



Fundamental Report
11 October 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.1133	15.0264	-0.0869	-0.57%
Euro/Rand	16.6676	16.5577	-0.1099	-0.66%
GBPound/Rand	18.5153	18.6837	0.1684	0.91%
AusDollar/Rand	10.2241	10.1819	-0.0422	-0.41%
Euro/USDollar	1.1028	1.1017	-0.0011	-0.10%
GBPound/USDollar	1.2255	1.2437	0.0182	1.49%
AusDollar/USDollar	0.6765	0.6776	0.0011	0.16%
JpyYen/USDollar	107.4000	107.9500	0.5500	0.51%

BDLive - The JSE recorded its biggest gain in a month on Thursday after US President Donald Trump confirmed he would meet with Chinese vice-premier Liu He on Friday.

It was reported earlier that the Chinese delegation meeting with US officials over trade would call the talks off a day early, but Trump confirmed the meeting for Friday late on Thursday.

World markets rose on the news, with the local bourse tracking those gains. Shortly after the JSE closed, the Dow was up 0.83% to 26,583.04 points. In Europe, the FTSE 100 had added 0.28%, France's CAC 40 1.27%, and Germany's DAX 30 0.58%. Earlier, the Shanghai Composite rose 0.78% and Japan's Nikkei 225 0.45%.

The JSE all share gained 1.35% to 55,071.8 points and the top 40 1.49%; this was the former's biggest gain since September 11. Banks fared best, up 2.52%, followed by resources, which added 1.97%. In an indication of the return to risk assets on the day, the gold index fell 2.79%.



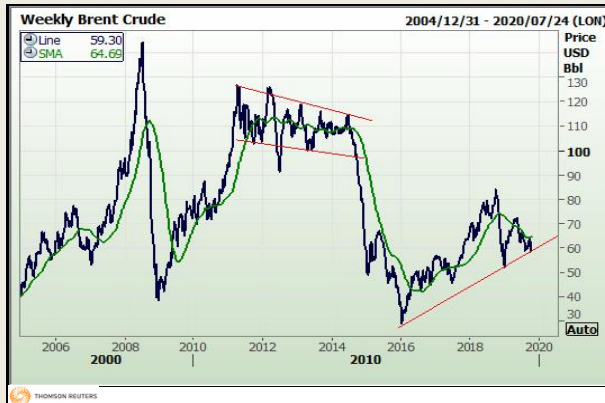
Commodities

	Last	Value Change	% Change
Platinum	898.88	-0.38	-0.04%
Gold	1496.12	2.12	0.14%
Silver	17.55	0.07	0.38%
Copper	2.61	0.00	-0.02%
Gasoil	584.75	5.25	0.90%
Brent Oil	59.30	0.20	0.34%

BDLive - Bengaluru — Gold edged tentatively higher on Thursday ahead of US-China trade talks set to begin in Washington later in the day, amid mixed signals over the prospects for the negotiations.

Spot gold was up 0.1% at \$1,506.96/oz, as of 12.04pm GMT, having hit a one-week peak of \$1,516.77 early in the session. US gold futures were down 0.1% at \$1,512.10. "The market is extremely nervous. Everybody is really positive towards the price of gold, but everybody is waiting for some sort of assurance or confirmation on the trade talks," said Afshin Nabavi, senior vice-president at precious metals trader MKS SA. Markets have been on edge for weeks over the US-China trade tensions and recent data has pointed to further weakening in global growth.

The South China Morning Post newspaper reported the Chinese delegation was planning to leave Washington after just a day of minister-level meetings, a day earlier than expected.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49032.54	0.00	0.00%
ALSI	49215.00	0.00	0.00%
S&P 500	2919.40	18.73	0.64%
FTSE	7166.50	19.86	0.28%
CAC	5569.05	0.00	0.00%
DAX	12164.20	0.00	0.00%
Hang Seng	25707.93	353.05	1.37%



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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	380.25	-14.00	-13.75	382.50	2.25	-11.50
MAR 2010	406.00	391.50	-14.00	-14.50	393.25	1.75	-12.75
MAY 2010	411.00	397.50	-13.25	-13.50	399.75	2.25	-11.25
JUL 2010	415.00	402.25	-12.25	-12.75	404.50	2.25	-10.50
SEP 2010	405.00	400.50	-4.75	-4.50	401.75	1.25	-3.25

