



# **Fundamental Report**

## **11 December 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.0115	15.0026	-0.0089	-0.06%
Euro/Rand	18.1701	18.2382	0.0681	0.37%
GBPound/Rand	19.9883	19.9741	-0.0142	-0.07%
AusDollar/Rand	11.2376	11.3405	0.1029	0.92%
Euro/USDollar	1.2105	1.2154	0.0049	0.40%
GBPound/USDollar	1.3316	1.3311	-0.0005	-0.04%
AusDollar/USDollar	0.7485	0.7559	0.0074	0.99%
JpyYen/USDollar	104.4400	103.9800	-0.4600	-0.44%

BDLive - After firming earlier, the rand weakened through R15/\$ again on Thursday as investors await direction from US stimulus talks and Brexit negotiations, neither of which are yet to see a breakthrough.

The rand broke a three-day winning streak, reaching an intraday worst of R15.0955/\$. At 5.24pm, it had weakened 0.68% to R15.0533/\$, 1.11% to R18.2599/€ and 0.16% to R20.0020/£. The euro was 0.43% firmer at \$1.2132... Bets on more European Central Bank (ECB) stimulus kept Europe's main stock markets and the euro steady on Thursday, but the pound saw its biggest drop in almost a month after overnight Brexit talks turned sour. It had been a mixed session for Asia amid a surge in coronavirus cases and the ejection of some Chinese stocks from S&P Dow Jones' indices, so there was little surprise Europe struggled to add to recent highs.

The pan-European Stoxx 600 index was flat, though London's FTSE 100 did score its eighth straight gain as the Brexit uncertainty pushed the pound down 0.7% to \$1.33 and 90.86p per euro.



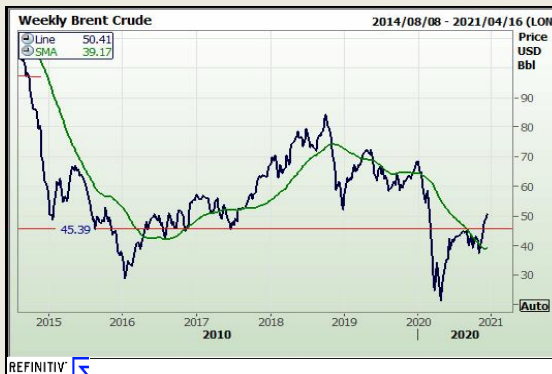
### Commodities

	Last	Value Change	% Change
Platinum	1028.88	2.43	0.24%
Gold	1837.88	2.57	0.14%
Silver	23.98	0.03	0.14%
Copper	3.55	-0.02	-0.60%
Gasoil	414.00	-4.25	-1.03%
Brent Oil	50.41	0.16	0.32%

Bengaluru — Gold prices were little changed on Thursday after a steep sell-off in the previous session as a breakthrough in long-running US fiscal stimulus negotiations remained elusive.

Spot gold was steady at \$1,839.54/oz by 4.44am GMT, after slipping as much as 2.5% on Wednesday. US gold futures gained 0.2% to \$1,843.00. "Gold has struggled as markets are disappointed with the inability of US lawmakers to agree on a fiscal deal they were anticipating," said Lachlan Shaw, National Australia Bank's head of commodity research.

The US House of Representatives approved an extension of federal government funding, extending the time left to agree on a broader coronavirus relief package. But the US Senate majority leader Mitch McConnell said on Wednesday congressional legislators were still looking for a way forward on a relief package.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	54334.20	0.00	0.00%
ALSI	54371.00	0.00	0.00%
S&P 500	3672.82	-4.72	-0.13%
FTSE	6564.29	35.47	0.54%
CAC	5549.65	0.00	0.00%
DAX	13340.26	-44.53	-0.33%
Hang Seng	26410.59	121.98	0.46%



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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	423.00	420.25	The record	-2.75	422.00	1.75	-1.00
MAR 2021	426.00	421.25	The record	-4.75	422.50	1.25	-3.50
MAY 2021	428.00	424.25	The record	-3.75	425.00	0.75	-3.00
JUL 2021	430.00	425.75	The record	-4.25	426.75	1.00	-3.25
SEP 2021	416.00	412.25	The record	-3.75	412.75	0.50	-3.25

FarmFutures - Corn prices faded after the release of USDA's WASDE report, which led to a shift in technical selling that eroded prices until the close. December futures finished down 1.75 cents to \$4.20, with March futures sliding 1.5 cents lower to \$4.2225. Corn basis bids tracked 2 cents lower at an Indiana ethanol plant and an Iowa processor Thursday while holding steady elsewhere across the central U.S. today.

