



# **Fundamental Report**

## **10 December 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.9336	14.9333	-0.0003	0.00%
Euro/Rand	18.0974	18.0576	-0.0398	-0.22%
GBPound/Rand	20.0674	19.9399	-0.1275	-0.64%
AusDollar/Rand	11.1584	11.1402	-0.0182	-0.16%
Euro/USDollar	1.2119	1.2088	-0.0031	-0.26%
GBPound/USDollar	1.3441	1.3368	-0.0073	-0.54%
AusDollar/USDollar	0.7472	0.7460	-0.0012	-0.16%
JpyYen/USDollar	104.0700	104.3300	0.2600	0.25%

BDLive - The rand extended its gains on Wednesday, with the JSE tracking firmer global markets as investors focused on the progress on new US fiscal stimulus and positive news about Covid-19 vaccines. The rand, which broke below the R15/\$ level for the first time in more than 10 months on Tuesday, after SA's third-quarter GDP numbers beat expectations, firmed against major currencies, reaching an intraday best of R14.8731/\$, according to Infront data...

Global stocks reached record highs on Wednesday as investors focused on efforts to provide more fiscal stimulus and positive news on Covid-19 vaccines, while sterling edged up as British and European leaders meet for talks on a Brexit trade deal.

US lawmakers continued to negotiate over additional stimulus to help offset the economic impact of the pandemic while pursuing a stopgap government-funding bill. Leaders in both parties remain adamant that a deal must be struck but are still working through sticking points, including aid to state and local governments and business liability protections.



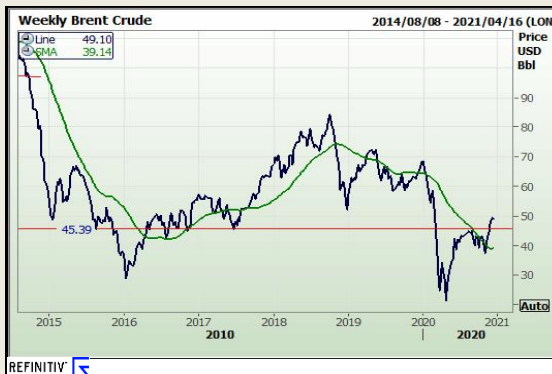
### Commodities

	Last	Value Change	% Change
Platinum	1005.48	4.77	0.47%
Gold	1841.41	2.30	0.12%
Silver	24.00	0.08	0.33%
Copper	3.49	-0.03	-0.77%
Gasoil	0.00	0.00	
Brent Oil	49.10	0.24	0.49%

BDLive — Bengaluru — Gold prices eased on Wednesday as encouraging vaccine developments pushed investors towards riskier equities, though the hope for more US stimulus kept bullion near two-week highs hit in the previous session.

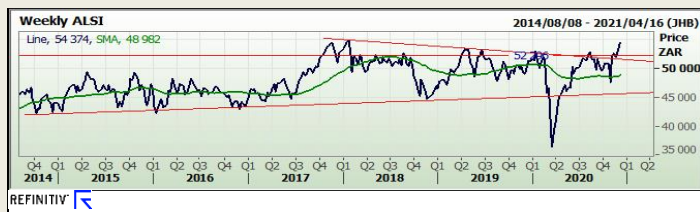
Spot gold fell 0.3% to \$1,865.46/oz by 3.09am GMT, after hitting its highest since November 23 at \$1,875.07 on Tuesday, while US gold futures eased 0.3% to \$1,870.20.

