



Fundamental Report

13 January 2022

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.4784	15.3095	-0.1689	-1.09%
Euro/Rand	17.5959	17.5275	-0.0684	-0.39%
GBPound/Rand	21.0939	20.9920	-0.1019	-0.48%
AusDollar/Rand	11.1633	11.1545	-0.0088	-0.08%
Euro/USDollar	1.1365	1.1441	0.0076	0.67%
GBPound/USDollar	1.3630	1.3711	0.0081	0.59%
AusDollar/USDollar	0.7212	0.7286	0.0074	1.03%
JpyYen/USDollar	115.3500	114.5800	-0.7700	-0.67%

BDLive - Tech heavyweights Naspers and Prosus led the gains on the JSE on Wednesday, and European markets climbed as investors welcomed comments by the US Federal Reserve chair Jerome Powell.

The JSE all share closed at a record high — gaining the most in more than a month — with miners and Sasol also pushing the index higher. Stocks and commodities rose in relief and the dollar hit a six-week low on Wednesday, after Federal Reserve chair Jerome Powell sounded less hawkish than expected in testimony to Congress, as he charts a path out of pandemic policy settings.

Bonds have also steadied after beginning the year with a rout, though a new test looms later in the day when US inflation data is expected to come in red hot. MSCI's broadest index of Asia-Pacific shares outside Japan rose 1% to a one-month high, led by a 3.5% jump for tech stocks in Hong Kong. Japan's Nikkei rose 1.9%.



Commodities

	Last	Value Change	% Change
Platinum	975.04	-2.03	-0.21%
Gold	1824.96	-0.36	-0.02%
Silver	23.15	0.04	0.16%
Copper	4.54	-0.03	-0.70%
Gasoil	735.75	-0.75	-0.10%
Brent Oil	84.50	-0.17	-0.20%

BDLive - Gold prices eased on Wednesday as traders kept an eye out for US inflation data for rate clues after less hawkish comments from the Federal Reserve chief fuelled a bullion rally in the previous session.

Spot gold was down 0.2% at \$1,818.19/oz by 3.51am GMT, retreating from a one-week high hit on Tuesday. US gold futures were flat at \$1,818.70.

"Fed chair [Jerome] Powell's confirmation hearing did not bring any additional hawkish rhetoric beyond what the market was already looking for," said DailyFX currency strategist Ilya Spivak, adding that gold was in consolidation after rising more than 1% on Tuesday. Powell said the central bank was determined to battle inflation and far from diminishing job growth, a turn to higher policy interest rates and a runoff of its asset holdings was necessary to keep the current economic expansion under way.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	69206.77	0.00	0.00%
ALSI	69364.00	0.00	0.00%
S&P 500	4713.07	13.28	0.28%
FTSE	7491.37	60.35	0.81%
CAC	7237.19	0.00	0.00%
DAX	16010.32	0.00	0.00%
Hang Seng	24402.17	32.13	0.13%



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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
MAR 2022	601.00	599.00	The record	-2.00	597.50	-1.50	-3.50
MAY 2022	602.00	600.75	The record	-1.25	599.25	-1.50	-2.75
JUL 2022	599.00	598.00	The record	-1.00	596.75	-1.25	-2.25
SEP 2022	570.00	571.00	The record	1.00	571.25	0.25	1.25
DEC 2022	557.00	558.25	The record	1.25	559.50	1.25	2.50

FarmProgress - Corn prices tilted nearly 0.5% lower after a choppy session Wednesday as traders attempted to balance bin-busting yields in U.S. against some South American crop struggles. (Click here for our full coverage and exclusive analysis of today's WASDE report.) March and May futures each dropped 2.75 cents to \$5.9825 and \$5.9975, respectively.

Corn basis bids firmed a penny higher at an Ohio elevator, dipped a penny lower at an Illinois ethanol plant and held steady elsewhere across the central U.S. on Tuesday.

Private exporters announced to USDA the sale of 3.9 million bushels of corn for delivery to unknown destinations during the 2021/22 marketing year, which began September 1.

In today's WASDE report, USDA raised its 2021 U.S. production estimates by another 53 million bushels after adding 300,000 harvested acres, for a new total of 15.115 billion bushels. Analysts were only expecting a fractional increase, with an average trade guess of 15.069 billion bushels. Yield estimates were unchanged, at 177.0 bushels per acre.

Meantime, USDA lowered its estimates for 2021/22 corn exports by 75 million bushels, to 2.425 billion bushels, "reflecting expectations of increased competition from other exporters." However, this was offset by a 75-million-bushel increase in corn used for ethanol, which is now at 5.325 billion bushels. Feed and residual use remained unchanged, at 5.650 billion bushels. Ending stocks moved unexpectedly higher, to 1.540 billion bushels.

