



Fundamental Report
26 March 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	17.3244	17.3411	0.0167	0.10%
Euro/Rand	18.7804	18.9311	0.1507	0.80%
GBPound/Rand	20.7288	20.5699	-0.1589	-0.77%
AusDollar/Rand	10.4761	10.2573	-0.2188	-2.09%
Euro/USDollar	1.0840	1.0911	0.0071	0.65%
GBPound/USDollar	1.1963	1.1847	-0.0116	-0.97%
AusDollar/USDollar	0.6047	0.5915	-0.0132	-2.18%
JpyYen/USDollar	111.4300	110.6400	-0.7900	-0.71%

BDLive - SA bonds bounced back from record lows after the Reserve Bank announced liquidity measures to ease the effects of the coronavirus in local markets, including a plan to buy government bonds.

The yield on the 2030 government bond fell 83 basis points (bps) to 11.59% on Wednesday, having surged to 12.38% on March 24, from a 2020 low of 8.68% reached in February. Yields move inversely to prices and the surge of the past two weeks was seen as an indication of dislocation in the market as sellers struggled to find buyers.

The Bank said the purchases would promote the smooth functioning of the local financial markets.

"Questions arose on the purchasing programme, particularly on the funding, timing, operational measures, and so on, given our current fiscal constraint," said Sasfin fixed-income trader Alvin Chawasema.

Commodities

	Last	Value Change	% Change
Platinum	727.06	-10.92	-1.50%
Gold	1602.44	-10.86	-0.68%
Silver	14.28	-0.15	-1.07%
Copper	2.19	-0.01	-0.66%
Gasoil	308.25	2.25	0.73%
Brent Oil	27.25	-0.14	-0.51%

BDLive - Bengaluru — Gold prices inched up in volatile trade on Wednesday, as growing hopes for a huge US economic stimulus package to stem the coronavirus outbreak's economic toll offset liquidation by investors looking for cash and to cover losses in other assets. Spot gold was up 0.1% at \$1,611.73/oz by 0230 GMT, after rising as much as 1.6% earlier in the day. The metal jumped more than 3% in the previous session. US gold futures climbed 0.8% to \$1,673.60. Benchmark spot gold prices continued to trade below US gold futures in a sign that the market is worried that air travel restrictions and precious metal refinery closures will hamper shipments of bullion to the US to meet contractual requirements. "Gold has benefited from the expectation of the massive stimulus measures likely to be approved by the US. Investors feel gold might hold its value," said John Sharma, an economist at National Australia Bank. He, however, said investors were in two minds — whether to go for the safety of gold or liquidate positions to cover losses on other commodities and seek refuge in hard cash.

Financials

	Current Bid	Value Change	% Change
JSE TOP 40	39493.22	0.00	0.00%
ALSI	39457.00	0.00	0.00%
S&P 500	2447.33	28.23	1.15%
FTSE	5446.01	242.19	4.45%
CAC	4432.30	0.00	0.00%
DAX	9700.57	173.69	1.79%
Hang Seng	23527.19	-128.55	-0.55%

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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
MAY 2020	351.00	348.50	-0.50	-2.50	346.00	-2.50	-5.00
JUL 2020	355.00	353.50	-0.25	-1.50	351.75	-1.75	-3.25
SEP 2020	359.00	358.25	-0.50	-0.75	357.50	-0.75	-1.50
DEC 2020	367.00	367.25	-0.75	0.25	366.25	-1.00	-0.75
MAR 2021	376.00	377.00	-0.50	1.00	376.25	-0.75	0.25

FarmFutures - Corn prices found modest gains after a choppy session Wednesday, thanks in large part to spillover strength from wheat, along with a large export sale reported to unknown destinations this morning. May futures picked up 1.25 cents to \$3.4850, with July futures firming 1.5 cents to \$3.5350. Corn basis bids fell 3 to 10 cents across a handful of Midwestern locations Wednesday. An Iowa river terminal bucked the overall trend after firming a penny today.

Private exporters reported to USDA the sale of 5.4 million bushels of corn for delivery to unknown destinations during the 2019/20 marketing year, which began September 1. Included in the coronavirus stimulus bill is a \$14 billion allocation to the USDA's Commodity Credit Corp, plus another \$9.5 billion targeted at livestock, dairy and specialty crop producers. The CCC spending authority could make an additional round of Market Facilitation Program (MFP) payments possible later this year.

