



Fundamental Report
27 December 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.1985	14.1077	-0.0908	-0.64%
Euro/Rand	15.7347	15.6846	-0.0501	-0.32%
GBPound/Rand	18.3584	18.3350	-0.0234	-0.13%
AusDollar/Rand	9.8282	9.8105	-0.0177	-0.18%
Euro/USDollar	1.1082	1.1118	0.0036	0.32%
GBPound/USDollar	1.2935	1.2998	0.0063	0.49%
AusDollar/USDollar	0.6922	0.6954	0.0032	0.46%
JpyYen/USDollar	109.3900	109.4400	0.0500	0.05%

BDLive - The JSE turned positive on Tuesday after three consecutive trading days of losses, boosted by miners, which gained on higher commodity prices.

At 5pm, gold was up 0.63% to \$1,494.69/oz and platinum 1.07% to \$941.33. Brent crude had gained 0.6% at \$66.92 a barrel. So far in 2019 gold has risen 16.54% and platinum 18.57%, their biggest gains since 2010. Brent is up the most in three years, at 23.64%.

With SA markets closed for the Christmas holidays on Wednesday and Thursday, any trade or political headlines may only have an effect on Friday, when the JSE re-opens.

Asian and European markets were mixed on Tuesday, with most still reflecting the optimism over improved trade relations between China and the US, with global economic growth likely to recover once a deal has been finalised. Also, Beijing announced on Monday that it plans to remove import tariffs on a range of goods from the beginning of 2020.



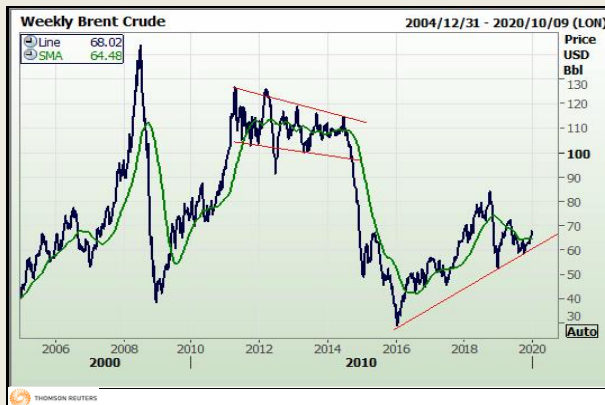
Commodities

	Last	Value Change	% Change
Platinum	951.24	4.12	0.43%
Gold	1513.19	1.89	0.13%
Silver	17.91	0.02	0.12%
Copper	2.85	0.00	-0.09%
Gasoil	623.50	0.50	0.08%
Brent Oil	68.03	0.11	0.16%

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 of 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	51023.93	0.00	0.00%
ALSI	51051.00	0.00	0.00%
S&P 500	3223.38	16.53	0.51%
FTSE	7623.59	8.65	0.11%
CAC	6029.55	0.00	0.00%
DAX	13300.98	0.00	0.00%
Hang Seng	27864.21	326.21	1.17%



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Corn / Maize Market

Chicago Board of Trade

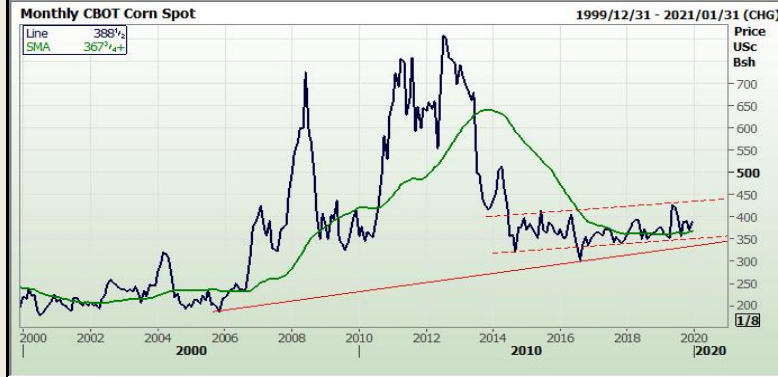
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2010	389.00	388.50	1.00	-0.50	388.50	0.00	-0.50
MAY 2020	395.00	395.25	1.00	0.25	395.00	-0.25	0.00
JUL 2020	401.00	401.25	0.75	0.25	401.00	-0.25	0.00
SEP 2020	400.00	401.00	0.50	1.00	400.25	-0.75	0.25
DEC 2020	402.00	402.75	0.75	0.75	402.50	-0.25	0.50

FarmFutures - Corn prices tracked slightly higher on some technical buying prompted by spillover strength from wheat and soybeans, and with another solid round of export data expected tomorrow morning. March and May futures each picked up a penny to close at \$3.8850 and \$3.9525, respectively.

