



**Fundamental Report**  
**19 September 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.6401	14.7191	0.0790	0.54%
Euro/Rand	16.1757	16.2458	0.0701	0.43%
GBPound/Rand	18.2392	18.3528	0.1136	0.62%
AusDollar/Rand	10.0021	9.9957	-0.0064	-0.06%
Euro/USDollar	1.1050	1.1036	-0.0014	-0.13%
GBPound/USDollar	1.2462	1.2472	0.0010	0.08%
AusDollar/USDollar	0.6832	0.6791	-0.0041	-0.60%
JpyYen/USDollar	108.2000	107.8500	-0.3500	-0.32%

BDLive - The JSE closed lower on Wednesday as investors remained cautious ahead of the US Federal Reserve's interest rate decision later in the day.

Markets have largely priced in a 25-basis-point cut from the Fed, with the central bank facing pressure from US President Donald Trump to loosen monetary policy after the European Central Bank (ECB) cut its deposit rate by 10 basis points last week. The SA Reserve Bank is set to announce its decision on monetary policy on Thursday. The consensus among 18 economists polled by Bloomberg is for the repo rate to remain unchanged at 6.5%.

"A key reason for this is that the Bank bases its interest rate decisions on a forward-looking process. In July, the monetary policy committee (MPC) indicated that it expects headline inflation to increase to an average of 5.4% in the first quarter of 2020," PwC said in a note. "This will be a notable departure from the Bank's current favoured level of 4.5% and edging towards the upper limit of the official target range (3%-6%). As such, the MPC cannot, at this stage, risk lower interest rates."

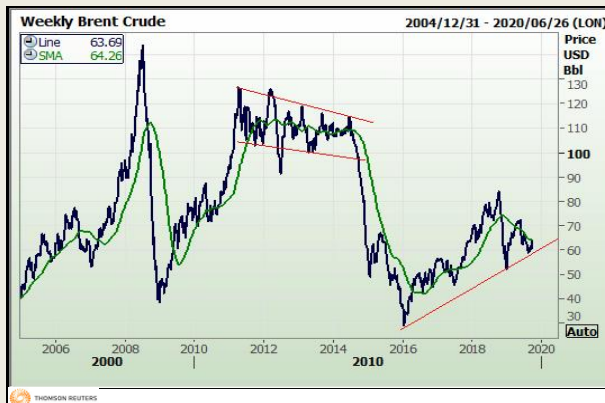


### Commodities

	Last	Value Change	% Change
Platinum	929.05	-1.20	-0.13%
Gold	1493.96	0.31	0.02%
Silver	17.68	-0.06	-0.34%
Copper	2.61	0.00	0.06%
Gasoil	608.25	-2.75	-0.45%
Brent Oil	63.68	0.08	0.13%

BDLive - Bengaluru — Gold consolidated at around \$1,500 on Wednesday, keeping to a \$3 range ahead of a US Federal Reserve decision on monetary policy, while fears of oil-led inflation ebbed, limiting safe-haven inflows into bullion. Spot gold was steady at \$1,501.30 an ounce by 11.36am GMT. US gold futures dipped 0.3% to \$1,508.80.

"Hopes that Saudi Arabia's production is going to come back online and oil prices will start to depreciate have boosted market sentiment, so we continue to see some calm across the markets ahead of the US Fed meeting," said FXTM analyst Lukman Otunuga. Oil prices retraced, having surged nearly 15% earlier in the week, after Saudi Arabia's energy minister said the country would restore its lost production by month-end, having restored customer supplies to levels they were prior to attacks on its key facilities.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50134.23	0.00	0.00%
ALSI	50171.00	0.00	0.00%
S&P 500	3005.70	1.03	0.03%
FTSE	7320.40	-6.35	-0.09%
CAC	5620.65	0.00	0.00%
DAX	12389.62	0.00	0.00%
Hang Seng	26754.12	-307.08	-1.15%



