



Fundamental Report
19 December 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.3834	14.3053	-0.0781	-0.54%
Euro/Rand	16.0141	15.9298	-0.0843	-0.53%
GBPound/Rand	18.8547	18.7174	-0.1373	-0.73%
AusDollar/Rand	9.8512	9.8363	-0.0149	-0.15%
Euro/USDollar	1.1131	1.1130	-0.0001	-0.01%
GBPound/USDollar	1.3110	1.3086	-0.0024	-0.18%
AusDollar/USDollar	0.6849	0.6876	0.0027	0.39%
JpyYen/USDollar	109.4300	109.5700	0.1400	0.13%

BDLive - The JSE closed at its highest level in five months on Wednesday, as investors await the outcome of impeachment proceedings against US President Donald Trump, while the first phase of his trade deal with China has kept global markets fairly buoyant. US stocks remain near record highs albeit in lacklustre trade as investors brace for a six-hour debate and House vote on Capitol Hill over President Trump's impeachment, said Oanda senior market analyst Edward Moya.

Moya said Trump is widely expected to become the third US president to face impeachment but "will likely be acquitted next month by the Republican-led Senate. Republicans are certain to stay loyal to Trump and the impeachment process is not expected to yield any major market reactions."

European markets were mixed on Wednesday evening, while the pound weakened as investors remain sceptical over newly re-elected Prime Minister Boris Johnson's commitment to block an extension of EU trade talks beyond 2020, reviving investor fears of a no-deal Brexit.



Commodities

	Last	Value Change	% Change
Platinum	933.14	-2.25	-0.24%
Gold	1477.39	2.20	0.15%
Silver	17.04	0.03	0.19%
Copper	2.80	-0.01	-0.29%
Gasoil	610.75	1.00	0.16%
Brent Oil	66.17	0.00	0.00%

BDLive - Bengaluru — Gold edged higher on Wednesday amid uncertainty about what comes after phase one of the US-China trade deal, while palladium slipped after a record run to the key \$2,000 an ounce level.

Spot gold gained 0.2% to \$1,478.65 an ounce as of 10.43am GMT. US gold futures rose 0.2% at \$1,483.20.

"This is only phase one [of the trade deal] and there are still open questions as to what will happen in 2020 with IT protection and all the other major issues still to be addressed," said Mitsubishi analyst Jonathan Butler.

Gold is on track for its biggest annual gain since 2010, bolstered by interest rates cuts by major central banks and the protracted tariff dispute.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51462.50	0.00	0.00%
ALSI	51508.00	0.00	0.00%
S&P 500	3192.52	-1.38	-0.04%
FTSE	7525.28	15.47	0.21%
CAC	5959.60	0.00	0.00%
DAX	13222.16	0.00	0.00%
Hang Seng	27884.21	-172.63	-0.62%



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Corn / Maize Market

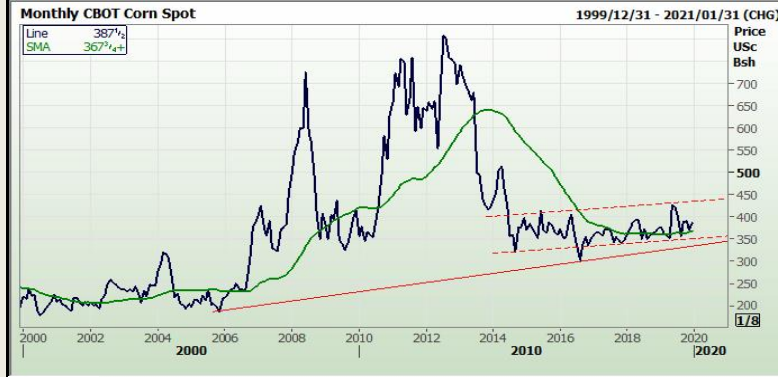
Chicago Board of Trade

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	389.00	387.00	-3.00	-2.00	387.50	0.50	-1.50
MAY 2020	396.00	393.50	-3.00	-2.50	394.00	0.50	-2.00
JUL 2020	401.00	399.50	-2.75	-1.50	399.50	0.00	-1.50
SEP 2020	399.00	398.00	-2.25	-1.00	398.25	0.25	-0.75
DEC 2020	402.00	400.00	-2.00	-2.00	400.25	0.25	-1.75

