



# **Fundamental Report**

## **25 January 2021**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.0523	15.1184	0.0661	0.44%
Euro/Rand	18.3163	18.4040	0.0877	0.48%
GBPound/Rand	20.5623	20.6967	0.1344	0.65%
AusDollar/Rand	11.6189	11.6775	0.0586	0.50%
Euro/USDollar	1.2172	1.2168	-0.0004	-0.03%
GBPound/USDollar	1.3663	1.3688	0.0025	0.18%
AusDollar/USDollar	0.7722	0.7724	0.0002	0.03%
JpyYen/USDollar	103.6600	103.8000	0.1400	0.14%

BDLive - The JSE and the rand fell after the recent global market rally stumbled as new coronavirus restrictions dented investor optimism about US President Joe Biden's plans to increase fiscal stimulus measures in the world's biggest economy.

The rand traded back above R15/\$ after Hong Kong imposed its first lockdown to combat Covid-19 a day after mainland China said it would impose strict testing on travelers during its Lunar New Year celebrations amid an increase in infections... Global shares slipped off record highs on Friday as gloomy data reminded investors of the struggles facing the economic recovery, curbing a rally fueled by hopes of US stimulus by newly inaugurated US President Joe Biden. Sentiment in Europe was already more cautious after Thursday's European Central Bank (ECB) meeting, in which the bank's message was perceived as more hawkish than expected. The yield on Italian 10-year benchmark bonds touched its highest since early November on reports that Prime Minister Giuseppe Conte may be tempted by the prospect of a snap election.



### Commodities

	Last	Value Change	% Change
Platinum	1100.15	1.65	0.15%
Gold	1855.14	2.59	0.14%
Silver	25.56	0.16	0.64%
Copper	3.63	0.00	0.03%
Gasoil	447.00	-2.25	-0.50%
Brent Oil	55.27	-0.14	-0.25%

BDLive - Bengaluru — Gold inched lower on Friday as US Treasury yields ticked up, though bets of a large US stimulus kept the metal on course for its best week in five.

Spot gold fell 0.3% to \$1,863.56/oz at 2.33am GMT, retreating from its highest since January 8 hit on Thursday. For the week, it was up 2% in what would be its biggest weekly gain since the week ended December 18. US gold futures eased 0.1% to \$1,863.90/oz. "Gold is struggling a bit due to a lift in nominal yields, which came off the back of strong US jobless claims number, also the European Central Bank (ECB) came out a little less dovish than the market would like," said IG Market analyst Kyle Rodda.

Benchmark 10-year US Treasury yields held firm above 1%, helping the dollar trade steady. Higher yields increase the opportunity cost of holding non-yielding bullion.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	58969.37	-83.11	-0.14%
ALSI	59022.00	0.00	0.00%
S&P 500	3853.07	-11.60	-0.30%
FTSE	6715.42	-20.35	-0.30%
CAC	5559.57	0.00	0.00%
DAX	13906.67	-32.70	-0.24%
Hang Seng	29447.85	335.97	1.14%



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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	520.00	500.50	The record	-19.50	497.25	-3.25	-22.75
MAY 2021	522.00	503.00	The record	-19.00	499.75	-3.25	-22.25
JUL 2021	517.00	498.75	The record	-18.25	495.25	-3.50	-21.75
SEP 2021	468.00	451.50	The record	-16.50	448.75	-2.75	-19.25
DEC 2021	445.00	430.25	The record	-14.75	427.25	-3.00	-17.75

FarmProgress - Corn prices concluded a bad week with heavy losses Friday, capping off the first weekly loss since early December. With a very large net long position, prices are vulnerable to periods of liquidation, as was evident today. March and May futures each tumbled 24 cents lower to close at \$5.0025 and \$5.0225, respectively.

Corn basis bids were steady to mixed across the central U.S. Friday, moving as much as 4 cents higher at an Indiana ethanol plant and as much as 5 cents lower at an Ohio river terminal today. Corn export sales were nearly identical from a week ago through January 14, with 56.6 million bushels in old crop sales, plus another 1.8 million bushels in new crop sales. That was above all trade estimates, which ranged between 23.6 million and 47.2 million bushels. Cumulative totals for the 2020/21 marketing year are still well ahead of last year's pace, reaching 693.2 million bushels.

Corn export shipments slid 39% lower week-over-week and landed 24% below the prior four-week average, in contrast. Mexico led all destinations, with 7.8 million bushels. In Argentina, recent rains have helped farmers near the finish line for corn planting, which is now 93.4% complete, according to the Buenos Aires Grains Exchange. "The rains improved water levels, slowing down the deterioration in early plantings and improving the panorama for later sowings," the group noted.

