



Fundamental Report

08 July 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.1508	17.1348	-0.0160	-0.09%
Euro/Rand	19.3280	19.3267	-0.0013	-0.01%
GBPound/Rand	21.3954	21.5145	0.1191	0.56%
AusDollar/Rand	11.8729	11.8950	0.0221	0.19%
Euro/USDollar	1.1271	1.1276	0.0005	0.04%
GBPound/USDollar	1.2479	1.2558	0.0079	0.63%
AusDollar/USDollar	0.6928	0.6941	0.0013	0.19%
JpyYen/USDollar	107.7100	107.6000	-0.1100	-0.10%

BDLive - The JSE firmed for a second day on Tuesday with gold miners leading gains while global markets were mixed as investors worry about the rapid rise in Covid-19 cases. A surge in cases in the US has escalated concern about some states halting reopening, further delaying economic recovery in the world's largest economy.

More than 11.8-million cases have been confirmed globally, with nearly 6.8-million of those recovered, and more than 540,000 dead, as more countries resume economic activity. "With reopening comes risk as many states in the US are now seeing. Second-wave anxiety is putting a downer on the economic enthusiasm that accompanied the lifting of restrictions around the world and it has left investors in two minds about the great stock market recovery," said Oanda senior market analyst Craig Erlam.

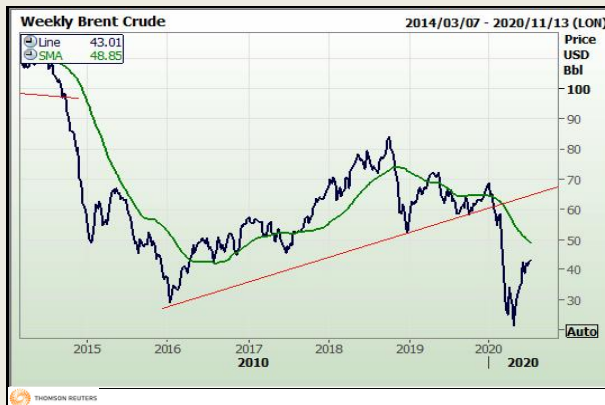
The JSE all share gained 0.72% to 55,243.80 points and the top 40 0.83%. Gold miners rose 4.60% and the platinum mining index 2.93%, while banks fell 1.04%. The all share is down 3.2% so far this year.



Commodities

	Last	Value Change	% Change
Platinum	833.21	-2.21	-0.26%
Gold	1793.88	-0.38	-0.02%
Silver	18.26	-0.04	-0.20%
Copper	2.80	0.00	0.00%
Gasoil	368.50	-2.00	-0.54%
Brent Oil	43.04	-0.04	-0.09%

BDLive - Bengaluru — Gold prices eased on Monday as risk sentiment improved ahead of US services sector data, though losses were capped by worries over surging coronavirus cases in some US states. Spot gold was down 0.1% to \$1,773.49 per ounce by 5.06am. US gold futures fell 0.4% to \$1,782.30. "We're seeing some big gains in Hong Kong and Chinese share markets," and that sort of growth-positive movement is generally expected to weigh on gold, said Michael McCarthy, chief strategist at CMC Markets. Asian shares scaled a four-month high on bets for supercheap liquidity and fiscal stimulus to sustain the global economic recovery, with investors awaiting US services sector activity data for June later in the day. Financial markets have regained lost ground as a raft of positive economic readings lifted sentiment, though a spike in Covid-19 cases renewed worries about a swift economic recovery. However, the huge amount of stimulus and evidence in other markets signalling a shift in focus back towards infection rates could help gold "maintain its elevated status", McCarthy said.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50922.32	0.00	0.00%
ALSI	51222.00	0.00	0.00%
S&P 500	3179.72	-34.40	-1.08%
FTSE	6285.94	-96.04	-1.53%
CAC	5043.73	0.00	0.00%
DAX	12616.80	0.00	0.00%
Hang Seng	25975.66	90.05	0.35%



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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	343.00	345.00	-0.50	2.00	343.50	-1.50	0.50
SEP 2020	342.00	343.50	-0.25	1.50	342.75	-0.75	0.75
DEC 2020	351.00	352.50	-0.50	1.50	351.00	-1.50	0.00
MAR 2021	362.00	363.25	-0.75	1.25	362.00	-1.25	0.00
MAY 2021	368.00	369.25	-0.50	1.25	367.75	-1.50	-0.25

FarmFutures - Corn: A chance for scattered showers took the steam out of corn's upward price run today as a round of profit-taking ensued in the futures markets. The updated short-term forecast alleviated concerns about hot and dry weather scorching yields, sending futures prices lower. But the reprieve may be temporary as forecasts later in the week feature abnormally warm and dry weather, which could inflict greater damage as the crop creeps closer to pollination.

