



# **Fundamental Report**

## **14 May 2021**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.1324	14.1289	-0.0035	-0.02%
Euro/Rand	17.0550	17.0600	0.0050	0.03%
GBPound/Rand	19.8065	19.8307	0.0242	0.12%
AusDollar/Rand	10.8834	10.9132	0.0298	0.27%
Euro/USDollar	1.2066	1.2077	0.0011	0.09%
GBPound/USDollar	1.4017	1.4039	0.0022	0.16%
AusDollar/USDollar	0.7701	0.7724	0.0023	0.30%
JpyYen/USDollar	109.5700	109.6100	0.0400	0.04%

BDLive - The JSE closed weaker amid mixed global markets on Thursday as investors digested worse-than-expected US consumer price data.

Fears that inflation will rise as the global economy recovers from the Covid-19 pandemic have been a theme in the market so far in 2021, but that has come sharply into focus this week. Asian shares slipped to seven-week lows on Thursday after a dismaying rise in US inflation bludgeoned Wall Street and sent bond yields surging on worries the Federal Reserve might have to move early on tightening.

"Higher inflation is a definite negative for equities, given the likely rates response," said Deutsche Bank macro strategist Alan Ruskin.



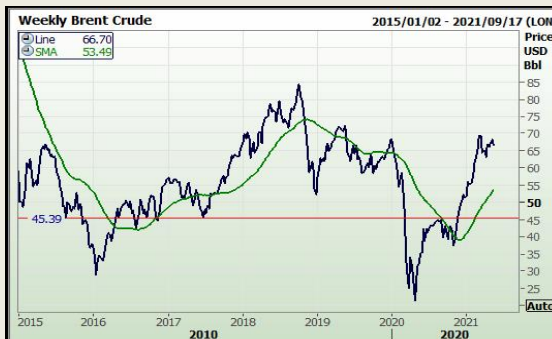
### Commodities

	Last	Value Change	% Change
Platinum	1211.64	5.59	0.46%
Gold	1819.87	-6.70	-0.37%
Silver	26.93	-0.13	-0.50%
Copper	4.68	-0.02	-0.32%
Gasoil	544.25	-4.50	-0.83%
Brent Oil	66.65	-0.40	-0.60%

BDLive - Bengaluru — Gold edged up on Thursday on hopes that the US Federal Reserve would not raise interest rates any time soon, though a jump in US treasury yields after a strong rise in April consumer prices capped gains.

Spot gold was up 0.2% at \$1,818.22/oz by 3.18am GMT, after falling more than 1% in the previous session. US gold futures eased 0.2% to \$1,818.80. "We're still getting on the aftershock of that consumer price index release and the expectations now from the market that the Fed will be forced to do something about inflation," IG Market analyst Kyle Rodda said.

The Fed, however, has been reiterating that inflation will be so transitory that it won't have to worry about adjusting interest rates, he added.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	60211.08	0.00	0.00%
ALSI	60211.00	0.00	0.00%
S&P 500	4063.04	49.46	1.22%
FTSE	7004.63	-41.30	-0.59%
CAC	6288.33	0.00	0.00%
DAX	15199.68	0.00	0.00%
Hang Seng	27718.67	145.90	0.53%



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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
MAY 2021	748.00	719.00	The record	-29.00	0.00	-719.00	-748.00
JUL 2021	703.00	674.75	The record	-28.25	681.00	6.25	-22.00
SEP 2021	615.00	583.00	The record	-32.00	588.50	5.50	-26.50
DEC 2021	586.00	558.25	The record	-27.75	564.25	6.00	-21.75
MAR 2022	591.00	563.75	The record	-27.25	569.25	5.50	-21.75

FarmFutures - Corn prices saw steep cuts Thursday, as traders shrugged off a new large sale to China announced this morning, focusing instead on USDA's bearish supply and demand data and an acceleration in planting progress. That led to a round of technical selling and profit-taking today, with May futures dropping 38.5 cents to \$7.19 and July futures falling 40 cents to \$6.7475.

Corn basis bids were steady to soft after falling 2 to 9 cents lower across a handful of Midwestern locations on Thursday after many end-users are facing pressure from recent boosts to commodity prices and barge traffic disruptions on the Mississippi River today.

Private exporters announced to USDA the sale of 26.8 million bushels of corn for delivery to China during the 2021/22 marketing year, which begins September 1.

