



# **Fundamental Report**

## **27 May 2021**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	13.8431	13.7593	-0.0838	-0.61%
Euro/Rand	16.9473	16.7835	-0.1638	-0.97%
GBPound/Rand	19.6053	19.4211	-0.1842	-0.94%
AusDollar/Rand	10.7685	10.6469	-0.1216	-1.13%
Euro/USDollar	1.2242	1.2191	-0.0051	-0.42%
GBPound/USDollar	1.4168	1.4109	-0.0059	-0.42%
AusDollar/USDollar	0.7779	0.7738	-0.0041	-0.53%
JpyYen/USDollar	108.8900	109.0500	0.1600	0.15%

BDLive - Miners weighed on the JSE on Wednesday, while Mediclinic jumped the most in nearly four months after it announced an uptick in patient activity and that it would vote to sell its share in UK business Spire Healthcare.

Both the all share and the top 40 made marginal gains on the day, with the former closing at 66,130 points. Precious metals were down 1.4%, industrial metals 1.08% and resources 1.04%. Listed property added 1.96%, banks 0.83% and financials 0.58%. European stocks approached record highs on Wednesday after US Federal Reserve officials soothed investors' inflation worries, though the New Zealand dollar rose as the country's central bank hinted at a rate hike in 2022.

European stocks were up 0.29%, close to the previous day's record peak, while Germany's DAX gained 0.2% and Britain's FTSE 100 ticked up 0.17%.



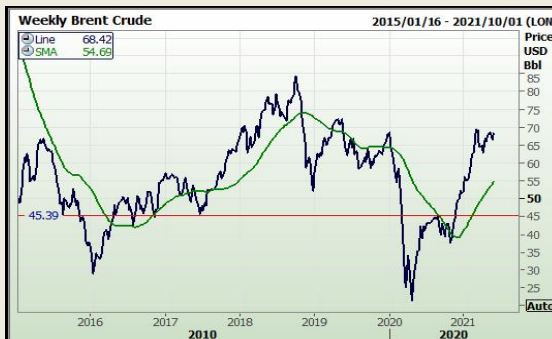
### Commodities

	Last	Value Change	% Change
Platinum	1185.79	-5.49	-0.46%
Gold	1896.43	-0.01	0.00%
Silver	27.61	-0.08	-0.29%
Copper	4.53	0.00	-0.09%
Gasoil	559.25	-1.75	-0.31%
Brent Oil	68.40	-0.47	-0.69%

BDLive - Bengaluru — Gold prices rose above the psychological level of \$1,900/oz on Wednesday, helped by a weaker dollar and growing inflation concerns after Federal Reserve officials maintained a dovish stance over rates.

Spot gold rose 0.4% to \$1,906.99/oz by 12.32am GMT, its highest level since January 8. US gold futures gained 0.5% to \$1,906.60/oz.

"A weaker dollar is helping and growing inflation risks are outweighing everything right now. This is about hedge against inflation right now," said Stephen Innes, managing partner at SPI Asset Management. "Even if inflation is high, they're [the Fed] going to be very, very dovish. What really matters for gold is front end real rates. The Fed will continue to keep front-end rates low, which is going to weaken the dollar and gold is going to do quite well."



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	60093.24	0.00	0.00%
ALSI	60289.00	0.00	0.00%
S&P 500	4188.13	7.86	0.19%
FTSE	7029.79	-2.86	-0.04%
CAC	6391.60	0.00	0.00%
DAX	15450.72	0.00	0.00%
Hang Seng	29166.01	-96.67	-0.33%



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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
JUL 2021	624.00	624.50	The record	0.50	626.25	1.75	2.25
SEP 2021	542.00	547.25	The record	5.25	550.50	3.25	8.50
DEC 2021	515.00	520.75	The record	5.75	525.75	5.00	10.75
MAR 2022	521.00	527.25	The record	6.25	531.75	4.50	10.75
MAY 2022	525.00	530.00	The record	5.00	534.25	4.25	9.25

FarmFutures - Corn prices jolted lower this morning on reports that China may have cancelled U.S. corn purchases of less than 39 million bushels (read more about that story here), but prices recovered by the close after bargain buyers entered the fray. Ample rains expected across the central U.S. later this week minimized gains today. July futures added 4.5 cents to \$6.2475, with September futures up 5.75 cents to \$5.47.