FarmFutures - Corn prices dipped moderately lower Thursday on some profit-taking and technical selling, erasing a portion of gains captured earlier this week, although prices remain more than 8% higher than they were a week ago. March and May futures each dropped 3 cents to close at \$3.87 and \$3.9350, respectively. Corn basis bids moved 2 to 4 cents higher at two interior river terminals and held steady elsewhere across the central U.S. as farmer sales remain sluggish so far this week. Ahead of Thursday morning's weekly export sales report from USDA, analysts expect the agency to report a huge uptick in corn sales for the week ending December 12 following its report of a massive sale to Mexico last week. The latest trade guesses range from 67.9 million to 106.3 million bushels. Even the low end of those estimates dwarfs the prior week's tally of 34.5 million bushels. After multiple weeks of ethanol production moving higher, volume finally took a dip for the week ending December 13, with a daily average of 1.064 million barrels versus 1.072 million barrels the prior week. Production still remains seasonally high, however. February ethanol futures dropped 0.5% this afternoon, to \$1.384. The Trump Administration plans to move forward with its current proposal on 200 biofuel blending requirements, with critics noting it won't address its increased usage of refinery waivers. The current U.S. Renewable Fuel Standard requires refineries to blend 15 million gallons of ethanol into their gasoline annually, but several dozen refineries have successfully applied for exemptions to this rule. China's National Bureau of Statistics says the country's corn production for 2019/20 could reach a record 10.275 billion bushels, rising 3% above the prior year's totals thanks to a combination of increased acres and higher expected yields.

Ukraine's November corn exports rose 35% month-over-month to reach 122 million bushels, according to analyst APK-Inform in a report earlier today.

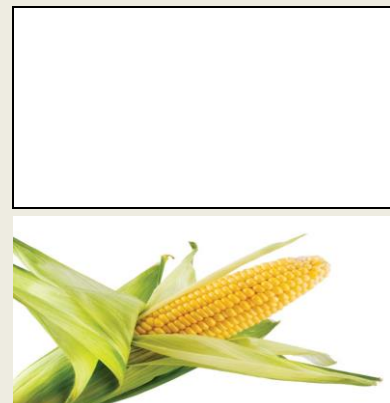
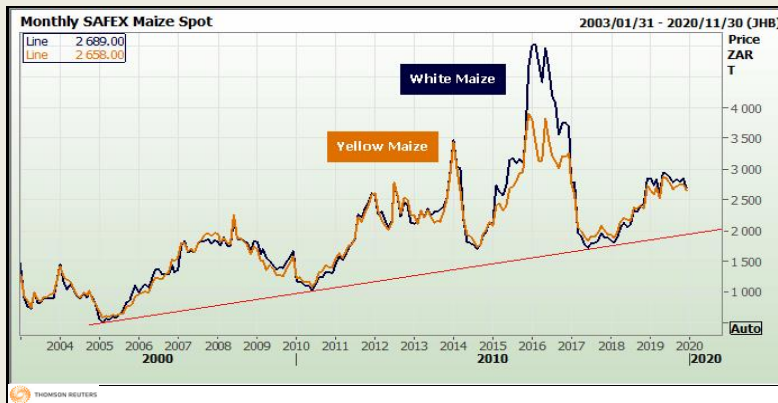
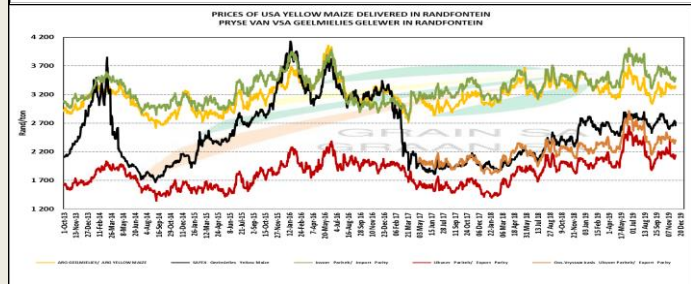
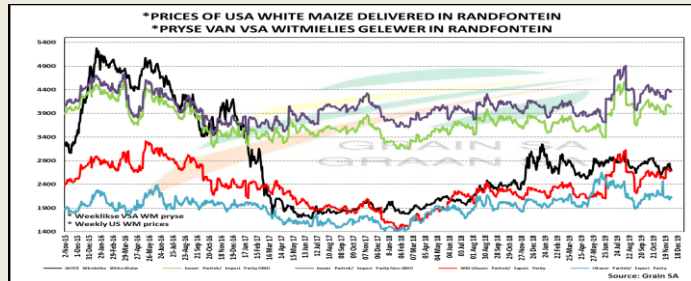
Preliminary volume estimates were for 195,660 contracts, coming in 13% above Tuesday's final count of 173,746.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2019				
Dec 2019	R 2 689.00	0%		R 2 689.00
Mar 2020	R 2 694.00	29%		R 2 694.00
May 2020	R 2 607.00	0%	R -23.44	R 2 583.56
Jul 2020	R 2 603.00	27.5%	R -20.78	R 2 582.22
Sep 2020	R 2 643.00	0%	R -16.49	R 2 626.51
Dec 2020	R 2 723.00	29%	R -22.22	R 2 700.78
Yellow Maize Future				
Sep 2019				
Dec 2019	R 2 658.00	0%		R 2 658.00
Mar 2020	R 2 644.00	24%		R 2 644.00
May 2020	R 2 590.00	0%	R -23.44	R 2 566.56
Jul 2020	R 2 549.00	19.5%	R -20.78	R 2 528.22
Sep 2020	R 2 580.00	0%	R -16.49	R 2 563.51
Dec 2020	R 2 665.00	0%	R -22.22	R 2 642.78

