



Fundamental Report
18 December 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.3738	14.3995	0.0257	0.18%
Euro/Rand	16.0204	16.0422	0.0218	0.14%
GBPound/Rand	18.9646	18.8689	-0.0957	-0.50%
AusDollar/Rand	9.8447	9.8536	0.0089	0.09%
Euro/USDollar	1.1147	1.1133	-0.0014	-0.13%
GBPound/USDollar	1.3197	1.3096	-0.0101	-0.77%
AusDollar/USDollar	0.6848	0.6843	-0.0005	-0.07%
JpyYen/USDollar	109.6000	109.4400	-0.1600	-0.15%

BDLive - The JSE closed at its strongest level in almost a month on Tuesday as the US and China edged towards clinching a comprehensive trade deal, boosting hopes that uncertainty over potential tariffs will end.

Local stocks followed gains by Asian counterparts overnight. Japan's Nikkei 225 rose 0.47%, the Shanghai composite 1.27% and Hong Kong's Hang Seng 1.22%. While SA was closed for a public holiday on Monday, stocks in the US and Europe hit records after China and the US — the world's two biggest economies — struck a preliminary deal at the weekend. By the end of trading in Johannesburg on Tuesday, the global rally had begun to lose some steam. The Dow Jones industrial average was up 0.3% at 7.01pm, and the UK's FTSE 100 had gained 0.13%. France's CAC 40 and Germany's DAX were both lower.

The JSE all share gained 1.27% to 57,467.1 points, with the top 40 rising 0.98%. It was the main index's biggest gain since November 19.



Commodities

	Last	Value Change	% Change
Platinum	926.41	-1.11	-0.12%
Gold	1476.51	0.31	0.02%
Silver	17.01	0.01	0.06%
Copper	2.80	-0.01	-0.45%
Gasoil	611.75	-1.75	-0.29%
Brent Oil	65.73	-0.37	-0.56%

BDLive - Bengaluru — Gold prices were rangebound on Tuesday, as lack of concrete details about the interim US-China trade deal kept investors from making firm bets, while palladium was just \$2 away from surpassing key \$2,000/oz level for the first time.

Spot gold was little changed at \$1,476.24/oz at 4.20am GMT. US gold futures were flat at \$1,480.90. Palladium rose 0.9% to \$1,995.87/oz, after scaling a record peak of \$1,998. "The trade situation is improving ... but the weaker dollar is counter balancing that. So, we're seeing tight ranges for gold prices with these two factors running in opposite directions," said Michael McCarthy, chief market strategist at CMC Markets.

The dollar index was little changed after posting losses in the previous two sessions, making gold cheaper for holders of other currencies. Investors are keen to know more about the preliminary trade deal struck between US and China last week.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50994.19	0.00	0.00%
ALSI	51161.00	0.00	0.00%
S&P 500	3191.45	1.07	0.03%
FTSE	7519.05	6.23	0.08%
CAC	5968.26	0.00	0.00%
DAX	13287.83	0.00	0.00%
Hang Seng	27843.71	-9.82	-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
MAR 2010	387.00	390.00	2.00	3.00	389.50	-0.50	2.50
MAY 2020	394.00	396.50	1.75	2.50	396.00	-0.50	2.00
JUL 2020	399.00	402.25	2.00	3.25	401.50	-0.75	2.50
SEP 2020	398.00	400.25	1.75	2.25	399.25	-1.00	1.25
DEC 2020	400.00	402.00	1.75	2.00	402.00	0.00	2.00

FarmFutures - Corn prices moved higher after technical buying continued for a fourth consecutive session. Gains were modest but never in danger of moving lower in Tuesday's session. March futures added 2 cents to \$3.90, with May futures up another 1.75 cents to \$3.9650.

Corn basis bids were mostly steady to firm across the central U.S. Tuesday, climbing 3 to 5 cents higher across three Midwestern locations today. A Nebraska processor bucked the overall trend after dropping 4 cents lower.

The average cost to produce an acre of corn was \$677.02 in 2018, according to newly released data from USDA. The agency predicts a slight increase in its 2019 and 2020 forecasts. Click here to learn more specifics, along with information regarding soybeans and wheat cost of production.

Brazil's center-south ethanol production for 2019/20 is expected to rise more than 7% from a year ago, reaching an estimated 8.744 billion gallons, according to Unica.

A piece of legislation currently in consideration would extend a \$1 per gallon biodiesel tax credit through 2022. Supporters are concerned that more manufacturing plants would shutter if the tax incentive is not renewed. Click here to learn more.

