



**Fundamental Report**  
**11 June 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.6259	16.6991	0.0732	0.44%
Euro/Rand	18.8810	18.9574	0.0764	0.40%
GBPound/Rand	21.1920	21.1843	-0.0077	-0.04%
AusDollar/Rand	11.6196	11.5675	-0.0521	-0.45%
Euro/USDollar	1.1359	1.1351	-0.0008	-0.07%
GBPound/USDollar	1.2749	1.2687	-0.0062	-0.49%
AusDollar/USDollar	0.6990	0.6927	-0.0063	-0.90%
JpyYen/USDollar	107.3400	106.9100	-0.4300	-0.40%

BDLive - The JSE closed weaker on Wednesday as SA business confidence plunged to historic lows in the second quarter as the battle with the coronavirus pandemic added to an already weak economy. The latest RMB/BER business confidence index (BCI), which surveys 1,800 respondents among manufacturers, building contractors, retailers, wholesalers and new vehicle dealers, fell to the lowest level since the survey began 45 years ago.

Business confidence is an important precursor for fixed investment in the economy, which is needed to boost growth and create jobs, while the BCI gives a glimpse into sentiment in the economy during the phased lockdown period.

"SA has seen a quick response to contain Covid-19, but the lockdown has been lengthy and severe, causing negative consequences for the economy and livelihoods," said Investec chief economist Annabel Bishop.



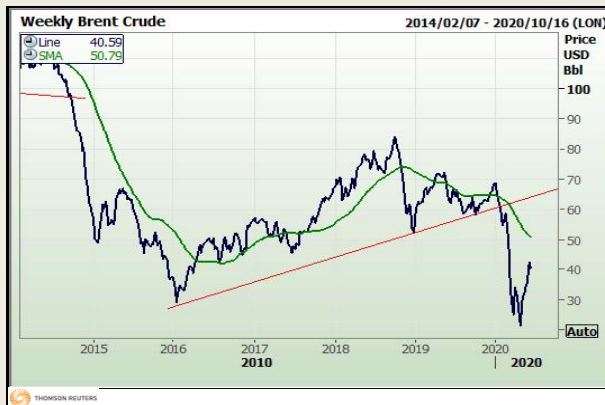
### Commodities

	Last	Value Change	% Change
Platinum	831.27	-1.39	-0.17%
Gold	1731.34	-4.90	-0.28%
Silver	17.85	-0.40	-2.24%
Copper	2.64	-0.02	-0.70%
Gasoil	332.75	-3.25	-0.98%
Brent Oil	40.61	-1.12	-2.76%

BDLive - Bengaluru — Gold extended gains on Wednesday as global equity markets eased after a recent rally, while US treasury yields dropped ahead of the outcome of the Federal Reserve's meeting that is expected to shed light on the state of the economy and further stimulus. Spot gold was up 0.1% at \$1,715.43/oz, as of 2.48am GMT, after posting its best day in a month on Tuesday. US gold futures also edged up 0.1% to \$1,723.60.

"We are seeing a fairly clear risk-off sort of dynamic in the markets and I think that's been supportive for gold as yields have fallen against that narrative over the past 24 hours," said DailyFx currency strategist Ilya Spivak.

Asian equities slipped after most US stocks pared gains made during their recent rally, which also pushed US treasury yields lower. Investors adopted a cautious stance and are awaiting the Fed's monetary policy statement due at 6pm GMT, followed by a press conference from chair Jerome Powell.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49204.82	0.00	0.00%
ALSI	49264.00	0.00	0.00%
S&P 500	3207.18	-17.04	-0.53%
FTSE	6335.72	-6.59	-0.10%
CAC	5053.42	0.00	0.00%
DAX	12530.16	0.00	0.00%
Hang Seng	25049.73	-256.86	-1.03%



