



Fundamental Report
21 February 2020

Financial Markets

Currencies

| Currency | Bid - Yesterday 12pm | Current Bid | Value Change | % Change |
|--------------------|----------------------|-------------|--------------|----------|
| USDollar/Rand | 15.1007 | 15.0998 | -0.0009 | -0.01% |
| Euro/Rand | 16.3062 | 16.2943 | -0.0119 | -0.07% |
| GBPound/Rand | 19.4802 | 19.4558 | -0.0244 | -0.13% |
| AusDollar/Rand | 10.0196 | 9.9659 | -0.0537 | -0.54% |
| Euro/USDollar | 1.0798 | 1.0788 | -0.0010 | -0.09% |
| GBPound/USDollar | 1.2904 | 1.2890 | -0.0014 | -0.11% |
| AusDollar/USDollar | 0.6636 | 0.6600 | -0.0036 | -0.54% |
| JpyYen/USDollar | 111.9600 | 112.0100 | 0.0500 | 0.04% |

BDLive - The rand fell for the third day running on Thursday and was the third-worst performing among emerging-market currencies as investors worry about the spread of the coronavirus.

At 5.24pm, the rand had weakened 1.05% to R15.12534/\$, 1.05% to R16.35530/€ and 0.70% to R19.47987/£. The euro was flat at \$1.08136.

China's decision to cut its lending rate did little to sustain a market recovery on Thursday as the increasing number of coronavirus cases outside of China curtailed investor sentiment.

South Korea reported an increase in coronavirus cases while the virus had claimed two lives in Japan, Reuters reported. The death toll had climbed to more than 2,000 by Thursday.

China's central bank reduced its lending rate on Thursday as the country battles with the rapid spread of Covid-19.



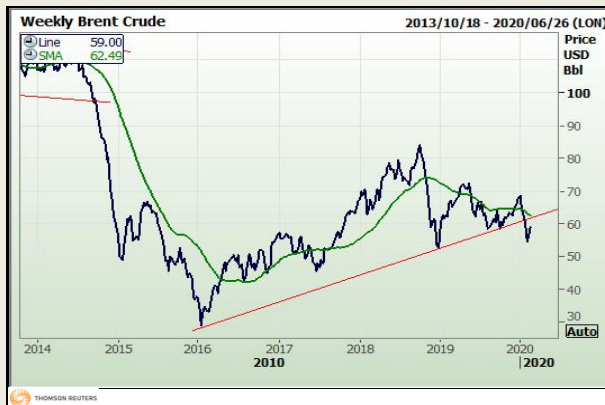
Commodities

| | Last | Value Change | % Change |
|-----------|---------|--------------|----------|
| Platinum | 980.85 | 2.97 | 0.30% |
| Gold | 1623.97 | 4.56 | 0.28% |
| Silver | 18.45 | 0.09 | 0.51% |
| Copper | 2.59 | 0.00 | 0.17% |
| Gasoil | 513.75 | -5.25 | -1.02% |
| Brent Oil | 59.00 | -0.31 | -0.53% |

BDLive - Bengaluru — Gold edged lower on Thursday after China announced more measures to limit the economic effect from the coronavirus epidemic, although a rise in the number of new cases in South Korea kept bullion close to a near seven-year peak. Spot gold was down 0.1% at \$1,610.31 an ounce, as of 10.49am GMT. US gold futures rose 0.1% to \$1,613.30.

Gold rose to its highest since March 2013 at \$1,612.62 in the previous session on concerns about the economic effect of the virus outbreak. "We are seeing some profit taking after the last run up in the prices ... overall the environment is very favourable for gold prices," said SP Angel analyst Sergey Raevskiy.

Even as the number of new coronavirus cases in China slowed, a spike in new infections and a first death in South Korea intensified fears that the disease could spread more widely.



Financials

| | Current Bid | Value Change | % Change |
|------------|-------------|--------------|----------|
| JSE TOP 40 | 52033.26 | 0.00 | 0.00% |
| ALSI | 52233.00 | 0.00 | 0.00% |
| S&P 500 | 3386.15 | -12.92 | -0.38% |
| FTSE | 7457.02 | -20.38 | -0.27% |
| CAC | 6062.30 | 0.00 | 0.00% |
| DAX | 13789.00 | -125.00 | -0.91% |
| Hang Seng | 27609.16 | -253.32 | -0.92% |



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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 | 380.00 | 378.50 | -0.50 | -1.50 | 379.00 | 0.50 | -1.00 |
| MAY 2020 | 385.00 | 382.75 | -0.25 | -2.25 | 382.75 | 0.00 | -2.25 |
| JUL 2020 | 387.00 | 385.50 | -0.50 | -1.50 | 386.25 | 0.75 | -0.75 |
| SEP 2020 | 386.00 | 384.00 | -0.75 | -2.00 | 384.50 | 0.50 | -1.50 |
| DEC 2020 | 390.00 | 388.50 | -0.50 | -1.50 | 388.75 | 0.25 | -1.25 |

FarmFutures - Corn prices dropped about 0.5% Thursday after USDA says U.S. farmers will plant the most corn across this year since 2016, which triggered some technical selling. March futures fell 2 cents to \$3.7850, with May futures down 2.5 cents to \$3.8275.

