



**Fundamental Report**  
**09 March 2020**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.7636	16.1899	0.4263	2.70%
Euro/Rand	17.8037	18.4503	0.6466	3.63%
GBPound/Rand	20.4715	21.1298	0.6583	3.22%
AusDollar/Rand	10.4623	10.5816	0.1193	1.14%
Euro/USDollar	1.1293	1.1387	0.0094	0.83%
GBPound/USDollar	1.2987	1.3049	0.0062	0.48%
AusDollar/USDollar	0.6634	0.6536	-0.0098	-1.48%
JpyYen/USDollar	105.1800	102.8100	-2.3700	-2.25%

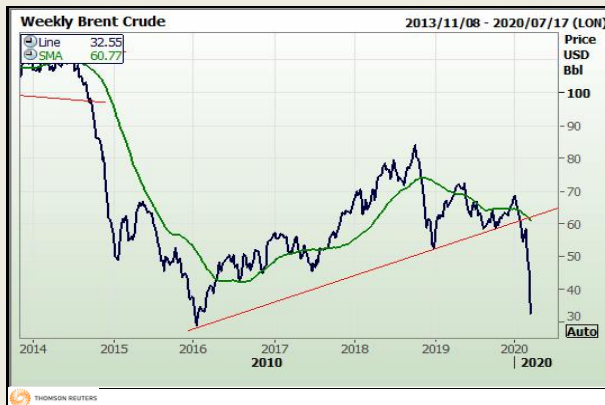
BDLive - Slumping Asian markets bode ill for the JSE on Monday morning, with all eyes on the coronavirus outbreak, as well as a plunging oil price due to a dispute between Russia and Saudi Arabia. In risk-off trade, the rand crashed 3.38% to R16.212/\$, having earlier fallen to R16.996. This has put the local currency at a four-year low. The rand was 4.59% weaker at R18.48/€ and down 3.67% to R21.16/£. The collapse of talks between Opec and Russia over production cuts on Friday sent oil prices plunging on speculation Saudi Arabia is scrapping a strategy of supporting prices in favour of a grab for market share. After falling 9.25% on Friday, oil crashed further when this was confirmed by Saudi Arabia slashing prices at the weekend. In morning trade on Monday, Brent crude fell 29.51% to \$32.11 a barrel. Gold was down 0.43% to \$1,666.80/oz while platinum was down 2.89% to \$874.20. There are no local economic releases on Monday, while global data releases are likely to be sidelined due to the threats of the oil price war and the coronavirus outbreak.



### Commodities

	Last	Value Change	% Change
Platinum	877.29	-23.50	-2.68%
Gold	1664.07	-9.78	-0.59%
Silver	16.67	-0.64	-3.84%
Copper	2.49	-0.07	-2.75%
Gasoil	331.25	-82.00	-24.75%
Brent Oil	32.54	-12.73	-39.12%

BDLive - Bengaluru — Gold prices rose above the \$1,700 per ounce level on Monday for the first time in more than seven years, after a stock market rout due to concerns over a widening coronavirus outbreak and its economic impact drove investors towards safe-haven assets. Spot gold rose 0.7% to \$1,686.22 per ounce by 5.25am, having touched its highest since December 2012 at \$1,702.56 earlier in the session. US gold futures gained 0.9% to \$1,687.80 per ounce. "It is a massive flight to safety as the Chinese trade data was really bad, much worse than expected, Italy quarantined a quarter of their population [due to the coronavirus] and stock markets are down," said Jeffrey Halley, a senior market analyst at Oanda. China's exports contracted sharply in the first two months of the year while imports declined, data showed on Saturday, as the virus caused huge disruptions to business operations, global supply chains and economic activity. Global equities tumbled, while US stock futures plunged 5% as investors sought refuge in safe havens to hedge the economic shock of the epidemic. The yen jumped to its highest in more than three years against the dollar, while US 10-year Treasury yields fell to a record low.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	46759.72	0.00	0.00%
ALSI	46672.00	0.00	0.00%
S&P 500	3023.94	-51.57	-1.71%
FTSE	6705.43	-242.88	-3.62%
CAC	5139.11	0.00	0.00%
DAX	11541.87	0.00	0.00%
Hang Seng	26146.67	-992.66	-3.80%



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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	385.00	377.25	-0.50	-7.75	372.75	-4.50	-12.25
MAY 2020	380.00	376.00	-0.25	-4.00	369.75	-6.25	-10.25
JUL 2020	382.00	379.25	-0.50	-2.75	372.00	-7.25	-10.00
SEP 2020	378.00	377.50	-0.75	-0.50	371.50	-6.00	-6.50
DEC 2020	382.00	381.50	-0.50	-0.50	376.00	-5.50	-6.00

FarmFutures - Corn prices followed global stocks lower with May futures falling \$0.0575 to \$3.76 to end the week.