Corn basis bids were mostly steady but somewhat mixed Wednesday after dipping a penny lower at two Midwestern locations but firming as much as 10 cents higher at an Indiana ethanol plant today.



Ahead of Thursday morning's weekly export report from USDA, analysts expect the agency to show total old and new crop corn sales coming in between 228.3 million and 291.3 million bushels following a flurry of massive sales to China last week.

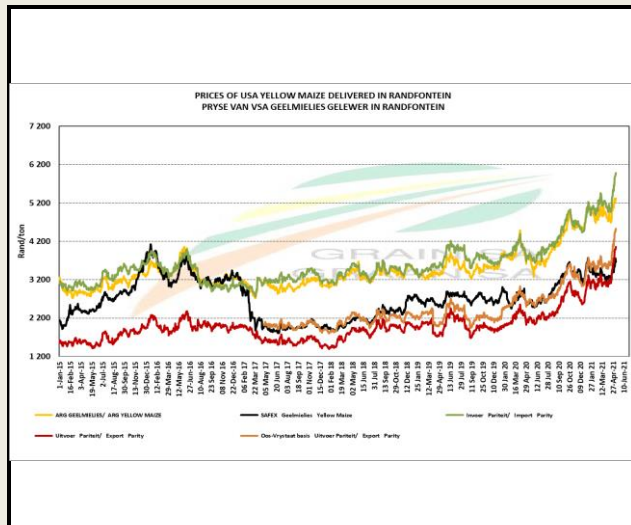
Ethanol production retreated slightly for the week ending May 21, falling from the prior week's daily average of 1.032 million barrels down to 1.011 million barrels, per the latest data from the U.S. Energy Information Administration, out this morning. Totals crested above a daily average of 1 million barrels for just the second time since the pre-pandemic era. Stocks also fell to the lowest levels since the end of 2016. Grain traveling the nation's railways increased to 25,396 carloads last week, moving 16.1% higher compared to the same week in 2020. Cumulative totals for 2021 are now at 509,364 carloads, tracking 23.2% higher year-over-year so far.

Preliminary volume estimates were for 363,445 contracts, sliding slightly below Tuesday's final count of 377,331.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Jul 2021	R 3 046.00	27.75%	R -8.40	R 3 037.60
Sep 2021	R 3 102.00	26.5%	R 28.16	R 3 130.16
Dec 2021	R 3 175.00	24.75%	R 41.24	R 3 216.24
Mar 2022	R 3 199.00	25.5%	R 41.04	R 3 240.04
May 2022	R 3 177.00	0%	R 32.79	R 3 209.79
Jul 2022	R 3 120.00	24%		R 3 120.00
Sep 2022				
<b>Yellow Maize Future</b>				
Jul 2021	R 3 177.00	27%	R -8.40	R 3 168.60
Sep 2021	R 3 228.00	22.5%	R 28.16	R 3 256.16
Dec 2021	R 3 299.00	26.5%	R 41.24	R 3 340.24
Mar 2022	R 3 285.00	20.5%	R 41.04	R 3 326.04
May 2022	R 3 195.00	0%	R 32.79	R 3 227.79
Jul 2022	R 3 101.00	20%		R 3 101.00
Sep 2022				

