



**Fundamental Report**  
**25 May 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.7692	17.5717	-0.1975	-1.11%
Euro/Rand	19.3475	19.1348	-0.2127	-1.10%
GBPound/Rand	21.6357	21.4003	-0.2354	-1.09%
AusDollar/Rand	11.5980	11.4761	-0.1219	-1.05%
Euro/USDollar	1.0892	1.0890	-0.0002	-0.02%
GBPound/USDollar	1.2176	1.2179	0.0003	0.02%
AusDollar/USDollar	0.6526	0.6531	0.0005	0.08%
JpyYen/USDollar	107.4900	107.6800	0.1900	0.18%

BDLive - The JSE tracked weaker global markets following reports on Friday suggesting Beijing plans to institute new security laws in Hong Kong, and continued US-China hostility. Beijing's plans to tighten its grip on Hong Kong spurred outrage in the city and internationally. Opposition legislators warned that Hong Kong's status as an international financial centre was in jeopardy as China announced an intention to "establish sound legal systems and enforcement mechanisms for safeguarding national security".

Meanwhile, US President Donald Trump warned that the US would react strongly should the law be imposed, further fueling investor fears of there being no end in sight to the US-China trade war, which enters its third year in July. "The last thing the world needs right now is rising tension between the world's largest economies, but that's what we're being treated to and it's already taking its toll. US-China tension, Hong Kong protests — it's 2019 all over again but much, much worse," said Oanda senior market analyst Craig Erlam.

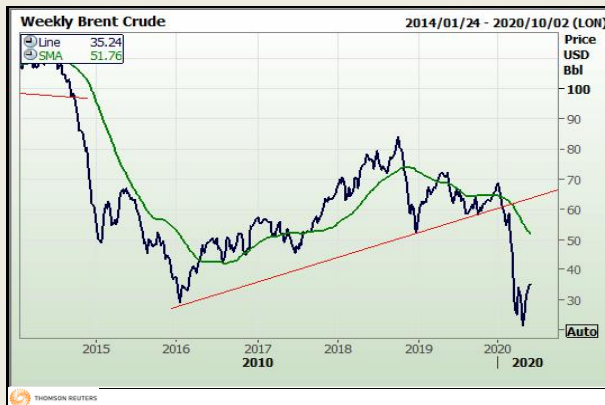


### Commodities

	Last	Value Change	% Change
Platinum	827.08	-12.67	-1.53%
Gold	1727.75	-6.32	-0.37%
Silver	17.09	-0.09	-0.54%
Copper	2.39	0.01	0.23%
Gasoil	293.75	6.00	2.04%
Brent Oil	35.24	0.11	0.31%

BDLive - Bengaluru — Gold steadied on Friday as an escalation in US-China tensions underpinned bullion's safe-haven appeal, though positive economic data and easing lockdowns in some countries set up the precious metal for a weekly drop. Spot gold was trading at \$1,727.39/oz by 2.48am GMT, having dropped 1.4% on Thursday. US gold futures rose 0.3% to \$1,726.50/oz. Bullion had rallied to its highest since October 2012 on Monday, but has since lost ground and is now heading for a 0.8% weekly decline. "The fundamentals are still supportive for gold. But, there was a slight improvement in the manufacturing activity in Europe and the US, the PMI data last night [Thursday] was slightly better," said Avatar Sandu, a senior commodities manager at Phillip Futures.

