



Fundamental Report
18 May 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	18.4148	18.4992	0.0844	0.46%
Euro/Rand	19.9003	20.0197	0.1194	0.60%
GBPound/Rand	22.4665	22.3886	-0.0779	-0.35%
AusDollar/Rand	11.8794	11.9264	0.0470	0.40%
Euro/USDollar	1.0812	1.0823	0.0011	0.10%
GBPound/USDollar	1.2205	1.2104	-0.0101	-0.83%
AusDollar/USDollar	0.6451	0.6447	-0.0004	-0.06%
JpyYen/USDollar	107.0600	107.1300	0.0700	0.07%

BDLive - The JSE closed firmer on Friday, led higher by miners as investors digested a week that has seen sentiment hit by concern over the effect of the coronavirus pandemic on the global economy, and US-China relations. On Thursday, US President Donald Trump signaled a further deterioration in his relationship with China over the pandemic, saying he had no interest in speaking to President Xi Jinping right now and even suggesting he could cut ties with Beijing.

On Friday, the Trump administration blocked semi-conductor shipments to China's Huawei Technologies, a move that further fueled fears of trade hostilities between the two countries.

"Trump appears determined to keep the pressure on China, despite what immediate impact it could have on the economy and stock market. In what many believed was a vulnerable period for the world, including the US, leniency was somewhat expected from the US to China in delivering its share of the phase one trade deal," said Oanda senior market analyst Edward Moya.



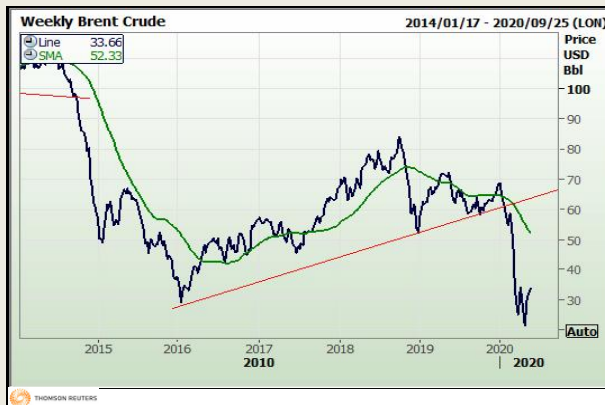
Commodities

	Last	Value Change	% Change
Platinum	804.98	6.98	0.87%
Gold	1760.26	19.26	1.09%
Silver	17.16	0.54	3.17%
Copper	2.36	0.03	1.44%
Gasoil	283.00	13.25	4.68%
Brent Oil	33.64	1.14	3.39%

BDLive - Bengaluru — Gold rose on Friday to trade below a three-week high reached in the previous session, as cracks widened in Sino-US relations and investors worried a recovery from coronavirus-induced economic slump would be slower than expected. Spot gold gained 0.2% to \$1,732.01/oz by 3,49am GMT, having hit its highest since April 23 at \$1,735.96/oz on Thursday. US gold futures rose 0.1% to \$1,742.60.

"It's been clear, as more economic data is released, that some of the damage that has been done [to the global economy] would take much longer to repair than expected," said Michael McCarthy, chief strategist at CMC Markets. It is becoming increasingly apparent that a snapback or a V-shaped economic recovery is very unlikely, McCarthy said, adding that this meant interest rates would stay low for longer, adding to the appeal for gold.

Non-yielding bullion tends to gain in a low-interest environment and when economic uncertainties rise.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	45948.36	0.00	0.00%
ALSI	46017.00	0.00	0.00%
S&P 500	2852.50	11.20	0.39%
FTSE	5741.54	58.23	1.01%
CAC	4277.63	0.00	0.00%
DAX	10465.17	0.00	0.00%
Hang Seng	23797.47	103.66	0.44%



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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 2020	319.00	319.25	-0.50	0.25	321.00	1.75	2.00
SEP 2020	323.00	323.00	-0.25	0.00	324.75	1.75	1.75
DEC 2020	332.00	332.00	-0.50	0.00	333.50	1.50	1.50
MAR 2021	345.00	344.75	-0.75	-0.25	346.25	1.50	1.25
MAY 2021	353.00	352.00	-0.50	-1.00	353.50	1.50	0.50

FarmFutures - Corn prices firmed slightly Friday on general export optimism, although the specter of a potentially record-breaking U.S. corn crop still lurks in the background, limiting gains. July futures added 2 cents to \$3.1950 and September futures picked up 0.75 cents to \$3.2275. Corn basis bids were largely steady but narrowly mixed Friday, dipping 1 to 2 cents lower at two interior river terminals while firming 3 cents at a Nebraska elevator today.

Favorable growing conditions in India have set up a possible record-breaking corn crop, with production estimated at 1.141 billion bushels. India is also expecting record rice and wheat harvests this season. In Ukraine, consultancy APK-Inform estimates the country's 2020/21 corn exports will fall around 2% to 1.102 billion bushels.

