



Fundamental Report
20 January 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.3796	14.4508	0.0712	0.50%
Euro/Rand	16.0022	16.0398	0.0376	0.23%
GBPound/Rand	18.7702	18.7681	-0.0021	-0.01%
AusDollar/Rand	9.9339	9.9450	0.0111	0.11%
Euro/USDollar	1.1127	1.1098	-0.0029	-0.26%
GBPound/USDollar	1.3054	1.2994	-0.0060	-0.46%
AusDollar/USDollar	0.6907	0.6884	-0.0023	-0.33%
JpyYen/USDollar	110.1600	110.1600	0.0000	0.00%

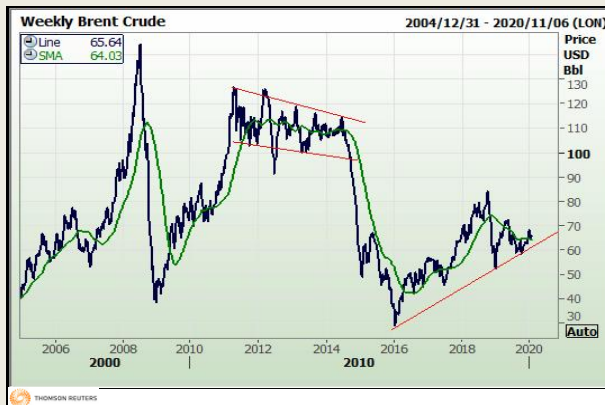
BDLive - The JSE starts the new week by facing mixed Asian markets, with the rand on the back foot amid funding problems at SAA. SAA is posing a challenge to the Treasury ahead of this week's 50th annual World Economic Forum meeting in Davos, Switzerland, and the budget in February. Bianca Botes, corporate treasury manager at Peregrine Treasury Solutions, said in a note. Reports at the weekend have suggested the Treasury has yet to come up with the R2bn required to keep aircraft in the air, and the government has undertaken to return to SAA's business practitioners in the next days with a way forward for the airline. Asian markets were mixed on Monday morning, and trading may be subdued as US markets are closed in observation of the Martin Luther King Jr holiday. At 6.20am Shanghai's composite was up 0.43% while Hong Kong's Hang Seng had fallen 0.39%. Tencent, which influences the JSE via Naspers, was down 0.15%. The rand was 0.18% firmer at R14.4453 a dollar. Gold was up 0.14% to \$1,559.38 an ounce while platinum was flat at \$1,025.44 an ounce. Brent crude was up 0.69% at \$65.56 a barrel. Libya's biggest oilfield began to halt production this week after armed forces shut down a pipeline, pointing to possibly more turmoil in the country, AxiTrader chief Asia markets strategist Stephen Innes said in a note. Adding to the problems, security guards forced a stoppage at a facility in Iraq.



Commodities

	Last	Value Change	% Change
Platinum	1027.65	9.65	0.94%
Gold	1561.54	5.32	0.34%
Silver	18.08	0.08	0.46%
Copper	2.86	0.01	0.51%
Gasoil	577.00	8.25	1.43%
Brent Oil	65.66	0.81	1.23%

BDLive - Bengaluru — Gold traded in a narrow \$3 range on Monday as strong US economic data encouraged investment in riskier assets while limited risk hedging supported the metal. Spot gold ticked up 0.1% to \$1,558.46 per ounce by 5.59am, after a near 0.4% drop last week. US gold futures were down 0.1% to \$1,558.40. "Investors are clearly focused on the longer-term dynamics, which should play in gold's favour with a low-interest environment, central banks' loosening policy to help support growth and subsequent weakness in the dollar," ANZ analyst Daniel Hynes said. Gold was also supported as the US Federal Reserve is expected to keep interest rates on hold at its first policy meeting of the year later this month, he added. The Fed cut interest rates three times last year before deciding in December to stand pat and signal borrowing costs will not change soon. Lower interest rates encourage the buying of non-interest-paying bullion. Trading volumes were low with US markets closed for a holiday and ahead of the Chinese Lunar New Year starting later this week. "We have the seasonality factor that would keep gold trading higher in January ... there's just not a lot of reasons not to own gold," said Stephen Innes, a market strategist at AxiTrader.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	52735.75	0.00	0.00%
ALSI	52965.00	0.00	0.00%
S&P 500	3316.81	12.81	0.39%
FTSE	7609.81	64.75	0.85%
CAC	6100.72	0.00	0.00%
DAX	13526.13	0.00	0.00%
Hang Seng	29056.42	-198.64	-0.68%



