



Fundamental Report
24 January 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.3477	14.3686	0.0209	0.15%
Euro/Rand	15.8995	15.8884	-0.0111	-0.07%
GBPound/Rand	18.8315	18.8631	0.0316	0.17%
AusDollar/Rand	9.8540	9.8435	-0.0105	-0.11%
Euro/USDollar	1.1082	1.1051	-0.0031	-0.28%
GBPound/USDollar	1.3129	1.3121	-0.0008	-0.06%
AusDollar/USDollar	0.6868	0.6845	-0.0023	-0.33%
JpyYen/USDollar	109.5100	109.4600	-0.0500	-0.05%

BDLive - The JSE extended losses on Thursday, tracking weaker global markets, as investors remain anxious about the spread of the Chinese coronavirus and its effect on the global economy.

With millions of Chinese preparing to travel for the Lunar New Year holiday, China has put the cities of Wuhan, Huanggang and Ezhou on lockdown amid fears the transmission rate will accelerate.

China's capital Beijing has canceled major public events, including two well-known Lunar New Year temple fairs, the state-run Beijing News said on Thursday, in further attempts to contain the outbreak, reported CNBC.

Earlier, the Shanghai Composite was down 2.75%, Hong Kong's Hang Seng 1.52% and Japan's Nikkei 225 0.98%.



Commodities

	Last	Value Change	% Change
Platinum	999.68	-2.42	-0.24%
Gold	1561.75	-1.27	-0.08%
Silver	17.79	0.01	0.04%
Copper	2.73	0.00	-0.02%
Gasoil	550.00	4.50	0.82%
Brent Oil	62.05	0.01	0.02%

BDLive - Bengaluru — Gold prices edged lower on Thursday as cautious investors awaited a policy decision by the European Central Bank due later in the day, though mounting concerns over a virus outbreak in China provided a floor under prices.

Spot gold was down 0.1% at \$1,557.91/oz by 3.42am GMT. US gold futures were unchanged at \$1,556.80.

With more than 500 confirmed cases and 17 deaths in China from the new coronavirus, the World Health Organisation (WHO) will decide on Thursday whether to declare a global emergency over the outbreak.

"It looks like the market doesn't really have the impetus it needs to go one way or another. Even the coronavirus outbreak did not give gold a meaningful run," said Ilya Spivak, a senior currency strategist at DailyFx.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50847.58	0.00	0.00%
ALSI	50956.00	0.00	0.00%
S&P 500	3321.75	3.79	0.11%
FTSE	7571.92	-64.25	-0.85%
CAC	5971.79	0.00	0.00%
DAX	13388.42	0.00	0.00%
Hang Seng	27909.12	14.26	0.05%



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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	393.75	-0.50	4.75	392.25	-1.50	3.25
MAY 2020	395.00	398.50	-0.25	3.50	397.75	-0.75	2.75
JUL 2020	399.00	403.25	-0.50	4.25	402.75	-0.50	3.75
SEP 2020	398.00	400.75	-0.75	2.75	400.25	-0.50	2.25
DEC 2020	401.00	403.25	-0.50	2.25	402.75	-0.50	1.75

