



# **Fundamental Report**

## **23 December 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.5992	14.6523	0.0531	0.36%
Euro/Rand	17.8215	17.8488	0.0273	0.15%
GBPound/Rand	19.5435	19.6250	0.0815	0.42%
AusDollar/Rand	10.9990	11.0654	0.0664	0.60%
Euro/USDollar	1.2208	1.2185	-0.0023	-0.19%
GBPound/USDollar	1.3386	1.3400	0.0014	0.10%
AusDollar/USDollar	0.7534	0.7552	0.0018	0.24%
JpyYen/USDollar	103.4000	103.4600	0.0600	0.06%

BDLive - London/Hong Kong — European stocks steadied on Tuesday, after heavy losses a day earlier sparked by fears over a highly infectious new strain of Covid-19, as Washington approved an \$892bn pandemic relief package. The broad Euro Stoxx 600 gained 1.2%, on course for its biggest one-day jump in more than five weeks. German and French indices both added 1.3%. London's blue chips turned positive, too, recovering early losses even as Britain adjusts to strict lockdowns imposed to curb the spread of the new strain of coronavirus. They were last up 0.3%. Many countries shut their borders to the UK on Monday because of fears over the new variant of the disease, snarling one of Europe's most important trade routes just days before Britain is set to leave the EU. The discovery of the new strain, just months before vaccines are expected to be widely available, renewed fears about the economic impact of new lockdowns to curb the virus that has killed about 1.7-million people worldwide. European shares had slumped to their biggest one-day loss in nearly two months on Monday in response, but market players said on Tuesday they assumed vaccines would still be effective against the new strain.



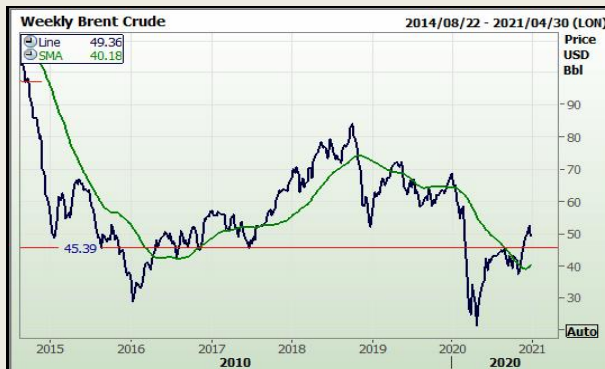
REFINITIV

REFINITIV

### Commodities

	Last	Value Change	% Change
Platinum	1005.04	3.04	0.30%
Gold	1866.36	6.80	0.36%
Silver	25.34	0.22	0.85%
Copper	3.52	0.00	0.07%
Gasoil	411.00	-7.00	-1.70%
Brent Oil	49.37	-0.71	-1.44%

BDLive - Bengaluru — Gold prices ticked higher on Wednesday as weakness in the dollar offset worries about a US stimulus deal after President Donald Trump threatened not to sign the pandemic relief bill. Spot gold rose 0.3% to \$1,865.01/oz, while US gold futures were steady at \$1,869.80. The US dollar edged down 0.1% against a basket of currencies, increasing gold's appeal among holders of other units. Since the market has priced in a lot of pandemic-related uncertainty and the US fiscal stimulus deal, gold is likely to tread water in the coming weeks and any potential upside will come from new unknown uncertainties, said Michael Langford, director at corporate advisory AirGuide. "The next move for fund managers is probably to de-risk. I think we'll see greater flows towards gold exchange traded funds as they take some risk off the table," Langford said. Raising concerns over a global economic recovery, a fast-spreading new coronavirus strain found in Britain has forced several countries around the world to shut their borders to the UK and drugmakers to scramble to test their Covid-19 vaccines against it.