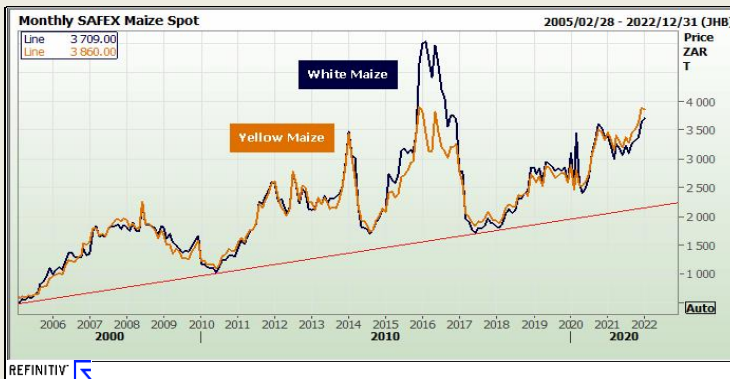
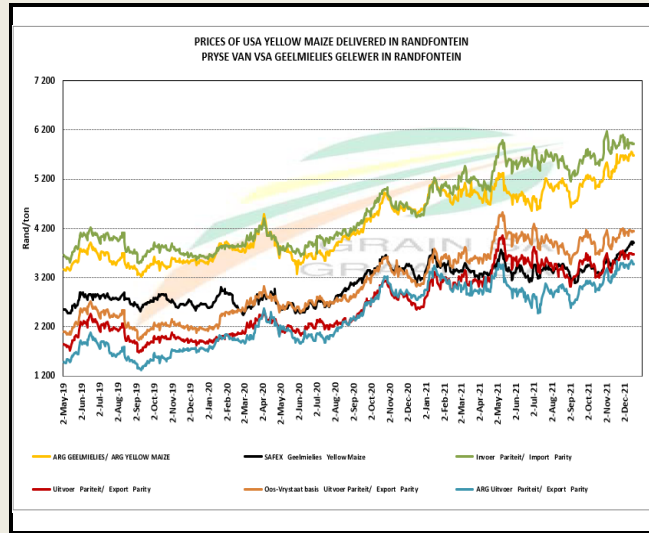


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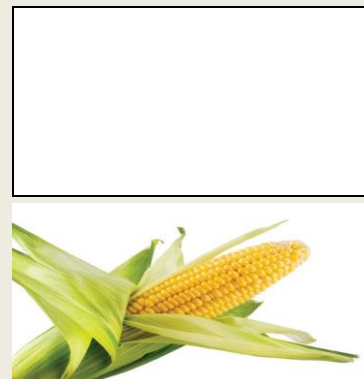
South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2021				
Mar 2022	R 3 670.00	31.5%	R -61.06	R 3 608.94
May 2022	R 3 570.00	26.5%	R -56.60	R 3 513.40
Jul 2022	R 3 539.00	24.75%	R -53.39	R 3 485.61
Sep 2022	R 3 598.00	0%	R -30.37	R 3 567.63
Dec 2022	R 3 673.00	23.25%	R -21.97	R 3 651.03
Dec 2022	R 3 673.00	23.25%	R -21.97	R 3 651.03
Yellow Maize Future				
Dec 2021				
Mar 2022	R 3 824.00	28.75%	R -61.06	R 3 762.94
May 2022	R 3 612.00	24.5%	R -56.60	R 3 555.40
Jul 2022	R 3 595.00	23%	R -53.39	R 3 541.61
Sep 2022	R 3 646.00	21.5%	R -30.37	R 3 615.63
Dec 2022	R 3 725.00	21%	R -21.97	R 3 703.03
Dec 2022	R 3 725.00	21%	R -21.97	R 3 703.03

The local Maize market traded lower yesterday. The Mar'22 WMAZ contract ended R47.00 down and Mar'22 YMAZ closed R38.00 lower. The May'22 WMAZ closed lower by R3.00 and May'22 YMAZ ended R13.00 down. The parity move for the Mar'22 Maize contract for yesterday was R59.00 negative.



