



# **Fundamental Report**

## **25 August 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.0008	16.9190	-0.0818	-0.48%
Euro/Rand	20.1116	19.9837	-0.1279	-0.64%
GBPound/Rand	22.3078	22.1754	-0.1324	-0.59%
AusDollar/Rand	12.2185	12.1394	-0.0791	-0.65%
Euro/USDollar	1.1832	1.1812	-0.0020	-0.17%
GBPound/USDollar	1.3126	1.3112	-0.0014	-0.11%
AusDollar/USDollar	0.7187	0.7175	-0.0012	-0.17%
JpyYen/USDollar	105.6900	105.9700	0.2800	0.26%

BDLive - The JSE had its best day in almost three weeks on Monday, firming in line with global markets as hope for a Covid-19 treatment supported risk sentiment.

"Markets have naturally been very sensitive to vaccine and treatment developments in recent months and it seems we're getting a bit of a bump once again," said Oanda market analyst Craig Erlam.



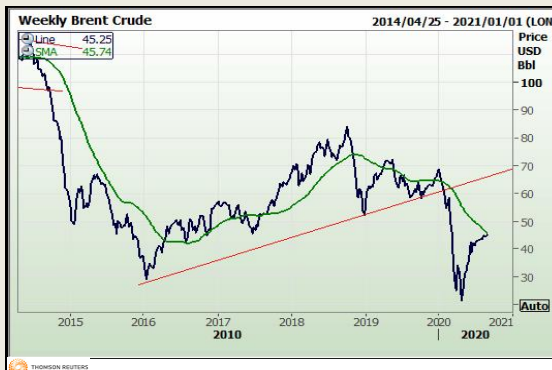
### Commodities

	Last	Value Change	% Change
Platinum	927.04	11.23	1.21%
Gold	1936.85	4.40	0.23%
Silver	26.74	0.20	0.75%
Copper	2.93	0.00	-0.05%
Gasoil	372.75	2.00	0.54%
Brent Oil	45.25	0.12	0.27%

BDLive - Bengaluru — Gold prices fell on Monday as risk sentiment improved after the US drug regulator authorised the use of blood plasma from recovered Covid-19 patients as a treatment option, and the dollar held firm. Spot gold was down 0.3% to \$1,934.13 per ounce by 5.17am after hitting a one-week low of \$1,910.99 on Friday. US gold futures eased 0.2% to \$1,942.90.

"Weighing a little bit on immediate sentiment is virus positive news that has helped stocks and other risk assets go higher today," said Stephen Innes, chief market strategist at financial services firm AxiCorp, adding that gold is in consolidation before US Federal Reserve chief Jerome Powell's speech at Jackson Hole.

Asian stocks extended gains after the US Food & Drug Administration authorised the use of blood plasma from patients who have recovered from Covid-19 as a treatment for the disease.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	52256.84	0.00	0.00%
ALSI	52166.00	0.00	0.00%
S&P 500	3397.16	34.12	1.00%
FTSE	6001.89	102.84	1.71%
CAC	5007.89	0.00	0.00%
DAX	13066.54	0.00	0.00%
Hang Seng	25551.58	-178.49	-0.70%



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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	329.00	331.75	-0.50	2.75	336.75	5.00	7.75
DEC 2020	343.00	345.00	-0.25	2.00	350.50	5.50	7.50
MAR 2021	355.00	357.00	-0.50	2.00	362.00	5.00	7.00
MAY 2021	362.00	364.25	-0.75	2.25	368.75	4.50	6.75
JUL 2021	367.00	369.00	-0.50	2.00	373.50	4.50	6.50

FarmFutures - Corn prices firmed today on expectations that crop quality is on a downward trend, especially with more hot, dry weather forecasted later this week. September futures added 5.25 cents to \$3.3225, with December futures up 5 cents to \$3.4550.

Corn basis bids were steady to mixed across the central U.S. Monday, moving as much as 6 cents higher at an Indiana ethanol plant and as much as 5 cents lower at an Illinois processor today.

Corn export inspections reached 35.1 million bushels last week, moving 17% below the prior week's tally and landing on the lower end of trade estimates, which ranged between 31.5 million and 45.3 million bushels. Mexico (9.6 million) and Japan (9.0 million) were the top two destinations. Cumulative totals for the 2019/20 marketing year are more than 222 million bushels behind the prior year's pace, reaching 1.624 billion bushels. EU corn imports are also trending lower so far in the 2020/21 marketing year, reaching 80.7 million bushels through August 23. That's down 35% compared to a year ago.

