



# **Fundamental Report**

## **04 July 2022**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.3426	16.3347	-0.0079	-0.05%
Euro/Rand	17.0893	17.0348	-0.0545	-0.32%
GBPound/Rand	19.7196	19.7429	0.0233	0.12%
AusDollar/Rand	11.1260	11.1193	-0.0067	-0.06%
Euro/USDollar	1.0454	1.0426	-0.0028	-0.27%
GBPound/USDollar	1.2067	1.2092	0.0025	0.21%
AusDollar/USDollar	0.6808	0.6806	-0.0002	-0.03%
JpyYen/USDollar	135.6300	135.1600	-0.4700	-0.35%

BDLive - The rand traded at levels last seen in October 2020 on Friday, while the JSE weakened for a third session running as markets began the new month on the back foot.

As has been the theme of late, markets focused on surging inflation, rate hikes and Russia's invasion of Ukraine — all of which have helped fuel fears of a global recession.

"The risk aversion in markets due to global growth concerns driven by the very hawkish Fed and other central bankers has seen a flight to the safety of the dollar," said TreasuryONE currency strategist Andre Cilliers. "The rand weakness is also due to the Eskom problems just adding fuel to the fire."

The rand weakened for a fifth consecutive session, reaching an intraday worst of R16.4965/\$. At 6.13pm, the local unit was down 0.92% to R16.4218/\$ and 0.17% to R17.0872/€, while it was little changed at R19.7923/£. The euro was 0.72% weaker at \$1.0403.



### Commodities

	Last	Value Change	% Change
Platinum	886.39	-2.61	-0.29%
Gold	1811.53	1.35	0.07%
Silver	19.86	-0.01	-0.06%
Copper	3.60	-0.01	-0.21%
Gasoil	1225.50	-1.00	-0.08%
Brent Oil	111.54	-0.09	-0.08%

BDLive - Bengaluru — Gold prices edged lower on Friday, and were on track for a third straight weekly decline, as aggressive monetary policies from top central banks and an elevated US dollar kept investors away from greenback-priced bullion.

Spot gold was down 0.2% at \$1,804.26/oz at 2.58am GMT, after hitting a more than six-week low of \$1,801.50 in the previous session. US gold futures dipped 0.1% to \$1,805.00.

Gold prices, coming off their worst quarter since early 2021, have lost about 1.2% this week. Gold, catching a downdraft from the deflated commodity supercycle thanks to front-loaded Federal Reserve rate hikes and a still strong US dollar, is underperforming despite lower Treasury yields, said Stephen Innes, managing partner at SPI Asset Management.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	59640.36	0.00	0.00%
ALSI	59900.00	0.00	0.00%
S&P 500	3785.38	39.95	1.06%
FTSE	7169.28	-0.63	-0.01%
CAC	5931.06	0.00	0.00%
DAX	12813.03	0.00	0.00%
Hang Seng	21859.79	-137.77	-0.63%



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 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
JUL 2022	762.75	754.50	The record	-8.25	0.00	-754.50	-762.75
SEP 2022	633.25	619.75	The record	-13.50	0.00	-619.75	-633.25
DEC 2022	623.50	607.50	The record	-16.00	0.00	-607.50	-623.50
MAR 2023	630.25	613.75	The record	-16.50	0.00	-613.75	-630.25
MAY 2023	656.00	617.75	The record	-38.25	0.00	-617.75	-656.00

FarmProgress - Corn prices were mixed in some uneven technical maneuvering after traders adjusted their positions ahead of a three-day holiday weekend. July futures firmed 7 cents to reach \$7.5075, while September futures dropped 9.25 cents to \$6.1950.

Corn basis bids were mostly steady across the central U.S. on Friday but did pick up 2 cents at an Illinois river terminal while eroding 5 to 15 cents lower at two Midwestern ethanol plants today.

French farm office FranceAgriMer estimates that 83% of this season's crop is rated in good-to-excellent condition through June 27, easing a point lower from a week ago.

