



# **Fundamental Report**

## **04 September 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.7890	16.7263	-0.0627	-0.37%
Euro/Rand	19.8462	19.8116	-0.0346	-0.17%
GBPound/Rand	22.2877	22.2066	-0.0811	-0.36%
AusDollar/Rand	12.2459	12.1600	-0.0859	-0.70%
Euro/USDollar	1.1823	1.1845	0.0022	0.19%
GBPound/USDollar	1.3277	1.3279	0.0002	0.02%
AusDollar/USDollar	0.7294	0.7270	-0.0024	-0.33%
JpyYen/USDollar	106.3700	106.2000	-0.1700	-0.16%

BDLive - The JSE tracked weaker international markets on Thursday, falling the most in 12 weeks, with the tech-heavy Nasdaq tumbling the most since March after reaching a record high earlier this week. The Nasdaq tumbled nearly 5% following a streak of record-setting days over the past few weeks, with the fall affecting tech stocks across the globe, with Naspers and Prosus pulling the JSE all share lower on a day when all the major indices were in negative territory. Wall Street's main indices tumbled on Thursday, heading for their worst day since June as investors dumped high-flying technology-focused stocks, while economic data highlighted concerns about a long and difficult recovery. Shares of Facebook, Apple, Amazon, Microsoft and Google-parent Alphabet sank between 4.9% and 7%.

The five stocks, deemed stay-at-home winners during the coronavirus crisis, account for nearly a quarter of the S&P 500's market capitalisation and have driven the stock market's narrow technology-led recovery from the pandemic lows hit in March.



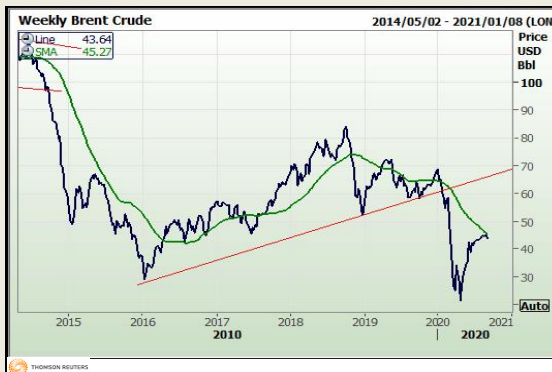
### Commodities

	Last	Value Change	% Change
Platinum	896.16	6.87	0.77%
Gold	1937.03	6.51	0.34%
Silver	26.72	0.10	0.37%
Copper	2.99	0.01	0.40%
Gasoil	338.00	3.50	1.04%
Brent Oil	43.63	-0.44	-1.01%

BDLive - Bengaluru — Gold on Thursday recouped some of the previous session's hefty losses as the dollar steadied, though gains were capped by an uptick in risk appetite on recent better-than-expected economic data. Spot gold was up 0.2% at \$1,945.59/oz by 3:40am GMT, after falling 1.4% on Wednesday in its biggest one-day drop since August 19 on a firmer dollar and rebound in US manufacturing activity.

US gold futures rose 0.4% to \$1,952.20. "Gold is tracking inversely the moves in the dollar ... and part of the reason gold has not capitalised as much after Jackson Hole is risk appetite seems strong," said DailyFX currency strategist Ilya Spivak.

"Although there is positive growth, the overall economy is still very very weak in absolute terms and central banks are expected to remain dovish, which should be supportive for gold."



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50319.16	0.00	0.00%
ALSI	50310.00	0.00	0.00%
S&P 500	3580.84	-125.78	-3.51%
FTSE	5940.95	-90.09	-1.52%
CAC	5009.52	0.00	0.00%
DAX	13057.77	0.00	0.00%
Hang Seng	25007.60	-428.59	-1.71%



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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	350.00	344.50	-0.50	-5.50	345.00	0.50	-5.00
DEC 2020	359.00	353.75	The record	-5.25	355.50	1.75	-3.50
MAR 2021	369.00	364.75	-0.50	-4.25	366.25	1.50	-2.75
MAY 2021	376.00	371.50	The record	-4.50	372.75	1.25	-3.25
JUL 2021	380.00	376.00	The record	-4.00	376.75	0.75	-3.25

FarmFutures - Corn prices suffered a moderate setback, with traders shrugging off a solid round of export data, focusing instead on the large uncertainties that still remain surrounding this year's crop production potential. September futures tilted 5.25 cents lower to \$3.4450, with December futures dropping 5 cents to \$3.5375. Corn basis bids were mostly steady Thursday, moving as much as 4 cents higher at a Nebraska processor and as much as 3 cents lower at an Iowa processor today.

