



Fundamental Report

31 August 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.7844	16.5560	-0.2284	-1.36%
Euro/Rand	19.9496	19.7166	-0.2330	-1.17%
GBPound/Rand	22.2807	22.0920	-0.1887	-0.85%
AusDollar/Rand	12.2729	12.1951	-0.0778	-0.63%
Euro/USDollar	1.1886	1.1911	0.0025	0.21%
GBPound/USDollar	1.3270	1.3350	0.0080	0.60%
AusDollar/USDollar	0.7310	0.7366	0.0056	0.77%
JpyYen/USDollar	105.6700	105.4900	-0.1800	-0.17%

BDLive - The rand had its best day on Friday since President Cyril Ramaphosa won the race to lead the governing party at the ANC's 54th national conference in 2017, as the US Federal Reserve's dovish tone put pressure on the dollar.

At 5.36pm, the rand had firmed 2.8% to R16.5693/5, recording its biggest gain since December 18 2017. It had strengthened 2.02% to R19.7245/€ and 1.63% to R22.1240/£. The euro added 0.71% to \$1.1903. The local currency is still down 15.3% to the dollar so far this year.



Commodities

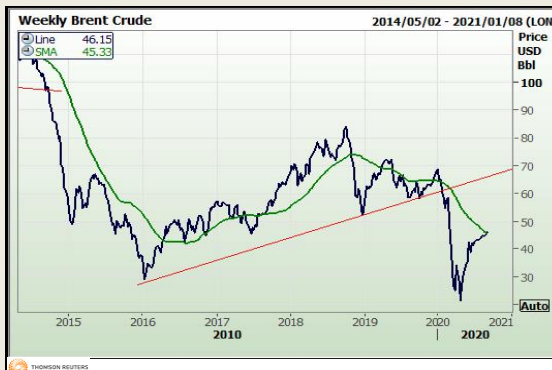
	Last	Value Change	% Change
Platinum	933.13	2.13	0.23%
Gold	1970.19	5.70	0.29%
Silver	27.97	0.48	1.72%
Copper	3.05	0.03	0.89%
Gasoil	368.50	3.00	0.81%
Brent Oil	46.15	0.34	0.74%

BDLive - Bengaluru — Gold rose on Friday, having declined more than 1% in the previous session, as persistent concerns over the pandemic-led economic slump boosted the metal's appeal, though gains were restricted by a jump in US Treasury yields.

Spot gold was up 0.4% at \$1,936.64/oz by 3.16am GMT. US gold futures rose 0.6% to \$1,943.20/oz.

"Realistically, we are probably a year or two away from the economy really recovering again," said Stephen Innes, chief market strategist at financial services firm AxiCorp.

"We are going to have lower interest rates for a lot longer and the changes with the amount of stimulus we are getting behind the economy right now inflation could start to pick up, which should help gold."



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51750.45	0.00	0.00%
ALSI	51575.00	0.00	0.00%
S&P 500	3484.55	23.46	0.67%
FTSE	5999.99	-36.42	-0.61%
CAC	5002.94	0.00	0.00%
DAX	13033.20	0.00	0.00%
Hang Seng	25422.06	345.11	1.36%



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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	344.00	346.00	-0.50	2.00	351.50	5.50	7.50
DEC 2020	358.00	359.25	The record	1.25	362.50	3.25	4.50
MAR 2021	368.00	369.25	-0.50	1.25	371.25	2.00	3.25
MAY 2021	375.00	375.75	The record	0.75	377.50	1.75	2.50
JUL 2021	379.00	379.50	The record	0.50	381.25	1.75	2.25

FarmFutures - Corn prices made it to seven-week highs Friday on another round of technical selling spurred by a large export sale reported this morning, along with lingering doubts over U.S. production potential amid adverse weather through much of August. September futures added another 3.25 cents to reach \$3.4750, with December futures up 1.5 cents to \$3.60.

Corn basis bids were steady to mixed Friday, moving as much as 2 cents lower at a Nebraska processor and as much as 10 cents higher at an Indiana ethanol plant today.

Private exporters reported to USDA the sale of 12.8 million bushels of corn for delivery to unknown destinations during the 2020/21 marketing year, which begins September 1.