Cash corn bids inched up \$0.03/bushel to \$0.15 over September futures prices at a Decatur, Illinois processing facility. Bids were mostly steady elsewhere around the Corn Belt through early afternoon. Yesterday's Crop Progress report, which showed better than expected corn conditions, dampened futures prices and deterred farmers from booking new cash sales.

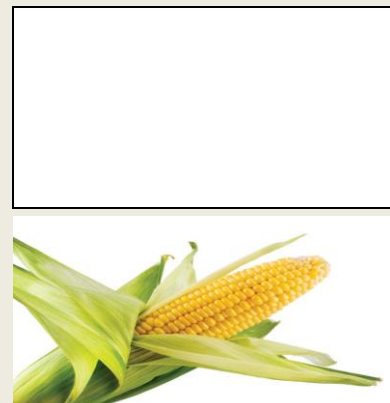
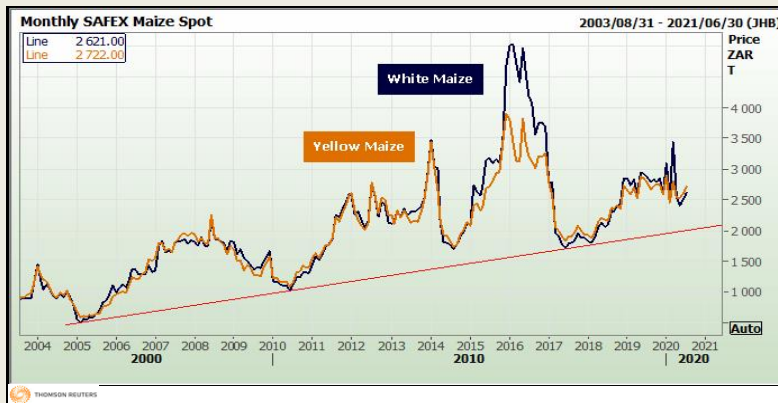
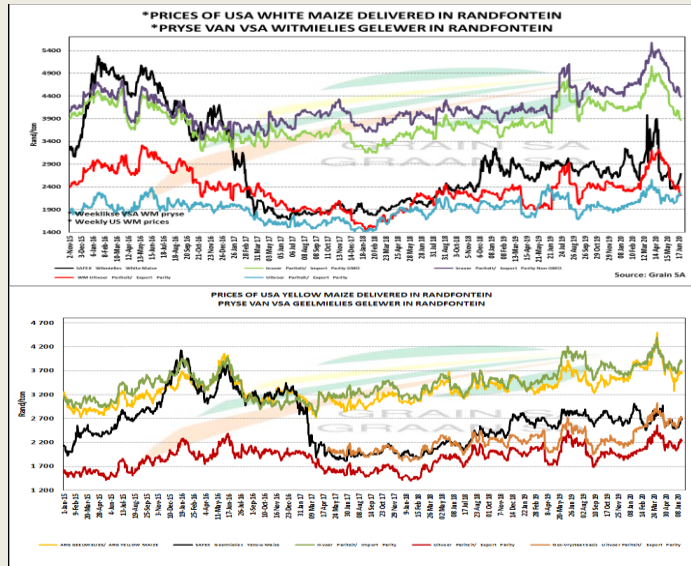
Last week's acreage reports gave a shot of optimism to corn growers, who were left weighing the chances of \$4 corn by the time Independence Day rolled around. But what are the odds of corn reaching \$4/bushel in the short run? Farm Futures senior grain market analyst emeritus Bryce Knorr points out that steady crop progress reports and a large old crop carryover will continue looming in the background despite dry forecasts that could potentially lower yields. Check out his insights in the latest Ag Marketing IQ column.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
May 2020				
Jul 2020	R 2 621.00	21.75%	R 1.21	R 2 622.21
Sep 2020	R 2 661.00	20%	R 2.91	R 2 663.91
Dec 2020	R 2 746.00	24.5%	R -2.21	R 2 743.79
Mar 2021	R 2 766.00	25.5%	R -2.28	R 2 763.72
May 2021	R 2 747.00	0%	R -4.00	R 2 743.00
Jul 2021	R 2 747.00	25%		R 2 747.00
Yellow Maize Future				
May 2020				
Jul 2020	R 2 722.00	22%	R 1.21	R 2 723.21
Sep 2020	R 2 778.00	18.5%	R 2.91	R 2 780.91
Dec 2020	R 2 859.00	19%	R -2.21	R 2 856.79
Mar 2021	R 2 875.00	19.5%	R -2.28	R 2 872.72
May 2021	R 2 795.00	0%	R -4.00	R 2 791.00
Jul 2021	R 2 770.00	18%		R 2 770.00