REFINITIV

REFINITIV

### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	53648.03	0.00	0.00%
ALSI	53842.00	0.00	0.00%
S&P 500	3694.92	-7.66	-0.21%
FTSE	6416.32	36.84	0.57%
CAC	5466.86	0.00	0.00%
DAX	13418.11	0.00	0.00%
Hang Seng	26119.25	116.02	0.44%



DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limited is provided to you for information purposes only. GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable. GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report. Neither GROCAPITAL AND AFGRI, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.

# 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
MAR 2021	441.00	443.50	The record	2.50	443.00	-0.50	2.00
MAY 2021	442.00	444.50	The record	2.50	444.00	-0.50	2.00
JUL 2021	443.00	444.25	The record	1.25	443.75	-0.50	0.75
SEP 2021	425.00	426.50	The record	1.50	425.75	-0.75	0.75
DEC 2021	420.00	419.75	The record	-0.25	418.75	-1.00	-1.25

FarmProgress - Corn prices moved higher again today, with some dry South American weather (particularly in Argentina) sparking another round of technical buying and reaching the highest levels since last July. March futures added 2.5 cents to \$4.4250, while May futures picked up 1.5 cents to \$4.4350.

Corn basis bids were narrowly mixed Tuesday after falling 2 to 4 cents lower at two Midwestern processors and ticking a penny higher at an Illinois river terminal. Other locations across the central U.S. held steady today.

Ahead of Wednesday morning's weekly export report, analysts expect the agency to show corn sales ranging between 23.6 million and 39.4 million bushels for the week ending December 17. Even the high end of those estimates is only around half of the prior week's volume.

China has been selling state wheat reserves in recent weeks, but earlier today, the country sold another 4.1 million bushels at auction, which was 100% of the total offered. China has held seven similar auctions for wheat since the beginning of November.

Ryan Griess, ag risk management advisor for Advance Trading, Inc., notes that while charts indicate where the market has been, they don't necessarily predict where they're going next. Some important clues are still worth investigating, however. He says: "The month of January will bring many vital USDA reports that will certainly impact the corn and soybean balance sheets as well as price volatility moving forward." Griess takes a deeper dive in the latest Ag Marketing IQ blog - click here to learn more.

Preliminary volume estimates were for 222,388 contracts, sliding slightly above Monday's final count of 214,138.

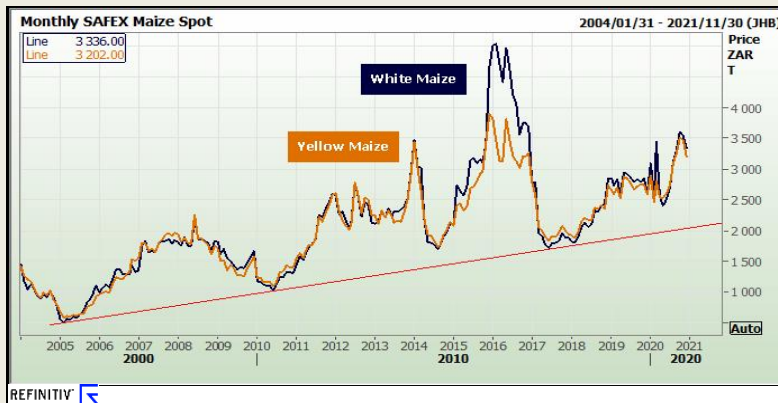
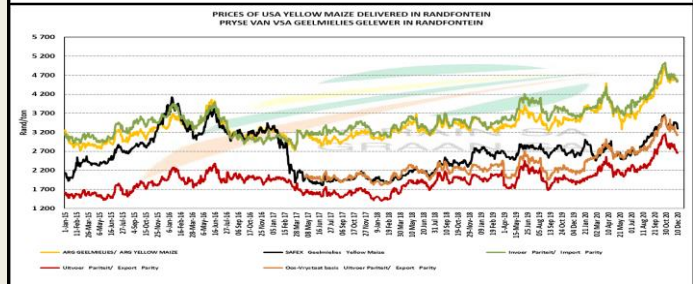
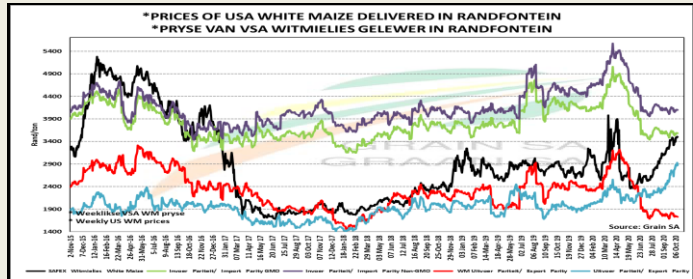


