



# **Fundamental Report**

## **28 December 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.5818	14.5645	-0.0173	-0.12%
Euro/Rand	17.7903	17.8122	0.0219	0.12%
GBPound/Rand	19.8289	19.7406	-0.0883	-0.45%
AusDollar/Rand	11.0749	11.0836	0.0087	0.08%
Euro/USDollar	1.2201	1.2215	0.0014	0.11%
GBPound/USDollar	1.3591	1.3562	-0.0029	-0.21%
AusDollar/USDollar	0.7595	0.7613	0.0018	0.24%
JpyYen/USDollar	103.6000	103.5600	-0.0400	-0.04%

BDLive - The JSE rose for a second day and the rand weakened as SA considered imposing harsher socio-economic restrictions to curb the spread of Covid-19 as the country grapples with a spike in infections caused by a new strain of the virus.

The rand extended a retreat from its strongest level since January and the all share advanced after health minister Zweli Mkhize said the government is considering further measures to curb the "alarming spread" of the virus.

The UK government banned flights from SA as of 9am on Thursday after a new Covid-19 strain originating in SA was detected in parts of England.

The all share rose 0.32% to 59,175 points and the top 40 0.31%, even as Naspers, which accounts for about 21% of the measure's value, dropped 1.8% to R2,991.72.

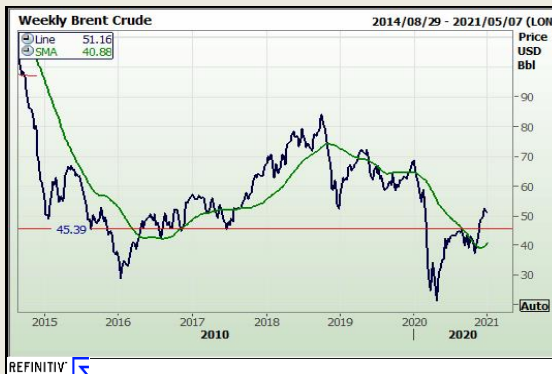


### Commodities

	Last	Value Change	% Change
Platinum	1036.87	13.35	1.29%
Gold	1895.07	19.25	1.02%
Silver	26.59	0.74	2.78%
Copper	3.61	0.05	1.25%
Gasoil	424.75	1.25	0.29%
Brent Oil	51.16	-0.13	-0.25%

BDLive - Singapore — Gold advanced as the dollar held a decline and investors await details of a post-Brexit trade accord. The UK and the EU are on the verge of unveiling a historic agreement, with negotiators putting the finishing touches to a compromise on fishing rights and an announcement is expected on Thursday. The accord will formally complete Britain's separation from the bloc more than four years after the 2016 referendum.

"Gold prices are benefiting from a Brexit trade deal breakthrough that paved the way for a weaker dollar," said Oanda senior market analyst Edward Moya. The metal could see further gains if the US stimulus impasse is resolved, and investors are also watching the Georgia senate races, where a blue wave could still happen and "do wonders" for gold prices, he said.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	54125.23	0.00	0.00%
ALSI	54298.00	0.00	0.00%
S&P 500	3690.01	13.05	0.35%
FTSE	6495.75	6.36	0.10%
CAC	5522.01	0.00	0.00%
DAX	13418.11	169.12	1.26%
Hang Seng	26386.56	58.00	0.22%



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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
MAR 2021	449.00	451.00	The record	2.00	454.75	3.75	5.75
MAY 2021	450.00	451.75	The record	1.75	455.50	3.75	5.50
JUL 2021	449.00	450.25	The record	1.25	454.00	3.75	5.00
SEP 2021	429.00	430.00	The record	1.00	433.50	3.50	5.00
DEC 2021	424.00	424.50	The record	0.50	427.75	3.25	3.75

FarmProgress - Corn prices have stayed in the green for 10 consecutive sessions now, tacking on nearly 0.75% Thursday as Argentina's continued struggles with dry weather and export woes prompted another round of technical selling. March futures added 3.25 cents to \$4.5050, while May futures picked up 2.75 cents to \$4.51. Corn basis bids firmed 1 to 2 cents higher at two interior river terminals and softened 1 to 3 cents lower at two Midwestern ethanol plants while holding steady elsewhere across the central U.S. Thursday. President-elect Joe Biden's transition team has been holding recent discussions with biofuel groups, which focused on various topics, including the increase of higher ethanol blended fuels and addressing compliance concerns regarding the Renewable Fuels Standard. Biden has noted his support in developing next-generation fuels and promoting research that will develop cellulosic biofuels.

