



# **Fundamental Report**

## **07 February 2023**

## Financial Markets

### Financials

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.5841	17.6239	0.0398	0.23%
Euro/Rand	18.9349	18.9178	-0.0171	-0.09%
GBPound/Rand	21.1613	21.2239	0.0626	0.30%
AusDollar/Rand	12.1242	12.2116	0.0874	0.72%
Euro/USDollar	1.0765	1.0733	-0.0032	-0.30%
GBPound/USDollar	1.2034	1.2044	0.0010	0.08%
AusDollar/USDollar	0.6895	0.6928	0.0033	0.48%
JpyYen/USDollar	131.9300	132.3000	0.3700	0.28%

BDLive - The rand fell to its worst level in six weeks on Monday, as the US dollar rose to a three-week high against the euro.

The dollar's strength, on the back of Friday's strong US jobs report, raised the likelihood of the Federal Reserve continuing with its inflation-fighting interest rate hikes for longer. Monday's gains for the dollar followed a strong session on Friday when the greenback rose 1% against the euro, Reuters reported. Meanwhile, the JSE tracked global peers weaker as investors assessed the US Federal Reserve's next move.

Investors are trying to make sense of mixed data which shows slowing inflation, while the US jobs market remains strong, betting that the Fed will need to keep raising rates for longer.

Fed chair Jerome Powell will on Tuesday deliver a speech at the Economic Club of Washington. After Friday's surprising data, investors will scrutinise Powell's address after his remarks last week on "disinflationary" signs in the economy.



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### Commodities

	Last	Value Change	% Change
Platinum	969.20	-2.65	-0.27%
Gold	1874.61	7.25	0.39%
Silver	22.34	0.07	0.33%
Copper	4.04	0.01	0.19%
Gasoil	799.25	17.50	2.19%
Brent Oil	81.78	0.79	0.97%

BDLive - Bengaluru — Gold prices regained some ground on Monday but a firmer dollar and concerns that the US Federal Reserve might keep hiking interest rates kept bullion below the key \$1,900-an-ounce level.

Spot gold was up 0.4% at \$1,872.96 per ounce by 4.57am, after hitting its lowest level since January 6 earlier in the session. US gold futures rose 0.5% to \$1,886.00.

Bullion prices had dropped about 2.5% on Friday after data showed US job growth accelerated sharply last month and the unemployment rate hit a more than 53-year low of 3.4%.

"Markets were initially looking for the first [rate] cut to come in 3Q 2023 (post-Federal Open Market Committee (FOMC) but before non-farm payrolls release), but expectations for the first cut have now been pushed back to November-December 2023," said OCBC FX strategist Christopher Wong.



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### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	73489.37	0.00	0.00%
ALSI	73762.00	0.00	0.00%
S&P 500	Access Den	Access Den	
FTSE	7901.80	-65.09	-0.82%
CAC	7137.10	0.00	0.00%
DAX	15345.91	0.00	0.00%
Hang Seng	21222.16	151.76	0.72%



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## Corn / Maize Market

### Chicago Board of Trade

Month	Yesterday 12pm	Main Session Close	Main Session Change from 12pm
MAR 2023	674.00	679.00	5.00
MAY 2023	672.25	677.75	5.50
JUL 2023	661.75	668.00	6.25
SEP 2023	609.00	613.00	4.00
DEC 2023	595.00	597.75	2.75

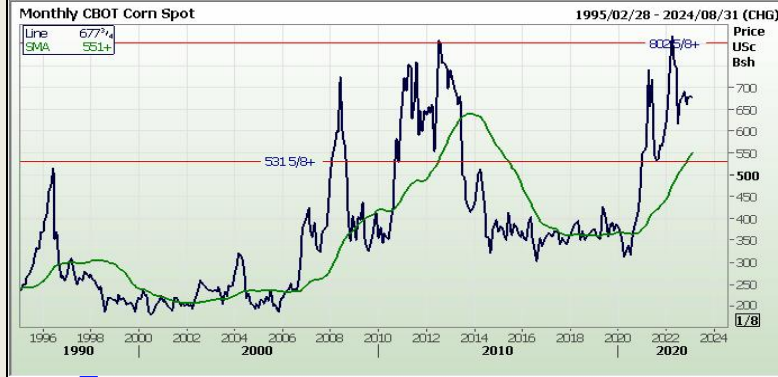
Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
677.50	-1.50	3.50
676.25	-1.50	4.00
666.25	-1.75	4.50
611.50	-1.50	2.50
596.75	-1.00	1.75

