



**Fundamental Report**  
**24 February 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.0992	15.0943	-0.0049	-0.03%
Euro/Rand	16.3138	16.3374	0.0236	0.14%
GBPound/Rand	19.4922	19.5203	0.0281	0.14%
AusDollar/Rand	9.9534	9.9683	0.0149	0.15%
Euro/USDollar	1.0806	1.0822	0.0016	0.15%
GBPound/USDollar	1.2916	1.2937	0.0021	0.16%
AusDollar/USDollar	0.6592	0.6604	0.0012	0.18%
JpyYen/USDollar	111.7100	111.5200	-0.1900	-0.17%

BDLive - The rand hit a four-month low on Friday as global markets took a hit following an upward revision to the number of new cases of the coronavirus.

This week, Moody's Investors Service slashed its forecast for SA's GDP growth for this year and next, fueling concerns that a downgrade for the country is imminent. The ratings agency dropped its 2020 prediction to 0.7%, from the 1% it announced in November. It also lowered its expected 2021 growth to 0.9% from 1.2% previously.

The rand once again fell through R15/\$ this week, reaching its lowest level in four-months on Friday. By 5.26pm, it had recovered, however, firming 0.60% to R15.0161/\$. It also pared losses to trade 0.14% weaker at R16.3017/€ and 0.19% softer at R19.4512/£. The euro had gained 0.66% to \$1.0857.

The rand weakened against the dollar as investors expressed caution about the coronavirus outbreak after South Korea reported an increase in the number of cases, Anchor Capital analysts said.



### Commodities

	Last	Value Change	% Change
Platinum	968.75	-4.64	-0.48%
Gold	1661.12	17.80	1.07%
Silver	18.67	0.21	1.13%
Copper	2.57	-0.04	-1.54%
Gasoil	497.75	-10.75	-2.16%
Brent Oil	56.81	-1.69	-2.97%

BDLive - Bengaluru — Gold prices hit their highest in seven years on Friday and were set to post their best week in one-and-a-half months, as demand for the safe-heaven asset was boosted by a surge in new coronavirus cases in South Korea. South Korea reported 52 new cases of the virus, taking the national total to 156, while Japan reported the first fatalities from aboard a cruise ship that accounts for the biggest cluster of infections outside China.

Spot gold rose 0.4% to \$1,625.05/oz by a 4.09am GMT, after hitting its highest since February 2013 at \$1,626.27/oz earlier in the session. For the week, prices have risen 2.5% so far and were set to post their biggest weekly percentage gain since January 3. US gold futures were up 0.4% at \$1,627.40.

"Main focus for gold seems to be the virus uncertainty ... and it's spread across the world," said John Sharma, an economist at National Australia Bank, adding the epidemic's effect on tourism, travel and growth was fuelling demand for gold



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51582.43	0.00	0.00%
ALSI	51475.00	0.00	0.00%
S&P 500	3373.23	-35.48	-1.05%
FTSE	7436.64	-32.72	-0.44%
CAC	6029.72	0.00	0.00%
DAX	13664.00	-84.67	-0.62%
Hang Seng	27308.81	-441.20	-1.62%



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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	378.00	377.00	-0.50	-1.00	375.00	-2.00	-3.00
MAY 2020	382.00	380.75	-0.25	-1.25	378.75	-2.00	-3.25
JUL 2020	385.00	383.50	-0.50	-1.50	381.25	-2.25	-3.75
SEP 2020	384.00	382.00	-0.75	-2.00	380.25	-1.75	-3.75
DEC 2020	388.00	386.00	-0.50	-2.00	384.50	-1.50	-3.50

FarmFutures - Corn prices sagged Friday on USDA's forecasts for sharply higher ending stocks for 2020/21, which the agency released at this morning's Ag Outlook Forum in Washington, D.C. A healthy round of export data kept losses minimized, however. March futures slipped 1.5 cents to \$3.77, with May futures down 2 cents to \$3.8075.

