



# **Fundamental Report**

## **26 October 2022**

## Financial Markets

### Financials

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	18.1149	18.1900	0.0751	0.41%
Euro/Rand	18.2259	18.1159	-0.1100	-0.60%
GBPound/Rand	20.9129	20.8392	-0.0737	-0.35%
AusDollar/Rand	11.3943	11.6471	0.2528	2.22%
Euro/USDollar	0.9832	0.9958	0.0126	1.28%
GBPound/USDollar	1.1280	1.1461	0.0181	1.60%
AusDollar/USDollar	0.6293	0.6403	0.0110	1.75%
JpyYen/USDollar	149.0400	148.1200	-0.9200	-0.62%

BDLive - The rand and JSE rebounded on Tuesday as markets assessed Monday's huge equities sell-off in the wake of China's president securing a third term and cementing his place as that country's most powerful leader in more than 40 years.

Markets also took some comfort from strong corporate earnings in the US, where General Motors, Coca-Cola and UPS reported stronger-than-forecast earnings.

The local focus is now on finance minister Enoch Godongwana's medium-term budget policy statement (MTBPS) on Wednesday. Economists expect the government to stick to a conservative fiscal policy as economic growth is expected to remain weak in the coming years and global financing conditions are tightening.

"Markets will be watching Godongwana's speech for the outlook on government expenditure versus revenue, while also focusing on plans around Eskom and public-sector wage negotiations," said TreasuryONE currency strategist Andre Cilliers.



### Commodities

	Last	Value Change	% Change
Platinum	922.75	7.74	0.84%
Gold	1656.29	3.77	0.23%
Silver	19.47	0.13	0.67%
Copper	3.41	0.01	0.41%
Gasoil	1069.25	-3.00	-0.28%
Brent Oil	92.66	-0.86	-0.93%

BDLive - Bengaluru — Gold prices were buoyed by a subdued dollar on Tuesday after soft US economic data raised hopes that the US Federal Reserve could begin to slow monetary policy tightening later in the year. Spot gold rose 0.2% to \$1,651.85 an ounce, by 4.31am GMT, while US gold futures inched 0.1% higher to \$1,655.70.

The dollar index was flat on the day, hovering close to Friday's low amid bets on less hawkish Fed and firmer sterling after Rishi Sunak was set to become Britain's next prime minister. The market is sensing that the US Fed is getting towards the end of the aggressive part of the rate hike cycle and maybe prepared to take a wait-and-see stance, said Stephen Innes, managing partner at SPI Asset Management. "Once the US yields and dollar start to turn significantly low, that should be very positive for gold," he said.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	59268.00	0.00	0.00%
ALSI	59525.00	0.00	0.00%
S&P 500	Access Den	Access Den	
FTSE	7013.99	-0.51	-0.01%
CAC	6250.55	0.00	0.00%
DAX	13052.96	0.00	0.00%
Hang Seng	15165.59	284.36	1.88%



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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	678.50	686.25	The record	7.75	685.25	-1.00	6.75
MAR 2023	686.50	692.25	The record	5.75	691.00	-1.25	4.50
MAY 2023	686.50	692.00	The record	5.50	690.75	-1.25	4.25
JUL 2023	680.75	685.75	The record	5.00	684.25	-1.50	3.50
SEP 2023	679.75	639.00	The record	-40.75	637.25	-1.75	-42.50

FarmProgress - Corn prices tracked 0.4% higher on spillover strength from outside markets, with a weakening U.S. Dollar also proving supportive today. December futures added 3 cents to \$6.8450, with March futures up 2.75 cents to \$6.9050.

Corn basis bids were steady to mixed on Tuesday after trending 8 to 10 cents higher at two ethanol plants while sliding 2 to 10 cents lower at two other Midwestern locations today.

Nearly all (97%) of this year's corn crop is fully mature, up from 94% last week and matching the prior five-year average. Harvest progress moved from 45% a week ago up to 61% through Sunday. That's modestly behind 2021's pace of 64% but still well ahead of the prior five-year average of 52%. Of the top 18 production states, Pennsylvania (20%) and Wisconsin (22%) still have the farthest way to go.

With harvest past the halfway mark for both corn and soybeans, USDA won't be providing additional quality ratings updates. Last week, the agency noted that 53% of the corn crop was rated in good-to-excellent condition, and 57% of the soybean crop was rated in good-to-excellent condition.

Will corn prices be able to move back above the \$7 per bushel benchmark after downward seasonal harvest pressure subsides? That is a question worth asking, according to Josh Green with Advance Trading. "The answer is yes, but there are no guarantees," Green offers. To see how he arrived at that opinion, click here to read his analysis in today's Ag Marketing IQ blog.

