



Fundamental Report

16 July 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.6277	16.6550	0.0273	0.16%
Euro/Rand	18.9965	18.9975	0.0010	0.01%
GBPound/Rand	20.9465	20.9084	-0.0381	-0.18%
AusDollar/Rand	11.6384	11.6435	0.0051	0.04%
Euro/USDollar	1.1425	1.1404	-0.0021	-0.18%
GBPound/USDollar	1.2600	1.2558	-0.0042	-0.33%
AusDollar/USDollar	0.6999	0.6991	-0.0008	-0.11%
JpyYen/USDollar	106.9300	106.9400	0.0100	0.01%

BDLive - The JSE was stronger on Wednesday alongside European markets as developments in the search for a coronavirus vaccine supported risk appetite. News that an experimental Covid-19 vaccine trial by US biotech company Moderna has shown immune response in all 45 volunteer patients, lifted market sentiment amid concerns about the rising number of Covid-19 cases.

"It will still take some time before the product can enter the market and be available in the required quantities. However, with the lingering fear of a second wave, investors are reacting positively to every success in the fight against the pandemic, no matter how small," said AxiCorp market analyst Milan Cutkovic.

Hopes for a vaccine offset investor worries about rising tension between the US and China.

Shortly after the JSE closed, the Dow was up 0.96% to 26,897.90 points. In Europe, the FTSE 100 added 1.98%, France's CAC 40 2.63% and Germany's DAX 2.11%.



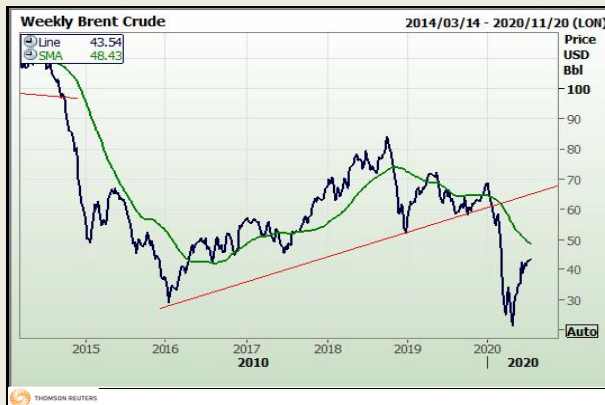
Commodities

	Last	Value Change	% Change
Platinum	824.33	-7.72	-0.94%
Gold	1808.96	-2.35	-0.13%
Silver	19.27	-0.12	-0.60%
Copper	2.87	-0.02	-0.68%
Gasoil	370.75	-0.25	-0.07%
Brent Oil	43.54	-0.25	-0.57%

BDLive - Bengaluru — Gold prices edged higher on Wednesday, holding firm above the psychological \$1,800 level, as the worry over surging coronavirus cases and simmering US-China tension boosted demand for the safe-haven metal. Spot gold was up 0.1% at \$1,808.61/oz by 2.40am GMT. US gold futures eased 0.1% to \$1,811.40.

"Demand appears firm for gold on any dips to the \$1,800 regions for now with investors hedging Covid-19 risks, most especially after the renewed lockdown in California," said Jeffrey Halley, a senior market analyst at Oanda.

"Although the mood on Wall Street returned to upbeat, the record amounts of bank bad debt provisioning overnight, and comments from the Federal Reserve, are giving bullish investors pause for concern." Coronavirus cases continue to rise in the US, with many states temporarily halting their reopening of their economies to stem the outbreak, which has infected more than 13-million people worldwide so far.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51606.70	0.00	0.00%
ALSI	51894.00	0.00	0.00%
S&P 500	3197.52	29.04	0.91%
FTSE	6179.75	112.90	1.83%
CAC	5108.98	0.00	0.00%
DAX	12930.98	0.00	0.00%
Hang Seng	25481.58	-341.11	-1.34%



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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
SEP 2020	0.00	326.25	-0.50	326.25	329.00	2.75	329.00
DEC 2020	326.00	334.00	-0.25	8.00	336.25	2.25	10.25
MAR 2021	334.00	344.50	-0.50	10.50	346.75	2.25	12.75
MAY 2021	345.00	351.75	-0.75	6.75	353.00	1.25	8.00
JUL 2021	352.00	357.75	-0.50	5.75	359.00	1.25	7.00

FarmFutures - Corn prices continue to struggle to find any positive momentum, as traders largely ignored another large sale to China this morning and spillover strength from wheat, instead focusing on yield-friendly weather forecasts that could protect or boost yield potential across the Midwest. September futures slipped 0.25 cents lower to \$3.2575.

Want to learn more about why the latest weather rally fizzled? We talked through some of the variables in play right now that are having the biggest effect on grain prices. Click here to listen to the latest Midwest Markets podcast.

