



Fundamental Report

09 July 2021

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.3632	14.3399	-0.0233	-0.16%
Euro/Rand	17.0002	16.9741	-0.0261	-0.15%
GBPound/Rand	19.7740	19.7456	-0.0284	-0.14%
AusDollar/Rand	10.6742	10.6373	-0.0369	-0.35%
Euro/USDollar	1.1830	1.1835	0.0005	0.04%
GBPound/USDollar	1.3770	1.3772	0.0002	0.01%
AusDollar/USDollar	0.7432	0.7417	-0.0015	-0.20%
JpyYen/USDollar	109.9000	109.9200	0.0200	0.02%

BDLive - Risk appetite waned globally after the US Federal Reserve's federal open market committee (FOMC) maintained its recently adopted hawkish stance, with the JSE dropping the most since October 2020 on Thursday.

The minutes, released on Wednesday, saw the Fed hinting that it may have to taper its asset purchases and begin normalising monetary policy sooner than expected following the destruction Covid-19 wrought on the US economy. Global stocks fell on Thursday, tracking a slump in Asia amid a widening crackdown on the tech sector in China and concern over the strength of the country's economic recovery, while oil prices also sagged on supply uncertainty.

The pace of economic recovery from the Covid-19 pandemic and its effect on inflation and central bank policymaking continues to drive markets, with the US Federal Reserve overnight signalling no immediate plans to raise rates.



Commodities

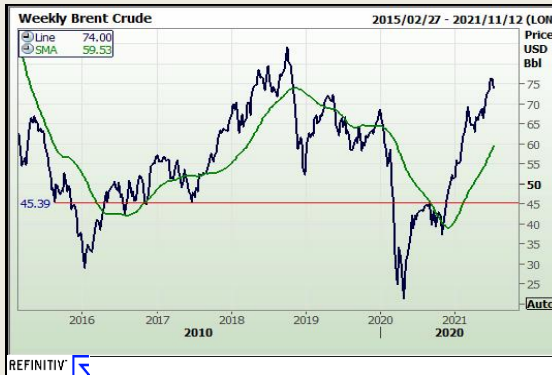
	Last	Value Change	% Change
Platinum	1076.52	0.97	0.09%
Gold	1806.68	4.12	0.23%
Silver	25.93	0.02	0.09%
Copper	4.28	0.02	0.35%
Gasoil	595.75	3.50	0.59%
Brent Oil	74.01	-0.11	-0.15%

BDLive - Bengaluru — Gold prices slipped on Thursday, weighed down by a stronger dollar after minutes from the US Federal Reserve's last meeting highlighted inflationary pressure and confirmed that asset purchases tapering is on the cards in 2021.

Spot gold was down 0.3% at \$1,797.46/oz, as of 3:31am GMT, after posting a sixth consecutive day of gains. US gold futures eased 0.2% to \$1,798.80.

"Following FOMC [federal open market committee] minutes, there was a modestly positive response from the dollar and a negative response from gold," said DailyFX currency strategist Ilya Spivak.

"As we get digestion over those FOMC minutes, we're starting to get some concern that perhaps we are looking at a situation where the Fed is starting to shift its focus to fighting inflation."



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	59106.40	0.00	0.00%
ALSI	59089.00	0.00	0.00%
S&P 500	4358.13	-37.31	-0.86%
FTSE	7151.02	-120.36	-1.68%
CAC	6396.73	0.00	0.00%
DAX	15420.64	0.00	0.00%
Hang Seng	27153.13	105.48	0.39%



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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	658.00	638.00	The record	-20.00	643.00	5.00	-15.00
SEP 2021	546.00	536.75	The record	-9.25	534.75	-2.00	-11.25
DEC 2021	535.00	523.75	The record	-11.25	521.00	-2.75	-14.00
MAR 2022	543.00	531.50	The record	-11.50	528.75	-2.75	-14.25
MAY 2022	549.00	536.25	The record	-12.75	534.25	-2.00	-14.75

FarmFutures - Corn prices faded into the red Thursday on a round of technical selling after the latest weather forecasts showed the likelihood for cooler, wetter weather as the crop approaches the critical silking stage. July futures dropped 16.5 cents to \$6.36, with September futures down 6.75 cents to \$5.36.

Corn basis bids were mixed at two Midwestern processors – rising 5 cents higher at a Nebraska facility while sliding 5 cents lower at an Iowa location – while holding steady elsewhere across the central U.S. today.

