



**Fundamental Report**  
**22 June 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.3783	17.3190	-0.0593	-0.34%
Euro/Rand	19.4818	19.3923	-0.0895	-0.46%
GBPound/Rand	21.5732	21.4340	-0.1392	-0.65%
AusDollar/Rand	11.9441	11.8791	-0.0650	-0.54%
Euro/USDollar	1.1213	1.1195	-0.0018	-0.16%
GBPound/USDollar	1.2417	1.2378	-0.0039	-0.31%
AusDollar/USDollar	0.6873	0.6859	-0.0014	-0.20%
JpyYen/USDollar	106.9300	106.8700	-0.0600	-0.06%

BDLive - TThe JSE closed firmer on Friday as good news regarding trade between China and the US, and the start of stimulus talks in Europe, helped lift markets.

Following talks in Hawaii this week, China is set to comply with the phase one trade deal with the US by accelerating purchases of American farm goods. Meanwhile, in Europe, focus is on the negotiations over the EU's proposed €750bn stimulus package to help economies rebound from lockdowns.

"Financial markets are possibly getting a double dose of good news on the fiscal front from the EU and a confirmation that the US-China relationship is not falling apart," said Oanda senior market analyst Edward Moya.

"US-China relations are not entering a period of calm, by any means, but this latest breakthrough suggests both sides don't want to mess with their respective fragile economic recoveries."



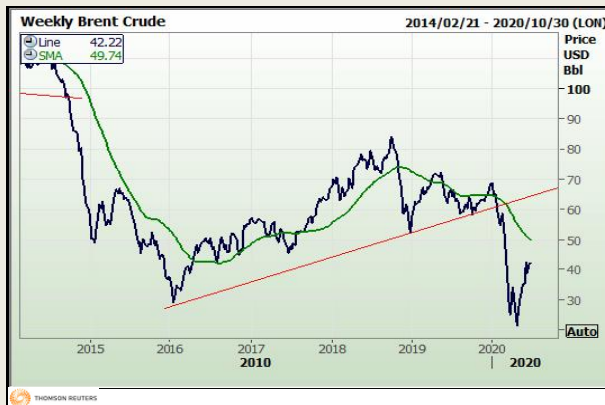
### Commodities

	Last	Value Change	% Change
Platinum	817.08	11.58	1.42%
Gold	1751.70	8.85	0.51%
Silver	17.86	0.26	1.45%
Copper	2.63	0.02	0.63%
Gasoil	362.00	-2.50	-0.69%
Brent Oil	42.22	0.03	0.07%

BDLive - Bengaluru — Gold prices edged higher on Friday, with the metal's safe-haven demand supported by concerns over a second wave of coronavirus infections, though gains were limited by a stronger US dollar. Spot gold was up 0.1% at \$1,724.91/oz by 2.53am GMT. Bullion has fallen 0.3% so far this week. US gold futures rose 0.2% to \$1,733.90/oz.

"Gold prices seem to be in somewhat of an equilibrium at the moment. Balanced between geopolitical and Covid-19 concerns on one side, and economic recovery hopes and dollar strength on the other," said Jeffrey Halley, senior market analyst at Oanda. "Gold continues to see patient buyers on dips to \$1,710 to \$1,715 an ounce, with equally patient sellers lying in wait on any spikes towards \$1,740."

More than 8.38-million people have been reported to be infected by the coronavirus globally, with China reporting 32 new virus cases on Friday, 25 of which were reported in the capital city Beijing.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49812.34	0.00	0.00%
ALSI	50014.00	0.00	0.00%
S&P 500	3115.34	-17.60	-0.56%
FTSE	6224.07	68.53	1.10%
CAC	4979.45	0.00	0.00%
DAX	12330.76	0.00	0.00%
Hang Seng	24643.89	-79.17	-0.32%



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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	333.00	332.50	-0.50	-0.50	331.25	-1.25	-1.75
SEP 2020	337.00	337.25	-0.25	0.25	336.00	-1.25	-1.00
DEC 2020	344.00	345.25	-0.50	1.25	344.25	-1.00	0.25
MAR 2021	355.00	356.75	-0.75	1.75	355.75	-1.00	0.75
MAY 2021	362.00	363.00	-0.50	1.00	361.75	-1.25	-0.25

FarmFutures - Corn prices finished the week with modest gains on a round of technical buying and short-covering today. July futures added 1.75 cents to \$3.3275, with September futures up 2 cents to \$3.3750. July futures have risen 1% since Monday's open but have remained in a fairly narrow channel for most of June. More substantial rallies will face an uphill battle this summer unless significant drought conditions emerge in the U.S. or abroad, or unless exports make an unexpected shift higher.

