



Fundamental Report
10 October 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.1597	15.1371	-0.0226	-0.15%
Euro/Rand	16.6511	16.6320	-0.0191	-0.11%
GBPound/Rand	18.5396	18.5027	-0.0369	-0.20%
AusDollar/Rand	10.2252	10.2130	-0.0122	-0.12%
Euro/USDollar	1.0983	1.0989	0.0006	0.05%
GBPound/USDollar	1.2230	1.2229	-0.0001	-0.01%
AusDollar/USDollar	0.6745	0.6747	0.0002	0.03%
JpyYen/USDollar	107.3100	107.4500	0.1400	0.13%

BDLive - The JSE all share closed lower for a second consecutive day on Wednesday as investors await the start of trade negotiations between the US and China on Thursday, with some analysts sceptical that the two countries will make progress this week.

Officials from the world's two biggest economies are expected to meet in Washington, while news reports this week have dimmed expectations that the superpowers will reach a deal at the end of the week.

"The escalating trade war rhetoric and tit-for-tat actions between the US and China have cast doubts on there being any constructive outcome at the upcoming talks," TreasuryONE senior currency dealer Andre Botha said. "This has caused markets to become jittery as the upcoming trade talks will certainly start off on the back foot, and the situation will be monitored closely as this could cause a shift in sentiment at the drop of a hat."



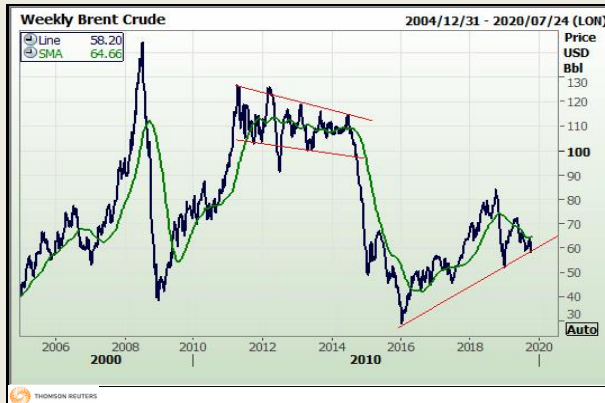
Commodities

	Last	Value Change	% Change
Platinum	891.25	-0.50	-0.06%
Gold	1509.00	3.70	0.25%
Silver	17.84	0.14	0.81%
Copper	2.58	0.01	0.54%
Gasoil	585.00	-6.25	-1.07%
Brent Oil	58.19	-0.13	-0.22%

BDLive - Bengaluru — Gold prices held firm on Wednesday as sagging hopes for progress in US-China trade negotiations sapped risk appetite, with markets watching closely for clues on monetary easing by the US Federal Reserve.

Spot gold was little changed at \$1,505.46/oz as of 3.59am GMT, but stood its ground above \$1,500 after jumping as much as 1% in the previous session. US gold futures gained 0.5% to \$1,511.00/oz. "The market is holding back, and looking at what's going to happen in the US-China trade talks on Thursday. If the trade dispute turns worse, we are going to expect some strong risk-off trade," said Phillip Futures analyst Benjamin Lu.

"The players who were short, rolled back on their positions. We are also seeing some weakness on the equity side."



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48310.69	0.00	0.00%
ALSI	48480.00	0.00	0.00%
S&P 500	2893.06	26.34	0.91%
FTSE	7143.15	23.35	0.33%
CAC	5499.14	0.00	0.00%
DAX	12094.26	0.00	0.00%
Hang Seng	25682.81	38.06	0.15%



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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	394.00	394.25	-1.50	0.25	393.25	-1.00	-0.75
MAR 2010	405.00	405.50	-1.00	0.50	404.75	-0.75	-0.25
MAY 2010	410.00	410.75	-0.50	0.75	410.25	-0.50	0.25
JUL 2010	414.00	414.50	0.00	0.50	414.00	-0.50	0.00
SEP 2010	406.00	405.25	-0.75	-0.75	404.75	-0.50	-1.25

Farmfutures - Corn prices bounced slightly lower in a choppy session Wednesday, as traders had questions about weather, supply and demand that will get some answers tomorrow. December futures slipped 1.5 cents to \$3.9425, while March futures eased a penny lower to \$4.0550.

Corn basis bids were largely unchanged Wednesday but did move 4 cents higher at an Iowa processor and 5 cents higher an Illinois ethanol plant today. Farmer sales have been relatively slow this week as they await the results of tomorrow morning's WASDE data from USDA.

And ahead of that report, analysts expect the agency to show both corn yields and production declining from its September estimates, landing at 167.5 bushels per acre across 81.649 million harvested acres for a total production of 13.684 billion bushels.

