



Fundamental Report
08 January 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.1871	14.3587	0.1716	1.21%
Euro/Rand	15.8737	16.0096	0.1359	0.86%
GBPound/Rand	18.6981	18.8318	0.1337	0.72%
AusDollar/Rand	9.7777	9.8663	0.0886	0.91%
Euro/USDollar	1.1183	1.1148	-0.0035	-0.31%
GBPound/USDollar	1.3172	1.3117	-0.0055	-0.42%
AusDollar/USDollar	0.6892	0.6869	-0.0023	-0.33%
JpyYen/USDollar	108.4500	108.3000	-0.1500	-0.14%

BDLive - The JSE could take its lead from weaker Asian markets on Wednesday morning as the market remains fixated on the prospect of an escalation in the conflict between the US and Iran. Iran has reportedly fired ballistic missiles from its territory, targeting US military bases in Iraq. This follows the killing of a senior military commander last week. US President Donald Trump said the damage from the attacks was being assessed and that a statement would be issued later on Wednesday. Asian markets were lower, with the Shanghai Composite falling 0.57% and Hong Kong's Hang Seng 0.78%. Tencent was 0.57% lower, and could give direction to Naspers, which holds just under a third of the WeChat owner.

Local gold miners may benefit from a higher precious metal price, with gold up 1.07% to \$1,590.37/oz, a six-year high.

Platinum was up 0.43% to \$972.43/oz, while Brent Crude rose 1.21% to \$69.17 a barrel.

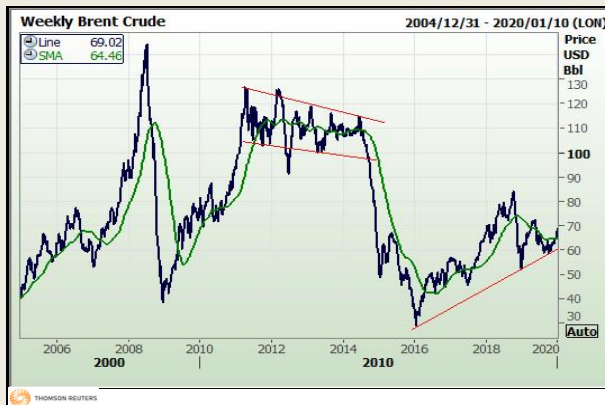


Commodities

	Last	Value Change	% Change
Platinum	969.71	-1.20	-0.12%
Gold	1594.24	20.35	1.28%
Silver	18.56	0.17	0.93%
Copper	2.79	0.00	0.02%
Gasoil	623.50	6.75	1.08%
Brent Oil	69.01	0.74	1.07%

BDLive - Gold held near the highest level in more than six years even as risk appetite crept back into global markets, with investors on alert for Iran's next move in the showdown with the US. Gold, which climbed 2.4% over the past two days to approach \$1,600/oz, was little changed on Tuesday as US equity futures edged higher and stocks in Europe and Asia advanced. Bullion investors have been in thrall to developments in the Middle East after a US drone strike killed a powerful Iranian general. The Islamic Republic is assessing 13 scenarios to respond and even the weakest of those options would be a "historic nightmare" for the US, the head of Iran's national security council was cited as saying by the semi-official Fars news agency.

"Elevated geopolitical risks across the heart of the Middle East should support a stronger gold price environment this winter," Citigroup analysts including Tracy Liao wrote in a note. The bank cautioned that it is difficult to trade gold purely from the angle of heightened military tensions, but noted there are "bullish fundamental tailwinds" in place.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51154.44	0.00	0.00%
ALSI	51356.00	0.00	0.00%
S&P 500	3246.28	-9.10	-0.28%
FTSE	7575.34	-1.49	-0.02%
CAC	6012.35	0.00	0.00%
DAX	13226.83	0.00	0.00%
Hang Seng	28322.06	-273.03	-0.96%



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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 2010	385.00	384.50	-0.25	-0.50	383.25	-1.25	-1.75
MAY 2020	391.00	391.50	0.00	0.50	389.75	-1.75	-1.25
JUL 2020	397.00	397.75	-0.25	0.75	396.00	-1.75	-1.00
SEP 2020	397.00	397.25	-0.25	0.25	395.50	-1.75	-1.50
DEC 2020	399.00	400.00	0.00	1.00	398.25	-1.75	-0.75

FarmFutures - Corn prices finished Tuesday's session near-even and has been trading in a fairly narrow channel since the middle of December. March futures slipped 0.25 cents lower, to \$3.8450, while May futures held steady at \$3.9150.

