



# **Fundamental Report**

## **14 September 2022**

## Financial Markets

### Financials

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.1022	17.4325	0.3303	1.93%
Euro/Rand	17.3528	17.4104	0.0576	0.33%
GBPound/Rand	19.9647	20.0562	0.0915	0.46%
AusDollar/Rand	11.6950	11.7303	0.0353	0.30%
Euro/USDollar	1.0145	0.9989	-0.0156	-1.54%
GBPound/USDollar	1.1677	1.1505	-0.0172	-1.47%
AusDollar/USDollar	0.6871	0.6728	-0.0143	-2.08%
JpyYen/USDollar	143.8600	144.4000	0.5400	0.38%

BDLive - The JSE sank more than 2% on Tuesday, the most since mid-July, after US inflation data came in worse than expected. The news also hammered the rand, which plummeted almost 2% in value against the dollar. While US headline inflation slowed to 8.3% year on year in August from 8.5% in July, core inflation — which excludes volatile energy and food and is the Federal Reserve's preferred measure of prices — accelerated to 6.3% from 5.9%.

US stocks slumped on the news, with technology shares taking the biggest hit, as investors bet that the central bank was almost certain to hike rates by 75 basis points at its September 20-21 policy meeting. Money markets are now pricing in at least a 75 bps increase in rates, with a 23% chance of a 100 bps hike, while expecting rates to peak at about 4.28% in March 2023.

"Until we get inflation prints, not just one, but two, three, maybe four, moving downward steadily, that's when we can call a trend and the Fed may feel some comfort in at least taking a pause," said Mona Mahajan, senior investment strategist at Edward Jones.



### Commodities

	Last	Value Change	% Change
Platinum	881.03	2.53	0.29%
Gold	1700.62	-0.93	-0.05%
Silver	19.28	-0.04	-0.21%
Copper	3.54	-0.02	-0.57%
Gasoil	1036.00	-21.50	-2.08%
Brent Oil	92.98	-0.19	-0.20%

BDLive - Bengaluru — Gold prices ticked lower on Tuesday, as cautious investors awaited US inflation data to get clues on how aggressive the Federal Reserve needs to be in raising interest rates.

Spot gold fell 0.2% to \$1,721.49 an ounce by 3:02am GMT. Prices had hit a two-week high at \$1,734.99 in the previous session as the dollar fell. US gold futures were down 0.5% at \$1,732.

"There are expectations for inflation to become a lot softer and that could help gold actually run a little bit further as expectations could then be for less aggressive Fed hikes after the September meeting," said Matt Simpson, senior market analyst at City Index. However "a more volatile move will come if we don't see that happen and that's where you could see gold really come under pressure. For us to be confident that bulls have regained control, we probably need to see gold break above \$1,740," Simpson said.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	61706.56	0.00	0.00%
ALSI	61585.00	0.00	0.00%
S&P 500	4110.41	-177.72	-4.32%
FTSE	7473.03	-87.17	-1.17%
CAC	6245.69	0.00	0.00%
DAX	13188.95	0.00	0.00%
Hang Seng	19326.86	-508.40	-2.63%



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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	670.75	709.00	The record	38.25	0.00	-709.00	-670.75
DEC 2022	686.25	692.75	The record	6.50	690.00	-2.75	3.75
MAR 2023	675.75	697.25	The record	21.50	694.75	-2.50	19.00
MAY 2023	676.75	697.75	The record	21.00	695.75	-2.00	19.00
JUL 2023	679.75	691.75	The record	12.00	689.75	-2.00	10.00

FarmProgress - Corn prices stayed near three-month highs but tilted moderately lower Tuesday amid spillover weakness from severe Wall St. losses today. September futures fell 3.25 cents to \$7.09, with December futures down 5.25 cents to \$6.9075.

Corn basis bids were mostly steady to weak across the central U.S. after spilling 5 to 15 cents low at four Midwestern locations on Tuesday. An Iowa processor bucked the overall trend after climbing 20 cents higher today.

Analysts expected corn ratings to hold steady from a week ago, but USDA lowered them by a point in yesterday's crop progress report, leaving 53% of the crop in good-to-excellent condition through Sunday. Another 27% is rated fair (unchanged from last week), with the remaining 20% rated poor or very poor (up a point from last week).

Nearly all (95%) of this season's corn crop has reached the dough stage, versus a prior five-year average of 96%. Seventy-seven percent is dented (prior five-year average is 79%), and 25% is fully mature (prior five-year average is 30%). Harvest progress reached 5%, which is one point faster than the prior five-year average of 4% so far.