Corn basis bids were mostly unchanged across the central U.S. but moved as much as 3 cents higher at an Illinois ethanol plant and as much as 5 cents lower at an Ohio river terminal today. USDA is predicting U.S. farmers will plant 94.0 million acres of corn later this spring, which is a big higher than analyst estimates of 93.6 million acres. It would be the largest corn acreage tally since 2016, if realized. USDA's latest 2020 corn price projection is for \$3.60 this year, which is a 25-cent drop from 2019, nearly level with 2018, and moderately above 2016-17. Farm Futures grain market analyst Jacquie Holland has more - click here to get caught up.

U.S. Secretary of Agriculture Sonny Perdue also announced this morning that USDA is launching an initiative with some lofty goals that include a 40% increase in farm production and reducing fertilizer runoff by 30% by the year 2050 in a program called the Agriculture Innovation Agenda. "We're going to have a scoreboard that keeps track of these," he told attendees. "We're not going to wait until the buzzer sounds... because you know it's progressive and we're going to have annual types of indications of trends of where we are, and providing data to the industry and to the world to know that we're serious about making these goals." And tomorrow morning, USDA releases its next round of export data, which covers the week ending February 13. Ahead of that report, analysts expect the agency to show corn sales totaling between 27.6 million and 47.2 million bushels last week, giving about a 50/50 chance to see a higher tally than the prior week's total of 38.1 million bushels.

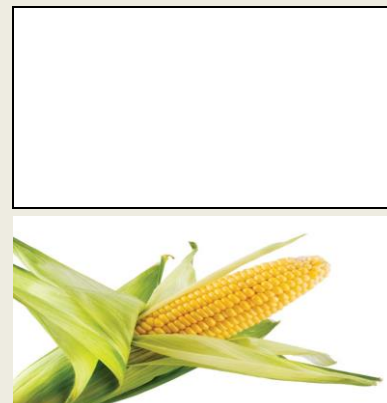
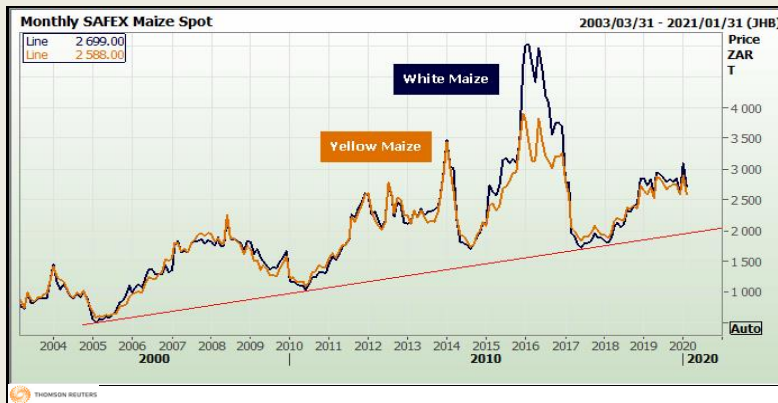
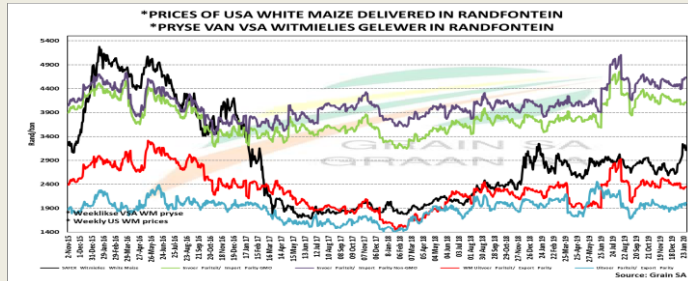
Preliminary volume estimates were for 367,074 contracts, moving moderately higher than Wednesday's final count of 296,420.



