



Fundamental Report
16 October 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.8090	14.9161	0.1071	0.72%
Euro/Rand	16.3118	16.4555	0.1437	0.88%
GBPound/Rand	18.7303	19.0138	0.2835	1.51%
AusDollar/Rand	10.0183	10.0411	0.0228	0.23%
Euro/USDollar	1.1012	1.1028	0.0016	0.15%
GBPound/USDollar	1.2643	1.2751	0.0108	0.85%
AusDollar/USDollar	0.6765	0.6732	-0.0033	-0.49%
JpyYen/USDollar	108.2800	108.6300	0.3500	0.32%

BDLive - The rand extended losses on Tuesday as investors remain uncertain about the trajectory of the US-China trade war and global economic growth.

Mixed reports regarding the trade war have weighed on emerging-market currencies this week as markets assess the effect of the prolonged battle on global growth.

The IMF warned on Tuesday that geopolitical uncertainty could slow global GDP growth to a decade low in 2019 saying that the outlook could worsen if the trade war is not resolved. US treasury secretary Steven Mnuchin said on Monday that the December tariff hike on Chinese goods would be imposed if a trade deal had not been reached, after reports that China wanted the US to scrap the tariff hike.

This followed reports that China wants to hold another round of talks before signing the "phase one" trade agreement with the US.



Commodities

	Last	Value Change	% Change
Platinum	885.40	-3.10	-0.35%
Gold	1483.66	2.74	0.18%
Silver	17.45	0.08	0.44%
Copper	2.61	-0.01	-0.33%
Gasoil	582.25	-1.25	-0.21%
Brent Oil	58.93	0.19	0.32%

BDLive - Bengaluru — Gold prices held steady on Tuesday as optimism surrounding US-China trade negotiations faded, while investors awaited outcome of a crucial discussion that will determine how Britain will depart from the EU. Spot gold rose 0.1% to \$1,493.77 an ounce as of 4.06am GMT. US gold futures also inched up 0.1% to \$1,498.40 an ounce.

"Markets enjoyed a good risk-on rally, but on Monday news saying that China required more negotiation and talks before they find any deal, which is disappointing," said Margaret Yang Yan, a market analyst at CMC Markets.

"Gold is in a consolidation phase, momentum is weak for a good rebound. The market is making lower highs and lower lows."

A Bloomberg report on Monday, citing sources, said China wants more talks as soon as the end of October to hammer out the details of Trump's phase one deal before Chinese President Xi Jinping agrees to sign it.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49391.20	0.00	0.00%
ALSI	49557.00	0.00	0.00%
S&P 500	2966.15	29.53	1.00%
FTSE	7213.45	-1.81	-0.03%
CAC	5702.05	0.00	0.00%
DAX	12629.79	0.00	0.00%
Hang Seng	26503.93	112.28	0.42%



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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	398.00	393.25	-4.50	-4.75	391.25	-2.00	-6.75
MAR 2010	408.00	404.25	-3.25	-3.75	403.00	-1.25	-5.00
MAY 2010	413.00	410.50	-2.00	-2.50	409.00	-1.50	-4.00
JUL 2010	417.00	415.25	-0.75	-1.75	414.25	-1.00	-2.75
SEP 2010	406.00	406.25	-0.25	0.25	405.50	-0.75	-0.50

FarmFutures - Corn prices saw moderate cuts Tuesday on some technical selling partially spurred by another tepid round of export inspection data from USDA this morning. December futures fell 4.5 cents to \$3.9325, with March futures dropping 3.25 cents to \$4.0425.

Corn basis bids were largely steady Tuesday but saw two big swings after moving 13 cents higher at an Iowa river terminal but tumbling 10 cents lower at an Iowa processor today. Farmer sales have been relatively slow overall. Corn's export inspection totals for the week ending October 10 eased slightly from the prior week's tally of 18.6 million bushels to finish with 18.5 million bushels for the week ending October 10. That was on the low end of trade estimates that ranged between 15 million and 27 million bushels. Mexico once again emerged as the No. 1 destination, with 7.4 million bushels.

