



# **Fundamental Report**

## **03 August 2022**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.5647	16.7217	0.1570	0.95%
Euro/Rand	16.9614	17.0333	0.0719	0.42%
GBPound/Rand	20.2360	20.3597	0.1237	0.61%
AusDollar/Rand	11.4661	11.5881	-0.1220	-1.06%
Euro/USDollar	1.0236	1.0186	-0.0050	-0.49%
GBPound/USDollar	1.2217	1.2182	-0.0035	-0.29%
AusDollar/USDollar	0.6922	0.6930	0.0008	0.12%
JpyYen/USDollar	130.8000	132.5000	1.7000	1.30%

BDLive - The JSE tracked weaker global markets as a visit by US House Speaker Nancy Pelosi to Taiwan attracted the ire of China which considers the island nation a rogue state.

Pelosi's visit to Taiwan on Tuesday has increased tension between the US and China, which only began to calm recently following the years-long trade war waged by former US president Donald Trump.

The JSE all share ended the day 0.93% weaker at 68,002 points with the biggest falls coming from industrial metals and mining, down 2.08%, and general retailers, which lost 2.87%.

Telkom was among the worst performers after it released a quarterly update showing group revenue fell 3.2% to R10.28bn to end-June, with core profit dropping 15.2% to R2.33bn and its fixed-line voice revenue by almost a fifth.



### Commodities

	Last	Value Change	% Change
Platinum	900.76	6.70	0.74%
Gold	1769.25	9.50	0.54%
Silver	19.99	0.04	0.18%
Copper	3.50	-0.02	-0.54%
Gasoil	1019.00	4.50	0.44%
Brent Oil	100.04	-0.50	-0.50%

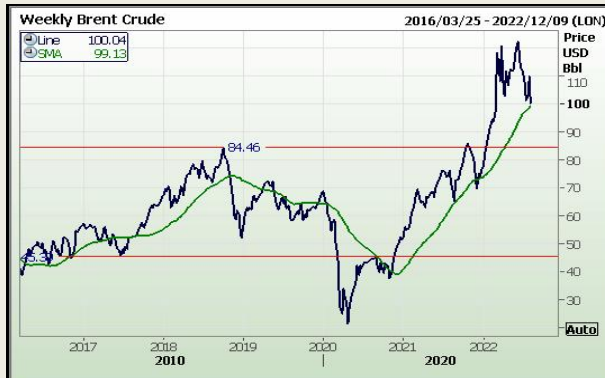
BDLive - Bengaluru — Gold prices notched a four-week high on Tuesday and extended their winning streak to a fifth session, as a dip in the US dollar and Treasury yields boosted demand for the safe-haven metal amid heightened worries over a global economic slowdown.

Spot gold was up 0.2% at \$1,774.38 an ounce at 4.02am GMT, after hitting its highest since July 5 at \$1,780.39 earlier in the session.

US gold futures gained 0.2% to \$1,790.80 an ounce.

The dollar weakened 0.2% to a near one-month low against its rivals, making greenback-denominated gold less expensive for other currency holders.

Benchmark US 10-year treasury yields dropped to a four-month low, reducing the opportunity cost of holding non-interest bearing gold.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	61588.20	0.00	0.00%
ALSI	61590.00	0.00	0.00%
S&P 500	4118.63	-27.44	-0.67%
FTSE	7413.42	-4.31	-0.06%
CAC	6409.80	0.00	0.00%
DAX	13449.20	0.00	0.00%
Hang Seng	19689.21	120.34	0.61%



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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	600.25	591.25	The record	-9.00	595.50	4.25	-4.75
DEC 2022	602.00	594.25	The record	-7.75	598.25	4.00	-3.75
MAR 2023	609.00	601.75	The record	-7.75	605.00	3.25	-4.50
MAY 2023	632.75	606.25	The record	-26.50	608.75	2.50	-24.00
JUL 2023	632.25	607.75	The record	-24.50	611.25	3.50	-21.00

FarmProgress - This morning, I noted that the corn market would need some bullish news today to keep nearby contract prices above the \$6/benchmark. That didn't happen during today's trading session as corn futures fell \$0.10-\$0.17/bushel to the \$5.90/bushel benchmark on better-than-expected condition ratings reported for U.S. crops yesterday, advancing Ukrainian grain supplies, showers across the Midwest over the next week, and broad economic concerns about U.S. House of Representatives Speaker Nancy Pelosi's controversial visit to Taiwan.