In France, consultancy FranceAgriMer estimates that 90% of this year's corn crop has been planted by May 11, up from 77% a week ago. Algeria purchased 1.6 million bushels of corn from optional origins (but likely from Argentina) in an international tender that closed yesterday. The grain is for shipment in early July.

Citing prices that were too high, a South Korean processor passed on all offers in its international tender to purchase 2.2 million bushels of corn. The grain would have been for arrival in October. Another group of South Korean importers purchased 2.0 million bushels of corn from South America in an international tender that closed earlier this week, along with 17,000 metric tons of soymeal. That grain is for arrival in early August.

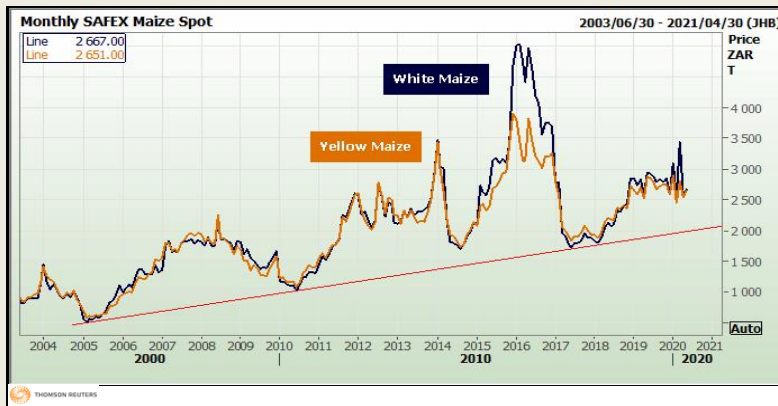
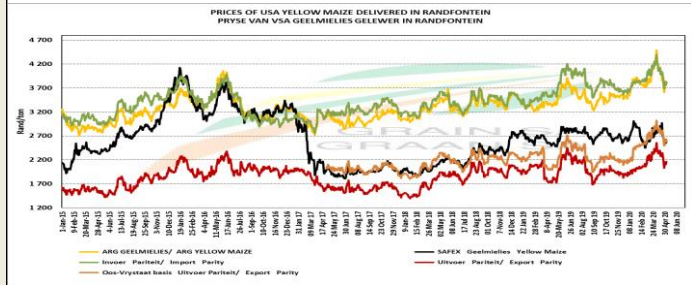
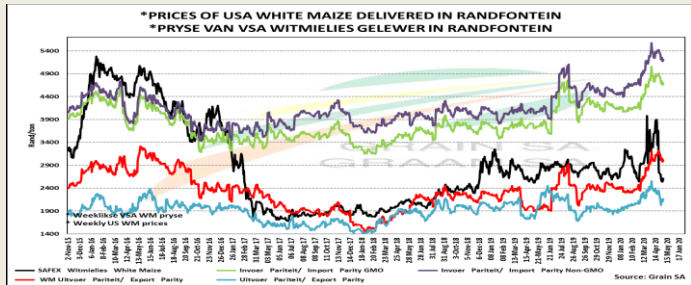
Preliminary volume estimates were for 177,321 contracts, falling slightly below Thursday's final count of 193,144.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
May 2020	R 2 667.00	32%		R 2 667.00
Jul 2020	R 2 494.00	24%	R 25.16	R 2 519.16
Sep 2020	R 2 540.00	20%	R 23.48	R 2 563.48
Dec 2020	R 2 631.00	21.75%	R 21.96	R 2 652.96
Mar 2021	R 2 660.00	22%	R 20.57	R 2 680.57
May 2021				
Jul 2021	R 2 705.00	27%		R 2 705.00
Yellow Maize Future				
May 2020	R 2 651.00	26%		R 2 651.00
Jul 2020	R 2 629.00	22.5%	R 25.16	R 2 654.16
Sep 2020	R 2 674.00	18%	R 23.48	R 2 697.48
Dec 2020	R 2 756.00	20%	R 21.96	R 2 777.96
Mar 2021	R 2 780.00	19.5%	R 20.57	R 2 800.57
May 2021	R 2 745.00	0%	R 15.37	R 2 760.37
Jul 2021	R 2 776.00	18%		R 2 776.00

The local Maize market traded higher yesterday. The May'20 WMAZ contract ended R23.00 up and May'20 YMAZ closed R40.00 higher. The Jul'20 WMAZ closed higher by R6.00 and Jul'20 YMAZ ended R12.00 up. The parity move for the May'20 Maize contract for yesterday was R29.00 positive.

