



# **Fundamental Report**

## **29 January 2021**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.2586	15.2026	-0.0560	-0.37%
Euro/Rand	18.4725	18.4065	-0.0660	-0.36%
GBPound/Rand	20.8166	20.8473	0.0307	0.15%
AusDollar/Rand	11.6037	11.6376	0.0339	0.29%
Euro/USDollar	1.2108	1.2104	-0.0004	-0.03%
GBPound/USDollar	1.3643	1.3710	0.0067	0.49%
AusDollar/USDollar	0.7603	0.7655	0.0052	0.68%
JpyYen/USDollar	104.2900	104.4500	0.1600	0.15%

BDLive - The JSE rose and the rand strengthened as European stocks edged higher and US equities rebounded from their worst session since October following positive earnings and economic data in the world's biggest economy.

The rand advanced against the dollar, euro and pound as market sentiment improved after Apple reported record quarterly earnings. Better-than-expected weekly jobless claims in the US also boosted investor optimism... Shares wiped out their gains in Europe for the year early on Thursday, soured by a sell-off on Wall Street, no end in sight to pandemic lockdowns, and a squeeze in short positions. The pan-European Stoxx benchmark was down 1.8% at 395.77 points, its lowest since December. London, Paris and Frankfurt all fell.

"The initial optimism of early in the year is starting to dissipate because of the prospects of tighter pandemic restrictions for longer, and concerns over vaccine nationalism," said Michael Hewson, chief market analyst at CMC Markets.



### Commodities

	Last	Value Change	% Change
Platinum	1072.60	1.79	0.17%
Gold	1842.25	1.89	0.10%
Silver	26.19	-0.18	-0.69%
Copper	3.57	-0.01	-0.15%
Gasoil	450.75	-0.50	-0.11%
Brent Oil	55.74	0.21	0.38%

BDLive - Bengaluru — Gold slipped on Thursday as investors flocked to the safety of the dollar after an equity sell-off, while the US Federal Reserve flagging concerns around the pace of the recovery in the world's largest economy lent further support to the greenback.

Spot gold eased 0.3% to \$1,837.67/oz by 3.08am GMT. Prices had fallen to their lowest since January 18 at \$1,830.80 on Wednesday.

US gold futures shed 0.6% to \$1,833.70. "The market seems to be very disappointed with the Fed ... we didn't get anything additional in terms of policy guidance or stimulus prospects, so that sunk risk assets, pushed the dollar up and gold got caught in that trade," said IG Market analyst Kyle Rodda.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	57644.44	440.02	0.76%
ALSI	58165.00	0.00	0.00%
S&P 500	3750.77	36.61	0.98%
FTSE	6567.37	-41.22	-0.63%
CAC	5510.52	0.00	0.00%
DAX	13620.46	45.47	0.33%
Hang Seng	28550.77	57.15	0.20%



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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	534.00	534.50	The record	0.50	540.25	5.75	6.25
MAY 2021	535.00	536.25	The record	1.25	541.00	4.75	6.00
JUL 2021	527.00	527.25	The record	0.25	530.75	3.50	3.75
SEP 2021	467.00	465.00	The record	-2.00	465.50	0.50	-1.50
DEC 2021	441.00	438.75	The record	-2.25	439.50	0.75	-1.50

FarmProgress - Corn prices tested moderate gains in overnight trading and early in Thursday's session but ultimately spilled slightly in the red after following soybean prices lower. However, a good round of export sales data and the announcement of a massive sale to China this morning kept losses minimized. March futures dipped half a penny lower to \$5.3350, with May futures inching down 0.25 cents to \$5.35.

Corn basis bids were steady to mixed, rising as much as 2 cents higher at an Illinois river terminal and as much as 2 cents lower at an Ohio elevator Thursday. Most Midwestern locations were unchanged today.

Private exports announced two more large corn sales to USDA today. The first is for 66.9 million bushels to China, and the second is for 8.4 million bushels to unknown destinations. Both sales are for delivery during the 2020/21 marketing year, which began September 1.

Corn export sales saw another 72.8 million bushels for the week ending January 21, which was a 29% improvement from the prior week and 61% above the prior four-week tally. It was also better than all trade estimates, which ranged between 35.4 million and 66.9 million bushels. Cumulative totals for the 2020/21 marketing year are still well beyond last year's pace, now at 748.8 million bushels. South African farmers are expected to plant 6% more corn acres this year on the heels of favorable weather and prices. The country's Crop Estimates Committee estimates 6.845 million acres of corn will be planted this season.

