



Fundamental Report

16 September 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	16.5994	16.4016	-0.1978	-1.19%
Euro/Rand	19.7175	19.4341	-0.2834	-1.44%
GBPound/Rand	21.3994	21.1504	-0.2490	-1.16%
AusDollar/Rand	12.1507	12.0027	-0.1480	-1.22%
Euro/USDollar	1.1879	1.1848	-0.0031	-0.26%
GBPound/USDollar	1.2895	1.2899	0.0004	0.03%
AusDollar/USDollar	0.7322	0.7318	-0.0004	-0.05%
JpyYen/USDollar	105.7100	105.2700	-0.4400	-0.42%

BDLive - The rand closed firmer on Tuesday as positive economic data and a possible Covid-19 vaccine boosted appetite for riskier assets, while local focus shifts to the SA Reserve Bank's policy meeting this week.

The local currency gained more than 1% in intra-day trade, breaking below the R16.50/\$ for the first time since July as risk-on sentiment took hold following weeks of range-bound trading. World stocks rose on Tuesday on the back of upbeat Chinese data and optimism about coronavirus vaccines, as a struggling dollar kept the hot streaks for the euro and some of the biggest emerging-market currencies sizzling.

The euro's fifth day of gains made for a slow start in continental Europe but a solid 0.8% rise on London's international and commodity-heavy FTSE maintained the overnight momentum from Asia and Wall Street.

Commodities

	Last	Value Change	% Change
Platinum	971.99	-6.21	-0.64%
Gold	1959.84	4.32	0.22%
Silver	27.27	0.04	0.13%
Copper	3.07	0.00	0.08%
Gasoil	325.25	5.25	1.61%
Brent Oil	41.19	0.66	1.60%

BDLive - Bengaluru — Gold prices rose on Tuesday as the dollar remained subdued, with investors turning their focus to a US Federal Reserve monetary policy meeting, seeking details of its plans on inflation targeting. Spot gold was up 0.3% at \$1,962.78/oz by 2.59am GMT, adding to a 0.8% gain in the previous session. US gold futures climbed 0.5% to \$1,972.60.

"Gold looks firm mainly because of a weaker dollar and also US treasury yields are coming down a bit," said Edward Meir, an analyst at ED&F Man Capital Markets.

The dollar index slipped against its rivals after its worst session in more than two weeks, making gold less expensive for holders of other currencies.

Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51795.70	0.00	0.00%
ALSI	51942.00	0.00	0.00%
S&P 500	3383.54	17.66	0.52%
FTSE	6026.25	79.29	1.32%
CAC	5067.93	0.00	0.00%
DAX	13217.67	0.00	0.00%
Hang Seng	24732.76	-60.44	-0.24%

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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
DEC 2020	368.00	366.00	-0.50	-2.00	364.50	-1.50	-3.50
MAR 2021	378.00	375.75	The record	-2.25	374.50	-1.25	-3.50
MAY 2021	384.00	381.25	-0.50	-2.75	380.00	-1.25	-4.00
JUL 2021	387.00	385.00	The record	-2.00	383.50	-1.50	-3.50
SEP 2021	383.00	381.25	The record	-1.75	380.25	-1.00	-2.75

FarmFutures - Corn prices couldn't buck overnight losses, spending the entire session in the red Tuesday. Technical selling was the culprit after prices reached six-month highs yesterday, although a large sale to unknown destinations this morning limited losses. September contracts expired yesterday at \$3.5750, while December futures dropped 3.25 cents to \$3.6625. Corn basis bids were widely variable Tuesday after falling 5 to 10 cents lower at two Midwestern elevators while climbing 4 to 10 cents higher at a handful of other locations across the central U.S.

Private exporters announced to USDA the sale of 4.7 million bushels of corn for delivery to unknown destinations during the 2020/21 marketing year, which began September 1. A large corn or soybean sale has been announced every day of September so far but one.