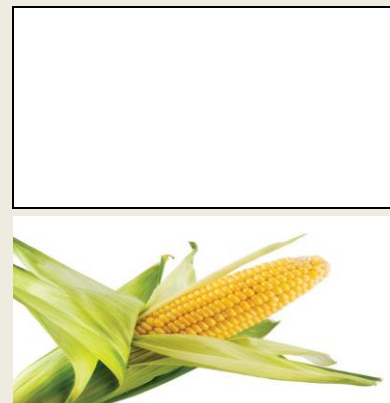
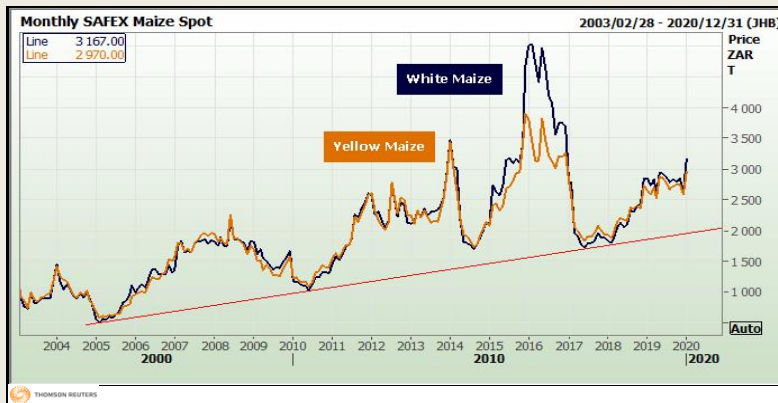
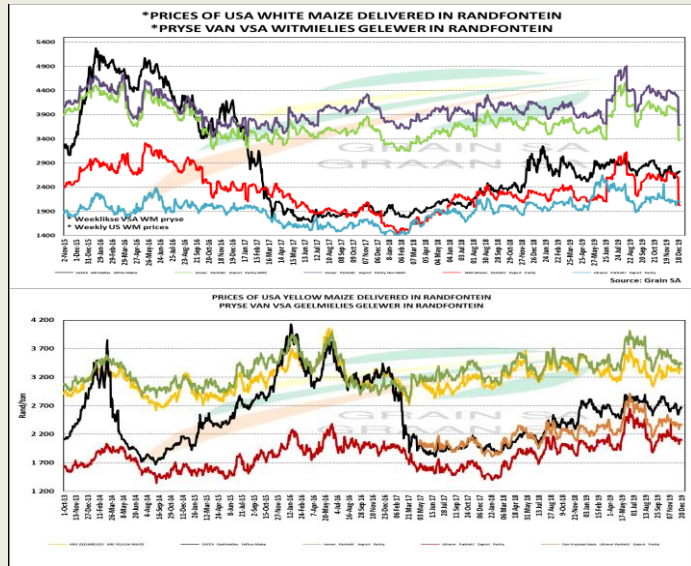
FarmFutures - Corn prices tilted about 1% higher after two large export sales were announced to Guatemala and unknown destinations this morning, and as analysts have bullish expectations for the next round of USDA export sales data, out Friday morning. March futures gained 5 cents to \$3.9375, with May futures picking up 4.25 cents to \$3.9850. Corn basis bids were steady to firm Thursday, rising 1 to 3 cents higher across a handful of Midwestern locations today. Farmer sales remain generally slow through the first three weeks of 2020. Private exporters announced to USDA two large corn sales this morning. The first sale was for 5.7 million bushels for delivery to Guatemala. Of the total, nearly 80% is for delivery during the 2019/20 marketing year, which began September 1, with the remainder for delivery in 2020/21. The second sale was for 5.6 million bushels for delivery to unknown destinations in 2019/20. Analysts are expecting a more robust round of export data from USDA tomorrow morning, with trade guesses for corn sales ranging between 27.6 million and 47.2 million bushels for the week ending January 16. Meantime, Asian feed buyers are paying premiums for corn from Ukraine, one of the few major exporters sitting on higher quality grain. Buyers are cautiously interested in U.S. grain, with a trader in Singapore noting: "This year there are more number three and number four grades of [U.S.] corn, mainly from the crop that gets shipped through Pacific Northwest ports to North Asia." Ukraine's corn exports this marketing year are up 27% so far, with 559 million bushels as of January 20. Recently higher projections for China and U.S. corn production had the International Grains Council (IGC) increasing its global corn crop forecast by 8 million metric tons to reach 1.111 billion MT. That's still below last year's projection of 1.129 BMT, however. IGC also expects a global decline of corn stocks for 2019/20 for a third consecutive year, now estimated at 11.141 billion bushels and down 23% from 2016/17. Weekly ethanol production fell to an eight-week low for the week ending January 17, according to the U.S. Energy Information Administration. Average daily production last week slipped to 1.049 million barrels.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Mar 2020	R 3 068.00	31.75%	R 21.58	R 3 089.58
May 2020	R 2 650.00	22.5%	R 18.81	R 2 668.81
Jul 2020	R 2 413.00	21.5%	R 24.50	R 2 437.50
Sep 2020	R 2 459.00	0%	R 16.00	R 2 475.00
Dec 2020	R 2 561.00	29%	R 13.20	R 2 574.20
Mar 2021	R 2 616.00	0%		R 2 616.00
May 2021				
Yellow Maize Future				
Mar 2020	R 2 955.00	25.5%	R 21.58	R 2 976.58
May 2020	R 2 540.00	0%	R 18.81	R 2 558.81
Jul 2020	R 2 477.00	20.25%	R 24.50	R 2 501.50
Sep 2020	R 2 520.00	0%	R 16.00	R 2 536.00
Dec 2020	R 2 609.00	20.25%	R 13.20	R 2 622.20
Mar 2021				
May 2021				

The local Maize market traded lower yesterday. The Mar'20 WMAZ contract ended R2.00 down and Mar'20 YMAZ closed R27.00 lower. The Jul'20 WMAZ closed lower by R1.00 and Jul'20 YMAZ ended R4.00 down. The parity move for the Mar'20 Maize contract for yesterday was R22.00 positive.