Corn basis bids were mixed at Midwestern ethanol plants Wednesday but held steady across most other central U.S. locations today. Farmer sales have been generally slow so far this week.

China booked a large corn sale for the second straight day. Private exporters reported to USDA the sale of 5.2 million bushels of corn to China for delivery during the 2020/21 marketing year, which begins September 1. Consultancy APK-Inform raised Ukraine's 2020 corn production estimates by 3.4% to 1.441 billion bushels. Of that, up to 1.142 billion bushels could be exported.

South Korea purchased 2.6 million bushels of corn from optional origins, for arrival in late November.

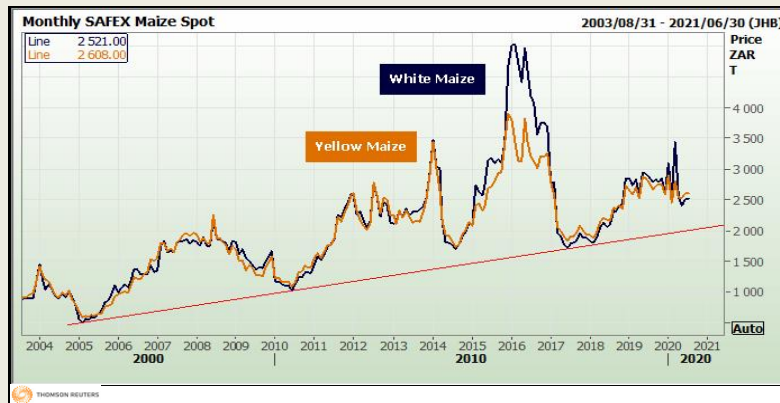
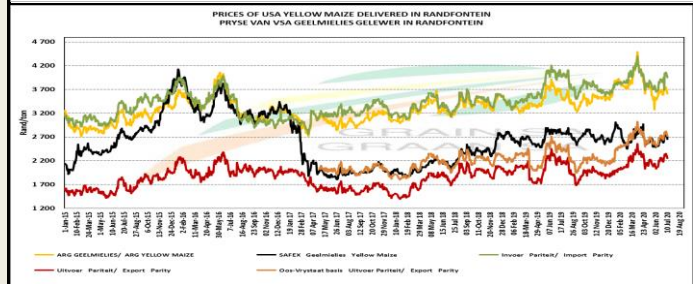
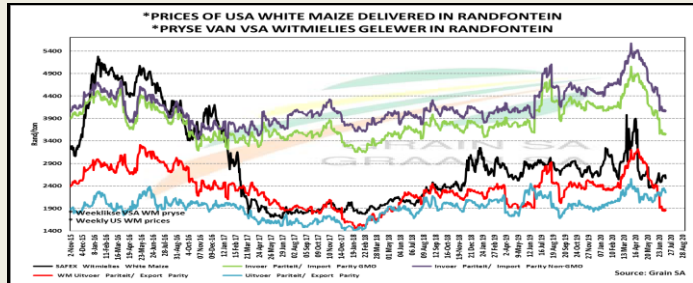
Preliminary volume estimates were for 249,210 contracts, spilling moderately below Tuesday's final count of 300,953.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
May 2020				
Jul 2020	R 2 521.00	21.75%		R 2 521.00
Sep 2020	R 2 537.00	20%	R 2 157.17	R 4 694.17
Dec 2020	R 2 614.00	24%	R 70.71	R 2 684.71
Mar 2021	R 2 637.00	25.5%	R 87.19	R 2 724.19
May 2021	R 2 638.00	0%	R 56.16	R 2 694.16
Jul 2021	R 2 607.00	25%	R 49.68	R 2 656.68
Yellow Maize Future				
May 2020				
Jul 2020	R 2 608.00	22%		R 2 608.00
Sep 2020	R 2 645.00	19.75%	R 2 157.17	R 4 802.17
Dec 2020	R 2 718.00	19%	R 70.71	R 2 788.71
Mar 2021	R 2 731.00	19.5%	R 87.19	R 2 818.19
May 2021	R 2 674.00	0%	R 56.16	R 2 730.16
Jul 2021	R 2 632.00	18%	R 49.68	R 2 681.68

