



Fundamental Report
10 February 2020

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.0290	15.0131	-0.0159	-0.11%
Euro/Rand	16.4653	16.4399	-0.0254	-0.15%
GBPound/Rand	19.4250	19.3571	-0.0679	-0.35%
AusDollar/Rand	10.0452	10.0543	0.0091	0.09%
Euro/USDollar	1.0954	1.0951	-0.0003	-0.03%
GBPound/USDollar	1.2928	1.2894	-0.0034	-0.26%
AusDollar/USDollar	0.6683	0.6697	0.0014	0.21%
JpyYen/USDollar	109.7800	109.7900	0.0100	0.01%

BDLive - The JSE ended three straight days of gains on Friday, as global markets continue to feel the effects of the coronavirus outbreak, amid speculation over the effect it will ultimately have on the global economy.

The JSE all share weakened 0.44% to 57,276.49 points on Friday. It closed the week 1.21% lower and is now up 0.34% so far in 2020. The top 40 fell 0.42%, banks 1.42% and financials 0.97%. Gold miners were the only winners on the day, up 3.78%.

Earlier, most Asian markets fell, along with the oil price, as the growing death toll and economic damage from the virus put an abrupt halt to the rally in most markets earlier this week.

Reuters reported earlier that the death toll in mainland China from the new virus has more than doubled in just under a week. It reached 811 on Sunday.



Commodities

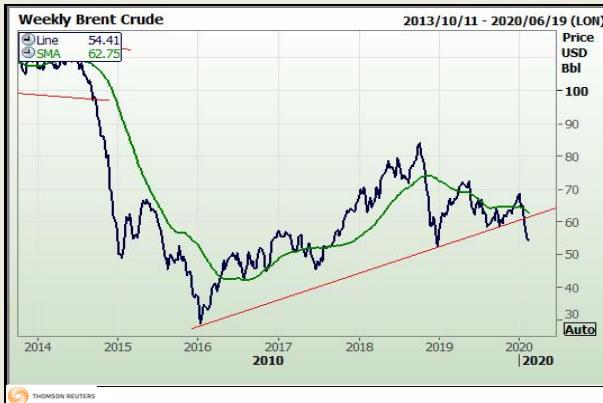
	Last	Value Change	% Change
Platinum	969.57	4.78	0.49%
Gold	1570.54	0.63	0.04%
Silver	17.72	0.05	0.26%
Copper	2.57	0.02	0.70%
Gasoil	501.00	-4.25	-0.85%
Brent Oil	54.42	-0.05	-0.09%

BDLive - Bengaluru — Gold prices edged higher on Friday as fears over a rapidly spreading coronavirus outbreak and its economic affect fuelled safe-haven buying.

However, China's move to cut tariffs on some US imports that sent global stock markets higher in the previous session weighed on bullion prices. Spot gold was up 0.1% to \$1,568.76/oz by 0.52am GMT. The metal has fallen 1.3% so far this week, heading for its worst week since November 8. US gold futures were flat at \$1,570.70/oz.

The death toll from the coronavirus outbreak in mainland China reached 636 by the end of Thursday, up 73 from the previous day, the National Health Commission said.

Asian shares eased as investors remained jittery about the widespread virus outbreak.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51396.07	0.00	0.00%
ALSI	51311.00	0.00	0.00%
S&P 500	3345.78	-18.07	-0.54%
FTSE	7504.79	-38.09	-0.51%
CAC	6029.75	0.00	0.00%
DAX	13513.81	0.00	0.00%
Hang Seng	27404.27	-170.88	-0.62%



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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	381.00	383.50	-0.50	2.50	381.50	-2.00	0.50
MAY 2020	386.00	388.50	-0.25	2.50	386.75	-1.75	0.75
JUL 2020	389.00	392.25	-0.50	3.25	391.00	-1.25	2.00
SEP 2020	387.00	389.50	-0.75	2.50	388.50	-1.00	1.50
DEC 2020	391.00	394.00	-0.50	3.00	392.75	-1.25	1.75

FarmFutures - Corn prices enjoyed gains of about 1%, thanks to a round of technical buying. Most of the gains materialized early this morning and held mostly steady through the close. March futures added 4.25 cents to \$3.8350, with May futures up 4 cents to \$3.8850. After two consecutive weeks of declines, March futures finished this week 0.6% higher.

