



# **Fundamental Report**

## **30 July 2021**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.6438	14.5566	-0.0872	-0.60%
Euro/Rand	17.3871	17.3025	-0.0846	-0.49%
GBPound/Rand	20.4211	20.3084	-0.1127	-0.55%
AusDollar/Rand	10.8354	10.7588	-0.0766	-0.71%
Euro/USDollar	1.1873	1.1879	0.0006	0.05%
GBPound/USDollar	1.3948	1.3951	0.0003	0.02%
AusDollar/USDollar	0.7400	0.7391	-0.0009	-0.12%
JpyYen/USDollar	109.8300	109.5200	-0.3100	-0.28%

BDLive - The JSE closed at its highest level yet as investors cheered the US Federal Reserve's latest comments on monetary policy.

The all share reached an intraday high of 69,761 points on Thursday, before settling at at 69,565 points, up 1.52% on the day. World stock markets were back on the rise on Thursday as the US Federal Reserve signalled it was in no rush to taper stimulus and reassurances from Beijing saw beaten-up Chinese stocks leap off the canvas.

There was also promising news on the long-awaited US infrastructure bill as the Senate voted overnight to move ahead on the \$1.2-trillion deal, as well as it being a packed day of earnings and economic data. The rebound in China's markets included a near 10% bounce in tech giant Tencent — its second biggest in almost nearly a decade — after reports that regulators had called banks overnight to ease concerns about the recent crackdown on tech and education sectors, and on overseas listings.



### Commodities

	Last	Value Change	% Change
Platinum	1050.68	-9.79	-0.93%
Gold	1827.89	-0.07	0.00%
Silver	25.54	0.01	0.04%
Copper	4.50	-0.02	-0.50%
Gasoil	609.75	0.50	0.08%
Brent Oil	75.72	-0.33	-0.44%

BDLive - Bengaluru — Gold climbed to a more than one-week high on Thursday after US Federal Reserve chair Jerome Powell struck a dovish tone, indicating much remains to be done before policy tightening begins, while a softer dollar lent further support to the metal.

Spot gold rose 0.5% to \$1,815.36/oz by 3.22am GMT, having earlier hit a peak since July 20 at \$1,817.35.

US gold futures climbed 0.9% to \$1,815.00. "Investors are buying into the dynamic that the Federal Reserve has opened up for gold. They have talked down the risks of a rate hike and tapering a little bit, and that gives gold prospects to drift higher in the short term," said Kyle Rhoda, an analyst at IG Market.

"The next key level of resistance will be in the range of \$1,830-\$1,840."



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	62368.63	1026.26	1.65%
ALSI	63169.00	0.00	0.00%
S&P 500	4400.64	18.51	0.42%
FTSE	7016.63	61.79	0.88%
CAC	6633.77	0.00	0.00%
DAX	15640.47	0.00	0.00%
Hang Seng	26315.32	-196.42	-0.75%



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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
SEP 2021	552.00	558.00	The record	6.00	556.25	-1.75	4.25
DEC 2021	553.00	556.50	The record	3.50	554.00	-2.50	1.00
MAR 2022	560.00	564.25	The record	4.25	561.75	-2.50	1.75
MAY 2022	564.00	568.75	The record	4.75	565.50	-3.25	1.50
JUL 2022	564.00	568.50	The record	4.50	564.00	-4.50	0.00

FarmFutures - Frost damage to Argentina's corn crop, which is 81% harvested, and positive export prospects in this morning's weekly Export Sales report from USDA helped power corn prices to close the trading session \$0.04-\$0.08/bushel higher today.

Cash bids were mixed for corn across the Midwest today, with gains reported at processors and ethanol plants. An Eastern Corn Belt elevator lowered its cash offering for spot corn bids.