Corn basis bids were steady to soft Tuesday, slipping 1 to 3 cents lower across a handful of Midwestern locations today.

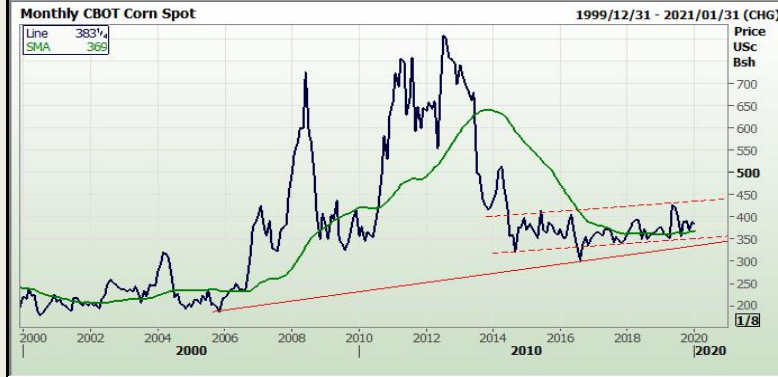
Ahead of Friday's WASDE report from USDA, analysts expect the agency to show 2019/20 corn production at 13.513 billion bushels, down a bit from November estimates of 13.661 billion bushels and moderately below 2018's tally of 14.420 billion bushels. Trade guesses included average yields of 166.2 bushels per acre across a total harvested area of 81.350 million acres.

Brazil's corn exports last year reached 1.7 billion bushels in 2019, which soared 88% above the country's tally the year prior and 48% above the previous record from 2017.

India raised the total volume of corn it is seeking in an international tender to 6.9 million bushels and postponed the deadline for offers to January 14. The grain is for shipment in early February.

The latest updates to the Purdue University/CME Group Ag Economy Barometer are out, showing mostly stable farm sentiment from a month ago. The barometer's reading for the Index of Future Conditions fell 12 points from November to 141, while the Index of Future Conditions climbed 2 points to 155. Any score higher than 100 is seen as generally positive.

