



**Fundamental Report**  
**23 January 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.4424	14.3266	-0.1158	-0.80%
Euro/Rand	16.0171	15.8786	-0.1385	-0.86%
GBPound/Rand	18.8555	18.8100	-0.0455	-0.24%
AusDollar/Rand	9.8800	9.8424	-0.0376	-0.38%
Euro/USDollar	1.1091	1.1082	-0.0009	-0.08%
GBPound/USDollar	1.3060	1.3135	0.0075	0.57%
AusDollar/USDollar	0.6841	0.6870	0.0029	0.42%
JpyYen/USDollar	109.9500	109.6300	-0.3200	-0.29%

BDLive - The JSE erased earlier gains to record its third consecutive day of losses on Wednesday, while the rand had its best day in three weeks as investors took some comfort from China's easing of fears over the coronavirus epidemic.

The rand, which is on track for its first weekly gain in three, was on the front foot for most of Wednesday. At 5.41pm, it had firmed 1.13% to R14.3333/\$, 1.21% to R15.8743/€ and 0.42% to R18.8379/£. The euro was flat at \$1.1075.

"The rand has stabilised following the knee-jerk reaction to the coronavirus outbreak in Asia, stepping back below R14.50/\$. All eyes will be on developments at Eskom in the run-up to the February budget, while the new CEO enacting some changes could also be supporting sentiment," Mercato Financial Services analyst Nico du Plessis said.



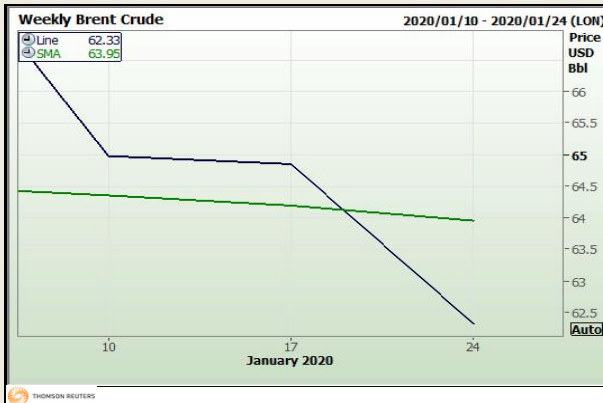
### Commodities

	Last	Value Change	% Change
Platinum	1009.95	-1.91	-0.19%
Gold	1557.50	-1.12	-0.07%
Silver	17.73	-0.08	-0.48%
Copper	2.76	0.00	-0.07%
Gasoil	550.25	-2.00	-0.36%
Brent Oil	62.33	-0.88	-1.41%

BDLive - Bengaluru — Gold was little changed on Wednesday as strong technical support on expected dovish monetary policy from global central banks offset revived appetite for riskier assets and an upbeat dollar.

Spot gold was 0.1% firmer at \$1,558.55 an ounce by 10.51am GMT. US gold futures were steady at \$1,558.50.

"We have good support between \$1,545 and \$1,550, prices are rebounding on this level, confirming strong investor appetite for bullion in this range," said ActivTrades chief analyst Carlo Alberto De Casa, adding that a risk-on scenario in wider markets could stymie gold's recovery. "[Gold] investors are long because central banks are still dovish. We have potential for the Bank of England and the Australian central bank to cut rates. I don't see the US Federal Reserve or European Central Bank (ECB) being hawkish in the next six months either."



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51808.62	0.00	0.00%
ALSI	51940.00	0.00	0.00%
S&P 500	3320.79	0.96	0.03%
FTSE	7610.70	-38.78	-0.51%
CAC	6010.98	0.00	0.00%
DAX	13515.75	0.00	0.00%
Hang Seng	28341.04	-422.36	-1.49%



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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	391.00	388.75	-0.50	-2.25	389.25	0.50	-1.75
MAY 2020	396.00	394.25	-0.25	-1.75	394.50	0.25	-1.50
JUL 2020	401.00	399.25	-0.50	-1.75	399.25	0.00	-1.75
SEP 2020	401.00	398.00	-0.75	-3.00	398.25	0.25	-2.75
DEC 2020	403.00	400.75	-0.50	-2.25	400.75	0.00	-2.25

FarmFutures - Corn prices survived a choppy session and downward pressure from spillover weakness from wheat to close Wednesday with small gains. March futures firmed 1.25 cents to \$3.8875, with May futures picking up 0.75 cents to \$3.9425.

