



# **Fundamental Report**

## **05 November 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.2523	15.9027	-0.3496	-2.15%
Euro/Rand	18.9946	18.6389	-0.3557	-1.87%
GBPound/Rand	21.0939	20.6105	-0.4834	-2.29%
AusDollar/Rand	11.5387	11.3832	-0.1555	-1.35%
Euro/USDollar	1.1677	1.1717	0.0040	0.34%
GBPound/USDollar	1.2973	1.2960	-0.0013	-0.10%
AusDollar/USDollar	0.7095	0.7158	0.0063	0.89%
JpyYen/USDollar	104.8600	104.3000	-0.5600	-0.53%

BDLive - The JSE closed firmer on Wednesday as investor focus remains on the US election, with uncertainty over the outcome creating volatility in the markets.

The volatility could continue for days as counting mail-in ballots in crucial swing states continues. Share markets were whipsawed, while bonds and the dollar rose on Wednesday as results from the US presidential election proved far closer than polls had predicted, potentially leaving the outcome in doubt for days to come.

Democratic contender Joe Biden took to the air to declare he was still optimistic about winning and called for all votes to be counted, no matter how long it took.

President Donald Trump responded saying that he had won, that "they" were trying to steal the election, without providing evidence, and that he would go the US Supreme Court to fight for the win if needed.



### Commodities

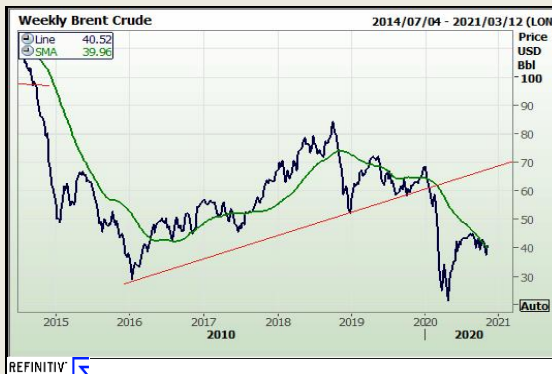
	Last	Value Change	% Change
Platinum	869.35	-0.02	0.00%
Gold	1906.36	3.15	0.17%
Silver	24.06	0.15	0.62%
Copper	3.10	-0.01	-0.39%
Gasoil	326.50	-1.00	-0.31%
Brent Oil	40.53	-0.70	-1.73%

BDLive - Bengaluru — Gold prices edged down on Tuesday, as cautious investors awaited the outcome of the US presidential election with President Donald Trump closely trailing Democrat Joe Biden in national opinion polls.

Spot gold was down 0.1% at \$1,892.52 an ounce by 3.53am GMT. US gold futures were little changed at \$1,892.00 an ounce.

"Sentiment is hanging by a thread at the moment. Everybody is quite unsure where the election is headed to, given the number of possible outcomes," said Howie Lee, economist at OCBC Bank.

As long as there is not a Democrat sweep, there will be questions on fiscal stimulus, while an uncertain or contested result is likely to favour the dollar and weaken gold, Lee said.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48853.14	447.75	0.92%
ALSI	49389.00	0.00	0.00%
S&P 500	3369.16	74.28	2.20%
FTSE	5786.77	96.49	1.67%
CAC	4922.85	0.00	0.00%
DAX	12088.98	235.24	1.95%
Hang Seng	24886.14	479.96	1.93%



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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	405.25	The record	6.25	406.00	0.75	7.00
MAR 2021	405.00	411.25	The record	6.25	411.75	0.50	6.75
MAY 2021	407.00	414.00	The record	7.00	414.50	0.50	7.50
JUL 2021	409.00	415.50	The record	6.50	415.75	0.25	6.75
SEP 2021	390.00	394.25	The record	4.25	395.00	0.75	5.00

FarmFutures - Corn prices followed soybean prices higher Wednesday, closing around 1% higher on some late-session technical buying. Expectations for another big round of export sales from USDA tomorrow morning applied additional tailwinds. December futures closed up 3.75 cents to \$4.0475, while March futures rose 4.75 cents to \$4.1075.

Corn basis bids were steady across many Midwestern locations Wednesday but were mixed at three interior river terminals and fell as much as 10 cents at an Ohio elevator today.