Private exporters reported to USDA another large corn sale to Mexico this morning. Today's announcement is for 13.6 million bushels for delivery during the 2020/21 marketing year, which began September 1. In today's WASDE report, U.S. corn ending stocks held steady, at 1.072 billion bushels, with analysts expecting a modest decline on an average trade guess of 1.691 billion bushels. USDA also left its season-average farm price unchanged, at \$4.00 per bushel.

Global corn stocks did decrease moderately, to 11.376 billion bushels, down from November estimates of 11.474 billion bushels. That was lower than the average trade guess of 11.388 billion bushels. Brazil's Conab expects the country's 2020/21 corn production to take a moderate dip versus prior estimates, now at 4.039 billion bushels. USDA held its production estimates in today's WASDE report steady, meantime, at 4.331 billion bushels. South Korea purchased 2.4 million bushels of corn, likely sourced from the United States, in a deal that closed yesterday. The grain is for arrival around April 1, 2021.

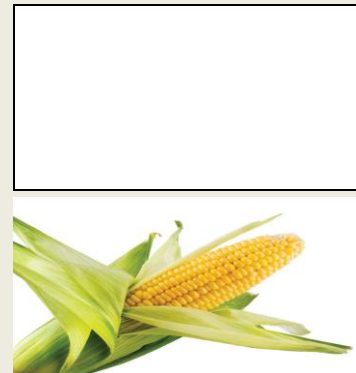
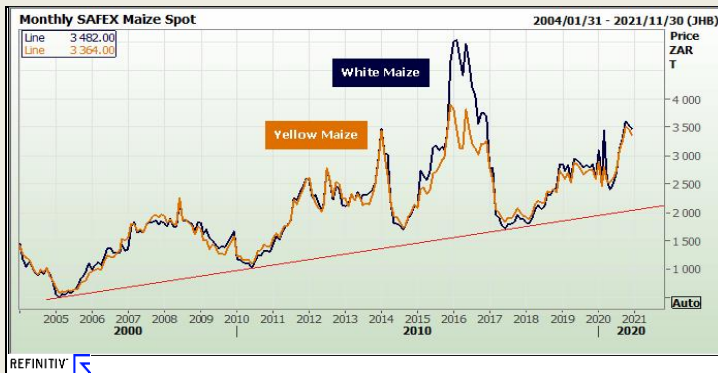
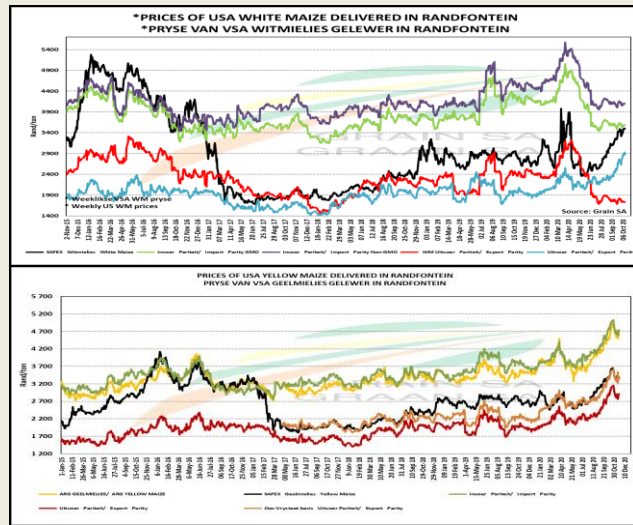
Preliminary volume estimates were for 231,478 contracts, trending moderately above Wednesday's final count of 147,312.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020	R 3 482.00	27%	R -7.39	R 3 474.61
Mar 2021	R 3 385.00	33.25%	R -22.16	R 3 362.84
May 2021	R 2 898.00	31.5%	R -19.22	R 2 878.78
Jul 2021	R 2 834.00	23.5%	R -20.70	R 2 813.30
Sep 2021	R 2 883.00	0%	R -20.65	R 2 862.35
Dec 2021	R 2 955.00	0%		R 2 955.00
Dec 2021	R 2 955.00	0%		R 2 955.00
<b>Yellow Maize Future</b>				
Dec 2020	R 3 364.00	24.5%	R -7.39	R 3 356.61
Mar 2021	R 3 323.00	25%	R -22.16	R 3 300.84
May 2021	R 2 928.00	23%	R -19.22	R 2 908.78
Jul 2021	R 2 896.00	21.75%	R -20.70	R 2 875.30
Sep 2021	R 2 945.00	0%	R -20.65	R 2 924.35
Dec 2021	R 3 023.00	21%		R 3 023.00
Dec 2021	R 3 023.00	21%		R 3 023.00

The local Maize market traded mixed yesterday. The Dec'20 WMAZ contract ended R1.00 up while Dec'20 YMAZ closed R4.00 lower. The Mar'20 WMAZ closed lower by R17.00 and Mar'20 YMAZ ended R5.00 down. The parity move for the Dec'20 Maize contract for yesterday was R5.00 negative.