Matt Bennett, commodity analyst with AgMarket.net., describes 2020 as nothing less than an epic ride that has managed to end on a high note. "Only time will tell how long this rally might last, but one thing is for sure: it sure is easier to get into the Christmas spirit after the run we've had of late," he notes. The next question is - should you take advantage of current prices or let the rally unfold a little more? Bennett tackles that tough decision in the latest Ag Marketing IQ blog - click here for details.

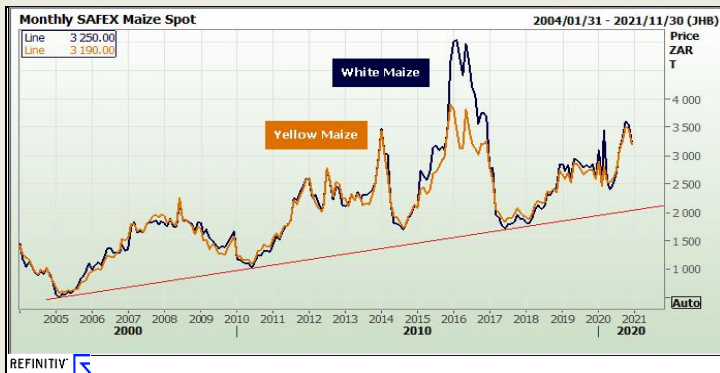
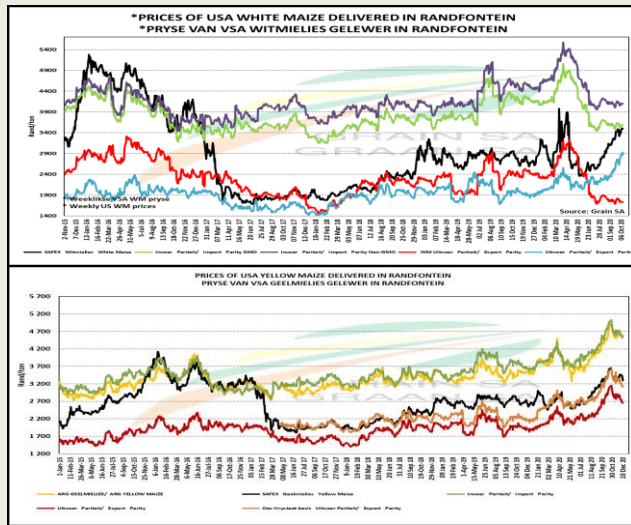
Preliminary volume estimates were for 87,531 contracts, versus Wednesday's final count of 248,923.



## South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020				
Mar 2021	R 3 186.00	31.5%	R 29.91	R 3 215.91
May 2021	R 2 815.00	31.5%	R 28.47	R 2 843.47
Jul 2021	R 2 785.00	21.5%	R 25.61	R 2 810.61
Sep 2021	R 2 835.00	0%	R 22.88	R 2 857.88
Dec 2021	R 2 910.00	0%	R 18.61	R 2 928.61
Dec 2021	R 2 910.00	0%	R 18.61	R 2 928.61
<b>Yellow Maize Future</b>				
Dec 2020				
Mar 2021	R 3 146.00	25%	R 29.91	R 3 175.91
May 2021	R 2 909.00	23%	R 28.47	R 2 937.47
Jul 2021	R 2 859.00	21.25%	R 25.61	R 2 884.61
Sep 2021	R 2 905.00	0%	R 22.88	R 2 927.88
Dec 2021	R 2 984.00	21%	R 18.61	R 3 002.61
Dec 2021	R 2 984.00	21%	R 18.61	R 3 002.61

The local Maize market traded higher yesterday. The Mar'21 WMAZ contract ended R19.00 up and Mar'21 YMAZ closed R23.00 higher. The May'21 WMAZ closed higher by R10.00 and May'21 YMAZ ended R19.00 up. The parity move for the Mar'21 Maize contract for yesterday was R20.00 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
MAR 2021	629.00	627.00	The record d	-2.00	624.75	-2.25	-4.25	MAR 2011	588.00	589.00	The record	1.00	587.50	-1.50	-0.50
MAY 2021	627.00	625.75	The record d	-1.25	624.25	-1.50	-2.75	MAY 2011	591.00	592.00	The record	1.00	591.00	-1.00	0.00
JUL 2021	617.00	615.75	The record d	-1.25	615.75	0.00	-1.25	JUL 2011	592.00	593.50	The record	1.50	591.75	-1.75	-0.25
SEP 2021	618.00	617.75	The record d	-0.25	618.00	0.25	0.00	SEP 2011	597.00	597.50	The record	0.50	596.50	-1.00	-0.50
DEC 2021	625.00	624.75	The record d	-0.25	529.00	-95.75	-96.00	DEC 2011	603.00	604.50	The record	1.50	0.00	-604.50	-603.00

