



**Fundamental Report**  
**21 May 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	18.0645	17.9894	-0.0751	-0.42%
Euro/Rand	19.7684	19.7222	-0.0462	-0.23%
GBPound/Rand	22.1566	21.9491	-0.2075	-0.94%
AusDollar/Rand	11.8630	11.8064	-0.0566	-0.48%
Euro/USDollar	1.0947	1.0962	0.0015	0.14%
GBPound/USDollar	1.2266	1.2201	-0.0065	-0.53%
AusDollar/USDollar	0.6567	0.6563	-0.0004	-0.06%
JpyYen/USDollar	107.6700	107.6200	-0.0500	-0.05%

BDLive - The rand broke below R18 to the dollar for the first time in more than five weeks on Wednesday, firming alongside its emerging-market peers as optimism about a Covid-19 vaccine lifted risk sentiment.

The rand strengthened to a day's best of R17.91/\$, its strongest since April 9 as progress in the search for a coronavirus vaccine saw investors shift from safe havens. The local currency is still down by more than 21% so far this year.

At 5.50pm, the rand had firmed 2.02% to R17.9595/\$, 1.37% to R19.7300/€ and 1.37% to R22.0300/£. The euro strengthened 0.59% to \$1.0984.

"Stronger risk appetite, mostly because of hopes that progress is being made with a vaccine for the coronavirus, has put a few dents in the shield of the dollar as a safe-haven asset and this has supported a positive atmosphere for the rand to strengthen," said FXTM global head of currency strategy and market research Jameel Ahmad.



### Commodities

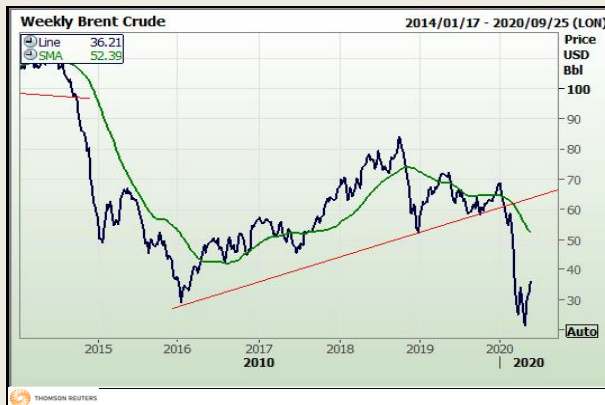
	Last	Value Change	% Change
Platinum	836.61	-14.14	-1.69%
Gold	1740.29	-8.77	-0.50%
Silver	17.21	-0.29	-1.69%
Copper	2.46	0.00	0.04%
Gasoil	301.50	2.00	0.66%
Brent Oil	36.21	0.46	1.27%

BDLive - Bengaluru — Gold prices gained on Wednesday as bleak data from major economies reflected the fallout from the coronavirus crisis, while the initial euphoria over a potential Covid-19 vaccine fizzled and gave way to safe-haven demand.

Spot gold was up 0.2% to \$1,747.19/oz, as of 2.56am GMT. US gold futures rose 0.4% to \$1,753.30. In testimony before the US Senate banking committee, Federal Reserve chair Jerome Powell said the Fed was looking at extending access to the credit facilities to additional borrowers, including states with smaller populations.

"What the Fed does in the next few months will be pretty important, and certainly Powell did indicate that the rates would remain near zero for foreseeable future," ANZ analyst Daniel Hynes said.

Markets now await the Federal open market committee's April 28-29 policy meeting minutes due at 6pm GMT.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48379.91	0.00	0.00%
ALSI	48533.00	0.00	0.00%
S&P 500	2922.94	48.67	1.67%
FTSE	6002.23	64.93	1.08%
CAC	4496.98	0.00	0.00%
DAX	11223.71	0.00	0.00%
Hang Seng	24399.95	-2.66	-0.01%



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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	319.50	-0.50	0.50	319.50	0.00	0.50
SEP 2020	323.00	324.25	-0.25	1.25	324.25	0.00	1.25
DEC 2020	333.00	334.00	-0.50	1.00	334.00	0.00	1.00
MAR 2021	345.00	346.50	-0.75	1.50	346.50	0.00	1.50
MAY 2021	352.00	354.00	-0.50	2.00	353.75	-0.25	1.75

FarmFutures - Corn prices took a moderate step back Wednesday, dropping around 0.6% on a round of technical selling partly spurred by planting pressure. July futures dropped 2 cents to \$3.1925, with September futures down 1.75 cents to \$3.2375.