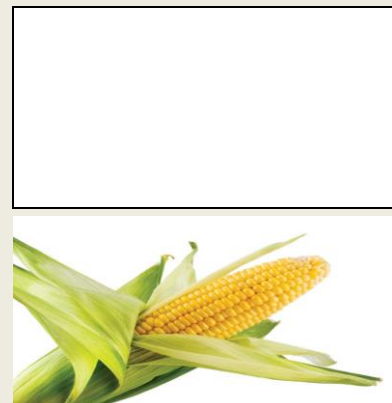
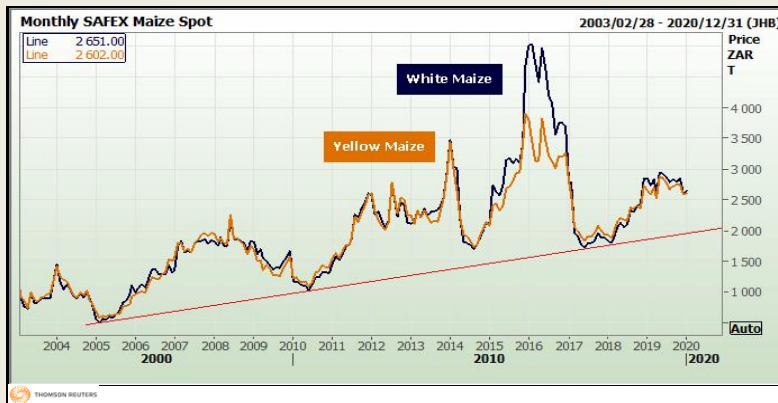
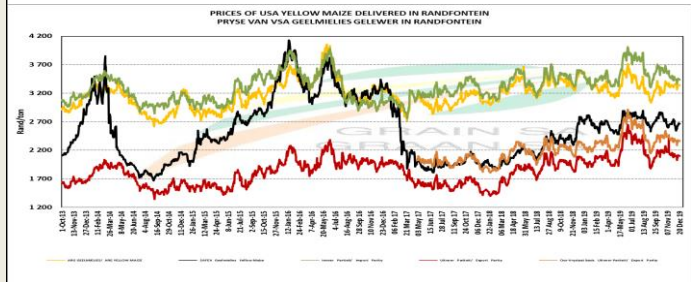
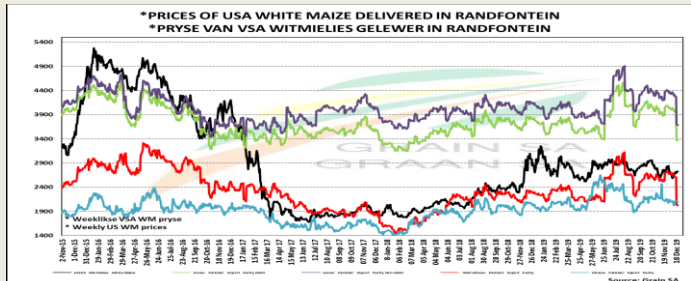
Preliminary volume estimates were for 136,344 contracts, falling just short of Monday's final count of 141,858.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Mar 2020	R 2,640.00	29%		R 2,640.00
May 2020	R 2,465.00	0%	R 19.35	R 2,484.35
Jul 2020	R 2,395.00	23.5%	R 21.17	R 2,416.17
Sep 2020	R 2,446.00	0%	R 18.34	R 2,464.34
Dec 2020	R 2,516.00	29%	R 22.72	R 2,538.72
Mar 2021				
May 2021				
Yellow Maize Future				
Mar 2020	R 2,609.00	24%		R 2,609.00
May 2020	R 2,472.00	0%	R 19.35	R 2,491.35
Jul 2020	R 2,438.00	19.75%	R 21.17	R 2,459.17
Sep 2020	R 2,493.00	0%	R 18.34	R 2,511.34
Dec 2020	R 2,575.00	0%	R 22.72	R 2,597.72
Mar 2021				
May 2021				

The local Maize market traded mixed yesterday. The Mar'20 WMAZ contract ended R11.00 up and Mar'20 YMAZ closed R1.00 higher. The Jul'20 WMAZ closed lower by R25.00 and Jul'20 YMAZ ended R22.00 down. The parity move for the Mar'20 Maize contract for yesterday was R22.00 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 2010	548.00	550.25	0.25	2.25	548.50	-1.75	0.50	MAR 2010	474.00	475.00	-2.25	1.00	473.25	-1.75	-0.75
MAY 2020	552.00	553.25	-0.50	1.25	551.50	-1.75	-0.50	MAY 2010	481.00	483.00	-2.25	2.00	481.25	-1.75	0.25
JUL 2020	555.00	556.25	-0.75	1.25	554.75	-1.50	-0.25	JUL 2010	489.00	490.75	-1.75	1.75	488.25	-2.50	-0.75
SEP 2020	562.00	563.00	-0.75	1.00	561.50	-1.50	-0.50	SEP 2010	496.00	498.75	-1.00	2.75	496.75	-2.00	0.75
DEC 2020	571.00	573.00	-0.50	2.00	529.00	-44.00	-42.00	DEC 2010	506.00	509.75	-0.75	3.75	505.75	-4.00	-0.25



FarmFutures - Wheat prices were mixed but mostly lower as worries over the latest tensions in the Middle East persist, with a strengthening dollar providing additional headwinds. March Chicago SRW futures featured a late-session push that tacked on 0.25 cents today to \$5.5025, but March Kansas City HRW futures dropped 1.75 cents to \$4.7550 and March MGEX spring wheat futures lost 1.25 cents to \$5.4625.

USDA will provide its first winter wheat acreage estimates for 2020 Friday morning. Analysts expect the agency to show a total footprint of 30.664 million acres, versus 31.159 million acres a year ago. If realized, that's the lowest annual winter wheat acreage since 1909.