Corn basis bids were mostly steady to firm across the central U.S. Wednesday, moving 1 to 3 cents higher across a handful of Midwestern locations today. Farmer sales have been generally sluggish to start the new year so far.

South Korea remains an active buyer of corn this fall and winter, picking up another 5.3 million bushels from optional origins in an international tender that closed earlier today. The grain is for arrival in late April and early May.

The U.S. Energy Information Administration releases its weekly ethanol production data a day late due to Monday's Martin Luther King Jr. holiday. The prior week's production tally reached multi-month highs, with a daily average of 1.095 million barrels. March futures sagged 1.5% lower today, to \$1.343.

Grain traveling the nation's railways slumped again last week, with just 19,373 carloads. Three weeks into 2020 and cumulative totals are down 16% year-over-year so far, with 57,292 carloads.

Indiana farmer and Farm Futures blogger Kyle Stackhouse has been trying to raise the same number of bushels corn on his farm – using one-third fewer acres to do so. Click here to learn how he's been working toward that goal and what he's accomplished so far.

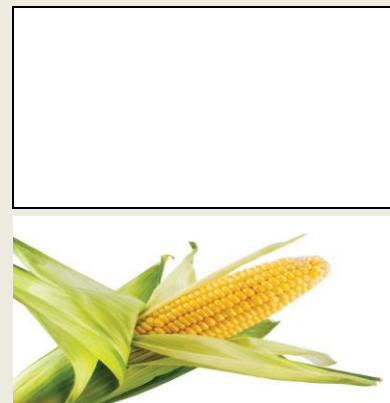
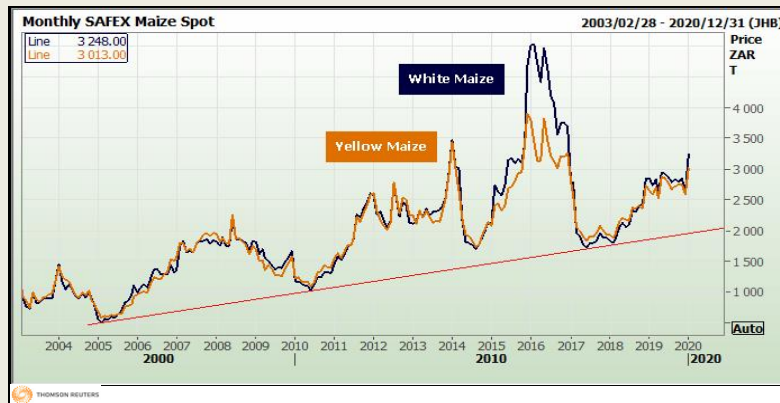
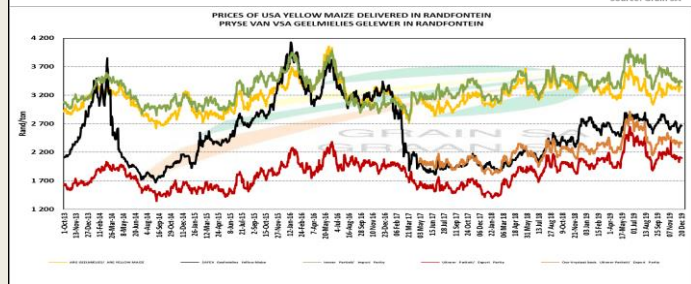
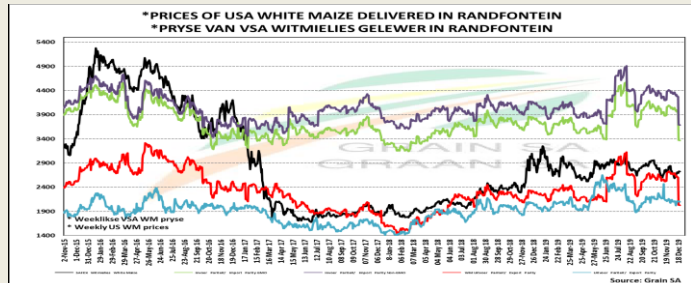
Preliminary volume estimates were for 241,653 contracts, falling short of Tuesday's final count of 283,790.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2020	R 3 070.00	31%	R -27.70	R 3 042.30
May 2020	R 2 612.00	22.5%	R -26.51	R 2 585.49
Jul 2020	R 2 414.00	21.5%	R -28.15	R 2 385.85
Sep 2020	R 2 460.00	0%	R -33.79	R 2 426.21
Dec 2020	R 2 561.00	29%	R -31.06	R 2 529.94
Mar 2021	R 2 616.00	0%		R 2 616.00
May 2021				
<b>Yellow Maize Future</b>				
Mar 2020	R 2 982.00	25.5%	R -27.70	R 2 954.30
May 2020	R 2 543.00	0%	R -26.51	R 2 516.49
Jul 2020	R 2 481.00	20.25%	R -28.15	R 2 452.85
Sep 2020	R 2 519.00	0%	R -33.79	R 2 485.21
Dec 2020	R 2 609.00	20.25%	R -31.06	R 2 577.94
Mar 2021				
May 2021				

