



**Fundamental Report**  
**04 May 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	18.0752	18.8745	0.7993	4.42%
Euro/Rand	19.6599	20.6444	0.9845	5.01%
GBPound/Rand	22.6241	23.5162	0.8921	3.94%
AusDollar/Rand	11.8323	12.0816	0.2493	2.11%
Euro/USDollar	1.0870	1.0942	0.0072	0.66%
GBPound/USDollar	1.2509	1.2458	-0.0051	-0.41%
AusDollar/USDollar	0.6542	0.6401	-0.0141	-2.16%
JpyYen/USDollar	106.6200	106.7300	0.1100	0.10%

BDLive - Despite being weaker on Thursday the rand gained about 4% against the dollar this week, which saw SA fall out of the World Government Bond Index (WGBI) on Thursday, and S&P Global Ratings drop the country another rung into junk status late on Wednesday.

In late March, Moody's Investors Service became the last of the major ratings agencies to remove the country's investment-grade status. However, many analysts believe that the move has been largely priced into the local currency and bonds.

The rand is now down nearly 24% against the dollar so far in 2020.

"When you take into account that the rand has weakened so much already, there is a degree of truth in the view that the majority of the tornado-selling and 'bad' news has now been priced into the currency," said global head of market research and currency strategy at FXTM Jameel Ahmad. "There are some promising signs from the eased lockdown restrictions and also other countries relaxing their own measures and this could help rand sentiment".

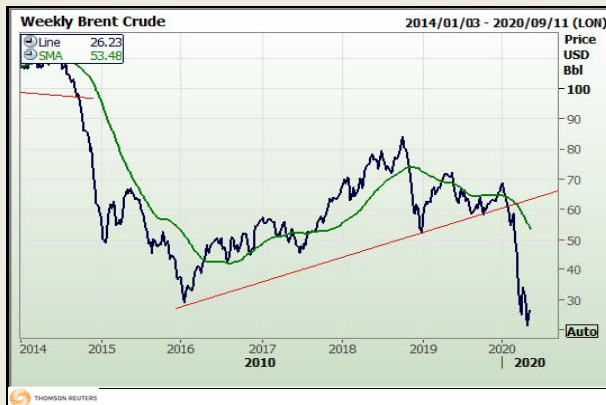


### Commodities

	Last	Value Change	% Change
Platinum	761.13	0.88	0.12%
Gold	1698.69	-0.44	-0.03%
Silver	14.93	-0.01	-0.08%
Copper	2.30	-0.01	-0.57%
Gasoil	220.00	0.00	0.00%
Brent Oil	26.23	-0.21	-0.80%

BDLive - Bengaluru — Gold edged lower on Thursday as risk appetite was boosted by positive trial results of an experimental Covid-19 treatment, though the US Federal Reserve's decision to keep interest rates near zero kept bullion above the \$1,700/oz level. Spot gold fell 0.1% to \$1,710.26/oz by 3.27am GMT. US gold futures rose 0.7% to \$1,725.70/oz.

"We have risk sentiment blossoming again, and that's just not a good optic for gold to go higher," said Stephen Innes, chief market strategist at financial services firm AxiCorp. "But the massive support we're getting from the Fed is underpinning the general trend of support for gold ... Gold is going to look very attractive as it doesn't cost anything to hold it right now." Risk sentiment got a boost after the US's top infectious disease official said early clinical trial results showed Gilead Sciences's experimental antiviral drug remdesivir helped patients recover more quickly from illness caused by the coronavirus.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	46348.26	0.00	0.00%
ALSI	46538.00	0.00	0.00%
S&P 500	2912.43	-81.72	-2.81%
FTSE	5901.21	-138.15	-2.34%
CAC	4572.18	0.00	0.00%
DAX	10861.64	0.00	0.00%
Hang Seng	24643.59	-942.08	-3.82%