REFINITIV

## South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020	R 3,336.00	27%		R 3,336.00
Mar 2021	R 3,210.00	31.5%	R 20.76	R 3,230.76
May 2021	R 2,811.00	31.5%	R 20.78	R 2,831.78
Jul 2021	R 2,775.00	21.5%	R 13.59	R 2,788.59
Sep 2021	R 2,837.00	0%	R 13.21	R 2,850.21
Dec 2021	R 2,911.00	0%	R 1.57	R 2,912.57
Dec 2021	R 2,911.00	0%	R 1.57	R 2,912.57
<b>Yellow Maize Future</b>				
Dec 2020	R 3,202.00	24.5%		R 3,202.00
Mar 2021	R 3,153.00	25%	R 20.76	R 3,173.76
May 2021	R 2,902.00	23%	R 20.78	R 2,922.78
Jul 2021	R 2,855.00	21.25%	R 13.59	R 2,868.59
Sep 2021	R 2,914.00	0%	R 13.21	R 2,927.21
Dec 2021	R 2,992.00	21%	R 1.57	R 2,993.57
Dec 2021	R 2,992.00	21%	R 1.57	R 2,993.57

The local Maize market traded lower yesterday. The Mar'21 WMAZ contract ended R44.00 down and Mar'21 YMAZ closed R35.00 lower. The May'21 WMAZ closed lower by R58.00 and May'21 YMAZ ended R28.00 down. The parity move for the Mar'21 Maize contract for yesterday was R1.00 negative.



REFINITIV



DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limited is provided to you for information purposes only. GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable. GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report. Neither GROCAPITAL AND AFGRI, nor any affiliate, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.

## Wheat Market

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

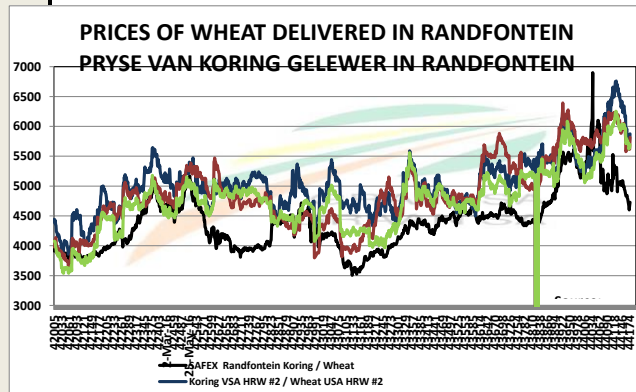
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2021	606.00	617.00	The record c	11.00	613.00	-4.00	7.00	MAR 2011	565.00	579.25	The record	14.25	576.25	-3.00	11.25
MAY 2021	607.00	616.75	The record c	9.75	612.50	-4.25	5.50	MAY 2011	569.00	582.50	The record	13.50	579.00	-3.50	10.00
JUL 2021	601.00	609.50	The record c	8.50	606.00	-3.50	5.00	JUL 2011	572.00	584.75	The record	12.75	581.75	-3.00	9.75
SEP 2021	604.00	611.75	The record c	7.75	608.25	-3.50	4.25	SEP 2011	577.00	589.75	The record	12.75	586.00	-3.75	9.00
DEC 2021	610.00	618.50	The record c	8.50	529.00	-89.50	-81.00	DEC 2011	584.00	596.50	The record	12.50	592.50	-4.00	8.50