Farmfutures - Corn prices slumped more than 3.5% lower Thursday as USDA's October yield and production estimates came in moderately higher than analyst projections. December and March futures each fell 14 cents to land at \$3.8025 and \$3.9150, respectively. Corn basis bids were mostly steady Thursday as farmers awaited results of today's WASDE report. Bids did rise 5 cents at an Iowa processor and 4 cents at an Iowa ethanol plant, however.

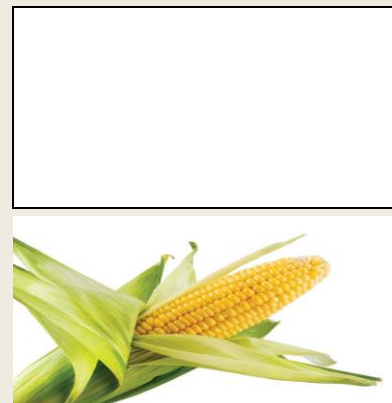
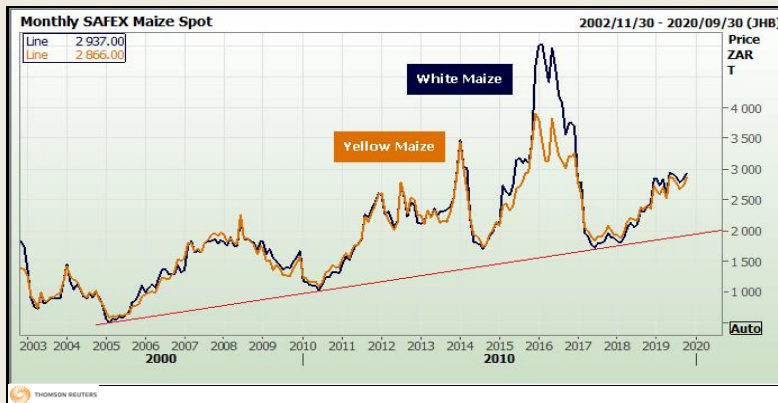
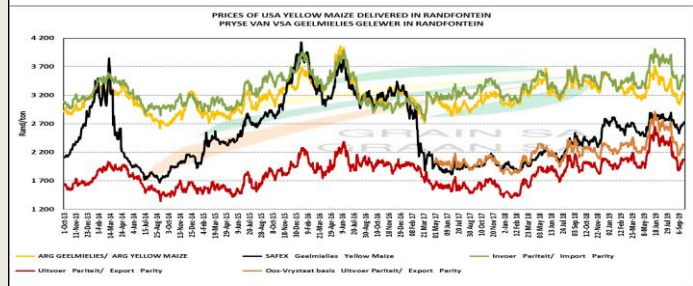
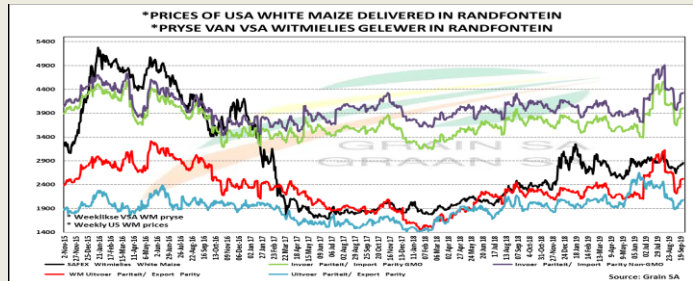
USDA cut its projected harvested corn acres to 81.8 million acres but was less stingy than average trade estimates of 81.5 million acres. USDA also says yield potential is currently 168.4 bushels per acre, versus an average trade guess of 166.7 million bushels. Those numbers leave current corn production estimates at 13.779 billion bushels – coming in moderately above average trade estimates at 13.588 billion bushels. USDA reduced its corn export forecast by 150 million bushels, citing smaller supplies and weakening U.S. competitiveness. Corn use for ethanol also dropped 50 million bushels based on September data from the Energy Information Administration. The agency also raised its season-average price received by producers by 20 cents to \$3.80 per bushel. Click here for our full analysis of today's report. For the week ending October 3, corn export sales tumbled to nearly half of the prior week's tally of 22.3 million bushels after notching just 11.2 million bushels. That was also well below the average trade estimate of 25.6 million bushels. Corn export shipments were also sluggish last week, reaching only 18.7 million bushels. Brazil's Conab is expecting total corn crop production to reach 3.873 billion bushels for 2019/20, slipping 1.7% below last year's tally, if realized. Exports are expected to fall more than 10% to 1.339 billion bushels. China sold another 3.1 million bushels of its state corn reserves at auction today, which was 2.2% of the total available for sale. Preliminary volume estimates were for 507,229 contracts, which more than doubled Wednesday's final count of 232,815.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2019				
Dec 2019	R 2 976.00	30%	R -81.51	R 2 894.49
Mar 2020	R 2 939.00	30.5%		R 2 939.00
May 2020	R 2 755.00	0%		R 2 755.00
Jul 2020	R 2 776.00	31%		R 2 776.00
Sep 2020	R 2 810.00	0%		R 2 810.00
Dec 2020	R 2 876.00	29%		R 2 876.00
Yellow Maize Future				
Sep 2019				
Dec 2019	R 2 900.00	22.5%	R -81.51	R 2 818.49
Mar 2020	R 2 840.00	21.5%		R 2 840.00
May 2020	R 2 710.00	0%		R 2 710.00
Jul 2020	R 2 738.00	19.5%		R 2 738.00
Sep 2020	R 2 771.00	0%		R 2 771.00
Dec 2020	R 2 831.00	0%		R 2 831.00

