



# **Fundamental Report**

## **17 October 2022**

## Financial Markets

### Financials

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	18.1759	18.2840	0.1081	0.59%
Euro/Rand	17.6873	17.7827	0.0954	0.54%
GBPound/Rand	20.4288	20.5301	0.1013	0.50%
AusDollar/Rand	11.4254	11.3946	-0.0308	-0.27%
Euro/USDollar	0.9728	0.9739	0.0011	0.11%
GBPound/USDollar	1.1240	1.1232	-0.0008	-0.07%
AusDollar/USDollar	0.6286	0.6232	-0.0054	-0.86%
JpyYen/USDollar	147.7000	148.6500	0.9500	0.64%

BDLive - The JSE closed marginally weaker on Friday, giving up gains from earlier in the session as investors digested new inflation expectations in the US.

A consumer survey from the University of Michigan showed expectations for elevated inflation were increasing. The survey is closely watched by the Federal Reserve and could mean more aggressive interest rate hikes will remain in place for longer.

According to the survey, US consumer sentiment increased slightly in early October — reaching its highest level in six months as an easing of supply constraints offset concerns about inflation and an economic slowdown. The weaker move came after the JSE all share index had earlier joined a global rally despite the hotter-than-expected US consumer price index reading for September, released on Thursday.

"Stocks were unable to hold onto gains after inflation expectations unexpectedly rose for the first time in seven months. Markets can't seem to get a handle on how high the Fed will have to take rates," said Oanda senior market analyst Edward Moya.



REFINITIV

REFINITIV

### Commodities

	Last	Value Change	% Change
Platinum	902.77	4.04	0.45%
Gold	1650.04	8.28	0.50%
Silver	18.40	0.14	0.78%
Copper	3.42	0.00	-0.04%
Gasoil	1104.50	18.75	1.70%
Brent Oil	92.16	0.53	0.58%

BDLive - Bengaluru — Gold prices ticked higher on Friday, helped by a pullback in the US dollar and treasury yields, though growing anticipation of another oversized US Federal Reserve interest rate hike kept the bullion on track for a weekly decline.

Spot gold was up 0.2% at \$1,668.46/oz, at a 4.02am GMT. Prices were down 1.6% so far for the week.

US gold futures inched 0.1% down at \$1,666.80.

The dollar index was down 0.2%, making bullion less expensive for overseas buyers. Meanwhile, benchmark US 10-year Treasury yields were off a 14-year peak touched on Thursday.

"Gold is stuck between not seeing a pivot any time soon but there is a light at the end of the tunnel here in the sense that the Fed might pause," said Stephen Innes, managing partner at SPI Asset Management.



REFINITIV

REFINITIV

### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	57844.49	0.00	0.00%
ALSI	57945.00	0.00	0.00%
S&P 500	Access Den	Access Den	
FTSE	6850.27	8.52	0.12%
CAC	5931.92	0.00	0.00%
DAX	12437.81	0.00	0.00%
Hang Seng	16587.69	-192.43	-1.16%



DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limited is provided to you for information purposes only. GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable. GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report. Neither GROCAPITAL AND AFGRI, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.

## 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	695.75	689.75	The record	-6.00	686.75	-3.00	-9.00
MAR 2023	703.25	696.25	The record	-7.00	693.00	-3.25	-10.25
MAY 2023	703.50	697.25	The record	-6.25	694.25	-3.00	-9.25
JUL 2023	696.50	690.75	The record	-5.75	687.25	-3.50	-9.25
SEP 2023	679.75	643.00	The record	-36.75	640.75	-2.25	-39.00

FarmProgress - Corn: The weekend forecast bodes favorably for corn harvest progress across the Midwest, which lent to corn futures prices weakening by \$0.05-\$0.08/bushel during today's trading session. Pressure from a strengthening dollar weighed on export prospects and lower energy prices dimmed demand optimism for ethanol output.

Russia roiled markets by threatening to end its agreement to allow safe passage of Ukrainian grains yesterday. But frantic overnight negotiations between Russia, the U.N., and Turkey, calmed markets today and sent corn and wheat prices lower in relief.

Regardless of the past few days of market turmoil, corn prices are still slated to end the week 1% higher amid Ukrainian supply worries and a smaller than expected U.S. corn harvest. If realized, it marks the third consecutive week of price gains for the corn complex.

Food processors and ethanol plants are about the only locations around the Midwest offering any hopes of premium basis offerings for freshly harvested corn today. And even that isn't a guarantee of a strong cash bid – basis weakened at an Indiana ethanol plant and on the Mississippi River at Davenport today.

While a Cedar Rapids, Iowa food processor raised its cash offering by \$0.25/bushel to now offer a \$0.12/bushel premium to December 2022 corn futures, it was one of the few end users across the Eastern Corn Belt offering a strong cash bid as backlogs on the Mississippi River during peak harvest season increases corn supply and demand mismatches across the region.

