



**Fundamental Report**  
**06 December 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.6423	14.6301	-0.0122	-0.08%
Euro/Rand	16.2386	16.2541	0.0155	0.10%
GBPound/Rand	19.2249	19.2474	0.0225	0.12%
AusDollar/Rand	10.0051	10.0055	0.0004	0.00%
Euro/USDollar	1.1090	1.1107	0.0017	0.15%
GBPound/USDollar	1.3132	1.3160	0.0028	0.21%
AusDollar/USDollar	0.6833	0.6839	0.0006	0.09%
JpyYen/USDollar	108.9400	108.6700	-0.2700	-0.25%

BDLive - The JSE closed in negative territory on Thursday as investors digested mixed messages from the US and China as the trade war between the pair stretches into its 17th month.

China's commerce ministry said on Thursday that tariffs should be lowered accordingly if the two countries reach a trade deal. It also said that negotiators are maintaining close communication.

Bloomberg reported earlier that the two economic superpowers are moving closer to sealing a trade deal and agreeing on the amount of tariffs that should be withdrawn as part of the first phase of the deal. The latest reports have renewed hope that the US will withdraw the December 15 tariff hike on \$156bn worth of Chinese imports.

"This tariff would end up punishing the US consumer and [US President Donald] Trump wants to see a strong stock market with a happy consumer as we near the 2020 election," said Oanda senior market analyst Edward Moya.



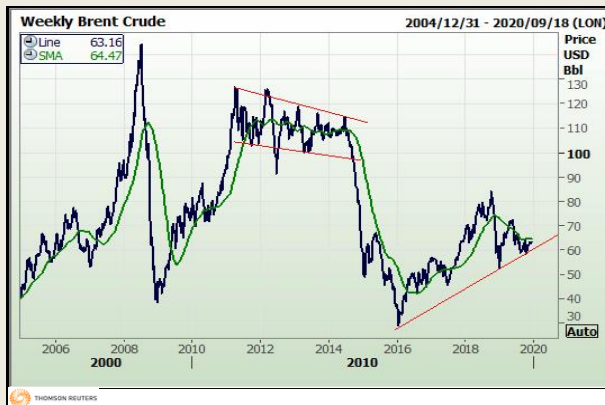
### Commodities

	Last	Value Change	% Change
Platinum	897.89	0.89	0.10%
Gold	1475.41	-0.19	-0.01%
Silver	16.96	0.01	0.04%
Copper	2.67	0.00	0.09%
Gasoil	582.25	-1.25	-0.21%
Brent Oil	63.14	-0.25	-0.40%

BDLive - Bengaluru — Gold prices edged up on Thursday as conflicting signals from Washington and Beijing prolonged the uncertainty about a trade deal, a day after positive comments by US President Donald Trump knocked the bullion off its one-month high.

Gold rose to a one-month high of \$1,484 on Wednesday, but settled lower after Trump said trade talks with China were going "very well". That came a day after Trump dented hopes for a trade resolution when he said an agreement might have to wait until after the US presidential election in November 2020. Spot gold was up 0.1% to \$1,475.18/oz by 4.35am GMT on Thursday, and US gold futures was flat at \$1,480.50.

"Trump mentioned he is happy to wait a year for the China deal to happen and we are not sure whether the first agreement has been inked yet and that's what everybody is looking for," said Brian Lan of Singapore dealer GoldSilver Central.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48589.71	0.00	0.00%
ALSI	48744.00	0.00	0.00%
S&P 500	3112.76	4.67	0.15%
FTSE	7188.50	-50.65	-0.70%
CAC	5801.55	0.00	0.00%
DAX	13140.57	-85.77	-0.65%
Hang Seng	26217.04	137.78	0.53%



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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
DEC 2019	368.00	365.50	-3.25	-2.50	366.00	0.50	-2.00
MAR 2020	378.00	376.75	-1.75	-1.25	377.50	0.75	-0.50
MAY 2020	384.00	382.50	-2.00	-1.50	383.00	0.50	-1.00
JUL 2020	388.00	387.00	-2.25	-1.00	387.25	0.25	-0.75
SEP 2020	386.00	386.25	-1.25	0.25	386.75	0.50	0.75

FarmFutures - Corn prices tipped moderately lower after a poor round of export data from USDA this morning kicked off more technical selling. December futures dropped 3.25 cents to \$3.6550, with March futures down 1.75 cents to \$3.7675.

Corn basis bids were narrowly mixed across the central U.S. Thursday, dropping 1 to 3 cents lower at three interior river terminals while firming 2 cents at an Iowa processor today. Farmer sales have remained generally light this week.

