



# **Fundamental Report**

## **01 December 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.2622	15.3990	0.1368	0.90%
Euro/Rand	18.2858	18.4158	0.1300	0.71%
GBPound/Rand	20.3277	20.5732	0.2455	1.21%
AusDollar/Rand	11.2666	11.3414	0.0748	0.66%
Euro/USDollar	1.1983	1.1958	-0.0025	-0.21%
GBPound/USDollar	1.3322	1.3363	0.0041	0.31%
AusDollar/USDollar	0.7382	0.7365	-0.0017	-0.23%
JpyYen/USDollar	103.9700	104.3800	0.4100	0.39%

BDLive - The JSE faces sharply higher Asian markets on Tuesday morning, with the rand and locals stocks coming under some pressure on Monday amid month-end flows. Earlier on Tuesday a private gauge of manufacturing activity in China was at a 10-year high in November, which follows the official purchasing managers' index for the sector on Monday, which had also been above expectations. In morning trade both the Shanghai Composite and Japan's Nikkei were up 1.31%, while the Hang Seng had gained 0.89%. Tencent, which gives direction to the JSE via Tencent, had risen 2.66%. Gold was up 0.47% to \$1,785.28/oz, while platinum had firmed 2.14% to \$983.12. Brent crude was 0.21% weaker at \$47.56 a barrel. The rand was 0.28% firmer at R15.40/\$, having fallen 1.27% on Monday, the last day of November.

The rand also felt some pressure as markets are waiting for the two-day congressional testimony from Federal Reserve chair Jerome Powell, Peregrine Treasury Solutions executive director Bianca Botes said in a note. That will provide some direction on stimulus and the US economy, she said.



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### Commodities

	Last	Value Change	% Change
Platinum	980.62	15.73	1.60%
Gold	1783.74	6.72	0.38%
Silver	22.79	0.19	0.81%
Copper	3.47	0.03	0.92%
Gasoil	389.00	2.00	0.51%
Brent Oil	47.54	-0.34	-0.72%

BDLive — Bengaluru — Gold slipped on Monday and was on track for its worst month in four years, as optimism over a coronavirus vaccine-led economic rebound that propelled equities to record highs dulled the metal's safe-haven appeal. Spot gold fell 1.2% to \$1,766.26 per ounce by 5.01am. Gold is down 5.9% so far this month, its biggest monthly decline since November 2016. US gold futures dropped 0.5% to \$1,772.60. "Vaccine-inspired optimism about an economic bounce is really eroding the attraction of safe-haven investments like gold ... the breach of \$1,800 is feeding into the market imagination and appears to be another trigger," said Michael McCarthy, chief strategist at CMC Markets. Vaccine optimism drove the dollar to a more than two-year low and put world stocks on course for a record month of gains. Also bolstering risk sentiment was data that showed China's factory activity expanded at the fastest pace in more than three years in November.



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### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	52375.50	0.00	0.00%
ALSI	52446.00	0.00	0.00%
S&P 500	3638.35	-16.72	-0.46%
FTSE	6367.58	-101.39	-1.59%
CAC	5518.55	0.00	0.00%
DAX	13291.16	0.00	0.00%
Hang Seng	26341.49	259.60	0.99%



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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	427.00	419.75	The record	-7.25	420.75	1.00	-6.25
MAR 2021	435.00	426.00	The record	-9.00	426.50	0.50	-8.50
MAY 2021	438.00	429.00	The record	-9.00	429.50	0.50	-8.50
JUL 2021	438.00	429.75	The record	-8.25	430.25	0.50	-7.75
SEP 2021	417.00	411.00	The record	-6.00	413.00	2.00	-4.00

FarmFutures - Corn prices fell more than 1% lower Monday on a round of technical selling largely spurred by spillover weakness from soybeans and wheat. A mostly positive round of export inspection data, plus the announcement of two new large export sales, were not enough to reverse course. December futures dropped 5.5 cents to \$4.20, with March futures down 7.25 cents to \$4.2650.

Corn basis bids were mostly steady to start the week across the central U.S. but did spill 11 cents lower at an Illinois ethanol plant today. Farmer sales have been generally slow following the Thanksgiving holiday and some recent downward price pressure.

Private exporters announced two more large corn sales to USDA this morning. Both sales are for delivery to unknown destinations during the 2020/21 marketing year, which began September 1. The first is for 5.5 million bushels, and the second is for 8.0 million bushels.

Corn export inspections moved moderately higher for the week ending November 26, reaching 35.0 million bushels. That tally was on the higher end of trade estimates, which ranged between 27.6 million and 39.4 million bushels. China was the No. 1 destination, with 13.4 million bushels. Cumulative totals for the 2020/21 marketing year are well ahead of last year's pace, with 399.2 million bushels.