The eurozone economy's contraction eased in May, the Purchasing Managers' Index (PMI) survey showed. Germany's private sector recession also improved on loosening of lockdown curbs that were put in place to prevent the spread of the coronavirus. However, US-China frictions dampened risk appetite, underpinning bullion and offsetting pressure on the metal's prices from the slightly better data.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	46432.04	0.00	0.00%
ALSI	46623.00	0.00	0.00%
S&P 500	2948.51	6.94	0.24%
FTSE	6015.25	-21.97	-0.37%
CAC	4444.56	0.00	0.00%
DAX	11073.87	0.00	0.00%
Hang Seng	22930.14	-185.49	-0.81%



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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	317.00	318.00	-0.50	1.00	0.00	-318.00	-317.00
SEP 2020	322.00	322.75	-0.25	0.75	0.00	-322.75	-322.00
DEC 2020	332.00	332.75	-0.50	0.75	0.00	-332.75	-332.00
MAR 2021	345.00	345.25	-0.75	0.25	0.00	-345.25	-345.00
MAY 2021	352.00	352.75	-0.50	0.75	0.00	-352.75	-352.00

FarmFutures - Corn prices pared a portion of overnight losses but were not able to break into the green Friday, instead ending today's session down slightly. July futures dipped 0.25 cents to \$3.1750, while September futures dropped 0.75 cents to \$3.2225.

Corn basis bids were narrowly mixed across the central U.S. Friday, moving as much as 2 cents in either direction today.

Ukraine's spring planting season is now 96% complete, including 12.849 million acres of corn. The country's total grain harvest could fall as much as 13% below last fall's record haul, according to Ukraine's economy ministry – but it still figures to be a major corn and wheat exporter this coming marketing year.

France's corn crop is in very good condition overall, although crop quality fell a point this past week to move to 86% rated in good-to-excellent condition. Ninety-three percent of the 2020 crop has now been planted, versus 90% a week ago.

Syria issued an international tender to purchase 2.0 million bushels of corn and 50,000 metric tons of soymeal, each for delivery four months after contracts are confirmed on the purchases.

"Fast planting and good early ratings aren't a silver bullet guaranteeing a good corn crop," notes grain market analyst Bryce Knorr. "But they're better than the alternative for sure." Find out what trends Knorr has been tracking in the latest Ag Marketing IQ blog – click here for more details.

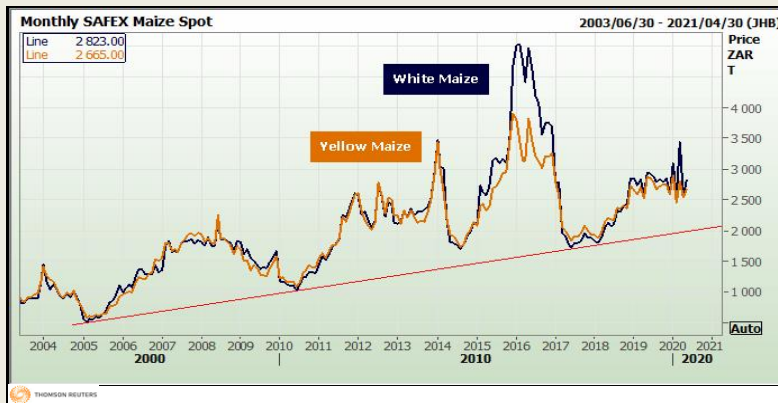
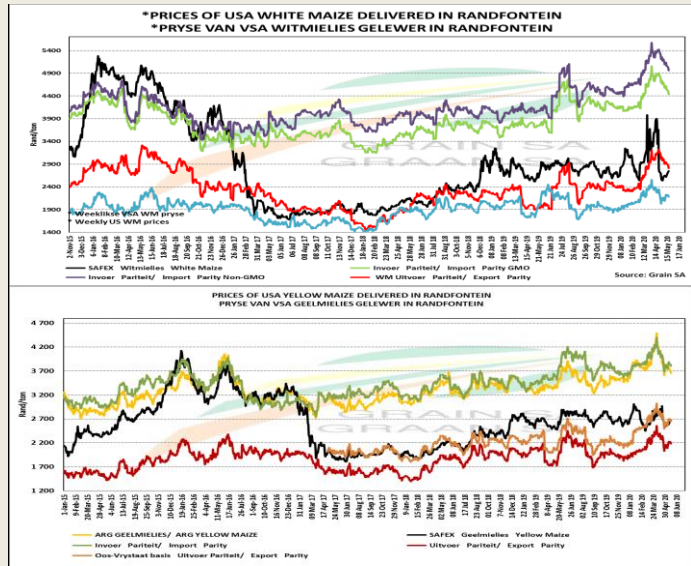
Preliminary volume estimates were for 147,375 contracts, drifting below Thursday's final count of 172,892.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020	R 2 823.00	32%		R 2 823.00
Jul 2020	R 2 410.00	24.75%	R -2 217.54	R 192.46
Sep 2020	R 2 462.00	20%	R -2 252.51	R 209.49
Dec 2020	R 2 550.00	21.75%	R -2 322.47	R 227.53
Mar 2021	R 2 577.00	23.5%	R -2 413.41	R 163.59
May 2021	R 2 606.00	0%	R -2 462.37	R 143.63
Jul 2021	R 2 610.00	27%		R 2 610.00
<b>Yellow Maize Future</b>				
May 2020	R 2 665.00	26%		R 2 665.00
Jul 2020	R 2 548.00	22.5%	R -2 217.54	R 330.46
Sep 2020	R 2 596.00	18%	R -2 252.51	R 343.49
Dec 2020	R 2 677.00	20%	R -2 322.47	R 354.53
Mar 2021	R 2 703.00	19.5%	R -2 413.41	R 289.59
May 2021	R 2 698.00	0%	R -2 462.37	R 235.63
Jul 2021	R 2 670.00	18%		R 2 670.00

