



# **Fundamental Report**

## **03 September 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.7007	16.7935	0.0928	0.56%
Euro/Rand	19.8212	19.8498	0.0286	0.14%
GBPound/Rand	22.3054	22.3855	0.0801	0.36%
AusDollar/Rand	12.2684	12.2861	0.0177	0.14%
Euro/USDollar	1.1869	1.1820	-0.0049	-0.41%
GBPound/USDollar	1.3360	1.3325	-0.0035	-0.26%
AusDollar/USDollar	0.7346	0.7316	-0.0030	-0.41%
JpyYen/USDollar	106.1000	106.2400	0.1400	0.13%

BDLive - The rand weakened along with other emerging-market currencies on Wednesday as the euro pulled back from recent highs on comments from the European Central Bank (ECB).

The ECB's chief economist Philip Lane caused investors to hit the pause button on the recent run-up in the value of the euro after he said that the exchange rate "does matter" for monetary policy. This comes after the euro briefly rose above \$1.2 to the dollar for the first time in more than two years, pushing the price of imports from the region higher. Shares gained on Wednesday as investors bet that improving economic data and more policy stimulus from Washington would sustain momentum for equities.

European stocks followed Asia's lead, advancing in early trading and on course to end four straight days of losses. London, Frankfurt and Paris indices were all up about 1.4%.

MSCI's broadest index of Asia-Pacific shares excluding Japan had earlier risen 0.3%.



### Commodities

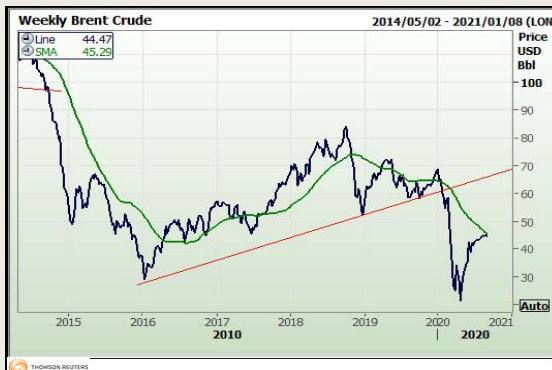
	Last	Value Change	% Change
Platinum	910.24	4.62	0.51%
Gold	1945.87	3.25	0.17%
Silver	27.56	0.07	0.24%
Copper	3.03	0.01	0.35%
Gasoil	348.75	-6.50	-1.86%
Brent Oil	44.47	0.04	0.09%

BDLive - Bengaluru — Gold prices slipped on Wednesday as the dollar rebounded after robust US manufacturing data bolstered the hope around global economic recovery, tempering the safe-haven bullion's allure.

Spot gold fell 0.3% to \$1,964.75/oz by 2.51am GMT, after hitting its highest since August 19 at \$1,991.91 on Tuesday. US gold futures dropped 0.4% to \$1,971.80.

"A strong greenback is weighing on the precious metal," said DailyFx strategist Margaret Yang.

"The broader picture is still in favour of gold, as the US Federal Reserve and other central banks are likely to stay accommodative for an extended period of time."



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51678.30	0.00	0.00%
ALSI	51673.00	0.00	0.00%
S&P 500	3526.65	54.19	1.54%
FTSE	5862.05	78.90	1.35%
CAC	5031.74	0.00	0.00%
DAX	13243.43	0.00	0.00%
Hang Seng	25120.09	-115.12	-0.46%



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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	347.00	349.75	-0.50	2.75	349.50	-0.25	2.50
DEC 2020	356.00	358.75	The record	2.75	357.75	-1.00	1.75
MAR 2021	366.00	369.25	-0.50	3.25	368.25	-1.00	2.25
MAY 2021	372.00	375.75	The record	3.75	374.50	-1.25	2.50
JUL 2021	376.00	379.50	The record	3.50	378.75	-0.75	2.75

FarmFutures - Corn prices fought for fractional gains Wednesday as the latest weather rally appears to be running out of steam. But what a rally it was! September futures have climbed 11% higher since the beginning of August. Today, September and December futures each picked up 0.25 cents to close at \$3.4975 and \$3.5825, respectively. Corn basis bids were steady to mixed across the central U.S. Wednesday after firming 5 cents at two ethanol plants while dropping as much as 5 cents at an Illinois processor today. Ethanol production tilted slightly lower last week, falling to a daily average of 922,000 barrels for the week ending August 28. Production has remained in a fairly narrow channel since mid-July and is still moderately below seasonal highs seen this past winter. October futures fell significantly to \$1.306, also due in large part to spillover weakness from other energy prices.