Cash corn prices were mostly steady today, though a processor in Cedar Rapids cut \$0.05 from basis to \$0.06 below May futures prices. A Union City, Iowa ethanol plant also weakened their cash bid \$0.02 but continued to offer bids at a premium over May futures by \$0.33.

USDA announced two private export sales of corn this morning. Details are as follows:

Japan bought 9.2 million bushels of U.S. corn for delivery in the 2019/20 marketing year.  
An unknown buyer purchased 8.3 million bushels of corn also for delivery in the 2019/20 marketing year.  
News of the corn purchases was welcomed after weak corn export results were posted in yesterday's weekly export report from USDA.

The Trump administration went back on its intentions to scale back biofuel waivers for small oil refineries and directed the Environmental Protection Agency (EPA) to appeal a recent refinery waiver (SRE) ruling that sought to reduce the EPA's authority to grant biofuels exemptions for small refineries. Biofuel credits slumped 15% on the news.

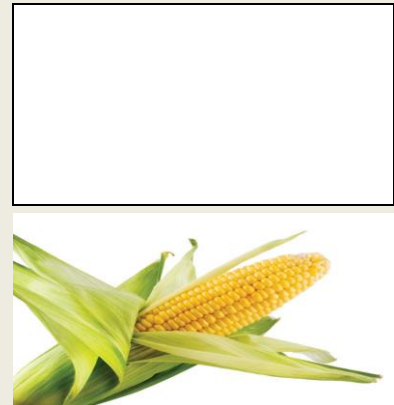
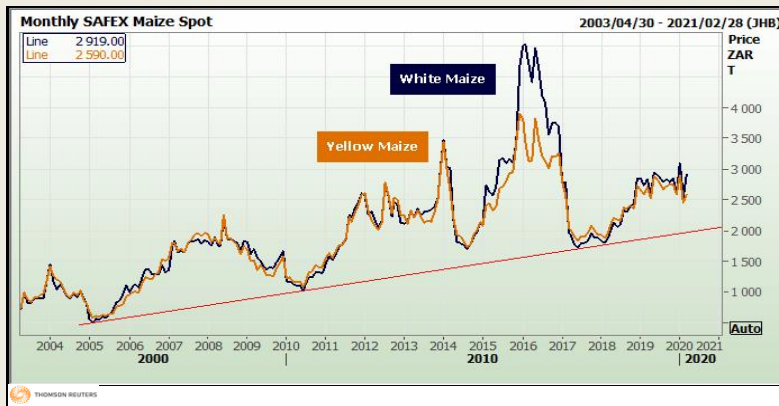
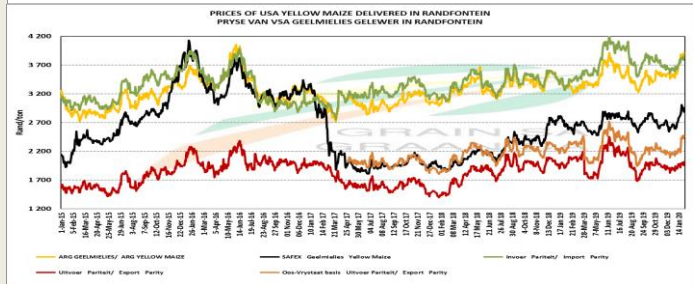
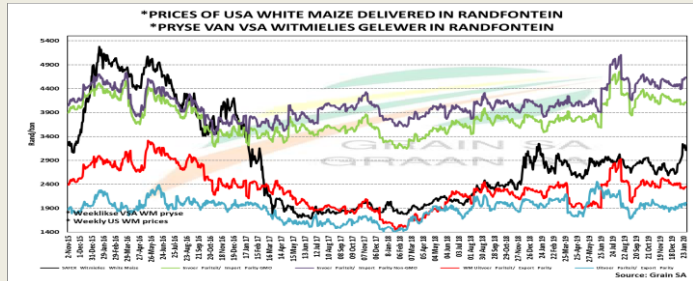
The Trump administration has allowed nearly four times the number of SREs, causing a 16% drop in ethanol prices and the closure of at least 20 ethanol plants in the Midwest since September 2018. After a conversation with Senator Ted Cruz of Texas on Thursday, President Trump flipped on his position on SREs less than a week after touting his support for the American farmer via a video message at the 2020 Commodity Classic in San Antonio.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Mar 2020	R 2,919.00	34%	R -13.46	R 2,905.54
May 2020	R 2,482.00	23%	R -1.56	R 2,480.44
Jul 2020	R 2,352.00	20.5%	R 0.37	R 2,352.37
Sep 2020	R 2,403.00	18.5%	R 22.01	R 2,425.01
Dec 2020	R 2,494.00	20%	R 25.87	R 2,519.87
Mar 2021	R 2,516.00	0%		R 2,516.00
May 2021				
<b>Yellow Maize Future</b>				
Mar 2020	R 2,590.00	33%	R -13.46	R 2,576.54
May 2020	R 2,507.00	26%	R -1.56	R 2,505.44
Jul 2020	R 2,482.00	20.25%	R 0.37	R 2,482.37
Sep 2020	R 2,531.00	18%	R 22.01	R 2,553.01
Dec 2020	R 2,613.00	20%	R 25.87	R 2,638.87
Mar 2021	R 2,642.00	0%		R 2,642.00
May 2021				

