



# **Fundamental Report**

## **14 July 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.7964	16.8447	0.0483	0.29%
Euro/Rand	19.0103	19.1032	0.0929	0.49%
GBPound/Rand	21.1662	21.1320	-0.0342	-0.16%
AusDollar/Rand	11.7069	11.6885	-0.0184	-0.16%
Euro/USDollar	1.1318	1.1339	0.0021	0.19%
GBPound/USDollar	1.2603	1.2548	-0.0055	-0.44%
AusDollar/USDollar	0.6969	0.6939	-0.0030	-0.43%
JpyYen/USDollar	107.0700	107.1600	0.0900	0.08%

BDLive - The rand had its fourth session of gains on Monday as recent positive economic data fuelled hope that the global economy will soon recover. At 5.32pm, the rand had firmed 0.46% to R16.6889/\$ and 0.39% to R21.0517/£, while it was flat at R18.9567/€. The euro strengthened 0.56% to \$1.1359.

Investec economist Annabel Bishop said markets are interpreting a slew of global data as an indication "that the recovery in the global economy is well under way, bolstering market sentiment and risk-taking yield seeking". The rand reached an intraday best level of R16.65/\$. The last time it reached this was in early June and it is still down 16% so far this year, according to data from Infront.

"While the rand is likely to make further gains on global data showing a lessening in the weakness of the second quarter's economic performance, and a return to expansionary territory, this does not mean there will be a steady recovery, nor yet that the global economy is in a secure expansionary phase, and the domestic currency will remain volatile," Bishop said.



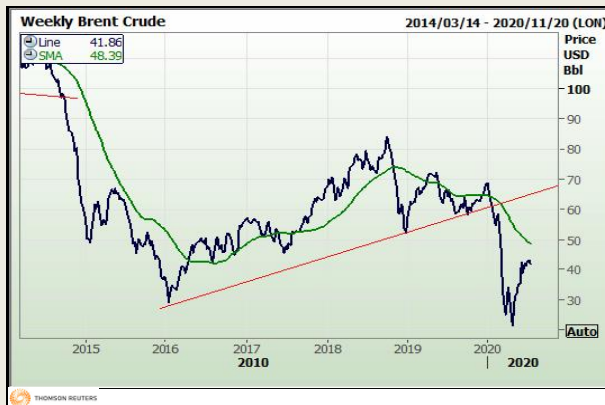
### Commodities

	Last	Value Change	% Change
Platinum	831.55	3.21	0.39%
Gold	1797.76	-4.95	-0.28%
Silver	19.03	-0.05	-0.26%
Copper	2.91	-0.04	-1.39%
Gasoil	361.00	-7.50	-2.08%
Brent Oil	41.85	-0.87	-2.08%

BDLive - Bengaluru — Gold prices rose on Monday, holding ground above the key \$1,800 an ounce level, as a weaker dollar and worries over surging Covid-19 cases globally kept the safe-haven metal underpinned. Spot gold was up 0.3% at \$1,803.80 per ounce by 5.03am. US gold futures rose 0.4% to \$1,809.10.

"The Covid-19 narrative is not going away and [we] don't think the US Federal Reserve is going to change course on the rates soon, which should support gold prices," said Stephen Innes, chief market strategist at financial services firm AxiCorp. The medium-term outlook for the economic recovery still looks very uncertain and this continues to provide ample room for gold to float higher, Innes added.

More than 12.83-million people have been reported to be infected by the novel coronavirus globally and 565,626 have died, according to a Reuters tally.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51874.81	0.00	0.00%
ALSI	52119.00	0.00	0.00%
S&P 500	3185.04	-29.82	-0.94%
FTSE	6095.41	80.78	1.33%
CAC	5056.23	0.00	0.00%
DAX	12799.97	0.00	0.00%
Hang Seng	25772.12	-395.67	-1.54%



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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	336.00	334.00	-0.50	-2.00	0.00	-334.00	-336.00
SEP 2020	333.00	328.75	-0.25	-4.25	329.00	0.25	-4.00
DEC 2020	340.00	336.50	-0.50	-3.50	336.50	0.00	-3.50
MAR 2021	351.00	347.50	-0.75	-3.50	347.50	0.00	-3.50
MAY 2021	357.00	354.00	-0.50	-3.00	354.00	0.00	-3.00

FarmFutures - Corn prices saw moderate cuts Monday on another round of technical selling as timely rains are expected to land on key production areas later this week. July futures sank 6.5 cents to \$3.34, with September futures dropping 9.25 cents to \$3.28.

