



**Fundamental Report**  
**23 December 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.2145	14.2654	0.0509	0.36%
Euro/Rand	15.8071	15.8159	0.0088	0.06%
GBPound/Rand	18.5298	18.5648	0.0350	0.19%
AusDollar/Rand	9.7952	9.8474	0.0522	0.53%
Euro/USDollar	1.1115	1.1080	-0.0035	-0.31%
GBPound/USDollar	1.3037	1.3014	-0.0023	-0.18%
AusDollar/USDollar	0.6891	0.6903	0.0012	0.17%
JpyYen/USDollar	109.3300	109.4000	0.0700	0.06%

BDLive - The JSE capped its best fortnight since June on Friday and now looks set for its strongest month in six as it rides the wave of positive global market sentiment fueled by the agreement to implement the first phase of a US-China trade deal.

Investor uncertainty has been tempered somewhat with the tariff issue having been put to bed for now, while the outcome of the UK's general election, which saw Boris Johnson's Conservative Party winning an overwhelming majority, all but sealing the deal on Britain's exit from the EU.

The Rand also continues to ride the wave of optimism in global markets, having now erased all its 2019 losses, despite a pessimistic outlook for the local economy, and following the announcement by ratings agency Fitch on Wednesday that it would keep SA's credit rating unchanged, with the negative outlook remaining in place. The agency highlighted risks posed by the country's low GDP growth, rising government debt, and its exposure to state-owned entities such as Eskom and SAA.



### Commodities

	Last	Value Change	% Change
Platinum	912.40	3.63	0.40%
Gold	1480.97	3.02	0.20%
Silver	17.24	0.04	0.25%
Copper	2.80	-0.01	-0.29%
Gasoil	611.50	-2.00	-0.33%
Brent Oil	65.97	-0.17	-0.26%

BDLive - Gold prices inched lower on Friday due to increased risk appetite on hopes of an interim Sino-US deal being signed soon and as investors awaited the release of US GDP data. Spot gold edged 0.1% lower to \$1,478/oz by 1.35am GMT. US gold futures fell 0.2% to \$1,482/oz.

US treasury secretary Steven Mnuchin said on Thursday the US and China would sign their so-called phase one trade pact at the beginning of January, adding that it would not be subject to any renegotiation. China's finance ministry unveiled a new list of import tariff exemptions for a duration of one year starting December 26 for six chemical and oil products from the US.

Asian shares firmed, close to the 18-month peak, as trade thinned in the run-up to Christmas and the market absorbed the positive trade update. The dollar index, all set to gain for the first week in four, held steady against a basket of currencies, making gold cheaper for holders of other currencies.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51151.12	0.00	0.00%
ALSI	51395.00	0.00	0.00%
S&P 500	3205.37	15.85	0.49%
FTSE	7573.82	8.66	0.11%
CAC	6021.53	0.00	0.00%
DAX	13211.96	106.94	0.81%
Hang Seng	27871.35	-13.15	-0.05%



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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	386.00	387.75	1.25	1.75	387.50	-0.25	1.50
MAY 2020	393.00	394.00	1.00	1.00	393.50	-0.50	0.50
JUL 2020	398.00	399.50	0.75	1.50	399.25	-0.25	1.25
SEP 2020	398.00	399.50	1.00	1.50	399.00	-0.50	1.00
DEC 2020	400.00	401.75	1.25	1.75	401.25	-0.50	1.25