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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	378.00	389.25	-0.50	11.25	0.00	-389.25	-378.00
MAY 2020	385.00	395.25	-0.25	10.25	0.00	-395.25	-385.00
JUL 2020	392.00	401.00	-0.50	9.00	0.00	-401.00	-392.00
SEP 2020	393.00	400.25	-0.75	7.25	0.00	-400.25	-393.00
DEC 2020	397.00	402.75	-0.50	5.75	0.00	-402.75	-397.00

FarmFutures - corn prices surged more than 3% higher Friday as bargain buyers entered the fray after prices fell significantly over the past two sessions. March futures recovered by 13.75 cents to reach \$3.8925, with May futures gaining 12.75 cents to \$3.9525. For the week, March futures finished 0.8% higher after falling the previous two weeks.

Ethanol futures followed suit with significant gains of its own today, trending nearly 3% higher as March futures reached \$1.364.

Corn basis bids were largely flat Friday but did inch a penny higher at an Ohio elevator and an Illinois river terminal today. Farmer sales have remained generally sluggish throughout the week.

South Korea remains an active buyer of corn on the international market in recent weeks, closing a deal for another 2.6 million bushels from optional origins earlier today. The grain is for arrival in late April.

India received several offers for its international tender to purchase 6.9 million bushels of non-GMO corn from optional origins. The tender closed January 14 but offers are still being considered by India's state-run trading company MMT. The grain is for shipment no later than February 10.

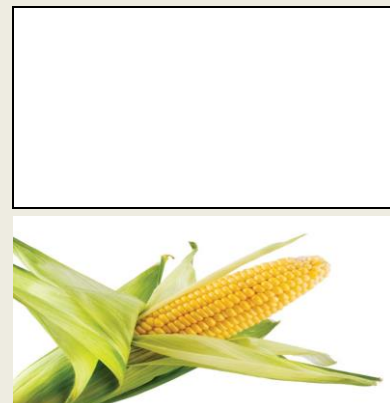
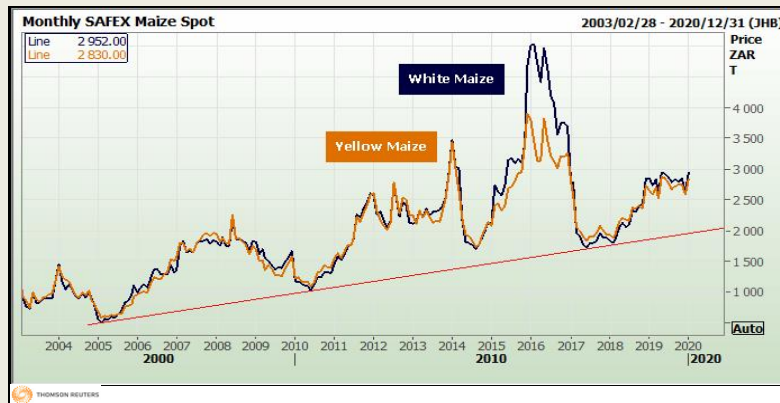
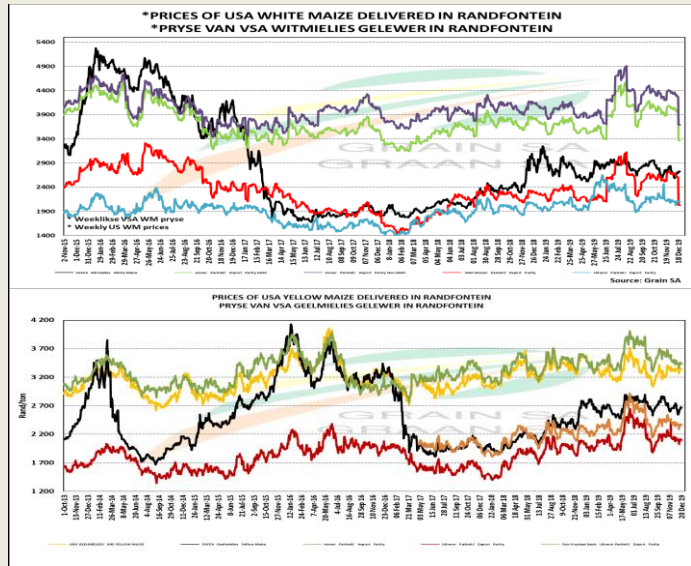
Preliminary volume estimates were for 462,267 contracts, moving 28% above Thursday's final count of 361,431.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Mar 2020	R 2,915.00	30%	R -2,139.84	R 775.16
May 2020	R 2,571.00	22.5%	R -2,179.47	R 391.53
Jul 2020	R 2,426.00	22.5%	R -2,219.10	R 206.90
Sep 2020	R 2,475.00	0%	R -2,224.76	R 250.24
Dec 2020	R 2,569.00	29%	R -2,247.40	R 321.60
Mar 2021	R 2,622.00	0%		R 2,622.00
May 2021				
Yellow Maize Future				
Mar 2020	R 2,817.00	24%	R -2,139.84	R 677.16
May 2020	R 2,500.00	0%	R -2,179.47	R 320.53
Jul 2020	R 2,442.00	20.25%	R -2,219.10	R 222.90
Sep 2020	R 2,490.00	0%	R -2,224.76	R 265.24
Dec 2020	R 2,580.00	20.25%	R -2,247.40	R 332.60
Mar 2021				
May 2021				