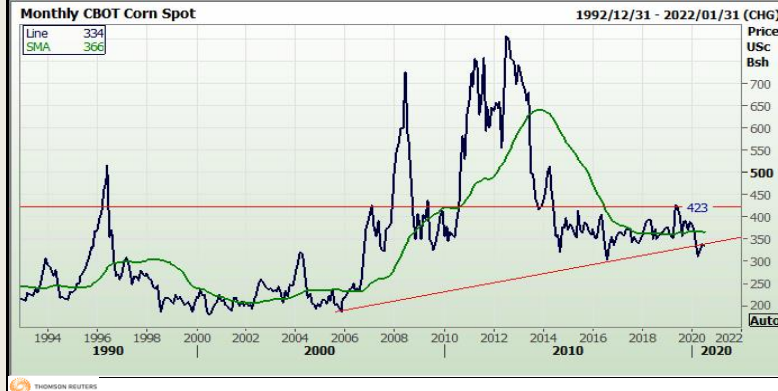
Corn basis bids were largely steady across the central U.S. Monday but did firm 4 cents higher at an Illinois ethanol plant today.

Corn export inspections tilted nearly 13% lower week-over-week to 35.5 million bushels for the week ending July 9. That was still on the high end of trade estimates, which ranged between 23.6 million and 45.3 million bushels. As they often are, Japan (9.6 million) and Mexico (8.1 million) were the top two destinations. Cumulative totals for the 2019/20 marketing year are still substantially behind last year's pace, at 1.385 billion bushels.

Ahead of this afternoon's weekly crop progress report from USDA, analysts expect the agency to dock corn crop quality another point, dropping to 70% rated in good-to-excellent condition. Iran issued international tenders to purchase 7.9 million bushels of animal feed corn and 9.2 million bushels of feed barley, which close on Wednesday. The grain is for shipment between August and September.

European Union corn imports are sluggish compared to a year ago, according to data from the European Commission. Imports through the first two weeks of July were tracking 53% lower year-over-year, at 14.1 million bushels.