The local Maize market traded lower yesterday. The Jul'20 WMAZ contract ended R18.00 down and Jul'20 YMAZ closed R24.00 lower. The Sep'20 WMAZ closed lower by R20.00 and Sep'20 YMAZ ended R19.00 down. The parity move for the Jul'20 Maize contract for yesterday was R6.00 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	486.25	492.25	6.25	6.00	0.00	-492.25	-486.25	JUL 2010	429.00	436.00	4.25	7.00	0.00	-436.00	-429.00
SEP 2020	492.00	495.25	5.50	3.25	496.50	1.25	4.50	SEP 2010	438.00	440.75	4.00	2.75	442.50	1.75	4.50
DEC 2020	500.00	502.00	5.00	2.00	503.50	1.50	3.50	DEC 2010	451.00	453.25	4.00	2.25	455.00	1.75	4.00
MAR 2021	507.00	509.50	3.75	2.50	510.50	1.00	3.50	MAR 2011	463.00	465.00	4.25	2.00	466.75	1.75	3.75
MAY 2021	512.00	514.50	3.00	2.50	529.00	14.50	17.00	MAY 2011	469.00	472.25	4.25	3.25	473.00	0.75	4.00



FarmFutures - Wheat: Concerns for a reduced global supply strengthened prices in the U.S. wheat complex today after Russia and France cut yield forecasts on the upcoming new crop. Gains were capped by a rising dollar as the ICE Dollar Index rose 0.20% to \$96.880. Cash soft red winter wheat bids rose \$0.05/bushel to trade even with July Chicago futures at a Decatur, Indiana elevator this morning. Basis was flat elsewhere across the Midwest

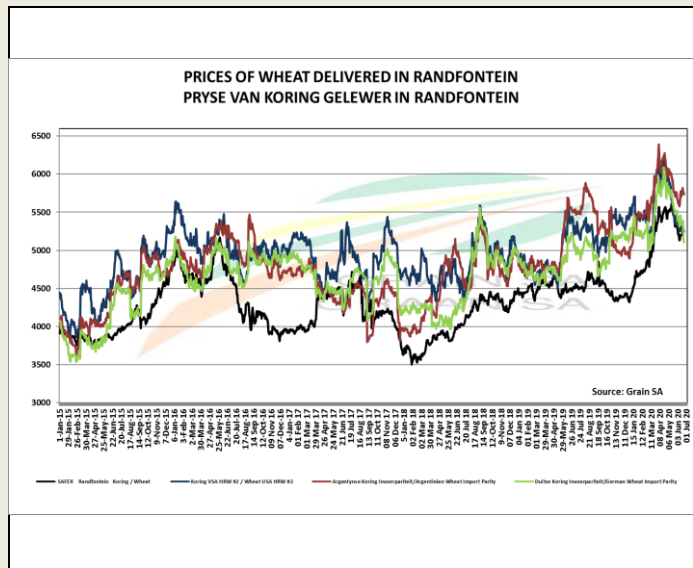
Cash offerings for hard red winter wheat held steady in the Southern Plains this morning. Cash sales were steady in Kansas, where harvest is in full swing.

The French farm ministry released estimates this morning showing the 2020 soft wheat crop would fall nearly 21% to 1.15 billion bushels. A wet planting season and dry spring decimated yields on the 2020 crop, sending Chicago soft wheat futures prices higher on the reduced supply forecast. France is the largest grain producer in the European Union trade bloc.

Russian agricultural consultancy IKAR followed France's lead, slashing Russia's 2020 wheat production estimate by 55 million bushels to 2.9 billion bushels. The reduced forecast also underpinned strength in rising U.S. wheat markets this afternoon.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
May 2020				
Jul 2020	R 5 700.00	18%	R -3 064.27	R 2 635.73
Sep 2020	R 5 124.00	11.5%	R 25.44	R 5 149.44
Dec 2020	R 4 823.00	12.5%	R 19.10	R 4 842.10
Mar 2021	R 4 897.00	0%	R 19.06	R 4 916.06
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 higher yesterday. The Jul'20 Weat contract closed R108.00 up and Sep'20 Weat closed R24.00 higher. The parity move for the Jul'20 Weat contract for yesterday was R18.00 positive.