Corn basis bids were steady to mixed Friday, dropping 2 cents at an Iowa ethanol plant while firming 3 to 5 cents higher at two other Midwestern locations today.

Brazilian consultancy Agroconsult estimates the country's 2019/20 total corn production at 3.941 billion bushels, which would be down 2.3% from last year's record-breaking effort, if realized. The country's second-corn crop is expected to drop 4.5% from a year ago due to some scattered drought issues.

French consultancy FranceAgriMer reports that the country's corn quality was stable this past week, with 83% of the crop rated in good-to-excellent condition. We are re-launching our "Feedback from the Field" series to share crop reports from around the country with our readers. Please take a few moments to fill out our short survey, and we will share some of the results starting next week. Click here to share your latest spring fieldwork progress.

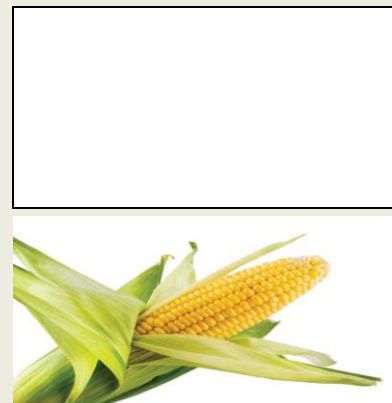
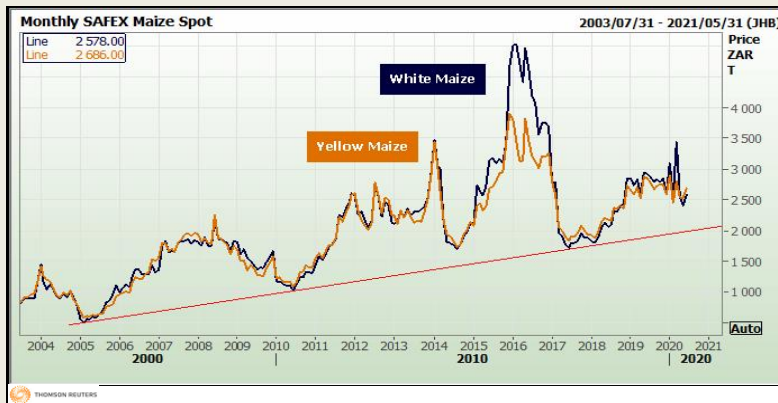
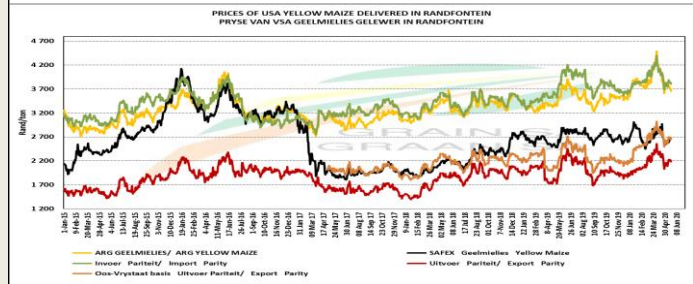
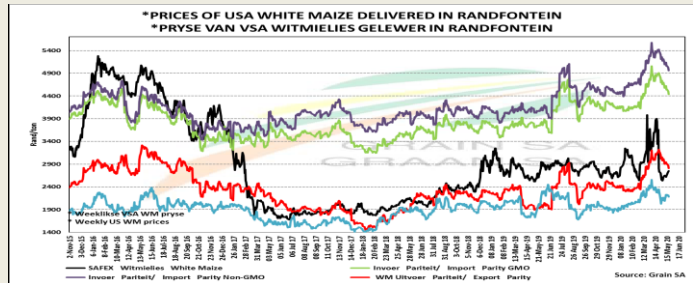
Preliminary volume estimates were for 403,527 contracts, drifting slightly below Thursday's final count of 419,674.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020				
Jul 2020	R 2 566.00	21.75%	R -19.71	R 2 546.29
Sep 2020	R 2 617.00	20%	R -14.69	R 2 602.31
Dec 2020	R 2 705.00	23.5%	R -6.33	R 2 698.67
Mar 2021	R 2 733.00	24.5%	R -3.17	R 2 729.83
May 2021	R 2 732.00	0%	R -10.16	R 2 721.84
Jul 2021	R 2 717.00	25%		R 2 717.00
<b>Yellow Maize Future</b>				
May 2020				
Jul 2020	R 2 675.00	22%	R -19.71	R 2 655.29
Sep 2020	R 2 723.00	18%	R -14.69	R 2 708.31
Dec 2020	R 2 808.00	20%	R -6.33	R 2 801.67
Mar 2021	R 2 830.00	19.5%	R -3.17	R 2 826.83
May 2021	R 2 750.00	0%	R -10.16	R 2 739.84
Jul 2021	R 2 730.00	18%		R 2 730.00