Corn basis bids were largely steady Friday amid a backdrop of mostly sluggish farmer sales this past week. Bids rose a penny at an Illinois river terminal and gained 4 cents at a Nebraska processor today. Corn export sales climbed from 38.1 million bushels the prior week up to 49.2 million bushels for the week ending February 13, with more than 99% of the total represented by old crop sales. That tally is also a 12% improvement above the prior four-week average and topped all trade estimates, which ranged between 27.6 million and 47.2 million bushels. Cumulative totals for the 2019/20 marketing year remain severely behind last year's pace, meantime, at 498.1 million bushels. Corn export shipments eased from the prior week's week's marketing-year high of 30.8 million bushels to just under 30.0 million bushels. Last week's tally still remains 24% above the prior four-week average, however. Mexico (9.7 million) and Japan (9.4 million) were the top two destinations. USDA also said Friday it expects corn production this coming marketing year to reach 15.460 billion bushels on average yields of 178.5 bushels per acre this year, which is nearly 13% above last year's embattled crop. That could leave ending stocks for 2020/21 at 2.637 billion bushels, booming 39% higher year-over-year, even amid rising domestic use and an uptick in exports. If realized, ending stocks could reach the highest levels since 1988. China issued a statement today that an armyworm infestation could affect an increasing number of its corn and wheat acres this year, which could disrupt its supply and demand needs, depending on the intensity of the infestation. The country has allocated up to \$200 million to prevent and control the pests.

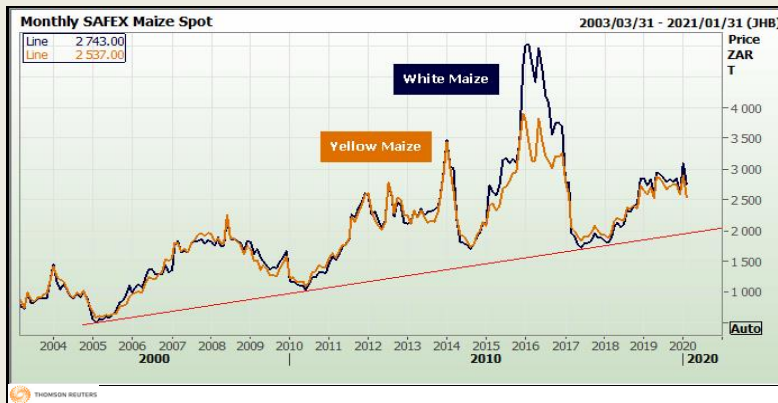
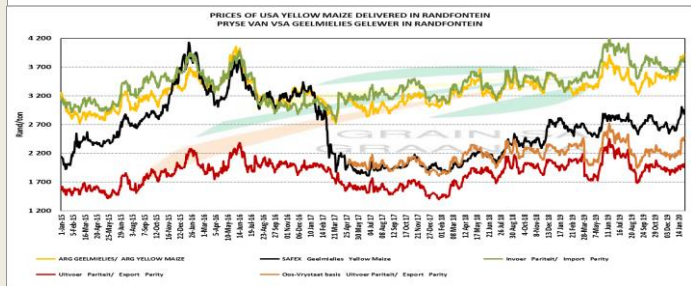
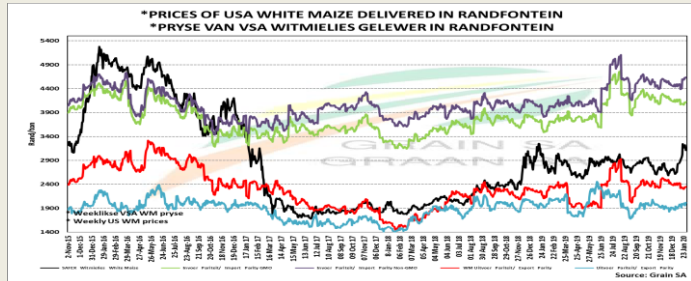
Preliminary volume estimates were for 393,602 contracts, up slightly from Thursday's final count of 365,576.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2020	R 2 655.00	34%	R -18.56	R 2 636.44
May 2020	R 2 388.00	22.5%	R -20.05	R 2 367.95
Jul 2020	R 2 271.00	18.25%	R -23.03	R 2 247.97
Sep 2020	R 2 328.00	0%	R -23.02	R 2 304.98
Dec 2020	R 2 423.00	20%	R -21.55	R 2 401.45
Mar 2021	R 2 463.00	0%		R 2 463.00
May 2021				
<b>Yellow Maize Future</b>				
Mar 2020	R 2 550.00	33%	R -18.56	R 2 531.44
May 2020	R 2 449.00	26%	R -20.05	R 2 428.95
Jul 2020	R 2 415.00	19.5%	R -23.03	R 2 391.97
Sep 2020	R 2 466.00	0%	R -23.02	R 2 442.98
Dec 2020	R 2 539.00	20.25%	R -21.55	R 2 517.45
Mar 2021	R 2 581.00	0%		R 2 581.00
May 2021				