Prior to Friday morning's weekly export recap from USDA, analysts expect the agency to report corn sales ranging from zero to 37.4 million bushels for the week ending July 1. The low end of that range assumes there were some cancelled sales this past week.

And ahead of Monday's WASDE report from USDA, analysts think the agency will up its corn production estimates from 14.990 billion bushels in June to 15.115 billion bushels in July, assuming average yields of 178.8 bushels per acre. U.S. Energy Information Administration data out earlier today confirmed that domestic ethanol production rose for the third consecutive week to reach a daily average of 1.067 million barrels through July 2. Production is now very close to pre-pandemic levels after clearing 1 million daily barrels for the past eight weeks.

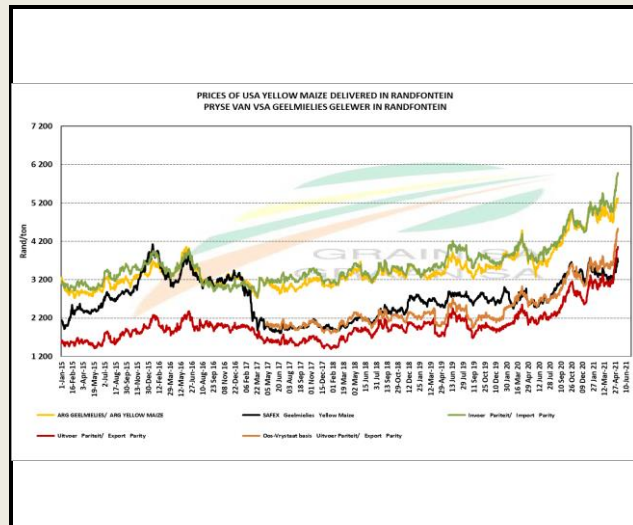
Preliminary volume estimates were for 218,408 contracts, trending significantly below Wednesday's final count of 360,973.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Jul 2021	R 3 091.00	37%	R -90.72	R 3 000.28
Sep 2021	R 3 147.00	28%	R -68.52	R 3 078.48
Dec 2021	R 3 217.00	30%	R -83.94	R 3 133.06
Mar 2022	R 3 239.00	28%	R -85.43	R 3 153.57
May 2022	R 3 164.00	0%	R -88.30	R 3 075.70
Jul 2022	R 3 145.00	24%		R 3 145.00
Sep 2022				
Yellow Maize Future				
Jul 2021	R 3 236.00	33%	R -90.72	R 3 145.28
Sep 2021	R 3 285.00	29%	R -68.52	R 3 216.48
Dec 2021	R 3 356.00	29%	R -83.94	R 3 272.06
Mar 2022	R 3 347.00	23.5%	R -85.43	R 3 261.57
May 2022	R 3 176.00	0%	R -88.30	R 3 087.70
Jul 2022	R 3 170.00	22%		R 3 170.00
Sep 2022				

The local Maize market traded lower yesterday. The Jul'21 WMAZ contract ended R22.00 down and Jul'21 YMAZ closed R22.00 lower. The Sep'21 WMAZ closed lower by R20.00 and Sep'21 YMAZ ended R23.00 down. The parity move for the Jul'21 Maize contract for yesterday was R85.00 negative.