Corn exports saw just 4.5 million bushels in old crop sales last week, but new crop sales came in at 82.0 million bushels, leading to a total tally of 86.5 million bushels. That was on the higher end of trade estimates, which ranged between 31.5 million and 94.5 million bushels. Cumulative totals for the 2020/21 marketing year remain far ahead of last year's pace, with 1.773 billion bushels. Consultancy Strategic Grains fractionally raised its estimates for this year's European Union corn crop to 2.567 billion bushels. That would be a year-over-year increase of around 3%, if realized.

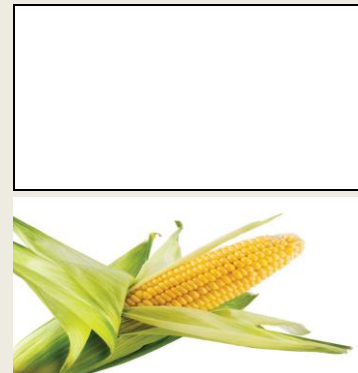
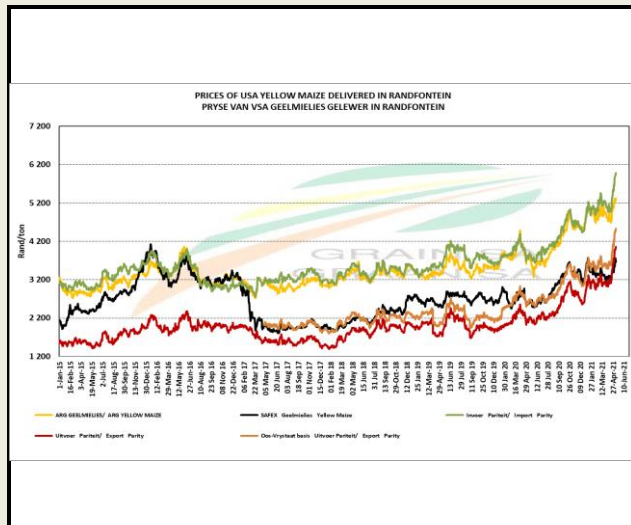
Preliminary volume estimates were for 526,269 contracts, moving moderately above Wednesday's final count of 422,634.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2021	R 3 422.00	31.5%	R -4 161.61	R -739.61
Jul 2021	R 3 447.00	30%	R -123.34	R 3 323.66
Sep 2021	R 3 502.00	26.5%	R -148.25	R 3 353.75
Dec 2021	R 3 584.00	25.5%	R -121.79	R 3 462.21
Mar 2022	R 3 599.00	25.5%	R -121.79	R 3 477.21
May 2022	R 3 461.00	0%		R 3 461.00
Jul 2022	R 3 422.00	24%		R 3 422.00
<b>Yellow Maize Future</b>				
May 2021	R 3 586.00	23%	R -4 161.61	R -575.61
Jul 2021	R 3 607.00	28%	R -123.34	R 3 483.66
Sep 2021	R 3 655.00	22%	R -148.25	R 3 506.75
Dec 2021	R 3 733.00	26.5%	R -121.79	R 3 611.21
Mar 2022	R 3 692.00	19%	R -121.79	R 3 570.21
May 2022	R 3 426.00	0%		R 3 426.00
Jul 2022	R 3 451.00	20%		R 3 451.00

The local Maize market traded lower yesterday. The May'21 WMAZ contract ended R102.00 down and May'21 YMAZ closed R113.00 lower. The Jul'21 WMAZ closed lower by R95.00 and Jul'21 YMAZ ended R99.00 down. The parity move for the May'21 Maize contract for yesterday was R121.00 negative.