Ahead of tomorrow's weekly export report from USDA, analysts are expecting a robust round of corn sales for the week ending August 27, with trade guesses ranging between 57.1 million and 102.4 million bushels. The lowest end of those estimates mirror's last week's tally. The cancellation of farm shows across the country didn't miss the Farm Progress Show and Husker Harvest Days, yet the ag industry needs a venue where farmers can connect with suppliers to find new products, and to catch up on new techniques and ideas. The new Farm Progress Virtual Experience is designed to fill that gap. Click here to learn more about this one-of-a-kind event.

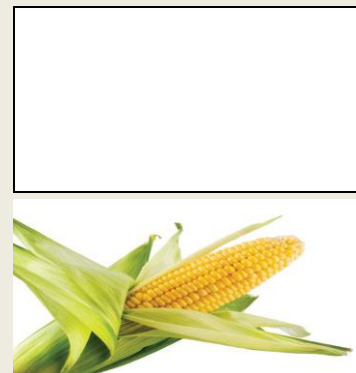
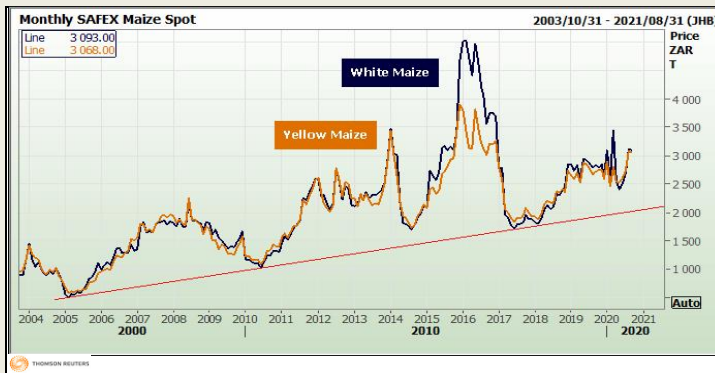
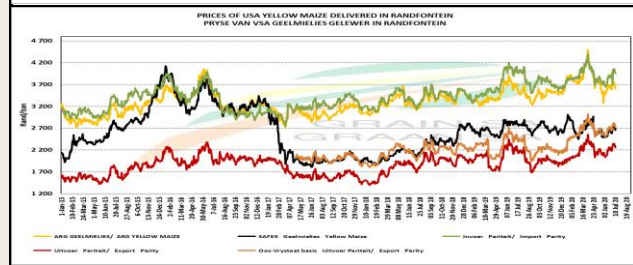
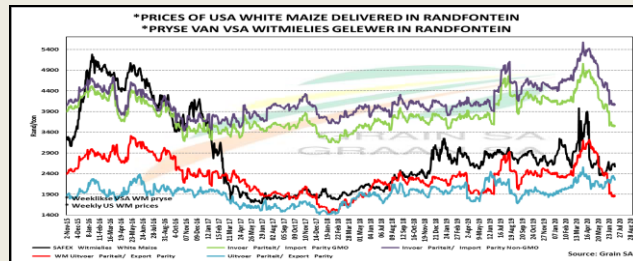
Preliminary volume estimates were for 268,748 contracts, drifting moderately below Tuesday's final count of 342,988.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020				
Jul 2020				
Sep 2020	R 3 093.00	28%	R 29.21	R 3 122.21
Dec 2020	R 3 116.00	28.75%	R 24.58	R 3 140.58
Mar 2021	R 3 092.00	27.25%	R 28.25	R 3 120.25
May 2021	R 2 853.00	0%	R 30.12	R 2 883.12
Jul 2021	R 2 832.00	24%	R 31.92	R 2 863.92
<b>Yellow Maize Future</b>				
May 2020				
Jul 2020				
Sep 2020	R 3 068.00	19.75%	R 29.21	R 3 097.21
Dec 2020	R 3 130.00	20%	R 24.58	R 3 154.58
Mar 2021	R 3 092.00	20.5%	R 28.25	R 3 120.25
May 2021	R 2 825.00	0%	R 30.12	R 2 855.12
Jul 2021	R 2 820.00	18%	R 31.92	R 2 851.92

The local Maize market traded mixed yesterday. The Sep'20 WMAZ contract ended R1.00 down while Sep'20 YMAZ closed R18.00 higher. The Dec'20 WMAZ closed lower by R1.00 while Dec'20 YMAZ ended R9.00 up. The parity move for the Sep'20 Maize contract for yesterday was R29.00 positive.