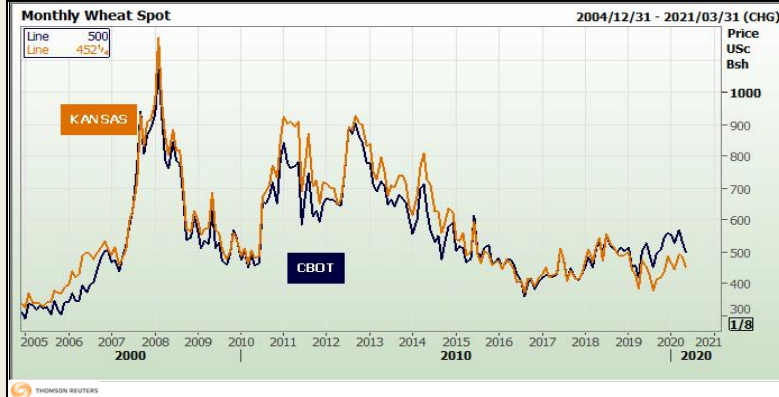


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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

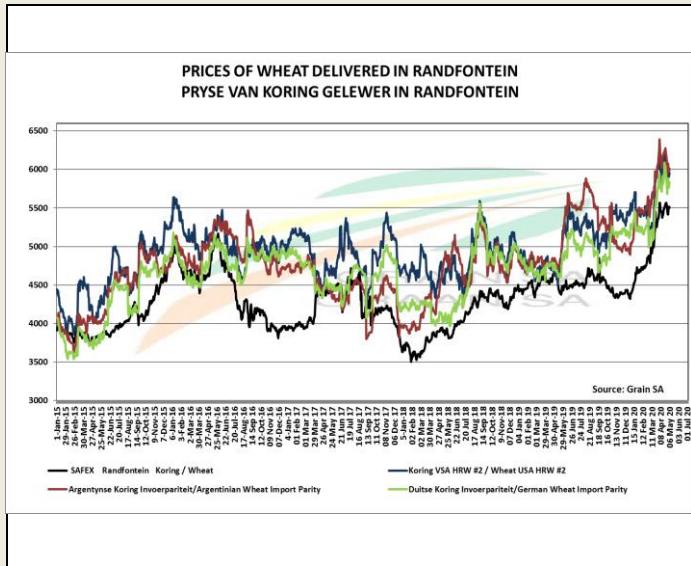
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2020	506.00	500.25	6.25	-5.75	500.00	-0.25	-6.00	JUL 2010	455.00	452.25	4.25	-2.75	452.25	0.00	-2.75
SEP 2020	508.00	503.00	5.00	-5.00	502.75	-0.25	-5.25	SEP 2010	462.00	458.75	4.00	-3.25	458.25	-0.50	-3.75
DEC 2020	518.00	512.75	5.00	-5.25	512.50	-0.25	-5.50	DEC 2010	473.00	470.50	4.00	-2.50	469.50	-1.00	-3.50
MAR 2021	526.00	521.75	3.75	-4.25	521.00	-0.75	-5.00	MAR 2011	485.00	481.75	4.25	-3.25	480.25	-1.50	-4.75
MAY 2021	530.00	525.25	3.00	-4.75	529.00	3.75	-1.00	MAY 2011	488.00	489.00	4.25	1.00	489.25	0.25	1.25



FarmFutures - Wheat prices were mixed but mostly lower Friday following an uneven round of technical maneuvering. Traders are still generally worried about the combination of large domestic stockpiles and stiff overseas competition. July Chicago SRW futures dropped 2.5 cents to \$4.9975, July Kansas City HRW futures picked up a penny to reach \$4.5275, and July MGEX spring wheat futures fell 1.75 cents to \$5.06. Ukraine's 2019/20 wheat exports have exceeded 723 million bushels, leaving just 18.4 million bushels left before butting up against government quotas for the current marketing year, which ends June 30. The country's agriculture ministry indicated earlier this week that it would not increase the current limits in place. And analyst APK-Inform estimates Ukraine's 2020/21 wheat exports could tumble 17.5% to 606.3 million bushels. India's current wheat crop is still expected to rewrite records, with an estimated production of 3.938 billion bushels. The country has enjoyed generally favorable weather for much of the growing season. Through May 11, French consultancy FranceAgriMer says 55% of the country's soft wheat crop is in good-to-excellent condition, falling two points from a week ago. Crop quality is significantly poorer year-over-year, when 79% of the crop was rated in good-to-excellent condition. Preliminary volume estimates were for 85,449 CBOT contracts, trending slightly above Thursday's final count of 76,515.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
May 2020	R 5 602.00	12.5%		R 5 602.00
Jul 2020	R 5 462.00	18%	R -25.09	R 5 436.91
Sep 2020	R 5 243.00	0%	R -19.93	R 5 223.07
Dec 2020	R 4 914.00	12.5%	R -21.32	R 4 892.68
Mar 2021	R 5 000.00	0%	R -17.67	R 4 982.33
May 2021				
Jul 2021				
Cape Wheat				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				



