



**Fundamental Report**  
**09 December 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.6350	14.6124	-0.0226	-0.15%
Euro/Rand	16.2385	16.1522	-0.0863	-0.53%
GBPound/Rand	19.2052	19.2006	-0.0046	-0.02%
AusDollar/Rand	10.0179	9.9803	-0.0376	-0.38%
Euro/USDollar	1.1090	1.1054	-0.0036	-0.32%
GBPound/USDollar	1.3124	1.3142	0.0018	0.14%
AusDollar/USDollar	0.6845	0.6830	-0.0015	-0.22%
JpyYen/USDollar	108.6000	108.6000	0.0000	0.00%

BDLive - The JSE tracked global markets higher on Friday, after US non-farm payrolls climbed to a 10-month high, easing concern that the world's largest economy is slowing down.

The labour data, which is considered a crucial indicator of the state of the US economy, rose by 266,000 in November from 156,000 in October. The latest figure is above market expectations of 180,000, according to Trading Economics.

On the trade-war front, White House national economic council director Larry Kudlow said on Friday that the US and China are close to reaching a trade deal but that the former could "walk away" if their terms are not met, CNBC reported.

China's foreign ministry said on Friday that it will waive import tariffs on some soybeans and pork from the US.



### Commodities

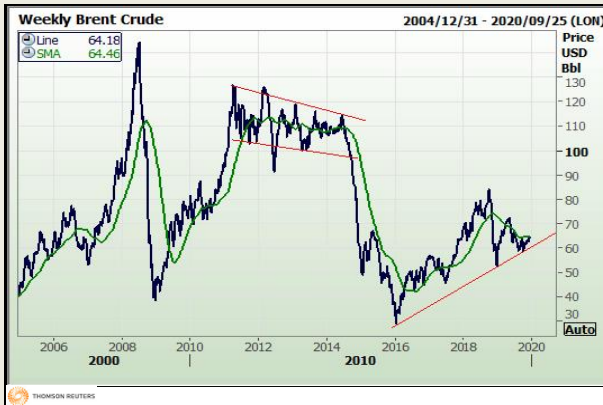
	Last	Value Change	% Change
Platinum	891.83	-4.01	-0.45%
Gold	1459.35	-0.16	-0.01%
Silver	16.57	0.01	0.03%
Copper	2.73	0.01	0.26%
Gasoil	589.25	2.00	0.34%
Brent Oil	64.17	-0.22	-0.34%

BDLive - Gold was en route to a weekly gain on Friday as uncertainty about the fate of US-China trade deal gripped investors ahead of a US jobs report that could offer further insight on the state of the US economy.

Spot gold was flat at \$1,475.36/oz at 3.40am GMT, but headed for a second straight weekly gain, up about 0.8% for the week so far. US gold futures were down 0.2% at \$1,480.40/oz.

"Gold hasn't really found a direction, it is indecisive. Right now it is consolidating and waiting for an opportunity which could change on December 15," said Margaret Yang Yan, a market analyst at CMC Markets.

A new round of US tariffs on Chinese goods is scheduled to take effect on December 15. China wants a halt to new tariffs and an end to existing ones as part of any interim deal to de-escalate the trade war.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49065.21	0.00	0.00%
ALSI	49145.00	0.00	0.00%
S&P 500	3117.43	28.48	0.91%
FTSE	7137.85	101.81	1.43%
CAC	5871.91	0.00	0.00%
DAX	13054.80	111.78	0.86%
Hang Seng	26498.37	71.13	0.27%



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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	366.50	1.00	-1.50	367.50	1.00	-0.50
MAR 2020	378.00	376.75	0.00	-1.25	378.25	1.50	0.25
MAY 2020	383.00	382.50	0.00	-0.50	383.50	1.00	0.50
JUL 2020	388.00	386.75	-0.25	-1.25	387.75	1.00	-0.25
SEP 2020	387.00	386.75	0.50	-0.25	387.25	0.50	0.25

FarmFutures - Corn prices gave up most of their modest overnight gains as prices faded throughout Friday's session but still closed slightly in the green. December futures added a penny to \$3.6650, with March futures holding steady at \$3.7675.