The latter factor, paired with additional global economic health concerns, helped prop up the dollar which further limited price gains for the ag commodity markets during today's trading session. Extended forecasts for the Midwest continue to point to hot and dry weather through the middle of the month, which helped to limit some of today's losses.

Cash corn prices were mixed across the Corn Belt today. Elevators and processors in the Eastern Midwest narrowed basis offerings while buyers in the Western Corn Belt widened their cash bids. Falling futures prices and uncertainty about crop sizes ahead of next week's WASDE reports deterred farmers from booking more cash sales.

The cargo vessel carrying the million bushels of corn out Ukraine that shipped early yesterday morning from the Odessa port anchored off the coast of Turkey this afternoon (U.S. time). The vessel is destined for Tripoli, Lebanon but will first be inspected for quality and safety in Turkey by U.N., Turkish, Russian, and Ukrainian officials.

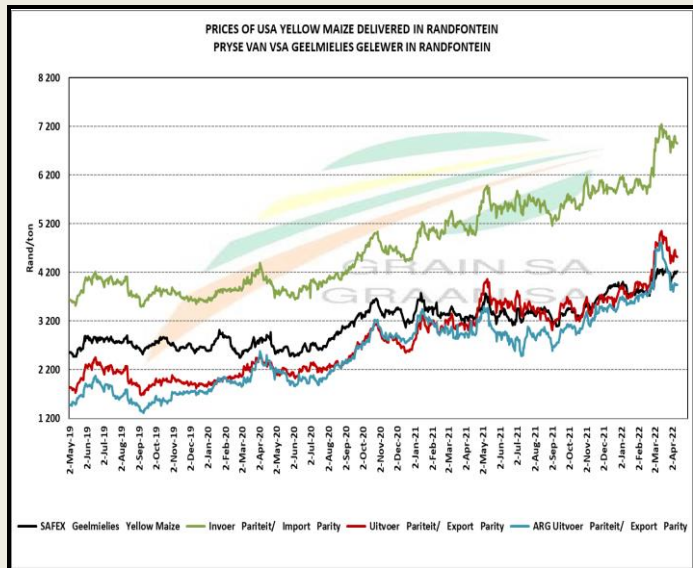


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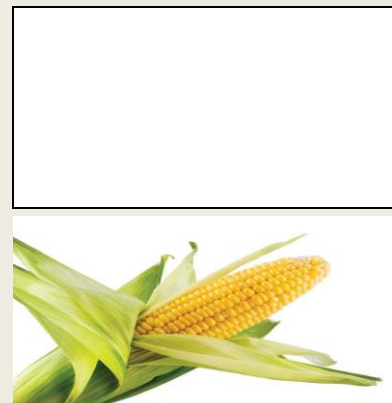
### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Jul 2022				
Sep 2022	R 4 220.00	26.5%	R 5.83	R 4 225.83
Dec 2022	R 4 281.00	23%	R 12.52	R 4 293.52
Mar 2023	R 4 276.00	23.75%	R 8.05	R 4 284.05
May 2023	R 4 110.00	13.5%	R -118.88	R 3 991.12
Jul 2023	R 4 054.00	22.5%	R -99.17	R 3 954.83
Sep 2023				
<b>Yellow Maize Future</b>				
Jul 2022				
Sep 2022	R 4 209.00	24.75%	R 5.83	R 4 214.83
Dec 2022	R 4 279.00	21.75%	R 12.52	R 4 291.52
Mar 2023	R 4 275.00	21.25%	R 8.05	R 4 283.05
May 2023	R 4 124.00	22%	R -118.88	R 4 005.12
Jul 2023	R 4 044.00	19.5%	R -99.17	R 3 944.83
Sep 2023				

The local Maize market traded lower yesterday. The Aug'22 WMAZ contract ended R41.00 down and Aug'22 YMAZ closed R37.00 lower. The Sep'22 WMAZ closed lower by R41.00 and Sep'22 YMAZ ended R36.00 down. The parity move for the Aug'22 Maize contract for yesterday was R1.00 positive.



