



# **Fundamental Report**

## **18 November 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.4262	15.3983	-0.0279	-0.18%
Euro/Rand	18.3017	18.2575	-0.0442	-0.24%
GBPound/Rand	20.3924	20.4084	0.0160	0.08%
AusDollar/Rand	11.3012	11.2130	-0.0882	-0.78%
Euro/USDollar	1.1868	1.1854	-0.0014	-0.12%
GBPound/USDollar	1.3226	1.3251	0.0025	0.19%
AusDollar/USDollar	0.7326	0.7282	-0.0044	-0.60%
JpyYen/USDollar	104.2800	104.1300	-0.1500	-0.14%

BDFive - The JSE closed weaker on Tuesday, with its global peers mixed as investors mull further restrictions amid rising Covid-19 cases in the US and Europe.

Monday's news that American biotechnology group Moderna's Covid-19 vaccine is 94.5% effective was a welcome development. But with the vaccine deployment still some time away, efforts by authorities remain focused on slowing the spread as Europe and the US grapple with rising case numbers. World stock markets took a well-earned breather on Tuesday after the second major coronavirus vaccine boost in the space of a week had propelled them higher again and put Europe on course for its best month in nearly three decades.

The pan-European Stoxx 600 dipped 0.2% in early moves but there was little sign of an end to the November bull run that has also seen confidence-sensitive commodities and emerging markets surge. MSCI's main 49-country world stocks index was perched at a record high having risen 11%, while China's yuan hit a near 2.5-year peak in the currency markets as the dollar continued to sag.



### Commodities

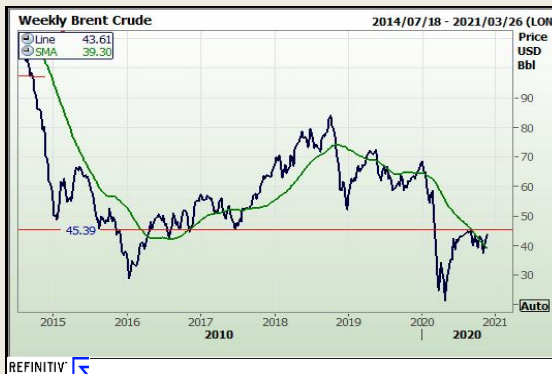
	Last	Value Change	% Change
Platinum	921.50	-3.82	-0.41%
Gold	1878.28	-0.32	-0.02%
Silver	24.36	-0.10	-0.43%
Copper	3.20	0.00	-0.09%
Gasoil	352.75	2.50	0.71%
Brent Oil	43.61	-0.14	-0.32%

Bengaluru — Gold prices edged higher on Tuesday as the dollar slipped, while investors weighed concerns over spiking coronavirus cases globally against optimism over positive developments around a second possible Covid-19 vaccine.

Spot gold rose 0.1% to \$1,890.27/oz by 3.27am GMT, while US gold futures were up 0.1% at \$1,889.70.

Bullion dropped as much as 1.3% on Monday after drugmaker Moderna said its experimental vaccine was 94.5% effective in preventing Covid-19 based on interim data from a late-stage trial, becoming the second US drugmaker after Pfizer to report results exceeding expectations.

"Traders are striking a balance between the positive vaccine breakthrough and the prospect of lower fiscal stimulus in the quarters to come," said DailyFX strategist Margaret Yang.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	52551.86	-263.07	-0.50%
ALSI	52372.00	0.00	0.00%
S&P 500	3626.91	-17.38	-0.48%
FTSE	6421.29	-55.96	-0.87%
CAC	5483.00	0.00	0.00%
DAX	13138.61	-5.14	-0.04%
Hang Seng	26415.09	-9.41	-0.04%



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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	420.00	420.25	The record	0.25	420.75	0.50	0.75
MAR 2021	427.00	426.75	The record	-0.25	426.50	-0.25	-0.50
MAY 2021	431.00	429.75	The record	-1.25	428.75	-1.00	-2.25
JUL 2021	432.00	430.75	The record	-1.25	429.75	-1.00	-2.25
SEP 2021	412.00	410.50	The record	-1.50	410.00	-0.50	-2.00

FarmFutures -Corn prices trended moderately higher on a round of technical buying partly spurred by spillover strength from soybeans. And although soybean prices tend to be more price-sensitive to weather news out of South America, overly dry conditions there are also creating tailwinds for corn prices right now. A large sale to Mexico, announced this morning, lent additional support. December futures added 3.5 cents to \$4.1975, while March futures picked up 1.5 cents to \$4.2575.