The local Maize market traded mixed on Friday. The Mar'20 WMAZ contract ended R25.00 down while Mar'20 YMAZ closed R14.00 higher. The Jul'20 WMAZ closed higher by R41.00 and Jul'20 YMAZ ended R37.00 up. The parity move for the Mar'20 Maize contract for Friday was R52.00 positive.

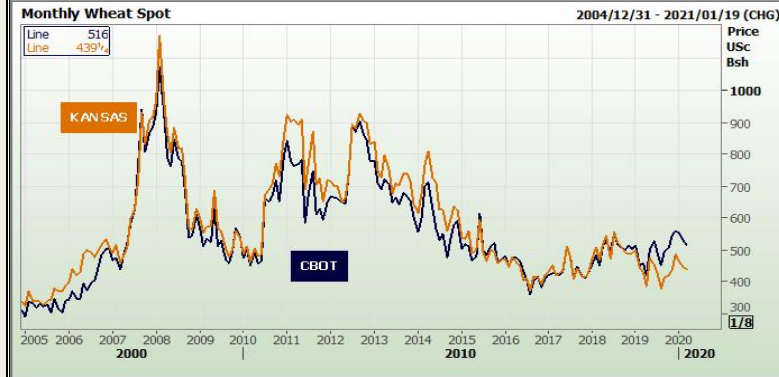


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## Wheat Market

### Chicago Board of Trade and Kansas Board of Trade

CBOT Wheat									KBOB 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	520.00	521.25	6.25	1.25	516.00	-5.25	-4.00		MAR 2010	458.00	439.25	4.25	-18.75	0.00	-439.25	-458.00	
MAY 2020	518.00	515.75	5.50	-2.25	507.25	-8.50	-10.75		MAY 2010	445.00	446.25	4.00	1.25	435.50	-10.75	-9.50	
JUL 2020	519.00	516.75	5.00	-2.25	508.25	-8.50	-10.75		JUL 2010	453.00	453.50	4.00	0.50	443.00	-10.50	-10.00	
SEP 2020	526.00	524.00	3.75	-2.00	515.50	-8.50	-10.50		SEP 2010	462.00	463.00	4.25	1.00	452.50	-10.50	-9.50	
DEC 2020	537.00	535.25	3.00	-1.75	529.00	-6.25	-8.00		DEC 2010	475.00	476.00	4.25	1.00	466.00	-10.00	-9.00	



