



# **Fundamental Report**

## **22 July 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.5149	16.3902	-0.1247	-0.76%
Euro/Rand	18.8966	18.9154	0.0188	0.10%
GBPound/Rand	20.9472	20.8563	-0.0909	-0.43%
AusDollar/Rand	11.6711	11.6911	0.0200	0.17%
Euro/USDollar	1.1442	1.1541	0.0099	0.87%
GBPound/USDollar	1.2689	1.2726	0.0037	0.29%
AusDollar/USDollar	0.7067	0.7133	0.0066	0.93%
JpyYen/USDollar	107.2400	106.7900	-0.4500	-0.42%

BDLive - The JSE had its third day of gains on Tuesday as progress in creating a Covid-19 vaccine and the EU's stimulus deal boosted appetite for riskier assets.

Markets rallied following reports that an experimental vaccine trial by Oxford University and British-Swedish pharmaceutical group AstraZeneca induced an immune response. Data showed that a vaccine trial by German BioNTech and US pharmaceutical firm Pfizer also showed positive results and that it is safe for humans.

"The vaccine news was particularly welcome, capping a slew of positive news from that sector over the past week," said Oanda senior market analyst Jeffrey Halley.

The EU agreed on a €750bn (about R14-trillion) Covid-19 rescue package on Tuesday as the eurozone grapples with the economic effects of the virus.



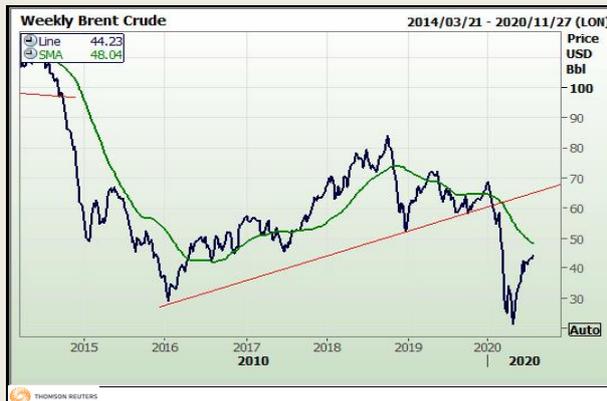
### Commodities

	Last	Value Change	% Change
Platinum	879.55	-2.24	-0.25%
Gold	1856.91	15.33	0.83%
Silver	22.33	1.00	4.47%
Copper	2.98	0.02	0.60%
Gasoil	384.75	-2.00	-0.52%
Brent Oil	44.23	-0.09	-0.20%

BDLive - Bengaluru — Gold rose on Tuesday, hovering near a nine-year peak hit in the last session, as worries over a spike in Covid-19 cases and expectations for inflation from more economic stimulus measures boosted demand for the safe-haven metal. Spot gold was up 0.1% at \$1,817.23 an ounce by 3am GMT, after hitting its highest since September 2011 at \$1,820.06 on Monday. US gold futures were little changed at \$1,817.80.

"What's really driving gold market is stimulus and we are going to get more of it. It's the eye candy that's driving sentiment right now," said Stephen Innes, chief market strategist at financial services firm AxiCorp.

EU leaders appeared to near an agreement on Monday on a €750bn stimulus plan for regional economies hit by the pandemic. Adding to hopes for more economic stimulus, congressional Republicans announced plans to seek another \$1-trillion in coronavirus economic relief.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	52016.52	0.00	0.00%
ALSI	52299.00	0.00	0.00%
S&P 500	3251.84	5.46	0.17%
FTSE	6261.52	8.21	0.13%
CAC	5104.28	0.00	0.00%
DAX	13171.83	0.00	0.00%
Hang Seng	25635.66	59.86	0.23%



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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	327.00	322.75	-0.50	-4.25	324.75	2.00	-2.25
DEC 2020	334.00	330.75	-0.25	-3.25	332.50	1.75	-1.50
MAR 2021	345.00	341.50	-0.50	-3.50	343.25	1.75	-1.75
MAY 2021	351.00	348.75	-0.75	-2.25	350.25	1.50	-0.75
JUL 2021	356.00	353.75	-0.50	-2.25	355.50	1.75	-0.50

