



Fundamental Report

26 September 2022

Financial Markets

Financials

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.8354	18.0401	0.2047	1.15%
Euro/Rand	17.4110	17.3927	-0.0183	-0.11%
GBPound/Rand	19.8520	19.0193	-0.8327	-4.19%
AusDollar/Rand	11.7410	11.7279	-0.0131	-0.11%
Euro/USDollar	0.9762	0.9641	-0.0121	-1.24%
GBPound/USDollar	1.1131	1.0545	-0.0586	-5.26%
AusDollar/USDollar	0.6583	0.6502	-0.0081	-1.23%
JpyYen/USDollar	142.5700	144.0300	1.4600	1.02%

BDLive - The rand fell as much 2% on Friday in its biggest one-day fall since early June, rounding off what has been a brutal week for risk assets.

SA's currency sank to R17.92/\$ by Friday afternoon, the lowest since the early days of the Covid-19 pandemic in May 2020, stretching year-on-year losses to 21%.

The weaker rand poses a risk to the outlook on inflation, which the Reserve Bank expects to average 6.5% in 2022 before moderating to 5.3% in 2023.

The latest blowout was due to a strong dollar, which also hurt commodity prices, indicating the continuing market angst about the effect of higher interests on the global economy. Earlier in the week, the Federal Reserve hiked rates by 75 basis points for the third time running and indicated that more could be in store as it tries to stem inflation that hovers near its highest level since 1980.



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Commodities

	Last	Value Change	% Change
Platinum	859.17	5.17	0.60%
Gold	1639.49	-3.60	-0.22%
Silver	18.57	-0.27	-1.44%
Copper	3.31	-0.04	-1.15%
Gasoil	949.25	-13.75	-1.45%
Brent Oil	85.64	-0.51	-0.60%

BDLive - Bengaluru — Gold prices edged down on Friday as the dollar hovered around a 20-year peak, while the likelihood of more aggressive interest rate hikes by the US Federal Reserve going forward also weighed on the non-yielding bullion's appeal.

Spot gold fell 0.2% to \$1,667.40/oz by 4.06am GMT and was down 0.4% for the week. US gold futures dropped 0.3% to \$1,676.40.

The dollar index was around its highest level since 2002 touched on Thursday and the benchmark 10-year US Treasury yield was at a 11-year peak buoyed by the Fed's 75-basis-point rate hike and its hawkish outlook on Wednesday. Rising rates dull bullion's appeal since it yields no interest.

Gold prices have fallen nearly 20% since scaling above the key \$2,000/oz mark in March.



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Financials

	Current Bid	Value Change	% Change
JSE TOP 40	57109.52	0.00	0.00%
ALSI	57231.00	0.00	0.00%
S&P 500	3757.99	-64.76	-1.72%
FTSE	7159.52	-140.92	-1.97%
CAC	5783.41	0.00	0.00%
DAX	12284.19	0.00	0.00%
Hang Seng	17933.27	30.96	0.17%



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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
DEC 2022	679.25	676.75	The record	-2.50	670.75	-6.00	-8.50
MAR 2023	684.25	681.75	The record	-2.50	675.50	-6.25	-8.75
MAY 2023	695.50	682.25	The record	-13.25	676.00	-6.25	-19.50
JUL 2023	682.25	675.75	The record	-6.50	669.50	-6.25	-12.75
SEP 2023	679.75	629.75	The record	-50.00	623.75	-6.00	-56.00

FarmProgress - Corn prices were in the red (like most stocks and commodities today) after a round of technical selling, suffering a double-digit setback in the process. Harvest progress continues to generate additional short-term headwinds. December futures dropped 13.25 cents to \$6.75, with March futures down 13.5 cents to \$6.7975.

Corn basis bids were mostly steady across the central U.S. but did tumble 15 to 20 cents lower at two Indiana ethanol plants on Friday.