The local Maize market traded higher yesterday. The Jul'20 WMAZ contract ended R14.00 up and Jul'20 YMAZ closed R9.00 higher. The Sep'20 WMAZ closed higher by R13.00 and Sep'20 YMAZ ended R10.00 up. The parity move for the Jul'20 Maize contract for yesterday was R18.00 negative.

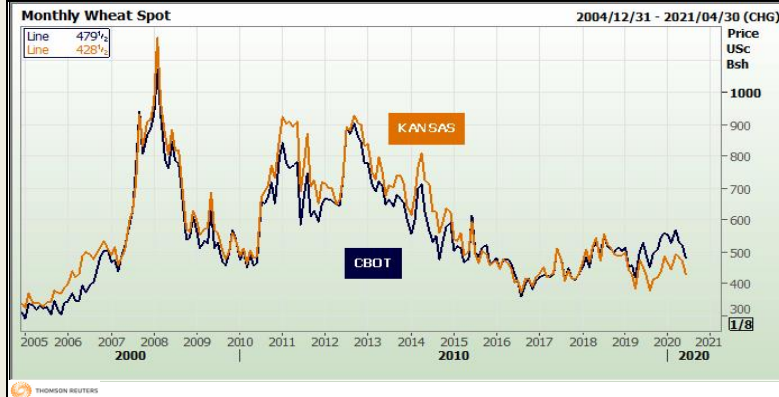


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## Wheat Market

### 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	486.00	481.25	6.25	-4.75	479.50	-1.75	-6.50		JUL 2010	431.00	428.25	4.25	-2.75	428.50	0.25	-2.50	
SEP 2020	490.00	485.25	5.50	-4.75	483.25	-2.00	-6.75		SEP 2010	439.00	436.25	4.00	-2.75	436.50	0.25	-2.50	
DEC 2020	499.00	494.25	5.00	-4.75	492.50	-1.75	-6.50		DEC 2010	453.00	449.75	4.00	-3.25	449.75	0.00	-3.25	
MAR 2021	509.00	503.75	3.75	-5.25	502.25	-1.50	-6.75		MAR 2011	466.00	463.25	4.25	-2.75	463.50	0.25	-2.50	
MAY 2021	514.00	509.75	3.00	-4.25	529.00	19.25	15.00		MAY 2011	474.00	470.75	4.25	-3.25	471.50	0.75	-2.50	



FarmFutures - Wheat prices were narrowly mixed today. Kansas City HRW contracts came out of a choppy session with modest gains. Chicago SRW contracts continued to slide lower on continued harvest pressure, while spring wheat contracts dipped fractionally lower on some light profit-taking. July Chicago SRW futures dropped 2 cents to \$4.8150, July Kansas City HRW futures picked up 1.25 cents to \$4.2975, and July MGEX spring wheat futures slipped half a penny to \$5.27.

