



Fundamental Report
20 May 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	18.2421	18.2967	0.0546	0.30%
Euro/Rand	19.9595	20.0179	0.0584	0.29%
GBPound/Rand	22.3144	22.4291	0.1147	0.51%
AusDollar/Rand	11.9166	11.9727	0.0561	0.47%
Euro/USDollar	1.0945	1.0937	-0.0008	-0.07%
GBPound/USDollar	1.2237	1.2260	0.0023	0.19%
AusDollar/USDollar	0.6534	0.6544	0.0010	0.15%
JpyYen/USDollar	107.5400	107.7300	0.1900	0.18%

BDLive - The JSE closed higher for a third session running on Tuesday with most of its major indices gaining as investors started pricing in a faster-than-expected economic recovery amid optimism about a potential coronavirus vaccine.

US biotechnology company Moderna has reported that a phase-one trial of its coronavirus vaccine has shown promising results, with signs that it can create an immune-system response. Many experts, however, believe that a safe and effective vaccine is still likely to take between 12 and 18 months to deliver for global usage.

The all share gained 1.11% to 51,950.14 points and the top 40 1.02%. Platinum miners rose 3.56%, financials 2.52%, banks 1.27%, industrials 0.92%, gold miners 0.74% and resources 0.64%. Market confidence was further boosted by comments made by US Federal Reserve chair Jerome Powell on Monday, saying that he has more ammunition to support the US economy if needed.



Commodities

	Last	Value Change	% Change
Platinum	834.92	2.51	0.30%
Gold	1746.58	2.77	0.16%
Silver	17.50	0.10	0.59%
Copper	2.41	0.00	-0.14%
Gasoil	291.75	1.50	0.51%
Brent Oil	34.76	0.11	0.32%

BDLive - Bengaluru — Gold rose on Tuesday, underpinned by Sino-US trade friction and global stimulus although promising early-stage data for a potential Covid-19 vaccine spurred some risk appetite, keeping prices below a more than seven-year high hit in the last session. Spot gold was up 0.2% at \$1,735.83 an ounce by 3.49am GMT. US gold futures gained 0.3% to \$1,739.80.

Despite the news on a potential coronavirus vaccine lighting a fire under the equity markets, gold will remain well bid due to the "ridiculously huge" Federal Reserve balance sheet, said Stephen Innes, chief market strategist at financial services firm AxiCorp.

On Monday, the metal hit its highest since October 2012 before retreating to close lower, as stocks and oil surged after drugmaker Moderna said its Covid-19 experimental vaccine showed promising results in an early-stage trial.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48160.65	0.00	0.00%
ALSI	48226.00	0.00	0.00%
S&P 500	2953.91	-30.97	-1.05%
FTSE	6048.59	-46.36	-0.77%
CAC	4458.16	0.00	0.00%
DAX	11075.29	0.00	0.00%
Hang Seng	24388.13	-12.69	-0.05%



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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	322.00	321.25	-0.50	-0.75	319.50	-1.75	-2.50
SEP 2020	325.00	325.50	-0.25	0.50	324.25	-1.25	-0.75
DEC 2020	333.00	334.25	-0.50	1.25	333.75	-0.50	0.75
MAR 2021	346.00	346.50	-0.75	0.50	346.25	-0.25	0.25
MAY 2021	353.00	353.25	-0.50	0.25	353.00	-0.25	0.00

FarmFutures - Corn prices tested higher gains late Tuesday morning but closed with fractional gains in a somewhat choppy session today. Prices bottomed out in late April but have had a hard time gaining much traction since then. Rising crude oil prices have lent support, meantime. July futures inched 0.5 cents higher to \$3.2125, while September futures picked up a penny to reach \$3.2525.

Corn basis bids were steady to mixed Tuesday, moving as much as 5 cents higher at a Nebraska processor while dropping as much as 3 cents lower at an Illinois river terminal today.

Corn planting progress reached 80% this past week, up from 67% a week ago. Analysts were close to the mark, with an average trade guess of 81%. Progress is almost double that of a year ago, when just 44% of the crop had been planted by now. It's also moderately ahead of the prior five-year average of 71%. Forty-three percent of this year's corn crop is now emerged, versus 16% a year ago and the prior five-year average of 40%. USDA reports that farmers who grow corn and soybeans will receive coronavirus aid based on either half of their 2019 production or supplies as of January 15. The agency set payments at 32 cents per bushel for corn and 45 cents per bushel for soybeans. Some other crops, including cotton, canola, barley and oats, are also eligible. Signups begin May 26 - click here for additional details.

For the second time since February, Brazilian consultancy AgRural has trimmed its 2019/20 corn production estimates to 3.846 billion bushels, due to overly dry conditions in some key production regions. If realized, this year's harvest will drop 2.3% from 2018/19.

