



# **Fundamental Report**

## **22 August 2022**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.9621	16.9956	0.0335	0.20%
Euro/Rand	17.0857	17.0605	-0.0252	-0.15%
GBPound/Rand	20.1279	20.1028	-0.0251	-0.12%
AusDollar/Rand	11.7106	11.7270	0.0164	0.14%
Euro/USDollar	1.0071	1.0039	-0.0032	-0.32%
GBPound/USDollar	1.1869	1.1829	-0.0040	-0.34%
AusDollar/USDollar	0.6904	0.6899	-0.0005	-0.07%
JpyYen/USDollar	136.5700	137.1300	0.5600	0.41%

BDLive - The JSE ended in the red on Friday in line with its global peers as investors continue to try to make sense of mixed signals from the US Federal Reserve, continuing concern about monetary policy tightening and a possible recession in the world's largest economy despite cooling inflation. The JSE all share index closed down 1.82% to 69,719 points, the lowest since August 5, and down 1.4% for the week.

The top 40 fell by 1.89% to 62,974 points and the other major local indices ended in the red as most sectors fell, including financials, tech companies and stocks linked to commodities. The resources 10 and the industrial 25, which together account for the biggest share of the overall market, both fell as commodity prices dipped after reaching record highs in 2021. The uncertainty about China's economy, its zero Covid-19 policy and ongoing lockdowns to contain the spread of the virus also continue to dampen sentiment.



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### Commodities

	Last	Value Change	% Change
Platinum	894.58	-1.37	-0.15%
Gold	1745.28	-2.55	-0.15%
Silver	19.04	0.01	0.08%
Copper	3.67	0.01	0.19%
Gasoil	1076.25	-11.00	-1.02%
Brent Oil	95.46	-1.26	-1.32%

BDLive - Gold prices slipped to a three-week low on Friday and were set for their first weekly drop in five, as a stronger dollar and prospects of more rate hikes by the US Federal Reserve dented bullion's appeal. Spot gold was down 0.3% at \$1,752.89/oz, at 4.51am GMT, after falling to its lowest since July 28 at \$1,751.01 earlier in the session. For the week, the metal is down 2.7%. US gold futures fell 0.3% to \$1,766.20/oz. "Markets are expecting interest rates to go further up and of course the strong dollar is definitely weighing on gold prices at the moment," said Brian Lan, MD at dealer GoldSilver Central. "Many are staying on the sidelines expecting gold prices to go further down. Also, we've seen quite a bit of liquidation on the ETF (exchange-traded fund) side." The dollar surged to a one-month high against its rivals, making gold more expensive for buyers holding other currencies. The Fed needs to keep raising borrowing costs to bring high inflation under control, a string of US central bank officials said on Thursday, even as they debated how fast and how high to lift them.



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### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	62974.06	0.00	0.00%
ALSI	62808.00	0.00	0.00%
S&P 500	4283.74	-55.26	-1.29%
FTSE	7541.85	8.52	0.11%
CAC	6495.83	0.00	0.00%
DAX	13544.52	0.00	0.00%
Hang Seng	19773.03	39.49	0.20%



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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
SEP 2022	609.75	626.00	The record	16.25	625.25	-0.75	15.50
DEC 2022	614.50	623.25	The record	8.75	621.50	-1.75	7.00
MAR 2023	632.50	630.50	The record	-2.00	628.00	-2.50	-4.50
MAY 2023	616.50	633.25	The record	16.75	630.50	-2.75	14.00
JUL 2023	620.50	630.75	The record	10.25	627.50	-3.25	7.00

FarmProgress - Corn prices finished the week with losses of around 3%, despite making moderate inroads during Friday's session. A round of technical buying helped prices move more than 1% higher today. September futures added 7.25 cents to \$6.27, with December futures up 7.5 cents to \$6.2325.

Corn basis bids improved 5 cents at an Ohio elevator and firmed 1 to 3 cents at two interior river terminals while holding steady elsewhere across the central U.S. on Friday.

Argentina's 2021/22 corn production is expected to reach 2.047 billion bushels, according to the latest estimates from the Buenos Aires Grains Exchange, climbing 6% higher than the group's prior estimate from a week ago, due to better-than-expected yields in the Chaco and Salta provinces, along with an upward revision to planted acres. Harvest is around 98% complete.

