



**Fundamental Report**  
**01 October 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.1689	15.1320	-0.0369	-0.24%
Euro/Rand	16.5646	16.4859	-0.0787	-0.48%
GBPound/Rand	18.6652	18.6018	-0.0634	-0.34%
AusDollar/Rand	10.2411	10.1975	-0.0436	-0.43%
Euro/USDollar	1.0920	1.0889	-0.0031	-0.28%
GBPound/USDollar	1.2305	1.2286	-0.0019	-0.15%
AusDollar/USDollar	0.6751	0.6739	-0.0012	-0.18%
JpyYen/USDollar	107.9700	108.2300	0.2600	0.24%

BDLive - The JSE closed lower on Monday, concluding its third month of losses as fears that tension over trade between the US and China may reach new heights.

Investors reacted to reports that the US administration may consider limiting capital flows to China including delisting Chinese companies from US stock exchanges.

China's foreign ministry spokesperson Geng Shuang said on Monday that he hopes the US will take a "constructive attitude" towards resolving differences between the two countries, Reuters reported.

"It seems every time we take a step forward with the trade war and optimism rises ahead of a meeting between the two teams, we get some negative headlines," said senior market analyst at Oanda Craig Erlam.

"We are becoming used to threats ahead of these talks but any follow-through here would be rather dramatic," Erlam said.



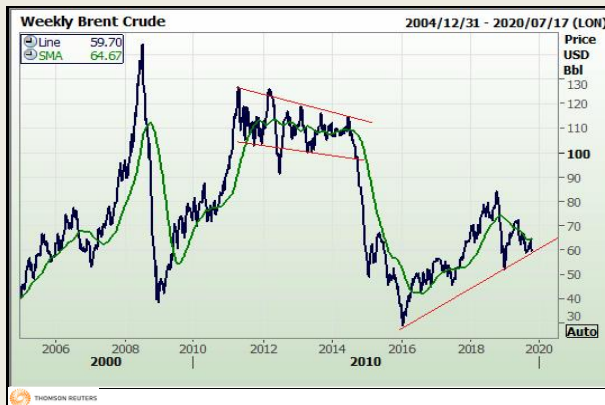
### Commodities

	Last	Value Change	% Change
Platinum	880.12	-1.88	-0.21%
Gold	1464.49	-7.51	-0.51%
Silver	16.94	-0.06	-0.35%
Copper	2.55	-0.02	-0.94%
Gasoil	587.50	-2.75	-0.47%
Brent Oil	59.70	0.45	0.75%

BDLive - Gold prices edged lower on Monday, as the dollar firmed on easing fears of an escalation in the US-China trade war after a report that the US does not plan to delist Chinese companies from US stock markets. The White House is not contemplating blocking Chinese companies from listing shares on US exchanges at this time, Bloomberg quoted Treasury spokesperson Monica Crowley as saying on Saturday.

This came after Reuters reported on Friday the US administration was considering delisting Chinese companies from US stock markets. "For the short term there is some confusion considering the contradicting headlines we are getting on the trade war," said AxiTrader market strategist Stephen Innes.

"In these situations what investors do is quit their position in equities and switch to bond markets," said Innes, adding that this boosted the dollar and in turn made gold expensive.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48813.59	0.00	0.00%
ALSI	48964.00	0.00	0.00%
S&P 500	2961.79	14.95	0.50%
FTSE	7426.21	-18.00	-0.24%
CAC	5677.79	0.00	0.00%
DAX	12428.08	0.00	0.00%
Hang Seng	25954.81	137.46	0.53%



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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	372.00	388.00	16.50	16.00	387.50	-0.50	15.50
MAR 2010	384.00	399.50	15.75	15.50	399.50	0.00	15.50
MAY 2010	391.00	405.25	14.25	14.25	405.00	-0.25	14.00
JUL 2010	396.00	408.50	12.00	12.50	408.25	-0.25	12.25
SEP 2010	399.00	404.50	6.25	5.50	403.25	-1.25	4.25