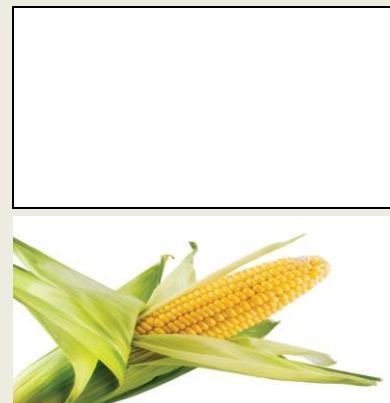
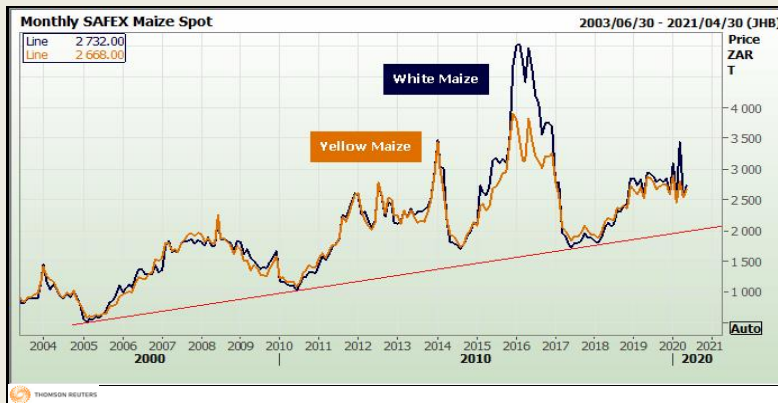
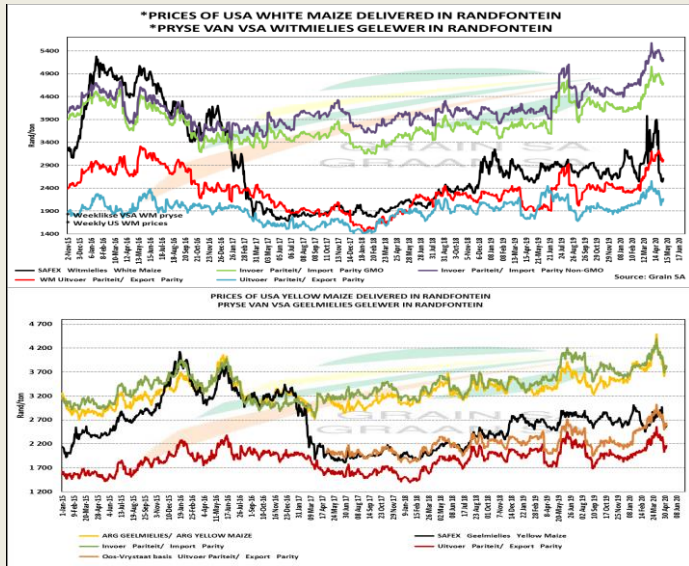
Preliminary volume estimates were for 213,650 contracts, tracking moderately above Monday's final count of 157,345.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
May 2020	R 2 732.00	32%		R 2 732.00
Jul 2020	R 2 493.00	24.75%	R -11.09	R 2 481.91
Sep 2020	R 2 540.00	20%	R 1.58	R 2 541.58
Dec 2020	R 2 631.00	21.75%	R 12.56	R 2 643.56
Mar 2021	R 2 656.00	24%	R 9.24	R 2 665.24
May 2021	R 2 663.00	0%	R 7.59	R 2 670.59
Jul 2021	R 2 701.00	27%		R 2 701.00
Yellow Maize Future				
May 2020	R 2 668.00	26%		R 2 668.00
Jul 2020	R 2 629.00	22.5%	R -11.09	R 2 617.91
Sep 2020	R 2 675.00	18%	R 1.58	R 2 676.58
Dec 2020	R 2 752.00	20%	R 12.56	R 2 764.56
Mar 2021	R 2 780.00	19.5%	R 9.24	R 2 789.24
May 2021	R 2 745.00	0%	R 7.59	R 2 752.59
Jul 2021	R 2 758.00	18%		R 2 758.00

The local Maize market traded mixed yesterday. The May'20 WMAZ contract ended R19.00 up while May'20 YMAZ closed lower. The Jul'20 WMAZ closed lower by R2.00 and Jul'20 YMAZ ended R1.00 down. The parity move for the May'20 Maize contract for yesterday was R7.00 negative.