Brazil's Aneq expects the country's corn exports to reach 310.2 million bushels in September. That forecast is up 24.9% from Aneq's prior estimate made a week earlier.

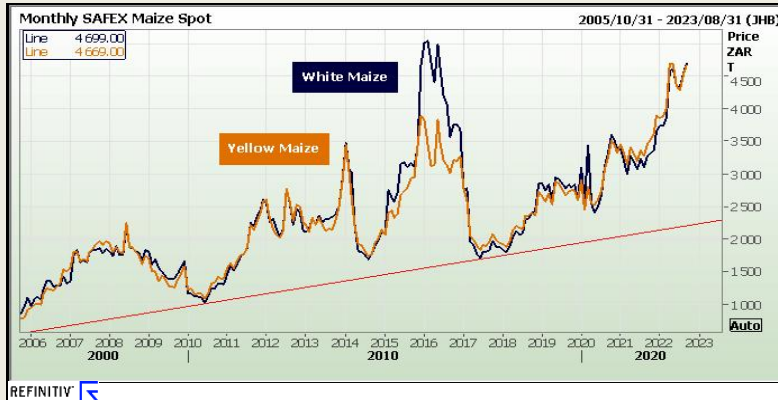
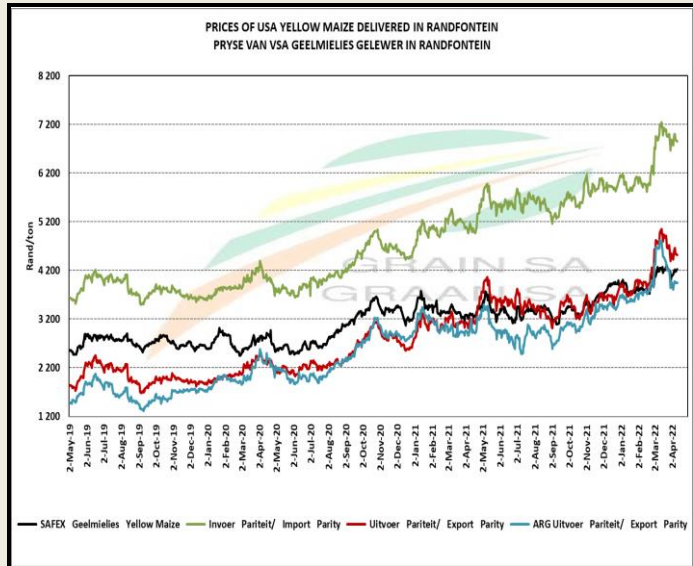


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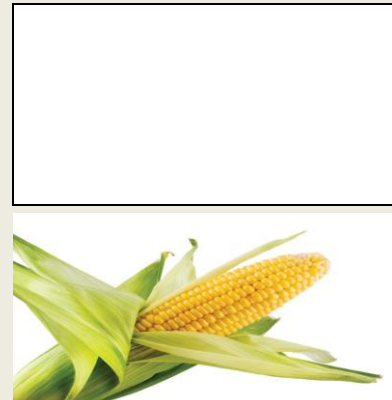
### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Jul 2022				
Sep 2022	R 4 699.00	27%	R -4 516.02	R 182.98
Dec 2022	R 4 793.00	22.75%	R 114.97	R 4 907.97
Mar 2023	R 4 778.00	23.75%	R 218.26	R 4 996.26
May 2023	R 4 444.00	13.5%	R 218.39	R 4 662.39
Jul 2023	R 4 471.00	22.5%	R 157.02	R 4 628.02
Sep 2023				
<b>Yellow Maize Future</b>				
Jul 2022				
Sep 2022	R 4 669.00	24.75%	R -4 516.02	R 152.98
Dec 2022	R 4 763.00	21.5%	R 114.97	R 4 877.97
Mar 2023	R 4 738.00	21.25%	R 218.26	R 4 956.26
May 2023	R 4 441.00	22%	R 218.39	R 4 659.39
Jul 2023	R 4 462.00	19.5%	R 157.02	R 4 619.02
Sep 2023				

The local Maize market traded higher yesterday. The Sep'22 WMAZ contract ended unchanged while Sep'22 YMAZ closed R2.00 higher. The Dec'22 WMAZ closed higher by R6.00 and Dec'22 YMAZ ended R7.00 up. The parity move for the Sep'22 Maize contract for yesterday was R77.00 positive.



