



# **Fundamental Report**

## **24 February 2023**

## Financial Markets

### Financials

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	18.2967	18.2159	-0.0808	-0.44%
Euro/Rand	19.4678	19.3048	-0.1630	-0.84%
GBPound/Rand	22.0955	21.8828	-0.2127	-0.96%
AusDollar/Rand	12.4783	12.4087	-0.0696	-0.56%
Euro/USDollar	1.0636	1.0598	-0.0038	-0.36%
GBPound/USDollar	1.2077	1.2018	-0.0059	-0.49%
AusDollar/USDollar	0.6820	0.6812	-0.0008	-0.12%
JpyYen/USDollar	134.8700	134.6400	-0.2300	-0.17%

BDLive - The JSE broke a two-day losing streak on Thursday, as investors welcomed Eskom's rescue plan outlined in finance minister Enoch Godongwana's budget address on Wednesday.

The finance minister announced a three-year debt relief programme worth R254bn for the stricken power utility, though it comes with strict conditions.

The JSE gained 1.08% to 79,010.83 points — having risen as much as 1.2% in intraday trading, while the top 40 added 1.1%. Financials rose 1.7%, banks 1.6%, the precious metals and mining index 1.17%, resources 1.03%, industrial metals 0.93% and industrials 0.82%.

"One of the most important outcomes of Godongwana's budget is that it has given the market greater clarity and certainty about the government's plan to address its Eskom debt," said Citadel Global chief investment officer George Herman.



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### Commodities

	Last	Value Change	% Change
Platinum	946.12	-1.05	-0.11%
Gold	1825.19	2.55	0.14%
Silver	21.30	0.01	0.05%
Copper	4.06	0.00	0.00%
Gasoil	800.00	16.50	2.06%
Brent Oil	82.88	0.67	0.81%

BDLive - Gold prices rose on Thursday, helped by a slight pullback in the dollar, though prospects of US interest rates staying higher for longer kept bullion on a tight leash.

Spot gold was up 0.2% at \$1,828.17/oz by 3.40am GMT. US gold futures slipped 0.3% to \$1,835.90.

Elevated interest rates dampen gold's appeal as an inflation hedge, while raising the opportunity cost of holding the non-yielding asset.

Minutes from the Federal Reserve's latest policy meeting showed on Wednesday policymakers agreed rates would need to move higher, but that the shift to smaller-sized hikes would let them calibrate more closely with incoming data.



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### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	72948.40	0.00	0.00%
ALSI	72985.00	0.00	0.00%
S&P 500	Access Den	Access Den	
FTSE	7930.63	-22.91	-0.29%
CAC	7317.43	0.00	0.00%
DAX	15475.69	0.00	0.00%
Hang Seng	20351.35	-287.87	-1.41%



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## Corn / Maize Market

### Chicago Board of Trade

Month	Yesterday 12pm	Main Session Close	Main Session Change from 12pm
MAR 2023	679.50	660.25	-19.25
MAY 2023	679.00	659.25	-19.75
JUL 2023	667.75	650.75	-17.00
SEP 2023	609.00	600.00	-9.00
DEC 2023	594.50	585.50	-9.00

Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
662.00	1.75	-17.50
661.25	2.00	-17.75
652.25	1.50	-15.50
601.00	1.00	-8.00
586.75	1.25	-7.75

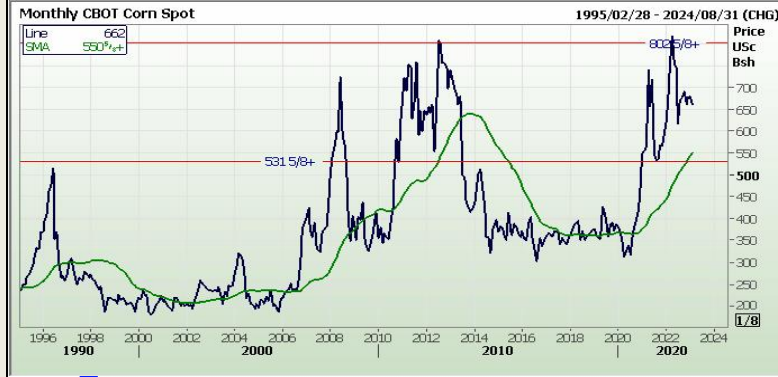
FarmProgress - Corn prices tested fractional gains as traders awaited USDA's first look at 2023 acreage estimates. Analysts are also interested in the next round of ethanol production data, out later today, along with new export data, which comes out first thing tomorrow.