The local Maize market traded mixed yesterday. The Mar'20 WMAZ contract ended R100.00 up and Mar'20 YMAZ closed R97.00 higher. The Jul'20 WMAZ closed lower by R9.00 while Jul'20 YMAZ ended R2.00 up. The parity move for the Mar'20 Maize contract for yesterday was R27.00 negative.

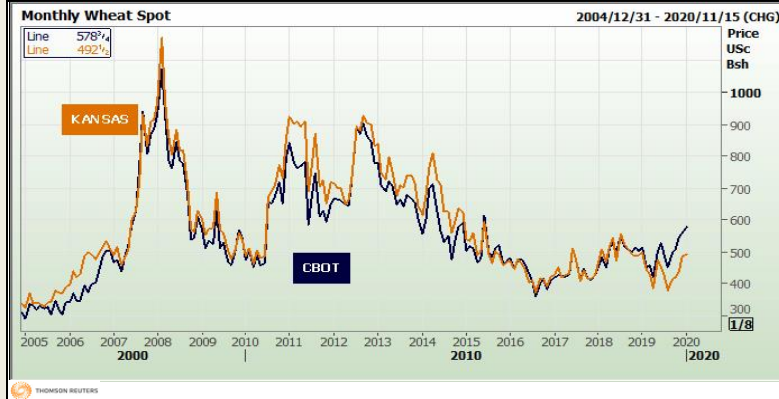


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## Wheat Market

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

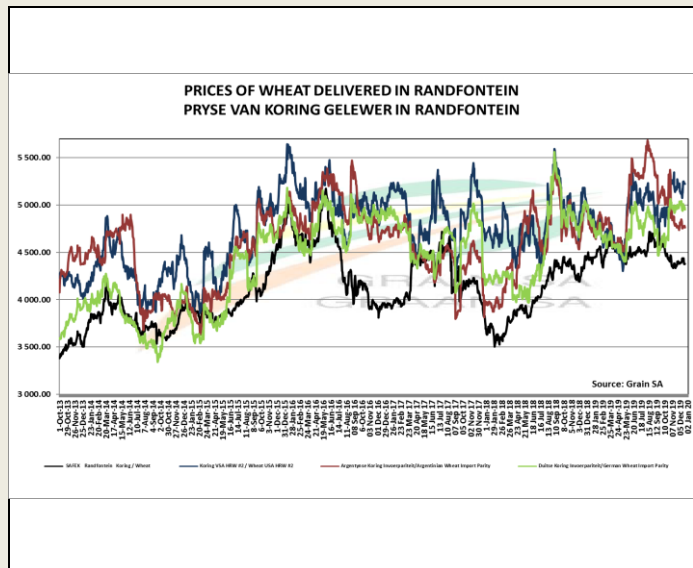
CBOT Wheat									KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm		Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2020	588.00	577.75	6.25	-10.25	578.75	1.00	-9.25		MAR 2010	503.00	492.50	4.25	-10.50	492.50	0.00	-10.50
MAY 2020	588.00	577.25	5.50	-10.75	578.00	0.75	-10.00		MAY 2010	510.00	499.75	4.00	-10.25	500.00	0.25	-10.00
JUL 2020	586.00	576.75	5.00	-9.25	577.00	0.25	-9.00		JUL 2010	517.00	507.00	4.00	-10.00	507.00	0.00	-10.00
SEP 2020	590.00	581.75	3.75	-8.25	582.00	0.25	-8.00		SEP 2010	524.00	514.75	4.25	-9.25	513.75	-1.00	-10.25
DEC 2020	597.00	589.75	3.00	-7.25	529.00	-60.75	-68.00		DEC 2010	534.00	525.00	4.25	-9.00	525.00	0.00	-9.00