Corn export sales were disappointing last week but closer in line to analyst estimates of 27.6 million bushels after tallying 21.5 million bushels in old crop sales, plus another 94,000 bushels in new crop sales. Corn's total for the week ending November 28 also fell 32% from the prior week's tally and 18% below the prior four-week average.

Corn export shipments were also down 22% week-over-week, landing at 19.5 million bushels. Mexico accounted for more than half of that total, with 11.3 million bushels.

Farmers reporting to Feedback From The Field have seen decent corn yields, on average. Last month, respondents noted an average of 167.4 bushels per acre, which was slightly above USDA's latest estimates of 167 bpa. Click here to read the latest round of farmer anecdotes and view our interactive map, and click this link to tell us what's happening in your area.

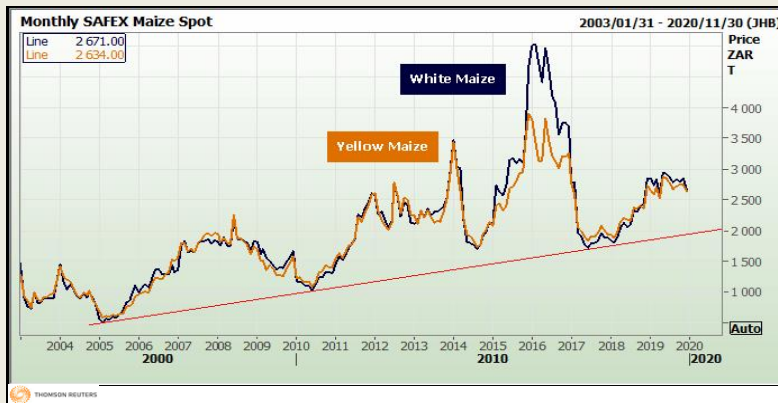
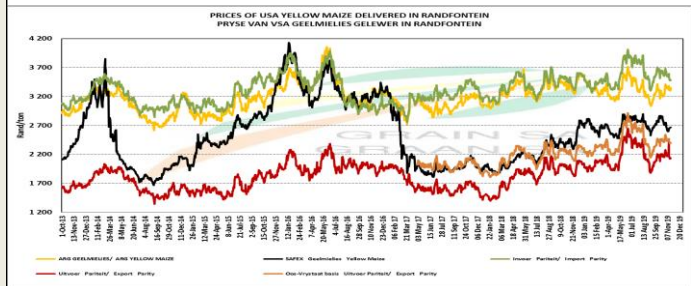
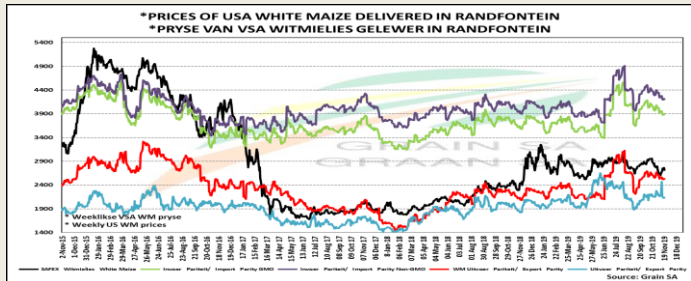
Preliminary volume estimates were for 157,691 contracts, falling 16% below Wednesday's final count of 188,536.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Sep 2019				
Dec 2019	R 2 671.00	0%	R -13.29	R 2 657.71
Mar 2020	R 2 674.00	33.5%	R -4.70	R 2 669.30
May 2020	R 2 610.00	0%	R -7.60	R 2 602.40
Jul 2020	R 2 570.00	28.75%	R -6.18	R 2 563.82
Sep 2020	R 2 625.00	0%	R 2.47	R 2 627.47
Dec 2020	R 2 702.00	29%		R 2 702.00
<b>Yellow Maize Future</b>				
Sep 2019				
Dec 2019	R 2 634.00	0%	R -13.29	R 2 620.71
Mar 2020	R 2 642.00	24%	R -4.70	R 2 637.30
May 2020	R 2 568.00	0%	R -7.60	R 2 560.40
Jul 2020	R 2 527.00	19.5%	R -6.18	R 2 520.82
Sep 2020	R 2 580.00	0%	R 2.47	R 2 582.47
Dec 2020	R 2 665.00	0%		R 2 665.00

The local Maize market traded lower yesterday. The Dec'19 WMAZ contract ended R14.00 down and Dec'19 YMAZ closed R22.00 lower. The Mar'20 WMAZ closed lower by R34.00 and Mar'20 YMAZ ended R26.00 down. The parity move for the Dec'19 Maize contract for yesterday was R15.00 negative.



