



Fundamental Report
15 January 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.4288	14.3871	-0.0417	-0.29%
Euro/Rand	16.0574	16.0194	-0.0380	-0.24%
GBPound/Rand	18.7088	18.7477	0.0389	0.21%
AusDollar/Rand	9.9548	9.9228	-0.0320	-0.32%
Euro/USDollar	1.1130	1.1132	0.0002	0.02%
GBPound/USDollar	1.2969	1.3032	0.0063	0.49%
AusDollar/USDollar	0.6900	0.6897	-0.0003	-0.04%
JpyYen/USDollar	110.0200	109.9000	-0.1200	-0.11%

BDLive - Tokyo — Stocks slipped in Asian trade on Wednesday as investors awaited the signing of an initial US-China trade deal, with sentiment somewhat dented by comments from the US treasury secretary that tariffs would remain in place for now. MSCI's broadest index of Asia-Pacific shares outside Japan retreated 0.40%, Japan's benchmark Nikkei and South Korea's KOSPI shed 0.46% and 0.40%, respectively, while Australian stocks added 0.33%. China's Shanghai Composite fell 0.59% and Hong Kong's Hang Seng dropped 0.72%. US treasury secretary Steven Mnuchin said late on Tuesday that the US would keep in place tariffs on Chinese goods until the completion of a second phase of a US-China trade agreement, triggering some profit-taking in risk assets. The news came hours before the signing of a preliminary trade agreement to ease an 18-month-old trade war between the world's two largest economies. Wall Street stocks dipped on Tuesday, reversing earlier intraday record highs, after the reports on tariffs on Chinese goods, which will last until after November's presidential election. "We should not expect further tariff relief until after the November presidential elections, suggesting today's agreement is probably as good as it gets for 2020," said Tapas Strickland, director of economics at National Australia Bank in Sydney.



Commodities

	Last	Value Change	% Change
Platinum	990.10	6.75	0.68%
Gold	1553.13	7.01	0.45%
Silver	17.88	0.09	0.50%
Copper	2.85	-0.03	-0.93%
Gasoil	579.25	-0.25	-0.04%
Brent Oil	64.42	-0.07	-0.11%

BDLive - Bengaluru — Gold prices rose on Wednesday as investors sought safer assets amid uncertainty about the effectiveness of the US-China Phase 1 trade deal after a top US official said tariffs on Chinese goods would stay in place even after the agreement is signed. Spot gold rose 0.3% to \$1,551.38/oz by 0332 GMT. Prices fell to their lowest since January 3 at \$1,535.63 on Tuesday. US gold futures gained 0.5% to \$1,552.30. Just a day before the world's top two economies prepared to sign a Phase 1 trade deal, US treasury secretary Steven Mnuchin said tariffs on Chinese goods will be in place until the completion of a Phase 2 agreement. Keeping the tariffs could reduce the economic benefits of the Phase 1 deal by limiting China's access to its second-largest trading market. "Overnight reports that the US would keep existing tariffs in place at least until after the US election ... has obviously rattled markets a bit and that has been somewhat supportive for gold prices," said ING analyst Warren Patterson. "I struggle to see gold trading below \$1,500 for a sustainable period of time, over the next year or so, largely as a result of this trade uncertainty." Gold rose 18% in 2019 mainly because of the 18-month long tariff dispute and its effect on the global economy.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51725.89	0.00	0.00%
ALSI	51795.00	0.00	0.00%
S&P 500	3288.13	-4.98	-0.15%
FTSE	7617.60	4.75	0.06%
CAC	6040.89	0.00	0.00%
DAX	13456.49	0.00	0.00%
Hang Seng	28885.14	-224.09	-0.78%



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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 2020	389.00	389.00	-0.50	0.00	388.50	-0.50	-0.50
MAY 2020	396.00	396.00	-0.25	0.00	395.25	-0.75	-0.75
JUL 2020	402.00	402.25	-0.50	0.25	401.50	-0.75	-0.50
SEP 2020	402.00	402.25	-0.75	0.25	402.00	-0.25	0.00
DEC 2020	404.00	404.25	-0.50	0.25	403.50	-0.75	-0.50

FarmFutures - Corn prices faded slightly Tuesday as traders wait for details on the U.S.-China partial trade agreement out tomorrow and USDA's next round of export sales data, out Thursday morning. March futures dipped 0.5 cents lower to \$3.89, with May futures inching downward 0.25 cents to \$3.96.

