



Fundamental Report

03 August 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.9189	17.0681	0.1492	0.88%
Euro/Rand	20.0587	20.0901	0.0314	0.16%
GBPound/Rand	22.2164	22.3220	0.1056	0.48%
AusDollar/Rand	12.1698	12.1678	-0.0020	-0.02%
Euro/USDollar	1.1855	1.1768	-0.0087	-0.73%
GBPound/USDollar	1.3136	1.3082	-0.0054	-0.41%
AusDollar/USDollar	0.7193	0.7129	-0.0064	-0.89%
JpyYen/USDollar	104.6500	105.8800	1.2300	1.18%

BDLive - The rand fell to its worst level in three weeks on Friday, breaking above R17/S, as a rise in Covid-19 infections in a number of countries across the globe threatens economic recovery.

The effects of the Covid-19 pandemic have been evident in recent economic data, with US GDP for the second quarter dropping the most in several decades, data showed on Thursday; while numbers released on Friday showed that Spain's economy shrank the most so far in Europe.

A partial lockdown has been implemented in northern England, while Italy, the original European epicentre, has also seen an increase in coronavirus cases, along with France, Germany and Spain.

"The rand traded weaker in the wake of the US GDP numbers, which saw risk aversion grow in emerging-market currencies," TreasuryONE analyst Andre Botha said.



Commodities

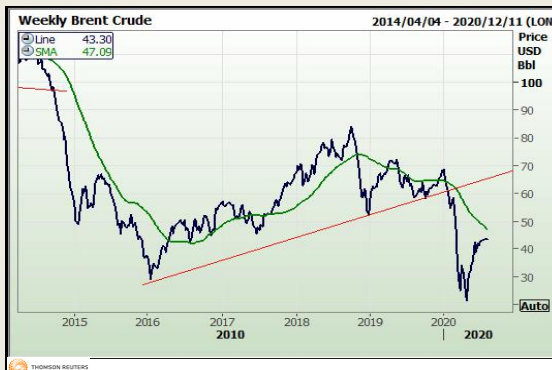
	Last	Value Change	% Change
Platinum	899.66	-7.34	-0.82%
Gold	1972.38	-2.31	-0.12%
Silver	24.29	-0.08	-0.35%
Copper	2.87	0.00	-0.09%
Gasoil	363.75	-1.25	-0.34%
Brent Oil	43.29	-0.23	-0.53%

BDLive - Bengaluru — Gold prices dipped on Thursday as investors holding long positions took profits after nine straight sessions of gains, though the outlook remained bullish with prices hovering near a record peak.

Spot gold dipped 0.9% to \$1,952.30/oz by 18.31pm GMT, set to break its longest winning streak since December 2017. US gold futures closed 0.6% lower at \$1,942.30/oz.

"We've seen gold's positioning has started to bloat not only from the institutional side, but more recently we have really seen a surge in retail flows," said Daniel Ghali, commodity strategist at TD Securities.

"All of this suggests that this is probably as good as it's going to get for gold for the time being."



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51368.82	0.00	0.00%
ALSI	51542.00	0.00	0.00%
S&P 500	3246.22	24.90	0.77%
FTSE	5989.99	-92.23	-1.54%
CAC	4783.69	0.00	0.00%
DAX	12313.36	0.00	0.00%
Hang Seng	24595.35	-166.19	-0.68%



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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	317.00	316.00	-0.50	-1.00	316.75	0.75	-0.25
DEC 2020	328.00	327.00	-0.25	-1.00	327.50	0.50	-0.50
MAR 2021	339.00	338.25	-0.50	-0.75	339.25	1.00	0.25
MAY 2021	347.00	346.00	-0.75	-1.00	346.75	0.75	-0.25
JUL 2021	353.00	352.25	-0.50	-0.75	353.00	0.75	0.00

FarmFutures - Weekend forecasts featuring favorable weather for crop development limited positive price action for corn this afternoon. Losses were limited by a record-smashing daily export sale to China yesterday. September corn futures ended the week over \$0.10/bushel lower.