Corn basis bids were steady across the central U.S. Friday, with farmer sales remaining generally light all week.

Private exporters reported the sale of 9.7 million bushels of corn for delivery to Mexico during the 2019/20 marketing year, which began September 1.

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.

France's 2019 corn harvest is also trending slower than normal, reaching 94% completion as of December 2, creeping up from 92% a week ago.

China's corn production is expected to rise 1.4% this year to 10.266 billion bushels, despite a 2% reduction in acres. The country's total grain production is up 0.9% this year.

Sources told Reuters that the Trump Administration may rely more on partial exemptions for ethanol blending requirements in an attempt to appease both farm groups and energy groups – both key political constituents.

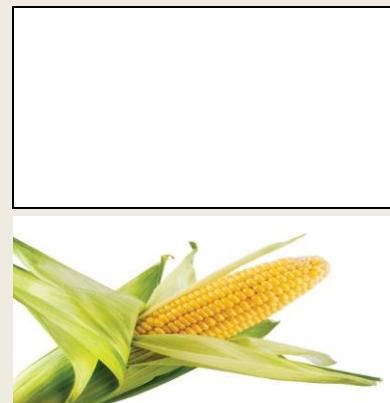
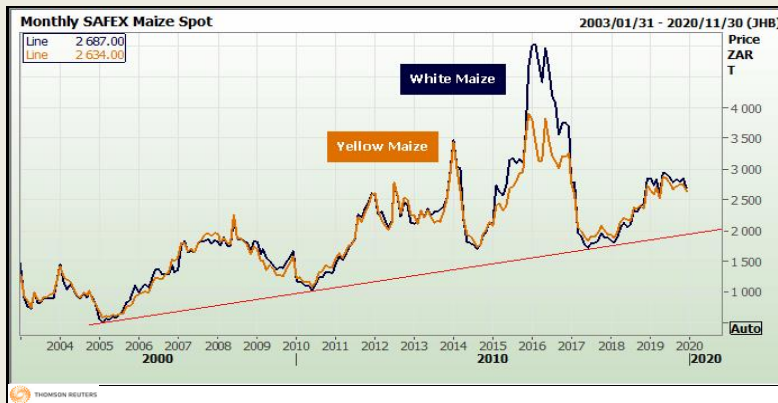
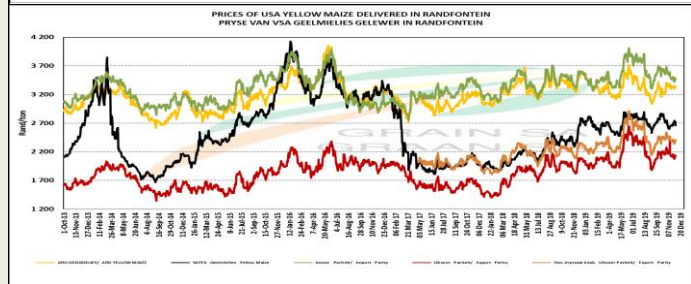
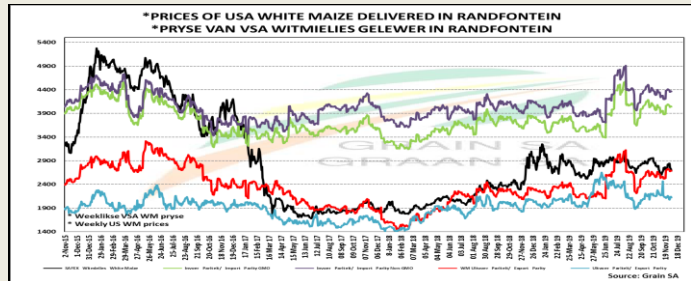
Preliminary volume estimates were for 144,431 contracts, dipping slightly below Thursday's final count of 157,182.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Sep 2019				
Dec 2019	R 2 687.00	0%	R -6.15	R 2 680.85
Mar 2020	R 2 696.00	29.5%	R -1.92	R 2 694.08
May 2020	R 2 610.00	0%	R -0.53	R 2 609.47
Jul 2020	R 2 600.00	28.75%	R -4.89	R 2 595.11
Sep 2020	R 2 643.00	0%	R -2.01	R 2 640.99
Dec 2020	R 2 729.00	29%		R 2 729.00
<b>Yellow Maize Future</b>				
Sep 2019				
Dec 2019	R 2 634.00	0%	R -6.15	R 2 627.85
Mar 2020	R 2 640.00	24%	R -1.92	R 2 638.08
May 2020	R 2 571.00	0%	R -0.53	R 2 570.47
Jul 2020	R 2 530.00	19.5%	R -4.89	R 2 525.11
Sep 2020	R 2 580.00	0%	R -2.01	R 2 577.99
Dec 2020	R 2 665.00	0%		R 2 665.00