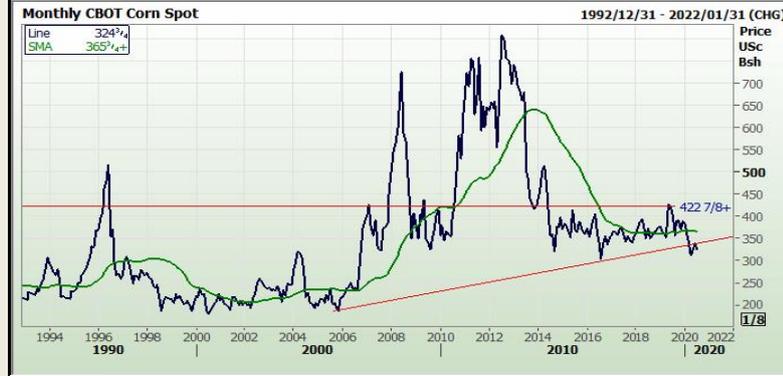
FarmFutures - Corn prices faded Tuesday on a round of technical selling supported by better-than-expected crop conditions, with traders shrugging off a large sale reported to USDA this morning. Generally favorable weather conditions for the rest of this week are still weighing heavily on prices, too. September futures dropped 5.25 cents to \$3.23, with December futures down 4.75 cents to \$3.31.

Corn basis bids were steady to slightly soft Tuesday, slipping a penny lower at three Midwestern locations today.

Private exporters announced to USDA the sale of 8.2 million bushels of corn for delivery to unknown destinations. Of the total, 1 million bushels is for delivery during the current marketing year, which ends August 31, with the remaining 7.2 million bushels for delivery in 2020/21.

It's very possible that 8.2 million bushels will ultimately be switched from unknown destinations to China. There are six primary reasons why China needs to buy more U.S. corn, argues Larry Shonkwiler, senior agricultural economist with Advance Trading, Inc. Click here to learn more in the latest Ag Marketing IQ blog. The global COVID-19 pandemic has caused a lot of disruptions this year, including to the 2020 Farm Progress Show and Husker Harvest Days. But we encourage you to set aside some time in September for our first-ever Farm Progress Virtual Experience, which promises users a chance to remotely tour more than 500 exhibits, watch field demos and much more. Click here for additional details.

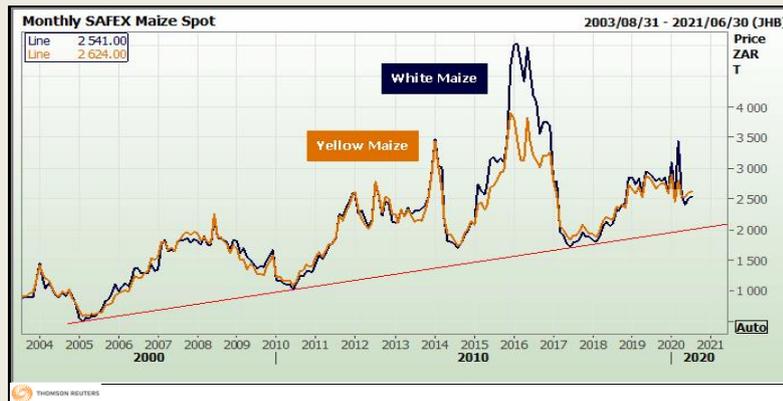
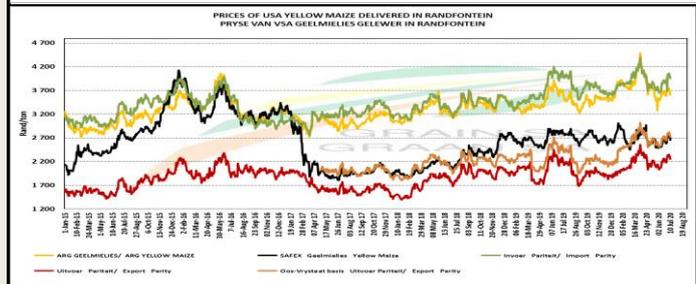
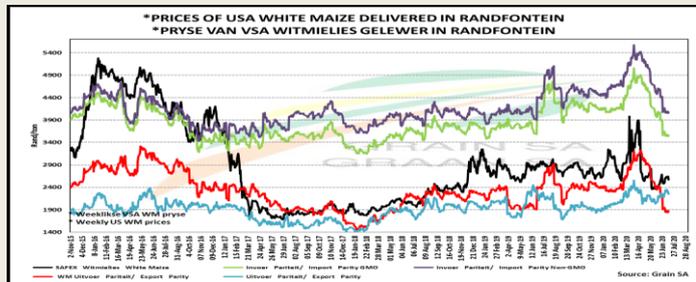
Preliminary volume estimates were for 287,116 contracts, moving slightly above Monday's final count of 268,409.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020				
Jul 2020	R 2 541.00	21.75%		R 2 541.00
Sep 2020	R 2 556.00	20%	R -30.57	R 2 525.43
Dec 2020	R 2 631.00	24.25%	R -26.08	R 2 604.92
Mar 2021	R 2 658.00	25.5%	R -28.23	R 2 629.77
May 2021	R 2 643.00	0%	R -22.07	R 2 620.93
Jul 2021	R 2 622.00	25%	R -20.70	R 2 601.30
<b>Yellow Maize Future</b>				
May 2020				
Jul 2020	R 2 624.00	22%		R 2 624.00
Sep 2020	R 2 651.00	19.75%	R -30.57	R 2 620.43
Dec 2020	R 2 719.00	19%	R -26.08	R 2 692.92
Mar 2021	R 2 741.00	19.5%	R -28.23	R 2 712.77
May 2021	R 2 673.00	0%	R -22.07	R 2 650.93
Jul 2021	R 2 652.00	18%	R -20.70	R 2 631.30