Cash corn prices on the Mississippi continued to fall despite a large export sale announced to Mexico this morning. Basis narrowed \$0.04/bushel to \$0.06 over September futures at a Union City, Indiana ethanol plant. Country movement of corn was about as active as futures gains today – slight, if any.

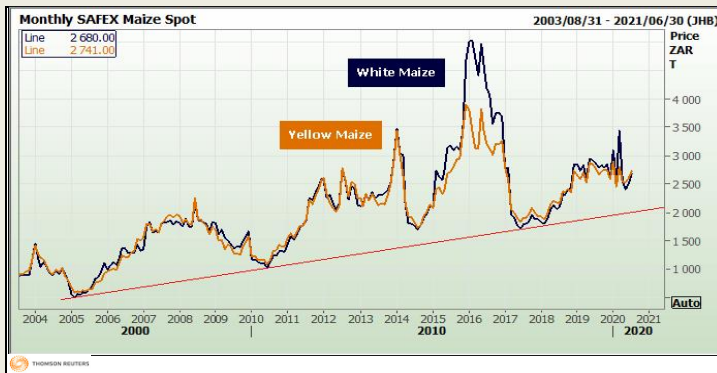
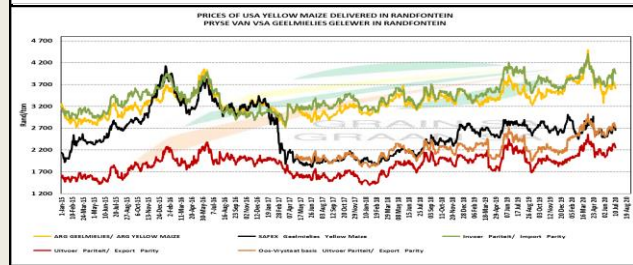
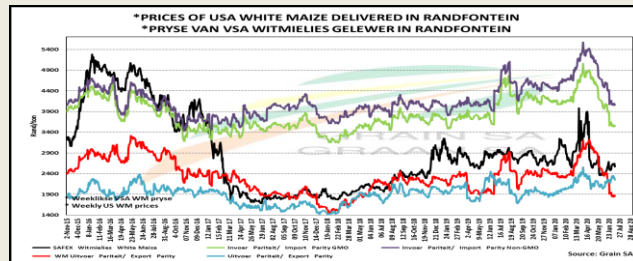
Low corn prices and a cheap dollar spurred a flash sale from Mexico, USDA announced this morning. Private exporters reported 4.5 million bushels of corn had been booked to delivery to Mexico during the 2020/21 marketing year.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
May 2020				
Jul 2020				
Sep 2020	R 2 701.00	20%	R 16.94	R 2 717.94
Dec 2020	R 2 786.00	23.25%	R 15.91	R 2 801.91
Mar 2021	R 2 797.00	24.5%	R 21.59	R 2 818.59
May 2021	R 2 661.00	0%	R 18.70	R 2 679.70
Jul 2021	R 2 671.00	24%	R 20.73	R 2 691.73
Yellow Maize Future				
May 2020				
Jul 2020				
Sep 2020	R 2 774.00	19.75%	R 16.94	R 2 790.94
Dec 2020	R 2 860.00	19%	R 15.91	R 2 875.91
Mar 2021	R 2 855.00	19.5%	R 21.59	R 2 876.59
May 2021	R 2 678.00	0%	R 18.70	R 2 696.70
Jul 2021	R 2 715.00	18%	R 20.73	R 2 735.73