Corn basis bids remained largely steady across the Midwest Tuesday but did slide 2 cents lower at an Ohio river terminal today. Farmer sales have been generally slow so far this week.

Will the phase-one trade deal between the U.S. and China have some unintended consequences, such as weakening bilateral trade with Canada and Mexico? And will some of the promised commitments run afoul of existing WTO rules? Those are just the questions that analysts are asking ahead of tomorrow's signing. [Click here to learn more.](#)

From trade pacts to pesticide lawsuits, [click here to find out what the top ten agricultural law issues were this past year](#), per the National Agricultural Law Center.

The Farm Futures Business Summit and Ag Finance Boot Camp begins a week from today, held January 22-24 in Coralville, Iowa. Sharpen your networking skills and gather the intel you need to run your farm more efficiently and profitably. A "last chance" discount is still available. [Click here to learn more.](#)

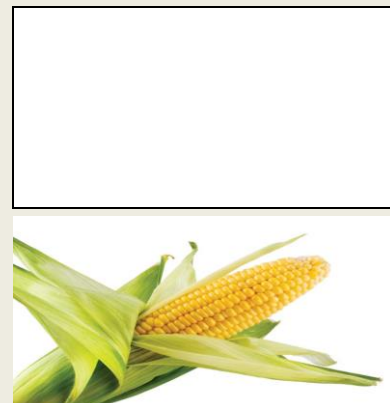
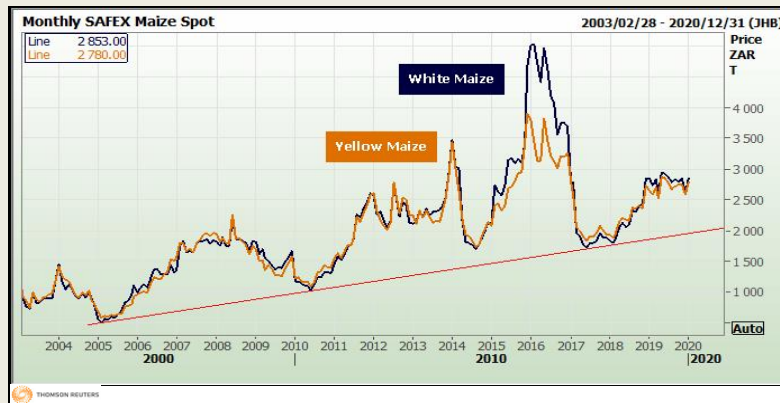
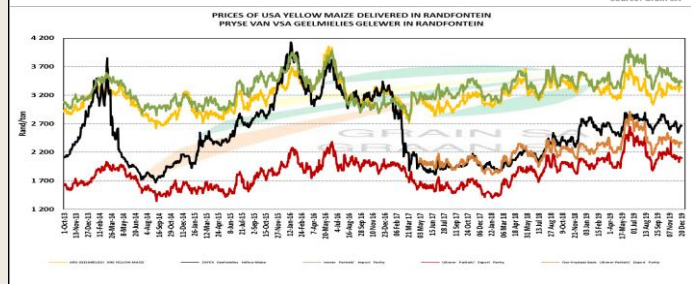
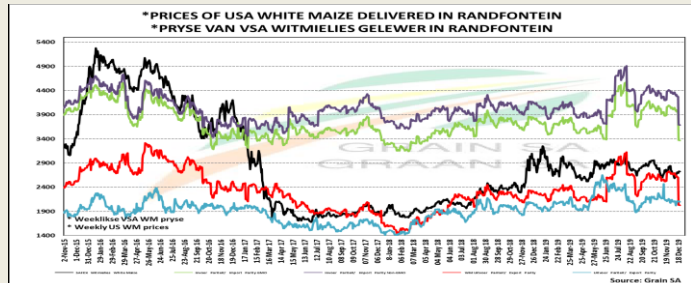
Preliminary volume estimates were for 189,220 contracts, landing moderately below Monday's final count of 230,642.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Mar 2020	R 2,810.00	30%	R -9.22	R 2,800.78
May 2020	R 2,560.00	0%	R -10.75	R 2,549.25
Jul 2020	R 2,488.00	22.75%	R -9.43	R 2,478.57
Sep 2020	R 2,533.00	0%	R -6.60	R 2,526.40
Dec 2020	R 2,622.00	29%	R -9.46	R 2,612.54
Mar 2021				
May 2021				
Yellow Maize Future				
Mar 2020	R 2,765.00	24%	R -9.22	R 2,755.78
May 2020	R 2,531.00	0%	R -10.75	R 2,520.25
Jul 2020	R 2,493.00	20.25%	R -9.43	R 2,483.57
Sep 2020	R 2,537.00	0%	R -6.60	R 2,530.40
Dec 2020	R 2,634.00	20.25%	R -9.46	R 2,624.54
Mar 2021				
May 2021				