FarmProgress - Corn prices shook off modest overnight losses to finish slightly higher amid a choppy session after some net technical buying today. March futures picked up 0.5 cents to \$6.78, while May futures firmed a penny to reach \$6.7650.

Corn basis bids were largely steady across the central U.S. on Monday but did shift 2 cents lower at an Iowa processor today.

Private exporters announced to USDA two large corn sales on Monday. The first was for 4.4 million bushels for delivery to Japan during the 2022/23 marketing year, which began September 1. The second was for 7.9 million bushels to Mexico. Half of that total is for delivery during the current marketing year, with the remainder for delivery in 2023/24.

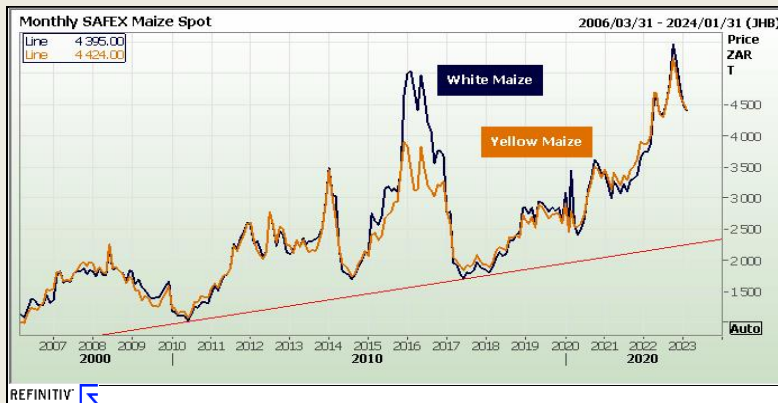
Corn export inspections trended lower after reaching 18.9 million bushels in the week ending February 2. That was also on the lower end of trade estimates, which ranged between 17.3 million and 31.5 million bushels. Mexico was the No. 1 destination, with 12.1 million bushels. Cumulative totals for the 2022/23 marketing year remain well below last year's pace so far, with 493.4 million bushels.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2023	R 4 363.00	23.5%	R 34.84	R 4 397.84
May 2023	R 4 348.00	20%	R 38.29	R 4 386.29
Jul 2023	R 4 311.00	22.5%	R 41.59	R 4 352.59
Sep 2023	R 4 343.00	22%	R 26.89	R 4 369.89
Dec 2023	R 4 381.00	22%	R 21.46	R 4 402.46
Mar 2024	R 4 440.00	0%		R 4 440.00
May 2024				
<b>Yellow Maize Future</b>				
Mar 2023	R 4 444.00	26%	R 34.84	R 4 478.84
May 2023	R 4 447.00	21.5%	R 38.29	R 4 485.29
Jul 2023	R 4 443.00	21%	R 41.59	R 4 484.59
Sep 2023	R 4 511.00	0%	R 26.89	R 4 537.89
Dec 2023	R 4 601.00	20%	R 21.46	R 4 622.46
Mar 2024				
May 2024				

The local Maize market traded higher yesterday. The Mar23 White Maize contract ended R63.00 up and Mar23 Yellow Maize closed R54.00 higher. The May23 White Maize closed higher by R57.00 and May23 Yellow Maize ended R56.00 up. The parity move for the Mar23 Maize contract for yesterday was R36.00 positive.



