



# **Fundamental Report**

## **07 October 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.6062	16.6545	0.0483	0.29%
Euro/Rand	19.5598	19.5507	-0.0091	-0.05%
GBPound/Rand	21.5371	21.4606	-0.0765	-0.36%
AusDollar/Rand	11.8785	11.8547	-0.0238	-0.20%
Euro/USDollar	1.1777	1.1731	-0.0046	-0.39%
GBPound/USDollar	1.2971	1.2883	-0.0088	-0.68%
AusDollar/USDollar	0.7153	0.7118	-0.0035	-0.49%
JpyYen/USDollar	105.5600	105.6500	0.0900	0.09%

BDLive - The JSE fell on Tuesday while global equities were mixed as focus remains on further fiscal stimulus in the US to boost economic recovery.

The JSE all share fell 0.59% to 54,203.83 points and the top 40 0.63%. Banks were down 1.40% and resources 1.15%. The all share has lost 5.05% so far in 2020. World stock markets neared a more than two-week high on Tuesday after US President Donald Trump's return to the White House from hospital where he was treated for Covid-19, and expectations of a new US stimulus package being agreed rose.

Europe saw a stuttering start with London's FTSE dipping and not much traction from France, Italy or Germany, despite a "remarkable" jump in German industrial orders.

Wall Street and most of Asia rallied overnight after Trump's return from the Walter Reed Medical Centre military hospital outside Washington eased nerves about possible disruption to next month's presidential election.



### Commodities

	Last	Value Change	% Change
Platinum	858.89	10.59	1.23%
Gold	1881.22	4.09	0.22%
Silver	23.42	0.33	1.42%
Copper	2.94	-0.02	-0.78%
Gasoil	338.75	-3.00	-0.89%
Brent Oil	41.87	-0.78	-1.86%

BDLive - Bengaluru — Gold prices dipped on Tuesday, as equities gained after US President Donald Trump was discharged from hospital after treatment for a coronavirus infection, though a softer dollar limited losses.

Spot gold fell 0.1% to \$1,911.22 an ounce by 3.34am GMT. Prices hit \$1,918.36 on Monday, a peak since September 22. US gold futures were down 0.2% at \$1,915.90. The market is still in a risk-on mood and that is tempering gold, said Stephen Innes, chief market strategist at AxiCorp. "There's a bit of uncertainty kicking in mostly over President Trump's recovery and on what that's going to do to polling numbers," he said.

Asian stock markets rose to a two-week high after the US president returned to the White House from hospital after treatment for Covid-19 and on rising prospects for a fresh US stimulus package.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49869.36	0.00	0.00%
ALSI	49926.00	0.00	0.00%
S&P 500	3408.63	-47.68	-1.40%
FTSE	5942.94	7.00	0.12%
CAC	4895.46	0.00	0.00%
DAX	12906.02	0.00	0.00%
Hang Seng	23980.65	179.39	0.75%



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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	381.00	385.00	The record	4.00	385.50	0.50	4.50
MAR 2021	390.00	394.25	The record	4.25	394.25	0.00	4.25
MAY 2021	396.00	399.25	The record	3.25	399.00	-0.25	3.00
JUL 2021	399.00	402.75	The record	3.75	402.75	0.00	3.75
SEP 2021	389.00	391.75	The record	2.75	391.50	-0.25	2.50

FarmFutures - Corn prices enjoyed a round of technical buying today, spurred by spillover strength from soybeans and wheat, along with export optimism. Prices closed more than 1% higher as a result. December futures gained 5.25 cents to \$3.8475, while March futures added 4.5 cents to \$3.9375.

Corn basis bids were steady to mixed across the central U.S. Tuesday, moving as much as 5 cents higher at an Illinois ethanol plant and as much as 2 cents lower at an Iowa processor today.

Corn harvest progress moved from 15% a week ago up to 25% through October 4, according to USDA. That was slightly below trade guesses, which predicted progress would reach 26%, but it's still slightly above the prior five-year average of 24%. USDA marked 87% of this year's crop fully mature, up from 75% last week and moderately ahead of the prior five-year average of 78%. Will ethanol production continue to slump? The U.S. Energy Information Administration noted three consecutive weeks of decline, falling to a seasonal low of 881,000 barrels per day for the week ending September 25. The next batch of EIA data will be released tomorrow morning.

