



Fundamental Report

18 September 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.3437	16.1823	-0.1614	-0.99%
Euro/Rand	19.2776	19.1724	-0.1052	-0.55%
GBPound/Rand	21.2075	20.9688	-0.2387	-1.13%
AusDollar/Rand	11.9292	11.8438	-0.0854	-0.72%
Euro/USDollar	1.1797	1.1849	0.0052	0.44%
GBPound/USDollar	1.2980	1.2952	-0.0028	-0.22%
AusDollar/USDollar	0.7299	0.7319	0.0020	0.27%
JpyYen/USDollar	104.7100	104.8100	0.1000	0.10%

BDLive - The rand gained for a fifth day on Thursday as markets digested the SA Reserve Bank's decision to keep interest rates unchanged. At 5.55pm, the rand had firmed 0.28% to R16.2260/\$ reaching R16.17/\$ earlier in the day, its best level since March. It had strengthened 0.20% to R19.1868/€ and 0.28% to R21.0126/£. The euro had firmed 0.11% to \$1.1825. The dollar stirred and equities recoiled on Thursday after a divided US Federal Reserve dented stimulus hopes, TikTok's tug-of-war clobbered tech stocks, and dire European car sales underscored coronavirus troubles. Traders were also watching Bank of Japan and Bank of England meetings as well as plenty more too, but the tone was set by the events overnight at the Fed and in the tech war. The Fed extended its "dot plot" forecast of unchanged US interest rates out to end-2023, but going no further than that, and upgrading growth forecasts so that GDP is now seen reaching pre-pandemic levels next year rather than in 2022.

The downtrodden dollar rebounded across the board, giving it its best daily rise in more than a week against a basket of other top currencies and punting the euro back under \$1.18.



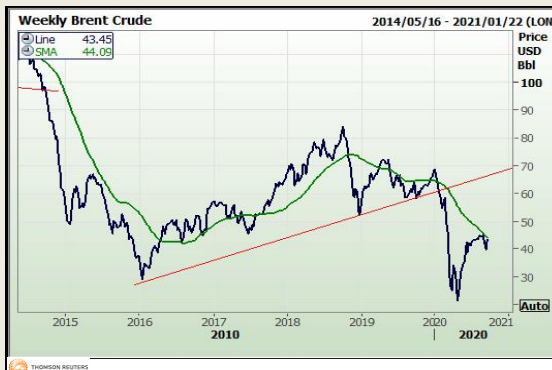
Commodities

	Last	Value Change	% Change
Platinum	940.72	0.45	0.05%
Gold	1953.24	10.64	0.54%
Silver	27.11	0.01	0.03%
Copper	3.09	0.02	0.66%
Gasoil	341.25	1.25	0.37%
Brent Oil	43.45	0.15	0.35%

BDLive - Bengaluru — Gold prices held steady on Wednesday as investors awaited the outcome of the US Federal Reserve's policy meeting, hoping for details of the central bank's plans to balance interest rates against its inflation target.

Spot gold was up 0.1% to \$1,957.45/oz by 2.55am GMT. US gold futures were steady at \$1,966.20.

"People are keeping on the sidelines because of the Fed announcement coming up later today," said Brian Lan, MD at dealer GoldSilver Central in Singapore. "People are awaiting more clarity on what monetary tools the Fed is expected to use to support inflation above 2%."



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50700.14	0.00	0.00%
ALSI	50850.00	0.00	0.00%
S&P 500	3385.49	-28.48	-0.84%
FTSE	6078.48	-28.56	-0.47%
CAC	5039.50	0.00	0.00%
DAX	13208.12	0.00	0.00%
Hang Seng	24340.85	23.50	0.10%



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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
DEC 2020	373.00	375.25	-0.50	2.25	378.50	3.25	5.50
MAR 2021	382.00	384.00	The record	2.00	387.00	3.00	5.00
MAY 2021	387.00	388.75	-0.50	1.75	391.50	2.75	4.50
JUL 2021	390.00	391.75	The record	1.75	394.25	2.50	4.25
SEP 2021	384.00	385.50	The record	1.50	386.75	1.25	2.75

FarmFutures - Corn prices moved moderately higher Thursday as export optimism and spillover strength from other grains triggered some technical buying. Weekly export sales came in on the high end of trade estimates this morning, and another large flash sale to unknown destinations was also announced today. December futures picked up 3 cents to \$3.7475, while March futures added 2.5 cents to \$3.8350. Corn basis bids were steady to weak Thursday, tumbling 18 cents lower at an Illinois river terminal and falling 2 to 7 cents lower at two other Midwestern locations today. Private exporters announced to USDA the sale of 4.7 million bushels of corn for delivery to unknown destinations during the 2020/21 marketing year, which began September 1.



