



# **Fundamental Report**

## **24 February 2021**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.6958	14.5261	-0.1697	-1.15%
Euro/Rand	17.8523	17.6695	-0.1828	-1.02%
GBPound/Rand	20.7001	20.5846	-0.1155	-0.56%
AusDollar/Rand	11.6067	11.5308	-0.0759	-0.65%
Euro/USDollar	1.2148	1.2158	0.0010	0.08%
GBPound/USDollar	1.4089	1.4170	0.0081	0.57%
AusDollar/USDollar	0.7898	0.7938	0.0040	0.51%
JpyYen/USDollar	105.2500	105.3800	0.1300	0.12%

BDLive - The JSE has closed weaker with its global peers mixed as international focus shifted to US Federal Reserve chair Jerome Powell's testimony before the Senate banking committee.

The JSE all share lost the most since late October on Tuesday, with Naspers and Prosus, which dominate the local bourse, weighing as the tech-heavy Nasdaq fell more than 2% in the face of higher interest rates and a rotation into stocks linked more closely to economic recovery.



### Commodities

	Last	Value Change	% Change
Platinum	1253.92	16.85	1.34%
Gold	1810.05	4.99	0.28%
Silver	27.85	0.23	0.83%
Copper	4.22	0.04	0.95%
Gasoil	531.00	-1.00	-0.19%
Brent Oil	65.17	-0.20	-0.31%

BDLive - Bengaluru — Gold climbed a one-week peak on Tuesday, bolstered by a weaker dollar and a retreat in US Treasury yields, while concerns of rising inflation further boosted bullion's appeal as a hedge against inflation.

Spot gold rose 0.4% to \$1,815.52 an ounce by 3:04am GMT, after hitting its highest since February 16 at \$1,815.63 earlier in the session. US gold futures gained 0.3% to \$1,813.50.

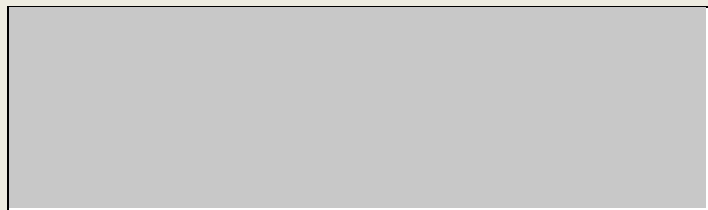
"One of the few assets that is more out of favour than gold at the moment is the dollar, so that is supporting gold prices by extension," said IG Market analyst Kyle Rodda.

The dollar hit a one-month low, making gold affordable for other currency holders, as investors await US Federal Reserve chair Jerome Powell's testimony to Congress later in the day.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	61903.64	-1409.67	-2.28%
ALSI	60184.00	0.00	0.00%
S&P 500	3876.50	4.87	0.13%
FTSE	6612.24	13.70	0.21%
CAC	5779.84	0.00	0.00%
DAX	13950.04	-85.23	-0.61%
Hang Seng	30632.64	-67.81	-0.22%



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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	555.00	553.75	The record	-1.25	554.25	0.50	-0.75
MAY 2021	555.00	552.50	The record	-2.50	553.25	0.75	-1.75
JUL 2021	545.00	542.50	The record	-2.50	543.50	1.00	-1.50
SEP 2021	492.00	489.75	The record	-2.25	491.00	1.25	-1.00
DEC 2021	472.00	469.75	The record	-2.25	470.50	0.75	-1.50

FarmProgress - Corn prices were lifted around 0.5% Tuesday on a round of technical buying largely spurred by spillover strength from soybeans. March futures picked up 3 cents to \$5.54, while May futures added 2.5 cents to \$5.53. Corn basis bids were largely steady but showed some variability at a few locations Tuesday, jumping as much as 10 cents higher at a Nebraska processor while sliding a penny lower at an Iowa river terminal today. Brazil's Anec estimates that the country's corn exports will reach 21.8 million bushels in February, which would be a month-over-month increase of 33%, if realized.