FarmFutures - Corn prices surged forward today after USDA's quarterly grain stocks report showed lower-than-expected domestic stocks. A large sale to Mexico, announced earlier this morning, lent additional support. December futures climbed 16.5 cents to \$3.88, with March futures rising 15.75 cents to \$3.9950. If March futures are able to climb above \$4 later this week, it will be the first time it has done so since early August. Amid today's futures rally, corn basis bids were steady to slightly weak, moving 1 to 3 cents lower across several Midwestern locations today. USDA put Sept. 1 corn carryout at 2.114 billion bushels in today's quarterly stocks report, which was 331 million below its last estimate earlier this month. The update suggests extremely strong feed usage over the summer, despite abundant supplies of cheap feed wheat and sorghum. Click here to learn more. Corn export inspections improved over last week's dismal 9.3 million bushels but were still lackluster after reaching 15.7 million bushels. That was on the low end of trade estimates that ranged between 15 million and 23 million bushels, with the weekly rate needed to match USDA forecasts moving up to 39.4 million bushels. Mexico led all destinations, with 9.1 million bushels.

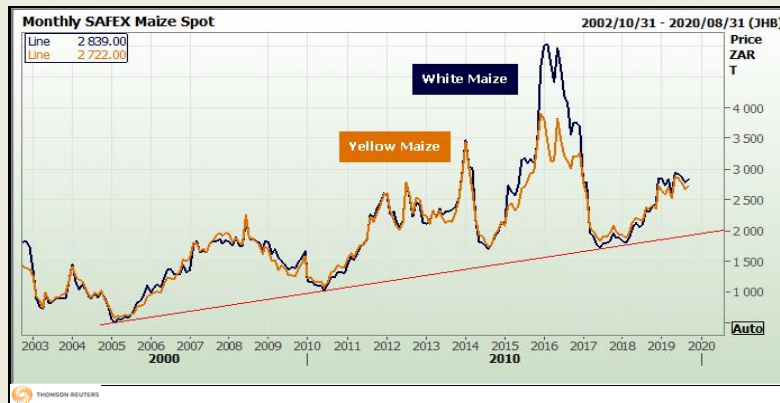
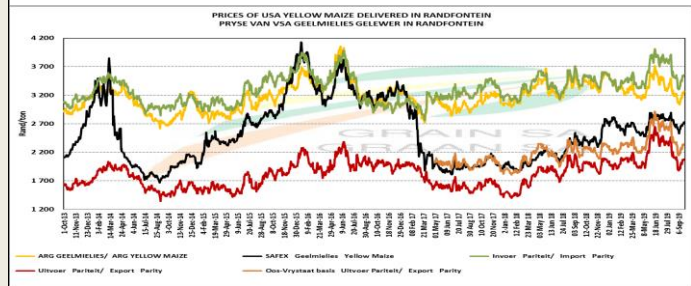
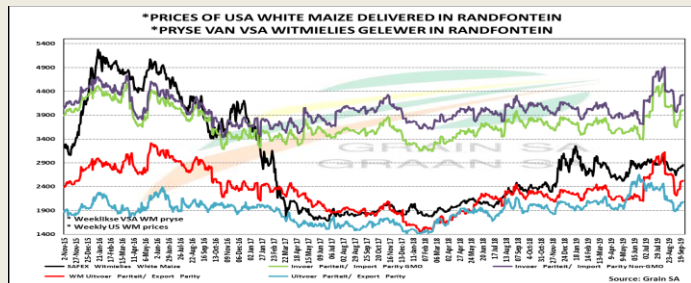
Ahead of this afternoon's crop progress report from USDA, analysts expect the agency to show 14% of the 2019 U.S. crop harvested as of September 29, up from 7% a week earlier. Analysts expect USDA to hold crop quality steady, with 57% of the crop in good-to-excellent condition. Private exporters reported to USDA the sale of 4.7 million bushels of corn for delivery to Mexico during the 2019/20 marketing year, which began September 1. European Union corn imports reached 196.8 million bushels as of September 29, which is trending 37% higher year-over-year so far. Fall has begun, and with it the seasonal trend towards higher fertilizer prices. But an uncertain outlook and a later than normal harvest makes it difficult to predict how much costs will increase – or in some cases, whether they will increase at all. Click here to learn more from the latest Fertilizer Outlook column from Farm Futures senior grain market analyst Bryce Knorr.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Sep 2019				
Dec 2019	R 2 889.00	26.5%	R 86.93	R 2 975.93
Mar 2020	R 2 891.00	29%		R 2 891.00
May 2020	R 2 686.00	0%		R 2 686.00
Jul 2020	R 2 670.00	28.25%		R 2 670.00
Sep 2020	R 2 705.00	0%		R 2 705.00
Dec 2020	R 2 785.00	29%		R 2 785.00
<b>Yellow Maize Future</b>				
Sep 2019				
Dec 2019	R 2 759.00	20.5%	R 86.93	R 2 845.93
Mar 2020	R 2 742.00	20%		R 2 742.00
May 2020	R 2 606.00	0%		R 2 606.00
Jul 2020	R 2 625.00	19.5%		R 2 625.00
Sep 2020	R 2 668.00	0%		R 2 668.00
Dec 2020	R 2 733.00	0%		R 2 733.00