Iowa farmers are facing the most widespread drought in seven years, according to the state's agriculture secretary, Mike Naig. The latest updates from the U.S. Drought Monitor, out yesterday, show 96% of the state is experiencing some level of drought, with 61% suffering "moderate to exceptional drought." From China's recent flurry of U.S. grain purchases to eroding weather conditions in some key production areas, Bill Biederman (hedging strategist with AgMarket.net) has been looking at the biggest fundamentals driving grain prices right now. He shared his thoughts in the latest Ag Marketing IQ blog - click here to learn more.

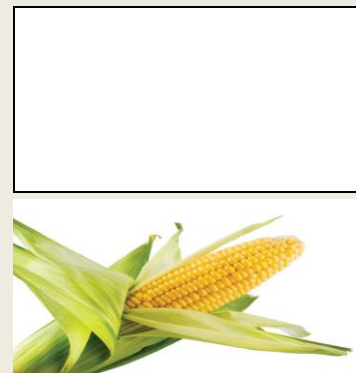
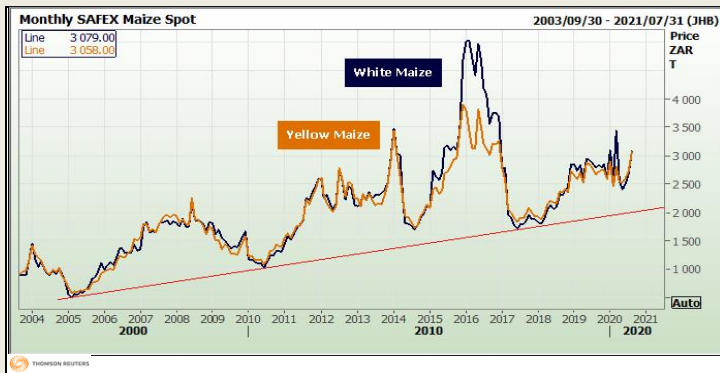
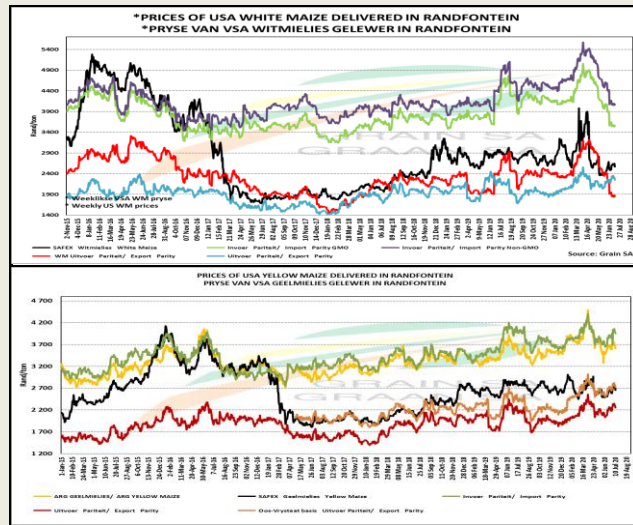
Preliminary volume estimates were for 446,018 contracts, trending 11% below Thursday's final count of 499,328.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
May 2020				
Jul 2020				
Sep 2020	R 3 079.00	28%	R 17.95	R 3 096.95
Dec 2020	R 3 101.00	28.75%	R -2.86	R 3 098.14
Mar 2021	R 3 078.00	27.25%	R -11.91	R 3 066.09
May 2021	R 2 862.00	0%	R -17.42	R 2 844.58
Jul 2021	R 2 837.00	24%	R -19.41	R 2 817.59
Yellow Maize Future				
May 2020				
Jul 2020				
Sep 2020	R 3 058.00	19.75%	R 17.95	R 3 075.95
Dec 2020	R 3 125.00	19.5%	R -2.86	R 3 122.14
Mar 2021	R 3 085.00	20%	R -11.91	R 3 073.09
May 2021	R 2 852.00	0%	R -17.42	R 2 834.58
Jul 2021	R 2 840.00	18%	R -19.41	R 2 820.59