FarmProgress - Wheat prices tacked on moderate gains after uncertainty over Russian exports for the second half of the 2020/21 marketing year and lingering concerns over poor crop quality there kicked off a round of technical buying today. March Chicago SRW futures rose 4.75 cents to \$6.16, March Kansas City HRW futures added 3.75 cents to \$5.7825, and March MGEX spring wheat futures picked up 0.75 cents to \$5.71. Ahead of tomorrow morning's weekly export report from USDA, analysts think the agency will show wheat sales ranging between 11.0 million and 19.3 million bushels for the week ending December 17. Uncertainty about Russian wheat exports for the rest of the 2020/21 marketing year had both domestic and overseas markets firming today. Export tariffs are expected to be enacted starting in mid-February, and the current Russian wheat crop is suffering some quality issues (a state weather forecaster said 22% is in poor condition earlier this month). And the country's Sovecon consultancy expects a winterkill of around 9%, versus 5% in a typical season. In the United Kingdom, the country's wheat harvest is expected to slump 40.5% lower to 355 million bushels. The country faced overly wet conditions during planting last fall, followed by overly dry conditions earlier this spring. Preliminary volume estimates were for 85,335 CBOT contracts, moving slightly ahead of Monday's final count of 72,660.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020	R 4,753.00	8%		R 4,753.00
Mar 2021	R 4,802.00	11%	R 49.51	R 4,851.51
May 2021	R 4,865.00	0%	R 41.45	R 4,906.45
Jul 2021	R 4,906.00	0%	R 38.65	R 4,944.65
Sep 2021	R 4,685.00	0%	R 34.67	R 4,719.67
Dec 2021				
<b>Cape Wheat</b>				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				



The local Weat market closed lower yesterday. The Mar'21 Weat contract closed R46.00 down and May'21 Weat closed R45.00 lower. The parity move for the Mar'21 Weat contract for yesterday was R19.00 negative.



DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limitedis provided to you for information purposes only.GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable.GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report.Neither GROCAPITAL AND AFGRI, nor any affiliate, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.

## 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	1244.00	1247.25	The record	3.25	902.00	-345.25
MAR 2021	1249.00	1250.00	The record	1.00	1247.00	-3.00
MAY 2021	1248.00	1249.50	The record	1.50	1246.00	-3.50
JUL 2021	1241.00	1244.25	The record	3.25	1240.00	-4.25
AUG 2021	1210.00	1211.75	The record	1.75	1207.25	-4.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2011	415	414.10
MAR 2011	414.3	412.90
MAY 2011	411.6	410.60
JUL 2011	409.8	408.80
AUG 2011	398.6	397.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2011	40.55	40.75
MAR 2011	39.96	39.98
MAY 2011	39.37	39.23
JUL 2011	39.07	38.84
AUG 2011	38.61	38.32



FarmProgress - Soybean prices overcame modest overnight losses to move higher again Tuesday, closing nearly 0.5% higher on a round of technical buying supported by the dry start to the 2020/21 season in South America and logistical woes in Argentina. January futures rose 5.75 cents to \$12.49, with March futures up 4 cents to \$12.5150. Soybean basis bids moved 6 cents higher at an Ohio elevator and fell 5 cents lower at an Indiana processor Tuesday while holding steady at most other Midwestern locations today. Farmer sales have picked up in recent days after futures moved sharply higher over the past week. Ahead of tomorrow morning's weekly export report from USDA, analysts expect to see soybean sales ranging between 20.2 million and 31.2 million bushels for the week ending December 17. Actuals will need to land on the high end of those estimates to surpass the prior week's total. Analysts also anticipate soy meal sales ranging between 200,000 and 300,000 metric tons, plus another 5,000 to 15,000 MT of soy oil sales. Brazilian grain association Aprosoja has lowered its estimates for the country's 2020/21 soybean production by 1.6% to 4.666 billion bushels, which is moderately lower than other recent soybean production estimates this season. The group cited dry conditions in key producing states. And in Argentina, a labor strike is nearing the two-week mark (13 days), with workers demanding higher wages to compensate for double-digit inflation. More than 100 cargo ships remain unloaded amid the strike. In China, soybean demand shows no signs of slowing. In fact, state-owned grains trader COFCO says the country is likely to import a record-breaking volume of soybeans this year, with totals expected to exceed 3.674 billion bushels. China's soy meal and soy oil needs also remain strong.