Rarely have pre-harvest corn prices been this high, notes Matthew Kruse, president of Commstock Investments. "This week saw December corn reach \$6.9850," he points out. "The last time the board was at that level leading up to harvest was in 2012. October 1st of 2012 saw corn prices reach \$7.76." Kruse serves up a round of timely analysis in today's Ag Marketing IQ blog – click here to learn more.

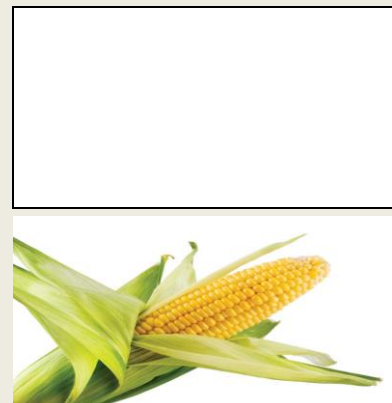
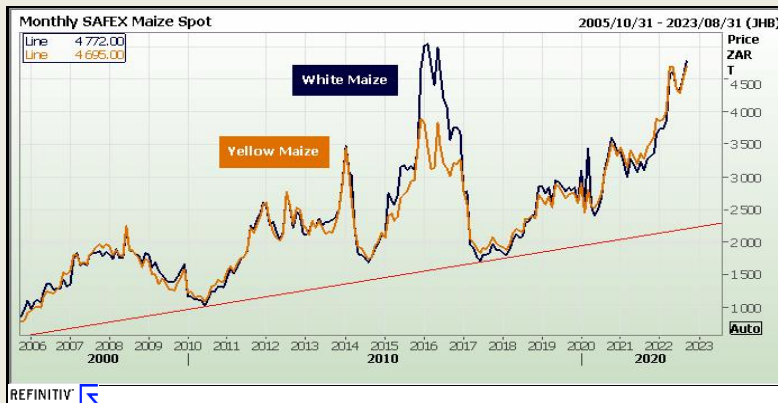
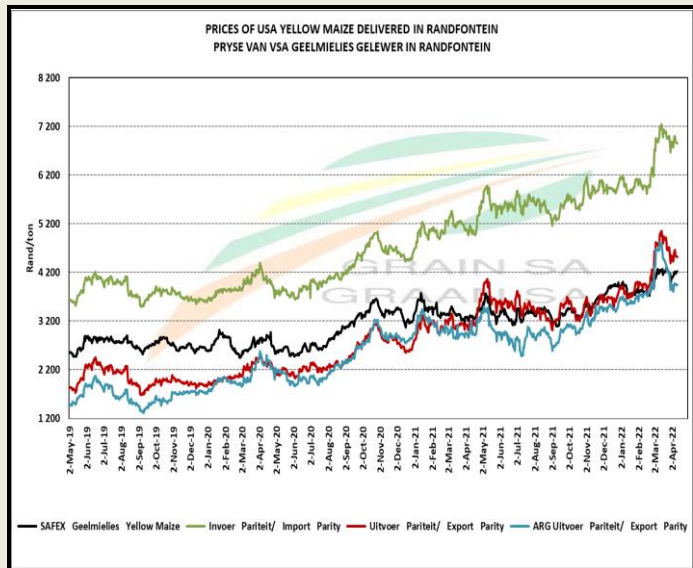
France's 2022 corn harvest is 26% complete through September 19, per the latest reporting from farm office FranceAgriMer. Harvest is off to a much earlier start due to hot, dry conditions that severely damaged crop quality this season. Only 43% of the crop is rated in good-to-excellent condition, steady from a week ago. Production could spill to the lowest level since 1990 for Europe's top grain producer.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Jul 2022				
Sep 2022	R 4 772.00	27%		R 4 772.00
Dec 2022	R 4 857.00	24%	R -5.63	R 4 851.37
Mar 2023	R 4 836.00	23.75%	R -7.00	R 4 829.00
May 2023	R 4 556.00	13.5%	R -82.44	R 4 473.56
Jul 2023	R 4 587.00	22.5%	R -35.57	R 4 551.43
Sep 2023				
Yellow Maize Future				
Jul 2022				
Sep 2022	R 4 695.00	24.75%		R 4 695.00
Dec 2022	R 4 788.00	21.5%	R -5.63	R 4 782.37
Mar 2023	R 4 775.00	21.25%	R -7.00	R 4 768.00
May 2023	R 4 522.00	22%	R -82.44	R 4 439.56
Jul 2023	R 4 538.00	19.5%	R -35.57	R 4 502.43
Sep 2023				

