



Fundamental Report

12 October 2021

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.9479	15.0643	0.1164	0.78%
Euro/Rand	17.2701	17.4023	0.1322	0.77%
GBPound/Rand	20.3483	20.4789	0.1306	0.64%
AusDollar/Rand	10.9612	11.0587	0.0975	0.89%
Euro/USDollar	1.1553	1.1553	0.0000	0.00%
GBPound/USDollar	1.3616	1.3596	-0.0020	-0.15%
AusDollar/USDollar	0.7333	0.7341	0.0008	0.11%
JpyYen/USDollar	112.9700	113.3400	0.3700	0.33%

BDLive - Mining counters and cement maker PPC led the gains on the JSE on Monday, while global markets were firmer despite investors continuing to weigh the risks to the pandemic recovery from inflation pressures and an energy crunch.

Brent crude reached a fresh three-year high of \$83.62 a barrel in intradaytrade, further fuelling global inflation concerns. At 5.30pm, it had gained 1.67% to \$83.54. Oil prices have risen 62% in the year to date, sparking fears of higher inflation globally. World shares edged higher on Monday courtesy of gains in China, while rising Treasury yields lifted the dollar to a near three-year peak against the Japanese yen.

Brent oil prices extended their bull run to reach ground last visited in late 2018, with gains across the energy complex stoking inflation concerns.

"Higher energy prices, shortages will inevitably make their way through global value chains in the form of rising prices and potentially shortages of industrial and consumer goods," said Oanda analyst Jeffrey Halley.



Commodities

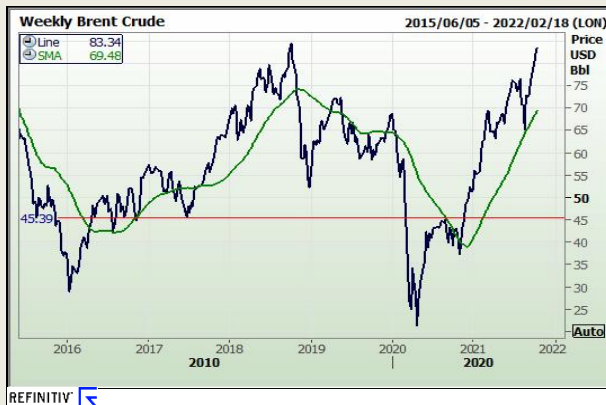
	Last	Value Change	% Change
Platinum	1010.73	2.36	0.23%
Gold	1757.02	3.16	0.18%
Silver	22.60	0.05	0.21%
Copper	4.32	-0.04	-1.03%
Gasoil	0.00	0.00	
Brent Oil	83.42	-0.23	-0.28%

BDLive - Gold prices were flat on Monday after weak jobs growth numbers failed to temper expectations that the US Federal Reserve would start paring its stimulus this year.

Spot gold was flat at \$1,757.71 per ounce by 5.26am. Prices hit a two-week high of \$1,781.20 on Friday after the payrolls data but pared gains during the session.

US gold futures inched 0.1% higher to \$1,759.40.

"The payrolls data is not going to do anything to stop the Fed from tapering... Labour shortage is feeding into higher wage pressures and that could worsen inflation even further, which will mean that they'll eventually have to step in," said IG Market analyst Kyle Rodda.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	58839.09	823.89	1.40%
ALSI	59642.00	0.00	0.00%
S&P 500	4391.34	-30.15	-0.69%
FTSE	7095.55	51.30	0.72%
CAC	6570.54	0.00	0.00%
DAX	15206.13	-6.99	-0.05%
Hang Seng	25325.09	-150.99	-0.60%



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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
DEC 2021	532.00	533.00	The record	1.00	532.25	-0.75	0.25
MAR 2022	541.00	542.25	The record	1.25	541.75	-0.50	0.75
MAY 2022	546.00	547.50	The record	1.50	546.00	-1.50	0.00
JUL 2022	547.00	548.50	The record	1.50	547.50	-1.00	0.50
SEP 2022	530.00	530.75	The record	0.75	530.00	-0.75	0.00

FarmFutures - Corn prices pushed through a choppy session with gains of less than 0.5% on some light net technical buying today. December and March futures each picked up 2.5 cents to reach \$5.33 and \$5.42, respectively.

Corn basis bids were steady to mixed on Monday, moving as much as 5 cents higher at an Illinois processor and as much as 10 cents lower at an Iowa ethanol plant today.