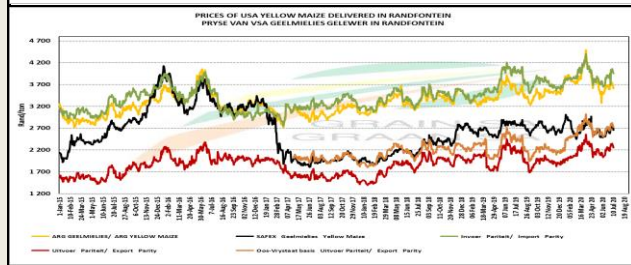
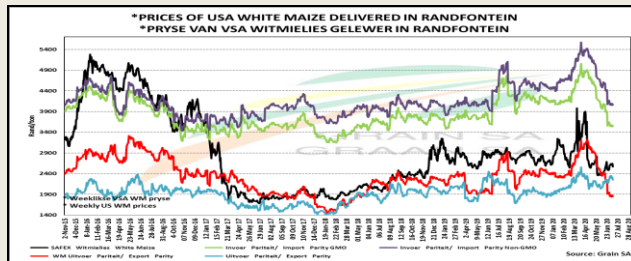
Nationwide, corn harvest is at 5% completion through Sunday, in line with trade estimates as well as the prior five-year average. Nearly all (89%) of this year's crop has reached dent stage, up from 79% last week and ahead of the prior five-year average of 82%. USDA considers 41% of the crop fully mature, also up from the prior five-year average of 32%. Recent typhoons may have severely impacted China's corn crop. Ryan Griess, ag risk management advisor with Advance Trading, Inc., offers many more details in the latest Ag Marketing IQ blog – click here to learn more.

Preliminary volume estimates were for 207,753 contracts, moving fractionally above Monday's final count of 204,379.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2020	R 3 274.00	28%		R 3 274.00
Dec 2020	R 3 252.00	31.5%	R -51.26	R 3 200.74
Mar 2021	R 3 206.00	27.75%	R -52.03	R 3 153.97
May 2021	R 2 885.00	0%	R -55.73	R 2 829.27
Jul 2021	R 2 875.00	24%	R -52.74	R 2 822.26
Sep 2021				
Dec 2021				
Yellow Maize Future				
Sep 2020	R 3 185.00	19.75%		R 3 185.00
Dec 2020	R 3 216.00	21.25%	R -51.26	R 3 164.74
Mar 2021	R 3 179.00	21%	R -52.03	R 3 126.97
May 2021	R 2 894.00	0%	R -55.73	R 2 838.27
Jul 2021	R 2 876.00	18%	R -52.74	R 2 823.26
Sep 2021				
Dec 2021				

The local Maize market traded mixed yesterday. The Sep'20 WMAZ contract ended R18.00 up and Sep'20 YMAZ closed R4.00 higher. The Dec'20 WMAZ closed lower by R9.00 and Dec'20 YMAZ ended R13.00 down. The parity move for the Sep'20 Maize contract for yesterday was R52.00 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
DEC 2020	545.00	538.25	The record c	-6.75	536.25	-2.00	-8.75	DEC 2010	475.00	468.00	4.25	-7.00	467.00	-1.00	-8.00
MAR 2021	554.00	547.25	5.50	-6.75	545.25	-2.00	-8.75	MAR 2011	486.00	479.00	4.00	-7.00	478.00	-1.00	-8.00
MAY 2021	559.00	552.75	5.00	-6.25	550.50	-2.25	-8.50	MAY 2011	493.00	486.75	4.00	-6.25	485.25	-1.50	-7.75
JUL 2021	558.00	551.75	3.75	-6.25	549.75	-2.00	-8.25	JUL 2011	499.00	493.75	4.25	-5.25	492.25	-1.50	-6.75
SEP 2021	564.00	558.00	3.00	-6.00	529.00	-29.00	-35.00	SEP 2011	507.00	501.75	4.25	-5.25	500.25	-1.50	-6.75

FarmFutures - Wheat prices followed corn and soybeans lower today. Prices have seen plenty of volatility this summer, climbing substantially higher over the last three weeks of August while stalling out for much of September. Today, September Chicago SRW futures dropped 7.5 cents to \$5.3825, September Kansas City HRW futures fell 6 cents to \$4.6750, and September MGEX spring wheat futures lost 6.5 cents to \$5.37.

