



# **Fundamental Report**

## **06 February 2024**

## Financial Markets

### Financials

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	18.6416	19.0156	0.3740	2.01%
Euro/Rand	20.3016	20.4427	0.1411	0.70%
GBPound/Rand	23.7728	23.8660	0.0932	0.39%
AusDollar/Rand	12.3053	12.3937	0.0884	0.72%
Euro/USDollar	1.0889	1.0747	-0.0142	-1.30%
GBPound/USDollar	1.2756	1.2548	-0.0208	-1.63%
AusDollar/USDollar	0.6601	0.6515	-0.0086	-1.30%
JpyYen/USDollar	146.6800	148.4400	1.7600	1.20%

BDLive - The rand weakened to the lowest level in two weeks on Monday, while the JSE closed weaker as investors considered the implications of a strong US jobs report on the monetary policy outlook.

In an interview with CBS on Sunday, Federal Reserve chair Jerome Powell stated that the Fed would be cautious about cutting rates and that there would probably be fewer cuts than the market was pricing in. Additionally, Powell said the central bank's policymakers want to see more evidence that inflation is moving "sustainably down to 2%". Issuance in the fixed-income primary market in SA surged 91% to R55.4bn in the last quarter of 2023 as a dozen corporates tapped the bond market to raise capital to fund growth projects.

The total 2023 issuances amounted to about R164bn, up 16% from the 2022 calendar year.



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### Commodities

	Last	Value Change	% Change
Platinum	899.72	3.07	0.34%
Gold	2025.87	1.20	0.06%
Silver	22.37	0.01	0.03%
Copper	3.79	0.02	0.44%
Gasoil	837.00	19.00	2.27%
Brent Oil	78.21	0.22	0.28%

BDLive - Gold prices fell on Monday, as the dollar and treasury yields surged after a blowout US jobs report crushed expectations of near-term interest rate cuts from the Federal Reserve.

Spot gold was down 0.3% at \$2,053.50/oz by 4.20am GMT. US gold futures fell 0.2% to \$2,049.10/oz.

"Large speculators and managed funds trimmed long exposure to gold futures for a fourth week ... and with Jerome Powell reiterating three rate cuts for the year, it remains debatable as to whether gold can rally from here," said Matt Simpson, a senior analyst at City Index.

Traders are betting on four quarter-point Fed rate cuts for 2024, down from six last Monday, according to LSEG's interest rate probability app IRPR.



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### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	67476.47	0.00	0.00%
ALSI	67770.00	0.00	0.00%
S&P 500	Access Den	Access Den	
FTSE	7615.54	-2.68	-0.04%
CAC	7589.96	0.00	0.00%
DAX	16904.06	0.00	0.00%
Hang Seng	15510.01	380.88	2.46%



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## Corn / Maize Market

### Chicago Board of Trade

Month	Yesterday 12pm	Main Session Close	Main Session Change from 12pm
MAR 2024	440.50	442.75	2.25
MAY 2024	457.25	453.25	-4.00
JUL 2024	464.00	462.00	-2.00
SEP 2024	469.00	468.50	-0.50
DEC 2024	477.50	477.75	0.25

Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
443.25	0.50	2.75
454.25	1.00	-3.00
463.00	1.00	-1.00
469.75	1.25	0.75
479.25	1.50	1.75

FarmProgress - Corn prices overcame modest overnight losses to finish Monday's session slightly in the green on some light net technical buying that was partly spurred from spillover strength from soybeans and a flash sale to Mexico announced this morning. March and May futures each inched 0.25 cents higher to close at \$4.43 and \$4.5375, respectively.

Corn basis bids were steady to soft after dropping 5 to 8 cents across three Midwestern locations on Monday.

Private exporters reported to USDA the sale of 6.1 million bushels of corn for delivery to Mexico during the 2023/24 marketing year, which began September 1.

Corn export inspections were lackluster after trending moderately lower week-over-week to 24.6 million bushels in the week through February 1. That was also below the entire set of trade guesses, which ranged between 29.5 million and 47.2 million bushels. Mexico was by far the No. 1 destination, with 13.8 million bushels. Cumulative totals for the 2023/24 marketing year are still moderately above last year's pace so far, with 641.2 million bushels.