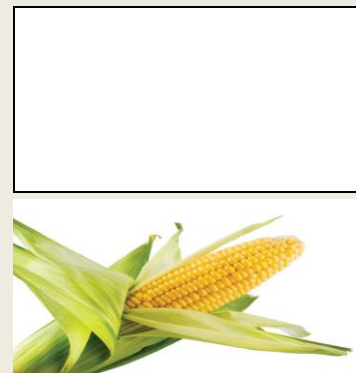
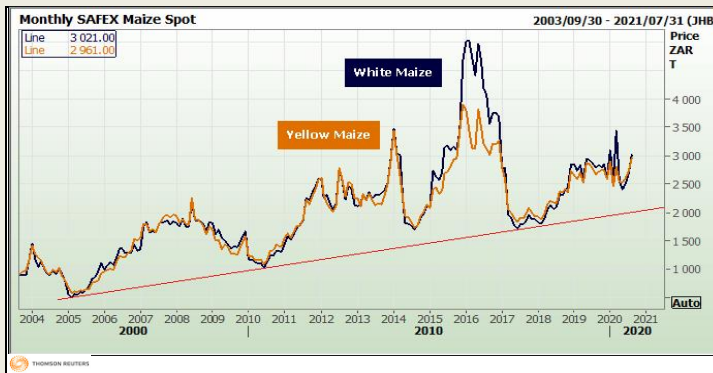
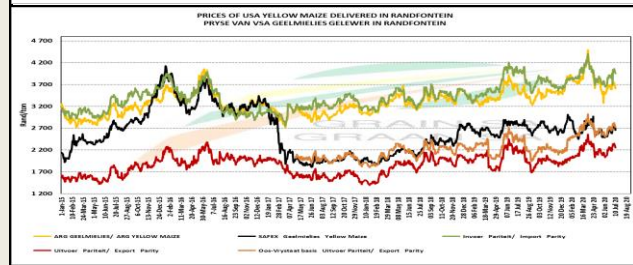
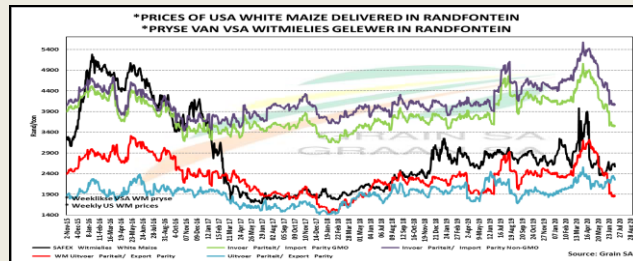
Preliminary volume estimates were for 354,940 contracts, sliding slightly below Friday's final count of 368,981.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020				
Jul 2020				
Sep 2020	R 2 956.00	28%	R 41.03	R 2 997.03
Dec 2020	R 3 020.00	27%	R 38.91	R 3 058.91
Mar 2021	R 3 017.00	25%	R 35.19	R 3 052.19
May 2021	R 2 850.00	0%	R 33.30	R 2 883.30
Jul 2021	R 2 804.00	24%	R 31.48	R 2 835.48
<b>Yellow Maize Future</b>				
May 2020				
Jul 2020				
Sep 2020	R 2 967.00	19.75%	R 41.03	R 3 008.03
Dec 2020	R 3 046.00	19%	R 38.91	R 3 084.91
Mar 2021	R 3 032.00	20%	R 35.19	R 3 067.19
May 2021	R 2 816.00	0%	R 33.30	R 2 849.30
Jul 2021	R 2 795.00	18%	R 31.48	R 2 826.48

The local Maize market traded lower yesterday. The Aug'20 WMAZ contract ended R8.00 down and Aug'20 YMAZ closed R11.00 lower. The Sep'20 WMAZ closed lower by R13.00 and Sep'20 YMAZ ended R12.00 down. The parity move for the Aug'20 Maize contract for yesterday was R43.00 positive.