The local Maize market traded higher yesterday. The Mar'20 WMAZ contract ended R11.00 up and Mar'20 YMAZ closed R34.00 higher. The Jul'20 WMAZ closed higher by R39.00 and Jul'20 YMAZ ended R21.00 up. The parity move for the Mar'20 Maize contract for yesterday was unchanged.

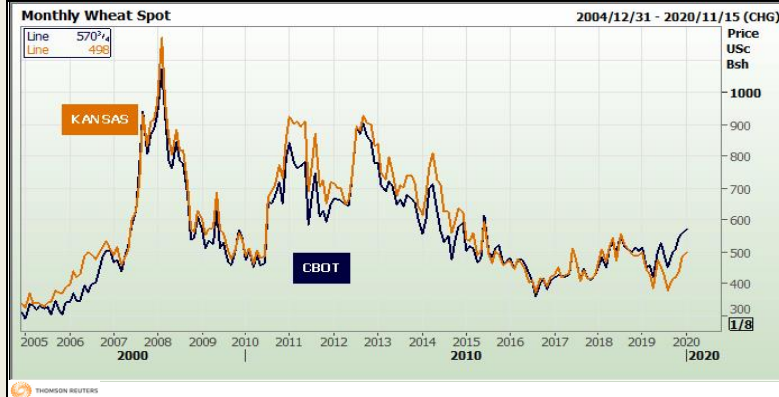


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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

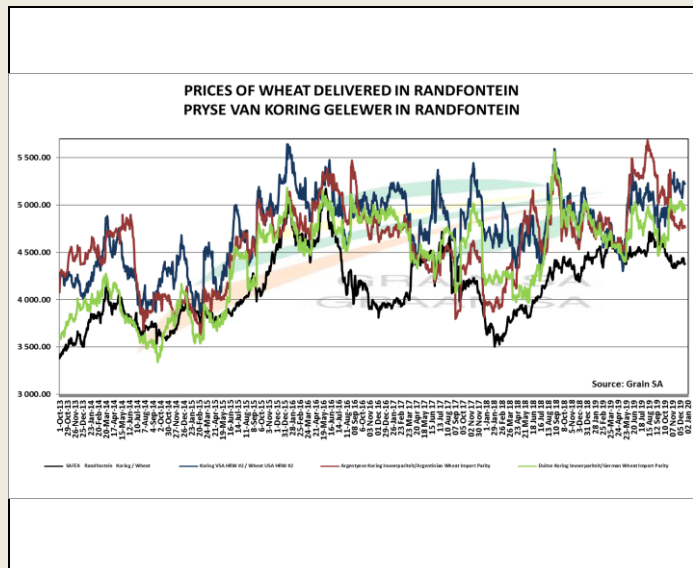
CBOT Wheat									KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm		Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2020	561.00	568.50	6.25	7.50	571.00	2.50	10.00		MAR 2010	491.00	497.00	4.25	6.00	498.25	1.25	7.25
MAY 2020	564.00	570.25	5.50	6.25	572.00	1.75	8.00		MAY 2010	498.00	504.50	4.00	6.50	505.25	0.75	7.25
JUL 2020	566.00	571.75	5.00	5.75	572.75	1.00	6.75		JUL 2010	507.00	512.25	4.00	5.25	512.75	0.50	5.75
SEP 2020	571.00	576.50	3.75	5.50	578.25	1.75	7.25		SEP 2010	515.00	520.75	4.25	5.75	521.25	0.50	6.25
DEC 2020	580.00	584.75	3.00	4.75	529.00	-55.75	-51.00		DEC 2010	525.75	532.00	4.25	6.25	531.75	-0.25	6.00