Corn basis bids were largely steady but mixed at a handful of Midwestern locations Wednesday, moving as much as 4 cents higher at an Illinois river terminal and as much as 5 cents lower at an Illinois ethanol plant today. Ahead of the next USDA weekly export sales report, out Thursday morning, analysts expect the agency to show corn sales ranging between 27.6 million and 55.1 million bushels for the week ending May 14. Even the high end of those estimates does not match the prior week's tally of 64.1 million bushels, however.

U.S. ethanol production firmed for a third consecutive week in parallel to rising energy prices. Daily production averaged 663,000 barrels for the week ending May 15, jumping moderately above the prior week's tally of 617,000 barrels per day. July ethanol futures were down around 0.5% this afternoon, to \$1.089.

An EPA draft proposal would raise biofuel blending requirements fractionally, from 20.09 billion gallons this year to 20.17 billion gallons in 2021. Of the total, 15 billion gallons could come from conventional biofuels such as ethanol, with the remainder going to "advanced biofuels."

Grain traveling the nation's railways saw another 20,790 carloads this past week, down 10% from the same week a year ago. Cumulative totals for 2020 are now at 411,529 carloads, which is tracking 6.6% below 2019's pace so far.

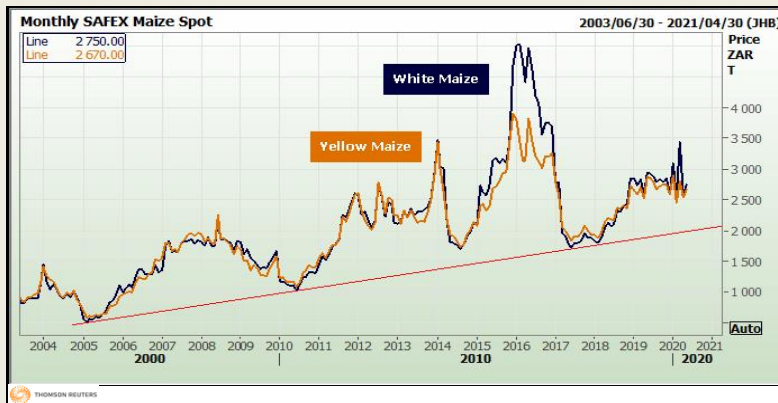
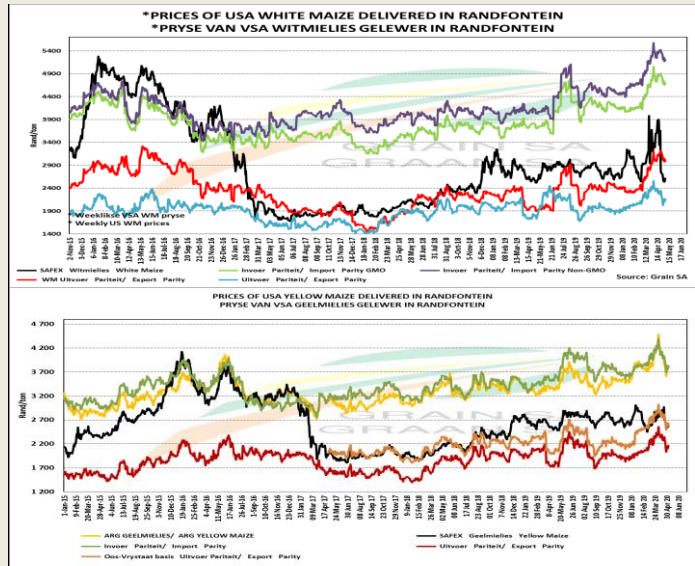
Preliminary volume estimates were for 236,750 contracts, trending slightly above Tuesday's final count of 213,586.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020	R 2 750.00	32%		R 2 750.00
Jul 2020	R 2 483.00	24.75%	R -5.89	R 2 477.11
Sep 2020	R 2 529.00	20%	R -0.70	R 2 528.30
Dec 2020	R 2 620.00	21.75%	R -2.76	R 2 617.24
Mar 2021	R 2 650.00	24%	R 0.42	R 2 650.42
May 2021	R 2 640.00	0%	R 1.99	R 2 641.99
Jul 2021	R 2 692.00	27%		R 2 692.00
<b>Yellow Maize Future</b>				
May 2020	R 2 670.00	26%		R 2 670.00
Jul 2020	R 2 614.00	22.5%	R -5.89	R 2 608.11
Sep 2020	R 2 660.00	18%	R -0.70	R 2 659.30
Dec 2020	R 2 741.00	20%	R -2.76	R 2 738.24
Mar 2021	R 2 765.00	19.5%	R 0.42	R 2 765.42
May 2021	R 2 745.00	0%	R 1.99	R 2 746.99
Jul 2021	R 2 740.00	18%		R 2 740.00

The local Maize market traded mixed yesterday. The May'20 WMAZ contract ended R18.00 up and May'20 YMAZ closed R2.00 higher. The Jul'20 WMAZ closed lower by R10.00 and Jul'20 YMAZ ended R15.00 down. The parity move for the May'20 Maize contract for yesterday was unchanged.