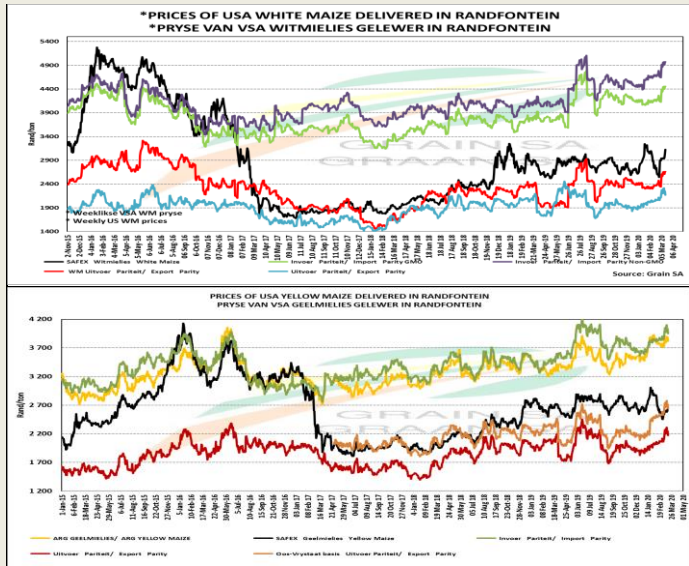
Per the latest data from the U.S. Energy Information Administration, weekly ethanol production through March 20 suffered a moderate decline, falling to a daily average of 1.005 million barrels. That was the lowest weekly tally since last October. Stocks fell 1.9% to 24.1 million barrels. May ethanol futures rose 1.75% in afternoon trading to \$0.938, following other energy prices higher.

Meantime, the Trump Administration decided not to request a re-hearing for a U.S. Court of Appeals decision that nixed some small refinery exemptions under the Renewable Fuels Standard, saying the EPA exceeded its authority in doing so. "We look to the RFS as a source of demand stability and certainty, especially in these troubling times," according to a statement from the renewable fuels coalition. "Requesting a re-hearing would have only prolonged uncertainty in the marketplace and exacerbated the pain and frustration already being experienced in the Heartland."

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Mar 2020				
May 2020	R 2 583.00	26%	R -31.83	R 2 551.17
Jul 2020	R 2 474.00	31%	R -19.85	R 2 454.15
Sep 2020	R 2 532.00	18.5%	R -7.88	R 2 524.12
Dec 2020	R 2 624.00	21.75%	R -2.71	R 2 621.29
Mar 2021	R 2 668.00	0%	R 4.18	R 2 672.18
May 2021				
Yellow Maize Future				
Mar 2020				
May 2020	R 2 638.00	26%	R -31.83	R 2 606.17
Jul 2020	R 2 637.00	26.5%	R -19.85	R 2 617.15
Sep 2020	R 2 690.00	18%	R -7.88	R 2 682.12
Dec 2020	R 2 765.00	20%	R -2.71	R 2 762.29
Mar 2021	R 2 806.00	0%	R 4.18	R 2 810.18
May 2021				

The local Maize market traded lower yesterday. The May'20 WMAZ contract ended R67.00 down and May'20 YMAZ closed R62.00 lower. The Jul'20 WMAZ closed lower by R61.00 and Jul'20 YMAZ ended R53.00 down. The parity move for the May'20 Maize contract for yesterday was R24.00 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
MAY 2020	566.00	580.00	6.25	14.00	572.25	-7.75	6.25	MAY 2010	492.00	501.00	4.25	9.00	497.50	-3.50	5.50
JUL 2020	557.00	567.75	5.50	10.75	561.25	-6.50	4.25	JUL 2010	496.00	504.75	4.00	8.75	501.25	-3.50	5.25
SEP 2020	556.00	566.50	5.00	10.50	560.25	-6.25	4.25	SEP 2010	504.00	510.25	4.00	6.25	506.00	-4.25	2.00
DEC 2020	562.00	571.75	3.75	9.75	566.00	-5.75	4.00	DEC 2010	513.00	519.50	4.25	6.50	515.25	-4.25	2.25
MAR 2021	564.00	574.00	3.00	10.00	529.00	-45.00	-35.00	MAR 2011	521.00	527.75	4.25	6.75	523.50	-4.25	2.50



FarmFutures - Wheat prices continue to be the hot commodity on the grain markets right now due to global demand optimism and an expectation for rising exports, which triggered another round of technical buying today. May Chicago SRW futures gained 18.5 cents to \$5.80, May Kansas City HRW futures added 10.25 cents to \$5.01, and May MGEX spring wheat futures picked up 2.5 cents to \$5.3850.