Meantime, a poll of 11 analysts shows revealed that Brazil's corn production for 2020/21 could reach record levels, with an average trade guess of 4.260 billion bushels across approximately 48 million acres. About one-fourth of the country's second corn crop could be planted outside the ideal window, however, due to delays caused by recent rains. What's in store for the next round of ethanol data? Production fell to multi-month lows last week, with a daily average of 911,000 barrels per day. Prior to that, production had mostly stabilized at around 935,000 to 940,000 barrels per day. The U.S. Energy Information Administration releases its next batch of numbers tomorrow morning.

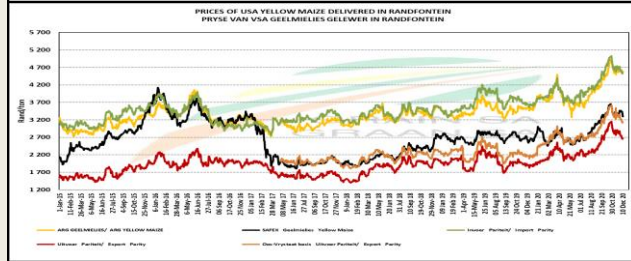
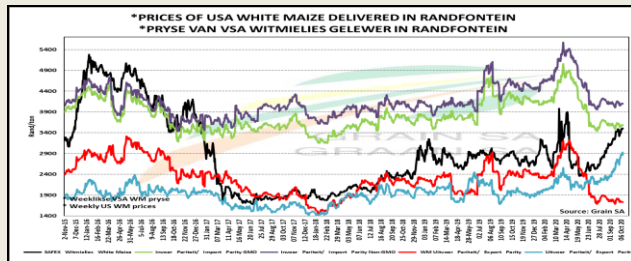
Decision time: Is it time to start working with a marketing adviser, if you don't already? With higher prices, there's more at stake this year. Four experts weigh in with their opinions on the matter. Want to post a question for experts to answer? Send queries to mike.wilson@farmprogress.com.

Preliminary volume estimates were for 391,800 contracts, tracking moderately above Monday's final count of 328,160.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2021	R 3 243.00	35.25%	R -41.37	R 3 201.63
May 2021	R 3 141.00	31.5%	R -47.09	R 3 093.91
Jul 2021	R 3 109.00	22.5%	R -44.99	R 3 064.01
Sep 2021	R 3 166.00	26%	R -38.59	R 3 127.41
Dec 2021	R 3 247.00	29%	R -40.11	R 3 206.89
Mar 2022	R 3 254.00	24%		R 3 254.00
May 2022				
<b>Yellow Maize Future</b>				
Mar 2021	R 3 357.00	31.25%	R -41.37	R 3 315.63
May 2021	R 3 271.00	23%	R -47.09	R 3 223.91
Jul 2021	R 3 230.00	22%	R -44.99	R 3 185.01
Sep 2021	R 3 291.00	19%	R -38.59	R 3 252.41
Dec 2021	R 3 352.00	21%	R -40.11	R 3 311.89
Mar 2022	R 3 345.00	19%		R 3 345.00
May 2022				

The local Maize market traded lower yesterday. The Mar'21 WMAZ contract ended R19.00 down and Mar'21 YMAZ closed R6.00 lower. The May'21 WMAZ closed lower by R17.00 and May'21 YMAZ ended R24.00 down. The parity move for the Mar'21 Maize contract for yesterday was R43.00 negative.