"Gold still has some firepower from all the stimulus, [though] the vaccines are being rolled out ... [stimulus] will provide gold with a lot of talkwind going into the year-end," said ED&F Man Capital Markets analyst Edward Meir.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	54262.51	87.10	0.16%
ALSI	54374.00	0.00	0.00%
S&P 500	3702.25	-29.43	-0.79%
FTSE	6558.82	5.47	0.08%
CAC	5546.82	0.00	0.00%
DAX	13278.49	61.77	0.47%
Hang Seng	26502.84	-121.79	-0.46%



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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	418.00	422.00	The record	4.00	421.75	-0.25	3.75
MAR 2021	421.00	423.75	The record	2.75	424.75	1.00	3.75
MAY 2021	425.00	426.50	The record	1.50	427.50	1.00	2.50
JUL 2021	425.00	427.50	The record	2.50	428.75	1.25	3.75
SEP 2021	412.00	414.50	The record	2.50	415.00	0.50	3.00

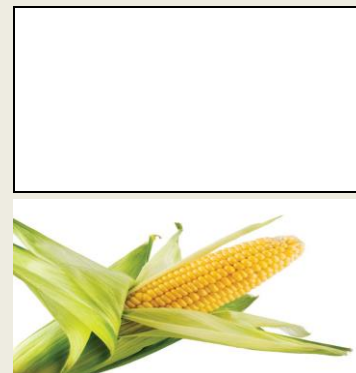
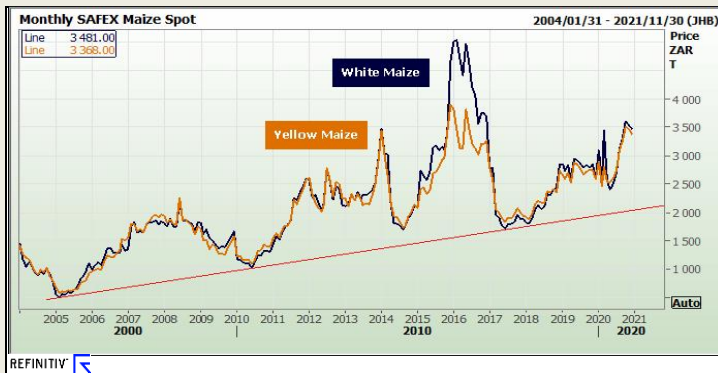
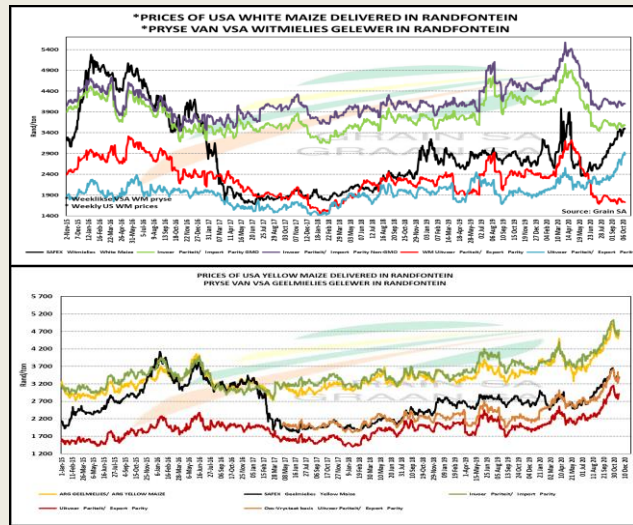
FarmFutures - Corn prices rebounded from two-week lows yesterday, tracking about 1% higher on some technical buying. Thursday morning's weekly export recap and WASDE report from USDA will provide a roadmap of where prices might head moving forward. Today, December futures rose 5.25 cents to \$4.2225, with March futures adding 3.75 cents to \$4.2350. Corn basis bids were steady to firm Wednesday, tracking 3 to 6 cents higher at three Midwestern locations today. Private exporters announced to USDA the sale of 10 million bushels of corn for delivery to Mexico during the 2020/21 marketing year, which began September 1. What will tomorrow's WASDE report? Catch up on grain market analyst Jacquie Holland's analysis ahead of the report here, and be sure to tune back into FarmFutures.com tomorrow morning for our exclusive coverage and analysis. Ahead of Thursday morning's weekly export report from USDA, analysts expect to see corn sales ranging between 27.6 million and 59.1 million bushels for the week ending December 3. Ukrainian consultancy ProAgro trimmed its estimates for 2020 corn exports to 964.5 million bushels. ProAgro projects Ukraine will export nearly 87% of this year's corn crop. Taiwan purchased 2.6 million bushels of animal feed corn from the United States in an international tender that closed earlier today. The grain is for shipment in February or March. Preliminary volume estimates were for 147,312 contracts, sliding below Tuesday's final count of 171,943.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2020	R 3 481.00	27%	R 22.00	R 3 503.00
Mar 2021	R 3 402.00	33.25%	R 22.00	R 3 424.00
May 2021	R 2 867.00	31.5%	R 14.65	R 2 881.65
Jul 2021	R 2 810.00	23.5%	R 22.00	R 2 832.00
Sep 2021	R 2 868.00	0%	R 17.59	R 2 885.59
Dec 2021	R 2 948.00	0%		R 2 948.00
Dec 2021	R 2 948.00	0%		R 2 948.00
<b>Yellow Maize Future</b>				
Dec 2020	R 3 368.00	24.5%	R 22.00	R 3 390.00
Mar 2021	R 3 328.00	25%	R 22.00	R 3 350.00
May 2021	R 2 912.00	23%	R 14.65	R 2 926.65
Jul 2021	R 2 887.00	21.75%	R 22.00	R 2 909.00
Sep 2021	R 2 943.00	0%	R 17.59	R 2 960.59
Dec 2021	R 3 023.00	21%		R 3 023.00
Dec 2021	R 3 023.00	21%		R 3 023.00