For the last full week in the 2019/20 marketing year, corn exports saw 3.9 million bushels in old crop sales plus another 94.1 million bushels in new crop sales for a total tally of 98.0 million bushels. Analysts were expecting to see total sales fall somewhere between 57.1 million and 102.4 million bushels. Cumulative totals this marketing year have reached 1.678 billion bushels, which is 13% below last year's pace.

Corn export shipments were much more disappointing, spilling 55% below the prior four-week average to 18.3 million bushels. Mexico was the No. 1 destination, with 8.8 million bushels. 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.

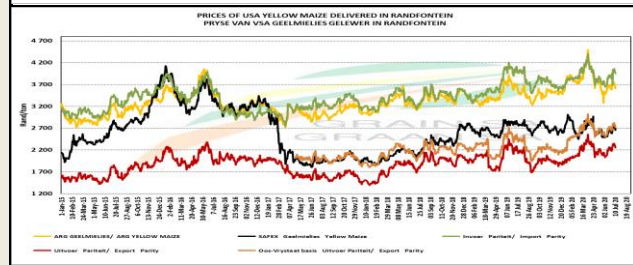
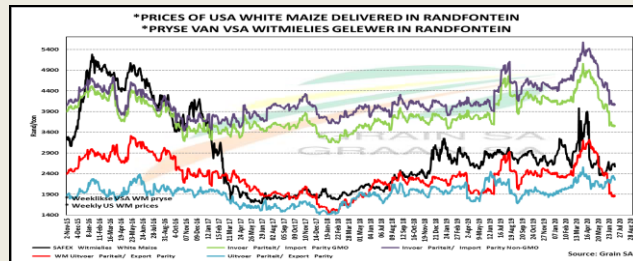
Preliminary volume estimates were for 179,072 contracts, spilling moderately below Wednesday's final count of 268,748.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
May 2020				
Jul 2020				
Sep 2020	R 3 139.00	28%	R -41.56	R 3 097.44
Dec 2020	R 3 169.00	30%	R -31.91	R 3 137.09
Mar 2021	R 3 143.00	27.25%	R -27.22	R 3 115.78
May 2021	R 2 866.00	0%	R -30.68	R 2 835.32
Jul 2021	R 2 862.00	24%	R -30.78	R 2 831.22
<b>Yellow Maize Future</b>				
May 2020				
Jul 2020				
Sep 2020	R 3 090.00	19.75%	R -41.56	R 3 048.44
Dec 2020	R 3 155.00	20%	R -31.91	R 3 123.09
Mar 2021	R 3 118.00	20.5%	R -27.22	R 3 090.78
May 2021	R 2 858.00	0%	R -30.68	R 2 827.32
Jul 2021	R 2 850.00	18%	R -30.78	R 2 819.22

The local Maize market traded higher yesterday. The Sep'20 WMAZ contract ended R46.00 up and Sep'20 YMAZ closed R22.00 higher. The Dec'20 WMAZ closed higher by R53.00 and Dec'20 YMAZ ended R25.00 up. The parity move for the Sep'20 Maize contract for yesterday was R42.00 negative.