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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	306.00	311.50	-0.50	5.50	309.00	-2.50	3.00
JUL 2020	315.00	318.50	-0.25	3.50	315.75	-2.75	0.75
SEP 2020	322.00	325.50	-0.50	3.50	322.50	-3.00	0.50
DEC 2020	333.00	336.75	-0.75	3.75	334.25	-2.50	1.25
MAR 2021	347.00	350.25	-0.50	3.25	348.00	-2.25	1.00

FarmFutures - Corn: Warm weather across the Midwest today were favorable for planting corn. The prospect of higher corn acres and uncertain feed demand sent nearby futures contracts lower today. May futures were down half a cent at last glance to \$3.11. July futures ended the day \$0.02 lower to \$3.18.

Cash corn prices firmed slightly at a Council Bluffs, Iowa ethanol plant this morning, up \$0.02 to \$0.20 below July futures prices. The strengthening was a function of sparse farmer sales. Many facilities around the Midwest focused on rolling their bids over to the July contract as the May contract edged closer to expiration.

USDA released its monthly Grain Crushings and Co-Products Production report detailing corn processing demand for March 2020 a few minutes ago. Corn consumed for fuel ethanol decreased nearly 21.0 million bushels or 4.8% from February to 411.8 million bushels as ethanol demand collapsed due to destructed energy demand. Corn consumed for industrial alcohol use increased 13.8% to nearly 7.8 bushels of corn as hospitals, nursing homes, and consumers stockpiled hand sanitizer to prevent COVID-19 transmission.

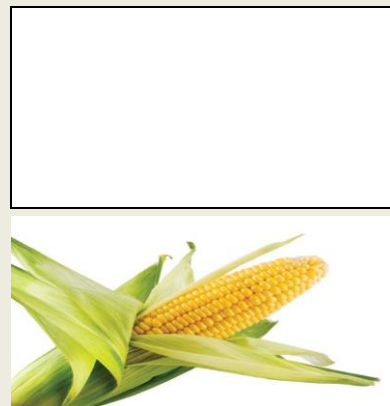
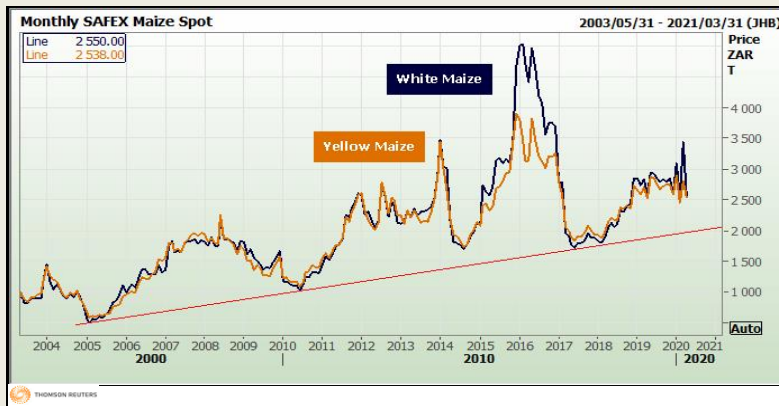
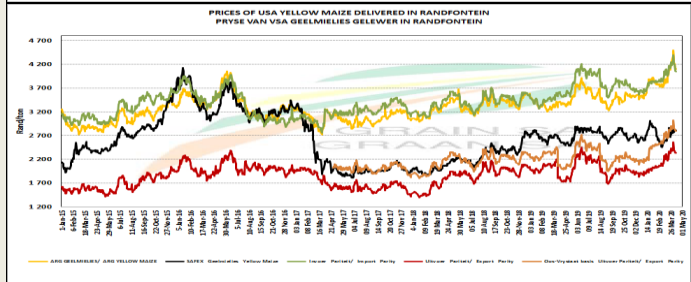
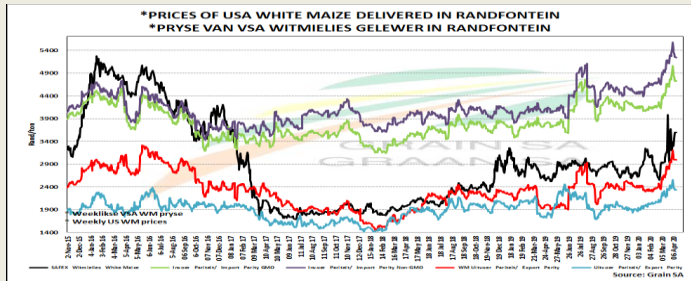
On a lighter note, corn consumed for beverage alcohol skyrocketed 1.4 million bushels from February to 4.0 million bushels in March 2020. It was a 590,000-bushel or 17.1% increase from March 2019, proving that quarantine is far more profitable for booze companies than March Madness or St. Patrick's Day. Personal consumption at this analyst's household over the past month confirms these statistics as we attempt to do our part to rebuild corn demand!



