



# **Fundamental Report**

## **05 December 2022**

## Financial Markets

### Financials

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.9421	17.2967	0.3546	2.09%
Euro/Rand	17.5453	18.2999	0.7546	4.30%
GBPound/Rand	20.3429	21.3361	0.9932	4.88%
AusDollar/Rand	11.3919	11.8309	0.4390	3.85%
Euro/USDollar	1.0356	1.0579	0.0223	2.15%
GBPound/USDollar	1.2014	1.2339	0.0325	2.71%
AusDollar/USDollar	0.6724	0.6840	0.0116	1.73%
JpyYen/USDollar	138.7700	134.3700	-4.4000	-3.17%

BDLive - The rand recovered some of Thursday's heavy losses on Friday, but was off its intraday best levels, while the JSE closed weaker amid mixed global markets as investors digested the hotter-than-expected US jobs report. The local currency dropped as much as 4% to the dollar on Thursday before ending the day 2% weaker. The fall came as the fate of Cyril Ramaphosa's presidency hung in the balance. On Friday, after gaining as much as 1.6% earlier in the session, it gave back some of those gains by the close. The weaker rand on Thursday came as the country awaited the fate of President Ramaphosa after the release of a damning report by a panel led by former chief justice Sandile Ngcobo on the Phala Phala farm scandal. "The uncertainty and fluidity of the situation are playing a significant role in keeping markets on edge. While investors await answers, the rand is likely to remain under pressure," said RMB analysts. "Anything is possible, and the result will determine how the local unit performs in the short-term amid elevated political noise."



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### Commodities

	Last	Value Change	% Change
Platinum	1025.50	11.28	1.10%
Gold	1808.53	10.71	0.59%
Silver	23.26	0.13	0.57%
Copper	3.88	0.02	0.63%
Gasoil	908.25	-4.00	-0.44%
Brent Oil	86.28	0.71	0.82%

BDLive - Bengaluru — Gold touched a two-week high on Thursday, supported by a weaker dollar after US Federal Reserve chair Jerome Powell's speech sparked expectations of smaller interest-rate hikes ahead. Spot gold rose 0.4% to \$1,774.62 per ounce at 2.41am GMT, and hit its highest level since November 16. US gold futures climbed 1.6% to \$1,788.70. The dollar index inched 0.3% lower. A weaker greenback makes gold more attractive for overseas buyers. Powell effectively confirmed that the Fed will slow its pace of tightening, prompting the US dollar lower and gold higher, said City Index Analyst Matt Simpson.

Powell in his speech on Wednesday also signalled a protracted economic adjustment to a world where borrowing costs will remain high, inflation comes down slowly and the US remains chronically short of workers.



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### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	68237.46	0.00	0.00%
ALSI	68512.00	0.00	0.00%
S&P 500	Access Den	Access Den	
FTSE	7558.49	-2.26	-0.03%
CAC	6742.25	0.00	0.00%
DAX	14529.39	0.00	0.00%
Hang Seng	18675.35	613.72	3.29%



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## Corn / Maize Market

### Chicago Board of Trade

Month	Yesterday 12pm	Main Session Close	Main Session Change from 12pm
DEC 2022	667.00	635.00	-32.00
MAR 2023	672.25	646.25	-26.00
MAY 2023	670.50	647.25	-23.25
JUL 2023	665.25	644.25	-21.00
SEP 2023	618.25	608.50	-9.75

Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
637.25	2.25	-29.75
645.50	-0.75	-26.75
646.75	-0.50	-23.75
644.00	-0.25	-21.25
609.00	0.50	-9.25

FarmProgress - Corn prices suffered another moderate technical setback on Friday after ongoing export concerns triggered another round of technical selling today that led to double-digit losses. December futures dropped 14.5 cents to \$6.3550, with March futures down 14 cents to \$6.4650.

Corn basis bids slid 2 to 5 cents lower at three Midwestern ethanol plants while holding steady elsewhere across the central U.S. on Friday.

With the 2022 U.S. harvest in the books, traders are increasingly looking to South America for price signals in the coming months. Production in Brazil and Argentina, coupled with global demand trends, could push corn prices a dollar higher or cause them to slump a dollar lower, according to Naomi Blohm, senior market adviser with Stewart Peterson. Blohm takes a closer look at the situation in yesterday's Ag Marketing IQ blog – click here to learn more.

