



# **Fundamental Report**

## **26 August 2022**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.0297	16.7599	-0.2698	-1.58%
Euro/Rand	16.9371	16.7083	-0.2288	-1.35%
GBPound/Rand	20.0910	19.8155	-0.2755	-1.37%
AusDollar/Rand	11.7760	11.6699	-0.1061	-0.90%
Euro/USDollar	0.9948	0.9967	0.0019	0.19%
GBPound/USDollar	1.1805	1.1824	0.0019	0.16%
AusDollar/USDollar	0.6915	0.6963	0.0048	0.69%
JpyYen/USDollar	136.4600	136.6700	0.2100	0.15%

BDLive - The JSE finished convincingly higher on Thursday after an action-packed session as the reporting cycle by SA companies is in full swing. The all share index gained 0.76% to 70,340.70 points, riding positive global market momentum after China pledged \$146bn in infrastructure spending to stimulate its economy, which has been hurt by stringent lockdown restrictions to curb the spread of Covid-19.

Mining and industrial shares did the heaving lifting locally, with Naspers jumping 6% to finish at R2,612.27, the biggest gain since July 7. Impala Platinum was up 3.61% to R187.50 and Anglo American Platinum added 2.53% to R1,264.80. Banking stocks had a decent session, gaining almost 1%, after coming off sharply in recent sessions, though the sell-off had come from a high base. But insurance stocks reversed gains to close 2.02% weaker after the Competition Commission said it was investigating at least eight of them for possible collusive behaviour.



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### Commodities

	Last	Value Change	% Change
Platinum	883.02	2.06	0.23%
Gold	1756.39	-2.05	-0.12%
Silver	19.24	-0.04	-0.21%
Copper	3.72	0.02	0.48%
Gasoil	1165.00	-9.00	-0.77%
Brent Oil	100.19	0.85	0.85%

BDLive - Bengaluru — Gold prices rose on Thursday, supported by a pullback in the dollar, while investors awaited guidance on interest rates by the US Federal Reserve from a key central bankers' meeting at Jackson Hole, Wyoming, this week.

Spot gold was up 0.3% at \$1,756.20/oz, at 4.14am GMT, while US gold futures gained 0.4% to \$1,769.20. The dollar was down 0.2%, making gold less expensive for buyers holding other currencies.

The benchmark US 10-year treasury yields held near multi-week highs hit in the previous session. Investors across financial markets are bracing for the US central bank to reiterate its commitment to tame inflation or signal a "pivot" to subdued interest rate hikes. Powell will address the annual global central banking conference at Jackson Hole on Friday.



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### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	63685.65	0.00	0.00%
ALSI	63449.00	0.00	0.00%
S&P 500	4140.77	58.35	1.41%
FTSE	7471.51	8.23	0.11%
CAC	6381.56	0.00	0.00%
DAX	13271.96	0.00	0.00%
Hang Seng	19968.38	142.41	0.71%



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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	671.00	657.50	The record	-13.50	664.00	6.50	-7.00
DEC 2022	666.00	650.00	The record	-16.00	656.75	6.75	-9.25
MAR 2023	665.50	656.00	The record	-9.50	662.50	6.50	-3.00
MAY 2023	671.00	656.75	The record	-14.25	663.00	6.25	-8.00
JUL 2023	651.50	653.00	The record	1.50	659.75	6.75	8.25

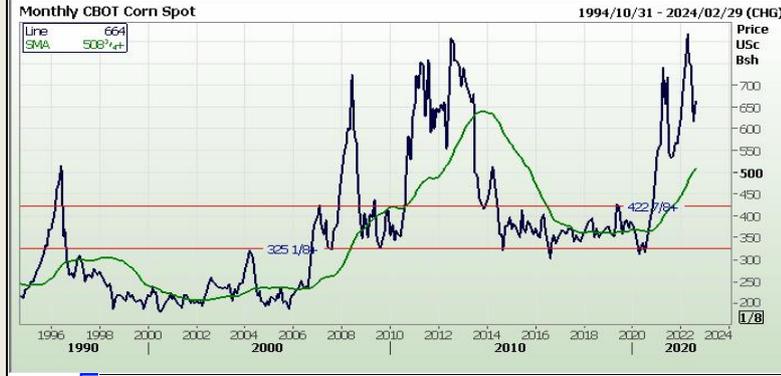
FarmProgress - Corn prices succumbed to a round of technical selling and profit-taking after coming close to two-month highs earlier in the week. Spillover weakness from wheat applied additional headwinds today. September futures dropped 7.75 cents to \$6.58, with December futures down 6.5 cents to \$6.5075.

Corn basis bids were mostly steady to weak after fading 5 cents lower at two Midwestern ethanol plants and an Illinois river terminal on Thursday. An Ohio elevator bucked the overall trend after tracking 3 cents higher today.