FarmFutures - Wheat prices were tripped up by a round of technical selling and profit-taking after reaching multi-month highs earlier this week. Some positive global demand fundamentals remain in place, which may help prices remain seasonally strong moving forward. Today, March Chicago SRW futures fell 3.75 cents to \$5.7775, March Kansas City HRW futures dropped 7.5 cents to \$4.9250, and March MGEX spring wheat futures lost 6.75 cents to \$5.5375. Russia's grain exports this marketing year (which began July 1), are down 16% so far from a year ago. The bulk (86%) of the total for 2019/20 is wheat exports, which have reached 801 million bushels as of January 16. Algeria purchased approximately 14.7 million bushels of milling wheat from optional origins in an international tender that closed yesterday. The grain is for shipment in February or March. Russia sold another 2.2 million bushels of wheat to Egypt earlier this week and has accounted for 56% of all wheat exports to Egypt since July 1. Jordan issued another international tender to purchase 4.4 million bushels of milling wheat from optional origins, closing January 28. The grain would be for shipment in August and September. The country has struggled to finalize similar purchases this past year but has closed a handful of deals in recent weeks. Preliminary volume estimates were for 159,924 CBOT contracts, moving ahead of Tuesday's final count of 134,316.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2020	R 4 650.00	9%	R -73.71	R 4 576.29
May 2020	R 4 680.00	12.5%	R -77.66	R 4 602.34
Jul 2020	R 4 700.00	0%	R -72.31	R 4 627.69
Sep 2020	R 4 492.00	0%	R -67.22	R 4 424.78
Dec 2020				
Mar 2021				
May 2021				
<b>Cape Wheat</b>				
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 R21.00 up and Jul'20 Wheat closed R7.00 higher. The parity move for the Mar'20 Wheat contract for yesterday was R73.00 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	921.00	913.75	0.00	-7.25	902.00	-11.75
MAY 2020	935.00	927.50	0.00	-7.50	927.00	-0.50
JUL 2020	949.00	941.25	0.00	-7.75	940.75	-0.50
AUG 2020	953.00	946.00	-0.50	-7.00	945.75	-0.25
SEP 2020	952.00	945.75	-0.25	-6.25	945.25	-0.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2010	297.9	298.50
MAY 2010	302.5	302.90
JUL 2010	306.9	307.30
AUG 2010	308.4	308.80
SEP 2010	309.5	309.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2010	33.02	32.78
MAY 2010	33.35	33.12
JUL 2010	33.7	33.47
AUG 2010	33.79	33.55
SEP 2010	33.86	33.67



FarmFutures - Soybean prices slid slightly lower on some technical selling as additional Chinese purchases have failed to materialize so far this week, casting a bearish shadow on prices. March and May futures each fell 2.25 cents to close at \$9.1375 and \$9.2750, respectively.

Soybean basis bids were mostly steady across the Midwest Wednesday, inching a penny higher at an Illinois river terminal and moving 5 cents higher at an Indiana processor today.

In Brazil, a recent crop tour from Agroconsult will add additional context to the consultancy's pre-tour soybean production estimates of 4.567 billion bushels. Positive tour observations in the country's No. 1 production state of Mato Grosso may lead to Agroconsult revising those estimates even higher. Harvest is just beginning to kick off, with 1.8% progress as of January 16.