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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	755.25	750.25	The record d	-5.00	748.00	-2.25	-7.25	MAR 2013	872.75	876.00	The record	3.25	875.00	-1.00	2.25
MAY 2023	767.00	762.00	The record d	-5.00	760.00	-2.00	-7.00	MAY 2013	839.50	868.25	The record	28.75	865.75	-2.50	26.25
JUL 2023	769.50	766.75	The record d	-2.75	764.75	-2.00	-4.75	JUL 2013	855.75	858.25	The record	2.50	856.00	-2.25	0.25
SEP 2023	778.00	775.75	The record d	-2.25	774.75	-1.00	-3.25	SEP 2013	850.25	857.50	The record	7.25	857.50	0.00	7.25
DEC 2023	790.50	789.25	The record d	-1.25	529.00	-260.25	-261.50	DEC 2013	1018.00	861.00	The record	-157.00	0.00	-861.00	-1 018.00



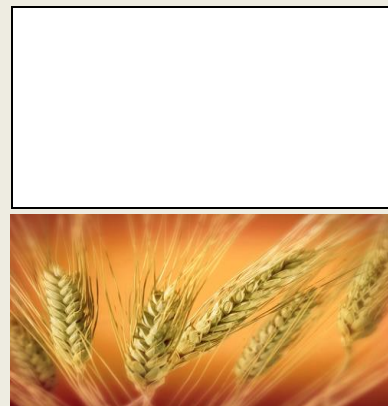
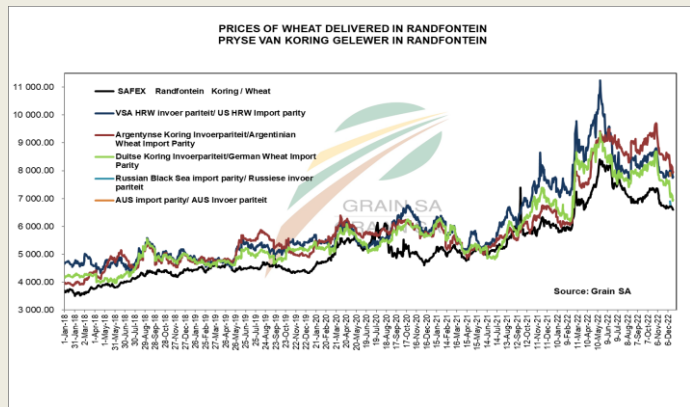
FarmProgress - Wheat prices suffered a moderate technical setback on Monday, with some contracts down nearly 1% today. March Chicago SRW futures fell 7.25 cents to \$7.4950, March Kansas City HRW futures eased 0.75 cents to \$8.7225, and March MGEX spring wheat futures dropped 6.5 cents to \$9.15.

Wheat export inspections were better than expected last week, with 19.7 million bushels. That was above the entire range of trade guesses, which came in between 11.0 million and 19.3 million bushels. The Philippines topped all destinations, with 4.4 million bushels. Cumulative totals for the 2022/23 marketing year are trending slightly below last year's pace so far, with 505.6 million bushels.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2023	R 6 767.00	16.5%	R -35.90	R 6 731.10
May 2023	R 6 819.00	18.5%	R -34.11	R 6 784.89
Jul 2023	R 6 879.00	22.25%	R -19.51	R 6 859.49
Sep 2023	R 6 762.00	17.75%	R -9.67	R 6 752.33
Dec 2023	R 6 562.00	12.5%	R -1 681.83	R 4 880.17
Mar 2024				
May 2024				

The local Wheat market closed higher yesterday. The Mar23 Wheat contract closed R66.00 up and May23 Wheat closed R71.00 higher. The parity move for the Mar23 Wheat contract for yesterday was R33.00 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
MAR 2023	1526.25	1521.25	The record	-5.00	902.00	-619.25
MAY 2023	1519.75	1514.50	The record	-5.25	1517.25	2.75
JUL 2023	1511.00	1507.00	The record	-4.00	1509.00	2.00
AUG 2023	1509.25	1469.75	The record	-39.50	1471.00	1.25
SEP 2023	1367.50	1399.25	The record	31.75	1400.25	1.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2013	489	489.00
MAY 2013	474.5	474.20
JUL 2013	466.8	466.30
AUG 2013	451.5	451.60
SEP 2013	432.6	432.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2013	59.31	59.55
MAY 2013	59.5	59.77
JUL 2013	59.46	59.76
AUG 2013	59.22	59.57
SEP 2013	58.86	59.17



FarmProgress - Soybean prices faced a double-digit drop after worries about Chinese trade relations triggered a round of technical selling on Monday. March futures eroded 11 cents lower to \$15.21, with May futures down 11.75 cents to \$15.1375.