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Oil Seed 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	895.00	895.25	0.00	0.25	902.00	6.75	7.00
AUG 2020	895.00	896.75	0.00	1.75	892.75	-4.00	-2.25
SEP 2020	895.00	896.50	0.00	1.50	892.25	-4.25	-2.75
NOV 2020	902.00	902.50	-0.50	0.50	898.25	-4.25	-3.75
JAN 2021	906.00	907.25	-0.25	1.25	903.00	-4.25	-3.00

Month	Main Session Close	Current Overnight
JUL 2010	293.3	0.00
AUG 2010	295.5	294.10
SEP 2010	297.8	296.40
OCT 2010	299.5	298.10
DEC 2010	303.1	301.90

Month	Main Session Close	Current Overnight
JUL 2010	28.76	0.00
AUG 2010	28.87	28.67
SEP 2010	29.04	28.81
OCT 2010	29.22	28.98
DEC 2010	29.56	29.35



FarmFutures - Soybeans: A shifting forecast increased the likelihood of rainfall in the Eastern Corn Belt and Northern Plains, which would be favorable for soybean development. Futures prices edged lower as a result. This morning's burst of profit-taking continued into the afternoon after futures prices notched a four-month high in Chicago yesterday.


Cash soybean prices were largely unchanged across the Midwest today as farmer sales slowed on easing futures prices. Shrinking crush margins could cause processors to reduce their basis offerings, especially if soybean futures continue their weather rally. Cash soy meal offerings were mostly steady on the sentiment.

Do you feel like you miss out on summer price rallies every year? You're not alone, Darren Frye of Water Street Solutions writes. The key to not missing these rallies is to plan for multiple price scenarios, consider put options, and don't hesitate to execute your marketing plan. Check out his article for more tips on taking advantage of rallies.

South African Futures Exchange

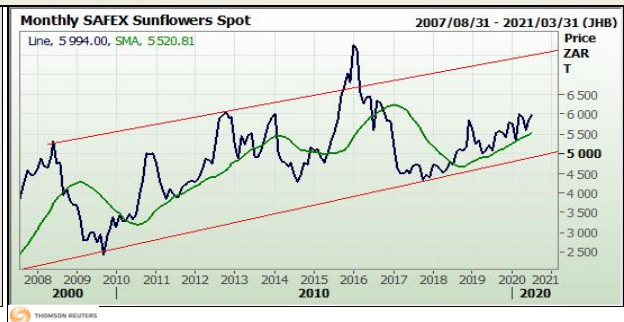
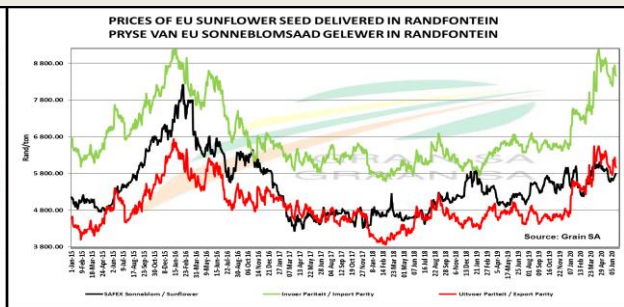
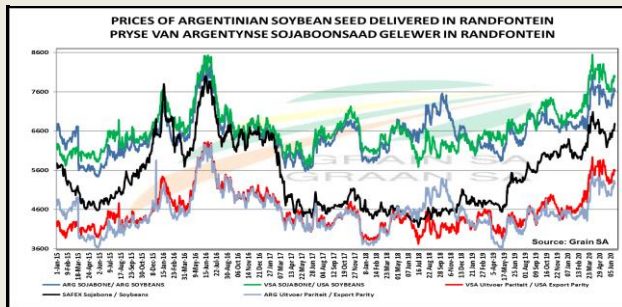
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020	R 6 996.00	19%	R 38.81	R 7 034.81
Sep 2020	R 7 060.00	15%	R -22.58	R 7 037.42
Dec 2020	R 7 110.00	15%		R 7 110.00
Mar 2021	R 6 830.00	14%		R 6 830.00
May 2021	R 6 370.00	17%		R 6 370.00
Jul 2021				

	MTM	Vols
May 2020		
Jul 2020	R 5 994.00	19%
Sep 2020	R 6 125.00	11.5%
Dec 2020	R 6 251.00	15%
Mar 2021	R 6 195.00	0%
May 2021	R 5 899.00	0%
Jul 2021		



The local Soya market traded lower yesterday. The Jul'20 Soya contract ended R15.00 down and Sep'20 Soya closed R17.00 lower. The parity move for the Jul'20 Soya contract for yesterday was R8.00 positive.

The local Suns market closed higher yesterday. The Jul'20 Suns contract closed R12.00 up and Sep'20 Suns closed R10.00 higher.



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