



Fundamental Report

19 October 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.5898	16.5238	-0.0660	-0.40%
Euro/Rand	19.4215	19.3485	-0.0730	-0.38%
GBPound/Rand	21.4586	21.3539	-0.1047	-0.49%
AusDollar/Rand	11.7406	11.7071	-0.0335	-0.29%
Euro/USDollar	1.1708	1.1706	-0.0002	-0.02%
GBPound/USDollar	1.2938	1.2926	-0.0012	-0.09%
AusDollar/USDollar	0.7075	0.7085	0.0010	0.14%
JpyYen/USDollar	105.2200	105.4000	0.1800	0.17%

BDLive - The JSE closed firmer on Friday as investors mulled a week driven by US political uncertainty and the continued threat of Covid-19, while local focus now shifts to the medium-term budget policy statement (MTBPS). In an effort to get clear direction from President Cyril Ramaphosa's economic reconstruction and recovery plan, presented on Thursday, finance minister Tito Mboweni pushed the MTBPS back by a week to October 28. Financial markets remained shaky on Friday as hopes for a new round of US fiscal stimulus met fears that social restrictions to tackle the coronavirus pandemic would undermine economic recovery. Oil prices and Asian stocks slid, but European stocks recovered in morning trading after sharp losses the day before. "It's a tug-of-war between risks that are well flagged, the pandemic, the US election, Brexit, and at the same time hope that these same risks can be resolved in matter of weeks or months", said Emmanuel Cau, head of European equity strategy at Barclays. "In the meantime, it's hard for investors to take positions on the short term given all the uncertainties," he said. "Looking forward to 2021, there's a good probability these risks will be behind us."



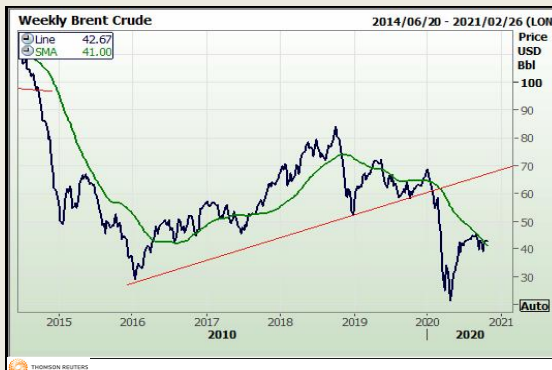
Commodities

	Last	Value Change	% Change
Platinum	863.28	3.15	0.37%
Gold	1900.23	1.26	0.07%
Silver	24.12	-0.05	-0.19%
Copper	3.07	0.00	0.11%
Gasoil	342.25	-2.50	-0.73%
Brent Oil	42.67	-0.26	-0.61%

BDLive - Gold slipped on Friday and looked set to post its first weekly drop in three, as the dollar held firm while additional US fiscal stimulus appeared unlikely before the presidential election.

Spot gold was down 0.1% to \$1,906.80/oz by 3.20am GMT, losing 1.2% so far in the week. US gold futures were up 0.2% at \$1,912.20/oz.

"There's some further upside for the dollar and that's been a major headwind for gold, in addition to the ongoing (US) stimulus negotiations which have yielded no progress," said Edward Moya, a senior market analyst at Danda. "I think everyone is settling on the likelihood that we are not going to have a deal before the election."



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50697.69	0.00	0.00%
ALSI	50850.00	0.00	0.00%
S&P 500	3483.34	0.47	0.01%
FTSE	5832.52	87.06	1.49%
CAC	4935.86	0.00	0.00%
DAX	12908.99	0.00	0.00%
Hang Seng	24386.79	139.30	0.57%



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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	407.00	402.00	The record	-5.00	404.50	2.50	-2.50
MAR 2021	410.00	407.00	The record	-3.00	409.25	2.25	-0.75
MAY 2021	411.00	408.50	The record	-2.50	410.75	2.25	-0.25
JUL 2021	411.00	408.75	The record	-2.25	410.75	2.00	-0.25
SEP 2021	395.00	395.00	The record	0.00	397.50	2.50	2.50

FarmFutures - Corn prices tested modest gains Friday but faded as the session wore on, with spillover weakness from soybeans and harvest pressure setting the table for some technical selling. December futures slid 1.25 cents lower to \$4.0250, with March futures dipping 0.75 cents to \$4.0725.