The European Commission lowered its forecast for 2022/23 corn production by nearly 10% to 2.335 billion bushels, likely due to the ongoing hot, dry weather that has plagued the continent this summer. EU corn imports during the current marketing year are expected to rise to 787.4 million bushels.

"After two years of rising input prices, an index of Illinois retail production cost averages for nitrogen, phosphate, potash and diesel supplies from June 2 to Aug. 11 dropped nearly 16%," notes Farm Futures grain market analyst Jacqueline Holland. Are enough factors in play to push prices even lower? Holland explores the possibility in her latest E-corn-omics blog – click here to learn more.

Preliminary volume estimates were for 298,672 contracts, tracking around 13% below Wednesday's final count of 344,997.

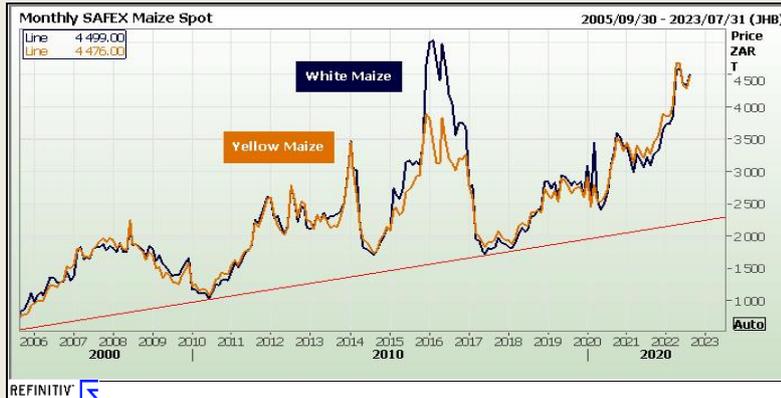
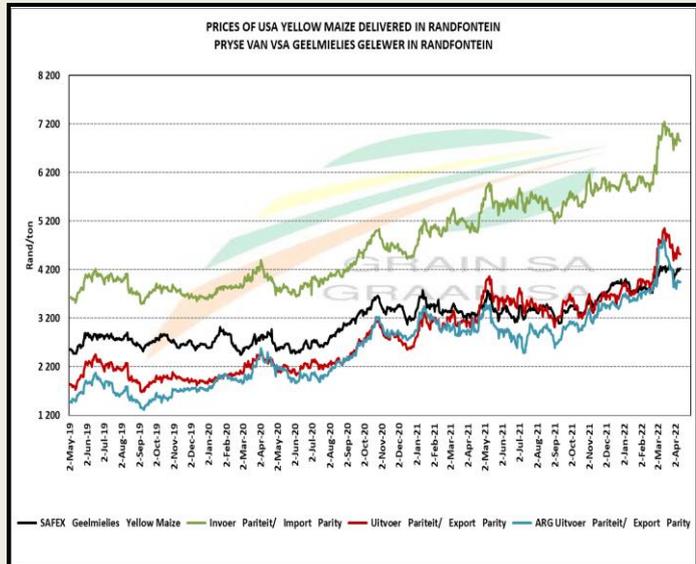


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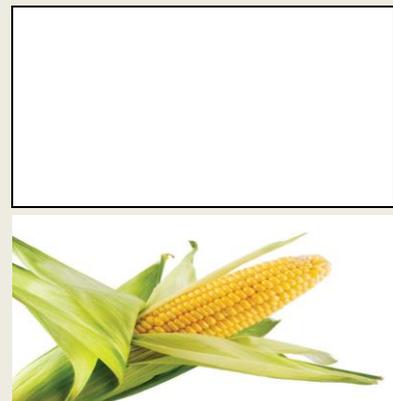
### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Jul 2022				
Sep 2022	R 4 499.00	27%	R -117.46	R 4 381.54
Dec 2022	R 4 580.00	23.5%	R -131.77	R 4 448.23
Mar 2023	R 4 571.00	23.75%	R -90.48	R 4 480.52
May 2023	R 4 258.00	13.5%	R -124.05	R 4 133.95
Jul 2023	R 4 276.00	22.5%	R -14.77	R 4 261.23
Sep 2023				
<b>Yellow Maize Future</b>				
Jul 2022				
Sep 2022	R 4 476.00	24.75%	R -117.46	R 4 358.54
Dec 2022	R 4 589.00	21.5%	R -131.77	R 4 457.23
Mar 2023	R 4 581.00	21.25%	R -90.48	R 4 490.52
May 2023	R 4 292.00	22%	R -124.05	R 4 167.95
Jul 2023	R 4 283.00	19.5%	R -14.77	R 4 268.23
Sep 2023				

The local Maize market traded mixed yesterday. The Aug'22 WMAZ contract ended R1.00 down and Aug'22 YMAZ closed R12.00 lower. The Sep'22 WMAZ closed higher by R21.00 while Sep'22 YMAZ ended unchanged. The parity move for the Aug'22 Maize contract for yesterday was R36.00 negative.