The local Maize market traded higher yesterday. The Dec'19 WMAZ contract ended R6.00 up and Dec'19 YMAZ closed R12.00 higher. The Mar'20 WMAZ closed higher by R2.00 and Mar'20 YMAZ ended R13.00 up. The parity move for the Dec'19 Maize contract for yesterday was R90.00 positive.

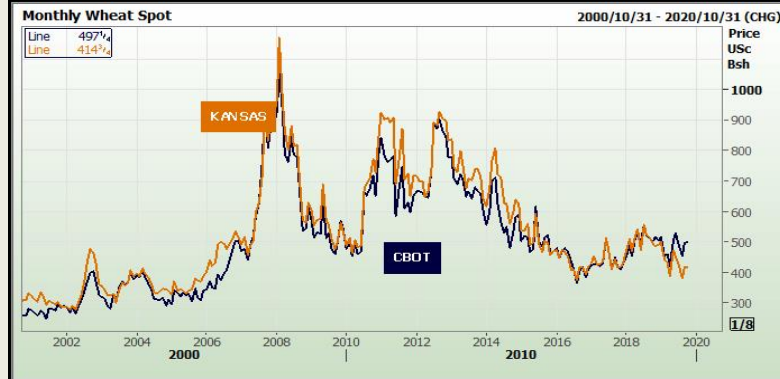


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## Wheat Market

### Chicago Board of Trade and Kansas Board of Trade

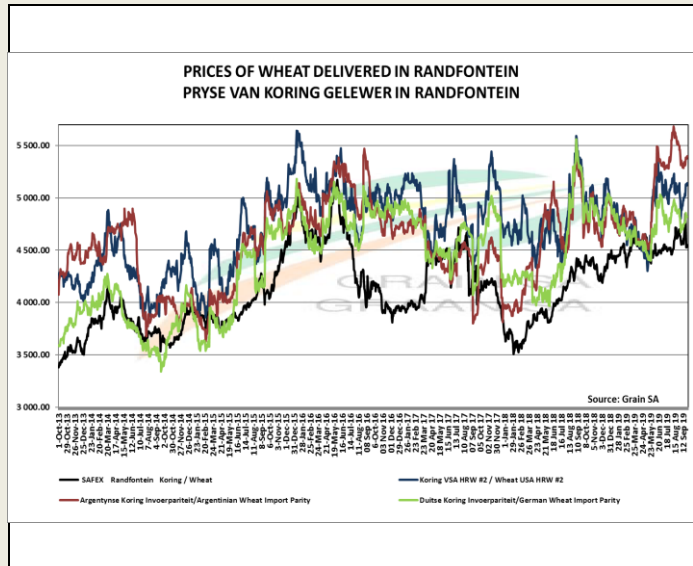
CBOT Wheat									KBOT Wheat						
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2019	491.00	495.75	8.50	4.75	497.25	1.50	6.25	DEC 2019	411.00	415.00	7.50	4.00	414.75	-0.25	3.75
MAR 2010	498.00	502.50	8.75	4.50	504.25	1.75	6.25	MAR 2010	424.00	428.25	7.50	4.25	428.25	0.00	4.25
MAY 2010	502.00	507.25	8.75	5.25	509.00	1.75	7.00	MAY 2010	430.00	437.50	7.25	7.50	436.75	-0.75	6.75
JUL 2010	506.00	510.75	8.50	4.75	512.50	1.75	6.50	JUL 2010	440.00	446.50	7.25	6.50	445.75	-0.75	5.75
SEP 2010	513.00	518.00	8.00	5.00	518.75	0.75	5.75	SEP 2010	451.00	457.50	6.75	6.50	455.75	-1.75	4.75