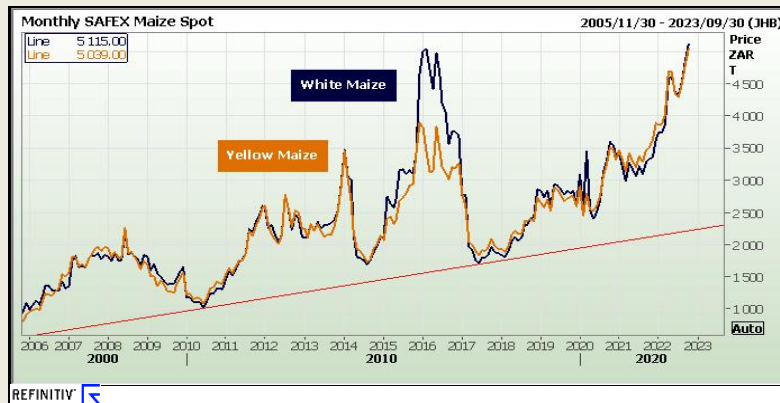
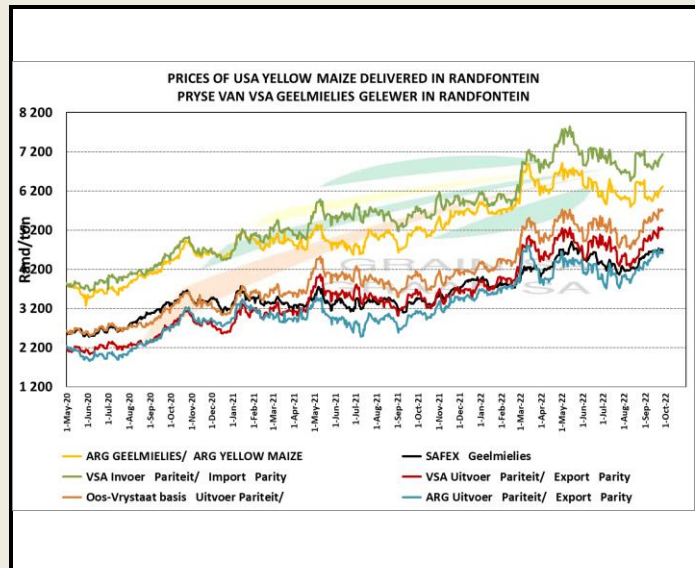


REFINITIV

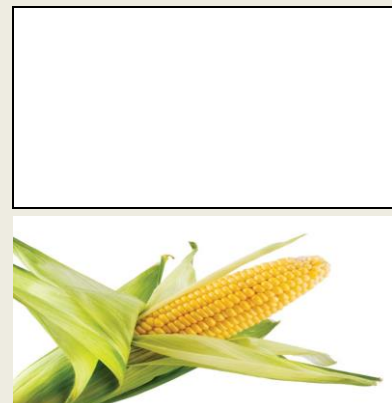
### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2022	R 5 197.00	24.25%	R -35.17	R 5 161.83
Mar 2023	R 5 169.00	24%	R -43.85	R 5 125.15
May 2023	R 4 844.00	13.5%	R -36.64	R 4 807.36
Jul 2023	R 4 864.00	22.5%	R -36.94	R 4 827.06
Sep 2023	R 4 913.00	0%	R -251.80	R 4 661.20
Dec 2023	R 5 003.00	0%		R 5 003.00
Mar 2024				
<b>Yellow Maize Future</b>				
Dec 2022	R 5 123.00	21.5%	R -35.17	R 5 087.83
Mar 2023	R 5 094.00	21.25%	R -43.85	R 5 050.15
May 2023	R 4 792.00	22%	R -36.64	R 4 755.36
Jul 2023	R 4 799.00	19.5%	R -36.94	R 4 762.06
Sep 2023	R 4 850.00	0%	R -251.80	R 4 598.20
Dec 2023	R 4 935.00	0%		R 4 935.00
Mar 2024				

The local Maize market traded higher yesterday. The Sep'22 WMAZ contract ended R25.00 up and Sep'22 YMAZ closed R36.00 higher. The Dec'22 WMAZ closed higher by R28.00 and Dec'22 YMAZ ended R34.00 up. The parity move for the Sep'22 Maize contract for yesterday was R34.00 negative.