The local Maize market traded mixed yesterday. The Dec'19 WMAZ contract ended R16.00 up while Dec'19 YMAZ closed lower. The Mar'20 WMAZ closed higher by R22.00 while Mar'20 YMAZ ended R2.00 down. The parity move for the Dec'19 Maize contract for yesterday was R2.00 negative.



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## Wheat Market

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

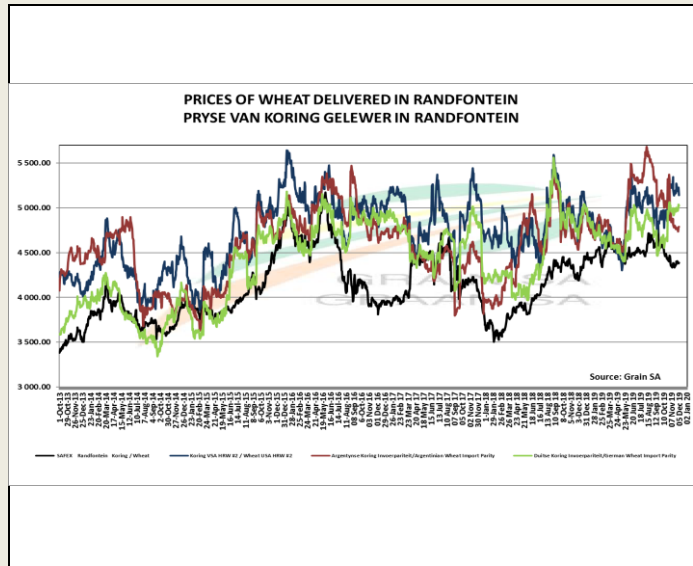
CBOT Wheat									KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm		Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2019	533.00	532.50	0.50	-0.50	533.25	0.75	0.25		DEC 2019	418.50	415.00	-5.25	-3.50	0.00	-415.00	-418.50
MAR 2020	527.00	524.50	0.75	-2.50	524.25	-0.25	-2.75		MAR 2010	435.00	431.00	-4.50	-4.00	431.00	0.00	-4.00
MAY 2020	528.00	527.75	-0.25	-0.25	527.25	-0.50	-0.75		MAY 2010	443.00	439.50	-3.50	-3.50	439.00	-0.50	-4.00
JUL 2020	532.00	530.00	0.00	-2.00	529.50	-0.50	-2.50		JUL 2010	449.00	447.50	-2.25	-1.50	447.00	-0.50	-2.00
SEP 2020	538.00	536.25	0.50	-1.75	529.00	-7.25	-9.00		SEP 2010	457.00	456.50	-1.25	-0.50	455.75	-0.75	-1.25



