



**Fundamental Report**  
**18 September 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.8119	14.7006	-0.1113	-0.75%
Euro/Rand	16.3145	16.2671	-0.0474	-0.29%
GBPound/Rand	18.3648	18.3544	-0.0104	-0.06%
AusDollar/Rand	10.1225	10.0699	-0.0526	-0.52%
Euro/USDollar	1.1016	1.1065	0.0049	0.44%
GBPound/USDollar	1.2398	1.2489	0.0091	0.73%
AusDollar/USDollar	0.6834	0.6850	0.0016	0.23%
JpyYen/USDollar	108.2200	108.2300	0.0100	0.01%

BDLive - The JSE closed in negative territory on Tuesday as investors remained cautious ahead of the US Federal Reserve's (Fed's) decision on interest rates.

Brent crude prices slumped late on Tuesday following reports that Saudi Arabia is close to restoring 70% of the 5.7-million barrels per day (bpd) of oil production it lost after a drone attack at state-owned Aramco's oil facilities at the weekend. The attack more than halved the country's oil production capabilities. Reuters reported on Tuesday, however, that Saudi Arabia will restore full production in the next two to three weeks.

The price of Brent crude dropped more than 5% in intraday trade on Tuesday, after shooting up 13.1% on Monday, as markets assessed the effect the attack will have on global oil supply and, consequently, inflation.

The Fed is expected to announce its interest rate decision, after SA markets have closed, on Wednesday.



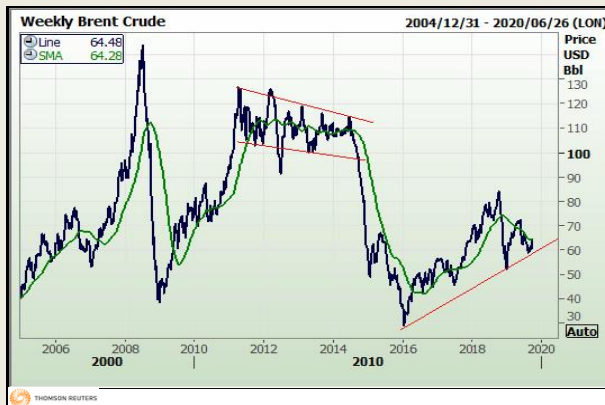
### Commodities

	Last	Value Change	% Change
Platinum	936.45	-6.55	-0.70%
Gold	1501.82	-0.38	-0.03%
Silver	17.93	-0.08	-0.46%
Copper	2.63	0.00	0.17%
Gasoil	613.25	-6.75	-1.10%
Brent Oil	64.49	-0.06	-0.09%

BDLive - Bengaluru — Gold prices were steady on Tuesday as investors adopted a wait-and-see approach ahead of the US Federal Reserve's two-day monetary policy meeting, when the central bank is widely expected to cut interest rates.

Spot gold was mostly unchanged at \$1,498.64 an ounce as of 11.10am GMT. Gold prices rose more than 1% early on Monday before settling 0.6% up for the day after a weekend attack on oil facilities in Saudi Arabia inflamed worries over stability in the Middle East. US gold futures were down 0.3% at \$1,506.70 an ounce.

"The market is relatively stable, there is so much [interest] pointed towards the US Fed meeting on Wednesday, it seems like traders have taken a little bit of a pause," said Oanda senior market analyst Craig Erlam.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50873.91	0.00	0.00%
ALSI	50775.00	0.00	0.00%
S&P 500	2997.96	7.74	0.26%
FTSE	7321.41	-1.01	-0.01%
CAC	5615.51	0.00	0.00%
DAX	12372.61	0.00	0.00%
Hang Seng	26790.24	-2.79	-0.01%



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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
DEC 2019	371.00	368.00	-6.00	-3.00	369.25	1.25	-1.75
MAR 2010	383.00	380.00	-6.00	-3.00	381.25	1.25	-1.75
MAY 2010	392.00	388.25	-6.25	-3.75	389.50	1.25	-2.50
JUL 2010	399.00	395.00	-6.25	-4.00	396.25	1.25	-2.75
SEP 2010	402.00	399.00	-6.00	-3.00	400.00	1.00	-2.00