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2020				
May 2020	R 2 550.00	32%	R 118.58	R 2 668.58
Jul 2020	R 2 414.00	27%	R 104.69	R 2 518.69
Sep 2020	R 2 467.00	20%	R 105.04	R 2 572.04
Dec 2020	R 2 550.00	21.75%	R 114.07	R 2 664.07
Mar 2021	R 2 582.00	20%	R 116.62	R 2 698.62
May 2021				
<b>Yellow Maize Future</b>				
Mar 2020				
May 2020	R 2 538.00	26%	R 118.58	R 2 656.58
Jul 2020	R 2 546.00	27%	R 104.69	R 2 650.69
Sep 2020	R 2 592.00	18%	R 105.04	R 2 697.04
Dec 2020	R 2 674.00	20%	R 114.07	R 2 788.07
Mar 2021	R 2 701.00	19.5%	R 116.62	R 2 817.62
May 2021	R 2 718.00	0%		R 2 718.00

The local Maize market traded lower yesterday. The May'20 WMAZ contract ended R84.00 down and May'20 YMAZ closed R41.00 lower. The Jul'20 WMAZ closed lower by R28.00 and Jul'20 YMAZ ended R30.00 down. The parity move for the May'20 Maize contract for yesterday was R120.00 positive.

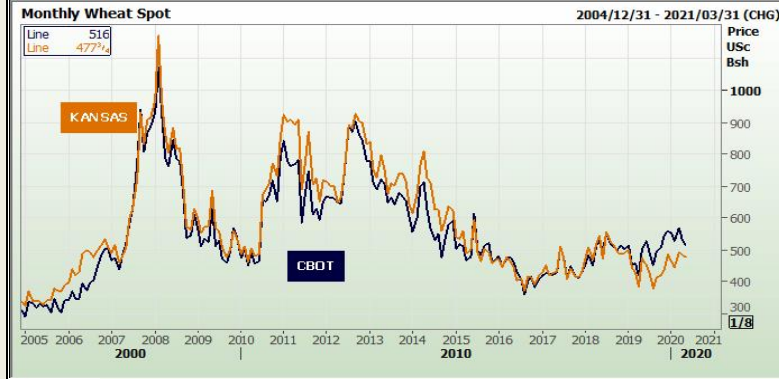


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## Wheat Market

### 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
MAY 2020	516.00	521.50	6.25	5.50	516.00	-5.50	0.00	MAY 2010	464.00	482.00	4.25	18.00	477.75	-4.25	13.75
JUL 2020	513.00	516.50	5.50	3.50	509.25	-7.25	-3.75	JUL 2010	475.00	483.00	4.00	8.00	478.25	-4.75	3.25
SEP 2020	518.00	520.25	5.00	2.25	513.50	-6.75	-4.50	SEP 2010	482.00	489.75	4.00	7.75	485.00	-4.75	3.00
DEC 2020	527.00	529.00	3.75	2.00	522.50	-6.50	-4.50	DEC 2010	493.00	500.00	4.25	7.00	495.25	-4.75	2.25
MAR 2021	535.00	536.50	3.00	1.50	529.00	-7.50	-6.00	MAR 2011	503.00	509.00	4.25	6.00	504.25	-4.75	1.25