Ahead of the October WASDE report from USDA, out tomorrow morning, analysts expect to see corn production estimates fall slightly from September's mark of 14.996 billion bushels, with an average trade guess of 14.973 billion bushels. That assumes average yields of 176.0 bushels per acre across 85.095 harvested acres. Brazil's 2021/22 corn plantings are at 38% through Oct. 7, up from 33% a week ago and down slightly from last year's pace of 39%, according to AgRural. "Excessive humidity" has slowed progress in southern regions, according to the consultancy.

Brazil hasn't been immune from soaring input costs also seen in the U.S. Julio Bravo reports that Brazilian farmers have seen fertilizer prices double since January in the latest South American Crop Watch blog. "National and international agencies are watching the Chinese intervention on fertilizers sales," he writes. "Chinese companies are being pressured by the government to suspend exports of the product to assure domestic supplies, since the country is not only a big consumer of those inputs, but also a big exporter." [Click here to learn more.](#)

Preliminary volume estimates were for 153,346 contracts, inching slightly ahead of Friday's final count of 152,380.

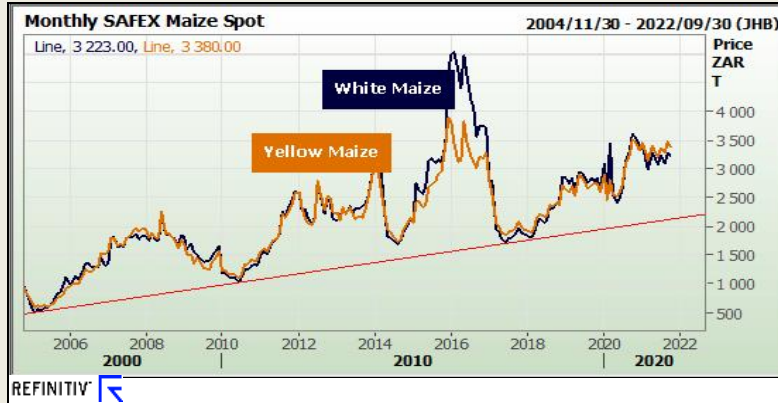
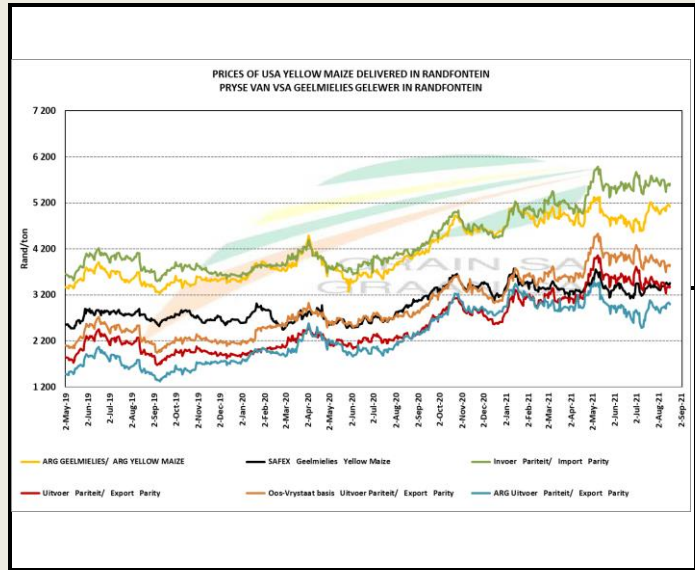


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South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2021				
Dec 2021	R 3 258.00	27.75%	R 25.86	R 3 283.86
Mar 2022	R 3 265.00	28.25%	R 29.24	R 3 294.24
May 2022	R 3 183.00	0%	R 25.02	R 3 208.02
Jul 2022	R 3 178.00	24.5%	R 28.03	R 3 206.03
Sep 2022				
Dec 2022				
Yellow Maize Future				
Sep 2021				
Dec 2021	R 3 429.00	28%	R 25.86	R 3 454.86
Mar 2022	R 3 421.00	26%	R 29.24	R 3 450.24
May 2022	R 3 292.00	0%	R 25.02	R 3 317.02
Jul 2022	R 3 295.00	22.75%	R 28.03	R 3 323.03
Sep 2022				
Dec 2022				

The local Maize market traded lower yesterday. The Oct'21 WMAZ contract ended R28.00 down and Oct'21 YMAZ closed R20.00 lower. The Dec'21 WMAZ closed lower by R26.00 and Dec'21 YMAZ ended R28.00 down. The parity move for the Oct'21 Maize contract for yesterday was R30.00 positive.



