



Fundamental Report
27 January 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.3881	14.4381	0.0500	0.35%
Euro/Rand	15.8749	15.9222	0.0473	0.30%
GBPound/Rand	18.8266	18.8486	0.0220	-0.12%
AusDollar/Rand	9.8371	9.8280	-0.0091	-0.09%
Euro/USDollar	1.1033	1.1029	-0.0004	-0.04%
GBPound/USDollar	1.3089	1.3058	-0.0031	-0.24%
AusDollar/USDollar	0.6837	0.6807	-0.0030	-0.44%
JpyYen/USDollar	109.5300	109.0200	-0.5100	-0.47%

BDLive - The JSE concluded its worst week in 23 on Friday as fears that China's coronavirus could turn into a pandemic hurt market sentiment. The rand, however, had its first weekly gain in four, as emerging-market currencies recovered a little on Friday after Chinese authorities moved to contain the virus.

The local bourse dropped by almost 3% this week when global equities took a knock following the outbreak of the virus in China, which, by Friday, had claimed the lives of 26 people. Global markets recovered a little on Friday after the World Health Organisation (WHO) declared the virus as an emergency for China but not a global one. "The coronavirus outbreak is intensifying, and Beijing is scrambling. Outrage is growing as local officials failed to address the contagion risks earlier. Concerns are growing that the travel bans in place will start to have a major impact on the economy with some saying it may have a one percentage point hit, or greater, on Chinese GDP," Oanda senior market analyst Edward Moya said.



Commodities

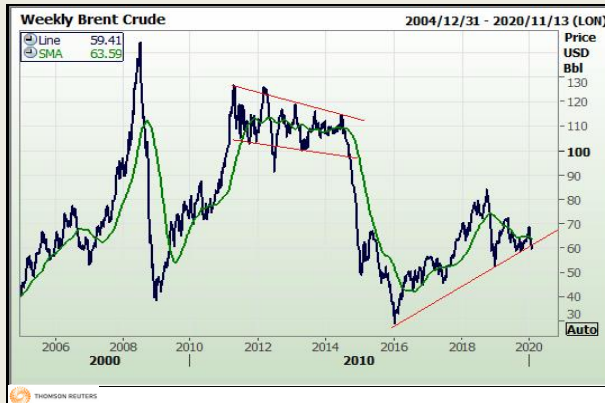
	Last	Value Change	% Change
Platinum	995.68	-5.82	-0.58%
Gold	1579.51	9.14	0.58%
Silver	18.20	0.12	0.66%
Copper	2.64	-0.04	-1.61%
Gasoil	522.25	-13.75	-2.63%
Brent Oil	59.41	-1.28	-2.15%

BDLive - Gold edged lower on Friday after the World Health Organisation (WHO) stopped short of declaring the China virus outbreak a global emergency, though prices were still on track to post a weekly gain.

Spot gold fell 0.1% to \$1,561.86/oz by 3.56am GMT. For the week, prices were on track to gain 0.3%. US gold futures slipped 0.3% to \$1,561.50/oz.

"There is not enough information out there in the street yet to be sure that we have a negative situation on our hand and that it would require a move into havens," Jeffrey Halley, senior market analyst, Oanda, said.

"It is also the eve of the Chinese New Year, so mostly it's just muted activity ahead of the holidays across Asia, with rising equities, earnings and stable US data weighing on gold."



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51212.26	0.00	0.00%
ALSI	51348.00	0.00	0.00%
S&P 500	3325.54	-30.07	-0.90%
FTSE	7507.67	78.31	1.04%
CAC	6024.26	0.00	0.00%
DAX	13576.68	0.00	0.00%
Hang Seng	27909.12	40.52	0.15%



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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	392.00	387.25	-0.50	-4.75	382.25	-5.00	-9.75
MAY 2020	397.00	392.75	-0.25	-4.25	387.75	-5.00	-9.25
JUL 2020	402.00	397.75	-0.50	-4.25	392.75	-5.00	-9.25
SEP 2020	400.00	395.75	-0.75	-4.25	392.00	-3.75	-8.00
DEC 2020	402.00	398.25	-0.50	-3.75	395.00	-3.25	-7.00

FarmFutures - Corn prices followed a broad range of other commodities lower Friday, losing nearly 2% despite a mostly bullish round of export data from USDA, as well as another large export sale to Guatemala, both announced this morning. March futures dropped 6.5 cents to \$3.8725, with May futures down 5.75 cents to \$3.9275.