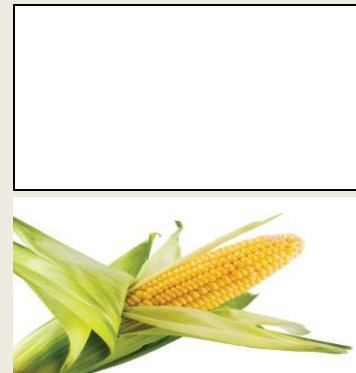
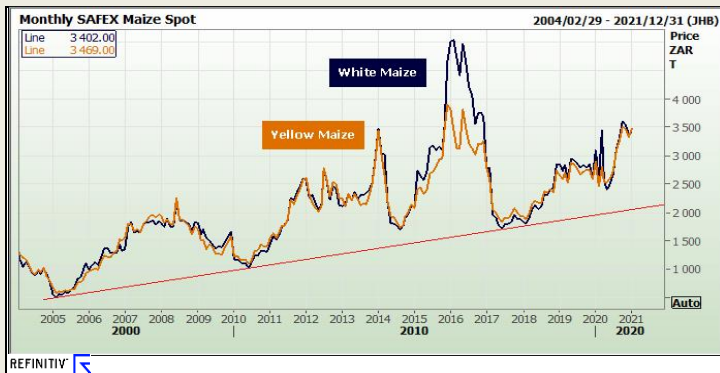
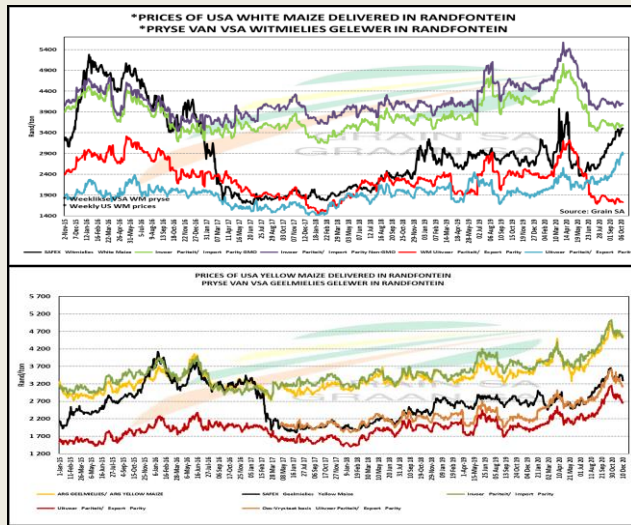
Preliminary volume estimates were for 481,326 contracts, jumping 56% above Thursday's final count of 308,930.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2021	R 3 370.00	32%	R -121.87	R 3 248.13
May 2021	R 3 150.00	31.5%	R -118.84	R 3 031.16
Jul 2021	R 3 102.00	23.5%	R -116.00	R 2 986.00
Sep 2021	R 3 154.00	0%	R -102.39	R 3 051.61
Dec 2021	R 3 230.00	32.5%	R -94.06	R 3 135.94
Mar 2022				
May 2022				
<b>Yellow Maize Future</b>				
Mar 2021	R 3 444.00	25.5%	R -121.87	R 3 322.13
May 2021	R 3 251.00	23%	R -118.84	R 3 132.16
Jul 2021	R 3 218.00	23.5%	R -116.00	R 3 102.00
Sep 2021	R 3 265.00	0%	R -102.39	R 3 162.61
Dec 2021	R 3 341.00	21%	R -94.06	R 3 246.94
Mar 2022				
May 2022				

The local Maize market traded mixed yesterday. The Mar'21 WMAZ contract ended R20.00 up and Mar'21 YMAZ closed R12.00 higher. The May'21 WMAZ closed lower by R19.00 while May'21 YMAZ ended R12.00 up. The parity move for the Mar'21 Maize contract for yesterday was R116.00 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	653.00	634.50	The record d	-18.50	630.75	-3.75	-22.25	MAR 2011	631.00	613.25	The record	-17.75	609.50	-3.75	-21.50
MAY 2021	655.00	636.00	The record d	-19.00	632.00	-4.00	-23.00	MAY 2011	636.00	617.00	The record	-19.00	612.75	-4.25	-23.25
JUL 2021	641.00	624.00	The record d	-17.00	618.50	-5.50	-22.50	JUL 2011	635.00	616.75	The record	-18.25	612.50	-4.25	-22.50
SEP 2021	643.00	625.00	The record d	-18.00	619.00	-6.00	-24.00	SEP 2011	636.00	619.50	The record	-16.50	618.25	-1.25	-17.75
DEC 2021	647.00	630.50	The record d	-16.50	529.00	-101.50	-118.00	DEC 2011	641.00	625.50	The record	-15.50	622.25	-3.25	-18.75