The local Maize market traded mixed yesterday. The Mar'20 WMAZ contract ended R43.00 up and Mar'20 YMAZ closed R4.00 higher. The Jul'20 WMAZ closed lower by R26.00 and Jul'20 YMAZ ended R25.00 down. The parity move for the Mar'20 Maize contract for yesterday was R33.00 negative.

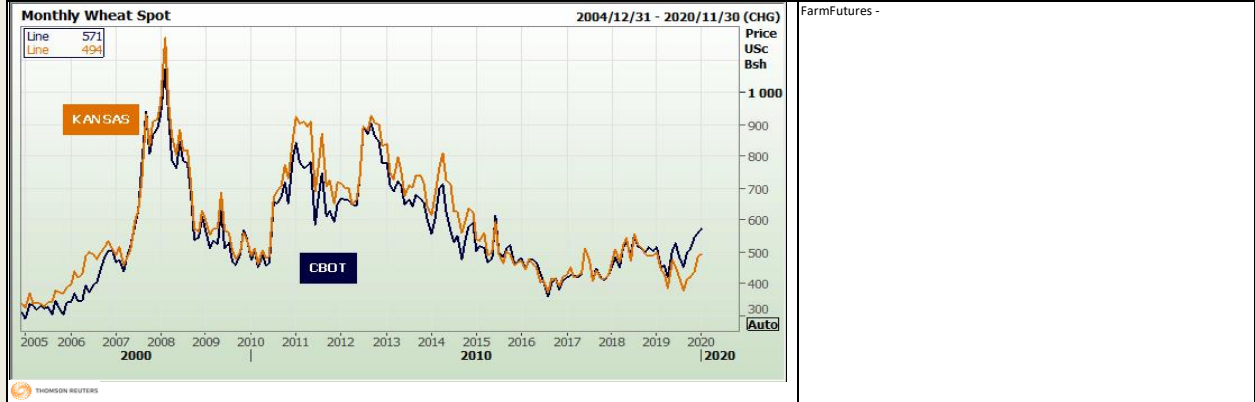


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Wheat Market

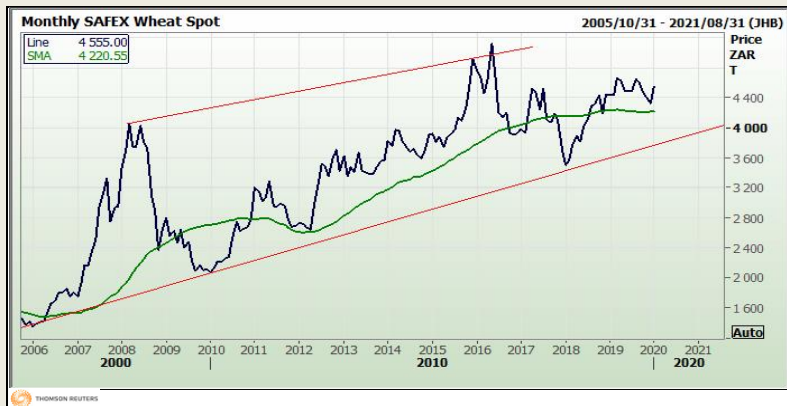
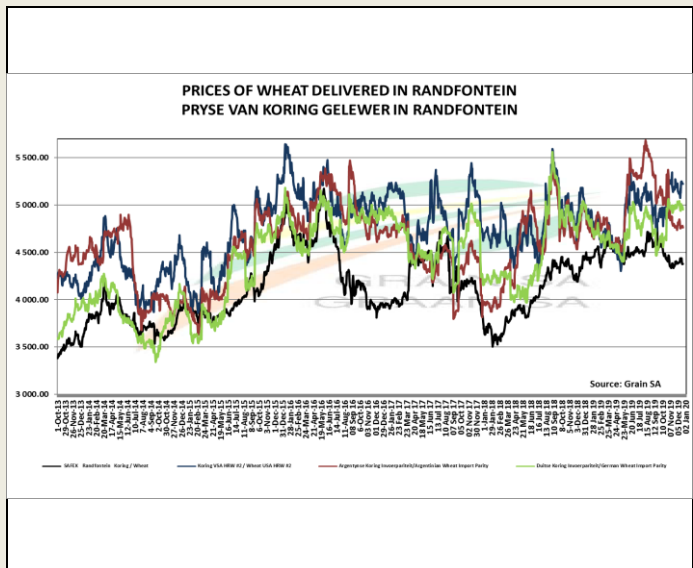
Chicago Board of Trade and Kansas Board of Trade

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 2020	568.00	570.50	6.25	2.50	0.00	-570.50	-568.00	MAR 2010	486.00	494.25	4.25	8.25	0.00	-494.25	-486.00
MAY 2020	569.00	571.25	5.50	2.25	0.00	-571.25	-569.00	MAY 2010	494.00	501.50	4.00	7.50	0.00	-501.50	-494.00
JUL 2020	570.00	570.50	5.00	0.50	0.00	-570.50	-570.00	JUL 2010	501.00	509.25	4.00	8.25	0.00	-509.25	-501.00
SEP 2020	575.00	575.75	3.75	0.75	0.00	-575.75	-575.00	SEP 2010	512.00	517.50	4.25	5.50	0.00	-517.50	-512.00