South African Futures Exchange

| | MTM | Volatility | Parity Change | Parity Price |
|----------------------------|------------|------------|---------------|--------------|
| White Maize Future | | | | |
| Mar 2020 | R 2 653.00 | 34% | R -6.08 | R 2 646.92 |
| May 2020 | R 2 389.00 | 22.5% | R -13.51 | R 2 375.49 |
| Jul 2020 | R 2 295.00 | 19% | R -4.60 | R 2 290.40 |
| Sep 2020 | R 2 355.00 | 0% | R -9.05 | R 2 345.95 |
| Dec 2020 | R 2 447.00 | 20.5% | R -7.57 | R 2 439.43 |
| Mar 2021 | R 2 498.00 | 0% | | R 2 498.00 |
| May 2021 | | | | |
| Yellow Maize Future | | | | |
| Mar 2020 | R 2 578.00 | 33% | R -6.08 | R 2 571.92 |
| May 2020 | R 2 464.00 | 26% | R -13.51 | R 2 450.49 |
| Jul 2020 | R 2 441.00 | 20% | R -4.60 | R 2 436.40 |
| Sep 2020 | R 2 486.00 | 0% | R -9.05 | R 2 476.95 |
| Dec 2020 | R 2 565.00 | 20.25% | R -7.57 | R 2 557.43 |
| Mar 2021 | R 2 608.00 | 0% | | R 2 608.00 |
| May 2021 | | | | |

The local Maize market traded mixed yesterday. The Mar'20 WMAZ contract ended R31.00 up and Mar'20 YMAZ closed R16.00 higher. The Jul'20 WMAZ closed lower by R5.00 and Jul'20 YMAZ ended R2.00 down. The parity move for the Mar'20 Maize contract for yesterday was R2.00 negative.

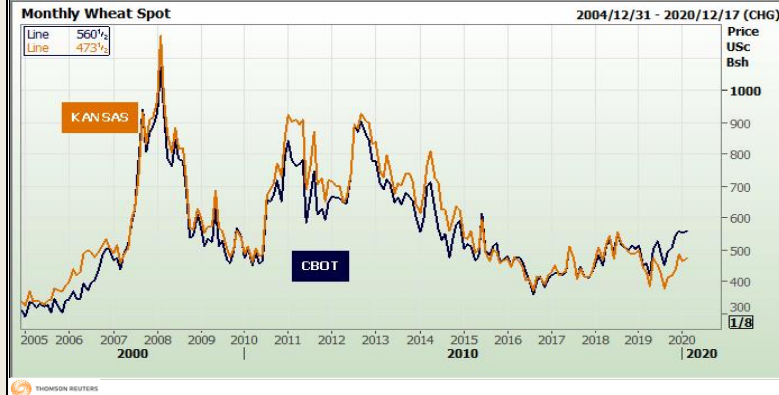


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Wheat Market

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 | 563.00 | 560.00 | 6.25 | -3.00 | 560.50 | 0.50 | -2.50 | | MAR 2010 | 477.00 | 473.75 | 4.25 | -3.25 | 473.50 | -0.25 | -3.50 |
| MAY 2020 | 561.00 | 559.25 | 5.50 | -1.75 | 560.00 | 0.75 | -1.00 | | MAY 2010 | 484.00 | 481.00 | 4.00 | -3.00 | 480.50 | -0.50 | -3.50 |
| JUL 2020 | 560.00 | 558.75 | 5.00 | -1.25 | 560.00 | 1.25 | 0.00 | | JUL 2010 | 491.00 | 488.25 | 4.00 | -2.75 | 487.75 | -0.50 | -3.25 |
| SEP 2020 | 565.00 | 564.50 | 3.75 | -0.50 | 565.50 | 1.00 | 0.50 | | SEP 2010 | 499.00 | 496.25 | 4.25 | -2.75 | 496.00 | -0.25 | -3.00 |
| DEC 2020 | 575.00 | 574.25 | 3.00 | -0.75 | 529.00 | -45.25 | -46.00 | | DEC 2010 | 511.00 | 507.75 | 4.25 | -3.25 | 0.00 | -507.75 | -511.00 |

