



Fundamental Report
13 January 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.2322	14.3164	0.0842	0.59%
Euro/Rand	15.7904	15.9283	0.1379	0.87%
GBPound/Rand	18.5875	18.6546	0.0671	0.36%
AusDollar/Rand	9.7861	9.8955	0.1094	1.12%
Euro/USDollar	1.1096	1.1127	0.0031	0.28%
GBPound/USDollar	1.3065	1.3032	-0.0033	-0.25%
AusDollar/USDollar	0.6876	0.6912	0.0036	0.52%
JpyYen/USDollar	109.6200	109.6200	0.0000	0.00%

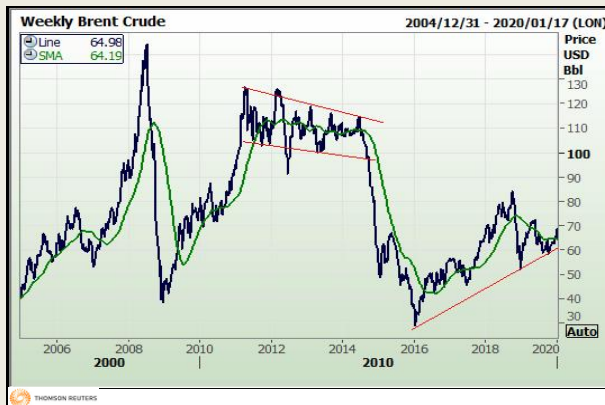
BDLive - The JSE could follow slightly firmer Asian markets on Monday morning, though local gold miners could feel the pinch of a firmer rand and a weaker precious metal price. The main event this week is likely to be the signing of a partial US-China trade deal, with Chinese Vice-Premier Liu He set to begin a three-day visit to Washington on Monday. It is widely expected that a partial trade deal will be inked this week, though there is unlikely to be an exceptional level of excitement in the market as the agreement has been extensively telegraphed, said AxiTrader chief Asia market strategist Stephen Innes in a note. Asian markets were mostly positive on Monday morning, with Hong Kong's Hang Seng up 0.82%. Tencent had added 0.65%, boding well from Naspers, which holds a sizeable stake in the Chinese tech giant. Gold miners may feel some pressure on Monday morning, with the precious metal down 0.4% to \$1,555.85/oz. Platinum had slipped 0.19% to \$974.87/oz. There is little on the local corporate or economic calendar, with domestic focus this week on the Reserve Bank's first monetary policy announcement of 2020 on Thursday. The Bloomberg consensus is that the Bank will opt to keep rates on hold, due to the lingering threat of SA being downgraded to junk status, which could put pressure on the rand and local bonds.



Commodities

	Last	Value Change	% Change
Platinum	974.47	-3.57	-0.37%
Gold	1555.78	-6.25	-0.40%
Silver	18.03	-0.06	-0.36%
Copper	2.83	0.01	0.42%
Gasoil	589.75	-4.00	-0.68%
Brent Oil	64.98	0.00	0.00%

BDLive - Bengaluru — Gold prices fell on Friday and were set for their worst week in five as easing tensions in the Middle East prompted investors to move back to riskier bets. Spot gold fell 0.3% to \$1,547.55/oz by 3.34am GMT. Prices fell as much as 1% to their lowest since January 3 at \$1,539.78/oz on Thursday. The metal was down 0.2% so far this week, its worst since the week ended December 6. US gold futures eased 0.3% to \$1,549.20/oz. Meanwhile, global stocks rallied to hit record highs after comments from US President Donald Trump and Iran pointed to a de-escalation in military tensions, even as the US increased sanctions on Iran. "We are looking at the risk-on sentiment, a stronger dollar, and surging equities," Stephen Innes, a market strategist at AxiTrader said. "Besides the US president suggesting that Iran is standing down, House Speaker Nancy Pelosi's legislation to limit Trump's executive powers against Iran is reducing the pressure in the Mideast." The US House of Representatives on Thursday passed a resolution to stop Trump from further military action against Iran.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51245.43	0.00	0.00%
ALSI	51361.00	0.00	0.00%
S&P 500	3274.70	-9.35	-0.29%
FTSE	7598.12	-10.27	-0.14%
CAC	6037.11	0.00	0.00%
DAX	13483.31	0.00	0.00%
Hang Seng	28638.20	235.99	0.82%