The local Maize market traded mixed yesterday. The May'20 WMAZ contract ended R141.00 up while May'20 YMAZ closed R9.00 lower. The Jul'20 WMAZ closed lower by R38.00 and Jul'20 YMAZ ended R30.00 down. The parity move for the May'20 Maize contract for yesterday was R21.00 negative.

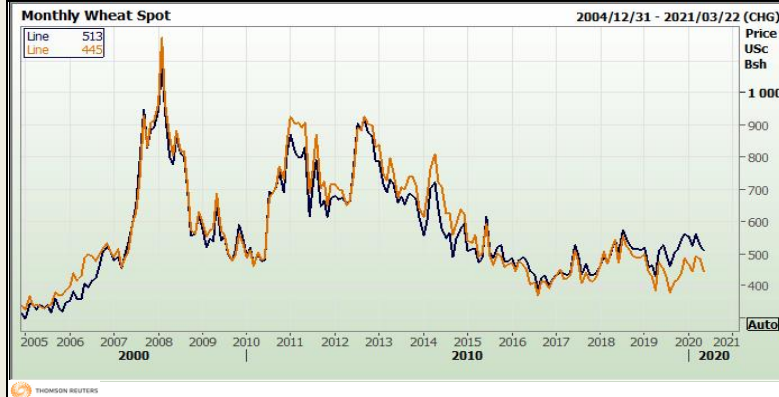


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## Wheat Market

### 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	510.00	508.75	6.25	-1.25	0.00	-508.75	-510.00	JUL 2010	451.00	444.50	4.25	-6.50	0.00	-444.50	-451.00
SEP 2020	513.00	512.75	5.50	-0.25	0.00	-512.75	-513.00	SEP 2010	458.00	451.75	4.00	-6.25	0.00	-451.75	-458.00
DEC 2020	521.00	521.50	5.00	0.50	0.00	-521.50	-521.00	DEC 2010	471.00	464.25	4.00	-6.75	0.00	-464.25	-471.00
MAR 2021	529.00	529.25	3.75	0.25	0.00	-529.25	-529.00	MAR 2011	482.00	475.50	4.25	-6.50	0.00	-475.50	-482.00
MAY 2021	531.00	532.00	3.00	1.00	529.00	-3.00	-2.00	MAY 2011	488.00	483.00	4.25	-5.00	0.00	-483.00	-488.00