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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	369.00	371.25	3.25	2.25	371.00	-0.25	2.00
MAR 2010	381.00	382.50	2.50	1.50	382.00	-0.50	1.00
MAY 2010	389.00	390.25	2.00	1.25	389.75	-0.50	0.75
JUL 2010	396.00	396.50	1.50	0.50	396.00	-0.50	0.00
SEP 2010	400.00	399.50	0.50	-0.50	399.25	-0.25	-0.75

FarmFutures - Corn prices trended nearly 1% higher Wednesday on a round of technical buying, with expectations that USDA will report a healthy dose of export sales early Thursday morning. December futures added 3.25 cents to \$3.7125, and December futures gained 2.5 cents to \$3.8250.

With farmer sales slowing, corn basis bids firmed by 1 to 3 cents at two interior river terminals and fell 3 cents at an Iowa processor Wednesday, while holding steady across other Midwestern locations today. Ahead of Thursday morning's weekly export report from USDA, analysts expect corn sales to come in double or better for the week ending September 12 versus the prior week after they contributed a range of estimates between 35.4 million and 51.2 million bushels.

Farmers contributing Feedback From The Field continue to report wide variability in corn yields. Click here to read the latest farmer anecdotes and view our interactive map. Ethanol production for the week ending September 13 plummeted to the lowest levels since early February, landing at a daily average of 1.003 million gallons. Stocks still rose by 739,000 barrels, however. Ethanol futures were up around 0.5% today after the U.S. Energy Information Administration released its weekly report. In Brazil, a Reuter's analyst poll predicts the country's 2019/20 corn production will trend 2.3% higher year-over-year, reaching 4.027 billion bushels.

Disrupted spring applications, the potential for rising corn prices, and even energy price volatility – see how these and other factors could affect fertilizer prices moving forward in the latest Fertilizer Outlook column from Farm Futures senior grain market analyst Bryce Knorr.

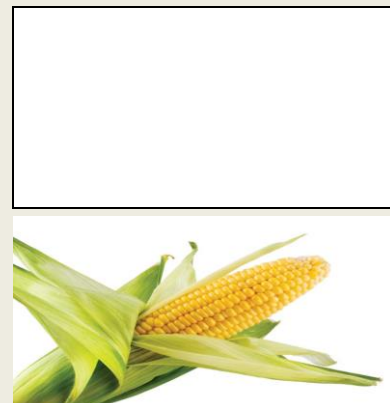
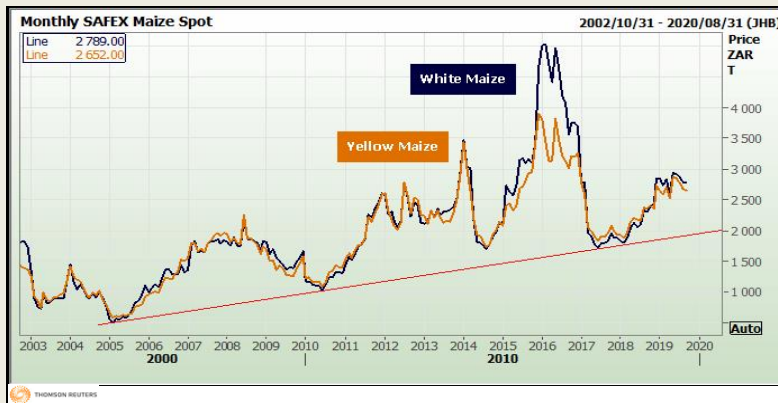
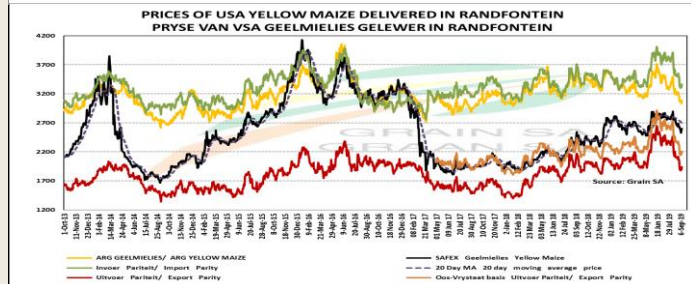
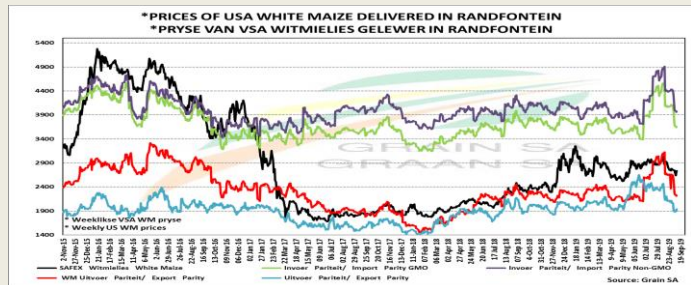
Preliminary volume estimates were for 206,079 contracts, falling slightly below Tuesday's final count of 212,177.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Sep 2019	R 2 789.00	25%		R 2 789.00
Dec 2019	R 2 836.00	26.25%	R 23.07	R 2 859.07
Mar 2020	R 2 844.00	29%		R 2 844.00
May 2020	R 2 653.00	0%		R 2 653.00
Jul 2020	R 2 658.00	27.75%		R 2 658.00
Sep 2020	R 2 711.00	0%		R 2 711.00
Dec 2020	R 2 774.00	29%		R 2 774.00
<b>Yellow Maize Future</b>				
Sep 2019	R 2 652.00	20.5%		R 2 652.00
Dec 2019	R 2 695.00	20.5%	R 23.07	R 2 718.07
Mar 2020	R 2 684.00	20%		R 2 684.00
May 2020	R 2 598.00	0%		R 2 598.00
Jul 2020	R 2 589.00	19.5%		R 2 589.00
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 lower yesterday. The local Sep'19 WMAZ contract ended R8.00 down and Sep'19 YMAZ closed R18.00 lower. The Dec'19 WMAZ closed lower by R5.00 and Dec'19 YMAZ ended R19.00 down. The parity move for the Sep'19 Maize contract for yesterday was R24.00 positive.

