



Fundamental Report

17 August 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.4843	17.3662	-0.1181	-0.68%
Euro/Rand	20.6197	20.5898	-0.0299	-0.15%
GBPound/Rand	22.8576	22.7364	-0.1212	-0.53%
AusDollar/Rand	12.4873	12.4655	-0.0218	-0.17%
Euro/USDollar	1.1793	1.1856	0.0063	0.53%
GBPound/USDollar	1.3076	1.3094	0.0018	0.14%
AusDollar/USDollar	0.7142	0.7178	0.0036	0.50%
JpyYen/USDollar	106.7200	106.5400	-0.1800	-0.17%

BDLive - The JSE tracked weaker European markets on Friday as Covid-19 numbers there rise, while a delayed US stimulus package and weak economic data around the world weighed on investor sentiment.

Shares in Woolworths fell the most in almost three weeks, after the group said on Friday that it expects earnings to drop by as much as 70% in the full year to end-June, citing the effect of the pandemic and a change in accounting standards.

It further said that the effect of Covid-19, which has put immense pressure on the retailer's performance in the second-half of its financial year, is expected to continue for the rest of 2020. Its shares fell 1.11% to R33.87.

Data out of China showed that retail sales fell for the month of July, while US retail sales rose, albeit by less than expected.



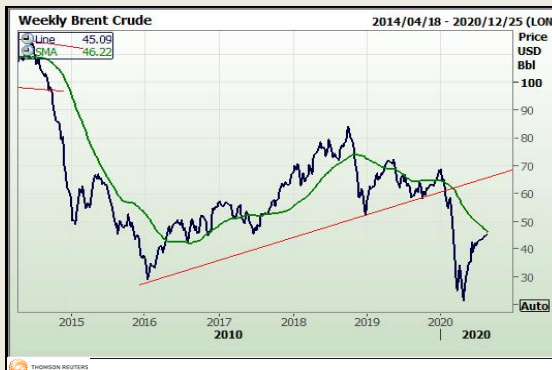
Commodities

	Last	Value Change	% Change
Platinum	946.32	10.32	1.09%
Gold	1941.69	-2.07	-0.11%
Silver	26.32	-0.09	-0.34%
Copper	2.86	0.00	0.07%
Gasoil	377.75	3.25	0.86%
Brent Oil	45.09	0.29	0.64%

BDLive - Gold fought for traction on Friday as a jump in US Treasury yields forced investors to reassess their positions again after a steep retreat from a record peak earlier this week, which put bullion on course for its first weekly fall since early June. Spot gold was down 0.1% at \$1,952.01/oz by 3.56am GMT. Bullion declined 4% so far this week, its biggest weekly percentage fall since early March. US gold futures fell 0.5% to \$1,960.50/oz.

"Gold is coming under pressure due to an uptick in US yields, which is causing a little bit of sell-off right now," said Edward Meir, an analyst at ED&F Man Capital Markets.

Benchmark US 10-year yields are up nearly 15 basis points this week in the sharpest jump since early June, as the US Treasury flooded the market with supply. Higher yields tend to lift the dollar and pressure gold, which costs to store and insure but does not pay interest.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	52737.48	0.00	0.00%
ALSI	52808.00	0.00	0.00%
S&P 500	3373.43	-0.58	-0.02%
FTSE	6185.62	-95.58	-1.55%
CAC	4962.93	0.00	0.00%
DAX	12901.34	0.00	0.00%
Hang Seng	25183.01	323.73	1.29%



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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	322.00	324.50	-0.50	2.50	328.00	3.50	6.00
DEC 2020	336.00	338.00	-0.25	2.00	341.75	3.75	5.75
MAR 2021	347.00	349.25	-0.50	2.25	353.00	3.75	6.00
MAY 2021	355.00	356.75	-0.75	1.75	360.25	3.50	5.25
JUL 2021	360.00	362.50	-0.50	2.50	365.75	3.25	5.75

FarmFutures - Corn prices saw a minor decline Friday amid some light technical selling and profit-taking, although they ended the week up big, with nearby contracts up 5.5% since Monday's open. Prices will need to continue to recover to get more farmers above breakeven levels, however. Today, September futures eased 0.75 cents to \$3.2450, with December futures down a penny to \$3.3775.

Corn basis bids were narrowly mixed at several Midwestern ethanol plants and interior river terminals Friday but held steady elsewhere across the central U.S. today.