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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	327.00	326.25	-0.50	-0.75	326.00	-0.25	-1.00
SEP 2020	333.00	331.75	-0.25	-1.25	331.50	-0.25	-1.50
DEC 2020	343.00	341.50	-0.50	-1.50	341.00	-0.50	-2.00
MAR 2021	355.00	353.25	-0.75	-1.75	352.75	-0.50	-2.25
MAY 2021	362.00	360.00	-0.50	-2.00	360.00	0.00	-2.00

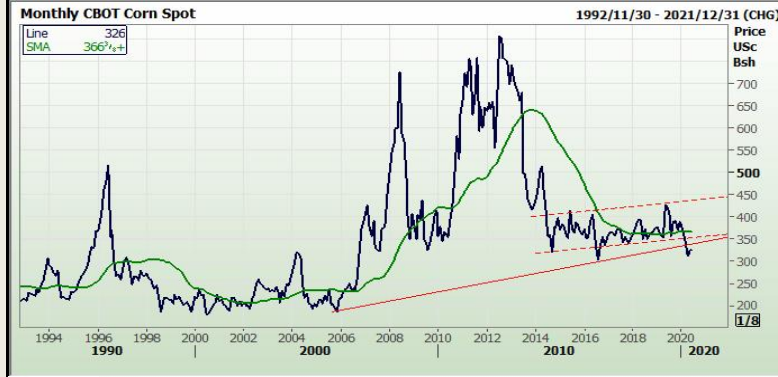
FarmFutures - Corn prices held fairly steady Wednesday but slid slightly into the red by the close on some light technical selling. July futures dipped 0.75 cents to \$3.2675, while September futures slid half a penny lower to \$3.3250 today.

Corn basis bids were mostly steady across the central U.S. but did tick 1 to 4 cents higher at a handful of Midwestern locations today. Sales have been generally slow this week as farmers await tomorrow morning's supply and demand data dump from USDA.

Ahead of tomorrow morning's weekly export report from USDA, analysts expect the agency to show corn sales ranging between 19.7 million and 43.3 million bushels for the week ending June 4, giving it a fair chance to best the prior week's pedestrian tally of 26.2 million bushels.

Also out tomorrow morning is USDA's monthly WASDE report. Analysts expect the agency to show a rise in 2019/20 corn ending stocks, moving from 2.098 billion bushels in May to 2.150 billion bushels. Analysts also expect USDA to show an increase in 2020/21 ending stocks, at a massive 3.360 billion bushels. China has been a consistent buyer of U.S. and Australian grain sorghum this marketing year, but the country has recently turned to Argentina amid trade tensions with its two other major suppliers. Earlier this week, Chinese importers bought 3.1 million bushels of sorghum from Argentina, for arrival as early as July. China only bought 1.3 million bushels of sorghum from Argentina between January and April.

