



Fundamental Report
01 June 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.4823	17.4339	-0.0484	-0.28%
Euro/Rand	19.4586	19.4073	-0.0513	-0.26%
GBPound/Rand	21.4837	21.5890	0.1053	0.49%
AusDollar/Rand	11.6432	11.7191	0.0759	0.65%
Euro/USDollar	1.1130	1.1134	0.0004	0.04%
GBPound/USDollar	1.2298	1.2383	0.0085	0.69%
AusDollar/USDollar	0.6660	0.6722	0.0062	0.93%
JpyYen/USDollar	107.1800	107.6300	0.4500	0.42%

BDLive - The JSE closed weaker on Friday as markets await US President Donald Trump's announcement on new US policies towards China. Trump has said that his administration is "not happy" with Beijing, while Larry Kudlow, Trump's top economic adviser, said that China will be "held accountable" and that it had made a "huge mistake" in passing the new security law on Hong Kong, though it remains unclear what the ramifications will be. Trump is expected to announce new US policies regarding China later on Friday.

Hong Kong's government warned on Friday that withdrawing its special status with the US, which has underpinned it as a finance hub, could be a "double-edged sword", while urging the US to stop interfering in its internal affairs, reported Reuters. "We're seeing a far more cautious tone at the end of the week as deteriorating relations between the US and China weigh on sentiment," said Oanda senior analyst Craig Erlam.

"There's a wide range of ways the US could respond [to China's move] which is what's making people nervous, especially as it's likely to lead to another tit-for-tat spar between the two countries."

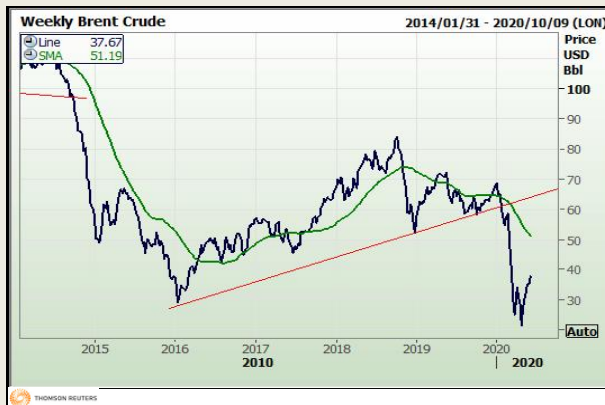


Commodities

	Last	Value Change	% Change
Platinum	836.44	-1.81	-0.22%
Gold	1738.74	12.44	0.72%
Silver	18.14	0.30	1.67%
Copper	2.45	0.03	1.02%
Gasoil	300.25	16.50	5.50%
Brent Oil	37.67	-0.17	-0.45%

BDLive - Bengaluru — Gold prices ticked up on Friday as the Sino-US rift deepened over further moves by Beijing to impose a security law on Hong Kong, lifting the allure of safe havens amid market uncertainties caused by the pandemic. Spot gold was up 0.1% at \$1,719.63/oz at 12.49am GMT and US gold futures rose 0.4% to \$1,734.60/oz.

Denting sentiment further, China approved a decision to go forward with a national security legislation for Hong Kong, which could erode the city's freedom and jeopardise its role as a financial hub. US President Donald Trump's top economic adviser warned that Hong Kong, which has enjoyed special privileges, may now need to be treated like China when it comes to trade and other financial matters. Trump, who has vowed a tough US response, will hold a news conference on China on Friday. US jobless claims dropped for the eighth straight time last week, but remained at high levels implying it could take a while for the economy to recover, data showed.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	46544.79	0.00	0.00%
ALSI	46629.00	0.00	0.00%
S&P 500	3029.73	14.58	0.48%
FTSE	6218.79	-142.19	-2.29%
CAC	4695.44	0.00	0.00%
DAX	11781.13	-194.28	-1.65%
Hang Seng	22961.47	766.40	3.34%



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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	329.00	325.75	-0.50	-3.25	326.50	0.75	-2.50
SEP 2020	333.00	330.00	-0.25	-3.00	330.75	0.75	-2.25
DEC 2020	341.00	338.75	-0.50	-2.25	339.25	0.50	-1.75
MAR 2021	353.00	350.25	-0.75	-2.75	350.50	0.25	-2.50
MAY 2021	360.00	357.25	-0.50	-2.75	357.50	0.25	-2.50

FarmFutures - Corn prices fell moderately today as expectations for a large 2020 crop triggered some technical selling. Spillover weakness from soybeans applied additional headwinds. July futures fell 2 cents to \$3.2550, with September futures down 1.75 cents to \$3.30.

