



# **Fundamental Report**

## **06 November 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.8222	15.7148	-0.1074	-0.68%
Euro/Rand	18.6543	18.5824	-0.0719	-0.39%
GBPound/Rand	20.6368	20.6290	-0.0078	-0.04%
AusDollar/Rand	11.4046	11.4105	0.0059	0.05%
Euro/USDollar	1.1790	1.1819	0.0029	0.25%
GBPound/USDollar	1.3045	1.3126	0.0081	0.62%
AusDollar/USDollar	0.7208	0.7261	0.0053	0.74%
JpyYen/USDollar	104.2600	103.6100	-0.6500	-0.62%

BDLive - The JSE gained for a fourth day on Thursday as global markets lifted on the prospect that Joe Biden will become the new US president. The rand retained all of Wednesday's gains as emerging-market currencies ride a wave of optimism on an expected Biden win. Europe and Asia's stock markets climbed and bonds extended their rally on Thursday as Democrat Joe Biden edges closer to winning the White House and Britain's central bank become the latest to shovel in additional stimulus.

Biden is now favoured to oust Donald Trump after victories in Michigan and Wisconsin, but Democrats are unlikely to win the Senate. That led investors to wager on a policy gridlock that would prevent greater regulation. With the Bank of England adding £150bn to its bond-buying programme as Europe's markets opened, the FTSEurofirst was up 0.8% and Italy's five-year bond yields fell below zero.

Asian stocks climbed 2% overnight to reach their highest since February 2018.



### Commodities

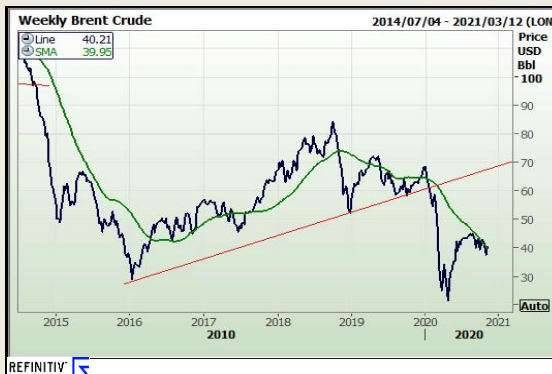
	Last	Value Change	% Change
Platinum	891.74	-0.99	-0.11%
Gold	1941.76	-6.80	-0.35%
Silver	25.19	-0.14	-0.54%
Copper	3.11	0.00	0.08%
Gasoil	326.50	-0.50	-0.15%
Brent Oil	40.22	-0.71	-1.77%

BDLive - Bengaluru — Gold firmed on Thursday as investors were cautiously optimistic Democrat Joe Biden would edge past President Donald Trump in a tight race to the White House, boosting the likelihood of more economic stimulus.

However, chances of a policy deadlock in Washington amid a divided Congress capped gains in bullion, considered a hedge against likely inflation caused by large stimulus.

Spot gold rose 0.2% to \$1,906.74/oz by 3.38am GMT. US gold futures rose 0.7% to \$1,909.00/oz.

"It's likely Biden will secure a presidential victory and this has boosted confidence as a democratic president may point to a bigger stimulus," said Margaret Yang, a strategist with DailyFx, which covers currency, commodity and index trading.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49300.89	1461.94	2.97%
ALSI	50801.00	0.00	0.00%
S&P 500	3443.44	67.01	1.95%
FTSE	5883.26	22.92	0.39%
CAC	4983.99	0.00	0.00%
DAX	12324.22	243.87	1.98%
Hang Seng	25695.92	9.11	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	411.00	409.25	The record	-1.75	411.00	1.75	0.00
MAR 2021	416.00	414.75	The record	-1.25	416.25	1.50	0.25
MAY 2021	419.00	417.50	The record	-1.50	419.25	1.75	0.25
JUL 2021	420.00	418.75	The record	-1.25	420.25	1.50	0.25
SEP 2021	398.00	395.75	The record	-2.25	397.25	1.50	-0.75

FarmFutures - Corn prices moved around 0.75% higher Thursday after USDA's latest export data, which bested all trade estimates, triggered a round of technical buying. Spillover strength from soybeans created additional tailwinds. December futures rose 3 cents to \$4.0825, with March futures up 2.75 cents to \$4.14. Corn basis bids were decidedly mixed Thursday, moving as much as 12 cents higher at an Indiana ethanol plant and as much as 15 cents lower at an Illinois river terminal today. Corn export sales for the week ending October 29 reached 124.1 million bushels in old and new crop sales, which was much better than trade guesses that ranged between 70.9 million and 98.4 million bushels. Mexico bought about half of the total, with 63.1 million bushels. Cumulative totals for the 2020/21 marketing year raced ahead to 269.8 million bushels.