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## Wheat Market

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

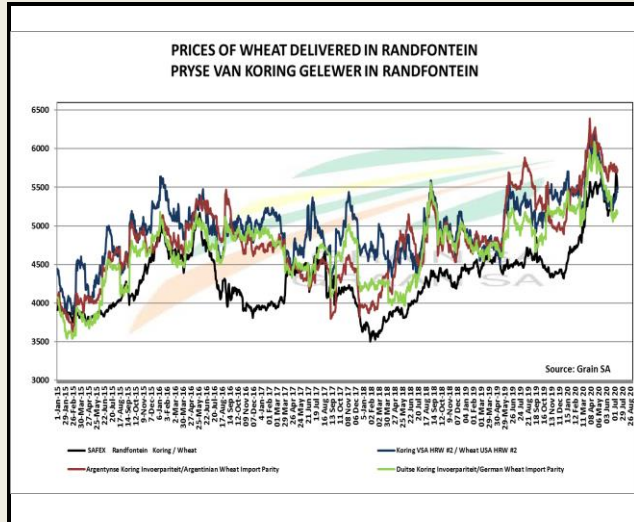
CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
SEP 2020	549.00	543.25	The record c	-5.75	542.00	-1.25	-7.00	SEP 2010	478.00	475.00	4.25	-3.00	0.00	-475.00	-478.00
DEC 2020	559.00	553.25	5.50	-5.75	553.25	0.00	-5.75	DEC 2010	481.00	475.75	4.00	-5.25	476.50	0.75	-4.50
MAR 2021	567.00	561.75	5.00	-5.25	561.25	-0.50	-5.75	MAR 2011	491.00	487.00	4.00	-4.00	487.75	0.75	-3.25
MAY 2021	571.00	566.00	3.75	-5.00	565.25	-0.75	-5.75	MAY 2011	498.00	493.75	4.25	-4.25	494.25	0.50	-3.75
JUL 2021	570.00	563.50	3.00	-6.50	529.00	-34.50	-41.00	JUL 2011	504.00	499.00	4.25	-5.00	499.75	0.75	-4.25



**FarmFutures -** Wheat prices saw small to moderate drops Thursday on a round of technical selling as traders continue to engage in some profit-taking after prices reached five-month highs earlier this week. September Chicago SRW futures fell 4.5 cents to \$5.4325, September Kansas City HRW futures slipped 0.75 cents to \$4.76, and September MGEX spring wheat futures closed the session unchanged, at \$5.2525. Wheat export sales drifted 23% below last week's tally but stayed 4% above the prior four-week average, with 21.5 million bushels. That was also good enough to stay on the high end of trade guesses, which ranged between 12.9 million and 22.0 million bushels. Cumulative totals for the 2020/21 marketing year have fallen slightly behind last year's pace, with 104.7 million bushels. Wheat export shipments fell 25% lower compared to last week and 9% below the prior four-week average, with 17.8 million bushels. Nigeria was the No. 1 destination, with 3.0 million bushels. Egypt purchased 2.0 million bushels of wheat from Russia in an international tender that closed earlier this week. The grain is for shipment in early November. Russia has accounted for 80% of Egypt's wheat imports through the first eight months of 2020.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
May 2020				
Jul 2020				
Sep 2020	R 5 120.00	16.5%	R -55.67	R 5 064.33
Dec 2020	R 4 880.00	9.5%	R -48.22	R 4 831.78
Mar 2021	R 4 973.00	0%	R -48.40	R 4 924.60
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 mixed yesterday. The Sep'20 Wheat contract closed R139.00 down while Dec'20 Wheat closed R14.00 higher. The parity move for the Sep'20 Wheat contract for yesterday was R53.00 negative.



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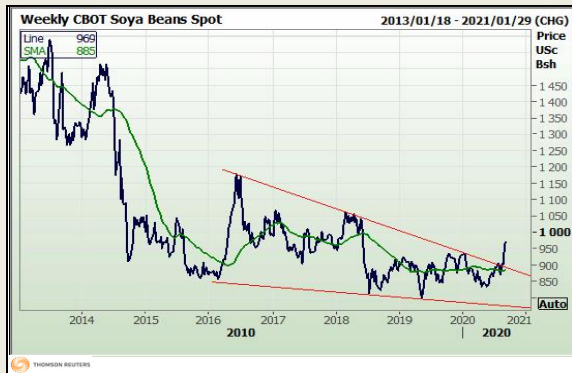
## Oil Seed Market

### 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
SEP 2020	963.00	968.75	0.00	5.75	902.00	-66.75	-61.00
NOV 2020	965.00	966.00	0.00	1.00	966.50	0.50	1.50
JAN 2021	972.00	972.25	0.00	0.25	971.50	-0.75	-0.50
MAR 2021	972.00	972.75	-0.50	0.75	971.75	-1.00	-0.25
MAY 2021	973.00	974.25	-0.25	1.25	973.00	-1.25	0.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2010	305.2	306.10
OCT 2010	307.6	308.40
DEC 2010	312.8	313.50
JAN 2011	314.8	315.40
MAR 2011	315.2	315.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2010	33.47	0.00
OCT 2010	33.14	33.25
DEC 2010	33.29	33.37
JAN 2011	33.43	33.48
MAR 2011	33.56	33.62



FarmFutures - Soybean prices found moderate gains Thursday on the heels of two large sales announced this morning. Another solid round of export data from USDA was also supportive. September futures climbed 6.25 cents to \$9.6875, with November futures up 4.25 cents to \$9.6625.

