



Fundamental Report
04 September 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand		The record	#VALUE!	#VALUE!
Euro/Rand	16.5976	16.5399	-0.0577	-0.35%
GBPound/Rand	18.1789	18.2462	0.0673	0.37%
AusDollar/Rand	10.1991	10.2113	0.0122	0.12%
Euro/USDollar	1.0942	1.0974	0.0032	0.29%
GBPound/USDollar	1.1983	1.2111	0.0128	1.07%
AusDollar/USDollar	0.6723	0.6778	0.0055	0.82%
JpyYen/USDollar	106.0300	105.9700	-0.0600	-0.06%

BDLive - The JSE closed flat on Tuesday, while most global markets remained in negative territory as the US and China struggle to find common ground as the trade war drags on.

News reports that the two economic superpowers have not yet agreed on a date to resume trade talks in September have added to investors' fears about the effect of the prolonged trade war on the global economy. US President Donald Trump warned on Tuesday that the negotiations would become tougher should the trade war stretch into his second term, if he is re-elected. "The ongoing trade war has already sent the economic fundamentals tumbling in the emerging-market giant. Although the probability of a full trade agreement between the US and China remains low, China understands that avoiding a further erosion in diplomatic relations is crucial for the sake of the global economy," London Capital Group senior market analyst Ipek Ozkardeskaya said.

Shortly after the JSE closed, the Dow was down 1.40% to 26,033.76 points. In Europe, the FTSE 100 lost 0.37%, France's CAC 40 0.48% and Germany's DAX 30 0.24%.



Commodities

	Last	Value Change	% Change
Platinum	961.40	3.65	0.38%
Gold	1544.25	-2.45	-0.16%
Silver	19.41	0.18	0.95%
Copper	2.54	0.01	0.39%
Gasoil	555.25	4.25	0.77%
Brent Oil	58.40	0.14	0.24%

BDLive - Bengaluru — Gold prices held steady on Tuesday as uncertainties surrounding US-China trade relations and Britain's departure from the EU offset pressure from a stronger dollar. Spot gold was down 0.1% at \$1,529.40/oz at 11.45am GMT, but still not far off its more than six-year high of \$1,554.56/oz. US gold futures were up 0.6% at \$1,538.60.

"We are having a battle right now against multiple layers of uncertainties in the market and a strong dollar," Saxo Bank commodity strategist Ole Hansen said. "The trade talks between the US and China are going nowhere. The political debacle in the UK with Brexit, where we are potentially facing another vote before the day is over, is adding enough underlying support to gold to offset the strength in dollar." The dollar climbed to a more than two-year high against other major currencies, making dollar-denominated gold costlier for investors holding other currencies.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48872.85	0.00	0.00%
ALSI	48565.00	0.00	0.00%
S&P 500	2926.46	-20.19	-0.69%
FTSE	7281.94	-13.75	-0.19%
CAC	5466.07	0.00	0.00%
DAX	11910.86	0.00	0.00%
Hang Seng	25527.85	335.31	1.31%



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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	349.75	-8.25	-9.25	350.00	0.25	-9.00
DEC 2019	369.00	361.00	-8.75	-8.00	362.00	1.00	-7.00
MAR 2010	382.00	374.25	-8.00	-7.75	375.00	0.75	-7.00
MAY 2010	390.00	382.50	-7.50	-7.50	383.25	0.75	-6.75
JUL 2010	396.00	389.50	-7.50	-6.50	390.50	1.00	-5.50

FarmFutures - Corn prices faded on yield-friendly weather expected this week, with near-normal temperatures and only a scattering of rain across the Midwest expected. September futures fell 8.25 cents to \$3.4975, with December futures down 8.75 cents to \$3.61.

Corn basis bids were steady across Midwestern elevators and processors Tuesday but mixed at interior river terminals (between 6 cents higher and 5 cents lower) and ethanol plants (between 8 cents higher and 2 cents lower) today. Last week's corn export inspection tally fell moderately week-over week, landing at 14 million bushels and came in below trade estimates that ranged between 19 million and 31 million bushels. Mexico led the way with 7.9 million bushels.