French consultancy FranceAgriMer saw a steep drop in the country's corn quality, which has suffered from a recent heatwave where temperatures topped out at 104 degrees. Crop conditions crumbled from 74% rated in good-to-excellent conditions a week ago down to 65% through August 12.51 contracts, jumping 52% above Wednesday's final count of 556,620. Wondering where Donald Trump and Joe Biden stand on various issues that affect the agriculture industry? The National Corn Growers Association wrote up some fact sheets based on policy positions from both presidential campaigns. Click here for a rundown.

A live event is the preferred way to get information for the farm, but when a pandemic tosses you a lemon, the best choice is to make lemonade. That attitude has helped reshape the Farm Progress Show into the most extensive field demo available. Be sure to dial into this free virtual event September 15-17 - here's how.

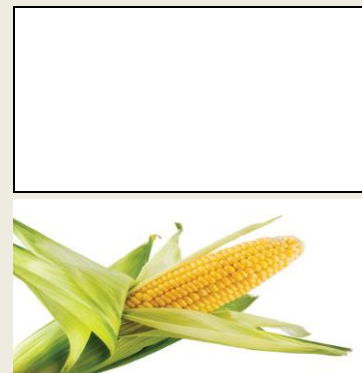
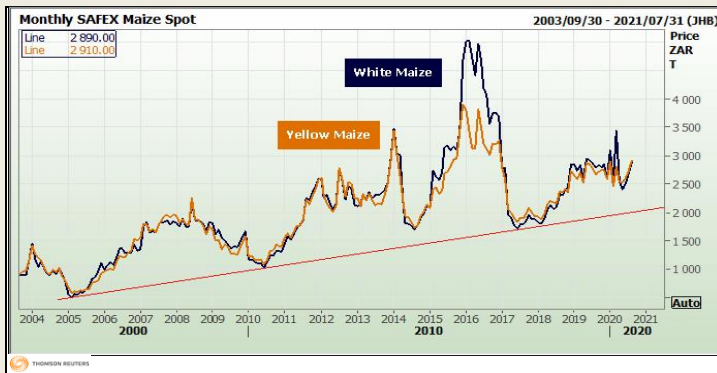
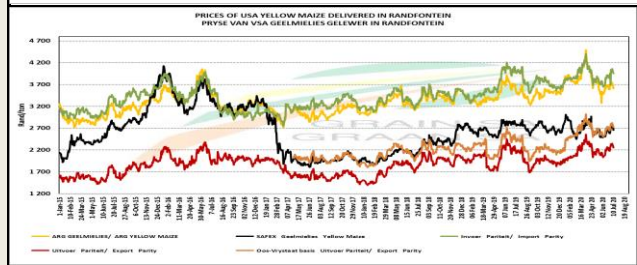
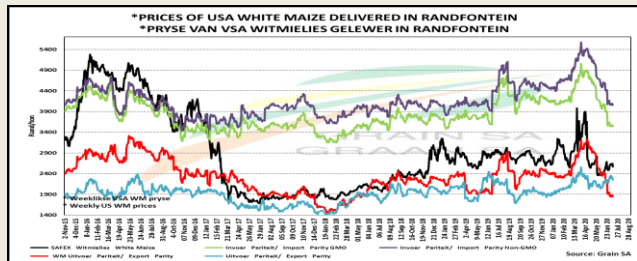
Preliminary volume estimates were for 429,287 contracts, dropping significantly below Thursday's final count of 846,951.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
May 2020				
Jul 2020				
Sep 2020	R 2 883.00	22%	R 26.05	R 2 909.05
Dec 2020	R 2 959.00	27%	R 23.69	R 2 982.69
Mar 2021	R 2 960.00	25%	R 24.89	R 2 984.89
May 2021	R 2 845.00	0%	R 19.39	R 2 864.39
Jul 2021	R 2 802.00	24%	R 22.57	R 2 824.57
Yellow Maize Future				
May 2020				
Jul 2020				
Sep 2020	R 2 921.00	19.75%	R 26.05	R 2 947.05
Dec 2020	R 3 005.00	19%	R 23.69	R 3 028.69
Mar 2021	R 2 983.00	20%	R 24.89	R 3 007.89
May 2021	R 2 830.00	0%	R 19.39	R 2 849.39
Jul 2021	R 2 830.00	18%	R 22.57	R 2 852.57