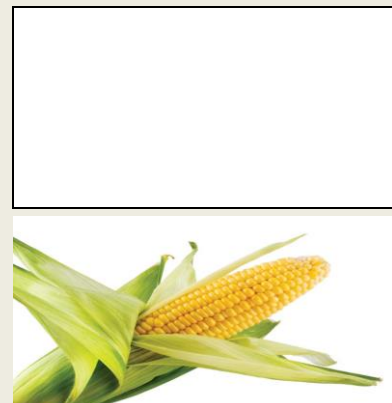
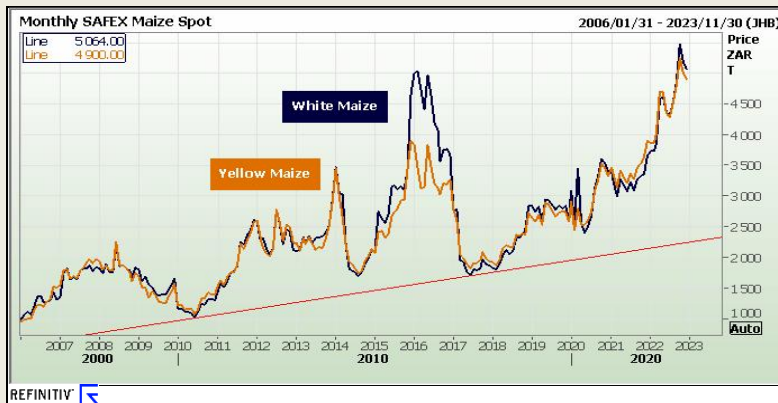
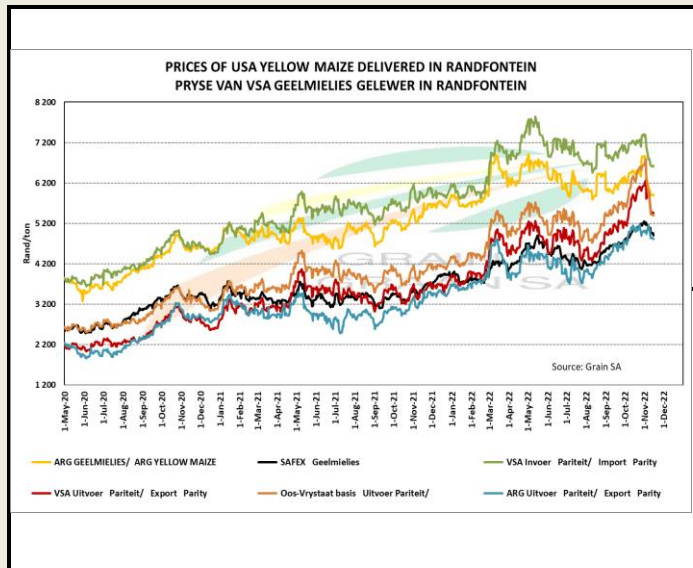
Ukraine's total grain exports during the 2022/23 season are down nearly 30% year-over-year, according to the latest data from the country's agriculture ministry. That includes 381.9 million bushels of corn sales, along with wheat sales totaling 253.5 million bushels. Ukraine is among the world's top exporters of both commodities.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2022	R 5 064.00	20.5%	R -109.47	R 4 954.53
Mar 2023	R 5 009.00	23.5%	R -88.31	R 4 920.69
May 2023	R 4 632.00	20%	R -68.12	R 4 563.88
Jul 2023	R 4 481.00	22.5%	R -51.83	R 4 429.17
Sep 2023	R 4 577.00	22%	R 23.32	R 4 600.32
Dec 2023	R 4 657.00	22%		R 4 657.00
Mar 2024				
<b>Yellow Maize Future</b>				
Dec 2022	R 4 900.00	25%	R -109.47	R 4 790.53
Mar 2023	R 4 908.00	22.5%	R -88.31	R 4 819.69
May 2023	R 4 528.00	22%	R -68.12	R 4 459.88
Jul 2023	R 4 453.00	21%	R -51.83	R 4 401.17
Sep 2023	R 4 550.00	0%	R 23.32	R 4 573.32
Dec 2023	R 4 640.00	0%		R 4 640.00
Mar 2024				