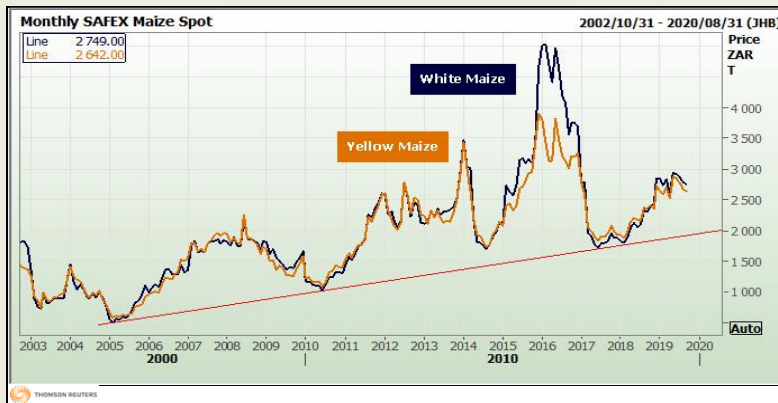
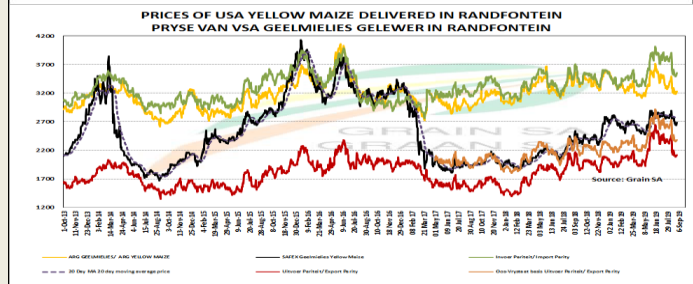
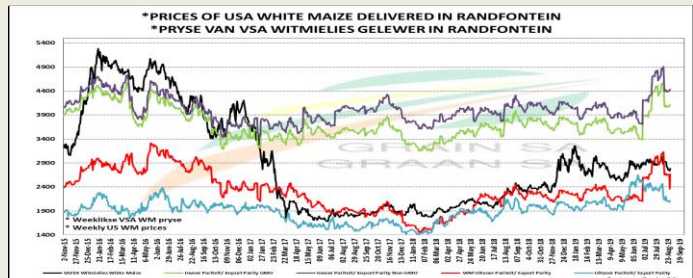
Analysts expect USDA to raise corn crop quality another point higher in its next crop progress report, out later this afternoon, to 58% in good-to-excellent condition. Producers responding to Farm Futures Feedback from the Field last week estimate their corn yields at 163.6 bushels per acre, which is nearly 6 bpa lower than the latest USDA projections. Conditions varied widely across the Corn Belt, however. Click here to read the latest farmer anecdotes and view our interactive map. After a sharp jump in July, the Ag Economy Barometer from Purdue University / CME Group dropped moderately in August, falling 29 points to 124, in the wake of stagnant to lower commodity prices earlier this summer. Farmers responding to the survey also largely expect another round of Market Facilitation Program (MFP) payments for 2020, with 58% saying payments will be likely again in 2020 (10% said they were uncertain, with 32% answering no). In Brazil, the country just exported a record monthly amount of corn in August, with 301.2 million bushels, with large local supplies and favorable exchange rates in its favor. Soybean exports had a relatively sluggish month, in contrast, after reaching 195.8 million bushels in August and falling 11.4% year-over-year so far in 2019. Where are the best places to farm in America? Farm Futures dug into the data, and we're offering up several hotspots of "financial efficiency" based on our exclusive research. Click here to read our September cover story, "Right place, right time."



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 2 749.00	25%		R 2 749.00
Dec 2019	R 2 833.00	25.25%		R 2 833.00
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 2 724.00	20.5%		R 2 724.00
Jul 2019				

The local Maize market traded lower yesterday. The local Aug'19 WMAZ contract ended R9.00 down and Aug'19 YMAZ closed R9.00 lower. The Sep'19 WMAZ closed lower by R13.00 and Sep'19 YMAZ ended R2.00 down. The parity move for the Aug'19 Maize contract for yesterday was R66.00 negative.

