



Fundamental Report
28 August 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand		The record	#VALUE!	#VALUE!
Euro/Rand	16.9791	16.9830	0.0039	0.02%
GBPound/Rand	18.7562	18.8024	0.0462	0.25%
AusDollar/Rand	10.3341	10.3206	-0.0135	-0.13%
Euro/USDollar	1.1103	1.1087	-0.0016	-0.14%
GBPound/USDollar	1.2265	1.2274	0.0009	0.07%
AusDollar/USDollar	0.6758	0.6740	-0.0018	-0.27%
JpyYen/USDollar	105.7800	105.8300	0.0500	0.05%

BDLive - The JSE closed in positive territory on Tuesday but investors remain cautious amid mixed messages from the US and China on the ongoing trade war.

The two economic superpowers have said they are optimistic about the negotiation process with China's vice-premier Liu He saying on Monday that he hopes for "calm" negotiations and for the trade war to not escalate any further, Reuters reported.

The Chinese foreign ministry, however, said it was not aware of any telephonic talks between the US and Chinese negotiators after US President Donald Trump said on Monday that officials from the two countries had communicated via phone.

The trade spat escalated last week after the China imposed new tariffs of between 5% to 10% on \$75bn worth of US imports. In retaliation, the US threatened to impose a 25% to 30% tariff on \$250bn worth of Chinese goods.



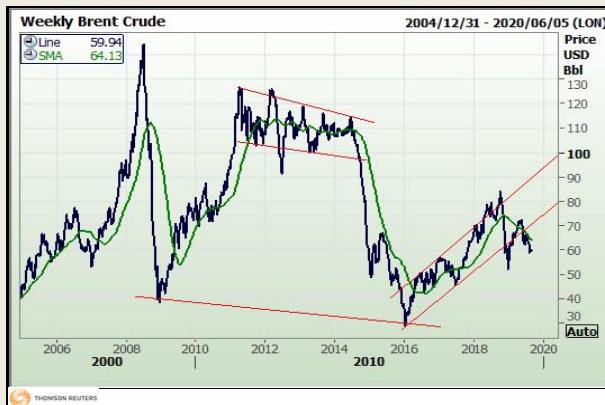
Commodities

	Last	Value Change	% Change
Platinum	868.48	2.97	0.34%
Gold	1535.00	-7.40	-0.48%
Silver	18.12	-0.04	-0.22%
Copper	2.55	0.00	0.16%
Gasoil	561.25	7.75	1.38%
Brent Oil	59.94	0.43	0.72%

BDLive - Bengaluru — Gold rose on Tuesday as uncertainty over the US-China trade dispute kept investors on edge and drove inflows into the safe-haven metal.
Spot gold was up 0.4% at \$1,531.28 an ounce, as of 12.17pm GMT. During trading on Monday, the metal had hit its highest level since April 2013 at \$1,554.56. US gold futures were up 0.3% at \$1,541.60.

"It's clear that the main focus is on the US-China developments. Reports from China on the trade front indicate we are nowhere near any change in the current stand-off on trade," Saxo Bank commodity strategist Ole Hansen said.

"And with the growth numbers in Germany pointing to a recession, there's not much of an excuse to sell gold if you are holding any, keeping the market more or less unchanged even though we had a toning down of the confrontational tone on trade."



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48147.85	0.00	0.00%
ALSI	47917.00	0.00	0.00%
S&P 500	2878.38	-9.22	-0.32%
FTSE	7094.98	-5.40	-0.08%
CAC	5387.09	0.00	0.00%
DAX	11730.02	0.00	0.00%
Hang Seng	25664.07	-30.69	-0.12%



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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
SEP 2019	359.00	357.00	-1.50	-2.00	357.75	0.75	-1.25
DEC 2019	368.00	366.25	-2.00	-1.75	366.00	-0.25	-2.00
MAR 2010	380.00	377.75	-2.75	-2.25	377.50	-0.25	-2.50
MAY 2010	388.00	386.00	-3.00	-2.00	385.50	-0.50	-2.50
JUL 2010	395.00	393.00	-2.75	-2.00	392.75	-0.25	-2.25

FarmFutures - Corn prices were down about 0.5% Tuesday on improving crop conditions. Spillover weakness from soybeans didn't do prices any favors today, either. September futures eased 1.5 cents to \$3.57, with December futures down 2 cents to \$3.6625.