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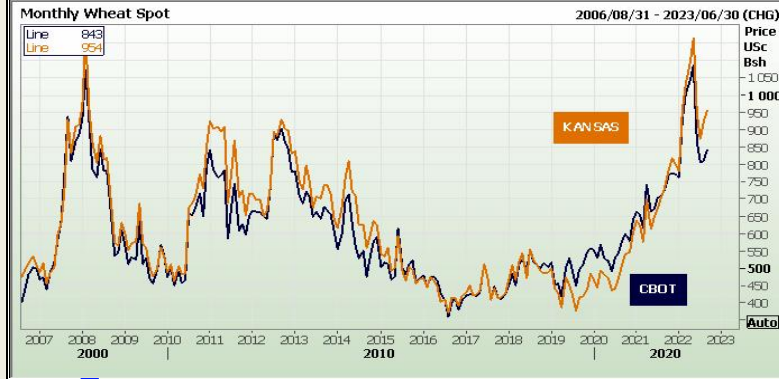


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## Wheat Market

### 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	782.50	842.75	The record c	60.25	0.00	-842.75	-782.50	SEP 2012	842.00	944.00	The record	102.00	954.00	10.00	112.00
DEC 2022	851.00	860.50	The record c	9.50	862.75	2.25	11.75	DEC 2012	907.25	933.75	The record	26.50	934.75	1.00	27.50
MAR 2023	865.00	876.75	The record c	11.75	878.50	1.75	13.50	MAR 2013	909.00	934.00	The record	25.00	935.00	1.00	26.00
MAY 2023	833.00	886.25	The record c	53.25	888.75	2.50	55.75	MAY 2013	1054.50	933.75	The record	-120.75	0.00	-933.75	-1 054.50
JUL 2023	862.75	880.00	The record c	17.25	529.00	-351.00	-333.75	JUL 2013	1018.00	923.00	The record	-95.00	928.25	5.25	-89.75



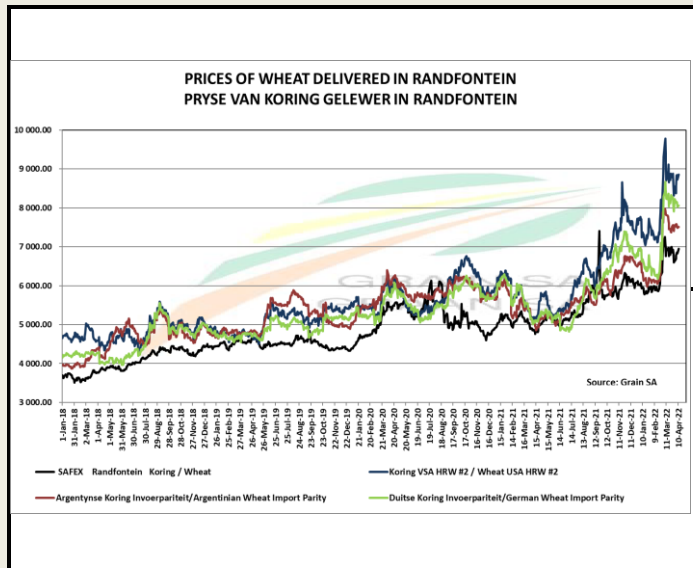
FarmProgress - Wheat prices faced some downward pressure from plummeting stocks today but ended the day slightly firm on some net technical buying based in part on worries about Ukraine's ongoing production and export challenges. December Chicago SRW futures picked up 0.75 cents to \$8.5950, December Kansas City HRW futures gained 5.5 cents to \$9.3250, and December MGEX spring wheat futures added 3.5 cents to \$9.30.

The spring wheat harvest moved from 71% complete a week ago up to 85% through September 11. This year's effort is still slower than 2021's pace of 95% and the prior five-year average of 89%, however. Winter wheat plantings made some progress as well, moving from 3% a week ago up to 10% through Sunday. That puts the 2022/23 crop slightly behind 2021's pace of 11% but remains ahead of the prior five-year average of 7%.

Japan issued a regular tender to purchase 3.6 million bushels of food-quality wheat from the United States and Canada in a regular tender that closes on Thursday. Of the total, 32% is expected to be sourced from the U.S. The grain is for arrival by the end of December.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Jul 2022				
Sep 2022	R 6 995.00	20.5%	R -4 917.22	R 2 077.78
Dec 2022	R 6 984.00	15.5%	R 178.54	R 7 162.54
Mar 2023	R 7 105.00	0%	R 191.45	R 7 296.45
May 2023	R 7 146.00	0%	R 458.19	R 7 604.19
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 Sep'22 wheat contract closed R5.00 down while Dec'22 wheat closed R9.00 higher. The parity move for the Sep'22 wheat contract for yesterday was R86.00 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	1547.00	1534.25	The record	-12.75	902.00	-632.25
NOV 2022	1385.25	1478.75	The record	93.50	1481.50	2.75
JAN 2023	1402.75	1484.00	The record	81.25	1486.00	2.00
MAR 2023	1405.00	1483.25	The record	78.25	1484.75	1.50
MAY 2023	1416.50	1483.25	The record	66.75	1484.50	1.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2012	462.1	0.00
OCT 2012	428.9	429.70
DEC 2012	423.8	424.50
JAN 2013	420.6	422.60
MAR 2013	415.1	416.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2012	71.96	0.00
OCT 2012	68.93	69.15
DEC 2012	66.73	66.83
JAN 2013	65.86	65.83
MAR 2013	64.81	64.96