The local Maize market traded lower yesterday. The Jul'21 WMAZ contract ended R100.00 down and Jul'21 YMAZ closed R100.00 lower. The Sep'21 WMAZ closed lower by R100.00 and Sep'21 YMAZ ended R100.00 down. The parity move for the Jul'21 Maize contract for yesterday was R13.00 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
JUL 2021	651.00	648.50	The record d	-2.50	650.75	2.25	-0.25	JUL 2011	601.00	598.75	The record	-2.25	602.00	3.25	1.00
SEP 2021	654.00	652.50	The record d	-1.50	654.50	2.00	0.50	SEP 2011	608.00	606.25	The record	-1.75	609.50	3.25	1.50
DEC 2021	660.00	659.75	The record d	-0.25	662.25	2.50	2.25	DEC 2011	620.00	617.75	The record	-2.25	620.50	2.75	0.50
MAR 2022	666.00	666.50	The record d	0.50	667.25	0.75	1.25	MAR 2012	629.00	627.75	The record	-1.25	632.00	4.25	3.00
MAY 2022	665.00	665.25	The record d	0.25	529.00	-136.25	-136.00	MAY 2012	632.00	635.00	The record	3.00	0.00	-635.00	-632.00



FarmFutures - Wheat prices fell back into the red on another round of technical selling Wednesday that was largely spurred by rainy weather expected across the Great Plains this week. July Chicago SRW futures lost 7.5 cents to \$6.49, July Kansas City HRW futures dropped 3.25 cents to \$6.0125, and July MGEX spring wheat futures eased 2.5 cents to \$6.8025.

Ahead of Thursday morning's weekly export report from USDA, analysts are anticipating the agency will show wheat sales ranging between 4.6 million and 25.0 million bushels for the week ending May 20.

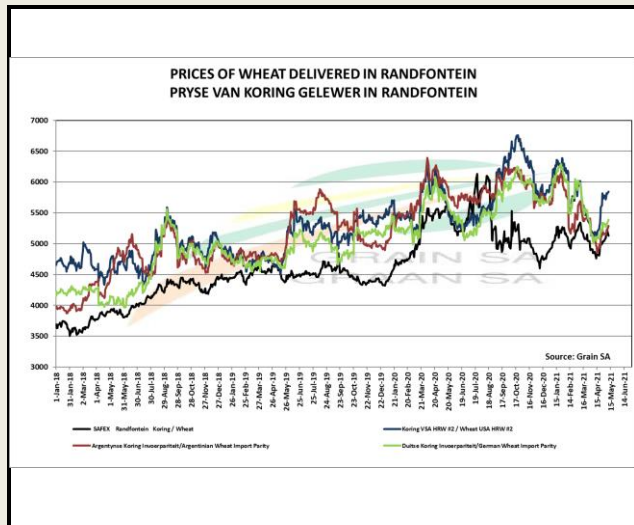
Tunisia issued an international tender to purchase 3.4 million bushels of soft wheat from optional origins that closes tomorrow. The grain is for shipment between June 15 and July 25, depending on the source.

Japan issued a simultaneous buy-and-sell auction to purchase 2.9 million bushels of feed wheat and 4.6 million bushels of feed barley on June 2. The grain is for shipment by the end of September.

Preliminary volume estimates were for 102,679 CBOT contracts, drifting slightly below Tuesday's final count of 110,823.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Jul 2021	R 5 121.00	11%	R -21.31	R 5 099.69
Sep 2021	R 4 929.00	0%	R -17.61	R 4 911.39
Dec 2021	R 4 803.00	9%	R -8.95	R 4 794.05
Mar 2022	R 4 909.00	0%	R -14.19	R 4 894.81
Jul 2022				
Sep 2022				
<b>Cape Wheat</b>				
Jul 2021				
Sep 2021				
Dec 2021				
Mar 2022				
Jul 2022				
Sep 2022				



The local wheat market closed lower yesterday. The Jul'21 Wheat contract closed R3.00 down and Sep'21 Wheat closed R21.00 lower. The parity move for the Jul'21 Wheat contract for yesterday was R23.00 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
JUL 2021	1508.00	1503.50	The record	-4.50	902.00	-601.50
AUG 2021	1457.00	1453.00	The record	-4.00	1454.00	1.00
SEP 2021	1377.00	1380.00	The record	3.00	1379.75	-0.25
NOV 2021	1341.00	1347.00	The record	6.00	1348.50	1.50
JAN 2022	1347.00	1347.50	The record	0.50	1348.25	0.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2011	383.8	383.80
AUG 2011	384.6	384.60
SEP 2011	384.6	383.90
OCT 2011	382.8	381.90
DEC 2011	384.3	384.10

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2011	65.68	66.01
AUG 2011	61.9	62.19
SEP 2011	60.13	60.47
OCT 2011	58.83	59.04
DEC 2011	57.99	58.27



FarmFutures - Soybean prices have struggled to find much positive momentum throughout the month of May, and today was no different. Prices tested modest gains in the morning but spilled back into the red by the close on some technical selling. Yield-friendly weather forecasts have generated headwinds all week long. Today, July futures dropped 8 cents to \$15.0375, with August futures down 7.25 cents to \$14.5325.