Slow farmer sales firmed corn basis bids 1 to 5 cents at some Midwestern locations Tuesday, but most bids across the central U.S. remained steady today.

In the first Farm Futures 2020 acreage survey, which compiled responses from more than 1,150 farmers, corn acres next year could rise 4.5% to reach 94.1 million planted acres. One big caveat is that the survey was completed a week before USDA's bombshell Aug. 12 report that sent corn futures spilling sharply lower. Farmers also, of course, have several months before making their final planting decisions.

This year's corn crop is now rated 57% in good-to-excellent condition per the latest USDA crop progress report, out Monday afternoon. That's up from 56% a week ago. Another 30% of the crop is rated fair (unchanged from a week ago), with the remaining 13% rated poor or very poor (down a point from last week). Corn yield potential based on ratings is now at 169.4 bushels per acre.

The crop remains well behind average physiologically after a historically sluggish planting pace, meantime. Last week, 71% of the crop reached dough stage, which is significantly slower than 2018's pace of 91% and the five-year average of 87%. And 27% of the crop is now denting, compared to a five-year average of 46%.

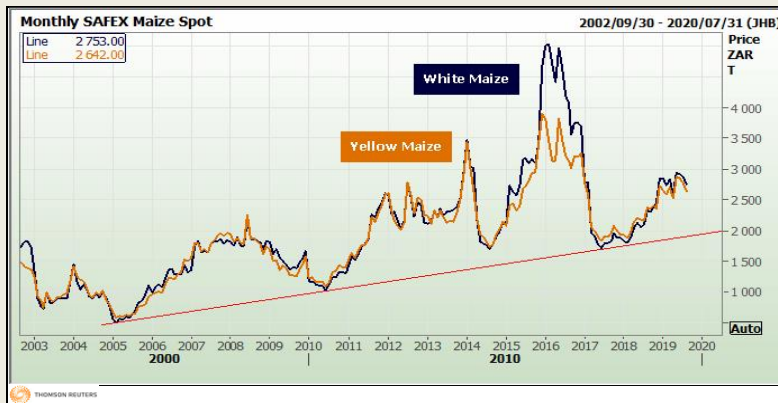
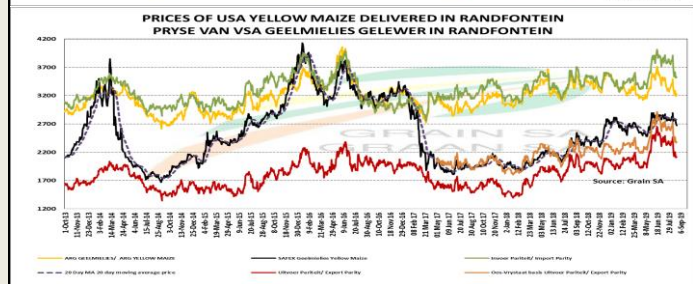
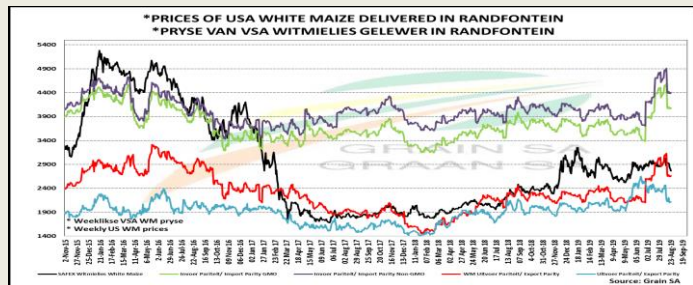
Preliminary volume estimates were for 279,236 contracts, falling 10% below Monday's final count of 310,642.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 2 753.00	25%		R 2 753.00
Dec 2019	R 2 844.00	27%		R 2 844.00
Jul 2019				
Yellow Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 2 642.00	20.5%		R 2 642.00
Dec 2019	R 2 721.00	20.5%		R 2 721.00
Jul 2019				