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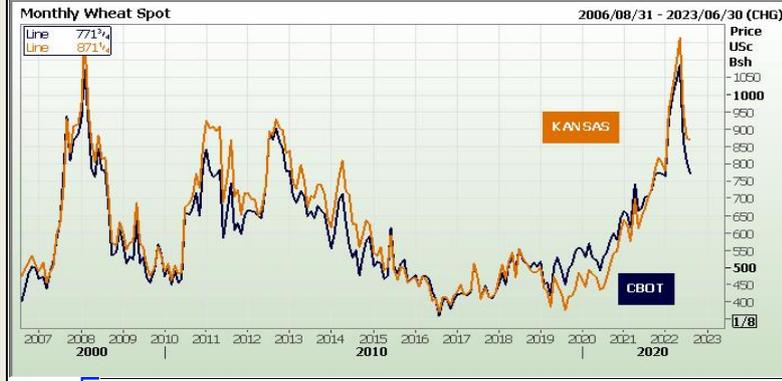


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## Wheat Market

### 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	782.50	769.75	The record c	-12.75	771.75	2.00	-10.75	SEP 2012	842.00	869.00	The record	27.00	871.25	2.25	29.25
DEC 2022	816.50	789.00	The record c	-27.50	790.50	1.50	-26.00	DEC 2012	866.25	866.25	The record	-3.00	867.25	1.00	-2.00
MAR 2023	832.75	804.50	The record c	-28.25	806.50	2.00	-26.25	MAR 2013	844.75	866.25	The record	21.50	864.75	-1.50	20.00
MAY 2023	838.50	813.75	The record c	-24.75	815.25	1.50	-23.25	MAY 2013	1054.50	865.50	The record	-189.00	864.25	-1.25	-190.25
JUL 2023	845.00	814.00	The record c	-31.00	529.00	-285.00	-316.00	JUL 2013	1018.00	854.75	The record	-163.25	857.50	2.75	-160.50



FarmProgress - Wheat prices succumbed to a round of technical selling and profit-taking after moving higher for four consecutive sessions. Some contracts lost as much as 3.5% today. September Chicago SRW futures fell 28 cents to \$7.67, September Kansas City HRW futures lost 28.25 cents to \$8.68, and September MGEX spring wheat futures faded 28 cents to \$8.7975.

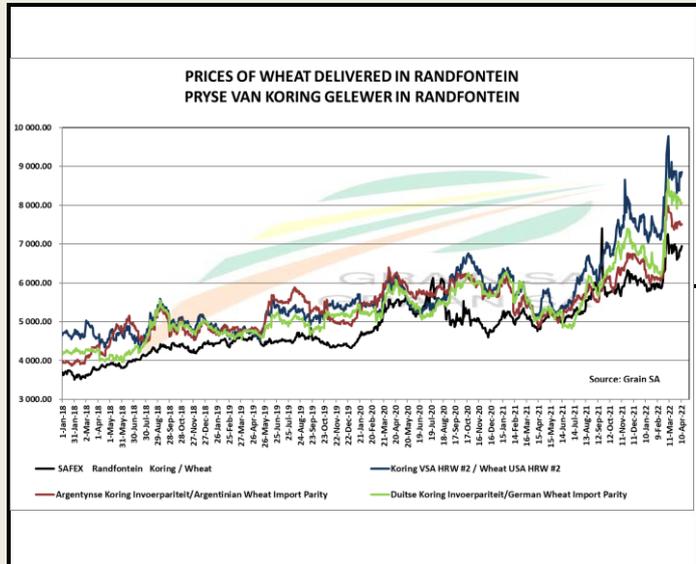
The European Commission moderately raised its outlook for 2022/23 EU wheat production to 4.630 billion bushels. The group held its estimates for soft wheat exports steady, at 1.323 billion bushels.

The Russian Union of Grain Exporters anticipates the country's July-August wheat sales will slump as much as 20% lower from year-ago totals. The union cites "invisible barriers" and other logistical challenges, despite the lack of sanctions following the Russian invasion of Ukraine.

As expected, Japan purchased 4.4 million bushels of food-quality wheat from the United States, Canada and Australia that closed earlier today. Of the total, 49% was sourced from the U.S. The grain is for shipment in October.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Jul 2022				
Sep 2022	R 6 945.00	20.5%	R -143.77	R 6 801.23
Dec 2022	R 6 971.00	16%	R -241.06	R 6 729.94
Mar 2023	R 7 109.00	0%	R -244.21	R 6 864.79
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 R35.00 down and Sep'22 Wheat closed R28.00 lower. The parity move for the Aug'22 Wheat contract for yesterday was R123.00 negative.