European Union corn imports are down 23% year-over-year after reaching 269.7 million bushels through November 25.

Preliminary volume estimates were for 332,941 contracts, trending moderately higher than Friday's final count of 243,025.

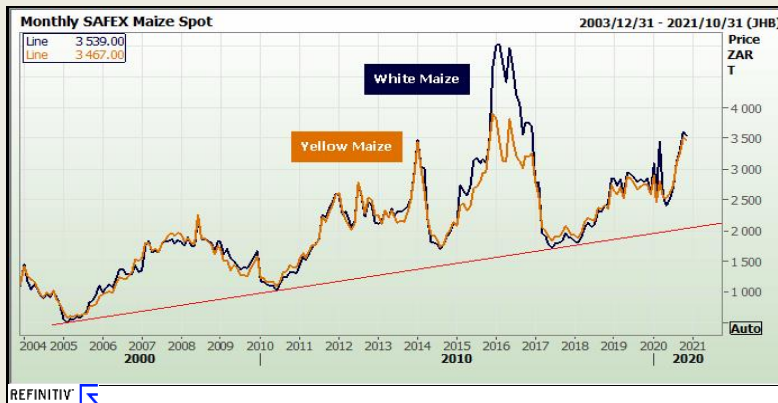
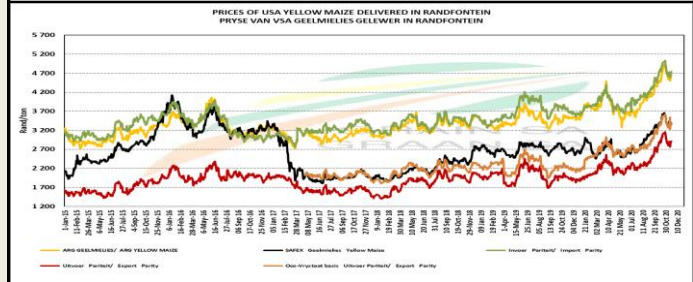
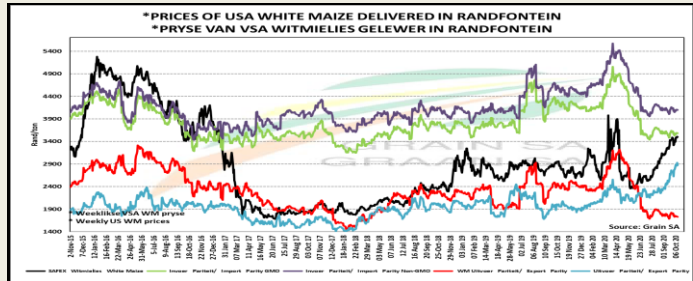


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## South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020	R 3,539.00	27%	R -14.89	R 3,524.11
Mar 2021	R 3,501.00	33.75%	R -28.10	R 3,472.90
May 2021	R 2,975.00	31.5%	R -27.94	R 2,947.06
Jul 2021	R 2,939.00	26.5%	R -23.39	R 2,915.61
Sep 2021	R 2,987.00	0%	R -1.79	R 2,985.21
Dec 2021				
Dec 2021				
<b>Yellow Maize Future</b>				
Dec 2020	R 3,467.00	24.5%	R -14.89	R 3,452.11
Mar 2021	R 3,440.00	26%	R -28.10	R 3,411.90
May 2021	R 3,010.00	23%	R -27.94	R 2,982.06
Jul 2021	R 2,984.00	22.75%	R -23.39	R 2,960.61
Sep 2021	R 3,036.00	0%	R -1.79	R 3,034.21
Dec 2021	R 3,097.00	21%		R 3,097.00
Dec 2021	R 3,097.00	21%		R 3,097.00

The local Maize market traded higher yesterday. The Dec'20 WMAZ contract ended R75.00 up and Dec'20 YMAZ closed R72.00 higher. The Mar'20 WMAZ closed higher by R57.00 and Mar'20 YMAZ ended R59.00 up. The parity move for the Dec'20 Maize contract for yesterday was R72.00 positive.