The local Maize market traded lower yesterday. The Dec22 WMAZ contract ended R139.00 down and Dec22 YMAZ closed R66.00 lower. The Mar23 WMAZ closed lower by R118.00 and Mar23 YMAZ ended R51.00 down. The parity move for the Dec22 Maize contract for yesterday was R75.00 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	793.25	737.25	The record c	-56.00	0.00	-737.25	-793.25	DEC 2012	934.00	882.00	The record	-52.00	0.00	-882.00	-934.00
MAR 2023	787.00	761.00	The record c	-26.00	765.25	4.25	-21.75	MAR 2013	892.25	870.75	The record	-21.50	875.50	4.75	-16.75
MAY 2023	798.00	773.25	The record c	-24.75	777.50	4.25	-20.50	MAY 2013	926.25	865.25	The record	-61.00	868.75	3.50	-57.50
JUL 2023	800.25	779.75	The record c	-20.50	783.75	4.00	-16.50	JUL 2013	1054.50	859.00	The record	-195.50	862.00	3.00	-192.50
SEP 2023	857.00	788.75	The record c	-68.25	529.00	-259.75	-328.00	SEP 2013	1018.00	860.75	The record	-157.25	0.00	-860.75	-1 018.00



FarmProgress - Wheat prices carved out fresh three-month lows on another round of technical selling on Friday. Some contracts were down almost 3% by the close. December Chicago SRW futures fell 21.5 cents to \$7.3725, December Kansas City HRW futures lost 25 cents to \$8.78, and December MGEX spring wheat futures dropped 10.25 cents to \$9.4425.

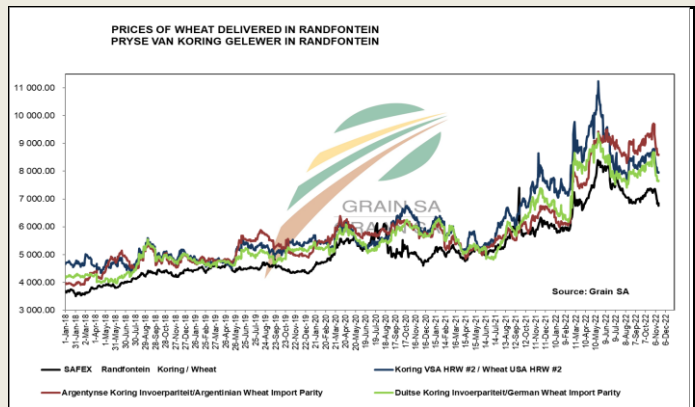
A report from Statistics Canada released this morning showed updated all-wheat production estimates at 1.242 billion bushels. That's 2.6% below its prior estimate in September but would be 52% higher from last season's drought-plagued production, if realized.

Argentina has faced plenty of drought conditions so far in the 2022/23 production season, and the Buenos Aires grains exchange is warning that additional wheat production cuts could be warranted if overly dry weather continues to play out. Harvest progress is at 23% so far, versus 2021's pace of 22%. Current production estimates are far below initial estimates of 753.2 million bushels, spilling all the way down to 455.6 million bushels.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2022	R 6 716.00	15%	R -4 938.10	R 1 777.90
Mar 2023	R 6 856.00	17.5%	R -35.69	R 6 820.31
May 2023	R 6 900.00	18.5%	R -26.31	R 6 873.69
Jul 2023	R 6 961.00	22.25%	R -0.60	R 6 960.40
Sep 2023	R 6 904.00	0%	R -1 972.93	R 4 931.07
Dec 2023				
Mar 2024				

The local Wheat market closed lower yesterday. The Dec22 Wheat contract closed R29.00 down and Mar23 Wheat closed R21.00 lower. The parity move for the Dec22 Wheat contract for yesterday was R62.00 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
JAN 2023	1472.00	1438.50	The record	-33.50	902.00	-536.50
MAR 2023	1477.25	1446.50	The record	-30.75	1450.50	4.00
MAY 2023	1485.25	1454.00	The record	-31.25	1458.75	4.75
JUL 2023	1451.75	1458.50	The record	6.75	1464.25	5.75
AUG 2023	1406.50	1441.00	The record	34.50	1446.75	5.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2012	424.5	424.80
JAN 2013	424.1	423.40
MAR 2013	422.8	421.90
MAY 2013	420.8	420.10
JUL 2013	420	419.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2012	67.59	0.00
JAN 2013	65.22	65.52
MAR 2013	64.44	64.67
MAY 2013	63.81	64.01
JUL 2013	63.19	63.29



FarmProgress - Soybean prices recovered around 30% of Thursday's losses after some bargain buying commenced today. The short term focus has remained primarily on Chinese demand and South American production potential. January futures rose 10.75 cents to \$14.4050, with March futures up 11.25 cents to \$14.48.