The local Maize market traded higher yesterday. The Aug'20 WMAZ contract ended R10.00 up and Aug'20 YMAZ closed R15.00 higher. The Sep'20 WMAZ closed higher by R18.00 and Sep'20 YMAZ ended R13.00 up. The parity move for the Aug'20 Maize contract for yesterday was R25.00 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	495.00	500.00	6.25	5.00	506.00	6.00	11.00	SEP 2010	423.00	425.25	4.25	2.25	430.50	5.25	7.50
DEC 2020	504.00	509.50	5.50	5.50	515.25	5.75	11.25	DEC 2010	434.00	435.75	4.00	1.75	441.00	5.25	7.00
MAR 2021	511.00	516.25	5.00	5.25	521.50	5.25	10.50	MAR 2011	443.00	445.00	4.00	2.00	450.25	5.25	7.25
MAY 2021	516.00	521.00	3.75	5.00	526.00	5.00	10.00	MAY 2011	450.00	452.00	4.25	2.00	457.25	5.25	7.25
JUL 2021	521.00	524.75	3.00	3.75	529.00	4.25	8.00	JUL 2011	458.00	459.75	4.25	1.75	464.25	4.50	6.25



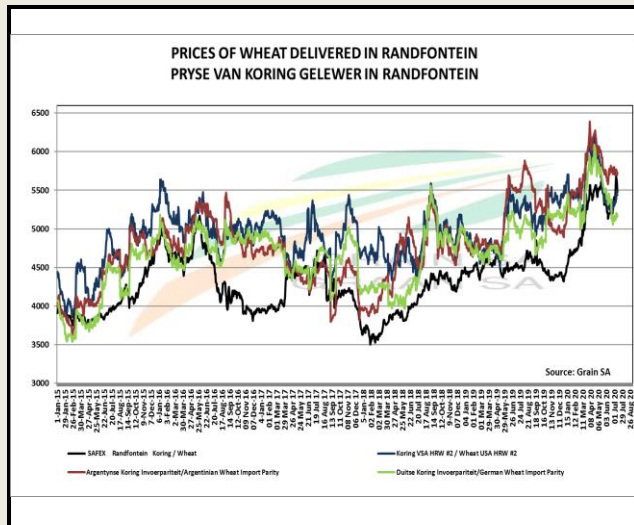
FarmFutures - Wheat prices fought for small gains Friday on a light round of technical buying but were unable to make significant inroads, with the specter of large domestic and global stockpiles still looming in the background. Today, September Chicago SRW futures added 3.5 cents to \$5.0025, September Kansas City HRW futures inched ahead 0.25 cents to \$4.2525, and September MGEX spring wheat futures picked up 0.75 cents to \$4.9775.

Ukraine's economy ministry reports that 96% of the country's 2020 winter wheat crop has been harvested, for a total of 937 million bushels so far. The country's total grain production in 2020 is expected to fall 9.5% below last fall's record harvest.

Drought conditions are threatening Argentina's newly planted 2020/21 wheat crop, which has a footprint of about 16.062 million acres. The country's Rosario exchange has yet to reduce its yield estimates, however, which range between 661 million and 698 million bushels. Argentina was the world's No. 6 wheat exporter last year. Preliminary volume estimates were for 169,539 CBOT contracts, moving fractionally above Thursday's final count of 168,547.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
May 2020				
Jul 2020				
Sep 2020	R 5 589.00	14.5%	R 48.71	R 5 637.71
Dec 2020	R 4 899.00	11%	R 49.92	R 4 948.92
Mar 2021	R 5 002.00	0%	R 44.83	R 5 046.83
May 2021				
Jul 2021				
Cape Wheat				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				



The local Wheat market closed mixed yesterday. The Aug'20 Wheat contract closed unchanged while Sep'20 Wheat closed R130.00 higher. The parity move for the Aug'20 Wheat contract for yesterday was R48.00 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	Overnight Change from 12pm
SEP 2020	902.50	897.00	0.00	-5.50	902.00	5.00	-0.50
NOV 2020	893.00	898.75	0.00	5.75	905.75	7.00	12.75
JAN 2021	895.00	903.75	0.00	8.75	910.75	7.00	15.75
MAR 2021	900.00	904.25	-0.50	4.25	911.00	6.75	11.00
MAY 2021	901.00	907.50	-0.25	6.50	914.50	7.00	13.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2010	291.8	293.20
OCT 2010	294.1	295.40
DEC 2010	298.5	299.90
JAN 2011	299.5	300.90
MAR 2011	299.5	300.80

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2010	31.06	31.39
OCT 2010	30.97	31.33
DEC 2010	31.09	31.49
JAN 2011	31.24	31.72
MAR 2011	31.31	31.72



FarmFutures - Soybean prices also posted modest losses Friday, which were minimized by another large sale to China announced this morning. August futures dropped 3.75 cents to \$9.0350, with September futures easing 0.25 cents to \$8.96.

