



# **Fundamental Report**

## **30 June 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.2195	17.2587	0.0392	0.23%
Euro/Rand	19.4094	19.4010	-0.0084	-0.04%
GBPound/Rand	21.2311	21.2344	0.0033	0.02%
AusDollar/Rand	11.8453	11.8696	0.0243	0.21%
Euro/USDollar	1.1272	1.1240	-0.0032	-0.28%
GBPound/USDollar	1.2331	1.2306	-0.0025	-0.20%
AusDollar/USDollar	0.6879	0.6878	-0.0001	-0.01%
JpyYen/USDollar	107.2000	107.7300	0.5300	0.49%

BDLive - The JSE closed firmer on Monday, lifted higher by miners as investors digested the rising number in Covid-19 cases globally, however concerns still remain that a second wave of infections will delay a global economic recovery. Covid-19 cases worldwide surpassed 10-million as rising infections in some hotspots provide a fresh warning on reopening economies too quickly.

"It's been an interesting start to the week in financial markets, with the usual themes continuing to dominate. There's a huge question mark hanging over the stock market recovery, with investors seemingly not currently pricing in the prospect of restrictions that could be reimposed across the globe," said Oanda senior market analyst Craig Erlam. Platinum miners were the strongest performers on the day with Sibanye-Stillwater leading gains in its sector, rising 5.17% to R37. Northern Platinum added 4.8% to R117.8, Impala Platinum 3.91% to R118.46 and Anglo American Platinum 3.49% to R1,259.48. The JSE all share gained 0.92% to 54,141.5 points and the top 40 rose 0.89%. Platinum miners rose 4.15%, gold miners 2.27%, the banks index 1.66%, financials 1.39%, resources 1.24% and industrials 0.47%.

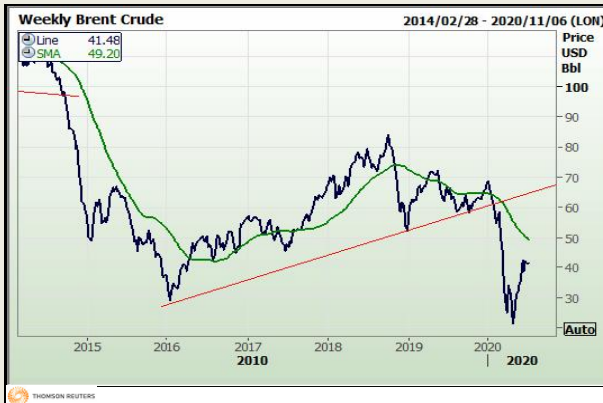


### Commodities

	Last	Value Change	% Change
Platinum	810.61	5.01	0.62%
Gold	1770.20	-1.29	-0.07%
Silver	17.84	-0.02	-0.09%
Copper	2.71	0.02	0.65%
Gasoil	348.50	0.50	0.14%
Brent Oil	41.48	-0.23	-0.55%

BDLive - Gold prices rose on Monday as worries over a surge in fresh Covid-19 infections globally dented investor optimism about a swift economic rebound and drove investors towards the safe-haven metal. Spot gold was up 0.2% at \$1,773.43 per ounce by 4.59am. Prices were \$5.63 shy of a near eight-year high of \$1,779.06, hit last week. US gold futures rose 0.1% to \$1,781.60. "Certainly the safe-haven buying is coming through fairly strong, with the fresh outbreak of coronavirus in the US, in particular, really driving that investor appetite at the moment," said ANZ analyst Daniel Hynes. California ordered some bars to close on Sunday, after similar moves in Texas and Florida, as cases nationwide soar to record levels each day. Washington state and the city of San Francisco have paused reopening plans.

Relentless spread of the coronavirus intensified investor fears about a delay in global economic recovery and weighed on risk appetite, driving inflows into safe-haven assets.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49920.09	0.00	0.00%
ALSI	50435.00	0.00	0.00%
S&P 500	3009.05	44.19	1.47%
FTSE	6159.30	66.47	1.08%
CAC	4945.46	0.00	0.00%
DAX	12232.12	0.00	0.00%
Hang Seng	24301.28	218.34	0.90%



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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	320.00	326.25	-0.50	6.25	325.50	-0.75	5.50
SEP 2020	321.00	328.75	-0.25	7.75	327.00	-1.75	6.00
DEC 2020	327.00	334.75	-0.50	7.75	333.50	-1.25	6.50
MAR 2021	339.00	345.50	-0.75	6.50	344.25	-1.25	5.25
MAY 2021	347.00	352.50	-0.50	5.50	351.50	-1.00	4.50

FarmFutures - Corn prices firmed by more than 2.5% Monday after falling to multiweek lows last Friday. Expectations for dwindling stocks and rumors that China is interested in buying more U.S. corn prompted some short-covering and technical buying today. July futures rose 8.5 cents to \$3.2550, with September futures up 8.75 cents to \$3.28.

