



# **Fundamental Report**

## **13 October 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.5476	16.5718	0.0242	0.15%
Euro/Rand	19.5299	19.5424	0.0125	0.06%
GBPound/Rand	21.5444	21.6026	0.0582	0.27%
AusDollar/Rand	11.9341	11.8803	-0.0538	-0.45%
Euro/USDollar	1.1801	1.1793	-0.0008	-0.07%
GBPound/USDollar	1.3026	1.3042	0.0016	0.12%
AusDollar/USDollar	0.7212	0.7169	-0.0043	-0.60%
JpyYen/USDollar	105.4900	105.3400	-0.1500	-0.14%

BDLive - The JSE closed firmer on Monday amid investor optimism over US stimulus talks, while local economic data showed a contraction in factory output.

Legislators in Washington continue to try to work out a deal on a stimulus package to help offset the effects of Covid-19 on the world's largest economy before the looming elections. Wall Street ended sharply higher on Monday, fuelled by expectations of a coronavirus relief package and by a rally in Amazon, Apple and other technology stocks ahead quarterly earnings season.

Apple jumped ahead of an event on Tuesday, when it is expected to unveil its newest iPhones.

Amazon rallied ahead of its annual Prime Day shopping event on October 13 and 14. Microsoft also jumped, helping lift the S&P 500 information technology index sharply. The S&P 500 was about 1% below its record closing high from September 2, nearly recovering from most of a 9% pullback in September.



### Commodities

	Last	Value Change	% Change
Platinum	868.86	-4.39	-0.50%
Gold	1912.51	-9.44	-0.49%
Silver	24.65	-0.46	-1.87%
Copper	3.05	-0.02	-0.61%
Gasoil	338.00	1.00	0.30%
Brent Oil	41.76	0.04	0.10%

BDLive - Bengaluru — Gold fell back from a three-week high on Monday as the dollar firmed, though hopes for a new US coronavirus aid package checked the precious metal's losses.

Spot gold slipped 0.1% to \$1,928.06 per ounce by 5.29am, after hitting its highest level since September 21 at \$1,932.96 earlier in the session. US gold futures were up 0.4% at \$1,934.10.

"The dollar index has rebounded slightly, weighing on the precious metal," said Margaret Yang, a strategist with DailyFX, which covers currency, commodity and index trading.

But "the technical trend has turned bullish in the near term and very soon it may test the key resistance level of \$1,942," she added.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50781.18	377.38	0.74%
ALSI	51253.00	0.00	0.00%
S&P 500	3477.13	57.09	1.64%
FTSE	6016.65	-15.27	-0.25%
CAC	4979.29	0.00	0.00%
DAX	13138.41	0.00	0.00%
Hang Seng	24649.68	0.00	0.00%



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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	399.00	389.00	The record	-10.00	391.00	2.00	-8.00
MAR 2021	406.00	396.75	The record	-9.25	398.75	2.00	-7.25
MAY 2021	409.00	400.75	The record	-8.25	403.00	2.25	-6.00
JUL 2021	411.00	403.75	The record	-7.25	405.75	2.00	-5.25
SEP 2021	397.00	390.50	The record	-6.50	393.25	2.75	-3.75

FarmFutures - Corn prices fell around 1.5% lower Monday on a round of technical selling partly spurred by spillover weakness from soybeans. Harvest pressure applied additional headwinds today. December futures dropped 6.25 cents to \$3.8875, with March futures down 5.25 cents to \$3.97.

A flurry of farmer sales last week left corn basis bids steady to weak Monday, dropping 8 to 15 cents lower at three Midwestern locations today. An Ohio elevator bucked the overall trend after firming a penny today. USDA is closed today in observance of Columbus Day. As such, the agency's weekly grain export inspection and crop progress reports will be released on Tuesday. Tune back into www.FarmFutures.com tomorrow for a recap of both reports. European Union corn imports for 2020/21 are pacing 18% lower than a year ago, with 185 million bushels through October 11, per customs data from the European Commission.