The local Maize market traded lower yesterday. The Jul'20 WMAZ contract ended R11.00 down and Jul'20 YMAZ closed R13.00 lower. The Sep'20 WMAZ closed lower by R17.00 and Sep'20 YMAZ ended R28.00 down. The parity move for the Jul'20 Maize contract for yesterday was R28.00 negative.

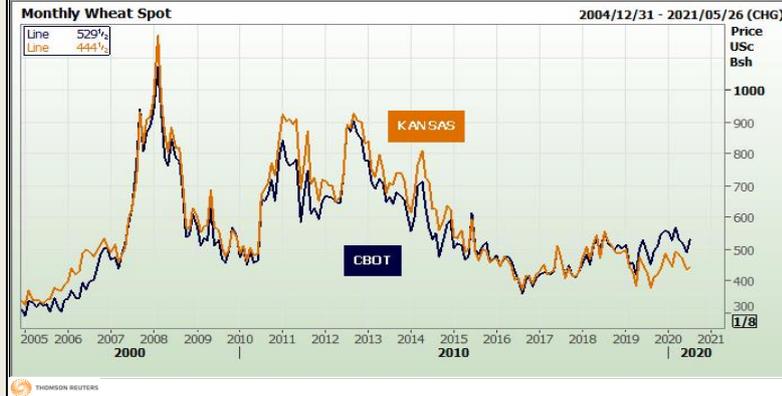


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## Wheat Market

### 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
SEP 2020	522.00	527.75	6.25	5.75	529.50	1.75	7.50		SEP 2010	436.00	442.50	4.25	6.50	444.50	2.00	8.50
DEC 2020	529.00	533.75	5.50	4.75	535.25	1.50	6.25		DEC 2010	448.00	453.75	4.00	5.75	455.50	1.75	7.50
MAR 2021	536.00	540.00	5.00	4.00	542.00	2.00	6.00		MAR 2011	460.00	465.25	4.00	5.25	467.25	2.00	7.25
MAY 2021	540.00	543.25	3.75	3.25	545.50	2.25	5.50		MAY 2011	465.00	472.50	4.25	7.50	474.00	1.50	9.00
JUL 2021	536.00	539.75	3.00	3.75	529.00	-10.75	-7.00		JUL 2011	471.00	477.75	4.25	6.75	479.25	1.50	8.25