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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	497.00	513.75	6.25	16.75	517.25	3.50	20.25		JUL 2010	440.00	453.25	4.25	13.25	454.75	1.50	14.75
SEP 2020	500.00	515.25	5.50	15.25	519.00	3.75	19.00		SEP 2010	446.00	459.75	4.00	13.75	461.25	1.50	15.25
DEC 2020	509.00	522.75	5.00	13.75	526.75	4.00	17.75		DEC 2010	459.00	471.50	4.00	12.50	472.50	1.00	13.50
MAR 2021	519.00	530.00	3.75	11.00	533.50	3.50	14.50		MAR 2011	470.00	482.50	4.25	12.50	483.50	1.00	13.50
MAY 2021	521.00	532.75	3.00	11.75	529.00	-3.75	8.00		MAY 2011	478.00	489.75	4.25	11.75	489.75	0.00	11.75



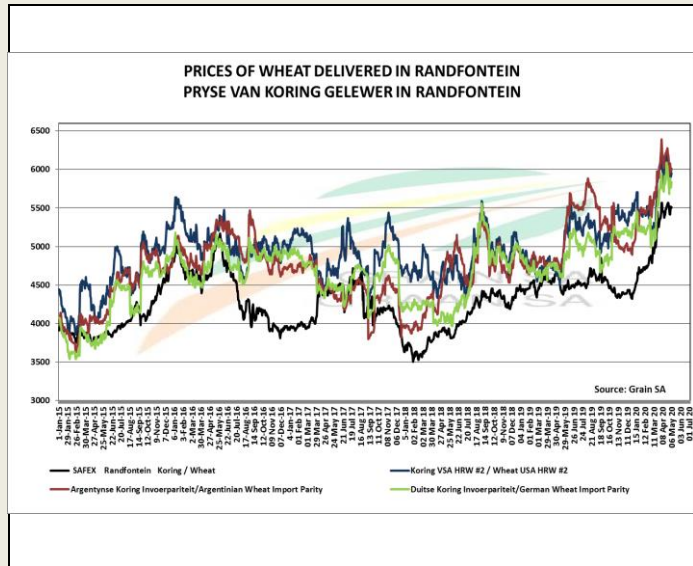
FarmFutures - Wheat prices moved significantly higher Wednesday after dry conditions in the Great Plains as well as in some major overseas competitors (including Russia) are putting current production estimates in doubt. That led to a big round of technical buying and short-covering that kicked some contracts more than 3% higher today. July Chicago SRW futures climbed 16.5 cents to \$5.1525, July Kansas City HRW futures rose 12.25 cents to \$4.5375, and July MGEX spring wheat futures also gained 12.25 cents to \$5.2025. Ahead of the next weekly USDA export report, out tomorrow, analysts expect the agency to show wheat sales ranging between 7.3 million and 23.9 million bushels for the week ending May 14. The prior week's tally was a lackluster 13.0 million bushels.

According to customs data, Russian wheat exports between January and March totaled 269.6 million bushels. Russia is the world's No. 1 wheat exporter. Ethiopia purchased 22.0 million bushels of wheat from optional origins in two international tenders that closed late last month. The country is dealing with a grain deficit brought on by severe drought conditions.

Preliminary volume estimates were for 125,752 CBOT contracts, tilting moderately above Tuesday's final count of 77,866.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020	R 5 530.00	12.5%		R 5 530.00
Jul 2020	R 5 485.00	18%	R 120.14	R 5 605.14
Sep 2020	R 5 262.00	0%	R 111.79	R 5 373.79
Dec 2020	R 4 923.00	12.5%	R 103.28	R 5 026.28
Mar 2021	R 4 997.00	0%	R 81.52	R 5 078.52
May 2021				
Jul 2021				
<b>Cape Wheat</b>				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				



The local Weat market closed mixed yesterday. The May'20 Weat contract closed R93.00 down while Jul'20 Weat closed R40.00 higher. The parity move for the May'20 Weat contract for yesterday was unchanged.