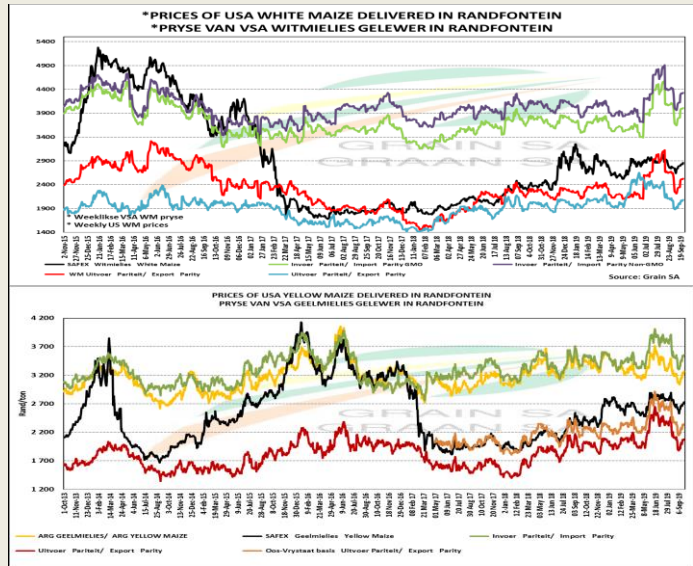
Ahead of this afternoon's USDA crop progress report, analysts expect the agency to show corn harvest at 24% complete, compared to 15% a week ago. Analysts also expect USDA to lower crop quality by a point, with 55% of the crop in good-to-excellent condition. Is production potential in Illinois a signal that nationwide corn yields may fall below the trend line for the first time in seven years? Farmers reporting to Feedback From The Field are reporting a wide range of results so far in the Land of Lincoln that have ranged between 120 and 215 bushels per acre. What's happening in your area? Click here to read the latest farmer anecdotes and view our interactive map. In Ukraine, analyst APK-Inform expects the country's 2019 corn harvest to drop 1.8% below prior estimates, reaching 1.306 billion bushels. Exports are also expected to decrease 1.1% over prior estimates, now at 1.043 billion bushels. Preliminary volume estimates were for 216,341 contracts, down 14% from Monday's final count of 251,284.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2019				
Dec 2019	R 2 969.00	30%	R -22.86	R 2 946.14
Mar 2020	R 2 956.00	32%		R 2 956.00
May 2020	R 2 785.00	0%		R 2 785.00
Jul 2020	R 2 810.00	31%		R 2 810.00
Sep 2020	R 2 840.00	0%		R 2 840.00
Dec 2020	R 2 910.00	29%		R 2 910.00
Yellow Maize Future				
Sep 2019				
Dec 2019	R 2 882.00	23%	R -22.86	R 2 859.14
Mar 2020	R 2 844.00	21.5%		R 2 844.00
May 2020	R 2 701.00	0%		R 2 701.00
Jul 2020	R 2 722.00	20%		R 2 722.00
Sep 2020	R 2 765.00	0%		R 2 765.00
Dec 2020	R 2 830.00	0%		R 2 830.00

The local Maize market traded mixed yesterday. The Dec'19 WMAZ contract ended R10.00 down and Dec'19 YMAZ closed R1.00 lower. The Mar'20 WMAZ closed lower by R16.00 while Mar'20 YMAZ ended R3.00 up. The parity move for the Dec'19 Maize contract for yesterday was R25.00 negative.

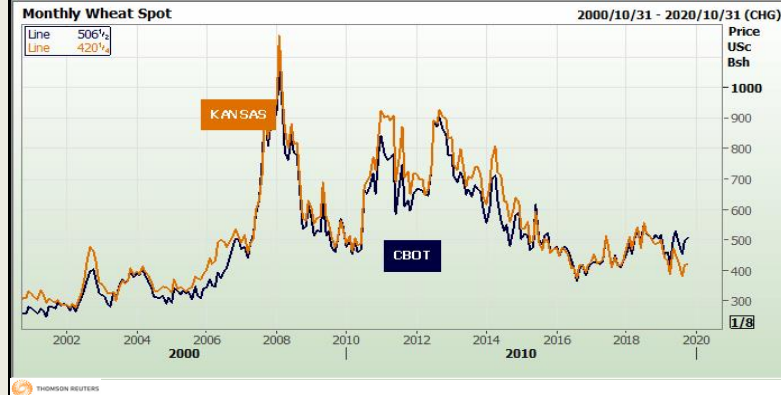


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Wheat Market

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	511.00	507.00	-4.00	-4.00	506.50	-0.50	-4.50	DEC 2019	426.00	421.25	-4.50	-4.75	420.25	-1.00	-5.75
MAR 2010	517.00	513.25	-3.50	-3.75	513.25	0.00	-3.75	MAR 2010	437.00	434.25	-3.50	-2.75	433.25	-1.00	-3.75
MAY 2010	521.00	518.25	-3.00	-2.75	517.50	-0.75	-3.50	MAY 2010	447.00	444.00	-2.75	-3.00	442.25	-1.75	-4.75
JUL 2010	524.00	522.25	-2.25	-1.75	521.25	-1.00	-2.75	JUL 2010	456.00	453.25	-3.00	-2.75	451.50	-1.75	-4.50
SEP 2010	530.00	528.75	-2.25	-1.25	527.50	-1.25	-2.50	SEP 2010	466.00	463.50	-2.75	-2.50	0.00	-463.50	-466.00