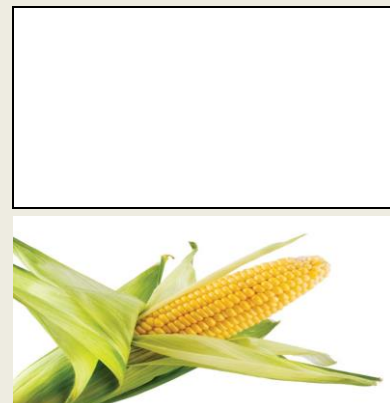
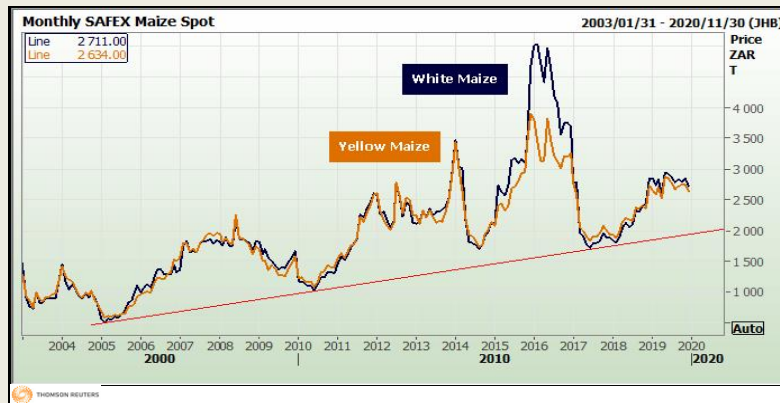
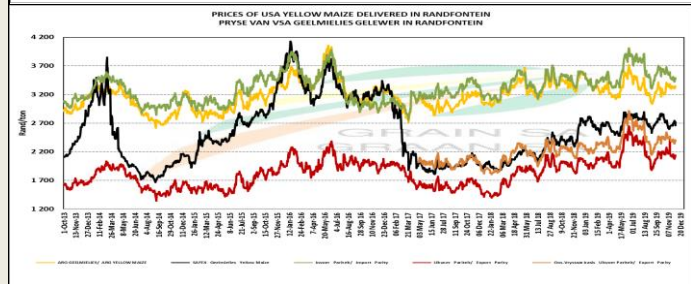
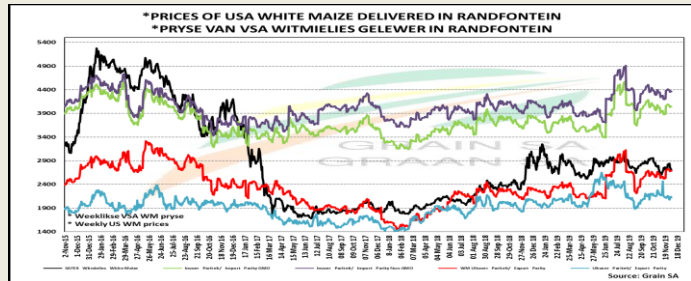
Preliminary volume estimates were for 173,756 contracts, falling about 30% below Monday's final count of 248,786.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2019				
Dec 2019	R 2 711.00	0%		R 2 711.00
Mar 2020	R 2 722.00	29%		R 2 722.00
May 2020	R 2 607.00	0%	R 15.32	R 2 622.32
Jul 2020	R 2 605.00	27.5%	R 18.21	R 2 623.21
Sep 2020	R 2 643.00	0%	R 11.11	R 2 654.11
Dec 2020	R 2 723.00	29%	R 15.38	R 2 738.38
Yellow Maize Future				
Sep 2019				
Dec 2019	R 2 634.00	0%		R 2 634.00
Mar 2020	R 2 634.00	24%		R 2 634.00
May 2020	R 2 583.00	0%	R 15.32	R 2 598.32
Jul 2020	R 2 536.00	19.5%	R 18.21	R 2 554.21
Sep 2020	R 2 569.00	0%	R 11.11	R 2 580.11
Dec 2020	R 2 652.00	0%	R 15.38	R 2 667.38

The local Maize market traded higher yesterday. The Dec'19 WMAZ contract ended R28.00 up and Dec'19 YMAZ closed R14.00 higher. The Mar'20 WMAZ closed higher by R30.00 and Mar'20 YMAZ ended R14.00 up. The parity move for the Dec'19 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
MAR 2010	546.00	556.25	6.50	10.25	551.25	-5.00	5.25		MAR 2010	458.00	467.00	5.00	9.00	464.00	-3.00	6.00
MAY 2010	548.00	559.00	7.75	11.00	553.25	-5.75	5.25		MAY 2010	465.00	475.00	5.25	10.00	472.25	-2.75	7.25
JUL 2010	548.00	559.00	7.75	11.00	554.50	-4.50	6.50		JUL 2010	472.00	481.25	5.00	9.25	479.25	-2.00	7.25
SEP 2010	552.00	563.25	7.75	11.25	558.50	-4.75	6.50		SEP 2010	479.00	488.25	4.50	9.25	486.00	-2.25	7.00
DEC 2010	562.00	571.50	7.25	9.50	529.00	-42.50	-33.00		DEC 2010	491.00	498.25	3.75	7.25	0.00	-498.25	-491.00

