



Fundamental Report

14 December 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.1019	15.0708	-0.0311	-0.21%
Euro/Rand	18.3086	18.2842	-0.0244	-0.13%
GBPound/Rand	19.9431	20.0575	0.1144	0.57%
AusDollar/Rand	11.3717	11.3543	-0.0174	-0.15%
Euro/USDollar	1.2121	1.2131	0.0010	0.08%
GBPound/USDollar	1.3205	1.3314	0.0109	0.83%
AusDollar/USDollar	0.7528	0.7534	0.0006	0.08%
JpyYen/USDollar	103.9900	104.0000	0.0100	0.01%

BDLive - The JSE gained despite a fall in most global bourses on Friday as investors weigh the prospects of positive vaccine news against a lack of progress in US stimulus talks and Brexit negotiations.

Despite optimism in markets earlier in the week, Democrat House speaker Nancy Pelosi suggested that wrangling over a spending package and coronavirus aid could drag on through Christmas... World shares slipped on Friday as tricky Brexit negotiations and uncertainty over US stimulus talks capped riskier bets even though Covid-19 vaccines made progress, pushing sterling down and keeping the dollar weak.

European equities fell, with the broad Euro Stoxx 600 down 1.1% and indices in Paris and London losing 1.2% and 1%, respectively. The MSCI world equity index, which tracks shares in 50 countries, fell into the red.



Commodities

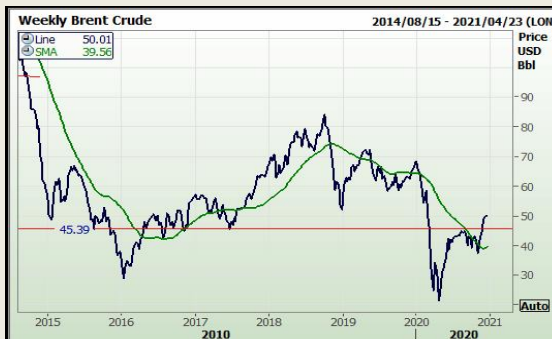
	Last	Value Change	% Change
Platinum	1014.28	5.39	0.53%
Gold	1835.72	-3.31	-0.18%
Silver	23.92	0.01	0.05%
Copper	3.55	0.02	0.54%
Gasoil	413.50	1.50	0.36%
Brent Oil	50.02	0.05	0.10%

Bengaluru — Gold edged higher on Friday as the dollar hovered near a two-and-a-half-year low, helping offset concerns over delays in a US pandemic rescue package.

Spot gold rose 0.1% to \$1,836.27/oz at 3.23am GMT. US gold futures gained 0.2% to \$1,840.30/oz.

"The correlation between gold and dollar has returned because markets have more or less priced in the vaccine optimism," said Margaret Yang, a strategist at DailyFX.

Gold needs a very strong catalyst to break its descending trend and that could be in the form of a dovish Federal Reserve, a larger than expected US fiscal stimulus bill or the unlikely failure of vaccines, she added.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	54334.20	124.41	0.23%
ALSI	54487.00	0.00	0.00%
S&P 500	3668.10	-4.64	-0.13%
FTSE	6599.76	-53.01	-0.80%
CAC	5507.55	0.00	0.00%
DAX	13295.73	-181.43	-1.36%
Hang Seng	26505.87	11.41	0.04%



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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	424.25	The record	6.25	429.00	4.75	11.00
MAR 2021	419.00	423.50	The record	4.50	427.50	4.00	8.50
MAY 2021	422.00	426.50	The record	4.50	430.25	3.75	8.25
JUL 2021	424.00	428.25	The record	4.25	431.50	3.25	7.50
SEP 2021	411.00	414.00	The record	3.00	415.25	1.25	4.25

FarmProgress - Despite shrinking long positions from speculative traders over the past week, corn futures followed the wheat rally higher today. Strong export loading paces also support corns gains today, though widespread rains in South America next week likely limited upward price potential.

Ethanol production concerns also plagued the industry as rising coronavirus cases threaten fuel demand. March futures traded \$0.0175/bushel to \$4.195 on the overarching sentiments. May futures followed \$0.0175/lower to \$4.225.

USDA's Farm Service Agency (FSA) released updated Prevent Plant acres yesterday afternoon. Acres were largely unchanged from November's report, but some slight adjustments were added.