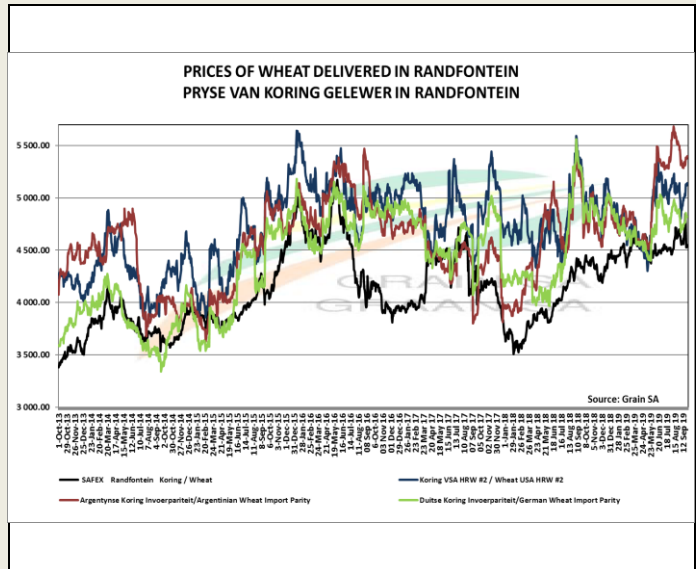
FarmFutures - Wheat prices followed corn and soybeans lower on some technical selling Tuesday, with a mediocre round of export inspection data doing no favors. December Chicago SRW futures dropped 4 cents to \$5.07, December Kansas City HRW futures fell 5.25 cents to \$4.2050, and December MGEX spring wheat futures lost 6.5 cents to \$5.4475. Wheat export inspections eased slightly from the prior week's tally of 17.6 million bushels down to 17.0 million bushels last week. That was in the middle of trade estimates that ranged between 11 million and 22 million bushels. Japan was the No. 1 destination, with 3.1 million bushels. Ahead of this afternoon's crop progress report from USDA, analysts expect the agency to show minimal progress for the spring wheat harvest, moving from 91% complete a week ago up to 94%. Winter wheat's planting pace may fare somewhat better, with analysts estimating that progress moved from 52% a week ago up to 66%.

Analyst APK-Inform has raised its estimates for Ukraine's 2019 wheat harvest by 1.4% to 1.025 billion bushels. The consultancy also projects Ukraine's 2019/20 wheat export forecast up another 4.5% to 683 million bushels.

Preliminary volume estimates were for 56,063 CBOT contracts, sliding moderately below Monday's final count of 88,812.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2019				
Dec 2019	R 4 513.00	11%	R -4.55	R 4 508.45
Mar 2020	R 4 611.00	9.5%		R 4 611.00
May 2020	R 4 712.00	0%		R 4 712.00
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 Wheat market closed lower yesterday. The Dec'19 Wheat contract closed R27.00 down and Mar'20 Wheat closed R38.00 lower. The parity move for the Dec'19 Wheat contract for yesterday was R6.00 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
NOV 2019	943.00	934.00	-6.50	-9.00	934.75	0.75
JAN 2010	957.00	948.50	-6.50	-8.50	949.00	0.50
MAR 2010	967.00	959.25	-5.75	-7.75	959.75	0.50
MAY 2010	974.00	967.00	-5.25	-7.00	968.00	1.00
JUL 2010	983.00	976.25	-4.25	-6.75	977.50	1.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2019	307.8	308.00
JAN 2010	310.4	310.60
MAR 2010	314.1	314.30
MAY 2010	317.7	317.80
JUL 2010	321.4	321.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2019	30.39	30.40
JAN 2010	30.63	30.64
MAR 2010	30.88	30.89
MAY 2010	31.16	31.18
JUL 2010	31.43	31.45