Corn basis bids were mostly steady across the central U.S. on Tuesday but did tilt 2 to 5 cents lower at two Midwestern ethanol plants yesterday.

USDA will release its initial 2023 crop acreage estimates later this morning at the agency's annual Agricultural Outlook Forum. Prior to that announcement, analysts are expecting to see corn plantings come in at 90.9 million acres.

Assuming average yields of 179.7 bushels per acre, that would generate a total production of 14.949 billion bushels.

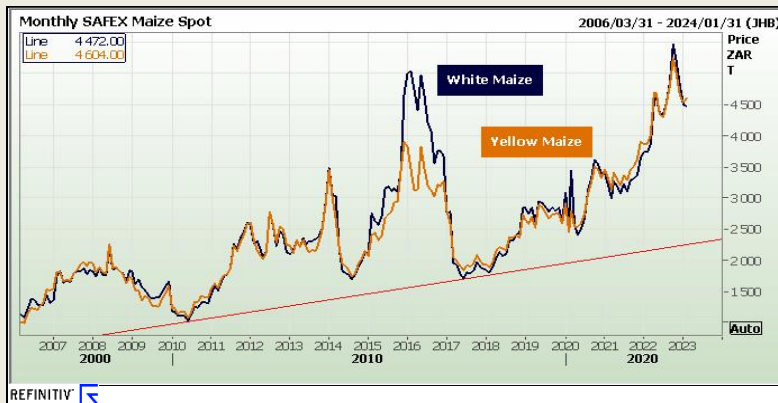
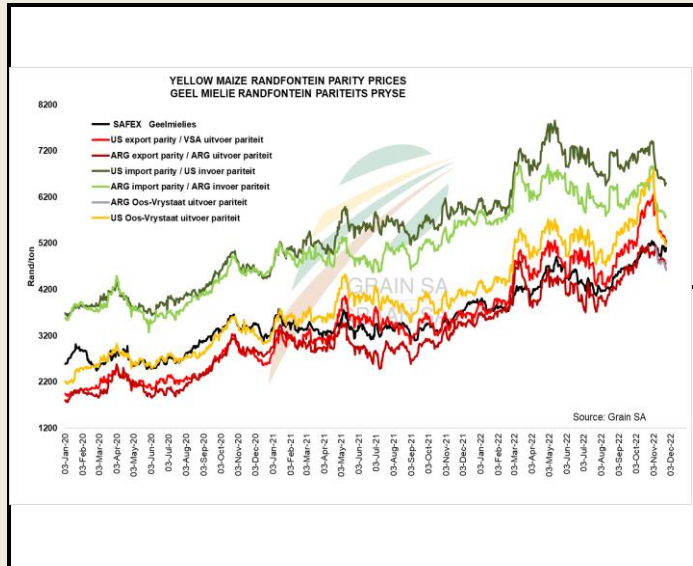
When the U.S. Energy Information Administration releases its next round of ethanol production data later today, we'll see if domestic production managed to stay above the 1-million-barrel-per day benchmark for a sixth consecutive week, and whether we'll see improvements from the prior week's average of 1.014 million barrels per day. It's also worth noting that ethanol stocks rose to a 45-week high last week after expanding another 4%.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2023	R 4 472.00	21.5%	R -147.11	R 4 324.89
May 2023	R 4 395.00	20%	R -148.89	R 4 246.11
Jul 2023	R 4 354.00	21%	R -132.39	R 4 221.61
Sep 2023	R 4 427.00	22%	R -76.74	R 4 350.26
Dec 2023	R 4 533.00	22%	R -74.49	R 4 458.51
Mar 2024	R 4 477.00	0%		R 4 477.00
May 2024				
<b>Yellow Maize Future</b>				
Mar 2023	R 4 604.00	23%	R -147.11	R 4 456.89
May 2023	R 4 513.00	21%	R -148.89	R 4 364.11
Jul 2023	R 4 492.00	19.5%	R -132.39	R 4 359.61
Sep 2023	R 4 573.00	19.5%	R -76.74	R 4 496.26
Dec 2023	R 4 647.00	20%	R -74.49	R 4 572.51
Mar 2024	R 4 583.00	0%		R 4 583.00
May 2024				