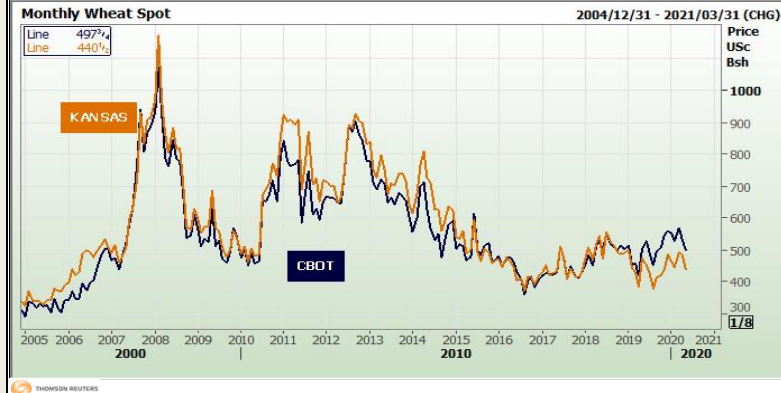


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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

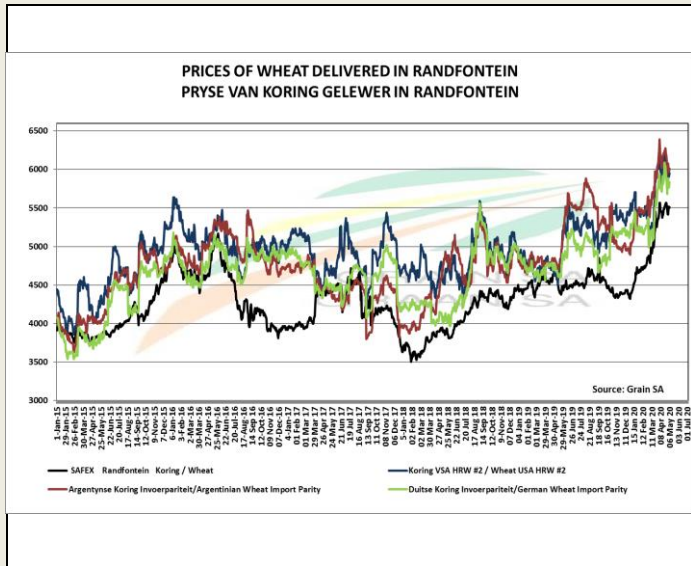
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2020	498.00	498.75	6.25	0.75	497.75	-1.00	-0.25	JUL 2010	445.00	441.50	4.25	-3.50	440.50	-1.00	-4.50
SEP 2020	501.00	501.50	5.50	0.50	500.50	-1.00	-0.50	SEP 2010	451.00	448.25	4.00	-2.75	447.25	-1.00	-3.75
DEC 2020	510.00	510.50	5.00	0.50	509.75	-0.75	-0.25	DEC 2010	463.00	460.25	4.00	-2.75	459.75	-0.50	-3.25
MAR 2021	519.00	519.25	3.75	0.25	518.25	-1.00	-0.75	MAR 2011	475.00	472.00	4.25	-3.00	470.75	-1.25	-4.25
MAY 2021	523.00	523.00	3.00	0.00	529.00	6.00	6.00	MAY 2011	482.00	479.75	4.25	-2.25	0.00	-479.75	-482.00



FarmFutures - Wheat prices were lightly mixed on some uneven technical maneuvering Tuesday. Short-term gains are encouraging, but a sustained rally may be hard to come by, given the current level of domestic stocks and overseas competition. July Chicago SRW futures rose 2 cents to \$4.99, July Kansas City HRW futures dropped 5.25 cents to \$4.41, and July MGEX spring wheat futures firmed 3.5 cents to \$5.08. Spring wheat planting is now 60% complete, up from 42% a week ago and in line with analyst expectations. It's still slightly behind 2019's pace of 63% and moderately below the prior five-year average of 80%. For winter wheat, 56% of the 2019/20 crop is now headed, up from 44% a week ago. It's ahead of 2019's pace of 51% but below the prior five-year average of 62%. USDA also docked quality conditions another point, with 52% of the crop now rated in good-to-excellent condition. Another 32% is rated fair (up a point from last week), with the remaining 16% rated poor or very poor (unchanged from last week). Multiple countries are expecting bin-busting wheat harvests this year, which could lead to record global stockpiles this year, with the potential to move even higher in 2021. Click here to catch up on the latest supply and demand fundamentals. Preliminary volume estimates were for 77,866 CBOT contracts, moving slightly ahead of Monday's final count of 73,019.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
May 2020	R 5 623.00	12.5%		R 5 623.00
Jul 2020	R 5 445.00	18%	R 8.31	R 5 453.31
Sep 2020	R 5 243.00	0%	R 6.69	R 5 249.69
Dec 2020	R 4 888.00	12.5%	R 8.55	R 4 896.55
Mar 2021	R 4 997.00	0%	R 5.37	R 5 002.37
May 2021				
Jul 2021				
Cape Wheat				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				