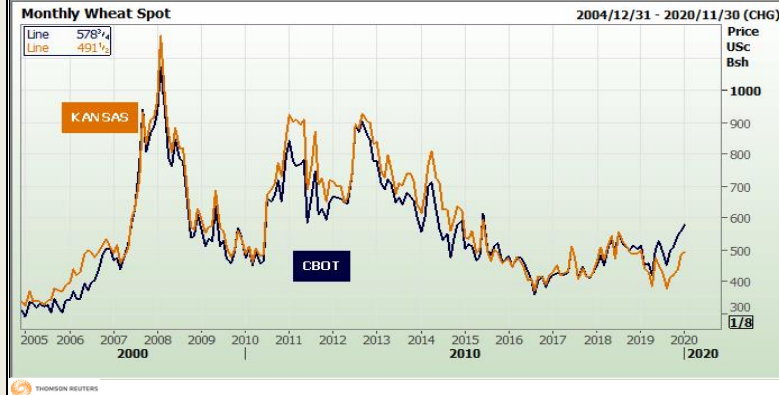


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Wheat Market

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 2020	579.00	580.50	6.25	1.50	578.75	-1.75	-0.25		MAR 2010	492.00	492.25	4.25	0.25	491.50	-0.75	-0.50
MAY 2020	578.00	579.00	5.50	1.00	577.25	-1.75	-0.75		MAY 2010	500.00	499.75	4.00	-0.25	499.00	-0.75	-1.00
JUL 2020	577.00	578.75	5.00	1.75	577.00	-1.75	0.00		JUL 2010	507.00	506.75	4.00	-0.25	506.00	-0.75	-1.00
SEP 2020	582.00	583.50	3.75	1.50	582.25	-1.25	0.25		SEP 2010	515.00	514.50	4.25	-0.50	513.50	-1.00	-1.50
DEC 2020	590.00	591.00	3.00	1.00	529.00	-62.00	-61.00		DEC 2010	525.00	524.50	4.25	-0.50	0.00	-524.50	-525.00



FarmFutures - Wheat prices were narrowly mixed but mostly lower amid a round of uneven technical maneuvering Thursday. Chicago SRW contracts captured some modest gains, with March futures firming 2.75 cents to \$5.8050. March MGEX spring wheat futures also finished fractionally higher, moving up 0.25 cents to \$5.5525, but March Kansas City HRW futures slipped 0.75 cents to \$4.9175.

Ahead of Friday morning's weekly export sales report from USDA, analysts expect the agency to show wheat sales ranging between 11.0 million and 29.4 million bushels for the week ending January 16.

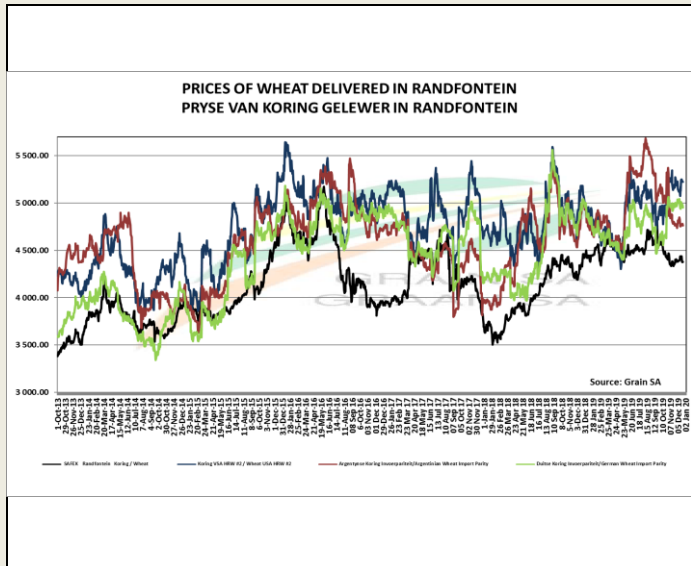
IGC is now projecting 2019/20 world wheat production slightly lower, at 27.962 billion bushels – still trending 3.8% above last year's production. Carryover stocks are also expected to rise.

Japan purchased nearly 4.0 million bushels of food-quality wheat from the U.S. and Canada in a regular tender Thursday, as expected. Of the total, 76% was sourced from the U.S.