FarmFutures - Wheat prices were mixed but mostly higher. Winter wheat futures picked up moderate gains on a round of technical selling prompted by spillover strength from corn and soybeans, while spring wheat contracts eased on some technical selling brought on by harvest pressure. December Chicago SRW futures gained 8.5 cents to \$4.9575, December Kansas City HRW futures added 7.75 cents to \$4.1525, and December MGEX spring wheat futures dropped 2.5 cents to \$5.43. Wheat stocks slipped slightly from USDA estimates earlier in September, reaching 2.385 billion bushels, but that tally was higher than the average trade guess of 2.319 billion bushels. All wheat production moved 18 million bushels lower, meantime, primarily due to lower winter wheat output. USDA now estimates total production at 1.962 billion bushels. Wheat export inspections continued a mostly steady pace last week after reaching 17.1 million bushels. That was slightly behind the prior week's tally of 18.0 million bushels but in the middle of trade estimates that ranged between 14 million and 22 million bushels. Egypt was the No. 1 destination, with 3.7 million bushels. Ahead of this afternoon's crop progress report from USDA, analysts expect the agency to show 92% of the U.S. spring wheat crop now harvested, up from 87% a week ago. And winter wheat plantings are estimated at 36%, up from 22% a week ago.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Sep 2019				
Dec 2019	R 4 595.00	11%	R 28.09	R 4 623.09
Mar 2020	R 4 700.00	9.5%		R 4 700.00
May 2020	R 4 732.00	0%		R 4 732.00
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 higher yesterday. The Dec'19 Wheat contract closed R32.00 up and Mar'20 Wheat closed R30.00 higher. The parity move for the Dec'19 Wheat contract for yesterday was R30.00 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	891.00	906.00	23.00	15.00	908.00	2.00
JAN 2010	906.00	919.50	22.00	13.50	921.25	1.75
MAR 2010	918.00	930.00	20.00	12.00	931.50	1.50
MAY 2010	929.00	939.00	18.50	10.00	939.75	0.75
JUL 2010	937.00	947.00	17.50	10.00	947.75	0.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2019	295.9	0.00
DEC 2019	301	302.50
JAN 2010	302.8	304.30
MAR 2010	306.2	307.70
MAY 2010	310.4	311.70

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2019	28.99	29.04
DEC 2019	29.08	29.24
JAN 2010	29.31	29.45
MAR 2010	29.59	29.73
MAY 2010	29.88	30.01