Corn basis bids were steady to mixed across the central U.S. Friday, moving as much as 3 cents higher at an Illinois ethanol while falling as much as 5 cents lower at an Illinois river terminal today.

Private exporters reported to USDA the sale of 5.0 million bushels of corn for delivery to Mexico during the 2020/21 marketing year, which began September 1.

USDA reported that corn sales for the week ending October 8 fell 47% lower week-over-week and 63% below the prior four-week average to 25.8 million bushels. Analysts were generally expecting a bigger haul, with trade guesses that ranged between 23.6 million and 47.2 million bushels. Cumulative totals for the 2020/21 marketing year remain well ahead of last year's pace, with 176.9 million bushels. South Korea remains a very active buyer of grain in recent weeks, with a feed association purchasing another 2.6 million bushels of animal feed corn, likely from South America, in an international tender that closed earlier today. The grain is for arrival by the end of March.

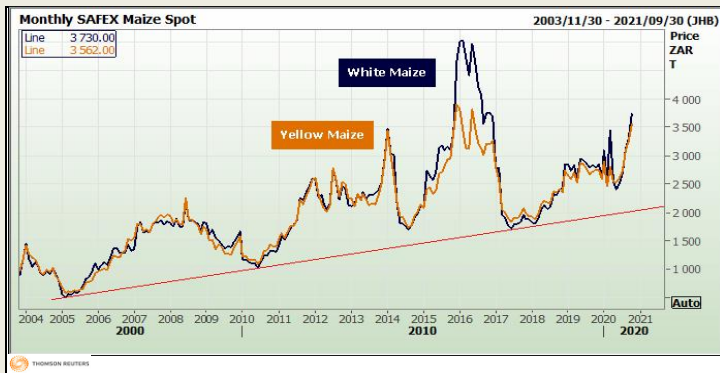
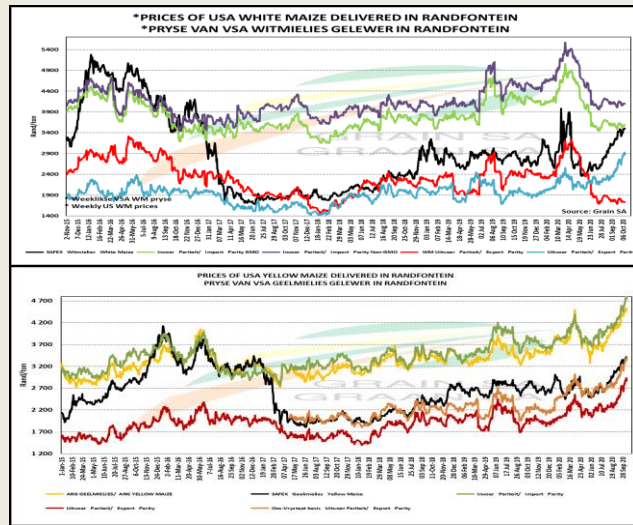
Preliminary volume estimates were for 348,860 contracts, dropping moderately below Thursday's final count of 416,347.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2020	R 3 681.00	31%	R -26.84	R 3 654.16
Mar 2021	R 3 626.00	33.25%	R -15.53	R 3 610.47
May 2021	R 3 176.00	0%	R -12.31	R 3 163.69
Jul 2021	R 3 094.00	27%	R -12.31	R 3 081.69
Sep 2021				
Dec 2021				
Dec 2021				
Yellow Maize Future				
Dec 2020	R 3 596.00	24.5%	R -26.84	R 3 569.16
Mar 2021	R 3 553.00	23%	R -15.53	R 3 537.47
May 2021	R 3 170.00	23%	R -12.31	R 3 157.69
Jul 2021	R 3 132.00	20%	R -12.31	R 3 119.69
Sep 2021	R 3 167.00	0%	R 6.00	R 3 173.00
Dec 2021				
Dec 2021				

The local Maize market traded higher yesterday. The Oct'20 WMAZ contract ended R108.00 up and Oct'20 YMAZ closed R97.00 higher. The Dec'20 WMAZ closed higher by R100.00 and Dec'20 YMAZ ended R94.00 up. The parity move for the Oct'20 Maize contract for yesterday was unchanged.