The local Maize market traded mixed yesterday. The local Dec'19 WMAZ contract ended R10.00 up and Dec'19 YMAZ closed R20.00 higher. The Mar'20 WMAZ closed lower by R3.00 and Mar'20 YMAZ ended R3.00 down. The parity move for the Dec'19 Maize contract for yesterday was R83.00 negative.

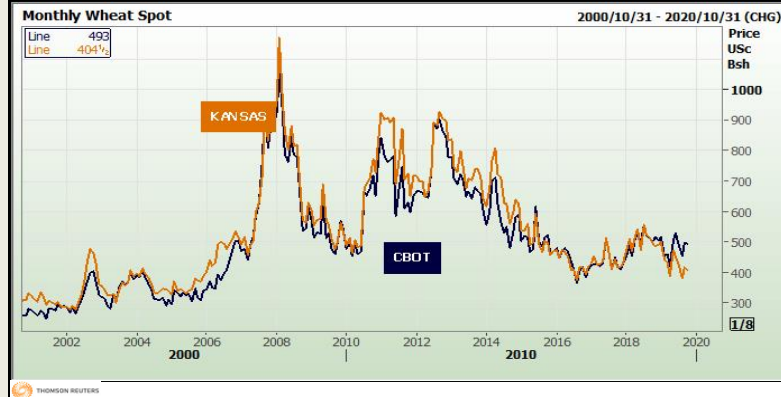


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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