Brazil's Anec now expects the country's corn exports to reach 254 million bushels in October, which is moderately below the group's last estimate from a week ago.

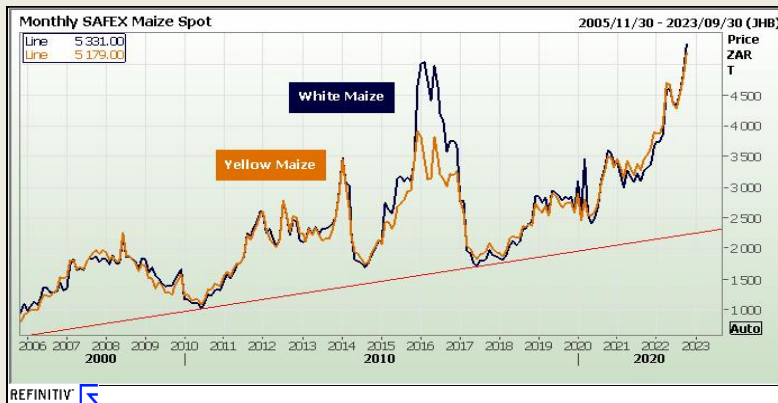
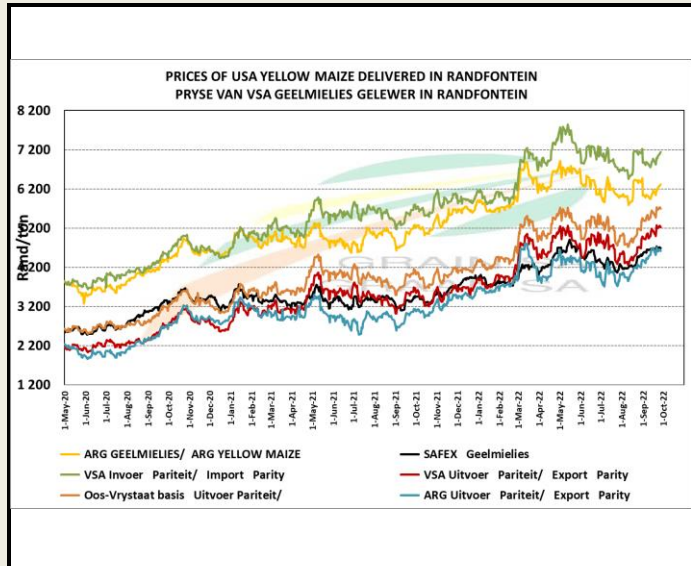


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### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2022	R 5 363.00	24.75%	R 68.40	R 5 431.40
Mar 2023	R 5 349.00	25.5%	R 52.52	R 5 401.52
May 2023	R 4 926.00	13.5%	R 50.73	R 4 976.73
Jul 2023	R 4 905.00	22.5%	R 45.19	R 4 950.19
Sep 2023	R 4 954.00	0%	R -284.25	R 4 669.75
Dec 2023	R 5 049.00	0%		R 5 049.00
Mar 2024				
<b>Yellow Maize Future</b>				
Dec 2022	R 5 234.00	22.5%	R 68.40	R 5 302.40
Mar 2023	R 5 232.00	21.25%	R 52.52	R 5 284.52
May 2023	R 4 830.00	22%	R 50.73	R 4 880.73
Jul 2023	R 4 835.00	21%	R 45.19	R 4 880.19
Sep 2023	R 4 883.00	0%	R -284.25	R 4 598.75
Dec 2023	R 4 978.00	0%		R 4 978.00
Mar 2024				

The local Maize market traded higher yesterday. The Sep'22 WMAZ contract ended R51.00 up and Sep'22 YMAZ closed R58.00 higher. The Dec'22 WMAZ closed higher by R61.00 and Dec'22 YMAZ ended R52.00 up. The parity move for the Sep'22 Maize contract for yesterday was R32.00 negative.



