



Fundamental Report
29 August 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand		The record	#VALUE!	#VALUE!
Euro/Rand	16.9549	17.0799	0.1250	0.74%
GBPound/Rand	18.6422	18.7956	0.1534	0.82%
AusDollar/Rand	10.3100	10.3608	0.0508	0.49%
Euro/USDollar	1.1089	1.1083	-0.0006	-0.05%
GBPound/USDollar	1.2192	1.2200	0.0008	0.07%
AusDollar/USDollar	0.6744	0.6727	-0.0017	-0.25%
JpyYen/USDollar	105.7900	105.9100	0.1200	0.11%

BDLive - The JSE closed higher on Wednesday with miners leading gains, while some global equity markets remained under pressure as concerns about economic growth continue to spook investors.

Fears of a global recession escalated on Wednesday after the yield on the benchmark two-year US treasury notes rose above that of the 10-year treasury — which is interpreted as a warning that a recession is approaching. The yield on the two-year note was up six basis points, its biggest one-day gain since 2007. "Obviously the timing of this is no coincidence, coming so shortly after the US and China decided to step it up a gear and inflict additional tariffs on one another," said senior market analyst at Oanda, Craig Erlam.

On Wednesday, UK Prime Minister Boris Johnson requested a suspension of parliament until October 14, placing some pressure on the pound. Members of the UK parliament are expected to return to work on September 3 and will break in mid-September, only to return just 17 days before the Brexit Halloween deadline.

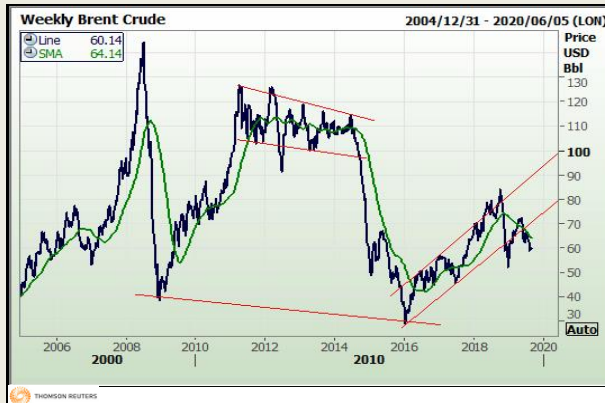


Commodities

	Last	Value Change	% Change
Platinum	905.30	5.30	0.59%
Gold	1542.15	3.35	0.22%
Silver	18.38	0.05	0.27%
Copper	2.56	0.00	-0.18%
Gasoil	566.25	-3.25	-0.57%
Brent Oil	60.14	-0.35	-0.58%

BDLive - Bengaluru — Gold held close to a more than six-year high on Wednesday, after rising more than 1% in the previous session, as fears of a possible recession and the trade conflict between China and the US drove investors to safe haven assets. Spot gold was flat at \$1,542.33 per ounce as at 12.22pm GMT. On Monday it touched \$1,554.56, its highest since April 2013.

US gold futures were up 0.2% at \$1,555. "There is some kind of consolidation at these price levels (around \$1,550) and the market is assessing the next development in the US-China trade saga," SP Angel analyst Sergey Raevskiy said. While there are expectations for monetary policy easing in the eurozone, inversion in US treasury yield curve increased hopes for further rates cuts by the US central bank, he added. Gold rose more than 1% on Tuesday as an inversion in the yield curve and disappointing US economic data rekindled fears of a recession amid uncertainties around the trade dispute.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48429.35	0.00	0.00%
ALSI	48079.00	0.00	0.00%
S&P 500	2869.16	18.78	0.65%
FTSE	7089.58	25.13	0.35%
CAC	5368.80	0.00	0.00%
DAX	11701.02	0.00	0.00%
Hang Seng	25615.48	-70.33	-0.27%



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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	358.00	362.75	5.75	4.75	365.00	2.25	7.00
DEC 2019	365.00	371.00	4.75	6.00	373.25	2.25	8.25
MAR 2010	377.00	381.75	4.00	4.75	383.75	2.00	6.75
MAY 2010	385.00	389.25	3.25	4.25	391.25	2.00	6.25
JUL 2010	392.00	396.00	3.00	4.00	397.75	1.75	5.75

FarmFutures - Corn prices firmed by more than 1.5% Wednesday on hopes that the Trump Administration will offer new biofuel demand solutions. September futures added 5.75 cents to \$3.6275, with December futures up 4.75 cents to \$3.71.