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## Wheat Market

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

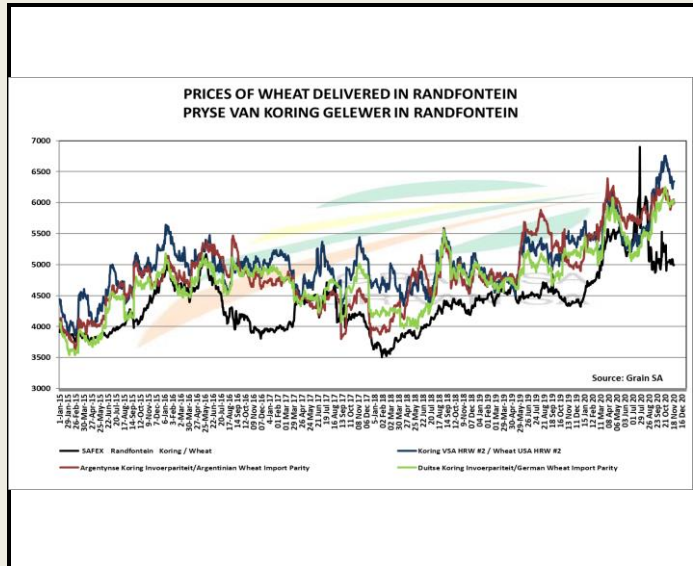
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2020	598.00	580.25	The record c	-17.75	580.75	0.50	-17.25	DEC 2010	555.00	545.75	The record	-9.25	0.00	-545.75	-555.00
MAR 2021	602.00	585.00	The record c	-17.00	586.25	1.25	-15.75	MAR 2011	558.00	547.00	The record	-11.00	548.50	1.50	-9.50
MAY 2021	605.00	588.75	The record c	-16.25	590.25	1.50	-14.75	MAY 2011	564.00	553.00	The record	-11.00	555.00	2.00	-9.00
JUL 2021	602.00	588.50	The record c	-13.50	590.00	1.50	-12.00	JUL 2011	568.00	556.50	The record	-11.50	559.50	3.00	-8.50
SEP 2021	604.00	591.50	The record c	-12.50	529.00	-62.50	-75.00	SEP 2011	574.00	562.25	The record	-11.75	564.75	2.50	-9.25



FarmFutures - Wheat prices dropped sharply in Monday's session after Australia significantly revised its production estimates higher, and after Russia significantly increased its export quotas for the remainder of the 2020/21 marketing year. December Chicago SRW futures fell 16.25 cents to \$5.8025, December Kansas City HRW futures dropped 15.5 cents to \$5.46, and December MGEX spring wheat futures lost 13 cents to \$5.3775. Wheat export inspections moved moderately higher for the week ending November 26, to 18.5 million bushels. That was on the upper end of trade estimates, which ranged between 11.0 million and 22.0 million bushels. The Philippines led all destinations, with 4.3 million bushels. Cumulative totals for the 2020/21 marketing year are slightly ahead of last year's pace, with 474.1 million bushels. Russia exported an estimated 158 million bushels of wheat in November, which is a hair above October totals but moderately behind September's tally, if realized. Russia is the world's No. 1 wheat exporter. Australia has received favorable rains so far this season and is expecting a major rebound in its 2020/21 wheat crop, with the country's Bureau of Agricultural and Resource Economics (ABARES) now predicting production will reach 1.145 billion bushels. The country's total winter grain production is on pace to become the second-best on record.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020	R 4,835.00	8%	R -67.54	R 4,767.46
Mar 2021	R 4,936.00	9%	R -58.86	R 4,877.14
May 2021	R 4,995.00	0%	R -53.05	R 4,941.95
Jul 2021	R 5,015.00	0%	R -37.64	R 4,977.36
Sep 2021	R 4,850.00	0%	R -394.00	R 4,456.00
Dec 2021				
<b>Cape Wheat</b>				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				



The local Wheat market closed neutral to lower yesterday. The Dec'20 Wheat contract closed R1.00 down and Mar'20 Wheat closed R14.00 lower. The parity move for the Dec'20 Wheat contract for yesterday was R86.00 positive.



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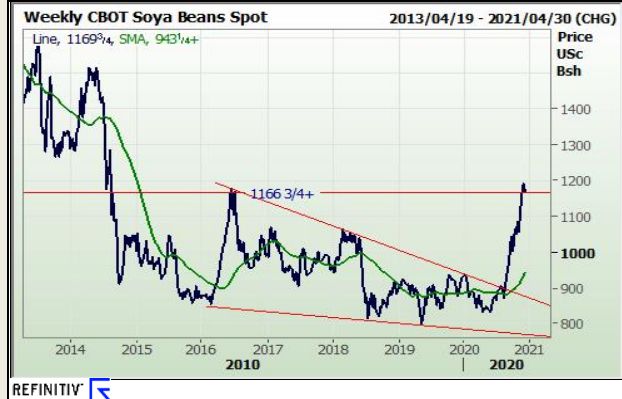
## Oil Seed Market