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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	385.00	385.75	2.50	0.75	387.25	1.50	2.25
MAY 2020	392.00	392.75	2.75	0.75	394.00	1.25	2.00
JUL 2020	398.00	399.50	2.75	1.50	400.75	1.25	2.75
SEP 2020	399.00	400.50	2.75	1.50	401.00	0.50	2.00
DEC 2020	401.00	402.75	2.75	1.75	403.25	0.50	2.25

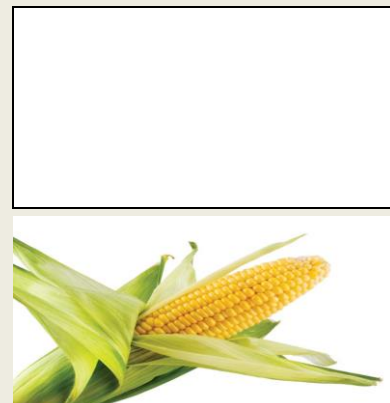
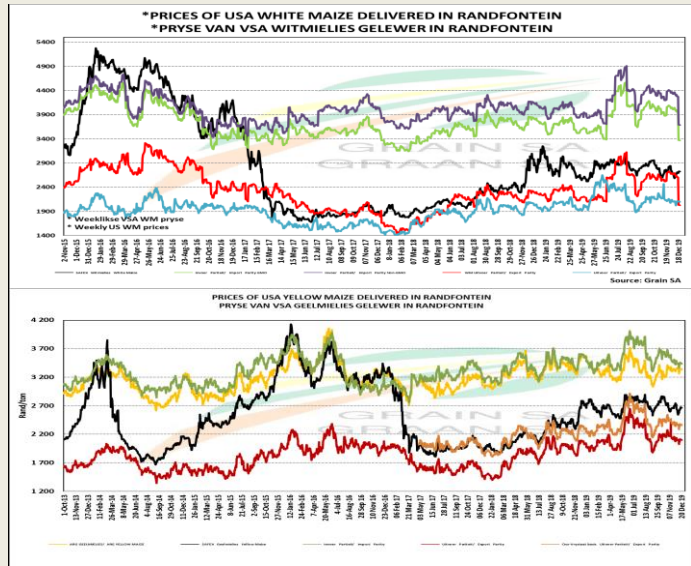
FarmFutures - Corn prices stumbled this morning but recovered to close with small gains on a round of technical buying as the phase-one trade agreement between the U.S. and China will likely be signed early next week. March futures added 2.5 cents to \$3.8575, with May futures up 2.75 cents to \$3.9275. Corn basis bids held mostly steady across the central U.S. Friday, slipping 1 to 4 cents lower at two Midwestern ethanol plant while firming a penny at an Illinois river terminal today. USDA now says the 2019 corn harvest had a total production of 13.692 billion bushels, with average yields of 168.0 bushels per acre across 81.5 million acres. That was a bit higher than trade estimates of 13.513 billion bushels, based on average yields of 166.2 bushels per acre across 81.350 million harvested acres. USDA's prior tally was for 13.661 billion bushels, based on yields of 167.0 billion bushels across 81.815 million acres. Corn ending stock estimates were for 1.892 billion bushels, which was moderately higher than trade estimates of 1.757 billion bushels but just below the agency's December projection of 1.910 billion bushels. World ending stocks were for 297.81 million metric tons, which was also higher than analyst estimates of 296.61 MMT. Corn storage, in contrast, is down 5% year-over-year, with a total of 11.4 million bushels. The bulk of this volume (7.18 billion bushels) remains in on-farm storage, with the remaining 4.21 billion bushels stored off-farm. Corn export sales spilled 70% below the prior week's tally and 83% below the prior four-week average, landing at 6.4 million bushels – a marketing-year low. Analyst guesses ranged between 13.8 million and 30.5 million bushels. Cumulative exports for the 2019/20 marketing year are only at 350.0 million bushels, which is less than half of last year's pace of 758.5 million bushels. Corn export shipments fared better, at 20.3 million bushels – good enough to land 15% ahead of last week's tally and inch 1% ahead of the prior four-week average. Mexico was the No. 1 destination, accounting for just over half of the total with 10.4 million bushels. South Korea purchased 2.7 million bushels of corn in a private deal this week, for delivery in nearly April. The grain's origin was not immediately disclosed.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Mar 2020	R 2,782.00	29%		R 2,782.00
May 2020	R 2,500.00	0%	R 24.27	R 2,524.27
Jul 2020	R 2,425.00	22%	R 28.69	R 2,453.69
Sep 2020	R 2,475.00	0%	R 24.50	R 2,499.50
Dec 2020	R 2,565.00	29%	R 25.97	R 2,590.97
Mar 2021				
May 2021				
Yellow Maize Future				
Mar 2020	R 2,712.00	24%		R 2,712.00
May 2020	R 2,505.00	0%	R 24.27	R 2,529.27
Jul 2020	R 2,460.00	20.25%	R 28.69	R 2,488.69
Sep 2020	R 2,517.00	0%	R 24.50	R 2,541.50
Dec 2020	R 2,595.00	0%	R 25.97	R 2,620.97
Mar 2021				
May 2021				