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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	783.25	774.75	The record c	-8.50	780.00	5.25	-3.25	SEP 2012	881.00	842.25	The record	-38.75	847.00	4.75	-34.00
DEC 2022	802.50	794.00	The record c	-8.50	799.00	5.00	-3.50	DEC 2012	898.00	850.25	The record	-47.75	855.00	4.75	-43.00
MAR 2023	819.75	812.75	The record c	-7.00	817.75	5.00	-2.00	MAR 2013	852.00	856.50	The record	4.50	860.50	4.00	8.50
MAY 2023	874.00	823.25	The record c	-50.75	826.00	2.75	-48.00	MAY 2013	872.25	858.75	The record	-13.50	863.50	4.75	-8.75
JUL 2023	861.00	821.25	The record c	-39.75	529.00	-292.25	-332.00	JUL 2013	1018.00	850.75	The record	-167.25	854.25	3.50	-163.75



FarmProgress - The stronger dollar and continued optimism surrounding Black Sea grain flows sent Chicago wheat prices tumbling 3% lower in today's trading session. Spring wheat prices in Minneapolis moved lower on another ratings increase from USDA for spring wheat crops in the U.S. Northern Plains in yesterday's Crop Progress report.

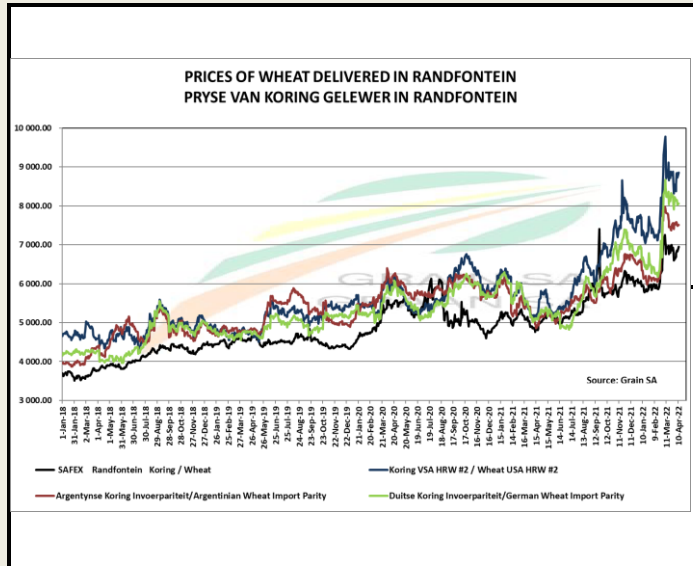
The day's losses were limited by robust global demand, as several international wheat buyers are taking advantage of this week's price downturn in the ag commodity markets.

Cash wheat prices for hard red winter wheat varieties in the Southern Plains held largely steady today, though a Texas rail terminal that feeds into the Gulf of Mexico export channel saw slightly weaker moving today, suggesting slowing export demand. Farmer sales were slow amid falling futures prices.

Algeria issued a tender to buy approximately 24.2 million bushels of wheat today, according to European traders. Algeria's state grains agency, OAIC, is likely to have paid around \$10.45/bushel including cost and freight according to traders as OAIC does not offer further details of the trade.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Jul 2022				
Sep 2022	R 7 197.00	20.5%	R 25.22	R 7 222.22
Dec 2022	R 7 026.00	18.5%	R 24.79	R 7 050.79
Mar 2023	R 7 126.00	0%	R 35.00	R 7 161.00
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 Aug'22 Wheat contract closed unchanged while Sep'22 Wheat closed R3.00 lower. The parity move for the Aug'22 Wheat contract for yesterday was R16.00 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
AUG 2022	1415.00	1569.25	The record	154.25	902.00	-667.25	-513.00
SEP 2022	1427.50	1415.75	The record	-11.75	1424.00	8.25	-3.50
NOV 2022	1396.75	1386.50	The record	-10.25	1397.00	10.50	0.25
JAN 2023	1457.75	1393.75	The record	-64.00	1403.50	9.75	-54.25
MAR 2023	1453.50	1394.00	The record	-59.50	1403.75	9.75	-49.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
AUG 2012	489.2	487.00
SEP 2012	434.2	435.90
OCT 2012	406.1	408.90
DEC 2012	403.1	405.90
JAN 2013	401.3	403.80