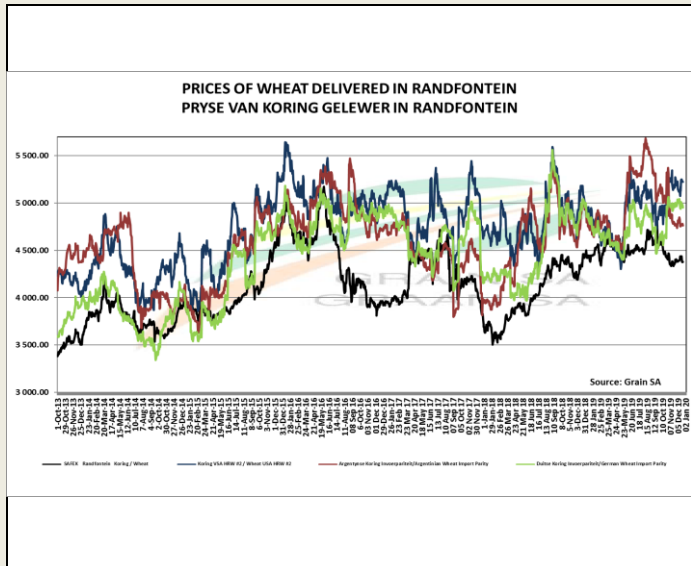
Japan is seeking to buy 3.9 million bushels of food-quality wheat from the U.S., Canada and Australia in a regular tender that closes Thursday. Of the total, 56% is expected to be sourced from the U.S.

Jordan passed on two bids for its international tender to purchase 4.4 million bushels of milling wheat that closed earlier today. A new tender will likely be issued with a closing date of next Tuesday.

Preliminary volume estimates were for 68,681 CBOT contracts, sliding 14% below Monday's final count of 79,947.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Mar 2020	R 4,422.00	8.5%		R 4,422.00
May 2020	R 4,472.00	12.5%	R 32.17	R 4,504.17
Jul 2020	R 4,504.00	0%	R 33.67	R 4,537.67
Sep 2020	R 4,481.00	0%	R 32.80	R 4,513.80
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 neutral to lower yesterday. The Mar'20 Wheat contract closed R11.00 down while Jul'20 Wheat closed unchanged. The parity move for the Mar'20 Wheat contract for yesterday was R23.00 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
JAN 2010	934.00	935.00	2.25	1.00	902.00	-33.00
MAR 2020	945.00	944.00	-0.75	-1.00	942.25	-1.75
MAY 2020	958.00	957.25	-1.00	-0.75	954.75	-2.50
JUL 2020	970.00	969.50	-1.00	-0.50	966.75	-2.75
AUG 2020	977.00	973.25	-1.25	-3.75	970.25	-3.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JAN 2010	296.4	295.70
MAR 2010	301.3	301.90
MAY 2010	305.5	305.90
JUL 2010	309.9	309.90
AUG 2010	311.3	311.30

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JAN 2010	34.46	34.50
MAR 2010	34.74	34.51
MAY 2010	35.04	34.82
JUL 2010	35.36	35.16
AUG 2010	35.42	35.21



FarmFutures - Soybean prices were mixed as traders digested news of favorable weather in South America and continue to square positions ahead of Friday's highly anticipated WASDE report from USDA. January futures trended 2.25 cents higher to \$9.35 in today's choppy session, but March futures slipped 0.75 cents to \$9.44. Soybean basis bids were mostly steady but mixed Tuesday, tumbling 10 cents lower at an Iowa processor while edging 2 cents higher at two Midwestern locations today. Ahead of Friday's WASDE report from USDA, analysts expect the agency to show 2019/20 soybean production at 3.512 billion bushels, which is nearly level with USDA's November estimates of 3.550 billion bushels and moderately behind 2018's total of 4.428 billion bushels. Analysts assume average yields at 46.6 bushels per acre across 75.462 million harvested acres. According to the Purdue University/CME Group Ag Economy Barometer, 54% of respondents are expecting a swift resolution to U.S.-China trade disputes, which was down three points from a month ago but remains the second-highest tally since the question was first asked last March. Seventy-two percent of respondents expect a favorable outcome for U.S. agriculture. Brazil's 2019 soybean exports totaled 2.72 billion bushels, easing 11% from the country's record exports in 2018. Of the total, 78% was shipped to China versus 82% in 2018. Traders continue to monitor weather in South America, meantime, as beneficial rains have arrived in recent days, keeping hopes alive that Brazil could produce a record-breaking crop this season. USDA will update its South American production estimates in this Friday's WASDE report. Preliminary volume estimates were for 127,215 contracts, spilling slightly below Monday's final tally of 143,361.