Ahead of the next weekly export report from USDA, out tomorrow morning, analysts are expecting another bullish set of corn sales data, with guesses ranging between 70.9 million and 98.4 million bushels for the week ending October 29.

Ethanol production for the week ending October 30 improved for a second straight week, with a daily average of 961,000 barrels. That's the highest weekly total since late March, when demand began to crater amid widespread lockdowns that severely curbed the nation's fuel consumption. December futures were still down more than 2%, falling to \$1.35.

Argentina's 2020/21 corn production potential is fading, falling 2% to 1.752 billion bushels, according to analysis from Refinitiv Commodities Research. The country has struggled with drought conditions earlier this year but has seen some recent rainfall. Planting progress has reached 36%, per reports from the country's agriculture ministry. Grain traveling the nation's railways jumped up to 27,002 carloads last week, and year-to-date volume is now 0.8% higher year-over-year, with 955,108 carloads.

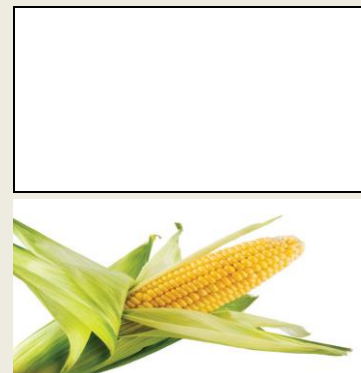
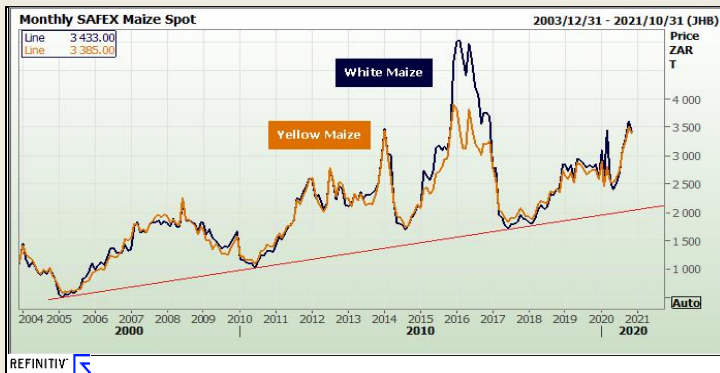
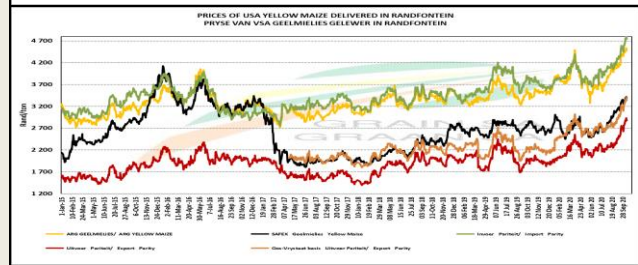
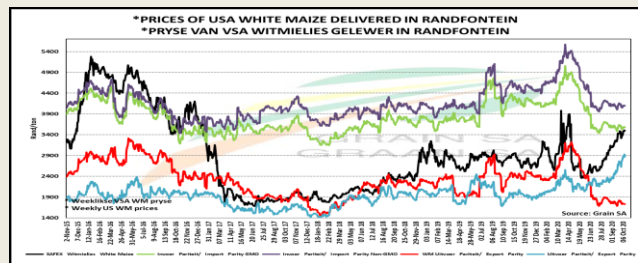
Preliminary volume estimates were for 356,672 contracts, moving slightly above Tuesday's final count of 332,673.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020	R 3 441.00	30.75%	R -11.09	R 3 429.91
Mar 2021	R 3 420.00	33.25%	R -13.48	R 3 406.52
May 2021	R 3 016.00	0%	R -9.06	R 3 006.94
Jul 2021	R 2 957.00	28.75%	R -14.03	R 2 942.97
Sep 2021	R 2 998.00	0%	R -22.37	R 2 975.63
Dec 2021				
Dec 2021				
<b>Yellow Maize Future</b>				
Dec 2020	R 3 396.00	24.5%	R -11.09	R 3 384.91
Mar 2021	R 3 382.00	26%	R -13.48	R 3 368.52
May 2021	R 3 050.00	23%	R -9.06	R 3 040.94
Jul 2021	R 3 008.00	22%	R -14.03	R 2 993.97
Sep 2021	R 3 075.00	0%	R -22.37	R 3 052.63
Dec 2021	R 3 116.00	21%		R 3 116.00
Dec 2021	R 3 116.00	21%		R 3 116.00

