



Fundamental Report

12 January 2021

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.4741	15.5824	0.1083	0.70%
Euro/Rand	18.8090	18.8963	0.0873	0.46%
GBPound/Rand	20.8779	21.0576	0.1797	0.86%
AusDollar/Rand	11.9274	11.9829	0.0555	0.47%
Euro/USDollar	1.2159	1.2142	-0.0017	-0.14%
GBPound/USDollar	1.3492	1.3517	0.0025	0.19%
AusDollar/USDollar	0.7708	0.7690	-0.0018	-0.23%
JpyYen/USDollar	104.0900	104.2600	0.1700	0.16%

BDLive - The rand and SA bonds weakened on Monday as foreigners sold local assets in the wake of record numbers of Covid-19 cases, while President Cyril Ramaphosa is expected to address the nation in the evening on the latest virus developments.

The R2030 government bond weakened, with the yield rising five basis points to 8.84%, the highest since December 29 2020, as foreigners reduce their holdings of SA government debt. Bond yields move inversely to their prices. World shares slipped from record highs on Monday as caution over rising coronavirus cases saw some profit-taking from investors, while treasury yields remained close to 10-month highs, indicating expectations for global reflation from anticipated US fiscal stimulus.

Worldwide coronavirus cases surpassed 90-million on Monday, according to Reuters tally. European shares dipped in early trading, with rising coronavirus cases across the continent and China dragging down commodity stocks. Germany's DAX lost 0.75%, Britain's FTSE 100, Italy's FTSE MIB, and France's CAC 40 fell about 0.5% each, and Spain's IBEX fell 0.1%.



Commodities

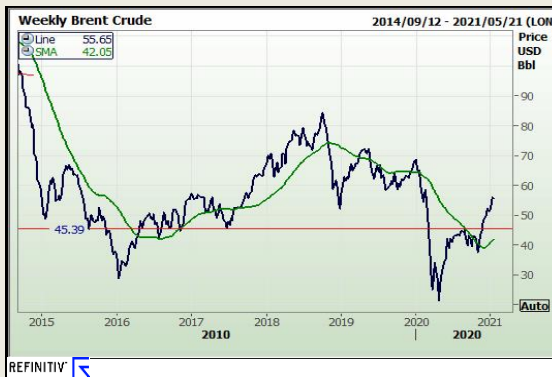
	Last	Value Change	% Change
Platinum	1053.02	21.62	2.05%
Gold	1845.47	0.81	0.04%
Silver	25.07	0.15	0.60%
Copper	3.58	0.02	0.46%
Gasoil	0.00	0.00	
Brent Oil	55.65	-0.01	-0.02%

BDLive - Bengaluru — Gold prices touched a near six-week low on Monday, extending losses from the previous session, as a stronger dollar and higher US Treasury yields pressured the non-yielding bullion.

Spot gold fell as much as 1.7% to \$1,816.53 per ounce, its lowest since December 2, and was down 0.7% at \$1,835.96 by 4.59am. Prices fell as much as 4.4% on Friday.

US gold futures were flat at \$1,835.60.

"The glory days of gold are over," said Stephen Innes, chief global market strategist at Axi.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	58423.34	294.43	0.50%
ALSI	58689.00	0.00	0.00%
S&P 500	3824.68	-25.07	-0.66%
FTSE	6873.26	-74.78	-1.09%
CAC	5662.43	0.00	0.00%
DAX	14049.53	-112.87	-0.80%
Hang Seng	27908.22	75.94	0.27%



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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	497.00	492.25	The record	-4.75	491.50	-0.75	-5.50
MAY 2021	498.00	494.00	The record	-4.00	493.00	-1.00	-5.00
JUL 2021	496.00	491.25	The record	-4.75	490.25	-1.00	-5.75
SEP 2021	458.00	456.00	The record	-2.00	456.75	0.75	-1.25
DEC 2021	443.00	440.75	The record	-2.25	440.50	-0.25	-2.50

FarmProgress - Corn prices fell nearly 1% lower as part of a broad commodity selloff today, and as traders squared positions ahead of tomorrow morning's WASDE report from USDA. Timely rains in South America created additional headwinds today. March futures dropped 4.75 cents to \$4.9150, with May futures down 4.25 cents to \$4.9325.

Corn basis bids were steady to weak Monday after dropping 1 to 3 cents lower across a handful of Midwestern locations today.

