



# **Fundamental Report**

## **09 November 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.7500	15.5552	-0.1948	-1.24%
Euro/Rand	18.6701	18.4953	-0.1748	-0.94%
GBPound/Rand	20.6856	20.4948	-0.1908	-0.92%
AusDollar/Rand	11.4508	11.3242	-0.1266	-1.11%
Euro/USDollar	1.1846	1.1889	0.0043	0.36%
GBPound/USDollar	1.3130	1.3181	0.0051	0.39%
AusDollar/USDollar	0.7266	0.7280	0.0014	0.19%
JpyYen/USDollar	103.3900	103.3200	-0.0700	-0.07%

BDLive - The JSE firmed for the fifth consecutive day on Friday, with its global peers mixed as investors mull the US presidential elections. Despite the results remaining unclear, the JSE all share had a good week, reaching its best levels since August as markets priced in a Joe Biden win. Global stocks were little changed but near a record high while the dollar and US bond yields stayed sluggish on Friday on bets that a divided US Congress would hinder government borrowing, which could pave the way for even more central bank stimulus. Investors expect Democrat Joe Biden to beat President Donald Trump but Republicans will keep control of the Senate, allowing them to block Democrat policy such as corporate tax hikes and debt-funded spending on infrastructure.

"From here, we believe the impact of the presidential result should be relatively small," said Lars Kreckel, global equity strategist at LGIM. "Whether Biden or Trump are in the White House, governing with a Congress that is very likely to be divided would be difficult and mean very little policy that could significantly move equity markets would be passed."



### Commodities

	Last	Value Change	% Change
Platinum	899.91	10.91	1.21%
Gold	1954.86	3.35	0.17%
Silver	25.66	0.07	0.26%
Copper	3.18	0.02	0.71%
Gasoil	326.75	4.00	1.22%
Brent Oil	40.50	1.05	2.59%

BDLive - Bengaluru — Gold fell on Friday after surging in the previous session, as the dollar gained, but was set for its best week since late July on hopes for more central bank economic support as investors bet on a divided US Congress under a Biden presidency.

Spot gold fell 0.6% to \$1,936.95/oz by 4.02am GMT. Prices soared 2.4% on Thursday on a dollar slide, setting it up for a 3.1% gain for the week. US gold futures fell 0.4% to \$1,939.00/oz.

The dollar rose, making gold less attractive to other currency holders.

"A small rally by the dollar in Asia has seen gold profit-taking appear, but the fundamentals appear to be rapidly aligning for further gold strength," said Jeffrey Halley, senior market analyst at Oanda.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50762.83	1113.41	2.19%
ALSI	51909.00	0.00	0.00%
S&P 500	3510.45	-1.01	-0.03%
FTSE	5906.18	3.84	0.07%
CAC	4960.88	0.00	0.00%
DAX	12568.09	-88.07	-0.70%
Hang Seng	25712.97	324.77	1.26%



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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	410.00	406.75	The record	-3.25	405.25	-1.50	-4.75
MAR 2021	415.00	413.75	The record	-1.25	411.75	-2.00	-3.25
MAY 2021	418.00	417.75	The record	-0.25	415.25	-2.50	-2.75
JUL 2021	419.00	420.25	The record	1.25	417.75	-2.50	-1.25
SEP 2021	397.00	396.25	The record	-0.75	394.50	-1.75	-2.50

FarmFutures - Corn prices faded moderately lower on some technical selling and profit-taking Friday, but losses were held somewhat in check after another large sale to unknown destinations was announced this morning. December futures dropped 3.25 cents to \$4.06, while March futures slid 2 cents lower to \$4.1275.

Corn basis bids showed plenty of variability Friday after rising as much as 10 cents higher at an Illinois river terminal while tumbling as much as 17 cents lower at an Indiana ethanol plant today. Private exporters reported to USDA the sale of 8.1 million bushels of corn for delivery to unknown destinations during the 2020/21 marketing year, which began September 1.