FarmProgress - Soybean prices followed corn lower on a round of technical selling largely spurred by spillover weakness from the stock markets, incurring double-digit losses along the way. September futures dropped 15.5 cents to \$15.3425, with November futures down 11 cents to \$14.7725.

Soybean basis bids tumbled 30 cents lower at an Ohio river terminal and fell 3 cents at an Ohio elevator while holding steady elsewhere across the central U.S. on Tuesday.

The 2022 soybean season is getting closer and closer to harvest. Nearly all (97%) of the crop is now setting pods through September 11, versus the prior five-year average of 98%. And 22% is dropping leaves, which is six points behind the prior five-year average of 28%.

As with corn, USDA docked soybean quality ratings a point, with 56% of the crop now in good-to-excellent condition. Another 29% is rated fair (unchanged from last week), with the remaining 15% rated poor or very poor (up a point from last week).

### South African Futures Exchange

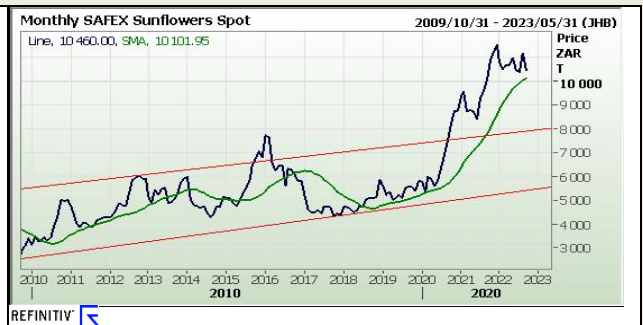
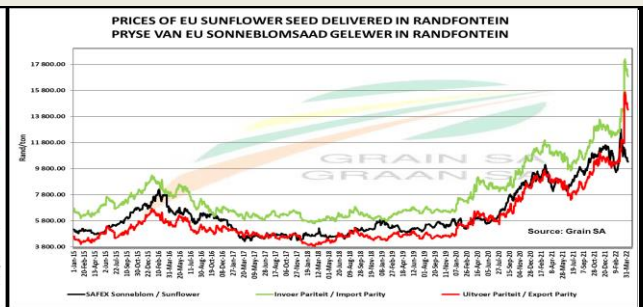
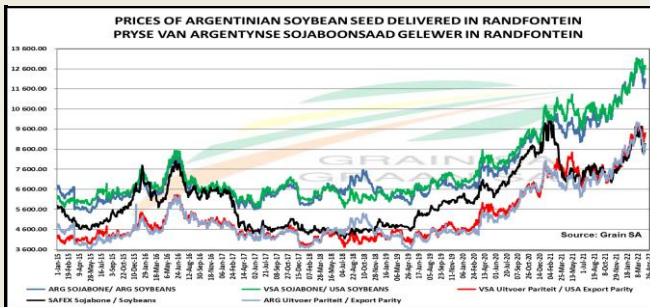
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Jul 2022				
Sep 2022	R 9 126.00	21%	R -3 943.70	R 5 182.30
Dec 2022	R 9 267.00	21%		R 9 267.00
Mar 2023	R 9 237.00	18.5%	R 681.34	R 9 918.34
May 2023	R 8 670.00	21%	R 607.48	R 9 277.48
Jul 2023				
Sep 2023				

Sunflower Seeds Future		
	MTM	Vols
Jul 2022		
Sep 2022	R 10 460.00	23.5%
Dec 2022	R 10 655.00	23.5%
Mar 2023	R 10 520.00	0%
May 2023	R 10 120.00	0%
Jul 2023		
Sep 2023		



The local Soya market traded higher yesterday. The Sep'22 Soya contract ended R311.00 up and Dec'22 Soya closed R270.00 higher. The parity move for the Sep'22 Soya contract for yesterday was R81.00 positive.

The local Suns market closed lower yesterday. The Sep'22 Suns contract closed R68.00 down and Dec'22 Suns closed R72.00 lower.



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