Corn basis bids were steady to firm Tuesday, rising 2 to 6 cents higher across a half-dozen Midwestern ethanol plants and interior river terminals, and firm as much as 10 cents at an Ohio elevator as multiple locations attempted to drum up additional farmer sales. Private exporters reported to USDA the sale of 7.7 million bushels of corn for delivery to Mexico during the 2020/21 marketing year, which began September 1. USDA reported late yesterday afternoon that corn harvest progress reached 95% completion through November 15. That was a point behind analyst estimates but still moderately faster than the prior five-year average of 87%. Traders also await the next set of weekly ethanol production data from the U.S. Energy Information Administration (EIA), out Wednesday morning. Production has been trending in a positive direction the past three weeks, reaching a daily average of 977,000 barrels through November 6 – the highest weekly tally since coronavirus-related lockdowns cratered demand in late March. South Korea purchased 2.6 million bushels of animal feed corn, likely sourced from either the United States or South America, in an international tender that closed earlier today. The grain is for arrival by June 10, 2021.

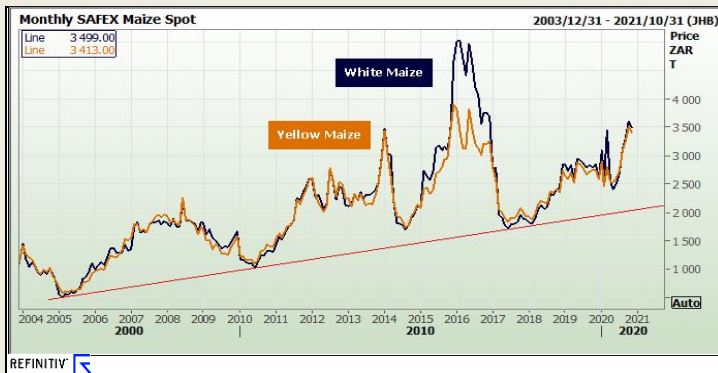
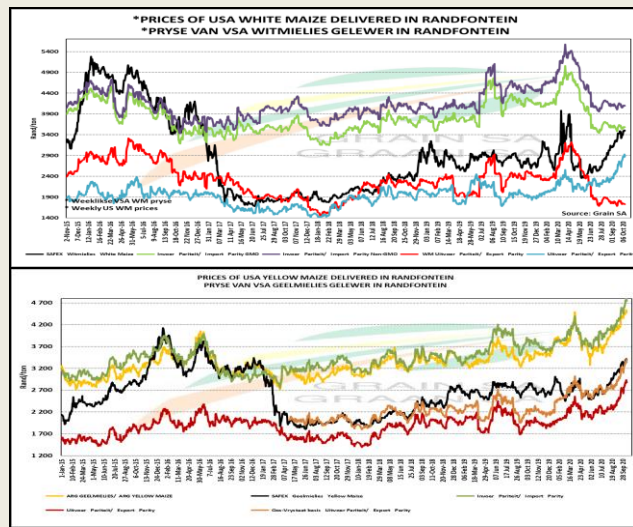
Preliminary volume estimates were for 367,595 contracts, tracking moderately higher than Monday's final count of 268,426.



## South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020	R 3 502.00	27%	R -0.07	R 3 501.93
Mar 2021	R 3 494.00	33.5%	R -7.72	R 3 486.28
May 2021	R 3 030.00	31.5%	R -18.37	R 3 011.63
Jul 2021	R 2 950.00	28.75%	R -18.38	R 2 931.62
Sep 2021	R 2 998.00	0%	R -16.65	R 2 981.35
Dec 2021				
Dec 2021				
<b>Yellow Maize Future</b>				
Dec 2020	R 3 426.00	24.5%	R -0.07	R 3 425.93
Mar 2021	R 3 410.00	26%	R -7.72	R 3 402.28
May 2021	R 3 020.00	23%	R -18.37	R 3 001.63
Jul 2021	R 2 972.00	22.5%	R -18.38	R 2 953.62
Sep 2021	R 3 032.00	0%	R -16.65	R 3 015.35
Dec 2021	R 3 112.00	21%		R 3 112.00
Dec 2021	R 3 112.00	21%		R 3 112.00

The local Maize market traded mixed yesterday. The Nov'20 WMAZ contract ended R11.00 down while Nov'20 YMAZ closed R24.00 higher. The Dec'20 WMAZ closed higher by R12.00 and Dec'20 YMAZ ended R27.00 up. The parity move for the Nov'20 Maize contract for yesterday was R2.00 positive.