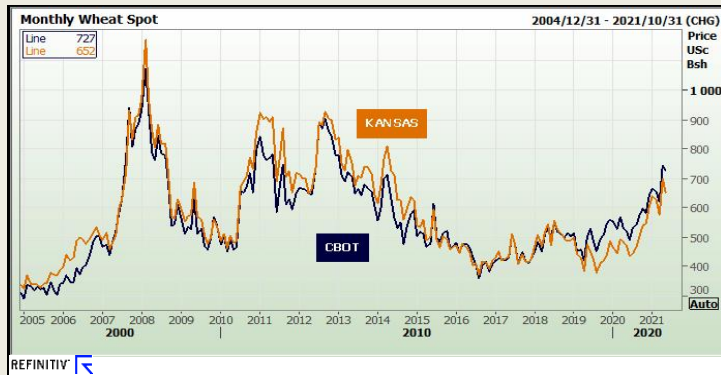


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## Wheat Market

### 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
MAY 2021	752.00	726.50	The record c	-25.50	0.00	-726.50	-752.00	MAY 2011	678.00	652.25	The record	-25.75	0.00	-652.25	-678.00
JUL 2021	722.00	701.50	The record c	-20.50	713.00	11.50	-9.00	JUL 2011	681.00	657.75	The record	-23.25	668.00	10.25	-13.00
SEP 2021	721.00	701.25	The record c	-19.75	712.00	10.75	-9.00	SEP 2011	686.00	663.25	The record	-22.75	673.50	10.25	-12.50
DEC 2021	723.00	705.50	The record c	-17.50	716.25	10.75	-6.75	DEC 2011	693.00	670.75	The record	-22.25	682.50	11.75	-10.50
MAR 2022	727.00	710.25	The record c	-16.75	529.00	-181.25	-198.00	MAR 2012	700.00	678.00	The record	-22.00	680.00	2.00	-20.00

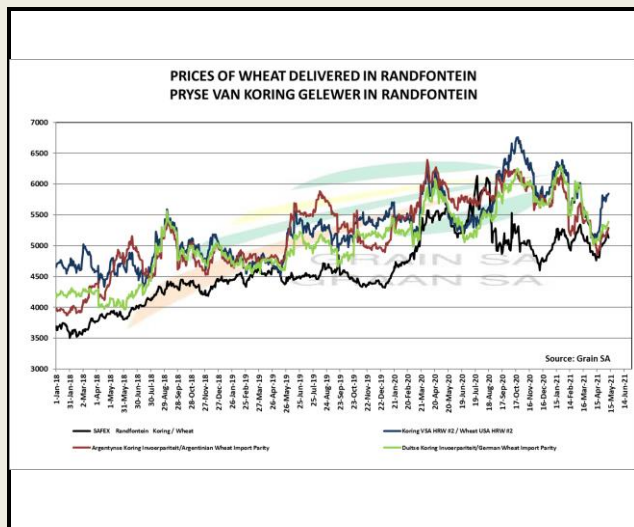


FarmFutures - Wheat prices shifted significantly lower after a round of technical selling Thursday, falling back below multiyear highs but remaining in relatively good shape overall (despite today's selloff). Spillover weakness from corn and soybeans applied additional headwinds today. July Chicago SRW futures fell 24.5 cents to \$7.0525, July Kansas City HRW futures lost 29.5 cents to \$6.6125, and July MGEX spring wheat futures dropped 22.25 cents to \$7.4325. Old crop wheat exports tumbled 61% below the prior four-week average to 1.1 million bushels. New crop sales added another 9.8 million bushels, bringing the total to 10.9 million bushels. Trade guesses were varied leading up to the report, ranging between 2.8 million and 15.4 million bushels. Cumulative totals for the 2020/21 marketing year are still tracking slightly ahead of last year's pace, with 845.3 million bushels.

Wheat export shipments slipped 3% below the prior four-week average, to 19.2 million bushels. China was the No. 1 destination, with 7.4 million bushels. Consultancy Strategie Grains held its forecast steady for 2020/21 European Union soft wheat production, keeping it at 4.762 billion bushels. That would be a year-over-year increase of 8.5%, if realized. Export estimates moved slightly higher, to 1.010 billion bushels.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2021	R 5 190.00	9.5%	R -3 904.96	R 1 285.04
Jul 2021	R 5 184.00	11%	R -47.65	R 5 136.35
Sep 2021	R 5 090.00	0%	R -47.65	R 5 042.35
Dec 2021	R 4 925.00	9%	R -35.97	R 4 889.03
Mar 2022	R 5 033.00	0%	R -1 028.85	R 4 004.15
May 2022				
Jul 2022				
<b>Cape Wheat</b>				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				
Mar 2022				
May 2022				
Jul 2022				