Corn basis bids softened 1 to 3 cents at multiple interior river terminals and firmed 2 cents higher at an Iowa processor while holding steady elsewhere across the central U.S. today.

Private exporters reported to USDA the sale of 4.0 million bushels of corn for delivery to unknown destinations during the 2019/20 marketing year, which ends August 31. Corn saw 16.8 million bushels in old crop sales plus just 1.8 million bushels in new crop sales for a total tally of 18.6 million bushels for the week ending May 21. Analysts were expecting a much more robust tally, with trade guesses ranging between 21.7 million and 51.2 million bushels. Cumulative sales for the 2019/20 marketing year are still significantly below last year's pace, now at 1.089 billion bushels.

Corn export shipments were better but still 16% below the prior four-week average, with 41.8 million bushels. Mexico was the No. 1 destination, with 12.6 million bushels.

Ukraine's 2019/20 corn exports have topped 1.118 billion bushels so far, according to the country's agriculture ministry. Total grain exports are expected to rewrite records this year.

France's 2020 corn crop planting progress reached 97% by May 25, per consultancy FranceAgriMer. The crop is in generally good shape so far, with 83% rated in good-to-excellent condition, although crop quality fell three points from a week ago.

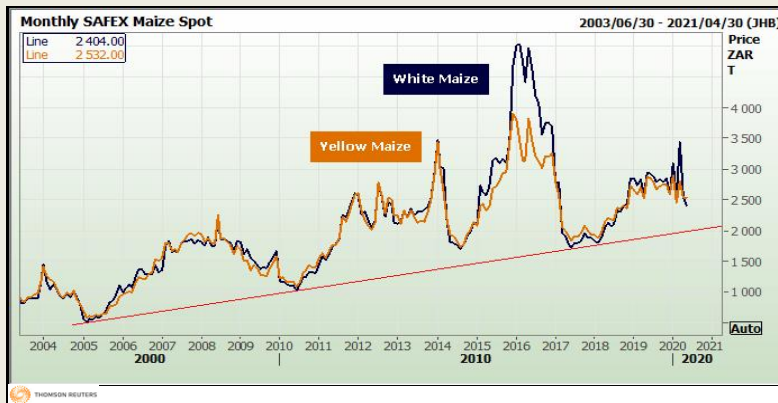
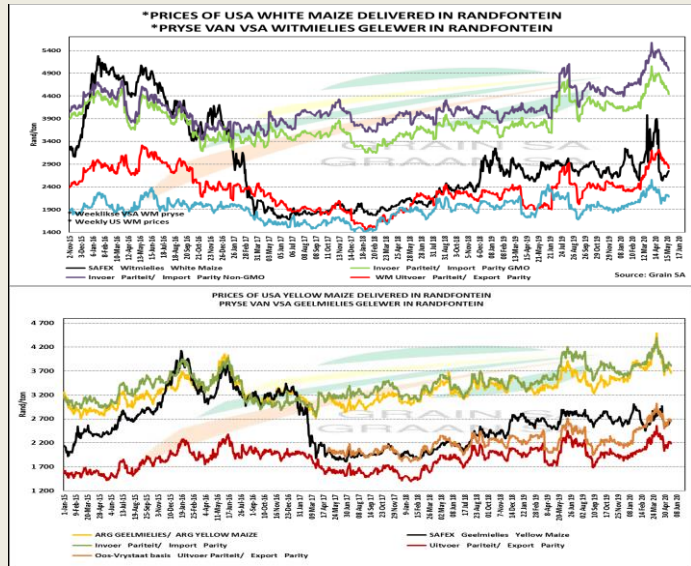
Preliminary volume estimates were for 296,124 contracts, dropping about 25% below Thursday's final count of 396,368.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
May 2020				
Jul 2020	R 2 417.00	21.75%	R -23.43	R 2 393.57
Sep 2020	R 2 469.00	20%	R -21.79	R 2 447.21
Dec 2020	R 2 553.00	22.5%	R -18.51	R 2 534.49
Mar 2021	R 2 584.00	24%	R -23.88	R 2 560.12
May 2021	R 2 588.00	0%	R -24.02	R 2 563.98
Jul 2021	R 2 609.00	27%		R 2 609.00
Yellow Maize Future				
May 2020				
Jul 2020	R 2 543.00	22.5%	R -23.43	R 2 519.57
Sep 2020	R 2 590.00	18%	R -21.79	R 2 568.21
Dec 2020	R 2 675.00	20%	R -18.51	R 2 656.49
Mar 2021	R 2 704.00	19.5%	R -23.88	R 2 680.12
May 2021	R 2 642.00	0%	R -24.02	R 2 617.98
Jul 2021	R 2 674.00	18%		R 2 674.00