The local Maize market traded mixed yesterday. The Mar23 White Maize contract ended R6.00 up and Mar23 Yellow Maize closed R3.00 higher. The May23 White Maize closed unchanged while May23 Yellow Maize ended R2.00 down. The parity move for the Mar23 Maize contract for yesterday was R116.00 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
MAR 2023	743.75	738.25	The record c	-5.50	738.75	0.50	-5.00	MAR 2013	897.75	861.75	The record	-36.00	861.25	-0.50	-36.50
MAY 2023	756.00	750.50	The record c	-5.50	751.00	0.50	-5.00	MAY 2013	882.25	856.75	The record	-25.50	856.25	-0.50	-26.00
JUL 2023	762.25	756.25	The record c	-6.00	757.25	1.00	-5.00	JUL 2013	872.75	851.00	The record	-21.75	851.00	0.00	-21.75
SEP 2023	778.00	765.00	The record c	-13.00	765.75	0.75	-12.25	SEP 2013	864.75	853.00	The record	-11.75	853.00	0.00	-11.75
DEC 2023	785.75	779.25	The record c	-6.50	529.00	-250.25	-256.75	DEC 2013	1018.00	859.00	The record	-159.00	859.00	0.00	-159.00



FarmProgress - Wheat prices have struggled to find much positive momentum since the beginning of December as Black Sea shipments have largely stabilized and kept global competition problematic for U.S. sales. Chicago SRW and MGEX spring wheat prices tested modest gains overnight, while Kansas City HRW futures trended 0.25% lower.

Ahead of today's USDA Agricultural Outlook Forum, analysts expect the agency to show 2022/23 all wheat plantings at 48.7 million acres. Assuming an average yield of 48.6 bushels per acre, that would lead to a total production of 1.893 billion bushels.

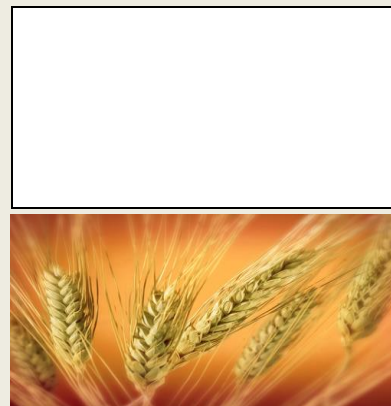
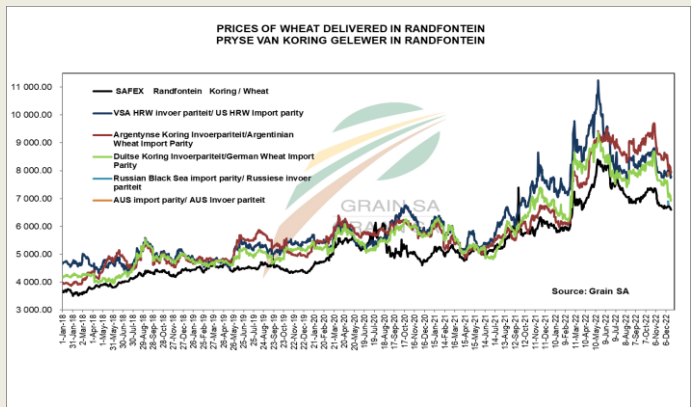
Jordan issued an international tender to purchase 4.4 million bushels of milling wheat from optional origins that closes on February 28. The grain is for shipment in August. Jordan purchased 2.2 million bushels of milling wheat in its most recent tender that closed on Tuesday.

Taiwan issued an international tender to purchase 1.8 million bushels of grade 1 milling wheat from the United States that closes on March 1. The tender seeks a range of several wheat types, including dark northern spring, hard red winter and white wheat and is for shipment starting in mid-April.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2023	R 6 949.00	16.5%	R -55.55	R 6 893.45
May 2023	R 6 997.00	17.5%	R -55.91	R 6 941.09
Jul 2023	R 7 066.00	19.5%	R -56.10	R 7 009.90
Sep 2023	R 7 006.00	17.75%	R -105.09	R 6 900.91
Dec 2023	R 6 765.00	12.5%	R -1 741.81	R 5 023.19
Mar 2024				
May 2024				