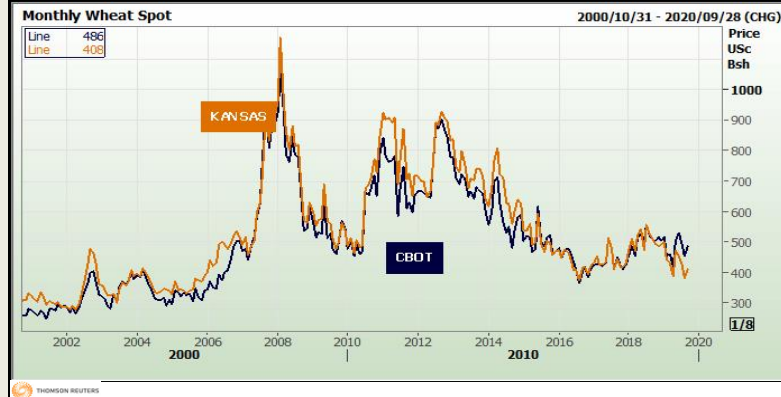


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## Wheat Market

### 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
DEC 2019	487.00	489.50	5.25	2.50	486.00	-3.50	-1.00	DEC 2019	405.00	409.75	7.50	4.75	408.00	-1.75	3.00
MAR 2010	493.00	495.75	5.00	2.75	492.00	-3.75	-1.00	MAR 2010	419.00	423.75	7.25	4.75	421.25	-2.50	2.25
MAY 2010	497.00	500.00	4.75	3.00	496.75	-3.25	-0.25	MAY 2010	429.00	433.75	6.75	4.75	431.25	-2.50	2.25
JUL 2010	501.00	503.75	5.00	2.75	500.25	-3.50	-0.75	JUL 2010	439.00	443.00	6.00	4.00	440.75	-2.25	1.75
SEP 2010	508.00	511.25	4.75	3.25	508.75	-2.50	0.75	SEP 2010	449.00	454.50	5.75	5.50	452.50	-2.00	3.50