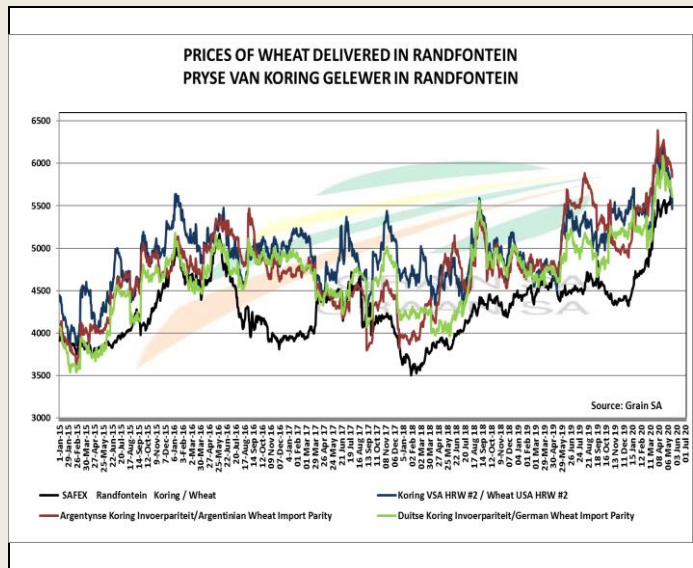


FarmFutures - Wheat prices took a hit today after favorable weather forecasts in the U.S. Plains and across Europe triggered a round of technical selling. July Chicago SRW futures dropped 7.25 cents to \$5.0875, July Kansas City HRW futures fell 10 cents to \$4.4450, and July MGEX spring wheat futures lost 5 cents to \$5.1175. Ukraine is close to bumping up against its 2019/20 wheat quota limit. Exports this marketing year have reached 732.1 million bushels as of May 22, which leaves roughly 10 million more bushels allowed to be exported through the end of June. Ukraine is the world's No. 4 largest wheat exporter. France's 2019/20 soft wheat crop quality improved from a week ago, moving up 2 points to 57% rated in good-to-excellent condition. Japan purchased 4.1 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, 61% was sourced from the U.S. Philippine importers purchased 2.1 million bushels of animal feed wheat from optional origins in a tender that closed earlier today. The grain is for shipment in July or August, depending on origin.

Preliminary volume estimates were for 107,857 CBOT contracts, falling 15% below Thursday's final count of 126,222.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020	R 5 540.00	12.5%		R 5 540.00
Jul 2020	R 5 387.00	18%	R -3 329.82	R 2 057.18
Sep 2020	R 5 239.00	11.5%	R -3 349.41	R 1 889.59
Dec 2020	R 4 844.00	12.5%	R -3 401.64	R 1 442.36
Mar 2021	R 4 950.00	0%	R -3 453.87	R 1 496.13
May 2021				
Jul 2021				
<b>Cape Wheat</b>				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				



The local Wheat market closed mixed yesterday. The May'20 Wheat contract closed R22.00 up while Jul'20 Wheat closed R48.00 lower. The parity move for the May'20 Wheat contract for yesterday was R49.00 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	830.00	833.25	0.00	3.25	902.00	68.75
AUG 2020	835.00	836.50	0.00	1.50	0.00	-836.50
SEP 2020	837.00	838.50	0.00	1.50	0.00	-838.50
NOV 2020	842.00	844.50	-0.50	2.50	0.00	-844.50
JAN 2021	847.00	848.50	-0.25	1.50	0.00	-848.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2010	284.1	0.00
AUG 2010	286	0.00
SEP 2010	287.8	0.00
OCT 2010	289.2	0.00
DEC 2010	292.5	0.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2010	26.64	0.00
AUG 2010	26.82	0.00
SEP 2010	26.99	0.00
OCT 2010	27.15	0.00
DEC 2010	27.5	0.00



FarmFutures - Soybean prices continue to decline on expectations for a bin-busting U.S. crop, further marred by the absence of fresh Chinese sales this week. July futures dropped 1.75 cents to \$8.3325, with August futures down 1.5 cents to \$8.37.