FarmFutures - Soybean prices also trended significantly higher Monday after USDA reported lower-than-expected stocks. A new round of Chinese purchases lent some additional support. November futures added 23 cents to \$9.06, with January futures up 22 cents to \$9.1950 – reaching the highest levels in nearly three months. Soybean basis bids were largely flat Monday but sank 5 cents lower at two interior river terminals today. Domestic soybean stocks fell more than expected in this morning's quarterly grain stocks report from USDA. Stocks slipped to 913 million bushels, versus an average trade guess of 981 million bushels. Total soybean export inspections were 36.1 million bushels for the week ending September 26. That's slightly above the prior week's tally of 34.0 million bushels and on the high end of trade estimates that ranged between 26 million and 40 million bushels. China led all destinations, with 5.1 million bushels. Ahead of this afternoon's crop progress report from USDA, analysts expect the agency to show soybean harvest at 6% complete, with crop quality holding steady at 54% rated in good-to-excellent condition. China purchased up to 22 million bushels of U.S. soybeans earlier today, for shipment between November and January. The latest round of purchases qualifies for quotas that allow for much as 73.5 million bushels to be imported tariff-free. European Union soybean imports are up to 121.3 million bushels as of September 29, which is steady from levels last year. EU soybean imports are up 21% year-over-year, meantime, with palm oil imports down 20% from a year ago.

### South African Futures Exchange

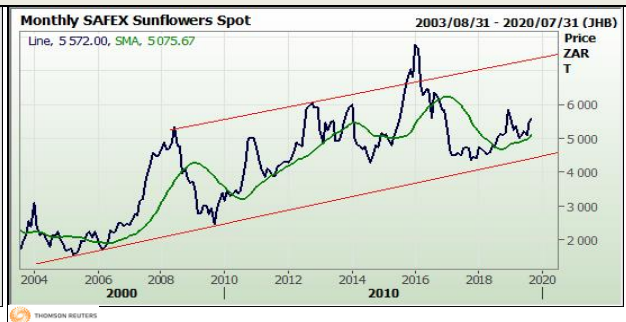
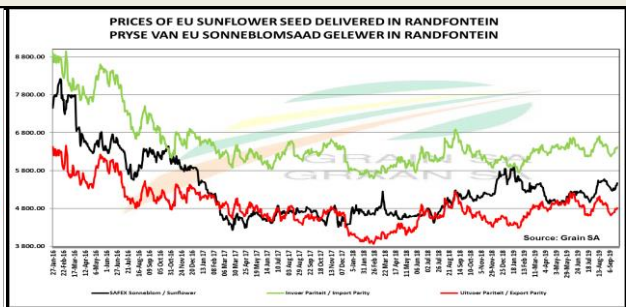
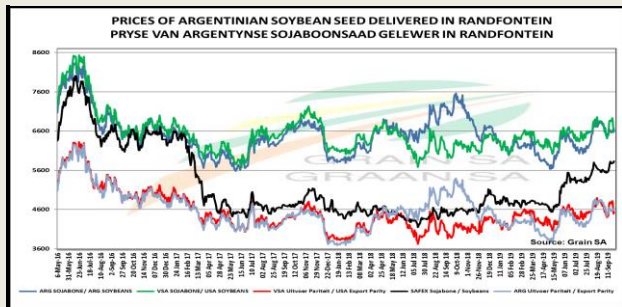
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 5 962.00	14%		R 5 962.00
Mar 2020	R 5 912.00	0%		R 5 912.00
May 2020	R 5 676.00	17%		R 5 676.00
Jul 2020	R 5 760.00	0%		R 5 760.00
Sep 2020	R 5 776.00	0%		R 5 776.00
Dec 2020				

Sunflower Seeds Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 5 719.00	16%		R 5 719.00
Mar 2020	R 5 756.00	0%		R 5 756.00
May 2020	R 5 437.00	13.5%		R 5 437.00
Jul 2020	R 5 393.00	0%		R 5 393.00
Sep 2020				
Dec 2020	R 5 575.00	0%		R 5 575.00



The local Soya market traded higher yesterday. The Dec'19 Soya contract ended R42.00 up and Mar'20 Soya closed R22.00 higher. The parity move for the Dec'19 Soya contract for yesterday was R86.00 positive.

The local Suns market closed higher yesterday. The Dec'19 Suns contract closed R47.00 up and Mar'20 Suns closed R39.00 higher.



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