DEC 2020	583.00	583.75	3.00	0.75	529.00	-54.75	-54.00	DEC 2010	521.00	528.50	4.25	7.50	0.00	-528.50	-521.00



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Mar 2020	R 4,560.00	9%	R -3,001.08	R 1,558.92
May 2020	R 4,605.00	12.5%	R -3,006.37	R 1,598.63
Jul 2020	R 4,620.00	0%	R -3,011.65	R 1,608.35
Sep 2020	R 4,481.00	0%	R -3,038.07	R 1,442.93
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 neutral yesterday. The Mar'20 Weat contract closed R1.00 up and Jul'20 Weat closed R5.00 higher. The parity move for the Mar'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
MAR 2020	923.00	929.75	0.00	6.75	902.00	-27.75
MAY 2020	936.00	943.00	0.00	7.00	0.00	-943.00
JUL 2020	949.00	955.50	0.00	6.50	0.00	-955.50
AUG 2020	954.00	959.25	-0.50	5.25	0.00	-959.25
SEP 2020	953.00	958.00	-0.25	5.00	0.00	-958.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2010	300.6	0.00
MAY 2010	305.2	0.00
JUL 2010	309.7	0.00
AUG 2010	311.4	0.00
SEP 2010	312.5	0.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2010	33.35	0.00
MAY 2010	33.67	0.00
JUL 2010	34.02	0.00
AUG 2010	34.1	0.00
SEP 2010	34.16	0.00