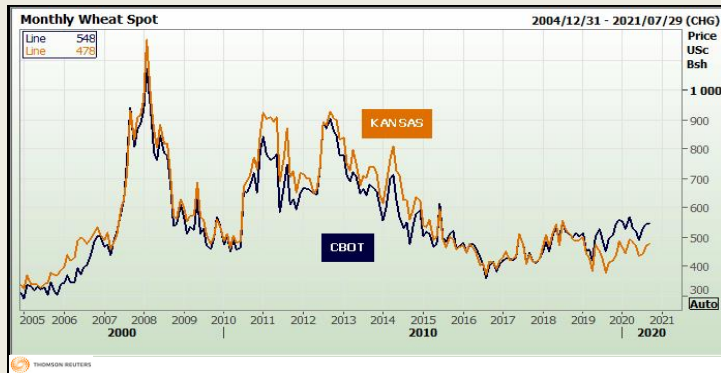


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## Wheat Market

### 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	553.00	547.75	The record c	-5.25	0.00	-547.75	-553.00	SEP 2010	481.00	476.75	4.25	-4.25	478.00	1.25	-3.00
DEC 2020	558.00	558.25	5.50	0.25	557.50	-0.75	-0.50	DEC 2010	483.00	479.25	4.00	-3.75	479.75	0.50	-3.25
MAR 2021	566.00	566.75	5.00	0.75	565.75	-1.00	-0.25	MAR 2011	494.00	490.25	4.00	-3.75	490.50	0.25	-3.50
MAY 2021	570.00	571.25	3.75	1.25	570.00	-1.25	0.00	MAY 2011	501.00	497.50	4.25	-3.50	497.50	0.00	-3.50
JUL 2021	568.00	569.50	3.00	1.50	529.00	-40.50	-39.00	JUL 2011	506.00	503.00	4.25	-3.00	503.25	0.25	-2.75



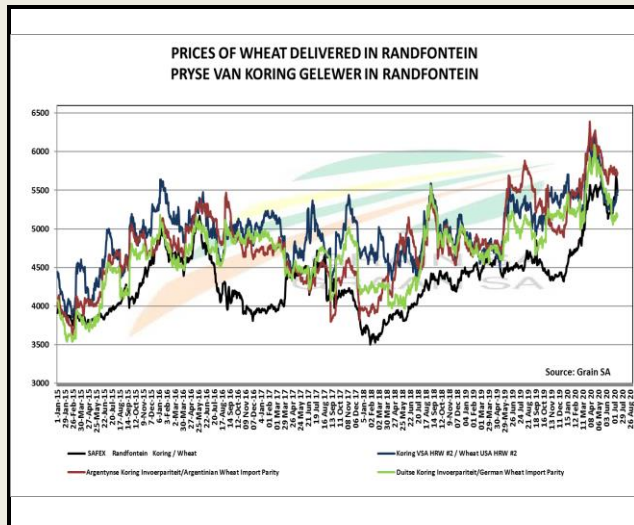
FarmFutures - Wheat prices took a step back Wednesday, with some contracts falling as much as 2% lower after a round of technical selling and profit-taking pushed prices back below five-month highs captured earlier in the week. September Chicago SRW futures fell 7.25 cents to \$5.4850, September Kansas City HRW futures dropped 9.75 cents to \$4.7375, and September MGEX spring wheat futures slipped 0.25 cents to \$5.25. Ahead of tomorrow morning's weekly export report from USDA, analysts expect the agency to show wheat sales ranging between 12.9 million and 22.0 million bushels for the week ending August 27.

Weather and satellite imagery in Australia suggest the country's 2020/21 wheat production potential may come in around 948 million bushels. Soil moisture is below normal in some key regions, and dry weather may extend at least into September and October. Meanwhile, Japan purchased 3.9 million bushels of food-quality wheat from the United States, Canada and Australia in a regular tender that closed earlier today. Of the total, 52% was sourced from the U.S. The grain is for arrival by the end of December.