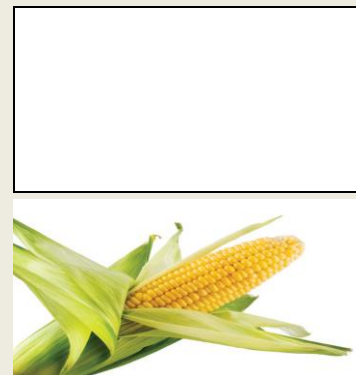
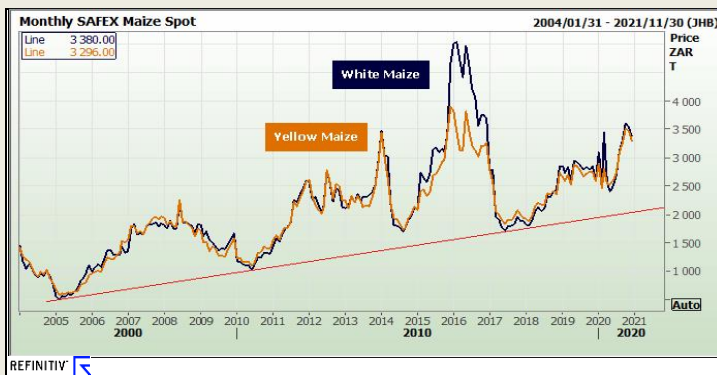
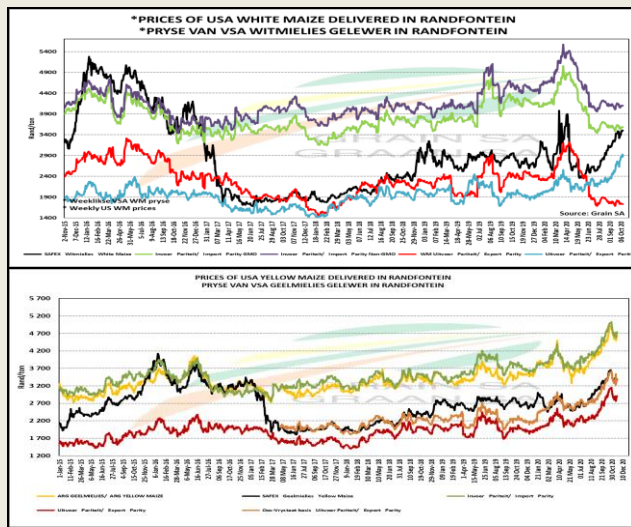
Corn acres prevented from being planted in 2020 grew 2,471 acres from November 2020 estimates to 6.186 million acres for the 2020 growing year. Another cool and wet spring left many acres unplanted in both North (2.024 million acres) and South (1.252 million acres). It marked the second highest prevent plant acreage for corn in history, after 2019's record 11.4 million acres. Prevent plant soybean acres were the fourth highest on record in 2020, due largely to planting delays in North Dakota (622,064 acres) and South Dakota (393,096 acres).



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2020	R 3 380.00	27%	R 60.15	R 3 440.15
Mar 2021	R 3 300.00	32.25%	R 45.30	R 3 345.30
May 2021	R 2 817.00	31.5%	R 43.78	R 2 860.78
Jul 2021	R 2 780.00	23%	R 39.31	R 2 819.31
Sep 2021	R 2 841.00	0%	R 20.18	R 2 861.18
Dec 2021	R 2 922.00	0%		R 2 922.00
Dec 2021	R 2 922.00	0%		R 2 922.00
Yellow Maize Future				
Dec 2020	R 3 296.00	24.5%	R 60.15	R 3 356.15
Mar 2021	R 3 260.00	25%	R 45.30	R 3 305.30
May 2021	R 2 890.00	23%	R 43.78	R 2 933.78
Jul 2021	R 2 860.00	21.75%	R 39.31	R 2 899.31
Sep 2021	R 2 920.00	0%	R 20.18	R 2 940.18
Dec 2021	R 3 000.00	21%		R 3 000.00
Dec 2021	R 3 000.00	21%		R 3 000.00

The local Maize market traded lower yesterday. The Dec'20 WMAZ contract ended R102.00 down and Dec'20 YMAZ closed R68.00 lower. The Mar'20 WMAZ closed lower by R85.00 and Mar'20 YMAZ ended R63.00 down. The parity move for the Dec'20 Maize contract for yesterday was R60.00 positive.