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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

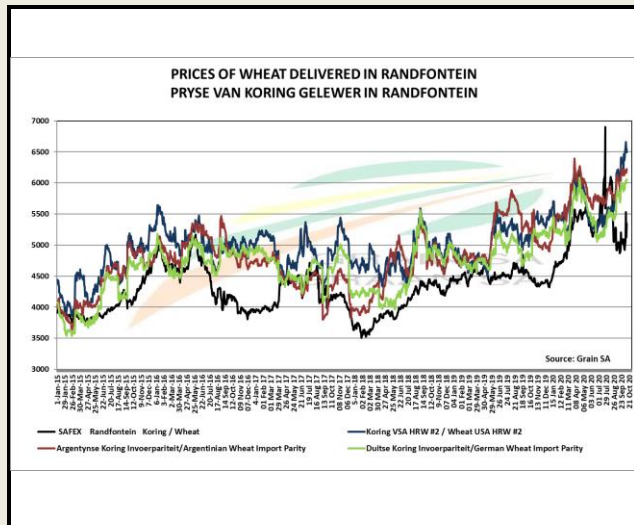
CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2020	619.00	625.25	The record c	6.25	632.75	7.50	13.75	DEC 2010	555.00	558.75	The record	3.75	565.50	6.75	10.50
MAR 2021	620.00	623.50	The record c	3.50	629.00	5.50	9.00	MAR 2011	564.00	566.25	The record	2.25	572.25	6.00	8.25
MAY 2021	618.00	621.00	The record c	3.00	624.00	3.00	6.00	MAY 2011	571.00	572.00	The record	1.00	579.25	7.25	8.25
JUL 2021	606.00	609.00	The record c	3.00	608.75	-0.25	2.75	JUL 2011	573.00	575.50	The record	2.50	581.00	5.50	8.00
SEP 2021	607.00	610.50	The record c	3.50	529.00	-81.50	-78.00	SEP 2011	579.00	580.75	The record	1.75	586.00	5.25	7.00



FarmFutures - Wheat prices emerged from a choppy session Friday with small to moderate gains, as dry weather concerns triggered more technical buying. Some contracts reached highs not seen since late 2014. December Chicago SRW futures boosted 8.25 cents to \$6.2650, December Kansas City HRW futures added a penny to \$5.59, and December MGEX spring wheat futures picked up 0.5 cents to \$5.5925. Wheat export sales held steady from a week ago and moved 23% ahead of the prior four-week average, with 19.4 million bushels. That total was good enough to land on the high end of analyst estimates, which ranged between 7.3 million and 22.0 million bushels. Cumulative totals for the 2020/21 marketing year remain moderately higher year-over-year, with 367.3 million bushels. Wheat export shipments dipped 15% below the prior four-week average, with 18.6 million bushels. China was the No. 1 destination, with 6.7 million bushels. Ukraine has completed its 2020 wheat harvest, according to the country's economy ministry. Total production reached 922.3 million bushels, which is 11.3% below 2019's tally after some farmers battled severe drought this year. France has planted 12% of its 2020/21 wheat crop through October 12, according to the country's FranceAgriMer consultancy. That's up from 6% last week and a bit behind 2019's pace of 16%.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2020	R 4 999.00	8%	R 68.47	R 5 067.47
Mar 2021	R 5 098.00	9%	R 39.61	R 5 137.61
May 2021				
Jul 2021	R 5 169.00	0%	R 2.00	R 5 171.00
Sep 2021				
Dec 2021				
Dec 2021				
Cape Wheat				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				
Dec 2021				



The local Wheat market closed mixed yesterday. The Oct'20 Wheat contract closed R50.00 down while Dec'20 Wheat closed R33.00 higher. The parity move for the Oct'20 Wheat contract for yesterday was unchanged.



