jul 2023				
Sep 2023				



The local Wheat market closed lower yesterday. The Jun'22 Wheat contract closed R45.00 down and Jul'22 Wheat closed R30.00 lower. The parity move for the Jun'22 Wheat contract for yesterday was R295.00 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
JUL 2022	1757.50	1745.50	The record	-12.00	902.00	-843.50
AUG 2022	1668.50	1662.00	The record	-6.50	1654.25	-7.75
SEP 2022	1590.50	1584.25	The record	-6.25	1576.25	-8.00
NOV 2022	1569.25	1568.25	The record	-1.00	1558.75	-9.50
JAN 2023	1460.75	1570.50	The record	109.75	1559.50	-11.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2012	429.1	425.10
AUG 2012	417.6	414.20
SEP 2012	409.1	406.30
OCT 2012	401.4	399.70
DEC 2012	401.8	399.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2012	80.81	80.47
AUG 2012	78.46	78.21
SEP 2012	77.2	77.03
OCT 2012	76.34	76.20
DEC 2012	76.02	75.89



FarmProgress - Soybean prices eroded more than 1% lower on a round of profit taking despite USDA reporting healthy export demand and tightening stocks in today's WASDE report. Prices remain close to a decade-long high, meantime. July futures fell 21 cents to \$17.48, with August futures down 17.75 cents to \$16.62.

Soybean basis bids showed some volatility in either direction on Friday, tumbling as much as 20 cents lower at two interior river terminals while firming 10 cents higher at two Midwestern processors today.

USDA's latest outlook for soybeans saw lower beginning and ending stocks, plus higher prices. The agency raised its soybean export estimates by 30 million bushels to 2.17 billion, "reflecting strong export sales and a reduced export forecast for Brazil." That meant 2022/23 ending stocks fell 30 million bushels to 280 million, versus an average trade guess of 307 million.

USDA's new South American production estimates for 2021/22 increased. Brazilian production increased to 4.629 billion bushels, while Argentine production increased to 1.595 billion bushels.

China plans to auction off another 18.4 million bushels of its state reserves of imported soybeans on June 17 to replenish local supplies and quell high prices. The country has offered similar auctions regularly throughout 2022.

South African Futures Exchange

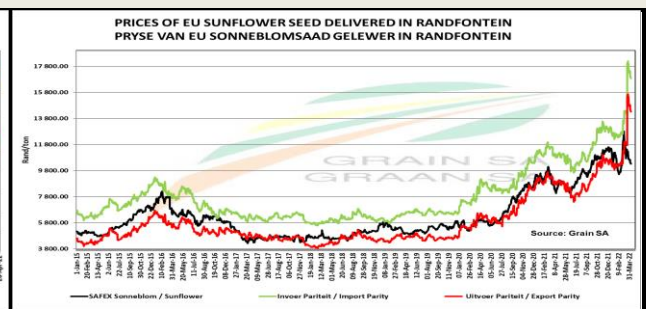
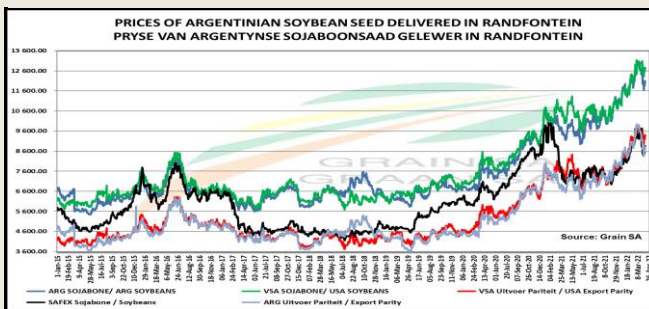
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Jul 2022	R 9 322.00	23%	R -4 755.62	R 4 566.38
Sep 2022	R 9 455.00	19%	R 162.70	R 9 617.70
Dec 2022	R 9 610.00	18.5%		R 9 610.00
Mar 2023	R 9 420.00	0%		R 9 420.00
May 2023	R 8 706.00	18%		R 8 706.00
Jul 2023				
Sep 2023				

Sunflower Seeds Future		
	MTM	Vols
Jul 2022	R 10 802.00	24.5%
Sep 2022	R 10 965.00	0%
Dec 2022	R 11 175.00	24%
Mar 2023	R 10 893.00	0%
May 2023	R 10 419.00	0%
Jul 2023		
Sep 2023		



The local Soya market traded higher yesterday. The Jun'22 Soya contract ended R129.00 up and Jul'22 Soya closed R123.00 higher. The parity move for the Jun'22 Soya contract for yesterday was R163.00 positive.

The local Suns market closed lower yesterday. The Jun'22 Suns contract closed R19.00 down and Jul'22 Suns closed R30.00 lower.



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