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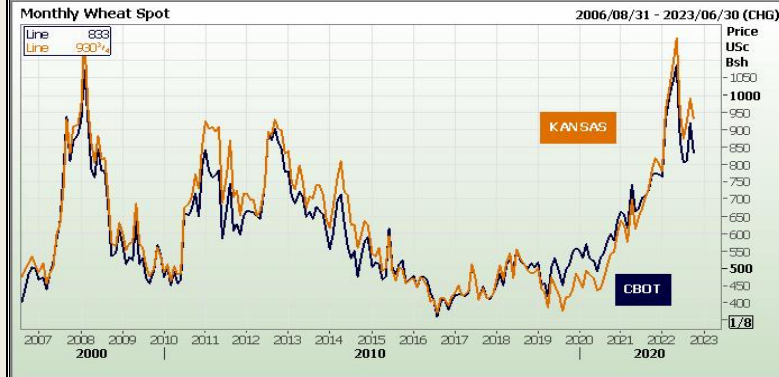


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## Wheat Market

### 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
DEC 2022	852.00	834.75	The record c	-17.25	833.00	-1.75	-19.00	DEC 2012	945.50	934.50	The record	-11.00	930.75	-3.75	-14.75
MAR 2023	870.50	854.25	The record c	-16.25	851.00	-3.25	-19.50	MAR 2013	976.50	934.00	The record	-42.50	930.25	-3.75	-46.25
MAY 2023	908.50	865.25	The record c	-43.25	862.75	-2.50	-45.75	MAY 2013	996.00	932.50	The record	-63.50	928.50	-4.00	-67.50
JUL 2023	900.75	865.25	The record c	-35.50	862.50	-2.75	-38.25	JUL 2013	1054.50	926.50	The record	-128.00	920.00	-6.50	-134.50
SEP 2023	896.25	870.50	The record c	-25.75	529.00	-341.50	-367.25	SEP 2013	1018.00	926.00	The record	-92.00	922.75	-3.25	-95.25



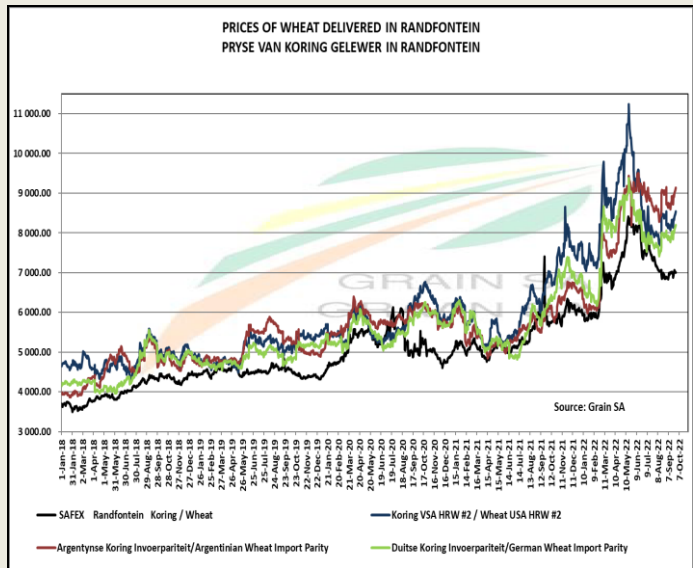
FarmProgress - Wheat prices suffered a moderate technical setback, falling to a one-month low after another round of technical selling on Tuesday. Losses were mostly contained in the 0.5% to 0.75% range. December Chicago SRW futures fell 6 cents to \$8.3275, December Kansas City HRW futures dropped 5.25 cents to \$9.3275, and December MGEX spring wheat futures faded 4.5 cents to \$9.5325.

Winter wheat planting progress moved from 69% a week ago up to 79% through October 23. That was a bit slower than analysts were anticipating, with an average trade guess of 81% prior to today's report. That puts the 2022/23 crop slightly behind last year's pace of 79% but identical to the prior five-year average.

European Union soft wheat exports during the 2022/23 marketing year is trending slightly above last year's pace so far after reaching 409.7 million bushels through October 23. EU barley exports are well below last year's pace, in contrast, with 108.9 million bushels over the same period.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2022	R 7 379.00	15.5%	R -103.48	R 7 275.52
Mar 2023	R 7 525.00	0%	R -106.31	R 7 418.69
May 2023	R 7 559.00	0%	R -280.71	R 7 278.29
Jul 2023	R 7 563.00	0%	R -230.79	R 7 332.21
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 Weat market closed mixed yesterday. The Sep'22 Weat contract closed R31.00 down while Dec'22 Weat closed R5.00 higher. The parity move for the Sep'22 Weat contract for yesterday was R86.00 negative.