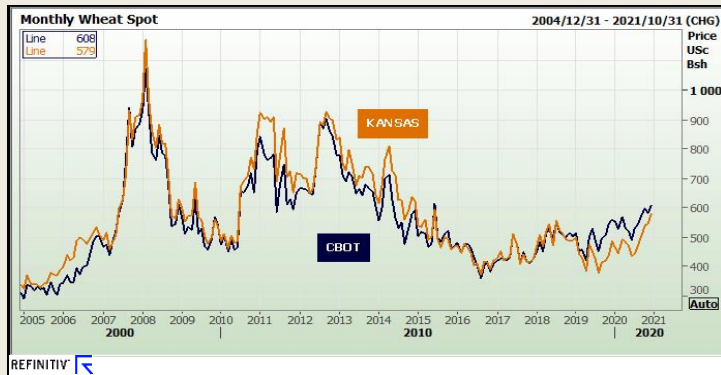


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Wheat Market

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	585.75	608.25	The record c	22.50	0.00	-608.25	-585.75	DEC 2010	553.00	579.00	The record	26.00	0.00	-579.00	-553.00
MAR 2021	596.00	614.50	The record c	18.50	618.50	4.00	22.50	MAR 2011	564.00	581.25	The record	17.25	584.00	2.75	20.00
MAY 2021	596.00	614.00	The record c	18.00	617.75	3.75	21.75	MAY 2011	569.00	584.50	The record	15.50	588.25	3.75	19.25
JUL 2021	594.00	607.50	The record c	13.50	609.50	2.00	15.50	JUL 2011	571.00	584.75	The record	13.75	588.00	3.25	17.00
SEP 2021	597.00	609.50	The record c	12.50	529.00	-80.50	-68.00	SEP 2011	575.00	588.75	The record	13.75	592.25	3.50	17.25

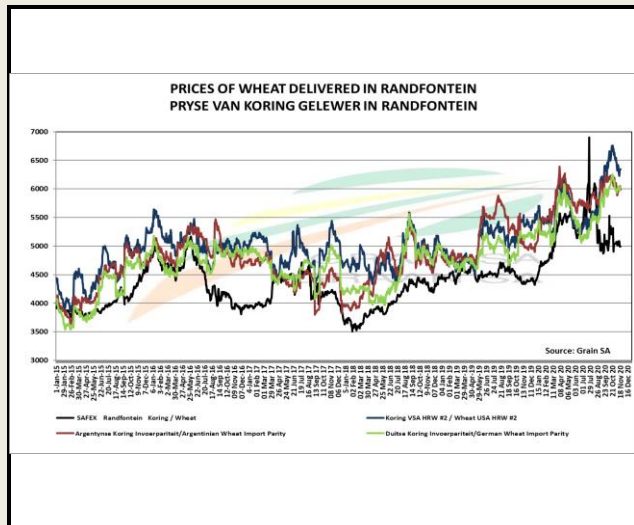


FarmProgress - Wheat futures continued their rally after a bullish WASDE report yesterday. Russian measures to reduce domestic food price instability will invariably take Russian exportable supplies off the market, offering more profit potential to U.S. wheat exporters, especially as the dollar weakens. The ICE Dollar Index rose slightly, up \$0.145 to \$90.965. Russian agricultural consultancy SovEcon downgraded the 2021/22 Russian wheat crop by 154.3 million bushels to 2.8 billion bushels. SovEcon expects nearly 8 million acres of winter wheat will be lost this winter, compared to only 4.4 million acres last winter. Dry planting conditions have left 22% of Russian winter grain crops in poor condition – the worst in a decade. As domestic food price instability rises, Russia may look to further limit exportable grain supplies by considering an export tax of \$0.708/bushel on wheat while the February 15 – June 30 grains quota is in place. It's an unusual move, as Russia typically favors using a formula-based tax when wheat prices are atypically high, not a single-sized tax.

While no official government policy has been released, a Reuters report suggests that Russian officials are scrambling to enact policies to stabilize domestic food prices, especially after President Vladimir Putin's adamant displeasure with the situation was vocally expressed yesterday.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2020	R 4 727.00	8%	R -3 250.32	R 1 476.68
Mar 2021	R 4 817.00	9.5%	R 117.78	R 4 934.78
May 2021	R 4 860.00	0%	R 113.63	R 4 973.63
Jul 2021	R 4 902.00	0%	R 79.04	R 4 981.04
Sep 2021	R 4 685.00	0%	R -383.38	R 4 301.62
Dec 2021				
Dec 2021				
Cape Wheat				
Dec 2020				
Mar 2021				
May 2021				
Jul 2021				
Sep 2021				
Dec 2021				
Dec 2021				