The local Maize market traded mixed yesterday. The Mar'20 WMAZ contract ended R2.00 up while Mar'20 YMAZ closed R28.00 lower. The Jul'20 WMAZ closed lower by R24.00 and Jul'20 YMAZ ended R26.00 down. The parity move for the Mar'20 Maize contract for yesterday was R21.00 negative.



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# Wheat Market

## Chicago Board of Trade and Kansas Board of Trade

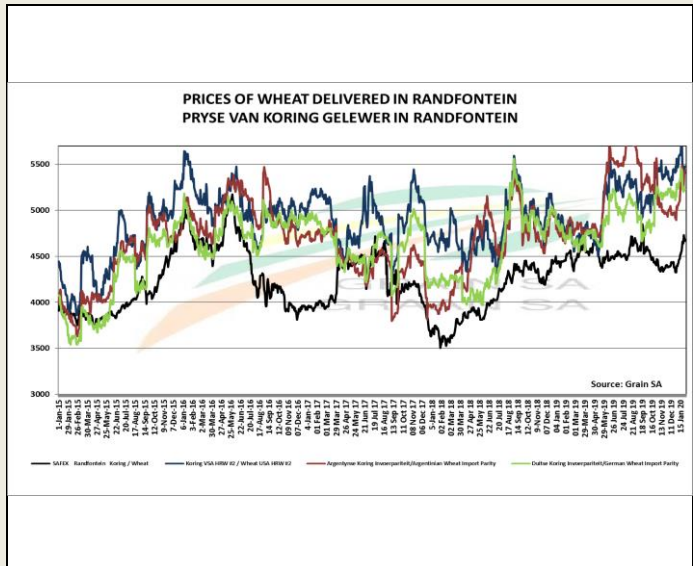
CBOT Wheat									KBOT Wheat						
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
MAR 2020	559.00	551.00	6.25	-8.00	543.00	-8.00	-16.00	MAR 2010	473.00	468.50	4.25	-4.50	463.00	-5.50	-10.00
MAY 2020	558.00	552.00	5.50	-6.00	543.50	-8.50	-14.50	MAY 2010	479.00	475.50	4.00	-3.50	470.00	-5.50	-9.00
JUL 2020	558.00	552.00	5.00	-6.00	544.50	-7.50	-13.50	JUL 2010	486.00	482.25	4.00	-3.75	477.00	-5.25	-9.00
SEP 2020	563.00	558.00	3.75	-5.00	550.50	-7.50	-12.50	SEP 2010	494.00	490.25	4.25	-3.75	485.25	-5.00	-8.75
DEC 2020	573.00	567.75	3.00	-5.25	529.00	-38.75	-44.00	DEC 2010	507.00	502.00	4.25	-5.00	496.00	-6.00	-11.00