The local Maize market traded lower yesterday. The Dec'20 WMAZ contract ended R69.00 down and Dec'20 YMAZ closed R69.00 lower. The Mar'20 WMAZ closed lower by R100.00 and Mar'20 YMAZ ended R81.00 down. The parity move for the Dec'20 Maize contract for yesterday was R22.00 positive.

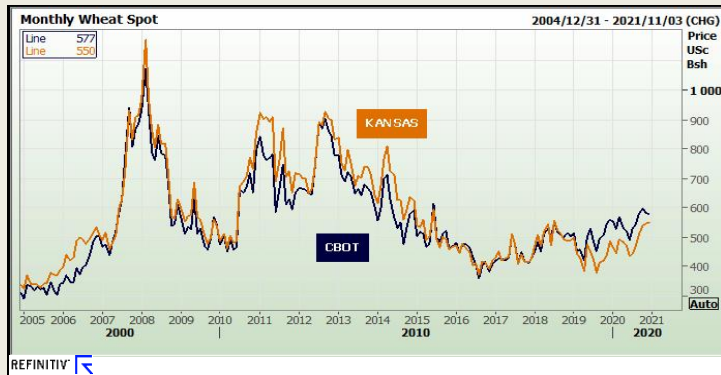


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## Wheat Market

### 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
DEC 2020	569.00	577.00	The record c	8.00	0.00	-577.00	-569.00	DEC 2010	524.00	550.25	The record	26.25	0.00	-550.25	-524.00
MAR 2021	568.00	583.25	The record c	15.25	585.50	2.25	17.50	MAR 2011	535.00	551.00	The record	16.00	554.75	3.75	19.75
MAY 2021	571.00	584.50	The record c	13.50	587.50	3.00	16.50	MAY 2011	540.00	555.75	The record	15.75	559.75	4.00	19.75
JUL 2021	572.00	583.75	The record c	11.75	586.50	2.75	14.50	JUL 2011	544.00	558.25	The record	14.25	562.25	4.00	18.25
SEP 2021	577.00	587.25	The record c	10.25	529.00	-58.25	-48.00	SEP 2011	549.00	563.00	The record	14.00	566.25	3.25	17.25