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## Wheat Market

### Chicago Board of Trade and Kansas Board of Trade

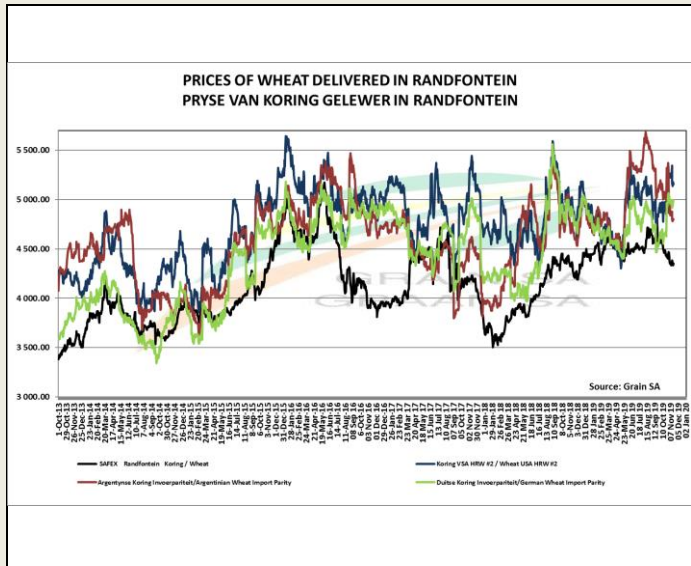
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2019	536.00	532.00	-3.00	-4.00	532.75	0.75	-3.25	DEC 2019	424.00	420.25	-5.00	-3.75	0.00	-420.25	-424.00
MAR 2020	527.00	523.75	-3.75	-3.25	524.00	0.25	-3.00	MAR 2010	441.00	435.50	-5.00	-5.50	435.50	0.00	-5.50
MAY 2020	531.00	528.00	-3.50	-3.00	528.25	0.25	-2.75	MAY 2010	448.00	443.00	-5.25	-5.00	443.25	0.25	-4.75
JUL 2020	532.00	530.00	-2.75	-2.00	530.50	0.50	-1.50	JUL 2010	455.00	449.75	-5.00	-5.25	450.00	0.25	-5.00
SEP 2020	538.00	535.75	-2.50	-2.25	529.00	-6.75	-9.00	SEP 2010	463.00	457.75	-5.50	-5.25	458.25	0.50	-4.75



FarmFutures - Wheat prices suffered another setback Thursday, as a tepid round of export data from USDA kicked off another round of technical selling that pushed prices moderately lower today. December Chicago SRW futures fell 3 cents to \$5.32, while December Kansas City HRW futures closed down 5.25 cents to \$4.3525. While some MGEX spring wheat contracts also moved lower, December futures bucked the overall trend after picking up 1.75 cents to \$4.99. Wheat export sales only gathered 8.4 million bushels last week, slumping 63% from the prior week and dropping 45% below the prior four-week average. Analysts were hoping for a much better haul, with an average trade guess of 18.4 million bushels. Unknown destinations took nearly half of the total, with 3.7 million bushels. Wheat export inspections shrank to a marketing year low, with just 8.5 million bushels – spilling 48% below the prior four-week average. Italy was the No. 1 destination, with 2.3 million bushels. Russia's wheat exports through the first 10 months of 2019 have topped 971 million bushels. That is trending 28% below the country's pace a year ago. Algeria purchased 18.4 million bushels of milling wheat in an international tender earlier today. The grain, which was likely sourced from France and Argentina, is for shipment in January and February. Preliminary volume estimates were for 64,478 CBOT contracts, down another 12% from Wednesday's final count of 73,602.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Sep 2019				
Dec 2019	R 4 385.00	0%	R -19.87	R 4 365.13
Mar 2020	R 4 484.00	8.5%	R -18.49	R 4 465.51
May 2020	R 4 555.00	15.5%	R -17.16	R 4 537.84
Jul 2020	R 4 600.00	0%	R -10.45	R 4 589.55
Sep 2020	R 4 608.00	0%	R -50.79	R 4 557.21
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 R2.00 down and Mar'20 Wheat closed R15.00 lower. The parity move for the Dec'19 Wheat contract for yesterday was R21.00 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	880.00	884.25	6.25	4.25	902.00	17.75
MAR 2020	894.00	898.75	6.25	4.75	901.75	3.00
MAY 2020	909.00	913.50	6.50	4.50	916.25	2.75
JUL 2020	923.00	926.75	6.75	3.75	929.25	2.50
AUG 2020	927.00	930.75	6.25	3.75	931.75	1.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2019	299.5	0.00
JAN 2010	301.5	301.90
MAR 2010	304.6	304.60
MAY 2010	307.3	307.50
JUL 2010	310.1	310.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2019	30.29	0.00
JAN 2010	30.5	30.61
MAR 2010	30.79	30.90
MAY 2010	31.12	31.24
JUL 2010	31.43	31.55



FarmFutures - Soybean prices followed soybean prices higher Thursday after an Argentina crusher reported major financial stress, seeking to restructure some \$350 million in debt. General optimism regarding U.S.-China trade negotiations provided additional tailwinds today as futures moved higher for a third-consecutive session. January and March futures each added 6.25 cents to reach \$8.8425 and \$8.9875, respectively.