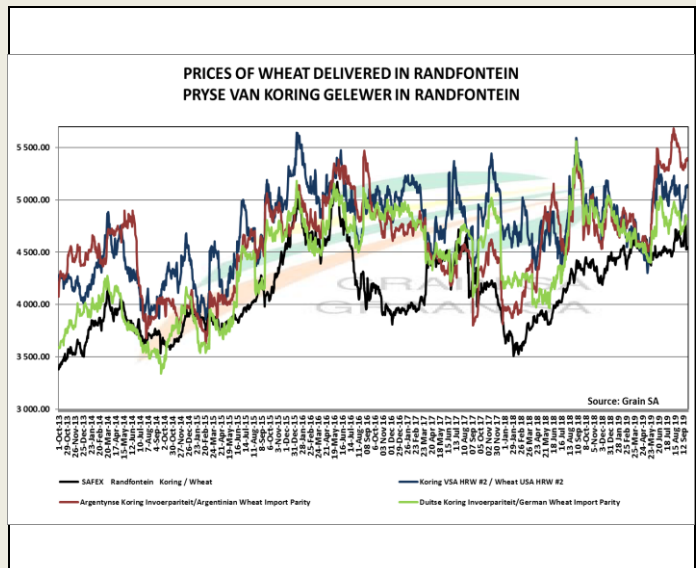
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2019	503.00	493.00	-7.25	-10.00	493.00	0.00	-10.00	DEC 2019	417.00	403.25	-10.00	-13.75	404.50	1.25	-12.50
MAR 2010	510.00	499.75	-7.25	-10.25	499.00	-0.75	-11.00	MAR 2010	430.00	416.50	-9.75	-13.50	417.75	1.25	-12.25
MAY 2010	513.00	505.25	-6.75	-7.75	504.50	-0.75	-8.50	MAY 2010	439.00	427.00	-9.25	-12.00	428.00	1.00	-11.00
JUL 2010	518.00	510.00	-6.25	-8.00	509.00	-1.00	-9.00	JUL 2010	449.00	436.75	-9.00	-12.25	437.75	1.00	-11.25
SEP 2010	524.00	517.75	-6.25	-6.25	0.00	-517.75	-524.00	SEP 2010	459.00	447.50	-8.75	-11.50	0.00	-447.50	-459.00



Farmfutures - Wheat prices ran aground on a wave of technical selling that followed today's WASDE report, which showed higher domestic and world stocks. A batch of decent export sales data out earlier this morning wasn't enough to staunch the bleeding. December Chicago SRW futures dropped 7.25 cents to \$4.93, December Kansas City HRW futures fell 11.5 cents to \$4.0175, and December MGEX spring wheat futures lost 6.5 cents to \$5.3275. USDA's outlook for 2019/20 U.S. wheat in this morning's WASDE report included the trends of lower supplies, reduced total use and higher ending stocks. The agency lowered its season-average farm price by a dime to \$4.70 per bushel. Wheat export sales climbed higher week-over-week, to 19.2 million bushels. That was moderately above the prior week's tally of 12.1 million bushels and ahead of trade estimates of 16.5 million bushels. Wheat export shipments were also solid, with another 18.0 million bushels. Saudi Arabia and the UAE confirmed their commitment to sending Sudan food aid totaling 19.8 million bushels of wheat over the past three months. The countries shipped the fourth and final batch earlier today. Japan confirmed it purchased 4.2 million bushels of food-quality wheat from the U.S. and Canada in a regular tender that closed earlier today. Of the total, 53% was sourced from the U.S. Preliminary volume estimates were for 104,214 CBOT contracts, moving moderately ahead of Wednesday's final count of 72,521.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2019				
Dec 2019	R 4 615.00	11%	R -71.27	R 4 543.73
Mar 2020	R 4 715.00	9.5%		R 4 715.00
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 Dec'19 Weat contract closed R3.00 down and Mar'20 Weat closed R5.00 lower. The parity move for the Dec'19 Weat contract for yesterday was R72.00 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	926.00	923.50	-0.25	-2.50	929.00	5.50
JAN 2010	939.00	937.50	-0.50	-1.50	942.75	5.25
MAR 2010	952.00	949.50	-0.25	-2.50	955.00	5.50
MAY 2010	962.00	959.00	-0.50	-3.00	964.00	5.00
JUL 2010	971.00	968.50	-0.25	-2.50	972.75	4.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2019	304.1	0.00
DEC 2019	307.8	309.70
JAN 2010	310.1	312.00
MAR 2010	313.7	315.70
MAY 2010	317.6	319.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2019	29.7	0.00
DEC 2019	29.78	29.77
JAN 2010	30.01	30.01
MAR 2010	30.27	30.27
MAY 2010	30.56	30.60