The local Maize market traded higher yesterday. The Aug'20 WMAZ contract ended R29.00 up and Aug'20 YMAZ closed R39.00 higher. The Sep'20 WMAZ closed higher by R31.00 and Sep'20 YMAZ ended R37.00 up. The parity move for the Aug'20 Maize contract for yesterday was R17.00 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	534.00	531.25	6.25	-2.75	526.75	-4.50	-7.25	SEP 2010	445.00	442.50	4.25	-2.50	438.25	-4.25	-6.75
DEC 2020	540.00	538.75	5.50	-1.25	534.50	-4.25	-5.50	DEC 2010	455.00	453.00	4.00	-2.00	449.00	-4.00	-6.00
MAR 2021	547.00	545.75	5.00	-1.25	542.00	-3.75	-5.00	MAR 2011	466.00	463.75	4.00	-2.25	460.50	-3.25	-5.50
MAY 2021	550.00	549.75	3.75	-0.25	546.25	-3.50	-3.75	MAY 2011	471.00	470.75	4.25	-2.25	466.00	-4.75	-5.00
JUL 2021	549.00	549.00	3.00	0.00	529.00	-20.00	-20.00	JUL 2011	478.00	477.50	4.25	-0.50	473.00	-4.50	-5.00



FarmFutures - The U.S. wheat complex firmed today on a series of end-of-month technical trades. After the European markets closed, there was little market news to spur any significant price action. The wheat market traded mostly sideways this week, with the September Kansas City contract losing \$0.065/bushel on the week.

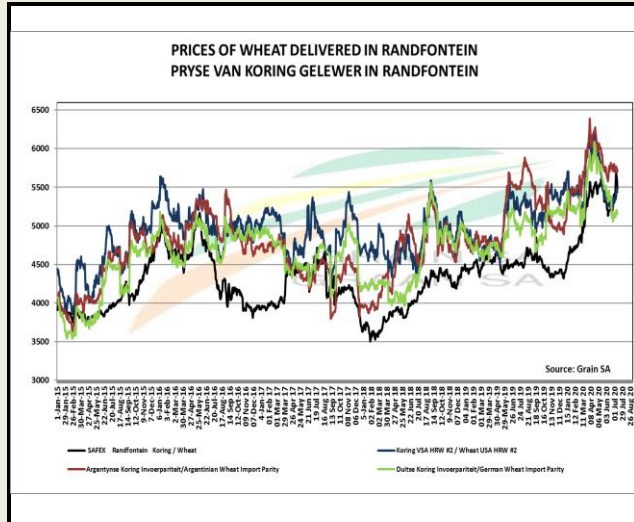
The European wheat complex will likely trade sideways for the foreseeable future on a lack of impactful market news. A rising Euro against the dollar limited gains in Paris this afternoon.

The dollar has taken its largest fall in the last decade as global investors doubt the United States' ability to recoup economic gains as coronavirus cases rise around the country and sow consumption fears in American households.

Cash wheat prices held steady across the Midwest and Southern Plains today. Cash sales were scarce as Chicago and Kansas City futures posted fractional gains.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
May 2020				
Jul 2020				
Sep 2020	R 5 524.00	13%	R -16.19	R 5 507.81
Dec 2020	R 4 863.00	11%	R -4.89	R 4 858.11
Mar 2021	R 4 938.00	0%	R -1.37	R 4 936.63
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 higher yesterday. The Aug'20 Wheat contract closed R15.00 up and Sep'20 Wheat closed R123.00 higher. The parity move for the Aug'20 Wheat contract for yesterday was R17.00 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
AUG 2020	896.00	897.50	0.00	1.50	902.00	4.50	6.00
SEP 2020	891.00	890.25	0.00	-0.75	894.75	4.50	3.75
NOV 2020	893.00	892.50	0.00	-0.50	898.25	5.75	5.25
JAN 2021	899.00	898.00	-0.50	-1.00	903.75	5.75	4.75
MAR 2021	897.00	895.50	-0.25	-1.50	901.75	6.25	4.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
AUG 2020	289.3	288.60
SEP 2020	291.2	291.00
OCT 2020	293.4	293.40
DEC 2020	297.3	297.60
JAN 2021	298.4	298.70

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
AUG 2020	30.91	31.35
SEP 2020	30.47	30.81
OCT 2020	30.51	30.80
DEC 2020	30.76	31.08
JAN 2021	30.93	31.23