In its weekly Export Sales report released this morning, USDA reported only 4.1 million bushels of 2020/21 corn export sales were ordered during the July 16-22 reporting week. It was a 3.6-million-bushel decline from the previous week as buyer interest wanes in the last several weeks of the 2020/21 marketing year. This trend is not unusual for late in the marketing year. And it was largely overshadowed by accompanying data released by USDA in this morning's report. 2021/22 corn export sales booked for the week topped 20.8 million bushels – nearly five times higher than the corn export orders booked last week. While China has refrained from openly booking corn sales over the past couple months, it was the top destination for U.S. corn last week. Exporters shipped 27.6 million bushels of corn to the world's second largest economy as tight soy crush margins send Chinese livestock producers abroad in search of cheaper feedstuffs. Japan (12.1M bu.) and Mexico (10.1M bu.) rounded out the top three.

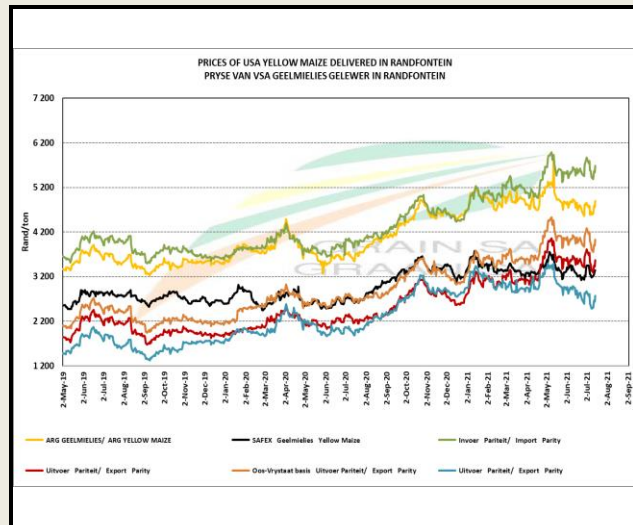
Markets rewarded the uptick in weekly shipping volumes and new crop corn export sales. Weekly corn export shipments have lagged behind record-setting paces set earlier this year. But this morning's report reaffirms that export demand for corn remains strong and if current trends continue, U.S. exporters are very likely to hit USDA's export target of 2.85 billion bushels for the 2020/21 marketing year.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Jul 2021				
Sep 2021	R 3 259.00	32.5%	R 5.41	R 3 264.41
Dec 2021	R 3 345.00	30%	R -13.25	R 3 331.75
Mar 2022	R 3 365.00	28%	R -9.20	R 3 355.80
May 2022	R 3 306.00	0%	R -10.77	R 3 295.23
Jul 2022	R 3 310.00	24%	R -19.36	R 3 290.64
Sep 2022				
<b>Yellow Maize Future</b>				
Jul 2021				
Sep 2021	R 3 407.00	33%	R 5.41	R 3 412.41
Dec 2021	R 3 493.00	30.5%	R -13.25	R 3 479.75
Mar 2022	R 3 475.00	26%	R -9.20	R 3 465.80
May 2022	R 3 300.00	0%	R -10.77	R 3 289.23
Jul 2022	R 3 316.00	24%	R -19.36	R 3 296.64
Sep 2022				

The local Maize market traded lower yesterday. The Aug'21 WMAZ contract ended R7.00 down and Aug'21 YMAZ closed R16.00 lower. The Sep'21 WMAZ closed lower by R10.00 and Sep'21 YMAZ ended R16.00 down. The parity move for the Aug'21 Maize contract for yesterday was R9.00 negative.