The local Maize market traded lower yesterday. The Sep'20 WMAZ contract ended R62.00 down and Sep'20 YMAZ closed R43.00 lower. The Dec'20 WMAZ closed lower by R50.00 and Dec'20 YMAZ ended R25.00 down. The parity move for the Sep'20 Maize contract for yesterday was R22.00 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	543.00	539.25	The record c	-3.75	545.75	6.50	2.75	SEP 2010	462.00	461.75	4.25	-0.25	461.75	0.00	-0.25
DEC 2020	551.00	548.75	5.50	-2.25	553.00	4.25	2.00	DEC 2010	473.00	472.25	4.00	-0.75	474.75	2.50	1.75
MAR 2021	559.00	556.50	5.00	-2.50	561.00	4.50	2.00	MAR 2011	483.00	482.75	4.00	-0.25	485.00	2.25	2.00
MAY 2021	562.00	561.00	3.75	-1.00	565.25	4.25	3.25	MAY 2011	492.00	490.25	4.25	-1.75	492.50	2.25	0.50
JUL 2021	562.00	561.25	3.00	-0.75	529.00	-32.25	-33.00	JUL 2011	498.00	497.50	4.25	-0.50	499.50	2.00	1.50

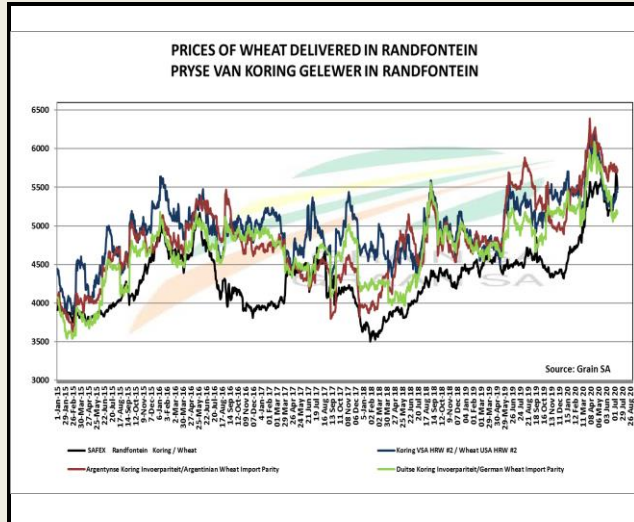


FarmFutures - Wheat prices faltered Friday but ended the session with mixed results after some uneven technical maneuvering. Prices have been on somewhat of a roller coaster ride this summer but have been mainly on an upward swing since early August. Today, September Chicago SRW futures fell 3 cents to \$5.3950, September Kansas City HRW futures picked up 1.5 cents to \$4.6225, and September MGEX spring wheat futures lost 3.5 cents to \$5.1925. Germany's agriculture ministry trimmed its forecast for 2020 wheat production by 5.1% to 804 million bushels, due largely to a drop in planted acres this year. Germany is Europe's second-largest wheat producer. Across all of Europe, the European Commission has trimmed its 2020/21 wheat production outlook by 2.7% to 4.170 billion bushels. EU exports are also forecasted lower, to 881.8 million bushels. Next Friday, Statistics Canada will release grain stocks estimates through July 31. Analysts expect the agency to show all-wheat stocks at 209.4 million bushels, which would represent a 5.6% decline from a year ago.

Preliminary volume estimates were for 124,714 CBOT contracts, sliding slightly below Thursday's final count of 131,517.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
May 2020				
Jul 2020				
Sep 2020	R 5 225.00	16.5%	R -28.84	R 5 196.16
Dec 2020	R 4 887.00	9.5%	R -34.07	R 4 852.93
Mar 2021	R 4 979.00	0%	R -34.75	R 4 944.25
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 Sep'20 Wheat contract closed R25.00 up and Dec'20 Wheat closed R19.00 higher. The parity move for the Sep'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
SEP 2020	940.00	950.50	0.00	10.50	902.00	-48.50
NOV 2020	946.00	950.50	0.00	4.50	965.50	15.00
JAN 2021	951.00	956.25	0.00	5.25	971.00	14.75
MAR 2021	950.00	956.25	-0.50	6.25	970.50	14.25
MAY 2021	950.00	957.25	-0.25	7.25	971.25	14.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2010	301.6	306.90
OCT 2010	304.1	309.10
DEC 2010	309.7	314.60
JAN 2011	311.3	316.40
MAR 2011	310.8	315.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2010	33.39	33.77
OCT 2010	33.1	33.59
DEC 2010	33.24	33.68
JAN 2011	33.32	33.69
MAR 2011	33.4	33.84



FarmFutures - Soybean prices moved higher for the fifth consecutive session Friday. Traders are generally optimistic about exports right now and worried about declining quality ratings and unfavorable weather that could hamper crop yields this fall. Nearby contracts have rallied more than 5% higher in total this week. September futures gained another 14.25 cents today to reach \$9.5150, with November futures up 10 cents to \$9.52.