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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

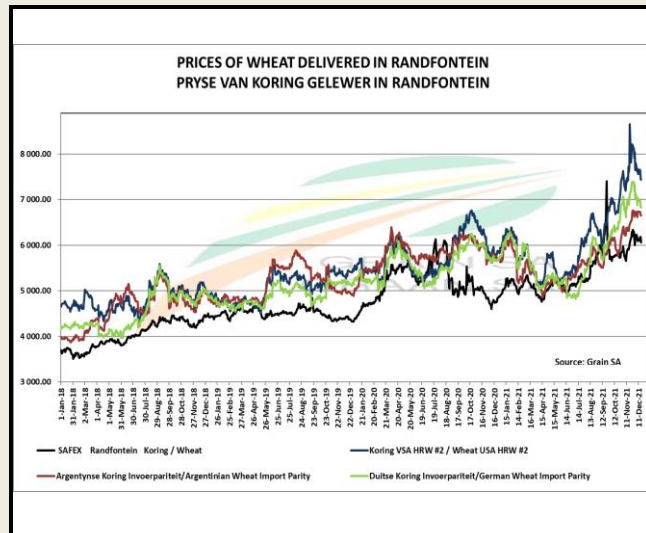
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2022	770.00	757.75	The record d	-12.25	752.25	-5.50	-17.75	MAR 2012	793.00	778.00	The record	-15.00	770.25	-7.75	-22.75
MAY 2022	773.00	760.25	The record d	-12.75	754.25	-6.00	-18.75	MAY 2012	792.00	779.00	The record	-13.00	772.00	-7.00	-20.00
JUL 2022	769.00	755.25	The record d	-13.75	749.00	-6.25	-20.00	JUL 2012	790.00	779.00	The record	-11.00	772.50	-6.50	-17.50
SEP 2022	771.00	758.00	The record d	-13.00	751.25	-6.75	-19.75	SEP 2012	792.00	782.25	The record	-9.75	774.75	-7.50	-17.25
DEC 2022	776.00	764.00	The record d	-12.00	529.00	-235.00	-247.00	DEC 2012	799.00	789.00	The record	-10.00	784.50	-4.50	-14.50



FarmProgress - Wheat prices were slashed by as much as 1.8% after USDA reported larger-than-expected U.S. acres and higher-than-expected ending stocks, which triggered a round of technical selling. March Chicago SRW futures fell 13 cents to \$7.5725, March Kansas City HRW futures lost 14.5 cents to \$7.7725, and March MGEX spring wheat futures faded 7.75 cents to \$9.2050. USDA's first look at 2022 U.S. wheat acreage was calculated at 34.4 million acres – the largest U.S. winter wheat acreage since 2016's sowing of 36.1 million acres. Soft red winter wheat acres recorded the largest increase, rising over half a million acres to 7.07 million acres. USDA lowered its estimates for 2021/22 wheat exports by 15 million bushels, to 825 million bushels. The agency says all of those lost bushels comes from a reduction in hard red winter wheat exports. "U.S. wheat sales and shipments continue to be sluggish as U.S. wheat remains uncompetitive in several markets," the agency notes. Projected U.S. ending stocks for 2021/22 moved 30 million bushels higher, to 628 million bushels. That's still down 26% from a year ago and is at the lowest level since 2013/14. Ahead of Thursday morning's export report from USDA, analysts think the agency will show wheat sales ranging between 5.5 million and 16.5 million bushels for the week ending January 6.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2021				
Mar 2022	R 6 009.00	20%	R -147.63	R 5 861.37
May 2022	R 6 039.00	19.5%	R -153.45	R 5 885.55
Jul 2022	R 6 055.00	11%	R -160.23	R 5 894.77
Sep 2022	R 5 952.00	0%	R -158.95	R 5 793.05
Dec 2022				
Cape Wheat				
Dec 2021				
Mar 2022				
May 2022				
Jul 2022				
Sep 2022				
Dec 2022				
Dec 2022				



The local Wheat market closed lower yesterday. The Mar'22 Wheat contract closed R18.00 down and May'22 Wheat closed R16.00 lower. The parity move for the Mar'22 Wheat contract for yesterday was R142.00 negative.



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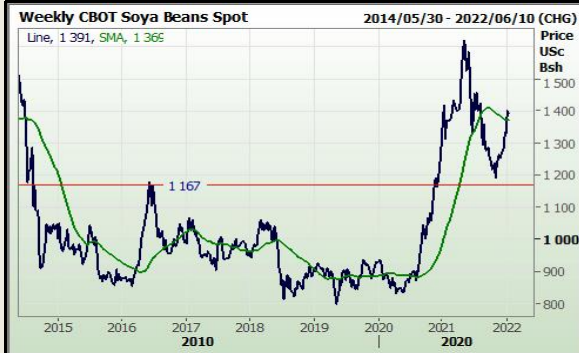
Oil Seed Market