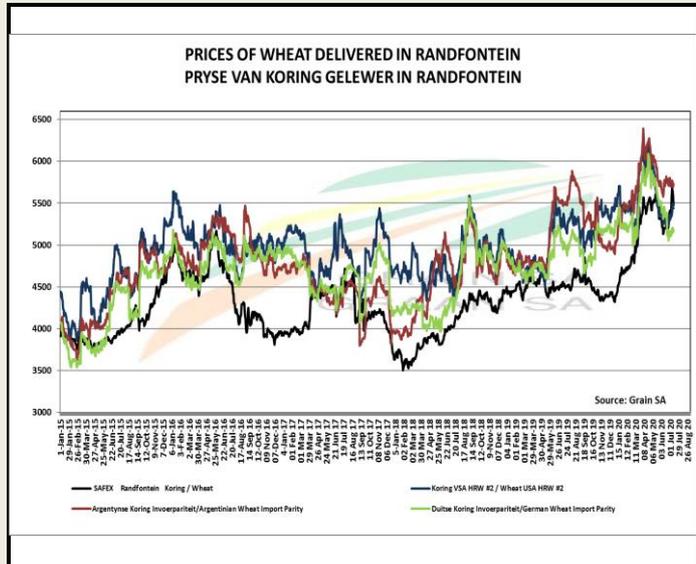
FarmFutures - Wheat prices finally showed signs of recovery Tuesday after seeing a sharp decline since last Thursday, when prices had climbed to multi-month highs. Today, prices saw some relief through a round of bargain buying that handed out gains between 0.5% and 1.5%. September Chicago SRW futures added 5.25 cents to \$5.2725, September Kansas City HRW futures gained 7.25 cents to \$4.4225, and September MGEX spring wheat futures picked up 3 cents to \$5.0950. Winter wheat harvest progress is still progressing more slowly than anticipated, with 74% of the 2019/20 crop complete through July 19, compared to the prior week's tally of 68%. This year's pace is favorable to 2019's pace of 66% and right in line with the five-year average of 75%.

For spring wheat, 91% of the crop is now headed, versus 80% last week. This year's crop is maturing slightly faster than 2019's pace of 88% but slightly slower than the five-year average of 94%. Quality ratings firmed, with 68% rated good-to-excellent. The Philippines issued a tender to purchase 4.0 million bushels of animal feed wheat from optional origins that closes on Wednesday. The grain is for shipment in November or December.

Preliminary volume estimates were for 96,392 CBOT contracts, which was moderately below Monday's final tally of 133,904.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020				
Jul 2020	R 6 062.00	18%		R 6 062.00
Sep 2020	R 5 188.00	11.5%	R 21.25	R 5 209.25
Dec 2020	R 4 811.00	11%	R 13.40	R 4 824.40
Mar 2021	R 4 902.00	0%	R 11.58	R 4 913.58
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 R62.00 up while Sep'20 Weat closed R42.00 lower. The parity move for the Jul'20 Weat contract for yesterday was R23.00 positive.



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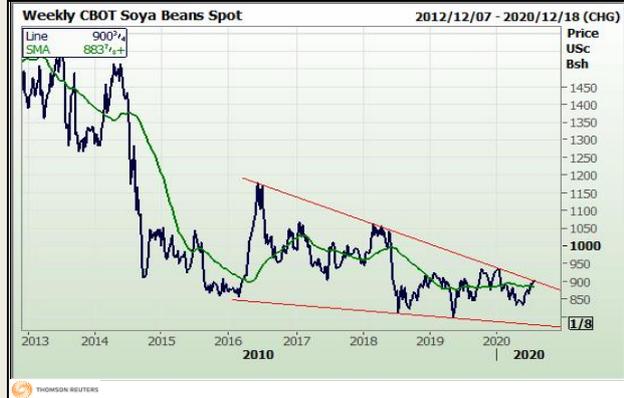
## Oil Seed Market

### 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	898.00	896.50	0.00	-1.50	902.00	5.50
SEP 2020	892.00	891.00	0.00	-1.00	895.25	4.25
NOV 2020	894.00	893.00	0.00	-1.00	897.25	4.25
JAN 2021	899.00	898.00	-0.50	-1.00	901.75	3.75
MAR 2021	895.00	894.75	-0.25	-0.25	898.50	3.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
AUG 2010	285.6	286.20
SEP 2010	288.4	289.00
OCT 2010	289.9	290.60
DEC 2010	293.3	294.00
JAN 2011	294.8	295.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
AUG 2010	30.07	30.35
SEP 2010	30.21	30.49
OCT 2010	30.36	30.64
DEC 2010	30.68	30.95
JAN 2011	30.89	31.17



FarmFutures - Soybean prices followed corn prices lower Tuesday on a round of technical selling, with traders largely ignoring another large sale to China reported this morning. Better-than-expected crop quality ratings out from USDA yesterday afternoon is also fueling expectations of seeing above-trendline yields this fall, which is fueling additional price pessimism. August futures dropped 6.25 cents to \$8.9675, while September futures fell 5.5 cents to \$8.9125.

Soybean basis bids were mostly steady across the central U.S. Tuesday but did slide 2 cents lower at an Iowa river terminal today.