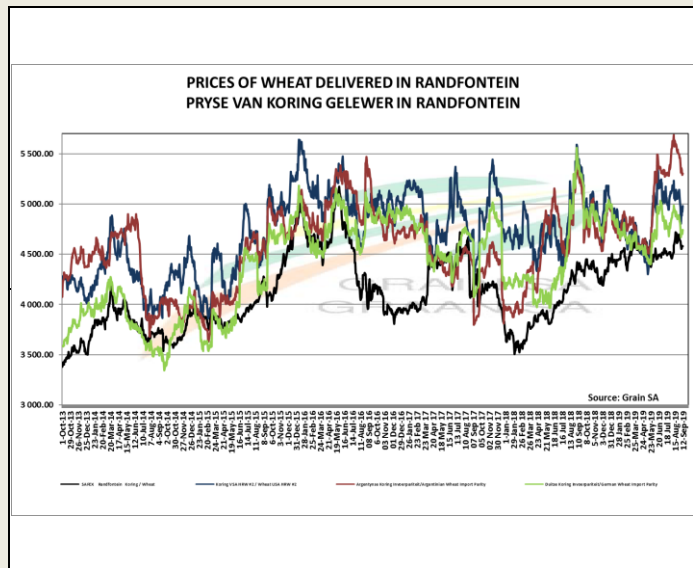
FarmFutures - Wheat prices picked up moderate to significant gains Wednesday on a round of technical buying and short-covering, with some contracts up nearly 2% in the session. December Chicago SRW futures gained 5.25 cents to \$4.8950, December Kansas City HRW futures added 7.75 cents to \$4.0950, and December MGEX spring wheat futures rose 6.75 cents to \$5.1325. Ahead of tomorrow morning's weekly export report from USDA, analysts expect the agency to show wheat sales totaling between 11.0 million and 22.0 million bushels for the week ending September 12.

Algeria purchased up to 22.0 million bushels of milling wheat in an international tender that closed earlier this week. The grain is expected to ship in November. Tunisia issued international tenders for 1.5 million bushels of soft milling wheat plus 2.3 million bushels of feed barley, with a deadline of September 19. The grain is for shipment in October or November, depending on origin.

Turkey has provisionally agreed to purchase 9.2 million bushels of soft milling wheat from optional origins in a series of tenders that closed earlier today. The grain is for shipment between mid-October and early November. Preliminary volume estimates were for 71,282 CBOT contracts, trending 12% higher than Tuesday's final count of 63,434.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Sep 2019	R 4 730.00	0%		R 4 730.00
Dec 2019	R 4 513.00	12%	R 8.73	R 4 521.73
Mar 2020	R 4 624.00	9.5%		R 4 624.00
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 Wheat market closed mixed yesterday. The local Sep'19 Wheat contract closed R55.00 up while Dec'19 Wheat closed R19.00 lower. The parity move for the Sep'19 Wheat contract for yesterday was R12.00 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
NOV 2019	896.00	888.75	-5.00	-7.25	888.50	-0.25
JAN 2010	909.00	902.25	-5.00	-6.75	902.25	0.00
MAR 2010	922.00	915.25	-4.25	-6.75	915.00	-0.25
MAY 2010	933.00	926.25	-4.00	-6.75	926.00	-0.25
JUL 2010	942.00	936.00	-3.75	-6.00	936.75	0.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2019	291.6	292.10
DEC 2019	295.4	295.80
JAN 2010	297.2	297.60
MAR 2010	300.6	301.00
MAY 2010	305	305.40

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2019	29.87	29.77
DEC 2019	30	29.92
JAN 2010	30.22	30.14
MAR 2010	30.5	30.42
MAY 2010	30.8	30.72



FarmFutures - Soybean prices took moderate cuts of around 0.5% Wednesday as favorable forecasts are likely to continue for at least another week, and as China's latest round of purchases came to a close after announcing large sales during the prior three sessions. November and January futures each tilted 5 cents lower to close at \$8.8875 and \$9.0225, respectively.