The spring wheat harvest nears completion, at 92% through Sunday. That's up from last week's progress of 82%, and this year's pace mirrors the prior five-year average. Most of the six top production states are close to the nationwide average, with South Dakota (98%) the farthest along at this point.

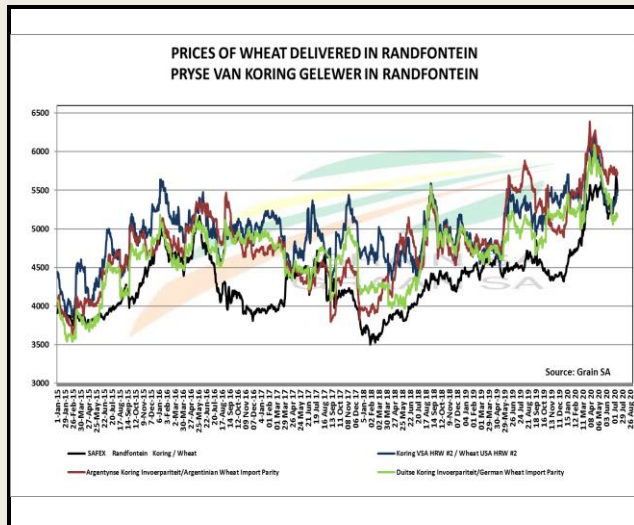
And winter wheat planting is also underway, with 10% of the crop now in the ground. That doubles last week's pace of 5% and is slightly ahead of the prior five-year average of 8%.

France's 2020 soft wheat production is expected to fall nearly 26% year-over-year to 1.083 billion bushels after suffering a number of weather challenges throughout the season, including flooding last fall and widespread drought this summer.

Preliminary volume estimates were for 84,096 CBOT contracts, moving slightly above Monday's final count of 72,011.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2020	R 4 942.00	16.5%		R 4 942.00
Dec 2020	R 4 906.00	9.5%	R -92.34	R 4 813.66
Mar 2021	R 5 000.00	0%	R -93.00	R 4 907.00
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				
Cape Wheat				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				



The local Wheat market closed mixed yesterday. The Sep'20 Wheat contract closed R57.00 down while Dec'20 Wheat closed R7.00 higher. The parity move for the Sep'20 Wheat contract for yesterday was R92.00 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
NOV 2020	1005.00	991.50	0.00	-13.50	902.00	-89.50	-103.00
JAN 2021	1010.00	995.75	0.00	-14.25	995.25	-0.50	-14.75
MAR 2021	1009.00	996.00	0.00	-13.00	995.25	-0.75	-13.75
MAY 2021	1009.00	998.00	-0.50	-11.00	997.00	-1.00	-12.00
JUL 2021	1010.00	1000.00	-0.25	-10.00	998.50	-1.50	-11.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2010	314.3	314.70
DEC 2010	319.2	319.60
JAN 2011	321.2	321.40
MAR 2011	321.6	321.90
MAY 2011	321.4	321.70

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2010	34.08	34.07
DEC 2010	34.15	34.11
JAN 2011	34.24	34.24
MAR 2011	34.34	34.35
MAY 2011	34.43	34.45