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## Wheat Market

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

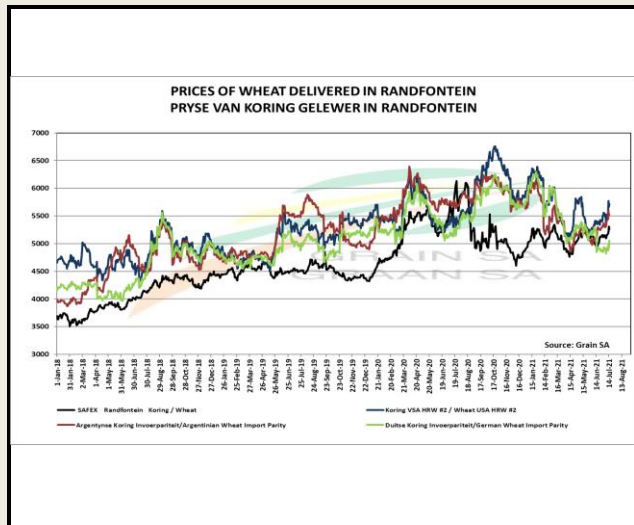
CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
SEP 2021	697.00	705.25	The record c	8.25	701.75	-3.50	4.75	SEP 2011	669.00	674.50	The record	5.50	672.25	-2.25	3.25
DEC 2021	706.00	713.75	The record c	7.75	710.25	-3.50	4.25	DEC 2011	680.00	685.25	The record	5.25	683.25	-2.00	3.25
MAR 2022	713.00	720.75	The record c	7.75	717.00	-3.75	4.00	MAR 2012	687.00	692.25	The record	5.25	689.75	-2.50	2.75
MAY 2022	714.00	719.75	The record c	5.75	716.50	-3.25	2.50	MAY 2012	689.00	694.25	The record	5.25	692.00	-2.25	3.00
JUL 2022	695.00	700.75	The record c	5.75	529.00	-171.75	-166.00	JUL 2012	677.00	679.75	The record	2.75	675.00	-4.75	-2.00



FarmFutures - Global forecasts for a smaller 2021 wheat crop, steady export demand from China and Mexico, and a weakening dollar supported gains in the wheat complex today. Prices rose \$0.08-\$0.16/bushel on the prospects. The Wheat Quality Council's (WQC) spring wheat tour just came to a close, with crop scouts confirming below average 2021 spring wheat yields due to drought in the Northern Plains. While conditions varied across fields, the WQC ultimately landed on an estimate of 29.1 bushel per acre – the lowest measured yield observed on the tour since 1993. Recent frosts in South America threatened Brazilian wheat crops in the flowering stages, but a report issued by Argentina's Buenos Aires Grains Exchange today points out that Argentine wheat acres could have been impacted as well. Argentina's wheat crop was just recently planted, and the frost did not cause any immediate or lasting damage to the young crop, leaving the Buenos Aires Grains Exchange to leave its 2021/22 wheat forecast unchanged at 698 million bushels. USDA's current national yield estimate for 2021 spring wheat stands at 28.0 bushels per acre. North Dakota is the country's largest spring wheat producer.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Jul 2021				
Sep 2021	R 5 225.00	15%	R 3.07	R 5 228.07
Dec 2021	R 5 097.00	11%	R 0.11	R 5 097.11
Mar 2022	R 5 186.00	0%	R -1.45	R 5 184.55
Jul 2022				
Sep 2022				
<b>Cape Wheat</b>				
Jul 2021				
Sep 2021				
Dec 2021				
Mar 2022				
Jul 2022				
Sep 2022				



The local Weat market closed lower yesterday. The Aug'21 Weat contract closed R1.00 down and Sep'21 Weat closed R17.00 lower. The parity move for the Aug'21 Weat contract for yesterday was R4.00 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
AUG 2021	1440.00	1434.25	The record	-5.75	902.00	-532.25
SEP 2021	1379.00	1385.25	The record	6.25	1384.75	-0.50
NOV 2021	1370.00	1377.75	The record	7.75	1377.25	-0.50
JAN 2022	1375.00	1382.00	The record	7.00	1381.25	-0.75
MAR 2022	1366.00	1371.75	The record	5.75	1369.00	-2.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
AUG 2011	356.5	356.70
SEP 2011	356.5	356.30
OCT 2011	355.7	355.30
DEC 2011	359.4	359.30
JAN 2012	359.9	359.10

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
AUG 2011	66.93	66.35
SEP 2011	66.22	65.90
OCT 2011	65.24	65.14
DEC 2011	64.71	64.59
JAN 2012	63.89	63.57



FarmFutures - Export optimism sent soybean futures \$0.13-\$0.18/bushel higher in today's trading session.