Algeria issued an international tender for 30,000 metric tons of soybean meal from optional origins that closes Thursday. The grain is for shipment in mid-February. Egypt also purchased 60,000 MT of soyoil earlier this week.

Preliminary volume estimates were for 164,917 contracts, falling moderately below Tuesday's final count of 205,158.

### South African Futures Exchange

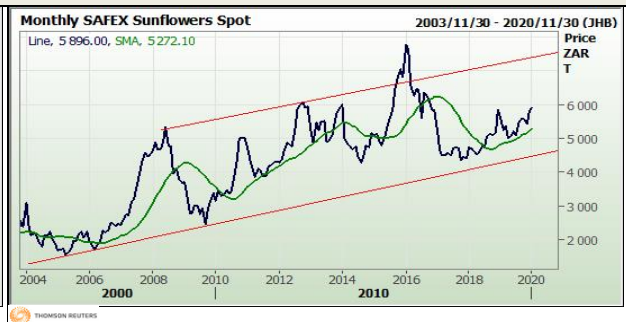
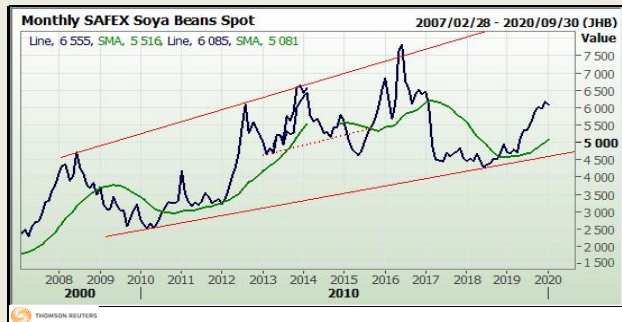
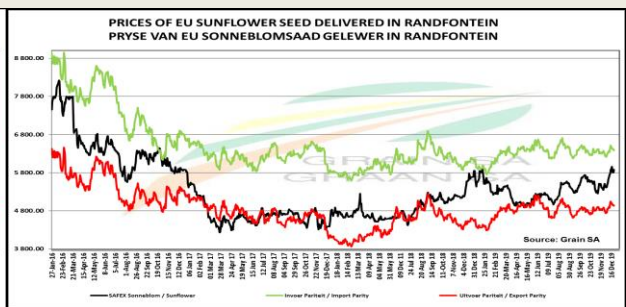
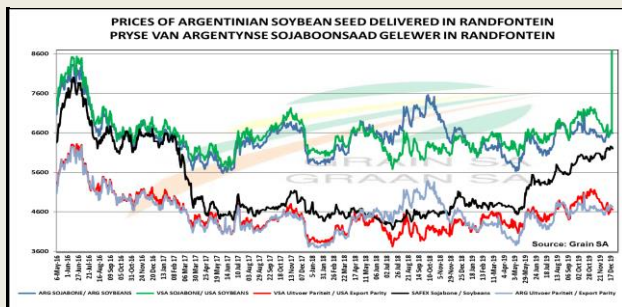
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 6 005.00	17%	R -139.21	R 5 865.79
May 2020	R 5 875.00	17.5%	R -81.90	R 5 793.10
Jul 2020	R 5 978.00	20.5%	R -83.81	R 5 894.19
Sep 2020	R 6 049.00	0%	R -76.04	R 5 972.96
Dec 2020	R 6 090.00	0%		R 6 090.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5 877.00	14%
May 2020	R 5 614.00	13.5%
Jul 2020	R 5 603.00	0%
Sep 2020		
Dec 2020	R 5 830.00	0%
Mar 2021		
May 2021		



The local Soya market traded lower yesterday. The Mar'20 Soya contract ended R55.00 down and Jul'20 Soya closed R27.00 lower. The parity move for the Mar'20 Soya contract for yesterday was R81.00 negative.

The local Suns market closed mixed yesterday. The Mar'20 Suns contract closed R31.00 up while Jul'20 Suns closed R30.00 lower.



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