



# **Fundamental Report**

## **04 January 2021**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.6645	14.6107	-0.0538	-0.37%
Euro/Rand	18.0286	17.9056	-0.1230	-0.68%
GBPound/Rand	20.0357	20.0023	-0.0334	-0.17%
AusDollar/Rand	11.3005	11.2765	-0.0240	-0.21%
Euro/USDollar	1.2299	1.2256	-0.0043	-0.35%
GBPound/USDollar	1.3665	1.3690	0.0025	0.18%
AusDollar/USDollar	0.7706	0.7717	0.0011	0.14%
JpyYen/USDollar	103.1300	102.9800	-0.1500	-0.15%

BDLive - Asian shares edged up on Thursday and were set to end a tumultuous 2020 at record highs, while growing investor hopes for a global economic recovery caused the dollar to fall further against most major currencies.

MSCI's gauge of Asia-Pacific shares excluding Japan rose 0.1% to its latest peak, having explored fresh territory repeatedly late in the year. But year-end trading was typically thin.

The index is set for a fourth-quarter gain of more than 19%, which would be its strongest three-month performance since 2009, and a yearly rise just shy of 20%, which would be its highest since 2017. "A lot of the rise in the second part of the quarter is because the political risk evaporated," said Kerry Craig, global market strategist at JPMorgan Asset Management, citing the US election, hopes for an easing in US-China trade tensions and the Brexit deal.



### Commodities

	Last	Value Change	% Change
Platinum	1083.01	14.61	1.35%
Gold	1918.53	20.43	1.06%
Silver	27.06	0.70	2.58%
Copper	3.56	0.05	1.26%
Gasoil	428.25	7.50	1.75%
Brent Oil	52.08	0.28	0.54%

BDLive - Bengaluru — Gold prices fell on Thursday as hopes for an economic recovery next year increased risk appetite, though the precious metal was set to wrap up the year with its best performance in a decade. Spot gold fell 0.2% to \$1,889.58 an ounce by 3.53am GMT, but was up more than 24% for the year.

US gold futures were little changed at \$1,892.90. Asian shares were set to end the year at record highs as investors pinned hopes on a swift economic recovery next year, also putting pressure on the dollar.

"The dollar is going to weaken quite precipitously until Q1, giving gold a clear runway to do well right out of the gates next year," Stephen Innes, chief global market strategist at Axi, said, adding that inflation remained key to gold's trajectory.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	54615.33	-235.75	-0.43%
ALSI	54529.00	0.00	0.00%
S&P 500	3732.04	24.03	0.64%
FTSE	6555.82	-95.30	-1.45%
CAC	5551.41	0.00	0.00%
DAX	13761.38	-42.60	-0.31%
Hang Seng	27231.13	143.41	0.53%



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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	481.00	484.00	The record	3.00	493.00	9.00	12.00
MAY 2021	480.00	483.25	The record	3.25	492.75	9.50	12.75
JUL 2021	478.00	480.25	The record	2.25	490.00	9.75	12.00
SEP 2021	444.00	446.50	The record	2.50	452.25	5.75	8.25
DEC 2021	434.00	434.75	The record	0.75	437.75	3.00	3.75

FarmProgress - Corn prices built on yesterday's highs in today's trading session, rising to their highest level in six-and-a-half years. Dry weather forecasts in South America, a two-month corn export ban in Argentina, and a bullish weekly export report sent Chicago futures prices soaring \$0.08-\$0.10/bushel higher.

The most actively traded corn futures contract, March 2021 futures, will add a 23% gain in value on the year – its largest annual price gain in 10 years.

Weekly export sales for 2020/21 corn exceeded market expectations in this morning's Weekly Export Sales report from USDA. Forecasters anticipated today's total to range between 19.7 million – 39.4 million bushels. But USDA reported a 55% week-over-week increase in new 2020/21 corn export sales, bringing the weekly tally to 43.1 million bushels.

Export cancellations on 2020/21 corn shipments increased by nearly 3.0 million bushels to 5.1 million bushels during the December 18 – 24 reporting week, largely due to rallying corn futures prices.