Argentina ended a weeklong trucking strike that was initiated due to diesel shortages. That will go a long way in jumpstarting the country's grain export pace. Truck volume to ports on Thursday increased 70% from a day earlier. Argentina is the world's No. 2 corn exporter and is a top seller of other commodities including soybeans and soy meal.

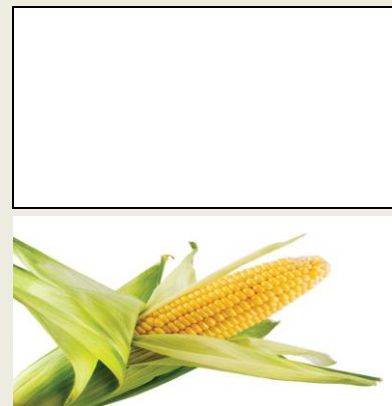
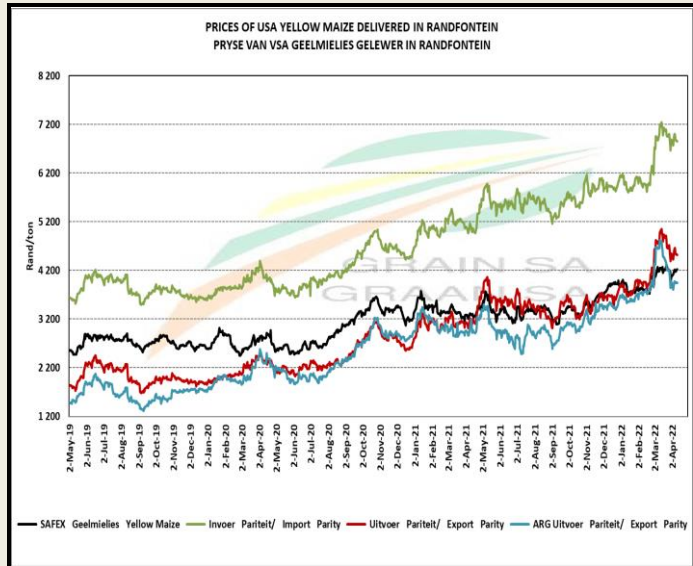
South Korea purchased 2.7 million bushels of corn from optional origins in a private deal earlier today. The grain is for arrival in October.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Jul 2022	R 4 349.00	26.5%	R -4 907.35	R -558.35
Sep 2022	R 4 394.00	25%	R -4 074.18	R 319.82
Dec 2022	R 4 452.00	24%	R -4 011.45	R 440.55
Mar 2023	R 4 422.00	23.5%	R -4 054.87	R 367.13
May 2023	R 4 163.00	13.5%	R -4 220.54	R -57.54
Jul 2023	R 4 091.00	23.25%		R 4 091.00
Sep 2023				
<b>Yellow Maize Future</b>				
Jul 2022	R 4 326.00	24%	R -4 907.35	R -581.35
Sep 2022	R 4 382.00	24.5%	R -4 074.18	R 307.82
Dec 2022	R 4 445.00	22.75%	R -4 011.45	R 433.55
Mar 2023	R 4 422.00	21.25%	R -4 054.87	R 367.13
May 2023	R 4 148.00	22%	R -4 220.54	R -72.54
Jul 2023	R 4 135.00	19.5%		R 4 135.00
Sep 2023				

The local Maize market traded lower yesterday. The Jul'22 WMAZ contract ended R10.00 down and Jul'22 YMAZ closed R14.00 lower. The Sep'22 WMAZ closed lower by R25.00 and Sep'22 YMAZ ended R9.00 down. The parity move for the Jul'22 Maize contract for yesterday was R29.00 negative.