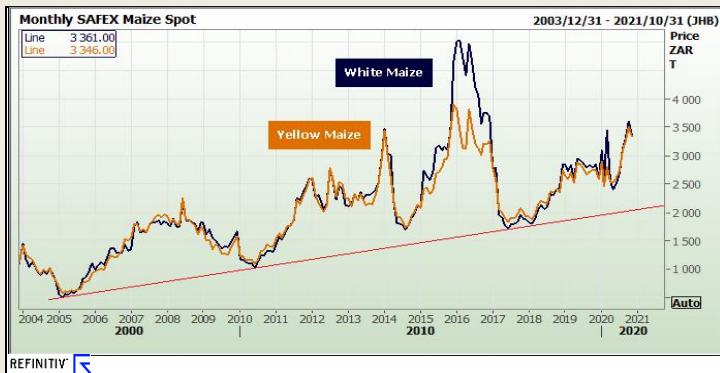
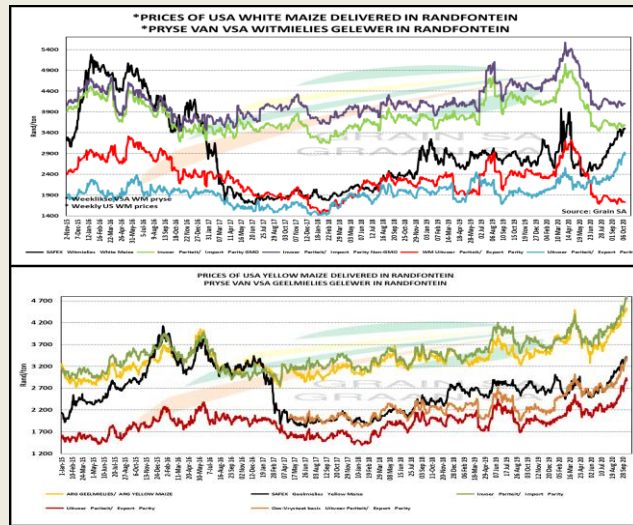


How is your corn and soybean harvest progressing? What about your 2020/21 winter wheat plantings? Click here to share your crop updates via a short survey. Results are updated daily on our interactive map so you can stay up to speed on harvest progress and field conditions across the country. USDA's Foreign Agricultural Service estimates China's corn import needs for the 2020/21 marketing year at 866 million bushels, which presents a potentially mammoth opportunity for U.S. exports. China has not yet been on pace to match promises it made in the phase-one pact signed back in January. In Ukraine, the country's 2020/21 corn exports are off to a sluggish start, falling 39% year-over-year to 109 million bushels since July 1, according to Ukraine's economy ministry. Preliminary volume estimates were for 392,818 contracts, drifting moderately below Thursday's final count of 476,209.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020	R 3 370.00	27%	R -60.53	R 3 309.47
Mar 2021	R 3 347.00	32.75%	R -51.73	R 3 295.27
May 2021	R 3 001.00	31.5%	R -48.90	R 2 952.10
Jul 2021	R 2 909.00	28.75%	R -39.79	R 2 869.21
Sep 2021	R 2 974.00	0%	R -45.75	R 2 928.25
Dec 2021				
Dec 2021				
<b>Yellow Maize Future</b>				
Dec 2020	R 3 361.00	24.5%	R -60.53	R 3 300.47
Mar 2021	R 3 331.00	26%	R -51.73	R 3 279.27
May 2021	R 3 020.00	23%	R -48.90	R 2 971.10
Jul 2021	R 2 965.00	22%	R -39.79	R 2 925.21
Sep 2021	R 3 030.00	0%	R -45.75	R 2 984.25
Dec 2021	R 3 110.00	21%		R 3 110.00
Dec 2021	R 3 110.00	21%		R 3 110.00