The local Weat market closed lower yesterday. The Mar23 Weat contract closed R52.00 down and May23 Weat closed R59.00 lower. The parity move for the Mar23 Weat contract for yesterday was R15.00 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
MAR 2023	1544.25	1534.25	The record	-10.00	902.00	-632.25	-642.25
MAY 2023	1539.75	1527.25	The record	-12.50	1532.25	5.00	-7.50
JUL 2023	1531.75	1519.50	The record	-12.25	1523.00	3.50	-8.75
AUG 2023	1509.25	1488.50	The record	-20.75	1490.50	2.00	-18.75
SEP 2023	1367.50	1420.75	The record	53.25	1420.50	-0.25	53.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2013	493.1	493.70
MAY 2013	478	478.50
JUL 2013	469.6	469.90
AUG 2013	456.9	457.10
SEP 2013	441	441.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2013	62.04	62.22
MAY 2013	62.18	62.42
JUL 2013	61.76	61.98
AUG 2013	61.05	61.22
SEP 2013	60.31	60.58



FarmProgress - Soybean prices found fractional gains on light technical buying ahead of Thursday's session. Prices remain extremely sensitive to ongoing weather trends in South America as Argentina continues to struggle while Brazil braces for record-breaking production.

The rest of the soy complex was lightly mixed overnight. Soybean prices faded around 0.1% lower, while soyoil prices trended 0.4% higher.

Soybean basis bids held steady across most Midwestern locations on Wednesday but trended 5 cents lower at an Ohio elevator yesterday.

Prior to USDA's Agricultural Outlook Forum's 2023 crop acreage estimates, which the agency will release later this morning, analysts expect the agency to predict that soybean plantings will reach 88.6 million acres this season. Assuming average yields of 51.5 bushels per acre, that would generate a total production of 4.515 billion bushels.

### South African Futures Exchange

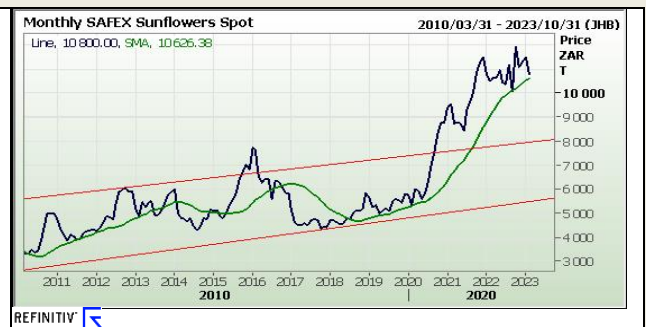
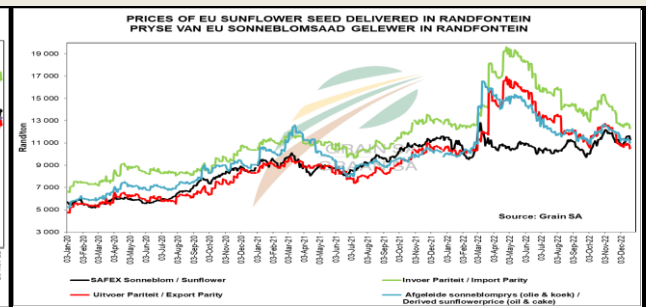
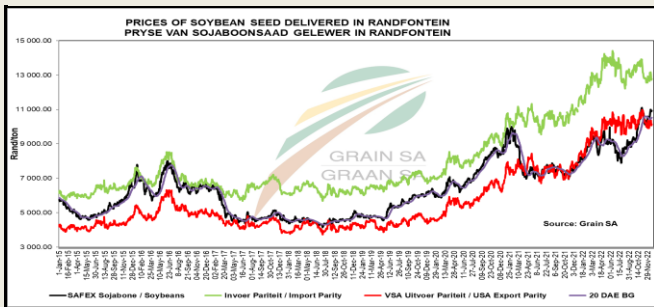
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2023	R 9 814.00	24%	R -4 344.55	R 5 469.45
May 2023	R 9 125.00	21%	R -95.91	R 9 029.09
Jul 2023	R 9 288.00	24%	R -104.04	R 9 183.96
Sep 2023	R 9 400.00	0%	R 314.14	R 9 714.14
Dec 2023	R 9 521.00	23%		R 9 521.00
Mar 2024				
May 2024				

Sunflower Seeds Future		
	MTM	Vols
Mar 2023	R 10 800.00	25%
May 2023	R 9 849.00	24%
Jul 2023	R 9 952.00	30.5%
Sep 2023		
Dec 2023		
Mar 2024		
May 2024		



The local Soya market traded lower yesterday. The Mar23 Soya contract ended R36.00 down and May23 Soya closed R6.00 lower. The parity move for the Mar23 Soya contract for yesterday was R46.00 negative.

The local Suns market closed mixed yesterday. The Mar23 Suns contract closed R49.00 down while May23 Suns closed R15.00 higher.



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