Corn basis bids inched 1 to 2 cents higher at two Midwestern processors while holding steady elsewhere across the central U.S. today.

Corn export inspections eased slightly week-over-week but still hauled in another 48.6 million bushels, landing on the upper end of trade guesses that ranged between 39.4 million and 51.2 million bushels. Japan was the No. 1 destination, with 12.1 million bushels. Cumulative totals for the 2019/20 marketing year still lag significantly behind last year's pace, with 1.308 billion bushels.

Later this afternoon, analysts expect USDA to move corn quality another point higher, with 73% of the crop rated in good-to-excellent condition. The agency's weekly crop progress report comes out at 3 p.m. CST. The current grain marketing landscape doesn't feel very optimistic, but Duane Lowry and Chris Barron are holding out hope that there will be opportunities for those willing to actively search them out. Tomorrow's quarterly stocks report may hold some much-needed clues moving forward. Click here to listen to the latest Ag View Pitch podcast and learn more.

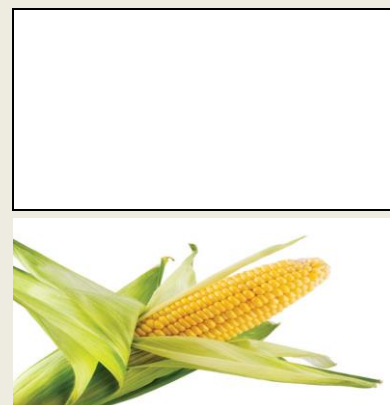
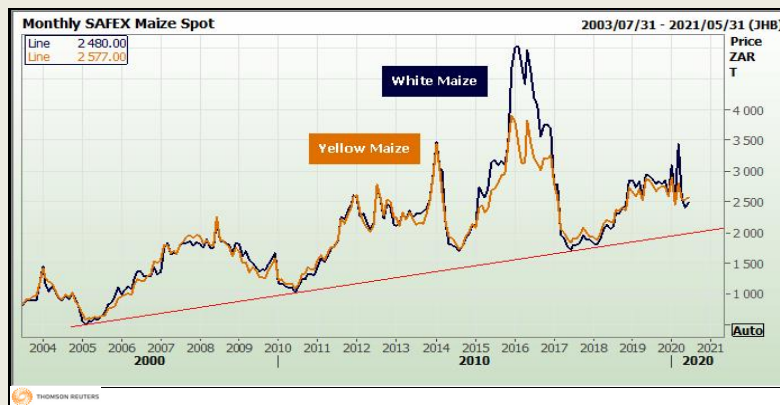
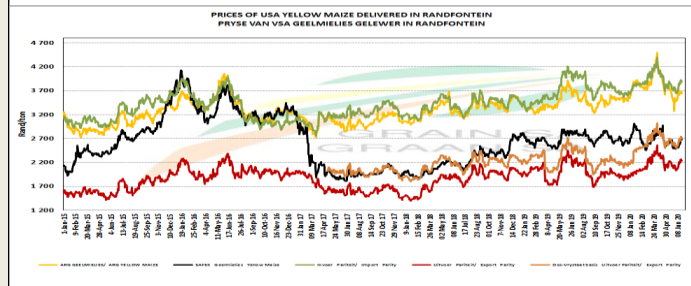
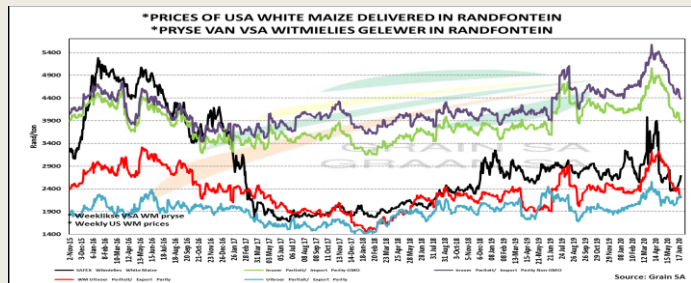
Preliminary volume estimates were for 588,690 contracts, drifting slightly below Friday's final count of 627,990.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020				
Jul 2020	R 2 480.00	21.75%	R 42.31	R 2 522.31
Sep 2020	R 2 515.00	20%	R 45.72	R 2 560.72
Dec 2020	R 2 598.00	23.5%	R 49.21	R 2 647.21
Mar 2021	R 2 623.00	25%	R 40.90	R 2 663.90
May 2021	R 2 658.00	0%	R 35.93	R 2 693.93
Jul 2021	R 2 625.00	25%		R 2 625.00
<b>Yellow Maize Future</b>				
May 2020				
Jul 2020	R 2 577.00	22%	R 42.31	R 2 619.31
Sep 2020	R 2 623.00	18%	R 45.72	R 2 668.72
Dec 2020	R 2 699.00	20%	R 49.21	R 2 748.21
Mar 2021	R 2 725.00	19.5%	R 40.90	R 2 765.90
May 2021	R 2 691.00	0%	R 35.93	R 2 726.93
Jul 2021	R 2 644.00	18%		R 2 644.00