The local Maize market traded mixed yesterday. The local Aug'19 WMAZ contract ended R3.00 up while Aug'19 YMAZ closed R16.00 lower. The Sep'19 WMAZ closed higher by R6.00 while Sep'19 YMAZ ended R12.00 down. The parity move for the Aug'19 Maize contract for yesterday was R1.00 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	
SEP 2019	473.00	473.75	0.75	0.75	472.00	-1.75	-1.00		SEP 2019	389.00	392.75	3.75	3.75	393.25	0.50	4.25	
DEC 2019	475.00	476.75	1.50	1.75	475.75	-1.00	0.75		DEC 2019	401.00	404.75	2.75	3.75	403.25	-1.50	2.25	
MAR 2010	481.00	481.75	0.25	0.75	481.25	-0.50	0.25		MAR 2010	417.00	420.00	2.50	3.00	418.25	-1.75	1.25	
MAY 2010	483.00	484.25	-0.75	1.25	484.00	-0.25	1.00		MAY 2010	428.00	429.75	1.50	1.75	429.25	-0.50	1.25	
JUL 2010	488.00	487.00	-1.50	-1.00	487.75	0.75	-0.25		JUL 2010	438.00	439.25	1.00	1.25	439.25	0.00	1.25	

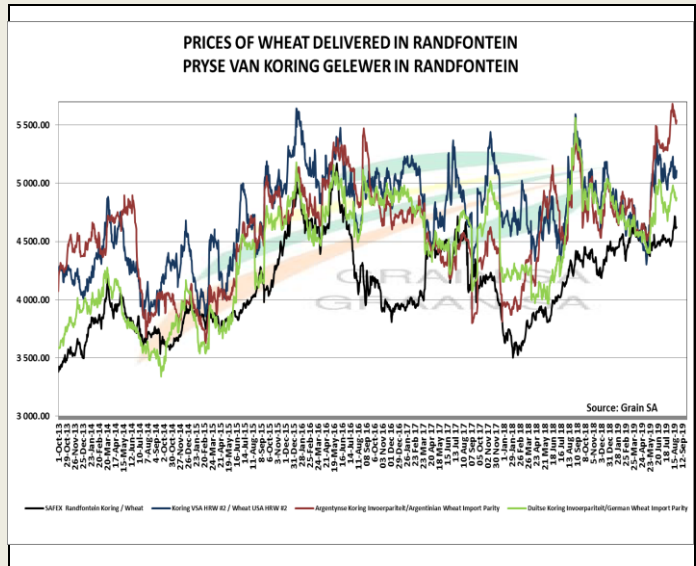


FarmFutures - Wheat prices rebounded Tuesday, finding moderate gains on a round of technical buying. September Chicago SRW futures picked up 0.75 cents to \$4.7375, September Kansas City HRW futures added 4.5 cents to \$3.9275, and September MGEX spring wheat futures gained 1.5 cents to \$4.9425.

According to the results of our first 2020 acreage survey, released earlier today, wheat acreage may drop 1.1% next year to 45.1 million acres. Winter wheat seedings could rise moderately this fall, but spring wheat and durum acreage are expected to see cuts next year. In the latest USDA crop progress report, spring wheat crop conditions slipped a point lower, with 69% of the crop now rated good-to-excellent. Another 25% of the crop is rated fair (up two points from a week ago), with the remaining 6% rated poor or very poor (down a point from last week). That puts yield potential based on ratings at 50.4 bushels per acre. This year's spring wheat harvest took a big leap forward, meantime, moving from 16% as of August 18 up to 38%, far exceeding trade guesses. The pace is still well behind the five-year average of 65%. And the winter wheat harvest continues to wind down, reaching 96% last week. Harvest is typically concluded by this time of year, considering 2018's pace of 100% and the five-year average of 99%. Egypt purchased nearly 12.9 million bushels of wheat from Russia, Ukraine and France in an international tender. The grain is for shipment in early October.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 4 665.00	0%		R 4 665.00
Dec 2019	R 4 667.00	12.5%		R 4 667.00
Jul 2019				
Cape Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



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
SEP 2019	848.00	846.25	-7.50	-1.75	845.75	-0.50	-2.25
NOV 2019	862.00	859.25	-8.00	-2.75	858.75	-0.50	-3.25
JAN 2010	875.00	873.00	-7.50	-2.00	872.25	-0.75	-2.75
MAR 2010	888.00	886.25	-7.25	-1.75	884.75	-1.50	-3.25
MAY 2010	898.00	897.25	-7.00	-0.75	897.50	0.25	-0.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2019	291.5	291.10
OCT 2019	293.6	293.00
DEC 2019	297	296.70
JAN 2010	298.4	298.10
MAR 2010	301.1	300.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2019	28.01	28.00
OCT 2019	28.14	28.15
DEC 2019	28.35	28.34
JAN 2010	28.57	28.55
MAR 2010	28.84	28.84



