



**Fundamental Report**  
**20 April 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	18.8498	18.7780	-0.0718	-0.38%
Euro/Rand	20.3885	20.3996	0.0111	0.05%
GBPound/Rand	23.4062	23.4236	0.0174	0.07%
AusDollar/Rand	11.9171	11.9071	-0.0100	-0.08%
Euro/USDollar	1.0813	1.0862	0.0049	0.45%
GBPound/USDollar	1.2417	1.2473	0.0056	0.45%
AusDollar/USDollar	0.6322	0.6341	0.0019	0.30%
JpyYen/USDollar	107.8800	107.8400	-0.0400	-0.04%

BDLive - The rand fell against the dollar for a fifth successive day on Friday, despite improved global investor sentiment on initial plans to open up the US economy, and reports of a potentially effective Covid-19 treatment.

The local currency, which is down 3.8% against the dollar this week, according to Infront data, has taken a knock as the pandemic continues to threaten the global economy and financial markets, with investors remaining fairly cautious.

"Markets seem to be trapped between the constant fear of a global recession, and a glimmer of hope that we are approaching the end of the Covid-19 pandemic," said Peregrine Treasury Solutions treasury partner Bianca Botes in a note. At 6.17pm, the rand had weakened 0.31% to R18.8321/\$, 0.53% to R20.4797/€ and 0.44% to R23.5342/£. The euro was up 0.14% to \$1.0878.



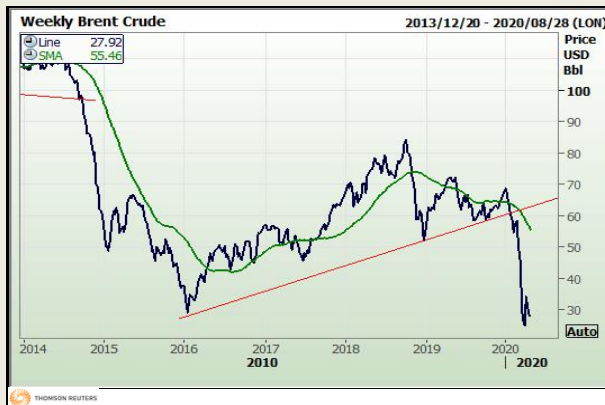
### Commodities

	Last	Value Change	% Change
Platinum	775.18	-0.07	-0.01%
Gold	1679.84	-4.35	-0.26%
Silver	15.21	0.08	0.54%
Copper	2.35	0.01	0.26%
Gasoil	276.25	0.75	0.27%
Brent Oil	27.90	-0.18	-0.65%

BDLive - Gold prices fell on Friday as optimism over initial plans to reopen the US economy lifted risk appetite, but heightened worries over the worst recession in decades kept bullion on track for its second straight weekly rise.

Spot gold eased 0.8% to \$1,704.52/oz by 3.46am GMT. The metal was up about 0.9% for the week so far. US gold futures slipped 0.7% to \$1,719.80/oz. While there is a "temporal mismatch" between the financial markets and the real economy, the reopening of the US economy is suggesting a recovery may come a lot quicker than expected, in turn weighing on gold, said Stephen Innes, chief market strategist at financial services firm AxiCorp.

US President Donald Trump proposed guidelines on Thursday under which state governors could act to revive the economy from its coronavirus shutdown.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	45044.37	0.00	0.00%
ALSI	45242.00	0.00	0.00%
S&P 500	2799.55	75.01	2.68%
FTSE	5628.43	158.53	2.82%
CAC	4499.01	0.00	0.00%
DAX	10625.78	0.00	0.00%
Hang Seng	24380.00	95.77	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
MAY 2020	322.00	322.25	-0.50	0.25	321.00	-1.25	-1.00
JUL 2020	329.00	329.25	-0.25	0.25	327.75	-1.50	-1.25
SEP 2020	334.00	333.75	-0.50	-0.25	332.25	-1.50	-1.75
DEC 2020	343.00	343.50	-0.75	0.50	342.00	-1.50	-1.00
MAR 2021	355.00	355.25	-0.50	0.25	354.25	-1.00	-0.75

FarmFutures - Corn prices have sagged enough to finally attract some bargain buying and short-covering, which helped boost prices around 1% higher, with some increasing speculation that losses in recent weeks due to lower ethanol production is finally baked in for the most part. May futures added 2.5 cents today to reach \$3.2225, with July futures up 3 cents to \$3.2925. Corn basis bids were steady to firm, moving 1 to 4 cents higher at three interior river terminals on Friday and picking up 1 to 3 cents at two other Midwestern locations today. South Korea remains an active buyer of grain in recent weeks, purchasing another 2.7 million bushels today in a private deal. The grain, which will likely be sourced from South America, is for arrival in mid-October.