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
JAN 2022	1371.50	1391.25	The record	19.75	902.00	-489.25	-469.50
MAR 2022	1383.00	1399.25	The record	16.25	1391.50	-7.75	8.50
MAY 2022	1392.00	1408.25	The record	16.25	1400.25	-8.00	8.25
JUL 2022	1397.00	1413.75	The record	16.75	1406.25	-7.50	9.25
AUG 2022	1374.00	1390.75	The record	16.75	1381.25	-9.50	7.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2012	431	0.00
MAR 2012	416.2	413.60
MAY 2012	414.2	411.40
JUL 2012	413.7	410.70
AUG 2012	407.7	404.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2012	59.28	0.00
MAR 2012	59.37	58.98
MAY 2012	59.45	59.01
JUL 2012	59.44	59.05
AUG 2012	59.07	58.60



FarmProgress - Soybean prices firmed 1% on a round of technical buying after both USDA and Abiove lowered their estimates for Brazilian production as harvest there begins. January futures rose 15 cents to \$13.9175, with March futures up 12.5 cents to \$13.99.

Soybean basis bids climbed 9 cents higher at an Ohio elevator on Tuesday while holding steady elsewhere across the central U.S. today.

Private exporters announced to USDA the sale of 4.8 million bushels of soybeans for delivery to China during the 2022/23 marketing year, which begins September 1. USDA added 10 million bushels to its 2021 soybean production estimates, moving that number to 4.435 billion bushels. Analysts were expecting to see that number come in at 4.433 billion bushels. Average yields inched 0.2 bushels per acre higher, to 51.4 bpa. That was also slightly above the average trade guess of 51.3 bpa. Harvested area trended slightly below USDA's prior report, moving to 86.3 million acres.

And as expected, USDA noted reductions in production potential in South America. In Argentina, that meant a 111-million-bushel decline, with a new estimate of 1.708 billion bushels. In Brazil, the reduction totaled 184 million bushels, falling to 5.107 billion bushels. Some private consultancies have predicted an even steeper decline for Brazil, with some estimates falling below the 5-billion-bushel mark.

South African Futures Exchange

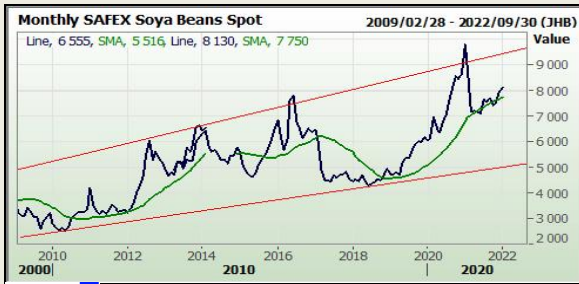
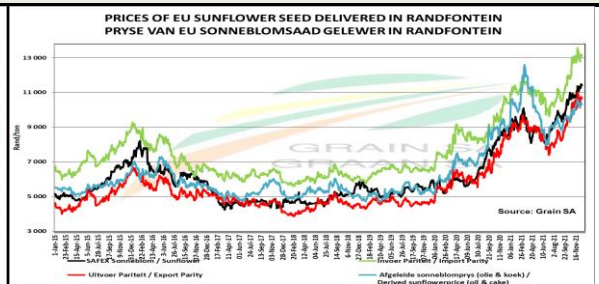
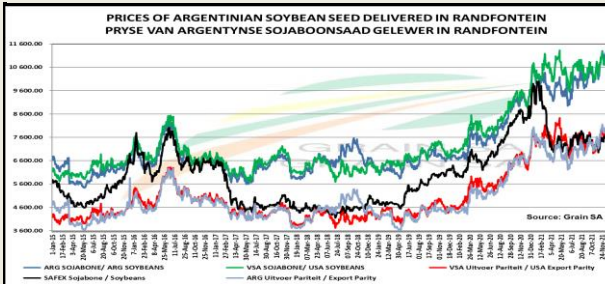
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2021				
Mar 2022	R 8 102.00	20%	R -38.01	R 8 063.99
May 2022	R 7 977.00	23%	R -39.98	R 7 937.02
Jul 2022	R 8 068.00	24.5%	R -34.66	R 8 033.34
Sep 2022	R 8 185.00	0%		R 8 185.00
Dec 2022				
Dec 2022				

Sunflower Seeds Future		
	MTM	Vols
Dec 2021		
Mar 2022	R 10 310.00	23%
May 2022	R 9 335.00	21%
Jul 2022	R 9 390.00	20%
Sep 2022		
Dec 2022		
Dec 2022		



The local Soya market traded higher yesterday. The Mar'22 Soya contract ended R42.00 up and May'22 Soya closed R12.00 higher. The parity move for the Mar'22 Soya contract for yesterday was R35.00 negative.

The local Suns market closed lower yesterday. The Mar'22 Suns contract closed R220.00 down and May'22 Suns closed R84.00 lower.



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