Ukraine's 2022/23 grain exports are down almost 52% from a year ago, according to the country's agriculture ministry. The bulk of exports since the beginning of July is comprised of corn sales totaling 76.4 million bushels. Wheat exports totaled 28.8 million bushels over the same period, with barley exports reaching 11.8 million bushels.

French corn conditions continue to erode lower after another week of excessively hot, dry weather. French farm office FranceAgriMer reported today that only 50% of this season's crop is now rated in good-to-excellent condition through August 15, falling another three points lower from a week ago. Ratings have tumbled more than 30 points lower in recent weeks and is far below year-ago totals of 91%.

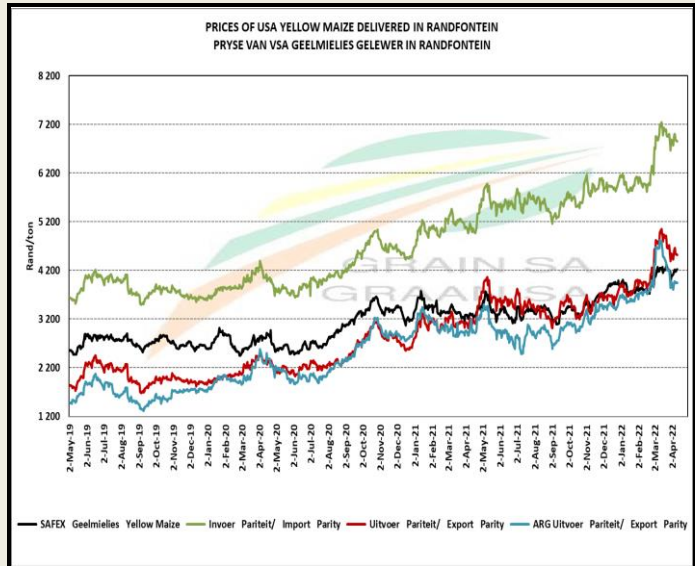


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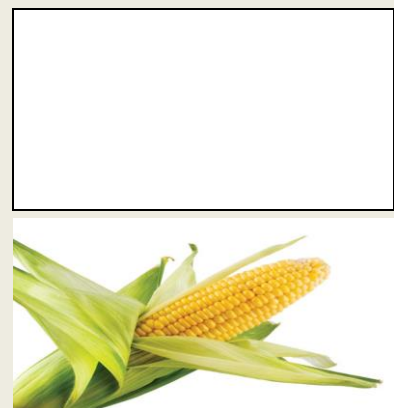
### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Jul 2022				
Sep 2022	R 4 275.00	27%	R 111.75	R 4 386.75
Dec 2022	R 4 346.00	20.75%	R 54.94	R 4 400.94
Mar 2023	R 4 339.00	23.75%	R -21.77	R 4 317.23
May 2023	R 4 052.00	13.5%	R 101.80	R 4 153.80
Jul 2023	R 4 073.00	22.5%	R 55.02	R 4 128.02
Sep 2023				
<b>Yellow Maize Future</b>				
Jul 2022				
Sep 2022	R 4 270.00	24.75%	R 111.75	R 4 381.75
Dec 2022	R 4 365.00	21.75%	R 54.94	R 4 419.94
Mar 2023	R 4 357.00	21.25%	R -21.77	R 4 335.23
May 2023	R 4 119.00	22%	R 101.80	R 4 220.80
Jul 2023	R 4 073.00	19.5%	R 55.02	R 4 128.02
Sep 2023				

The local Maize market traded higher yesterday. The Aug'22 WMAZ contract ended R34.00 up and Aug'22 YMAZ closed R47.00 higher. The Sep'22 WMAZ closed higher by R34.00 and Sep'22 YMAZ ended R50.00 up. The parity move for the Aug'22 Maize contract for yesterday was R53.00 positive.



