



Fundamental Report
17 June 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.9635	17.2284	0.2649	1.56%
Euro/Rand	19.2084	19.4159	0.2075	1.08%
GBPound/Rand	21.4562	21.6417	0.1855	0.86%
AusDollar/Rand	11.7133	11.8342	-0.1209	-1.03%
Euro/USDollar	1.1322	1.1265	-0.0057	-0.50%
GBPound/USDollar	1.2647	1.2554	-0.0093	-0.74%
AusDollar/USDollar	0.6905	0.6869	-0.0036	-0.52%
JpyYen/USDollar	107.5000	107.3000	-0.2000	-0.19%

BDLive - The JSE had its worst day in a month on Monday as a spike in Covid-19 cases in some developed economies sent global equities downhill as investors worry that countries may re-institute lockdowns, which could bring economic activity to a halt.

The JSE all share fell 2.55% to 52,270.20 points, its biggest drop since April 15, after a surge in new coronavirus cases in parts of the US, China and Japan sparked concern about the global economic recovery. Disappointing industrial and retail data from China also weighed on sentiment.

The JSE's banks index dropped 3.31%, resources 3.12%, general retailers 4.73% and gold miners 3.96%.

Swissquote Bank analyst Ipek Ozkardeskaya said risk appetite will continue to subside this week amid fears of another global shutdown.



Commodities

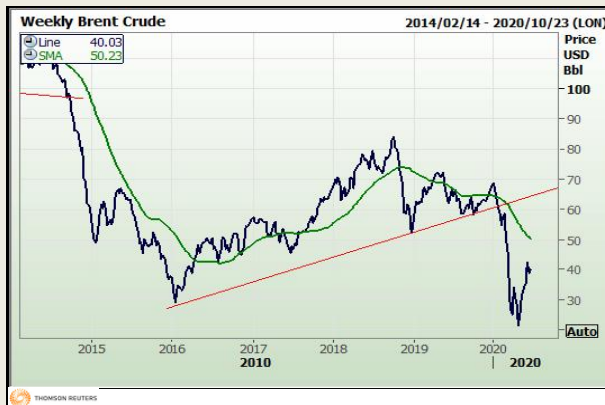
	Last	Value Change	% Change
Platinum	814.47	-5.82	-0.72%
Gold	1725.11	-1.85	-0.11%
Silver	17.34	-0.06	-0.33%
Copper	2.56	-0.01	-0.33%
Gasoil	343.50	-2.50	-0.73%
Brent Oil	40.06	-0.90	-2.25%

BDLive - Bengaluru — Gold prices were little changed on Monday after posting their best week since early April as fears of a second wave of coronavirus infections in Beijing cut investors' appetite for riskier assets.

Spot gold was steady at \$1,729.40 per ounce as of 5.16am. US gold futures eased 0.1% to \$1,734.90. The metal climbed 2.6% last week, posting its biggest weekly gain since April 10.

"The economy is not doing well, we got Covid-19 again and [in] a low interest rate environment, I think gold remains bid," said Stephen Innes, chief market strategist at financial services firm AxiCorp.

"But, we need significant policy input from the US Federal Reserve or governments to add that fourth level of stimulus to get gold to bounce higher."



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	47919.52	0.00	0.00%
ALSI	47938.00	0.00	0.00%
S&P 500	3066.59	58.15	1.90%
FTSE	6064.70	178.09	2.94%
CAC	4952.46	0.00	0.00%
DAX	12315.66	0.00	0.00%
Hang Seng	24344.09	-0.09	0.00%



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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	331.00	329.00	-0.50	-2.00	327.25	-1.75	-3.75
SEP 2020	335.00	334.25	-0.25	-0.75	332.50	-1.75	-2.50
DEC 2020	343.00	342.75	-0.50	-0.25	341.25	-1.50	-1.75
MAR 2021	355.00	354.00	-0.75	-1.00	353.00	-1.00	-2.00
MAY 2021	362.00	360.50	-0.50	-1.50	359.75	-0.75	-2.25

FarmFutures - Corn prices tested small gains Tuesday morning, which evaporated later in the session. Lower quality ratings from USDA lent some support, but spillover weakness from wheat erased the upside potential today. July futures closed own a penny to \$3.2825, with September futures holding steady at \$3.3375. Corn basis bids were steady to firm Tuesday, rising 1 to 5 cents higher at a handful of Midwestern locations today. Farmer sales have continued to be sluggish as summer approaches. In Monday afternoon's weekly crop progress report from USDA, analysts expected USDA to hold quality rating steady, with 75% of the crop rated in good-to-excellent condition. But USDA knocked quality ratings four points lower to 71%. Another 24% is rated fair (up three points from last week), with the remaining 5% rated poor or very poor.