FarmFutures - Corn prices slid around 1.5% lower Tuesday on a round of technical selling prompted by falling energy futures, favorable weather forecasts and crop quality that held mostly steady this past week. December and March futures each dropped 6 cents to \$3.68 and \$3.80, respectively. Corn basis bids were mostly steady to weak Tuesday, slipping 1 to 5 cents lower across a handful of Midwestern locations today. An Iowa ethanol plant bucked the trend after moving 5 cents higher to drum up additional farmer sales there. In USDA's latest crop progress report, out Monday afternoon, the agency's assessment for corn quality stayed at 55% rated good-to-excellent, but the breakdown of those ratings shifted slightly, moving from 45% rated good and 10% rated excellent a week ago to 44% rated good and 11% rated excellent this past week.



Physiologically, 93% of the crop is now at dough stage, which is still a bit behind 2018's pace of 99% and the five-year average of 98%. Other maturity stages highlight just how far behind this year's crop really is, meantime. Just 68% of the crop is dented, versus a five-year average of 87%. Eighteen percent is mature, versus a five-year average of 39%. Harvest progress has reached 4%.

Following attempts from the Trump Administration to broker a deal between the agriculture and energy sectors regarding a biofuels policy, U.S. biofuel credits have trended 30% higher this past week, with D6 credits trading at 26 cents each as of Tuesday.

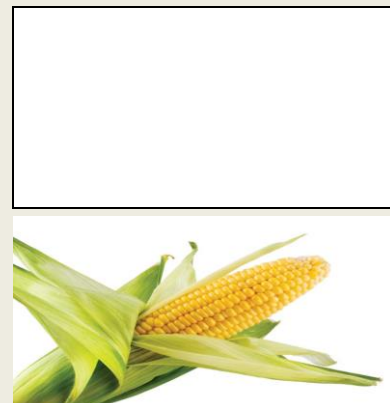
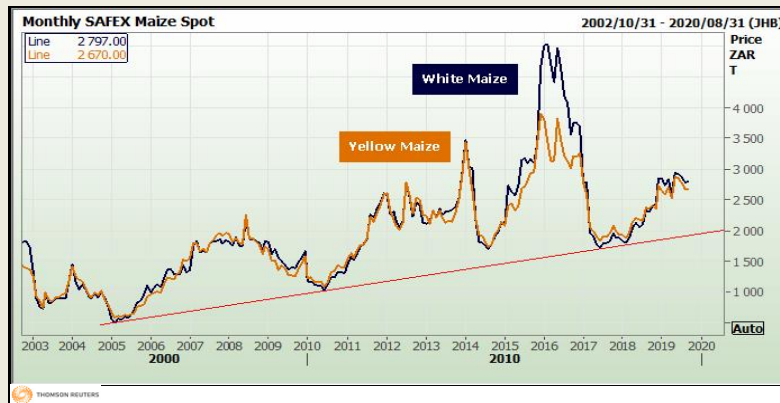
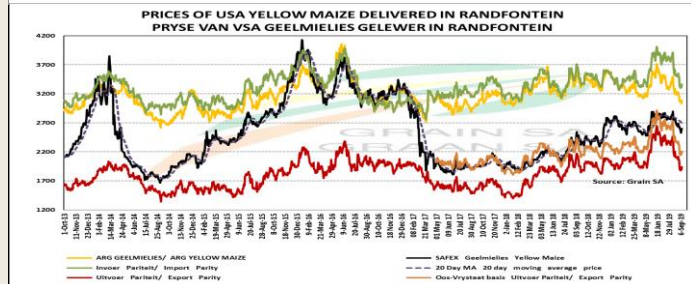
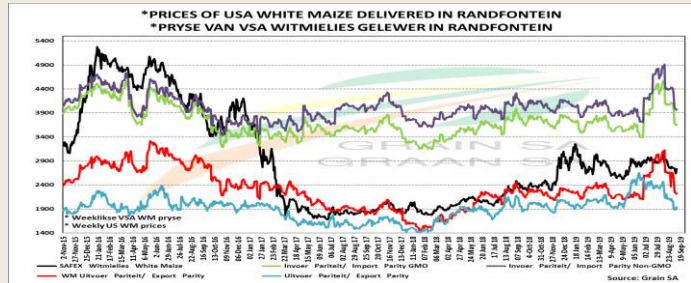
In China, dwindling corn stocks are making it increasingly unlikely the country will implement plants for a nationwide mandate to blend 10% of its fuel with ethanol. China's domestic corn stockpile has shrunk from 7.874 billion bushels in 2017 down to current levels of about 2.205 billion bushels.