Corn basis bids were steady to narrowly mixed Friday, moving as much as 2 cents higher at an Iowa ethanol plant while slipping a penny lower at an Illinois river terminal and Iowa processor today.

Private exporters reported to USDA the sale of 5.6 million bushels of corn to unknown destinations for delivery during the 2019/20 marketing year, which began September 1. Today's sale followed two similarly sized sales announced yesterday for Guatemala and unknown destinations. USDA reported 39.7 million bushels in total corn export sales for the week ending January 16, which was 28% better than the prior week's tally and boomed 92% above the prior week average. Last week's total also landed on the higher end of trade guesses, which ranged between 27.6 million and 47.2 million bushels. Japan was the No. 1 buyer, with 14.7 million bushels.

Corn export shipments were much more modest last week, at 15.4 million bushels, sliding 28% lower from a week ago and 15% below the prior four-week average. Mexico was the No. 1 destination, with 6.3 million bushels. Ukraine's corn exports have reached 586.6 million bushels since July 1, according to the country's agriculture ministry. According to Agencia Brasil, a news agency, Brazilian 2019-20 ethanol production should be a bit more than 8.7 billion gallons, against just under 8.2 billion gallons last time around. Exports, meanwhile, are slated to reach 423 million gallons. Find out some of the implications of this trend in the latest South American Crop Watch blog from James Thompson. Algeria passed on a tender to purchase about 790,000 bushels of corn after receiving offers from the European Union and Ukraine. The grain would have been shipped in early March.

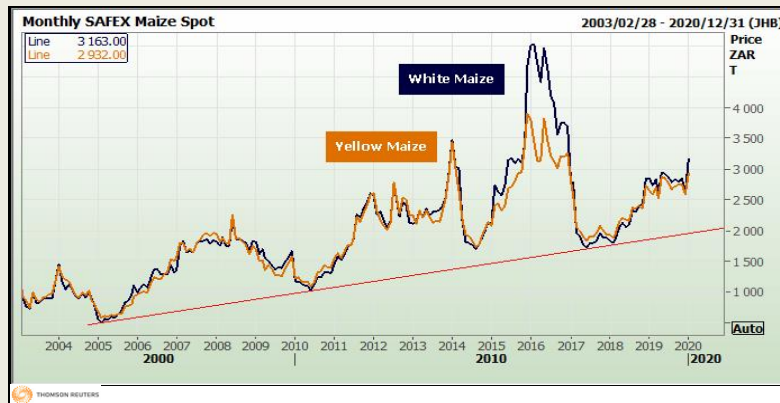
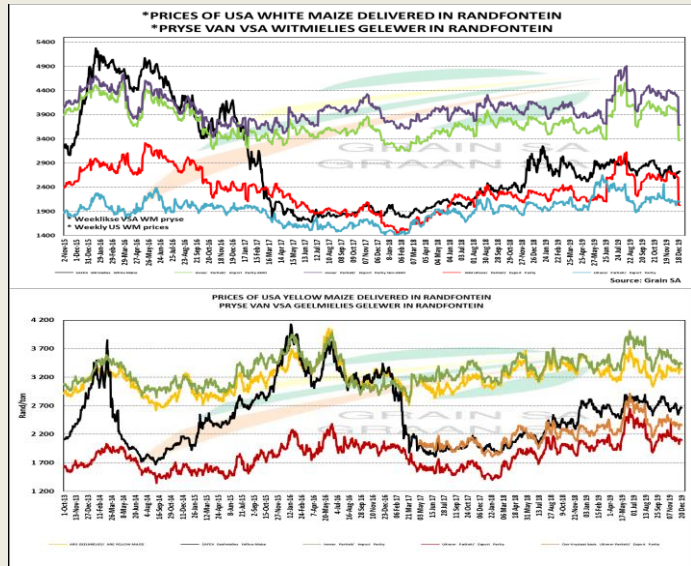
Preliminary volume estimates were for 279,152 contracts, falling substantially lower than Thursday's final count of 410,527.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Mar 2020	R 3 032.00	31.5%	R -47.70	R 2 984.30
May 2020	R 2 653.00	22.5%	R -44.76	R 2 608.24
Jul 2020	R 2 443.00	21.5%	R -44.66	R 2 398.34
Sep 2020	R 2 488.00	0%	R -37.60	R 2 450.40
Dec 2020	R 2 587.00	29%	R -31.87	R 2 555.13
Mar 2021				
May 2021				
Yellow Maize Future				
Mar 2020	R 2 930.00	25.25%	R -47.70	R 2 882.30
May 2020	R 2 534.00	0%	R -44.76	R 2 489.24
Jul 2020	R 2 499.00	20.25%	R -44.66	R 2 454.34
Sep 2020	R 2 539.00	0%	R -37.60	R 2 501.40
Dec 2020	R 2 623.00	20.25%	R -31.87	R 2 591.13
Mar 2021				
May 2021				