FarmFutures - Wheat prices continue to march onward and upward, with domestic prices posting solid gains Tuesday after following global prices higher. March Chicago SRW futures gained 6.25 cents to \$5.6850, March Kansas City HRW futures added 3.5 cents to \$4.9625, and March MGEX spring wheat futures picked up 0.75 cents to \$5.55. Japan issued a regular tender to purchase 4.3 million bushels of food-quality wheat from the U.S., Canada and Australia that closes Thursday. Of the total, just over half is expected to be sourced from the U.S. Turkey made a provisional purchase of 20.2 million bushels of red milling wheat from optional origins in a series of tenders that closed earlier today. The bulk of this volume will likely be sourced from the European Union and Black Sea region. The grain is for shipment between January and March. Egypt continues an active period of wheat purchases, buying another 8.8 million bushels from Russia and Romania in an international tender. Egypt is the world's No. 1 wheat importer. In the first 11 months of 2019, Russia's wheat exports reached 1.073 billion bushels, which trended 27% lower year-over-year. The country's corn and soybean exports are also down 3% to 5% from 2018. Jordan purchased 2.2 million bushels of hard milling wheat from optional origins in an international tender that closed earlier today. The grain is for shipment in late July. Preliminary volume estimates were for 128,737 CBOT contracts, improving moderately over Monday's final count of 99,900.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Mar 2020	R 4,535.00	9%	R 44.27	R 4,579.27
May 2020	R 4,576.00	12.5%	R 33.65	R 4,609.65
Jul 2020	R 4,594.00	0%	R 27.01	R 4,621.01
Sep 2020	R 4,481.00	0%	R 29.58	R 4,510.58
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 yesterday. The Mar'20 Wheat contract closed R30.00 up and Jul'20 Wheat closed R14.00 higher. The parity move for the Mar'20 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
MAR 2020	929.00	942.25	0.00	13.25	902.00	-40.25
MAY 2020	940.00	955.50	0.00	15.50	953.25	-2.25
JUL 2020	953.00	967.25	0.00	14.25	965.00	-2.25
AUG 2020	965.00	970.75	-0.50	5.75	970.50	-0.25
SEP 2020	969.00	967.75	-0.25	-1.25	965.75	-2.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2010	302	302.20
MAY 2010	306.6	306.90
JUL 2010	311	311.40
AUG 2010	312.5	313.00
SEP 2010	313.4	313.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2010	34.07	33.79
MAY 2010	34.4	34.10
JUL 2010	34.76	34.44
AUG 2010	34.81	34.54
SEP 2010	34.87	34.63