Soybean basis bids fell 5 cents at an Iowa processor and 4 cents at an Iowa river terminal while holding steady elsewhere across the central U.S. Friday.

A recent statement from USDA's Farm Service Agency "reminds farmers and ranchers that the deadline to apply for the Coronavirus Food Assistance Program (CFAP) is Sept. 11, 2020. This program provides direct relief to producers who faced price declines and additional marketing costs due to COVID-19."

Preliminary volume estimates were for 216,903 contracts, spilling 36% below Thursday's final count of 340,868.

South African Futures Exchange

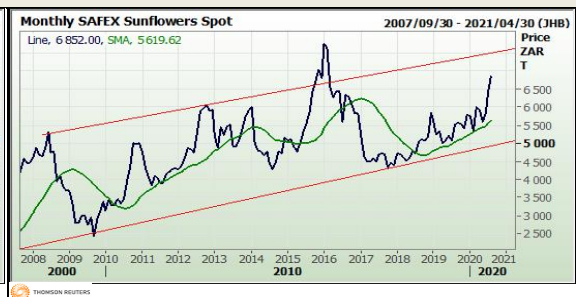
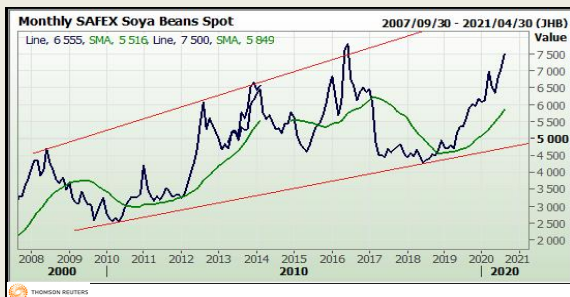
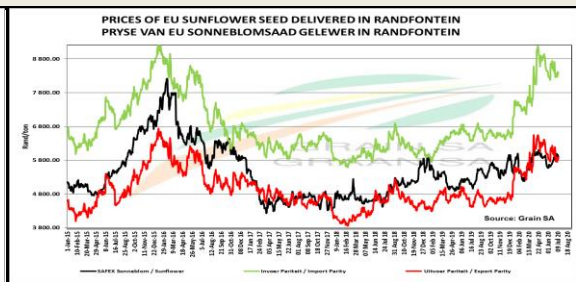
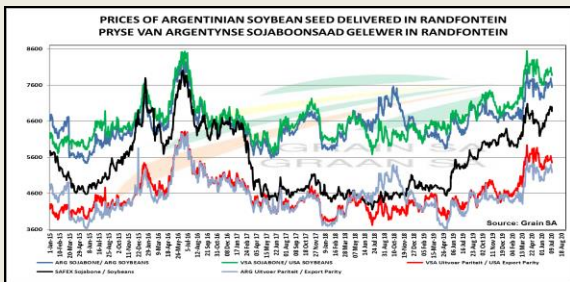
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020				
Sep 2020	R 7 500.00	15%	R -310.05	R 7 189.95
Dec 2020	R 7 541.00	15.5%		R 7 541.00
Mar 2021	R 7 250.00	16%	R 44.98	R 7 294.98
May 2021	R 6 750.00	17%	R 49.54	R 6 799.54
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020		
Jul 2020		
Sep 2020	R 6 852.00	11.5%
Dec 2020	R 6 970.00	15%
Mar 2021	R 6 840.00	14.5%
May 2021	R 6 329.00	21.5%
Jul 2021		



The local Soya market traded higher yesterday. The Sep'20 Soya contract ended R125.00 up and Dec'20 Soya closed R115.00 higher. The parity move for the Sep'20 Soya contract for yesterday was R78.00 positive.

The local Suns market closed higher yesterday. The Sep'20 Suns contract closed R127.00 up and Dec'20 Suns closed R139.00 higher.



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