The local Weat market closed lower yesterday. The May'20 Weat contract closed R1.00 down and Jul'20 Weat closed R1.10 lower. The parity move for the May'20 Weat contract for yesterday was R23.00 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
JUL 2020	840.00	838.50	0.00	-1.50	902.00	63.50
AUG 2020	842.00	840.75	0.00	-1.25	845.75	5.00
SEP 2020	843.00	841.25	0.00	-1.75	845.75	4.50
NOV 2020	847.00	845.50	-0.50	-1.50	850.75	5.25
JAN 2021	849.00	848.00	-0.25	-1.00	853.25	5.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2010	287.5	287.80
AUG 2010	288.7	289.10
SEP 2010	289.8	290.20
OCT 2010	290.5	290.80
DEC 2010	293	293.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2010	26.58	26.84
AUG 2010	26.76	27.01
SEP 2010	26.93	27.18
OCT 2010	27.06	27.35
DEC 2010	27.37	27.63



FarmFutures - Soybean prices finished a choppy session fractionally higher on some light short-covering after falling 2.3% since Monday's open. July and September futures each inched 0.25 cents higher to reach \$8.3725 and \$8.3925, respectively. Soybean basis bids were steady to soft across the Midwest Friday, especially at interior river terminals, which eroded 4 to 7 cents lower. An Ohio elevator also moved 5 cents lower today. The National Oilseed Processors Association (NOPA) reported that April's domestic soybean crush eased 5.3% below an all-time record in March, with 171.754 million bushels. Still, it was a record effort for April and well above the average trade guess of 170.483 million bushels. That's also substantially higher than the year-over-year tally of 159.990 million bushels last April. NOPA also reported that U.S. soyoil stocks are at the highest levels in nearly seven years, at 2.111 billion pounds, which is up 18% year-over-year. Soymeal exports last month reached 890,931 metric tons, which was moderately below March's tally of 973,741 MT. Relations between the U.S. and China remain testy this week. The two countries have been sniping at each other regarding each's response to the ongoing coronavirus pandemic. "The Covid-19 attacks on both China and the U.S. seem to have pushed the deterioration of bilateral relations to the breaking point," Gao Zhikai, a onetime interpreter for late paramount leader Deng Xiaoping, told Bloomberg. China made some large U.S. grain purchases earlier this week, but it remains to be seen if the country will be able to make good on its phase-one trade agreement promises. Preliminary volume estimates were for 131,381 contracts, moving fractionally above Thursday's final count of 129,503.

South African Futures Exchange

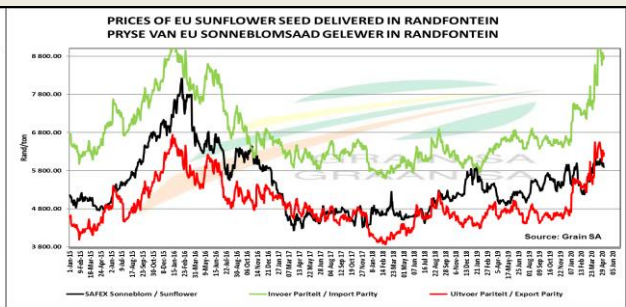
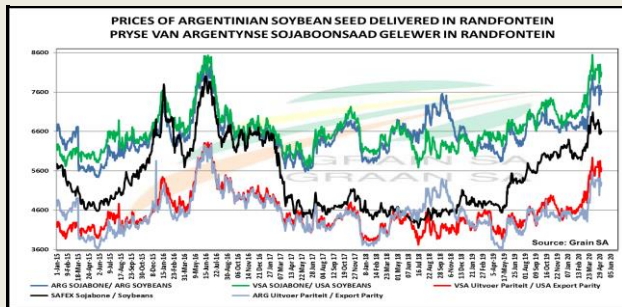
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020	R 6 538.00	28.25%		R 6 538.00
Jul 2020	R 6 582.00	21%	R 44.48	R 7 029.48
Sep 2020	R 6 673.00	14.75%	R 44.84	R 6 717.84
Dec 2020	R 6 762.00	15%		R 6 762.00
Mar 2021				
May 2021	R 6 300.00	0%		R 6 300.00
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020	R 5 885.00	19%
Jul 2020	R 5 984.00	19%
Sep 2020	R 6 117.00	0%
Dec 2020	R 6 214.00	15%
Mar 2021		
May 2021		
Jul 2021		



The local Soya market traded lower yesterday. The May'20 Soya contract ended R20.00 down and Jul'20 Soya closed R8.00 lower. The parity move for the May'20 Soya contract for yesterday was R56.00 positive.

The local Suns market closed lower yesterday. The May'20 Suns contract closed R1.00 down and Jul'20 Suns closed R9.00 lower.



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