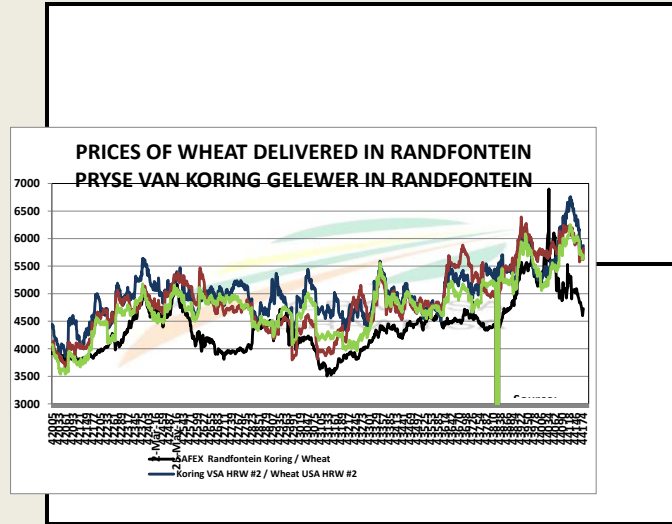
FarmProgress - Wheat prices followed corn and soybean prices lower, with worries about increased overseas competition creating additional headwinds that led to significant technical selling today. March Chicago SRW futures fell 25.75 cents to \$6.35, March Kansas City HRW futures dropped 21.75 cents to \$6.14, and March MGEX spring wheat futures lost 24.25 cents to \$6.11. Today's losses contributed to the largest weekly decline in more than five months.

European wheat prices also saw sharp declines Friday, losing 4% and falling to a 10-day low on worries that a new swine fever outbreak in China could put a dent in demand. A prior outbreak in 2018 led to the death of millions of hogs. Overseas competition is also increasingly stiff ahead of Russia's planned export tax, which will begin in three weeks.

Wheat export sales improved by 49% from a week ago, to 12.1 million bushels. That was still 7% below the prior four-week average, however, and on the lower end of trade estimates that ranged between 9.2 million and 23.9 million bushels. Cumulative totals for the 2020/21 marketing year continue to trail last year's pace, with 551.3 million bushels. Preliminary volume estimates were for 146,991 CBOT contracts, moving 68% above Thursday's final count of 87,388.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2021	R 5 239.00	11%	R -107.74	R 5 131.26
May 2021	R 5 290.00	0%	R -111.86	R 5 178.14
Jul 2021	R 5 290.00	0%	R -109.42	R 5 180.58
Sep 2021	R 5 100.00	0%	R -117.70	R 4 982.30
Dec 2021				
Mar 2022				
May 2022				
<b>Cape Wheat</b>				
Mar 2021				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				
Mar 2022				
May 2022				



The local Wheat market closed higher yesterday. The Mar'21 Wheat contract closed R39.00 up and May'21 Wheat closed R42.00 higher. The parity move for the Mar'21 Wheat contract for yesterday was R112.00 negative.



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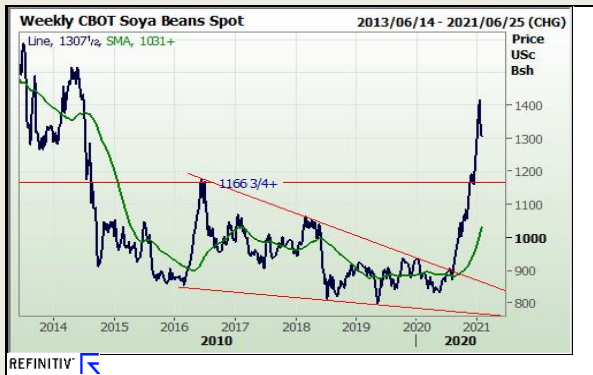
## Oil Seed Market