The rest of the soy complex was mixed. Soy meal futures tumbled 1.5% lower, while soy oil futures picked up modest gains.

Soybean basis bids were mostly steady across the central U.S. on Monday but did tilt 2 cents higher at an Illinois river terminal today.

Soybean export inspections eased slightly lower to 67.2 million bushels last week. That was still on the upper end of analyst estimates, which ranged between 29.4 million and 69.8 million bushels. China was by far the No. 1 destination, with 42.6 million bushels. Cumulative totals for the 2022/23 marketing year have finally pulled ahead of last year's pace, with 1.393 billion bushels.

### South African Futures Exchange

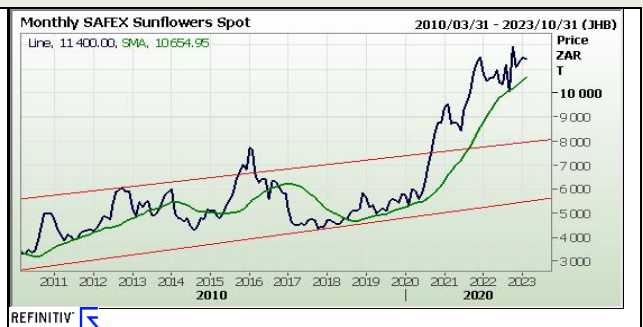
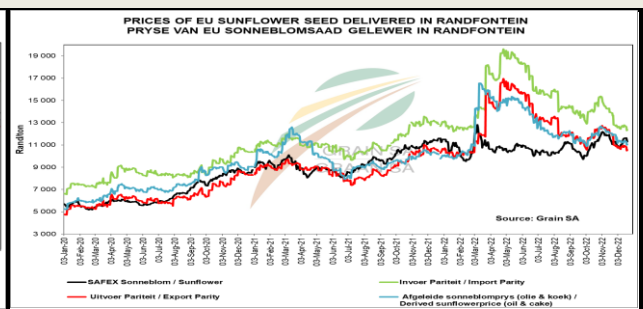
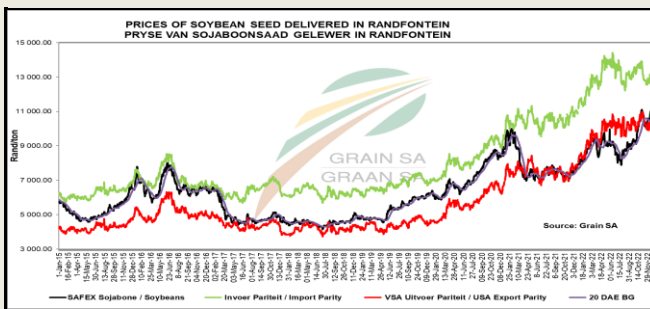
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2023	R 9 420.00	24%	R -4 020.12	R 5 399.88
May 2023	R 8 788.00	21%	R 6.04	R 8 794.04
Jul 2023	R 8 937.00	24%	R 9.15	R 8 946.15
Sep 2023	R 9 044.00	0%	R 232.08	R 9 276.08
Dec 2023	R 9 180.00	23%		R 9 180.00
Mar 2024				
May 2024				

Sunflower Seeds Future		
	MTM	Vols
Mar 2023	R 11 080.00	25%
May 2023	R 10 140.00	24%
Jul 2023	R 10 320.00	30.5%
Sep 2023		
Dec 2023		
Mar 2024		
May 2024		



The local Soya market traded higher yesterday. The Mar23 Soya contract ended R140.00 up and May23 Soya closed R155.00 higher. The parity move for the Mar23 Soya contract for yesterday was R10.00 positive.

The local Suns market closed mixed yesterday. The Mar23 Suns contract closed R15.00 down while May23 Suns closed R10.00 higher.



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