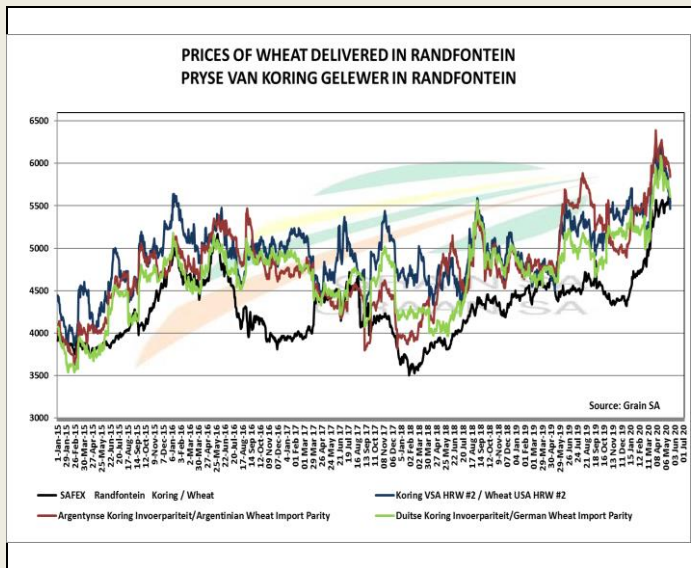
French consultancy FranceAgriMer reports that the country's soft wheat crop quality held steady this past week, with 56% rated in good-to-excellent condition. That's still well below last year's pace of 80%, however, and the lowest rating in more than a decade.

Tunisia purchased 5.8 million bushels of soft milling wheat and 2.3 million bushels of animal feed barley from optional origins in an international tender that closed yesterday. The grain is for shipment between late July and late September.

Preliminary volume estimates were for 150,091 CBOT contracts, tracking 16% above Thursday's final count of 129,871.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020				
Jul 2020	R 5 249.00	18%	R -51.95	R 5 197.05
Sep 2020	R 5 054.00	11.5%	R -53.63	R 5 000.37
Dec 2020	R 4 867.00	12.5%	R -52.24	R 4 814.76
Mar 2021	R 4 931.00	0%	R -54.05	R 4 876.95
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 mixed yesterday. The Jul'20 Weat contract closed R1.00 down while Sep'20 Weat closed R52.00 higher. The parity move for the Jul'20 Weat contract for yesterday was R47.00 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	877.00	876.50	0.00	-0.50	902.00	25.50
AUG 2020	876.00	876.00	0.00	0.00	875.25	-0.75
SEP 2020	874.00	875.25	0.00	1.25	875.00	-0.25
NOV 2020	879.00	880.75	-0.50	1.75	881.00	0.25
JAN 2021	883.00	884.25	-0.25	1.25	884.25	0.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2010	287	286.70
AUG 2010	289.3	289.00
SEP 2010	290.1	290.10
OCT 2010	291.2	291.40
DEC 2010	293.9	293.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2010	28.52	28.41
AUG 2010	28.7	28.58
SEP 2010	28.85	28.73
OCT 2010	29	28.85
DEC 2010	29.31	29.18



FarmFutures - Soybean prices firmed on trade optimism, although relations with China remain tenuous at best currently. July futures added another 2.75 cents to reach \$8.7575, while August futures moved 2.5 cents higher to \$8.75. Prices have been uneven in recent days, but it proved to be a net positive overall this week, with July futures firming 0.6% since Monday's open. Soybean basis bids were mostly steady across the Midwest Friday but did jump 5 cents higher at an Iowa river terminal today. Concrete details about a trade meeting between the U.S. and China earlier this week in Hawaii are scarce, although Chinese officials familiar with the meetings said the country plans to accelerate purchases of U.S. soybeans, corn, ethanol and more in efforts to match promises it made in the phase-one trade agreement. Click here for additional details. Even so, President Donald Trump again threatened to "decouple" the U.S. and China economies. "...the U.S. certainly does maintain a policy option, under various conditions, of a complete decoupling from China," he noted on Twitter yesterday. U.S. Trade Representative Robert Lighthizer responded by saying that option is not "a reasonable policy option at this point." "This represents a swing of about 207 million bushels in the projection of U.S. soybeans production for 2020, by no means a trivial amount," the researchers conclude. Click here to read the full analysis. Preliminary volume estimates were for 205,411 contracts, slipping slightly below Thursday's final count of 207,505.

