



# **Fundamental Report**

## **07 March 2023**

## Financial Markets

### Financials

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	18.2341	18.2413	0.0072	0.04%
Euro/Rand	19.3775	19.4914	0.1139	0.59%
GBPound/Rand	21.9221	21.9486	0.0265	0.12%
AusDollar/Rand	12.2770	12.2363	-0.0407	-0.33%
Euro/USDollar	1.0629	1.0681	0.0052	0.49%
GBPound/USDollar	1.2026	1.2035	0.0009	0.07%
AusDollar/USDollar	0.6733	0.6708	-0.0025	-0.37%
JpyYen/USDollar	136.0800	135.9800	-0.1000	-0.07%

BDLive - The JSE tracked firmer global markets on Monday, building on Friday's gains, while markets await an address by US Federal Reserve chair Jerome Powell and key data from the US this week.

Focus remains firmly on inflation and the effects any further tightening of monetary policy will have on global growth. Investors will pay close attention to Powell, who is due to testify before Congress on Tuesday and Wednesday, while the non-farm payroll data is due on Friday. Market participants see Powell's address as an ideal opportunity to set out how the Fed's analysis has been changed by the recent string of strong data and will be looking for clues on how the central bank will approach its next rate-hike decision. The ten-year US Treasury note — which has been trading in line with the two-year in recent months — has seen its yield rise in the past few weeks. But in the last few trading sessions, it has remained below its 2023 peak of just over 4%, said SPI Asset Management managing partner Stephen Innes. "That's helping keep traders bidding for stocks a bit Monday, with positive corporate news today giving the overall market a boost."



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### Commodities

	Last	Value Change	% Change
Platinum	970.37	-5.46	-0.56%
Gold	1847.16	0.33	0.02%
Silver	21.06	0.02	0.09%
Copper	4.07	-0.02	-0.37%
Gasoil	851.25	8.50	1.00%
Brent Oil	86.45	0.27	0.31%

BDLive - Bengaluru — Gold prices rose marginally on Tuesday as investors awaited Congressional testimony by US Federal Reserve chair Jerome Powell and monthly jobs data, both of which could influence the interest rate policy.

Spot gold was up 0.1% at \$1,847.81 an ounce at 3.44am GMT. US gold futures eased 0.1% to \$1,853.20. Higher interest rates rein in rising prices reduce investors' appetite for non-yielding bullion. Gold managed to climb higher as the dollar slipped, OCBC FX strategist Christopher Wong said. "Softer than expected US data last week somewhat raises the question if the solid data seen in February releases was just a one-off seasonal or statistical quirk," he said. Data last week showed a higher than expected decline of 4.5% in US durable goods in January, the largest drop since April 2020. Data on Monday showed new orders for US-made goods fell in January, pulled down by a plunge in civilian aircraft bookings, but increases in machinery and a range of other products suggested that manufacturing could be regaining its footing.



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### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	72769.42	0.00	0.00%
ALSI	72706.00	0.00	0.00%
S&P 500	Access Den	Access Den	
FTSE	7947.11	-17.32	-0.22%
CAC	7373.21	0.00	0.00%
DAX	15653.58	0.00	0.00%
Hang Seng	20603.19	102.77	0.50%



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## Corn / Maize Market

### Chicago Board of Trade

Month	Yesterday 12pm	Main Session Close	Main Session Change from 12pm
MAR 2023	652.75	644.50	-8.25
MAY 2023	637.00	637.00	0.00
JUL 2023	667.75	625.50	-42.25
SEP 2023	593.00	582.50	-10.50
DEC 2023	578.75	570.00	-8.75

Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
645.50	1.00	-7.25
637.00	0.00	0.00
625.75	0.25	-42.00
582.00	-0.50	-11.00
569.75	-0.25	-9.00

FarmProgress - Corn prices closed today's trading session \$0.01-\$0.02/bushel lower as nearby futures drifted down to \$6.26-\$6.45/bushel and the Dec23 contract settled just shy of \$5.71/bushel. Some of the day's losses were due in large part to spillover weakness from the wheat market, where some global supply tensions are easing, especially as favorable progress was made over the weekend to extend the Black Sea Grains Initiative to keep Ukrainian shipping corridors open amid the ongoing Russian invasion.