Private exporters announced to USDA the sale of 4.3 million bushels of corn for delivery to Colombia during the 2020/21 marketing year, which began September 1.

Corn export inspections moved slightly higher in the week ending January 7, reaching 44.5 million bushels. That was on the higher end of trade estimates, which ranged between 31.5 million and 47.2 million bushels. China accounted for nearly half of that total, with 19.2 million bushels. Cumulative totals for the 2020/21 marketing year are still way ahead of last year's pace, reaching 638.4 million bushels.

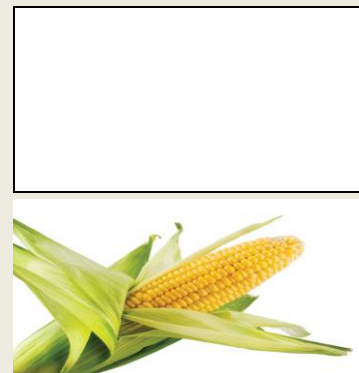
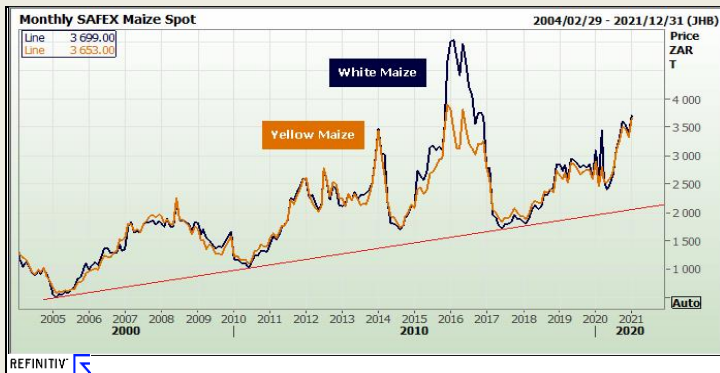
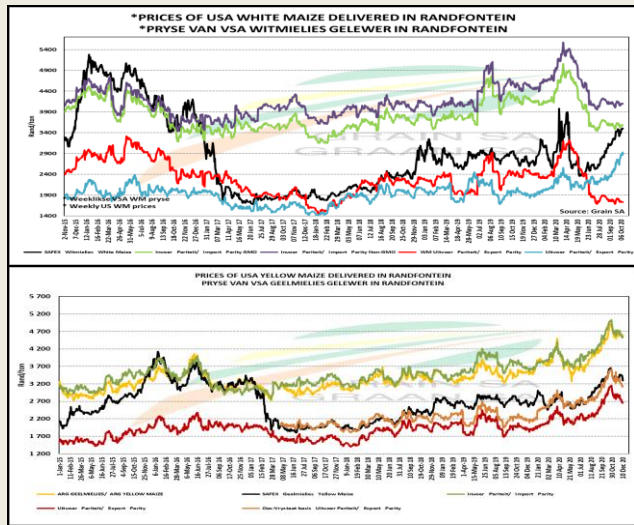
Ahead of Tuesday morning's WASDE report from USDA, analysts expect to see 2020/21 ending corn stocks tighten from 1.702 billion bushels in December down to 1.599 billion bushels. Analyst also think USDA will trim yield estimates to 175.3 bushels per acre (down half a bushel from December), with production dropping to 14.470 billion bushels.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Mar 2021	R 3 649.00	33%	R -12.55	R 3 636.45
May 2021	R 3 179.00	31.5%	R -9.44	R 3 169.56
Jul 2021	R 3 106.00	22%	R -14.13	R 3 091.87
Sep 2021	R 3 152.00	0%	R 11.86	R 3 163.86
Dec 2021	R 3 220.00	32.5%	R 3.55	R 3 223.55
Mar 2022				
May 2022				
Yellow Maize Future				
Mar 2021	R 3 630.00	25.5%	R -12.55	R 3 617.45
May 2021	R 3 257.00	23%	R -9.44	R 3 247.56
Jul 2021	R 3 210.00	22.5%	R -14.13	R 3 195.87
Sep 2021	R 3 262.00	0%	R 11.86	R 3 273.86
Dec 2021	R 3 340.00	21%	R 3.55	R 3 343.55
Mar 2022				
May 2022				

The local Maize market traded higher yesterday. The Mar'21 WMAZ contract ended R34.00 up and Mar'21 YMAZ closed R26.00 higher. The May'21 WMAZ closed higher by R85.00 and May'21 YMAZ ended R72.00 up. The parity move for the Mar'21 Maize contract for yesterday was R14.00 negative.