Corn basis bids improved 1 to 7 cents at three Midwestern locations and remained steady elsewhere across the central U.S. today. Farmer sales have remained relatively slow this week.

Speaking at the 2019 Farm Progress Show in Decatur, Ill., U.S. Secretary of Agriculture Sonny Perdue said President Trump should soon announce the administration's plan to lessen the biofuel demand dealt by issuing multiple hardship waivers to oil refineries earlier in August – a move that has received moderate pushback among the agriculture industry.

Meantime, ethanol production rebounded a bit for the week ending August 23, reaching a daily average of 1.038 million barrels. And a drop in domestic stocks helped September futures climb more than 2.5% this afternoon to \$1.329. And earlier today, Corn Plus announced it will be shuttering an ethanol plant in Winnebago, Minn., next week due to low commodity prices.

Ahead of Thursday morning's USDA weekly export report, analysts expect the agency to show corn sales totaling between 15.7 million and 41.3 million bushels for the week ending August 22.

Grain traveling the nation's railways continues to come in lower compared to 2018, with 21,209 total carloads last week. Cumulative totals this year have reached 749,127 carloads, which is 5.0% behind last year's pace.

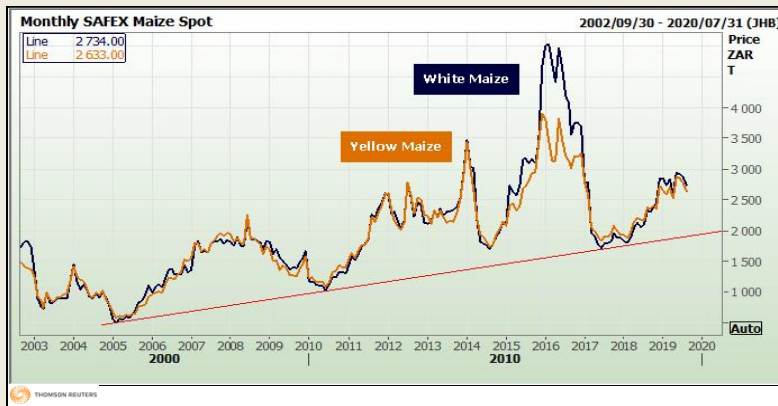
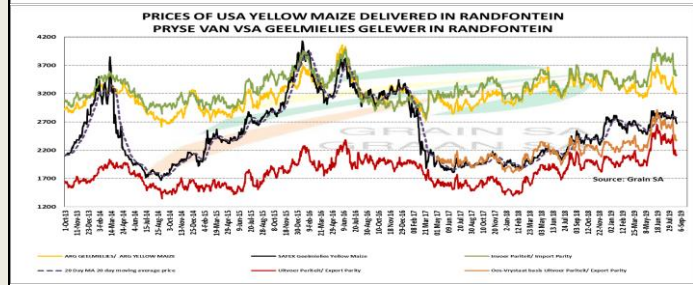
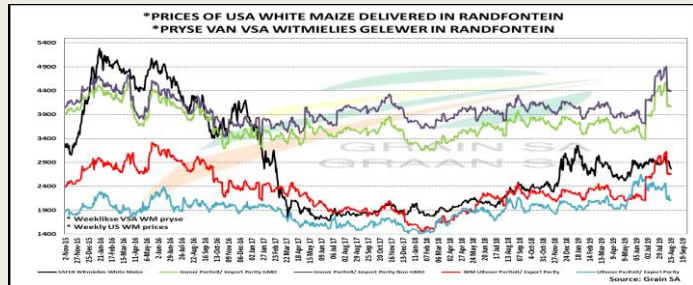
Preliminary volume estimates were for 552,686 contracts, moving significantly above Tuesday's final count of 318,609.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 2 734.00	25%		R 2 734.00
Dec 2019	R 2 829.00	26.25%		R 2 829.00
Jul 2019				
Yellow Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 2 633.00	20.5%		R 2 633.00
Dec 2019	R 2 711.00	20.5%		R 2 711.00
Jul 2019				

The local Maize market traded lower yesterday. The local Aug'19 WMAZ contract ended R19.00 down and Aug'19 YMAZ closed R9.00 lower. The Sep'19 WMAZ closed lower by R15.00 and Sep'19 YMAZ ended R7.00 down. The parity move for the Aug'19 Maize contract for yesterday was R62.00 positive.