Optimism still lingered from Thursday's USDA export report, which revealed 49.1 million bushels in corn sales last week, which was moderately ahead of the average trade guess and 57% above the prior four-week average. Traders will next look to the agency's monthly supply and demand data, out Tuesday morning.

Corn basis bids firmed a penny at an Ohio elevator Friday, while sliding a penny lower at a Iowa processor. Bids held steady across most other Midwestern locations to close the week.

Drought and economic turmoil have left Zimbabwe with the biggest corn deficit in 11 years, with a current estimated shortfall of more than 39 million bushels this season.

Through February 4, CFTC reports that corn speculators increased their net short position by another 22,511 contracts to 102,426.

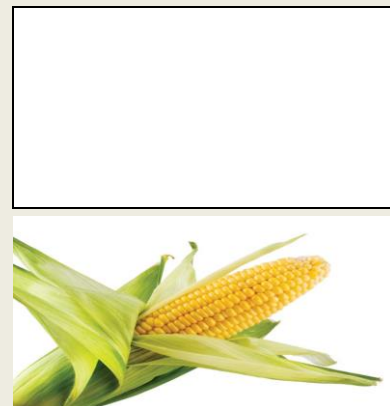
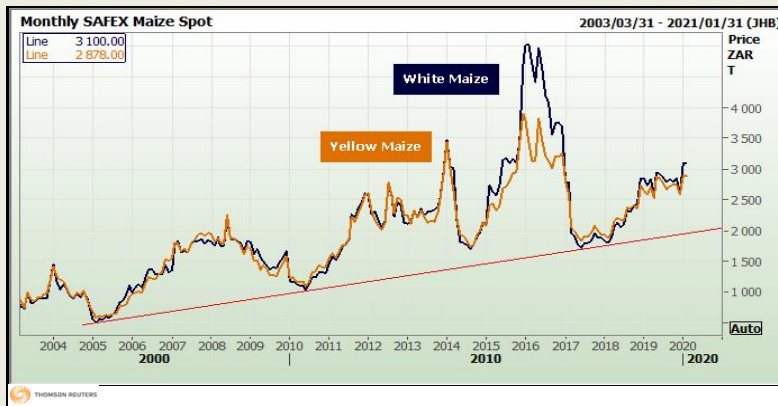
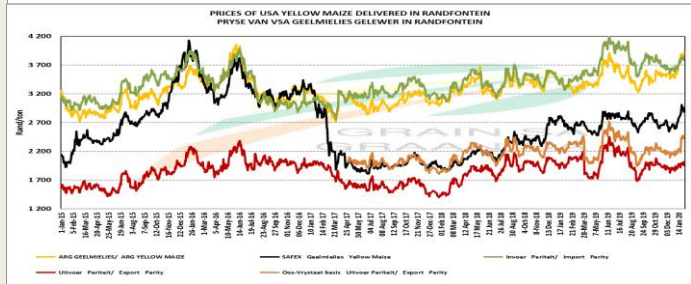
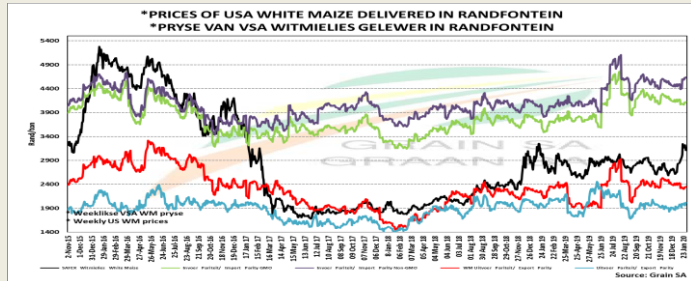
Preliminary volume estimates were for 484,599 contracts, moving 33% ahead of Thursday's final count of 363,251.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Mar 2020	R 3 060.00	34.75%	R 0.57	R 3 060.57
May 2020	R 2 481.00	22.5%	R 2.02	R 2 483.02
Jul 2020	R 2 363.00	20.75%	R 9.39	R 2 372.39
Sep 2020	R 2 406.00	0%	R 6.44	R 2 412.44
Dec 2020	R 2 503.00	29%	R 7.90	R 2 510.90
Mar 2021				
May 2021				
Yellow Maize Future				
Mar 2020	R 2 866.00	23%	R 0.57	R 2 866.57
May 2020	R 2 508.00	0%	R 2.02	R 2 510.02
Jul 2020	R 2 465.00	20.25%	R 9.39	R 2 474.39
Sep 2020	R 2 508.00	0%	R 6.44	R 2 514.44
Dec 2020	R 2 590.00	20.25%	R 7.90	R 2 597.90
Mar 2021	R 2 612.00	0%		R 2 612.00
May 2021				