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## Wheat Market

### Chicago Board of Trade and Kansas Board of Trade

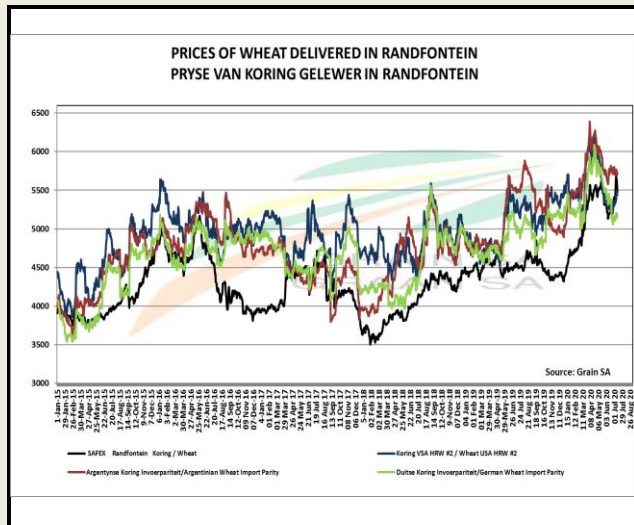
CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
SEP 2020	529.00	520.75	6.25	-8.25	522.25	1.50	-6.75	SEP 2010	446.00	435.25	4.25	-10.75	437.50	2.25	-8.50
DEC 2020	536.00	527.75	5.50	-8.25	529.50	1.75	-6.50	DEC 2010	457.00	446.25	4.00	-10.75	448.50	2.25	-8.50
MAR 2021	543.00	535.25	5.00	-7.75	536.75	1.50	-6.25	MAR 2011	467.00	456.50	4.00	-10.50	458.75	2.25	-8.25
MAY 2021	547.00	540.00	3.75	-7.00	542.00	2.00	-5.00	MAY 2011	475.00	464.50	4.25	-10.50	467.00	2.50	-8.00
JUL 2021	548.00	541.75	3.00	-6.25	529.00	-12.75	-19.00	JUL 2011	483.00	472.25	4.25	-10.75	475.00	2.75	-8.00



FarmFutures - Wheat prices eroded steadily throughout Monday's session, closing with significant losses after a round of technical selling and profit-taking. News of improved production potential from Russia applied additional headwinds today. September Chicago SRW futures fell 7 cents to \$5.2025, September Kansas City HRW futures tumbled 10.75 cents to \$4.35, and September MGEX spring wheat futures lost 10 cents to \$5.05. Wheat export inspections also landed on the high end of trade expectations, reaching 20.9 million bushels. Analysts were expecting that number to land somewhere between 14.7 million and 22.0 million bushels. Yemen topped all destinations last week, with 2.7 million bushels. Cumulative totals for the 2020/21 marketing year are staying moderately ahead of last year's pace so far, chalking up 228.9 million bushels so far. Ahead of the next crop progress report from USDA, out later this afternoon, analysts expect the agency to show winter wheat harvest now at 97% complete, up from 93% last week. Spring wheat harvest progress is expected to take a bigger jump, moving from 30% complete a week ago up to 46%. Analysts expect crop quality to get docked a point, to 69% rated in good-to-excellent condition. Preliminary volume estimates were for 145,342 CBOT contracts, which was slightly higher than Friday's final count of 142,189.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020				
Jul 2020				
Sep 2020	R 5 164.00	16.5%	R -57.86	R 5 106.14
Dec 2020	R 4 880.00	9.5%	R -56.52	R 4 823.48
Mar 2021	R 4 983.00	0%	R -55.17	R 4 927.83
May 2021				
Jul 2021				
<b>Cape Wheat</b>				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				



The local Wheat market closed lower yesterday. The Aug'20 Wheat contract closed R164.00 down and Sep'20 Wheat closed R130.00 lower. The parity move for the Aug'20 Wheat contract for yesterday was R53.00 negative.



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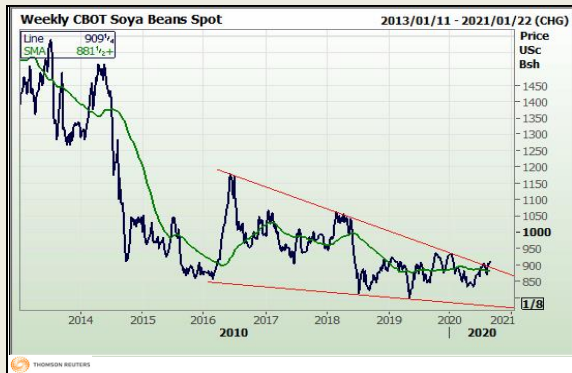
## Oil Seed Market