The local Maize market traded mixed yesterday. The Dec'19 WMAZ contract ended R22.00 down while Dec'19 YMAZ closed R24.00 higher. The Mar'20 WMAZ closed lower by R28.00 while Mar'20 YMAZ ended R10.00 up. The parity move for the Dec'19 Maize contract for yesterday was R21.00 negative.



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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

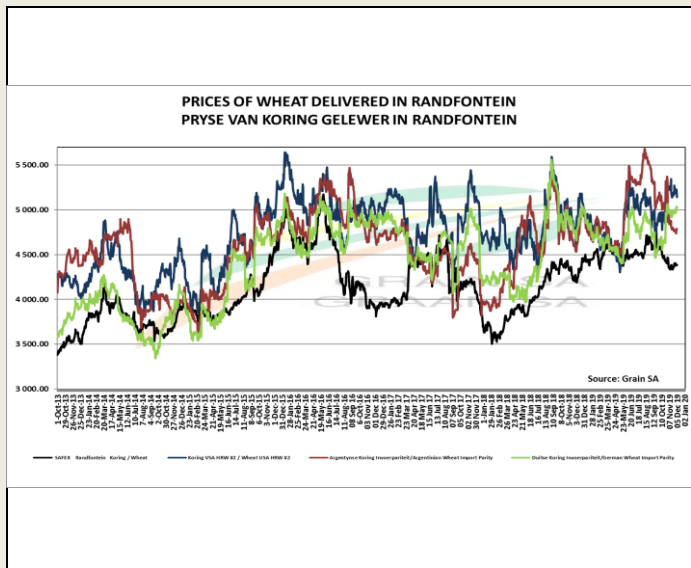
CBOT Wheat									KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm		Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2010	552.00	548.25	-8.00	-3.75	548.50	0.25	-3.50		MAR 2010	465.00	462.25	-4.75	-2.75	461.50	-0.75	-3.50
MAY 2020	555.00	551.75	-7.25	-3.25	551.50	-0.25	-3.50		MAY 2010	473.00	470.50	-4.50	-2.50	470.50	0.00	-2.50
JUL 2020	556.00	553.50	-5.50	-2.50	553.25	-0.25	-2.75		JUL 2010	480.00	477.50	-3.75	-2.50	477.50	0.00	-2.50
SEP 2020	561.00	558.75	-4.50	-2.25	558.25	-0.50	-2.75		SEP 2010	487.00	485.00	-3.25	-2.00	484.00	-1.00	-3.00
DEC 2020	570.00	568.00	-3.50	-2.00	529.00	-39.00	-41.00		DEC 2010	496.00	495.75	-2.50	-0.25	0.00	-495.75	-496.00