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## Wheat Market

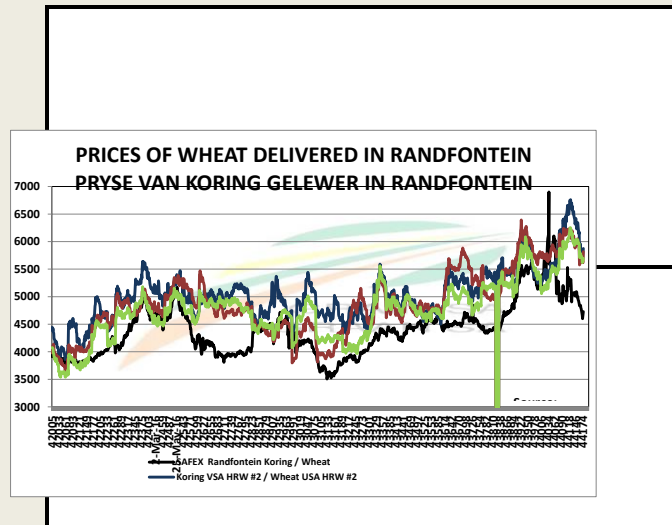
### Chicago Board of Trade and Kansas Board of Trade

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 2021	661.00	665.75	The record d	4.75	668.75	3.00	7.75	MAR 2011	639.00	641.00	The record	2.00	642.75	1.75	3.75
MAY 2021	666.00	670.25	The record d	4.25	673.50	3.25	7.50	MAY 2011	645.00	647.25	The record	2.25	649.00	1.75	4.00
JUL 2021	653.00	656.75	The record d	3.75	659.25	2.50	6.25	JUL 2011	649.00	651.00	The record	2.00	652.75	1.75	3.75
SEP 2021	651.00	654.00	The record d	3.00	656.00	2.00	5.00	SEP 2011	653.00	654.50	The record	1.50	655.75	1.25	2.75
DEC 2021	656.00	658.75	The record d	2.75	529.00	-129.75	-127.00	DEC 2011	661.00	660.50	The record	-0.50	660.25	-0.25	-0.75

FarmProgress - Wheat prices were mixed but mostly lower in an uneven round of technical maneuvering today. Chicago SRW contracts saw some limited upside, with March futures picking up 2.75 cents to \$6.6675. But March Kansas City HRW futures faded 3 cents to \$6.4150, with March MGEX spring wheat futures down 2 cents to \$6.3575. Kansas, the top wheat producer in the U.S., has seen quality ratings decline this past month, dropping three points to 40% in good-to-excellent condition through February 21, per the latest USDA data. Quality ratings also declined in Oklahoma last week but improved in South Dakota, Colorado and Montana. Frigid temperatures in the U.S. and Black Sea region may prove problematic for crop quality and yields, but frosty weather in the European Union may have only caused minimal trouble for the EU wheat crop, according to crop monitoring service MARS. That's because adequate snow cover sheltered most of the acres affected, although MARS admits some limited frost damage likely occurred in western Germany and eastern France. The Philippines issued a tender to purchase 5.3 million bushels of milling and animal feed wheat. Offers must be made by February 24, and the grain is for delivery between April and June. Preliminary volume estimates were for 100,564 CBOT contracts, falling fractionally below Monday's final count of 101,957.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2021	R 5 082.00	11%	R 0.15	R 5 082.15
May 2021	R 5 147.00	0%	R -1.50	R 5 145.50
Jul 2021	R 5 192.00	0%	R -7.36	R 5 184.64
Sep 2021	R 5 014.00	0%	R -13.91	R 5 000.09
Dec 2021	R 4 933.00	0%	R -718.76	R 4 214.24
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 lower yesterday. The Mar'21 Wheat contract closed R22.00 down and May'21 Wheat closed R17.00 lower. The parity move for the Mar'21 Wheat contract for yesterday was R2.00 positive.