Soybean basis bids dropped 4 cents at an Illinois river terminal Friday but held steady across other Midwestern locations today.

U.S. and China's relationship remained terse this week, with each country pointing a finger at the other for its perceived various mishandlings of the world coronavirus outbreak. As it relates to the grain markets, traders have been anxious to see more large soybean sales coming down the pike. The last such sale was announced May 14.

Favorable weather conditions have also weighed down prices for much of the week. NOAA's latest seasonal outlook, covering June through August, shows near-normal temperatures likely this summer, with some seasonally wet weather also probable. Soybean yields have bested the trendline average five of the past six years.

Preliminary volume estimates were for 178,125 contracts, slipping fractionally below Thursday's final count of 180,227.

### South African Futures Exchange

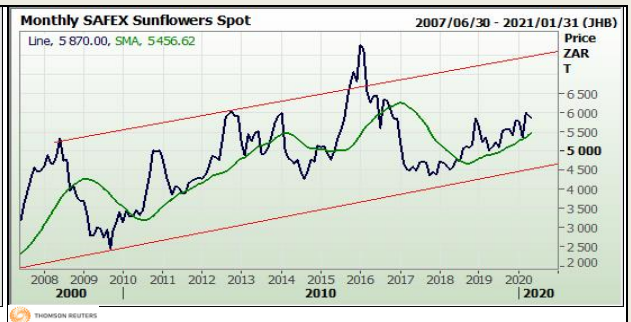
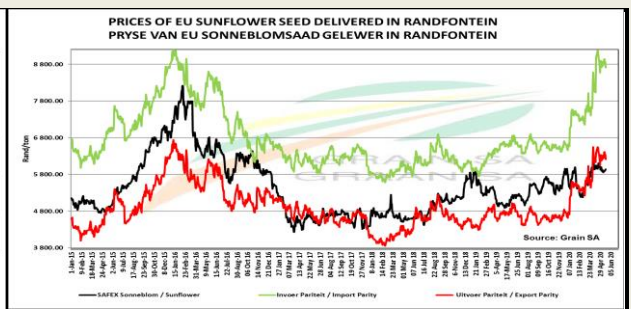
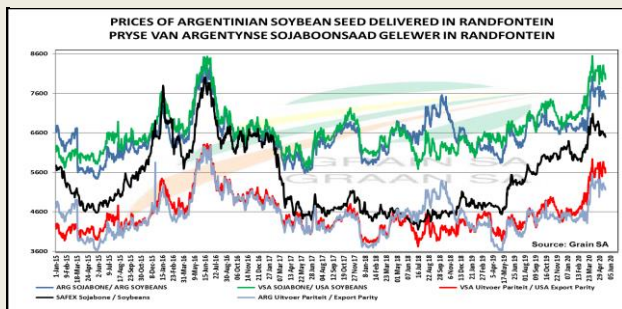
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020	R 6 287.00	28.25%		R 6 287.00
Jul 2020	R 6 357.00	21%	R 404.64	R 6 761.64
Sep 2020	R 6 447.00	14.75%	#####	R 982.18
Dec 2020	R 6 530.00	15%		R 6 530.00
Mar 2021				
May 2021	R 6 058.00	0%		R 6 058.00
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020	R 5 870.00	19%
Jul 2020	R 5 931.00	19%
Sep 2020	R 6 055.00	0%
Dec 2020	R 6 172.00	15%
Mar 2021		
May 2021		
Jul 2021		



The local Soya market traded lower yesterday. The May'20 Soya contract ended R123.00 down and Jul'20 Soya closed R118.00 lower. The parity move for the May'20 Soya contract for yesterday was R51.00 negative.

The local Suns market closed lower yesterday. The May'20 Suns contract closed R47.00 down and Jul'20 Suns closed R54.00 lower.



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