



Fundamental Report
30 December 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.0634	13.9892	-0.0742	-0.53%
Euro/Rand	15.6602	15.6746	0.0144	0.09%
GBPound/Rand	18.3690	18.3442	-0.0248	-0.14%
AusDollar/Rand	9.7853	9.7826	-0.0027	-0.03%
Euro/USDollar	1.1136	1.1201	0.0065	0.58%
GBPound/USDollar	1.3065	1.3112	0.0047	0.36%
AusDollar/USDollar	0.6958	0.6993	0.0035	0.50%
JpyYen/USDollar	109.4800	109.0900	-0.3900	-0.36%

BDLive - The JSE ended in positive territory for a second day this week on Friday, pushed higher by the mining index, as gold steadied after rising to its highest in nearly two months.

"Gold continues to defy the sceptics, myself included, posting another strong rally overnight on low volumes. Gold climbed 0.80% to close at \$1,511 an ounce", said Singapore-based Oanda market analyst Jeffrey Halley.

"As gold moved up through \$1,500 an ounce, I suspect that more stop-loss and computer-driven buying into low liquidity is the culprit. That said, the market is always right even if you know you are and resistance is futile now for gold bears. Far better for the irrational exuberance to run its course," said Halley.

At 5.45pm, gold was at \$1,512.20/oz and platinum at \$944.09. Brent crude lost 0.19% at \$67.80 a barrel. So far in 2019 gold has risen 16.54% and platinum 18.57%, their biggest gains since 2010.



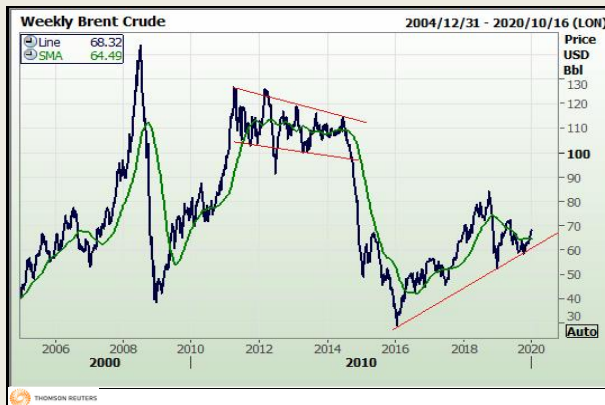
Commodities

	Last	Value Change	% Change
Platinum	951.42	6.67	0.70%
Gold	1515.09	4.67	0.31%
Silver	17.92	0.17	0.95%
Copper	2.84	0.01	0.25%
Gasoil	625.25	-0.75	-0.12%
Brent Oil	68.32	0.16	0.23%

BDLive - Bengaluru — Gold prices eased from a near two-month high hit earlier on Friday as investors booked profits amid thin trade in a holiday lull, but the metal was still on course for its biggest weekly gain since early August. Spot gold fell 0.2% to \$1,508.92 an ounce by 8.32am GMT. US gold futures were flat at \$1,513.70 an ounce.

"It is the last trading day of the week and we are expecting some winding up of positions. We can't say fundamentals are responsible and it's just healthy profit-taking," said Vandana Bharti, assistant vice-president of commodity research at SMC Comtrade.

Gold prices rose to their highest since early November at 1,513.88 earlier in the session and has gained over 2% so far this week, the most since August 9.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51147.45	0.00	0.00%
ALSI	51215.00	0.00	0.00%
S&P 500	3239.91	0.11	0.00%
FTSE	7632.24	12.66	0.17%
CAC	6037.39	0.00	0.00%
DAX	13337.11	0.00	0.00%
Hang Seng	28225.42	134.57	0.48%



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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	390.00	390.00	1.50	0.00	389.25	-0.75	-0.75
MAY 2020	396.00	396.75	1.50	0.75	396.00	-0.75	0.00
JUL 2020	402.00	402.75	1.50	0.75	402.00	-0.75	0.00
SEP 2020	401.00	402.25	1.25	1.25	401.50	-0.75	0.50
DEC 2020	403.00	403.50	0.75	0.50	403.50	0.00	0.50

FarmFutures - Corn experienced another rather lethargic performance, but given soy weakness I would classify today's corn performance as solid. Today's settlement matches the highest closing price seen since Nov 5. Weekly ethanol data was supportive and that has been the general theme for weeks. Corn spreads are firming, against Dec 20. Part of this is due to generally tight cash markets and part of this is due to expectations of rising U.S. corn acreage and optimism towards production potential in a new season. USDA's Jan. 10 reports and if/when China begins to buy U.S. corn may have a say about whether or not we experience an acreage battle with soybeans for the 2020 acreage decisions.