The local Maize market traded lower yesterday. The Jul'20 WMAZ contract ended R48.00 down and Jul'20 YMAZ closed R43.00 lower. The Sep'20 WMAZ closed lower by R62.00 and Sep'20 YMAZ ended R48.00 down. The parity move for the Jul'20 Maize contract for yesterday was R4.00 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
SEP 2020	530.00	550.75	6.25	20.75	550.25	-0.50	20.25	SEP 2010	444.00	459.50	4.25	15.50	458.50	-1.00	14.50
DEC 2020	535.00	553.75	5.50	18.75	553.75	0.00	18.75	DEC 2010	457.00	470.75	4.00	13.75	470.00	-0.75	13.00
MAR 2021	541.00	558.00	5.00	17.00	557.50	-0.50	16.50	MAR 2011	468.00	482.00	4.00	14.00	481.50	-0.50	13.50
MAY 2021	544.00	558.75	3.75	14.75	559.25	0.50	15.25	MAY 2011	475.00	489.00	4.25	14.00	487.25	-1.75	12.25
JUL 2021	540.00	553.00	3.00	13.00	529.00	-24.00	-11.00	JUL 2011	485.00	493.75	4.25	8.75	492.00	-1.75	7.00



FarmFutures - Wheat prices remain volatile but saw significant upside Wednesday on a wave of speculative buying and short-covering amid reports of higher global prices. September Chicago SRW futures jumped 24.75 cents to \$5.5150, September Kansas City HRW futures climbed 17.75 cents to \$4.60, and September MGEX spring wheat futures added 8.5 cents to \$5.2725.

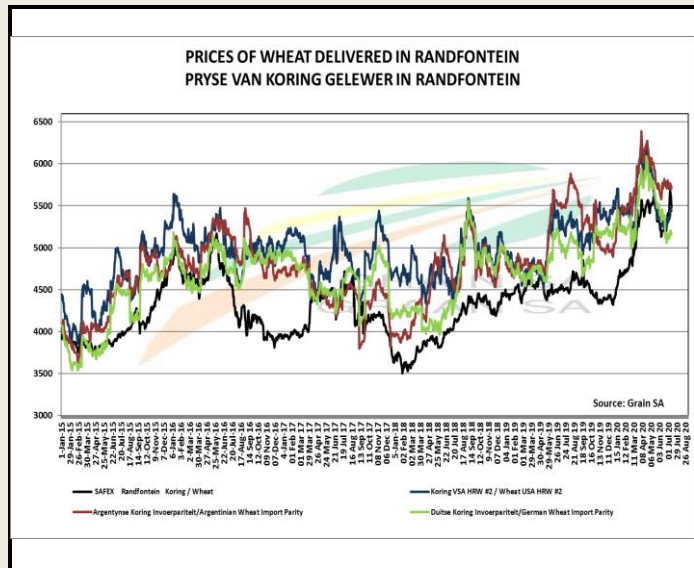
Ahead of Thursday morning's weekly grain export report from USDA, analysts expect the agency to show wheat sales ranging between 9.2 million and 23.9 million bushels for the week ending July 9.

A Russian consultancy downgraded the country's wheat production estimates yesterday, but today, ProZerno thinks that number could track higher, to 2.877 billion bushels. That figure is more bullish than the agriculture ministry's forecast of 2.756 billion bushels, however.

Germany's soft wheat production potential has fallen by 6% from earlier estimates, according to the Agritel consultancy, due to lower planted acres amid a soggy fall. Agritel currently estimates production at 793.7 million bushels. Preliminary volume estimates were for 159,288 CBOT contracts, nearly doubling Tuesday's final tally of 88,802.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
May 2020				
Jul 2020	R 5 653.00	18%		R 5 653.00
Sep 2020	R 5 155.00	11.5%	R 129.24	R 5 284.24
Dec 2020	R 4 803.00	11%	R 120.11	R 4 923.11
Mar 2021	R 4 904.00	0%	R 106.40	R 5 010.40
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 R152.00 up while Sep'20 Weat closed R35.00 lower. The parity move for the Jul'20 Weat contract for yesterday was R5.00 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
AUG 2020	0.00	886.25	0.00	886.25	902.00	15.75
SEP 2020	883.00	880.75	0.00	-2.25	884.00	3.25
NOV 2020	879.00	882.75	0.00	3.75	886.00	3.25
JAN 2021	882.00	887.25	-0.50	5.25	890.25	3.00
MAR 2021	887.00	884.50	-0.25	-2.50	888.00	3.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
AUG 2010	285.8	286.20
SEP 2010	288.6	289.00
OCT 2010	290	290.30
DEC 2010	293.4	293.60
JAN 2011	294.9	295.10

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
AUG 2010	28.8	29.02
SEP 2010	28.94	29.17
OCT 2010	29.07	29.31
DEC 2010	29.37	29.59
JAN 2011	29.59	29.81



FarmFutures - Soybean prices trended moderately higher Wednesday, closing the session up 1% on a round of technical buying spurred by optimism that China is ramping up efforts to meet its phase-one trade agreement promises. (Between January and May, China only fulfilled 16% of its pledge to buy \$36.5 billion in U.S. farm goods this year.) August futures rose 9 cents to \$8.87, with September futures up 7 cents to \$8.8125.

