



# **Fundamental Report**

## **24 November 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.3003	15.3810	0.0807	0.53%
Euro/Rand	18.1600	18.2198	0.0598	0.33%
GBPound/Rand	20.4454	20.5023	0.0569	0.28%
AusDollar/Rand	11.2115	11.2481	0.0366	0.33%
Euro/USDollar	1.1876	1.1844	-0.0032	-0.27%
GBPound/USDollar	1.3369	1.3327	-0.0042	-0.31%
AusDollar/USDollar	0.7329	0.7313	-0.0016	-0.22%
JpyYen/USDollar	103.7800	104.5400	0.7600	0.73%

BDLive - The rand shrugged off SA's latest downgrade by ratings agencies, taking its cue from optimism about vaccine rollouts that boosted sentiment on riskier assets. While the local currency fell briefly on Friday, that was a short-term weakening. On Monday, the rand strengthened to an almost two-week high, before ending the day little changed. Bonds had their most marked weakening since November 10, though yields on securities due in a decade were just 30 basis points higher than their 2020 low from February... Shares and oil prices rose on Monday while the dollar fell as investors pinned their hopes for economic revival on coronavirus vaccines, even as the world contended with surging case numbers and delays to fresh US stimulus. The Stoxx index of Europe's 600 largest shares rose 0.5% to its highest since February after AstraZeneca become the latest major drugmaker to say its vaccine for the virus could be about 90% effective. Brent crude futures rose nearly 2% as traders eyed a recovery in crude demand due to the successful vaccine trials, while the euro edged up to €1.1864 as the dollar tested the bottom of a range it has been in for the past few months.



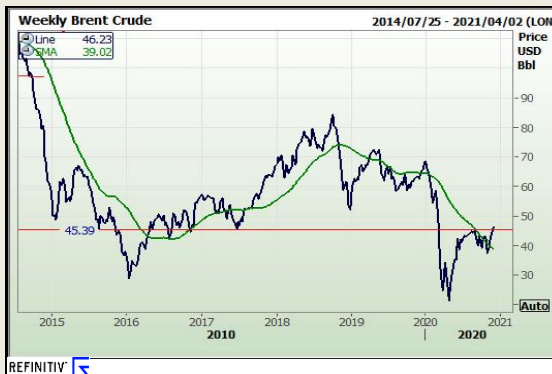
### Commodities

	Last	Value Change	% Change
Platinum	929.99	3.77	0.41%
Gold	1824.85	-11.00	-0.60%
Silver	23.33	-0.25	-1.07%
Copper	3.27	0.01	0.32%
Gasoil	373.50	3.25	0.87%
Brent Oil	46.23	0.17	0.37%

Bengaluru — Gold edged higher on Monday, as a softer dollar and hopes of further US monetary stimulus offset optimism over the quick rollout of a Covid-19 vaccine and bolstered the precious metal's appeal.

Spot gold rose 0.1% to \$1,824.76 per ounce by 5.27am and US gold futures were little changed at \$1,871.80. US Treasury secretary Steven Mnuchin on Friday reassured markets that the Fed and Treasury have many tools left to support the economy, after deciding to de-fund several Federal Reserve lending programmes by the end of the year.

"Ironically, failure to deliver a fiscal package is supportive for gold," said Michael McCarthy, chief strategist at CMC Markets, adding there might be more reliance on Fed support, which will take the form of liquidity and lower interest rates. Non-yielding gold is often seen as a hedge against inflation that is likely to result from stimulus measures.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	52478.55	0.00	0.00%
ALSI	52520.00	0.00	0.00%
S&P 500	3557.54	20.05	0.56%
FTSE	6351.45	-17.61	-0.28%
CAC	5492.15	0.00	0.00%
DAX	13137.25	-10.28	-0.08%
Hang Seng	26486.20	7.72	0.03%



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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	429.00	426.50	The record	-2.50	424.50	-2.00	-4.50
MAR 2021	435.00	433.25	The record	-1.75	431.25	-2.00	-3.75
MAY 2021	437.00	436.50	The record	-0.50	434.75	-1.75	-2.25
JUL 2021	437.00	436.25	The record	-0.75	435.00	-1.25	-2.00
SEP 2021	416.00	414.00	The record	-2.00	412.25	-1.75	-3.75

FarmFutures - Corn prices rose around 1% higher Monday on a round of technical buying that was largely fueled by concerns over dry weather in South America and another large export sale reported earlier today. Spillover strength from soybeans lent additional aid. December futures closed up 3.5 cents to \$4.2325, while March futures gained 5.25 cents to \$4.3350.