China remains a very active buyer of U.S. soybeans in July, with private exporters reporting to USDA another sale of 4.6 million bushels for delivery during the 2020/21 marketing year, which begins September 1. Private exporters also announced to USDA the sale of 6.6 million bushels of soybeans for delivery to unknown destinations in 2020/21. Our latest Feedback From The Field update contains plenty of fresh farmer anecdotes, an interactive map and more. Click here to catch up – the link also includes the opportunity to fill out a short survey so you can participate as well.

Preliminary volume estimates were for 151,247 contracts, trending slightly higher than Monday's final count of 142,594.

### South African Futures Exchange

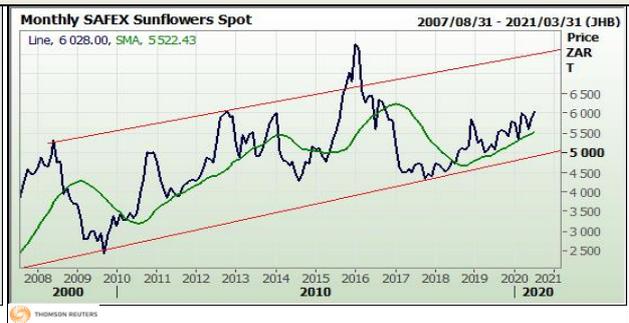
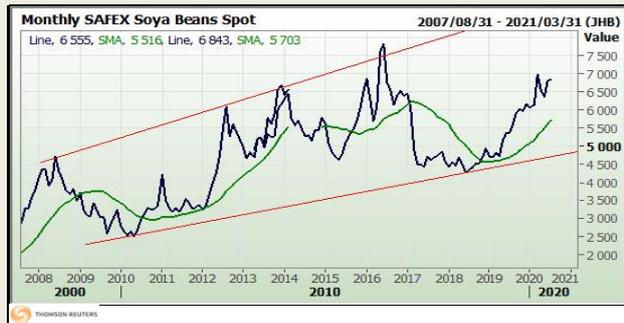
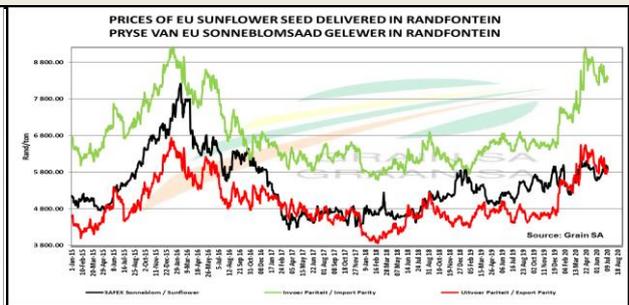
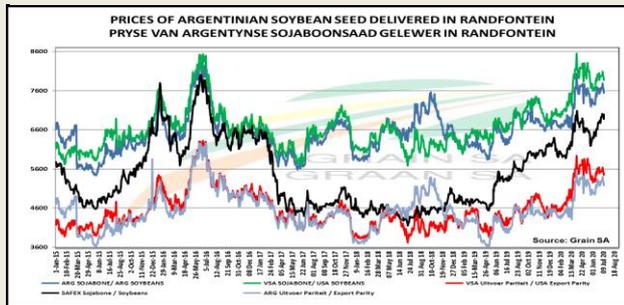
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020	R 6 843.00	19%		R 6 843.00
Sep 2020	R 6 876.00	15%	R -21.30	R 6 854.70
Dec 2020	R 6 916.00	15%		R 6 916.00
Mar 2021	R 6 679.00	14%	R -19.93	R 6 659.07
May 2021	R 6 312.00	17%		R 6 312.00
Jul 2021				

Sunflower Seeds Future			
	MTM	Vols	
May 2020			
Jul 2020	R 6 028.00	19%	
Sep 2020	R 6 090.00	11.5%	
Dec 2020	R 6 210.00	15%	
Mar 2021	R 6 147.00	0%	
May 2021	R 5 900.00	0%	
Jul 2021			



The local Soya market traded lower yesterday. The Jul'20 Soya contract ended R17.00 down and Sep'20 Soya closed R22.00 lower. The parity move for the Jul'20 Soya contract for yesterday was R20.00 negative.

The local Suns market closed mixed yesterday. The Jul'20 Suns contract closed R3.00 up while Sep'20 Suns closed R19.00 lower.



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