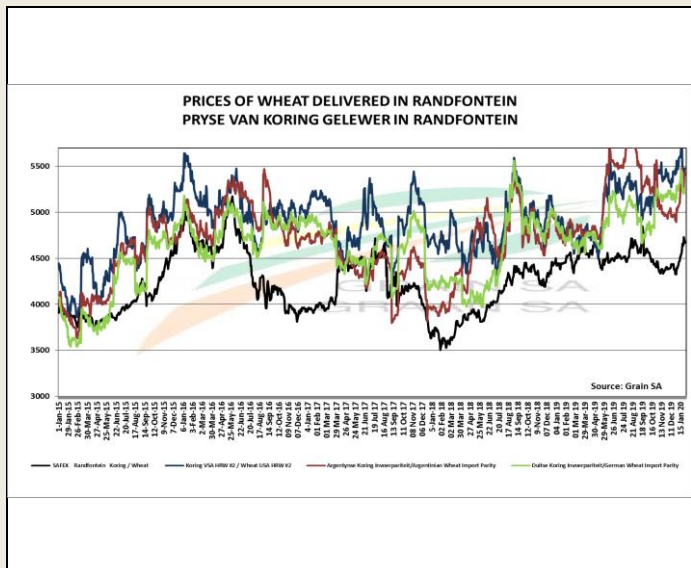
FarmFutures - Minneapolis wheat built off this morning's gains, posting a Sprice change gain on the day to Sprice amount. Chicago and Kansas City wheat did not fare as well after following global stocks lower on coronavirus concerns. The ICE Dollar Index dropped 0.94% today, capping any significant losses to the wheat complex going into the weekend.

Spot basis bids on soft red winter wheat ended the week unchanged from yesterday. Cash prices for hard red winter wheat in the Plains held steady today. Prices were not enticing enough to Plains farmers to book new sales, though warm weather was enticing enough for them to start fieldwork for corn planting.

Protein premiums on hard red winter cash wheat delivered to or through Kansas City by rail were unchanged from Tuesday, as shown below:

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Mar 2020	R 4,887.00	9%	R 57.66	R 4,944.66
May 2020	R 4,940.00	12.5%	R 17.19	R 4,957.19
Jul 2020	R 4,939.00	10%	R 17.35	R 4,956.35
Sep 2020	R 4,716.00	0%	R 19.93	R 4,735.93
Dec 2020	R 4,450.00	0%	R 36.52	R 4,486.52
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 higher on Friday. The Mar'20 Wheat contract closed R105.00 up and Jul'20 Wheat closed R120.00 higher. The parity move for the Mar'20 Wheat contract for Friday was R64.00 positive.



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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	888.00	883.25	0.00	-4.75	902.00	18.75
MAY 2020	897.00	891.25	0.00	-5.75	872.75	-18.50
JUL 2020	905.00	900.00	0.00	-5.00	881.00	-19.00
AUG 2020	907.00	901.75	-0.50	-5.25	883.25	-18.50
SEP 2020	907.00	901.75	-0.25	-5.25	884.00	-17.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
MAR 2010	301.3	300.20
MAY 2010	305.1	302.10
JUL 2010	309.4	306.50
AUG 2010	309.7	307.00
SEP 2010	309.6	306.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
MAR 2010	28.48	26.99
MAY 2010	28.75	27.15
JUL 2010	29.1	27.53
AUG 2010	29.23	27.71
SEP 2010	29.38	27.85



FarmFutures - Cheaper Brazilian soybean prices and reduced purchases from China drug the soybean complex lower to end the week. May futures lost \$0.0575 to \$8.9125 today though May soybean meal futures prices rose \$1.2 to \$305.1. May soybean oil futures prices were down \$0.64 to \$28.75. Soybean basis fell at processors who had made purchases earlier this week when a futures price rally incentivized farmers to book sales. Basis rose a cent on the Mississippi River at terminals in Illinois and Iowa. Cash soybean offers at rail markets followed futures prices lower today on weak demand as many livestock producers go into the weekend well-stocked on feed rations. Soy exports out of Brazil will start to pick up again just in time for the completion of the record-setting soybean harvest. Heavy rains in port cities caused shipment delays, though a drier forecast will alleviate shipping backlogs. In fact, Brazil could double its February export volume through the month of March if weather conditions improve enough. The Brazilian soybean harvest, expected to top out at over 2.59 million bushels, is about halfway finished. The coronavirus outbreak could represent a demand shift away from animal proteins in the Chinese diet, according to a Bloomberg report. A spike in interest in vegan products in China highlights a new desire to reduce dependence on animal-derived proteins after the source of the coronavirus was believed to be a live-animal market in Wuhan. The African swine fever (ASF) epidemic also remains fresh in the state's mind as state-backed companies have begun offering partnerships with vegan food production companies to mitigate supply chain disruptions caused by animal production.