The European Union is allowing another 12 million bushels in corn imports under its tariff-rate quota program. More than half of the total is reserved for Ukrainian corn purchases, with the rest of the grain allowed from optional origins.

According to Matthew Kruse, president of Commstock Investments, the market wants farmers to be patient, not make rash decisions and wait for price recovery. "While I appreciate the optimism, this does not consider the unprecedented demand destruction we are currently experiencing," he writes in the latest Ag Marketing IQ blog. "Someday we will even see \$5 corn again. The issue at hand is whether it will take six months or six years to do so." Click here to read more about what to do in the meantime.

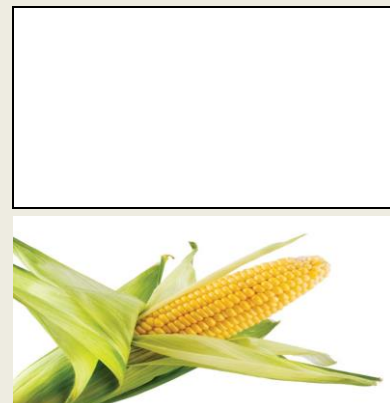
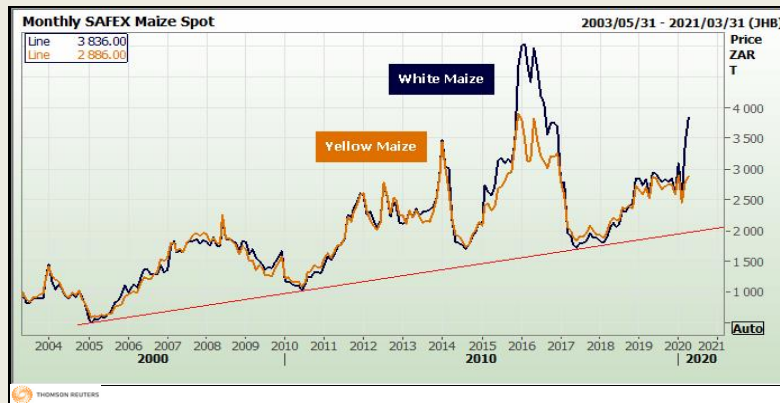
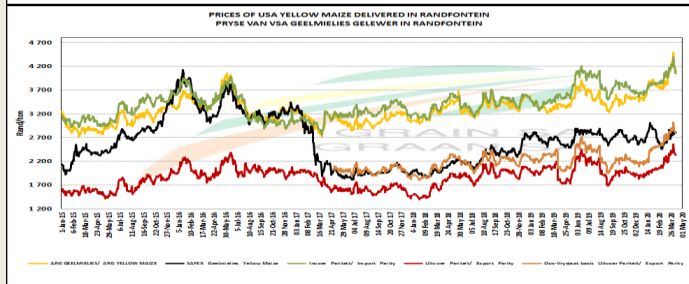
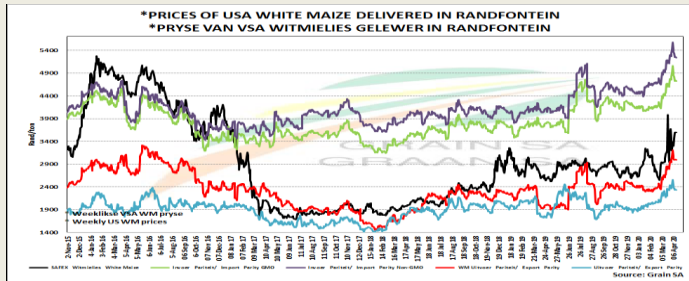
But is most of the bearish news for corn already priced in? Is it time to start looking for the bottom in corn futures, in other words? Naomi Blohm, senior market adviser with Stewart Peterson, takes a closer look - click here to learn more.

Preliminary volume estimates were for 248,958 contracts, falling moderately below Thursday's final count of 318,493.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2020				
May 2020	R 2 895.00	32%	R -16.49	R 2 878.51
Jul 2020	R 2 598.00	26.25%	R -18.54	R 2 579.46
Sep 2020	R 2 648.00	20%	R -22.38	R 2 625.62
Dec 2020	R 2 738.00	21.75%	R -17.09	R 2 720.91
Mar 2021	R 2 769.00	20%	R -15.58	R 2 753.42
May 2021				
<b>Yellow Maize Future</b>				
Mar 2020				
May 2020	R 2 739.00	26%	R -16.49	R 2 722.51
Jul 2020	R 2 733.00	25.5%	R -18.54	R 2 714.46
Sep 2020	R 2 779.00	18%	R -22.38	R 2 756.62
Dec 2020	R 2 864.00	20%	R -17.09	R 2 846.91
Mar 2021	R 2 894.00	0%	R -15.58	R 2 878.42
May 2021	R 2 860.00	0%		R 2 860.00

The local Maize market traded mixed yesterday. The May'20 WMAZ contract ended R30.00 down while May'20 YMAZ closed R19.00 higher. The Jul'20 WMAZ closed unchanged while Jul'20 YMAZ ended R24.00 up. The parity move for the May'20 Maize contract for yesterday was R19.00 negative.