Corn export sales reached 63.4 million bushels last week, versus trade guesses that ranged between 31.5 million and 74.8 million bushels. Mexico and Japan have typically topped the list in these weekly reports, but China emerged as the No. 1 buyer of U.S. corn last week, with 14.2 million bushels. Typhoons in China have hurt corn production there. Drought has plagued parts of the U.S. this summer, but that has also set the table for an easier harvest in some areas. We talked about "wild weather" and much more in the latest Midweek Markets podcast - click here to listen.

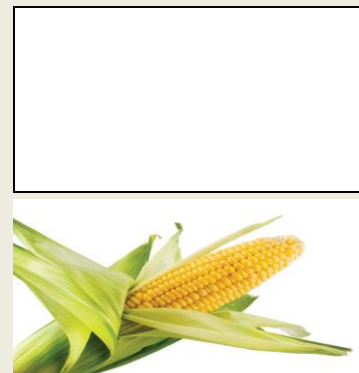
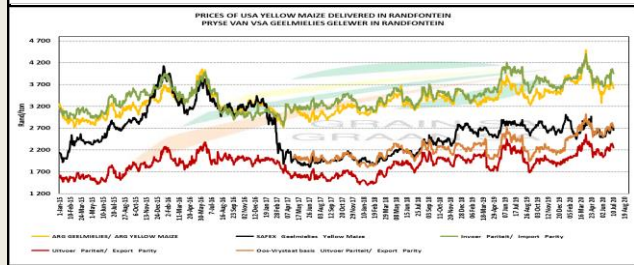
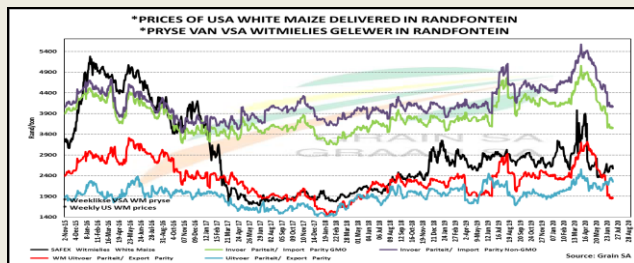
In the European Union, consultancy Strategie Grains made big cuts to its estimates for EU corn production, which fell to 2.555 billion bushels after drought hammered key production regions that include France, Italy and Romania.

Preliminary volume estimates were for 371,740 contracts, trending 54% above Wednesday's final count of 241,301.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2020	R 3 269.00	28%		R 3 269.00
Dec 2020	R 3 234.00	29.75%	R 11.34	R 3 245.34
Mar 2021	R 3 198.00	27.75%	R 7.58	R 3 205.58
May 2021	R 2 900.00	0%	R -4.08	R 2 904.08
Jul 2021	R 2 845.00	24.5%	R 2.29	R 2 847.29
Sep 2021				
Dec 2021				
Yellow Maize Future				
Sep 2020	R 3 167.00	19.75%		R 3 167.00
Dec 2020	R 3 206.00	21.25%	R 11.34	R 3 217.34
Mar 2021	R 3 166.00	21%	R 7.58	R 3 173.58
May 2021	R 2 850.00	0%	R 4.08	R 2 854.08
Jul 2021	R 2 847.00	18%	R 2.29	R 2 849.29
Sep 2021				
Dec 2021				

The local Maize market traded higher yesterday. The Sep'20 WMAZ contract ended R39.00 up and Sep'20 YMAZ closed R66.00 higher. The Dec'20 WMAZ closed higher by R65.00 and Dec'20 YMAZ ended R58.00 up. The parity move for the Sep'20 Maize contract for yesterday was R14.00 positive.