Soybean basis bids tumbled 5 to 8 cents lower at two processors Wednesday while holding steady elsewhere across the central U.S. today.

Private exporters reported to USDA the sale of 14.3 million bushels of soybeans for delivery to China during the 2020/21 marketing year, which begins September 1. This follows Tuesday's announcement of another large soybean sale to China totaling 14.7 million bushels, also for delivery in 2020/21. Private buyers were also said to have booked another five cargoes today, totaling around 11.0 million bushels. Analysts also expect U.S. to report another 75,000 to 350,000 metric tons in soybean sales last week, plus 5,000 to 35,000 MT of soyoil sales.

Preliminary volume estimates were for 144,433 contracts, falling short of Tuesday's final count of 162,835.

South African Futures Exchange

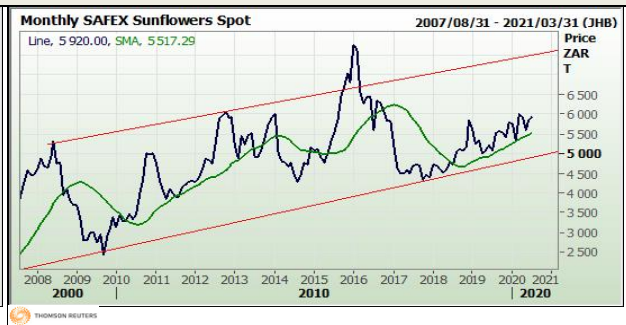
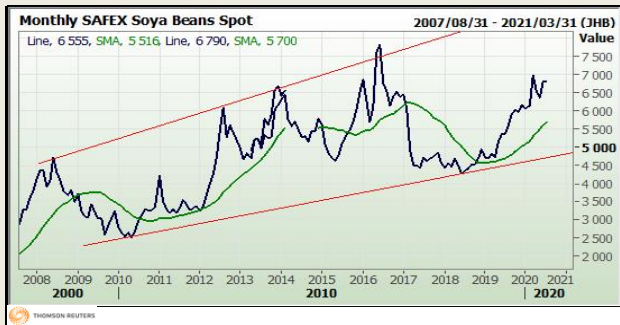
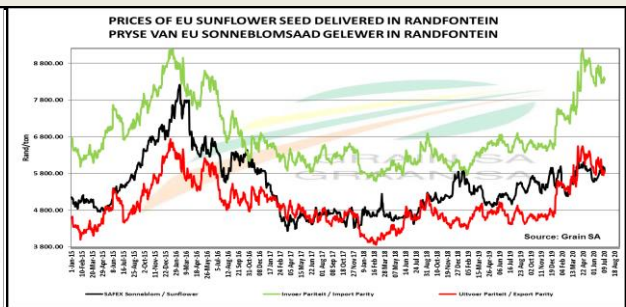
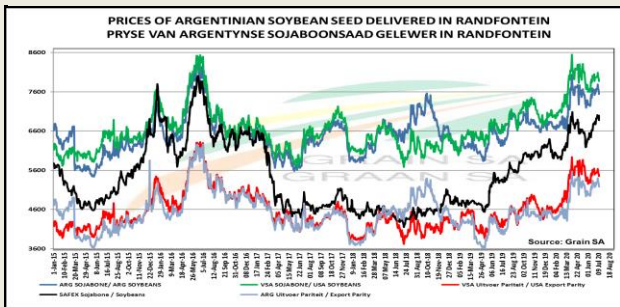
Soybean Future			
	MTM	Vols	Market Price
May 2020			
Jul 2020	R 6 790.00	19%	R 6 790.00
Sep 2020	R 6 832.00	15%	R 14.98
Dec 2020	R 6 878.00	15%	R 6 878.00
Mar 2021	R 6 652.00	14%	R 15.02
May 2021	R 6 250.00	17%	R 6 250.00
Jul 2021			

Sunflower Seeds Future		
	MTM	Vols
May 2020		
Jul 2020	R 5 920.00	19%
Sep 2020	R 6 021.00	11.5%
Dec 2020	R 6 144.00	15%
Mar 2021	R 6 115.00	0%
May 2021	R 5 899.00	0%
Jul 2021		



The local Soya market traded lower yesterday. The Jul'20 Soya contract ended R72.00 down and Sep'20 Soya closed R65.00 lower. The parity move for the Jul'20 Soya contract for yesterday was R9.00 positive.

The local Suns market closed mixed yesterday. The Jul'20 Suns contract closed unchanged while Sep'20 Suns closed R9.00 lower.



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