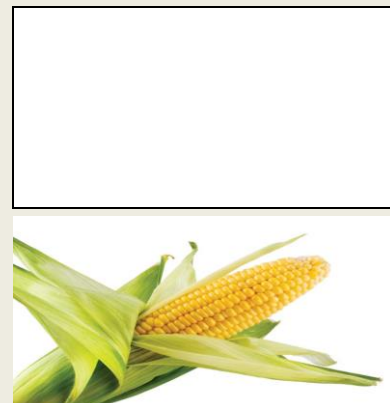
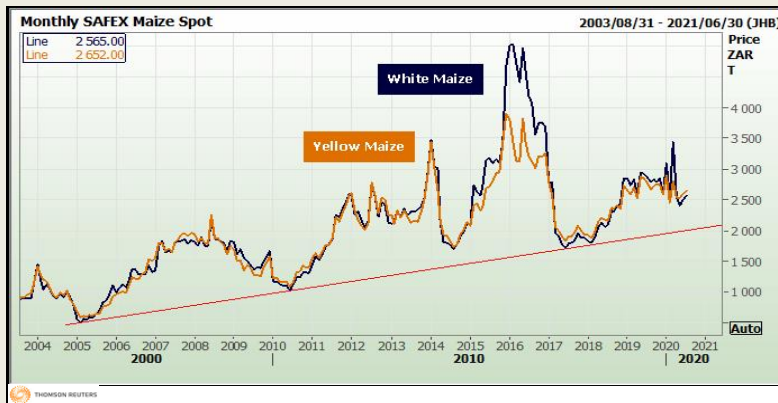
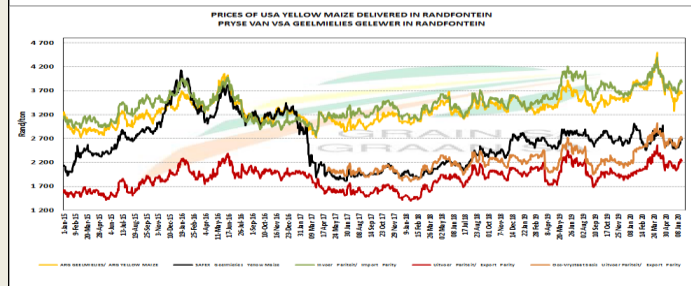
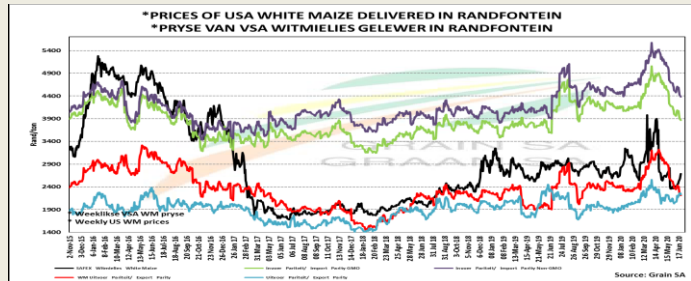
Preliminary volume estimates were for 415,259 contracts, falling slightly short of Friday's final count of 442,343.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020				
Jul 2020	R 2 565.00	21.75%	R -2 221.77	R 343.23
Sep 2020	R 2 594.00	20%	R -20.19	R 2 573.81
Dec 2020	R 2 680.00	24.5%	R -16.74	R 2 663.26
Mar 2021	R 2 703.00	25.5%	R -16.54	R 2 686.46
May 2021	R 2 698.00	0%	R -13.11	R 2 684.89
Jul 2021	R 2 653.00	25%		R 2 653.00
<b>Yellow Maize Future</b>				
May 2020				
Jul 2020	R 2 652.00	22%	R -2 221.77	R 430.23
Sep 2020	R 2 699.00	19.75%	R -20.19	R 2 678.81
Dec 2020	R 2 780.00	19%	R -16.74	R 2 763.26
Mar 2021	R 2 790.00	19.5%	R -16.54	R 2 773.46
May 2021	R 2 732.00	0%	R -13.11	R 2 718.89
Jul 2021	R 2 680.00	18%		R 2 680.00

The local Maize market traded lower yesterday. The Jul'20 WMAZ contract ended R81.00 down and Jul'20 YMAZ closed R89.00 lower. The Sep'20 WMAZ closed lower by R85.00 and Sep'20 YMAZ ended R93.00 down. The parity move for the Jul'20 Maize contract for yesterday was R11.00 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	535.50	524.75	6.25	-10.75	0.00	-524.75	-535.50	JUL 2010	442.25	440.50	4.25	-1.75	0.00	-440.50	-442.25
SEP 2020	534.00	524.75	5.50	-9.25	526.50	1.75	-7.50	SEP 2010	452.00	449.00	4.00	-3.00	450.25	1.25	-1.75
DEC 2020	539.00	531.25	5.00	-7.75	532.75	1.50	-6.25	DEC 2010	463.00	460.75	4.00	-2.25	461.75	1.00	-1.25
MAR 2021	544.00	537.50	3.75	-6.50	538.25	0.75	-5.75	MAR 2011	476.00	472.50	4.25	-3.50	473.50	1.00	-2.50
MAY 2021	545.00	540.50	3.00	-4.50	529.00	-11.50	-16.00	MAY 2011	483.00	480.00	4.25	-3.00	479.00	-1.00	-4.00