The local Maize market traded higher yesterday. The Jul'20 WMAZ contract ended R42.00 up and Jul'20 YMAZ closed R36.00 higher. The Sep'20 WMAZ closed higher by R49.00 and Sep'20 YMAZ ended R38.00 up. The parity move for the Jul'20 Maize contract for yesterday was R15.00 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	516.00	520.75	6.25	4.75	518.75	-2.00	2.75	JUL 2010	467.00	470.50	4.25	3.50	467.00	-3.50	0.00
SEP 2020	519.00	523.50	5.50	4.50	521.75	-1.75	2.75	SEP 2010	473.00	477.00	4.00	4.00	473.25	-3.75	0.25
DEC 2020	528.00	532.25	5.00	4.25	530.50	-1.75	2.50	DEC 2010	484.00	488.00	4.00	4.00	485.00	-3.00	1.00
MAR 2021	536.00	540.25	3.75	4.25	538.75	-1.50	2.75	MAR 2011	495.00	498.50	4.25	3.50	494.75	-3.75	-0.25
MAY 2021	541.00	542.75	3.00	1.75	529.00	-13.75	-12.00	MAY 2011	502.00	505.00	4.25	3.00	500.75	-4.25	-1.25



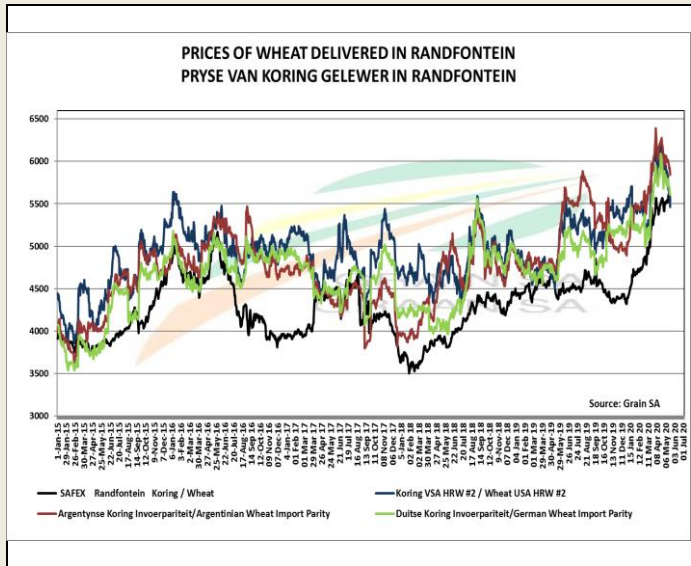
FarmFutures - Wheat prices moved higher again on Friday as dry conditions building in the U.S. Plains and among some key overseas competitors prompted some technical buying. Most contracts closed up around 1.25%. July Chicago SRW futures gained 7 cents to \$5.2150, July Kansas City HRW futures added 6.25 cents to \$4.7025, and July MGEX spring wheat futures picked up 5.75 cents to \$5.25.

Wheat export sales improved slightly week-over-week but still fell 23% below the prior four-week average, with 7.7 million bushels in old crop sales. New crop sales were more robust, at 18.2 million bushels. Totals sales still bested trade estimates, which ranged between 5.5 million and 22.0 million bushels. And cumulative sales for the 2019/20 marketing year still maintain a modest lead over last year's pace, with 871.7 million bushels. Wheat export shipments fared much better, jumping 53% higher week-over-week and 29% above the prior four-week average, with 20.6 million bushels. China was the No. 1 destination, with 6.1 million bushels.