Also out tomorrow morning is USDA's weekly export sales report. Analysts expect the agency to show corn sales totaling between 19.7 million and 31.5 million bushels for the week ending October 3.

Ethanol production for the week ending October 4 moved higher for a second consecutive week but still remains suppressed, with a daily average of just 963,000 gallons. November futures firmed nearly 2% to reach \$1.447.

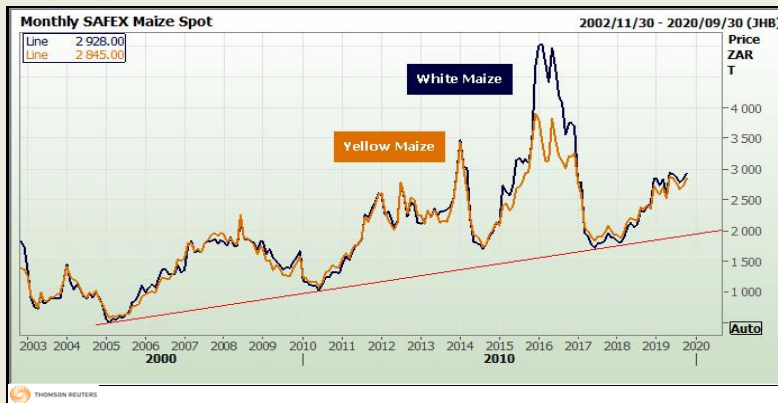
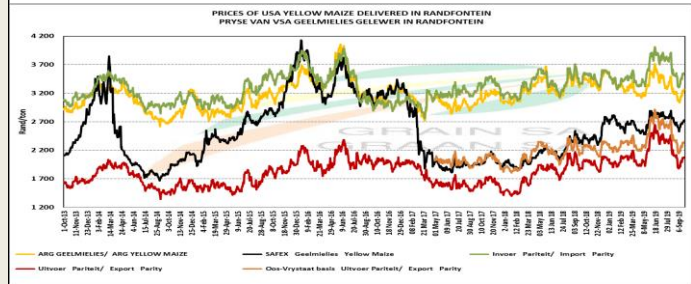
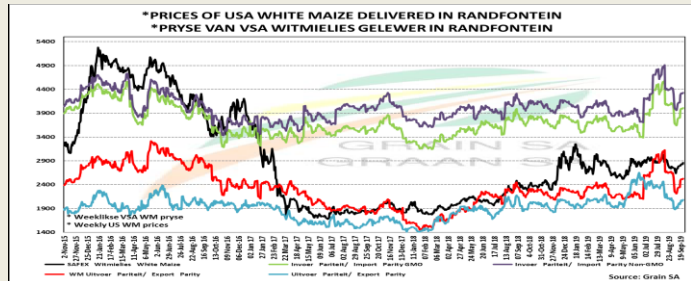
Preliminary volume estimates were for 232,815 contracts, moving moderately below Tuesday's final count of 317,476.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2019				
Dec 2019	R 2 966.00	30%	R -7.97	R 2 958.03
Mar 2020	R 2 942.00	30.5%		R 2 942.00
May 2020	R 2 740.00	0%		R 2 740.00
Jul 2020	R 2 763.00	31%		R 2 763.00
Sep 2020	R 2 795.00	0%		R 2 795.00
Dec 2020	R 2 860.00	29%		R 2 860.00
Yellow Maize Future				
Sep 2019				
Dec 2019	R 2 880.00	22.5%	R -7.97	R 2 872.03
Mar 2020	R 2 843.00	21.5%		R 2 843.00
May 2020	R 2 709.00	0%		R 2 709.00
Jul 2020	R 2 721.00	19.5%		R 2 721.00
Sep 2020	R 2 755.00	0%		R 2 755.00
Dec 2020	R 2 811.00	0%		R 2 811.00

The local Maize market traded higher yesterday. The local Mar'18 WMAZ contract ended R36.00 up and Mar'18 YMAZ closed R32.00 higher. The May'18 WMAZ closed higher by R18.00 and May'18 YMAZ ended R30.00 up. The parity move for the Mar'18 Maize contract for yesterday was R6.00 negative.