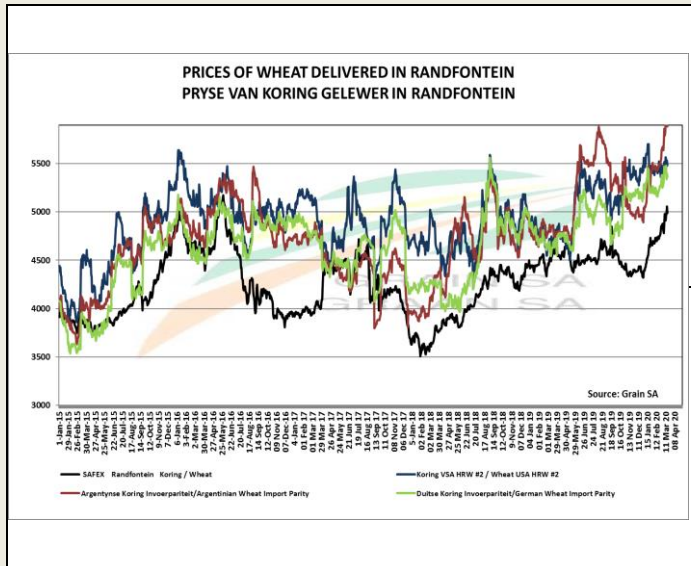
U.S. farmers could plant around 600,000 more total wheat acres this year, per data gathered from an exclusive Farm Futures survey. Respondents suggested total acres reaching 45.8 million acres in 2020. Ahead of tomorrow morning's weekly export report from USDA, analysts expect the agency to show wheat sales ranging between 12.9 million and 34.9 million bushels for the week ending March 19.

Algeria purchased 8.8 million bushels of milling wheat from optional origins in an international tender that closed yesterday. The grain is for shipment in May or June, depending on origin.

South Korea made no purchases in its latest tender for 2.5 million bushels of feed wheat that closed earlier today. Offers were thought to be too pricey, according to traders. The grain was sought for arrival in October. Preliminary volume estimates were for 219,173 CBOT contracts, tracking moderately above Tuesday's final count of 133,654.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Mar 2020				
May 2020	R 5 200.00	12.5%	R 43.30	R 5 243.30
Jul 2020	R 5 195.00	12%	R 30.50	R 5 225.50
Sep 2020	R 5 065.00	0%	R 30.49	R 5 095.49
Dec 2020	R 4 700.00	0%	R 28.94	R 4 728.94
Mar 2021				
May 2021				
Cape Wheat				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				



The local Weat market closed lower yesterday. The May'20 Weat contract closed R79.00 down and Jul'20 Weat closed R45.00 lower. The parity move for the May'20 Weat contract for yesterday was R47.00 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
MAY 2020	890.00	881.50	0.00	-8.50	902.00	20.50
JUL 2020	892.00	884.75	0.00	-7.25	884.50	-0.25
AUG 2020	893.00	885.50	0.00	-7.50	885.50	0.00
SEP 2020	887.00	879.00	-0.50	-8.00	879.25	0.25
NOV 2020	881.00	877.50	-0.25	-3.50	879.50	2.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAY 2010	321.7	318.60
JUL 2010	318.3	316.40
AUG 2010	313.9	312.50
SEP 2010	311	310.20
OCT 2010	309.6	308.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAY 2010	26.64	26.62
JUL 2010	26.99	26.98
AUG 2010	27.16	27.11
SEP 2010	27.31	27.39
OCT 2010	27.48	27.45

FarmFutures - Soybean prices ran aground on some profit-taking Wednesday after staying in the green for the prior seven consecutive sessions. May futures dropped 5.25 cents to \$8.8150, with July futures easing 2.75 cents to \$8.8475. Soybean basis bids were mixed at Midwestern processors and interior river terminals Wednesday but held steady elsewhere across the central U.S. today.