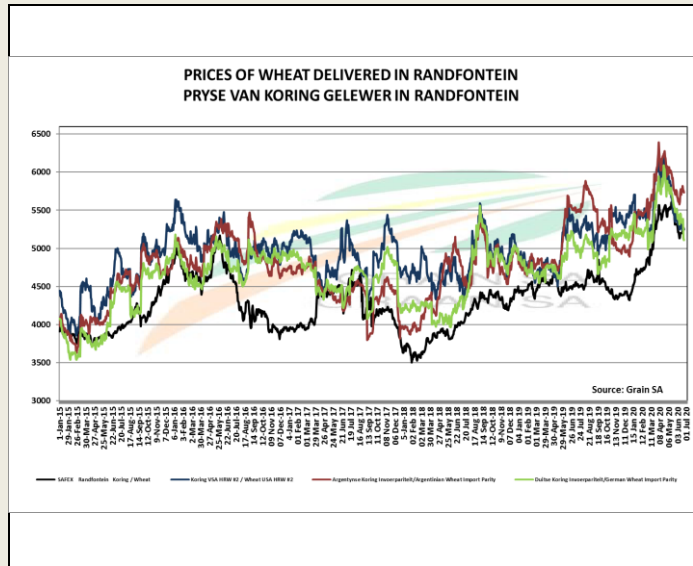
FarmFutures - Wheat prices followed other grains lower on a round of technical selling today, although some losses were relatively mild in comparison to corn and soybeans. September Chicago SRW futures dropped 10 cents to \$5.24, September Kansas City HRW futures lost 3 cents to \$4.49, and September MGEX spring wheat futures fell 7 cents to \$5.1925.

Wheat export inspections climbed 67% higher from a week ago, reaching 22.9 million bushels. That tally was also above all trade estimates, which ranged between 12.9 million and 20.2 million bushels. China was the top destination, with 4.2 million bushels. Cumulative totals for the 2020/21 marketing year, which began in June, are now fractionally higher than last year's pace, with 110.2 million bushels.

Analysts expect no change in spring wheat quality ratings from USDA when the agency releases its next crop progress report later this afternoon. Last week, USDA rated 70% of the crop in good-to-excellent condition. And analysts expect winter wheat harvest progress to move from 56% complete a week ago up to 70% through July 12. Preliminary volume estimates were for 123,283 CBOT contracts, falling moderately below Friday's final count of 215,959.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020				
Jul 2020	R 5 474.00	18%	R -3 304.90	R 2 169.10
Sep 2020	R 5 169.00	11.5%	R -36.94	R 5 132.06
Dec 2020	R 4 837.00	12.5%	R -29.12	R 4 807.88
Mar 2021	R 4 921.00	0%	R -25.93	R 4 895.07
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 lower yesterday. The Jul'20 Weat contract closed R119.00 down and Sep'20 Weat closed R29.00 lower. The parity move for the Jul'20 Weat contract for yesterday was R70.00 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	888.00	876.50	0.00	-11.50	902.00	25.50
AUG 2020	883.00	874.00	0.00	-9.00	876.25	2.25
SEP 2020	880.00	871.50	0.00	-8.50	873.50	2.00
NOV 2020	884.00	875.25	-0.50	-8.75	877.00	1.75
JAN 2021	890.00	881.25	-0.25	-8.75	882.00	0.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2010	283.1	0.00
AUG 2010	284.6	286.30
SEP 2010	287	288.90
OCT 2010	288.7	290.50
DEC 2010	291.7	293.80

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2010	27.97	0.00
AUG 2010	28.08	27.88
SEP 2010	28.23	28.03
OCT 2010	28.38	28.18
DEC 2010	28.7	28.46



FarmFutures - Soybean prices were slashed by double digits today on a round of technical selling prompted by spillover weakness from corn and mostly friendly weather forecasts for the rest of this week. Trade tensions between the U.S. and China also continue to lurk in the background. July futures tumbled 15 cents to \$8.7650, with August futures losing 14.25 cents to \$8.73.

Soybean basis bids held steady across the Midwest to start the week.

Soybean export inspections were relatively disappointing, sliding 14% from a week ago to 17.8 million bushels and landing near the middle of trade estimates, which ranged between 12.9 million and 25.7 million bushels. China reemerged as the No. 1 destination, with 5.9 million bushels. Cumulative totals for the 2019/20 marketing year have slid slightly below last year's pace, with 1.391 billion bushels.

