



**Fundamental Report**  
**12 June 2020**

## Financial Markets

### Currencies

| Currency           | Bid - Yesterday 12pm | Current Bid | Value Change | % Change |
|--------------------|----------------------|-------------|--------------|----------|
| USDollar/Rand      | 16.6355              | 17.2298     | 0.5943       | 3.57%    |
| Euro/Rand          | 18.9398              | 19.4497     | 0.5099       | 2.69%    |
| GBPound/Rand       | 21.1125              | 21.6482     | 0.5357       | 2.54%    |
| AusDollar/Rand     | 11.5500              | 11.7524     | 0.2024       | 1.75%    |
| Euro/USDollar      | 1.1380               | 1.1288      | -0.0092      | -0.81%   |
| GBPound/USDollar   | 1.2690               | 1.2557      | -0.0133      | -1.05%   |
| AusDollar/USDollar | 0.6939               | 0.6824      | -0.0115      | -1.66%   |
| JpyYen/USDollar    | 106.9500             | 106.8600    | -0.0900      | -0.08%   |

BDLive - As investors dumped risk assets on Thursday following four economic projections by the US Federal Reserve, gold miners on the JSE leapt more than 10% as safe havens became the order of the day. "Risk aversion escalated sharply today, as market players digested the extent of the weakness of the US federal open market committee's economic forecasts, which see an extremely deep recession for the US this year," Investec chief economist Annabel Bishop said.

A grim economic outlook and a looming second wave of Covid-19 cases in the US has raised concern that the global economic recovery may take longer than expected. The Fed warned that the US economy could shrink by 6.5% in 2020.

Leading the gains in the gold sector was AngloGold Ashanti, which leapt the most in nearly a month, up 11.29% to R441.93. Gold Fields rose 9.81% to R138.47, DRD Gold 9.7% to R17.65 and Harmony Gold 6.26% to R54.69. The gold index gained the most since April 23, up 10.26%.



### Commodities

|           | Last    | Value Change | % Change |
|-----------|---------|--------------|----------|
| Platinum  | 816.06  | 4.98         | 0.61%    |
| Gold      | 1724.19 | -2.96        | -0.17%   |
| Silver    | 17.47   | -0.23        | -1.34%   |
| Copper    | 2.59    | 0.00         | 0.12%    |
| Gasoil    | 315.00  | -7.75        | -2.46%   |
| Brent Oil | 37.54   | -1.01        | -2.69%   |

BDLive - Bengaluru — Gold eased on Thursday as investors booked profits after prices rose to a more than one-week high on bleak economic projections from the US Federal Reserve. Spot gold was down 0.2% to \$1,732.39/oz by 3.29am GMT, after hitting its highest level since June 2 at \$1,739.68 earlier in the session.

US gold futures climbed 1.2% to \$1,741.80. On Wednesday, spot gold prices rose 1.3%, their biggest daily percentage rise in more than a month, after the Fed said it would be a long road to recovery from the coronavirus-induced slump. "We are seeing some profit-taking ... But gold has gotten through the \$1,725 level, which suggests that we are in a pretty bullish format right now," said Stephen Innes, chief market strategist at financial services firm AxiCorp.

"The underlying commitment, with the Fed signalling their targets and rates are going to remain on hold through 2022, is quite positive for the gold market."



### Financials

|            | Current Bid | Value Change | % Change |
|------------|-------------|--------------|----------|
| JSE TOP 40 | 48892.12    | 0.00         | 0.00%    |
| ALSI       | 48877.00    | 0.00         | 0.00%    |
| S&P 500    | 3190.14     | -188.04      | -5.89%   |
| FTSE       | 6329.13     | -252.43      | -3.99%   |
| CAC        | 4815.60     | 0.00         | 0.00%    |
| DAX        | 11970.29    | 0.00         | 0.00%    |
| Hang Seng  | 24480.15    | -326.96      | -1.34%   |



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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 | 327.00         | 329.75             | -0.50               | 2.75                          | 329.25            | -0.50                              | 2.25                       |
| SEP 2020 | 332.00         | 335.00             | -0.25               | 3.00                          | 334.25            | -0.75                              | 2.25                       |
| DEC 2020 | 341.00         | 343.75             | -0.50               | 2.75                          | 343.25            | -0.50                              | 2.25                       |
| MAR 2021 | 353.00         | 355.50             | -0.75               | 2.50                          | 354.50            | -1.00                              | 1.50                       |
| MAY 2021 | 360.00         | 362.25             | -0.50               | 2.25                          | 361.75            | -0.50                              | 1.75                       |

FarmFutures - Corn prices were spared from this morning's USDA supply and demand data dump, finding some support after the agency showing lower-than-expected ending stocks for 2020/21. Drier weather forecast later this month lent additional support. July and September futures each closed 1% higher, picking up 3.25 cents to reach \$3.2950 and \$3.35, respectively.