Physiologically, 95% of the national crop is now emerged, versus the prior five-year average of 92% and 2019's dismal pace of 74%. USDA is no longer tracking planting progress.

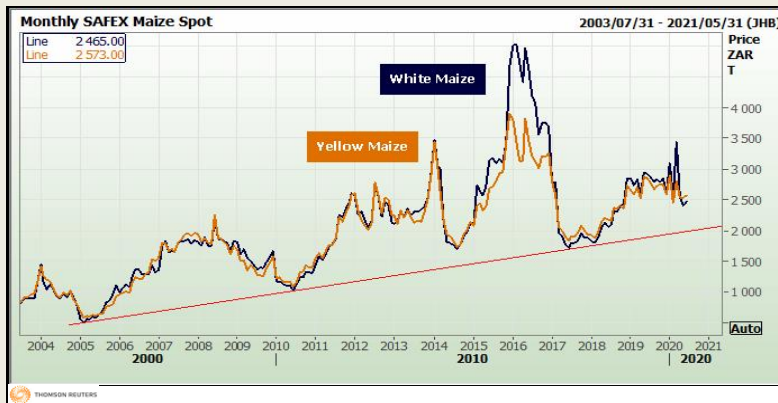
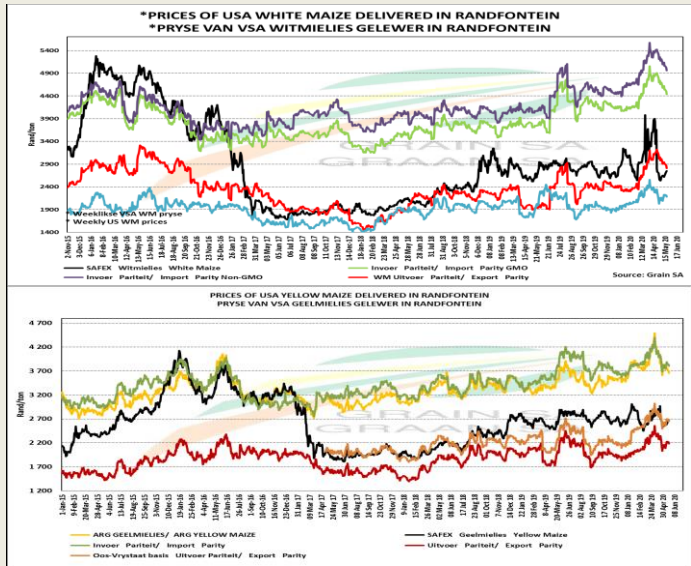
The U.S. Environmental Protection Agency (EPA) has not taken on any actions from petitions from refiners that are seeking retroactive biofuel blending waivers, per Senator Chuck Grassley, who said the petitions are an attempt to avoid a court ruling earlier this year stating that waivers from the law had to take the form of an "extension." "If the EPA ends up accepting these petitions, not only will they lose again in court, they will risk President Trump's support in Iowa and other Midwestern states," he told reporters earlier today.

Preliminary volume estimates were for 389,050 contracts, rising moderately above Monday's final count of 344,060.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
May 2020				
Jul 2020	R 2 468.00	21.75%	R 9.08	R 2 477.08
Sep 2020	R 2 514.00	20%	R 17.98	R 2 531.98
Dec 2020	R 2 601.00	23%	R 23.90	R 2 624.90
Mar 2021	R 2 630.00	24.5%	R 23.46	R 2 653.46
May 2021	R 2 638.00	0%	R 22.49	R 2 660.49
Jul 2021	R 2 654.00	25%		R 2 654.00
Yellow Maize Future				
May 2020				
Jul 2020	R 2 575.00	18%	R 9.08	R 2 584.08
Sep 2020	R 2 624.00	18%	R 17.98	R 2 641.98
Dec 2020	R 2 706.00	20%	R 23.90	R 2 729.90
Mar 2021	R 2 733.00	19.5%	R 23.46	R 2 756.46
May 2021	R 2 680.00	0%	R 22.49	R 2 702.49
Jul 2021	R 2 675.00	18%		R 2 675.00