The local Maize market traded mixed on Friday. The Mar'20 WMAZ contract ended R16.00 down while Mar'20 YMAZ closed R1.00 higher. The Jul'20 WMAZ closed higher by R4.00 while Jul'20 YMAZ ended R16.00 down. The parity move for the Mar'20 Maize contract for Friday was R6.00 positive.



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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

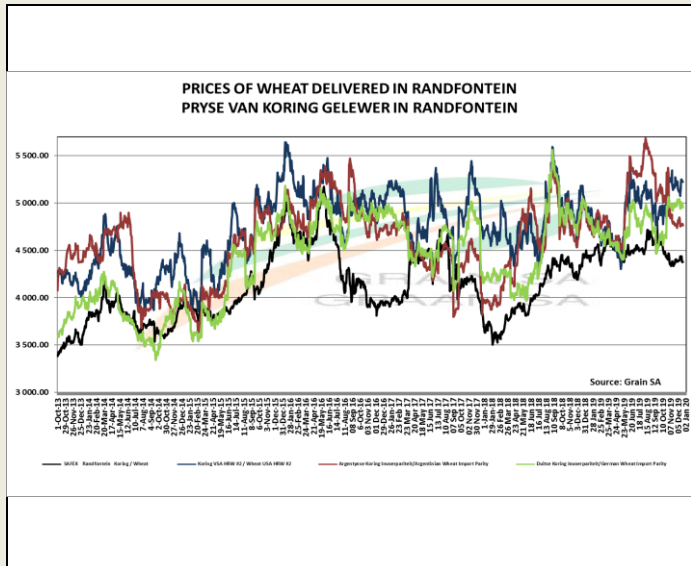
CBOT Wheat									KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm		Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2010	564.00	564.50	2.25	0.50	563.50	-1.00	-0.50		MAR 2010	492.00	494.75	4.50	2.75	493.50	-1.25	1.50
MAY 2010	567.00	566.50	1.25	-0.50	565.75	-0.75	-1.25		MAY 2010	499.00	502.25	4.50	3.25	501.00	-1.25	2.00
JUL 2010	569.00	568.25	1.00	-0.75	567.00	-1.25	-2.00		JUL 2010	507.00	509.75	4.50	2.75	508.25	-1.50	1.25
SEP 2010	573.00	573.75	0.25	0.75	572.50	-1.25	-0.50		SEP 2010	515.00	517.25	4.25	2.25	516.25	-1.00	1.25
DEC 2010	583.00	582.00	-0.25	-1.00	529.00	-53.00	-54.00		DEC 2010	526.00	527.50	4.00	1.50	527.00	-0.50	1.00