FarmFutures - Wheat prices experienced a technical regression for a third-consecutive session after rising more than 4% Tuesday. A tepid round of export sales data from USDA this morning created additional headwinds, with some contracts closing as much as 1.4% lower today. March Chicago SRW futures dropped 9 cents to \$5.51, March Kansas City HRW futures fell 5.5 cents to \$4.6825, and March MGE spring wheat futures lost 3.5 cents to \$5.25. Wheat export sales took a big step back last week, falling 40% below the prior four-week average and landing at 12.7 million bushels in old crop sales plus another 2.2 million bushels in new crop sales for a total of 14.9 million bushels. Analysts were mostly expecting a bigger haul, with trade guesses that ranged between 14.7 million and 25.7 million bushels. Colombia (2.9 million), Indonesia (2.7 million) and Mexico (2.7 million) were the top three buyers last week. Wheat export shipments improved 44% from the prior four-week average after reaching 21.9 million bushels. Mexico was the No. 1 destination, with 3.5 million bushels. USDA is predicting lower wheat production and ending stocks next marketing year, falling to 1.836 billion bushels and 777 million bushels, respectively. India's farm ministry is still expecting a record-breaking wheat crop this year, which could top 3.902 billion bushels. India is the world's No. 2 wheat producer.

## South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2020	R 4 740.00	9%	R -89.75	R 4 650.25
May 2020	R 4 780.00	12.5%	R -81.42	R 4 698.58
Jul 2020	R 4 801.00	8%	R -75.88	R 4 725.12
Sep 2020	R 4 586.00	0%	R -70.34	R 4 515.66
Dec 2020	R 4 450.00	0%	R -245.06	R 4 204.94
Mar 2021				
May 2021				
<b>Cape Wheat</b>				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				
Mar 2021				
May 2021				



The local Wheat market closed mixed yesterday. The Mar'20 Wheat contract closed R3.00 up while Jul'20 Wheat closed R26.00 lower. The parity move for the Mar'20 Wheat contract for yesterday was R91.00 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	893.00	890.50	0.00	-2.50	902.00	11.50	9.00
MAY 2020	901.00	899.00	0.00	-2.00	891.75	-7.25	-9.25
JUL 2020	910.00	909.75	0.00	-0.25	903.00	-6.75	-7.00
AUG 2020	913.00	913.00	-0.50	0.00	906.50	-6.50	-6.50
SEP 2020	913.00	913.25	-0.25	0.25	907.25	-6.00	-5.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2010	289.2	287.80
MAY 2010	294.8	293.60
JUL 2010	300.1	299.10
AUG 2010	301.6	300.70
SEP 2010	302.3	301.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2010	30.64	30.21
MAY 2010	31.01	30.59
JUL 2010	31.38	30.95
AUG 2010	31.53	31.10
SEP 2010	31.68	31.25



FarmFutures - Soybean prices spilled about 0.5% lower Friday, as traders shrugged off mostly supporting 2020/21 production and ending stocks news from USDA, instead focusing on the agency's weekly export report, which showed another round of sales data that didn't reveal any major Chinese purchases. March futures slid 2.25 cents lower to \$8.9050, with May futures down 2 cents to \$8.99 and closing below \$9 for the first time in more than a week. Soybean basis bids were largely steady across the central U.S. but did move 3 cents higher at an Illinois processor and 4 cents higher at an Illinois river terminal today. Soybean exports fell to 18.3 million bushels in old and new crop sales last week, spilling 23% below the prior week's tally of 23.7 million bushels and landing 22% below the prior four-week average. President Donald Trump wrote in an all-caps tweet Friday morning that "formally targeted farmers" will receive additional aid from the U.S. federal government, if needed, until trade deals with China, Mexico, Canada and others "fully kick in." Trump did not offer additional details about potential timing, amount or probability of such aid. Farmer reactions were mixed. In Brazil, rains are delaying the harvest pace in some region, according to consultancy Arc Mercosul. The country's harvest is 34% complete through today, which is in line with the historical average but moderately behind last year's pace of 46%. Preliminary volume estimates were for 309,773 contracts, gaining momentum from Thursday's final count of 217,336.