FarmFutures - Soybean prices fell moderately lower on a round of profit-taking and technical selling, with traders largely ignoring two large sales announced this morning (more on that below) and lower-than-expected quality ratings. September contracts expired yesterday at \$10.1925. November futures slumped 7.5 cents lower to \$9.92. Soybean basis bids fell 3 to 8 cents at two interior river terminals Tuesday and were widely variable at Midwestern processors today after moving as much as 10 cents in either direction. Farmer sales are generally expected to trend higher as harvest approaches. Private exporters reported two more large soybean sales to USDA this morning. The first was for 4.9 million bushels for delivery to China, with another 4.9 million bushels for unknown destinations. Both sales are for delivery during the 2020/21 marketing year, which began September 1. Soybean quality ratings fell last week, eroding another two points to 63% rated in good-to-excellent condition. Analysts were expecting ratings to stabilize after falling multiple weeks in August and early September. Another 26% is rated fair (up a point from last week), with the remaining 11% rated poor or very poor (also up a point from last week). The National Oilseed Processors Association (NOPA) reported an August crush that was well below analyst estimates, falling to a nine-month low of 165,055 million bushels. The average trade guess was 169,468 million bushels. That's also moderately below July's crush of 172,794 million bushels. Preliminary volume estimates were for 223,487 contracts, falling slightly short of Monday's final tally of 229,925.

South African Futures Exchange

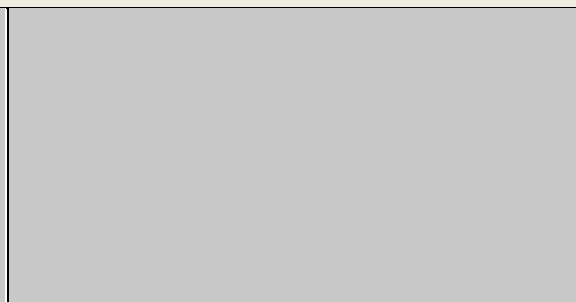
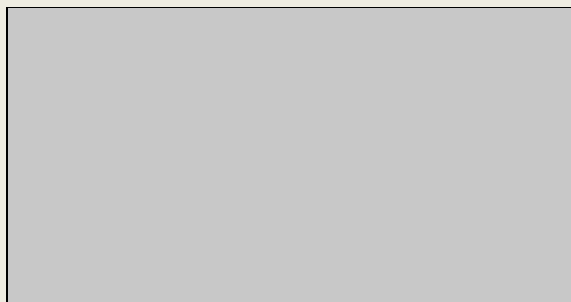
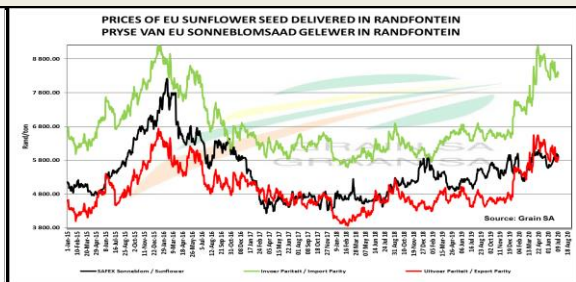
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2020	R 7 850.00	15%		R 7 850.00
Dec 2020	R 7 859.00	15%		R 7 859.00
Mar 2021	R 7 577.00	16%	R -156.20	R 7 420.80
May 2021	R 6 990.00	17%	R -145.65	R 6 844.35
Jul 2021				
Sep 2021				
Dec 2021				

Sunflower Seeds Future		
	MTM	Vols
Sep 2020	R 7 637.00	11.5%
Dec 2020	R 7 731.00	13.5%
Mar 2021	R 7 727.00	14.5%
May 2021	R 7 002.00	21.5%
Jul 2021	R 6 900.00	0%
Sep 2021		
Dec 2021		



The local Soya market traded higher yesterday. The Sep'20 Soya contract ended R50.00 up and Dec'20 Soya closed R35.00 higher. The parity move for the Sep'20 Soya contract for yesterday was R164.00 negative.

The local Suns market closed higher yesterday. The Sep'20 Suns contract closed R34.00 up and Dec'20 Suns closed R55.00 higher.



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