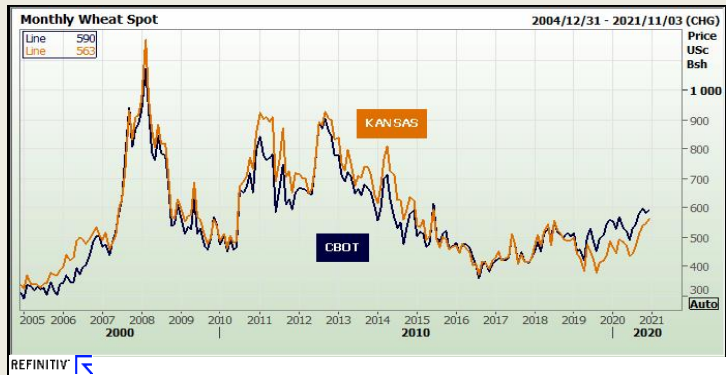


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## Wheat Market

### 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	582.75	590.25	The record c	7.50	0.00	-590.25	-582.75	DEC 2010	557.00	562.75	The record	5.75	0.00	-562.75	-557.00
MAR 2021	593.00	596.50	The record c	3.50	594.75	-1.75	1.75	MAR 2011	559.00	563.50	The record	4.50	562.50	-1.00	3.50
MAY 2021	594.00	597.25	The record c	3.25	595.25	-2.00	1.25	MAY 2011	563.00	568.00	The record	5.00	566.00	-2.00	3.00
JUL 2021	591.00	595.00	The record c	4.00	592.75	-2.25	1.75	JUL 2011	566.00	570.25	The record	4.25	567.75	-2.50	1.75
SEP 2021	594.00	598.00	The record c	4.00	529.00	-69.00	-65.00	SEP 2011	570.00	574.50	The record	4.50	572.75	-1.75	2.75

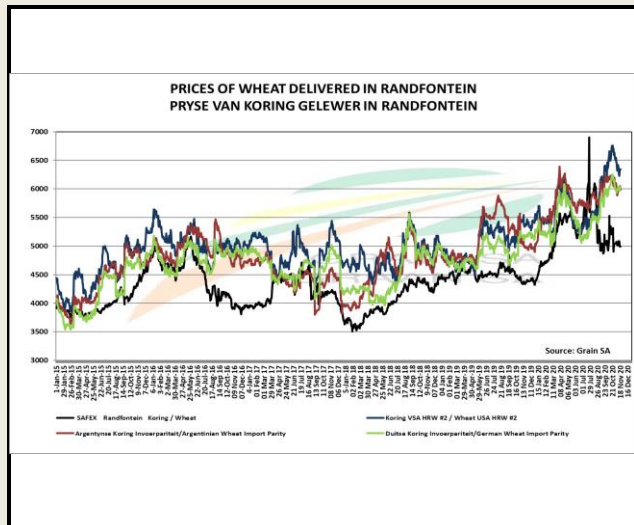


**FarmFutures -** Wheat prices jumped higher Thursday on a round of technical buying after USDA released a supportive set of supply and demand data this morning. Some contracts closed more than 2.5% higher today. Wheat export sales climbed 42% above the prior four-week average, to 22.7 million bushels. That tally was better than all trade estimates, which ranged between 7.3 million and 20.2 million bushels. Mexico topped the list last week, with 3.9 million bushels. Cumulative sales for the 2020/21 marketing year have a slim lead over last year's pace, with 474.9 million bushels. Wheat export shipments were also up substantially over the prior four-week average, improving 56% to reach 20.3 million bushels.

Domestic wheat stocks fell more than expected in this morning's WASDE report, moving from 877 million bushels in November down to 862 million bushels, which is 16% lower versus the same time a year ago. Analysts had offered an average trade guess of 874 million bushels. This is largely driven by an uptick in export estimates, which gained 10 million bushels to 985 million for the 2020/21 marketing year. Global wheat stocks saw bigger cuts, moving from 11.773 billion bushels in November down to 11.628 billion bushels in December and bucking analyst expectations – the average trade guess predicted a moderate increase to 11.799 billion bushels.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020	R 4 681.00	8%	R -3 214.32	R 1 466.68
Mar 2021	R 4 761.00	9%	R 7.71	R 4 768.71
May 2021	R 4 809.00	0%	R 4.95	R 4 813.95
Jul 2021	R 4 823.00	0%	R 7.71	R 4 830.71
Sep 2021	R 4 685.00	0%	R -360.26	R 4 324.74
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 higher yesterday. The Dec'20 Weat contract closed R81.00 up and Mar'20 Weat closed R68.00 higher. The parity move for the Dec'20 Weat contract for yesterday was R61.00 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	1169.00	1152.75	The record	-16.25	902.00	-250.75
MAR 2021	1174.00	1158.75	The record	-15.25	1163.75	5.00
MAY 2021	1174.00	1159.75	The record	-14.25	1164.50	4.75
JUL 2021	1172.00	1158.50	The record	-13.50	1163.00	4.50
AUG 2021	1151.00	1137.75	The record	-13.25	1141.00	3.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2010	381	382.50
JAN 2011	377.2	378.90
MAR 2011	379.4	380.80
MAY 2011	379.6	380.80
JUL 2011	379.1	380.40