Ahead of this afternoon's weekly crop progress report from USDA, analysts expect the agency to show 70% of the soybean crop in good-to-excellent condition, sliding a point below last week's results. Iran issued an international tender to purchase 200,000 metric tons of soymeal, which closes Wednesday. The grain is for shipment in August or September.

Preliminary volume estimates were for 226,247 contracts, moving slightly ahead of Friday's final count of 208,549.

### South African Futures Exchange

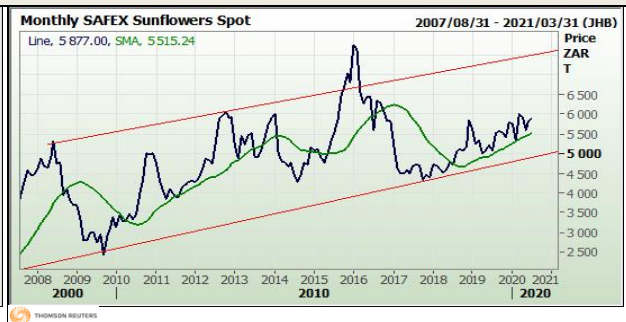
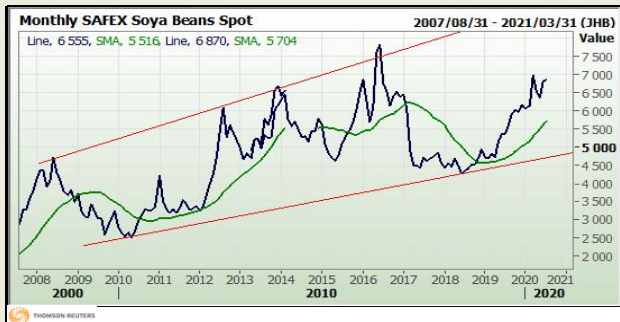
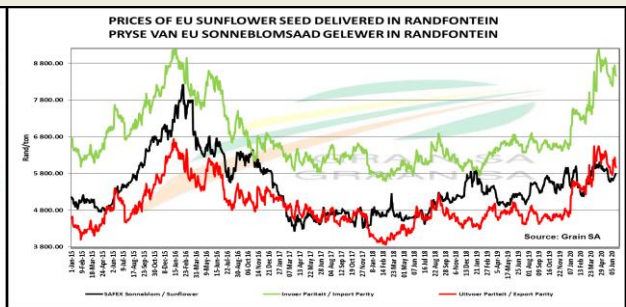
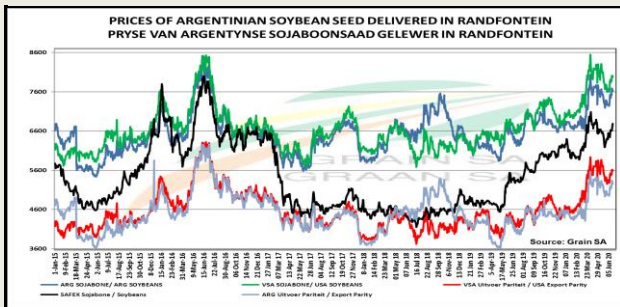
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020	R 6 870.00	19%	R 102.41	R 6 972.41
Sep 2020	R 6 908.00	15%	R -24.61	R 6 883.39
Dec 2020	R 6 987.00	15%		R 6 987.00
Mar 2021	R 6 786.00	14%		R 6 786.00
May 2021	R 6 264.00	17%		R 6 264.00
Jul 2021				

Sunflower Seeds Future			
	MTM	Vols	
May 2020			
Jul 2020	R 5 877.00	19%	
Sep 2020	R 5 989.00	11.5%	
Dec 2020	R 6 112.00	15%	
Mar 2021	R 6 153.00	0%	
May 2021	R 5 899.00	0%	
Jul 2021			



The local Soya market traded lower yesterday. The Jul'20 Soya contract ended R125.00 down and Sep'20 Soya closed R125.00 lower. The parity move for the Jul'20 Soya contract for yesterday was R12.00 negative.

The local Suns market closed lower yesterday. The Jul'20 Suns contract closed R79.00 down and Sep'20 Suns closed R85.00 lower.



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