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## Wheat Market

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

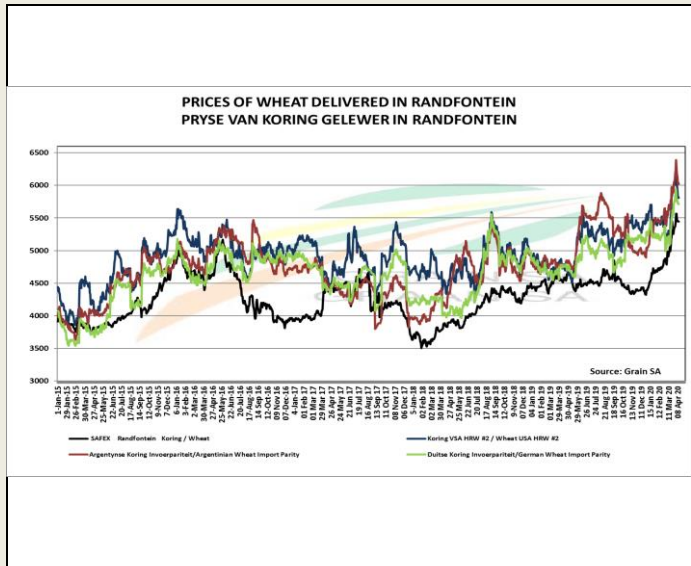
CBOT Wheat									KBOT Wheat						
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAY 2020	529.00	533.50	6.25	4.50	538.25	4.75	9.25	MAY 2010	470.00	478.75	4.25	8.75	484.75	6.00	14.75
JUL 2020	529.00	533.75	5.50	4.75	538.25	4.50	9.25	JUL 2010	477.00	485.25	4.00	8.25	491.50	6.25	14.50
SEP 2020	534.00	538.75	5.00	4.75	543.00	4.25	9.00	SEP 2010	484.00	491.75	4.00	7.75	497.50	5.75	13.50
DEC 2020	543.00	547.00	3.75	4.00	551.25	4.25	8.25	DEC 2010	494.00	501.50	4.25	7.50	507.00	5.50	13.00
MAR 2021	550.00	554.50	3.00	4.50	529.00	-25.50	-21.00	MAR 2011	504.00	511.25	4.25	7.25	515.75	4.50	11.75



FarmFutures - Wheat prices had a rough week overall but rebounded with some solid gains on Friday. News that Russian wheat exports may soon hit quota limits prompted some technical buying that firmed some contracts as much as 2%. Kansas City HRW contracts showed the most upside, with May futures up 9.75 cents to \$4.7975. May Chicago SRW futures found decent gains of 3.75 cents to close at \$5.3350, with May MGEX spring wheat futures inching ahead half a penny to reach \$5.06. Russia's Q2 grain export quota could be met by as early as mid-May, and the ministry will only supply the domestic market between when quotas are reached through the end of June. Russia is the world's No. 1 wheat exporter. Meantime, Russia sold another 3.1 million bushels of wheat from its state stockpile at auction earlier today. The country eventually plans to release more than 80% of its domestic supply into circulation for use by local flour millers and bakers. Japan purchased 4.9 million bushels of food-quality wheat from the United States, Canada and Australia in a regular tender that closed earlier this week. Of the total, nearly 41% was sourced from the U.S. Taiwan issued an international tender to purchase 8.1 million bushels of milling wheat from the U.S., which closes April 23. The grain is for shipment between mid-June and early August. Preliminary volume estimates were for 97,368 CBOT contracts, dipping slightly below Thursday's final count of 110,116.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2020				
May 2020	R 5 500.00	12.5%	R 49.87	R 5 549.87
Jul 2020	R 5 505.00	18%	R 49.87	R 5 554.87
Sep 2020	R 5 217.00	0%	R 48.01	R 5 265.01
Dec 2020	R 4 921.00	0%	R 42.60	R 4 963.60
Mar 2021	R 4 973.00	0%	R -159.40	R 4 813.60
May 2021				
<b>Cape Wheat</b>				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				