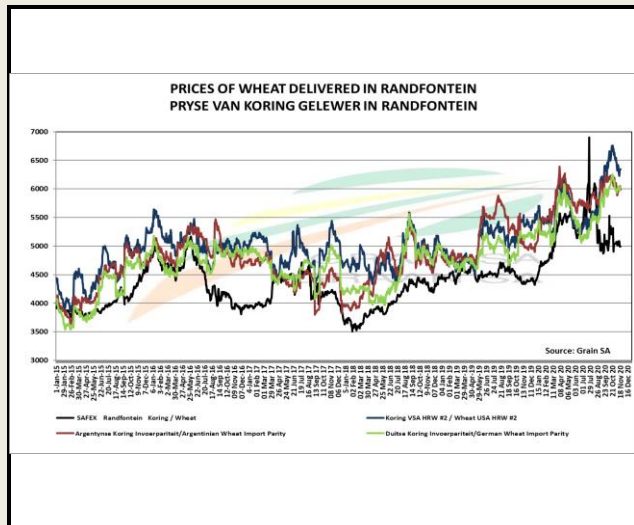


FarmFutures - Wheat prices jumped as much as 3% higher on a round of short-covering after falling to two-month lows earlier this week. Traders now await further direction after tomorrow's WASDE report will reveal whether domestic and world stocks tightened or grew this past month. March Chicago SRW futures climbed 14 cents to \$5.77, March Kansas City HRW futures rose 14.75 cents to \$5.5175, and March MGEX spring wheat futures added 12.5 cents to \$5.5575. Ahead of Thursday morning's weekly export report from USDA, analysts expect the agency to show wheat sales ranging between 7.3 million and 20.2 million bushels for the week ending December 3. European grain trade association Coceral expects EU soft wheat production to rebound next year to 5.254 billion bushels – an increase of 9.5% above 2020's production, if realized. More acres in France, Germany and the Balkans is largely attributed to the expected production boost. Japan purchased 4.8 million bushels of food-quality wheat from the United States and Canada in a regular tender that closed earlier this week. Of the total, 64% was sourced from the U.S. The grain is for arrival by March 5, 2021.

Preliminary volume estimates were for 94,670 CBOT contracts, moving moderately ahead of Tuesday's final count of 69,673.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2020	R 4 600.00	8%	R -3 122.19	R 1 477.81
Mar 2021	R 4 693.00	9%	R 95.96	R 4 788.96
May 2021	R 4 755.00	0%	R 90.47	R 4 845.47
Jul 2021	R 4 770.00	0%	R 79.50	R 4 849.50
Sep 2021	R 4 685.00	0%	R -263.44	R 4 421.56
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 lower yesterday. The Dec'20 Wheat contract closed R58.00 down and Mar'20 Wheat closed R63.00 lower. The parity move for the Dec'20 Wheat contract for yesterday was R69.00 positive.



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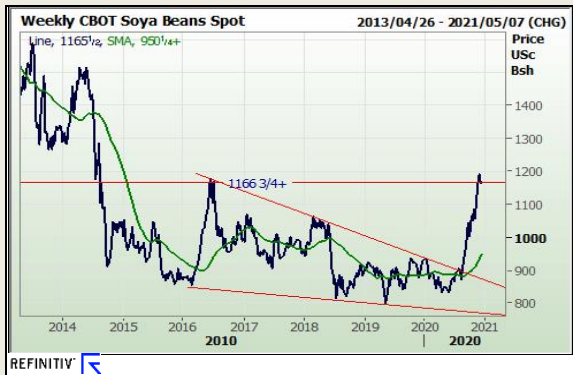
### Oil Seed Market

#### 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
JAN 2021	1152.00	1158.50	The record	6.50	902.00	-256.50
MAR 2021	1157.00	1163.50	The record	6.50	1170.25	6.75
MAY 2021	1158.00	1164.50	The record	6.50	1170.75	6.25
JUL 2021	1156.00	1163.00	The record	7.00	1168.75	5.75
AUG 2021	1137.00	1141.75	The record	4.75	1146.75	5.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2010	384.4	0.00
JAN 2011	379.1	381.90
MAR 2011	381.4	384.30
MAY 2011	381.6	384.30
JUL 2011	380.3	382.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2010	38.76	0.00
JAN 2011	37.86	37.91
MAR 2011	37.72	37.76
MAY 2011	37.52	37.55
JUL 2011	37.36	37.34



FarmFutures - Soybean prices emerged from a somewhat choppy session Wednesday with double-digit gains on a round of technical buying and short-covering ahead of tomorrow's WASDE report. Analysts think the agency may trim domestic stocks by another 30 million bushels, falling to the lowest levels in nearly a decade. January futures climbed 13.25 cents to \$11.59, with March futures up 12.5 cents to \$11.64.