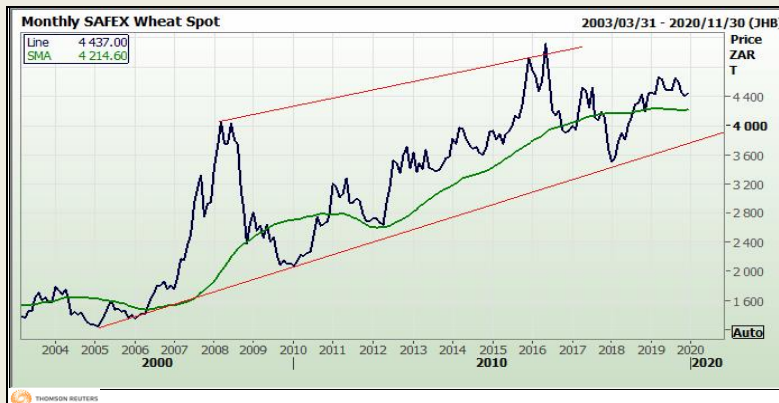
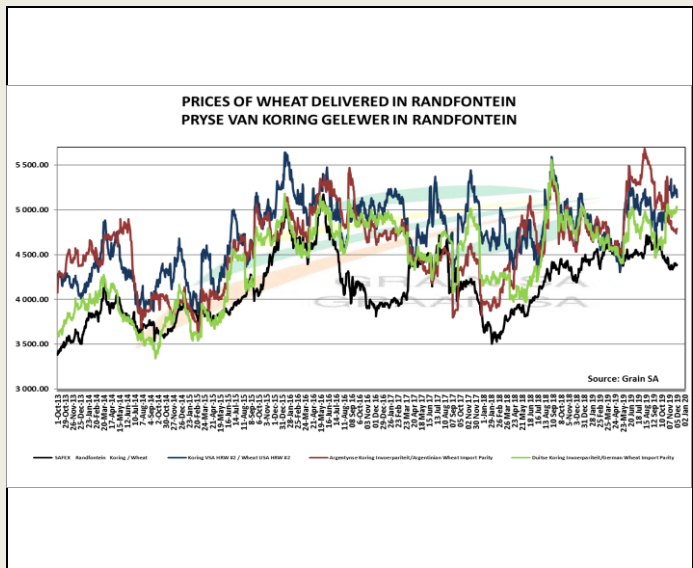


FarmFutures - Wheat prices followed corn and soybeans higher on a round of technical buying, with prices moving steadily higher throughout Tuesday's session. Dry weather has hampered production from some key global competitors, which is creating additional tailwinds right now. March Chicago SRW futures gained 6.5 cents to \$5.5625, March Kansas City HRW futures added 3.75 cents to \$4.6575, and March MGEX spring wheat futures picked up 1.75 cents to \$5.3825. Argentina's government may raise export taxes on wheat and corn from 12% to 15% as the country struggles with inflation and poverty. "They are taking economic measures based on who elected them, taxing farmers and high-income earners in order to increase social benefits," according to Gabriel Zepo, director of local economic consultancy Seido. Russia announced plans to invest \$500 million in the construction of a major grain hub in Syria to bolster its ability to serve Middle Eastern markets. The country also plans to send 3.7 million bushels of wheat to Syria for humanitarian aid. Russia is the world's No. 1 wheat exporter. Japan is seeking to purchase nearly 5.5 million bushels of food-quality wheat from the U.S., Canada and Australia in a regular tender that closes Thursday. Of the total, about 36% is expected to be sourced from the U.S.

Preliminary volume estimates were for 107,215 CBOT contracts, drifting moderately below Monday's final count of 144,782.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2019				
Dec 2019	R 4 437.00	0%		R 4 437.00
Mar 2020	R 4 458.00	8.5%		R 4 458.00
May 2020	R 4 527.00	15.5%	R 32.95	R 4 559.95
Jul 2020	R 4 578.00	0%	R 39.57	R 4 617.57
Sep 2020	R 4 573.00	0%	R 39.60	R 4 612.60
Dec 2020				
Cape Wheat				
Sep 2019				
Dec 2019				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				