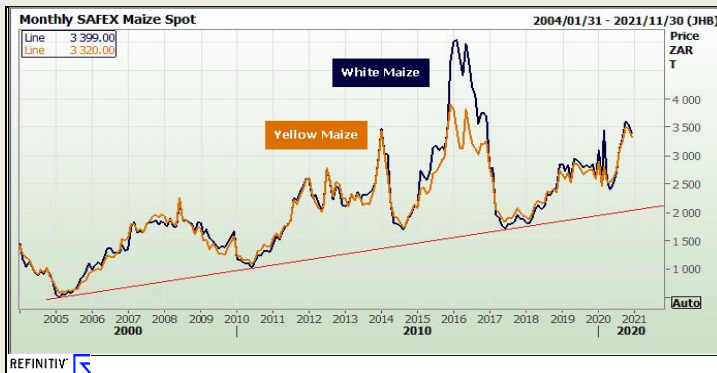
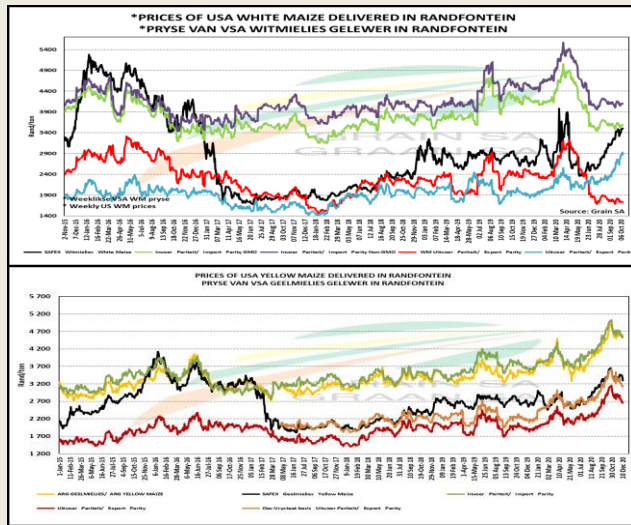
But higher prices had little impact on loading paces, as weekly corn shipments soared over 60% higher than last week's volume to 52.7 million bushels. A weakening dollar paired with increased shipments to smaller countries contributed to stronger corn exports for the reporting week, as corn export volumes to all destinations besides China rose by over 50%, or 11.2 million bushels, to 33.4 million bushels on the week.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020				
Mar 2021	R 3 317.00	31.5%	R 58.84	R 3 375.84
May 2021	R 2 905.00	31.5%	R 63.17	R 2 968.17
Jul 2021	R 2 888.00	21.5%	R 58.90	R 2 946.90
Sep 2021	R 2 933.00	0%	R 38.05	R 2 971.05
Dec 2021	R 3 007.00	0%	R 12.38	R 3 019.38
Dec 2021	R 3 007.00	0%	R 12.38	R 3 019.38
<b>Yellow Maize Future</b>				
Dec 2020				
Mar 2021	R 3 282.00	24.5%	R 58.84	R 3 340.84
May 2021	R 3 006.00	23%	R 63.17	R 3 069.17
Jul 2021	R 2 977.00	21.25%	R 58.90	R 3 035.90
Sep 2021	R 3 026.00	0%	R 38.05	R 3 064.05
Dec 2021	R 3 100.00	21%	R 12.38	R 3 112.38
Dec 2021	R 3 100.00	21%	R 12.38	R 3 112.38

The local Maize market traded higher yesterday. The Mar'21 WMAZ contract ended R100.00 up and Mar'21 YMAZ closed R97.00 higher. The May'21 WMAZ closed higher by R50.00 and May'21 YMAZ ended R51.00 up. The parity move for the Mar'21 Maize contract for yesterday was R28.00 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	641.00	640.50	The record d	-0.50	648.50	8.00	7.50	MAR 2011	602.00	603.50	The record	1.50	613.50	10.00	11.50
MAY 2021	639.00	639.50	The record d	0.50	647.50	8.00	8.50	MAY 2011	606.00	606.25	The record	0.25	615.75	9.50	9.75
JUL 2021	628.00	628.25	The record d	0.25	635.50	7.25	7.50	JUL 2011	607.00	607.25	The record	0.25	617.00	9.75	10.00
SEP 2021	629.00	630.25	The record d	1.25	637.00	6.75	8.00	SEP 2011	610.00	611.50	The record	1.50	620.00	8.50	10.00
DEC 2021	636.00	636.75	The record d	0.75	529.00	-107.75	-107.00	DEC 2011	615.00	618.50	The record	3.50	626.00	7.50	11.00

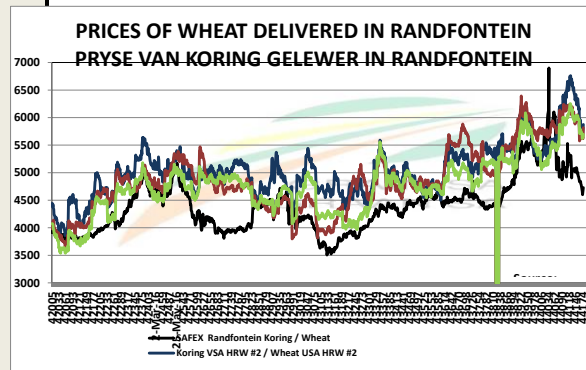


FarmProgress - Strong export numbers released by USDA today helped reverse the morning's losses in the wheat market. Strong rallies in the corn and soybean complexes also helped fuel minor gains for wheat in the last trading session of 2020.