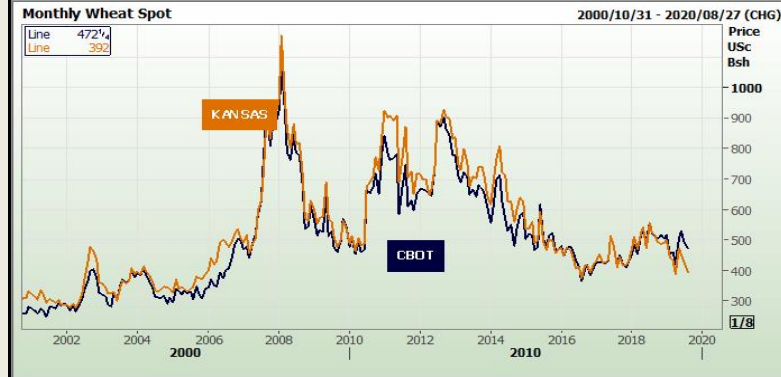


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Wheat Market

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	469.00	472.25	-1.50	3.25	472.25	0.00	3.25	SEP 2019	390.00	392.25	-0.50	2.25	392.00	-0.25	2.00
DEC 2019	473.00	475.25	-1.50	2.25	475.25	0.50	2.75	DEC 2019	401.00	404.25	-0.50	3.25	404.00	-0.25	3.00
MAR 2010	479.00	480.75	-1.00	1.75	481.25	0.50	2.25	MAR 2010	416.00	418.75	-1.25	2.75	418.50	-0.25	2.50
MAY 2010	482.00	483.50	-0.75	1.50	484.00	0.50	2.00	MAY 2010	427.00	429.00	-0.75	2.00	428.50	-0.50	1.50
JUL 2010	485.00	486.25	-0.75	1.25	486.25	0.00	1.25	JUL 2010	437.00	438.00	-1.25	1.00	437.25	-0.75	0.25

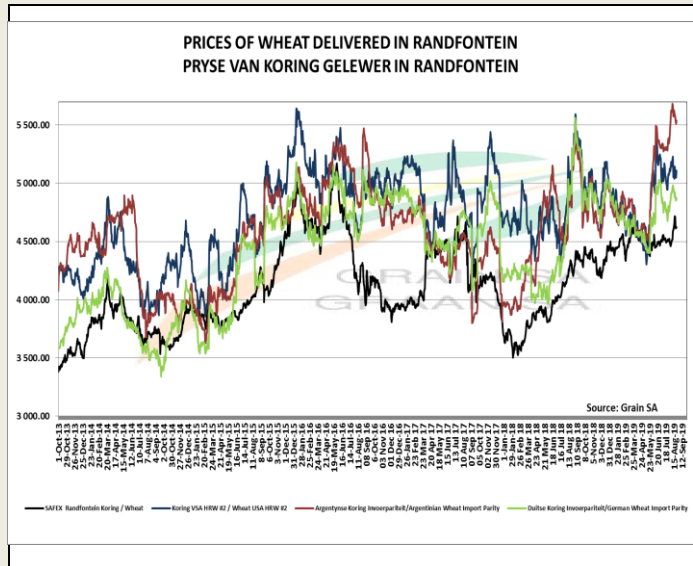


FarmFutures - Wheat prices eased on a round of technical selling Wednesday, as traders continue to focus on large domestic and global stocks. September Chicago SRW futures dropped 1.5 cents to \$4.7225, September Kansas City HRW futures slipped a quarter-cent lower to \$3.9225, and September MGEX spring wheat futures fell 6.75 cents to \$4.8750. Ahead of tomorrow morning's weekly USDA export report, analysts expect the agency to show wheat sales ranging between 9.2 million and 25.7 million bushels for the week ending August 22. Statistics Canada expects the country to produce 1.148 billion bushels of wheat this year, which is down 2.9% from last year but up 6% from two years ago. Timely rains helped production farther west, while eastern production was hampered by a cool, wet spring.

In France, farmers are bracing for what could be the second-largest soft wheat harvest on record – a 14.9% production year-over-year. That means France may need to export as much as 738.5 million bushels of wheat this marketing year. Thailand purchased 2.6 million bushels of feed wheat in an international tender that closed earlier today. The grain is from optional origins but likely from the Black Sea region or Argentina and is for shipment in January. Jordan purchased 2.2 million bushels of hard milling wheat from optional origins in a tender that closed earlier today. The grain is for shipment in November.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 4 698.00	0%		R 4 698.00
Dec 2019	R 4 677.00	12.5%		R 4 677.00
Jul 2019				
Cape Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Wheat market closed higher yesterday. The local Aug'19 Wheat contract closed R33.00 up and Sep'19 Wheat closed R10.00 higher. The parity move for the Aug'19 Wheat contract for yesterday was R38.00 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
SEP 2019	846.00	852.75	6.50	6.75	854.75	2.00
NOV 2019	860.00	865.75	6.50	5.75	867.75	2.00
JAN 2010	873.00	879.00	6.00	6.00	881.00	2.00
MAR 2010	887.00	892.00	5.75	5.00	893.00	1.00
MAY 2010	899.00	902.75	5.50	3.75	904.50	1.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2019	294	294.30
OCT 2019	296.1	296.60
DEC 2019	299.7	300.10
JAN 2010	301	301.30
MAR 2010	303.6	303.80