Corn basis bids were mostly steady across the central U.S. Thursday but did tick 2 cents higher at an Illinois river terminal and 2 cents lower at an Iowa processor today.

USDA reported its assessment for corn that supply and demand was "little changed" from last month's report after noting fractional increases to both beginning and ending stocks. The agency's 45-million-bushel reduction for 2019/20 corn production was more than offset by its 50-million-bushel reduction for ethanol production. Stocks bumped up to 2.103 billion bushels, which was mostly in line with the average trade guess of 2.105 billion bushels.

For 2020/21, with supply up slightly and no changes to projected use, ending stocks are 5 million bushels higher at 3.323 billion bushels, according to the report. That's a mammoth stockpile, but analysts were expecting an even bigger number, with an average trade guess of 3.360 billion bushels. Click here for more in-depth coverage and analysis from Farm Futures.

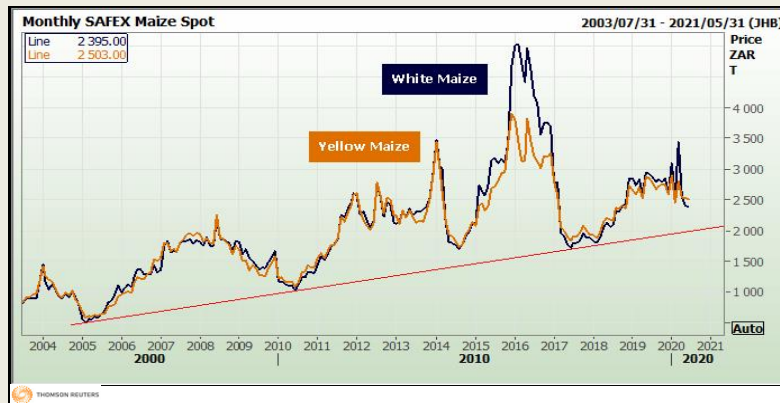
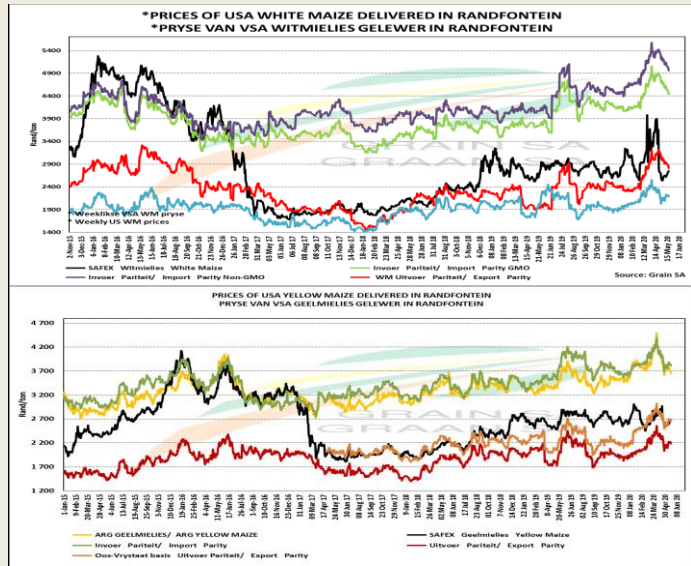
Preliminary volume estimates were for 497,323 contracts, tracking moderately higher than Wednesday's final count of 433,804.



### South African Futures Exchange

|                            | MTM        | Volatility | Parity Change | Parity Price |
|----------------------------|------------|------------|---------------|--------------|
| <b>White Maize Future</b>  |            |            |               |              |
| May 2020                   |            |            |               |              |
| Jul 2020                   | R 2 396.00 | 21.75%     | R 91.77       | R 2 487.77   |
| Sep 2020                   | R 2 446.00 | 20%        | R 92.94       | R 2 538.94   |
| Dec 2020                   | R 2 528.00 | 22.5%      | R 95.04       | R 2 623.04   |
| Mar 2021                   | R 2 560.00 | 24%        | R 92.76       | R 2 652.76   |
| May 2021                   | R 2 571.00 | 0%         | R 96.10       | R 2 667.10   |
| Jul 2021                   | R 2 586.00 | 27%        |               | R 2 586.00   |
| <b>Yellow Maize Future</b> |            |            |               |              |
| May 2020                   |            |            |               |              |
| Jul 2020                   | R 2 508.00 | 18%        | R 91.77       | R 2 599.77   |
| Sep 2020                   | R 2 558.00 | 18%        | R 92.94       | R 2 650.94   |
| Dec 2020                   | R 2 637.00 | 20%        | R 95.04       | R 2 732.04   |
| Mar 2021                   | R 2 668.00 | 19.5%      | R 92.76       | R 2 760.76   |
| May 2021                   | R 2 620.00 | 0%         | R 96.10       | R 2 716.10   |
| Jul 2021                   | R 2 615.00 | 18%        |               | R 2 615.00   |

