



**Fundamental Report**  
**02 June 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.5208	17.3992	-0.1216	-0.69%
Euro/Rand	19.4585	19.3591	-0.0994	-0.51%
GBPound/Rand	21.7003	21.7213	0.0210	0.10%
AusDollar/Rand	11.7757	11.7967	0.0210	0.18%
Euro/USDollar	1.1111	1.1124	0.0013	0.12%
GBPound/USDollar	1.2387	1.2485	0.0098	0.79%
AusDollar/USDollar	0.6722	0.6780	0.0058	0.86%
JpyYen/USDollar	107.6000	107.6900	0.0900	0.08%

BDLive - The JSE closed higher on Monday, tracking global markets as optimism about the reopening of economies and the US's commitment to the US-China trade deal lifted sentiment.

"While US President Trump levelled plenty of criticism on China and went as far as to strip Hong Kong of its 'Special Status', he didn't formally escalate tensions with China. There is relief across markets," said London Capital Group head of research Jasper Lawler. Trump had previously warned that the US could impose sanctions on China as the latter looks to implement a new security law in Hong Kong.

The JSE all share rose 0.88% to 50,929.59 points and the top 40 0.87%. Industrials gained 1.24% and platinum miners 1.65%.

Earlier, the Shanghai Composite rose 2.21%, Hong Kong's Hang Seng 3.36% and Japan's Nikkei 2.5%.



### Commodities

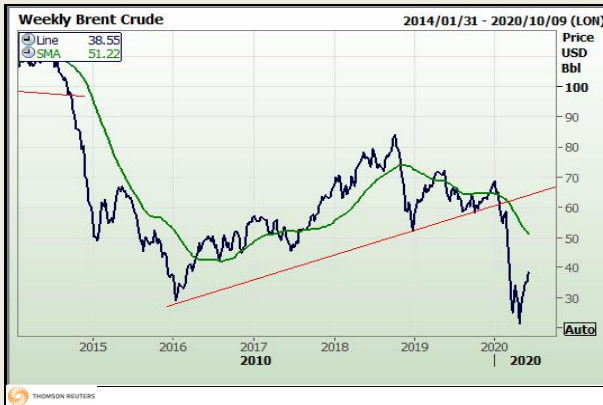
	Last	Value Change	% Change
Platinum	842.27	-5.38	-0.64%
Gold	1739.48	-0.53	-0.03%
Silver	18.19	-0.08	-0.45%
Copper	2.46	-0.01	-0.32%
Gasoil	300.25	6.50	2.16%
Brent Oil	38.54	0.22	0.57%

BDLive - Gold prices rose on Monday as riots in major US cities rattled investors already reeling from strained Sino-US relations and boosted demand for the safe-haven metal, with a weaker dollar lending further support.

Spot gold gained 0.8% to \$1,739.75 per ounce by 4.42am. US gold futures ticked up 0.1% to \$1,752.60.

"Concerns about the unrest in the US at the moment appear to be weighing on market sentiment," said Michael McCarthy, chief strategist at CMC Markets, adding that rising tensions between the world's top two economies provide further support to gold.

Protesters have flooded the streets in the US over the death of George Floyd in police custody, in a wave of outrage sweeping a politically and racially divided nation.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	46950.12	0.00	0.00%
ALSI	47091.00	0.00	0.00%
S&P 500	3044.31	11.42	0.38%
FTSE	6076.60	89.82	1.48%
CAC	4762.78	0.00	0.00%
DAX	11586.85	0.00	0.00%
Hang Seng	23732.52	103.17	0.43%



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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	325.00	323.25	-0.50	-1.75	323.50	0.25	-1.50
SEP 2020	329.00	327.25	-0.25	-1.75	327.25	0.00	-1.75
DEC 2020	338.00	335.75	-0.50	-2.25	336.00	0.25	-2.00
MAR 2021	350.00	347.50	-0.75	-2.50	347.75	0.25	-2.25
MAY 2021	357.00	354.00	-0.50	-3.00	354.50	0.50	-2.50