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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
SEP 2022	1547.00	1552.50	The record	5.50	902.00	-650.50	-645.00
NOV 2022	1478.75	1431.25	The record	-47.50	1439.00	7.75	-39.75
JAN 2023	1482.75	1436.25	The record	-46.50	1443.50	7.25	-39.25
MAR 2023	1458.50	1437.75	The record	-20.75	1445.25	7.50	-13.25
MAY 2023	1479.25	1438.50	The record	-40.75	1444.00	5.50	-35.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2012	458	461.00
OCT 2012	418.7	420.70
DEC 2012	414.3	415.70
JAN 2013	411.3	413.00
MAR 2013	404.7	406.40

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2012	69.09	69.09
OCT 2012	66.74	66.74
DEC 2012	65.91	65.89
JAN 2013	65.44	65.72
MAR 2013	64.82	64.72



FarmProgress - Soybean prices emerged from a choppy session with variable losses as traders struggled with (likely) data glitches in this morning's export report from USDA. Traders engaged in some technical selling after nearby contracts neared a one-month high on Wednesday. September futures dropped 7.5 cents to \$15.5325, with November futures down 27.25 cents to \$14.2975.

Soybean basis bids were steady across the Midwest on Thursday with one noticeable exception after tumbling 90 cents lower at an Iowa river terminal today.

Is predicting yield a fool's game? Josh Green was willing to ask that tough question. Green, a risk management advisor with Advance Trading, He follows that with another critical question: "With so many variables in the marketplace today, what is the best plan to help navigate a continuously changing global balance sheet?" Green offers some analysis that (hopefully) answers these questions in a recent Ag Marketing IQ blog - click here to learn more.

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### South African Futures Exchange

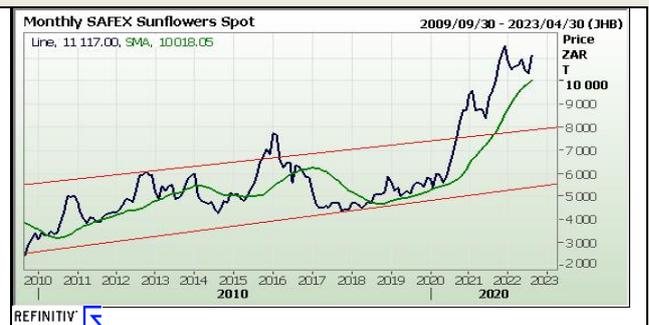
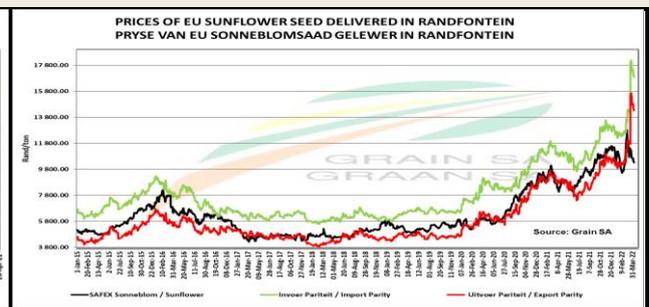
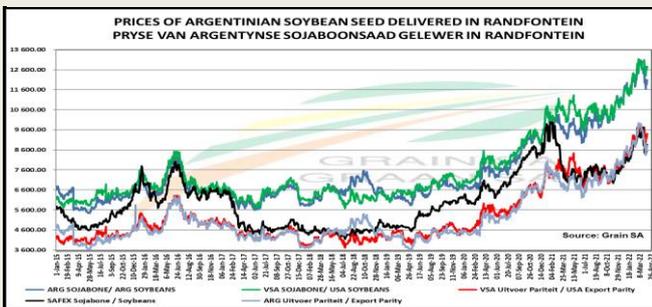
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Jul 2022				
Sep 2022	R 9 110.00	21%	R -4 125.40	R 4 984.60
Dec 2022	R 9 294.00	21%		R 9 294.00
Mar 2023	R 9 110.00	0%	R -226.18	R 8 883.82
May 2023	R 8 611.00	21%	R -363.72	R 8 247.28
Jul 2023				
Sep 2023				

Sunflower Seeds Future		
	MTM	Vols
Jul 2022		
Sep 2022	R 11 117.00	23.5%
Dec 2022	R 11 236.00	23.5%
Mar 2023	R 10 900.00	0%
May 2023	R 10 295.00	0%
Jul 2023		
Sep 2023		



The local Soya market traded lower yesterday. The Aug'22 Soya contract ended R160.00 down and Sep'22 Soya closed R159.00 lower. The parity move for the Aug'22 Soya contract for yesterday was R48.00 positive.

The local Suns market closed lower yesterday. The Aug'22 Suns contract closed R189.00 down and Sep'22 Suns closed R194.00 lower.



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