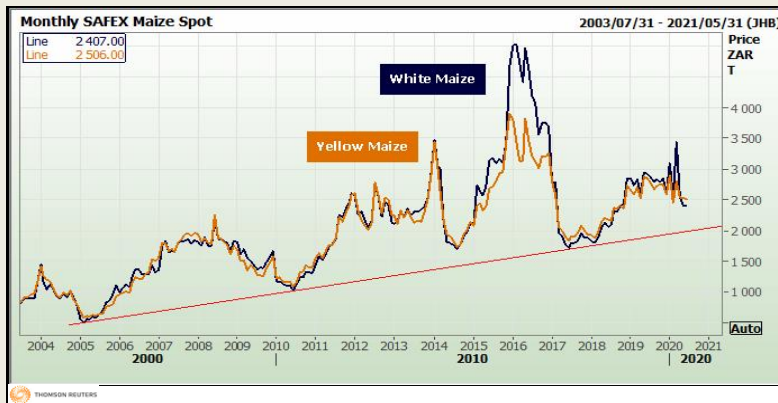
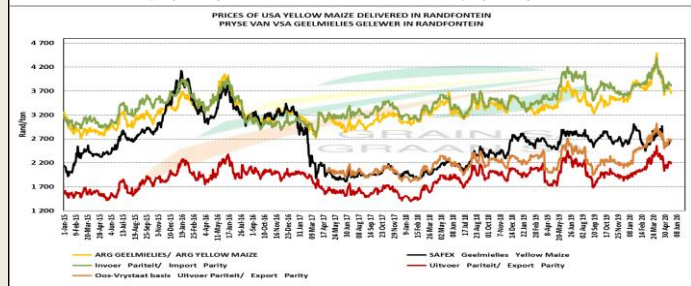
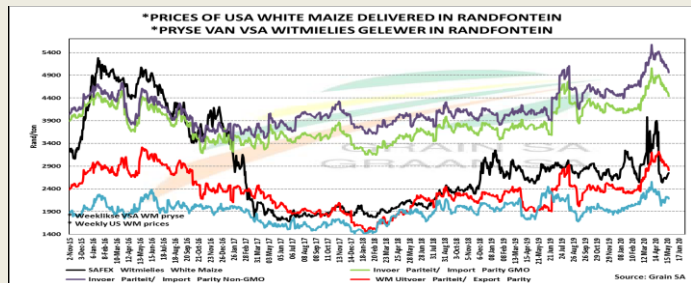
Preliminary volume estimates were for 434,325 contracts, trending slightly lower than Tuesday's final count of 256,785.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020				
Jul 2020	R 2 411.00	21.75%	R 2.85	R 2 413.85
Sep 2020	R 2 460.00	20%	R -0.26	R 2 459.74
Dec 2020	R 2 543.00	22.5%	R -3.26	R 2 539.74
Mar 2021	R 2 572.00	24%	R -4.56	R 2 567.44
May 2021	R 2 599.00	0%	R -2.72	R 2 596.28
Jul 2021	R 2 604.00	27%		R 2 604.00
<b>Yellow Maize Future</b>				
May 2020				
Jul 2020	R 2 515.00	18%	R 2.85	R 2 517.85
Sep 2020	R 2 567.00	18%	R -0.26	R 2 566.74
Dec 2020	R 2 644.00	20%	R -3.26	R 2 640.74
Mar 2021	R 2 670.00	19.5%	R -4.56	R 2 665.44
May 2021	R 2 650.00	0%	R -2.72	R 2 647.28
Jul 2021	R 2 645.00	18%		R 2 645.00

The local Maize market traded lower yesterday. The Jul'20 WMAZ contract ended R25.00 down and Jul'20 YMAZ closed R28.00 lower. The Sep'20 WMAZ closed lower by R23.00 and Sep'20 YMAZ ended R18.00 down. The parity move for the Jul'20 Maize contract for yesterday was unchanged.



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## Wheat Market

### Chicago Board of Trade and Kansas Board of Trade

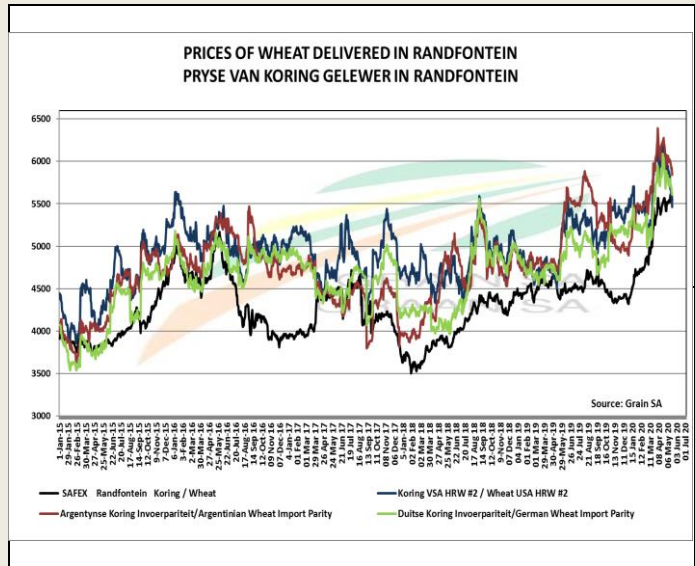
CBOT Wheat									KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm		Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2020	507.00	506.25	6.25	-0.75	506.25	0.00	-0.75		JUL 2010	463.00	457.50	4.25	-5.50	456.25	-1.25	-6.75
SEP 2020	513.00	511.50	5.50	-1.50	512.25	0.75	-0.75		SEP 2010	471.00	466.00	4.00	-5.00	464.50	-1.50	-6.50
DEC 2020	523.00	520.75	5.00	-2.25	521.75	1.00	-1.25		DEC 2010	484.00	478.25	4.00	-5.75	478.50	0.25	-5.50
MAR 2021	533.00	530.25	3.75	-2.75	531.75	1.50	-1.25		MAR 2011	496.00	490.25	4.25	-5.75	490.50	0.25	-5.50
MAY 2021	537.00	534.00	3.00	-3.00	529.00	-5.00	-8.00		MAY 2011	503.00	497.50	4.25	-5.50	0.00	-497.50	-503.00