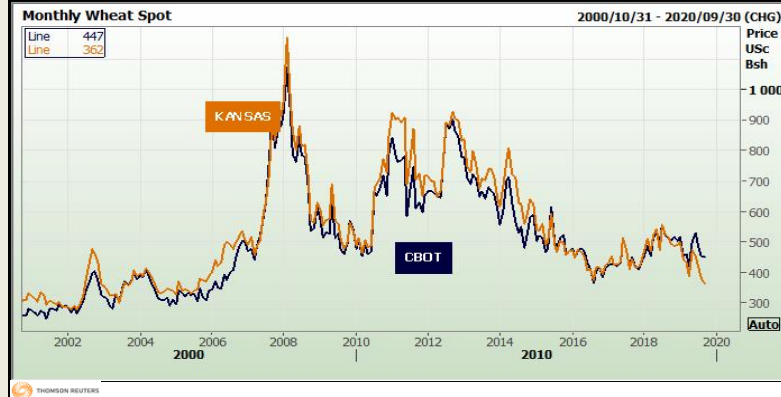


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Wheat Market

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	451.00	447.25	-4.00	-3.75	0.00	-447.25	-451.00	SEP 2019	380.00	362.00	-16.25	-18.00	0.00	-362.00	-380.00
DEC 2019	461.00	453.50	-9.00	-7.50	457.25	3.75	-3.75	DEC 2019	398.00	382.25	-15.00	-15.75	386.00	3.75	-12.00
MAR 2010	469.00	459.75	-10.25	-9.25	463.25	3.50	-5.75	MAR 2010	415.00	398.50	-15.00	-16.50	401.25	2.75	-13.75
MAY 2010	475.00	465.00	-10.00	-10.00	468.75	3.75	-6.25	MAY 2010	426.00	409.50	-14.50	-16.50	411.75	2.25	-14.25
JUL 2010	480.00	469.50	-10.00	-10.50	472.00	2.50	-8.00	JUL 2010	437.00	419.50	-13.75	-17.50	422.00	2.50	-15.00

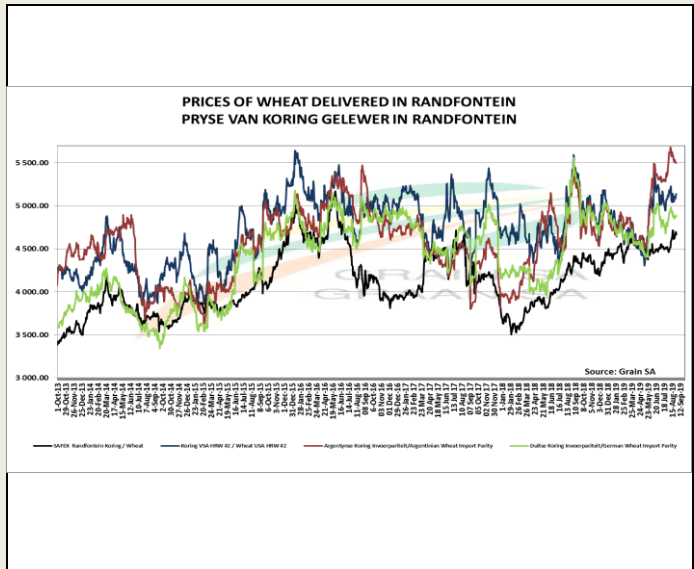


FarmFutures - Wheat prices saw significant cuts to start the week on a round of technical selling, as worries persist over large global stockpiles. September Chicago SRW futures dropped 4 cents to \$4.4725, September Kansas City HRW futures tumbled 16.5 cents to \$3.62, and September MGEX spring wheat futures fell 10 cents to \$4.6650. Ahead of this afternoon's USDA crop progress report, analysts expect the agency to hold spring wheat conditions steady, at 69% in good-to-excellent condition. Analyst also expect USDA to report harvest progress at 57% complete as of September 1, versus 38% a week ago. Wheat export inspections improved slightly week-over-week, inching forward to 19.3 million bushels. That total was also in the middle of trade estimates that ranged between 14 million and 25 million bushels. The Philippines led all destinations with 5.3 million bushels. Turkey has provisionally agreed to purchase nearly 9.2 million bushels of hard red milling wheat from optional origins in a series of international tenders that closed earlier today. The grain is for shipment later this month. Japan made offers to purchase 5.1 million bushels of food-quality wheat from the U.S., Canada and Australia in a regular tender that closes late tomorrow. Of the total, just over half (50.3%) could be sourced from the U.S.

Preliminary volume estimates were for 115,879 CBOT contracts, falling 24% below Friday's final count of 152,288.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 4 630.00	0%		R 4 630.00
Dec 2019	R 4 629.00	12.5%		R 4 629.00
Jul 2019				
Cape Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Weat market closed lower yesterday. The local Aug'19 Weat contract closed R9.00 down and Sep'19 Weat closed R17.00 lower. The parity move for the Aug'19 Weat contract for yesterday was R53.00 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 12pm
SEP 2019	856.00	856.50	-0.50	0.50	0.00	-856.50
NOV 2019	868.00	868.50	-0.50	0.50	869.00	0.50
JAN 2010	881.00	882.25	0.25	1.25	882.75	0.50
MAR 2010	894.00	895.00	0.75	1.00	895.50	0.50
MAY 2010	905.00	905.75	1.25	0.75	906.25	0.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
SEP 2019	288	288.30
OCT 2019	290.4	291.30
DEC 2019	294.1	294.90
JAN 2010	295.7	296.50
MAR 2010	298.7	299.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
SEP 2019	28.87	0.00
OCT 2019	28.94	28.87
DEC 2019	29.09	29.01
JAN 2010	29.29	29.21
MAR 2010	29.57	29.50