The local Maize market traded higher yesterday. The Nov'20 WMAZ contract ended R3.00 up and Nov'20 YMAZ closed R18.00 higher. The Dec'20 WMAZ closed higher by R1.00 and Dec'20 YMAZ ended R23.00 up. The parity move for the Nov'20 Maize contract for yesterday was R67.00 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	612.00	602.00	The record d	-10.00	604.25	2.25	-7.75	DEC 2010	566.00	555.25	The record	-10.75	557.75	2.50	-8.25
MAR 2021	616.00	609.00	The record d	-7.00	611.50	2.50	-4.50	MAR 2011	575.00	562.75	The record	-12.25	564.50	1.75	-10.50
MAY 2021	616.00	610.75	The record d	-5.25	612.75	2.00	-3.25	MAY 2011	580.00	568.00	The record	-12.00	570.50	2.50	-9.50
JUL 2021	608.00	605.75	The record d	-2.25	606.25	0.50	-1.75	JUL 2011	582.00	572.00	The record	-10.00	574.25	2.25	-7.75
SEP 2021	610.00	607.75	The record d	-2.25	529.00		-81.00	SEP 2011	586.00	577.25	The record	-8.75	0.00	-577.25	-586.00



FarmFutures - Wheat prices saw moderate cuts Friday on some technical selling and profit-taking, with most contracts falling between 0.5% and 1.5% today. December Chicago SRW futures fell 7.5 cents to \$6.0175, December Kansas City HRW futures lost 8 cents to \$5.55, and December MGEX spring wheat futures dropped 2.75 cents to \$5.5825.

Ukraine's wheat exports in the 2020/21 marketing year are down 8.1% year-over-year so far, with 400.9 million bushels since July 1. This is largely due to a smaller harvest in 2020 versus a year ago.

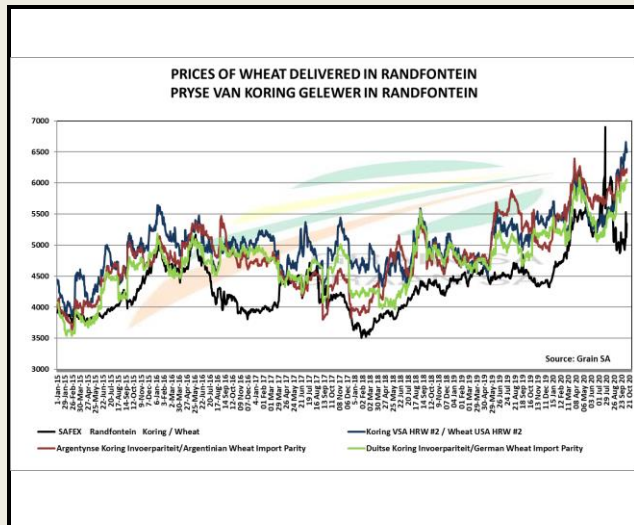
French farmers have planted 76% of the expected 2020/21 winter wheat acres through November 2, according to FranceAgriMer. That's up from 66% a week ago and well ahead of last year's pace of 63%. Some heavy rains still slowed planting progress this past week.

Pakistan purchased 11.8 million bushels of wheat in an international tender that closed earlier today. The grain was likely sourced from France and Australia.

Preliminary volume estimates were for 181,731 CBOT contracts, moving slightly above Thursday's final count of 165,169.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020	R 5 015.00	8%	R -88.10	R 4 926.90
Mar 2021	R 5 108.00	9%	R -69.81	R 5 038.19
May 2021	R 5 167.00	0%	R -62.67	R 5 104.33
Jul 2021	R 5 198.00	0%	R -53.52	R 5 144.48
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 mixed yesterday. The Nov'20 Wheat contract closed unchanged while Dec'20 Wheat closed R2.00 higher. The parity move for the Nov'20 Wheat contract for yesterday was R95.00 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
NOV 2020	1105.00	1098.50	The record	-6.50	902.00	-196.50
JAN 2021	1104.00	1101.50	The record	-2.50	1105.25	3.75
MAR 2021	1099.00	1099.25	The record	0.25	1104.00	4.75
MAY 2021	1097.00	1097.00	The record	0.00	1101.25	4.25
JUL 2021	1095.00	1094.75	The record	-0.25	1098.75	4.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2010	382.4	385.20
JAN 2011	380.3	382.20
MAR 2011	373.2	374.40
MAY 2011	366.9	367.60
JUL 2011	364.5	364.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2010	35.34	35.59
JAN 2011	35.2	35.47
MAR 2011	34.99	35.28
MAY 2011	34.83	35.13
JUL 2011	34.71	35.04