**DISCLAIMER:** This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limited, 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
JUL 2022	938.00	831.25	The record c	-106.75	0.00	-831.25	-938.00	JUL 2012	985.00	911.00	The record	-74.00	0.00	-911.00	-985.00
SEP 2022	890.50	846.00	The record c	-44.50	0.00	-846.00	-890.50	SEP 2012	956.25	913.50	The record	-42.75	0.00	-913.50	-956.25
DEC 2022	906.75	862.50	The record c	-44.25	0.00	-862.50	-906.75	DEC 2012	966.50	921.50	The record	-45.00	0.00	-921.50	-966.50
MAR 2023	957.75	875.50	The record c	-82.25	0.00	-875.50	-957.75	MAR 2013	1012.75	927.50	The record	-85.25	0.00	-927.50	-1012.75
MAY 2023	975.25	883.25	The record c	-92.00	529.00	-354.25	-446.25	MAY 2013	1018.00	926.75	The record	-91.25	0.00	-926.75	-1018.00



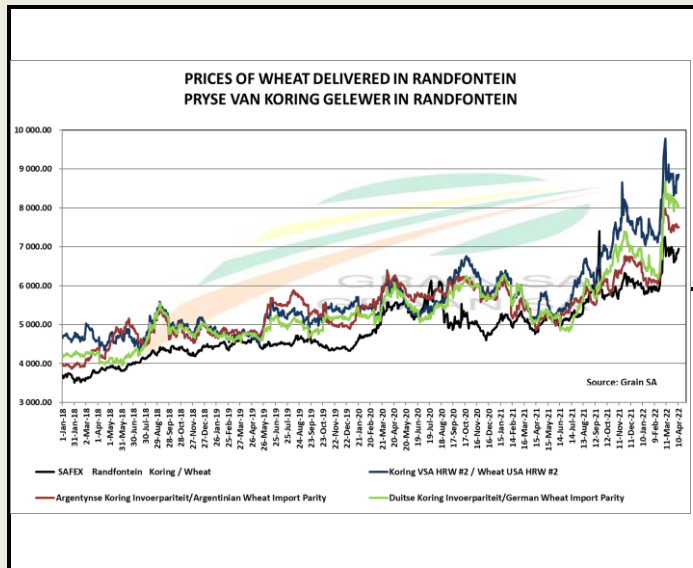
FarmProgress - Wheat prices continued to worsen on Friday, with harvest progress across the Northern Hemisphere and talks of a possible record-breaking production possible in Russia generating plenty of headwinds again today. September Chicago SRW futures fell 43 cents to \$8.41, September Kansas City HRW futures lost 43.75 cents to \$9.08, and September MGEX spring wheat futures dropped 40.25 cents to \$9.4975.

French consultancy Agritel offered a forecast for 2022/23 Russian wheat production. The group expects it to reach 3.138 billion bushels, which would be a year-over-year increase of more than 13%, if realized. Russia is the world's No. 1 wheat exporter.

Ukraine's total grain exports in June tumbled 43% lower year-over-year amid the country's ongoing struggles due to the Russian invasion. Port traffic is largely non-existent, forcing Ukraine to ship goods via rail (which is much less efficient).

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Jul 2022	R 7 553.00	17%	R -5 632.57	R 1 920.43
Sep 2022	R 7 459.00	20.5%	R -5 347.34	R 2 111.66
Dec 2022	R 7 001.00	18.5%	R -5 444.92	R 1 556.08
Mar 2023	R 7 105.00	0%	R -5 751.17	R 1 353.83
May 2023				
Jul 2023				
Sep 2023				
<b>Cape Wheat</b>				
Jul 2022				
Sep 2022				
Dec 2022				
Mar 2023				
May 2023				
Jul 2023				
Sep 2023				



The local Wheat market closed mixed yesterday. The Jul'22 Wheat contract closed R5.00 up while Sep'22 Wheat closed R6.00 lower. The parity move for the Jul'22 Wheat contract for yesterday was R303.00 negative.



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.