### 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
MAR 2021	1350.00	1311.75	The record	-38.25	902.00	-409.75	-448.00
MAY 2021	1350.00	1311.75	The record	-38.25	1307.00	-4.75	-43.00
JUL 2021	1332.00	1298.50	The record	-33.50	1292.00	-6.50	-40.00
AUG 2021	1289.00	1254.00	The record	-35.00	1245.25	-8.75	-43.75
SEP 2021	1198.00	1161.00	The record	-37.00	1154.00	-7.00	-44.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2011	421.6	420.90
MAY 2011	417.9	417.00
JUL 2011	414	412.20
AUG 2011	399.3	398.50
SEP 2011	380.6	380.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2011	42.27	42.24
MAY 2011	41.55	41.48
JUL 2011	41.07	40.93
AUG 2011	40.29	40.27
SEP 2011	39.48	39.50



FarmProgress - Soybean prices took a dramatic spill this morning, finishing the session more than 4% lower on a wave of technical selling and profit-taking largely spurred by improving South American weather that is expected to fuel record production this season. Nearby contracts lost more than \$1 per bushel this week, losing 7.7% since Tuesday's open. Today, March futures dropped 60.5 cents to \$13.0975, with May futures down 59.5 cents to \$13.0925.

Soybean basis bids fell 6 cents lower at an Ohio elevator and firmed a penny higher at an Iowa river terminal while holding steady at other Midwestern locations Friday.

Private exporters reported to USDA the sale of 5.0 million bushels of soybeans for delivery to China during the 2020/21 marketing year, which began September 1. China also bought 4.8 million bushels of sorghum, half of which is for delivery this marketing year, with the other half for delivery in 2021/22. Agroconsult has a very similar prediction for Brazilian soybean production, with a new estimate of 4.866 billion bushels. However, the consultancy's production estimates are trending slightly below its prior estimate from last November. It also expects Brazil to export 3.050 billion bushels of soybeans this year.

Preliminary volume estimates were for 361,993 contracts, nearly doubling Thursday's final count of 190,027.

### South African Futures Exchange

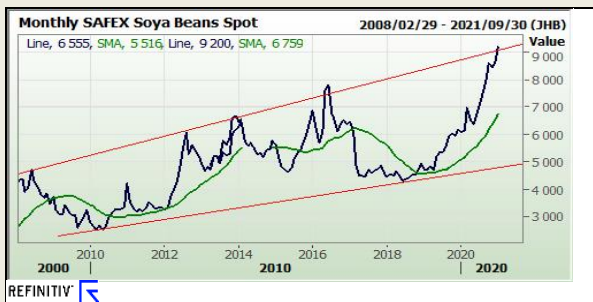
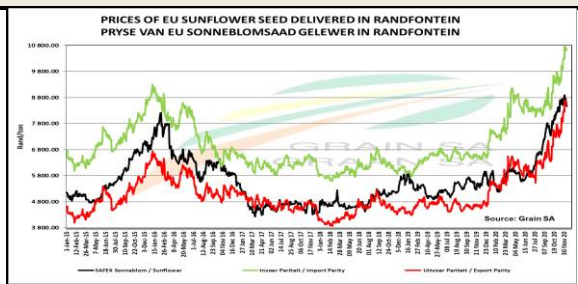
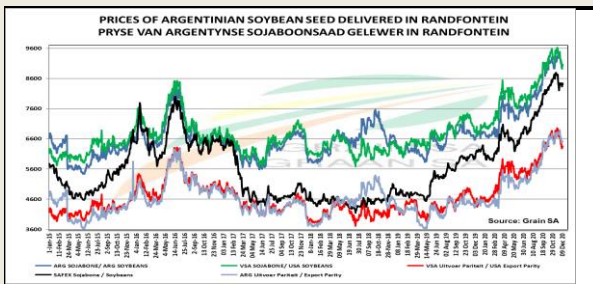
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2021	R 8 318.00	17%	#####	R 5 862.12
May 2021	R 7 749.00	21%	R -206.08	R 7 542.92
Jul 2021	R 7 865.00	21.5%	R -189.85	R 7 675.15
Sep 2021				
Dec 2021	R 7 920.00	0%		R 7 920.00
Mar 2022				
May 2022				

Sunflower Seeds Future		
	MTM	Vols
Mar 2021	R 8 765.00	18%
May 2021	R 8 112.00	22%
Jul 2021	R 8 144.00	22%
Sep 2021		
Dec 2021		
Mar 2022		
May 2022		



The local Soya market traded mixed yesterday. The Mar'21 Soya contract ended R38.00 down while May'21 Soya closed R23.00 higher. The parity move for the Mar'21 Soya contract for yesterday was R205.00 negative.

The local Suns market closed higher yesterday. The Mar'21 Suns contract closed R24.00 up and May'21 Suns closed R126.00 higher.



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