



# **Fundamental Report**

## **14 September 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.7690	16.6987	-0.0703	-0.42%
Euro/Rand	19.9108	19.7845	-0.1263	-0.63%
GBPound/Rand	21.4452	21.4060	-0.0392	-0.18%
AusDollar/Rand	12.2323	12.1583	-0.0740	-0.60%
Euro/USDollar	1.1869	1.1848	-0.0021	-0.18%
GBPound/USDollar	1.2787	1.2822	0.0035	0.27%
AusDollar/USDollar	0.7292	0.7281	-0.0011	-0.15%
JpyYen/USDollar	106.2200	106.0300	-0.1900	-0.18%

BDLive - The JSE closed firmer on Friday, as investors digested the outcome of the European Central Bank (ECB) meeting, as focus now shifts to the US Federal Reserve policy meeting next week. The ECB left its asset purchases and interest rates unchanged but the main area of interest was the strength of the euro: president Christine Lagarde said the bank is keeping an eye on that but sees no immediate need to intervene. European shares struggled for momentum on Friday as doubts about extra monetary stimulus and overnight falls in US big tech shares kept investors on edge. Elevated fears over a messy hard Brexit added to the bearish sentiment, putting sterling on track for its worst week since March after the EU told Britain it should urgently scrap a plan to break their divorce treaty. In other political wrangling, the US Senate on Thursday killed a Republican bill that would have provided about \$300bn in new coronavirus aid, as Democrats seeking far more funding prevented it from advancing.

That followed European Central Bank president Christine Lagarde earlier in the day appearing to rule out measures to weaken the euro.



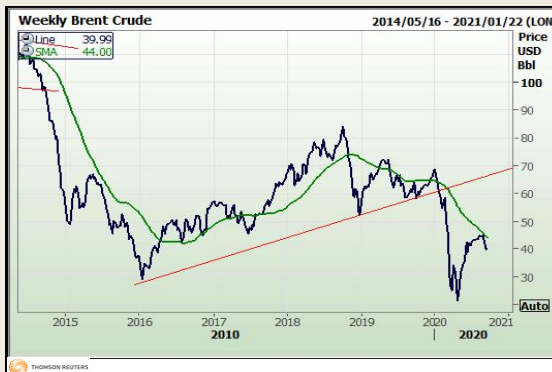
### Commodities

	Last	Value Change	% Change
Platinum	935.91	10.91	1.17%
Gold	1947.81	6.31	0.32%
Silver	26.83	0.09	0.33%
Copper	3.05	0.01	0.47%
Gasoil	324.50	0.50	0.15%
Brent Oil	39.98	0.15	0.38%

BDLive - Gold prices fell on Friday as the US dollar rebounded, but was on track for a weekly gain underpinned by worries over a global economic recovery from the coronavirus-led slump.

Spot gold was down 0.8% at \$1,938.53/oz at 3.08am GMT, after hitting its best level since September 2 at \$1,965.94/oz on Thursday. Gold has gained 0.4% this week. US gold futures fell 0.8% to \$1,948/oz.

"A rebound in the US dollar index sent gold prices lower following the European Central Bank's neutral tone last night," said Margaret Yang, a strategist with DallyFX, which covers currency, commodity and index trading. "The mid- to long-term outlook remains bullish for gold, despite recent consolidation. An ultra-loose monetary policy and low yield environment is cushioning the downside."



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51715.12	0.00	0.00%
ALSI	51668.00	0.00	0.00%
S&P 500	3339.19	1.78	0.05%
FTSE	6003.32	28.77	0.48%
CAC	5034.14	0.00	0.00%
DAX	13202.84	0.00	0.00%
Hang Seng	24503.31	163.35	0.67%



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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	358.00	365.00	-0.50	7.00	366.25	1.25	8.25
DEC 2020	367.00	368.50	The record	1.50	370.50	2.00	3.50
MAR 2021	377.00	378.25	-0.50	1.25	379.50	1.25	2.50
MAY 2021	383.00	384.50	The record	1.50	385.50	1.00	2.50
JUL 2021	386.00	388.00	The record	2.00	389.00	1.00	3.00