Soybean basis bids were mostly steady across the central U.S. Thursday, with two exceptions – trending 2 cents higher at an Illinois river terminal while tumbling 20 cents lower at an Indiana processor today.

Private exporters reported two more large sales to USDA this morning. The first was for 11.7 million bushels for delivery to unknown destinations, with another 4.9 million bushels headed to China. Both sales are for delivery during the 2020/21 marketing year, which began September 1. Soybean futures have firmed by about 60 cents since early August. What will it take for prices to climb even higher moving forward? We talk through the latest opportunities and obstacles that are currently in play in the latest Midweek Markets podcast. Click here to listen. Preliminary volume estimates were for 225,091 contracts, moving slightly ahead of Wednesday's final count of 211,138.

### South African Futures Exchange

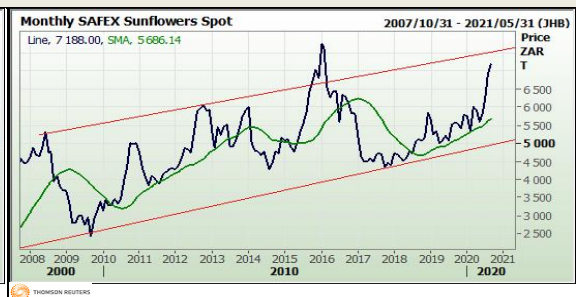
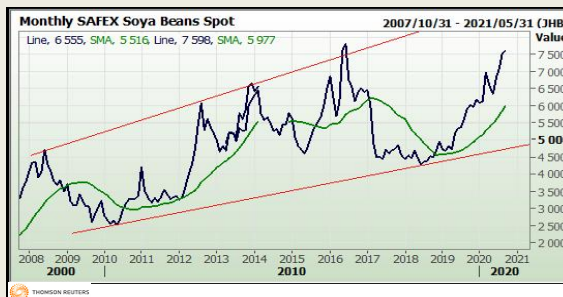
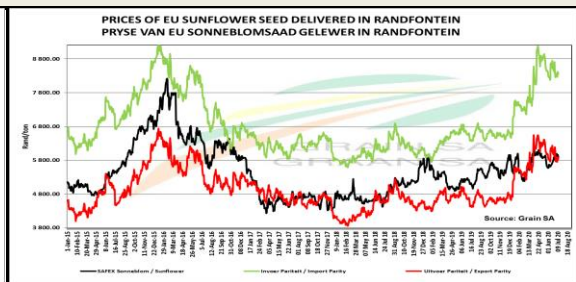
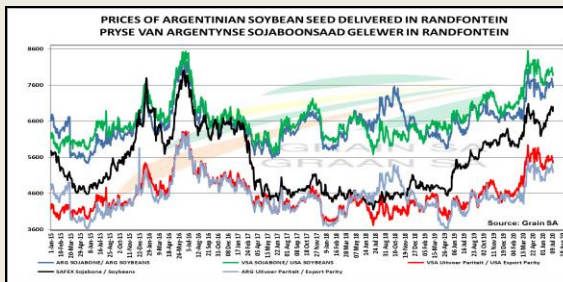
Soybean Future				
	MTM	Vols	Parity Change	Market Price
May 2020				
Jul 2020				
Sep 2020	R 7 598.00	15%	R -397.08	R 7 200.92
Dec 2020	R 7 633.00	15.5%		R 7 633.00
Mar 2021	R 7 354.00	16%	R -23.93	R 7 330.07
May 2021	R 6 845.00	17%	R -22.42	R 6 822.58
Jul 2021				

Sunflower Seeds Future		
	MTM	Vols
May 2020		
Jul 2020		
Sep 2020	R 7 188.00	11.5%
Dec 2020	R 7 341.00	15%
Mar 2021	R 7 225.00	14.5%
May 2021	R 6 464.00	21.5%
Jul 2021		



The local Soya market traded higher yesterday. The Sep'20 Soya contract ended R102.00 up and Dec'20 Soya closed R102.00 higher. The parity move for the Sep'20 Soya contract for yesterday was R19.00 negative.

The local Suns market closed higher yesterday. The Sep'20 Suns contract closed R98.00 up and Dec'20 Suns closed R122.00 higher.



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