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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
DEC 2021	739.00	731.75	The record c	-7.25	731.25	-0.50	-7.75	DEC 2011	742.00	734.50	The record	-7.50	732.75	-1.75	-9.25
MAR 2022	752.00	745.50	The record c	-6.50	744.75	-0.75	-7.25	MAR 2012	750.00	742.75	The record	-7.25	741.50	-1.25	-8.50
MAY 2022	756.00	750.00	The record c	-6.00	748.50	-1.50	-7.50	MAY 2012	752.00	746.50	The record	-5.50	745.25	-1.25	-6.75
JUL 2022	741.00	740.00	The record c	-1.00	739.00	-1.00	-2.00	JUL 2012	745.00	740.75	The record	-4.25	738.50	-2.25	-6.50
SEP 2022	743.00	742.25	The record c	-0.75	529.00	-213.25	-214.00	SEP 2012	745.00	743.00	The record	-2.00	0.00	-743.00	-745.00

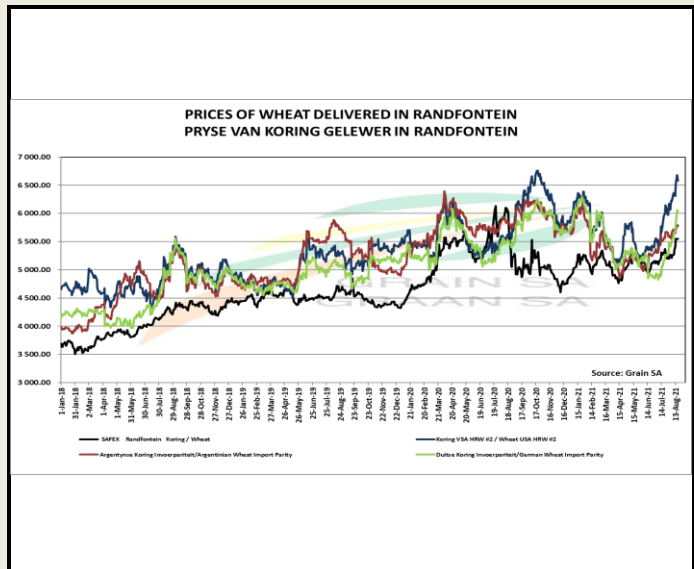


FarmFutures - Wheat prices finished Monday's session with narrowly mixed results after some uneven technical maneuvering today. December Chicago SRW futures dropped 2 cents to \$7.32, December Kansas City HRW futures fell 2.5 cents to \$7.35, and December MGEX spring wheat futures picked up 1.25 cents to \$9.4775. Prior to tomorrow morning's WASDE report from USDA, analysts expect to see a moderate decline in U.S. wheat stocks, moving from 615 million bushels in September down to 576 million bushels. Russia's wheat exports between January and August have totaled 709.7 million bushels, which is slightly lower from last year's pace. Russia is the world's No. 1 wheat exporter. Meantime, Russian consultancy Sovecon has slightly trimmed its estimates for the country's 2021 wheat production, moving it to 2.774 billion bushels. Sovecon also lowered its estimates for this year's wheat crop in Ukraine, now at 1.411 billion bushels. The United Kingdom is expecting a much bigger wheat crop this year, improving 45% from a year ago to reach 515.1 million bushels. Abundant rains last fall caused many farmers to switch to spring barley. Conditions are much more favorable this fall, in contrast.

Preliminary volume estimates were for 52,351 CBOT contracts, which was 36% below Friday's final count of 82,016.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2021				
Dec 2021	R 5 671.00	15.5%	R -11.29	R 5 659.71
Mar 2022	R 5 772.00	18%	R -7.97	R 5 764.03
May 2022	R 5 820.00	0%	R -9.18	R 5 810.82
Jul 2022	R 5 850.00	0%	R 20.62	R 5 870.62
Sep 2022				
Dec 2022				
Cape Wheat				
Sep 2021				
Dec 2021				
Mar 2022				
May 2022				
Jul 2022				
Sep 2022				
Dec 2022				



The local Weat market closed mixed yesterday. The Oct'21 Weat contract closed unchanged while Dec'21 Weat closed R16.00 higher. The parity move for the Oct'21 Weat contract for yesterday was R5.00 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
NOV 2021	1246.00	1228.25	The record	-17.75	902.00	-326.25	-344.00
JAN 2022	1257.00	1239.75	The record	-17.25	1240.25	0.50	-16.75
MAR 2022	1267.00	1250.00	The record	-17.00	1250.50	0.50	-16.50
MAY 2022	1277.00	1259.00	The record	-18.00	1260.00	1.00	-17.00
JUL 2022	1281.00	1265.00	The record	-16.00	1265.00	0.00	-16.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2011	316.2	0.00
DEC 2011	317.1	317.40
JAN 2012	319.3	319.50
MAR 2012	322.5	322.40
MAY 2012	326.4	325.70