Preliminary volume estimates were for 212,197 contracts, rising slightly above Monday's final count of 208,317.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Sep 2019	R 2 797.00	25%		R 2 797.00
Dec 2019	R 2 841.00	26.25%	R -26.38	R 2 814.62
Mar 2020	R 2 854.00	28.75%		R 2 854.00
May 2020	R 2 660.00	0%		R 2 660.00
Jul 2020	R 2 691.00	27.75%		R 2 691.00
Sep 2020	R 2 723.00	0%		R 2 723.00
Dec 2020	R 2 774.00	29%		R 2 774.00
<b>Yellow Maize Future</b>				
Sep 2019	R 2 670.00	20.5%		R 2 670.00
Dec 2019	R 2 714.00	20.5%	R -26.38	R 2 687.62
Mar 2020	R 2 699.00	20%		R 2 699.00
May 2020	R 2 606.00	0%		R 2 606.00
Jul 2020	R 2 622.00	19.5%		R 2 622.00
Sep 2020	R 2 656.00	0%		R 2 656.00
Dec 2020	R 2 730.00	0%		R 2 730.00

The local Maize market traded mixed yesterday. The local Sep'19 WMAZ contract ended R7.00 up and Sep'19 YMAZ closed R10.00 higher. The Dec'19 WMAZ closed lower by R5.00 while Dec'19 YMAZ ended R5.00 up. The parity move for the Sep'19 Maize contract for yesterday was R27.00 negative.

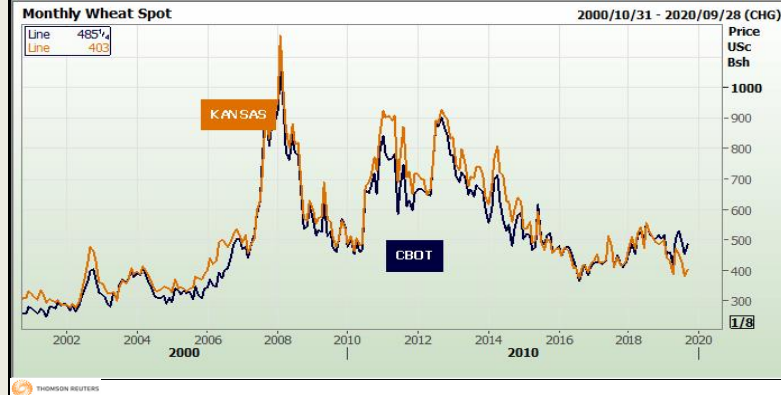


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## Wheat Market

### 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
DEC 2019	485.00	484.25	-4.50	-0.75	485.25	1.00	0.25	DEC 2019	407.00	402.25	-6.75	-4.75	403.00	0.75	-4.00
MAR 2010	491.00	490.75	-4.50	-0.25	492.00	1.25	1.00	MAR 2010	421.00	416.50	-6.25	-4.50	417.50	1.00	-3.50
MAY 2010	495.00	495.25	-4.50	0.25	495.50	0.25	0.50	MAY 2010	430.00	427.00	-5.50	-3.00	427.50	0.50	-2.50
JUL 2010	499.00	498.75	-4.25	-0.25	500.00	1.25	1.00	JUL 2010	440.00	437.00	-5.50	-3.00	437.75	0.75	-2.25
SEP 2010	506.00	506.50	-3.75	0.50	0.00	-506.50	-506.00	SEP 2010	453.00	448.75	-6.25	-4.25	449.00	0.25	-4.00



FarmFutures - Wheat prices followed corn and soybeans lower on a round of technical selling as traders returned their focus to large domestic and global stockpiles. December Chicago SRW futures fell 4.5 cents to \$4.8425, December Kansas City HRW futures dropped 6.25 cents to \$4.0275, and December MGEX spring wheat futures dipped 2.5 cents to \$5.0525.