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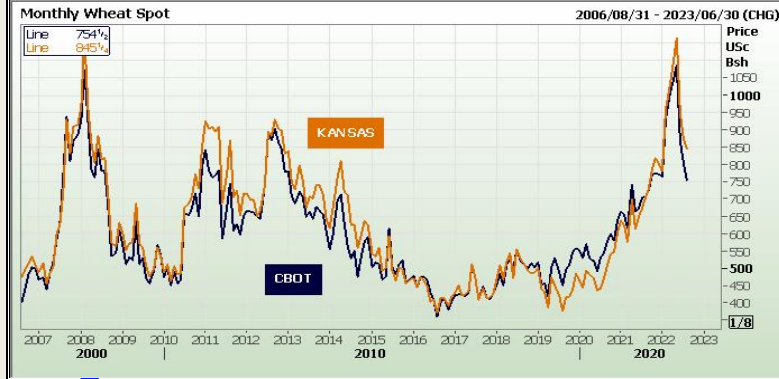


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## Wheat Market

### 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
SEP 2022	737.00	753.25	The record c	16.25	754.50	1.25	17.50	SEP 2012	879.25	844.75	The record	-34.50	845.25	0.50	-34.00
DEC 2022	755.00	771.00	The record c	16.00	772.75	1.75	17.75	DEC 2012	869.25	847.00	The record	-22.25	851.00	4.00	-18.25
MAR 2023	771.50	787.50	The record c	16.00	789.75	2.25	18.25	MAR 2013	825.25	847.50	The record	22.25	849.00	1.50	23.75
MAY 2023	838.50	797.50	The record c	-41.00	798.75	1.25	-39.75	MAY 2013	1054.50	847.75	The record	-206.75	849.75	2.00	-204.75
JUL 2023	784.50	797.75	The record c	13.25	529.00	-268.75	-255.50	JUL 2013	1018.00	840.00	The record	-178.00	838.75	-1.25	-179.25



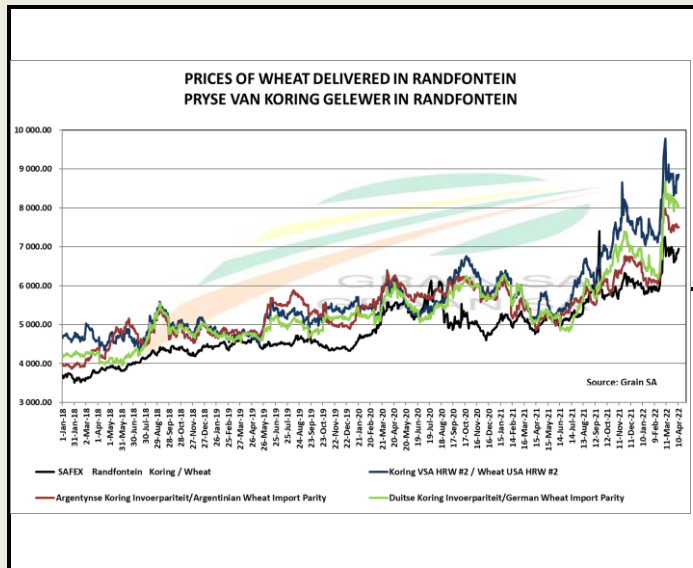
FarmProgress - Wheat prices climbed substantially higher on Friday, with most contracts finding gains ranging between 3% and 4% after a round of bargain buying today. That brought some much-needed relief after suffering heavy losses earlier this week. September Chicago SRW futures gained 21.75 cents to \$7.5325, September Kansas City HRW futures climbed 33.25 cents to \$8.4575, and September MGEX spring wheat futures rose 23.5 cents to \$8.7625.

Ukraine's 2022 wheat harvest is 91% complete, with a production of around 639.3 million bushels, according to grain traders union UGA, which added that the Russian invasion has created some ongoing challenges, especially in the east and south. Ukraine's total grain harvest could fall around 23% below 2021's record-breaking effort.

Japan will import nearly 500,000 bushels of feed-quality wheat for livestock use following a simultaneous buy-and-sell auction that was held earlier today. The country's agriculture ministry had initially sought up to 2.6 million bushels of feed wheat and 1.8 million bushels of feed barley in today's SBS auction. The grain is for arrival in Japan in late January.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Jul 2022				
Sep 2022	R 6 808.00	20.5%	R 118.36	R 6 926.36
Dec 2022	R 6 800.00	18.5%	R 120.14	R 6 920.14
Mar 2023	R 6 915.00	0%	R 123.46	R 7 038.46
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 lower yesterday. The Aug'22 Wheat contract closed R104.00 down and Sep'22 Wheat closed R68.00 lower. The parity move for the Aug'22 Wheat contract for yesterday was R119.00 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
SEP 2022	1485.00	1488.75	The record	3.75	902.00	-586.75
NOV 2022	1395.25	1404.00	The record	8.75	1405.00	1.00
JAN 2023	1447.50	1410.75	The record	-36.75	1411.50	0.75
MAR 2023	1389.50	1413.50	The record	24.00	1414.00	0.50
MAY 2023	1392.50	1415.75	The record	23.25	1416.25	0.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2012	448.7	451.10
OCT 2012	408	409.70
DEC 2012	402.3	403.80
JAN 2013	398.2	399.40
MAR 2013	391.3	392.30