FarmFutures - Wheat prices finished Friday narrowly mixed amid a round of uneven technical maneuvering. March Chicago SRW futures rallied late and picked up 0.75 cents to \$5.2450, March Kansas City HRW futures dropped 5 cents to \$4.3050, and March MGEX spring wheat futures slipped 1.75 cents to \$5.1275. Canada's all wheat production is expected to inch 0.5% higher in 2019, at 1.189 billion bushels, according to the latest data from Statistics Canada. The country's barley production boomed 24% year-over-year, meantime, at 477.7 million bushels. Ukraine's grain exports are up 31% year-over-year, thanks to a surge in wheat exports, with a running tally of 503.4 million bushels since July 1. Ukrainian corn exports reached 137.8 million bushels over the same period. The Philippines issued an international tender to purchase 6.1 million bushels of feed wheat from optional origins, with a deadline of December 9. The grain is for shipment between February and April. Millers from Thailand bought just over 2.0 million bushels of U.S. wheat in a tender earlier this week. The grain is for shipment in February. Russia's Ministry of Agriculture slightly raised its total grain harvest forecasts for 2019 to 121 million metric tons, which is 7% higher year-over-year. Russia is the world's top wheat exporter, with an expected production of 2.756 billion bushels this year. Preliminary volume estimates were for 70,713 CBOT contracts, firming slightly above Thursday's final count of 64,478.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Sep 2019				
Dec 2019	R 4 390.00	0%	R -3.08	R 4 386.92
Mar 2020	R 4 476.00	8.5%	R -19.14	R 4 456.86
May 2020	R 4 543.00	15.5%	R -8.41	R 4 534.59
Jul 2020	R 4 596.00	0%	R -17.84	R 4 578.16
Sep 2020	R 4 601.00	0%	R -52.79	R 4 548.21
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 mixed yesterday. The Dec'19 Wheat contract closed R5.00 up while Mar'20 Wheat closed R8.00 lower. The parity move for the Dec'19 Wheat contract for yesterday was unchanged.



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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	888.00	889.50	5.25	1.50	902.00	12.50
MAR 2020	903.00	903.75	5.00	0.75	908.75	5.00
MAY 2020	917.00	918.25	4.75	1.25	923.25	5.00
JUL 2010	923.00	931.50	4.75	8.50	936.25	4.75
AUG 2020	935.00	935.75	5.00	0.75	939.25	3.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2019	297.4	0.00
JAN 2010	299.3	300.20
MAR 2010	302.5	303.80
MAY 2010	305.5	306.70
JUL 2010	308.4	309.40

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2019	31.01	0.00
JAN 2010	31.22	31.42
MAR 2010	31.5	31.71
MAY 2010	31.82	32.01
JUL 2010	32.13	32.32



FarmFutures - Soybean prices ticked higher for a fourth consecutive session on general optimism surrounding U.S.-China trade, which kicked off more technical buying and helped March futures close above \$9 for the first time in more than a week. January futures added 5.5 cents to \$8.8950, with March futures up a nickel to \$9.0375. Soybean basis bids were mostly steady across the U.S. Friday but did rise 5 cents at an Indiana processor today. China's soybean production is up 13% this year, topping 665 million bushels. As the world's No. 1 soybean importer, China purchased 2.597 billion bushels through the first 10 months of 2019, primarily from Brazil and the U.S. Meantime, China signaled it may waive import tariffs for some U.S. soybean and pork imports, based on applications from individual companies. Quantities and timing weren't discussed, however.

And White House economic adviser Larry Kudlow told reporters Friday that there's no "arbitrary deadline" for a partial trade agreement with China, "but the fact remains December 15 is a very important date with respect to a no-go or go-on tariffs," adding that President Trump will make the final call on that particular decision. Canada has turned in its smallest canola harvest in four years, landing at 820 million bushels, according to data from Statistics Canada. That's an 8% drop from a year ago for the world's No. 1 canola producer and exporter, as it has struggled with exports to China after it arrested a Chinese executive of Huawei Technologies Co. Preliminary volume estimates were for 298,410 contracts, moving moderately ahead of Thursday's final count of 201,540.