FarmFutures - Wheat prices sank moderately lower Wednesday on a round of technical selling and profit-taking after prices hit nearly six-month highs earlier this week. Winter wheat contracts were hit the hardest, with March Chicago SRW futures falling 8 cents to \$5.4825 and March Kansas City HRW futures dropping 5.25 cents to \$4.6175. March MGEX spring wheat futures only slipped 0.25 cents lower, in contrast, closing at \$5.38. Ahead of Thursday morning's weekly export sales report from USDA, analysts expect the agency to show wheat sales ranging between 7.3 million and 22.0 million bushels for the week ending December 12. Actuals will need to land on the high end of those estimates to best the prior week's tally of 18.5 million bushels. Pakistan may haul in a bumper wheat harvest this year totaling as much as 992 million bushels, rising 10.3% above last year's production, if realized. Government initiatives and favorable weather are among the uptick in production this year. Ukraine's total grain exports fell month-over-month in November, according to consultancy APK-Inform after wheat exports dropped nearly 35% to 62.5 million bushels. China sold another 1.9 million bushels of its state reserves of wheat at auction earlier today, which was 1.7% of the total available for sale. Preliminary volume estimates were for 97,260 CBOT contracts, slightly trailing Tuesday's final count of 107,215.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2019				
Dec 2019	R 4 435.00	0%		R 4 435.00
Mar 2020	R 4 440.00	8.5%		R 4 440.00
May 2020	R 4 500.00	15.5%	R -34.32	R 4 465.68
Jul 2020	R 4 556.00	0%	R -30.41	R 4 525.59
Sep 2020	R 4 551.00	0%	R -30.55	R 4 520.45
Dec 2020				
Cape Wheat				
Sep 2019				
Dec 2019				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				



The local Wheat market closed lower yesterday. The Dec'19 Wheat contract closed R2.00 down and Mar'20 Wheat closed R18.00 lower. The parity move for the Dec'19 Wheat contract for yesterday was R36.00 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 2010	927.00	928.50	-0.25	1.50	902.00	-26.50
MAR 2020	939.00	940.50	-0.25	1.50	938.00	-2.50
MAY 2020	953.00	954.00	-0.25	1.00	952.00	-2.00
JUL 2020	965.00	965.50	-0.50	0.50	963.25	-2.25
AUG 2020	968.00	969.25	0.00	1.25	966.75	-2.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2010	302.9	302.00
MAR 2010	307.4	306.40
MAY 2010	310.5	309.60
JUL 2010	313.6	312.60
AUG 2010	314.4	313.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2010	33.43	33.39
MAR 2010	33.72	33.67
MAY 2010	33.99	33.94
JUL 2010	34.27	34.23
AUG 2010	34.3	34.37