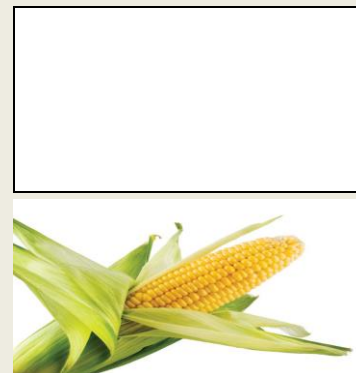
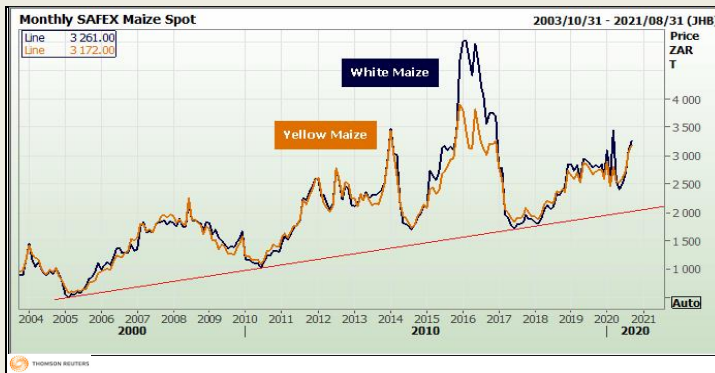
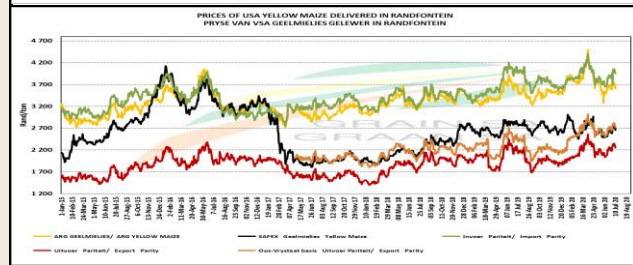
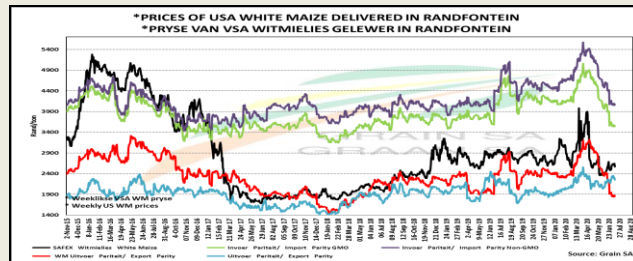
FarmFutures - Corn prices jumped substantially higher Friday on supportive export, supply and demand data released by USDA this morning. Traders are also continuing to monitor the ASF situation unfolding in Germany, which could help domestic feed demand. September futures climbed nearly 2.5% higher, adding 8.75 cents and closing at \$3.66. December futures saw gains of 4.5 cents, reaching \$3.6950. Corn basis bids continued to trend steady to firm Friday, moving 3 to 10 cents higher at three Midwestern ethanol plants and picking up 2 to 6 cents across a handful of other central U.S. locations today. USDA's WASDE report now pegs average corn yield potential falling from 181.8 bushels per acre in August down to 178.5 bpa. That was mostly in line with trade estimates of 178.3 bpa. Farm Futures was a bit more bullish than that average guess, contributing an estimate of 178.9 bpa based on an exclusive grower survey. USDA also dropped 500,000 acres from its estimates, which now sit at 83.5 million acres. That puts the 2020 U.S. corn crop on pace for a total production of 14.9 billion bushels, down from the agency's expectation to see 15.278 billion bushels a month ago. Click here for more news and analysis from today's report. French consultancy FranceAgriMer reports that the country's corn crop quality fell another point last week, moving to 60% rated in good-to-excellent condition. The country has suffered a lot of hot, dry weather throughout the summer. Harvest has barely started, with 1% completion through September 7. Preliminary volume estimates were for 367,145 contracts, moving above Thursday's final count of 328,246.



## South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020				
Jul 2020				
Sep 2020	R 3 261.00	28%	R 44.33	R 3 305.33
Dec 2020	R 3 271.00	32%	R 12.85	R 3 283.85
Mar 2021	R 3 230.00	27.75%	R 6.00	R 3 236.00
May 2021	R 2 903.00	0%	R 5.84	R 2 908.84
Jul 2021	R 2 902.00	24%	R 9.04	R 2 911.04
<b>Yellow Maize Future</b>				
May 2020				
Jul 2020				
Sep 2020	R 3 172.00	19.75%	R 44.33	R 3 216.33
Dec 2020	R 3 226.00	21.25%	R 12.85	R 3 238.85
Mar 2021	R 3 191.00	21%	R 6.00	R 3 197.00
May 2021	R 2 900.00	0%	R 5.84	R 2 905.84
Jul 2021	R 2 904.00	18%	R 9.04	R 2 913.04

The local Maize market traded mixed yesterday. The Sep'20 WMAZ contract ended R6.00 up and Sep'20 YMAZ closed R12.00 higher. The Dec'20 WMAZ closed lower by R2.00 while Dec'20 YMAZ ended R11.00 up. The parity move for the Sep'20 Maize contract for yesterday was R34.00 positive.