Corn basis bids were steady to firm to start the week after rising 2 to 5 cents at three Midwestern locations today.

Private exporters announced to USDA the sale of 13.1 million bushels of corn for delivery to unknown destinations during the 2020/21 marketing year, which began September 1.

Corn export inspections slipped 0.9% lower week-over-week, to 32.8 million bushels. That was in the middle of trade estimates, which ranged between 27.6 million and 43.3 million bushels. Mexico was the top destination, with 11.6 million bushels. Cumulative totals for the 2020/21 marketing year are still well ahead of last year's pace, with 364.2 million bushels since September 1.

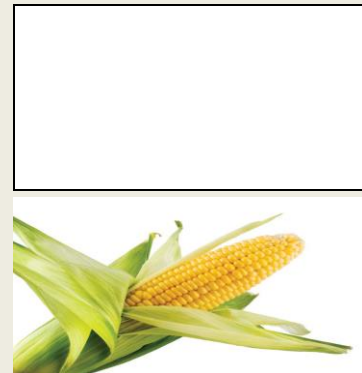
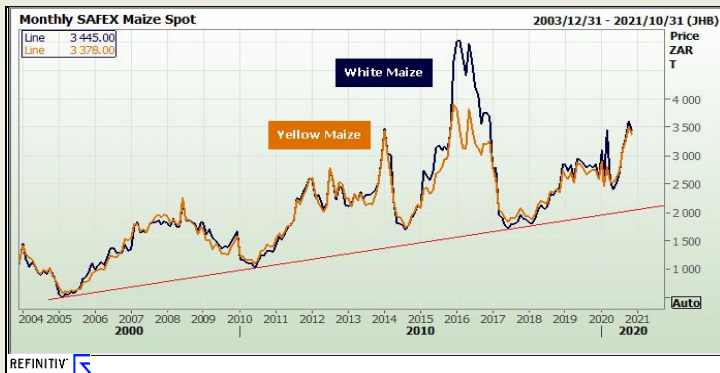
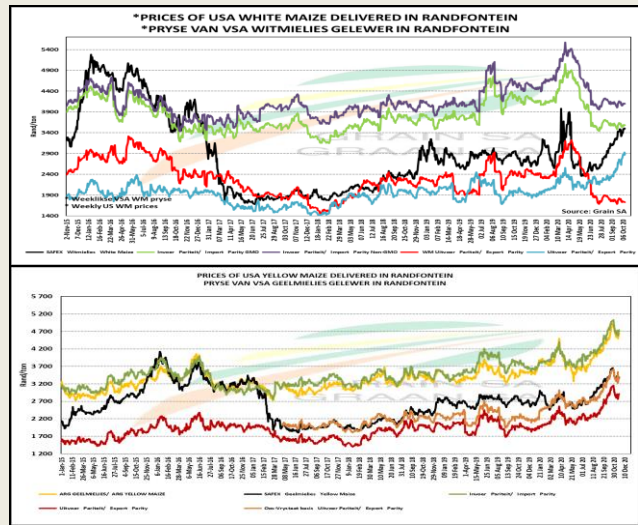
Preliminary volume estimates were for 380,091 contracts, trending higher than Friday's final count of 357,303.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020	R 3 423.00	27%	R -13.62	R 3 409.38
Mar 2021	R 3 425.00	33.75%	R -8.89	R 3 416.11
May 2021	R 3 026.00	31.5%	R 0.26	R 3 026.26
Jul 2021	R 2 938.00	28.75%	R -1.77	R 2 939.77
Sep 2021	R 3 001.00	0%	R -9.49	R 2 991.51
Dec 2021				
Dec 2021				
<b>Yellow Maize Future</b>				
Dec 2020	R 3 376.00	24.5%	R -13.62	R 3 362.38
Mar 2021	R 3 385.00	26%	R -8.89	R 3 376.11
May 2021	R 2 997.00	23%	R 0.26	R 2 997.26
Jul 2021	R 2 975.00	22.5%	R -1.77	R 2 976.77
Sep 2021	R 3 037.00	0%	R -9.49	R 3 027.51
Dec 2021	R 3 105.00	21%		R 3 105.00
Dec 2021	R 3 105.00	21%		R 3 105.00

The local Maize market traded mixed yesterday. The Nov'20 WMAZ contract ended R30.00 up while Nov'20 YMAZ closed R3.00 lower. The Dec'20 WMAZ closed higher by R8.00 while Dec'20 YMAZ ended R7.00 down. The parity move for the Nov'20 Maize contract for yesterday was R16.00 negative.