Corn export shipments slipped 1% lower week-over-week and 14% below the prior four-week average, to 28.7 million bushels. China was the No. 1 destination, with 13.0 million bushels. Ahead of the next monthly WASDE report from USDA, out Tuesday morning, analysts expect the agency to trim 2020/21 corn ending stocks from 2.167 billion bushels in October down to 2.033 billion bushels.

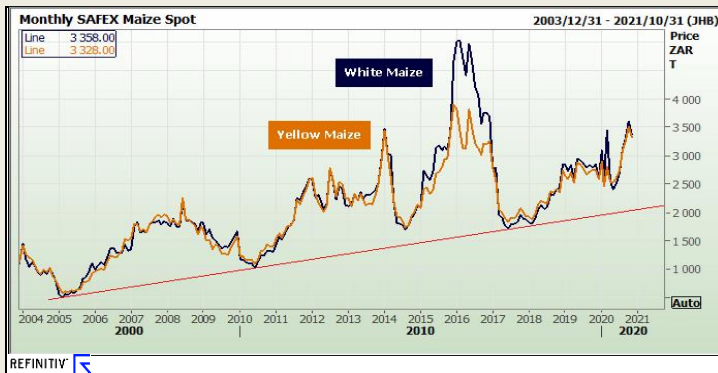
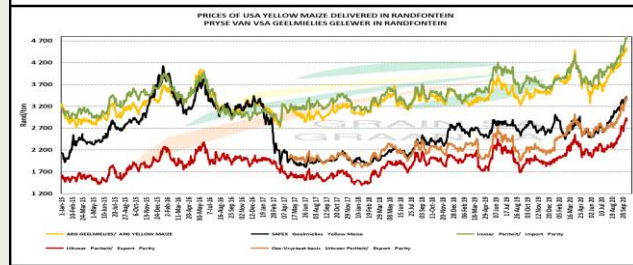
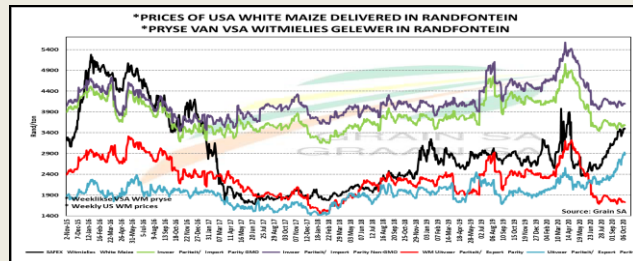
Ukraine's 2020 corn production potential is on a downward slide, according to a group of analysts, who think it will come in somewhere between 1.024 billion and 1.299 billion bushels. Drought conditions throughout the season have hampered yields. The country has harvested 66% of the crop through November 2, according to Ukraine's economy ministry. Preliminary volume estimates were for 476,209 contracts, moving moderately ahead of Wednesday's final count of 355,650.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020	R 3 369.00	28.5%	R -17.38	R 3 351.62
Mar 2021	R 3 344.00	33.25%	R -16.04	R 3 327.96
May 2021	R 2 979.00	0%	R -16.17	R 2 962.83
Jul 2021	R 2 911.00	28.75%	R -16.21	R 2 894.79
Sep 2021	R 2 977.00	0%	R -21.47	R 2 955.53
Dec 2021				
Dec 2021				
<b>Yellow Maize Future</b>				
Dec 2020	R 3 338.00	24.5%	R -17.38	R 3 320.62
Mar 2021	R 3 320.00	26%	R -16.04	R 3 303.96
May 2021	R 3 032.00	23%	R -16.17	R 3 015.83
Jul 2021	R 2 978.00	22%	R -16.21	R 2 961.79
Sep 2021	R 3 040.00	0%	R -21.47	R 3 018.53
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 R75.00 down and Nov'20 YMAZ closed R57.00 lower. The Dec'20 WMAZ closed lower by R72.00 and Dec'20 YMAZ ended R58.00 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