FarmFutures - Wheat prices were mixed in an uneven round of technical maneuvering as traders squared positions ahead of Thursday morning's WASDE report. July Chicago SRW futures added 3 cents to \$5.0750, July Kansas City HRW futures inched 0.25 cents higher to \$4.58, and July MGEX spring wheat futures fell 4.75 cents to \$5.2025. Ahead of Thursday morning's weekly export report from USDA, analysts expect the agency to show wheat sales ranging between 7.3 million and 29.4 million bushels for the week ending June 4. In tomorrow morning's monthly WASDE report from USDA, analysts expect fractional gains to the agency's 2019/20 wheat ending stock estimates, moving from 978 million bushels in May up to 979 million bushels. But 2020/21 ending stocks are expected to drop slightly, from 909 million bushels last month down to 897 million bushels in the June report. According to the latest available customs data, Russia exported 383 million bushels of wheat between January and April - a 22% increase over the same time a year ago. Russia is the world's No. 1 wheat exporter. Thailand passed on all offers in its international tender to purchase 8.8 million bushels of animal feed wheat that closed earlier today but did purchase an as-yet unknown amount of feed barley from Australia for shipment in November. Preliminary volume estimates were for 148,827 CBOT contracts, drifting moderately below Tuesday's final count of 201,921.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020				
Jul 2020	R 5 135.00	18%	R 9.03	R 5 144.03
Sep 2020	R 4 979.00	11.5%	R 9.20	R 4 988.20
Dec 2020	R 4 762.00	12.5%	R 6.40	R 4 768.40
Mar 2021	R 4 854.00	0%	R 6.67	R 4 860.67
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 Jul'20 wheat contract closed R12.00 up while Sep'20 wheat closed R9.00 lower. The parity move for the Jul'20 wheat contract for yesterday was unchanged.



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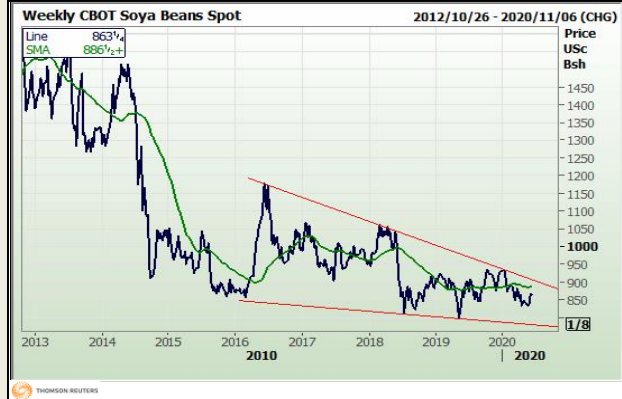
## Oil Seed Market

### 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	868.00	865.50	0.00	-2.50	902.00	36.50	34.00
AUG 2020	870.00	867.75	0.00	-2.25	866.00	-1.75	-4.00
SEP 2020	871.00	869.25	0.00	-1.75	867.75	-1.50	-3.25
NOV 2020	879.00	877.00	-0.50	-2.00	875.25	-1.75	-3.75
JAN 2021	883.00	881.25	-0.25	-1.75	879.75	-1.50	-3.25