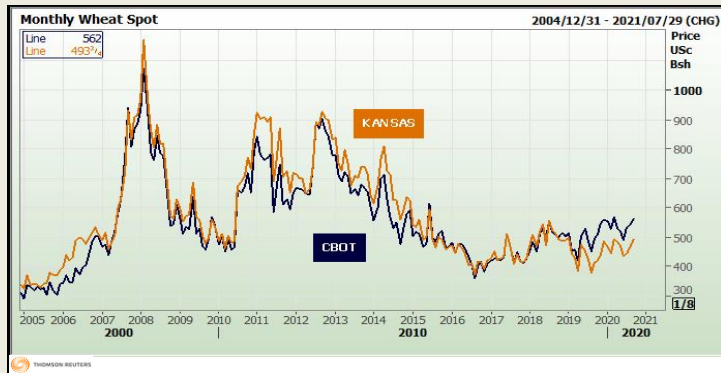


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Wheat Market

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
DEC 2020	545.00	556.25	The record c	11.25	562.00	5.75	17.00	DEC 2010	480.00	487.50	4.25	7.50	493.75	6.25	13.75
MAR 2021	554.00	564.00	5.50	10.00	569.50	5.50	15.50	MAR 2011	491.00	498.25	4.00	7.25	505.00	6.75	14.00
MAY 2021	559.00	568.75	5.00	9.75	573.75	5.00	14.75	MAY 2011	498.00	505.25	4.00	7.25	511.50	6.25	13.50
JUL 2021	558.00	567.25	3.75	9.25	571.75	4.50	13.75	JUL 2011	505.00	510.75	4.25	5.75	516.75	6.00	11.75
SEP 2021	564.00	572.50	3.00	8.50	529.00	-43.50	-35.00	SEP 2011	513.00	517.75	4.25	4.75	523.50	5.75	10.50

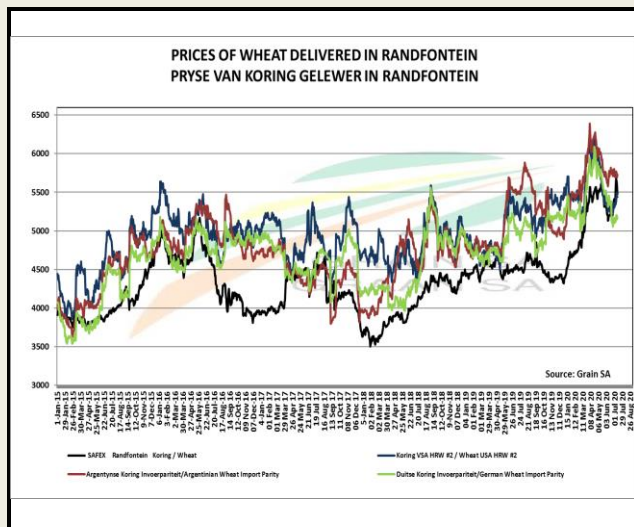


FarmFutures - Wheat prices followed global prices higher today, leading to double-digit gains for most contracts. Spillover strength from corn and soybeans lent additional support, even as USDA's latest export sales data was fairly lackluster. December Chicago SRW futures firmed 14.75 cents to \$5.5675, December Kansas City HRW futures rose 13 cents to \$4.88, and December MGEX spring wheat futures added 9.5 cents to \$5.41. Wheat export sales were relatively disappointing, falling 42% below the prior four-week average to 12.3 million bushels. That was also on the lower end of trade guesses, which ranged between 11.0 million and 25.7 million bushels. Still, cumulative totals for the 2020/21 marketing year remain 4% ahead of last year's pace, with 281.9 million bushels. Wheat export shipments edged 2% above the prior four-week average to 20.7 million bushels. Indonesia led all destinations with 3.3 million bushels. Jordan issued a new international tender to purchase 4.4 million bushels of milling wheat from optional origins, which closes September 23. The country made an identical wheat purchase earlier this week.