The local Maize market traded mixed yesterday. The Mar'20 WMAZ contract ended R36.00 down and Mar'20 YMAZ closed R25.00 lower. The Jul'20 WMAZ closed higher by R30.00 and Jul'20 YMAZ ended R22.00 up. The parity move for the Mar'20 Maize contract for yesterday was R36.00 negative.

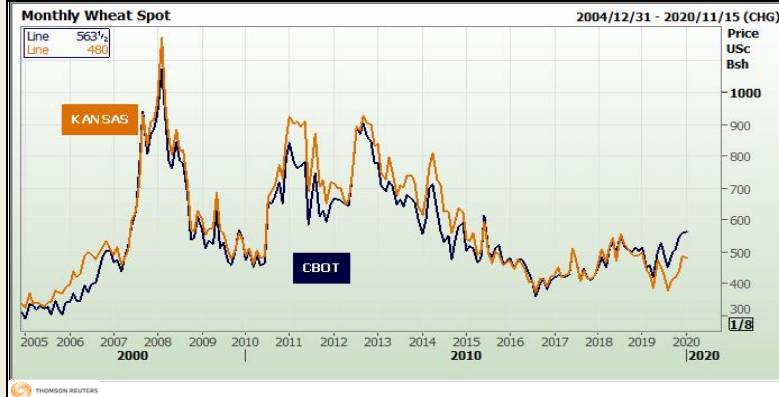


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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

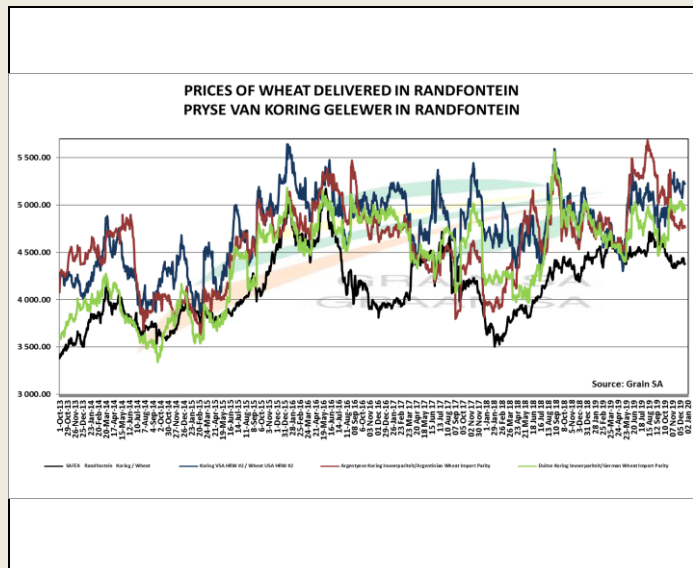
CBOT Wheat									KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm		Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2020	577.00	573.50	6.25	-3.50	563.50	-10.00	-13.50		MAR 2010	489.00	486.00	4.25	-3.00	480.00	-6.00	-9.00
MAY 2020	576.00	572.50	5.50	-3.50	563.25	-9.25	-12.75		MAY 2010	497.00	493.50	4.00	-3.50	488.25	-5.25	-8.75
JUL 2020	575.00	573.00	5.00	-2.00	564.25	-8.75	-10.75		JUL 2010	504.00	500.75	4.00	-3.25	495.50	-5.25	-8.50
SEP 2020	580.00	578.25	3.75	-1.75	570.25	-8.00	-9.75		SEP 2010	511.00	508.75	4.25	-2.25	503.75	-5.00	-7.25
DEC 2020	587.00	586.25	3.00	-0.75	529.00	-57.25	-58.00		DEC 2010	522.00	519.25	4.25	-2.75	512.75	-6.50	-9.25