FarmFutures - Increasing biodiesel demand sent soyoil futures rising in today's trading session, underpinning strengthening soybean futures prices along the way. August futures lost \$0.0725/bushel this week, slipping below the \$9/bushel benchmark to \$8.9675. The U.S. Energy Information Administration released May 2020 biodiesel production statistics earlier today, which showed a 3-million-gallon increase from April 2020. About 76% of biodiesel used for blending was produced in the Midwest. Around 778 million pounds of soyoil were consumed in May, as U.S. soy farmers continued to supply the largest raw ingredient for U.S. biodiesel production. The EIA's monthly report indicated that soy demand for biodiesel strengthened despite reduced fuel demand in the pandemic era. This could be a telling sign that USDA will likely increase their monthly WASDE estimates for soybean crush and soyoil production in the August 12 WASDE report. Spot basis bids for soybeans were mostly flat across the Midwest today. Basis strengthened a penny per bushel to trade even with August futures on the Mississippi River at the Savanna, Illinois terminal. As futures prices rebounded, farmers in need of cash booked new cash sales of old crop soybeans according to an Iowa merchandiser. Cash offerings for soybean meal strengthened as export demand in the Gulf at New Orleans increased. But many large soy meal buyers have remained on the sidelines, waiting to see how rising coronavirus cases impact processing speeds at meat plants.

South African Futures Exchange

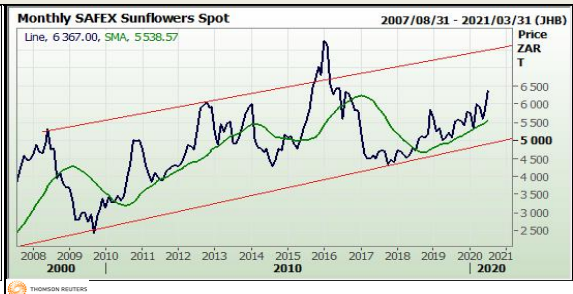
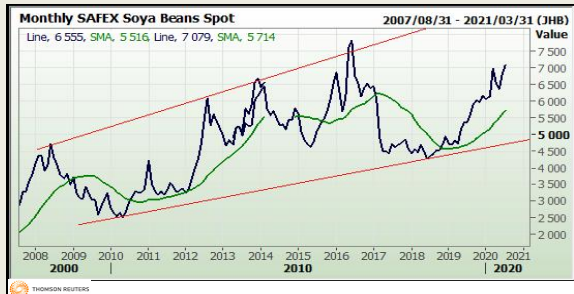
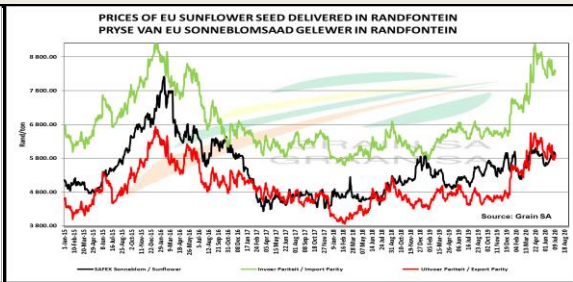
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020				
Sep 2020	R 7 126.00	15%	R 72.36	R 7 198.36
Dec 2020	R 7 182.00	15%		R 7 182.00
Mar 2021	R 6 908.00	15%	R 78.96	R 6 986.96
May 2021	R 6 500.00	17%		R 6 500.00
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020		
Jul 2020		
Sep 2020	R 6 425.00	11.5%
Dec 2020	R 6 527.00	15%
Mar 2021	R 6 341.00	0%
May 2021	R 5 991.00	0%
Jul 2021		



The local Soya market traded higher yesterday. The Aug'20 Soya contract ended R99.00 up and Sep'20 Soya closed R98.00 higher. The parity move for the Aug'20 Soya contract for yesterday was R72.00 positive.

The local Suns market closed higher yesterday. The Aug'20 Suns contract closed R67.00 up and Sep'20 Suns closed R53.00 higher.



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