The local Maize market traded lower yesterday. The Nov'20 WMAZ contract ended R32.00 down and Nov'20 YMAZ closed R10.00 lower. The Dec'20 WMAZ closed lower by R24.00 and Dec'20 YMAZ ended R11.00 down. The parity move for the Nov'20 Maize contract for yesterday was R15.00 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	604.00	606.00	The record d	2.00	608.50	2.50	4.50	DEC 2010	556.00	559.75	The record	3.75	563.50	3.75	7.50
MAR 2021	606.00	609.50	The record d	3.50	611.75	2.25	5.75	MAR 2011	560.00	566.00	The record	6.00	569.25	3.25	9.25
MAY 2021	606.00	610.50	The record d	4.50	612.25	1.75	6.25	MAY 2011	566.00	571.50	The record	5.50	574.00	2.50	8.00
JUL 2021	598.00	603.75	The record d	5.75	605.50	1.75	7.50	JUL 2011	570.00	575.00	The record	5.00	578.00	3.00	8.00
SEP 2021	600.00	605.75	The record d	5.75	529.00	-76.75	-71.00	SEP 2011	573.00	580.25	The record	7.25	582.75	2.50	9.75



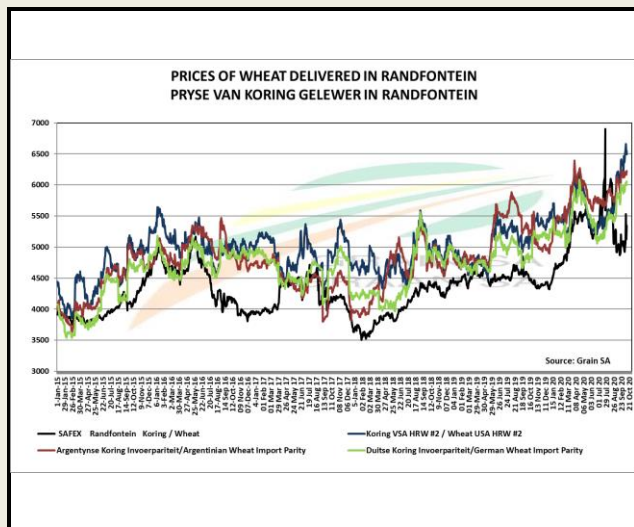
FarmFutures - Wheat prices closed mixed but mostly firm after most contracts followed corn and soybeans higher Wednesday. December Chicago SRW futures fell 1.75 cents to \$6.0625 while December Kansas City HRW futures picked up 2.75 cents to \$5.5975 and December MGEX spring wheat futures rose 5.75 cents to \$5.58. Ahead of tomorrow morning's next batch of weekly export data from USDA, analysts expect the agency to show wheat sales ranging between 7.3 million and 25.7 million bushels for the week ending October 29. Actuals will have to rise above that range to match the prior weeks' tally of 29.5 million bushels. Australian wheat farmers fear that commodity will become the tip of the spear in a mounting trade dispute with China. If a ban on Australian wheat and other commodities materializes, it could affect as much as \$6 billion in total trade.

Jordan made no purchases in its international tender for 4.4 million bushels of milling wheat, which closed earlier today. The country has made similar purchases in recent months but has opted out of several others.

Preliminary volume estimates were for 105,549 CBOT contracts, sliding slightly below Tuesday's final count of 119,018.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020	R 5 068.00	8%	R -51.29	R 5 016.71
Mar 2021	R 5 157.00	9%	R -44.25	R 5 112.75
May 2021	R 5 233.00	0%	R -41.32	R 5 191.68
Jul 2021	R 5 225.00	0%	R -32.99	R 5 192.01
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 Nov'20 Wheat contract closed R35.00 up and Dec'20 Wheat closed R16.00 higher. The parity move for the Nov'20 Wheat contract for yesterday was R54.00 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	Overnight Change from 12pm
NOV 2020	1056.00	1079.00	The record	23.00	902.00	-177.00	-154.00
JAN 2021	1061.00	1086.25	The record	25.25	1091.50	5.25	30.50
MAR 2021	1055.00	1079.75	The record	24.75	1084.75	5.00	29.75
MAY 2021	1052.00	1075.50	The record	23.50	1079.75	4.25	27.75
JUL 2021	1052.00	1073.00	The record	21.00	1076.75	3.75	24.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2010	385.7	385.70
JAN 2011	380.2	380.40
MAR 2011	369	369.80
MAY 2011	361.2	362.30
JUL 2011	358.7	359.80