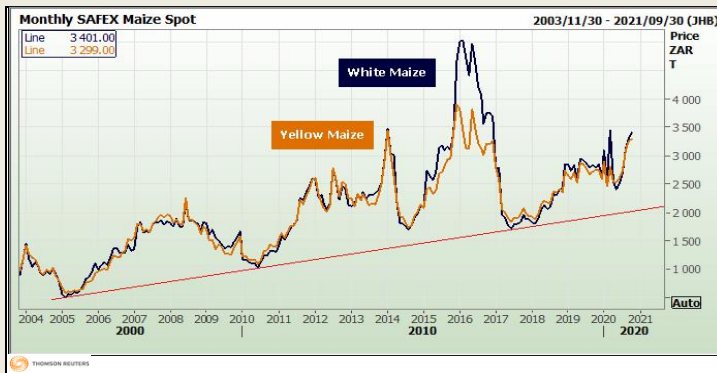
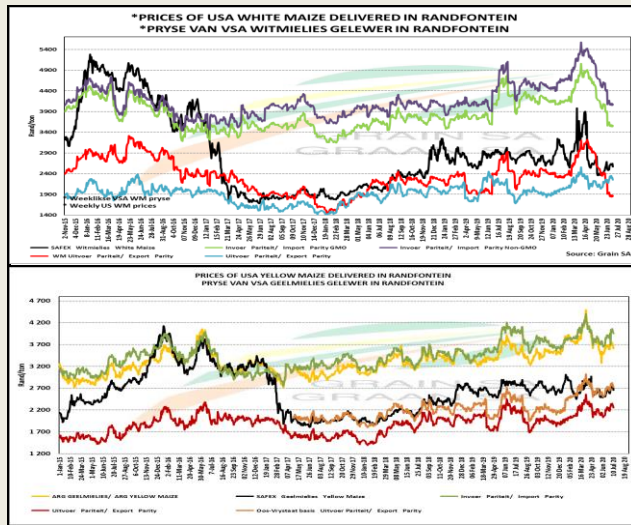
Preliminary volume estimates were for 294,722 contracts, moving well above Monday's final count of 181,303.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Sep 2020				
Dec 2020	R 3 387.00	29.75%	R 36.75	R 3 423.75
Mar 2021	R 3 349.00	30%	R 35.28	R 3 384.28
May 2021	R 3 001.00	0%	R 27.20	R 3 028.20
Jul 2021	R 2 930.00	25.75%	R 32.17	R 2 962.17
Sep 2021				
Dec 2021				
<b>Yellow Maize Future</b>				
Sep 2020				
Dec 2020	R 3 331.00	23.5%	R 36.75	R 3 367.75
Mar 2021	R 3 293.00	22.5%	R 35.28	R 3 328.28
May 2021	R 2 993.00	23%	R 27.20	R 3 020.20
Jul 2021	R 2 957.00	19.25%	R 32.17	R 2 989.17
Sep 2021				
Dec 2021				

The local Maize market traded mixed yesterday. The Oct'20 WMAZ contract ended R22.00 up and Oct'20 YMAZ closed R9.00 higher. The Dec'20 WMAZ closed lower by R3.00 while Dec'20 YMAZ ended R6.00 up. The parity move for the Oct'20 Maize contract for yesterday was R40.00 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	583.00	592.75	The record c	9.75	591.50	-1.25	8.50	DEC 2010	523.00	534.25	The record	11.25	533.00	-1.25	10.00
MAR 2021	589.00	598.25	The record c	9.25	596.50	-1.75	7.50	MAR 2011	533.00	543.00	The record	10.00	541.00	-2.00	8.00
MAY 2021	592.00	601.50	The record c	9.50	599.75	-1.75	7.75	MAY 2011	538.00	549.25	The record	11.25	547.00	-2.25	9.00
JUL 2021	587.00	596.50	The record c	9.50	595.25	-1.25	8.25	JUL 2011	543.00	553.75	The record	10.75	551.50	-2.25	8.50
SEP 2021	589.00	599.75	The record c	10.75	529.00	-70.75	-60.00	SEP 2011	550.00	560.00	The record	10.00	557.50	-2.50	7.50