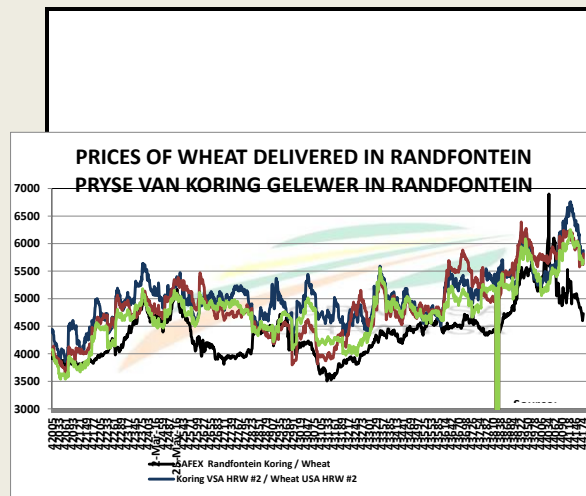


FarmProgress - Wheat prices were lightly mixed but mostly higher Thursday as traders finished squaring positions ahead of the Christmas holiday. March Chicago SRW futures fell 2 cents to \$6.2775, but March Kansas City HRW futures picked up 2 cents to \$5.90 and March MGEX spring wheat futures added 5 cents to \$5.85. This year is the year of the black swan, according to Dr. David Kohl, who offers the following advice for farmers: "Attempt to maintain a positive mindset as we close out 2020. Manage the controllable variables and manage around the uncontrollable factors. Your network of people will determine both your financial and mental net worth." Kohl walks through some additional thoughts in his Road Warrior column - click here to learn more. And have you thought much about what the "farm of the future" will require? "Overall, most of those same trends [from the past 20 years] are probably going to continue or even intensify. There can also be new things that may come in to "disrupt" the agriculture industry - which are more difficult to predict," according to Darren Frye, founder of Water Street Solutions. Frye explores this idea further in his latest Finance First column - click here for more analysis.

Preliminary volume estimates were for 50,577 CBOT contracts, versus Wednesday's final count of 112,736.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020				
Mar 2021	R 4 920.00	11%	R -26.74	R 4 893.26
May 2021	R 4 966.00	0%	R -18.70	R 4 947.30
Jul 2021	R 5 019.00	0%	R -10.61	R 5 008.39
Sep 2021	R 4 696.00	0%	R -3.93	R 4 692.07
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 higher yesterday. The Mar'21 Wheat contract closed R84.00 up and May'21 Wheat closed R92.00 higher. The parity move for the Mar'21 Wheat contract for yesterday was R18.00 negative.



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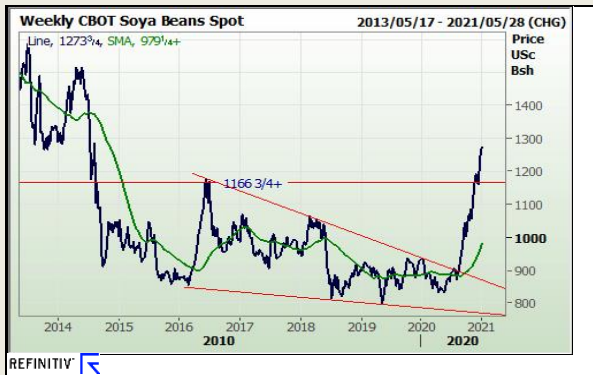
## Oil Seed Market

### 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
JAN 2021	1268.00	1263.50	The record	-4.50	902.00	-361.50	-366.00
MAR 2021	1269.00	1264.50	The record	-4.50	1275.25	10.75	6.25
MAY 2021	1268.00	1262.75	The record	-5.25	1272.75	10.00	4.75
JUL 2021	1261.00	1257.25	The record	-3.75	1267.25	10.00	6.25
AUG 2021	1223.00	1222.00	The record	-1.00	1230.50	8.50	7.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2011	416.8	422.70
MAR 2011	414.1	420.40
MAY 2011	410.8	416.70
JUL 2011	409.3	414.40
AUG 2011	397.6	401.80