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2011	60.29	0.00
DEC 2011	60.51	60.50
JAN 2012	60.5	60.51
MAR 2012	60.12	60.16
MAY 2012	59.63	59.67



FarmFutures - Soybean prices tested modest gains overnight but spilled more than 1% lower today after a round of technical selling as traders finished squaring positions ahead of tomorrow's WASDE report. November and January futures each dropped 15 cents to close at \$12.28 and \$12.3925, respectively. Soybean basis bids were widely mixed at three interior river terminals (tumbling 15 cents at one location while firming 9 cents at two others) and moved 1 to 5 cents higher at three other Midwestern locations today. Ahead of Tuesday's WASDE report from USDA, analysts expect to see U.S. 2021/22 ending soybean stocks move from 185 million bushels in September up to 300 million bushels. Analysts also think USDA will raise production estimates to 4.415 billion bushels, assuming average yields of 51.1 bushels per acre across 86.349 million harvested acres. Brazilian consultancy AgRural estimates the country's 2021/22 soybean plantings are 10% complete through October 7, versus progress of 3% at the same time last year. "There was rainfall in a large part of Brazil last week, which favored fieldwork in regions where the planting was already advanced and also allowed the sowing to start in regions where producers were waiting for better humidity conditions," according to a statement. Barring any catastrophes, Brazil is likely to see record soybean production this season.

Preliminary volume estimates were for 181,055 contracts, falling moderately short of Friday's final count of 261,196.

South African Futures Exchange

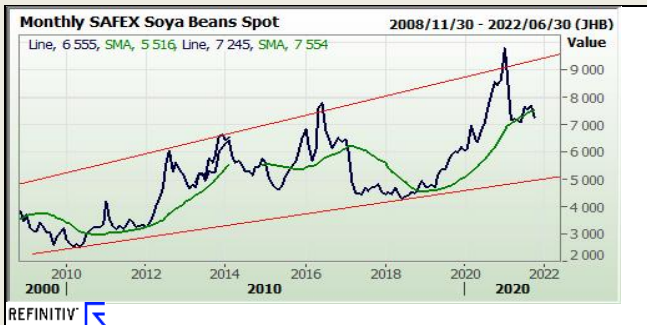
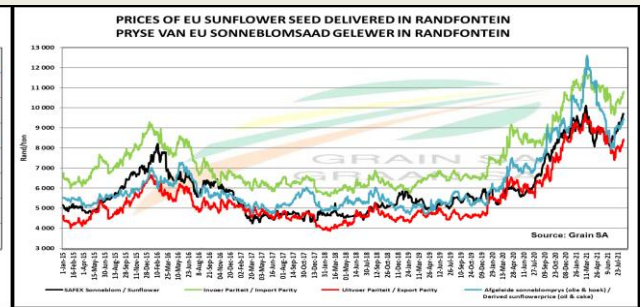
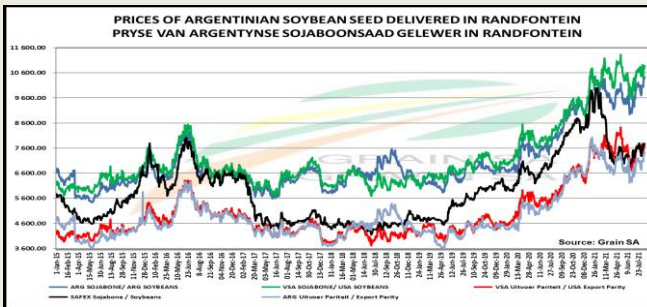
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2021				
Dec 2021	R 7 310.00	23%		R 7 310.00
Mar 2022	R 7 345.00	16%	R -37.14	R 7 307.86
May 2022	R 7 200.00	23%	R -39.48	R 7 160.52
Jul 2022	R 7 316.00	0%	R -33.77	R 7 282.23
Sep 2022				
Dec 2022				

Sunflower Seeds Future		
	MTM	Vols
Sep 2021		
Dec 2021	R 10 252.00	22.5%
Mar 2022	R 9 580.00	23%
May 2022	R 8 700.00	18.5%
Jul 2022	R 8 831.00	0%
Sep 2022		
Dec 2022		



The local Soya market traded lower yesterday. The Oct'21 Soya contract ended R58.00 down and Dec'21 Soya closed R74.00 lower. The parity move for the Oct'21 Soya contract for yesterday was R38.00 negative.

The local Suns market closed lower yesterday. The Oct'21 Suns contract closed R170.00 down and Dec'21 Suns closed R156.00 lower.



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