Preliminary volume estimates were for 110,712 CBOT contracts, falling 31% below Wednesday's final count of 159,924.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Mar 2020	R 4 633.00	9%	R 3.13	R 4 636.13
May 2020	R 4 663.00	12.5%	R 0.48	R 4 663.48
Jul 2020	R 4 695.00	0%	R 4.43	R 4 699.43
Sep 2020	R 4 492.00	0%	R 5.79	R 4 497.79
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 lower yesterday. The Mar'20 Wheat contract closed R17.00 down and Jul'20 Wheat closed R5.00 lower. The parity move for the Mar'20 Wheat contract for yesterday was R9.00 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
MAR 2020	909.00	909.50	0.00	0.50	902.00	-7.50
MAY 2020	923.00	923.25	0.00	0.25	922.50	-0.75
JUL 2020	937.00	937.00	0.00	0.00	936.25	-0.75
AUG 2020	942.00	941.75	-0.50	-0.25	940.00	-0.75
SEP 2020	943.00	942.00	-0.25	-1.00	940.50	-1.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2010	298.9	298.60
MAY 2010	303.2	302.90
JUL 2010	307.7	307.30
AUG 2010	309.2	309.00
SEP 2010	310.4	309.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2010	32.48	32.48
MAY 2010	32.82	32.82
JUL 2010	33.18	33.19
AUG 2010	33.28	33.32
SEP 2010	33.35	33.36



FarmFutures - Soybean prices shifted moderately lower again in a choppy session Thursday as the absence of recent Chinese purchases and favorable South American weather forecasts drummed up enough headwinds to trigger some more technical selling today. March and May futures each dropped 4.25 cents to close at \$9.0950 and \$9.2325, respectively.

Soybean basis bids were narrowly mixed at interior river terminals Thursday and held largely steady elsewhere across the central U.S. today.

Ahead of Friday morning's weekly export sales report from USDA, analysts expect the agency to show soybean sales ranging between 25.7 million and 47.8 million bushels for the week ending January 16, with nearly all trade guesses besting the prior week's tally of 26.1 million bushels. Analysts also expect USDA to report an additional 200,000 to 450,000 metric tons of soy meal sales last week, plus another 5,000 to 26,000 MT of soy oil sales.

IGC fractionally raised its 2019/20 global soybean production estimates to 12.566 billion bushels, but that projection is still 5.3% below last year's record production. Inventories are expected to tighten to just 1.323 billion bushels after the U.S. saw moderate weather-related production cuts last season.

Preliminary volume estimates were for 151,961 contracts, falling short of Wednesday's final count of 164,917.

South African Futures Exchange

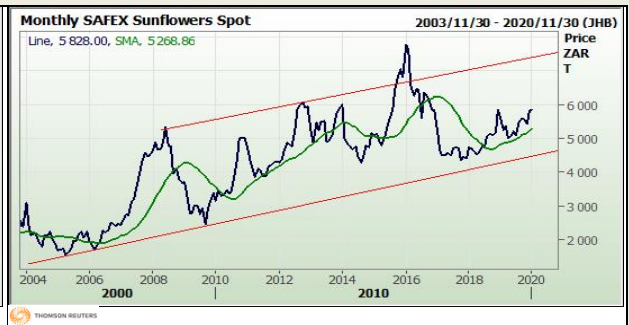
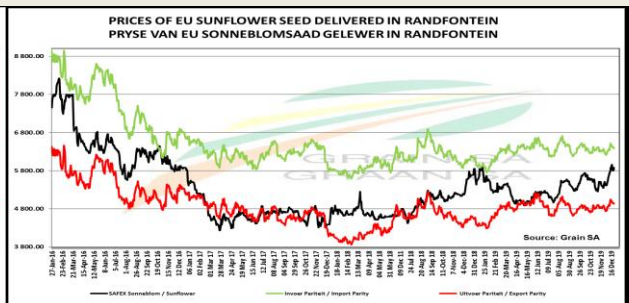
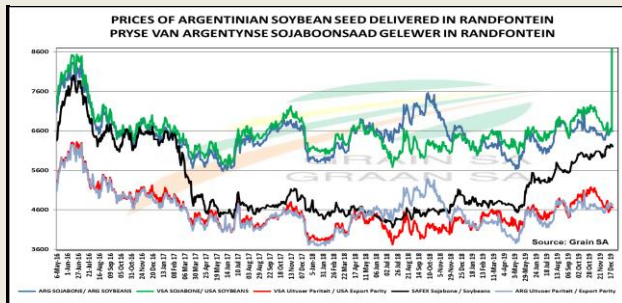
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 5 895.00	17%	R -29.98	R 5 865.02
May 2020	R 5 790.00	17.5%	R 4.45	R 5 794.45
Jul 2020	R 5 876.00	20.5%	R 3.24	R 5 879.24
Sep 2020	R 5 968.00	0%	R -5.96	R 5 962.04
Dec 2020	R 6 043.00	0%		R 6 043.00
Mar 2021				
May 2021	R 6 040.00	0%		R 6 040.00

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5 856.00	14%
May 2020	R 5 578.00	13.5%
Jul 2020	R 5 580.00	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 R110.00 down and Jul'20 Soya closed R102.00 lower. The parity move for the Mar'20 Soya contract for yesterday was R6.00 positive.

The local Suns market closed lower yesterday. The Mar'20 Suns contract closed R21.00 down and Jul'20 Suns closed R23.00 lower.



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