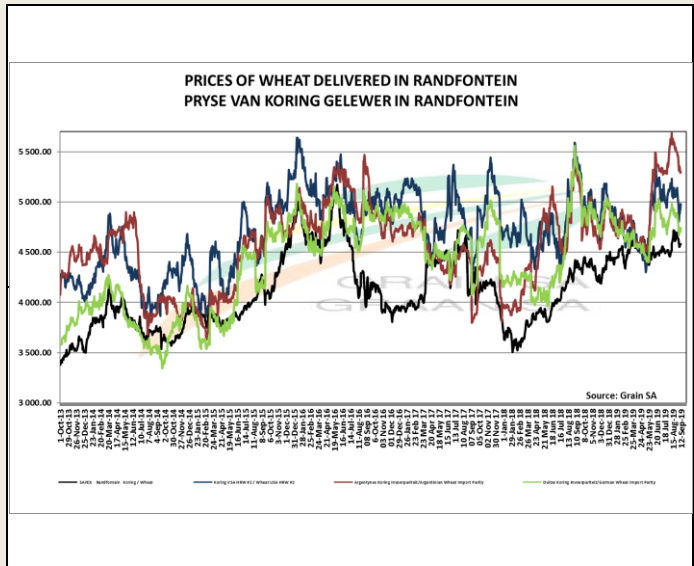
Spring wheat harvest is progressing slower than analyst estimates, reaching just 76% last week. That's up from 71% a week ago but still well behind 2018's pace of 96% and the five-year average of 93%.

And winter wheat planting progress has reached 8%, starting off sluggishly compared to 2018's pace and the five-year average, both at 12%. Ethiopia issued an international tender to purchase 14.7 million bushels of milling wheat from optional origins, with a deadline of October 23. The country continues to struggle with drought conditions that have lowered its wheat production substantially. Japan made offers to purchase 4.7 million bushels of food-quality wheat from the U.S., Canada and Australia in a regular tender that closes Thursday. Of the total, 53% is expected to be sourced from the U.S.

Preliminary volume estimates were for 63,434 CBOT contracts, sliding slightly below Monday's final count of 65,822.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Sep 2019	R 4 675.00	0%		R 4 675.00
Dec 2019	R 4 532.00	12%	R -18.48	R 4 513.52
Mar 2020	R 4 633.00	9.5%		R 4 633.00
May 2020	R 4 687.00	0%		R 4 687.00
Jul 2020	R 4 752.00	0%		R 4 752.00
Sep 2020				
Dec 2020				
<b>Cape Wheat</b>				
Sep 2019				
Dec 2019				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				



The local Weat market closed higher yesterday. The local Sep'19 Weat contract closed R55.00 up and Dec'19 Weat closed R27.00 higher. The parity move for the Sep'19 Weat contract for yesterday was R17.00 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
NOV 2019	895.00	893.75	-6.25	-1.25	893.75	0.00
JAN 2010	909.00	907.25	-6.50	-1.75	907.75	0.50
MAR 2010	922.00	919.50	-6.25	-2.50	920.25	0.75
MAY 2010	933.00	930.25	-6.25	-2.75	931.75	1.50
JUL 2010	941.00	939.75	-5.75	-1.25	939.75	0.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2019	294.1	294.40
DEC 2019	297.8	298.20
JAN 2010	299.5	299.50
MAR 2010	302.9	303.10
MAY 2010	307.2	307.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2019	29.85	29.78
DEC 2019	29.99	29.93
JAN 2010	30.21	30.14
MAR 2010	30.49	30.41
MAY 2010	30.8	30.72



FarmFutures - Soybean prices fell moderately lower despite another large sale to China and slightly lower quality ratings from USDA. Favorable weather forecasts and spillover weakness from corn and wheat were enough to move the needle into the red. November futures tilted 6.25 cents lower to \$8.9375, with January futures down 6.5 cents to \$9.0725. Soybean basis bids were steady to mixed Tuesday, moving as much as 5 cents higher and 8 cents lower across Midwestern locations today.