FarmFutures - Soybean prices eased slightly Friday but remain in a very good position after holding just above \$11 per bushel. Traders remain mostly optimistic about export prospects and continue to keep a close eye on South American weather. November futures lost 1.5 cents to \$11.0025, while January futures dipped 0.25 cents to \$11.0350. Soybean basis bids were mixed Friday, sliding 2 to 5 cents lower across a handful of Midwestern locations while jumping as much as 12 cents higher at an Indiana elevator today. Private exporters reported two large soybean sales to USDA today. The first was for 8.6 million bushels to China, and the second was for 10.0 million bushels to unknown destinations. Both sales are for delivery during the 2020/21 marketing year, which began September 1. Also announced today was the sale of 66 million pounds of soyoil for delivery to South Korea during the 2020/21 marketing year.

Much-needed rains in Argentina should help soybean growers there, according to the Buenos Aires Grains Exchange, which has predicted a footprint of 42.5 million acres for the 2020/21 growing season. That could lead to a total production of 1.709 billion bushels. The country remains exposed to the likelihood of dry weather ahead, due to the current La Niña cycle that is expected to remain in place at least through next spring. Preliminary volume estimates were for 210,959 contracts, falling moderately short of Thursday's final count of 266,556.

### South African Futures Exchange

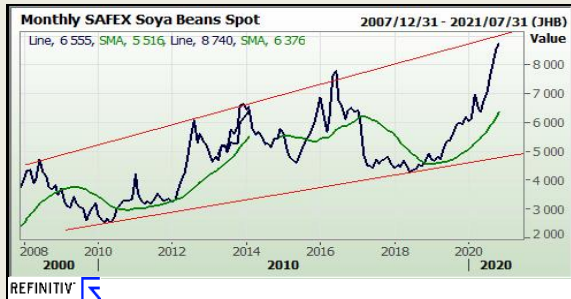
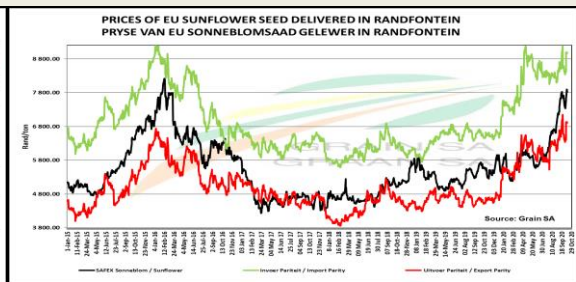
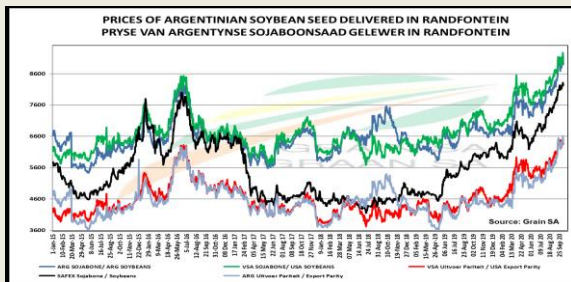
	Soybean Future			
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8 714.00	15%		R 8 714.00
Mar 2021	R 8 351.00	16%	R -50.09	R 8 300.91
May 2021	R 7 312.00	17%	R -54.23	R 7 257.77
Jul 2021	R 7 360.00	21.5%	R -56.94	R 7 303.06
Sep 2021				
Dec 2021				
Dec 2021				

	Sunflower Seeds Future	
	MTM	Vols
Dec 2020	R 8 421.00	16%
Mar 2021	R 8 283.00	16%
May 2021	R 7 430.00	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 R10.00 up and Dec'20 Soya closed R14.00 higher. The parity move for the Nov'20 Soya contract for yesterday was R117.00 negative.

The local Suns market closed mixed yesterday. The Nov'20 Suns contract closed unchanged while Dec'20 Suns closed R6.00 higher.



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