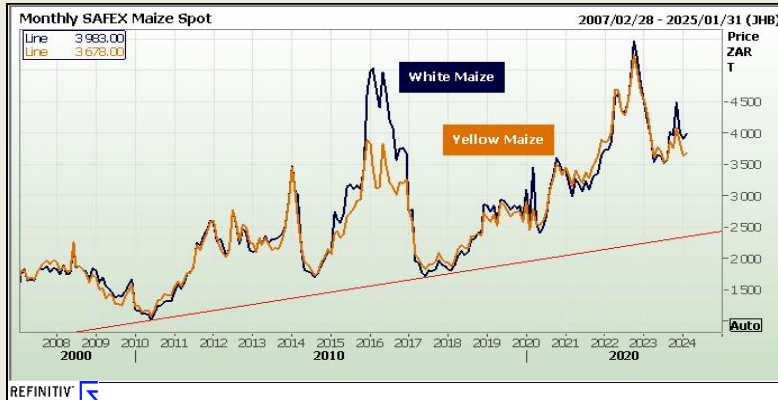
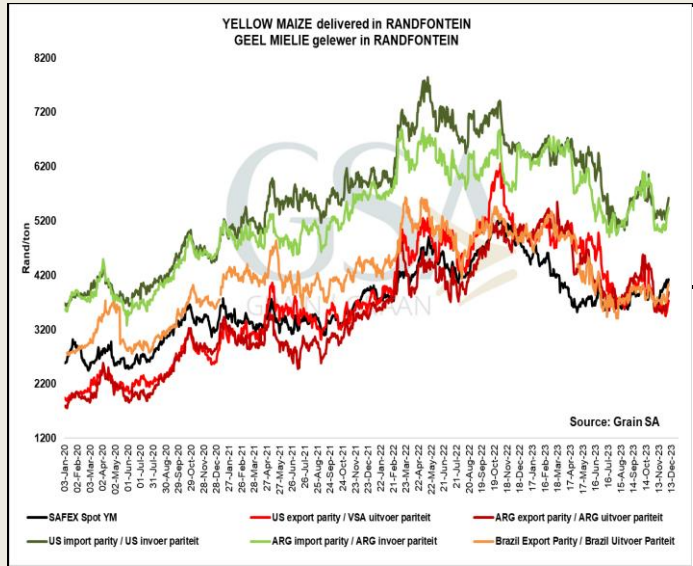


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### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2023				
Mar 2024	R 3 891.00	37%	R 85.44	R 3 976.44
May 2024	R 3 778.00	28%	R 44.87	R 3 822.87
Jul 2024	R 3 793.00	24.25%	R 60.83	R 3 853.83
Sep 2024	R 3 870.00	0%	R 74.67	R 3 944.67
Dec 2024	R 3 970.00	20.5%	R 83.41	R 4 053.41
Mar 2025	R 3 895.00	0%		R 3 895.00
<b>Yellow Maize Future</b>				
Dec 2023				
Mar 2024	R 3 676.00	31.5%	R 85.44	R 3 761.44
May 2024	R 3 678.00	20.75%	R 44.87	R 3 722.87
Jul 2024	R 3 681.00	23%	R 60.83	R 3 741.83
Sep 2024	R 3 747.00	19.5%	R 74.67	R 3 821.67
Dec 2024	R 3 855.00	22.5%	R 83.41	R 3 938.41
Mar 2025	R 3 842.00	0%		R 3 842.00

The local Maize market traded higher yesterday. The Mar24 White Maize contract ended R150.00 up and Mar24 Yellow Maize closed R72.00 higher. The May24 White Maize closed higher by R136.00 and May24 Yellow Maize ended R75.00 up. The parity move for the Mar24 Maize contract for yesterday was R23.00 positive.



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## Oil Seed Market

### Chicago Board of Trade

CBOT Soybean Seed						
Month	Yesterday 12pm	Main Session Close	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2024	1202.25	1196.25	-6.00	902.00	-294.25	-300.25
MAY 2024	1212.50	1204.75	-7.75	1205.50	0.75	-7.00
JUL 2024	1221.75	1214.25	-7.50	1214.50	0.25	-7.25
AUG 2024	1262.25	1204.50	-57.75	1203.50	-1.00	-58.75
SEP 2024	1193.75	1181.50	-12.25	1179.25	-2.25	-14.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2014	361.1	360.90
MAY 2014	355.8	355.40
JUL 2014	358.7	358.30
AUG 2014	358.8	358.40
SEP 2014	357.3	357.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2014	45.33	45.57
MAY 2014	45.78	46.04
JUL 2014	45.96	46.23
AUG 2014	45.73	45.88
SEP 2014	45.43	0.00



FarmProgress - Soybean prices benefited from a round of technical buying party spurred by a better-than-expected set of export inspection data from USDA this morning, which led to gains of around 0.75%. March futures rose 9 cents to \$11.9750, with May futures up 8 cents to \$12.0625.

The rest of the soy complex also found moderate gains. March soy meal futures moved around 1.25% higher, while March soy oil futures were up more than 1.5%.

Soybean basis bids were steady to mixed after trending as much as 15 cents higher at a low river terminal and as much as 10 cents lower at an Illinois river terminal on Monday.

Soybean export inspections outperformed expectations last week after improving to 52.4 million bushels in the week through February 1. That was above the entire set of trade guesses, which ranged between 16.5 million and 33.1 million bushels. China was again the top destination, with 35.2 million bushels. Cumulative totals for the 2023/24 marketing year remain noticeably below last year's pace so far, with 1.070 billion bushels.