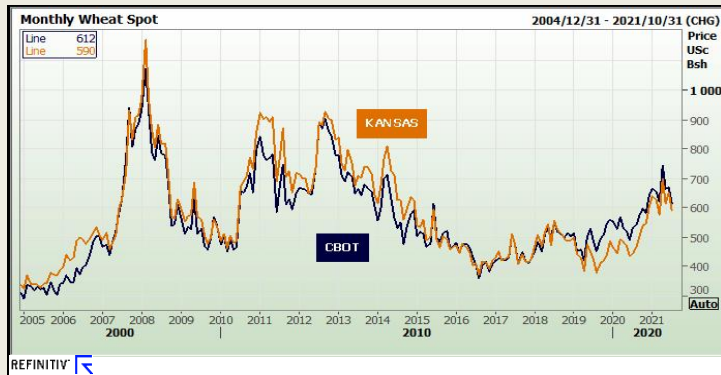


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Wheat Market

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	615.00	612.25	The record d	-2.75	0.00	-612.25	-615.00	JUL 2011	584.00	590.25	The record	6.25	0.00	-590.25	-584.00
SEP 2021	625.00	618.00	The record d	-7.00	616.00	-2.00	-9.00	SEP 2011	592.00	588.00	The record	-4.00	588.25	0.25	-3.75
DEC 2021	634.00	626.75	The record d	-7.25	624.75	-2.00	-9.25	DEC 2011	604.00	599.25	The record	-4.75	598.50	-0.75	-5.50
MAR 2022	640.00	634.50	The record d	-5.50	632.25	-2.25	-7.75	MAR 2012	613.00	608.50	The record	-4.50	607.75	-0.75	-5.25
MAY 2022	645.00	639.25	The record d	-5.75	637.00	-2.00	-7.75	MAY 2012	618.00	615.00	The record	-3.00	0.00	-615.00	-618.00

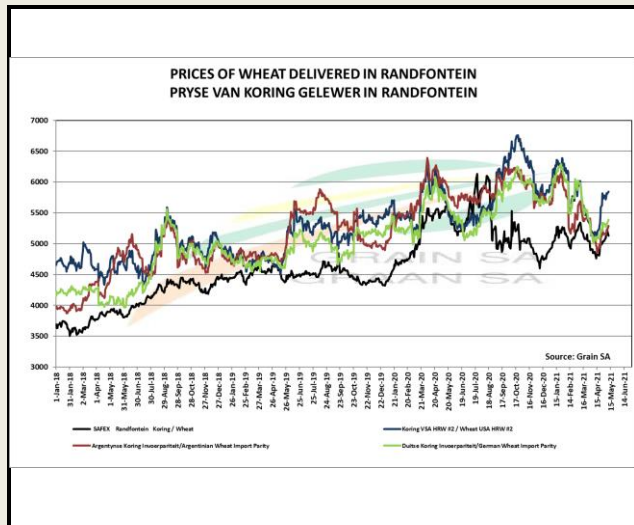


FarmFutures - Wheat prices were mixed after an uneven round of technical maneuvering today. September Chicago SRW futures fell 3.25 cents to \$6.19, September Kansas City HRW futures added 3.5 cents to \$5.88, and September MGEX spring wheat futures dropped 6.25 cents to \$8.0175. Ahead of tomorrow morning's weekly export recap from USDA, analysts think the agency will show wheat sales ranging between 7.3 million and 16.5 million bushels for the week ending July 1.

USDA's July WASDE report will include all-wheat production estimates for the 2021/22 season. Ahead of that report, analysts offered an average trade guess of 1.847 billion bushels. Of the total, winter wheat production could account for around 1.331 billion bushels, with spring wheat production estimated at 459 million bushels and durum production at 56 million bushels. If analysts are correct, that would represent a reduction of 51 million bushels versus what USDA reported in June. Saudi Arabia issued an international tender to purchase 13.2 million bushels of wheat from optional origins that closes on Friday. The grain is for arrival in October. Japan purchased nearly 4.0 million bushels of food-quality wheat from the United States, Canada and Australia in a regular tender that closed earlier today. Of the total, 53% was sourced from the U.S. The grain is for shipment in September.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Jul 2021	R 5 130.00	12%	R -3 245.71	R 1 884.29
Sep 2021	R 5 020.00	0%	R -52.77	R 4 967.23
Dec 2021	R 4 968.00	9.75%	R -54.17	R 4 913.83
Mar 2022	R 5 055.00	0%	R -46.31	R 5 008.69
Jul 2022				
Sep 2022				
Cape Wheat				
Jul 2021				
Sep 2021				
Dec 2021				
Mar 2022				
Jul 2022				
Sep 2022				



The local wheat market closed higher yesterday. The Jul'21 Wheat contract closed R33.00 up and Sep'21 Wheat closed R29.00 higher. The parity move for the Jul'21 Wheat contract for yesterday was R20.00 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
JUL 2021	1389.50	1390.25	The record	0.75	902.00	-488.25	-487.50
AUG 2021	1371.00	1365.25	The record	-5.75	1369.00	3.75	-2.00
SEP 2021	1335.00	1326.00	The record	-9.00	1328.75	2.75	-6.25
NOV 2021	1328.00	1319.50	The record	-8.50	1320.50	1.00	-7.50
JAN 2022	1336.00	1324.00	The record	-12.00	1325.50	1.50	-10.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2011	355.3	355.30
AUG 2011	356.8	355.80
SEP 2011	358.3	357.00
OCT 2011	359.1	357.70
DEC 2011	362.5	361.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2011	64.25	0.00
AUG 2011	60.48	60.73
SEP 2011	59.82	60.06
OCT 2011	59.39	59.75
DEC 2011	59.18	59.40



FarmFutures - Soybean prices fought through a choppy session to capture some modest gains Thursday. The market needs more fundamental supply and demand data, which USDA will supply Monday morning, along with a weekly batch of export data tomorrow morning. July futures added 6 cents to \$13.9250, while August futures picked up 1.5 cents to \$13.6825.

