



Fundamental Report

26 June 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.4681	17.1369	-0.3312	-1.90%
Euro/Rand	19.5992	19.2296	-0.3696	-1.89%
GBPound/Rand	21.7228	21.2851	-0.4377	-2.01%
AusDollar/Rand	12.0181	11.7988	-0.2193	-1.82%
Euro/USDollar	1.1223	1.1218	-0.0005	-0.04%
GBPound/USDollar	1.2440	1.2425	-0.0015	-0.12%
AusDollar/USDollar	0.6883	0.6885	0.0002	0.03%
JpyYen/USDollar	107.1800	107.1400	-0.0400	-0.04%

BDLive - The JSE recorded a second day of losses on Thursday while global equities were mixed as a rise in coronavirus cases has sparked fear that the global economic recovery could take longer than initially thought. "Recent spikes in Covid-19 cases in several US states and across the globe is putting the reopening of economies into question. Whether we're seeing a second wave or just a continuation of the first wave, the outbreak may reverse actions taken by governments to reopen their economies, hence curbing hopes of a smooth recovery," said FXTM chief market strategist Hussein Sayed.

More than 9.5-million cases have been confirmed worldwide, with just more than half now recovered, with 2.4-million of the total cases recorded in the US.

"As if Covid-19 wasn't bad enough, there are now concerns that the Trump administration might open a new front in the trade war, as they are considering new tariffs on European goods," said AxiCorp market analyst Milan Cukovic.

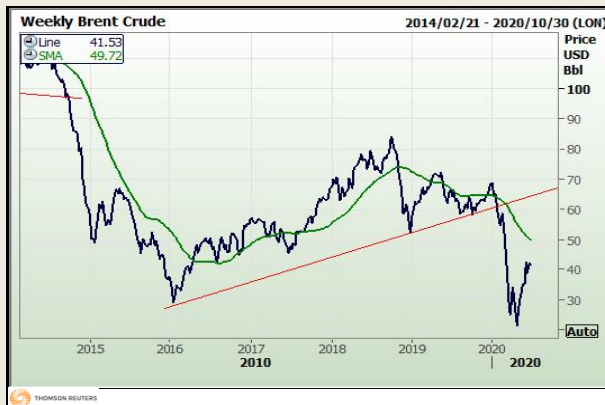


Commodities

	Last	Value Change	% Change
Platinum	803.23	-0.35	-0.04%
Gold	1760.37	-1.11	-0.06%
Silver	17.71	-0.17	-0.97%
Copper	2.67	0.00	0.15%
Gasoil	348.50	4.00	1.15%
Brent Oil	41.53	0.48	1.16%

BDLive - Bengaluru — Gold edged lower on Thursday, easing off a near eight-year high hit in the last session, as a sell-off in equity markets driven by a surge in coronavirus cases prompted some investors to dump assets. Spot gold was down 0.1% at \$1,760.39/oz as of 3.07am GMT, having soared to its highest level since October 2012 of \$1,779.06 on Wednesday. US gold futures fell 0.2% to \$1,771.80.

"The behavioural pattern we've seen this year is that when stocks and energy fall, there is a rush for cash across all asset classes, including gold," said Jeffrey Halley, senior market analyst at Oanda. However, he added, "any short-term correction is likely to be a slow grind lower, and not a rush for the exit doors", as safe-haven buying and low interest rates provide support for bullion. Indicative of gold's overall appeal, which has driven a 16% jump in prices in 2020, holdings of the world's biggest gold-backed exchanged traded fund, the SPDR Gold Trust, hit their highest in over seven years. Asian stock markets fell on surging US coronavirus cases and an IMF downgrade to economic projections, driving inflows into alternate safe haven, the dollar.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49732.92	0.00	0.00%
ALSI	50181.00	0.00	0.00%
S&P 500	3050.33	33.43	1.10%
FTSE	6123.69	23.45	0.38%
CAC	4918.58	0.00	0.00%
DAX	12177.87	0.00	0.00%
Hang Seng	24781.58	-131.71	-0.53%



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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	323.00	317.25	-0.50	-5.75	318.50	1.25	-4.50
SEP 2020	326.00	320.50	-0.25	-5.50	321.50	1.00	-4.50
DEC 2020	332.00	328.00	-0.50	-4.00	329.25	1.25	-2.75
MAR 2021	343.00	339.50	-0.75	-3.50	341.00	1.50	-2.00
MAY 2021	351.00	347.25	-0.50	-3.75	348.75	1.50	-2.25

FarmFutures - Corn prices tumbled more than 2% lower Thursday on a blend of disappointing export sales plus ongoing worries that this year's crop could produce near-record or even record-breaking totals. July futures dropped 7.75 cents to \$3.1650, with September futures losing 7.5 cents to \$3.1950.