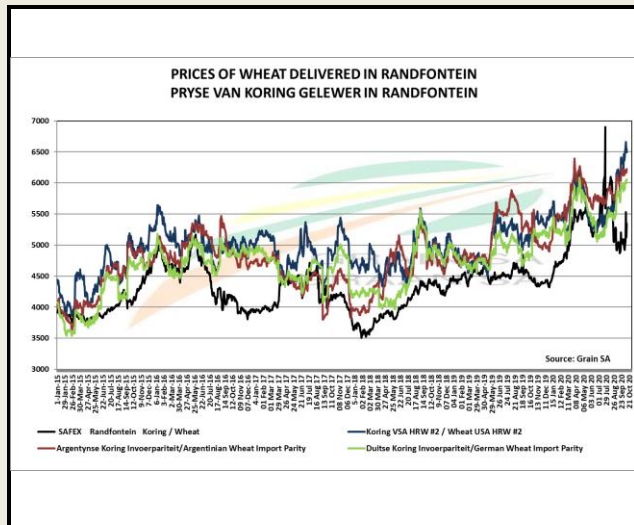
CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2020	618.00	609.25	The record d	-8.75	611.50	2.25	-6.50	DEC 2010	570.00	563.00	The record	-7.00	566.25	3.25	-3.75
MAR 2021	620.00	613.50	The record d	-6.50	615.75	2.25	-4.25	MAR 2011	576.00	569.50	The record	-6.50	572.00	2.50	-4.00
MAY 2021	620.00	614.50	The record d	-5.50	616.00	1.50	-4.00	MAY 2011	581.00	574.75	The record	-6.25	577.25	2.50	-3.75
JUL 2021	611.00	607.00	The record d	-4.00	607.75	0.75	-3.25	JUL 2011	584.00	578.75	The record	-5.25	582.00	3.25	-2.00
SEP 2021	612.00	608.75	The record d	-3.25	529.00	-79.75	-83.00	SEP 2011	589.00	584.00	The record	-5.00	584.50	0.50	-4.50



FarmFutures - Wheat prices followed other grains higher Thursday after optimism about supply and demand fundamentals led to a round of technical buying today. December Chicago SRW futures gained 3.75 cents to \$6.0975, December Kansas City HRW futures added 4.5 cents to \$5.6425, and December MGEX spring wheat futures picked up 4 cents to \$5.61. Wheat export sales tilted 10% above the prior four-week average, moving to 21.9 million bushels. That reached the upper end of trade estimates, which ranged between 7.3 million and 25.7 million bushels. The top destination was unknown destinations, with 5.1 million bushels. Cumulative totals for the 2020/21 marketing year are still slightly higher year-over-year, with 402.4 million bushels. Wheat export shipments dropped 31% below the prior four-week average, meantime, with 11.7 million bushels. South Korea was the No. 1 destination, with 3.1 million bushels. Ahead of the November 10 WASDE report from USDA, analysts expect the agency to slightly cut 2020/21 wheat ending stocks from 883 million bushels in October down to 881 million bushels. Japan purchased 3.4 million bushels of food-quality wheat from the United States, Canada and Australia in a regular tender that closed earlier today. Of the total, 59% was sourced from the U.S. The grain is for arrival by the end of February.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020	R 5 013.00	8%	R -61.92	R 4 951.08
Mar 2021	R 5 097.00	9%	R -49.01	R 5 047.99
May 2021	R 5 175.00	0%	R -47.56	R 5 127.44
Jul 2021	R 5 198.00	0%	R -42.88	R 5 155.12
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 Weat market closed lower yesterday. The Nov'20 Weat contract closed R45.00 down and Dec'20 Weat closed R55.00 lower. The parity move for the Nov'20 Weat contract for yesterday was R61.00 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	1095.00	1101.75	The record	6.75	902.00	-199.75	-193.00
JAN 2021	1100.00	1103.75	The record	3.75	1108.25	4.50	8.25
MAR 2021	1094.00	1098.00	The record	4.00	1103.25	5.25	9.25
MAY 2021	1089.00	1093.75	The record	4.75	1099.50	5.75	10.50
JUL 2021	1087.00	1091.00	The record	4.00	1096.75	5.75	9.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2010	387.8	389.00
JAN 2011	383.2	384.60
MAR 2011	372.2	373.60
MAY 2011	364.5	365.90
JUL 2011	362.4	363.70

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2010	35.47	35.56
JAN 2011	35.23	35.36
MAR 2011	34.97	35.14
MAY 2011	34.83	34.98
JUL 2011	34.77	34.93