South African Futures Exchange

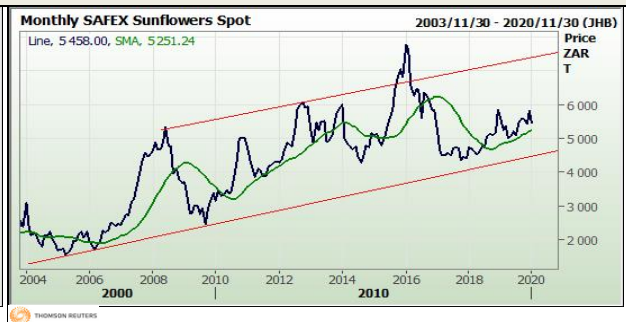
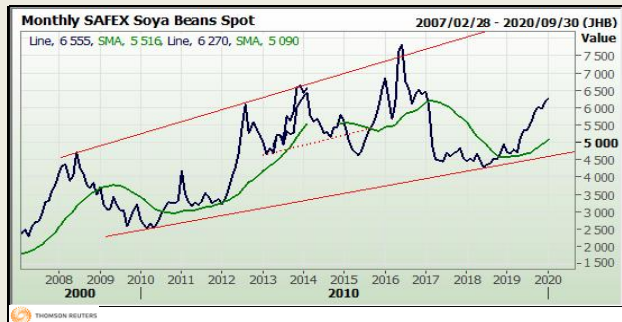
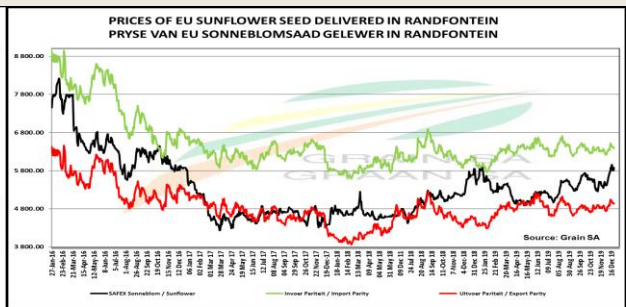
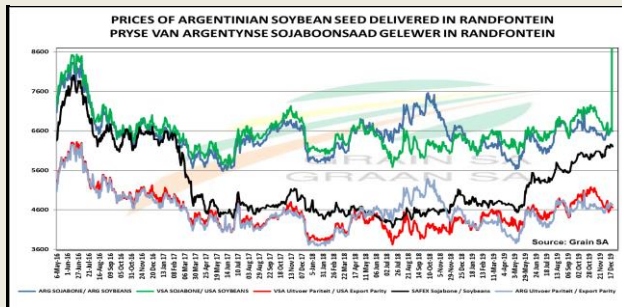
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 6,261.00	17%	R 45.08	R 6,306.08
May 2020	R 5,841.00	17.5%	R 43.26	R 5,884.26
Jul 2020	R 5,905.00	20.5%	R 44.01	R 5,949.01
Sep 2020	R 5,965.00	0%		R 5,965.00
Dec 2020	R 5,990.00	0%		R 5,990.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5,475.00	14%
May 2020	R 5,387.00	13.5%
Jul 2020	R 5,347.00	0%
Sep 2020	R 5,550.00	0%
Dec 2020	R 5,620.00	0%
Mar 2021		
May 2021		



The local Soya market traded neutral to higher yesterday. The Mar'20 Soya contract ended unchanged while Jul'20 Soya closed R25.00 higher. The parity move for the Mar'20 Soya contract for yesterday was R4.00 positive.

The local Suns market closed lower yesterday. The Mar'20 Suns contract closed R125.00 down and Jul'20 Suns closed R78.00 lower.



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