Corn basis bids were steady to soft Thursday, slipping 1 to 2 cents lower across a handful of Midwestern locations today. Do you have basis contracts that need to be dealt with sooner than later? Naomi Blohm has some advice in the latest Ag Marketing IQ blog – click here to learn more.

Corn old crop sales were up 29% last week, with 18.2 million bushels. New crop sales added another 3.0 million bushels, for a total tally of 21.2 million bushels. Analysts were generally expecting a bigger haul, with trade guesses ranging between 15.7 million and 43.3 million bushels. Mexico snapped up more than half of that total, with 11.6 million bushels. Cumulative totals for the 2019/20 marketing year are now at 1.277 billion bushels – still far behind last year's pace of 1.677 billion bushels. Grain prices have struggled in recent days, showing sensitivity to a number of factors at play right now, including ethanol production, weather forecasts and even the health of the financial and energy sectors. We took a closer look at the various factors currently in play in the latest Midweek Markets podcast – click here to listen.

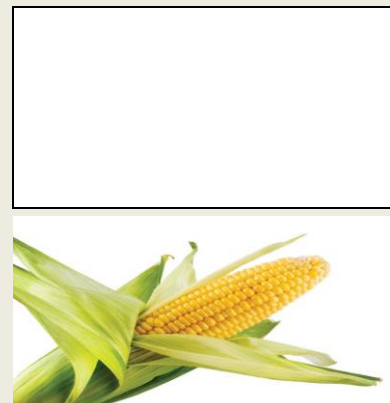
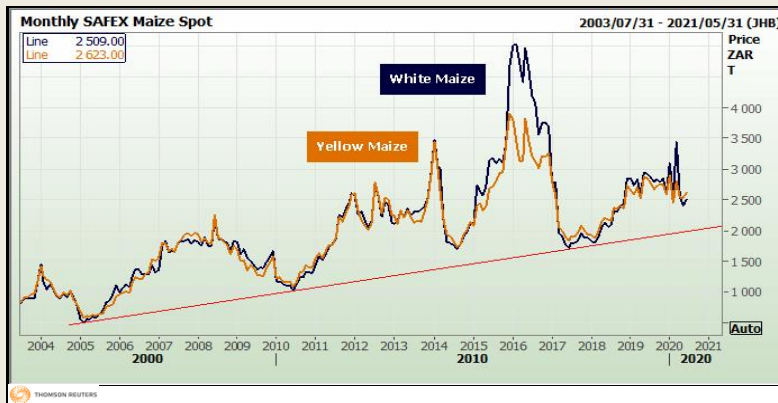
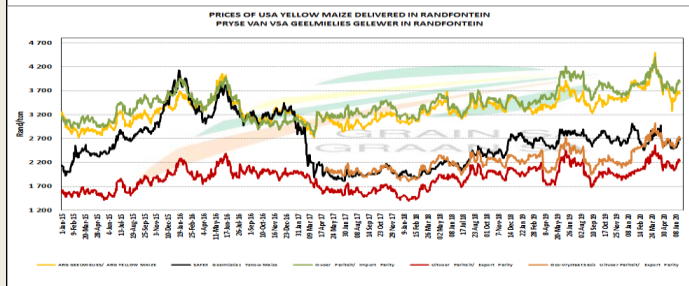
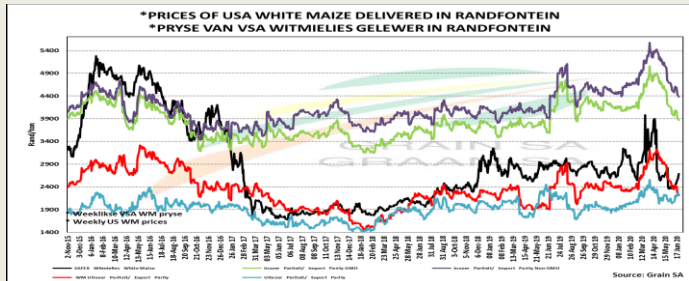
Preliminary volume estimates were for 647,977 contracts, jumping well above Wednesday's final count of 452,839.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
May 2020				
Jul 2020	R 2 509.00	21.75%	R -72.47	R 2 436.53
Sep 2020	R 2 554.00	20%	R -72.87	R 2 481.13
Dec 2020	R 2 643.00	23.5%	R -61.84	R 2 581.16
Mar 2021	R 2 668.00	25%	R -58.22	R 2 609.78
May 2021	R 2 688.00	0%	R -60.95	R 2 627.05
Jul 2021	R 2 668.00	25%		R 2 668.00
Yellow Maize Future				
May 2020				
Jul 2020	R 2 623.00	22%	R -72.47	R 2 550.53
Sep 2020	R 2 674.00	18%	R -72.87	R 2 601.13
Dec 2020	R 2 755.00	20%	R -61.84	R 2 693.16
Mar 2021	R 2 773.00	19.5%	R -58.22	R 2 714.78
May 2021	R 2 735.00	0%	R -60.95	R 2 674.05
Jul 2021	R 2 700.00	18%		R 2 700.00