Soybean basis bids were largely steady across the central U.S. Friday but did tick 2 cents higher at an Iowa river terminal today. The processing plant in Cedar Rapids, Iowa, is closed until further notice after sustaining severe damage in Monday's storms.

Private exporters reported to USDA the sale of 4.6 million bushels of soybeans for delivery to China – the eighth consecutive session this has happened. Today's announcement is for delivery during the 2020/21 marketing year, which begins September 1. Iran has reportedly purchased 130,000 metric tons of soy meal from South America in an international tender that closed earlier this week. Shipment will likely occur in September or October.

Preliminary volume estimates were for 140,574 contracts, moving significantly below Thursday's final count of 303,210.

South African Futures Exchange

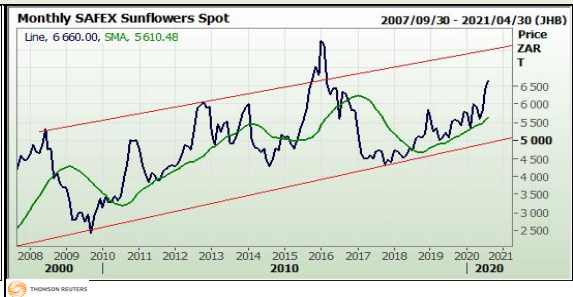
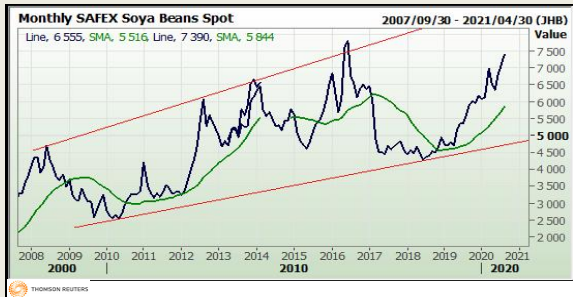
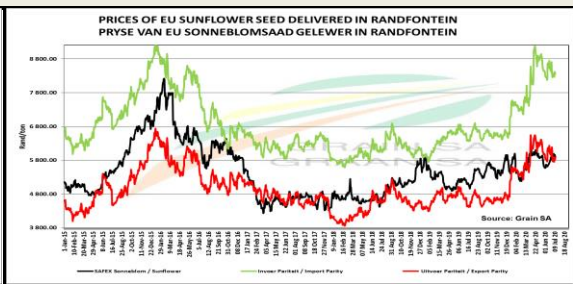
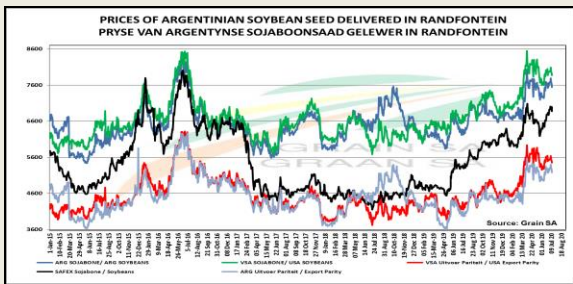
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020				
Sep 2020	R 7 429.00	15%	R -42.35	R 7 386.65
Dec 2020	R 7 470.00	15.5%		R 7 470.00
Mar 2021	R 7 208.00	16%	R 31.14	R 7 239.14
May 2021	R 6 752.00	17%	R 47.05	R 6 799.05
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020		
Jul 2020		
Sep 2020	R 6 690.00	11.5%
Dec 2020	R 6 786.00	15%
Mar 2021	R 6 599.00	0%
May 2021	R 6 150.00	21.5%
Jul 2021		



The local Soya market traded higher yesterday. The Aug'20 Soya contract ended R73.00 up and Sep'20 Soya closed R77.00 higher. The parity move for the Aug'20 Soya contract for yesterday was R31.00 positive.

The local Suns market closed lower yesterday. The Aug'20 Suns contract closed R38.00 down and Sep'20 Suns closed R56.00 lower.



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