Soybean basis bids were steady to slightly mixed Wednesday, dipping a penny lower at an Illinois river terminal while firming 1 to 5 cents at two other Midwestern locations today.

Ahead of Thursday morning's weekly export report from USDA, analysts expect the agency to show soybean sales totaling between 25.7 million and 40.4 million bushels for the week ending September 12. Analysts also expect USDA to report another 50,000 to 450,000 metric tons of soy meal sales last week, plus another 0 to 35,000 MT of soy oil sales.

Preliminary volume estimates were for 91,585 contracts, retreating moderately below Tuesday's final count of 137,937.

### South African Futures Exchange

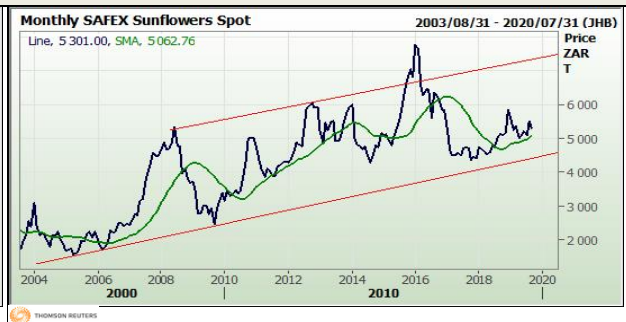
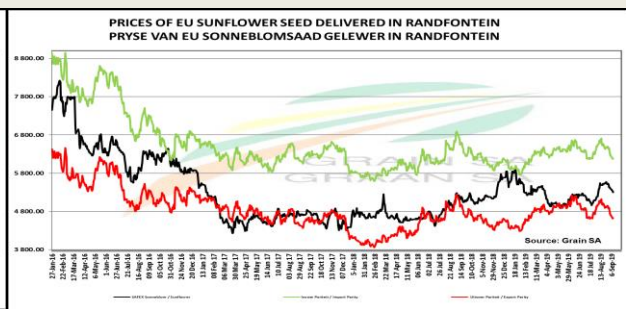
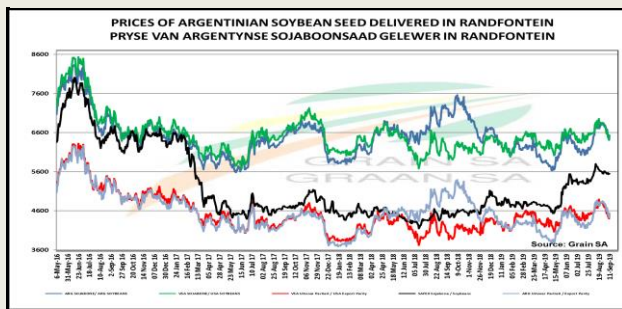
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019	R 5 800.00	0%		R 5 800.00
Dec 2019	R 5 822.00	14%		R 5 822.00
Mar 2020	R 5 768.00	0%		R 5 768.00
May 2020	R 5 610.00	14%		R 5 610.00
Jul 2020				
Sep 2020	R 5 730.00	0%		R 5 730.00
Dec 2020				

Sunflower Seeds Future		
	MTM	Vols
Sep 2019	R 5 301.00	13.25%
Dec 2019	R 5 451.00	16%
Mar 2020	R 5 477.00	0%
May 2020	R 5 275.00	13.5%
Jul 2020	R 5 391.00	0%
Sep 2020		
Dec 2020	R 5 575.00	0%



The local Soya market traded mixed yesterday. The local Sep'19 Soya contract ended R20.00 down while Dec'19 Soya closed R10.00 higher. The parity move for the Sep'19 Soya contract for yesterday was R11.00 negative.

The local Suns market closed lower yesterday. The local Sep'19 Suns contract closed R39.00 down and Dec'19 Suns closed R41.00 lower.



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