FarmFutures - Soybean prices tested modest gains Tuesday morning but faded slightly into the red by the close. January finished the session 0.75 cents lower, sliding to \$9.2850, while March futures held steady at \$9.4225. Soybean basis bids were mostly steady but mixed Tuesday, falling 3 cents lower at an Indiana processor while firming 3 cents at an Ohio elevator today. Private exporters reported to USDA the sale of 4.4 million bushels of soybeans for delivery to unknown destinations during the 2020/21 marketing year, which begins September 1. Are the phase-one trade deal promises with the U.S. that China is expected to make realistic? Many have questioned the country's assertions that it may more than double 2017's baseline of \$24 billion dollars. "It would make (more) sense if the \$32 billion is the total number, not the increased number," one China-based grains trader recently told Reuters. China may also face lower short-term grain demand needs against its ongoing battles with African swine fever. Customs data shows China's 2019 soybean imports at 3.252 billion bushels, including an estimated 350.5 million bushels in December. China is by far the world's No. 1 soybean importer.

The National Oilseed Processors Association releases its monthly U.S. soy crush report tomorrow, with analysts expecting the group to show December volume at 171.644 million bushels, which would firm modestly from November's tally and come in as the second-largest December crush on record, if realized.

Preliminary volume estimates were for 145,450 contracts, firming from Monday's final count of 120,366.

South African Futures Exchange

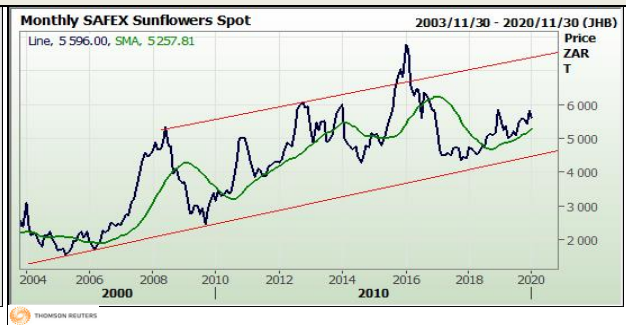
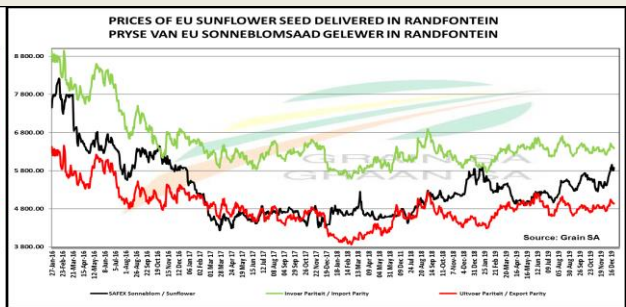
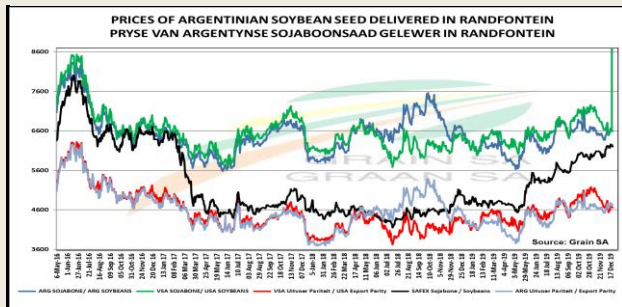
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 6,240.00	17%	R -156.97	R 6,083.03
May 2020	R 5,970.00	17.5%	R 55.64	R 6,025.64
Jul 2020	R 6,041.00	20.5%	R 48.83	R 6,089.83
Sep 2020	R 6,098.00	0%	R -32.03	R 6,065.97
Dec 2020	R 6,123.00	0%		R 6,123.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5,650.00	14%
May 2020	R 5,571.00	13.5%
Jul 2020	R 5,501.00	0%
Sep 2020		
Dec 2020	R 5,767.00	0%
Mar 2021		
May 2021		



The local Soya market traded lower yesterday. The Mar'20 Soya contract ended R67.00 down and Jul'20 Soya closed R4.00 lower. The parity move for the Mar'20 Soya contract for yesterday was unchanged.

The local Suns market closed higher yesterday. The Mar'20 Suns contract closed R132.00 up and Jul'20 Suns closed R121.00 higher.



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