The local Maize market traded mixed yesterday. The Sep'22 WMAZ contract ended R28.00 down and Sep'22 YMAZ closed R10.00 lower. The Dec'22 WMAZ closed higher by R6.00 while Dec'22 YMAZ ended R4.00 down. The parity move for the Sep'22 Maize contract for yesterday was R5.00 negative.

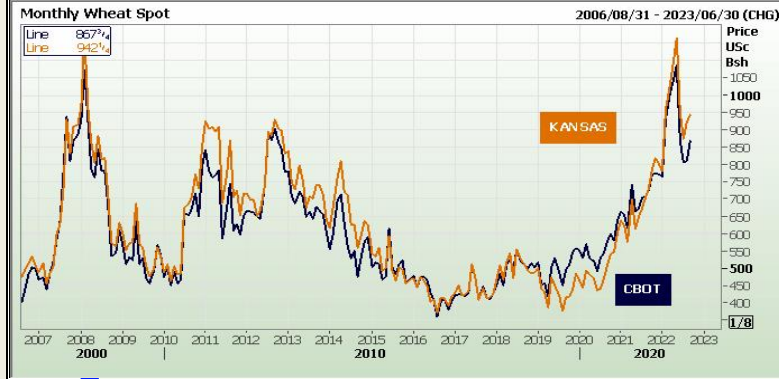


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Wheat Market

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
DEC 2022	897.25	880.50	The record c	-16.75	867.75	-12.75	-29.50	DEC 2012	968.75	950.50	The record	-18.25	942.25	-8.25	-26.50
MAR 2023	909.25	893.75	The record c	-15.50	882.50	-11.25	-26.75	MAR 2013	964.50	947.25	The record	-17.25	939.00	-8.25	-25.50
MAY 2023	860.50	900.75	The record c	40.25	889.50	-11.25	29.00	MAY 2013	937.00	945.25	The record	8.25	936.75	-8.50	-0.25
JUL 2023	900.75	888.25	The record c	-12.50	875.75	-12.50	-25.00	JUL 2013	1054.50	931.75	The record	-122.75	924.75	-7.00	-129.75
SEP 2023	897.00	886.50	The record c	-10.50	529.00	-357.50	-368.00	SEP 2013	1018.00	926.75	The record	-91.25	920.25	-6.50	-97.75