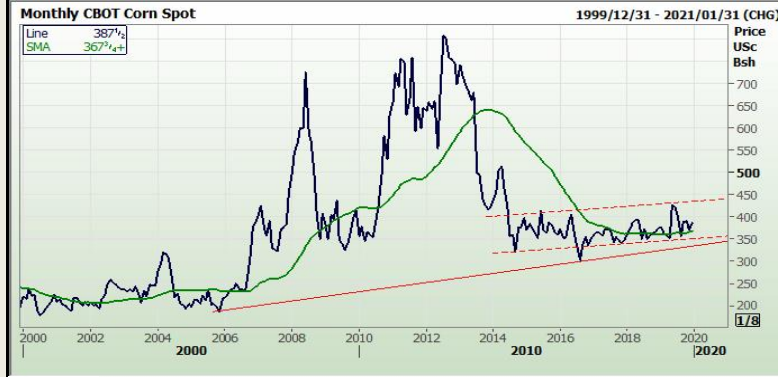
FarmFutures - Corn prices ticked modestly higher Friday on some light technical buying and short-covering. March futures gained 1.25 cents to \$3.8775, with May futures up a penny to \$3.94. For the week, March futures trended about 1.2% higher.

Corn basis bids were largely steady across the central U.S. Friday but did tick a penny higher at an Illinois river terminal today.

Widespread drought across Zimbabwe has led the country to spend \$133 million next year on corn subsidies to stave off food shortages and inflation.

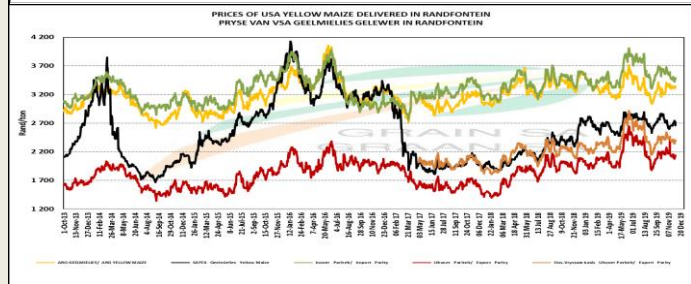
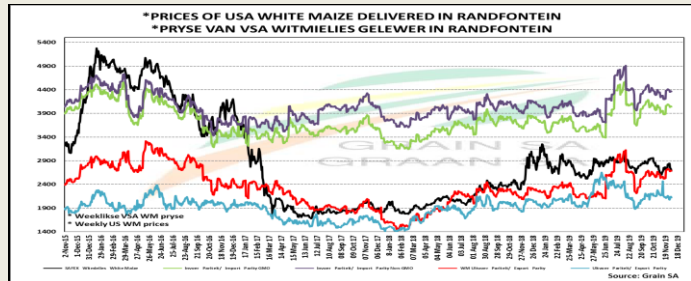
In just over a month, you'll have a chance to journey to Coralville, Iowa, for the 2020 Farm Futures Business Summit to soak up plenty of rich networking opportunities, lively debate and business training to help you navigate the increasing complexities facing farm owners and operators. Click here to learn more about this great event – early bird discounts are still available through January 3.

Preliminary volume estimates were for 113,009 contracts, coming in moderately below Thursday's final count of 136,312.

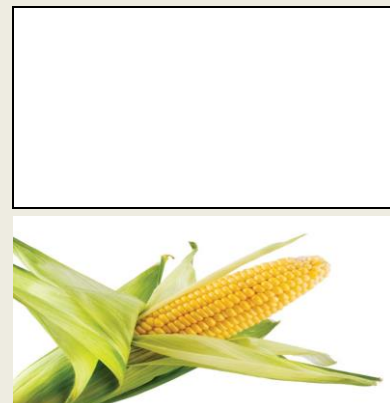
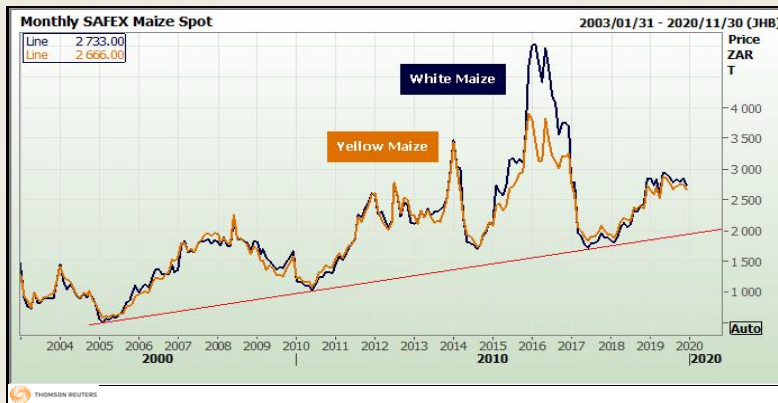


### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Sep 2019				
Dec 2019	R 2 733.00	0%		R 2 733.00
Mar 2020	R 2 733.00	29%		R 2 733.00
May 2020	R 2 615.00	0%	R 10.68	R 2 625.68
Jul 2020	R 2 609.00	27.5%	R 15.00	R 2 624.00
Sep 2020	R 2 646.00	0%	R 13.59	R 2 659.59
Dec 2020	R 2 725.00	29%	R 15.04	R 2 740.04
<b>Yellow Maize Future</b>				
Sep 2019				
Dec 2019	R 2 666.00	0%		R 2 666.00
Mar 2020	R 2 665.00	24%		R 2 665.00
May 2020	R 2 578.00	0%	R 10.68	R 2 588.68
Jul 2020	R 2 537.00	19.5%	R 15.00	R 2 552.00
Sep 2020	R 2 580.00	0%	R 13.59	R 2 593.59
Dec 2020	R 2 665.00	0%	R 15.04	R 2 680.04



The local Maize market traded mixed yesterday. The Dec'19 WMAZ contract ended R25.00 up while Dec'19 YMAZ closed R9.00 lower. The Mar'20 WMAZ closed higher by R21.00 and Mar'20 YMAZ ended R15.00 up. The parity move for the Dec'19 Maize contract for yesterday was R14.00 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	545.00	542.25	-3.00	-2.75	543.00	0.75	-2.00		MAR 2010	460.00	462.25	1.75	2.25	462.50	0.25	2.50
MAY 2020	548.00	546.00	-2.75	-2.00	546.50	0.50	-1.50		MAY 2010	469.00	470.25	1.50	1.25	470.75	0.50	1.75
JUL 2020	549.00	548.75	-2.00	-0.25	549.25	0.50	0.25		JUL 2010	475.00	477.75	1.75	2.75	478.00	0.25	3.00
SEP 2020	554.00	553.75	-2.00	-0.25	554.50	0.75	0.50		SEP 2010	482.00	484.50	1.75	2.50	485.25	0.75	3.25
DEC 2020	562.00	562.25	-2.25	0.25	529.00	-33.25	-33.00		DEC 2010	492.00	494.00	1.50	2.00	0.00	-494.00	-492.00



FarmFutures - Wheat prices were mixed but mostly lower on some uneven technical maneuvering Friday. March Chicago SRW futures lost 3 cents to \$5.4225, with March MGEX spring wheat futures down 4.5 cents to \$5.3775. Kansas City HRW contracts bucked the overall trend, with March futures adding 2 cents to \$4.6250.