The local Maize market traded lower yesterday. The Jul'20 WMAZ contract ended R4.00 down and Jul'20 YMAZ closed R13.00 lower. The Sep'20 WMAZ closed lower by R12.00 and Sep'20 YMAZ ended R15.00 down. The parity move for the Jul'20 Maize contract for yesterday was R44.00 positive.

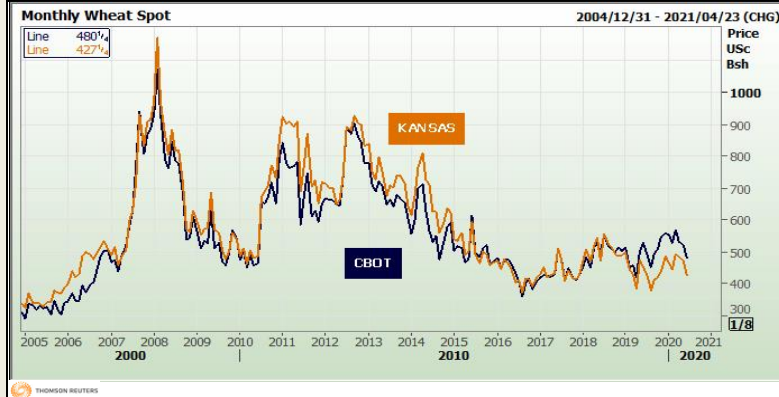


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## Wheat Market

### 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	475.00	485.50	6.25	10.50	480.25	-5.25	5.25	JUL 2010	420.00	428.75	4.25	8.75	427.25	-1.50	7.25
SEP 2020	478.00	486.50	5.50	8.50	484.50	-2.00	6.50	SEP 2010	427.00	436.50	4.00	9.50	433.50	-3.00	6.50
DEC 2020	486.00	493.50	5.00	7.50	492.25	-1.25	6.25	DEC 2010	440.00	449.25	4.00	9.25	446.00	-3.25	6.00
MAR 2021	494.00	501.25	3.75	7.25	500.25	-1.00	6.25	MAR 2011	452.00	462.00	4.25	10.00	458.75	-3.25	6.75
MAY 2021	500.00	507.00	3.00	7.00	529.00	22.00	29.00	MAY 2011	460.00	469.25	4.25	9.25	466.50	-2.75	6.50