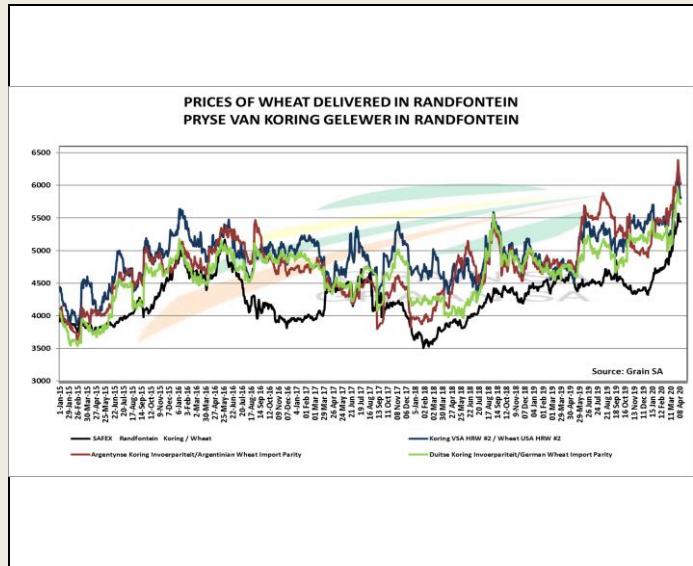


FarmFutures - The wheat complex remained mixed this afternoon as uncertain feed demand and spring wheat planting sent prices wobbling. The ICE Dollar Index rose 0.07% to end the week, contributing to wheat losses.

Cash bids for soft and hard red winter held steady yesterday, though many locations rolled bids into the July contract. Low futures prices and corn and soybean planting deterred farmers from making sales. Farmers in Oklahoma were waiting to assess frost damage before further booking any new sales. Hot and dry weather in the Plains forecasted this weekend could be detrimental to soil moisture levels and ultimately, yield projections. Wheat ground for flour in the first quarter of 2020 fell over a quarter of a million bushels to 232.2 million bushels as of March 31, 2020. The results of USDA's quarterly Flour Milling Products report were slightly surprising considering the uptick in flour and pasta demand in mid-March at the onset of the coronavirus pandemic in the U.S. But it seems those figures will not be factored into processing metrics until next quarter's report.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2020				
May 2020	R 5 414.00	12.5%	R 151.55	R 5 565.55
Jul 2020	R 5 365.00	18%	R 124.66	R 5 489.66
Sep 2020	R 5 192.00	0%	R 120.92	R 5 312.92
Dec 2020	R 4 810.00	11%	R 123.57	R 4 933.57
Mar 2021	R 4 895.00	0%	R 115.51	R 5 010.51
May 2021				
<b>Cape Wheat</b>				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				



The local Weat market closed lower yesterday. The May'20 Weat contract closed R61.00 down and Jul'20 Weat closed R105.00 lower. The parity move for the May'20 Weat contract for yesterday was R154.00 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	836.00	847.25	0.00	11.25	902.00	54.75
JUL 2020	840.00	849.50	0.00	9.50	844.50	-5.00
AUG 2020	841.00	850.75	0.00	9.75	844.75	-6.00
SEP 2020	842.00	851.00	-0.50	9.00	845.50	-5.50
NOV 2020	846.00	855.00	-0.25	9.00	850.00	-5.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAY 2010	287.4	0.00
JUL 2010	292.5	292.30
AUG 2010	293.3	292.70
SEP 2010	294.3	293.40
OCT 2010	295	294.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAY 2010	26.14	25.84
JUL 2010	26.5	26.24
AUG 2010	26.69	26.38
SEP 2010	26.87	26.59
OCT 2010	27.03	26.78