Chicago wheat futures for the March 2021 contract recorded a 14% gain in value from the beginning of the year. It was the fourth consecutive year that Chicago wheat futures prices ended the year higher than they started. China auctioned off 21.4 million bushels of wheat in a weekly state auction early this morning. Only 14.41% of the state offerings were purchased. Weekly state wheat purchases have largely declined since October as rising grain imports have helped offset tightening domestic supplies. State auction sales averaged about \$9.75/bushel in the overnight auction. Wheat export sales for the 2020/21 crop were not as exceptional as those of corn and soybeans this week, but they were nonetheless strong in the wake of a weakened dollar and limited exportable wheat supplies in the Black Sea region. At 19.2 million bushels, weekly 2020/21 wheat export sales ticked up by nearly a third from the previous week and landed on the higher end of analyst estimates (7.3 - 22.0 million bushels). Marketing year to date loading paces remain over 8% higher than the five-year average.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020				
Mar 2021	R 4 970.00	11%	R 27.59	R 4 997.59
May 2021	R 5 033.00	0%	R 33.00	R 5 066.00
Jul 2021	R 5 028.00	0%	R 27.85	R 5 055.85
Sep 2021	R 4 753.00	0%	R 30.51	R 4 783.51
Dec 2021				
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 mixed yesterday. The Mar'21 Wheat contract closed R1.00 up while May'21 Wheat closed R2.00 lower. The parity move for the Mar'21 Wheat contract for yesterday was R25.00 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	1314.00	1315.25	The record	1.25	902.00	-413.25	-412.00
MAR 2021	1317.00	1311.00	The record	-6.00	1333.75	22.75	16.75
MAY 2021	1312.00	1306.75	The record	-5.25	1329.50	22.75	17.50
JUL 2021	1304.00	1297.50	The record	-6.50	1319.50	22.00	15.50
AUG 2021	1264.00	1258.50	The record	-5.50	1279.00	20.50	15.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2011	434.4	439.30
MAR 2011	429.4	434.70
MAY 2011	423.4	429.00
JUL 2011	419.5	425.00
AUG 2011	406.9	410.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2011	43.33	43.83
MAR 2011	42.4	43.04
MAY 2011	41.52	42.19
JUL 2011	40.94	41.67
AUG 2011	40.25	40.85



FarmProgress - Strong export sales, shrinking supply concerns, and a dry weather forecast in South America sent Chicago soybean futures prices up \$0.06-\$0.12/bushel in today's abbreviated trading session. Soymeal posted more tepid gains as Argentine oilseed workers returned back to normal production schedules following a 20-day strike over wages. January 2021 soybean futures closed out 2020 by rising 37% since January 1 – the largest annual gain for a soybean contract since 2007.

Chinese soymeal futures peaked at record levels in overnight trading as feed demand forecasts in January for the nation's poultry flock intensified. Rising feed demand from the country's recovering hog herd also contributed to strong soymeal prices. Residual strength was also added from the recent Argentine oilseed workers and grains inspectors strikes, which ended earlier this week.

Soymeal futures on the Dalian exchange soared to \$523.96 a tonne last night. "Soymeal prices might be even higher in the new year," a manager at a crusher in northern China told Reuters.

Soybean export sales for the 2020/21 crop surpassed analyst expectations for the week ending December 24. The trade anticipated new weekly sales ranging between 7.3 million – 25.7 million bushels. But today's figures exceeded that estimate as sales increased by 74% from the previous week to 33.7 million bushels.

### South African Futures Exchange

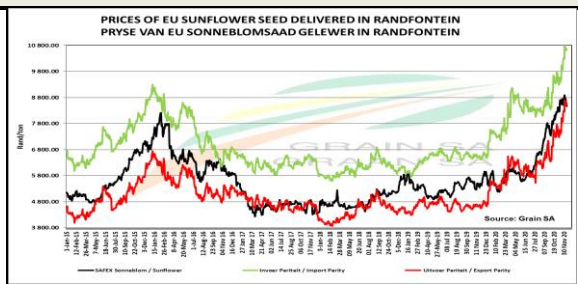
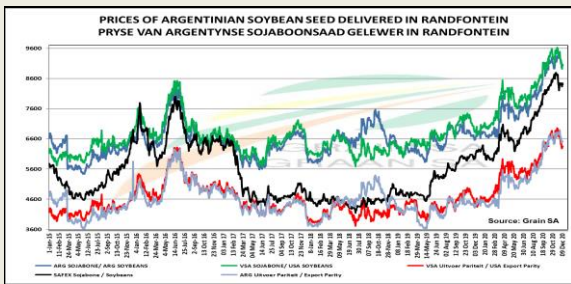
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2020				
Mar 2021	R 8 621.00	17%	R 63.89	R 8 684.89
May 2021	R 7 800.00	18%	R 68.01	R 7 868.01
Jul 2021	R 7 851.00	21.5%	R 57.43	R 7 908.43
Sep 2021				
Dec 2021	R 7 934.00	0%		R 7 934.00
Dec 2021	R 7 934.00	0%		R 7 934.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2020		
Mar 2021	R 8 882.00	18%
May 2021	R 7 956.00	21.5%
Jul 2021	R 7 980.00	22%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded higher yesterday. The Mar'21 Soya contract ended R150.00 up and May'21 Soya closed R107.00 higher. The parity move for the Mar'21 Soya contract for yesterday was R96.00 positive.

The local Suns market closed higher yesterday. The Mar'21 Suns contract closed R71.00 up and May'21 Suns closed R70.00 higher.



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