Soybean basis bids were mostly steady to firm Thursday, trending a nickel higher at two Midwestern processors and a penny higher at an Illinois river terminal. An Ohio elevator bucked the overall trend after dropping 3 cents lower today.

Private exporters reported to USDA the sale of 9.0 million bushels of soybeans for delivery to unknown destinations. A little less than half of the total is for delivery during the 2019/20 marketing year, which began September 1, with the remainder for delivery in 2020/21.

Soybeans have been the shining star in USDA's export sales reports for the past several weeks, but exports faded significantly this past week after reaching just 25.1 million bushels. Analysts were anticipating a much more robust total, with an average trade guess of 36.7 million bushels. Totals also tumbled 59% from a week ago and were 55% below the prior four-week average.

### South African Futures Exchange

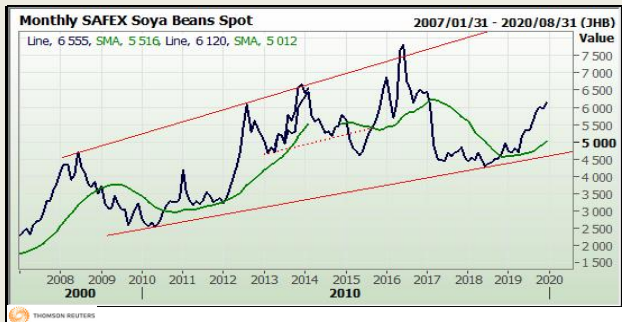
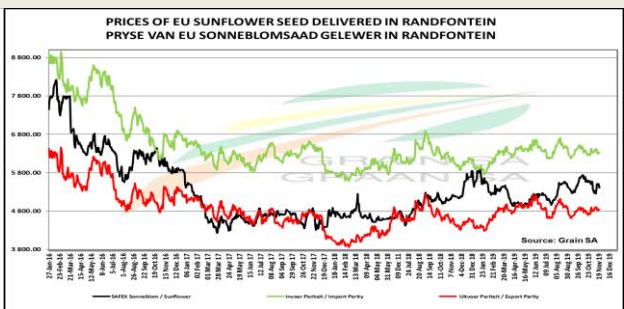
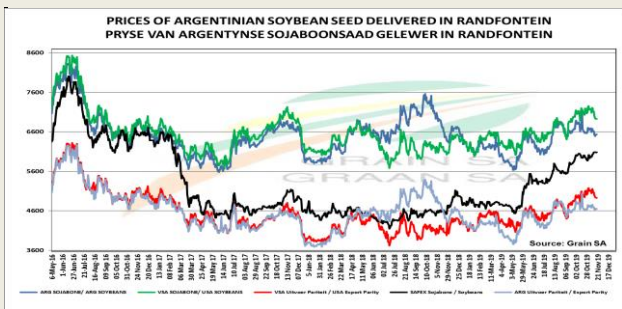
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 6 120.00	0%		R 6 120.00
Mar 2020	R 6 090.00	17%	R 37.65	R 6 127.65
May 2020	R 5 797.00	17%	R 34.90	R 5 831.90
Jul 2020	R 5 874.00	20.5%	R 29.46	R 5 903.46
Sep 2020	R 5 932.00	0%		R 5 932.00
Dec 2020	R 5 961.00	0%		R 5 961.00

Sunflower Seeds Future			
	MTM	Vols	Market Price
Sep 2019			
Dec 2019	R 5 510.00	0%	R 5 510.00
Mar 2020	R 5 563.00	13%	R 5 563.00
May 2020	R 5 380.00	13.5%	R 5 380.00
Jul 2020	R 5 367.00	0%	R 5 367.00
Sep 2020	R 5 932.00		R 5 932.00
Dec 2020	R 5 557.00	0%	R 5 557.00



The local Soya market traded higher yesterday. The Dec'19 Soya contract ended R152.00 up and Mar'20 Soya closed R129.00 higher. The parity move for the Dec'19 Soya contract for yesterday was R34.00 positive.

The local Suns market closed higher yesterday. The Dec'19 Suns contract closed R94.00 up and Mar'20 Suns closed R70.00 higher.



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