



# **Fundamental Report**

## **22 February 2021**

## Financial Markets

### Currencies

| Currency           | Bid - Yesterday 12pm | Current Bid | Value Change | % Change |
|--------------------|----------------------|-------------|--------------|----------|
| USDollar/Rand      | 14.5969              | 14.6898     | 0.0929       | 0.64%    |
| Euro/Rand          | 17.7121              | 17.8014     | 0.0893       | 0.50%    |
| GBPound/Rand       | 20.4102              | 20.5966     | 0.1864       | 0.91%    |
| AusDollar/Rand     | 11.4250              | 11.5858     | 0.1608       | 1.41%    |
| Euro/USDollar      | 1.2133               | 1.2120      | -0.0013      | -0.11%   |
| GBPound/USDollar   | 1.3984               | 1.4020      | 0.0036       | 0.26%    |
| AusDollar/USDollar | 0.7827               | 0.7887      | 0.0060       | 0.77%    |
| JpyYen/USDollar    | 105.4100             | 105.6600    | 0.2500       | 0.24%    |

BDLive - The JSE reached another record high on Friday, tracking firmer global markets with sentiment driven by prospects of a huge US stimulus and rollouts of Covid-19 vaccines.

After reaching the milestone for the first time on Monday, the JSE all share closed above 67,000 points for four days this week, bringing total gains to 2.02%. Resources and platinum miners performed best, rising 6.41% and 5.92%, respectively. Global shares struggled to avoid a fourth straight day of losses on Friday as data showed eurozone business activity slowing in February, while German and British 10-year bond yields touched multimonth highs, driven up by bets on rising inflation.

The pan European index was up 0.1% but still set for its first weekly loss in February, as IHS Markit's flash composite PMI nudged closer to the 50 mark separating growth from contraction.



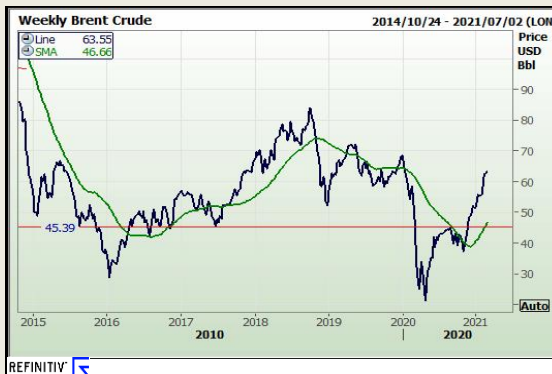
### Commodities

|           | Last    | Value Change | % Change |
|-----------|---------|--------------|----------|
| Platinum  | 1289.16 | 15.10        | 1.17%    |
| Gold      | 1784.86 | 2.55         | 0.14%    |
| Silver    | 27.51   | 0.30         | 1.08%    |
| Copper    | 4.15    | 0.08         | 1.84%    |
| Gasoil    | 524.25  | 1.25         | 0.24%    |
| Brent Oil | 63.54   | 0.63         | 0.99%    |

BDLive - Gold prices fell to their lowest in more than seven months on Friday, on course for their worst week since the end of November, as rising US Treasury yields eroded the non-yielding bullion's appeal.

Spot gold fell 0.4% to \$1,769.03/oz at 2.50am GMT, having touched its lowest since July 2 at \$1,759.29/oz earlier in the session. Prices have declined 3% so far this week. US gold futures slipped 0.6% to \$1,765.30/oz.

"US bond yields have been rallying quite strongly in the last week, and there is growing momentum that they can lift further as US and global growth recovers more quickly as vaccines roll out," said Lachlan Shaw, National Australia Bank's head of commodity research.



### Financials

|            | Current Bid | Value Change | % Change |
|------------|-------------|--------------|----------|
| JSE TOP 40 | 61206.58    | 898.66       | 1.47%    |
| ALSI       | 61895.00    | 0.00         | 0.00%    |
| S&P 500    | 3913.97     | -7.26        | -0.19%   |
| FTSE       | 6617.15     | 6.87         | 0.10%    |
| CAC        | 5773.55     | 0.00         | 0.00%    |
| DAX        | 13886.93    | 106.30       | 0.77%    |
| Hang Seng  | 30644.73    | 157.76       | 0.51%    |