The local Wheat market closed higher yesterday. The May'21 Wheat contract closed R10.00 up and Jul'21 Wheat closed R20.00 higher. The parity move for the May'21 Wheat contract for yesterday was R52.00 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
MAY 2021	1655.00	1612.25	The record	-42.75	902.00	-710.25	-753.00
JUL 2021	1628.00	1584.00	The record	-44.00	1595.25	11.25	-32.75
AUG 2021	1560.00	1522.25	The record	-37.75	1533.00	10.75	-27.00
SEP 2021	1474.00	1439.75	The record	-34.25	1449.00	9.25	-25.00
NOV 2021	1426.00	1396.50	The record	-29.50	1402.75	6.25	-23.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAY 2011	423.5	0.00
JUL 2011	421.4	425.60
AUG 2011	416.7	420.60
SEP 2011	411	415.40
OCT 2011	403.5	407.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAY 2011	68.04	0.00
JUL 2011	65.78	65.90
AUG 2011	62.58	62.66
SEP 2011	60.74	60.86
OCT 2011	59.39	59.51



FarmFutures - Soybean prices eroded throughout Thursday's session on a round of profit-taking and technical selling partly triggered by planting pressure and spillover weakness from other grains. May futures were down 48.25 cents to \$16.1225, while July futures plummeted 59 cents lower, closing at \$15.8350. Soybean basis bids saw some significant erosion Thursday after facing double-digit losses at five Midwestern locations today. Old crop soybean sales fell 43% lower week-over-week to 3.5 million bushels. New crop sales added another 3.8 million bushels, for a total of 7.3 million bushels. Analysts were generally expecting a bigger tally, with trade guesses ranging between 7.3 million and 24.6 million bushels. Cumulative totals for the 2020/21 marketing year still hold a commanding lead over last year's pace, with 2.080 billion bushels.

Soybean export shipments improved 8% week-over-week but stayed 8% below the prior four-week average, with 10.5 million bushels. Mexico was the No. 1 destination, with 3.7 million bushels. With May's WASDE report in the rearview mirror, what should we be watching next? Naomi Blohm, senior market adviser with Stewart Peterson, suggests monitoring May futures as they come off the board, the state of Mississippi River closures, crushing facility trends and more. Click here to read Blohm's latest analysis in the latest Ag Marketing IQ blog. Preliminary volume estimates were for 279,536 contracts, inching slightly above Wednesday's final count of 270,729.

### South African Futures Exchange

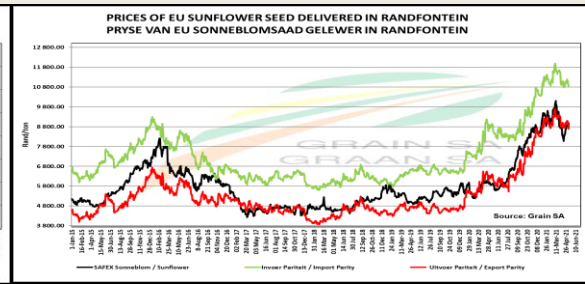
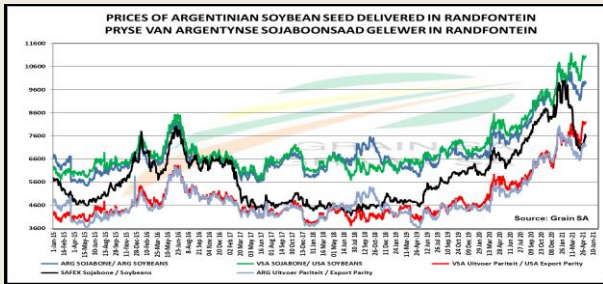
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2021	R 7 641.00	21%	R -3 911.31	R 3 729.69
Jul 2021	R 7 709.00	21.5%	R -172.11	R 7 536.89
Sep 2021	R 7 795.00	16.5%	R -131.68	R 7 663.32
Dec 2021	R 7 881.00	19.5%		R 7 881.00
Mar 2022	R 7 867.00	0%		R 7 867.00
May 2022	R 7 336.00	0%		R 7 336.00
Jul 2022				

Sunflower Seeds Future		
	MTM	Vols
May 2021	R 9 005.00	22%
Jul 2021	R 9 146.00	21.5%
Sep 2021	R 9 235.00	0%
Dec 2021	R 9 264.00	0%
Mar 2022	R 8 800.00	0%
May 2022		
Jul 2022		



The local Soya market traded higher yesterday. The May'21 Soya contract ended R40.00 up and Jul'21 Soya closed R33.00 higher. The parity move for the May'21 Soya contract for yesterday was R171.00 negative.

The local Suns market closed higher yesterday. The May'21 Suns contract closed R130.00 up and Jul'21 Suns closed R130.00 higher.



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