FarmFutures - Wheat prices climbed moderately higher on news of fewer acres and lower ending stocks from USDA, which prompted some technical buying. March Chicago SRW futures picked up 2.25 cents to \$5.6450, March Kansas City HRW futures added 3.75 cents to \$4.94, and March MGEX spring wheat futures gained 6.25 cents to \$5.58. USDA now estimates 2019/20 U.S. winter wheat acres at 30.804 million acres, which was down another 1% year-over-year (2018/19 plantings were at 31.159 million acres) and landing at the lowest level in more than a century. The agency's official estimate was a bit higher than the average trade guess of 30.664 million acres, however. USDA's wheat ending stock estimates were for 965 million bushels, versus an average trade guess of 1.000 billion bushels and the agency's December projection of 974 million bushels. World ending stocks were for 10.584 billion bushels. U.S. wheat storage fell 9% from a year ago, to 1.83 billion bushels. Off-farm stocks account for more than 70% of that total, with 1.31 billion bushels. Wheat export sales also saw a marketing-year low last week, landing at just under 3.0 million bushels for 2019/20. That total fell 74% from a week ago and 87% below the prior four-week average, and were far below the average trade guess, which ranged between 7.3 million and 20.2 million bushels. Wheat export shipments were for 12.9 million bushels, which inched 4% ahead of the prior week's tally but still fell 20% below the prior four-week average. Nigeria (2.7 million), the Philippines (2.4 million) and Taiwan (1.9 million) accounted for the bulk of the volume.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Mar 2020	R 4,489.00	9%		R 4,489.00
May 2020	R 4,530.00	12.5%	R 10.97	R 4,540.97
Jul 2020	R 4,540.00	0%	R 7.08	R 4,547.08
Sep 2020	R 4,481.00	0%	R 15.10	R 4,496.10
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 higher on Friday. The Mar'20 Wheat contract closed R27.00 up and Jul'20 Wheat closed R22.00 higher. The parity move for the Mar'20 Wheat contract for Friday was R58.00 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	935.00	935.00	1.25	0.00	902.00	-33.00
MAR 2020	945.00	946.00	2.50	1.00	946.75	0.75
MAY 2020	958.00	959.00	2.50	1.00	959.25	0.25
JUL 2020	970.00	971.00	2.75	1.00	971.25	0.25
AUG 2020	973.00	975.00	2.75	2.00	974.75	-0.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2010	298.7	299.10
MAR 2010	303.5	303.70
MAY 2010	307.7	307.80
JUL 2010	312.1	312.20
AUG 2010	313.5	313.80

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2010	34.07	34.08
MAR 2010	34.35	34.37
MAY 2010	34.66	34.69
JUL 2010	35	35.03
AUG 2010	35.05	35.09



FarmFutures - Soybean prices stabilized after a dip this morning from higher-than-expected production data from USDA, as trade optimism eventually prevailed. January futures picked up 1.25 cents to \$9.35, with March futures gaining 2.5 cents to \$9.46. Soybean basis bids were largely steady across the central U.S. Friday, firming a penny at an Ohio elevator while sliding 3 cents lower at an Illinois river terminal today. USDA's latest data for the 2019 soybean crop included average yields of 47.4 bpa across 75.0 million harvested acres, for a total production of 3.558 billion bushels. Those numbers were more bullish than trade estimates, which averaged 3.512 billion bushels based on per-acre yields of 46.6 bpa across 75.462 million harvested acres. USDA's prior tally was for 3.550 billion bushels, based on yields of 46.9 bpa across 75.626 million acres. USDA's soybean ending stock estimates were for 475 million bushels, which was somewhat higher than trade estimates of 424 million bushels while mirroring the agency's December projection of 475 million bushels. World ending stocks were for 3.552 billion bushels. Soybean storage is down 9% from a year ago, at 3.25 billion bushels, split fairly evenly between on-farm and off-farm storage. Soybean export sales reached 13.1 million bushels last week, which was 8% better than the prior week but still 59% below the prior four-week average. Analysts were expecting volume to be a bit more robust, with trade guesses ranging between 14.7 million 31.2 million bushels. China only took 2.7 million bushels, falling just below totals from Indonesia and Germany. Soybean export shipments were for 41.1 million bushels, good enough to beat out the prior week's tally by 4% but still below the prior four-week average by 8%. China accounted for nearly a third of that volume, with 13.0 million bushels.