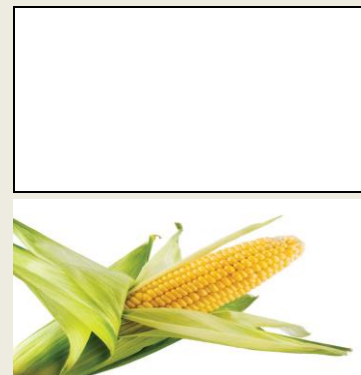
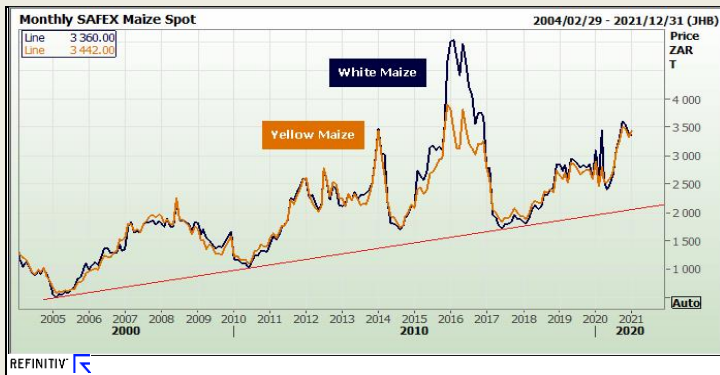
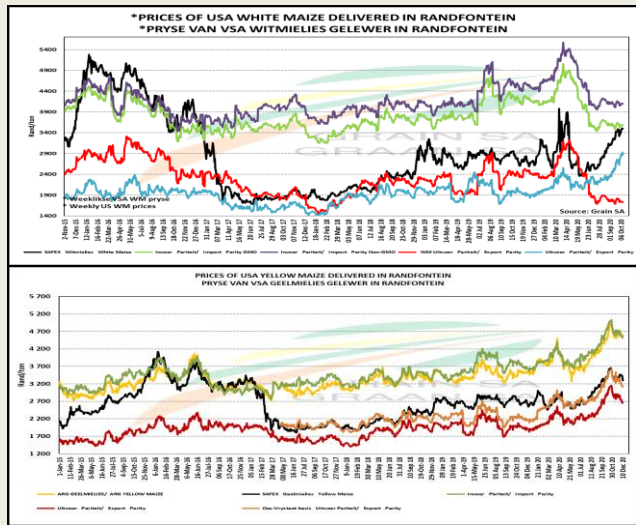
Preliminary volume estimates were for 490,962 contracts, rising moderately above Wednesday's final count of 409,065.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2021	R 3 302.00	30.75%	R 25.63	R 3 327.63
May 2021	R 3 158.00	31.5%	R 24.12	R 3 182.12
Jul 2021	R 3 110.00	24%	R 10.83	R 3 120.83
Sep 2021	R 3 167.00	0%	R -19.27	R 3 147.73
Dec 2021	R 3 246.00	32.5%	R -18.70	R 3 227.30
Mar 2022	R 3 201.00	0%		R 3 201.00
May 2022				
<b>Yellow Maize Future</b>				
Mar 2021	R 3 409.00	25.5%	R 25.63	R 3 434.63
May 2021	R 3 266.00	23%	R 24.12	R 3 290.12
Jul 2021	R 3 243.00	24%	R 10.83	R 3 253.83
Sep 2021	R 3 302.00	0%	R -19.27	R 3 282.73
Dec 2021	R 3 371.00	21%	R -18.70	R 3 352.30
Mar 2022				
May 2022				

The local Maize market traded mixed yesterday. The Mar'21 WMAZ contract ended R48.00 down and Mar'21 YMAZ closed R37.00 lower. The May'21 WMAZ closed higher by R1.00 while May'21 YMAZ ended R6.00 down. The parity move for the Mar'21 Maize contract for yesterday was R27.00 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	646.00	647.00	The record c	1.00	649.50	2.50	3.50	MAR 2011	626.00	626.00	The record	0.00	627.50	1.50	1.50
MAY 2021	647.00	647.50	The record c	0.50	649.75	2.25	2.75	MAY 2011	628.00	629.50	The record	1.50	630.00	0.50	2.00
JUL 2021	632.00	631.50	The record c	-0.50	633.50	2.00	1.50	JUL 2011	627.00	626.00	The record	-1.00	626.50	0.50	-0.50
SEP 2021	631.00	630.25	The record c	-0.75	632.50	2.25	1.50	SEP 2011	627.00	626.00	The record	-1.00	627.25	1.25	0.25
DEC 2021	635.00	634.00	The record c	-1.00	529.00	-105.00	-106.00	DEC 2011	636.00	630.25	The record	-5.75	631.00	0.75	-5.00