Farmfutures - Soybean prices finished fractionally lower Thursday amid spillover weakness from corn and wheat. Losses were minimal in today's choppy session, however, as USDA showed lower yields, production and ending stocks. Traders are also waiting for news coming out of this week's high-level trade meetings between the U.S. and China. November futures slipped 0.25 cents to \$9.2350, with January futures easing half a penny to \$9.3750. In this morning's WASDE report, USDA lowered its estimated harvested acres down to 75.6 million harvested acres with per-acre yield estimates of 46.9 bpa. Both numbers were slightly below average trade estimates. Production estimates also fell to 3.550 billion bushels, versus the average trade guess of 3.562 billion bushels. After measuring lower production with a small increase in soybean crush, USDA projects ending stocks down another 180 million bushels this month. Smaller supplies have also raised prices in recent weeks, with USDA marking the season-average price for 2019/20 at \$9.00 per bushel, a 50-cent increase. Soybean basis bids were narrowly mixed at two Midwestern elevators Thursday but were mostly steady elsewhere in the central U.S. today. Private exporters reported the sale of 14.6 million bushels of soybeans for delivery to China during the 2019/20 marketing year, which began September 1. Total soybean sales reached 77.0 million bushels last week, climbing slightly above the prior week's tally of 76.3 million bushels and well above analyst estimates of 57.0 million bushels. Soybean export shipments were a much more modest 38.1 million bushels.

South African Futures Exchange

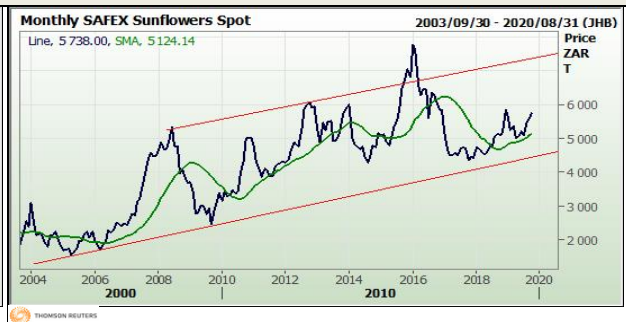
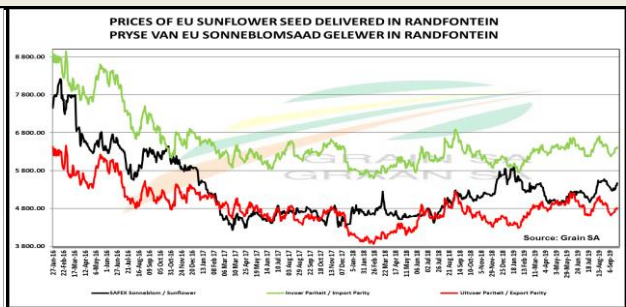
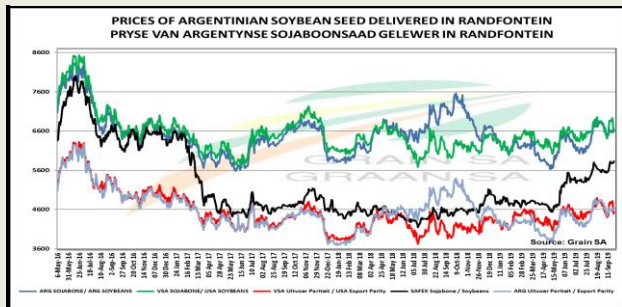
Soybean Future			
	MTM	Vols	Market Price
Sep 2019			
Dec 2019	R 6 058.00	14%	R 6 058.00
Mar 2020	R 5 969.00	0%	R 5 969.00
May 2020	R 5 754.00	17%	R 5 754.00
Jul 2020	R 5 842.00	20.5%	R 5 842.00
Sep 2020	R 5 861.00	0%	R 5 861.00
Dec 2020			

Sunflower Seeds Future		
	MTM	Vols
Sep 2019		
Dec 2019	R 5 859.00	16%
Mar 2020	R 5 851.00	0%
May 2020	R 5 351.00	13.5%
Jul 2020	R 5 390.00	0%
Sep 2020		
Dec 2020	R 5 575.00	0%



The local Soya market traded lower yesterday. The local Dec'19 Soya contract ended R11.00 down and Mar'20 Soya closed R26.00 lower. The parity move for the Dec'19 Soya contract for yesterday was R11.00 negative.

The local Suns market closed lower yesterday. The local Dec'19 Suns contract closed R11.00 down and Mar'20 Suns closed R9.00 lower.



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