Soybean basis bids were largely steady with a few mixed results across the Midwest on Wednesday. Bids fell as much as 5 cents lower at an Illinois processor while firming as much as 2 cents at an Illinois river terminal today.

Ahead of tomorrow morning's export report from USDA, analysts expect to see soybean sales ranging between 920,000 bushels and 29.4 million bushels for the week ending May 20. Analysts also think the agency will show 100,000 to 375,000 metric tons of soymeal last week, plus up to 25,000 MT of soyoil sales. Preliminary volume estimates were for 172,486 contracts, moving ahead of Tuesday's final count of 155,233.

### South African Futures Exchange

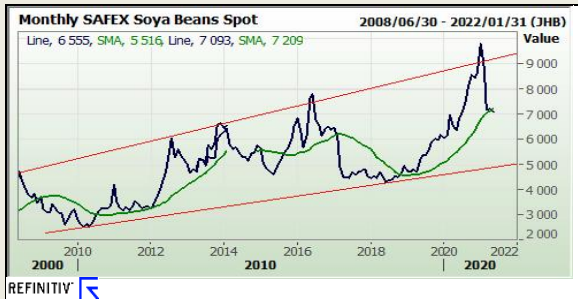
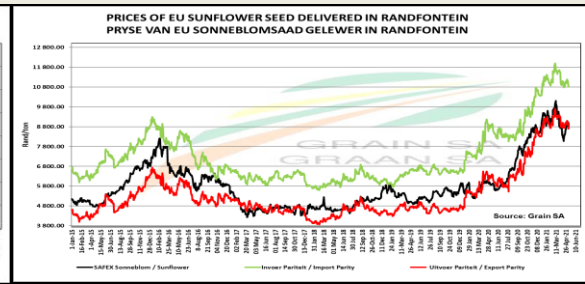
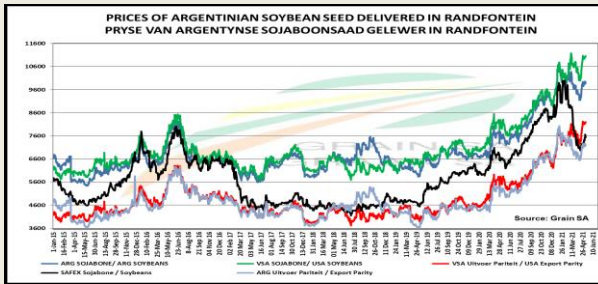
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Jul 2021	R 7 153.00	21.5%	R -3 110.17	R 4 042.83
Sep 2021	R 7 260.00	16.5%	R -28.50	R 7 231.50
Dec 2021	R 7 362.00	19.5%		R 7 362.00
Mar 2022	R 7 375.00	0%		R 7 375.00
May 2022	R 7 020.00	0%		R 7 020.00
Jul 2022				
Sep 2022				

Sunflower Seeds Future		
	MTM	Vols
Jul 2021	R 8 856.00	21.5%
Sep 2021	R 8 981.00	0%
Dec 2021	R 8 911.00	0%
Mar 2022	R 8 761.00	0%
May 2022		
Jul 2022		
Sep 2022		



The local Soya market traded lower yesterday. The Jul'21 Soya contract ended R60.00 down and Sep'21 Soya closed R50.00 lower. The parity move for the Jul'21 Soya contract for yesterday was R58.00 negative.

The local Suns market closed lower yesterday. The Jul'21 Suns contract closed R42.00 down and Sep'21 Suns closed R48.00 lower.



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