Ukraine's 2019/20 wheat exports topped 742 million bushels so far. Total grain exports are expected to climb 17% above last year's tally after harvesting record crops last fall. Preliminary volume estimates were for 88,423 CBOT contracts, sliding below Thursday's final count of 106,028.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
May 2020				
Jul 2020	R 5 300.00	18%	R 8.44	R 5 308.44
Sep 2020	R 5 145.00	11.5%	R 8.39	R 5 153.39
Dec 2020	R 4 830.00	12.5%	R 6.62	R 4 836.62
Mar 2021	R 4 903.00	0%	R 8.08	R 4 911.08
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 mixed yesterday. The Jul'20 Weat contract closed R8.00 up while Sep'20 Weat closed unchanged. The parity move for the Jul'20 Weat contract for yesterday was R16.00 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	845.00	840.75	0.00	-4.25	902.00	61.25
AUG 2020	847.00	843.50	0.00	-3.50	848.25	4.75
SEP 2020	849.00	845.50	0.00	-3.50	850.50	5.00
NOV 2020	854.00	851.75	-0.50	-2.25	857.00	5.25
JAN 2021	859.00	855.50	-0.25	-3.50	861.00	5.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2020	283.2	284.20
AUG 2020	285	285.90
SEP 2020	286.7	287.50
OCT 2020	288.4	289.10
DEC 2020	291.8	292.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2010	27.38	27.62
AUG 2010	27.55	27.79
SEP 2010	27.71	27.94
OCT 2010	27.87	28.14
DEC 2010	28.21	28.47



FarmFutures - Soybean prices saw another round of losses on Friday as tense relations with China triggered more technical selling – even as private exporters reported a large sale to that country this morning. July futures dropped 6.25 cents to \$8.4075, with August futures down 5.75 cents to \$8.4350.

Soybean basis bids held steady across the Midwest Friday. Farmer sales have been generally slow this week, as the focus has largely remained on wrapping up planting.

Private exporters reported to USDA the sale of 4.0 million bushels of soybeans for delivery to China. Half of the total is for delivery in the current marketing year, with the remainder for delivery in 2020/21.

Soybean export sales were down significantly week-over-week, falling to 23.7 million bushels in old crop sales plus another 7.5 million bushels in new crop sales. That was on the low end of analyst expectations, with trade guesses ranging between 22.0 million and 51.4 million bushels. One silver lining – China returned as the No.1 buyer, accounting for nearly half the total with 14.4 million bushels. Cumulative totals for the 2019/20 marketing year are still slightly ahead of last year's pace, with 1.302 billion bushels. Preliminary volume estimates were for 167,500 contracts, moving slightly above Thursday's final tally of 154,761.

South African Futures Exchange

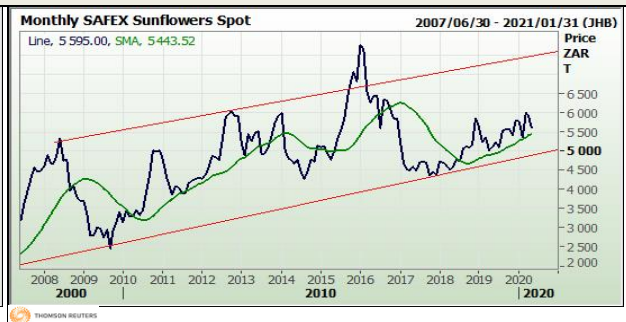
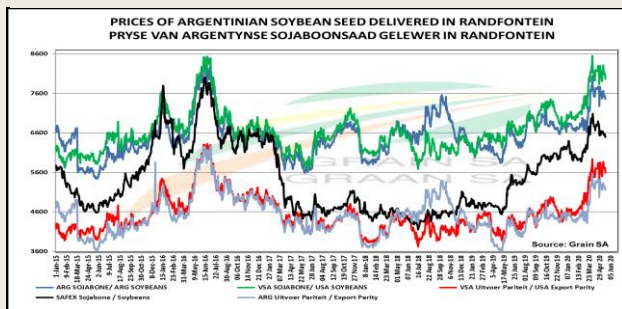
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020	R 6 400.00	19%	R 350.11	R 6 750.11
Sep 2020	R 6 470.00	14.75%	R -5.49	R 6 464.51
Dec 2020	R 6 545.00	15%		R 6 545.00
Mar 2021	R 6 495.00	0%		R 6 495.00
May 2021	R 6 199.00	17%		R 6 199.00
Jul 2021				

Sunflower Seeds Future			
	MTM	Vols	
May 2020			
Jul 2020	R 5 652.00	19%	
Sep 2020	R 5 780.00	0%	
Dec 2020	R 5 892.00	15%	
Mar 2021			
May 2021			
Jul 2021			



The local Soya market traded higher yesterday. The Jul'20 Soya contract ended R43.00 up and Sep'20 Soya closed R47.00 higher. The parity move for the Jul'20 Soya contract for yesterday was R6.00 negative.

The local Suns market closed lower yesterday. The Jul'20 Suns contract closed R33.00 down and Sep'20 Suns closed R17.00 lower.



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