### 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	Overnight Change from 12pm
SEP 2020	904.00	899.75	0.00	-4.25	902.00	2.25	-2.00
NOV 2020	908.00	905.75	0.00	-2.25	915.50	9.75	7.50
JAN 2021	915.00	913.00	0.00	-2.00	923.00	10.00	8.00
MAR 2021	917.00	915.75	-0.50	-1.25	925.50	9.75	8.50
MAY 2021	920.00	919.75	-0.25	-0.25	928.75	9.00	8.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2010	289.1	292.30
OCT 2010	292.1	295.30
DEC 2010	297	300.60
JAN 2011	298.8	302.30
MAR 2011	299.6	302.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2010	31.66	31.97
OCT 2010	31.74	32.05
DEC 2010	31.95	32.24
JAN 2011	32.08	32.38
MAR 2011	32.17	32.47



FarmFutures - Soybean prices followed corn higher on unfavorable weather forecasts and expectations of lower crop quality, although gains ended up much more modest in comparison. September futures inched ahead 0.25 cents to \$9.01, with November futures adding 2 cents to \$9.0675.

Soybean basis bids were mixed at two interior river terminals and moved 5 cents higher at an Illinois processor while holding steady elsewhere across the Midwest today.

Soybean export inspections saw a moderate week-over-week increase, climbing to 42.3 million bushels. That was also on the high end of trade estimates, which ranged between 22.0 million and 45.9 million bushels. China accounted for more than half of that total, with 25.1 million bushels. Cumulative totals for the 2019/20 marketing year are now at 1.552 billion bushels, trending 5% below last year's pace.

Ahead of this afternoon's weekly crop progress report from USDA, analysts expect the agency to show soybean quality deteriorating another two points to 70% rated in good-to-excellent condition through August 23. Preliminary volume estimates were for 185,922 contracts, trending moderately above Friday's final count of 148,763.

### South African Futures Exchange

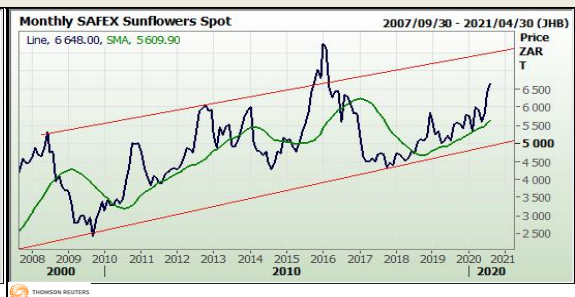
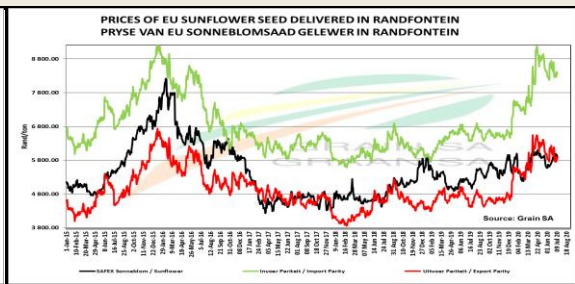
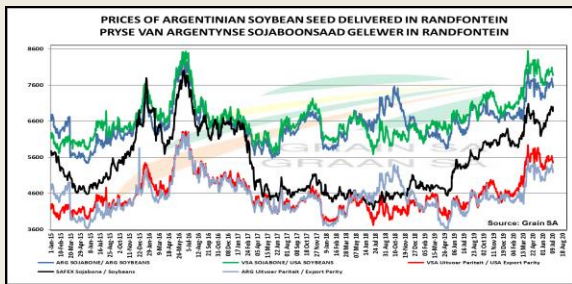
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020				
Sep 2020	R 7 406.00	15%	R -39.60	R 7 366.40
Dec 2020	R 7 427.00	15.5%		R 7 427.00
Mar 2021	R 7 185.00	16%	R 25.28	R 7 210.28
May 2021	R 6 698.00	17%	R 26.74	R 6 724.74
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020		
Jul 2020		
Sep 2020	R 6 640.00	11.5%
Dec 2020	R 6 752.00	15%
Mar 2021	R 6 603.00	0%
May 2021	R 6 200.00	21.5%
Jul 2021		



The local Soya market traded lower yesterday. The Aug'20 Soya contract ended R74.00 down and Sep'20 Soya closed R98.00 lower. The parity move for the Aug'20 Soya contract for yesterday was R7.00 positive.

The local Suns market closed lower yesterday. The Aug'20 Suns contract closed R27.00 down and Sep'20 Suns closed R65.00 lower.



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