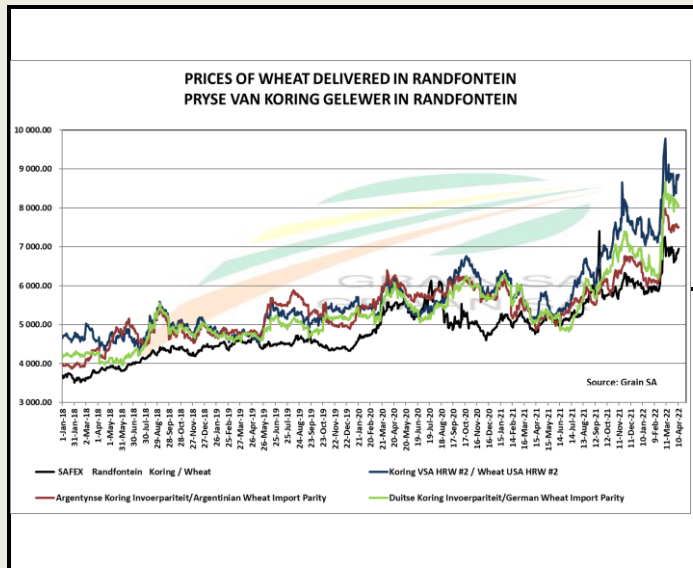


FarmProgress - Wheat prices followed a broad set of other commodities lower on growing recession fears, while a very strong U.S. Dollar is doing additional damage to prices right now. December Chicago SRW futures lost 33.75 cents to \$8.77, December Kansas City HRW futures fell 29 cents to \$9.5050, and December MGEX spring wheat futures dropped 23.25 cents to \$9.5450.

As Ukraine continues to face large production and export challenges amid the ongoing Russian invasion, the country's farmers at least have one big thing going in their favor – recent rains have left soil moistures at their best levels in a decade, according to Ukraine's state weather forecasting center. That should allow for a strong start to the 2022/23 season for winter crops. Crop damages due to devastating floods in Pakistan are expected to be more than \$1.5 billion. "According to the preliminary estimates, cotton, rice, maize, pulses, potatoes, tomatoes, sugarcane, wheat, chillies, tobacco, oil seeds, millets and garlic were among the vegetables damaged because of the floods," according to a report that assessed the damages. The Philippines purchased 1.7 million bushels of animal feed wheat, likely sourced from Australia, in an international tender that closed on Thursday. The grain is for shipment in January.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Jul 2022				
Sep 2022	R 7 060.00	20.5%		R 7 060.00
Dec 2022	R 7 017.00	15.5%	R -128.06	R 6 888.94
Mar 2023	R 7 141.00	0%	R -108.93	R 7 032.07
May 2023	R 7 176.00	0%	R 256.95	R 7 432.95
Jul 2023				
Sep 2023				
Cape Wheat				
Jul 2022				
Sep 2022				
Dec 2022				
Mar 2023				
May 2023				
Jul 2023				
Sep 2023				



The local Wheat market closed higher yesterday. The Sep'22 Wheat contract closed R40.00 up and Dec'22 Wheat closed R18.00 higher. The parity move for the Sep'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
NOV 2022	1449.50	1425.75	The record	-23.75	902.00	-523.75	-547.50
JAN 2023	1456.00	1431.75	The record	-24.25	1419.75	-12.00	-36.25
MAR 2023	1459.00	1434.50	The record	-24.50	1421.50	-13.00	-37.50
MAY 2023	1461.00	1437.50	The record	-23.50	1424.50	-13.00	-36.50
JUL 2023	1461.00	1436.75	The record	-24.25	1423.25	-13.50	-37.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2012	439.9	438.20
DEC 2012	423.3	421.10
JAN 2013	418.4	416.50
MAR 2013	411.1	409.40
MAY 2013	407	405.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2012	67	66.11
DEC 2012	63.68	62.78
JAN 2013	62.82	61.76
MAR 2013	61.85	60.87
MAY 2013	61.06	60.06



FarmProgress -Soybean prices faded more than 2% after a round of technical selling amid growing concerns of either a U.S. or a global recession (or both), which in turn would stoke demand concerns. November futures lost 31 cents to \$14.26, with January futures down 31.75 cents to \$14.3150.

Soybean basis bids were steady to weak after crumbling 15 to 35 cents lower at three Midwestern processors and easing 2 cents lower at an Illinois river terminal on Friday.

China will once again sell another 18.4 million bushels of its state imported soybean reserves in an auction that will be held on September 30. The country has routinely offered similar sales throughout the year to keep local supplies boosted and cool high prices.

Hedges can be good a useful marketing tool, but they can also get out of hand if not managed properly, according to grain marketing consultant Roger Wright. "Often, what starts out as market risk reduction program becomes a very high stakes speculation position," he notes.