For a third straight business day, private exporters announced to USDA a large soybean sale to China. The latest was for nearly 9.6 million bushels for delivery during the 2019/20 marketing year, which began September 1. President Donald Trump described the latest round of purchases as "big league," but said a deal between the two countries may not arrive until near or just after the 2020 presidential elections. Soybean crop quality fell a point for the week ending September 15 - in line with analyst expectations - to 54% in good-to-excellent condition.

Physiologically, 95% of the crop is setting pods. That's up from 92% a week ago, but in a typical year, the entire crop has reached that maturity stage by mid-September. And just 15% are dropping leaves, versus 2018's pace of 50% and the five-year average of 38%.

Preliminary volume estimates were for 137,937 contracts, slipping fractionally below Monday's final count of 138,127.

## South African Futures Exchange

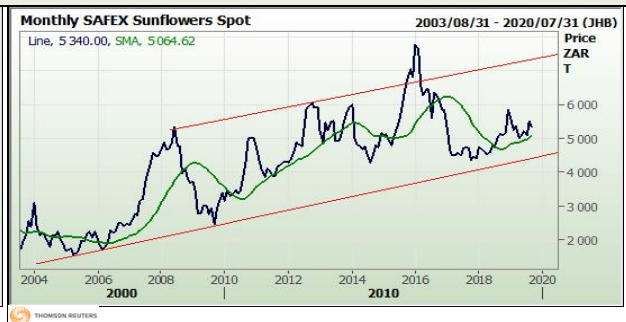
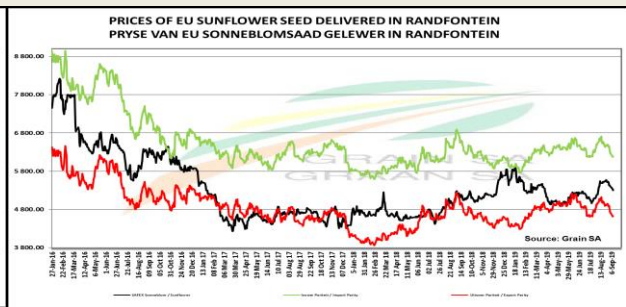
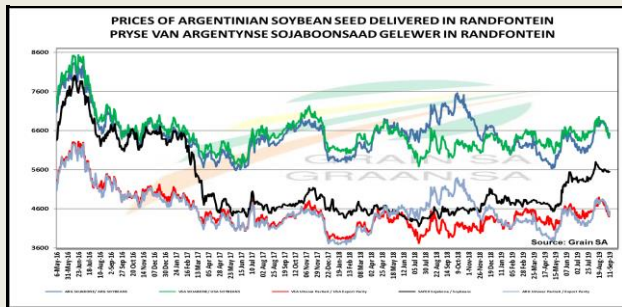
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019	R 5 820.00	0%		R 5 820.00
Dec 2019	R 5 812.00	14%		R 5 812.00
Mar 2020	R 5 791.00	0%		R 5 791.00
May 2020	R 5 644.00	14%		R 5 644.00
Jul 2020				
Sep 2020	R 5 730.00	0%		R 5 730.00
Dec 2020				

Sunflower Seeds Future		
	MTM	Vols
Sep 2019	R 5 340.00	13.25%
Dec 2019	R 5 492.00	16%
Mar 2020	R 5 527.00	0%
May 2020	R 5 275.00	13.5%
Jul 2020	R 5 412.00	0%
Sep 2020		
Dec 2020	R 5 575.00	0%



The local Soya market traded higher yesterday. The local Sep'19 Soya contract ended R80.00 up and Dec'19 Soya closed R50.00 higher. The parity move for the Sep'19 Soya contract for yesterday was R46.00 negative.

The local Suns market closed higher yesterday. The local Sep'19 Suns contract closed R67.00 up and Dec'19 Suns closed R62.00 higher.



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