Corn basis bids were steady at nearly all locations across the central U.S. Thursday but did jump 7 cents higher at an Illinois ethanol plant today. Sales were quiet, as expected, following the Christmas holiday.

Ahead of Friday morning's USDA export report (delayed one day this week after USDA was closed on Christmas), analysts expect the agency to show corn sales ranging between 19.7 million and 51.2 million bushels for the week ending December 19 – cooling considerably from the prior week's tally of 88.4 million bushels, a marketing-year high.

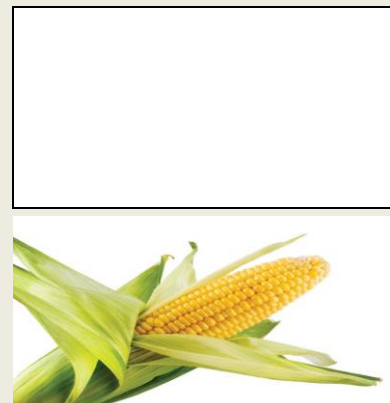
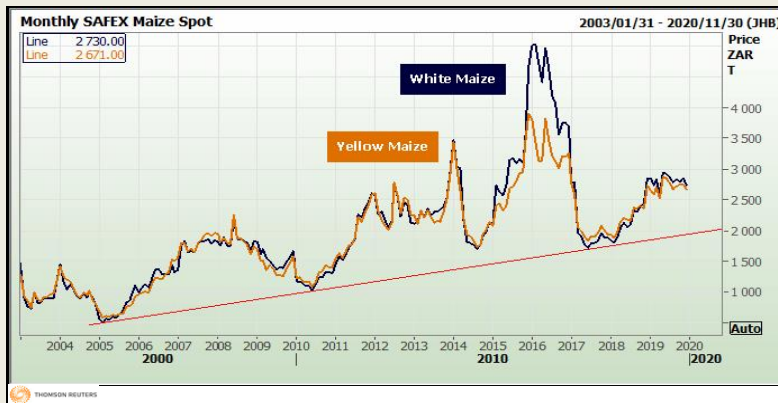
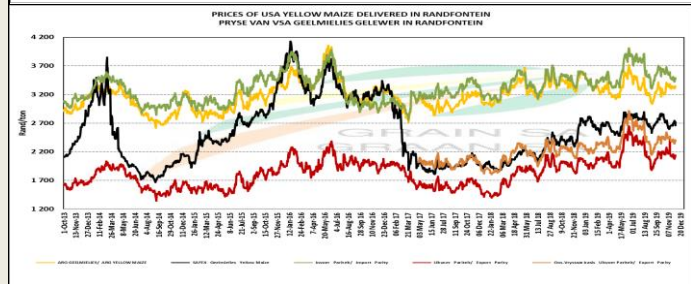
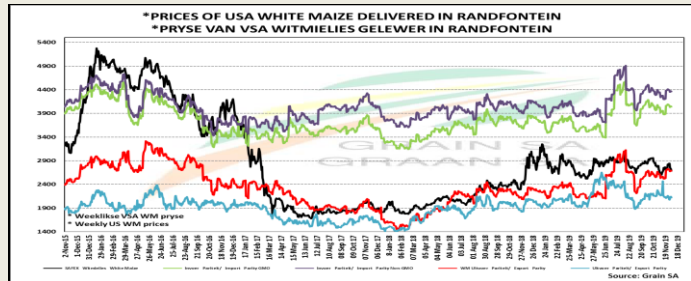
Preliminary volume estimates were for an anemic 70,705 contracts, improving slightly over Tuesday's final count of 66,703.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Mar 2020	R 2 724.00	29%		R 2 724.00
May 2020	R 2 610.00	0%	R -14.12	R 2 595.88
Jul 2020	R 2 584.00	27.5%	R -14.33	R 2 569.67
Sep 2020	R 2 639.00	0%	R -12.91	R 2 626.09
Dec 2020	R 2 716.00	29%	R -11.59	R 2 704.41
Mar 2021				
May 2021				
Yellow Maize Future				
Mar 2020	R 2 660.00	24%		R 2 660.00
May 2020	R 2 578.00	0%	R -14.12	R 2 563.88
Jul 2020	R 2 533.00	19.5%	R -14.33	R 2 518.67
Sep 2020	R 2 580.00	0%	R -12.91	R 2 567.09
Dec 2020	R 2 665.00	0%	R -11.59	R 2 653.41
Mar 2021				
May 2021				