South African Futures Exchange

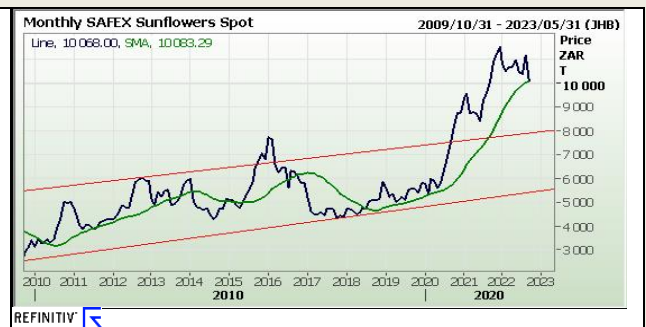
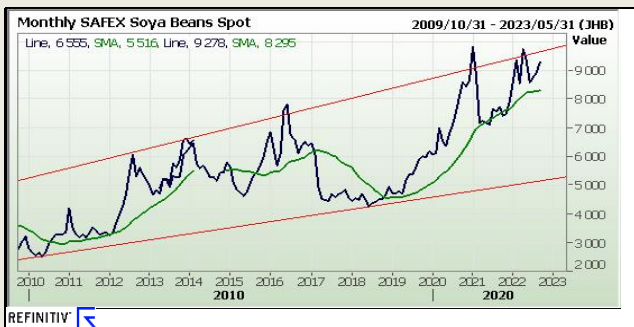
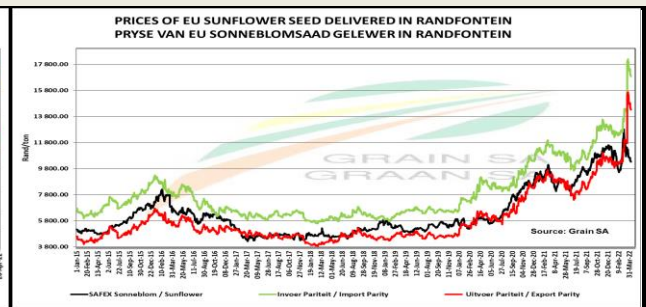
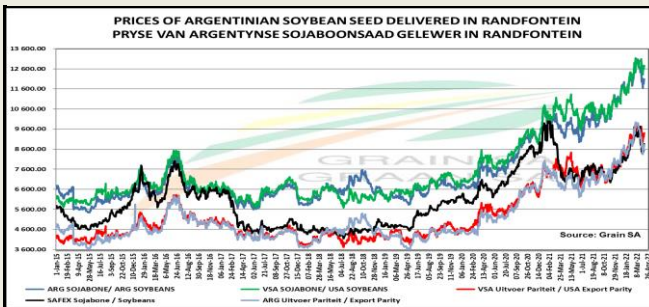
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Jul 2022				
Sep 2022	R 9 278.00	21%		R 9 278.00
Dec 2022	R 9 466.00	21%		R 9 466.00
Mar 2023	R 9 300.00	18.5%	R -138.83	R 9 161.17
May 2023	R 8 808.00	21%	R -132.06	R 8 675.94
Jul 2023				
Sep 2023				

Sunflower Seeds Future		
	MTM	Vols
Jul 2022		
Sep 2022	R 10 068.00	23.5%
Dec 2022	R 10 206.00	23.5%
Mar 2023	R 10 113.00	25%
May 2023	R 9 670.00	0%
Jul 2023		
Sep 2023		



The local Soya market traded lower yesterday. The Sep'22 Soya contract ended R86.00 down and Dec'22 Soya closed R81.00 lower. The parity move for the Sep'22 Soya contract for yesterday was R124.00 negative.

The local Suns market closed lower yesterday. The Sep'22 Suns contract closed R136.00 down and Dec'22 Suns closed R247.00 lower.



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