FarmFutures - Soybean prices tested even bigger gains this morning but still closed up big – trending 2% higher and grabbing double-digit gains Thursday. Worries over dry weather in South America and expectations to see slimmed-down U.S. stocks in the next World Agricultural Supply and Demand Estimates (WASDE) report from USDA triggered ample technical buying. November futures jumped 22 points higher to \$11.01, while January futures gained 17.5 cents to \$11.0375. Soybean basis bids were steady to weak Thursday after tumbling as much as 18 cents lower at an Ohio elevator and falling 5 to 6 cents lower across a handful of other Midwestern locations today. Private exporters announced to USDA the sale of 72.75 million pounds of soyoil for delivery to India during the 2020/21 marketing year, which began October 1. Exporters also announced the sale of 4.2 million bushels of sorghum for delivery to China during the 2020/21 marketing year, which began September 1. Soybean export sales dropped 32% below the prior four-week average but still landed at a relatively strong 56.3 million bushels. That was on the higher end of trade guesses, which ranged between 29.4 million and 62.5 million bushels. China bought more than half of the total, with 29.8 million bushels. Cumulative totals for the 2020/21 marketing year are well ahead of last year's pace, with 611.7 million bushels. Soybean export shipments dipped 6% below last week's tally but firmed 6% above the prior four-week average, with 92.9 million bushels. China took the bulk of that total, with 71.2 million bushels.

### South African Futures Exchange

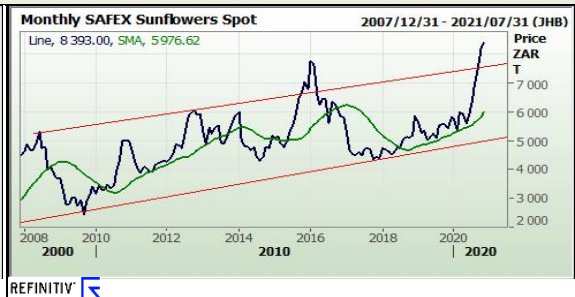
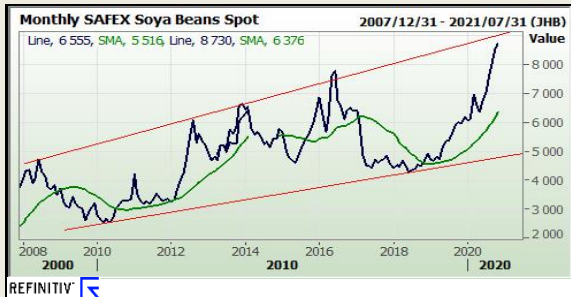
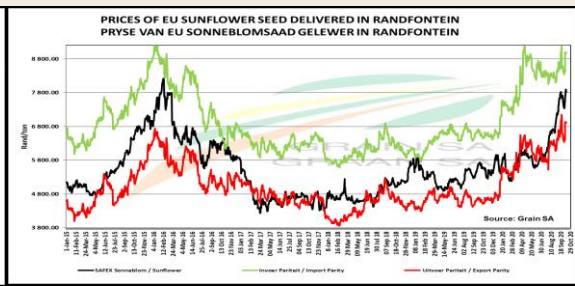
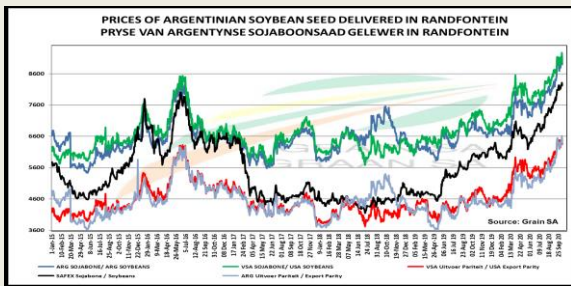
	Soybean Future			
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8 700.00	15%		R 8 700.00
Mar 2021	R 8 341.00	16%	R 10.24	R 8 351.24
May 2021	R 7 311.00	17%	R 17.65	R 7 328.65
Jul 2021	R 7 355.00	21.5%	R 13.40	R 7 368.40
Sep 2021				
Dec 2021				
Dec 2021				

	Sunflower Seeds Future	
	MTM	Vols
Dec 2020	R 8 415.00	16%
Mar 2021	R 8 292.00	16%
May 2021	R 7 401.00	21.5%
Jul 2021	R 7 406.00	0%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded higher yesterday. The Nov'20 Soya contract ended R91.00 up and Dec'20 Soya closed R87.00 higher. The parity move for the Nov'20 Soya contract for yesterday was R11.00 positive.

The local Suns market closed lower yesterday. The Nov'20 Suns contract closed R40.00 down and Dec'20 Suns closed R68.00 lower.



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