FarmFutures - Soybean prices fell around 1% Tuesday amid better-than-expected crop conditions reported by USDA in its weekly crop progress report late yesterday afternoon. Concerns over U.S.-China trade relations remain problematic for prices as well. September futures dropped 7.5 cents to \$8.4625, with November futures down 8 cents to \$8.5925. Soybean basis bids spilled 8 cents lower at an Illinois river terminal Tuesday but remained steady elsewhere across other Midwestern locations today. Is President Donald Trump's sometimes confusing signals on trade damaging hopes for a swift resolution for trade negotiations between the U.S. and China? That's what some Chinese officials have alleged to Bloomberg, saying a deal may be in doubt before the 2020 elections. Click here to catch up on the latest updates. According to the first 2020 farmer acreage survey from Farm Futures, out this morning, soybean plantings next year could reach 83.6 million acres. That's 9% more than this year's flooded-out, late-planted season but still 5.6 million acres lower than 2018 totals. Low prices and uncertainty over Chinese demand may keep farmers cautious as they weigh final decisions in the next several months. USDA raised soybean quality ratings more than anticipated in its latest crop progress report, moving from the crop from 53% in good-to-excellent condition as of August 18 up to 55%. Another 32% of the crop is rated fair (down a point from a week ago), with the remaining 13% rated poor or very poor (also down a point from last week). Yield potential based on ratings is now at 50.2 bushels per acre. Preliminary volume estimates were for 188,296 contracts, dropping 18% below Monday's final count of 229,966.

South African Futures Exchange

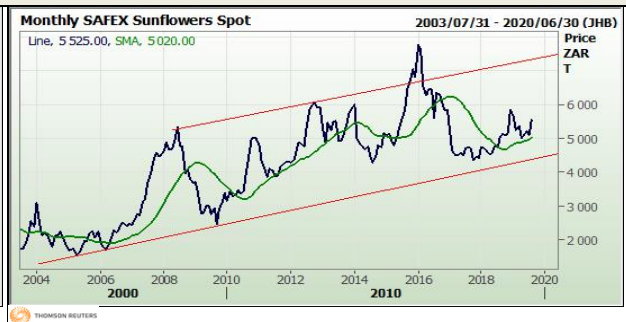
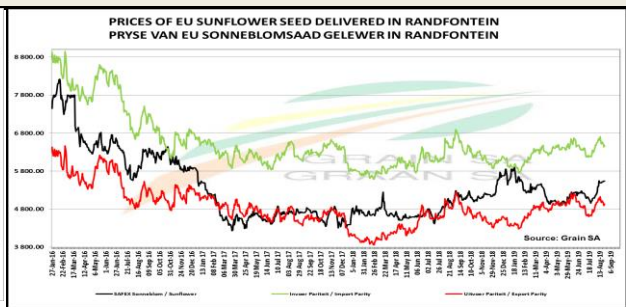
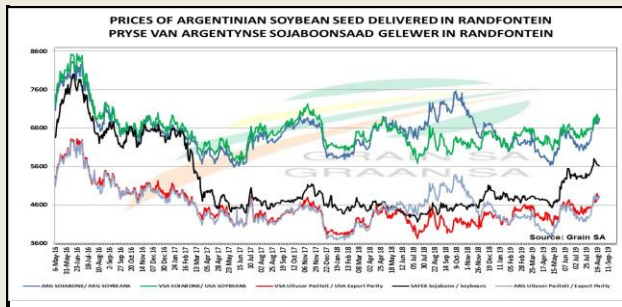
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 5 555.00	0%		R 5 555.00
Dec 2019	R 5 620.00	14%		R 5 620.00
Jul 2019				

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019		
Sep 2019	R 5 525.00	13.25%
Dec 2019	R 5 695.00	16%
Jul 2019		



The local Soya market traded lower yesterday. The local Aug'19 Soya contract ended R40.00 down and Sep'19 Soya closed R44.00 lower. The parity move for the Aug'19 Soya contract for yesterday was R1.00 negative.

The local Suns market closed lower yesterday. The local Aug'19 Suns contract closed R45.00 down and Sep'19 Suns closed R41.00 lower.



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