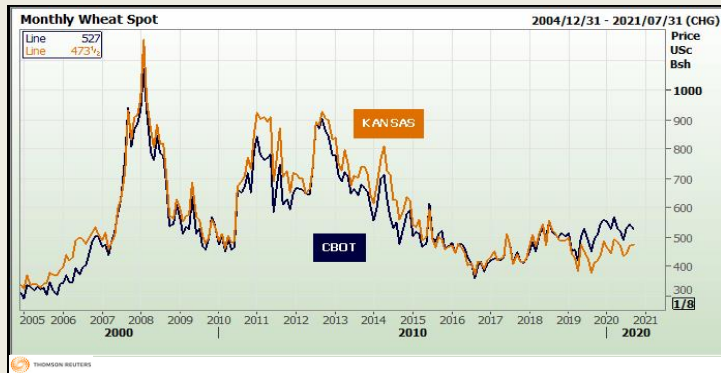


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## Wheat Market

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

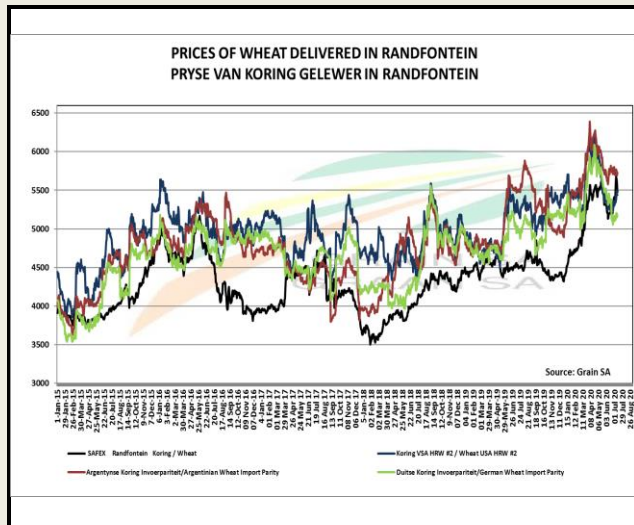
CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
SEP 2020	537.00	533.75	The record c	-3.25	527.00	-6.75	-10.00	SEP 2010	462.50	473.50	4.25	11.00	0.00	-473.50	-462.50
DEC 2020	549.00	542.00	5.50	-7.00	543.50	1.50	-5.50	DEC 2010	477.00	471.25	4.00	-5.75	473.25	2.00	-3.75
MAR 2021	558.00	550.75	5.00	-7.25	552.25	1.50	-5.75	MAR 2011	489.00	482.25	4.00	-6.75	484.00	1.75	-5.00
MAY 2021	564.00	557.00	3.75	-7.00	558.25	1.25	-5.75	MAY 2011	496.00	489.50	4.25	-6.50	490.50	1.00	-5.50
JUL 2021	563.00	557.00	3.00	-6.00	529.00	-28.00	-34.00	JUL 2011	501.00	496.00	4.25	-5.00	497.50	1.50	-3.50



FarmFutures - Wheat prices spilled into the red after USDA reported global production could reach record levels this season, leading to a round of technical selling that pushed prices moderately lower. December Chicago SRW futures fell 5.75 cents to \$5.4250, December Kansas City HRW futures dropped 2 cents to \$4.72, and December MGEX spring wheat futures lost 4.5 cents to \$5.31. Q18. USDA's latest supply and demand analysis for wheat remained relatively steady, as the agency marked September's outlook "unchanged" from August, leaving U.S. ending stocks at 925 million bushels and the season-average farm price at \$4.50 per bushel. Globally, there was an upward shift in 2020/21 ending stocks, moving from 11.639 billion bushels in August to 11.734 billion bushels in September. USDA says this trend is due to larger supplies in Australia and Canada more than offsetting declines in Argentina. Global production for 2020/21 could climb to record levels of 28.311 billion bushels. Ukraine's economy ministry reports that the country's 2020 wheat harvest is now complete, with average yields of around 61 bushels per acre for a total production of 992 million bushels. Ukraine is a major wheat exporter. Preliminary volume estimates were for 104,324 CBOT contracts, edging slightly above Thursday's final count of 101,652.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020				
Jul 2020				
Sep 2020	R 5 050.00	16.5%	R -75.23	R 4 974.77
Dec 2020	R 4 902.00	9.5%	R -47.93	R 4 854.07
Mar 2021	R 4 993.00	0%	R -49.69	R 4 943.31
May 2021				
Jul 2021				
<b>Cape Wheat</b>				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				



The local Weat market closed higher yesterday. The Sep'20 Weat contract closed R51.00 up and Dec'20 Weat closed R11.00 higher. The parity move for the Sep'20 Weat contract for yesterday was R92.00 negative.