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2010	34.39	34.55
JAN 2011	34.29	34.40
MAR 2011	34.13	34.25
MAY 2011	34.03	34.10
JUL 2011	33.99	34.09



FarmFutures - Soybean prices climbed significantly higher Wednesday on a round of technical buying triggered by dry weather in South America and expectations that domestic stocks will continue to tighten. November futures climbed 19.25 cents to \$10.7825, with January futures up 21 cents to \$10.8525 – earning back all the ground (and then some) it lost since October 27.

Soybean basis bids were steady to mixed Wednesday, moving as much as 9 cents higher at an Iowa river terminal while falling as much as 8 cents lower at an Ohio elevator today.

Ahead of Thursday morning's weekly export report from USDA, analysts expect the agency to show soybean sales ranging between 29.4 million and 62.5 million bushels for the week ending October 29. Actuals will need to climb to the high end of those estimates to match the prior week's tally of 59.9 million bushels.

Analysts also anticipate seeing soybean sales ranging between 175,000 and 400,000 metric tons last week, plus another 5,000 to 30,000 MT of soyoil sales. Preliminary volume estimates were for 221,885 contracts, trending above Tuesday's final count of 196,642.

### South African Futures Exchange

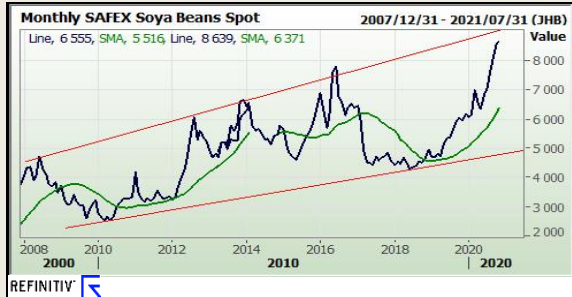
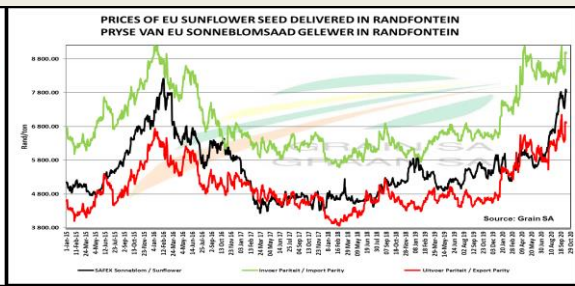
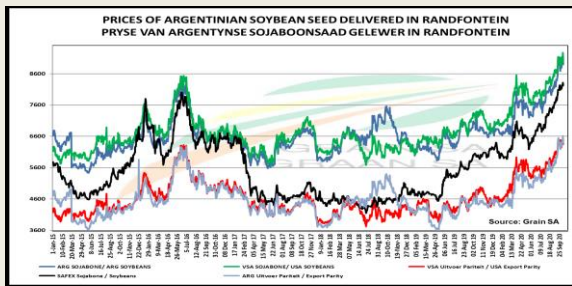
	Soybean Future			
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8 613.00	15%		R 8 613.00
Mar 2021	R 8 315.00	16%	R 38.32	R 8 353.32
May 2021	R 7 303.00	17%	R 27.01	R 7 330.01
Jul 2021	R 7 353.00	21.5%	R 9.48	R 7 362.48
Sep 2021				
Dec 2021				
Dec 2021				

	Sunflower Seeds Future	
	MTM	Vols
Dec 2020	R 8 483.00	16%
Mar 2021	R 8 299.00	16%
May 2021	R 7 400.00	21.5%
Jul 2021	R 7 402.00	0%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded higher yesterday. The Nov'20 Soya contract ended R39.00 up and Dec'20 Soya closed R70.00 higher. The parity move for the Nov'20 Soya contract for yesterday was R16.00 positive.

The local Suns market closed higher yesterday. The Nov'20 Suns contract closed R182.00 up and Dec'20 Suns closed R150.00 higher.



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