The local Wheat market closed higher yesterday. The May'20 Weat contract closed R64.00 up and Jul'20 Weat closed R58.00 higher. The parity move for the May'20 Weat contract for yesterday was R59.00 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
MAY 2020	839.00	832.50	0.00	-6.50	902.00	69.50
JUL 2020	849.00	842.25	0.00	-6.75	842.25	0.00
AUG 2020	852.00	844.50	0.00	-7.50	845.00	0.50
SEP 2020	853.00	846.50	-0.50	-6.50	847.00	0.50
NOV 2020	857.00	851.00	-0.25	-6.00	852.25	1.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAY 2010	288.2	288.40
JUL 2010	293.1	293.30
AUG 2010	293.9	294.10
SEP 2010	294.7	295.20
OCT 2010	294.9	295.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAY 2010	26.29	26.17
JUL 2010	26.67	26.55
AUG 2010	26.84	26.75
SEP 2010	27.02	26.92
OCT 2010	27.16	27.02



FarmFutures - Soybean prices eroded steadily throughout Friday's session to close down around 0.5% on a round of technical selling, as traders continue to worry about feed demand and a potential trend for more farmers to switch corn acres to soybean acres later this spring. May futures dropped 4.25 cents to \$8.3250, with July futures down 3.5 cents to \$8.4225. It was a dismal week overall for the commodity, with May futures down 3.6% since Monday's open.

Soybean basis bids were narrowly mixed across the central U.S. Friday, moving 2 cents or less in either direction today. Most locations held steady.

Private exporters reported to USDA the sale of 4.4 million bushels of soybeans for delivery to unknown destinations during the 2019/20 marketing year, which began September 1.

In need of some good news? The ongoing global pandemic has ignited a boom of goodwill gestures across the agriculture industry. Click here to read up on the latest efforts to help those in need.

Preliminary volume estimates were for 157,205 contracts, tracking slightly above Thursday's final count of 147,979.

### South African Futures Exchange

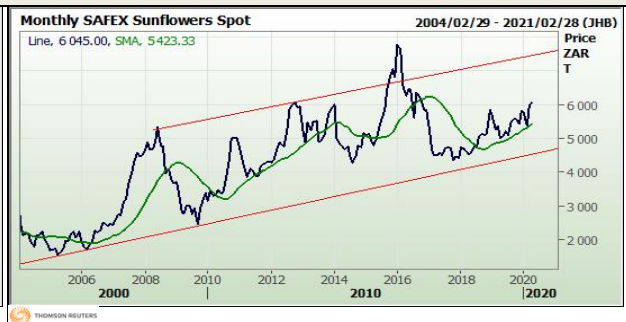
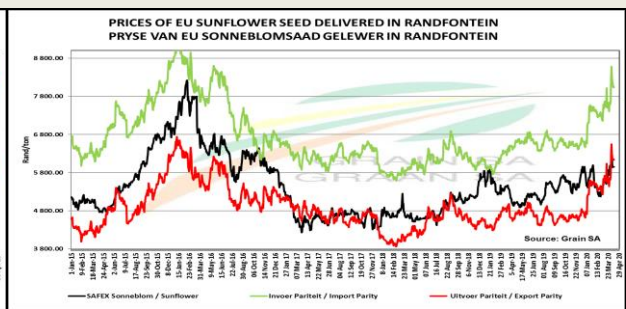
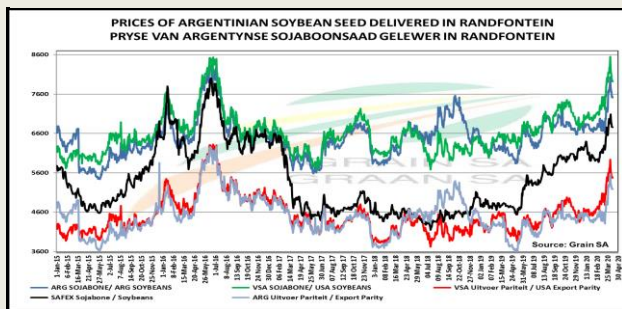
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020				
May 2020	R 6 810.00	28.25%	R 412.55	R 7 222.55
Jul 2020	R 6 893.00	21%	R -68.97	R 6 824.03
Sep 2020	R 6 971.00	14.75%	R -63.90	R 6 907.10
Dec 2020	R 7 028.00	15%		R 7 028.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020		
May 2020	R 6 067.00	19%
Jul 2020	R 6 203.00	19%
Sep 2020	R 6 330.00	0%
Dec 2020	R 6 420.00	0%
Mar 2021		
May 2021		



The local Soya market traded higher yesterday. The May'20 Soya contract ended R36.00 up and Jul'20 Soya closed R40.00 higher. The parity move for the May'20 Soya contract for yesterday was R69.00 negative.

The local Suns market closed higher yesterday. The May'20 Suns contract closed R17.00 up and Jul'20 Suns closed R23.00 higher.



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