South African Futures Exchange

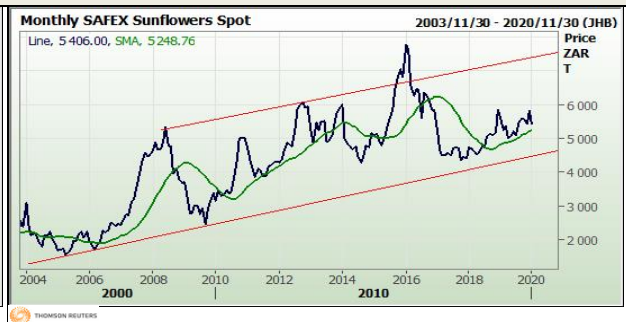
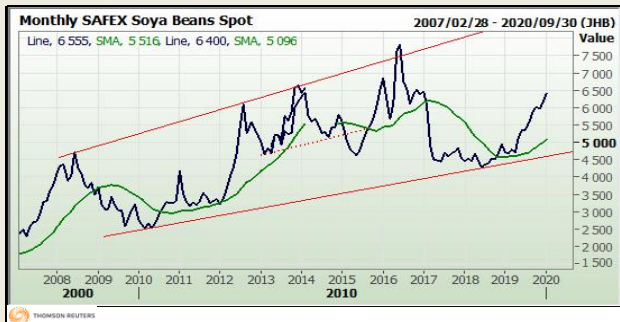
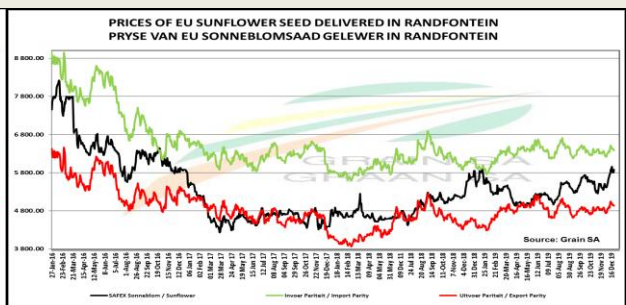
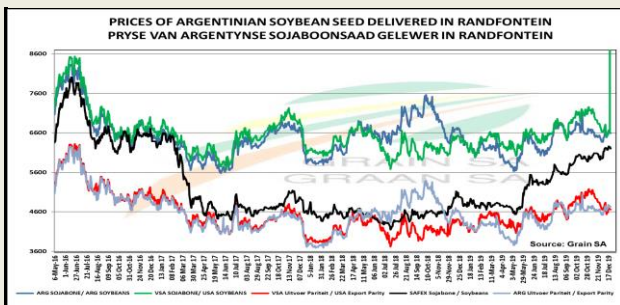
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 6,325.00	17%	R 38.44	R 6,363.44
May 2020	R 5,960.00	17.5%	R 36.21	R 5,996.21
Jul 2020	R 6,006.00	20.5%	R 36.59	R 6,042.59
Sep 2020	R 6,061.00	0%		R 6,061.00
Dec 2020	R 6,086.00	0%		R 6,086.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5,490.00	14%
May 2020	R 5,468.00	13.5%
Jul 2020	R 5,379.00	0%
Sep 2020		
Dec 2020	R 5,670.00	0%
Mar 2021		
May 2021		



The local Soya market traded higher on Friday. The Mar'20 Soya contract ended R50.00 up and Jul'20 Soya closed R57.00 higher. The parity move for the Mar'20 Soya contract for Friday was R9.00 negative.

The local Suns market closed neutral to lower on Friday. The Mar'20 Suns contract closed R12.00 down while Jul'20 Suns closed unchanged.



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