### South African Futures Exchange

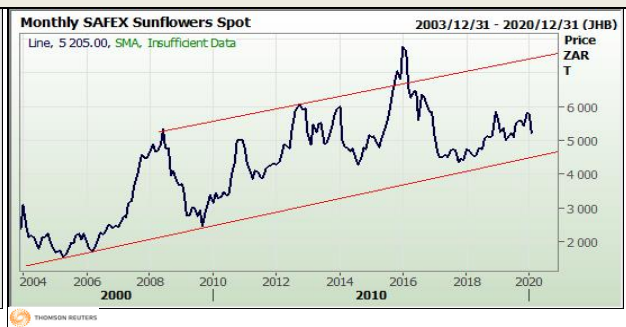
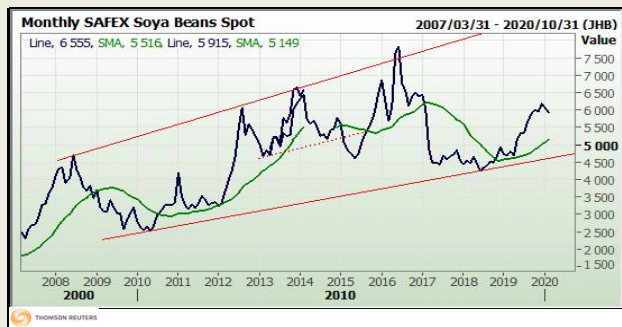
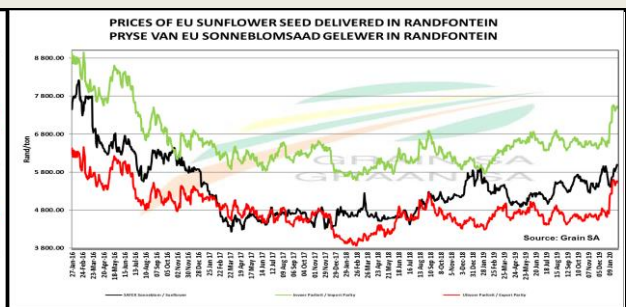
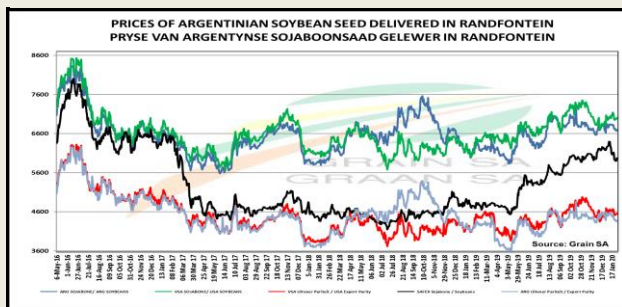
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 5 903.00	17%	R 48.31	R 5 951.31
May 2020	R 5 727.00	17.5%	R -52.92	R 5 674.08
Jul 2020	R 5 815.00	20.5%	R -40.46	R 5 774.54
Sep 2020	R 5 910.00	0%	R -33.53	R 5 876.47
Dec 2020	R 5 990.00	0%		R 5 990.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5 300.00	14%
May 2020	R 5 303.00	13.5%
Jul 2020	R 5 376.00	18%
Sep 2020	R 5 475.00	0%
Dec 2020	R 5 642.00	0%
Mar 2021		
May 2021		



The local Soya market traded mixed yesterday. The Mar'20 Soya contract ended R8.00 up while Jul'20 Soya closed R32.00 lower. The parity move for the Mar'20 Soya contract for yesterday was R46.00 negative.

The local Suns market closed higher yesterday. The Mar'20 Suns contract closed R83.00 up and Jul'20 Suns closed R26.00 higher.



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