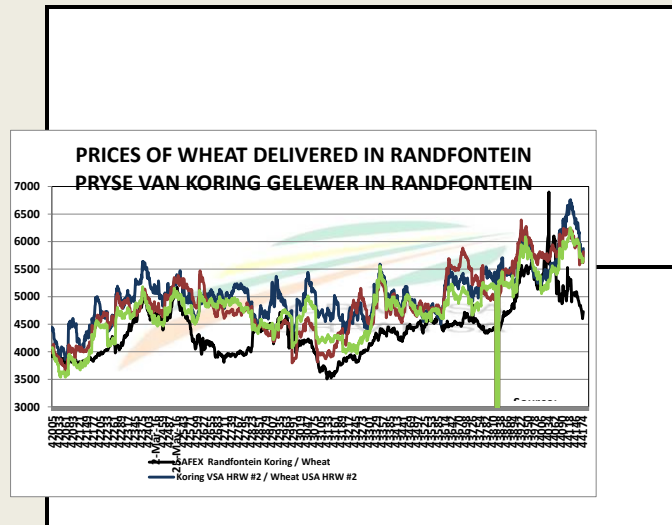


FarmProgress - Wheat prices suffered a moderate setback after a round of technical selling pushed some contracts more than 2% lower today, despite a good round of export data from USDA this morning. Spillover weakness from soybeans applied additional headwinds. March Chicago SRW futures dropped 11 cents to \$6.4725, March Kansas City HRW futures fell 10.5 cents to \$6.2625, and March MGEX spring wheat futures lost 14.5 cents to \$6.1825. Old crop wheat export sales tracked 15% higher week-over-week and 13% above the prior four-week average, with 14.0 million bushels. New crop sales chipped in another 7.9 million bushels, for a total of 21.9 million bushels. That was on the upper end of trade estimates, which ranged between 9.2 million and 23.9 million bushels. Cumulative totals for the 2020/21 marketing year are still slightly below last year's pace, with 569.9 million bushels. Wheat export shipments were for 18.6 million bushels, climbing 92% higher week-over-week and 37% above the prior four-week average. Japan was the No. 1 destination, with 4.2 million bushels.

Egypt has planted nearly 3.2 million acres of wheat since mid-November, with a total targeted area of around 3.6 million acres this season. Egypt is the world's No. 1 wheat importer.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2021	R 5 306.00	11%	R 6.26	R 5 312.26
May 2021	R 5 353.00	0%	R 2.05	R 5 355.05
Jul 2021	R 5 360.00	0%	R -4.63	R 5 355.37
Sep 2021	R 5 125.00	0%	R -4.60	R 5 120.40
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 R30.00 up and May'21 Wheat closed R38.00 higher. The parity move for the Mar'21 Wheat contract for yesterday was R8.00 positive.



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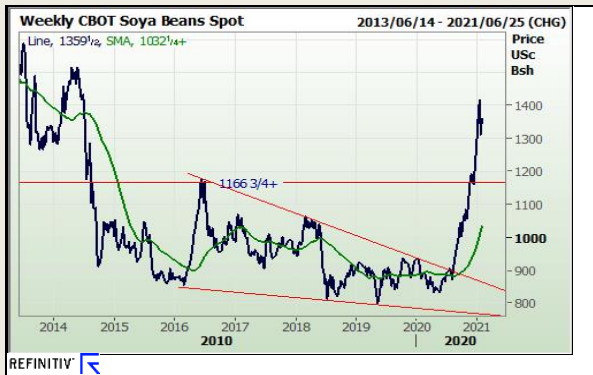
## Oil Seed Market

### 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
MAR 2021	1370.00	1353.25	The record	-16.75	902.00	-451.25	-468.00
MAY 2021	1368.00	1351.50	The record	-16.50	1357.00	5.50	-11.00
JUL 2021	1349.00	1333.00	The record	-16.00	1338.75	5.75	-10.25
AUG 2021	1300.00	1285.00	The record	-15.00	1286.25	1.25	-13.75
SEP 2021	1202.00	1185.50	The record	-16.50	1188.75	3.25	-13.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2011	427.1	428.80
MAY 2011	425	426.70
JUL 2011	419.4	421.00
AUG 2011	404.5	405.80
SEP 2011	385.6	386.30