Soybean basis bids formed 10 cents higher at a Nebraska processor on Thursday while holding steady elsewhere across the central U.S. today.

Private exporters announced to USDA the sale of 122,200 metric tons of soymeal for delivery to Mexico during the 2021/22 marketing year, which begins October 1.

Ahead of tomorrow morning's weekly export recap from USDA, analysts think the agency will show soybean sales ranging between 3.7 million and 28.5 million bushels for the week ending July 1. Analysts also expect to see soymeal sales ranging between 150,000 and 600,000 metric tons, plus up to 15,000 MT of soyoil sales.

When USDA releases its next set of monthly supply and demand data Monday morning, analysts think the agency will slightly lower its soybean production estimates of 4.405 billion bushels in June down to 4.394 billion bushels. Analysts assume a small cut to yield potential, sliding to a nationwide average of 50.7 bushels per acre.

South African Futures Exchange

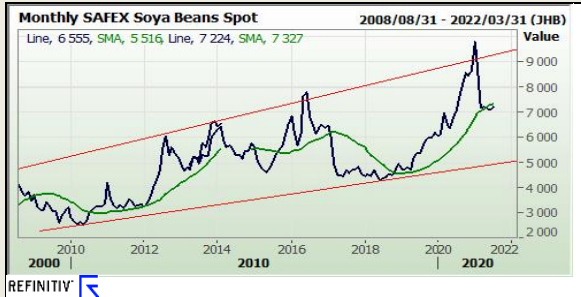
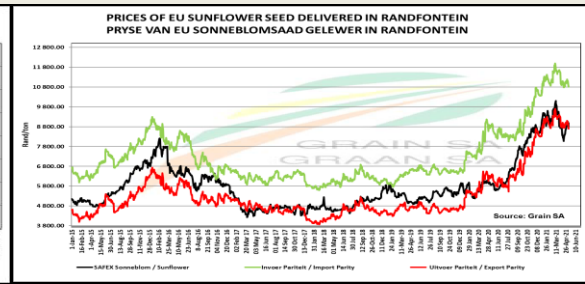
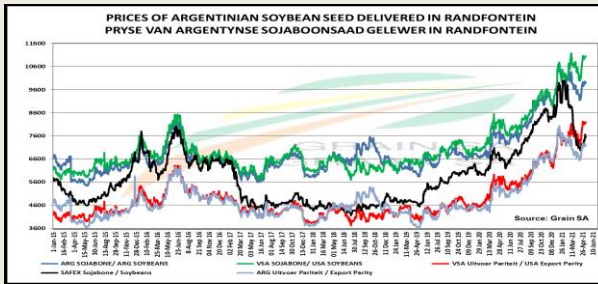
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Jul 2021	R 7 224.00	21.5%	R -2 580.54	R 4 643.46
Sep 2021	R 7 325.00	19.5%	R -44.36	R 7 280.64
Dec 2021	R 7 415.00	20.5%		R 7 415.00
Mar 2022	R 7 459.00	0%		R 7 459.00
May 2022	R 7 208.00	23%		R 7 208.00
Jul 2022				
Sep 2022				

Sunflower Seeds Future			
	MTM	Vols	
Jul 2021	R 8 485.00	21.5%	
Sep 2021	R 8 560.00	0%	
Dec 2021	R 8 632.00	21.75%	
Mar 2022	R 8 350.00	0%	
May 2022	R 7 550.00	0%	
Jul 2022			
Sep 2022			



The local Soya market traded lower yesterday. The Jul'21 Soya contract ended R36.00 down and Sep'21 Soya closed R25.00 lower. The parity move for the Jul'21 Soya contract for yesterday was R26.00 positive.

The local Suns market closed higher yesterday. The Jul'21 Suns contract closed R33.00 up and Sep'21 Suns closed R19.00 higher.



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