FarmFutures - Soybean prices saw small cuts Tuesday amid spillover weakness from corn and wheat, and as cautious pessimism over U.S.-China trade relations continues to lurk in the background. Solid export inspection data kept losses minimized. September futures and November futures each slipped half a penny lower to close at \$8.5650 and \$8.6850, respectively. Soybean basis bids were steady to weak across the central U.S. Monday, moving between 1 and 5 cents lower at multiple Midwestern locations today. Analysts expect USDA to raise soybean crop quality another point higher in its next crop progress report, out later this afternoon, to 56% in good-to-excellent condition. Soybean export inspections totaled 47.1 million bushels last week – moving moderately ahead of the prior week's tally of 35.5 million bushels and moving above trade guesses that ranged between 31 million and 40 million bushels. China accounted for more than half of the total, with 28.7 million bushels. The 2018/19 marketing years for spring-planted crops ended over the Labor Day weekend, and what a wild ride it turned out to be. One silver lining may be that nationwide, the basis outlook headed into fall looks promising for growers. Click here to learn what factors are currently in play with the latest Basis Outlook column from Farm Futures senior grain market analyst Bryce Knorr. Producers reporting to Farm Futures Feedback From The Field last week are reporting average soybean yields of just 43.7 bpa, which is nearly 5 bpa below the latest USDA projections. Variable conditions across the Midwest had some farmers worried about excessive moisture, while other areas weren't receiving nearly enough as the season slowly draws to a close.

South African Futures Exchange

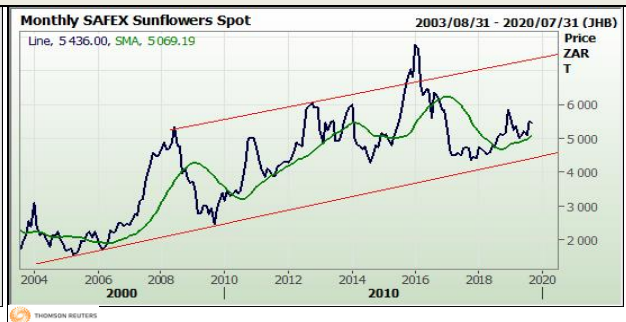
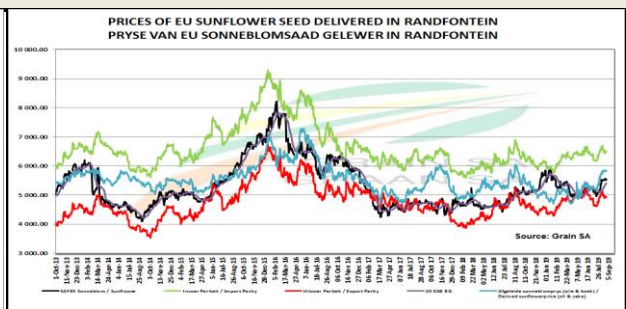
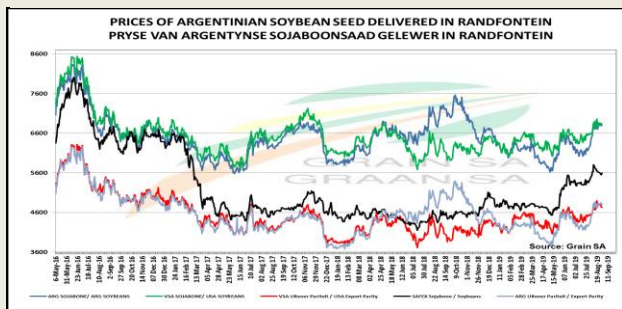
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019	R 5 585.00	0%		R 5 585.00
Dec 2019	R 5 661.00	14%		R 5 661.00
Jul 2019				

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019		
Sep 2019	R 5 436.00	13.25%
Dec 2019	R 5 624.00	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 unchanged. The parity move for the Aug'19 Soya contract for yesterday was R37.00 negative.

The local Suns market closed mixed yesterday. The local Aug'19 Suns contract closed R2.00 up while Sep'19 Suns closed R12.00 lower.



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