A Ukrainian traders union cut its 2020 corn production outlook by 7.9% to 1.279 billion bushels, citing "poor weather." (The country has slugged through a lot of hot, dry conditions this summer and early fall.) Exports are also expected to drop, now at an estimated 1.071 billion bushels. According to a new quarterly report from CoBank's Knowledge Exchange, rural America is experiencing a dichotomy of improving industry fundamentals and a surge of COVID-19 cases. Rural communities are now the source of a disproportionate number of new cases, just as many Americans are beginning to spend much more time indoors. Click here to read the latest reporting from Farm Futures policy editor Jacqui Fatka.

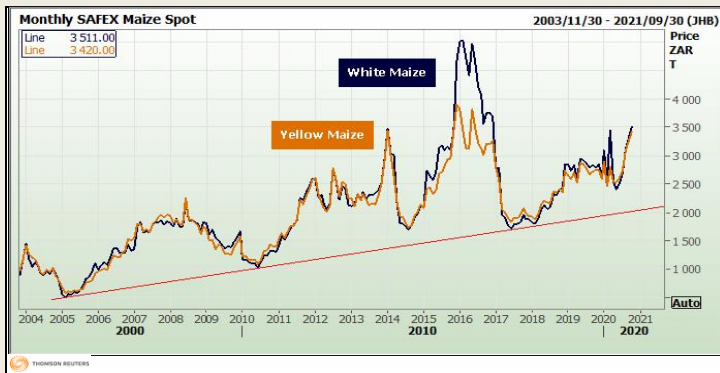
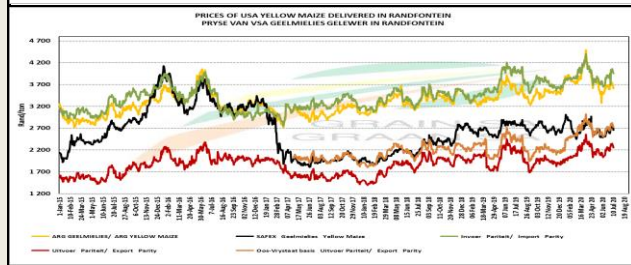
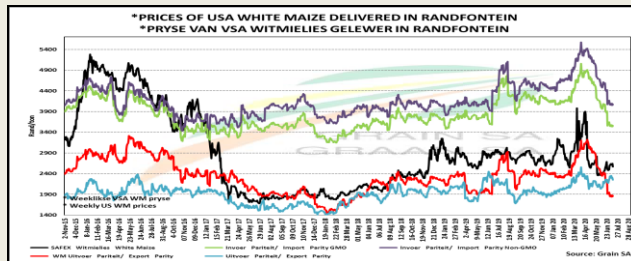
Preliminary volume estimates were for 318,445 contracts, sinking moderately below Friday's final count of 468,878.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020	R 3 515.00	30.75%	R -48.39	R 3 466.61
Mar 2021	R 3 468.00	31.5%	R -43.43	R 3 424.57
May 2021	R 3 117.00	0%	R -35.25	R 3 081.75
Jul 2021	R 2 998.00	25.75%	R -30.34	R 2 967.66
Sep 2021				
Dec 2021				
Dec 2021				
<b>Yellow Maize Future</b>				
Dec 2020	R 3 457.00	23.5%	R -48.39	R 3 408.61
Mar 2021	R 3 434.00	23%	R -43.43	R 3 390.57
May 2021	R 3 072.00	23%	R -35.25	R 3 036.75
Jul 2021	R 3 036.00	19.25%	R -30.34	R 3 005.66
Sep 2021	R 3 076.00	0%	R -20.68	R 3 055.32
Dec 2021				
Dec 2021				

The local Maize market traded higher yesterday. The Oct'20 WMAZ contract ended R31.00 up and Oct'20 YMAZ closed R36.00 higher. The Dec'20 WMAZ closed higher by R36.00 and Dec'20 YMAZ ended R35.00 up. The parity move for the Oct'20 Maize contract for yesterday was R43.00 negative.