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## Oil Seed 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
NOV 2022	1380.50	1382.00	The record	1.50	902.00	-480.00	-478.50
JAN 2023	1387.75	1392.25	The record	4.50	1395.75	3.50	8.00
MAR 2023	1417.75	1401.00	The record	-16.75	1403.75	2.75	-14.00
MAY 2023	1406.25	1409.00	The record	2.75	1412.00	3.00	5.75
JUL 2023	1406.50	1412.75	The record	6.25	1414.50	1.75	8.00

Month	Main Session Close	Current Overnight
DEC 2012	415.6	414.70
JAN 2013	407.5	406.80
MAR 2013	398.1	397.70
MAY 2013	393.7	393.40
JUL 2013	393.6	393.60

Month	Main Session Close	Current Overnight
DEC 2012	72.28	72.44
JAN 2013	69.47	69.56
MAR 2013	66.78	66.79
MAY 2013	64.99	64.93
JUL 2013	63.53	63.54



FarmProgress - Soybean prices captured double-digit gains on a round of technical buying partly spurred by general export optimism, with gains in stocks and energy prices offering additional support today. November futures rose 10.5 cents to \$13.8250, with January futures up 11.75 cents to \$13.93.

Soybean basis bids were steady to mixed after tracking 5 to 15 cents higher at three processors while moving 1 to 10 cents lower at three other Midwestern locations on Tuesday.

This year's soybean harvest moved from 63% last week up to 80% through Sunday. That puts the 2022 harvest well ahead of last year's pace of 71% and the prior five-year average of 67%. None of the top 18 production states are 100% complete, but Louisiana (96%) and Minnesota (95%) are very close.

Brazil's Anec slightly increased its estimates for the country's soybean exports in October, with a new projection of 138.5 million bushels. Anec also upped its soy meal export estimate, which is now at 2.074 million metric tons.

### South African Futures Exchange

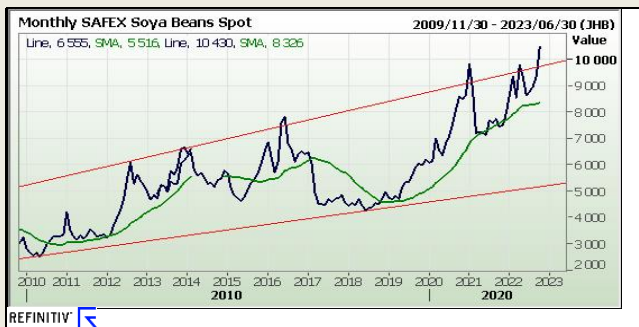
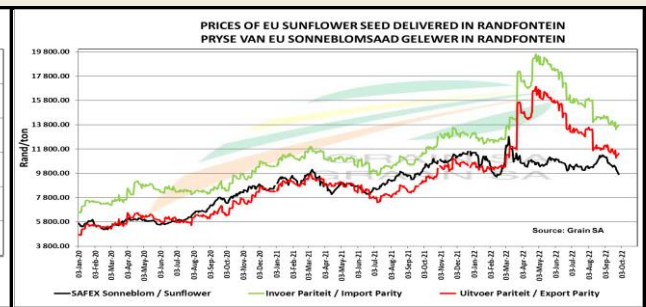
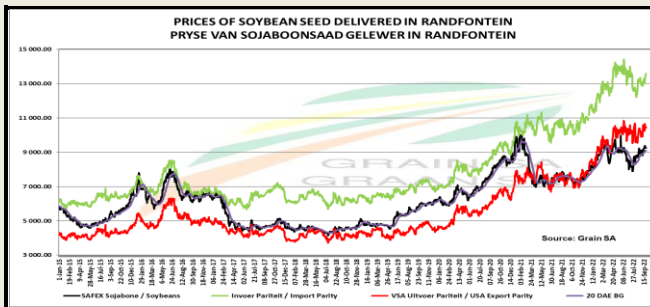
	MTM	Vols	Parity Change	Market Price
Dec 2022	R 10 525.00	21%		R 10 525.00
Mar 2023	R 10 259.00	18.5%	R -54.45	R 10 204.55
May 2023	R 8 860.00	21%	R 77.24	R 8 937.24
Jul 2023	R 9 009.00	24%	R 92.28	R 9 101.28
Sep 2023	R 9 199.00	0%		R 9 199.00
Dec 2023	R 9 380.00	23%		R 9 380.00
Mar 2024				

	MTM	Vols
Dec 2022	R 11 528.00	23.5%
Mar 2023	R 11 339.00	25%
May 2023	R 10 636.00	24%
Jul 2023	R 10 435.00	0%
Sep 2023		
Dec 2023		
Mar 2024		



The local Soya market traded mixed yesterday. The Sep'22 Soya contract ended R20.00 down while Dec'22 Soya closed R6.00 higher. The parity move for the Sep'22 Soya contract for yesterday was R61.00 negative.

The local Suns market closed higher yesterday. The Sep'22 Suns contract closed R84.00 up and Dec'22 Suns closed R146.00 higher.



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