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2012	67.9	68.12
OCT 2012	66.32	66.59
DEC 2012	65.7	65.93
JAN 2013	65.18	65.43
MAR 2013	64.48	64.74



FarmProgress - Soybean prices nearly overcame overnight losses of 7 to 12 cents, ending the session with narrowly mixed results after some uneven technical maneuvering today. Spillover strength from corn and wheat lent some support, although more forecasted rains applied some downward pressure. September futures dropped 4.75 cents to \$14.9075, while November futures picked up a penny to \$14.0625.

Soybean basis bids were mostly steady across the central U.S. on Friday but did slide a penny lower at an Ohio elevator today. Farmer sales have been generally sluggish this week.

China will again auction another 18.4 million bushels of its state imported soybean reserves on August 26. The country continues to regularly draw down its imported soybean stockpile in an attempt to boost local supplies and tamp down high prices.

Brazil is likely to have a bumper crop this coming season, even if weather is uncooperative, according to Matthew Kruse, president of Comstock Investments. "The odds favor a larger crop in Brazil simply because they will be starting with 4+ million more acres than last season," he notes. "That will help partially cover any production shortfall in Southern Brazil." Click here for more analysis from Kruse on the world's largest soybean producer.

### South African Futures Exchange

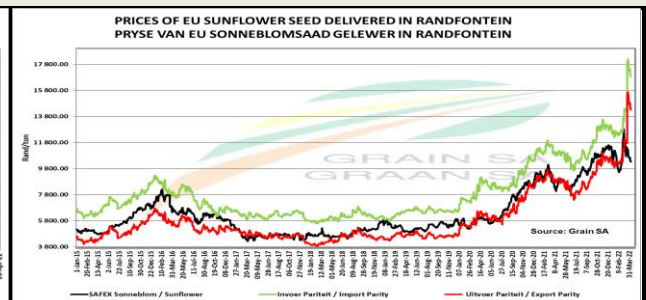
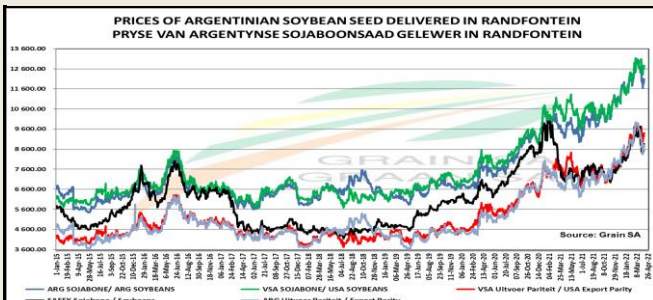
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Jul 2022				
Sep 2022	R 8 841.00	21%	R -3 622.45	R 5 218.55
Dec 2022	R 8 978.00	21%		R 8 978.00
Mar 2023	R 8 880.00	0%	R 170.10	R 9 050.10
May 2023	R 8 465.00	21%	R 165.45	R 8 630.45
Jul 2023				
Sep 2023				

Sunflower Seeds Future		
	MTM	Vols
Jul 2022		
Sep 2022	R 10 878.00	23.5%
Dec 2022	R 10 988.00	23.5%
Mar 2023	R 10 680.00	0%
May 2023	R 9 928.00	0%
Jul 2023		
Sep 2023		



The local Soya market traded higher yesterday. The Aug'22 Soya contract ended R104.00 up and Sep'22 Soya closed R89.00 higher. The parity move for the Aug'22 Soya contract for yesterday was R52.00 positive.

The local Suns market closed higher yesterday. The Aug'22 Suns contract closed R170.00 up and Sep'22 Suns closed R162.00 higher.



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