Fresh on the heels of an uptick in weekly soybean export shipments, USDA announced a large new crop soybean export sale this morning, buoying investor strength in the soybean market. An unknown buyer booked an order of 4.8 million bushels of U.S. soybeans to be delivered in the 2021/22 marketing year. Similar to corn, old crop soybean export sales in this morning's Export Sales report from USDA were nothing to write home about. And while 5.8 million bushels in current year export cancellations from Japan and unknown buyers were not welcomed by market watchers, it paled in comparison to renewed enthusiasm for new crop export sales. Mexico booked 5.9 million bushels of 2021/22 soybeans through the week ending July 22 and China followed closely behind with 4.4 million bushels. Notably, unknown buyers cancelled 2.4 million bushels of new crop soybean orders. While it was a shot of optimism for new crop soybean prices, price opportunity was limited as China continues to lag behind last year's new crop buying paces. A year ago, China had booked 47% more bushels of new crop soybeans. Despite being a player in export sales, China was not among the top destinations for U.S. soybeans last week. Weekly shipments rose nearly 3 million bushels on the week to 9 million bushels. Mexico (3.9M bu.), Bangladesh (2.2M bu.), and Canada (1.2M bu.) paved the way for the largest week of soybean exports since early June.

### South African Futures Exchange

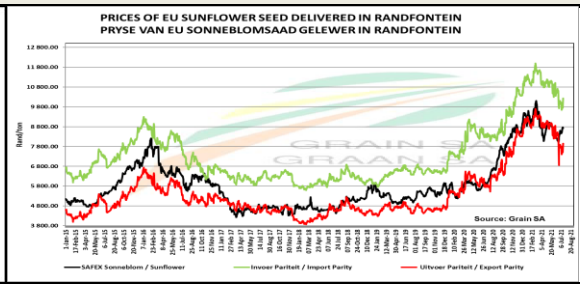
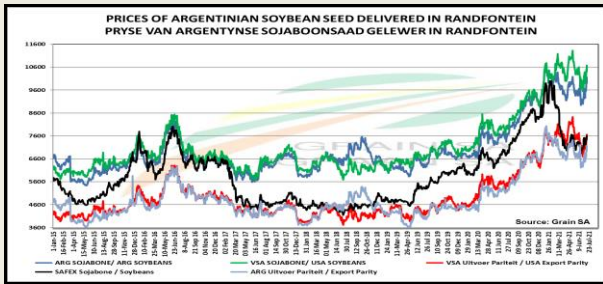
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Jul 2021				
Sep 2021	R 7 782.00	19.5%	R -13.43	R 7 768.57
Dec 2021	R 7 896.00	23%		R 7 896.00
Mar 2022	R 7 860.00	16%	R -27.72	R 7 832.28
May 2022	R 7 590.00	23%		R 7 590.00
Jul 2022				
Sep 2022				

Sunflower Seeds Future			
	MTM	Vols	
Jul 2021			
Sep 2021	R 9 340.00	23%	
Dec 2021	R 9 318.00	21.5%	
Mar 2022	R 9 000.00	0%	
May 2022	R 8 100.00	0%	
Jul 2022			
Sep 2022			



The local Soya market traded higher yesterday. The Aug'21 Soya contract ended R42.00 up and Sep'21 Soya closed R37.00 higher. The parity move for the Aug'21 Soya contract for yesterday was R17.00 negative.

The local Suns market closed higher yesterday. The Aug'21 Suns contract closed R78.00 up and Sep'21 Suns closed R55.00 higher.



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