The local Maize market traded lower yesterday. The Jul'20 WMAZ contract ended R15.00 down and Jul'20 YMAZ closed R7.00 lower. The Sep'20 WMAZ closed lower by R14.00 and Sep'20 YMAZ ended R9.00 down. The parity move for the Jul'20 Maize contract for yesterday was R95.00 positive.



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## Wheat Market

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

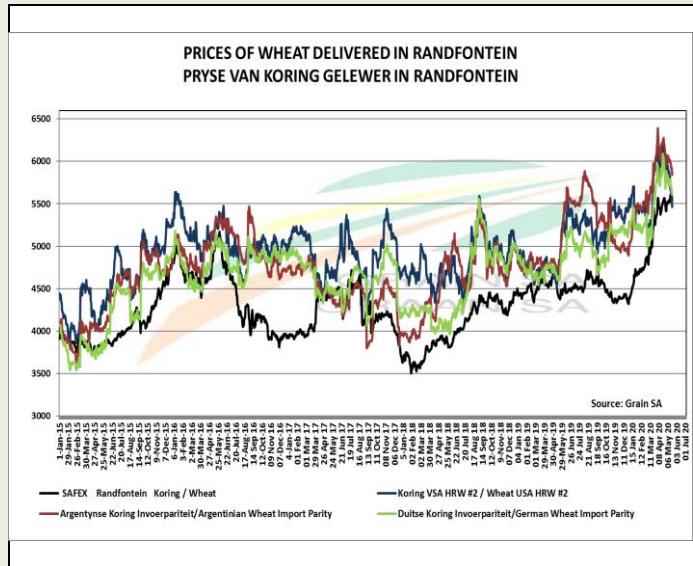
| CBOT Wheat |                |                    |                     |                               |                   |                                    |                            |          | KBOT Wheat     |                    |                     |                               |                   |                                    |                            |
|------------|----------------|--------------------|---------------------|-------------------------------|-------------------|------------------------------------|----------------------------|----------|----------------|--------------------|---------------------|-------------------------------|-------------------|------------------------------------|----------------------------|
| 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 |
| JUL 2020   | 503.00         | 499.25             | 6.25                | -3.75                         | 496.50            | -2.75                              | -6.50                      | JUL 2010 | 454.00         | 447.00             | 4.25                | -7.00                         | 445.75            | -1.25                              | -8.25                      |
| SEP 2020   | 508.00         | 505.75             | 5.50                | -2.25                         | 503.00            | -2.75                              | -5.00                      | SEP 2010 | 462.00         | 455.75             | 4.00                | -6.25                         | 454.50            | -1.25                              | -7.50                      |
| DEC 2020   | 518.00         | 515.50             | 5.00                | -2.50                         | 513.00            | -2.50                              | -5.00                      | DEC 2010 | 474.00         | 468.50             | 4.00                | -5.50                         | 467.50            | -1.00                              | -6.50                      |
| MAR 2021   | 528.00         | 525.50             | 3.75                | -2.50                         | 523.00            | -2.50                              | -5.00                      | MAR 2011 | 487.00         | 481.00             | 4.25                | -6.00                         | 479.50            | -1.50                              | -7.50                      |
| MAY 2021   | 532.00         | 530.00             | 3.00                | -2.00                         | 529.00            | -1.00                              | -3.00                      | MAY 2011 | 495.00         | 488.50             | 4.25                | -6.50                         | 487.25            | -1.25                              | -7.75                      |