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## Wheat Market

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

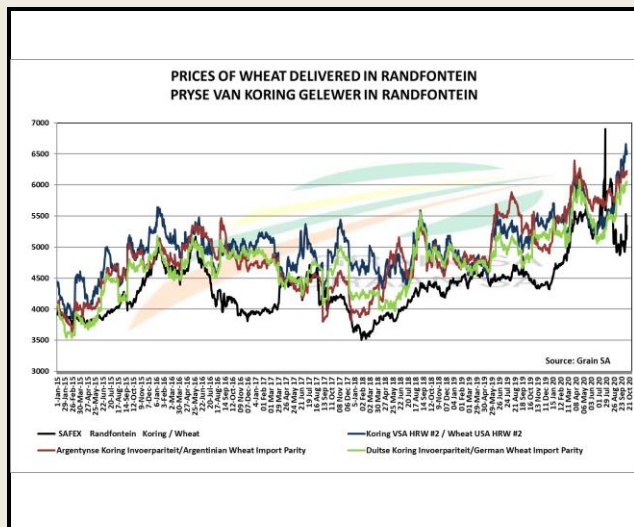
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2020	600.00	595.25	The record d	-4.75	593.25	-2.00	-6.75	DEC 2010	556.00	552.50	The record	-3.50	549.25	-3.25	-6.75
MAR 2021	606.00	603.00	The record d	-3.00	601.00	-2.00	-5.00	MAR 2011	565.00	561.50	The record	-3.50	558.75	-2.75	-6.25
MAY 2021	609.00	606.75	The record d	-2.25	604.75	-2.00	-4.25	MAY 2011	571.00	568.00	The record	-3.00	564.25	-3.75	-6.75
JUL 2021	607.00	604.25	The record d	-2.75	602.00	-2.25	-5.00	JUL 2011	574.00	571.50	The record	-2.50	568.00	-3.50	-6.00
SEP 2021	609.00	607.00	The record d	-2.00	529.00	-78.00	-80.00	SEP 2011	582.00	576.75	The record	-5.25	574.25	-2.50	-7.75



FarmFutures - Wheat prices retreated Tuesday on some technical selling that erased overnight gains and pushed prices into the red by the close. December Chicago SRW futures fell 3.25 cents to \$5.9475, December Kansas City HRW futures dropped 5.5 cents to \$5.5250, and December MGEX spring wheat futures lost 4 cents to \$5.5050. The 2020/21 winter wheat crop is 96% planted through November 15, according to USDA's latest weekly crop progress report, tracking slightly ahead of the prior five-year average of 94%. Eighty-five percent of the crop is emerged, also slightly ahead of the prior five-year average of 84%. Japan issued a regular tender to purchase 3.7 million bushels of food-quality wheat from the United States and Canada. Of the total, 54% is expected to be sourced from the U.S. The grain is for arrival by the end of February. FranceAgriMer says France is seeing slightly better export prospects outside the European Union and tightening domestic stocks in 2020/21. Exports outside the EU are now forecast at 251.7 million bushels (which is still nearly 50% below 2019/20's record-breaking effort). Ending stocks this marketing year were trimmed to 92 million bushels. Preliminary volume estimates were for 128,559 CBOT contracts, moderately trailing Monday's final count of 433,211.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020	R 5 020.00	8%	R -44.34	R 4 975.66
Mar 2021	R 5 114.00	9%	R -34.50	R 5 079.50
May 2021	R 5 163.00	0%	R -30.29	R 5 132.71
Jul 2021	R 5 172.00	0%	R -34.51	R 5 137.49
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 lower yesterday. The Nov'20 Wheat contract closed R84.00 down and Dec'20 Wheat closed R37.00 lower. The parity move for the Nov'20 Wheat contract for yesterday was R39.00 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
JAN 2021	1169.00	1169.75	The record	0.75	902.00	-267.75
MAR 2021	1169.00	1168.50	The record	-0.50	1167.75	-0.75
MAY 2021	1167.00	1164.75	The record	-2.25	1162.75	-2.00
JUL 2021	1161.00	1159.50	The record	-1.50	1156.75	-2.75
AUG 2021	1141.00	1140.75	The record	-0.25	0.00	-1 140.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2010	395.8	395.10
JAN 2011	394.7	393.70
MAR 2011	391.4	390.60
MAY 2011	385.3	384.20
JUL 2011	383	381.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2010	37.5	37.58
JAN 2011	37.31	37.39
MAR 2011	37.04	37.12
MAY 2011	36.77	36.83
JUL 2011	36.51	36.56