Preliminary volume estimates were for 103,740 CBOT contracts, dropping 40% below Tuesday's final count of 174,260.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020				
Jul 2020				
Sep 2020	R 5 259.00	16.5%	R -3 393.46	R 1 865.54
Dec 2020	R 4 866.00	9.5%	R 15.94	R 4 881.94
Mar 2021	R 4 973.00	0%	R 17.76	R 4 990.76
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 Sep'20 Wheat contract closed R24.00 down and Dec'20 Wheat closed R24.00 lower. The parity move for the Sep'20 Wheat contract for yesterday was R5.00 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	952.00	962.50	0.00	10.50	902.00	-60.50
NOV 2020	949.00	962.00	0.00	13.00	963.75	1.75
JAN 2021	955.00	968.25	0.00	13.25	969.50	1.25
MAR 2021	957.00	969.75	-0.50	12.75	970.25	0.50
MAY 2021	959.00	971.25	-0.25	12.25	971.75	0.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2010	302.3	0.00
OCT 2010	304.9	305.80
DEC 2010	310.2	311.30
JAN 2011	312.3	313.20
MAR 2011	312.8	313.70

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2010	33.67	0.00
OCT 2010	33.39	33.56
DEC 2010	33.53	33.69
JAN 2011	33.67	33.83
MAR 2011	33.76	33.92



FarmFutures - Soybean prices moved moderately higher again Wednesday on export optimism and worries over falling U.S. quality and yield potential. Traders already are awaiting the next World Agricultural Supply and Demand Estimates (WASDE) report for further signals but have been engaging in plenty of technical buying in recent sessions. Today, September futures rose 7.5 cents to \$9.6250, with November futures up 8 cents to \$9.6275. Soybean basis bids held steady across the Midwest Wednesday, with one notable exception – tumbling 16 cents lower at an Iowa river terminal today. Ahead of tomorrow morning's weekly export recap from USDA, analysts expect the agency to show soybean sales ranging between 36.7 million and 69.8 million bushels for the week ending August 27. Analysts also expect to see USDA report another 75,000 to 375,000 metric tons of soymeal sales last week, plus between 5,000 MT and 40,000 MT of soyoil sales. The latest Ag Economy Barometer, updated monthly by Purdue University / CME Group, saw farmer sentiment rise 26 points to a score of 144 – the highest level since February (any score over 100 is considered net positive). The survey also gathered farmer opinions on trade prospects, equity positions, farmland values and more – click here for more details.

Preliminary volume estimates were for 211,465 contracts, moving slightly below Tuesday's final tally of 235,646.

#### South African Futures Exchange

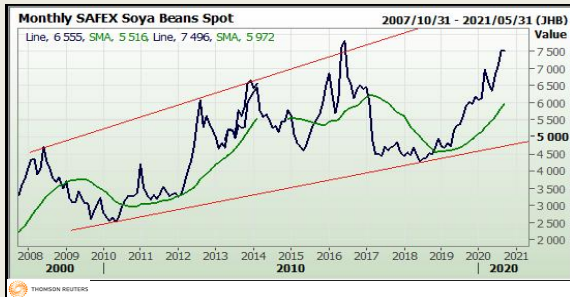
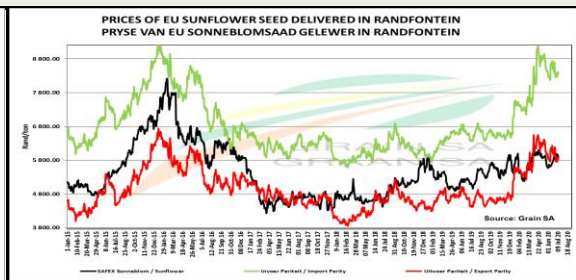
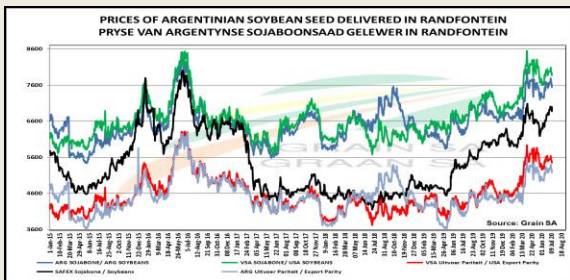
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020				
Sep 2020	R 7 496.00	15%	R -276.07	R 7 219.93
Dec 2020	R 7 531.00	15.5%		R 7 531.00
Mar 2021	R 7 250.00	16%	R 114.39	R 7 364.39
May 2021	R 6 760.00	17%	R 111.37	R 6 871.37
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020		
Jul 2020		
Sep 2020	R 7 090.00	11.5%
Dec 2020	R 7 219.00	15%
Mar 2021	R 7 115.00	14.5%
May 2021	R 6 420.00	21.5%
Jul 2021		



The local Soya market traded lower yesterday. The Sep'20 Soya contract ended R26.00 down and Dec'20 Soya closed R26.00 lower. The parity move for the Sep'20 Soya contract for yesterday was R103.00 positive.

The local Suns market closed higher yesterday. The Sep'20 Suns contract closed R71.00 up and Dec'20 Suns closed R52.00 higher.



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