The local Maize market traded higher yesterday. The Mar'20 WMAZ contract ended R10.00 up and Mar'20 YMAZ closed R1.00 higher. The Jul'20 WMAZ closed higher by R16.00 and Jul'20 YMAZ ended R13.00 up. The parity move for the Mar'20 Maize contract for yesterday was unchanged.

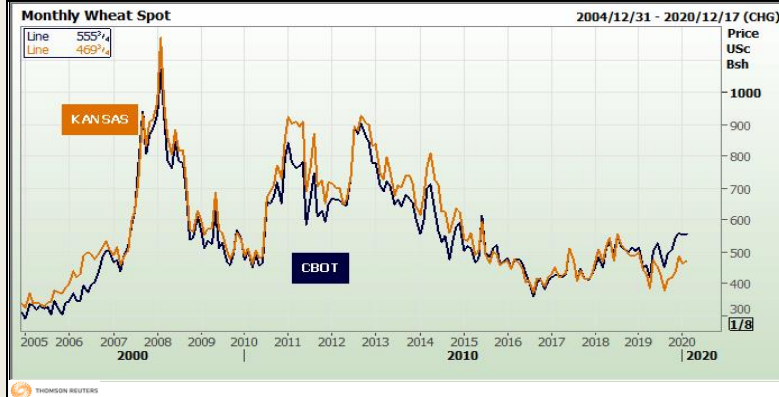


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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

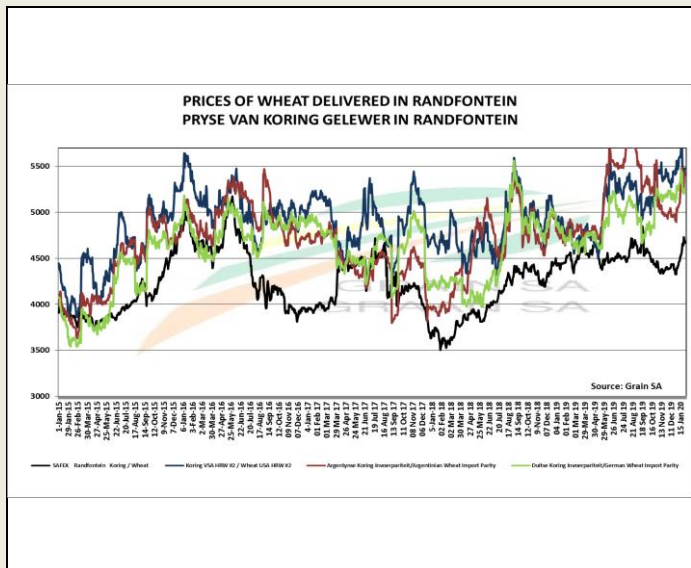
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2020	557.00	558.75	6.25	1.75	555.75	-3.00	-1.25	MAR 2010	470.00	472.50	4.25	2.50	469.75	-2.75	-0.25
MAY 2020	555.00	556.75	5.50	1.75	554.00	-2.75	-1.00	MAY 2010	477.00	478.50	4.00	1.50	475.75	-2.75	-1.25
JUL 2020	554.00	557.00	5.00	3.00	554.50	-2.50	0.50	JUL 2010	484.00	485.25	4.00	1.25	483.00	-2.25	-1.00
SEP 2020	559.00	562.50	3.75	3.50	560.25	-2.25	1.25	SEP 2010	491.00	493.25	4.25	2.25	491.50	-1.75	0.50
DEC 2020	568.00	571.00	3.00	3.00	529.00	-42.00	-39.00	DEC 2010	502.00	504.75	4.25	2.75	503.00	-1.75	1.00