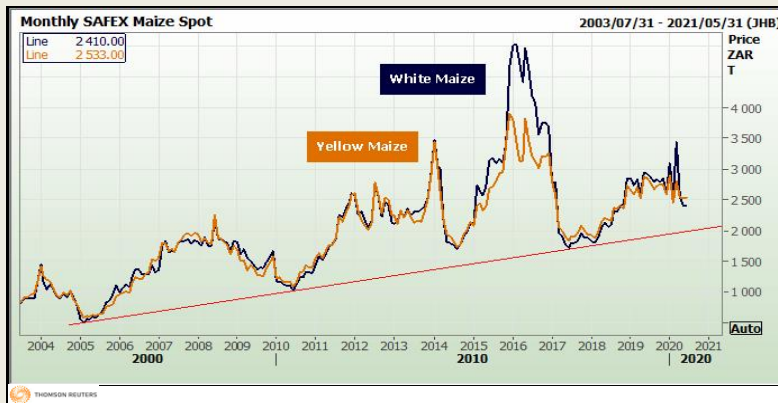
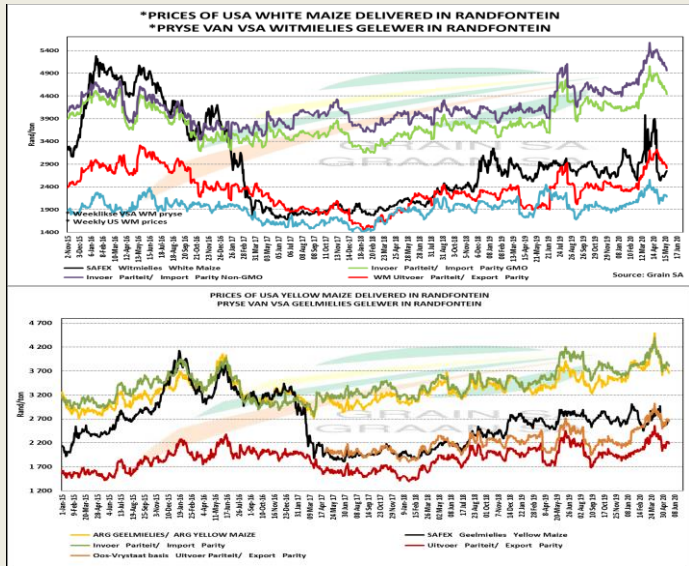
**FarmFutures - Corn:** Early estimates for a faster than expected corn planting pace in today's Crop Progress report sent July futures down \$0.0175/bushel to \$3.24. September futures traded \$0.0225/bushel lower to \$3.2775. Happy first day of June! That means that WASDE reports are just days away. Advance Trading's Larry Shonkwiler takes a deeper dive into old crop corn projections in today's Ag Marketing IQ column. Ethanol and export forecasts are expected to decline in this month's report and leave higher old crop stocks in bins heading into harvest. Lower Grain Consuming Animal Units estimates could result in lower livestock feed demand despite record cattle number. But there could be hope if meat processors can contain COVID-19 outbreaks at packing plants and restart the meat supply chain. Check out Shonkwiler's column for more details. USDA will release their weekly Crop Progress report this afternoon. As of last week, 88% of the nation's corn crop had been planted, which was slightly below trade estimates. A week of wet weather across the Midwest will likely see most states, especially in the Eastern Corn Belt, struggle to stay above the five-year average mark in today's report. Preliminary estimates place today's progress at 94% planted with 71% of the crop in good to excellent condition. Corn weighed for export increased 1.2 million bushels or 2.8% on the week to 44.4 million bushels in today's grains inspection for export report. Corn cargoes destined for Japan led all international corn buyers for the week. Over 17.4 million bushels of corn were weighed for export inspection at facilities in the U.S. Gulf and Pacific ports en route to Japan. Corn exports remain 30% lower from the 2018/19 marketing year. The global coronavirus pandemic has weighed heavily on U.S. grain exports and corn has not been exempt. But this week's corn export inspections total offers a glimmer of hope: With 1.775 billion bushels of corn expected to be exported by the end of the 2019/20 marketing year, weekly export totals will have to average 45.5 million bushels for the rest of the marketing year to be realized. Today's 44.4 million-bushel total hints that goal is achievable in the weeks to come.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020				
Jul 2020	R 2 423.00	21.75%	R -25.83	R 2 397.17
Sep 2020	R 2 470.00	20%	R -27.74	R 2 442.26
Dec 2020	R 2 559.00	22.5%	R -29.88	R 2 529.12
Mar 2021	R 2 587.00	24%	R -32.17	R 2 554.83
May 2021	R 2 594.00	0%	R -34.21	R 2 559.79
Jul 2021	R 2 611.00	27%		R 2 611.00
<b>Yellow Maize Future</b>				
May 2020				
Jul 2020	R 2 549.00	22.5%	R -25.83	R 2 523.17
Sep 2020	R 2 591.00	18%	R -27.74	R 2 563.26
Dec 2020	R 2 676.00	20%	R -29.88	R 2 646.12
Mar 2021	R 2 704.00	19.5%	R -32.17	R 2 671.83
May 2021	R 2 644.00	0%	R -34.21	R 2 609.79
Jul 2021	R 2 670.00	18%		R 2 670.00