FarmFutures - Wheat prices faced the same woes as corn and soybeans Friday, moving significantly lower despite some bullish export data out this morning. Technical selling spurred by spillover weakness from a broad range of other commodities had some contracts down as much as 1.5% today. March Chicago SRW futures fell 7 cents to \$5.7350, March Kansas City HRW futures dropped 6.75 cents to \$4.8550, and March MGEX spring wheat futures lost 8.25 cents to \$5.45. Wheat posted a solid round of export data this morning, with USDA reporting 25.6 million bushels in old crop sales last week, plus another 1.7 million bushels in new crop sales for a total volume of 27.3 million bushels. That tally was just 7% above last week's total but 48% higher than the prior four-week average. Analysts contributed guesses that ranged between 11.0 million and 29.4 million bushels. Bangladesh was the top buyer, with 4.1 million bushels. Wheat export shipments are also trending 14% higher than a week ago and 27% above the prior four-week average, with 19.3 million bushels. Indonesia was the No. 1 destination, with 4.3 million bushels. Ukraine's 2019/20 grain exports are up 30% so far this marketing year, anchored by wheat exports of 573.2 million bushels since July 1. The country's total grain harvest last fall was 7.1% higher year-over-year. Preliminary volume estimates were for 93,842 CBOT contracts, sliding below Thursday's final count of 110,712.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Mar 2020	R 4 652.00	9%	R -61.02	R 4 590.98
May 2020	R 4 680.00	12.5%	R -57.06	R 4 622.94
Jul 2020	R 4 709.00	0%	R -46.47	R 4 662.53
Sep 2020	R 4 492.00	0%	R -41.07	R 4 450.93
Dec 2020				
Mar 2021				
May 2021				
Cape Wheat				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				



The local Wheat market closed higher yesterday. The Mar'20 Wheat contract closed R19.00 up and Jul'20 Wheat closed R14.00 higher. The parity move for the Mar'20 Wheat contract for yesterday was R59.00 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	907.00	902.00	0.00	-5.00	902.00	0.00
MAY 2020	921.00	915.75	0.00	-5.25	909.75	-6.00
JUL 2020	934.00	929.50	0.00	-4.50	923.50	-6.00
AUG 2020	939.00	934.25	-0.50	-4.75	928.25	-6.00
SEP 2020	940.00	934.25	-0.25	-5.75	928.25	-6.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2010	298.3	297.00
MAY 2010	302.5	301.20
JUL 2010	306.8	305.50
AUG 2010	308.3	307.20
SEP 2010	309.5	308.20

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2010	32.02	31.66
MAY 2010	32.37	32.00
JUL 2010	32.74	32.35
AUG 2010	32.83	32.47
SEP 2010	32.9	32.52



FarmFutures - Soybean prices tilted nearly 1% lower on this week's continued concerns about yield-boosting South American weather and the lack of China purchases. Spillover weakness from a broad range of other commodities added additional headwinds today. March and May futures each dropped 7.5 cents to close at \$9.02 and \$9.1575, respectively. Soybean basis bids were mostly steady across the central U.S. but did tick a penny higher at an Ohio elevator today. Farmer sales have remained relatively slow this past week.