The local Wheat market closed higher yesterday. The Dec'20 Wheat contract closed R46.00 up and Mar'20 Wheat closed R56.00 higher. The parity move for the Dec'20 Wheat contract for yesterday was R7.00 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
JAN 2021	1156.00	1160.50	The record	4.50	902.00	-258.50
MAR 2021	1161.00	1166.00	The record	5.00	1176.00	10.00
MAY 2021	1162.00	1167.25	The record	5.25	1177.25	10.00
JUL 2021	1160.00	1166.00	The record	6.00	1176.00	10.00
AUG 2021	1136.00	1145.25	The record	9.25	1155.25	10.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2010	384.1	0.00
JAN 2011	380.3	382.80
MAR 2011	381.4	384.00
MAY 2011	381.4	384.10
JUL 2011	381.5	384.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2010	39.58	0.00
JAN 2011	38.24	38.65
MAR 2011	38.06	38.45
MAY 2011	37.83	38.21
JUL 2011	37.66	37.99



FarmProgress - Soybean futures largely ignored speculator selloffs this week in favor of strong export loading paces and growing concerns about shrinking domestic supplies. There was a little price support shared from the wheat rally, also. A wet weather forecast across most major growing regions in Brazil and Argentina next week limited gains.

Soymeal futures reversed this morning's losses on steady export demand prospects amid an Argentine strike. Domestic prospects are looking strong as well, as livestock and poultry feeders look to book feedstocks ahead of the holidays.

An Argentine grain inspectors and oilseed workers strike will continue after stalled wage negotiations failed to result in favorable progress for union workers amid high inflation rates. Workers are also protesting the lack of compensation appreciation amid pandemic conditions.

The strike's extension from Wednesday will continue to slow global grain flows out one of the world's top suppliers of soy products, soybeans, corn, and wheat. Wheat harvest has just begun in Argentina, while corn and soybean planting are well underway. Argentina is heavily dependent on export taxes from international grain sales to raise funds to repay previously defaulted foreign debts.

South African Futures Exchange

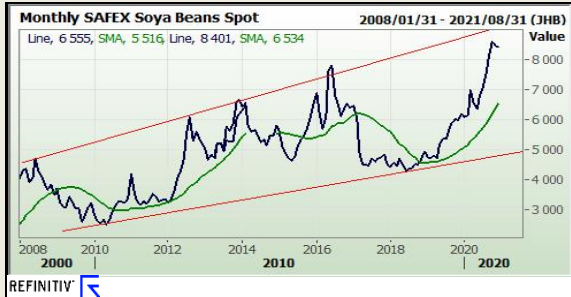
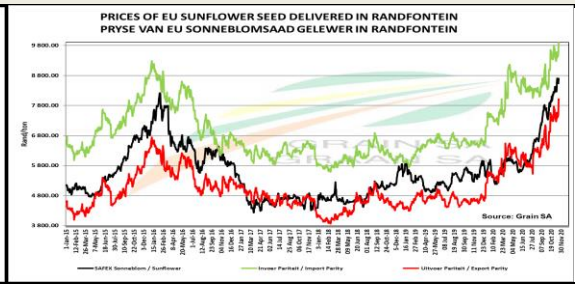
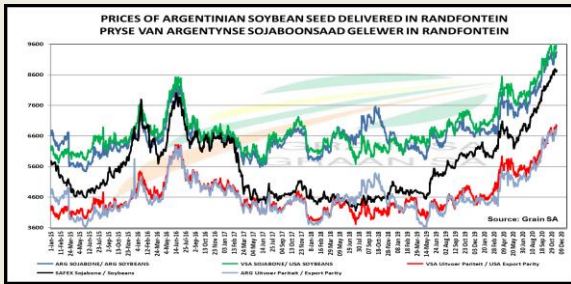
	Soybean Future			
	MTM	Vols	Parity Change	Market Price
Dec 2020	R 8 401.00	15%		R 8 401.00
Mar 2021	R 7 954.00	17%	R 69.80	R 8 023.80
May 2021	R 7 123.00	17%	R 71.17	R 7 194.17
Jul 2021	R 7 222.00	21.5%	R 75.35	R 7 297.35
Sep 2021				
Dec 2021	R 7 407.00	0%		R 7 407.00
Dec 2021	R 7 407.00	0%		R 7 407.00

	Sunflower Seeds Future	
	MTM	Vols
Dec 2020	R 8 464.00	16%
Mar 2021	R 8 351.00	18%
May 2021	R 7 451.00	21.5%
Jul 2021	R 7 488.00	22%
Sep 2021		
Dec 2021		
Dec 2021		



The local Soya market traded lower yesterday. The Dec'20 Soya contract ended R49.00 down and Mar'20 Soya closed R71.00 lower. The parity move for the Dec'20 Soya contract for yesterday was R70.00 positive.

The local Suns market closed lower yesterday. The Dec'20 Suns contract closed R70.00 down and Mar'20 Suns closed R101.00 lower.



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