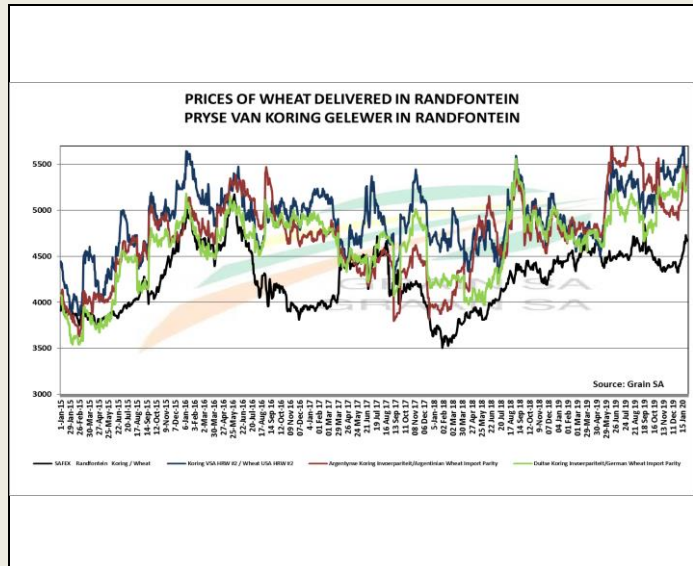


FarmFutures - Wheat prices fell victim to a second consecutive session of technical selling and profit-taking, paring another portion of Tuesday's big gains. A strengthening dollar continues to apply additional headwinds for now. March Chicago SRW futures dropped 5.25 cents to \$5.60, March Kansas City HRW futures fell 6.5 cents to \$4.7325, and March MGEX spring wheat futures lost 6.75 cents to \$5.2950. USDA's latest 2020 wheat planting projection, out earlier today, calls for 45.0 million acres, which is slightly below last year's tally of 45.2 million acres and would land at the lowest levels since USDA began keeping records in 1919. USDA chief economist Robert Johansson speculated this morning that saturated soils in the Northern Plains could delay or prevent some spring wheat acres this year. USDA's latest 2020 wheat price forecast, also out this morning, predicts an average price of \$4.90, climbing above 2018's tally of \$4.55, if realized. It's also higher than 2016-17 levels but still behind 2018's high water mark of \$5.16. Ahead of tomorrow morning's weekly USDA export data dump, analysts expect another decent round of wheat sales for the week ending February 13, with trade estimates that ranged between 14.7 million and 25.7 million bushels.

Preliminary volume estimates were for 143,117 CBOT contracts, cooling below Wednesday's final count of 177,028.

South African Futures Exchange

| | MTM | Volatility | Parity Change | Parity Price |
|----------------------------|------------|------------|---------------|--------------|
| Bread Milling Wheat | | | | |
| Mar 2020 | R 4 737.00 | 9% | R -14.06 | R 4 722.94 |
| May 2020 | R 4 796.00 | 12.5% | R -5.73 | R 4 790.27 |
| Jul 2020 | R 4 827.00 | 8% | R -0.19 | R 4 826.81 |
| Sep 2020 | R 4 586.00 | 0% | R 2.59 | R 4 588.59 |
| Dec 2020 | R 4 450.00 | 0% | R -255.41 | R 4 194.59 |
| 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 R12.00 up and Jul'20 Wheat closed R23.00 higher. The parity move for the Mar'20 Wheat contract for yesterday was R8.00 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 | Overnight Change from 12pm |
| MAR 2020 | 896.00 | 892.75 | 0.00 | -3.25 | 902.00 | 9.25 | 6.00 |
| MAY 2020 | 904.00 | 901.00 | 0.00 | -3.00 | 902.00 | 1.00 | -2.00 |
| JUL 2020 | 914.00 | 911.00 | 0.00 | -3.00 | 912.00 | 1.00 | -2.00 |
| AUG 2020 | 917.00 | 913.75 | -0.50 | -3.25 | 914.75 | 1.00 | -2.25 |
| SEP 2020 | 917.00 | 913.50 | -0.25 | -3.50 | 913.75 | 0.25 | -3.25 |

| CBOT Soybean Meal | | |
|-------------------|--------------------|-------------------|
| Month | Main Session Close | Current Overnight |
| MAR 2010 | 292.9 | 292.50 |
| MAY 2010 | 298.3 | 298.00 |
| JUL 2010 | 303.1 | 302.80 |
| AUG 2010 | 304.2 | 303.90 |
| SEP 2010 | 304.8 | 304.60 |

| CBOT Soybean Oil | | |
|------------------|--------------------|-------------------|
| Month | Main Session Close | Current Overnight |
| MAR 2010 | 30.12 | 30.19 |
| MAY 2010 | 30.47 | 30.54 |
| JUL 2010 | 30.84 | 30.88 |
| AUG 2010 | 30.98 | 31.03 |
| SEP 2010 | 31.14 | 31.23 |



FarmFutures - Soybean prices followed corn prices lower on a round of technical selling after USDA predicted slightly larger-than-expected acreage estimates this morning. Traders are also still anxiously awaiting news of fresh Chinese purchases as well as the next round of USDA export data, out first thing Friday. Today, March and May futures each lost 4.5 cents to close at \$8.9275 and \$9.01, respectively. Soybean basis bids rose 2 cents across multiple interior river terminals Thursday, holding steady at most other Midwestern locations today.