### 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
JAN 2021	1186.00	1168.50	The record	-17.50	902.00	-266.50
MAR 2021	1187.00	1169.50	The record	-17.50	1171.25	1.75
MAY 2021	1184.00	1167.75	The record	-16.25	1169.25	1.50
JUL 2021	1181.00	1164.75	The record	-16.25	1166.25	1.50
AUG 2021	1162.00	1145.00	The record	-17.00	1147.75	2.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2010	393.1	393.50
JAN 2011	390.5	390.70
MAR 2011	389.2	389.00
MAY 2011	385.8	386.20
JUL 2011	383.4	383.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2010	37.88	38.10
JAN 2011	37.49	37.75
MAR 2011	37.27	37.55
MAY 2011	37.06	37.37
JUL 2011	36.92	37.24



FarmFutures - Soybean prices took a big step back on news of improving (read: wetter) forecasts for South America, which led to double-digit losses after a round of technical selling. Spillover weakness from wheat applied additional downward pressure today. January and March futures each tumbled 23 cents lower to close at \$11.6875 and \$11.6975, respectively. Soybean basis bids held steady across the Midwest Monday, with many farmer sales likely put on pause today after futures suffered double-digit cuts. Soybean export inspections moved slightly lower for the week ending November 26, to 74.8 million bushels. That was in the middle of trade guesses, which ranged between 66.1 million and 80.8 million bushels. China accounted for the majority of that total, with 61.2 million bushels. Cumulative totals for the 2020/21 marketing year remain well above last year's pace, with 980.3 million bushels. European Union soybean imports so far in the 2020/21 marketing season have reached 213.5 million bushels through November 25, which is tracking fractionally below last year's pace. EU soybean imports are down nearly 10% year-over-year, with EU canola imports dropping 19% from a year ago. Are you ready to make the switch from "growing season" to "planning season?" Darren Frye at Water Street Solutions has some friendly advice to get your mindset ready for 2021 in his latest Finance First blog - click here to learn more.

Preliminary volume estimates were for 245,386 contracts, jumping well above Friday's anemic count of 92,029.

### South African Futures Exchange

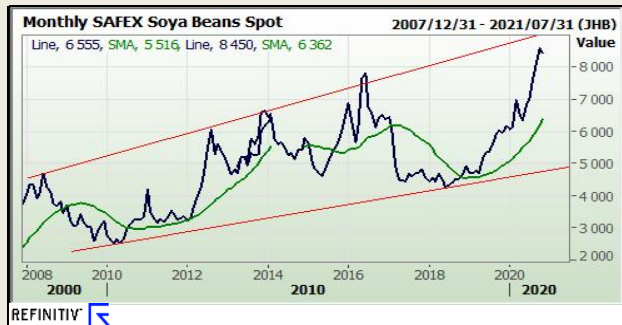
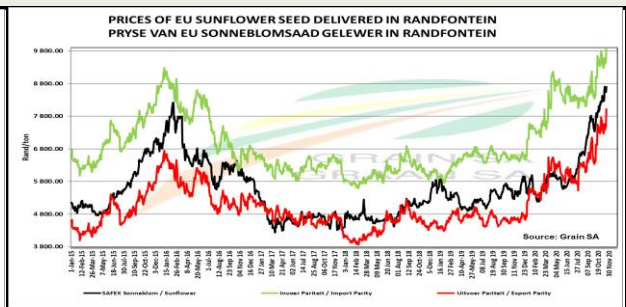
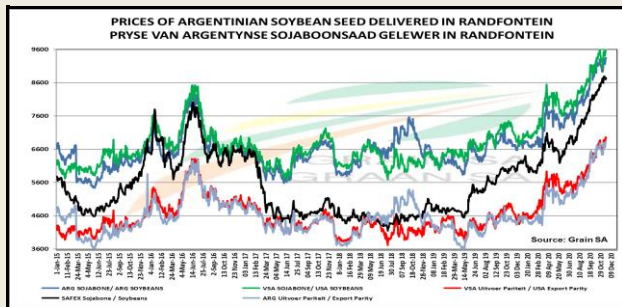
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8,450.00	15%		R 8,450.00
Mar 2021	R 8,112.00	16%	R -29.45	R 8,082.55
May 2021	R 7,428.00	17%	R -23.94	R 7,404.06
Jul 2021	R 7,500.00	21.5%	R -24.09	R 7,475.91
Sep 2021				
Dec 2021	R 7,673.00	0%		R 7,673.00
Dec 2021	R 7,673.00	0%		R 7,673.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2020	R 8,754.00	16%
Mar 2021	R 8,700.00	18%
May 2021	R 7,887.00	21.5%
Jul 2021	R 7,920.00	22%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded mixed yesterday. The Dec'20 Soya contract ended R122.00 up while Mar'20 Soya closed R8.00 lower. The parity move for the Dec'20 Soya contract for yesterday was R85.00 positive.

The local Suns market closed higher yesterday. The Dec'20 Suns contract closed R110.00 up and Mar'20 Suns closed R90.00 higher.



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