The local Wheat market closed mixed yesterday. The Dec'19 Wheat contract closed R13.00 up while Mar'20 Wheat closed R7.00 lower. The parity move for the Dec'19 Wheat contract for yesterday was R29.00 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 2010	922.00	928.75	6.75	6.75	902.00	-26.75	-20.00
MAR 2020	935.00	940.75	4.75	5.75	939.50	-1.25	4.50
MAY 2020	949.00	954.25	4.25	5.25	953.75	-0.50	4.75
JUL 2020	962.00	966.00	4.00	4.00	965.50	-0.50	3.50
AUG 2020	965.00	969.25	3.75	4.25	969.00	-0.25	4.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2010	302.3	302.10
MAR 2010	306.4	306.30
MAY 2010	309.3	309.20
JUL 2010	312.2	312.10
AUG 2010	313.1	0.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2010	33.82	33.70
MAR 2010	34.1	33.98
MAY 2010	34.36	34.24
JUL 2010	34.62	34.49
AUG 2010	34.65	34.56



FarmFutures - Soybean prices rose again today, tacking on moderate gains as trade optimism prompted some more technical buying. January futures added 6.75 cents to \$9.2875, with March futures picking up 4.75 cents to \$9.40. Red-hot soyoil prices also tracked 2% higher today, reaching a nearly two-year high.

Soybean basis bids ticked 1 to 2 cents higher at two interior river terminals Tuesday and were mixed at Midwestern processors while holding steady across other central U.S. locations today.

Traders and others still await specifics on the details surrounding the partial trade agreement announced by the U.S. and China late last week. Neither country has seen the 86-page document apart from the actual negotiators, according to Bloomberg, although the U.S. did provide a two-page fact sheet. Click here to learn more.

Preliminary volume estimates were for 301,879 contracts, moving moderately above Monday's final count of 240,297.

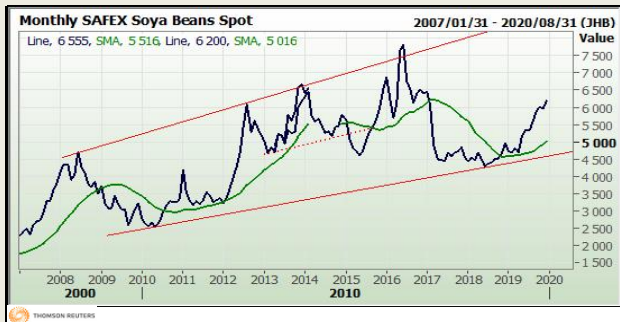
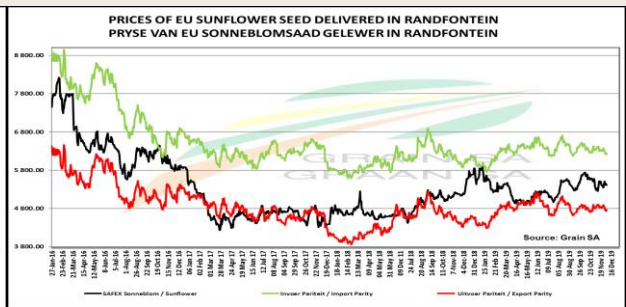
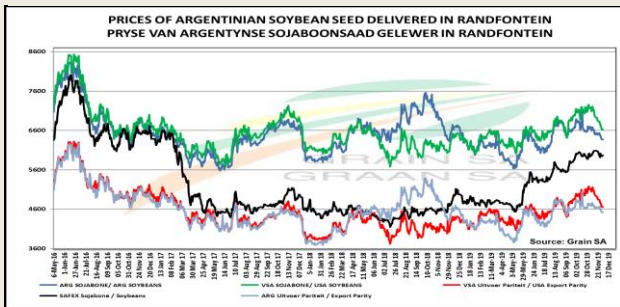
South African Futures Exchange

Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 6 200.00	0%		R 6 200.00
Mar 2020	R 6 125.00	17%	R 32.64	R 6 157.64
May 2020	R 5 909.00	17.5%	R 34.09	R 5 943.09
Jul 2020	R 5 959.00	20.5%	R 27.60	R 5 986.60
Sep 2020	R 6 024.00	0%		R 6 024.00
Dec 2020	R 6 052.00	0%		R 6 052.00

Sunflower Seeds Future				
	MTM	Vols		
Sep 2019				
Dec 2019	R 5 960.00	0%		R 5 960.00
Mar 2020	R 5 984.00	13%		R 5 984.00
May 2020	R 5 657.00	13.5%		R 5 657.00
Jul 2020	R 5 550.00	0%		R 5 550.00
Sep 2020				
Dec 2020	R 5 609.00	0%		R 5 609.00

The local Soya market traded mixed yesterday. The Dec'19 Soya contract ended R32.00 up while Mar'20 Soya closed R6.00 lower. The parity move for the Dec'19 Soya contract for yesterday was R36.00 positive.

The local Suns market closed mixed yesterday. The Dec'19 Suns contract closed R80.00 up while Mar'20 Suns closed unchanged.



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