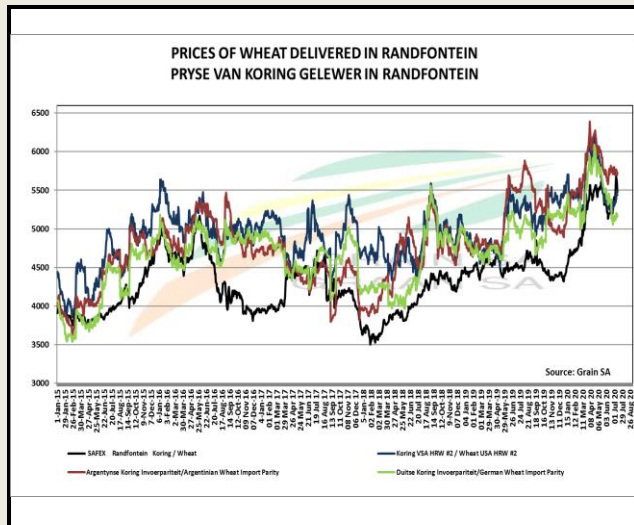
FarmFutures - Wheat prices continued its latest trend of technical buying and short-covering on concerns of drought conditions emerging in the U.S. Plains and Argentina. December Chicago SRW futures gained 6 cents to \$5.9025, December Kansas City HRW futures rose 8 cents to \$5.3225, and December MGEX spring wheat futures picked up 2 cents to \$5.3750. Prices have moved higher four out of the last five sessions. Winter wheat plantings crossed the halfway mark this past week, reaching 52% completion. That's up from 35% a week ago and moderately ahead of analyst estimates (50%) and the prior five-year average (47%). Nearly one-fourth (24%) of the crop is now emerged, also coming in above the prior five-year average of 21%.

Some timely rains have fallen in Ukraine in late September and early October, quelling some fears about the country's 2020/21 wheat crop. Growers there plan to plant 15.073 million acres of wheat this season. Planting progress was at 47% through October 5, according to analyst APK-Inform.

Japan issued a regular tender to purchase 4.4 million bushels of food-quality wheat from the United States, Canada and Australia that closes later this week. Of the total, 52% is expected to be sourced from the U.S.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Sep 2020				
Dec 2020	R 4 873.00	8%	R 62.36	R 4 935.36
Mar 2021	R 4 973.00	9%	R 56.35	R 5 029.35
May 2021				
Jul 2021	R 5 045.00	0%	R 60.90	R 5 105.90
Sep 2021				
Dec 2021				
<b>Cape Wheat</b>				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				



The local Wheat market closed higher yesterday. The Oct'20 Wheat contract closed R85.00 up and Dec'20 Wheat closed R19.00 higher. The parity move for the Oct'20 Wheat contract for yesterday was R62.00 positive.



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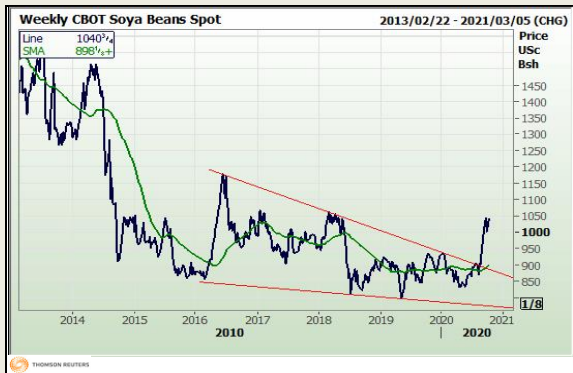
## Oil Seed Market

### 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	1029.00	1044.00	The record	15.00	902.00	-142.00	-127.00
JAN 2021	1032.00	1045.50	The record	13.50	1041.25	-4.25	9.25
MAR 2021	1026.00	1035.25	The record	9.25	1031.00	-4.25	5.00
MAY 2021	1025.00	1030.00	The record	5.00	1026.00	-4.00	1.00
JUL 2021	1029.00	1030.75	The record	1.75	1028.00	-2.75	-1.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2010	354.3	354.10
DEC 2010	355.5	355.70
JAN 2011	352.6	352.40
MAR 2011	348.4	347.90
MAY 2011	344	343.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2010	33.29	33.15
DEC 2010	33.09	32.90
JAN 2011	33.1	32.91
MAR 2011	33.17	32.97
MAY 2011	33.25	33.04



FarmFutures - Soybean prices jumped substantially higher, boosted by technical buying sparked by reports that Brazil's planting season is off to a sluggish start due to drought challenges there. November futures climbed 21.75 cents to \$10.4325, with January futures up 19 cents to \$10.44. Soybean and soyoil futures also made solid inroads today.