Preliminary volume estimates were for 114,543 CBOT contracts, rebounding from Wednesday's final count of 65,322.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2020	R 4 884.00	16.5%		R 4 884.00
Dec 2020	R 4 887.00	9.5%	R 68.76	R 4 955.76
Mar 2021	R 4 980.00	0%	R 59.31	R 5 039.31
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				
Cape Wheat				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				



The local Wheat market closed higher yesterday. The Sep'20 Wheat contract closed R14.00 up and Dec'20 Wheat closed R3.00 higher. The parity move for the Sep'20 Wheat contract for yesterday was R68.00 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
NOV 2020	1015.00	1028.50	0.00	13.50	902.00	-126.50	-113.00
JAN 2021	1020.00	1031.25	0.00	11.25	1044.75	13.50	24.75
MAR 2021	1018.00	1023.75	0.00	5.75	1036.75	13.00	18.75
MAY 2021	1018.00	1019.00	-0.50	1.00	1032.50	13.50	14.50
JUL 2021	1019.00	1019.75	-0.25	0.75	1032.75	13.00	13.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2010	330.4	333.40
DEC 2010	335.3	338.20
JAN 2011	335.9	338.40
MAR 2011	333.3	336.00
MAY 2011	330.5	332.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2010	34.91	35.36
DEC 2010	34.86	35.30
JAN 2011	34.93	35.39
MAR 2011	34.99	35.44
MAY 2011	35.03	35.53



FarmFutures - Soybean prices surged forward again today, posting gains of around 1.5%. Export optimism was refreshed on the heels of two more large export sales announced this morning, along with another strong set of weekly export data from USDA. Prices have been on a clear upward trajectory since mid-August, with a few bumps along the way. Today, November futures climbed 16.5 cents to \$10.2775, with January futures rising 15.25 cents to \$10.3050. Soybean basis bids continue to see wide variability this week, moving as much as 20 cents higher at an Indiana processor while falling as much as 11 cents lower at an Illinois river terminal Thursday.

Private exporters announced two more large soybean sales to USDA today. The first was for 9.7 million bushels for delivery to China, plus another 13.2 million bushels to unknown destinations. Both sales are for delivery during the 2020/21 marketing year, which began September 1. Our Feedback From The Field respondents continue to face challenges with their soybean acres this year. "We received rains the last three days that will help beans that are still green, but dry weather for the last five weeks really took a toll," an Iowa farmer estimated. "I'm guessing at least a third of the yield is gone." Click here to catch up on the latest batch of farmer anecdotes and view our interactive map.

Preliminary volume estimates were for 469,071 contracts, jumping substantially above Wednesday's final count of 280,795.

South African Futures Exchange

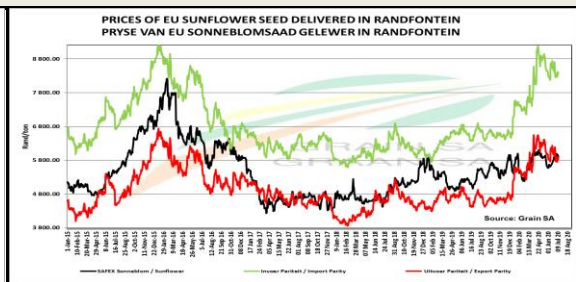
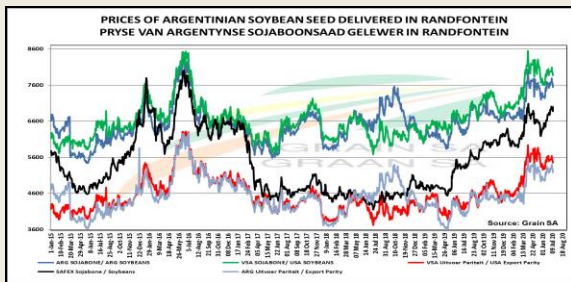
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2020	R 7 883.00	15%		R 7 883.00
Dec 2020	R 7 889.00	15%		R 7 889.00
Mar 2021	R 7 575.00	16%	R 51.12	R 7 626.12
May 2021	R 6 960.00	17%	R 25.84	R 6 985.84
Jul 2021	R 7 001.00	21.5%	R 21.33	R 7 022.33
Sep 2021				
Dec 2021				

Sunflower Seeds Future		
	MTM	Vols
Sep 2020	R 7 778.00	11.5%
Dec 2020	R 7 868.00	13.5%
Mar 2021	R 7 880.00	14.5%
May 2021	R 7 082.00	21.5%
Jul 2021	R 7 000.00	0%
Sep 2021		
Dec 2021		



The local Soya market traded higher yesterday. The Sep'20 Soya contract ended R147.00 up and Dec'20 Soya closed R133.00 higher. The parity move for the Sep'20 Soya contract for yesterday was R107.00 positive.

The local Suns market closed higher yesterday. The Sep'20 Suns contract closed R158.00 up and Dec'20 Suns closed R150.00 higher.



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