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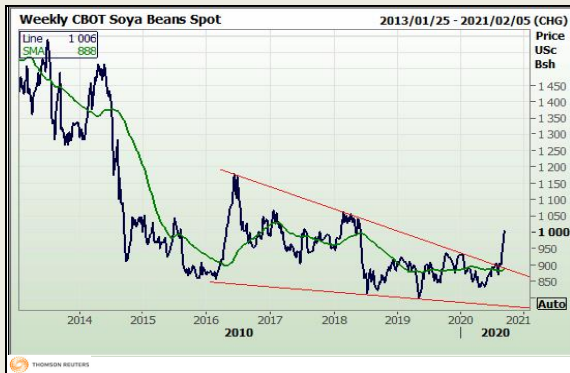
## Oil Seed Market

### 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	995.00	1005.50	0.00	10.50	902.00	-103.50
NOV 2020	986.00	996.00	0.00	10.00	1003.25	7.25
JAN 2021	989.00	999.25	0.00	10.25	1006.75	7.50
MAR 2021	988.00	996.75	-0.50	8.75	1004.75	8.00
MAY 2021	989.00	995.25	-0.25	6.25	1003.50	8.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2010	318.4	0.00
OCT 2010	319.9	321.10
DEC 2010	324.6	325.80
JAN 2011	326	327.10
MAR 2011	325.7	327.10

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2010	33.74	0.00
OCT 2010	33.61	34.15
DEC 2010	33.71	34.23
JAN 2011	33.81	34.33
MAR 2011	33.97	34.46



FarmFutures - Soybean prices saw a big round of technical buying Friday that resulted in double-digit gains in today's session. The day began with two large export sales announcements and a bullish round of export sales data from USDA. The agency's WASDE report, out late this morning, lent additional support as it confirmed lower yield and production estimates that analysts had been expecting. September futures closed 20.5 cents higher, moving back above \$10 per bushel for the first time since June 2018. November futures climbed 20 cents higher to \$9.9750.

Soybean basis bids jumped 24 cents higher at an Illinois river terminal while remaining steady to slightly firm elsewhere across the central U.S. today. In this morning's WASDE report, USDA noted several significant changes in supply and usage since August. Yield potential dropped 1.4 bpa from a month ago, dropping to 51.9 bpa. That was very close to analyst estimates, with an average trade guess of 51.8 bpa. With total harvested acreage expected to remain stable, that sets the table for an expected production of 4.313 billion bushels. Soybean export shipments for September 1-3 reached 19.3 million bushels. China accounted for most of that total, with 14.7 million bushels. What are your latest field conditions? We want to hear from you. Click here to learn how to submit comments to the next round of Feedback From The Field, catch up on other farmer anecdotes and view our interactive map.

Preliminary volume estimates were for 335,508 contracts, more than doubling Thursday's final count of 155,484.

### South African Futures Exchange

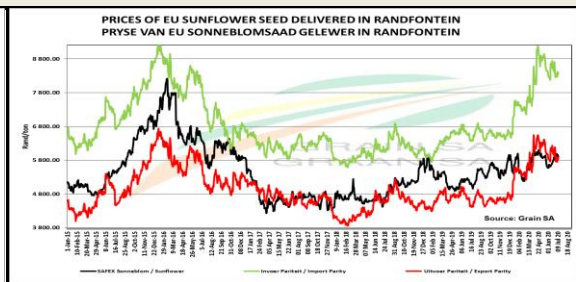
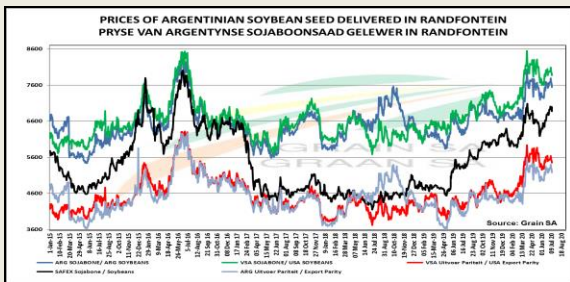
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020				
Sep 2020	R 7 738.00	15%	R -596.32	R 7 141.68
Dec 2020	R 7 746.00	15%		R 7 746.00
Mar 2021	R 7 574.00	16%	R 77.25	R 7 651.25
May 2021	R 6 942.00	17%	R 63.42	R 7 005.42
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020		
Jul 2020		
Sep 2020	R 7 460.00	11.5%
Dec 2020	R 7 562.00	13.5%
Mar 2021	R 7 575.00	14.5%
May 2021	R 6 810.00	21.5%
Jul 2021	R 6 650.00	0%



The local Soya market traded higher yesterday. The Sep'20 Soya contract ended R70.00 up and Dec'20 Soya closed R82.00 higher. The parity move for the Sep'20 Soya contract for yesterday was R156.00 positive.

The local Suns market closed higher yesterday. The Sep'20 Suns contract closed R72.00 up and Dec'20 Suns closed R89.00 higher.



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