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## Corn / Maize Market

### Chicago Board of Trade

| 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 2021 | 550.00         | 542.75             | The record          | -7.25                         | 547.00            | 4.25                               | -3.00                      |
| MAY 2021 | 549.00         | 541.75             | The record          | -7.25                         | 546.00            | 4.25                               | -3.00                      |
| JUL 2021 | 539.00         | 533.00             | The record          | -6.00                         | 537.50            | 4.50                               | -1.50                      |
| SEP 2021 | 483.00         | 481.75             | The record          | -1.25                         | 486.00            | 4.25                               | 3.00                       |
| DEC 2021 | 460.00         | 460.00             | The record          | 0.00                          | 464.25            | 4.25                               | 4.25                       |

FarmProgress - Corn prices spilled more than 1.25% lower after USDA announced it expects to see record-breaking production this season, which prompted some technical selling and profit-taking Friday. March futures dropped 7.25 cents to \$5.43, with May futures down 7 cents to \$5.42. Corn basis bids ticked a penny higher at an Ohio elevator and an Illinois river terminal Friday while holding steady elsewhere across the central U.S. today. Old crop corn sales faded 31% lower week-over-week to 39.2 million bushels. With another 7.2 million bushels of new crop sales, that created a total tally of 46.5 million bushels. Analysts were generally expecting to see similar results, with trade guesses ranging between 31.5 million and 53.1 million bushels. Cumulative totals for the 2020/21 marketing year remain far ahead of last year's pace, with 904.3 million bushels. Corn export shipments shifted 14% higher than the prior four-week average, with 54.6 million bushels. Mexico was the No. 1 destination, with 9.7 million bushels.

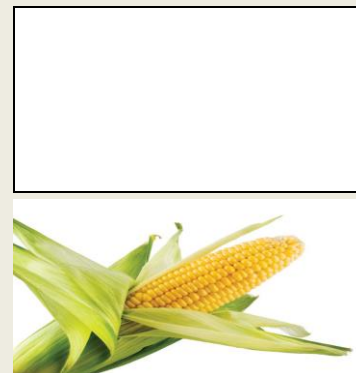
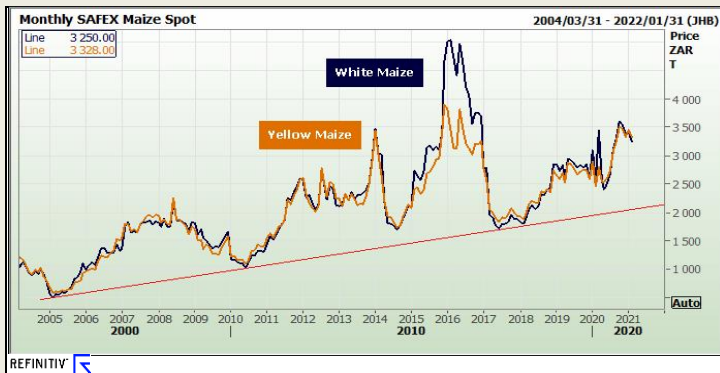
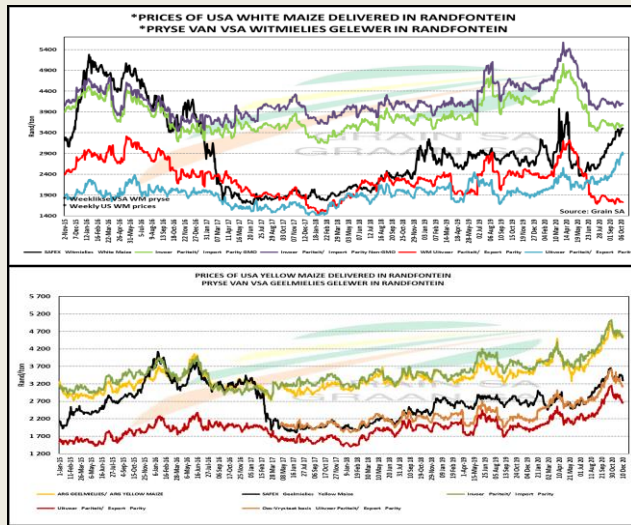
USDA projects that 2021 corn production will reach a record-breaking 15.150 billion bushels, based on 92 million planted acres and average yields of 179.5 bushels per acre. That would be 7% higher than 2020's final production, if realized. The agency also estimates that 2021/22 corn ending stocks will move 50 million bushels higher year-over-year to 1.552 billion bushels. Preliminary volume estimates were for 443,312 contracts, tilting 62% above Thursday's final count of 273,082.