FarmFutures - Soybeans: The soybean complex continued to be weighed down from growing tensions between the U.S. and China over Phase 1 trade commitments. A statement from U.S. intelligence agencies of announcing an investigation into the origins of the coronavirus pandemic in Wuhan, China deepened the rift between the world's largest economies. May soybean futures were down \$0.04 to \$8.4625. May soyoil futures edged \$0.07/lb lower to \$26.16 and May soy meal futures prices lost \$2.4/ton on uncertain feed demand to \$287.2. Cash soybean prices rose \$0.01 to trade even with July futures prices on the Mississippi River at Savanna, Illinois. River terminals feeding into the U.S. Gulf could see a boost in coming weeks as China booked 9.8 million bushels of private soybean sales as announced by USDA this morning. Export sales have been strong out of the Gulf the past two weeks led primarily by Chinese and Mexican purchases. Brazil's real has decreased in value by 40% since the beginning of the year. With a behemoth soybean harvest wrapping up, the South American country will soon become the world's largest supplier of soybeans. But things may not be all wine and roses, CommStock's Matthew Kruse writes. Many Brazilian farmers have utilized debt in U.S. currency which could possibly inflate their debt loads. U.S. farmers still have better marketing opportunities for their soybeans, which Kruse outlines in the latest Ag Marketing IQ column.

### South African Futures Exchange

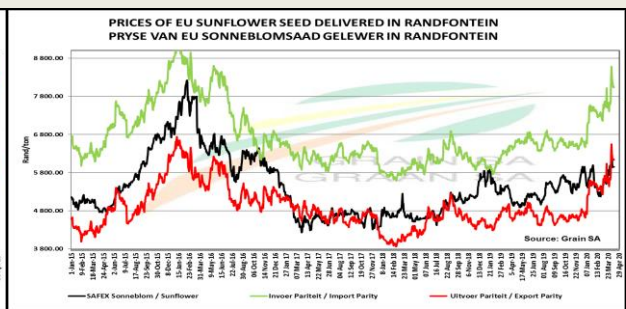
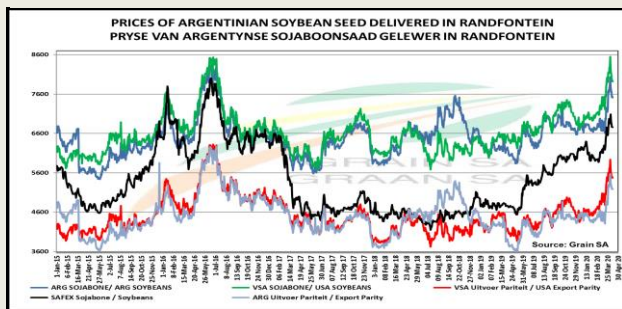
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020				
May 2020	R 6 524.00	28.25%	R 703.25	R 7 227.25
Jul 2020	R 6 588.00	21%	R 277.91	R 6 865.91
Sep 2020	R 6 674.00	14.75%	R 271.56	R 6 945.56
Dec 2020	R 6 740.00	15%		R 6 740.00
Mar 2021				
May 2021	R 6 100.00	0%		R 6 100.00

Sunflower Seeds Future		
	MTM	Vols
Mar 2020		
May 2020	R 5 926.00	19%
Jul 2020	R 6 048.00	19%
Sep 2020	R 6 175.00	0%
Dec 2020	R 6 281.00	15%
Mar 2021		
May 2021		



The local Soya market traded lower yesterday. The May'20 Soya contract ended R40.00 down and Jul'20 Soya closed R50.00 lower. The parity move for the May'20 Soya contract for yesterday was R294.00 positive.

The local Suns market closed lower yesterday. The May'20 Suns contract closed R74.00 down and Jul'20 Suns closed R67.00 lower.



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