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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	1066.00	1050.00	The record	-16.00	902.00	-148.00	-164.00
JAN 2021	1066.00	1050.25	The record	-15.75	1050.00	-0.25	-16.00
MAR 2021	1050.00	1037.75	The record	-12.25	1038.75	1.00	-11.25
MAY 2021	1044.00	1033.25	The record	-10.75	1034.50	1.25	-9.50
JUL 2021	1046.00	1035.25	The record	-10.75	1035.50	0.25	-10.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2010	367.5	369.90
JAN 2011	362.1	364.20
MAR 2011	354.3	356.90
MAY 2011	348.4	350.60
JUL 2011	347	348.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2010	32.99	32.65
JAN 2011	32.98	32.66
MAR 2011	32.96	32.67
MAY 2011	32.95	32.71
JUL 2011	32.96	32.70



FarmFutures - Soybean prices eroded steadily throughout Friday's session, closing with double-digit losses after a round of technical selling and profit-taking. Traders mostly shrugged off a large export sale to unknown destinations and mostly supportive sales data that USDA released this morning. November futures dropped 11.5 cents to \$10.5075, with January futures down 11 cents to \$10.51. Soybean basis bids jumped as much as 10 cents higher at a Nebraska processor while sliding as much as 3 cents lower at an Illinois river terminal Friday. Farmer sales generally cooled today amid lower futures prices. Private exporters reported to USDA the sale of 6.4 million bushels of soybeans for delivery to unknown destinations during the 2020/21 marketing year, which began September 1. Soybean export sales dropped 74% from a week ago but remained 18% above the prior four-week average, with 96.7 million bushels. That tally exceeded all trade estimates, which ranged between 55.1 million and 80.8 million bushels. Cumulative totals for the 2020/21 marketing year are nearly double last year's pace so far, with 331.4 million bushels. Soybean export shipments firmed 21% above the prior four-week average, with 87.6 million bushels. China accounted for most of that total, with 64.1 million bushels.

Preliminary volume estimates were for 251,161 contracts, falling moderately below Thursday's final count of 291,861.

South African Futures Exchange

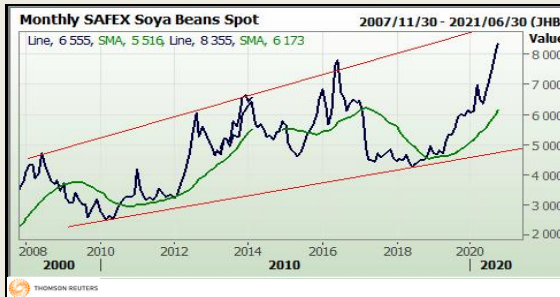
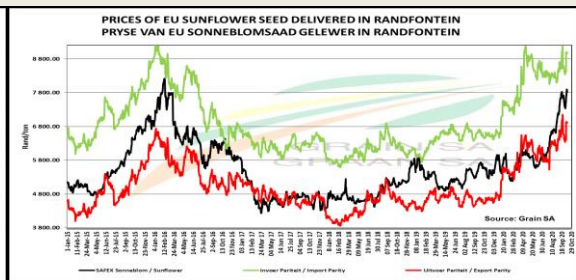
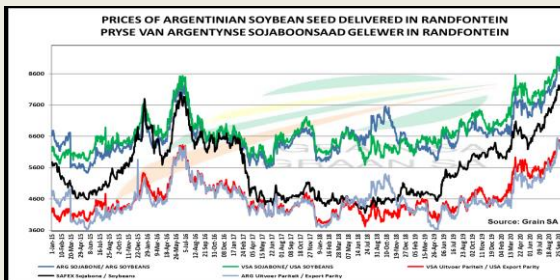
	Soybean Future			
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8 365.00	15%		R 8 365.00
Mar 2021	R 8 000.00	16%	R -93.77	R 7 906.23
May 2021	R 7 146.00	17%	R -83.00	R 7 063.00
Jul 2021	R 7 187.00	21.5%	R -89.12	R 7 097.88
Sep 2021				
Dec 2021				
Dec 2021				

	Sunflower Seeds Future	
	MTM	Vols
Dec 2020	R 8 040.00	16%
Mar 2021	R 7 903.00	16%
May 2021	R 7 078.00	21.5%
Jul 2021	R 7 015.00	0%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded higher yesterday. The Oct'20 Soya contract ended R57.00 up and Dec'20 Soya closed R44.00 higher. The parity move for the Oct'20 Soya contract for yesterday was unchanged.

The local Suns market closed higher yesterday. The Oct'20 Suns contract closed R67.00 up and Dec'20 Suns closed R51.00 higher.



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