FarmFutures - Soybean prices jumped more than 1% higher Tuesday on a round of technical buying after fresh reports of dry weather forecasts in South America. Export optimism remains high for now, and USDA reported earlier this month that domestic stocks are at seven-year lows. January futures climbed 16.25 cents to \$11.6925, while March futures rose 14 cents to \$11.6850. Soybean basis bids jumped 20 cents higher at an Ohio elevator and firmed 2 to 5 cents higher at two other Midwestern locations while holding steady elsewhere across the central U.S. today. USDA reported Monday afternoon that soybean harvest progress is at 96% through November 15, in line with analyst expectations and up from 92% a week earlier. That's also a bit faster than the prior five-year average of 93%. Five of the top 18 production states are marked as 100% complete.

U.S. monthly soybean crush for October climbed to an unprecedented high of 185.245 million bushels, besting the previous record in March 2020. That also surpassed the entire range of analyst estimates, which ranged between 170 million and 183 million bushels. In Argentina's key production state of Paraná, planting pace is behind normal, although 92% of the 2020/21 crop is now in the ground, per the country's Department of Rural Economy (Deral). Seventy percent of the crop is in "good" condition, which is 10 points lower than the same time a year ago. Replants may be needed in the most drought-stressed areas as well. Preliminary volume estimates were for 271,404 contracts, moving moderately higher than Monday's final count of 176,439.

### South African Futures Exchange

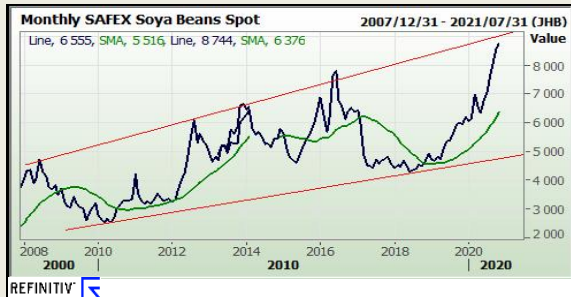
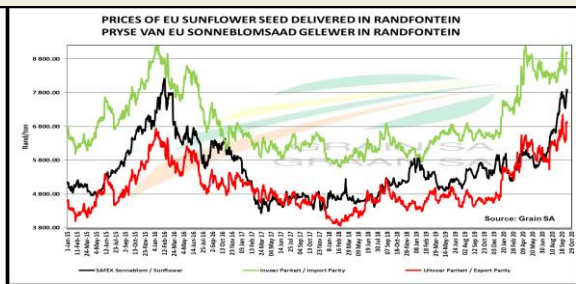
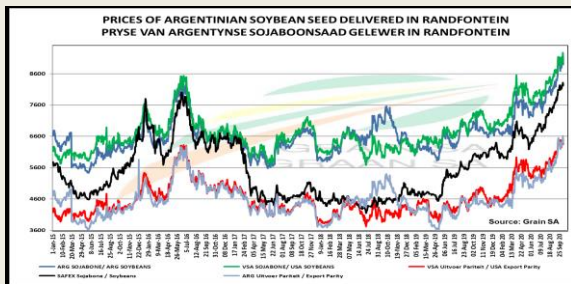
	Soybean Future			
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8 674.00	15%		R 8 674.00
Mar 2021	R 8 351.00	16%	R -19.06	R 8 331.94
May 2021	R 7 576.00	17%	R -36.01	R 7 539.99
Jul 2021	R 7 621.00	21.5%	R -35.95	R 7 585.05
Sep 2021				
Dec 2021	R 7 722.00	0%		R 7 722.00
Dec 2021	R 7 722.00	0%		R 7 722.00

	Sunflower Seeds Future	
	MTM	Vols
Dec 2020	R 8 612.00	16%
Mar 2021	R 8 529.00	17%
May 2021	R 7 724.00	21.5%
Jul 2021	R 7 737.00	0%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded mixed yesterday. The Nov'20 Soya contract ended R6.00 down while Dec'20 Soya closed R38.00 higher. The parity move for the Nov'20 Soya contract for yesterday was R6.00 negative.

The local Suns market closed lower yesterday. The Nov'20 Suns contract closed R142.00 down and Dec'20 Suns closed R71.00 lower.



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