The local Maize market traded higher yesterday. The Jul'20 WMAZ contract ended R38.00 up and Jul'20 YMAZ closed R25.00 higher. The Sep'20 WMAZ closed higher by R33.00 and Sep'20 YMAZ ended R25.00 up. The parity move for the Jul'20 Maize contract for yesterday was R5.00 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	496.00	496.00	6.25	0.00	492.75	-3.25	-3.25		JUL 2010	446.00	438.25	4.25	-7.75	435.00	-3.25	-11.00
SEP 2020	503.00	501.25	5.50	-1.75	498.00	-3.25	-5.00		SEP 2010	454.00	447.00	4.00	-7.00	443.50	-3.50	-10.50
DEC 2020	513.00	509.50	5.00	-3.50	506.75	-2.75	-6.25		DEC 2010	467.00	460.75	4.00	-6.25	457.00	-3.75	-10.00
MAR 2021	523.00	518.25	3.75	-4.75	516.50	-1.75	-6.50		MAR 2011	481.00	474.00	4.25	-7.00	470.25	-3.75	-10.75
MAY 2021	528.00	522.75	3.00	-5.25	529.00	6.25	1.00		MAY 2011	488.00	481.50	4.25	-6.50	0.00	-481.50	-488.00



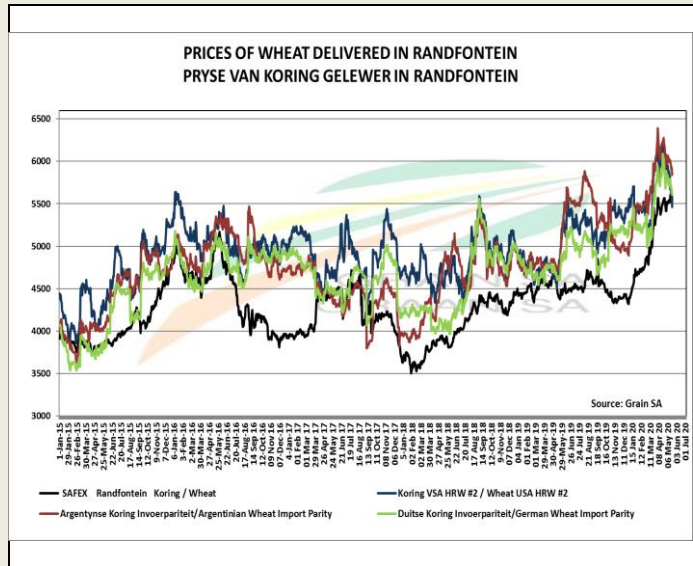
FarmFutures - Wheat prices sagged Tuesday after facing downward pressure from harvest progress in the U.S. and beneficial rains for key competitors such as the European Union, which triggered a round of technical selling. July Chicago SRW futures tumbled 9 cents to \$4.9575, July Kansas City HRW futures dropped 7.75 cents to \$4.38, and July MGEX spring wheat futures slipped a penny to \$5.14.

This year's spring wheat crop is finally in the ground, with 95% now emerged. That's slightly behind the prior five-year average of 97% but a bit ahead of 2019's pace of 92%. From a quality standpoint, 81% of the crop is now rated in good-to-excellent condition, sliding a point lower from last week.

Winter wheat crop quality also dropped a point last week, moving to 50% rated in good-to-excellent condition. Analysts were expecting quality ratings to hold steady. Another 31% of the crop is rated fair (up a point from last week) with the remaining 19% rated poor or very poor (unchanged from a week ago). Preliminary volume estimates were for 127,883 CBOT contracts, rising slightly above Monday's final count of 120,003.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
May 2020				
Jul 2020	R 5 181.00	18%	R 27.70	R 5 208.70
Sep 2020	R 5 010.00	11.5%	R 17.31	R 5 027.31
Dec 2020	R 4 806.00	12.5%	R 10.37	R 4 816.37
Mar 2021	R 4 871.00	0%	R 9.76	R 4 880.76
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 R7.00 up while Sep'20 Weat closed unchanged. The parity move for the Jul'20 Weat contract for yesterday was R44.00 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	868.00	867.00	0.00	-1.00	902.00	35.00
AUG 2020	870.00	868.00	0.00	-2.00	866.50	-1.50
SEP 2020	871.00	867.50	0.00	-3.50	865.75	-1.75
NOV 2020	878.00	873.00	-0.50	-5.00	871.00	-2.00
JAN 2021	881.00	876.50	-0.25	-4.50	874.25	-2.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2020	287.9	288.00
AUG 2010	290	290.00
SEP 2010	291.5	291.40
OCT 2010	292.9	292.30
DEC 2010	295.7	295.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2010	27.99	27.87
AUG 2010	28.18	28.07
SEP 2010	28.32	28.20
OCT 2010	28.48	28.38
DEC 2010	28.8	28.68



FarmFutures - Soybean prices faded slightly on a light round of technical selling as fresh China sales failed to emerge, with spillover weakness from wheat and stable crop quality also applying some additional downward pressure. July futures dropped 1.75 cents to \$8.6725, with August futures down 2 cents to \$8.68.