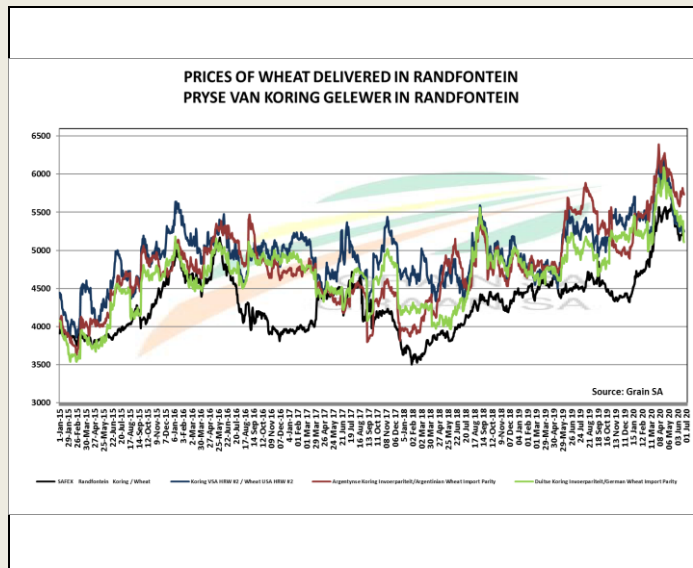


FarmFutures - Wheat prices were mixed but mostly higher, buoyed by spillover strength from corn and expectations that USDA will report lower stocks in the agency's next quarterly report, out tomorrow morning. July Chicago SRW futures climbed 11 cents to \$4.85, July Kansas City HRW futures added 5.75 cents to \$4.27, and July MGEX spring wheat futures dipped 1.5 cents lower to \$4.97. Wheat export inspections took a moderate spill week-over-week, landing at 18.9 million bushels, which was in the middle of trade guesses that ranged between 16.5 million and 23.9 million bushels. The Philippines led all destinations last week, with 6.1 million bushels. Cumulative totals in the young 2020/21 marketing year are trending fractionally higher than a year ago, at 73.5 million bushels. Ahead of this afternoon's weekly crop progress report from USDA, analysts expect the agency to show winter wheat harvest progress at 44%, with 52% of the crop rated in good-to-excellent condition (unchanged from a week ago). Analysts also think USDA will rate 75% of the spring wheat crop in good-to-excellent condition, also unchanged from last week. Jordan issued another tender to purchase 4.4 million bushels of milling wheat from optional origins that expires tomorrow. The grain is for shipment in November or December.

Preliminary volume estimates were for 136,062 CBOT contracts, moving moderately lower than Friday's final count of 190,797.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020				
Jul 2020	R 5 377.00	18%	R 40.13	R 5 417.13
Sep 2020	R 5 057.00	11.5%	R 48.10	R 5 105.10
Dec 2020	R 4 825.00	12.5%	R 46.63	R 4 871.63
Mar 2021	R 4 920.00	0%	R 46.75	R 4 966.75
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 higher yesterday. The Jul'20 Wheat contract closed R57.00 up and Sep'20 Wheat closed R15.00 higher. The parity move for the Jul'20 Wheat contract for yesterday was R34.00 positive.



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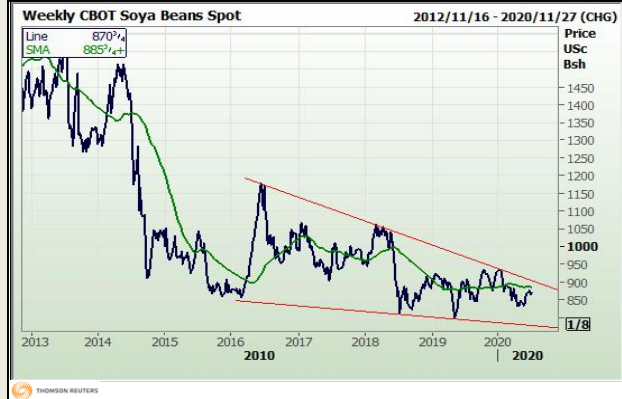
## Oil Seed Market

### 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	862.00	866.50	0.00	4.50	902.00	35.50
AUG 2020	858.00	861.50	0.00	3.50	863.75	2.25
SEP 2020	855.00	858.25	0.00	3.25	860.50	2.25
NOV 2020	859.00	861.50	-0.50	2.50	863.25	1.75
JAN 2021	861.00	865.00	-0.25	4.00	866.50	1.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2020	280.5	281.80
AUG 2020	283.6	284.20
SEP 2020	285.4	286.00
OCT 2020	286.4	287.10
DEC 2020	288.6	289.40

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2020	27.62	27.75
AUG 2020	27.78	27.93
SEP 2020	27.95	28.10
OCT 2020	28.12	28.27
DEC 2020	28.46	28.61



FarmFutures - Soybean prices struggled through a choppy session Monday but still finished with modest gains, thanks primarily to spillover weakness from corn and wheat. July and August futures each picked up a penny to reach \$8.66 and \$8.61, respectively. Soybean basis bids held steady across the Midwest Monday, with farmer sales remaining sluggish overall in recent weeks.