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
AUG 2012	65.2	0.00
SEP 2012	62.33	63.08
OCT 2012	61.55	62.32
DEC 2012	61.39	62.10
JAN 2013	61.27	61.95



FarmProgress - Soybean prices dipped \$0.15-\$0.24/bushel lower during today's trading session. September 2022 futures prices hovered near the \$14.10/bushel benchmark at last glance, but deferred contract months all fell below the \$14/bushel benchmark during today's trading session.

The key reason for soybean's price decline today was an unexpected rating increase from USDA for U.S. soybean crops in yesterday's Crop Progress report. Some spillover weakness from lower corn, wheat, and edible oils markets also factored into the day's losses.

Falling palm oil prices also had a bearish impact on the soy complex overnight, as top exporter Indonesia raised its export volume prospects.

The soybean market is likely to be especially sensitive to any potential outcomes of Speaker Pelosi's visit to Taiwan over the next couple days. China has threatened retaliatory countermeasures in response to Pelosi's engagement with Taiwan. While Chinese officials have not specified with these measures will entail, based on the recent agreement China has made with Brazil to allow soybean imports from the South American country, it seems likely that measures on soybean trade are likely on the table.

### South African Futures Exchange

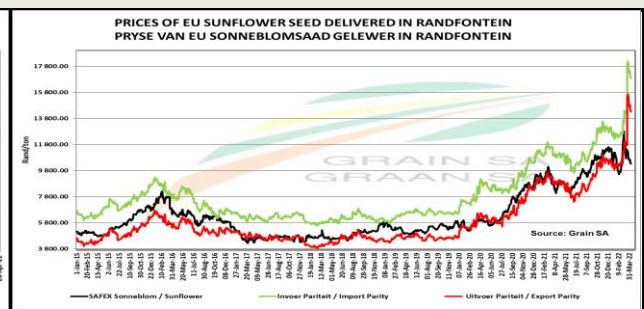
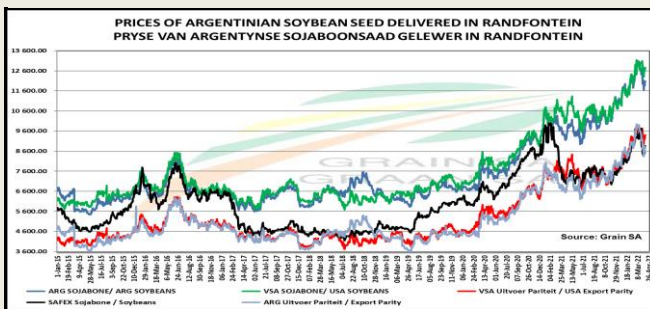
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Jul 2022				
Sep 2022	R 8 566.00	21%	R 60.84	R 8 626.84
Dec 2022	R 8 648.00	20%		R 8 648.00
Mar 2023	R 8 560.00	0%	R -221.82	R 8 338.18
May 2023	R 8 100.00	21%		R 8 100.00
Jul 2023				
Sep 2023				

Sunflower Seeds Future		
	MTM	Vols
Jul 2022		
Sep 2022	R 10 339.00	23.5%
Dec 2022	R 10 470.00	24%
Mar 2023	R 10 228.00	0%
May 2023	R 9 641.00	0%
Jul 2023		
Sep 2023		



The local Soya market traded lower yesterday. The Aug'22 Soya contract ended R269.00 down and Sep'22 Soya closed R268.00 lower. The parity move for the Aug'22 Soya contract for yesterday was R55.00 positive.

The local Suns market closed lower yesterday. The Aug'22 Suns contract closed R154.00 down and Sep'22 Suns closed R150.00 lower.



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