The U.S. dollar was notably weak today and this is building upon the infancy of a weaker dollar theme that began to gain traction when the U.S. and China presented Phase One. The weaker U.S. dollar can have a lot of influence on investor decisions in the months ahead and should provide an encouraging backdrop to U.S. agricultural commodities. Today's weakness in the U.S. dollar sent the greenback to its lowest level seen since July 19.

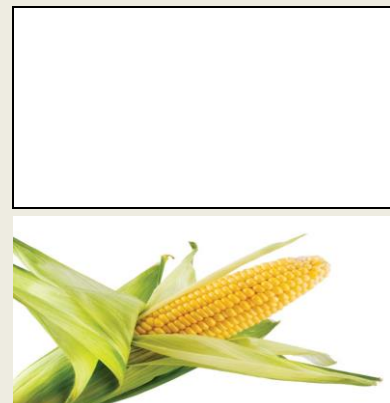
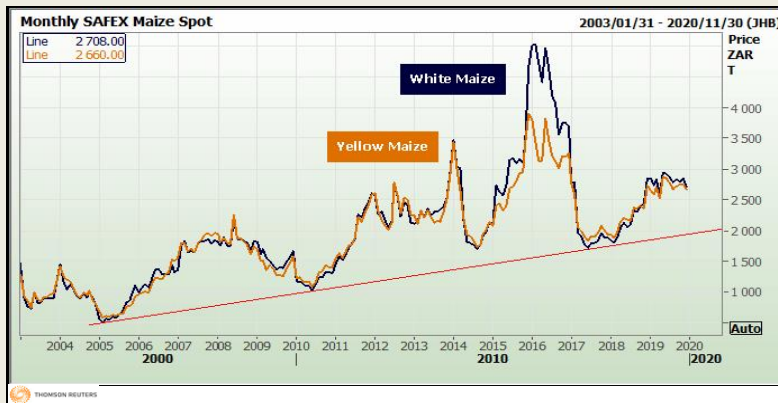
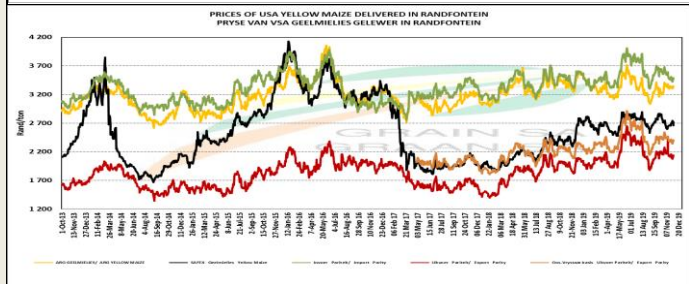
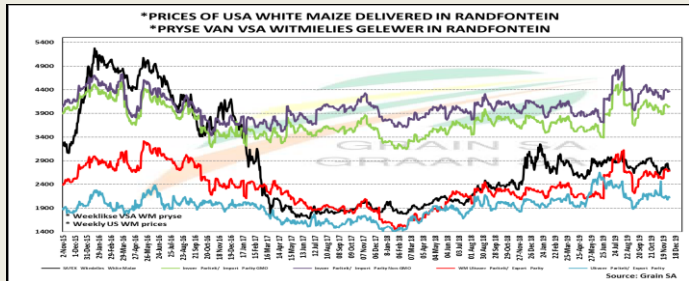
Technical resistance is approximately 10 cents above today's levels, with plausible price targets 20 cents above current levels. It remains highly possible that bears will feel uncomfortable with short corn positions as we get closer to the Jan. 10 USDA reports.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Mar 2020	R 2 694.00	29%		R 2 694.00
May 2020	R 2 580.00	0%	R -11.57	R 2 568.43
Jul 2020	R 2 546.00	27.5%	R -11.74	R 2 534.26
Sep 2020	R 2 603.00	0%	R -8.96	R 2 594.04
Dec 2020	R 2 683.00	29%	R -9.02	R 2 673.98
Mar 2021				
May 2021				
Yellow Maize Future				
Mar 2020	R 2 644.00	24%		R 2 644.00
May 2020	R 2 558.00	0%	R -11.57	R 2 546.43
Jul 2020	R 2 511.00	19.5%	R -11.74	R 2 499.26
Sep 2020	R 2 566.00	0%	R -8.96	R 2 557.04
Dec 2020	R 2 653.00	0%	R -9.02	R 2 643.98
Mar 2021				
May 2021				