Month	Main Session Close	Current Overnight
JUL 2020	288.8	288.10
AUG 2020	291.3	290.70
SEP 2020	293.4	293.10
OCT 2020	295.1	294.90
DEC 2020	298.5	298.20

Month	Main Session Close	Current Overnight
JUL 2010	28	27.94
AUG 2010	28.19	28.14
SEP 2010	28.37	28.33
OCT 2010	28.56	28.58
DEC 2010	28.92	28.86



FarmFutures - Soybean prices moved moderately higher on general export optimism, although Brazil's massive exports to China in recent weeks remains worrisome. July futures picked up 3 cents to \$8.6625, while August futures rose 2 cents to \$8.68.

Soybean basis bids were lightly mixed at two interior river terminals and jumped 5 cents higher at an Indiana elevator Wednesday while holding steady elsewhere across the Midwest today.

Ahead of Thursday morning's weekly export report from USDA, analysts expect the agency to show soybean sales ranging between 25.7 million and 62.5 million bushels for the week ending June 4, offering up a fair chance to best the prior week's tally of 40.5 million bushels.

Analysts also expect USDA to report another 100,000 to 425,000 metric tons of soybean sales last week, plus 10,000 to 40,000 MT of soyoil sales. Brazilian exporter association Anec says the country's June soybean exports could reach an estimated 396.8 million bushels. For the first six months of the year, Anec expects Brazil's soybean exports to top 2.2 billion bushels.

Preliminary volume estimates were for 213,527 contracts, tracking moderately below Tuesday's final count of 258,425.

### South African Futures Exchange

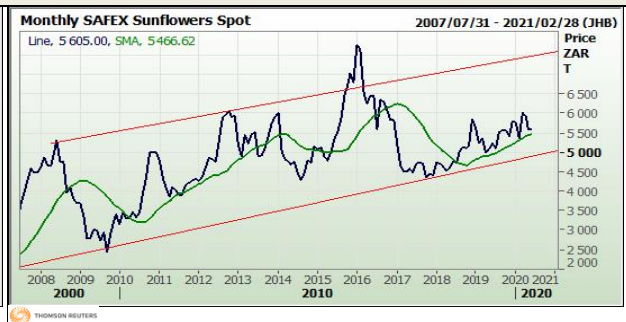
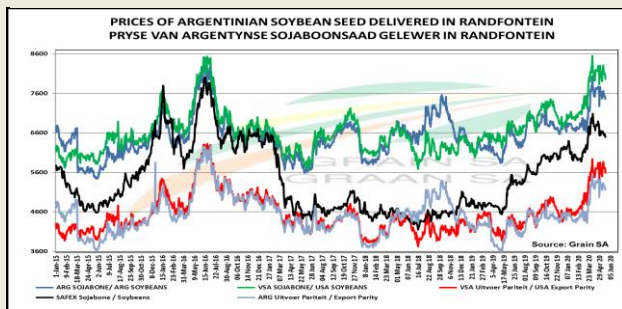
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020	R 6 550.00	19%	R 231.97	R 6 781.97
Sep 2020	R 6 612.00	14.75%	R 3.49	R 6 615.49
Dec 2020	R 6 684.00	15%		R 6 684.00
Mar 2021	R 6 524.00	0%		R 6 524.00
May 2021	R 6 140.00	17%		R 6 140.00
Jul 2021				

	MTM	Vols
May 2020		
Jul 2020	R 5 663.00	19%
Sep 2020	R 5 765.00	11.5%
Dec 2020	R 5 895.00	15%
Mar 2021	R 5 880.00	0%
May 2021		
Jul 2021		



The local Soya market traded lower yesterday. The Jul'20 Soya contract ended R42.00 down and Sep'20 Soya closed R43.00 lower. The parity move for the Jul'20 Soya contract for yesterday was unchanged.

The local Suns market closed lower yesterday. The Jul'20 Suns contract closed R37.00 down and Sep'20 Suns closed R36.00 lower.



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