### South African Futures Exchange

|                            | MTM        | Volatility | Parity Change | Parity Price |
|----------------------------|------------|------------|---------------|--------------|
| <b>White Maize Future</b>  |            |            |               |              |
| Mar 2021                   | R 3 158.00 | 35.25%     | R 2.77        | R 3 160.77   |
| May 2021                   | R 3 081.00 | 31.5%      | R 2.73        | R 3 083.73   |
| Jul 2021                   | R 3 060.00 | 23.5%      | R 11.04       | R 3 071.04   |
| Sep 2021                   | R 3 122.00 | 26%        | R 35.01       | R 3 157.01   |
| Dec 2021                   | R 3 196.00 | 29%        | R 41.40       | R 3 237.40   |
| Mar 2022                   | R 3 213.00 | 24%        |               | R 3 213.00   |
| May 2022                   |            |            |               |              |
| <b>Yellow Maize Future</b> |            |            |               |              |
| Mar 2021                   | R 3 315.00 | 31.25%     | R 2.77        | R 3 317.77   |
| May 2021                   | R 3 226.00 | 23%        | R 2.73        | R 3 228.73   |
| Jul 2021                   | R 3 186.00 | 24%        | R 11.04       | R 3 197.04   |
| Sep 2021                   | R 3 246.00 | 19%        | R 35.01       | R 3 281.01   |
| Dec 2021                   | R 3 302.00 | 21%        | R 41.40       | R 3 343.40   |
| Mar 2022                   | R 3 304.00 | 19%        |               | R 3 304.00   |
| May 2022                   |            |            |               |              |

The local Maize market traded lower yesterday. The Mar'21 WMAZ contract ended R7.00 down and Mar'21 YMAZ closed R9.00 lower. The May'21 WMAZ closed lower by R14.00 and May'21 YMAZ ended R13.00 down. The parity move for the Mar'21 Maize contract for yesterday was R5.00 positive.

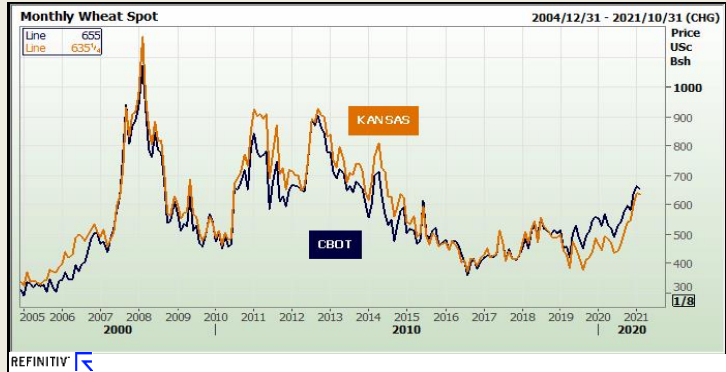


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## Wheat Market

### 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 2021   | 662.00         | 650.75             | The record d        | -11.25                        | 655.00            | 4.25                               | -7.00                      | MAR 2011   | 635.00         | 631.75             | The record          | -3.25                         | 635.25            | 3.50                               | 0.25                       |
| MAY 2021   | 665.00         | 655.50             | The record d        | -9.50                         | 659.50            | 4.00                               | -5.50                      | MAY 2011   | 641.00         | 638.25             | The record          | -2.75                         | 642.00            | 3.75                               | 1.00                       |
| JUL 2021   | 649.00         | 643.25             | The record d        | -5.75                         | 646.50            | 3.25                               | -2.50                      | JUL 2011   | 645.00         | 642.25             | The record          | -2.75                         | 645.75            | 3.50                               | 0.75                       |
| SEP 2021   | 646.00         | 641.75             | The record d        | -4.25                         | 645.50            | 3.75                               | -0.50                      | SEP 2011   | 648.00         | 646.50             | The record          | -1.50                         | 647.75            | 1.25                               | -0.25                      |
| DEC 2021   | 651.00         | 647.25             | The record d        | -3.75                         | 529.00            | -118.25                            | -122.00                    | DEC 2011   | 652.00         | 652.00             | The record          | 0.00                          | 0.00              | -652.00                            | -652.00                    |