### South African Futures Exchange

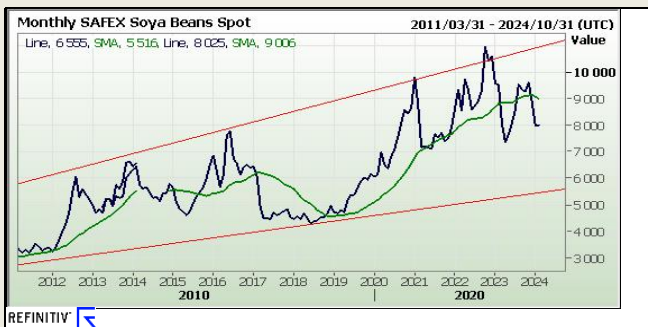
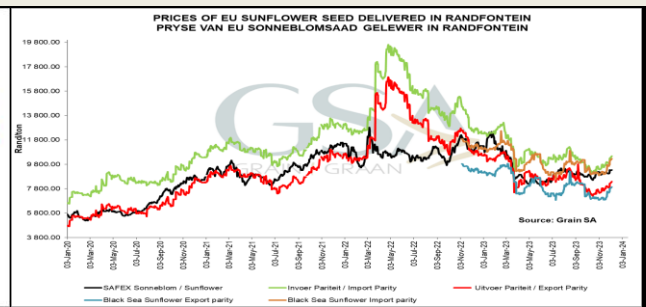
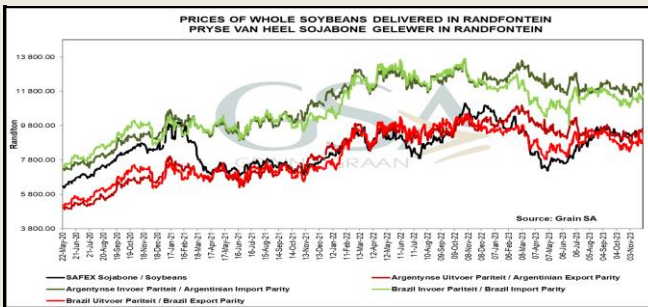
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2023				
Mar 2024				
May 2024				
Jul 2024				
Sep 2024				
Dec 2024				
Mar 2025				

Sunflower Seeds Future		
	MTM	Vols
Dec 2023		
Mar 2024	R 8 269.00	22%
May 2024	R 8 099.00	19%
Jul 2024	R 8 199.00	0%
Sep 2024		
Dec 2024		
Mar 2025		



The local Soya market traded higher yesterday. The Mar24 Soya contract ended R270.00 up and May24 Soya closed R247.00 higher. The parity move for the Mar24 Soya contract for yesterday was R101.00 positive.

The local Suns market closed higher yesterday. The Mar24 Suns contract closed R225.00 up and May24 Suns closed R199.00 higher.



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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 from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2024	603.75	590.25	-13.50	592.50	2.25	-11.25	MAR 2014	628.25	614.00	-14.25	615.75	1.75	-12.50
MAY 2024	611.75	599.00	-12.75	601.00	2.00	-10.75	MAY 2014	625.75	612.75	-13.00	614.00	1.25	-11.75
JUL 2024	616.00	603.25	-12.75	606.00	2.75	-10.00	JUL 2014	619.00	608.00	-11.00	609.50	1.50	-9.50
SEP 2024	632.75	614.25	-18.50	614.00	-0.25	-18.75	SEP 2014	639.50	618.00	-21.50	618.00	0.00	-21.50
DEC 2024	629.25	628.75	-0.50	529.00	-99.75	-100.25	DEC 2014	656.00	634.25	-21.75	635.00	0.75	-21.00



FarmProgress - Wheat prices continue to be weighed down by overseas competition and a strengthening U.S. Dollar. The ensuing round of technical selling left most contracts 1% to 1.5% lower on Monday. March Chicago SRW futures fell 8.5 cents to \$5.9125, March Kansas City HRW futures lost 10.25 cents to \$6.1475, and March MGEX spring wheat futures dropped 7.75 cents to \$6.92.

Wheat export inspections were pedestrian last week after only reaching 9.8 million bushels. That was on the very low end of analyst estimates, which ranged between 9.2 million and 18.4 million bushels. Indonesia was the No. 1 destination, with 1.9 million bushels. Cumulative totals for the 2023/24 marketing year are still trending moderately below last year's pace so far, with 414.2 million bushels.

Russian consultancy Sovecon estimates that the country's wheat exports reached 132.3 million bushels in January, which would be a modest decline versus December volume, if realized. Russia is the world's No. 1 wheat exporter.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2023				
Mar 2024	R 6 131.00	11%	R 4.36	R 6 135.36
May 2024	R 6 176.00	10%	R 8.96	R 6 184.96
Jul 2024	R 6 226.00	11%	R 14.78	R 6 240.78
Sep 2024	R 6 179.00	11%	R -44.05	R 6 134.95
Dec 2024	R 6 015.00	0%	R -613.98	R 5 401.02
Mar 2025				

The local Wheat market closed higher yesterday. The Mar24 Wheat contract closed R15.00 up and May24 Wheat closed R26.00 higher. The parity move for the Mar24 Wheat contract for yesterday was R47.00 positive.