### South African Futures Exchange

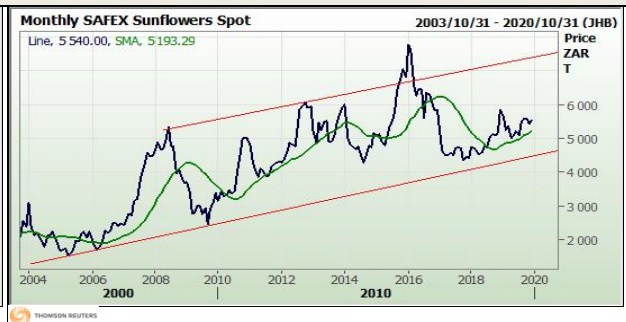
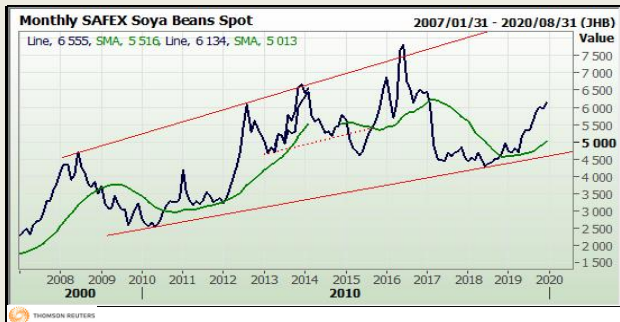
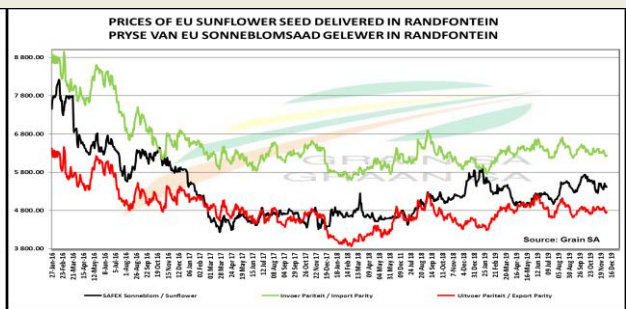
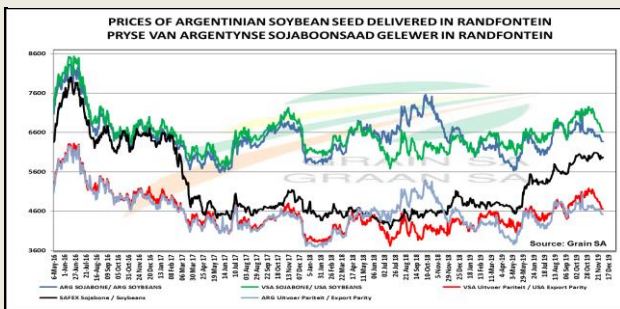
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 6 134.00	0%		R 6 134.00
Mar 2020	R 6 099.00	17%	R 23.37	R 6 122.37
May 2020	R 5 835.00	17%	R 25.94	R 5 860.94
Jul 2020	R 5 910.00	20.5%	R 63.48	R 5 973.48
Sep 2020	R 5 960.00	0%		R 5 960.00
Dec 2020	R 5 985.00	0%		R 5 985.00

Sunflower Seeds Future				
	MTM	Vols		
Sep 2019				
Dec 2019	R 5 540.00	0%		
Mar 2020	R 5 615.00	13%		
May 2020	R 5 428.00	13.5%		
Jul 2020	R 5 378.00	0%		
Sep 2020				
Dec 2020	R 5 557.00	0%		



The local Soya market traded higher yesterday. The Dec'19 Soya contract ended R14.00 up and Mar'20 Soya closed R9.00 higher. The parity move for the Dec'19 Soya contract for yesterday was R28.00 positive.

The local Suns market closed higher yesterday. The Dec'19 Suns contract closed R30.00 up and Mar'20 Suns closed R52.00 higher.



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