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## Oil Seed Market

### Chicago Board of Trade

CBOT Soybean Seed							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2021	1403.00	1406.00	The record	3.00	902.00	-504.00	-501.00
MAY 2021	1406.00	1408.50	The record	2.50	1416.50	8.00	10.50
JUL 2021	1396.00	1394.50	The record	-1.50	1402.25	7.75	6.25
AUG 2021	1357.00	1352.75	The record	-4.25	1360.50	7.75	3.50
SEP 2021	1271.00	1267.25	The record	-3.75	1272.75	5.50	1.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2011	426.5	428.10
MAY 2011	426	427.90
JUL 2011	422.7	424.40
AUG 2011	410.9	412.60
SEP 2011	398	399.30

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2011	49.26	49.58
MAY 2011	48.37	48.70
JUL 2011	47.5	47.82
AUG 2011	46.4	46.64
SEP 2011	45.22	45.41

FarmProgress - Soybean prices moved substantially higher Tuesday on a wave of technical buying prompted by fresh news of a sluggish Brazilian harvest, which is off to its slowest start in a decade. Prices closed back above \$14 per bushel for the first time in two weeks and remain close to multi-year highs. March futures climbed 21.75 cents to \$14.0550, with May futures rising 20.5 cents to \$14.08.

Soybean basis bids were steady to firm Tuesday after rising 3 to 5 cents higher at three Midwestern processors and tilting 2 cents higher at an Ohio elevator today.

Brazil's Anec predicts that the country's soybean exports will come in between 183.7 million and 223.5 million bushels this month. The 2020/21 Brazilian soybean harvest is off to the slowest start in a decade but the availability of the grain for exports will quickly ramp up in the coming weeks.

And Brazilian consultancy Agroconsult still has a very bullish projection for the country's 2020/21 soybean production potential, offering a new estimate of 4.924 billion bushels. That's 1.2% higher than prior forecasts and would be a record-breaking harvest, if realized. Preliminary volume estimates were for 335,314 contracts, trending moderately above Monday's final count of 282,598.

### South African Futures Exchange

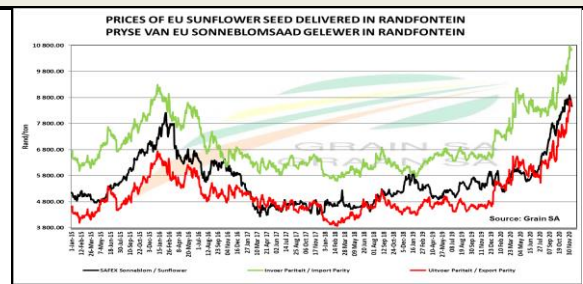
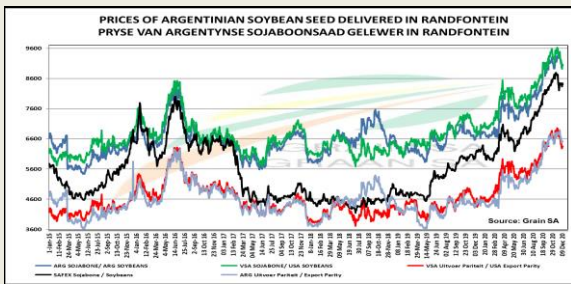
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2021	R 9 145.00	17%	#####	R 6 383.47
May 2021	R 7 649.00	21%	R -31.63	R 7 617.37
Jul 2021	R 7 751.00	21.5%	R -53.69	R 7 697.31
Sep 2021	R 7 801.00	0%	R -69.91	R 7 731.09
Dec 2021	R 7 910.00	0%		R 7 910.00
Mar 2022				
May 2022				

Sunflower Seeds Future		
	MTM	Vols
Mar 2021	R 9 346.00	18%
May 2021	R 8 500.00	22.5%
Jul 2021	R 8 525.00	22%
Sep 2021	R 8 580.00	0%
Dec 2021		
Mar 2022		
May 2022		



The local Soya market traded mixed yesterday. The Mar'21 Soya contract ended R50.00 down while May'21 Soya closed R89.00 higher. The parity move for the Mar'21 Soya contract for yesterday was R27.00 negative.

The local Suns market closed higher yesterday. The Mar'21 Suns contract closed R139.00 up and May'21 Suns closed R99.00 higher.



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