FarmFutures - Soybean prices fell moderately after traders shrugged off a solid round of export inspection data this morning – anxious for more concrete details in the latest round of U.S.-China trade negotiations that concluded late last week. November and January futures each lost 6.5 cents to close at \$9.34 and \$9.4850, respectively. Soybean basis bids were steady to firm Tuesday, rising as much as 15 cents higher at an Iowa river terminal and 12 cents higher at an Illinois processor today. Private exporters reported to USDA the sale of 5.2 million bushels of soybeans for delivery to unknown destinations for the 2019/20 marketing year, which began September 1. Soybean export inspections also eased slightly week-over-week, moving from 38.6 million bushels down to 35.1 million bushels. That was in the middle of trade estimates that ranged between 27 million and 45 million bushels. Egypt was the No. 1 destination, with 7.7 million bushels. Ahead of this afternoon's crop progress report from USDA, analysts expect the agency to show 25% of the U.S. soybean harvest complete, up from 14% a week ago. Analysts also expect USDA to dock crop quality a point, falling to 52% in good-to-excellent condition. The National Oilseed Processors Association (NOPA) reported a September soybean crush of 152.566 million bushels, which was 9.2% below the August crush and well below analyst estimates of 162.193 million bushels. NOPA also says soyoil stocks rose from 1.401 billion pounds in August up to 1.442 billion pounds – the first increase in the past five months. Preliminary volume estimates were for 240,041 contracts, tilting slightly below Monday's final count of 265,023.

South African Futures Exchange

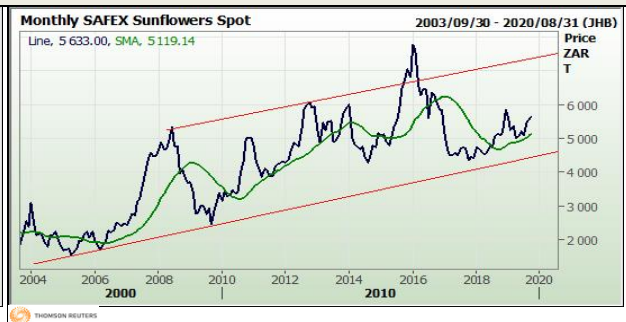
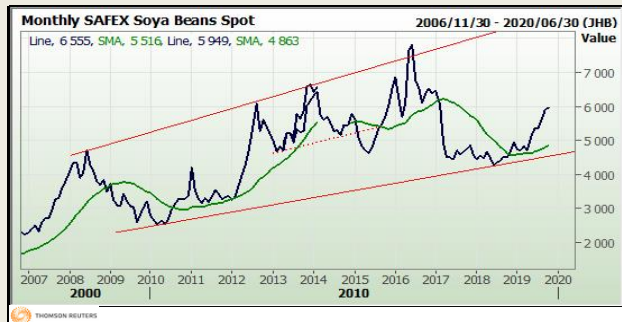
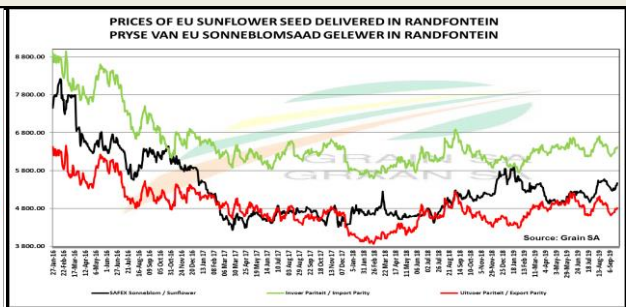
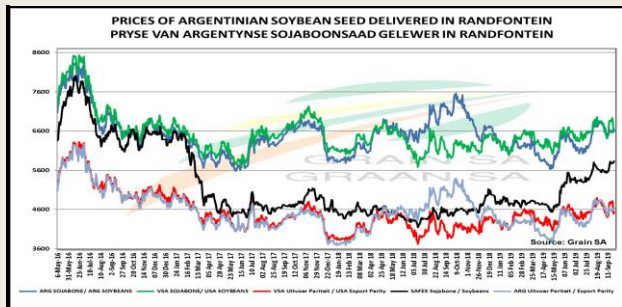
Soybean Future			
	MTM	Vols	Market Price
Sep 2019			
Dec 2019	R 5 948.00	14%	R 5 948.00
Mar 2020	R 5 884.00	0%	R 5 884.00
May 2020	R 5 780.00	17%	R 5 780.00
Jul 2020	R 5 842.00	20.5%	R 5 842.00
Sep 2020	R 5 861.00	0%	R 5 861.00
Dec 2020			

Sunflower Seeds Future			
	MTM	Vols	Market Price
Sep 2019			
Dec 2019	R 5 750.00	16%	R 5 750.00
Mar 2020	R 5 740.00	0%	R 5 740.00
May 2020	R 5 325.00	13.5%	R 5 325.00
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 lower yesterday. The Dec'19 Soya contract ended R35.00 down and Mar'20 Soya closed R48.00 lower. The parity move for the Dec'19 Soya contract for yesterday was R9.00 negative.

The local Suns market closed lower yesterday. The Dec'19 Suns contract closed R6.00 down and Mar'20 Suns closed R22.00 lower.



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