The local Maize market traded lower yesterday. The Jan'20 WMAZ contract ended R22.00 down and Jan'20 YMAZ closed R11.00 lower. The Mar'20 WMAZ closed lower by R30.00 and Mar'20 YMAZ ended R16.00 down. The parity move for the Jan'20 Maize contract for yesterday was R13.00 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	555.00	556.25	7.25	1.25	556.75	0.50	1.75	MAR 2010	475.00	479.75	9.25	4.75	478.50	-1.25	3.50
MAY 2020	557.00	558.50	6.75	1.50	559.25	0.75	2.25	MAY 2010	483.00	488.00	9.00	5.00	486.75	-1.25	3.75
JUL 2020	559.00	559.75	6.25	0.75	560.25	0.50	1.25	JUL 2010	490.00	495.50	9.25	5.50	494.50	-1.00	4.50
SEP 2020	564.00	564.75	6.00	0.75	565.50	0.75	1.50	SEP 2010	496.00	502.50	8.75	6.50	500.75	-1.75	4.75
DEC 2020	573.00	573.50	5.50	0.50	529.00	-44.50	-44.00	DEC 2010	506.00	512.50	8.75	6.50	511.25	-1.25	5.25

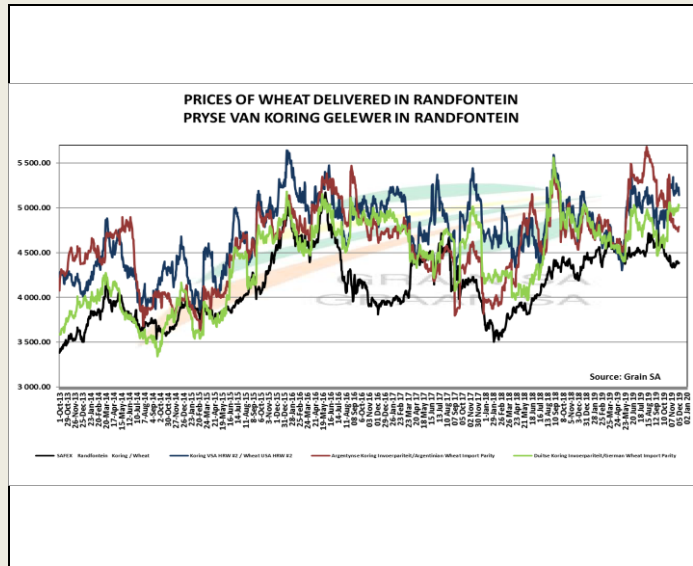


FarmFutures - Wheat experienced another strong session today. The air is getting plenty thin up here, as inter-market spreads are entering price levels where wheat isn't likely to be able to experience much additional independent strength. Chicago is still quite expensive vs KC and history says this just can't stay in this current relationship zone. Thus, producers who utilize the Chicago Wheat contract may find merit in some hedging strategies at current new-crop wheat levels. KC Wheat just doesn't offer that attractive selling opportunity, due to its historically "too cheap" relationship to Chicago. Even though KC Wheat has also rallied, it still feels like you are selling KC in a hole here.

That said, wheat will struggle to build much upside momentum above this week's highs, at least not without some help from USDA, or spillover support from bullish corn/soy markets. Wheat bulls have reasons to cash in before year-end.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Mar 2020	R 4 381.00	8.5%		R 4 381.00
May 2020	R 4 453.00	13.5%	R -3.62	R 4 449.38
Jul 2020	R 4 508.00	0%	R -8.82	R 4 499.18
Sep 2020	R 4 492.00	0%	R -7.67	R 4 484.33
Dec 2020				
Mar 2021				
May 2021				
Cape Wheat				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				



The local Weat market closed lower yesterday. The Jan'20 Weat contract closed R43.00 down and Mar'20 Weat closed R33.00 lower. The parity move for the Jan'20 Weat contract for yesterday was R2.00 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	941.00	929.50	-8.25	-11.50	902.00	-27.50
MAR 2020	950.00	941.50	-5.00	-8.50	945.75	4.25
MAY 2020	963.00	955.25	-4.25	-7.75	959.50	4.25
JUL 2020	974.00	966.75	-3.50	-7.25	971.00	4.25
AUG 2020	978.00	970.75	-3.75	-7.25	974.50	3.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2010	295.4	296.80
MAR 2010	300.4	301.40
MAY 2010	304.3	305.40
JUL 2010	308	309.00
AUG 2010	309.3	309.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2010	34.73	34.83
MAR 2010	35.04	35.10
MAY 2010	35.32	35.39
JUL 2010	35.61	35.67
AUG 2010	35.64	35.74