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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	845.00	846.75	0.00	1.75	902.00	55.25
AUG 2020	848.00	849.25	0.00	1.25	849.00	-0.25
SEP 2020	849.00	849.75	0.00	0.75	850.00	0.25
NOV 2020	853.00	854.00	-0.50	1.00	853.75	-0.25
JAN 2021	855.00	857.00	-0.25	2.00	857.00	0.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2010	285.5	285.50
AUG 2010	287.3	287.30
SEP 2010	288.8	288.70
OCT 2010	290	290.10
DEC 2010	293.1	293.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2010	27.36	27.28
AUG 2010	27.53	27.45
SEP 2010	27.69	27.60
OCT 2010	27.84	27.75
DEC 2010	28.15	28.06



FarmFutures - Soybean prices firmed moderately on Wednesday, moving about 0.5% higher on general export optimism as traders wait for new sales to China to be announced. The last large sale announcement was for 7.3 million bushels on May 14. July futures added 4 cents to \$8.4650, with August futures up 4.25 cents to \$8.4950. Soybean basis bids moved 2 to 8 cents higher at two interior river terminals while dropping 5 cents at a Nebraska processor Wednesday. Other Midwestern locations held steady today. Some grain elevators along the Illinois River are closed this week due to flooding. Ahead of Thursday morning's weekly export report from USDA, analysts expect the agency to show soybean sales ranging between 29.4 million and 58.8 million bushels for the week ending May 14.

Analysts also expect USDA to report between 75,000 and 300,000 metric tons of soy meal sales last week, plus another 15,000 to 50,000 MT of soy oil sales.

Both corn and soybeans are being planted at a more rapid clip this year compared to the prior five-year average. But does a fast planting pace correlate with higher yields? Grain market analyst Bryce Knorr takes a closer look in the latest Ag Marketing IQ blog – click here to learn more.

Preliminary volume estimates were for 107,151 contracts, falling moderately under Tuesday's final count of 142,858.

### South African Futures Exchange

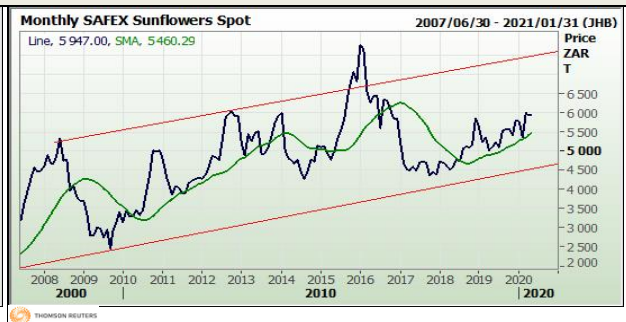
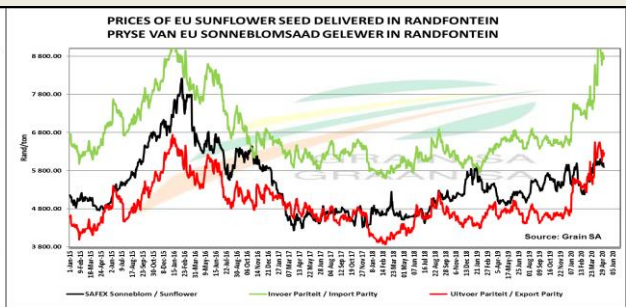
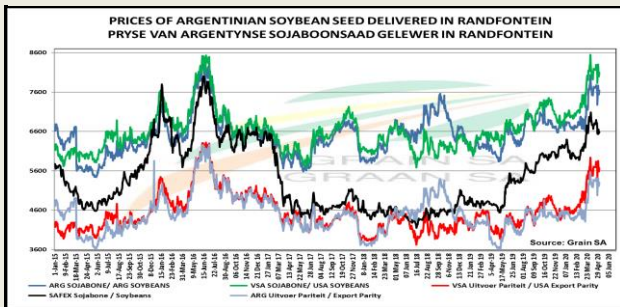
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020	R 6 487.00	28.25%		R 6 487.00
Jul 2020	R 6 549.00	21%	R 353.45	R 6 902.45
Sep 2020	R 6 635.00	14.75%	R -16.82	R 6 618.18
Dec 2020	R 6 729.00	15%		R 6 729.00
Mar 2021				
May 2021	R 6 305.00	0%		R 6 305.00
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020	R 5 947.00	19%
Jul 2020	R 5 997.00	19%
Sep 2020	R 6 134.00	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 R53.00 down and Jul'20 Soya closed R31.00 lower. The parity move for the May'20 Soya contract for yesterday was unchanged.

The local Suns market closed mixed yesterday. The May'20 Suns contract closed R30.00 up while Jul'20 Suns closed unchanged.



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