FarmFutures - Wheat prices moved moderately higher on a round of technical buying and short-covering Friday, with some contracts gaining more than 1% today. March Chicago SRW futures picked up 2.5 cents to \$5.5875, March Kansas City HRW futures gained 5.25 cents to \$4.73, and March MGEX spring wheat futures added 3.25 cents to \$5.3475. Russia's IKAR consultancy said today that the country's wheat exports are under pressure from China's coronavirus and may be incentivizing more domestic sales instead. IKAR expects total wheat exports to fall below 1.176 billion bushels this season. Russia's total grain harvest this past season increased 7% year over year, with a total of 121.2 million metric tons, the country's agriculture minister said earlier today, adding that goals to get total grain production to 140 MMT by 205 is "a completely achievable goal." South Korea bought several types of milling wheat grades from the U.S. this week totaling 2.6 million bushels. The grain is for shipment between April and May. French customs data showed the country exported just over 66 million bushels of soft wheat in December. Two-thirds of the total was exported outside of the European Union. Preliminary volume estimates were for 101,939 CBOT contracts, rising just above Thursday's final count of 100,277.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Mar 2020	R 4 736.00	9%	R -10.15	R 4 725.85
May 2020	R 4 740.00	12.5%	R -8.76	R 4 731.24
Jul 2020	R 4 748.00	8%	R -0.48	R 4 747.52
Sep 2020	R 4 515.00	0%	R 3.63	R 4 518.63
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 R29.00 up and Jul'20 Wheat closed R13.00 higher. The parity move for the Mar'20 Wheat contract for yesterday was R11.00 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	883.00	882.00	0.00	-1.00	902.00	20.00
MAY 2020	896.00	895.00	0.00	-1.00	897.75	2.75
JUL 2020	910.00	908.00	0.00	-2.00	910.75	2.75
AUG 2020	913.00	912.50	-0.50	-0.50	915.50	3.00
SEP 2020	916.00	913.25	-0.25	-2.75	916.50	3.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2010	289.3	290.00
MAY 2010	295.2	295.80
JUL 2010	300.5	301.10
AUG 2010	302.2	302.90
SEP 2010	303.4	0.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2010	30.97	31.08
MAY 2010	31.34	31.46
JUL 2010	31.7	31.83
AUG 2010	31.82	31.95
SEP 2010	31.93	32.05



FarmFutures - Soybean prices wobbled but finished just in the green Tuesday, following other grain commodities higher. Traders are still interested in more concrete details regarding a timeline for future Chinese imports. March futures picked up a penny to \$8.82, with May futures inching 0.25 cents higher to \$8.95.

Soybean basis bids were largely steady but narrowly mixed at interior river terminals Friday. Bids also firmed a penny at an Ohio elevator today. Brazil's ARC Mercosul estimates the country's 2019/20 soybean harvest has reached 15.7%, versus 27.3% the same time a year ago. Recent rains have hampered progress in some key production states, including Mato Grosso. White House economic adviser told reporters this morning that Chinese President Xi Jinping spoke with President Donald Trump Thursday evening and assured him that China would still meet its agricultural purchasing agreements despite struggling to contain the coronavirus outbreak. The purchase target is for a total of \$200 billion in U.S. ag exports to China in 2020 and 2021. Meantime, China signaled yesterday it would cut in half tariffs for \$75 billion of U.S. agricultural imports starting next Friday. The U.S. is also set to lower tariffs on some Chinese imports next week. Looking at soybean vs. corn intermarket spread charts, Duane Lowry notes soybeans are at the very bottom side of price relationships since 2007. "This not only greatly diminishes producers' desire to expand U.S. soybean acreage, but it also should be a caution about pressing the bearish side of this market," he writes in the latest Ag Marketing IQ blog. Click here to learn more.