The local Maize market traded higher yesterday. The Jul'20 WMAZ contract ended R6.00 up and Jul'20 YMAZ closed R6.00 higher. The Sep'20 WMAZ closed higher by R1.00 and Sep'20 YMAZ ended R1.00 up. The parity move for the Jul'20 Maize contract for yesterday was R26.00 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	517.00	515.25	6.25	-1.75	515.75	0.50	-1.25		JUL 2010	464.00	462.50	4.25	-1.50	461.50	-1.00	-2.50
SEP 2020	520.00	518.25	5.50	-1.75	518.75	0.50	-1.25		SEP 2010	471.00	469.25	4.00	-1.75	468.00	-1.25	-3.00
DEC 2020	529.00	528.25	5.00	-0.75	528.50	0.25	-0.50		DEC 2010	483.00	481.50	4.00	-1.50	480.25	-1.25	-2.75
MAR 2021	537.00	537.25	3.75	0.25	537.75	0.50	0.75		MAR 2011	492.00	492.25	4.25	0.25	490.50	-1.75	-1.50
MAY 2021	540.00	540.50	3.00	0.50	529.00	-11.50	-11.00		MAY 2011	500.00	499.00	4.25	-1.00	498.50	-0.50	-1.50



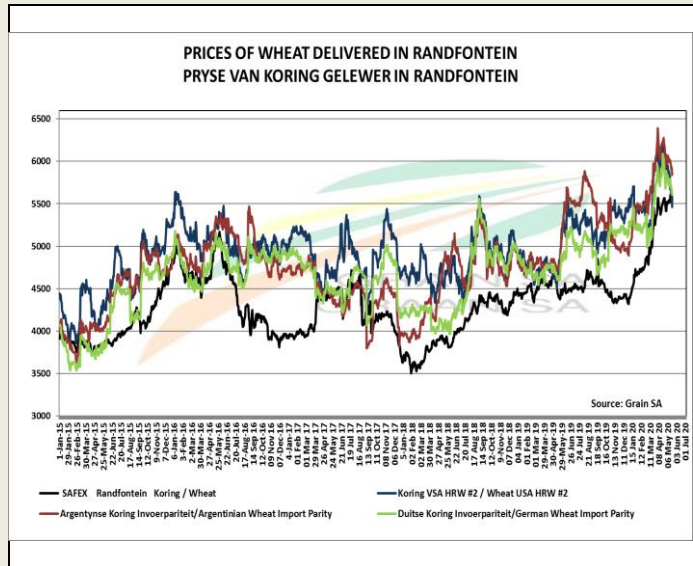
FarmFutures - The wheat complex tumbled lower this morning on strong early harvest reports out of Texas and Oklahoma, as well as potentially increasing spring wheat acreage in the Northern Plains. Potential damage due to drought in Europe and Russia as well as a weaker U.S. dollar capped losses.

All eyes will be on spring wheat planting progress in today's Crop Progress report. Trade estimates place the crop at 66% planted as of yesterday. North Dakota was 18% behind the five-year average at 70% complete in last week's report. With the Roughrider State surpassing prevented plant dates as of yesterday and most yield potential decreasing after the middle of May, much of their remaining spring wheat acreage may be converted into soybean acreage in the coming weeks.

Winter wheat conditions increased by 2% in last week's report to 54% good to excellent. The trend could continue in today's report after a week of favorable growing conditions across the Southern Plains. A heat wave moving through the area early this week could inflict further damage on the crop as harvest progresses through Texas and Oklahoma this week. Analyst estimates are projecting the crop will remain at 54% good to excellent condition, with 4% of harvest in the Southern Plains complete as of May 31.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020				
Jul 2020	R 5 310.00	18%	R -31.09	R 5 278.91
Sep 2020	R 5 100.00	11.5%	R -31.23	R 5 068.77
Dec 2020	R 4 830.00	12.5%	R -26.83	R 4 803.17
Mar 2021	R 4 903.00	0%	R -19.20	R 4 883.80
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 R10.00 up while Sep'20 Wheat closed R45.00 lower. The parity move for the Jul'20 Wheat contract for yesterday was R28.00 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	841.00	840.50	0.00	-0.50	902.00	61.50
AUG 2020	844.00	843.25	0.00	-0.75	845.25	2.00
SEP 2020	847.00	845.25	0.00	-1.75	847.75	2.50
NOV 2020	853.00	852.25	-0.50	-0.75	854.75	2.50
JAN 2021	856.00	856.75	-0.25	0.75	859.25	2.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2020	283.1	283.70
AUG 2020	284.6	285.50
SEP 2020	286.1	287.10
OCT 2020	287.6	287.60
DEC 2020	290.8	291.70