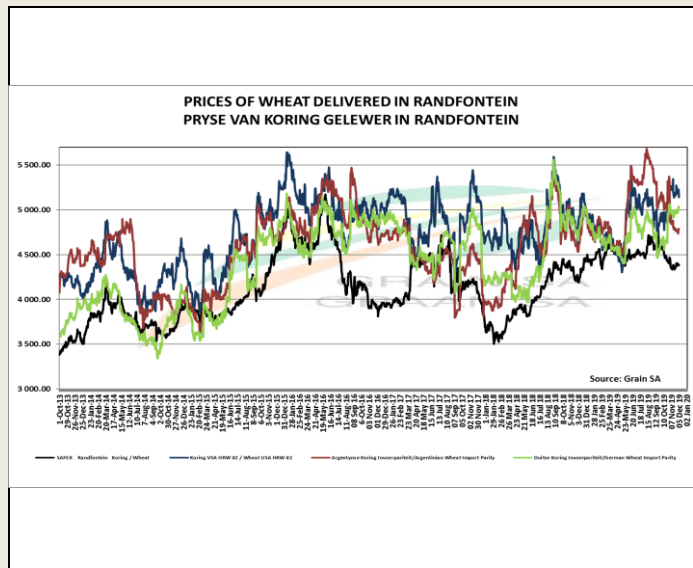
The European Union may export around 36.7 million bushels of wheat to China this marketing year after trade disputes put some volume with the U.S., Canada and Australia in jeopardy. China is the world's No. 1 wheat producer but is still typically a net importer to supplement its domestic needs. Russia, the world's No. 1 wheat exporter, shipped out nearly 92.7 million bushels of wheat in November, the lowest monthly tally since June. Russia also exported a modest amount of corn last month, totaling around 7.7 million bushels.

Japan purchased nearly 5.5 million bushels of food-quality wheat from the U.S., Canada and Australia in a regular tender that closed late Thursday. The U.S. portion of this sales was nearly 2.0 million bushels. The Philippines purchased 1.5 million bushels of wheat from Australia. The grain is for shipment in January and February.

Preliminary volume estimates were for 69,350 CBOT contracts, up slightly from Thursday's final count of 66,478.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Sep 2019				
Dec 2019	R 4 372.00	0%		R 4 372.00
Mar 2020	R 4 429.00	8.5%		R 4 429.00
May 2020	R 4 500.00	14.5%	R 2.39	R 4 502.39
Jul 2020	R 4 542.00	0%	R 11.58	R 4 553.58
Sep 2020	R 4 527.00	0%	R 12.98	R 4 539.98
Dec 2020				
<b>Cape Wheat</b>				
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 R6.00 down and Mar'20 Wheat closed R11.00 lower. The parity move for the Dec'19 Wheat contract for yesterday was R2.00 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 2010	926.00	928.25	3.75	2.25	902.00	-26.25
MAR 2020	937.00	938.25	2.00	1.25	938.00	-0.25
MAY 2020	951.00	951.25	1.25	0.25	951.25	0.00
JUL 2010	963.00	962.50	-0.50	-0.50	962.00	-0.50
AUG 2020	966.00	966.25	0.25	0.25	967.00	0.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2010	297.9	298.40
MAR 2010	302.2	302.60
MAY 2010	305.7	306.10
JUL 2010	309.2	309.50
AUG 2010	310.1	310.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2010	33.79	33.74
MAR 2010	34.06	34.01
MAY 2010	34.36	34.31
JUL 2010	34.67	34.61
AUG 2010	34.7	34.75



FarmFutures - Soybean prices finished another strong week in a choppy session Friday, with January futures adding another 3.75 cents to \$9.28, while March futures picked up 2 cents to \$9.3825. For the week, January futures tracked nearly 1.7% higher and have been on a fairly consistent upward trajectory for most of December.

Soybean basis bids remained mostly steady to firm across the central U.S. as farmers sales have been fairly slow leading up to the holidays. Bids rose 1 to 3 cents higher at three Midwestern locations today.

China's top agricultural consultancy says the country will be able to purchase \$40 billion in American agricultural goods annually, as it has promised in its phase-one trade agreement with the U.S. JCI projects annual sales that include \$18.7 billion for soybeans and \$2.1 billion for pork. If realized, soybean sales will crest 34% above the prior record volume seen in 2016.

South Korea issued a tender to purchase 60,000 metric tons of soybean meal that closed earlier today. The grain is for arrival by next July.

Preliminary volume estimates were for 190,312 contracts, inching fractionally higher than Thursday's final count of 188,391.