Private exporters reported to USDA the sale of 20,000 metric tons of soyoil for delivery to South Korea during the 2019/20 marketing year, which began October 1. According to an exclusive growers survey from Farm Futures, U.S. farmers could plant 82.7 million acres of soybeans later this spring, which is significantly higher than 2019's tally of 76.1 million bushels but moderately behind the latest USDA estimates of 85.0 million bushels. China purchased about 224 million bushels of soybeans from the U.S. in January and February, which is substantially higher year-over-year. Shipments from Brazil are down 26% from a year ago, in contrast, sliding to 188.9 million bushels. China's total soybean imports for January and February are trending 14% above 2019's pace.

Ahead of Thursday morning's weekly export report from USDA, analysts expect the agency to show soybean sales ranging between 14.7 million and 33.1 million bushels for the week ending March 19. Analyst also expect the agency to report another 100,000 to 350,000 metric tons of soymeal sales, plus between 8,000 and 35,000 MT of soyoil sales. Preliminary volume estimates were for 178,166 contracts, retreating slightly below Tuesday's final count of 205,893.

South African Futures Exchange

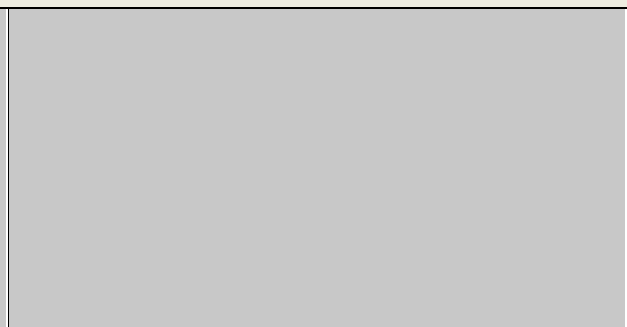
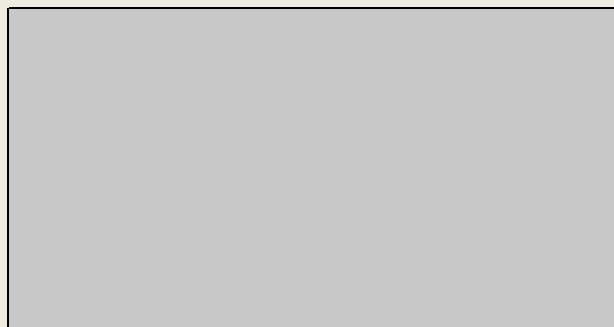
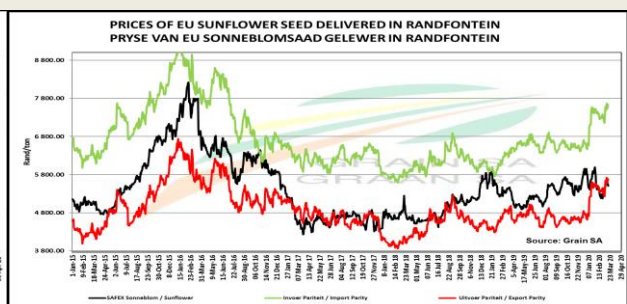
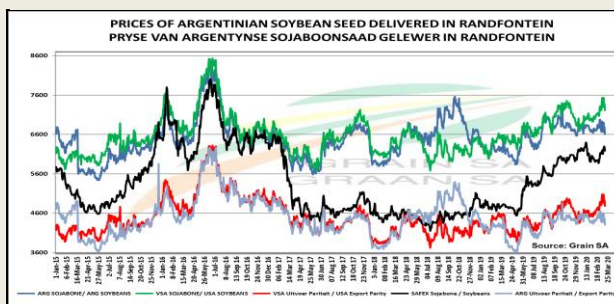
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020				
May 2020	R 6 615.00	19.5%	R 81.92	R 6 696.92
Jul 2020	R 6 696.00	20.5%	R -42.31	R 6 653.69
Sep 2020	R 6 780.00	0%	R -43.94	R 6 736.06
Dec 2020	R 6 860.00	15%		R 6 860.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020		
May 2020	R 5 800.00	18%
Jul 2020	R 5 908.00	18%
Sep 2020	R 6 010.00	0%
Dec 2020	R 6 145.00	0%
Mar 2021		
May 2021		



The local Soya market traded lower yesterday. The May'20 Soya contract ended R27.00 down and Jul'20 Soya closed R38.00 lower. The parity move for the May'20 Soya contract for yesterday was R55.00 negative.

The local Suns market closed lower yesterday. The May'20 Suns contract closed R62.00 down and Jul'20 Suns closed R66.00 lower.



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