Soybean export sales reached 29.0 million bushels in old crop sales last week, plus another 4.4 million bushels in new crop sales for a total of 33.4 million bushels. Old crop sales climbed 59% above the prior four-week average, with total sales landing in the middle of trade guesses that ranged between 25.7 million and 47.8 million bushels. China led all buyers, with 8.3 million bushels.

Soybean export shipments slipped 3% below the prior four-week average, meantime, with 38.7 million bushels. China was the No. 1 destination, with 16.5 million bushels. Bangladesh, Mexico, Vietnam and Germany rounded out the top five. Soybean export sales saw a marketing year high for 2019/20 last week, with 641,900 metric tons heading to the Philippines, Mexico, Spain, Germany and other destinations. Soybean export sales also bested analyst expectations after reaching 55,600 MT last week. Preliminary volume estimates were for 115,318 contracts, down from Thursday's final count of 171,359.

South African Futures Exchange

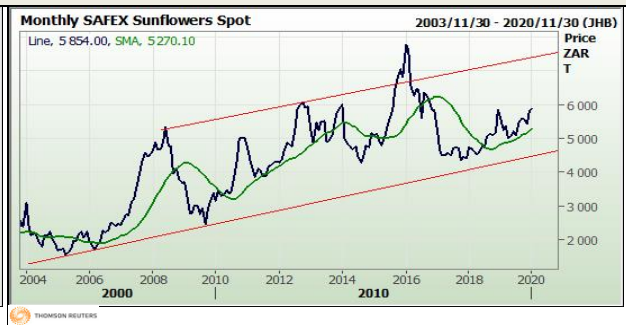
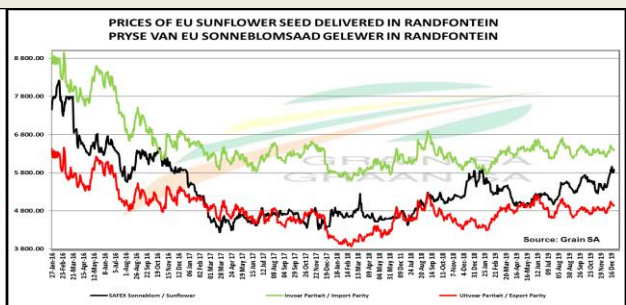
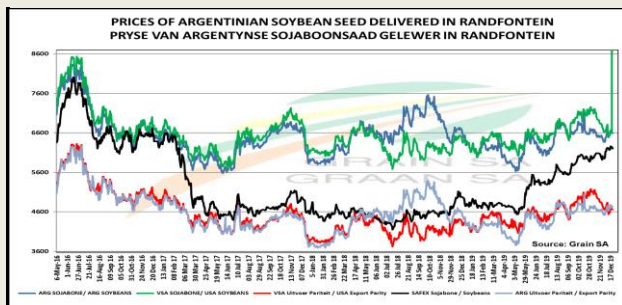
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 5 815.00	17%	R -9.86	R 5 805.14
May 2020	R 5 747.00	17.5%	R -42.76	R 5 704.24
Jul 2020	R 5 842.00	20.5%	R -38.54	R 5 803.46
Sep 2020	R 5 938.00	0%	R -45.07	R 5 892.93
Dec 2020	R 6 013.00	0%		R 6 013.00
Mar 2021				
May 2021	R 6 040.00	0%		R 6 040.00

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5 847.00	14%
May 2020	R 5 575.00	13.5%
Jul 2020	R 5 580.00	0%
Sep 2020		
Dec 2020	R 5 830.00	0%
Mar 2021		
May 2021	R 5 819.00	0%



The local Soya market traded lower yesterday. The Mar'20 Soya contract ended R80.00 down and Jul'20 Soya closed R34.00 lower. The parity move for the Mar'20 Soya contract for yesterday was R37.00 negative.

The local Suns market closed mixed yesterday. The Mar'20 Suns contract closed R9.00 down while Jul'20 Suns closed unchanged.



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