### South African Futures Exchange

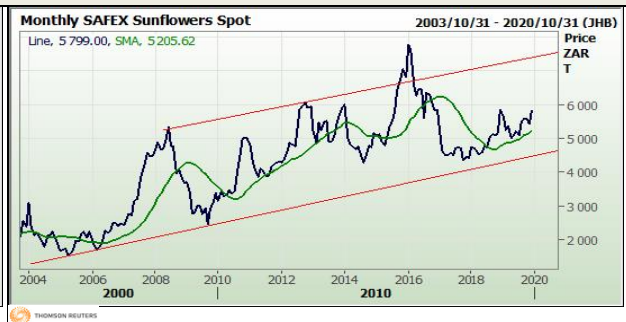
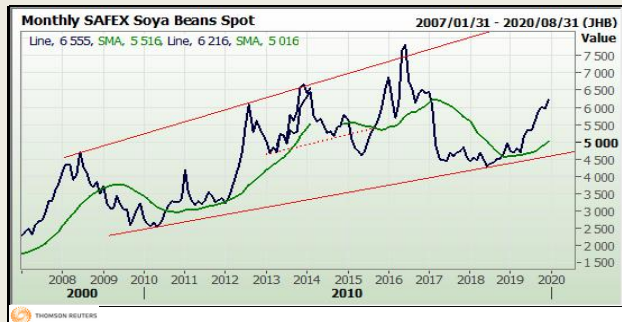
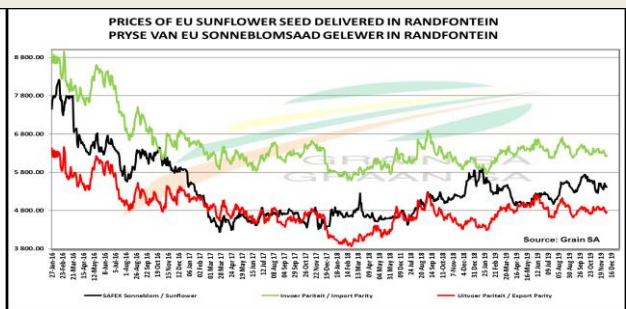
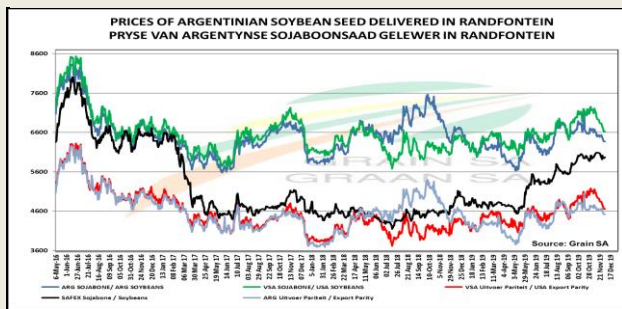
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 6 216.00	0%		R 6 216.00
Mar 2020	R 6 184.00	17%	R 22.77	R 6 206.77
May 2020	R 5 846.00	17.5%	R 19.10	R 5 865.10
Jul 2020	R 5 936.00	20.5%	R 12.77	R 5 948.77
Sep 2020	R 6 031.00	0%		R 6 031.00
Dec 2020	R 6 073.00	0%		R 6 073.00

Sunflower Seeds Future		
	MTM	Vols
Sep 2019		
Dec 2019	R 5 799.00	0%
Mar 2020	R 5 829.00	13%
May 2020	R 5 579.00	13.5%
Jul 2020	R 5 550.00	0%
Sep 2020		
Dec 2020	R 5 625.00	0%



The local Soya market traded mixed yesterday. The Dec'19 Soya contract ended R27.00 down while Mar'20 Soya closed R17.00 higher. The parity move for the Dec'19 Soya contract for yesterday was R19.00 positive.

The local Suns market closed lower yesterday. The Dec'19 Suns contract closed R1.00 down and Mar'20 Suns closed R49.00 lower.



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