Soybean basis bids were mostly steady across the central U.S. on Friday but did sink 10 cents lower at an Iowa processor and 10 cents at an Iowa river terminal on Friday.

Earlier this week, USDA reported that farm sector income reached new record levels in 2022, climbing 7% above 2021 levels to an unprecedented \$160.5 million bushels. Farm Futures grain market analyst Jacqueline Holland explores more of the report's key numbers in her latest E-comomics blog - click here to learn more.

In Argentina, the Rosario grains exchange is assessing the potential quality and yield damages caused by ongoing drought, adding that more hot, dry conditions are in the short-term forecast. "A lack of water and high temperatures in recent weeks left numerous soybean fields in critical condition. Most of these fields are located in the east and southwest," according to the exchange, which pegs production estimates at around 1.764 billion bushels.

### South African Futures Exchange

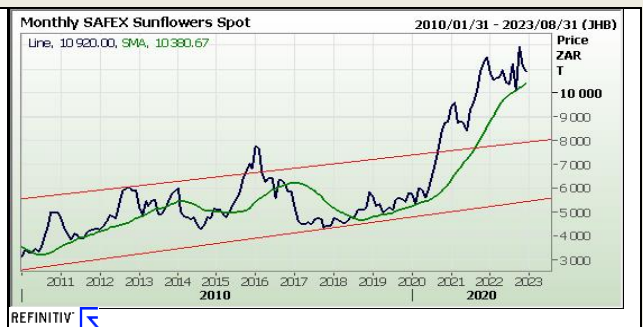
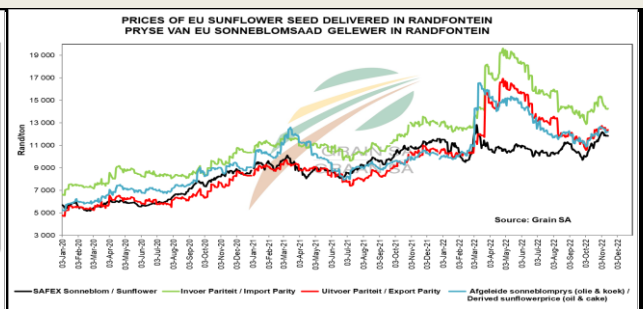
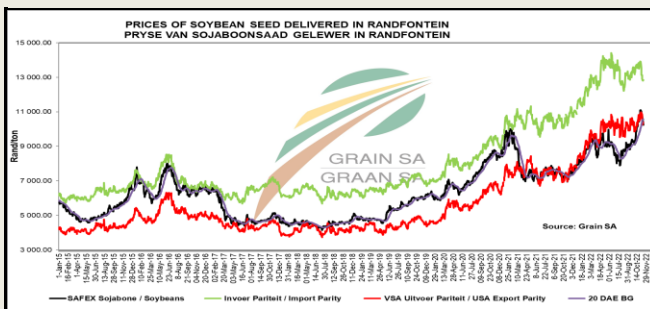
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2022	R 10 500.00	21%		R 10 500.00
Mar 2023	R 10 382.00	22.5%	R 22.47	R 10 404.47
May 2023	R 8 905.00	21%	R 25.10	R 8 930.10
Jul 2023	R 9 085.00	24%	R 268.60	R 9 353.60
Sep 2023	R 9 231.00	0%		R 9 231.00
Dec 2023	R 9 382.00	23%		R 9 382.00
Mar 2024				

Sunflower Seeds Future		
	MTM	Vols
Dec 2022	R 10 920.00	23.5%
Mar 2023	R 10 812.00	25%
May 2023	R 9 910.00	24%
Jul 2023	R 10 065.00	0%
Sep 2023		
Dec 2023		
Mar 2024		



The local Soya market traded lower yesterday. The Dec22 Soya contract ended R100.00 down and Mar23 Soya closed R36.00 lower. The parity move for the Dec22 Soya contract for yesterday was R68.00 positive.

The local Suns market closed lower yesterday. The Dec22 Suns contract closed R110.00 down and Mar23 Suns closed R74.00 lower.



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