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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

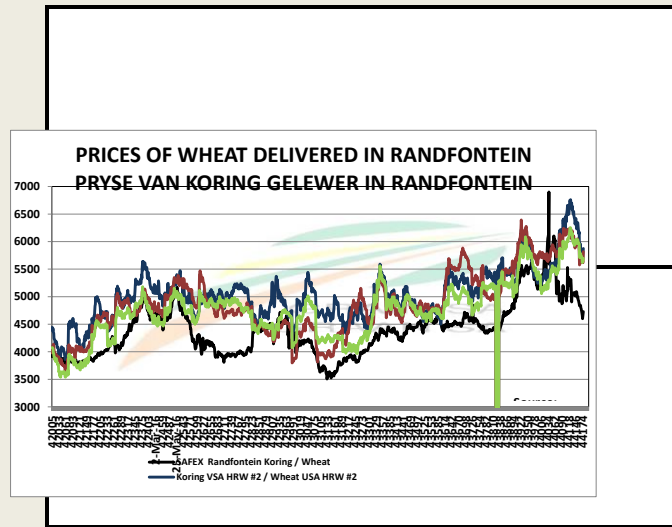
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2021	635.00	634.75	The record d	-0.25	634.25	-0.50	-0.75	MAR 2011	592.00	594.00	The record	2.00	594.75	0.75	2.75
MAY 2021	637.00	636.75	The record d	-0.25	636.00	-0.75	-1.00	MAY 2011	597.00	598.50	The record	1.50	598.75	0.25	1.75
JUL 2021	629.00	628.75	The record d	-0.25	628.00	-0.75	-1.00	JUL 2011	600.00	601.75	The record	1.75	602.25	0.50	2.25
SEP 2021	632.00	631.00	The record d	-1.00	631.25	0.25	-0.75	SEP 2011	606.00	606.75	The record	0.75	608.00	1.25	2.00
DEC 2021	638.00	638.50	The record d	0.50	529.00	-109.50	-109.00	DEC 2011	611.00	614.25	The record	3.25	615.00	0.75	4.00



FarmProgress - Wheat prices saw small cuts ahead the next WASDE report, with traders engaging in some light technical selling ahead of its release tomorrow morning. March Chicago SRW futures dropped 2.75 cents to \$6.36, March Kansas City HRW futures slid half a penny lower to \$5.9425, and March MGEX spring wheat futures fell 1.5 cents to \$6.0625. Wheat export inspections spilled 41% below last week's tally, falling to 10.3 million bushels for the week ending January 7. That was also on the lower end of trade estimates, which ranged between 9.2 million and 16.5 million bushels. South Korea led all destinations, with 2.5 million bushels. Cumulative totals for the 2020/21 marketing year are still slightly below last year's pace, with 561.8 million bushels. Ahead of tomorrow's WASDE report from USDA, analysts think the agency will slightly reduce its analysis of 2020/21 ending wheat stocks from 862 million bushels in December to 859 million bushels. But analysts also predict a sharp uptick in 2020/21 winter wheat acres, from an estimated 30.415 million acres in December up to 31.528 million acres. China sold 77.1 million bushels of its state wheat reserves on auction last week, which was 52.2% of the total available for sale. That marked the sixth large wheat auction China has held since the beginning of December. Chinese feed producers are trying to shore up supplies amid higher corn prices.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Mar 2021	R 5 124.00	11%	R 20.97	R 5 144.97
May 2021	R 5 150.00	0%	R 19.62	R 5 169.62
Jul 2021	R 5 179.00	0%	R 19.30	R 5 198.30
Sep 2021	R 4 838.00	0%	R 20.86	R 4 858.86
Dec 2021				
Mar 2022				
May 2022				
Cape Wheat				
Mar 2021				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				
Mar 2022				
May 2022				