### South African Futures Exchange

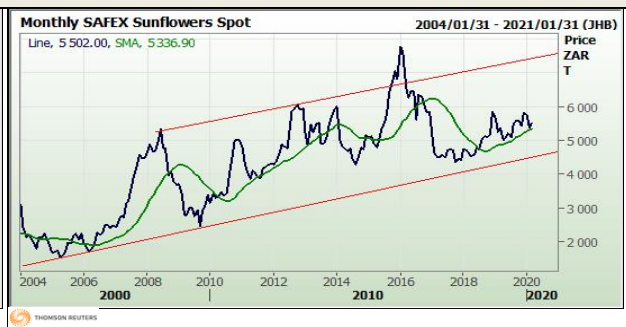
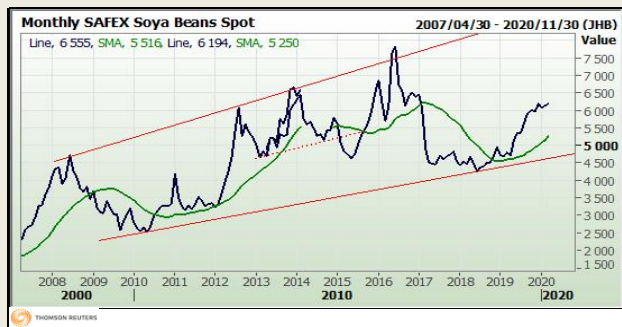
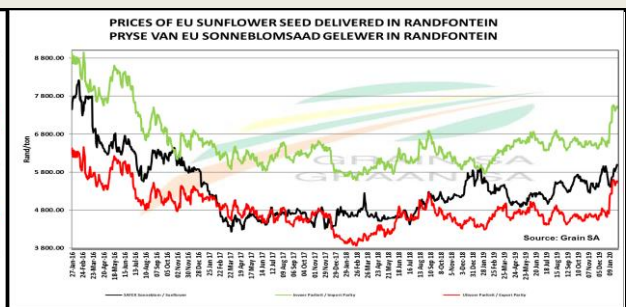
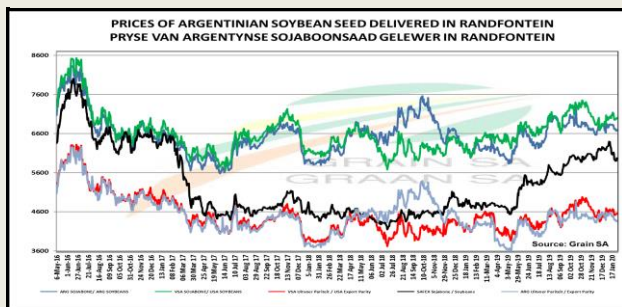
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Mar 2020	R 6,194.00	17%	R 222.38	R 6,416.38
May 2020	R 6,112.00	18.5%	R -3.75	R 6,108.25
Jul 2020	R 6,207.00	20.5%	R -1.01	R 6,205.99
Sep 2020	R 6,279.00	0%	R 5.25	R 6,284.25
Dec 2020	R 6,329.00	0%		R 6,329.00
Mar 2021				
May 2021				

Sunflower Seeds Future		
	MTM	Vols
Mar 2020	R 5,502.00	14%
May 2020	R 5,588.00	15.5%
Jul 2020	R 5,702.00	18%
Sep 2020	R 5,806.00	0%
Dec 2020	R 5,931.00	0%
Mar 2021		
May 2021		



The local Soya market traded higher on Friday. The Mar'20 Soya contract ended R54.00 up and Jul'20 Soya closed R73.00 higher. The parity move for the Mar'20 Soya contract for Friday was R87.00 positive.

The local Suns market closed higher on Friday. The Mar'20 Suns contract closed R52.00 up and Jul'20 Suns closed R73.00 higher.



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