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2010	27.6	27.57
AUG 2010	27.78	27.76
SEP 2010	27.96	27.93
OCT 2010	28.12	28.00
DEC 2010	28.44	28.42



FarmFutures - Soybeans: China is rumored to have purchased 11.0 million bushels of U.S. soybeans out of the Pacific Northwest for fall shipment this morning despite escalating tensions between the world's largest economies. The news sent prices in the soy complex higher this afternoon despite trading lower this morning. July soybean futures were up \$0.0025/bushel to \$8.41 on the news. July soyoil futures rose \$0.27/lb to \$27.65 and July soybean meal added \$0.2/ton to \$283.4. Similar to corn, soybean planting progress will likely show signs of deviating towards the five-year average in today's Crop Progress report after starting at a rapid pace this year following a week of soggy weather across the Midwest. As of May 24, 65% of the crop had been planted compared to the five-year average of 55% for the same time period. Analyst estimates peg planting progress at 79% planted with 68% of the crop in good to excellent condition. Soybean exports to China were noticeably small, totaling a mere 567,706 bushels at interior loading facilities. USDA released soybean crush data today. April 2020 crush figures came in at 183.0 bushels, rising above analyst estimates of 182.5 million bushels. NOPA crush estimates released in mid-May totaled 171.8 million bushels for 95% of U.S. processors for April 2020, which was the highest estimate for the month on record. Once refined soybean oil topped 1.22 billion pounds in April, down 21% from March on reduced restaurant demand for soyoil amid pandemic lockdown conditions.

### South African Futures Exchange

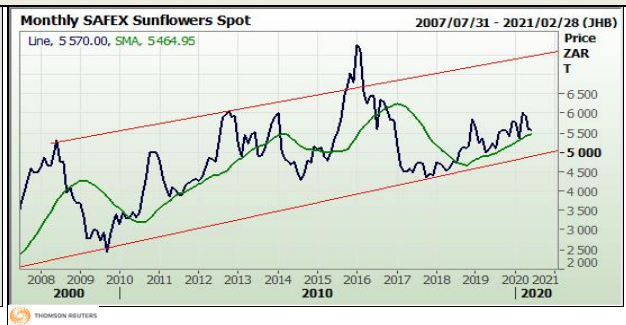
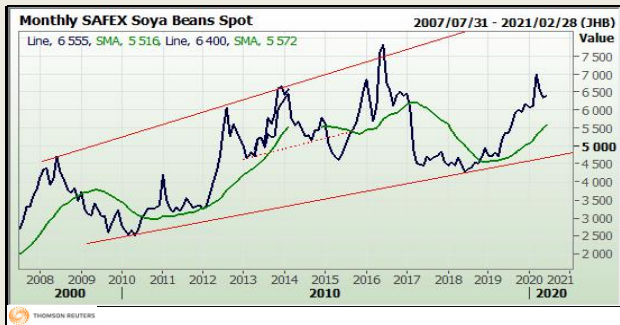
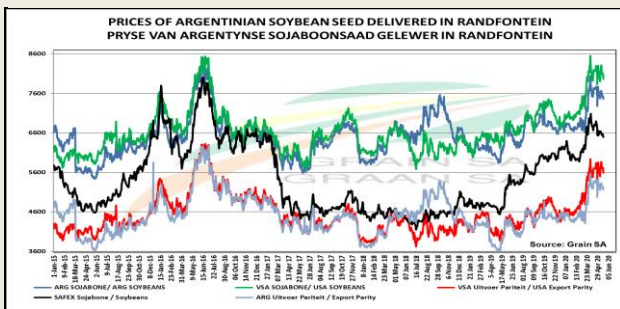
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020	R 6 448.00	19%	R 352.40	R 6 800.40
Sep 2020	R 6 505.00	14.75%	R -33.05	R 6 471.95
Dec 2020	R 6 595.00	15%		R 6 595.00
Mar 2021	R 6 495.00	0%		R 6 495.00
May 2021	R 6 215.00	17%		R 6 215.00
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020		
Jul 2020	R 5 628.00	19%
Sep 2020	R 5 750.00	0%
Dec 2020	R 5 865.00	15%
Mar 2021		
May 2021		
Jul 2021		



The local Soya market traded higher yesterday. The Jul'20 Soya contract ended R48.00 up and Sep'20 Soya closed R35.00 higher. The parity move for the Jul'20 Soya contract for yesterday was R20.00 negative.

The local Suns market closed lower yesterday. The Jul'20 Suns contract closed R24.00 down and Sep'20 Suns closed R30.00 lower.



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