FarmFutures - Wheat prices tumbled 1.25% to 2.5% lower Thursday on USDA's expectations that 2020/21 global stocks will reach record levels, which triggered some significant technical selling. July Chicago SRW futures fell 7 cents to \$4.9925, July Kansas City HRW futures dropped 11.25 cents to \$4.4625, and July MGEX spring wheat futures lost 6.25 cents to \$5.1425. USDA had little supportive news for wheat prices in today's report, and most contracts stumbled 2% or more lower immediately following the data dump. The agency's estimates for 2019/20 ending stocks moved up 4 million bushels to 983 million bushels, and 2020/21 ending stocks moved up 16 million bushels to 925 million bushels, which represents a six-year low but went against the tide of analyst expectations (the average trade guess predicted a modest reduction to 897 million bushels). World ending stocks also moved higher. 2019/20 ending stocks are now projected at 10.869 billion bushels, with 2020/21 ending stocks moving to a record-breaking 11.613 billion bushels (more than half of which is held by China and India). Tunisia made some initial purchases in its international tender for up to 4.9 million bushels of soft milling wheat and 4.6 million bushels of feed barley that closed earlier today. Purchases so far are just for a fraction of the total amount, however. Preliminary volume estimates were for 174,735 CBOT contracts, moving 17% ahead of Wednesday's final count of 148,827.

### South African Futures Exchange

|                            | MTM        | Volatility | Parity Change | Parity Price |
|----------------------------|------------|------------|---------------|--------------|
| <b>Bread Milling Wheat</b> |            |            |               |              |
| May 2020                   |            |            |               |              |
| Jul 2020                   | R 5 162.00 | 18%        | R 68.69       | R 5 230.69   |
| Sep 2020                   | R 4 994.00 | 11.5%      | R 79.28       | R 5 073.28   |
| Dec 2020                   | R 4 760.00 | 12.5%      | R 81.46       | R 4 841.46   |
| Mar 2021                   | R 4 854.00 | 0%         | R 83.64       | R 4 937.64   |
| 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 higher yesterday. The Jul'20 Weat contract closed R27.00 up and Sep'20 Weat closed R15.00 higher. The parity move for the Jul'20 Weat contract for yesterday was R75.00 positive.



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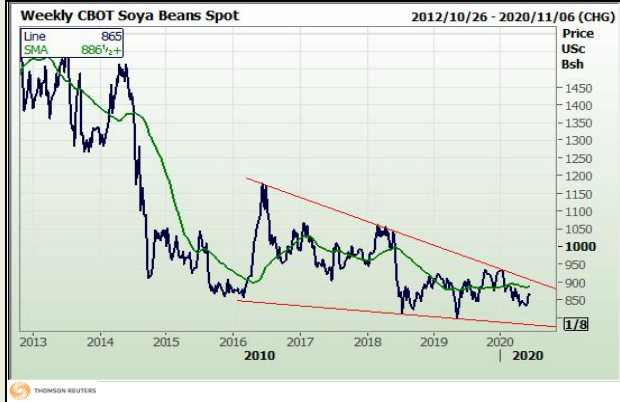
## Oil Seed Market

### 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          | 864.00         | 866.00             | 0.00                | 2.00                          | 902.00            | 36.00                              |
| AUG 2020          | 866.00         | 868.00             | 0.00                | 2.00                          | 866.75            | -1.25                              |
| SEP 2020          | 867.00         | 869.50             | 0.00                | 2.50                          | 868.50            | -1.00                              |
| NOV 2020          | 874.00         | 876.75             | -0.50               | 2.75                          | 875.00            | -1.75                              |
| JAN 2021          | 879.00         | 880.00             | -0.25               | 1.00                          | 878.00            | -2.00                              |

| CBOT Soybean Meal |                    |                   |
|-------------------|--------------------|-------------------|
| Month             | Main Session Close | Current Overnight |
| JUL 2020          | 289.7              | 289.80            |
| AUG 2020          | 292.2              | 292.30            |
| SEP 2020          | 294.4              | 294.20            |
| OCT 2020          | 296.1              | 296.20            |
| DEC 2020          | 299.5              | 299.40            |

| CBOT Soybean Oil |                    |                   |
|------------------|--------------------|-------------------|
| Month            | Main Session Close | Current Overnight |
| JUL 2010         | 27.5               | 27.38             |
| AUG 2010         | 27.69              | 27.56             |
| SEP 2010         | 27.88              | 27.74             |
| OCT 2010         | 28.06              | 27.94             |
| DEC 2010         | 28.44              | 28.31             |



FarmFutures - Soybean prices finished Thursday's session with fractional gains. USDA's supply and demand data wasn't very supportive, but prices stayed in the green after another large sale to China was announced early this morning. July futures closed 0.75 cents higher to \$8.6625, while August futures picked up half a penny to reach \$8.6825. Soybean basis bids were narrowly mixed at two interior river terminals Thursday (moving a penny in either direction) but held steady at other Midwestern locations today. USDA moved 2019/20 soybean ending stocks slightly higher in today's WASDE report, from 580 million bushels in May up to 585 million bushels in June – a reversal from analyst expectations, with the average trade guess expecting it to tick lower to 577 million bushels.