Soybean basis bids inched a penny higher at an Ohio elevator Wednesday while holding steady elsewhere across the central U.S.

Ahead of tomorrow morning's weekly export report from USDA, analysts expect to see soybean sales ranging between 14.7 million and 38.6 million bushels for the week ending December 3. Analysts also think USDA will show another 100,000 to 300,000 metric tons of soy meal sales, plus 5,000 to 30,000 MT of soy oil sales last week.

Brazilian farmers have sold an unprecedented percentage of their 2021 and 2022 crops to-date - reaching 65% and 15%, respectively. A producers association, Aprosoja, notes that adverse weather could still put a dent in this season's production but it's too early to determine specific impacts. Preliminary volume estimates were for 238,080 contracts, spilling 29% below Tuesday's final count of 335,543.

#### South African Futures Exchange

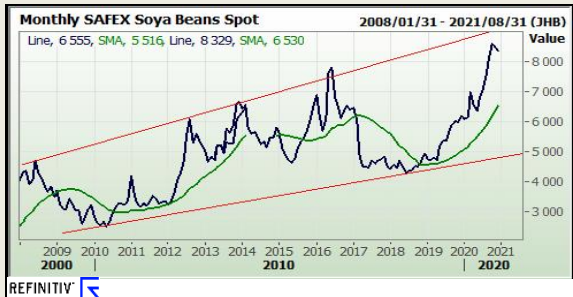
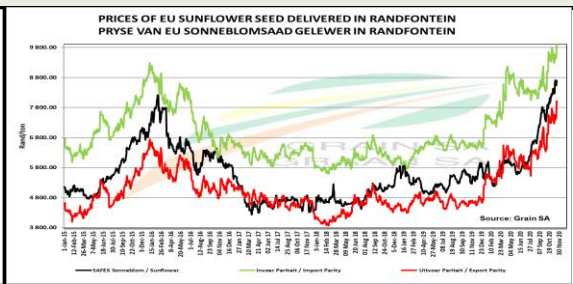
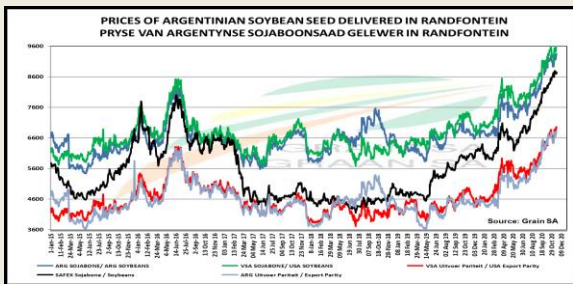
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8 329.00	15%		R 8 329.00
Mar 2021	R 8 006.00	17%	R 72.58	R 8 078.58
May 2021	R 7 131.00	17%	R 69.83	R 7 200.83
Jul 2021	R 7 230.00	21.5%	R 69.83	R 7 299.83
Sep 2021				
Dec 2021	R 7 415.00	0%		R 7 415.00
Dec 2021	R 7 415.00	0%		R 7 415.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2020	R 8 600.00	16%
Mar 2021	R 8 524.00	18%
May 2021	R 7 648.00	21.5%
Jul 2021	R 7 690.00	22%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded lower yesterday. The Dec'20 Soya contract ended R74.00 down and Mar'20 Soya closed R97.00 lower. The parity move for the Dec'20 Soya contract for yesterday was R79.00 positive.

The local Suns market closed lower yesterday. The Dec'20 Suns contract closed R135.00 down and Mar'20 Suns closed R146.00 lower.



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