The local Wheat market closed lower yesterday. The May'20 Wheat contract closed R7.00 down and Jul'20 Wheat closed R18.00 lower. The parity move for the May'20 Wheat contract for yesterday was R13.00 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
JUL 2020	844.00	842.50	0.00	-1.50	902.00	59.50
AUG 2020	847.00	845.25	0.00	-1.75	846.75	1.50
SEP 2020	847.00	845.75	0.00	-1.25	847.00	1.25
NOV 2020	852.00	850.25	-0.50	-1.75	851.75	1.50
JAN 2021	856.00	853.75	-0.25	-2.25	855.25	1.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2010	284.6	285.20
AUG 2010	286.5	287.30
SEP 2010	288.1	288.60
OCT 2010	289.4	290.10
DEC 2010	292.5	292.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2010	27.09	27.06
AUG 2010	27.28	27.24
SEP 2010	27.43	27.46
OCT 2010	27.58	27.59
DEC 2010	27.89	27.85



FarmFutures - Soybean prices took a small step back Tuesday on a round of technical selling as impatient traders remain hungry for news of new Chinese purchases. Two large sales were reported last week, but none have been announced so far this week. July and August futures each retreated 2 cents lower to close at \$8.43 and \$8.4575, respectively.

Soybean basis bids were mixed Tuesday after falling 3 to 5 cents at three Midwestern processors and firming 2 to 3 cents at two interior river terminals today.

Soybean planting progress saw solid forward momentum this past week, moving past the halfway mark to 53%. Analysts were expecting an even bigger jump, with an average trade guess of 56%. But USDA's estimate is still well ahead of last year's pace of 16% and the prior five-year average of 38%.

Soybean emergence reached 18% last week, up from 7% the prior week. That pace is also ahead last year's mark of 4% and the prior five-year average of 12%.

Preliminary volume estimates were for 144,663 contracts, moving 18% above Monday's final tally of 123,006.

South African Futures Exchange

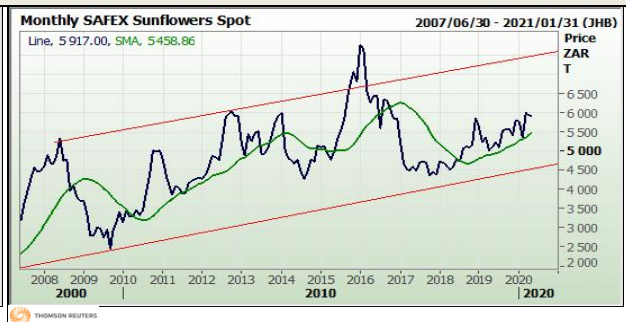
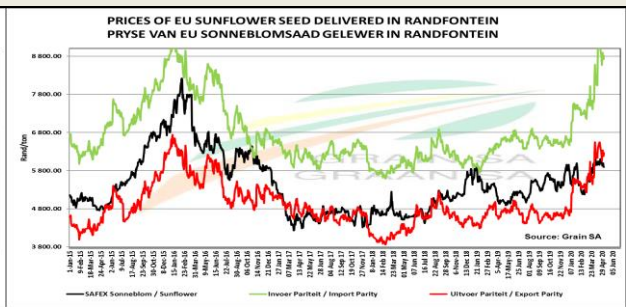
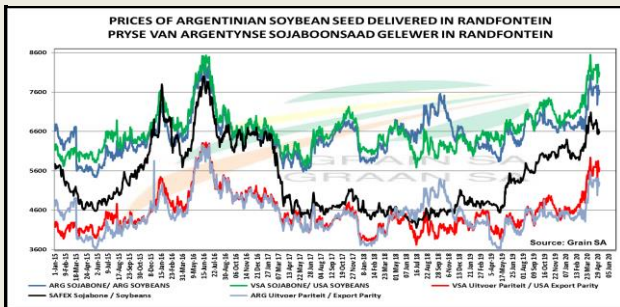
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020	R 6 540.00	28.25%		R 6 540.00
Jul 2020	R 6 580.00	21%	R 406.86	R 6 986.86
Sep 2020	R 6 658.00	14.75%	R 16.99	R 6 674.99
Dec 2020	R 6 757.00	15%		R 6 757.00
Mar 2021				
May 2021	R 6 285.00	0%		R 6 285.00
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020	R 5 917.00	19%
Jul 2020	R 5 997.00	19%
Sep 2020	R 6 120.00	0%
Dec 2020	R 6 233.00	15%
Mar 2021		
May 2021		
Jul 2021		



The local Soya market traded lower yesterday. The May'20 Soya contract ended R30.00 down and Jul'20 Soya closed R32.00 lower. The parity move for the May'20 Soya contract for yesterday was R21.00 positive.

The local Suns market closed mixed yesterday. The May'20 Suns contract closed R9.00 up while Jul'20 Suns closed R11.00 lower.



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