USDA raised 2020/21 beginning stocks by 5 million bushels but noted a higher crush that contributed to slightly lower ending stocks. The agency added 15 million bushels to its 2019/20 soybean crush ledger, citing an uptick in domestic soy meal use. Exports fell 25 million bushels on stiff competition with South America. After all of those factors were balanced out, USDA left 2020/21 ending stocks at 395 million bushels, which was moderately below the average trade guess of 426 million bushels. Preliminary volume estimates were for 229,666 contracts, moving slightly ahead of Wednesday's final count of 213,527.

### South African Futures Exchange

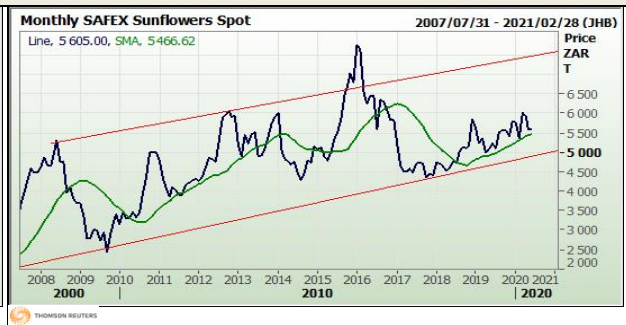
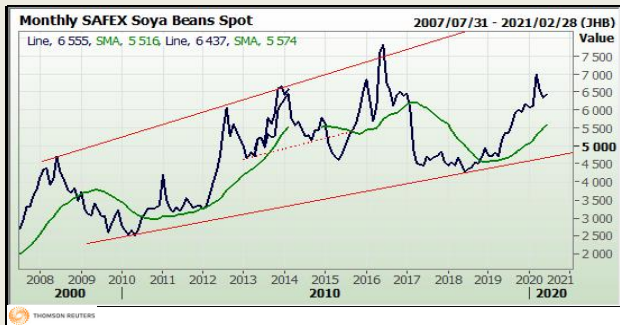
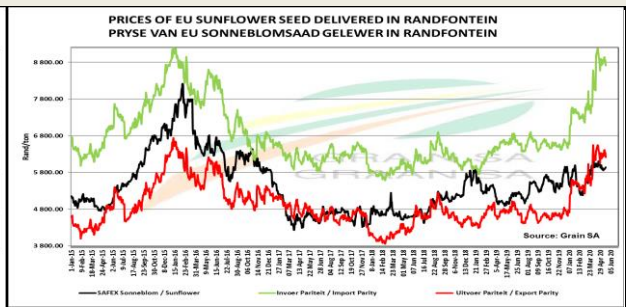
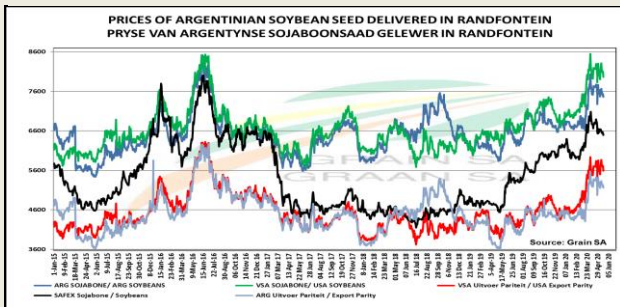
| Soybean Future |            |        |               |              |
|----------------|------------|--------|---------------|--------------|
|                | MTM        | Vols   | Parity Change | Market Price |
| May 2020       |            |        |               |              |
| Jul 2020       | R 6 477.00 | 19%    | R 429.24      | R 6 906.24   |
| Sep 2020       | R 6 539.00 | 14.75% | R 198.82      | R 6 737.82   |
| Dec 2020       | R 6 608.00 | 15%    |               | R 6 608.00   |
| Mar 2021       | R 6 512.00 | 0%     |               | R 6 512.00   |
| May 2021       | R 6 110.00 | 17%    |               | R 6 110.00   |
| Jul 2021       |            |        |               |              |

| Sunflower Seeds Future |            |       |  |
|------------------------|------------|-------|--|
|                        | MTM        | Vols  |  |
| May 2020               |            |       |  |
| Jul 2020               | R 5 655.00 | 19%   |  |
| Sep 2020               | R 5 755.00 | 11.5% |  |
| Dec 2020               | R 5 882.00 | 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 R73.00 down and Sep'20 Soya closed R73.00 lower. The parity move for the Jul'20 Soya contract for yesterday was R191.00 positive.

The local Suns market closed lower yesterday. The Jul'20 Suns contract closed R8.00 down and Sep'20 Suns closed R10.00 lower.



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