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## Wheat Market

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

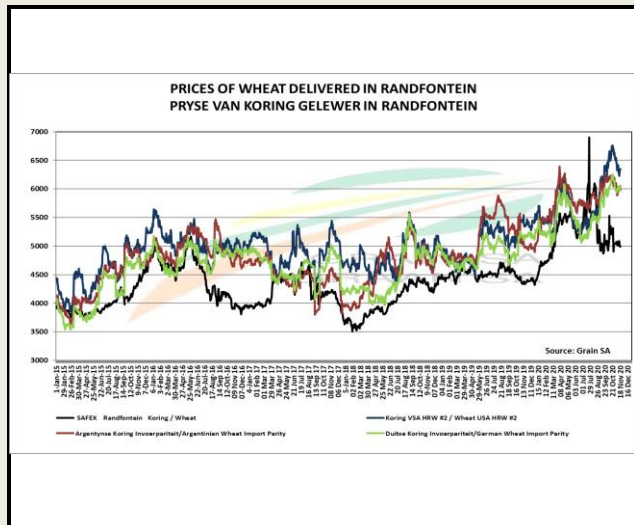
CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2020	601.00	598.75	The record d	-2.25	600.00	1.25	-1.00	DEC 2010	553.00	551.25	The record	-1.75	552.50	1.25	-0.50
MAR 2021	607.00	604.50	The record d	-2.50	605.25	0.75	-1.75	MAR 2011	563.00	560.50	The record	-2.50	561.50	1.00	-1.50
MAY 2021	610.00	607.00	The record d	-3.00	606.50	-0.50	-3.50	MAY 2011	569.00	566.75	The record	-2.25	567.00	0.25	-2.00
JUL 2021	603.00	601.75	The record d	-1.25	601.75	0.00	-1.25	JUL 2011	573.00	570.75	The record	-2.25	571.50	0.75	-1.50
SEP 2021	605.00	604.00	The record d	-1.00	529.00	-75.00	-76.00	SEP 2011	580.00	576.00	The record	-4.00	576.00	0.00	-4.00



FarmFutures - Wheat prices were mixed but mostly higher Monday, with spillover strength from corn and soybeans triggering some technical buying. December Chicago SRW futures gained 6.25 cents to \$5.9950, December Kansas City HRW futures picked up a penny to \$5.4350, and December MGEX spring wheat futures eased 0.5 cents lower to \$5.4350. Wheat export inspections pushed 7% higher from a week ago to reach 13.2 million bushels. That was on the higher end of trade estimates, which ranged between 5.5 million and 14.7 million bushels. Mexico was the No. 1 destination, with 2.5 million bushels. Cumulative totals for the 2020/21 marketing year are fractionally ahead of last year's pace, with 455.5 million bushels. Ahead of this afternoon's weekly crop progress report from USDA, analysts expect the agency to show a one-point improvement in winter wheat quality, moving to 47% rated in good-to-excellent condition through November 22. European Union soft wheat exports for the 2020/21 marketing year are at 337.7 million bushels through November 22, which is trailing last year's pace by 20%. EU barley exports are also down 11% year-over-year. Pakistan purchased nearly 12.5 million bushels of wheat from optional origins in an international tender that recently closed. The grain is for arrival by the end of March. Preliminary volume estimates were for 99,838 CBOT contracts, falling moderately below Friday's final count of 122,991.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020	R 4 910.00	8%	R 12.17	R 4 922.17
Mar 2021	R 5 016.00	9%	R 8.11	R 5 024.11
May 2021	R 5 062.00	0%	R -1.69	R 5 060.31
Jul 2021	R 5 080.00	0%	R 10.82	R 5 090.82
Sep 2021	R 4 850.00	0%	R -411.58	R 4 438.42
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 R18.00 down and Dec'20 Wheat closed R43.00 lower. The parity move for the Nov'20 Wheat contract for yesterday was R9.00 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
JAN 2021	1196.00	1191.50	The record	-4.50	902.00	-289.50	-294.00
MAR 2021	1196.00	1192.50	The record	-3.50	1190.50	-2.00	-5.50
MAY 2021	1194.00	1191.00	The record	-3.00	1188.25	-2.75	-5.75
JUL 2021	1188.00	1186.25	The record	-1.75	1183.25	-3.00	-4.75
AUG 2021	1166.00	1165.00	The record	-1.00	1158.75	-6.25	-7.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2010	394.9	394.80
JAN 2011	393	392.40
MAR 2011	392.8	392.00
MAY 2011	390	388.80
JUL 2011	388.1	387.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2010	38.55	38.28
JAN 2011	38.34	38.08
MAR 2011	38.21	37.97
MAY 2011	38.01	37.71
JUL 2011	37.73	37.53