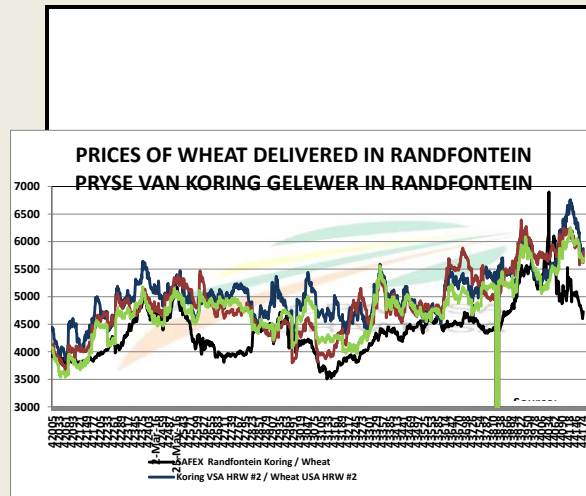
FarmProgress - Wheat prices were mixed amid a round of uneven technical maneuvering today, with winter wheat prices trending lower and spring wheat prices moving modestly higher. Prices overall have shown plenty of volatility in recent weeks. Today, March Chicago SRW futures lost 9.5 cents to \$6.53, March Kansas City HRW futures fell 3.75 cents to \$6.33, and March MGEX spring wheat futures added 3.25 cents to \$6.35.

Wheat exports found 14.7 million bushels in old crop sales and another 7.9 million bushels in new crop sales for a total tally of 22.6 million bushels. That was on the high end of trade estimates, which ranged between 9.2 million and 25.7 million bushels. Cumulative totals for the 2020/21 marketing year are still slightly behind last year's pace, with 618.3 million bushels.

Wheat export shipments fell 14% lower week-over-week and 11% below the prior four-week average, to 14.0 million bushels. Japan (4.7 million) and Mexico (3.9 million) were the top two destinations. Preliminary volume estimates were for 120,513 CBOT contracts, trending moderately below Thursday's final count of 174,998.

### South African Futures Exchange

|                            | MTM        | Volatility | Parity Change | Parity Price |
|----------------------------|------------|------------|---------------|--------------|
| <b>Bread Milling Wheat</b> |            |            |               |              |
| Mar 2021                   | R 5 083.00 | 11%        | R -15.19      | R 5 067.81   |
| May 2021                   | R 5 146.00 | 0%         | R -6.99       | R 5 139.01   |
| Jul 2021                   | R 5 192.00 | 0%         | R 8.66        | R 5 200.66   |
| Sep 2021                   | R 5 014.00 | 0%         | R 19.35       | R 5 033.35   |
| Dec 2021                   | R 4 900.00 | 0%         | R -636.28     | R 4 263.72   |
| Mar 2022                   |            |            |               |              |
| May 2022                   |            |            |               |              |
| <b>Cape Wheat</b>          |            |            |               |              |
| Mar 2021                   |            |            |               |              |
| May 2021                   |            |            |               |              |
| Jul 2021                   |            |            |               |              |
| Sep 2021                   |            |            |               |              |
| Dec 2021                   |            |            |               |              |
| Mar 2022                   |            |            |               |              |
| May 2022                   |            |            |               |              |



The local Wheat market closed higher yesterday. The Mar'21 Wheat contract closed R13.00 up and May'21 Wheat closed R19.00 higher. The parity move for the Mar'21 Wheat contract for yesterday was R19.00 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 2021          | 1382.00        | 1377.25            | The record          | -4.75                         | 902.00            | -475.25                            | -480.00                    |
| MAY 2021          | 1384.00        | 1380.00            | The record          | -4.00                         | 1387.25           | 7.25                               | 3.25                       |
| JUL 2021          | 1372.00        | 1367.75            | The record          | -4.25                         | 1376.50           | 8.75                               | 4.50                       |
| AUG 2021          | 1329.00        | 1327.50            | The record          | -1.50                         | 1336.25           | 8.75                               | 7.25                       |
| SEP 2021          | 1239.00        | 1242.75            | The record          | 3.75                          | 1250.00           | 7.25                               | 11.00                      |

| CBOT Soybean Meal |                    |                   |
|-------------------|--------------------|-------------------|
| Month             | Main Session Close | Current Overnight |
| MAR 2011          | 424.3              | 426.20            |
| MAY 2011          | 423.6              | 425.50            |
| JUL 2011          | 420.3              | 422.30            |
| AUG 2011          | 407.7              | 410.10            |
| SEP 2011          | 392.8              | 395.30            |

| CBOT Soybean Oil |                    |                   |
|------------------|--------------------|-------------------|
| Month            | Main Session Close | Current Overnight |
| MAR 2011         | 47.55              | 47.90             |
| MAY 2011         | 46.89              | 47.20             |
| JUL 2011         | 46.1               | 46.38             |
| AUG 2011         | 45.1               | 45.42             |
| SEP 2011         | 44.04              | 44.37             |