The local Wheat market closed mixed yesterday. The Mar'21 Wheat contract closed R14.00 up while May'21 Wheat closed unchanged. The parity move for the Mar'21 Wheat contract for yesterday was R21.00 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	Overnight Change from 12pm
JAN 2021	1382.00	1374.50	The record	-7.50	902.00	-472.50	-480.00
MAR 2021	1385.00	1372.50	The record	-12.50	1372.50	0.00	-12.50
MAY 2021	1382.00	1370.00	The record	-12.00	1369.50	-0.50	-12.50
JUL 2021	1368.00	1358.25	The record	-9.75	1357.50	-0.75	-10.50
AUG 2021	1319.00	1310.25	The record	-8.75	1310.00	-0.25	-9.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2011	451.8	0.00
MAR 2011	446.8	446.40
MAY 2011	442	441.60
JUL 2011	438.2	437.60
AUG 2011	424.2	424.10

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2011	43.13	43.23
MAR 2011	42.63	42.60
MAY 2011	42.27	42.23
JUL 2011	42.08	41.98
AUG 2011	41.49	41.45



FarmProgress - Soybean prices tested moderate gains Monday morning but closed the session with small losses, following other commodity prices lower on a round of technical selling. January futures dipped 1.25 cents to \$13.7450, while March futures lost 3.5 cents to \$13.7125. Soybean basis bids were steady to mixed across the central U.S. Monday, dipping 1 to 2 cents lower at two interior river terminals while jumping 11 cents higher at an Illinois processor today. Private exporters announced to USDA the sale of 4.9 million bushels of soybeans for delivery to China during the 2020/21 marketing year, which began September 1. Soybean export inspections saw small week-over-week improvement, inching up to 65.4 million bushels. That was also on the high end of trade estimates, which ranged between 36.7 million and 73.5 million bushels. China accounted for more than half of the total, with 38.1 million bushels. Cumulative totals for the 2020/21 marketing year are nearly doubling last year's pace, with just over 1.5 billion bushels.

Ahead of tomorrow's WASDE report from USDA, analysts expect to see a moderate reduction in 2020/21 soybean ending stocks, falling from 175 million bushels in December down to 139 million bushels. Analysts also predict the agency will lower its 2020 yield estimates to 50.5 bushels per acre, leaving production down to 4.158 billion bushels. Preliminary volume estimates were for 243,502 contracts, tracking slightly above Friday's final count of 238,345.

South African Futures Exchange

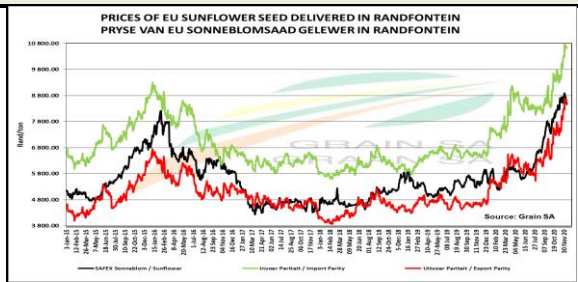
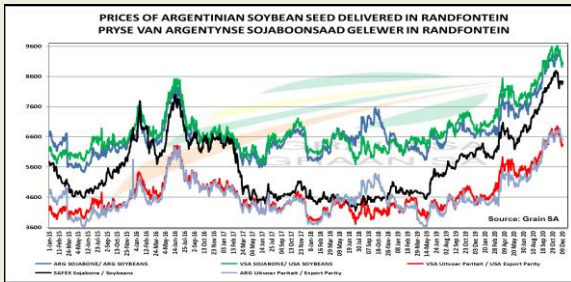
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2021	R 9 159.00	17%	R -16.46	R 9 142.54
May 2021	R 8 293.00	18%	R -16.57	R 8 276.43
Jul 2021	R 8 388.00	21.5%	R -5.68	R 8 382.32
Sep 2021				
Dec 2021	R 8 413.00	0%		R 8 413.00
Mar 2022				
May 2022				

Sunflower Seeds Future		
	MTM	Vols
Mar 2021	R 9 478.00	18%
May 2021	R 8 429.00	21.5%
Jul 2021	R 8 469.00	22%
Sep 2021		
Dec 2021		
Mar 2022		
May 2022		



The local Soya market traded higher yesterday. The Mar'21 Soya contract ended R131.00 up and May'21 Soya closed R150.00 higher. The parity move for the Mar'21 Soya contract for yesterday was R18.00 negative.

The local Suns market closed higher yesterday. The Mar'21 Suns contract closed R132.00 up and May'21 Suns closed R134.00 higher.



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