FarmFutures - Soybean prices are at the highest levels since the summer of 2016 after another round of double-digit gains Monday. Prices have been moving steadily higher in recent weeks as U.S. stocks spill lower while exports remain strong. Dry weather in South America is creating additional tailwinds. Today, January futures rose 11 cents to \$11.92 and March futures climbed 12 cents to \$11.9325. Soybean basis bids were narrowly mixed at two interior river terminals and held steady elsewhere across the central U.S. today. Soybean export inspections dropped 19% below the prior week's tally to 73.9 million bushels. Analysts were expecting a similar total, with trade guesses that ranged between 55.1 million and 91.9 million bushels. China took nearly 70% of the total, with 51.0 million bushels. Cumulative totals for the 2020/21 marketing year are maintaining a wide lead over last year's pace, with 897.2 million bushels. European Union soybean imports for the 2020/21 marketing year reached 206.5 million bushels through November 22, which is 2% above last year's pace. EU soybean imports are down 6%, year-over-year, with EU canola imports trailing last year's pace by 19%. Are you worried about price volatility this year? Fred Dietz, ag risk management advisor with Advance Trading, Inc., has four lessons he thinks farmers should consider. The first is: "Expect that prices will likely move much higher or much lower than what you think." Dietz outlines more advice in the latest Ag Marketing IQ blog - click here to learn more. Preliminary volume estimates were for 210,829 contracts, falling below Friday's final count of 268,020.

### South African Futures Exchange

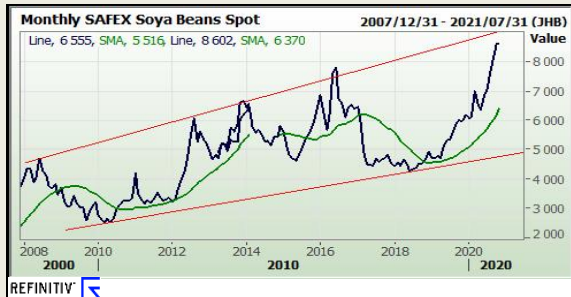
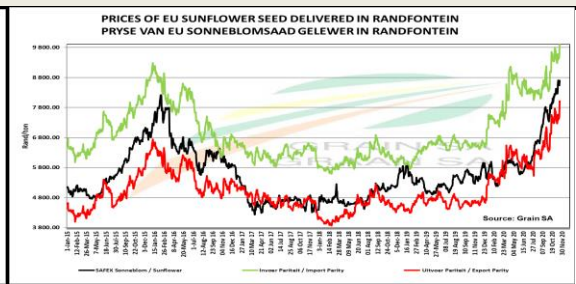
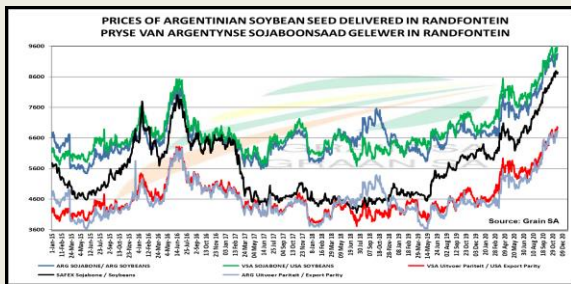
	Soybean Future			
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8 531.00	15%		R 8 531.00
Mar 2021	R 8 293.00	16%	R 4.38	R 8 297.38
May 2021	R 7 646.00	17%	R 2.91	R 7 648.91
Jul 2021	R 7 712.00	21.5%	R 8.38	R 7 720.38
Sep 2021	R 7 752.00	0%		R 7 752.00
Dec 2021	R 7 790.00	0%		R 7 790.00
Dec 2021	R 7 790.00	0%		R 7 790.00

	Sunflower Seeds Future	
	MTM	Vols
Dec 2020	R 8 725.00	16%
Mar 2021	R 8 728.00	17.5%
May 2021	R 7 930.00	21.5%
Jul 2021	R 7 940.00	22%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded lower yesterday. The Nov'20 Soya contract ended R110.00 down and Dec'20 Soya closed R105.00 lower. The parity move for the Nov'20 Soya contract for yesterday was R35.00 positive.

The local Suns market closed mixed yesterday. The Nov'20 Suns contract closed unchanged while Dec'20 Suns closed R46.00 lower.



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