FarmProgress - Soybean prices battled through a choppy session as traders attempted to balance tight domestic stocks against the massive South American harvest that is currently underway. The bulls won out – barely – with prices closing around 0.25% higher today. March futures picked up 3.25 cents to \$13.7825, while May futures added 4.75 cents to \$13.8125. Soybean basis bids were mostly steady across the Midwest Friday but did inch a penny higher at an Ohio elevator today. Higher futures prices this morning likely incentivized additional farmer sales.

Soybean exports saw old crop sales totaling 16.8 million bushels last week, plus another 6.2 million bushels in new crop sales for a total of 23.0 million bushels. That was on the lower end of trade guesses that ranged between 12.9 million and 44.1 million bushels. Cumulative totals for the 2020/21 marketing year are still nearly doubling last year's pace, with 1.862 billion bushels. Soybean export shipments eroded 54% below the prior four-week average to 36.8 million bushels. China was the No. 1 destination, with 14.7 million bushels. As with corn, USDA is projecting a record-setting soybean production this year that could reach 4.525 billion bushels. Ending stocks for the 2021/22 marketing year are expected to rise 25 million bushels higher, to 145 million bushels. USDA still notes that that amount is "historically low." Preliminary volume estimates were for 278,086 contracts, moderately besting Thursday's final count of 218,635.

### South African Futures Exchange

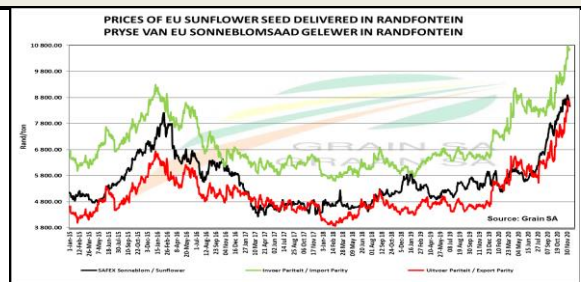
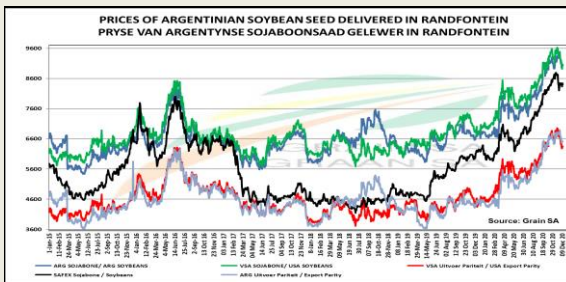
| Soybean Future |            |       |               |              |
|----------------|------------|-------|---------------|--------------|
|                | MTM        | Vols  | Parity Change | Market Price |
| Mar 2021       | R 9 045.00 | 17%   | #####         | R 6 501.34   |
| May 2021       | R 7 499.00 | 21%   | R 64.78       | R 7 563.78   |
| Jul 2021       | R 7 602.00 | 21.5% | R 71.12       | R 7 673.12   |
| Sep 2021       | R 7 702.00 | 0%    | R 101.67      | R 7 803.67   |
| Dec 2021       | R 7 780.00 | 0%    |               | R 7 780.00   |
| Mar 2022       |            |       |               |              |
| May 2022       |            |       |               |              |

| Sunflower Seeds Future |            |       |
|------------------------|------------|-------|
|                        | MTM        | Vols  |
| Mar 2021               | R 9 080.00 | 18%   |
| May 2021               | R 8 318.00 | 22.5% |
| Jul 2021               | R 8 347.00 | 22%   |
| Sep 2021               | R 8 410.00 | 0%    |
| Dec 2021               |            |       |
| Mar 2022               |            |       |
| May 2022               |            |       |



The local Soya market traded mixed yesterday. The Mar'21 Soya contract ended R150.00 up while May'21 Soya closed R73.00 lower. The parity move for the Mar'21 Soya contract for yesterday was R62.00 positive.

The local Suns market closed mixed yesterday. The Mar'21 Suns contract closed R9.00 up while May'21 Suns closed R83.00 lower.



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