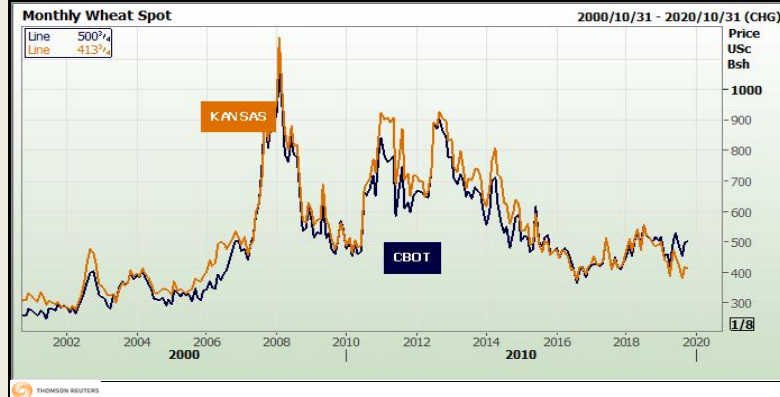


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Wheat Market

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	499.00	500.25	0.00	1.25	500.75	0.50	1.75	DEC 2019	410.00	413.25	3.00	3.25	413.75	0.50	3.75
MAR 2010	505.00	507.00	-0.75	2.00	507.25	0.25	2.25	MAR 2010	422.00	426.25	2.00	4.25	426.25	0.00	4.25
MAY 2010	510.00	512.00	-1.00	2.00	512.25	0.25	2.25	MAY 2010	432.00	436.25	1.75	4.25	435.50	-0.75	3.50
JUL 2010	513.00	516.25	-0.25	3.25	516.25	0.00	3.25	JUL 2010	443.00	445.75	1.50	2.75	445.25	-0.50	2.25
SEP 2010	521.00	524.00	-0.50	3.00	524.00	0.00	3.00	SEP 2010	452.00	456.25	1.75	4.25	0.00	-456.25	-452.00

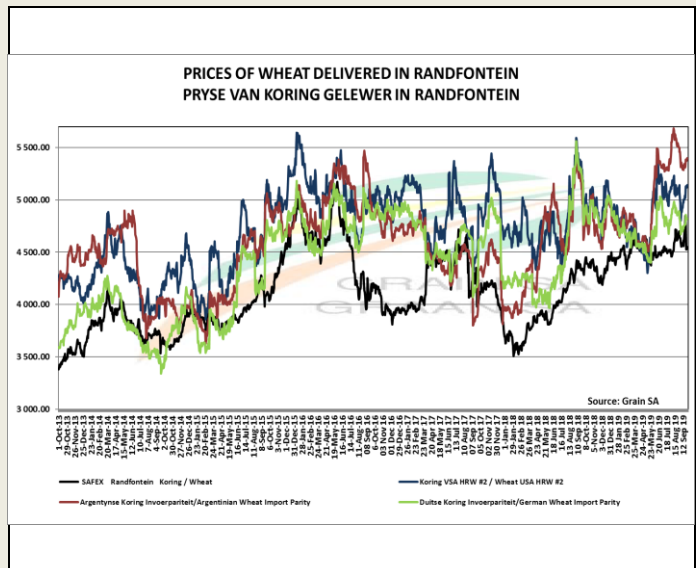


Farmfutures - Wheat prices were narrowly mixed on some uneven technical maneuvering as traders squared positions ahead of tomorrow morning's export sales and WASDE reports from USDA. December Chicago SRW futures held steady at \$5.0025, December Kansas City HRW futures added 3.75 cents to \$4.14, and December MGEX spring wheat futures dipped 1.75 cents to \$5.4225. Ahead of tomorrow's October WASDE report, analysts expect a fractional increase in 2019/20 wheat ending stocks, inching up from 1.014 billion bushels in September to 1.015 billion bushels.

And ahead of the agency's export sales report, analysts expect the agency to show wheat sales totaling between 11.0 million and 22.0 million bushels for the week ending October 3. Russia's agriculture ministry is currently forecasting 2019/20 wheat exports at around 1.323 billion bushels, which would be slightly above last year's levels, if realized. Potential production is unchanged from prior estimates of 2.866 billion bushels. Japan made offers to purchase 4.2 million bushels of food-quality wheat from the U.S. and Canada in a regular tender that closes tomorrow. Of the total, 53% could be sourced from the U.S. China sold another 723,000 bushels of its state reserves of 2013 imported wheat, which was 14.7% of the total available for sale. Preliminary volume estimates were for 72,566 CBOT contracts, down from Tuesday's final count of 89,069.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2019				
Dec 2019	R 4 618.00	11%	R 5.59	R 4 623.59
Mar 2020	R 4 720.00	9.5%		R 4 720.00
May 2020	R 4 759.00	0%		R 4 759.00
Jul 2020	R 4 773.00	0%		R 4 773.00
Sep 2020				
Dec 2020				
Cape Wheat				
Sep 2019				
Dec 2019				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				