USDA's latest 2020 soybean planting projection is for 85.0 million acres this spring, up substantially from last year's tally of 76.1 million acres and slightly ahead of analyst estimates of 84.6 million acres. USDA chief economist Robert Johansson said at the agency's Ag Outlook Forum this morning that it's reasonable to expect that a "good portion" of unplanted acres due to flooding in 2019 will be planted to either corn or soybeans this year. USDA is also predicting total U.S. agricultural exports to China this year will reach \$139.5 billion, eclipsing 2019's total by \$4 billion. Exports could stumble out of the block this year due to China's coronavirus, but most experts are predicting a rebound between the second and fourth quarters of this year, Johansson said. Soybean prices could ultimately move about 1% higher this year, according to USDA - moving from \$8.75 in 2019 to \$8.80. That's even better than 2018's average of \$8.48 but still moderately behind 2016-17.

Preliminary volume estimates were for 226,419 contracts, dropping moderately below Wednesday's final count of 318,972.

South African Futures Exchange

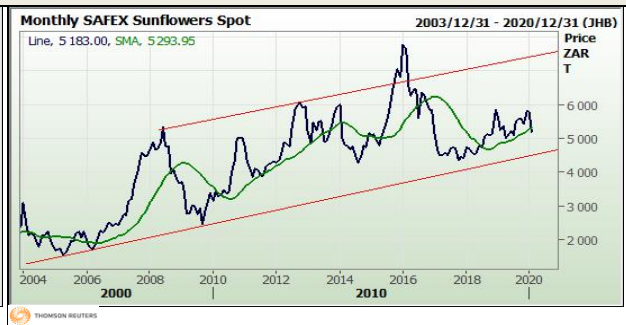
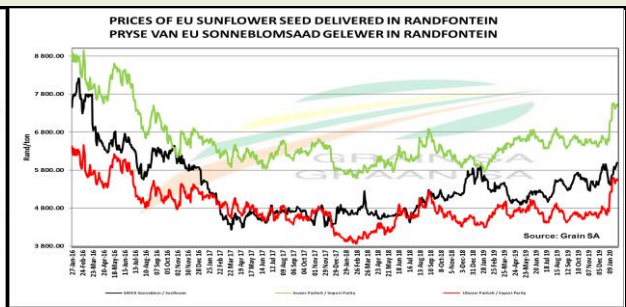
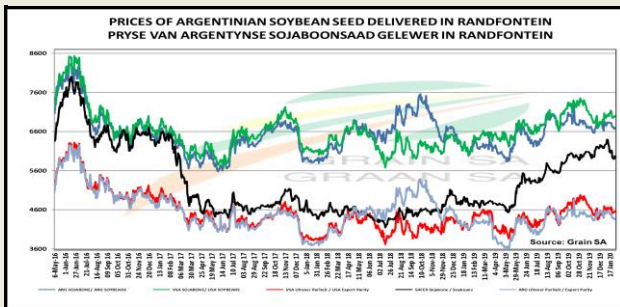
| Soybean Future | | | | |
|----------------|------------|-------|---------------|--------------|
| | MTM | Vols | Parity Change | Market Price |
| Mar 2020 | R 5 895.00 | 17% | R 32.99 | R 5 927.99 |
| May 2020 | R 5 760.00 | 17.5% | R -11.40 | R 5 748.60 |
| Jul 2020 | R 5 847.00 | 20.5% | R -11.40 | R 5 835.60 |
| Sep 2020 | R 5 910.00 | 0% | R -18.33 | R 5 891.67 |
| Dec 2020 | R 5 990.00 | 0% | | R 5 990.00 |
| Mar 2021 | | | | |
| May 2021 | | | | |

| Sunflower Seeds Future | | |
|------------------------|------------|-------|
| | MTM | Vols |
| Mar 2020 | R 5 217.00 | 14% |
| May 2020 | R 5 255.00 | 13.5% |
| Jul 2020 | R 5 350.00 | 18% |
| Sep 2020 | R 5 440.00 | 0% |
| Dec 2020 | R 5 591.00 | 0% |
| Mar 2021 | | |
| May 2021 | | |



The local Soya market traded higher yesterday. The Mar'20 Soya contract ended R29.00 up and Jul'20 Soya closed R49.00 higher. The parity move for the Mar'20 Soya contract for yesterday was R7.00 negative.

The local Suns market closed higher yesterday. The Mar'20 Suns contract closed R42.00 up and Jul'20 Suns closed R78.00 higher.



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