Soybean export inspections firmed moderately from a week ago to 11.9 million bushels but still landed on the lower end of trade guesses, which ranged between 10.1 million and 20.2 million bushels. Egypt was the top destination, with 4.9 million bushels. Cumulative totals for the 2019/20 marketing year are now fractionally behind last year's pace, with 1.352 billion bushels.

Analysts expect USDA to hold steady its soybean crop quality ratings from last week, with 70% of the crop rated in good-to-excellent condition. Planting progress is essentially complete at this time. Ahead of USDA's quarterly grain stocks report, out Tuesday morning, analyst expect the agency to show rising soybean acres, moving from March estimates of 83.510 million acres up to 84.764 million acres. But analysts expect to see quarterly stock estimates drop from 1.783 billion bushels earlier this spring down to 1.381 billion bushels.

Preliminary volume estimates were for 204,100 contracts, falling moderately below Friday's final count of 247,331.

### South African Futures Exchange

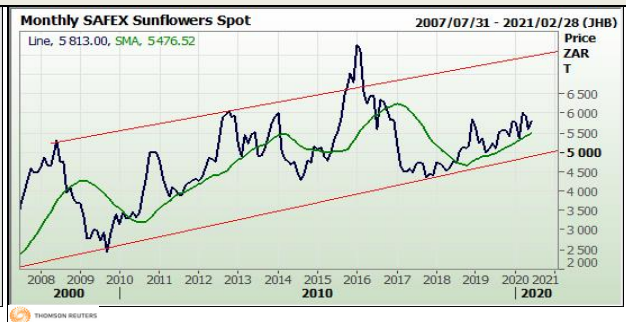
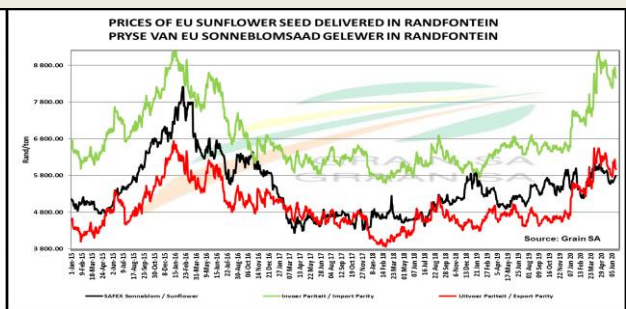
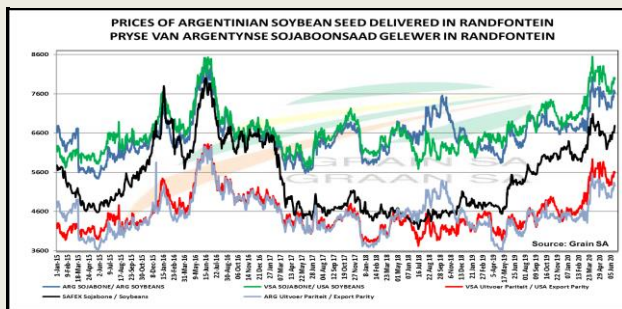
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020	R 6 767.00	19%	R 266.08	R 7 033.08
Sep 2020	R 6 835.00	15%	R 47.19	R 6 882.19
Dec 2020	R 6 880.00	15%		R 6 880.00
Mar 2021	R 6 636.00	14%		R 6 636.00
May 2021	R 6 256.00	17%		R 6 256.00
Jul 2021				

Sunflower Seeds Future			
	MTM	Vols	
May 2020			
Jul 2020	R 5 813.00	19%	
Sep 2020	R 5 905.00	11.5%	
Dec 2020	R 6 035.00	15%	
Mar 2021	R 6 081.00	0%	
May 2021	R 5 836.00	0%	
Jul 2021			



The local Soya market traded lower yesterday. The Jul'20 Soya contract ended R77.00 down and Sep'20 Soya closed R65.00 lower. The parity move for the Jul'20 Soya contract for yesterday was R63.00 positive.

The local Suns market closed lower yesterday. The Jul'20 Suns contract closed R45.00 down and Sep'20 Suns closed R55.00 lower.



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