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2011	44.65	44.73
MAY 2011	43.79	43.82
JUL 2011	42.98	42.91
AUG 2011	41.99	42.10
SEP 2011	41.09	41.22



FarmProgress - Soybean prices crumbled throughout Thursday's session after a round of technical selling and profit-taking pushed prices more than 1.5% lower today, leading to double-digit losses. March futures tumbled 23 cents lower to \$13.5175, with May futures down 23.25 cents to \$13.50. Soybean basis bids tilted 4 cents higher at an Ohio elevator and 3 cents higher at an Indiana processor while holding steady elsewhere across the central U.S. today. Soybean export sales only gathered 17.1 million bushels in old crop sales last week, which was 45% below the prior four-week average. However, new crop sales brought in another 57.5 million bushels, for a total tally of 74.6 million bushels – besting all trade guesses, which ranged between 38.6 million and 71.7 million bushels. Cumulative totals for the 2020/21 marketing year are still far beyond last year's pace, with 1.674 billion bushels. Soybean export shipments were also robust, with 80.6 million bushels. That was down 8% from a week ago but 1% higher than the prior four-week average. China accounted for more than half of that total, with 49.3 million bushels. In Argentina, the Buenos Aires Grains Exchange slightly trimmed its estimates for 2020/21 soybean production to 1.690 billion bushels, citing hot, dry weather experienced earlier in the season.

Preliminary volume estimates were for 286,576 contracts, sliding slightly below Wednesday's final count of 296,038.

### South African Futures Exchange

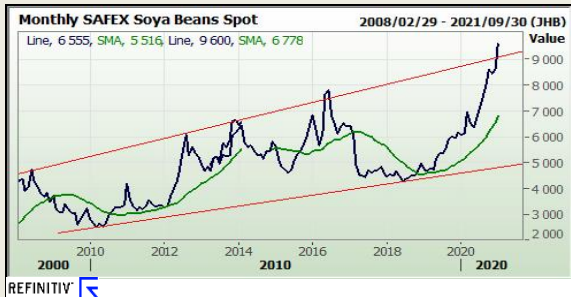
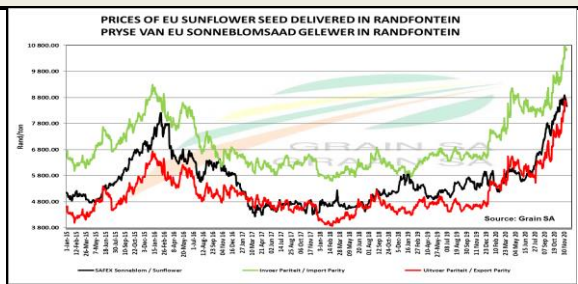
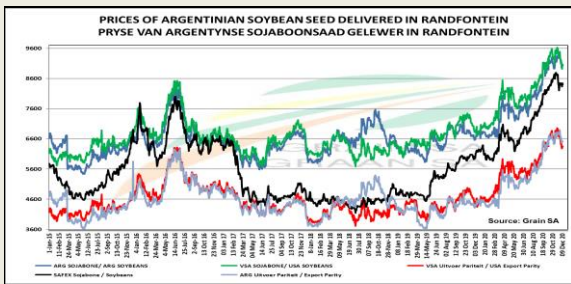
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2021	R 8 699.00	17%	#####	R 6 056.56
May 2021	R 7 907.00	21%	R -89.59	R 7 817.41
Jul 2021	R 8 005.00	21.5%	R -85.01	R 7 919.99
Sep 2021				
Dec 2021	R 8 120.00	0%		R 8 120.00
Mar 2022				
May 2022				

Sunflower Seeds Future		
	MTM	Vols
Mar 2021	R 9 270.00	18%
May 2021	R 8 449.00	22.5%
Jul 2021	R 8 480.00	22%
Sep 2021		
Dec 2021		
Mar 2022		
May 2022		



The local Soya market traded mixed yesterday. The Mar'21 Soya contract ended R150.00 up while May'21 Soya closed R28.00 lower. The parity move for the Mar'21 Soya contract for yesterday was R88.00 negative.

The local Suns market closed higher yesterday. The Mar'21 Suns contract closed R150.00 up and May'21 Suns closed R82.00 higher.



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