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## Wheat Market

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

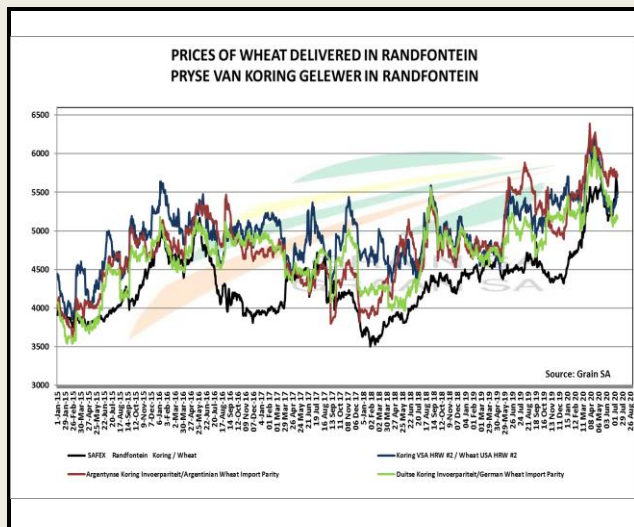
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2020	596.00	594.25	The record c	-1.75	601.50	7.25	5.50	DEC 2010	538.00	530.50	The record	-7.50	538.75	8.25	0.75
MAR 2021	600.00	597.75	The record c	-2.25	604.50	6.75	4.50	MAR 2011	547.00	539.50	The record	-7.50	547.25	7.75	0.25
MAY 2021	602.00	599.75	The record c	-2.25	605.75	6.00	3.75	MAY 2011	553.00	546.00	The record	-7.00	553.50	7.50	0.50
JUL 2021	596.00	594.75	The record c	-1.25	599.75	5.00	3.75	JUL 2011	557.00	551.00	The record	-6.00	557.25	6.25	0.25
SEP 2021	600.00	598.50	The record c	-1.50	529.00	-69.50	-71.00	SEP 2011	563.00	557.50	The record	-5.50	564.25	6.75	1.25



FarmFutures - Wheat prices were narrowly mixed amid an uneven round of technical maneuvering today. Spillover weakness from corn and soybeans left some contracts lower, while persistent concerns about dry weather in the U.S. and with some overseas competitors kept other contracts in the green today. December Chicago SRW futures rose 2.75 cents to \$5.9650, December Kansas City HRW futures dropped 3.25 cents to \$5.3225, and December MGEX spring wheat futures inched 0.25 cents higher to \$5.44. European Union soft wheat exports for the 2020/21 marketing year are down 29% from the same time last year, reaching 210.5 million bushels through October 11. Barley exports were down 7% during the same period. Russia's Sovecon consultancy estimates that the country exported 177.8 million bushels of wheat in September. That's well above the monthly average of 104 million bushels seen during the 2019/20 marketing year. Ukrainian traders union UGA lowered its 2020 wheat crop forecast by 4.9% to 929.6 million bushels, after hot, dry weather has plagued crops earlier this summer and fall. Ukrainian traders union UGA lowered its 2020 wheat crop forecast by 4.9% to 929.6 million bushels, after hot, dry weather has plagued crops earlier this summer and fall. Preliminary volume estimates were for 92,618 CBOT contracts, tracking moderately below Friday's final count of 134,857.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020	R 4 946.00	8%	R 38.79	R 4 984.79
Mar 2021	R 5 046.00	9%	R 32.74	R 5 078.74
May 2021				
Jul 2021	R 5 045.00	0%	R 28.13	R 5 073.13
Sep 2021				
Dec 2021				
Dec 2021				
<b>Cape Wheat</b>				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				
Dec 2021				



The local Wheat market closed higher yesterday. The Oct'20 Wheat contract closed R220.00 up and Dec'20 Wheat closed R5.00 higher. The parity move for the Oct'20 Wheat contract for yesterday was R37.00 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
NOV 2020	1070.00	1033.75	The record	-36.25	902.00	-131.75
JAN 2021	1071.00	1036.75	The record	-34.25	1042.00	5.25
MAR 2021	1055.00	1025.75	The record	-29.25	1031.75	6.00
MAY 2021	1051.00	1024.00	The record	-27.00	1029.00	5.00
JUL 2021	1052.00	1028.25	The record	-23.75	1033.50	5.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2010	356.7	0.00
DEC 2010	354.3	355.90
JAN 2011	352.8	354.10
MAR 2011	345.4	347.20
MAY 2011	340.3	342.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2010	33.14	0.00
DEC 2010	33.16	33.32
JAN 2011	33.21	33.38
MAR 2011	33.18	33.35
MAY 2011	33.12	33.29