Preliminary volume estimates were for 273,879 contracts, climbing moderately above Thursday's final count of 203,048.

South African Futures Exchange

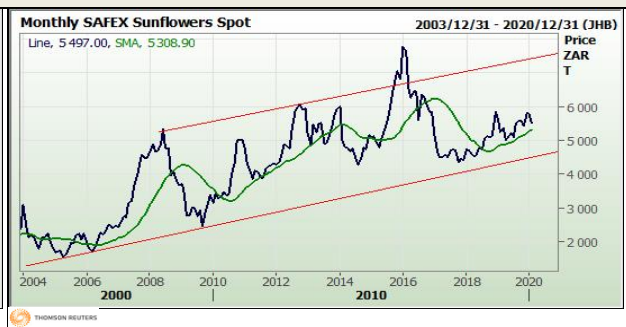
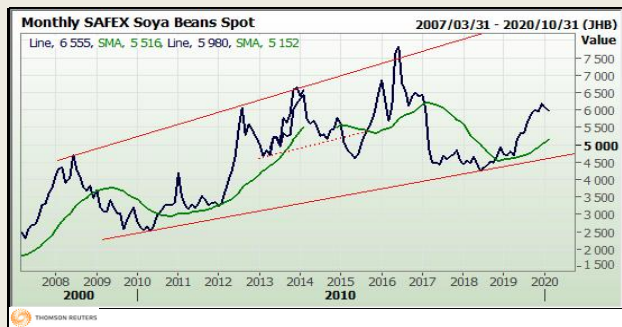
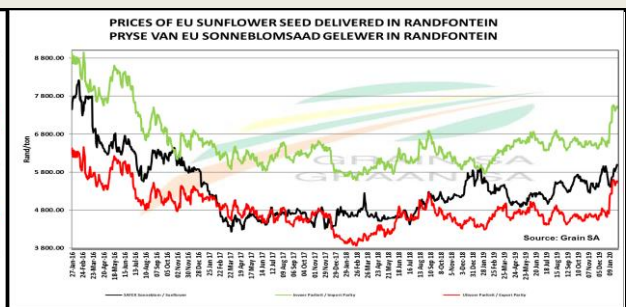
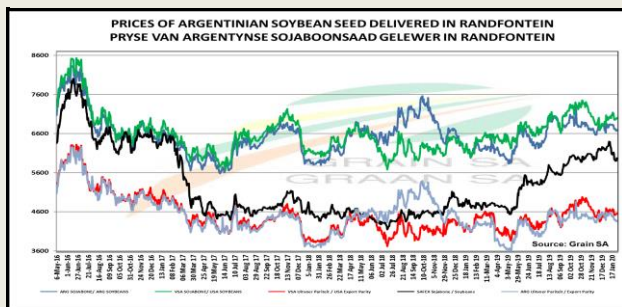
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 5 920.00	17%	R 99.65	R 6 019.65
May 2020	R 5 815.00	17.5%	R 4.42	R 5 819.42
Jul 2020	R 5 895.00	20.5%	R -1.18	R 5 893.82
Sep 2020	R 5 958.00	0%	R -2.59	R 5 955.41
Dec 2020	R 6 014.00	0%		R 6 014.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5 528.00	14%
May 2020	R 5 442.00	13.5%
Jul 2020	R 5 490.00	18%
Sep 2020	R 5 569.00	0%
Dec 2020	R 5 695.00	0%
Mar 2021		
May 2021		



The local Soya market traded higher yesterday. The Mar'20 Soya contract ended R13.00 up and Jul'20 Soya closed R55.00 higher. The parity move for the Mar'20 Soya contract for yesterday was R3.00 positive.

The local Suns market closed mixed yesterday. The Mar'20 Suns contract closed R20.00 down while Jul'20 Suns closed R2.00 higher.



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