The local Maize market traded mixed yesterday. The Jan'20 WMAZ contract ended R10.00 up and Jan'20 YMAZ closed R8.00 higher. The Mar'20 WMAZ closed higher by R5.00 while Mar'20 YMAZ ended R5.00 down. The parity move for the Jan'20 Maize contract for yesterday was R14.00 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	540.00	549.00	8.00	9.00	552.75	3.75	12.75		MAR 2010	459.00	470.50	10.00	11.50	473.75	3.25	14.75
MAY 2010	544.00	551.75	7.00	7.75	555.00	3.25	11.00		MAY 2010	467.00	479.00	10.25	12.00	482.00	3.00	15.00
JUL 2010	547.00	553.50	6.00	6.50	556.25	2.75	9.25		JUL 2010	475.00	486.25	10.00	11.25	489.25	3.00	14.25
SEP 2010	552.00	558.75	5.50	6.75	561.00	2.25	9.00		SEP 2010	483.00	493.75	9.50	10.75	496.50	2.75	13.50
DEC 2010	562.00	568.00	5.25	6.00	529.00	-39.00	-33.00		DEC 2010	492.25	503.75	9.50	11.50	506.50	2.75	14.25

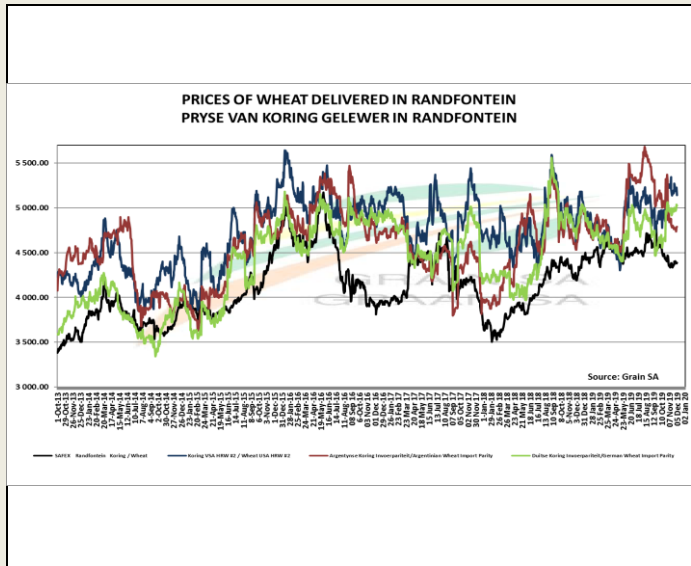


FarmFutures - Wheat prices picked up substantial gains Thursday after traders turned to tightening global supplies and a possible uptick in export sales this week. Winter wheat contracts saw the biggest upside, with March Chicago SRW futures gaining 8 cents to \$5.49 and March Kansas City HRW futures climbing a dime to \$4.7050. MGEX spring wheat contracts still found moderate support in today's session, with March futures finishing 4.25 cents higher to \$5.4675. Ahead of tomorrow morning's export report from USDA, analysts are in some disagreement with how much wheat sales the agency will report, with individual guesses ranging between 7.3 million and 33.1 million bushels for the week ending December 19. The prior week's tally was a robust 31.9 million bushels. Russian President Vladimir Putin said grain harvests exceeding 100 million metric tons (more than 3.670 million bushels) is the new norm in Russia as the country is on course for more record grain production this year. Russia's latest wheat production estimates are for 2.732 billion bushels. However, Russian consultancy SovEcon has slightly trimmed its wheat export forecast for the 2019/20 marketing year by 1.216 billion bushels and expects to cut that number again in January to account for lower supplies.

Preliminary volume estimates were for 45,165 CBOT contracts, still seasonally low but rebounding from Tuesday's final count of 34,733.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Mar 2020	R 4 414.00	8.5%		R 4 414.00
May 2020	R 4 485.00	13.5%	R 38.87	R 4 523.87
Jul 2020	R 4 540.00	0%	R 29.70	R 4 569.70
Sep 2020	R 4 524.00	0%	R 28.24	R 4 552.24
Dec 2020				
Mar 2021				
May 2021				
Cape Wheat				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				



The local Wheat market closed lower yesterday. The Jan'20 Wheat contract closed R7.00 down and Mar'20 Wheat closed R6.00 lower. The parity move for the Jan'20 Wheat contract for yesterday was R48.00 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	931.00	937.75	1.25	6.75	902.00	-35.75
MAR 2020	940.00	946.50	1.75	6.50	947.50	1.00
MAY 2020	953.00	959.50	1.75	6.50	960.50	1.00
JUL 2020	964.00	970.25	1.00	6.25	971.75	1.50
AUG 2020	969.00	974.50	1.75	5.50	975.25	0.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2010	299.5	299.10
MAR 2010	304	303.70
MAY 2010	307.4	307.20
JUL 2010	310.8	310.50
AUG 2010	311.9	311.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2010	34.38	34.56
MAR 2010	34.67	34.84
MAY 2010	34.95	35.13
JUL 2010	35.25	35.39
AUG 2010	35.3	35.45



FarmFutures - Soybean prices stayed firm Thursday as trade optimism hasn't completely faded, with spillover strength from wheat adding additional support. January futures gained 1.25 cents to \$9.3775, with March futures up 1.75 cents to \$9.4650.