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2011	41.84	41.83
MAR 2011	41.13	41.12
MAY 2011	40.42	40.36
JUL 2011	39.95	39.88
AUG 2011	39.29	39.18



FarmProgress - Soybean prices started Thursday with double-digit overnight gains but began to fade throughout the session. Prices still hung on for modest gains, firming by about 0.4% and staying at six-and-a-half year highs while inching a bit closer to the \$13 per bushel benchmark. January and March futures each rose 4.75 cents to close at \$12.6350 and \$12.6475, respectively. Soybean basis bids were mostly steady across the central U.S. Thursday but did tick a penny higher at an Iowa river terminal today. A work stoppage for Argentina's oilseed workers and grain inspectors began back on December 9 and is expected to extend at least through Christmas. Labor groups want additional compensation for working during the pandemic amid double-digit inflation. No soybean trucks have entered Argentina's primary port in Rosario for the past two weeks, which ships about 80% of its agricultural exports. Argentina is the world's No. 1 soybean exporter. With commodity prices strengthening, U.S. Secretary of Agriculture Sonny Perdue says he hopes now is a good time to "wean ourselves off" these ad hoc programs. "I don't think there's an honest farmer who wouldn't prefer a good crop at a fair price rather than a government check." Learn more about the future of farm support in the latest DC Dialogue column from Farm Futures policy editor Jacqui Fatka.

Preliminary volume estimates were for 131,625 contracts, versus Wednesday's final count of 258,028.

### South African Futures Exchange

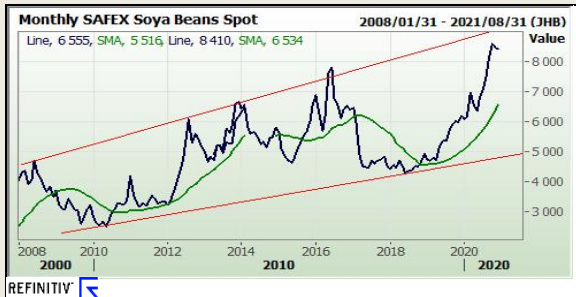
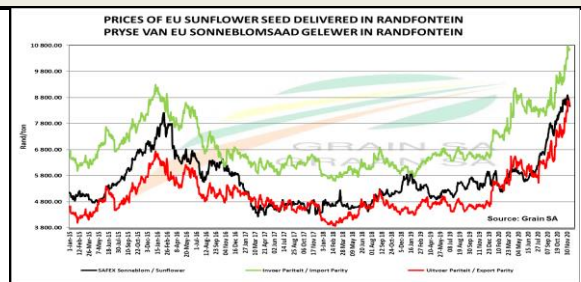
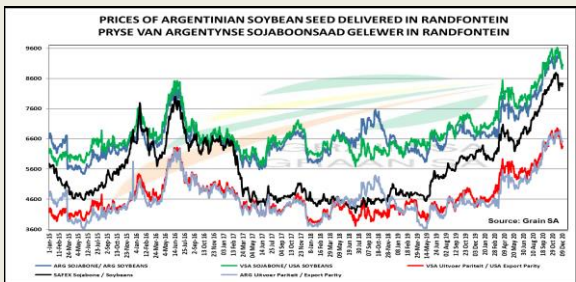
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2020				
Mar 2021	R 8 274.00	17%	R 25.38	R 8 299.38
May 2021	R 7 554.00	17%	R 17.36	R 7 571.36
Jul 2021	R 7 621.00	21.5%	R 25.43	R 7 646.43
Sep 2021				
Dec 2021	R 7 691.00	0%		R 7 691.00
Dec 2021	R 7 691.00	0%		R 7 691.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2020		
Mar 2021	R 8 555.00	18%
May 2021	R 7 695.00	21.5%
Jul 2021	R 7 720.00	22%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded higher yesterday. The Mar'21 Soya contract ended R17.00 up and May'21 Soya closed R14.00 higher. The parity move for the Mar'21 Soya contract for yesterday was R55.00 positive.

The local Suns market closed higher yesterday. The Mar'21 Sun contract closed R15.00 up and May'21 Sun closed R15.00 higher.



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