REFINITIV

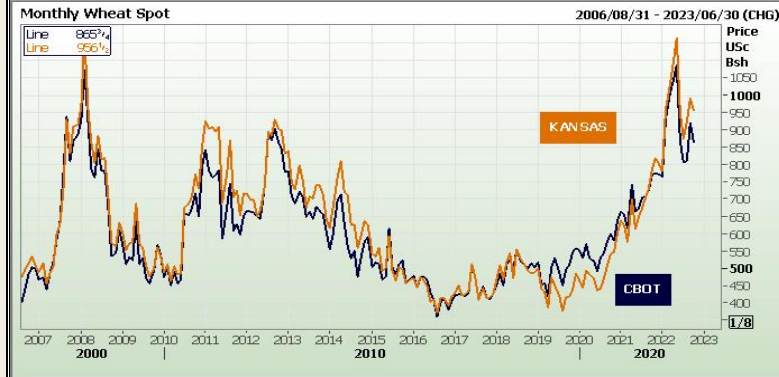


DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limitedis provided to you for information purposes only.GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable.GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report.Neither GROCAPITAL AND AFGRI, nor any affiliate, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.

## 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	885.50	859.75	The record c	-25.75	865.50	5.75	-20.00	DEC 2012	983.00	952.25	The record	-30.75	956.50	4.25	-26.50
MAR 2023	901.75	877.00	The record c	-24.75	883.25	6.25	-18.50	MAR 2013	976.50	950.75	The record	-25.75	957.00	6.25	-19.50
MAY 2023	908.50	885.50	The record c	-23.00	891.50	6.00	-17.00	MAY 2013	996.00	949.00	The record	-47.00	955.50	6.50	-40.50
JUL 2023	900.75	880.75	The record c	-20.00	889.25	8.50	-11.50	JUL 2013	1054.50	940.00	The record	-114.50	947.50	7.50	-107.00
SEP 2023	896.25	881.00	The record c	-15.25	529.00	-352.00	-367.25	SEP 2013	1018.00	935.50	The record	-82.50	0.00	-935.50	-1018.00



FarmProgress - Wheat: U.S. wheat prices tumbled a staggering \$0.20-\$0.29/bushel lower today as the dollar strengthened and economic fears deepened following lackluster bank earnings on Wall Street.

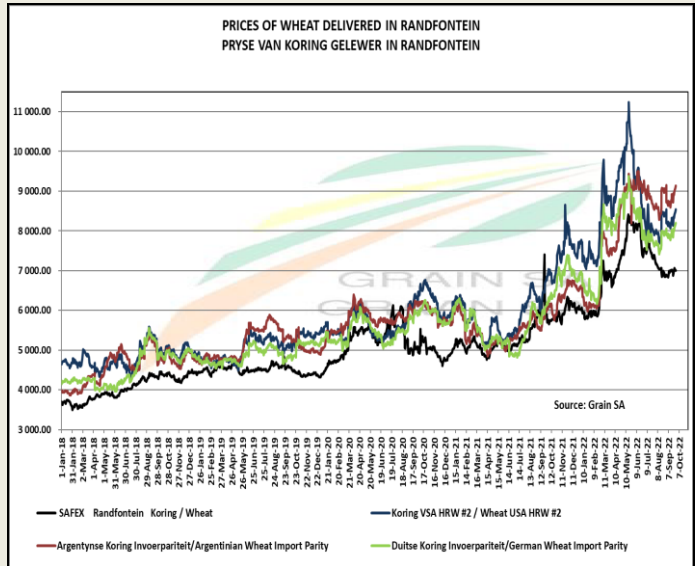
Yes – you read that right. Wall Street – and the overall global economic hellscape – is largely to blame for today's losses in the wheat market.

Additional bearish price pressure came from markets' disbelief that Russia will end the Grain Initiative despite yesterday's comments from Moscow. The U.N. and Turkey are working to broker a deal to keep the corridor open.

Soft red winter wheat spot prices were unchanged in the Eastern Corn Belt, trading at a \$0.30/bushel discount to nearby futures prices. Cash offerings for hard red winter wheat in the Southern Plains were also flat today. Dealers reported light sales through the countryside as growers awaited higher prices that would justify taking crops out of storage.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2022	R 7 388.00	15.5%	R -99.19	R 7 288.81
Mar 2023	R 7 528.00	0%	R -88.47	R 7 439.53
May 2023	R 7 562.00	0%	R -78.12	R 7 483.88
Jul 2023	R 7 563.00	0%	R -41.48	R 7 521.52
Sep 2023				
Dec 2023				
Mar 2024				
<b>Cape Wheat</b>				
Dec 2022				
Mar 2023				
May 2023				
Jul 2023				
Sep 2023				
Dec 2023				
Mar 2024				



The local Wheat market closed lower yesterday. The Sep'22 Wheat contract closed R20.00 down and Dec'22 Wheat closed R8.00 lower. The parity move for the Sep'22 Wheat contract for yesterday was R95.00 negative.



DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limited is provided to you for information purposes only. GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable. GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report. Neither GROCAPITAL AND AFGRI, nor any affiliate, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.

## 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	1399.25	1383.75	The record	-15.50	902.00	-481.75	-497.25
JAN 2023	1409.50	1392.75	The record	-16.75	1387.25	-5.50	-22.25
MAR 2023	1417.75	1401.00	The record	-16.75	1395.00	-6.00	-22.75
MAY 2023	1426.00	1409.00	The record	-17.00	1403.75	-5.25	-22.25
JUL 2023	1430.75	1413.00	The record	-17.75	1406.25	-6.75	-24.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2012	411.1	410.30
JAN 2013	406.8	405.70
MAR 2013	400.7	399.00
MAY 2013	397.5	396.00
JUL 2013	397.5	395.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2012	65.3	65.26
JAN 2013	63.63	63.59
MAR 2013	62.33	62.19
MAY 2013	61.48	61.48
JUL 2013	60.59	60.46



Soybeans: Soybean futures fell \$0.08-\$0.14/bushel today amid ongoing harvest progress across the Midwest, weaker energy prices, and bearish pressure from Wall Street. Even three consecutive days of large flash export sales announced by USDA could not reverse today's losses in the soybean market. Regardless, USDA's larger-than-expected cuts to 2022 U.S. soybean yields still propped up the soybean complex for a 1.2% price gain on the week.

Cash soybean prices in the Eastern Corn Belt continue to trade at a steep discount to November 2022 futures prices as grain flows to the U.S. Gulf remained backlogged amid low river volumes on the Mississippi. The discounts grew at soybean crush and river terminal locations today as harvest volumes continue to pile up across the Midwest.

As previously mentioned with corn cash sales, today's soybean sales were slow as farmers deliver previously booked contracts and await more profitable pricing opportunities.

Cash soy meal prices held steady today across much of the country. End user demand is strengthening as peak poultry production season approaches, as evidenced by an uptick in cash bids at an Alabama rail location. Truck and rail terminals in most of the country outside Iowa and Southern Minnesota are trading at a premium to futures, further reflecting strong end user demand as fall temperatures settle across the country.

### South African Futures Exchange

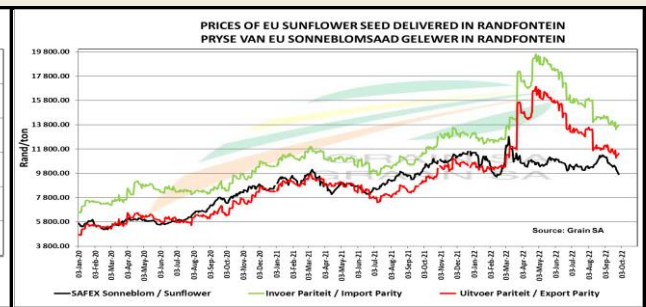
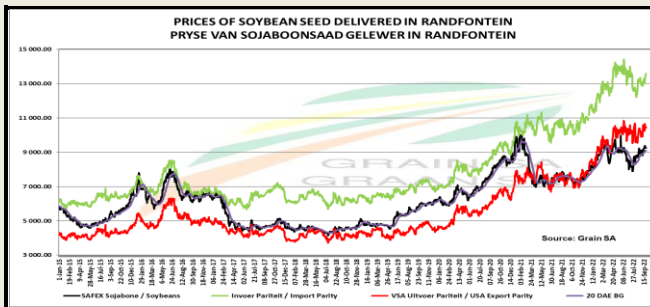
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2022	R 10 268.00	21%		R 10 268.00
Mar 2023	R 9 885.00	18.5%	R -96.53	R 9 788.47
May 2023	R 8 912.00	21%	R -92.84	R 8 819.16
Jul 2023	R 9 075.00	24%	R -107.77	R 8 967.23
Sep 2023	R 9 146.00	0%		R 9 146.00
Dec 2023	R 9 300.00	0%		R 9 300.00
Mar 2024				

Sunflower Seeds Future		
	MTM	Vols
Dec 2022	R 11 294.00	23.5%
Mar 2023	R 11 192.00	25%
May 2023	R 10 396.00	24%
Jul 2023	R 10 159.00	0%
Sep 2023		
Dec 2023		
Mar 2024		



The local Soya market traded higher yesterday. The Sep'22 Soya contract ended R104.00 up and Dec'22 Soya closed R94.00 higher. The parity move for the Sep'22 Soya contract for yesterday was R77.00 negative.

The local Suns market closed higher yesterday. The Sep'22 Suns contract closed R117.00 up and Dec'22 Suns closed R112.00 higher.



DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limited, provided to you for information purposes only. GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable. GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report. Neither GROCAPITAL AND AFGRI, nor any affiliate, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.