Soybean basis bids were unchanged across all Midwestern locations Thursday.

Ahead of tomorrow morning's weekly export report from USDA, analysts expect the agency to show soybean sales ranging between 25.7 million and 57.0 million bushels for the week ending December 19. Sales will need to be on the high end to best the prior week's tally of 53.9 million bushels.

Analysts are also expecting USDA to report 100,000 to 300,000 metric tons of soybean meal sales, plus another 5,000 to 30,000 MT of soyoil sales last week.

Egypt purchased 34,450 metric tons of soyoil in a tender that closed earlier today, for arrival in early February.

Preliminary volume estimates were for 113,371 contracts, falling short of Tuesday's final count of 129,551.

South African Futures Exchange

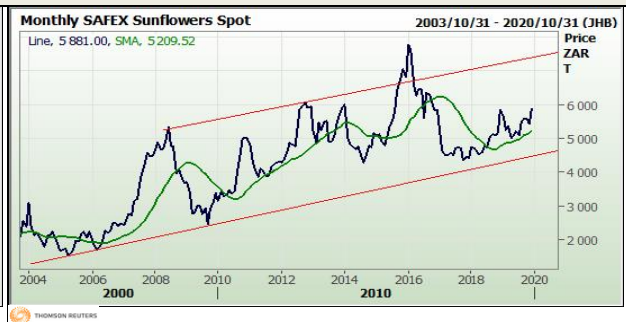
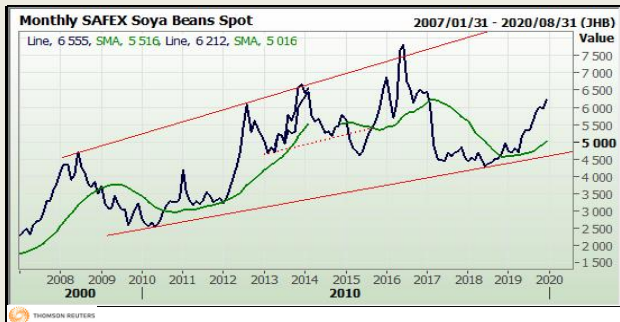
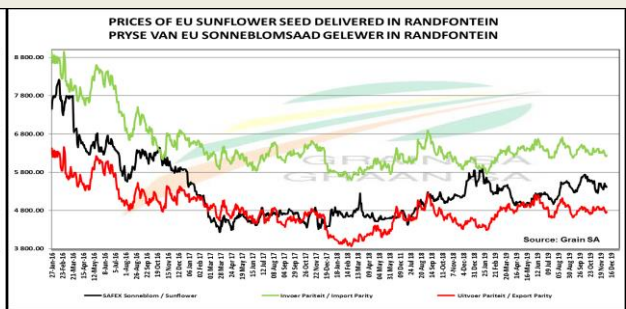
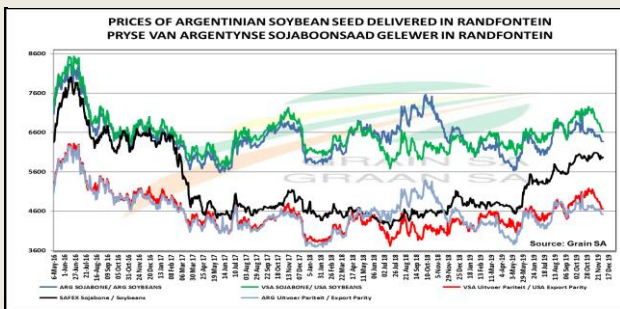
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 6 233.00	17%	R 7.52	R 6 240.52
May 2020	R 5 786.00	17.5%	R 7.08	R 5 793.08
Jul 2020	R 5 888.00	20.5%	R 8.01	R 5 896.01
Sep 2020	R 5 973.00	0%		R 5 973.00
Dec 2020	R 6 048.00	0%		R 6 048.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5 947.00	13%
May 2020	R 5 601.00	13.5%
Jul 2020	R 5 550.00	0%
Sep 2020		
Dec 2020	R 5 625.00	0%
Mar 2021		
May 2021		



The local Soya market traded higher yesterday. The Jan'20 Soya contract ended R17.00 up and Mar'20 Soya closed R24.00 higher. The parity move for the Jan'20 Soya contract for yesterday was R12.00 positive.

The local Suns market closed mixed yesterday. The Jan'20 Suns contract closed unchanged while Mar'20 Suns closed R80.00 higher.



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