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2010	38.96	0.00
JAN 2011	38.06	38.33
MAR 2011	37.93	38.19
MAY 2011	37.7	37.91
JUL 2011	37.53	37.74



FarmFutures - Soybean prices followed a similar path as corn Thursday – testing gains in the morning, which crumbled and spilled moderately into the red by the close. USDA's domestic stocks estimates moved lower, but not as low as analysts had initially hoped. January futures dropped 4.25 cents to \$11.5425, with March futures down 3.25 cents to \$11.6025. Soybean basis bids were narrowly mixed Thursday, dropping 3 cents at an Illinois river terminal and firming a penny higher at an Ohio elevator while holding steady elsewhere across the Midwest today. Soybean export sales were up 40% from a week ago but still 42% behind the prior four-week average, with 20.9 million bushels in old crop sales. New crop sales added another 6.2 million bushels, for a total tally of 27.1 million bushels. That was in the middle of trade estimates, which ranged between 14.7 million and 38.6 million bushels. Cumulative totals for the 2020/21 marketing year are trending extremely above last year's pace, with 1.096 billion bushels. Brazil's Conab made modest reductions to its 2020/21 soybean production projections, which would still be a record-breaking 4.940 billion bushels, if realized. The country started this season with a lot of overly dry weather but has seen yield-replenishing rains in recent weeks. Egypt's state grains buyer purchased 30,000 metric tons of soyoil in an international tender today. Origins were not immediately disclosed, and the grain is for arrival between late January and mid-February. Preliminary volume estimates were for 387,242 contracts, moving well ahead of Wednesday's final count of 237,205.

### South African Futures Exchange

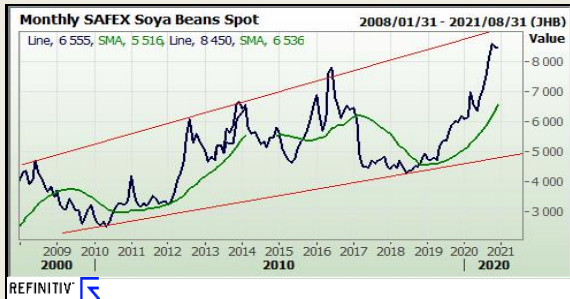
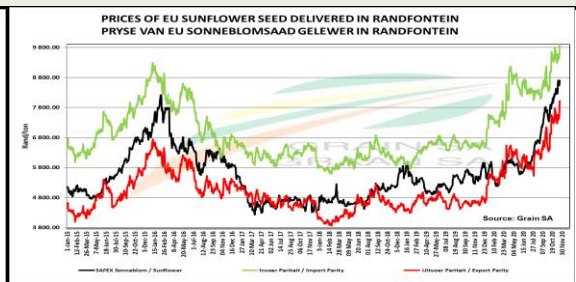
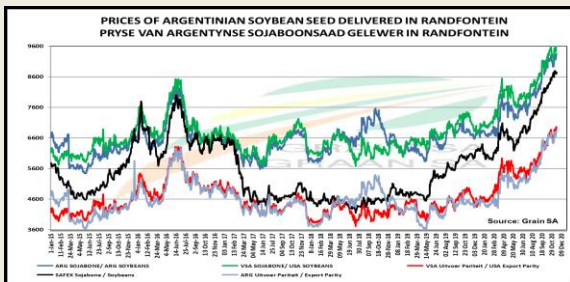
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8 450.00	15%		R 8 450.00
Mar 2021	R 8 025.00	17%	R -60.34	R 7 964.66
May 2021	R 7 210.00	17%	R -56.21	R 7 153.79
Jul 2021	R 7 280.00	21.5%	R -53.45	R 7 226.55
Sep 2021				
Dec 2021	R 7 415.00	0%		R 7 415.00
Dec 2021	R 7 415.00	0%		R 7 415.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2020	R 8 534.00	16%
Mar 2021	R 8 452.00	18%
May 2021	R 7 562.00	21.5%
Jul 2021	R 7 620.00	22%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded higher yesterday. The Dec'20 Soya contract ended R121.00 up and Mar'20 Soya closed R19.00 higher. The parity move for the Dec'20 Soya contract for yesterday was R64.00 negative.

The local Suns market closed lower yesterday. The Dec'20 Suns contract closed R66.00 down and Mar'20 Suns closed R72.00 lower.



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