FarmFutures - Soybean prices found earnings of around 0.5% Friday on technical buying partly spurred by spillover strength from corn. March futures and May futures each picked up 5.75 cents to close at \$9.2975 and \$9.43, respectively. Soyoil futures also got a nice boost of around 0.8% today, while soy meal futures finished with fractional gains. Soybean basis bids were mostly steady but narrowly mixed Friday, sliding 2 cents lower at an Ohio elevator while firming by 4 cents at an Illinois river terminal today. China has promised \$32 billion more in U.S. agricultural purchases between 2020 and 2021, but those lofty targets are dependent on market conditions. With U.S. tariffs still in place, it may be an uphill battle for China to reach those goals. That reality is one of the factors that cooled soybean prices earlier this week. But even with the U.S.-China trade war dragging out through all of 2019, American net farm income moved 10% higher year-over-year and reached the highest levels since 2013, according to USDA data. Market Facilitation Program (MFP) payments to the tune of \$28 billion accounted for much of the increase. U.S. Secretary Agriculture Sonny Perdue said a third and final round of MFP payments will be issued "imminently" once the money is allocated through the Office of Management and Budget. How can you turn November futures trading at \$9.70 per bushel into a \$9.50 cash price on your farm? Ed Usset, marketing specialist at the University of Minnesota's Center for Farm Financial Management, notes: "The last time you had a shot at \$9.50 soybeans was before the start of the trade war." But it is possible through a three-step process, he asserts. Click here to learn more. Preliminary volume estimates were for 162,876 contracts, down slightly from Thursday's final count of 175,347.

South African Futures Exchange

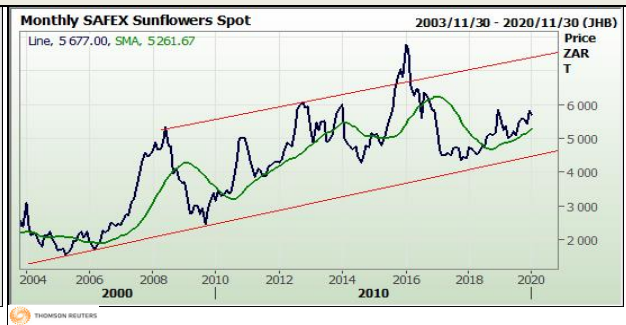
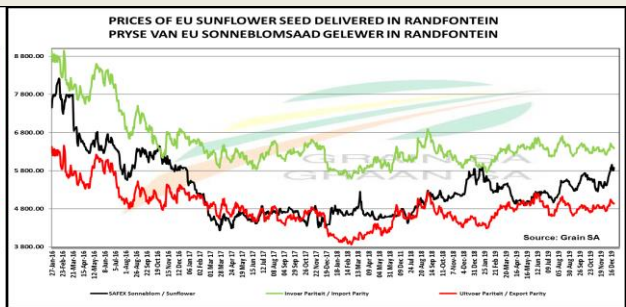
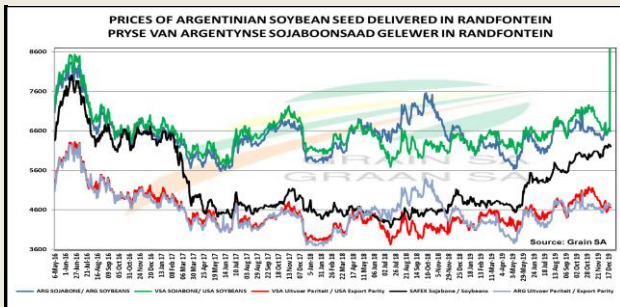
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 6,024.00	17%	R -87.36	R 5,936.64
May 2020	R 5,820.00	17.5%	#####	R 874.55
Jul 2020	R 5,905.00	20.5%	#####	R 890.87
Sep 2020	R 5,969.00	0%	#####	R 933.73
Dec 2020	R 6,044.00	0%		R 6,044.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5,696.00	14%
May 2020	R 5,540.00	13.5%
Jul 2020	R 5,496.00	0%
Sep 2020		
Dec 2020	R 5,794.00	0%
Mar 2021		
May 2021		



The local Soya market traded mixed yesterday. The Mar'20 Soya contract ended R1.00 down while Jul'20 Soya closed R36.00 higher. The parity move for the Mar'20 Soya contract for yesterday was R7.00 negative.

The local Suns market closed mixed yesterday. The Mar'20 Suns contract closed R2.00 up while Jul'20 Suns closed R4.00 lower.



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