The local Weat market closed lower yesterday. The local Mar'18 Weat contract closed R7.00 down and May'18 Weat closed R5.00 lower. The parity move for the Mar'18 Weat contract for yesterday was R7.00 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	Overnight Change from 12pm
NOV 2019	925.00	923.75	3.25	-1.25	924.00	0.25	-1.00
JAN 2010	940.00	938.00	2.75	-2.00	937.50	-0.50	-2.50
MAR 2010	951.00	949.75	2.75	-1.25	949.50	-0.25	-1.50
MAY 2010	961.00	959.50	2.75	-1.50	959.50	0.00	-1.50
JUL 2010	969.00	968.75	3.25	-0.25	968.75	0.00	-0.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2019	305.4	0.00
DEC 2019	309.7	309.80
JAN 2010	312	312.00
MAR 2010	315.5	315.50
MAY 2010	319.3	319.10

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2019	29.63	0.00
DEC 2019	29.71	29.69
JAN 2010	29.94	29.93
MAR 2010	30.2	30.21
MAY 2010	30.49	30.51



Farmfutures - Soybean prices gave up a percentage of the gains captured this morning but still finished Wednesday in the green, nearly reaching a three-month high on technical buying spurred by U.S.-China trade optimism and a round of crop-damaging weather headed toward the Northern Plains and upper Midwest. November futures added 3.25 cents to \$9.2375, while January futures picked up 2.75 cents to \$9.38. Soybean basis bids were steady to slightly firm Wednesday, picking up 2 to 3 cents across a handful of Midwestern locations today. An Indiana processor bucked the general trend after dropping 3 cents lower.

Ahead of tomorrow morning's monthly WASDE report from USDA, analysts are expecting the agency to show a slight decline in soybean yield and production potential from its September agency, with average per-acre yields of 47.3 bpa across 75.705 million harvested acres, for a total production of 3.583 billion bushels. Analysts also made estimates for USDA's weekly export sales report, out first thing tomorrow. Analysts expect another robust soybean sales total, with guesses ranging between 47.8 million and 66.1 million bushels.

Analysts also anticipate USDA will report soy meal sales totaling between 100,000 and 400,000 metric tons last week, plus another 5,000 to 35,000 MT of soy oil sales.

Preliminary volume estimates were for 320,918 contracts, moving up from Tuesday's final count of 276,036.

South African Futures Exchange

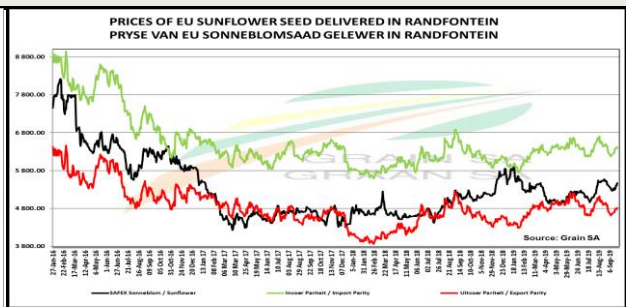
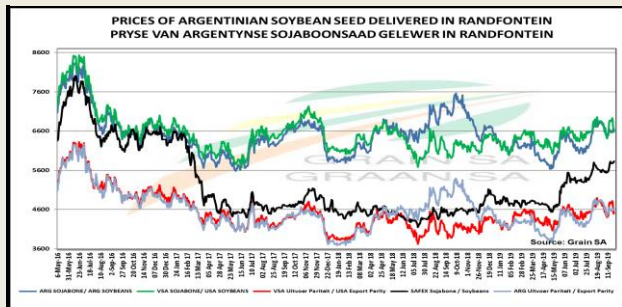
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 6 069.00	14%		R 6 069.00
Mar 2020	R 5 995.00	0%		R 5 995.00
May 2020	R 5 754.00	17%		R 5 754.00
Jul 2020	R 5 842.00	20.5%		R 5 842.00
Sep 2020	R 5 861.00	0%		R 5 861.00
Dec 2020				

Sunflower Seeds Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 5 870.00	16%		R 5 870.00
Mar 2020	R 5 860.00	0%		R 5 860.00
May 2020	R 5 300.00	13.5%		R 5 300.00
Jul 2020	R 5 390.00	0%		R 5 390.00
Sep 2020				
Dec 2020	R 5 575.00	0%		R 5 575.00



The local Soya market traded higher yesterday. The local Mar'18 Soya contract ended R13.00 up and May'18 Soya closed R21.00 higher. The parity move for the Mar'18 Soya contract for yesterday was R11.00 negative.

The local Suns market closed higher yesterday. The local Mar'18 Suns contract closed R23.00 up and May'18 Suns closed R21.00 higher.



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