### South African Futures Exchange

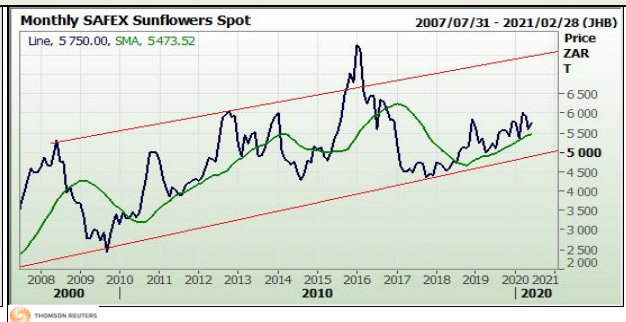
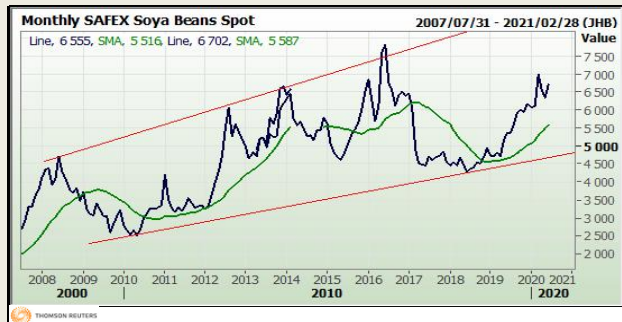
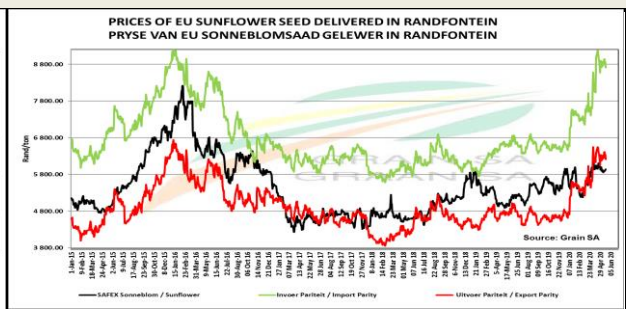
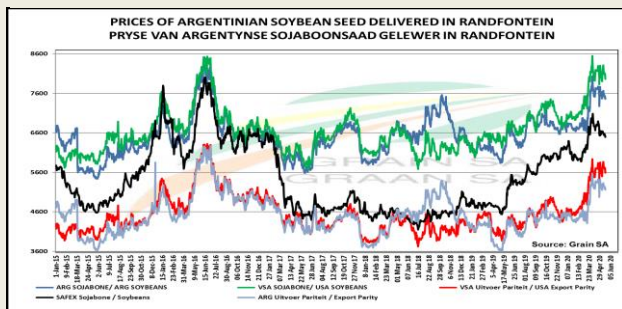
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020	R 6 729.00	19%	R 139.98	R 6 868.98
Sep 2020	R 6 803.00	15%	R -12.68	R 6 790.32
Dec 2020	R 6 858.00	15%		R 6 858.00
Mar 2021	R 6 600.00	0%		R 6 600.00
May 2021	R 6 279.00	17%		R 6 279.00
Jul 2021				

Sunflower Seeds Future			
	MTM	Vols	
May 2020			
Jul 2020	R 5 774.00	19%	
Sep 2020	R 5 873.00	11.5%	
Dec 2020	R 6 015.00	15%	
Mar 2021	R 5 970.00	0%	
May 2021	R 5 830.00	0%	
Jul 2021			



The local Soya market traded higher yesterday. The Jul'20 Soya contract ended R89.00 up and Sep'20 Soya closed R93.00 higher. The parity move for the Jul'20 Soya contract for yesterday was R23.00 negative.

The local Suns market closed higher yesterday. The Jul'20 Suns contract closed R17.00 up and Sep'20 Suns closed R21.00 higher.



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