Soybean basis bids held steady across the central U.S. Tuesday. Farmer sales have been generally slow in recent weeks as farmers hold out for higher prices.

Soybean crop quality ratings were consistent with trade expectations this past week, with USDA rating 72% of the crop in good-to-excellent condition. Another 24% of the crop is rated fair, with the remaining 4% rated poor or very poor, all unchanged from the prior week

Soybean plantings are nearly concluded this year, with 93% of the crop now in the ground. That puts 2020's pace moderately ahead of the prior five-year average of 88% and far ahead of 2019's pace of 72%. And 81% of the crop is now emerged, versus 2019's pace of 49% and the five-year average of 75%. Preliminary volume estimates were for 195,399 contracts, sliding slightly below Monday's final count of 213,436.

South African Futures Exchange

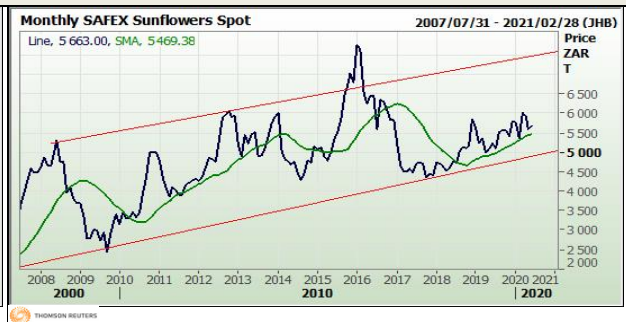
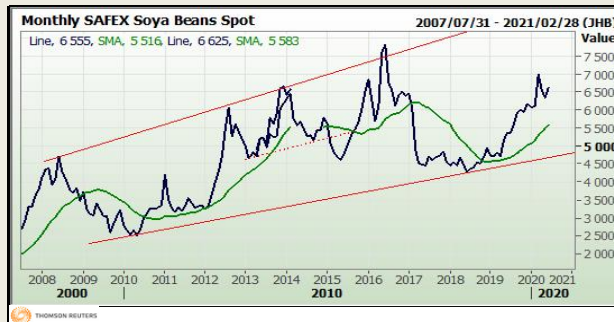
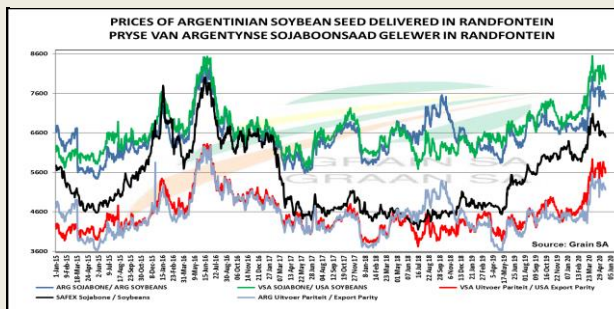
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020	R 6 663.00	19%	R 299.72	R 6 962.72
Sep 2020	R 6 727.00	15%	R 51.54	R 6 778.54
Dec 2020	R 6 793.00	15%		R 6 793.00
Mar 2021	R 6 550.00	0%		R 6 550.00
May 2021	R 6 230.00	17%		R 6 230.00
Jul 2021				

Sunflower Seeds Future			
	MTM	Vols	
May 2020			
Jul 2020	R 5 703.00	19%	
Sep 2020	R 5 810.00	11.5%	
Dec 2020	R 5 945.00	15%	
Mar 2021	R 5 880.00	0%	
May 2021	R 5 830.00	0%	
Jul 2021			



The local Soya market traded higher yesterday. The Jul'20 Soya contract ended R55.00 up and Sep'20 Soya closed R51.00 higher. The parity move for the Jul'20 Soya contract for yesterday was R9.00 positive.

The local Suns market closed higher yesterday. The Jul'20 Suns contract closed R3.00 up and Sep'20 Suns closed R10.00 higher.



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