Soybean basis bids were steady to mixed Tuesday, boosting 5 cents higher at an Indiana processor while sliding 1 to 2 cents lower at two other Midwestern locations today.

Private exporters reported to USDA the sale of 5.7 million bushels of soybeans for delivery to unknown destinations during the 2020/21 marketing year, which began September 1.

The 2020 soybean harvest is even farther along, reaching 38% through Sunday. Analysts were expecting USDA to report progress of 36%. That nearly doubled last week's mark of 20% and is well ahead of both 2019's pace of 12% and the prior five-year average of 28%. Eighty-five percent of this year's soybean crop is now dropping leaves, up from last week's tally of 74% and still above the prior five-year average of 82%. Egypt purchased 60,000 metric tons of soyoil and 26,000 MT of sunflower oil in an international tender, set for arrival between late November and mid-December. Preliminary volume estimates were for 346,123 contracts, nearly doubling Monday's final count of 177,412.

### South African Futures Exchange

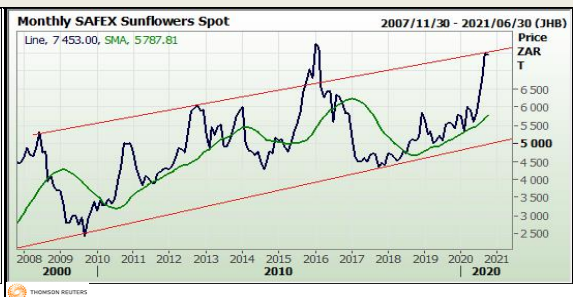
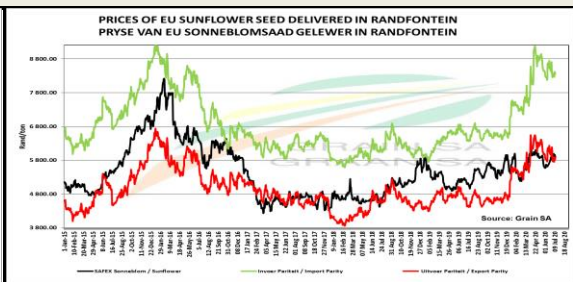
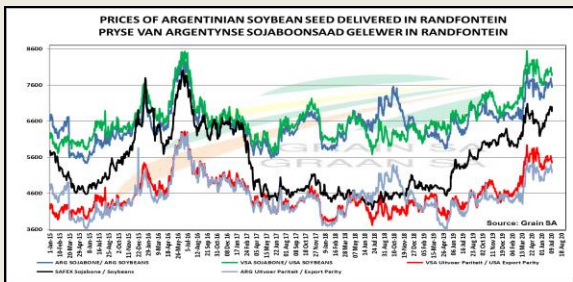
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2020				
Dec 2020	R 8 165.00	15%		R 8 165.00
Mar 2021	R 7 835.00	16%	R 48.81	R 7 883.81
May 2021	R 7 032.00	17%	R 24.31	R 7 056.31
Jul 2021	R 7 078.00	21.5%	R 12.14	R 7 090.14
Sep 2021				
Dec 2021				

Sunflower Seeds Future		
	MTM	Vols
Sep 2020		
Dec 2020	R 7 530.00	15%
Mar 2021	R 7 473.00	15%
May 2021	R 6 690.00	21.5%
Jul 2021	R 6 670.00	0%
Sep 2021		
Dec 2021		



The local Soya market traded higher yesterday. The Oct'20 Soya contract ended R48.00 up and Dec'20 Soya closed R69.00 higher. The parity move for the Oct'20 Soya contract for yesterday was R95.00 positive.

The local Suns market closed higher yesterday. The Oct'20 Suns contract closed R123.00 up and Dec'20 Suns closed R136.00 higher.



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