FarmFutures - Soybean prices fought through a choppy session to finish with fractional losses as traders readied their positions ahead of Thursday morning's export sales report from USDA. January and March futures each slipped 0.25 cents lower, closing at \$9.2850 and \$9.4050, respectively. Soybean basis bids were steady to firm Wednesday, rising 1 to 6 cents higher across a handful of Midwestern locations today amid generally slow farmer sales. Ahead of tomorrow morning's weekly export report from USDA, analysts expect the agency to show soybean sales ranging between 34.9 million and 66.1 million bushels for the week ending December 12. Analysts also expect USDA to report an additional 150,000 to 350,000 metric tons of soymeal sales, plus soyoil sales between 5,000 and 25,000 MT. The phase-one trade deal between the U.S. and China has Beijing committed to buying \$32 billion more in U.S. farm products between 2020 and 2021, versus a baseline of \$24 billion in 2017, according to U.S. Trade Representative Robert Lighthizer. President Donald Trump has claimed China will eventually buy \$50 billion in U.S. agricultural products annually, but it's currently unclear what the actual 86-page trade agreement actually stipulates. Meantime, a new study from Brazil suggests the country could lose out on \$10 billion annually in farm exports to China if its trade deal with the U.S. unspools as it has been proposed. Last year, Brazilian farm exports to China reached a mammoth \$35.4 billion, versus U.S. exports topping out at \$13.2 billion. "The first thing that is likely to happen is a rebalancing on [soybean] trade," according to Marcos Jank, who coordinated the study.

South African Futures Exchange

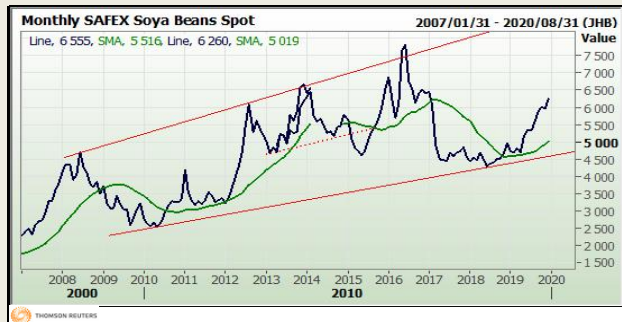
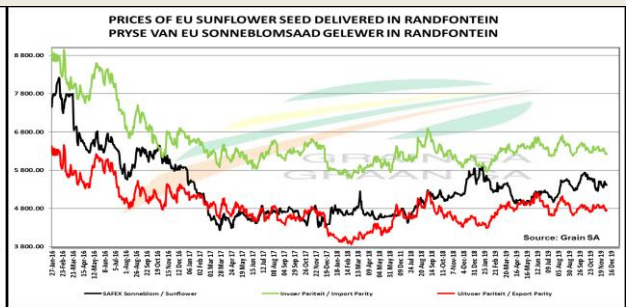
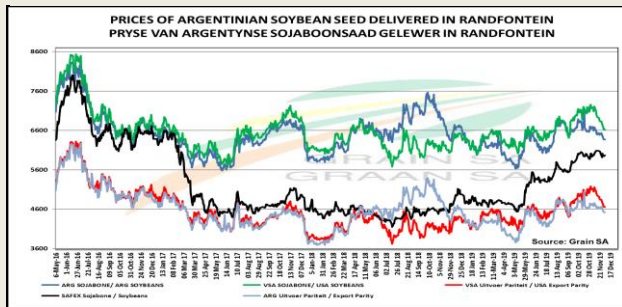
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 6 260.00	0%		R 6 260.00
Mar 2020	R 6 173.00	17%	R -32.20	R 6 140.80
May 2020	R 5 914.00	17.5%	R -32.60	R 5 881.40
Jul 2020	R 5 982.00	20.5%	R -36.89	R 5 945.11
Sep 2020	R 6 048.00	0%		R 6 048.00
Dec 2020	R 6 073.00	0%		R 6 073.00

Sunflower Seeds Future		
	MTM	Vols
Sep 2019		
Dec 2019	R 5 861.00	0%
Mar 2020	R 5 927.00	13%
May 2020	R 5 642.00	13.5%
Jul 2020	R 5 580.00	0%
Sep 2020		
Dec 2020	R 5 625.00	0%



The local Soya market traded higher yesterday. The Dec'19 Soya contract ended R60.00 up and Mar'20 Soya closed R48.00 higher. The parity move for the Dec'19 Soya contract for yesterday was R26.00 negative.

The local Suns market closed lower yesterday. The Dec'19 Suns contract closed R99.00 down and Mar'20 Suns closed R57.00 lower.



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