Corn shipments stole the show in this morning's USDA Grain Inspections for Export report, rising nearly 39% from week ago volumes to 35.4 million bushels for the February 24 - March 3, 2023 reporting week. Pre-report analyst estimates had pegged today's figure between 17.7 million - 29.5 million bushels, so this morning's figures were far above market expectations. Before the weekly Grains Inspections for Export report was published, USDA announced two large daily flash corn sales - one for 7.2 million bushels to an unknown buyer and another totaling 4.3 million bushels to Japan, both in the 2022/23 marketing year. But corn prices continued to trade at a \$0.01-\$0.03/bushel loss today, despite plenty of export demand optimism. Forecasts for a large U.S. 2023 corn crop and weakening demand prospects in the coming months - particularly in the export market - contributed to today's lackluster futures prices and underlying usage concerns. At 601.7 million bushels of corn inspected through March 2, marketing year to date corn shipments are 38% below year-ago volumes. Markets remain wary of prospects for U.S. corn export demand amidst an ongoing trade dispute between the U.S. and Mexico over GMO corn imports. Elevating those concerns this morning, the U.S. Trade Representative's office requested technical evidence from Mexico, which will lead to more formal trade discussions between the two countries over Mexico's impending GMO corn import ban. This move is the first official step in a dispute settlement panel under the USMCA.

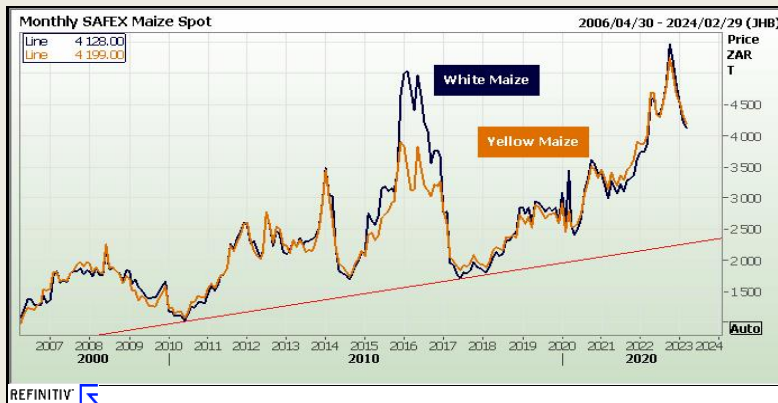
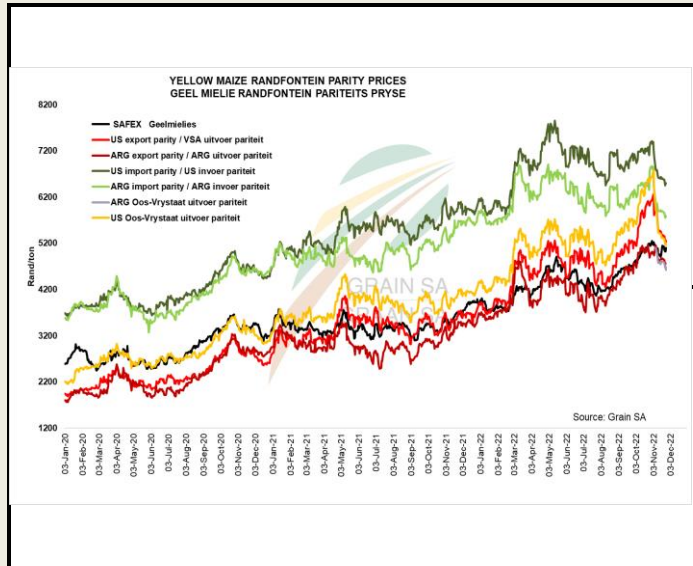


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### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2023	R 4,128.00	21.5%	R -50.21	R 4,077.79
May 2023	R 4,048.00	20%	R 1.81	R 4,049.81
Jul 2023	R 3,966.00	21%	R -299.72	R 3,666.28
Sep 2023	R 4,049.00	22%	R -77.31	R 3,971.69
Dec 2023	R 4,151.00	22%	R -62.99	R 4,088.01
Mar 2024	R 4,175.00	21%		R 4,175.00
May 2024				
<b>Yellow Maize Future</b>				
Mar 2023	R 4,199.00	23%	R -50.21	R 4,148.79
May 2023	R 4,196.00	21%	R 1.81	R 4,197.81
Jul 2023	R 4,158.00	20.25%	R -299.72	R 3,858.28
Sep 2023	R 4,245.00	19.5%	R -77.31	R 4,167.69
Dec 2023	R 4,323.00	20%	R -62.99	R 4,260.01
Mar 2024	R 4,331.00	0%		R 4,331.00
May 2024				

The local Maize market traded neutral to lower yesterday. The Mar23 White Maize contract ended R3.00 down and Mar23 Yellow Maize closed R17.00 lower The May23 White Maize closed unchanged while May23 Yellow Maize ended R16.00 down. The parity move for the Mar23 Maize contract for yesterday was R15.00 positive.