The local Maize market traded lower yesterday. The Jul'20 WMAZ contract ended R39.00 down and Jul'20 YMAZ closed R31.00 lower. The Sep'20 WMAZ closed lower by R44.00 and Sep'20 YMAZ ended R28.00 down. The parity move for the Jul'20 Maize contract for yesterday was R74.00 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	484.00	486.75	6.25	2.75	486.50	-0.25	2.50	JUL 2010	432.00	429.75	4.25	-2.25	430.50	0.75	-1.50
SEP 2020	487.00	488.25	5.50	1.25	488.25	0.00	1.25	SEP 2010	440.00	437.75	4.00	-2.25	438.25	0.50	-1.75
DEC 2020	494.00	495.25	5.00	1.25	495.50	0.25	1.50	DEC 2010	452.00	450.50	4.00	-1.50	451.00	0.50	-1.00
MAR 2021	502.00	503.25	3.75	1.25	504.00	0.75	2.00	MAR 2011	466.00	463.50	4.25	-2.50	463.25	-0.25	-2.75
MAY 2021	508.00	508.75	3.00	0.75	529.00	20.25	21.00	MAY 2011	473.00	470.50	4.25	-2.50	0.00	-470.50	-473.00



FarmFutures - Wheat prices were mixed but mostly lower in a choppy session Thursday. Spillover weakness from corn and ongoing worries over large domestic and global stockpiles created headwinds, although some contracts moved moderately higher today after a round of short-covering. July Chicago SRW futures added 4 cents to \$4.8525, July Kansas City HRW futures dropped 2.25 cents to \$4.29, and July MGEX spring wheat futures fell 5.25 cents to \$5.11.

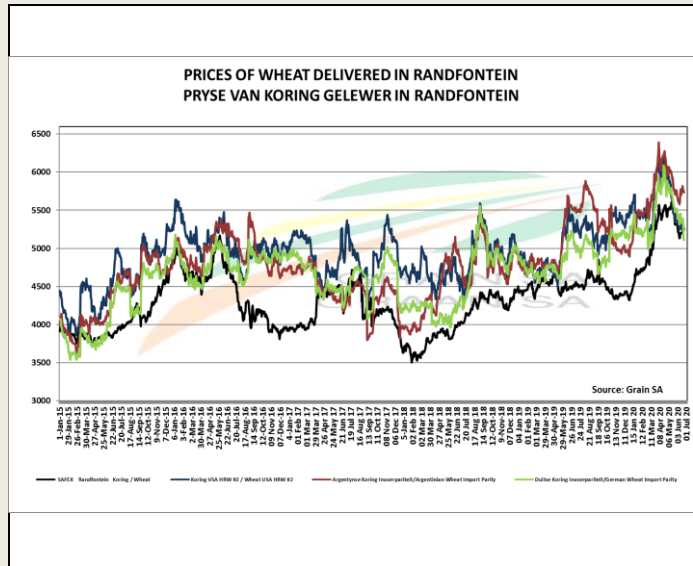
Wheat export sales reached 19.1 million bushels last week, which was on the high end of trade estimates, which ranged between 9.2 million and 23.9 million bushels. Japan (3.3 million bushels) was the top buyer, with Nigeria, South Korea and Mexico trailing close behind. Cumulative totals for the 2020/21 marketing year reached 50.3 million bushels, firming 11% above last year's pace. A state weather forecaster in Ukraine says the country's 2019/20 wheat harvest could drop to 900 million bushels on the heels of hot, dry weather since last fall.

Japan purchased 3.7 million bushels of food-quality wheat from the United States, Canada and Australia in a regular tender that closed earlier today. Of the total, 53% was sourced from the U.S.

Preliminary volume estimates were for 179,236 CBOT contracts, nearly doubling Wednesday's final count of 90,821.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
May 2020				
Jul 2020	R 5 229.00	18%	R -43.16	R 5 185.84
Sep 2020	R 5 060.00	11.5%	R -51.39	R 5 008.61
Dec 2020	R 4 875.00	12.5%	R -50.67	R 4 824.33
Mar 2021	R 4 950.00	0%	R -48.50	R 4 901.50
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 R28.00 up while Sep'20 Weat closed R18.00 lower. 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	870.00	869.25	0.00	-0.75	902.00	32.75
AUG 2020	867.00	866.50	0.00	-0.50	868.00	1.50
SEP 2020	864.00	863.75	0.00	-0.25	865.25	1.50
NOV 2020	869.00	868.25	-0.50	-0.75	870.00	1.75
JAN 2021	873.00	871.00	-0.25	-2.00	872.50	1.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2020	285.5	285.60
AUG 2020	288	288.00
SEP 2020	289.2	289.20
OCT 2020	290.5	290.30
DEC 2020	293	292.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2020	27.54	27.77
AUG 2020	27.74	27.98
SEP 2020	27.91	28.14
OCT 2020	28.09	28.29
DEC 2020	28.42	28.66