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2019	28.11	28.11
OCT 2019	28.24	28.25
DEC 2019	28.45	28.45
JAN 2010	28.67	28.66
MAR 2010	28.95	28.94



FarmFutures - Soybean prices enjoyed a solid round of technical buying Wednesday as focus returned to the embattled 2019 crop season, which is slowly running out of time to make good yields with September already just around the corner. September and November futures each gained 6.5 cents to reach \$8.5275 and \$8.6575, respectively.

Soybean basis bids tumbled 6 cents lower at an Ohio elevator and 11 cents lower at an Illinois river terminal Wednesday but held steady elsewhere across the central U.S. today.

Ahead of tomorrow morning's weekly USDA export report, analysts provided a broad range of estimates for soybean sales, from 5.5 million bushels all the way up to 36.7 million bushels. The low end of these estimates assumes cancellations of old crop soybeans totaling 7.3 million bushels.

Analysts also expect USDA to report soybean sales totaling between 100,000 and 350,000 metric tons, plus another 0 to 25,000 MT of soyoil sales last week.

Preliminary volume estimates were for 204,142 contracts, moving fractionally higher than Tuesday's final count of 203,139.

South African Futures Exchange

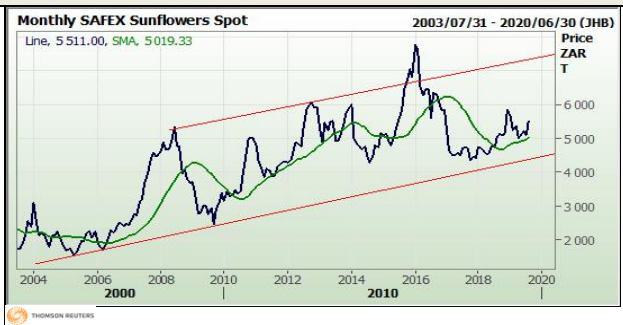
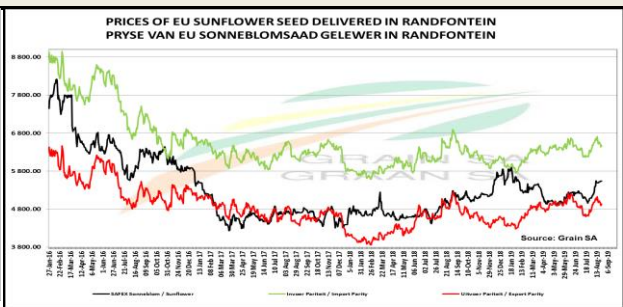
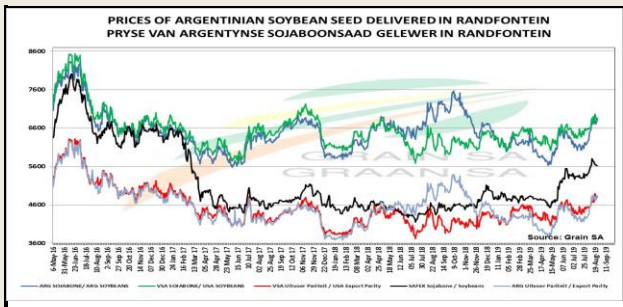
Soybean Future			
	MTM	Vols	Market Price
Dec 2018			
Mar 2019			
May 2019			
Jul 2019			
Sep 2019	R 5 550.00	0%	R 5 550.00
Dec 2019	R 5 622.00	14%	R 5 622.00
Jul 2019			

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019		
Sep 2019	R 5 511.00	13.25%
Dec 2019	R 5 686.00	16%
Jul 2019		



The local Soya market traded mixed yesterday. The local Aug'19 Soya contract ended R5.00 down while Sep'19 Soya closed R2.00 higher. The parity move for the Aug'19 Soya contract for yesterday was R87.00 positive.

The local Suns market closed lower yesterday. The local Aug'19 Suns contract closed R14.00 down and Sep'19 Suns closed R9.00 lower.



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