FarmFutures - Soybeans failed to hold early gains as year-end liquidation, along with rolling of positions out of the January contracts all weighed on price tone. Technical conditions were warning of an approaching correction period and this also caused some to seek the exit door before the weekend. News is limited. Technical conditions certainly could prompt a bit more selling, but this may not manifest itself early next week. Instead, anticipation for the Commitment-of-Traders data may spin the tables again and send bears to the exit door Monday and Tuesday. Technical conditions will cause some distrust of near-term strength until we spend a little more time correcting/pausing, possibly into the Jan. 10 USDA reports. Often times traders are looking for sales opportunities in soybeans during the month of January, but with the Jan. 10 reports looming large and nobody willing to go too far out on the thin limb of USDA, selling interest may be less than normal in early January. South American conditions are generally favorable, but there are some locations in both Brazil and Paraguay that will have enough days without rain that they don't want to miss the next wave of moisture in their longer-term forecasts. It's early there and we may see some weather plays yet on South American weather. "Spot" U.S. soy oil futures are trading at their highest levels seen since Nov 2017. Global vegetable oil values have been firming for months on tightening supplies and that may be a general backdrop during much of 2020 as well. Soy meal has been unwilling to find its own strength, but at some point it too will find a bid, as livestock feed demand domestically and globally is quite robust. The weaker U.S. dollar will also entice users to get off the sidelines.

South African Futures Exchange

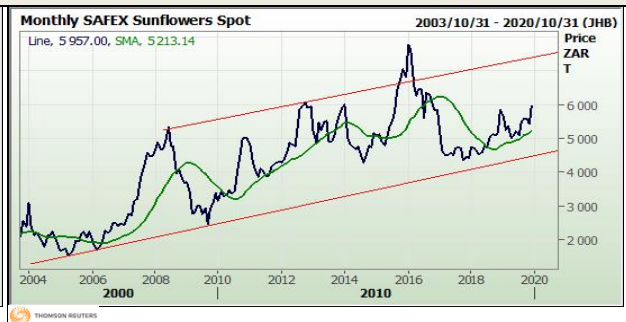
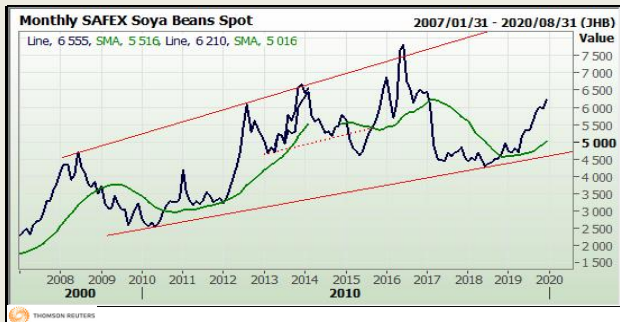
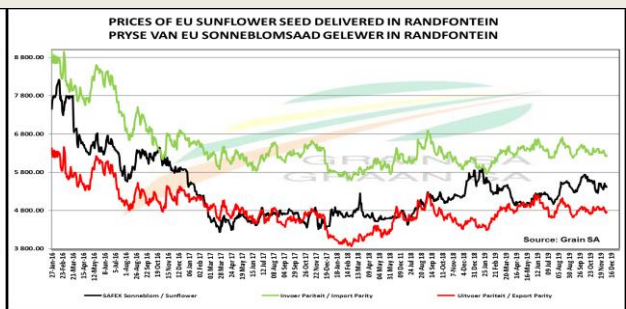
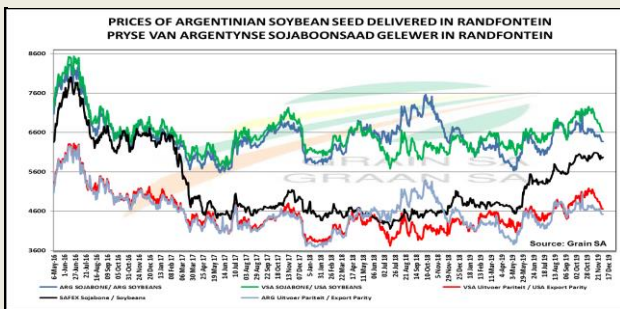
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 6 226.00	17%	R -47.75	R 6 178.25
May 2020	R 5 806.00	17.5%	R -44.25	R 5 761.75
Jul 2020	R 5 888.00	20.5%	R -41.98	R 5 846.02
Sep 2020	R 5 973.00	0%		R 5 973.00
Dec 2020	R 6 048.00	0%		R 6 048.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5 970.00	13%
May 2020	R 5 597.00	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 lower yesterday. The Jan'20 Soya contract ended R2.00 down and Mar'20 Soya closed R7.00 lower. The parity move for the Jan'20 Soya contract for yesterday was R40.00 negative.

The local Suns market closed higher yesterday. The Jan'20 Suns contract closed R76.00 up and Mar'20 Suns closed R23.00 higher.



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