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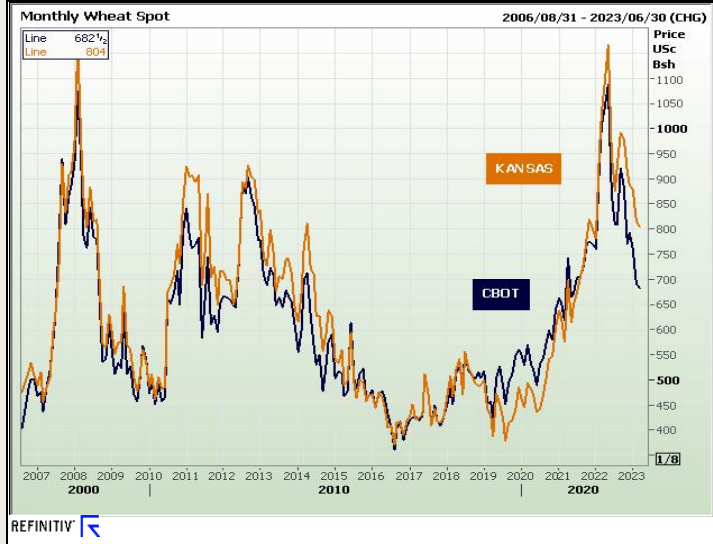


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## Wheat Market

### 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
MAR 2023	708.25	682.50	The record c	-25.75	0.00	-682.50	-708.25	MAR 2013	897.75	804.00	The record	-93.75	0.00	-804.00	-897.75
MAY 2023	702.25	695.25	The record c	-7.00	696.25	1.00	-6.00	MAY 2013	807.50	797.75	The record	-9.75	799.25	1.50	-8.25
JUL 2023	762.25	703.50	The record c	-58.75	703.75	0.25	-58.50	JUL 2013	872.75	791.75	The record	-81.00	793.75	2.00	-79.00
SEP 2023	778.00	714.50	The record c	-63.50	715.00	0.50	-63.00	SEP 2013	864.75	795.25	The record	-69.50	797.25	2.00	-67.50
DEC 2023	785.75	731.00	The record c	-54.75	529.00	-202.00	-256.75	DEC 2013	1018.00	802.75	The record	-215.25	807.50	4.75	-210.50



FarmProgress - U.S. wheat prices fell \$0.10-\$0.18/bushel lower today, with Chicago SRW wheat dropping below the \$7/bushel benchmark – the lowest price the complex has seen since September 2021 – as the global wheat market braces for more supply availability in the coming season.

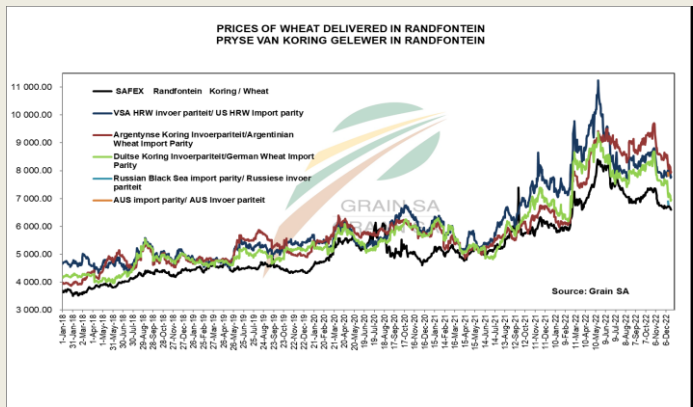
Markets are expecting the BSGI will be renewed, keeping critical grain corridors open to international buyers. Dwindling international demand for high-priced U.S. wheat is also contributing to bearish market forces at play today in the wheat complex. Wheat export inspections also suffered a brutal week during February 24 – March 3, 2023. During the reporting week, inspection volumes dropped 59% lower than the previous week to 9.9 million bushels. Steady competition from record-setting Russian supplies continues to dominate the global market and a strong dollar will likely keep U.S. exporters from being a supplier of choice in the coming months. Buying interest just isn't present for U.S. wheat exporters. A strong dollar continues to deter international interest in U.S. wheat, with only seven of countries booking shipments of U.S. wheat cargoes last week. Shipments to top U.S. wheat buyer Mexico (3.1M bu.) as well as to China (2.5M bu.) accounted for 57% of the week's wheat bushels inspected at export terminals. Plus, forecasts for record-setting Australian wheat exports, favorable winter growing conditions in Europe, and more optimism for Ukraine's crop development also dragged U.S. wheat prices lower during today's trading session as worries about global supply constraints eased.