Preliminary volume estimates were for 274,649 contracts, trending moderately below Monday's

### South African Futures Exchange

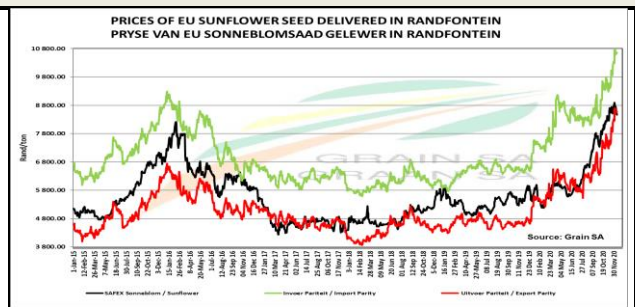
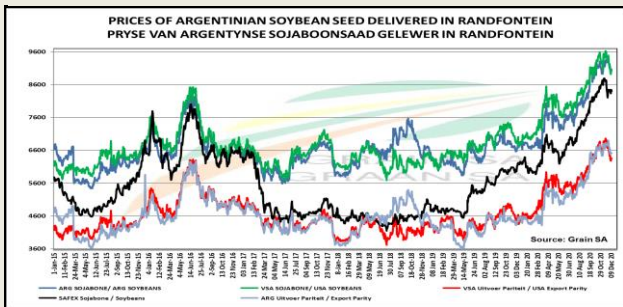
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8,900.00	15%		R 8,900.00
Mar 2021	R 8,200.00	17%	R 13.60	R 8,213.60
May 2021	R 7,534.00	17%	R 13.58	R 7,547.58
Jul 2021	R 7,603.00	21.5%	R 18.83	R 7,621.83
Sep 2021				
Dec 2021	R 7,681.00	0%		R 7,681.00
Dec 2021	R 7,681.00	0%		R 7,681.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2020	R 8,550.00	16%
Mar 2021	R 8,577.00	18%
May 2021	R 7,703.00	21.5%
Jul 2021	R 7,750.00	22%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded higher yesterday. The Mar'21 Soya contract ended R70.00 up and May'21 Soya closed R21.00 higher. The parity move for the Mar'21 Soya contract for yesterday was R33.00 positive.

The local Suns market closed higher yesterday. The Mar'21 Suns contract closed R82.00 up and May'21 Suns closed R40.00 higher.



DISCLAIMER: This report has been prepared by GroCapital Financial Services Pty Ltd, a wholly owned subsidiary of AFGRI Operations Limited is provided to you for information purposes only. GROCAPITAL AND AFGRI hereby certify that the views expressed in this report were obtained from sources which GROCAPITAL AND AFGRI consider to be reliable. GROCAPITAL AND AFGRI do not make any representations or give any guarantees or warranties, expressed or implied, as to the correctness, accuracy or completeness of the report. Neither GROCAPITAL AND AFGRI, nor any affiliate, nor any of their respective officers, directors, partners or employees, shall assume any liability for any losses arising from errors or omissions in the opinions, forecasts or information, irrespective of whether there has been any negligence by GroCapital and AFGRI, their affiliate, or their respective officers, directors, partners or employees, regardless of whether such damages were foreseen or unforeseen. The information contained in this report is confidential and may be subject to legal privilege. This report is not intended to not should it be taken to create any legal relations or contractual relations.