FarmFutures - Soybean prices took a nosedive this morning before clawing back most of the losses by the close. Spillover weakness from corn and tepid export sales last week spurred some technical selling. July futures dropped 2.75 cents to \$8.68, with August futures down 2.25 cents to \$8.6525. Soybean basis bids held steady over most Midwestern locations but did slip a penny lower at an Iowa river terminal today. Old crop soybean sales firmed 12% above last week's tally but faded 10% below the prior four-week average, with 22.1 million bushels. New crop sales added another 20.6 million bushels, for a total of 42.7 million bushels. That was in line with trade estimates, which ranged between 29.4 million and 69.8 million bushels. China reemerged as the No. 1 buyer, with 20.8 million bushels. Cumulative totals for the 2019/20 marketing year have slipped fractionally below last year's pace, with 1.356 billion bushels. Soybean export shipments fell 19% below the prior four-week average, with 11.1 million bushels. China was the No. 1 destination but only accounted for 3.1 million bushels.

The International Grains Council revised its estimates for world soybean production for 2020/21 slightly higher, climbing to 13.375 billion bushels, based primarily on a small upward revision for Brazil.

Preliminary volume estimates were for 237,251 contracts, sliding slightly below Wednesday's final count of 244,782.

South African Futures Exchange

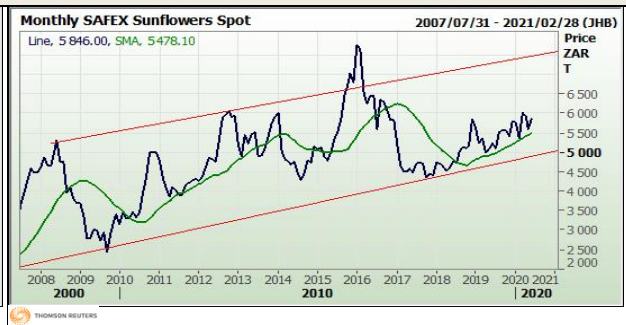
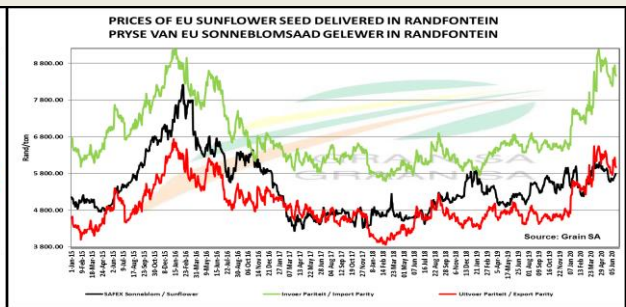
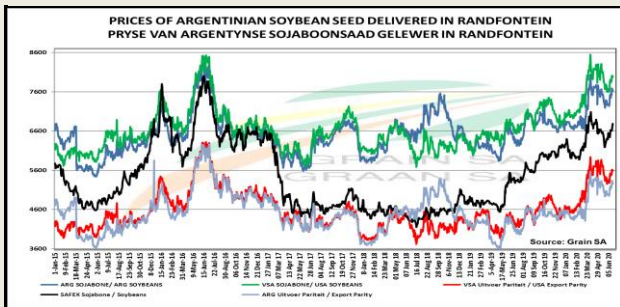
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020	R 6 810.00	19%	R 95.62	R 6 905.62
Sep 2020	R 6 879.00	15%	R -97.27	R 6 781.73
Dec 2020	R 6 932.00	15%		R 6 932.00
Mar 2021	R 6 614.00	14%		R 6 614.00
May 2021	R 6 304.00	17%		R 6 304.00
Jul 2021				

Sunflower Seeds Future			
	MTM	Vols	
May 2020			
Jul 2020	R 5 846.00	19%	
Sep 2020	R 5 966.00	11.5%	
Dec 2020	R 6 096.00	15%	
Mar 2021	R 6 081.00	0%	
May 2021	R 5 836.00	0%	
Jul 2021			



The local Soya market traded higher yesterday. The Jul'20 Soya contract ended R7.00 up and Sep'20 Soya closed R66.00 higher. The parity move for the Jul'20 Soya contract for yesterday was R97.00 negative.

The local Suns market closed lower yesterday. The Jul'20 Suns contract closed R38.00 down and Sep'20 Suns closed R44.00 lower.



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