Ukraine's winter wheat and barley crops are reported by scientists to be in good condition despite the ongoing Russian invasion.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2023	R 6,546.00	16.5%	R -4,745.19	R 1,800.81
May 2023	R 6,557.00	15.5%	R -38.36	R 6,518.64
Jul 2023	R 6,631.00	18%	R -390.08	R 6,240.92
Sep 2023	R 6,573.00	17.75%	R -420.20	R 6,152.80
Dec 2023	R 6,340.00	12.5%	R -1,718.80	R 4,621.20
Mar 2024				
May 2024				

The local Wheat market closed yesterday. The Mar23 Wheat contract closed R66.00 down and May23 Wheat closed R63.00 lower. The parity move for the Mar23 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	Overnight Change from 12pm
MAR 2023	1531.25	1541.00	The record	9.75	902.00	-639.00	-629.25
MAY 2023	1514.25	1529.00	The record	14.75	1528.50	-0.50	14.25
JUL 2023	1500.75	1516.75	The record	16.00	1517.00	0.25	16.25
AUG 2023	1509.25	1480.75	The record	-28.50	1480.75	0.00	-28.50
SEP 2023	1367.50	1410.50	The record	43.00	1410.75	0.25	43.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2013	507.9	507.90
MAY 2013	493.4	495.10
JUL 2013	482.7	484.30
AUG 2013	467.7	468.90
SEP 2013	449.1	449.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2013	59.88	0.00
MAY 2013	60.45	60.35
JUL 2013	60.18	60.15
AUG 2013	59.5	59.40
SEP 2013	58.87	58.73



FarmProgress - Even with lackluster shipping data reported for U.S. soy exports this morning, there was still plenty of optimism to be had in the soy market today as soybean futures closed \$0.05-\$0.11/bushel higher today, sending nearby futures to \$15.17-\$15.41/bushel and Nov23 new crop futures settling just shy of \$13.79/bushel.

More strength was derived from the soy meal market, which extended last week's gains for another massive rally during today's trading session. Nearby March23 soy meal futures surged past the \$500/ton benchmark to close \$10.50/ton higher at \$508.60/ton. It marked a seven-week high for soy meal prices.

Soy meal prices have been surging both at home and abroad amidst slow crushing paces in Argentina, where drought has cut production in the world's largest soy meal and soy oil exporter and left soy crushers scrambling for scarce supplies, as well as in the Upper Midwest, where recent winter storms are slowing farmer and dealer transport.

Markets are also bracing for USDA to make cuts to Argentina's soy meal production in Wednesday's WASDE report, with an expectation of tightening global soybean supplies as a result.

### South African Futures Exchange

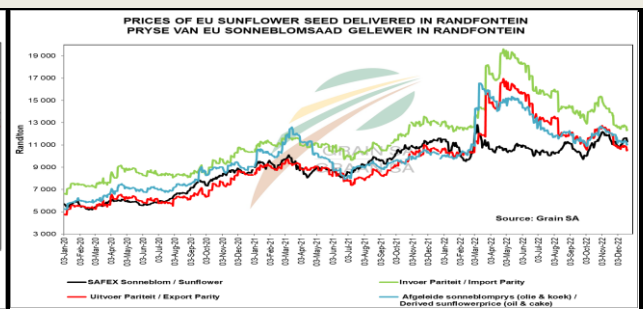
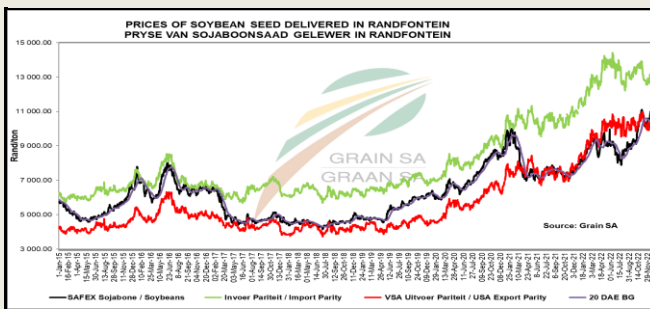
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2023	R 9,426.00	24%	R -4,213.52	R 5,212.48
May 2023	R 8,743.00	20%	R 99.52	R 8,842.52
Jul 2023	R 8,900.00	24%	R 112.89	R 9,012.89
Sep 2023	R 9,010.00	0%	R 293.50	R 9,303.50
Dec 2023	R 9,136.00	23%		R 9,136.00
Mar 2024				
May 2024				

Sunflower Seeds Future		
	MTM	Vols
Mar 2023	R 10,449.00	25%
May 2023	R 9,506.00	24%
Jul 2023	R 9,652.00	24.5%
Sep 2023	R 9,895.00	0%
Dec 2023	R 10,090.00	0%
Mar 2024		
May 2024		



The local Soya market traded yesterday. The Mar23 Soya contract ended R58.00 up and May23 Soya closed R50.00 higher. The parity move for the Mar23 Soya contract for yesterday was R1.00 positive.

The local Suns market closed yesterday. The Mar23 Suns contract closed R270.00 down and May23 Suns closed R85.00 lower.



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