FarmFutures - Soybean prices tumbled significantly lower Monday as fears about harvest pressure and export pace resumed, triggering a major round of technical selling. November futures plummeted 31.5 cents to \$10.34, with January futures falling 28.25 cents to \$10.3750. Today marked the biggest single-day drop since March 16.

Soybean basis bids were steady to weak Monday, dropping 2 to 5 cents lower across four Midwestern locations, with one Illinois river terminal tumbling 13 cents lower today.

European Union soft wheat imports during the 2020/21 marketing year reached 141.1 million bushels through October 11, which is 4% ahead of last year's pace so far. EU canola imports are down 20% year-over-year, in contrast, with EU soymeal imports down 15%.

Iran issued an international tender to purchase 200,000 metric tons of soymeal from India or South America, which closes Wednesday. The grain would be for shipment starting this month through December. Preliminary volume estimates were for 476,489 contracts, sliding slightly below Friday's final count of 485,489.

### South African Futures Exchange

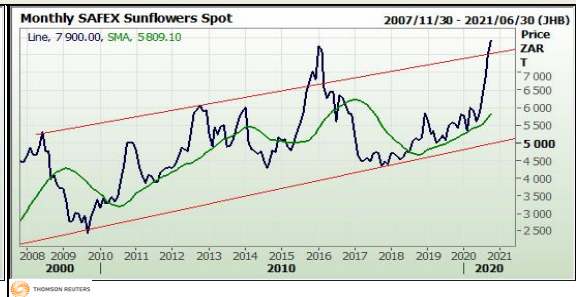
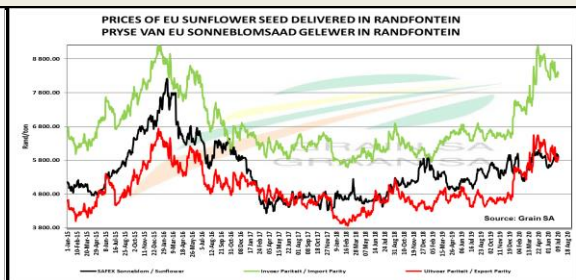
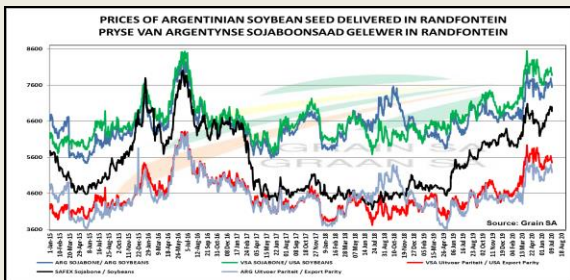
	Soybean Future			
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8 309.00	15%		R 8 309.00
Mar 2021	R 7 946.00	16%	R -132.19	R 7 813.81
May 2021	R 7 164.00	17%	R -124.61	R 7 039.39
Jul 2021	R 7 208.00	21.5%	R -103.29	R 7 104.71
Sep 2021				
Dec 2021				
Dec 2021				

	Sunflower Seeds Future	
	MTM	Vols
Dec 2020	R 7 971.00	15.5%
Mar 2021	R 7 835.00	15.5%
May 2021	R 7 049.00	21.5%
Jul 2021	R 7 002.00	0%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded higher yesterday. The Oct'20 Soya contract ended R98.00 up and Dec'20 Soya closed R123.00 higher. The parity move for the Oct'20 Soya contract for yesterday was R179.00 negative.

The local Suns market closed higher yesterday. The Oct'20 Suns contract closed R152.00 up and Dec'20 Suns closed R123.00 higher.



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