## 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	1672.75	1626.00	The record	-46.75	902.00	-724.00
AUG 2022	1556.75	1509.75	The record	-47.00	0.00	-1 509.75
SEP 2022	1486.25	1416.75	The record	-69.50	0.00	-1 416.75
NOV 2022	1451.25	1395.25	The record	-56.00	0.00	-1 395.25
JAN 2023	1476.50	1400.75	The record	-75.75	0.00	-1 400.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2012	459.7	0.00
AUG 2012	422.1	0.00
SEP 2012	401.2	0.00
OCT 2012	388.7	0.00
DEC 2012	389.2	0.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2012	65.68	0.00
AUG 2012	64.43	0.00
SEP 2012	63.35	0.00
OCT 2012	62.63	0.00
DEC 2012	62.38	0.00



FarmProgress - Soybean prices turned sour on Friday despite some bullish numbers from yesterday's big USDA reports. Favorable Midwestern forecasts were partly to blame for today's declines, along with lurking recession worries, which could dampen demand. July futures tumbled 53 points lower to \$16.22, with August futures down 50 cents to \$15.1050.

Soybean basis bids were steady across most Midwestern locations on Friday but did climb 10 cents higher at an Indiana processor today.

wChina plans to auction another 18.4 million bushels of its state reserves of imported soybeans on July 8. The country has offered a series of similarly sized auctions throughout 2022 in an effort to lower prices and boost local supplies.

Brazil's government reported that the country exported 372.2 million bushels of soybeans. That was a year-over-year decline of 8.5%. Brazil also exported 41.4 million bushels of corn last month.

### South African Futures Exchange

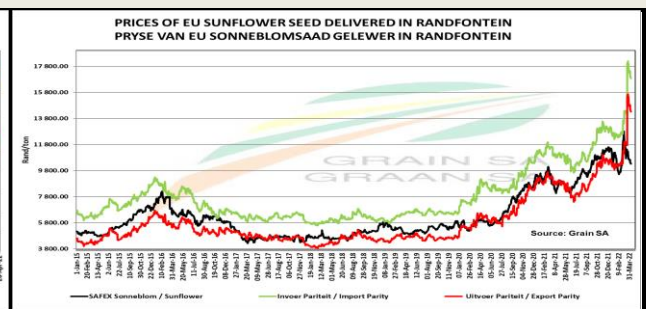
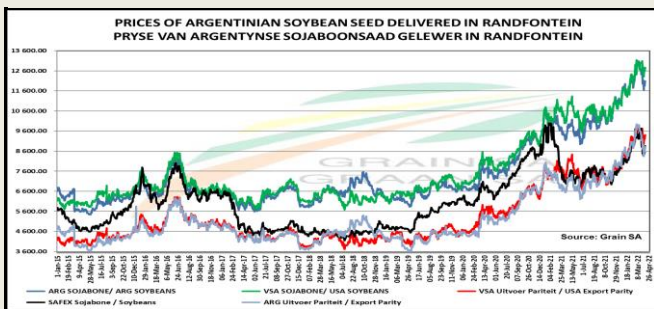
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Jul 2022	R 8 553.00	23%	R -4 630.88	R 3 922.12
Sep 2022	R 8 713.00	19%	R -8 924.75	R -211.75
Dec 2022	R 8 881.00	18.5%		R 8 881.00
Mar 2023	R 8 863.00	0%		R 8 863.00
May 2023	R 8 400.00	18%		R 8 400.00
Jul 2023				
Sep 2023				

Sunflower Seeds Future		
	MTM	Vols
Jul 2022	R 10 390.00	24.5%
Sep 2022	R 10 561.00	23.5%
Dec 2022	R 10 748.00	24%
Mar 2023	R 10 689.00	0%
May 2023	R 10 020.00	0%
Jul 2023		
Sep 2023		



The local Soya market traded lower yesterday. The Jul'22 Soya contract ended R33.00 down and Sep'22 Soya closed R18.00 lower. The parity move for the Jul'22 Soya contract for yesterday was R296.00 negative.

The local Suns market closed lower yesterday. The Jul'22 Suns contract closed R53.00 down and Sep'22 Suns closed R39.00 lower.



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.